

IPO Details		Company Background										
Opening Date	Dec 18, 2023	<ul style="list-style-type: none"> Muthoot Microfin Limited was incorporated in the year 1992 and has its registered office in Mumbai, Maharashtra, India. The company is a microfinance institution providing micro-loans to women customers (primarily for income generation purposes) with a focus on rural regions of India. The company is a part of the Muthoot Pappachan Group. The company is the fifth largest NBFC-MFI in India in terms of gross loan portfolio as of March 31, 2023. The company is also the third largest amongst NBFC-MFIs in South India in terms of gross loan portfolio, the largest in Kerala in terms of MFI market share, and a key player in Tamil Nadu with an almost 16% market share, as of March 31, 2023. As of 30th September 2023, the Company had 12,297 full-time employees on its payroll. 										
Closing Date	Dec 20, 2023											
Stock Exchange	NSE, BSE											
Lot Size	51 Shares											
Issue Price	₹277 to ₹291 per share											
Issue Size	Aggregating up to 960 Cr.											
Fresh Issue	Aggregating up to 760 Cr.											
Offer For Sale	Aggregating up to 200 Cr.											
Application Amount	Min. Inv. - ₹ 14,841 (51 shares) Max. Inv. - ₹ 1,92,933 (663 shares)											
IPO Objective												
To undertake the existing business activities.												
To undertake the activities proposed to be funded												
To receive the benefits of listing the Equity Shares on Stock Exchange.												
Pre-Issue Shareholding				Market Capitalization (In Cr.)								
Category	No. of Shares	% of Total Shares	Pre-Issue	Post-Issue								
Promoter & Promoter Group	9,97,20,468	69.08 %	₹ 4,200.82	₹ 4,960.82								
Public	4,11,83,992	28.53 %	<th colspan="5">Financial Summary (In Cr.)</th>			Financial Summary (In Cr.)						
Employee Trusts	34,53,511	2.39 %										
Promoter of the Company			For the Period Ended	Mar-21	Mar-22	Mar-23	Sep-23					
1. Thomas John Muthoot			Total Assets	4,183.85	5,591.46	8,529.20	10,031.3					
2. Thomas Muthoot			Net Assets	889.89	1,336.58	1,625.85	1,842.10					
3. Thomas George Muthoot			Total Borrowings	3,015.66	3,996.61	6,493.18	7,746.11					
4. Preethi John Muthoot			Total Revenue	696.28	842.94	1,446.34	1,047.24					
5. Remmy Thomas			Profit After Tax	7.05	47.40	163.89	205.26					
6. Nina George			<th colspan="5">Tentative Timeline</th>					Tentative Timeline				
7. Muthoot Fincorp Limited												
Competitive Strengths			Opening Date	Dec 18, 2023								
1. Market leadership with a pan-India presence.			Closing Date	Dec 20, 2023								
2. Rural focused operations.			Basis of Allotment	Dec 21, 2023								
3. Brand recall and synergies with Muthoot Pappachan Group.			Initiation of Refunds	Dec 22, 2023								
4. Robust risk management framework leading to healthy portfolio quality.			Credit of Shares to Demat	Dec 22, 2023								
5. Streamlined operating model with effective use of technology.			Listing Date	Dec 26, 2023								
6. Access to diversified sources of capital and effective cost of funds.												
7. Experienced and Professional Management.												

Company Background and Analysis

Muthoot Microfin Limited was incorporated in 1992 under the name “Panchratna Stock and Investment Consultancy Services Private India Limited”. The company has vast experience in the industry. The company is a microfinance institution providing micro-loans to women customers (primarily for income generation purposes) with a focus on rural regions of India. As of September 30, 2023, the company has 3.19 million active customers, who are serviced by 12,297 employees across 1,340 branches in 339 districts in 18 states and union territories in India.

The company is a part of the Muthoot Pappachan Group, a business conglomerate with a presence across financial services, automotive, hospitality, real estate, information technology infrastructure, precious metals and alternate energy sectors. The company is the second largest company under the Muthoot Pappachan Group, in terms of AUM for the Financial Year 2023.

The company’s products are as follows –

1. Livelihood Solutions –
 - i) Income-Generating Loans - Income-generating loans is the principal loan product for use by women in rural areas, intended to provide capital for their small businesses. The loans are made to customers for businesses in sectors such as agriculture, animal husbandry, manufacturing, services and trading.
 - ii) Pragathi Loans - Pragathi loans are interim loans made to existing customers for working capital and income-generating activities.
 - iii) Individual Loans - Individual loans are made to existing customers who have been associated with the Company as customers for at least two years for their income-generating activities.
 - iv) Savidha Loans - Savidha loans are digital loans accessible through the Mahila Mitra application and made to existing customers to enable quick access to funds.
2. Life Betterment Solutions –
 - i) Education Loan - In light of the customers’ need for access to education, the company offers education loans to its customers.
 - ii) Household Appliances Loans - Due to the high demand for household appliances in the rural sectors because of their low investment and maintenance cost, the company has entered into agreements for the financing of water purifiers, pressure cookers, induction stoves, mixers and grinders purchased by the customers.
 - iii) Solar Lighting Product Loans – The company have entered into agreements for the financing of solar lights, solar torches and solar fans purchased by the customers.
 - iv) Mobile Phone Loans – The company have entered into agreements with retailers and distributors for the financing of mobile phones purchased by the customers.
3. Health and Hygiene Loans –
 - i) Sanitation Improvement Loans - These are provided to existing customers to improve their health conditions through improved water and sanitation facilities.
4. Secured Loans – These can be divided into Muthoot Small and Growing Business (MSGB) Loans, and Gold Loans.

To conclude, the company has vast experience in the industry. The company has the highest percentage of gross loan portfolio from the Income Generating Loans Type. The is raising a fresh issue of Rs, 760 Cr. And the remaining Rs. 200 Cr. As per the offer for sale.

Business Strategies

1. Expand the geographical footprint and sourcing platform across India -

The company intends to open new branches, acquire new customers and selectively expand the operations to locations where they expect that customers are underserved, have lower penetration by micro-finance companies, and where there could be an opportunity for the company to service an increased customer base.

2. Continue to Enhance Information Technology with a focus on Customer Service, Operational Efficiency and Cost Optimization -

The company continues to use its analytics capabilities for finding out customer patterns, developing insights for marketing and sales strategy, and customising products based on customer segments. Further, the company is also in the process of developing a Super App along with the Muthoot Pappachan Group, which they plan to use to integrate the Mahila Mitra application with all of the Muthoot Pappachan Group's products and databases onto a single platform,

3. Leverage the existing branch network to expand the customer base and gross loan portfolio -

The company intends to reduce the reliance on net interest margins alone and shift to a combination of net interest margin and fee-based income.

4. Diversifying the Sources of Funds -

The company continues to grow the scale of its operations, the company seeks to reduce the dependence on more costly term loans from banks and financial institutions, by issuing NCDs and raising ECBs, to optimize the cost of funds and continue to improve the credit ratings.

Competitive Scenario and Peer Mapping

Competition

The company faces significant competition from other MFIs and banks in India. Many of the institutions with which the company competes may be larger in terms of business volume or may have greater assets, higher geographical penetration better access to, and lower cost of, funding than the company does. The company faces the most significant organized competition from other MFIs, SFBs, commercial banks and state-sponsored social programs in India. The industry in which the company operates has moderate barriers to entry as the industry in which the company operates is subjected to laws and regulations governing the financial services industry in India.

Peer Analysis

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

Particulars	Muthoot Microfin Limited	Equitas Small Finance Bank Limited	Ujjivan Small Finance Bank	CreditAccess Grameen Limited	Spandana Sphoorty Financial Limited
P/E	24.96	13.00	4.31	17.31	306.24
P/B	1.55	2.35	2.90	5.30	2.46
RoNW	17.69	11.13%	27.44%	16.17%	0.39%
NAV per share	5.59	76.87	165.32	5.58	5.71
CRAR	21.87%	23.80%	25.81%	22.69%	36.87%
Net Interest Margin	10.50%	9.00%	9.50%	-	13.15%

Particulars	Muthoot Microfin Limited	Bandhan Bank Limited	Suryoday Small Finance Bank Limited	Fusion Micro Finance Limited
P/E	24.96	14.37	13.01	10.42
P/B	1.55	2.09	1.11	2.64
RoNW	17.69	11.21%	4.92%	16.67%
NAV per share	5.59	100.05	16.64	5.79
CRAR (%)	21.87%	19.76%	33.70%	27.94%
Net Interest Margin	10.50%	7.21%	9.50%	10.15%

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

Particulars	Muthoot Microfin Limited	Equitas Small Finance Bank Limited	Ujjivan Small Finance Bank	CreditAccess Grameen Limited	Spandana Sphoorty Financial Limited
P/E	73.86	23.50	-6.69	37.08	55.08
P/B	1.70	3.58	4.47	6.50	2.53
RoNW	3.89	8.27%	-15.95%	8.47%	1.59%
NAV per share	4.59	64.50	162.12	4.96	7.95
CRAR (%)	28.75%	25.16%	18.99%	25.87%	50.74%
Net Interest Margin	7.95%	8.54%	8.80%	9.76%	12.50%

Particulars	Muthoot Microfin Limited	Bandhan Bank Limited	Suryoday Small Finance Bank Limited	Fusion Micro Finance Limited
P/E	73.86	383.65	-11.60	-
P/B	1.70	2.35	1.17	-
RoNW	3.89	0.72%	-6.18%	1.64%
NAV per share	4.59	58.08	14.81	-
CRAR (%)	28.75%	20.10%	37.90%	21.94%
Net Interest Margin	7.95%	8.17%	8.60%	8.39%

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

Particulars	Muthoot Microfin Limited	Equitas Small Finance Bank Limited	Ujjivan Small Finance Bank	CreditAccess Grameen Limited	Spandana Sphoorty Financial Limited
P/E	469.35	17.98	610.00	73.11	29.57
P/B	2.10	0.00	3.86	10.28	2.76
RoNW	7.8	11.31%	0.27%	5.39%	4.75%
NAV per share	3.06	56.04	98.95	3.94	4.58
CRAR (%)	22.55%	24.18%	26.44%	30.50%	39.20%
Net Interest Margin	7.82%	8.44%	9.50%	9.79%	15.40%

Particulars	Muthoot Microfin Limited	Bandhan Bank Limited	Suryoday Small Finance Bank Limited	Fusion Micro Finance Limited
P/E	469.35	25.24	248.04	-
P/B	2.10	2.35	1.10	-
RoNW	7.8	12.67%	0.75%	3.53%
NAV per share	3.06	50.37	5.75	-
CRAR (%)	22.55%	23.47%	51.50%	27.26%
Net Interest Margin	7.82%	7.78%	7.10%	9.22%

Industry Overview

Exhibit 1: NBFC-MFIs to gain market share between Q3FY23 and FY25 (GLP)

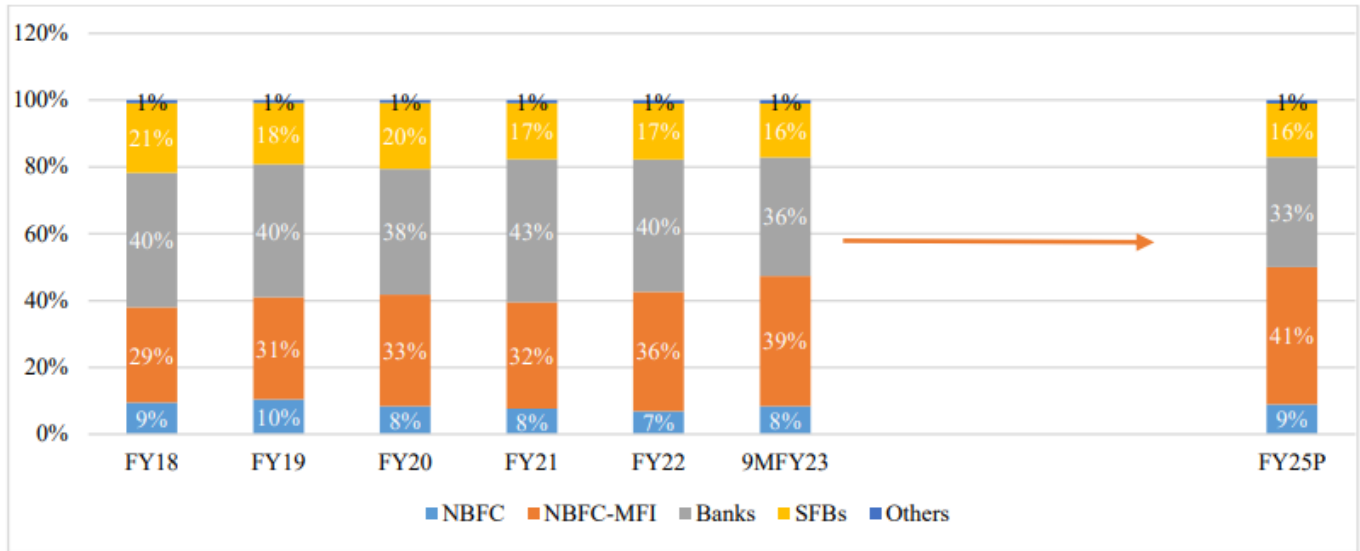
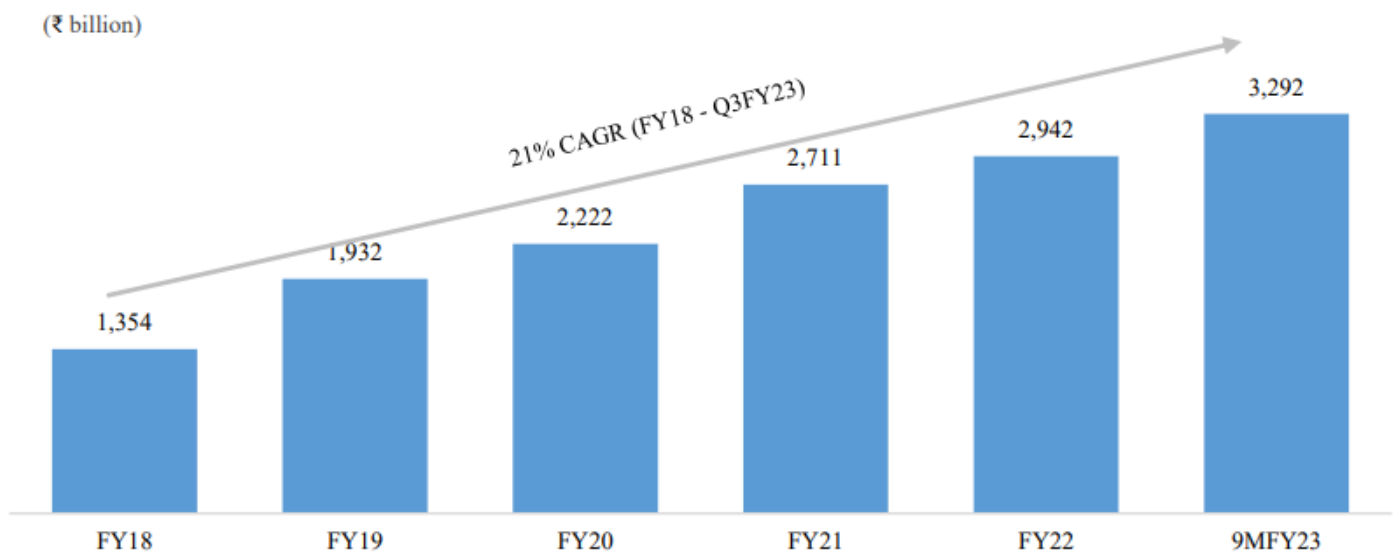


Exhibit 2: GLP clocked 21% CAGR between fiscal 2018 and nine months ended financial year 2023.



(Source: Prospectus)

Outlook of Indian Microfinance Industry -

Although India's household credit penetration on MFI loans has increased, it is still on the lower side. There is a huge untapped market available for MFI players. As of the end of FY2023, the microfinance industry had clocked a CAGR of 21% between the financial year 2018-23. With economic revival and unmet demand in rural regions, CRISIL MI&A Research expects the overall portfolio size to reach ₹4.9 trillion by the end of the financial year 2025. CRISIL MI&A Research expects the MFI industry to log an 18-22% CAGR during FY 2023-2025. During the period, NBFCMFIs are expected to grow at a much faster rate of 25-30% compared with the MFI industry.

Key drivers behind the superior growth outlook include increasing penetration into the hinterland and expansion into newer states, faster growth in the rural segment, expansion in average ticket size, and support systems like credit bureaus. The presence of self-regulatory organisations like MFIN and Sa-Dhan is also expected to support the sustainable growth of the industry going forward.

The microfinance sector in India is regulated by the RBI. The RBI's new regulatory regime for microfinance loans effective April 2022 has done away with the interest rate cap applicable on loans given by NBFC-MFIs, and also supports growth by enabling players to calibrate pricing in line with customer risk.

Historical Growth and Development of the Indian Microfinance Industry -

The microfinance industry's joint liability group (JLG) portfolio has recorded healthy growth in the past few years. The industry's GLP increased at a 21% compound annual growth rate (CAGR) between Mar-18 and Dec-2022 to reach approximately ₹3.3 trillion. The growth rate for non-banking finance institutions (NBFC)-MFIs is the fastest as compared with other player groups. Going forward, the overall microfinance industry will continue to see strong growth on the back of the government's continued focus on strengthening the rural financial ecosystem, robust credit demand, and higher-ticket loans disbursed by microfinance lenders.

The microfinance industry has been growing despite facing various headwinds in the past decade, such as the national farm loan waivers (2008), the Andhra Pradesh crisis (2010), Andhra Pradesh farm loan waiver (2014), demonetisation (2016), and farm loan waiver across some more states (2017 and 2018). Of these events, the Andhra Pradesh crisis of 2010 had a lasting impact on the industry. Some players had to undertake corporate debt restructuring and found it difficult to sustain business.

Since then, however, no other event has affected a complete state to such a degree. While the demonetisation of ₹500 and ₹1,000 denomination banknotes in November 2016 hurt the industry, the impact was not as serious as the Andhra Pradesh crisis and was limited to certain districts. Portfolio at risk (PAR) data as of September 2018 indicates the industry recovered strongly from the aftermath of demonetisation. Furthermore, collections of loan disbursements since September 2017 remained healthy.

(Source: Prospectus)

Key Managerial Personnel

Thomas Muthoot, aged 57 years, is one of the Promoters, and Managing Director of the Company. He holds a Bachelor of Law degree. He is on the board of directors of several companies including Muthoot Capital Services Limited, etc. He has over 37 years of experience in the field of financial services.

Thomas John Muthoot, aged 61 years, is one of the Promoters, and Non-Executive Director of the Company. He holds a Bachelor of Commerce degree. He has also completed the owner/president management program. He has over 37 years of experience in the field of financial services. He is on the board of directors of several companies including Muthoot Capital Services Limited, Muthoot Fincorp Limited, etc.

Thomas George Muthoot, aged 61 years, is one of the Promoters, and Non-Executive Nominee Director of the Company. He holds a degree in bachelor's in commerce. He is on the board of directors of several companies including Muthoot Fincorp Limited, Muthoot Capital Services Limited, etc. He has over 37 years of experience in the field of financial services.

Akshaya Prasad, aged 46 years, is the Non-Executive Director of the Company. He holds a Bachelor of Arts (honours) degree and a post-graduate programme in management. He has over 22 years of experience in the financial services sector.

John Tyler Day, aged 37 years, is the Non-Executive Director of the Company. He holds a Bachelor of Business Administration degree and a Master of Business Administration degree. He has over 12 years of experience in the field of financial services.

Alok Prasad, aged 71 years, is the Non-Executive Independent Director of the Company. He holds a degree in master's in arts. He has over 34 years of experience in the field of finance.

Thai Salas Vijayan, aged 70 years, is the Non-Executive Independent Director of the Company. He holds a Bachelor of Science degree. He has served as the chairman of Life Insurance of the Corporation of India and the chairman of the Insurance Regulatory and Development Authority of India.

Bhama Krishnamurthy, aged 68 years, is the Non-Executive Independent Director of the Company. She holds a Master of Science degree. She has an experience over 40 years in the field of financial services.

Pushpy Babu Muricken, aged 49 years, is the Non-Executive Independent Director of the Company. She is an associate member of the Institute of Cost and Works Accountants of India and holds a Bachelor of Law degree and a Bachelor of Commerce degree. She has over 16 years of experience in the field of finance.

Anand Raghavan, aged 62 years, is the Non-Executive Independent Director of the Company. He holds a Bachelor of Commerce degree. He is also a chartered accountant certified by the Institute of Chartered Accountants of India. He has over 30 years of experience in the field of finance.

To Conclude, the company has 7 Promoters, out of which one is a corporate promoter, and 6 are individual promoters out of which 3 are in the management. All the directors have vast knowledge and experience in the fields directly linked with the company's operations and in the fields which help in the growth of the business.

Financial Snapshot

P&L Statement				(Amt in Cr.)
Particulars	FY 21	FY 22	FY 23	Sep-23
Revenue from operations				
Interest income	622.78	728.62	1,290.65	913.58
Fees and Commission Income	3.21	6.16	17.322	15.999
Net gain/(loss) on fair value changes	40.93	91.031	111.537	108.406
Income on Investments	17.00	5.829	8.335	3.811
Sale of Services	0.25	0.864	0.925	0.535
Total Revenue from Operations	684.17	832.51	1,428.76	1,042.33
Other Income	12.11	10.435	17.58	4.911
Total Income	696.28	842.94	1,446.34	1,047.24
Expenses				
Finance Cost	299.33	340.16	549.01	415.33
Fees and commission expenses	9.74	17.85	27.54	13.25
Impairment on financial instruments	132.22	111.15	223.318	62.75
Employee Benefits Expenses	187.09	237.08	322.56	209.552
Depreciation, amortization and impairment	18.833	20.784	26.606	16.458
Other Expenses	40.015	51.20	84.44	55.294
Total Expenses	687.23	778.22	1,233.47	772.63
Profit Before Tax	9.05	64.72	212.87	274.61
Tax Expenses	2.00	17.32	48.98	69.35
Current Tax	34.73	22.41	67.99	72.91
Deferred Tax	-31.77	-5.61	-14.26	-3.56
Tax relating to prior years	-0.956	0.532	-4.751	-
Profit after tax	7.05	47.40	163.89	205.26

Balance Sheet				(Amt inCr.)
Particulars	FY 21	FY 22	FY 23	Sep-23
Assets				
Financial Assets				
Cash and Cash Equivalents	519.08	705.83	759.46	557.92
Bank Balance other than the above	225.90	294.089	390.958	494.19
Other Receivables	9.29	16.77	72.21	123.082
Loans	3,294.03	4,398.11	7,026.69	8,549.92
Investments	0.05	0.05	63.36	51.37
Other financial assets	2.39	3.37	4.06	5.266
Total Financial Assets	4,050.73	5,418.21	8,316.73	9,781.74
Non-Financial Assets				
Current Tax Assets (Net)	9.42	39.55	10.46	12.89
Deferred Tax Assets (Net)	10.04	4.78	5.78	7.34
Property, Plant and Equipment	39.84	42.05	59.44	64.46
Right-of-use-assets	70.02	79.12	112.17	124.97
Other intangible assets	0.125	0.084	0.292	0.265
Other non-financial assets	3.68	7.68	24.34	39.63
Total Non-Financial Assets	133.12	173.25	212.47	249.56
Total Assets	4,183.85	5,591.46	8,529.20	10,031.30
Liabilities				
Financial Liabilities				
Trade Payables				
(i)total outstanding dues of micro-enterprises and small enterprises	-	-	-	0.34

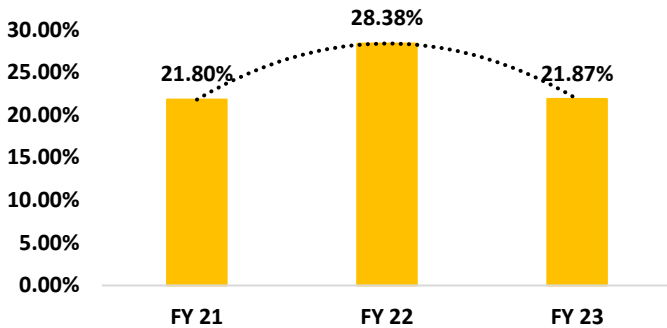
Balance Sheet		(Amt inCr.)			
(ii)total outstanding dues of creditors other than micro-enterprises and small enterprises	2.92	7.53	11.93	14.623	
Debt Securities	452.47	674.63	1,370.15	1,435.62	
Borrowings (Other than Debt Securities)	2,538.23	3,296.99	5,123.03	6,310.49	
Subordinated liabilities	24.96	25.00	0.00	0.00	
Lease Liability	77.99	91.40	129.94	145.46	
Other financial liabilities	188.86	149.28	258.27	266.47	
Total Financial Liabilities	3,285.43	4,244.82	6,893.31	8,173.01	
Non-Financial Liabilities					
Provisions	4.64	4.94	3.61	6.49	
Other non-financial liabilities	3.89	5.12	6.42	9.71	
Total Non-Financial Liabilities	8.53	10.06	10.04	16.20	
Equity					
Equity Share Capital	114.17	133.33	140.20	140.20	
Other Equity	775.72	1,203.25	1,485.65	1,701.90	
Total Equity	889.89	1,336.58	1,625.85	1,842.10	
Total Liabilities and Equity	4,183.85	5,591.46	8,529.20	10,031.30	

Cash Flow Statement		(Amt inCr.)			
Particulars	FY 21	FY 22	FY 23	Sep-23	
Cash Flow from Operating Activities	-703.96	-1,083.58	-2,332.88	-1,345.78	
Cash Flow from Investing Activities	-37.95	-73.80	-180.03	-98.98	
Cash Flow from Financing Activities	79.69	1,344.13	2,566.54	1,243.22	

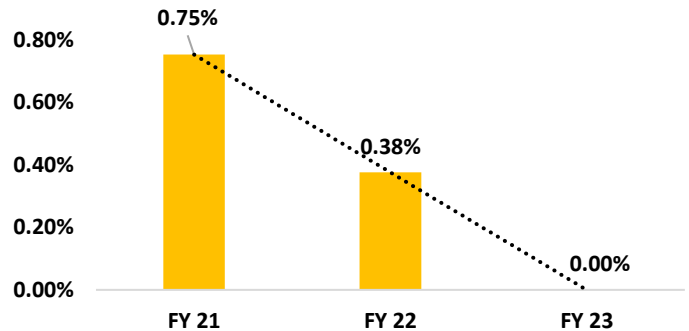
Particulars	FY 21	FY 22	FY 23
Banking ratios			
Tier I Capital ratio	21.80%	28.38%	21.87%
Tier II Capital ratio	0.75%	0.38%	0.00%
Total Capital ratio (CRAR) (%)	22.55%	28.75%	21.87%
Return Ratios (%)			
RoNW	7.80	3.89	17.69
RoA	0.17	0.85	1.92
Valuation Ratios			
P/E	469.35	73.86	24.96
P/B	2.10	1.70	1.55
Leverage Ratios			
Leverage Ratio	17.34%	20.27%	15.99%
Debt-to-Equity Ratio	2.85	2.47	3.15
Debt-to-Capital Ratio	3.38	2.87	3.76
Net Interest Margin	7.82%	7.95%	10.50%
NPA			
Gross NPA (%)	7.39	6.26	2.97
Net NPA (%)	1.42	1.55	0.6

Financial Charts

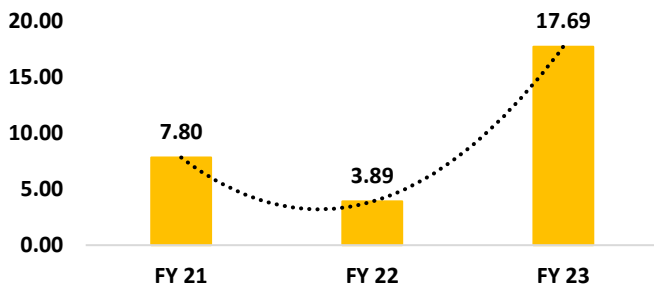
Tier I Capital ratio



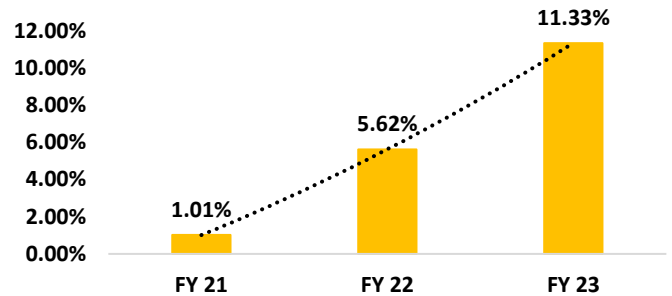
Tier II Capital ratio



RoNW



Net Profit Margin



Key Risk Factors

1. The company has had negative cash flows in the past and may continue to have negative cash flows in the future.
2. There are several outstanding legal proceedings against the Company, Directors, Promoters and Group Companies amounting to Rs. 417.80Cr. An adverse outcome in any of these proceedings may adversely affect the reputation, business, financial condition, results of operations and cash flows.
3. The company has contingent liabilities amounting to Rs. 519.62 Cr. and the financial condition could be adversely affected if these contingent liabilities materialize.

Track Record of Lead Manager

The lead manager to the issue is Axis Capital Limited, JM Financial Limited, ICICI Securities Limited, and SBI Capital Markets 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 –

Axis Capital Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Flair Writing Industries Limited	593.00	304.00	December 01, 2023	373.00
2.	ASK Automotive Limited	833.91	282.00	November 15, 2023	287.00
3.	JSW Infrastructure Limited	2,800.00	119.00	October 03, 2023	232.00
4.	SignatureGlobal (India) Limited	730.00	385.00	September 27, 2023	797.00
5.	R R Kabel Limited	1,964.01	1,035.00	September 20, 2023	1,706.00

The company has handled 45 mandates in the past three 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.	Fedbank Financial Services Limited	10,92.26	140.00	November 30, 2023	148.00
2.	Tata Technologies Limited	3,042.51	500.00	November 30, 2023	1,242.00
3.	ASK Automotive Limited	8,33.91	282.00	November 15, 2023	287.00
4.	Honasa Consumer Limited	1,701.44	324.00	November 07, 2023	407.00
5.	Cello World Limited	1,900.00	648.00	November 0, 2023	791.00

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

ICICI Securities Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Fedbank Financial Services Limited	10,92.26	140.00	November 30, 2023	148.00
2.	Gandhar Oil Refinery (India) Limited	5,00.69	169.00	November 30, 2023	310.00
3.	ASK Automotive Limited	8,33.91	282.00	November 15, 2023	287.00
4.	Protean eGov Technologies Limited	4,89.20	792.00	November 13, 2023	1,352.0
5.	ESAF Small Finance Bank Limited	4,63.00	60.00	November 10, 2023	70.5

The company has handled 48 mandates in the past three years (including the current year)

SBI Capital Markets Limited -

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Indian Renewable Energy Development Agency Limited	2,150.21	32.00	November 29, 2023	108.00
2.	Updater Services Limited	640.00	300.00	October 04, 2023	304.00
3.	JSW Infrastructure Limited	2,800.00	119.00	October 03, 2023	232.00
4.	Yatra Online Limited	775.00	142.00	September 28, 2023	141.00
5.	Senco Gold Limited	405.00	317.00	July 14, 2023	749.00

The company has handled 18 mandates in the past three years (including the current year)

*CMP for the above-mentioned companies is taken as of 16th December 2023.

As per the offer document, from the above-mentioned mandates Fedbank Financial Services Limited, Updater Services Limited, and Yatra Online Limited have opened at discount, and the remaining mandates have opened at premiums on the listing day.

Recommendation

The company has been in the industry since 1992 and thus has vast experience in the industry. The company has seen an increase in its interest income earned. The company has also seen an increase in the bottom line.

The management outlook of the company is good, and they all have vast experience in the finance industry. The company faces significant competition in the industry.

The P/E on an annualized and post-IPO basis is around 24.96 times which makes it slightly highly priced by looking at the performance of the company and its peers. The Sector P/E is 12.6 times.

The company operates in a very competitive industry, yet the company has one of the market leaderships with a pan-India presence. The company has seen a sudden surge in the top line and bottom line of its financials, but it can be sustained forward based on the financial outlook of the company. The company has good capital ratios, and the company has also had negative operating cash flow for all three years, but it should not be a worrying point due to the increase in their loans and we believe this can provide them a good increase in the Interest Earned in the future. Thus, keeping in mind, the above-mentioned points, we believe one can **APPLY** to this IPO.

Disclaimer

We are not registered research analysts 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.