EXCELSOFT TECHNOLOGIES LIMITED

LONG TERM SUBSCRIBE

IPO Report

19th Nov '25

Snapshot

Company is a global vertical SaaS company focused on the learning and assessment market. As per Arizton Report, the global SaaS market has seen rapid growth, with vertical SaaS emerging as a dominant trend that promises specialized, industry-tailored solutions. This shift has positioned vertical SaaS to grow at an even faster pace than general SaaS, with estimates suggesting that vertical SaaS could account for nearly 50% of the SaaS market by 2030.

VALUATION

Company is bringing the issue at price band of Rs 114-120 per share at p/e multiple of more than 30x on post issue annualized Q1FY26 basis.

Company has expertise in product engineering, development and implementation across assessments, digital learning & information management systems with robust product capabilities with long term relationships with global customers. Company has expertise in delivering fully compliant digital learning and assessment solutions to clients globally along with robust operating parameters & experienced Management Team and Promoters with expertise in developing products, backed by a professional management team and experienced board driving high corporate governance standards.

Hence, we recommend "Long Term Subscribe" to the issue.

Price Band (Rs./Share)	**114-120**
Opening date of the issue	**19th Nov '2025**
Closing Date of the issue	**21st Nov '2025**
No of shares pre issue	10,00,84,164 Eq Shares
Issue Size	Rs 500.00 Cr
Fresh issue	Rs 180.00 Cr
Offer For Sale	Rs 320.00 Cr
Face Value (Rs/ share)	Rs 10/share
Bid Lot	125
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer
Non-Institutional	15% of the offer
Retail	25% of the offer
Lead managers	Anandrathi Advisors Limited
Registrar to the issue	MUFG Intime India Private Limited

WHAT WE LIKE

Expertise in product engineering, development and implementation across assessments, digital learning & information management systems with robust product capabilities.

Company offers products and services that encompass the entire lifecycle of learning and assessment which are feature-rich, versatile and have the ability to work across the spectrum of organisations. Company have expertise across the value chain of product and services in the field of learning and assessment market.

Long term relationships with global customers

Company have its clientele spread across various parts of the globe including but not limited to countries like USA, UK, India, Singapore, Australia, Japan, Malaysia, Saudi Arabia, UAE and Canada. Most of company's global customers have been associated with it for long duration. This is because of the trust that they have on company's products and services over the years.

Robust Operating Parameters.

Company as a part of its robust operating parameters create clear guidelines, rules, and processes that lead to consistent results across the organization. Company set well-defined goals, responsibilities, and operational workflows, for company's work force and the organization functions more predictably. This consistency ensures that all parts of the organization are aligned towards common objectives, making it easier to forecast outcomes, plan for future growth, and scale operations. It also reduces the variability in decision-making and performance, improving overall organizational stability.

COMPANY BACKGROUND

With over two decades of experience, company provide technology-based solutions across diverse learning and assessment segments through long term contracts with enterprise clients worldwide. Company's platforms are cloud-based with open and industry standards-compliant APIs, ensuring scalability across organizations and users. Security and performance are core to company's product offerings.

Company's focus is on assessment market through company's AI based Assessment & Proctoring Solutions. Qualifications and certification bodies, awarding and credentialing bodies, admission tests councils, corporates & government entities use company's Saras eAssessment platform and easyProctor remote proctoring product to deliver high-stakes examinations and tests to their end users. Certification agencies such as The Chartered Quality Institute uses the platform to create and deliver online certification exams. For Pearson Professional Assessments Limited, Company provides a comprehensive assessment platform using which large scale online, high stakes assessments are delivered in organisations including Government Agencies and Universities. Qualifications agencies such as Training Qualifications UK (TQUK) and AQA Education and higher education agencies such as Colleges of Excellence (Saudi Arabia) as well as school assessment boards use the assessment platform to create a variety of examinations on the platform and deliver them online. This includes question creation, test construction, delivery, marking, report generation and smart analytics

Company uses programming codes to leverage a modern, scalable, and secure technology module which is tailored to the diversify the needs of company's platform and product development such as:

Backend Systems and Core Platform: Company primarily use Java, .NET Core, and Node.js to build robust and high- performance backend services.

Web and Front-End Development: Company's front-end interfaces are developed using React and Angular, complemented by HTML5 and CSS3 for responsive and accessible user experiences.

Mobile App Development: For mobile applications, company utilize Swift for iOS, Kotlin for Android, and both React Native and Flutter for cross-platform development.

DevOps, Automation, and Infrastructure as Code: Company employ Terraform, PowerShell, Pulumi, and Python to manage infrastructure efficiently and support continuous integration and deployment pipelines.

Data Science, Machine Learning, and AI: Company's data science and AI efforts are driven by Python, leveraging its extensive ecosystem of libraries and frameworks for data processing, analytics, and model development.

As on August 31, 2025, Company caters to 76 clients spread across 19 countries. While serving clients across the globe, it is imperative that company's products & solutions are compliant with the relevant technology, security and quality standards, both global & regional. Complying to information security standards, Company certified with ISO/IEC 27001:2022 for ISMS.

OBJECTS OF OFFER

The Offer comprises the Fresh Issue and the Offer for Sale.

Fresh Offer
The net proceeds of the Fresh Offer, i.e. gross proceeds of the Fresh Offer less the issue expenses apportioned to Company ("Net Proceeds") are proposed to be utilized in the following manner:

- Funding of capital expenditure for purchase of land and construction of a new building located at Plot No. 1-C-Part of Hootagalli Industrial Area, Situated in Survey No. 83 of Hootagalli Village, Kasaba Hobli, Mysore Taluk, Mysore District ("Mysore Property")
- Funding of capital expenditure for upgradation and external electrical systems of company's existing facility at Plot No. 1-B and Plot No. 1-C, Part II and III Hootagalli Industrial Area situated in Survey no. 85 of Hootagalli Village, Kasaba Hobli, Mysore Taluk, Mysore District – 570018, Karnataka, India ("Existing Facility");
- Funding upgradation of Company's IT Infrastructure (Software, hardware and Communications & Network Services). and;
- General Corporate purposes

RISKS

Company's revenue from Pearson Education Group accounted for 59.24%, 58.79%, 46.51% and 41.89% of its total revenue on a consolidated basis for the three months period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023. Any termination of the contract entered into with Pearson Education Group may decrease its revenues or any loss of business from Pearson Education Group may adversely affect company's business, financial condition, cash flows and results of operations.

Source:RHP

Consolidated Financials (Rs in Mn)

Financials	FY23	FY24	FY25	Q1FY26
Total Revenue (A)	1951.04	1982.97	2332.91	557.18
Total Expenditure (B)	1269.25	1433.24	1600.34	455.41
EBIDTA	681.79	549.73	732.57	101.77
EBIDTA Margin	34.94	27.72	31.40	18.27
Other Income	28.69	23.99	155.09	45.58
Depreciation	273.58	289.93	246.51	60.31
EBIT	436.90	283.79	641.15	87.04
Interest	135.07	100.65	45.70	9.18
PBT	301.83	183.14	595.45	77.86
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	301.83	183.14	595.45	77.86
Exceptional	0.00	0.00	0.00	0.00
PBT	301.83	183.14	595.45	77.86
Tax	77.69	55.61	248.54	17.77
PAT	224.14	127.53	346.91	60.09
NPM	11.49	6.43	14.87	10.78
ROE%	8.41	4.43	10.38	1.61
EPS	2.24	1.27	3.47	0.60
Eq Cap	15.95	15.96	1,000.84	1,000.84
Net Worth	2,780.78	2,973.03	3,712.90	3,759.49

(Source: RHP)

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