



# IPO NOTE

## EXCELSOFT TECHNOLOGIES LIMITED

NEUTRAL



### Rating:

**NEUTRAL**



Excelsoft Technologies Limited is a global vertical SaaS company specialising in the learning and assessment market.

### OBJECTS OF THE ISSUE

- Capex for Mysore property – Land purchase and construction of a new building.
- External electrical system upgrades at the existing Mysore unit.
- Software, hardware, communication & network improvements.
- General corporate purposes.

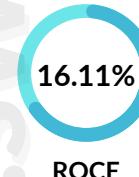
### FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2025	FY 2024	FY 2023
Equity Share Capital	100.08	1.59	1.59
Net Worth	371.29	297.30	278.08
Total Income	233.29	198.30	195.10
EBITDA Margin%	31.40%	27.72%	34.94%
Net Profit/Loss of the year	34.69	12.75	22.41

### FINANCIAL RATIOS OF FY25

#### ISSUE BREAK-UP (%)

QIB Portion		50%
Retail Portion		35%
NII Portion		15%



### OUTLOOK & VALUATION

- Focuses on the high-growth Vertical SaaS segment, specifically in the EdTech learning and assessment market.
- Serves 76 global clients (including Pearson Group), ensuring predictable, recurring revenue via long-term contracts.
- Demonstrated significant financial health, highlighted by a ~172% PAT surge in FY25.
- Client Concentration: Highly reliant on the Pearson Education Group (~59% of revenue), posing a significant disruption risk.
- Valuation & Rating: Appears aggressively priced (P/E ~ 35), leading to a neutral rating with an expectation of only a minor listing gain.



## COMPANY PROFILE

- An India-based vertical SaaS company.
- The company provides AI-powered applications, test and assessment platforms, online proctoring solutions, learning experience platforms, student success platforms, and digital eBook platforms.
- The company's SARAS LMS, including EnabLED LXP and OpenPage digital books, offer tailored learning support for academic institutions and corporations, addressing their training, learning, and development needs.



## COMPETITIVE STRATEGIES

- To increase revenue from the existing customers and acquire new customers.
- To position brand in the right manner.
- To innovate and improve the portfolio of existing products and to create new products as per the need of the market.
- Augment sales & marketing efforts by having a team across different geographies.
- Look for synergistic acquisition opportunities to expand faster in the education technology market.



### KEY CONCERNs

- Heavy reliance on Pearson for the majority of revenues.
- Global operations expose business to complex regulatory compliance risks.
- SaaS transition delays revenue recognition, impacting short-term cash flow.
- No long-term contracts reduce client retention predictability.
- Cybersecurity threats pose risks to sensitive education data systems.



### KEY STRENGTHS

- Expertise in assessments, digital learning, and information systems.
- Strong global customer relationships built over the long term.
- Delivers compliant digital learning and assessment solutions globally.
- Flexible technology approach powered by agile methodologies
- Experienced leadership ensures high standards and governance

## COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
<b>Excelsoft Technologies Limited</b>	<b>3.47</b>	<b>34.62</b>	<b>37.10</b>	<b>233.291</b>	<b>10.38</b>
<b>Peer Group</b>					
Mps Limited	87.80	26.17	279.69	726.889	31.74
Ksolves India Limited	14.47	22.42	17.51	137.433	153.95
Silver Touch Technologies Limited	17.50	41.07	105.48	288.380	18.00
Sasken Technologies Limited	33.30	42.19	531.24	288.380	6.36
Infobean Technologies Limited	15.59	32.54	136.34	394.780	12.09



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

Compliance Officer: Ms. Sheetal Durapre Email: [compliance@swastika.co.in](mailto:compliance@swastika.co.in) Phone: (0731) 6644 241

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