



IPO Report

May Apply

SME IPO

Mehul Telecom Limited

Communication Services

Price Band: ₹96 to ₹98 per share

Bidding: 17 Apr to 21 Apr, 2026

Listing At: BSE SME

Listing Date: Apr 24, 2026

Details of the Issue

Lead Manager	Cumulative Capital Pvt. Ltd.
Market Maker	Nikunj Stock Brokers Ltd.
Registrar	Kfin Technologies Ltd.

Promoter Holding

Pre-Issue	94.25%
Post-Issue	68.74%

Offer Structure

Market Maker	1,44,000 shares
QIB	13,40,400 shares
Retail	9,42,000 shares
NII	4,03,200 shares
Fresh Issue	28,29,600 shares
Total Issue	₹27.73 Cr

Financial Summary (₹ in Lakhs)

Particular	9M-FY26	FY25
Revenue	15,198.76	12,088.66
EBITDA	971.10	801.79
PAT	707.25	603.94

Minimum Application

Category	Lots	Shares	Amount
Retail	2	2,400	₹2,35,200
S-HNI	3-8	3,600-9,600	₹3,52,800-₹9,40,800
B-HNI	9	10,800	₹10,58,400

Customer concentration (% of Revenue)

Particulars	9M-FY25	FY25	FY24
Top 1 customer	18.43	11.32	2.60
Top 5 customers	25.46	16.87	9.00
Top 10 customers	27.18	19.72	11.54

Valuations

NAV(FY25)	23.49
EPS(Pre Issue)	8.30
P/E(Pre Issue)	11.81

Promoters

Mehul Vasantbhai Raymagiya, and Raymagiya Hemali Mehulbhai

Company Overview

Incorporated in May 2023, Mehul Telecom Private Limited is a multi-brand mobile retail chain offering smartphones, tablets, accessories, and connected lifestyle products through a hybrid COCO (Company Owned Company Operated) and FOFO (Franchise Owned Franchise Operated) model, partnering with leading brands and operating primarily in Gujarat.

Object of the Issue

- Funding of working capital needs: ₹2,295.00 lakhs
- General Corporate Purposes

Price Band Analysis

At ₹98, Mehul Telecom Limited is valued at a post-issue P/E of 16.96x and P/B of 4.17x, indicating a fair to moderately premium valuation given its scale and limited operating history. The mobile retail sector offers steady growth driven by rising smartphone demand, though margins remain competitive and sensitive to pricing pressures. Compared to peers, the valuation appears slightly elevated, with future performance hinging on geographic diversification and scalable growth.

Peer Comparison (as of FY25)

Company Name	EPS (₹)	NAV (₹)	P/E	RONW (%)
Mehul Telecom Limited	8.30	23.49	11.81	35.31
Fonebox Retail limited	4.43	33.62	14.45	13.18
Jay Jalaram Technologies Limited	5.27	56.81	17.13	10.02
Bhatia Communications & Retail (India) Limited	1.10	7.08	18.94	15.56

Risk Measures:

- The company's operations are geographically concentrated in Gujarat, with a significant portion of revenue derived from two districts-Rajkot (65.26%) and Morbi (17.10%) as of December 31, 2025. This high regional concentration exposes the business to risks related to market saturation, localized economic downturns, and limited geographic diversification, which could adversely impact revenue and growth prospects.
- The company derives a substantial portion of its revenue from telecom products, contributing approximately 98.60% of total revenue in FY25. This high dependence exposes the business to risks arising from a downturn in the mobile market, rapid technological changes, or shifts in consumer preferences, which could adversely impact its revenue and overall performance.

Investment Rationale:

- The company has demonstrated strong financial growth, with revenue from operations increasing from ₹8,015.19 lakhs in FY 2022-23 to ₹12,088.66 lakhs in FY 2024-25, alongside a significant improvement in profitability as PAT margins expanded from 0.64% to 5.00%, indicating enhanced operational efficiency and margin expansion.
- The company benefits from a diversified portfolio of leading brands such as Samsung, Apple, Vivo, Oppo, and Xiaomi, along with consumer financing partnerships with Bajaj Finserv and DMI Finance, enhancing affordability, expanding its customer base, and driving sales growth.
- A significant reliance on the FOFO (Franchisee Owned Franchisee Operated) model, with 74 out of 80 stores under this structure, limits the company's direct control over day-to-day operations and service quality, posing risks to brand consistency and customer experience.
- The company operates in a high volume-low margin industry, making profitability sensitive to sales volumes and cost control, while facing intense competition from organised retailers, e-commerce players like Amazon and Flipkart, and quick-commerce platforms. Additionally, rapid technological changes expose it to inventory obsolescence and price erosion risks.

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Financials (₹ in Lakhs, Except for Percentage & Ratios)

Particular	9M-FY26	FY25	FY24
Revenue From Operations	15,198.76	12,088.66	10,719.83
EBITDA	971.10	801.79	303.90
EBITDA Margin (%)	6.39	6.63	2.83
PAT	707.25	603.94	219.46
PAT Margin (%)	4.65	5.00	2.05
EPS	9.28	8.30	3.43
Return on Equity (RoE%)	34.27	59.84	99.32
Return on Capital Employed (RoCE%)	34.80	47.16	42.43
Debt to Equity Ratio	0.15	0.00	1.34

Source: RHP

Product wise Revenue Bifurcation (₹ in Lakhs)

Particulars	9M-FY25	FY25	FY24
Mobile Phones	14,990.61	11,376.66	10,530.60
Other Products and Accessories	208.15	712.00	189.23
Total	15,198.76	12,088.66	10,719.83

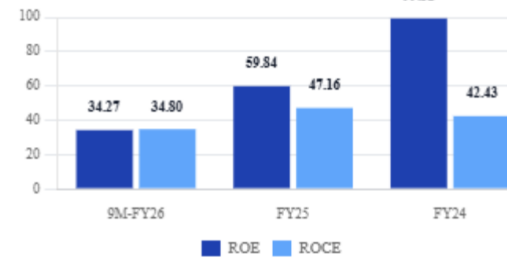
About The Founder



Mehul Vasantbhai Raymagiya, aged 42, is a Promoter and the Chairman and Managing Director of the Company. He oversees sales and marketing functions while driving strategic planning initiatives aimed at expanding operations and strengthening market presence. He brings approximately 17 years of experience in the mobile phone retail industry.

FINANCIAL HIGHLIGHTS

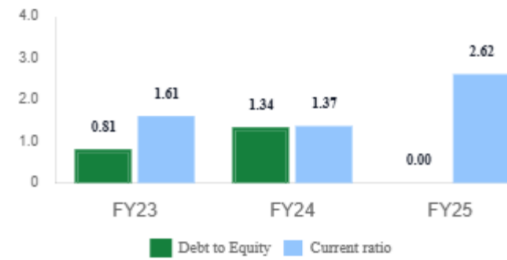
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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