

Issue Highlights:
Issuer: Sandhar Technologies Limited
Issue Type: 100% Book Built Issue IPO

Issue Open: Monday, Mar 19, 2018

Issue Close: Wednesday, Mar 21, 2018

Offer Details: Fresh Issue of Equity shares aggregating upto Rs.300 Cr and Offer for sale of upto 6,400,000 equity shares.

Issue Size: Rs.509* Cr – 512^ Cr
Face Value: Rs.10 per Equity Share

Price Band: Rs.327 - Rs.332 per Equity Share

Minimum Order Quantity Retail: 45 Equity Shares and in multiples thereof

Maximum Bid amount for Retail: Rs. 2 Lakhs

Listing: NSE & BSE

Issue Size and Investor Category Allocation
QIB: 50% of the issue size (Rs.255* Cr - 256^ Cr)

NIB: 15% of the issue size (Rs.76* Cr - 77^ Cr)

Retail Individual: 35% of the issue size
(Rs.178* Cr - 179^ Cr)

*** Lower Price Band; ^ Upper Price Band**
Book Running Lead Managers:

Axis Capital, ICICI Securities

Registrar:

Link Intime India Pvt. Ltd.

Key Business Strategies:

- Expansion of product portfolio through investment in new products and business with high growth potential
- Increase wallet share from existing OEM customers
- Inorganic growth through strategic acquisitions
- Integrate operations to ensure efficiency and cost optimisation and enhance innovation and design capabilities

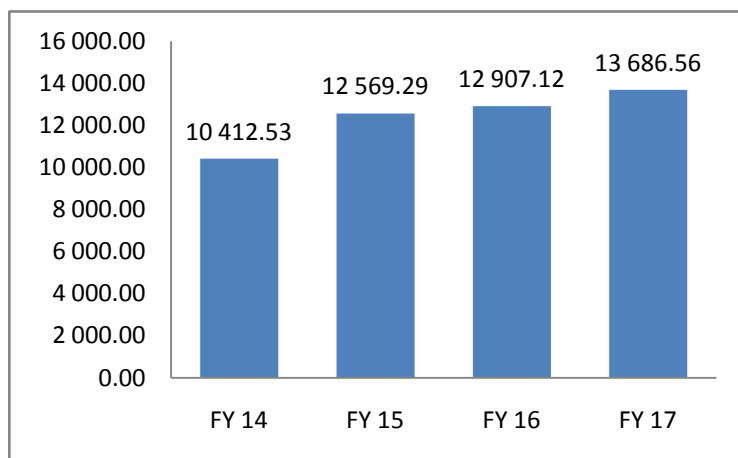
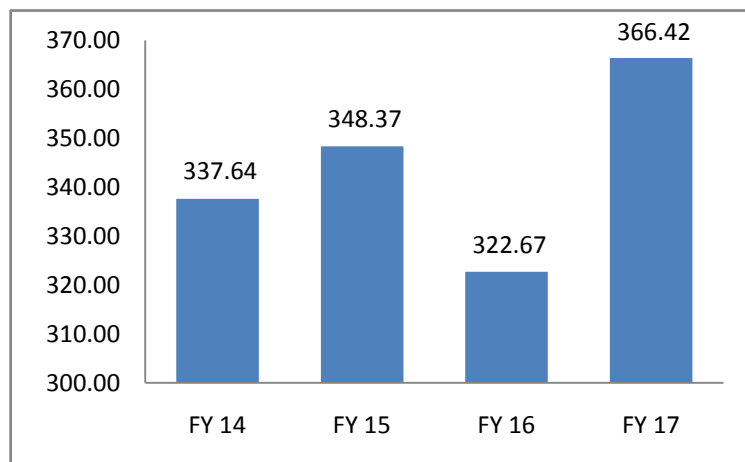
Key Strengths:

- Long standing, and growing relationships with major OEMs

- Production facilities close to our customers based on our philosophy – 'Be Glocal'
- Vertical and horizontal integration of our operations from product designing to supply solutions
- In-house R&D and design capability and technical collaborations
- Efficient operations with significant operating leverage
- Experienced and strong management team backed by good governance standards

About the Issuer:

- Incorporated on October 19, 1987, they are an automotive OEM component supplier, primarily focused on safety and security systems in vehicles with a pan India presence and a growing footprint internationally.
- Their business involves design and manufacturing of diverse automotive components and systems.
- They are the largest supplier of lock assemblies and mirror assemblies to two wheeler OEMs in India and are one of the three largest manufacturers of cabins in India.
- Their customer base includes, Hero TVS, Royal Enfield, Honda car, Tata motors, Mahindra, Ashok Leyland.
- Presently, they manufacture around 15 categories of products with several product varieties which cater to different industry segments including two wheelers, passenger vehicles, commercial vehicles, off-highway vehicles and tractors.
- They manufacture their products from 29 manufacturing facilities across eight states in India, four facilities in Spain, Poland and Mexico.
- As of August 31, 2015, they had a total work force of 6,241 individuals comprising of 2,082 employees and 4,159 individuals on contract basis.

Revenue from Operations (Rs. Million)

Net Profit After Tax (Rs. Million)


SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(All amounts in ₹ million, except share data and unless otherwise stated)

| Particulars | Annexure | As at 30 September 2017 | As at 31 March 2017 | As at 31 March 2016 | As at 31 March 2015 | As at 31 March 2014 | As at 31 March 2013 |
|--|-------------|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Equity and liabilities | | | | | | | |
| A Shareholders' funds | | | | | | | |
| Share capital | VI | 511.55 | 511.55 | 511.55 | 102.31 | 93.74 | 93.74 |
| Reserves and surplus | VII | 2,656.69 | 2,371.69 | 2,096.16 | 2,398.20 | 1,869.18 | 1,632.66 |
| Total of Shareholders' funds | | 3,168.24 | 2,883.24 | 2,607.71 | 2,500.51 | 1,962.92 | 1,726.40 |
| Share application money pending allotment | IV | - | - | - | - | 14.76 | - |
| B Non-current liabilities | | | | | | | |
| Long term borrowings | VIII and IX | 1,768.55 | 1,738.10 | 1,548.74 | 1,571.46 | 1,193.56 | 1,252.70 |
| Deferred Tax Liabilities (Net) | X | 58.27 | 62.22 | 62.89 | 86.74 | 112.02 | 113.95 |
| Total of Non-current liabilities | | 1,826.82 | 1,800.32 | 1,611.63 | 1,658.20 | 1,305.58 | 1,366.65 |
| C Current liabilities | | | | | | | |
| Short-term borrowings | VIII and IX | 822.85 | 940.12 | 571.61 | 695.38 | 735.64 | 304.68 |
| Trade payables | | | | | | | |
| • Dues of micro and small enterprises | XII | 189.38 | 145.11 | 120.76 | 124.42 | 136.26 | 100.22 |
| • Dues of creditors other than micro and small enterprises | XII | 2,374.73 | 1,709.34 | 1,664.13 | 1,677.40 | 1,262.40 | 1,164.96 |
| Other current liabilities | XII | 1,083.92 | 858.96 | 975.18 | 730.95 | 724.10 | 720.62 |
| Short-term provisions | XI | 210.03 | 111.94 | 89.60 | 117.50 | 71.98 | 40.86 |
| Total of current liabilities | | 4,680.91 | 3,765.47 | 3,421.28 | 3,345.65 | 2,930.38 | 2,331.34 |
| Total A+B+C | | 9,675.97 | 8,449.03 | 7,640.62 | 7,504.36 | 6,213.64 | 5,424.39 |
| Assets | | | | | | | |
| D Non-current assets | | | | | | | |
| Tangible Assets | | | | | | | |
| Property, plant and equipment | XIII | 4,704.27 | 4,632.27 | 4,145.62 | 3,889.41 | 3,424.39 | 3,186.70 |
| Intangible assets | XIII | 100.96 | 113.07 | 128.11 | 149.46 | 67.33 | 43.78 |
| Capital work- in- progress | | 590.58 | 215.02 | 399.29 | 220.70 | 228.01 | 170.03 |
| Non-current investments | XIV | 428.40 | 354.08 | 398.90 | 316.57 | 319.71 | 314.60 |
| Long-term loans and advances | XV | 214.23 | 143.10 | 153.94 | 155.53 | 268.04 | 168.27 |
| Total of non-current assets | | 6,038.44 | 5,457.54 | 5,225.86 | 4,731.67 | 4,307.48 | 3,883.38 |

SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(All amounts in ₹ million, except share data and unless otherwise stated)

| | Particulars | Annexure | As at 30 September 2017 | As at 31 March 2017 | As at 31 March 2016 | As at 31 March 2015 | As at 31 March 2014 | As at 31 March 2013 |
|----------|--------------------------------|----------|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| E | Current assets | | | | | | | |
| | Current investments | | - | - | - | - | 0.03 | 37.11 |
| | Inventories | XVI | 1,044.97 | 957.15 | 889.92 | 929.07 | 573.80 | 572.69 |
| | Trade receivables | XVII | 2,269.01 | 1,715.29 | 1,346.72 | 1,623.54 | 1,178.05 | 784.81 |
| | Cash and bank balances | XVIII | 13.53 | 34.38 | 18.13 | 43.94 | 11.60 | 59.06 |
| | Short-term loans and advances | XIX | 287.46 | 155.49 | 153.92 | 152.28 | 140.91 | 80.09 |
| | Other current assets | XIX | 22.56 | 129.18 | 6.07 | 23.86 | 1.77 | 7.25 |
| | Total of current assets | | 3,637.53 | 2,991.49 | 2,414.76 | 2,772.69 | 1,906.16 | 1,541.01 |
| | Total D+E | | 9,675.97 | 8,449.03 | 7,640.62 | 7,504.36 | 6,213.64 | 5,424.39 |

SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED
(All amounts in ₹ million, except share data and unless otherwise stated)

| For the period / year ended | | | | | | | |
|---|----------|-----------------|------------------|------------------|------------------|------------------|-----------------|
| Particulars | Annexure | 30-Sep-17 | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
| Revenue | | | | | | | |
| Revenue from operations (gross) | XX | 8,962.58 | 15,034.08 | 14,187.82 | 13,775.86 | 11,425.86 | 10,596.04 |
| Less: Excise duty | XX | 377.83 | 1,347.52 | 1,280.70 | 1,206.57 | 1,013.33 | 972.37 |
| Revenue from operations (Net) | | 8,584.75 | 13,686.56 | 12,907.12 | 12,569.29 | 10,412.53 | 9,623.67 |
| Other Income | XXI | 11.40 | 56.58 | 26.47 | 54.87 | 25.71 | 20.14 |
| Total revenue | | 8,596.15 | 13,743.14 | 12,933.59 | 12,624.16 | 10,438.24 | 9,643.81 |
| Expenses | | | | | | | |
| Cost of raw material and components consumed | XXII | 5,545.63 | 8,826.70 | 8,307.98 | 8,440.53 | 6,952.75 | 6,650.43 |
| Change in inventories of finished goods and work-in-progress | XXIII | 32.53 | (49.08) | (16.81) | (39.46) | 61.41 | (89.90) |
| Employee benefit expenses | XXIV | 977.41 | 1,727.99 | 1,497.75 | 1,293.75 | 1,053.71 | 993.62 |
| Other expenses | XXV | 1,097.21 | 1,924.81 | 1,826.15 | 1,618.41 | 1,329.24 | 1,225.35 |
| Total expenses | | 7,652.78 | 12,430.42 | 11,615.07 | 11,313.23 | 9,397.11 | 8,779.50 |
| Earnings before interest, tax, depreciation, amortization and exceptional items (EBITDA) | | 943.37 | 1,312.72 | 1,318.52 | 1,310.93 | 1,041.13 | 864.31 |
| Net depreciation and amortization expense | XIII | 275.31 | 491.84 | 465.75 | 427.39 | 300.17 | 284.42 |
| Interest income | XXI | (1.92) | (3.51) | (3.66) | (3.05) | (2.92) | (15.38) |
| Finance cost | XXVI | 176.45 | 355.58 | 373.44 | 352.90 | 336.27 | 311.58 |
| Restated profit before Exceptional items and Tax | | 493.53 | 468.81 | 482.99 | 533.69 | 407.61 | 283.69 |
| Exceptional items | | - | 15.51 | 131.67 | 55.00 | - | - |
| Impairment of Investment and Advances | | - | - | (82.35) | - | - | 20.65 |
| Restated profit before tax | | 493.53 | 453.30 | 433.67 | 478.69 | 407.61 | 263.04 |

SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED
(All amounts in ₹ million, except share data and unless otherwise stated)

| Particulars | Annexure | For the period / year ended | | | | | |
|---|----------|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 30-Sep-17 | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
| Tax expense | | | | | | | |
| Current tax | | | | | | | |
| Pertaining to the profit for the current year | XXXIII | 151.15 | 93.49 | 122.67 | 134.03 | 85.67 | 56.76 |
| MAT credit entitlement | XXXIII | - | (4.97) | (2.05) | - | (25.11) | (12.04) |
| Adjustment of tax relating to earlier period | XXXIII | - | (0.97) | 14.23 | 5.56 | 11.34 | 0.71 |
| Deferred tax charge/(credit) | X | (3.95) | (0.67) | (23.85) | (9.27) | (1.93) | 9.60 |
| Total tax expenses | | 147.20 | 86.88 | 111.00 | 130.32 | 69.97 | 55.03 |
| Restated profit after tax | | 346.33 | 366.42 | 322.67 | 348.37 | 337.64 | 208.01 |
| Earnings per equity shares (Rs.) | | | | | | | |
| (Par value of Rs. 10 per share) | | | | | | | |
| Basic (Rs.) | XXXII | 6.77 | 7.16 | 6.31 | 6.84 | 6.71 | 4.14 |
| Diluted (Rs.) | XXXII | 6.77 | 7.16 | 6.31 | 6.84 | 6.71 | 4.14 |

Source for Note: DRHP
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