



IPO INSIGHTS



Paradeep Phosphates Ltd

Issue Dates - Opens: 17-05-2022 | Closes: 19-05-2022

IPO Note	<ol style="list-style-type: none"> 1. Second largest Non-Urea Fertilizers Manufacturer 2. Strong Parentage, Established Brand Name 3. Steady Growth in Profits 4. Reasonably-Priced
Rating	★★★ (Good)

IPO SNAPSHOT

Issue Size	₹ 1501.73 Crores
Issue Type	Fresh Issue & Offer for Sale
Fresh Issue	₹ 1004 Crores
Offer for Sale	₹ 497.73 Crores
Face Value Per Share	₹ 10
Price Band Per Share	₹ 39 - ₹ 42
Minimum Lot Size	350 shares
Listing On	BSE & NSE
Registrar to the Issue	Link Intime India Limited

IPO SNAPSHOT – Paradeep Phosphates Ltd

About the Company	<ul style="list-style-type: none"> ▪ Second largest non-urea fertilizers manufacturer ▪ Incorporated in 1981 ▪ Zuari Maroc Phosphates Private Ltd – a joint venture of Zuari Agro Chemical Ltd and OCP Group S.A. ▪ OCP group currently holds 80.45% of the equity shares of the company; the balance is being held by GOI ▪ Paradeep Phosphates Ltd (PPL) is a part of Adventz Group as well as OCP ▪ Primarily engaged in manufacturing, trading, distribution and sales of a variety of complex fertilizers such as DAP, 3-Grades of Nitrogen-Phosphorus-Potassium(NPK), Zypmite, Phospho –Gypsum & Hydro-florosilicic Acid. ▪ Engaged in trading, distribution and sales of Muriate of Potash (MOP), Ammonia, Speciality Plant Nutrients (SPN) and City Compost ▪ Fertilizers marketed under key brand names in the market – ‘Jai Kisaan – Navratna’ and ‘Navratna’ ▪ Established track record of delivering robust financial performance ▪ Distributes products across 14 states in India via private and institutional channels ▪ Network of 11 regional marketing offices and 468 stock points across these 14 states. ▪ Network comprises of 4761 dealers and over 67150 retailers catering to 5 million farmers (approx.) ▪ Dedicated team of 70 marketing officers, 9 junior agronomists and 71 field assistants as of March 31, 2022 																																				
Competitive Strengths	<ul style="list-style-type: none"> ▪ Can capture favourable Indian fertilizer industry dynamics supported by conducive government regulations ▪ Driving raw-material efficiency through backward-integration of facilities and effective sourcing ▪ Secure & Certified manufacturing facility and infrastructure and unutilized land available for expansion ▪ Strong parentage, established brand name backed by extensive sales and distribution network 																																				
Financials (₹ in Millions)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2019</th> <th>31-3-2020</th> <th>31-3-2021</th> <th>31-12-2021</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Rev frm Operations</td> <td>43,579.12</td> <td>41,928.65</td> <td>51,647.34</td> <td>59,599.70</td> <td>23%</td> </tr> <tr> <td>EBITDA</td> <td>4,808.38</td> <td>4,946.57</td> <td>5,614.51</td> <td>5,924.41</td> <td>14%</td> </tr> <tr> <td>EBITDA Margin</td> <td>11%</td> <td>11.8%</td> <td>10.9%</td> <td>9.94%</td> <td></td> </tr> <tr> <td>PAT</td> <td>1,589.63</td> <td>1,932.20</td> <td>2,232.68</td> <td>3,627.84</td> <td>16%</td> </tr> <tr> <td>PAT Margin</td> <td>3.6%</td> <td>4.6%</td> <td>4.3%</td> <td>6.1%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2019	31-3-2020	31-3-2021	31-12-2021	Y-o-Y	Rev frm Operations	43,579.12	41,928.65	51,647.34	59,599.70	23%	EBITDA	4,808.38	4,946.57	5,614.51	5,924.41	14%	EBITDA Margin	11%	11.8%	10.9%	9.94%		PAT	1,589.63	1,932.20	2,232.68	3,627.84	16%	PAT Margin	3.6%	4.6%	4.3%	6.1%	
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Valuation	<ul style="list-style-type: none"> ▪ At the Upper Price Band, P/E comes to 8.95 																																				
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