

Indo MIM- IPO Investment Note

Issue Open	Issue Close	Price Band (₹)	Rating
23 July 2026	27 July 2026	₹461 to ₹485	Subscribe

Investment Summary

Indo-MIM Limited is launching an IPO comprising a fresh issue of equity shares aggregating up to ₹5,000 million and an Offer for Sale of up to 68,291,022 shares by existing shareholders. The company proposes to list its equity shares on the BSE and NSE, with the NSE as the designated stock exchange. Proceeds from the fresh issue will primarily be used for the repayment or prepayment of specified borrowings and general corporate purposes. Indo-MIM is a globally scaled precision engineering company and the largest manufacturer of MIM components by revenue, with operations across multiple geographies and end markets. The company has established a differentiated position through more than three decades of operating experience, a global manufacturing footprint and a diversified customer base across automotive, defence, medical, aerospace, consumer and industrial applications. For FY26, it reported revenue from operations of ₹41,929.85 million and restated profit of ₹5,335.43 million. The IPO offers investors exposure to a profitable, export-oriented advanced manufacturing business with a strong global presence, although the investment case must be evaluated against customer concentration, international operating exposure, raw material dependence and the capital requirements of the industry.

Company Overview

Incorporated in 1996 as A F Technologies India Private Limited, Indo-MIM Limited has evolved into a global precision engineering company specialising in the manufacture of complex and high-precision components. Headquartered in Bengaluru, Karnataka, the company is the largest global manufacturer of precision engineering components using MIM technology by revenue. As of the date of the prospectus, it operates 15 manufacturing facilities across India, the United States, the United Kingdom and Mexico, providing a geographically diversified production and customer-servicing network. The company is supported by more than 4,400 permanent employees, including over 4,100 engineers, metallurgists and technicians, highlighting the technical expertise required for its operations. Its manufacturing capabilities are supported by internationally recognised certifications, including ISO 9001:2015 and IATF 16949:2016, which enable it to serve customers across highly regulated and technically demanding industries. Indo-MIM has also built a broad product portfolio spanning automotive, medical devices, defence, aerospace, consumer and industrial applications, with its global scale and technical capabilities forming the foundation of its competitive position.

Business Model

Indo-MIM operates an integrated, technology-led manufacturing model that provides customers with end-to-end solutions, beginning with product development and mould design and extending through tooling, moulding, debinding, sintering, machining, surface treatment, finishing and final assembly. This integrated approach enables the company to manage multiple stages of the production cycle internally while supporting customers from product development and prototyping through commercial scale manufacturing. Its dual-shore manufacturing strategy combines the cost advantages of its Indian operations with the proximity and logistical benefits of facilities in the United States, the United Kingdom and Mexico, allowing it to serve global OEMs more efficiently. The company also maintains significant backward integration, including the in-house production of stainless steel powder, which supports quality control and supply-chain resilience. Indo-MIM generates revenue from a diversified portfolio of precision components supplied to the automotive, medical device, defence, aerospace and consumer electronics industries. Its export-oriented business model has enabled it to supply customers in 55 countries over the last three fiscals, while repeat business remains a key feature of its operations, with repeat orders accounting for 91.60% of FY26 revenue.

Industry Outlook

The global MIM industry is positioned for sustained growth as manufacturers increasingly seek cost-effective methods of producing small, complex and high-precision components in large volumes. The global MIM market is projected to grow at a CAGR of 9.2% through 2030, reaching approximately USD 6.2 billion. The medical device segment represents one of the fastest-growing application areas, with the market for MIM-applicable components expected to grow at a CAGR of 14.8%. Industry growth is being supported by the increasing complexity and miniaturisation of components, particularly in medical devices, automotive systems and consumer electronics. The growing adoption of the China+1 strategy is also encouraging global manufacturers to diversify their supply chains and develop alternative manufacturing bases, creating opportunities for established Indian suppliers with technical capabilities and global delivery infrastructure.

In addition, the growing miniaturisation of consumer electronics is increasing the relevance of MIM for the production of small and complex components that may be difficult or uneconomical to manufacture through conventional processes. Emerging technologies provide an additional growth avenue, with the metal 3D printing market projected to grow at a CAGR of 22.3% between 2025 and 2030. However, the industry remains competitive, with MIM competing against CNC machining, additive manufacturing, die casting, fine blanking and other precision manufacturing technologies depending on the application.

Investment Rationale

Global market leadership and scale: Indo-MIM is the dominant player in the global MIM industry, holding a 6.8% share of global MIM industry revenue in CY2025. Its scale, 15-facility global manufacturing network and presence across multiple major end markets provide significant operating capabilities and enable it to serve international customers across geographies.

High customer retention and embedded relationships: Repeat orders accounted for 91.60% of FY26 revenue, reflecting the stickiness of the company's customer relationships. The qualification requirements, tooling investments and integration of components into OEM design and production cycles can create significant switching costs, supporting the potential for recurring business and long-term customer relationships.

Diversified end-market exposure: Indo-MIM serves a broad range of industries, including automotive, medical devices, defence, aerospace and consumer electronics. This diversification provides exposure to multiple structural growth themes and reduces reliance on any single end market for future expansion.

Technology leadership and new growth opportunities: Indo-MIM has been an early adopter of advanced manufacturing technologies, including the world's first metal 3D printing system designed for mass production. Its capabilities in additive manufacturing support rapid prototyping and streamlined production while expanding the company's addressable market beyond conventional MIM applications. The broader growth of metal 3D printing also provides an additional avenue for technological and revenue expansion.

China+1 opportunity and global expansion: The company's presence across India, the US, the UK and Mexico positions it to benefit from global supply-chain diversification. Its Indian manufacturing base provides cost advantages, while overseas facilities allow it to serve customers closer to their production locations, creating a potentially attractive combination of cost competitiveness and global customer proximity.

Key Risks

Customer concentration: Despite high repeat business, the company remains exposed to concentration among its largest customers. The top 10 customers accounted for 38.41% of revenue from operations in FY26. The loss of a key customer, reduction in order volumes or changes in procurement strategies could therefore materially affect revenue, capacity utilisation and profitability.

Exposure to global economic conditions and imported raw materials: With exports contributing 77.20% of FY26 revenue and 60.95% of raw materials being imported, Indo-MIM is exposed to global economic and geopolitical risks, trade restrictions, currency fluctuations, commodity price volatility and supply-chain disruptions. The absence of long-term supplier contracts and potential difficulty in passing on higher input costs could further pressure margins

Legal and tax proceedings: Indo-MIM and certain of its subsidiaries are involved in ongoing tax-related proceedings and disputes with the relevant authorities. These matters primarily relate to assessments, tax demands and other alleged non-compliances under applicable tax laws. An adverse outcome could result in additional tax liabilities, interest, penalties and increased legal or compliance costs. While the company is contesting the relevant matters, the final outcome and potential financial impact remain uncertain.

Competition from alternative technologies: MIM competes with several alternative manufacturing technologies, including CNC machining, additive manufacturing, die casting and fine blanking. Technological developments or changes in customer preferences could make competing processes more economical or technically suitable for certain applications, potentially limiting the company's growth opportunities.

Capital-intensive operations and technology obsolescence: The precision manufacturing industry requires continuous investment in machinery, facilities, research and development and advanced technologies. The company must consistently invest to maintain capacity, improve productivity and remain technologically competitive. Failure to make timely investments or the rapid emergence of superior technologies could result in capacity constraints or technological obsolescence.

Geography Wise Revenue from Operations

Particulars	FY24		FY25		FY26	
	In Cr	%	In Cr	%	In Cr	%
North America	1,474.34	51.36%	1,675.10	50.31%	1,831.65	43.68%
Europe	615.04	21.43%	723.58	21.73%	837.29	19.97%
India	336.91	11.74%	335.64	10.08%	956.01	22.80%
South East Asia	65.02	2.27%	86.98	2.61%	111.18	2.65%
Rest of the World	379.08	13.21%	508.26	15.27%	456.86	10.90%
Total Revenue	2,870.40	100.00%	3,329.58	100.00%	4,192.99	100.00%

Financial Snapshot

Metric	(In Cr)		
	FY24	FY25	FY26
Revenue (₹ Cr)	2,870.40	3,329.58	4,192.99
EBITDA (₹ Cr)	743.46	932.60	1,070.92
Net Profit (₹ Cr)	283.73	423.73	533.54
EBITDA Margin (%)	25.90%	28.00%	25.54%
PAT Margin (%)	9.88%	12.72%	12.72%
EPS (Basic) (₹)	5.86	8.75	10.79

IPO Details and Use of Proceeds

Parameter	Details
Issuer	Indo-MIM Ltd.
IPO Structure	Fresh Issue & Offer for Sale
Issue Size	Total Issue: 7,86,00,300 shares (agg. up to ₹3,811 Cr), Fresh Issue: 1,03,09,278 shares (agg. up to ₹499 Cr), Offer for sale: 6,82,91,022 shares of ₹1 (agg. up to ₹3,311 Cr)
Price Band	₹ 461 to ₹485 per share
Face Value	₹1 per share
Post-Issue Market Cap	₹23,978.42 Cr.
Promoter Holding (Pre/Post)	92.94%/77.65%
IPO Opening Date	July 23, 2026
IPO Closing Date	July 27, 2026
Listing	BSE & NSE
Book Running Lead Managers	• HDFC Bank Ltd. • Axis Capital Ltd. • ICICI Securities Ltd. • Kotak Mahindra Capital Co. Ltd. • SBI Capital Markets Ltd.
Use of Proceeds	• Repayment of borrowings- 400 crores • General corporate purposes

Valuation and Recommendation

At the upper end of the price band of **₹485 per share**, Indo-MIM Ltd. is valued at **44.95x P/E**, implying a **post-issue market capitalisation** of **₹23,978.42 crore**. This valuation appears reasonable given the company's position as the global leader in Metal Injection Moulding (MIM), with a 6.8% global revenue market share in CY2025, a strong revenue CAGR of 20.86% between FY24 and FY26 and a healthy ROCE of 26.60% in FY26. The company's high customer retention, with repeat orders contributing 91.60% of FY26 revenue, integrated manufacturing capabilities and diversified presence across automotive, medical, defence, aerospace and consumer electronics provide strong long-term growth visibility. Its global manufacturing footprint and exposure to supply-chain diversification trends further support its growth prospects. However, the export-oriented business model, customer concentration, dependence on imported raw materials and capital-intensive nature of operations remain key risks. Overall, also keeping in mind the risk of outstanding litigations, we recommend a **"Subscribe for listing gains"** stance, supported by the company's global leadership, strong financial performance, technological capabilities and favourable industry outlook. However, investors should remain mindful that the premium valuation and operational risks may limit the margin of safety for a long-term investment.

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Registration and Contact Details: Name of Research Analyst - Mangal Keshav Financial Services LLP, Research Analyst
Registration No.: INH000018319.

LLPIN: AAM-3358

Registered Office: 501, Heritage Plaza, JP Road, Opp Indian Oil Colony, Andheri West, Mumbai 400053.

Correspondence/Administrative Office Address - 501, Heritage Plaza, JP Road, Opp Indian Oil Colony, Andheri West, Mumbai 400053.

TEL: 022 61907900