

IPO Details		Company Background				
<b>Opening Date</b>	Dec 21, 2023	<ul style="list-style-type: none"> <li>Innova Captab Limited was originally carried on as a partnership firm in 2005 and has its registered office in Navi Mumbai, Maharashtra, India.</li> <li>The company is an integrated pharmaceutical company in India with a presence across the pharmaceuticals value chain including research and development, manufacturing, drug distribution and marketing and exports.</li> <li>The company's business includes (i) a contract development and manufacturing organisation ("CDMO") business providing manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business.</li> <li>As of 31<sup>st</sup> October 2023, the Company had 1,560 employees on its payroll.</li> </ul>				
<b>Closing Date</b>	Dec 26, 2023					
<b>Stock Exchange</b>	NSE, BSE					
<b>Lot Size</b>	33 Shares					
<b>Issue Price</b>	₹426 to ₹448 per share					
<b>Issue Size</b>	Aggregating up to 570 Cr.					
<b>Fresh Issue</b>	Aggregating up to 320 Cr. Aggregating up to 250 Cr					
<b>Offer for Sale</b>						
<b>Application</b>	Min. Inv. - ₹ 14,784 (33					
<b>Amount (Price at Upper Band)</b>	shares) Max. Inv. - ₹ 1,92,192 (429 shares)					
IPO Objective						
1. Repayment and / or prepayment in part or in full, of certain outstanding loans of the Company.						
2. Investment in the Subsidiary, UML, for repayment and/ or prepayment in part or full of outstanding loans availed by UML.						
3. Funding Working Capital Requirements.						
4. General corporate purposes.						
Pre-Issue Shareholding		Market Capitalization		(In Cr.)		
Category	No. of Shares	% of Total Shares	Pre-Issue	Post-Issue		
Promoter & Promoter Group	3,34,80,000	66.85 %	₹ 2,244	₹ 2,814		
Public	1,66,02,072	33.15 %				
Promoter of the Company		Financial Summary (In Cr.)				
1. Manoj Kumar Lohariwala		For the Period Ended	Mar-21	Mar-22	Mar-23	Jun-23
2. Vinay Kumar Lohariwala		<b>Total Assets</b>	369.62	575.48	1,018.72	1,086.16
		<b>Net Assets</b>	144.82	208.61	325.58	365.51
		<b>Total Borrowings</b>	45.03	198.18	430.60	441.90
		<b>Total Revenue</b>	412.03	803.41	1,186.54	234.37
		<b>Profit After Tax</b>	34.50	63.95	101.12	17.59
Competitive Strengths		Tentative Timeline				
1. Lending presence and one of the fastest-growing CDMOs in the Indian Pharmaceutical Formulations Market.		<b>Opening Date</b>		Dec 21, 2023		
2. Well-established relationships with the marquee CDMO customer base.		<b>Closing Date</b>		Dec 26, 2023		
3. Highly efficient operations, including world-class manufacturing facilities and supply chain.		<b>Basis of Allotment</b>		Dec 27, 2023		
5. Rapidly growing domestic and international export branded generics business.		<b>Initiation of Refunds</b>		Dec 28, 2023		
6. Strong R&D focus to build an increasingly complex product portfolio and attract and retain customers.		<b>Credit of Shares to Demat</b>		Dec 28, 2023		
7. Consistent financial performance.		<b>Listing Date</b>		Dec 29, 2023		
8. Experienced promoters and management.						

### Company Background and Analysis

Innova Captab Limited was incorporated in the year 2005. The company is an integrated pharmaceutical company in India with a presence across the pharmaceutical value chain including research and development, manufacturing, drug distribution and marketing and exports. The company's business includes (i) a contract development and manufacturing organisation ("CDMO") business providing manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business.

A brief explanation of the products and the revenue bifurcation of the same is provided below -

- I) CDMO services and products – The CDMO services and products include commercial large-scale manufacturing of generic products. The company purchases APIs and other materials such as excipients from third-party suppliers domestically. The company offers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. The company also have added products using new technologies like nanotechnology.
- II) Domestic Branded Generics - The domestic branded generics business consists of generic products, which are marketed, distributed and promoted in India under their brand names and manufactured by the company.
- III) International Branded Generics – The company exports branded generic products to 20 and 16 countries. As of October 31, 2023, the company have 200 active product registrations (and 20 registrations subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities.

(Amount in Cr.)

Particulars	Mar-21		Mar-22		Mar-23		Jun-23	
	Amt	(%)	Amt	(%)	Amt	(%)	Amt	(%)
CDMO services and products	370.87	90.31	686.69	85.78	679.56	73.36	166.21	71.26
Domestic branded generics	0.00	0.00	37.05	4.63	166.16	17.94	42.25	18.12
International branded generics	39.79	9.69	76.78	9.59	80.66	8.71	24.78	10.62
Sharon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>410.66</b>	<b>100.00</b>	<b>800.53</b>	<b>100.00</b>	<b>926.38</b>	<b>100.00</b>	<b>233.24</b>	<b>100.00</b>

To conclude, the company has good experience in the industry in which the company operates. The company generates the majority of its revenue from CDMO services and products. The company is raising total gross proceeds of Rs. 320 Cr of fresh issue.

## **Business Strategies**

### **1. Expansion of the manufacturing capacities -**

The company believes by expanding the manufacturing capacity it will be able to expand the product offering in both the CDMO and the branded generic businesses. Accordingly, the company is planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections.

### **2. Integration of the acquired Sharon business -**

The Company acquired Sharon pursuant to CIRP under the IBC. Sharon is engaged in the business of manufacturing intermediates and APIs and also offers contract manufacturing services for pharmaceutical products.

### **3. Expand the wallet share of existing customers and develop new customers -**

The Company aims to expand the business with existing customers and to develop new customers. The company aims to increase the formulations manufactured for existing customers through by leveraging in-house R&D and large-scale manufacturing capabilities.

### **4. Continue to focus on the R&D operations -**

The company is looking to expand the capacity of the R&D laboratories. In addition, the company is looking to establish a new R&D centre in Panchkula, Haryana. The company have already acquired land for the same.

### **5. Growing the international export business -**

The company aims to continue expanding the range of generic products to meet the requirements of the markets they cater to.

### **6. Expanding the domestic branded generics business -**

The company aims to grow the pan-Indian network to include more retailers and expand its geographic reach. The company plans to expand the target-based incentive schemes to boost sales from the distributors and also aims to attract new retailers through continuous engagement.

## Competitive Scenario and Peer Mapping

### Competition

The company faces high competition. The competition in the CDMO services and products includes full-service pharmaceutical outsourcing or CDMO companies; contract manufacturers focusing on a limited number of dosage forms; contract manufacturers providing multiple dosage forms; and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity. The company expect competition from major international generic manufacturers. The industry has moderate barriers to entry. The bargaining power with the customers is moderate in the sector in which the company operates. The bargaining power with the suppliers 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	Innova Captab Limited	Torrent Pharmaceuticals Limited	Laurus Labs Limited	Ajanta Pharma Limited	J.B. Chemicals and Pharmaceuticals Limited	NATCO Pharma Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	9.04%	12.94%	13.16%	15.71%	13.02%	26%
EBITDA Margin	11.56%	29.54%	25.67%	21.59%	22.10%	35%
Return on Capital Employed	14.79%	23.30%	24.34%	19.66%	19.45%	16%
Return on Equity	16.76%	20.09%	18.73%	17.36%	16.53%	15%
EPS (INR)	14.16	36.79	14.12	45.89	26.48	39.18

Particulars	Innova Captab Limited	Eris Lifesciences Limited	Indoco Remedies Limited	Suven Pharmaceuticals Limited	Windlas Biotech Limited
	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023	31st Mar 2023
Net Profit Margin	9.04%	22%	9%	31%	8%
EBITDA Margin	11.56%	32%	17%	43%	12%
Return on Capital Employed	14.79%	14%	18%	29%	12%
Return on Equity	16.76%	17%	14%	24%	12%
EPS (INR)	14.16	28.10	15.44	16.16	11%

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

Particulars	Innova Captab Limited	Torrent Pharmaceuticals Limited	Laurus Labs Limited	Ajanta Pharma Limited	J.B. Chemicals and Pharmaceuticals Limited	NATCO Pharma Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	7.99%	9.13%	15.93%	21.34%	15.92%	9%
EBITDA Margin	11.99%	28.57%	27.32%	27.93%	22.40%	14%
Return on Capital Employed	32.15%	20.83%	25.17%	24.10%	21.19%	3%
Return on Equity	15.78%	13.05%	22.14%	21.84%	18.09%	4%
EPS (INR)	13.32	22.97	13.96	55.63	24.93	9.31

Particulars	Innova Captab Limited	Eris Lifesciences Limited	Indoco Remedies Limited	Suven Pharmaceuticals Limited	Windlas Biotech Limited
	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022	31st Mar 2022
Net Profit Margin	7.99%	30%	10%	34%	8%
EBITDA Margin	11.99%	36%	21%	44%	11%
Return on Capital Employed	32.15%	21%	23%	34%	10%
Return on Equity	15.78%	21%	17%	30%	10%
EPS (INR)	13.32	29.88	16.80	17.83	17.48

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

Particulars	Innova Captab Limited	Torrent Pharmaceuticals Limited	Laurus Labs Limited	Ajanta Pharma Limited	J.B. Chemicals and Pharmaceuticals Limited	NATCO Pharma Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	8.40%	15.64%	1.11%	22.63%	21.98%	22%
EBITDA Margin	13.27%	30.98%	10.50%	34.64%	27.41%	30%
Return on Capital Employed	32.73%	19.84%	8.00%	28.72%	26.03%	11%
Return on Equity	12.43%	21.45%	21.26%	21.84%	24.82%	11%
EPS (INR)	7.19	36.99	17.82	50.38	28.98	24.18

Particulars	Innova Captab Limited	Eris Lifesciences Limited	Indoco Remedies Limited	Suven Pharmaceuticals Limited	Windlas Biotech Limited
	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021	31st Mar 2021
Net Profit Margin	8.40%	29%	7%	36%	4%
EBITDA Margin	13.27%	36%	18%	44%	13%
Return on Capital Employed	32.73%	24%	17%	33%	21%
Return on Equity	12.43%	23%	12%	31%	8%
EPS (INR)	7.19	26.16	10.10	14.23	24.69

**Industry Overview**

Exhibit 1: Indian Pharmaceutical Market (US\$ billion)

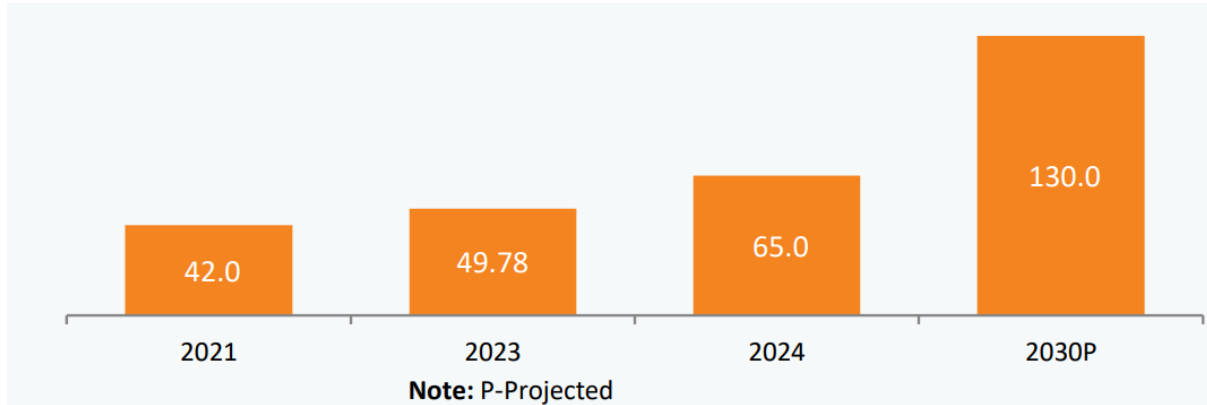
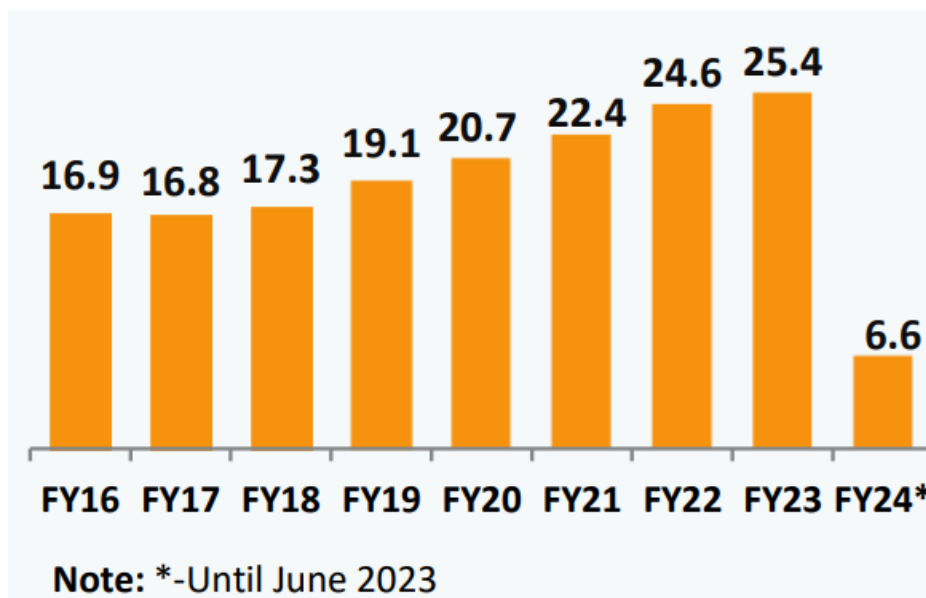


Exhibit 2: Pharmaceutical Export from India (US\$ billion)



(Source: ibef.com)

## **Overview of Global Pharmaceutical Market -**

The global pharmaceutical industry is traditionally characterized by the concentration of consumption, production, and innovation in a relatively small number of high-income and developed regions like North America and Europe which continues to account for a major chunk of this market in value terms on account of higher priced drugs and newer products. However, over the past few years, production as well as consumption have picked up in middle income countries, like India and China and Brazil; these “Pharmerging” markets also account for a significant share in volume consumption and have outpaced growth in high-income and developed markets.

These emerging markets are now the strategic focus points for many multinational pharmaceutical companies, which is evident from pharmaceutical products exports from these countries. India and China had registered a 14% and 9% CAGR growth in pharmaceutical exports from calendar years 2017 to 2022, respectively. However, for pharmaceutical research and development (R&D), high-income regions continue to dominate expenditure in both the public and private sectors.

## **Introduction to Indian Pharmaceutical Market -**

The Indian pharmaceutical industry is the world’s third largest by volume and was valued at Rs 3.6-3.8 trillion (including bulk drugs and formulation exports) as of fiscal 2023. The industry can be broadly classified into formulations and bulk drugs. Formulations can further be divided into domestic formulations and export formulations, both having almost an equal share in the market.

At present, low-value generic drugs constitute a large part of Indian exports. India accounts for approximately 3.5% of total drugs and medicines exported globally, and exports pharmaceuticals to more than 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union and Canada. India has a complete ecosystem for the development and manufacturing of pharmaceuticals, with companies having state-of-the-art facilities and skilled/ technical manpower. Moreover, the country has several renowned pharmaceutical educational and research institutes and a robust ecosystem of allied industries.

The Indian domestic formulation market has seen healthy growth in the recent times. As of fiscal 2023, the Indian domestic formulation market contributed to approximately 2-3% of the total global pharmaceutical market. Indian domestic formulations market (consumption) grew at a healthy rate at a CAGR of 9% from fiscal 2018 to fiscal 2023.

The Indian domestic formulations segment (consumption) is expected to grow at a CAGR of 9-10% CAGR over the next five years from fiscal 2023 to reach approximately Rs. 2.8-3.0 trillion in fiscal 2028, aided by strong demand because of rising incidence of chronic diseases, increased awareness and access to quality healthcare.

(Source: Prospectus)

## Key Managerial Personnel

**Manoj Kumar Lohariwala**, aged 51 years, is the Promoter, Chairman and Whole-time Director of the Company. He holds a bachelor's degree in commerce. He has approximately 26 years of experience in the field of manufacturing and marketing of pharmaceutical products.

**Vinay Kumar Lohariwala**, aged 47 years, is one of the Promoters and Managing Director of the Company. He holds a bachelor's degree in engineering (mechanical). He has approximately 21 years of experience in the field of manufacturing and marketing of pharmaceutical products.

**Jayant Vasudeo Rao**, aged 59 years, is the Whole-time Director of the Company. He holds a bachelor's degree in science (chemistry). He has approximately 18 years of experience in the field of production management for pharmaceutical formulations.

**Archit Aggarwal**, aged 25 years, is the Non-Executive Director of the Company. He holds a bachelor's degree in business administration. He has over three years of experience in marketing and manufacturing of jewellery. He currently serves as a manager with Jai Bhawani Industries.

**Shirish Gundopant Belapure**, aged 70 years, is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in pharmacy and a master's degree in pharmacy (pharmacognosy). He has also completed a long-term diploma course in business management. He has approximately 26 years of experience in the pharmaceutical industry.

**Sudhir Kumar Bassi**, aged 54 years, is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in commerce and a master's degree in business administration (finance). He has approximately 31 years of experience in the field of investment banking and capital markets.

**Priyanka Dixit Sibal**, aged 41 years, is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in law and social legal sciences. She has approximately 11 years of experience in corporate commercial law and mergers and acquisitions.

**Mahender Korthiwada**, aged 60 years, is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in pharmacy. He has approximately 29 years of experience in the pharmaceutical industry.

To conclude, the company has two promoters, and they have vast experience in the fields directly linked to the operations. The Remaining Directors of the company have vast knowledge and experience in their respective fields which helps in the overall growth of the company.



## Financial Snapshot

<b>Profit and Loss Statement</b>		<b>(In Cr.)</b>		
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Jun-23</b>
Revenue from Operations	410.66	800.53	1,118.60	233.24
Other Income	1.37	2.88	67.95	1.13
<b>Total Income</b>	<b>412.03</b>	<b>803.41</b>	<b>1,186.54</b>	<b>234.37</b>
<b>Expenses</b>				
Operating and project expenses	301.46	573.64	737.77	166.40
Purchase of Stock-In-Trade	7.60	38.78	44.79	8.14
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	1.64	5.49	4.36	-8.00
Employee benefits expense	22.33	40.46	88.09	14.89
Finance Costs	3.93	5.68	36.56	5.03
Depreciation and Amortization expense	5.59	7.50	19.71	2.79
Other expenses	23.15	46.14	114.26	20.52
<b>Total Expenses</b>	<b>365.69</b>	<b>717.69</b>	<b>1,045.54</b>	<b>209.77</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization</b>	<b>54.49</b>	<b>96.02</b>	<b>129.33</b>	<b>31.30</b>
<b>EBITDA Margin</b>	<b>13%</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>
<b>Profit/(Loss) before tax</b>	<b>46.34</b>	<b>85.72</b>	<b>141.00</b>	<b>24.60</b>
Tax Expense				
Current Tax	11.50	21.82	21.86	6.87
Deferred Tax Charge	0.35	-0.05	18.02	0.14
Total Tax Expense	11.84	21.77	39.88	7.01
<b>Profit/(Loss) for the year</b>	<b>34.50</b>	<b>63.95</b>	<b>101.12</b>	<b>17.59</b>
Net Profit Margin	8%	8%	9%	8%

<b>Balance Sheet</b>		<b>(In Cr.)</b>		
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Jun-23</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	76.36	156.56	291.60	290.08
Right of Use Assets	2.34	9.33	44.54	44.16
Capital work-in-progress	7.26	0.03	21.74	34.83
Goodwill	-	16.69	16.69	16.69
Other intangible assets	0.44	0.45	0.96	0.94
Financial Assets	-	-	-	-
Investments	-	-	-	-
Loans	-	0.22	0.48	0.52
Other financial assets	3.50	0.78	2.27	2.62
Deferred tax assets (net)	-	0.22	21.94	25.54
Income Tax Assets (Net)	1.33	4.03	0.73	0.74
Other non-current assets	7.92	8.12	56.17	72.04
<b>Total Non-Current assets</b>	<b>99.15</b>	<b>196.42</b>	<b>457.12</b>	<b>488.17</b>
<b>Current Assets</b>				
Inventories	91.45	128.39	156.33	145.23
Financial Assets	-	-	-	-
(i) Investments	-	-	-	-
(ii) Trade Receivables	138.55	212.69	291.30	303.28
(iii) Cash and Cash Equivalents	4.80	0.15	13.29	32.41
(iv) Other Bank Balances	7.10	2.29	39.36	50.99

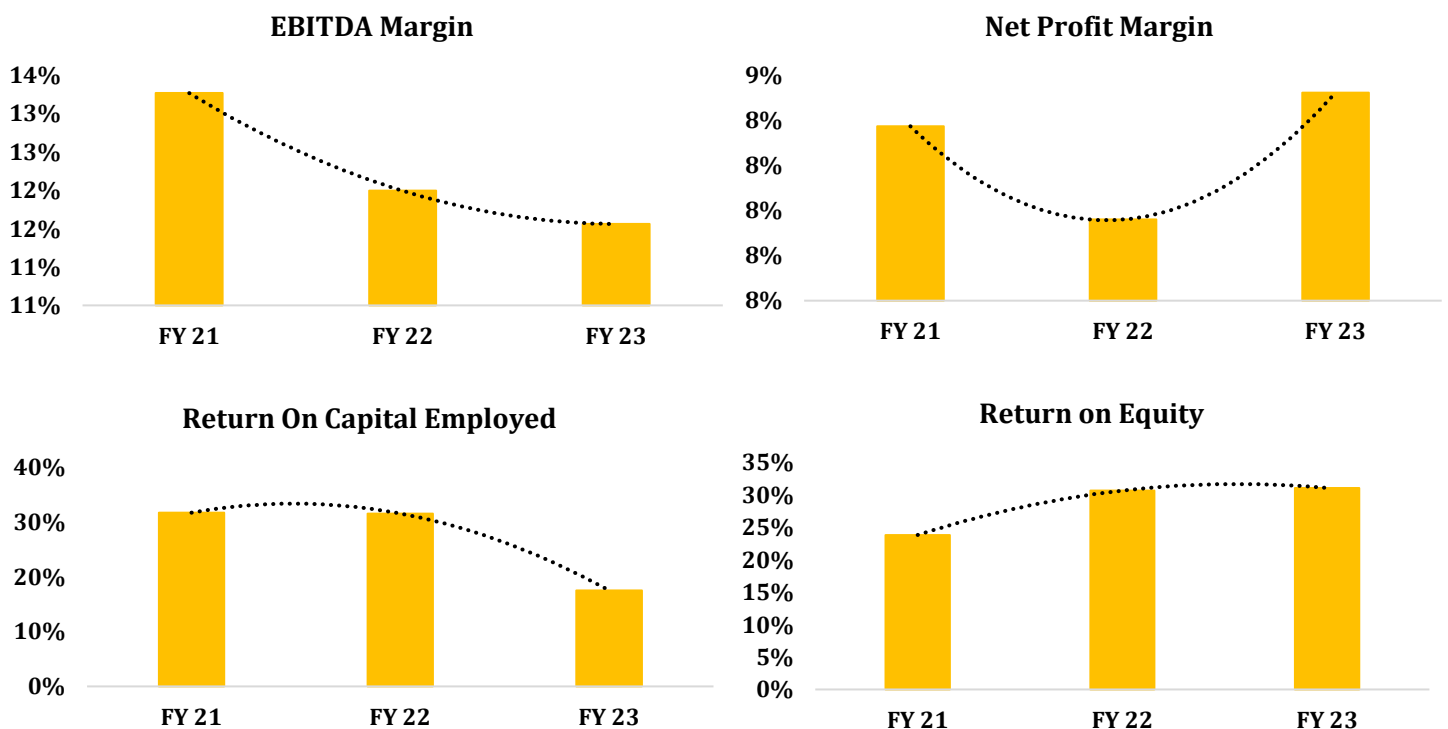
<b>Balance Sheet</b>		<b>(In Cr.)</b>		
(v) Loans	0.47	0.30	1.01	0.61
(vi) Other financial assets	2.22	4.30	10.94	10.20
Other current assets	25.88	30.94	49.35	55.28
<b>Total Current assets</b>	<b>270.46</b>	<b>379.05</b>	<b>561.60</b>	<b>597.99</b>
<b>Total Assets</b>	<b>369.62</b>	<b>575.48</b>	<b>1,018.72</b>	<b>1,086.16</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	12.00	12.00	48.00	48.00
Other Equity	132.82	196.61	277.58	317.51
<b>Total Equity</b>	<b>144.82</b>	<b>208.61</b>	<b>325.58</b>	<b>365.51</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	6.00	67.35	279.18	295.68
(ii) Lease liabilities	0.35	0.59	1.38	1.21
iii) Other financial liabilities	-	-	7.89	9.58
Provisions	1.23	2.27	9.19	10.45
Deferred tax liabilities (net)	1.93	2.06	3.92	4.69
Other non-current liabilities	0.13	0.09	0.09	-
<b>Total Non-current liabilities</b>	<b>9.64</b>	<b>72.35</b>	<b>301.65</b>	<b>321.62</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	39.03	130.83	151.42	146.22
(ii) Trade Payables	-	-	-	-
total outstanding dues of micro enterprises and small enterprises	3.48	1.43	1.92	2.37
total outstanding dues of creditors other than micro enterprises and small enterprises	108.75	143.37	170.98	193.98
(iii) Other Financial Liabilities	58.23	9.33	47.71	31.54
(iv) Lease Liabilities	0.12	0.40	0.79	0.67
Other Current Liabilities	5.01	7.85	15.52	18.11
Provisions	0.53	0.35	3.14	2.67
Current tax liabilities (Net)	-	0.97	-	3.48
<b>Total Current liabilities</b>	<b>215.15</b>	<b>294.52</b>	<b>391.48</b>	<b>399.03</b>
<b>Total Liabilities</b>	<b>224.80</b>	<b>366.87</b>	<b>693.13</b>	<b>720.65</b>
<b>Total Equity and Liabilities</b>	<b>369.62</b>	<b>575.48</b>	<b>1,018.72</b>	<b>1,086.16</b>

<b>Cash Flow Statement</b>		<b>(In Cr.)</b>		
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Jun-23</b>
Net Cash Flow from Operating Activities	41.57	58.90	67.12	47.39
Net Cash Flow from Investing Activities	-19.67	-188.12	-90.84	-219.75
Net Cash Flow from Financing Activities	-19.34	124.57	27.09	201.25

<b>Ratio Sheet</b>				
<b>Particulars</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>Jun-23</b>
<b>Per Share Data</b>				
Diluted EPS	7.19	13.32	14.16	11.72
BV per share	23.06	33.21	51.84	154.32
<b>Operating Ratios</b>				
EBITDA Margins	13%	12%	12%	13%
PAT Margins	8%	8%	9%	8%
Inventory days	81.28	58.54	51.01	56.66
Debtor days	123.15	96.97	95.05	118.32
Creditor days	130.00	84.26	92.55	108.91
<b>Return Ratios</b>				
RoCE	32%	32%	17%	9%
RoE	24%	31%	31%	8%
<b>Valuation Ratios (x)</b>				
EV/EBITDA	3.40	4.23	5.74	10.63
Market Cap / Sales	6.85	3.51	2.52	3.02
P/E	62.31	33.63	31.64	38.22
Price to Book Value	19.43	13.49	8.64	2.90
<b>Solvency Ratios</b>				
Debt / Equity	0.28	0.64	0.49	0.41
Current Ratio	1.26	1.29	1.43	1.50
Quick Ratio	0.83	0.85	1.04	1.13
Asset Turnover	1.11	1.39	1.10	0.21
Interest Coverage Ratio	12.45	15.58	3.00	5.67

\*Annualized Figures

### Financial Charts



### Key Risk Factors

1. The company's top 10 customers contribute to 54.52%, 48.66%, 56.29%, and 68.39% for the FY ended 2021, 2022, 2023, and Period ended June 2023 respectively.
2. There is pending litigation against the Company, Promoters, Subsidiaries and certain of the directors amounting to Rs. 212.97 Cr. Any adverse decision in such proceedings may render them liable to liabilities/penalties and may adversely affect the business, results of operations and financial condition.
3. The company has contingent liabilities amounting to Rs. 245.06 Cr. could materially and adversely affect the business, results of operations and financial condition.

### Track Record of Lead Manager

The lead manager to the issue is ICICI Securities Limited and JM Financial 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 -

#### ICICI Securities Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Inox India Limited	1,459.32	660.00	December 21, 2023	911.00
2.	India Shelter Finance Corporation Limited	1,200.00	493.00	December 20, 2023	550.00
3.	DOMS Industries Limited	1,200.00	790.00	December 20, 2023	1,307.00
4.	Fedbank Financial Services Limited	10,92.26	140.00	November 30, 2023	141.00
5.	Gandhar Oil Refinery (India) Limited	5,00.69	169.00	November 30, 2023	282.00
6.	ASK Automotive Limited	8,33.91	282.00	November 15, 2023	280.00
7.	Protean eGov Technologies Limited	4,89.20	792.00	November 13, 2023	1,218.00
8.	ESAF Small Finance Bank Limited	4,63.00	60.00	November 10, 2023	69.0
9.	Cello World Limited	1,900.00	648.00	November 06, 2023	769.00
10.	Blue Jet Healthcare Limited	840.27	346.00	November 01, 2023	361.00

The company has had 48 mandates in the past four years (including the current year)

#### JM Financial Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	DOMS Industries Limited	1,200.00	790.00	December 20, 2023	1,307.00
2.	Tata Technologies Limited	3,042.51	500.00	November 30, 2023	1,209.00
3.	Fedbank Financial Services Limited	10,92.26	140.00	November 30, 2023	141.00
4.	ASK Automotive Limited	8,33.91	282.00	November 15, 2023	280.00
5.	Honasa Consumer Limited	17,01.44	324.00	November 7, 2023	425.00
6.	Cello World Limited	19,00.00	648.00	November 6, 2023	769.00
7.	JSW Infrastructure Limited	2,800.00	119.00	October 03, 2023	220.00
8.	Zaggle Prepaid Ocean Services Limited	563.38	164.00	September 22, 2023	224.00
9.	SAMHI Hotels Limited	1,370.10	126.00	September 22, 2023	174.00
10.	R R Kabel Limited	1,964.01	1,035.00	September 20, 2023	1,619.00

The company has had 42 mandates in the past three years (including the current year)

\*CMP for the above-mentioned companies is taken as of 24<sup>th</sup> December 2023.

As per the offer document, from the above-mentioned mandates, all the mandates are opened at a premium on the listing date.

## **Recommendation**

The company has been in the industry since 2005 and thus has good experience in the industry. The company has an increase in the top-line and bottom-line of its financials. The company faces high competition. The management outlook of the company is satisfactory.

The P/E on a post-IPO basis is around 27.83 times which makes it slightly high;y priced by looking at the performance of the company and its peers. The Sector P/E is 31.4 times.

The company faces high competition in the industry in which the company operates. The industry in which the company operates in has a high demand. The company has also recently acquired Sharon Bio-medicine which we believe will yield good growth for the company in recent years. The company's financial outlook is not that satisfactory which makes the company slightly unattractive, but with the given demand and the inorganic growth we believe it is best advised to invest for a long-term perspective. Thus, knowledgeable investors who have experience in investments and in the industry in which the company operates in can apply. Thus, we recommend **Risk Averse investors should wait and Risk Seekers should apply** to this IPO.



## **Disclaimer**

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