

CKK Retail Mart IPO

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- The company is engaged in distribution of packages agro commodities and fruit pulp based juice brands and other cold drink products.
- The company is catering to retail and wholesale businesses, and off-late penetrated in e-commerce segment.
- The company posted growth in its top and bottom lines for the reported periods.
- The profit margins raise eyebrows as it outperforms the industry average.
- Based on its recent financial data, the issue appears greedily priced.
- Only well-informed/cash surplus investors may park moderate funds for long term, others may avoid.

About the Company

CKK Retail Mart Ltd. (CRML) is engaged in the distribution of packaged products catering to both retail and wholesale businesses. The Company commenced its business operations in the Financial Year 2020-21 and since year 2023, the Company has focused on the distribution and trading of packaged agro-commodities such as sugar, pulses and ghee across regions including Maharashtra, Bihar, West Bengal, and the north-eastern states. In April 2025, the Company expanded the product portfolio with the launch of “FruitzzzUp”, a fruit pulp-based juice brand, reinforcing its commitment to offering a diverse and evolving product range that caters to changing consumer preferences. At present, its business primarily involves the distribution of packaged agro-commodities such as sugar, rice, and pulses along with packaged products such as milk powder and soft drinks (carbonated as well as fruit based). In addition to its core business operation, the company also occasionally undertakes consultancy assignments.

The Company’s revenue is generated primarily through two distribution models — the Three-Tier Distribution Model and the Direct-to-Distributor Model. This expansion has enabled it to access a wider market, strengthen its position in the overall trade and distribution sector. This diversification across multiple segments has enhanced CRML’s operational stability, improved risk management and create more sustainable growth opportunities. Through this approach, it successfully built a diversified and balanced business model, supporting consistent growth over the years.

Recognizing the growing demand for convenience and speed, it has also entered the fast-growing quick commerce segment, making its products available on platforms such as Zepto and Blinkit. This initiative has strengthened its digital retail presence and positioned it to meet the increasing

consumer demand for faster deliveries. As of December 31, 2025, it had 36 employees on its payroll.

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of 5400000 equity shares of Rs. 10 each to mobilize Rs. 88.02 cr. at the upper cap. The IPO consists of 4408000 fresh equity shares (worth Rs. 71.85 cr. at the upper cap), and an Offer for Sale (OFS) of 992000 equity shares (worth Rs. 16.17 cr. at the upper cap). The company has announced a price band of Rs. 155 - Rs. 163 per share. The minimum application to be made is for 1600 shares and in multiples of 800 shares thereon, thereafter. The issue opens for subscription on January 30, 2026 and will close on February 03, 2026. The IPO constitute 27.88% of the post-IPO paid-up capital of the company. The shares will be listed on NSE SME Emerge. From the net proceeds of the fresh equity issue, it will utilize Rs. 10.20 cr. for funding acquisition of leasehold plots along with warehouse constructed upon it, Rs. 43.00 cr. for working capital, Rs. 1.90 cr. for repairing and refurbishing warehouses situated on leasehold plots, and the rest for general corporate purposes.

The IPO is solely lead managed by Oneview Corporate Advisors Ltd., and Bigshare Services Pvt. Ltd. is the registrar to the issue. SVCM Securities Pvt. Ltd. is the market maker. Basan Equity Broking Ltd. is a syndicate member.

The company has issued initial equity capital at par value, and has issued bonus equity shares in the ratio of 1 for 1 in June 2025. The average cost of acquisition of shares by the promoters is Rs. 2.59, and Rs. 5.00 per share.

Post-IPO, company's current paid-up equity capital of Rs. 14.96 cr. will stand enhanced to Rs. 19.37 cr. Based on the upper band of the IPO pricing, the company is looking for a market cap of Rs. 315.70 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted total income/net profit, of Rs. 109.93 cr. / Rs. 4.51 cr. (FY23), Rs. 233.35 cr. / Rs. 12.67 cr. (FY24), Rs. 301.85 cr. / Rs. 16.36 cr. (FY25). For H1 of FY26 ended on September 30, 2025, it posted a net profit of Rs. 8.59 cr. on a total income of Rs. 159.93 cr. The company posted growth in its top and bottom lines for the reported periods. However, higher profits from FY24 onwards raise eyebrows as it outperforms the segment.

For the last three fiscals, the company has reported an average EPS of Rs. 9.12, and an average RoNW of 40.94%. The issue is priced at a P/BV of 4.77 based on its NAV of Rs. 34.17 per share as of September 30, 2025, and at a P/BV of 2.57 based on its post-IPO NAV of Rs. 63.49 per share (at the upper cap).

If we attribute FY26 annualized super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at a P/E of 18.38, and based on FY25 earnings, the P/E stands at 19.29. The issue

appears greedily priced.

For the reported periods, the company has posted PAT margins of 4.37% (FY23), 5.44% (FY24), 5.43% (FY25), 5.39% (H1-FY26), and RoCE margins of 44.88%, 64.99%, 51.60%, 22.58% respectively, for referred periods.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It will adopt a prudent dividend policy, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Mawana Sugars, Shree Renuka sugars, Orient Beverages, as its listed peers. They are currently trading at a P/E of 5.97, NA and 13.0 (as of January 23, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash.

Merchant Banker's Track Record

This is the 5th mandate from Oneview Capital in the last three fiscals. From the last 4 listings, 2 listed at discount, and the rest with premium ranging from 1.75% to 90% on the date of listing.

Conclusion / Investment Strategy

CRML is engaged in distribution of packages agro commodities and fruit pulp based juice brands and other cold drink products. The company is catering to retail and wholesale businesses, and off-late penetrated in e-commerce segment. The company posted growth in its top and bottom lines for the reported periods. The profit margins raise eyebrows as it outperforms the industry average. Based on its recent financial data, the issue appears greedily priced. Only well-informed/cash surplus investors may park moderate funds for long term, others may avoid.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

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