Latent View Analytics Ltd (LATVIE)

ICICI direct Research

IPO Review

Price Band: ₹ 190 - 197

UNRATED

November 9, 2021

Play on growing adoption of D&A…

About the Company: Latent View Analytics is the leading pure play data analytics services companies in India. It provides expertise on the entire value chain of data analytics from data and analytics consulting to business analytics and insights, advanced predictive analytics, data engineering and digital solutions.

- It engages to provide services to blue chip companies in technology, BFSI, CPG & retail, industrials and other industries
- Some of the key clients it works include Adobe, Uber Technology & 7-Eleven

Key triggers/Highlights:

- Global IT spend is expected to reach US$4 billion in CY24 from US$2.9 billion in CY20, a CAGR of 8.4%
- Global D&A market is currently at US$174 billion, comprising 6% of the global IT spend
- Global D&A market is expected to grow at 18% CAGR over CY20-24 to reach US$332 bn
- Geography wise, North America (US+ Canada) forms 42% of the global D&A Market, followed by APAC (34% of mix) and Europe (23% of the mix)
- Vertical wise, BFSI forms 34% of the global D&A Market, followed by CPG & retail (31% of the mix) and others (22% of the mix)
- Global D&A market to reach 8.3% of the global IT spend in CY24, aided by North America & Europe market, which is expected to grow by 16% and 19.3%, respectively, in the same period. Vertical wise BFSI, CPG & retail will drive growth as they are expected to grow by >19% CAGR over CY20-24

What should investors do? Latent View Analytics is the leading pure- play data analytics services companies in India, which is expected to benefit from growing thrust of D&A spends across geographies and verticals. At the upper end of the price band, it is valued at 43.6x P/E on Q1FY22 (annualised fully diluted basis)

- We assign **UNRATED** rating to the IPO

Key risk & concerns

- Client concentration risk as 59% of revenues comes from top five clients
- Vertical concentration as significant revenues come from limited verticals
- Unable to close potential inorganic opportunities

IPO Details

Issue Details	
Issue Opens	November 10,2021
Issue Closes	November 12,2021
Issue Size	₹ 600 crore
Fresh Issue	₹ 474 crore
OFS	₹ 126 crore
Price Band	₹ 190-197
No of shares on offer	17.3 crore
QIB(%)	75
Non-Inst bidders (%)	15
Retail (%)	10
Minimum Lot Size (no of shares)	76

Shareholding pattern

	Pre-issue	Post-issue
Promoter	79	66
Public & Others	21	34

Objects of the issue

Objects of Issue

Funding inorganic growth initiatives

Funding working capital requirements of LatentView Analytics Corporation, our Material Subsidiary

Investment in our Subsidiaries to augment their capital base for future growth

General corporate purposes

Research Analyst

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Key Financial Summary

Key financials (₹ crore)	FY19	FY20	FY20	Q1FY22	FY19-21 CAGR %
Revenue	288	310	306	88	3.1
EBITDA	73	80	105	27	20.0
EBITDA (%)	25.2	25.9	34.2	30.8	
PAT	60	73	91	22	23.8
EPS (₹)	3.5	4.3	5.4	1.3	23.8
P/E (x)	56.0	46.0	36.8	43.6	
RoE (%)	22.4	20.9	20.9		
RoCE (%)	24.6	24.7	24.3		

*Source: RHP, ICICI Direct Research * P/E for Q1FY22 is on annualised number on fully diluted basis*

Company Background

Latent View Analytics, incorporated in 2007, in Chennai, is among the leading pure-play data analytics services companies in India (Zinnov report). It designs and engineers result-oriented analytics solutions for clients across industries, that enable them to operate more efficiently by predicting outcomes that fuel digital transformation and sustainability. Their expertise in business analytics includes analytics with respect to customer profiling, targeted marketing, supply chain management, finance & risk management, and HR functions. The company provides these services on the back of the expertise and understanding it has developed of various AI/ML algorithms that power its digital analytics implementations.

Its scope of work is classified into: (i) Consulting services, that involves understanding relevant business trends, challenges, and opportunities and preparing a roadmap of data and analytics initiatives that addresses them; (ii) Data engineering, that is undertaken to design, architect and implement the data foundation required to undertake analytics; (iii) Business analytics, that delivers analysis and insights for clients to take more accurate, timely and impactful decisions; and (iv) Digital solutions that it develop to automate business processes, predict trends, and generate actionable insights.

The company begins its engagements with most clients by providing business intelligence and visualisation services, which may be followed by deeper engagements for advanced analytics and predictive modelling. This could be further expanded in the areas of strategic insights, thought leadership and business recommendations. The company also has expanded range of offerings from basic services such as web analytics, activity-tracking reports, survey analytics to social media analytics, big data, cloud architecture and migration. It is currently engaged as a strategic partner to several clients delivering a wide range of end-to-end solutions.

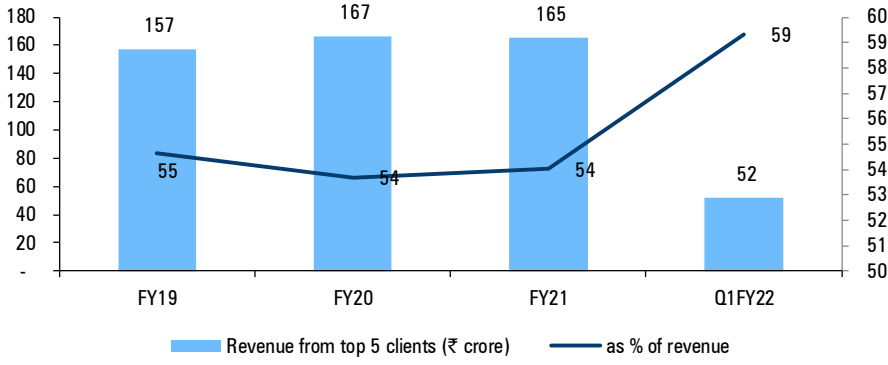**Exhibit 1: US contributes 95% of revenues as on Q1FY22**
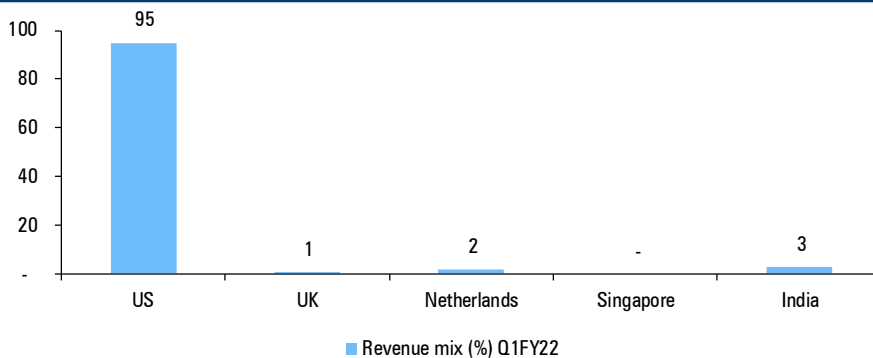
Source: RHP, ICICI Direct Research

Exhibit 2: Technology clients generate 67% of revenue as on Q1FY22
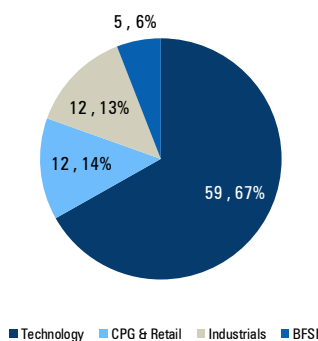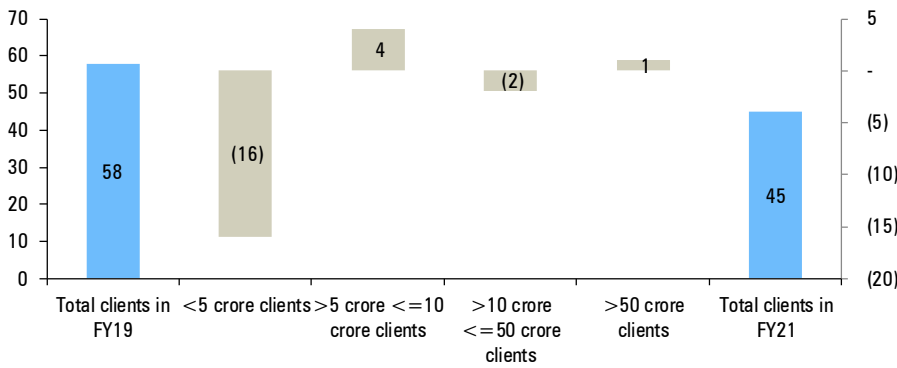

Source: RHP, ICICI Direct Research

Source: RHP, ICICI Direct Research

The company has 45 clients as on FY21, which are bifurcated into four buckets of i) clients generating <₹ 5 crore revenue/year ii) clients generating >₹ 5 crore but <=₹ 10 crore revenue/year iii) clients generating >₹ 10 crore but <=₹ 50 crore revenue/year iv) clients generating >₹ 50 crore revenue/year. The client number has gone down from 58 clients in FY19 to 45 clients in FY21. However, it is important to note that revenue per customer grew at 17% CAGR in the same period.

Exhibit 4: Client addition/ (loss) bridge from FY19-21

Source: RHP, ICICI Direct Research

Exhibit 5: Revenue per client grew 17% CAGR in FY19-21
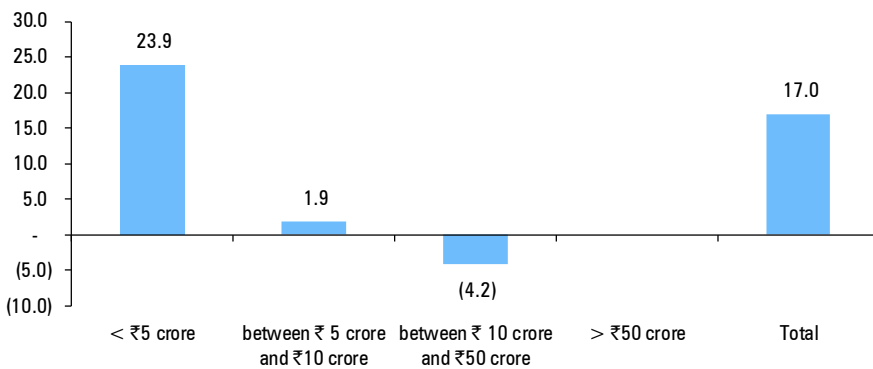
Source: RHP, ICICI Direct Research

Exhibit 6: Few case studies demonstrating its capabilities

S. No.	Client	Problem	Solution	Key Stakeholders	Impact
1.	Leading home appliances and repair services provider located in the US	The market share was declining due to shifting preference towards replacement, increased competition, and poor service levels	Reworked sales planning exercise, recalibrated monthly forecasts, performed workforce optimization, and truck stock optimization.	Sales and Operations Planning, Supply Chain, Marketing	Improved first time completion of service requests which resulted in an improvement in NPS
2.	Leading US-based cosmetics' company	Loyal consumers of the client's cosmetics line were aging, and the image of the brand had been declining steadily among younger women for the past few years.	Built a social insights platform to mine the text and image data of the target demographic available in social media to perform geographic trend mapping, spot trends, rate influencers, identify upcoming competitors, refine campaign messaging, and understand drivers of purchase	Product Development, Marketing	Improvement in product innovation cycle and increase of SKU success rates
3.	Leading US-based retailer	Leaders within the client entity relied on ad hoc reports for driving business decisions, which was time consuming and required resources dedicated to coordinating different teams and members	Built a chatbot and an integrated self-service tool to facilitate communication with the bot to obtain required information. or create custom charts in the self-service tool	Human Resources	The users could easily view all metrics, otherwise scattered, in a single window and create reports by simple selections
4.	Largest food distribution company	Challenges in driving growth	Built a turn-key solution to mine insights from large volume of transaction history of the client's customer base	Finance, Sales, IT	Armed marketing associates with personalized product recommendations driving increase in value of new orders from existing customer base.

Source: RHP, ICICI Direct Research

**Exhibit 7: Few case studies demonstrating its capabilities**

S. No.	Client	Problem	Solution	Key Stakeholders	Impact
5.	US-based home appliances manufacturer	Inability to maintain leading market share	Built a real-time text analytics platform to utilize and measure customer feedback on the client compared to its competitors based on multiple parameters	Product Development Marketing	Insights delivered to marketing teams
6.	Luxury car manufacturer in Europe	Seeking solutions to minimise warranty claims	Developed an AI platform connected to vehicles to identify vehicle usage patterns	Risk	Identified disproportionate increase in warranty costs caused by drivers exhibiting short-trip, long pause driving styles.
7.	Leading Snack Company in the US	Low capacity utilization of expensive equipment that adversely impacts production throughput to the extent of 6%	Early Warning System to predict downtime in processing line – 30, 60 & 180 minutes in advance	Manufacturing, Supply Chain	Increase in fryer utilization, savings in cost per fryer across all plants in the US

Source: RHP, ICICI Direct Research

Industry Overview

The global IT spend is also expected to recover to reach ~ $4 trillion by 2024. While business related uncertainties led to enterprises putting large scale expansion plans on hold in 2020, investments on IT have since then recovered as businesses prepare for the next wave of growth supported by a buoyant economy. However, as enterprises prepare for a post Covid-19 future, IT spending priorities are expected to change.

Exhibit 8: Global IT spending expected to grow at 8.4% CAGR over 2020-24
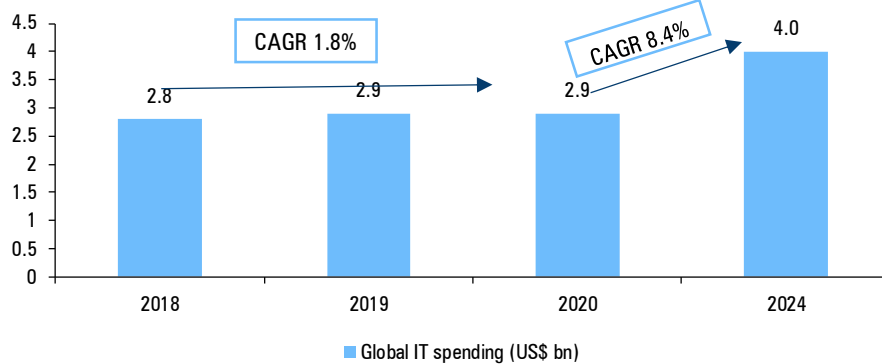
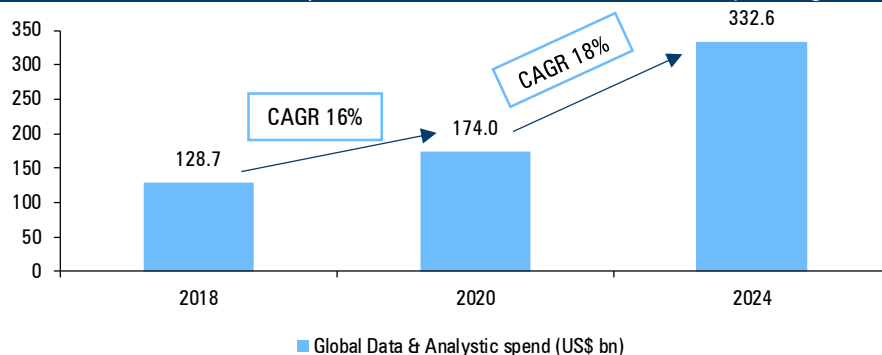Source: RHP, ICICI Direct Research

Some of the key drivers of growing adoption of D&A are:

Manage data explosion: Growing e-commerce activities and the increased preference for contactless customer engagements have led to the creation of high volumes of customer data across industries. Data is being collected in different formats from a variety of sources. Inherent structural inconsistencies in the data collected and the need to consolidate data under different departments into a single unified view have led to the growth in D&A spend across industries.

Provide differentiated user experience: The major factor driving growth of the market is the need to understand consumer buying behaviour to provide a more differentiated and personalised customer experience. Enterprises are leveraging D&A to differentiate product offerings and respond quickly to changes in consumer preferences. The power of Big Data and AI/ ML is increasingly being leveraged by enterprises to identify spending patterns and customer buying behaviour for customer segmentation, feature prioritization, and predicting future demand.

Optimise business decision-making: Business Intelligence and visualisation are extensively leveraged by enterprises to track business metrics/KPIs against business goals. Data science and advanced algorithms are used to build advanced analytics applications to find optimal solutions for channel investment, promotional spending, warehouse transport, product assortment.

Exhibit 9: Global data & analytics (D&A) market is 6% of overall IT spending in CY20

Source: RHP, ICICI Direct Research

Exhibit 10: Overview of D&A market

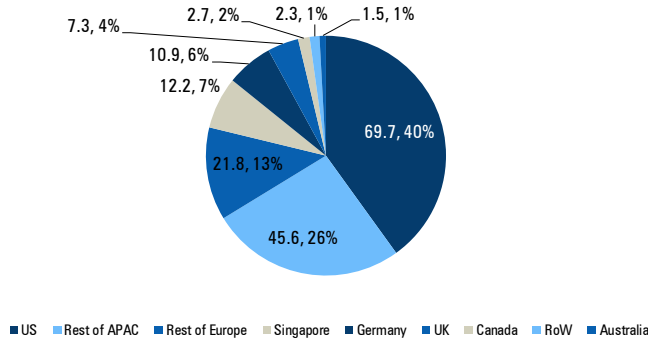| (US$ bn)	CY18	CY20	CAGR (CY18-20)	CY24	CAGR (CY20-24)
D&A Market	128.7	174.0	16.3	332.6	17.6
Geography wise					
North America	53.9	72.4	15.9	131.1	16.0
Europe	29.0	40.0	17.4	79.0	18.5
APAC	44.0	59.3	16.1	120.0	19.3
Other	1.8	2.3	13.0	2.5	2.1
Vertical wise					
BFSI	43.1	58.6	16.6	117.9	19.1
CPG & Retail	38.3	53.6	18.3	110.7	19.9
Technology	11.4	15.9	18.1	32.0	19.1
Industrial	5.8	8.0	17.4	16.8	20.4
Other	30.1	37.8	12.1	55.3	10.0

Source: RHP, ICICI Direct Research

Exhibit 11: Deep down of D&A spending vertical wise in key geographies

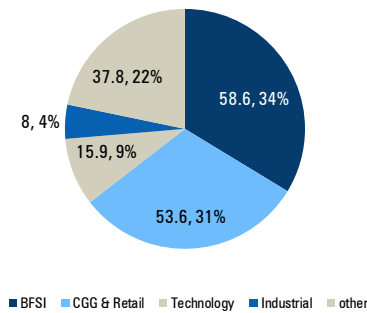| (US$ bn)	CY18	CY20	CAGR (CY18-20)	CY24	CAGR (CY20-24)
North America					
BFSI	16.6	22.4	16.2	44.3	18.6
CPG & Retail	20.4	27.6	16.3	50.0	16.0
Technology	6.8	9.2	16.3	16.5	15.7
Industrial	1.6	2.3	19.9	5.3	23.2
Others	8.5	10.9	13.2	15.0	8.3
APAC					
BFSI	15.9	21.7	16.8	45.5	20.3
CPG & Retail	9.2	13.6	21.6	34.1	25.8
Technology	3.3	4.8	20.6	10.9	22.8
Industrial	1.9	2.6	17.0	4.8	16.6
Other	13.6	16.6	10.5	24.7	10.4
Europe					
BFSI	10.2	14.2	18.0	28.1	18.6
CPG & Retail	7.7	11.1	20.1	25.0	22.5
Technology	1.2	1.9	25.8	4.4	23.4
Industrial	2.2	3.0	16.8	6.6	21.8
Other	7.6	9.9	14.1	14.9	10.8

Source: RHP, ICICI Direct Research

Exhibit 12: US forms major chunk of US$174 billion D&A market with 40% share

US 69.7, 40%; Rest of APAC 45.6, 26%; Rest of Europe 21.8, 13%; Singapore 12.2, 7%; Germany 10.9, 6%; UK 7.3, 4%; Canada 2.7, 2%; RoW 2.3, 1%; Australia 1.5, 1%

■US ■Rest of APAC ■Rest of Europe ■Singapore ■Germany ■UK ■Canada ■RoW ■Australia

Source: RHP, ICICI Direct Research

Exhibit 13: While BFSI forms major chunk vertical wise with 34% share

BFSI 58.6, 34%; CGG & Retail 53.6, 31%; Technology 15.9, 9%; Industrial 8, 4%; other 37.8, 22%

■BFSI ■CGG & Retail ■Technology ■Industrial ■other

Source: RHP, ICICI Direct Research

D&A applications can be segmented into four horizontals

Exhibit 14: Four horizontals of D&A
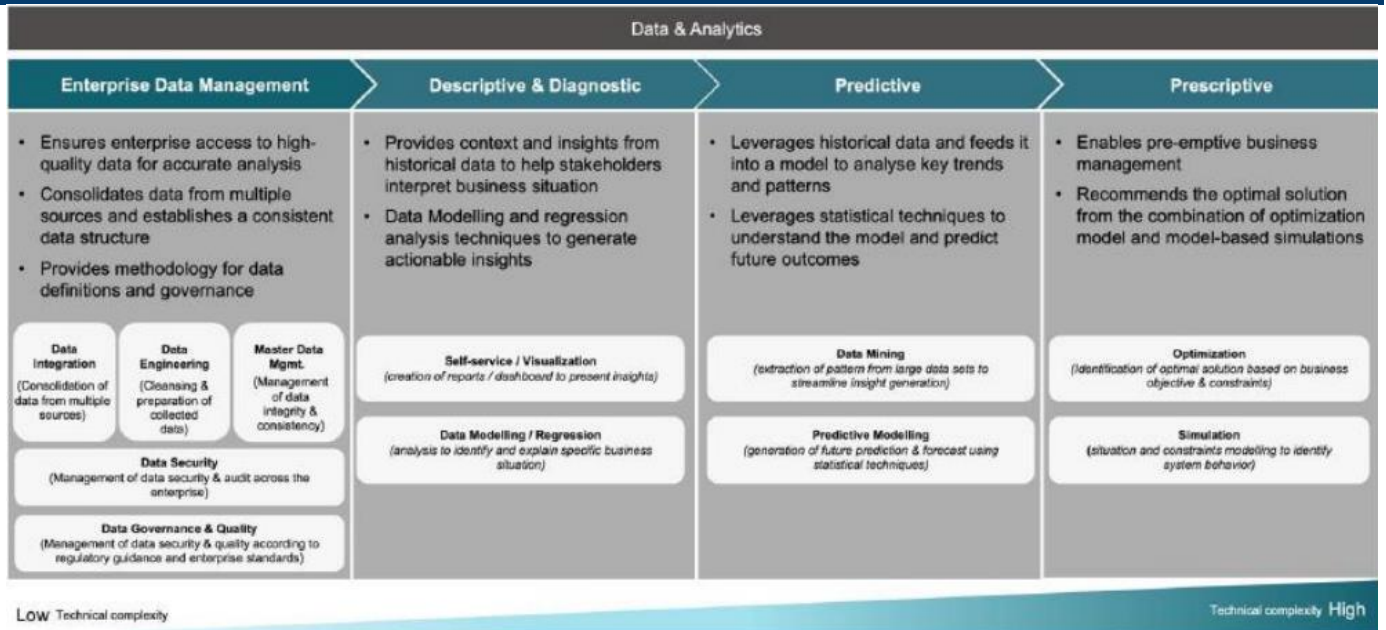
Source: RHP, ICICI Direct Research

Enterprise Data Management (EDM)

EDM refers to a set of processes, practices, and activities focused on consolidating data from disparate sources. EDM can be further segmented into five core buckets: (i) **Data Integration**: The process of combining data as-is from several different sources into a unified repository; (ii) **Data Engineering**: The process of addressing underlying structural inconsistencies in the data. Proliferation of different devices and different data structures supported by these devices have led to structural inconsistencies in the collected data. Data engineering aims to resolve this issue by performing data cleansing and integrity checks before storing it in data warehouses for use by downstream applications, As a result of the growth anticipated for data and analytics services, there is corresponding growth expected in the field of data

engineering as well.; (iii) **Master Data Management**: The process of maintaining a single source of truth for key business data across multiple systems, processes and applications; (iv) **Data Security**: The process of securing key business process information or other sensitive enterprise data from any data loss or privacy breaches; and (v) **Data Governance**: A set of policies designed to protect the privacy of customer information and adheres to rules and regulations

Descriptive & Diagnostic Analytics

Descriptive & Diagnostic Analytics provide insights on past business events using historical data and statistical tools. It leverages BI and visual analytics to identify potential causes behind past business events. Modelling and basic regression techniques are applied to establish the relationship between past business events and extract insights for ad-hoc reporting. Self-service visualisation with in-built data exploration tools is used by stakeholders to isolate confounding information for root cause analysis.

Predictive Analytics

Predictive Analytics leverages data mining and advanced statistical models to derive insights from historical and transactional data to identify patterns and predict future trends. Data mining refers to the extraction of patterns, including anomalies, within large data sets using ML algorithms. Predictive modelling refers to a combination of different statistical modelling techniques to draw up predictions about future trends.

Prescriptive Analytics

Prescriptive Analytics uses several complex techniques to recommend the best course of action for employees and agents of a business. Core techniques used in Prescriptive Analytics include: (i) Optimisation, the process of finding an optimal solution to a business problem by leveraging advanced mathematical models. Real-life business events, are used as inputs to the model to find the best course of action; and (ii) Simulation, building a digital replica of the mathematical model constructed above to examine the corresponding changes to any alteration in the model configuration parameters. Unlike the optimisation model, which is used to find recommendations, the simulation model allows analysts to identify the impact of unknown variables and explore alternatives

Exhibit 15: EDM forms major chunk horizontal wise with 37% share

4, 2%
46.1, 27%
64.1, 37%
59.9, 34%

■ EDM   ■ Descriptive & Diagnostic   ■ Predictive   ■ Prescriptive
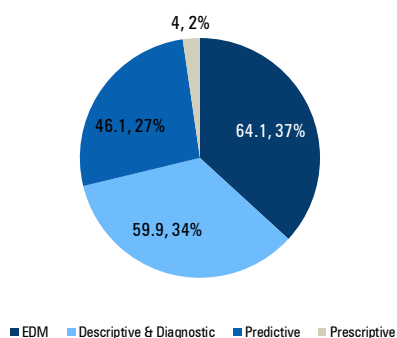
Source: RHP, ICICI Direct Research

Investment Rationale

Recognized leadership position in Data & Analytics

It is amongst the leading pure-play data analytics companies in India and have emerged as one of the most trusted partners to several Fortune 500 companies in recent years (Source: Zinnov Report). It has an extensive experience across a range of data and analytics capabilities, which they leverage to serve various Fortune 500 companies across the value chain. This helps enhance client's operational efficiencies and revenue generation capabilities. its portfolio offers a distinctive breadth and depth of capabilities, including descriptive analytics and prescriptive analytics with intuitive and personalized dashboards that can drive monetization by improving sales and marketing efficiency, improving customer experience and operational efficiency. Functional expertise is the foundation of company's operations, and combining its functional expertise with business knowledge, expertise in quantitative methods, and data management helps them provide end-to-end business solutions.

The company bring deep skills, a wide range of capabilities, and relevant experience in helping global leading organisations (including Fortune 500 companies) utilise the power of data and analytics across the spectrum of the business value chain. These include capabilities in:

- Customer analytics that help organisations understand consumer perception and behaviour, the drivers of value and loyalty, and enable personalisation, to more accurately formulate cross-sell and up-sell strategies to maximise value

- Marketing analytics related to brand and competitive positioning, campaign design and operations, marketing spend optimisation and attribution modelling aimed at helping clients drive more targeted and personalised marketing and advertising campaigns, predict evolving consumer trends with greater accuracy and improve consumer engagement

- Supply chain solutions that include assessing sourcing and replenishment requirements, metrics measurement, forecasting demand, and inventory optimisation helping clients optimize their network and allocate and manage resources more efficiently through these outcomes

- Finance and risk analytics, that include assessment of portfolio performance, collection analytics and trust/ counterfeit analytics

- People/ HR analytics that enable organisations in understanding employee pulse and retention trends, optimising talent acquisition and implementing performance-based compensation policies.

The company has consistently been recognised by the industry as leaders in analytics, including by Forrester as a "Strong Performer" in Customer Analytics Service Providers in 2017 and 2019, and by Gartner in the Market Guide for Advanced Analytics Service Providers for Marketing in 2017. It has also been awarded "Analytics Company of the Year" by Frost & Sullivan in 2015 and 2017, and has been recognized by Deloitte in their list of Tech Fast 50 in 2009, 2012, 2013, 2014, 2015, 2016 and 2017. Other industry leading recognitions include being awarded the Nasscom AI Award Winner in 2018 for predicting vehicle risks across 108 countries by modelling driver behaviour using sensor data

Deep, entrenched relationships with blue chip clients across industries and geographies

The company partner with many of the largest enterprises in the world, and have worked with over 30 Fortune 500 companies in the last three fiscals. its client base is diversified across size, industry, and geography. its client base includes several marquee enterprises engaged in diverse industries, including Adobe, 7-Eleven, Uber Technology.

As of September 30, 2021, it had been engaged by a US-based global software giant for over 10 years, by a US-based multinational e-commerce corporation for over eight years, and by a US-based global internet digital marketing and search giant for over five years, which reflects how deeply embedded they are in their daily workflows and decision making processes. One of its key engagements has been a 10-year long relationship with a leading payments solution provider. The engagement began with a small team responsible for reporting on KPIs. The company were able to help the client transition from being purely focused on reporting of KPIs to more insightful business analysis, modelling and advanced analytics across marketing, product, finance, risk, research and other business functions across the organisation.

Scalable, attractive financial profile

The company's business model is supported by stable and recurring revenues, significant operating leverage and low capital requirements that contribute to a healthy free cash flow. Their high levels of client retention and shift toward multi-year engagement contracts result in a high degree of revenue visibility. The company operate through different types of client arrangements as follows: (i) long-term managed services agreements that typically have a term of over one year and under which it supplement the client's existing capabilities in terms of workforce; (ii) project based fixed fee contracts, typically short-term with project durations of a few months; (iii) consulting engagements that are typically short-term and under which clients seek a specific solution to a complex problem; and (iv) solution based arrangements.

Key Risk

Client concentration risk

Historically, the company has entered into long-term partnerships with a few of its key clients, which has resulted in a limited number of clients accounting for a substantial portion of its revenue. If their existing clients do not renew contracts with the company, or expand the scope of services which they provide to them, or if their long-term relationships with its largest clients are impaired or terminated, its revenue could decline, which would adversely impact its operations.

Exhibit 16: Client concentration for top five customers

Customer	Three Months ended June 30, 2021		Three months ended June 30, 2020		Fiscal 2021				Fiscal 2020			Fiscal 2019	
	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations
Customer 1	181.79	20.79%	123.97	16.98%	512.71	16.76%	429.52	13.84%	446.24	15.50%
Customer 2	111.71	12.72%	114.66	15.70%	390.24	12.76%	414.05	13.34%	324.16	11.26%
Customer 3	91.83	10.46%	80.45	11.02%	368.07	12.03%	371.26	11.96%	280.25	9.73%
Customer 4	98.96	11.27%	70.49	9.65%	275.58	9.01%	289.00	9.31%	269.52	9.36%
Customer 5	36.65	4.17%	30.67	4.20%	105.24	3.44%	162.53	5.24%	253.54	8.81%
Total	**520.94**	**59.31%**	**420.24**	**57.55%**	**1,651.85**	**54.00%**	**1,666.36**	**53.69%**	**1,573.70**	**54.66%**

Source: RHP, ICICI Direct Research

Vertical concentration risk

The company's revenues are highly dependent on a limited number of industry verticals, and any decline in demand for outsourced services in these industry verticals could reduce its revenues and materially adversely affect its business, financial condition and results of operations.

A substantial portion of its customers are concentrated in a few specific industry verticals: Technology and Industrials. In the three months ended June 30, 2021 and June 30, 2020 and in FY21, FY20 and FY19, and, revenue from operations from these industries was ₹ 706.53 million, ₹ 614.55 million, ₹ 2,471.15 million, ₹ 2,350.00 million and ₹ 2,040.69 million, which represented 80.44%, 84.15% 80.79%, 75.72% and 70.87%, of its revenue from operations, respectively.

Unable to close potential inorganic opportunities

The company is looking to spend ₹147.9 crore to fund inorganic growth opportunities over the period of three calendar years from the date of listing of its shares. This pertains to its plan to expand into new geographies/verticals/client base etc. if the company is not able to close any of such deals, it could impact its growth prospects and financials in the future.

Exhibit 17: Proposed schedule of implementation and deployment of net proceeds

Objects of Issue	Amount which will be financed from Net Proceeds	Estimated Utilisation of Net Proceeds - over three calendar years from the date of listing		
		Fiscal 2022	Fiscal 2023	Fiscal 2024
Funding inorganic growth initiatives	148			
Funding working capital requirements of LatentView Analytics Corporation, our Material Subsidiary	82	38	17	27
Investment in our Subsidiaries to augment their capital base for future growth	130	40	50	40
General corporate purposes	To be decided	To be decided	To be decided	To be decided

Source: RHP, ICICI Direct Research

Financial summary

Exhibit 18: Profit and loss statement | ₹ crore

(Year-end March)	FY19	FY20	FY21
Total operating Income	**287.9**	**310.4**	**305.9**
Growth (%)	22.5	7.8	(1.4)
Employee benefit expenses	174.3	198.0	177.2
Other expenses	41.0	32.0	24.1
Total Operating Expenditure	215.3	229.9	201.3
EBITDA	**72.7**	**80.4**	**104.6**
Depreciation	7.1	6.7	6.9
Finance cost	3.1	2.9	2.6
Other Income	8.0	19.3	20.8
Exceptional items	-	-	-
PBT	70.5	90.2	115.9
Total Tax	10.8	17.3	24.5
PAT	**59.7**	**72.8**	**91.5**
Basic EPS (₹)	**3.5**	**4.3**	**5.4**
Diluted EPS (₹)	**3.3**	**4.0**	**5.1**

Source: Company, ICICI Direct Research

Exhibit 19: Cash flow statement | ₹ crore

(Year-end March)	FY19	FY20	FY21
Profit after Tax	70.5	90.2	115.9
Add: Depreciation	7.1	6.7	6.9
Others	0.9	(11.0)	(12.9)
(Inc)/dec in Current Assets	4.3	6.6	(12.7)
Inc/(dec) in CL and Provisions	1.0	(8.7)	8.1
Taxes paid	(19.4)	(20.8)	(15.5)
CF from operating activities	**64.4**	**63.0**	**89.9**
Inc/(dec) in investing activities	(45.4)	(30.2)	(43.6)
(Inc)/dec in Fixed Assets	(1.6)	(3.4)	(1.8)
CF from investing activities	**(47.0)**	**(33.6)**	**(45.4)**
Interst expenses	(0.1)	(0.1)	(0.1)
Proceeds/Repayment of borrowings	(0.8)	-	22.9
Payment of interest portion of lease liabilities	(2.3)	(2.9)	(3.3)
Others	(2.9)	(2.4)	(2.2)
CF from financing activities	**(6.1)**	**(5.4)**	**17.3**
Net Cash flow	11.3	23.9	61.8
Exchange difference	0.8	4.1	(1.4)
Opening Cash	34.8	46.9	74.7
Closing Cash	**46.9**	**75.0**	**135.1**

Source: Company, ICICI Direct Research

Exhibit 20: Balance sheet | ₹ crore

(Year-end March)	FY19	FY20	FY21
Equity Capital	0.8	0.8	0.8
Reserve and Surplus	266.1	347.1	437.0
Total Shareholders funds	266.9	347.9	437.8
Total Debt	-	-	22.6
Long term provisions	2.1	2.9	3.3
Lease liabilities	29.8	26.7	23.3
Total non current liablity	31.9	29.6	26.7
Total Liabilities	**298.8**	**377.5**	**487.1**
Assets			
Property,plant and equipment	4.0	5.4	5.0
Intangibles	0.4	0.2	0.0
Right of use	32.7	29.8	25.3
Other assets	35.0	59.0	32.8
Cash	78.8	150.0	221.5
Investments	98.7	72.2	139.3
Trade receivables	50.6	52.8	60.9
Loans	0.0	0.0	0.0
Other current assets	23.4	28.4	34.4
Total Current Assets	251.6	303.5	456.1
Trade payables	6.3	3.1	3.4
Lease liablity	5.7	5.9	5.9
Other Financial liablities	3.9	4.2	7.4
Provisions	2.6	3.5	2.6
Other current liablity	6.3	3.8	12.8
Total Current Liabilities	24.9	20.3	32.1
Net Current Assets	226.7	283.1	423.9
Application of Funds	**298.8**	**377.5**	**487.1**

Source: Company, ICICI Direct Research

Exhibit 21: Key ratios | ₹ crore

(Year-end March)	FY19	FY20	FY21
Per share data (₹)			
EPS	3.3	4.0	5.1
Cash EPS	3.9	4.7	5.8
BV	14.6	19.1	24.4
DPS	-	-	-
Cash Per Share	4.6	8.8	13.0
Operating Ratios (%)			
EBITDA margin	25.2	25.9	34.2
EBIT margin	22.8	23.8	31.9
PAT Margin	20.7	23.5	29.9
Debtor days	64	62	73
Unbilled revenue	22	53	53
Creditor days	8	4	4
Return Ratios (%)			
RoE	22.4	20.9	20.9
RoCE	24.6	24.7	24.3
RoIC	54.1	47.5	77.4
Valuation Ratios (x)			
P/E	60.4	49.4	38.6
EV / EBITDA	46.2	41.2	30.6
EV / Net Sales	11.7	10.7	10.4
Market Cap / Sales	12.3	11.4	11.6
Price to Book Value	12.5	9.6	7.7
Solvency Ratios			
Debt/EBITDA	-	-	0.2
Debt / Equity	-	-	0.1
Current Ratio	3.0	4.0	3.0
Quick Ratio	3.0	4.0	3.0

Source: Company, ICICI Direct Research

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