



LONG TERM SUBSCRIBE

0

IPO Report

22nd Sept 26

Snapshot

Company offer a diverse range of products comprising tiles, including glazed vitrified tiles (“GVT”), polished vitrified tiles (“PVT”) and ceramic tiles. Company have consistently leveraged technology to pioneer design and quality advancements in the industry. For instance, company have commercialized integrated stone technology (“IST”) in 2024, with a technology partnership with SACMI Imola S.C. (“SACMI”), an Italian tile equipment provider. Company’s diverse product offerings comprise a wide range of high-quality, durable and aesthetic tiles. Company’s primary focus is on selling premium products such as GVT and technical products which represented 84.19%, 78.71% and 75.37% of company’s revenue from operations from tiles in Fiscals 2026, 2025 and 2024, respectively.

VALUATION

Company is bringing the issue at price band of Rs 140-148 per share at p/e multiple of 61x on post issue FY26 basis. Company’s Customer centric innovation led approach resulting in multiple new product launches & company’s Strategically located and technologically advanced in-house manufacturing to maintain control over quality and supply chain with entrepreneurial founder led management team, independent Board with strong focus on sustainability. Hence, we recommend “Long Term Subscribe” to issue.

STRENGTHS

Established player operating in the tile industry in India in a large attractive market .

Customer centric innovation led approach resulting in multiple new product launches.

Well diversified pan-India distribution network focused on EBOs that strengthen company’s brand recall.

OBJECTS OF ISSUE

The Offer comprises a Fresh Issue of Equity Shares of face value of ₹ 2 each, aggregating up to ₹3,200.00 million and an Offer for Sale of up to 26,217,634 Equity Shares, by the Investor Selling Shareholder.

Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by:

- . Company; and
- . Company’s wholly-owned subsidiaries namely Covertek Ceramica Private Limited and Varmora Sanitarywares Private Limited (formerly, Varmora Sanitarywares LLP), through investment in such Subsidiaries

General corporate purposes.

Price Band (Rs./Share)	140-148
Opening date of the issue	22nd Sept ‘2026
Closing Date of the issue	24th Sept ‘2026
No of shares pre issue	20,43,90,203 Eq Shares
Issue Size	Rs 708 Cr
Fresh Issue	Rs 320 Cr
OFS	2,62,17,634 Eq Shares
Face Value (Rs/ share)	Rs 2/share
Bid Lot	101
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer
Non-Institutional	15% of the offer
Retail	35% of the offer

Lead managers JM Financial Limited , Goldman Sachs (India) Securities Private Limited , SBI Capital Markets Limited

Registrar to the issue KFinTech Technologies Ltd

Financial Statements

Rs Mn

	FY24	FY25	FY26
Total Revenue	14354.81	14460.29	15124.64
Total Expenditure	13222.52	12943.84	13409.72
EBIDTA	1132.29	1516.45	1714.92
EBIDTA Margin	7.89	10.49	11.34
Other Income	371.01	466.46	500.64
Depreciation	616.11	1194.08	1059.87
EBIT	887.19	788.83	1155.69
Interest	290.56	424.90	394.04
PBT	596.63	363.93	761.65
Share of profit in Asso	33.73	12.57	12.27
PBIT	630.36	376.50	773.92
Exceptional	0.00	0.00	7.74
PBT	630.36	376.50	766.18
Tax	181.01	68.77	215.25
PAT	449.35	307.73	550.93
NPM	3.13	2.13	3.64
ROE%	6.51	4.88	7.79
EPS	2.19	1.75	3.08
Eq Cap	399.66	403.25	403.25
Net Worth	6,877.38	7,320.49	8,060.27



DISCLAIMER

HEM Securities Limited ("Research Entity or HSL") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services, merchant banking services, Portfolio Management Services and other related activities. Broking services offered by HEM Securities Limited are under SEBI Registration No.: INZ000168034.

This Report has been prepared by HEM Securities Limited in the capacity of a Research Analyst having SEBI Registration No. INH100002250 and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. This should not be construed as invitation or solicitation to do business with HSL. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject HSL and associates / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. HSL reserves the right to make modifications and alterations to this statement as may be required from time to time. HSL or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. HSL is committed to providing independent and transparent recommendation to its clients. Neither HSL nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

HSL and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies), mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Investments in securities market are subject to market risks, read all the related documents carefully before investing.