VG

Varmora Granito Limited

Manufacturing · Mainboard

Rs. 140 - 148

22 Sep 2026 - 24 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 708 cr	**45% fresh** Rs. 320 cr to the company, Rs. 388 cr to selling holders - computed from the share count at the band cap - p.1	**Rs. 3.08** issuer disclosed

WHAT STANDS OUT

Profit backed by cash - Operating cash flow is 425% of profit after tax — earnings are cash-backed.

WHAT THE COMPANY DOES

Varmora Granito Limited is engaged in the business of manufacturing and trading of ceramic tiles, glazed vitrified tiles (GVT), polished vitrified tiles (PVT), and bathware/sanitaryware products.

We operate eight strategically located manufacturing facilities in the Morbi cluster in Gujarat, India.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.

Fresh issue Rs. 320 cr 45% · Offer for sale Rs. 388 cr 55%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.

Repayment/ pre-payment, in full o... 88% · Repayment/ pre-payment, in full o... 12%

PROMOTER HOLDING

52.0% before > **—** after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Kajaria Ceramics Limited	40.3x	Rs. 4,830 cr	p.140
Somany Ceramics Limited	28.6x	Rs. 2,790 cr	p.140
Asian Granito India Limited	72.0x	Rs. 1,858 cr	p.140
Orient Bell Limited	47.7x	Rs. 691 cr	p.140
Industry average	47.1x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	Fiscal 2024	Fiscal 2025	Fiscal 2026	2Y CAGR
Revenue	1,435	1,446	1,512	+2.6%
EBITDA	150	198	222	—
Profit after tax	45	31	55	+10.7%
Net worth	679	723	797	—
Total debt	413	505	358	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	Fiscal 2024	Fiscal 2025	Fiscal 2026
Operating cash flow	88	63	234
Capital expenditure	348	112	34
Financing	115	47	-188

Operating cash flow is 425% of profit after tax. Reported earnings are backed by cash.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+12 months	+36 months
Anchor, first half	**Anchor, remainder**	**Promoter**	**Promoter**
50.0%	50.0%	—	20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Established player operating in the tile industry in India in a large attractive market (p.212)
2. Comprehensive premium product portfolio (p.212)
3. Customer centric innovation led approach resulting in multiple new product launches (p.212)
4. Well diversified pan-India distribution network focused on EBOs that strengthen our brand recall (p.212)
5. Strategically located and technologically advanced in-house manufacturing to maintain control over quality and supply chain (p.212)

RISKS IT DISCLOSES

1. We are dependent on our manufacturing facilities for a significant portion of our revenues. (p.23)
2. We derive a substantial portion of our revenue from the sale of glazed vitrified tiles (GVT) and technical products. (p.24)
3. All our revenues are attributable to manufacturing facilities situated in Morbi, Gujarat, India. (p.25)
4. We have an extensive retail distribution network and derive a significant portion of our revenue from our B2C retail chain. (p.25)
5. Our Subsidiaries, Associates and Joint Ventures have common pursuits vis-a-vis our Company and are in a similar line of business. (p.26)

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 53,100 cr in Fiscal 2025, forecast Rs. 76,520 cr by Fiscal 2030, a 8.4% CAGR, company's stated share 6.6%.

Drivers it names: Increasing real estate development, the growing market share of tiles over alternatives like natural stone and increasing use cases for tiles..

Constraints it names: Gas supply issues in the last quarter of Fiscal 2026..

> These industry figures come from a Technopak report commissioned and paid for by the issuer. It is not neutral research.

THE WIDER GROUP

Fiorenza Granito Private Limited (associate)	holds 30.0%
Avalta Granito Private Limited (associate)	holds 25.0%
Sentosa Granito Private Limited (associate)	holds 30.0%
Varmora Plastech Private Limited (promoter-group)	—
Allemby Ceramics Private Limited (associate)	holds 50.0%

Extracted from the DRHP at https://live.jmfl.com/od/UploadedFiles/A49FD961-AE8C-4FE8-9A30-5041E1D8672C.pdf by gemini-3.5-flash on 2026-09-18. Figure verification was skipped. The source text was not available to check against.