



IPO DETAILS

#IPOlogy

# SAMBHV STEEL TUBES LIMITED



**ISSUE OPEN**

**25 June, 2025**



**ISSUE CLOSE**

**27 June, 2025**

Min. Lot Size

**182 shares**

Issue Price Band

**₹77 - ₹82**

## Issue Size

Fresh Issue:  
5.37 Cr Eq Shares  
(₹ 440.00 Cr)

OFS:  
1.22 Cr  
(₹ 100.00 Cr)

## Face Value

₹10

## Industry

Iron and Steel

## Listing at

NSE, BSE

RATING

# SUBSCRIBE

**APPLY NOW**

### Marwadi Shares and Finance Limited

**Corporate Office:** Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

**Registered Office:** X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.

0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

**Disclaimer:** 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



## SAMBHV STEEL TUBES LIMITED

### Rationale

Considering the FY24 EPS of Rs 2.80 on a post issue basis, the company is set to list at a P/E of approximately ~29.31x with a market cap of Rs 2,416.22 Cr, whereas its peers namely APL Apollo Tubes Ltd, Hariom Pipes Industries Ltd, Hi-Tech Pipes Ltd, JTL Industries Ltd, Rama Steel Tubes Ltd and Surya Roshni Ltd are trading at P/E ratios of approximately ~65x, 20x, 28x, 29x, 84x and ~22x, respectively.

We assign "Subscribe" rating to this IPO as company is well-positioned to take advantage of the growing demand for quality ERW steel pipes and tubes with its strong process innovation and execution capabilities. Also, it is available at reasonable valuation as compared to its peers.

### Company Overview

Sambhv Steel Tubes Ltd is a manufacturer of electric resistance welded ("ERW") steel pipes and structural tubes (hollow section) along with value added products such as GI and GP pipes in India.

The company's production process is highly backward integrated as it starts with the production of sponge iron at its facilities through the direct reduced iron (DRI) process.

The company's manufacturing facilities are located in Sarora village and Kuthrel village in the mineral-rich state of Chhattisgarh.

As of March 31, 2025, the company had a total installed capacity of 1,698,000 MTPA of high-quality steel (intermediate and finished) products.

The company's products are rust resistant and tailored to meet specific market requirements, ensuring wide application across multiple sectors including housing and infrastructure, water transportation, agriculture, automobile, telecommunications, oil and gas, engineering, solar energy, fire-fighting systems and for support structures of conveyors.

The company has a widespread presence in the Indian states of Chhattisgarh, Maharashtra, Gujarat, Haryana, Rajasthan, Uttar Pradesh, Madhya Pradesh and Telangana.



### Distribution Network Now Covers 15 States & 1 UT

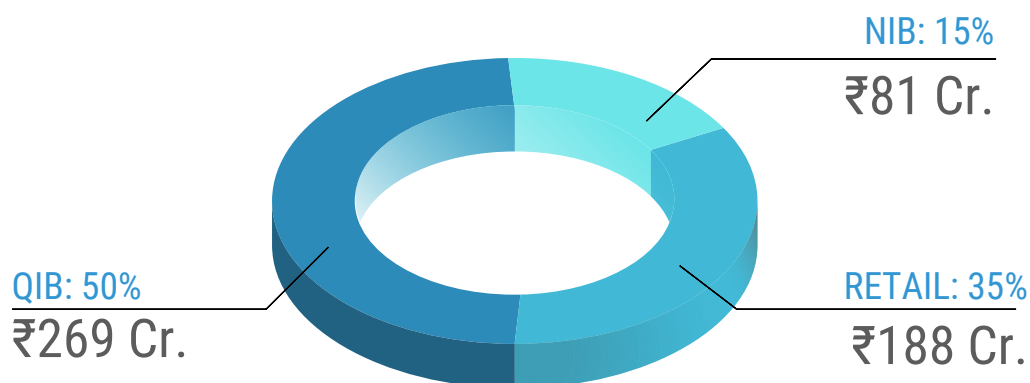
As of December 31, 2024, the company has a network of 37 distinct distributors with 2 distributors distributing through 6 branches in 15 states and 1 union territory taking the total distributor network to 43 in India.



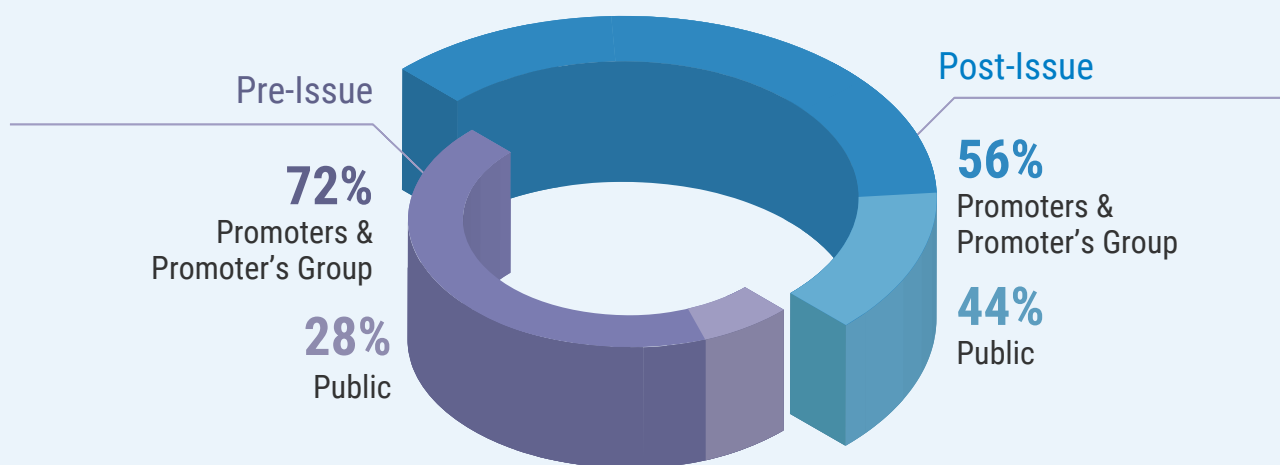
SAMBHV STEEL TUBES LIMITED

## Issue Details

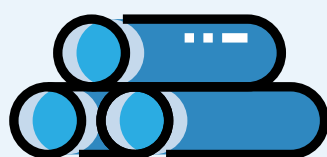
### Issue Break-Up



### Shareholding Pattern

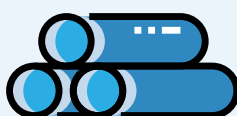


### Capital Structure (in ₹ Cr.)



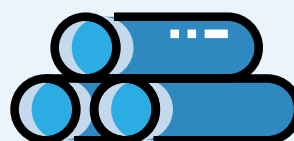
**1,000 Cr**

Authorised Equity  
Share Capital



**241 Cr**

Paid-Up Capital  
(Pre-Offer)



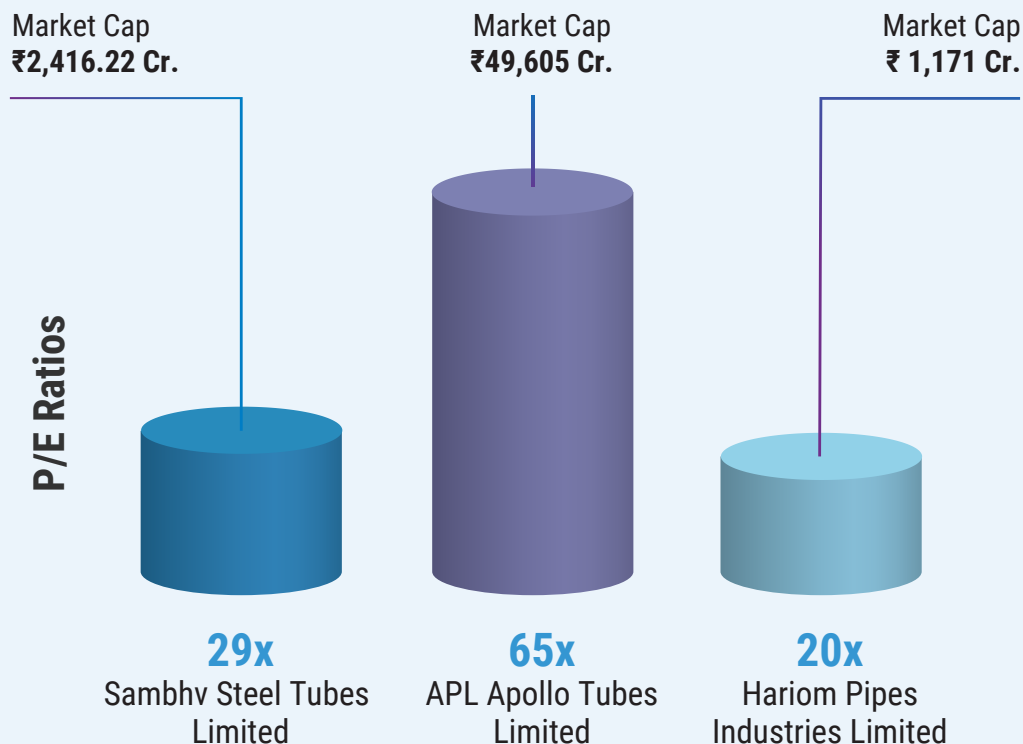
**295 Cr**

Paid-Up Capital  
(Post-Offer)



SAMBHV STEEL TUBES LIMITED

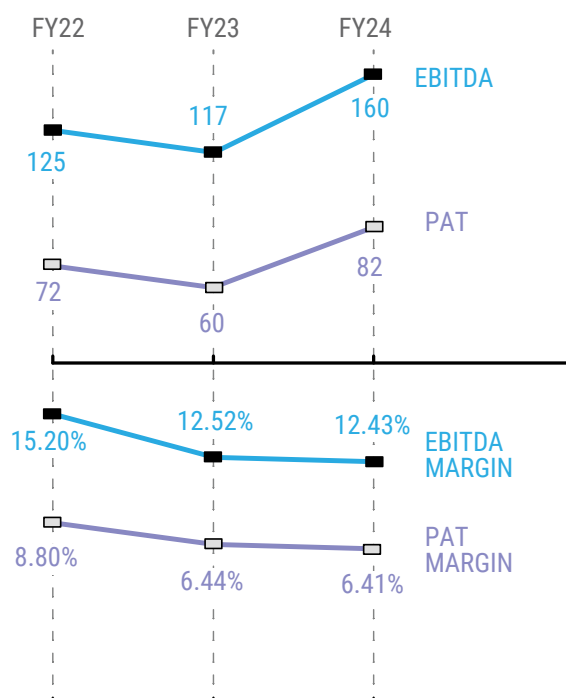
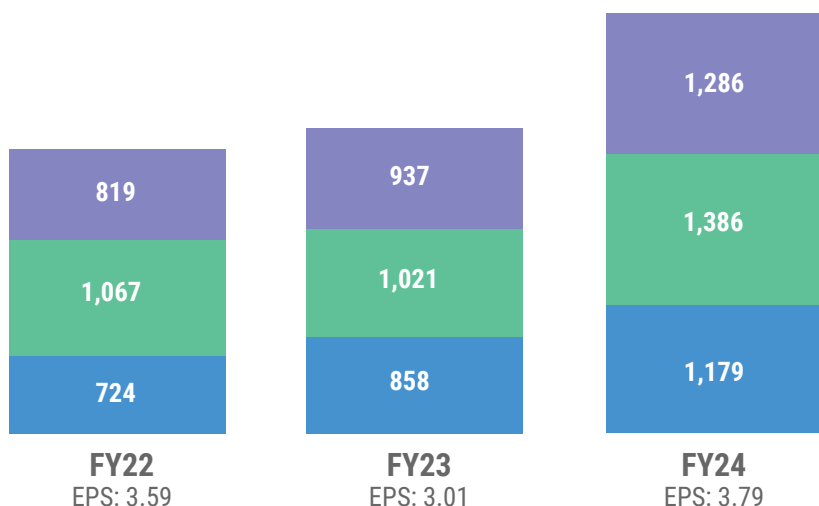
# Valuations and Peer Comparison



Market Cap data of listed securities as on June 23, 2025

## Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





SAMBHV STEEL TUBES LIMITED

## Business Insights



### Competitive Strengths

- A single location backward integrated facility in India
- Strategically located manufacturing plants resulting in operational efficiencies
- Strong process innovation and execution capabilities allowing the company to produce value-added products
- Wide-spread well connected distribution network across India
- Well-positioned to take advantage of the growing demand for quality ERW steel pipes and tubes
- Experienced Promoters and management team with vast experience in the steel industry
- Track record of healthy financial performance



### Business Strategy

- Production capacity expansion with focus on valued added products
- Expanding distributor network and increasing business share from existing distributors and direct customers
- Continue to focus on value added products and customization
- Continue to focus on operational and cost optimization
- Continue emphasis on brand building



### Risks

- An increase in the cost of or a shortfall in the availability of the key raw materials such as iron ore, coal, iron ore pellets, sponge iron and mild steel scrap from the suppliers could have a material adverse effect on the company's business, results of operations, profitability and margins, cash flows and financial condition.
- The company derives a substantial portion of its revenue from the sale of ERW pipes and tubes and any loss of sales due to reduction in demand for these products could adversely affect the company's business, financial condition, results of operations and cash flows. Further, the company's inability to successfully diversify its product offerings may adversely affect the growth and negatively impact the profitability of the company.

## Promoters and Management Details

Suresh Kumar Goyal - Chairman and Executive Director

Vikas Kumar Goyal - Managing Director and Chief Executive Officer

Bhavesh Khetan - Executive Director and Chief Operating Officer

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