

Capital-Numbers Infotech Limited SME IPO One **Pager by Umesh Paliwal**

1. Company Overview

- **Incorporation:** Founded on **July 10, 2012**, as a private limited company, later restructured into a public limited entity.
- **Nature of Business:** A global leader in digital consulting and IT engineering services, CapitalNumbers caters to enterprises and startups with cutting-edge software solutions.
- **Core Services Include:**
 - **Digital Engineering:** Custom software development for diverse industries.
 - **AI/ML & Data Analytics:** Driving data-driven decisions for businesses.
 - **Cloud Engineering:** Scalable cloud solutions for modern enterprises.
 - **Blockchain & AR/VR:** Leveraging emerging technologies to create innovative solutions.
 - **UI/UX Design:** Enhancing customer engagement with intuitive design.

With an agile and customer-focused approach, the company has established itself as a reliable partner in global IT services.

Some Brief About Projects Done!

1. The company specializes in delivering tailored software solutions, focusing on client-specific goals through a structured project-based approach. They also design and maintain software systems, ensuring seamless functionality. A notable project includes a **customized banking solution** that differentiated user paths for partners, enforced mandatory steps for **loan applications, and automated deviant behavior detection.**

2. **Additionally, their e-commerce platforms feature secure payment integration and inventory management.**

3. They excel in advanced technologies like AI/ML and Generative AI, developing innovative solutions such as an **AI-powered mobile app for new parents.** Their cloud engineering services ensure smooth data migration and optimal resource management, while data engineering capabilities streamline data from multiple sources to create actionable insights, as seen in their work with a non-profit consolidating product reviews into a centralized data warehouse.

4. Other standout projects include enhancing a **hotel booking engine with dynamic, personalized content** and building a blockchain-based NFT marketplace to foster

community engagement. The company also develops enterprise systems and automation tools, simplifying workflows and improving business efficiency, making them a versatile partner across industries.

2. Leadership Team

- **Mukul Gupta** (*Chairman, CEO & Managing Director*):
A visionary leader with 20+ years of experience in IT. Microsoft Certified Professional and Certified Blockchain Expert, awarded *Economic Times Promising Entrepreneur (2021)*.
- **Vipul Gupta** (*Executive Director*):
Financial strategist with 12+ years of expertise in financial planning and management.
- **Herprit Gupta** (*Executive Director*):
Brings 8 years of corporate experience from Citibank, now actively managing critical operations at CapitalNumbers.
- As of **September 30, 2024**, the company had **447 employees**, including senior executives, engineers, developers, and administrative staff. In Fiscal Year 2024, employee benefits expense totalled ₹43 Cr which is 42% of the total Income. It shows that they are spending good amount of money on employees which is the backbone of any IT company.

3. Global Presence

- **Registered Office:**
Mani Casadona IT Building, 8th Floor, East Tower, New Town, Kolkata, West Bengal.

(No corporate office currently reported.)
- **Client Footprint:**
Primarily serving markets in the **USA, UK, Switzerland, Saudi Arabia, Ireland, Canada, and Australia.**

Revenue Contribution by Region (FY 2024)

- **USA:** 48.36%
- **UK:** 23.85%
- **Rest of the World:** 27.79%

4. Financial Highlights and Valuation(₹ in Cr)

Particulars	2022	2023	FY 2024	FY25
Revenue from Operations	69.07	92.57	98.17	50.19
EBITDA	22.67	25.27	36.41	18.83
Profit After Tax (PAT)	15.84	17.35	25.99	13.67
Earnings Per Share (EPS)	7.46	8.17	12.25	6.45
Net Asset Value (NAV) per Share	20.02	28.24	31.81	38.26

- The Company has shown decent growth in the top line from INR 69 Cr in FY22 to 100 Cr in FY24.
- The PAT has increased from 15 Cr in FY22 to 25 Cr in FY24.
- After the IPO, the total outstanding shares will be approximately 2.44 crore. At an IPO price of ₹263, the market capitalization comes to ₹**641 crore**. Based on FY24 numbers, the **P/E ratio would be 25x**, suggesting the valuation is fully priced in.

5. Business Risks

- 1. Geographic Dependence:** Significant reliance on clients from the **USA and UK**, exposing the company to regional market fluctuations.
- 2. Global Regulations:** Complying with complex, sometimes conflicting legal frameworks across different geographies.
- 3. Economic Sensitivity:** Dependence on India for workforce and assets makes the company vulnerable to domestic economic conditions.
- 4. Competitive Industry:** Operating in the highly competitive IT sector where innovation is key.

6. IPO Details

CapitalNumbers Infotech Limited is set to launch an **Initial Public Offering (IPO)** with the following structure:

- **Fresh Issue:** Up to **32,20,000 equity shares**.
- **Offer for Sale:** Up to **32,20,000 shares** by Promoter Selling Shareholders.

Fund Utilization

1. **Technology Advancement:** Investing in future-ready technologies.
2. **Business Expansion:** Strengthening marketing and sales efforts.
3. **Inorganic Growth:** Exploring acquisitions and strategic partnerships.
4. **Subsidiary Investments:** Enhancing operational capabilities through subsidiary funding.
5. **General Corporate Purposes:** Improving overall business sustainability.

7. Why Invest in CapitalNumbers?

- **Proven Growth Trajectory:** Consistent increase in revenue and profitability over the last three years.
- **Strong Global Footprint:** Diversified client base across major international markets.
- **Leadership Excellence:** Visionary management with a track record of innovation and execution.
- **Emerging Technologies:** Leveraging cutting-edge tools like blockchain, AI/ML, and AR/VR to stay ahead of the curve.
- **Brand Visibility:** Listing on the **SME platform of BSE** will elevate the company's brand image and market presence.

The IPO is being offered at a P/E of 25x based on FY24 numbers, indicating that it is fully priced. Additionally, the presence of an Offer for Sale (OFS) in the SME segment suggests that the promoters are aiming to book some profits through the IPO.