

ALL ABOUT



UNIPARTS
GROUP

SECTOR - AUTO ANCILLARIES

Issue Opens - **NOVEMBER 30 - DECEMBER 02**

Price Band

₹548 to ₹577

Face Value
₹10

Lot Size
25 SHARES

Issue Size
₹835.61 CR.

Issue Type
BOOK BUILT

Research@ganeshstock.com

Important Events

Issue Size

₹835.61 CR

Fresh Issue

14,481,942 shares , ₹835 Cr

Offer for Sale

14,481,942 shares ₹835 Cr

Basis of Allotment

Dec 07, 2022

Initiation of Refunds

Dec 08, 2022

Credit of Shares to Demat

Dec 09, 2022

UIL IPO Listing Date

Dec 12, 2022

Promoters

- **GURDEEP SONI (CHAIRMEN & MANAGING DIRECTOR)**
- **PARAMJIT SINGH SONI (EXECUTIVE DIRECTOR AND VICE CHAIRMEN)**
- **HERBERT COENEN (NON-EXECUTIVE DIRECTOR)**
- **ALOK NAGORY (INDEPENDENT DIRECTOR)**

Promoters collectively hold 75.54% of the Equity Share .

ABOUT COMPANY

- **Uniparts India is a global manufacturer of engineering systems and solutions. It is a leading supplier of systems and components for the off-road market in the agricultural and construction, forestry and mining and aftermarket sectors due to its presence in 25 countries.**
- **The Company's product portfolio includes precision products for the main vertical products for 3-point Off-Road Vehicle (ORV) (3PL) and Vertical Precision Machining (PMP) as well as machining. create vertically adjacent disconnectors (PTOs) and hydraulic cylinders or parts thereof.**
- **The company has five manufacturing plants in states such as Punjab, Andhra Pradesh and Uttar Pradesh. In the United States, it has a manufacturing, warehousing, and distribution facility in Eldridge, Iowa, and a warehousing and distribution facility in Augusta, Georgia. It has also established a distribution and warehousing facility in Hennef, Germany, which serves as the base for servicing major European customers.**

PRODUCT PORTFOLIO

Unipart is a concept-to-supply player for precision products for off-highway vehicles (“OHVs”) with presence across the value chain.

Uniparts product portfolio includes core product verticals of 3-point linkage systems (“3PL”) and precision machined parts (“PMP”) as well as adjacent product verticals of power take off (“PTO”), fabrications and hydraulic cylinders or components thereof.

OBJECTS OF THE OFFER

THE OBJECTIVE OF THE ISSUE IS TO CARRY OUT AN OFS FOR THE EQUITY SHARES AND ACHIEVE BENEFITS OF THE STOCK EXCHANGES.

TRACK RECORD OF FINANCIAL PERFORMANCE

- REVENUE FROM OPERATIONS FOR FISCAL 2019, 2020 & 2021 WAS ₹ 76,530 ₹ 53,720 AND ₹ 59,110 (IN MILLIONS) RESPECTIVELY. AND Q3FY21 REPORTED 6,569.
- EBITDA WAS ₹ 1,398.48 MILLION, ₹ 1,278.10 MILLION, ₹ 1,639.26 MILLION AND ₹ 2,013.48 MILLION IN FISCAL 2019, 2020 AND 2021 AND IN THE NINE MONTHS ENDED DECEMBER 31, 2021, RESPECTIVELY
- EBITDA MARGIN WAS 13.19%, 14.09%, 18.15% AND 22.86%, RESPECTIVELY, FOR SUCH PERIODS
- PROFIT FOR THE YEAR / PERIOD WAS ₹ 695.97 MILLION, ₹ 626.42 MILLION, ₹ 923.86 MILLION, ₹ 1,223.36 MILLION IN FISCAL 2019, 2020 AND 2021 AND IN THE NINE MONTHS ENDED DECEMBER 31, 2021,
- PROFIT FOR THE YEAR / PERIOD MARGIN WAS 6.56%, 6.90%, 10.23% AND 13.89%, RESPECTIVELY, FOR SUCH PERIODS. AS OF MARCH 31, 2019, 2020 AND 2021 AND AS OF DECEMBER 31, 2021
- NET CASH FLOW FOR THE YEARS 2020 , 2021 & 2022 WAS -5.52 , 0.98 AND -0.62
- AS OF MARCH 31, 2019, 2020 AND 2021 AND AS OF DECEMBER 31, 2021, DEBT EQUITY RATIO WAS 0.78, 0.52, 0.21 AND 0.19, RESPECTIVELY.
- ROCE WAS 15.37%, 13.98%, 19.81% AND 23.14% (NON-ANNUALIZED), RESPECTIVELY, WHILE OUR ROAE WAS 17.68%, 14.14%, 18.05% AND 19.97% (NON-ANNUALIZED), RESPECTIVELY.

STRENGTHS

- A global business model that optimizes customers' cost competitiveness and supply chain risksMarket leadership, expansion and growth in industrial bromine and salt.
- Long-term relationships with key global customers, including major original equipment manufacturers, resulting in a diversified revenue base
- Global market leader in off-road vehicle systems and components.
- A vertically integrated, engineering-focused precision solution provider Solid and consistent financial performance.
- Strategically located manufacturing and warehousing facilities offer scalability and flexibility

RISKS

- Some invoices open in RBI's export data processing and monitoring system
- Dependent on its subsidiaries, Uniparts India USA Limited and Uniparts India Olsen Inc.
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- Inability to accurately forecast demand for its products.
- Availability and cost of materials and labor.

Valuation and Outlook

THE PRICE RANGE OF THE ISSUE, IN TERMS OF VALUATION, IS INR 548 - 577 PER SHARE. THE P/E RATIO IS AROUND 15.28X BASED ON A PRICE RANGE ABOVE INR 577 AND OVER THE PAST THREE YEARS, ON A CONSOLIDATED BASIS, UNIPARTS HAS REPORTED AN AVERAGE EPS OF INR 13.48. THE INDUSTRY AVERAGE IS 27.26X TIMES THAT OF LISTED PEERS.

UNIPARTS LIMITED THE COMPANY HAS NO LISTED INDUSTRY EQUIVALENTS IN INDIA, ACCORDING TO DRHP. AS A RESULT, IT IS IMPOSSIBLE TO COMPARE UNIPARTS TO OTHER COMPANIES IN THE INDUSTRY. AND IF WE COMPARE WITH P/E MULTIPLE IT SEEMS UNDERVALUED.

THE SUPPLY OF TRACTORS IS ANTICIPATED TO GROW BETWEEN 2020 AND 2025 AT A CAGR OF AROUND 4%, ALONG WITH AN INCREASE IN THE MARKET'S AVERAGE PRICE OF 3PL PARTS BECAUSE OF AN INCREASE IN THE COST OF RAW MATERIALS.

THE COMPANY'S ISSUES ARE AFFORDABLY PRICED BY TAKING INTO ACCOUNT THE AFOREMENTIONED FACTORS AS WELL AS ITS MOST RECENT FINANCIALS. AN INVESTOR MAY REQUEST A MEDIUM- TO LONG-TERM LOAN. ANYONE INTERESTED IN RECEIVING LISTING GAINS MAY APPLY FOR THIS EDITION.