A) Brisk Technovision Limited IPO Overview:

Brisk Technovision Limited is an information technology solutions provider, offering third-party hardware, software, and various services to Indian corporate customers.

B) Overview of the Indian IT Industry:

The Indian IT industry has emerged as a global powerhouse, contributing significantly to the country's economy. In FY23, the industry's revenue reached an estimated US$ 245 billion, showcasing its robust growth.

1. Global Footprint and Competitive Advantage:

- India's IT firms have a global presence, fostering strategic alliances across sectors like BFSI, telecom, and retail. The nation ranks third globally in cloud expertise and has attracted significant foreign direct investment (FDI) in the software and hardware sector.

- The computer software and hardware sector in India attracted cumulative foreign direct investment (FDI) inflows worth US$ 95.88 billion between April 2000 and June 2023.

2. Growing Demand:

- IT spending in India is expected to increase to US$ 110.3 billion in 2023 from an estimated US$ 81.89 billion in 2021.

- In FY23, the top three Indian IT companies, TCS, Wipro and Infosys, were expected to offer over 1 lakh job opportunities due to the increasing demand for talent and skill.

3. Policy Support and Budget Allocation:

- Government support is evident in the Union Budget 2023-24, allocating Rs. 97,579.05 crore (US$ 11.8 billion) for the IT and telecom sector.

- The new Telecommunications Bill 2022 aims to create a modern telecom framework.

4. Contribution to GDP and Innovation Rankings:

- The IT sector contributed 7.4% to India's GDP in FY22, with expectations to reach 10% by 2025. India's focus on digital infrastructure and the Digital India Programme has propelled it to a leading position in Internet usage.

- The Global Innovation Index ranks India 40th in 2022.

5. Future Projections and Opportunities:

- Projections indicate that India's IT industry could reach the US$ 350 billion mark by 2026, contributing 10% to the GDP.

- With a growing emphasis on digital skills, cloud utilization is expected to create employment for 14 million people and add US$ 380 billion to the economy.

6. Government Recognition and Future Potential:

- Minister Piyush Goyal praised the IT sector's competitive strength and foresaw service exports reaching US$ 1 trillion by 2030, highlighting the government's recognition of the industry's potential.

- The Indian IT industry's trajectory reflects its adaptability, global competitiveness, and pivotal role in India's economic growth.

C) Brisk Technovision Limited Detailed IPO Analysis:

Brisk Technovision Limited is an information technology solutions provider, offering third-party hardware, software, and various services to Indian corporate customers.

- Primary business includes providing third-party hardware products (servers, desktops, PCs, laptops) and third-party software to Indian corporate customers.

- Additional service offerings cover the design, supply, and installation of data centers, enterprise networking management, email management, system integration, and annual maintenance contracts (AMC) for hardware and system maintenance.

D) IPO Details:

- **Open Date:** January 22, 2024
- **Close Date:** January 24, 2024
- **Total Shares:** 800,000
- **Face Value:** ₹10 per Equity Share
- **Issue Size:** ₹12.48 Crores
- **Lot Size:** 800 Shares
- **Issue Price:** ₹156 per Equity Share
- **Listing At:** BSE SME
- **Listing Date:** January 29, 2024

E) Objects of the IPO:

1. The company is going to raise 12.48 Crores from the IPO.

2. The company states that it will not receive any proceeds from the IPO; all proceeds will go to the Selling Shareholders.

3. Positive effects anticipated include enhanced visibility, improved brand image, boosted goodwill, liquidity for shareholders, and a public market for Equity Shares in India.

F) Promoters:

The Company is promoted by Mr. Sankaranarayanan Ramasubramanian and Mr. Ganapati Kenkre. Each of Mr. Sankaranarayanan Ramasubramanian and Mr. Ganapati Kenkre has vast experience in the field of information technology, sales and marketing.

G) System Integration:

Brisk Technovision Limited specializes in the field of System Integration, a pivotal service that amalgamates diverse components to establish and sustain robust IT infrastructure for organizations across industries. Nurturing strategic partnerships with Original Equipment Manufacturers (OEMs), the company delivers tailored end-to-end services to clients of varying sizes.

Key Elements of System Integration Services:

1. Strategic Procurement: Collaborating closely with OEMs, Brisk Technovision ensures the acquisition of servers, laptops, desktops, and related products to meet the specific needs of its clients. This guarantees the delivery of top-notch IT products aligned with organizational requirements.

2. Unified Solution Development: The company's expertise extends to seamlessly integrating varied IT systems into a unified solution. This encompasses linking network infrastructure across different locations, ensuring fluid connectivity, and maintaining high availability of IT storage, network, and computing resources.

3. Holistic Management: Taking charge of the entire IT infrastructure, Brisk Technovision adeptly manages relationships with OEMs and connectivity providers. This holistic approach allows clients to concentrate on their core business activities while entrusting the company with their comprehensive IT requirements.

4. Tailored Turnkey Solutions: Brisk Technovision's integrated turnkey solutions are meticulously tailored to address specific client needs, ensuring optimal returns from IT investments. The company boasts a proven track record of successfully executing complex IT projects nationwide.

5. Client-Centric Approach: Emphasizing a systematic approach, Brisk Technovision begins by understanding client requirements, identifying suitable products and solutions, conducting GAP analysis, and presenting integrated solutions with alternatives. This ensures a client-centric focus throughout the system integration process.

Process of System Integration:

1. Gather Requirements: Engage with the client to comprehend their unique needs and challenges.

2. Identify Suitable Products & Solutions: Collaborate with OEMs to pinpoint products and solutions aligned with client requirements.

3. GAP Analysis at Customer Site: Conduct a thorough analysis at the client's location to identify any gaps or areas of improvement.

4. Approach OEMs: Present client needs to OEMs, ensuring alignment with required capabilities.

5. Quotations from OEMs: Obtain quotations from OEMs for the identified products and solutions.

6. Integration of Solutions: Skillfully integrate solutions from multiple OEMs to create a unified and cohesive system.

7. Presentation to Customer with Alternatives: Provide the client with comprehensive presentations, offering alternative solutions for consideration.

8. Order Finalization & Execution: Collaborate with the client to finalize the order and execute the system integration process seamlessly.

H) Business Process Overview:

The following process is followed for getting orders from existing clients or prospective clients:

A. Business Process till receipt of the Order:

1. Prospecting: Identification and exploration of potential clients or businesses that may benefit from our services.

2. Qualification of Prospects: Thorough evaluation and qualification of prospects to ensure alignment with our capabilities and offerings.

3. Understanding Client Requirements: In-depth comprehension of the specific needs and requirements of the client, ensuring a clear understanding of expectations.

4. Alignment with OEMs: Collaboration and alignment with Original Equipment Manufacturers (OEMs) to ensure access to suitable products and solutions.

5. Preparation of Quotations: Development of detailed quotations outlining proposed solutions, products, and associated costs based on client requirements.

6. Quotations to Client: Presentation and submission of quotations to the client for review, providing a transparent overview of the proposed offerings.

7. Follow-up & Negotiation: Ongoing communication and negotiation with the client to address any queries, concerns, or modifications to the proposed solutions.

8. Finalization & Closure of the Order: Finalization of terms, conditions, and agreement details, leading to the formal closure of the order. This marks the successful completion of the pre-order process.

This structured business process ensures a systematic approach from identifying potential clients to securing orders, fostering transparency and effective communication throughout the engagement.

B. Business Process after receipt of the Order Post receipt of the order, depending on the nature of the order/contract, the following process is followed:

First Way:

1. Receipt of Order: Upon receiving the order, initiate the next steps in the process for seamless execution.

2. Contacts: Establish necessary contacts within the organization to kickstart the post-order processes.

3. Preparation of Contracts: Draft contracts detailing terms, conditions, and deliverables, ensuring clarity and alignment with client expectations.

4. Operational Department for Execution: Hand over finalized contracts to the operational department responsible for executing the order.

5. Billing & Payment: Initiate billing processes and coordinate with the client for timely payments, ensuring financial transactions align with agreed-upon terms.

6. Order Closure: Formalize the closure of the order after successful execution, encompassing all aspects of the contractual agreement.

Second Way:

1. Supply Order: In scenarios where the order involves the supply of products, initiate the supply order process.

2. Procurement & Division: Engage the procurement division to source necessary materials and products from suppliers.

3. Suppliers: Collaborate with suppliers to ensure timely and efficient procurement of required goods.

4. Delivery: Facilitate the delivery of products, coordinating with the operations division for commissioning.

5. Invoice Preparation and Collection of Payments: Prepare and issue invoices to the client, initiating the collection process for timely payments.

6. Order Closure: Officially close the order, confirming the completion of the supply process and associated transactions.

This bifurcated approach ensures adaptability based on the nature of the order, whether it involves services or the supply of goods. The processes are designed to be systematic, transparent, and conducive to efficient order fulfillment.

I) Data Centre Services:

In the realm of cloud computing services, the rise of Infrastructure as a Service (IaaS) and Platform as a Service (PaaS) has transformed the conventional landscape of Data Centre Services. Despite these shifts, Data Centre Services remain pivotal, particularly for large organizations. As digital disruption reshapes businesses and their operations, the imperative for Data Centre infrastructure and operations is to align with evolving business demands and ensure cost efficiency.

Brisk Technovision Limited provides a spectrum of Data Centre Services that encompass the entire lifecycle, addressing the evolving needs of modern businesses:

1. Hyper-Converged Infrastructure Services: Tailored solutions that integrate computing, storage, and networking for enhanced efficiency and performance.

2. Server Virtualization Services: Virtualization solutions optimizing server resources for improved scalability and resource utilization.

3. Software-Defined Storage Services: Adaptive storage solutions provide flexibility and efficiency through software-defined approaches.

4. Enterprise Backup and Recovery Solutions: Robust solutions to safeguard critical data and facilitate efficient recovery in case of unforeseen events.

5. Data Replication Services: Comprehensive replication services covering physical, virtual, and database environments.

6. IT Equipment Installation and Management Services: End-to-end services encompassing installation and ongoing management of IT equipment.

7. Security Solutions: Robust security measures to protect data and infrastructure from potential threats.

8. Mail Management: Efficient management of email systems to ensure seamless communication.

9. Software Defined Wide Area Network (SD-WAN) Installation and Management Services: Advanced networking solutions providing agility and scalability through software-defined approaches.

10. Vendor-Specific Expertise: Proficiency in managing and optimizing solutions from industry leaders such as VMware, Microsoft, and OpenStack.

J) Managed Services:

In the realm of Managed Services, Brisk Technovision Limited acts as a reliable partner, sourcing and providing skilled personnel to clients for various crucial services:

1. Supporting IT Infrastructure and Applications: Their skilled personnel work collaboratively under the client's direction, offering support for IT infrastructure and applications, ensuring seamless operation.

2. Managing Fluctuating Skill Needs and gaps: They assist clients in managing skill variations and addressing skill gaps, providing a flexible workforce to adapt to changing requirements.

3. Meeting Project Timelines: Addressing changing staffing needs to meet aggressive project timelines, ensuring that projects progress efficiently and are completed within stipulated schedules.

4. Qualified & Certified Resources: They provide qualified and certified resources proficient in key technologies, ensuring the delivery of high-quality services aligned with industry standards.

K) Strengths:

1. Experienced Leadership and Management Excellence: The leadership, comprising Mr. Sankaranarayanan Ramasubramanian and Mr. Ganapati Chittaranjan Kenkare, brings extensive experience from roles at major organizations like HCL and Wipro.

2. Robust, Trusted, and Industry-Proven Solutions: The business offerings, serving Data Centers, Enterprises, Pharma, and Banking sectors, deliver comprehensive solutions encompassing hardware, software, services, and support. The reliability of these solutions builds trust, attracting new clients and fostering recurring business from existing ones.

3. Diverse Range of Hardware and Software Products: Providing an extensive array of IT Infrastructure solutions, third-party IT products, and software allows the company to continually expand its offerings. This strategic approach enables service in new markets, attracting diverse customer segments, and exploring additional product offerings for existing clientele.

4. Well-Trained Employee Base with Strong Technical Capabilities: The employees and management team represent the company's most valuable asset. Investments in human capital through training and retention initiatives are crucial to its success. A qualified and experienced workforce, along with established systems and procedures, enables the delivery of quality products and services, prompt response to emergencies, and efficient order execution.

5. Financial Strength and Profitable Track Record: As a cash-rich company with no debt, the organization maintains fixed deposits of Rs. 415.34 lakhs, along with cash and bank balances of Rs. 56.85 lakhs (as of September 30, 2023). The asset-light business model consistently yields profits for more than a decade, reflecting financial stability and sustainability.

6. Cost Advantage: With over a decade in the industry, the company's extensive experience allows it to offer cost-effective solutions, ensuring customer satisfaction at reasonable prices. The knowledge and expertise in the IT field contribute to the ability to provide value-driven services.

L) Strategies used by the company:

1. Building a Professional Organization and Talent Attraction: Attracting bright talents by focusing on a blend of experienced and dynamic team members for sustained growth.

2. Expanding in Additional Geographic Areas: Adopting an industry-wise focus aligned with geographical expansion. Implementing initiatives to structure the organization around industry verticals for relevant industry experience.

3. Developing Client Relationships and Expanding Base: Growing the client base for increased business stability and retaining existing client relationships while developing new ones.

4. Enhancing Competitiveness in Business: Leveraging knowledge and experience in the IT industry. Developing Products Business (CAPEX deals) and focusing on Service Business (OPEX/SaaS-based deals). Streamlining hardware and system integration processes for improved productivity.

5. Customer-Centric Services and Offerings: Expanding services through maintenance and staffing facilities. Customizing product packages based on customer needs.

6. Strategic Acquisition and Alliances: Exploring strategic acquisitions and technology alliances. Tying up with software development services companies. Collaborating with startups in security solutions, AI, and/or ML for faster entry into high-tech areas.

M) Risks for the company:

1. Geographic Concentration Risk:

- Most business operations located in Maharashtra may limit growth potential.
- Vulnerable to economic and demographic conditions specific to Maharashtra, impacting results of operations.

2. Customer Dependency Risk:

- Reliance on a few customers for a significant portion of revenues.
- Lack of long-term arrangements with customers may lead to revenue volatility and impact overall business operations.

3. Supplier Dependency Risk:

- Dependence on a few suppliers for third-party products.
- Supplier failure to deliver products on time or meet quality standards could disrupt business operations and affect order fulfillment.

4. Key Personnel Dependency Risk:

- High dependence on Promoters, management team, and key personnel.
- Potential adverse impact on business and operations in the event of the loss of key team members.

5. Competition Risk:

- Facing competition from both organized and unorganized players.
- Adverse effects on business operations and financial condition due to intense competition in the industry.

6. Domestic Market Dependency Risk:

- Sole dependence on the domestic market without export revenue.
- Vulnerability to adverse changes in domestic market conditions, potentially impacting business, results of operations, and financial condition.

7. Competitive Environment Risk:

- Operating in a highly competitive environment.
- Risk of ineffective competition with similar companies, potentially having a material adverse effect on business operations, results, and financial condition.

8. Negative Cash Flows Risk:

- Historical negative cash flows pose a risk.
- Future negative cash flows may impact cash flow requirements, affecting the ability to operate and implement growth plans, thereby influencing financial condition.

N) Revenue Bifurcations:

Sr. No.	Particulars	FY 2021	FY 2022	FY 2023	September 30, 2023
1	Revenue from top 10 Customers	1,551.03	2,085.43	1,625.63	1,479.06
2	Total Revenue	1,685.60	2,204.66	1,831.25	1,567.24
3	Revenue from top 10 Customers / Total Revenue (%)	92.02%	94.59%	88.77%	94.37%

Key Observations:

1. The revenue from the top 10 customers has consistently formed a significant portion of the total revenue, ranging from 88.77% to 94.59% over the observed period.

2. Despite fluctuations in total revenue, the proportion of revenue from the top 10 customers remains substantial, indicating a notable dependency on these clients for business.

3. Attention should be given to diversifying the customer base to mitigate risks associated with reliance on a small number of clients.

O) Financials:

Particulars (In Lakhs)	2021	2022	2023	6M-FY24
Revenue from Operations	1,686	2,205	1,831	1,567
Other Income	5	3	9	10
Total Revenue	1,691	2,208	1,840	1,577
Purchase of Stock-in-trade	1,153	1,621	993	1,161
Changes in inventories	25	-27	49	-81
Employees Benefit Expenses	431	381	416	241
Other Expenses	46	83	119	52
EBITDA	36	150	264	205
Depreciation & Amortisation	5	3	2	0.7
Finance costs	2	2	0.5	0.1
EBIT	31	147	262	204
OPM (%)	2.13%	6.80%	14.35%	12.98%
PBT	29	145	261	204
Tax	15	36	62	51
PAT	15	110	199	152
NPM (%)	0.86%	4.96%	10.81%	9.67%
No.of Shares	20	20	20	20
EPS	0.72	5.47	9.94	7.62

P) Valuation:

After annualizing 2023-24, representing 6M FY24 data:
Particulars (In Cr)

Revenue: INR 31.34

PAT: INR 3.04

EPS: 15.2

P/E: 10.26

Market Cap: 31.2

Review: Avoid. Pure Trading company. Financials are cooked up. It is a pure OFS. Just trying to get money from investors.