

IPO Note

XTRANET TECHNOLOGIES LIMITED

JUL 23rd, 2026

Xtranet Technologies Limited

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Details of the Issue	
Price Band	₹ 120 - ₹ 127
Issue Size	₹ 167 Cr
Market Cap	₹ 664.03 Cr
Face Value	₹ 10
Bid Lot	110
Listing on	BSE,NSE
Investment Range	₹ 13,200 - ₹ 13,970

Important Indicative Dates (2026)	
Opening	23 - Jul
Closing	27 - Jul
Basis of Allotment	28 - Jul
Refund Initiation	29 - Jul
Credit to Demat	29 - Jul
Listing Date	30 - Jul

Lead Manager
Share India Capital Services Pvt Ltd

Offer Details	
Offer Size	₹ 167 Cr
Fresh Issue	₹ 167 cr
OFS	-

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	83.5	6.6	7.0	50
NII	58.45	2.0	2.1	15
Retail	25.05	4.6	4.9	35
Em-ploy.	-	-	-	-
Total	167	13.2	14.0	100

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Company Profile

Xtranet Technologies Ltd is an integrated IT solutions provider offering end-to-end technology services across enterprise applications, digital transformation, managed services, proprietary platforms, and strategic technology partnerships. Incorporated in 2002 and headquartered in Bhopal, Madhya Pradesh, the company has over two decades of experience in delivering technology solutions to enterprise and government clients across industries and geographies. Its core service portfolio comprises enterprise applications, managed services, digital services, and proprietary platforms and products. The company provides comprehensive Enterprise Resource Planning (ERP) solutions across leading global platforms, alongside its in-house X-ERP platform. Xtranet also specializes in IT system integration, delivering end-to-end solutions by seamlessly integrating hardware, software, and networking infrastructure for enterprises and public sector organizations. In addition, the company designs, implements, and manages data centers and command centers, offering services such as site assessment and preparation, server virtualization, cloud deployment, 24x7 IT infrastructure monitoring, backup and disaster recovery solutions, and the establishment and management of Network Operations Centers (NOC) and Security Operations Centers (SOC).

GEPL's Insights & Investment Thesis:

- Xtranet Technologies Ltd is an integrated IT solutions provider and delivers technology solutions to enterprise and government clients with customer concentration risk as it derives 80% of its revenue from top 10 its clients.
- The company generates 47% of its revenue from government/PSU clients which are highly price competitive and faces the risk of increasing receivables.
- Based on the FY26 earnings, relative to the company's paid-up capital, the issue is priced at a P/E ratio of 16.3x. The issue is fairly valued compared to its peers, but faces the risk of client concentration, higher government projects, and a stretched receivable cycle. Therefore, we recommend a **"Avoid"** rating for issue.

Business Highlights & Services

The company's integrated digital transformation offerings are anchored by its proprietary Synergy low-code platform, which enables process automation and enterprise-wide digital solutions. It also operates XtraTrust, a licensed Certifying Authority (CA) and eSign Service Provider (ESP), authorized to issue and manage Digital Signature Certificates and deliver Public Key Infrastructure (PKI)-based solutions, including e-signatures, time stamping, and authentication services. Together, these platforms strengthen Xtranet's capabilities in digital transformation and secure technology solutions. Xtranet generates revenue through a diversified mix of fixed-price contracts, time-and-materials engagements, and recurring service agreements. It serves both Government/Public Sector Undertakings (PSUs) and private sector clients, with Government and PSU projects currently contributing the majority of its revenue.

Enterprise Applications constitute a key pillar of the company's IT solutions portfolio. The company delivers integrated systems that streamline business functions such as finance, human resources, procurement, supply chain, customer relationship management, and operations into unified digital ecosystems. These solutions help organizations improve operational efficiency, enhance process accuracy, strengthen compliance, and enable data-driven decision-making. Its enterprise applications practice encompasses large-scale ERP implementations, workflow automation platforms, analytics and AI-powered decision support systems, and customized enterprise software development.

The company continues to expand and diversify its technology platforms and service portfolio to address the evolving digital transformation needs of enterprises, government bodies, and public sector organizations. Its strategy focuses on strengthening managed and digital services while continuously enhancing its proprietary platforms, enabling the delivery of both standardized enterprise solutions and domain-specific digital transformation offerings. Xtranet also aims to broaden its geographic footprint across India and international markets to build a more diversified revenue base. Domestically, it currently operates across Madhya Pradesh, Gujarat, Maharashtra, Rajasthan, Karnataka, Delhi, and Uttar Pradesh, executing projects related to ERP implementation, Integrated Command and Control Centres (ICCCs), e-governance solutions, and data centre modernization. Going forward, the company plans to expand into additional states by participating in government-led digital transformation initiatives, including Smart City projects, education digitization programs, and utility modernization efforts, leveraging its experience in delivering large-scale, multi-location public sector projects.

Data centre infrastructure remains a key growth vertical for the company. Since 2012, Xtranet has executed data centre development and modernization projects for state governments, public sector enterprises, financial institutions, and Smart City initiatives. Its project portfolio includes the expansion of the Madhya Pradesh State Data Centre, disaster recovery centres for the Directorate of Treasury & Accounts and Madhya Pradesh Police, the technology refresh of the Delhi Police CCTNS Data Centre, and the implementation of network security and load-balancing infrastructure for the Brihanmumbai Municipal Corporation (BMC). Having successfully completed data centre projects for approximately 12–14 clients, the company is well positioned to capitalize on future opportunities in this segment.

The company also plans to modernize and upgrade existing data centre infrastructure through modular and scalable designs, enabling higher rack density, improved capacity utilization, and enhanced operational efficiency. Leveraging its experience in data centre modernization and hardware refresh projects for clients such as the Madhya Pradesh Police and the Madhya Pradesh Treasury, Xtranet intends to enhance power distribution systems and deploy precision cooling technologies to reduce operating costs and improve Power Usage Effectiveness (PUE). To strengthen its capabilities in serving mission-critical sectors such as government, banking, and telecommunications, the company is expanding its disaster recovery (DR) infrastructure. Building on its experience in implementing DR facilities for government departments and financial institutions, Xtranet plans to establish geographically distributed disaster recovery sites featuring redundant network connectivity, backup power systems, and continuous monitoring to ensure high availability and business continuity.

Automation and advanced technology adoption remain central to the company's growth strategy. Having deployed virtualization, network automation, and infrastructure management solutions across large-scale projects, Xtranet intends to further integrate automated backup and recovery systems, AI-driven predictive maintenance, and virtualization technologies across its data centre operations. These initiatives are expected to enhance infrastructure reliability, optimize operational efficiency, and support hybrid and multi-cloud environments.

Business wise revenue breakup

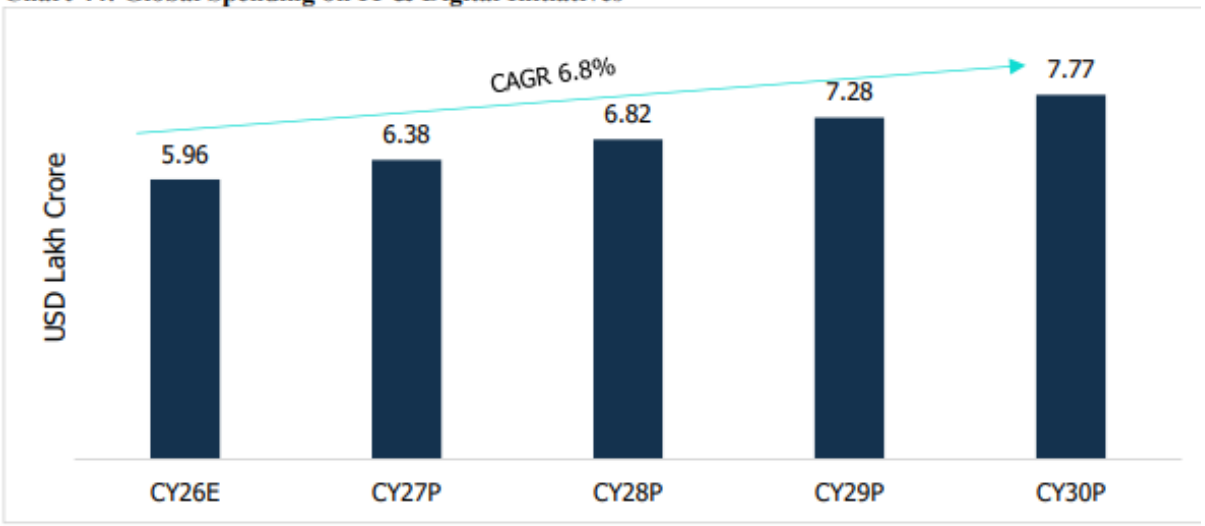
Particular	FY26		FY25		FY24	
	Amount (in Cr)	%	Amount (in Cr)	%	Amount (in Cr)	%
Enterprise Applications	121.3	33.2%	97.2	35.2%	110.8	47.6%
Managed Services	148.0	40.5%	106.4	38.5%	86.8	37.3%
Digital Services	58.2	15.9%	44.0	15.9%	12.7	5.4%
Proprietary platforms & products	37.7	10.3%	28.5	10.3%	22.7	9.7%
Total	**365.3**	**100%**	**276.1**	**100%**	**232.9**	**100%**

Customer wise revenue split

Particular (In Cr)	FY25		FY24		FY23	
	Amount (in Cr)	%	Amount (in Cr)	%	Amount (in Cr)	%
Revenue from Government/PSU clients	172	47%	164	59%	108	46%
Revenue from Private clients	193	53%	112	41%	125	54%
Total	365	100%	276	100%	233	100%

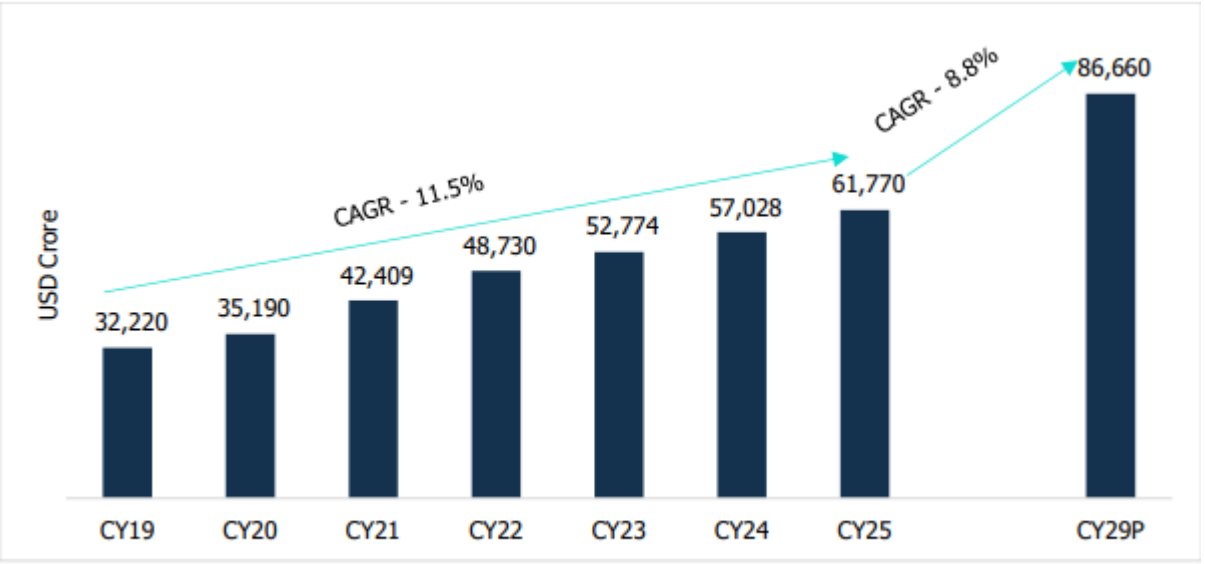
Industry Outlook

Chart 44: Global Spending on IT & Digital Initiatives



Source: IMARC, CareEdge Research

Trend in Global service market size



Source: EMIS, CareEdge Research

Peers Comparison

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Xtranet Technologies Ltd	**10**	**365.3**	**10.3**	**34.74**	**NA**	**29.6**
Peers Group						
Silver Touch Technologies Ltd	10	341.9	2.8	13.38	63.65	21.1
Dynacons Systems & Solutions Ltd	10	1,424.3	66.6	247.59	20.2	26.9
Coforge Ltd	10	16,402.7	44.3	252.61	35.5	16.3

Company's Competitive Strength

- Deep domain expertise delivered through comprehensive solutions across industries.
- Proven track record in executing projects for Government and PSU clients.
- Long standing relationship with marquee customer base.
- Experienced Management Team and Qualified Pool of Employees.
- Geographic Presence and Multi-Location Operations.

Key Strategies Implemented by Company

- Expanding and augmenting platforms and services portfolio.
- Continue to Expand Geographical Footprints.
- Technology Innovation .
- Data Centre & Infrastructure Expansion.

Particular (INR in Cr)	FY26	FY25	FY24
Equity Capital	39	8	7
Reserves and Surplus	97	88	32
Net Worth	136	95	39
Revenue	365	276	233
Growth (%)	32%	19%	
EBITDA	63	47	19
EBITDAM (%)	17%	17%	8%
PAT	41	30	11
PATM (%)	11.1%	10.9%	4.7%
ROE (%)	34.8%	44.3%	33.1%
ROCE (%)	32.5%	39.6%	30.5%

Notes

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