

Company Overview

Elevate Campuses Limited (ECL), formerly known as Good Host Spaces Limited, is an education infrastructure platform focused on on-campus student accommodation and K-12 which are school infrastructure from kindergarten through class 12 assets across India and the UAE. The company is headquartered in Mumbai, and was originally incorporated in Bengaluru in 2005. It operates its student accommodation business under the Good Host Spaces and ScholarZ brands. The company operates through three principal models which are asset ownership, ownership with operations, and asset-light management contracts. ECL's owned Portfolio comprised seven student accommodation campuses across six Indian cities, with 20,368 beds. The largest revenue contributor was Sonipat, with its facility at O.P. Jindal Global University which contributed 37% of FY26 revenue followed by Jaipur, through its campus at Manipal University Jaipur (MUJ) at 21%, Solan, through Shoolini University at 4%. The portfolio also includes UPES Dehradun, at around 3%, and two Bengaluru assets, Woodstock and Country which together stood at approximately 1%. The newly added Manav Rachna Universities campus in Faridabad contributed less than 1%. In addition to the student accommodation portfolio, the company generated a significant new revenue stream from its two K-12 school assets in Dubai, UAE. Hartland International School which contributed 17% while North London Collegiate School at 13%. Student accommodation remains the largest revenue-generating vertical, contributing around 66% of FY26 revenue from operations, compared with approximately 29% from K-12 school rentals and 5% from the managed student accommodation portfolio. The company generates revenue primarily through lease rentals, finance-lease interest and management/facility fees. Its K-12 assets generally operate under long-term triple-net leases, providing predetermined rentals and scheduled escalations, while managed campuses generate recurring monthly management fees.

Objects of the issue

The offer comprises entirely a fresh issue of Rs. 2,100 crores. The company proposes to utilise the net proceeds from the fresh issue towards:

- ⇒ Payment of the purchase consideration for the acquisition of K-12 entities and campuses from subsidiaries of the Promoters, amounting to Rs. 1,100 crores; and
- ⇒ Repayment and/or prepayment, in full or in part, of certain outstanding borrowings and applicable prepayment penalties amounting to Rs. 750 crores; and
- ⇒ Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes

Investment Rationale

Scaled education infrastructure platform with long-term revenue visibility

Elevate Campuses has built a scaled institutional platform in the relatively fragmented Indian student accommodation and K-12 infrastructure markets. Its student accommodation portfolio comprises of 78,542 beds, approximately 2.1x the capacity of the next-largest professionally managed student accommodation player, while its K-12 portfolio makes it the largest institutional owner of K-12 school assets in India, at approximately twice the size of the next-largest institutional property owner. Importantly, the company's scale is supported by relationships with established education institutions, including O.P. Jindal Global University, Manipal Academy of Higher Education and other leading HEIs, providing access to large student populations and opportunities for expansion within existing campuses. Its relationship with O.P. Jindal Global University illustrates this model, with owned beds increasing from 5,575 in FY20 to around 8,000 by FY26, alongside additional managed beds. The platform also has a relatively high degree of contractual visibility. Student accommodation agreements generally extend for 50-60 years and can include exclusivity, guaranteed occupancy and annual fee escalations of around 5-6%. Where specified occupancy thresholds are not achieved, certain contracts require HEIs to compensate the company based on pre-agreed formulas. The company also has right-of-first-fill or right-of-first-offer arrangements in certain relationships, which can create opportunities to add capacity as institutions expand. Its K-12 leases typically run for 15-30 years, with a 15-year lock-in and are generally structured on a triple-net basis, limiting exposure to property taxes, insurance and routine maintenance costs. Together, the combination of scale, institutional relationships and long-duration contracts provides a platform for recurring revenue and incremental growth as student capacity and education infrastructure requirements expand.

Issue Details

Offer Period	23rd Sept 2026 - 25th Sept 2026
Price Band	Rs. 343 - Rs. 362
Bid Lot	41
Listing	BSE & NSE
Issue Size (no. of shares in crores)	5.8
Issue Size (Rs. in crores)	2,100
Face Value (Rs.)	1

Issue Structure

QIB	75%
NII	15%
Retail	10%

BRLM	IIFL Capital Services Ltd., JM Financial Ltd., Morgan Stanley India Company
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Registrar	KFin Technologies Ltd.
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Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	100.00%	65.58%
Public	00.00%	34.42%
Total	100.00%	100.00%

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

Integrated operating capabilities supporting asset monetisation and student experience

Elevate Campuses combines asset ownership, operations and asset-light management, allowing it to participate across multiple stages of the education infrastructure value chain rather than relying solely on rental income. Its capabilities span pipeline sourcing, development, acquisitions, asset repositioning, infrastructure management and day-to-day student experience management. The company also actively optimises existing assets to increase monetisation; for example, at Manipal University Jaipur, it temporarily increased capacity from 5,920 to approximately 6,600 beds by converting double-occupancy rooms into triple-occupancy rooms and repurposing staff accommodation during periods of higher demand. The operating platform is further supported by technology and standardised service delivery across its campuses. The company provides accommodation alongside dining, laundry, housekeeping, security, gyms, sports facilities, retail outlets and digital services, positioning the offering beyond basic hostel accommodation. As of March 2026, it served approximately 75,900 students across 17 Higher education institutions, facilitated more than 50,000 meals daily and handled approximately 1,560 service requests each day through its operating platform. Its student-facing applications support onboarding, payments, facility bookings and service requests, enabling standardisation across a geographically dispersed portfolio. This operating expertise also supports its managed portfolio, where the company can earn management fees without owning the underlying assets. At the same time, its K-12 platform allows it to own school infrastructure and lease it to operators, including recognised education brands. This combination of asset ownership, operating expertise, management contracts and ancillary services provides multiple avenues for monetising its institutional relationships while potentially improving utilisation and asset-level economics over time.

Valuation

Elevate Campuses has demonstrated strong growth and profitability momentum, supported by its large-scale student accommodation portfolio, long-term contracts with higher education institutions and expansion into the K-12 segment through its Dubai assets. The company's 78,542-bed portfolio provides significant scale, being around 2.1x the next-largest organised student-accommodation player and 6.2x the third-largest, while 89.37% occupancy and long-term HEI contracts with minimum -occupancy guarantees and inflation-linked escalations provide strong revenue visibility. Total Income increased from Rs. 371 crores in FY24 to Rs. 603 crores in FY26, implying a 29.0% CAGR over FY24-FY26, with growth accelerating from 8.69% in FY25 to 53.10% in FY26. EBITDA increased from Rs. 219 crores in FY24 to Rs. 545 crores in FY26, translating into a 57.3% CAGR over FY24-FY26, while EBITDA margin expanded significantly to around 90% in FY26. PAT also increased to approximately Rs. 174 crores in FY26 from Rs. 50 crores in FY25, while diluted EPS improved from Rs. 4.48 to Rs. 17.81 and RoNW increased from 6.05% to 18.17%. Revenue remains geographically diversified across Northern India, which contributed around 65% of FY26 revenue, and Dubai, which contributed around 29%, while the K-12 business provides an additional annuity-like revenue stream through its triple-net lease structure. The company's growth is supported by portfolio expansion, increasing managed beds and the addition of Dubai K-12 assets, although owned-bed occupancy moderated to 89% in FY26 from 99% in FY25. Importantly, the IPO comprises a 100% fresh issue, with proceeds accruing to the company to support its growth and strengthen the balance sheet. **At the upper price band of Rs. 362, the issue is valued at 20.3x P/E and 13.8x EV/EBITDA. Given the company's scale, strong earnings growth, high occupancy, revenue visibility and multiple growth avenues across student accommodation and K-12 education, we recommend a "SUBSCRIBE" rating for investors with a medium- to long-term horizon.**

Risks

- ⇒ Customer and occupancy concentration remains a key risk, as the company depends on its owned student accommodation portfolio and a limited number of HEI relationships. Any decline in occupancy or non-renewal of key contracts could affect revenue and profitability.
- ⇒ Leverage and K-12 expansion create financial and execution risks, with floating-rate borrowings exposing finance costs to interest-rate movements, while the planned K-12 acquisition requires effective integration despite limited operating history in the segment.
- ⇒ Changes in education and accommodation demand due to online/hybrid learning, increased competition or regulatory changes could pressure occupancy and pricing, while the Dubai business remains exposed to local legal and geopolitical risks.

Income Statement (Rs. in crores)

Particular	FY24	FY25	FY26
Revenue			
Revenue from operations	347	370	569
Total Revenue	347	370	569
Expenses			
Employee benefits expense	28	26	44
Other expenses	104	101	120
Total operating Expenses	132	127	163
EBITDA	215	243	405
Depreciation and amortisation expenses	49	51	102
EBIT	166	192	303
Other income	16	24	35
Finance costs	109	126	239
PBT & Exeptional Items	72	90	99
Exceptional items (gain)/loss	-10	-11	105
Total tax expense	22	30	30
Profit after tax (PAT)	40	50	174
Ditulted EPS (in Rs.)	4.5	5.6	17.8

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in crores)

Particulars	FY24	FY25	FY26
Cash Flow from operating activities	264	219	297
Cash flow from/(used in) investing activities	-119	-104	-3,184
Net cash flows (used in) / from financing activities	-151	115	2,679
Net increase/(decrease) in cash and cash equivalents	-6	229	-208
Cash and cash equivalents at the beginning of the period	84	77	307
Effect of foreign exchange on cash and cash equivalents	0	0	60
Cash and cash equivalents at the end of the period	77	307	159

Source: RHP, BP Equities Research

Balance Sheet (Rs. in crores)

Particulars	FY24	FY25	FY26
ASSETS			
Non-current assets			
Property, plant and equipments	14	9	11
Investment properties	1,032	990	3,706
Investment properties under development	0	0	203
Goodwill	20	18	72
Other intangible assets	270	246	504
Investments	0	120	135
Loans	0	6	0
Finance lease receivables	472	378	537
Other financial assets	4	2	36
Non-current tax assets (Net)	0	4	17
Deferred tax assets (Net)	29	27	27
Other non-current assets	4	1	42
Total non-current assets	1,845	1,800	5,289
Current assets			
Inventories	2	1	1
Investments	29	72	49
Trade receivables	2	2	6
Cash and cash equivalents	77	307	159
Other bank balances	87	23	86
Loans	0	2	0
Finance lease receivables	0	0	0
Other financial assets	58	110	33
Other current assets	5	4	149
Assets held for sale	0	99	0
Total current assets	260	621	484
Total Assets	2,105	2,421	5,773
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2	2	2
Instruments entirely equity in nature	0	0	7
Other equity	654	698	947
Total equity	656	700	956
Non-current liabilities			
Borrowings	885	1,184	4,003
Lease liabilities	6	1	0
Other financial liabilities	200	32	31
Provisions	0	0	2
Deferred tax liabilities (Net)	62	89	197
Other non-current liabilities	10	0	62
Total non-current liabilities	1,164	1,306	4,295
Current liabilities			
Borrowings	100	23	117
Lease liabilities	1	1	1
Trade payable	61	31	56
Other financial liabilities	25	249	214
Other current liabilities	98	100	126
Provisions	0	0	1
Current tax liabilities (Net)	0	0	7
Liabilities directly associated with assets held for sale	0	12	0
Total current liabilities	285	416	522
Total Equity and Liabilities	2,105	2,421	5,773

Source: RHP, BP Equities Research

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

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