

ABOUT COMPANY:

Marushika Technology Ltd. (MTL) was originally incorporated on July 03, 2010 as a Private Limited Company in the name of “Marushika Traders and Advisors Private Limited” vide Registration No. 205156 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on February 23, 2016, name of company was changed from “Marushika Traders and Advisors Private Limited” to “Marushika Technology Advisors Private Limited”. and consequently, the name of our Company was changed to “Marushika Technology Advisors Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on August 29, 2024 by the Registrar of Companies, Central Processing Center. Further, pursuant to a special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on December 17, 2024 and consequently, the name of company was changed to “Marushika Technology Advisors Limited” to “Marushika Technology Limited”. As on the date of this Red Herring Prospectus, The Corporate Identification Number of our Company is U62099DL2010PLC205156.

It is engaged in the business of distribution of Information Technologies (IT) and Telecom Infrastructure products. The company provides wide range of IT products and services to clients in setting up their data Centre’s infrastructure, active networking, telecom system, advanced surveillance systems, data protection, cybersecurity and power management. It also offers installation, maintenance services and assisting clients in selecting the right type of IT infrastructure for their specific need. Additionally, the Company offers a range of smart solution including smart access control, parking, lighting, and waste management.

Further, the company has expanded offerings to include Auto-tech solutions for Defence, where it offers various services comprising of maintenance, refurbishment, and reverse engineering of tracked and wheeled military vehicles. The Company generated some revenue from this vertical in the financial year 2024–25 and has additional assignments in the pipeline. Currently, the company has completed one project with respect to the Auto tech solution for defence.

The company primarily operates on a Business to Business (B2B) model and Business-to-Government (B2G). It generates revenue by providing services to both government and non-government clients, where the ultimate end customer is often a government. Further, the company provides products and services to Government sector including Bharat Electronic Limited (BEL), Central Electronic Limited (CEL), Delhi Metro Rail Corporation (DMRC) and National Security Guard (NSG). It offers product and service to Infrastructure projects of various verticals of Central & State Government and Public Sector Units (PSU) such as Defence, IT and Telecom Infra, Transportation, Education and Health. Over the year, it has steadily expanded its

execution capabilities and successfully completed more than 150 projects. As on December 31, 2025 it has ongoing projects of an aggregate amount of Rs. 35.45 cr.

ISSUE DETAILS/ CAPITAL HISTORY:

The company is coming out with its maiden book building route IPO of 2305200 equity shares of Rs. 10 each to mobilize Rs. 26.97 cr. at the upper cap. The company has announced a price band of Rs. 111 - Rs. 117 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 February 12, 2026 and will close on February 16, 2026. The IPO constitute 27.00% of the post-IPO paid-up capital of the company. The shares will be listed on NSE SME Emerge. From the net proceeds of the IPO, it will utilize Rs. 14.68 cr. for working capital, Rs. 5.00 cr. for repayment/prepayment of certain borrowings, and the rest for general corporate purposes.

The IPO is solely lead managed by Nexgen Financial Solutions Pvt. Ltd., and Skyline Financial Services Pvt. Ltd. is the registrar to the issue. Nikunj Stock Brokers Ltd. is the market maker.

The company has issued initial equity capital at par value. It issued further equity shares in the price range of Rs. 25 to Rs. 173 per share between October 2016, and September 2024. It has also issue bonus shares in the ration of 6 for 1 in June 2024. The average cost of acquisition of shares by the promoters is Rs. 1.43, Rs. 5.08, and Rs. 5.12 per share.

Post-IPO, company's current paid-up equity capital of Rs. 6.23 cr. will stand enhanced to Rs. 8.54 cr. Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 99.88 cr.

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. 37.03 cr. / Rs. 0.40 cr. (FY23-standalone), Rs. 60.83 cr. / Rs. 3.14 cr. (FY24), Rs. 85.63 cr. / Rs. 6.29 cr. (FY25). For H1 of FY26 ended on September 30, 2025, it posted a net profit of Rs. 3.14 cr. on a total income of Rs. 48.71 cr. The company posted growth in its top lines for the reported periods, but quantum jump in bottom lines from FY24 onwards raise eyebrows and concern over its sustainability as it is operating in a highly competitive and fragmented segment.

For the last three fiscals, the company has reported an average EPS of Rs. 7.06, and an average RoNW of 36.79%. The issue is priced at a P/BV of 3.94 based on its NAV of Rs. 29.71 per share as of September 30, 2025, and at a P/BV of 2.20 based on its post-IPOP NAV of Rs. 53.28 per share (at the upper cap).

If we attribute FY26 annualized super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 15.92, and based on FY25 earnings, the P/E stands at 15.90. The issue appears fully priced.

For the reported periods, the company has posted PAT margins of 1.09% (FY23), 5.18% (FY24), 7.37% (FY25), 6.45% (H1-FY26), and RoCE margins of 9.92%, 18.63%, 26.88%, 13.89% respectively, for referred periods.

DIVIDEND POLICY:

The company has not paid any dividends for any financial year. 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 Vertexplus Techno, Synoptics Techno, as its listed peers. They are currently trading at a P/E of 92.3, and 12.4 (as of February 10, 2026). However, they are not truly comparable on an apple-to-apple basis. This compare is nothing but an eyewash.

MERCHANT BANKER'S TRACL RECORD:

This is the 3rd mandate from Nexgen Financial in the ongoing fiscal. From the last 2 listings, all opened with premium ranging from 27.48% to 28.38% on the date of listing.

Conclusion / Investment Strategy

MTL is engaged in the business of distribution of IT and Telecom Infra products and related services. It posted growth in its top and bottom lines for the reported periods. Speedy growth from FY24 onwards in top and bottom lines raise eyebrows. Based on its recent financial data, the issue appears fully priced. Small paid-up equity capital post IPO indicates longer gestation period for migration. Well-informed/cash surplus investors may park moderate funds for medium term.

Review By Dilip Davda on February 10, 2026