



## IPO Note

---

# ESDS SOFTWARE SOLUTION LIMITED

Aug 28<sup>th</sup>, 2026



Aug 28<sup>th</sup>, 2026**Details of the Issue**

|                  |                     |
|------------------|---------------------|
| Price Band       | ₹ 408 - ₹ 429       |
| Issue Size       | ₹ 720 Cr            |
| Market Cap       | ₹ 5,028.35 Cr       |
| Face Value       | ₹ 1                 |
| Bid Lot          | 34                  |
| Listing on       | BSE, NSE            |
| Investment Range | ₹ 13,872 - ₹ 14,586 |

**Important Indicative Dates (2026)**

|                    |           |
|--------------------|-----------|
| Opening            | 28 - Aug  |
| Closing            | 01 - Sep  |
| Basis of Allotment | 02 - Sep  |
| Refund Initiation  | 03 - Sep  |
| Credit to Demat    | 03 - Sep  |
| Listing Date       | 04 - Sept |

**Lead Manager**

DAM Capital Asvisor Ltd

Systematrix Corporate Services Ltd

**Offer Details**

|             |          |
|-------------|----------|
| Offer Size  | ₹ 720 Cr |
| Fresh Issue | ₹ 720 Cr |
| OFS         | -        |

| Type         | In Rs Cr | No of Shares (Mn) |       | % of Issue |
|--------------|----------|-------------------|-------|------------|
|              |          | Upper             | Lower |            |
| QIB          | 360      | 8.39              | 8.82  | 50         |
| NII          | 108      | 2.52              | 2.65  | 15         |
| Retail       | 252      | 5.87              | 6.18  | 35         |
| Em-<br>ploy. | -        | -                 | -     | -          |
| Total        | 700      | 16.78             | 17.65 | 100        |

[Invest Now](#)**Company Profile**

ESDS Software Solution Limited is an AI-enabled provider of cloud, managed services, Data Centre infrastructure and software solutions in India, offering an integrated portfolio of IaaS, managed services and SaaS to BFSI, government and enterprise customers. In Fiscal 2026, the Company served 2,501 customers and reported revenue from operations of ₹4,722.10 million. Its IaaS portfolio includes colocation, Data Centre and multi-cloud solutions, along with GPU-as-a-Service, supported by five Tier 3 Data Centres spanning over 75,266 sq. ft. across India with redundant power, disaster recovery infrastructure and 24/7 operations. Its managed services cover cloud and Data Centre management, cybersecurity, IT infrastructure and network management, backup and disaster recovery, database management and DevOps, while its proprietary technology portfolio includes SWARAJ Cloud, an AI-enabled cloud platform focused on data sovereignty, scalability, security and compliance, as well as SaaS solutions such as Data Centre management tools, vulnerability scanners, web access firewalls, VPN and AI-powered GPU monitoring solutions. As of June 30, 2026, the Company had 993 employees across operations, infrastructure, security, R&D, sales and service delivery functions.

**GEPL's Insights & Investment Thesis:**

- ESDS Software Solution Ltd is an AI-enabled provider of cloud, managed services, Data Centre infrastructure and software solutions in India. The company has established a differentiated position as one of the only two Indian players offering the full spectrum of GPU-as-a-Service, cloud, managed services, Data Centre infrastructure and software solutions.
- The company is investing heavily cloud computing, GPU, storage, networking and supporting infrastructure and expand its data centre footprints with new facilities.
- Based on the FY26 earnings, relative to the company's paid-up capital, the issue is priced at a P/E ratio of 42x. The company is investing heavily in cloud computing, GPU, storage, and data centre, healthy balance sheet, benefit from growing AI demand, and strong financial performance. Therefore, we recommend a "Subscribe" rating for issue.

**Business Highlights & Services**

ESDS has established a differentiated position as one of the only two Indian players offering the full spectrum of GPU-as-a-Service, cloud, managed services, Data Centre infrastructure and software solutions. As an early adopter of cloud technology, the Company has built an integrated platform that enables customers to address their end-to-end digital transformation requirements through a single service provider, supporting deeper customer engagement and cross-selling opportunities. The Company has built a diversified presence across BFSI, Government and Enterprise segments, with long-standing relationships with over 100 banks and established institutions.

Customer stickiness is improving, with the share of customers having relationships of more than three years increasing from 49.28% in FY24 to 65.60% in FY26, while those with relationships exceeding five years increased from 23.25% to 47.75% over the same period. The expansion of service offerings within existing accounts further supports revenue retention and provides opportunities for higher wallet share. ESDS has developed an integrated cybersecurity offering encompassing SIEM, endpoint security, vulnerability management, penetration testing and incident response.



With 123+ customers and 7,175+ devices covered as of June 30, 2026, its ability to provide both standalone and integrated security solutions positions it to benefit from rising cybersecurity requirements across BFSI, government and enterprises. Increasing data localisation requirements, including those arising from the Digital Personal Data Protection Act and RBI mandates, are driving demand for secure and compliant domestic Data Centre and cloud infrastructure. ESDS is well positioned to benefit from this structural trend through its India-based infrastructure, MeitY STQC empanelment and government-focused cloud capabilities. ESDS's collaboration with STPI provides access to an asset-light Data Centre model, enabling the Company to expand its footprint across Tier II and Tier III cities with relatively lower capital intensity. Its operation of three of STPI's six Tier-3 compliant Data Centres, along with its MeitY STQC empanelment for public, virtual private and government community cloud services, strengthens its credibility and positioning in the public-sector digital infrastructure market.

ESDS Software Solution Limited is well positioned to benefit from the rapid adoption of cloud and AI infrastructure, supported by its patented SWARAJ vertical auto-scaling technology, which enables dynamic resource allocation, optimises capacity utilisation and improves cloud performance. The launch of fully managed GPUaaS in November 2025 further strengthens its positioning in the high-growth AI infrastructure market, with India's cloud GPU market expected to grow at ~50.15% CAGR from FY25 to FY30. Its asset-light operating model, combined with flexible consumption-based billing across pay-per-consumption, pay-per-branch, pay-per-transaction and customised KPI-based models, enables efficient scalability while offering customers greater cost predictability and flexibility. The ability to provide integrated GPU infrastructure, cloud, managed services and SaaS solutions positions the Company to capture increasing enterprise demand for scalable, cost-efficient and secure digital infrastructure, while supporting customer retention, cross-selling and upselling opportunities.

ESDS Software Solution Limited is pursuing a multi-pronged growth strategy focused on scaling Data Centre capacity, expanding AI/ML capabilities, strengthening public-sector presence and improving operational efficiency. The Company plans to invest in cloud and GPU infrastructure, storage and networking equipment, while adding new Data Centres in Kolkata and Sahibabad, which should expand its capacity to cater to rising demand for cloud, AI and Data Centre services. Its increasing focus on AI-driven automation, industry-specific solutions and AIOps/Agentic AI can improve service delivery, reduce manual intervention and enhance customer experience, while R&D initiatives across healthcare, agriculture and cloud automation provide additional avenues for technology-led growth. The Company is also leveraging partnerships with STPI, government agencies, technology providers and software vendors to expand its public-sector footprint and offer integrated digital transformation solutions, particularly across cybersecurity, disaster recovery, smart-city projects and community cloud services. Further, its transition towards 100% renewable energy over the next four years, supported by rooftop solar installations and increasing renewable power sourcing, should improve sustainability credentials while providing potential long-term cost benefits. Overall, the combination of capacity expansion, AI-led innovation, strategic partnerships, public-sector opportunities, flexible consumption-based offerings and sustainability initiatives provides ESDS with multiple growth levers and positions the Company to participate in the structural expansion of India's cloud, AI and digital infrastructure ecosystem.

#### [Customer Wise Revenue mix](#)

| Particular  | FY26     |        | FY25     |        | FY24     |        |
|-------------|----------|--------|----------|--------|----------|--------|
|             | INR (Cr) | %      | INR (Cr) | %      | INR (Cr) | %      |
| BFSI        | 82.79    | 17.53% | 111.54   | 30.87% | 52.35    | 18.27% |
| Government  | 129.26   | 27.37% | 106.68   | 29.52% | 97.53    | 34.04% |
| Enterprises | 260.16   | 55.09% | 143.12   | 39.61% | 136.64   | 47.69% |
| Total       | 472      | 100%   | 361      | 100%   | 286.52   | 100%   |

Product and Services wise revenue mix

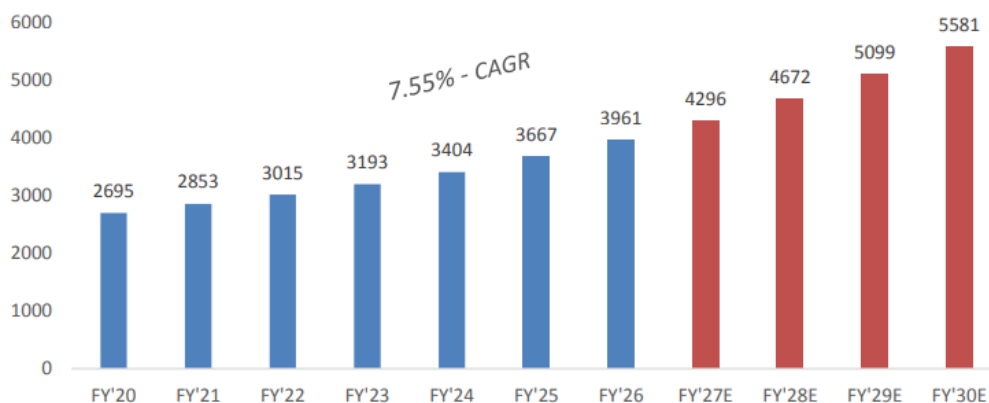
| Particular       | FY26       |             | FY25       |             | FY24          |             |
|------------------|------------|-------------|------------|-------------|---------------|-------------|
|                  | INR (Cr)   | %           | INR (Cr)   | %           | INR (Cr)      | %           |
| IaaS             | 207.20     | 43.88%      | 203.64     | 56.36%      | 142.08        | 49.59%      |
| Managed Services | 194.59     | 41.21%      | 75.65      | 20.94%      | 77.54         | 27.06%      |
| SaaS             | 70.42      | 14.91%      | 82.04      | 22.71%      | 66.90         | 23.35%      |
| <b>Total</b>     | <b>472</b> | <b>100%</b> | <b>361</b> | <b>100%</b> | <b>286.52</b> | <b>100%</b> |

Domestic vs Export revenue mix

| Particular   | FY26       |             | FY25       |             | FY24          |             |
|--------------|------------|-------------|------------|-------------|---------------|-------------|
|              | INR (Cr)   | %           | INR (Cr)   | %           | INR (Cr)      | %           |
| Domestic     | 351.77     | 74.49%      | 274.34     | 75.92%      | 271.38        | 94.71%      |
| Foreign      | 120.44     | 25.51%      | 87.00      | 24.08%      | 15.14         | 5.29%       |
| <b>Total</b> | <b>472</b> | <b>100%</b> | <b>361</b> | <b>100%</b> | <b>286.52</b> | <b>100%</b> |

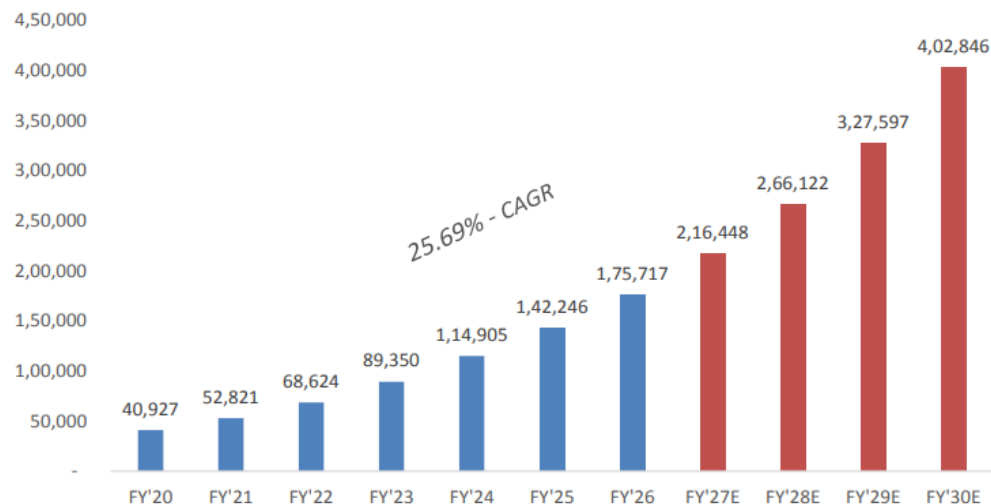
Industry Overview

**Figure 26: Market Size for Software Development Industry in India on the Basis of Revenues in INR Billion, FYs 2020-2030E**



Source: Interview with Industry Experts, Nexdigm Analysis.

**Figure 22: Market Size for India Managed Services Industry on the Basis of Revenues in INR Million, FY 2020-2030E**



Source: Interview with Industry Experts, Nexdigm Analysis.

Peers Comparison

| Name of the company                   | Face Value (₹) | Total Revenue (₹ Cr) | EPS          | NAV (₹)      | P/E (x)   | RoNW(%)       |
|---------------------------------------|----------------|----------------------|--------------|--------------|-----------|---------------|
| <b>ESDS Software Solution Limited</b> | <b>1</b>       | <b>472.2</b>         | <b>11.81</b> | <b>52.66</b> | <b>NA</b> | <b>22.85%</b> |
| <b>Peers Group</b>                    |                |                      |              |              |           |               |
| E2E Networks Limited                  | 1              | 245.58               | -0.76        | 81.97        | -819.78   | -0.92%        |

Company's Competitive Strength

- ESDS is a leading player offering end-to-end cloud, managed services, Data Centre infrastructure and software solutions in India.
- ESDS comprehensive Security-as-a-Service (SECaaS) framework enables businesses to proactively manage threats and achieve robust security and compliance objective.
- The company have long-term relationships with well-established banks and other businesses.
- Strong Government Partnerships and Policy Advocacy.
- AI-driven innovations and patented technology.
- Strength and experience of the Directors, Key Managerial Personnel and Senior Management.

Key Strategies Implemented by Company

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

| Particular (INR in Cr) | FY26   | FY25   | FY24   |
|------------------------|--------|--------|--------|
| Equity Capital         | 10     | 10     | 9      |
| Reserves and Surplus   | 534    | 408    | 217    |
| Net Worth              | 544    | 418    | 226    |
| Revenue                | 472    | 361    | 287    |
| Growth (%)             | 31%    | 26%    |        |
| EBITDA                 | 234    | 155    | 102    |
| EBITDAM (%)            | 49.60% | 42.86% | 35.56% |
| PAT                    | 121    | 56     | 14     |
| PATM (%)               | 25.6%  | 15.4%  | 4.7%   |
| ROE (%)                | 25.1%  | 17.3%  | 6.2%   |
| ROCE (%)               | 32.8%  | 24.7%  | 14.5%  |



## Notes

### GEPL Capital Pvt. Ltd

**Head Office:** D-21/22 Dhanraj Mahal, CSM Marg, Colaba, Mumbai 400001

**Reg. Office:** 922-C, P.J. Towers, Dalal Street, Fort, Mumbai 400001

**Research Analyst – Mr. Vidnyan Sawant** | + 022-6618 27687 | [vidnyansawant@geplcapital.com](mailto:vidnyansawant@geplcapital.com)

**Disclaimer:** This report has been prepared by GEPL Capital Private Limited ("GEPL Capital "). GEPL Capital is regulated by the Securities and Exchange Board of India. This report does not constitute a prospectus, offering circular or offering memorandum and is not an offer or invitation to buy or sell any securities, nor shall part, or all, of this presentation form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities. This report is for distribution only under such circumstances as may be permitted by applicable law. Nothing in this report constitutes a representation that any investment strategy, recommendation or any other content contained herein is suitable or appropriate to a recipient's individual circumstances or otherwise constitutes a personal recommendation. All investments involve risks and investors should exercise prudence in making their investment decisions. The report should not be regarded by the recipients as a substitute for the exercise of their own judgment. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of GEPL Capital as a result of using different assumptions and criteria. GEPL Capital is under no obligation to update or keep current the information contained herein. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Options, derivative products and futures are not suitable for all investors, and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other instruments. There is no representation that any transaction can or could have been effected at those prices and any prices do not necessarily reflect GEPL Capital's internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions, by GEPL Capital or any other source may yield substantially different results. GEPL Capital makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein. Further, GEPL Capital assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events, or otherwise. Neither GEPL Capital nor any of its affiliates, directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or any part of this report. In no event shall GEPL Capital be liable for any direct, special indirect or consequential damages, or any other damages of any kind, including but not limited to loss of use, loss of profits, or loss of data, whether in an action in contract, tort (including but not limited to negligence), or otherwise, arising out of or in any way connected with the use of this report or the materials contained in, or accessed through, this report. GEPL Capital and its affiliates and/or their officers, directors and employees may have similar or an opposite position in any securities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such securities (or investment). The disclosures contained in the reports produced by GEPL Capital shall be strictly governed by and construed in accordance with Indian law. GEPL Capital specifically prohibits the