

Name of the Company



India Pesticides Limited

KEY IPO Highlights

Subscription Period:

23rd June, 2021 to 25th June, 2021

Issue Size: 27.03 Mn shares
(Aggregating up to INR **800 Cr**
(OFS- 700 Cr))

Price Band: INR 290 to 296

Lot Size: 50 Shares

Listing Date:

5th July, 2021

About the Company:

- One of the leading agrochemicals manufacturers in India.
- Manufactures herbicide, fungicide Technicals, and Active Pharmaceuticals Ingredients (APIs).
- Sole Indian manufacturer of several Technicals i.e. Folpet, Thiocarbamate, and Herbicide & it also manufactures 30+ formulations of insecticides, fungicides, and herbicides.
- Technicals are majorly exported to 20+ countries including Australia, Asia, Africa, and European countries, contributed 62% of technical segment revenues in Fiscal 2020.
- Agrochemical formulations are primarily sold to domestic crop protection manufacturers i.e. Syngentia Asia Pte Ltd, UPL Ltd, ASCENZA AGRO, S.A., Conquest Crop Protection Pty Ltd, Sharda Cropchem Limited, and Stotras Pty Ltd. Two manufacturing plant situated at in Lucknow & hardoi in U.P.

Objects of the Issue:

- To finance the working capital requirements of the company.
- To meet general corporate purposes.

Financial Overview (INR Million)

Particulars	Mar-21	Mar-20	Mar-19
Total Assets	5,171	3,657	3,172
Total Revenue	6,554	4,897	3,460
Profit After Tax	1,345	708	439

P/E Multiples

India Pesticides	25
Rallis India	29
PI Industries	60
Sector P/E	61

Recommendation from major brokerage houses

SUBSCRIBE

Avoid

Neutral



Highlights:

- Among the top 5 global players of Folpet, Thiocarbamate, and Herbicide Technicals.
- Diversified product portfolio with specialized products.
- Domestic as well as international market presence.
- Consistent track record of financial performance.
- Strong Research & Development (R&D) capabilities.

Kreo Capital Opinion

The company has a decent track record of performance in terms of its financial & it has been generating strong free cash flow owing to better control over working capital & higher operating profit margin. Also the company has a strong R&D focus, diversified range of products, healthy financial status it yields them better return ratio & further expansion plans. So we take a **positive** stance on this IPO & recommend to subscribe on this IPO on **long term view**.

Disclaimer: The recommendations stated above are given by individual advisors (including Kreo Capital). Investors are advised to consult their financial advisor and do their own due diligence before subscription.