

ABOUT THE COMPANY: Regaal Resources ranks among India's leading maize-based specialty product manufacturers by crushing capacity, with an installed capacity of 750 TPD as of FY 25. Offerings include native and modified maize starches, co-products such as gluten and germ, and value-added items like icing sugar and custard powder, catering to diverse industrial applications.

KEY BUSINESS INSIGHTS: The company has been rapidly growing as it has expanded its daily manufacturing capacity from 180 MT to 825 MT as of FY 25 and the company is planning to further expand this capacity to 1650 MT. The company's plant is a zero liquid discharge plant. The company also produces close to 90% of all the energy it needs and is dependent on the grid only for the 10% of the energy. The company is located near Mechi River and hence the moisture in the surrounding helps in the improvement in the quality of starch, the starch is more white as a result. The company is a B2B player and has some marquee customers like Emami Paper Mills Limited and Manioca Food Products Private Limited. The Total size of the market is around 20,000 MT per day and the company produces around 800 MT per day which implies 4% market share.

VIEW:

The Company has demonstrated strong financial performance, with revenue increasing from ₹488 crore in FY23 to ₹915 crore in FY25, reflecting a robust CAGR of 36.95%. Profit After Tax (PAT) has grown from ₹17 crore to ₹48 crore over the same period, registering an impressive CAGR of 68.66%. Strategically located in one of India's key maize-producing regions, the Company benefits from significant procurement and logistical advantages. Its B2B business model is supported by a distinguished client base, and its operations are underpinned by sustainability initiatives. While certain promoter-related litigations remain pending and warrant monitoring, the Company's growth trajectory, operational efficiencies, and strategic positioning makes it attractive.

Accordingly, we recommend a **SUBSCRIBE** rating for investors with a higher risk tolerance seeking exposure to the agro-processing and specialty ingredients segment



ISSUE DETAILS	
Price Band (in ₹ per share)	96.00-102.00
Issue size (in ₹ Crore)	306
Fresh Issue (in ₹ Crore)	210
Offer for Sale (in ₹ Crore)	96
Issue Open Date	12.08.2025
Issue Close Date	14.08.2025
Tentative Date of Allotment	18.08.2025
Tentative Date of Listing	20.08.2025
Total Number of Shares (in lakhs)	300.00
Face Value (in ₹)	5.00
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	144	14,688
Retail (Max)	13	1872	1,90,944
S-HNI (Min)	14	2016	2,05,632
S-HNI (Max)	68	9792	9,98,784
B-HNI (Min)	69	9936	10,13,472

BRLMs: Pantomath Capital Advisors Private Limited, Sumedha Fiscal Services Limited

PROMOTERS: Anil Kishorepuria , Shruti Kishorepuria , Karan Kishorepuria

BRIEF FINANCIALS

PARTICULARS (Rs. Cr)	FY25	FY24	FY23
Share Capital	41.07**	9.59	9.59
Net Worth	235.41	126.61	104.41
Revenue from Operations	915.16	600.02	487.96
EBITDA	112.79	56.37	40.67
EBITDA Margin (%)	12.32	9.39	8.34
Profit/(Loss) After Tax	47.67	22.14	16.76
EPS (in Rs.)	6.05	2.89	2.20
Net Asset Value (in Rs.)	28.66	16.51	13.62
Total borrowings	507.05	357.21	188.93
P/E [#]	17	NA	NA
P/B [#]	4	NA	NA

** Bonus Issue 3:1 and 5,454,540 equity shares allotted at 110 per share to BFL Private Limited and SRM Private Limited in November 2024 # Calculated at Upper Price Band (102)

OBJECTS OF THE OFFER

The Company proposes to utilize the net proceeds towards funding the following objects:

- Repayment and/ or pre-payment, in full or in part, of the certain outstanding borrowings availed by the Company (159.00)
- General corporate purposes

FINANCIAL STATEMENTS

Profit & Loss Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	487.96	600.02	915.16
Other Income	0.72	1.05	2.42
Total Income	488.67	601.08	917.58
YoY Growth (%)	-	23.00%	52.66%
Cost of Materials Consumed	292.68	327.03	530.89
Purchase of Stock in trade	58.13	132.18	140.05
Change in Inventories	-2.72	-27.09	-6.33
Employee Benefit Expenses	17.51	20.37	24.64
Other Expenses	81.68	91.16	113.13
EBIDTA	40.67	56.36	112.79
EBIDTA Margin (%)	8.34%	9.39%	12.32%
Depreciation and amortisation expense	7.55	8.83	14.06
EBIT	33.84	48.59	101.15
EBIT Margin (%)	6.93%	8.10%	11.05%
Finance cost	11.25	19.47	37.35
Profit before tax	22.59	29.13	63.80
Tax expenses			
Current tax	3.77	2.85	10.66
Deferred tax	2.06	4.13	5.47
Total tax expenses	5.84	6.99	16.13
Profit for the year	16.76	22.14	47.67
PAT Margin (%)	3.43%	3.68%	5.19%
Earnings per share			
Basic earnings per share (₹)	2.20	2.89	6.05

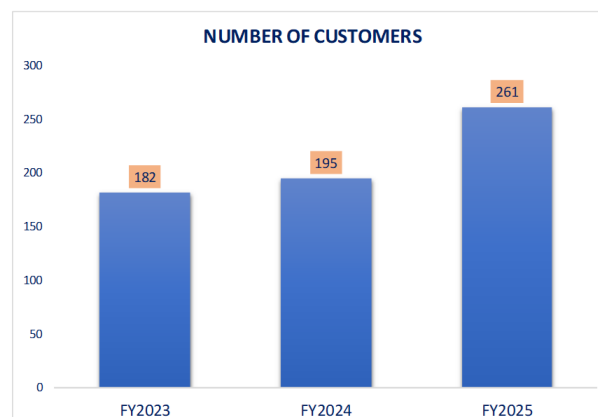
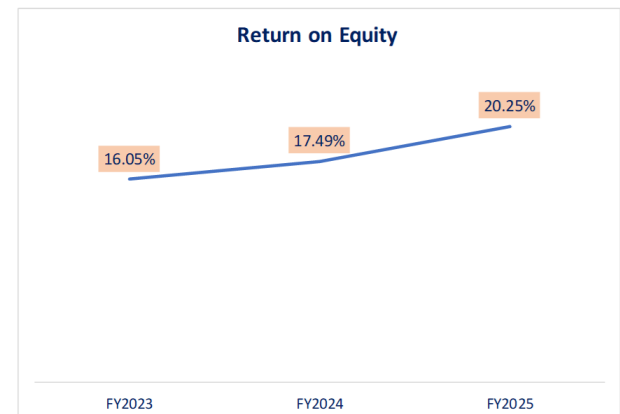
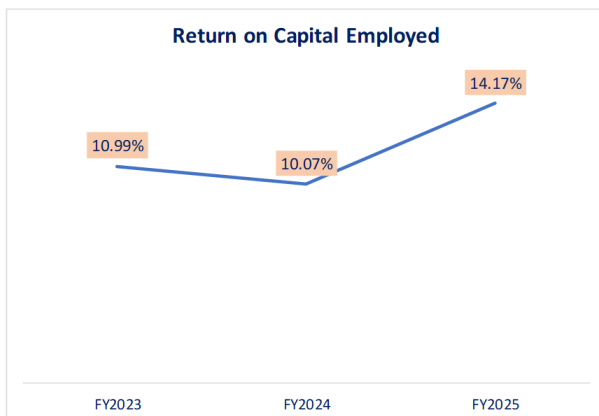
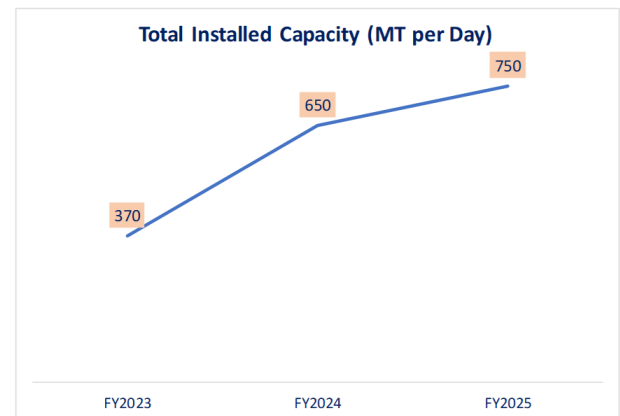
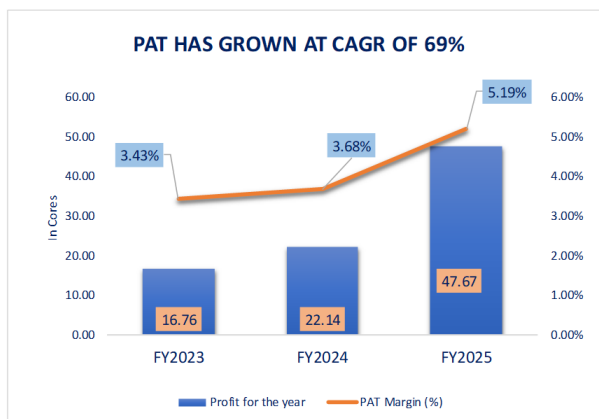
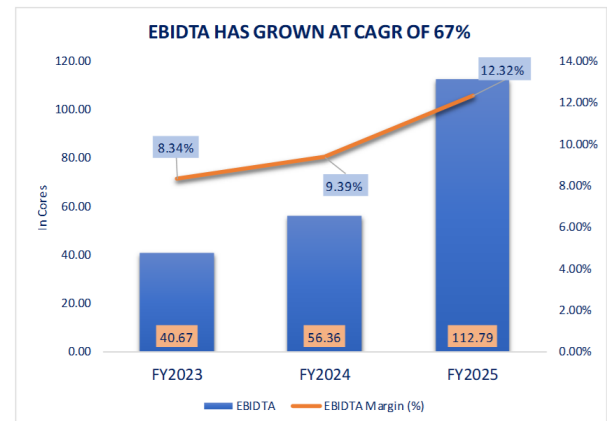
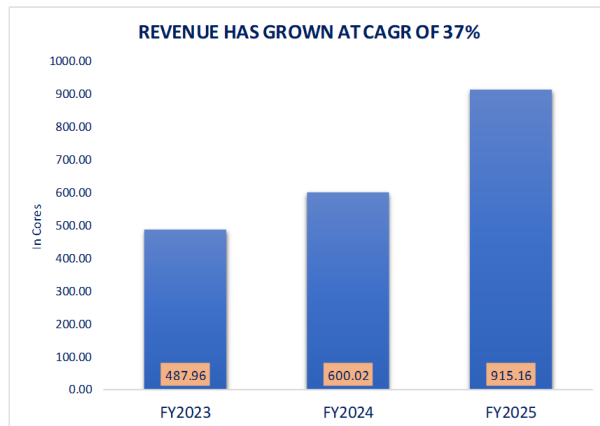
Cashflow Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
Cash generated from operating activities	43.85	-18.95	-2.04
Income tax paid (net of refunds)	-9.22	-3.56	-9.16
Net cash generated from operating activities	34.63	-22.51	-11.20
Net cash used in investing activities	-69.38	-106.31	-127.99
Net cash used in financing activities	34.76	148.51	172.31
Net increase/ (decrease) in cash and cash equivalents before effect of rate exchange	0.01	19.68	33.12
Balance as at beginning	0.09	0.09	19.78
Cash and cash equivalent as at year end	0.09	19.78	52.90

Balance Sheet

Particulars (In Crores)	FY2023	FY2024	FY2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	175.27	300.42	371.40
(b) Right of use assets	8.14	4.55	6.04
(c) Capital work in progress	44.12	39.60	70.36
(d) Intangible assets	0.02	0.03	0.05
(e) Financial assets			
(i) Investments	0.41	0.86	1.12
(ii) Other Financial Asset	1.42	1.61	1.98
(f) Other Non current assets	17.27	9.60	31.18
Total Non-current assets	246.65	350.68	482.14
Current assets			
(a) Inventories	30.51	57.08	118.35
(b) Financial assets			
(i) Investments	-	1.12	-
(ii) Trade receivables	72.00	126.74	136.87
(iii) Cash and cash equivalents	0.09	19.78	52.51
(iv) Bank Balance other than (iii) above	-	-	0.89
(v) Other Financial Asset	11.58	5.84	12.51
(c) Current tax assets	0.46	0.52	0.54
(d) Other Current Assets	10.50	24.43	56.29
Total Current assets	124.67	235.29	378.13
Total Assets	371.32	585.97	860.27
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9.59	9.59	41.07
(b) Other equity	102.92	125.12	202.44
Total Equity	112.51	134.71	243.51
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	125.20	251.23	304.35
(ii) Lease liabilities	8.22	4.80	4.51
(b) Provisions	1.33	1.86	2.61
(c) Deferred tax liabilities (net)	8.58	12.73	18.25
Total Non-current liabilities	143.63	270.65	329.61
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	63.73	105.98	202.70
(ii) Lease liabilities	0.12	0.38	0.42
(iii) Trade payables			
- total outstanding dues of MSME	0.87	1.40	0.08
- total outstanding dues other than MSME	39.85	53.30	47.93
(iv) Other Financial Liabilities	7.14	17.41	32.77
(b) Other current liabilities	3.95	19.26	15.11
(c) Provisions	0.05	0.05	0.05
(d) Current Tax Liability (Net)	0.58	0.14	1.64
Total current liabilities	115.38	180.62	287.15
Total Liabilities	259.01	451.26	616.76
Total equity and liabilities	371.52	585.97	860.27

PERFORMANCE THROUGH CHARTS



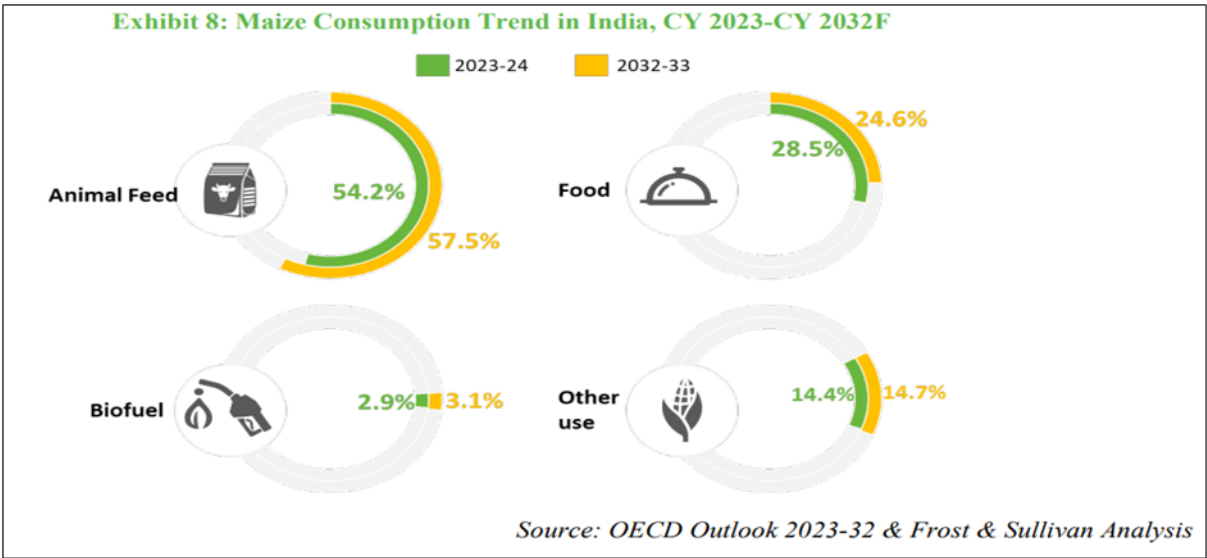
INDUSTRY REVIEW

MAIZE STARCH AND ITS APPLICATIONS

Starch, a naturally occurring α-D-glucan polymer composed primarily of amylose and amylopectin, is the most abundant edible carbohydrate stored in plants and serves as a key industrial polymer across food and non-food sectors. Commercial starch is primarily derived from maize, potato, rice, wheat, and tapioca through mechanical grinding and wet separation processes. It may be further modified via physical or chemical methods to enhance functionality, resulting in three principal categories: native starch, modified starch (e.g., dextrin, pre-gelatinized, oxidized), and derivatives such as glucose and high-fructose maize syrup. Owing to its versatility, starch is utilized in diverse applications including viscosifiers, encapsulants, emulsifiers, defoaming agents, and sizing agents, particularly for its textural, gelling, and film-forming properties. Maize starch, in particular, is a white, odorless, tasteless powder extensively used in food processing, paper manufacturing, industrial adhesives, cosmetics, and oral pharmaceutical formulations.

MAIZE CONSUMPTION TREND IN INDIA

India’s maize demand is projected to rise steadily, driven by expansion in the feed and silage sectors, with feed consumption expected to increase from 54% in 2023–24 to approximately 58% by 2032–33, as per the OECD Agricultural Outlook 2023–2032. While maize production has reached record levels, enhancing productivity remains critical amid climate-induced constraints on arable land and escalating demand. Mechanized farming and adoption of single-cross hybrids offer pathways to improved yield and profitability, underscoring the need for a competitive and resilient supply chain. Concurrently, structural shifts in urbanization, household composition, and dietary preferences have significantly boosted maize consumption. The rise in nuclear families and demand for convenience foods—such as snacks, soups, cereals, and baked goods—has intensified the use of maize-based ingredients, supported by growing population, rising disposable incomes, and evolving food habits across urban and semi-urban India. In the coming years, it is expected that the India's growing feed and silage sectors will lead to a continuous increase in the demand for maize. The OECD 2023-32 report states that feed consumption in India is expected to increase from the present (2023-24) 54% to approximately 58 in 2032-33.





COMPETITIVE STRENGTHS OF THE COMPANY

STRATEGIC LOCATION OF MANUFACTURING FACILITY

The Company's manufacturing facility is strategically situated in Kishanganj district, Bihar—one of India's top three maize-producing states—offering proximity to key cultivation zones including West Bengal (21 km) and Assam (209 km). As per the F&S Report, Bihar and West Bengal are traditional maize-growing regions, with Seemanchal and Koshi areas emerging as major hubs where maize has become the principal cash crop, particularly in districts such as Purnea, Kishanganj, Araria, and Katihar. The facility's location near Gulabbagh mandi in Purnea, one of India's largest maize trading centers (approximately 110 km away), enables access to high-quality maize at competitive prices and supports lower logistics costs. Additionally, the Bihar-based plant offers logistical advantages for servicing both domestic and export markets efficiently.

SUSTAINIBILITY DRIVEN MANUFACTURING FACILITY

Since inception, the Company has prioritized the development and continuous enhancement of its manufacturing facility and wet milling operations, resulting in consistently high capacity utilization. The facility is equipped with dedicated storage infrastructure and an automated packing unit featuring weather-resistant loading docks and specialized flooring, supporting efficient handling of finished goods with a total capacity of 5,000 MT. Additionally, the plant houses a co-generation power unit with an installed capacity of 7.1 MW, enabling substantial self-sufficiency in meeting operational energy requirements and ensuring uninterrupted production.

DIVERSIFIED PRODUCT PORTFOLIO

As per the F&S Report, the Company ranks among the top ten maize milling enterprises in India by installed crushing capacity, with 750 TPD. Between Fiscal 2023 and Fiscal 2025, it recorded a revenue CAGR of 36.95%, positioning it as one of the fastest-growing manufacturers of maize-based specialty products among its identified peers. Initially focused on native maize starch and co-products such as gluten, germ, and enriched fiber, the Company has progressively diversified its portfolio to include modified starches (white dextrin, yellow dextrin, oxidized starch, edible starch), value-added products (maize flour, icing sugar, custard powder, baking powder), and co-products like maize steep liquor. This expansion is supported by rising demand across end-user industries including animal nutrition, snacks, confectionery, convenience foods, sauces and spices, pharmaceuticals, paper, and apparel.

RISK FACTORS

IPC VIOLATION BY PROMOTER

- The Central Bureau of Investigation, Economic Offences Wing, Mumbai filed a chargesheet dated June 23, 2006 against various persons including one of the company's Promoters, Anil Kishorepuria alleging violation of Section 120-B of the Indian Penal Code, 1860 (IPC), read with sections 409, 420, 467, 468, and 471 of the IPC, and section 13(2) read with section 13(1)(c) and (d) of the Prevention of Corruption Act, 1988. The matter pertains to an alleged fraudulent scheme involving preferential allotment of equity shares of Padmini Technologies Limited in May / June 1999 to various allottees, including Anil Kishorepuria without consideration.
- Any adverse order in this proceeding could have a material impact on the reputation of the Company and its business operations. Currently, the matter is pending before Additional Sessions Judge at Mumbai and the next hearing is scheduled on August 11, 2025.

SUPPLIER CONCENTRATION

- A few select vendors/suppliers constitute a vast majority of the company's total purchase of maize. It also source maize directly from the cultivators, through aggregators, with whom it does have long-term contracts or arrangements.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of cost of purchase of maize	Amount (in ₹ million)	% of cost of purchase of maize	Amount (in ₹ million)	% of cost of purchase of maize
Top 3 vendors	5,178.25	72.11	3,112.59	68.36	1,484.44	46.63
Top 5 vendors	5,973.27	83.18	3,696.13	81.18	1,922.80	60.40
Top 10 vendors	6,788.11	94.53	4,266.23	93.70	2,656.00	83.43

- The price of maize may be affected by multiple factors beyond the control of the Company and if aspects such as inconsistency in the quality of maize, high cost of cultivation and rising post-harvest losses may result in the price of the maize increasing.
- The company typically places purchase orders with its vendors and with a few vendors it enter into annual agreements, for the purchase of maize, but does enter into long term of contracts or arrangements for procuring maize. The company cannot assure that it can retain any of its top 10 vendors of maize or be able to place purchase orders on favourable terms with its existing top 10 vendors of maize. Further, the company may not be able to find a suitable replacement for any of its existing top 10 vendors of maize.

PROMOTER WAS BARRED FROM ACCESSING CAPITAL MARKET IN THE PAST

- Pursuant to a common order dated March 31, 2007 of the whole time member of the SEBI (SEBI Order), Anil Kishorepuria, one of the company's Promoters, and certain members of the Promoter Group viz., Sunil Kishorepuria, in their capacity as directors of M/s Ji-wansagar Promoters Pvt. Ltd. (Jiwansagar), Bllumenfeld Ltd. (BFL, one of the company's Promoters) and of M/s Contessa Commercial Co. Pvt. Ltd. (Contessa and collectively with Anil Kishorepuria, Sunil Kishorepuria, Jiwansagar, and BFL, the Company Related Entities) were restrained from associating with capital market related activities, and from accessing the capital markets for a period of 5 years from the date of the SEBI Order.
- The SEBI Order, under section 19 read with 11B of the SEBI Act, 1992, and Regulation 10 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (SEBI PFUTP Regulations) was based upon certain findings against the aforementioned persons, for participating in market manipulation and acting as a conduit for offloading shares of the entity Padmini Technologies Ltd. to manipulate share prices. The aforementioned entities preferred separate appeals to the Securities Appellate Tribunal (SAT). The SAT dismissed the appeals by the Company Related Entities by a common order dated October 17, 2007, wherein the penalty was reduced to 'period already undergone'. Currently, there is no prohibition or bar on the Company Related Entities from associating with capital market related activities and from accessing the capital market.

PEER COMPARISON

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
Regaal Resources Limited	918	5	6.05	28.66	20.25	17 [^]	4 [^]
Sanstar Limited	971	2	2.58	34.18	7.03	34	3
Gujarat Ambuja Exports Limited	4,695	1	5.44	65.46	8.30	19	2
Gulshan Polyols Limited	2,025	1	3.95	87.07	4.02	44	2
Sukhjit Starch and Chemicals Limited	1,506	5	12.79	173.82	7.36	13	1

Financials are of FY2025 Data [^] Calculated at upper price band of 102. *Calculated at closing of 6th August 2025



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