



Sollfege Smart Electronics Limited

Consumer Discretionary

IPO Report

Apply

SME IPO

Price Band: ₹55 per share
Bidding: 30 Sep to 05 Oct, 2026
Listing At: BSE SME
Listing Date: Oct 8, 2026

Details of the Issue

Lead Manager	Finshore Management Services Ltd.
Registrar	Kfin Technologies Ltd.
Market Maker	MNM Stock Broking Pvt.Ltd.

Promoters Holding (%)

Pre-Issue	99.97
Post-Issue	60.38

Offer Structure

Market Maker	2,00,000 shares
Retail	18,80,000 shares
NII	18,80,000 shares
Fresh Issue	39,60,000 shares
Total Issue	₹21.78 Cr

Financial Summary (₹ in Lakhs)

Particular	FY26	FY25	FY24
Revenue	2,220.93	2,101.28	1,853.02
EBITDA	400.24	324.25	173.25
PAT	219.13	212.65	175.93

Minimum Application

Category	Lots	Shares	Amount
Retail	2	4,000	₹2,20,000
HNI	3	6,000	₹3,30,000

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 customer	24.94	17.38	43.63
Top 5 customers	60.58	51.54	61.63
Top 10 customers	67.32	57.68	66.83

Valuations

NAV(FY'26)	19.24
EPS(FY'26)	3.63
P/E(Pre Issue)	15.15

Promoters

Umesh Kumar Agarwal

Company Overview

Incorporated in 2012, Sollfege Smart Electronics Limited is an integrated technology solutions provider offering premium audio, video, home automation, smart living, lifestyle and wellness solutions in India. Its portfolio includes high-end audio and video equipment, home automation, networking, security and surveillance, lighting and climate control solutions, catering to high-end residential, commercial and institutional spaces.

Object of the Issue

- Funding Capital Expenditure for expansion of the company's Retail Network by launching 12 new Showrooms: ₹854.28 lakhs
- Working Capital Requirements: ₹967.47 lakhs
- General Corporate Expenses: ₹180.00 lakhs

Price Band Analysis

At the upper price band of ₹55, Sollfege Smart Electronics Limited commands a post-issue P/E of 25.10x and P/B of 2.86x, indicating a relatively premium valuation on earnings with a moderate premium to book value. The company operates in the premium audio-video, home automation and smart living solutions industry, which is supported by increasing adoption of smart-home technologies, premium consumer electronics and integrated lifestyle solutions.

Risk Measures:

- Over 98% of operational revenue during FY24-FY26 was derived from trading and distribution activities across Audio, Video and Smart Living solutions. Any disruption in product procurement, inventory management or brand partnerships could materially impact revenue and business continuity.
- The top 10 customers contributed 67.32%, 57.68% and 66.83% of total revenue from operations in FY26, FY25 and FY24, respectively, exposing the Company to significant customer concentration risk. Any loss, reduction or delay in business from key customers could materially impact revenue and profitability.

Investment Rationale:

- Operational revenue increased from ₹18.53 Crores in FY24 to ₹22.21 Crores in FY26, while EBITDA more than doubled from ₹1.73 Crores (9.35% margin) to ₹4.00 Crores (18.02% margin) over the same period. PAT also grew from ₹1.76 Crores to ₹2.19 Crores, reflecting improved operating efficiency and profitability.
- The company operates in premium audio-video, smart home automation and lifestyle solutions, serving HNIs, architects and luxury real estate developers. Authorised partnerships with global brands and experience centres support its premium positioning and high-value sales potential.
- The company plans to invest ₹854.28 lakhs (39.22% of the issue size) to establish 12 new COCO showrooms across West Bengal, Assam and Haryana, expanding its network from 3 to 15 outlets. The expansion is expected to strengthen geographic diversification and reduce reliance on the Kolkata showroom, which contributed ~90.72% of FY26 revenue.
- However, inventory holding stood at 332 days in FY26, projected to moderate to 257 days in FY27, while the trade receivables cycle stood at 156 days, indicating significant capital tied up in inventory and receivables. High inventory levels also increase carrying costs and exposure to technological obsolescence.

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Financials (₹ in lakhs, Except for Percentage & Ratios)

Particular	FY26	FY25	FY24
Revenue From Operations	2,220.93	2,101.28	1,853.02
EBITDA	400.24	324.25	173.25
EBITDA Margin (%)	18.02	15.43	9.35
PAT	219.13	212.65	175.93
PAT Margin (%)	9.86	9.99	8.87
Return on Equity (RoE%)	18.86	22.56	46.90
Return on Capital Employed (RoCE%)	23.57	27.79	54.65
EPS	3.63	3.52	4.35
Debt to Equity	0.60	0.47	0.76

Product wise Revenue Bifurcation (₹ in lakhs)

Particulars	FY26	FY25	FY24
Audio Solutions	946.55	933.87	622.91
Video Solutions	306.04	255.14	253.66
Smart Living Solutions	928.34	907.60	974.49
Service Charge	39.99	4.68	1.97
Total	2,220.92	2,101.29	1,853.03

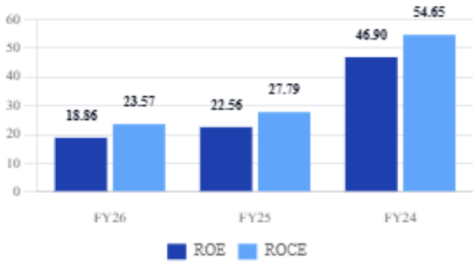
About The Founder



Mr. Umesh Kumar Agarwal, aged 44, is the Promoter and Managing Director of the Company. He holds a Master of Science degree from the University of Glamorgan, Wales, completed in 2005, and has over 15 years of experience in managing and leading business operations.

FINANCIAL HIGHLIGHTS

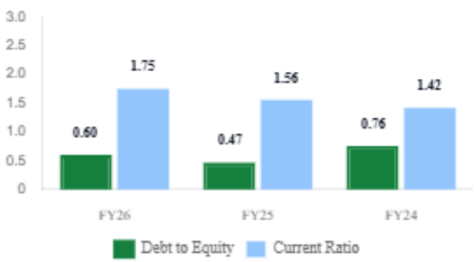
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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