

ABOUT THE COMPANY: iValue Infosolutions Limited, established in 2008 and headquartered in Bangalore, is a leading provider of technology solutions focused on enabling digital transformation for enterprises. With operations across India, the SAARC region, and Southeast Asia—including countries like Singapore, UAE, Kenya, and Sri Lanka—the company employed 421 professionals as of March 31, 2025.

KEY BUSINESS INSIGHTS: Over the past 16 years, iValue Infosolutions has built deep expertise in data- and application-focused tech solutions, working closely with OEMs, system integrators, and enterprises to address critical needs in cybersecurity, information lifecycle management (ILM), application lifecycle management (ALM), and cloud infrastructure. Their high-touch, technically driven sales approach is backed by strong OEM partnerships, including Check Point, Hitachi, Tenable, Splunk, Nutanix, and Google Cloud. The OEM network has expanded from 93 in FY23 to 109 in FY25, with many long-standing partnerships—84 of which span over three years—driving scalable growth through 5,915 transactions in FY25 alone. However, despite strong top-line performance, the company faces cash flow challenges, with only ₹462.14 million in cash generated from ₹9,226.80 million in FY25 revenue.

OUR VIEW:

Established in 2008, iValue Infosolutions has built a strong footprint across India and select international markets, serving 109 OEMs, 133 system integrators, and 322 enterprise customers. It focuses on high-growth areas like Data Center Infrastructure (DCI), Cybersecurity (47% of revenue), ALM, and ILM. The company reported consistent profit growth, with PAT rising to ₹85 crore in FY25, though cash flow declined to ₹46 crore due to extended credit cycles. Trading at a reasonable 18x PE and effectively net debt-free, iValue is expanding in South Asia. Given its strong fundamentals, we recommend a **“SUBSCRIBE”** for long-term investors with a high-risk appetite.



ISSUE DETAILS	
Price Band (in ₹ per share)	284-299
Issue size (in ₹ Crore)	560.29
Fresh Issue (in ₹ Crore)	NA
Offer for Sale (in ₹ Crore)	560.29
Issue Open Date	18-09-2025
Issue Close Date	22-09-2025
Tentative Date of Allotment	23-09-2025
Tentative Date of Listing	25-09-2025
Total Number of Shares (in lakhs)	187.39
Face Value (in ₹)	2.00
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	50	14950
Retail (Max)	13	650	1,94,350
S-HNI (Min)	14	700	2,09,300
S-HNI (Max)	66	3300	9,86,700
B-HNI (Min)	67	3350	10,01,650

BRLMs: IIFL Capital Services Ltd. & Motilal Oswal Investment Advisors Ltd.

PROMOTERS: Sunil Kumar Pillai ,Krishna Raj Sharma and Srinivasan Sriram.

BRIEF FINANCIALS

PARTICULARS (Rs. Cr)	FY25	FY24	FY23
Share Capital***	8.42	4.21	4.21
Net Worth	414.79	322.60	251.60
Revenue from Operations	922.68	780.23	796.82
EBITDA &	129.12	111.06	88.82
EBITDA Margin (%)	13.99%	14.23%	11.15%
Profit/(Loss) After Tax	85.3	70.57	59.91
EPS (in Rs.)	15.98	13.27	11.20
Net Asset Value (in Rs.)	77.47	60.26	46.99
Total borrowings	42.4	45.19	50.47
P/E#	78.48	NA	NA
P/B#	88.20	NA	NA

* *Restated consolidated financials; #Calculated at upper price band ^Annualised EPS***Bonus issue in the ratio of 1:1 dated July 20, 2024. & EBITDA is calculated as restated profit for year plus finance cost and Depreciation and amortisation costs and tax expenses as reduced by interest income from bank deposits and interest on income tax refunds

OBJECTS OF THE OFFER

The Company proposes to utilize the net proceeds towards funding the following objects:

- The company will not receive any proceeds from the Offer and all such Offer Proceed.

FINANCIAL STATEMENTS

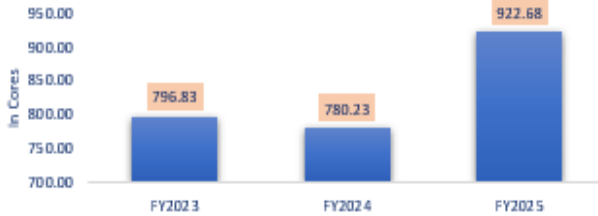
Profit & Loss Statement			
Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	796.83	780.23	922.68
Other Income	8.96	14.95	19.67
Total Income	805.79	795.18	942.35
YoY Growth (%)	-	-2.08%	18.26%
Purchase of Stock-in-Trade	695.25	497.74	665.28
Employee benefit expenses	41.13	65.21	68.80
Employee Expenses-% of Revenue	5.16%	8.36%	7.46%
Changes in inventories of finished goods, stock-in-tr	-78.62	63.04	14.23
Other expenses	55.87	54.81	60.23
EBIDTA (Calculated)	88.82	111.06	129.13
EBIDTA Margin (%)	11.15%	14.23%	13.99%
Depreciation and amortisation expense	4.10	6.90	7.16
EBIT	84.72	104.16	121.97
EBIT Margin (%)	10.63%	13.35%	13.22%
Finance cost	7.74	12.91	13.46
Profit before Tax	80.31	94.57	113.19
Tax expenses			
Current tax	21.31	25.34	28.21
Tax for earlier years	0.66	-0.94	0.20
Deferred Tax	-1.58	-0.40	-0.52
Total tax expenses	20.39	24.00	27.89
Profit for the year	59.92	70.57	85.30
PAT Margin (%)			
Earnings per share			
Basic earnings per share (₹)	11.20	13.27	15.98

Particulars (In Crores)	FY2023	FY2024	FY2025
Net cash flow from/(used in) operating activities	-22.69	65.65	46.21
Net cash flow from/(used in) investing activities	29.99	23.67	-35.86
Net cash flow from/(used in) financing activities	21.89	-21.88	-20.48
Net increase/(decrease) in cash and cash equivalents	29.19	67.44	-10.13
Cash and cash equivalents at the beginning of the year	31.34	60.53	127.98
Cash and cash equivalents at the end of the year	60.53	127.97	117.85

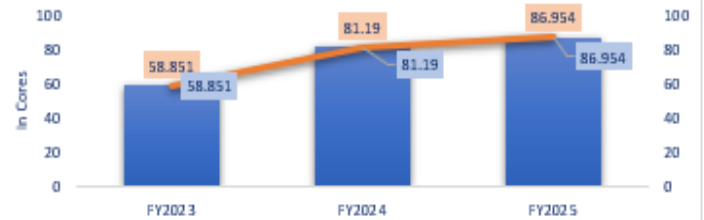
Balance Sheet			
Particulars (In Crores)	FY2023	FY2024	FY2025
Asset			
Non-current assets			
Property, Plant and Equipment	6.26	9.96	9.58
Right-of-use assets	29.56	30.07	25.00
Goodwill	7.64	7.64	7.64
Other Intangible assets	0.63	0.41	0.30
Financial Assets			
Loans	6.00	6.00	6.00
Trade Receivables	0.00	0.00	20.52
Other financial assets	3.23	3.42	5.28
Income tax assets (net)	20.20	68.85	23.58
Deferred tax assets (net)	5.30	5.72	6.26
Other non-current assets	2.06	1.24	7.06
Total Non-Current Assets	80.88	133.31	111.22
Current Assets			
Inventories	90.09	27.04	12.81
Financial Assets			
Investments	11.15	0.00	0.00
Trade receivables	701.66	673.21	825.86
Cash and cash equivalents	60.53	127.98	117.86
Bank balances other than cash and cash equivalents	19.43	6.70	47.02
Other financial assets	5.00	5.20	12.26
Other current assets	111.44	30.81	35.64
Total Current Assets	999.30	870.94	1051.45
TOTAL ASSETS	1080.18	1004.25	1162.67
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	4.21	4.21	8.42
Instruments entirely equity in nature	1.25	1.25	1.25
Other Equity	295.21	366.23	454.14
Equity attributable to owners of Ivalue Infosolutions Lim	300.67	371.69	463.81
Non Controlling Interest	-0.98	-1.45	-1.78
Total Equity	299.69	370.24	462.03
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	0.53	0.00	0.00
Lease Liabilities	26.22	25.66	21.35
Trade Payables	0.00	0.00	14.90
Other Financial Liabilities	0.00	0.00	1.54
Provisions	3.43	3.02	2.37
Total Non-Current Liabilities	30.18	28.68	40.16
Current Liabilities			
Financial Liabilities			
Borrowings	49.95	45.19	42.45
Lease Liabilities	3.03	6.06	6.42
Trade payables	647.19	501.73	555.25
Other financial liabilities	5.73	4.01	7.91
Current tax liabilities (net)	2.53	1.25	3.35
Contract liabilities	2.59	1.92	3.87
Other current liabilities	36.90	39.99	39.92
Provisions	2.39	5.18	1.31
Total Current Liabilities	750.31	605.33	660.48
Total Liabilities	780.49	634.01	700.64
TOTAL EQUITY AND LIABILITIES	1080.18	1004.25	1162.67

PERFORMANCE THROUGH CHARTS

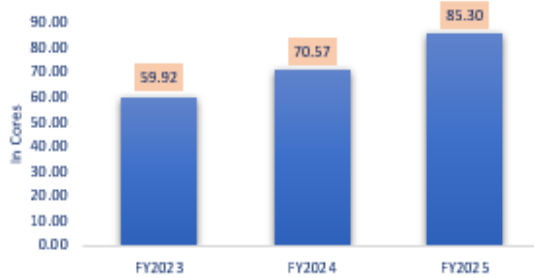
REVENUE HAS GROWN BY 8% CAGR 2 YR



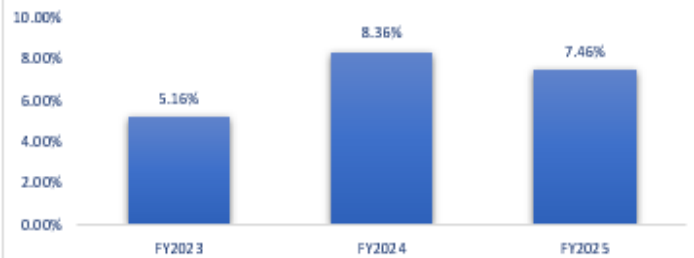
EBITDA HAS GROWN BY 22% CAGR 2 YR



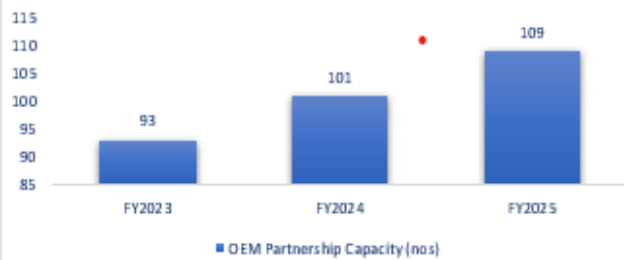
PAT HAS GROWN AT A CAGR ON 19%



EMPLOYEE EXPENSE AS % TO REVENUE



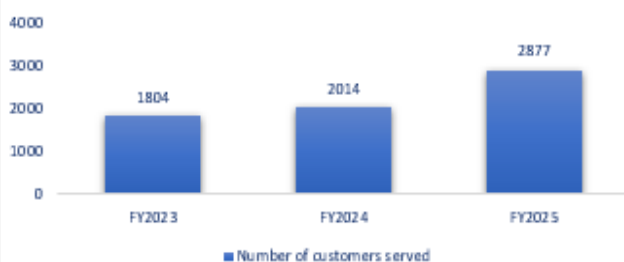
OEM Partnership Capacity (nos)



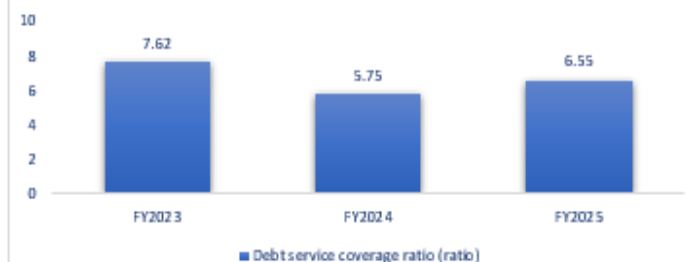
Net working capital (days)



Number of customers served



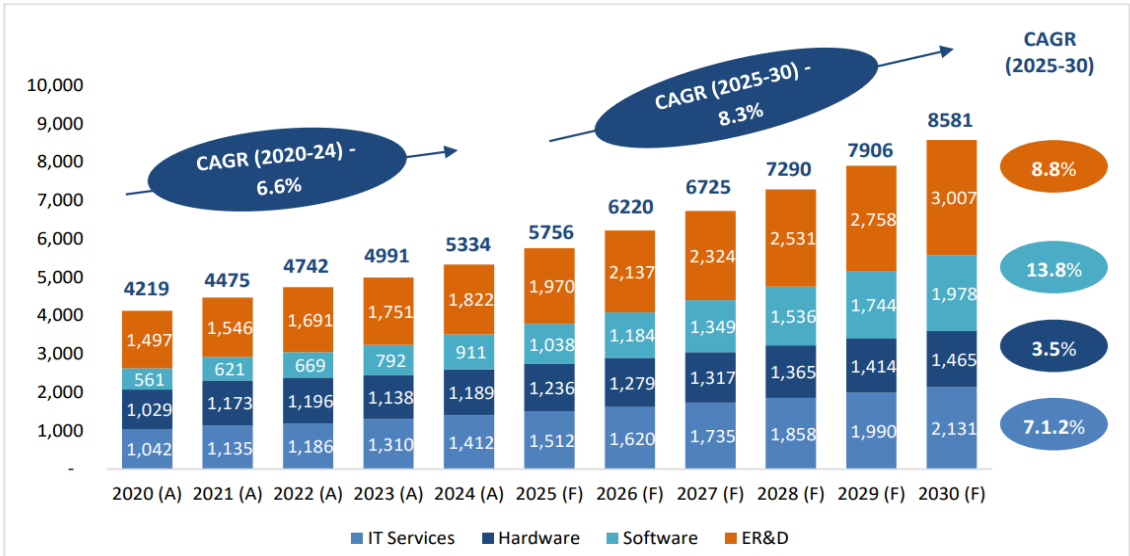
Debt service coverage ratio (ratio)



INDUSTRY REVIEW

OVERVIEW OF THE IT INDUSTRY IN INDIA

- India is rapidly becoming a regional leader in IT investment, propelled by government initiatives like Digital India and increased funding for digital infrastructure and smart city projects. These efforts are improving internet connectivity, boosting cloud adoption, and expanding data center capacity nationwide. The surge of startups and unicorns is further fueling investments in cutting-edge technologies such as AI, IoT, and data analytics. Meanwhile, sectors like manufacturing, healthcare, and IT-enabled services (ITeS) are undergoing major digital transformations. Together, these trends are fast-tracking India’s evolution into a digital powerhouse and driving strong demand for innovative IT solutions.
- Global IT spending is fueled by the rising demand for digital technologies that help businesses boost revenue and improve customer experience. Companies use tools like e-commerce, online platforms, and data analytics to enter new markets, make informed decisions, and anticipate consumer behavior. This shift enhances competitiveness and creates new revenue opportunities. With customer expectations growing for faster, more efficient interactions, businesses are investing heavily in technologies that enable real-time engagement and streamline operations, driving faster IT adoption across industries.
- The cloud computing market, valued at USD 711 billion in 2024, is rapidly growing with a 16% CAGR expected through 2030. Hybrid and multi-cloud adoption is rising for its scalability and cost-efficiency. Key players like AWS, Azure, and Google Cloud are expanding, especially in markets like India, driven by trends like serverless computing and Infrastructure -as-Code.
- The E-Governance initiative aims to digitize public services, enhancing transparency, efficiency, and citizen engagement. The Aadhaar system, a unique digital ID, streamlines identity verification across sectors like banking and telecom. These efforts attract foreign investment, boost local entrepreneurship, and drive innovation in IT, increasing demand for IT products and services. This cycle of growth is reinforcing India’s status as a global IT leader and supporting broader economic development.
- India’s IT spending is expected to grow at an 8.2% CAGR from 2025 to 2030, reaching over USD 419 billion. Growth is fueled by strong government initiatives and major tech companies. Programs like ‘Make in India’ aim to establish the country as a global hub for electronics and IT hardware manufacturing, reducing imports and creating jobs.



Note:
(A) indicates actual values, (F) indicates forecasted values
The market size data covers the period from 2020 to 2024, with market forecasts extending to 2030.
Source: Frost & Sullivan

COMPETITIVE STRENGTHS OF THE COMPANY

Growing and Diverse System Integrator Network with High Retention and Repeat Engagement

- Leveraging strong relationships with leading OEMs, the company has broadened its System Integrator network from 567 in FY23 to 804 in FY25. This network includes global, national, and local partners such as Hitachi and Sify, enabling extensive market coverage and access to a diverse customer base.
- The company supports System Integrators through comprehensive product and customer lifecycle management, multi-OEM solution stacks, and its hybrid cloud platform (iValue CoE), along with 24x7 managed services. This holistic support helps System Integrators adapt to evolving enterprise demands and enhances customer service, driving retention rates up from 64.35% in FY23 to 80.73% in FY25.
- System Integrators now account for over 90% of the company's gross sales as of FY25, reflecting significant growth in this channel. The strong synergy between OEM and System Integrator partnerships fuels business expansion, with increasing repeat sales highlighting successful cross-selling and a growing end-customer base.

Trusted OEM Partner in India with Growing Strategic Alliances

- The company's OEM network expanded from 93 in FY23 to 109 in FY25, with 84 OEMs partnered for over three years. It continues to strengthen its focus on cybersecurity, information lifecycle management, and data center infrastructure, while adding key OEMs like Splunk, Nutanix, and Google Cloud to enhance ALM and cloud solutions.
- New OEM partnerships are carefully selected based on market fit, product strength, and long-term value. Nine OEMs were added in FY23 and eight in FY25, contributing ₹330.64 million and ₹372.39 million in gross sales in FY25, respectively, boosting the company's portfolio of interoperable, multi-OEM solutions.
- By offering comprehensive multi-OEM solutions, the company enables System Integrators to grow their share of enterprise wallets. In FY25, 462 customers purchased from two or more OEMs, with 47 buying from over five, highlighting effective cross-selling and deeper market reach through OEM and System Integrator collaboration.

Broad Multi-OEM Portfolio Fueling Strategic Enterprise Technology Leadership

- Starting as a Value-Added Distributor (VAD), the company has evolved over 16+ years into a key technology enabler, delivering end-to-end solutions in application lifecycle management, data management, and security through partnerships with top OEMs like Check Point, Splunk, Nutanix, and Google Cloud.
- They offer comprehensive services including pre-sales consulting, solution implementation, integration, training, and 24x7 managed services (SOC/NOC), backed by a highly skilled technical team with over 1,000 OEM certifications to ensure smooth technology adoption and customer satisfaction.
- Serving 2,877 enterprise customers through 804 System Integrators as of FY25, the company provides curated multi-OEM solution stacks and leverages its hybrid cloud platform (iValue CoE) for demos and proofs of concept. Their focused account management and managed services foster long-term partnerships, with repeat sales making up over 80% of gross billed sales in FY25.

RISK FACTORS

Exposure to credit risk from payment delays or defaults

- The company's business model involves extending credit to System Integrators (SIs) and customers, exposing it to credit risk from delayed or defaulted payments. While credit insurance and assessments help mitigate this risk, there's no guarantee all payments will be received on time or in full, which could impact cash flow and financial results.
- As of March 31, 2025, credit insurance covers 90.19% of trade receivables, significantly reducing default risk. However, inaccurate credit evaluations and events like an SI's bankruptcy in FY23, causing a ₹33.80 million loss, demonstrate that payment recovery risks remain.

Dependence on OEMs for product quality and timely delivery

- As of March 31, 2025, the company partners with 109 OEMs, including key names like Check Point, Tenable, and Hitachi, whose products are central to their solutions. They invest in brand-building and quality service to maintain strong customer satisfaction. However, any failure by OEMs to effectively promote or develop their brands could hurt customer retention and demand.
- The company relies heavily on OEMs to continuously innovate and deliver high-quality, relevant products. If OEMs lag in technological advancement or face declining demand, the company's offerings and financial performance could suffer. While past product discontinuations from certain OEMs had minimal impact, future similar events could negatively affect their business and results.

Revenue vulnerability due to reliance on key System Integrators

- The company's growth and profitability rely heavily on strong relationships with System Integrators (SIs), but since most agreements are non-exclusive and lack long-term commitments, the volume of business from each SI can fluctuate annually. Changes in customer needs and demand for IT solutions also contribute to this variability, creating revenue uncertainty.
- Dependence on a few key SIs, with the top SI accounting for 8.66% of gross sales in FY25, poses concentration risk. These SIs may hold pricing power during negotiations, and external factors like economic downturns or shifts in customer spending could reduce business volume, significantly impacting the company's revenue and financial performance.

**PEER COMPARISON**

Given the nature of our business of being a technology solutions specialist, we believe that there are no listed companies or peers in India that engage in a business which is similar to that of our Company.



Canara Bank Securities Ltd.
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