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IPO OFFERING



Uniparts India Limited

About Company

Recommendation: Subscribe

Noida based, **Uniparts India Limited (UIL)** is a global manufacturer of engineered systems and solutions. The company's core product portfolio consists of 3-point linkage systems(3PL) and precision machined parts(PMP) as well as adjacent product verticals of power take-off, fabrications and hydraulic cylinders or components. Uniparts is a concept-to-supply player for precision products for off-highway vehicles in the agriculture and construction, forestry and mining ("CFM") and aftermarket sectors with a presence across the value chain. UIL has a global footprint and served customers across countries in North and South America, Europe, Asia, and Australia, including India. In India, Uniparts has 5 manufacturing facilities, 2 at Ludhiana, 1 at Visakhapatnam, and 2 at Noida along with distribution facility. In the United States, they have a manufacturing, warehousing and distribution facility at Eldridge, Iowa and a warehousing and distribution facility at Augusta, Georgia. In Fiscal 2022, Company's customer base comprised over 125 customers in over 25 countries globally.

Price Band	: Rs 548 to 577/- per share
Bid Lot size	: 25 Shares
Issue size	: Rs 836 Cr
Face Value	: Rs 10/-
Min App Amount	: Rs 14425/- at upper band
Issue Period	: 30 th November to 02 nd December 2022
Indicative credit of equity shares	: 09-12-2022
Indicative listing date	: 12-12-2022

Important Note: All retail applications compulsory in UPI mode*. Currently IPO through UPI Mechanism in Retail Category is available only on BHIM App. Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

Msearch View & Recommendation: We believe that, with UIL's ability to offer end-to-end solutions to their customers instead of individual components and their emphasis on the global business model to meet the customers' varying requirements, differentiate them from their competitors. Along with backward integration the company has in-house testing, R&D facilities which ensures quality of finished product. Going forward, the idea to leverage its manufacturing & warehousing infrastructure, global footprint, and value proposition to expand further in newer geographies, and adjacent product verticals shows that the company is strategically positioned with cost efficiency. The company also intends to pay dividends with the available cash flows post reduction in debt. On valuations at upper price band (Rs 577/-), the issue is asking for a market cap of Rs 2604 Cr and based on FY23 annualized earnings, P/E stands at 12x which seems the issue is reasonably priced when compared to listed players. UIL is the smallest player in the space but has consistent growth in revenues and margin in front of other big players such as Bharat Forge, Balkrishna Industries etc. However, we also see risks in terms of complete OFS raising concern to new investors. Overall, considering all the rationales, we advise investors to **SUBSCRIBE** this IPO **for medium to long-term and listing gain if any.**



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BASIC FINANCIAL DETAILS				
Particulars Rs (in Cr)	2020	2021	2022	Jun'30 2022 (03)
Equity Share Capital	44.62	44.62	44.62	44.62
Reserves as stated	419.55	515.52	640.62	669.31
Net worth as stated	464.17	560.14	685.24	713.93
Revenue from Operations	907.22	903.14	1227.42	346.84
Revenue Growth (%)	-	(0.45%)	35.91%	-
EBITDA as stated	127.81	163.93	271.66	76.12
Profit Before Tax	74.40	118.56	229.32	65.19
Net Profit for the period	62.64	93.15	166.89	50.52
EPS (Rs)	14.20	21.12	37.74	11.42
RONW%	13.50%	16.63%	24.35%	7.08%
NAV (Rs)	102.84	124.11	151.82	158.18

Data as on 31st March 2022

Source: Company RHP

COMPARISON WITH LISTED INDUSTRY PEERS Rs (in Cr)								
Companies	Mcap (in Cr)	FV	Total Revenue FY 2022 (in Cr)	EPS	NAV	P/E	P/Bv	RoNW
Uniparts India Ltd	2604	10	1231	36.98	151.82	15.60	3.80	24.35%
BalKrishna Industries Ltd	39336	2	8733	74.25	358.63	26.44	5.96	20.70%
Bharat Forge Ltd	39502	2	10656	23.23	142.33	36.73	4.98	16.25%
RamKrishna Forging Ltd	3542	2	2321	12.43	67.45	18.60	2.34	18.36%

Data as on 31st March 2022, Mcap: Cline, P/E, P/BV calculated as on 31st March 2022



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Msearch's Recommendation (Absolute Performance) Buy: > 20% within the next 12 Months

Accumulate: 5% to 20% within the next 12 Months Sell : < -20% within the next 12 Months

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