



# Bikaji Foods International Ltd

## 'Namkeen' taste to your portfolio

### Bhujia



### Namkeen



### Packaged sweets



### Papad



### Western snacks



### Other snacks



Kyon ki bhaiya, sabse bada rupaiya.

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## 'Namkeen' taste to your portfolio

Incorporated in 1995, Bikaji Foods International Ltd (BIKAJI) is the 3<sup>rd</sup> largest ethnic snacks company in India with an international footprint and 2<sup>nd</sup> fastest growing company in the Indian organized snacks market. Over the years, BIKAJI has established market leadership in the ethnic snacks market in their core states of Rajasthan, Assam and Bihar and has gradually expanded its footprint across India, with operations across 23 states and 4 UTs as of June 30, 2022. The company's product range includes 6 principal categories: bhujia, namkeen, packaged sweets, papad, western snacks as well as other snacks, which primarily include gift packs (assortment), frozen food, mathri range and cookies.

BIKAJI has 7 manufacturing facilities that are operated for the BIKAJI brand, with 4 facilities located in Bikaner, 1 in Guwahati (commissioned in Jan 2022), 1 in Tumakuru (commissioned in Feb 2021) and 1 in Muzaffarpur (commissioned in Mar 2022). In addition, the company has 3 contract manufacturing facilities in Kolkata, Bikaner and Kanpur, which are operating on both exclusive and non-exclusive agreements with local snacks traders. BIKAJI also intends to operationalize 2 additional contract manufacturing facilities – 1 in Rajasthan (expected to commence operations in FY24) and another 1 in Bihar (expected to commence operations in FY23). The capex cycle of the company is almost over and there would not be any major capital outlay in the next 3-4 years.

Over FY20-22, BIKAJI's revenue/ EBITDA/ PAT grew at a CAGR of 21.4%/ 14.4%/ 15.2% to INR 1,611 cr/ INR 140 cr/ INR 78 cr, respectively, while, EBITDA and PAT margins declined by 169bps (to 8.7%) and 81bps (to 4.8%), respectively. With the new capacities in place and upcoming facilities in Rajasthan and Bihar, the management is upbeat about maintaining more than 20% revenue CAGR in the next 3-4 years. In addition, lower capex requirements and price hikes to protect gross margins at 30% are expected to maintain healthy profitability and cash flow. We are expecting BIKAJI's revenue/ EBITDA/ net profit to grow at a CAGR of 22.6%/ 35.9%/ 40.5% to INR 2,970 cr/ INR 350 cr/ INR 216 cr respectively over FY22-25E, while EBITDA and net margins are expected to improve by 313bps (to 11.8%) and 245bps (to 7.3%) respectively over the same period.

### Key Financial Data (INR Cr, unless specified)

	Revenue	EBITDA	Net Profit	EBITDA (%)	Net (%)	Adj EPS (₹)	BVPS (₹)	RoE (%)	RoIC (%)	P/E (X)	P/BV (X)	EV/EBITDA (X)
FY21	1,310.8	144.8	90.2	11.0	6.9	3.6	24.3	14.9	18.5	83.0	12.3	51.7
FY22	1,611.0	139.5	78.0	8.7	4.8	3.1	32.9	9.5	11.6	96.0	9.1	54.0
FY23E	2,049.5	166.4	97.0	8.1	4.7	3.9	36.4	10.7	12.5	77.1	8.2	45.3
FY24E	2,488.9	285.6	174.0	11.5	7.0	7.0	42.5	16.4	20.8	43.0	7.1	26.4
FY25E	2,970.3	350.4	216.4	11.8	7.3	8.7	50.0	17.4	22.8	34.6	6.0	21.4

Industry	FMCG
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### Issue Details

Listing	BSE & NSE
Open Date	3 <sup>rd</sup> Nov 2022
Close Date	7 <sup>th</sup> Nov 2022
Price Band	INR 285-300
Face Value	INR 1
Market Lot	50 shares
Minimum Lot	1 Lot

### Issue Structure

Offer for Sale	100%
Fresh Issue	0%
Issue Size (Amt)	INR 881.2 cr
Issue Size (Shares)	29,373,984
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre issue sh (nos)	249,509,880
Post issue sh (nos)	249,509,880
Post issue M Cap	7,485

Shareholding (%)	Pre (%)	Post (%)
Promoter	76.5	74.5
Institution	1.8	19.6
Public	23.5	5.9
<b>TOTAL</b>	<b>100</b>	<b>100</b>

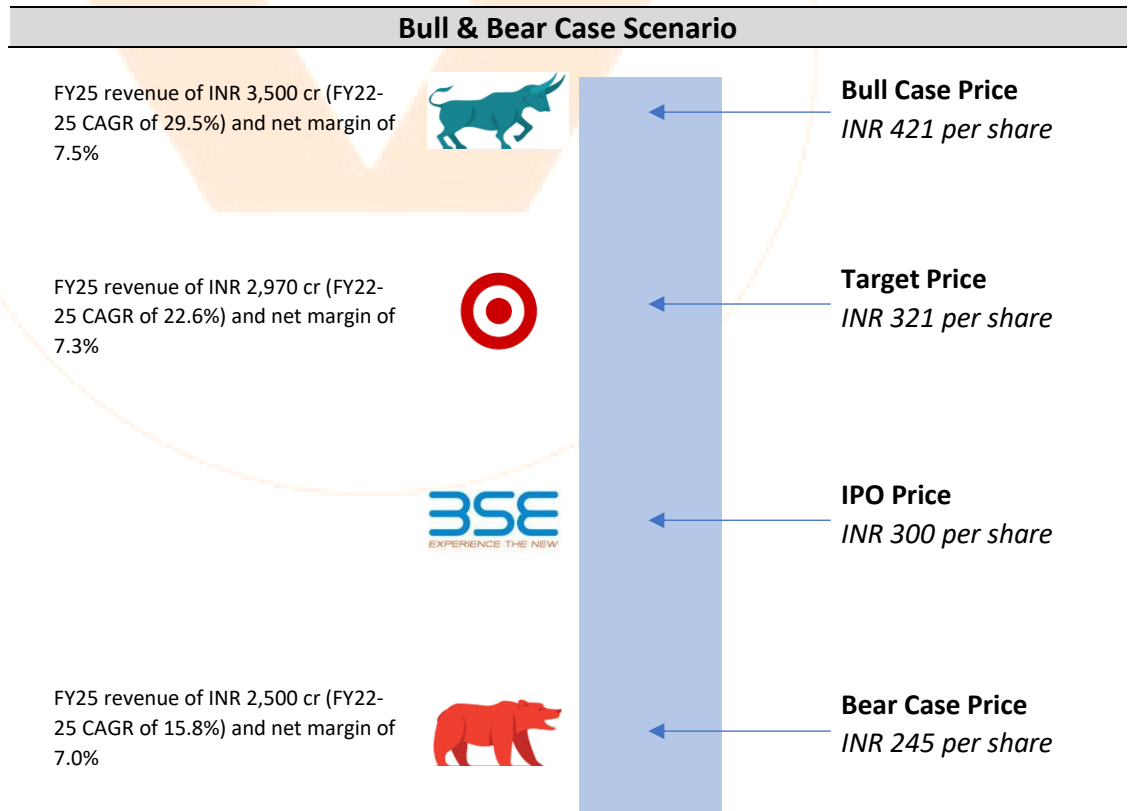
BIKAJI’s proposed OFS size is INR 881.2 cr and the promoters and institutional shareholders are selling 5,000,000 shares and 24,373,984 shares respectively. It will reduce the promoter stake from 76.5% (pre-issue) to 74.5% (post-issue).

At the IPO price of INR 300 (upper price band), BIKAJI is valued at FY25 P/E of 34.6X, which we believe is on the higher side. However, considering the growth opportunities in the packaged food segment due to changing consumer preference and the strong brand value of BIKAJI, we recommend a SUBSCRIBE for listing gains with a price target of INR 321 (37X FY25 P/E), which represents an upside of 7.0% over the IPO price of INR 300 in 18 months.

### Our Bull and Bear Case Scenarios

We have prepared a Bull and Bear case scenario based on BIKAJI FY25 revenues and net margins.

- **Bull Case:** We have assumed FY25 revenues of INR 3,500 cr (FY22-25 CAGR of 29.5%) and a net margin of 7.5%, which will result in a Bull Case price target of INR 421 per share (an upside of 40.3% from IPO price of INR 300).
- **Bear Case:** We have assumed FY25 revenues of INR 2,500 cr (FY22-25 CAGR of 15.8%) and a net margin of 7.0%, which will result in a Bear Case price target of INR 245 per share (a downside of 18.2% from IPO price).

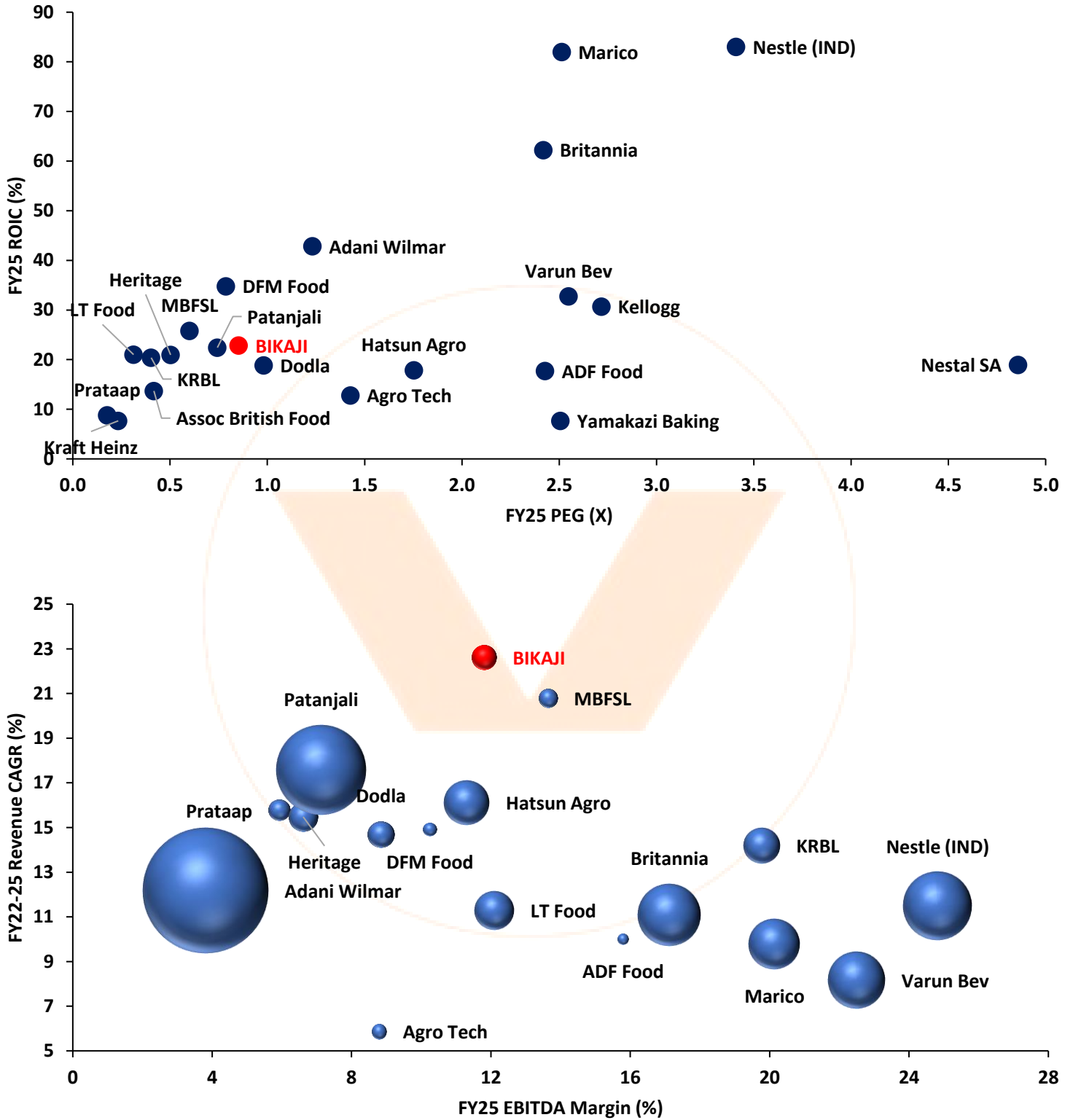


### Valuation and comparable metrics of domestic and global peers

Company Name	Mkt Cap	Price (INR)	PEG 2025	P/E Ratio			P/BV			EV/EBIDTA			RoE (%)			RoIC (%)			Sales			EBITDA Margin (%)			Net Margin (%)		
				2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
<b>Domestic Peers (fig in INR cr, unless specified)</b>																											
Bikaji Foods International Ltd	7,485	300.0	0.9	77.1	43.0	34.6	8.2	7.1	6.0	45.3	26.4	21.4	10.7	16.4	17.4	12.5	20.8	22.8	2,049	2,489	2,970	8.1	11.5	11.8	4.7	7.0	7.3
Mrs Bectors Food Specialty Ltd	2,258	384.0	0.6	32.1	23.9	18.0	4.3	3.8	3.3	15.2	11.9	9.4	13.5	16.0	18.4	17.5	21.6	25.8	1,256	1,485	1,742	12.0	12.8	13.6	5.6	6.4	7.2
Hatsun Agro Products Ltd	20,722	961.3	1.8	76.2	51.5	46.8	16.2	13.6	12.3	27.0	21.8	19.6	21.3	26.3	26.3	15.2	16.2	17.9	7,686	9,041	9,945	10.8	11.3	11.3	3.5	4.5	4.5
KRBL	9,055	384.7	0.4	12.9	11.1	10.1	1.9	1.7	1.5	9.1	7.8	7.1	15.0	15.1	15.1	20.4	20.5	20.4	5,131	5,698	6,268	18.9	19.8	19.8	13.7	14.3	14.3
L T Foods Ltd	3,846	120.3	0.3	10.0	7.8	7.1	1.5	1.2	1.1	6.2	5.1	4.6	14.9	15.8	15.8	19.5	20.6	21.0	6,274	6,799	7,479	11.0	12.1	12.1	6.1	7.2	7.2
Prataap Snacks Ltd	2,132	909.0	0.2	60.2	35.6	32.4	3.2	3.1	2.8	24.5	18.8	17.0	5.4	8.6	8.6	8.0	8.7	8.8	1,699	1,951	2,146	5.2	5.9	5.9	2.1	3.1	3.1
DFM Foods Ltd	1,892	376.3	0.8	386.1	39.8	36.2	12.0	9.6	8.7	81.6	24.3	22.0	3.1	24.2	24.2	8.8	34.5	34.8	638	765	842	3.7	10.2	10.2	0.8	6.2	6.2
ADF Foods Ltd	1,554	707.4	2.4	29.4	26.7	24.3	3.9	3.6	3.2	20.6	18.7	17.0	13.4	13.4	13.4	18.1	17.9	17.7	463	510	561	15.8	15.8	15.8	11.4	11.4	11.4
Heritage Foods Ltd	1,408	303.5	0.5	14.3	8.9	8.9	1.9	1.6	1.4	7.9	5.4	5.1	13.1	17.9	16.2	23.7	22.1	21.0	3,194	3,570	4,129	5.7	7.4	6.6	3.1	4.4	3.8
Britannia Industries Ltd	91,184	3,785.7	2.4	53.0	43.9	38.4	29.5	23.6	17.6	37.5	31.3	27.8	55.7	53.7	45.8	55.5	61.7	62.2	15,685	17,239	19,113	15.7	17.0	17.1	11.0	12.1	12.4
Nestle India Ltd	1,98,529	20,591.0	3.4	66.9	59.2	51.1	67.2	59.1	36.7	44.5	39.5	34.4	100.4	99.7	71.8	111.6	110.9	83.0	18,365	20,214	22,857	24.0	24.6	24.8	16.2	16.6	17.0
Marico Ltd	68,721	531.5	2.5	49.0	41.7	37.1	18.9	17.1	15.4	35.1	30.0	26.5	38.6	41.1	41.5	64.3	73.3	82.0	10,220	11,358	12,581	18.9	19.9	20.1	13.7	14.5	14.7
Agro Tech Foods Ltd	1,880	771.4	1.4	89.5	48.7	36.6	3.9	3.7	3.4	36.1	24.3	19.6	4.3	7.5	9.3	6.1	10.2	12.8	856	962	1,086	6.0	8.0	8.8	2.5	4.0	4.7
Patanjali Foods Ltd	51,049	1,410.2	0.7	36.6	27.2	25.9	6.9	5.8	4.8	24.7	19.0	18.6	19.0	21.2	18.5	20.5	23.7	22.4	32,145	37,419	39,348	6.6	7.4	7.1	4.3	5.0	5.0
Dodla Dairy Ltd	2,984	501.6	1.0	23.3	16.2	14.8	3.0	2.5	2.3	13.9	10.2	9.4	12.7	15.5	15.5	22.5	19.5	18.9	2,694	3,076	3,383	7.3	8.9	8.9	4.7	6.0	6.0
Varun Beverages Ltd	71,889	1,106.8	2.5	43.9	36.9	36.2	11.0	9.1	8.3	24.8	21.2	20.2	25.0	24.7	22.8	32.1	36.1	32.7	13,984	15,534	15,792	21.0	21.8	22.5	11.7	12.5	12.6
Adani Wilmar Ltd	93,122	716.5	1.2	85.5	56.9	45.3	10.7	9.0	7.5	42.5	35.3	29.6	12.5	15.8	16.6	29.1	35.8	42.8	61,061	68,468	76,511	3.5	3.7	3.8	1.8	2.4	2.7
<b>Global Peers (fig in US\$ mn, unless specified)</b>																											
Yamazaki Baking (Japan)	2,474	11.2	2.5	28.9	26.6	24.8	1.0	0.9	0.9	4.9	4.7	4.4	3.3	3.5	3.7	6.8	7.3	7.6	7,475	7,632	7,717	6.0	6.2	6.4	1.1	1.2	1.3
Nestle SA (Sweden)	3,04,243	110.6	4.9	22.8	21.6	20.4	6.1	6.1	6.0	17.1	16.4	15.6	26.9	28.4	29.5	17.5	18.1	18.9	97,808	1,02,124	1,06,494	20.7	21.0	21.2	13.7	13.8	14.0
ASSOC BRIT FOODS (UK)	11,944	15.1	0.4	10.5	10.9	9.7	1.0	0.9	0.9	4.5	4.4	3.9	9.3	8.5	9.2	13.4	12.5	13.7	19,033	20,542	21,367	13.7	12.8	13.4	6.0	5.3	5.7
Kraft Heinz (USA)	42,535	34.7	0.2	12.9	12.6	12.1	0.9	0.8	0.8	10.2	9.8	9.2	6.6	6.7	6.8	7.2	7.4	7.7	26,049	26,209	26,616	22.6	23.0	23.4	12.6	12.9	13.3
Hershey Co (US)	45,074	219.9	2.7	26.7	24.9	23.7	14.6	12.0	10.2	18.7	17.5	16.8	54.6	48.1	43.1	29.5	30.6	30.7	10,200	10,788	11,090	26.1	26.1	26.4	16.5	16.8	17.1
Kellogg Co (US)	24,175	71.1	2.8	15.5	14.7	14.0	5.5	4.8	4.2	13.1	12.4	12.2	35.3	32.6	30.2	17.0	17.2	17.0	14,865	15,159	15,508	15.7	16.1	15.9	10.5	10.8	11.1

Source: Ventura Research & Bloomberg

**Strong brand value and growth outlook justifies current valuations**



Source: Company Report, Ventura Research, ACE Equity & Bloomberg

## Financial Analysis & Projections

### FY19-22 Performance: Strong order inflow and industry tailwind improved the revenue and operating performance

During FY19-22, BIKAJI's revenue grew at a CAGR of 21.4% to INR 1,611 cr, which was primarily driven by

- 23.7% revenue CAGR in the 'bhujia' segment to INR 560 cr due to 12.6% CAGR growth in the sales volumes to 31,948 tonnes and 9.8% CAGR growth in average realization to INR 175 per kg.
- 19.6% revenue CAGR in the 'namkeen' segment to INR 570 cr due to 9.3% CAGR growth in the sales volumes to 32,886 tonnes and 9.4% CAGR growth in average realization to INR 173 per kg.
- 21.8% revenue CAGR in the 'packaged sweets' segment to INR 203 cr due to 15.5% CAGR growth in the sales volumes to 15,737 tonnes and 5.5% CAGR growth in average realization to INR 129 per kg.
- 15.4% revenue CAGR in the 'papad' segment to INR 107 cr due to 6.2% CAGR growth in the sales volumes to 5,601 tonnes and 8.7% CAGR growth in average realization to INR 192 per kg.
- 31.7% revenue CAGR in the 'western snacks' segment to INR 92 cr due to 33.4% CAGR growth in the sales volumes to 6,277 tonnes. However, the segment's average realization declined at a CAGR of 1.3% to INR 147 per kg.
- 17.3% revenue CAGR in the 'other snacks' segment to INR 40 cr due to 10.6% CAGR growth in the sales volumes to 1,968 tonnes and 6.0% CAGR growth in average realization to INR 205 per kg.
- 16.2% revenue CAGR in the 'other operating revenue' to INR 37 cr.

### BIKAJI's product performance

Particulars	No of products	Current capacity (TPA)	FY19 revenue (INR cr)	FY22 revenue (INR cr)	FY19-22 revenue CAGR (%)	FY19 sales volume (tonnes)	FY22 sales volume (tonnes)	FY19-22 sales vol CAGR (%)	FY19 avg price (INR/kg)	FY22 avg price (INR/kg)	FY19-22 price CAGR (%)
Bikaneri Bhujia	14	57,600	296	560	23.7	22,393	31,948	12.6	132	175	9.8
Namkeen	66	1,05,120	334	570	19.6	25,166	32,886	9.3	133	173	9.4
Packaged Sweets	43	60,480	113	203	21.8	10,225	15,737	15.5	110	129	5.5
Papad	8	9,000	70	107	15.4	4,682	5,601	6.2	149	192	8.7
Western Snacks	32	33,900	40	92	31.7	2,644	6,277	33.4	152	147	-1.3
Other Snacks	144	NA	25	40	17.3	1,455	1,968	10.6	172	205	6.0

Source: Company Reports

EBITDA and net profit grew at a CAGR of 14.4% to INR 140 cr and 15.2% to INR 78 cr, respectively, while EBITDA and net margins declined by 169bps (to 8.7%) and 81bps (to 4.8%), respectively. The inflationary environment increased the raw-material-cost-to-sales from

71.5% in FY19 to 72.6% in FY22 and impacted the profitability. As a result, return ratios – RoE and RoIC – declined by 134bps to 9.5% and 421bps to 11.6%, respectively.

### **Q1FY23 Performance: Reported strong recovery in business performance and profitability**

In Q1FY23, BIKAJI's revenue grew at a YoY rate of 25.5% to INR 419 cr, which was primarily driven by

- 6.7% YoY revenue growth in the 'bhujia' segment to INR 146 cr due to 6.9% YoY growth in the average realization to INR 184 per kg. The sales volumes remained flat and witnessed a marginal YoY decline of 0.1% to 7,938 tonnes.
- 31.3% YoY revenue growth in the 'namkeen' segment to INR 163 cr due to 22.5% YoY growth in the sales volumes to 9,103 tonnes and 7.1% YoY growth in average realization to INR 179 per kg.
- 33.2% YoY revenue growth in the 'packaged sweets' segment to INR 32 cr due to 26.7% YoY growth in the sales volumes to 2,544 tonnes and 5.1% YoY growth in average realization to INR 124 per kg.
- 29.5% YoY revenue growth in the 'papad' segment to INR 29 cr due to 18.2% YoY growth in the sales volumes to 1,442 tonnes and 9.5% YoY growth in average realization to INR 202 per kg.
- 138.8% YoY revenue growth in the 'western snacks' segment to INR 36 cr due to 110.8% YoY growth in the sales volumes to 1,809 tonnes and 13.3% YoY growth in average realization to INR 199 per kg.
- 38.7% YoY revenue growth in the 'other operating revenue' to INR 8 cr.

However, the 'other snacks' segment witnessed a YoY revenue decline of 9.2% CAGR to INR 6 cr due to a 20.6% YoY decline in the sales volume to 238 tonnes. The segment's average realization improved at a YoY rate of 14.3% to INR 235 per kg.

EBITDA and net profit grew at a YoY rate of 18.5% to INR 31 cr and 25.6% to INR 16 cr respectively, while EBITDA margins declined by 43bps (to 7.3%) and net margins remained flat at 3.9%.

### **FY22-25E Performance: Strong sector outlook is expected to drive financial performance**

BIKAJI's revenue is expected to grow at a CAGR of 22.6% to INR 2,970 cr by FY25 due to

- 19.6% revenue CAGR in the 'bhujia' segment to INR 958 cr due to 12.9% CAGR growth in the sales volumes to 46,000 tonnes and 5.9% CAGR growth in average realization to INR 208 per kg.



- 21.8% revenue CAGR in the ‘namkeen’ segment to INR 1,030 cr due to 15.0% CAGR growth in the sales volumes to 50,000 tonnes and 5.9% CAGR growth in average realization to INR 206 per kg.
- 28.3% revenue CAGR in the ‘packaged sweets’ segment to INR 430 cr due to 21.2% CAGR growth in the sales volumes to 28,000 tonnes and 5.9% CAGR growth in average realization to INR 154 per kg.
- 21.7% revenue CAGR in the ‘papad’ segment to INR 193 cr due to 14.9% CAGR growth in the sales volumes to 8,500 tonnes and 5.9% CAGR growth in average realization to INR 228 per kg.
- 38.9% revenue CAGR in the ‘western snacks’ segment to INR 247 cr due to 20.6% CAGR growth in the sales volumes to 11,000 tonnes and 15.2% CAGR growth in average realization to INR 224 per kg.
- 9.3% revenue CAGR in the ‘other snacks’ segment to INR 53 cr due to 0.5% CAGR growth in the sales volumes to 2,000 tonnes and 8.7% CAGR growth in average realization to INR 264 per kg.
- 17.1% revenue CAGR in the ‘other operating revenue’ to INR 60 cr.

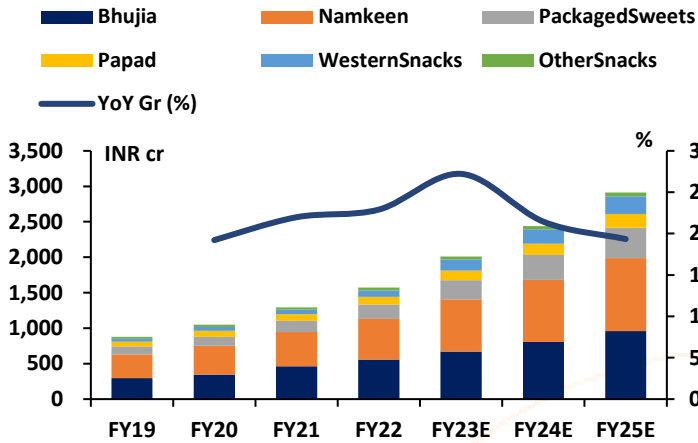
EBITDA and net profit are expected to grow at a CAGR of 35.9% to INR 350 cr and 40.5% to INR 216 cr respectively. EBITDA and net margins are also expected to improve by 313bps to 11.8% and 245bps to 7.3% respectively. Subsequently, return ratios – RoE and RoIC – to improve by 785bps to 17.4% and 1118bps to 22.8%, respectively, by FY25.

**BIKAJI Financial Summary**

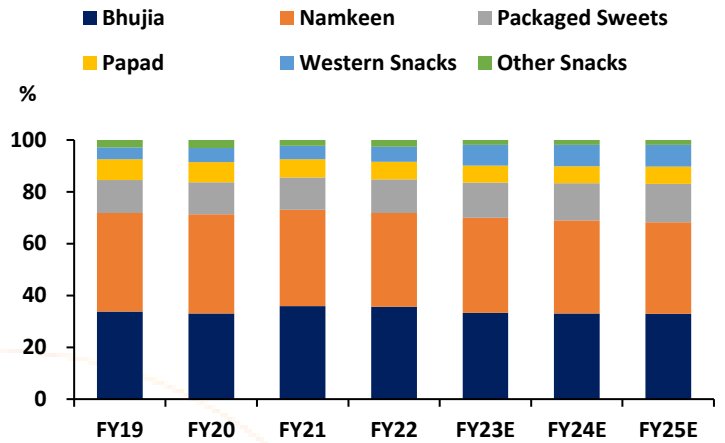
Fig in INR Cr (unless specified)	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
<b>Bhujia</b>														
Revenue	296.2	348.0	464.1	560.1	669.1	806.9	957.9	1,122.5	1,301.6	1,495.8	1,705.8	1,932.3	2,175.9	2,437.3
YoY Growth (%)	17.5	33.4	20.7	18.7	28.9	19.1	17.6	16.3	15.2	14.3	13.5	12.8	12.2	11.7
Volume (tonnes)	22,393	23,793	29,694	31,948	36,000	41,000	46,000	51,000	56,000	61,000	66,000	71,000	76,000	81,000
Realization (INR per Kg)	132.3	146.3	156.3	175.3	185.9	196.8	208.2	220.1	232.4	245.2	258.5	272.1	286.3	300.9
Share in total revenue (%)	32.9	32.4	35.4	34.8	32.6	32.4	32.2	32.1	32.0	31.9	31.8	31.8	31.7	31.6
<b>Namkeen</b>														
Revenue	333.7	401.7	480.6	570.5	735.5	876.3	1,030.1	1,197.7	1,379.8	1,577.0	1,790.0	2,019.5	2,266.1	2,530.5
YoY Growth (%)	20.4	19.6	18.7	26.7	34.7	27.1	23.4	20.8	18.8	17.2	15.9	14.9	14.0	13.2
Volume (tonnes)	25,166	27,481	30,551	32,886	40,000	45,000	50,000	55,000	60,000	65,000	70,000	75,000	80,000	85,000
Realization (INR per Kg)	132.6	146.2	157.3	173.5	183.9	194.7	206.0	217.8	230.0	242.6	255.7	269.3	283.3	297.7
Share in total revenue (%)	37.0	37.4	36.7	35.4	35.9	35.2	34.7	34.3	33.9	33.6	33.4	33.2	33.0	32.9
<b>Packaged Sweets</b>														
Revenue	112.5	129.8	160.6	203.5	274.1	348.3	430.0	519.4	617.0	723.3	838.6	963.3	1,097.8	1,242.6
YoY Growth (%)	15.4	23.7	26.7	34.7	27.1	23.4	20.8	18.8	17.2	15.9	14.9	14.0	13.2	12.2
Volume (tonnes)	10,225	11,164	13,193	15,737	20,000	24,000	28,000	32,000	36,000	40,000	44,000	48,000	52,000	56,000
Realization (INR per Kg)	110.0	116.2	121.7	129.3	137.0	145.1	153.6	162.3	171.4	180.8	190.6	200.7	211.1	221.9
Share in total revenue (%)	12.5	12.1	12.3	12.6	13.4	14.0	14.5	14.9	15.2	15.4	15.6	15.8	16.0	16.1
<b>Papad</b>														
Revenue	69.9	82.2	91.4	107.3	132.0	161.3	193.4	228.5	266.7	308.2	353.1	401.5	453.7	509.7
YoY Growth (%)	17.7	11.2	17.4	23.0	22.2	19.9	18.1	16.7	15.5	14.6	13.7	13.0	12.3	11.8
Volume (tonnes)	4,682	4,932	5,149	5,601	6,500	7,500	8,500	9,500	10,500	11,500	12,500	13,500	14,500	15,500
Realization (INR per Kg)	149.3	166.8	177.5	191.6	203.1	215.1	227.6	240.5	254.0	268.0	282.4	297.4	312.9	328.8
Share in total revenue (%)	7.8	7.7	7.0	6.7	6.4	6.5	6.5	6.5	6.6	6.6	6.6	6.6	6.6	6.6
<b>Western Snacks</b>														
Revenue	40.3	56.1	65.8	92.0	160.0	201.2	246.5	296.1	350.2	409.0	472.8	541.8	616.2	696.2
YoY Growth (%)	39.3	17.2	39.9	73.9	25.8	22.5	20.1	18.3	16.8	15.6	14.6	13.7	13.0	12.3
Volume (tonnes)	2,644	3,620	4,218	6,277	8,000	9,500	11,000	12,500	14,000	15,500	17,000	18,500	20,000	21,500
Realization (INR per Kg)	152.4	155.1	155.9	146.5	200.0	211.8	224.1	236.9	250.1	263.9	278.1	292.9	308.1	323.8
Share in total revenue (%)	4.5	5.2	5.0	5.7	7.8	8.1	8.3	8.5	8.6	8.7	8.8	8.9	9.0	9.0
<b>Other Snacks</b>														
Revenue	25.0	33.1	29.6	40.4	37.6	44.9	52.8	61.4	70.8	81.0	92.1	104.0	116.8	130.5
YoY Growth (%)	32.0	-10.6	36.7	-6.9	19.3	17.7	16.4	15.3	14.4	13.6	12.9	12.3	11.8	11.1
Volume (tonnes)	1,455	1,945	1,551	1,968	1,600	1,800	2,000	2,200	2,400	2,600	2,800	3,000	3,200	3,400
Realization (INR per Kg)	172.1	170.0	190.6	205.3	235.1	249.2	263.9	279.2	295.1	311.6	328.8	346.5	364.9	383.9
Share in total revenue (%)	2.8	3.1	2.3	2.5	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.7
Other operating revenue	23.7	23.6	18.8	37.2	41.2	50.0	59.6	70.2	81.7	94.2	107.6	122.2	137.8	154.7
Revenue from operations	901.4	1,074.6	1,310.8	1,611.0	2,049.5	2,488.9	2,970.3	3,495.8	4,067.8	4,688.4	5,359.9	6,084.5	6,864.3	7,701.5
YoY Growth (%)	0.0	19.2	22.0	22.9	27.2	21.4	19.3	17.7	16.4	15.3	14.3	13.5	12.8	12.2
Raw Material Cost	644.3	744.9	936.9	1,170.3	1,496.1	1,742.2	2,079.2	2,447.1	2,847.4	3,281.9	3,751.9	4,259.1	4,805.0	5,391.0
RM Cost to Sales (%)	71.5	69.3	71.5	72.6	73.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
Employee Cost	55.0	64.6	69.9	90.1	116.8	139.4	163.4	188.8	215.6	243.8	273.4	304.2	336.4	369.7
Employee Cost to Sales (%)	6.1	6.0	5.3	5.6	5.7	5.6	5.5	5.4	5.3	5.2	5.1	5.0	4.9	4.8
Other Expenses	108.8	170.4	159.2	211.1	270.2	321.7	377.3	437.1	501.3	569.8	642.9	720.6	802.9	890.0
Other Expenses to Sales (%)	12.1	15.9	12.1	13.1	13.2	12.9	12.7	12.5	12.3	12.2	12.0	11.8	11.7	11.6
EBITDA	93.3	94.6	144.8	139.5	166.4	285.6	350.4	422.8	503.5	592.9	691.7	800.6	920.0	1,050.8
EBITDA Margin (%)	10.3	8.8	11.0	8.7	8.1	11.5	11.8	12.1	12.4	12.6	12.9	13.2	13.4	13.6
Net Profit	50.9	56.4	90.2	78.0	97.0	174.0	216.4	266.3	323.1	388.3	459.9	540.0	629.6	729.0
Net Margin (%)	5.7	5.2	6.9	4.8	4.7	7.0	7.3	7.6	7.9	8.3	8.6	8.9	9.2	9.5
Adjusted EPS	2.0	2.3	3.6	3.1	3.9	7.0	8.7	10.7	12.9	15.6	18.4	21.6	25.2	29.2
P/E (X)	147.0	132.8	83.0	96.0	77.1	43.0	34.6	28.1	23.2	19.3	16.3	13.9	11.9	10.3
Adjusted BVPS	18.8	21.2	24.3	32.9	36.4	42.5	50.0	59.0	69.6	82.0	96.4	112.8	131.5	152.6
P/BV (X)	15.9	14.1	12.4	9.1	8.2	7.1	6.0	5.1	4.3	3.7	3.1	2.7	2.3	2.0
Enterprise Value	7,461.4	7,449.3	7,484.0	7,536.3	7,541.2	7,536.8	7,503.3	7,436.5	7,333.1	7,188.8	7,001.6	6,768.3	6,485.4	6,149.6
EV/EBITDA (X)	80.0	78.7	51.7	54.0	45.3	26.4	21.4	17.6	14.6	12.1	10.1	8.5	7.0	5.9
Net Worth	469.8	529.2	605.7	820.8	908.1	1,061.2	1,247.3	1,471.0	1,735.9	2,046.6	2,405.3	2,815.6	3,281.6	3,806.4
Return on Equity (%)	10.8	10.7	14.9	9.5	10.7	16.4	17.4	18.1	18.6	19.0	19.1	19.2	19.2	19.2
Capital Employed	542.1	581.5	691.8	962.0	1,052.4	1,215.8	1,414.0	1,611.7	1,839.5	2,073.5	2,405.3	2,815.6	3,281.6	3,806.4
Return on Capital Employed (%)	8.7	9.2	12.1	7.6	8.6	14.3	15.3	16.3	17.2	18.2	18.4	18.4	18.2	18.1
Invested Capital	445.9	493.2	604.4	871.8	964.0	1,112.7	1,265.3	1,422.2	1,583.7	1,750.0	1,921.6	2,098.7	2,281.6	2,470.8
Return on Invested Capital (%)	15.8	12.2	18.5	11.6	12.5	20.8	22.8	24.8	26.8	28.8	30.8	32.9	35.0	37.2
Cash Flow from Operations	68.7	60.7	117.2	57.5	131.2	174.3	219.4	270.6	327.1	390.4	460.5	541.9	633.9	735.8
Cash Flow from Investing	-91.5	-63.5	-114.1	-231.6	5.0	-133.8	-137.4	-141.0	-144.7	-148.4	-152.2	-156.0	-159.9	-163.8
Cash Flow from Financing	-39.8	-31.5	-9.1	168.8	-19.5	-25.9	-37.4	-88.9	-116.1	-174.3	-148.1	-152.5	-191.0	-236.2
Net Cash Flow	17.0	-34.3	-9.9	-5.3	116.7	14.6	45.6	40.8	66.4	67.6	160.2	233.3	283.0	335.8
Free Cash Flow	-10.2	31.3	45.5	0.0	23.5	103.3	151.0	204.4	264.1	330.4	403.9	484.9	573.9	671.5
CF to EBITDA (%)	73.7	64.1	81.0	41.2	78.9	61.0	62.6	64.0	65.0	65.8	66.6	67.7	68.9	70.0
FCF to Net Profit (%)	-20.0	55.6	50.4	0.0	24.2	59.4	69.8	76.8	81.7	85.1	87.8	89.8	91.2	92.1
Total Debt	72.3	52.3	86.2	141.2	144.3	154.6	166.7	140.7	103.6	27.0	0.0	0.0	0.0	0.0
Net Debt	-23.9	-36.0	-1.3	51.0	55.9	51.5	18.0	-48.8	-152.2	-296.5	-483.7	-717.0	-999.9	-1,335.7
Net Debt to Equity (X)	-0.1	-0.1	-0.0	0.1	0.1	0.0	0.0	-0.0	-0.1	-0.1	-0.2	-0.3	-0.3	-0.4
Net Debt to EBITDA (X)	-0.3	-0.4	-0.0	0.4	0.3	0.2	0.1	-0.1	-0.3	-0.5	-0.7	-0.9	-1.1	-1.3
Interest Coverage Ratio (X)	17.9	11.8	37.3	15.1	9.3	15.2	15.8	17.4	20.3	25.1	29.7	30.1	29.3	28.6

Source: Company Reports

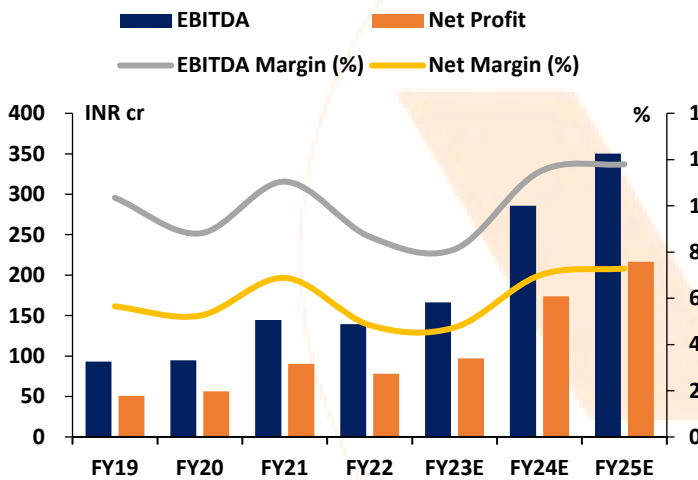
**Diversified product line of BIKAJI sustained the revenue performance**



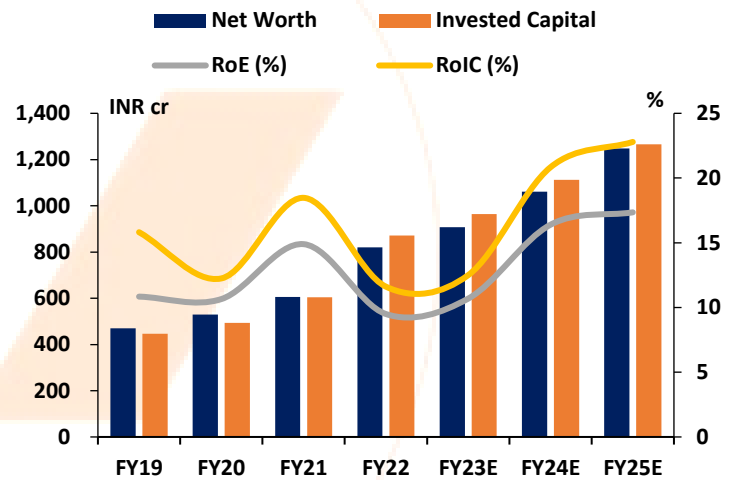
**Revenue share: BIKAJI is promoting other segments to improve diversification**



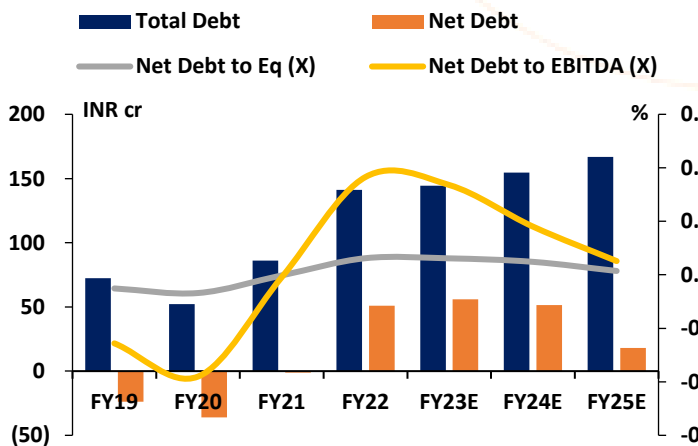
**Profitability dropped due to higher input cost**



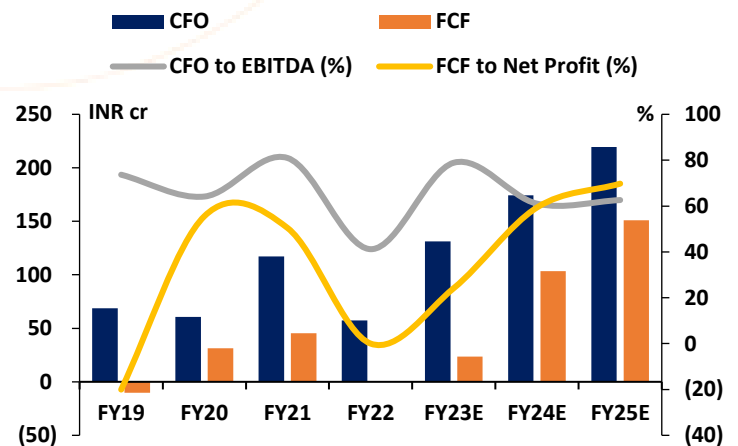
**Return ratios followed profitability performance**



**Higher working capital requirements and recent capex increased the debt levels**



**Higher debt and utilization of funds for new capacities impacted the cash flows**



Source: Company Reports

## Understanding the business of BIKAJI

BIKAJI is the 3<sup>rd</sup> largest ethnic snacks company in India with an international footprint and 2<sup>nd</sup> fastest growing company in the Indian organized snacks market. The company has a diversified portfolio of products split largely into six categories – Bhujia, Namkeen, Packaged Sweets, Papad, Western Snacks and other snacks. As of 30<sup>th</sup> Jun 2022, BIKAJI’s diversified product portfolio included more than 300 products across all its product segments.



Source: Company Reports

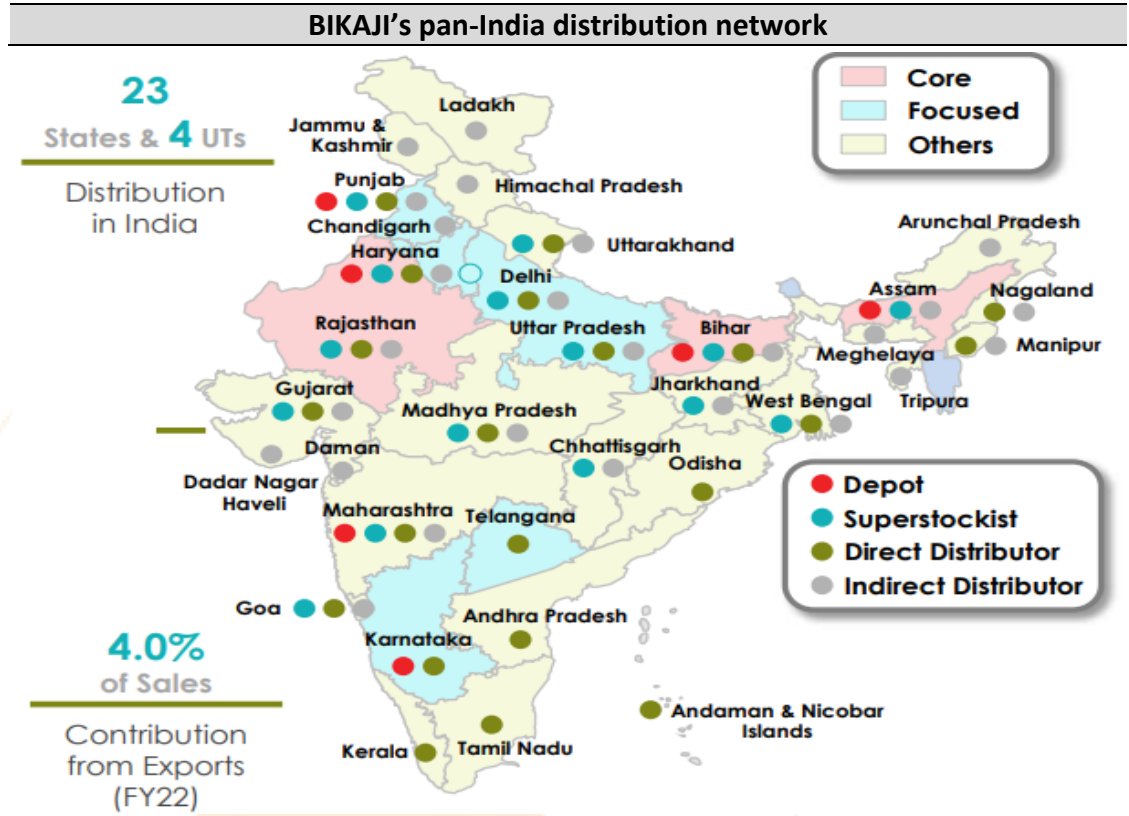
## BIKAJI product details

Particulars	No of products	Current capacity (TPA)	FY19 revenue (INR cr)	FY22 revenue (INR cr)	FY19-22 revenue CAGR (%)	FY19 sales volume (tonnes)	FY22 sales volume (tonnes)	FY19-22 sales vol CAGR (%)	FY19 avg price (INR/kg)	FY22 avg price (INR/kg)	FY19-22 price CAGR (%)
Bikaneri Bhujia	14	57,600	296	560	23.7	22,393	31,948	12.6	132	175	9.8
Namkeen	66	1,05,120	334	570	19.6	25,166	32,886	9.3	133	173	9.4
Packaged Sweets	43	60,480	113	203	21.8	10,225	15,737	15.5	110	129	5.5
Papad	8	9,000	70	107	15.4	4,682	5,601	6.2	149	192	8.7
Western Snacks	32	33,900	40	92	31.7	2,644	6,277	33.4	152	147	-1.3
Other Snacks	144	NA	25	40	17.3	1,455	1,968	10.6	172	205	6.0

Source: Company Reports

### Extensive pan-India presence and large distribution network

Bikaji has developed a large pan-India distribution network. As of 30<sup>th</sup> Jun 2022, the company had 6 depots, 38 super-stockists, 416 direct and 1,956 indirect distributors that work with their super-stockists located across 23 states and 4 union territories in India.



Source: Company Reports

The company has implemented integrated inventory and distribution management systems and sales force automation solutions to further improve the efficiency of our supply chain. The company also started supplying products for sale in Indian army canteens in Aug 2022.

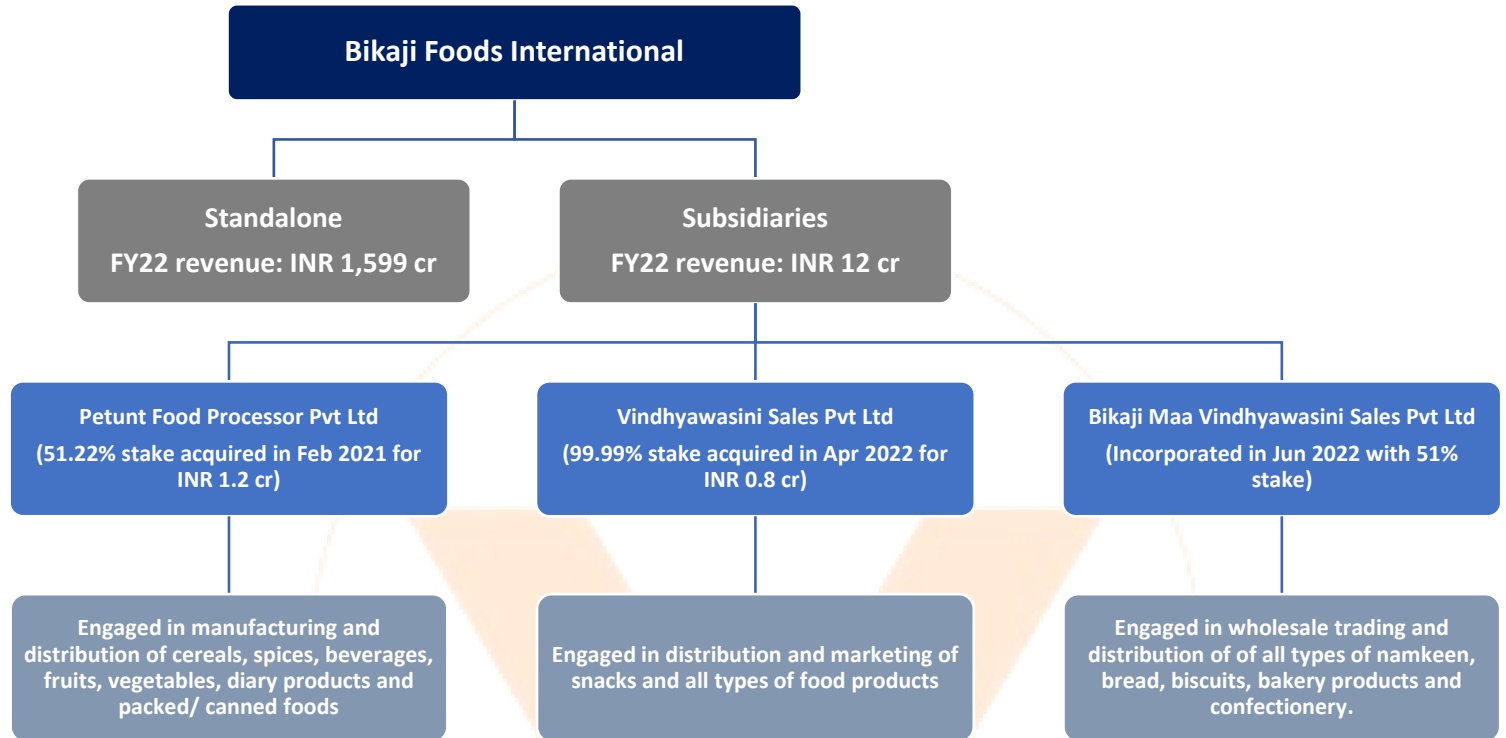
BIKAJI has a strong presence in the North, followed by the East, South and West of India. With the recently commissioned capacities and future expansion plans, the company is targeting to enhance its pan-India presence.

BIKAJI's regional distribution network					
Region	Depot	Super stockists	Direct distributors	Indirect distributors	Total
East	2	8	92	1,148	1,250
North	2	24	254	699	979
South	1	0	55	0	56
West	1	6	15	109	131
<b>Total</b>	<b>6</b>	<b>38</b>	<b>416</b>	<b>1,956</b>	<b>2,416</b>

Source: Company Reports

The company earns 99.3% revenue from its standalone business, while 0.7% revenue comes from its recently acquired/incorporated subsidiaries. These subsidiaries help the company in marketing and distribution of products in new geographies.

**BIKAJI product details**



Source: Company Reports

**Strategically located, large scale sophisticated manufacturing facilities with stringent quality standards**

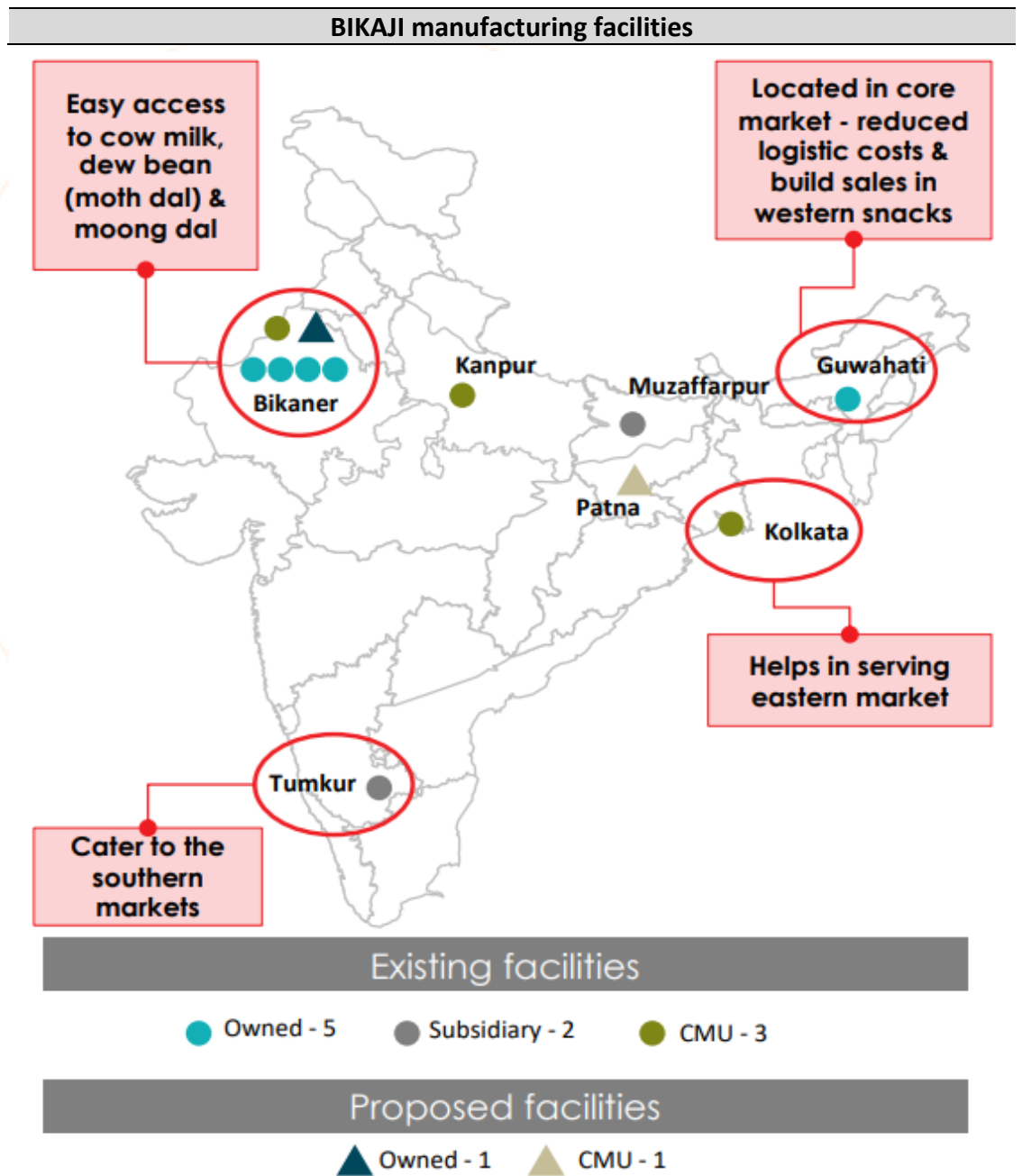
Bikaji has 7 manufacturing facilities that are operated for the manufacturing of its own products –

- 4 facilities located in **Bikaner**, which are located with easy access to cow milk, dew bean (moth dal) and moong dal, which are primary ingredients for their bhujia, sweets and namkeen products.
- 1 facility in **Guwahati** (commissioned in Jan 2022), with a capacity to produce namkeen and western snacks, and it caters to the core market of North East.
- 1 facility in **Tumkur** (held through their subsidiary Petunt Food Processors Pvt Ltd) and it caters to southern India.
- 1 facility in **Muzaffarpur** (held through Vindhyawasini Sales Pvt Ltd and commissioned in Mar 2022) and it caters to the core markets of Bihar, Jharkhand, West Bengal and Odisha.

The company has three contract manufacturing unit in

- **Kolkata**, and it is a non-exclusive contract manufacturing unit for local snacks traders.
- **Bikaner**, which manufactures products a group company, Hanuman Agro Foods Pvt Ltd. This facility got commissioned in Aug 2022
- **Kanpur**, and it is an exclusive contract manufacturing unit which got commissioned in Sept 2022.

The company also intends to operationalize 2 additional contract manufacturing facilities – 1 in Rajasthan and another 1 in Bihar (contract manufacturing for Dadiji Snacks Pvt Ltd).



Source: Company Reports

**BIKAJI's product wise manufacturing facilities**

Manufacturing Facility	Bhujia	Namkeen	Papad	Western Snacks	Packaged Sweets
<b>For own products</b>					
Karni, Bikaner	✓	✓	✓	✓	✓
Bichhwal, Bikaner-I			✓		✓
Bichhwal, Bikaner-II		✓		✓	
Bichhwal, Bikaner-III					
Tumkur		✓		✓	
Guwahati		✓		✓	
Muzaffarpur		✓		✓	
<b>For contract manufacturing</b>					
Kolkata				✓	
Bikaner				✓	
Kanpur		✓		✓	

Source: Company Reports

The company maintains a consistent product pipeline at their manufacturing facilities and their relationship with the raw ingredient suppliers enables them to ensure that its manufacturing facilities operate efficiently. They have entered the frozen foods segment particularly frozen sweets and snacks, which are fast-growing segments in packaged foods. They are in the process of setting up a facility in Bikaner to manufacture frozen products.

### A well-established brand with pan-India recognition

BIKAJI sell all its products under its well-established brand 'BIKAJI' focusing on a diverse range of quality products, authentic ethnic Indian taste, innovative packaging, and effective pricing strategies covering all key price points. The brand positioning of BIKAJI is strong and hence a significant part of its sales is derived from family packs.

**BIKAJI products demand break-up**

Particulars	FY19	FY20	FY21	FY22	FY19-22 CAGR (%)
Impulse purchase	335	410	473	603	21.7
Family pack	543	641	819	971	21.4
Others	24	24	19	37	16.1

Source: Company Reports

The company has strategically undertaken brand-building initiatives to increase brand recall through the prudent use of resources and increasing branding and marketing expenses as they grow its business.



## Strategic arrangements with retail chains in India and international markets

BIKAJI has entered into arrangements with various modern retail channels including supermarkets, hypermarkets and retail store chains either directly or through super-stockists. Within India, the company entered into arrangements with multiple retail chains.

BIKAJI's sales channels					
Particulars	FY19	FY20	FY21	FY22	FY19-22 CAGR (%)
General trade	777	916	1,129	1,358	20.5
Modern trade	51	72	78	110	28.9
Export	37	46	66	64	20.0
E-commerce platform	0	3	10	19	336.3
Others	36	38	28	60	18.9

Source: Company Reports

## BIKAJI's future strategies and plans

### Core market strategic intervention

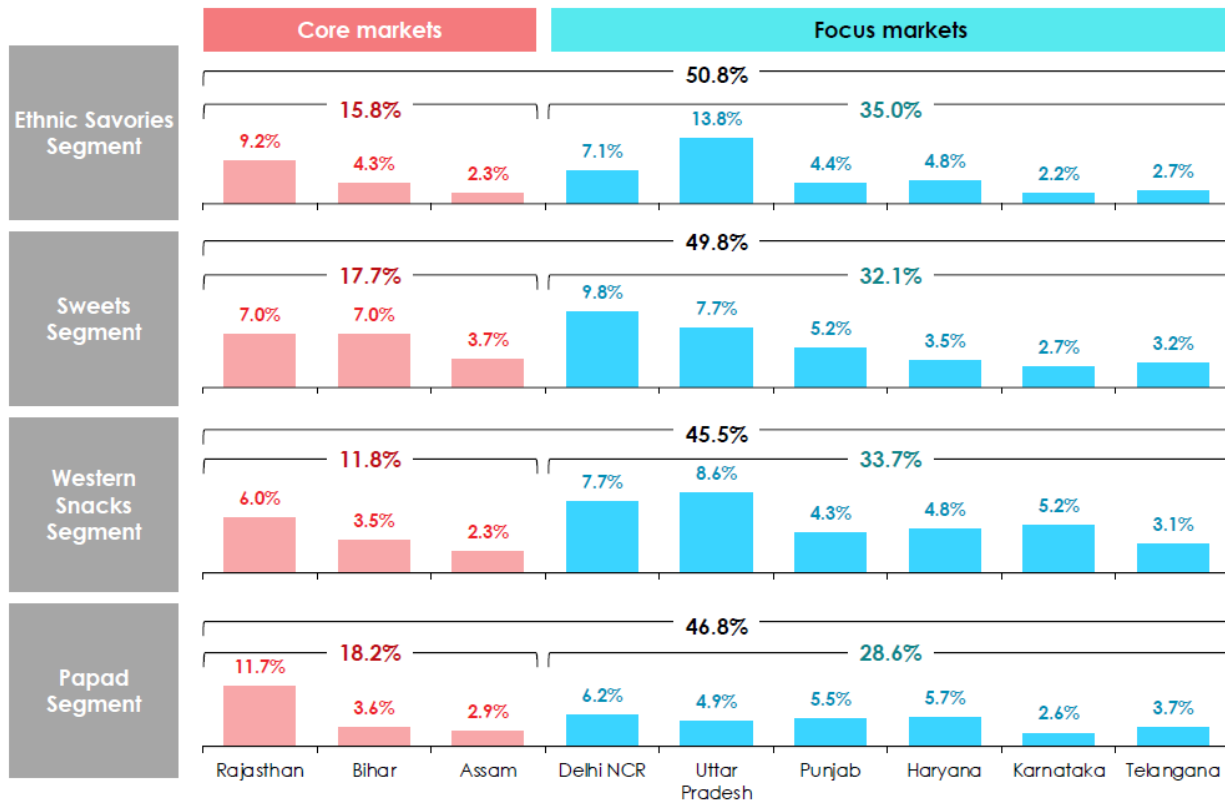
The company's core markets are Rajasthan, Assam and Bihar where in FY22, they enjoyed a market share of approximately 45%, 58% and 29% respectively. The management indicated investing in these markets to further consolidate the company's leading position in these states. BIKAJI would continue to leverage wholesale distributors and hawkers' channels, which are 2 critical business channels in these core markets. The company is in the process of digitalizing its super-stockist and distributor network by providing them with comprehensive distribution management systems and sales force automation solutions.

### Drive growth in focus markets by leveraging existing and proposed facilities

The focus markets are states identified basis the proximity of markets and the opportunity to expand the size of the products they offer. In these states, there are immense growth opportunities and they have already made some inroads, started making their presence felt and started gaining market share. The strategic lever will be to strengthen their distribution network and increase direct and indirect reach in these states.

The company is in the process of strengthening its distribution base in these markets by adding more super-stockists and distributors in more cities and towns. BIKAJI entered this geography by initially focusing on their top-selling products and now expanding its category, both western and ethnic which would further help in gaining presence and market share. The company has experienced significant growth in recent years in states such as Uttar Pradesh, Punjab, Haryana and Delhi in north India and Karnataka and Telangana in south India.

**BIKAJI market share in its key states and UTs**



Bikaji's vision is to expand across geographies and emerge as a **dominant pan-India player**

Company has over the years established market **leadership** in the ethnic snacks market in its **core three states** and have gradually expanded footprint across India

Source: Company Reports

**Expansion into new markets and geographies to explore new business opportunities**

In new markets, as seeding operations, BIKAJI intends to build an experienced super-stockist distribution network with exposure to the same categories to leverage its distribution strength in the respective markets. In these markets, BIKAJI intends to focus on large cities and drive their popular products. The company is planning to leverage e-commerce B2B platforms and national modern trade retail chains to increase its presence and brand in these markets.

To support its growth strategy in its focus and other markets, the company also intend to operationalise 2 additional manufacturing facilities, of which one in Rajasthan will be operated by BIKAJI and will manufacture its frozen snacks and sweets products, and the remaining manufacturing facilities in Bihar, the company has entered into contract manufacturing agreements for the manufacture of namkeen and western snacks, which are expected to commence commercial operations over the next 2 years.

**Continue to use advanced technology to further optimise the operations and improve the efficiency and profitability**

BIKAJI continues to make a significant investment to support its super-stockists and distributors and further scale its distribution network which includes additional cities, towns and rural areas that increase market penetration across India. The company has recently commenced work for the implementation of its distribution management system, and various

measures to achieve operational technology and storage excellence. The company is in the process of implementing an automated storage retrieval system to optimize floor space in its warehouses and streamline the goods movement.

### Further, strengthen the brand and leverage the benefits of the PLI scheme

BIKAJI has consistently allocated significant resources to establish and strengthen its brand and consciously developed its product portfolio under the BIKAJI brand, allowing customers to associate with one brand. Going forward, the company intend to roll out special programmes and enter arrangements with their 'category top-end stores'. The management intends to increase the visibility of its products in other states with its current branding efforts.

The company has also received a letter of acceptance from the government for incentives in relation to branding and marketing expenditure abroad under the PLI scheme. As part of the incentive, BIKAJI has committed to spending INR 46.5 cr on brand and marketing expenditure for the promotion of its brand abroad (excluding trade discounts, expenditure incurred on distribution and overseas logistics expenditure) until the end of FY26. The maximum incentive to be received by the company under the Scheme will be INR 261.4 cr.

## PLI Scheme for the food processing industry

The cabinet has approved the introduction of the PLI scheme for the food processing industry (PLISFPI) for enhancing India's manufacturing and export capabilities. The government has committed nearly INR 10,900 cr, over 6 years starting FY22.

### Objectives of the PLISFPI:

- To support the creation of global food manufacturing champions.
- To strengthen select Indian brands of food products for global visibility and wider acceptance in the international markets.
- To increase employment opportunities of off-farm jobs.
- To ensure remunerative prices of farm produce and higher income to farmers.
- Features of PLISFPI:

### Coverage:

- It will support food manufacturing entities with stipulated minimum Sales and be willing to make the minimum stipulated investment for the expansion of processing capacity and Branding abroad.
- The first component relates to incentivising manufacturing of four major food product segments viz. Ready to Cook/ Ready to Eat (RTC/ RTE) foods, Processed Fruits & Vegetables, Marine Products, Mozzarella Cheese.
- It also covers organic products, free-range eggs, poultry meat and egg products.
- The second component relates to support for branding and marketing abroad.
- Duration: The scheme will be implemented over six years from 2021-22 to 2026-27.

### Expected Benefits:

- Expansion of processing capacity to generate processed food output of INR 33,494 cr.
- Create employment for nearly 2.5 lakh persons by the year 2026-27.

## Management Team

Key Person	Designation	Details
Mr Shiv Ratan Agarwal	Chairman and Whole-time Director	He has been a director in BIKAJI since its incorporation. He has not completed his formal education. He is currently serving as a director on the board of several companies, including Basant Vihar Hotels Pvt Ltd and Mastkin Foods Pvt Ltd. He has over 30 years of experience in the food industry, including ethnic snacks and sweets.
Mr Deepak Agarwal	Managing Director	He has been a director in BIKAJI since Jan 25, 2002. He has completed a PGP from SP Jain Inst of Mgmt & Research, Mumbai. He is currently serving as a director on the board of several companies, including Hanuman Agrofood Pvt Ltd, Petunt Food Processors Pvt Ltd, Mastkin Foods Pvt Ltd and Vindhyawasini Sales Pvt Ltd. He has approx 20 years of experience in the food industry, including ethnic snacks and sweets.
Mrs Shweta Agarwal	Whole-time Director	She has been a director in BIKAJI since Nov 20, 2006. She holds a bachelor's degree in arts and a master's degree in arts (English) from Maharshi Dayanand Saraswati University, Ajmer. She is currently serving as a director on the board of Bikaji Mega Food Park Pvt Ltd and Petunt Food Processors Pvt Ltd. She has approximately 16 years of experience in the food industry, including ethnic snacks and sweets.
Mr Rishabh Jain	Chief Financial Officer	He has been associated with BIKAJI since Feb 1, 2015. He holds a B.Com degree from Veer Narmad South Gujarat University. He is also a member of the ICAI. He has previously worked with Intensive Fiscal Services Pvt Ltd in the capacity of manager of the investment banking. He has over 14 years of experience in the field of finance.
Mr Manoj Verma	Chief Operating Officer	He has been associated with our company since Jun 1, 2021. He holds a bachelor's degree in arts from Agra University and a diploma in marketing mgmt from NIS Sparta Ltd, New Delhi. He was previously associated with Colgate Palmolive (India) Ltd, Mrs. Bectors Food Specialties Ltd, Mondelez India Food Pvt Ltd and Aditya Birla Retail Ltd in various capacities. He has over 24 years of experience in sales and marketing.

Source: Company Reports

## Key Risks & Concerns

- BIKAJI earns 70% of its revenue from two products – Bhujia and Namkeen. An inability to anticipate and adapt to evolving consumer tastes, preferences and demand for particular products may adversely impact brand loyalty and consequently business prospects and financial performance.
- The company has made investments in unsecured debt instruments of Hanuman Agrofood (a group company) in the form of CCD amounting to INR 106.2 cr, and OCD of Dadiji Snacks Pvt Ltd amounting to INR 11.5 cr, respectively, as of Jun 30, 2022. In the event BIKAJI is not able to seek a return on such investments in future, it may adversely affect its financial condition and balance sheet health.

## Issue Structure and Offer Details

The proposed issue size of BIKAJI's OFS is INR 881.2 cr and the price band for the issue is in the range of INR 285-300 and the bid lot is 50 shares and multiples thereof.

Issue Structure		
Investor Category	Allocation	No of shares offered
QIB	Not more than 50%	1,45,61,991
NIB	Not less than 15%	43,68,598
Retail	Not less than 35%	1,01,93,395
Employee	NA	2,50,000

Number of shares based on a higher price band of INR 300

Source: Company Reports

Details of the selling shareholders		
Selling shareholders	Amount offered	No of shares
<b>Promoter selling shareholders</b>		
Mr Shiv Ratan Agarwal	Not more than INR 75 cr	Upto 2,500,000 Equity Shares
Mr Deepak Agarwal	Not more than INR 75 cr	Upto 2,500,000 Equity Shares
<b>Non-promoter selling shareholders</b>		
India 2020 Maharaja, Ltd	Not more than INR 363 cr	Upto 12,110,967 Equity Shares
Intensive Softshare Pvt Ltd	Not more than INR 2 cr	Upto 50,000 Equity Shares
IIFL Special Opp Fund	Not more than INR 93 cr	Upto 3,110,056 Equity Shares
IIFL Special Opp Fund – Series 2	Not more than INR 60 cr	Upto 1,995,552 Equity Shares
IIFL Special Opp Fund – Series 3	Not more than INR 29 cr	Upto 976,179 Equity Shares
IIFL Special Opp Fund – Series 4	Not more than INR 83 cr	Upto 2,753,339 Equity Shares
IIFL Special Opp Fund – Series 5	Not more than INR 65 cr	Upto 2,162,226 Equity Shares
Aventus Future Leaders Fund I	Not more than INR 36 cr	Upto 1,215,665 Equity Shares

The amount is based on a higher price band of INR 300

Source: Company Reports

## BIKAJI financial summary and analysis

Fig in INR Cr (unless specified)	FY21	FY22	FY23E	FY24E	FY25E	Fig in INR Cr (unless specified)	FY21	FY22	FY23E	FY24E	FY25E
<b>Income Statement</b>						<b>Per share data &amp; Yields</b>					
Revenue	1,310.8	1,611.0	2,049.5	2,488.9	2,970.3	Adjusted EPS (INR)	3.6	3.1	3.9	7.0	8.7
YoY Growth (%)	22.0	22.9	27.2	21.4	19.3	Adjusted Cash EPS (INR)	4.9	4.7	5.7	9.1	11.2
Raw Material Cost	936.9	1,170.3	1,496.1	1,742.2	2,079.2	Adjusted BVPS (INR)	24.3	32.9	36.4	42.5	50.0
RM Cost to Sales (%)	71.5	72.6	73.0	70.0	70.0	Adjusted CFO per share (INR)	4.7	2.3	5.3	7.0	8.8
Employee Cost	69.9	90.1	116.8	139.4	163.4	CFO Yield (%)	1.6	0.8	1.8	2.3	2.9
Employee Cost to Sales (%)	5.3	5.6	5.7	5.6	5.5	Adjusted FCF per share (INR)	1.8	0.0	0.9	4.1	6.1
Other Expenses	159.2	211.1	270.2	321.7	377.3	FCF Yield (%)	0.6	0.0	0.3	1.4	2.0
Other Exp to Sales (%)	12.1	13.1	13.2	12.9	12.7	<b>Solvency Ratio (X)</b>					
EBITDA	144.8	139.5	166.4	285.6	350.4	Total Debt to Equity	0.1	0.2	0.2	0.1	0.1
Margin (%)	11.0	8.7	8.1	11.5	11.8	Net Debt to Equity	-0.0	0.1	0.1	0.0	0.0
YoY Growth (%)	53.0	-3.6	19.2	71.7	22.7	Net Debt to EBITDA	-0.0	0.4	0.3	0.2	0.1
Depreciation & Amortization	33.1	38.3	45.9	53.7	62.0	<b>Return Ratios (%)</b>					
EBIT	111.6	101.2	120.5	231.8	288.4	Return on Equity	14.9	9.5	10.7	16.4	17.4
Margin (%)	8.5	6.3	5.9	9.3	9.7	Return on Capital Employed	12.1	7.6	8.6	14.3	15.3
YoY Growth (%)	84.8	-9.3	19.1	92.4	24.4	Return on Invested Capital	18.5	11.6	12.5	20.8	22.8
Other Income	11.5	10.5	19.4	12.7	15.2	<b>Working Capital Ratios</b>					
Finance Cost	3.0	6.7	12.9	15.3	18.2	Payable Days (Nos)	12	10	11	11	11
Interest Coverage (X)	37.3	15.1	9.3	15.2	15.8	Inventory Days (Nos)	16	17	17	17	17
Exceptional Item	0.0	0.0	0.0	0.0	0.0	Receivable Days (Nos)	13	17	15	15	15
PBT	120.1	105.0	127.0	229.3	285.3	Net Working Capital Days (Nos)	17	23	21	21	21
Margin (%)	9.2	6.5	6.2	9.2	9.6	Net Working Capital to Sales (%)	4.7	6.4	5.8	5.8	5.8
YoY Growth (%)	88.7	-12.6	21.0	80.5	24.5	<b>Valuation (X)</b>					
Tax Expense	29.8	29.0	32.0	57.7	71.8	P/E	83.0	96.0	77.1	43.0	34.6
Tax Rate (%)	24.8	27.6	25.2	25.2	25.2	P/BV	12.3	9.1	8.2	7.1	6.0
PAT	90.3	76.0	95.0	171.6	213.5	EV/EBITDA	51.7	54.0	45.3	26.4	21.4
Margin (%)	6.9	4.7	4.6	6.9	7.2	EV/Sales	5.7	4.7	3.7	3.0	2.5
YoY Growth (%)	60.2	-15.8	25.0	80.5	24.5	<b>Cash Flow Statement</b>					
Min Int/Sh of Assoc	-0.1	1.9	2.0	2.4	2.9	PBT	120.1	105.0	127.0	229.3	285.3
Net Profit	90.2	78.0	97.0	174.0	216.4	Adjustments	24.6	23.2	50.7	28.0	33.5
Margin (%)	6.9	4.8	4.7	7.0	7.3	Change in Working Capital	2.3	-41.8	-14.5	-25.3	-27.7
YoY Growth (%)	60.0	-13.6	24.5	79.3	24.4	Less: Tax Paid	-29.8	-29.0	-32.0	-57.7	-71.8
<b>Balance Sheet</b>						<b>Cash Flow from Operations</b>	<b>117.2</b>	<b>57.5</b>	<b>131.2</b>	<b>174.3</b>	<b>219.4</b>
Share Capital	24.3	25.0	25.0	25.0	25.0	Net Capital Expenditure	-73.7	-106.4	-100.0	-101.1	-102.0
Total Reserves	583.2	795.7	883.1	1,036.2	1,222.3	Change in Investments	-40.3	-125.2	105.0	-32.7	-35.3
Shareholders Fund	607.5	820.7	908.0	1,061.1	1,247.2	<b>Cash Flow from Investing</b>	<b>-114.1</b>	<b>-231.6</b>	<b>5.0</b>	<b>-133.8</b>	<b>-137.4</b>
Long Term Borrowings	14.2	41.1	50.0	40.0	30.0	Change in Borrowings	-1.2	175.5	3.1	10.2	12.2
Deferred Tax Assets / Liabilities	29.3	32.7	32.7	32.7	32.7	Less: Finance Cost	-3.0	-6.7	-12.9	-15.3	-18.2
Other Long Term Liabilities	1.3	1.4	1.8	2.2	2.6	Proceeds from Equity	0.0	0.0	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0	0.0	0.0
Long Term Provisions	1.9	0.1	0.2	0.2	0.2	Dividend Paid	-4.9	0.0	-9.7	-20.9	-30.3
<b>Total Liabilities</b>	<b>654.2</b>	<b>896.0</b>	<b>992.8</b>	<b>1,136.3</b>	<b>1,312.9</b>	<b>Cash flow from Financing</b>	<b>-9.1</b>	<b>168.8</b>	<b>-19.5</b>	<b>-25.9</b>	<b>-36.4</b>
Net Block	407.2	478.9	537.8	592.2	642.0	<b>Net Cash Flow</b>	<b>-5.9</b>	<b>-5.3</b>	<b>116.7</b>	<b>14.6</b>	<b>45.6</b>
Capital Work in Progress	36.1	49.4	0.0	0.0	0.0	Forex Effect	0.1	0.0	0.0	0.0	0.0
Intangible assets under developmer	1.9	1.2	0.0	0.0	0.0	Opening Balance of Cash	-17.1	-22.9	-28.3	88.5	103.1
Non Current Investments	72.5	130.1	165.5	200.9	239.8	<b>Closing Balance of Cash</b>	<b>-22.9</b>	<b>-28.3</b>	<b>88.5</b>	<b>103.1</b>	<b>148.7</b>
Long Term Loans & Advances	3.1	20.5	26.1	31.7	37.8						
Other Non Current Assets	50.8	52.5	66.8	81.1	96.8						
Net Current Assets	82.6	163.4	196.6	230.3	296.4						
<b>Total Assets</b>	<b>654.2</b>	<b>896.0</b>	<b>992.8</b>	<b>1,136.3</b>	<b>1,312.9</b>						

Source: Ventura Research

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