IPO REVIEW

FX Multitech IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 19 September 2026

- The company is engaged in the distribution and export of a diverse portfolio of products primarily catering to HVAC and Industrial Refrigeration industry.
- The company posted growth in its top and bottom lines for the reported periods.
- Its debt of Rs. 26.11 cr. as of Marach 31, 2026 raise alarm.
- Based on its recent average financial data, the issue appears fully priced.
- Well-informed investors may park moderate funds for long term.

About the Company

FX Multitech Ltd. (FML) is engaged in the distribution and export of a diverse portfolio of products, primarily catering to the HVAC (Heating, Ventilation, and Air Conditioning) and Industrial Refrigeration Industry. Over the years the Company has positioned itself as a reliable partner for industrial and commercial customers by offering technologically advanced products that meet the diverse requirements across the refrigeration and HVAC value chain.

FML’s product range includes, but is not limited to, the broad categories: - • Compressors, • Refrigeration & Air-Conditioning Controls, • Industrial Refrigeration Controls, • Variable Frequency Drives and Automation, • Specialized Components & Tools, • Heat Exchangers, • Cold Room Evaporators, • Refrigerants and Ancillary Products

Its product strategy is focused on providing a comprehensive range of high-quality products to meet the needs of customers in the HVAC (Heating, Ventilation, and Air Conditioning) and industrial refrigeration sectors. As a distributor, it sources and supplies technologically advanced products from globally recognized manufacturers, ensuring that its customers receive the solutions for their specific requirements. By offering products that meet international standards of performance, reliability, and energy efficiency, the company caters to a broad spectrum of industrial and commercial applications.

Its emphasis is on providing reliable, energy-efficient, and cost-effective products, allowing customers to optimize their operations while adhering to industry standards. Its ability to source products from global manufacturers allows it to meet the evolving needs of customers in an ever-changing market, in the HVAC and industrial refrigeration industries. Its exports revenue declined from 9.03% of FY24 to 0.83% for FY26. As of July 31, 2026, it had 48 employees on its payroll.

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of 3900000 equity shares of Rs. 10 each to mobilize Rs. 45.24 cr. at the upper cap. The IPO consists of 3552000 fresh equity shares (worth Rs. 41.20 cr. at the upper cap), and an Offer for Sale (OFS) of 348000 equity shares (worth Rs. 4.04 cr. at the upper cap. The company has announced a price band of Rs. 110 – Rs. 116 per share. The minimum application to be made is for 2400 shares and in multiples of 1200 shares thereon, thereafter. The issue opens for subscription on September 21, 2026 and will close on September 23, 2026. The shares will be listed on BSE SME. The IPO constitute 27.16% of the post-IPO paid-up capital of the company. From the net proceeds of the issue, the company will utilize Rs. 6.26 cr. for investment in subsidiary – Everestt Chillers Pvt. Ltd. for purchase of machineries, Rs. 10.00 cr. for repayment/prepayment of certain borrowings, Rs. 14.83 cr. for working capital needs, and the rest for general corporate purposes.

The IPO is solely lead managed by Oneview Corporate Advisors Pvt. Ltd., while MUFG Intime India Pvt. Ltd. is the registrar to the issue. Basan Equity Broking Ltd., is a market maker, and also a syndicate member.

After issuing initial equity capital at par value, the company also issued/converted further equity shares in the price range of Rs. 23.50 – Rs. 100.00 per share, between March 2011, and May 2017. It has also issued bonus shares in the ratio of 40 for 1 in March 2025. The average cost of acquisition of shares by the promoters is Rs. 0.29, Rs. 0.47, Rs. 1.00, and Rs. 1.09 per share.

Post-IPO, company’s current paid-up equity capital of Rs. 10.81 cr. (10807600 equity shares) will stand enhanced to Rs. 14.36 cr. (14359600 equity shares). Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 166.57 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a standalone basis) posted total income/ net profit, of Rs. 68.74 cr. / Rs. 4.18 cr. (FY24), Rs. 102.34 cr. / Rs. 9.64 cr. (FY25), Rs. 111.90 cr. / Rs. 11.54 cr. (FY26). The company posted steady growth in its top and bottom lines for the reported periods.

On a consolidated basis, for the last two fiscals, it marked total income/net profit of Rs. 102.45 cr. / Rs. 9.55 cr. (FY25), and Rs. 126.41 cr. / Rs. 11.80 cr. (FY26). Its total debt of Rs. 26.11 cr. raise alarm.

For the last three fiscals, the company has reported an average EPS of Rs. 9.05 and an average RoNW of 32.18%. The issue is priced at a P/BV of 3.29 based on its NAV of Rs. 35.22 per share as of March 31, 2026 , and at a P/BV of 2.10 based on its post-IPO NAV of Rs. 55.20 per share (at the upper cap).

If we attribute FY26 earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 13.76, and based on FY25 earnings, the P/E stands at 17.47. The issue appears fully

priced based on its recent average earnings.

The company has posted PAT Margins of 6.10% (FY24), 9.35% (FY25), 9.60% (FY26) and RoCE margins of 24.54%, 28.98%, 28.93%, respectively for referred periods.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It has already adopted a dividend policy in June 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has no listed peers to compare with.

Merchant Banker's Track Record

This is the 6th mandate from Oneview Corporate, in the last three fiscals (including the ongoing one). Out of the last 5 listings, 1 opened at par, and the rest listed with a premium ranging from 1.75% to 90.00% on the listing date.

Conclusion / Investment Strategy

FML is engaged in the distribution and export of a diverse portfolio of products primarily catering to HVAC and Industrial Refrigeration industry. The company posted growth in its top and bottom lines for the reported periods. Its debt of Rs. 26.11 cr. as of Marach 31, 2026 raise alarm. Based on its recent average financial data, the issue appears fully priced. Well-informed investors 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.

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