



IPO INSIGHTS



Ratnaveer Precision Engineering Limited

Issue Dates - Opens:04-09-2023 | Closes:06-09-2023

IPO Note	<ol style="list-style-type: none"> 1. The Company is a manufacturer of stainless steel finished sheets, washers, solar roofing hooks, pipes, and tubes. 2. It caters to a wide range of industries including automotive, solar power, wind energy, power plants, oil & gas, pharmaceuticals, and more. 3. It plans to expand its stainless steel washer offerings by introducing circlips.
Rating	★★★ (Good)

IPO SNAPSHOT

Issue Size	₹165.03 Crores
Issue Type	Book Built IPO
Fresh Issue	₹135.24 Crores
Offer for Sale	₹29.79 Crores
Face Value Per Share	₹ 10
Price Band Per Share	₹93 to ₹98
Minimum Lot Size	150 shares
Listing On	BSE, NSE

Registrar to the Issue

Link in time private ltd

IPO SNAPSHOT – Ratnaveer Precision Engineering Limited

About the Company	<ul style="list-style-type: none"> ▪ Incorporated in 2002, The Company manufactures stainless steel finished sheets, washers, solar roofing hooks, pipes, and tubes. ▪ The company manufactures stainless steel-based products for automotive, solar power, wind energy, power plants, oil & gas, pharmaceuticals, sanitary & plumbing, instrumentation, electromechanics, architecture, building & construction, electrical appliances, transportation, kitchen appliances, chimney liners, and other industries. ▪ The company has 4 manufacturing units out of which two units; Unit-I and Unit-II are located at GIDC, Savli, Vadodara, Gujarat, Unit-III is located at Waghodia, Vadodara, Gujarat, and Unit-IV is located at GIDC, Vatva, Ahmedabad, Gujarat. ▪ The company intends to expand its portfolio of SS washers by adding circlips to the product line. ▪ The company currently offers over 2,500 SKUs of SS washers including inner ring washers, spring washers, nord lock washers, retaining rings, internal tooth washers and external tooth washers of different sizes and specifications. ▪ The company has also taken land located at E-78, GIDC Industrial Estate, Savli, Dist. Vadodara, Gujarat which is adjoining to Unit I, on a 99-year lease from GIDC. 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Synergistic Business Model focused on Backward Integration. ▪ Wide product portfolio and multiple designs. ▪ R&D set up for new product development. ▪ Customer Diversification. 																														
Financials (₹ in Crore)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>31-3-2023</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>359.66</td> <td>426.93</td> <td>479.74</td> <td>12%</td> </tr> <tr> <td>EBITDA</td> <td>19.93</td> <td>27.25</td> <td>45.62</td> <td>66%</td> </tr> <tr> <td>EBITDA Margin</td> <td>5.5%</td> <td>6.4%</td> <td>9.5%</td> <td></td> </tr> <tr> <td>Profit After Tax</td> <td>5.45</td> <td>9.47</td> <td>25.04</td> <td>164%</td> </tr> <tr> <td>Profit After Tax Margin</td> <td>1.5%</td> <td>2.2%</td> <td>5.2%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2021	31-3-2022	31-3-2023	Y-o-Y	Revenue from Operations	359.66	426.93	479.74	12%	EBITDA	19.93	27.25	45.62	66%	EBITDA Margin	5.5%	6.4%	9.5%		Profit After Tax	5.45	9.47	25.04	164%	Profit After Tax Margin	1.5%	2.2%	5.2%	
Particulars	31-3-2021	31-3-2022	31-3-2023	Y-o-Y																											
Revenue from Operations	359.66	426.93	479.74	12%																											
EBITDA	19.93	27.25	45.62	66%																											
EBITDA Margin	5.5%	6.4%	9.5%																												
Profit After Tax	5.45	9.47	25.04	164%																											
Profit After Tax Margin	1.5%	2.2%	5.2%																												
Valuation	<ul style="list-style-type: none"> ▪ Attributing Annualized FY23 Earnings asking P/E = 13.49 																														
Peers	<table border="1"> <thead> <tr> <th>Company Name</th> <th>P/E ratio</th> </tr> </thead> <tbody> <tr> <td>M.M. Forgings Limited</td> <td>20.26</td> </tr> <tr> <td>Menon Bearings Limited</td> <td>23.07</td> </tr> <tr> <td>Venus Pipes & Tubes Limited</td> <td>59.93</td> </tr> </tbody> </table>	Company Name	P/E ratio	M.M. Forgings Limited	20.26	Menon Bearings Limited	23.07	Venus Pipes & Tubes Limited	59.93																						
Company Name	P/E ratio																														
M.M. Forgings Limited	20.26																														
Menon Bearings Limited	23.07																														
Venus Pipes & Tubes Limited	59.93																														
Promoter	<ul style="list-style-type: none"> ▪ Vijay Ramanlal Sanghavi 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Funding working capital requirements. ▪ 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.