

## IPO Details

IPO Date - 26 November 24 - 28 November 24  
 Price Band - ₹ 123 to ₹ 130 per share  
 Lot Size - 1000 Shares  
 Issue Size - ₹ 24.70 Crores (19,00,000 Shares)  
 Fresh Issue - ₹ 24.70 Crores (19,00,000 Shares)  
 Listing - NSE SME

## IPO Lot size

	Lots	Shares	Amount
Retail (Min)	1	1000	1,30,000
Retail (Max)	1	1000	1,30,000
HNI (Min)	2	2000	2,60,000

## IPO Reservations

Investor Category	Shares Offered
Market Maker	1,41,000
QIB	8,60,000
Non-Institutional	2,70,000
Retail	6,29,000
<b>Total</b>	<b>19,00,000</b>

## Valuation Parameters

Particulars	Pre-Issue	Post issue
EPS*	9.16	11.07
P/E	14.19	11.74

\*

- The Pre IPO EPS is calculated based on Pre issue shareholding as on date of RHP and the latest FY earnings as of March 31, 2024 that is available in RHP.
- The Post Issue EPS is calculated based on the Post issue shareholding and annualized FY earnings of July 31, 2024 that is available in RHP.

## Object of the issue

- Loan to subsidiary (Nirvaanraj Energy Private Limited (Nepl) for the expansion of existing unit of subsidiary.
- Working capital requirements.
- General corporate purpose.

## Lead Manager

GYR Capital Advisors Private Limited

## Registrar to the Issue

Maashitla Securities Private Limited



## Rajputana Biodiesel Limited

IPO Note | Recommendation: **Subscribe**

## About the Company:

Rajputana Biodiesel Limited was incorporated on November 10, 2016 under the name and style of 'Rajputana Biodiesel Private Limited', a private limited company under the Companies Act, 2013. Subsequently, Company was converted into Public Limited.

The Company is engaged in the Business of Manufacturing and supplying of bio-fuels and its by-products namely glycerine and fatty acids. Company intend to add value to their by-products and explore the export potential of bio-diesel. Manufacturing unit is operational at G24 RIICO Industrial Area, Phulera, Rajasthan 303338 spread over 4000 Square Meters. Company has an installed production capacity of 30 kilo liters per day (klpd). On the date of Red Herring Prospectus, products cover majorly biodiesel, glycerine and fatty acid. Company has full flexibility in manufacturing facility to handle the multiple feed stocks as per market requirements.

## Industry Outlook:

India is endowed with abundant indigenous, non-polluting and virtually inexhaustible renewable energy resources. The government of India has proposed a target of 20% blending of ethanol in petrol and 5% blending of biodiesel in diesel by 2030. Biofuels are an appealing alternate energy options because they are renewable and have the potential to lower carbon emissions and environmental impacts while also cutting import dependence. Considering these prospective benefits, India began piloting a 5% ethanol blending (E5) program in 2001 and in 2003 formulated the National Mission on Biodiesel to achieve 20% biodiesel blends by 2011-2012 (Government of India, 2002, 2003)

## SWOT Analysis:

Strengths	Weakness	Opportunities	Threats
<ul style="list-style-type: none"><li>• Diversified +revenue stream</li><li>• Owned manufacturing unit</li><li>• Experienced promoters &amp; staff</li></ul>	<ul style="list-style-type: none"><li>• High Working capital intensive operations.</li><li>• Different policies and differing state laws</li></ul>	<ul style="list-style-type: none"><li>• New plant establishment</li><li>• Growing acceptance of biodiesel</li><li>• Carbon credit revenues</li><li>• Higher blending targets (5% by 2030)</li></ul>	<ul style="list-style-type: none"><li>• Change in government policies</li><li>• Electrification</li></ul>

## Investment Rationale:

- **Strong Industry Growth Potential**  
The government of India has proposed a target of 20% blending of ethanol in petrol and 5% blending of biodiesel in diesel by 2030.
- **Positive Financial Growth**  
Revenue Growth: From ₹ 1707.21 lakhs in FY2022 to ₹ 5345.97 lakhs in FY 2024.  
Profit Growth: From ₹ 19.97 lakhs in FY2022 to ₹ 452.43 lakhs in FY2024

## Risk in Business:

- The business is subject to government policies. Failure to comply with the applicable regulations prescribed by governments and regulatory agencies could adversely affect the business, results of operations, and financial condition.
- Certain approvals and licenses are required in the ordinary course of business, along with compliance with specific rules and regulations. Failure to obtain, retain, or renew such approvals and licenses, or to comply with these rules and regulations, may adversely affect operations.
- If the statutory and regulatory permits and approvals required to operate the business are not obtained, renewed, or maintained, resistance to change from existing users of conventional fossil fuels may be encountered.
- Production is based on a competitive bidding process conducted by government authorities or bodies. Failure to qualify for, compete in, or win future projects could adversely affect the business and results of operations.
- The availability, quality, and timely delivery of raw materials are critical factors for the business. Any fluctuation, delay, or increase in costs related to raw materials may impact the business and pricing.
- Financial performance is primarily dependent on the sale of biodiesel.
- The absence of entry barriers into bio-fuel production may attract players from both organized and unorganized sectors, escalating competition and exerting price pressure on the products.

## Financials:

### Key Performance Indicators (KPIs)

Particulars	July 31, 2024	Mar-24	Mar-23	Mar-22
Revenue from Operations (₹ in Lakhs)	2,672.24	5,345.97	2,340.85	1,707.21
Growth in Revenue from Operations (%)	-	128.38%	37.12%	-

Total Income (₹ in Lakhs)	2,779.18	5,367.51	2,354.06	1,746.07
EBITDA (₹ in Lakhs)	421.91	766.91	350.66	161.7
EBITDA Margin (%)	15.18%	14.29%	14.90%	9.26%
Profit After Tax (₹ in Lakhs)	259.59	452.43	168.83	19.97
PAT Margin (%)	9.71%	8.46%	7.21%	1.17%
Return on Net Worth (%)	16.49%	34.43%	37.11%	(15.49%)

### Profit & Loss Statement (Consolidated)

Particulars	Period ended July 31, 2024	Mar-24	Mar-23	Mar-22
Revenue from Operations	2,672.24	5,345.97	2,340.85	1,707.21
Other Income	106.94	21.54	13.21	38.86
<b>Total Income</b>	<b>2,779.18</b>	<b>5,367.51</b>	<b>2,354.06</b>	<b>1,746.07</b>
<b>Expenses</b>				
Cost of material consumed	2,048.60	4,658.41	1,997.27	1,484.42
Purchase of Stock-in-Trade	277.63	85.28	43.44	48.60
Direct Expenses	61.78	116.26	58.36	43.84
Changes in inventories of finished goods	(236.40)	(547.12)	(283.72)	(137.65)
Employee benefits expense	62.47	90.03	70.53	62.26
Finance costs	60.10	118.08	84.94	83.29
Depreciation and amortization expense	28.08	50.46	51.86	52.27
Other expenses	85.86	187.78	104.11	78.52
<b>Total Expenses</b>	<b>2,388.12</b>	<b>4,759.18</b>	<b>2,126.79</b>	<b>1,715.55</b>
<b>Profit before exceptional items and tax</b>	<b>391.06</b>	<b>608.33</b>	<b>227.27</b>	<b>30.52</b>
Exceptional items				1.20
Tax Expense	80.69	158.17	58.26	9.14
<b>Net Profit</b>	<b>310.37</b>	<b>450.16</b>	<b>169.01</b>	<b>20.18</b>
Minority Interest	50.77	-2.31	-	-
Share of Profit/(loss) from Associate	(0.01)	(0.04)	(0.18)	(0.21)
<b>Profit for the year</b>	<b>259.59</b>	<b>452.43</b>	<b>168.83</b>	<b>19.97</b>
<b>Earnings per share</b>	<b>5.06</b>	<b>9.16</b>	<b>3.87</b>	<b>79.88</b>

### Balance sheet (Consolidated)

Particulars	As at July 31, 2024	Mar-24	Mar-23	Mar-22
Share Capital	513.35	513.35	462.00	2.50
Reserves & Surplus	1,060.46	800.87	-7.01	-131.42
Minority Interest	112.24	61.47	-	-
Long term Borrowings	826.72	925.94	376.45	168.59
Deferred tax liabilities	17.56	-	15.48	-
Long-term Provisions	8.74	6.85	7.65	6.90
Short term Borrowings	1,162.51	988.25	510.67	925.02
Trade Payables	526.60	211.01	130.30	62.01
Other Current liabilities	183.68	336.95	18.49	36.95
Short Term Provisions	214.74	150.47	1.66	0.93
<b>Total Equity &amp; Liabilities</b>	<b>4,626.60</b>	<b>3,995.16</b>	<b>1,515.69</b>	<b>1,071.48</b>

Property, Plant & Equipment and Intangible Assets	602.74	553.00	380.19	419.32
Non-Current Investments	0.02	0.02	-	-
Deferred Tax Assets (Net)	-	1.81	-	42.78
Long-term Loans & Advances	405.18	366.23	109.03	161.13
Inventories	1,543.66	1,233.32	520.79	231.12
Trade receivables	1,214.19	1,153.38	310.37	131.26
Cash and Bank Balance	281.69	384.54	76.23	30.12
Short term loan and advances	563.85	297.17	116.91	52.40
Other current assets	15.27	5.69	2.17	3.35
<b>Total Assets</b>	<b>4,626.60</b>	<b>3,995.16</b>	<b>1,515.69</b>	<b>1,071.48</b>

### Recommendation:

We recommend a "Subscribe" rating based on the company's financial strength, growth trajectory, and promising industry outlook.

### Disclaimer:

This report has been prepared by Ganpati Finsec Private Limited for informational purposes only. Neither the information contained herein nor any opinions expressed should be construed as solicitation or investment advice. While Ganpati Finsec Private Limited has taken reasonable steps to ensure the accuracy of the information, no warranties are provided regarding its completeness. Securities markets are volatile, and past performance is not necessarily indicative of future results. Investors should conduct independent analysis with their advisors. This report does not constitute an offer to buy or sell securities.

