

Company Business

Identixweb Limited is an IT firm involved in providing **Software as a Service (SaaS)-based digital product solutions**. The company offers services such as **E-Commerce Store Development, Web App Development, UI/UX Design, Website development, and Custom Software Development**, along with support and maintenance. Their primary focus is on **Shopify application development**. The company's goal is to deliver applications online, eliminating the need for installation and maintenance, thus simplifying software management. Identixweb has developed **more than 10 Shopify applications** tailored to customer needs and provides its products and services worldwide across various sectors. The company also has **two subsidiaries**: Munim ERP Private Limited, specializing in accounting and GST compliance software, and Identixweb LLC.

Industry Analysis and TAM

The **IT & BPM sector has become a significant growth catalyst for the Indian economy**, contributing substantially to the country's GDP. In FY23, the IT industry accounted for **7.5% of India's GDP** and is expected to contribute **10% by 2025**. India is considered to have one of the largest internet user bases globally. The Digital India Programme has enhanced digital infrastructure and access, making India one of the countries with the quickest pace of digital adoption. India's ranking in the Global Innovation Index (GII) improved to **40th position in 2022**. The Indian IT industry's revenue reached **US\$ 227 billion in FY22**, a **15.5% YoY growth**, and was estimated to have touched **US\$ 245 billion in FY23**. The IT spending in India is estimated to record a double-digit growth of **11.1% in 2024**, totaling **US\$ 138.6 billion**. India's services sector hit a peak in March 2024, with exports surging to a fiscal year high.

Promoters Details

The promoters of Identixweb Limited are **Mr. Priyankkumar Jivarajbhai Savani, Mr. Ankur Jagdishbhai Lakhani, and Mrs. Hiral Ankurbhai Lakhani**.

- ✦ **Mr. Priyankkumar Jivarajbhai Savani** is the Chairman and Managing Director, with over 7 years of experience in Shopify application and web development.
- ✦ **Mr. Ankur Jagdishbhai Lakhani** is the Whole-Time Director, with over 6 years of experience in information technology, web, and application development.
- ✦ **Mrs. Hiral Ankurbhai Lakhani** is a Non-Executive Director with 3 years of experience in graphic and web design, along with a background in HR and office administration.

IPO Details

- ✦ **Issue Size** : 30,80,000 Equity Shares.
- ✦ **Fresh Issue** : 30,80,000 Equity Shares aggregating to ₹16.63 Cr..
- ✦ **Offer for Sale (OFS)** : Nil, as the entire issue is a fresh issue.
- ✦ **Issue Price Band** : Rs. 51 to 54 per share..
- ✦ **Pre-Issue Promoters Holding** : 89.34%
- ✦ **Post-Issue Promoters Holding** : 62.98%

Objects of the Issue

The Net Issue Proceeds will be utilized for the following purposes:

- ✦ Investment in marketing to support the organization's growth plans in India or Outside India (**₹ 2.50 Cr.**).
- ✦ Investment into market research and product development through Talent Hiring for the issuer company (**₹ 4.20 Cr.**).
- ✦ Investment in our Subsidiary i.e., Munim ERP Private Limited for Product Development through Talent Hiring (**₹ 4.15 Cr.**).
- ✦ **General Corporate Purposes**

Financials of the company

(Fig. in Cr)

Particulars	Sep 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	4.18	6.32	6.22	6.00
EBITDA	2.78	4.35	2.15	0.92
EBITDA Margins	66.55%	68.74%	34.57%	15.38%
PAT	1.97	2.83	1.37	0.75
PAT Margins	47.19%	44.86%	22.13%	12.55%
ROCE	31.09%	57.25%	62.56%	87.68%
CFOA	1.13	3.45	1.53	0.55

Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
Identixweb (FY 2024)	6.32 Cr.	68.74%	44.86%	0.00	56.38 Cr.	19.92*
Kody Technolab (TTM)	57 Cr.	34%	24.56%	0.15	1,228 Cr.	85.90

*Forward PE is 14.31 on the basis of FY 25 PAT.

Negative Points

Negative

- Majority of revenues are generated from a single customer, Shopify Inc..
- Promoters and Directors are involved in certain legal proceedings and potential litigations.
- No growth in Revenue.
- Certain delays in filing returns and statutory e-forms.
- Intense competition in the technology services market.
- Competition from both domestic and international markets.



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