

# Seshaasai Technologies Ltd.

Nifty: 25,209 | Sensex: 82,160

IPO Note | 23<sup>rd</sup> September, 2025

Sector: IT

Price Range: ₹402 - ₹423

## Sole Provider of Secure Payment and IoT Solutions

Seshaasai Technologies Ltd. (STL), established in 1993 and headquartered in Mumbai, is a technology-driven provider of secure, integrated solutions. The company operates across multiple locations, delivering a wide range of offerings including payment solutions (debit, credit, prepaid, and transit cards), communication and fulfilment services, as well as IoT-based solutions. STL's comprehensive portfolio caters to the varied requirements of clients across the banking, government, and enterprise sectors.

- ◆ The Indian payment cards market, valued at ₹9,071mn in FY20, expanded to ₹30,804mn by FY24. It is expected to nearly double, reaching ₹61,684mn by FY30, representing a CAGR of 12.3% over FY24–30.
- ◆ From FY23 to FY25, STL reported revenue, EBITDA, and PAT growth at CAGRs of 13%, 34.2%, and 43.4%, respectively, with figures reaching ₹1,463cr, ₹360cr, and ₹222cr. This performance was underpinned by consistent product innovation and diversification across business verticals.
- ◆ In FY25, STL's EBITDA margin improved to 21.8% (vs. 17.4% in FY23), while PAT margin rose to 15.2% from 9.4%, driving a robust ROE of 35%.
- ◆ STL reported a debt-to-equity ratio of 0.6x in FY25, which is projected to reduce significantly to 0.1x post-IPO, aided by debt repayment of ~₹300cr from the proceeds.
- ◆ The company's card manufacturing capacity has grown from 7.30mn/month in FY23 to 11.94mn/month in FY25. Its Radio Frequency Identification (RFID) tag production currently stands at 41.67mn/month, with plans to further expand metal card manufacturing (producing payment cards that use a metal core or metal layers instead of just plastic) at the Navi Mumbai and Bengaluru facilities.
- ◆ At the upper price band of ₹423, Seshaasai Technologies Ltd. trades at a FY25 P/E of 30.8x. The company is diversifying beyond traditional printing (printing physical items like cheque books, passbooks, and cards for banks and businesses) into RFID, including smart traceability and digital identity, which are gaining adoption across retail, logistics, healthcare, and manufacturing, creating new revenue opportunities. Ongoing investments in automation, R&D, and capacity expansion position STL for scalable growth. Therefore, we assign a SUBSCRIBE rating for investors with a long-term perspective.

## Purpose of IPO

The IPO consists of a fresh issue of up to 11,347,588 equity shares worth ₹480cr and an Offer for Sale (OFS) of up to 7,874,015 shares worth ₹333cr. The proceeds from the issue are intended for: (i) funding capital expenditure to expand existing manufacturing units (₹197.9cr), (ii) repayment and/or prepayment, in full or in part, of certain outstanding borrowings (₹300cr), and (iii) general corporate purposes.

## Key Risks

- ◆ Risk of obsolescence due to emerging and advanced technologies.
- ◆ The company is heavily reliant on the BFSI sector.
- ◆ Exposure to risks associated with government projects, institutions, and public sector enterprises.

Issue Details	
Date of opening	September 23, 2025
Date of closing	September 25, 2025
Total No. of shares offered (cr.)	1.92
Post Issue No. of shares (cr)	16.2
Face Value	₹10
Bid Lot	35 Shares
Minimum application for retail (upper price band for 1 lot)	₹ 14,805
Maximum application for retail (upper price band for 13 lot)	₹ 1,92,465
Listing	BSE,NSE
Employee Discount	-
Lead Managers	IIFL Capital Services Limited, ICICI Securities Limited, SBI Capital Markets Limited
Registrar	MUFG Intime India Private Limited

Issue size (upper price)		Rs. cr	
Fresh Issue		480	
OFS		333.07	
Total Issue		813.07	
Shareholding (%)	Pre-Issue	Post Issue	
Promoter & Promo. Group.	93.2	81.8	
Public & others	6.8	18.2	
Total	100.0	100.0	
Issue structure	Allocation (%)	Size Rs.cr	
Retail	35	284.58	
Non-Institutional	15	121.96	
QIB	50	406.54	
Emp. Reservation	-	-	
<b>Total</b>	100	813.07	
Y.E March (Rs cr) Consol.	FY23	FY24	FY25
Sales	1,146.3	1,558.3	1,463.2
Growth YoY(%)	-	35.9	-6.1
EBITDA	199.9	291.6	359.9
Margin(%)	17.4	18.7	24.6
PAT Adj.	108.1	169.3	222.3
Growth (%)	-	56.6	31.3
EPS	6.7	10.5	13.7
P/E (x)	63.3	40.4	30.8
EV/EBITDA (x)	35.7	24.6	20
P/BV(x)	23.6	15.8	10.7

Business Description:

**Seshaasai Technologies Ltd (STL)**, a technology driven multi-location solutions provider focussed on offering payments solutions, and communications and fulfilment solutions catering primarily to the banking, financial services and insurance (“BFSI”) industry, with data security, and compliance at the core of the solutions. Solutions, that the company offer at scale and on a recurring basis driven by the proprietary platforms, play a crucial role in enabling the operations and deliverables of the BFSI sector in India. (Source: F&S Report) STL also offer Internet of Things (“IoT”) solutions to a diverse set of customers across industries. STL is one of the top two payments card manufacturers in India with a market share of 31.9% in Fiscal 2025 for credit and debit cards issuance in India improving from 25.0% in Fiscal 2023. (Source: F&S Report). The company is one of the largest manufacturers of cheque leaves in India. (Source: F&S Report). The company’s business verticals comprise Payment Solutions, Communication and Fulfilment Solutions and IoT solutions.

- **Payment Solutions:** Company offer a range of payment enabling instruments on Indian and well recognized global payment schemes such as, debit cards, credit cards, pre-paid cards, mass transit cards and cheques. As part of the offerings, we design and develop these instruments and securely embed customer data onto them and send to end customers, either individually or packaged into specialised kits. The patented QR technology helps enhance security of instruments manufactured. In Fiscal 2025, 2024 and 2023, STL supplied 91.37 million, 110.33 million and 76.18 million payment cards, respectively and 1,188.81 million, 1,193.78 million and 1,273.80 million cheque leaves, respectively, in such periods.
- **Communication and Fulfilment Solutions:** STL offer secured omni-channel communication solutions that are technology centric, delivery format agnostic such as print, interactive portable document format (“PDF”) sent via email and text messages. Various solutions STL offer include insurance policy documents, financial and portfolio statements, direct mailers, notices, customised communication documents, utility bills, loyalty communication, customised gifting collaterals and marketing campaigns that can be sent as scheduled, triggered or automated reminders with an audit trail to meet the regulatory requirements. In addition, the company also offer specific solutions to government agencies who print and supply citizen and tax identity cards, health cards and census forms.
- **IoT Solutions:** IoT Solutions encompass a comprehensive range of radio frequency identification (“RFID”)- enabled offerings and IoT ecosystem services tailored to meet diverse industry needs. Company manufacture and supply RFID-enabled inlays as well as inlays converted into tags and labels. The proprietary platforms ensure that these are printed, encoded, and shipped to vendors for source tagging. Additionally, the company produce customized RFID-enabled tags which are designed to meet specific end-use cases across various industries. The IoT ecosystem services include the customization of firmware and hardware, the design and manufacture of RFID automation hardware, and the deployment of an IoT middleware platform that integrates seamlessly with customer systems. Through the IoT Solutions, company have diversified the business into RFID enabled offerings that include manufacture of inlays, tags, devices such as tunnels, gates, custom software as well as integrated end-to-end solutions.

The table sets forth details of revenues from the business verticals for the Fiscals indicated:

Particulars	As of / For the Year ended March 31, 2025		As of / For the Year ended March 31, 2024		As of / For the Year ended March 31, 2023	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Payment Solutions	9,146.91	62.52%	10,523.82	67.54%	7,075.63	61.73%
Communication & Fulfilment Solutions	4,344.91	29.70%	4,434.66	28.46%	4,257.01	37.14%
IoT Solutions	1,062.31	7.26%	539.37	3.46%	41.34	0.36%
Others*	61.16	0.41%	75.83	0.49%	84.54	0.74%
Other Operating Revenue#	16.22	0.11%	8.88	0.06%	4.47	0.04%
Total	1,4631.51	100.00%	15,582.56	100.00%	11,462.99	100.00%

Source: RHP, Geojit Research

Technology Platforms

- ♦ **RUBIC** : It is designed to understand customer data, execute business rules, and generate necessary outputs to meet the customers’ needs. By leveraging the data processing techniques, RUBIC ensures that each output so generated is personalized and relevant. It integrates with other systems, providing a cohesive and efficient workflow. This component enhances overall customer experience as well as supports customers in achieving their business objectives.
- ♦ **eTaTrak** : It is an artificial intelligence (“AI”)-powered deliverables and logistics management system integrates the enterprise stakeholders, logistics partners, production partners and end-consumer on to a single platform enabling traceability of communications, both in physical as well as digital form. It enables enterprises to reduce their costs, improve customer satisfaction and improved overall deliveries.
- ♦ **IOMS**: It is an inventory and order management web-based platform to control, track and manage catalogued products. Features include configurable ordering windows with automated reminders, budget head allocation, approval matrix document library including revisions, for visibility and control.It also has features to optimise backend processes for manufacturing, query handling, vendor management and logistics integration.
- ♦ **izeIoT** : The platform is designed to meet multi-dimensional needs of an IoT ecosystem for varied industries, that seamlessly communicates with all kinds of devices, securely collects data, and delivers it to the required end-use case. With a legacy of data security and innovation, the company have built the entire traceability infrastructure, ensuring seamless integration and security.

### Key strengths:

- ◆ Established Leadership Position in the Large and Regulated Payment Solutions Industry with High Barriers to Entry
- ◆ Long Standing Relationships with a Large Customer Base
- ◆ Comprehensive Portfolio of Customizable and Scalable Solutions
- ◆ Proprietary Technology Stack Enabling Bespoke Solutions
- ◆ Pan-India Advanced Manufacturing Capabilities
- ◆ Track Record of Healthy Financial Performance

### Key strategies:

- ◆ Consolidate Leadership Position in Payment Solutions
- ◆ Expand Offerings in the IoT and RFID Space.
- ◆ Increase Wallet Share from Customers.
- ◆ Focus on Entering into International Markets.
- ◆ Focus on Inorganic Growth through Strategic Acquisitions.

### Industry Outlook

In India, the payment cards market, comprising credit cards, debit cards, and prepaid payment instruments (PPIs), was valued at ₹9,071 million in FY20 and grew to ₹30,804 million in FY24. It is further projected to reach ₹61,684 million by FY30, reflecting a CAGR of 12.3% during FY24-30. The total number of cards issued in the country increased from 257 million units in FY20 to 353 million units in FY24 and is expected to rise to 519 million units by FY30, at a CAGR of 6.6% over the same period. (Source: F&S Report)

### Promoter and promoter group

The Promoters of the company are Pragnyat Pravin Lalwani and Gautam Sampatraj Jain

### Brief Biographies of directors

- **Pragnyat Pravin Lalwani** is the Chairman and Managing Director of the Company. He has been associated with the Company since September 1993. He has over 30 years of experience in strategy and innovation, and is a solution architect and designer for complex digital print workflows.
- **Gautam Sampatraj Jain** is the Whole Time Director of the Company. He has been associated with the Company since its inception in September 1993. He has over 30 years of experience in financial functions, and he has led high-tech projects for the Company meeting global standards.
- **Jayeshkumar Chandrakant Shah** is the Non-Executive Director of the Company. He has over 28 years of experience in accounting, assurance and audit.
- **Abbhijet Ghag** is an Independent Director of the Company. He has 37 years of experience in banking and finance.
- **Sowmya Vencatesan** is an Independent Director of the Company.
- **Mehul Suresh Shah** is an Independent Director of the Company. He has over 15 years of experience in conducting trials and providing legal advisory.

## CONSOLIDATED FINANCIALS

### PROFIT & LOSS

Y.E March (Rs cr)	FY23	FY24	FY25
<b>Sales</b>	<b>1,146.3</b>	<b>1,558.3</b>	<b>1,463.2</b>
% change	0.0%	35.9%	-6.1%
<b>EBITDA</b>	<b>199.9</b>	<b>291.6</b>	<b>359.9</b>
% change	-	45.9%	23.4%
Depreciation	32.3	35.8	41.2
<b>EBIT</b>	<b>167.6</b>	<b>255.7</b>	<b>318.7</b>
Interest	32.0	34.2	34.3
Other Income	7.5	11.4	10.5
Exceptional items	0.0	0.0	0.0
PBT	143.1	233.0	294.9
% change	-	62.8%	26.6%
Tax	35.0	63.7	72.6
Tax Rate (%)	24%	27%	25%
Reported PAT	108.1	169.3	222.3
Adj	0.0	0.0	0.0
<b>Adj. PAT</b>	<b>108.1</b>	<b>169.3</b>	<b>222.3</b>
% change	-	56.6%	31.3%
<b>Post issue No. of shares (cr)</b>	<b>16.2</b>	<b>16.2</b>	<b>16.2</b>
Adj EPS (Rs)	6.7	10.5	13.7
% change	0.0%	56.6%	31.3%

### CASH FLOW

Y.E March (Rs cr)	FY23	FY24	FY25
PBT Adj.	143.1	233.0	294.9
<i>Non-operating &amp; non cash</i>	66.3	71.3	73.2
Changes in W.C	-125.7	-39.4	-126.8
<b>C.F. Operating</b>	<b>50.1</b>	<b>199.6</b>	<b>168.1</b>
Capital expenditure	-76.9	-95.3	-117.4
Change in investment	0.0	0.7	0.0
Sale of investment	0.0	-20.4	0.0
Other invest.CF	3.5	5.5	4.9
<b>C.F - investing</b>	<b>-71.3</b>	<b>-111.1</b>	<b>-113.2</b>
Issue of equity	46.6	5.2	23.9
Issue/repay debt	36.4	32.9	8.3
Dividends paid	-12.6	-10.4	-12.0
Other finance.CF	-31.3	-33.9	-35.2
<b>C.F - Financing</b>	<b>38.7</b>	<b>-31.8</b>	<b>-34.0</b>
Change. in cash	17.5	56.6	20.9
Opening Cash	4.1	21.5	78.1
Closing cash	21.5	78.1	99.0

### BALANCE SHEET

Y.E March (Rs cr)	FY23	FY24	FY25
<b>Cash</b>	<b>54.9</b>	<b>106.9</b>	<b>127.8</b>
<i>Accounts Receivable</i>	220.8	220.7	292.3
Inventories	133.2	157.7	152.2
<i>Other Cur. Assets</i>	34.7	46.1	63.4
Investments	0.7	0.1	0.1
Deff. Tax Assets	0.0	0.0	0.0
Net Fixed Assets	243.0	305.8	388.0
CWIP	0.0	2.9	8.1
Intangible Assets	14.8	39.5	37.5
Other Assets	80.4	79.0	91.2
<b>Total Assets</b>	<b>782.5</b>	<b>958.4</b>	<b>1160.4</b>
Current Liabilities	152.7	144.2	110.8
Provisions	13.5	4.7	5.3
Debt Funds	282.6	320.8	352.9
Other Fin. Liabilities	27.8	35.3	34.3
Deferred Tax liability	15.8	19.4	19.0
Equity Capital	88.8	147.6	147.6
Reserves & Surplus	201.3	286.4	490.5
Shareholder's Fund	290.1	434.0	638.1
<b>Total Liabilities</b>	<b>782.5</b>	<b>958.4</b>	<b>1160.4</b>
BVPS (Rs)	17.9	26.8	39.4

### RATIOS

Y.E March	FY23	FY24	FY25
<b>Profitab. &amp; Return</b>			
<i>EBITDA margin (%)</i>	17.44	18.71	24.60
<i>EBIT margin (%)</i>	14.6	16.4	21.8
<i>Net profit mgn.(%)</i>	9.4	10.9	15.2
<i>ROE (%)</i>	37.3	39.0	34.8
<i>ROCE (%)</i>	46.2	29.2	28.4
<b>W.C &amp; Liquidity</b>			
<i>Receivables (days)</i>	70.3	51.7	64.0
<i>Inventory (days)</i>	65.2	53.7	66.4
<i>Payables (days)</i>	34.1	30.0	22.1
<i>Current ratio (x)</i>	2.7	3.6	5.5
<i>Quick ratio (x)</i>	1.8	2.3	3.8
<b>Turnover &amp; Levq.</b>			
<i>Net asset T.O (x)</i>	4.7	5.7	4.2
<i>Total asset T.O (x)</i>	1.5	1.8	1.4
<i>Int. covge. ratio (x)</i>	5.2	7.5	9.3
<i>Adj. debt/equity (x)</i>	1.0	0.7	0.6
<b>Valuation ratios</b>			
<i>EV/Sales (x)</i>	6.2	4.6	4.9
<i>EV/EBITDA (x)</i>	35.7	24.6	20.0
<i>P/E (x)</i>	63.3	40.4	30.8
<i>P/BV (x)</i>	23.6	15.8	10.7



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