IPO REVIEW

Seemax Resources IPO

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- The company is engaged in providing rental services as well as trading of material handling equipments.
- It owns 97 MHE vehicles that are operating in various industries.
- The company posted growth in its top and bottom lines for the reported periods.
- Based on its recent financial data, the issue appears exorbitantly priced.
- The merchant banker has a poor track record.
- Simply stay away from this pricey and dicey IPO.

About the Company

Seemax Resources Ltd. (SRL) is providing rental services as well as trading of Material Handling Equipment (MHE), enabling customers to purchase equipment that matches their operational requirements and financial plans. Its business model is structured to serve a broad spectrum of industries, including automotive, steel, Glass, cement, textiles, engineering goods, warehousing and logistics, retail and e-commerce, ports and shipping, construction and infrastructure, as well as aviation and railways. Each of these sectors has distinct requirements for efficient material movement and handling, and the company designs solutions to address their specific operational needs.

As of December 31,2025, its Rental Solutions vertical is supported by a fleet of 97 MHE units, owned and operated by it, comprising battery forklifts, diesel forklifts, Hydra cranes, battery-operated pallet trucks (BOPT), and reach trucks. SRL offers a comprehensive range of new MHE sourced directly from reputed global manufacturers with whom it maintains authorized dealership relationships. These manufacturers are recognised as established leaders in the material handling industry, which ensures that the equipment it supplies is reliable, high-performance, and compliant with applicable safety and industry standards.

In addition, the company provides customized MHE solutions tailored to specific operational, dimensional, or functional requirements. This flexibility allows customers to procure equipment that is not only aligned with their budgets but also optimally suited to their business needs. Through a blend of standard offerings from leading global manufacturers and tailored solutions, it delivers compliant, and effective material handling equipment to customers. The company generates major revenues from renting of MHE on a rental basis, trading of goods. As of March 31, 2026, it had 179 employees on its payroll.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO of 1400000 equity shares of Rs. 10 each to mobilize Rs. 19.74 cr. The company has announced the price band of Rs. 134 – Rs. 141 per share. The minimum application to be made is for 2000 shares and in multiples of 1000 shares thereon, thereafter. The issue opens for subscription on June 30, 2026 and will close on July 02, 2026. The shares will be listed on BSE SME. The IPO constitute 31.82% of the post-IPO paid-up capital of the company. From the net proceeds of the issue, the company will utilize Rs. 3.25 cr. for working capital, Rs. 10.00 cr. for capex on purchase of material handling equipment, Rs. 1.50 cr. for repayment/prepayment of certain borrowings, and the rest for general corporate purposes.

The IPO is solely lead managed by Wealth Mine Networks Pvt. Ltd., and Cameo Corporate Services Ltd. is the registrar to the issue. Sunflower Broking Pvt. Ltd. is a market maker, and also syndicate member.

After issuing entire initial equity capital at par value, the company issued bonus shares in the ratio of 299 for 1 in August 2024. The average cost of acquisition of shares by the promoters is Rs. NA per share.

Post-IPO, company’s current paid-up equity capital of Rs. 3.00 cr. will stand enhanced to Rs. 4.40 cr. Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 62.04 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted total income/ net profit, of Rs. 11.38 cr. / Rs. 0.79 cr. (FY23), Rs. 11.41 cr. / Rs. 1.43 cr. (FY24), Rs. 14.46 cr. / Rs. 2.24 cr. (FY25). For 9M of FY26 ended on December 31, 2025, it earned a net profit of Rs. 2.24 cr. on a total income of Rs. 12.43 cr.

For the last three fiscals, the company has reported an average EPS of Rs. 5.75 and an average RoNW of 39.66%. The issue is priced at a P/BV of 5.31 based on its NAV of Rs. 26.53 per share as of December 31, 2025, but its post IPO NAV data is missing from 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 20.73, and based on FY25 earnings, the P/E stands at 27.76. The issue appears exorbitantly priced based on its recent earnings.

The company has posted PAT Margins of 7.02% (FY23), 12.57% (FY24), 15.52% (FY25), 19.52% (9M-FY26), and ROCE margins of 28.98%, 39.19%, 43.09%, 31.72%, respectively for referred periods.

Dividend Policy

The company has not paid any dividends since incorporation. 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 Sanghvi Movers as its listed peer. It is currently trading at a P/E of 18.7 (as of June 25, 2026). However, they are not truly comparable on an apple-to-apple basis. This compare appears as an eyewash.

Merchant Banker's Track Record

This is the 4th mandate from Wealth Mine in the last two fiscals (including the ongoing one). Out of the last 3 listings, all opened at a discount on the listing date. The merchant banker has a poor track record.

Conclusion / Investment Strategy

SRL is engaged in providing rental services as well as trading of material handling equipments. It owns 97 MHE vehicles that are operating in various industries. The company posted growth in its top and bottom lines for the reported periods. Based on its recent financial data, the issue appears exorbitantly priced. The merchant banker has a poor track record. Tiny paid-up capital post IPO indicates longer gestation period for migration. Simply stay away from this pricey and dicey IPO.

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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