

### Issue Details

<b>Issue Size</b>	Rs. 800 Crore	<b>Price Band:</b>	Rs.531 – Rs.542
<b>IPO Date:</b>	1 <sup>st</sup> Nov 2021 to 03 <sup>rd</sup> Nov 2021	<b>Offer Ratio:</b>	QIB:50%, HNI:15%, Retail: 35%
<b>Bid Lot:</b>	27 Equity Shares and in multiples thereof		

### Company Profile

SJS Enterprises Limited is one of the leading players in the Indian decorative aesthetics industry in terms of revenue in Fiscal 2020 and as at March 31, 2021, offered the widest range of aesthetics products in India, according to the CRISIL Report. The company is a “design-to-delivery” aesthetics solutions provider with the ability to design, develop and manufacture a diverse product portfolio for a wide range of customers primarily in the automotive and consumer appliance industries. The company supplied over 115 million parts with more than 6,000 SKUs in Fiscal 2021 to around 170 customers in approximately 90 cities across 20 countries.

In addition to manufacturing aesthetics products that cater to the requirements for two-wheeler, passenger vehicle and consumer appliance industries, the company also manufacture a wide range of aesthetics products that cater to the requirements of the commercial vehicles, medical devices, farm equipment and sanitary ware industries. The company’s product offerings include decals and body graphics, 2D appliques and dials, 3D appliques and dials, 3D lux badges, domes, overlays, aluminium badges, “In-mould” label or decoration parts (“IML/IMD(s)”), lens mask assembly and chrome-plated, printed and painted injection moulded plastic parts. The company also offers a variety of accessories for the two-wheelers’ and passenger vehicles’ aftermarket under their Transform” brand.

As at June 30, 2021, the company’s relationship with its 10 largest customers in terms of revenue averaged approximately 15 years. The company manufacture their products from modern manufacturing facilities located in Bengaluru and Pune in India, with the facility in Pune acquired as part of the recent acquisition of its Subsidiary. As at June 30, 2021, the annual production capacity of the Bengaluru and Pune facilities was 209.70 million and 29.50 million products, respectively. The company has received awards from Automotive Component Manufacturers Association of India (“ACMA”) and recognition from the Quality Circle Forum of India (“QCFI”), an industry body.

### Competitive Strengths

- Leading aesthetics solution provider with an extensive suite of premium products in a growing industry
- Strong manufacturing capabilities supported by an established supply chain and delivery mechanism
- Strong innovation and product design and development capabilities
- Long-standing customer relationships
- Strong financial position and track record of financial performance
- Experienced and qualified management team

### Object of the Offer

The company will not directly receive any proceeds from the Offer (the “Offer Proceeds”) and all the Offer Proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will be received by the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer.

**Financials (Restated Consolidated)**

(₹ In Millions)

Particulars	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Equity Share Capital	304.38	304.38	304.38	304.38
Reserves	2,893.23	2,847.78	2,492.12	2,081.19
Net Worth*	3,197.61	3,152.16	2,796.50	2,385.57
Total Borrowings#	86.38	92.07	61.70	232.89
Revenue from Operations	742.69	2,516.16	2,161.73	2,372.52
EBITDA	185.86	797.04	686.09	643.19
Profit Before Tax	127.64	641.78	543.50	529.60
Net Profit for the year	94.96	477.65	412.85	376.01

\* Net Worth means aggregate of equity share capital and other equity

#Total include current and non-current borrowings as per balance sheet

**Comparison with peers**

There are no listed companies in India 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.

**Key Risk Factors**

- Stringent restrictions to slow down the spread of COVID-19, including limitations on international and local travel, had and could continue to have a negative impact on the company's business.
- The coronavirus disease (COVID-19) and the measures taken by the government to curb its spread could materially and adversely affect the company's business, financial condition and results of operations. The extent to which the COVID-19 pandemic will impact their business, operations and financial performance is uncertain and cannot be predicted.
- The company depends significantly on customers in the automotive industry and consumer appliance industry and a decline in their performance, in India or globally, could adversely affect their business and profitability.
- The company is exposed to counterparty credit risk and any delay in, or non-receipt of, payments may adversely affect their cash flows and results of operations.
- Any increase or volatility in the price of raw materials could adversely affect the company's profit margins.
- The company, their Promoters, Subsidiary and Directors are involved in certain legal proceedings, and an adverse outcome in any such proceedings may adversely affect their business, financial condition and growth prospects.
- The cyclical and seasonal nature of automotive sales and production could adversely affect the company's business.
- The company is exposed to risks relating to fluctuations in foreign currency exchange rates.
- The company's contingent liabilities could adversely affect their financial condition if they materialize.
- The company will not receive any proceeds from the Offer.

(Please read carefully the Risk Factors given in detail in section II (page 25 onwards) in RHP)

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## **Registration details:**

JM Financial Services Ltd.

Stock Broker – Registration No. - INZ000195834

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