



**ORIENT TECHNOLOGIES
LIMITED**

IPO NOTE

August 2024

ISSUE HIGHLIGHTS

- Incorporated on July 4, 1997, Orient Technologies Ltd (“OTL”) is offering a wide ranging and diversified bouquet of product and service offerings and classify their business into 3 verticals as:
 - **IT Infrastructure:** Products and solutions include Data Centre Solutions and End-User Computing. Data Centre Solutions offers servers, storage, active and passive networking components (such as switches, routers, access points etc.), collaboration solutions (such as solutions for CCTV (i.e., closed circuit television) and transmission of feed from CCTV, and virtual conferences / meetings), and security solutions. End user computing involves desktop management, end-user support, and mobile device management.,
 - **IT Enabled Services (IteS):** Services include Managed Services, Multi-Vendor Support Services, IT Facility Management Services, Network Operations Centre Services, Security Services, and Renewals.,
 - **Cloud and Data Management Services:** Services include migration of workload from data centres to cloud.
- OTL has recently ventured into ‘Device as a service (DaaS)’. Under DaaS they provide desktops, laptops, tablets, printers, scanners, smartphones, and servers, bundled with software, along with managed services on a ‘pay-per-use’ model i.e. on a subscription basis.
- OTL’s business operations involve technologically advanced solutions for which they collaborate with a wide range of technology partners including Dell International Services India Pvt Ltd (**Dell**) and Fortinet, Inc. (**Fortinet**) and Nutanix Netherlands B.V. (**Nutanix**).
- OTL’s range of customised offerings and their ability to specifically tailor solutions to the specific needs of customers have enabled them to garner prominent customers with long term association across industries and they count leading public and private sector entities across diverse customer industries such as banking, financial services, and insurance (BFSI), IT, IteS, healthcare/ pharmaceutical (Customer Industries).
- The company has received ISO 27001:2013, ISO 20000-1:2018 (ITSM) ISO 9001:2015 (QMS) and ISO/IEC 27001:2013 (ISMS) certifications. They have also been awarded CMMI Maturity Level 3 Certificate.

BRIEF FINANCIAL DETAILS*

(₹ IN CR)

	As at Mar’ 31,		
	2024	2023	2022
Equity Share Capital	35.82	17.50	17.50
Net Worth	175.31	128.82	94.11
Total Borrowings	4.82	12.86	2.28
Revenue from Operations	602.89	535.10	467.44
Revenue Growth (%)	12.67%	14.47%	-
EBITDA	56.62	48.64	45.83
EBITDA Margin (%)	9.39%	9.09%	9.80%
Net Profit for the year	41.45	38.30	33.49
Net Profit (%)	6.87%	7.16%	7.17%
EPS – Basic & Diluted (₹)	11.80	10.94	9.57
ROE (%)	27.26%	34.36%	43.11%
ROCE (%)	28.42%	31.45%	45.25%
NAV (₹)	48.95	73.61	53.77
Debt Equity Ratio	0.03	0.10	0.02

Source: RHP, *Restated Statement

Issue Details

Fresh Issue of Equity Shares aggregating upto ₹120 Cr and Offer for Sale of 4,600,000 Equity Shares

Issue size: ₹ 210 - 215 Cr

Face value: ₹ 10/-

Price band: ₹ 195 - 206

Bid Lot: 72 Shares and in multiple thereof

Post Issue Implied Market Cap =

₹ 818 – 858 Cr

BRLMs: Ellara Capital (India) Pvt. Ltd.

Registrar: Link Intime India Pvt. Ltd.

Issue opens on: Wednesday, 21st Aug’ 2024

Issue closes on: Friday, 23rd Aug’ 2024

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	26-08-2024
Refunds/Unblocking ASBA Fund	27-08-2024
Credit of equity shares to DP A/c	27-08-2024
Trading commences	28-08-2024

Issue Break-up

	No. of Shares		₹ In Cr		% of Issue
	@Upper	@Lower	@Upper	@Lower	
QIB	5,376,924	5,212,621	104.85	107.38	50%
NIB	1,613,077	1,563,787	31.46	32.21	15%
-NIB2	1,075,385	1,042,525	20.97	21.48	-
-NIB1	537,692	521,262	10.49	10.74	-
RET	3,763,845	3,648,835	73.39	75.17	35%
Total	10,753,846	10,425,243	209.70	214.76	100%

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	72 Shares	1,008 Shares	4,896 Shares
Minimum Bid Lot Amount (₹)	₹ 14,832 [^]	₹ 2,07,648 [^]	₹10,08,576 [^]
Appl for 1x	50,678 Applications	517 Applications	1,034 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre-issue	Post-Issue [~]	Post-Issue [^]
35,816,500	41,970,346	41,641,743

[~]@Lower price Band [^]@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	97.72%	73.00%
Promoter Group	0.25%	0.21%
Public	2.04%	26.79%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The Company was incorporated as 'Orient Technologies Private Limited' on July 4, 1997. Ajay Baliram Sawant, Umesh Navnitlal Shah, Ujwal Arvind Mhatre and Jayesh Manharlal Shah are the promoters of the company. Currently the Promoters hold 34,999,600 Equity Shares constituting 97.72% of the issued, subscribed and paid-up Equity Share capital of the company.

Brief Biographies of Directors

Ajay Baliram Sawant is the Chairman and Managing Director and one of the Promoters of the company. He is one of the founders of the company and has more than 25 years of experience in information and technology. He oversees the operations, sales, finance and human resource departments of the company.

Umesh Navnitlal Shah is one of the Whole Time Directors and Promoters of the company. He is one of the founders of the company and has more than 25 years of experience in information and technology.

Ujwal Arvind Mhatre is one of the Whole Time Directors and Promoters of the company. He has over 25 years of experience in information technology industry. He oversees client acquisition.

Jayesh Manharlal Shah is one of the Whole Time Directors and Promoters of the company. He has over 25 years of experience in information technology industry. He oversees systems and process in technology support services aspect of the business.

Greena Mahesh Karani is one of the Independent Directors of the company. She has 25 years of experience in Finance and Accounts.

Monica Bhatia is one of the Independent Directors of the company. She is also a Managing Director on the board of Medesta Healthcare Pvt Ltd. She has over 28 years of work experience.

Tushar Madhuvandas Parikh is one of the Independent Directors of the company. He is also a director on the board of Garware Hi-Tech Films Ltd and Choksi Imaging Ltd. He has approximately 40 years of experience.

Viren Champaklal Shah is one of the Independent Directors of the company. He was previously associated with Dynacons Systems and Solutions Ltd and Challenger Technologies Pvt Ltd. He has over 16 years of experience.

Meera Jasbir Rawat is one of the Independent Directors of the company. She was previously associated with Barclays Global Service Centre Pvt Ltd. She has nearly 24 years of experience.

Nayana Akhil Nair is the Company Secretary of the company. She has been associated with the Company since May 06, 2023.

Sunil Kumar Arora is the Chief Financial Officer of the company. He has been associated with the company since May 6, 2023.

OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Acquisition of office premise at Navi Mumbai	10.35
• Funding the Capital Expenditure requirements:	79.65
- Purchase of equipment for setting up of Network Operating Centre (NOC) and Security Operation Centre (SOC) at Navi Mumbai Property; and	10.08
- Purchase of equipment and devices to offer Devise-as-a-Service (Daas) offering.	69.57
• General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

Fresh Issue	No. of Shares	WACA per Equity Share on a fully diluted basis (₹)
Fresh Issue (₹ 120 Cr)	Upto 6,153,846 [~] - 5,825,243 [^] Equity Shares [^]	–
The Offer for Sale by:		
Promoter Shareholders:		
Ajay Baliram Sawant	Upto 1,150,000 Equity Shares	1.65
Umesh Navnitlal Shah	Upto 1,150,000 Equity Shares	1.65
Ujwal Arvind Mhatre	Upto 1,150,000 Equity Shares	1.65
Jayesh Manharlal Shah	Upto 1,150,000 Equity Shares	1.65

([~] at lower price band and [^] at upper price band); WACA=Weighted Average Cost of Acquisition

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Offer for Sale Shares and Fresh Issue [^]	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter	34,999,600	97.72%	4,600,000	30,399,600	73.00%
Promoter Group	87,900	0.25%	-	87,900	0.21%
Total for Promoter and Promoter Group	35,087,500	97.96%	4,600,000	30,487,500	73.21%
Public	729,000	2.04%	5,825,243	11,154,243	26.79%
Total for Public Shareholders	729,000	2.04%	5,825,243	11,154,243	26.79%
Total Equity Share Capital	35,816,500	100.00%		41,641,743	100.00%

[^]Fresh issue shares at upper price band

BUSINESS OVERVIEW

Orient Technologies Ltd (“OTL”) is an information technology (IT) solutions provider headquartered in Mumbai, incorporated in the year 1997. The company over the years has built deep expertise to develop products and solutions for specialised disciplines across the business verticals which are:

- **IT Infrastructure:** Products and solutions include Data Centre Solutions and End-User Computing,
- **IT Enabled Services (IteS):** Services include Managed Services, Multi-Vendor Support Services, IT Facility Management Services, Network Operations Centre Services, Security Services, and Renewals,
- **Cloud and Data Management Services:** Services include migration of workload from data centres to cloud.

OTL’s business operations involve technologically advanced solutions for which they collaborate with a wide range of technology partners including Dell International Services India Pvt Ltd (**Dell**) and Fortinet, Inc. (**Fortinet**) and Nutanix Netherlands B.V. (**Nutanix**). A key facet of their product and service offerings is their ability to tailor and customise their offerings to the specific needs of the customers. The collaboration with their technology partners heightens their ability to design and innovate products and provide solutions tailored to specific customer requirements.

OTL’s range of customised offerings and their ability to specifically tailor solutions to the specific needs of customers have enabled them to garner prominent customers with long term association across industries and they count leading public and private sector entities across diverse customer industries such as banking, financial services, and insurance (BFSI), IT, IteS, healthcare/ pharmaceutical (Customer Industries).

The company also continually engage with their customers to understand their requirements better to be able to provide more holistic services and to identify new areas where they can engage with them.

Company’s expertise, honed over the years, in conjunction with the strength of their collaborative efforts with the technology partners enables them to provide customised IT solutions to their customers. They also track the developments in the business segments in which they operate in to stay abreast of emerging trends and capitalise on new business opportunities. All these factors enable them to strengthen, and forge long-term and more successful, relationships with their existing customers.

PROMINENT CLIENTELE

BFSI	IteS	Government and Public Sector Undertakings	Healthcare and Pharmaceutical	Others
<ul style="list-style-type: none"> Bluechip Corporate Investment Centre Pvt Ltd (Bluechip), Tradebulls Securities Pvt Ltd (Tradebulls), Vasai Janata Sahakari Bank Ltd (VJS Bank) Vasai Vikas Sahakari Bank Ltd (VKS Bank) 	<ul style="list-style-type: none"> Integreon Managed Solutions India Pvt Ltd (Integreon) 	<ul style="list-style-type: none"> Coal India Ltd (Coal India), Mazagon Dock Shipbuilders Ltd (Mazagon Dock), Joint Commissioner of Sales Tax (GST Mahavikas), Mumbai 	<ul style="list-style-type: none"> ACG Associated Capsules Pvt Ltd (ACG) Jyothy Labs Ltd (Jyothy Labs) 	<ul style="list-style-type: none"> D'Décor Exports Pvt Ltd (D'Décor)

COMPANY PRODUCT AND SERVICES

IT Infrastructure

Company's products and services offering in IT Infrastructure comprises:

- **Data Centre Solutions (DCS)** offer servers, storage, active and passive networking components (such as switches, routers, access points etc.), collaboration solutions (such as solutions for CCTV (i.e., closed circuit television) and transmission of feed from CCTV, and virtual conferences / meetings), and security solutions. OTL offers emergent technologies such as Hyper Converged Infrastructure (HCI) i.e., a technological product which integrates servers, storage, and network components, backup and disaster recovery software, and virtualisation i.e., creation of software based virtual machines for server, storage, network, desktop and applications; and
- **End-User Computing (EUC)** involves desktop management, end-user support, and mobile device management. The IT Infrastructure segment is the largest revenue generating segment, OTL has broad-based their offerings significantly even within this segment, and continually, add new products. In Fiscal 2024, Fiscal 2023 and Fiscal 2022, OTL added various new products such as crowdstrike, forcepoint, netskope under their cyber-security solutions.

IT Enabled Services (ITeS)

The IteS comprises:

- **Managed Services** which involve monitoring, maintenance and support of IT systems and backup and disaster recovery services which involves offering software licenses and administration, management and support for backup and recovery of data,
- **Multi-Vendor Support Services** which involve hardware and software support through AMC and includes troubleshooting, repair, and maintenance services for devices and systems from multiple vendors,
- **IT Facility Management Services** which involve on-site and remote support for system administration, storage administration, cloud administration and network administration,
- **Network Operations Centre Services** which involve remote network management and Security Services which involve providing security solutions,
- **Renewals** which involve annual subscription of software licenses.

OTL has recently ventured into 'Device as a service (**DaaS**)'. Under DaaS they provide desktops, laptops, tablets, printers, scanners, smartphones, and servers, bundled with software, along with managed services on a 'pay-per-use' model i.e. on a subscription basis.

Cloud and Data Management Services

Company's products and services offering in cloud and data management services comprise data analytics, business analytics (i.e., using data and statistical methods to analyze business operations by use of advanced analytics techniques such as predictive modelling, data mining, and machine learning to extract insights from large and complex data sets), robotic process automation (RPA) i.e., use of technology to automate back office functions such as extracting data, filling forms, file transfers etc., cost management, Internet of Things (IoT), and delivery of applications and services (DevOps), and containerisation and microservices (i.e., use of containers, which are a way to package applications, libraries, and configurations and run them as a self-contained and isolated environment agnostic of the software installed on the host system, to build deploy and manage applications) on a subscription basis.

OTL's services offerings also include:

- Infrastructure as a Service (IaaS) involves virtualized computing resources over the internet allowing users to rent virtual machines, storage, and networking components.
- Platform as a Service (PaaS) involves offering a platform to customers to develop, run, and manage applications.
- Software as a Service (SaaS) involves delivering software applications over the internet on a subscription basis, which can be accessed through a web browser without requiring installation of the software applications on a device.
- Function as a Service (FaaS) / Serverless Computing involves developers deploying functions or code without managing the underlying infrastructure.
- Database as a Service (DBaaS) involves providing managed database solutions by eliminating the need for customers to install, configure and maintain databases.
- Storage as a Service involves offering scalable storage solution accessible over the internet.
- Content delivery network involves distributing content (e.g., web pages, videos, images) to users.
- Network as a Service (NaaS) involves providing networking capabilities like virtual private networks, bandwidth on demand, and other networking features.
- Security as a Service (SECaaS) involves delivering security solutions such as firewall, antivirus, intrusion detection/prevention systems, and encryption services over the cloud.
- Backup as a Service (BaaS) involves offering automated backup and recovery services for data protection and disaster recovery.
- Monitoring as a Service (MaaS) involves providing monitoring solutions for infrastructure and applications.

The company also provides cyber-security solutions such as firewall, antivirus, intrusion detection/prevention systems, and encryption services on cloud.

The company has received ISO 27001:2013, ISO 20000-1:2018 (Information Technology Services Management), ISO 9001:2015 (Quality Management System) and ISO/IEC 27001:2013 (Information Security Management System) certifications. They have also been awarded CMMI Maturity Level 3 Certificate.

REVENUE FROM OPERATIONS

Revenue from Operations: Business Segment-wise

(₹ Cr)

Industry / Sector	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	% of Revenue	Revenue	% of Revenue	Revenue	% of Revenue
IT Infrastructure Products and Services	314.65	52.19%	349.34	65.28%	329.46	70.48%
ITeS	133.92	22.21%	105.21	19.67%	79.84	17.08%
Cloud and Data Management Services	154.33	25.60%	80.56	15.05%	58.14	12.44%
Gross Revenue from Operations	602.89	100.00%	535.10	100.00%	467.44	100.00%

Revenue from Operations: Industry-wise

(₹ Cr)

Customer Industries	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue	% to Revenue	Revenue	% to Revenue	Revenue	% to Revenue
BFSI	130.64	21.66%	144.85	27.07%	179.20	38.34%
Broadcast Media Production & Distribution	31.09	5.16%	4.69	0.88%	1.62	0.35%
Communication	77.09	12.79%	34.51	6.45%	17.83	3.81%
Healthcare	23.31	3.87%	22.06	4.12%	24.33	5.20%
ITeS	58.76	9.75%	70.85	13.24%	53.67	11.48%
Manufacturing	19.09	3.17%	14.87	2.78%	6.47	1.38%
Others	180.76	29.97%	154.58	28.89%	136.39	29.18%
Government & PSU	82.16	13.63%	88.68	16.57%	47.95	10.26%
Total Revenue from operations	602.89	100.00%	535.10	100.00%	467.44	100.00%

ORDER BOOK

(₹ Cr)

Customer industries	Order Book as on June 30, 2024
BFSI	20.51
Broadcast Media Production & Distribution	1.37
Communication	0.44
ITeS	5.45
Manufacturing	1.36
Others2	41.41
Government & PSU	30.66
Total	101.20

Company's business operations are, currently, concentrated in India and the revenues are predominantly generated from India, including from various multinational companies and transnational corporations. They operate out of their headquarters and corporate office situated in Mumbai, Maharashtra, with sales and services offices located across various cities in India such as Navi Mumbai and Pune, Ahmedabad, New Delhi, Bengaluru and Chennai. They also have a branch located in Singapore.

The company is led by experienced and technically qualified Promoters who have co-founded, conceptualised, incubated and nurtured their business and continue to be actively engaged in their business operations. Each of them brings a different set of operational strengths to company. In addition to the promoters who are also their executive directors, their strong and robust Board of Directors comprise individuals who bring their respective experience and expertise to their operations. The Board of Directors are also supported by a highly skilled management team comprising the key managerial personnel and senior managerial personnel.

COMPETITIVE STRENGTHS

- **Marquee customer base across diverse Customer Industries**

The company has abilities to tailor and customise their product and services to suit the requirements of their customers. Over the years they have built deep expertise to develop products and solutions for specialised disciplines including HCI, End-User Computing and Robotic Process Automation. Their business operations involve technologically advanced solutions for which they collaborate with a wide range of technology partners including Dell, Fortinet and Nutanix. Their collaboration with their technology partners heightens their ability to design and innovate products and provide services tailored to specific customer requirements. As of June 30, 2024, they had a diverse base of customers across public and private sector entities across diverse Customer Industries such as BFSI, IT, IteS, healthcare / pharmaceutical, as their customers.

Their Top-10 customers have consistently contributed a significant part of their revenue from operations and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, they aggregated ₹ 229.85 crore, ₹ 173.07 crore and ₹ 182.76 crore constituting 38.11%, 32.34% and 39.10%, respectively, of the revenue from operations.

- **Wide ranging and diversified IT solutions and offerings**

OTL offers a wide ranging and diversified bouquet of product and service offerings and classify their business into 3 verticals viz., IT Infrastructure, ITeS and Cloud and Data Management Services. Their products and services offering in IT Infrastructure comprises Data Centre Solutions and End-User Computing. The ITeS include Managed Services, Multi-Vendor Support Services, IT Facility Management Services, Network Operations Centre Services, Security Services, and Renewals. The Cloud and Data Management Services include migration of workload from data centres to cloud. Their products and services in this vertical comprise data analytics, business analytics, RPA, IOT, DevOps, and containerisation and microservices. OTL has developed cloud expertise, and their scalability, domain knowledge, and their partnership with technology partners are key facets to their competitive edge.

- **Strong Promoters and Board of Directors supported by an experienced senior management team**

OTL is govern by experienced and technically qualified Promoters who have co-founded, conceptualised, incubated and nurtured company business and continue to be actively engaged in their business operations. They are also supported by a highly skilled management team comprising the key managerial personnel and senior managerial personnel. As at June 30, 2024, OTL has an aggregate of 1,482 permanent employees. The knowledge and experience of their Promoters and directors, along with skilled management team, is their strength.

- **Track record of financial performance**

Company's financial performance commensurate with the broadening of their product range and increase in their customer base. The revenue from operations grew at a CAGR of 13.57% between Fiscal 2022 and Fiscal 2024.

KEY BUSINESS STRATEGIES

- **Expanding and augmenting the product and services portfolio**

Apart from their IT Infrastructure, ITeS and Cloud and Data Management Services, they have recently ventured into 'Device as a service (DaaS)'. Under DaaS they provide desktops, laptops, tablets, printers, scanners, smartphones, and servers, bundled with software, along with managed services on a 'pay-per-use' model i.e. on a subscription basis. The growth of the DaaS industry is propelled by several key drivers such as Hybrid workforce, Demand for subscription model, ESG and Sustainability goals, Cyber security requirements, and Improved bandwidth for internal IT team. The company proposes to utilise ₹ 69.57 crore from the Net Proceeds for the DaaS segment through the purchase of equipment such as SD WAN and switches, notebooks, servers, storage devices and printers for operating lease.

• **Expanding the geographic footprint**

OTL’s business operations are, currently, concentrated in India and their revenues are predominantly generated from India. While they cater to a large number of multinational companies and transnational corporations, and have a branch in Singapore, they are yet to expand their international operations significantly. They have already set up a branch in Singapore which is primarily engaged in the business of trading of computer equipment such as servers, storage and network devices. Further, in Fiscal 2024, they have also generated revenues aggregating ₹ 2.22 crore from countries including Denmark, United Arab Emirates and USA (other than Singapore). They propose to expand their geographic footprint and cater to a broader customer base globally.

• **Investing in the growth of the employees**

To maintain and develop relevant skills and competencies, OTL encourages their employees to participate in training sessions organised by the company. They have steadily increased the number of permanent employees from 984 permanent employees as at April 1, 2022 to 1,482 permanent employees as at June 30, 2024. They intend to focus on continually investing in the growth of their employees.

COMPETITION

OTL operates in a competitive industry with a plethora of large, mid-sized and small operators. They face competition from Indian multinational companies, domestic Indian companies, and transnational corporations. Some of their competitors are significantly larger than OTL and the size of their operations gives them the benefits of economies of scale. Further, they compete in India with a large number of small and mid-size companies who may or may not have Pan India operations. Some of their key competitors in each of their business verticals include **Dynacons Systems & Solutions Ltd, Wipro Ltd, HCL Technologies Ltd, LTIMindtree Ltd, Allied Digital Services Ltd, Dev Information Technology Ltd, Tech Mahindra Ltd and Silicon Rental Solutions Ltd.**

INDUSTRY OVERVIEW

Assessment of competitive landscape of IT Services, Cloud Computing and Data Centre industry in India

Key services and offerings

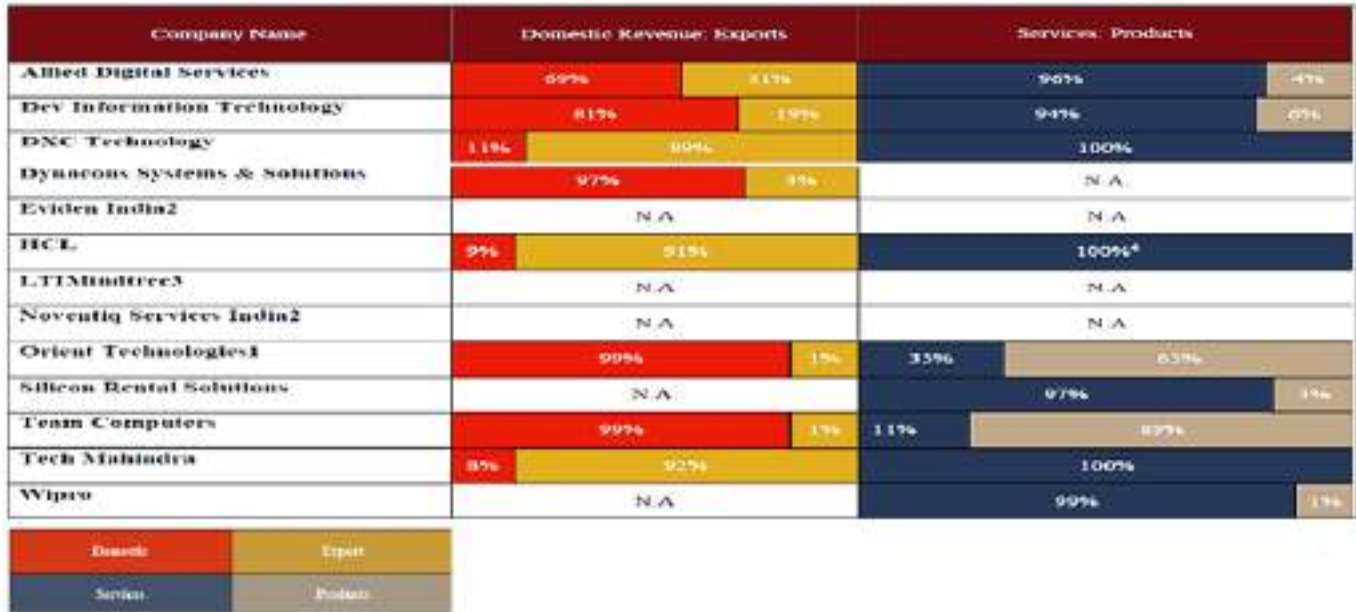
Company Name	Cloud Migration	Data management	Cyber Security	Workplace services
	Services	services	Solutions	services
Allied Digital Services	✓	✓	✓	✓
Dev Information Technology	✓	✓	✓	✓
DXC Technology	✓	✓	✓	✓
Dynacons Systems & Solutions	✗	✓	✓	✓
Eviden India	✓	✓	✓	✗
HCL	✓	✓	✓	✓
LTIMindtree	✓	✓	✓	✓
Noventiq Services India	✓	✓	✓	✓
Orient Technologies	✓	✓	✓	✓
Silicon Rental Solutions	✗	✗	✗	✓
Team Computers	✓	✓	✓	✓
Tech Mahindra	✓	✓	✓	✓
Wipro	✓	✓	✓	✓

Overview of players considered with gross block less than ₹ 1000 million (Fiscal 2024)



Note: OPBDIT (fiscal 2024) is represented on X-axis, gross assets (fiscal 2024) is represented on Y-axis, operating income (fiscal 2024) is represented by bubble size. Two separate charts have been used for proper representation due to wide range of the considered parameters.

Revenue Bifurcation (Fiscal 2023)



Operating Income:

Operating Income (₹ in Cr)	CAGR (FY20-24)	CAGR (FY20-23)	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Allied Digital Services	32.2%	30.9%	286.65	210.29	122.58	96.19	93.79
Dev Information Technology	24.2%	22.6%	157.28	121.97	99.03	84.33	66.13
DXC Technology	NA	(0.4)%	NA	2,206.90	2,016.92	2,246.94	2,233.99
Dynacons Systems & Solutions	32.9%	34.9%	1,024.43	804.42	653.98	435.94	327.95
Eviden India	NA	3.4%	NA	488.46	693.28	565.88	442.10
HCL	10.2%	12.4%	48,118.00	46,319.00	40,666.00	35,680.00	32,610.00
LTIMindtree	NM	NM	34,277.70	32,022.40	24,877.40	11,600.80	10,196.00
Mindtree	-	-	-	-	-	7,975.60	7,768.10
Noventiq Services India	NA	25.0%	NA	139.32	83.84	65.85	71.40
Orient Technologies	18.3%	20.2%	602.89	535.10	467.44	247.33	308.03
Silicon Rental Solutions	50.6%	43.5%	63.25	36.30	24.61	13.75	12.28
Team Computers	NA	38.5%	NA	2,798.20	2,046.26	1,385.79	1,052.87
Tech Mahindra	9.5%	13.4%	42,265.90	42,785.70	35,807.70	29,701.30	29,361.80
Wipro	7.3%	10.4%	66,792.40	67,753.40	59,574.40	50,299.40	50,387.70

Source: Company reports, CRISIL MI&A

Profit After Tax (PAT)

PAT (₹ in Cr)	CAGR (FY20-24)	CAGR (FY20-23)	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Allied Digital Services	29.5%	NM	22.20	(37.51)	5.69	7.77	7.89
Dev Information Technology	26.5%	36.5%	8.77	8.72	1.92	(1.5)	3.43
DXC Technology	NA	(1.7)%	NA	294.83	458.17	287.91	310.02
Dynacons Systems & Solutions	72.3%	76.0%	53.96	33.38	16.46	9.22	6.12
Eviden India	NA	NM	NA	104.05	26.91	(61.67)	(88.69)
HCL	6.8%	8.5%	11,674.00	11,459.00	10,874.00	8,743.00	8,969.00
LTIMindtree	NM	NM	4,485.90	4,248.20	3,912.30	1,787.40	1,552.40
Mindtree	-	-	-	-	-	1,110.30	630.80
Noventiq Services India	NA	(2.2)%	NA	8.09	5.99	8.01	8.64
Orient Technologies	70.5%	98.3%	41.45	38.30	33.49	0.13	4.91
Silicon Rental Solutions	62.1%	78.7%	12.90	10.67	10.21	2.33	1.87
Team Computers	NA	81.5%	NA	69.09	52.99	25.73	11.56
Tech Mahindra	(17.2)%	(5.9)%	2,128.60	3,777.50	5,023.30	4,239.10	4,534.50
Wipro	1.2%	1.9%	9,118.60	9,176.70	12,135.30	10,060.90	8,680.70

Cost structure:

Company Name	Fiscal 2024					Fiscal 2023				
	Total Cost/ Operating Income (%)	Employee cost	Breakup of Cost			Total Cost/ Operating Income (%)	Employee cost	Breakup of Cost		
			Goods Consumed	Power & Fuel	Other Expenses			Goods Consumed	Power & Fuel	Other Expenses
Allied Digital Services	89.7%	35.2%	50.7%	0.0%	14.2%	94.8%	39.8%	42.2%	0.8%	17.2%
Dev Information Technology	93.5%	47.0%	48.0%	0.0%	5.0%	96.5%	42.9%	51.6%	0.3%	5.2%
DXC Technology	NA	NA	NA	NA	NA	85.4%	84.0%	0.0%	0.4%	15.6%
Dynacons Systems & Solutions	93.4%	4.0%	93.6%	0.0%	2.3%	94.7%	4.0%	92.8%	0.0%	3.2%
Eviden India	NA	NA	NA	NA	NA	101.3%	7.9%	18.9%	0.2%	73.0%
HCL	70.1%	62.1%	0.4%	0.0%	37.4%	70.1%	61.8%	0.5%	0.6%	37.1%
LTIMindtree	84.8%	72.8%	0.0%	0.3%	26.9%	83.7%	73.3%	0.0%	0.2%	26.5%
Noventiq Services India	NA	NA	NA	NA	NA	101.5%	39.6%	24.5%	0.1%	35.8%
Orient Technologies	91.5%	14.4%	82.0%	0.1%	3.6%	91.5%	12.5%	82.8%	0.1%	4.6%
Silicon Rental Solutions	73.2%	6.4%	25.9%	0.0%	67.7%	61.5%	10.0%	3.8%	0.2%	86.1%
Team Computers	NA	NA	NA	NA	NA	97.1%	7.5%	84.5%	0.0%	7.9%
Tech Mahindra	95.3%	40.3%	0.0%	0.3%	59.4%	88.8%	40.0%	0.0%	0.3%	59.7%
Wipro	86.0%	66.6%	0.5%	0.0%	32.9%	84.2%	65.2%	0.7%	0.0%	34.1%

Key financial margins:

Company	Fiscal 2024				Fiscal 2023			
	OPBDIT (₹ Cr)	OPBDIT margin (%)	PAT (₹ Cr)	PAT margin (%)	OPBDIT (₹ Cr)	OPBDIT margin (%)	PAT (₹ Cr)	PAT margin (%)
Allied Digital Services	42.98	15.0%	22.20	7.7%	23.76	11.3%	(37.51)	(17.8)%
Dev Information Technology	12.75	8.1%	8.77	5.6%	6.65	5.5%	8.72	7.2%
DXC Technology	NA	NA	NA	NA	445.28	20.2%	294.83	13.4%
Dynacons Systems & Solutions	78.13	7.6%	53.96	5.3%	54.86	6.8%	33.38	4.1%
Eviden India	NA	NA	NA	NA	(2.52)	(0.5)%	104.05	21.3%
HCL	16,876.00	35.1%	11,674.00	24.3%	16,369.00	35.3%	11,459.00	24.7%
LTIMindtree	6,171.40	18.0%	4,485.90	13.1%	5,821.70	18.2%	4,248.20	13.3%
Noventiq Services India	NA	NA	NA	NA	16.33	11.7%	8.09	5.8%
Orient Technologies	56.79	9.4%	41.45	6.9%	49.18	9.2%	38.30	7.2%
Silicon Rental Solutions	38.89	61.5%	12.90	20.4%	29.85	82.2%	10.67	29.4%
Team Computers	NA	NA	NA	NA	93.73	3.3%	69.09	2.5%
Tech Mahindra	3,033.10	7.2%	2,128.60	5.0%	5,778.40	13.5%	3,777.50	8.8%
Wipro	11,649.30	17.4%	9,118.60	13.7%	12,946.70	19.1%	9,176.70	13.5%

Key Return Ratios (fiscal 2024)

	RoCE	RoNW	EPS	PE	NAV
Allied Digital Services	7.1%	5.1%	4.0	34.8	10.9
Dev Information Technology	23.4%	19.0%	4.0	25.3	3.9
Dynacons Systems & Solutions	44.3%	41.2%	42.5	24.2	4.3
HCL	55.3%	42.7%	43.1	35.8	15.7
LTIMindtree	32.5%	25.4%	151.6	32.6	100.5
Orient Technologies	34.3%	27.3%	11.8	NA	NA
Silicon Rental Solutions	28.7%	22.7%	12.6	12.1	42.8
Tech Mahindra	11.8%	9.1%	21.8	57.3	24.9
Wipro	20.1%	15.3	17.2	17.2	14.0

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2024)

Company Name	Consolidated / Standalone	Face Value	Total Income for Fiscal 2024 (₹ in Cr)	EPS		NAV	P/E	RoNW (%)
				Basic	Diluted			
Orient Technologies	Standalone	10	606.86	11.80	11.80	48.95	[•]	23.64
Dynacons Systems & Solutions	Consolidated	10	1,028.85	42.41	42.37	124.02	29.47	34.13
HCL Technologies	Consolidated	2	111,408.00	57.99	57.86	251.58	26.93	23.01
Wipro	Consolidated	2	89,794.30	20.89	20.82	143.77	23.39	14.79
LTIMindtree	Consolidated	1	36,218.90	154.85	154.48	676.19	34.56	22.89
Allied Digital Services	Consolidated	5	688.22	8.29	8.07	111.93	26.05	7.41
Dev Information Technology	Consolidated	5	165.12	4.19	4.18	25.92	29.01	16.26
Tech Mahindra	Consolidated	5	52,912.40	26.66	26.58	277.93	55.17	8.83
Silicon Rental Solutions	Standalone	10	63.60	12.56	-	61.14	14.41	20.54

Source: RHP; P/E Ratio has been computed based on the closing market price of equity shares on August 8, 2024, on www.bseindia.com,

Comparison of Key Performance Indicators with Listed Industry Companies for Fiscal 2024

(₹ in crore or unless otherwise stated)

Particulars	Orient Technologies	Dynacons Systems & Solution	HCL Technologies	Wipro	LTI Mindtree	Allied Digital Services	Dev Information Technology	Tech Mahindra	Silicon Rentals Solutions
	Standalone	Consolidated							Standalone
Total Income	602.8	1,028.8	49,194.0	69,838.2	34,963.3	28,788.0	158.7	43,351.8	63.6
Gross Profit	110.7	128.6	93,538.0	79,046.3	32,957.1	279.7	92.6	45,306.6	46.1
Gross Profit Margin (In %)	18.36%	12.56%	85.10%	88.06%	92.79%	40.71%	56.59%	87.14%	72.85%
EBITDA	56.6	77.9	24,198.0	16,993.7	6,387.4	93.4	13.8	5,433.7	38.9
EBITDA Margin (%)	9.39%	7.61%	22.02%	18.93%	17.98%	12.14%	8.42%	10.45%	61.49%
Profit Before tax (PBT)	54.9	72.1	20,967.0	14,721.0	6,048.7	63.0	12.5	3,224.4	17.3
Profit after tax (PAT)	41.5	53.8	15,710.0	11,112.1	4,584.6	45.9	9.5	2,396.8	12.9
PAT Margin (In %)	6.87%	5.25%	14.29%	12.38%	12.91%	6.67%	5.79%	4.61%	20.39%
Inventory turnover ratio (In times)	45.28	16.28	79.30	102.28	812.67	8.97	12.55	218.95	NA
Current ratio (In times)	2.24	1.39	2.61	2.58	3.28	3.60	2.10	1.86	4.04
Trade receivable turnover ratio (In times)	4.37	2.92	4.20	4.91	4.98	4.44	3.7	4.28	3.70
Net capital turnover ratio (In times)	3.89	6.29	3.00	2.25	2.71	2.12	4.81	4.81	2.56
ROCE (In %)	28.42%	39.53%	27.05%	14.83%	25.20%	9.88%	16.98%	9.09%	25.39%
DSCR (In times)	8.82	1.96	8.92	1.26	27.02	1.30	1.07	2.83	6.19
Return on net assets (In %)	23.64%	34.13%	23.01%	14.79%	22.89%	7.41%	16.26%	8.83%	20.54%
ROE (In %)	27.26%	41.02%	23.51%	14.50%	25.03%	7.70%	18.97%	8.63%	22.68%

Restated Statement of Cash Flows

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit before tax	54.91	51.95	44.55
Adjustments Related to Non-Cash & Non-Operating Items	3.51	(1.78)	3.23
Operating Profits before Working Capital Changes	58.42	50.17	47.78
Adjustments for Changes in Working Capital	(21.78)	(37.67)	(15.74)
Net cash generated from operations before tax	36.64	12.50	32.04
Income tax paid (net)	(14.35)	(10.55)	(1.57)
Net cash generated from operating activities (a)	22.29	1.95	30.47
Net cash used in investing activities (b)	(12.11)	(11.72)	(8.40)
Net cash used in financing activities (c)	(9.72)	4.41	(8.50)
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	0.46	(5.36)	13.57
Add: Cash and cash equivalents as at the beginning of the period	20.05	25.41	11.84
Cash and cash equivalents as at the end of the period	20.51	20.05	25.41

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