



MANGAL ANALYTICS AND
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MARC MSME Report 2026: Industry Outlook & Financial Benchmarks

January 2026



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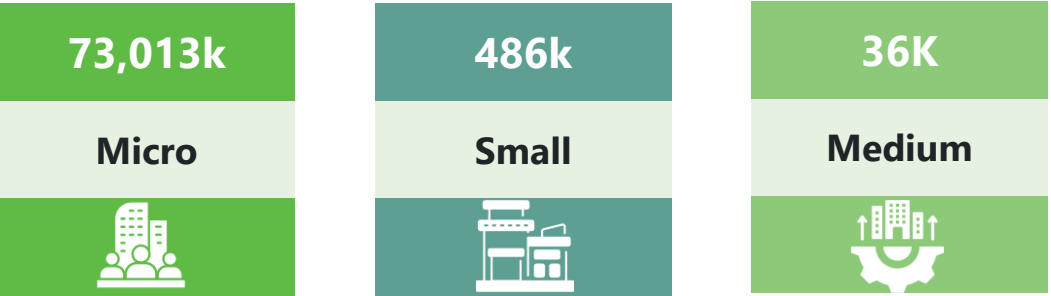
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Overview of MSME Sector

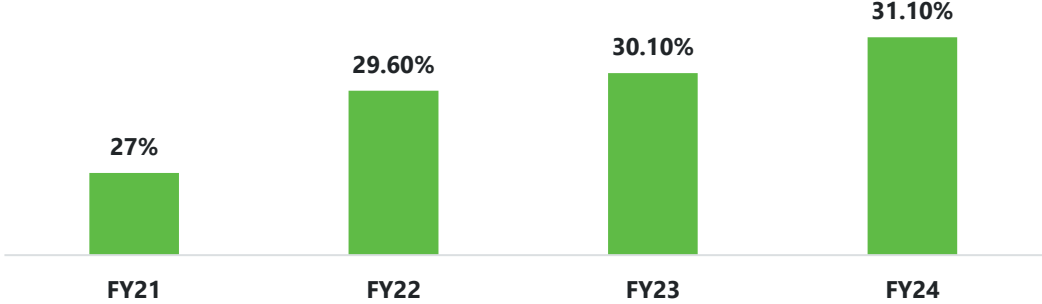
Concise overview of India and Goa's MSME landscape, including state-wise enterprise distribution and MSMEs ventured into IPO stage.

Overview of MSMEs in India (1/3)

MSME Registration By Category as of December 2025



Share of MSME GVA in GDP



MSME Criteria as of April 2025

Enterprise Type	Investment in Plant & Machinery / Equipment (Up to)	Turnover During the Previous FY (Up to)
Micro Enterprises	INR 2.5 crore	INR10 crore
Small Enterprises	INR 25 crore	INR100 crore
Medium Enterprises	INR 125 crore	INR500 crore

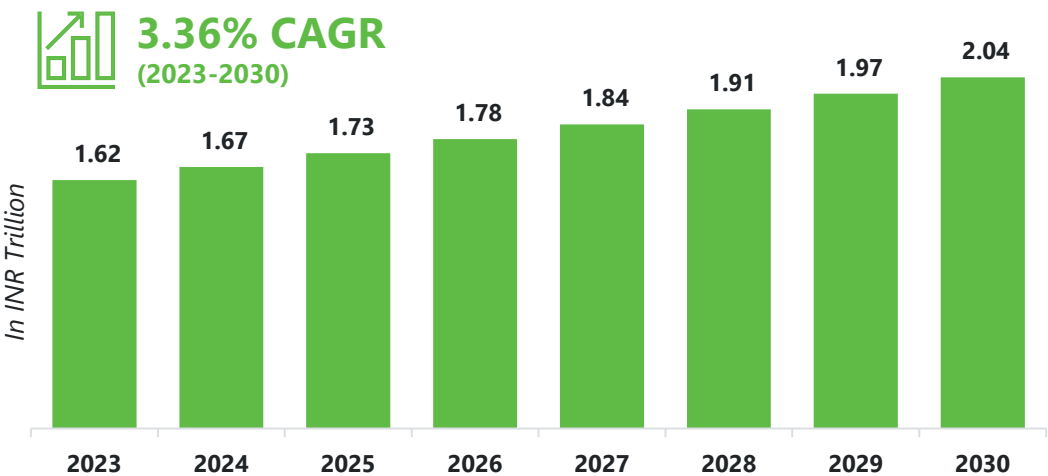
Year Wise MSMEs scaled up Under Udyam

Financial Year	Micro to Medium	Small to Medium
FY21 to FY22	714	3,701
FY22 to FY23	1,221	6,476
FY23 to FY24	1,835	15,918
FY24 to FY25	2,372	17,745

Source: [setindiabiz](#), [msme](#), <https://static.pib.raj Sabha>

Overview of MSMEs in India (2/3)

Market Size of Indian MSME Sector



Beyond GDP: The Extended Impact of MSMEs

- Unlike large corporations concentrated in urban areas, MSMEs are spread across Tier 2, Tier 3 cities, and rural belts, promoting equitable economic development and reducing regional disparity.
- MSMEs often act as vendors, suppliers, and service providers to larger industries, playing a crucial role in industrial supply chains.

Snapshot of MSME Sector in India

7.34 Cr MSMEs

The total number of active MSMEs in India as of 2025, forming the backbone of the economy by driving employment, local manufacturing, and regional economic activity.

26 Cr Jobs

Employment generated in India by the MSME sector as of 2025.

2nd Largest employer

It ranks as India's second-largest provider of employment after agriculture, underscoring its extensive socio-economic impact.

30.1% GDP share

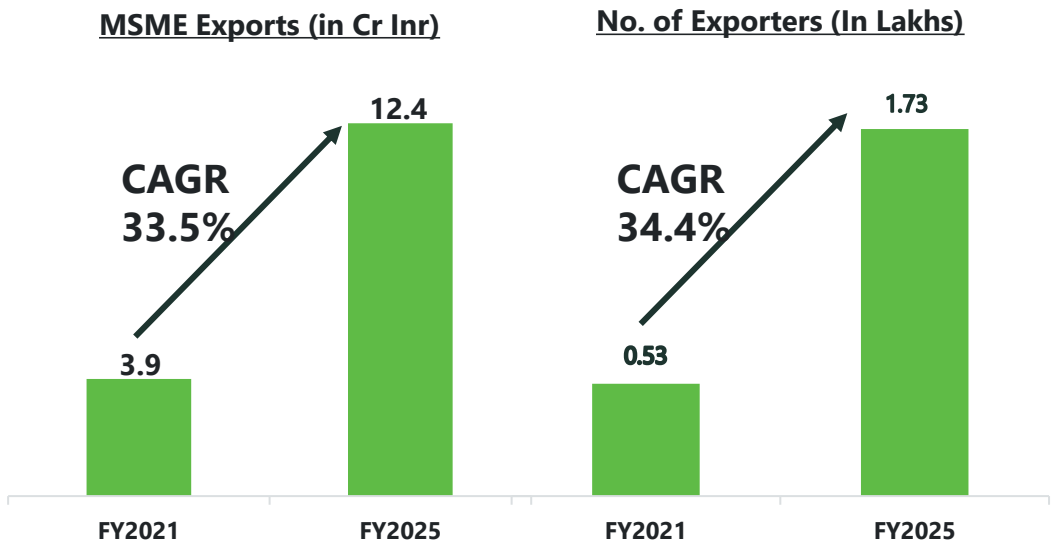
The MSME sector's significant share in India's GDP highlights its role as a major driver of national economic growth.

Source: [GramPro](#), [blueweave](#), [Deloitte Insights](#)

Overview of MSMEs in India (3/3)

India's MSMEs are moving up the value chain, strengthening both their operational scale and export contributions.

Growth in MSME Exports Over the Years



Deeply integrated across sectors, MSMEs account for **20% of engineering goods**, **12% of gems & jewelery**, and **9% of India's textile exports**.

Source: [Deloitte Insights](#), [GramPro](#)

Snapshot of MSME Sector in India

45.7%
Export
Share

The rise in MSMEs contribution to India's merchandise export in FY25, reflecting rising global integration.

36%
Mfg.
share

This share highlights the vital contribution of MSMEs to India's overall manufacturing output.

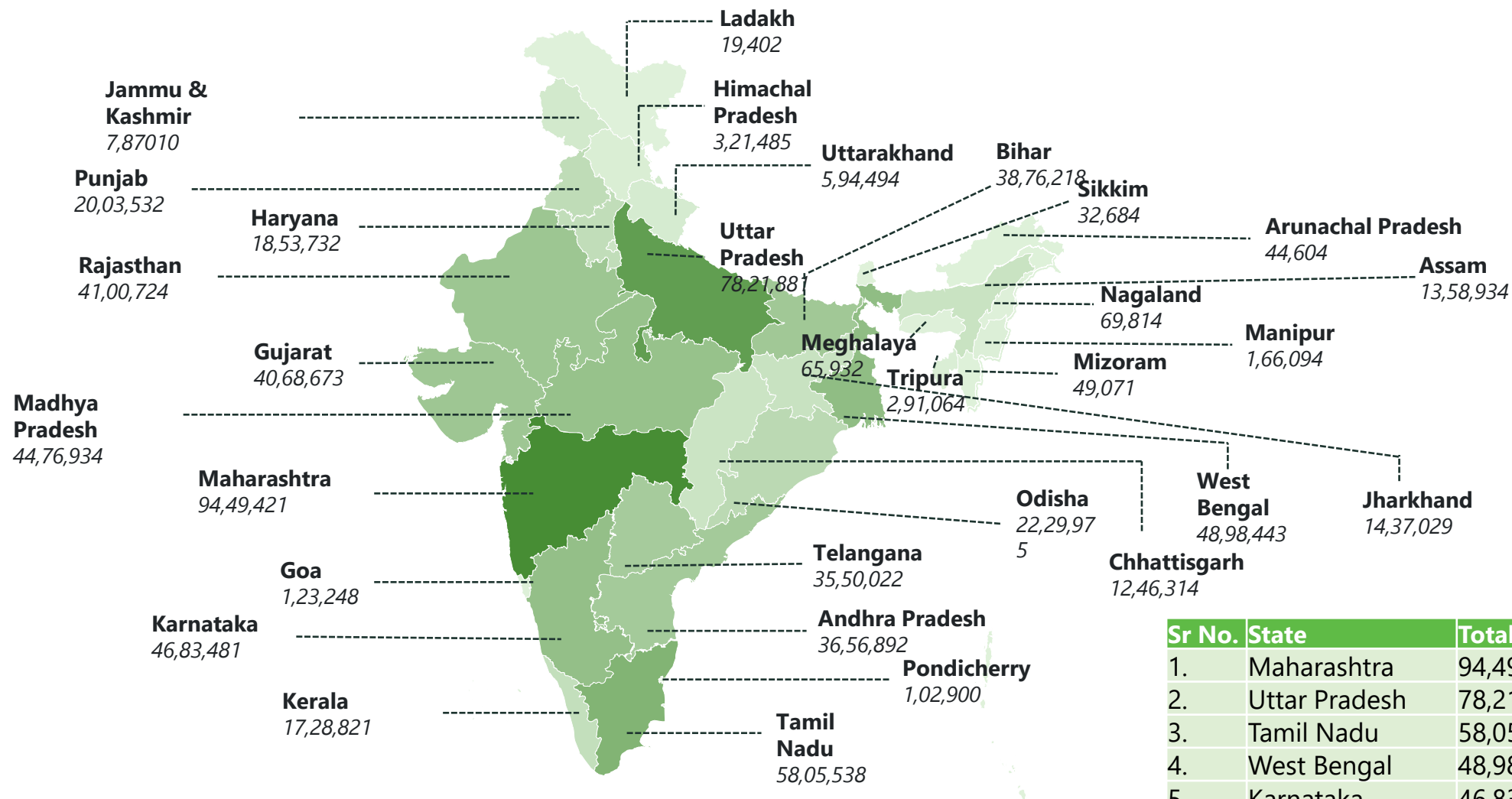
6.2 crore
Units

Total registered units as of Mar-25, rising sharply from 2.5 crore in Mar-24, driven by increased adoption of Udyam and Udyam Assist platforms.

50k
MSEs
scaled

This number of micro and small enterprises scaled up to medium size between 2020 and 2024, reflecting stronger business growth and capability.

State Wise Count of MSMEs



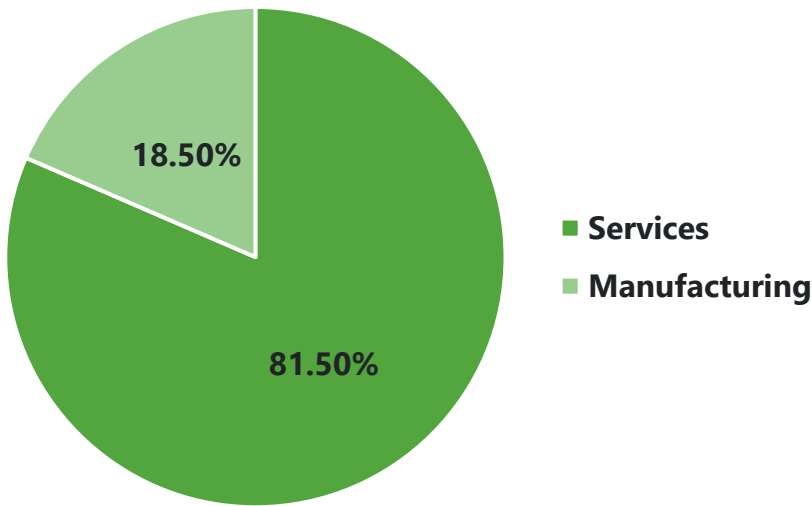
Source: MSME

Sr No.	State	Total MSMEs	(% of Total)
1.	Maharashtra	94,49,421	13%
2.	Uttar Pradesh	78,21,881	11%
3.	Tamil Nadu	58,05,538	8%
4.	West Bengal	48,98,443	7%
5.	Karnataka	46,83,481	6%

Overview of MSMEs in Goa

Goa is home to numerous MSMEs ranging from food processing and tourism to packaging and light engineering.

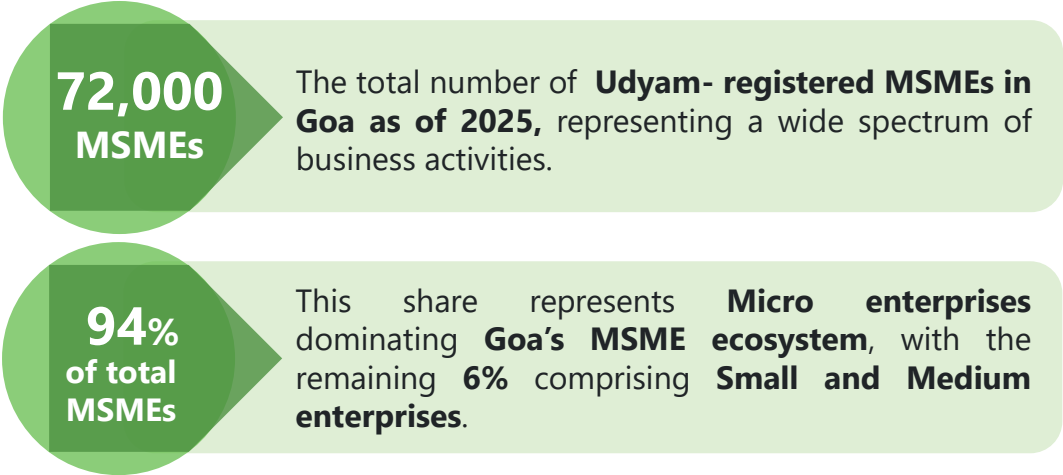
Sector Wise Distribution



The sector-wise distribution as of 2024 shows that **81.5% of Goa’s MSMEs operate in the services sector**, while **18.5% are engaged in manufacturing**. The services segment is led by **tourism, food & beverage services, retail, logistics, and IT & business services**, whereas manufacturing is concentrated in **food processing, pharmaceuticals, textiles & garments, and wood & furniture**.

Source: [TheGoan](#), [Businesswise](#), [ThetimesofIndia](#)

Snapshot of MSME Sector in Goa



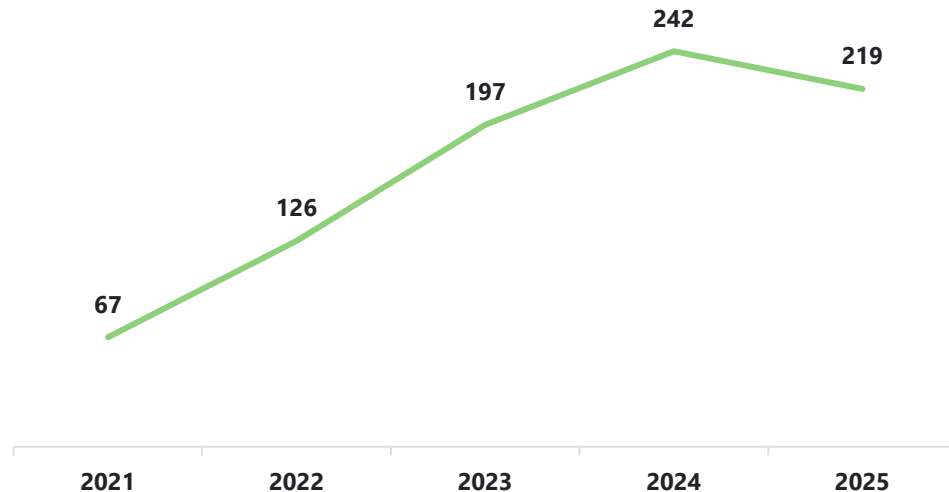
Digital Adoption in Goa’s MSME Ecosystem



SMEs Ventured into IPO Stage in India

Over the last 5 years, the Nifty SME EMERGE Index, which tracks MSMEs, has delivered a CAGR return of 54.7%

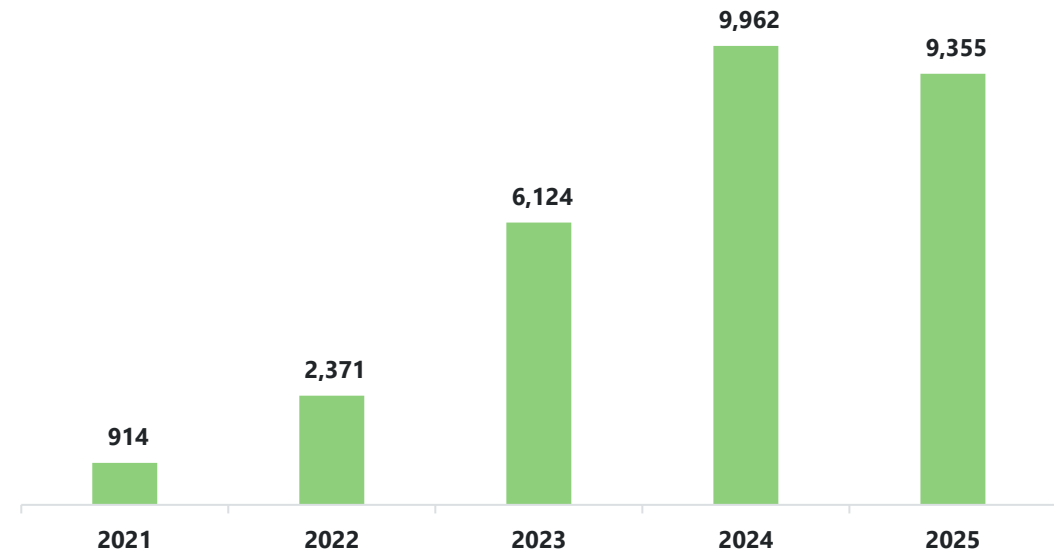
Number of SME IPOs



- SME IPO activity witnessed a strong post-pandemic rebound, with listings rising from 67 in 2021 to 126 in 2022. Between 2023 and 2024, SME IPO listings increased from 197 to 242, representing a year-on-year growth of approximately 23%.
- Overall, the number of SME IPOs has increased by more than 3.5 times over four years indicating increasing investor confidence.

Source: SME IPOs, SMEEMERGE

Issue Size of SME IPOs (in INR Cr)



- SME IPO issue size witnessed a sharp post-pandemic expansion, with total funds raised increasing from INR 914 crore in 2021 to INR 2,371 crore in 2022.
- The growth momentum strengthened further, with issue size rising to INR 6,124 crore in 2023 and reaching INR 9,962 crore in 2024, representing a year-on-year growth of 63% between FY23 and FY24.

Key Financial Ratios & Benchmarking of SME IPOs

Covers key financial metrics, covering liquidity, solvency, profitability, and efficiency ratios across manufacturing, FMCG, hospitality, and healthcare sectors, highlighting the benefits of benchmarking for MSME performance.

Sector Benchmarks(1/3)

Efficiency & Activity Ratios						
	Hospitality	FMCG	Manufacturing			Healthcare
			Automobile	Pharmaceutical	Chemical	
Days of sales	34	31	51	78	62	29
Days of inventory	12	106	91	230	101	23
Days of payables	55	77	62	100	77	86

Note: Refer to Slide 30 for methodology

Source: Report, KNAV, <https://www.screener.in/company/INDHOTEL/consolidated/#peers>

Sector Benchmarks (2/3)

Liquidity Ratios						
	Hospitality	FMCG	Manufacturing			Healthcare
			Automobile	Pharmaceutical	Chemical	
Current Ratio	2.2x	1.9x	1.7x	2.9x	2.6x	2.2x
Quick Ratio	2.1x	1.0x	1.0x	1.8x	1.6x	2.0x
Solvency Ratios						
	Hospitality	FMCG	Manufacturing			Healthcare
			Automobile	Pharmaceutical	Chemical	
Debt-to-Equity	0.6x	0.2x	0.3x	0.2x	0.3x	0.7x
Debt-to-capital Ratio	0.3x	0.1x	0.2x	0.1x	0.2x	0.4x

Sector Benchmarks(3/3)

Profitability Ratios						
	Hospitality	FMCG	Manufacturing			Healthcare
			Automobile	Pharmaceutical	Chemical	
Gross Profit Margin	60.0%	42.1%	40.6%	63.8%	40.9%	61.6%
EBITDA Margin	33.0%	15.5%	15.3%	25.8%	18.4%	25.2%
PAT Margin	13.0%	10.6%	8.4%	18.5%	11.5%	23.0%

Benchmarking of IPO's (1/6)

Hospitality Sector

Recent Hospitality MSME IPOs indicate valuation benchmarks of ~3.8–4.1× FY25 Revenue and ~18–21× P/E

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Subha Hotels Limited (NSE-SME) Oct 25	37	20	48	1.3x	0.9x	0.8x	0.5x	45.0%	32.1%	14.2%
Saj Hotels Limited (NSE-SME) Oct 25	34	19	46	1.3x	0.9x	0.7x	0.4x	60.2%	33.6%	15.0%
Grand Continent Hotels Ltd (NSE-SME) Mar 25	40	23	51	1.4x	1.0x	0.7x	0.4x	56.8%	30.4%	13.1%
Average	37	21	48	1.4x	1.0x	0.8x	0.4x	58.0%	32.0%	14.0%

Note: Refer to Slide 30 for methodology

Source: Company Annual Reports and Websites

Benchmarking of IPO's (2/6)

Automobile Sector

Recent Automobile MSME IPOs imply valuation benchmarks of ~0.7–1.7× FY25 Revenue and ~14–18× P/E multiples

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Munish Forge Limited (NSE-SME) Oct 25	58	80	62	1.6x	0.9x	0.5x	0.3x	38.2%	18.4%	8.2%
Forge Auto International Limited (NSE-SME) Oct 24	55	78	60	1.5x	0.8x	0.6x	0.4x	36.9%	17.6%	7.8%
HVAX Technologies Limited (NSE-SME) Oct 24	60	85	65	1.6x	0.9x	0.5x	0.3x	39.1%	19.0%	8.6%
Average	58	82	62	1.6x	0.9x	0.5x	0.3x	38.0%	18.0%	8.0%

Source: Company Annual Reports and Websites

Benchmarking of IPO's (3/6)

Pharmaceutical Sector

Recent Pharmaceutical MSME IPOs have listed at ~0.7–2.2× FY25 Revenue and ~12–15× P/E multiples

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Curis Lifesciences Limited (NSE-SME) Nov 25	68	200	95	1.5x	0.8x	0.6x	0.4x	42.5%	21.3%	9.4%
Vijaypd Cutiicals Limited (NSE-SME) Oct 25	72	190	105	1.4x	0.7x	0.9x	0.5x	40.1%	19.2%	7.1%
Aptus Pharma Limited (NSE-SME) Sept 25	64	210	100	1.6x	1.0x	0.4x	0.3x	44.8%	22.6%	10.3%
Average	68	200	100	1.5x	0.9x	0.6x	0.4x	42.0%	21.0%	9.0%

Source: Company Annual Reports and Websites

Benchmarking of IPO's (4/6)

Chemical Sector

Recent MSME IPOs in the Chemical sector have listed at ~1.1–2.2× FY25 Revenue and ~12–19× P/E multiples

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Mahamaya Lifescience Limited (NSE-SME) Nov 25	62	88	54	1.5x	0.8x	0.6x	0.4x	41.3%	20.4%	9.0%
True Colors Limited (NSE-SME) Sept 25	66	92	57	1.4x	0.8x	0.6x	0.4x	39.6%	19.1%	8.1%
Renol Polychem Limited (NSE-SME) Aug 25	60	85	52	1.6x	0.9x	0.5x	0.3x	43.2%	21.0%	9.6%
Average	63	88	54	1.6x	0.9x	0.5x	0.4x	41.0%	20.0%	9.0%

Source: Company Annual Reports and Websites

Benchmarking of IPO's (5/6)

FMCG Sector

Recent FMCG MSME IPOs have listed at ~0.5–1.8× FY25 Revenue and ~13–25× P/E multiples

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Mother Nutri Foods Limited (NSE-SME) Dec 25	45	70	50	1.7x	1.0x	0.4x	0.3x	34.8%	15.6%	6.9%
Shreeji Global FMCG Limited (NSE-SME) Nov 25	48	75	53	1.6x	0.9x	0.5x	0.3x	36.2%	16.8%	7.5%
DSM Fresh Foods Limited (NSE-SME) Oct 25	42	68	48	1.7x	1.1x	0.4x	0.3x	35.5%	16.1%	7.2%
Average	45	71	50	1.7x	1.0x	0.4x	0.3x	36.0%	16%	7.0%

Source: Company Annual Reports and Websites

Benchmarking of IPO's (6/6)

Healthcare Sector

Recent Healthcare MSME IPOs have listed at ~2.3–4.6× FY25 Revenue and ~14–27× P/E multiples

	DSO	DIO	DPO	Current Ratio	Quick Ratio	Debt/Equity	Debt/Capital	Gross Margin	EBITDA Margin	PAT Margin
Ravelcare Limited (NSE-SME) Dec 25	55	65	45	1.5x	0.9x	0.5x	0.3x	46.1%	23.4%	11.2%
Earkart Limited (NSE-SME) Oct 25	52	60	43	1.6x	1.0x	0.5x	0.3x	45.4%	22.6%	10.5%
Galaxy Medicare Limited (NSE-SME) Sept 25	58	70	48	1.5x	0.9x	0.5x	0.4x	44.8%	21.9%	10.0%
Average	55	65	45	1.6x	1.0x	0.5x	0.3x	45.0%	23.0%	11.0%

Source: Company Annual Reports and Websites

Benefits of Financial Benchmarking for MSMEs

Immediate Learnings from Financial Benchmarking

Improved Working Capital Management



- Benchmarking identifies cost gaps and helps optimize cash flow and liquidity.
- Supports better turnover, payment negotiation, and fiscal discipline to strengthen working capital efficiency.
- Lower borrowing costs from recent repo rate cuts further improve overdraft and invoice-financing affordability.

Improved Business Planning & Scalability



- Aligning business strategies with peer performance helps set realistic targets for growth and resource allocation.
- Insights from high-performing MSMEs inspire innovation in areas like R&D and cost models.
- Such learnings strengthen scalability and support more informed expansion or market-entry decisions.

Outcomes of Effective Benchmarking

Reduced Borrowing Costs



- Benchmarking identifies inefficiencies and boosts creditworthiness for lower-interest loans.
- Data-backed metrics (utility bills, digital transactions) strengthen MSME credit profiles and reduce lender risk.
- Improved profiles help MSMEs benefit from expanded credit-guarantee schemes and increased funding access.

Stronger Supplier Relationships



- Identifying elevated input costs helps MSMEs secure better pricing and renegotiate favorable supplier terms.
- Stronger liquidity enables timely payments, building trust and improving supplier confidence.
- Better financial stability enhances negotiation power and supports long-term supplier partnerships.

Source: [The Economic Times](#), [CFO Bridge](#), [Pulse](#), [Shriram Finance](#), [SumoSum](#)

Our Expertise

Where MARC Steps in

1 Profitability Analysis

Profitability Analysis helps MSMEs identify their most and least profitable segments, whether by product line, service offering, location, or customer type. We support owner-led decision-making through granular cost and revenue tracking, margin analysis, and peer benchmarking tailored to MSME realities.

2 Information Memorandum & Valuation

We prepare investor-ready Information Memorandums and valuations for MSMEs looking to raise capital, onboard strategic partners, or plan exits. Our valuations reflect industry-relevant multiples, growth potential, and business USPs, aligned with the expectations of SME investors and lenders.

3 MIS

Our MIS frameworks enable MSME promoters and management teams to track performance, improve operational control, and make timely decisions. We deliver structured P&L, balance sheet, and cash-flow reporting with actionable KPIs, designed for growing businesses transitioning from intuition-led to data-driven management.

4 SME Listing

SME Listing enables growth-oriented MSMEs to raise capital and enhance credibility through access to public markets. We support the journey end-to-end, acting as the interface between the client, merchant banker, and other stakeholders, ensuring financial readiness, compliance, and documentation for a smooth and successful SME listing..

5 P&L Analysis

Our P&L Analysis provides MSME owners with clear visibility into business performance. We enable informed decision-making through trend analysis, ratio assessment, cost-structure evaluation, and industry benchmarking, helping businesses identify levers for profitability improvement.

6 Budget

We develop practical, MSME-focused budgets that are location-wise and department-wise. Our approach blends historical performance, industry benchmarks, and promoter inputs to create realistic, execution-ready plans that support sustainable growth and competitive positioning.

Case Study – Profitability Analysis

Objective

A well-known fine-dining restaurant approached MARC to identify strategies to enhance profitability amid declining margins driven by rising costs and shifting diner preferences



Methodology

1. Reviewed historical financial statements and performed variance and percentage-to-sales analysis to assess revenue, cost, and profitability trends against industry benchmarks.
2. Analyzed outlet-wise performance and segmented revenue by channels and service categories.
3. Evaluated contribution margins, capacity utilization, and seasonal patterns to identify key performance drivers.
4. Assessed F&B consumption, HR, administrative, and overhead costs to highlight inefficiencies and irregularities.
5. Conducted competitor mystery audits and evaluated the company's investment potential through debt or equity.

Outcomes

The outcomes of the Profitability analysis were as mentioned below:

1. Elevated fine-dining experience through diversifying cuisines.
2. Customer feedback on new dishes.
3. Rise in demand on highlighting chef special dishes.
4. Gained an edge over competitor prices and delivery channels.
5. Helped assess investment potential, leading to the recommendation of equity funding.

Case Study – Information Memorandum & Valuation

Objective

A client operating under apparel industry approached MARC to provide a to prepare an Information Memorandum and conduct a valuation to support capital raising and strategic discussions with potential investors.



Methodology

1. Reviewed historical financial statements, growth trajectory, and business model to assess valuation readiness.
2. Prepared a comprehensive Information Memorandum, covering company overview, market opportunity, competitor analysis, financial performance, fund utilization and future roadmap.
3. Conducted valuation analysis using DCF method and relative valuation.
4. Benchmarked financial and operational metrics against industry peers in the apparel sector.
5. Coordinated with promoters and advisors to align assumptions, narratives, and investor expectations.

Outcomes

The outcomes of the Information memorandum & Valuation were as mentioned below:

1. Developed a clear and investor-ready Information Memorandum.
2. Arrived at a defensible valuation range aligned with market benchmarks.
3. Enhanced investor confidence through structured financial storytelling.

Case Study – MIS

Objective

A mid-sized hospitality company engaged MARC to strengthen management reporting and gain timely, actionable insights to improve operational and financial decision-making.



Methodology

1. Reviewed existing reporting frameworks and identified gaps in financial and operational visibility.
2. Designed a structured MIS framework covering P&L, balance sheet, cash flows, and key hospitality KPIs.
3. Developed monthly and quarterly MIS dashboards with trend and variance analysis.
4. Aligned reporting with business units, outlets, and revenue streams for granular performance tracking.
5. Provided management commentary highlighting key risks, opportunities, and action points.

Outcomes

The outcomes of the MIS were as mentioned below:

1. Improved financial visibility and control across outlets and departments.
2. Enabled faster, data-driven decision-making through standardized MIS reporting.
3. Strengthened cash flow monitoring and cost discipline.
4. Supported management in tracking performance against budgets and growth targets.

Case Study – Profit & Loss Analysis

Objective

A mid sized jewellery brand approached MARC to identify cost optimization opportunities, improve profitability, and enhance financial decision-making amid rising raw material costs and competitive pressures.



Methodology

1. Conducted a detailed analysis of each schedule in the Profit & Loss statement to ensure accuracy and completeness.
2. Performed expense-wise analysis, segmenting costs into material, labour, operational, and administrative categories to identify cost drivers.
3. Evaluated revenue streams by product category and sales channels to highlight high-margin segments.
4. Conducted variance and common-size analysis to evaluate brand performance against industry benchmarks and YoY growth trends.
5. Benchmarked financial ratios and P&L trends against industry standards to assess efficiency and competitiveness.

Outcomes

The outcomes of the P&L Analysis were as mentioned below:

1. Identified high-cost areas and suggested targeted cost-control measures.
2. Highlighted product categories and sales channels with the highest profitability.
3. Recommended inventory optimization strategies to reduce carrying costs and enhance cash flow.

Case Study – Budget

Objective

A hospitality company engaged MARC to develop a structured annual budget to improve cost control, forecast cash flows, and align financial planning with business growth objectives.



Methodology

1. Reviewed historical financial performance and seasonality trends across outlets.
2. Prepared a detailed revenue and cost budget by department and service line.
3. Incorporated key hospitality KPIs, fixed and variable cost structures, and occupancy.
4. Conducted scenario analysis to assess the impact of demand fluctuations and cost inflation.
5. Established budget tracking and variance monitoring mechanisms.

Outcomes

The outcomes of the Budgeting were as mentioned below:

1. Delivered a realistic and actionable budget aligned with operational realities.
2. Improved cost visibility and expenditure control across departments.
3. Enabled proactive cash flow planning for seasonal fluctuations.
4. Strengthened tracking of performance against targets for timely action.

Annexures

Key Financial Metrics

Formulas

Efficiency & Activity Ratios

Days of Sales

$$\frac{\text{Average Accounts Receivable}}{\text{Revenue}} \times 365$$

Days of Inventory

$$\frac{\text{Average Inventory}}{\text{Cost of Goods Sold}} \times 365$$

Days of Payables

$$\frac{\text{Average Accounts Payables}}{\text{Cost of Goods Sold}} \times 365$$

Liquidity Ratios

Current Ratio

$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Quick Ratio

$$\frac{\text{Current Assets} - \text{Inventory} - \text{Prepaid Expenses}}{\text{Current Liabilities}}$$

Profitability Ratios

Gross Profit Margin

$$\frac{\text{Gross profit}}{\text{Revenue}}$$

EBITDA Margin

$$\frac{\text{EBIT} + \text{Depreciation} + \text{Amortization}}{\text{Revenue}}$$

PAT Margin

$$\frac{\text{Profit After Tax}}{\text{Revenue}}$$

Solvency Ratios

Debt-to- Equity

$$\frac{\text{Total Debt}}{\text{Shareholders' Equity}}$$

Debt-to-Capital Ratio

$$\frac{\text{Total Debt}}{\text{Total Debt} + \text{Shareholders' Equity}}$$

Methodology

A. Sector Benchmarking Methodology

Financial ratios for each sector have been derived using publicly available financial information of established, listed large cap companies across each sector. These benchmarks are intended to represent broader industry performance and include companies operating across the entire value chain of the sector.

Sector	Sub- Segments Included
Hospitality	Hotels and Resorts
FMCG	Agricultural Food & other Products, Food Products, Beverages, Personal Products, Household Products, Cigarettes & Tobacco Products, Diversified FMCG
Automobile	Automobile and Auto Ancillary Components
Pharmaceutical	Pharmaceutical Manufacturers
Chemical	Commodity Chemicals , Specialty Chemicals, Petrochemicals, Dyes And Pigments ,Trading Chemicals , Industrial Gases
Healthcare	Biotechnology products and Medical equipment, Healthcare facilities, ,Diagnostic services

B. MSME / IPO Benchmarking Methodology

The second set of financial ratios and valuation benchmarks is based on MSMEs listed on the NSE-SME and BSE-SME platforms. Financial ratios are calculated using a three-year average of FY23–FY25 (FY25 wherever available) to smoothen year-on-year volatility. Valuation metrics are derived from IPO issue size, with implied post-money valuation based on equity dilution at listing.



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