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Mazagon Dock Shipbuilders Limited IPO (Mazagon Dock IPO) Detail

Sep 29, 2020 - Oct 1, 2020

Incorporated in 1934, Mazagon Dock Shipbuilders Ltd is the India's leading defence public sector undertaking shipyard under the Ministry of Defence. Mazagon Dock is primarily engaged in constructing and repairing warships and submarines for the MoD and other types of vessels i.e. cargo ships, multipurpose support vessels, barges and border outposts, tugs, dredgers, water tankers, etc. for commercial clients. It is the only shipyard to build destroyers and conventional submarines to be used by the Indian Navy.

The business has 2 key operating divisions - Shipbuilding division that undertakes building and repairing of naval ships, whereas Submarine and heavy engineering division includes building, repairing, and refitting of diesel electric submarines. Till 2020, the company has built 795 vessels, including 25 warships, 4 missile boats, 3 submarines, 6 Leander class frigates, 3 Godavari class frigates, 3 Shivalik class frigates, 3 corvettes, and 6 destroyers.

Mazagon Dock shipyard is strategically located on the west coast of India, the sea route that connects Europe, Pacific Rim, and West Asia.

Competitive Strength

- India's leading public sector defence shipyard company.
- World class infrastructure facilities.
- Strategic location at Mumbai on the west coast of India.
- Strong order book and financial position.

Company Promoters:

The President of India acting through the Ministry of Defence, GoI is the promoter of the company.



Company Financials:

Summary of financial Information (Restated Consolidated)

Particulars	For the year/period ended (₹ in million)			
	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
Total Assets	209,660.28	208,479.34	193,703.72	193,911.65
Total Revenue	55,353.07	52,046.74	50,276.29	42,748.63
Profit After Tax	4,770.59	5,324.74	4,961.73	5,982.58

Objects of the Issue:

The net proceed from the IPO will be used towards following objectives;

- To carry out the disinvestment plan of 30,599,017 equity shares by selling shareholders constitutes 15.17% of pre-offer equity share capital
- To achieve the benefits of share listing on the stock exchanges.

Mazagon Dock IPO Details

IPO Date	Sep 29, 2020 - Oct 1, 2020
Issue Type	Book Built Issue IPO
Issue Size	30,599,017 Eq Shares of ₹10 (aggregating up to ₹443.69 Cr)
Offer for Sale	30,599,017 Eq Shares of ₹10 (aggregating up to ₹443.69 Cr)
Face Value	₹10 per equity share



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IPO Price	□135 to □145 per equity share
Market Lot	103 Shares
Min Order Quantity	103 Shares
Listing At	BSE, NSE

Conclusion: On the current parameters, the issue appears reasonable. However, considering bright prospects going forward we recommend investment for medium to long term (Subscribe).

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Thanks & regards,
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