Retail Research	IPO Note
Sector: Chemicals	Price Band (Rs): 304 - 320
12th March 2026	Recommendation: NEUTRAL

GSP Crop Science Ltd.

Company Overview:

GSP Crop Science Ltd. (GSP) is a research-driven agrochemical company, providing crop protection solutions to the agriculture industry, with over 40 years of experience. GSP specializes in the development and manufacturing of insecticides, herbicides, fungicides and plant growth regulators. The company operates under two distinct businesses which are categorized as (I) Formulations and (II) Technical. Formulations are composed of active ingredients, which refer to the chemical compounds responsible for achieving the desired effects on the target pests, weeds, or plant diseases. Technicals are concentrated forms of active ingredients that are processed with other ingredients to develop formulated products such as insecticides, herbicides and fungicides. GSP has adopted a multi-faceted business strategy by establishing presence in both domestic and international markets. In its international business, the company caters to customers in 37 countries across Latin America, Asia Pacific, North America, etc.

Key Highlights:

1. Diversified product offerings: The company has developed a well-rounded product portfolio which includes a wide range of insecticides, herbicides, fungicides, and plant growth regulators, making it a comprehensive solution provider in the agrochemical industry. GSP's diversified product portfolio enables it to effectively meet the unique needs of both the B2B and B2C customers, aligns with customer preferences and adapts to changing market dynamics. This flexibility enhances the company's ability to deliver tailored solutions that resonate with its diverse clientele.

2. Resilient manufacturing capabilities: As of Sep'25, the company has 5 manufacturing facilities, with 4 facilities in Gujarat and 1 in Jammu & Kashmir. Combined annual installed capacity stood at 15,120 MTPA for Technicals, 43,672 MTPA for Formulations and 5,400 MTPA for Intermediates as of Sep'25. The company has focused on improving operational efficiency by using equipment and machinery capable of manufacturing Formulations and Technicals, which helps minimize the number of employees required to operate them. It also intends to focus on developing alternate production capabilities for Formulations and Technicals that are expected to go off-patent in the near future.

3. Strong in-house R&D prowess: The company's R&D efforts place significant emphasis on identifying Formulations and Technicals that are suitable for commercialization, enhancing the production process, improving the quality and purity of the present products and manufacturing new off-patent products. GSP has a dedicated R&D team comprising 35 employees. It has been granted 102 patents as of Sep'25 and has 108 patent applications under process.

Valuation: At upper price band of the issue price of Rs 320, the IPO is valued at 18.3x FY25 P/E, which is at a premium to peers that are domestic market focused. 2nd half of the fiscal is seasonally weak for crop protection chemical manufacturers and the current rise in raw material and freight costs due to the Middle East war is likely to impact performance in 4QFY26. Moreover, monsoon 2026 is likely to be weaker than last year due to the possible development of El-Nino conditions which could impact the acreage and the resultant demand for insecticides, herbicides and fungicides. Hence, we assign a NEUTRAL rating and would like to monitor the company's performance for few quarters post-listing.

Issue Details	
Date of Opening	16th March 2026
Date of Closing	18th March 2026
Price Band (Rs)	304 – 320
Issue Size (Rs cr)	400
Fresh Issue (Rs cr)	240
Offer for Sale (Rs cr)	160 @ UB
No. of shares (@ upper band)	1,25,00,000
Face Value (Rs)	10
Post Issue Market Cap (Rs cr)	1,426 – 1,489
BRLMs	Equirus Capital Pvt. Ltd., Motilal Oswal Investment Advisors Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Bid Lot	46 shares and in multiple thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Objects of Issue	Estimated utilization from net proceeds (Rs cr)
Repayment and/ or pre-payment, in full or in part, of certain outstanding borrowings	170.0
General corporate purposes*	70.0
Total proceeds from fresh issue*	**240.0**

Shareholding Pattern

Pre-Issue	No. of Shares	%
Promoter & Promoter Group	3,83,65,575	98.3
Public & Others	6,53,175	1.7
Total	**3,90,18,750**	**100.0**

Post Issue @Upper Price Band	No. of Shares	%
Promoter & Promoter Group	3,33,65,575	71.7
Public & Others	1,31,53,175	28.3
Total	**4,65,18,750**	**100.0**

Selling shareholder via OFS	Classification	No. of shares
Vilasben Vrajmohan Shah	Promoter	20,00,000
Bhavesh Vrajmohan Shah	Promoter	15,00,000
Kappa Trust	Promoter	15,00,000
Total		**50,00,000**

Source: RHP, SBICAP Securities Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25	1HFY26
Revenue from operations	1,203	1,152	1,287	844
EBITDA	79	124	150	136
PAT	18	56	81	81
EBITDA Margin (%)	6.5	10.8	11.7	16.1
PAT Margin (%)	1.5	4.8	6.3	9.6
RoE (%)	4.8	15.0	18.1	-
RoCE (%)	8.8	18.2	18.9	-
P/E (x)*	71.1	22.5	15.3	-
EV/EBITDA (x)*	19.5	11.6	10.1	-
EV/Sales (x)*	1.3	1.3	1.2	-

Note: Pre-issue P/E (x), EV/EBITDA (x) and EV/Sales (x) are based on upper price band;
Source: RHP, SBICAP Securities Research

Risk Factors

- **Regulatory risk:** The company requires certain approvals, including certain registrations from the Central Insecticides Board and Registration Committee for its products. Any failure to successfully obtain such registrations or renew or maintain statutory and regulatory permits and approvals required may hinder business operations.
- **Supply-chain risk:** GSP depends on a few suppliers for raw materials. Any failure to procure such raw materials from these suppliers amid supply chain disruption may impact business operations.
- **Reliance on China for imports:** During 1HFY26 and FY25, the company imported ~42% and ~38% of its raw materials from China, respectively. Any geopolitical tensions or export curbs from the Chinese authorities may cause business operation interruptions.
- **Contractual risk:** The company does not enter into long-term agreements with its customers. Any inability to retain the customers or find replacement customers for its products may have a material adverse impact on profitability, financial condition and results of operations.
- **Business seasonality:** The business is sensitive to seasonal vagaries and adverse weather conditions which affect the agrochemical industry. Seasonal variations and unfavorable local and global weather patterns may have an adverse effect on the business, results of operations and financial condition.

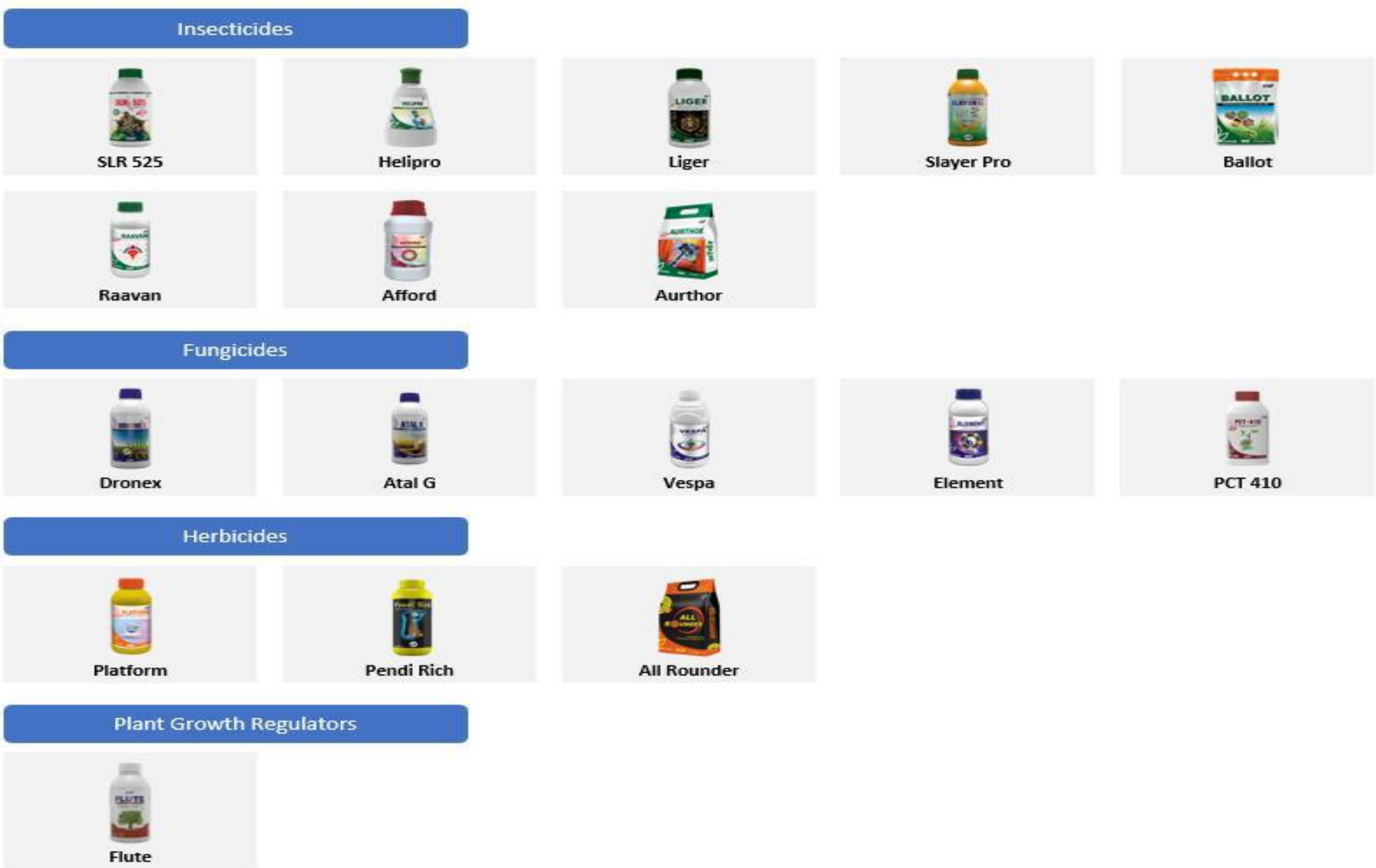
Growth Strategies

- Leverage the diverse offerings to expand into international markets and capitalize on the growing agrochemical industry.
- Continue to expand the product offerings by leveraging its R&D capabilities.
- Diversify customer base by adding new customers and increase wallet share with existing customers.
- Optimize manufacturing capabilities through backward integration and focus on improving operational efficiencies.

Geographical Presence

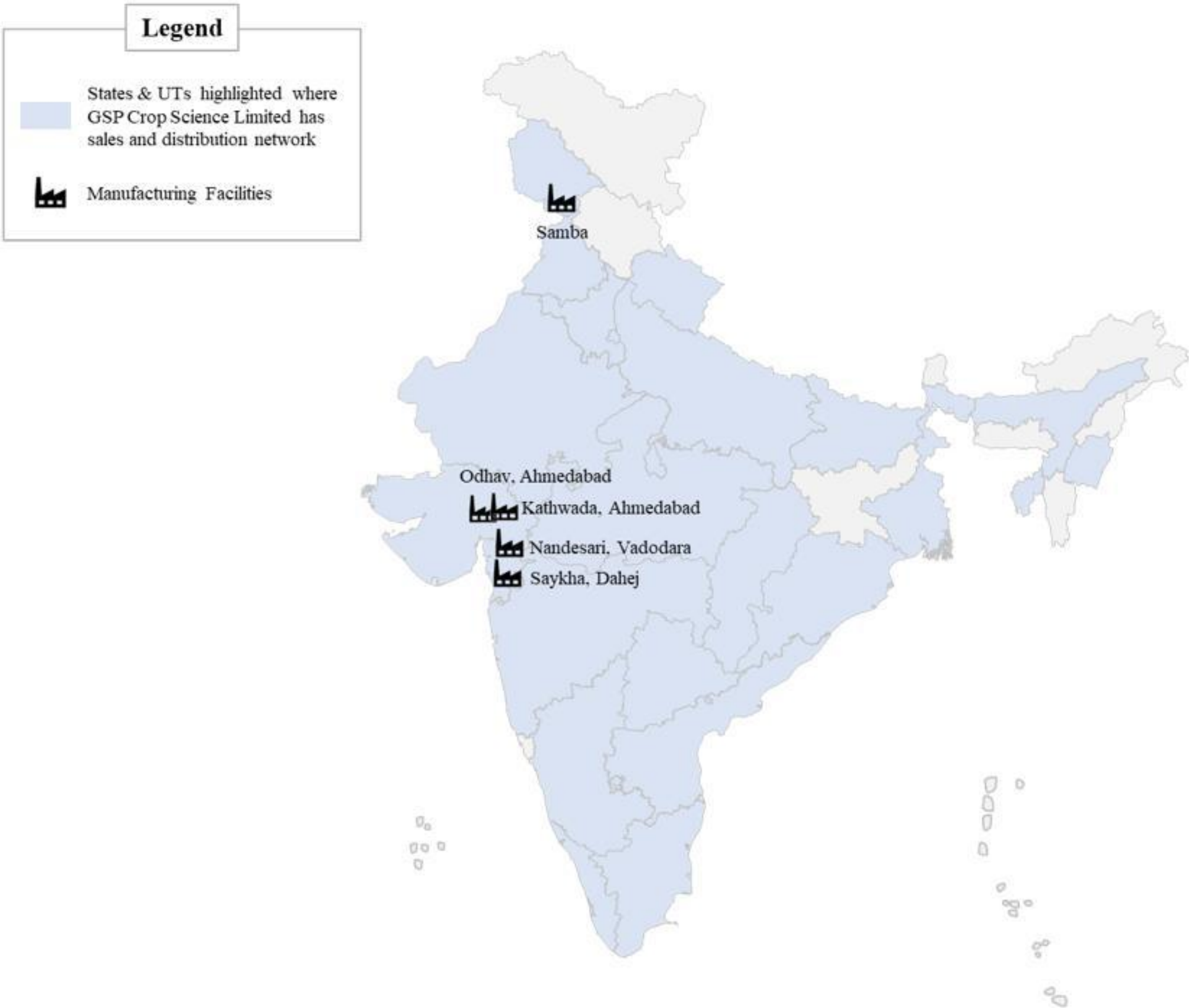
Source: RHP, SBICAP Securities Research

Product Offerings



Source: RHP, SBICAP Securities Research

Manufacturing Facilities



Source: RHP, SBICAP Securities Research

Segment-wise Revenue Split

Particulars	FY23		FY24		FY25		1HFY26	
	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue
Formulations	709	59.1	754	65.6	879	70.6	603	71.8
Technicals	491	40.9	396	34.4	367	29.4	237	28.2
Total	**1,200**	**100.0**	**1,150**	**100.0**	**1,246**	**100.0**	**840**	**100.0**

Source: RHP, SBICAP Securities Research

Indian state-wise Revenue Split

Particulars	FY23		FY24		FY25		1HFY26	
	Rs cr	as % of RCO	Rs cr	as % of RCO	Rs cr	as % of RCO	Rs cr	as % of RCO
Gujarat	399	33.1	361	31.3	408	31.7	230	27.3
Maharashtra	153	12.7	162	14.0	193	15.0	143	16.9
Andhra Pradesh	64	5.3	76	6.6	82	6.4	31	3.7
Rajasthan	52	4.3	71	6.1	64	5.0	47	5.6
Karnataka	40	3.3	32	2.8	50	3.9	33	4.0
Madhya Pradesh	48	4.0	40	3.5	50	3.9	36	4.2
Uttar Pradesh	36	3.0	55	4.8	50	3.9	37	4.4
Haryana	60	5.0	62	5.4	47	3.6	37	4.4
Telangana	49	4.1	55	4.8	45	3.5	41	4.9
Punjab	71	5.9	57	4.9	44	3.4	41	4.9
Other States	57	4.8	56	4.8	105	8.2	86	10.2
Total Revenue from Continuing Operations (RCO)	**1,029**	**85.5**	**1,026**	**89.1**	**1,139**	**88.5**	**763**	**90.3**

Source: RHP, SBICAP Securities Research

Geography-wise Revenue Split

Particulars	FY23		FY24		FY25		1HFY26	
	Rs cr	as % of RCO	Rs cr	as % of RCO	Rs cr	as % of RCO	Rs cr	as % of RCO
Domestic Business	1,032	85.7	1,028	89.2	1,143	88.8	764	90.4
International Business*	172	14.3	124	10.8	144	11.2	81	9.6
Total Revenue from Continuing Operations	**1,203**	**100.0**	**1,152**	**100.0**	**1,287**	**100.0**	**844**	**100.0**

*Note: *The international business primarily includes business from Uruguay, United States of America, Vietnam, Brazil, Singapore, Bangladesh, United Arab Emirates, Taiwan, Australia and Sri Lanka.*

Source: RHP, SBICAP Securities Research

Category-wise Revenue Split

Particulars	FY23		FY24		FY25		1HFY26	
	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue
Revenue from Sale of Patented Products	70	5.8	160	13.9	217	17.4	144	17.1
Revenue from Sale of Generic Products	1,130	94.2	991	86.1	1,029	82.6	697	82.9
Total	**1,200**	**100.0**	**1,150**	**100.0**	**1,246**	**100.0**	**840**	**100.0**

Source: RHP, SBICAP Securities Research

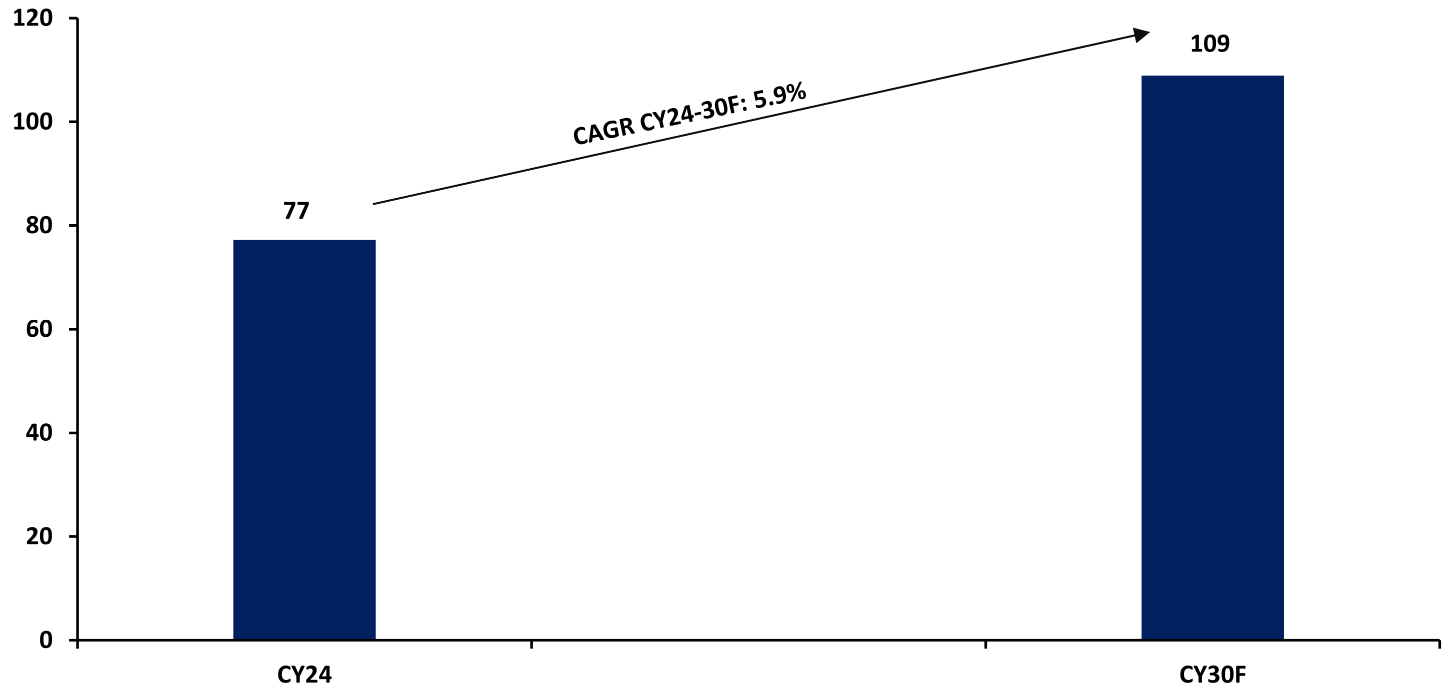
Raw Material Cost Split

Particulars	FY23		FY24		FY25		1HFY26	
	Rs cr	as % of PCO	Rs cr	as % of PCO	Rs cr	as % of PCO	Rs cr	as % of PCO
Imports	**337**	**38.8**	**249**	**39.4**	**365**	**40.0**	**248**	**45.7**
from China	277	31.9	223	35.3	347	38.0	228	42.1
Others	60	6.9	26	4.2	19	2.0	20	3.6

Note: PCO is Purchases for Continuing Operations; Source: RHP, SBICAP Securities Research

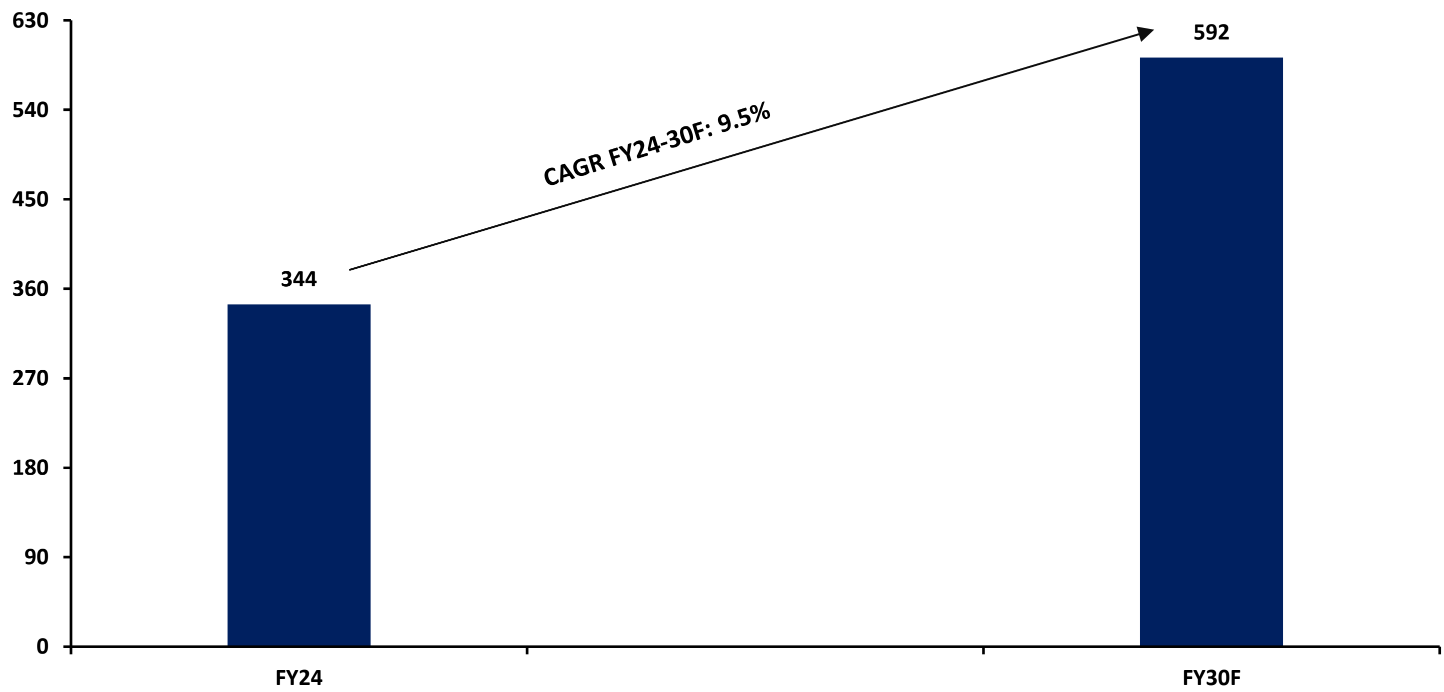
Industry Overview

Global Agrochemical Sales Value, CY24-30F (in USD bn)



Source: RHP, SBICAP Securities Research

India Agro Chemical Market, FY24-30F (in Rs bn)



Source: RHP, SBICAP Securities Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1HFY26**
Revenue from Operations	**1,203**	**1,152**	**1,287**	**844**
YoY growth (%)	-	*-4.3%*	*11.7%*	-
COGS (incl Stock Adj)	877	745	778	526
Gross Profit	**326**	**407**	**509**	**318**
Gross margin (%)	***27.1%***	***35.3%***	***39.6%***	***37.7%***
Employee Cost	64	80	96	53
Other Operating Expenses	184	202	263	129
EBITDA	**79**	**124**	**150**	**136**
EBITDA margins (%)	***6.5%***	***10.8%***	***11.7%***	***16.1%***
Other Income	3	6	14	3
Interest Exp.	37	34	31	17
Depreciation	21	20	23	14
PBT	**23**	**77**	**110**	**108**
Exceptional item	-	-	-	-
Tax	6	21	28	27
PAT	**18**	**56**	**81**	**81**
PAT margin (%)	***1.5%***	***4.8%***	***6.3%***	***9.6%***
EPS (Rs)	**4.5**	**14.2**	**20.9**	**20.8**

BALANCE SHEET				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1HFY26**
Assets				
Net Block	95	102	140	151
Capital WIP	15	48	40	40
Intangible Assets	2	2	2	2
Intangible Assets under development	1	3	10	15
Goodwill	3	3	3	3
Right of use assets	69	70	69	70
Other Noncurrent Assets	51	34	59	64
Current Assets				
Current Investment	-	-	2	2
Inventories	351	226	370	345
Trade receivables	415	324	387	645
Cash and Bank Balances	43	40	32	29
Short-term loans and advances	0	20	20	20
Other Current Assets	88	77	94	105
Total Current Assets	**897**	**688**	**905**	**1,147**
Current Liabilities & Provisions				
Trade payables	352	233	344	481
Other current liabilities	52	77	98	88
Short-term provisions	40	35	35	67
Total Current Liabilities	**443**	**346**	**476**	**636**
Net Current Assets	**454**	**342**	**429**	**511**
Assets Classified as held for sale	-	31	-	-
Total Assets	**689**	**635**	**752**	**856**
Liabilities				
Share Capital	27	26	39	39
Reserves and Surplus	336	344	411	491
Total Shareholders' Funds	**363**	**370**	**450**	**530**
Minority Interest	0	(0)	2	0
Total Debt	324	235	296	321
Long Term Provisions	1	1	3	2
Lease Liabilities	-	1	1	2
Other Long-Term Liabilities	-	-	1	1
Liabilities directly associated with assets classified as held for sale	-	27	-	-
Total Liabilities	**689**	**635**	**752**	**856**

Cash Flow Statement (Rs cr)	FY23	FY24	FY25	1HFY26
Cash flow from Operating Activities	104	207	38	27
Cash flow from Investing Activities	(47)	(19)	(80)	(36)
Cash flow from Financing Activities	(159)	(178)	30	5
Free Cash Flow	70	178	(35)	(8)

RATIOS			
Particulars	FY23	FY24	FY25
Profitability			
Return on Capital Employed	8.8%	18.2%	18.9%
Return on Equity	4.8%	15.0%	18.1%
Margin Analysis			
Gross Margin	27.1%	35.3%	39.6%
EBITDA Margin	6.5%	10.8%	11.7%
Net Profit Margin	1.5%	4.8%	6.3%
Short-Term Liquidity			
Current Ratio (x)	1.3	1.3	1.3
Quick Ratio (x)	0.8	0.9	0.8
Avg. Days Sales Outstanding	126	103	110
Avg. Days Inventory Outstanding	106	72	105
Avg. Days Payables	114	83	110
Fixed asset turnover (x)	7.1	6.4	5.7
Debt-service coverage (x)	0.2	0.4	0.4
Long-Term Solvency			
Total Debt / Equity (x)	0.9	0.6	0.7
Interest Coverage Ratio (x)	1.6	3.3	4.5
Valuation Ratios*			
EV/EBITDA (x)	19.5	11.6	10.1
P/E (x)	71.1	22.5	15.3
P/B (x)	3.4	3.4	2.8
EV/Sales (x)	1.3	1.3	1.2
P/Sales (x)	1.0	1.1	1.0

******Valuation ratios are based on pre-issue capital at the upper price band***

Source: RHP, SBICAP Securities Research

Peer Comparison – FY25

Particulars (Rs cr)	GSP Crop Science Ltd.	PI Industries Ltd.	Sumitomo Chemical India Ltd.	Dhanuka Agritech Ltd.	Rallis India Ltd.	Insecticides India Ltd.
CMP (Rs)	320	2,941	390	971	247	614
Mkt Cap.	1,489	44,640	19,486	4,376	4,804	1,783
Enterprise Value	1,512	42,252	19,443	4,417	4,774	1,825
Sales	1,287	7,978	3,149	2,035	2,663	2,000
EBITDA	150	2,206	633	417	288	221
Net Profit	81	1,663	494	292	124	142
EBITDA Margin (%)	11.7	27.7	20.1	20.5	10.8	11.1
Net Profit Margin (%)	6.3	20.8	15.7	14.3	4.7	7.1
RoE (%)	11.8	16.4	17.0	20.8	6.5	13.1
RoCE (%)	14.3	21.4	23.1	27.1	10.5	16.8
P/E (x)	18.3	26.8	39.4	15.0	38.7	12.6
EV/EBITDA (x)	10.1	19.2	30.7	10.6	16.6	8.3
EV/Sales (x)	1.2	5.3	6.2	2.2	1.8	0.9

For GSP Corp Science Ltd., the Market Cap, P/E (x), EV/EBITDA (x), EV/Sales, RoE (%) and RoCE (%) are calculated on post-issue equity share capital based on the upper price band.

CMP of peer companies is as of 12th March, 2026.

Source: RHP, SBICAP Securities Research.

SBICAP Securities Ltd.

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