



Dec 06, 2021

# C.E. INFO SYSTEMS LIMITED

## IPO

*India's leading provider of advanced digital maps, geospatial software and location-based IoT technologies, C.E. Info Systems Limited said it will launch its initial public offer (IPO) on Dec 09, 2021. The offer will close on Dec 13, 2021 and the company has fixed the price band at ₹1,000-1,033 per equity share.*

Rating: **Subscribe**

**Analyst**

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## Company's Overview

- C.E. Info Systems Limited is a data and technology products and platforms company, offering proprietary digital maps as a service (Maas), software as a service (Saas) and platform as a service (Paas).
- The companies provide products, platforms, application programming interfaces (APIs) and solutions across a range of digital map data, software and IoT for the Indian market under the (MapmyIndia) brand, and for the international market under the (Mappls) brand.
- As of September 30, 2021, company had serviced over 2,000 enterprise customers since the inception and over 500 customers on their SaaS, PaaS and MaaS platforms.
- The company's digital maps cover 6.29 million kilometers of roads in India, representing 98.50% of India's road network which was 6.39 million kilometers as at March 31, 2019.
- The company's digital map data provides location, navigation, analytics and other information for 7,933 towns, 6,37,472 villages, 17.79 million places across many categories such as restaurants, retail shops, malls, ATMs, hotels, police stations, electric vehicle charging stations etc., and 14.51 million house or building addresses.
- The company's customers include PhonePe, Flipkart, Yulu, HDFC Bank, Airtel, Hyundai, MG Motor, Avis, Safexpress and Goods and Service Tax Network (GSTN).
- The company was shortlisted by NASSCOM as a "Showcase Company for IT Innovation in India" for launching MapmyIndia.com in 2004.

## Valuations

- Considering the TTM (Sept-2021) adjusted EPS of Rs.16.30 on post issue basis, the company is going to list at a P/E of 63.37 with a market cap of Rs.55,000 mn. There are no listed companies in India whose business is comparable with that of company's business.
- We assign "Subscribe" rating to this IPO as company is one of the leading data and technology products and platform company having a well-known brand MapmyIndia with customers like PhonePe, Hyundai and Flipkart. Also, it is available at reasonable valuation considering the future growth potential.

## Financial Snapshot

Particulars (in millions)	FY21	FY20	FY19
Revenue	1,524.63	1,486.29	1,352.55
Other Income	398.11	148.49	280.80
Total Income	1,922.74	1,634.78	1,633.35
Total Expenses	1,135.08	1,318.82	1,215.33
EBITDA	514.09	293.52	255.04
EBITDA Margins	33.72%	19.75%	18.86%
PAT	594.33	231.95	335.66
PAT Margins	38.98%	15.61%	24.82%
EPS	11.30	4.41	6.38

Issue Open	09 Dec, 2021, Thu
Issue Close	13 Dec, 2021, Mon
Issue Type	Book Built Issue IPO
Issue Size	<b>Fresh Issue:</b> Nil <b>OFS:</b> 10.06 mn eq shares (₹10,396.06 mn)
Face Value	₹2
Issue Price Band	₹1,000-1,033
Listing at	NSE, BSE
Minimum Lot Size	14 Shares

### Objects of the Issue

- Carry out the Offer for Sale of up to 10,063,945 Equity Shares
- Achieve the benefits of listing the Equity Shares on the Stock Exchanges.

### Issue Break-Up

Category	No of shares (Mn)	In Million	% of issue
QIB	5.03	5,198.03	50.00%
NIB	1.51	1,559.41	15.00%
Retail	3.52	3,638.62	35.00%

### Shareholding Pattern

	Pre- Issue	Post- Issue
Promoters and Promoters Group	61.71%	53.73%
Public	38.29%	46.27%
Total	100.00%	100.00%

### Capital Structure

Particulars	Aggregate value
Authorized Equity Share Capital	150.00 mn
Paid -Up Capital (Pre-Offer)	106.49 mn
Paid- Up Capital (Post-Offer)	106.49 mn



## Competitive Strengths

- B2B and B2B2C market leader in India with a comprehensive suite of SaaS, PaaS and MaaS offerings capitalizing on early mover advantage.
- Independent, global geospatial products and Platforms Company, with strong data governance.
- Market position built around proprietary technology and network effect resulting in strong entry barriers.
- Marquee customers across sectors with strong relationships and capability to up-sell and cross-sell.
- Profitable business model with consistent financial track record, high operating leverage and strong cash flows.

## Key Business Strategies

- Augment the products, platforms and technology lead.
- Continue to scale and expand the customer reach leveraging market presence in India.
- Drive expansion in international markets and geospatial sector.
- Pursue selective strategic acquisitions and investments to grow the business.
- Attract, develop and retain skilled employees to sustain the product quality and customer experience.

## Key Risks

- The company depend on a limited number of customers for a significant portion of our revenues; the loss of the key customers may adversely affect their business, results of operations and financial condition.
- As of September 30, 2021, The Company have contingent liabilities of 25.62 mn, In the event that any of company's contingent liabilities become non-contingent, the business, financial condition and results of operations may be adversely affected.

## Peer Comparison:

There are no listed companies in India that engage in a business similar to that of the Company.

## Promoters and Management Details

Name	Designation
Mr. Rakesh Kumar Verma	Chairman and Managing Director
Mr. Rohan Verma	Whole-time Director and CEO
Mrs. Rakhi Prasad	Non-executive Director

