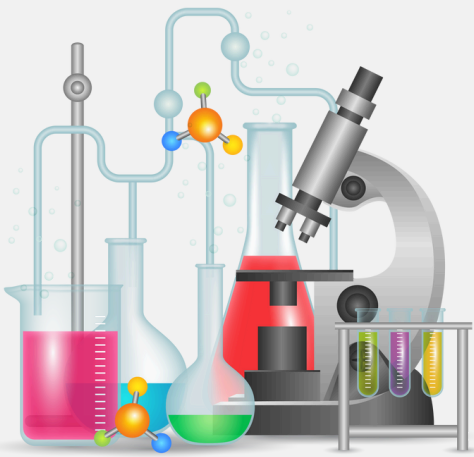




IPO DETAILS

STANDARD GLASS LINING TECHNOLOGY LIMITED



 **ISSUE OPEN**

06 January, 2025

 **ISSUE CLOSE**

08 January, 2025

Min. Lot Size

107 shares

Issue Price Band

₹133 - ₹140

Issue Size

Fresh Issue:
1.50 cr Eq shares
(₹210.00 cr.)

OFS:
1.43 cr Eq shares
(₹200.05 cr.)

Face Value

₹10

Industry

Engineering - Industrial
Equipments

Listing at

NSE, BSE

RATING

SUBSCRIBE

OPEN ACCOUNT

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



STANDARD GLASS LINING TECHNOLOGY LIMITED

Rationale

Considering the TTM – Sept 24 EPS of Rs 3.64, the company is set to list at a P/E of approximately ~39x with a market cap of Rs 2792.88 cr., whereas its peers GMM Pfudler Ltd, HLE Glascoat Ltd, Thermax Ltd, and Praj Industries are trading at P/E ratios of approximately ~54x, ~84x, ~76x, and ~54x respectively.

We assign “Subscribe” rating to this IPO as the company is one of the top five specialized engineering equipment manufacturers for pharmaceutical and chemical sectors in India. Also, it is available at reasonable valuation as compared to its peer.

Objectives of the issue

Funding of capital expenditure requirements of Company towards purchase of machinery and equipment

Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by Company and investment in wholly owned Material Subsidiary, S2 Engineering Industry Private Limited, for repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by S2 Engineering Industry Private Limited, from banks and financial institutions

Investment in wholly owned Material Subsidiary, S2 Engineering Industry Private Limited, for funding its capital expenditure requirements towards purchase of machinery and equipment

Funding inorganic growth through strategic investments and/or acquisitions

General Corporate Purposes

Company Overview

Standard Glass Lining Technology Limited is a manufacturer of engineering equipment for the pharmaceutical and chemical sectors in India.

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.

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).

Company’s one of India’s top three manufacturers of glass-lined, stainless steel, and nickel alloy based specialized engineering equipment, in terms of revenue in Fiscal 2024

In FY 24, Pharma segment contributed 81.79%, Chemical segment contributed 12.54% and other segments contributed 5.67% to the revenue from operations.

Company operates through eight manufacturing facilities spread across built-up/floor area of over 400,000 sq. ft., strategically located in Hyderabad, Telangana.



Trusted by Pharma Leaders

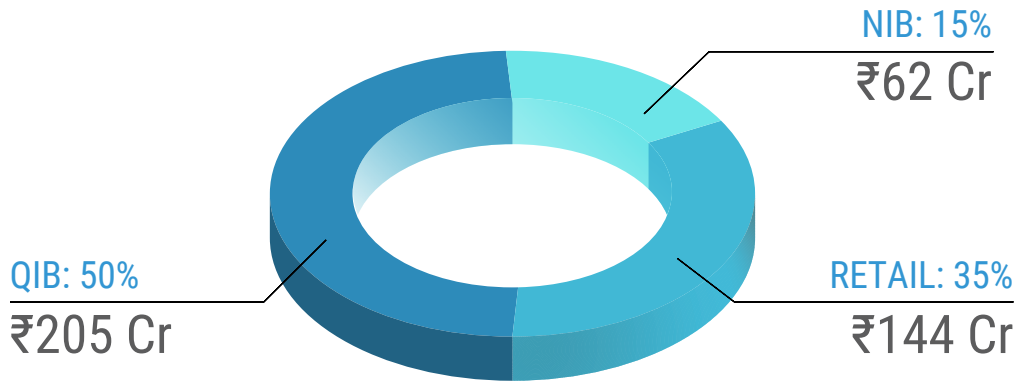
Company’s clientele include giant players like Aurobindo Pharma, Suven Pharma, Cadila Pharma, Piramal Pharma and many more.



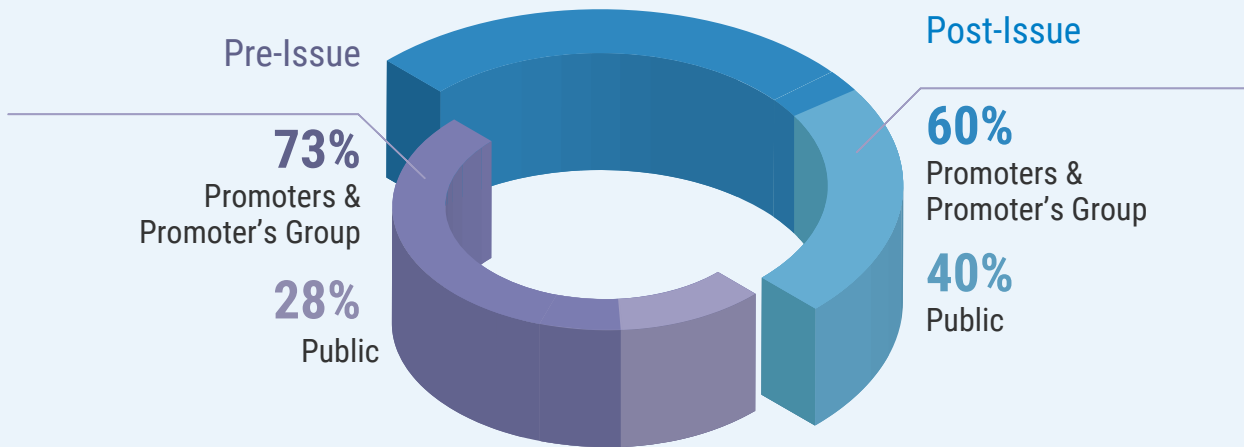
STANDARD GLASS LINING TECHNOLOGY LIMITED

Issue Details

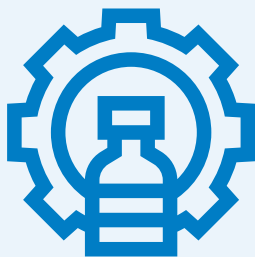
Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹ Cr.)



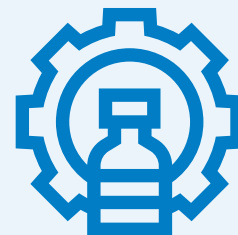
216 Cr

Authorised Equity Share Capital



184 Cr

Paid-Up Capital (Pre-Offer)



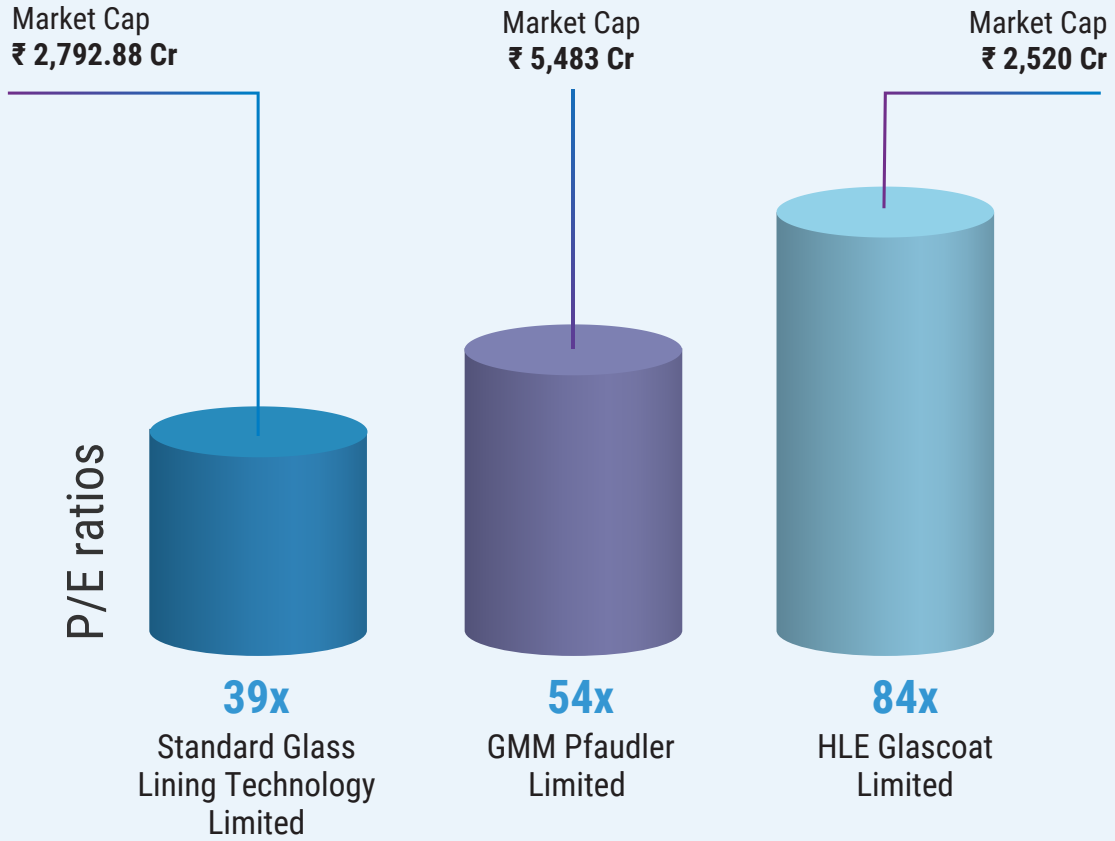
199 Cr

Paid-Up Capital (Post-Offer)



STANDARD GLASS LINING TECHNOLOGY LIMITED

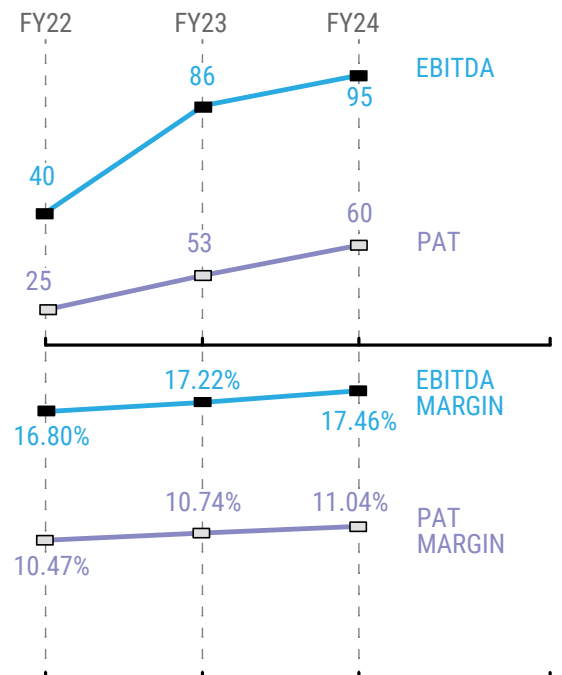
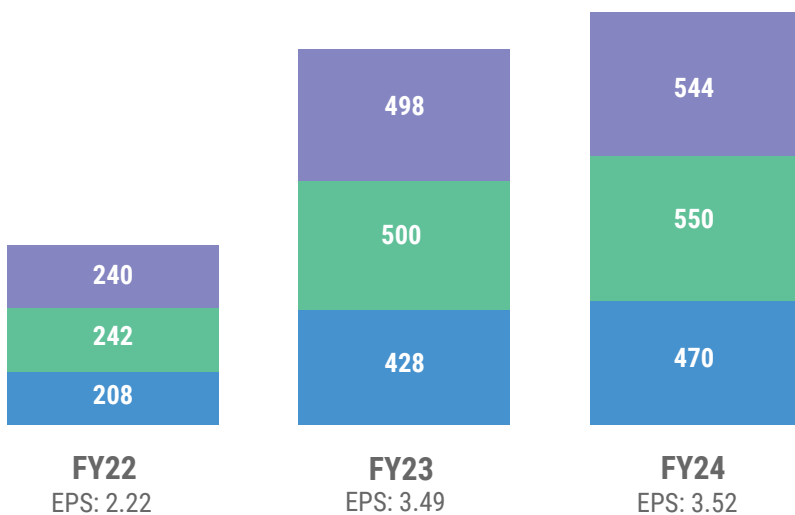
Valuations and Peer Comparison



Market Cap data of listed securities as on January 03, 2025

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





STANDARD GLASS LINING TECHNOLOGY LIMITED

Business Insights



Competitive Strengths

- One of the top five specialized engineering equipment manufacturers for pharmaceutical and chemical sectors in India with products across entire value chain.
- Customized and innovative product offering across the entire pharmaceutical and chemical manufacturing value chain.
- Strategically located manufacturing facilities with advanced technological capabilities.
- Long term relationships with marquee clientele across sectors.
- Consistent track record of profitable growth.
- Experienced promoters and management team.



Business Strategy

- Continue to expand and improve existing product portfolio and enter into additional end-user industries.
- Expand capacity by increasing the capabilities of existing manufacturing plants as well as set up new manufacturing plants.
- Capitalize on increasing demand from international markets to grow exports.
- Grow inorganically through strategic acquisitions and alliances.



Risks

- Company's business is dependent on the availability and retainment of skilled labour and workforce, and if company unable to hire and engage the appropriate personnel, business, results of operations and financial condition shall be adversely affected.
- Company has witnessed negative cash flow from operating activities in the past. Any negative cash flows in the future would adversely affect cash flow requirements, which may adversely affect ability to operate business and financial condition.

Promoters and Management Details

Sambasiva Rao Gollapudi - Non-Executive Chairman and Independent Director

Nageswara Rao Kandula - Managing Director

Kandula Krishna Veni - Executive Director

Venkata Mohana Rao Katragadda - Executive Director

Kandula Ramakrishna - Executive Director

Research Disclaimer <https://bit.ly/2RK2tzc>

