

Orient Technology is an IT solutions firm based in Mumbai, Maharashtra, established in 1997. Over the years, they have developed significant experience in producing products and solutions for specific disciplines across business verticals, which include IT Infrastructure (Products and solutions include Data Center Solutions and End-User Computing), IT Enabled Services (IteS) (Services include Managed Services, Multi-Vendor Support Services, IT Facility Management Services, Network Operations Center Services, Security Services, and Renewals) Cloud and Data Management Services (Services include migration of workload from data centres to cloud).

The company works with technology partners such as Dell International Services India Private Limited (Dell), Fortinet, Inc. (Fortinet), and Nutanix Netherlands B.V. to provide innovative solutions for its business operations. Customization of product and service offerings is crucial for meeting clients' individual needs. Collaboration with technology partners enhances product design and innovation, allowing for bespoke solutions to meet unique consumer needs. India dominates commercial activities and generates the majority of revenues, including from global corporations.

The company is led by experienced and technically competent Promoters Ajay Baliram Sawant, Jayesh Manharlal Shah, Ujwal Arvind Mhatre, and Umesh Navnitlal Shah. They have co-founded, conceptualized, incubated, and fostered businesses and are still actively involved in operations. Each adds unique operating strengths to the Company.

The company's financial performance has consistently improved as it expanded its product variety and customer base. Revenue from operations increased at a CAGR of 13.57% between Fiscal 2022 and Fiscal 2024. Revenue from operations in Fiscal 2024, Fiscal 2023, and Fiscal 2022 were RS. 602.89 Crs, Rs. 535.10 Crs, and Rs. 467.44 Crs, respectively. Our profit after taxes for Fiscal 2024, Fiscal 2023, and Fiscal 2022 were Rs. 41.45 Crs, Rs. 38.30 Crs, and Rs. 33.49 Crs, respectively.

The company believes that maintaining a high level of quality in both products and processes is vital to growth and success. Established quality procedures to assure the quality of the products and solutions offered. Company has received ISO 27001:2013 (Information Security Management System), ISO 20000-1:2018 (Information Technology Services Management), ISO 9001:2015 (Quality Management System), and ISO/IEC 27001:2013 (Information Security Management System) certifications, as well as the CMMI Maturity Level 3 Certificate.

50% for the net offer by Orient Technologies has been reserved for qualified institutional bidders, while non-institutional investors will get 15% of the net offer. Retail investors will have 35% of the net offer allocated for them.

Issue Objectives:

1. Acquisition of office premises at Navi Mumbai, Thane.
2. Purchase of equipment of Network Operating Centre (NOC) and Security Operation Centre (SOC) at Navi Mumbai Property.
3. Acquire equipment and devices to offer Devise-as-a-Service (Daas) offering.
4. General Purpose

Orient Tech's financial performance is expected to be driven by an expansion of its product and service portfolio, a larger global footprint, and long-term relationships with clients. At the upper price band of Rs. 206, the issue is valued at a P/E multiple of 20.7 times its FY24 post-IPO EPS of Rs. 9.95, which is considered fair in comparison to its rivals," it said with a 'subscribe' recommendation.

Type of Issue	Fresh Issue of 5,825,243 shares (aggregating up to Rs. 120.00 Cr) Offer for Sale of 4,600,000 shares (aggregating up to Rs. 94.76 Cr)
Issue size	Rs. 214.76 crores
Price Band	Rs. 195 to Rs. 206 (FV-Rs. 10)
Bid lot/ Bid Size	72 shares/ Rs. 14832
Issue structure	QIB-50% HNI-15% Retail-35%
Post issue equity shares	41,641,743 shares
Promoters and Promoter Group Public	Pre-Issue-97.96% Post-Issue-73.21% Pre-Issue-2.04% Post-Issue-26.79%
Post issue implied market cap	Rs. 857.82 crores
BRLMs	Elara Capital (India) Private Limited
Registrar to the issue	LinkIntime India Private Limited

Financial Summary (Restated Consolidated) (₹Crore)

Particulars	FY24	FY23	FY22
Revenue from operations	602.89	535.10	467.44
Gross Profit	110.70	102.58	86.21
Gross Margin	18.36%	19.17%	18.44%
EBITDA	56.62	48.64	45.83
EBITDA Margin (%)	9.39%	9.09%	9.80%
PBT	54.91	51.95	44.55
PAT	41.44	38.29	33.49
PAT Margin	6.87%	7.16%	7.17%
ROE	27.26%	34.36%	43.11%
RoCE	28.42%	31.45%	45.25%
Inventory Turnover Ratio (in times)	45.28	39.77	42.27
Current Ratio (in times)	2.24	2.21	1.90
Trade Receivable Turnover Ratio (in times)	4.37	5.00	6.11
Net Capital Turnover Ratio (in times)	3.89	4.54	5.60
DSCR (%)	8.82	3.79	14.43
Return on net asset	23.64%	29.73%	35.59%

Source: Red Herring Prospectus (RHP)

Strengths	Strategies	Risks
Ability to create and innovate product and services that are customized to meet the needs of individual customers which is enhanced by their partnership with technology partners.	They are extending and improving the range of product & service portfolio.	If they are unable to retain their clients / vendors / suppliers then, it may adversely affect business prospects, financial condition and results of operations.
Company has demonstrated consistent growth in financial performance	The company caters to number of multinational companies, with this they are planning to	There are pending dues to creditors, any failure to pay this may affect reputation, business



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commensurate with the broadening of their product range and increase in customer base.	expand geographic footprint to a larger customer base globally.	and financial condition.
The company provides a broad range of products and services for which they are organized into three verticals: IT, Infrastructure, ITeS, and Cloud and Data Management Services.	Organizes training courses in order to maintain and improve relevant skills and competencies among employees.	In the past, the company filed documents with ROC on delayed basis. Furthermore, some of company's corporate filings cannot be traced, and there have been instances of factual errors in them and Company has delayed in some statutory dues also in past.
Promoters are well experienced and qualified who brings varied operational strength into company.		A majority of directors lack any prior experience serving as directors of publicly traded companies. It might be necessary for them to take a break from their business matters in order to comprehend the intricate workings of a publicly traded firm.