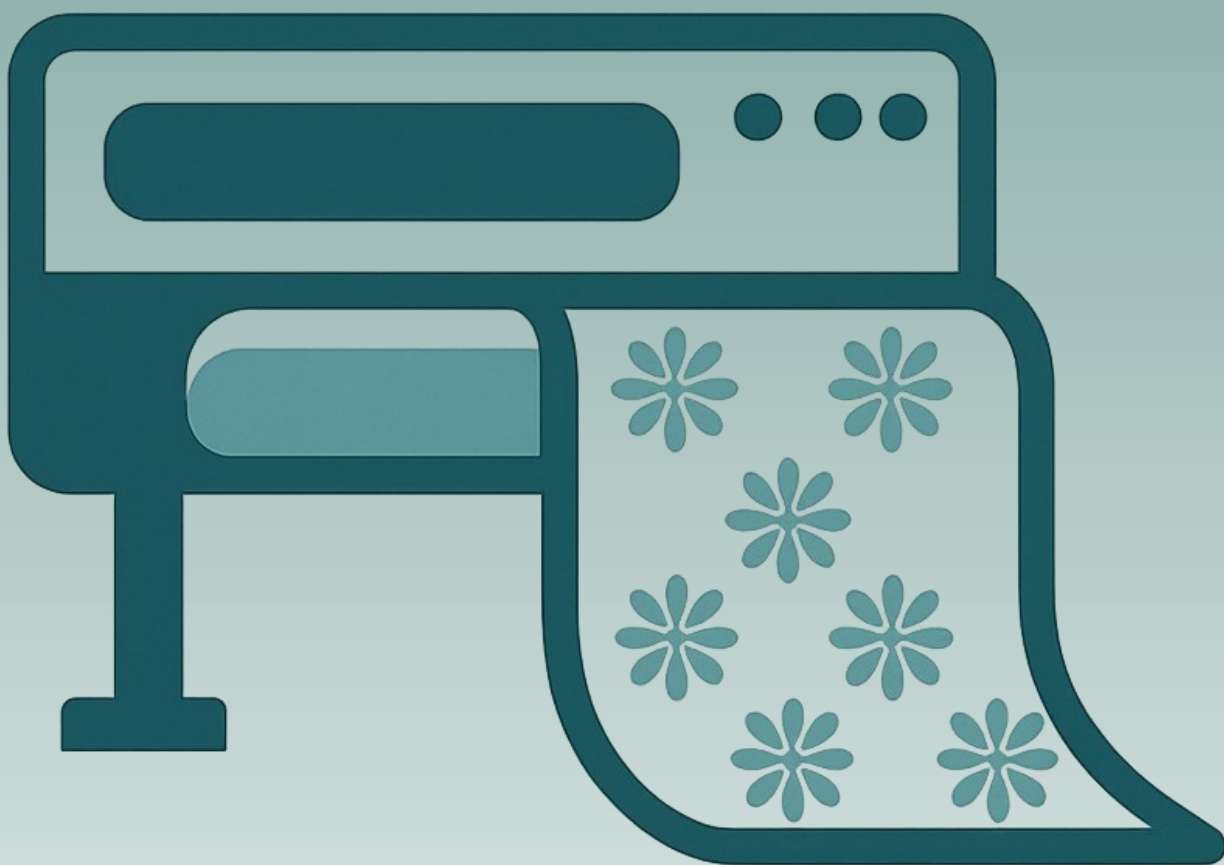


SCOOP

INVESTMENT



LOGICIEL SOLUTIONS LIMITED

IPO Note

About

Incorporated in 2011, **Logiciel Solutions Ltd** is an outsourced technology engineering and software development firm. The company specializes in creating **scalable digital products** for both startups and established enterprises. Its core offerings include **custom software development, cloud engineering, AI/ML, mobile/web app development, UI/UX design, big data analytics, quality assurance, and MVP development**. Utilizing a **global delivery model**, Logiciel serves diverse sectors such as real estate, energy, retail, and SaaS businesses. As of October 2025, the firm employs **107 professionals** and is actively investing in **IT infrastructure, product development, and team expansion** to enhance its capabilities.

Investment Rationale

High growth in revenue & profitability - Logiciel has achieved significant financial acceleration, with its revenue climbing from ₹14.09 Cr in FY23 to ₹21.20 Cr in FY25. During the same period, Profit After Tax expanded substantially, from ₹1.34 Cr to ₹5.47 Cr. This efficient scaling is supported by increasing margins and successful customer acquisition. The strong profitability underscores the company's operational strength and its capacity to fund future growth organically, reducing reliance on heavy debt. Furthermore, improving revenue visibility through service diversification and securing larger contracts enhances the company's long-term compounding potential, mitigating cyclical risks and boosting business predictability.

High Profitability Ratios - Logiciel demonstrates exceptional profitability, boasting an EBITDA margin of 38.95%, a PAT margin of 26.19%, and an ROE above 32%. These strong metrics place the company among high-performing software service peers, signifying effective pricing power and cost management. This robust margin profile ensures earnings stability and a foundation for sustainable valuation. The consistent margin expansion also highlights the firm's efficient resource utilization and potential for future operating leverage as it scales globally.

Strong Global Digital Demand - Logiciel is perfectly aligned with the surging global demand for digital transformation (cloud, automation, and AI). By providing solutions in AI/ML, cloud engineering, and microservices, the company guarantees access to a large, expanding market with multi-year growth and is strongly positioned to generate recurring revenue through cross-selling within the current IT transformation cycle.

Strategic Positioning in AI/ML - Logiciel strategically targets high-growth areas, specifically AI, ML, and advanced analytics. Early positioning in AI-led digital transformation gives the company a strong edge, enhancing pricing power and client retention over general IT service providers. This specialization unlocks opportunities for premium billing, secures enterprise partnerships, and supports future growth through IP-led development.

Issue Details

Fresh issue of 16,94,400 equity shares aggregating up to ₹ 32.70 Cr. and Offer for Sale of 3,73,200 equity shares aggregating up to ₹ 7.20 Cr.

Issue Summary

Issue Size	₹ 37.83 Cr. - ₹ 39.90 Cr.
Face Value	₹ 10
Price band (per equity share)	₹ 183 - ₹ 193
Market Lot	600 Equity Shares
Minimum Investment	₹ 2,19,699 - ₹ 2,31,600
No. of Shares pre-issue	57,73,500
No. of Shares post-issue	Up to 74,67,900
Listing	BSE SME

Indicative Timetable

Issue Opens on	28 November, 2025
Issue Closes on	02 December, 2025
Listing Commences on	05 December, 2025

Issue Breakup

	Up to No. of Equity Shares	(₹ in cr. upper band) approx
Market Makers	1,03,800	2
QIB	1,00,200	1.93
NII	9,28,800	17.93
Retail	9,34,800	18.04
Total	2,0,67,600	39.9

Objects of the Issue (In Crores)

Capital expenditure for infrastructure upgrade	₹1.86
Investment in human resources & product development	₹15.28
Upgradation of IT infrastructure	₹4.17
Business development & marketing	₹2.50
General Corporate Purpose	Balance
Total Gross Proceeds	₹39.90

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	82.78%	59.00%
Public & Others	17.22%	49.00%

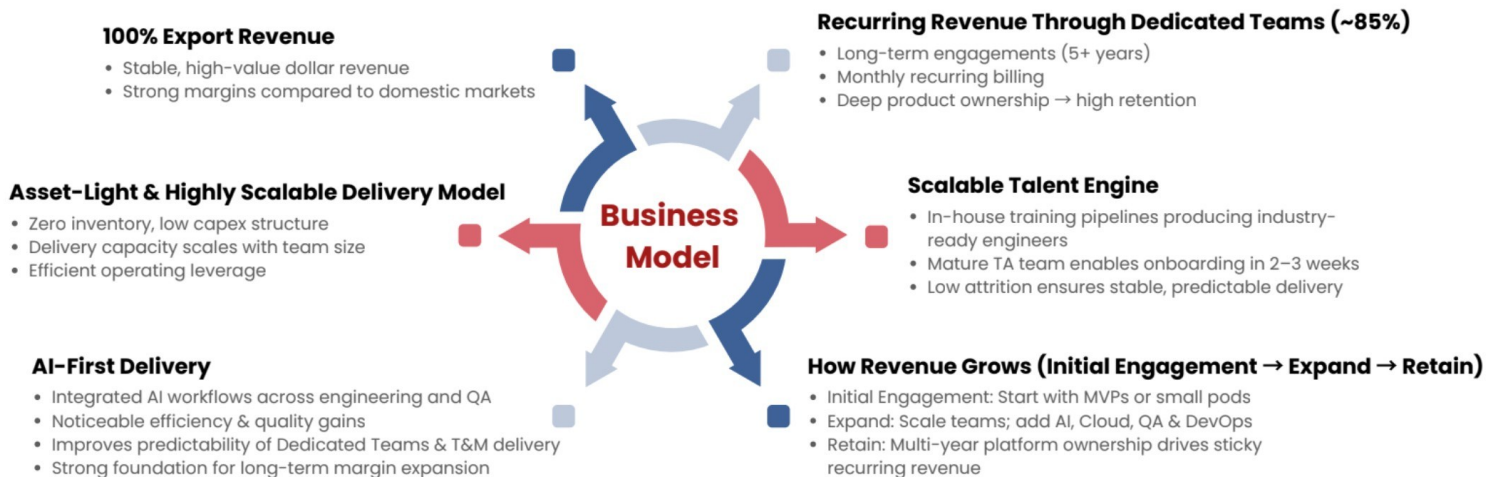
Book Running Lead Managers

Fintellectual Corporate Advisors Pvt.Ltd.

Registrar

Maashitla Securities Pvt.Ltd.

Exhibit 1 : Business Model & Revenue Quality



Key Risks

Scaling Execution Risk - Post-IPO growth introduces significant Scaling Execution Risk, requiring rapid capacity expansion and structured process upgrades. Failure to implement adequate internal controls while scaling quickly can lead to execution inefficiencies, delivery delays, and client dissatisfaction, ultimately weakening profitability and service quality as operational complexity increases

Technology Evolution Risk is high due to the rapid pace of change in digital frameworks and AI models. If the company fails to make sustained investments in upgrading systems and R&D to keep pace with new architectures and tools, it risks losing competitiveness, affecting pricing power, and increasing the likelihood of client migration.

Dependence on Promoter-Driven Leadership Risk, where strategic execution is concentrated among the founders. This high dependence creates a critical continuity risk, as any disruption to the CXO-level team could impact growth planning and client management, underscoring the necessity of building second-line leadership and institutionalizing processes for structured expansion.

Intense competition in IT service - The IT services sector is marked by **intense competition** from domestic firms, global outsourcers, and low-cost agencies, leading to prevalent **pricing pressure** and high vendor switching among customers. To sustain its market position and client retention, Logiciel must continuously **innovate, upgrade technical skills, and maintain competitive billing rates**. The primary risk is that diminishing cost advantages or accelerated competitor scaling could directly erode the company's **market share and margins**.

Geographic concentration – The company maintains a **strong international revenue footprint**, primarily driven by the **United States**, indicating success and reliance on that mature digital market. While the UK's contribution is declined significantly, the **inclusion and growth of Canada** suggest effective progress in **geographic diversification** beyond the core US, which helps mitigate risks associated with regional revenue concentration.

Exhibit 2 : Country wise revenue concentration (in ₹ lakhs)

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
United States of America	1,224.53	2,016.09	1,686.92	1,372.62
Canada	47.35	74.46	-	-
United Kingdom	-	-	6.70	19.48
Total	1,271.88	2,090.55	1,693.62	1,392.10

Source: Company, Logiciel Solutions

Customer concentration – a significant portion of revenue comes from the Top 5 and Top 10 customers, signalling deep client relationships, repeat business confidence and long-term engagement visibility. This concentrated yet high-quality client base suggests strong stickiness, higher lifetime value and predictable contract flows, positioning Logiciel for steady scaling without heavy customer acquisition dependence.

Exhibit 3 : Customer concentration (in ₹ lakhs)

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
Top 5 Customers	1,017.63	1,802.42	1,683.40	1,343.37
Top 10 Customers	1,237.22	2,071.67	1,693.62	1,392.10

Source: Company, Logiciel Solutions

High working capital intensity – The company's revenue is overwhelmingly dominated by the Home Improvement & Construction sector, which consistently accounts for the largest share across all periods, underscoring it as the core business segment. The Energy sector is the second largest, though its contribution has fluctuated significantly. The most recent period (HY25-26) shows emerging revenue streams in newer segments like Real Estate, Retail, Cyber Security, and Hospitality, suggesting a deliberate effort toward industry diversification to offset the decline or inconsistency in legacy sectors like Software Consulting and Robotics..

Exhibit 4 : Industry Wise Revenue Bifurcation

(in ₹ lakhs)

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
Home Improvement & Construction	743.52	1,451.55	1,181.41	1,054.24
Energy	107.6	102.57	349.88	45.24
Marketing Tech	24.49	143.77 -	-	-
AI & Software Development	57.24	141.73 -	-	-
Real Estate	105.71	72.62	38.18 -	-
Retail	103.14	115.76 -	-	-
Software Consulting	-	50.17	41.11	280.29
Robotics	-	-	83.04 -	-
Financial Planning & Analysis -	-	-	-	12.33
Cyber Security	47.35 -	-	-	-
Hospitality	72.36 -	-	-	-
Insurance	9.8 -	-	-	-
Others	0.68	12.37 -	-	-
Total Revenue from Operations	1,271.88	2,090.55	1,693.62	1,392.10

Source: Company, Scoop Investment

Exhibit 5 : Profit & Loss Statement

(in Lakhs)

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
Total Revenue from Operations	1,271.88	2,090.55	1,693.62	1,392.1
Revenue	10.94	29.06	16.44	16.99
Other Income	1,282.82	2,119.61	1,710.06	1,409.09
Total Income	768.53	1,276.31	1,077.2	1,140.23
Total Expenditure	503.36	814.24	616.42	251.86
EBITDA	0.3958	0.3895	0.364	0.1809
EBITDA Margin %	355.48	547.43	397.26	134.4
PAT	0.2795	0.2619	0.2346	0.0965
PAT Margin %	-75.03	-164.79	-130.51	225.31
CFO (Operating Cash Flow)	343.6	-428.12	-141.56	-87.54
CFI (Investing Cash Flow)	-1.58	805.84	-3.57	-10.57
CFF (Financing Cash Flow)	267	212.93	-275.65	127.2
Net Change in Cash	1,271.88	2,090.55	1,693.62	1,392.1
Total Revenue from Operations	10.94	29.06	16.44	16.99

Source: Company, Scoop Investment

Exhibit 5 : Balance Sheet

(in Lakhs)

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
Equity & Liabilities				
Equity	577.35	577.35	1	1
Reserves	2,150.46	1,794.98	964.88	567.61
Total Equity	2,727.81	2,372.33	965.88	568.61
Non Current Liabilities				
Non Current Borrowings	-	-	32.67	37.65
Long Term Provision	42.24	41.81	39.24	25.02
Total Non Current Liabilities	42.24	62.67	71.91	62.67
Current Liabilities				
Current Borrowings	-	1.53	19.8	14.24
Trade Payables	21.46	1.96	19.63	9.54
Short Term Provisions	124.39	199.41	140.98	54.53
Other Current Liabilities	133.13	122.18	79.72	147.79
Total Current Liabilities	278.97	325.37	260.13	226.09
Total Equity & Liabilities	3,049.03	2,739.23	1,297.92	857.39

Particulars	HY25-26	FY24-25	FY23-24	FY22-23
Assets				
Non Current Assets				
Fixed assets	285.61	312.52	323.38	318.02
Non Current Financial Assets	371.94	341.94	374.46	-
Deferred Tax Assets	15.13	11.97	8.26	3.06
Other Non Current Assets	8.57	6.07	6.07	6.38
Total Non Current Assets	681.26	672.5	712.17	327.46
Current Assets				
Current Investment	-	-	-	-
Trade Receivables	1,321.85	1,048.88	345.8	13.3
Cash & Bank Balance	583.31	664.31	81.83	316.01
Current Financial Assets	-	-	-	58.62
Short-term loans and advances	176.12	9.57	1.84	0.12
Other Current Assets	286.49	343.97	156.28	141.89
Total Current Assets	2,367.77	2,067.01	585.75	529.94
Total Assets	3,049.03	2,739.23	1,297.92	857.39

Management

Exhibit 6 : Key personnel

Name	Designation	Experience
Mr. Umesh Sharma	Managing Director	21 Years
Mr. Ajay Sharma	Whole Time Director	17 Years
Mr. Prem Lal Sharma	Chairman & Non-Executive Director (NonIndependent)	44 Years
Mrs. Lateesh Sharma	Executive Director	16 Years
Mr. Rupinder Singh	Independent Director	24 Years
Mr. Vishal Kant	Independent Director	13 Years

Source: Company, Scoop Investment

Recommendation & Valuation View

Logiciel Solutions presents a **Strong Subscribe** recommendation based on its compelling **high-growth digital engineering opportunity** and exceptional financial profile. Operationally, it benefits from a scalable offshore model, increasing international reach, and diversified services (AI/ML, cloud, etc.) that ensure strong execution and reliable, repeat revenue from deep client relationships. Financially, the company exhibits robust profitability with a **38.95% EBITDA margin** and high return metrics (**32.80% ROE**), underpinned by **near-zero debt** for risk-free scaling. The strategic use of IPO funds for R&D and workforce expansion is poised to drive future revenue and secure premium contracts, positioning Logiciel as a high-margin technology partner to global innovative clients.

Disclaimer

Details of terms used

Investment Rating	Definition
Buy	Expected absolute returns of more than 20% over specified time period
Hold	Expected absolute returns between 20% and -15% over specified time period
Sell	Expected absolute returns of less than -15% over a specified time period
Entry Price	Price at which stock was recommended
Target Price	Expected price of stock at end of specified time period
Potential Upside	Expected absolute returns from entry price over a specified time period
Upside Left	Expected absolute returns from current price to Target price

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