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**IPO Report**

04<sup>th</sup> Mar'26

**Snapshot**

Company is a supplier of control-intensive, critical-to-the-application electronic control units (“ECUs”) to leading original equipment manufacturers (“OEMs”) in the mobility and industrial markets in India, the United States, and Europe. The majority of company’s revenue from operations is attributed to products which incorporate novel control technologies that are conceived and developed entirely in-house, enabling company to offer fresh proprietary solutions that provide distinct value to end-users or company’s OEM customers. Several of these unique technologies have achieved widespread adoption across the sectors company serve.

**VALUATION**

Company is bringing the issue at price band of Rs 1287-1352 per share at p/e multiple of 62x on post issue 9 months ended FY26 annualized PAT basis.

Company has first-to-market advantage driving market leadership, creates high entry barriers, and enables sustained competitive dominance. Company has agility at scale through integrated design, engineering, and manufacturing enables rapid innovation and swift market response. Company’s Synergies driving cross market technology use, procurement advantages, and robust partnerships. Also, company has continued ability to innovate, scale, and embed differentiated technologies .

Hence, looking after all above its look decent destination to deploy the funds in. Therefore, we recommend “Subscribe” to issue.

<b>Price Band (Rs./Share)</b>	<b>1287-1352</b>
<b>Opening date of the issue</b>	<b>04<sup>th</sup> Mar '2026</b>
<b>Closing Date of the issue</b>	<b>06<sup>th</sup> Mar'2026</b>
<b>No of shares pre issue</b>	4,41,61,500 Eq Shares
<b>Issue Size</b>	Rs 1035-1087 Cr
<b>Offer For Sale</b>	80,43,300 Equity Shares
<b>Face Value (Rs/ share)</b>	Rs 10/share
<b>Bid Lot</b>	11
<b>Employee Discount</b>	Rs 128/share

**BIDDING DETAILS**

<b>QIBs (Including Anchor)</b>	50% of the offer (Approx 40,17,565 Eq Shares )
<b>Non-Institutional</b>	15% of the offer (Approx 12,05,270 Eq Shares )
<b>Retail</b>	35% of the offer (Approx 28,12,296 Eq Shares )
<b>Employee</b>	8169 Eq Shares
<b>Lead managers</b>	Axis Capital, ICICI Securities, Avendus Capital
<b>Registrar to the issue</b>	MUFG Intime India Limited

**WHAT WE LIKE**

***First-to-Market advantage***

Some of company’s key differentiated, critical, control-intensive technology/ product propositions, such as SLC motor control technology and associated products with applications in different markets, genset controllers with integrated eGov function, and SmartIgn technology for carburetted 2/3Ws, enjoy first-mover advantages within those markets and have enabled company’s customers to offer features appreciated by end-users. This has helped company to drive industry-wide adoption of them and secure/maintain strong positions within company’s markets.

***Synergy across markets and products:***

Complete ownership of core technologies allows company to efficiently transfer proven solutions and technical learnings across markets while leveraging aggregated volumes for procurement advantages, particularly in semiconductors.

***Continued ability to build fresh propositions***

Company demonstrate a sustained record of launching first-to-market, differentiated technologies that establish market leadership, such as SLC motor control technology and associated products with applications in different markets, and genset controllers with integrated eGov function, with each new product embedding company’s platforms further into customer operations.



## COMPANY BACKGROUND

Company is the first company in India to develop, design and manufacture sensorless commutation (“SLC”) based integrated starter generators (“ISG”) ECUs for two-wheeler / 3-wheelers (“2/3Ws”) internal combustion engine (“ICE”) powered vehicles. Company have shipped sensorless ISG ECUs, and ECUs integrating the functionality of ISG with electronic fuel injection (“ISG+EFI”) ECUs for more than 9.2 million small engine 2/3Ws between Fiscal 2018 and nine months ended December 31, 2025. Company held approximately 35% market share of domestic ISG ECU market (for 2W and 3W combined) in terms of volume and are amongst the top 4 players for the nine months ended December 31, 2025.

Company is also the leaders in India for genset controllers (“GC”) with an estimated market share of 75%-77% during the nine months ended December 31, 2025 and are amongst the key global players with a market share of 14% globally with company’s offerings of genset controllers and EFI ECUs for this market for Fiscal 2025. Furthermore, company introduced electronic governing (“eGov”) as an integrated feature into genset controllers in 2014 and according to the CRISIL Report, company pioneered the introduction of integrated eGov technology in genset controllers in India.

Company’s origins, in 2007, were in a lab in Indian Institute of Technology (“IIT”) Bombay led then by Prof. Shashikanth Suryanarayanan, one of its Promoters. Company have built on the technical expertise of its founding team and scaled company’s operations; according to the CRISIL Report, for Fiscal 2025 company is amongst the top players in the ISG ECU market for 2W and 3W (combined) and the largest supplier of genset controllers in India.

Company is an Indian Tier-I supplier selling directly to the OEMs, integrating company’s proprietary solutions into their platforms with deep technical engagement, and supporting these solutions through the lifecycle of the products. Company’s relationship with customers is built on providing innovation through fresh technologies thereby enabling its customers to remain competitive in their markets.

In the automotive/mobility market, OEMs choose the technologies and core components that define their product architecture. Major changes to core/key technologies do not occur frequently. Such transitions are usually triggered by regulatory requirements (for example, emissions, safety or efficiency standards) or could be non-regulatory in nature, driven by OEM or end-user preferences. These changes in the core technologies of the equipment require significant validation and especially in case of non-regulatory changes, there is a significant risk of acceptability from OEMs. As a result, only suppliers with strong R&D capability will be able to initiate or persuade innovation and new technology development.

Other major technology transformations in these sectors such as the adoption of various critical systems in vehicles or major electrification shifts have largely depended on Tier-I suppliers. Company have demonstrated that its home-grown technical team comprised of adequate engineers with strong academic pedigree can drive innovation, with breakthrough technologies and create an impact by being amongst the key suppliers of such technology products, like ISG, EFI, ISG+EFI, and GCs with innovative features. As at December 31, 2025, company’s engineering team has accumulated more than 600 man-years of contribution from engineers holding degrees from leading Indian institutions, including IITs, National Institutes of Technology (“NITs”), and Birla Institute of Technology and Science (“BITS”). All these engineers have successfully passed a rigorous technical assessment prior to joining Company.

## OBJECTS OF OFFER

The objects of the Offer are to (i) carry out the Offer for Sale of up to 8,043,300 Equity Shares of face value of ₹ 10 each by the Selling Shareholders;

## RISKS

Company have a high degree of revenue concentration with a small number of customers, particularly, a key customer, TVS Motor Company Limited (“TVS Motor”), which contributed 75.48%, 80.46%, 83.46% and 79.05% of company’s revenue from operations for the nine months ended December 31, 2025, Fiscals 2025, 2024 and 2023, respectively, which exposes company to significant business risk if demand from these customers reduces or commercial relationships change which could have a significant negative effect on company’s business, profitability, and cash flows.

Source:RHP



**Consolidated Financials**

**(Rs in Mn)**

<b>Financials</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>9MFY26</b>
Total Revenue (A)	4230.28	5306.53	6583.63	7706.65
Total Expenditure (B)	3756.26	4527.72	5374.68	6142.35
EBIDTA	474.02	778.81	1208.95	1564.30
EBIDTA Margin	11.21	14.68	18.36	20.30
Other Income	68.38	52.43	41.73	46.41
Depreciation	301.89	358.63	453.39	455.82
EBIT	240.51	472.61	797.29	1154.89
Interest	160.44	384.48	120.30	72.19
PBT	80.07	88.13	676.99	1082.70
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	80.07	88.13	676.99	1082.70
Exceptional	0.00	0.00	0.00	0.00
PBT	80.07	88.13	676.99	1082.70
Tax	-5.66	29.35	206.54	367.72
PAT	85.73	58.78	470.45	714.98
NPM	2.03	1.11	7.15	9.28
ROE%	7.44	4.72	15.48	17.39
EPS	2.12	1.45	10.93	16.59
Eq Cap	0.11	0.11	0.28	437.37
Net Worth	1,150.25	1,239.52	3,033.81	4,104.80

**(Source: RHP)**



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