

IPO Note

17th September 2025

Company Overview

iValue Infosolutions Limited is an enterprise technology solutions specialist based in India, focused on enabling large enterprises in their digital transformation journeys. The company offers comprehensive, purpose-built solutions for securing and managing digital applications and data, ensuring their performance, availability, scalability, and security. iValue bridges the gap between Original Equipment Manufacturers (OEMs) and System Integrators (SIs) to deliver tailored technology solutions to end customers. While OEMs design and develop technology products, and SIs engage directly with enterprises to solve integration challenges, iValue plays the role of a specialist enabler, curating multi-OEM stacks, aligning them with enterprise needs, and assisting in procurement and deployment. This model is particularly relevant in complex domains such as cybersecurity, information lifecycle management, data center infrastructure, application lifecycle management, and hybrid cloud solutions, where enterprises often require interoperable solutions from multiple OEMs. Headquartered in Bangalore, India, iValue operates across eight domestic offices and has established a global footprint across six international locations, Singapore, Bangladesh, Sri Lanka, UAE, Cambodia, and Kenya. The company also caters to Bhutan and Nepal through its Bangladesh operations. Leveraging its strong India business as a foundation, iValue has expanded its presence in these geographies through a network of 57 OEM partners as of March 31, 2025. These partnerships are complemented by relationships with 116 System Integrators in FY23 and 133 in FY24, enabling the company to serve 207 enterprise customers in FY23 and 322 in FY25 across its identified geographies. The company's key focus areas span cybersecurity, information lifecycle management, data center infrastructure, and associated professional and managed services, complemented by emerging offerings in application lifecycle management, hybrid cloud management, hyperconverged infrastructure, and OT/IoT solutions. The company reported revenue from operations of Rs. 9,227 million in FY25, compared to Rs. 7,802 million in FY24 and Rs. 7,968 million in FY23, indicating steady growth. Hardware remained the largest segment, contributing Rs. 7,443 million in FY25, followed by Software & Allied Support at Rs. 1,645 million, and IT-enabled services at Rs. 138 million.

Revenue Mix:

Particulars	FY23		FY24		FY25	
	In Rs. Mn.	% of total gross sales billed to customers	In Rs. Mn.	% of total gross sales billed to customers	In Rs. Mn.	% of total gross sales billed to customers
Cybersecurity	8,465	46.8%	10,659	50.5%	11,439	46.9%
Information Lifecycle Management	5,950	32.9%	6,209	29.4%	5,356	22.0%
Data centre infrastructure	1,669	9.2%	1,931	9.2%	4,154	17.0%
ALM, cloud and others*	2,023	11.2%	2,305	10.9%	3,444	14.1%
Total	18,107	100.00%	21,105	100.00%	24,394	100.00%

Objects of the issue

The company shall not receive any proceeds from the offer, as the entire offering comprises OFS.

Issue Details

Offer Period	18th September, 2025 - 22nd September, 2025
Price Band	Rs. 284 to Rs. 299
Bid Lot	50
Listing	BSE & NSE
Issue Size (no. of shares in mn)	18.7
Issue Size (Rs. in bn)	5.6
Face Value (Rs.)	2

Issue Structure

QIB	50%
NIB	15%
Retail	35%

BRLM	IIFL Capital Services Ltd. Motilal Oswal Investment
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Registrar	KFin Technologies Ltd.
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Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	39.9%	32.7%
Public	60.1%	67.3%
Total	100.0%	100.0%

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

iValue Infosolutions Ltd.

Investment Rationale

Strong positioning in high-growth market with a comprehensive multi-OEM portfolio

iValue is strategically positioned to capitalise on the rapidly growing Indian enterprise technology market, including the data centre, and application lifecycle management (ALM) and hybrid cloud segments, projected to grow at CAGRs of 32.1% and 24.0% by 2030, respectively. Leveraging over 16 years of experience as a Value Added Distributor (VAD), it combines deep technical expertise, a broad multi-OEM portfolio, and a robust ecosystem of 804 System Integrators to design, deploy, and sustain purpose-built, end-to-end solutions for enterprises. Its offerings extend across pre-sales, post-sales, and 24x7 managed services (SOC/NOC), supported by a certified technology team with 1,011 OEM certifications, enabling enterprises to address complex IT and compliance requirements. By continuously curating multi-OEM stacks, partnering with marquee OEMs such as Splunk, Nutanix, and Google Cloud, and leveraging a consultative sales model, the company facilitates cross-sell and up-sell opportunities while enhancing customer stickiness. This positions the company to capture the surge in demand for scalable, secure, and flexible enterprise technology solutions, including ALM, cloud, and hyperconverged infrastructure, thereby driving long-term growth.

Robust ecosystem of OEM and System Integrator partnerships driving scalable growth

The company has built a strong, diversified ecosystem of OEM and System Integrator partnerships, which underpins its scalable growth strategy in the enterprise technology solutions market. Its network of 109 OEM partners, including marquee names such as Check Point, Splunk, Nutanix, Google Cloud, and Arista, has expanded steadily over the past three years, with a significant portion maintaining long-term relationships of over six to ten years. Each OEM partnership is carefully evaluated to ensure alignment with strategic focus areas, relevance to enterprise customers, potential for value addition, and growth potential, enabling the company to continuously curate multi-OEM partnerships. These purpose-built solution stacks meet evolving customer requirements. Leveraging these OEM relationships, the company works closely with a growing network of 804 System Integrators ranging from global and national players to local partners, to reach a broad and diversified end-customer base. This multi-tiered channel strategy allows it to capture both large enterprise transactions and wide market coverage, while enabling cross-sell and up-sell opportunities through curated multi-OEM solutions. This interplay between OEM and System Integrator relationships has driven strong business growth, reflected in increasing transactions, higher average transaction sizes, rising System Integrator retention rates (80.73% in FY25), and a growing share of repeat business. By leveraging its ecosystem, the company can expand its reach, deepen customer engagement, and capture a larger share of enterprise technology spending, positioning itself for sustained, long-term growth in a high-demand market.

Valuation

iValue Infosolutions is among the fastest-growing technology services and solutions integrators in India, positioned as a vital link in the enterprise technology ecosystem. With the Indian data center and enterprise technology market poised for rapid growth, driven by startups, cloud adoption, and government initiatives, iValue is well-positioned to capture these opportunities across India and the SAARC region. Its comprehensive multi-OEM portfolio spans cybersecurity, data management, hybrid cloud, and application lifecycle management. Leveraging an extensive network of OEMs and 804 System Integrator partners, iValue enables broad market reach, cross-sell opportunities, and high customer stickiness. Combined with value-added pre- and post-sales services, 24x7 managed SOC/NOC offerings, proprietary platforms, and a technically skilled workforce, the company's ecosystem and consultative approach create a strong, hard-to-replicate moat. Financially, the company reported a healthy revenue CAGR of 7.6% over FY23-25, while EBITDA grew at a faster pace of 17.1% during the same period. EBITDA margins were stable at 12.4%, while PAT margins expanded to 9.2% in FY25 from 7.5% in FY23. On the return profile, ROE and ROCE stood at 18.5% and 20.0% respectively. Leverage has slightly improved, with the debt-to-equity ratio easing to 0.2x in FY25 from 0.3x in FY24. **On the upper price band, the company is currently valued at a P/E of 18.7x based on FY25 earnings. Owing to its strong market position, complemented by its established distribution system and an evolving industry, the company is well-positioned to drive sustainable growth. Thus, we recommend a "SUBSCRIBE" rating for this issue from a medium to long-term perspective.**

Key Risks

- ⇒ A significant portion of gross sales billed to customers (63.02% in FY25) was derived from the top 10 OEMs. Any disruption in these relationships, delays in product supply, or adverse changes in terms could materially impact the company's business, profitability, and reputation.
- ⇒ The company operates under non-exclusive agreements with OEMs and system integrators, which are typically terminable without cause and may contain restrictive covenants.
- ⇒ The company's performance relies on OEMs maintaining strong brands, delivering quality products on time, and launching new technologies regularly. Any lapse in these areas could reduce demand and have a material impact on gross sales billed to customers.

Income Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Revenue			
Revenue from operations	7,968	7,802	9,227
Total Revenue	7,968	7,802	9,227
Expenses			
Purchase of stock in trade	6,952	4,977	6,653
Changes in inventories of work in progress	-786	630	142
Employee benefits	411	652	688
Other expenses	559	548	602
Total Operating Expenses	7,136	6,808	8,085
EBITDA	832	994	1,141
Depreciation & amortization	41	69	72
EBIT	791	925	1,070
Finance costs	77	129	135
Other income	90	150	197
PBT	803	946	1,132
Current tax	213	253	282
Tax adjustments for earlier years (Net)	7	-9	2
Deferred tax	-16	-4	-5
Total Tax	204	240	279
Net Profit	599	706	853
Diluted EPS	11.2	13.3	16.0

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in millions)

Particulars	FY23	FY24	FY25
Cash Flow from operating activities	-227	657	462
Cash flow from/(used in) investing activities	300	237	-359
Net cash flows (used in) / from financing activities	219	-219	-205
Net increase/(decrease) in cash and cash equivalents	292	674	-101
Cash and cash equivalents at the beginning of the period	313	605	1,280
Cash and cash equivalents at the end of the period	605	1,280	1,179

Source: RHP, BP Equities Research

Balance Sheet (Rs. in millions)

Particulars	FY23	FY24	FY25
Assets			
Non-Current Assets			
Property, plant and equipment	63	100	96
Right-of-use assets	296	301	250
Goodwill	76	76	76
Other Intangible assets	6	4	3
Financial Assets			
(i) Other financial assets	60	60	60
(ii) Trade Receivables	0	0	205
(iii) Other financial assets	32	34	53
Income tax assets (net)	202	689	236
Deferred tax assets	53	57	63
Other non-current assets	21	12	71
Total Non Current assets	809	1,333	1,112
Current Assets			
Inventories	901	270	128
Financial Assets			
(i) Investments	112	0	0
(ii) Trade Receivables	7,017	6,732	8,259
(iii) Cash and cash equivalent	605	1,280	1,179
(iv) Bank balances other than cash and cash equivalents	194	67	470
(iv) Other financial assets	50	52	123
Other current assets	1,115	308	356
Total Current Assets	9,993	8,709	10,514
Total Assets	10,802	10,043	11,627
Equity and Liabilities			
Equity Share Capital	42	42	84
Instruments entirely equity in nature	13	13	13
Other Equity	2,952	3,662	4,541
Equity Attributable to owners of Ivalue Infosolutions Limited	3,007	3,717	4,638
Non controlling interest	-10	-15	-18
Total Equity	2,997	3,702	4,620
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	5	0	0
(ii) Lease liabilities	262	257	213
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	0	0	0
(b) Total outstanding dues of creditors other than (iii) (a) above	0	0	149
(iv) Other financial liabilities	0	0	15
Provisions	34	30	24
Total Non-Current Liabilities	302	287	402
Current Liabilities			
Financial Liabilities			
(i) Borrowings	499	452	425
(ii) Lease liabilities	30	61	64
(iii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	1	1	0
Total outstanding dues of creditors other than micro and small enterprises	6,471	5,016	5,552
(iv) Other financial liabilities	57	40	79
Current tax liabilities (Net)	25	12	33
Contract liabilities	26	19	39
Other current liabilities	369	400	399
Provisions	24	52	13
Total Current Liabilities	7,503	6,053	6,605
Total Liabilities	7,805	6,340	7,006
Total Equity and Liabilities	10,802	10,043	11,627

Source: RHP, BP Equities Research

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil**Analyst (s) Certification:**

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