



Paradeep Phosphates Limited IPO

<p>Issue Date: May 17 - May 19 Price Range: Rs 39 - Rs 42 Market Lot: 350 Face Value: 10</p>	<p>Sector: Non-Urea Fertilizers Location: Bhubaneswar Issue Size: Rs 1502 Crore</p>
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Incorporated in 1981, Paradeep Phosphates Limited is a **manufacturer of non-urea fertilizers in India**. The company is engaged in manufacturing, trading, distribution and sales of a variety of complex fertilizers such as DAP, three grades of Nitrogen-Phosphorus-Potassium (namely NPK-10, NPK-12 and NP-20), Zypmite, Phospho-gypsum and Hydroflorosilicic Acid.

Paradeep Phosphates Limited is the **second largest private sector manufacturer of non-urea fertilizers and Di-Ammonium Phosphate(DAP)** in terms of volume sales for the nine months ended December 31, 2021. The company's fertilisers are marketed under the brand names Jai Kisaan-Navratna and Navratna.

The manufacturing facility of Paradeep Phosphates Limited is located in Paradeep, Odisha, and includes a DAP and NPK production facility, a Sulphuric acid production plant and a Phosphoric acid production plant. The facility can store up to 120,000 MT, 65,000 MT, 55,000 MT and 35,000 MT of Phosphate Rock, Phosphoric acid, Sulphur and MOP, respectively.

The company established an extensive sales and distribution network, with a strong presence in the eastern part of India. As of March 31, 2022, Paradeep Phosphates distributed products across 14 states in India through the network of 11 regional marketing offices and 468 stock points.

As of March 31, 2022, the company's network includes **4,761 dealers and over 67,150 retailers** serving over five million farmers in India.

Competitive Strengths

- Well-positioned to capture favourable Indian fertilizer industry dynamics supported by conducive government regulations.
- The second largest manufacturer of Phosphatic fertilizers in India.
- Driving raw material efficiency through backward integration of facilities and effective sourcing.
- Secure and certified manufacturing facility and infrastructure and unutilised land available for expansion.
- The strategic location of our manufacturing facility and sizeable material storage,

handling and port facilities.

- Established brand name backed by an extensive sales and distribution network.
- Strong parentage, experienced management team and prominent shareholders.

Objects of the Issue:

The net proceeds of the Fresh Issue are proposed to be utilised in the following manner:

- Part-financing the acquisition of the Goa Facility.
- Repayment/prepayment of certain of our borrowings.
- General corporate purposes.

Company Promoters

Zuari Maroc Phosphates Private Limited, Zuari Agro Chemicals Limited, OCP S.A and President of India, acting through the Ministry of Chemicals and Fertilizers, Government of India are the company promoters.

Company Financials:

Summary of financial Information (Restated Consolidated)

Particulars	For the year/period ended (₹ in Millions)			
	31-Dec-21	31-Mar-21	31-Mar-20	31-Mar-19
Total Assets	71862.67	44231.67	50103.25	56276.58
Total Revenue	59736.88	51839.41	42277.76	43972.13
Profit After Tax	3627.84	2232.68	1932.2	1589.63

Our Rating: 18 (Good)

Rating Procedure

	Criteria for giving points	Points	Out Off
Business Risk	Lesser risk higher points	3	5
Financial Risk	Lesser risk higher points	3	5
Market Risk	Lesser risk higher points	3	5
Objective of IPO	Growth & expansion gets more points	3	5
Price	Fair price will get more points	6	10
Total		18	30

A	21 & Above 21	Best to apply	D	11 to 14	Poor
B	18 to 20	Good	E	10 & Below 10	Very Poor
C	15 to 17	Average			

Note: The issue is reasonably priced. So investors can subscribe Paradeep Phosphates Limited.

You can apply through Capstocks website EIPO link: <https://kyc.capstocks.com/ipo>

You can also apply by ASBA internet banking of your bank account.

Contact: Anil Kumar 0471-4093333, 9847060019, email: helpdesk@capstocks.com

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