



Nova AgriTech Limited IPO

Issue Date: 23 Jan 24 - 25 Jan 24
Price Range: Rs 39 to Rs 41
Market Lot: 365
Face Value: 2

Sector: Agriculture
Location: Medak , Telangana
Issue Size: 143 Cr

Founded in Hyderabad in May 2007, Nova AgriTech Limited manufactures products that help farmers grow crops better. The main focus is on three things: Soil health, plant nutrition and crop protection. The products are manufactured using technology and are designed to be environmentally friendly and nutritious. The company collaborates with farmers to gain insight into their needs and develop customized solutions that meet their requirements.

The company manufactures, distributes and markets a broad range of product categories, including (a) soil health products, (b) crop nutrition products, (c) biostimulants, (d) biopesticides, (e) integrated pest management (IPM) products, (f) new technologies and (g) crop protection products. The subsidiary Nova Agri Sciences Private Limited is currently responsible for the production of crop protection products.

As of January 31, 2023, the company has received a total of 629 product registrations. These registrations are divided into four categories, namely soil health management, plant nutrition, biopesticides and crop protection. These include 7 registrations in the soil health management category, 168 registrations in the plant nutrition category, 4 registrations in the biopesticide category and 450 registrations in the crop protection category.

By January 31, 2023, the company has 13 Kisan Mitras and 253 Kisan Sevaks at its base.

As on January 31, 2023, the Company has a team of 32 NKSK Coordinators, all of whom have a degree in Agricultural Sciences and are on the Company's payroll. The NKSK program comprises three levels: NKSK Coordinators, Kisan Mitras and Kisan Sevaks. This ensures personal contact with the farmers at the grassroots level.

The company employs 215 people in its sales team. They manage brand sales, distribution channels, and product promotion.

Objectives of the Issue

The net proceeds of the Fresh Offer, i.e. gross proceeds of the Fresh Offer less the offer expenses apportioned to the company ("Net Proceeds") are proposed to be utilised in the following manner:

1. Investment in the subsidiary, Nova Agri Sciences Private Limited for setting-up a new formulation plant;
2. Funding Capital Expenditure in the Company, towards expansion of the existing formulation plant;
3. Funding of working capital requirements of the company;
4. Investment in the subsidiary, Nova Agri Sciences Private Limited, for funding working capital requirements; and
5. General corporate purposes.

Financial Information (Restated) Amount in ₹ Crore

Period Ended	30-Sep-23	31-Mar-23	22-Mar-22	31-Mar-21
Assets	196.37	180.78	160.3	147.44
Revenue	103.24	210.93	185.61	160.93
Profit After Tax	10.38	20.49	13.69	6.3
Net Worth	74.23	63.88	43.19	29.43
Reserves and Surplus	60.97	50.59	30.1	16.41
Total Borrowing	68.5	70.96	64.27	51.1

Our Rating: 19 (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	7	10
Total		19	30

A	21 & Above 21	Best to apply
B	18 to 20	Good
C	15 to 17	Average

D	11 to 14	Poor
E	10 & Below 10	Very Poor

Note: The issue is fully priced. As the issue is below Rs. 250 cr., the shares will be listed in exchanges in T2T segment (Intraday trade not allowed) with limited circuit levels. The issue is

fully priced. So investors with long term view with high risk appetite can subscribe Nova AgriTech Limited IPO.

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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