



IPO Details		Company Background					
Opening Date	Oct 30, 2023	<ul style="list-style-type: none"> ○ Cello World Limited was originally incorporated in the year 2018 and has its registered office in Daman and Diu. ○ The company operates in the consumer ware market in India with a presence in consumer houseware, writing instruments and stationery, moulded furniture and allied products and consumer glassware categories. ○ The company owns/leases and operates 13 manufacturing facilities across five locations in India. ○ As of 30th June 2023, the Company has 5,502 employees on its payroll 					
Closing Date	Nov 01, 2023						
Stock Exchange	BSE, NSE						
Lot Size	23 Shares						
Issue Price	₹ 617 to ₹ 648 per share						
Issue Size	Aggregating up to 1,900 Cr.						
Fresh Issue Offer for Sale	- Aggregating up to 1,900 Cr.						
Application Amount	Min. Inv. - ₹ 14,904 (23 shares) Max. Inv. - ₹ 1,93,752 (299 shares)						
IPO Objective		Market Capitalization (In Cr.)					
The company will not receive any proceeds from the offer.		Pre-Issue	Post-Issue				
		₹ 13,753	₹ 13,753				
Pre-Issue Shareholding			Financial Summary (In Lacs)				
Category	No. of Shares	% of Total Shares	For the Period Ended	Mar-21	Mar-22	Mar-23	Jun-23
Promoter & Promoter Group	19,50,00,000	91.88%	Total Assets	1,14,651	1,33,366	1,55,169	1,68,604
Public	1,72,31,034	8.12%	Net Assets	-10,675	8,764	33,645	89,728
Promoter of the Company			Total Borrowings	32,206	45,247	32,606	32,006
1	Pradeep Ghisulal Rathod		Total Revenue	1,05,958	1,37,510	1,81,343	47,988
2	Pankaj Ghisulal Rathod		Profit After Tax	16,554	21,952	28,506	8,284
3	Gaurav Pradeep Rathod		Tentative Timeline				
Competitive Strengths			Opening Date	Oct 30, 2023			
1	Well-established brand name and strong market positions.		Closing Date	Nov 01, 2023			
2	Diversified product portfolio.		Basis of Allotment	Nov 06, 2023			
3	Pan-India distribution.		Initiation of Refunds	Nov 07, 2023			
4	Skilled and experienced management team		Credit of Shares to Demat	Nov 08, 2023			
5	Strong historical financial results.		Listing Date	Nov 09, 2023			
6	Ability to manufacture a diverse range of products.						
7	Track record of scaling up new businesses and product categories.						



Company Background and Analysis

The Company was originally incorporated on July 25, 2018, and has been associated with Cello Plastic Industrial Works and the “Cello” brand since 1962. The company has registered office in Daman and Diu, India. The company operates in the consumer ware market in India with a presence in consumer houseware, writing instruments and stationery, moulded furniture and allied products and consumer glassware categories. The company owns/leases and operates 13 manufacturing facilities across five locations in India. The company is currently establishing a glassware manufacturing facility in Rajasthan. The company’s nationwide sales and distribution network is supported by a 721-member sales team.

The company trades in houseware, insulated ware, electronic appliances and cleaning aids products. The majority of the products that the company trades in are manufactured by the subsidiaries, others are manufactured by third parties.

Product Portfolio –

Consumer Houseware – Products are sold under Cello, Kleeno, Puro, Chef, H2O, Modustack, Maxfresh, and Duro.

1. Houseware – Plastic bottles, Containers, Jugs, Buckets, Drums.
2. Insulatedware – Casseroles, Bottles, Flasks, Lunch boxes, Water Jugs, and Tiffin.
3. Electronic appliances and cookware – Mixers, Sandwich makers, Irons, Hot Plates, Pots, and Pans.
4. Cleaning Aids – Brushes, Wipers, Brooms, Mops, Gloves and Dustbins.
5. Opalware – Dinner sets, Cups and mugs, Bowls, Lunch Packs, Gift Sets, Dessert sets, Quick bite sets, Pudding sets, Coffee sets, Noodle bowl sets, Dry fruit sets etc.
6. Glassware – Tumblers, Jugs, Bottles, Lunch packs, Storage containers, Mixing bowls, Bakeware, Tea and Coffee sets, and Gift sets.

Writing Instruments and Stationery – Products are sold under Unomax, Ultron2X, and Geltron.

1. Writing Instruments – Ballpoint pen, Gel pen, Roller pen, Fountain pen, Metal pen, and Mechanical pencil
2. Stationery – Highlighter’s, Markers, and Correction Pens.

Moulded Furniture and Allied Products – Products are sold under Cello.

1. Moulded Furniture – Chairs, Tables, Trolleys, Stools, Cabinets, and Ladders.
2. Allied Products – Moulds, Bubble-guards, Crates, Pallets, Dustbin, and Storage items.

The company has 58,716 retailers and 717 distributors for Consumer Houseware. 1,509 distributors and 29 super-stockists for Writing Instruments and Stationery. 6,840 retailers, and 1,607 distributors for moulded furniture and allied products as on June 30, 2023.

Revenue Bifurcation for the financial year ended 2021, 2022, 2023, and the period ended June 30, 2023, are as follows –

(Amount in Lakhs)

Particulars	FY 2020-2021		FY 2021-2022		FY 2022-2023		Period ended June 30, 2023.	
	Amount	%	Amount	%	Amount	%	Amount	%
General Trade	88,632.50	84.46	1,06,297.60	78.21	1,44,773.60	80.58	37,393.00	79.26
Export	4,496.60	4.28	12,629.90	9.29	14,020.70	7.80	4,663.20	9.88
Online Sales	9,258.00	8.82	11,384.00	8.38	14,214.30	7.91	3,058.30	6.48
Modern Trade	2,558.40	2.44	5,606.10	4.12	6,660.90	3.71	2,063.40	4.37
Total	1,04,945.50	100.00	1,35,917.60	100.00	1,79,669.50	100.00	47,177.90	100.00

To conclude, the company was incorporated in the year 2018 and has been associated with the Cello Plastic Industrial Works and the “Cello” brand since 1962. The company operates in the consumer ware market in India. The company generated most of its revenue from the general trade. The company is not raising any fresh issues. The company is raising 1,900 Cr from Offer for Sale.

Business Strategies

1. Continued innovation to grow wallet share and expand consumer base –

The company intends to utilise the innovation capabilities to expand its existing product portfolio and develop a new range of products across the product categories. The company aims to expand the product portfolio in its consumer houseware product category, by focusing on introducing a new range of products in the kitchenware, porcelain, appliances, cookware, glassware, writing instruments, and stationery spaces.

2. Scale up branding, promotional and digital activities –

The company intends to focus its promotional and marketing efforts in areas such as above and below-the-line marketing, retail branding, product branding, and advertisement channels such as television, digital media and social media. The company also continuously seeks to increase its digital presence and engagements and engage in brand associations.

3. Grow manufacturing capabilities and expand the production capacities –

The company intends to continue to make investments in efficiency and automation of the production processes, where economically viable, to achieve greater efficiency in reducing the time taken and cost of manufacturing the products etc. The company intends to grow its manufacturing capabilities so that they are able to quickly and effectively respond to increases in market demand for its products, in order to continue to grow the business.

Competitive Scenario and Peer Mapping

Competition

The company faces significant competition in this Industry. The company faces competition from several competitors, including non-branded local retailers and traders. Some of the competitors are larger and have substantially greater resources including the ability to spend more on advertising and marketing. The company has fewer entry barriers. The bargaining power with the suppliers is moderate and the bargaining power with the customers is high in the sector in which the company operates.

Peer Analysis

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

Particulars	Cello World Limited	Borosil Limited	Kokuyo Camlin Limited	La Opala RG Limited	Stove Kraft Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	15.87%	8.90%	3.10%	27.21%	2.81%
EBITDA Margin	23.41%	12.46%	6.97%	38.05%	7.88%
Return on Capital Employed	40.03%	9.03%	13.65%	17.99%	14.41%
Return on Equity	36.77%	10.43%	9.13%	15.87%	8.93%
EPS (INR)	20.93	7.85	2.44	11.08	10.83

Particulars	Cello World Limited	TTK Prestige Limited	Linc Limited	Hawkins Cookers Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	15.87%	9%	8%	9%
EBITDA Margin	23.41%	13%	13%	13%
Return on Capital Employed	40.03%	15%	26%	41%
Return on Equity	36.77%	13%	21%	34%
EPS (INR)	20.93	18.34	25.15	179.24

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

Particulars	Cello World Limited	Borosil Limited	Kokuyo Camlin Limited	La Opala RG Limited	Stove Kraft Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	16.15%	10.27%	-0.98%	26.93%	4.94%
EBITDA Margin	24.54%	17.63%	3.35%	37.77%	8.47%
Return on Capital Employed	112.35%	13.88%	-0.40%	13.72%	18.77%
Return on Equity	60.91%	11.08%	-2.09%	11.76%	15.38%
EPS (INR)	43.88	7.33	-0.47	7.87	17.10

Particulars	Cello World Limited	TTK Prestige Limited	Linc Limited	Hawkins Cookers Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	16.15%	11%	2%	9%
EBITDA Margin	24.54%	16%	6%	13%
Return on Capital Employed	112.35%	21%	6%	44%
Return on Equity	60.91%	18%	6%	39%
EPS (INR)	43.88	21.99	5.47	158.65

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

Particulars	Cello World Limited	Borosil Limited	Kokuyo Camlin Limited	La Opala RG Limited	Stove Kraft Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	15.77%	7.28%	1.11%	23.70%	9.43%
EBITDA Margin	26.37%	14.21%	10.50%	32.70%	13.27%
Return on Capital Employed	312.95%	6.47%	8.00%	8.18%	28.74%
Return on Equity	-400.59%	6.05%	21.26%	7.51%	26.73%
EPS (INR)	12.39	3.69	-1.46	4.47	24.91



Particulars	Cello World Limited	TTK Prestige Limited	Linc Limited	Hawkins Cookers Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	15.77%	11%	-	11%
EBITDA Margin	26.37%	15%	4%	14%
Return on Capital Employed	312.95%	17%	-2%	51%
Return on Equity	-400.59%	16%	-	46%
EPS (INR)	12.39	17.08	0.03	152.50

Based on the above analysis, the company has performed lower when compared with the company La Opala RG Limited in terms of profitability margins for FY 2023. The company has performed better in RoCE, ROE and EPS the FY 2023 when compared to La Opala RG Limited. The company on average when compared with the other peer companies has performed better in terms of profitability margins, RoCE, ROE, and EPS for FY 2023.

Industry Overview

Exhibit 1: Channel wise market segmentation of Indian Consumerware Market

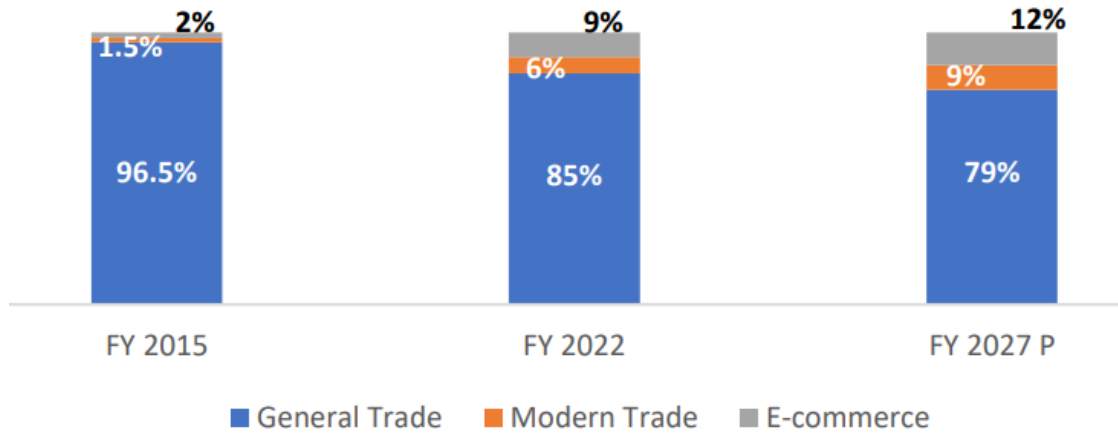
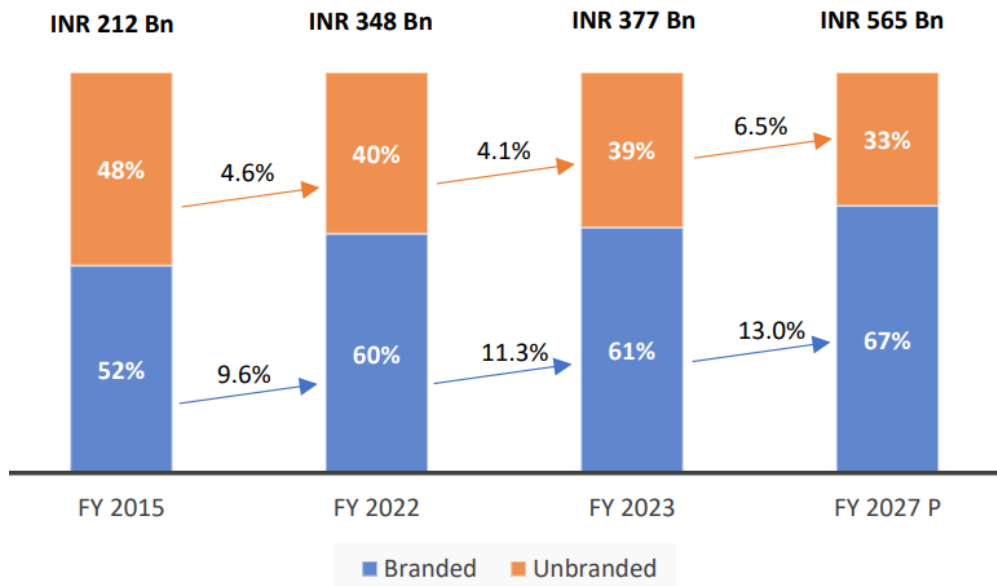


Exhibit 2: Share of Branded and Unbranded Consumerware Market



(Source: prospectus)



Global Consumerware Market -

The Global Consumerware market is dominated by branded players, accounting for ~60% of the market share, which grew at CAGR of ~6-7% from CY 2015 to CY 2022. The remaining 40% of the market is accounted for by unbranded players. However, this split may vary as per different regions & locations. In North America, branded players account for approximately 65% of the market share, while in Asia Pacific, they account for about 52% of the market. In Europe, the Middle East, and Africa, branded players account for ~63% of the market share.

In terms of product categories, branded players dominate the market for high-value products such as home appliances, while unbranded players dominate the market for low-value/economy products such as kitchen utensils and cleaning supplies. However, in recent years, branded players have been expanding their product portfolios to include economy products as well, to capture a larger share of the market.

Indian Consumerware Market -

The Indian Consumerware Market is broadly divided into two categories, Consumer Houseware and Consumer Glassware. The Consumer Houseware and Consumer Glassware markets are further segmented into various subcategories like:

Consumer Houseware: Hydration, Cookware, Insulated Ware, Lunchboxes, Storage Containers, Melamine, Small Kitchen Appliances and Cleaning Products.

Consumer Glassware: Opalware, Glassware and Porcelain

This market was valued at INR 348 Bn in FY 2022. This market has witnessed steady growth over the years with market size increasing from INR 305 Bn in FY 2020 to INR 348 Bn FY 2022 growing at a CAGR of 6.9% and INR 565 Bn Cr in FY 2027 growing at a CAGR of 10.2% for the period FY 2022-2027. Various factors like increasing disposable income, nuclearization of families, and growing demand for organized and functional kitchen spaces are further adding to the growth of the Indian Consumerware Market.

This growth is attributed to factors like favourable demographics with shifting dynamics in kitchen responsibilities and an increase in working women, increasing ownership of products per person and the evolving Indian consumer, with increased discretionary spending and improved product availability through online platforms and multi-brand outlets. Additionally, the shift towards innovative and creative products that prioritize aesthetics and functionality have accelerated the growth of branded players in the market and thus the industry itself.

As of FY 2023, Branded play dominated nearly 61% (~INR 230 Bn) of the Consumerware market in India. This represents a significant increase from the share of around 52% (~ INR 110 Bn) recorded in the FY 2015, reflecting a CAGR of 9.6% for the Branded market. The Branded play is estimated to capture ~67% (~INR 377 Bn) share by FY 2027 at the CAGR of 13% for the period FY 2023-27 as the branded market continues to grow with a double digit CAGR, and a rate much faster than the unbranded market. In the branded Consumerware market, Cello occupied a market share of 8% for FY 2023. Its market share was 4.9% in the overall Consumerware market for the same period.

(Source: prospectus)

Key Managerial Personnel

Pradeep Ghisulal Rathod, aged 58, is one of the Promoters, Chairman and Managing Director of the company. He has been with the company since incorporation. He has passed the Higher Secondary Certificate Examination. He has more than 40 years of experience in the business of manufacturing and trading in, inter alia, plastic articles, insulated ware articles and raw materials.

Pankaj Ghisulal Rathod, aged 56, is one of the Promoters, and Joint Managing Director of the company. He has been with the company since incorporation. He has passed the Senior Secondary Certificate Examination. He has more than 34 years of experience in the business of manufacturing and trading in, inter alia, plastic articles raw materials and insulated ware articles.

Gaurav Pradeep Rathod, aged 35, is one of the Promoters, and Joint Managing Director of the company. He holds a master's degree in business administration, and a bachelor's degree in science (economics-finance). He has more than 9 years of experience in the marketing of consumer ware products.

Gagandeep Singh Chhina, aged 46, is the Non-Executive Director of the company. He holds a post-graduate diploma in management and a bachelor's degree in engineering (mechanical). He has over 16 years of experience in the private equity and financial services industry. He has been with the company since October 21, 2022.

Piyush Sohanraj Chhajed, aged 45, is the Independent Director of the company. He is a fellow of the Institute of Chartered Accountants of India. He has more than 18 years of experience practising as a chartered accountant. He has been with the company since July 29, 2023.

Pushap Raj Singhvi, aged 79, is the Independent Director of the company. He holds a bachelor's degree in law. He has nearly 46 years of experience working in sales, marketing and commercial positions in the petrochemical industry. He has been with the company since July 29, 2023.

Arun Kumar Singhal, aged 66, is the Independent Director of the company. He holds a bachelor's degree in engineering. He has more than 14 years of experience in sales, marketing, contract manufacturing and exports. He has been with the company since July 29, 2023.

Sunipa Ghosh, aged 48, is the Independent Director of the company. She holds a postgraduate diploma in business management. She has about 20 years of experience in secretarial, compliance and legal matters. He has been with the company since July 29, 2023.

Manali Nitin Kshirsagar, aged 31, is the Independent Director of the company. She holds a bachelor's degree in law and is enrolled as an advocate with the Bar Council of Maharashtra and Goa. She has more than six years of legal experience working in the areas of acquisitions, joint ventures, company restructuring, and fundraising. He has been with the company since July 29, 2023.

To conclude, the company has 3 promoters, and 2 of them have vast experience in the industry. 1 has decent experience in the industry. The Directors of the company have good knowledge and experience in the fields which helps in the overall growth of the company.

Financial Snapshot

Profit and Loss Statement				
(In Lacs.)				
Particulars	FY 21	FY 22	FY 23	Jun-23
Revenue from operations	1,04,945.50	1,35,917.60	1,79,669.50	47,177.90
Other Income	1,012.90	1,593.30	1,674.00	810.40
Total Income	1,05,958.40	1,37,510.90	1,81,343.50	47,988.30
Expenses				
Cost of materials consumed	35,313.30	53,224.30	64,779.20	16,226.00
Purchase of stock-in-trade of natural gas	15,555.00	20,030.90	31,102.30	4,806.20
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	1,274.00	-5,400.00	-6,330.10	1,333.50
Employee benefits expense	9,684.70	13,192.30	15,757.60	4,476.10
Finance Costs	227.60	285.00	175.60	56.60
Depreciation and Amortization expense	4,890.10	4,755.40	5,032.60	1,181.60
Other expenses	15,444.40	21,513.00	32,306.70	8,416.30
Total Expenses	82,389.10	1,07,600.90	1,42,823.90	36,496.30
Restated profit before tax	2,356.93	2,991.00	3,851.96	1,149.20
Earnings Before Interest, Taxes, Depreciation & Amortization	27,674.10	33,357.10	42,053.80	11,919.80
EBITDA Margin	26.37%	24.54%	23.41%	25.27%
Profit/(Loss) before tax	23,569.30	29,910.00	38,519.60	11,492.00
Tax Expense				
Current Tax	7,120.20	8,072.80	10,162.60	3,125.10
Short/(excess) provision of tax relating to earlier years	-10.50	19.80	-43.50	-
Deferred tax charges/(credit)	-95.20	-134.90	-106.10	82.70
Total Tax Expense	7,014.50	7,957.70	10,013.00	3,207.80
Profit/(Loss) for the year	16,554.80	21,952.30	28,506.60	8,284.20
Net Profit Margin	15.62%	15.96%	15.72%	17.26%

Balance Sheet				
(In Lacs.)				
Particulars	FY 21	FY 22	FY 23	Jun-23
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	23,758.40	23,874.00	25,374.00	25,096.90
Capital work-in-progress	426.90	1,178.30	2,086.70	5,206.40
Intangible Assets	41.80	53.00	40.40	368.00
Right of Use Asset	2,120.80	1,931.10	1,756.50	1,701.90
Intangible assets under development	-	276.50	478.20	-
Financial Assets				
(i) Investments in associates	-	-	78.90	77.50
(ii) Other investments	4,500.00	3,500.00	4,981.10	6,545.00
(iii) Loans	192.10	123.10	763.70	781.10
(iv) Other financial assets	871.80	986.30	893.60	721.10
Deferred tax assets (net)	212.10	279.90	471.60	270.80
Other Non-Current Assets	409.70	1,423.00	4,022.30	5,742.70
Income tax assets (net)	63.80	230.70	234.20	245.60
Total Non-Current assets	32,597.40	33,855.90	41,181.20	46,757.00
Current Assets				
Inventories	30,693.30	37,654.50	42,975.80	41,136.30
Financial Assets				
(i) Investments	7,474.20	11,495.10	12,631.40	14,954.60
(ii) Trade Receivables	37,142.60	40,672.20	46,230.20	52,884.50



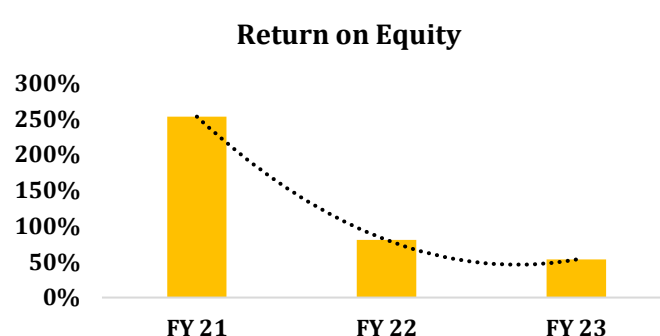
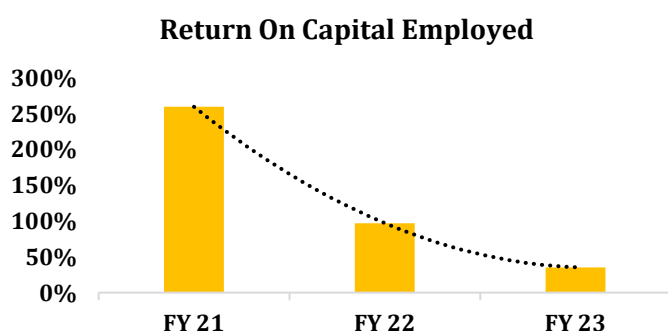
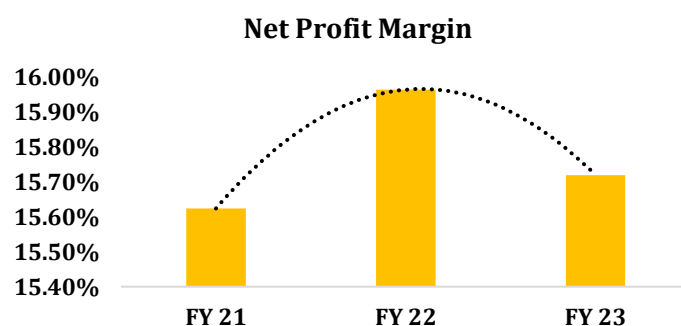
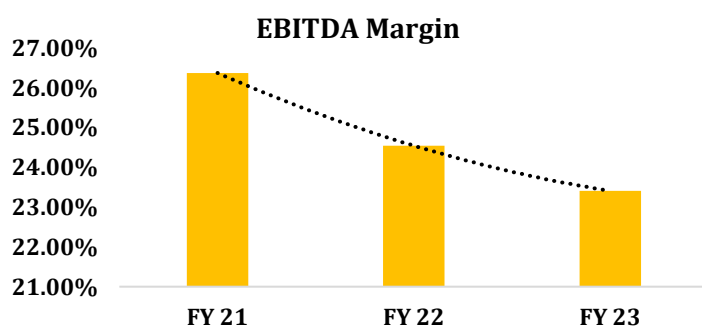
Balance Sheet					(In Lacs.)
(iii) Cash and Cash Equivalents	1,670.60	3,626.80	3,061.70	3,542.50	
(iv) Other Bank Balances other than (iii) above	1,576.10	1,841.00	1,931.70	1,872.20	
(v) Loans	137.30	201.80	116.70	99.80	
(vi) Other financial assets	483.20	342.00	1,741.30	933.00	
Other current assets	2,876.70	3,676.80	3,754.70	4,880.30	
Total Current assets	82,054.00	99,510.20	1,12,443.50	1,20,303.20	
Assets classified as held for sale	-	-	1,544.50	1,544.50	
Total Assets	1,14,651.40	1,33,366.10	1,55,169.20	1,68,604.70	
EQUITY AND LIABILITIES					
Equity					
Share Capital	1.00	1.00	9,750.00	9,750.00	
Instruments entirely equity in nature	-	-	-	1,437.70	
Other Equity	-10,676.20	8,763.60	23,895.00	78,540.50	
Equity attributable to equity holders of the company	-10,675.20	8,764.60	33,645.00	89,728.20	
Non-controlling interests (NCI)	17,218.80	18,513.40	19,993.90	20,542.50	
Total Equity	6,543.60	27,278.00	53,638.90	1,10,270.70	
Liabilities					
Non-current liabilities					
Financial Liabilities					
(i) Borrowings	-	-	866.20	866.20	
(ii) Lease liabilities	1,042.80	869.70	713.50	661.80	
(iii) Others	-	-	48,310.00	-	
Long term provisions	362.50	450.10	250.10	270.70	
Deferred tax liability	821.30	838.80	840.70	736.00	
Total Non-current liabilities	2,226.60	2,158.60	50,980.50	2,534.70	
Current liabilities					
Financial Liabilities					
(i) Borrowings	32,206.00	45,247.60	31,740.50	31,140.70	
(ii) Trade Payables	-	-	-	-	
total outstanding dues of micro-enterprises and small enterprises	1,767.30	2,944.80	4,262.70	4,011.00	
total outstanding dues of creditors other than micro-enterprises and small enterprises	8,072.60	9,610.00	9,153.80	13,049.60	
(iii) Lease Liabilities	158.10	173.40	190.50	195.40	
(iv) Others	61,006.70	43,453.10	1,669.20	2,299.70	
Other current liabilities	2,000.90	2,018.90	3,037.70	3,237.50	
Short-Term Provisions	167.70	145.60	140.30	120.40	
Liabilities for current tax (Net)	501.90	336.10	355.10	1,745.00	
Total Current liabilities	1,05,881.20	1,03,929.50	50,549.80	55,799.30	
Total Liabilities	1,08,107.80	1,06,088.10	1,01,530.30	58,334.00	
Total Equity and Liabilities	1,14,651.40	1,33,366.10	1,55,169.20	1,68,604.70	

Cash Flow Statement					(In Lacs.)
Particulars	FY 21	FY 22	FY 23	Jun-23	
Net Cash Flow from Operating Activities	19,361.20	18,726.80	22,736.40	8,066.40	
Net Cash Flow from Investing Activities	-5,323.90	-26,181.50	-55,683.30	-6,888.30	
Net Cash Flow from Financing Activities	-13,281.00	9,410.90	32,381.80	-697.30	

Ratio Sheet				
Particulars	FY 21	FY 22	FY 23	Jun-23*
Per Share Data				
Diluted EPS	12.39	43.88	20.93	39.22
BV per share	-5.03	4.13	15.85	55.07
Operating Ratios				
EBITDA Margins	26%	25%	23%	60%
PAT Margins	16%	16%	16%	43%
Inventory days	106.75	101.12	87.31	79.35
Debtor days	129.18	109.22	93.92	102.01
Creditor days	230.89	228.77	157.45	323.02
Return Ratios				
RoCE	260%	97%	35%	73%
RoE	253%	80%	53%	77%
Valuation Ratios (x)				
EV/EBITDA	0.72	1.51	1.50	1.27
Market Cap / Sales	13.10	10.12	7.65	7.29
P/E	52.30	14.77	30.96	16.52
Price to Book Value	-128.83	156.91	40.88	11.77
Solvency Ratios				
Debt / Equity	4.92	1.66	1.49	0.26
Current Ratio	0.77	0.96	2.22	2.16
Quick Ratio	0.49	0.60	1.37	1.42
Asset Turnover	0.92	1.02	1.16	1.12
Interest Coverage Ratio	100.11	100.36	210.83	476.40

*Ratio sheet for June-23 is annualized.

Financial Charts



Key Risk Factors

1. The company has contingent liabilities amounting to Rs. 16,970 lakhs if materialized the financial condition could be adversely affected.
2. There are certain outstanding litigations against and by the company, subsidiaries, directors and promoters amounting to Rs. 9,424.5 lakhs if determined adversely could affect the business, result of operations, cash flows and financial conditions of the company.

Track Record of Lead Manager

The lead manager to the issue is Kotak Mahindra Capital Limited, ICICI Securities Limited, IIFL Securities Limited, JM Financials Limited and Motilal Oswal Investment Advisors Limited. A table has been set below highlighting the details of the IPO of the recent companies handled by the Lead Managers in recent times –

Kotak Mahindra Capital Company Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	JSW Infrastructure Limited	2,800	119.00	October 03, 2023	170.0
2.	Signatureglobal (India) Limited	730	385.00	September 27, 2023	565.0

The company has had 26 mandates in the past three years.

ICICI Securities Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	JSW Infrastructure Limited	2,800	119.00	October 03, 2023	170.0
2.	Signatureglobal (India) Limited	730	385.00	September 27, 2023	565.0

The company has had 41 mandates in the past three years.

IIFL Securities Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Updater Services Limited	640.00	300.00	October 04, 2023	259.0
2.	Yatra Online Limited	775.00	142.00	September 28, 2023	130.0

The company has had 38 mandates in the past three years.

JM Financial Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	JSW Infrastructure Limited	2,800	119.00	October 03, 2023	170.0
2.	Zaggle Prepaid Ocean Services Limited	563.38	164.00	September 22, 2023	209.0



The company has had 37 mandates in the past three years.

Motilal Oswal Investment Advisors Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Updater Services Limited	640	300.00	October 04, 2023	259.0
2.	Sai Silks (Kalamandir) Limited	1,201	222.00	September 27, 2023	238.0

The company has had 11 mandates in the past three years.

*CMP for the above-mentioned companies is taken as of 30th October 2023.

As per the offer document, the above-mentioned mandates for all the Lead Managers the companies named Updater Services Limited, Yatra Online Limited, and Zaggle Prepaid Ocean Services Limited have opened at a discount and the remaining all have opened at premiums on the listing day.



Recommendation

The company has been in the industry since 1962 and has vast experience in the industry. The company has seen a consistent increase over the years in terms of top line and bottom line. The company faces significant competition. The management outlook of the company is good.

The P/E on an annualized and post-IPO basis is 16.52 times which seems to be fairly priced by looking at the performance of the company. The Sector P/E is 28.6 times.

The company has a huge footprint in the Indian market by being in the industry since 1962. The company has evolved over the years and has been able to consistently increase its revenue over the years. The company has performed majorly better than its peer companies too. The company's financial outlook is convincing. With all the strategies mentioned in this report under the section "Business strategies" the company will look at good growth. Thus, we recommend **APPLY** to this IPO.



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