



IPO Details		Company Background																											
Opening Date	Sept 21, 2023	<ul style="list-style-type: none"> Mangalam Alloys Limited was originally incorporated in the year 1988 and has its registered office in Gujarat. The Company is engaged in the business of stainless-steel unit manufacturing SS Ingots, Round Bar, RCS, Bright bar, and different sections/ profiles like square, hex, angle, patti, etc. The company has been awarded various certificates and ISO 9001:2015 and PED certificates. As of 31st March 2023, the Company has 370 employees on its payroll. 																											
Closing Date	Sept 25, 2023																												
Stock Exchange	NSE SME																												
Lot Size	1,600 Shares																												
Issue Price	₹ 80 per share																												
Issue Size	Aggregating up to 54.91 Cr.																												
Fresh Issue	Aggregating up to 49.01 Cr.																												
Offer for Sale	Aggregating up to 5.90 Cr.	<table border="1"> <thead> <tr> <th colspan="2">Market Capitalization (In Cr.)</th> </tr> <tr> <th>Pre-Issue</th> <th>Post-Issue</th> </tr> </thead> <tbody> <tr> <td>₹ 148</td> <td>₹ 197</td> </tr> </tbody> </table>				Market Capitalization (In Cr.)		Pre-Issue	Post-Issue	₹ 148	₹ 197																		
Market Capitalization (In Cr.)																													
Pre-Issue	Post-Issue																												
₹ 148	₹ 197																												
Application Amount	₹ 1,28,000																												
IPO Objective		Financial Summary (In Lacs)																											
Capital Expenditure Requirements		<table border="1"> <thead> <tr> <th>For the Period Ended</th> <th>Mar-21</th> <th>Mar-22</th> <th>Mar-23</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>31,210.81</td> <td>30,066.96</td> <td>33,201.82</td> </tr> <tr> <td>Net Assets</td> <td>6,390.37</td> <td>6,895.35</td> <td>7,903.11</td> </tr> <tr> <td>Total Borrowings</td> <td>16,769.66</td> <td>16,361.81</td> <td>15,353.27</td> </tr> <tr> <td>Total Revenue</td> <td>27,190.68</td> <td>30,973.94</td> <td>30,817.92</td> </tr> <tr> <td>Profit After Tax</td> <td>-653.68</td> <td>505.08</td> <td>1,013.51</td> </tr> </tbody> </table>				For the Period Ended	Mar-21	Mar-22	Mar-23	Total Assets	31,210.81	30,066.96	33,201.82	Net Assets	6,390.37	6,895.35	7,903.11	Total Borrowings	16,769.66	16,361.81	15,353.27	Total Revenue	27,190.68	30,973.94	30,817.92	Profit After Tax	-653.68	505.08	1,013.51
For the Period Ended	Mar-21					Mar-22	Mar-23																						
Total Assets	31,210.81					30,066.96	33,201.82																						
Net Assets	6,390.37	6,895.35	7,903.11																										
Total Borrowings	16,769.66	16,361.81	15,353.27																										
Total Revenue	27,190.68	30,973.94	30,817.92																										
Profit After Tax	-653.68	505.08	1,013.51																										
Working Capital Requirements.																													
Issue Expenses																													
General Corporate Purposes.																													
Pre-Issue Shareholding			<table border="1"> <thead> <tr> <th colspan="2">Promoter of the Company</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Uttamchand Chandanmal Mehta</td> </tr> <tr> <td>2</td> <td>Tushar Uttamchand Mehta</td> </tr> <tr> <td>3</td> <td>Meghjyoti Impex Private Limited</td> </tr> </tbody> </table>				Promoter of the Company		1	Uttamchand Chandanmal Mehta	2	Tushar Uttamchand Mehta	3	Meghjyoti Impex Private Limited															
Promoter of the Company																													
1	Uttamchand Chandanmal Mehta																												
2	Tushar Uttamchand Mehta																												
3	Meghjyoti Impex Private Limited																												
Category	No. of Shares	% of Total Shares																											
Promoter & Promoter Group	1,50,65,234	81.17%																											
Public	34,94,293	18.83%																											
Competitive Strengths		<table border="1"> <thead> <tr> <th colspan="2">Tentative Timeline</th> </tr> </thead> <tbody> <tr> <td>Opening Date</td> <td>Sept 21, 2023</td> </tr> <tr> <td>Closing Date</td> <td>Sept 25, 2023</td> </tr> <tr> <td>Basis of Allotment</td> <td>Sept 29, 2023</td> </tr> <tr> <td>Initiation of Refunds</td> <td>Oct 03, 2023</td> </tr> <tr> <td>Credit of Shares to Demat</td> <td>Oct 04, 2023</td> </tr> <tr> <td>Listing Date</td> <td>Oct 05, 2023</td> </tr> </tbody> </table>				Tentative Timeline		Opening Date	Sept 21, 2023	Closing Date	Sept 25, 2023	Basis of Allotment	Sept 29, 2023	Initiation of Refunds	Oct 03, 2023	Credit of Shares to Demat	Oct 04, 2023	Listing Date	Oct 05, 2023										
Tentative Timeline																													
Opening Date	Sept 21, 2023																												
Closing Date	Sept 25, 2023																												
Basis of Allotment	Sept 29, 2023																												
Initiation of Refunds	Oct 03, 2023																												
Credit of Shares to Demat	Oct 04, 2023																												
Listing Date	Oct 05, 2023																												
1	Zero Waste Philosophy.																												
2	Eligible for Make in India.																												
3	Well-developed distribution and marketing network.																												
4	Quality Assurance and Control.																												
5	Integrated Manufacturing Facility.																												
6	Experienced Promoters and Management.																												

Company Background and Analysis

The Company was originally incorporated in the year 1988. The company is engaged in the business of stainless-steel unit manufacturing SS Ingots, Round Bar, RCS, Bright bar, different sections/ profiles like square, hex, angle, patti, etc., Forging and making fasteners. The company has been awarded various certificates and ISO 9001:2015 and PED certificates also recognized with Two Star Export House by DGFT, India.

The company has two manufacturing units situated at Chhatral. Unit 1 has a melting facility which has the capacity of 25000 MT per annum. It also consists of Bright Bar (with all sections & angle, Patti) manufacturing facility which has a capacity of 18000 MT per annum and Fasteners are also produced at this Unit which has a capacity of 600MT per annum. Unit 2 consists of a 20-inch rolling mill, 12-inch rolling and 17-inch rolling mill having an overall capacity of 78000 MT per annum. The R&D Centre is also situated at this Unit.

The company manufactures stainless steel ingots through three furnaces by melting stainless-steel scrap, rolling ingots to stainless steel rounds & flats followed by heat treatment annealing furnace and bright bar unit. The Company manufactures SS Ingots, SS Black Bar, SS RCS, SS Bright Round Bar, Bright Hex Bar, Bright Square Bar, Angle, Patti, Forgings and Fasteners in more than 30 international grades and in the size range from 3 mm to 400 mm.

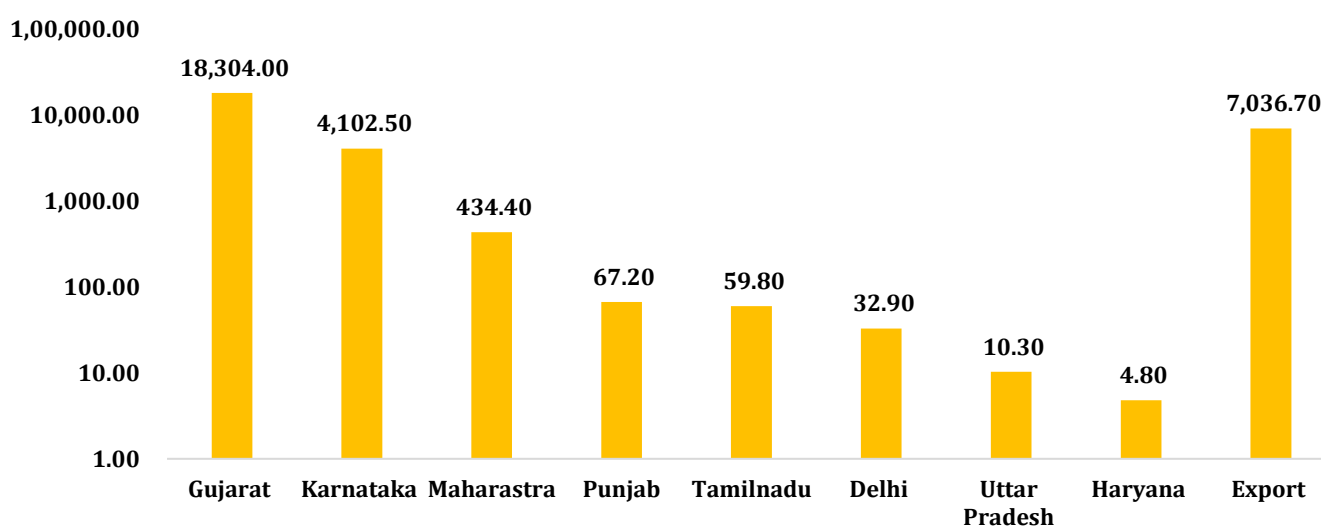
The company's product portfolio is as follows –

1. Ingots - Ingots are available in stainless steel, special steel & alloy steel.
2. Black Round Bars - Fully ground ingots are used as input materials in a walking pusher-type furnace to feed in the rolling mill.
3. RCS - It is another type of hot rolled product with a square shape. This is produced after heating the ingots in a rolling mill reheating furnace & then rolling in and subsequent pre-determined passes.
4. Bright Forged Round Bars - Various grades of forged round bars are manufactured from bottom-poured forging quality Ingots.
5. Bright Round Bars - Bright round bars are one type of stainless-steel long product. This product is mainly used in pumps valves machines etc.
6. Hexagonal & Square Bars - Hexagonal & Square Bars are of two types i.e. Cold Drawn and polished.
7. Angle Bars - Stainless steel angle bars is another type of hot rolled long product. SS angles available with equal or unequal leg lengths
8. Flat Bars - Stainless Steel flat bar is manufactured by the process of hot rolling & pickling. SS flat bars are well suited for structured and engineering applications requiring strength, toughness and excellent corrosion resistance.
9. Fasteners – Hex Screw/Het Bolt, Heavy Hex Nut, Allen Cap, Allen CSK, Stud/Threaded, Square Head Bolts/ Screw.
10. Special Bolts/ Screws – T-Headed Bolts, Anchor Bolt, U hooks, and Resin Anchor.

Product-wise revenue break up for the fiscal years ended 2021, 2022, and 2023 are given below -
 (Amount in Lakhs)

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	Domestic	Exports	Domestic	Exports	Domestic	Exports
Anglebar	1,071.92	1,756.71	949.72	1,515.38	366.94	713.62
Brightbar	1,992.90	6,901.00	2,698.26	9,681.96	4,725.35	4,303.18
End-Cut	106.72	-	66.04	-	54.73	-
Fasteners	6.22	1,246.91	61.68	1,203.94	13.73	436.24
Flat	1,203.97	-	832.56	-	324.93	-
Flatbar-Patti	2,359.28	1,880.17	2,681.84	1,532.58	2,243.06	726.51
Forged Roundbar	106.54	433.46	104.79	271.85	45.51	223.17
Hexbar	155.16	418.91	257.64	536.65	779.08	471.30
Roundbar	4,567.34	1,56.83	3,779.24	22.23	5,970.00	51.14
Squarebar	314.42	403.77	664.39	443.76	228.48	1,11.54
Ingots	436.76	-	396.46	-	5,759.08	-
Other sales	566.18	27.62	1,634.59	-	976.38	-
Job Work Income	496.74	-	1,024.50	-	1,528.82	-

State-wise break-up for the fiscal year ended 2021, 2022, and 2023 are given below -



To conclude, the company was originally incorporated in the year 1988. The company is engaged in the business of stainless-steel unit manufacturing. The major revenue-generating state for the company is Gujarat. The company's exports have seen a decline for the FY 2023 contra an increase in the revenues from the domestic sector for the same year. The company is raising total gross proceeds of Rs. 54.91 Cr.

Business Strategies

1. The future roadmap of Mangalam Alloys Limited is as follows -

- a) NABL certification of MAL quality control department.
- b) Increasing the operations of the R&D center.

To achieve the above-mentioned future roadmap the has adopted below business strategies -

- i) Focus on value-added products instead of low-value-added products.
- ii) Source Ingots from overseas.
- iii) The company has a strategy to hedge all currencies in export and import to avoid exchange fluctuation.
- iv) The company is doing a natural hedge of sales and purchase quantities.
- v) The company believes in customer satisfaction in terms of Quality and Delivery Commitment.
- vi) The company believes in a zero-waste philosophy (as in Mother Nature there is no waste). Zero waste includes Zero solid waste (recycling 100%) and Zero liquid waste (recycle liquid discharge by STP).
- vii) The company is continuously doing R&D on the products, process improvement and developing new grades. The company has achieved in manufacturing rare grades in their melting unit which are a substitute for imports. The company is continuously working on improving the process by minimizing cost i.e., indirectly generating revenue, which will increase the bottom line.
- viii) The company is developing new markets such as Canada and the United States of America.

Competitive Scenario and Peer Mapping

Competition

The company faces competition from various domestic and international players. The industry in which the company operates in is highly competitive. The company operates in a very fragmented market. The barriers to entry in such sectors are low. The bargaining power with the suppliers is moderate and the bargaining power with the consumers is relatively high.

Peer Analysis

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

Particulars	Mangalam Alloys Limited	Ratnamani Metal & Tubes Limited	Arfin India Limited	Panchmahal Steel Limited	India Steel Works Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	3.35%	11.44%	1.84%	0.20%	-720.00%
EBITDA Margin	10.54%	17.34%	4.78%	3.27%	-400.00%
Return on Capital Employed	17.31%	23.73%	17.46%	4.94%	-35.36%
Return on Equity	12.82%	19.66%	11.36%	0.65%	-73.47%
EPS (INR)	5.46	72.83	0.65	0.72	0.90

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

Particulars	Mangalam Alloys Limited	Ratnamani Metal & Tubes Limited	Arfin India Limited	Panchmahal Steel Limited	India Steel Works Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	1.63%	10.29%	1.71%	10.28%	-212.50%
EBITDA Margin	8.68%	15.77%	4.56%	13.24%	-254.17%
Return on Capital Employed	12.88%	17.31%	17.65%	40.24%	-61.27%
Return on Equity	7.32%	14.37%	11.54%	36.88%	-59.30%
EPS (INR)	2.72	46.03	0.58	30.71	1.27

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

Particulars	Mangalam Alloys Limited	Ratnamani Metal & Tubes Limited	Arfin India Limited	Panchmahal Steel Limited	India Steel Works Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	-2.41%	12.01%	1.32%	2.95%	-13.89%
EBITDA Margin	4.26%	17.41%	5.28%	6.78%	-22.92%
Return on Capital Employed	2.81%	15.65%	11.93%	14.41%	-12.56%
Return on Equity	-10.23%	13.89%	5.88%	9.80%	-14.81%
EPS (INR)	3.52	39.37	0.25	5.14	0.50

Based on the above analysis, the company's profitability margins when compared to Ratnamani Metal & Tubes Limited are low and are high when compared with the remaining peer companies. The RoCE and ROE of MAL are also slightly lower when compared with Ratnamani Metal & Tubes Limited and are relatively higher when compared with the other remaining peer companies. In terms of EPS, the same as above can be mentioned.

Industry Overview

Exhibit 1: Consumption of finished steel (million tonnes)

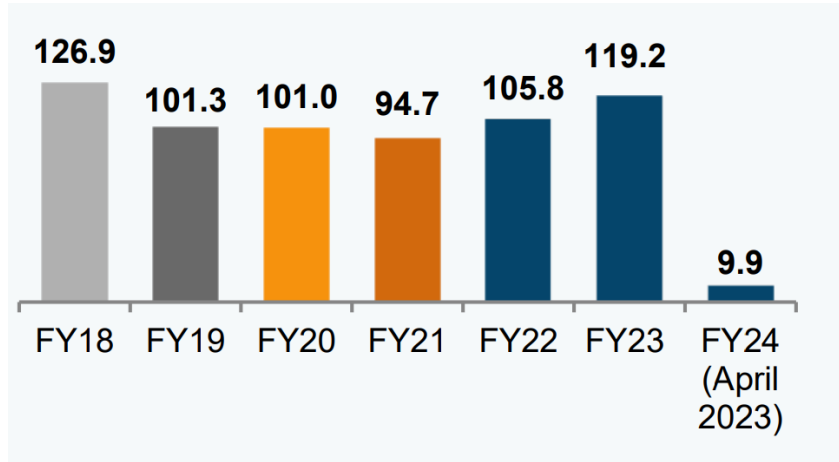


Exhibit 2: Per-capita Consumption of Steel (in Kgs)

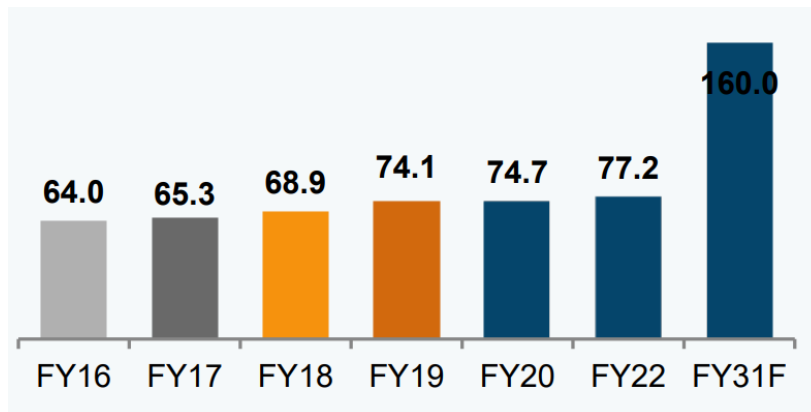
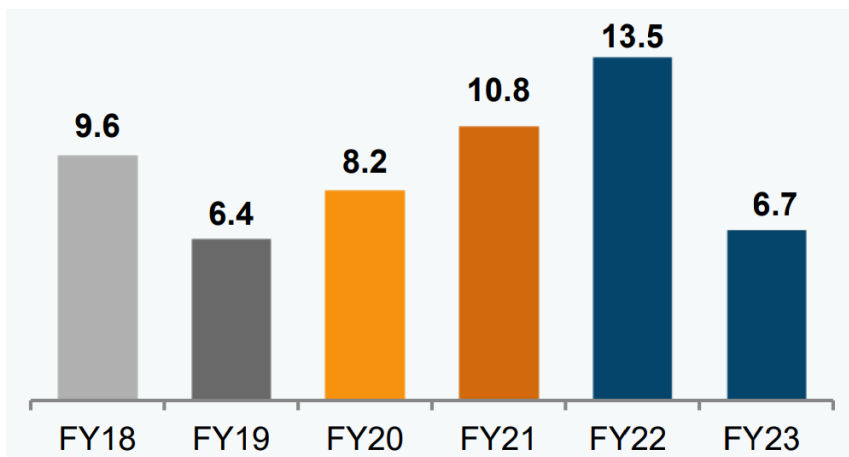


Exhibit 3: Finished Steel Export (million tonnes)



(Source: ibef.com)

Indian Stainless-Steel Industry -

The India special steel market size was valued at \$7.00 billion in 2020 and is projected to reach \$38.8 billion by 2035, growing at a CAGR of 10.9% from 2021 to 2035. The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels. The Indian steel industry is classified into three categories - major producers, main producers and secondary producers. In 2019, India ranked as the second-largest crude steel producer in the world. Between April 2022 - and January 2023, the finished steel production stood at 99.48 MT and in April - November 2022, the production of crude steel in India stood at 81.96 MT.

India's steel production capacity has expanded rapidly over the past few years, growing at a CAGR of 3.93% from 122 MT in FY16 to 143.9 MT in FY21. The National Steel Policy 2017 has envisaged achieving up to 300 MT of production capacity by 2030-31. By FY22, India's total steel capacity is likely to increase to 150 MT annually BF-BOF route is expected to contribute 65% of the capacity, while the remaining 35% is expected to come from EAF & IF routes. Expansion of production capacity to 300 MT will translate into additional investment of Rs. 10 lakh crore (US\$ 156.08 billion) by 2030-31. Steel companies are looking to restart expansion projects on the back of the surging steel process with a capacity addition of 29 MT.

Road Ahead -

The steel industry has emerged as a major focus area given the dependence of a diverse range of sectors on its output as India works to become a manufacturing powerhouse through policy initiatives like Make in India. With the industry accounting for about 2% of the nation's GDP, India ranks as the world's second-largest producer of steel and is poised to overtake China as the world's second-largest consumer of steel. Both the industry and the nation's export manufacturing capacity have the potential to help India regain its favourable steel trade balance.

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per the Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21. A huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

(Source: prospectus)

Key Managerial Personnel

Uttamchand Chandanmal Mehta, aged 69, is one of the Promoters, Chairman, and Whole Time Director of the company. He holds a degree in B.E (Honours) in Chemical Engineering. He is the ideator behind the concept of grades in the stainless-steel melting industry having initialized the concept 30 years ago. He has an experience of 40 years in the field of stainless-steel industry.

Tushar Uttamchand Mehta, aged 36, is one of the Promoters, Managing Director, and Whole-Time Director of the company. He holds a degree in bachelor's degree in mechanical engineering. He has 14 years of experience in the stainless-steel industry.

Pushpa Uttamchand Mehta, aged 63, is the Non-Executive Director of the company. She holds a bachelor's degree in commerce and has completed her LLB. She has been with the company for over 6 years. She looks after the HR department of the company.

Sarat Chandra Pradhan, aged 66, is the Non-Executive Independent Director of the company. He holds a master's degree in economics, Information technology and management and Foreign Trade. He has a wide experience of 37 years in the field of International Trade and finance, etc.

Ghanshyambhai Kishorbhai Patel, aged 69, is the Non-Executive Independent Director of the company. He holds a master's degree in physical chemistry. He is having experience of 30 years of more in the field of QA/QC divisions of Multinational Chemical Petrochemical, Refinery & fertilizer companies like Gujarat State Fertilizers India, National Petrochemical Company Libya, etc.

Karuna Santhoshkumar Khatri, aged 29, is the Non-Executive Independent Director of the company. She is a member of the Institute of Company Secretaries of India and holds a bachelor's degree in commerce and law. She has 2 years of experience in company secretarial work.

To conclude, the company has 3 promoters, with one being a corporate promoter named Meghhyoti Impex Private Limited which is engaged in the business of trading stainless steel products. The 2 individual promoters have good experience in the industry in which the company operates. The remaining directors also have good experience in the fields which help in the growth of the business.

Financial Snapshot

Profit and Loss Statement		(In Lacs)		
Particulars	FY 21	FY 22	FY 23	
Revenue from Operations	27,125.88	30,936.90	30,292.25	
Other Income	64.80	37.04	525.67	
Total Income	27,190.68	30,973.94	30,817.92	
Expenses				
Cost of Material Consumed	19,399.28	20,411.15	21,296.85	
Changes in Inventories	76.46	975.10	-479.45	
Employee benefits expense	1,971.28	1,860.86	1,484.79	
Finance costs	1,364.51	1,288.35	1,747.18	
Depreciation and Amortization expense	762.97	824.55	668.53	
Other expenses	4,522.03	5,004.15	4,798.43	
Total Expenses	28,096.53	30,364.16	29,516.33	
Earnings Before Interest, Taxes, Depreciation & Amortization	1,156.83	2,685.64	3,191.63	
EBITDA Margin	4%	9%	11%	
Profit before exceptional and extraordinary items and tax	-905.85	609.78	1,301.59	
Profit on sale of property	-	-	-	
Profit/(Loss) before tax	-905.85	609.78	1,301.59	
Tax Expense				
Current Tax	-	77.89	217.26	
MAT Credit	-	-77.89	-217.26	
Deferred tax (net)	-252.17	104.70	288.08	
Total Tax Expense	-252.17	104.70	288.08	
Profit/(Loss) for the year	-653.68	505.08	1,013.51	
Net Profit Margin	-2%	2%	3%	

Balance Sheet		(In Lacs)		
Particulars	FY 21	FY 22	FY 23	
EQUITY AND LIABILITIES				
Equity				
Share Capital	1,855.95	1,855.95	1,855.95	
Reserves and Surplus	4,534.42	5,039.40	6,047.16	
Total Equity	6,390.37	6,895.35	7,903.11	
Liabilities				
Non-current liabilities				
Long Term Borrowings	6,755.01	6,732.67	5,753.50	
Long term provisions	46.46	46.58	41.16	
Other Non-Current Liabilities	435.17	291.43	104.62	
Deferred Tax Liabilities (Net)	381.61	486.31	774.39	
Total Non-current liabilities	7,618.25	7,556.99	6,673.67	
Current liabilities				
(i) Short Term Borrowings	10,014.65	9,629.14	9,599.77	
(ii) Trade Payables				
i) Due to micro and small enterprises	-	-	-	
ii) Due to other than micro and small enterprises	6,605.44	5,347.99	7,991.72	
Short Term Provisions	4.20	84.50	234.62	
Other Current Liabilities	577.90	552.99	798.91	
Total Current liabilities	17,202.19	15,614.62	18,625.02	
Total Liabilities	24,820.44	23,171.61	25,298.69	

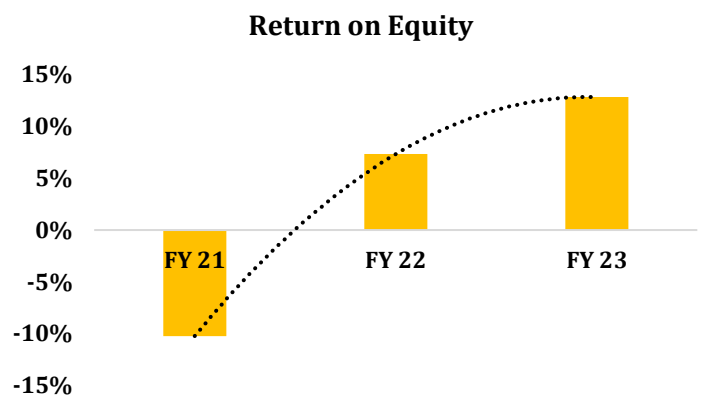
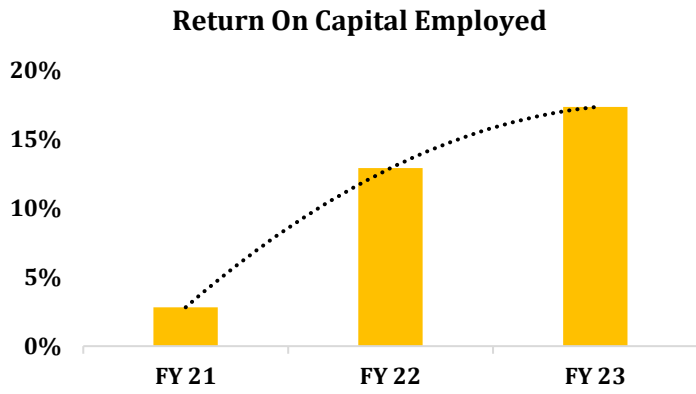
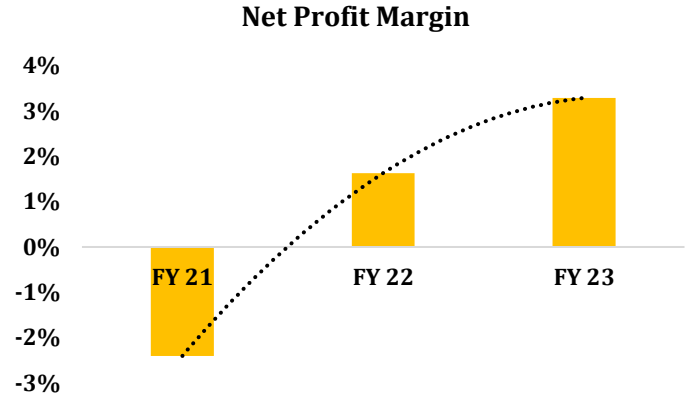
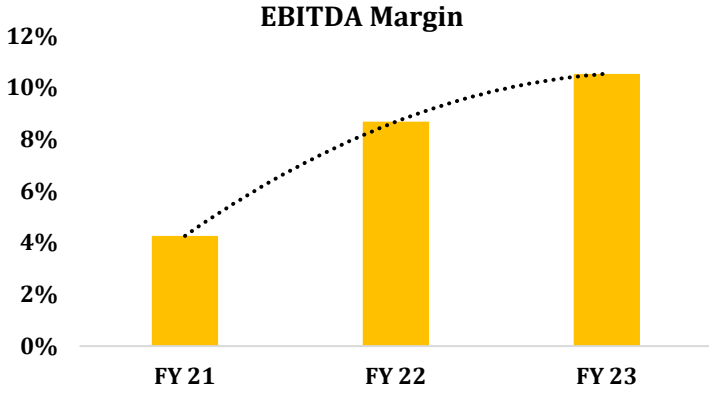
Balance Sheet			
			(In Lacs)
Total Equity and Liabilities	31,210.81	30,066.96	33,201.80
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	7,784.16	7,449.03	7,593.03
Intangible assets	3.27	796.14	758.22
Capital WIP	-	-	-
Non-Current Investments	1,921.89	1,921.89	4.00
Long-Term Loans & Advances	2.81	2.81	3.52
Total Non-Current assets	9,712.13	10,169.87	8,358.77
Current Assets			
Inventories	12,795.54	11,653.82	12,573.31
Trade Receivables	5,935.95	5,860.27	9,114.02
Cash and Cash Equivalents	198.04	138.49	137.62
Short-Term Loans and Advances	1,232.52	974.14	1,309.36
Other current assets	1,336.63	1,270.37	1,708.74
Total Current assets	21,498.68	19,897.09	24,843.05
Total Assets	31,210.81	30,066.96	33,201.82

Cash Flow Statement			
			(In Lacs)
Particulars	FY 21	FY 22	FY 23
Net Cash Flow from Operating Activities	452.08	3,065.78	1,270.90
Net Cash Flow from Investing Activities	-158.45	-1,249.97	1,668.08
Net Cash Flow from Financing Activities	-313.69	-1,840.11	-2,942.53

Ratio Sheet			
Particulars	FY 21	FY 22	FY 23
Per Share Data			
Diluted EPS	-3.52	2.72	5.46
BV per share	25.89	27.93	32.01
Operating Ratios (%)			
EBITDA Margins	4%	9%	11%
PAT Margins	-2%	2%	3%
Inventory days	172.17	137.49	151.50
Debtor days	79.87	69.14	109.82
Creditor days	123.09	98.14	133.10
Return Ratios (%)			
RoCE	3%	13%	17%
RoE	-10%	7%	13%
Valuation Ratios (x)			
EV/EBITDA	19.85	8.61	7.24
Market Cap / Sales	0.73	0.64	0.65
P/E	-22.73	29.41	14.65
Price to Book Value	3.09	2.86	2.50
Solvency Ratios			
Debt / Equity	2.62	2.37	1.94
Current Ratio	1.25	1.27	1.33
Quick Ratio	0.51	0.53	0.66
Asset Turnover	0.87	1.03	0.91
Interest Coverage Ratio	0.29	1.44	1.44



Financial Charts



Key Risk Factors

1. The Company is dependent upon a few suppliers for the raw material for the current manufacturing facilities. The top 10 suppliers for the year ended on March 31, 2023, have contributed 71.54% respectively.
2. The Company is dependent on the top 10 customers for sales. The loss of any of these large customers may affect revenues and profitability. The company's top 10 customer dependence percentage has been increasing over the years.
3. The Company, Directors and Group companies are involved in certain legal proceedings, which, if determined adversely, may adversely affect the business and financial condition. 4 tax proceedings, 1 material civil litigation case by the company amounting to Rs. 86.93 lakhs, 2 tax proceedings, 5 material civil litigation against the company amounting to Rs. 82.93 lakhs. 2 tax proceedings by the directors amounting to Rs. 44.47 lakhs. 1 material civil litigation by group companies amounting to Rs. 132.70 lakhs, 8 tax proceedings, and 2 material civil litigation against the group company amounting to Rs. 112.26 lakhs.
4. The company has certain contingent liabilities amounting to Rs. 96.77 lakhs which if materialised could adversely affect the financial condition.

Track Record of Lead Manager

The lead manager to the issue is Expert Global Consultants Private Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

Expert Global Consultants Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Zeal Global Services Limited	36.46	103.00	August 09, 2023	205.50
2.	Sonalis Consumer Products Limited	2.83	30.00	June 19, 2023	67.7**
3.	Dollex Agrotech Limited	24.39	35.00	December 28, 2022	43.60
4.	Rite Zone Chemcon India Limited	8.96	75.00	November 11, 2022	65.5

*CMP for all the above-mentioned companies is taken as of 18th September 2023.

**Sonalis Consumer Products Limited CMP is taken as on 31st August

As per the offer document, Expert Global Consultants Private Limited has had mandates in the last three fiscal years. For Expert Global Consultants Private Limited from the above-mentioned mandates, 1 opened at a discount and remaining all the remaining mandates have opened at premiums ranging from 6.12% to 143.24% on the listing date.

Recommendation

The company has been in the industry since 1988 and has vast experience in the industry. The company has seen a slight increase in its top line over the years whereas the bottom line of the financials has seen a surge from negatives to positives.

The PE on an annualised and post-IPO basis is 19.49 times which seems to be undervalued when compared to its peer companies. The peer companies' P/E average is around 40.34 times.

The company operates in a very competitive segment. The management outlook of the company is good. The company has seen an increase in its revenue generation majorly due to an increase in domestic sales. With the plans of expansion and assuming an improvement in the exports leading to an increase in the sales for the company, it can be looking at good growth. The overall financial outlook of the company is decent. Thus, said with keeping in mind the above-mentioned points one can **APPLY** to this IPO as a long-term investment.

Disclaimer

We are not a registered research analyst with SEBI and are not subject to the regulations governing research analysts. This research report is for educational purposes only and should not be construed as investment advice. The information contained in this report is based on publicly available information and is believed to be reliable, but no representation or warranty, express or implied, is made as to its accuracy or completeness. Also, some of the employees of our organization may have or may in the future hold investments in the company that is the subject of this research report. This may create a conflict of interest, and you should be aware of this when considering the information contained in this report. You should consult with your financial advisor before making any investment decisions.