



IPO INSIGHTS



Abans Holdings Ltd

Issue Dates - Opens: 12-12-2022 | Closes: 15-12-2022

IPO Note	<ol style="list-style-type: none"> 1. Diversified global financial services business headquartered in India, financial services arm of Abans Group 2. Registered with RBI and SEBI across its segments of operations 3. 3 major business segments: Finance Business, Agency Business and Capital & Other Business 4. Major Portion - Offer for Sale 5. Declining Revenue, Rising Profits Y-o-Y raises concern 6. Aggressively Priced
Rating	★★ (AVERAGE)

IPO SNAPSHOT

Issue Size	₹ 345.60 Crores
Issue Type	Fresh Issue & Offer for sale
Fresh Issue	₹ 102.60 Crores
Offer for Sale	₹ 243.00 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹ 256 - ₹ 270
Minimum Lot Size	55 shares
Listing On	BSE, NSE
Pre-Issue Promoter Holding	97.42%
Post-Issue Promoter Holding	72.09%
Registrar to the Issue	Bigshare Services Private Ltd

IPO SNAPSHOT – Abans Holdings Ltd

About the Company	<ul style="list-style-type: none"> ▪ Incorporated on September 24, 2009 as Abans Vanijya Private Ltd ▪ Represent the financial services arm of Abans Group ▪ Diversified global financial services business headquartered in India. ▪ Provides NBFC Services, Global Institutional Trading in Equities , Commodities and Foreign Exchange, Private Client Stock Broking, Depository Services, Asset Management Services, Investment Advisory Services and Wealth Management Services to Corporates, Institutional and High Net-Worth Clients ▪ Grown from being commodities trading company into a diversified multi-asset and multi-national financial services company ▪ Varied Financial Services Business: <ol style="list-style-type: none"> 1. Finance Business: Operates as RBI Registered NBFC (No1 Deposit Taking), focussed on lending to private sector and MSME involved in commodities trading 2. Agency Business: SEBI Registered Stock and Commodity Exchange Brokers with memberships across BSE, NSE, MSEI, MCX, NCDEX and ICEX. <ul style="list-style-type: none"> • FCA Registered in London having memberships in International exchanges like DGCX Dubai, LME London, INE & DCE, China • SEBI Registered Portfolio Management Firm as well as Category-I FPI • Offers various institutional and non-institutional trading services, wealth management and private client brokerage services mainly in equities, commodities and forex 3. Capital and Other Business: Includes Treasury Operations which manage company's excess capital funds, invests capital in low-medium risk strategies maintaining positions in physical as well as exchange traded commodities and other instruments, structure treasury investments to maintain sufficient liquidity to support capital needs of other businesses and provide warehousing services to commodity market participants ▪ Primarily a holding company and operates all the businesses through 17 subsidiaries including 3 direct and 14 indirect/step-down subsidiaries ▪ With Subsidiaries businesses are spread across 6 countries in Eastern continents including UK, UAE, China, Hong Kong, Mauritius and India 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ An Integrated Financial Services Platform ▪ Strong Human Capital and Organizational Structure ▪ Global Exposure providing innovative financial products ▪ Strong Relationships with Clients and market participants ▪ Standardized Operating Procedures and Efficient use of technology 																														
Financials (₹ in Crores)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Particulars</th> <th style="width: 15%;">31-3-2020</th> <th style="width: 15%;">31-3-2021</th> <th style="width: 15%;">31-3-2022</th> <th style="width: 15%;">Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>2765.21</td> <td>1325.51</td> <td>638.63</td> <td style="color: red;">(0.52)%</td> </tr> <tr> <td>EBITDA as stated</td> <td>96.90</td> <td>81.53</td> <td>92.49</td> <td style="color: green;">13.44%</td> </tr> <tr> <td>EBITDA Margin</td> <td>3.5%</td> <td>6.15%</td> <td>14.48%</td> <td></td> </tr> <tr> <td>Profit After Tax as stated</td> <td>39.22</td> <td>45.80</td> <td>61.97</td> <td style="color: green;">35.31%</td> </tr> <tr> <td>Profit After Tax Margin</td> <td>1.42%</td> <td>3.45%</td> <td>9.70%</td> <td></td> </tr> </tbody> </table> <p>Debt to Equity Ratio = 0.12</p>	Particulars	31-3-2020	31-3-2021	31-3-2022	Y-o-Y	Revenue from Operations	2765.21	1325.51	638.63	(0.52)%	EBITDA as stated	96.90	81.53	92.49	13.44%	EBITDA Margin	3.5%	6.15%	14.48%		Profit After Tax as stated	39.22	45.80	61.97	35.31%	Profit After Tax Margin	1.42%	3.45%	9.70%	
Particulars	31-3-2020	31-3-2021	31-3-2022	Y-o-Y																											
Revenue from Operations	2765.21	1325.51	638.63	(0.52)%																											
EBITDA as stated	96.90	81.53	92.49	13.44%																											
EBITDA Margin	3.5%	6.15%	14.48%																												
Profit After Tax as stated	39.22	45.80	61.97	35.31%																											
Profit After Tax Margin	1.42%	3.45%	9.70%																												
Valuation	<ul style="list-style-type: none"> ▪ Based on Annualized Q1FY23 Earnings, Asking P/E = 18.96 at upper price band 																														
Peers	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Peers</th> <th style="width: 40%;">TTM P/E</th> </tr> </thead> <tbody> <tr> <td>Edelweiss Financial Services Ltd</td> <td>27.44</td> </tr> <tr> <td>Geojit Financial Services Ltd</td> <td>7.28</td> </tr> <tr> <td>Choice International Ltd</td> <td>19.44</td> </tr> </tbody> </table>	Peers	TTM P/E	Edelweiss Financial Services Ltd	27.44	Geojit Financial Services Ltd	7.28	Choice International Ltd	19.44																						
Peers	TTM P/E																														
Edelweiss Financial Services Ltd	27.44																														
Geojit Financial Services Ltd	7.28																														
Choice International Ltd	19.44																														
Promoters	<ul style="list-style-type: none"> ▪ Abhishek Bansal 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Further investment in NBFC Subsidiary to augment capital base ▪ General Corporate Purposes 																														

DISCLAIMER

The information provided by or in this newsletter is generally from the press reports, electronic media, research websites and other media. It also includes information from interviews conducted, analysis, views expressed by our research team. Investors should not rely solely on the information contained in this publication and must make their own investment decision based on their specific objectives and financial positions and using such independent advisor as they believe necessary. The material and the information provided herein are not and should not be construed as an advice to buy or sell any of the securities named in this newsletter. SIHL may or may not hold positions in any of the securities named in this newsletter as a part of its business. Past performance is not necessarily an indication of future performance. SIHL does not assure for accuracy and correctness of information of reports in this newsletter.

