



SMC Ranking

★ ★ ★ ☆ ☆ (2.5/5)

Issue Highlights

Industry	Education Infrastructure
Fresh Issue (Shares)	58,011,049
Net Offer to the Public	58,011,049
Issue Size (Rs. Cr.)	1989-2100
Price Band (Rs.)	343-362
Offer Date	23-Sep-26
Close Date	25-Sep-26
Face Value	1
Lot Size	41

Issue Composition

	In shares
Total Issue for Sale	58,011,049
QIB	43,508,287
NIB	8,701,657
Retail	5,801,105

Shareholding Pattern (%)

Particulars	Pre-issue	Post-issue
Promoters & promoters group	100.00%	65.58%
QIB	0.00%	25.82%
NIB	0.00%	5.16%
Retail	0.00%	3.44%
Total	100.00%	100.00%

*calculated on the upper price band

Objects of the Issue

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

1. Payment of the purchase consideration for the acquisition of the K-12 Entities and Campuses
2. Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable of availed by Company and certain of Subsidiaries, namely GHS Shoolini, GHS Sonipat, Souk HIS UAE and Souk NLCS UAE, through investment in such Subsidiaries.
3. Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes.

Book Running Lead Manager

- JM Financial Limited
- IIFL Capital Services Limited
- Morgan Stanley India Company Private Limited

Name of the registrar

- KFin Technologies Limited

About the company

Elevate Campuses Limited (earlier Good Host Spaces) owns, runs and manages on-campus student housing for Indian universities and owns school buildings that it leases to K-12 operators. As of 31 March 2026 it could serve about 80,255 students across 16 cities in India and Dubai. The owned book has 7 hostels and 20,368 beds; the managed book has 14 campuses and 55,487 beds, run under Good Host Spaces and ScholarZ. It also owns two Dubai schools — Hartland International and North London Collegiate — with capacity of about 4,400 students, leased on a triple-net basis. Hostels typically sit on 50–60 year contracts with occupancy guarantees (about 87.55% blended on the guaranteed owned book). Clients include MAHE, Manipal University Jaipur, O.P. Jindal Global University and Shoolini.

Strengths

An institutional platform trusted by large education groups: Elevate is an independent owner-operator, not a captive arm of one university. CBRE says its student-housing book of about 78,542 beds (as of 15 June 2026) is roughly 2.1 times the next professionally managed player and 6.2 times the third. Even so, it covers only about 0.85% of a 1.266 crore-student target market, so there is room to grow. Owned plus managed beds rose from 53,717 in academic year 2024 to 75,855 by 31 March 2026. In FY26 the owned hostel book still produced about 65.7% of restated operating revenue; the asset-light managed book added about 4.9%. Relationships deepen on the same campus: O.P. Jindal Global University grew from 5,575 owned beds in FY20 to 7,988 owned plus 2,446 managed beds by March 2026.

Strong operations and asset management: The company sources deals, builds, buys, repositions and then runs the campus day to day. At Manipal University Jaipur, it temporarily lifted beds from 5,920 to 6,646 by converting doubles to triples and freeing staff rooms. At Shoolini, a floor-plan renovation raised bed count in two blocks by 19% and produced a contractual 20% return on that spend. Between FY24 and FY26 it put Rs. 2,441.95 crore into property, plant, investment property and intangibles (including Rs. 2,137.75 crore for the two Dubai schools) and another Rs. 1,052.56 crore into asset and business combinations net of cash. That mix of capex and “sweat the asset” work is how occupancy and fees have been held up.

Student experience and wellbeing: Hostels are sold as a home away from home: dining, laundry, gym, sport, security and about 62 retail outlets. The company says it handles more than 50,000 meals a day on the owned book and about 1,562 service requests a day. Safety kit includes CCTV, ID cards and on-site first aid; MUJ has a medical centre. Three Hyderabad schools in the pipeline — St. Andrews Suchitra, St. Andrews Keesara and St. Michaels — are among only five Indian schools with a WELL Health-Safety rating. Apps handle onboarding, fees, bookings and tickets. Occupancy on owned beds

was above 99% in academic years 2024 and 2025; it fell to 89.37% in AY26 only because County and Woodstock were vacant for part of the year (ex those two assets, occupancy was 98.44%).

Located next to strong institutions: Most hostels sit on or beside well-ranked private universities in Jaipur, Bengaluru, Mangalore, Dehradun and Sonipat. Fifteen of nineteen partner HEIs hold NAAC A or better. MAHE Manipal is an Institute of Eminence; MUJ was NIRF 58 in 2025; Shoolini is in the NIRF top 100. Dubai was added in September 2025: HIS Dubai is rated Outstanding by British Schools Overseas and Very Good by KHDA. The MUJ hostel block has a GRIHA 5-star rating. After the IPO-funded K-12 buy, the map widens to Hyderabad, Chennai, Pune and several smaller cities.

Contracts that make cash flow easier to see: Owned hostel contracts generally run 50–60 years, with annual escalations and, on most assets, minimum occupancy guarantees. Many also have exclusivity, non-compete and a right of first fill on new beds. Fees are collected in advance, so working capital is usually negative. K-12 leases are triple-net: the school operator pays insurance, tax and maintenance on top of rent. The RHP says those guarantees protected revenue during Covid. Restated profit rose from Rs. 39.69 crore in FY24 to Rs. 173.76 crore in FY26, though FY26 includes a large exceptional gain on a hostel sale.

Strategy

Use a large, under-served market: CBRE says professionally managed student housing in India still covers less than 0.5% of enrolment, versus 13–25% in the UK and US. The estimated gap in the target market for AY26 is about 2.27 lakh beds. India also has one of the world's largest school systems: about 24.69 crore K-12 students in 14.7 lakh schools in AY25. Operators are shifting to asset-light models and leasing buildings instead of owning them. Elevate wants to be the landlord and operator that those groups use when they add capacity.

Grow both from existing campuses and by buying more, with a cap on leverage: Organic levers are contractual rent step-ups, turning unused space into beds or classrooms, and adding laundry, gym and retail. Dubai schools already have contracted quarterly rent of about AED 8.70 million (HIS) and AED 10.31 million (NLCS). The secured build pipeline includes IIT Madras (~1,878 beds, capex Rs. 171.96 crore, FY28), UPES (~250 beds, Rs. 21 crore), and several Hyderabad and Pune school expansions. Inorganic plans include Marwadi University hostels (Rs. 253.35 crore, subject to litigation) and the IPO-funded K-12 package. About Rs. 750 crore of issue proceeds is earmarked to repay debt.

Widen the Elevate platform: The idea is to follow a student from age three to about 23: school building, then college hostel, then possibly off-campus housing near the same campus. New rules that let foreign universities open in India, and PPP hostels at IITs and IIMs, are the next adjacent bets. IIT Madras is already a live concession. Off-campus housing is being studied in micro-markets where on-campus hostels are full (HEI hostels still cover only about 18–19% of enrolment).

Put more of the operation on software: Apps already run tickets, meals, fees and onboarding for a capacity of 75,855 students. The next step is a wider campus marketplace (classifieds, SIMs, loans, test prep, advertising), with a stated plan to

stay inside data-protection law. The aim is higher occupancy, lower cost per bed and extra fee streams that do not need more concrete.

Key Risk Factors

- Occupancy on owned hostels can fall if a university under-enrols or a lease ends — County and Woodstock were vacant for part of FY26, which pulled blended occupancy down to 89.37%.
- A large share of revenue still comes from a few HEIs and from North and South India (about 70% of FY26 restated operating revenue), so trouble at those campuses or regions hits the whole book.
- Roughly 52% of the IPO (Rs. 1,100 crore) buys K-12 assets from promoter fellow subsidiaries; if those schools do not deliver the modelled rent, the deal does not earn its keep.
- Hostel and school leases can be ended, not renewed or rewritten, and greenfield jobs (IIT Madras, new school blocks) can slip on approvals, cost or funding.

Peer comparison

As per RHP, The company owns, operate and manage on-campus student accommodation across higher education institutions (“HEIs”) and own K-12 Assets. There are no listed companies in India whose business portfolio is comparable with that of the company’s business and comparable to its scale of operations.

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs. 362, the stock is priced at pre-issue P/E of 23.03x on FY2026 EPS of Rs. 15.72. Post issue, the stock is priced at a P/E of 35.11x on its EPS of Rs. 10.31. Looking at the P/B ratio at Rs. 362, pre-issue book value of Rs. 86.53 gives a P/BV of 4.18x. Post issue, book value of Rs. 181.35 gives a P/BV of 2.00x.

Considering the P/E valuation, on the lower end of the price band of Rs. 343, the stock is priced at pre-issue P/E of 21.82x on FY2026 EPS of Rs. 15.72. Post issue, the stock is priced at a P/E of 33.27x on its EPS of Rs. 10.31. Looking at the P/B ratio at Rs. 343, pre-issue book value of Rs. 86.53 gives a P/BV of 3.96x. Post issue, book value of Rs. 181.35 gives a P/BV of 1.89x.

Industry Overview

Elevate sits in two linked parts of Indian education infrastructure: professionally managed student accommodation (PMSA) and owned K-12 school buildings leased to operators. India is among the world’s largest education markets, with about 24.69 crore school students and roughly 4.3 crore higher-education students. Combined gross enrolment is still only about 57.7%, so there is room to rise. PMSA is young: it serves under 0.5% of students, versus mature Western markets, and CBRE sees a revenue pool of about US\$5 billion by AY29 and a near-term gap of about 2.27 lakh quality beds. Demand is driven by private-university growth, students moving to cities, parents wanting safer on-campus housing, and schools that no longer want to lock capital in buildings. Challenges are a fragmented unorganised paying-guest market,

thin public capex on education buildings, long approval cycles for land and hostels, and competition as more domestic and foreign operators arrive.

Outlook

Elevate Campuses offers exposure to India's under-penetrated student housing and K-12 infrastructure markets, supported by long-term contracts, strong institutional relationships and high occupancy. Its asset-light expansion and diversified platform provide growth opportunities. However, elevated leverage, dependence on key institutions, occupancy risks and significant K-12 acquisition outlay remain concerns. Overall, execution, deleveraging and sustained occupancy will be key to future growth.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Wed, Sep 23, 2026
IPO Close Date	Fri, Sep 25, 2026
Tentative Allotment	Mon, Sep 28, 2026
Initiation of Refunds	Tue, Sep 29, 2026
Credit of Shares to Demat	Tue, Sep 29, 2026
Tentative Listing Date	Wed, Sep 30, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	568.63	369.81	347.00
Total expenditure	163.31	127.05	132.41
Operating Profit	405.32	242.76	214.59
OPM%	71.28	65.64	61.84
Other Income	34.76	24.32	15.61
Total Net Income	440.08	267.08	230.20
Interest	239.10	125.54	109.23
PBDT	200.98	141.53	120.96
Depreciation	102.14	51.24	48.76
PBT and Exceptional items	98.84	90.30	72.20
Exceptional items	104.92	(10.67)	(10.07)
PBT	203.76	79.63	62.13
Tax	30.00	29.89	22.44
PAT	173.76	49.74	39.69

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property, plant and equipment	10.51	8.60	13.93
Investment properties	3705.70	989.88	1031.88
Investment properties under development	202.67	0.00	0.00
Goodwill	71.77	17.86	20.38
Other intangible assets	504.21	245.57	269.82
Investments (non-current)	134.79	120.00	0.00
Loans (non-current)	0.00	6.04	0.00
Finance lease receivables (non-current)	536.78	378.46	471.56
Other financial assets (non-current)	35.62	1.83	4.18
Non-current tax assets (net)	17.47	4.12	0.47
Deferred tax assets (net)	27.43	26.65	29.16
Other non-current assets	42.20	1.16	3.61
Total non-current assets	5289.12	1800.17	1844.99
Current assets			
Financial Assets			
Inventories			
Inventories	0.91	1.00	1.80
Investments (current)	49.32	72.28	28.81
Trade receivables	5.86	2.37	1.97
Cash and cash equivalents	159.18	306.73	77.40
Other bank balances	86.39	23.44	86.76
Loans (current)	0.00	1.70	0.00
Finance lease receivables (current)	0.34	0.31	0.31
Other financial assets (current)	33.19	110.05	57.58
Other current assets	149.04	4.43	5.11
Total current assets	484.23	522.30	259.75
Assets held for sale	0.00	98.73	0.00
Total Assets	5773.35	2421.20	2104.74
LIABILITIES			
Non-current liabilities			
Borrowings (non-current)	4003.23	1183.73	885.20
Lease liabilities (non-current)	0.47	0.61	6.48
Other financial liabilities (non-current)	30.71	32.08	200.10
Provisions (non-current)	1.67	0.34	0.28
Deferred tax liabilities (net)	196.92	89.08	61.93
Other non-current liabilities	62.13	0.00	10.13
Total non-current liabilities	4295.12	1305.84	1164.11
Current liabilities			
Financial liabilities			
Borrowings (current)	117.31	22.87	99.51
Lease liabilities (current)	1.08	0.55	0.55
Trade payables — MSME	2.68	0.65	0.36
Trade payables — others	53.05	30.73	60.68
Other financial liabilities (current)	213.66	248.91	25.19
Other current liabilities	126.00	99.73	97.96
Provisions (current)	0.84	0.37	0.27
Current tax liabilities (net)	7.34	0.00	0.34
Total current liabilities	521.94	403.80	284.86
Liabilities linked to assets held for sale	0.00	11.79	0.00
Total liabilities	4817.06	1721.42	1448.97
Net worth represented by:			
Equity share capital	2.21	2.21	2.21
Instruments entirely equity in nature	6.63	0.00	0.00
Other equity	947.45	697.57	653.56
Total Equity	956.29	699.78	655.77

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★ ★
FAIR	★ ★ ★
GOOD	★ ★ ★ ★
EXCELLENT	★ ★ ★ ★ ★

E-mail: smc.care@smcindiaonline.com



Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned here in; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.