

Rinkle Vira  
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### Issue Details

Issue Details	
Issue Size (Value in ` million, Upper Band)	2,000
Fresh Issue (No. of Shares in Lakhs)	144.1
Offer for Sale (No. of Shares in Lakhs)	36.0
Bid/Issue opens on	26-Jun-25
Bid/Issue closes on	30-Jun-25
Face Value	Rs. 10
Price Band (Rs)	105-111
Minimum Lot (shares)	135

### Objects of the Issue

- Funding working capital requirements of the Company
- Repayment/Prepayment of O/S borrowing & General purpose
- Capex for setting up in-house dry flowable (DF) plant at Haryana

- **Fresh issue: ₹ 1,600 million**
- **Offer for sale: ₹ 400 million**

Book Running Lead Managers	
Systematix Corporate Services Ltd	
Registrar to the Offer	
Bigshare Services Pvt Ltd	

Capital Structure (` Million)	Aggregate Value
Authorized share Capital	701.5
Subscribed paid up Capital (Pre-Offer)	487.9
Paid up capital (Post - Offer)	632.0

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	96.9%	69.1%
Public & Others	3.1%	30.9%
Total	100.0%	100.0%

### Financials

Particulars (Rs. In Million)	9M FY25	FY25	FY24	FY23
<b>Revenue from operations</b>	<b>4,641</b>	<b>5,522</b>	<b>5,496</b>	<b>4,872</b>
Operating expenses	4,208	4,928	5,008	4,400
<b>EBITDA</b>	<b>433</b>	<b>594</b>	<b>488</b>	<b>472</b>
Other Income	21	35	25	30
Depreciation	71	103	96	86
<b>EBIT</b>	<b>383</b>	<b>526</b>	<b>417</b>	<b>416</b>
Interest	103	129	116	60
<b>PBT</b>	<b>280</b>	<b>397</b>	<b>301</b>	<b>356</b>
Exceptional Items	<b>13</b>	<b>(36)</b>	<b>1.6</b>	<b>0.7</b>
Tax	77	78	78	92
<b>Consolidated PAT</b>	<b>216</b>	<b>283</b>	<b>225</b>	<b>265</b>
EPS	3.4	4.5	3.6	4.2
<b>Ratio</b>	<b>9M FY25</b>	<b>FY25</b>	<b>FY24</b>	<b>FY23</b>
EBITDAM	9.3%	10.8%	8.9%	9.7%
PATM	4.6%	5.1%	4.1%	5.4%
Sales growth		-	0.5%	12.8%

### Company description

Incorporated in 1993, Indogulf Cropsciences Ltd (ICL) operates in the agrochemical sector, specializing in the manufacture of crop protection products, plant nutrients, and biologicals in India. It has been producing Spiromesifen technical with a minimum purity of 96.5% since 2019 and is among the first domestic manufacturers of Pyrazosulfuron Ethyl technical (97% purity), having started production in 2018 (Source: CareEdge Report). The company is also expanding its global footprint, with exports to over 34 countries, reflecting its growing presence in international markets.

The company manufactures and markets extensive range of products in all types of available formulations such as water dispersible granules ("WDG"), suspension concentrate ("SC"), capsule suspension ("CS"), ultra-low volume ("ULV"), emulsion in water ("EW"), soluble granule ("SG"), flowable suspension ("FS"), etc. which can be in powder, granules and liquid form to its customers.

ICL's diverse product portfolio caters to a broad spectrum of crops, including cereals, pulses and oilseeds, fibre crops, plantations, and fruits and vegetables. Its products are designed to improve crop yield while promoting sustainable agriculture and environmental stewardship. Its crop protection products generate over 90% revenues.

The company also offers customized contract manufacturing services, catering to specific client formulations and requirements. With over 30 years of industry experience, ICL has demonstrated strong adaptability and built long-standing relationships with leading domestic and international clients. Key customers include Krishi Rasayan Exports, Parijat Industries, BR Agrotech, Crystal Crop Protection (all Delhi-based), and Asasiat of Development for Agric & Trade Co., UAE.

Additionally, as on the date, it has 2 Subsidiaries, Indogulf Cropsciences Australia Pty Ltd located in Sydney, Australia and Abhiprakash Globus Private Limited located in Delhi, India. Indogulf Cropsciences Australia Pty Ltd helps it to get registrations in the countries which required OECD registered products and Abhiprakash Globus Private Limited facilitates to expand its market reach, drive growth, and open new avenues for business development in domestic as well as overseas markets while optimizing resource use and fostering healthy competition. The company markets its products under the brand name of "Kite" (Kite Mascot), "Giraffe (Giraffe Mascot), and has a copy right on brand "Indo Apache".

### Valuation & outlook

Indogulf Cropsciences with a legacy of 30+ years of experience in agro-chem industry is engaged in production and marketing of crop protection products, plant nutrients, and biologicals. It manufactures both technical and formulation products.

The company has positioned itself as one of first few indigenous manufacturers of Pyrazosulfuron Ethyl technical, with 97% purity in India. Its strong market position is further supported by the high entry barriers in the agrochemical sector including costs and complex approvals.

On valuation parse, based on annualised FY25 it is seeking PE of 24.6 times, and post issue market cap comes at Rs 7,015 Mn with this the issue is fairly priced. The company has posted stable top and bottom lines despite raw material price volatility in past years. We believe that ICL is well placed to achieve growth in long run with is backward integrated manufacturing facilities, focused R&D capabilities, strong distribution and sales network and diversified product portfolio. Since the industry that company caters is cyclical, highly dependent on government's initiatives, shift in consumer preference for organic production and with its fully priced scenario we believe that, ICL is long run growth story which requires timely mass initiatives for agricultural boost, increase awareness of sustainable farming. So we give "**SUBSCRIBE**" rating for the issue.

Company’s Operations

Indogulf Cropsciences Ltd is engaged in the manufacturing of crop protection products, plant nutrients, and biologicals in India, catering to both domestic and international markets. It commenced operations in 1993 and currently operates under three key business verticals: crop protection, plant nutrients, and biologicals, targeting both retail and institutional customers with a focus on enhancing crop productivity and promoting sustainable agriculture.

The Company is one of the early indigenous manufacturers of Pyrazosulfuron Ethyl technical in India, having commenced production in 2018, with a minimum purity of 97% (Source: CareEdge Report). It also manufactures Spiromesifen technical with a minimum purity of 96.5% since 2019. The Company has been recognized as a ‘Two Star Export House’ by the Government of India and exports its products to over 34 countries globally (Source: CareEdge Report), reflecting its growing international presence.

Its product portfolio spans a wide range of formulation types, including Water Dispersible Granules (WDG), Suspension Concentrates (SC), Capsule Suspensions (CS), Ultra-Low Volume (ULV), Emulsions in Water (EW), Soluble Granules (SG), and Flowable Suspensions (FS). These products are available in powder, granule, and liquid forms and are designed to address the agronomic needs across cereals, pulses, oilseeds, fibre crops, plantations, and fruits & vegetables. The Company’s integrated offerings are aimed at enhancing crop yield while aligning with principles of environmental stewardship and sustainable farming practices.

➤ Product Portfolio:

**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.


Revenue from Sale of Products										
Product Segments	December 31, 2024		December 31, 2023		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in Million)	(%)	Amount (in Million)	(%)	Amount (in Million)	(%)	Amount (in Million)	(%)	Amount (in Million)	(%)
Crop protection	4,368	90.1%	3,833	90.4%	5,235	91.5%	5,220	91.8%	4,723	93.2%
Plant nutrients	190	3.9%	163.7	3.8%	194	3.4%	183	3.2%	152	3.0%
Biologicals	286	5.9%	243	5.7%	289	5.0%	278	4.9%	189	3.7%
Total	4,845	100%	4,240	100%	5,718	100%	5,683	100%	5,066	100%

The Company also provides customizable contract manufacturing services, offering tailored solutions aligned with client-specific formulations and requirements. With over three decades of industry presence, the Company has demonstrated adaptability to evolving market dynamics and customer needs, fostering long-standing relationships with key domestic and international clients such as Krishi Rasayan Exports, Parijat Industries, Crystal Crop Protection, and Asasiat of Development for Agric & Trade Co., UAE. On the supply side, the Company maintains strategic partnerships with reliable vendors, including Coromandel International, GSP Crop Science, and leading Chinese suppliers like Dagro Chemical and Hubei Benxing.


The Company operates 4 ISO 9001:2015 and ISO 14001:2015 certified manufacturing facilities located across Jammu & Kashmir and Haryana, spread over ~20 acres. It is recognized as a 2 Star Export House under the Ministry of Commerce scheme. Its global presence is supported by 2 subsidiaries: *Indogulf Cropsciences Australia Pty Ltd*, focused on OECD product registrations, and *Abhiprakash Globus Private Limited*, which facilitates market expansion across domestic and overseas geographies.




**Nathupur I, Haryana (1993)**  
Capacity: 13,500 MT/KL  
Utilisation: 60%



**Samba, J&K (2006)**  
Capacity: 9,000 MT/KL  
Utilisation: 74%



**Nathupur II, Haryana (2013)**  
Capacity: 1,360 TPA  
Utilisation: 50%



**Barwasni, Haryana (2021)**  
Capacity: 20,000 MT/KL  
Utilisation: 57%

As of April 30, 2025, the Company has established a robust domestic and international distribution network, enabling broad market coverage. Domestically, it has a presence across 22 states and 3 Union Territories, supported by a dedicated sales and development team responsible for customer service and product promotion.

The distribution infrastructure includes 192 institutional (B2B) business partners, 6,916 active domestic distributors (B2C), 17 stock depots, and 6 sales/branch offices, facilitating efficient product movement across India. Internationally, the Company’s reach extends to over 34 countries through 143 overseas business partners, ensuring optimized global product distribution and customer connectivity.



PAN India Distribution Network



169  
Institutional Business Partner

6080  
Distributor (B2C)

17  
Stock Depot

254  
Marketing & Sales Team

84  
Indogulf Development Officer

6  
Brand Office

Global Presence



34  
Countries

129  
Oversea business partner

Overseas Target market: Morocco, Turkey, Tanzania, South Korea, Brazil and Oman.

Particulars	Capacity (TPD)
Existing installed capacity	3,861
Additional capacity to be installed	690
New installed capacity post 3QFY26	4,551

EIGL operates across multiple supply modalities onsite, bulk, and packaged delivering gases through pipelines, cryogenic tankers, and cylinders. It has established a strong distribution footprint, ranking third nationally in terms of transport tankers, cylinder count, and customer installations (Source: F&S Report), supporting reliable and flexible service delivery across its customer base.

Revenue from Sale of Gases, Related Products and Services						
Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in Million)	(%)	Amount (in Million)	(%)	Amount (in Million)	(%)
Revenue from bulk customers	1,952	66.7%	1,705	75.4%	1,420	75.0%
Revenue from package customers	515	17.6%	457	20.2%	421	22.2%
Revenue from onsite customers	457	15.6%	99	4.3%	51	2.7%
Total Revenue from Sale of Gases, Related Products and Services	2,924	100%	2,261	100%	1,892	100%

The company has built a well-diversified industrial and medical gases portfolio catering to a broad customer base across key sectors such as steel, pharmaceuticals, healthcare, infrastructure, railways, aerospace, petrochemicals, and defence. Its clientele includes leading names such as RINL, Dr. Reddy’s, AIIMS, Hindustan Shipyard, and multiple arms of the Indian armed forces and government laboratories. As of FY25, EIGL served 1,829 customers, with its top five and top ten customers associated for an average of 8.4 and 7.7 years, respectively. Repeat customers contributed over 85% of revenue from gases and related services in FY25, highlighting strong customer stickiness and relationship depth. The company demonstrated agility during the COVID-19 pandemic by prioritizing medical oxygen production, repurposing facilities, and ensuring uninterrupted supply to healthcare institutions. Five of its facilities are certified to produce medical oxygen.

EIGL operates nine facilities across East, South, and Central India, including three bulk manufacturing plants, standalone cylinder filling stations, and four onsite units located at customer sites under long-term lease cum O&M agreements. Key locations include Kharagpur (WB), Kurnool (AP), and Nagarnar (Chhattisgarh). These contracts ensure predictable cash flows, with the right to procure surplus gases for external sales under pre-defined pricing. A 170 TPD capacity expansion was commissioned at Kharagpur in January 2025, and a new plant is under development in Uluberia, West Bengal.

Strengths

- Diversified product portfolio and specialized products across all three verticals

Over the past three decades, the Company has evolved into a diversified, multi-product manufacturer in the crop protection, plant nutrients, and biologicals segments in India. Its product portfolio has expanded from 198 products in FY 2022 to 262 products as of December 31, 2024, driven by in-house innovative manufacturing processes that enable customized solutions for a broad domestic and global customer base. The Company offers a wide spectrum of formulations, including Water Dispersible Granules (WDG), Suspension Concentrate (SC), Capsule Suspension (CS), Ultra-Low Volume (ULV), Emulsion in Water (EW), Soluble Granules (SG), and Flowable Suspension (FS), available in powder, granule, and liquid forms. To enhance customer

experience and product traceability, the Company employs QR-coded packaging that provides detailed product information. Its commitment to innovation in packaging is further demonstrated by three packaging patents, which bolster product safety, quality, and sustainability, and serve as a key differentiator in the market. As of the date of the Red Herring Prospectus, the Company owns a strong intellectual property portfolio comprising 225 trademarks, 8 copyrights, and 6 design registrations, supporting its brand equity and reinforcing consumer trust in its product offerings.

Unit Name	Category	License No.	No. of Products
Samba	Insecticides	J/M-PVT/30	382
Nathupur- I	Insecticides	TA/PP/DGA/201213/115	550
Nathupur-II	Insecticides	TA/DA/69/1996-97	548
Barwasni	Fertilizer	2021280	92

As on the date of this Red Herring Prospectus, they have applied for 110 trademarks. As on the date of this Red Herring Prospectus, the company has 150 valid product registrations across 17 foreign countries. The details of the registrations and products manufactured by them, as on the date of this Red Herring Prospectus, are as given below:

Category	Product registrations	Products manufactured
Crop protection	882	252
Plant nutrients	78	16
Biologicals	19	17
<b>Total</b>	<b>979</b>	<b>285</b>

The Company has a strong innovation pipeline with 138 products under registration and 17 in production, supporting portfolio diversification and reducing seasonal and product concentration risks. Its leadership in key formulations enables cost efficiency and scalability, enhancing customer retention and product expansion. Its multi-purpose, ISO-certified plants offer manufacturing flexibility and faster go-to-market. High regulatory and technical barriers in the agrochemical sector further strengthen its competitive moat, positioning the Company for sustained growth and market leadership.

Sr no.	Products	Product segment	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
			Amount (in million)	% of Gross revenue from operations	Amount (in million)	% of Gross revenue from operations	Amount (in million)	% of Gross revenue from operations	Amount (in million)	% of Gross revenue from operations
1	Thiomethoxa m Tech.	Crop Protection	68	1.4	288	5.0	389	6.8	148	2.9
2	Bifenthrin Tech	Crop Protection	104	2.2	240	4.2	153	2.7	131	2.6
3	Glyphosate 41% SL	Crop Protection	80	1.7	156	2.7	191	3.4	221	4.4
4	Pretilachlor Tech.	Crop Protection	3	0.1	141	2.5	234	4.1	96	1.9
5	Lambda Cyhalothrin 5% EC	Crop Protection	113	2.3	139	2.4	37	0.7	162	3.2
<b>Total (A)</b>			<b>369</b>	<b>7.6</b>	<b>963</b>	<b>16.8</b>	<b>1003</b>	<b>17.7</b>	<b>758</b>	<b>15.0</b>
1	JAGROMIN- 99 (Micronutrient Mixture)	Plant nutrients	82	1.7	119	2.1	128	2.3	99	2.0
2	N.P.K 13-0-45	Plant nutrients	8	0.2	13	0.2	8	0.1	8	0.2
3	Zinc Sulphate 33%	Plant nutrients	13	0.3	13	0.2	11	0.2	10	0.2
4	Chelated Zinc 12%	Plant nutrients	9	0.2	12	0.2	9	0.2	11	0.2
5	Boron 20%	Plant nutrients	9	0.2	11	0.2	10	0.2	4	0.1
<b>Total (B)</b>			<b>122</b>	<b>2.3</b>	<b>167</b>	<b>2.7</b>	<b>167</b>	<b>2.8</b>	<b>131</b>	<b>2.5</b>
1	HUMIC	Biologicals	126	2.6	105	1.8	97	1.7	41	0.8
2	Sea Weed	Biologicals	58	1.2	84	1.5	88	1.5	80	1.6
3	Empire - Bulk	Biologicals	34	0.7	28	0.5	42	0.7	22	0.4
4	BLOOM FLOWER GR	Biologicals	23	0.5	26	0.5	19	0.3	17	0.4
5	Mycorrhiza BULK	Biologicals	21	0.4	21	0.4	14	0.3	15	0.3
<b>Total (C)</b>			<b>261</b>	<b>5.4</b>	<b>264</b>	<b>4.6</b>	<b>260</b>	<b>4.6</b>	<b>176</b>	<b>3.5</b>
<b>Total (A+B+C)</b>			<b>744</b>	<b>15.4</b>	<b>1383</b>	<b>24.2</b>	<b>1420</b>	<b>25.0</b>	<b>1060</b>	<b>20.9</b>

➤ Established distribution network in India and abroad

The Company has established a pan-India presence across 22 states and 3 Union Territories, supported by a dedicated sales and development team for customer engagement and product promotion. Its distribution network comprises 192 institutional (B2B) partners, 6,916 active domestic distributors (B2C), 17 stock depots, and 6 sales/branch offices across India. Internationally, the Company operates in over 34 countries through a network of 143 overseas business partners, enabling optimized global product distribution and reinforcing its position as a growing exporter in the agrochemical space. As of April 30, 2025, the Company’s 293-member marketing team drives sales, customer engagement, and market strategy, working closely with dealers to boost demand through structured incentives and fixed terms. A newly launched mobile and web app enhances efficiency with features like online ordering, real-time tracking, and sales analytics. The extensive dealer network ensures timely product delivery, critical for seasonal agri-demand, supported by a defined dealer onboarding process for broad geographic coverage. Recognized as a Two Star Export House, the Company exports to over 34 countries, with its marketing team playing a key role in international business development.

Particulars	December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in million)	% of gross revenue from operations	Amount (in million)	% of gross revenue from operations	Amount (in million)	% of gross revenue from operations	Amount (in million)	% of gross revenue from operations
Domestic Sales	4,339	89.5%	4,966	86.8%	4,995	87.9%	4,027	79.5%
Export	507	10.5%	753	13.2%	688	12.1%	1,039	20.5%
Total	4,846	100%	5,719	100%	5,683	100%	5,066	100%

➤ Backward integrated manufacturing infrastructure

The Company has adopted backward integration to strengthen supply chain control, lower costs, and boost operational efficiency by producing key raw materials and active ingredients in-house. This supports its long-term growth strategy and enhances margin resilience. As of December 31, 2024, the Company operates four ISO-certified, multi-purpose manufacturing facilities across Jammu & Kashmir and Haryana, covering ~20 acres. Backward integration is primarily carried out at the Nathupur-II technical plant, where the Company manufactures active ingredients such as Bifenthrin, Cloquintocet safener (for Clodinafop), and Lambdachloride, used in formulations processed at Samba and Nathupur-I. This initiative has reduced dependence on imports and third-party suppliers, optimized logistics, and improved operating margins. During the 9M periods ended December 31, 2024 and 2023, and in Fiscals 2024, 2023, and 2022, the Company consumed 145 MT, 122 MT, 204 MT, 217 MT, and 204 MT, respectively, of active ingredients via internal production. Captive consumption accounted for **29.53%, 16.00%, 17.00%, 37.00%, and 26.00%** of total production over the same periods. The Company also maintains strong vendor relationships to ensure raw material availability, with its integrated setup offering agile, cost-efficient, and quality-controlled production.

➤ Strong R&D and product development capabilities

The Company has developed strong in-house R&D capabilities, integral to its product diversification and manufacturing efficiency. Its dedicated NABL-accredited R&D laboratory, located at the Nathupur (Haryana) facility, is certified under ISO/IEC 17025:2017, supporting the development of new products and process improvements aligned with global regulatory standards. As of April 30, 2025, the Company employs a skilled R&D team of 8 professionals, including scientists, agronomists, chemists, and biologists. The facility is equipped with advanced instruments such as UV spectrophotometers, Karl Fischer titrators, digital weighing systems, pH meters, and fume hoods, enabling high-precision testing and formulation. Currently, the Company is working on 39 new product upgrades and developments, with R&D efforts structured around short-, mid-, and long-term goals. In the short term, the focus remains on product registrations; in the mid-term, product enhancement is driven through partnerships, technology transfers, and knowledge sharing. These efforts have supported the development of over 600 products to date, reinforcing the Company’s market position and responsiveness to evolving industry and customer needs.

➤ Experienced Promoters and a strong Management Team

The Company is led by experienced Promoters, including Om Prakash Aggarwal (Chairman) and Sanjay Aggarwal (Managing Director), each with over 30 years of industry experience. Their leadership provides strategic direction and deep domain expertise, supported by a skilled team of agronomists, advisors, and regulatory professionals. This leadership strength, combined with a capable workforce, has enabled the Company to anticipate market trends, drive global expansion, enhance manufacturing capabilities, and ensure timely product registrations. The Company places strong emphasis on talent development, offering a supportive work environment, competitive compensation, and structured growth opportunities—positioning its human capital as a key competitive advantage.

Strategies:

➤ Expand existing production capacities to facilitate cost efficiency

They operate four manufacturing facilities located in (i) Samba, Jammu and Kashmir; (ii) Nathupur - I, Haryana; (iii) Nathupur - II, Haryana; and (iv) Barwasni, Haryana, collectively, spread across approximately twenty acres. They have approximately 16 acres of land at Barwasni, Haryana on a leasehold basis which they plan to use for expansion of their manufacturing capacity. They have also obtained certain regulatory approvals including, among others, factories license, environmental clearances, registration from the pollution control board, licenses for import and storage of petroleum, permission certificate for extraction of groundwater, certificate from the department of legal metrology, and certificate for use of boilers. This facility will feature seven sheds dedicated to various production purposes, including complete formulation, raw material warehouses, and finished goods warehouses. Additionally, approximately 9,000 square feet will be allocated for the dry flowable plant. As a part of their expansion plans, they propose to set up a dry flowable plant for manufacturing of dry flowable formulations, which will be used to manufacture products in all three segments, where the active ingredient is finely ground and mixed with inert materials to create a dry, free-flowing powder. This formulation is designed for ease of handling, storage,



and application. The dry flowable plant will manufacture various dry flowable granules such as combination of sulphur and tebuconazole, sulphur, imidacloprid, combination of imidacloprid and fipronil, mancozeb, combination of nitrogen, phosphorus and potassium along with other micro elements and fulvic, amino, seaweed, and humic. Establishing an in-house dry flowable plant for production provides strategic advantages that can significantly enhance their operational efficiency, market competitiveness, and overall business sustainability.

➤ **Grow product portfolio across all 3 verticals**

The company will continue to leverage their ability to launch new products in order to increase their revenues and market share in their target markets. With the ever-evolving consumer needs and preferences, they intend to continuously work towards launching new products and categories at various price points with an aim to increase their market share. In this regard, they intend to further improve their product offerings and are looking at opportunities in similar product categories. They believe that the repeated business they have received from their customers is an indicator of their position as a preferred supplier. They intend to tap into the market share of existing customers for other products as well as the corresponding market and supply chain for other products. As on the date of this Red Herring Prospectus, they had a portfolio of 288 products, which enabled them to cater to existing and new customers and markets. They believe that their continuing R&D endeavours for quality will help increase their overall market share for product groups. They have built long-standing relationships with their customers by capitalizing on their diversified product portfolio and services they offer. They intend to continue to strengthen their existing product portfolio and to further diversify into products with prospects for increased growth and profitability. For example, they intend to increase their focus on plant nutrients and biologicals as these will provide them promising value propositions with comprehensive range of product offerings, far-reach, better profitability and create a niche market. Their product pipeline is aimed at offering long-term visibility. Additionally, they intend to expand in Morocco, Turkey, Tanzania, South Korea, USA, and Oman regions. With their experience in registration of agrochemical products, they believe they are rightly placed to register more products. They will make use of their established R&D expertise to augment their registration capabilities to obtain registrations efficiently. Their R&D team is focused on building knowledge-based value-added products, new innovative processes, scaling up the capacity of existing products while lowering the cost of production and improving the existing design parameters to increase the yields and thus the overall product quality.

➤ **Further strengthen our existing R&D capabilities**

ICL has consistently invested in their R&D capabilities and technologies at their manufacturing facilities to enable more cost-efficient and scalable processes. They have incurred ₹14.65 million, ₹8.00 million, ₹12.77 million, ₹11.67 million, and ₹9.32 million in their R&D activities, debited under the head 'quality testing expenses', representing 0.30%, 0.19%, 0.22%, 0.21%, and 0.18% of their gross revenue from operations, during the nine-month period ended December 31, 2024 and December 31, 2023, in Fiscal 2024, Fiscal 2023, and Fiscal 2022, respectively. They intend to further develop their research and development capabilities in order to enhance their diversified product portfolio and reduce production costs. They have expanded their portfolio from 198 products in Fiscal 2022 to 288 products as of April 30, 2025, and all products have been tested and verified using their in-house R&D capabilities. Their R&D initiatives are strategically aligned to drive product innovation and enhance market competitiveness. The Company's approach involves a 3-pronged strategy:

- **Product Development:**
  - *Short-term focus:* Prioritizing the registration of existing products in the marketplace under the Insecticide Act 1968.
  - *Mid-term focus:* Collaborating with partners to acquire and develop new products through technology transfer.
  - *Long-term focus:* Discovering new molecules and investing in R&D for innovative product development by identifying potential collaborations with research institutions, universities, or other industry players to develop and distribute new molecules.
- **Quality and Sustainability:**
  - Adhering to ISO 14001:2015 standards for environmental sustainability.
  - Investing in green technology and waste reduction measures.
  - Continuously improving quality through certifications like ISO 9001:2015 and NABL accreditation.
- **Strategic Partnerships:**
  - Collaborating with universities, research centers, and CROs for in-depth studies.
  - Partnering with government institutions for regulatory support.

The Company's R&D efforts are focused on driving innovation, improving product quality, and ensuring compliance with industry standards. These initiatives contribute to the Company's long-term success and competitiveness in the agriculture market. They will continue to develop and improve products and processes to meet existing and prospective customer demands, enhance the quality of their products, and meet increasing compliance requirements under environmental regulations. They also intend to expand their R&D team and hire experienced personnel to achieve this vision. They believe that investment in R&D and expansion of their R&D team provides a long-term growth opportunity and helps them align with the projected demand in their product segments, better positioning them to meet the evolving requirements of their customers.

➤ **Expand their sales and distribution network and obtain foreign registrations**

As of April 30, 2025, the Company has a robust distribution network with a presence across 22 states and 3 Union Territories in India and over 34 international markets. Its network includes 192 institutional (B2B) partners, 6,916 domestic distributors (B2C), 17 stock depots, 6 branch offices, and 143 overseas partners, supported by a dedicated sales and development team. To strengthen market reach, the Company established Abhiprakash Globus Private Limited (AGPL) as a wholly owned subsidiary to create an alternate sales channel under a new brand and diversify into commodity trading. AGPL aims to optimize resources, reduce costs, and enhance operational efficiency. Future growth will focus on expanding distribution infrastructure, especially in export markets, increasing product registrations in key countries like Mexico, Brazil, and Spain, and deepening market penetration through new dealer appointments and an expanded sales force.

### ➤ Focus on cost optimization

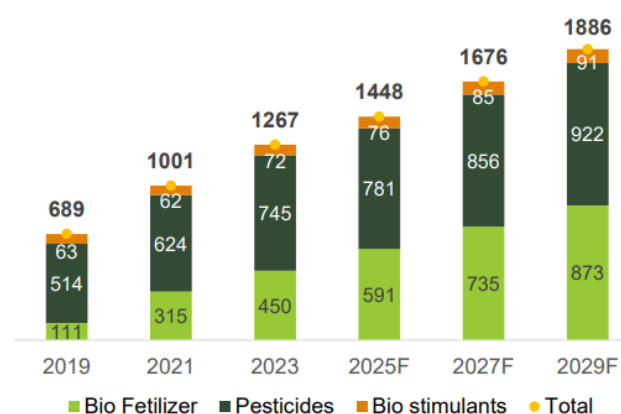
The Company prioritizes cost efficiency amid rising competition and regulatory pressures. It conducts monthly operational reviews to identify and address inefficiencies. Key measures include SAP-based cost control, automated packaging, and job work utilization to optimize capacity. Its R&D team focuses on alternative formulations to lower material costs, supported by data-driven process improvements. To achieve scale benefits, the Company plans to expand capacity on ~16 acres at Barwasni and within existing facilities. Efforts to reduce import dependence include securing long-term supply contracts and enhancing backward integration, automation, and workforce upskilling, all aimed at boosting efficiency and profitability.

### Industry Snapshot

#### ➤ India - Agri-input Production by Type

The production of agri-inputs in India increased at a CAGR of 16.4% from 689 thousand tonnes in 2019 to 1,354 thousand tonnes in 2024. Pesticides constituted almost 57% share in overall agri-inputs production and are projected to grow by CAGR 3.6% during the period, 2024-2029. Further, the overall agri-inputs production during the forecast period 2024-2029 is projected to grow with a CAGR of 6.9% on account of rising demand for agricultural use.

**Production of Agri-inputs is expected to grow at CAGR of ~7% (FY23-29)**



Bio- fertiliser CAGR (FY 23-29): ~12%

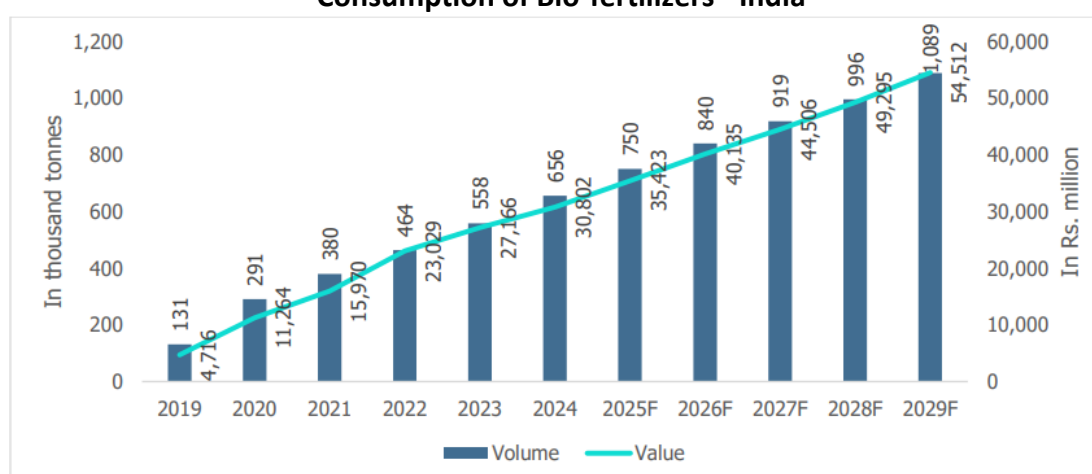
Pesticides CAGR (FY23-29): ~4%

Bio-Stimulants CAGR (FY23-29): ~4%

#### ➤ India - Agri-input Consumption by Type

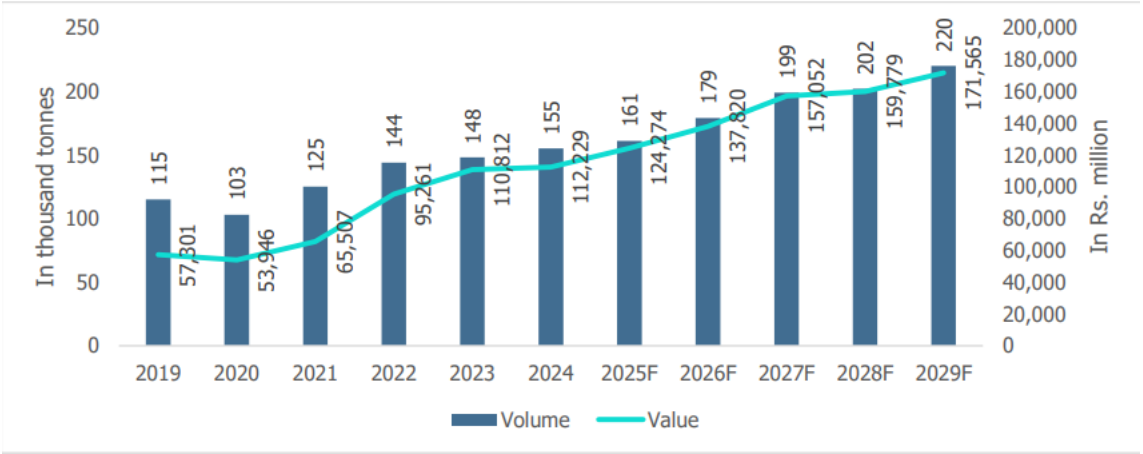
The consumption of agri-inputs (bio-fertilizers, pesticides and pesticides) in India has increased at a CAGR of 38% during the period, 2019-2024. Bio-fertilizers are natural fertilizers and demand for these mixtures is actively rising due to consumer preference toward organic commodities, increasing awareness among farmers, and government measures to promote sustainable practices of producing food products. These restore the natural nutrient cycle of the soil and build organic matter. Also, they are eco-friendly and cost effective. Bio-fertilizers were valued at Rs. 30,802 million in 2024 and are estimated to reach Rs. 54,512 million in 2029. While there will be steady consumption of this mixture, further growth will require time. Bio-fertilizers are projected to grow by a CAGR of 10.7% and 12.1% in volume and value terms, respectively, during the forecast period, 2024-2029.

**Consumption of Bio-fertilizers - India**



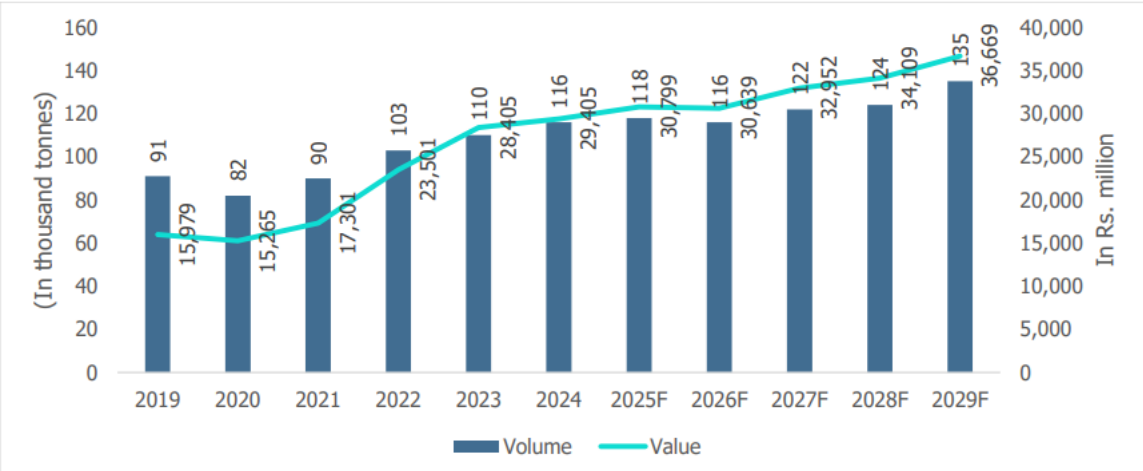
Further, the usage of pesticides has been increasing over the years. The demand is driven by the country's agricultural activities. Insecticides, fungicides, and herbicides are generally used for pest control in agriculture. In order to protect the crop from losses due to pests, farmers employ these chemical substances. These improve agricultural productivity and ensure food security in the country. The pesticide market in India, which registered a CAGR of 6.2% during 2019-2024, is projected to record a CAGR of 7.2% over the forecast period, 2024-2029. However, growth in this segment may be impeded due to soil contamination, environmental concerns, and risks associated with health.

**Consumption of Pesticides – India**



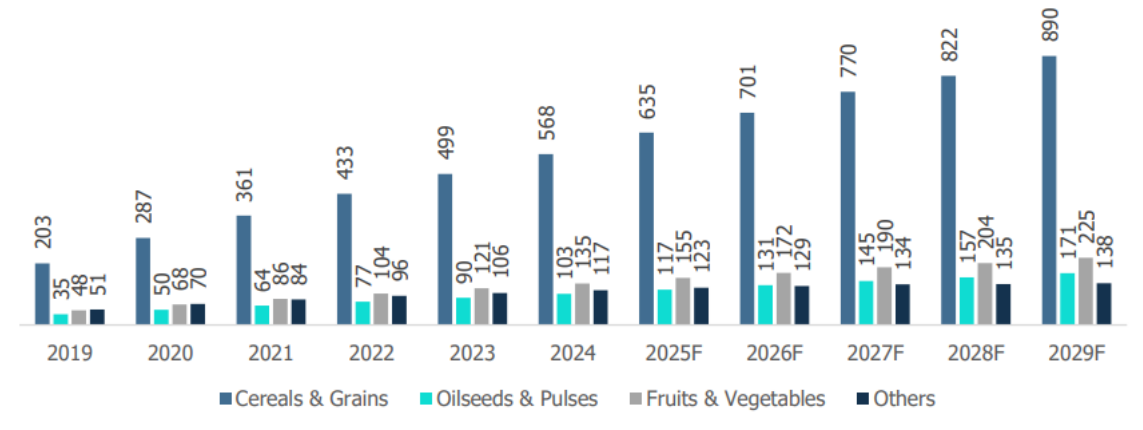
Bio-stimulants are another sustainable way to enhance the yield of crops and not affect the environment. There is a rising need for organic farming in India to safeguard adequate food availability while not compromising on the health factor. These are biologically derived substances applied to soil to improve nutrient uptake ability, and abiotic & biotic stress tolerance. The demand in this segment is expected to increase given the need for organic farming. Bio-stimulants are projected to increase by a CAGR of 4.5% and 3.1% in volume and value terms, respectively, during the forecast period, 2024-2029.

Consumption of Bio-stimulants – India



The demand for nutrition & crop protection chemicals across different applications in India is going to grow swiftly on account of rapid population growth, increased pest infestations, and decreased crop yields. Whereas the demand for cereals and grains are expected to grow at a good pace over the years at a CAGR of 9.5% during the forecast period, 2024-2029. On the other hand, the demand for fresh fruits & vegetables and oilseed & pulses is projected to grow with a CAGR of 10.1% and 10.7%, respectively, during the same period.

Demand of Nutrition & Crop Protection Chemicals across Applications in India (In Thousand Tonnes)



Comparison with listed entity

Name of Company	Mcap(₹ million)	Face Value Per Share (₹)	Revenue from operation FY 2024(₹ million)	EPS	P/E	Return on Networth (%)	NAV per equity share (₹)	P/BV
Indogulf Cropsciences Ltd	7,015	10	5,522	4.5*	24.6*	12.1%	67.2	1.7*
Peer Group								
Aries Agro Ltd	4,020	10	5,164	26.2	11.8	7.0%	220.2	1.4
Basant Agro Tech India Ltd	1,400	1	4,047	0.5	30.0	2.2%	19.6	0.8
Best Agrolife Ltd	7,631	10	18,733	29.5	10.9	16.4%	320.5	1.0
Bhagiradha Chemicals & Industries Ltd	38,082	1	4,076	1.0	294.1	4.4%	52.5	5.7
Heranba Industries Ltd	12,185	10	12,570	0.7	430.2	4.0%	210.3	1.4
India Pesticides Ltd	24,857	1	6,804	7.4	29.1	72.9%	78.3	2.8
Dharmaj Crop Guard Ltd	10,100	10	6,541	10.2	29.3	12.3%	117.7	2.5

\*P/E & P/B ratio based for Indogulf is annualized based at the upper price and of IPO, and other on closing market price as of 24<sup>th</sup> Jun 2025, other peers financial details consolidated audited results as of FY24.



**Key Risks**

- The agrochemicals industry is capital intensive, and they may need to seek additional financing in the future to support their growth strategies. Any failure to raise additional financing could have an adverse effect on their business, results of operations, financial condition, and cash flows.
- Their operations are dependent on research and development, and their inability to identify and understand evolving industry trends, technological advancements, customer preferences, and develop new products to meet their customers' demands may adversely affect their business.
- They have had negative cash flows from operating activities in the past and a consequent decrease in cash and cash equivalents in the nine-month period ended December 31, 2024 and December 31, 2023, and Fiscals 2024, 2023, and 2022.
- Their business is subject to climatic conditions and is cyclical in nature. Seasonal variations and unfavourable local and global weather patterns may have an adverse effect on their business, results of operations, and financial condition. Further, any change in Government policies towards the agriculture sector or a reduction in subsidies and incentives provided to farmers could adversely affect their agrochemicals business and results of operations.
- There are outstanding legal proceedings involving our Company, Promoters, and Directors which may adversely affect our business, financial condition and results of operations.
- They do not own certain of the premises of their manufacturing facilities and their Registered and Corporate Office, including their proposed Assembly Unit.
- Their Subsidiaries have incurred losses in the last three financial years and may continue to do so, which could have an adverse effect on their financial condition and results of operations on a consolidated basis.

**Valuation & Outlook**

Indogulf Cropsciences with a legacy of 30+ years of experience in agro-chem industry is engaged in production and marketing of crop protection products, plant nutrients, and biologicals. It manufactures both technical and formulation products.

The company has positioned itself as one of first few indigenous manufacturers of Pyrazosulfuron Ethyl technical, with 97% purity in India. Its strong market position is further supported by the high entry barriers in the agrochemical sector including costs and complex approvals.

On valuation parse, based on annualised FY25 it is seeking PE of 24.6 times, and post issue market cap comes at Rs 7,015 Mn with this the issue is fairly priced. The company has posted stable top and bottom lines despite raw material price volatility in past years. We believe that ICL is well placed to achieve growth in long run with its backward integrated manufacturing facilities, focused R&D capabilities, strong distribution and sales network and diversified product portfolio. Since the industry that company caters is cyclical, highly dependent on government's initiatives, shift in consumer preference for organic production and with its fully priced scenario we believe that, ICL is long run growth story which requires timely mass initiatives for agricultural boost, increase awareness of sustainable farming. So we give "**SUBSCRIBE**" rating for the issue.



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Small Caps (251st company onwards)	>25%	0-25%	<0%

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