



# IPO NOTE

## RAJPUTANA STAINLESS



Rating:

**AVOID**



### ISSUE OFFER

|                      |               |
|----------------------|---------------|
| Issue Opens on       | MAR 09, 2026  |
| Issue Close on       | MAR 11, 2026  |
| Total IPO size (cr)  | ₹255          |
| Fresh issue (cr)     | ₹179          |
| Offer For Sale (cr)  | ₹76           |
| Price Band (INR)     | ₹ 116-122     |
| Market Lot           | 110 SHARES    |
| Face Value (INR)     | ₹10           |
| Listing At           | BSE, NSE      |
| Market Cap (Pre IPO) | ₹ 1,019.53 CR |

### ISSUE BREAK-UP (%)

|                |                                 |     |
|----------------|---------------------------------|-----|
| QIB Portion    | <div style="width: 50%;"></div> | 50% |
| NII Portion    | <div style="width: 15%;"></div> | 15% |
| Retail Portion | <div style="width: 35%;"></div> | 35% |

### INDICATIVE TIMETABLE

|                              |            |
|------------------------------|------------|
| Basis of Allotment           | 12-03-2026 |
| Refunds/Unblocking ASBA Fund | 13-03-2026 |
| Credit of Share to Demat A/c | 13-03-2026 |
| Listing Date                 | 16-03-2026 |

Rajputana Stainless Limited is engaged in manufacturing long and flat stainless-steel products.

### OBJECTS OF THE ISSUE

- Funding capital expenditure requirements for setting up of manufacturing facility for Stainless Steel Seamless Pipes to expand the product portfolio
- Full or partial repayment of certain outstanding secured borrowings.
- General corporate purposes

### FINANCIALS (RESTATED CONSOLIDATED)

| PARTICULARS (IN CRORE)             | FY 2025       | FY 2024       | FY 2023       |
|------------------------------------|---------------|---------------|---------------|
| Equity Share Capital               | 68.92         | 34.46         | 34.46         |
| Net Worth                          | 151.95        | 112.27        | 81.17         |
| <b>Revenue</b>                     | <b>937.49</b> | <b>915.50</b> | <b>950.69</b> |
| EBITDA Margin%                     | 7.87%         | 6.49%         | 4.61%         |
| <b>Net Profit/Loss of the year</b> | <b>39.85</b>  | <b>31.63</b>  | <b>24.04</b>  |

### FINANCIAL RATIOS OF FY25



ROCE



P/E ( Pre IPO)



EPS ( Pre IPO)

### OUTLOOK & VALUATION

- The company has reported flat revenue growth in recent periods, indicating limited expansion in its top line performance.
- It operates in a highly competitive and fragmented stainless-steel products industry, which may impact margins and market share.
- Based on its recent financial performance, Rajputana is priced at a slight discount to peers, making valuation reasonable.
- The concerns from the DRHP still hold – high contingent liabilities (~68% of net worth), rising related-party transactions (28% of revenues in FY25), and flat revenue growth despite rising profits.
- Considering the valuation and growth outlook, investors may consider avoiding this IPO for now and wait for better clarity on future performance.



## COMPANY PROFILE

- RSL is engaged in the manufacturing of long and flat stainless-steel products under the brand name “RSL”.
- Its portfolio includes billets, forging ingots, rolled black bars, rolled bright bars, flats and pattis, offered in over 80 stainless-steel grades.
- The Company operates on a B2B model, serving manufacturers and traders across industries such as pipes, forging, engineering, casting, fasteners, utensils, pumps, shafts and automobiles.
- With a diversified product mix, wide grade capability and strong presence in domestic markets, RSL positions itself as a reliable stainless-steel solutions provider focused on quality, operational scale and customer-centric growth.



## COMPETITIVE STRATEGIES

- Setting up of Stainless Steel Seamless Pipes Unit
- Strengthening foothold in existing markets and expanding customer base
- Continue to improve operations and profitability through strategic initiatives
- Continue efforts towards training of manpower
- Focus on rationalizing indebtedness



### KEY CONCERNS

- High revenue dependence on top customers without long-term contracts.
- Significant ongoing litigations and contingent liabilities.
- Geographic concentration of manufacturing operations in Gujarat.
- Dependence on limited key raw material suppliers.
- The majority of revenue is derived from domestic markets, especially select states.



### KEY STRENGTHS

- Diversified portfolio of 80+ stainless steel grades under the “RSL” brand.
- Strong B2B presence across multiple end-use industries.
- Established promoter group with a long operating history since 1991.
- Strategic expansion into seamless pipes for forward integration.
- Consistent revenue base with improving profitability metrics.

**COMPARISON WITH LISTED INDUSTRY PEERS**

| Name of the Company        | EPS (₹ Basic) | P/E         | NAV          | Revenue (cr.) | RoNW%        |
|----------------------------|---------------|-------------|--------------|---------------|--------------|
| <b>Rajputana Stainless</b> | <b>5.78</b>   | <b>21.1</b> | <b>22.05</b> | <b>937.49</b> | <b>26.23</b> |
| <b>Peer Group</b>          |               |             |              |               |              |
| Mangalam Worldwide         | 10.59         | 22.57       | 91.37        | 1,060.71      | 11.28        |
| Mukand                     | 5.24          | 26.34       | 65.72        | 4,899.99      | 7.99         |
| Electrotherm               | 347.06        | 3.16        | -124.60      | 411.53        | -278.47      |
| Panchmahal Steel           | 1.74          | 182.18      | 84.02        | 383.10        | 2.07         |



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CORPORATE & ADMINISTRATIVE OFFICE - 48, Jaora Compound, M.Y.H. Road, Indore - 452 001 | Phone 0731 - 6644000

Compliance Officer: Ms. Sheetal Duraphe Email: [compliance@swastika.co.in](mailto:compliance@swastika.co.in) Phone: (0731) 6644 241

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