



## IPO DETAILS

#IPOology

# RISHABH INSTRUMENTS LIMITED



### Issue Opens

30 August 2023, Wednesday

### Issue Closes

1 September 2023, Friday

### Min. Lot Size

34 Shares

### Issue Price Band

₹418 - ₹441

### Industry

Precision Engineering

### Issue Size

Fresh Issue:  
1.70mn Eq Shares  
(750mn)

### OFS:

9.43mn Eq Shares  
(4,158mn)

### Face Value

₹10

### Listing at

NSE, BSE

## Objectives of the issue

Financing the cost towards expansion of Nashik Manufacturing Facility I, and

General corporate purposes

## Rationale

Considering the FY23 EPS of Rs 13.09 on a post issue basis, the company is going to list at a P/E of 33.69x with a market cap of Rs.16,741 mn. There are no comparable listed companies in India or globally that engage in a business similar to that of their Company. Accordingly, it is not possible to provide an industry comparison in relation to their Company.

We assign "Subscribe" rating to this IPO as the company has diversified product portfolio and track record of successful integration of acquired businesses across geographies. Also, it is available at a reasonable valuation considering the future growth potential of the company.

## Rating

**Subscribe**

**APPLY NOW**



RISHABH INSTRUMENTS LIMITED

## Company Overview

The company is a global energy efficiency solution company focused on electrical automation, metering, and measurement, precision-engineered products, etc., with diverse applications across industries including power, automotive, and industrial sectors.

### Global Manufacturing Strategy: In-House Production

Two in India

Two in Poland

One in China

#### Key Elements

Comprehensive Manufacturing Services: Mould Design, Testing, Electronics, and Software Solutions.

Robust Portfolio: 145+ Product Lines, 0.13M stock-keeping units as of May 31, 2023

In Fiscals 2023, 2022, Annual Production: 16.21M, 14.02M, and 13.35M Units in Consecutive Years

B2B Model with 175 Distributors Across 81 Districts for Diverse Segments



### Diverse Production: Electronics to Solar Inverters

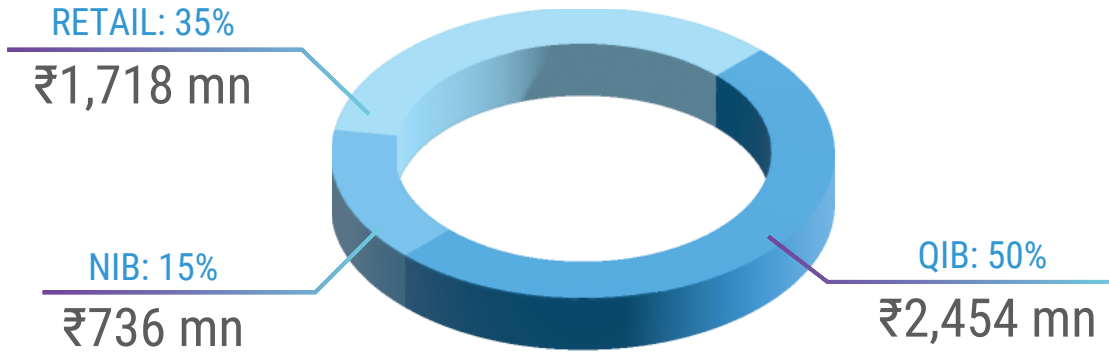
They are a vertically integrated player involved in designing, developing, manufacturing, and supplying (a) electrical automation devices (10% of Revenue); (b) metering, control, and protection devices (42% of Revenue); (c) portable test and measuring instruments (7% of Revenue); and (d) solar string inverters (1% of Revenue) and Aluminum high pressure die castings (40% of Revenue).



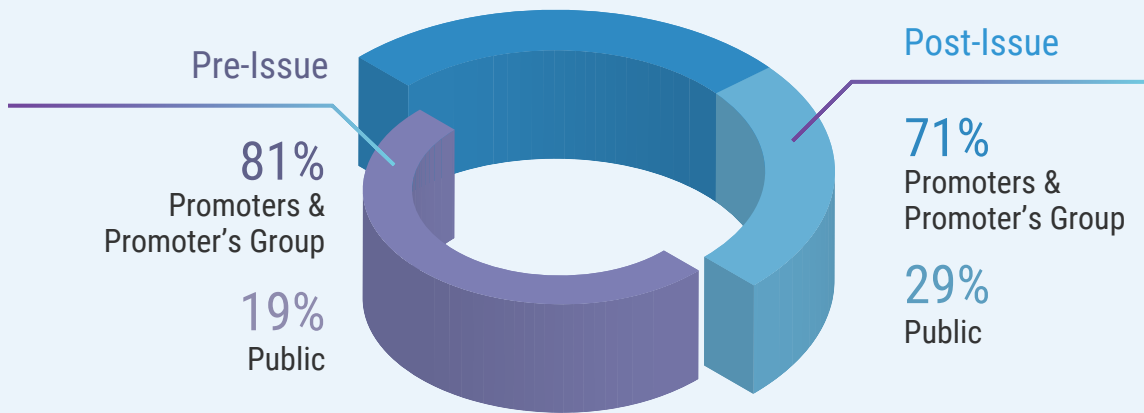
RISHABH INSTRUMENTS LIMITED

# Issue Details

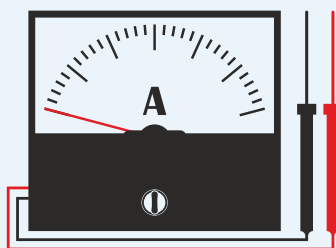
## Issue Break-Up



## Shareholding Pattern

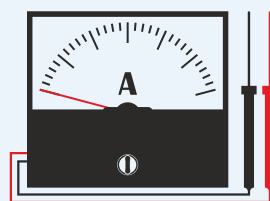


## Capital Structure (in ₹)



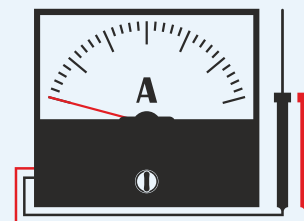
**410 mn**

Authorised Equity Share Capital



**362.61 mn**

Paid-Up Capital (Pre-Offer)



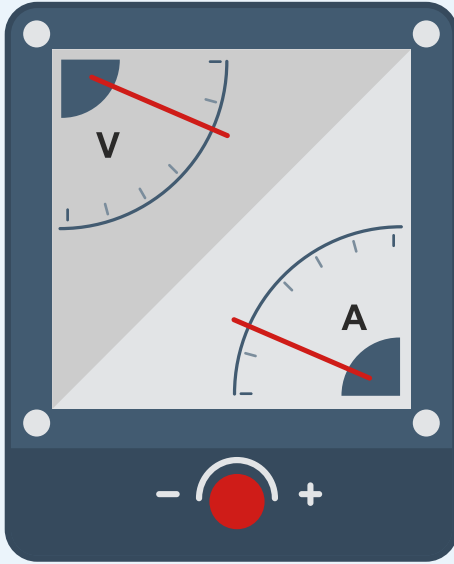
**379.61 mn**

Paid-Up Capital (Post-Offer)



RISHABH INSTRUMENTS LIMITED

# Valuations and Peer Comparison



Market  
Capitalisation

**₹16,741 mn**

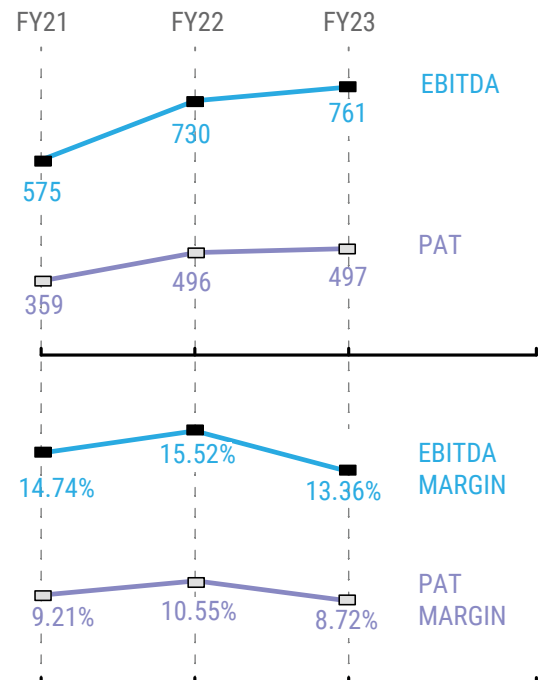
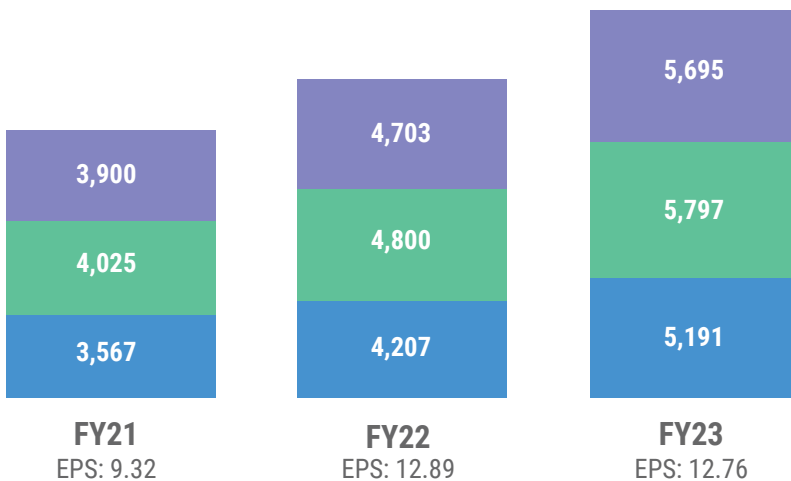
Price to Earnings  
(P/E)

**33.69x**

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## Financial Snapshot (in ₹ mn)

- Revenue
- Total Income
- Total Expenses





RISHABH INSTRUMENTS LIMITED

# Business Insights



## Competitive Strengths

- Ability to drive technology and innovation through advanced research and development capabilities.
- Global engineering solution provider operating in large addressable markets and well positioned to benefit from mega industrialisation trends.
- Vertically integrated operations, backed by strong manufacturing capabilities.
- Diversified product portfolio.
- Wide customer base.
- Track record of successful integration of acquired businesses or entities across geographies.
- Global and integrated business model increasing cost competitiveness and de-risking customer supply chain.
- Well-established and recognised brands.
- Strong and demonstrated management capabilities.



## Business Strategy

- Enhance product innovation, engineering and design competence while focusing on higher value addition.
- Expanding geographical footprint.
- Continue to pursue their strategy for inorganic growth.
- Target new customers and expand existing customer accounts.
- Explore opportunities to tap emerging products and services segments.
- Promote product localization.



## Risks

- Shortages in the supply of semiconductors have had and may continue to have a material adverse effect on their results of operations and financial condition.
- Failure to maintain optimal inventory levels could increase their inventory holding costs and adversely affect their operations and financial condition.
- They are dependent on their Poland Manufacturing Facilities and any disruption, slowdown, or shutdown of their Poland Manufacturing Facilities may restrict their operations, and adversely affect their business and financial condition and results of operations.
- Their dependence on their Subsidiaries exposes them to significant operational and financial risks.

## Promoters and Management Details

Narendra Joharimal Goliya - Chairman and Managing Director

Parappath Kottekode Ramakrishnan - Non-Executive Director