XTRANET TECHNOLOGIES LIMITED

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IPO Report

22nd July'26

Snapshot

Company is an integrated information technology solutions provider delivering end-to-end services including enterprise applications, digital services, managed services, proprietary platforms, and strategic technology partnerships for clients across industries and geographies. Incorporated in 2002 with its registered office in Bhopal, Madhya Pradesh, company have over 24 years of experience in delivering IT services and solutions. Company's core services offerings are enterprise applications, managed services, digital services and proprietary platforms & products. Company provide end-to-end enterprise resource planning ("**ERP**") services across global platforms as well as its proprietary X-ERP system.

VALUATION

Company is bringing the issue at price band of Rs 120-127 per share at p/e multiple of 18x on post issue FY26 basis. Company has deep domain expertise delivered through comprehensive solutions across industries & has proven track record in executing projects for Government and PSU clients with geographic presence and multi-location operations with experienced management team and qualified pool of employees . Hence, we recommend "Subscribe" to issue.

Price Band (Rs./Share)	**120-127**
Opening date of the issue	**23rd July '2026**
Closing Date of the issue	**27th July '2026**
No of shares pre issue	3,91,51,700 Eq Shares
Issue Size	Rs 166.80 Cr
Fresh Issue	Rs 166.80 Cr
Face Value (Rs/ share)	Rs 10/share
Bid Lot	111
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 65,67,000 eq Shares)
Non-Institutional	15% of the offer (Approx 19,70,100 eq Shares)
Retail	35% of the offer (Approx 45,96,900 eq Shares)
Lead managers	Share India Capital Services
Registrar to the issue	KFin Technologies Ltd

WHAT WE LIKE

Deep domain expertise delivered through comprehensive solutions across industries

Company provide comprehensive services and solutions to customers across six industries (each of which is an operating segment): Government, public sector undertakings, and private enterprises in industries such as Law Enforcement, Defense, Railways, Transportation, Food & beverages, Engineering, Financial Services and Insurance, Telecom and Utilities, Healthcare and Agriculture, Automotive, Wholesale and Retail and Education. Etc..,

Execution experience and operational efficiencies yielding opportunities for new L-1 orders

Company have been able to grow its business, win new tenders and grow company's order book largely due to its execution experience and operations efficiencies that have allowed company to offer competitive rates in its tenders for new projects and contracts. Company have focused on reducing its operational expenses related to high speed diesel and maintenance of equipment.

Proven track record in executing projects for Government and PSU clients

Company has a proven track record in executing projects for Government and PSU clients. During Fiscal 2026, Fiscal 2025 and Fiscal 2024, company have serviced and completed an aggregate of 143 projects under the direct category and 32 projects under the indirect category, respectively, for Government and PSU clients. Company's work for Government and PSUs is focused on the usage of IT Infrastructure solutions to digitize Governmental functions. Revenue from operations generated from its Government and PSU clients Fiscal 2026, Fiscal 2025 and Fiscal 2024 amounted to ₹17,190.54 lakhs, ₹16,414.90 lakhs and 10,790.87 lakhs respectively. Company obtain most of its business by a competitive bidding process and undertake multilocational projects providing end-to-end IT Infrastructure solutions and IT managed services to various departments of different state Governments and PSUs.

COMPANY BACKGROUND

Company also provide IT system integration services that combine hardware, software, and networking components into complete solutions for enterprises and government organizations. Company build and manage data centers and command centers for clients. Services include site assessment and preparation for data center, server virtualization and cloud computing setup, 24x7 monitoring and support of IT infrastructure, backup and disaster recovery solutions, and network operations center and security operations center establishment. Company also provide application development and maintenance services that focus on designing, deploying, and supporting custom-built enterprise applications for industry-specific requirements.

Within this integrated structure, the *Synergy low-code Digital Transformation* ***("Synergy")*** platform enables process automation and enterprise-scale digital solutions, while XtraTrust a Licensed Certifying Authority (CA) and eSign Service Provider (ESP), authorized to issue and manage Digital Signature Certificates, and to provide Public Key Infrastructure (PKI) based solutions including e-sign, time stamping and authentication services etc., together forming part of company's integrated offerings in Digital Transformation and Secure Technology services.

Company commenced operations with system integration services, including implementation of Data Networks, IT Security, Smart City IT Infrastructure, deployment of Security Operations Centre (SOC) and Network Operations Centre (NOC) solutions. In 2008, company expanded into application development, in 2012, company also commenced operations in Data Centre services, strengthening its portfolio in IT infrastructure solutions, followed by the introduction of Enterprise Resource Planning (ERP) implementation in 2014. in 2021, company launched Public Key Infrastructure (PKI) and Digital Signature services through its Subsidiary *XtraTrust Digisign Private Limited*, and in 2022, company introduced business intelligence and analytics solutions through company's group company, later turned into subsidiary, *XtraSynergy Solutions Private Limited*. As per the Care Edge Report, Company's commitment to quality is reflected in its certifications, being a CMMI SVC/5 certified organization and holding multiple ISO credentials, including ISO 9001 for Quality Management, ISO 27001 for Information Security Management, ISO 20000 for IT Service Management, and ISO 22301 for Business Continuity Management. These certifications, together with company's consolidated business structure, support its operations as an integrated entity providing IT Solutions across industries.

Company generate revenue through a combination of fixed-price contracts, time-and-materials arrangements, and recurring service agreements. Company service both Government/Public Sector Undertakings (PSUs) and Private Sector clients. A majority of company's revenues are currently derived from servicing Government/PSU projects.

OBJECTS OF OFFER

The Issue comprises a fresh issue of Equity Shares, aggregating up to ₹ 17,000.00 Lakhs by Company.

Fresh Issue

Company intends to utilize the gross proceeds raised through the Fresh Issue ("Gross Proceeds"), after deducting the Issue related expenses ("Net Proceeds"), for the following objects:

1. Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by company;
2. Capital expenditure by company for purchase of systems and hardware;
3. To meet working capital requirements and
4. General corporate purposes

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RISKS

Company partially depend on orders from the Government/PSU clients. As of Fiscal 2026, Fiscal 2025 and Fiscal 2024, more than 47.06%, 59.46% and 46.32%, respectively of the revenue was recognized from Government/PSU clients. Additionally, the loss of or inability to qualify for such orders may adversely affect company's business, financial condition, results of operations, and prospects.

Source:RHP

Consolidated Financials (Rs in lakhs)

Financials	FY24	FY25	FY26
Total Revenue (A)	23294.07	27608.15	36528.74
Total Expenditure (B)	21348.16	23017.72	30223.31
EBIDTA	1945.91	4590.43	6305.43
EBIDTA Margin	8.35	16.63	17.26
Other Income	31.90	44.86	72.45
Depreciation	105.10	231.51	588.54
EBIT	1872.71	4403.78	5789.34
Interest	280.09	526.21	589.15
PBT	1592.62	3877.57	5200.19
Share of profit in Asso	-59.74	129.46	12.42
PBIT	1532.88	4007.03	5212.61
Exceptional	0.00	0.00	0.00
PBT	1532.88	4007.03	5212.61
Tax	438.63	1003.56	1139.85
PAT	1094.25	3003.47	4072.76
NPM	4.70	10.88	11.15
ROE%	28.38	31.15	29.60
EPS	3.19	8.07	10.28
Eq Cap	689.89	783.03	3,915.17
Net Worth	4,050.24	9,650.06	13,571.66

(Source: RHP)

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