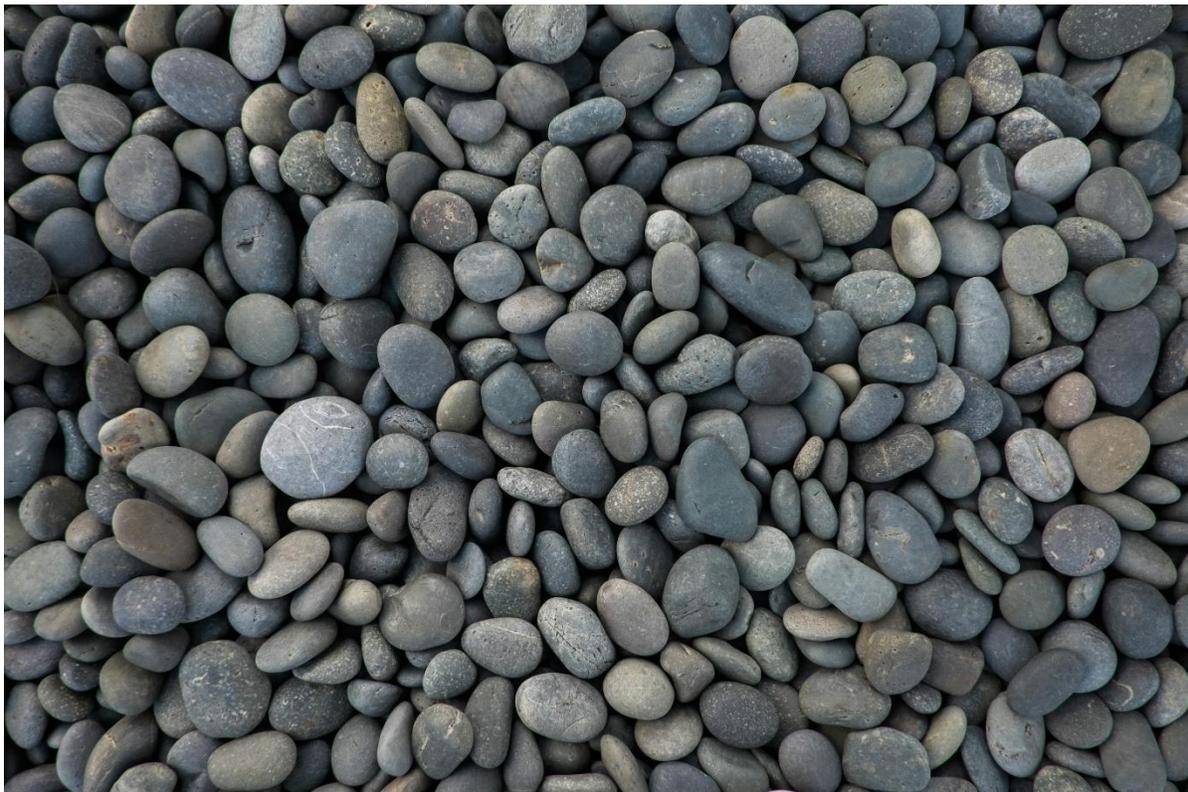


Midwest Ltd

IPO Note



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Shaping the Future with Sustainable Stone Solutions

Midwest Limited (formerly known as Midwest Private Limited), founded in 1981, is a prominent player in the natural stone industry, specializing in granite, marble, and quartz mining and processing. The company operates under two key segments: Natural Stones and Processed Stones. Midwest is known for its premium products, such as Absolute Black and Black Galaxy Granite, which are primarily used in construction, decoration, and industrial applications.

The company has a robust operational footprint with 20 mining leases and 5 processing units across India. As of FY25, Midwest's revenue from natural stone sales accounted for 96% of the total revenue, while the secondary segments, including diamond wires and processed stones, contributed to the remaining 4%. Midwest has demonstrated significant growth, with its revenue increasing from INR 502 crore in FY22 to INR 626 crore in FY25, reflecting a CAGR of 12%.

Midwest's strategic focus on expanding its production capacity is evident from its recent initiatives to boost mining and processing of quartz, alongside diversifying into heavy mineral mining in Sri Lanka. The company has secured licenses to mine rare earth minerals, adding further potential to its growth prospects. Additionally, Midwest is working on scaling its operations with plans for quartz processing plants that will position the company as a major player in the solar and semiconductor industries.

The company operates a well-established global distribution network, serving markets in North America, South America, Europe, Africa, and Asia. With an increasing share of its revenue coming from international markets, Midwest is poised for further expansion in the global natural stone market.

In FY25, the company registered impressive growth in the granite sales volume, reaching 108,892 cubic meters compared to 91,875 cubic meters in FY23. Midwest continues to innovate and capture growing demand, maintaining its leadership in the granite and processed stone sectors.

Key Consolidated Financial Data (INR Cr, unless specified)

	Revenue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	RoE (%)	ROCE (%)	EV/EBIT DA (X)	P/E (X)	P/BV (X)
FY23	502.5	90.1	54.4	17.9	15.7	15.0	13.2	8.5	44.0	70.9	9.3
FY24	585.6	151.9	100.3	25.9	23.5	26.8	19.5	15.4	25.7	39.7	7.7
FY25	626.1	136.1	133.3	21.7	28.4	37.0	21.1	13.3	29.9	28.8	6.1

Source: Ventura Research & Company update

Industry	Mining
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Scrip Details

Listing	BSE & NSE
Open Date	Oct 15, 2025
Close Date	Oct 17, 2025
Price Band	INR 1014 – 1065
Face Value	INR 5.0
Market Lot	14 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr)	451.0
Issue Size (Shares)	0.42
QIB Share (%)	≤ 50
Non-Inst Share (%)	≥ 15
Retail Share (%)	≥ 35
Pre Issue sh. (cr)	3.3
Post Issue sh. (cr)	3.6
Post Issue Market Cap (cr)	3,843.0

Shareholding (%)	Pre(%)	Post (%)
Promoter	95.8	84.4
Others	4.2	15.6
TOTAL	100.0	100.0

Issue Structure and Offer Details

Midwest Ltd. IPO is a book build issue of INR 451.00 crores. The issue is a combination of fresh issue of 0.23 crore shares aggregating to INR 250.00 crores and offer for sale of 0.19 crore shares aggregating to INR 201.00 crores.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 50.00% of the Offer
NII (HNI)	Not less than 15.00% of the Issue
Retail	Not less than 35.00% of the Offer

Number of shares based on a higher price band of INR 1,065

Source: Company Reports

Objects of the Issue:

The Company proposes utilizing the Net Proceeds from the Offer towards the following objects:

1. Funding capital expenditure by Midwest Neostone, the wholly owned subsidiary, towards the Phase II Quartz Processing Plant – INR 127 Cr
2. Capital expenditure for purchase of Electric Dump Trucks to be used by the Company and APGM, our Material Subsidiary – INR 25 Cr
3. Capital expenditure for integration of solar energy at certain Mines of the Company – INR 3 Cr
4. Pre-payment/re-payment of, in part or full, certain outstanding borrowings of the Company and APGM – INR 54 Cr
5. General corporate purposes.

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement				Per share data & Yields			
Revenue	502.5	585.6	626.1	Adjusted EPS (INR)	15.0	26.8	37.0
<i>YoY Growth (%)</i>	<i>(4.3)</i>	<i>16.5</i>	<i>6.9</i>	Adjusted Cash EPS (INR)	21.0	33.0	44.1
Raw Material Cost	1.1	32.6	65.0	Adjusted BVPS (INR)	114.4	138.6	175.7
<i>RM Cost to Sales (%)</i>	<i>0.2</i>	<i>5.6</i>	<i>10.4</i>	Adjusted CFO per share (INR)	(14.4)	35.5	24.3
Employee Cost	38.9	41.5	51.0	CFO Yield (%)	(1.4)	3.3	2.3
<i>Employee Cost to Sales (%)</i>	<i>7.7</i>	<i>7.1</i>	<i>8.1</i>	Adjusted FCF per share (INR)	(22.1)	23.9	9.9
Other Expenses	372.4	359.7	374.0	FCF Yield (%)	(2.1)	2.2	0.9
<i>Other Exp to Sales (%)</i>	<i>74.1</i>	<i>61.4</i>	<i>59.7</i>	Solvency Ratio (X)			
EBITDA	90.1	151.9	136.1	Total Debt to Equity	0.4	0.2	0.4
<i>Margin (%)</i>	<i>17.9</i>	<i>25.9</i>	<i>21.7</i>	Net Debt to Equity	0.3	0.1	0.4
<i>YoY Growth (%)</i>	<i>(15.5)</i>	<i>68.5</i>	<i>(10.4)</i>	Net Debt to EBITDA	1.5	0.5	1.7
Depreciation & Amortization	21.5	22.2	25.6	Return Ratios (%)			
EBIT	68.6	129.7	110.6	Return on Equity	13.2	19.5	21.1
<i>Margin (%)</i>	<i>13.6</i>	<i>22.1</i>	<i>17.7</i>	Return on Capital Employed	8.5	15.4	13.3
<i>YoY Growth (%)</i>	<i>(22.9)</i>	<i>89.1</i>	<i>(14.8)</i>	Return on Invested Capital	12.6	22.8	18.7
Other Income	19.7	17.7	16.9	Working Capital Ratios			
Bill discounting & other charges	9.6	9.6	0.0	Payable Days (Nos)	15	13	29
Fin Charges Coverage (X)	7.1	13.5	0.0	Inventory Days (Nos)	42	23	16
Exceptional Item	0.0	0.0	25.7	Receivable Days (Nos)	70	74	140
PBT	78.7	137.8	178.0	Net Working Capital Days (Nos)	97	84	127
<i>Margin (%)</i>	<i>15.7</i>	<i>23.5</i>	<i>28.4</i>	Net Working Capital to Sales (%)	26.5	23.0	34.8
<i>YoY Growth (%)</i>	<i>(15.6)</i>	<i>75.1</i>	<i>29.2</i>	Valuation (X)			
Tax Expense	24.3	37.5	44.7	P/E	70.9	39.7	28.8
<i>Tax Rate (%)</i>	<i>30.8</i>	<i>27.2</i>	<i>25.1</i>	P/BV	9.3	7.7	6.1
PAT	54.4	100.3	133.3	EV/EBITDA	44.0	25.7	29.9
<i>Margin (%)</i>	<i>10.8</i>	<i>17.1</i>	<i>21.3</i>	EV/Sales	7.9	6.7	6.5
<i>YoY Growth (%)</i>	<i>(18.9)</i>	<i>84.3</i>	<i>32.9</i>	Cash Flow Statement			
Min Int/Sh of Assoc	(0.3)	(3.8)	0.0	PBT	78.7	137.8	178.0
Net Profit	54.1	96.5	133.3	Adjustments	(46.0)	29.1	33.4
<i>Margin (%)</i>	<i>10.8</i>	<i>16.5</i>	<i>21.3</i>	Change in Working Capital	(60.4)	(1.5)	(98.0)
<i>YoY Growth (%)</i>	<i>(15.2)</i>	<i>78.5</i>	<i>38.1</i>	Less: Tax Paid	(24.3)	(37.5)	(44.7)
Balance Sheet				Cash Flow from Operations	(51.9)	127.9	87.3
Share Capital	0.7	9.7	16.9	Net Capital Expenditure	(34.3)	(48.7)	(183.8)
Total Reserves	411.1	489.4	615.5	Change in Investments	16.8	(14.9)	(17.2)
Shareholders Fund	411.9	499.1	632.4	Cash Flow from Investing	(17.5)	(63.6)	(201.0)
Long Term Borrowings	61.4	56.6	137.7	Change in Borrowings	53.4	(25.9)	115.6
Deferred Tax Assets / Liabilities	(3.1)	(3.6)	2.5	Less: Finance Cost	(9.6)	(9.6)	(10.9)
Other Long Term Liabilities	2.0	20.4	56.4	Proceeds from Equity	2.1	0.6	0.0
Long Term Trade Payables	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0
Long Term Provisions	4.8	4.8	5.8	Dividend Paid	(1.1)	(15.0)	(2.2)
Total Liabilities	477.0	577.4	1,058.7	Cash flow from Financing	44.8	(49.9)	102.5
Net Block	255.4	253.7	285.6	Net Cash Flow	(24.6)	14.4	(11.2)
Capital Work in Progress	2.2	13.3	116.4	Forex Effect	0.0	0.0	0.0
Intangible assets under development	103.2	105.9	109.8	Opening Balance of Cash	35.6	11.0	25.5
Non Current Investments	19.1	18.6	34.0	Closing Balance of Cash	11.0	25.5	14.2
Long Term Loans & Advances	29.6	54.4	40.9				
Other Non Current Assets	11.7	11.4	52.6				
Net Current Assets	55.7	120.2	419.5				
Total Assets	477.0	577.4	1,058.7				

Source: Company Reports

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