



IPO INSIGHTS



Landmark
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Landmark Cars Ltd

Issue Dates - Opens: 13-12-2022 | Closes: 15-12-2022

IPO Note	<ul style="list-style-type: none"> ▪ Leading premium Automotive Retail Business in India with dealerships for Mercedes Benz, Honda, Jeep, Volkswagen and Renault (Crisil Report) ▪ Also caters to Commercial Vehicle Retail Business of Ashok Leyland in India ▪ No listed but many unlisted peers, highly competitive market ▪ Inconsistent Financials, sustainability of growth and margins is a concern ▪ High-Debt , Major Portion Offer for Sale
Rating	★★ (AVERAGE)

IPO SNAPSHOT

Issue Size	₹ 552 Crores
Issue Type	Fresh Issue & Offer for sale
Fresh Issue	₹ 150 Crores
Offer for Sale	₹ 402 Crores
Face Value Per Share	₹ 5
Price Band Per Share	₹ 481 - ₹ 506
Minimum Lot Size	29 shares
Listing On	BSE, NSE
Pre-Issue Promoter Holding	60.24%
Post-Issue Promoter Holding	44.61%
Employee Discount per share	₹ 48
Registrar to the Issue	Link Intime (India) Private Ltd

IPO SNAPSHOT – Landmark Cars Ltd

About the Company	<ul style="list-style-type: none"> ▪ Incorporated on Landmark Insurance Broking Private Ltd on February 23, 2006 at Mumbai ▪ Leading premium Automotive Retail Business in India with dealerships for Mercedes Benz, Honda, Jeep, Volkswagen and Renault (Crisil Report) ▪ Also cater to Commercial Vehicle Retail Business of Ashok Leyland in India ▪ Presence across automotive retail value chain including sale of new vehicles, after sale service and repairs (including sale of spare parts, lubricants and accessories), sale of pre-owned passenger vehicles and facilitation of sales of third-party financial and insurance products. ▪ Number-1 dealer in India for Mercedes in terms of retail sales for Fiscal 2022 ▪ Number-1 dealer in India for Honda and Jeep in terms of wholesale sales for Fiscal 2022 ▪ Top Contributor to Volkswagen Retail Sales for CY 2021 ▪ Third Largest dealership in India for Renault in terms of wholesale sales contribution for CY 2021 ▪ Buys and sells pre-owned passenger vehicles at each of their dealerships ▪ Operate on 2 Business Models: <ul style="list-style-type: none"> ○ Facilitate the sale of used vehicles through their appointed panel of agents on commission basis ○ Take the Vehicle on their books for sale after any needed refurbishment ▪ Network of 112 outlets in 8 Indian States and Union Territories comprising of 59 sales showrooms and outlets and 53 after sales service outlets ▪ Vehicle dealership network is spread across 32 cities in 8 states and Union Territories including Gujarat, Maharashtra, Uttar Pradesh, Haryana, Madhya Pradesh, Punjab, West Bengal and Delhi ▪ Forayed into Technology Platforms through investment in Chatpay Commerce (known as Pitstop) and Sheerdrive ▪ In FY 2022, the company contributed <ul style="list-style-type: none"> ○ 15.8% to retail sales of Mercedes Benz, ○ 5.8% to wholesale sales of Honda, ○ 8.7% to wholesale sales of Volkswagen, ○ 26.8% to wholesale sales of Jeep and ○ 5.1% to wholesale sales of Renault. 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Leading Automotive Dealership for major OEMs with strong focus on high-growth segments ▪ Growing presence in after sales segment leading predictable growth in revenues and superior margins ▪ Comprehensive business model capturing entire customer value-chain ▪ Robust business processes leveraging technological innovation and digitalization 																														
Financials (₹ in Crores)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">31-3-2020</th> <th style="text-align: center;">31-3-2021</th> <th style="text-align: center;">31-3-2022</th> <th style="text-align: center;">Y-o-Y</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Revenue from Operations</td> <td style="text-align: center;">2218.61</td> <td style="text-align: center;">1956.10</td> <td style="text-align: center;">2976.52</td> <td style="text-align: center;">52.17%</td> </tr> <tr> <td style="text-align: center;">EBITDA as stated</td> <td style="text-align: center;">83.20</td> <td style="text-align: center;">120.06</td> <td style="text-align: center;">187.28</td> <td style="text-align: center;">55.99%</td> </tr> <tr> <td style="text-align: center;">EBITDA Margin</td> <td style="text-align: center;">3.75%</td> <td style="text-align: center;">6.14%</td> <td style="text-align: center;">6.29%</td> <td></td> </tr> <tr> <td style="text-align: center;">Profit After Tax as stated</td> <td style="text-align: center;">-28.73</td> <td style="text-align: center;">11.33</td> <td style="text-align: center;">65.48</td> <td style="text-align: center;">477.93%</td> </tr> <tr> <td style="text-align: center;">Profit After Tax Margin</td> <td style="text-align: center;">-1.29%</td> <td style="text-align: center;">0.58%</td> <td style="text-align: center;">2.20%</td> <td></td> </tr> </tbody> </table> <p>Debt to Equity Ratio = 1.13</p>	Particulars	31-3-2020	31-3-2021	31-3-2022	Y-o-Y	Revenue from Operations	2218.61	1956.10	2976.52	52.17%	EBITDA as stated	83.20	120.06	187.28	55.99%	EBITDA Margin	3.75%	6.14%	6.29%		Profit After Tax as stated	-28.73	11.33	65.48	477.93%	Profit After Tax Margin	-1.29%	0.58%	2.20%	
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Valuation	<ul style="list-style-type: none"> ▪ Based on Annualized FY23 Earnings, fully diluted paid up equity capital Asking P/E = 27.61 																														
Peers	<ul style="list-style-type: none"> ▪ No Listed peers 																														
Promoters	<ul style="list-style-type: none"> ▪ Sanjay Karsandas Thakker 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Pre-payment or full payment of borrowings availed by subsidiaries ▪ General Corporate Purposes 																														

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