

Rajputana Stainless Ltd

IPO Note





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India's Emerging Stainless-Steel Solutions Provider

Rajputana Stainless Limited is engaged in the manufacturing of stainless steel long products including billets, ingots, round bars square bars, hex bars, flat bars and wire rods, which are primarily used as raw materials in engineering and industrial applications. Incorporated in 1991, the company operates an integrated stainless steel manufacturing facility located in the Panchmahal district of Gujarat, spread across approximately 35,000+ sqmtr. The facility houses melting, refining, casting, rolling and finishing capabilities, enabling the company to carry out end-to-end stainless steel production under a single operational setup.

The manufacturing infrastructure includes induction furnaces for scrap melting, an Argon Oxygen Decarburization (AOD) refining unit for metallurgical grade control, continuous casting machines (CCM) for billet and ingot production, rolling mills for conversion into long products, along with heat treatment and bright bar processing facilities. The plant has an installed melting capacity of ~48,000 MTPA and rolling capacity of ~36,000 MTPA, enabling the company to manufacture stainless steel products across more than 80 grades and various dimensional specifications to meet industrial requirements.

It primarily derives revenue from domestic markets through direct industrial customers and trader networks, while also supplying to select international markets.

India's stainless steel long products market continues to witness steady demand driven by infrastructure development, industrial expansion and increasing usage of corrosion-resistant alloys across manufacturing sectors. Within this ecosystem, Rajputana Stainless focuses on optimizing capacity utilization, expanding value-added product offerings and strengthening customer relationships.

Strengths:

- Integrated stainless steel manufacturing from melting to finished bars.
- Diversified product portfolio across multiple grades and end-use industries.
- Experienced promoter-led management with established customers.

Weaknesses:

- Earnings exposed to steel price and commodity demand volatility.
- Operational concentration in a single manufacturing facility.
- Customer concentration risk without long term supply contracts

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	Adj BVPS (₹)	ROE (%)	ROIC (%)	EV/EBITDA (x)	P/BV (x)	P/E (x)
FY23	947.7	43.8	24.0	4.6	2.5	2.9	9.7	29.6	24.2	24.9	12.6	42.4
FY24	909.8	59.4	31.6	6.5	3.5	3.8	13.4	28.2	28.0	18.3	9.1	32.2
FY25	932.2	73.8	39.9	7.9	4.3	4.8	18.2	26.2	27.3	15.0	6.7	25.6

Source: Ventura Research & Company update

Industry	Stainless Steel
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Scrip Details

Listing	BSE & NSE
Open Date	Mar 9, 2026
Close Date	Mar 11, 2026
Price Band	INR 116-122
Face Value	INR 10
Market Lot	110 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr.)	254.98
Issue Size sh. (INR cr.)	2.09
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≤ 15%
Retail Share (%)	≥ 35%
Pre-Issue sh. (in cr.)	6.89
Post Issue sh. (in cr.)	8.35
Post Issue Market Cap (in cr.)	1,019.53

Shareholding (%)	Pre (%)	Post (%)
Promoter	78.22	57.01
Public	21.78	42.99
TOTAL	100	100

Issue Structure and Offer Details:

Rajputana Stainless Limited IPO is a book-built issue aggregating up to INR 254.98 Cr. The issue is a combination of a fresh issue of equity shares aggregating up to INR 178.73 Cr and an offer for sale aggregating up to 76.25 Cr by promoter selling shareholders, aimed at funding working capital requirements, capital expenditure and providing partial liquidity to existing shareholders.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 50% of the Net Offer.
NII (HNI)	Not less than 15% of the Net Offer.
Retail	Not less than 35% of the Net Offer.

Number of shares based on a higher price band of INR 122

Source: Company Reports

Objects of the Issue:

- Funding capital expenditure requirements for setting up of manufacturing facility for Stainless Steel Seamless Pipes to expand the product portfolio (“Proposed Facility”) – 18.57 cr.**
- Full or part repayment and/or prepayment of certain outstanding secured borrowings availed by the Company – 98 cr.**
- General corporate purposes**

Financial Summary

Fig in INR Cr (unless specified)	FY22	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY22	FY23	FY24	FY25
Income Statement					Per share data & Yields				
Revenue	766.4	947.7	909.8	932.2	Adjusted EPS (INR)	1.0	2.9	3.8	4.8
<i>YoY Growth (%)</i>	<i>79.1</i>	<i>23.6</i>	<i>(4.0)</i>	<i>2.5</i>	Adjusted Cash EPS (INR)	1.9	3.7	4.8	5.8
Raw Material Cost	633.3	779.0	720.2	735.0	Adjusted BVPS (INR)	6.9	9.7	13.4	18.2
<i>RM Cost to Sales (%)</i>	<i>82.6</i>	<i>82.2</i>	<i>79.2</i>	<i>78.8</i>	Adjusted CFO per share (INR)	(0.2)	3.0	3.8	0.8
Employee Cost	14.9	18.2	17.9	19.8	CFO Yield (%)	(0.2)	2.5	3.1	0.7
<i>Employee Cost to Sales (%)</i>	<i>1.9</i>	<i>1.9</i>	<i>2.0</i>	<i>2.1</i>	Adjusted FCF per share (INR)	(0.0)	1.8	3.8	1.2
Other Expenses	88.0	106.7	112.3	103.6	FCF Yield (%)	(0.0)	1.5	3.1	1.0
<i>Other Exp to Sales (%)</i>	<i>11.5</i>	<i>11.3</i>	<i>12.3</i>	<i>11.1</i>	Solvency Ratio (X)				
EBITDA	30.1	43.8	59.4	73.8	Total Debt to Equity	1.6	1.0	0.7	0.7
<i>Margin (%)</i>	<i>3.9</i>	<i>4.6</i>	<i>6.5</i>	<i>7.9</i>	Net Debt to Equity	1.4	0.9	0.6	0.6
<i>YoY Growth (%)</i>	<i>37.6</i>	<i>45.4</i>	<i>35.5</i>	<i>24.2</i>	Net Debt to EBITDA	2.7	1.6	1.2	1.2
Depreciation & Amortization	6.8	6.9	8.3	8.8	Return Ratios (%)				
EBIT	23.4	36.9	51.1	65.0	Return on Equity	15.1	29.6	28.2	26.2
<i>Margin (%)</i>	<i>3.0</i>	<i>3.9</i>	<i>5.6</i>	<i>7.0</i>	Return on Capital Employed	9.7	19.3	19.9	18.8
<i>YoY Growth (%)</i>	<i>31.5</i>	<i>58.2</i>	<i>38.3</i>	<i>27.3</i>	Return on Invested Capital	16.8	24.2	28.0	27.3
Other Income	1.6	3.0	5.7	5.3	Working Capital Ratios				
Interest	11.0	11.4	14.5	15.7	Payable Days (Nos)	51	38	41	52
Fin Charges Coverage (X)	2.1	3.2	3.5	4.1	Inventory Days (Nos)	54	34	42	52
Exceptional Item	0.0	0.0	0.0	0.0	Receivable Days (Nos)	42	41	36	59
PBT	13.9	28.6	42.3	54.6	Net Working Capital Days (Nos)	44	37	36	59
<i>Margin (%)</i>	<i>1.8</i>	<i>3.0</i>	<i>4.7</i>	<i>5.9</i>	Net Working Capital to Sales (%)	12.2	10.3	9.9	16.2
<i>YoY Growth (%)</i>	<i>88.5</i>	<i>105.1</i>	<i>48.1</i>	<i>29.1</i>	Valuation (X)				
Tax Expense	5.2	4.5	10.7	14.8	P/E	117.2	42.4	32.2	25.6
<i>Tax Rate (%)</i>	<i>37.6</i>	<i>15.9</i>	<i>25.3</i>	<i>27.1</i>	P/BV	17.7	12.6	9.1	6.7
PAT	8.7	24.0	31.6	39.9	EV/EBITDA	36.5	24.9	18.3	15.0
<i>Margin (%)</i>	<i>1.1</i>	<i>2.5</i>	<i>3.5</i>	<i>4.3</i>	EV/Sales	1.4	1.2	1.2	1.2
<i>YoY Growth (%)</i>	<i>289.7</i>	<i>176.5</i>	<i>31.5</i>	<i>26.0</i>	Cash Flow Statement				
Min Int/Sh of Assoc	0.0	0.0	0.0	0.0	PBT	13.9	28.6	42.3	54.6
Net Profit	8.7	24.0	31.6	39.9	Adjustments	16.4	5.1	(7.1)	27.8
<i>Margin (%)</i>	<i>1.1</i>	<i>2.5</i>	<i>3.5</i>	<i>4.3</i>	Change in Working Capital	(27.1)	(4.0)	6.9	(60.6)
<i>YoY Growth (%)</i>	<i>289.7</i>	<i>176.5</i>	<i>31.5</i>	<i>26.0</i>	Less: Tax Paid	(5.2)	(4.5)	(10.7)	(14.8)
Balance Sheet					Cash Flow from Operations	(1.9)	25.1	31.5	7.1
Share Capital	34.5	34.5	34.5	68.9	Net Capital Expenditure	(5.0)	(19.3)	(10.6)	(8.1)
Total Reserves	23.3	46.7	77.8	83.0	Change in Investments	(1.0)	6.2	4.1	(3.9)
Shareholders Fund	57.8	81.2	112.3	151.9	Cash Flow from Investing	(6.0)	(13.1)	(6.5)	(12.0)
Long Term Borrowings	33.9	24.8	19.4	17.6	Change in Borrowings	18.9	(0.6)	(10.6)	20.6
Deferred Tax Assets / Liabilities	10.7	7.0	7.0	7.2	Less: Finance Cost	(11.0)	(11.4)	(14.5)	(15.7)
Other Long Term Liabilities	0.0	11.4	0.0	1.8	Proceeds from Equity	0.0	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.1	0.1	Buyback of Shares	0.0	0.0	0.0	0.0
Long Term Provisions	1.7	1.8	2.6	3.1	Dividend Paid	0.0	0.0	0.0	0.0
Total Liabilities	104.1	126.1	141.3	181.7	Cash flow from Financing	7.9	(12.0)	(25.0)	4.9
Net Block	55.2	52.7	70.5	69.6	Net Cash Flow	(0.0)	0.0	(0.0)	(0.0)
Capital Work in Progress	0.7	15.5	0.0	2.2	Forex Effect	0.0	0.0	0.0	0.0
Intangible assets under developmer	0.0	0.0	0.0	0.0	Opening Balance of Cash	0.1	0.0	0.1	0.0
Non Current Investments	0.0	0.0	0.0	0.0	Closing Balance of Cash	0.0	0.1	0.0	0.0
Long Term Loans & Advances	1.1	6.0	1.4	1.2					
Other Non Current Assets	0.0	0.0	0.0	0.0					
Net Current Assets	47.2	52.0	69.4	108.7					
Total Assets	104.1	126.1	141.3	181.7					

Source: Ventura Research

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