

January 24, 2021

Incorporated in 1999, Stove Kraft was converted to a Public company in 2018. The company is an established player in kitchen solutions segment and an emerging player in home solutions market. The company provides a diverse suite of kitchen solutions under Pigeon and Gilma brands and has also forayed into LED based lighting products. The Company proposes to commence manufacturing of kitchen solutions under the BLACK & DECKER brand with a range of value, semi-premium and premium kitchen solutions.

Diversified kitchen and home appliances product portfolio

Since its inception the company has grown from a single brand small LPG stove manufacturing company to become one of India's leading manufacturers of kitchen appliances. Its brand portfolio consists of Pigeon and Gilma which are its own brands. The company also has a Licensing agreement to manufacture and market premium small domestic appliances under the brand 'Black and Decker'. In 2019, the company also forayed into the manufacture of LED based lighting products and is planning to expand its presence in the segment.

Increasing manufacturing capacity with backward integration

The company has an integrated facility at Bengaluru comprising of 12 manufacturing units to manufacture pressure cookers, non-stick cookware, hard anodized cookware, mixer grinders, induction cooktops, LPG stove, glass cooktops, IR thermometer and handy vegetable chopper. Further, The Company has also commenced manufacturing LED products in its Bengaluru Facility. The company has recently expanded its production capacity from 19.5 million units per annum to 38.4 million units per annum. Stovekraft's manufacturing facilities are backward integrated with ability to in-house manufacture components required for its products. Increased level of backward integration has enabled the company to reduce dependence on third party suppliers and OEM's for its requirements of components.

Key risk & concerns

- Inability to maintain and promote the brand portfolio can impact future revenue growth
- Around 20% of revenues are generated from traded products

Priced at Mcap/sales of 1.9x (post issue) FY20 on upper band

Stovekraft reported revenue CAGR of 13% over FY18-20. The company had a low operating margin profile over FY18-FY20 with EBITDA margin in range of 2-5%. In H1FY21, the company reported improved performance with EBITDA margin of 13.7% and net profit of ₹ 28 crore on account of significant reduction in operating expenses. Sustainability of improved profitability performance remains a critical factor. At ₹ 385, the stock is available at 1.9x FY20 Market cap/sales.



Particulars

Issue Details

Issue Opens	25-01-2021
Issue Closes	28-01-2021
Issue Size	~ ₹ 413 crore
Issue Type	Fresh Issue/ Offer for sale
Price Band	₹ 384 - ₹ 385
No of shares	~ 1.07 crore
Market Lot	38 shares
Face Value	10.0

Shareholding

Shareholding	Pre-offer	Post-offer
Promoter	61.3	54.4
Public	38.7	45.6
Total	100.0	100.0

Objects of issue

	₹ crore
Repayment/pre-payment of certain borrowings availed by the company	76.0
General corporate purposes	19.0
Fresh issue	95.0
Offer for sale	318.0

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Key Financial Summary

₹ crore	FY18	FY19	FY20	H1FY21	CAGR (FY18-20)
Net Sales	523.6	640.9	669.9	328.8	13.1%
EBITDA	9.9	29.9	33.8	45.1	84.7%
PAT	-12.1	0.8	3.2	28.8	
Diluted EPS	-3.7	0.2	1.0	8.8	
P/E (x)	-	1,614.8	395.6		
EV/EBITDA (x)	165.8	51.3	46.2		
Mcap/Sales (x)	2.4	2.0	1.9		
RoCE (%)	2.0	7.8	9.2		
RoE (%)	-	-	-		

Source: ICICI Direct Research, RHP

Industry Overview

The Indian Kitchen Appliance market can be classified into Large cooking appliances, Non Stick Cookware and Small cooking appliances.

Large Cooking Appliances market

Large cooking appliances include Cooker Hoods, Cooking Hobs (either built-in or freestanding) and Cooktops. As per Euromonitor and Frost and Suvillan analysis, Retail Volume sales of Large Cooking Appliances category as a whole, has witnessed a growth at a CAGR of 6.0% through 2015-2020, to reach sales of 14.2 million units in 2020. In terms of Retail Sales 'Value' growth, the category has grown at an even higher CAGR of 9.2% through the same period, to reach sales of about INR 111 billion in 2020.

The overall growth momentum of the 'Large Cooking Appliances category' Retail sales is expected to continue the forecast period of 2020 to 2025. In terms of Retail Volume, the category is expected to grow at a CAGR of about 8.7% through 2021-2025, to clock 21.7 million unit sales by end of 2025. Retail Value sales, also is expected to continue on its higher growth trajectory, at a CAGR of 12.5% through 2021-2025, to reach INR 201 billion by end of 2025.

Large Cooking Appliances are almost exclusively sold through Store-Based retailing, which accounted for 98.6% of the category's total retail volume sales. Remaining 1.4% was sold through Non-Store based retailing.

Exhibit 1: Large cooking appliances industry trends

Large Cooking Appliances Market	2020	2021E	2022E	2023E	2024E	2025E	CAGR (2020-2025)
Volume (000 units)	14209	15453	16817	18313	19955	21761	8.9
Value INR (bn)	111	125	141	159	179	202	12.7

Source: RHP, ICICI Direct Research

Non-stick Cookware market

The term 'Non-stick' in cookware, usually refers to the surface which is coated with a synthetic polymer called Polytetrafluoroethylene (PTFE) or with ceramic, anodized aluminium, enamelled iron which decreases the ability of other materials to stick to it. The term 'Teflon' coating has become synonymous with Non-stick coating in the market. Hence, non-stick cookware is often also addressed as Teflon coated cookware.

Most popularly used Non-stick cookware includes Tawa, followed by Kadai and frying pan. The latest trend-setting Hard anodized and ceramic non-stick cookware register prominent usage in Southern India.

Exhibit 2: Non-stick cookware market industry trends

Non Stick Cookware Market	2020	2021E	2022E	2023E	2024E	2025E	CAGR (2020-2025)
Volume (000 units)	7117	7819	8590	9437	10367	11389	9.9
Value INR (bn)	10	11	13	15	18	21	16.8

Source: RHP, ICICI Direct Research

Small Cooking Appliance Market

Most popularly used small kitchen appliances are Pressure cooker, Electric Kettle, Electric Rice cooker, Coffee maker, Juice extractor, Mixer Grinder, Blenders and Food processors. Small Cooking Appliances are also almost exclusively sold through Store-Based retailing. In 2020, 97.4% of total retail volume sales were registered through Store-based retailing, and the remaining 2.6% only was sold through Non-Store based retailing.

Exhibit 3: Small cooking appliance market industry trends

Small Cooking Appliances Market	2020	2021E	2022E	2023E	2024E	2025E	CAGR (2020-2025)
Volume (000 units)	52613	56405	60470	64828	69501	74511	7.2
Value INR (bn)	86	93	101	109	118	127	8.1

Source: RHP, ICICI Direct Research

As per Euromonitor and Frost and Suvillan analysis, Large Cooking Appliances (LCA), Non Stick Cookware (NSC) and Small Cooking Appliances market (in value terms) is expected grow at a CAGR of 12%,17% and 8% respectively over FY20-FY25E.

Stove Kraft is a market leader in cooktops/free-standing hobs and commands a market share of ~ 25%/20% in these categories respectively. It is also among the leading players in the electric kettle category with a market share of 21.1%. The market for cooktops, free-standing, electric kettle are expected to grow at a CAGR of 15%/10%/9% over FY20-FY25.

Exhibit 4: Key product categories in Indian Kitchen appliances market

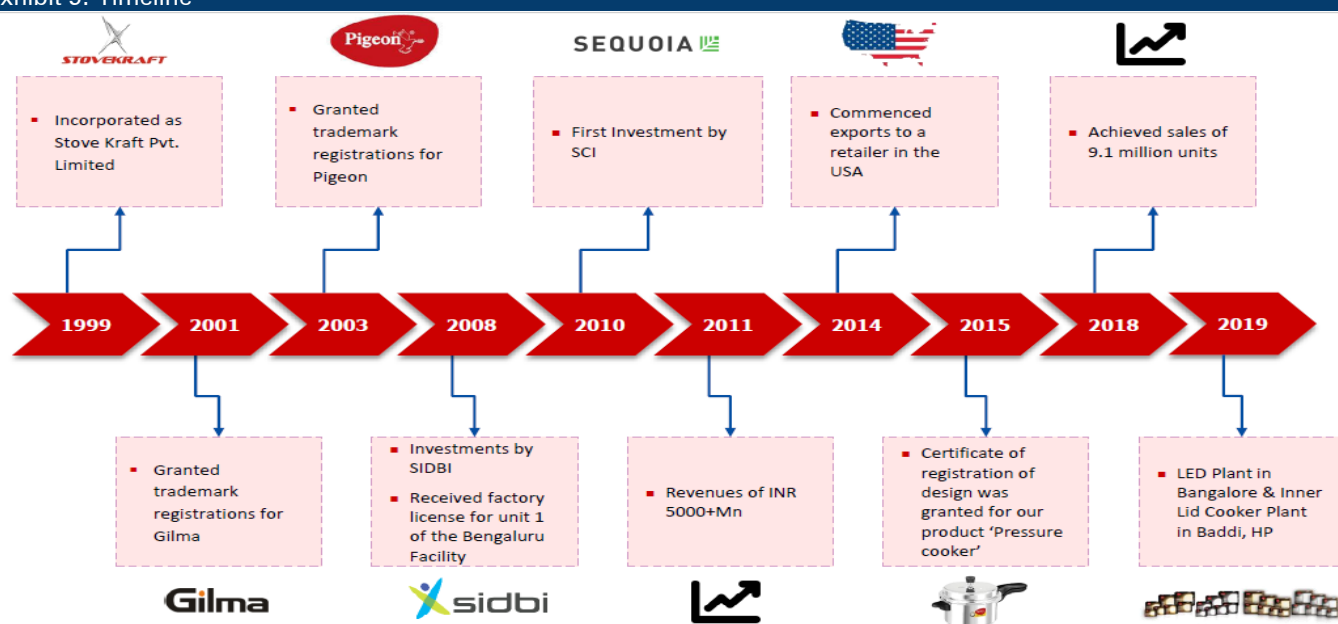
Product Categories:	Market Size: Retail Volume (2020)	Market Size: Retail Volume (2025F)	CAGR* (2020-2025F)	Market Size: Retail Value (2020)	Market Size: Retail Value (2025F)	CAGR* (2020-2025F)	Market Leader Company (2020)	Market Share of Market Leader (2020)	Market Share of Stove Kraft Ltd. (2020)
	'000 units	'000 units	%	INR million	INR million	%		%	%
Large Cooking Appliances	14,209	21,761	8.7%	1,10,958	201,898	12.5%			
1 Cook Tops	1,751	3,305	13.6%	25,606	52,564	15.5%	Stove Kraft Ltd.	25.0%	25.0%
2 Free-Standing Hobs	10,432	14,721	7.1%	55,276	89,022	10.0%	Stove Kraft Ltd.	20.3%	20.3%
3 Built in Hobs	284	440	9.1%	4,732	7,924	10.9%	Faber	23.0%	4.8%
4 Cooker Hoods	1,742	3,296	13.6%	25,344	52,388	15.6%	Faber	23.0%	3.8%
Non-Stick Cookware									
1 Non-Stick Cookware	7,117	11,389	9.9%	9,646	20,977	16.8%	TTK Prestige	58.2%	18.9%
Small Cooking Appliances	52,613	74,511	7.2%	86,098	1,27,247	8.1%			
1 Pressure Cooker	31,697	45,273	7.4%	17,728	27,239	9.0%	TTK Prestige	48.2%	11.4%
2 Electric Kettle	757	1,024	6.2%	1,482	2,307	9.3%	Bajaj	23.8%	21.1%
3 Electric Rice Cooker	2,186	2,995	6.5%	4,421	6,140	6.8%	Panasonic	35.0%	4.7%
4 Coffee Maker	327	455	6.8%	1,238	2,333	13.5%	Bajaj	29.1%	6.6%
5 Juice Extractor	249	348	6.9%	970	1,431	8.1%	Bajaj	25.7%	3.8%
6 Mixer Grinder	13,860	19,484	7.1%	44,352	64,477	7.8%	Bajaj	21.1%	2.7%
7 Blender	1,229	1,713	6.9%	3,623	5,063	6.9%	Phillips	44.6%	0.5%
8 Food Processor	2,309	3,218	6.9%	12,283	18,257	8.3%	Phillips	25.6%	-

Source: RHP, ICICI Direct Research

Company background

Stove Kraft was incorporated in 1999 and founded by Mr Rajendra Gandhi, who is the current managing Director of the company. Stove Kraft (SKL) is an established kitchen solutions and an emerging home solutions brand. Further, it is one of the leading brands for kitchen appliances in India, and is one of the major players for pressure cookers and amongst the market leaders in the sale of free standing hobs and cooktops. It is engaged in the manufacture and retail of a wide and diverse suite of kitchen solutions under its Pigeon and Gilma brands, and is also expected to commence manufacturing of kitchen solutions under the BLACK + DECKER brand, covering the entire range of value, semi-premium and premium kitchen solutions, respectively. Its kitchen solutions comprise of cookware and cooking appliances across its brand portfolio, and its home solutions comprise various household utilities, including consumer lighting, which not only enables SKL to be a one stop shop for kitchen and home solutions, but also offer products at different pricing points to meet diverse customer requirements and aspirations.

Exhibit 5: Timeline



Source: RHP, ICICI Direct Research

SKL’s flagship brands, Pigeon and Gilma, have enjoyed a market presence of over 15 years and enjoy a high brand recall amongst customers. The company used co-branding initiatives over eight years with LPG companies such as Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited to utilize their sale and distribution channels which has enabled Pigeon brand to enjoy a wide customer outreach and a high brand recall value.

Over the last few years the company has gradually reduced its presence in Government orders and co-branding business with Indian oil companies. The company’s focus is on the branded business which is currently contributing ~ 90% of FY20 revenues.

Exhibit 6: Brandwise revenue contribution

(% of revenue)	H1FY21	H1FY20	FY20	FY19	FY18
Pigeon branded products	76.9	80.9	86.2	81.2	86.9
Gilma branded products	5.4	2.4	2.5	3.8	5.6
Black + Decker Products	1.5	2.4	2.7	2.7	0.9

Source: Company, ICICI Direct Research

Investment Rationale

One stop shop for kitchen appliances across varied price points

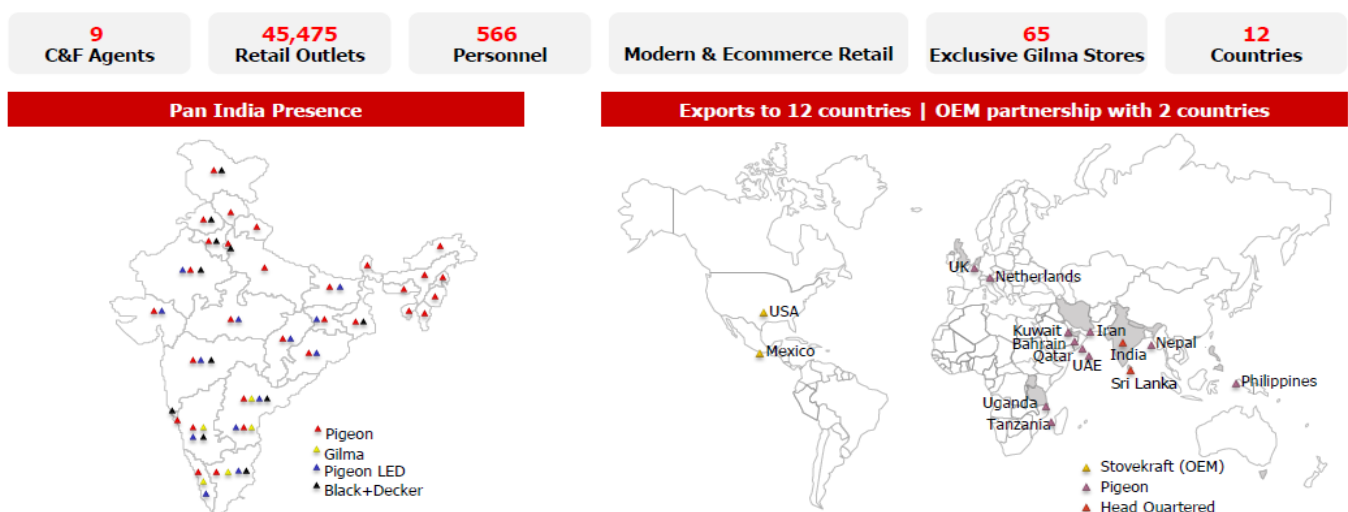
Since its inception in the year 1999, the company has grown from a single brand small LPG stove manufacturing company to become one of India’s leading manufacturers of kitchen appliances. Its brand portfolio, comprising of the Pigeon, Gilma and BLACK + DECKER brands caters to the value, semi-premium and premium customer segments in the kitchen solutions industry. Pigeon brand is well established in the Indian kitchen appliances industry. As a result of SKL’s co-branding initiatives of over eight years with LPG companies such as Indian Oil Company Limited and Hindustan Petroleum Corporation Limited to utilize their sale and distribution channels, Pigeon brand has garnered a wide customer outreach and continues to have a high brand recall. The existing market presence and strength of the Pigeon brand has been instrumental in enabling SKL to successfully enter into home solutions vertical with new category like LED products in 2016.

SKL’s Gilma brand is focussed on offering the semi-premium experience to its customers with a wide variety of products such as chimneys, hobs, glass cooktops etc. In September 2016, SKL entered into the BLACK + DECKER Brand Licensing Agreement with Stanley Black & Decker, Inc. and The Black and Decker Corporation, a diversified global provider of hand tools, with a large presence in the small domestic appliances space. The tie-up with Stanley Black & Decker, Inc. and The Black and Decker Corporation will enable SKL to penetrate the premium segment of the kitchen appliances industry, and contribute significantly in the recognition, demand and growth of its overall brand portfolio.

Well connected distribution network with a presence across multiple retail channels

SKL has 651 distributors in 27 states and five union territories of India as of September 30, 2020. The C&F agents and distributors are connected with a dealer network comprising of over 45,475 retail outlets, which are driven through a sales force of 566 personnel. In addition to independent third-party retail stores, SKL has also partnered with major Indian retailers for the sale of its products, and the products are available in retail chains such as Metro Cash And Carry India Private Limited. SKL has also partnered with e-commerce retailers such as Flipkart India Private Limited for the sale of its Pigeon branded products on their portals. Also, Gilma brand products are sold exclusively through 65 Gilma stores located across 28 cities and towns in four states. SKL’s products are exported to 14 countries including UAE, Qatar, Bahrain, Kuwait, Tanzania, Uganda, Nepal, Sri Lanka, Bangladesh, Oman, Ghana, United States of America, Mexico and Saudi Arabia.

Exhibit 7: Healthy distribution network

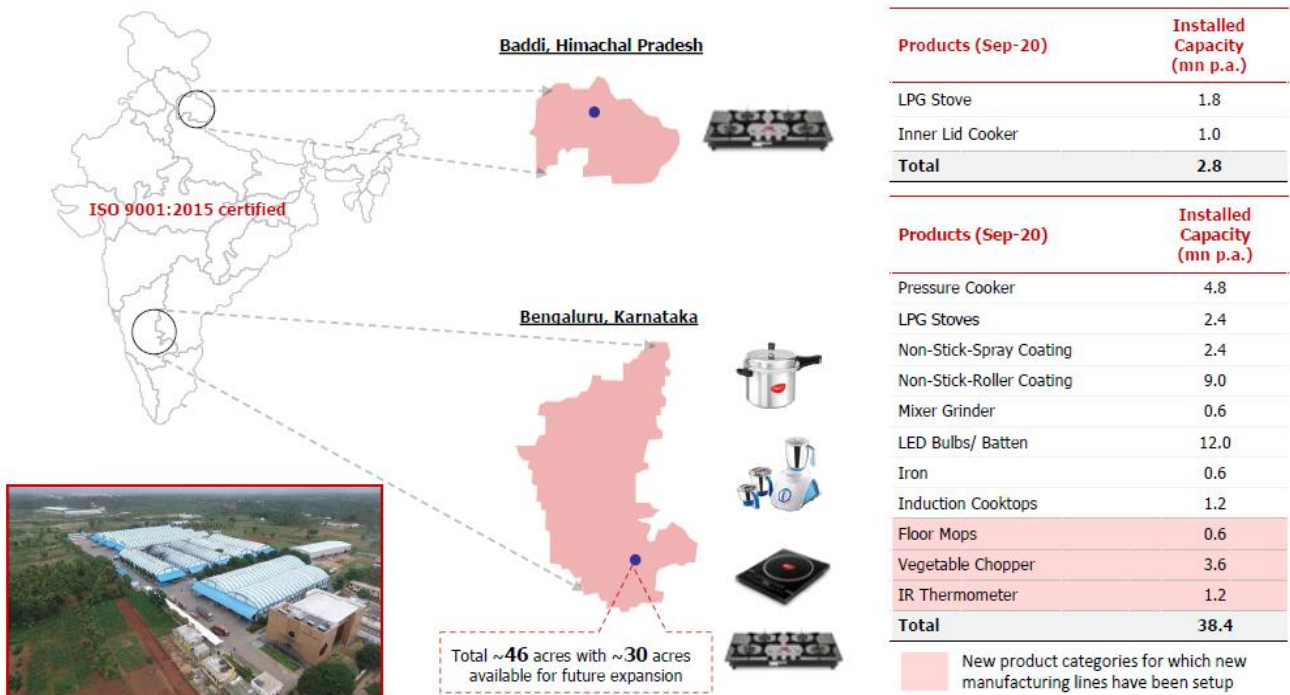


Source: RHP, ICICI Direct Research

Strong manufacturing capability with efficient backward integration.

SKL has manufacturing facilities in Baddi, Himachal Pradesh and Bengaluru in Karnataka. Bengaluru Facility is a large facility for the manufacture of kitchen solutions, which is spread over approximately 46 acres and five guntas out of which 30 acres and one gunta is available for future expansion. It is an integrated facility comprising of 12 manufacturing units, tailored to manufacture pressure cookers, non-stick cookware, hard anodized cookware, mixer grinders, induction cooktops, LPG stove, glass cooktops, IR thermometer and handy vegetable chopper. Further, SKL has also commenced manufacturing LED products in the Bengaluru Facility. For Fiscal 2020, it had an aggregate production capacity of 19.50 million units per annum which has been increased to 38.40 million units per annum. Stovekraft's manufacturing facilities are backward integrated with ability to in-house manufacture components required for its products. Increased level of backward integration has enabled the company to reduce dependence on third party suppliers and OEM's for its requirements of components.

Exhibit 8: Total manufacturing capacity



Source: RHP, ICICI Direct Research

Expansion of portfolio in the existing product categories

SKL's product portfolio under the brand Pigeon consists of four categories - cookware, cooktops and other solutions, small kitchen appliances and home utilities aiding different functions and utilities in the kitchen and home. SKL has consistently focused on expanding and optimizing its product range to offer utility, a range of features and value for money. SKL seeks to utilize its research and development capabilities to develop new and innovative products to cater to the evolving requirements of a large customer base and cover newer customer segments.

Foray into LED consumer lighting business

Owing to the increasing government initiatives to boost LED adoption and growing awareness regarding lower power consumption of LED lighting products, the LED lighting market is expected to grow significantly in India. SKL seeks to capture this growing demand for LED lighting products with its range of consumer lighting products including bulbs, battens, downlight and panels. In a short span of three years, it has leveraged the strength of brand 'Pigeon' and its capabilities to scale up a large distribution network in the southern states of India. SKL will continue to introduce a wider range of LED lighting products for different end-use segments and expand to newer and broader geographies. Further, SKL will leverage its manufacturing strength and has established a fully automated LED assembly unit for LED bulb and battens at its Bengaluru Facility.

Focus on enhancing share of export revenues

During the six month period ended September 30, 2020 and in Fiscal 2020, SKL export sales contributed to 17.9% and 7.6%, respectively. SKL's manufacturing and technological competence in non-stick cookware makes it globally competitive to cater to both the developed and the developing markets. SKL presence is currently spread across 14 countries including USA, Mexico, UAE, Qatar, Bahrain, Kuwait, Tanzania, Uganda, Nepal, Sri Lanka, Bangladesh, Oman, Ghana and Saudi Arabia. SKL seeks to expand its global reach and enhance its export revenues through constant innovation and increased customer acceptance.

Key Risks & Concerns

Third party sourcing of raw materials without long term contract

SKL's business operations are significantly dependent on local third parties at all stages of product development and sales. Further, it imports some of the raw material, such as glasses components, aluminum, steel and from foreign suppliers. In Fiscal 2020, and during the six month period ended September 30, 2020, SKL imported raw material worth ₹71 crore and ₹43 crore, respectively. SKL's principal raw materials like aluminum, aluminum derivatives and steel, are sourced from third party suppliers, and purchased on a purchase order basis. SKL also sources certain equipment such as roller coating line and channel making machine of LPG unit from foreign suppliers. In the event of a discontinuation or closure of the foreign suppliers for these equipment, SKL may not be able to source identical raw materials and equipment from local sources which may lead to increase in production costs and consequently affect the pricing of its products. Non-availability of such raw materials of identical quality from local suppliers may lead to deterioration in quality of such products, which may lead loss of SKL brand reputation. The quality of SKL's products is primarily derived from the quality of the raw materials, and any deterioration in the quality of raw materials supplied can have an adverse effect on the quality of products, market reputation and sales volumes

Inability to successfully maintain and promote its brand portfolio

SKL's business performance is substantially dependent upon the continued success of its Pigeon and Gilma brands. SKL has continuously invested in enhancing its brand awareness among the consumers through focused and consistent branding and marketing initiatives. It is important for SKL to increase the sales volumes and revenues, grow existing market share and expand into new markets and new product categories. Consequently, any product defects, consumer complaints, or negative publicity for any of its brands or products or any specific product could harm the brands and reputation and may dilute the impact of its branding and marketing initiatives and adversely affect future business and prospects.

Reliance on third party OEMs for the sourcing of traded products

SKL relies on third-party OEMs for the sourcing of some of its products. For the six month periods ended September 30, 2020, traded products contributed 19.2% of total revenues. While such traded products are manufactured on the basis of specifications provided by SKL and under the supervision and monitoring of the sourcing team, but SKL has have limited control over the manufacturing and quality control processes, and any defects discovered in such products may have an adverse impact on SKL's brand reputation and results of operations.

The trademark for brand 'Pigeon' is the subject matter of litigation

In 2003, pursuant to an oral understanding with PAPL, an associate company, SKL permitted PAPL to manufacture certain products such as mixers and grinders under the Pigeon brand for SKL. However, PAPL continued to manufacture under the 'PIGEON' trademark without any authorisation, therefore, in 2015, SKL Company terminated the oral arrangement with PAPL demanding them to stop manufacture of any item under the Pigeon brand. SKL was granted a temporary injunction in the said suit and PAPL has been restrained from using the 'PIGEON' trademark for manufacture and sale of kitchen, electrical and non-electrical appliances. The matter is currently pending, and if SKL is unable to successfully protect the 'PIGEON' trademark, it may have an adverse impact on the business operations.

Financial summary

Exhibit 8: Profit and loss statement				
	₹ crore			
(Year-end March)	FY18	FY19	FY20	H1FY21
Net Sales	523.6	640.9	669.9	328.8
Growth (%)		22.4	4.5	
Total Raw Material Cost	353.6	438.6	441.9	214.5
Gross Margins (%)	32.5	31.6	34.0	34.8
Employee Expenses	59.1	69.8	82.0	31.3
% to sales	11.3	10.9	12.2	9.5
Other Expenses	101.0	102.7	112.2	38.0
% to sales	19.3			
Total Operating Expenditure	513.7	611.1	636.1	283.8
EBITDA	9.9	29.9	33.8	45.1
EBITDA Margin	1.9	4.7	5.0	13.7
Interest	16.9	17.9	20.9	10.1
Depreciation	11.2	12.3	12.4	6.9
Other Income	5.6	1.7	3.1	0.7
Exceptional Expense	-	-	-	-
PBT	(12.6)	1.3	3.5	28.8
Total Tax	(0.5)	0.5	0.4	-
Profit After Tax	(12.1)	0.8	3.2	28.8

Source: RHP, ICICI Direct Research

Exhibit 9: Cash flow statement				
	₹ crore			
(Year-end March)	FY18	FY19	FY20	H1FY21
Profit/(Loss) after taxation	-12.1	0.8	3.2	28.8
Add: Depreciation	11.2	12.3	12.4	6.9
Add: Finance Cost	15.3	17.9	18.1	9.4
Net Increase in Current Assets	-54.2	-8.8	-44.2	-25.4
Net Increase in Current Liabilities	33.6	-10.3	16.7	24.2
Others	17.5	1.2	9.4	5.6
CF from operating activities	11.3	13.1	15.6	49.5
(Inc)/dec in Fixed Assets	-6.3	-7.4	-26.1	-25.1
Others	0.2	0.6	-1.2	-0.2
CF from investing activities	-6.1	-6.8	-27.3	-25.3
Inc / (Dec) in Equity Capital	0.0	0.0	0.0	0.0
Inc / (Dec) in Loan	9.5	40.2	16.3	-23.6
Less: Finance Cost	-14.8	-18.5	-17.4	-10.4
Others	0.0	0.1	-0.7	0.2
CF from financing activities	-5.3	21.8	-1.8	-33.9
Net Cash flow	-0.1	28.1	-13.5	-9.7
Opening Cash	0.5	0.4	28.5	15.0
Closing Cash	0.4	28.5	15.0	5.3

Source: RHP, ICICI Direct Research

Exhibit 10: Balance sheet				
	₹ crore			
(Year-end March)	FY18	FY19	FY20	H1FY21
Equity Capital	18.9	24.7	24.7	24.7
Reserve and Surplus	(199.0)	(88.7)	(84.9)	(54.7)
Total Shareholders funds	(180.1)	(63.9)	(60.2)	(29.9)
Minority interest	0.2	0.2	0.2	-
Total Debt	392.3	310.0	326.9	299.6
Non Current Liabilities	18.2	14.2	17.4	14.1
Source of Funds	230.6	260.5	284.3	283.7
Net Fixed Assets	182.1	178.7	192.9	199.6
Capital WIP	0.6	1.7	7.6	0.7
Intangible assets	0.6	0.5	0.3	3.4
Investments	3.4	3.0	4.4	4.8
Inventory	105.1	97.4	116.6	136.6
Cash	0.4	28.5	15.0	5.3
Debtors	79.6	89.7	103.0	103.6
Loans & Advances & Other CA	10.2	15.1	24.4	25.5
Total Current Assets	195.3	230.7	259.0	271.1
Creditors	145.2	134.1	150.9	176.1
Provisions & Other CL	17.8	31.2	36.1	38.7
Total Current Liabilities	163.0	165.3	187.0	214.8
Net Current Assets	32.3	65.4	72.0	56.3
LT L&A, Other Assets	11.6	11.2	7.1	19.0
Other Assets	0.0	0.0	0.0	0.0
Application of Funds	230.6	260.5	284.3	283.7

Source: RHP, ICICI Direct Research

Exhibit 11: Key ratios				
(Year-end March)	FY18	FY19	FY20	H1FY21
Per share data (₹)				
Diluted EPS	-3.7	0.2	1.0	8.8
Cash EPS	-0.3	4.0	4.8	11.0
BV	-55.3	-19.6	-18.5	-9.2
DPS	0.0	0.0	0.0	0.0
Cash Per Share	1.2	9.7	6.0	3.1
Operating Ratios (%)				
EBITDA margins	1.9	4.7	5.0	13.7
PBT margins	-2.4	0.2	0.5	8.8
Net Profit margins	-2.3	0.1	0.5	8.8
Inventory days	73.3	55.5	63.5	
Debtor days	55.5	51.1	56.1	
Creditor days	101.2	76.4	82.2	
Return Ratios (%)				
RoE	-	-	-	
RoCE	2.0	7.8	9.2	
Valuation Ratios (x)				
P/E	-	1,614.8	395.6	
EV / EBITDA	165.8	51.3	46.2	
EV / Sales	3.1	2.4	2.3	
Market Cap / Revenues	2.4	2.0	1.9	
Price to Book Value	-	-	-	
Solvency Ratios				
Debt / Equity	-	-	-	
Debt/EBITDA	39.6	10.4	9.7	
Current Ratio	1.2	1.4	1.4	
Quick Ratio	0.6	0.8	0.8	

Source: RHP, ICICI Direct Research

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Avoid: Do not apply for the IPO

Subscribe only for long term: Apply for the IPO only from a long term investment perspective (>two years)



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