Hy-Tech Engineers Ltd

IPO Note

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Specialised Hydraulic Components Manufacturer with Global OEM Presence

Hy-Tech Engineers Limited, incorporated in 1978, is an engineering company engaged in the design, manufacturing and supply of precision hydraulic fittings and fluid conveyance solutions. Its product portfolio includes DIN metric fittings, JIC flared and flareless fittings, O-Ring Face Seal (ORFS) fittings, conversion fittings, adaptors, hose fittings and customised hydraulic connectors. As of March 2026, the company had a portfolio of more than 11,000 SKUs catering to industries including construction machinery, automotive, agricultural machinery, injection moulding machines, industrial machinery and hydraulic systems. The company operates through a B2B model, supplying directly to OEMs and industrial customers while also leveraging authorised distributors across domestic and international markets.

The company operates six manufacturing facilities across Maharashtra and Madhya Pradesh with a combined installed capacity of 483 lakh pieces per annum for hydraulic fittings and 3,120 MTPA for forging. Hy-Tech has over 11,000 SKUs, serves 170 direct customers and has an international presence across markets including the USA, Europe, Middle East and Asia.

FY2026 revenue from operations stood at INR 189.40 Cr, while EBITDA was INR 41.69 Cr with a margin of 22.01%. PAT stood at INR 22.59 Cr with a margin of 11.68%. The company reported RoE of 20.24%, RoCE of 24.40% and debt-to-equity of 0.24x. Direct sales contributed 88.42% of FY2026 revenue, while exports accounted for 29.37% of revenue from operations.

The company's customer base includes global OEMs, industrial customers and distributors, with key end-user sectors comprising construction equipment, farming machinery and automotive applications. These segments together contributed 54.82% of revenue from operations in FY2026. The company's top-10 customers accounted for 45.32% of FY2026 revenue from operations, while exports to the USA contributed 21.42% of revenue during the year.

The INR 600 Mn (INR 60 Cr) IPO comprises a fresh issue of INR 600 Mn and an Offer for Sale of up to 14.29 Mn equity shares by promoter selling shareholders. Fresh issue proceeds will primarily be utilised towards funding capital expenditure of INR 29.97 Cr for procurement of machinery and equipment expansion at Kavathe, Shirwal and Pithampur Unit-I facilities, along with INR 16 Cr towards repayment/prepayment of certain borrowings.

Industry	Industrial Engineering

Scrip Details	
Listing	BSE & NSE
Open Date	24th Aug, 2026
Close Date	27th Aug, 2026
Price Band	INR 50- 53
Face Value	INR 5
Market Lot	283 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	INR 136
Issue Size sh. (in cr.)	2.56
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre-Issue sh. (in cr.)	8.35
Post Issue sh. (in cr.)	9.49
Post Issue Market Cap (in cr)	502.72

Shareholding (%)	Pre (%)	Post (%)
Promoter	97.99	71.23
Public	2.01	28.77
TOTAL	**100**	**100**

Key Consolidated Financial Data (INR Cr, unless specified):

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS (₹)	BVPS (₹)	RoE (%)	RoCE (%)	P/E (X)	EV/EBITDA (X)
FY24	137.7	23.0	11.6	16.7	8.4	1.2	8.7	14.1	9.4	43.4	23.4
FY25	161.4	36.2	19.6	22.4	12.2	2.1	10.7	19.4	13.5	25.6	15.1
FY26	189.4	40.4	22.4	21.3	11.8	2.4	12.9	74.4	18.7	22.4	12.8

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Hy-Tech Engineers Limited IPO is a book build issue comprising of **44.21% Fresh Issue of 2,56,10,204 Equity Shares** of face value of INR 5 each. The total aggregate value in INR will be determined upon the finalization of the Price Band.

Issue Structure	
Investor Category	**Allocation**
QIB	**Not more than 50% of the Net Offer**
NII (HNI)	**Not less than 15% of the Net Offer**
Retail	**Not less than 35% of the Net Offer**

Source: Company Reports

Objects of the Issue:

1. Funding capital expenditure requirement of the Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and procurement Pithampur Unit-I.
2. Prepayment or repayment, in full or in part, of certain outstanding borrowings availed by the Company.
3. General Corporate Purposes

Financial Summary

Fig in INR Cr (unless specified	FY24	FY25	FY26
Income Statement			
Revenue	137.7	161.4	189.4
YoY Growth (%)	*3.3*	*17.2*	*17.4*
Raw Material Cost	49.7	55.8	67.3
RM Cost to Sales (%)	*36.1*	*34.6*	*35.5*
Employee Cost	19.2	20.3	23.4
Employee Cost to Sales (%)	*14.0*	*12.6*	*12.3*
Other Expenses	45.7	49.1	58.4
Other Exp to Sales (%)	*33.2*	*30.4*	*30.8*
EBITDA	23.0	36.2	40.4
Margin (%)	*16.7*	*22.4*	*21.3*
YoY Growth (%)	*(28.1)*	*57.1*	*11.6*
Depreciation & Amortization	7.3	10.1	10.7
EBIT	15.7	26.1	29.7
Margin (%)	*11.4*	*16.1*	*15.7*
YoY Growth (%)	*(39.4)*	*66.2*	*13.9*
Other Income	3.5	5.3	4.0
Bill discounting & other charg	3.3	5.2	4.5
Fin Charges Coverage (X)	4.7	5.0	6.6
Exceptional Item	0.0	0.0	0.0
PBT	15.8	26.2	29.2
Margin (%)	*11.5*	*16.2*	*15.4*
YoY Growth (%)	*(34.6)*	*65.8*	*11.6*
Tax Expense	4.2	6.6	6.8
Tax Rate (%)	*26.6*	*25.1*	*23.3*
PAT	11.6	19.6	22.4
Margin (%)	*8.4*	*12.2*	*11.8*
YoY Growth (%)	*(35.6)*	*69.2*	*14.3*
Min Int/Sh of Assoc	0.0	0.0	0.0
Net Profit	11.6	19.6	22.4
Margin (%)	*8.4*	*12.2*	*11.8*
YoY Growth (%)	*(35.6)*	*69.2*	*14.3*
Balance Sheet			
Share Capital	0.4	41.8	41.8
Total Reserves	81.8	59.5	80.3
Shareholders Fund	82.2	101.3	122.0
Long Term Borrowings	20.6	22.9	17.1
Deferred Tax Assets / Liabiliti	(1.3)	(1.5)	(2.0)
Other Long Term Liabilities	1.3	1.4	1.6
Long Term Trade Payables	0.0	0.0	0.0
Long Term Provisions	1.2	1.3	1.3
Total Liabilities	104.0	125.3	140.1
Net Block	55.9	64.1	59.4
Capital Work in Progress	5.6	3.1	5.8
Intangible assets under devel	0.0	0.2	0.0
Non Current Investments	0.8	1.7	2.2
Long Term Loans & Advances	3.1	2.0	2.4
Other Non Current Assets	10.3	1.2	5.1
Net Current Assets	28.2	52.9	65.1
Total Assets	104.0	125.3	140.1

Fig in INR Cr (unless specified	FY24	FY25	FY26
Per share data & Yields			
Adjusted EPS (INR)	1.2	2.1	2.4
Adjusted Cash EPS (INR)	2.0	3.1	3.5
Adjusted BVPS (INR)	8.7	10.7	12.9
Adjusted CFO per share (INR)	2.0	1.8	3.2
CFO Yield (%)	3.7	3.4	6.0
Adjusted FCF per share (INR)	(1.0)	0.6	2.0
FCF Yield (%)	(1.9)	1.1	3.8
Solvency Ratio (X)			
Total Debt to Equity	0.5	0.4	0.2
Net Debt to Equity	0.4	0.4	0.1
Net Debt to EBITDA	1.5	1.2	0.4
Return Ratios (%)			
Return on Equity	14.1	19.4	74.4
Return on Capital Employed	9.4	13.5	18.7
Return on Invested Capital	13.3	18.2	30.5
Working Capital Ratios			
Payable Days (Nos)	98	109	109
Inventory Days (Nos)	154	175	175
Receivable Days (Nos)	98	103	103
Net Working Capital Days (No	154	170	170
Net Working Capital to Sales (	32.3	34.6	40.7
Valuation (X)			
P/E	43.4	25.6	22.4
P/BV	6.1	5.0	4.1
EV/EBITDA	23.4	15.1	12.8
EV/Sales	3.9	3.4	2.7
Cash Flow Statement			
PBT	15.8	26.2	29.2
Adjustments	7.2	8.7	15.0
Change in Working Capital	(0.1)	(11.3)	(7.1)
Less: Tax Paid	(4.2)	(6.6)	(6.8)
Cash Flow from Operations	18.7	17.0	30.3
Net Capital Expenditure	(28.2)	(11.6)	(11.3)
Change in Investments	(7.3)	(1.8)	4.1
Cash Flow from Investing	(35.5)	(13.4)	(7.2)
Change in Borrowings	20.5	2.3	(14.5)
Less: Finance Cost	(3.3)	(5.2)	(4.7)
Proceeds from Equity	0.0	0.0	0.0
Buyback of Shares	0.0	0.0	0.0
Dividend Paid	(0.6)	(0.6)	(2.1)
Cash flow from Financing	16.6	(3.5)	(21.3)
Net Cash Flow	(0.2)	0.1	1.9
Forex Effect	0.0	0.0	0.0
Opening Balance of Cash	0.8	0.6	0.7
Closing Balance of Cash	0.6	0.7	2.6

Source: Ventura Research

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