



Sigachi Industries Ltd.

IPO DETAILS



Issue Opens

1st Nov 21, Mon

Issue Closes

3rd Nov 21, Wed

Min. Lot Size

90 Shares

Issue Price Band

₹161 - ₹163

Issue size

Fresh Issue:
7.70 Mn Equity Shares
(₹1,254.29 Mn)

OFS:
NIL

Face Value
₹10

Listing at
NSE, BSE

Objectives of the Issue

For expansion of production capacity for MCC at Dahej and Jhagadia, Gujarat.

To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh.

For general corporate purposes.

Rating

SUBSCRIBE

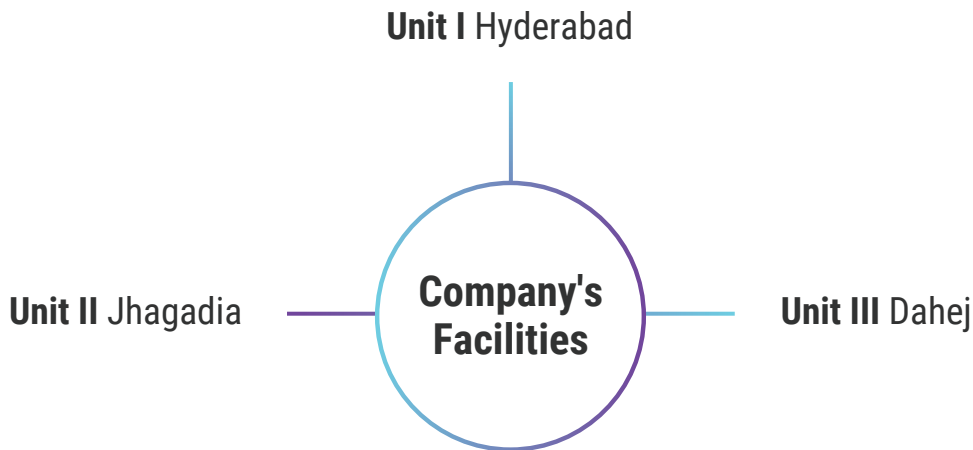
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Sigachi Industries Ltd.

Company Overview

Sigachi Industries Ltd. is engaged in manufacturing of Microcrystalline Cellulose (MCC) which is widely used as an excipient for finished dosages in the pharmaceutical industry. MCC has varied applications in the pharmaceutical, food, nutraceuticals, and cosmetic industries. It manufactures MCC of various grades ranging from 15 microns to 250 microns.



59

Different grades of MCC
manufactured

11,880 MTPY

Aggregate installed
capacity

MTPY (Metric Tonnes Per Year)

MCC manufactured and marketed under brand name

HiCel

AceCel



Operations & Management

The company has entered into operations and management agreements with Gujarat Alkalies and Chemicals Ltd. for operating & managing the manufacturing units owned by GACL & for contract manufacturing of sodium chlorate, stable bleaching powder & poly aluminum chloride in the said units.



In-House R&D Division

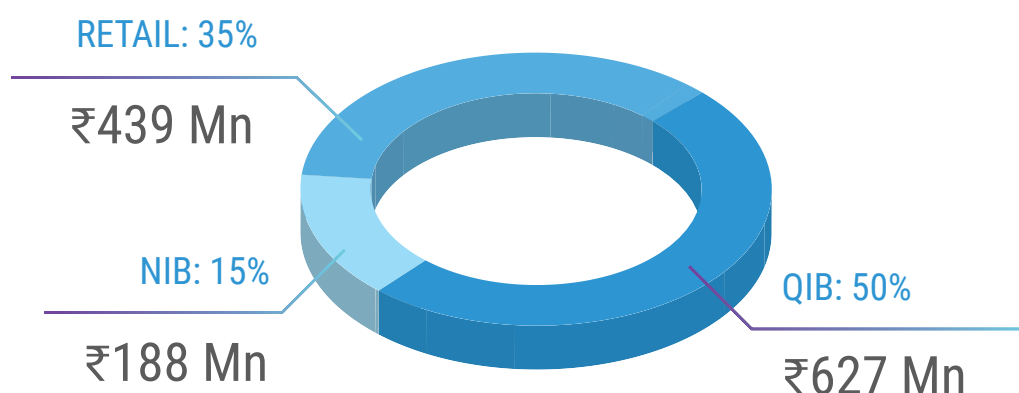
The company has an in-house R&D division equipped with the necessary facilities to carry out all necessary trials to develop new molecules from concept to commissioning.



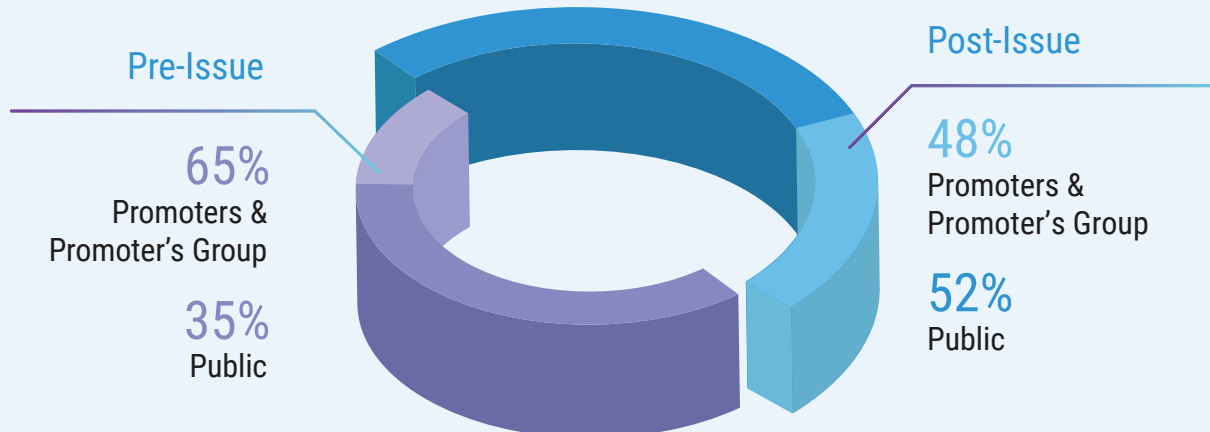
Sigachi Industries Ltd.

Issue Details

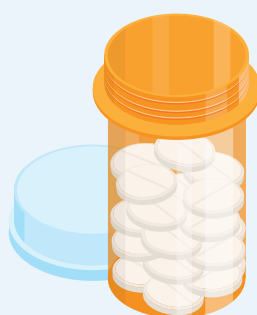
Issue Break-Up



Shareholding Pattern

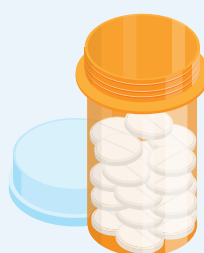


Capital Structure (in ₹)



320 Mn

Authorised Equity
Share Capital



230 Mn

Paid-Up Capital
(Pre-Offer)



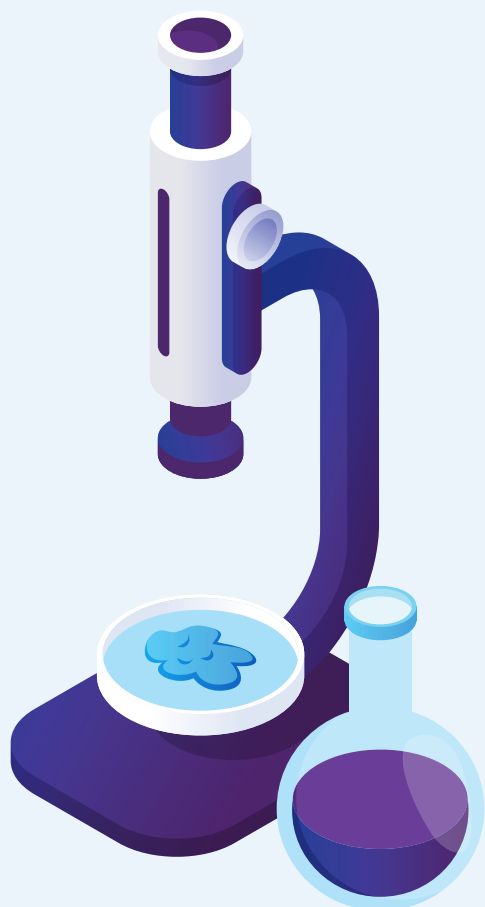
307 Mn

Paid-Up Capital
(Post-Offer)



Sigachi Industries Ltd.

Valuations



Market
Capitalization

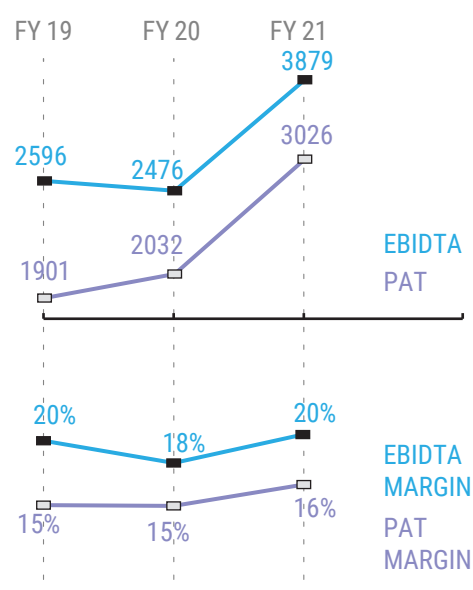
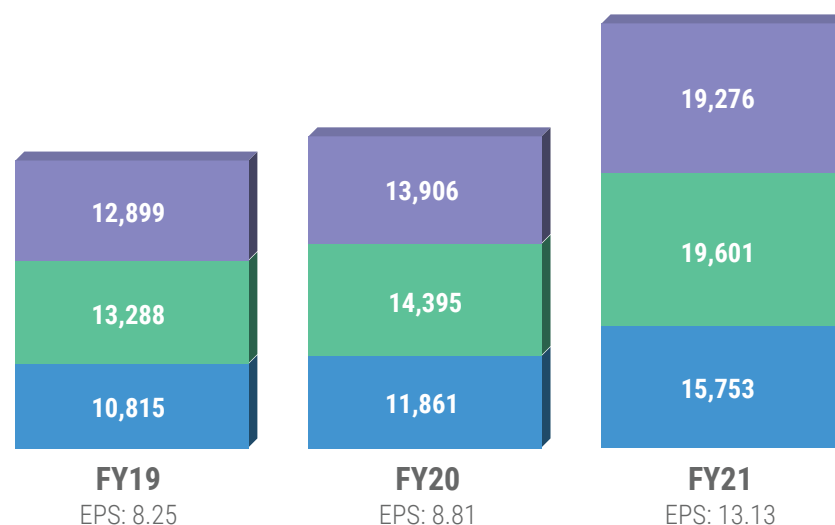
5,011 Mn

Price to Earnings
(P/E)

15.10X

Financial Snapshot (in Mn ₹)

- Revenue
- Total Income
- Total Expenses





Sigachi Industries Ltd.

Business Insights



Competitive Strengths

- One of the leading manufacturers of MCC (cellulose based excipient) in India with over 30 years' experience.
- Pan India and International market presence.
- Well experienced management team with proven project management and implementation skills.
- Comprehensive product portfolio enables to serve diverse end-use applications.
- Presence across diverse industry verticals with long standing relationship with customers.
- Growth led by continuous investment and focus on R&D.
- Quality Assurance and Quality Control of products.
- Strategically located manufacturing facilities.
- Government incentives.



Business Strategy

- Increasing manufacturing capacity to focus on the growing demand of core products.
- Increasing focus on core business segment.
- Diversifying and increasing penetration in markets.
- Increasing global presence.
- Strengthen marketing network.



Risks

- The company depends on a few customers for a significant portion of its revenue, and any decrease in revenues or sales from any one of its key customers may adversely affect its business and results of operations.
- The company's inability to effectively manage their growth or to successfully implement their business plan and growth strategy could adversely affect its business, results of operations and financial condition.

Promoters and Management Details

Mr. Swami Das Nigam - Chairman and Non-Executive Director

Mr. Rabindra Prasad Sinha - Whole Time Director

Mr. Chidambarnathan Shanmuganathan - Whole Time Director

Mr. Amit Raj Sinha - Managing Director and Chief Executive Officer