



IPO Details	
<b>Opening Date</b>	June 26, 2023
<b>Closing Date</b>	June 29, 2023
<b>Stock Exchange</b>	NSE, BSE
<b>Lot Size</b>	22 Shares
<b>Issue Price</b>	₹ 638 - 672 per share
<b>Issue Size</b>	Aggregating up to 567 Cr.
<b>Fresh Issue</b>	Aggregating up to 240 Cr.
<b>Offer for Sale</b>	Aggregating up to 327 Cr.
<b>Application Amount (@ upper band for retail Investors)</b>	Min. Inv. - ₹ 14,784 (22 shares) Max. Inv. - ₹ 1,92,192 (286 shares)

IPO Objective	
1.	Repayment/prepayment of certain indebtedness availed by the Company.
2.	Funding working capital gap.
3.	Investment in product development.
4.	General Corporate Purpose.

Pre-Issue Shareholding		
Category	No. of Shares	% of Total Shares
Promoter & Promoter Group	1,29,40,534	33.97%
Public	2,51,58,025	66.03%

Promoter of the Company	
1.	Ankit Mehta
2.	Rahul Singh
3.	Ashish Bhat

Competitive Strengths	
1.	Pioneer and the pre-eminent market leader in the Indian UAS industry, with first-mover advantage.
2.	Diversified product portfolio with a robust technology stack and track record of successful outcomes in critical use cases.
3.	Strong relationships with a diverse customer base.
4.	Significant product development capabilities powering software and solutions and product differentiators.
5.	In-house design to delivery capabilities.

Company Background	
○	Company was incorporated in the year 2007 and has its registered office in Maharashtra.
○	Company is the pioneer and the pre-eminent market leader in the Indian unmanned aircraft systems ("UAS") market, with a market share of approximately 50% in Fiscal 2022.
○	Company had the largest operational deployment of indigenous UAVs across India.
○	Company is ranked 7 <sup>th</sup> globally in the dual-use category (civil and defence) drone manufacturers as per the report published by Drone Industry Insights in December 2022.
○	As on 31 <sup>st</sup> March 2022, the company had 556 staff base on its payroll.

Market Capitalization	
(In Cr.)	
Pre-Issue	Post-Issue
₹ 2,560	₹ 2,800

Financial Summary			
(In Lacs)			
For the Period Ended	Mar-21	Mar-22	Mar-23
<b>Total Assets</b>	12,374.10	22,233.10	48,793.00
<b>Net Assets</b>	5,974.80	16,330.30	32,472.10
<b>Total Borrowings</b>	5,057.40	567.60	8,650.40
<b>Total Revenue</b>	3,633.50	16,144.80	19,640.20
<b>Profit After Tax</b>	(1,462.6)	4,400.6	3,198.8

Tentative Timeline	
<b>Opening Date</b>	June 26, 2023
<b>Closing Date</b>	June 29, 2023
<b>Basis of Allotment</b>	July 04, 2023
<b>Initiation of Refunds</b>	July 05, 2023
<b>Credit of Shares to Demat</b>	July 06, 2023
<b>Listing Date</b>	July 07, 2023



## Company Background and Analysis

Being incorporated in the year 2007, ideaForge have a good track record of existence in the business, with an established track record in unmanned aircraft systems (“UAS”) market, of designing products such as Unmanned aerial vehicles (UAVs), also referred to as drone with a market share of 50+% in FY22, and also is one of the top vendors globally for dual use drones. Being among the first few players in India to enter the UAV market, ideaForge has first-mover advantage and also has the distinction of being the first company to indigenously develop and manufacture Vertical Take-off and Landing (VTOL) UAVs in India in 2009. Company caters to domestic and international customers across defence and civil sectors, primarily for applications in surveillance, mapping and surveying. Company’s UAVs have been used in extreme conditions, from very low temperatures at high altitudes such as in Ladakh to very high temperatures such as in the Thar desert, meaning that company’s UAVs have experienced some of the harshest environments in the world.

Company has a broad range of products with feature-based differentiation such as weight class (approximately 2-7 kg), endurance class (25-120 minutes flying time), take-off altitude range (up to 6,000 meters), communication range (approximately 2-15 km), payload types, etc. Beyond the UAVs, company undertakes a full integration of payloads, communication system and packaging. They also build their own software stack required for flight safety, autopilot sub-system, battery, power and communication in their own UAVs. Company’s product portfolio consists of: -

- (a) Hardware- which primarily includes UAVs, payloads, batteries, chargers and communication system (which enables communication between the ground control station and the UAVs),
- (b) Software and Embedded sub-systems- which includes the GCS software, which enables the controlling and management for their own UAVs and autopilot sub-system, which enables remote control and autonomous completion of flights, and
- (c) Solutions- which enables industry/ application specific software that enhances the value of company’s UAVs to the end customer. Company’s wide range of products gives it the necessary flexibility to meet the evolving demands of diverse customers across industries.

In addition to the above product offerings, Company is in the process of developing UAVs as an on-demand service solution, which will mean company’s UAVs will be deployed to enable operations in a pre-scheduled or ad hoc/ on-demand manner at a short notice.

The Company has a manufacturing facility, situated in Navi Mumbai, Maharashtra, with an area of approximately 21,000 sq. ft., and is equipped with advanced equipment, modern technology with automation systems and has the ability to manufacture a wide range of products. The presence of an in-house product development centre empowers the company to design, develop, and engineer its Unmanned Aerial Vehicles (UAVs) according to the specific requirements of its customers.

The majority of the company's product sales are dependent on winning bids. Accurately measuring costs and designing and developing trial products for the bidding process is crucial. Their customers include Indian defence customers and civil customers comprising certain of the central armed police forces, state police departments, disaster management forces, forest departments, private contractors in connection with smart cities, Pioneer Foundation Engineers Private Limited, and C.E. Info Systems Limited.

As of May 31, 2023, they have had about 100 channel partners and three national distributors.

Set forth below is the revenue break up from civil and defence sectors-

(Amount in Cr)

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	Amt	(%)	Amt	(%)	Amt	(%)
Civil	29.89	86.09	31.77	19.93	39.97	23.71
Defence	4.83	13.91	127.67	80.07	128.62	76.29
<b>Total</b>	<b>34.72</b>	<b>100</b>	<b>159.44</b>	<b>100</b>	<b>168.59</b>	<b>100</b>

To conclude, the company have seen an exponential growth in the last two years most of which is due to increase in sales to defence (GoI entities). Whereas, drone industry is highly regulated and vary from country to country as well, any change in government policies may impact the future growth of the company.

## Business Strategies

### 1. Continue to invest in product innovation, engineering and design

Investment in product innovation, engineering and design is essential for business, growth opportunities for onboarding new customers and retention of existing customers by aligning product and service offerings with their requirements. The drone industry is at a nascent stage and therefore the requirements are continuously evolving.

### 2. Expanding into international markets

Company currently primarily caters to the requirements of the Indian market. India's large market with diverse and challenging geographical terrains gives it an opportunity to solve complex problems at scale. The global drone industry is estimated to be US\$ 21.1 billion market in 2022. Expanding company's business in international will help them increase their revenue further.

### 3. Expand their product portfolio and cater to new end-use applications and industries

Company will continue to expand its product portfolio and plan to provide differentiated offerings to its customers. UAVs are increasingly finding potential to be employed in multiple applications across infrastructure, retail, agriculture, logistics, and many other sectors. In the past, Ninja UAVs was also used to curb theft and pilferage cases to boost the surveillance operations by a Government of India enterprise.

### 4. Focus on indigenisation

Company is continuously evaluating the potential of domestic vendors for the supply of components in order to reduce its dependency on import of components from global vendors and suppliers. They partially import certain components such as carbon fibre tubes, landing gear, propellers, motors and antennas, required for manufacturing UAVs.

### 5. Expand business services and software revenue through 'as a Service' offerings

The company believes that it has the hardware and software capabilities to expand its business services revenue by providing 'drone as a service' ("DraaS") offerings. DraaS is a ready-to-fly network of drones which allows users to schedule or request on-demand flights, without the hassle of owning hardware, software or trained manpower. The customers can avail DraaS service on 'pay per use', which will help them reduce their initial investment and increase adoption rate.

### 6. Pursue strategic investment and acquisition opportunities

The company intend to selectively pursue strategic investment and acquisition opportunities that complement its growth strategy or strengthen or establish its presence in targeted domestic and overseas markets. India has the remarkable opportunity to target approximately 1.8 lakh crore of total domestic manufacturing potential through implementation of drone indigenization initiatives in use cases such as defence, commercial, homeland security and counter UAV sectors.

## Competitive Scenario and Peer Mapping

### Competition

The company faces competition from companies such as Asteria Aerospace Private Limited, DCM Shriram Limited, Adani Defence and Aerospace (Adani Enterprises Limited), as well as other international companies such as Lockheed Martin Corporation and Autel Robotics Corp. Limited, which either operate in the same line of business as them and offer similar products. The bargaining power of the company is not that high and the threat of new entrant is also low. The company has to differentiate its products through regular R&D and improve margins through cost effectiveness approaches.

### Peer Analysis

The comparison of the key performance indicators of the listed peers as on Mar-23 is given below-

Particulars	ideaForge Technology Limited	MTAR Technologies Limited	Data Patterns India Limited	Astra Microwave Products
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	17%	18%	27%	9%
EBITDA Margin	25%	27%	38%	18%
Return on Capital Employed	10%	19%	13%	17%
Return on Equity	9.85%	17%	11%	11%
EPS (INR)	8.55	33.62	22.15	8.06

The comparison of the key performance indicators of the listed peers as on Mar-22 is given below-

Particulars	ideaForge Technology Limited	MTAR Technologies Limited	Data Patterns India Limited	Astra Microwave Products
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	28%	19%	30%	5%
EBITDA Margin	46%	29%	45%	12%
Return on Capital Employed	38%	14%	22%	10%
Return on Equity	27%	12%	16%	6%
EPS (INR)	13.84	19.79	18.11	4.37

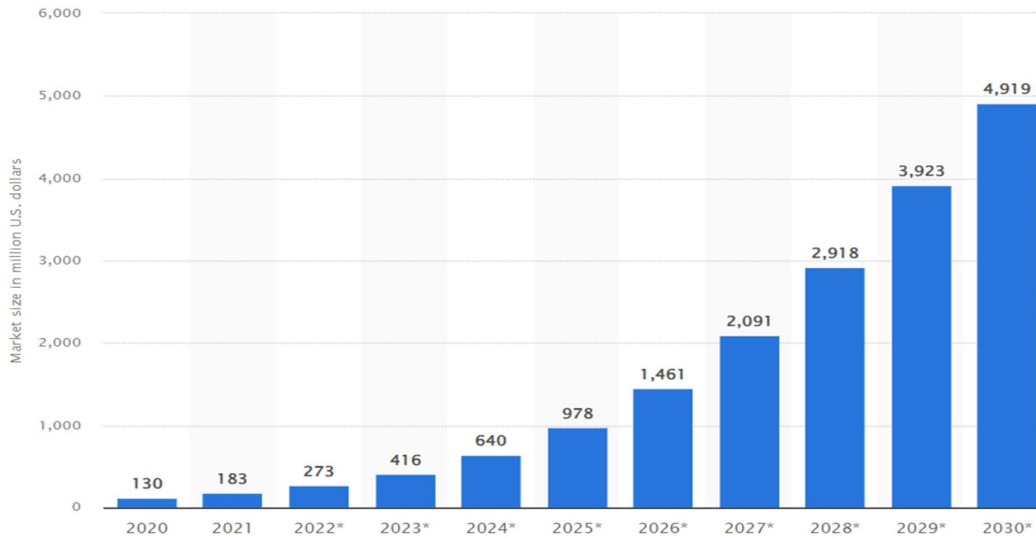
The comparison of the key performance indicators of the listed peers as on Mar-21 is given below-

Particulars	ideaForge Technology Limited	MTAR Technologies Limited	Data Patterns India Limited	Astra Microwave Products
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	-42%	19%	25%	5%
EBITDA Margin	-31%	34%	41%	12%
Return on Capital Employed	-15%	14%	33%	9%
Return on Equity	-24%	10%	27%	5%
EPS (INR)	-5.03	14.98	326.86	3.33

The ROCE, ROE, margins and the EPS of the company during FY-21 are in negatives. The company has performed at the par in profitability margins, ROE, RoCE, and the EPS when compared to its peers in the last two fiscals.

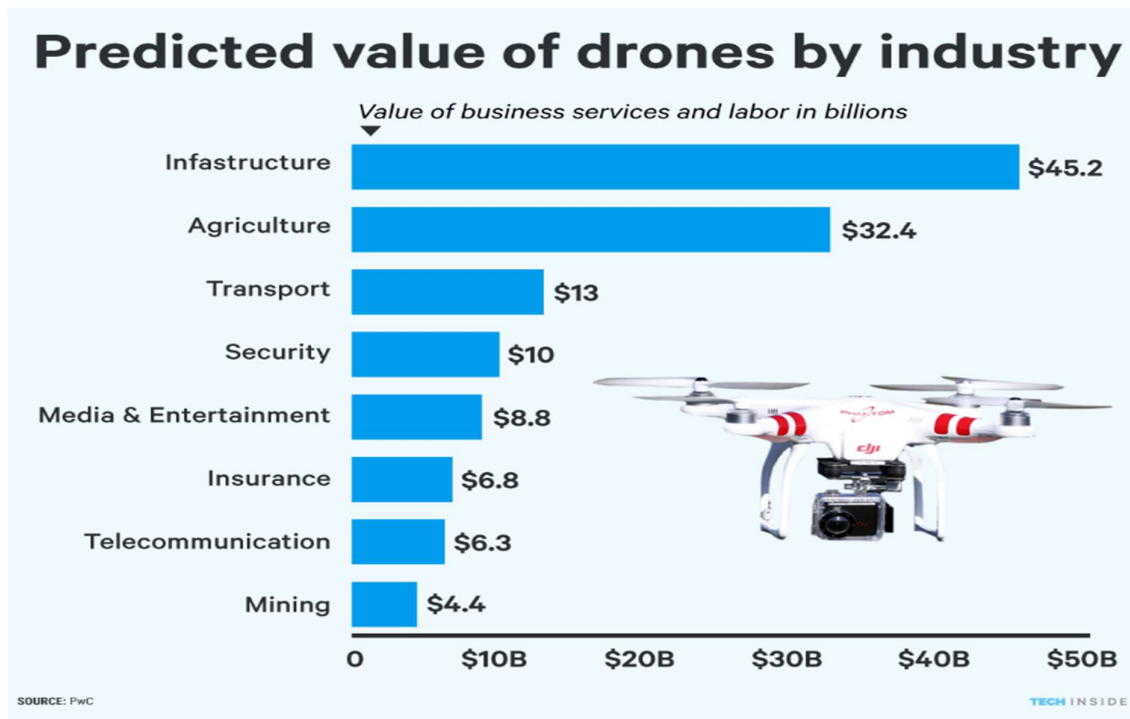
**Industry Overview**

Exhibit 1: Size of drone service market in India for 2020 and 2021, with a forecast until 2030



(Source: www.statista.com)

Exhibit 2: Predicted value of drones by industry



(Source: www.businessinsider.com)

## **India's Emerging Drone Industry**

Unmanned aerial vehicles (UAV), also referred to as drones, are aircraft that do not require a human pilot. The drone industry in India is still in its infancy stage, but it is expected to grow and evolve over the next few years. At present, drones are widely used in military and commercial applications such as surveillance, crop protection, construction project surveying, filmmaking, healthcare, e-commerce delivery, and more.

Since traditional methods are sometimes time-intensive and prone to human error, utilising drones in their place can result in considerable cost savings and mass adoption while enhancing the value of information obtained.

Thus, several startups and companies are currently involved in developing and identifying new applications and use cases for drones. And this is driving the drone industry further. Additionally, startups in India are focusing on improving and advancing their technological capabilities, while corporations are heavily investing in the drone ecosystem. However, cybersecurity issues associated with drone applications present themselves as a constraint, and thus, the government has imposed prohibitions or restrictions on drone possession and imports.

Furthermore, the Indian government's increased efforts through the implementation of liberal policies and other initiatives, including drone shakti, a production-linked incentive scheme, increased air space, and others, are all collectively supporting the market's growth.

The increasing array of drone applications is not only accelerating the market but also propelling the entire drone ecosystem, which includes drone maintenance, repair and overhaul, drone platform services, as well as drone training and education. As the cost of an enterprise-level drone might be prohibitively expensive, most companies are opting for drones as a service. This is anticipated to boost the growth of the Drones-as-a-Service sector, which often supports enterprises in managing expenditures.

## **Future outlook**

In the recent years, the Indian government's Aatmanirbhar Bharat initiative has bolstered the domestic drone sector. Additionally, waivers for pilot permits, reduced and simplified procedures, the creation of new drone corridors, incentives for local manufacturers and partnerships with corporations are likely to allow drones to transform the scenario across numerous industries in the country. And this is in line with the government's intention to develop not just drone manufacturing, but also the booming drone services industry. In the long run, companies will need to build a strong working relationship with the government in order to be more compliant with tender eligibility criteria and increase their chances of winning the same. Access to a strong network of pilots across the country is expected to play a vital role in winning a tender or a service client. Also, a strategic technical or commercial tie-up for joint development of products is expected to provide a competitive edge.

India is a major importer of drones, accounting for 22.5 per cent of total global drone imports. Though most drones are employed for military activities, commercial drones are growing increasingly popular. With a total value of over USD900 million<sup>22</sup>, the commercial end-use drone sector is predicted to exceed the military industry. And by 2025, India is forecasted to be the world's third-largest drone market. It is anticipated that in coming years, in addition to facilitating a thriving manufacturing industry, a surge in demand for drones across various sectors, such as agriculture, defence, retail and e-commerce India, will lead to a rise in investment by corporations and startups. This, collectively, will help India to be a one-stop destination for many international investors operating in the drone industry.

(Source: kpmg.com)



### Key Managerial Personnel

**Ankit Mehta**, aged 40, is the Chief Executive Officer, Whole-Time Director and one of the promoters of the company. He has been associated with the Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in mechanical engineering, and a degree in Master of Technology under the same along with a specialization in computer aided design and automation degree. In the Company, he is responsible for driving business growth, strategy, global expansion and investor relations.

**Rahul Singh**, aged 38, is the Vice President-Engineering, Whole-Time Director and one of the promoters of the company. He has been associated with the Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in mechanical engineering. In the company, he is responsible for driving innovation and for product and technology roadmap.

**Ashish Bhat**, aged 39, is the Vice President-Research & Development, Whole-Time Director and one of the promoters of the company. He has been associated with the Company since its incorporation and has experience in the drone industry. He holds a degree in Bachelor of Technology in electrical engineering. In the company, he is responsible for driving innovation and for product and technology roadmap.

**Srikanth Velamakanni**, aged 49, is the Chairman and Independent Director of the Company. He holds degree in Bachelor of Technology in electrical engineering and post-graduate diploma in management.

**Vikas Balia**, aged 47, is an Independent Director of the Company. He holds degree in Doctor of Philosophy. He is a designated senior advocate in the Rajasthan High Court and is an associate member of the Institute of Chartered Accountants of India.

To conclude, the company has 3 promoters, and all the promoters have vast knowledge and experience in the industry the company operates in. The overall management as well have vast knowledge and experience in the fields which help in the growth of the business.

**Financial Snapshot**

<b>Profit and Loss Statement</b>		<b>(In Lacs)</b>		
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	
Revenue from Operations	3,471.80	15,943.90	18,600.70	
Other Income	161.70	200.90	1,039.50	
<b>Total Income</b>	<b>3,633.50</b>	<b>16,144.80</b>	<b>19,640.20</b>	
<b>Expenses</b>				
Cost of Materials consumed	2,209.90	5,139.00	9,573.80	
Changes in inventories of Finished goods, work-in- Progress	(379.60)	(1,016.90)	(3,688.00)	
Employee benefits expense	1,924.90	2,685.30	5,091.30	
Finance costs	167.20	1,767.00	483.50	
Depreciation and Amortization expense	358.10	728.40	1,185.80	
Other expenses	803.40	1,824.30	2,914.30	
<b>Total Expenses</b>	<b>5,083.90</b>	<b>11,127.10</b>	<b>15,560.70</b>	
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization</b>	<b>(1,086.80)</b>	<b>7,312.20</b>	<b>4,709.30</b>	
<b>EBITDA Margin</b>	<b>-31%</b>	<b>46%</b>	<b>25%</b>	
<b>Profit/(Loss) before exceptional items and tax</b>	<b>(1,450.40)</b>	<b>5,017.70</b>	<b>4,079.50</b>	
Less: Exceptional Items	-	-	-	
<b>Profit/(Loss) before tax</b>	<b>(1,450.40)</b>	<b>5,017.70</b>	<b>4,079.50</b>	
Tax Expense				
Current Tax	-	796.80	1,213.10	
Deferred tax (credit)/ expense	12.20	(179.70)	(332.40)	
Total Tax Expense	12.20	617.10	880.70	
<b>Profit/(Loss) for the year</b>	<b>(1,462.6)</b>	<b>4,400.6</b>	<b>3,198.8</b>	
Net Profit Margin	-40%	27%	16%	

<b>Balance Sheet</b>		<b>(In Lacs)</b>		
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	88.10	222.20	817.80	
Right of use of assets	51.00	1,080.00	1,556.30	
Capital Work-in-progress	-	-	340.90	
Other Intangible assets	1,158.10	1,318.50	2,496.20	
Intangible Assets Under Development	1,422.30	1,908.80	2,151.00	
Financial Assets				
(i) Investments	-	-	100.00	
(ii) Other Financial Assets	1,394.60	3,013.40	2,317.30	
Deferred Tax Assets	10.10	188.80	521.60	
Non-current tax assets	106.40	112.70	112.70	
Other Non-current Assets	2.90	27.40	9.90	
<b>Total Non-Current assets</b>	<b>4,233.50</b>	<b>7,871.80</b>	<b>10,423.70</b>	
<b>Current Assets</b>				
Inventories	2,342.00	4,891.40	10,468.20	
Financial Assets				
(i) Investments	-	1,065.00	12,407.60	
(ii) Trade Receivables	2,375.00	2,030.70	5,781.60	
(iii) Cash and cash equivalents	525.90	3,041.60	450.40	
(iv) Other Bank balances	887.20	466.20	199.30	
(v) Loans	4.40	6.10	8.50	
(vi) Other financial assets	748.00	465.60	3,934.60	
Other Current assets	1,258.10	2,394.70	5,119.10	
<b>Total Current assets</b>	<b>8,140.60</b>	<b>14,361.30</b>	<b>38,369.30</b>	
<b>Total Assets</b>	<b>12,374.10</b>	<b>22,233.10</b>	<b>48,793.00</b>	

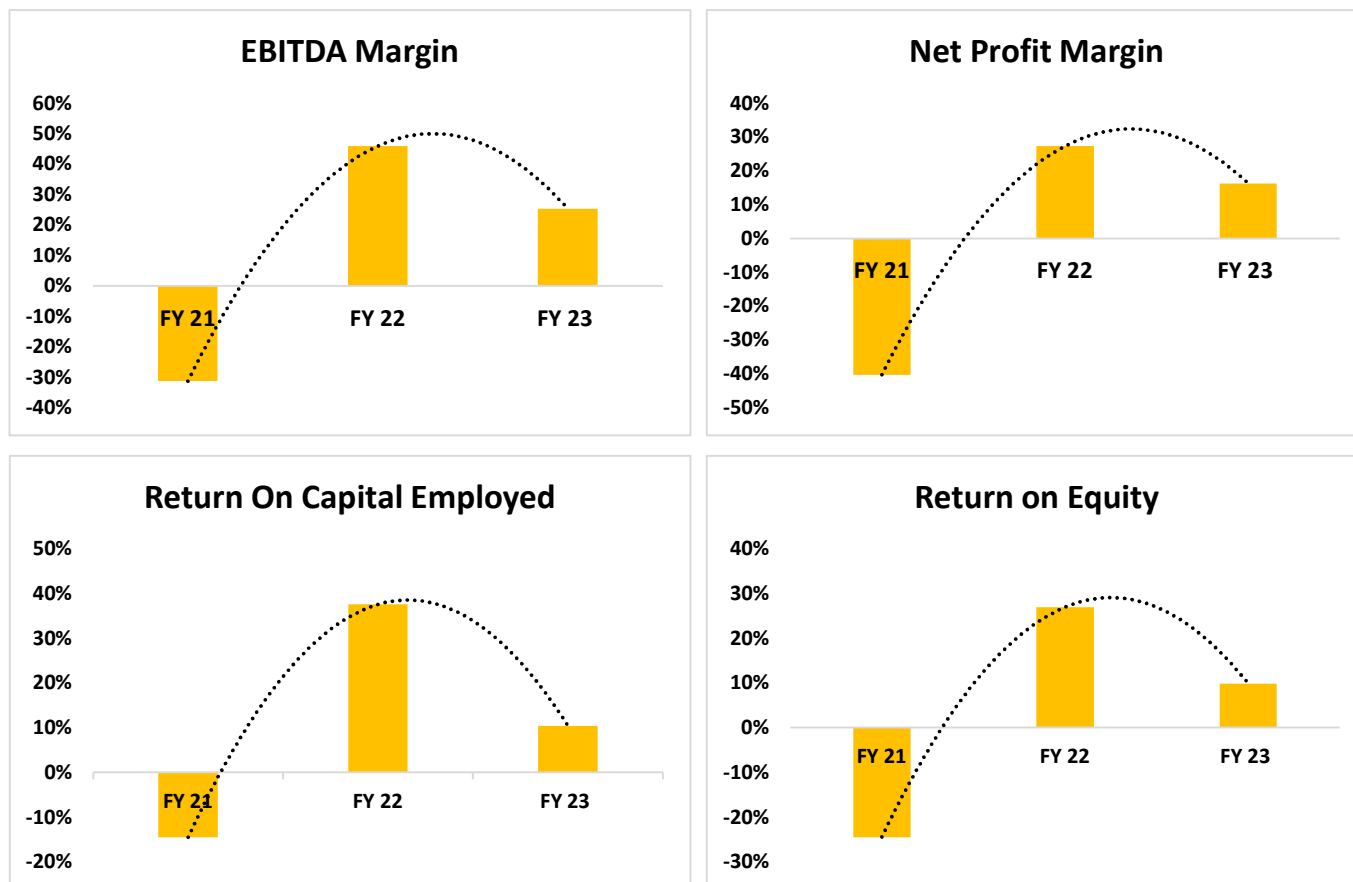




<b>Balance Sheet</b>				<b>(In Lacs)</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	8.90	8.90	2,133.70	
Intruments entirely equity in nature	3.80	3.80	6.70	
Other Equity	5,962.10	16,317.60	30,331.70	
<b>Total Equity</b>	<b>5,974.80</b>	<b>16,330.30</b>	<b>32,472.10</b>	
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	3,778.10	-	-	
(ii) Lease liabilities	-	945.10	1,127.30	
Provisions	190.30	239.60	250.70	
<b>Total Non-current liabilities</b>	<b>3,968.40</b>	<b>1,184.70</b>	<b>1,378.00</b>	
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	1,279.30	567.60	8,650.40	
(ii) Lease liabilities	46.20	124.70	278.20	
(iii) Trade payables				
- Total outstanding dues of micro and small enterprises	187.10	236.60	460.90	
- Total outstanding dues of other creditors	287.50	512.80	938.00	
(iv) Other financial liabilities	495.20	547.60	510.10	
Other current liabilities	63.90	2,085.00	2,809.20	
Provisions	71.70	554.90	633.60	
Current tax liabilities (Net)	-	88.90	662.50	
<b>Total Current liabilities</b>	<b>2,430.90</b>	<b>4,718.10</b>	<b>14,942.90</b>	
<b>Total Liabilities</b>	<b>6,399.30</b>	<b>5,902.80</b>	<b>16,320.90</b>	
<b>Total Equity and Liabilities</b>	<b>12,374.10</b>	<b>22,233.10</b>	<b>48,793.00</b>	

<b>Ratio Sheet</b>			
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>
<b>Per Share Data</b>			
Diluted EPS	-5.03	13.13	8.12
BV per share	14.34	39.19	77.93
<b>Operating Ratios</b>			
EBITDA Margins (%)	-31.30	45.86	25.32
PAT Margins (%)	-40.25	27.26	16.29
Inventory days	246.22	111.98	205.42
Debtor days	249.69	46.49	113.45
Creditor days	54.96	40.67	44.18
<b>Return Ratios (%)</b>			
RoCE	-14.53	37.59	10.41
RoE	-24.48	26.95	9.85
<b>Valuation Ratios (x)</b>			
EV/EBITDA	-8.85	1.83	8.59
Market Cap / Sales	80.65	17.56	15.05
P/E	-133.60	51.18	82.76
Price to Book Value	46.86	17.15	8.62
<b>Solvency Ratios</b>			
Debt / Equity	0.85	0.03	0.27
Current Ratio	3.35	3.04	2.57
Quick Ratio	2.39	2.01	1.87
Asset Turnover	0.28	0.72	0.38
Debt Service Coverage Ratio	-8.64	3.73	7.29

## Financial Charts



## Key Risk Factors

1. Company, Company's Promoters, Group Company and its subsidiaries are involved in certain litigations including tax related litigations amounting to Rs. 6.96 Crores, which if determined against the company, can affect financial conditions of the company.
2. Company have had and have in the fiscal 2021 and 2023 negative cash flow from operating activity amounting to Rs. (30.86) Crores and Rs. (46.82) Crores.
3. The company highly dependent on global vendors for the supply of components and may not be able to reduce its dependency on such imports. If critical components or raw materials become scarce or unavailable, then they may incur delays in manufacturing and delivery of products and in completing their development programs, which could damage the business of the company.
4. Company heavily reliant on sales to the Indian government including to the central and state government agencies. A decline in government budget, reduction in orders, termination of existing contracts, delay of existing contracts or any kind of adverse change in the Government of India policies for the sector would have a material adverse impact on the business, financial condition, and results of operations. Revenue from sales to GoI entities contributes up to 69.85%, 89.01% and 76.45% of their total revenue for the fiscals 2023, 2022 and 2021 respectively.
5. Company faces foreign exchange risks that could adversely affect their results of operations as they import most of their raw materials.
6. 4 drone pilots were injured after ideaForge drone exploded in Chhattisgarh (source- [www.aninews.in](http://www.aninews.in)). Any such incidents in future will impact the financial performance and reputation of the company.

### Track Record of Lead Manager

The lead manager to the issue is JM Financials Limited and IIFL Securities Limited. A table has been set below highlighting the details of the IPO of the last 5 companies handled by the Lead Managers in recent times –

#### JM Financials Limited

Sr. No	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing date	CMP* (INR)
1.	Avalon Technologies Limited	865.00	436.00	April 18, 2023	529
2.	Elin Electronics Limited	475.00	247.00	December 30, 2022	165
3.	Uniparts India Limited	835.61	577.00	December 12, 2022	557
4.	Archean Chemical Industries Limited	1,462.31	407.00	November 21, 2022	536
5.	Bikaji Foods International Limited	881.22	300.00	November 16, 2022	427

\*CMP is taken as on 23rd June 2023

As per the offer document JM Financials Limited have had 29 mandates in the last 3 fiscals. For JM Financials Limited out of the 5 mentioned above, 1 opened at par, 2 opened at discount, and the rest 2 opened at premiums.

#### IIFL Securities Limited

Sr. No	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing date	CMP* (INR)
1.	Mankind Pharma Limited	4,326.36	1,080.00	May 09, 2023	1,702
2.	Avalon Technologies Limited	865.00	436.00	April 18, 2023	529
3.	Radiant Cash Management Services Limited	256.64	94.00	January 04, 2023	92.7
4.	KFin Technologies Limited	1500.00	366.00	December 29, 2022	341
5.	Sula Vineyards Limited	960.35	357.00	December 22, 2022	468

\*CMP is taken as on 23<sup>rd</sup> June 2023

As per the offer document IIFL Securities Limited have had 31 mandates in the last 3 fiscals. For IIFL Securities Limited out of the 5 mentioned above, 1 opened at par, and the rest 4 opened at premiums.



## Recommendation

The company has been into the industry since quite a long time and has only been able to generate healthy revenue and profitability margin over the last two years.

The management outlook of the company is good with proper bifurcation of the roles and responsibilities of its top management and also has required qualifications.

The P/E on an annualised and Post IPO basis is around 87.53 times which seems to be highly priced looking at the performance and size of the company.

The business segment in which company operates is unique, and company faces competition only from few big organised players. A diversified product portfolio, coupled with a track record of successful outcomes in critical use cases, serves as a strong advantage for the company. Whereas, the company has only been profitable in the last two years. And also, at the given P/E company is highly priced and therefore **Risk Averse Investors should wait and Risk Seekers should apply** for the IPO.



## **Disclaimer**

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