



IPO Details

Opening Date	July 25, 2023
Closing Date	July 27, 2023
Stock Exchange	BSE SME
Lot Size	3000 Shares
Issue Price	₹ 50 per share
Issue Size	15,48,000 shares
Fresh Issue	Aggregating up to 7.74Cr.
Application Amount (@ upper Band)	₹1,50,000

IPO Objective

Augmenting additional working capital requirements.
Purchase of Exhibition Related Material.
General Corporate Purposes.

Pre-Issue Shareholding

Category	No. of Shares	% of Total Shares
Promoter & Promoter Group	24,10,000	99.97%
Public	804	0.03%

Promoter of the Company

- Mr. Azharuddin R. Mulla
- Miniboss Consultancy Private Limited
- Richpockets Online Services Private Limited

Competitive Strengths

- Creative activations and lateral approach to innovative concepts and their flawless execution.
- Engage Partnership & Sponsorship.
- Focus on clients.

Company Background

- Company was incorporated in the year 2012 and has its registered office in Maharashtra.
- Company offers all the Direct marketing solutions- Management, CRM, B2B and B2C, Activations and Exhibitions.
- Company services includes event management, activations, exhibitions.
- As on March 31st, 2023, Company has 11 fulltime employees on payroll.

Market Capitalization

		(In Cr.)
	Pre-Issue	Post-Issue
	₹ 12	₹20

Financial Summary

				(In Lacs)
For the Period Ended	Mar-23	Mar-22	Mar-21	
Total Assets	822.63	530.83	597.73	
Net Assets	483.45	235.19	205.00	
Total Borrowings	152.34	152.34	152.34	
Total Revenue	1,093.93	787.90	784.07	
Profit After Tax	48.30	30.20	33.40	

Tentative Timeline

Opening Date	July 25, 2023
Closing Date	July 27, 2023
Basis of Allotment	Aug 01, 2023
Initiation of Refunds	Aug 02, 2023
Credit of Shares to Demat	Aug 03, 2023
Listing Date	Aug 04, 2023



Company Background and Analysis

Company offers all the Direct marketing solutions- Management, CRM, B2B and B2C, Activations and Exhibitions and a creative platform for complete 'Info-tainment' with a 360-degree solution. Company focuses on concept development to creatives to a total turn key presentation and on ground execution and look forward to reach a new level of innovation, through integrated media and satisfactory engagement of the audience and carve an exemplary niche in the field of 'Infotainment' and create a unique identity of a dedicated company on the global map. Company offers a complete range of designing, media and printing services and Strength is media buying where company can understand the clients marketing objective and use the correct media to achieve that objective. Company is able to understand the various media available and use the right mix of media and the right prices to the achieve the client's media objectives.

Services provided by the company

1. Event Management
2. Activations
3. Exhibitions

Company relies on third parties like material suppliers, designers, media providers and other service providers to help and meet contractual obligations and provide services as required by client.

Proper planning for events can help in carrying out a variety of critical functions, including:

1. Assists in obtaining authorization for the event to take place.
2. Provides all stakeholders with a road map for the event.
3. Ensures that you examine all important perspectives during preparation.
4. Make sure that nothing is overlooked.
5. Provides support throughout the event.
6. Helps you make a decision during the event.
7. Provides a solid framework for crew briefings.



Business Strategies

1. Understanding the resources

The company strength lies in understanding the resources. Resources make up everything that will help your clients in accomplishing their goals. Company is always aware of what resources they are working with. If you don't have the manpower and the right technology, it's going to be challenging to manage the daily operations and always review following resources for the successful planning of event 1) Money 2) Time 3) Staff 4) Support services.

2. Go Social

Almost every person on the planet is on social media. That's why company needs to integrate event management with popular social media platforms. There are many ways to utilize social media for events management and can segment your audience and send them targeted messages via their most frequented social media channels.

3. Increase the number of Client Relationships

The Company is focused on increasing the number of client relationships and having a greater number of relationship managers to service these relationships. Company's strategy is to increase the number of client relationships and then leverage those client relationships into offering in a whole suite of media products. During downturn of the markets Company believed that increased number of client relationships will add stability to earnings. As a part of this company is also planning to strengthen sales team to bring in new client relationships to leverage existing group offerings.

Competitive Scenario and Peer Mapping

Competition

The company operates in a highly competitive market and competition is based primarily on quality, design and pricing of such products and services. The bargaining power of the company is low and the threat of new entrant is also high. To remain competitive in the market company should strive to improve design capability, reduce production cost and improve operating efficiencies. If company fails to maintain strengths, competitors will gain an advantage over the company, which would adversely affect market share and results of operation.



Peer Analysis

As per the RHP there is there are no listed peers in the same line of business.



Industry Overview

Exhibit 1: Total Media and Entertainment Market (US\$ billion)

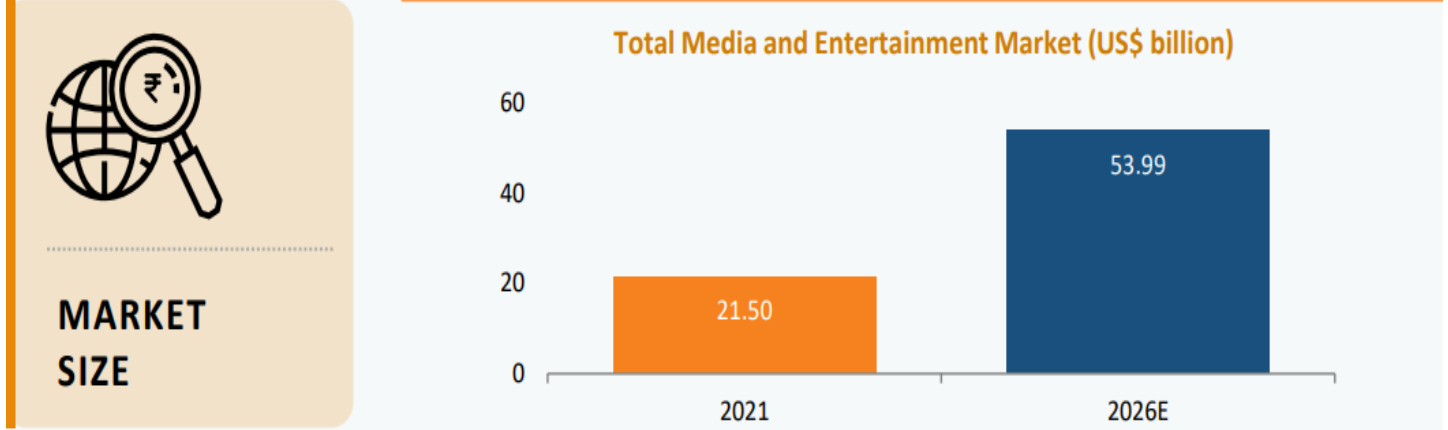


Exhibit 2: Urban – Share of major industry segments 2021 and 2024

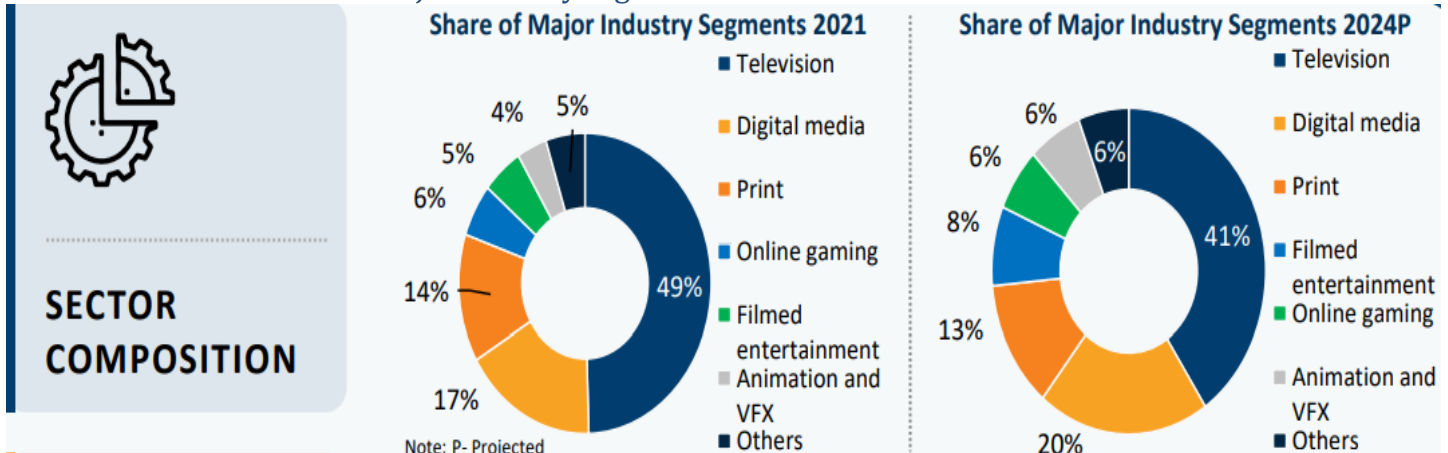
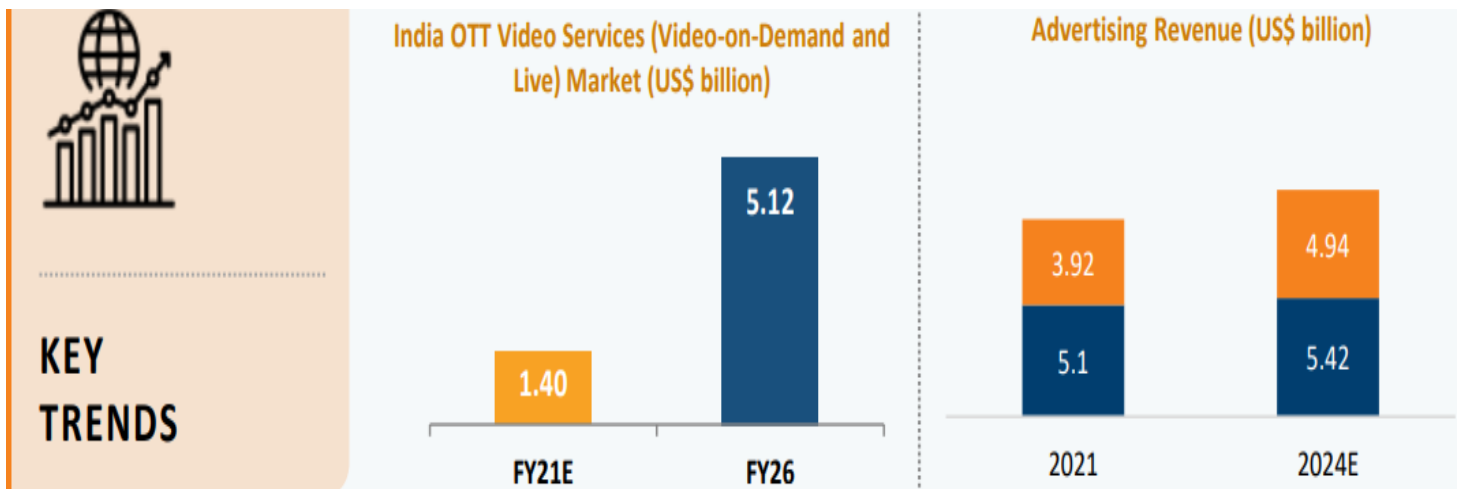


Exhibit 3: India OTT video services market and advertising revenue.

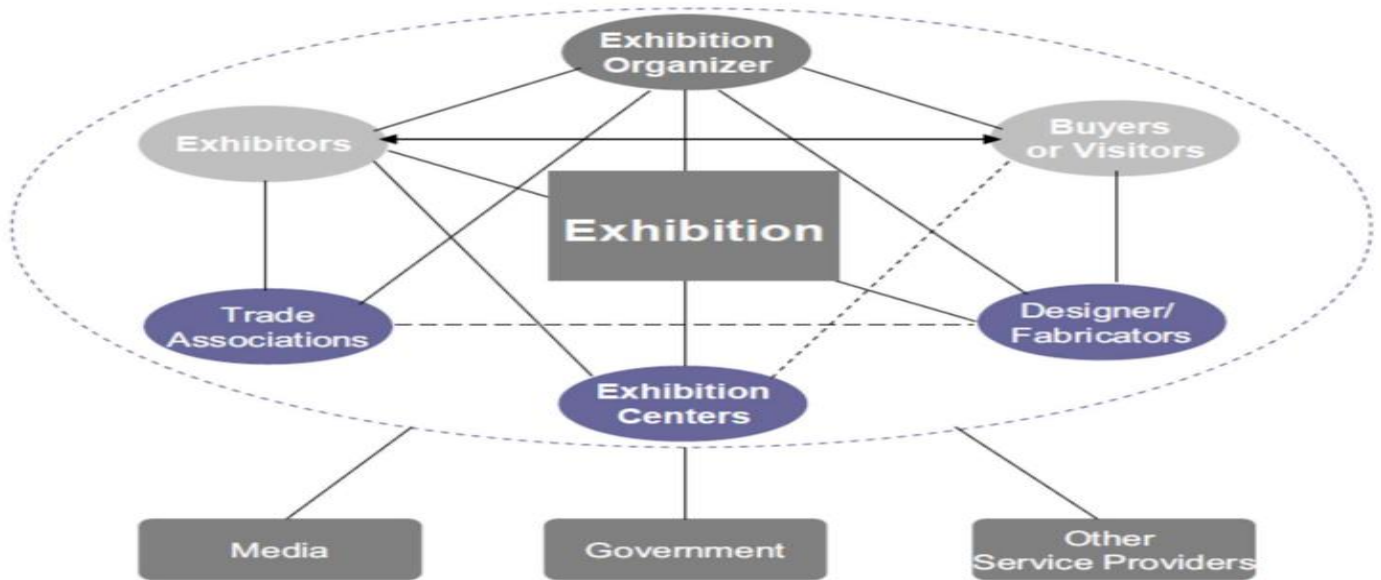


(Source: IBEF)



EXHIBITION INDUSTRY

Exhibition is an event / platform for congregation of exhibitors and visitors with an intention to gather information and meet each other to evaluate and explore business opportunities. Business exhibitions and trade shows are exhibitions held during a limited period of time in which a large number of exhibitors display their product/ technologies / business knowhow or other services with the ultimate aim of selling to the trade, industry users and bulk buyers. Exhibitions are normally associated and related to a particular industry or group. An exhibition is one of the various methods to market goods and services in an effective manner and forms an essential component of exhibitors’ marketing campaigns. Besides commercial transactions, other opportunities presented by exhibitions include meeting potential clients, customers, competitors and overseas agents. These events are mostly seen as opportunities to gain widespread publicity that eventually aid the introduction of products and services into the market. An exhibition is an excellent venue to market new products, services and technology. Manufacturers and distributors can also use this opportunity to gauge the initial response of potential buyers to these new introductions. Exhibitions are not only places for buying and selling, they act as venues of gaining knowledge and information for all exhibitors. Trade shows present a good chance for distributors to establish new agency possibilities by facilitating contact with manufacturers in the same venue. In the same way, distributors and retailers can expect to secure new sales projects and make sales promotions. Market trends, competitor moves and other forms of information can be subtly observed. Competitive analysis can be performed on the spot due to the display of competitor products and services.



Exhibitions have become a commercial way of life because they are a cost-effective way for exhibitors to meet large numbers of buyers and sellers in a short period. Whether at a local exhibition or at an international trade show, an exhibition stall is a neutral and unbiased ground where visitors can see competitor’s products and compare the various options as available to them.

(Source: Prospectus)



Key Managerial Personnel

Azharuddin R. Mulla, aged 36 years, is the Director of Company. He has completed his B.Com from University of Mumbai. He is having over a decade of experience of marketing in broking and banking industry. He is also one of the Promoters of Company. He was previously working in banking and broking industry, as well as apple trading and supply. He provides strategic guidance to Company.

MINIBOSS CONSULTANCY PRIVATE LIMITED, the promoter of MCPL is Azharuddin R. Mulla. MCPL was incorporated as a private limited company under the Companies Act, 2013 pursuant to Certificate of Incorporation dated September 25, 2019 issued by the Registrar of Companies. The corporate identification number is U74999MH2019PTC330998. MCPL is engaged in the business of corporate and financial consultancy. As on the date of the Draft Prospectus, MCPL holds 16,06,000 Equity Shares representing 66.64% of the pre-issue paid-up share capital of Company.

RICH POCKETS ONLINE SERVICES LIMITED, the promoters of RPOSL are Sejal Shah and Hasmukh Shah. RPOSL was incorporated as a private limited company under the Companies Act, 2013 pursuant to Certificate of Incorporation dated October 30, 2018 issued by the Registrar of Companies. The Company was subsequently converted into a public limited company vide Certificate of Incorporation dated January 5, 2023 issued by the Registrar of Companies. The corporate identification number is U74999MH2018PLC316552. RPOSL is engaged in the business of FMCG products distribution. As on the date of the Draft Prospectus, RPOSL holds 2,88,636 Equity Shares representing 11.98% of the pre-issue paid-up share capital of Company.

Sanjay Dattaram Khanvilkar, aged 46 years, is the Managing Director of Company. He has completed his Bachelor of Arts from University of Mumbai. He is having over a decade of experience of marketing and exhibitions. Prior to joining company, he was working in advertising industry. He takes care of day-to-day business of Company and executes the strategy as per the approval of our Board of Directors.

Ujwala Kisan Pagare, aged 34 years, is an Independent Director of Company. She has completed her B.Com from University of Mumbai. She is having experience of over 5 years in field of accounting. She has been on our Board since April 14, 2022.

Harshal Vilas Wagh, aged 24 years, is an Independent Director of Company. He is an under graduate. He is working in marketing and is having experience of about 1 year. He has been on our Board since April 14, 2022.

To conclude, the company has 3 promoters. The management has good knowledge and experience in the industry and overall business in which the company operates in.



Financial Snapshot

Profit and Loss Statement				(In Lacs)
Particulars	FY 21	FY 22	FY 23	
Revenue from Operations	784.07	787.90	1,093.93	
Other Income	-	-	-	
Total Income	784.07	787.90	1,093.93	
Expenses				
Operating Expenses	678.91	695.36	975.67	
Purchase of stock-in-trade	-	-	-	
Changes in inventories of Finished goods, work-in-Progress	-	-	-	
Employee benefits expense	12.35	13.65	16.46	
Finance costs	-	-	-	
Depreciation and Amortization expense	34.51	22.79	18.66	
Other expenses	13.35	15.85	18.84	
Total Expenses	739.12	747.65	1,029.63	
Earnings Before Interest, Taxes, Depreciation & Amortization	79.46	63.04	82.96	
EBITDA Margin	10%	8%	8%	
Profit/(Loss) before exceptional items and tax	44.95	40.25	64.30	
Less: Exceptional Items	-	-	-	
Profit/(Loss) before tax	44.95	40.25	64.30	
Tax Expense				
Provision for Taxation	10.83	10.13	17.35	
Current Year	-	-	-	
Earlier Year	-	-	-	
Deferred tax	0.75	-0.07	-1.31	
Total Tax Expense	11.58	10.06	16.04	
Profit/(Loss) for the year	33.4	30.2	48.3	
Net Profit Margin	4%	4%	4%	

Balance Sheet				(In Lacs)
Particulars	FY 21	FY 22	FY 23	
EQUITY AND LIABILITIES				
1. Shareholders' funds				
(a) Share Capital	1.00	201.00	241.00	
(b) Reserves and surplus	204.00	34.19	242.45	
Total Equity	205.00	235.19	483.45	
2. Non-current liabilities				
(a) Long-term borrowings	152.34	152.34	152.34	
(b) Other Non-current Liabilities	-	-	-	
(c) Deferred Tax liability	17.00	16.93	15.62	
(d) Long-term provisions	-	-	-	
Total Non-current liabilities	169.34	169.27	167.96	

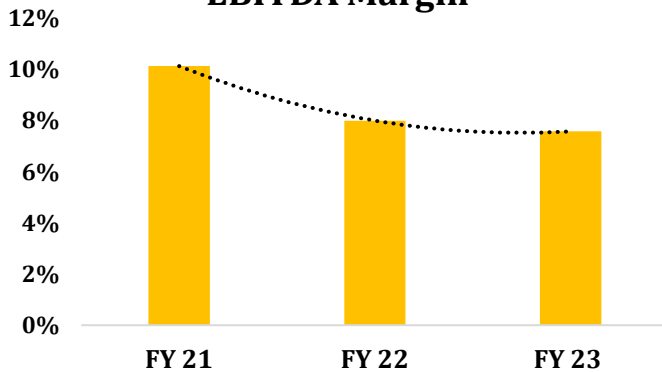
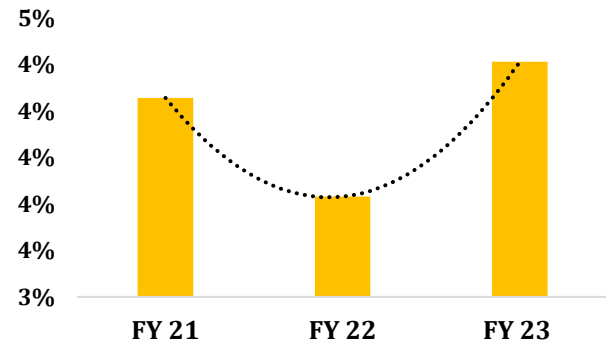
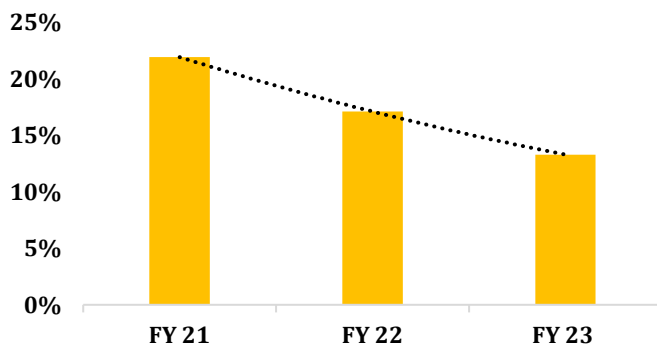
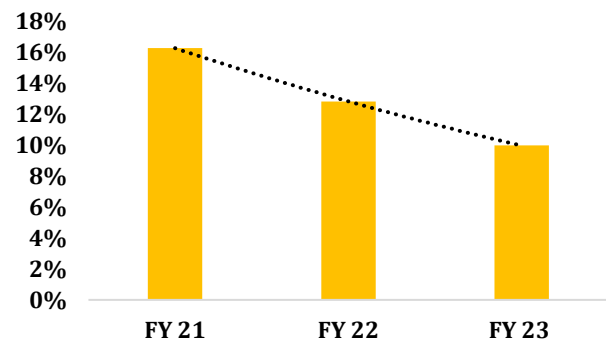


Balance Sheet				(In Lacs)
3. Current liabilities				
(a) Short-term borrowings	-	-	-	
(b) Trade payables	189.88	75.32	108.12	
(i) Due to MSME	-	-	-	
(ii) Due to Others	-	-	-	
(c) Other current liabilities	22.68	12.09	17.96	
(d) Short-term provisions	10.83	38.96	45.13	
Total Current liabilities	223.39	126.37	171.21	
Total Liabilities	392.73	295.64	339.17	
Total Equity and Liabilities	597.73	530.83	822.62	
ASSETS				
1. non-current assets				
(a) Fixed Assets				
(i) Tangible Assets	1.86	1.52	1.24	
(ii) Intangible Assets	124.04	101.59	83.20	
(b) Non-current investments	-	-	-	
(c) Long-term loans and advances	-	-	-	
(d) Other Non-Current Assets	-	-	-	
Total Non-Current assets	125.90	103.11	84.44	
2. Current assets				
(a) Inventories	-	-	-	
(b) Trade receivables	467.43	417.13	653.77	
(c) Cash and cash equivalents	4.40	10.55	78.23	
(d) Short-term loans and advances	-	-	-	
(e) Other Current Assets	-	0.04	6.19	
Total Current assets	471.83	427.72	738.19	
Total Assets	597.73	530.83	822.63	

Ratio Sheet			
Particulars	FY 21	FY 22	FY 23
Per Share Data			
Diluted EPS	334	1.5	2
BV per share	5.18	5.94	12.21
Operating Ratios			
EBITDA Margins	10%	8%	8%
PAT Margins	4%	4%	4%
Inventory days	-	-	-
Debtor days	217.60	193.24	218.14
Creditor days	-	-	-
Return Ratios			
RoCE	12%	10%	10%
RoE	16%	13%	10%
Valuation Ratios (x)			
EV/EBITDA	4.44	5.98	6.72



Ratio Sheet			
Market Cap / Sales	2.52	2.51	1.81
P/E	0.15	33.33	25.00
Price to Book Value	9.65	8.41	4.09
<u>Solvency Ratios</u>			
Debt / Equity	0.74	0.65	0.32
Current Ratio	2.11	3.38	4.31
Quick Ratio	2.11	3.38	4.31
Asset Turnover	1.31	1.48	1.33
Interest Coverage Ratio	-	-	-

**Financial Charts****EBITDA Margin****Net Profit Margin****Return On Capital Employed****Return on Equity****Key Risk Factors**

1. There are certain outstanding legal proceeding against company of amount involved 225.43 Lakhs, which may adversely affect business, financial condition and results of operations.
2. Company relies on third parties for providing services, including designers, purchase of media and other material.
3. Certain filings of Company under the Companies Act have been filed post the prescribed date of filing. Further, there may also be certain inadvertent errors in these filings.
4. Company have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect business, results of operations and prospects.
5. Company has not entered into any long-term contracts with any of clients.

**Track Record of Lead Manager**

The lead manager to the issue is Inventure Merchant Banker Services Pvt Limited. A table has been set below highlighting the details of the IPO of the last 10 companies handled by the Lead Manager in recent times –

Inventure Merchant Banker Services Pvt Limited

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Vilin Bio Med Limited	12.00	30.00	Jun 30, 2023	22.90
2.	Maagh Advertising And Marketing Services Ltd	9.12	60.00	Oct 13, 2022	32.19
3.	Silver Pearl Hospitality & Luxury Spaces Ltd	9.00	18.00	Jun 17, 2022	7.70
4.	Brandbucket Media & Technology Limited	8.25	55.00	Dec 31, 2021	21.10
5.	Omnipotent Industries Limited	18.90	63.00	Nov 29, 2021	9.34
6.	AA Plus Tradelink Limited	6.48	18.00	Jul 22, 2021	11.46
7.	Navoday Enterprises Limited	4.61	20.00	Jun 25, 2021	8.44
8.	Parshva Enterprises Limited	3.65	45.00	Jul 01, 2019	177.50
9.	Penta Gold Limited	13.32	37.00	Apr 25, 2018	29.30
10.	CRP Risk Management Ltd	30.82	60.00	Jan 31, 2018	23.50

*CMP for all the above-mentioned companies is taken as on 24th July 2023.

As per the offer document Inventure Merchant Banker Services Pvt Limited have had 10 mandates in the last 5 fiscals. For Inventure Merchant Banker Services Pvt Limited out of the 10 mentioned above, 9 trading at discount, 1 trading above issue price.



Recommendation

The company has been into this industry since 2012 and has decent track record of existence. The revenue of the company along with the profit margins has shown extra-ordinary growth raising questions on its sustainability. The management outlook of the company is also good with proper bifurcation of the roles and responsibilities of its top management.

There are no listed companies to compare it with the peers but the PE on an annualised and Post IPO basis is around 41.01 times which seems to be highly priced. The company is in highly competitive business and has to perform out of the box to sustain current valuations so, one can **AVOID** applying to this IPO.



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