

IPO Note: Seshaasai Technologies Ltd.

Industry: BFSI - Solution

Date: September 23, 2025

Issue Snapshot		Issue Break up		
Company Name	Seshaasai Technologies Ltd.	QIB ex Anchor	20%	38,34,864
Issue Opens	September 23, 2025 to September 25, 2025	Anchor Investor	30%	57,52,297
Price Band	Rs. 402 – Rs. 423	HNI<Rs. 10 Lakhs	5%	9,58,716
Bid Lot	35 Equity Shares and in multiples thereof.	HNI>Rs. 10 Lakhs	10%	19,17,432
The Offer	Public issue of 1,92,21,604 Equity shares of Face value Rs. 10 each, (Comprising of fresh issue of 1,13,47,589 Equity Shares* (Rs. 480 cr.) and Offer for Sale of 78,74,015 Equity Shares* (Rs. 333 cr.) by Selling Shareholder).	RII	35%	67,11,013
		Total Public	100%	1,91,74,322
Issue Size	Rs. 796.5 – 813.1 Crores	Employee Reservation		47,281
IPO Process	100% Book Building	Total		1,92,21,604
Face Value	Rs. 10.00			
Exchanges	NSE & BSE	Equity Share Pre Issue (Nos. Cr.)		15.0
BRLM	IIFL Capital Services Ltd., ICICI Securities Ltd., SBI Capital Markets Ltd.	Fresh Share (Nos. Cr.)		1.1
Registrar	MUFG Intime India Pvt. Ltd.	OFS Share (Nos. Cr.)		0.8
		Equity Share Post Issue (Nos. Cr.)		16.2
		Market Cap (Rs. Cr.)		6,844.2
		Equity Dilution		7.0%
		Stake Sale by OFS		4.9%

Objects of the Offer

Offer for Sale

The Company will not receive any proceeds of the Offer for Sale by the Selling Shareholder. (up to 3,937,007 equity shares by Gautam Sampatraj Jain and up to 3,937,008 equity shares by Pragnyat Pravin Lalwani)

Fresh Issue

- Funding capital expenditure for the expansion of existing manufacturing units (Rs. 198 cr.);
- Repayment and / or prepayment, in part or in full, of certain outstanding borrowings of the Company (Rs. 300 cr.); and
- General corporate purposes.

Company Highlights

- Seshaasai Technologies Ltd. (STL) is a technology driven multi-location solutions provider focused on offering payments solutions, and communications and fulfilment solutions catering primarily to the banking, financial services and insurance (BFSI) industry, with data security, and compliance at the core of solutions. Solutions, that it offers at scale and on a recurring basis driven by proprietary platforms, play a crucial role in enabling the operations and deliverables of the BFSI sector in India. STL also offers Internet of Things (IoT) solutions to a diverse set of customers across industries.
- It is one of the top two payments card manufacturers in India with a market share of 31.9% in FY25 for credit and debit cards issuance in India improving from 25.0% in FY23. It is one of the largest manufacturers of cheque leaves in India. Its business verticals comprise Payment Solutions, Communication, Fulfilment Solutions and IoT solutions.
- The company offers a range of payment enabling instruments on Indian and well recognized global payment schemes such as, debit cards, credit cards, pre-paid cards, mass transit cards and cheques. As part of its offerings, STL designs and develops these instruments and securely embed customer data onto them and send to end customers, either individually or packaged into specialized kits. STL's patented QR technology helps enhance security of instruments manufactured by it. In FY25, FY24 and FY23, the company supplied 91.37 million, 110.33 million and 76.18 million payment cards, respectively and 1,188.81 million, 1,193.78 million and 1,273.80 million cheque leaves, respectively, in referred periods.

- The company also develops merchant QR codes that enable digital payment transition onto the Unified Payment Interface (UPI) at the point of sale. It has recently also incorporated near field communication (NFC) technology on merchant QR codes to enable tap and pay. It also provides payment-on-the-go or non-card form factors such as wearables, key fobs, wristbands and stickers. It introduced 'Made in India' metal and biometric cards that were approved by global payment schemes. It is the first company to introduce different form factors for payments under the RuPay brand, marking the introduction of a whole new category, i.e., RuPay On-the-Go wearables.
- Seven of its units have been approved by the Indian Banks Association for secure printing (cheques, demand draft, and pay orders), and three of its units are certified by global schemes for card personalization. STL is among the only two vendors in India with empaneled units for both cards and cheques at more than two locations.

View

- STL is amongst the top 2 payments card manufacturers in India with a market share of ~31.9% (as of FY25) for credit & debit cards issuance. The company designs and develops payment instruments (debit cards, credit cards, pre-paid cards, mass transit cards and cheques) and securely embeds customer data onto them before sending it to the end customers. Typically credit and debit cards have an expiration date ranging from 3 to 7 years, which ensures steady stream of orders for card manufacturers. During FY25, STL supplied ~91.4 mn payment cards and 1,188.8 mn cheque leaves respectively.
- The company offers a comprehensive portfolio of solutions that are customizable & built for scale, and fulfil the requirements of customers primarily in the BFSI industry and also across other industry segments. Apart from payments solutions, the company offers Communication & Fulfilment Solutions which enables customers to facilitate various communication to end users including policy documents, account updates & statements, etc either in physical or in digital form as per requirements. Further, as part of its IoT Solutions, STL supplies Radio frequency identification (RFID) tags which assist with supply chain visibility, asset tracking, warehouse management, etc.
- As of FY25, the company operates 24 manufacturing units domestically with a production capacity of 11.9 mn cards per month and 41.7 mn RFID tags per month. STL is one of the few vendors in India to have approved units for manufacturing of plastic cards, metal cards, sustainable cards, biometric cards, wearables and payment stickers. The company also operates 2 dedicated R&D labs, which has allowed STL to develop various niche innovations like unique QR code, Made in India metal cards and biometric cards.
- The company intend to expand its array of existing solutions to its customers in geographies outside India. Given its diversified portfolio of Payment Solutions, the company intend to expand its offerings in the SAARC region, parts of Africa and Eastern Europe. Further, the company believe that its certifications for producing metal cards and biometric cards provide the opportunity to cater to the needs of the global markets. It aim to acquire new customers in such geographies by developing solutions aligned with its requirements.
- The growth of RFID technology in the garment retail sector has been significant, driven by the need for greater efficiency, inventory accuracy, and supply chain transparency. RFID enables retailers to track individual items throughout the supply chain, from manufacturing to the retail floor, enhancing inventory management, reducing theft, and improving customer experience. RFID is a critical component in the larger adoption of IoT in retail, enabling stores where products, shelves, and checkout systems are interconnected. The company's RFID and traceability solutions help businesses stay ahead of regulatory requirements while optimising operations. Demand for its IoT products, including RFID devices, is expected to increase due to the regulatory mandate to ensure just in time tracking and the transient industry trend in favor of reliance upon the IoT ecosystem.
- In terms of the valuations, on the higher price band, UCL demands P/E multiple of 30.8x post issue FY25 EPS and Market Cap/Sales multiple of 4.7x .

Key Performance Indicator

	FY23	FY24	FY25
Revenue from Operations	1146.3	1558.3	1463.2
Total Income	1153.8	1569.7	1473.6
Segmental Revenue			
Segment 1 (Payment Solutions)	707.6	1052.4	914.7
Segment 2 (Communication and fulfilment solutions)	425.7	443.5	434.5
Segment 3 (IOT Solutions)	4.1	53.9	106.2
Revenue growth (YoY)	70.4%	35.9%	-6.1%
Gross Profit	400.9	570.4	611.9
Gross Profit Margin	35.0%	36.6%	41.8%
EBITDA	207.4	303.0	370.4
EBITDA Margin	18.0%	19.3%	25.1%
PAT	108.1	169.3	222.3
PAT Margin	9.4%	10.8%	15.1%
Return on Equity (RoE)	37.3%	39.0%	34.8%
Return on Capital Employed ("RoCE")	28.7%	33.5%	31.9%
Net Debt	244.9	226.3	237.5
Net Debt to EBITDA ratio (x)	1.18	0.75	0.64
Net Debt to Equity ratio (x)	0.84	0.52	0.37
Gross Fixed Asset turnover (x)	3.49	3.67	2.71
Net Working Capital	233.9	266.5	381.2
Net Working Capital Days (No. of days)	74	62	95
Existing Customers	279	257	382
Revenue Generated from Existing Customers	1131.1	1488.6	1419.7
Percentage of Revenue from Existing Customers as a Percentage of Total Revenue from Operations	98.7%	95.6%	97.1%
New Customers Added	76	219	320
Total Customers	355	476	702
Revenue Generated from New Customers	14.8	68.7	41.9
Percentage of Revenue from New Customers as a Percentage of Total Revenue from Operations	1.3%	4.4%	2.9%
Revenue from top 1 customer	145.1	260.3	248.4
Revenue from top 5 customers	510.5	766.7	717.9
Revenue from top 10 customers	756.9	1073.7	961.3
BFSI	1007.5	1356.5	1224.5
Non-BFSI	138.4	200.8	237.0

Financial Statement

(In Rs. Cr)	FY23	FY24	FY25
Share Capital	88.82	147.62	147.62
Net Worth	290.1	434.0	638.1
Long Term Borrowings	106.4	132.0	133.4
Other Long Term Liabilities	39.6	34.5	31.6
Short-term borrowings	176.2	188.8	219.5
Other Current Liabilities	170.2	169.1	137.8
Fixed Assets	284.7	374.8	456.3
Non Current Assets	338.9	52.4	68.4
Current Assets	443.6	531.3	635.6
Total Assets	782.5	958.4	1160.4
Revenue from Operations	1146.3	1558.3	1463.2
Revenue Growth (%)		35.9	(6.1)
EBITDA	199.9	291.6	359.9
EBITDA Margin (%)	17.4	18.7	24.6
Net Profit	108.1	169.3	222.3
Net Profit Margin (%)	9.4	10.9	15.2
Earnings Per Share (Rs.)	7.3	11.5	15.1
Return on Networth (%)	33.6	36.4	33.2
Net Asset Value per Share (Rs.)	36.2	31.5	45.4

Source: RHP, Ashika Research

Cash Flow Statement

(In Rs. Cr)	FY23	FY24	FY25
Cash flow from Operations Activities	50.1	199.6	168.1
Cash flow from Investing Activities	(71.3)	(111.1)	(113.2)
Cash flow from Financing Activities	38.7	(31.8)	(34.0)
Net increase/(decrease) in cash and cash equivalents	17.5	56.6	20.9
Cash and cash equivalents at the beginning of the year	4.1	21.5	78.1
Cash and cash equivalents at the end of the year	21.5	78.1	99.0

Source: RHP

Comparison with Listed Industry Peers

There are no listed companies in India that are comparable in all aspects of business and services that the Company provides. Hence, it is not possible to provide an industry comparison in relation to the Company.

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