

Paluck Technologies IPO

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- The company that was incorporated for providing diesel generator services diversified its activities over the years.
- Currently it is providing engineering services to automobiles, logistics and equipment rentals, telecom Engg., etc, and enjoys most preferred partner tag across the user industry.
- The company posted rising top and bottom lines, with surged growth from FY25 onwards.
- Based on its recent average financial data, the issue appears reasonably priced.
- Well-informed investors can park funds for medium to long term.

About the Company

Paluck Technologies Ltd. (PTL) was originally founded in 2009, and was engaged in providing diesel generator services. Over the years, the Company has evolved into a diversified engineering services and infrastructure support Organisation, with operations spanning Automobile & Engineering Services, Logistics & Equipment Rental, Telecom Engineering. The Company has built and maintains a robust portfolio serving both corporate and retail clients across sectors with high growth potential.

The company's focus is to deliver best-in-class solutions through strong OEM partnerships, geographic advantage, and a multi-segment operational model. In the Construction Equipment Rental segment, the Company provides end-to-end concrete transportation, infrastructure equipment rental, and RMC plant setup services. With a substantial asset base comprising 92 transit mixers, 13 concrete pumps, and 23 Logistics Trucks, Paluck caters to leading infrastructure developers, EPC contractors, and cement manufacturers across key infrastructure development regions including Delhi NCR, Rajasthan, Haryana, Madhya Pradesh, Gujarat, Odisha, and Jammu & Kashmir.

The Logistics and Fleet Management division supports infrastructure and construction logistics through its owned fleet of over 190 specialized vehicles including transit mixers, logistic trucks and pump units. These resources are strategically deployed across high-infra regions to ensure timely and efficient project execution. The vehicles are managed through an integrated digital system connected with ERP, SAP, and GPS tracking solutions. Within the Telecom Engineering Services vertical, company has established itself as a trusted implementation and maintenance partner for major telecom operators. The Company executes contracts awarded by leading telecom OEMs and has a proven track record of managing over 7500 telecom sites across India, the Company supports network expansion, upgrade, and maintenance programs across multiple telecom circles.

Additionally, Paluck Technologies operates as an Authorized Service Center and Dealership for prominent OEMs. The Company provides servicing of diesel and gas generators, including the supply and installation of dual-fuel conversion kits and retro emission control devices (RECDs) compliant with NGT norms. The Company also undertakes authorized service center and dealership for commercial vehicle and two-wheeler including maintenance services and spare parts distribution in the State of Haryana. These dealerships reflect the Company's strong OEM alignment and capability to serve a wide customer base with trusted and compliant solutions.

Paluck Technologies' diversified business model, long-standing relationships with industry leaders, and strategic presence across key geographies position it well for sustainable growth and value creation in India's evolving infrastructure and energy ecosystem.

The Company is scaling its Ready-Mix Concrete (RMC) operations, backed by a Rs. 20+ crore order book and ongoing contracts. Plans are underway to install 2-4 new RMC plants to meet rising demand. With 92 transit mixers, 13 concrete pumps, and 23 Logistics Trucks, 7+ years of industry experience, and a 192 skilled workforce, the Company is well-positioned to drive growth and improve operational efficiency in this segment.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO of 6876000 equity shares of Rs. 10 each to mobilize Rs. 33.00 cr. The company has announced a price band of Rs. 46 – Rs. 48 per share. The minimum application to be made is for 6000 shares and in multiples of 3000 shares thereon, thereafter. The issue opens for subscription on August 28, 2026 and will close on September 01, 2026. The shares will be listed on BSE SME. The IPO constitute 33.02% of the post-IPO paid-up capital of the company. From the net proceeds of the issue, the company will utilize Rs. 10.00 cr. for working capital, Rs. 10.00 cr. capex for purchase of new ready mix concrete machinery and DG sets, Rs. 3.10 cr. for repayment/prepayment of certain borrowings, and the rest for general corporate purposes.

The IPO is solely lead managed by Horizon Management Pvt. Ltd., and Bigshare Services Pvt. Ltd. is the registrar to the issue. Giriraj Stock Broking Pvt. Ltd., is a market maker. The IPO is underwritten to the tune of 15% by Horizon Management Pvt. Ltd., and 85% by Smart Horizon Capital Advisors Pvt. Ltd.

After issuing initial equity capital at par value, the company issued further equity shares in the price range of Rs. 216 – Rs. 2110 between May 2018, and January 2025. It has also issued bonus shares in the ratio of 2 for 1 in March 2019, and 35 for 10 in April 2025. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. XX, Rs. XX, and Rs. XX per share.

Post-IPO, company's current paid-up equity capital of Rs. 13.95 cr. (13946282 equity shares) will stand enhanced to Rs. 20.82 cr. (20822282 equity shares). Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 99.95 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted total income/ net profit, of Rs. 92.30 cr. / Rs. 2.18 cr. (FY23), Rs. 101.74 cr. / Rs. 3.43 cr. (FY24), Rs. 102.90 cr. / Rs. 9.63 cr. (FY25). For 11M-FY26 ended on February 28, 2026, it earned a net profit of Rs. 13.84 cr. on a total income of Rs. 105.09 cr. Boosted profits from FY25 onwards raise eyebrows. Its contingent liability stood at Rs. 1.17 cr. as of February 28, 2026.

For the last three fiscals, the company has reported an average EPS of Rs. 20.90 and an average RoNW of 23.74%. The issue is priced at a P/BV of 1.47 based on its NAV of Rs. 32.74 per share as of February 28, 2026, 2026 , but its post IPO NAV data is having garbled info in the offer documents.

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 6.62, and based on FY25 earnings, the P/E stands at 10.37. The issue appears reasonably priced based on its recent average earnings.

The company has posted PAT Margins of 2.36% (FY23), 3.41% (FY24), 9.37% (FY25), 13.18% (11M - FY26) and ROCE margins of 13.24%, 21.97%, 37.09%, 27.43%, respectively for referred periods.

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 offer documents, the company has no listed peers to compare with.

Merchant Banker's Track Record

This is the 28 th mandate from Horizon Management in the last four fiscals (including the ongoing one). Out of the last 11 listings, 4 opened with discount, 1 at par, and the rest listed with a premium ranging from 3.08% to 90.0% on the listing date.

Conclusion / Investment Strategy

PTL, that was incorporated for providing diesel generator services diversified its activities over the years. Currently it is providing engineering services to automobiles, logistics and equipment rentals, telecom Engg., etc, and enjoys most preferred partner tag across the user industry. The company posted rising top and bottom lines, with surged growth from FY25 onwards. Considering the ongoings around, the company is poised for bright prospects. Based on its recent average financial data, the issue appears reasonably priced. Well-informed investors can park funds for medium to 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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