



IPO Note

Eleganz Interiors Limited

Recommendation: **APPLY!**

Company Background -

- **Incorporation:** Eleganz Interiors Limited was incorporated as on April 18, 1996. The registered office is located at Mumbai, Maharashtra, India.
- **Business Activity:** The company is engaged in the business of providing interior fit-out solutions, dedicated towards crafting corporate & commercial spaces which includes corporate offices, research & development facilities, laboratories, amongst others.
- **Revenue Stream:** The company derives majority of its Revenue from General Contracting Services.
- **Human Resource:** The company had 63 permanent employees and had engaged 380 persons on retainership basis as on December 31, 2024.

Objects of the Issue -

- Repayment, in full or in part, of certain borrowings availed by the Company.
- To Meet Working Capital Requirements.
- General Corporate Purpose.

Promoters Name -

Sameer Akshay Pakvasa

Rationale for recommendation -

- ✓ Post-IPO P/E is around 15.41x, suggesting the stock is fairly priced.
- ✓ The leadership is competent, backed by extensive industry experience, though not exceptionally standout.
- ✓ A robust order book of 47 ongoing projects valued at ₹43,486.33 lakhs across 12 cities underscores a strong recurring business model and project pipeline.
- ✓ Operating in a dynamic, competitive interior fit-out market, the company must continuously innovate and strategically invest to maintain its edge.

IPO Details

Opening Date	Feb 07, 2025
Closing Date	Feb 11, 2025
Allotment Date	Feb 12, 2025
Listing Date	Feb 14, 2025
Stock Exchange	NSE SME
Lot Size	1,000 Shares
Issue Price Per Share	₹123 to ₹130
Issue Size	78.07 Cr.
Fresh Issue	78.07 Cr.
Offer for Sale	-
Application Amt	₹ 1,30,000 (1,000 shares)

INDUSTRY - India's Commercial Interior Fit-Out Sector

Average Industry PE as per RHP - N/A

KPI's	KPIs (In Lakhs)			
	FY 22	FY 23	FY 24	Sep-24
Revenue	15,383	19,025.86	22,129.2	19,209.6
EBITDA	679.34	1,334.37	1,981.10	1,569.53
Net Profit	509.39	1,031.12	1,220.59	953.46
RoCE	17.20%	25.41%	30.66%	19.40%
ROE	17.66%	26.33%	23.76%	13.45%
P/E	39.16	19.37	16.35	15.41*

*Annualized

Promoter Share Holding Pattern

Pre-Issue	Post-Issue
93.94%	68.98%

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	7.95	8.44
BVPS	33.44	70.14
P/E	16.35	15.41
P/BV	3.89	1.85
Mkt Cap (In Cr)	215.73	293.80

*Annualized

Lead Managers -

Vivro Financial Services Private Limited

Registrar -

Bigshare Services Pvt Ltd

Business Overview -

Eleganz Interiors Limited is engaged in providing comprehensive interior fit-out solutions, specializing in crafting corporate and commercial spaces across India. Their expertise extends to corporate offices, research and development facilities, laboratories, airport lounges, flexible workspaces, and commercial retail spaces. The company offers both Design & Build (D&B) and General Contracting (GC) services, ensuring end-to-end project execution, from design to final walkthrough and post-project support.

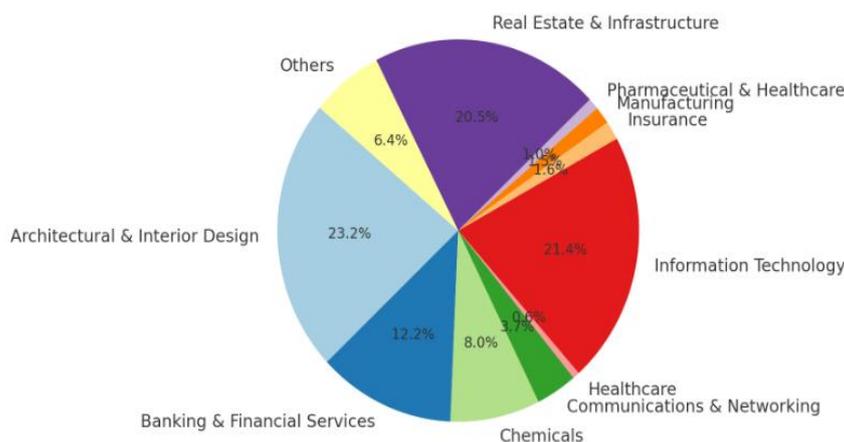
Financial Performance -

Over the past three financial years and the six-month period ending September 30, 2024, Eleganz Interiors Limited has successfully completed over 200 projects, covering more than 45 lakh Sq. Ft. As of December 31, 2024, the company’s order book includes 47 ongoing projects valued at ₹43,486.33 lakhs, spanning 12 cities in India. The revenue from repeat clients has demonstrated strong retention rates, contributing to 80.18%, 70.76%, 89.62%, and 61.31% of total revenues for fiscal years 2022, 2023, 2024, and the six-month period of fiscal 2025, respectively.

Industry-Wise Revenue Distribution -

Eleganz Interiors Limited serves diverse industries, with a significant portion of revenue derived from Information Technology, Real Estate & Infrastructure, Banking & Financial Services, and Renewable Energy sectors. The following chart illustrates industry-wise revenue distribution:

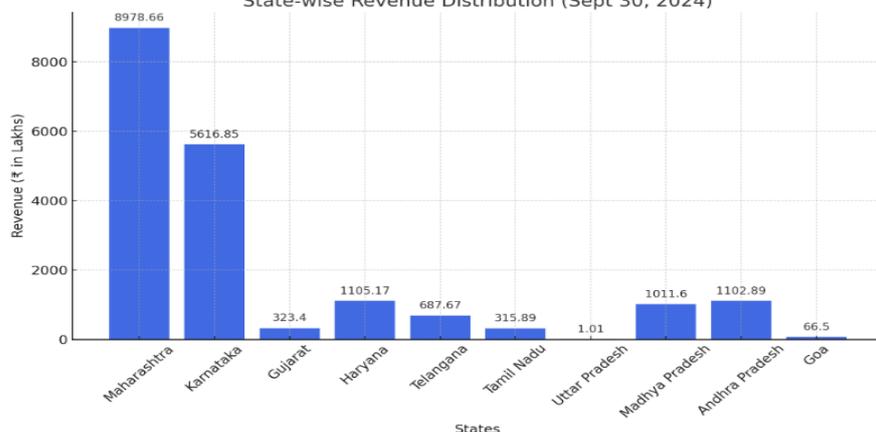
Industry-wise Revenue Contribution (Sept 30, 2024)



State-Wise Revenue Distribution -

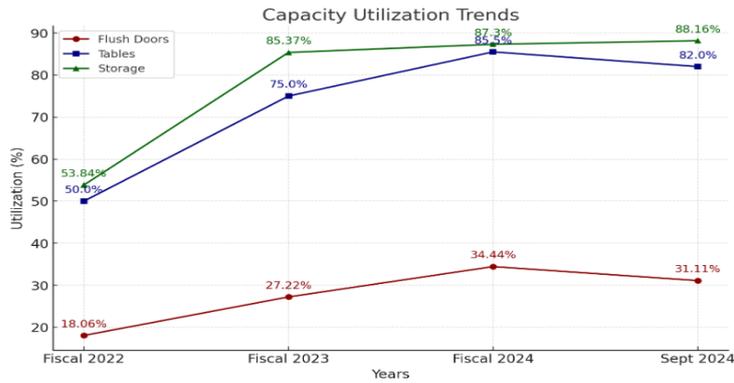
The company's revenue is spread across various states, with Maharashtra contributing the highest share. Karnataka, Gujarat, and Haryana also make significant contributions. Below is a graphical representation of state-wise revenue distribution:

State-wise Revenue Distribution (Sept 30, 2024)



Manufacturing Capacity Utilization -

Eleganz Interiors Limited has significantly improved its manufacturing capacity utilization over the years. The production of flush doors, laminated sheets, and storage units has seen a steady increase in utilization. The following chart depicts capacity utilization trends over fiscal years 2022-2024 and the six-month period of fiscal 2025:



Eleganz Interiors maintains a strong market presence, leveraging industry expertise, diversified clientele, and a robust order book. With steady financial performance, expanding state-wide reach, and a commitment to sustainability, it is well-positioned for continued growth in India's commercial interior fit-out sector.

Competition -

- Market Competition:** The industry is highly competitive, with Eleganz Interiors Limited competing against both organized national players and many unorganized players. Established firms with strong financial backing and technological expertise pose a significant challenge, while smaller players drive pricing pressures in certain segments.
- Geographic Competition:** Competition varies across regions in India, with some areas dominated by local unorganized players. Additionally, international firms are gradually entering the market, but long import timelines and customization needs give Eleganz Interiors a competitive advantage in meeting local demands efficiently.
- Barriers to entry:** Moderate, as the industry requires expertise in design, execution, and project management.
- Threat of Substitutes:** Moderate, as clients have access to multiple national and international service providers.
- Bargaining Power of Buyers:** High, as clients have multiple options, particularly with unorganized players offering lower costs.
- Bargaining Power of Supplier:** Low, as company has in-house manufacturing capabilities and integrated supply chain processes, reducing dependence on third-party suppliers and minimizing procurement risks.

Business Strategies -

- Eleganz Interiors Limited is prioritizing larger projects under its Design & Build and General Contracting services, securing high-value contracts to leverage economies of scale and strengthen its market position.
- The company is expanding geographically, increasing its presence in key economic regions by opening new branch offices and diversifying its project portfolio across multiple cities to tap into emerging markets.
- By enhancing operational efficiency through skilled personnel development and strong working capital management, the company ensures financial stability, seamless project execution, and long-term growth.

Risk Factors -

- There are outstanding litigations involving Company, its Promoters and Directors (mostly relating to Tax Proceedings and 1 Material civil proceedings) amounting to ₹ 1,267 Lakhs.
- Company has reported negative cash flows from its operating activity in FY22 & F24, Sustained negative cash flow could impact growth and business.
- Company derives a significant portion of revenues from a limited number of clients i.e., top 10 of its clients contribute to 78.04% of the revenue. Loss of one or more clients could impact growth and business.
- As on September 30, 2024, Eleganz Interiors have contingent liability of ₹ 4,217.46 lakhs.

PEER ANALYSIS -

As per the RHP there are no listed companies whose business operations are similar to that of the Company or are of a comparable size to that of the Company.

INDUSTRY OVERVIEW -

India’s Commercial Interior Fit-Out Sector –

India’s commercial interior fit-out industry is experiencing robust growth, driven by rapid urbanization, modernization of workspaces, and evolving customer experiences. The sector spans a wide range of applications—from sophisticated corporate offices and agile research and development facilities to high-specification laboratories, upscale airport lounges, and immersive retail environments.

Key Drivers & Trends

The rising demand for flexible, adaptive interiors is primarily fuelled by:

- **Corporate Transformation:** With businesses embracing open, collaborative, and technology-driven environments, corporate offices are increasingly investing in modern, ergonomically designed interiors.
- **Retail Evolution:** To stay competitive, retail spaces are transforming into experiential zones that blend aesthetics with interactive technology, enhancing customer engagement.
- **Innovation in R&D and Laboratories:** As India’s tech and pharmaceutical sectors expand, there is a greater emphasis on designing research and development centres and laboratories that meet stringent safety, sustainability, and efficiency standards.
- **Enhanced Travel Experiences:** Airport lounges are being reimagined as premium spaces that offer comfort and connectivity, responding to growing expectations among international and domestic travellers.

Challenges & Opportunities

Despite strong growth prospects, the industry faces challenges such as supply chain disruptions, a shortage of skilled labor, and stringent regulatory norms. However, these hurdles are being addressed through:

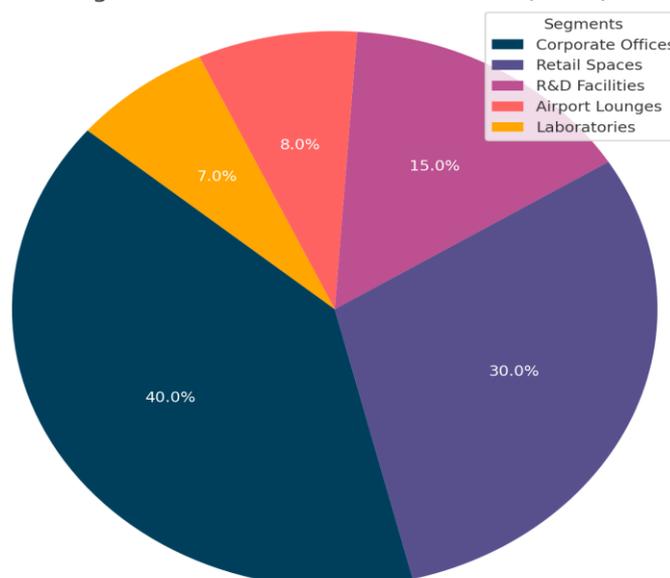
- **Digital Integration:** The adoption of BIM (Building Information Modelling) and smart interior solutions is streamlining project management and reducing turnaround times.
- **Sustainability Focus:** There is a marked shift toward eco-friendly materials and energy-efficient designs, driven by both regulatory mandates and corporate sustainability goals.
- **Strategic Collaborations:** Partnerships between designers, contractors, and technology providers are fostering innovation, ensuring that interiors are not only visually appealing but also highly functional.

Market Outlook

With increasing FDI in the commercial real estate sector and supportive government infrastructure initiatives, the industry is poised for sustained growth. Projections indicate that the market will continue to evolve toward more dynamic, technology-integrated, and sustainable design practices. This convergence of creativity and technology is setting new benchmarks, making India’s interior fit-out space one of the most exciting arenas for both investors and design professionals.

Below is a key chart that provides a snapshot of the revenue contribution by each segment in 2023:

Segment-wise Revenue Distribution (2023)



Key Management -



Key Management Persons Name -	Sameer Akshay Pakvasa
Age	46 years
Designation and No. of years of experience	Promoter, Chairman and Managing Director, he has overall experience of over 20 years in the industry in which the Company operates.
Qualification	Matriculation (Class 10 th)
Responsibility	He is instrumental in defining the strategic direction and promoting growth, ensuring all departments are aligned with the Company's objectives.
Other Directorships	Doshi Infrastructure Private Limited, Scavengers Welfare Foundation, NAOS SPA & Wellness, Private Limited, Redwoods Project Private Limited, Eleganz Interiors PTE Limited, Singapore and Eleganz Infra & Projects Limited, Republic of Rwanda.

Key Management Persons Name -	Mayank Kumar Sharma
Age	44 years
Designation and No. of years of experience	Whole Time Director, he has 13 years of diverse experience and oversees project management, production, logistics, procurement, and quantity surveying.
Qualification	MBA from Dr. C.V. Raman University Bilaspur and post-graduate diploma in Material and Supply Chain Management.
Other Directorships	Doshi Infrastructure Private Limited, Redwoods Shukla Talab Heritage Private Limited, Redwoods Barsana, Heritage Private Limited and Eleganz Infra & Projects Limited, Republic of Rwanda.

- The overall management of the company is decent.
- Sonal Pakvasa, Joshi Apurva Pradeep and Mangina Srinivas Rao are Non-Executive Independent Director of the Company. They also have decent experience and education in their respective fields.
- The promoters and management have good experience in the industry.
- Archana Prasad Desai is the Chief Financial Officer (CFO). She has been associated with the Company since 2004. She completed her bachelor's in commerce degree from Mumbai University in the year 1992. She is responsible for the overall finance function of the Company and also oversees the accounts, audits, taxation, human resources and other statutory compliances.

FINANCIAL SNAPSHOT

Statement of Profit and Loss

Amt in Lakhs.

Particulars	FY 2022	FY 2023	FY 2024	Sep-24
Revenue from Operations	15,383.03	19,025.86	22,129.19	19,209.63
Other Income	151.23	91.28	179.46	30.57
Total Income	15,534.26	19,117.14	22,308.65	19,240.20
Expenses				
Cost of goods consumed	11,263.93	15,020.06	18,371.72	14,750.06
Change in inventories of finished goods, work in progress and stock in trade	-325.95	-373.62	-2,750.43	-221.28
Employee Benefit Expenses	678.17	713.24	937.53	538.54
Finance Cost	195.80	224.22	348.68	199.04
Depreciation and Amortization Expense	123.84	150.45	203.34	115.90
Other expenses	3,087.54	2,331.81	3,589.27	2,572.78
Total Expenses	15,023.33	18,066.16	20,700.11	17,955.04
EBITDA	679.34	1,334.37	1,981.10	1,569.53
EBITDA Margin	4.42%	7.01%	8.95%	8.17%
Profit/(Loss) before tax	510.93	1,050.98	1,608.54	1,285.16
Tax Expense				
Current tax	-	25.23	397.89	337.47
Short/(Excess) Provision of Earlier Year	-	-	9.62	-
Deferred Tax	1.54	-5.37	-19.56	-5.77
Total Tax	1.54	19.86	387.95	331.70
Profit/(Loss) for the year	509.39	1,031.12	1,220.59	953.46
Net Profit Margin	3.31%	5.42%	5.52%	4.96%

Statement of Assets and Liabilities

Amt in Lakhs.

Particulars	FY 2022	FY 2023	FY 2024	Sep-24
EQUITY AND LIABILITIES				
Share Capital	96.00	96.00	1,536.00	1,659.46
Reserves and surplus	2,789.21	3,820.35	3,600.93	5,430.98
Total Equity	2,885.21	3,916.35	5,136.93	7,090.44
NON-CURRENT LIABILITIES				
Long-term borrowings	270.00	664.46	561.05	292.98
Deferred tax Liability (net)	0.25	-	-	-
Long-Term Provisions	73.38	77.99	101.05	108.43
Total Non-current liabilities	343.63	742.45	662.10	401.41
CURRENT LIABILITIES				
Short-term Borrowings	1,992.05	2,158.31	3,718.49	2,876.78
Trade Payables				
(i) Total outstanding dues of MSME	872.03	475.14	1,119.98	965.79
(ii) Total outstanding dues of creditors other than MSME	2,532.02	2,439.72	4,153.54	4,288.41
Other Current Liabilities	1,665.30	1,883.92	2,413.71	7,768.85
Short-term provisions	13.14	3.34	7.20	7.13
Total Current liabilities	7,074.54	6,960.43	11,412.92	15,906.96
Total Liabilities	7,418.17	7,702.88	12,075.02	16,308.37
Total Equity and Liabilities	10,303.38	11,619.23	17,211.95	23,398.81
ASSETS				
NON-CURRENT ASSETS				
Property, Plant and Equipment	505.35	624.62	641.08	868.89

Particulars	FY 2022	FY 2023	FY 2024	Sep-24
Intangible Assets	1.89	2.84	7.14	5.50
Goodwill on Consolidation	492.43	492.43	492.43	492.43
Non-Current Investments	110.48	148.69	264.63	242.65
Deferred Tax Assets (Net)	-	5.12	24.69	30.45
Long Term Loans and Advances	134.39	112.90	109.58	116.00
Other non-current assets	92.24	106.74	78.80	71.62
Total Non-Current assets	1,336.78	1,493.34	1,618.35	1,827.54
CURRENT ASSETS				
Inventories	1,911.77	2,285.40	5,035.83	5,257.11
Trade Receivables	2,966.06	3,607.06	4,781.10	5,713.72
Cash & Cash equivalents	256.71	715.46	1,612.80	3,190.18
Short term loans and advances	1,538.11	1,219.15	1,598.63	4,576.60
Other Current Assets	2,293.95	2,298.84	2,565.24	2,833.65
Total Current assets	8,966.60	10,125.91	15,593.60	21,571.26
Total Assets	10,303.38	11,619.25	17,211.95	23,398.80

Cash Flow Statement

Amt in Lakhs.

Particulars	FY 2022	FY 2023	FY 2024	Sep-24
Net Cash Flow from Operating Activities	-578.38	134.68	-364.82	2,224.72
Net Cash Flow from Investing Activities	146.72	-272.27	-190.39	-341.32
Net Cash Flow from Financing Activities	301.74	336.50	1,108.09	-308.78

Key Ratios

<u>Per Share Data</u>	FY 22	FY 23	FY 24	FY 25*	<u>Valuation Ratios (x)</u>	FY 22	FY 23	FY 24	FY25*
Diluted EPS	3.32	6.71	7.95	8.44	EV/EBITDA	7.20	4.51	3.94	0.59
BV per share	300.54	407.95	33.44	70.14	Market Cap / Sales	0.08	0.07	0.90	0.76
<u>Operating Ratios</u>					P/E	39.16	19.37	16.35	15.41
EBITDA Margins	4.42%	7.01%	8.95%	8.17%	Price to Book Value	0.43	0.32	3.89	1.85
PAT Margins	3.31%	5.42%	5.52%	4.96%	<u>Solvency Ratios</u>				
Inventory days	45.49	43.96	83.29	55.71	Debt / Equity	0.78	0.72	0.83	0.20
Debtor days	70.57	69.39	79.08	68.37	Current Ratio	1.27	1.45	1.37	1.37
Creditor days	245.59	102.22	149.64	146.27	Quick Ratio	1.00	1.13	0.93	0.93
<u>Return Ratios</u>					Asset Turnover	1.49	1.64	1.29	2.23
RoCE	17.20%	25.41%	30.66%	17.92%	Interest coverage Ratio	2.84	5.28	5.10	7.30
RoE	17.66%	26.33%	23.76%	12.03%	*Annualised				

INTERPRETATION –

1. Revenue has grown at a compounded rate of roughly 20% annually. This steady expansion, driven by consistent client acquisitions and service enhancements, reflects a healthy market presence. However, sustaining this growth in an increasingly competitive landscape will demand continuous innovation and deeper market penetration.
2. Net profit has demonstrated impressive performance, growing at a compounded rate of about fifty-five percent per year. Moreover, EBITDA has surged at an extraordinary, compounded rate of nearly 70% annually.
3. Return ratios suggest efficient capital utilization. However, operating in a market characterized by intense competition, low entry barriers, and high substitute threats may limit the company's ability to sustain such elevated growth rates over the long term.
4. The exceptional compound growth in net profit and EBITDA, while impressive, may be difficult to replicate consistently as market dynamics evolve. The company will need to balance scaling operations with preserving profitability amid intensifying competitive pressures.

LEAD MANAGER TRACK RECORD –

The lead manager to the issue is Vivro Financial Services Private Limited.

A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Manager in recent times –

Vivro Financial Services Private Limited –

Sr. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Fabtech Technologies Cleanrooms Limited	27.74	85.00	Jan 10, 2025	341.80
2.	Ganesh Infracore Limited	98.58	83.00	Dec 06, 2024	141.60
3.	Shiv Texchem Limited	101.35	166.00	Oct 15, 2024	260.50
4.	Bondada Engineering Limited	42.72	75.00	Aug 30, 2023	495.90
5.	K. P. I. Global Infrastructure Limited	39.94	80.00	Jan 22, 2019	410.60
6.	ICE Make Refrigeration Limited	23.71	57.00	Dec 08, 2017	720.70
7.	Capacite Infracore Limited	400.00	250.00	Sep 25, 2017	350.85
8.	Raj Television Network Limited	91.70	257.00	Mar 16, 2007	90.78

The company has handled 4 mandates in the last three years (including current year).

*CMP for the above-mentioned companies is taken as of 05th Feb 2025.

As per the offer document, the above-mentioned mandates Raj Television Network has opened at a discount and remaining all have opened at a premium on the listing day.

Recommendation -

Eleganz Interiors Limited has been in the industry since 1996 and has vast experience.

The P/E on a post-IPO annualized basis is around 15.41 times which makes it look fairly price.

The company's management is competent, with promoters and leadership bringing extensive industry experience. While the management is effective, it is not exceptional.

Eleganz Interiors' revenue grew at a compounded rate of roughly 20% annually, while net profit and EBITDA surged at about 55% and 70% respectively, reflecting robust operational efficiency. This strong performance indicates a healthy market presence, though maintaining such high growth amid intensifying competition could be challenging. Over the past three years and the six-month period ending September 30, 2024, the company completed over 200 projects covering more than 45 lakh sq.ft., and as of December 31, 2024, its order book features 47 ongoing projects valued at ₹43,486.33 lakhs across 12 cities. High repeat client retention—ranging from approximately 61% to nearly 90% of total revenues—reinforces its strong recurring business model in a competitive market.

Eleganz Interiors operates in a dynamic interior fit-out market driven by rapid urbanization, evolving workspace trends, and increasing demand for tech-enabled, sustainable designs. Competition is intense with numerous players, low entry barriers, and constant innovation pressure, making client retention and market share hard-won. Sustaining growth will require agile strategic investments, continuous innovation, and a relentless focus on quality to stand out in this competitive landscape.

Thus, investors may **APPLY** for this IPO.

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