

# IPO Flash

February 22, 2021

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Heranba Industries Limited

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by BNP PARIBAS

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| IPO Details:              |   |
|---------------------------|---|
| Issue opens               | Tuesday, February 23, 2021  |
| Issue closes              | Thursday, February 25, 2021   |
| Issue size                | Rs. 624.34 crore to Rs. 625.24 crore  |
| Issue details             | Fresh issue of equity shares aggregating up-to Rs. 60 crore and offer for sale of up to 90,15,000 equity shares |
| Face Value                | Rs. 10 per share  |
| Price Band                | Rs. 626-627 per share   |
| Bid Lot                   | 23 shares and in multiples there-of   |
| Issue Structure           |   |
| QIB portion               | Not more than 50% of the issue size (4,986,733-4,985,969 equity shares)   |
| Non-Institutional portion | Not less than 15% of the issue size (1,496,020-1,495,791 equity shares)   |
| Retail portion            | Not less than 35% of the issue size (3,490,713-3,490,178 equity shares)   |
| BRLMs                     | Emkay Global Financial and Batlivala & Karani Securities  |

Source: Company RHP, Note: The company and selling shareholders in consultation with BRLM might offer 60% of QIB portion to anchor investors on a discretionary basis

#### Shareholding pattern

| Shareholder             | Pre-issue          |             | Post-issue*        |              | Post-issue^        |
|-------------------------|--------------------|-------------|--------------------|--------------|--------------------|
|                         | No of shares       | Holding (%) | No of shares       | Holding (%)  | No of shares       |
| Promoters & its Group   | 3,86,06,530        | 98.85       | 2,96,71,530        | 74.15        | 2,96,71,530        |
| Public & employee trust | 4,50,000           | 1.15        | 1,03,43,466        | 25.85        | 1,03,41,938        |
| <b>Total</b>            | <b>3,90,56,530</b> | <b>100</b>  | <b>4,00,14,996</b> | <b>100.0</b> | <b>4,00,13,468</b> |

Source: Company RHP, \*Lower Price band ^Upper price band

#### Object of the Issue

| Particulars                          | Amount (Rs crore) |
|--------------------------------------|-------------------|
| To fund working capital requirements | 50                |
| General corporate purposes           | -                 |

Source: Company RHP

### Fundamentals of company

#### Company Background:

Heranba Industries Limited, incorporated on March 17, 1992, is a crop protection chemical manufacturer, exporter and marketing company based in Vapi, Gujarat. It manufactures intermediates, technicals and formulations. The company is one of the leading domestic producers of synthetic pyrethroids such as cypermethrin, alphacypermethrin, deltamethrin, permitherin, lambda cyhalothrin, etc. Its range of pesticides includes insecticides, herbicides, fungicides and public health products for pest control.

#### Key business verticals:

**(a) Domestic institutional sales of Technicals:** Manufacturing and sales of Technicals in bulk to domestic companies

**(b) Technicals exports:** Exports of Technicals in bulk

**(c) Branded Formulations:** Manufacturing and Selling of Formulations under own brands through the company's distribution network in India

**(d) Formulations Exports:** Exports of Formulations in bulk and customer-specified packaging outside India

**(e) Public Health:** Manufacturing and selling of general insect-control chemicals by participating in public health tenders issued by governmental authorities and selling products to pest management companies.

## Product registrations in the domestic and international markets

Heranba operates across the entire value chain of the agrochemicals industry i.e. intermediates, technicals and formulations and holds registrations to manufacture and sell - eighteen (18) Technicals in India; one hundred and three (103) Technicals & Formulations in export markets and one hundred and sixty nine (169) Formulations in India. Applications for registration of fourteen (14) Technicals & Formulations for manufacture & sale in India and seven (7) Technicals and Formulations to be manufactured for export markets have been filed with the CIB&RC and are being evaluated.

### Segment wise revenue break-up

| Particulars                                | Rs cr        |              |            |              |            |              |
|--|--------------|--------------|------------|--------------|------------|--------------|
|  | FY19         | % of revenue | FY20       | % of revenue | H1FY21     | % of revenue |
| Domestic institutional sales of Technicals | 322          | 32%          | 301        | 32%          | 204        | 33%          |
| Technicals exports                         | 397          | 39%          | 347        | 36%          | 199        | 32%          |
| Branded Formulations                       | 156          | 16%          | 121        | 13%          | 141        | 23%          |
| Formulations exports                       | 95           | 9%           | 122        | 13%          | 57         | 9%           |
| Public health                              | 35           | 4%           | 61         | 6%           | 17         | 3%           |
| <b>Total Revenue from Operations</b>       | <b>1,004</b> | <b>100%</b>  | <b>951</b> | <b>100%</b>  | <b>618</b> | <b>100%</b>  |

Source: Company RHP

### Geographical revenue break-up

| Particulars                          | Rs cr        |              |            |              |            |              |
|--------------------------------------|--------------|--------------|------------|--------------|------------|--------------|
|                                      | FY19         | % of revenue | FY20       | % of revenue | H1FY21     | % of revenue |
| India                                | 513          | 51%          | 482        | 51%          | 362        | 59%          |
| Overseas                             | 492          | 49%          | 469        | 49%          | 256        | 41%          |
| <b>Total Revenue from Operations</b> | <b>1,004</b> | <b>100%</b>  | <b>951</b> | <b>100%</b>  | <b>618</b> | <b>100%</b>  |

Source: Company RHP

### Capacity and Capacity Utilization

| Particulars               | Unit I (Intermediates and Technicals) | Unit II (Intermediates and Technicals) | Unit III (Formulations) |
|---------------------------|---------------------------------------|--|-------------------------|
| Installed Capacity (TPA)  | 4,944                                 | 4,080                                  | 5,000                   |
| Total Production (Tonnes) | 4,524                                 | 3,611                                  | 2,928                   |
| Capacity Utilisation (%)  | 92%                                   | 89%                                    | 59%                     |

Source: Company RHP

### Major Products - Technical Grade Pesticides/Technicals

**Insecticides** - Insecticides are substances used to kill insects. They include ovicides and larvicides used against insect eggs and larvae, respectively. Insecticides are majorly used in agriculture. The company manufacture the following insecticides: Cypermethrin, Deltamethrin, Alpha Cypermethrin, Acephate, Lambda Cyhalothrin, Permethrin, Profenophos, Temephos, Theta Cypermethrin, Thiamethoxam and Imidacloprid.

**Fungicide** - Fungicides are biocidal chemical compounds or biological organisms used to kill parasitic fungi or their spores. A fungistatic inhibits their growth. Fungi can cause serious damage to crops, resulting in critical losses of yield, quality and profit. The company manufacture the following Fungicides: Tricyclazole and Hexaconazole

**Herbicides** - Herbicides also commonly known as weed killers, are substances used to control unwanted plants while leaving the crop relatively unharmed. The company manufacture the following Herbicide: Glyphosate, Metribuzin & Clodinofof

**Intermediates** - An intermediate is a molecule that is formed from two or more reactants and then reacts further to give products. Most chemical reactions require more than one step and an intermediate is the product of each step, except for the last one, after which the final products are produced. The company manufacture the following Intermediates: Cypermethric Acid Chloride (CMAC), High CIS CMA, High CIS CMAC, High Trans CMA, High Trans CMAC, Bromobenzenes and Metaphenoxy Benzaldehyde (MPBD).

**Formulations** - A pesticide formulation is a mixture of chemicals which effectively control a pest. Formulating a pesticide involves processing it to improve its storage, handling, safety, application, or effectiveness. Formulations and branding of formulations are a forward integration to the Technicals business.

Source: Company RHP

## Management details

### Brief Profiles of Directors

**Sadashiv K. Shetty** is the Promoter, Chairman and Executive Director. He has an experience of more than three decades in agrochemicals industry. He has been on the Board since September 29, 1994. He has been and is responsible for the overall supervision, direction and management of the company. He is fully involved in the company's day-to-day affairs and future business strategies. He has been instrumental in development of new products and addition of capacities.

**Raghuram K. Shetty** is the Promoter and Managing Director. He has an experience of more than three decades in the agrochemicals industry and has been on the Board since September 29, 1994. He has been instrumental in developing the exports business.

**Sujata S. Shetty** is the Whole-time Director. She has an experience of more than 18 years in the agrochemicals industry. She has been on the Board of Directors since December 27, 2001 and looks after administrative functions.

**Vanita R. Shetty** is the Whole-time Director. She has an experience of more than 18 years in the agrochemicals industry and has been on the Board of Directors since December 27, 2001. She looks after human resource-related activities.

**Raunak R. Shetty** is the Whole-time Director. He has an experience of more than 2 years in the field of accounts and finance. He has been on the Board of Directors since December 4, 2017. He looks after product development and finance function.

**Kaushik H. Gandhi** is an Independent Director. He has more than 12 years of experience in audit, project finance, taxation, secretarial and accounting.

**Mulky V. Shetty** is an Independent Director. He has over 2 decades of experience in chemical industry in different fields such as product development, setting up plant and manufacturing operations. Currently, he acts as a consultant in the chemicals industry.

## Industry overview

### Indian agrochemical market

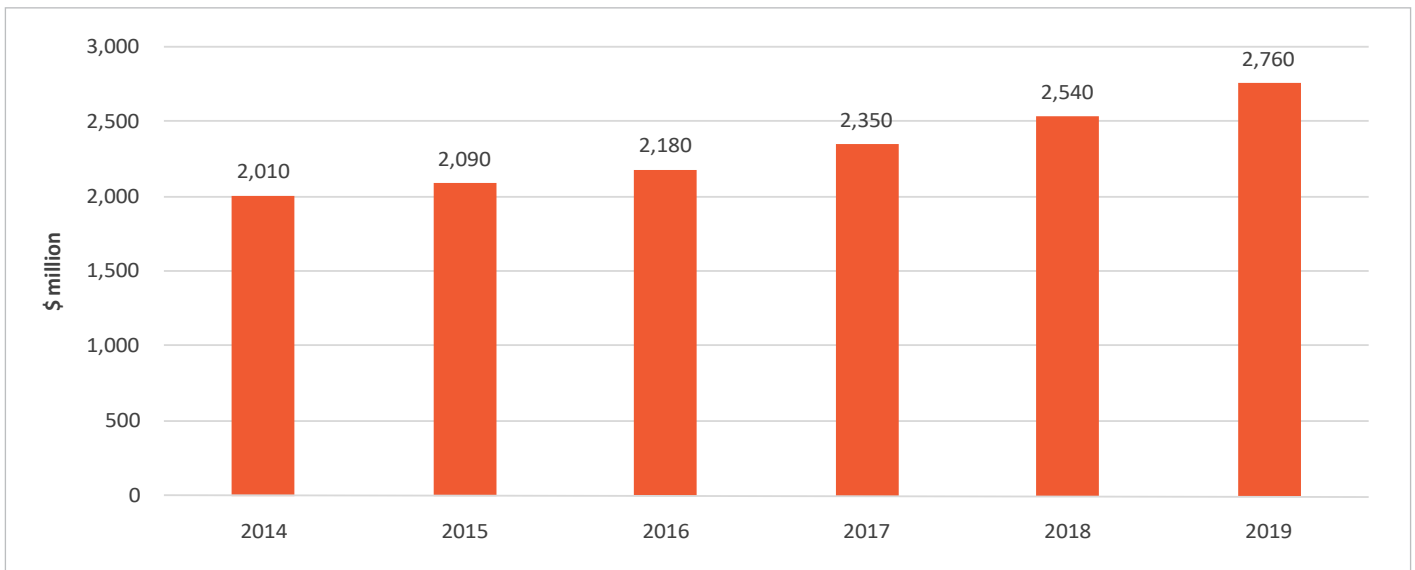
The Indian agrochemicals market in India reached a value of \$2,760 million in 2019, growing at a CAGR of 6.5% during 2014 to 2019. In India, the agrochemicals market is rising due to the growing demand for food driven by an increasing population. Moreover, India's agrochemicals market is expected to grow due to rising export opportunities for Indian suppliers amid shutdown of agrochemical plants in China due to green movements. As per the company's RHP, the Indian agrochemicals market is expected to clock a CAGR of 7.9% during 2020 to 2025, reaching a value of \$3,798 million by 2025.

#### India Agrochemicals Market - Key Industry Highlights, 2019 and 2025

| Particulars   | 2019                   | 2025                   | CAGR 2019-2025 |
|---|------------------------|------------------------|----------------|
| India agrochemicals market- Value (in Million US\$) | 2,760                  | 3,798                  | 5.5%           |
| Market by Product Type                              | 2019 (in million US\$) | 2025 (in million US\$) | CAGR 2019-2025 |
| Insecticides  | 1,493                  | 2,017                  | 5.1%           |
| Herbicides  | 643                    | 899                    | 5.7%           |
| Fungicides  | 516                    | 727                    | 5.9%           |
| Others  | 108                    | 155                    | 6.2%           |
| Total   | 2,760                  | 3,798                  | 5.5%           |

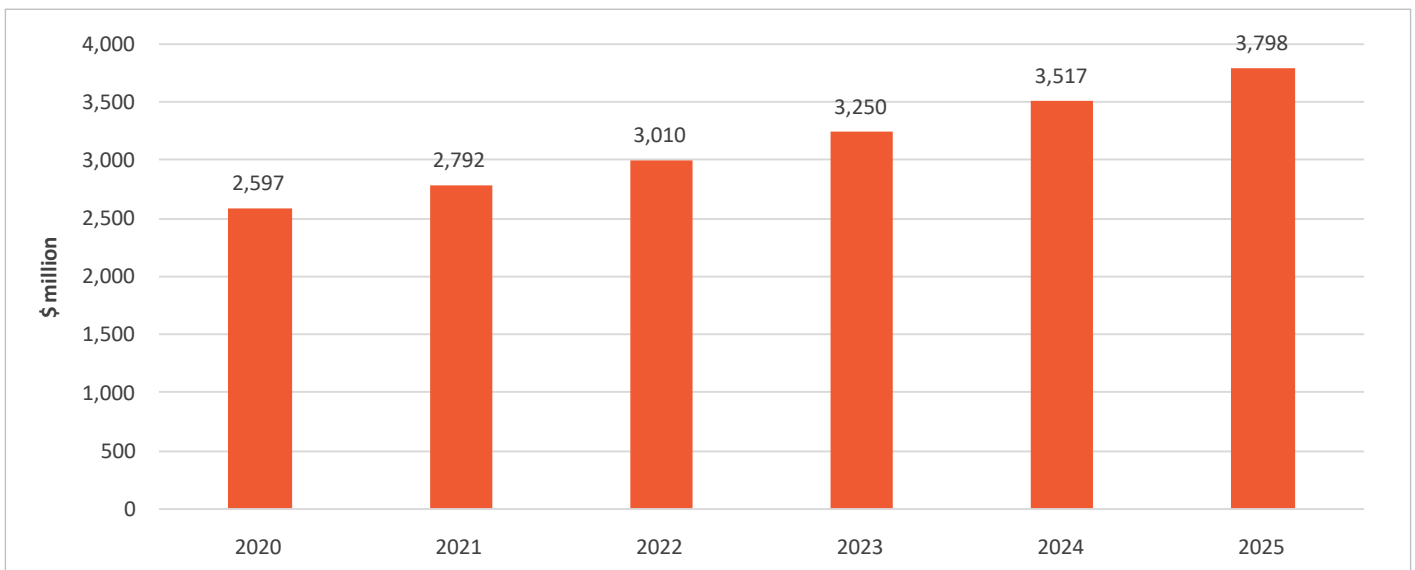
Source: Company RHP

**India Agrochemicals Market Sales Value (in Million US\$), 2014-2019**



Source: Company RHP

**India Agrochemical Market Sales Value Forecast (in Million US\$), 2020-2025**



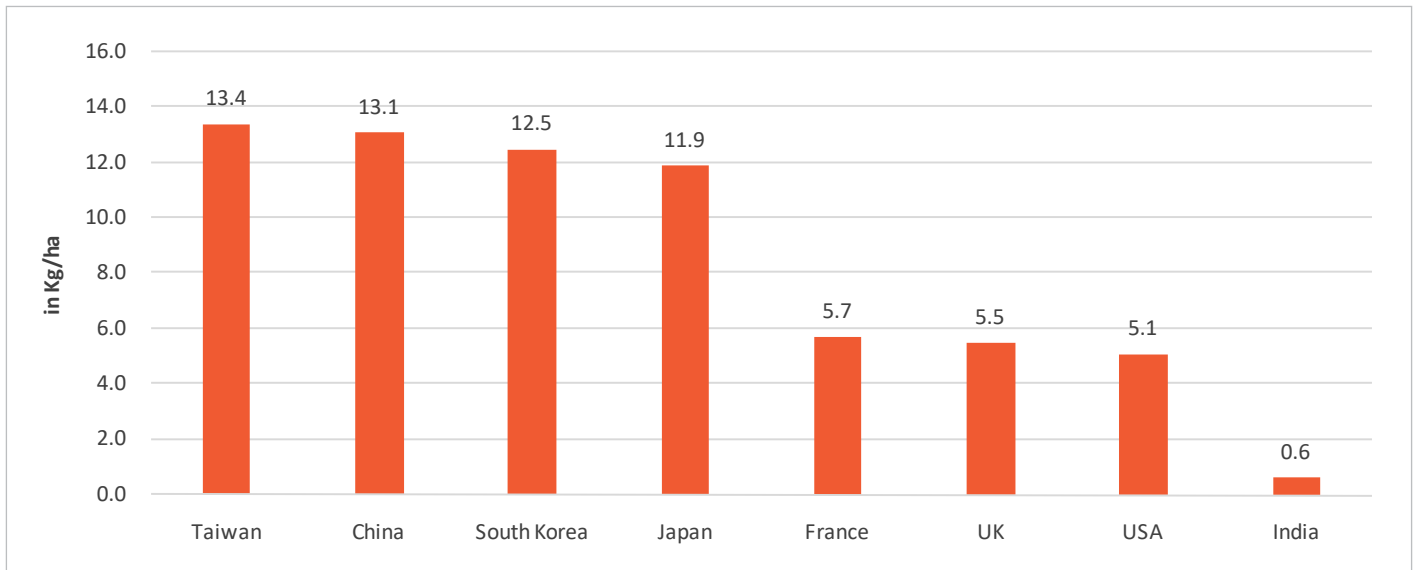
Source: Company RHP

**India Agrochemical Market Sales Value Forecast - Breakup by Product Type (in Million US\$), 2020-2025**

| Type         | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | CAGR 2020-2025 |
|--------------|------|------|------|------|------|------|----------------|
| Insecticides | 1401 | 1501 | 1613 | 1737 | 1874 | 2017 | 7.6%           |
| Herbicides   | 607  | 654  | 707  | 765  | 830  | 899  | 8.2%           |
| Fungicides   | 488  | 526  | 570  | 618  | 671  | 727  | 8.3%           |
| Others       | 102  | 111  | 120  | 131  | 142  | 155  | 8.7%           |

Source: Company RHP

**Per Capita Consumption: India vs Global**

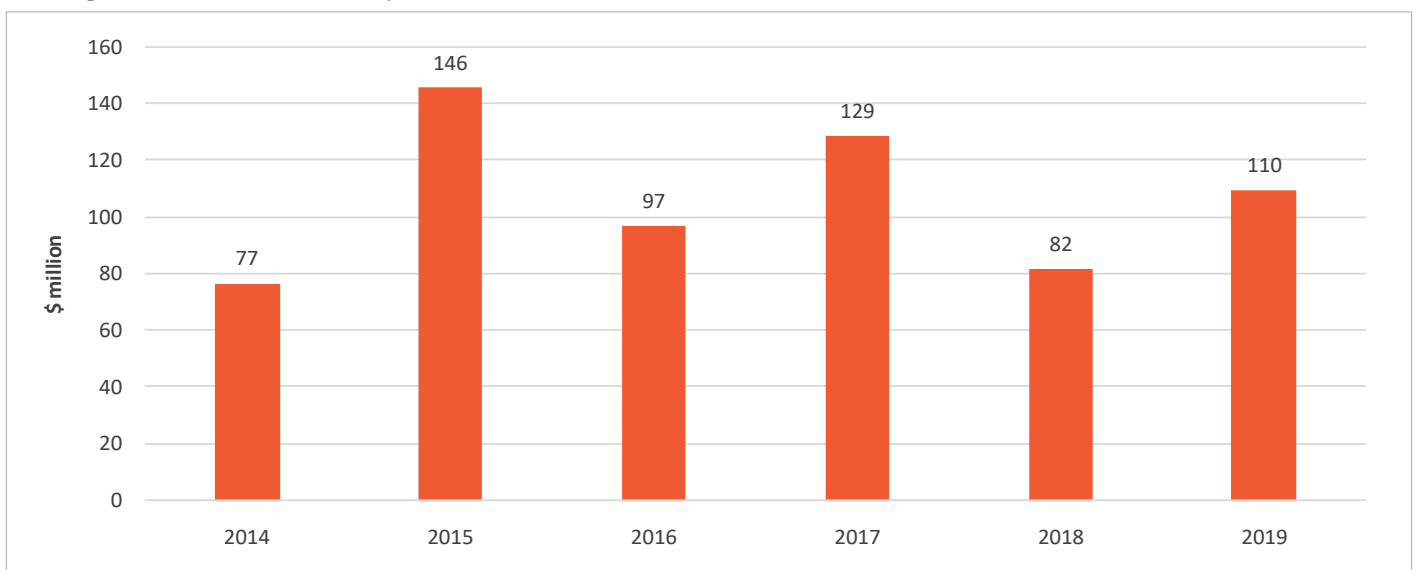


Source: Company RHP

**Indian Pyrethroids market**

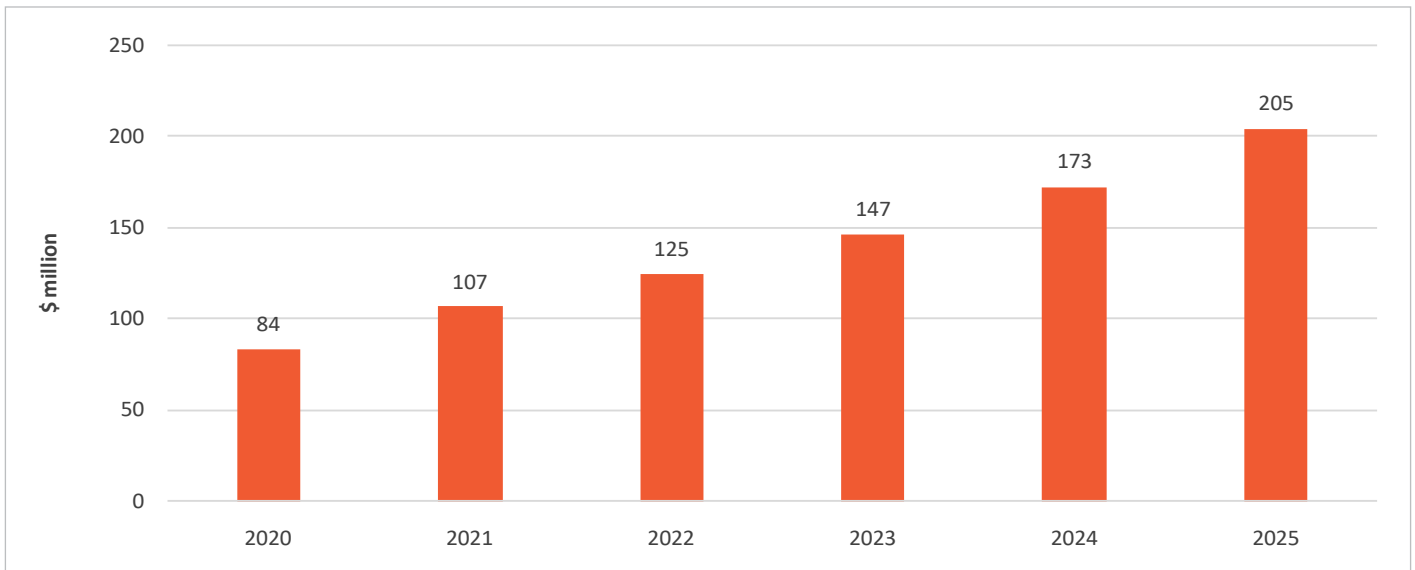
Pyrethroids are synthetic chemical compounds used to control pest insects in farms, homes, communities, restaurants, hospitals and schools. India Pyrethroids market is growing at a CAGR of nearly 7.4% during 2014 to 2019. In 2019, the market reached a sales value of \$110 million. Pyrethroids are cost-effective alternatives for conventionally used insecticides and exhibit biodegradable properties. They are widely used as liquid powders, granules, concentrate emulsifiers, and ultra-low-volume (ULV) sprays. Additionally, they are relatively less poisonous for mammals or birds, owing to which they are used for killing bugs and flying insects in small quantities. Consequently, they are also replacing organophosphates, which were conventionally used on vegetables, such as carrots and lettuce. Overall, demand for pyrethroids in India to remain positive during 2020 to 2025, exhibiting a CAGR of 19.6% and reaching a sales value of \$205 Million by 2025.

**India Pyrethroids Market Consumption Value**



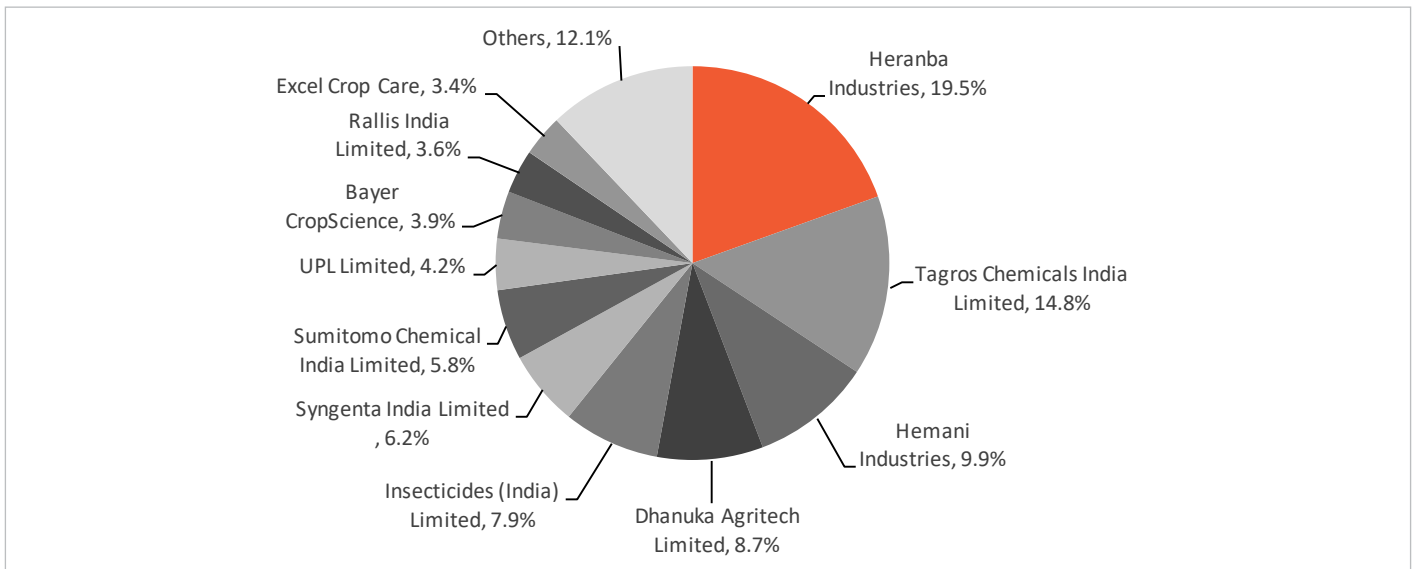
Source: Company RHP

**India Pyrethroids Market Consumption Value Forecast**



Source: Company RHP

**India Pyrethroids – market share of key players**



Source: Company RHP

## Investment Rationale:

### Key strengths of the company

#### Presence in a wide range of products across the entire value chain of synthetic pyrethroids

Heranba manufactures intermediates, technicals and formulations, which form part of the entire value chain of synthetic pyrethroids and other active ingredients in the agrochemicals business. The company is one of the leading domestic producers of synthetic pyrethroids and has started manufacturing cypermethric acid chloride (CMAC) in 1995-96, which is a key pre-cursor required to produce pyrethroids. By the FY2001-2002, Heranba forward integrated their operations to manufacture technicals like metamethrin, cypermethrin, alphacypermethrin, permethrin and deltamethrin.

In FY2004-05, they further expanded their product line to include Formulations and launched Formulations under their own brands in FY2005-06. This capability of manufacturing intermediates, technicals and formulations and their presence in the entire value chain of synthetic pyrethroids provides them the flexibility to shift between products depending on the demand-supply and pricing dynamics of the domestic and international agrochemicals industry.

#### Product registrations in domestic and international markets enable global outreach

The company's international distribution partners have obtained registrations for 371 Technicals and Formulations in 41 countries across the Middle East, CIS, Asia, South East Asia and Africa. Heranba's core strength lies in the research and development (R&D) of active ingredients for creating new formulations, preparing dossiers for national and international registrations of these new formulations. Its in-house registration team is led by qualified personnel who facilitate the registration process in India with the CIB&RC and its dealers/customers in overseas jurisdictions, including some highly regulated markets such as Europe enabling the manufacture and export of a range of Technicals and Formulations in the international markets.

#### Strong product portfolio and wide distribution network

Heranba manufactures and supplies Technicals to leading domestic and multinational agrochemical companies operating in and outside India, which are then used by these companies for manufacturing their own products. The company supplies Technicals such as cypermethrin, alphacypermethrin, deltamethrin, permethrin and lambda cyhalothrin to other agrochemical companies in India. Heranba has more than 9,400 dealers/distributors supported by their 21 stock depots spread across 16 states and one union territory in the country in order to meet the demand of products from farmers.

#### Diversified and stable customer base

Various domestic and multinational agrochemical companies operating in and outside India are the company's clients for Technicals manufactured by them, who use company's products to manufacture their own Formulations and other products. This diverse and stable base of customers provide the necessary revenue stability as not more than 20.85% and 18.57% of their aggregate sales come from the top 10 customers for FY2020 and the period ended September 30, 2020, respectively.

### Key growth strategies

#### Enhancing and streamlining production capacities and operations

Heranba has three manufacturing and packaging facilities in and around Vapi, Gujarat with 174 reactors having an aggregate manufacturing capacity of 14,024 MTPA. The company has streamlined its production by adding some new reactors and establishing an automated facility for packaging the Formulations at Unit III. The new R&D facility at Unit-III (Sarigam) has become operational from October 2020. The company's Unit-III land parcel of around 55,000 square metres is more than three times the land parcel of ~17,500 square metres at Vapi, Gujarat. The availability of land for expansion and streamlining of operations will further enhance the company's revenues and profitability in the near future. In addition to the Sarigam land, the company has another parcel of land admeasuring around 34,600 square metres at Saykha, at GIDC – Dahej extension which can be used for further expansion, when required.



### **Development of new products at the R&D facility at Unit III (Sarigam Unit)**

To enter the highly regulated markets of USA and Europe, the company has further enhanced its R&D facilities and capabilities by establishing a 2,000 sq. ft. R&D facility at Unit III (Sarigam Unit) which has become operational from October, 2020. The new R&D facility has the latest technology and processes required to conduct research on active ingredients and formulations, mainly of molecules going off-patent in the near future with some of them going off-patent in 2020 itself. The new R&D facility will focus on 3-4 such new molecules which are undergoing R&D tests out of which two (2) products are fungicides which will be effective on rice and wheat crops, two (2) are herbicides and one (1) is an insecticide which will be effective on wheat, rice, cotton and sugarcane, for exclusive sale in the European and the US.

### **Entering highly-regulated markets of US and Europe**

Various Technicals will go off-patent in the near future and some of them are going off-patent in the year 2020 itself, which may lead to a good demand for the generic versions of these molecules across the world, especially in the highly-regulated markets of the US and Europe. To exploit these opportunities, Heranba will have to enhance its ability and capabilities with respect to R&D and registrations of the generic versions of these molecules and related formulations in US and Europe. The company believes that there is significant growth potential in these markets with higher margins for existing and new products. The company's International Distribution Partner in Europe has already received registration for Deltamethrin Technical. Applications for registration of Lambda Cyhalothrin Technical, and Metribuzin Technical filed by its international distribution partners are in process before the relevant authority in the EU. Heranba's International Distribution Partner in the USA has also applied for registration of Lambda Cyhalothrin (Technical).

### **Enhancing Formulations & Technicals business in the international markets**

With a total product profile of one hundred and three (103) Technicals & Formulations for exports and three hundred and seventy one (371) Technicals and Formulations registered in forty one (41) countries in various global markets by International Distribution Partners, Heranba is well-placed for growth in the international markets (global Pyrethroids market to grow at a CAGR of 6.38% in terms of value, during 2020-2025, reaching a value of \$4,068 million by 2025).

## **Key Concerns**

### **Availability and price of raw materials**

The company's operations are primarily dependent on availability of raw material, which accounted for 66.10%, 70.01% and 66.23% of the company's total revenue for FY2020, FY2019 and FY2018, respectively. The company does not have long-term agreements with any of its raw material suppliers and thus an inability to correctly forecast demand and supply may have an impact on the working capital. The availability and prices of raw materials are subject to a number of factors which are beyond control of the company. Recently, due to the outbreak of COVID-19 pandemic, the company was unable to import a few of raw materials from overseas suppliers due to transport restrictions. In addition, while competition for procuring raw materials may drive up prices of these, but the company's ability to pass on such increases in overall operational costs may be limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of the company's products, may reduce demand for products and thereby affect margins and profitability.

### **Ability to obtain registrations**

The launch of a product depends upon the company's ability to obtain timely registration. Accordingly, the company's profitability, financial condition and market position is dependent on ability to obtain the necessary registration in a timely manner and to successfully launch and market products.

### **Seasonal and climatic variations**

The Indian agriculture season is significantly influenced by the monsoon and the sales of agrochemical products typically begin ahead of the growing season and peak in the middle of the season. A narrow sowing period also puts significant pressure on the sales and the prices of the agrochemical products. Thus, quarterly results may vary as a result of the effects of fluctuations in prices of agrochemical products due to lower demand, commodity prices and production yields. Other climatic variations may also affect production and sales volumes and could impact the results of operations.

### Growth of new product categories

The company manufactures products which are derived from the generic agrochemical molecules. As a result, the company's ability to manufacture certain products is directly affected by the expiry of patents for various molecules.

### Agricultural growth in economy

Use of agrochemicals has been an increasing trend in the Indian agricultural space. Any changes in government policies relating to the agriculture sector such as government expenditure in agriculture, changes in incentives and subsidy systems, export policies for crops, commodity pricing and ability of farmers to realise minimum support prices, among other things, could also have an effect on the ability of the farmers to spend on agrochemical products, which could affect the demand for, and the sales of the company's products.

### Valuation and view

At IPO price band of Rs. 626-627 per share, the offer is valued at 25.7x/25.6 its FY2020 EPS considering the diluted equity at upper and lower price band. Heranba Industries posted strong performance in H1FY2021 with revenues growing by ~23% y-o-y and the operating profit growing by 31% y-o-y (OPM expansion of 99bps y-o-y). The reported PAT grew by 24.5% y-o-y to Rs66crore in H1FY2021. At annualised PAT of ~Rs. 133crore the IPO is trading at 18.9x its FY2021 EPS. Heranba has a strong earnings track record with 44% PAT CAGR over FY2018-FY2020 and RoE more than 30%. Given Heranba's strong market share of 19.5% in Indian Pyrethroids market, focus on new product registrations and exports is expected to drive sustained earnings growth.

#### Peer comparison (for the year ended March 31, 2020)

| Particulars                              | FY20 PAT (Rs crore) | FY20 EPS (Rs) | FY20 RoE (%) | P/E (x) |
|--|---------------------|---------------|--------------|---------|
| Heranba Industries at upper price band   | 98                  | 24.4          | 30.5         | 25.7    |
| Heranba Industries at lower price band   |                     |               |              | 25.6    |
| Rallis India Ltd                         | 184                 | 9.5           | 13.6         | 27.2    |
| Sumitomo Chemical India Ltd              | 236                 | 4.1           | 20.8         | 72.9    |
| Bharat Rasayan Ltd                       | 158                 | 371.0         | 32.4         | 26.4    |
| Punjab Chemicals and Crop Protection Ltd | 11                  | 8.8           | 11.0         | 97.2    |

Source: Company RHP; Sharekhan Research

**FINANCIALS**
**Profit & Loss Account (re-stated)**
**Rs crore**

| Particulars   | FY18         | FY19         | FY20         | H1FY21       |
|---|--------------|--------------|--------------|--------------|
| Revenue from Operations   | 745.1        | 1,004.4      | 951.4        | 618.3        |
| <b>Expenses</b>   |              |              |              |              |
| Cost of materials consumed  | 497.0        | 708.4        | 639.8        | 451.8        |
| Purchase of stock in trade  | 0.0          | 6.5          | 15.3         | 13.8         |
| Changes in Inventories of Finished Goods and Work-in-Progress       | 6.7          | -17.1        | -17.7        | -46.2        |
| Excise Duty on Finished Goods                                       | 3.8          | 0.0          | 0.0          | 0.0          |
| Employee Benefits Expense   | 33.2         | 38.0         | 46.5         | 22.9         |
| Other Expenses  | 116.5        | 137.3        | 138.1        | 76.8         |
| <b>Total expenses</b>   | <b>657.3</b> | <b>873.0</b> | <b>822.0</b> | <b>519.1</b> |
| <b>Operating profit</b>   | <b>87.8</b>  | <b>131.4</b> | <b>129.4</b> | <b>99.3</b>  |
| <b>OPM (%)</b>  | <b>11.8</b>  | <b>13.1</b>  | <b>13.6</b>  | <b>16.1</b>  |
| Other Income  | 5.3          | 7.4          | 16.5         | 0.9          |
| Finance Costs   | 11.8         | 10.7         | 8.8          | 3.5          |
| Depreciation and Amortisation Expenses                              | 5.0          | 6.0          | 8.2          | 6.6          |
| <b>Profit before tax</b>  | <b>76.3</b>  | <b>122.1</b> | <b>128.8</b> | <b>90.1</b>  |
| <b>Tax Expense</b>  |              |              |              |              |
| Current Tax   | 28.0         | 45.8         | 33.6         | 23.4         |
| Deferred tax (credit) / charge                                      | 0.8          | 0.5          | -2.5         | 0.4          |
| Short / (Excess) provision for taxation in respect of earlier years | 0.7          | 0.4          | 0.0          | 0.0          |
| <b>Profit for the year</b>  | <b>46.9</b>  | <b>75.4</b>  | <b>97.8</b>  | <b>66.3</b>  |

Source: Company RHP

**Cash flow statement (Re-stated)**
**Rs crore**

| Particulars  | FY2018      | FY2019      | FY2020     | H1FY21      |
|--|-------------|-------------|------------|-------------|
| Net cash flow from operating activities                  | 51.9        | 87.7        | 54.2       | 52.3        |
| Net cash flow from investing activities                  | -24.7       | -37.4       | -52.0      | -15.9       |
| Net cash flow from financing activities                  | -25.8       | -41.1       | -19.9      | -14.3       |
| Net increase in cash & cash equivalent                   | 1.5         | 9.2         | -17.8      | 22.1        |
| Cash & cash equivalent at beginning of the year          | 10.3        | 11.8        | 21.0       | 3.2         |
| <b>Cash &amp; cash equivalent at the end of the year</b> | <b>11.8</b> | <b>21.0</b> | <b>3.2</b> | <b>25.3</b> |

Source: Company RHP

**Balance Sheet (re-stated)**
**Rs crore**

| Particulars                          | FY18         | FY19         | FY20         | H1FY21       |
|--------------------------------------|--------------|--------------|--------------|--------------|
| <b>Non-Current Assets</b>            |              |              |              |              |
| Property, plant and equipment        | 46.2         | 51.1         | 95.4         | 130.7        |
| Capital work-in-progress             | 1.2          | 16.0         | 37.8         | 3.3          |
| Investments                          | 0.0          | 0.0          | 3.7          | 12.5         |
| Other Financial Assets               | 6.2          | 7.1          | 8.4          | 9.8          |
| Current tax assets (Net)             | 0.0          | 0.1          | 0.0          | 0.0          |
| Other non-current asset              | 22.3         | 34.5         | 8.1          | 8.0          |
| <b>Total Non-Current Assets</b>      | <b>76.0</b>  | <b>108.8</b> | <b>153.4</b> | <b>164.3</b> |
| <b>Current Assets</b>                |              |              |              |              |
| Inventories                          | 94.0         | 113.9        | 145.5        | 173.5        |
| Trade Receivables                    | 203.1        | 253.3        | 258.5        | 372.8        |
| Cash and cash equivalents            | 11.8         | 21.0         | 3.2          | 25.3         |
| Loans                                | 0.0          | 0.0          | 0.9          | 0.0          |
| Other financial assets               | 1.5          | 1.5          | 1.7          | 2.0          |
| Other current assets                 | 64.1         | 61.9         | 61.5         | 50.2         |
| <b>Total Current Assets</b>          | <b>374.5</b> | <b>451.6</b> | <b>471.3</b> | <b>623.8</b> |
| <b>Total Assets</b>                  | <b>450.5</b> | <b>560.4</b> | <b>624.8</b> | <b>788.1</b> |
| <b>Equity</b>                        |              |              |              |              |
| Equity share capital                 | 7.8          | 39.1         | 39.1         | 39.1         |
| Other equity                         | 149.5        | 189.1        | 281.8        | 342.2        |
| <b>Total Equity</b>                  | <b>157.3</b> | <b>228.2</b> | <b>320.8</b> | <b>381.3</b> |
| <b>Non-Current Liabilities</b>       |              |              |              |              |
| Borrowings                           | 0.3          | 0.0          | 0.0          | 0.0          |
| Other Financial Liabilities          | 5.2          | 5.7          | 6.1          | 6.5          |
| Provisions                           | 0.2          | 0.4          | 0.6          | 1.3          |
| Other Non-current liabilities        | 0.0          | 0.0          | 0.2          | 0.2          |
| Deferred Tax balances (net)          | 3.6          | 4.1          | 1.6          | 2.0          |
| <b>Total Non-Current Liabilities</b> | <b>9.3</b>   | <b>10.3</b>  | <b>8.6</b>   | <b>10.0</b>  |
| <b>Current Liabilities</b>           |              |              |              |              |
| Borrowings                           | 75.7         | 49.9         | 43.1         | 38.0         |
| Trade payables                       | 178.4        | 235.2        | 212.5        | 297.6        |
| Other Financial Liabilities          | 7.0          | 12.2         | 13.9         | 29.9         |
| Current tax Balances (net)           | 12.9         | 10.2         | 3.7          | 11.5         |
| Other current liabilities            | 4.9          | 9.6          | 16.3         | 13.4         |
| Provisions                           | 4.8          | 4.9          | 5.7          | 6.4          |
| <b>Total Current Liabilities</b>     | <b>283.9</b> | <b>322.0</b> | <b>295.3</b> | <b>396.9</b> |
| <b>Total Liabilities</b>             | <b>293.1</b> | <b>332.3</b> | <b>303.9</b> | <b>406.9</b> |
| <b>Total Equity and Liabilities</b>  | <b>450.5</b> | <b>560.4</b> | <b>624.8</b> | <b>788.1</b> |

Source: Company RHP

# Sharekhan

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