



Aesthetik Engineers Limited IPO Analysis

1. Business Overview

Aesthetik Engineers Limited was incorporated as a Private Limited Company under the Companies Act, 1956, and later converted into a Public Limited Company. The company is engaged in the business of designing, engineering, fabrication, and installation of facade systems. Their product portfolio includes:

- Building facades
- Aluminium doors and windows
- Railing and staircases
- Glassfibre Reinforced Concrete (GRC)

The company provides end-to-end solutions, from designing the facade to its installation at the site. Their factory is located in Howrah, Kolkata, which is used for the fabrication and assembly of their products, emphasizing quality and performance. Their products are used in various industries such as hospitality, architecture, and infrastructure.

Revenue Bifurcation

- The company earns revenue by providing comprehensive facade solutions including design, engineering, fabrication, and installation.

Suppliers and Clients

- The prospectus does not provide detailed information on suppliers, but the company caters to both B2B and B2C segments.

2. Industry Overview

Global Facade Market

- The global facade market size reached USD 273.2 billion in 2023 and is expected to reach USD 499.4 billion by 2032, growing at a CAGR of 6.93% during 2024-2032.

Key growth factors include rapid urbanization, infrastructural development, focus on sustainability, and technological advancements.

Indian Facade Market

- The Indian facade market size reached USD 2,855.4 million in 2023 and is expected to reach USD 5,431.9 million by 2032, with a CAGR of 7.18% during 2024-2032. The market is driven by increasing construction activities, rising commercial spaces, and remodeling/upgradation projects.

3. Management Profile

Promoters

- **Mr. Avinash Agarwal:** Promoter, Chairman, and Managing Director. He has over two decades of experience in the facade industry and holds a Bachelor of Commerce degree.
- **Ms. Sreeti Agarwal:** Promoter and Non-Executive Director. She holds a Bachelor of Arts degree and has around 8 years of experience in the facade industry.
- **Ms. Manisha Sureka:** Promoter and Non-Executive Non-Independent Director. She holds a Master of Science degree and assists in client relationship management.

4. Top 5 Risk Factors

1. **Dependence on Limited Customers:** Significant revenue from a limited number of customers could impact the company's financials if any major customer relationship deteriorates.
2. **Competition:** The company operates in a highly competitive market, which could affect its market share and profitability.
3. **Working Capital Management:** Effective management of working capital cycles is crucial to sustain operations and growth.
4. **Quality Standards:** Maintaining high-quality standards is essential to meet customer expectations and compliance requirements.
5. **Economic Conditions:** General economic conditions in India and globally can impact the business environment and growth prospects.

5. Object of the Issue

The proceeds from the IPO will be used for:

- Funding working capital requirements
- General corporate purposes
- Issue-related expenses.

6. Financial Analysis (fig. In thousands)

Item	FY 2024	FY 2023	FY 2022
Revenue from Operations	6,07,203	4,00,097	2,57,391
Cost of Material Consumed	4,54,708	3,43,021	2,12,405
Change in Inventory	(13,432)	(7,433)	2,890
Employee Cost	18,170	8,391	4,768
Other Expenses	70,675	35,659	25,829
EBITDA	77,081	20,458	11,497
EBITDA Margin (%)	12.69%	5.11%	4.47%
Other Income	746	3,484	2,573
Depreciation	5,228	3,342.57	2,345
Interest	7,220	5,532.21	4,113
Profit before Tax (PBT)	65,379	15,068	7,611
Tax	16,565	3,809	1,899
Net Profit	50,298	11,258	5,712
NPM (%)	8.28%	2.81%	2.22%
EPS	3.97	1.34	0.68

7. Valuation and P/E Calculation

- **No. of Shares Outstanding:**
 - Issued, Subscribed, and Paid-Up Share Capital Before the Issue: 8,437,450 shares
 - Present Issue: 12,656,175 shares
 - Total Shares Outstanding: 21,093,625 shares
- **Market Capitalization:**
 - Total Shares Outstanding * IPO Price = 21,093,625 * ₹58 = ₹1,223,429,250 (₹122.34 Crores)
- **P/E Ratio:**
 - P/E = Market Cap / PAT (FY 2024)
 - P/E = ₹122.34 Crores / ₹50,298.96 Thousands = 24.32x