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**STANDARD GLASS LINING  
TECHNOLOGY LIMITED**

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**IPO NOTE – Investor Education Series**

*January 2025*

## ISSUE HIGHLIGHTS

- The Company was incorporated as “Standard Glass Lining Technology Pvt. Ltd” at Hyderabad on September 6, 2012. Subsequently, upon the conversion to a public limited company, the name was changed to “Standard Glass Lining Technology Ltd” on June 17, 2022.
- The company is **one of the top 5 specialized engineering equipment manufacturer for pharmaceutical and chemical sectors** in India, in terms of **revenue in FY2024**, with **in house capabilities across the entire value chain**.
- The company’s capabilities include **design, engineering, manufacturing, assembly, installation and commissioning** solutions as well as establishing **standard operating procedures** for **pharmaceutical and chemical manufacturers** on a turnkey basis.
- The company’s portfolio comprises core equipments which can be categorized as **Reaction Systems; Storage, Separation & Drying Systems; and Plant, Engineering & Services** (including other ancillary parts).
- The company is also one of India’s **top 3 manufacturers of glass-lined, stainless steel, and nickel alloy based specialized engineering equipment**, in terms of revenue in FY2024.
- The company is one of the **top 3 suppliers of PTFE lined pipelines and fittings in India** and has a **23.30% market share in India**.
- The company offers **65+ unique designs** across the range of products. Over the last decade **the company have supplied over 11,000 products**.
- The company has **8 manufacturing facilities** spread across **~ 400,000 sq. ft.** All the manufacturing sites are in Telangana, India, **close to clients' pharmaceutical manufacturing facilities** in Hyderabad, Telangana.
- The company has **long-standing relationships** with some of the marquee clientele in the pharmaceutical and chemical industries. As of September 30, 2024, the company had a **customer base of 347 companies**. Moreover, the company has a relationship of **more than 3 years with 13 of its top 20 customers**.
- The company’s **Revenue from Operations** on a consolidated basis **grew 50.45% between FY 2022 to FY 2024**. The company has been **the fastest-growing company in the industry** as compared to peers during the past 3 years.
- The company’s **growth has been aided by its inorganic acquisitions** of business of M/s Stanpumps Engineering Industries, M/s S2 Engineering Services, M/s Higenic Flora Polymers, M/s Yashasve Glass Lining Industries and C.P.K Engineers Pvt. Ltd.

## BRIEF FINANCIAL DETAILS\*

(₹ IN Cr)

Particulars	As at Sept. 30 <sup>th</sup> , 2024 (6)	As at March 31 <sup>st</sup> ,		
		2024 (12)	2023(12)	2022(12)
Share Capital	181.64	18.16	15.79	15.30
Net Worth as stated	447.80	409.92	156.67	69.91
Total Borrowings	173.80	129.32	81.96	69.81
Total Income	312.10	549.68	500.08	241.50
Revenue from Operations	307.20	543.67	497.59	240.19
Revenue Growth (%) as stated	-	9.26%	107.17%	-
EBITDA as stated	62.71	100.92	88.26	41.78
EBITDA Margin (%) as stated	20.09%	18.36%	17.65%	17.30%
Net Profit for the period	36.27	60.01	53.42	25.15
Net Profit (%) as stated	11.62%	10.92%	10.68%	10.41%
EPS (Basic & Diluted)	1.89 <sup>^</sup>	3.52 <sup>#</sup>	3.49 <sup>#</sup>	2.22 <sup>#</sup>
ROCE (%)	10.81%	25.49%	43.43%	42.03%
ROE (%)	8.06%	20.74%	47.56%	54.89%
ROA (%)	5.10%	11.85%	16.54%	13.23%
Net Debt/ Equity ratio (x)	0.30	0.19	0.49	1.01
Net Fixed Asset Turnover (x)	2.79	6.08	7.60	6.26
NAV (₹) as stated	24.4	24.55 <sup>#</sup>	10.17 <sup>#</sup>	6.08 <sup>#</sup>

Source: RHP, \* Restated Consolidated<sup>^</sup> not annualized, # The co. has approved issue of 163,471,068 equity shares as bonus issuance on June 3, 2024

## Issue Details

**Fresh Issue of Equity Shares aggregating to ₹ 210 Cr + Offer for Sale of upto 14,289,367 Equity Shares**

**Issue size: ₹ 400 - 410 Cr**

**No. of shares: 3,00,78,840~2,92,89,367<sup>^</sup> Shares**

**Face value: ₹ 10/-**

**Price band: ₹ 133-140**

**Bid Lot: 107 Shares and in multiple thereof**

**Post Issue Implied Market Cap =**

**₹ 2,664 Cr - ₹ 2,793 Cr**

**BRLMs:** IIFL Capital Services Ltd, Motilal Oswal Investment Advisors Ltd

**Registrar:** KFin Technologies Ltd

**Issue opens on: Monday, 06<sup>th</sup> January 2025**

**Issue closes on: Wednesday, 08<sup>th</sup> January 2025**

## Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	09-01-2025
Refunds/Unblocking ASBA Fund	10-01-2025
Credit of equity shares to DP A/c	10-01-2025
Trading commences	13-01-2025

## Issue break-up

	No. of Shares		₹ In Cr		% of Issue
	@Lower	@Upper	@Lower	@Upper	
QIB	1,50,39,420	1,46,44,682	200.02	205.03	50%
NIB	45,11,826	43,93,406	60.01	61.51	15%
-NIB2	30,07,884	29,28,937	40.00	41.01	
-NIB1	15,03,942	14,64,469	20.00	20.50	
RET	1,05,27,594	1,02,51,279	140.02	143.52	35%
<b>Total</b>	<b>3,00,78,840</b>	<b>2,92,89,367</b>	<b>400.05</b>	<b>410.05</b>	<b>100%</b>

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII-Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	107 Shares	1,498 Shares	7,169 Shares
Minimum Bid Lot Amount (₹)	₹ 14,980 <sup>^</sup>	₹ 2,09,720 <sup>^</sup>	₹ 10,03,660 <sup>^</sup>
Appl for 1x	95,806 Applications	978 Applications	1,955 Applications

**Listing: BSE & NSE**

## Shareholding (No. of Shares)

Pre-issue	Post issue <sup>~</sup>	Post issue <sup>^</sup>
18,44,91,662	20,02,81,135	19,94,91,662

<sup>~</sup>Lower price Band <sup>^</sup> Upper Price Band

## Shareholding\* (%)

	Pre-Issue	Post-Issue
Promoter & Promoter Group	72.49%	60.41%
Public	22.51%	39.59%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

\* As per RHP

## BACKGROUND

### Company and Directors

The Company was incorporated as “Standard Glass Lining Technology Pvt. Ltd” at Hyderabad on September 6, 2012. Subsequently, upon the conversion to a public limited company, the name was changed to “Standard Glass Lining Technology Ltd” on June 17, 2022. The company is one of the top 5 specialized engineering equipment manufacturer for pharmaceutical and chemical sectors in India, in terms of revenue in Fiscal 2024, with in house capabilities across the entire value chain.

### Brief Biographies of Directors & Key Managerial Personnel

**Sambasiva Rao Gollapudi** is the Non-Executive Chairman and Independent Director of the Company. He has been associated with the Company since May 29, 2024. He has been practicing as a chartered accountant and has been a working partner in M/s G. Sambasivarao & Co. He has professional experience in accounting, auditing and consultancy of over two decades prior to joining the Company.

**Nageswara Rao Kandula** is the Managing Director of the Company. He has been associated with the Company since incorporation. He has professional experience in the glass lining industry of over 10 years.

**Kandula Krishna Veni** is an Executive Director of the Company. She has been associated with the Company since incorporation. She has professional experience in glass lining, engineering and allied industries of over 14 years. She is currently a partner in the partnership firm M/s S2 Engineering Services.

**Venkata Mohan Rao Katragadda** is an Executive Director of the Company. He has been associated with the Company since September 12, 2020. Previously, he has worked with The Jeypore Sugar Company Ltd in the capacity of deputy chief engineer and has professional experience in the field of construction and engineering of over 3 decades. He is currently the MD of a partnership firm by the name of Global Constructions.

**Kandula Ramakrishna** is an Executive Director on the Board. He has been associated with the Company since October 1, 2021. Previously, he was a partner in the partnership firm M/s S2 Engineering Services, where he continues to be a partner as on date. He has professional experience in the field of engineering of over 14 years.

**Sudhakara Reddy Siddareddy** is an Independent Director on the Board. He has been associated with the Company since June 4, 2022. Previously, he was associated with Syndicate Bank and is currently a working partner at Siri Constructions Infrastructure Pvt. Ltd and has professional experience in banking and construction of over 4 decades.

**Yasuyuki Ikeda** is a Non-Executive Director on the Board. He is a nominee of AGI Investors on the Board of the Company and has been associated with the Company since March 24, 2023. He is currently a director on the board of AGI Glassplant India Pvt. Ltd and has professional experience in glass lining industry of over 22 years.

**Radhika Nannapaneni** is an Independent Director on the Board. She has been associated with the Company since May 29, 2024. Previously, she has worked with ADP Pvt. Ltd, GE Capital International Services and J. P. Morgan Services India Pvt. Ltd and has professional experience in information technology and consultancy of over 15 years.

**Anjaneyulu Pathuri** is the Chief Financial Officer of the Company. He has been associated with the Company since March 4, 2022. He is also associated with the company’s Material Subsidiary in the capacity of a Chief Financial Officer since July 18, 2022. Previously, he has worked with Aurobindo Pharma Ltd, M. Anandam & Co. Chartered, S.R. Batliboi & Associates LLP Chartered Accountants and G.M. Kapadia & Co., Chartered Accountants.

**Kallam Hima Priya** is the Company Secretary and Compliance Officer of the Company. She has been associated with the Company since October 1, 2021. She is also associated with the company’s Material Subsidiary in the capacity of Company Secretary since February 23, 2022. Previously, she has worked with Birthplace Healthcare Pvt. Ltd.

## OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Funding of capex requirements of the Company towards purchase of machinery and equipment	10.00
• Repayment /prepayment, in full/in part, of certain outstanding borrowings availed by material subsidiary, S2 Engineering Industry Pvt. Ltd	130.00
• Investment in wholly owned Material Subsidiary, S2 Engineering Industry Pvt. Ltd	30.00
• Funding inorganic growth through strategic investments and/or acquisitions	20.00
• General Corporate Purposes	[ • ]
<b>Total</b>	<b>[ • ]</b>

## OFFER DETAILS

Fresh Issue	No. of Shares	WACA per Equity Share (₹)
Fresh Issue (₹ 210 Cr)	Up to 1,57,89,473~ - 1,50,00,000 ^ Equity Shares	-

Note: The company has undertaken Pre-IPO Placement of 2,857,142 Equity Shares at ₹ 140/ share aggregating to ₹ 40 Cr prior to filing of the RHP

The Offer for Sale by:	No. of Shares	WACA per Equity Share (₹)
M/s S2 Engineering Services - Promoter Selling Shareholder	Up to 5,204,000 Equity Shares	2.32
Kandula Ramakrishna - Promoter Selling Shareholder	Up to 2,870,651 Equity Shares	1.97
Kandula Krishna Veni - Promoter Selling Shareholder	Up to 2,401,716 Equity Shares	1.97
Nageswara Rao Kandula - Promoter Selling Shareholder	Up to 765,000 Equity Shares	2.19
M/s Standard Holdings - Promoter Group Selling Shareholder	Up to 504,000 Equity Shares	3.50
Katragadda Venkata Ramani - Promoter Group Selling Shareholder	Up to 580,000 Equity Shares	1.00
Venkata Siva Prasad Katragadda - Promoter Group Selling Shareholder	Up to 350,000 Equity Shares	1.00
Mahitha Katragadda - Other Selling Shareholder	Up to 350,000 Equity Shares	1.00
Katragadda Harini - Other Selling Shareholder	Up to 350,000 Equity Shares	1.00
Likitha Katragadda - Other Selling Shareholder	Up to 350,000 Equity Shares	1.00

## SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh Issue & Offer for Sale of Equity Shares^	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
<b>Promoter and Promoters Group</b>					
Promoter	12,04,95,367	65.31%	1,13,16,367	10,91,79,000	54.73%
Promoters Group	1,32,36,350	7.17%	19,09,000	1,13,27,350	5.68%
<b>Total for Promoter and Promoter Group</b>	<b>13,37,31,717</b>	<b>72.49%</b>	<b>1,32,25,367</b>	<b>12,05,06,350</b>	<b>60.41%</b>
Public Selling Shareholders	57,90,630	3.14%	10,50,000	47,40,630	2.38%
Public Others	4,49,69,315	24.37%	1,50,00,000	7,42,44,682	37.22%
<b>Total for Public Shareholder</b>	<b>5,07,59,945</b>	<b>27.51%</b>		<b>7,89,85,312</b>	<b>39.59%</b>
<b>Total Equity Share Capital</b>	<b>18,44,91,662</b>	<b>100.00%</b>		<b>19,94,91,662</b>	<b>100.00%</b>

(^ at upper price band)

## BUSINESS OVERVIEW

Standard Glass Lining Technology is one of the top 5 specialised engineering equipment manufacturer for pharmaceutical and chemical sectors in India, in terms of revenue in FY2024, with in house capabilities across the entire value chain. The company's capabilities include designing, engineering, manufacturing, assembly, installation and commissioning solutions as well as establishing standard operating procedures for pharmaceutical and chemical manufacturers on a turnkey basis.

The company's portfolio comprises core equipments used in the manufacturing of pharmaceutical and chemical products, which can be categorized into: (i) Reaction Systems; (ii) Storage, Separation and Drying Systems; and (iii) Plant, Engineering and Services (including other ancillary parts). The company is also one of India's top 3 manufacturers of glass-lined, stainless steel, and nickel alloy based specialised engineering equipment, in terms of revenue in FY2024.

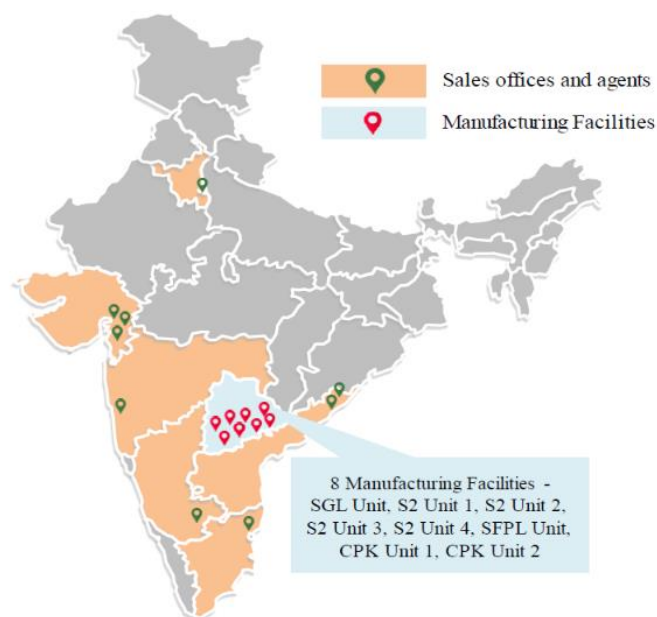
The company is also one of the top 3 suppliers of polytetrafluoroethylene ("PTFE") lined pipelines and fittings in India, in terms of revenue in FY2024. The company has been the fastest-growing company in the industry in which it operates during the past three completed Fiscals in terms of revenue.

The company possess in-house capabilities to manufacture all the core specialised engineering equipment required in the active pharmaceutical ingredient ("API") and fine chemical products manufacturing process. Over the last decade the company have supplied over 11,000 products.

The company's engineered solutions are used in processes across pharmaceutical, chemical, food and beverage, biotechnology and fertilizer sectors. The company customizes its products basis the unique process requirements of the customers. The company also provide turnkey automated equipment solutions, optimising processes like vacuum distillation, solvent recovery and gas dispersion.

The company has a marquee customer base including 30 out of ~ 80 pharmaceutical and chemical companies in the NSE 500 index as of June 30, 2024. Some of the customers include Apitoria Pharma Pvt. Ltd, Aurobindo Pharma Ltd, CCL Food and

Beverages Pvt. Ltd, Cohance Lifesciences Ltd, Cadila Pharmaceutical Ltd, Deccan Fine Chemicals (India) Pvt. Ltd, Dasami Lab Pvt. Ltd, Laurus Labs Ltd, Granules India Ltd, Macleods Pharmaceuticals Ltd, MSN Laboratories Pvt. Ltd, Natco Pharma Ltd, Honour Lab Ltd, Hetero Drugs Ltd, Hetero Labs Ltd, Hazelo Lab Pvt. Ltd, Piramal Pharma Ltd, Sanvira Biosciences Pvt. Ltd, Suven Pharmaceuticals Ltd, Tagros Chemicals India Pvt. Ltd, Vamsi Labs Ltd and Viyash Life Sciences Pvt. Ltd.



The company has 8 manufacturing facilities spread across ~ 400,000 sq. ft., strategically located in Hyderabad, Telangana. The company's manufacturing capabilities are complemented by a sales, service and distribution network operating from 4 sales offices located in Vadodara, Gujarat, Ankleshwar, Gujarat, Mumbai, Maharashtra and Vishakhapatnam, Andhra Pradesh and sales team members in Jhagadia, Gujarat, Chennai, Tamil Nadu, New Delhi, Bengaluru, Karnataka and Vijayawada, Andhra Pradesh with pan-India reach.

Further, the company also have agency arrangements for sale and marketing of its products in Bangladesh as well as agency and distribution agreement for sale, marketing and distribution of the products in Russia. Further, the company has resale arrangements for North America (excluding Cuba), South America, Europe (excluding Belarus and Russia) and certain countries in Asia and Africa.

Additionally, the company has entered into an agreement with HHV Pumps Private Limited ("HHV"), for supply of vacuum pumps along with a private label arrangement. The company also has a supply and purchase arrangement for India with Japan based Asahi Glassplant Inc. and GL Hakko Co. Ltd ("GL Hakko") for procurement of specified grades of glass for its glass lining division. These partnerships have enabled the company to fortify its position in the Glass Lining and Vacuum Pumps market in India.

Further, the company has also entered into an exclusive collaboration with GL Hakko for exclusively purchasing glass lined tubes manufactured by GL Hakko using which the Company will manufacture and sell shell and heat tube exchangers under the name of GL Hakko in India and abroad except Japan.

## REVENUE FROM OPERATIONS - END USER INDUSTRIES

Segment	6 months ended 30th September 2024		Ast at March 31st,					
			2024		2023		2022	
	Amt (₹ Cr)	%	Amt (₹ Cr)	%	Amt (₹ Cr)	%	Amt (₹ Cr)	%
Pharmaceuticals	230.70	75.10%	444.67	81.79%	411.98	82.80%	205.43	85.53%
Chemicals	40.25	13.10%	68.17	12.54%	71.34	14.34%	32.45	13.51%
Others*	36.25	11.80%	30.83	5.67%	14.27	2.86%	2.31	0.96%
<b>Total</b>	<b>307.20</b>	<b>100.00%</b>	<b>543.67</b>	<b>100.00%</b>	<b>497.59</b>	<b>100.00%</b>	<b>240.19</b>	<b>100.00%</b>

Source: RHP; \*Others includes: (i) paint; (ii) biotechnology; (iii) food and beverages and (iv) other industries

## REVENUE FROM OPERATIONS - LINES OF BUSINESS

Segment	6 months ended 30th September 2024		Ast at March 31st,					
			2024		2023		2022	
	Amt (₹ Cr)	%	Amt (₹ Cr)	%	Amt (₹ Cr)	%	Amt (₹ Cr)	%
Reaction Systems	165.36	53.83%	308.31	56.71%	304.79	61.25%	163.88	68.23%
Storage, Separation & Drying Systems	101.20	32.94%	163.55	30.08%	154.10	30.97%	62.62	26.07%
Plant, Engineering & Services	40.64	13.23%	71.81	13.21%	38.70	7.78%	13.69	5.70%
<b>Total</b>	<b>307.20</b>	<b>100.00%</b>	<b>543.67</b>	<b>100.00%</b>	<b>497.59</b>	<b>100.00%</b>	<b>240.19</b>	<b>100.00%</b>

Source: RHP

## PORTFOLIO OF PRODUCTS AND SERVICES

The company's products cater to a range of end-use industries such as pharmaceuticals, agrochemicals, speciality and fine chemicals, active pharmaceutical ingredients, food and bulk chemicals. The company has significantly expanded and diversified its product portfolio in recent years, strategically focusing on glass lined reactors and receivers, stainless steel and nickel alloy equipment, filtration and drying equipment and heat exchangers used in the pharmaceutical, chemical and food industries.



The company offers 65+ unique designs across the range of products. Following are the illustrations of some of the products manufactured by the company.



**Storage Tanks**



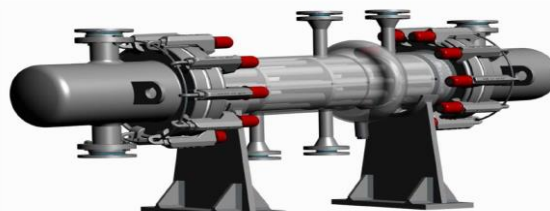
**BE Reactor**



**AE Reactor**



**Rotary Cone Vacuum Dryers (RCVDs)**



**Heat Exchangers**

**Filtration & Drying:** Separation of solids and liquids is a common unit process in all chemical/pharmaceutical plants and filtration is the most common and effective way of doing so. The company offers a range of equipment for this purpose. After filtration, the wet solids usually have to be dried by heating. Hence filtration & drying are usually consecutive or simultaneous processes. The company works closely with customers and offers bespoke solutions that meet their specific process needs. Some of the products the company manufactures are ANFD, Vacuum Tray Driver, RCVD, Tray Dryer, Paddle Dryer, Filtration and drying Filters and RCVD.

**Glass Lined Equipment:** Glass lining technology is extensively used in various industries for its corrosion resistance and durability. Glass lined reactors are crucial for chemical synthesis and controlled reactions in the chemical and pharmaceutical sectors. Glass-lined heat exchangers and equipment fittings are employed in industries requiring efficient heat transfer while preserving material integrity. Glass lined equipment is built primarily from steel, hence they are strong (unlike pure glass). However, they are coated with glass on all surfaces which are intended to be in contact with corrosive chemicals.

**Heat Exchangers:** Heat Exchangers are devices or systems used to transfer heat from one medium to another and can be used for both cooling and heating purposes. Heat exchangers are used in API and chemical manufacturing process mainly in the distillation and drying unit operations. Some of the key products include columns, condenser, shell and tube heat exchangers and box heat exchangers.

**Storage:** Storage tanks are containers designed to store liquids or solids or gases at atmospheric or low pressures and are constructed using thin-walled materials. Storage tanks are typically cylindrical and primarily serve the function of fluid storage.

**PTFE lined pipes and fittings:** PTFE-lined pipes are mild steel pipes with a layer of polytetrafluoroethylene (PTFE) liner fused to the inside walls. PTFE is well-known for its remarkable chemical resistance, non-stick characteristics, durability at high temperatures, and low friction coefficient. These properties make PTFE an excellent material for lining the interior surfaces of pipes, providing corrosion protection, and assuring smooth fluid flow in a wide range of industrial applications. The company's fittings portfolio includes bends, tees, concentric and eccentric reducers, reducing flanges, PTFE lined sight glasses, PTFE lined expansion joints or bellows and valves.

**Vacuum Pumps:** Vacuum pump is a device that removes gas molecules or air particles from a sealed volume in order to achieve difference in pressure creating a partial vacuum. Typical applications of vacuum pumps include in distillation systems, drying and filtration systems, solvent recovery systems and as centralized vacuums in pharmaceutical laboratories, freeze drying systems, short path distillation processes and steam sterilization processes. End user industries in which vacuum pumps find use include chemical and pharmaceuticals, electrical & power, food and beverage, medical and oil & gas.

**Plant, Engineering and Services:** Plant engineering services include the assistance in execution of API and chemical projects on a turn-key basis that involves the usage of many of the company's product offerings. This service involves providing inputs to the customers on improvements in plant design and subsequently project managing the construction of the API and chemical facility, installation of equipment manufactured by the company and products from other suppliers that are

necessary for the completion of the full plant. The company's responsibility includes a combination or all of coordination, procurement, installation, commissioning and qualification of the facility.

## COMPETITIVE STRENGTHS

- **One of the top five specialized engineering equipment manufacturers for pharmaceutical and chemical sectors in India with products across entire value chain.**

The company is one of the top 5 specialized engineering equipment manufacturers for pharmaceutical and chemical sectors in India, in terms of revenue, in FY 2024. The company is one of the top 3 manufacturers of glass-lined, stainless steel, and nickel alloy based specialized engineering equipment in Fiscal 2024, in India, in terms of revenue. The company attributes its leading market position to factors like diverse products portfolio with a focus on customization, technical abilities, quality of its products and ability to deliver customized solutions to its customers. The company has leveraged its market position along with its arrangements with HHV Pumps Private Limited for supply of vacuum pumps, and GL Hakko for its glass lining division, each done to increase the company's competitive advantage, sourcing raw materials, scalability, at competitive prices and broader customer reach across diverse segments by cross selling to existing customers.

The demand for chemicals manufactured in India in the worldwide market is likely to grow in the coming years, as key markets move their demand away from China to avoid potential disruptions. Further, it is predicted that the players' capex will increase by 7% to 9% CAGR until FY2025-26, to reach ₹ 70 bn per year in FY2025-26. This predicted rise in expenditure is on account of robust demand potential from overseas markets owing to China plus one trend, as well as government backing to ramp up capacity through PLI scheme.

- **Customized and innovative product offering across the entire pharmaceutical and chemical manufacturing value chain**

The company is one of the few companies in India offering end to end customized solutions in the specialized engineering equipment used in the pharmaceutical and chemical sectors. As of September 30, 2024, the company's comprehensive product portfolio consists of more than 65 products and offerings across pharmaceutical and chemical industries. The company can manufacture process equipment using various types of alloys with thickness ranging from 1 mm to 60 mm, which are used in food, pharmaceutical and fine chemical industries.

The company's service offerings include design, engineering, manufacturing, assembly, installation and commissioning solutions of pharmaceutical and chemical facilities on a turnkey basis. The company also provides turnkey automated equipment solutions, optimizing processes like vacuum distillation, solvent recovery and gas dispersion. The company also has the capability to cater to customized process needs of its end users and to deliver large and complex projects with a wide range of equipment, as a single point of contact. Further, the company is the only stainless-steel glass lined reactor supplier in India with the potential to manufacture up to 10KL capacity. The company is also a key supplier of GMP-compliant accessories for stainless steel glass-lined equipment. The company is one of the top 3 suppliers of multistage claw vacuum pumps in India in terms of revenue in FY2024.

With a view towards offering complementary products and increasing the capabilities, especially in the stainless steel equipment industry and PTFE lined pipes and fittings sector, the company has acquired the business of M/s Yashasve Glass Lining Industries and M/s Higenic Flora Polymers, which has positioned the company as one of the top 3 suppliers of PTFE lined pipelines and fittings in India, in terms of revenue, in FY2024 and enabled the company to gain a 23.30% market share in India, in terms of revenue in FY 2024. The company has also acquired the business of C.P.K Engineers Pvt. Ltd, an entity engaged in a similar line of business and products, which is expected to complement the company's existing production capabilities.

- **Strategically located manufacturing facilities with advanced technological capabilities**

The company has 8 manufacturing facilities spread across ~ 400,000 sq. ft. All the manufacturing sites are in Telangana, India, close to clients' pharmaceutical manufacturing facilities in Hyderabad, Telangana, India's Pharma hub. The company has the capabilities to manufacture reactors, receivers, and storage tanks ranging from 30 litres to 40,000 litres in size. The company has the capacity to manufacture ~ 300-350 equipments per month across its product portfolio of Reaction Systems; (ii) Storage, Separation and Drying Systems; and (iii) Plant, Engineering and Services. The company's manufacturing facility can also produce up to 100 reactors per month. Further, the company has an exclusive facility to make 30 Agitated Nutsche Filter Dryers (ANFDs) per month. The company also have the capacity to manufacture 9,000 units per month of PTFE lined pipes and fittings.

The company's manufacturing facilities are equipped with technologies and tools like 3D computer aided design ("CAD"), robotic welding and precision computer numerical control ("CNC") manufacturing. The company also offers design capabilities to supplement its manufacturing capabilities. The company has also filed for grant of patents for certain glass lined equipment,

which are presently under process at various stages. Further, the company's design capabilities allow it to offer holistic solutions to its customers from designing of equipment to manufacture of such equipment to assembly and installation.

- **Long term relationships with marquee clientele across sectors**

The company has been able to establish long-standing relationships with some of the marquee clientele present in the pharmaceutical and chemical industries. As of September 30, 2024, the company's customer base included 347 companies. The company has enjoyed long-standing relationships in excess of 3 years with 13 of its top 20 customers, as of September 30, 2024. Further, the company have been able to obtain repeat orders from its existing customers, with repeat orders from more than 80.00% of the top 20 customers in each of the last three Fiscals and the six months period ended September 30, 2024.

The company's dedicated team of 28 design professionals as of September 30, 2024, possess expertise in process equipment design, including glass-lined equipment design and use design software and tools to create designs that meet the customer requirements and industry standards.

- **Consistent track record of profitable growth**

The company has enjoyed growth in its revenue from operations, EBITDA and profit after tax in the past three fiscal years. The company has been the fastest-growing company when compared to its peers during the past 3 completed Fiscals. The company's revenue from operations on a consolidated basis grew 50.45% between FY 2022 to FY 2024. The company's growth has been aided by its inorganic acquisitions of business of M/s Stanpumps Engineering Industries, M/s S2 Engineering Services, M/s Higenic Flora Polymers, M/s Yashasve Glass Lining Industries and C.P.K Engineers Pvt. Ltd.

- **Experienced promoters and management team**

The company is led by a qualified and experienced management team that has the expertise and vision to manage and grow the business. The company's Board of Directors includes a combination of management executives and independent directors who bring in diverse expertise. The company believes that the combination of its experienced Board of Directors and its Promoters positions the company well to capitalize on future growth opportunities.

## **KEY BUSINESS STRATEGIES**

- **Continue to expand and improve the existing product portfolio and enter into additional end-user industries**

The company plans to continue to strengthen its existing product portfolio and further diversify into products with prospects for increased growth and profitability. The company is currently in the process of setting up additional manufacturing facilities. Further, the company also plans to consolidate certain of its existing facilities to achieve cost efficiencies.

The company has been able to increase its product portfolio over the years due to in-house capabilities, partnerships and acquisitions. The company has systematically introduced complementary products and services to the existing portfolio of products, towards increasing value addition to the overall ecosystem of a chemical or pharmaceutical manufacturing facility. The company started supply of vacuum pumps in FY2022 and started production of PTFE lined pipes in FY2024, which has allowed the company to increase its overall revenue share from a chemical or pharmaceutical manufacturing facility and a competitive edge for in its turnkey offerings.

The company intends to further diversify its product offerings. It also proposes to enter additional end-user industries such as oil and gas, paint and coatings, edible oils, flavours and fragrances, aerospace and heavy engineering, etc.

- **Expand the capacity by increasing the capabilities of the existing manufacturing plants as well as set up new manufacturing plants**

At present the company has 8 manufacturing facilities and it has incurred significant amounts towards capex for expanding the existing facilities. The company plans to continue to invest in the creation of additional capacities, both for its existing products as well as for the creation of new products. The company proposes to purchase new machinery and equipment to build up additional capacity for its glass lining and stainless steel and nickel alloy equipment operations. The company intends to purchase (i) welding machines, (ii) cranes; (ii) laser scanning cutting machines, etc.

Further, the company has started the construction of an additional facility in Hyderabad, Telangana, S2 Unit 5, to complement its existing offerings of glass lining equipment and stainless steel and nickel alloy equipment. The installation of new machinery and equipment as well addition of a new facility will enable the company to increase its production capacity, scale its operations, onboard new customers, introduce new products, better serve its existing customers, and enable it to better address the business requirements of large customers.



- **Capitalise on increasing demand from international markets to grow the company's exports**

With a view to increasing its share of export revenues and to capitalize on increasing demand from international markets, the company has agency arrangements for sale and marketing of its products in Bangladesh as well as agency and distribution agreement for sale, marketing and distribution of its products in Russia.

The global glass lined equipment represents a significant opportunity with the TAM being expected to increase from US\$ 2.1 billion in CY 23 at a CAGR of 10.1% to US\$ 3.4 billion in CY 28. The company has entered into an exclusive supply and purchase agreement of glass lined equipment and related parts, accessories and components manufactured by the company, across identified territories globally, including the North America (excluding Cuba), South America, Europe (excluding Belarus and Russia) and certain countries in Asia and Africa.

- **Grow inorganically through strategic acquisitions and alliances**

With a view to offer complementary products and increasing the capabilities the company has acquired the business undertaken by M/s Higenic Flora Polymers and M/s Yashasve Glass Lining Industries, both firms engaged in the business of manufacturing, supply, installation and repair of PTFE lined pipes and fittings. The company has also acquired the business of C.P.K Engineers Pvt. Ltd to complement existing production capabilities.

The company has entered into an agreement with HHV Pumps Pvt. Ltd for supply of vacuum pumps along with a private label arrangement. The company also have a sale and purchase agreement with Asahi Glassplant Inc. and GL Hakko for supply of certain grades of glass used by its glass lining division. These partnerships have enabled the company to grow a faster pace as compared to its peers and established a leadership position in the industry. In terms of strategic acquisitions, the company intends to explore and consider opportunities that can create synergies between the company and the proposed target companies in line with the company's growth strategy.

## COMPARISON WITH INDUSTRY PEERS (AS ON 31<sup>ST</sup> MARCH 2024)

Company	Face Value (₹)	Total Income (₹ Cr)	P/E (x)	EPS (₹)		RoNW (%)	NAV (₹)
				Diluted	Basic		
<b>Standard Glass Lining</b>	10.00	549.68	[●]	3.52	3.52	20.74%	24.55
GMM Pfadler	2.00	3,466.50	30.64	39.79	39.80	20.23%	215.22
HLE Glascoat	2.00	976.74	56.54	6.52	6.52	7.99%	61.06
Thermax	2.00	9,556.03	81.24	57.28	57.30	15.53%	394.10
Praj Industries	2.00	3,509.78	52.54	15.42	15.42	24.09%	69.36

Source: RHP; P/E based on CMP as of December 20,2024, on NSE

### Restated Consolidated Summary of Cash Flows

Particulars	6 Months ended Sept. 30 <sup>th</sup> 2024	As at March 31 <sup>st</sup>		
		2024	2023	2022
<b>Restated Profit/(Loss) before tax</b>	<b>49.74</b>	<b>79.80</b>	<b>71.85</b>	<b>33.77</b>
Adjustments Related to Non-Cash & Non-Operating Items	10.15	19.02	17.38	9.20
<b>Operating Profits before Working Capital Changes</b>	<b>59.89</b>	<b>98.82</b>	<b>89.24</b>	<b>42.97</b>
Adjustments for Changes in Working Capital	(69.29)	(145.00)	(66.99)	(41.61)
<b>Net cash generated from operations before tax</b>	<b>(9.40)</b>	<b>(46.18)</b>	<b>22.24</b>	<b>1.36</b>
Income tax paid – (net)	(9.94)	(18.85)	(20.49)	(8.51)
<b>Net cash generated from operating activities (a)</b>	<b>(19.34)</b>	<b>(65.03)</b>	<b>1.75</b>	<b>(7.15)</b>
Net cash used in investing activities (b)	(31.47)	(156.83)	(29.02)	(29.74)
Net cash used in financing activities (c)	36.24	231.90	32.57	37.00
Net (decrease) / increase in cash & cash equivalents (a+b+c)	(14.57)	10.03	5.30	0.11
Cash and Cash Equivalents at Beginning of the Year	15.46	5.42	0.12	0.01
Cash and Cash Equivalents at End of the Year	0.89	15.46	5.42	0.12

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