

SEDEMAC

IPO NOTE

SEDEMAC MECHATRONICS



Rating:

AVOID

ISSUE OFFER

Issue Opens on	MAR 04, 2026
Issue Close on	MAR 06, 2026
Total IPO size (cr)	₹1,087
Fresh issue (cr)	-
Offer For Sale (cr)	₹1,087
Price Band (INR)	₹ 1287-1352
Market Lot	11 SHARES
Face Value (INR)	₹10
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹ 5,970.63 CR

ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 50%;"></div>	50%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 35%;"></div>	35%

INDICATIVE TIMETABLE

Basis of Allotment	09-03-2026
Refunds/Unblocking ASBA Fund	10-03-2026
Credit of Share to Demat A/c	10-03-2026
Listing Date	11-03-2026

SEDEMAC Mechatronics Ltd is a Pune-based technology company started in 2007 that makes smart electronic control systems mainly for vehicles and industrial machines.

OBJECTS OF THE ISSUE

- The entire offer is an Offer for Sale of up to 8,043,300 Equity Shares by the Selling Shareholders.
- Company will not receive any proceeds from the Offer.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2025	FY 2024	FY 2023
Equity Share Capital	0.02	0.01	0.01
Net Worth	303.88	124.43	115.22
Revenue	662.54	535.90	429.87
EBITDA Margin%	18.88%	15.51%	12.62%
Net Profit/Loss of the year	47.05	5.88	8.57

FINANCIAL RATIOS OF FY25



OUTLOOK & VALUATION

- Profit recovery real, but one data point PAT surged 8× in FY25 – encouraging, but FY24 was a distorted base. Earnings trend needs two to three more quarters of confirmation.
- Fully priced, no margin of safety At ~127× trailing P/E, the IPO leaves no room for execution missteps. Growth expectations are entirely priced in at the upper band.
- Considering the stretched valuation and need for earnings consistency, conservative investors may prefer to avoid this IPO for now.



COMPANY PROFILE

- SEDEMAC Mechatronics Ltd, incorporated in 2007, is a Pune-based technology company that specializes in advanced control electronics for automotive and industrial applications.
- The company designs and manufactures powertrain controllers, motor control products, and integrated starter-generator solutions, serving a wide range of original equipment manufacturers.
- SEDEMAC is known for its strong focus on innovation, particularly through its patented sensorless motor control technology.
- This technology enables precise motor performance without the need for external sensors, improving efficiency, reliability, and cost effectiveness.
- By working closely with major OEMs, the company delivers scalable and high-performance electronic solutions tailored to evolving industry requirements.



COMPETITIVE STRATEGIES

- Expand Technologies and Products Across Multiple Large Markets
- Drive Technology and Product Differentiation
- Offer A Suite of Control-Intensive Products for Each Market
- Build and Sustain Partnerships with Market Leaders
- Leverage Synergies Across Markets, Products, and Supply Chains



KEY CONCERNS

- The product lifecycle model carries evolving risks; failure to secure anchor customers may restrict commercialization.
- Over 80% of revenue comes from the mobility segment (2W and 3W), making the company vulnerable to industry slowdown or regulatory changes.
- The genset-focused industrial segment faces environmental and regulatory pressures that may impact long term demand.



KEY STRENGTHS

- The company has built strong entry barriers through control-intensive technologies and early OEM partnerships.
- It is the first globally to develop sensorless ISG systems for small 2W and 3W ICE vehicles, with over 7.5 million units installed.
- Holds about 75% market share in India's genset controller segment and ranks among global leaders.
- SmartIgn technology has been deployed in more than 43 million vehicles, strengthening its competitive edge.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
SEDEMAC Mechatronics Ltd.	10.93	126.91	71.57	662.54	15.48
Peer Group					
Bosch Ltd.	683.25	53.89	4,682.43	180,87.40	14.59
ZF Commercial Vehicle Control Systems India Ltd.	242.90	52.19	1,697.00	38,30.96	14.31
Sona BLW Precision Forgings Ltd.	9.92	49.49	88.39	35,46.02	10.94
Schaeffler India Ltd.	60.10	68.06	341.57	82,32.38	17.59



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CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Ms. Sheetal Duraphe Email: compliance@swastika.co.in Phone: (0731) 6644 241

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CDSL/NSDL: IN-DP-115-2015 RBI Reg. No.: B-03-00174 IRDA Reg. No.: 713.