



MADHUR
TESTED IN QUALITY

Before the Bell: IPO Edition

by

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Company Overview

- Madhur Iron & Steel (India) Limited, established in 2012, manufactures and trades in a broad range of structural steel products, including angles, channels, mild steel (MS) sections, flats & rods. The Company primarily operates under a B2B, order-based model, supplying products to various institutional customers across industries.
- Prior to 2018, the Company was engaged in the business of trading and fabrication of ferrous, non-ferrous and alloy materials. The Company, subsequently realigned its business operations and commenced the present line of business of manufacturing and trading of structural steel products.
- The Company has its manufacturing unit located in Chhattisgarh. In 2025, the Company undertook capacity expansion of the manufacturing unit and now, the installed capacity stands at 56,700 MT per annum for the rolling mill and 7,800 MT per annum for the fabrication unit.
- **Competitive Advantages:**
 - **Diversified Product Portfolio:** Manufactures and trades a wide range of structural steel products including angles, channels, MS sections, flats, and rods.
 - **Strategic Positioning:** The company is strategically and well-positioned to benefit from the significant and sustained growth in India's power transmission and railway electrification sectors.
 - **Long-Standing Relationships:** The Company has long-standing relationships with reputed EPCs and clients.
- **Risks/Challenges:**
 - **Intense competitive landscape:** Competition from larger and regionally entrenched players, along with global steel producers creates intense price competition.
 - **Logistics Heavy:** Challenges in logistics and transportation infrastructure, including high logistics cost
 - **Cyclical Industry:** Infrastructure spending is cyclical in nature, and delays in the execution of power, railway, and construction projects may disrupt order flows and impact cash cycles.

Financial Overview

(Amount in INR Crores)

Income Statement	FY 2023A	FY 2024A	FY 2025A
Revenue from Operations	193	239	340
EBITDA	14	24	35
PBT	9	17	25
PAT	7	13	18

Revenue by Segment (FY 2025):

- Power & Energy Infrastructure:
 - Revenue: INR 228 Crores (67%)
- Railways & Railway Electrification:
 - Revenue: INR 85 Crores (25%)
- Others:
 - Revenue: INR 27 Crores (8%)

Key Points:

- Revenue continues to grow strongly, from INR 193 Crores in FY 23 to INR 340 Crores in FY 25, representing a CAGR of approx. 32.69%.
- EBITDA and PAT margins have improved from 7% and 3%, respectively, in FY 23 to 10% and 5%, respectively, in FY 25.
- The Company generated positive cash flow from operations in FY 23; however, it reported negative operating cash flows in FY 24 and FY 25.

Important Points

- The Company's manufacturing unit situated in Chhattisgarh generates a significant portion being approx. ~70% of revenue from operations and hence, the company is exposed to geographic concentration risk, the adverse impact of which cannot be quantified.
- The Company's top 10 customers account for approx. ~55% of its revenue from operations from FY 23 to FY 25 and 78% of the six-month period ended 30th September, 2025. Any loss of these customers or loss of revenue from these customers would have an adverse impact on the business.
- **Financial Summary for Six-months ended 30th September, 2025:**
 - Revenue: INR 192 Crores
 - EBITDA: INR 20 Crores
 - PAT: INR 10 Crores
- **Revenue by Segment (Six-months ended 30th September, 2025):**
 - Power & Energy Infrastructure:
 - Revenue: INR 138 Crores (72%)
 - Railways & Railway Electrification:
 - Revenue: INR 44 Crores (23%)
 - Others:
 - Revenue: INR 10 Crores (5%)
- The total issue is a complete Fresh Issue with no Offer for Sale (OFS) component. Out of the Fresh issue proceeds:
 - INR 12 crores are earmarked for repayment of outstanding borrowings
 - INR 76 crores are earmarked for funding the setting up of the Proposed Manufacturing Unit II
 - INR 35 crores are earmarked for funding working capital requirement and the balance amount for general corporate purposes

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