

STANDARD GLASS LINING TECHNOLOGY LIMITED



<p>+</p> <p>Issue Opens January 06, 2025</p>	<p>+</p> <p>Issue Closes January 08, 2025</p>	<p>+</p> <p>Total Issue Size (Rs Cr) 410.05 <small>Including Anchor Investor Portion</small></p>	<p>+</p> <p>Price Band (Rs) 133-140</p>
<p>+</p> <p>Face Value (Rs) 10</p>	<p>+</p> <p>Lot size (No. of units) 107</p>	<p>+</p> <p>Listing at BSE, NSE</p>	<p>+</p> <p>Issue Type Book Building</p>

Tentative Timetable

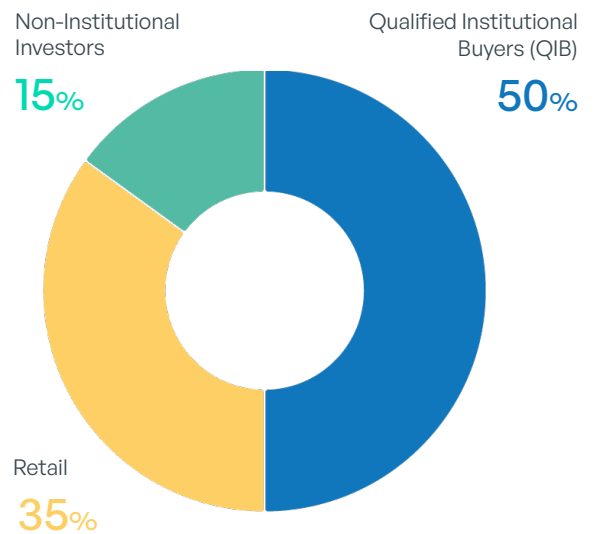
Basis of Allotment Date	January 09, 2025
Initiation of Refunds	January 10, 2025
Credit of Shares to Demat Account	January 10, 2025
IPO Listing Date	January 13, 2025

Application Structure

Application	Lot	Shares	Amount
Retail (Min)	1	107	14,980
Retail (Max)	13	1391	1,94,740

Book Running Lead Managers

IIFL Capital Services Limited
Motilal Oswal Investment Advisors Limited



Registrar

Kfin Technologies Limited



Company Background

Standard Glass Lining Technology Limited is one of the top five specialised engineering equipment manufacturer for pharmaceutical and chemical sectors in India, with in house capabilities across the entire value chain. The company 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 portfolio comprises core equipment's used in the manufacturing of pharmaceutical and chemical products, which can be categorized into Reaction Systems, Storage, Separation and Drying Systems and Plant, Engineering and Services (including other ancillary parts). The company is also one of the top three manufacturers of glass-lined, stainless steel, and high-alloy based specialised engineering equipment and one of the top three suppliers of polytetrafluoroethylene ("PTFE") lined pipelines and fittings in India in terms of revenue in Fiscal 2024.

The company has eight manufacturing facilities spread across built-up/floor area of over 400,000 sq. ft., strategically located in Hyderabad, Telangana. The company possesses in-house capabilities to manufacture all the core specialized engineering equipment required in the active pharmaceutical ingredient ("API") and fine chemical products manufacturing process. The engineered solutions are used in processes across pharmaceutical, chemical, food and beverage, biotechnology and fertilizer sectors.

Objects of the Issue

The company proposes utilizing the Net Proceeds towards funding the following objects:

- 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;
- Investment in wholly owned Material Subsidiary, S2 Engineering Industry Private Limited, for funding capital expenditure requirements towards purchase of machinery and equipment;
- Funding inorganic growth through strategic investments and/or acquisitions;
- General corporate purposes;

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

Risks

- Dependence on manufacturing facilities, all of which are situated in Telangana, India, which is subject to various operating risks, such as the obsolescence, industrial accidents, failure of power supply, severe weather conditions and natural disasters.
- Business is dependent on the availability and retainment of skilled labour and workforce.
- The company is dependent on a limited number of suppliers for key raw materials such as stainless steel, carbon/ mild steel, nickel alloy, forgings, castings, chemicals and polytetrafluoroethylene powder.
- The company do not have long term or exclusive contracts with majority of customers and suppliers

Profit and Loss

Particulars	For the year/period ended (in Rs Mn)			
	H1 FY25	FY24	FY23	FY22
Revenue from Operation	3,071.95	5,436.69	4,975.88	2,401.87
Other Income	49.03	60.12	24.88	13.15
Total Income	3,120.98	5,496.81	5,000.76	2,415.02
EBITDA	627.08	1,009.19	882.56	417.79
EBITDA Margin (%)	20.09	18.36	17.65	17.30
Profit Before Tax	497.39	798.01	718.53	337.70
Tax	134.71	197.90	184.29	86.25
Profit After Tax	362.68	600.11	534.24	251.45

CA & CL Key Parameters

Particulars	For the year/period ended (in Rs Mn)			
	H1 FY25	FY24	FY23	FY22
Current Assets				
Trade receivables	1914.93	1547.80	912.81	821.66
Cash and cash equivalents	390.41	519.43	54.21	1.17
Other current assets	389.64	317.25	178.19	281.21
Current Liabilities				
Trade Payables	958.57	887.06	749.66	624.76
Other financial Liabilities	313.48	324.85	293.63	893.21

Debt Matrices

Particulars	For the year/period ended (in Rs Mn)			
	H1 FY25	FY24	FY23	FY22
Long Term Borrowing	56.99	5.79	30.30	67.89
Short Term Borrowing	1,524.57	1,132.03	570.32	423.61
TOTAL	1581.56	1137.82	600.62	491.50

Cash Flows

Particulars	For the year/period ended (in Rs Mn)			
	H1 FY25	FY24	FY23	FY22
CFO	-193.39	-650.27	17.51	-71.49
CFI	-314.65	-1,568.34	-290.17	-297.38
OFF	362.39	2,318.95	325.70	369.97

Our View

The Glass lined equipment market was estimated to be worth INR 11.5 Bn in FY2024. The market is expected to grow at a compound annual growth rate (CAGR) of 10.1% and generate INR 18.6 Bn in revenue during the forecast period. GLE market is witnessing growth in the reactor and agitator segments due to

their critical applications in the pharmaceutical and chemical industries. The growth is primarily driven by the exceptional corrosion resistance and durability of glass-lined equipment, making it a preferred choice in industries such as pharmaceuticals and chemicals in India. The GLE industry in India looks promising with continuous R&D efforts leading to the creation of advanced glass coatings with enhanced properties. This is expected to broaden the applications of the equipment across various industries. Standard Glass Lining Technology Limited is one of the leading specialised engineering equipment manufacturers plans to expand and improve existing product portfolio and enter into additional end-user industries. The company intends to expand manufacturing capacities for existing products to cater the growing demand from existing customers and to meet requirements of new customers. Investors looking to invest can invest in the IPO for the long term.

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