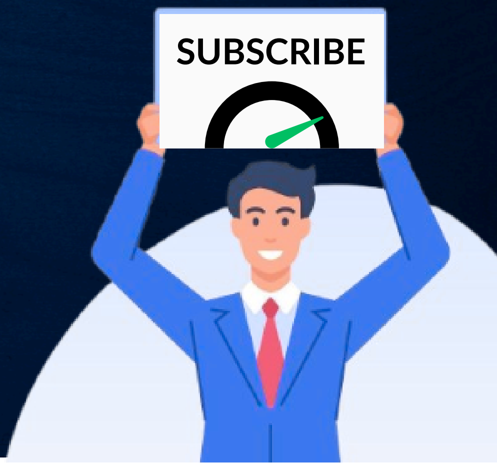
// सर्वे भवन्तु धनिनः //

swastika



HY-TECH ENGINEERS LTD.

IPO NOTE

HY-TECH ENGINEERS LIMITED

Rating:

SUBSCRIBE

ISSUE OFFER

Issue Opens on	AUG 24, 2026
Issue Close on	AUG 27, 2026
Total IPO size (cr)	₹136 CR
Fresh issue (cr)	₹60 CR
Offer For Sale (cr)	₹76 CR
Price Band (INR)	₹50-53
Market Lot	283 SHARES
Face Value (INR)	₹5
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹502.72 CR.

MINIMUM INVESTMENT DETAILS

Number of Shares	2,56,10,204
Minimum Investment Amount	₹14,820
Small-HNI (Min)/ 3,962 Shares	₹2,09,986
Big-HNI (Min)/ 18,961 Shares	₹10,04,933

INDICATIVE TIMETABLE

Basis of Allotment	28-08-2026
Refunds/Unblocking ASBA Fund	31-08-2026
Credit of Share to Demat A/c	31-08-2026
Listing Date	01-08-2026

ISSUE BREAK-UP (%)

QIB Portion	50%
NII Portion	15%
Retail Portion	35%

Hy-Tech Engineers Limited is an engineering company engaged in the design, manufacture and supply of hydraulic fittings for diverse industrial applications.

OBJECTS OF THE ISSUE

- Machinery & equipment procurement for expansion at Kavathe, Shirwal & Pithampur Unit-I.
- Full/partial repayment of outstanding borrowings.
- General Corporate Purposes.

FINANCIALS (RESTATED CONSOLIDATED)

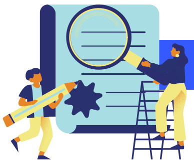
PARTICULARS (IN CRORE)	FY 2026	FY 2025	FY 2024
Equity Share Capital	41.77	41.77	0.37
Net Worth	122.02	101.25	82.22
Revenue from operations	**189.40**	**161.38**	**137.71**
EBITDA Margin%	22.01%	22.18%	16.38%
Net Profit/Loss of the year	**22.59**	**19.62**	**11.60**

FINANCIAL RATIOS OF FY26

ROCE	ROE	P/E (Pre IPO)
24.40%	20.24%	19.63x

OUTLOOK & VALUATION

- Maintaining EBITDA margins near ~22% and net margins above 11.5% reflects pricing power, driven by backward integration via their Nashik forging unit.
- Total debt dropped from ₹43.53 Cr in FY25 to ₹29.76 Cr in FY26. With ₹16.00 Cr from fresh proceeds earmarked for debt prepayment, interest expenses will drop sharply in FY27, aiding net margin expansion.
- Unlike many capital goods/engineering IPOs listing at elevated P/E multiples (>40x), Hy-Tech's ~22.3x FY26 P/E, healthy ~24.4% ROCE, and debt reduction roadmap offer a good balance of safety margin and earnings growth visibility.



COMPANY PROFILE

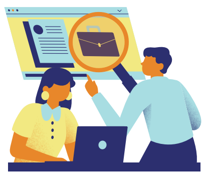
- Hy-Tech Engineers is engaged in the manufacturing and supply of hydraulic fittings and related equipment used across various industrial sectors, including construction machinery, farming, automotive, injection moulding machines, hydraulic systems, and railways.
- The core business involves producing these specialized components primarily from carbon steel and stainless steel.
- Used in construction machinery, agriculture, automotive, injection moulding, hydraulic systems and railways.
- Mainly manufactured using carbon steel and stainless steel.
- Operates on a converter model, with most sales made against confirmed orders at pre-agreed prices.
- Serves the domestic market and exports, particularly to the US.
- Operates 6 manufacturing facilities — 4 in Maharashtra and 2 in Madhya Pradesh.

COMPETITIVE STRATEGIES

- Enhancing the manufacturing capabilities
- Strategic diversification into high-growth sectors
- Diversification into valves
- Continued expansion of the distribution network
- Focus on increasing customer base in international markets
- Continued focus on cost optimization and improving operational efficiency

KEY CONCERNS

- Dependence on a few key customers for a significant portion of revenue.
- Exposure to cyclicality in end-use sectors like automotive and construction.
- Volatility in the prices of raw materials, primarily steel.
- High competition from a largely unorganized and fragmented industry.
- Potential conflicts of interest with a Promoter Group entity in a similar business.



KEY STRENGTHS

- Experienced leadership with deep market understanding and credibility.
- Established global presence with access to growing international markets.
- Long-standing relationships with a high rate of repeat customer orders.
- Comprehensive product portfolio with over 11,000 SKUs.
- Backward integration through in-house forging capabilities enhances supply chain control.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Hy-Tech Engineers	**2.70**	**19.63**	**14.61**	**189.40**	**20.24**
Peer Group					
Aeroflex Industries	4.28	107.04	33.80	441.94	14.06
Dynamatic Technologies	47.73	230.32	1168.41	1621.34	7.89
Yuken India	10.81	69.32	274.66	462.17	4.27

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Swastika Investmart Limited, SEBI Reg. No. : NSE/BSE/MSEI: INZ000192732 Merchant Banking: INM000012102 Investment Adviser: INA000009843 MCX/NCDEX: INZ000072532 Research Analyst Reg. No. :INH000024073
CDSL/NSDL: IN-DP-115-2015 RBI Reg. No.: B-03-00174 IRDA Reg. No.: 713.