



## IPO Note

# Jyoti Global Plast Limited

Recommendation: **AVOID**

### Company Background –

The company is engaged in the business of moulding, and providing custom solutions based on client-specific requirements for polymer-based products. The company was incorporated in 1990 as a partnership firm with its registered office in Navi Mumbai, Maharashtra.

### Objects of the Issue –

Particulars	Amt. in Lakhs
Financing capital expenditure to establish a new manufacturing facility in Raigad, Maharashtra.	1,116.88
Funding capital expenditure of the company to set up solar power plant.	899.53
Repayment in part or in full, borrowings availed by the company.	120.00
General corporate purposes.	-

### Promoters Name –

Bhawanji Kimji Shah, Hiren Bhawanji Shah, Deven Bhawanji Shah, Karan Deven Shah, and Sainyum Hiren Shah.

Promoter Share Holding Pattern	
Pre Issue 100.00%	Post Issue 72.91%

**Rationale for recommendation –** Jyoti Global Plast Limited has a post-issue P/E of 21.51 indicating that it is overvalued. The management team is experienced and the company has shown growth in terms of increase in operating margins. There is geographic and supplier concentration as well. The company has had negative cash flow from operating activities in FY 23 worth ₹224.65 Lakhs. There was a decrease in overall revenue in FY 24 of 2.18%. The same then increased by a moderate amount, 7.14%. Therefore, investors are recommended to **AVOID** this IPO for now. Investors may consider investing after the company has been listed and has a proven record of diversifying in automobile parts and drone components market since currently, the plastic manufacturing market is saturated with high volume-low margin products.

### IPO Details

Opening Date	Aug 04, 2025
Closing Date	Aug 06, 2025
Allotment Date	Aug 07, 2025
Listing Date	Aug 11, 2025
Stock Exchange	NSE SME
Lot Size	2,000 Shares
Issue Price Per Share	₹62 to ₹66 per share
Issue Size	35.44 Cr.
Fresh Issue	28.51 Cr.
Offer for Sale	6.93 Cr.
Application Amt	₹ 2,64,000 (4,000 shares)

KPIs (In Lakhs)			
KPI's	FY 23	FY 24	FY 25
Revenue	8,919.39	8,725.10	9,348.49
EBITDA	610.46	790.99	1,181.05
Net Profit	232.36	361.53	608.06
RoCE	32.01%	32.83%	42.10%
ROE	19.95%	23.68%	28.49%
P/E	44.00	28.33	16.84

Valuation Parameters		
Particulars	Pre-Issue	Post Issue
EPS	3.92	3.07
BVPS	13.77	10.77
P/E	16.84	21.51
P/BV	4.79	6.13
Mkt Cap (In Cr)	102.30	130.81

### Lead Managers –

**Unistone Capital Private Limited**

### Registrar –

**MUFG Intime India Private Limited (Link Intime)**

**Business Overview -**

Jyoti Global Plast Limited was incorporated in 1990 with its registered office in Navi Mumbai, Maharashtra. It is engaged in the business of plastic & Fiber-Reinforced Polymer (FRP) moulding, providing custom solutions to their clients. It includes products like drums, carboys, jerrycans, barrels, pail buckets, automobile parts, drone components, etc. The company caters to different industries such as pharmaceutical, chemical, food & beverage, industrial oil, adhesives, childcare, automotive, defence and aerospace, etc.

The company has 2 plants located in Navi Mumbai and serves more than 1,000 clients. Largest contributor to revenue is the chemicals industry that contributed 36.66%, 39.88%, and 49.93% of revenue from operations in FY 23, 24, and 25 respectively. There is geographic concentration as 94.79%, 95.17%, and 95.96% of revenue from operations of the company comes from the state of Maharashtra. The company has an order book worth ₹2,267.42 Lakhs as on Jul 07, 2025.

**Capacity Utilisation:**

Particulars	FY 23	% Utilised	FY 24	% Utilised	FY 25	% Utilised
Unit 1	3,216	89.21%	4,296	89.13%	5,016	80.62%
Unit 2	2,400	88.03%	2,400	88.96%	2,400	89.86%

**Product Wise Revenue Breakup:****(in Lakhs)**

Particulars	FY 23	%	FY 24	%	FY 25	%
Plastic Carboy (20L to 120L)	4494.11	50.39%	4291.66	49.19%	4185.91	44.78%
HDPE Barrel (200L to 250L)	3962.49	44.43%	3924.85	44.98%	3910.92	41.83%
Plastic Can and Bottles (upto 10L)	417.24	4.68%	470.24	5.39%	770.99	8.25%
Pail Bucket	-	-	2.21	0.03%	263.75	2.82%
Toys	7.47	0.08%	1.37	0.02%	15.02	0.16%
Others*	38.08	0.43%	34.77	0.40%	201.90	2.16%
<b>Total</b>	<b>8,919.39</b>	<b>100.00%</b>	<b>8,725.10</b>	<b>100.00%</b>	<b>9,348.49</b>	<b>100.00%</b>

\*Others includes accessories, plastic bags, etc.

The products contributing the highest revenue, plastic carboy and HDPE barrels have been almost the same in all preceding financial years while the contribution of other products increased such as plastic bottles, cans, and others. This indicates that the company has been trying to diversify.

**Business Strategies -**

1. The company intends to continue focusing on plastic and FRP products by expanding their existing capacity by adding a new manufacturing unit (unit 3).
2. The company is adding new products to their portfolio. It started manufacturing auto parts, connectors and drone components since April 25 and these products were sent to their clients on trial basis. The company has received approval from their clients and purchase orders for the same. This is an additional indication of efforts to diversify taken by the company and may lead optimistic results.
3. The company intends to explore sustainable growth opportunities by investing in solar power which is the trend.
4. The company aims to improve operational efficiency through economies of scale, technology enhancements, and effective resource planning.
5. Strengthen relationship with existing customers and expand customer base by entering higher value product ranges and acquiring customers that can provide higher value contracts.

**Risk Factors -**

- There is geographic concentration. 94.79%, 95.17%, and 95.96% of revenue from operations came from Maharashtra in FY 23, 24, and 25.
- There is supplier concentration. The top 10 suppliers have contributed 76.78%, 77.97%, and 71.63% of purchases in FY 23, 24, and 25.

- There is an increasing awareness about the environment and constant efforts are being made to ban plastic products.
- The company has had negative cash flow from operating activities worth ₹224.65 Lakhs in FY 23.
- There are 4 outstanding tax litigations against the company worth ₹63.34 Lakhs.

### Key Management

-The management consists of **Hiren Bhawanji Shah (Managing Director)**, **Deven Bhawanji Shah (Whole Time Director, and CEO)**, and **Bhawanji Khimji Shah (Chairman, and Executive Director)**. Hiren Shah and Deven Shah, both have a bachelor's degree of commerce and more than 30 years of experience in this industry. Educational qualifications of Bhawanji Shah is not traceable however, he has more than 40 years of experience.

-**Sharadchandra Kishorilal Patel, Swati Sandeep Nivalkar, and Gajanan Vinayak Godbole** are **independent directors**. All of them have relevant educational qualification and years of experience.

-**Karan Deven Shah (CFO)** has a bachelor's degree in commerce with 11 years of experience. **Shrutika Lalan Mandal (CS & CO)** has a bachelor's degree in commerce and 5 years of experience.

**The management team is satisfactory as they are experienced and have relevant educational qualifications.**

### Industry Overview –

India's plastic moulding market was valued at approximately USD 17.94 billion in 2024, and is projected to grow to USD 33.46 billion by 2033, representing a CAGR of 7.17% between 2025 and 2033. The broader Indian plastics industry is estimated at USD 44.0 billion in 2024, with forecasts pointing toward USD 77.0 billion by 2033, growing at 6.4% CAGR. India's rigid plastic packaging industry comprising drums, carboys, jerrycans, etc. is estimated at USD 14.28 billion in 2025 and is expected to reach USD 19.40 billion by 2030, growing at 6.32% CAGR. Packaging accounts for roughly 42% of the plastic industry in India.

In the automotive sector, plastic components are becoming increasingly strategic: the Indian automotive plastics market was valued at US\$1,935.7 million in 2024, and is projected to grow to US\$4,638.4 million by 2034, reflecting a 9.8% CAGR. Market drivers include rising demand across end-use segments such as chemicals, FMCG, food packaging, automotive components, agriculture, etc. Other drivers include urbanization, rising disposable incomes, and e-commerce growth. Industrial regions like Gujarat and Maharashtra remain major hubs for polymer processing and packaging manufacturing activity.

Despite spreading environment awareness and efforts to ban plastic products, the use of plastic has increased over the years. In FY17, consumption stood at approximately 16.5 million tonnes. By FY24, this rose to nearly 24 million tonnes, representing a CAGR of around 5.5%. According to the All India Plastics Manufacturers' Association (AIPMA), plastic consumption is projected to reach 30 million tonnes by FY30. Per capita plastic consumption in India, while growing, remains far lower than global averages. In FY24, it stood at ~9.7 kg per capita, compared to the global average of 28 kg and China's 45 kg. This reflects both under-penetration and scope for future expansion.

### Lead Manager

MUFG Intime India Private Limited has handled 24 IPOs in preceding 3 years out of which 3 opened at a discount.

### Peer Analysis

Particulars	Jyoti Global Plast Limited			TPL Plastech Limited			Pyramid Technoplast Limited*		
	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25	FY 23	FY 24	FY 25
NP Margin	2.61%	4.14%	6.50%	5.89%	6.33%	6.75%	6.59%	5.46%	4.48%
EBITDA Margin	6.84%	9.07%	12.63%	11.37%	11.66%	11.63%	10.75%	9.08%	7.86%
RoCE	32.01%	32.83%	42.10%	17.44%	19.97%	21.51%	35.63%	18.30%	13.52%
ROE	19.95%	23.68%	28.49%	13.88%	15.22%	15.98%	29.62%	13.21%	10.70%
EPS (INR)	1.50	2.33	3.92	2.05	2.54	3.02	10.16	8.62	7.38
P/E	44.00	28.33	16.84	13.95	28.01	24.47	-	19.92	21.88

Particulars	Jyoti Global Plast Limited			Mitsu Chem Plast Limited		
	FY 23	FY 23	FY 23	FY 23	FY 24	FY 25
NP Margin	2.61%	4.14%	6.50%	3.8%	2.8%	2.2%
EBITDA Margin	6.84%	9.07%	12.63%	8.7%	8.6%	7.2%
RoCE	32.01%	32.83%	42.10%	20.2%	18.8%	14.7%
ROE	19.95%	23.68%	28.49%	18.9%	11.2%	7.5%
EPS (INR)	1.50	2.33	3.92	9.50	7.23	5.39
P/E	44.00	28.33	16.84	14.90	23.62	18.30

\*The company was not listed during FY 23. Therefore, P/E is blank.

**As of the latest FY, the company's PAT margins have been on par with its competitors while EBITDA margins have been higher due to lower cost of materials consumed. The company has higher RoCE and ROE. This means that the company is able to use its capital more effectively to generate returns than its competitors.**

### FINANCIAL SNAPSHOT

Key Performance Indicators: (in Lakhs)				Key Ratios:			
Particulars	FY 23	FY 24	FY 25	Particulars	FY 23	FY 24	FY 25
<b>P&amp;L Statement</b>				<b>Per Share Data</b>			
Total Income	8,935.45	8,796.41	9,379.79	Diluted EPS	1.50	2.33	3.92
Total Expenses	8,623.08	8,307.67	8,575.59	BV per share	232.98	305.28	13.77
EBITDA	610.46	790.99	1,181.05	<b>Operating Ratios</b>			
EBIT	496.45	661.93	1,044.93	EBITDA Margins	6.84%	9.07%	12.63%
PBT	312.37	488.74	804.20	PAT Margins	2.61%	4.14%	6.50%
Tax Expenses	80.01	127.21	196.14	Inventory days	13.95	19.85	33.21
Net Profit	232.36	361.53	608.06	Debtor days	83.32	81.68	83.52
<b>Balance Sheet</b>				Creditor days	36.16	32.81	43.46
Total Equity	1,164.89	1,526.42	2,134.48	<b>Return Ratios</b>			
<b>Assets</b>				RoCE	32.01%	32.83%	42.10%
Non-Current Assets	1,508.59	2,027.49	2,378.51	RoE	19.95%	23.68%	28.49%
Current Assets	2,845.26	3,156.95	3,302.91	<b>Valuation Ratios (x)</b>			
Total Assets	4,353.85	5,184.44	5,681.42	EV/EBITDA	5.50	4.97	3.78
<b>Liabilities</b>				Market Cap / Sales	0.04	0.04	1.09
Non-Current Liabilities	386.02	489.56	347.40	P/E	44.00	28.33	16.84
Current Liabilities	2,802.94	3,168.46	3,199.54	Price to Book Value	0.28	0.22	4.79
Total Liabilities	3,188.96	3,658.02	3,546.94	<b>Solvency Ratios</b>			
<b>Cash Flow Statement</b>				Debt / Equity	2.05	1.90	1.19
CFO	-224.65	593.11	804.87	Current Ratio	1.02	1.00	1.03
CFI	-147.27	-661.30	-362.30	Quick Ratio	0.89	0.85	0.77
CFE	270.15	266.32	-635.04	Asset Turnover	2.05	1.68	1.65
				Interest Coverage Ratio	2.48	2.71	3.84

### Financial Analysis

-Revenue from operations decreased in FY 24 due to 2 reasons. First is that the raw material prices were higher in FY 23 leading to higher billing amounts. The same then decreased in FY 24. Second is that the revenue from plastic carboy and HDPE barrel decreased in FY 24.

-Increase in revenue in FY 25 is due to higher sales of plastic can, pail bucket, and others.

-Cost of materials consumed as a % of revenue from operations has decreased every year. 74.79%, 71.1%, and 67.13% in FY 23, 24, and 25 respectively.

-Operating margins have increased every year. The reason for increase in EBITDA and PAT despite a decrease in revenue in FY 24 is because the decrease in materials consumed was higher than the decrease in revenue.

-Short-term borrowing and trade receivables form the majority of current liabilities and current assets respectively.

-RoCE and ROE show fluctuation with the operations of the business. The company has a healthy D/E ratio.

-Changes in CFO are majorly attributable to trade receivables and payables. Since it is increasing every year the company may have employed better cash management policies from FY 24.

# IPO Note – Jyoti Global Plast Limited

Recommendation: **AVOID**

## Disclaimer,

We are not registered research analysts with SEBI and are not subject to the regulations governing research analysts. This research report is for educational purposes only and should not be construed as investment advice. The information contained in this report is based on publicly available information and is believed to be reliable, but no representation or warranty, express or implied, is made as to its accuracy or completeness. Also, some of the employees of our organization may have or may in the future hold investments in the company that is the subject of this research report. This may create a conflict of interest, and you should be aware of this when considering the information contained in this report. You should consult with your financial advisor before making any investment decisions.

The analysis and recommendations are based on the current market and company-specific scenario, along with the data available in the prospectus. Market and company-specific conditions may change after the company's listing, potentially impacting its performance and outlook. We will not be providing any follow-up reports or updates on this analysis post-listing.

## WEBSITE:

[www.tiareconsilium.com](http://www.tiareconsilium.com)

## OUR APP AVAILABLE ON:



## CONNECT WITH US ON :

