



## KRN Heat Exchanger and Refrigeration Limited

## KRN Heat Exchanger and Refrigeration Ltd.

**Issue Opens On**  
Sep 25, 2024

**Issue Closes On**  
Sep 27, 2024

**Price Band (INR)**  
209 – 220

**Issue Size (INR Mn)**  
3,244-3,415

**Rating**  
SUBSCRIBE

**KRN Heat Exchanger and Refrigeration Limited**, established in 2017, is a company based in Bhiwadi, Alwar, Rajasthan. It specializes in manufacturing fin and tube-type heat exchangers, catering primarily to the HVAC&R (Heat Ventilation Air Conditioning and Refrigeration) industry. The company's products, which include condenser coils, evaporator units and fluid coils, are made from non-ferrous metals like copper and aluminum. These products are utilized across various applications such as air conditioning, heating, ventilation, refrigeration, and process cooling. KRN's heat exchangers come in diverse shapes and sizes, tailored to meet customer requirements and market demands. The company's robust manufacturing capabilities ensure a wide diameter range of heat exchanger tubes, making them suitable for both domestic and industrial needs.

### OFFER STRUCTURE

Particulars	IPO Details
No. of shares under IPO (Mn)	15.52
Fresh issue (# shares) (Mn)	15.52
Offer for sale (# shares) (Mn)	NA
Price band (INR)	209– 220
Post issue MCAP (INR Mn)	12,987 – 13,670

Source: IPO Prospectus

Issue	# Shares	INR Mn	%
<b>QIB</b>	77,61,500	Max. 1,708	Upto 50%
<b>NII</b>	23,28,450	Min. 512	Not less than 15%
<b>Retail</b>	54,33,050	Min. 1,195	Not less than 35%
<b>Net Offer</b>	1,55,23,000	Max. 3,415	Upto 50%

Source: IPO Prospectus

Indicative Timetable	
Offer Closing Date	Friday 27 <sup>th</sup> Sep'24
Finalization of Basis of Allotment with Stock Exchange	On or about 30 <sup>th</sup> Sep'24
Initiation of Refunds	On or about 1 <sup>st</sup> Oct'24
Credit of Equity Shares to Demat accounts	On or about 1 <sup>st</sup> Oct'24
Commencement of Trading of Eq. shares on NSE	On or about 03 <sup>rd</sup> Oct'24

Source: IPO Prospectus

Objects of the Offer	Amount ( In Mn)
1. Investment in wholly owned subsidiary	2,425
2. General corporate purposes	990

Shareholding Pattern	Pre-Issue (%)	Post-Issue (%)
Promoters & Promoters Group	94%	71%
Others	6%	29%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source: IPO Prospectus

Particulars (In INR Mn)	FY22	FY23	FY24
Revenue	1,561	2,475	3,083
EBITDA	169	493	585
EBITDA Margin (%)	11%	20%	19%
Profit After Tax	106	323	391
PAT Margin (%)	7%	13%	13%
Net Worth	255	596	1,316
RONW (%)	41%	54%	30%

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Company Overview :

- KRN Heat Exchanger and Refrigeration Limited, founded in 2017 and located in Bhiwadi, Alwar, Rajasthan, has emerged as a leading player in the HVAC&R (Heating, Ventilation, Air Conditioning and Refrigeration) industry.
- The company is dedicated to manufacturing fin and tube-type heat exchangers, producing crucial components like condenser coils, evaporator units and fluid coils from high-quality copper and aluminum.
- KRN's commitment to customization allows it to meet a diverse array of client needs across various sectors, including residential, commercial and industrial.
- KRN's dedication to quality and innovation has driven its rapid growth, enabling the company to expand its reach in both domestic and international spheres.
- In FY 2024, the company reported revenues of INR 3,083 mn, with 96.66% coming from the Evaporator & Condenser Coils segment.

### Product Suite

- 1. Evaporator Coils:** Evaporator coils are essential components in cooling systems like air conditioners, fan coils and dryers. Its primary function is to extract heat from indoor air and transfer it to the refrigerant inside copper tubing. This process cools the air and maintains indoor temperature. These coils require regular maintenance to ensure optimal cooling efficiency.
- 2. Condenser Coils:** Condenser coils are used in HVAC systems to release heat to the surrounding environment, converting refrigerant vapor into liquid. The compact design enhances heat transfer and space efficiency, making them suitable for domestic and commercial applications like air conditioners and industrial chillers.
- 3. Fluid and Steam Coils:** Fluid coils are used to heat or cool air within HVAC systems, integrated into Air Handling Units. Steam coils, used in industrial processes, transfer thermal energy from steam to air, ensuring energy efficiency in settings such as power plants and food processing facilities.
- 4. Condensing Units:** Condensing units, custom manufactured by the company, consist of compressors, condenser coils and fan motors. These units, crucial in refrigeration systems, regulate temperatures effectively and are adaptable to various sizes and project needs.
- 5. Copper Headers:** Copper headers, essential components for heat exchangers, are manufactured using advanced CNC machinery. This ensures precision in bending and forming, providing high-quality construction and accuracy.
- 6. Sheet Metal Parts:** The company manufactures both standard and custom sheet metal parts like end plates for coils and condensing units. CNC punching machines allow precision, enabling custom designs to meet client specifications.

### Revenue Segmentation

Particulars	FY22		FY23		FY24	
	INR Mn	in %	INR Mn	in %	INR Mn	in %
Evaporator Coils	514	32.95%	715	28.90%	1,156	37.49%
Condenser Coils	995	63.71%	1,523	61.53%	1,703	55.24%
Headers/ Copper Parts	6	0.37%	18	0.73%	47	1.52%
Sheet Metal Parts	1	0.04%	2	0.07%	1	0.05%
Other Operating Revenue*	46	2.93%	217	8.77%	176	5.70%
<b>Total Revenue</b>	<b>1,561</b>	<b>100.00%</b>	<b>2,475</b>	<b>100.00%</b>	<b>3,083</b>	<b>100.00%</b>

\*Other Operating revenue includes sale of other HVAC parts like Tubing, Copper Pipes, rework of coils and HVAC parts etc.

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Company Overview :

#### Market Presence and Global Footprint

The company has a significant domestic and international presence. In FY24, KRN Heat Exchanger sold products in 17 Indian states and exported to 14 countries. Europe and North America have emerged as key international markets, with a growing demand for the company's products. In the same year, KRN served a total of 115 customers, of which 32 were international clients, showcasing its efforts to expand globally.

Its clientele consists of major players in the HVAC&R industry, with notable customers like Daikin Airconditioning India Private Limited, which has been instrumental in contributing a substantial portion of the company's revenues. However, KRN aims to mitigate risks by diversifying its customer base and expanding into new markets .

#### Geography Wise revenue Mix

Particulars	FY22		FY23		FY24	
	INR Mn	in %	INR Mn	in %	INR Mn	in %
Domestic Sales	1,411	90%	2,191	89%	2,629	85%
Export Sales	149	10%	282	11%	453	15%
Other Operating Income*	1	0.08%	2	0.07%	2	0.05%
<b>Total</b>	<b>1,561</b>	<b>100%</b>	<b>2,475</b>	<b>100%</b>	<b>3,083</b>	<b>100%</b>

\*Other Operating Income includes rework of coils and HVAC Parts.

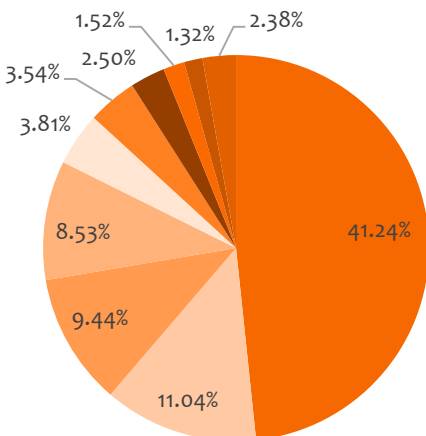
Source: IPO Prospectus, KRChoksey Research

#### Customer Base

Particulars	FY22		FY23		FY24	
	INR Mn	in %	INR Mn	in %	INR Mn	in %
Top 1 Customer	504	32%	813	33%	1,028	33%
Top 5 Customers	933	60%	1,381	56%	1,699	55%
Top 10 Customers	1,184	76%	1,754	71%	2,229	72%

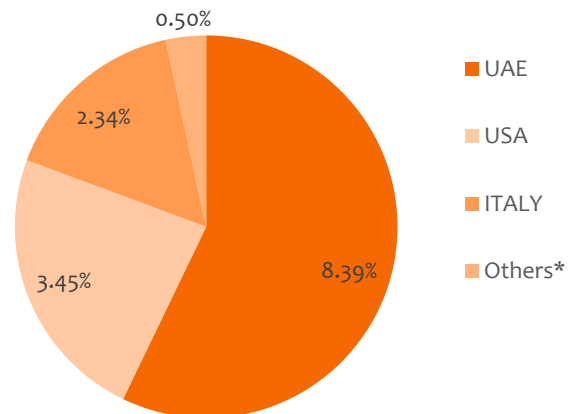
Source: IPO Prospectus, KRChoksey Research

#### Domestic Revenue Mix in FY24



- RAJASTHAN
- MAHARASHTRA
- KARNATAKA
- HARYANA
- UTTARAKHAND
- HIMACHAL PRADESH
- GUJARAT
- UTTAR PRADESH
- DIU DAMAN & DADRA NAGAR

#### Export Revenue Mix in FY24



\*Others: Saudi Arabia, Norway, Czech Republic, Germany, United Kingdom, Poland, China & Canada

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Company Overview :

#### Manufacturing Capabilities and Technological Edge

- KRN Heat Exchanger operates a state-of-the-art manufacturing facility in Neemrana, Rajasthan, covering 7,800 square meters across two industrial plots. The plant is equipped with advanced technology that supports efficient production and high-quality output. KRN prides itself on its in-house design and development capabilities, allowing for customization without heavy reliance on external vendors.
- The company's products are rigorously tested to meet international quality standards, and advanced coatings: such as nano and powder coatings—are applied to copper tubes, brazing joints and fin sheets to enhance durability and corrosion resistance. KRN's streamlined production process combines automation with skilled labor to maximize efficiency.
- Focused on reducing operational costs and improving productivity, KRN continually implements cost-cutting measures, including value analysis techniques, to boost profit margins while maintaining quality.

#### Operational Metrics

Particulars	FY22	FY23	FY24
<b>Total Quantity Sold (in Units)</b>			
Evaporator Coils	1,07,564	1,13,182	2,02,273
Condenser Coils	2,25,063	2,74,890	2,45,950
Headers/ Copper Parts	14,977	96,630	1,29,580
Sheet Metal Parts	652	7,138	1,141
<b>Total Quantity Produced (in Units)</b>			
Evaporator Coils	1,07,356	1,13,027	2,20,152
Condenser Coils	2,26,300	3,05,944	2,56,264
Headers/ Copper Parts	3,60,118	4,85,552	6,06,854
Sheet Metal Parts	3,34,090	4,22,214	4,77,557
<b>Total Number of Customers Served</b>	<b>95</b>	<b>112</b>	<b>113</b>
International Clients	10	16	32
Domestic Clients	85	96	81

Source: IPO Prospectus, KRChoksey Research

#### Capacity Utilisation

Product	FY22			FY23			FY24		
	Installed Capacity	Actual Production	Utilisation (%)	Installed Capacity	Actual Production	Utilisation (%)	Installed Capacity	Actual Production	Utilisation (%)
<b>Evaporator &amp; Condenser Coils</b>									
Evaporator coils	5,48,412	1,07,356	61%	5,66,551	1,13,027	74%	5,66,551	2,20,152	84%
Condenser coils		2,26,300			3,05,944			2,56,264	
<b>Headers/ Copper Parts</b>	6,18,667	3,60,118	58%	6,18,667	4,85,552	79%	6,18,667	5,22,974	85%
<b>Sheet Metal Parts</b>	5,56,800	3,34,090	60%	5,56,800	4,22,214	76%	5,56,800	4,77,557	86%

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Industry Overview :

#### Global Heat Exchanger industry

The global heat exchanger market plays a crucial role in various industries, including chemical processing, oil and gas, power generation, and HVAC (heating, ventilation, and air conditioning). This industry is projected to grow from USD 16.8 billion in 2023 to USD 29.2 billion by 2030, representing a robust compound annual growth rate (CAGR) of 11.6%. The increasing demand for energy-efficient heat transfer systems, stricter environmental regulations, and growing industrialization are key drivers for this growth.

The expansion of the chemical manufacturing sector and initiatives to promote sustainability and energy efficiency have made heat exchangers indispensable in many applications. The global energy transition toward cleaner sources is also pushing demand, particularly in sectors like power and HVAC. The continuous modernization of energy infrastructure and adoption of renewable energy solutions provide opportunities for the market's growth.

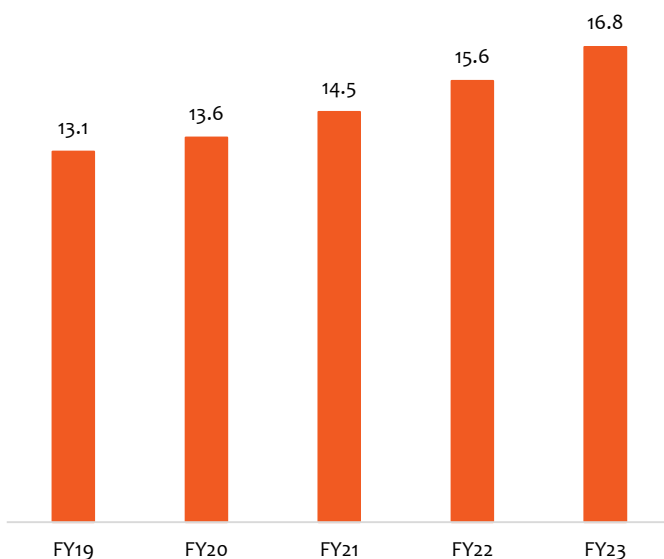
#### Indian Heat Exchanger industry

The heat exchanger industry in India is characterized by strong growth potential due to the increasing demand across several key sectors such as chemical manufacturing, oil and gas, HVAC (heating, ventilation, and air conditioning), power, and energy. The industry's trajectory is shaped by technological advancements, evolving regulatory standards, and the expansion of key end-user industries, all of which drive the demand for efficient thermal management systems. Heat exchangers play a crucial role in various industrial processes, including cooling, heating, and energy recovery, making them indispensable to India's economic and industrial growth.

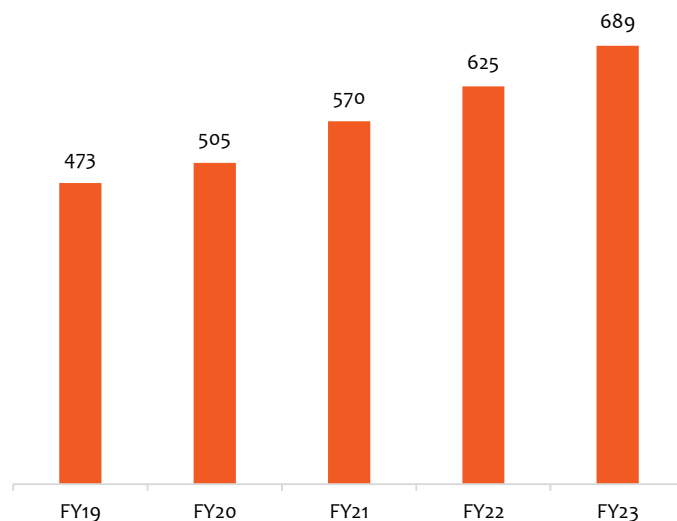
#### Market Size and Growth Projections

The heat exchanger industry in India is poised for significant growth, supported by the expanding industrial landscape and government initiatives. The domestic market is projected to grow at a compound annual growth rate (CAGR) of 11.6%, rising from a market size of USD 689 million in 2023 to USD 1.48 billion by 2030. This increase is largely driven by demand across multiple industrial sectors, including chemicals, oil & gas, pharmaceuticals, food & beverages, and HVAC (Heating, Ventilation, and Air Conditioning) systems.

Global Heat Exchanger Market (in USD Bn)



Indian Heat Exchanger Market (in USD Mn)



Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Industry Overview :

#### End-Use Industries

The primary end-use industries driving demand for heat exchangers in India include:

- **Chemical Industry:** The largest consumer of heat exchangers, the chemical industry heavily relies on them for temperature control and efficient heat transfer. Demand is expected to grow further due to capacity expansions within the sector .
- **Oil & Gas:** Another major consumer, the oil and gas sector requires heat exchangers for cooling, refining, and processing .
- **Power and Energy:** This sector contributes significantly to heat exchanger demand, particularly for energy recovery applications .
- **HVAC:** Driven by rising urbanization and infrastructure development, the heating, ventilation, and air conditioning (HVAC) sector is a key growth area for heat exchangers .

These four industries collectively account for over 70% of the market, with other sectors like metallurgy, food and beverage, and paper and pulp comprising the remainder .

#### Market Segmentation by Type

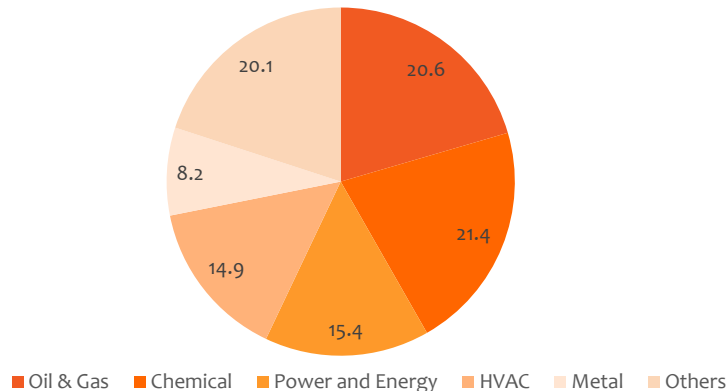
The Indian heat exchanger market can be categorized by the type of exchangers used:

- **Shell and Tube Heat Exchangers:** These accounted for 53% of the market in 2023 and are commonly used in industries like power generation, oil and gas, and chemicals.
- **Finned Tube Heat Exchangers:** Representing 21% of the market, finned tube heat exchangers are particularly prevalent in HVAC systems and are expected to see significant growth as the demand for HVAC systems increases .

#### Challenges and Opportunities

- **Raw Material Price Volatility:** Fluctuations in the prices of essential raw materials such as copper, aluminum, and steel significantly affect the heat exchanger market. Price increases can delay large-scale capital projects, impacting market stability.
- **Technological Disruptions:** The rapid evolution of technology in heat exchanger design, particularly in the context of energy efficiency and smart technologies, presents both opportunities and challenges. Manufacturers are required to continually innovate to stay competitive, which may strain their resources.
- **Regulatory Landscape:** Policies such as the National Capital Goods Policy 2016 and initiatives like Make in India and the Production Linked Incentive (PLI) schemes are expected to boost domestic manufacturing. These initiatives aim to reduce the dependence on imports and encourage local production, which is likely to benefit the heat exchanger market.

#### Indian Heat Exchanger Market: By End Use Consumer Industries



Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Strengths :

#### Long-standing business relationships with leading clientele:

- The company prioritizes the development of sustained, long-term relationships with clients, consistently addressing customer needs through in-demand products.
- Leveraging experience in automated production facilities, the focus on research and development, technological advancement, quality consistency, timely delivery, and cost-effective manufacturing has led to repeat orders from key customers.
- The accompanying table illustrates the enduring business relationships established since the company’s inception. These long-term connections enable the company to understand and meet diverse client requirements, including new product development, while also facilitating the acquisition of new business from potential customers in the same industry.

#### Effective quality control checks:

- The company has an in-house quality assurance facility that conducts rigorous tests—such as Helium and Water Leak Tests, and Burst Pressure Testing—to ensure high-quality products.
- Key team members are certified under BS EN ISO-13585, vital for brazing in heat exchanger manufacturing. A quality management team of 41 employees oversees raw material checks and monitors production parameters, ensuring any issues are promptly addressed. This multi-level quality control enhances product quality and strengthens the brand’s reputation.

### Business Association with Customers

Client’s Name	Association Since
Daikin Airconditioning India Private Limited	2018
Schnieder Electric IT Business India Private Limited	2019
Kirloskar Chillers Private Limited	2020
Blue Star Limited	2021
Climaventa Climate Technologies Private Limited	2021

Source: IPO Prospectus, KRChoksey Research

### Established Manufacturing facility:

- The company's registered office and manufacturing facilities are situated in the well-known RIICO industrial area of Neemrana, Rajasthan.
- Equipped for comprehensive manufacturing, the unit leverages years of experience in precision engineering, strategic location and advanced technology to fulfill custom and rigorous customer requirements.
- With full-service capabilities—including product design, material sourcing, testing, and measurement—all operations are conducted in-house, ensuring quality control and cost advantages over competitors that outsource tasks. This expertise and technology-driven approach allow timely, cost-effective delivery of products that meet customer specifications without compromising quality.

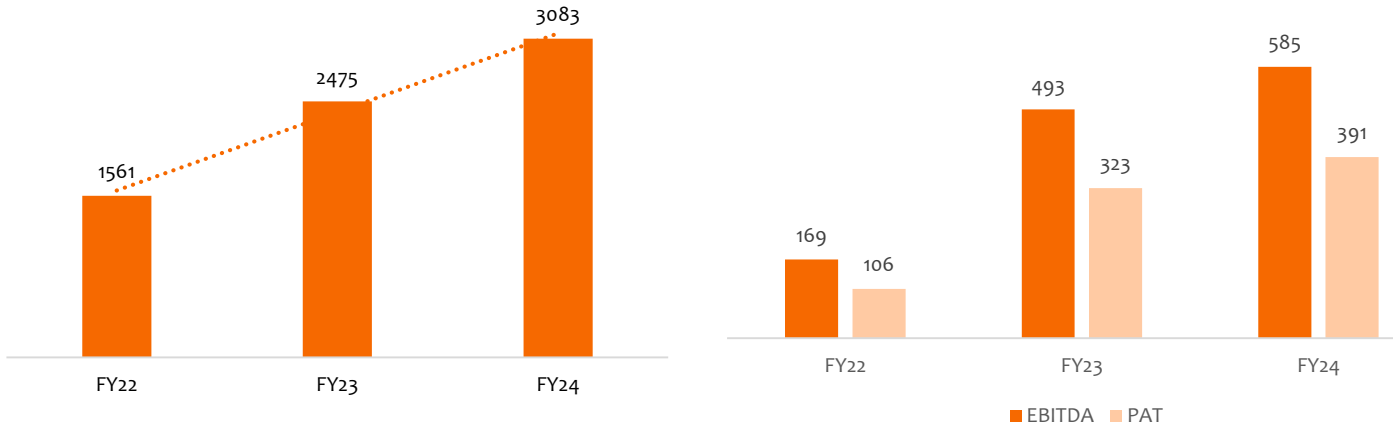
## KRN Heat Exchanger and Refrigeration Ltd.

### Strengths :

#### Consistent financial performance

Revenue CAGR of 40.52%

EBITDA CAGR of 85.78% & PAT CAGR of 92.07%



Source: IPO Prospectus, KRChoksey Research

#### Promoters exhibit strong leadership and are supported by highly experienced senior management:

- The management team comprises qualified engineers with extensive experience across various sectors, including business development, operations, administration, marketing, and human resource management. This collective expertise is crucial for effectively overseeing operations and driving growth.
- Santosh Kumar Yadav, the founder and Director, possesses over 19 years of experience in the manufacturing of heat exchangers and refrigeration units. His role involves managing production processes, ensuring quality standards, and leading a skilled team of engineers.
- The company also benefits from a proficient workforce, which is continually developed through in-house training programs designed to enhance skills and keep employees updated on the latest manufacturing technologies.
- The management’s confidence in its workforce has been instrumental in establishing a robust market presence.

### Strategies :

#### Expand its customer base:

- In the FY23, the company served 112 customers, with the top 10 customers account for 75.94% of revenue. Products were sold in 17 Indian states and exported to 9 countries.
- To reduce reliance on these major clients and mitigate risks, the company aims to deepen its market penetration and expand its customer network.

#### Increasing Customer Base

Particulars	FY22	FY23	FY24
New Domestic Customers Onboarded	36	35	30
New International Customers Onboarded	7	9	18
<b>Total New Customers Onboarded</b>	<b>43</b>	<b>44</b>	<b>48</b>

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Strategies :

- To meet growing demand, the company plans to enhance product distribution and expand into new regions, capitalizing on the anticipated growth in heat exchanger demand. Additionally, it is diversifying its offerings by exploring various product sizes and types.

### Enhancing existing products base and product quality:

- Providing high-quality and safe products is crucial for customer retention and repeat orders. The company plans to enhance customer relationships through close interactions to better understand market perceptions and demands.
- To expand its portfolio, it established a wholly owned subsidiary, KRN HVAC Products Pvt. Ltd., on April 7, 2023, to set up a new manufacturing facility for products not currently produced.
- The company's strategy emphasizes introducing innovative designs to attract more customers and strengthen ties with existing ones. Ongoing product development is a priority, driven by global demand for unique, high-quality, and competitively priced offerings.

### Regular Improvement in product design and development:

- The company operates an in-house product design and development center at its manufacturing facility in Neemrana, Rajasthan.
- The design team, consisting of 8 employees, focuses on creating new heat exchanger designs tailored to customer specifications to enhance product efficiency.
- The company has plans in place to expand these operations to deliver top-quality heat exchangers, aligning with the company's overall business strategies.

### Increasing global footprint and augmenting growth in current geographies:

- To diversify its customer base and increase market share, the company aims to boost sales in existing markets and expand into new regions.
- It has successfully grown its customer network across Europe and plans to continue this strategy. A wider product portfolio and established brand presence enhance confidence among potential customers.
- The company will focus on North America and Europe, building a strong local presence and fostering connections to capitalize on growth opportunities. Its strategy emphasizes acquiring new customers, retaining existing ones, and providing high-quality products.

Continent	FY22		FY23		FY24	
	INR Mn	in %	INR Mn	in %	INR Mn	in %
Europe	10	6%	62	22%	79	18%
North America	1	0.9%	75	27%	107	24%
Asia*	138	93%	145	51%	267	59%
<b>Total Export Revenue</b>	<b>149</b>	<b>100%</b>	<b>282</b>	<b>100%</b>	<b>453</b>	<b>100%</b>
<b>Total Revenue</b>	<b>1,561</b>	<b>100%</b>	<b>2,475</b>	<b>100%</b>	<b>3,083</b>	<b>100%</b>

\*Asian sales do not include Domestic Sales i.e., Sales made in India.

Source: IPO Prospectus, KRChoksey Research

## KRN Heat Exchanger and Refrigeration Ltd.

### Risks:

- The company's revenue is significantly dependent on its single customer Daikin which contributed around 33% of the revenue during the year FY24. Delay or Cancellation of orders by any one or all of the top customers could adversely impact the company.
- Inability to identify customer demand accurately and maintain an optimal level of inventory in manufacturing facility would impact the company.
- The company depends on a few key suppliers, sourcing 14.94% to 17.46% from its largest supplier and over 57% from its top five suppliers across FY 2022 to 2024. Any delays in supply could affect operations and financial performance.
- The company relies heavily on vendors in Malaysia, South Korea, Thailand, Vietnam, and China, with import purchases with more than 70% of raw material sources from these countries. As a result any country-related risk or any change in Government policies in relation to import of goods from any specific country or region may adversely affect the sourcing of the raw materials which may have an adverse effect on the operations
- If the company's top 10 customers in the refrigeration and air conditioning (RAC) industry begin manufacturing heat exchangers in-house or if there is a downturn in the industry, sales could be negatively impacted.

### Outlook & Valuation:

KRN Heat Exchanger and Refrigeration Limited is strategically poised for sustained growth within the HVAC&R industry, leveraging its comprehensive manufacturing capabilities in heat exchangers, condenser coils, evaporator units and related components. The company has consistently demonstrated strong financial performance, reporting revenues of INR 3,083 Mn in FY 2024, with a substantial 96.66% of revenue derived from its evaporator and condenser coils segment. The company also reported a ROE and ROCE of 40.86% and 31.21% respectively during FY24. This robust financial foundation is complemented by a remarkable customer retention strategy, which includes long-standing relationships with key clients such as Daikin Airconditioning India Pvt. Ltd. KRN's proactive strategies to expand its customer base and product offerings position it well to capitalize on the growing global demand for heat exchangers. The company plans to penetrate new markets, particularly in North America and Europe, while enhancing its existing product line through continuous innovation and customization. By establishing KRN HVAC Products Pvt. Ltd. for new manufacturing capabilities, KRN aims to diversify its portfolio and reduce reliance on major customers, thereby mitigating risks. Based on current growth metrics and the strategic initiatives outlined, KRN is positioned for a favorable valuation. IPO is pegged at a PE multiple of 35x. In light of the impressive growth prospects, strong financials and strategic expansion initiatives, we assign a **'SUBSCRIBE'** rating for KRN Heat Exchanger and Refrigeration Limited's IPO.

## KRN Heat Exchanger and Refrigeration Ltd.

### Financials:

Income Statement (INR Mn)				Cash Flow (INR Mn)			
	FY22	FY23	FY24		FY22	FY23	FY24
Revenue	1,561	2,475	3,083	CFFO	44	51	28
Operating Expenditure	1,392	1,982	2,498	CFFI	-27	-140	-664
<b>EBITDA</b>	<b>169</b>	<b>493</b>	<b>585</b>	CFFF	34	110	665
<b>EBITDA Margin %</b>	<b>11%</b>	<b>20%</b>	<b>19%</b>	Net Increase/(Decrease) in Cash	52	21	29
Other Income	21	24	53	Cash at beginning	2	54	75
Depreciation	25	32	40	Cash at end	54	75	103
Interest	15	31	40				
<b>PBT</b>	<b>150</b>	<b>455</b>	<b>557</b>				
Tax	44	132	167				
<b>Profit after Tax</b>	<b>106</b>	<b>323</b>	<b>391</b>				
<b>PAT Margin (%)</b>	<b>7%</b>	<b>13%</b>	<b>13%</b>				
<b>Adjusted EPS</b>	<b>1.70</b>	<b>5.20</b>	<b>6.29</b>				

Balance sheet (INR Mn)			
	FY22	FY23	FY24
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	213	321	518
Other non-current assets	5	8	358
<b>Current Assets</b>			
Inventories	213	551	844
Trade receivables	298	387	524
Other current assets	199	220	339
<b>Total Assets</b>	<b>928</b>	<b>1,488</b>	<b>2,584</b>
<b>Equity &amp; Liabilities</b>			
Equity share capital	44	440	461
Other equity	211	156	855
<b>Total Equity</b>	<b>255</b>	<b>596</b>	<b>1,316</b>
<b>Non -Current liabilities</b>			
Financial liabilities	110	165	293
Other non-current liabilities	6	6	8
<b>Current liabilities</b>			
Financial liabilities	111	201	576
Trade payables	402	494	366
Other current liabilities	43	25	24
<b>Total Equity and Liabilities</b>	<b>928</b>	<b>1,488</b>	<b>2,584</b>

Source: IPO Prospectus, KR Choksey Research

# KRN Heat Exchanger and Refrigeration Ltd.

## ANALYST CERTIFICATION:

I, **Dipak Saha** (MBA, Finance), Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

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