ARDEE INDUSTRIES LIMITED

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IPO Report

05th Aug 26

Snapshot

Ardee Industries Limited is one of India's leading players in circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams *Company's* product portfolio comprises pure lead and lead alloys such as lead calcium alloys, lead antimony alloys, lead tin alloys, lead silver alloys and lead cadmium alloys which find applications in critical industries including energy storage, e-mobility, automotive, chemical, among others

VALUATION

Company is bringing the issue at price band of Rs 50-53 per share at p/e multiple of 19x on post issue FY26 basis.

Company is one of India's leading players in circular economy with a proven track record with demonstrated operational stability. Company has set Application of Hedging Mechanism for Commodity Price Risk Related Protection. Company's Strong customer base along with robust raw materials sourcing capabilities & company has track record of profitability and consistent financial performance. Company has experienced promoters and professional management team.

Hence, we recommend "Subscribe" to issue.

Price Band (Rs./Share)	**50-53**
Opening date of the issue	**05th Aug '2026**
Closing Date of the issue	**07th Aug '2026**
No of shares pre issue	25,48,24,000 Eq Shares
Issue Size	Rs 420-426 Cr
Fresh Issue	Rs 320 Cr
OFS	1,99,75,000 Eq Shares
Face Value (Rs/ share)	Rs 2/share
Bid Lot	281
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 4,01,75,974 eq Shares)
Non-Institutional	15% of the offer (Approx 1,20,52,793 eq Shares)
Retail	35% of the offer (Approx 2,81,23,183 eq Shares)
Lead managers	Pantomath Capital Advisors
Registrar to the issue	KFin Technologies Ltd

WHAT WE LIKE

One of India's leading players in circular economy with a proven track record with demonstrated operational stability

Ardee Industries Limited is one of India's leading players in circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams. Company specializes in manufacturing of pure lead and lead alloys that conform to international standards, with purity levels ranging from 99.97% to 99.985%.

Strong customer base along with robust raw materials sourcing capabilities.

As of March 31, 2026, company have served more than 50 customers across domestic and international markets. Company's customer engagements are dependent on its ability to consistently deliver quality products considering the requirements of its customers, with respect to the level of purity and/or composition with other metal and nonmetal elements, in company's pure lead and lead alloys. Company's domestic customers include Amara Raja Energy & Mobility Limited and its international customers include Sebang Metal Trading Co. Ltd, among others.

Track record of profitability and consistent financial performance

As per F&S Report, company is one of the fastest growing companies in terms of revenue amongst its peers with a revenue CAGR of 58.81% in the last three Fiscals. Company's Gross margin per ton increased from ₹ 29,466.73 in Fiscal 2024 to ₹ 38,297.06 in Fiscal 2026. Company's EBITDA has recorded a compounded annual growth (CAGR) of 128.96% from Fiscal 2024 to Fiscal 2026. Further, Company recorded a compounded annual growth (CAGR) in profit after tax of 207.52% from Fiscal 2024 to Fiscal 2026. Company's continued focus on efficiency and productivity improvements and cost rationalization have enabled it to deliver better financial performance.

COMPANY BACKGROUND

Company's products are customisable to the requirements of company's customers, with respect to the level of purity and/or composition with other metal and nonmetal elements with purity levels ranging from 99.97% to 99.985% that conform to international standards. As per F&S Report, company is one of the fastest growing companies in terms of revenue amongst its peers with a Revenue CAGR of 58.81% in the last three Fiscals.

By closing the loop across collection, recycling, and production, company not only reduce India's dependence on imported critical metals but also strengthen domestic resource security while lowering the environmental footprint of industrial growth. With an installed recycling capacity of 156,950 MTPA and a track record of producing quality-compliant alloys, company is closely aligned with India's sustainability agenda and the global transition towards a circular, resource-efficient economy.

Company own and operate a Manufacturing Facility spread across approximately 7.61 acres in the Tirupati district of Andhra Pradesh with an installed capacity of 156,950 MTPA. The facility is equipped with advanced machinery for efficient and environmentally responsible lead recycling, including rotary furnaces, refining kettles, casting machines, and pollution control systems. Company's Manufacturing Facility has received ISO 9001:2015 (conformity to quality management system standard), ISO 14001:2015 (conformity to environmental management system standard), and ISO 45001:2018 (conformity to occupational health and safety management system standard) accreditations. Company's NABL accredited in-house testing laboratory ensures strict quality control, aligning output with customer specifications and industry standards

Company's Manufacturing Facility is strategically located in Tirupati, Andhra Pradesh, on account of the presence of large battery manufacturers such as Amara Raja Energy & Mobility and other notable lead acid battery manufacturers in company's proximity. Owing to its strategic presence, company is able to deliver its products to such customers in a short turnaround time, saving on logistical costs, thereby making its products cost competitive as compared to its competitors. Such strategic location has made well-known lead acid battery manufacturers, such as, Amara Raja Energy & Mobility, a key customer of Company. Additionally, company's Manufacturing Facility has been strategically set up near the port to cater to both domestic and international markets in recycled lead Chennai port is 150 Kms away from the plant location of company while Kattupalli port is 130 Kms and Ennore port is also 130 Kms away from its Manufacturing Facility, enabling ease of shipment in relation to the export and import operations of Company.

OBJECTS OF OFFER

The Offer Comprises of a Fresh Issue of Equity Shares of face value ₹ 2 each, aggregating upto to ₹ 3,200 million by Company and an offer for sale of up to 19,975,000 Equity Shares of face value of ₹ 2 each, by Promoter Selling Shareholders.

Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Funding incremental working capital requirement of Company;
2. Repayment and/or pre-payment, in full or in part, of certain borrowings availed by Company; and
3. General corporate purposes.

RISKS

Company served 52, 54 and 54 customers for the Fiscals 2026, 2025 and 2024. The revenue from company's top customer was ₹ 4,745.56 million, ₹ 3,804.08 million and ₹ 3,352.94 million and contributed to 40.64%, 51.22% and 72.42% of revenue from operations during the respective years. The loss of any of these customers could have a material adverse effect on company's business, financial condition, results of operations and cash flows.

Source:RHP

Consolidated Financials **(Rs in Mn)**

Financials	FY24	FY25	FY26
Total Revenue (A)	4629.59	7427.35	11676.53
Total Expenditure (B)	4349.01	6768.01	10205.71
EBIDTA	280.58	659.34	1470.82
EBIDTA Margin	6.06	8.88	12.60
Other Income	4.33	7.91	12.30
Depreciation	63.60	86.67	113.66
EBIT	221.31	580.58	1369.46
Interest	103.45	134.12	240.02
PBT	117.86	446.46	1129.44
Share of profit in Asso	0.00	0.00	0.00
PBIT	117.86	446.46	1129.44
Exceptional	0.00	0.00	0.00
PBT	117.86	446.46	1129.44
Tax	28.32	113.75	282.63
PAT	89.54	332.71	846.81
NPM	7.25	7.25	7.25
ROE%	30.61	53.15	57.46
EPS	0.35	1.31	3.32
Eq Cap	31.85	31.85	509.65
Net Worth	292.49	626.01	1,473.80

(Source: RHP)

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