



Mineral Group



IPO Note

Monolithisch India Limited

Recommendation: **AVOID**

Company Background –

- **Incorporation: Monolithisch India Private Limited** was originally incorporated on Aug 30, 2018. The name of company was changed to **Monolithisch India Limited**. The registered office is located at West Bengal.
- **Business Activity:** The company is engaged in the manufacturing and trading of **specialized ramming mass**.
- **Revenue Stream:** The company generates majority of its revenue from manufacturing segment.
- **Human Resource:** The company had 26 permanent employees as of Mar 31, 2025.

Objects of the Issue –

1. Funding capital expenditure towards setting up of a manufacturing facility of the Company by purchase of land, building of factory shed, civil work and installation of additional plant and machinery
2. Investment in Subsidiary, Metalurgica India Private Limited for financing its capital expenditure towards purchase of land, building of factory shed, civil work and installation of additional plant and machinery
3. Working capital requirements
4. General corporate purposes

Promoters Name –

Prabhat Tekriwal, Sharmila Tekriwal, Harsh Tekriwal, Kritish Tekriwal & Kargil Transport Private Limited

Rationale for recommendation –

Monolithisch India Limited was incorporated in August 2018, has a limited track record and some corporate governance observations, including limited experienced key personnel and absence of official websites of its subsidiaries and majority shareholder. The IPO is moderately priced at a post-issue P/E of 21.45x. The company's financials shows strong growth with improving margins, RoCE and consistent cash flows. While operational performance is strong, governance observations raises concern. Hence, we recommend to **AVOID** the IPO for now and monitor post-listing performance.

IPO Details

Opening Date	Jun 12, 2025
Closing Date	Jun 16, 2025
Allotment Date	Jun 17, 2025
Listing Date	Jun 19, 2025
Stock Exchange	NSE SME
Lot Size	1,000 Shares
Issue Price Per Share	₹135 - ₹143
Issue Size	82.02 Cr.
Fresh Issue	82.02 Cr.
Offer for Sale	-
Application Amt	₹ 1,43,000 (1,000 shares)

INDUSTRY – Refractory material

Average Industry PE as per RHP – 88.64

	KPIs (In Lakhs)		
KPI's	FY 23	FY 24	FY25
Revenue	4,187.79	6,888.71	9,734.43
EBITDA	671.69	1,295.98	2,106.24
Net Profit	454.28	851.17	1,448.81
RoCE	60.45%	66.00%	55.53%
ROE	45.41%	45.97%	41.15%
P/E	49.65	26.53	15.70

Promoter Share Holding Pattern

Pre-Issue	Post Issue
100.00%	73.61%

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	9.11	6.67
BVPS	22.00	16.20
P/E	15.70	21.45
P/BV	6.50	8.83
Mkt Cap (In Cr)	228.80	310.82

*Annualized

Lead Managers –

- HEM Securities Limited

Registrar –

KFin Technologies Limited






Business Overview –

Monolithisch India Limited is an ISO-certified company engaged in the **manufacturing and occasional trading of specialized ramming mass** used as a refractory lining material in induction furnaces, primarily serving iron and steel producers in Eastern India. Operating from its 132,000 MTPA facility in Purulia, West Bengal, the company sources alpha-quartzite from Bihar, Jharkhand, and Madhya Pradesh to produce customized grades of ramming mass. The company has achieved a 52.46% CAGR in operational revenue and expanded its customer base from 41 in FY23 to 63 in FY25, with a strong focus on quality, customer satisfaction and timely delivery.

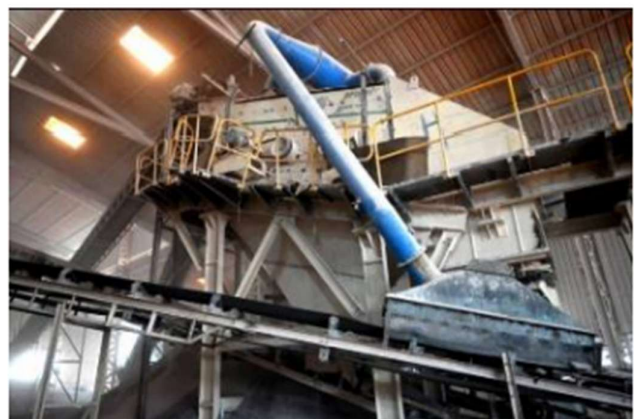
Awards and Accreditations –

1. ISO 9001:2015 for quality management systems.
2. ISO 14001:2015 for environmental management systems.
3. ISO 22301:2019 for Security and resilience – Business Continuity management Systems - Requirements.
4. ISO 37301:2021 for Compliance management systems – Requirements with Guidance for use
5. ISO 45001:2018 for Occupational Health & Safety Management System
6. ISO/IEC 27701:2022 for information security management system

Product Portfolio -

Product Name	SGB-777	SLM-999	BG-77	LG-86	SLM-980
Product Image					
Majorly used for	Side lining for Furnace upto 45MT furnace	Side lining upto 30 MT furnace	Bottom life / rough charging	Ladle furnace application	Furnaces and other high-temperature areas
Silica range	97-98%, +5 MM : 8-10%, +1MM : 45-50%, -1MM : 50%	97-98% , +5 MM: 10% +1MM : 45-50% , -1MM : 50%	97-98% , +5 MM: 8-10%, +1MM: 45-50% , -1MM : 50%	97-98% , +5 MM : 12%, +1MM : 45-50% , -1MM : 50%	97-98% , +5 MM: 10% +1MM : 45-50% , -1MM : 50%
Additives	Boron Oxide Imported make	Boric Acid (Indian Make)	Combination of Boron Oxide and Boric Acid	Boric Acid - (1.8%)	-
Operating Hours	55-60 hrs	45-58 hrs	3 Bottoms	45-58 hrs	45-58 hrs

Plant and Machinery –



Capacity Utilization of the Company -

Particulars	FY23	FY24	FY25
Existing Capacity	78,000 MT	1,32,000 MT	1,32,000 MT
Actual Production	68,084 MT	92,261 MT	1,19,788 MT
Capacity Utilization	87.28%	69.89%	90.74%

Product-wise Revenue Bifurcation -

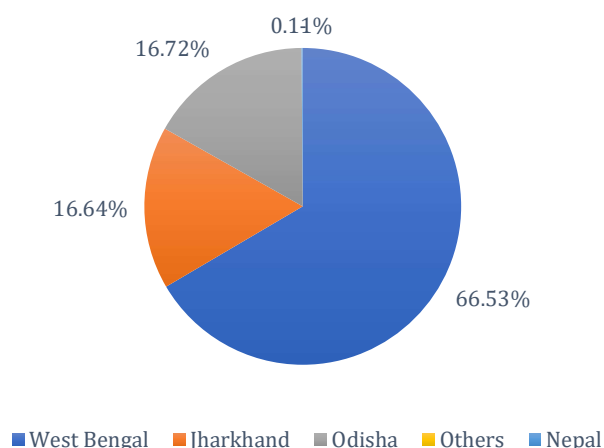
(Amt in Lakhs)

Particulars	FY23		FY24		FY25	
	Amt	%	Amt	%	Amt	%
SGB-777	928.20	22.16%	3,578.70	51.95%	4,840.51	49.73%
SLM-999	1,328.39	31.72%	1,700.50	24.69%	1,787.44	18.36%
BG-77	827.21	19.75%	778.13	11.30%	2,134.93	21.93%
Quartzite Grain SLM - 980	497.41	11.88%	220.71	3.20%	102.64	1.05%
SLM 980	424.98	10.15%	310.41	4.51%	434.57	4.46%
Others	181.60	4.34%	300.26	4.36%	434.34	4.46%
Total	4,187.79	100%	6,888.71	100%	9,734.43	100%

Operation-wise Revenue Bifurcation -

(Amt in Lakhs)

Particulars	FY23		FY24		FY25	
	Amt	%	Amt	%	Amt	%
Manufacturing	4,139.05	98.84%	6,661.08	96.70%	9,197.16	94.48%
Trading	48.74	1.16%	227.63	3.30%	537.27	5.52%
Total	4,187.79	100%	6,888.71	100%	9,734.43	100%

**Geographic-wise Revenue Bifurcation
(FY25)**


Competition -

1. **Market Competition:** The industry is highly competitive and the key factors of competition are pricing, delivery commitments, product quality, financing capabilities etc.
2. **Geographic Competition:** The company faces competition from domestic and multinational specialized ramming mass manufacturers and traders in India and outside India.
3. **Barriers to entry:** Low barriers to entry.
4. **Threat of Substitutes:** Low threat of substitutes.
5. **Bargaining Power of Buyers:** The bargaining power is high with the customers.
6. **Bargaining Power of Suppliers:** The bargaining power is low with the suppliers.

Business Strategies -

1. The company aims to **expand its customer base** by strengthening relationships with existing clients in the iron and steel industry and entering new markets, leveraging its reputation for quality and timely delivery. The company grew its customer count from **41** in FY23 to **63** in FY25, with a 52.46% CAGR in revenue and 61.44% repeat business in FY24.
2. The plans to **expand beyond its core markets** of West Bengal, Jharkhand, and Odisha—where over 90% of revenue is currently generated—by establishing a new manufacturing unit. This strategic expansion aims to strengthen its regional presence, meet rising demand, and acquire new customers across additional geographies.
3. The company plans to **expand its total production capacity** beyond the current 1,32,000 MTPA by investing in a new manufacturing facility in Paschim Bardhaman, West Bengal, expanding capacity to **2,50,000 MTPA** alongside capacity enhancement at its existing plant. Additionally, expansion under its subsidiary Metallurgica India Private Limited will help meet growing customer demand and achieve economies of scale.

Risk Factors -

1. The company exhibits significant **geographic concentration**, deriving **66.53%** of its revenue from West Bengal, 16.64% from Jharkhand, and 16.72% from Odisha in FY25, indicating a regional dependency that may pose scalability and diversification risks.
2. The company's product portfolio is heavily reliant on its SGB-777 grade, which contributed 22.16% in FY23, rising sharply to 51.95% in FY24 and 49.73% in FY25, indicating a high product concentration risk.
3. The company has **contingent liabilities**, amounting to **Rs. 440.90 Lakhs**.
4. The company's inventory days have increased significantly from 26 days in FY23 to 55 days in FY25, indicating potential inefficiencies in inventory management and a risk of working capital buildup.

PEER ANALYSIS

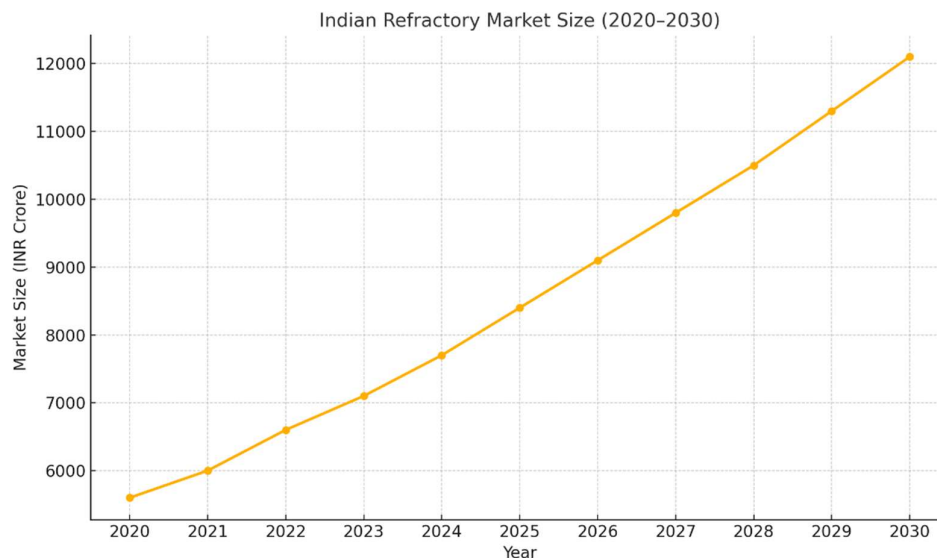
Particulars	Monolithisch India Limited			Raghav Productivity Enhancers Limited		
	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25
NP Margin	10.85%	12.36%	14.88%	18.30%	19.51%	18.40%
EBITDA Margin	16.04%	18.81%	21.64%	26.38%	30.40%	27.38%
RoCE	60.45%	66.00%	55.53%	23.32%	21.13%	23.81%
ROE	45.41%	45.97%	41.15%	18.93%	16.43%	19.26%
EPS (INR)	2.88	5.39	9.11	5.64	5.66	8.05
P/E	49.65	26.53	15.70	36.50	52.01	65.27

INDUSTRY OVERVIEW -

Refractory Industry in India

The **refractory industry in India** is a vital backbone to the country's core industrial sectors, particularly steel, cement, glass, and non-ferrous metals. As of FY2023, the Indian refractory market is estimated at around ₹9,500 crore (USD 1.1 billion) and is projected to grow at a CAGR of ~8% through FY2028. The sector is dominated by demand from the steel industry, which accounts for nearly 70% of total consumption, largely driven by the increasing use of induction furnaces in secondary steel production. Within this space, monolithic refractories—including ramming mass, castables, and gunning mixes—are gaining share over traditional shaped bricks due to their easier installation, better energy efficiency, and suitability for high-performance applications.

The **Indian refractory industry**, particularly quartz-based ramming mass, plays a critical role in enhancing the efficiency and metallurgical control of induction furnaces in the secondary steel sector, which contributes ~40% of India's crude steel production. Quartz ramming mass—favored for its high silica content (>98.9%), thermal resistance, and cost-effectiveness—enables stable furnace linings and reduced energy loss. With India being the **second-largest steel producer globally**, steel output is projected to rise from ~126 MT in FY23 to 500 MT by 2050, driven by infrastructure growth, policy support like the National Steel Policy 2017, and private investments. The secondary steel sector, reliant on induction furnaces, remains fragmented and emission-intensive, highlighting the need for low-carbon refractory solutions. Rising domestic steel demand, government incentives, and strategic developments in metals and mining further bolster long-term prospects for refractory material manufacturers like **Monolithisch India Limited**.



Government Initiatives –

1. **National Steel Policy 2017** - Aims to achieve 300 million tonnes of steel-making capacity by 2030-31, significantly boosting demand for refractories used in blast furnaces, electric arc furnaces, and induction furnaces.
2. **Production-Linked Incentive (PLI) Scheme for Specialty Steel** - Encourages domestic production of high-end steel and alloy products, leading to increased use of high-grade refractory materials in modern steel plants.
3. **Make in India & Import Substitution Drive** - Promotes local manufacturing of refractory products to reduce dependence on imports (especially from China), encouraging indigenous players to scale up operations and adopt advanced technologies.

(source : RHP)

Key Management -

Key Management Persons Name -	Prabhat Tekriwal
Age	59
Designation and No. of experience	Chairman, CFO, Promoter and Whole Time Director, 36+ years of experience in the field of refractory material manufacturing
Qualification	Bachelor's Degree in Commerce
Other Directorships	Metalurgica India Private Limited, Mineral India Global Private Limited, Metalaid Industries Private Limited, Kargil Transport Private Limited

Key Management Persons Name -	Harsh Tekriwal
Age	32
Designation and No. of experience	Managing director and Promoter, 7 years of experience
Qualification	Master of Business Administration & Bachelor of Engineering in Mechanical Engineering
Other Directorships	Metalurgica India Private Limited, Metalaid Industries Private Limited

Key Management Persons Name -	Kritish Tekriwal
Age	22
Designation and No. of experience	Executive Director and Promoter, around 2 years of experience
Qualification	Bachelor of Science with Honours in Banking and International Finance
Other Directorships	Metalurgica India Private Limited, Mineral India Global Private Limited

Key Management Persons Name -	Deepa Vijay Agarwal
Age	
Designation and No. of experience	Company Secretary and Compliance Officer, 8 years of experience in legal and statutory provisions within corporate operations
Qualification	Bachelor's Degree of Commerce, Associate Member of the Institute of Company Secretaries of India
Other Directorships	

- **Sharmila Tekriwal** is one of the Non-Executive Director and Promoter of the company. She has around **23 years** of experience in refractory material industry.
- The limited experience of Kritish Tekriwal and the recent appointment of Sharmila Tekriwal as a Non-Executive Director in the previous year are some observations which needs to be considered.
- The appointment of some key management over the last year is a matter of concern.
- Satyen Sahay and Suman Jee are Independent Directors of the Company. They have significant experience and education in their respective fields.

FINANCIAL SNAPSHOT

Statement of Profit and Loss			Amt in Lakhs
Particulars	FY 23	FY 24	FY 25
Revenue from Operations	4,187.79	6,888.71	9,734.43
Other Income	2.05	4.86	14.71
Total Income	4,189.84	6,893.57	9,749.14
Expenses			
Cost of Material Consumed	1,584.58	2,520.49	3,758.38
Purchase of stock-in-trade	46.75	170.89	429.18
Change in Inventories of finished goods and WIP	-0.46	-3.45	-47.14
Employee Benefit Expenses	67.34	212.83	316.13
Finance Cost	10.42	15.22	27.84
Depreciation and Amortization Expense	33.67	73.33	150.22
Other expenses	1,817.89	2,691.97	3,171.64
Total Expenses	3,560.19	5,681.28	7,806.25
EBITDA	671.69	1,295.98	2,106.24
EBITDA Margin	16.04%	18.81%	21.64%
Profit/(Loss) before tax	629.65	1,212.29	1,942.89
Tax Expense			
Current tax	174.38	363.57	498.27
Deferred Tax	0.99	-2.45	-4.19
Total Tax	175.37	361.12	494.08
Profit/(Loss) for the year	454.28	851.17	1,448.81
Net Profit Margin	10.85%	12.36%	14.88%

Statement of Assets and Liabilities			Amt in Lakhs
Particulars	FY 23	FY 24	FY 25
EQUITY AND LIABILITIES			
1. Shareholders' funds			
Equity Share Capital	180.00	180.00	1,600.00
Reserves and Surplus	820.50	1,671.67	1,920.48
Total Shareholder's Fund	1,000.50	1,851.67	3,520.48
Minority Interest	-	-	0.01
Total Equity	1,000.50	1,851.67	3,520.49
2. NON-CURRENT LIABILITIES			
Long-term Borrowings	53.82	-	-
Long Term Provisions	1.12	0.72	1.64
Total Non-current liabilities	54.94	0.72	1.64
3. Current liabilities			
Short-term Borrowings	313.50	270.02	743.33
Trade Payables			
(a) Total outstanding dues of MSME	0.13	74.48	580.82
(b) Total outstanding dues of creditors other than MSME	2.02	72.77	15.01
Other Current Liabilities	74.44	132.41	232.93
Short-term Provisions	174.36	361.51	495.82
Total Current liabilities	564.45	911.19	2,067.91
Total Liabilities	619.39	911.91	2,069.55
Total Equity and Liabilities	1,619.89	2,763.58	5,590.04
ASSETS			
1. Non-current assets			
Property, Plant and Equipment	399.98	607.51	1,164.06
Intangible Assets	-	-	8.82
Deferred tax assets (net)	0.23	2.68	6.87
Other Non-current Assets	62.08	62.08	404.42
Total Non-Current assets	462.29	672.27	1,584.17
2. Current assets			
Inventories	298.20	623.37	1446.17

Recommendation: **AVOID**

Particulars	FY 23	FY 24	FY 25
Trade Receivables	619.73	1,098.53	1,923.61
Cash & Cash equivalents	7.46	27.24	35.40
Short Term Loans and Advances	48.31	8.63	3.43
Other Current Assets	183.90	333.54	597.27
Total Current assets	1,157.60	2,091.31	4,005.88
Total Assets	1,619.89	2,763.58	5,590.05

Cash Flow Statement			Amt in Lakhs
Particulars	FY 23	FY 24	FY 25
Net Cash Flow from Operating Activities	78.55	413.16	400.60
Net Cash Flow from Investing Activities	-262.48	-280.85	-1,057.93
Net Cash Flow from Financing Activities	169.64	-112.52	665.47

Key Ratios

Per Share Data	FY 23	FY 24	FY 25	Valuation Ratios (x)	FY 23	FY 24	FY 25
Diluted EPS	2.88	5.39	9.11	EV/EBITDA	1.11	1.62	2.01
BV per share	55.58	102.87	22.00	Market Cap / Sales	0.61	0.37	2.35
Operating Ratios				P/E	49.65	26.53	15.70
EBITDA Margins	16.04%	18.81%	21.64%	Price to Book Value	2.57	1.39	6.50
PAT Margins	10.85%	12.36%	14.88%	Solvency Ratios			
Inventory days	26.06	33.12	54.37	Debt / Equity	0.37	0.15	0.21
Debtor days	54.16	58.37	72.32	Current Ratio	2.05	2.30	1.94
Creditors days	0.45	18.15	44.15	Quick Ratio	1.52	1.61	1.24
Return Ratios				Asset Turnover	2.59	2.49	1.74
RoCE	60.45%	66.00%	55.53%	Interest Coverage Ratio	61.23	80.33	70.26
RoE	45.41%	45.97%	41.15%				

FINANCIAL ANALYSIS –

- **Revenue from Operations -**
 - The company's **top line increase by 64.50%** in FY24 was driven by increase in sale of SLM-999 and BG-77.
 - The company's topline grew by **41.31%** in FY25, primarily driven by higher product sales resulting from improved capacity utilisation levels.
- **EBITDA and PAT Margins** – The company's EBITDA and PAT margins have shown a **consistent improvement**, remaining aligned with each other, with EBITDA margins improving from 16.04% in FY23 to 21.64% in FY25, and PAT margins rising from 10.85% to 14.88% over the same period.
- **RoCE and ROE** – The company has demonstrated strong capital efficiency, maintaining RoCE in the range of 55%–66% and ROE between 41%–46% over FY23 to FY25, reflecting effective utilization of capital and consistent return generation.
- **Operating cashflow** – The company has consistently maintained **positive operating cash flows** of Rs.78.55 Lakhs, Rs.413.26 Lakhs, and Rs.400.60 Lakhs in FY23, FY24, and FY25 respectively, indicating effective cash flow management.
- **Inventory days** – The company's inventory days have increased significantly from 26 days in FY23 to 55 days in FY25, indicating potential inefficiencies in inventory management and a risk of working capital buildup.

Recommendation: **AVOID****LEAD MANAGER TRACK RECORD -**

The lead manager to the issue is **Hem Securities 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 –

Sl. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Unified Data-Tech Solutions Limited	144.47	273	May 29, 2025	296.85
2.	Tankup Engineers Limited	19.53	140	Apr 30, 2025	282.75
3.	Readymix Construction Machinery Limited	37.66	123	Feb 13, 2025	94.85
4.	Enviro Infra Engineers Limited	650.43	148	Nov 29, 2024	225.35
5.	Danish Power Limited	197.90	380	Oct 29, 2024	1012.10
6.	Sahasra Electronics Solutions Limited	186.16	283	Oct 04, 2024	295.25
7.	Forge Auto International Limited	31.10	108	Oct 04, 2024	88.40
8.	Unilex Colours and Chemicals Limited	31.32	87	Oct 03, 2024	41.35
9.	WOL 3D India Limited	25.56	150	Sep 30, 2024	134.00
10.	Manba Finance Limited	150.84	120	Sep 30, 2024	139.85

The company has handled **54** mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 08th Jun 2025.

As per the offer document, on their respective listing days, Readymix Construction Machinery Limited has opened at **par** and all other above mandates have opened at a **premium** to their issue prices.

Recommendation: **AVOID****Recommendation -**

- Monolithisch India Limited has **limited history** since it was originally incorporated on Aug 30, 2018.
- The P/E on a post-IPO annualized basis is **21.45** times which makes it moderately **priced**.
- The company demonstrates strong operational efficiency with **strong margins** and consistently **higher** RoCE and RoE compared to peers.
- The company's **topline grew** by 64.50% in FY24 and 41.31% in FY25, supported by increase in sales and production. **EBITDA and PAT margins improved** consistently from 16.04% and 10.85% in FY23 to 21.64% and 14.88% in FY25.
- The company maintained consistent **positive operating cash flows** across FY23 to FY25.
- The company's objective of **setting up a new manufacturing facility** is expected to enhance sales and improve margins, signifying **long-term scalability**.
- Some key members possess **limited experience** and the recent appointments of some key management are some observations which needs attention.
- Absence of official website of the company's subsidiaries and its majority corporate shareholder also need to be considered.

The company has demonstrated strong financial improvement over the years but there are some observations regarding corporate governance. Hence, we recommend **AVOID** the IPO at present and suggest monitoring the company's performance post-listing and steps taken to strengthen governance before considering any long-term investment.

Disclaimer

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