

Elevate Campuses IPO

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- The company is engaged in operating and managing on-campus student accommodation across HEIs and K-12 assets.
- The company manages the catering its services on an asset light model.
- The company is a leader in the segment with varied portfolio of its offerings.
- The company posted growth in its top and bottom lines for the reported periods
- Based on its recent average financial data, the issue appears xxxxxxxx.
- Well-informed investors can park funds for medium to long term.

About the Company

Elevate Campuses Ltd . (ECL) owns, operates and manages on-campus student accommodation across HEIs and own K-12 Assets. As of March 31, 2026, its current capacity in the Pre-Acquisition Group enables it to cater to 80,255 students and it is present across 15 cities in India and one city in United Arab Emirates. The company enables HEIs and K-12 school operators (“K-12 Operators”) to offer quality learning environments that support student development and foster all-round growth. ECL operates student accommodation business under the “Good Host Spaces” and “ScholarZ” brands. Its mission is to build inclusive educational communities by delivering modern student accommodation and K- 12 Assets that nurture student wellbeing and holistic development.

Its portfolio comprises both owned and managed assets. Its ‘Owned Portfolio’ comprises seven student accommodation campuses totaling 20,368 beds (“Owned Beds”) across six Indian cities as of March 31, 2026, and two K-12 Assets in Dubai (UAE). Company’s ‘Managed Portfolio’ comprises 14 student accommodation campuses, totaling 55,487 beds under management (“Managed Beds”), as of March 31, 2026 (“Managed Portfolio”). It also delivers community and campus technology services for Managed Portfolio such as media coverage of HEIs and organizing community events at the HEIs (“Community and Campus Technology Services”).

It believes being an institutionalized, independent, scaled operator early on affords it strategic advantages, including enhanced credibility and trust with HEIs and K-12 Operators. Its comprehensive operating capabilities including deal sourcing, site selection, development, asset acquisition, asset repositioning and community engagement, enable it to streamline non-core operations for HEIs and K-12 Assets, allowing them to focus on delivering academic outcomes, ensuring skill development and managing academic curriculum which is core to their business. It also benefits from increased operational efficiency and superior service quality. The company collaborates with leading educational institutions known for their academic outcomes, accreditations, faculty credentials,

research contributions and placement records. These institutions include several campuses of Manipal Academy of Higher Education (“MAHE”), Manipal University, Jaipur (“MUJ”) and the Meraki Education (“Meraki”).

Since commencing the Company’s operations in the Financial Year 2018 as an independent owner and operator of student accommodation, it expanded portfolio to 20,368 Owned Beds as of March 31, 2026, from 9,153 Owned Beds in the Financial Year 2018. It has also developed an asset-light business model starting from the Financial Year 2024, by entering into management contracts with HEIs, with Managed Portfolio comprising 55,487 Managed Beds as of March 31, 2026. Further, it has acquired two K-12 Assets in Dubai (UAE) on September 23, 2025, thereby broadening its offerings to address the full student lifecycle, with its campuses catering to individuals from pre-primary school to post-graduate studies for the population that according to CBRE Report (“Industry Overview - Largest formal education cohort globally”), is aged between three years and 23 years.

For its student accommodation business, the company delivers a comprehensive suite of services that create a “home away from home” experience for students. Its offerings extend beyond quality modern accommodation to include dining, laundry, gym, sports amenities, campus security and other services. It further enhances campus ecosystems with retail outlets and recreation facilities, supporting overall student convenience and engagement.

As of March 31, 2026, 62 retail outlets are operational across portfolio. According to the CBRE Report (“Industry Overview - Emergence & Benefits of PMSA Facilities”), on-campus professionally managed student accommodation (“PMSA”) is generally preferred over unorganized off-campus alternatives due to its institutional quality, enhanced safety and security measures, and strong alignment with parental preferences. As of June 15, 2026, its portfolio includes collaborations with highly reputed and top ranked HEIs in their respective fields, and 15 out of the 19 HEIs in its Owned Portfolio and Managed Portfolio have received a “NAAC A” or better rating, according to the CBRE Report (“Industry Overview - Overview of Elevate Campuses Limited (ECL)”). “NAAC A” rating is a rating awarded by the National Assessment and Accreditation Council to institutions that demonstrate a ‘Very Good’ standard.

Its operational capabilities and on-campus presence in HEIs have enabled it to deepen relationships with the HEIs, resulting in expansion within the same campus. Similarly, across MAHE campuses, it increased presence to 22,482 Managed Beds as of March 31, 2026, from 19,406 Managed Beds in Academic Year 2024, resulting in 15.85% increase in Managed Beds, reflecting the strength of its relationship with HEIs. As of March 31, 2026, it had 460 employees on its payroll and additional 154 fixed-term contract employees.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO worth Rs. 2100 cr. (of approx. 58011050 equity shares at the upper cap). The company has announced a price band of Rs. 343 – Rs.

362 per equity shares of Re. 1 each. The issue opens for subscription on September 23, 2026, and will close on September 25, 2026. The minimum application to be made is for 41 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 34.42% of the post-IPO paid-up equity capital. From the net proceeds of the fresh equity issue, the company will utilize Rs. 1100.00 cr. for payment of purchase consideration for the acquisition of K-12 entities and campuses from fellow subsidiaries, Rs. 750.00 cr. for repayment/prepayment of certain borrowings, and the rest for inorganic growth through unidentified acquisitions / general corporate purposes.

The three joint Book Running Lead Managers (BRLMs) to this issue are JM Financial Ltd., IIFL Capital Services Ltd., Morgan Stanley India Co. Ltd., while KFin Technologies Ltd. is the registrar to the issue.

After issuing initial equity shares at par value, the company has issued/converted further equity shares in the price range of Rs. 91.50 – Rs. 503.31, between July 2005, and September 2026. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. 147.92, and Rs. 475.06 per share .

Post-IPO, its current paid-up equity capital of Rs. 11.05 cr. (110519988 equity shares) will stand enhanced to Rs. 16.85 cr. (168531038 equity shares). Based on the upper cap of the price band, the company is looking for a market cap of Rs. 6100.82 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company (on a consolidated basis) posted a total income/net profit, of Rs. 362.61 cr. / Rs. 39.69 cr. (FY24), Rs. 394.13 cr. / Rs. 49.75 cr. (FY25), and Rs. 603.39 cr. / Rs. 17.38 cr. (FY26). Thus, it marked steady growth in its top and bottom lines for the reported periods. Its contingent liabilities stood at Rs. 24.42 cr. as of March 31, 2026.

As per Proforma statement, the company posted total income/net profit of Rs.587.77 cr. / Rs. 10.32 cr. (FY24), Rs. 644.77 cr. / Rs. 68.08 cr. (FY25), and Rs. 847.26 cr. / Rs. 20.70 cr. (FY26).

For the last three fiscals, the company has posted an average EPS of Rs. 12.45 (basic) and an average RoNW of 8.10 %. The issue is priced at a P/BV of 0.84 based on its NAV of Rs. 432.62 (on consolidated basis (NAV is not quantifiable on proforma basis) as of March 31, 2026, and at a P/BV of 1.49 based on its post-IPO NAV of Rs. 243.65 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 29.48. Based on FY25 earnings, the P/E stands at 89.60. The issue appears aggressively priced based on its recent average performance.

For the reported periods, the company has (on a consolidated basis) reported PAT Margins of 10.95% (FY24), 12.62% (FY25), 28.80% (FY26), and RoCE margins of 9.72%, 9.90%, 6.42%, and on proforma basis, it posted PAT Margins of 1.76%, 10.56%, 24.43% and RoCE margins of 9.51%, 9.64%, 7.72%, respectively, for the referred periods.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It will adopt a prudent dividend policy, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has no listed peers to compare with.

Merchant Banker's Track Record

The three BRLMs associated with this issue has handled 96 IPOs in the last three fiscals and out of which 28 IPOs closed below the issue price on listing date.

Conclusion / Investment Strategy

ECL is engaged in operating and managing on-campus student accommodation across HEIs and K-12 assets. The company manages the catering its services on an asset light model. The company is a leader in the segment with varied portfolio of its offerings. The company posted growth in its top and bottom lines for the reported periods. Based on its recent average financial data, the issue appears fully priced. The counter may catch first mover fancy post listing. Well-informed investors can park funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

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