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IPO Report

22ND Sept '25

Snapshot

Company is a technology driven multi-location solutions provider focussed on offering payments solutions, and communications and fulfilment solutions catering primarily to the banking, financial services and insurance (“BFSI”) industry, with data security, and compliance at the core of company’s solutions. Solutions, that company offer at scale and on a recurring basis driven by company’s proprietary platforms, play a crucial role in enabling the operations and deliverables of the BFSI sector in India. Company also offer Internet of Things (“IoT”) solutions to a diverse set of customers across industries.

VALUATION

Company is bringing the issue at price band of Rs 402-4232 per share at p/e multiple of approx. 29x on post issue FY25 basis. Company has established Leadership Position in the large and regulated payment solutions, and communication and Fulfilment Solutions Industry with high barriers to entry. Company has comprehensive portfolio of customizable and scalable Ssolution with proprietary technology stack enabling bespoke solutions & pan-India advanced manufacturing capabilities. Company has track record of financial performance with experienced promoters and senior management team backed by committed employee base. Hence, we recommend “Subscribe” to the issue.

Price Band (Rs./Share)	402-423
Opening date of the issue	23rd Sept '2025
Closing Date of the issue	25th Sept '2025
No of shares pre issue	15,04,53,300 Eq Shares
Issue Size	Rs 797-813 Cr
Fresh issue	Rs 480 Cr
Offer For Sale	78,74,015 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	35
Employee Discount	Rs 40/share

BIDDING DETAILS

QIBs (Including Anchor)	50% of the offer (Approx 95,87,161 Eq Shares)
Non-Institutional	15% of the offer (Approx 28,76,148 Eq Shares)
Retail	35% of the offer (Approx 67,11,013 Eq Shares)
Employee Reservation	Rs 2 Cr
Lead managers	IIFL Capital Services, ICICI Securities, SBI Capital Markets
Registrar to the issue	MUFG Intime India Pvt. Ltd

WHAT WE LIKE

Established Leadership Position in the Large and Regulated Payment Solutions Industry with High Barriers to Entry

Company is one of the top two payments card manufacturers in India with a market share of about 31.9% in Fiscal 2025 for credit and debit cards issuance in India. Company’s estimated market share has increased from about 25.0% in Fiscal 2023 to about 31.9% in Fiscal 2025 for credit and debit cards issuance in India. In Fiscal 2025, company provided services to 10 of the 12 public sector undertaking banks, 9 out of 11 small finance banks and 15 of the 21 private banks in India. In the Fiscal 2025, company served 9 out of 32 general insurance and 12 out of 24 life insurance companies

Long Standing Relationships with a Large Customer Base

As a technology driven company, customise solutions and strategies, creatively and efficiently, to meet customer requirements. Company have been able to retain its existing customers and have also been able to attract new customers. In Fiscal 2025, 2024 and 2023, company had serviced 702, 476 and 355 customers, respectively..

Track record of healthy financial performance

Company’s revenues have grown from ₹ 11,462.99 million in Fiscal 2023 to ₹ 15,582.56 million in Fiscal 2024 and ₹ 14,631.51 million in Fiscal 2025. Company’s EBITDA was ₹ 3,703.65 million, ₹ 3,030.10 million and ₹ 2,074.27 million in Fiscal 2025, 2024 and 2023, respectively, while its EBITDA Margin was 25.13%, 19.30% and 17.98% in such Fiscals. Company believe that its operating leverage, which impacts company’s EBITDA margins and cash flow generation, is driven by its efficient business model which promotes continuity in contracts with customers and cash flows.



COMPANY BACKGROUND

Seshaasai, founded in 1993, is one of the leading and top 2 vendors in India's payment card manufacturing market in terms of credit cards and debit cards issuances. They specialize in various smart card technologies, including magnetic stripe, NFC, RFID, EMV chip-based, and dual interface cards. Seshaasai's production capacity and technological expertise allow them to produce millions of personalized cards for credit, debit, and prepaid card applications. As of March 31, 2025, the company has the capacity to produce 11.90 million cards in a month. The company is one of the few vendors in India to have approved facilities for manufacturing of plastic cards, metal cards, sustainable cards, biometric cards, wearables, and payment stickers. Seshaasai has 7 sites approved by IBA for secure printing (cheques, demand draft, Payorders) and 3 sites approved by Global schemes for card personalisation. The company is also one amongst the only two vendors in India with empanelled facilities for both cards and cheques at more than two locations (inferred based on list of empanelled 'Security Printers for printing of MICR Instruments' and NPCI circular: NPCI/2025-26/RuPay/037 titled 'List of vendors approved for RuPay Card Manufacturing and Personalization' dated 23rd July, 2025). The company's pan-India network of branches and facilities ensure that they are able to service customer requirements in a timely manner.

The company also has an extensive clientele in insurance domain. In the Fiscal Year 2025, the company served 9 out of total 32 general insurance and 12 out of total 24 life insurance companies. The company provides services across communication solutions and fulfilment solutions to their customers in the insurance domain. The company enjoys an average of 11 years and 8.4 years of relationship with their customers in the life insurance and general insurance sectors respectively. The company's extensive experience of over three decades has allowed them to gain an in-depth understanding of the market and have cemented their position as one of the leading players by leveraging their early foray in the BFSI sector.

Seshaasai is one of the top 2 payments card manufacturers in the country with a market share of about 31.9% in FY25 for credit and debit cards issuance in India. The company's estimated market share has increased from about 25.0% in FY23 to about 31.9% in FY25 for credit and debit cards issuance in India. The company is also one of the largest manufacturers of cheque leaves in India with 1,188.81 million cheques printed in FY25 alone.

The company's solutions, that they offer at scale and on a recurring basis driven by their proprietary platforms, play a crucial role in enabling the operations and deliverables of the BFSI sector in India. The company's RUBIC platform is a comprehensive customer communication management (CCM) solution that generates high volumes of personalised customer communication. RUBIC's ability to efficiently process and manage vast amounts of data ensures reliability and effectiveness, making it a preferred choice for businesses seeking a powerful CCM solution. eTaTrak is an AI-powered deliverables and logistics management solution. IOMS, is an indigenously-developed order and inventory management platform which provides customers with a web-based ordering system to place orders from an approved bank-specific catalogue of items. izeIOT is designed to provide a comprehensive ecosystem. It communicates with various RFID devices, securely collects data, and delivers it to the appropriate end-use case. The company has developed its platforms to ensure they are versatile and industry-agnostic.

OBJECTS OF OFFER

The Offer comprises the Fresh Issue, aggregating up to ₹ 4,800.03 million by Company and the Offer for Sale of up to 7,874,015 Equity Shares by the Promoter Selling Shareholders.

Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding capital expenditure for the expansion of existing manufacturing units;
2. Repayment and / or prepayment, in part or in full, of certain outstanding borrowings of Company;
3. General corporate purposes.

RISKS

In Fiscals 2025, 2024 and 2023, companye serviced 702, 476 and 355 customers, respectively. Company generate a significant portion of its revenues from a limited number of customers, and any loss or reduction of business from these customers could reduce company's revenues and adversely affect company's business, results of operations, financial condition, and cash flows.

Source:RHP



Financials	FY23	FY24	FY25
Total Revenue (A)	11462.99	15582.56	14631.51
Total Expenditure (B)	9464.12	12666.61	11032.52
EBIDTA	1998.87	2915.95	3598.99
EBIDTA Margin	17.44	18.71	24.60
Other Income	75.40	114.15	104.66
Depreciation	322.93	358.47	411.59
EBIT	1751.34	2671.63	3292.06
Interest	319.97	341.66	342.95
PBT	1431.37	2329.97	2949.11
Share of profit in Asso	0.00	0.00	0.00
PBIT	1431.37	2329.97	2949.11
Exceptional	0.00	0.00	0.00
PBT	1431.37	2329.97	2949.11
Tax	350.39	637.19	725.91
PAT	1080.98	1692.78	2223.20
NPM	9.43	10.86	15.19
ROE%	33.61	36.36	33.20
EPS	12.17	18.55	15.06
Eq Cap	888.17	1,476.17	1,476.17
Net Worth	2,901.08	4,340.46	6,381.39

(Source: RHP)



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