



Standard Glass
Customer Inspired Excellence



Issue Opens - January 6, 2025 to January 8, 2025

Price Band
₹133 to ₹140

Face Value
₹10

Issue Size
₹410.05 Cr

Lot Size
107 Shares

Listing At
NSE, BSE

Issue Size

2,92,89,367 shares / ₹410.05 Cr

Fresh Issue

1,50,00,000 shares / ₹ 210.00 Cr

Offer for Sale

1,42,89,367 shares / ₹200.05 Cr

Basis of Allotment

Thursday, January 9, 2025

Initiation of Refunds

Friday, January 10, 2025

Credit of Shares to Demat

Friday, January 10, 2025

Standard Glass Listing Day

Monday, January 13, 2025



Objects of The Offer

The funds raised from the IPO will be allocated for:

- Purchasing machinery to enhance production capabilities.
- Repaying outstanding loans to strengthen the balance sheet.
- Investing in its wholly-owned subsidiary for growth opportunities.
- Supporting potential acquisitions to expand market presence.

Brief profile of the Directors

Sambasiva Rao Gollapudi is the Non-Executive Chairman and Independent Director of Standard Glass Lining Technology Limited. He has been associated with Standard Glass Lining Technology Limited since May 29, 2024. He is a fellow member at the Institute of Chartered Accountants of India. He has been practicing as a chartered accountant and has been a working partner in M/s G. Sambasivarao & Co. He has professional experience in accounting, auditing, and consultancy of over two decades prior to joining Standard Glass Lining Technology Limited.

Nageswara Rao Kandula is the Managing Director of Standard Glass Lining Technology Limited. He has been associated with Standard Glass Lining Technology Limited since incorporation. He holds a Diploma in Business Management with specialization in finance management from the Indian School of Business Management and Administration. He has completed his master's in business administration, with specialization in finance management from the Indian School of Business Management and Administration. He has professional experience in the glass lining industry of over 10 years.

Sudhakara Reddy Siddareddy is an Independent Director on the Board of Standard Glass Lining Technology Limited. He has been associated with Standard Glass Lining Technology Limited since June 4, 2022. He holds a Master of Science degree in agriculture from the Andhra Pradesh Agricultural University. Prior to joining Standard Glass Lining Technology Limited, he was associated with Syndicate Bank and is currently a working partner at Siri Constructions Infrastructure Private Limited and has professional experience in banking and construction of over four decades.



Kandula Krishna Veni is an Executive Director of Standard Glass Lining Technology Limited. She has been associated with Standard Glass Lining Technology Limited since incorporation. She holds a master's degree in business administration, with a specialization in finance management and a graduate diploma in management, with a specialization in finance management from the Indian School of Business Management and Administration. She has professional experience in glass lining, engineering, and allied industries of over 14 years. She is currently a partner in the partnership firm M/s S2 Engineering Services.

Kandula Ramakrishna is an Executive Director on the Board of Standard Glass Lining Technology Limited. He has been associated with Standard Glass Lining Technology Limited since October 1, 2021. He has passed his part I and II in Technicians Engineering Examination from The Institute of Mechanical Engineers. Prior to joining Standard Glass Lining Technology Limited, he was a partner in the partnership firm M/s S2 Engineering Services, where he continues to be a partner as on date. He has professional experience in the field of engineering of over 14 years.

Key Business Operations

1. Comprehensive Product Offerings

- SGL specializes in designing, engineering, and manufacturing a wide range of glass-lined equipment, including: Glass-Lined Reactors: Used for chemical reactions in pharmaceuticals and fine chemicals.
- Storage Tanks: For safe storage of chemicals and pharmaceutical products.
- Heat Exchangers and Dryers: Essential for various processes in chemical manufacturing.
- PTFE-Lined Pipelines and Fittings: Offering corrosion resistance for aggressive chemicals.



2. Turnkey Solutions

- The company provides complete turnkey solutions that encompass:
Design and Engineering: Tailoring equipment to meet specific customer requirements.
- Manufacturing and Assembly: Utilizing advanced techniques like robotic welding and CNC machining.
- Installation and Commissioning: Ensuring that the equipment is operational and meets quality standards upon delivery.

3. In-House Manufacturing Capabilities

- SGL has established extensive in-house capabilities, allowing it to control the entire value chain: Production Facilities: The company operates multiple manufacturing sites with a total built-up area of over 400,000 sq. ft., capable of producing over 300 vessels per month, ranging from 63 to 40,000 liters.
- Quality Control: Adherence to international standards (ISO, DIN, ASME, API) ensures high-quality output.

Their revenues from our various lines of business were as follows:

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations	Amount (₹ in million)	% of total revenue from operations
Reaction Systems	1,653.62	53.83%	3,083.09	56.71%	3,047.86	61.25%	1,638.78	68.23%
Storage, Separation and Drying Systems	1,011.97	32.94%	1,635.49	30.08%	1,540.98	30.97%	626.22	26.07%
Plant, Engineering and Services	406.36	13.23%	718.11	13.21%	387.04	7.78%	136.87	5.70%
Total	3,071.95	100.00%	5,436.69	100.00%	4,975.88	100.00%	2,401.87	100.00%

Statement of Profit and Loss



(All amounts are in Indian Rupees millions, unless otherwise stated)

Item	Sep-24	Mar-24	Mar-23	Mar-22
Income				
Revenue from operations	3,071.95	5,436.69	4,975.88	2,401.87
Other income	49.03	60.12	24.88	13.15
Total Income	3,120.98	5,496.81	5,000.76	2,415.02
Expenses				
Cost of materials consumed	1,895.41	3,516.61	2,996.65	1,391.87
Changes in inventories of finished goods and work-in-progress	-217.52	-339.94	-141.74	-240.42
Employee benefits expense	136.38	207.68	157.52	135.21
Finance costs	79.97	117.9	86.96	37.73
Depreciation and amortization expense	49.72	1,103.27	77.07	42.36
Other expenses	679.63	1,105.77	710.57	373.77
Total Expenses	2,623.59	4,698.80	4,282.23	2,077.32
Restated Profit Before Tax	497.39	798.01	718.53	337.7
Income Tax Expense/(Credit)				
Current Tax	134.07	197.82	182.11	90.77
Deferred tax	0.64	0.08	2.18	-4.52
Total Income Tax Expense	134.71	197.9	184.29	86.25
Restated Profit for the Period/Year	362.68	600.11	534.24	251.45
Other Comprehensive Income				
Restated Total Comprehensive Income for the Period/Year	362.72	600.51	533.71	251.99
Restated Profit for the Period/Year Attributable to:				
Owners of the parent	342.58	583.84	534.24	251.45
Non-controlling interests	20.1	16.27	0	0
Restated Other Comprehensive Income for the Period/Year Attributable to:				
Owners of the parent	342.62	584.24	533.71	251.99
Non-controlling interests	20.1	16.27	0	0
Restated Earnings per Equity Share (Face Value of Share - ₹10 each)				
Basic (₹1)	1.89	3.52	3.49	2.22
Diluted (₹1)	1.89	3.52	3.49	2.22

Strengths



- **Market Leadership:** Standard Glass Lining Technology is recognized as one of the top five manufacturers of specialized engineering equipment in India, particularly for the pharmaceutical and chemical industries. This strong market position enhances its credibility and attracts a diverse clientele.
- **Comprehensive Product Portfolio:** The company offers a wide range of products, including glass-lined reactors, storage tanks, and separation systems. Its ability to provide complete turnkey solutions—from design to installation—enables it to cater to various customer needs effectively.
- **In-House Manufacturing Capabilities:** SGL possesses extensive in-house capabilities across the entire value chain, allowing for greater control over quality, cost, and delivery timelines. This includes advanced manufacturing technologies such as CNC plasma and laser cutting.
- **Strong Client Relationships:** The company has established long-term relationships with notable clients in the pharmaceutical sector, such as Aurobindo Pharma and Cadila Pharmaceuticals. A significant portion of its revenue comes from repeat orders, indicating high customer satisfaction.
- **Experienced Management Team:** Led by experienced promoters with over three decades in the industry, the management team has a proven track record of navigating market challenges and driving growth.
- **Focus on R&D:** SGL invests heavily in research and development to innovate and enhance its product offerings, ensuring they meet international standards and customer requirements.

Threats

- **Dependence on Specific Industries:** SGL's business is heavily reliant on the pharmaceutical and chemical sectors. Any downturn or regulatory changes in these industries could adversely affect demand for its products.
- **Economic Sensitivity:** The company's performance may be sensitive to economic fluctuations that impact capital spending in the pharmaceutical and chemical sectors, potentially leading to reduced orders during economic downturns.
- **Competition:** The specialized equipment manufacturing sector is competitive, with several established players vying for market share. Increased competition could pressure pricing and margins.
- **Regulatory Compliance:** Operating in the pharmaceutical sector requires strict adherence to various regulatory standards. Non-compliance could lead to penalties or loss of business opportunities.
- **Execution Risks:** As SGL plans to expand its manufacturing capabilities and undertake larger projects, execution risks increase. Delays or cost overruns in project delivery can impact profitability and customer satisfaction.

Valuation and Outlook



Standard Glass Lining Technology Limited IPO is expected to be priced between ₹133 to ₹140 per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of 39.77x whereas the industry average is 55.24x

Name of the Company	Total Income (₹ in million)	Face Value (₹)	P/E	EPS (Diluted) (₹)	EPS (Basic) (₹)	Return on Net Worth (%)
Standard Glass Lining Technology	5,496.81	10	-	3.52	3.52	20.74%
Peers						
GMM Pfaudler Ltd	34,665.00	2	30.64	39.79	39.8	20.23%
HLE Glascoat Ltd	9,767.36	2	56.54	6.52	6.52	7.99%
Thermax Ltd	95,560.30	2	81.24	57.28	57.3	15.53%
Praj Industries	35,097.77	2	52.54	15.42	15.42	24.09%

Standard Glass Lining reported a 10% growth in revenue and a 12% increase in profit after tax (PAT) for fiscal year 2024, indicating strong operational efficiency and product demand. The company is regarded as one of India's top five specialist engineering component producers, with a focus on the pharmaceutical and chemical industries.

Standard Glass Lining's strategy focus on high-growth areas such as pharmaceuticals and specialty chemicals allows the company to benefit from rising demand for glass-lined equipment, increasing its valuation potential.

"Call us on 8448899576" to find out whether or not you should apply.

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