



WALLFORT
Financial Services Ltd.

Capital Numbers Infotech Limited



IPO NOTE

January 16, 2025

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IPO Details:	
Issue opens	Monday, January 20, 2025
Issue closes	Wednesday, January 22, 2025
Listing Date	Monday, January 27, 2024
Listing At	SME platform of BSE
Issue size	₹ 161.66 Crore – ₹ 169.37 Crore
Type of issue	Fresh issue of equity shares aggregating up to ₹ 84.69 Cr (upper price band) and up to 32,20,000 Equity Shares Offer for Sale of equity shares aggregating up to ₹ 84.69 Cr (upper price band) and up to 32,20,000 Equity Shares
Minimum Investment	₹ 1,05,200 (Upper price band)
Face value	₹ 10 per share
Price band	₹ 250 - ₹ 263 per Equity Share
Bid lot	400 Shares and bidding in multiple thereof

Issue Breakup	Upto No. of Shares	₹ in Crore	
		@Lower	@Upper
MM	3,30,000	8.25	8.68
Anchor	18,32,400	45.81	48.19
QIB	12,22,000	30.55	32.14
NII	9,16,800	22.92	24.11
RETAIL	21,38,800	53.47	56.25

Shareholding (%)	Pre (%)	Post (%)
Promoter	99.99	[●]
Public	Negligible	[●]

Company Overview

Capital Numbers are engaged in the business of digital consulting and IT engineering offering end-to-end software development solutions to enterprises, and startups worldwide. The company provides services in technological advancement, offering a comprehensive suite of services include Digital Engineering, Data Analytics, Artificial Intelligence/Machine Learning (AI/ML), Cloud Engineering, UI/UX Design and advanced technologies such as Blockchain and Augmented Reality/Virtual Reality (AR/VR).

The company have more than 500 IT professionals and consultants to serve more than 250 clients worldwide, delivering services from across locations of India. And with ISO:9001, ISO:27001, SOC 2 Type II certifications, this ensures exceptional quality and adherence to international standards, guaranteeing the highest level of excellence and quality in their work. Their team excels in Cloud, Mobile, DevOps, Data Engineering and Application Development using React, Angular, .NET, Python, Node, PHP, Java, etc.

Company were able to develop a customer-centric focus that aims to fulfil their immediate business requirements and to provide them strategically viable, futuristic and transformative digital solutions. They also design, develop and maintain software systems and solutions, create new applications and enhance the functionality of their customer's existing and new software products.

Company has a strong presence in the US and EU, with 80% of revenue from this market and balance from countries such as Canada, Germany, France, Romania, Finland, Indonesia, Ireland, Kuwait, Luxemburg, Malaysia, etc.



Objects of the Issue

Particulars	Amount (₹ in Lakhs)
Technical Advancement of Leading-edge Technology	Upto 1,782.00
Increase in Spending on Business Developments	Upto 1,500.00
Investment in Subsidiary	Upto 500.00
Funding inorganic growth through unidentified acquisitions and other strategic initiatives and general corporate purposes.	[●]

Investment Highlights

- **Experienced Leadership and Workforce:**
The company is steered by a seasoned management team with extensive expertise in the IT industry. It boasts a robust team of over 500 IT professionals and consultants, catering to more than 250 clients worldwide.
- **Comprehensive Service Portfolio:**
Offering an extensive array of cutting-edge services, the company specializes in AI/ML, Digital Engineering, Data Analytics, Cloud Engineering, UI/UX Design, Blockchain, and AR/VR, ensuring innovative solutions for its diverse clientele.
- **Industry Recognition:**
Recognized as one of India's highest-rated development companies on leading B2B review platforms, the company stands as a trusted partner in delivering quality solutions.
- **Awards and Accolades:**
The company has earned numerous prestigious awards and accolades, including recognition from **The Financial Times**, **Clutch**, **The Economic Times**, and **Dun & Bradstreet**.
- **Robust Financial Performance:**
 1. **Liquidity and Efficiency:** With a Return on Capital Employed (RoCE) of 51.90% for FY 2024, the company demonstrates exceptional resource utilization. A Return on Net Worth (RoNW) of 38.62% reflects its strong profitability and value creation for shareholders.
 2. **Revenue Growth:** In FY 2024, the company achieved a total revenue of ₹10,038.80 lakhs, a significant rise from ₹6,963.23 lakhs in FY 2022, with a **CAGR of 20.07%**.
 3. **Profitability:** Net profit surged to ₹2,598.88 lakhs in FY 2024 from ₹1,583.82 lakhs in FY 2022, registering an impressive **CAGR of 28.10%**.



Industry Overview

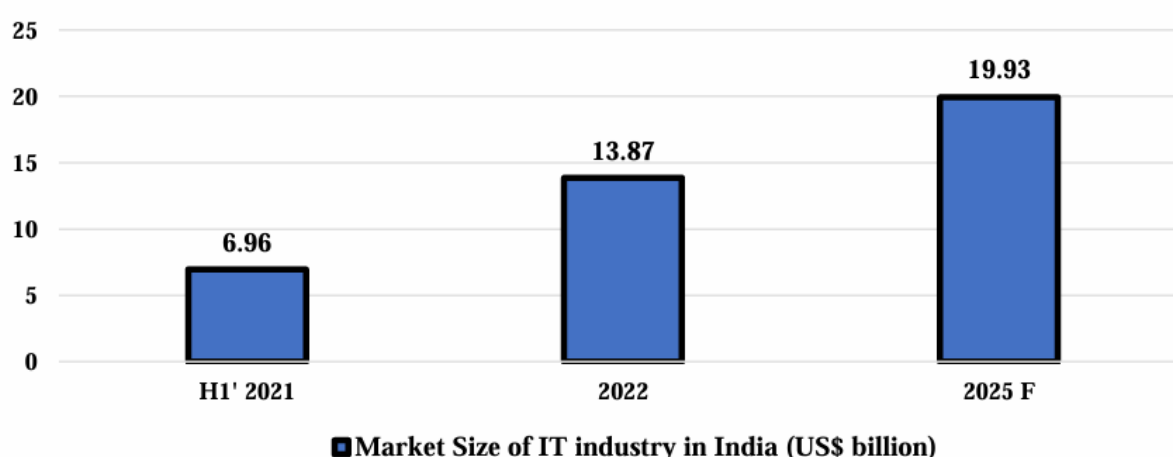
Global IT Industry Overview

Metric	Details
Global IT Spending (2024)	Projected at \$5 trillion , a 6.8% increase from 2023 (down from 8% earlier forecast).
IT Services Growth	Expected to grow 8.7% , reaching \$1.5 trillion in 2024, driven by organizational efficiency and optimization projects.
Impact of Generative AI	Significant hype in 2023; however, it won't majorly influence IT spending in the near term, with traditional factors driving growth.
India's IT Spending Growth (2024)	Estimated to grow 11.1% , led by demand for AI, industry cloud, security, and data analytics services.
Sector Growth in India	Software, IT services, and devices sectors are key drivers, growing at 13.4% , 13.4% , and 12.3% , respectively.

Indian IT Industry Highlights

Metric	Details
Contribution to GDP	Accounted for 7.4% in FY22; expected to contribute 10% by 2025.
Revenue Growth	Reached \$227 billion in FY22 (+15.5% YoY) and \$245 billion in FY23; projected to hit \$350 billion by 2026.
Employment in IT Sector	Added 445,000 new employees in FY22, with total direct employment reaching 5.4 million in FY23.
Digital Economy Growth	Estimated to reach \$1 trillion by 2025, driven by Digital India initiatives and rapid adoption of emerging technologies.
Export Revenue (FY23)	IT export revenue grew 9% (constant currency) to \$194 billion , with IT services contributing 53%, BPM 22%, and ER&D/software products 25%.
Skill Development Projections	9x increase in digitally skilled workers by 2025 (~3.9 billion training sessions), requiring 30 million skilled professionals by 2026.
Cloud Market in India	Expected to grow threefold to \$7.1 billion by 2022, fueled by AI, big data, analytics, and IoT adoption.
Global Rankings	Improved to 40th position in the Global Innovation Index (GII) 2022.

Market Size of IT industry in India (US\$ billion)





Key Strengths & Growth Drivers

1. Customer Satisfaction and Long-standing Relationships:

The company has cultivated enduring partnerships with customers across the globe. Its diverse range of product and service offerings not only fosters cross-selling opportunities with existing clients but also attracts new customers, contributing to consistent revenue growth.

2. Scalable Business Model with Multiple Growth Drivers:

The company operates a scalable business model, enabling it to expand by entering new sectors requiring advanced technology and enhancing existing offerings. Growth is primarily driven by market expansion, product innovation, and a steadfast commitment to maintaining quality standards.

3. Experienced Promoter and Management Expertise:

Guided by a seasoned promoter and a skilled management team, the company has achieved remarkable growth in sales while earning numerous awards and accolades, underscoring its industry leadership.

4. Diversified Business Across Industrial Verticals:

The company boasts a diversified revenue stream sourced from multiple industrial sectors and global regions. Notably, 100% of its income is derived from export sales, spanning a wide array of countries worldwide, ensuring resilience and stability in its business operations.

Strategic Priorities for Sustained Growth

• Acquire New Accounts and Deepen Key Relationships:

The company places significant focus on understanding customer behavior, preferences, and trends through rigorous research and consultation processes. It aims to develop innovative solutions and introduce new products for largely untapped industry sectors.

• Attract, Develop, and Retain Highly-Skilled Talent:

By fostering a positive workplace culture and benchmarking against industry peers, the company strives to attract top talent, nurture their growth, and sustain its high standards of service quality and customer experience.

• Strengthen and Expand Partnerships:

The company is committed to enhancing existing partnerships and establishing new alliances with Independent Software Vendors (ISVs) to drive innovation and broaden its market reach.

• Selective Strategic Investments and Expansions:

As part of its growth strategy, the company plans to open additional development centers across multiple cities in India, ensuring its presence in key technology hubs.

• Focus on Efficiency and Resource Optimization:

By seamlessly integrating product components, the company delivers efficient solutions that accelerate time-to-market while minimizing the risk of engineering failures, ensuring optimal utilization of resources.



SWOT Analysis





Brief Biographies of Directors

Name	Role	Age	Qualifications	Experience	Key Contributions
Mr. Mukul Gupta	Promoter, Chairman, MD & CEO	43	- Certificate in Network-Centered Computing (NIIT) - Microsoft Certified Professional - Blockchain Expert (Blockchain Council)	20 years in global operations	Driving force since inception
Mr. Vipul Gupta	Promoter & Executive Director	40	Higher Secondary Education (WB Council, 2003)	12 years in financial management and strategy	Strategic and financial leadership
Mrs. Herprit Gupta	Promoter & Executive Director	44	- Bachelor of Commerce (Madurai Kamaraj University)	8 years at Citibank (2005–2013) Human resources management since joining the company in 2013	Overseeing human resources and related functions
Mr. Vikas Sethia	Non-Executive Independent Director	45	- Chartered Accountant (ICAI) - Bachelor's in Commerce (University of Rajasthan) - Master's in Business Management	Financial Analyst (KSK Energy Ventures), Senior Associate (E&Y), Associate VP (KPMG), Partner at CA firm	Financial expertise and governance
Mr. Shounak Mitra	Non-Executive Independent Director	39	- BBA (ICFAI University, Dehradun) - Membership in Bar Council of West Bengal	14+ years in commercial and IP litigation	Expertise in dispute resolution and intellectual property
Mrs. Neha Nimesh Shah	Non-Executive Independent Director	39	- Post-Graduate Diploma in HR Management (Welingkar Institute)	HR Executive (Kotak Life Insurance, Future Group), Co-founder/Director at MMB Advisors	Mentoring companies and human resource management

DETAILS OF COMPARISON OF KEY PERFORMANCE OF INDICATORS WITH THEIR LISTED INDUSTRY PEERS

Name of the Company	CMP*	EPS (₹)	Diluted EPS (₹)	Face Value (₹)	PE Ratio*	RoNW (%)	NAV per share	Total Income (₹ in Lakhs)
Info Beans Technologies Ltd.	411.70	9.25	9.18	10.00	44.85	7.60%	121.73	38,375.00
Silver Touch Technologies Ltd.	700.10	12.67	12.67	10.00	55.26	14.23%	89.01	22,727.73
The Company	-	12.25	12.25	10.00	-	38.62%	31.73	10,038.80

* All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2024. The current market price and related figures are as on December 31, 2024.



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Key Financials

Key Performance Indicators (KPIs)

Particulars	Sept-24*	Mar-24	Mar-23	Mar-22
Revenue (₹ in Lakhs)	5,019	9,817	9,257	6,907
EBITDA (₹ in Lakhs)	1,883	3,641	2,527	2,267
EBITDA Margin (%)	37.52%	37.09%	27.30%	32.83%
Profit After Tax (₹ in Lakhs)	1,367	2,599	1,735	1,584
PAT Margin (%)	27.24%	26.47%	18.75%	22.93%
RoE (%)	16.89%	38.62%	29.10%	37.46%
RoCE (%)	22.42%	51.90%	38.85%	49.58%
Debt Equity Ratio (Absolute)	0	0	0.02	0.03

*Not Annualised

Figures based on Consolidated Financials

Profit & Loss Statement

(in ₹ Lakhs, unless stated otherwise)

Particulars	Sept-24*	Mar-24	Mar-23	Mar-22
Revenue from operations	5,019	9,817	9,257	6,907
Other income	145	222	41	56
Total Income	5,164	10,039	9,298	6,963
Employee benefit expenses	2,177	4,295	4,151	2,832
Finance cost	3	13	26	36
Depreciation & amortization	68	149	169	114
Other expenses	1,103	2,099	2,613	1,854
Total Expenses	3,351	6,556	6,959	4,836
Profit/(Loss) Before tax	1,813	3,483	2,339	2,128
Tax expense	446	884	604	544
Net profit	1,367	2,599	1,735	1,584
Earning per share (in ₹)	6.45	12.25	8.17	7.46

*Not Annualised

Figures based on Consolidated Financials



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