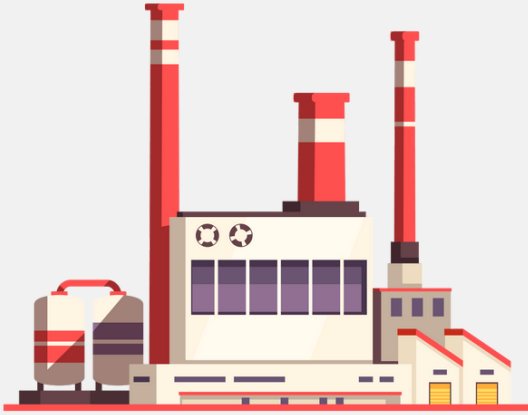




IPO DETAILS

#IPOology

INOX INDIA LIMITED



 **ISSUE OPEN**

14th December 2023

 **ISSUE CLOSE**

18th December 2023

Min. Lot Size

22 Shares

Issue Price Band

₹627 - ₹660

Issue Size

Fresh Issue:
N/A

OFS:
22.11 mn equity shares
(₹14,593.23 mn)

Face Value

₹2

Industry

Cryogenic Equipment

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



INOX INDIA LIMITED

Rationale

Considering the TTM (Sept-23)/ FY24 Annualized EPS of Rs 19.03/22.78 on a post issue basis, the company is going to list at a P/E of 34.68x/28.97x with a market cap of Rs. 59,904 mn. There are no listed companies in India that are comparable in all aspects of business and services that the Company provides. Hence, it is not possible to provide an industry comparison in relation to the Company.

We assign "Subscribe" rating to this IPO as the company is a leading Indian supplier and exporter of cryogenic equipment and solutions with a large portfolio of specialized cryogenic equipment engineered to global quality standards. Also, it is available at reasonable valuations on an absolute basis.

Objectives of the issue

Carry out the Offer for Sale.

Achieve the benefits of listing the Equity Shares on the Stock Exchanges.

Company Overview

- Inox India Ltd. is the largest supplier of cryogenic equipment in India by revenue in Fiscal 2023.
- The company has over 30 years of experience offering solutions across design, engineering, manufacturing and installation of equipment and systems for cryogenic conditions.
- Their business comprises of three divisions, namely, Industrial Gas (71% of revenue), LNG (25%) and Cryo Scientific (4%) as of FY23.
- They have three manufacturing facilities located at (i) Kalol in Gujarat, (ii) the Kandla Special Economic Zone ("Kandla SEZ") in Gujarat and (iii) Silvassa in the Union Territory of Dādra and Nagar Haveli.

In the six months ended September 30, 2023 and in Fiscal 2023, Fiscal 2022 and Fiscal 2021, the company provided equipment and systems to 1,255 domestic customers and 254 international customers across the three divisions.



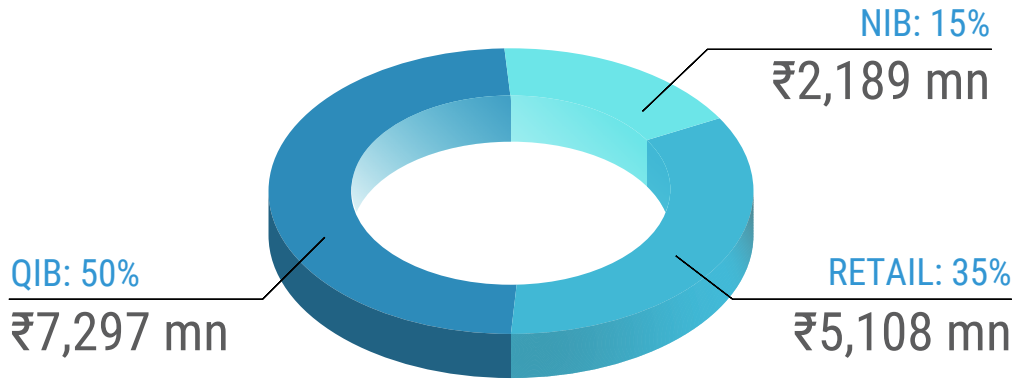
Innovative Technologies for Diverse Industries

Their offering includes standard cryogenic tanks and equipment, beverage kegs, bespoke technology, equipment and solutions as well as large turnkey projects which are used in diverse industries such as industrial gases, liquified natural gas ("LNG"), green hydrogen, energy, steel, medical and healthcare, chemicals and fertilizers, aviation and aerospace, pharmaceuticals and construction.

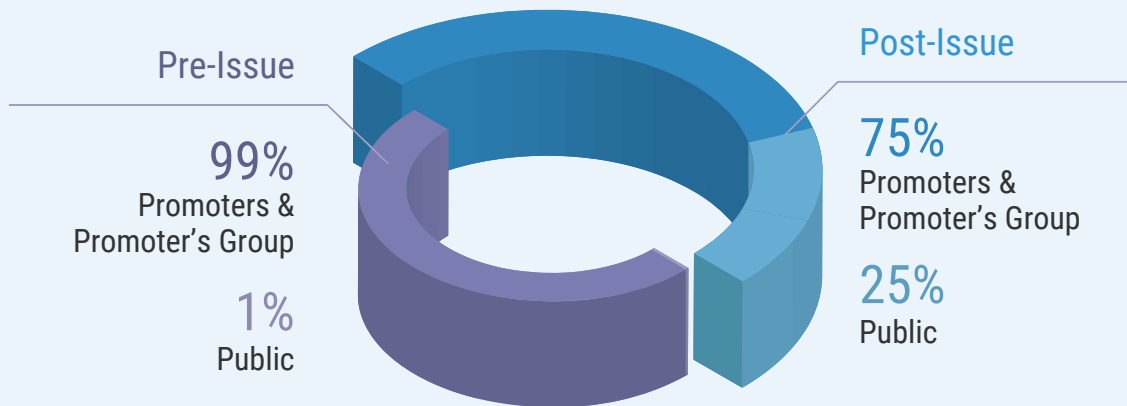


INOX INDIA LIMITED
Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹)



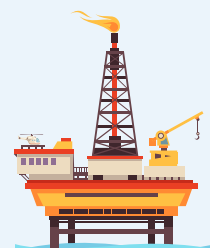
350 mn

Authorised Equity
Share Capital



182 mn

Paid-Up Capital
(Pre-Offer)



182 mn

Paid-Up Capital
(Post-Offer)



INOX INDIA LIMITED

Valuations and Peer Comparison



Market Capitalisation

₹59,904 mn

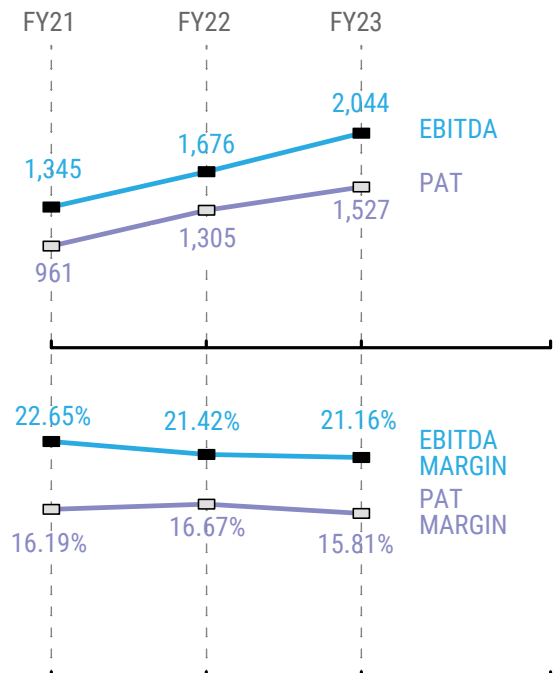
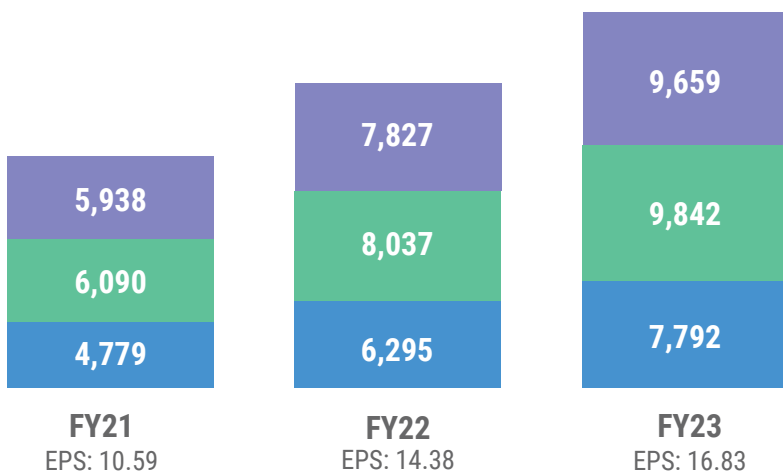
Price to Earnings (P/E)

34.68x/28.97x

There are no comparable listed companies in India or globally that engage in a business similar to that of the Company. Accordingly, it is not possible to provide an industry comparison in relation to the Company.

Financial Snapshot (in ₹ mn)

- Revenue
- Total Income
- Total Expenses





INOX INDIA LIMITED

Business Insights



Competitive Strengths

- Leading Indian supplier and exporter of cryogenic equipment and solutions.
- Large portfolio of specialized cryogenic equipment engineered to global quality standards
- Diversified domestic and international customer base across industry sectors.
- Strong product development and engineering focus
- Healthy financial performance to support growth
- Experienced Promoters, Management Team and Skilled Workforce



Business Strategy

- Capitalize on opportunities in LNG and hydrogen as part of the global clean energy transition
- Capture the full value-chain across our product lines
- Expanding their standard cryogenic and non-cryogenic equipment business into international markets
- Expanding their large turnkey project business
- Continue to improve operational efficiency and productivity
- Growth through strategic acquisitions and alliances



Risks

- Their business is dependent and will continue to depend on their three manufacturing facilities. They are subject to certain risks in the manufacturing processes such as the breakdown or failure of equipment and industrial accidents that could lead to interruptions in their business operations, which may, in turn, adversely affect their production schedules, costs and sales and their ability to meet customer demand.
- 11.56% and 46.52% of revenue from operation was derived from the largest customer and top 10 customers, respectively, for Fiscal 2023. Cancellation by customers or delay or reduction in their orders could have a material adverse effect on their business, results of operations and financial condition.
- Their manufacturing facilities are located in Gujarat and in the Union Territory of Dadra and Nagar Haveli exposing them to regulatory and other geography specific risks such as labor unrests, other acts of violence and occurrence of natural and man-made disasters.

Promoters and Management Details

Pavan Kumar Jain - Chairman and Non Executive Director

Siddharth Jain - Non Executive Director (Non Independent)

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

