







# KRN HEAT EXCHANGER AND REFRIGERATION LIMITED



**ISSUE OFFER** Issue Opens on SEP 25, 2024 Issue Close on SEP 27, 2024 Total IPO size (cr) ₹341.95 Fresh issue (cr) ₹341.95 Offer For Sale (cr) NIL Price Band (INR) 209-220 Market Lot 65 Face Value (INR) ₹10 Listing At NSE, BSE Market Capitalization (cr) 1309.51

ISSUE BREAK-UP (%)	
QIB Portion	50%
NII Portion	15%
Retail Portion	35%

PROMOTER HOLDING %			
Pre Issue	Post Issue		
94.39%	70.81 %		

INDICATIVE TIMETABLE				
Basis of Allotment	30-09-2024			
Refunds/Unblocking ASBA Fund	01-10-2024			
Credit of Share to Demat A/c	01-10-2024			
Listing Date	03-10-2024			

The Company manufactures fin and tube type heat exchangers for the Heat Ventilation Air Conditioning and Refrigeration Industry.

### **OBJECTS OF THE ISSUE**

- Invest in the wholly owned subsidiary, KRN HVAC Products Pvt Ltd.
- General corporate purposes.

# **FINANCIALS (RESTATED CONSOLIDATED)**

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
<b>Equity Share Capital</b>	46	44	4
Net Worth	131	59	25
ROCE %	31.21%	50.46%	34.65%
Revenue	308	247	156
Operating Profit Margin %	18.96%	19.93%	10.85%
Net Profit of the year	39	32	10

### **FINANCIAL RATIOS OF FY24**



# **OUTLOOK & VALUATION**

- Industry leader with interantional quality standards.
- Quick turnaround time.
- Strong relationship with leading clients.
- Steady growth in both revenue and profitability.
- The IPO's valuation is considered fair, although there is no listed peer for comparison.
- Given its strong fundamentals and potential for listing gains, investors may consider subscribing this IPO for listing gain as well as for long term.

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# **COMPANY PROFILE**

- leading manufacturer of fin and tube-type heat exchangers.
- Manufacturing facility is situated in Neemrana,
  Rajasthan.
- The company also export products overseas to countries.
- The company manufactures Copper and Aluminium fins and copper tubes heat exchangers, water coils, condenser coils, and evaporator coils.
- Products offered are used in the domestic, commercial, and industrial Heating.



# **COMPETITIVE STRATEGIES**

- Expanding its customer base.
- Focus on increasing operational efficiencies to improve returns.
- Enhancing existing products base and product quality.
- Regular Improvement in product design and development.
- Increasing its global footprint and augmenting growth in current geographies.



**KEY CONCERNS** 

- Dependence on a limited number of key customers.
- Do not have any long-term agreements with any of its customers.
- Rely on limited number of suppliers.
- Company has a limited operating history.
- Highly volatile and price sensitive raw materials



**KEY STRENGTHS** 

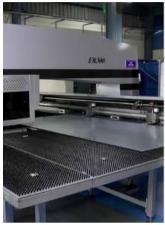
- Long-standing business relationships with leading clientele.
- Effective quality control checks.
- Consistent financial performance.
- Established Manufacturing facility.
- Promoters exhibit strong leadership and are supported by highly experienced senior management





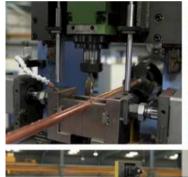
#### COMPARISON WITH LISTED INDUSTRY PERS

THERE ARE NO LISTED COMPANIES IN INDIA THAT ENGAGE IN A BUSINESS SIMILAR TO THAT OF COMPANY. ACCORDINGLY, IT IS NOT POSSIBLE TO PROVIDE AN INDUSTRY COMPARISON IN RELATION TO THE COMPANY













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