

IPO ANALYSIS OF SANSTAR LIMITED





Another **Main Board IPO** is on the way to hit the Indian Markets

And this time we have a specialty plant-based product manufacturer with a **₹510 Cr IPO**

Let's analyse it in-depth





👉 Understanding the Business Model

Founded in **1982**, **Sanstar Limited** manufactures specialty plant-based products and ingredient solutions for food, pet food and other industrial applications in India

Co's products include:

- *Liquid glucose,*
- *Dried glucose solids*
- *Maltodextrin powder*
- *Dextrose monohydrate*
- *Native maize starches*
- *Modified maize starches, etc.*



Source: Co's website



👉 End users of the products

These products are used in:

- **Food products:** They are used as ingredients, thickeners, stabilizers, sweeteners, emulsifiers, and additives (including in baked goods, confectionery, pasta, soups, ketchup, sauces, creams and desserts)
- **Pet food products:** Used as nutritional ingredients
- **Other industrial products:** Such as disintegrants, excipients, supplements, coating agents, binders, smoothing and flattening agents, and refining agents



👉 Manufacturing Capacity

The company operates 2 **manufacturing plants** in Dhule, Maharashtra, and Kutch, Gujarat, spanning a combined area of **10.68 million square feet** (approximately 245 acres)

With a production capacity of **3,63,000** tons per year (*1,100 tons per day*), it ranks as the 5th largest producer of corn-based specialty products and ingredients in India



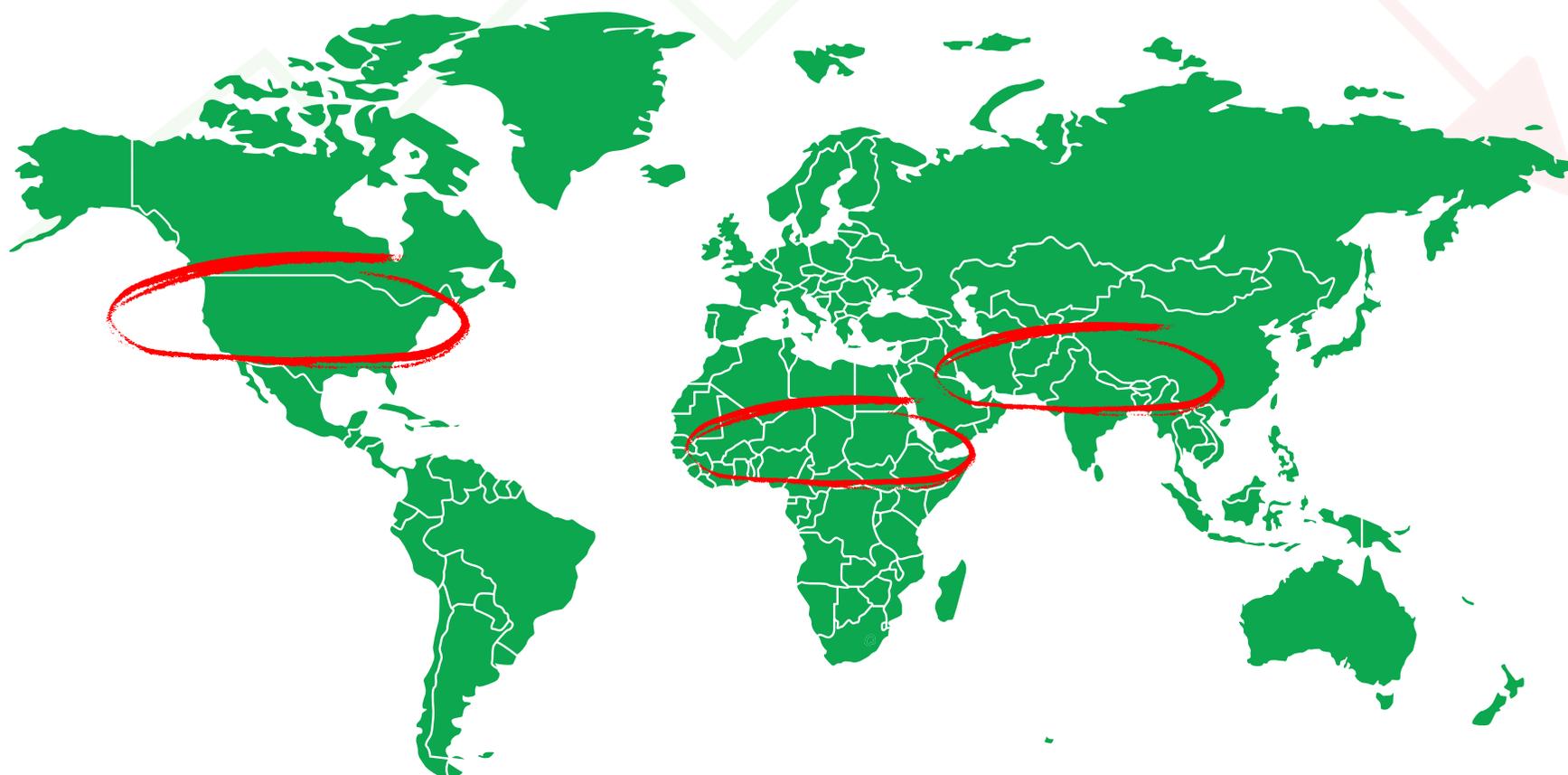
Source: Co's website



👉 Geographical Presence

The company exports its products to 49 countries across *Asia, Africa, the Middle East, America, Europe, and Oceania*

Domestically, it maintains a widespread presence, with its products available in **22 states** across India



Source: Co's website



👉 IPO Details

The **Sanstar IPO** is a book-built offering totaling **₹510.15 Cr**

This includes a fresh issue of **4.18** crore shares amounting to **₹397.10** crores and an offer for sale of **1.19** crore shares amounting to **₹113.05 crores**

- Price Band ~ ₹90-95 per share
- Min Lot size ~ 150 Shares
- Promoter Holding pre IPO ~ 99.77%
- Promoter Holding post IPO ~ 70.37%





👉 Important Dates

- IPO Open date ~ July 19, 2024
- IPO Closing date ~ July 23, 2024
- Allotment date ~ July 24, 2024
- Listing day ~ July 26, 2024





👉 Financials

Sanstar Ltd experienced a **10.58%** decline in revenue, while its profit after tax (**PAT**) increased by **59.71%** between the financial years ending March 31, 2023, and March 31, 2024

Period Ended	31 Mar 2024	31 Mar 2023	31 Mar 2022
Assets	527.57	368.35	207.45
Revenue	1,081.68	1,209.67	504.77
Profit After Tax	66.77	41.81	15.92
Net Worth	215.91	149.28	48.97
Reserves and Surplus	225.18	158.41	55.69
Total Borrowing	127.64	111.70	85.22

Amount in ₹ Crore

Source: Chittorgarh.com



What's your view on this IPO? Comment below your thoughts

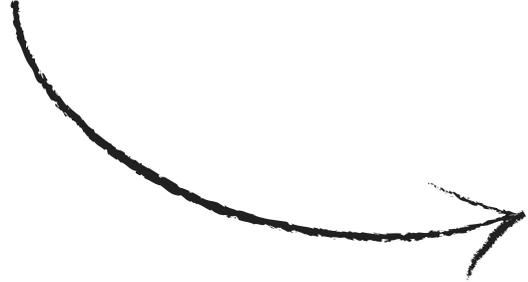
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