

AI driven SaaS play!

About the Company: Capillary Technologies India Ltd. (Capillary), earlier Kharagpur Technologies Private Limited, founded in 2012 and headquartered in Bengaluru, is an AI-led, cloud-native SaaS company that enables enterprises to design, manage, and scale customer loyalty and engagement programs.

Key Highlights:

- **Comprehensive product portfolio driving enterprise retention:** The company's offerings - **Loyalty+** (loyalty engine processing 0.18 mn transactions per hour), **Engage+** (personalization & campaign management; enables omni-channel communication), **Insights+** (leverages AI/ML to predict, churn & optimize campaigns), **Rewards+** (catalogue management), and **CDP** (customer data platform; unifies customer data across touchpoints) - enables brands to design, manage & scale end-to-end loyalty programs, enhance consumer engagement, & drive data-led personalization across channels.
- **Strong global presence and strategic partnerships:** It serves 410+ brands across 47 countries, including Tata Digital, Aditya Birla Fashion Ltd., Domino's, PUMA, Vishal Mega Mart, etc. It has 16 offices in key markets of India, USA, UK, Canada, UAE, Singapore, Indonesia, Vietnam and Malaysia. This is supported by technology partnerships (Adobe, Salesforce etc.) and consultancy and global system integrators partnerships (Accenture, Deloitte, Sabre, Concentrix, KPMG).
- **Scalable SaaS model with high revenue visibility:** The global SaaS industry is expected to expand nearly 2.5x between 2024 & 2029, driven by increasing adoption for digital transformation, scalability, and operational agility. The business operates on a subscription-based model (~80% of revenues) and the platform's modular architecture supports rapid deployment and cross-vertical scalability, improving operating leverage as enterprise adoption deepens.
- **Experienced leadership and deep institutional backing:** Founder & CEO Aneesh Reddy Boddu and the COO & CFO Anant Choubey, both IIT-Kharagpur alumnus, bring over 15 years of experience each in the field of operational management, strategy, business development etc. Backed by marquee investors - Peak XV Partners, Avataar Ventures, Filter Capital, Trudy Holdings, Ronal Holdings LLC - Capillary benefits from both capital and strategic SaaS mentorship.

Our View & Rating

Revenue grew at a 53% CAGR between FY23-FY25, driven by expanding SaaS subscriptions while it became EBITDA positive in FY25. **We assign UNRATED rating to Capillary Technologies IPO.**

Key risk & concerns

- Rising competition from global Martech platforms (Salesforce, Adobe, Oracle);
- Top 10 customer concentration risk (59% of revenue);
- Dependence on continuous R&D investment to maintain AI differentiation;

Key Financial Summary

₹ Crore	FY23	FY24	FY25	2-Year CAGR (FY23-25) (%)
Net Sales	255	525	598	53
EBITDA	(69)	(12)	65	NA
EBITDA Margin (%)	(27.1)	(2.3)	10.9	
Net Profit	(117)	(86)	(3)	NA
Price/Sales *	17.9	8.7	7.6	
P/E (x)	NM	NM	NM	
RoNW (%)	(135.9)	(21.5)	2.9	
RoCE (%)	(28.4)	(9.3)	2.8	
EPS annualised	(17.6)	(12.2)	1.9	

Source: RHP, ICICI Direct Research; *Price/Sales calculated pre-issue based on upper price band of 577

UNRATED



IPO Details

Issue Details

Date of Opening	14th November 2025
Date of Closing	18th November 2025

Issue Size (Rs. cr) at upper band	877.5
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Offer for Sale (Rs. cr)	532.5
Fresh Issue (Rs. cr)	345.0
QIB shares	75% of issue
Retail shares	10% of issue
NIB shares	15% of issue
Issue Type	Book built issue
Price Band (Rs./share)	549 - 577
Bid Lot	25 shares
Face value (Rs.)	2

Post-Issue Market Cap (Rs. cr) 4,371 - 4,576

Shareholding pattern (at upper price band)

Particulars	Pre-Issue (%)	Post-Issue (%)
Promoter & promoter group	67.9	52.0
Public & Others	32.1	48.0
Total	100	100

Objects of the issue

Net proceeds of the fresh issue are proposed to be utilised for -

- Funding the cloud infrastructure cost (₹143 crore);
- Investment in research, designing and development of products and platform (₹72 crore);
- Investment in purchase of computer systems for the business (₹10 crore);
- Funding inorganic growth through unidentified acquisitions and general corporate purposes (shall not exceed 35% of gross proceeds);
- General corporate purpose

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Subscribe: Apply for the IPO

Avoid: Do not apply for the IPO

Unrated: No View on applying for the IPO

Subscribe only for long term: Apply for the IPO only from a long term investment perspective (>two years)



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