IPO REVIEW

Adisoft Technologies IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 21 April 2026

- The company is an industrial digital automation solutions provider.
- It posted erratic financial data showing inconsistency in top line, but bottom line marked growth.
- 7M-FY26 indicates declined top and bottom lines.
- Based on its recent financial data, the issue appears aggressively priced.
- Only well-informed/cash surplus/risk seekers may park moderate funds for long term.

About the Company

Adisoft Technologies Ltd. (ATL) is an Industrial Digital Automation Solutions provider, engaged into the business of Designing, developing, procurement, assembling, testing, installation, commissioning & providing engineering services related to Automated assembly lines, Material handling machines, Robotic work cells (e.g., pick-and-place, sealing applications) and Special Purpose Machinery designed to address customer-specific operational requirements.

Its services include application of digital technologies and control systems to automate industrial processes, by integrating the shop floor equipments and processes with the IT Layer, thereby, reducing or eliminating human intervention. The company provides customized automation solutions primarily to Automobile manufacturers, Automotive OEMs and component/subcomponent manufacturers that require establishment, expansion, upgradation, modification, repair or reconfiguration of existing production lines, or operational set-up. A significant portion of ATL's assignments involves productivity enhancement initiatives, where automation is leveraged to reduce manual dependency, improve process consistency, facilitates data handling and optimize takt times. The company provides various services for Industrial Automation Solutions and Systems. These systems are integrated with Programmable Logic Controller (PLC), Supervisory Control and Data Acquisition (SCADA), Graphic Operator Terminal (GOT) and IoT-based interfaces to ensure real-time monitoring, traceability and seamless connectivity with Manufacturing execution system (MES).

Its vision-based systems, integrated with automation solutions, inspection platforms and precision jigs are designed to support dimensional accuracy, enhanced productivity, and functional validation in line with industry and customer-specific standards. The company also provides Service support for repair or restoration of the machine as required by the Customer. Company warrants that any material or component shall be repaired or replaced, if found defective, within a period of twelve (12) months from the date of installation and commissioning.

In February 2021, ATL, together with AIOI Systems Co. Ltd., Japan, and AIOI Systems India Private Limited, entered into a tripartite joint venture agreement. Under this arrangement, AIOI Systems Co. Ltd. holds the majority stake of 76%, while the Company holds 24% of the equity share capital in AIOI Systems India Private Limited. The joint venture focuses on the development, design, manufacturing, marketing, and supply of automation products and devices within the Indian market. As of January 31, 2026, it had 183 employees on its payroll. As of April 15, 2026, it had an order book worth Rs. 44.33 cr.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO of 4308000 equity shares of Rs. 10 each to mobilize Rs. 74.10 cr. at the upper cap. The company has announced a price band of Rs. 163 - Rs. 172 per share of Rs. 10 each. The minimum application to be made is for 1600 shares and in multiples of 800 shares thereon, thereafter. The issue opens for subscription on April 23, 2026 and will close on April 27, 2026. The shares will be listed on NSE SME Emerge. The IPO constitute 26.40% of the post-IPO paid-up capital of the company. From the net proceeds of the fresh equity issue, it will utilize Rs. 10.00 cr. for repayment/prepayment of certain borrowings, Rs. 10.00 cr. for working capital, Rs. 37.77 cr. for capex on setting up of a new factory unit, and the rest for general corporate purposes.

The IPO is solely lead managed by Hem Securities Ltd., and KFin Technologies Ltd. is the registrar to the issue. HEM GROUP’S Hem Finlease Pvt. Ltd. is the market maker as well as a syndicate member.

After issuing initial equity capital at par value, it issued bonus shares in the ratio of 1200 for 1 in September 2025. The average cost of acquisition of shares by the promoters is Rs. 0.01 per share.

Post-IPO, company’s current paid-up equity capital of Rs. 12.01 cr. (12010000 equity shares) will stand enhanced to Rs. 16.32 cr. (16318000 equity shares). Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 280.67cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) posted total income/ net profit, of Rs. 76.15 cr. / Rs. 5.83 cr. (FY23), Rs. 104.14 cr. / Rs. 11.54 cr. (FY24), Rs. 133.02 cr. / Rs. 15.94 cr. (FY25). For 7M of FY26 ended on October 31, 2025, it earned a net profit of Rs. 3.74 cr. on a total income of Rs. 55.71 cr. The company marked quantum jump in its bottom lines from FY24 onward, that not only raise eyebrows, but also concern over its sustainability going forward.

For the last three fiscals, the company has reported an average EPS of Rs. 10.81 and an average RoNW of 32.92%. The issue is priced at a P/BV of 3.90 based on its NAV of Rs. 44.16 per share as of October 31, 2025, but its post-IPO NAV data is missing from offer documents.

If we attribute FY26 annualized earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 43.77, and based on FY25 earnings, the P/E stands at 17.60. The issue appears aggressively priced based on its recent earnings.

The company has posted PAT Margins of 8.05% (FY23), 11.38% (FY24), 12.23% (FY25), 6.89% (7M-FY26), and RoCE margins of 27.25%, 32.35%, 29.11%, 9.05%, respectively for referred periods. Its outperforming PAT margin with industry peer is a big surprise.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It will adopt a prudent dividend policy, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Patil Automation, as its listed peer. It is currently trading at a P/E of 27.6 (as of April 20, 2026). However, they are not truly comparable on an apple-to-apple basis. This compare is nothing but an eyewash.

Merchant Banker's Track Record

This is the 44th mandate from Hem Securities in the last three fiscals (including the ongoing one). Out of the last 10 listings, 2 opened at discount, 1 at par, and the rest with premium ranging from 1% to 90% on the date of listing. The lead manager has an average performance.

Conclusion / Investment Strategy

ATL is an industrial digital automation solutions provider. It posted erratic financial data showing inconsistency in top line, but bottom line marked growth. 7M-FY26 indicates declined top and bottom lines. Based on its recent financial data, the issue appears aggressively priced. Only well-informed/cash surplus/risk seekers may park moderate funds for long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

SEBI Registered Research Analyst – Mumbai · Registration No.: INH000003127 (Perpetual)

Disclaimer: The information provided herein is solely for educational and informational purposes and does not constitute an offer, solicitation, or recommendation to buy or sell any securities. Readers are advised to consult a qualified financial advisor before making any investment decisions. Investments in the securities market are subject to market risks. The author does not intend to invest in the securities discussed.