MARWADI FINANCIAL SERVICES

IPO DETAILS

ESDS SOFTWARE SOLUTION LIMITED

#IPOlogy

ISSUE OPEN	ISSUE CLOSE
28/08/2026	01/09/2026

Min. Lot Size	Issue Price Band
34 Shares	**₹408 - ₹429**

Issue Size

Fresh Issue:
1.68 Cr Eq Shares
(₹720.00 Cr)

OFS:
NIL

Face Value
₹1

Industry
Software solutions

Listing at
NSE, BSE

Rating

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For Facts & Figures

ESDS SOFTWARE SOLUTION LIMITED

Rationale

Considering the FY26 EPS of Rs 10.31 on a post issue basis, the company is set to list at a P/E of approximately ~42x with a market cap of Rs 5,028 Cr whereas its peers namely E2E Networks is trading at P/E ratio of approximately ~406x respectively.

We assign an 'Subscribe' rating to this IPO, as the company is a leading player offering end-to-end cloud, managed services, data centre infrastructure and software solutions in India along with long-term relationships with well-established banks and other businesses. Also, it is available at reasonable valuation as compared to its peer.

Objectives of the issue

Purchase and installation of cloud computing and other equipment and infrastructure for their relevant data centres;

General corporate purposes

Company Overview

ESDS Software Solution Ltd is an AI-enabled cloud, managed services, Data Centre infrastructure and software solutions provider in India. They are one of the only two players in India providing the entire spectrum of GPUaaS, cloud, managed services, data centre infrastructure and software solutions in India.

The Company offers an end-to-end portfolio comprising Infrastructure-as-a-Service (IaaS), managed services and Software-as-a-Service (SaaS), serving customers across BFSI, Government and enterprise segments.

They offer a comprehensive platform of cloud infrastructure and software solutions consisting of (i) infrastructure as a service ("IaaS"), which is broadly divided into colocation and Data Centre services, cloud services and cloud computing, (ii) managed services, and (iii) software as a service ("SaaS"), which allows them to provide well architected cloud-adoption solutions to their customers aimed at reducing their cost while providing security, flexibility, scalability and reliability.

The Company also develops proprietary technology solutions, including SWARAJ Cloud, its patented cloud autoscaling technology, which has been further developed into an AI-enabled cloud platform focused on data sovereignty, scalability, security, compliance and AI capabilities. Its SaaS portfolio includes Data Centre management tools, vulnerability scanners, web access firewalls, VPN solutions and AI-powered GPU monitoring solutions.

As of March 31, 2026, the Company has signed a five-year agreement with an Australia-based provider of AI computing services to develop and provide cloud infrastructure. The agreement can be extended by another two years, taking the total contract value to approximately USD 1.25 billion.

IaaS Services Across 5 Data Centres

They operate their IaaS services through five Data Centres in India, which are located in: Nashik, Maharashtra; Navi Mumbai, Maharashtra; Bengaluru, Karnataka; Mohali, Punjab; and Noida, Uttar Pradesh.Their five Data Centres cover, in aggregate, over 75,266 square feet.

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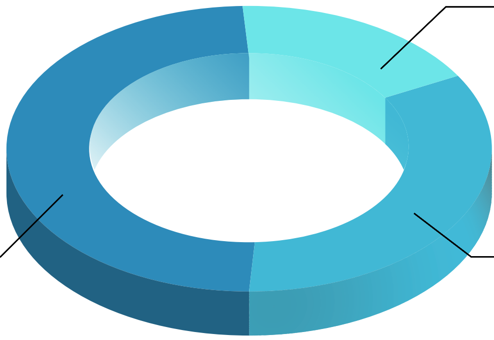
ESDS SOFTWARE SOLUTION LIMITED

Issue Details

Issue Break-Up

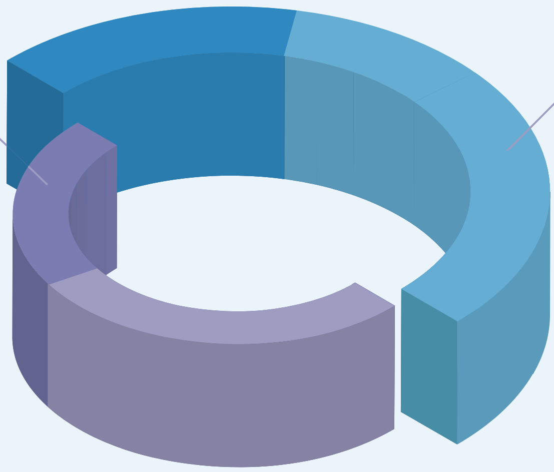


NIB:15%
₹108 Cr.

QIB: 50%
₹360 Cr.

RETAIL: 35%
₹252 Cr.

Shareholding Pattern



Pre-Issue

46%
Promoters & Promoter's Group

53%
Public

1%
Shares Held by employee trust

Post-Issue

39%
Promoters & Promoter's Group

60%
Public

1%
Shares Held by employee trust

Capital Structure (in ₹ Cr.)

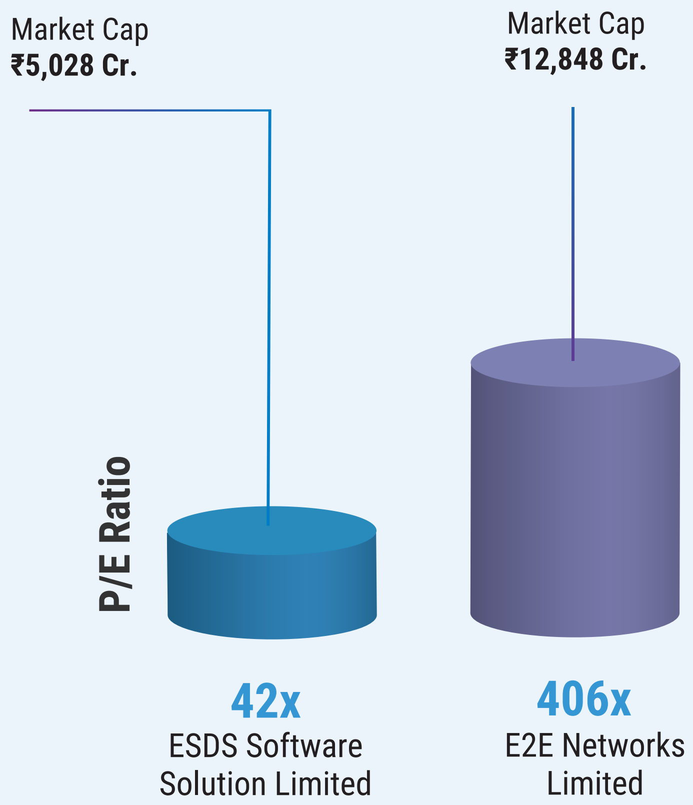
46 Cr
Authorised Equity Share Capital

10 Cr
Paid-Up Capital (Pre-Offer)

12 Cr
Paid-Up Capital (Post-Offer)

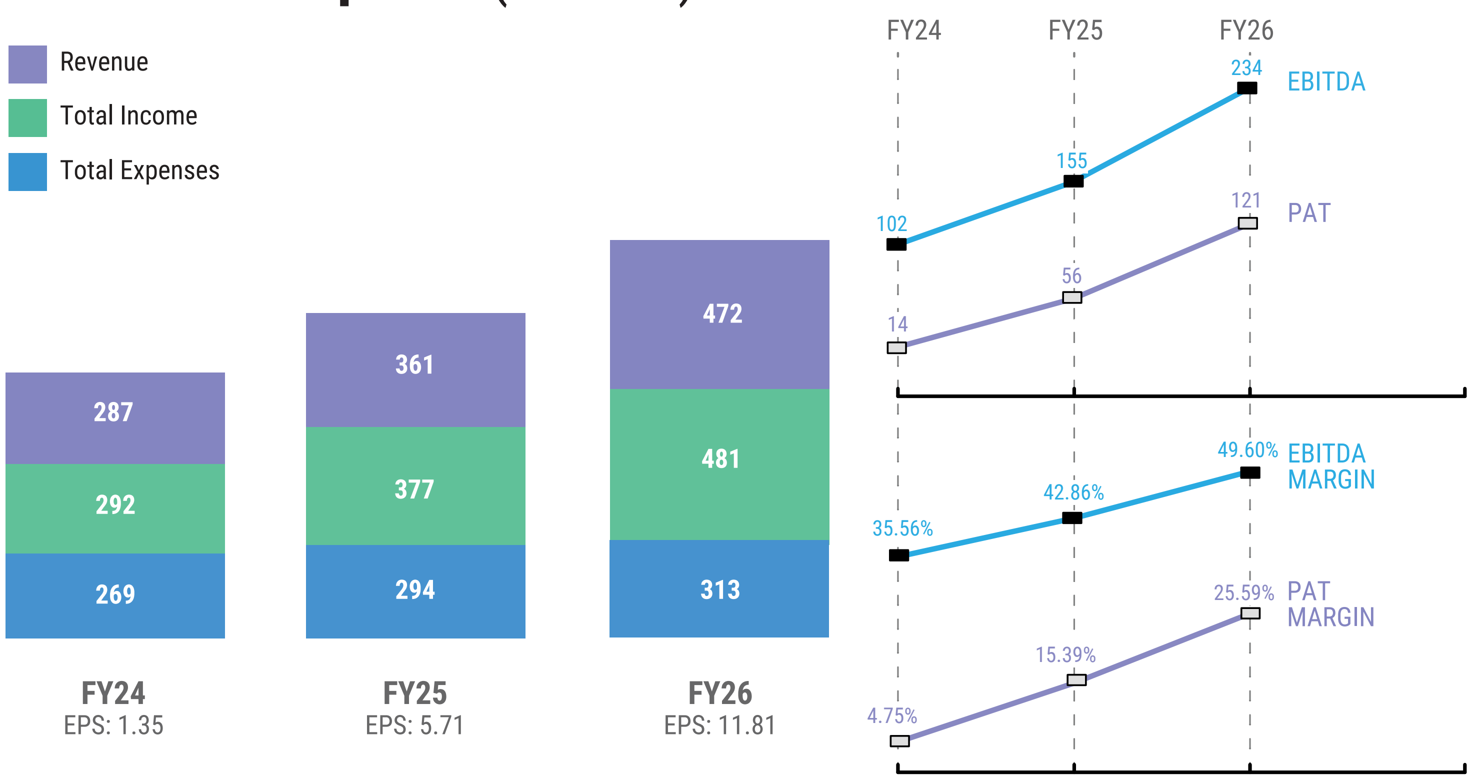
ESDS SOFTWARE SOLUTION LIMITED

Valuations and Peer Comparison



Market Cap data of listed securities as on Aug 27, 2026

Financial Snapshot (in ₹ Cr.)



ESDS SOFTWARE SOLUTION LIMITED
Business Insights

Competitive Strengths

- They are a leading player offering end-to-end cloud, managed services, data centre infrastructure and software solutions in India.
- Their comprehensive Security-as-a-Service (SECaaS) framework enables businesses to proactively manage threats and achieve robust security and compliance objectives.
- They have long-term relationships with well-established banks and other businesses.
- Strong government partnerships and policy advocacy.
- AI-driven innovations and patented technology.
- Transparent and flexible customised billing system.
- Strength and experience of their directors, key managerial personnel and senior management

Business Strategy

- Expand their business through focusing on enhancing infrastructure, driving AI/ML innovation, and committing to sustainability for efficient scaling and customer value.
- Continue to scale their AI-driven solutions.
- Enhance collaboration with their government and business partners.
- Continue to strengthen their brand leadership.
- Transition towards 100% renewable energy for sustainable and efficient operations.

Risks

- ESDS Cloud FZ-LLC, their company's subsidiary, had a loss of ₹40.46 million and ₹60.19 million for Fiscals 2025 and 2024, respectively. These losses represented (7.28%) and (44.23%) of their profit for the year for Fiscals 2025 and 2024, respectively. Although ESDS Cloud FZ-LLC had a profit for the year of ₹54.62 million for Fiscal 2026, there can be no assurance that ESDS Cloud FZ-LLC will not incur a loss for the year in the future. If ESDS Cloud FZ-LLC were to experience a loss for the year over continuous fiscal years, especially if the losses were large, its ability to operate its business as a going concern may be adversely affected, which may require it to raise additional financing, which may not be available, and it would adversely affect their consolidated financial condition, results of operations and cash flows. In addition, their company could lose its investment in ESDS Cloud FZLLC and may not repay the money it has lent to ESDS Cloud FZ-LLC, which would have an adverse effect on its financial condition on a standalone basis.
- Their revenue, directly or indirectly, from government entities and government projects represented 27.37%, 29.52%, and 34.04% of their revenue from operations for Fiscals 2026, 2025 and 2024, respectively. Any changes in government policies or budgetary allocations or their ability to satisfy eligibility and selection criteria in relation to outsourcing of services may adversely affect their business, financial condition, results of operations and cash flows.

Promoters and Management Details

Piyush Prakashchandra Somani - Managing Director and Chairman

Komal Piyush Somani - Whole-time Director