IPO REVIEW

SRIT India IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 26 September 2026

- The company is engaged in IT, and IT enabled services solution provider.
- The company offers digital solutions, automations of system through customized applications.
- The company is operating in a highly competitive and fragmented segment.
- It had orders worth Rs. 1204.72 cr., on hand as of June 30, 2026.
- Based on its recent average financial data, the issue appears aggressively priced.
- Well-informed investors may park moderate funds for medium term.
- In View Of The Likely Bank Strike From 28.09.26 To 30.09.26, The Ipos/Primary Offers That Are Falling Between These Three Days, Ipos Schedule Time Line May Change And The Revised Dates Will Get Effective For Opening And / Or Closing Schedules, As The Case May Be. Investors Are Requested To Make A Note Of This.

About the Company

SRIT India Ltd . (SIL) is a Bengaluru-headquartered Information Technology and Information Technology enabled Services (“IT/ITeS”) solutions company offering digital solutions and automations of systems through custom application development and integration services. It has a track record of twenty-six years in designing, implementing and operating digital platforms for Government entities and Enterprises in India and select overseas markets. The Company has successfully implemented large-scale, mission-critical projects for both central and state government bodies across India (Source: D&B Report).

SIL’s activities are organised across three verticals: (i) healthcare, (ii) electronic governance, and (iii) telecommunications and broadband. Through these verticals, it provides technology-enabled solutions, system integration, operations and maintenance services to Government clients and Enterprises.

The company is also strengthening its capabilities in artificial intelligence through the development and deployment of AI-enabled solutions in order to strengthen service offerings. It is in the process of undertaking projects and remain focused to deliver and include AI-enabled solutions. Its delivery processes are appraised at Capability Maturity Model Integration (“CMMI”) Level 5 and Systems Security Engineering – Capability Maturity Model (“SSE-CMM”), and are certified to ISO 27034-1:2011, ISO/IEC 27001:2022, ISO 45001:2018.

Owing to its consistent service delivery and execution capabilities, SIL’s revenue from operations has increased from Rs. 389.35 cr. in Fiscal 2025 to Rs. 450.00 cr. in Fiscal 2026 at a CAGR of 15.58%. Its

profit after tax has increased from Rs. 33.60 cr. in Fiscal 2025 to Rs.43.29 cr. in Fiscal 2026 at a CAGR of 28.82%. The company designs and delivers project-specific solutions as well as offers products that are configurable and customizable based on client requirements, and may be integrated with other products or third-party products. These products are deployed in the manner required by the client and may be used on a standalone basis or in conjunction with its broader solution suite, and support integration with third-party platforms and products. This supports its ability to service customized requirements through configurable deployments, while also offering standardized product offerings where appropriate. As of June 30, 2026, it had 177 employees on its payroll. Its order book stood at Rs. 1204.72 cr.as of June 30, 2026.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO of 16800000 equity shares worth Rs. 218.40 cr. at the upper cap. The company has announced a price band of Rs. 123 – Rs. 130 per equity shares of Rs. 5 each. The issue opens for subscription on September 28, 2026, and will close on September 30, 2026. The minimum application to be made is for 115 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 26.14% of the post-IPO paid-up equity capital. From the net proceeds of the fresh equity issue, the company will utilize Rs. 12.86 cr. for capex on modernization of existing products and redevelopment, Rs. 124.00 cr. for working capital, and the rest for inorganic growth through unidentified acquisitions / general corporate purposes.

The sole Book Running Lead Manager (BRLM) to this issue is Choice Capital Advisors Pvt. Ltd., while KFin Technologies Ltd. is the registrar to the issue. Choice Equity Broking Pvt. Ltd., and NNM Securities Pvt. Ltd. are syndicate members.

Having issued/converted initial equity shares at par value, the company has issued/converted further equity shares in the price range of Rs. 9.25 – Rs. 95.00 per share (on the basis of Rs. 5 FV), between December 2001 and November 2025. The company also issued bonus shares in the ratio of 5 for 1 in March 2005. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. 0.00, and Rs. 2.60 per share.

Post-IPO, its current paid-up equity capital of Rs. 23.74 cr. (47471757 equity shares) will stand enhanced to Rs. 32.14 cr. (64271757 equity shares). Based on the upper cap of the price band, the company is looking for a market cap of Rs. 835.53 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) posted a total income/net profit, of Rs. 282.22 cr. / Rs. 29.08 cr. (FY24), Rs. 400.50 cr. / Rs. 33.60 cr. (FY25), and Rs. 462.54 cr. / Rs. 43.29 cr. (FY26). The company posted growth in its top and bottom lines for the reported periods.

Its contingent liabilities stood at Rs. 63.38 cr. as of March 31, 2026., and surge in trade receivables to Rs. 234.75 cr. as of March 31, 2026 raise concern.

For the last three fiscals, the company has posted an average EPS of Rs. 8.03 and an average RoNW of 35.39 %. The issue is priced at a P/BV of 3.19 based on its NAV of Rs. 40.71 as of March 31, 2026, and at a P/BV of 2.03 based on its post-IPO NAV of Rs. 64.05 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 19.29. Based on FY25 earnings, the P/E stands at 24.86. The issue appears aggressively priced based on its recent average performance.

For the reported periods, the company has reported PAT Margins of 10.73% (FY24), 8.63% (FY25), 9.62% (FY26), and RoCE margins of 47.52%, 37.42%, 28.79%, respectively, for the 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 December 2025, based on its financial performance and future prospects .

Comparison with Listed Peers

As per the offer document, the company has shown Mastek Ltd., Railtel corp., Protean eGov, Allied Digital, Aurionpro, as its listed peers. They are currently trading at a P/E of 11.2, 22.5, 32.8, 16.8, and 17.7 (as of September 25, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash.

Merchant Banker's Track Record

The sole BRLM associated with this issue has handled 12 IPOs in the last three fiscals and out of which 4 IPOs closed below the issue price on listing date.

Conclusion / Investment Strategy

SIL is engaged in IT, and IT enabled services solution provider. The company offers digital solutions, automations of system through customized applications. The company is operating in a highly competitive and fragmented segment. It had orders worth Rs. 1204.72 cr., on hand as of June 30, 2026. Based on its recent average financial data, the issue appears aggressively priced. Well-informed investors may park moderate funds for medium 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)

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