

ARDEE INDUSTRIES LTD.





Issue details

Issue size (Rs mn) 4,199-4,259

Fresh issue:

No. of shares (mn) 60.4-64.0

Value (Rs mn) 3,200

OFS:

No. of shares (mn) 20.0

Value (Rs mn) 999-1,059

Face value (Rs) 2

Price band (Rs) 50-53

Post issue market cap (Rs mn) 15,941-16,706

Shareholding Pattern (%)

Pre-Offer Post-Offer

Promoter 91.48 67.62

Public 8.52 32.38

Objects of Offer (Rs mn)

Capital expenditure for incremental working capital requirement 2,200

Repayment and/or pre-payment, in full or in part, of certain borrowings availed by the company 200

General corporate purposes 800

Timeline

Offer opens 5th Aug 2026

Offer closes 7th Aug 2026

Finalization of Basis of Allotment 10th Aug 2026

Initiation of refunds 11th Aug 2026

Credit of Equity Share to Allottees 11th Aug 2026

Listing of Equity Shares on Stock Exchange 12th Aug 2026

Book Running Lead Manager

Pantomath Capital Advisors Private Limited

Registrar to the offer

KFIN Technologies Limited

'LEAD'ing towards a Sustainable Growth

Ardee Industries Limited is one of India's leading players in the circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams. Their product portfolio comprises pure lead and lead alloys, which find applications in critical industries including energy storage, e-mobility, automotive, chemical, among others. Ardee Industries facility is strategically located in Tirupati, Andhra Pradesh with an installed capacity of 156,950 MTPA. Their manufacturing facility has been strategically set up near the port to cater to both domestic and international markets in recycled lead.

Diversify product portfolio with custom alloy capabilities

Ardee has a diversified product portfolio which includes pure lead and lead alloys. Among lead alloys they have a product portfolio of lead calcium alloys, lead antimony alloys, lead tin alloys, lead silver alloys and lead cadmium alloys. They specialize in manufacturing of pure lead and lead alloys that conform to international standards, with purity levels ranging from 99.97% to 99.985%. Ardee revenue share mix for FY26 from pure lead & lead alloy came in at 56.5% and 27.5%, respectively.

Expanding geographical footprint to capture larger customer base across exports and domestic markets

Ardee has established a presence in both domestic & international markets supported by its ability to consistently deliver quality products tailored to their customers' requirements. Over the years, they have expanded their international presence from 4 countries in FY24 to 8 countries in FY26. They supplied to customers across countries including Singapore, Hong Kong, South Korea, Switzerland, United Arab Emirates, Japan, Saudi Arabia and United States of America. They intend to further expand their market reach by strengthening their presence in existing international markets such as Hong Kong, Switzerland, and Japan. The export transactions generally involve longer receivable cycles compared to domestic sales. Therefore, they intend to bridge the time gap between shipment dispatch and payment realization by deploying the additional working capital.

Strong customer base

They have served more than 50 customers across domestic and international markets as of FY26. They have customers in India as well as export to 8 countries, including Singapore, Hong Kong, South Korea, Switzerland, United Arab Emirates, Japan, Saudi Arabia and USA. Their customer relationships are driven by the ability to consistently deliver products that meet stringent quality requirements, industry standards, and customer-specific technical specifications in a timely and cost-effective manner. Over the years, this approach has resulted in a strong track record of customer satisfaction, retention, and repeat business. Relationships with their customers provide revenue visibility, enhance industry goodwill, and enable them to anticipate their requirements, also allowing them to plan their raw material inventory more effectively. Their domestic customers include Amara Raja Energy & Mobility Ltd., and international customers include Sebang Metal Trading Co. Ltd, among others.

Robust raw materials sourcing capabilities

Ardee Industries sources raw materials from domestic and international scrap and metal trading firms and dealers, both on a purchase order basis and through auctions on various platforms. So, basically their sourcing team is responsible for formulating the procurement plan, conducting quality inspections and managing logistics coordination. In the last 3 years, they have imported raw materials from 58 countries and have developed a strong global sourcing network, procuring lead-containing scrap materials from countries including United Arab Emirates, Malaysia, Dominican Republic, United States of America, Singapore, Kuwait, Madagascar, Bahrain, Namibia, among others. Its raw materials procurement from domestic and international suppliers stood at 13.1% & 86.9%, respectively in FY26.

Manufacturing Facility has been strategically set up

Ardee owns a manufacturing facility in the state of Andhra Pradesh, spread across 7.61 acres. Its installed capacity has increased from 54,750 MTPA in FY24 to 1,04,025 MTPA in FY26, and as of the date of RHP, the manufacturing capacity stands at 1,56,950 MTPA. This facility has been strategically set up, providing direct road access and efficient freight movement and is also near the port, making it easier to cater to both domestic and international markets.



30th July, 2026

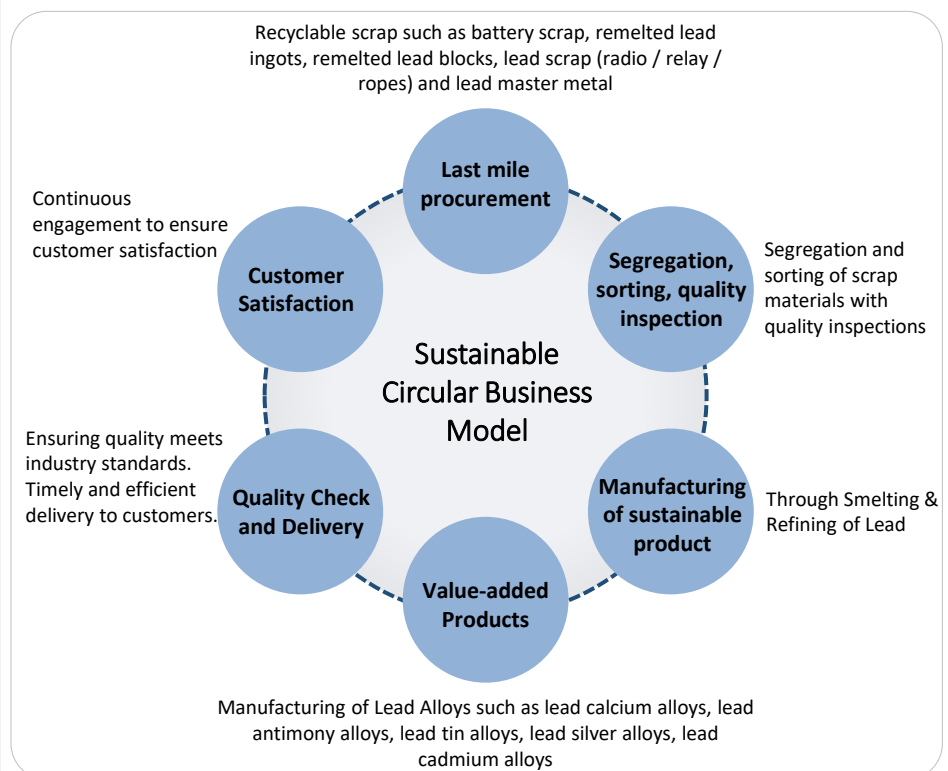
Ardee's product portfolio comprises of pure lead and lead alloys

Ardee's facility is strategically located in Tirupati, Andhra Pradesh with an installed capacity of 156,950 MTPA

Company Overview

- Ardee Industries Limited is one of India's leading players in the circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams.
- Their product portfolio comprises pure lead and lead alloys such as lead calcium alloys, lead antimony alloys, lead tin alloys, lead silver alloys and lead cadmium alloys, which find applications in critical industries including energy storage, e-mobility, automotive, chemical, among others.
- They provide customers an option to customize products as per their requirements and with respect to the level of purity or composition.
- Pure lead is standardized with purity levels ranging from 99.97% to 99.985%, while lead alloys are customized to the requirements as per customers, with respect to the level of purity and/or composition with other metal and non-metal elements.
- They have their brands 'Ardee' listed on the MCX platform, and 'ARDEE LEAD 9997' listed on the London Metal Exchange (LME), which establishes the company's credibility and competitiveness in the domestic and international markets as well as provides benchmark prices for their products.
- Ardee Industries facility is strategically located in Tirupati, Andhra Pradesh, with an installed capacity of 156,950 MTPA. Their manufacturing facility has been strategically set up near the port to cater to both domestic and international markets in recycled lead.
- As of FY26, the company's products are sold in 12 states across India and are exported to 8 countries, including Singapore, Hong Kong, South Korea, Switzerland, United Arab Emirates, Japan, Saudi Arabia and USA.

Exhibit 1: Sustainable circular business model



Source: RHP



30th July, 2026

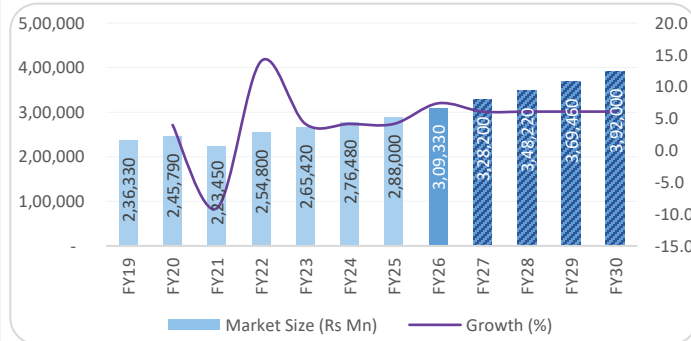
The recycled lead ingot market in India is expected to grow at a CAGR of 6.1% FY26-FY30

Industry Overview

Recycled Lead Ingots Market Size in India

- The Recycled Lead Ingots market in India is valued at ~Rs 3,09,330Mn in FY26.
- The market is mainly driven by the growing demand from OEMs in the automotive sector and for replacement of batteries when they complete the life cycle. Apart from the automotive sector, power backup demand from residential buildings and offices is fulfilled by inverters and UPS. Demand is also driven by the growth of Telecom, data centres, energy storage backup from the renewable sector and other applications such as cable sheathing, PVC Stabilizers etc.
- Further, the recycled lead ingot market in India is expected to reach ~Rs 392,000Mn by FY2030 with a CAGR of 6.1% FY26-FY30.

Exhibit 2: Recycled Lead Ingots Market Size in India

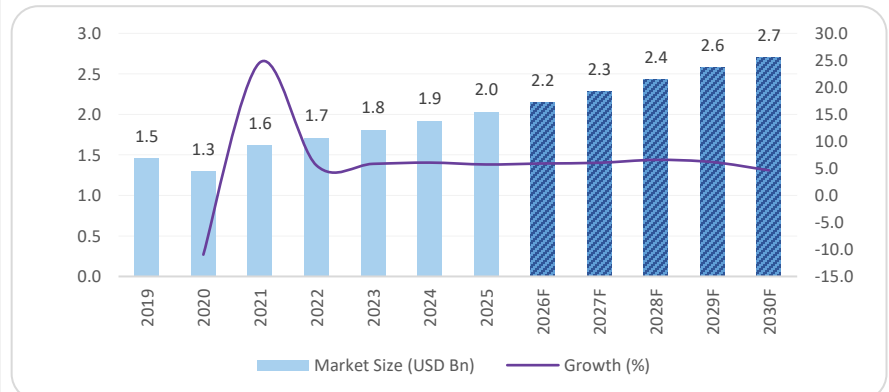


Source: RHP

Recycled Lead Ingots Market Southeast Asia and South Korea

- The Recycled Lead Ingots market in Southeast Asia and South Korea was valued at USD 2.0Bn in CY25 and is projected to reach USD 2.75Bn by CY30 with a CAGR of 6.2%.
- Key countries contributing to the production of Recycled Lead Ingots are Indonesia, Vietnam, Thailand, Malaysia, Philippines, South Korea and Singapore at some levels.
- Raw materials for the production of Recycled Lead Ingots are met through used lead acid batteries (ULABs), which account for greater than 95% of recycled lead production.
- Key sources of used lead acid batteries are domestic collection of used lead acid batteries (ULABs) from the automotive, telecom and UPS sectors. Imports from Africa and South Asia (informal ULAB flows into Indonesia and Vietnam). Industrial and utility sector battery replacements.

Exhibit 3: Recycled Lead Ingots Market Size in Southeast Asia and South Korea



Source: RHP

Southeast Asia and South Korea is projected to reach USD 2.75Bn by CY30 with a CAGR of 6.2%.



30th July, 2026

Produce pure lead with a purity level ranging from 99.97% to 99.985%, in compliance with international standards

Ardee Industries – Strength & Strategies

Diversify product portfolio with custom alloy capabilities.

- Ardee product range includes pure lead and lead alloys. They produce pure lead with a purity level ranging from 99.97% to 99.985%, in compliance with international standards.
- Lead alloys such as lead calcium alloys, lead antimony alloys, lead tin alloys, lead silver alloys and lead cadmium alloys are customized to the requirements as per customers.

Strong customer base

- They have served more than 50 customers across domestic and international markets as of FY26. They have customers in India as well as export to 8 countries, including Singapore, Hong Kong, South Korea, Switzerland, United Arab Emirates, Japan, Saudi Arabia and USA.
- Their domestic customers include Amara Raja Energy & Mobility Ltd. and international customers include Sebang Metal Trading Co. Ltd, among others.

Robust raw materials sourcing capabilities

- Ardee Industries sources raw materials from domestic and international scrap and metal trading firms and dealers, both on a purchase order basis and through auctions on various platforms. So, basically their sourcing team is responsible for formulating the procurement plan, conducting quality inspections and managing logistics coordination.
- Further, their strong relationship with raw material suppliers has enabled them to secure high-quality lead and battery scrap at competitive prices within stipulated timelines, thereby supporting the efficiency of business operations.

Application of Hedging Mechanism for Commodity Price Risk Related Protection

- Ardee business operations are directly impacted by fluctuations in the prices of lead traded on the LME and MCX. Increase/decrease in the price of lead can significantly affect profitability. For the purposes of safeguarding financial position against price volatility, they follow the following models:
 - a) **Back-to-back pricing model:** They adopt this mechanism for both import and export transactions, where the price quoted to customers is linked to LME prices at the time of order confirmation.
 - b) **Hedging by entering into futures derivative contracts on the LME:** They manage price volatility in pure lead through disciplined hedging, exclusively via futures and derivative contracts on the London Metal Exchange (LME).

Manufacturing facility has been strategically set up

- Ardee owns a manufacturing facility in the state of Andhra Pradesh, spread across 7.61 acres. Their installed capacity has increased from 54,750 MTPA in FY24 to 1,04,025 MTPA in FY26, and as of the date of RHP, the manufacturing capacity stands at 1,56,950 MTPA.
- They propose to further augment their installed capacity through strategic integration of the lead recycling manufacturing facility of the Group company, Pilot Industries Ltd, situated at Bhiwadi, Rajasthan. The proposed consolidation of business is expected through the formation of a subsidiary and/or a merger, including by way of a scheme of arrangement/amalgamation, subject to requisite approvals.
- Also, the company have acquired land of 5.56 acres for additional capacity at Menakur (V), Naidupet (M), Tirupati District, Andhra Pradesh. Going ahead, their plan is to diversify into plastic scrap/chips by converting plastic scrap/chips generated during the manufacturing process into plastic granules and undertaking refining and recycling of tin and copper waste.

Strategically located manufacturing facility in the state of Andhra Pradesh



30th July, 2026

Domestic organized revenue market share is 66.8% in FY26

Competition Landscape

Exhibit 4: Revenue Market Share (FY26) of players in the Recycled Lead Ingot (%)

Players	Revenue Market Share (%)
Organized	66.8
Chloride Metals Ltd	19.6
Jain Metal Group	11.7
Gravita India	9.7
Nile Limited	3.3
Pondy Oxides & Chemicals	3.2
Ardee Industries	2.09
Bindal Smelting	0.5
Others Organized Recyclers (~660)	16.7
Others Unorganized (Highly Fragmented)	20.9
Imports	12.3

Source: RHP

Exhibit 5: Peer Comparison

Parameters	Ardee Industries			Gravita India			Pondy Oxides & Chemical		
	FY23-24	FY24-25	FY25-26	FY23-24	FY24-25	FY25-26	FY23-24	FY24-25	FY25-26
Revenue from Operations (Rs Mn)	4,629.59	7,427.00	11,676.53	31,607.50	38,687.70	42,652.70	15,405.97	20,569.05	29,583.61
Revenue CAGR (%) (FY24-26)	-	-	58.81%	-	-	16.17%	-	-	38.57%
EBITDA	280.57	659.00	1,470.82	2,835.50	3,240.80	4,349.30	702.70	1,048.59	2,096.43
EBITDA Margin (%)	6.06	8.88	12.60	8.97	8.38	10.20	4.56	5.10	7.09
EBITDA CAGR (%) (FY24-26)	-	-	128.96%	-	-	23.85%	-	-	72.72%
PAT	89.54	332.71	846.81	2,422.80	3,129.00	3,783.30	318.72	580.55	1,318.70
PAT Margin (%)	1.93	4.48	7.25	7.67	8.09	8.87	2.07	2.82	4.46
PAT CAGR (%) (FY24-26)	-	-	207.52%	-	-	24.96%	-	-	103.41%
Total Borrowings	1,424.60	1,657.66	1,827.48	5,451.30	2,823.30	7,323.20	1,005.93	1,119.74	1,521.05
Net worth	292.49	626.01	1,473.80	8,374.00	20,699.10	24,516.30	3,572.44	5,929.09	7,883.86
RONW (%)	30.61	53.15	57.46	28.93	15.12	15.43	8.92	9.79	16.73
ROCE (%)	12.82	25.17	44.26	19.13	15.17	13.28	13.34	13.27	19.88
Fixed Assets Turnover Ratio	10.22	11.15	16.54	9.24	9.16	5.55	10.13	12.63	12.26
Export Revenue (%)	17.63	37.03	39.83	38.16	43.78	-	56.36	64.53	66.00
Gross Margin per Ton (Rs)	29,466.73	33,642.16	38,297.16	40,374.14	40,819.35	42,708.09	23,759.83	22,880.24	32,634.19
Production Capacity (MTPA)	54,750	1,04,025	1,04,025	2,36,559	2,36,559	3,01,359	1,32,000	1,32,000	2,04,000

Source: RHP

Ardee's revenue grew by CAGR of 58.8% between FY24-26



30th July, 2026

Financials

Income Statement

Particulars (Rs Mn)	FY24	FY25	FY26
Revenue from operations	4,629.59	7,427.35	11,676.53
Cost of materials consumed	3,669.70	5,749.44	9,342.23
(Increase)/ decrease in inventories	0.25	97.40	-340.94
Employee benefits expense	208.74	219.01	323.24
Other expenses	470.32	702.16	881.18
Total Expenses	4,349.01	6,768.01	10,205.71
EBITDA	280.58	659.34	1,470.82
EBITDA Margin (%)	6.1%	8.9%	12.6%
Depreciation & amortisation	63.6	86.67	113.66
EBIT	216.98	572.67	1,357.16
Other income	4.33	7.91	12.30
Interest expense	103.45	134.12	240.02
Profit before tax	117.86	446.46	1,129.44
Exceptional items	-	-	-
Tax expense	28.32	113.75	282.63
Profit after tax	89.54	332.71	846.81
PAT Margin (%)	1.9%	4.5%	7.3%

Source: RHP

Balance Sheet

Particulars (Rs Mn)	FY24	FY25	FY26
Equity share capital	31.85	31.85	509.65
Reserves & surplus	260.64	594.16	964.15
Total shareholder's equity	292.49	626.01	1,437.80
Borrowings	225.5	230.94	149.06
Other financial liabilities	2.35	3.43	4.29
Provisions	3.70	6.00	12.48
Lease liabilities	-	-	9.93
Total non-current liabilities	231.55	240.37	175.76
Trade payables	94.30	227.4	138.02
Short term borrowings	1,198.10	1,426.70	1,678.42
Short term provisions	14.40	52.60	81.48
Lease liabilities	0.90	-	1.80
Other financial liabilities	64.60	17.10	33.93
Other current liabilities	64.86	30.46	50.12
Total current liabilities	1437.16	1754.26	1983.77
Total shareholder's equity & liabilities	1,961.19	2,620.60	3,663.33
Property, plant & equipment	453.10	666.07	705.82
Right of use assets	0.86	-	11.08
Capital work-in-progress	97.34	50.97	17.09
Intangible assets	0.08	0.05	1.34
Other financial assets	59.97	74.61	18.79
Other non-current assets	37.80	6.28	60.36
Deferred tax assets	1.72	4.61	16.83
Total non-current assets	650.87	802.59	831.31
Inventories	418.58	449.52	1161.23
Trade receivables	396.92	599.45	247.88
Cash & Bank	24.95	8.80	234.74
Other Financial assets	5.57	40.36	23.71
Other current assets	464.30	719.93	1134.46
Total current assets	1,310.37	1818.06	2802.02
Total assets	1,961.19	2,620.60	3,633.33

Source: RHP

Cash Flow

Particulars (Rs Mn)	FY24	FY25	FY26
Profit before tax	117.86	446.46	1129.44
Depreciation and amortization	62.83	85.82	111.33
Interest and dividend income	0	0	0
Finance cost	75.45	101.07	130.17
Others	(3.55)	(6.78)	(5.62)
Operating profit before working capital changes	252.59	626.57	1365.32
(Increase)/decrease in inventories	(175.52)	(30.95)	(711.71)
(Increase)/decrease in trade receivable	(177.41)	(202.81)	352.67
(Increase)/decrease in other financial assets (current)	(3.63)	(34.34)	17.29
(Increase)/decrease in other current assets	(291.28)	(255.63)	(414.53)
Increase /(decrease) in trade payable	57.52	133.13	(89.38)
Increase /(decrease) in other financial Liabilities (current)	59.09	(48.90)	16.54
Increase/(decrease) in other current Liabilities	42.59	(34.4)	19.92
Increase/(decrease) in Provisions (current)	1.41	3.04	6.42
Increase/(decrease) in Provisions (Non current)	1.53	2.3	6.48
Increase/(decrease) in other financial Liabilities (Non current)	1.91	1.08	0.86
Cash flow from operating activities	(231.2)	159.09	569.88
Direct tax paid	(21.42)	(80.69)	(271.63)
Net Cash flow from operating activities	(252.62)	78.4	298.25
Purchase of property, plant and equipment / intangible assets	(205.36)	(252.98)	(124.42)
Sale of property, plant and equipment	-	0.6	1.83
Purchase of Investment	-	-	(20)
Sale of Investment	-	-	20.04
Bank balance other than cash	(6.06)	(0.62)	(87.12)
(Increase)/decrease in Other Non current assets	(22.12)	31.52	(54.08)
(Increase)/decrease in Other Non current Financial assets	(42.47)	(14.64)	55.81
Interest received	3.99	7.46	10.2
Cash flow from investing activities	(272.02)	(228.66)	(197.74)
Proceeds from / (repayment) of borrowings	572.57	228.62	251.7
Proceeds/ (Repayment) from/ (of) long Term	41.95	5.45	(81.88)
Payment of lease liability	0.91	(0.91)	(1.62)
Interest paid	(71.91)	(99.73)	(129.84)
Cash flow from financing activities	543.52	133.43	38.36
Net cash flow	18.88	(16.83)	138.87
Opening cash and cash equivalents	0.01	18.89	2.06
Closing cash and cash equivalents	18.89	2.06	140.93

Source: RHP



ARDEE INDUSTRIES LTD.

Asit C. Mehta
INVESTMENT INTERMEDIATES LTD.
A Pantomath Group Company

30th July, 2026

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	$\geq 15\%$
ACCUMULATE	5% to 15%
HOLD	-5% to +5%
REDUCE	-15% to -5%
SELL	$< -15\%$

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