



**LONG TERM SUBSCRIBE**

**IPO Report**

09<sup>th</sup> Mar'26

**Snapshot**

Company is engaged in the business of manufacturing of long and flat stainless-steel products comprising of billets, forging ingots, rolled black bar, rolled bright bar, flat & patti and other ancillary products under the brand name of “RSL”. Company offer its products in more than eighty (80) diverse grades of stainless steel reflecting company’s ability to meet varied technical and application-specific requirements. Company’s versatile production capabilities enable it to cater to a wide range of industries and allow company to attend to its customers’ specifications. This flexibility distinguishes company from its competitors and enhances company’s ability to serve a diverse client base. Presently, company operate exclusively on Business-to-Business (“B2B”), catering to a customer base that primarily comprises manufacturers and traders.

**VALUATION**

Company is bringing the issue at price band of Rs 116-122 per share at p/e multiple of 21x on post issue H1FY26 PAT basis. Company has established, integrated manufacturing setup at strategic location along with diverse product portfolio, established customer base and relationships with promoters and Experienced Management Team  
Hence, we recommend “ Long term Subscribe” to issue.

<b>Price Band (Rs./Share)</b>	<b>116-122</b>
<b>Opening date of the issue</b>	<b>09<sup>th</sup> Mar '2026</b>
<b>Closing Date of the issue</b>	<b>11<sup>th</sup> Mar '2026</b>
<b>No of shares pre issue</b>	6,89,17,658 Eq Shares
<b>Issue Size</b>	Rs 242-255 Cr
<b>Offer For Sale</b>	62,50,000 Eq Shares
<b>Fresh issue</b>	1,46,50,000 Eq Shares
<b>Face Value (Rs/ share)</b>	Rs 10/share
<b>Bid Lot</b>	110

<b>BIDDING DETAILS</b>	
<b>QIBs (Including Anchor)</b>	50% of the offer
<b>Non-Institutional</b>	15% of the offer
<b>Retail</b>	35% of the offer
<b>Lead managers</b>	Nirbhay Capital Services Pvt. Ltd
<b>Registrar to the issue</b>	KFin Technologies Limited

**WHAT WE LIKE**

***Established, integrated manufacturing setup at strategic location***

Company primarily operate through its Manufacturing Facility which is spread across 35,196.98 sq.m (including unutilised area of the land approximately 17,610 Sq. m) of land at Halol Kalol Road, Kalol, Panchmahal, Gujarat. Company’s facility features an integrated manufacturing setup that covers the entire production chain ranging from melting and refining to casting/ rolling, treatment, testing and storage.

***Track Record of healthy growth***

Company’s revenue from operations has grown from ₹3,604.07 lakhs in Fiscal 2006 to ₹93,215.58 lakhs in Fiscal 2025 registering a CAGR of 18.67% in the last 19 years. Similarly, company’s profit after tax has grown from ₹71.23 lakhs in Fiscal 2006 to ₹3,985.14 lakhs in Fiscal 2025, registering a CAGR of 23.59% in the last 19 years.

***Established customer base and relationships***

Company’s business is primarily focused on the domestic market, with exports contributing a smaller share of total revenue. During the six-month period ended September 30, 2025, and Fiscal 2025 company’s revenue from export of Company’s products amounted to ₹27.60 lakhs, and ₹1,527.65 lakhs representing 0.06% and 1.64% of Company’s revenue from operations, respectively. Company’s long-term association with its key customers also offers competitive advantages including revenue visibility, industry goodwill and reputation for quality.



## COMPANY BACKGROUND

Company's focus on the B2B segment enables company to deliver stainless-steel solutions that meet the requirements of industrial clients across various applications. Company's products are used across a diverse range of industries, including bar processing, seamless pipes, forging, wire manufacturing, engineering, casting, fasteners, utensils manufacturing, pump and shaft and auto industry. This broad industrial reach reflects the adaptability and performance of company's stainless-steel solutions in both standard and specialized end uses.

A majority of company's products are primarily sold domestically through direct sales and traders' network. In addition to catering to domestic market, presently company's products are being exported to Nine (9) countries in the international market i.e. nine (9) countries, including market of Turkey, UAE, Poland, Portugal, USA, South Africa, South Korea, Czech Republic and Kuwait.

During the period ending Fiscal 2025, company catered to over 370 customers, out of which around 167 customers have been associated with company for over a period of 3 years, and such customers contributed ₹70,684.93 lakhs to its revenue from operations which amounted to 75.83% of total revenue from operations of Fiscal 2025. This demonstrates the strength and stability of company's customer relationships, particularly with recurring clients who place their trust in company's stainless-steel products for their industrial needs.

Company presently sell its products in fourteen (14) states and two (2) union territories through direct sales and through its traders' network. Company generate significant revenue from operations from the state of Maharashtra, Gujarat and Uttar Pradesh which amounts to ₹45,684.91 lakhs, ₹84,500.50 lakhs, ₹79,245.58 lakhs and ₹86,416.05 lakhs constituting 91.09%, 90.65%, 87.10% and 91.19% of total revenue from operations during the six-month period ended September 30, 2025 and for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Company primarily operate through its manufacturing facility, admeasuring approximately 35,196.98 Sq.m (including unutilised area of the land approximately 17,610 Sq. m), located at Halol Kalol Road, Kalol, Panchmahal, Gujarat ("**Manufacturing Facility**"). Company's Manufacturing Facility is located on the Halol – Godhra highway with the availability of transportation thus ensuring convenient transportation of its products. Company's Manufacturing Facility is equipped with an induction furnace, Argon Oxygen Decarburization ("**AOD**"), Continuous Casting Machine ("**CCM**"), heat treatment facilities, Oxygen and Nitrogen Plant, rolling mill and bright bar shop. Company use a combination of mechanized and human skills to achieve the desired standards of manufacturing. As on September 30, 2025, company had an installed melting capacity of 48,000 MTPA, rolling capacity of 36,000 MTPA and bright bar capacity of 6,000 MTPA, heat treatment facility of 2,000 MT and Oxygen and Nitrogen plants having installed capacity of 350 cum/hour and 200 cum/hour respectively.

Incorporated in 1991 company started its commercial journey in year 1993 with manufacturing of mild steel products and steel castings. At the time of incorporation, the Company was promoted and run by the erstwhile promoters i.e. Shri O.P. Agarwal, and Shri Ram Sharan Tambi.

## OBJECTS OF OFFER

The Offer comprises of the Fresh Issue of up to 1,46,50,000 Equity Shares by Company and an Offer for Sale of upto 62,50,000 Equity Shares by the Selling Shareholder.

The Fresh Issue

Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding capital expenditure requirements for expansion of the existing manufacturing facility at Panchmahal district, Gujarat through forward integration and diversification of product portfolio i.e., Stainless Steel Seamless Pipes ("**Proposed Facility**");
2. Full or part repayment and/or prepayment of certain outstanding borrowings availed by Company; and
3. General corporate purposes.

## RISKS

Company derive a significant portion of its revenue from operations from its top 10 customers, and company do not have long-term contracts with all these customers. If one or more such customers choose not to source their requirements from company or to terminate company's contracts or purchase orders, its business, cash flows, financial condition and results of operations may be adversely affected.

Source:RHP



**Consolidated Financials**

**(Rs in Lakhs)**

<b>Financials</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>H1FY26</b>
Total Revenue (A)	94767.44	90980.80	93215.58	50152.94
Total Expenditure (B)	90382.87	85039.84	85836.8	45560.52
EBIDTA	4384.57	5940.96	7378.78	4592.42
EBIDTA Margin	4.63	6.53	7.92	9.16
Other Income	301.62	569.45	533.40	123.78
Depreciation	691.25	831.64	875.83	459.91
EBIT	3994.94	5678.77	7036.35	4256.29
Interest	1137.18	1446.52	1572.43	1024.76
PBT	2857.76	4232.25	5463.92	3231.53
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	2857.76	4232.25	5463.92	3231.53
Exceptional	0.00	0.00	0.00	0.00
PBT	2857.76	4232.25	5463.92	3231.53
Tax	453.30	1069.36	1478.79	790.57
PAT	2404.46	3162.89	3985.13	2440.96
NPM	2.54	3.48	4.28	4.87
ROE%	29.62	28.17	26.23	13.82
EPS	3.49	4.59	5.78	3.54
Eq Cap	3,445.88	3,445.88	6,891.77	6,891.77
Net Worth	8,116.61	11,226.93	15,194.68	17,665.49

**(Source: RHP)**



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