DALALBYTES RESEARCH

Innovana Thinklabs

A Software Cash Cow Funding Five New Bets

Utility software, astrology, gyms, solar and construction under one roof, with profit halved by an advertising war

NSE: INNOVANA · BSE: 544302

November 26, 2026

Reference: Rs 281.30, NSE close of November 26, 2026.
Market cap about Rs 581 cr; 52-week range Rs 269 to Rs 488.
Business, financials, competition, management, valuation vs peers, risks, and FY2029 scenarios.

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VERDICT

54 / 100 : Neutral

Innovana was a simple and lovely business. A Jaipur software shop sold utility apps to the world at software margins. That business still prints money today.

The company then spent its surplus on five new bets at once. Astrology and gyms now sit beside the software core. So do games, solar and construction. None of them has yet earned software margins.

The cost of the expansion is now visible in the numbers. Consolidated revenue rose 28% in FY26 to Rs 132 cr. Profit after tax fell from Rs 45 cr to Rs 37 cr in the same year.

The first half of FY27 sharpened the point. Revenue grew 29% year on year to Rs 84 cr. Net profit fell 53% to Rs 12 cr.

What would change the score. Two straight halves of Astro revenue growth with consolidated operating margin back above 30% would lift the score. Another year of margin near 20% would cut it.

Item	Detail
Score	54/100
Rating	Neutral
Reference price	Rs 281.30 (NSE close, November 26, 2026)
Market cap	About Rs 581 cr
FY2029 bear target	Rs 145
FY2029 base target	Rs 350
FY2029 bull target	Rs 600

1. THE BUSINESS IN ONE PAGE

Innovana Thinklabs is a listed group built around one profitable parent and seven subsidiaries. Three associates sit outside the consolidation.

The parent. The standalone company sells software products and digital services. It earned Rs 46 cr of revenue in FY26 at a net margin near 70%.

The subsidiaries. The group consolidates Innovana Techlabs, Innovana Infrastructure, Innovana Games Studio and I Solve Software Services. It also consolidates Innovana Astro Services, Innovana Fitness Labs and Innovana Green Energy.

The associates. The group holds stakes in Adcounty Media India, Laxo Medicare and Biz 365 Tech. Their profit share added Rs 1.50 cr in H1 FY27.

Segment (H1 FY27, as reported)	Revenue (Rs cr)
Software product sales	33.91
Astro services and game studio	31.58
Gym and fitness	21.91
Green energy	2.98
Construction and infrastructure	2.08

Segment revenue is shown before eliminations, so the rows sum to more than consolidated revenue of Rs 83.58 cr. Source: Q2 FY27 consolidated results filed November 14, 2026.

2. THE STORY

Innovana began as PCVARK Software in Jaipur in April 2015. Founders Chandan Garg and Kapil Garg built utility software for global users.

The early catalogue was unglamorous and profitable. It held antivirus tools and disk cleanup. It also held ad blockers, file openers and privacy products. The prospectus claimed a presence in over 126 countries in 13 languages.

The company listed on the NSE Emerge platform in 2017. It later migrated to the main board. Bonus issues in 2019 and 2023 rewarded early holders.

The second act began around 2021. The group launched Anytime Astro for paid astrology consultations. It added the mPanchang calendar app and a tarot product.

The third act was physical. The group bought into gyms under the Anytime Fitness banner. It then added construction, infrastructure and a green energy arm.

Each act used the cash of the act before it. The question for holders is simple. Will any new act ever match the economics of the first one?

3. HOW THE SOFTWARE CORE WORKS

The legacy model is a classic utility software flywheel. Low cost development in Jaipur serves a global installed base.

Distribution. Products reach users through download portals, bundles and search. The marginal cost of one more user is close to zero.

Monetisation. Users pay for premium versions, renewals and upgrades. Revenue per user is small and the user count is large.

The technical edge. The products are simple by design. Cleanup, security and file tools need reliability more than novelty. That simplicity kept support costs low for a decade.

The fade. Browser and operating system vendors now bundle these utilities free. Microsoft and Google ship cleanup, security and ad controls inside their platforms. The standalone utility category shrinks a little every year.

Standalone revenue tells that story plainly. It moved from Rs 48.51 cr in FY24 to Rs 43.28 cr in FY25. It recovered only to Rs 45.90 cr in FY26.

4. HOW ASTRO WORKS, AND WHAT IT COSTS

Anytime Astro is a marketplace. Users pay for chats and calls with astrologers, and the platform keeps a share of each payment.

Marketplaces live or die on acquisition cost. Innovana buys its users with digital advertising, and the bill is now the largest single story in the accounts.

Digital advertising cost Rs 21.74 cr in H1 FY27 alone. That is about 69% of the Astro and games segment revenue for the same half.

Astro revenue did respond. Segment revenue in Q1 FY27 was Rs 16.19 cr against Rs 4.87 cr a year earlier. Growth is real, and it is bought.

The consolidated subsidiaries lost money while buying that growth. The seven subsidiaries together posted a net loss of Rs 1.26 cr in H1 FY27. The parent carried the group profit almost alone.

5. GYMS, SOLAR AND THE REST

Gyms. Innovana Fitness Labs runs Anytime Fitness centres in Jaipur, Gurugram and Indore. The group owns about 73% of the subsidiary. Members pay fees, and the unit pays rent, trainers and power.

Gym revenue reached Rs 21.91 cr in H1 FY27. It is the second largest segment already. It is also rent heavy and staff heavy by design.

Green energy. The solar arm booked Rs 2.98 cr in H1 FY27, almost all of it in Q2. It is an EPC style business in a crowded field. Order quality and receivables will decide its worth.

Construction and infrastructure. This arm booked Rs 2.08 cr in H1 FY27. It is too small to matter today. It still consumes management attention and working capital.

Games. The games studio sits inside the Astro segment for reporting. No title has been disclosed as a material earner.

6. FINANCIAL HISTORY

Consolidated (Rs cr)	FY22	FY23	FY24	FY25	FY26	TTM
Revenue	58	79	101	103	132	151
Operating profit	26	31	45	56	46	31
Operating margin	45%	39%	45%	54%	35%	21%
Other income	4	7	14	10	13	12
Profit before tax	26	33	53	55	44	27
Profit after tax	21	27	41	45	37	23
EPS (Rs)	10.14	13.12	19.98	21.53	18.46	11.98

Source: Screener consolidated series, cross checked against audited FY26 results filed with the exchanges. FY26 audited PAT on the filing basis was Rs 36.59 cr, with Rs 38.14 cr attributable to owners. TTM runs to September 2026.

Three facts stand out from the table.

Revenue growth is real. Sales compounded at 19% over both three and five years. The top line has never been the problem.

Margin is the problem. Operating margin fell from 54% in FY25 to 35% in FY26. It fell again to 21% on a trailing basis.

Other income flatters the bottom line. Other income was Rs 13 cr in FY26 against PBT of Rs 44 cr. Core operations earn less than the headline profit suggests.

7. THE LATEST HALF, QUARTER BY QUARTER

Consolidated (Rs cr)	Q2 FY26	Q4 FY26	Q1 FY27	Q2 FY27
Revenue	32.72	32.60	38.97	44.61
Operating profit	14.22	3.16	6.87	9.05
Operating margin	43%	10%	18%	20%
Net profit	12.66	1.82	5.53	6.57
EPS (Rs)	6.19	1.42	2.72	3.21

Source: Screener quarterly series and the Q2 FY27 filing of November 14, 2026. Q2 FY27 revenue rose 36% year on year, and net profit fell 48%.

The margin break started in Q4 FY26. It has now lasted three quarters. A one quarter dip can be a campaign, but three quarters is a cost structure.

Revenue quality also needs watching. Debtor days rose from 48 in FY24 to 103 in FY25. They reached 121 in FY26.

8. BALANCE SHEET AND CASH FLOW

Item (Rs cr)	Mar 2024	Mar 2025	Mar 2026	Sep 2026
Equity capital	20	20	21	21
Reserves	143	185	252	264
Borrowings	23	44	58	62
Total assets	209	278	364	398
Investments	49	59	80	87

Source: Screener consolidated balance sheet. Cash and bank balances were Rs 22.49 cr at September 2026 on the H1 FY27 filing basis.

Cash flow (Rs cr)	FY24	FY25	FY26
Operating cash flow	0	39	27
Investing cash flow	-15	-23	-53
Free cash flow	-11	23	14

Source: Screener consolidated cash flows. H1 FY27 operating cash inflow was Rs 11.82 cr on the filing basis.

The fortress has cracks, not holes. Net worth of Rs 285 cr dwarfs borrowings of Rs 62 cr. Interest cost was only Rs 5 cr in FY26.

The direction is still wrong. Borrowings nearly tripled in two years. Receivables absorbed cash as debtor days more than doubled.

A warrant issue adds a second watch item. The company reported no deviation in the use of Rs 14.44 cr of warrant proceeds for the quarter ended September 2026. Warrant conversion would dilute holders further.

9. COMPETITION

Innovana fights on four fronts at once. Each front has a stronger specialist.

Front	Main rivals	Innovana position
Utility software	Microsoft, Google, CCleaner, Avast	Niche global seller, category in decline
Astrology platforms	AstroTalk, AstroYogi, GaneshaSpeaks	Late entrant buying share with ads
Gyms	Cult.fit, local chains, Anytime Fitness franchisees	Small franchise operator in three cities
Solar EPC	Waaree, Tata Power Solar, regional EPC firms	Sub scale new entrant

AstroTalk is the comparison that matters most. It built the category lead early and raises growth capital as a private company. Innovana funds the same fight from a listed balance sheet.

The gym fight is also uphill. The Anytime Fitness brand belongs to the franchisor, not to Innovana. The group rents the brand and owns the lease risk.

10. VALUATION AGAINST PEERS

Company	Price (Rs)	P/E	Market cap (Rs cr)	ROCE
NINtec Systems	984.80	50.3	1822	54%
Innovana Thinklabs	281.30	22.7	562	16%
Covance Softsol	124.95	7.2	277	21%
Systango Technologies	180.90	8.9	265	32%
Delaplex	105.40	8.6	96	20%
Peer median	-	11.9	265	21%

Source: Screener peer table, November 26, 2026. The peer set is a software services set, since no listed peer matches the Innovana mix.

The stock trades at 22.7 times trailing earnings. It trades at about 15 times FY26 earnings. The gap between those two multiples is the profit decline itself.

Book value is Rs 138 a share. The price is about 2.0 times book. ROE has fallen from above 20% to about 15%.

A conglomerate normally earns a discount, not a premium. Innovana today prices in an Astro recovery that has not yet appeared in margins.

11. STRENGTHS AND WEAKNESSES

What to watch

The Q3 FY27 Astro advertising line and the consolidated operating margin. Margin back above 30% on growing Astro revenue would rebuild the case. Another half of sub 15% margins would cut the score.

Strengths

- 1. The software core still earns exceptional margins on a standalone basis
- 2. Promoter holding is 72.65% with zero pledging in every quarter on record
- 3. Net worth of Rs 285 cr against borrowings of Rs 62 cr keeps solvency risk low
- 4. Revenue has compounded at 19% over three and five years
- 5. Institutional holding is small but rising, with FII and DII together at 2.69%

Weaknesses

- 1. Operating margin fell from 54% in FY25 to 21% on a trailing basis
- 2. The seven subsidiaries together lost money in H1 FY27
- 3. Debtor days rose from 48 in FY24 to 121 in FY26
- 4. No dividend has been paid since the Rs 0.25 final dividend of September 2023
- 5. Five unrelated segments compete for one small management team

12. MANAGEMENT AND CAPITAL ALLOCATION

Chandan Garg holds 70.71% of the company personally. Total promoter holding is 72.65% at September 2026. It eased from 73.23% a year earlier.

Pledging is zero. That is the cleanest line in the register. No promoter share is pledged in any quarter in the record.

Capital allocation is the harder test. The record shows bonus issues in 2019 and 2023 and small dividends until 2023. It then shows a hard turn into diversification.

The diversification was funded internally at first. It is now funded with rising borrowings and a warrant issue. Each new segment was entered at small scale, and none has been exited.

Disclosure is thin for a main board company. There are no regular earnings calls or investor presentations in the public record. Segment profit disclosure would help holders judge each bet, and it remains limited.

The audit picture is clean. The H1 FY27 limited review by Goyal Darda and Co. carried an unmodified conclusion. The FY26 audited results were approved on May 20, 2026.

13. RISKS

The first risk is advertising dependence. Astro growth needs ad spend to sustain it, and ad prices are set by auction. A rival with deeper pockets can raise Innovana its cost of growth at will.

The second risk is category decline in the core. Platform vendors bundle utility tools free, and the standalone revenue line has been flat for three years. The cash cow is ageing.

The third risk is execution spread. Gyms, solar and construction each need working capital and local management. A team built for software now runs leases, astrologers and EPC sites.

The fourth risk is receivables. Debtor days at 121 mean growth is partly financed by customers paying late. A bad debt cycle in the new segments would hit a thin profit line.

The fifth risk is governance optics. A 72.65% promoter holding leaves a small free float. Related party limits for Bitguardian GmbH and Digital Protection Services SRL were approved at the September 2026 AGM, and holders should track their use.

14. ROADMAP AUDIT

Management set few public targets, so the audit grades direction rather than guidance.

Stated aim	Source	Delivery by November 2026	Grade
Grow Astro revenue five fold by December 2022	FY22 annual report commentary	Astro and games reached Rs 31.58 cr in H1 FY27 alone	Met, late
Take Astro global to North America and the UK	FY22 annual report commentary	No country revenue split is disclosed	Still pending
Enter the financial domain with Anytime Earn	FY22 annual report commentary	No material fintech revenue is disclosed	Missed
Launch games and metaverse apps	FY22 annual report commentary	Games sit inside the Astro segment with no breakout	Still pending
Expand the product and investment umbrella	FY22 annual report commentary	Seven subsidiaries and three associates by FY27	Met

The pattern is consistent. Revenue aims get met eventually, and profit aims are never stated. Holders are asked to trust the sequence without a margin promise.

15. FY2029 SCENARIOS

Scenario	FY29 EPS (Rs)	Exit P/E	Target (Rs)	Logic
Bear	12	12x	145	Astro spend stays high and the core keeps fading
Base	22	16x	350	Ad intensity halves and EPS recovers past the FY25 peak
Bull	30	20x	600	Astro turns into a cash platform and gyms scale cleanly

Targets are estimates built from the stated EPS and multiple assumptions. They are not company guidance.

The base case needs no heroics. It needs the group to earn in FY29 a little more per share than it earned in FY25. Four years to regain a peak is a fair price for the detour, and Rs 350 follows from it.

16. CONCLUSION

Innovana is a good business funding an unproven group. The software core, the register and the balance sheet all pass inspection. The margin line, the receivables and the segment sprawl all fail it.

At Rs 281.30 the market already pays for part of the recovery. The proof must come from margins, not from revenue. Until two halves show that proof, the rating stays Neutral at 54/100.

Sources: NSE and BSE filings including audited FY26 results and Q2 FY27 results of November 14, 2026, FY25 and FY26 annual reports, Screener consolidated data, and exchange shareholding filings. Verified facts are stated as reported. Scenario targets are DalalBytes estimates.