



IPO Note

Repono Limited

Recommendation: **AVOID**

Business - Repono Limited is a company that specializes in offering warehousing and liquid terminal services to India's oil and petrochemical sector.

Objects of the Issue –

Particulars	Amount
Capital Expenditure towards purchase of Forklift, Hand Pallet Trolley, Reach stacker	Rs. 7.24 Cr.
Capital Expenditure towards set up of Warehouse Racking System	Rs. 1.60 Cr.
Funding towards development of software for warehouse management	Rs. 1.05 Cr.
Working Capital Requirement	Rs. 9.50 Cr.
General Corporate Purposes	

Promoters Name –

Mr. Dibyendu Deepak and Mr. Sankalpa Bhattacharjee

Promoter Share Holding Pattern	
Pre Issue 99.32%	Post Issue 72.47%

Rationale for recommendation –

Repono Limited was incorporated on Feb-06, 2017 and has moderate operating experience. The company primarily generates revenue from operation and maintenance services, contributing 92.59% in FY25. Revenue is regionally concentrated in Karnataka, Punjab and Gujarat together accounting for over 86% in FY25. It operates in a highly fragmented and unorganized industry, where competition is driven by quality, pricing and goodwill. The company faces high customer and supplier concentration, with the top 10 customers and suppliers contributing over 96% of revenue and purchases respectively. Revenue grew by 161.31% in FY24 and 50.31% in FY25, raising concerns over sustainability. EBITDA and PAT margins improved to 15.91% and 10.07% in FY25, supported by lower COGS despite higher employee expenses. RoCE and RoE remain volatile and operating cash flows turned marginally positive in FY25 after being negative in the previous years. The company maintains a low D/E ratio and healthy liquidity but has unsecured loans of Rs. 48.39 Lakhs and 3 tax proceedings amounting to Rs. 30.84 Lakhs. Management is overall satisfactory, although the Company Secretary has limited experience. With a post-issue P/E of 19.16, the IPO appears **slightly highly priced**. We recommend to **AVOID** the IPO now but suggest tracking its performance and steps taken to improve financial stability post listing as company operates in a well-established industry.

IPO Details

Opening Date	Jul 28, 2025
Closing Date	Jul 30, 2025
Allotment Date	Jul 31, 2025
Listing Date	Aug 04, 2025
Stock Exchange	BSE SME
Lot Size	1,200 Shares
Issue Price Per Share	₹91 - ₹96
Issue Size	26.68 Cr.
Fresh Issue	26.68 Cr.
Offer for Sale	-
Application Amt	₹ 2,30,400 (2,400 shares)

KPIs (In Lakhs)

KPI's	FY 23	FY 24	FY 25
Revenue	1,301.38	3,400.59	5,111.55
EBITDA	102.15	604.32	813.31
Net Profit	52.01	418.22	514.90
RoCE	15.05%	56.51%	47.43%
ROE	10.69%	46.11%	36.21%
P/E	139.13	17.20	13.97

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	6.87	5.01
BVPS	18.96	13.83
P/E	13.97	19.16
P/BV	5.06	6.94
Mkt Cap (In Cr)	72.00	98.68

*Annualized

Lead Managers –

Wealth Mine Networks Private Limited

Registrar –

Cameo Corporate Services Limited

Industry Overview –

The warehousing, industrial and logistics (WIL) sectors are projected to be crucial for attaining India's vision of being a US\$ 5 trillion economy by FY25. The warehouse and logistics industry has benefited the most from the COVID-19 epidemic, increasing its share from 2% in 2020 to 20% in 2021. The expansion of this industry is likely to be aided by a robust economy, government efforts to improve infrastructure and a favourable business environment.

The Indian logistics industry is growing, due to a flourishing e-commerce market and technological advancement. The logistics sector in India is predicted to account for 14.4% of the GDP. The industry has progressed from a transportation and storage-focused activity to a specialised function that now encompasses end-to-end product planning and management, value-added services for last-mile delivery, predictive planning and analytics, among other things.

Market Size - The Indian retail sector's market size is predicted to increase at a CAGR of 9% between 2019 and 2030, totalling more than US\$ 1.8 trillion. The logistics sector in India was valued at US\$ 250 billion in 2021, with the market predicted to increase to an astounding US\$ 380 billion by 2025, at a healthy 10%-12% year-on-year growth rate. The Indian warehousing market is predicted to reach US\$ 34.99 billion (Rs. 2,872.10 billion), expanding at a CAGR of 15.64% from 2022 to 2027.

Key Industry Drivers –

- Government Initiatives
- Global Manufacturing Shift
- New-age Startups
- Technology advancement
- Flourishing e-commerce



Outlook - India's warehousing and logistics sector is witnessing rapid growth, driven by infrastructure upgrades, e-commerce expansion and digital transformation. The government's support through 100% FDI and logistics reforms enhances investor appeal. Emerging technologies like AI and data analytics are set to further boost operational efficiency and customer service.

(source : RHP)

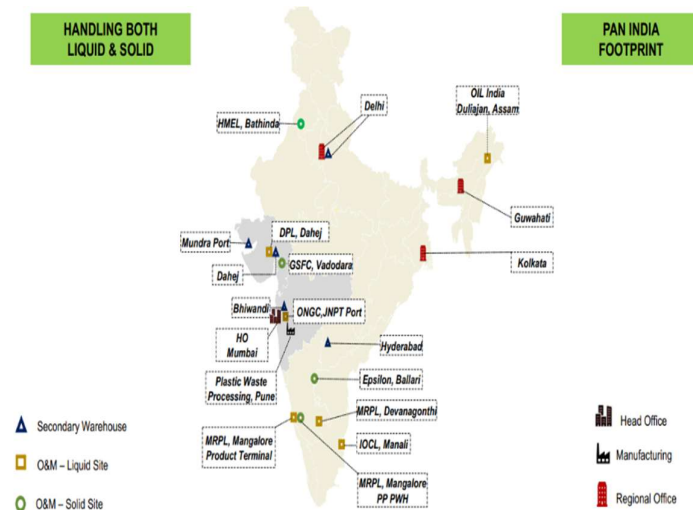
Business Overview -

Repono Limited is a company that specializes in offering warehousing and liquid terminal services to India's oil and petrochemical sector. They provide 360-degree solution for the storage of critical petroleum products. They provide clients consultancy, engineering, operations and maintenance (O&M) and value-added logistics services. The Company has been recognised as one of the leading service providers for the warehousing and oil terminating sector in India. The company was originally incorporated as 'Repono Warehousing Private Limited' on Feb-06, 2017.

Company's core sectors –

- ◆ **Solids:** Polymers, Fertilizers, Boxes, Cartons
- ◆ **Liquid:** Petrol, Diesel, ATF, Crude Oil, Chemicals
- ◆ **Machinery:** Spare parts
- ◆ **Transportation:** First and Last miles
- ◆ **Freight Forwarding:** Containers, ODC, Heavy equipment

Company's Customers – Oil India Limited, IndianOil, Gujarat Fluorochemicals, ONGC Petro additions Limited, Mangalore Refinery and Petrochemicals Limited, VME and others



Industry Specific Key Work Locations

- The company's majority of revenue is generated from operation & maintenance services, contributing 94.25%, 95.43% and 92.59% of total revenue in FY23, FY24 and FY25 respectively.
- The company's majority of revenue is generated from Karnataka, Punjab and Gujarat contributing 32.95%, 34.40% and 18.93% of revenue respectively in FY25.
- The company operates in unorganized and highly fragmented segment and key factors of competition are quality, reliability, pricing and goodwill.

Business Strategies -

- The company aims to improve sales by organic growth, adding new products, expanding off-site warehousing, increasing exports and BOO projects.
- The company plans to add off-site/independent storage terminal to stay ahead of the competition in both solids and liquid business.

FINANCIAL SNAPSHOT							
Key Performance Indicators				Key Ratios			
(Amt in Lakhs)							
Particulars	FY23	FY24	FY25	Particulars	FY23	FY24	FY25
P&L Statement				Per Share Data			
Total Income	1,302.18	3,414.07	5,159.41	Diluted EPS	0.69	5.58	6.87
Total Expenses	1,225.98	2,834.13	4,437.34	BV per share	19.48	36.28	18.96
EBITDA	102.15	604.32	813.31	Operating Ratios			
EBIT	75.81	574.33	731.75	EBITDA Margins	7.85%	17.77%	15.91%
PBT	76.20	579.93	722.08	PAT Margins	4.00%	12.30%	10.07%
Tax Expenses	24.19	161.72	207.17	Inventory days	-	1.49	1.64
Net Profit	52.01	418.22	514.90	Debtor days	58.28	71.72	84.11
Balance Sheet				Creditor days	20.29	43.07	28.49
Total Equity	487.01	906.94	1,421.85	Return Ratios			
Liabilities				RoCE	15.05%	56.51%	47.43%
Non-Current Liabilities	16.61	109.30	120.90	RoE	10.69%	46.11%	36.21%
Current Liabilities	264.39	748.50	1,044.30	Valuation Ratios (x)			
Total Liabilities	281.00	857.81	1,165.19	EV/EBITDA	5.98	2.08	2.50
Assets				Market Cap/Sales	1.84	0.71	1.41
Non-Current Assets	454.75	623.95	728.78	P/E	139.13	17.20	13.97
Current Assets	313.25	1,140.80	1,858.27	Price to Book Value	4.93	2.646	5.06
Total Assets	768.00	1,764.75	2,587.04	Solvency Ratios			
Cashflow Statement				Debt/Equity	0.31	0.39	0.43
Operating Cashflow	-103.19	-2.62	32.96	Current Ratio	1.18	1.52	1.78
Investing Cashflow	-147.36	-214.07	-234.12	Quick Ratio	1.18	1.51	1.76
Financing Cashflow	32.09	193.43	201.92	Asset Turnover	1.69	1.93	1.98
				Interest Coverage Ratio	183.88	72.94	12.72

Financial Analysis –

- **Revenue from Operations** - The company's top line increased by 161.31% in FY24 and 50.31% in FY25, raises concern on sustainability of revenue growth in the long run.
- **EBITDA and PAT Margins** – The company's EBITDA margin has improved from 7.85% in FY23 to 15.91% in FY25 and PAT margin from 4.00% to 10.07% over the same period, primarily contributed by trade-off between significant decrease in material COGS and increase in employee benefit expenses as a percentage of revenue.
- **RoCE and RoE** – The company's RoCE and RoE have been volatile, RoCE increasing from 15.05% in FY23 to 56.51% in FY24 and dropping to 47.43% in FY25 and RoE from 10.69% to 46.11% and further to 36.21% over the same period raises concerns on stability in return ratios.
- **Operating cashflow** – The company had negative operating cashflow in FY23 and FY24 and has turned slightly positive in FY25, primarily due to increase in trade receivables.
- **D/E ratio** – The company has maintained a low debt-to-equity ratio along with healthy current and quick ratios.

Outlook – The overall financials of the company reflect certain inconsistencies, with specific areas requiring improvement to achieve greater stability.

Lead Manager –

The lead manager of the issue is Wealth Mine Networks Private Limited. This is the first IPO managed by the lead manager.

Risk Factors -

- The company has 3 tax proceedings outstanding amounting to Rs. 30.84 Lakhs.
- The company has unsecured loans amounting to Rs. 48.39 Lakhs.
- The company operates in an industry characterized by high order values and a limited customer base, resulting in significant customer concentration, with the top 10 customers contributing 100.00%, 98.60% and 96.14% of its revenue in FY23, FY24 and FY25 respectively.
- The company also experiences supplier concentration, top 10 suppliers contributing 98.74%, 100.00% and 96.76% of total purchases in FY23, FY24 and FY25 respectively.

Key Management

- Mr. Dibyendu Deepak is the Managing Director of the company. He has more than 27 years of experience in the petrochemicals and chemicals/petroleum industry.
- Mr. Sankalpa Bhattacharjee is the Chairman and Executive Director of the company. He has over 27 years of experience in the Oil & Gas industry.
- The Non-Executive and Independent Directors have significant experience and education in their respective fields.
- The Chief Financial Officer has over 20 years of significant experience, while the Company Secretary and Compliance Officer brings 2 years of experience.
- The other key personnel of the company are qualified and have significant experience in their respective fields

Outlook – The overall management of the company is satisfactory with observation of limited experience of Company Secretary.

Peer Analysis

Particulars	Repono Limited			Aarvi Encon Limited			Aegis Logistics Limited			TVS Supply Chain Solutions Limited		
	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25
NP Margin	4.00%	12.30%	10.07%	3.31%	2.78%	1.96%	5.25%	7.87%	9.51%	-1.48%	4.82%	3.44%
EBITDA Margin	7.85%	17.77%	15.91%	4.34%	3.73%	3.26%	9.74%	15.37%	18.74%	12.35%	18.28%	14.99%
RoCE	15.05%	56.51%	47.43%	16.36%	11.81%	11.40%	12.35%	14.19%	11.85%	3.82%	7.02%	4.79%
ROE	10.69%	46.11%	36.21%	13.42%	9.73%	8.03%	13.11%	14.62%	14.32%	-2.44%	4.12%	2.64%
EPS (INR)	0.69	5.58	6.87	9.81	7.68	6.80	13.19	16.21	18.90	-0.80	2.61	1.58
P/E	139.13	17.20	13.97	10.53	15.52	15.46	28.73	27.55	41.15	-	59.16	76.19

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