



# IPO NOTE

## ESDS SOFTWARE SOLUTION LIMITED



Rating:

**SUBSCRIBE**



### ISSUE OFFER

|                      |               |
|----------------------|---------------|
| Issue Opens on       | AUG 28, 2026  |
| Issue Close on       | SEP 01, 2026  |
| Total IPO size (cr)  | ₹720CR        |
| Fresh issue (cr)     | ₹720 CR       |
| Offer For Sale (cr)  | -             |
| Price Band (INR)     | ₹408-429      |
| Market Lot           | 34 SHARES     |
| Face Value (INR)     | ₹1            |
| Listing At           | BSE, NSE      |
| Market Cap (Pre IPO) | ₹5,028.35 CR. |

### MINIMUM INVESTMENT DETAILS

|                             |             |
|-----------------------------|-------------|
| Number of Shares            | 1,67,83,216 |
| Minimum Investment Amount   | ₹14,586     |
| Small-HNI (Min)/ 476 Shares | ₹2,04,204   |
| Big-HNI (Min)/ 2,346 Shares | ₹10,06,434  |

### INDICATIVE TIMETABLE

|                              |            |
|------------------------------|------------|
| Basis of Allotment           | 01-09-2026 |
| Refunds/Unblocking ASBA Fund | 02-09-2026 |
| Credit of Share to Demat A/c | 02-09-2026 |
| Listing Date                 | 03-09-2026 |

### ISSUE BREAK-UP (%)

|                |                            |
|----------------|----------------------------|
| QIB Portion    | <div><div></div></div> 50% |
| NII Portion    | <div><div></div></div> 15% |
| Retail Portion | <div><div></div></div> 35% |

ESDS Software Solution Limited is an AI-enabled provider of cloud, managed services, Data Centre infrastructure and software solutions in India.

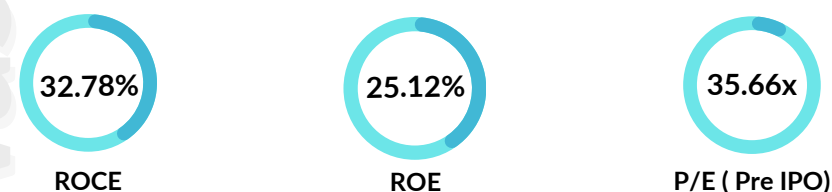
### OBJECTS OF THE ISSUE

- Purchase and installation of cloud computing and other equipment and infrastructure for Data Centres.
- General Corporate Purposes

### FINANCIALS (RESTATED CONSOLIDATED)

| PARTICULARS (IN CRORE)             | FY 2026       | FY 2025       | FY 2024       |
|------------------------------------|---------------|---------------|---------------|
| Equity Share Capital               | 10.04         | 10.04         | 9.28          |
| Net Worth                          | 528.81        | 528.81        | 206.36        |
| <b>Revenue from operations</b>     | <b>472.21</b> | <b>361.33</b> | <b>286.51</b> |
| EBITDA Margin%                     | 49.60         | 42.86         | 35.56         |
| <b>Net Profit/Loss of the year</b> | <b>120.82</b> | <b>55.61</b>  | <b>13.61</b>  |

### FINANCIAL RATIOS OF FY26



### OUTLOOK & VALUATION

- Sharp margin expansion and near-9x PAT growth over 2 years – deleveraging balance sheet too.
- Rare, full-stack cloud + data-centre + SaaS player with patented tech – differentiated positioning
- Explosive margin and profit growth (PAT margin 4.75% → 25.59% in 2 years)
- Very strong customer stickiness – 94.92% revenue retention rate; deepening account tenure
- ESDS is a richly-valued, high-growth niche tech play with no clean valuation anchor.
- Rising demand for cloud computing, data-centre infrastructure, cybersecurity and digitalisation in India provides a favourable structural growth opportunity for ESDS over the long term.



## COMPANY PROFILE

- ESDS Software Solution is a technology company that provides a comprehensive range of cloud infrastructure and software solutions.
- The company's primary business is providing Infrastructure as a Service (IaaS), including cloud computing, colocation, and data center services.
- It generates revenue through these offerings, which are diversified into public, private, virtual private, hybrid, and community cloud solutions.
- In addition to its core IaaS portfolio, the company provides managed services and a suite of Software as a Service (SaaS) products, such as data center management, vulnerability scanners, web access firewalls, and VPNs.
- The business is structured to cater to the complete cloud data requirements of its clients by delivering a holistic and adaptable technology platform.



## COMPETITIVE STRATEGIES

- Expand business through focusing on enhancing infrastructure, driving AI/ML innovation, and committing to sustainability for efficient scaling and customer value
- Continue to scale AI-driven solutions
- Enhance collaboration with Government and business partners
- Continue to strengthen brand leadership
- Transition towards 100% renewable energy for sustainable and efficient operations



## KEY CONCERNS

- Failure to innovate in response to rapid technological changes could adversely affect the business.
- The business is subject to evolving industry standards and changing customer demands.
- Significant investments in new technologies may not be successful.
- Inability to increase customer adoption of the platform could hinder future success.
- The industry is characterized by frequent new service introductions, leading to high competition.



## KEY STRENGTHS

- Comprehensive and diversified portfolio of cloud infrastructure, software, and managed services.
- Ability to innovate and adapt to new technological changes and evolving industry standards.
- Strong focus on providing holistic solutions for clients' complete cloud data requirements.
- Diversified offerings include public, private, hybrid, and community cloud services.
- Expanding portfolio of SaaS offerings like vulnerability scanners and web access firewalls.

## COMPARISON WITH LISTED INDUSTRY PEERS

| Name of the Company                | EPS (₹ Basic) | P/E          | NAV          | Revenue (cr.) | RoNW%        |
|------------------------------------|---------------|--------------|--------------|---------------|--------------|
| <b>ESDS Software Solution Ltd.</b> | <b>12.03</b>  | <b>35.66</b> | <b>52.66</b> | <b>472.21</b> | <b>22.85</b> |
| <b>Peer Group</b>                  |               |              |              |               |              |
| E2e Networks Ltd                   | -0.78         | -804.97      | 81.97        | 245.58        | -0.92        |



### DISCLAIMER:

The information contained herein are strictly confidential and are meant solely for the information of the recipient and shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written permission of Swastika Investmart Ltd. ("SIL"). The contents of this document are for information purpose only. This document is not an investment advice and must not alone be taken as the basis for an investment decision. Before taking any decision to invest, the recipient of this document must read carefully the Red Herring Prospectus ("RHP") issued to know the details of IPO and various risks and uncertainties associated with the investment in the IPO of the Company. All recipients of this document must before acting on the given information/details, make their own investigation and apply independent judgment based on their specific investment objectives and financial position. They can also seek appropriate professional advice from their own legal and tax consultants, advisors, etc. to understand the risks and investment considerations arising from such investment. The investor should possess appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances before making any decisions on the investment. The Investor shall be solely responsible for any action taken based on this document. SIL shall not be liable for any direct or indirect losses arising from the use of the information contained in this document and accept no responsibility for statements made otherwise issued or any other source of information received by the investor and the investor would be doing so at his/her/its own risk. The information contained in this document should not be construed as forecast or promise or guarantee or assurance of any kind. The investors are not being offered any assurance or guaranteed or fixed returns on their investments. The users of this document must bear in mind that past performances if any, are not indicative of future results. The actual returns on investment may be materially different than the past. Investments in Securities market products and instruments including in the IPO of the Company are highly risky and they are generally not an appropriate avenue for someone with limited resources/ limited investment and low risk tolerance. Such Investments are subject to market risks including, without limitation, price, volatility and liquidity and capital risks. Therefore, the users of this document must carefully consider all the information given in the RHP including the risks factors before making any investment in the Equity Shares of the Company.

Swastika Investmart Ltd or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Swastika Investmart Ltd nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Swastika Investment Ltd may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the Subject Company or third party in connection with the Research Report.

CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Mrs. Dimple Soni Email: [compliance@swastika.co.in](mailto:compliance@swastika.co.in) Phone: (0731) 6644 241

Swastika Investmart Limited, SEBI Reg. No.: NSE/BSE/MSEI: INZ000192732 Merchant Banking: INM000012102 Investment Adviser: INA000009843 MCX/NCDEX: INZ000072532

Research Analyst Reg. No.: INH000024073

CDSL/NSDL: IN-DP-115-2015 RBI Reg. No.: B-03-00174 IRDA Reg. No.: 713.

For additional information & risk factors please refer to the Red Herring Prospectus