Tempsens Instrument India Ltd

IPO Note

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TEMPSENS

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Leadership in Thermal Sensing & Engineering Solutions

Tempsens Instruments (India) Limited, incorporated in 1990, is a thermal engineering and specialised cable manufacturer engaged in designing and manufacturing customised temperature sensing solutions, electrical heating solutions and specialised cables. Its temperature-sensing portfolio includes thermocouples, RTDs, infrared pyrometers, online thermal imagers, fibre-optic temperature sensors, thermowells, transmitters and calibrators, while its heating portfolio includes process, immersion, cartridge, tubular and furnace heaters. The company also manufactures instrumentation, thermocouple/RTD, heat-trace and mineral-insulated cables. Along with its subsidiaries and joint ventures, Tempsens operates 15 manufacturing units globally—10 in Udaipur and five across the UAE, South Korea, Indonesia, Germany and Poland.

Tempsens is the largest manufacturer of contact and non-contact temperature sensors in India by revenue, with an approximately 10.5% share of the domestic temperature-sensor market in FY2026. It is also the only Indian manufacturer of non-contact temperature sensors, with an approximately 21.3% market share in this segment. The company has developed a backward-integrated manufacturing platform covering processes such as alloy melting, wire drawing, fabrication, assembly and calibration. It served more than 3,800 customers as of March 2026, while its top-10 customers accounted for only 18.59% of FY2026 revenue. Its international footprint extends to more than 80 countries, with revenue from outside India at approximately INR 125.8 Cr, or ~28.3% of FY2026 revenue from operations.

FY2026 revenue from operations grew 17.5% YoY to INR 444.88 Cr, while PAT increased 13.6% to INR 71.07 Cr. EBITDA stood at INR 113.17 Cr with a 25.44% margin. Revenue mix comprised temperature sensing solutions at 44.59%, specialised cables at 34.71% and electrical heating solutions at 20.70%, while MRO/replacement contributed 32.45% of revenue.

The company reported RoE of 13.54%, RoCE of 21.61% and debt-to-equity of 0.15x in FY2026. The INR 650 Cr IPO comprises a fresh issue of INR 95 Cr and OFS of INR 555 Cr. Fresh proceeds will primarily fund INR 18.13 Cr of capex and INR 55 Cr of debt repayment, supporting capacity expansion and balance-sheet strengthening.

Industry	Thermal Engineering

Scrip Details	
Listing	BSE & NSE
Open Date	20th Aug, 2026
Close Date	24th Aug, 2026
Price Band	INR 285 - 300
Face Value	INR 4
Market Lot	50 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	INR 650
Issue Size sh. (in cr.)	2.17
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre-Issue sh. (in cr.)	8.06
Post Issue sh. (in cr.)	8.38
Pre Issue Market Cap (in cr)	2514.98

Shareholding (%)	Pre (%)	Post (%)
Promoter	80.15	65.67
Public	19.49	34.33
TOTAL	**100**	**100**

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

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net (%)	EPS (₹)	BVPS (₹)	RoE (%)	RoCE (%)	P/E (X)	EV/EBITDA (X)
FY24	274.8	55.2	41.0	20.1	14.9	4.9	24.4	20.0	15.7	61.3	45.9
FY25	378.5	91.1	60.6	24.1	16.0	7.2	52.7	14.1	11.7	41.5	27.6
FY26	444.9	99.9	67.4	22.5	15.1	8.0	62.7	34.9	13.3	37.3	33.1

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Tempsens Instrument Limited IPO is a book build issue comprising of **14.61% Fresh Issue of 2,16,66,666 Equity Shares** of face value of INR 4 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 certain capital expenditure of the Company towards the electrical heating solutions and specialized cable solutions.
2. Pre-payment or scheduled re-payment, 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	274.8	378.5	444.9
YoY Growth (%)	*16.0*	*37.7*	*17.5*
Raw Material Cost	167.2	200.9	240.1
RM Cost to Sales (%)	*60.8*	*53.1*	*54.0*
Employee Cost	30.0	49.9	63.8
Employee Cost to Sales (%)	*10.9*	*13.2*	*14.3*
Other Expenses	22.4	36.7	41.1
Other Exp to Sales (%)	*8.2*	*9.7*	*9.2*
EBITDA	55.2	91.1	99.9
Margin (%)	*20.1*	*24.1*	*22.5*
YoY Growth (%)	*23.1*	*65.1*	*9.7*
Depreciation & Amortization	5.3	12.1	13.8
EBIT	49.8	79.0	86.1
Margin (%)	*18.1*	*20.9*	*19.3*
YoY Growth (%)	*24.1*	*58.5*	*8.9*
Other Income	3.2	3.9	13.3
Bill discounting & other charges	2.1	2.8	5.2
Fin Charges Coverage (X)	23.2	28.4	16.5
Exceptional Item	0.0	0.0	0.0
PBT	50.9	80.2	94.1
Margin (%)	*18.5*	*21.2*	*21.2*
YoY Growth (%)	*23.5*	*57.4*	*17.4*
Tax Expense	13.3	20.6	23.1
Tax Rate (%)	*26.1*	*25.7*	*24.5*
PAT	37.7	59.6	71.1
Margin (%)	*13.7*	*15.7*	*16.0*
YoY Growth (%)	*23.0*	*58.2*	*19.3*
Min Int/Sh of Assoc	3.4	1.0	(3.7)
Net Profit	41.0	60.6	67.4
Margin (%)	*14.9*	*16.0*	*15.1*
YoY Growth (%)	*23.4*	*47.7*	*11.2*
Balance Sheet			
Share Capital	1.8	2.9	32.3
Total Reserves	203.0	438.7	493.2
Shareholders Fund	204.8	441.7	525.4
Long Term Borrowings	9.3	5.5	7.6
Deferred Tax Assets / Liabilities	9.7	7.4	11.0
Other Long Term Liabilities	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.0
Long Term Provisions	0.0	0.0	0.0
Total Liabilities	223.8	454.6	544.0
Net Block	99.5	286.1	299.4
Capital Work in Progress	2.1	0.1	0.6
Intangible assets under development	0.0	0.0	0.0
Non Current Investments	40.3	12.7	13.4
Long Term Loans & Advances	5.8	6.9	0.0
Other Non Current Assets	2.4	8.8	57.5
Net Current Assets	73.7	140.0	173.1
Total Assets	223.8	454.6	544.0

Fig in INR Cr (unless specified)	FY24	FY25	FY26
Per share data & Yields			
Adjusted EPS (INR)	4.9	7.2	8.0
Adjusted Cash EPS (INR)	5.5	8.7	9.7
Adjusted BVPS (INR)	24.4	52.7	62.7
Adjusted CFO per share (INR)	4.4	6.5	5.0
CFO Yield (%)	1.5	2.2	1.7
Adjusted FCF per share (INR)	1.2	2.8	3.5
FCF Yield (%)	0.4	0.9	1.2
Solvency Ratio (X)			
Total Debt to Equity	0.1	0.2	0.1
Net Debt to Equity	0.1	(0.0)	0.0
Net Debt to EBITDA	0.3	(0.0)	0.2
Return Ratios (%)			
Return on Equity	20.0	14.1	34.9
Return on Capital Employed	15.7	11.7	13.3
Return on Invested Capital	22.5	18.5	22.7
Working Capital Ratios			
Payable Days (Nos)	34	26	26
Inventory Days (Nos)	125	157	157
Receivable Days (Nos)	61	62	62
Net Working Capital Days (Nos)	151	193	193
Net Working Capital to Sales (%)	31.7	36.0	41.3
Valuation (X)			
P/E	61.3	41.5	37.3
P/BV	12.3	5.7	4.8
EV/EBITDA	45.9	27.6	25.3
EV/Sales	9.2	6.6	5.7
Cash Flow Statement			
PBT	50.9	80.2	94.1
Adjustments	5.3	43.9	11.5
Change in Working Capital	(5.9)	(49.3)	(40.5)
Less: Tax Paid	(13.3)	(20.6)	(23.1)
Cash Flow from Operations	37.1	54.2	42.1
Net Capital Expenditure	(26.7)	(30.3)	(12.4)
Change in Investments	(0.1)	(63.2)	(13.8)
Cash Flow from Investing	(26.9)	(93.5)	(26.2)
Change in Borrowings	4.2	39.5	1.1
Less: Finance Cost	(2.1)	(2.8)	(5.2)
Proceeds from Equity	0.0	0.0	0.0
Buyback of Shares	0.0	0.0	0.0
Dividend Paid	0.0	(0.6)	(2.7)
Cash flow from Financing	2.1	36.2	(6.3)
Net Cash Flow	12.3	(3.1)	9.6
Forex Effect	0.0	0.1	0.0
Opening Balance of Cash	1.3	13.7	13.0
Closing Balance of Cash	13.7	13.0	28.5

Source: Ventura Research

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