

# Unicommerce eSolutions Ltd

## IPO Note



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### Empowering Seamless E-commerce Operations, End-to-End.

Unicommerce eSolutions Limited has established itself as a leading e-commerce enablement Software-as-a-Service (SaaS) platform specializing in the transaction processing or nerve centre layer. The company provides end-to-end management of e-commerce operations for brands, sellers, and logistics service providers. Its platform assists both enterprise clients and small and medium business (SMB) clients in managing their post-purchase e-commerce operations through a suite of SaaS products, including warehouse and inventory management (WMS), multi-channel order management (OMS), omni-channel retail management (Omni-RMS), seller management panels for marketplaces (Uniware), logistics tracking and courier allocation (UniShip), and payment reconciliation (UniReco).

Unicommerce's comprehensive suite of SaaS products supports various aspects of e-commerce operations, ensuring efficient and timely order processing. The growth of the e-commerce enablement SaaS industry is closely tied to the expansion of e-commerce sales. As India's e-commerce industry continues to grow, businesses face significant challenges such as inventory management across multiple locations, fulfillment cost minimization, order processing from multiple channels, returns management, accurate invoicing, and compliance with taxation and other regulatory standards. These challenges drive the demand for comprehensive SaaS products that can handle complex e-commerce operations.

Positioned as India's largest e-commerce enablement SaaS platform in the transaction processing layer by revenue from FY21 to FY23, Unicommerce stands out as the only profitable entity among the top five players in FY23. By regularly updating its products, the company addresses the evolving needs of retail enterprises, reinforcing its vital role in the e-commerce supply chain.

#### Key Consolidated Financial Data (INR Cr, unless specified)

	Revenue (INR)	EBITDA (INR)	Net Profit (INR)	EBITDA Margin (%)	PAT Margin (%)	EPS (INR)	ROE (%)	ROCE (%)	P/E (X)	P/BV (X)
FY22	59.0	5.0	6.0	8.5	10.2	0.6	14.5	9.6	184.1	26.7
FY23	90.1	6.6	6.5	7.3	7.2	0.6	12.5	8.4	170.8	21.3
FY24	103.6	14.4	13.5	13.9	13.0	1.3	19.5	13.1	82.1	16.1

Source: Ventura Research & Company update

Industry	IT
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#### Scrip Details

Listing	BSE & NSE
Open Date	Aug 06, 2024
Close Date	Aug 08, 2024
Price Band	INR 102 – 108
Face Value	INR 1.0
Market Lot	138 Shares
Minimum Lot	1

#### Issue Structure (%)

Issue Size (INR cr)	INR 276
Issue Size (Shares)	25,608,512
QIB Share (%)	≥ 75%
Non-Inst Share (%)	≤ 15%
Retail Share (%)	≤ 10%
Pre Issue sh (in cr)	10.2
Post Issue sh (in cr)	10.2
Post Issue Market Cap (in cr)	1,106

#### Shareholding (%)

	Pre (%)	Post (%)
Promoter	48.63	39.42
Public	51.37	60.58
<b>TOTAL</b>	<b>100</b>	<b>100</b>

### Issue Structure and Offer Details

Unicommerce eSolutions IPO is a book built issue of Rs 276.57 crores. The issue is entirely an offer for sale of 2.56 crore shares.

Issue Structure	
Investor Category	Allocation
QIB	Not less than 75.00% of the Net Issue
NII (HNI)	Not more than 15.00% of the Net Issue
Retail	Not more than 10.00% of the Net Issue

*Number of shares based on a higher price band of INR 108*

*Source: Company Reports*

### Objects of the Issue

The company will not receive any proceeds from the Offer, and all the Offer Proceeds will be received by the Selling Shareholders in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer.

## Financial Summary

Fig in INR Cr (unless specified)	FY22	FY23	FY24	Fig in INR Cr (unless specified)	FY22	FY23	FY24
<b>Income Statement</b>				<b>Per share data &amp; Yields</b>			
Revenue	59.0	90.1	103.6	Adjusted EPS (INR)	0.6	0.6	1.3
<b>YoY Growth (%)</b>	<b>47.5</b>	<b>52.6</b>	<b>15.0</b>	Adjusted Cash EPS (INR)	0.6	0.7	1.5
Raw Material Cost	0.0	0.0	0.0	Adjusted BVPS (INR)	4.0	5.1	6.7
<b>RM Cost to Sales (%)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	Adjusted CFO per share (INR)	0.8	1.4	0.6
Employee Cost	42.4	62.0	65.0	CFO Yield (%)	0.7	1.3	0.5
<b>Employee Cost to Sales (%)</b>	<b>71.8</b>	<b>68.9</b>	<b>62.7</b>	Adjusted FCF per share (INR)	0.7	1.4	0.5
Other Expenses	11.6	21.5	24.2	FCF Yield (%)	0.6	1.3	0.5
<b>Other Exp to Sales (%)</b>	<b>19.7</b>	<b>23.9</b>	<b>23.4</b>	<b>Solvency Ratio (X)</b>			
EBITDA	5.0	6.6	14.4	Total Debt to Equity	0.0	0.0	0.0
<b>Margin (%)</b>	<b>8.5</b>	<b>7.3</b>	<b>13.9</b>	Net Debt to Equity	(0.4)	(0.6)	(0.0)
<b>YoY Growth (%)</b>	<b>43.4</b>	<b>30.0</b>	<b>120.1</b>	Net Debt to EBITDA	(2.9)	(5.0)	(0.1)
Depreciation & Amortization	0.5	0.6	2.4	<b>Return Ratios (%)</b>			
EBIT	4.6	6.0	12.0	Return on Equity	14.5	12.5	19.5
<b>Margin (%)</b>	<b>7.8</b>	<b>6.6</b>	<b>11.6</b>	Return on Capital Employed	9.6	8.4	13.1
<b>YoY Growth (%)</b>	<b>42.1</b>	<b>30.1</b>	<b>101.3</b>	Return on Invested Capital	17.1	31.3	17.8
Other Income	2.3	2.9	5.9	<b>Working Capital Ratios</b>			
Bill discounting & other charges	0.0	0.0	0.0	Payable Days (Nos)	45.3	37.0	44.8
<b>Exceptional Item</b>				Inventory Days (Nos)	0.0	0.0	0.0
PBT	6.9	8.9	17.9	Receivable Days (Nos)	55.2	48.0	46.8
<b>Margin (%)</b>	<b>11.7</b>	<b>9.8</b>	<b>17.3</b>	Net Working Capital Days (Nos)	9.9	11.0	2.1
<b>YoY Growth (%)</b>	<b>28.2</b>	<b>28.1</b>	<b>101.7</b>	Net Working Capital to Sales (%)	2.7	3.0	0.6
Tax Expense	0.9	2.4	4.4	<b>Valuation (X)</b>			
<b>Tax Rate (%)</b>	<b>13.1</b>	<b>26.9</b>	<b>24.6</b>	P/E	184.1	170.8	82.1
PAT	6.0	6.5	13.5	P/BV	26.7	21.3	16.1
<b>Margin (%)</b>	<b>10.2</b>	<b>7.2</b>	<b>13.0</b>	EV/EBITDA	216.6	163.9	76.6
<b>YoY Growth (%)</b>	<b>34.2</b>	<b>7.8</b>	<b>107.9</b>	EV/Sales	18.5	11.9	10.7
Min Int/Sh of Assoc	0.0	0.0	0.0	<b>Cash Flow Statement</b>			
Net Profit	6.0	6.5	13.5	PBT	6.9	8.9	17.5
<b>Margin (%)</b>	<b>10.2</b>	<b>7.2</b>	<b>13.0</b>	Adjustments	(1.4)	9.2	1.8
<b>YoY Growth (%)</b>	<b>34.2</b>	<b>7.8</b>	<b>107.9</b>	Change in Working Capital	3.2	(1.1)	(6.0)
<b>Balance Sheet</b>				Less: Tax Paid	(0.9)	(2.4)	(7.3)
Share Capital	0.2	0.2	6.1	Cash Flow from Operations	7.8	14.6	6.0
Total Reserves	41.2	51.7	62.9	Net Capital Expenditure	(0.8)	(0.5)	(1.1)
Shareholders Fund	41.4	51.9	68.9	Change in Investments	(12.9)	10.8	(28.5)
Long Term Borrowings	0.0	0.0	4.9	Cash Flow from Investing	(13.8)	10.3	(29.5)
Deferred Tax Assets / Liabilities	(1.4)	(2.1)	(2.5)	Change in Borrowings	0.0	0.0	(2.0)
Other Long Term Liabilities	0.0	0.0	0.0	Less: Finance Cost	(0.0)	(0.0)	0.0
Long Term Trade Payables	0.0	0.0	0.0	Proceeds from Equity	0.0	0.0	0.0
Long Term Provisions	3.0	4.7	4.7	Buyback of Shares	0.0	0.0	0.0
Total Liabilities	43.0	54.4	76.0	Dividend Paid	0.0	0.0	0.0
Net Block	1.0	0.9	0.5	Cash flow from Financing	0.0	0.0	(2.0)
Capital Work in Progress	0.0	0.0	0.0	Net Cash Flow	(6.0)	24.9	(25.5)
Intangible assets under development	0.0	0.0	0.0	Forex Effect	0.0	0.0	0.0
Non Current Investments	0.0	0.0	0.0	Opening Balance of Cash	7.8	1.8	26.8
Long Term Loans & Advances	2.5	3.8	5.9	Closing Balance of Cash	1.8	26.8	1.3
Other Non Current Assets	28.6	0.0	0.6				
Net Current Assets	10.8	49.6	69.0				
Total Assets	43.0	54.4	76.0				

Source: Ventura Research

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