



IPO INSIGHTS



KRN Heat Exchanger and Refrigeration Limited

Issue Dates - Opens: 25-09-2024 | Closes: 27-09-2024

IPO Note	<ol style="list-style-type: none"> KRN Heat Exchanger and Refrigeration Ltd is a leading manufacturer of fin and tube-type heat exchangers. The Company manufactures Copper and Aluminium fins and copper tubes heat exchangers, water coils, condenser coils, and evaporator coils.
Rating	★★★★ (Good)

IPO SNAPSHOT

Issue Size	₹341.95 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹341.95 Crores
Offer for Sale	-
Face Value Per Share	₹ 10
Price Band Per Share	₹209 to ₹220
Minimum Lot Size	65 shares
Listing On	BSE, NSE
Registrar to the Issue	Bigshare Services Pvt Ltd

IPO SNAPSHOT- KRN Heat Exchanger and Refrigeration Limited

About the Company	<ul style="list-style-type: none"> ▪ Incorporated in 2017. ▪ KRN Heat Exchanger and Refrigeration Limited manufactures fin and tube type heat exchangers for the Heat Ventilation Air Conditioning and Refrigeration Industry (“HVAC&R”). ▪ Heat exchangers manufactured by them are made of non-ferrous metals primarily Copper and Aluminium. ▪ Their product range includes condenser coils, evaporator units, evaporator coils, header/copper parts, fluid and steam coils and sheet metal parts. ▪ They manufacture heat exchangers of various shapes and sizes as per the requirements of the customers and/or demand in the market. ▪ The diameter of heat exchanger tubes they produce ranges from 5MM to 15.88 MM. Their products are well suited for wide range of air conditioning, heating and ventilation, refrigeration, and process cooling applications. ▪ To enhance the longevity and corrosion resistance of heat exchangers and their components, various types of coatings such as nano coating, and powder coating are applied to the surfaces of copper tubes, brazing joints, and fin sheets. ▪ By applying these advanced coatings to heat exchangers and their components, the products of the company ensure that the heat exchanger operates efficiently over an extended period, reducing maintenance costs and enhancing overall performance. ▪ The protective barrier provided by these coatings ensures that the heat exchanger withstands harsh conditions and maintains its optimal functionality. 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Promoters exhibit strong leadership and are supported by highly experienced senior management. ▪ Long standing business relationships with leading clientele. ▪ Effective quality control checks. ▪ Consistent financial performance. ▪ Established Manufacturing facility. 																														
Financials (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2022</th> <th>31-3-2023</th> <th>31-03-2024</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>156.11</td> <td>247.48</td> <td>308.28</td> <td>25%</td> </tr> <tr> <td>EBITDA</td> <td>16.93</td> <td>49.31</td> <td>58.45</td> <td>19%</td> </tr> <tr> <td>EBITDA Margin</td> <td>10.8%</td> <td>19.9%</td> <td>19.0%</td> <td></td> </tr> <tr> <td>PAT</td> <td>10.59</td> <td>32.31</td> <td>39.06</td> <td>21%</td> </tr> <tr> <td>PAT Margin</td> <td>6.78%</td> <td>13.06%</td> <td>12.67%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2022	31-3-2023	31-03-2024	Y-o-Y	Revenue	156.11	247.48	308.28	25%	EBITDA	16.93	49.31	58.45	19%	EBITDA Margin	10.8%	19.9%	19.0%		PAT	10.59	32.31	39.06	21%	PAT Margin	6.78%	13.06%	12.67%	
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Valuation	<ul style="list-style-type: none"> ▪ Attributing Annualized FY23 Earnings asking P/E = 24.78 																														
Peers	<ul style="list-style-type: none"> ▪ No listed peers 																														
Promoters	<ul style="list-style-type: none"> ▪ Santosh Kumar Yadav ▪ Anju Devi ▪ Manohar Lal 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Invest in the wholly owned subsidiary, KRN HVAC Products Pvt Ltd for setting up a new manufacturing facility at Neemrana, Alwar, Rajasthan. ▪ General corporate purposes. 																														

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