



IPO NOTE

DOMS INDUSTRIES LIMITED



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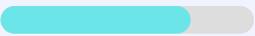
(FOR LISTING GAIN AND LONG TERM)



ISSUE OFFER

Issue Opens on	DEC 13, 2023
Issue Close on	DEC 15, 2023
Total IPO size (cr)	1200
Fresh issue (cr)	350
Offer For Sale (cr)	850
Price Band (INR)	750-790
Market Lot	18
Face Value (INR)	10
Retail Allocation	10%
Listing On	NSE, BSE

ISSUE BREAK-UP (%)

QIB Portion		75%
NIB Portion		15%
Retail Portion		10%

SHAREHOLDING (No. of Shares)

Pre Issue	Post Issue
56,250,218	60,680,598

INDICATIVE TIMETABLE

Finalisation of Basis of Allotment	18-12-2023
Refunds/Unblocking ASBA Fund	19-12-2023
Credit of equity shares to DP A/c	19-12-2023
Trading commences	20-12-2023

DOMS Industries Limited design, develop, manufacture, and sell a wide range of stationery and art products, primarily under its flagship brand 'DOMS', in the domestic market as well as in over 45 countries internationally. The company's products are classified across seven categories: (i) scholastic stationery; (ii) scholastic art material; (iii) paper stationery; (iv) kits and combos; (v) office supplies; (vi) hobby and craft; and (vii) fine art products.

OBJECTS OF THE ISSUE

- Proposing to partly finance the cost of establishing a new manufacturing facility.

OUTLOOK & VALUATION

Doms, a leading Indian stationery brand, provides exposure to the growing consumer goods sector. Its strong brand, diverse product portfolio, and robust manufacturing position it well for continued growth. Multi-channel distribution and strategic partnerships expand its reach. Doms has demonstrated impressive financial growth in recent years, solidifying its market position and future potential.

However, dependence on its flagship product and traditional distribution channels, coupled with intense competition and supplier price pressures, pose risks.

Despite the fully priced valuation of 43x P/E, we recommend subscribing to the Doms IPO based on its strong brand, consistent growth, and promising market outlook.



KEY MANAGERIAL PERSONNEL

01

Gianmatteo Terruzzi

Chairman and Independent Director of the Company. He was previously associated with LVT Advisors S.R.L. as its sole director, Egida SRL as a director, I.R.E. 2 S.R.L. as its sole director and Lusben Varazze S.R.L. as chief executive officer.

02

Santosh Rasiklal Raveshia

Managing Director and one of the Individual Promoters of the Company. He has been associated with the Company since its incorporation as a Director and Promoter. He is primarily involved in all aspects of the business of the Company, including new product development, crafting, and executing go-to market strategies.

03

Rahul Shah

Chief Financial Officer of the Company. Prior to joining this Company, he has worked in ARANCA Mumbai Private Limited as a senior research analyst and Cohen Independent Research Group as an outside contractor analyst. Subsequently, he joined as a partner with Leap Growth Partners LLP, a boutique investment banking advisory outfit.

04

Mitesh Padia

Company Secretary and Compliance Officer of the Company. In this Company, he handles secretarial and compliance functions. He joined the Company as the Executive in Legal compliance of the Company on January 1, 2018.



COMPANY PROFILE

- Doms Industries Limited is the second largest player in India's branded 'stationery and art' products market, with a market share of ~12% by value, as of Fiscal 2023.
- It has the widest breadth of product categories amongst its peers in India. It is amongst the few 'stationery and art material' products manufacturing and marketing companies globally with such a wide product breadth.
- The Company's products are marketed under its flagship brand 'DOMS' and other brand/sub-brands including 'C3', 'Amariz', and 'Fixyfix'.
- The Company undertakes its manufacturing operations from facilities located in Umbergaon, Gujarat, and Bari Brahma, in Jammu and Kashmir.
- It has a widespread multi-channel distribution network with a strong pan-India presence and a global footprint catering to over 45 countries, covering the Americas, Africa, Asia Pacific, Europe, and the Middle East.

COMPETITIVE STRENGTHS

- Leadership position in the Indian 'stationery and art material' industry with the widest range of products, driving rapid business growth.
- Strong brand recall is driven by high-quality, innovative, and differentiated products.
- Robust manufacturing infrastructure, with a focus on backward integration to drive efficiencies.
- Robust multi-channel distribution network with a strong pan-India presence.
- Strategic partnership with F.I.L.A.- Fabbrica Italiana Lapis ed Affini S.p.A. enabling access to global markets and product know-how.
- Experienced Promoters and management team.

KEY STRATEGIES

- Expansion of manufacturing capacities.
- Supplement its product portfolio to expand its addressable market size and capture higher consumer wallet share.
- Strengthen its distribution network and expand its modern trade channels.
- Undertake inorganic growth through acquisitions or strategic partnerships.
- Strengthening the 'DOMS' brands and enhancing synergies.

KEY CONCERNS

- The Company depends on its key products (particularly 'wooden pencils') for a significant portion of Gross Product Sales.
- Dependence on its 'general trade' distribution network for a significant portion (more than 70.00%) of its Gross Product Sales.
- FILA is one of its Promoters and it relies on FILA for its business operations and R&D capabilities.
- The Company operates in a competitive business environment comprising organized and unorganized players.
- Dependence on natural resources for raw materials.
- Pricing pressure from suppliers.

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2023)

Name of the Company	EPS (Basic)	P/E	Total Income (Mn)	NAV	RoNW (%)
DOMS Industries Limited	18.29	-	12,118.90	59.99	28.39
Peer Group					
Kokuyo Camlin Limited	2.44	64.14	7,749.43	26.18	9.31
Linc Limited	25.15	28.15	4,867.60	119.17	21.10
Navneet Education Limited	9.04	15.86	16,968.30	50.85	17.78
Flair Writing Industries Limited	12.66	35.76	9,426.60	46.57	27.18

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (RS. IN MILLIONS)	FY 2023	FY 2022	FY 2021
Equity Share Capital	3.73	3.73	3.73
Other Equity	3,370.59	2,468.74	2,332.38
Net Worth	3,553.45	2,580.94	2,416.79
Total Borrowings	151.55	28.52	28.99
Revenue from Operations	12,118.90	6,836.01	4,028.17
EBITDA	1,866.60	697.13	300.25
Profit Before Tax	1,387.63	240.24	(75.78)
Net Profit for the year	1,028.71	171.40	(60.26)



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