



Indogulf Crop Sciences Limited

June 25, 2025

IPO Details :

IPO Date	June 26, 2025 to June 30, 2025
Face Value	₹10 per share
Price Band	₹105 to ₹111 per share
Lot Size	135 Shares
Sale Type	Fresh Capital-cum-Offer for Sale
Total Issue Size	1,80,18,017 shares (aggregating up to ₹200.00 Cr)
Fresh Issue	1,44,14,414 shares (aggregating up to ₹160.00 Cr)
Offer for Sale	36,03,603 shares of ₹10 (aggregating up to ₹40.00 Cr)
Net Offered to Public	1,80,18,017 shares (aggregating up to ₹200.00 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Share holding pre issue	4,87,87,456 shares
Share holding post issue	6,32,01,870 shares
Investor Category	Shares Offered
QIB Shares Offered	Not less than 50% of the Net Issue
Retail Shares Offered	Not less than 35% of the Offer
NII (HNI) Shares Offered	Not more than 15% of the Net Issue
Retail (Min & Max) shares	135 shares & 1755 shares
Retail (Min & Max) application amount	₹14,985 & ₹1,94,805
S-HNI (Min shares & application amount)	1,890 Shares & ₹2,09,790
S-HNI (Max shares & application amount)	8,910 Shares & ₹9,89,010
B-HNI (Min shares & application amount)	9,045 Shares & ₹10,03,995
Basis of Allotment	Tue, Jul 1, 2025
Initiation of Refunds	Wed, Jul 2, 2025
Credit of Shares to Demat	Wed, Jul 2, 2025
Listing Date	Thu, Jul 3, 2025
Cut-off time for UPI mandate confirmation	5 PM on June 30, 2025
Promoters	Om Prakash Aggarwal, Sanjay Aggarwal, Anshu Aggarwal and Arnav Aggarwal are the promoters of the company.
Registrar	Bigshare Services Pvt Ltd

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link <https://ipo.adroitfinancial.com/> for any kind of assistance please contact to our helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile :

Incorporated in 1993, Indogulf Crop Sciences Limited is engaged in manufacturing crop protection products, plant nutrients, and biologicals in India. The company operates four manufacturing facilities in Samba (Jammu & Kashmir) and Nathupur (Haryana), covering approximately twenty acres, including two sites in Nathupur and one in Barwasni, Haryana. **Plant Nutrients:** The company manufactures specialty fertilizers, bio-simulants, and performance products, including straight fertilizers and soil health products, to enhance soil fertility, stimulate root growth, and improve crop yields. **Crop Protection Products:** The company manufactures crop protection products, including insecticides, fungicides, herbicides, and bio-stimulants, designed to safeguard crops from pests, diseases, and weeds, ensuring healthy growth and productivity. **Biologicals:** The company offers biological products, including bio-stimulants and bio-fertilizers, to improve crop growth, nutrient uptake, stress tolerance, and overall sustainability, with products like Biogold, Indo Breeza, and Indo Mychoriza.

In the nine months ended December 31, 2024, the company reported revenue of ₹464.19 crore and a net profit of ₹21.68 crore. In fiscal year 2024, the revenue stood at ₹552.23 crore and a net profit stood at ₹28.23 crore.

Object of the issue :

- ☐ Funding working capital requirements of the company- ₹65 crore
- ☐ Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by the company- ₹34.12 crore
- ☐ Capital expenditure for setting up an in-house dry flowable (DF) plant at Barwasni, Sonipat, Haryana- ₹14 crore
- ☐ General Corporate Purposes

Financial Details:

Particulars (Amount in Crores)	31 Dec 2024	31 Mar 2024	31 Mar 2023	31 Mar 2022
Income				
Revenue from Operations (Net)	464.19	552.23	549.66	487.21
Other Income	2.12	3.55	2.53	3.02
Total Income	466.31	555.79	552.19	490.23
Expenses				
Cost of Materials Consumed	317.97	402.67	418.36	306.30
Purchase of Stock-in-Trade	9.65	15.18	21.52	49.79
(Increase)/Decrease in Inventories	12.67	(23.17)	(32.07)	4.49
Employee Benefit Expenses	34.55	38.89	34.92	29.80
Finance Costs	10.37	12.95	11.65	6.03
Depreciation and Amortization Expenses	7.14	10.31	9.61	8.60
Other Expenses	45.91	59.26	58.05	49.67
Total Expenses	438.26	516.08	522.04	454.68
EBITDA	43.44	59.41	48.88	47.16
EBITDA Margin (%)	9.36%	10.76%	8.89%	9.68%
Profit/(loss) Before Exceptional Items & Tax	28.05	39.71	30.15	35.55
Exceptional Items	1.34	(3.67)	0.16	0.08
Profit/(Loss) Before Tax	29.39	36.04	30.31	35.63
Tax Expense	7.71	7.81	7.89	9.27
Profit / (Loss) After Tax	21.68	28.23	22.42	26.36
Profit After Tax Margin (%)	4.67%	5.11%	4.08%	5.41%
Basic EPS (in Rs.)	₹ 5.10	₹ 12.00	₹ 9.53	₹ 11.21

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link <https://ipo.adroitfinancial.com/> for any kind of assistance please contact to our helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Competitive Strengths :

- ❑ **Diversified Product portfolio with strong brand:** Indogulf has a diversified product portfolio in the agrochemical business. The product portfolio has expanded to 262, enabling it to cater to a wide range of customers in both domestic and international markets. Strong and recognizable brands are a key attribute in the industry, which increases customer confidence and influences purchase decisions. As of June 21, 2025, the company has 225 trademarks, eight copyrights, and six design registrations for logo and branded products in India and foreign.
- ❑ **Established strong brand domestically and internationally:** Indogulf has a strong network of sales and dealers across 22 states and 3 union territories in India and over 34 countries outside India. The company distributes its products through a distribution network and the distribution network comprises 192 institutional business partners (B2B), 6916 working domestic distributors (B2C), and 143 overseas business partners in over 34 countries.
- ❑ **Backward integrated manufacturing facilities:** Indogulf has four manufacturing facilities with an ISO-certified for quality management system and an environment management system. The company commenced a backward integration production facility in December 2013, reflecting a strategic approach to control the supply chain and improve cost efficiency. As a result, this backward integration is significantly reducing the costs and decreasing reliance on external suppliers, allowing it to maintain greater control over production processes.
- ❑ **Strong R&D and product development capabilities:** The company's R&D department is mainly focused on developing new products and processes, improving existing production processes, adopting advanced production technology, and improving the quality of existing products coupled with cost efficiency. That's the reason, the company was able to diversify its product range and it is currently in the process of developing and upgrading 39 products.
- ❑ **Well-experienced management team:** Indogulf is led by experienced promoters. The chairman and managing director both have over 30 years of experience in the industry. The company is assisted by an experienced team of personnel including agronomists, and advisors on product portfolio development, workforce management, and strategic planning. It will continue to leverage the management team's experience and understanding of agricultural science and industry to capture current and future opportunities.

Key Risk Factors :

- ❑ **Receivables collection challenges:** The business is credit-oriented and most of the customers clear their outstanding after the end of the harvest of the crops. The receivables as a percent of gross revenue increased from 28% in FY 2022 to 47% in 9M FY 2025 with receivables turnover days over 100 days. The company's inability to collect receivables and default in payment from the customers could affect the results of operations, financial condition, and cash flows.
- ❑ **The growth is dependent on R&D:** The company highly depends on R&D activities for future success. Future results of operations depend on the ability to successfully develop new products in a timely and cost-effective manner. Its inability to identify industry trends, and customer preferences or develop new products may affect the business and growth of the company.
- ❑ **Business relies on the demand of products:** The agrochemicals business depends on the demand of the products from the customer and the company has to maintain a reasonable inventory level. Indogulf has over 150 days' inventory and its inability to accurately forecast demand or price for the products may adversely affect the business, results of operations, and financial condition.
- ❑ **Revenue derives from certain geographies:** Revenue from operations significantly derives from certain geographies of north and east India. The northern region alone contributes over 50% to the total revenue followed by the eastern region. The company's inability to diversify into various geographies may affect the business, results of operations, and financial condition.
- ❑ **Raw materials shortage highlights risk:** The business depends on the ability to procure raw materials at competitive prices for the manufacturing of products. Any shortfall in the supply of raw materials may affect the pricing and supply of products which could further affect the business, results of operations, and financial condition.

Comparison with Listed Peers :

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Indogulf Crop Sciences Limited*	NA	10.00	NA	12.27	12.27	9.34%	131.30
Peers:							
Aries Agro Ltd	325.00	10.00	12.01	26.16	26.16	11.55%	223.08
Basant Agro Tech India Ltd	15.60	1.00	33.91	0.46	0.46	2.34%	19.65
Best Agrolife Ltd	324.25	10.00	8.31	29.56	29.56	9.22%	321.19
Bhagiradha Chemicals & Industries Ltd	294.20	1.00	274.69	1.14	1.14	2.03%	52.46
Heranba Industries Ltd	305.70	10.00	537.06	0.77	0.77	0.27%	210.25
India Pesticides Ltd	224.70	1.00	29.85	7.14	7.14	9.10%	78.52
Dharmaj Crop Guard Ltd	313.97	10.00	29.02	10.30	10.30	8.84%	116.57

* All figures mentioned above have been taken based on estimates for the full fiscal year 2025, derived from the company's performance over nine months.

SUMMARY :

Indogulf Crop Sciences manufactures crop protection products, plant nutrients, and biologicals in India. The crop protection products contribute over 90% to the total revenue followed by biologicals (~6%) and plant nutrients (~4%). It also provides contract manufacturing services that are customizable to meet the requirements and formulations requested by the clients and deliver tailored solutions. Indogulf distributes its products through a distribution network and this network comprises 192 institutional business partners (B2B), 6,916 working domestic distributors (B2C), and 143 overseas business partners in over 34 countries.

The company has a diversified product portfolio to cater to a wide customer range backed by strong R&D capabilities. As a result, it has a well-diversified portfolio of 288 products with 979 registrations and 225 trademarks, enabling it to cater to existing and new customers and markets.

The company will continue to launch new products in order to increase revenues and market share in the targeted market backed by R&D support.

The company will be reducing its Long term borrowings from the IPO proceeds which will boost its EPS in the coming quarters.

The current capacity utilization is 51% and has expansion plans for the future and the management is gearing up for the upcoming kharif season, which is the main season for the company, and is expected to grow in the coming quarters.

From the valuation point of view, the company is available at a discounted price compared to its peers.

Therefore, it is recommended to **"Subscribe"** to the IPO for long-term investment, and considering its valuation and growth potential.

DISCLAIMER**Prepared By:****Research Analyst : Anmol Grover***Email ID: anmolgrover@adroitfinancial.com***Research Analyst : Gaurav Pundir***Email ID: gauravpundir@adroitfinancial.com*

Phone Number: 0120-4550300*270/388

Adroit Financial Services Private Limited (hereinafter referred to as “Adroit”) is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and NSDL. **Adroit Financial Services Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide Registration Number INH100003084.** Adroit or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Adroit or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment. The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Neither Adroit, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. Adroit Financial Services Private Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document.