



IPO Note

CSM TECHNOLOGIES LIMITED

JUN 24th, 2026



June 24th, 2026**Details of the Issue**

Price Band	₹ 107 - ₹ 113
Issue Size	₹ 146 Cr
Face Value	₹ 10
Bid Lot	132
Listing on	BSE,NSE
Investment Range	₹ 14,124 - ₹ 14,916

Important Indicative Dates (2025)

Opening	24 - Jun
Closing	29 - Jun
Basis of Allotment	30 - Jun
Refund Initiation	01 - Jul
Credit to Demat	01 - Jul
Listing Date	02 - Jul

Lead Manager

Keynote Financial Services Ltd

Offer Details

Offer Size	₹ 146 Cr
Fresh Issue	₹ 146 Cr
OFS	-

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	73	6.46	6.82	75
NII	22	1.94	2.05	15
Retail	51	4.52	4.78	10
Em- ploy.	-	-	-	-
Total	146	12.92	13.64	100

Invest Now**Company Profile**

CSM Technologies is a leading GovTech and digital transformation company with 27 years of experience delivering e-governance and technology solutions for governments, PSUs, development agencies, and enterprises across 12 countries, including India, Ethiopia, Kenya, Rwanda, the USA, and Canada. The company provides digital platforms, consulting, analytics, and citizen-centric solutions across agriculture, education, governance, healthcare, trade, urban development, social protection, and investor facilitation. Its notable projects include KRUSHAK Odisha, SAMS Odisha, Mo Sarkar, GO-SWIFT, SPDP, and digital logistics solutions for JSW Steel, along with several international initiatives in Africa. Backed by a workforce of 1,327 employees, CSM Technologies had a strong order book of ₹357.6 crore as of March 31, 2026, reflecting its established position in driving digital governance and public service transformation.

GEPL's Insights & Investment Thesis:

- CSM Technologies Ltd provides e-governance and technology solutions. It is present in the IT industry which is currently facing headwinds due to the rapid technological changes, leading to impact on business. The company is also heavily dependent on government contracts and competitive bidding.
- The company faces geographic concentration risk as it generates 60% of its revenue from Odisha. Further, the company's revenue has grown steadily, however, PAT has remained volatile between FY23-25.
- Based on the FY27 earnings, relative to the company's paid-up capital, the issue is priced at a P/E ratio of 30x. The issue is over valued compared to its peers, faces geographic concentration risk, volatile profitability, and faces uncertainty due to the technological changes in the IT industry. Therefore, we recommend a "Avoid" rating for the issue.

Business Highlights & Services

CSM Technologies has built a differentiated position in the GovTech and digital transformation space through its deep domain expertise, strong execution capabilities, and innovation-driven business model. With nearly three decades of experience, the company delivers end-to-end technology solutions across governance, mining, agriculture, education, healthcare, tourism, and trade facilitation, leveraging advanced technologies such as AI, IoT, cloud computing, and data analytics. Its competitive advantage is further strengthened by a suite of proprietary platforms, including a Low-Code No-Code framework, AI Model Orchestration Platform, and Document Management System, alongside patented innovations such as its automated ore-sampling technology deployed in Odisha's mining sector.

These technology assets, combined with a proven track record of executing large-scale, mission-critical projects and multiple industry recognitions, position CSM as a trusted partner for digital transformation initiatives while supporting scalable growth, recurring revenues, and long-term client relationships. CSM Technologies operates in a niche segment of the IT-ITeS industry characterized by significant entry barriers, including stringent qualification requirements, long procurement cycles, domain expertise, regulatory compliance, and established client relationships. Over its 27-year operating history, the company has built a strong execution track record across large-scale, mission-critical e-governance and digital transformation projects, supported by industry-recognized certifications such as CMMI Level-5 and SOC 2 Type II.



These capabilities have enabled the company to secure repeat business from marquee clients and position itself to benefit from the growing global IT-ITeS market.

CSM Technologies is strategically positioned to benefit from the increasing adoption of digital transformation initiatives across government and enterprise segments. The company is focusing on expanding and modernizing its technology infrastructure, strengthening cybersecurity capabilities, and investing in advanced AI/ML solutions to enhance operational efficiency and deliver higher-value offerings. As global IT and digital spending continues to rise, driven by growing adoption of AI, cloud computing, analytics, and automation, CSM's established expertise in public-sector digitalization and emerging technologies provides a strong platform for growth. Additionally, the company's ability to leverage government-led policy initiatives, infrastructure incentives, STPI benefits, and export-oriented advantages has enabled it to maintain a cost-efficient operating model while expanding its capabilities. With a proven execution track record, deep domain expertise, and ongoing investments in technology and talent, CSM is well positioned to capture a larger share of the growing digital transformation opportunity, supporting sustainable growth and long-term value creation.

CSM Technologies is pursuing a multi-pronged growth strategy focused on expanding its international footprint, strengthening capabilities in high-growth technology segments, and accelerating market penetration through selective acquisitions. While maintaining its strong presence in India and Africa, the company aims to deepen its reach in developed markets such as North America, particularly the U.S. and Canada, where digital transformation, cybersecurity, and enterprise technology spending continue to rise. Management intends to deploy a portion of the IPO proceeds towards strategic acquisitions and partnerships in areas such as cybersecurity, AI/ML, CRM platforms, and automation solutions, enabling faster capability enhancement, access to established client relationships, and entry into new geographies. This inorganic growth strategy is expected to strengthen the company's service portfolio, accelerate time-to-market, diversify revenue streams, and improve its positioning in higher-value technology segments. Combined with its proven execution track record and scalable delivery model, these initiatives provide a clear pathway for sustained growth and margin accretion.

Domestic vs Export revenue mix

Particular	9MFY25		FY25		FY24		FY23	
	INR (Cr)	% of revenue	INR (Cr)	% of revenue	INR (Cr)	% of revenue	INR (Cr)	% of revenue
Domestic	155	93.93%	174	87.42%	174	88.70%	154	96.29%
Export	10	6.07%	25	12.58%	22	11.30%	6	3.71%
Revenue from Operation	166	100%	199	100.00%	197	100.00%	160	100.00%

Customer wise revenue breakup

Particular	9MFY25		FY25		FY24		FY23	
	INR (Cr)	% of revenue	INR (Cr)	% of revenue	INR (Cr)	% of revenue	INR (Cr)	% of revenue
Government	105	63.45%	148	74.16%	136.07	69.18%	123.73	77.13%
Enterprise	40	24.20%	33	16.63%	40.52	20.60%	28.32	17.65%
Public sector undertaking	20	11.89%	14	7.21%	17.64	8.97%	6.35	3.96%
Development Agencies	1	0.46%	4	1.86%	1.43	0.73%	1.02	0.64%
Other	-	0.00%	0.29	0.15%	1.04	0.53%	1.00	0.62%
Total	165	100%	199	100%	197	100.00%	160	100%

Domestic vs Export Trend

Particular	9MFY26	FY25	FY24	FY23
Existing Customer	95.71	95.01	85.22	90.79
New Customer	4.29	4.99	14.78	9.21



Order Book Details

Particular	9MFY25		FY25		FY24		FY23	
	INR (Cr)	% of Order Book	INR (Cr)	% of Order Book	INR (Cr)	% of Order Book	INR (Cr)	% of Order Book
Mining and Allied Services	52.95	14.07%	35.64	13.09%	32.72	10.03%	43.76	22.02%
Government and Public Services	54.46	14.47%	67.62	24.84%	75.41	23.10%	61.45	30.92%
Agriculture and Allied Services	11.48	3.05%	10.08	3.70%	9.48	2.90%	7.76	3.90%
Education	13.92	3.70%	21.03	7.72%	32.65	10.00%	7.23	3.64%
Industry & Trade Facilitation	17.86	4.74%	7.21	2.65%	21.88	6.70%	1.87	0.94%
Healthcare	8.13	2.16%	14.10	5.18%	30.65	9.39%	25.17	12.66%
Tourism	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Govt (A)	158.81	42.19%	155.68	57.18%	202.79	62.13%	147.23	74.08%
Mining and Allied Services	52.27	13.89%	12	4.27%	19.01	5.82%	14.96	7.52%
Government and Public Services	27.99	7.44%	14	5.16%	15.81	4.84%	19.75	9.94%
Agriculture and Allied Services	101.76	27.04%	64	23.63%	77.05	23.60%	5.90	2.97%
Education	4.73	1.26%	7	2.64%	0.39	0.12%	0.84	0.42%
Industry & Trade Facilitation	29.67	7.88%	17	6.40%	8.99	2.75%	7.26	3.65%
Healthcare	0.04	0.01%	0	0.02%	0.12	0.04%	-	0.00%
Tourism	1.11	0.30%	1.89	0.69%	2.26	0.69%	2.81	1.41%
Total Non-Govt (B)	217.59	57.81%	116.58	42.82%	123.62	37.87%	51.51	25.92%
Total	376	100%	272	100%	326	100%	199	100%

Industry Outlook

Chart 11: Global IT-ITeS Market Size

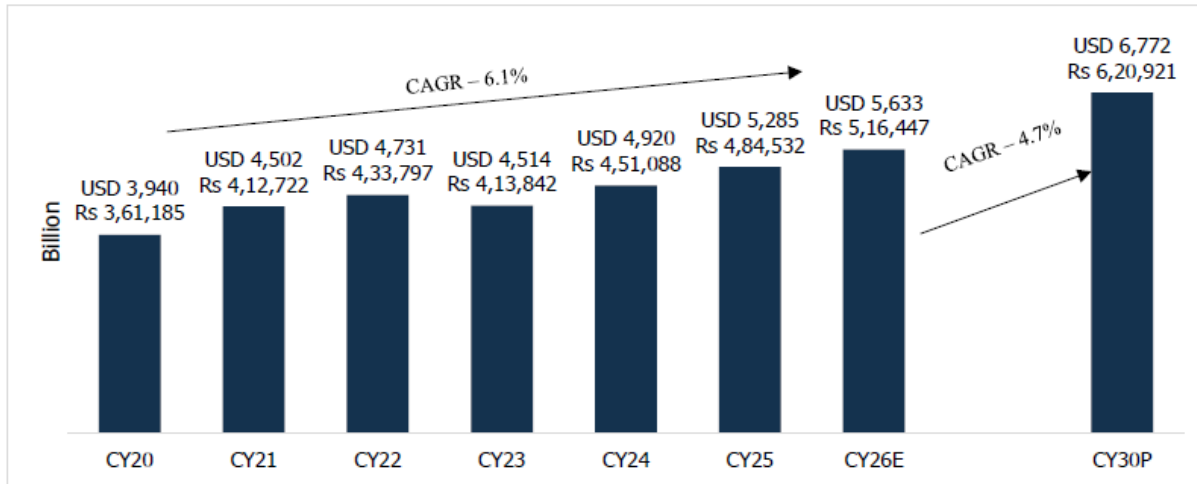
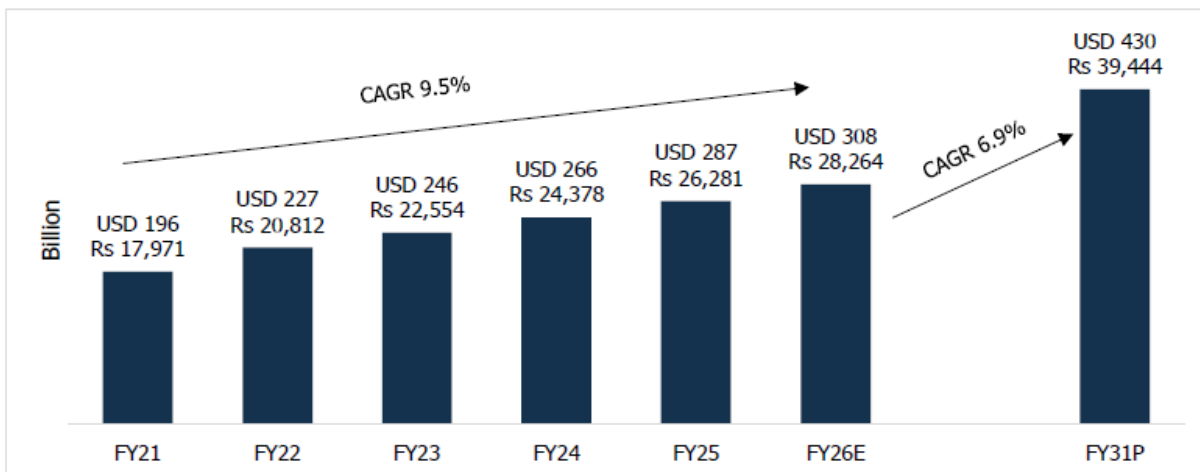


Chart 12: Indian IT-ITeS Market Size



Peers Comparison

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RONW(%)
CSM Technologies Ltd	10	199	3.72	118	NA	18.49
Peers Group						
Trigyn Technologies Ltd	10	898	3.82	241	14.58	1.59
Allied Digital Services Ltd	5	807	4.91	107	24.44	5.34
Dev information Technology Ltd	2	171	6.84	31	4.12	21.54
Silver Touch Technologies Ltd	10	288	17.50	105	11.91	16.60

Company's Competitive Strength

- Deep sectoral expertise across a diversified spectrum of industries.
- Proprietary technology driven innovations and patented technology developed in-house.
- Extensive geographic footprint with scalable operations across key markets.
- Experienced Promoters and Senior Management team, having domain knowledge.
- Track record of healthy financial performance.

Key Strategies Implemented by Company

- Grow the business by prioritizing infrastructure improvements, advancing AI/ML innovation, and embracing sustainability, ensuring efficient scalability and maximizing customer value.
- Capitalizing on Government initiatives and policies.
- Accelerate growth by strategically entering new markets and emerging industries.
- Empowering Growth through a scalable and skilled workforce.

Particular (INR in Cr)	9MFY26	FY25	FY24	FY23
Equity Capital	39	6	6	6
Reserves and Surplus	54	71	53	44
Net Worth	92	77	60	50
Revenue	166	199	197	160
Growth (%)		1%	23%	
EBITDA	30	29	24	28
EBITDAM (%)	18%	15%	12%	17%
PAT	15	14	13	16
PATM (%)	8.9%	7.1%	6.4%	9.9%
ROE (%)	23.8%	20.7%	22.8%	37.3%
ROCE (%)	24.4%	22.6%	23.9%	46.9%



Notes

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