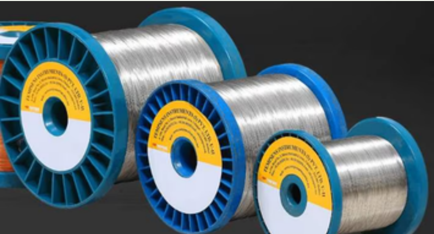
TEMPSENS



TEMPSENS INSTRUMENTS INDIA LTD

Price Band	Issue Opens
₹285 to ₹300	20 Aug to 24 Aug, 2026

Face Value	Issue Size	Lot Size	Listing At
₹4	₹650 cr	50 Shares	NSE, BSE

Tempsens Instruments Indi Ltd Info

Issue Size	2,16,66,666 shares / ₹650 Cr
Fresh Issue	31,66,666 shares / ₹95 Cr
Offer for Sale	1,85,00,000 shares of ₹4 / ₹555 Cr
Retail Quota	Not less than 35% of the Net Issue
Retail Min/Max	₹15,000 / ₹1,95,000

Tempsens Instruments India ltd Timeline

Tentative Allotment	Tue, Aug 25, 2026
Initiation of Refunds	Thu, Aug 27, 2026
Credit of Shares to Demat	Thu, Aug 27, 2026
"Tempsens Instruments India ltd" Listing Day	Fri, Aug 28, 2026

Objects of The Offer

The primary objective of the Offer is to fund the Company's planned capital expenditure and reduce its outstanding borrowings. The Net Proceeds from the Fresh Issue will be utilised towards ₹353.79 million for capital expenditure for expansion and upgradation of manufacturing facilities across the Electrical Heating Solutions and Specialised Cable Solutions verticals, and ₹550.00 million towards repayment/prepayment of borrowings. The debt repayment is expected to reduce finance costs, improve the Company's capital structure and strengthen its financial position.

The remaining Net Proceeds, if any, will be utilised towards general corporate purposes, subject to the prescribed regulatory limits. In addition to raising growth capital, the proposed listing on BSE and NSE is expected to enhance the Company's visibility, brand image and access to public capital markets, while providing liquidity to existing shareholders. However, proceeds from the Offer for Sale will accrue entirely to the Selling Shareholders and will not be received by the Company.

About The Company and Business Overview

Tempsens Instruments (India) Limited is a thermal engineering and specialised cable solutions company engaged in the design, manufacturing and supply of customised industrial solutions across three key business verticals: Temperature Sensing Solutions, Electrical Heating Solutions and Specialised Cable Solutions.

- **Temperature Sensing Solutions:** This is the largest business vertical, contributing 46.48% of revenue in FY25. The Company manufactures thermocouples, RTDs, infrared pyrometers, online thermal imagers and furnace monitoring cameras used for temperature measurement and process control across industrial applications.
- **Electrical Heating Solutions:** The Company manufactures immersion, process, cartridge and tubular heaters, along with laboratory and process furnaces. These products are used for heating pipelines, tanks, vessels and other industrial processes, particularly across the oil & gas and petrochemical sectors.

Source: RHP

- **Specialised Cable Solutions:** The Company manufactures low-voltage control and power cables, instrumentation cables, heat trace cables and mineral-insulated metal-sheath cables. These products are designed for reliable operation in harsh and demanding industrial environments.

Tempsens has an integrated manufacturing model, with capabilities spanning alloy melting, wire drawing, fabrication, assembly and calibration. It operates 11 manufacturing units, including eight in Udaipur and overseas facilities in the UAE, Indonesia and South Korea. The Company exports its products to more than 75 countries and serves over 3,500 customers across industries including metals, petrochemicals, power, glass and defence.

The Company operates through both Project/OEM and MRO businesses, contributing 69.16% and 30.84% of FY25 revenue, respectively. While Project/OEM business caters to large industrial installations and projects, the MRO business provides recurring demand through replacement of sensors, cables and other components.

Overall, Tempsens operates as a specialised industrial solutions provider with strong backward integration, a diversified product portfolio and a growing international presence, with revenue from operations increasing from ₹2,369.43 million in FY23 to ₹3,785.26 million in FY25.

Source : RHP

Brief profile of the Directors

- **Virendra Prakash Rathi** is serving as the Chairman and Executive Director of the Company. He has been associated with the Company as a Director since its incorporation. A bachelor's degree in engineering (electrical) from Bhopal University, Madhya Pradesh was obtained by him. More than 35 years of experience in the engineering industry has been gained by him. He has received the 'Distinguished Alumnus Award' from Maulana Azad National Institute of Technology, Bhopal in 2024 and the 'Special Recognition Award at National Award – 2010 for outstanding entrepreneurship micro & small enterprises (manufacturing)' from the Ministry of Micro, Small & Medium Enterprises, Government of India. Creation of technological assets and infrastructure for manufacturing facilities and global tie-ups for the Company is being overseen by him.
- **Vinay Rathi** is serving as the Managing Director of the Company. He has been associated with the Company as a Director since September 30, 2019 and has been associated with the Company since 2003. A bachelor's degree in engineering (electrical and electronics) from Mangalore University, Karnataka and a post-graduate diploma in management and entrepreneurship from T. A. Pai Management Institute, Manipal, Karnataka were obtained by him. More than 28 years of experience in the engineering industry has been gained by him. He has received the 'Best Young Entrepreneur' award at the D&B-Axis Bank Business Gaurav SME Awards 2012 and the 'Excellence in Technical Innovation' award for contribution to process and plant automation through innovative technological solutions. Marketing, sales, market research and product development of the Company are being overseen by him.
- **Ankit Talesara** is serving as a Non-Executive Director of the Company. He has been associated with the Company as a Director since September 30, 2019. A master's degree in science from the University of Cincinnati, Ohio, U.S.A. was obtained by him. More than 26 years of experience in the engineering industry has been gained by him.
- **Pratap Singh Talesara** is serving as a Non-Executive Director of the Company. He has been associated with the Company as a Director since August 1, 1992. A bachelor's degree in engineering (honours) from the Birla Institute of Technology and Science, Pilani, Rajasthan was obtained by him. A certificate of Doctor of Professional Entrepreneurship in Business Management from European Continental University, Delaware, U.S.A. was also received by him. He is authorized to use the titles of 'Chartered Engineer (India)' and 'Professional Engineer (India)' by the Institution of Engineers (India). More than 35 years of experience in the engineering industry has been gained by him. He has received the 'Commander BM Bhandardkar Award 2014-2015', the 'Individual Excellence Award 2022-23' and the 'Dr. D S Kothari Excellence Award'.
- **Deepak Kabra** is serving as an Independent Director of the Company. He has been associated with the Company as an Independent Director since June 18, 2025. He has passed the final examination of Chartered Accountancy conducted by the Institute of Chartered Accountants of India. More than 15 years of experience in the banking industry has been gained by him. He is also associated with TrustEdge Capital Limited as its Chief Executive Officer.
- **Rishabh Verdia** is serving as an Independent Director of the Company. He has been associated with the Company as an Independent Director since June 18, 2025. He is certified to practice as a Chartered Accountant by the Institute of Chartered Accountants of India and has passed the Information Systems Audit Assessment Test conducted by the ICAI. More than 23 years of experience in accounting has been gained by him.
- **Bhagwat Singh Babel** is serving as an Independent Director of the Company. He has been associated with the Company as an Independent Director since June 18, 2025. A bachelor's degree in technology (electrical engineering) from Banaras Hindu University, Uttar Pradesh was obtained by him. A diploma of membership from the Institution of Engineers (India) was also received by him. He was a member of the Board of Indian Electrical and Electronics Manufacturers' Association (National Executive Council) for 11 years. More than 18 years of experience in the electrical industry has been gained by him, including experience as an Independent Director on the board of Secure Meters Limited.
- **Ruchika Godha** is serving as an Independent Director of the Company. She has been associated with the Company as an Independent Director since June 18, 2025. A master's degree in management science from Devi Ahilya Vishwavidyalaya, Indore, Madhya Pradesh was obtained by her. More than 17 years of experience in the information technology consultancy services industry has been gained by her.

Source : RHP

Profit and loss Statement

Particulars	2026	2025	2024
INCOME			
Revenue from operations	3,785.26	2,748.10	2,369.43
Other income	39.42	32.32	30.40
Total income	3,824.68	2,780.42	2,399.83
EXPENSES			
Cost of material consumed	1,985.13	1,717.06	1,550.05
Changes in inventories of Finished Goods and Work-in-Progress	23.55	(44.87)	(66.23)
Employee benefits expense	498.57	300.02	257.43
Finance costs	20.84	15.95	14.51
Depreciation and amortisation expense	120.77	53.48	46.95
Other expenses	374.12	229.57	184.68
Total expenses	**3,022.98**	**2,271.21**	**1,987.39**
Profit before share of net profits of investments accounted for using equity method and tax	801.70	509.21	412.44
Share of net profit of joint venture accounted for using the equity method	29.91	32.63	26.08
Restated Profit Before Tax	**831.61**	**541.84**	**438.52**
Tax expense			
Current year	165.80	128.21	102.50
Deferred tax expenses	40.26	4.44	3.69
Total tax expense	**206.06**	**132.65**	**106.19**
Profit for the Year	**625.55**	**409.19**	**332.33**
Other comprehensive income (OCI)			
Remeasurement (loss)/gain of the Defined Benefit Plan	(1.98)	(3.17)	2.70
Change in the fair value of equity instruments	96.46	60.63	-
Income tax effect relating to items not reclassified to statement of profit and loss	0.50	(18.49)	(12.81)
Exchange differences on translating foreign operations	(0.05)	(0.64)	-
Share of other comprehensive income of joint venture accounted for using equity method	(2.77)	(3.42)	2.22
Other comprehensive income for the Year (Net of Tax)	(4.30)	70.74	52.74
Total Comprehensive Income for the Year	621.25	479.93	385.07
Profit for the Year attributable to:			
Owners of the parent	605.67	410.08	332.33
Non-controlling interests	19.88	(0.89)	-
Other Comprehensive income for the Year attributable to:			
Owners of the parent	(4.25)	70.90	52.74
Non-controlling interests	(0.05)	(0.16)	-
Total Comprehensive Income for the Year attributable to:			
Owners of the parent	601.42	480.98	385.07
Non-controlling interests	19.83	(1.05)	-
Earnings Per Equity Share of Face value of ₹4 each			
Basic EPS (₹)	7.51	8.06	7.33
Diluted EPS (₹)	7.51	8.06	7.33

Source : RHP

Strengths

- **Market Leadership and High Entry Barriers:** Tempsens is the largest manufacturer of contact and non-contact temperature sensors in India by revenue and is also among the leading electrical heater manufacturers. Its specialised, mission-critical products require customer qualification, field trials and technical validation, creating significant entry barriers for new competitors.
- **Diversified and Resilient Business Model:** The Company offers products across 13 categories and three business verticals, serving more than 3,500 customers across metals, petrochemicals, power, defence, renewables and other industries. Its revenue mix between Project/OEM (69.16%) and MRO (30.84%) provides a combination of large project opportunities and recurring replacement demand.
- **Strong R&D and Innovation Capabilities:** Tempsens has a dedicated 59-member R&D team focused on developing customised solutions for complex industrial applications. The Company has been granted nine patents in India and has developed specialised products such as fibre-optic temperature sensors and catalyst-bed heaters for space applications.
- **Backward Integration and Manufacturing Capabilities:** The Company has significant in-house manufacturing capabilities covering alloy melting, wire drawing, fabrication, assembly and calibration. This vertical integration provides greater control over product quality, costs and delivery timelines. Tempsens operates 11 manufacturing facilities, including eight in India and three overseas.
- **Strong Global Presence;** The Company exports its products to more than 75 countries and has established overseas operations through subsidiaries and joint ventures in markets such as the UAE, Indonesia and South Korea. This international presence provides access to global customers and reduces dependence on the domestic market.

Key Risk Factors

- **High Dependence on Project/OEM Business:** Project/OEM business contributed 69.16% of revenue in FY25. These projects generally involve longer sales cycles and are dependent on customers' capital expenditure plans. Any postponement or reduction in industrial capex could impact order inflows and revenue growth.
- **Industry Concentration:** The Company has meaningful exposure to the metals and petrochemical industries, which together contributed 42.90% of revenue in FY25. A slowdown in these industries could adversely affect demand for Tempsens' products.
- **Customer Concentration:** Although the customer base is relatively diversified, the top 10 customers contributed 23.68% of revenue in FY25. Loss of a major customer or reduction in orders could affect revenue and cash flows.
- **Geographical Concentration of Manufacturing: Li**ght of the Company's 11 manufacturing facilities and its corporate office are located in Udaipur, Rajasthan. Any regional disruption, infrastructure issue or regulatory change could affect a significant portion of its manufacturing operations.
- **Dependence on Leased Facilities:** Several manufacturing facilities and offices operate from leased or rented premises. Non-renewal of leases or unfavourable changes in rental terms could result in additional costs or operational disruption.
- **Raw Material Price and Supply Risk:** Tempsens depends on metals such as copper and nickel for manufacturing. Limited supplier relationships and the absence of long-term supply agreements expose the Company to raw material price volatility and potential supply disruptions

Source: RHP

Valuation and Outlook

Tempsens Instruments (India) Limited IPO is expected to be priced between **₹285 to ₹300** per share. At this price, the Company's **Price-To-Earning-Ratio (P/E)** is **39.94x. Industry (P/E)** Price-To-Earning-Ratio is **x.(no listed peers)**

Tempsens Instruments (India) Limited has a positive long-term outlook, supported by the growing demand for industrial automation, process monitoring and energy-efficiency solutions across sectors such as metals, petrochemicals, power, defence and renewables. Its leadership in temperature sensing, diversified product portfolio and strong R&D capabilities position the Company well to benefit from increasing industrial capex and the ongoing shift towards technologically advanced and customised thermal solutions.

The planned ₹353.79 million capital expenditure towards expansion of the Electrical Heating and Specialised Cable Solutions verticals should help increase manufacturing capacity and support future revenue growth. Further, the proposed ₹550 million repayment of borrowings should reduce finance costs and strengthen the balance sheet, providing greater financial flexibility for future expansion.
The Company's international presence across 75+ countries, along with planned expansion in overseas markets, provides an additional growth opportunity and could reduce dependence on domestic industrial demand over the longer term. The MRO business, which contributed 30.84% of FY25 revenue, also provides a relatively recurring revenue stream alongside the larger Project/OEM business.

Going forward, growth in industrial capital expenditure, successful capacity expansion, international growth and increasing adoption of specialised thermal solutions will remain the key growth drivers. However, dependence on Project/OEM orders, exposure to metals and petrochemicals, raw material price volatility, foreign exchange fluctuations and geographical concentration of manufacturing remain key risks.

Overall, the outlook remains positive, with strong positioning in specialised thermal engineering, an integrated manufacturing base and opportunities for domestic and international expansion. Successful execution of the planned capex and improvement in financial leverage will be important for sustaining growth and profitability.

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