



## IPO DETAILS

# Hariom Pipe Industries Limited

#IPOlogy



Issue Opens

30<sup>th</sup> Mar 22, Wed

Issue Closes

05<sup>th</sup> Apr 22, Tue

Min. Lot Size

98 Shares

Issue Price Band

₹144 - ₹153

Industry

Iron & Steel Products

Issue size

Fresh Issue:

8.50 Mn Equity Shares  
(₹1,300.50 Mn)

OFS:

NIL

Face Value

₹10

Listing at

NSE, BSE

### Objectives of the Issue

Funding capital expenditure requirements

Funding working capital requirements

General corporate purposes

Rating

**SUBSCRIBE**  
(WITH CAUTION)

**APPLY NOW**

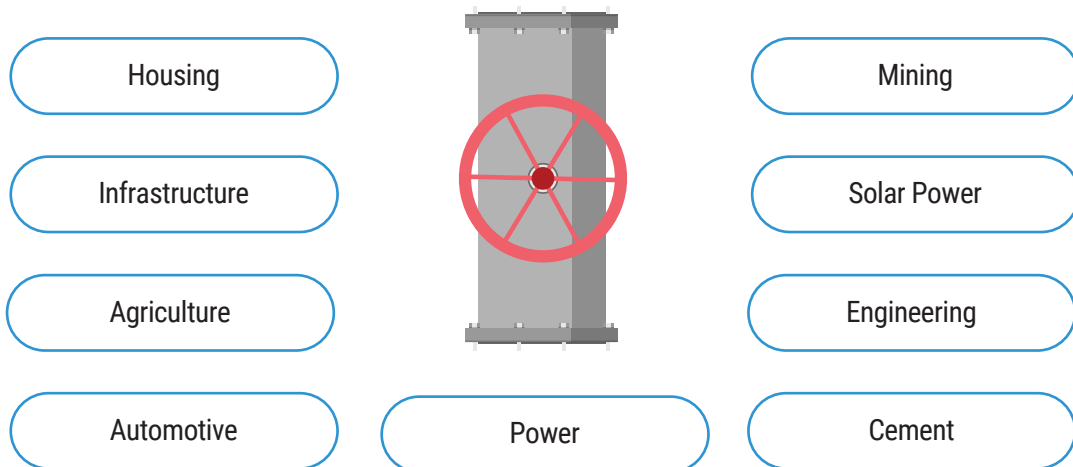


Hariom Pipe Industries Limited

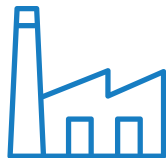
## Company Overview

Hariom Pipe Industries Ltd. is an integrated manufacturer of Mild Steel (MS) Pipes, Scaffolding, HR Strips, MS Billets, and Sponge Iron. The company uses iron ore to produce Sponge Iron which is then processed across various stages to manufacture final products viz. MS Pipes and Scaffolding, making the manufacturing process cost-effective.

### Caters to Various Sectors

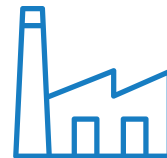


### Manufacturing Units



#### Unit I

Manufactures finished steel products from iron scrap and Sponge Iron  
(Mahabubnagar District in Telangana)



#### Unit II

Exclusively manufactures Sponge Iron  
(Anantapur District in Andhra Pradesh)



### Company's Sales

The company mainly sells MS Pipes through more than two hundred (200) distributors and dealers to Southern & Western India markets. They also sell MS Pipes and Scaffoldings to certain developers and contractors directly as B2B sales.



### Optimized Operations

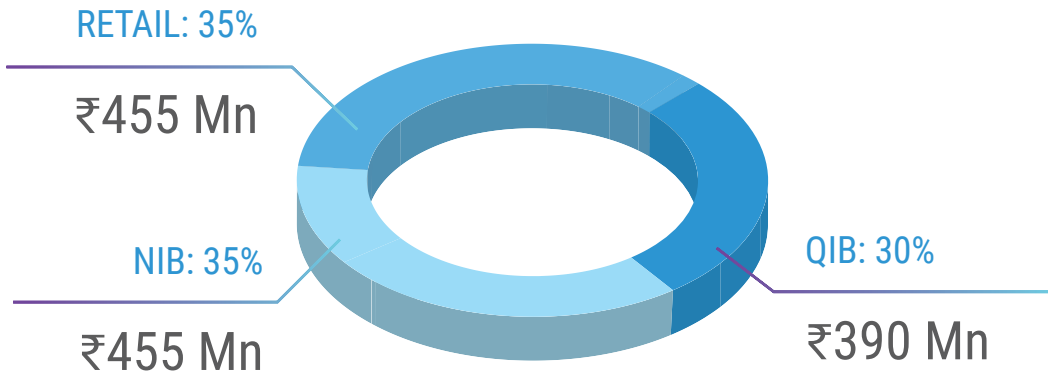
The integration of Unit I and II has optimized the company's operations and profitability through backward integration which helps with efficient logistics, inventory management, procurement, energy savings, and quality control.



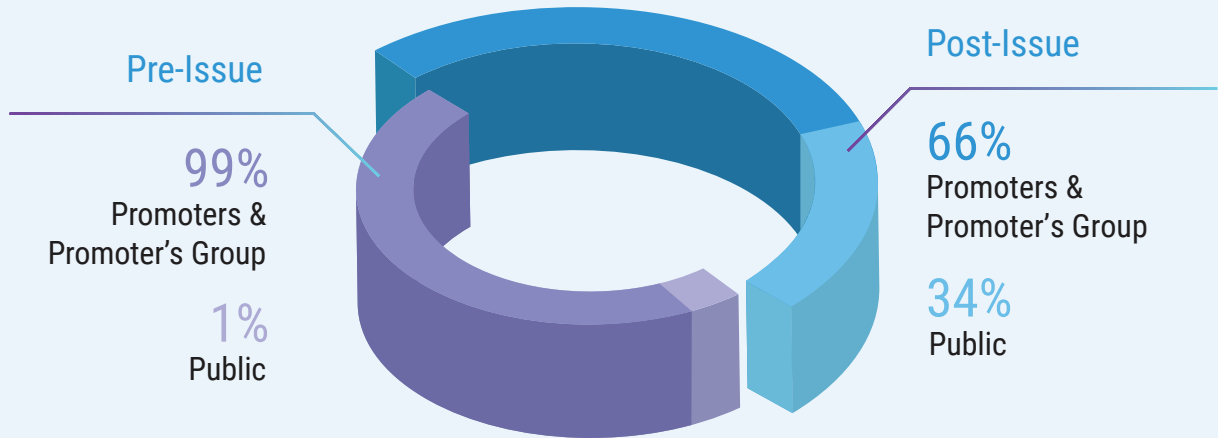
Hariom Pipe Industries Limited

## Issue Details

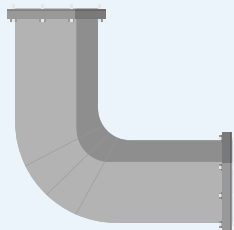
### Issue Break-Up



### Shareholding Pattern

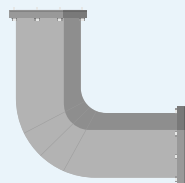


### Capital Structure (in ₹)



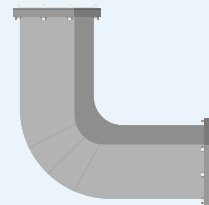
**287 Mn**

Authorized Equity  
Share Capital



**170 Mn**

Paid-Up Capital  
(Pre-Offer)



**255 Mn**

Paid-Up Capital  
(Post-Offer)



Hariom Pipe Industries Limited

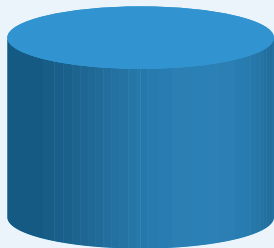
# Valuations and Peer Comparison

Market Cap  
₹3,898 Mn

Market Cap  
₹13,730 Mn

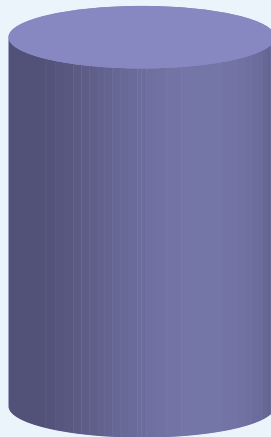
Market Cap  
₹2,25,880 Mn

P/E Ratio  
(FY22 Annualized)



15.14x

Hariom Pipe Industries Ltd.



30.5x

JTL Infra Ltd.



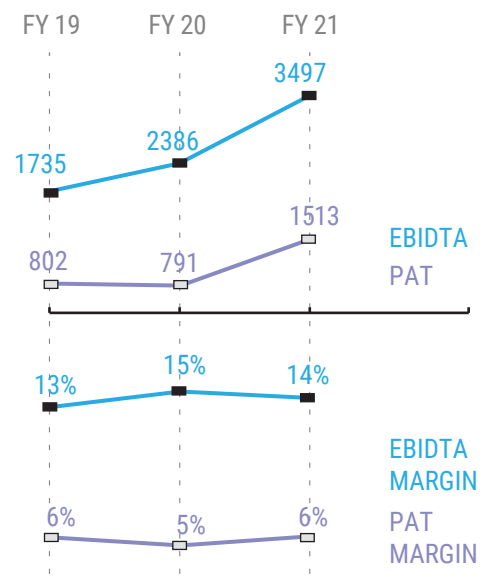
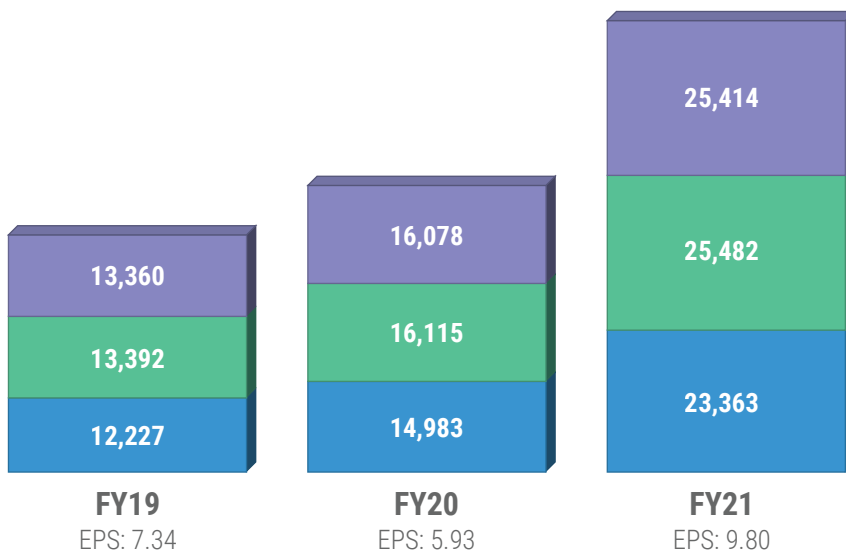
44.3x

APL Apollo Tubes Ltd.

Market Cap data of listed securities as on Mar 28, 2022

## Financial Snapshot (in lakhs)

- Revenue
- Total Income
- Total Expenses





## Hariom Pipe Industries Limited

# Business Insights



### Competitive Strengths

- Integrated nature of operations
- Environment friendly manufacturing process
- Strategic location of manufacturing units
- Cost advantage in manufacturing products
- Competitive pricing of products
- Experienced and qualified team



### Business Strategy

- Expand geographical network
- Organic growth by expansion of manufacturing capacity
- Upgrading existing manufacturing facilities
- Expanding product range to add more value-added products
- Increasing operational efficiency



### Risks

- Top 10 customers of the company represented 62.37% and 60.74% of revenue from operation for six months period ended September 30, 2021 and for Fiscal 2021, respectively. Further, the largest customer represented 24.18% and 24.46% of the total revenues for six months period ended September 30, 2021 and for Fiscal 2021, respectively
- The demand and pricing in the steel and steel products industry is volatile and is sensitive to the cyclical nature of the industries it serves

## Promoters and Management Details

Pramod Kumar Kapoor - Chairman & Independent Director

Rupesh Kumar Gupta - Managing Director

Sailesh Gupta - Whole-Time Director

Sunita Gupta - Non-Executive Director