ESDS SOFTWARE SOLUTION LIMITED

ES

IT services / software | Mainboard

Rs. 408 - 429

28 Aug 2026 - 1 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 720 cr	**All fresh issue** the document states no offer for sale - p.1	**Rs. 12.03** issuer disclosed

WHAT STANDS OUT

Profit backed by cash - Operating cash flow is 1132% of profit after tax — earnings are cash-backed.

Strong revenue growth - Revenue compounded 28% a year over 2 years. Revenue compounding above 20% a year.

WHAT THE COMPANY DOES

ESDS Software Solution Limited is an AI-enabled cloud, managed services, Data Centre infrastructure and software solutions provider in India, offering a comprehensive platform of cloud infrastructure and software solutions consisting of Infrastructure as a Service (IaaS), managed services, and Software as a Service (SaaS).

We operate our 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.

WHERE THE MONEY GOES

How the fresh proceeds are to be spent, as stated in Objects of the Offer.

100%

Purchase and installation of clou... 100%

PROMOTER HOLDING

46.1% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
E2E Networks Limited	-819.8x	Rs. 246 cr	p.150
Industry average	-819.8x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	2024	2025	2026	2Y CAGR
Revenue	287	361	472	+28.4%
EBITDA	102	155	234	—
Profit after tax	14	56	121	+198.0%
Net worth	226	418	544	—
Total debt	149	63	43	—

READING THESE NUMBERS AS IT SERVICES / SOFTWARE

What actually diagnoses this business: Attrition - Client concentration - Utilisation - Revenue per employee - USD revenue growth.

Debt to equity **0.08x** bar set at 0.5x

IT services is asset-light and listed peers typically carry near-zero net debt. Any material borrowing here is unusual and worth understanding — the threshold is deliberately tighter than the market default.

Revenue growth **—** read with care

Check whether growth is volume or currency: a falling rupee flatters INR revenue for an exporter. Client concentration is the main fragility.

DOES THE PROFIT TURN INTO CASH

	2024	2025	2026
Operating cash flow	53	163	1,368
Capital expenditure	23	113	126

Financing	-66	7	-45

Operating cash flow is 1132% of profit after tax. Reported earnings are backed by cash.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+36 months
Anchor, first half	**Anchor, remainder**	**Promoter**
50.0%	50.0%	20.0%

THE DOCUMENT’S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. We are a leading player offering end-to-end cloud, managed services, Data Centre infrastructure and software solutions in India. (p.245)
2. Our comprehensive Security-as-a-Service (SECaaS) framework enables businesses to proactively manage threats and achieve robust security and compliance objectives. (p.246)
3. We have long-term relationships with well-established banks and other businesses. (p.246)
4. Strong Government Partnerships and Policy Advocacy. (p.246)
5. AI-driven innovations and patented technology. (p.248)

RISKS IT DISCLOSES

1. If we fail to innovate in response to new technological changes or adapt to evolving industry standards, our business could be adversely affected. (p.27)
2. Our revenue from government entities and projects represented a significant portion of our revenue, and changes in government policies may adversely affect us. (p.28)
3. Our subsidiary, ESDS Cloud FZ-LLC, incurred losses in Fiscals 2025 and 2024, which may adversely affect our consolidated financial condition. (p.29)
4. Any unauthorized access to our network or data could harm our reputation, create additional liability and adversely affect our financial condition. (p.30)
5. A significant portion of our revenue is concentrated among our top client and top 10 clients, and any loss of business from them could

Both columns are the offer document’s own words, not this page’s assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 11,400 cr in FY 2026, forecast Rs. 24,200 cr by FY 2030, a 20.7% CAGR.

Drivers it names: The growing demand for digital services is a crucial factor driving the expansion of data centres in India.; The rollout of 5G technology is expected to further amplify this demand by enabling faster internet speeds and more connected devices..

Constraints it names: A shortage of skilled IT professionals has increased labour costs, while production prices for CPUs and memory chips have also increased.; India’s data localization and security regulations, particularly under the Digital Personal Data Protection Act 2023, impose strict requirements for storing personal data within the country, which can highly increase operational costs..

> These industry figures come from a Nexdigm Private Limited report commissioned and paid for by the issuer. It is not neutral research.

THE WIDER GROUP

ESDS Cloud FZ-LLC (subsidiary)	holds 100.0% - 2.5% of revenue is related-party
ESDS Global Software Solution Inc. (subsidiary)	holds 100.0%
SPOCHUB Solutions Private Limited (subsidiary)	holds 99.0%

Extracted from the DRHP at https://aceservice.acesphere.com/damcap//ESDSRHP.pdf by gemini-3.5-flash on 2026-08-26. Figure verification was skipped. The source text was not available to check against.