



ADANI WILMAR LIMITED

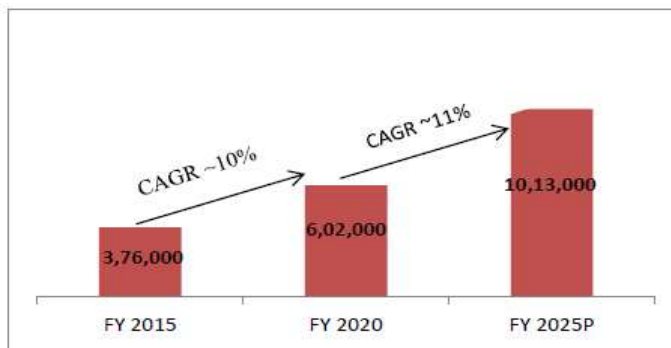
<b>Company Incorporate:</b>	<b>22-Jan-1999</b>
<b>Reg. Office</b>	<b>Gujarat</b>
<b>Website</b>	<b>www.adaniwilmar.com</b>
<b>Industry: FMCG</b>	
<b>Offered Shares</b>	<b>15.65 Cr</b>
<b>Offer Size</b>	<b>Rs.3600 Cr</b>
<b>Offer Price</b>	<b>Rs.218 To Rs.230</b>
<b>Retailer Discount</b>	<b>Nil</b>
<b>Issue Open Date</b>	<b>27-Jan-22</b>
<b>Issue Close Date</b>	<b>31-Jan-22</b>
<b>Retail Quota</b>	<b>35% (1260 Cr.)</b>
<b>Face Value</b>	<b>Rs.1</b>
<b>1 Lot Size</b>	<b>65 Equity Shares</b>
<b>1 Lot Value- @ Cap Price</b>	<b>Rs.14950 ( 230*65)</b>
<b>Apply For</b>	<b>1 Lot Per Family Member A/C</b>

## INDUSTRY OVERVIEW

### ❖ Indian Packaged Food Market Overview

- The Indian packaged food retail market, estimated at ~INR 6,00,000 Cr in FY 2020 contributes only 15% to the total food and grocery retail market estimated at INR 39,45,000 Cr in FY 2020. While the Indian food retail remains dominated by unbranded products such as fresh fruits and vegetables, loose staples, fresh unpackaged dairy and meat, the packaged food market is growing at almost double the pace of the overall category and is expected to gain a market share of 17% by FY 2025 from a share of 14% in FY 2015.
- However, the penetration of packaged food is limited in the Indian households. Annual per capita spend on all categories of packaged food in India is estimated to be ~INR 4,650, much lesser as compared to China at ~INR 16,000 and the USA at more than INR 1,12,500.

• **Packaged Food Retail Market in India (INR Cr)**



• **Packaged Food Retail Categories**

	Market Size FY 2015 (INR Cr)	CAGR (FY2015- FY2020)	Market Size FY2020 (INR Cr)	CAGR (FY2020- FY2025)	Market Size FY2025 (INR Cr)
Packaged Dairy (Fresh)	55,000	12%	96,800	12%	1,67,000
Packaged Meat	12,000	5%	15,000	6%	20,000
Packaged Staples – Edible Oils	1,11,000	7%	1,56,000	6.6%	2,14,000
Packaged Staples - Others	40,000	12%	70,000	15%	1,40,000
Other Processed Packaged Food	1,28,000	11%	2,16,200	13%	3,95,000
Packaged Beverages	30,000	10%	48,000	10%	77,000
<b>Total</b>	<b>3,76,000</b>	<b>10%</b>	<b>6,02,000</b>	<b>11%</b>	<b>10,13,000</b>

• **Presence of Large FMCG (Food) companies across Essential Kitchen Commodities**

Large FMCG companies in India	Edible Oils	Wheat Flour	Rice	Pulses	Sugar	Dairy (Fresh Packaged)
HUL		✓				
Dabur						
ITC		✓				✓
Nestlé						
Britannia						
Godrej						
Marico	✓					
Parle						
Adani Wilmar	✓	✓	✓	✓	✓	
PepsiCo						
Ruchi Soya	✓	✓				
Patanjali	✓	✓	✓	✓	✓	
Emami Agrotech	✓					

❖ **Key Retail Channels**

Packaged food remains a distributor led category with 75% of the sales channelized through general trade (*kiranas*). However modern retail including hypermarkets, supermarkets, e-commerce platform is a growing channel of sales for this category contributing ~25% off-take of packaged food. The key reason behind the dominance of general trade is its robust outreach and coverage.

❖ **Key Growth Drivers**

- The shift towards packaged food from unpackaged unbranded products, premiumisation trend, and competition amongst bigger brands leading to innovative product offering is fuelling growth within packaged food.
- Categories such as staples, dairy and processed food and beverages are expected to drive growth in the packaged food segment. Steady interest of large-scale businesses such as Adani Wilmar, Emami, Marico, Tata, Cargill, ITC, Dabur in food and grocery space and growing organised food retail led by e-commerce is aiding the growth of packaged food.

- **Demographic change is powering the transition from unbranded to branded products**

- Growing number of youth in the workforce, urbanisation, rise in the middle-class population, as well as increase in disposable income across the socio-economic spectrum, higher among urban residents have been driving the consumption of packaged food in India.
- Other influencing factors include the number of women entering the workplace and the evolution of the Indian household, from a multi-generational, extended family unit to single occupant or nuclear family households. These changes mean higher disposable incomes and less time for buying, primary processing and preparation, both of which favour a shift from unbranded to branded products which offer consistent and assured quality along with convenience.

- **Gradual expansion of modern retail including e-commerce**

- While the current share of modern retail in packaged food sales continues to be small but this share has slowly increased over the last few years and will continue to rise going forward. The quality of retail shelves and customer interface of modern retail both brick and mortar and e-commerce aid the growth of packaged food for their ability to introduce new categories of packaged food and to offer more choice to consumers facilitating changes in shopping habits.

- **Increased in-home consumption during COVID-19**

- Food retail is the only category within overall retail which is expected to register 6-7% growth in the year FY 2021 given the negative impact of COVID-19 on consumption. In-home consumption of food products soared initially during the lockdown and thereafter also remained elevated due consumers working from home and having a lesser frequency of eating out due to health and economic reasons.

- **Formalisation of Food Service Industry:** Organized food service industry has been growing at a CAGR of 14%, much faster than the overall food service industry. This consistent transition has formalized the raw material procurement processes and supplier management system with the demand shifting in favour of the large-scale branded suppliers.

- **Introduction of Smaller pack size:** Introduction of Smaller pack size at low prices in various categories such as staples, biscuits, savoury snacks encourages trials in new customer segments thereby enrolling them for future purchases.

- **Government policies supporting food processing**

The food production and processing industry is a high focus and priority sector for the government and multiple schemes and initiatives have been launched to bolster growth in this sector.

- ❖ **Challenges**

- **Lack of modern retail infrastructure**

Packaged food requires special shelves to maintain optimum temperature for the food products and simultaneously offer product visibility. Overall penetration of organised retail in food and grocery is 4.5%. Almost all its entire presence is concentrated clusters in urban India. This adds challenge to packaged food in terms of category extension, product innovation, and brand building. In this context, the growth of packaged food in India requires a multi-channel approach that is significantly skewed towards general *kiranastores*. All major national and regional players therefore need wide retail touch points of general stores and modern retail to emerge as category leaders.

- **Profitability continues to pose a challenge for mass categories**

In order to be profitable in the packaged foods sector, companies need scale, the ability to charge a premium, an efficient cost structure, branding, deeply penetrated PAN-India distribution network, – each of which poses a challenge for regional and small players with mass market positioning in India.

- ❖ **Key Emerging Trends**

- **Consumers shifting towards packaged and branded products**

This shift first manifested in processed categories such as savoury snacks, biscuits, breads and buns. However, it is also becoming significant in staple categories like edible oil, wheat flour, spices and pulses given the growing concern for food safety and inclination towards hygienically packaged products. The

share of branded wheat flour has grown from 3% in FY 2008 to 15% in FY 2020 and the share of branded salt has grown from 5% in FY 2007 to 88% in FY 2020 by value. This shift has been accelerated by the COVID 19 pandemic and this is expected to continue in future.

- **Consumers across the spectrum are moving towards premium products**

Whether this means a change from preparing all foods from scratch to purchasing certain ready-made items, a move from standard to premium snack items, or the switch from basic staples to enriched, organic or luxury versions, consumers are moving upwards through food categories and prices.

- **Convenience and healthy eating trends continue to drive sales**

With the growing health consciousness amongst the consumers, players are using health as a platform to introduce new variants in almost all categories. Introduction of these products not only augments the brand's ability to command premium but also outpaces the growth of the overall category. The perception of packaged foods is changing among consumers as there has been a significant rise in the convenience, availability and affordability of such products across the country.

- **Emergence of Modern Retail and Online Grocery delivery platforms**

Though the modern retail contributes only 4.5% of total Food and Grocery retail, it is expected to grow at a high rate of 22% till 2025.

- **Experimentation with New Brands**

Across segments consumers are increasingly willing to try new brands, rather than remaining loyal to one. This has far-reaching implications for marketers, who now need to work not just to attract new consumers but also to retain existing ones.

- **Regional companies gaining sales share and competing strongly with Leading Players**

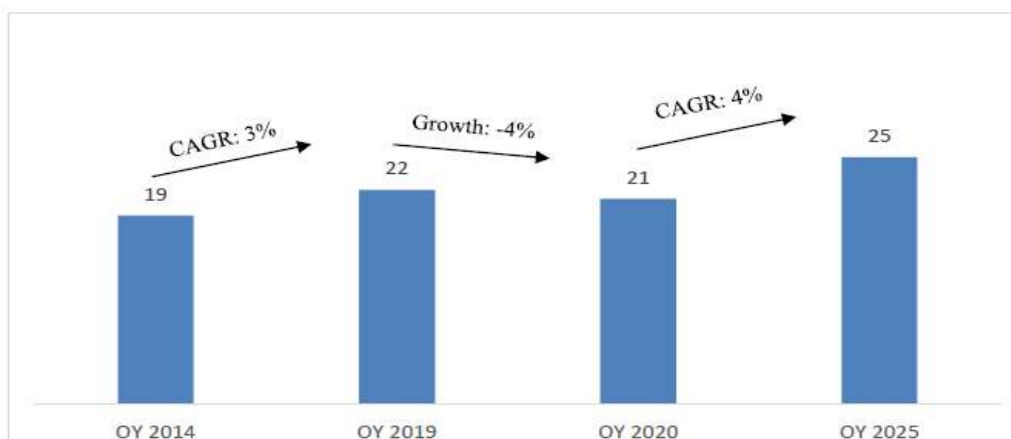
Across packaged food strong regional leaders have evolved that have established their regional dominance while competing with national brands.

- ❖ **Overview of Packaged Edible Oil Market in India**

- **Edible Oil Consumption in India (Volume)**

Edible oils are indispensable to Indian cooking. Growing population, changing tastes and preferences of consumers, shifting consumption pattern towards branded oils and consistent marketing and distribution initiatives by leading edible oil brands is leading to rising consumption of edible oils in the country. The total consumption of edible oil in Indian in OY 2019 has been estimated to be ~22 Mn MT. Out of the total requirement, it is estimated that ~10 Mn MT is produced domestically from primary (Soybean, Rapeseed & Mustard, Groundnut, Sunflower, Safflower & Niger) and secondary sources (Oil palm, Coconut, Rice Bran, Cotton Seeds & Tree Borne Oilseeds) and remaining 60%, is met through import

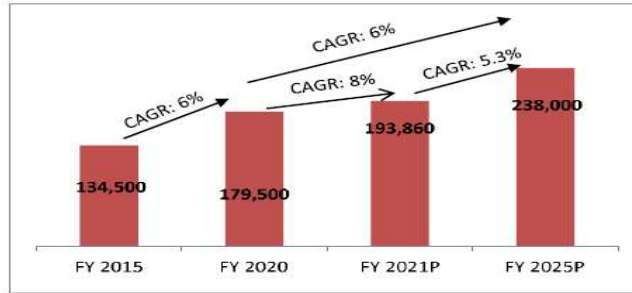
- **Edible Oil Consumption in India - By Volume (Mn MT)**



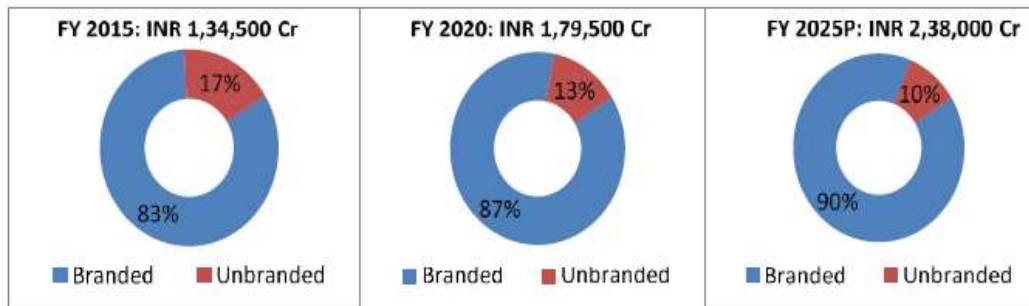
• **Edible Oil Retail Market in India**

The edible oil retail market is estimated to be ~INR 1,79,500Cr in FY 2020 and is expected to grow at a CAGR of 6% in the coming 5 years. It has been growing steadily at a CAGR of 6% in the last five years. The share of unbranded play is consistently dropping and is estimated to shrink to ~ 10% by FY 2025. The edible oils retail market includes the consumption through HoReCa segment and end consumer. In FY 2021, while the HoReCa segment has been adversely affected by COVID-19, the consumer segment has witnessed a steady growth. While consumption in terms of volumes has only marginally degrown in FY 2021, the value growth is a result of price increase in the international markets.

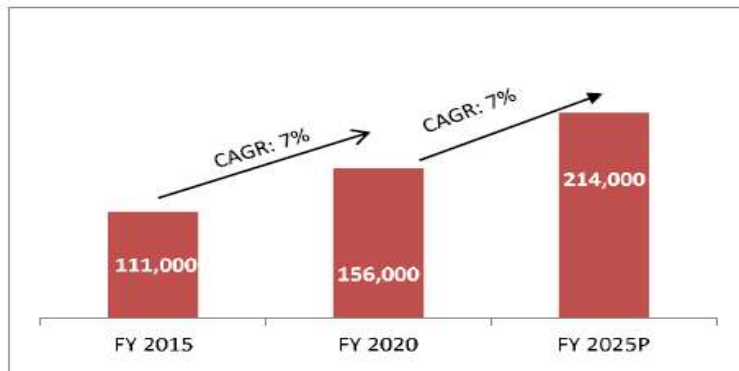
• **Edible Oil Retail Market in India (INR Cr)**



• **Share of Branded Edible Oil Market in India**



• **Branded Edible Oil Retail Market in India (INR Cr)**



• **Edible Oil Consumption – by Type (Volume)**



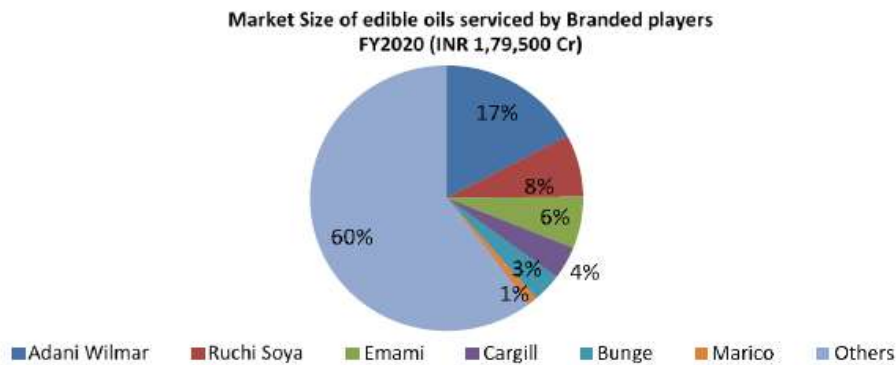
The four key edible oils, palm, soya, mustard and

sunflower constitute 85-88% of the total consumption in India in terms of volume. Palm oil is primarily used by the large-scale food processing enterprises. It is also used in blended oils for domestic consumption. Palm and soybean are also being used by the HoReCa segment. India imports most of its palm oil consumption.

➤ Value Segments and Key Brands



• Market share of key players in branded edible oil market (FY2020)



The following table sets for the Refined Oil in Consumer Packs (“ROCP”) market share of the brands of Adani Wilmar as of March 31, 2021 (Source: Nielsen Retail Index – MAT March 2021):

Fortune	11.5%
Raag	3.3%
King's	2.3%
Aadhar	0.7%
Bullet Lite	0.3%
Alpha	0.1%
Fryola	0.1%
<b>Total</b>	<b>18.3%</b>



The following table sets forth the brand ranking in the ROCP category as of March 31, 2021 (Source: Nielsen Retail Index – MAT March 2021):

Brand	Market share	Ranking
Fortune	11.5%	#1
Competitor 1	7.0%	#2
Competitor 2	5.3%	#3

- **Key Players - Presence across Edible Oil Species**

Player	Palm Oil	Soybean Oil	Mustard Oil	Sunflower Oil	Cotton seed Oil	Groundnut Oil	Rice Bran Oil	Blended Oils	Vanaspati
Adani Wilmar	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ruchi Soya	✓	✓	✓	✓	✓			✓	✓
Emami	✓	✓	✓	✓			✓	✓	✓
Cargill		✓	✓	✓				✓	✓
Bunge		✓	✓	✓	✓	✓	✓		✓
Marico								✓	
Gemini	✓		✓	✓		✓	✓		
Agro Tech Foods / ConAgra Foods				✓				✓	

- **Overview of Soya Products Market in India**

- Soya flour, a high protein flour, is produced from the soyabean extract being ground to flour after the oil has been extracted. Soya flour can be further processed into textured soy protein (TSP). TSP is essentially soya flour which has been processed and dried to give a substance with a sponge-like texture and is a good source of fibre and protein. It is prepared by rehydrating with water or stock, after which it may be incorporated into recipes as a meat substitute or otherwise. TSP is sold in chunk and granule form.
- Other value added products amongst the by-production of soybean oil extraction are soya flour, lecithin and soya sauce. These products are exported to Japan and Korea and are highly valued for their non GMO origin.

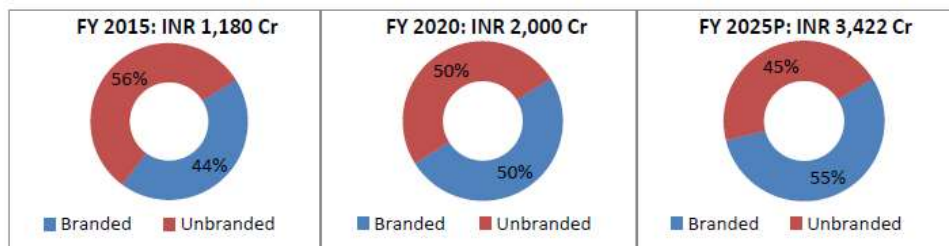
- **Indian Soya Chunk Retail Market**

The size of the soya chunks retail market in India is estimated to be at INR 2000 Cr comprising both of branded and unbranded segments with almost equal share in terms of value. The total market for branded soya chunks is INR 1,000 Cr nationally with West Bengal having a market share of more than one third of total size.

- **Soya Chunks Retail Market in India (INR Cr)**

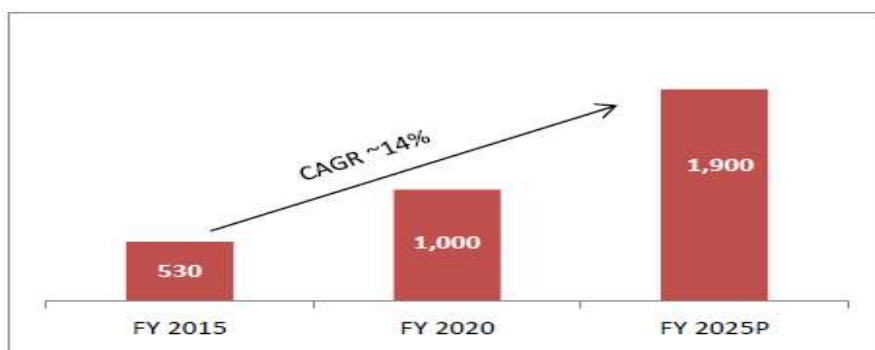


➤ **Share of Branded Soya chunks**



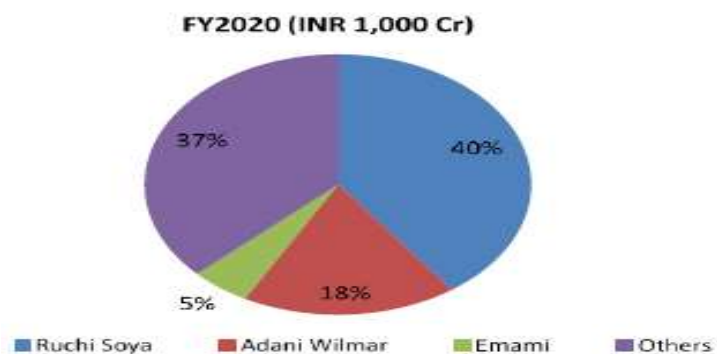
- The growth in branded market is expected to outpace the growth of the overall category. With a CAGR of 14%, the market estimated to be INR 1000 Cr in FY 2020 is expected to almost double itself in the coming 5 years.

➤ **Branded Soya Chunks Retail Market in India (INR Cr)**



The growth in soya chunks is led by the eastern and northern regions of India which contribute 80% sales to the total market of soya chunks (branded and unbranded) as recipes such as soya chunks, dry soya granules *bhurji*, *soya chaps*, *soya pulao* and many others have been a part of regular diet in these regions since the 1990s. Soya chunks provide an alternative to cottage cheese in the north and to meat in the eastern region. Consumption in the western and southern regions has remained relatively low and wider acceptance in these regions may require advocacy and integration with traditional recipes.

➤ **Market share of key players in branded soya chunks market (FY2020)**



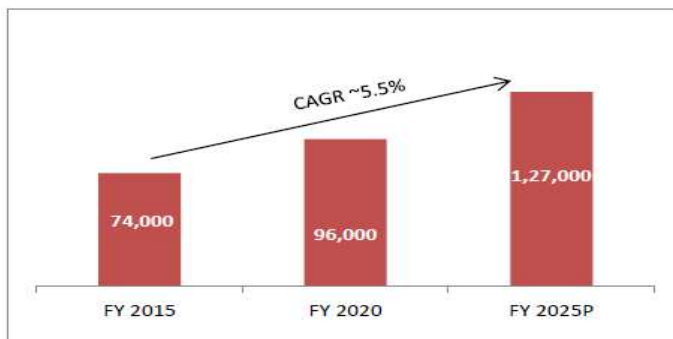


- **Overview of Packaged Wheat Flour Market in India**

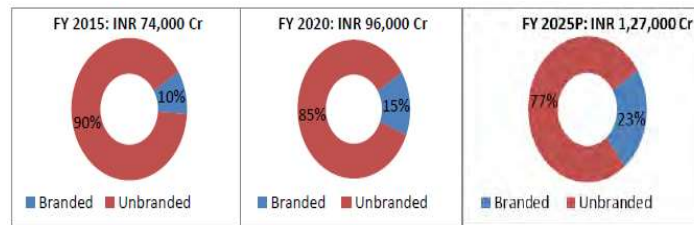
- **Indian Wheat Flour Retail Market**

- Before the late-90s, wheat flour (*ata*) was mainly or milled through local *chakkimills* in India. Even now, the wheat flour market is largely dominated by local *chakkimills* in India. However the branded packaged wheat flour has emerged rapidly in the country in the past fifteen years capitalizing on hygiene and convenience factors.
- Wheat is the staple food for most Indians in the wheat growing areas (North and West India) and is consumed in the form of *chapattis* or *rotis*(unleavened flat bread).
- Wheat grain milled to flour form at home *chakkisor* small *chakkis* referred to as unbranded form of wheat flour. This unpackaged and unbranded form of wheat flour dominates the consumption in rural and semi-urban areas.

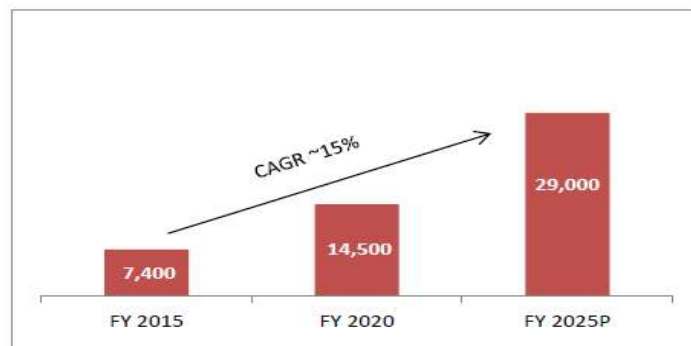
- **Wheat Flour Retail Market in India (INR Cr)**



- **Share of Branded Wheat Flour Market in India**

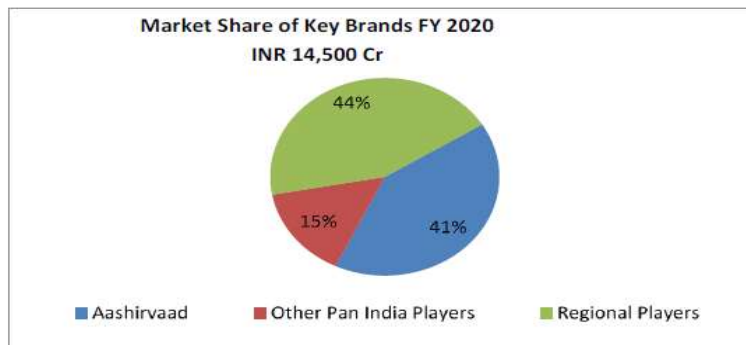


- **Branded Wheat Flour Retail Market in India (INR Cr)**



- Northern and western states account for almost 70% of the total consumption of the branded wheat flour. This consumption trend mirrors the overall consumption of wheat flour as southern and eastern states are primarily rice consuming regions.

- **Market share of key players in branded wheat flour market (FY2020)**



The following table sets for the packaged atta market share of the brands of Adani Wilmar as of March 31, 2021 (Source: Nielsen Retail Index – MAT March 2021):

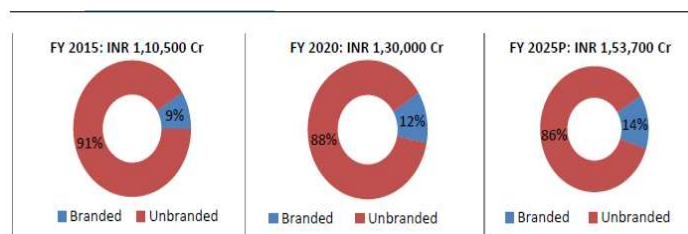
Fortune	3.4%
First Choice	0.1%
Total	3.5%

- **Overview of Packaged Rice Market in India**

- **Rice Retail Market in India (INR Cr)**

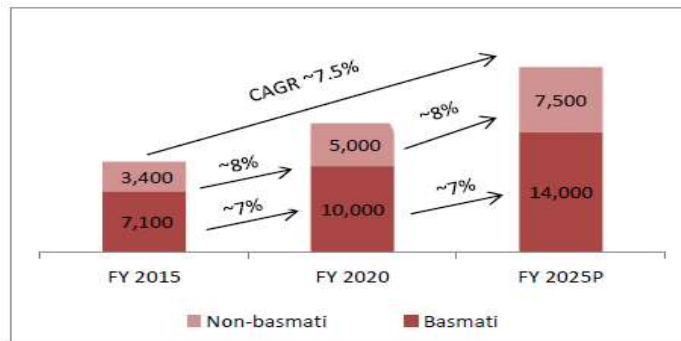


- **Share of Branded Rice in India**



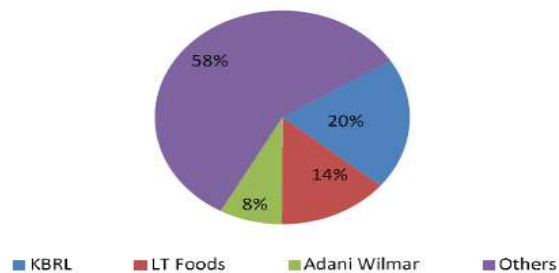
India packaged rice market is estimated to be INR 15,000 Cr in FY 2020 and is projected to grow at a CAGR of ~7.5% to reach INR 21,500 Cr in FY 2025 on the back of growing urban population and rising demand for fine quality products. Moreover, growing per capita income is further contributing to the growing demand for packaged rice. Additionally, packaged rice players are expanding their product portfolio to include a variety of rice such as brown rice, rice for diabetic patients, organic rice which is further anticipated to push demand for packaged rice in urban centres over the coming years.

➤ **Branded Rice Retail Market in India (INR Cr)**



➤ **Market share of key players in branded rice market (FY2020)**

Branded Rice Market INR 15,000 Cr (FY 2020)



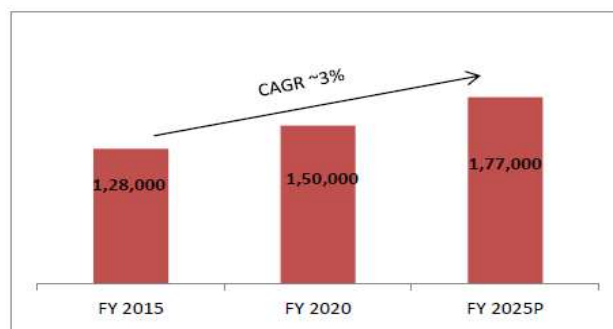
The following table sets forth the ranking in the packaged basmati rice segment as of March 31, 2021

Brand	Market share	Ranking
Competitor 1	34.4%	#1
Competitor 2	22.9%	#2
Fortune	6.6%	#3

• **Overview of Packaged Pulses Market in India**

Pulses form an indispensable form of Indian cuisine. A significant share of the Indian population are vegetarians and pulses represent the main source of proteins in their diets. India's large consumer base also represents a major driver for the pulses market. Additionally, apart from being the staple food for people, pulses have found applications in the food processing industry.

• **Pulses Retail Market in India (INR Cr.)**



- **Share of Branded Pulses Market in India (FY2020)**



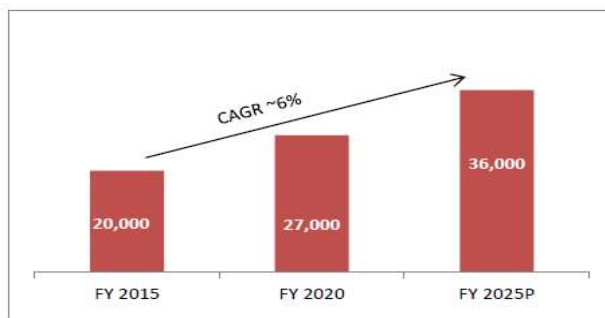
- **Branded Pulse Retail Market in India (INR Cr)**



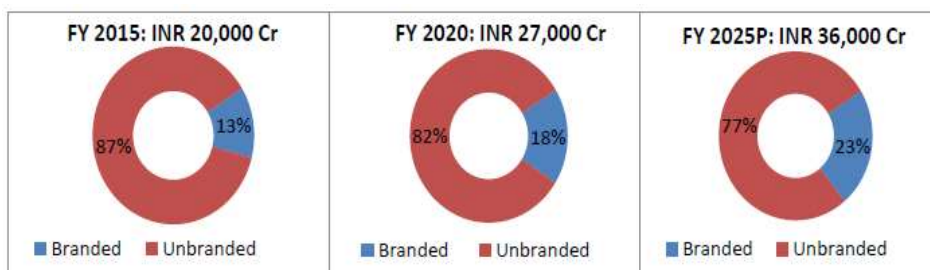
- **Overview of Packaged Besan (Bengal Gram Flour) in India**

Besan (Bengal gram flour) is a milled product obtained out of Bengal gram. It is widely used in Indian cooking and is an important ingredient for the HoReCa segment and savoury snack manufacturers (namkeens). With a monthly consumption of 500-750 grams per household, it is estimated to be around INR 27,000 Cr in FY 2020. Expected to grow at a rate of 6%, it is poised to register INR 36,000 Cr market by FY 2025.

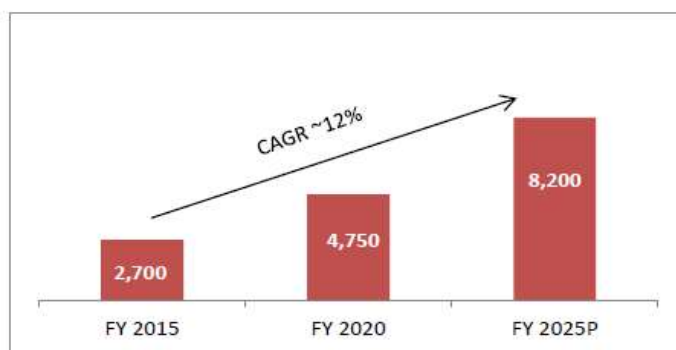
- **Bengal Gram Flour Retail Market in India (INR Cr)**



- **Share of Branded Bengal Gram Flour in India**



- **Branded Bengal Gram Flour Market in India (INR Cr)**



- **Overview of Ready to Cook & Ready to Eat Segment in India**

- Food products that need some preparation, such as addition of additional ingredients and limited cooking before consumption, fall under the RTC category, while the RTE category comprises packaged food items that are ready for consumption as is or post heating/ addition of hot water. Ready to Cook includes products such as dessert mixes, snack mixes, breakfast mixes, curry making enablers, gravy mix and masala mixes, frozen snacks. Ready to Eat primarily comprises of curries, traditional breads, rice delicacies, snacks such as poha, upma and desserts.
- The market for both the segments put together is estimated to be approximately INR 4,200 Cr in FY 2020 and is expected to grow at a high CAGR of 16% doubling itself by FY 2025.

- **Indian Market for Castor Oil & Derivatives**

Castor oil is a multi-purpose vegetable oil obtained from castor found mainly in tropical areas of Africa and Asia. India is the single largest producer of castor seeds and accounts for 85% of the total global castor oil-seeds production, followed by China and Brazil.

- **Global Castor Oil-seed Production (Production in '000' Tonnes)**

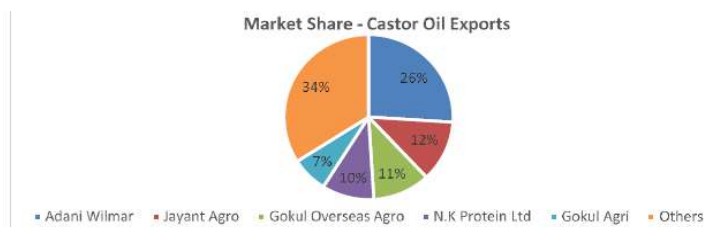
Countries	Crop Year 2016-17		Crop Year 2017-18		Crop Year 2018-19	
	Production ('000 Tonnes)	Share	Production ('000 Tonnes)	Share	Production ('000 Tonnes)	Share
India	1376	87.3%	1567	88.8%	1197	85.0%
China	32	2.0%	27	1.5%	36	2.6%
Brazil	13	0.9%	14	0.8%	16	1.2%
Others	155	9.8%	157	8.9%	158	11.2%
Total Production	1577		1765		1408	

- **Key Customer Segments for Castor oil and Derivatives**

- Castor seed and its derivatives in India are mainly consumed in cosmetic industry, pharmaceutical industry, plastics manufacturing, lubricants, paint and printing ink.
- India is the largest producer of castor oil. Many players in India have indigenous technologies to manufacture castor oil derivatives. The large producers are currently producing multiple industrial derivatives except sebacic acid, which has witnessed a limited production capability in India. China has a dominant position in production of sebacic acid.
- Castor oils can be classified as basic or Generation I products. These are commoditised products with low value addition, low profit margins and involve basic manufacturing processes. Generation II and III products are value-added products involving complex manufacturing processes.
- The main product derived from castor oil with use in Industry are Hydrogenated castor oil (HCO), 12-Hydroxy Steric Acid (12-HSA), Dimer Acid, Ricinoleic Acid (RA) and Sebacic Acid. They have several uses

majorly in the manufacturing of soaps, lubricants, hydraulic & brake fluids, paints, dyes, coatings, inks, cold resistant plastics, waxes & polishes, pharmaceuticals and perfumes.

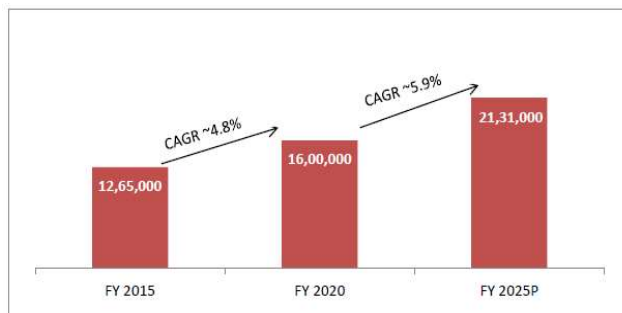
- **Key Castor Oil Exporters from India - Market Shares (By Volume)**



- **Oleochemical Industry in India**

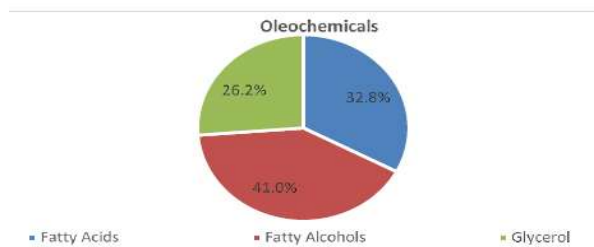
Oleochemicals are chemicals manufactured through the organic route by using vegetable oils and derivatives. These chemicals offer a unique proposition of performance enhancers/accelerators while at the same time they are also environmentally friendly. Oleochemicals are manufactured from oils and by-products of oil refining and provide profitable product expansion opportunity to vegetable oil processors and refiners.

- **Oleochemicals Market in India (Tonnes per Annum)**

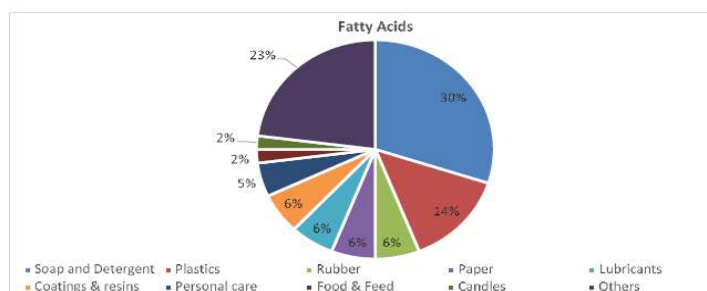


➤ Oleochemicals are industrially produced chemicals, derived from animal fat or vegetable oils. Since they are safer for human use compared to conventional petrochemicals products, various end-user industries such as those engaged in manufacturing of personal care products, detergents, soaps, and agro-chemicals are substituting their requirements for petrochemicals with oleochemicals.

- ❖ **Key Oleochemical Segments**

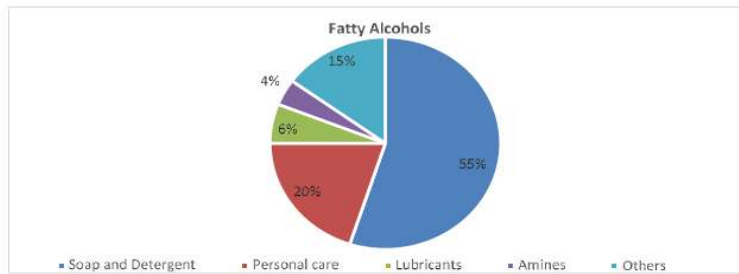


- **Uses of Fatty Acids**

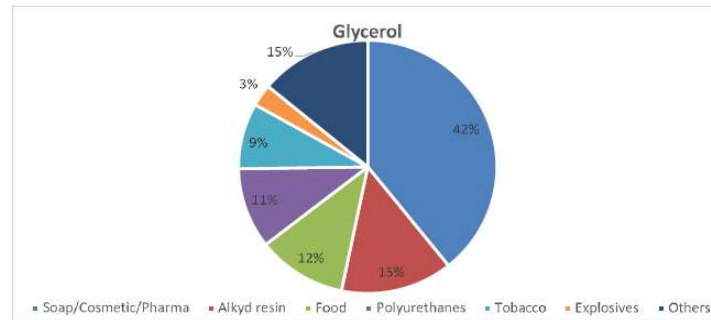


- **Uses of Fatty Alcohols**





## • Uses of Glycerol



## BUSINESS OVERVIEW

- Company is one of the few large FMCG food companies in India to offer most of the primary kitchen commodities for Indian consumers, including edible oil, wheat flour, rice, pulses and sugar.
- Company offer a range of staples such as wheat flour, rice, pulses and sugar. Company's products are offered under a diverse range of brands across a broad price spectrum and cater to different customer groups.
- Company is a joint venture incorporated in 1999 between the Adani Group, which is a multinational diversified business group with significant interests across transport and logistics, and energy and utility sectors, and the Wilmar Group, one of Asia's leading agribusiness groups which was ranked seventh largest listed companies by market capitalization on the Singapore Exchange as of September 30, 2021.
- Company's portfolio of products spans across three categories: (i) edible oil, (ii) packaged food and FMCG, and (iii) industry essentials. A significant majority of their sales pertain to branded products accounting for approximately 73% of their edible oil and food and FMCG sales volume for the financial year 2021 (excluding industry essentials which were offered on a non-branded basis).
- Company have a presence across a wide array of sub-categories within each of these three categories as described below:



- As of March 31, 2021, the Refined Oil in Consumer Packs (“**ROCP**”) market share of Company’s branded edible oil was of 18.3%, putting them as the dominant No. 1 edible oil brand in India.
- Fortune”, Company’s flagship brand, is the largest selling edible oil brand in India.
- Company have also leveraged their brands and distribution network to offer a wide array of packaged foods since 2013, including packaged wheat flour, rice, pulses, *besan*, sugar, soya chunks and ready-to-cook *khichdi*.

### ❖ **Company’s Key Business Categories**

#### ● **Edible Oil**

As of March 31, 2021, the ROCP market share of company’s branded edible oil was 18.30%, putting them as the dominant No. 1 edible oil brand in India. “Fortune”, Company’s flagship brand, is the largest selling edible oil brand in India Company offer a comprehensive portfolio of edible oil products, including soyabean oil, palm oil, sunflower oil, rice bran oil, mustard oil, groundnut oil, cottonseed oil, blended oil, *vanaspati*, specialty fats and a range of functional edible oil products with distinctive health benefits. Company also offer various specialty fats, including (i) industrial margarine, bakery shortening and *vanaspati*, (ii) lauric fats as substitutes for milk fat and cocoa butter substitutes, and (iii) bulk packaging of frying oil. Company’s is one of the largest players in specialty fats and oils in India.

Product	Market share		Ranking in India
Soyabean oil*	Fortune	22.8%	First
	King’s	6.4%	Third
	Total	29.2%	
Sunflower oil*	Fortune	8.3%	Third
	Aadhar	2.6%	***
	Total	10.9%	
Palmolein oil*	Raag	15.1%	Second
	Alpha	0.7%	***
	Fryola	0.3%	***
	Total	16.1%	
Mustard oil**	10%		First
Rice bran oil*	25.1%		***

## Business Strength

- ❖ **Differentiated and diversified product portfolio with market leading brands to capture large share of kitchen spends across India.**

Company focus on offering a wide portfolio of packaged consumer staples, including edible oil, wheat flour, rice, pulses, *besan*, soya chunks and sugar, to consumers. Company is one of the few large FMCG food companies in India to offer most of the primary kitchen commodities for Indian consumers, including edible oil, wheat flour, rice, pulses and sugar. Commodities, such as edible oils, wheat flour, rice, pulses and sugar, account for approximately 66% of the spend on primary kitchen commodities in India Company offer a range of staples such as wheat flour, rice, pulses and sugar. They also offer ready-to-cook soya chunks and *khichdi*.

- **Broad customer reach**

As of March 31, 2021, Company is present in one out of three households in India with a household reach of 90.51 million through their Fortune brand. Company have long standing relationship with their customers, including Company’s prominent institutional customers, such as Britannia. They have an omni-channel presence. Company’s products are available across major e-commerce platforms and their own e-commerce channels.

- **Strong brand recall across a diverse range of price points**

- Fortune”, Company’s flagship brand, is the largest selling edible oil brand in India. As a renowned brand in India, it has been associated with the quality of their edible oil and food products and the health benefits they feature. Company believe that they strong brand recall has enabled them to market company’s products at a premium price. Company is present in most of the packaged food categories through their “Fortune” brand. The brand structure using a single brand identity for multi-categories optimizes it’s marketing costs and enhances company’s brand equity.

- Company have brands catering to various price points. “Fortune” with premium pricing and “Bullet” with value pricing – so as to optimize it’s customer reach, to have products for a diverse range of consumers and achieve better brand recognition. Company have a number of masstige brands, including “Bullet”, “King’s”, “Aadhar”, “Raag”, “Alpha”, “Jubilee”, “Avsar”, “Golden Chef” and “Fryola”.
- **Leading consumer product company in India with leadership in branded edible oil and packaged food business**
  - Company forayed into food products in the fiscal year 2013 and currently offer an extensive array of food products. Company is among the top 5 fastest growing packaged food companies in India, based on the growth in revenues during the last five years. The following chart sets forth the market share and ranking in India of their key packaged food products as of March 31, 2021.
  - Company’s FMCG portfolio covers soaps, handwash and sanitizers. The revenue they generated from sales of soap increased by 175.60% from ₹159.69 million for the fiscal year 2020 to ₹440.11 million for the fiscal year 2021. Company’s personal hygiene products, such as soaps, have presence in rural areas as they offer them at affordable prices in order to cater to the rural markets.
- **Market leading position in industry essentials**
  - Company was among the five largest basic oleochemical manufacturers in India in terms of revenue as of March 31, 2020, and the largest manufacturer of stearic acid and glycerine in India with a market share of 32% and 23%, respectively. The following table sets forth the market share and ranking in India of Company’s oleochemical products in 2020.

Product	Market share	Ranking in India
Stearic acid	32%	Largest
Glycerin	23%	Largest
Soap noodles	9%	Not available

Company was the largest exporter of castor oil and among the three largest exporters of oleochemicals in India as of March 31, 2020

- **Strong raw material sourcing capabilities**
  - Company’s raw material sourcing capabilities are supported by their market standing and extensive business networks. They import a significant portion of raw materials, and their market leadership has facilitated them to source raw materials from top global suppliers from the international markets. Company was India’s largest importer of crude edible oil as of March 31, 2021 which provided them with bargaining power to source better quality raw materials on favorable commercial terms. Wilmar International, their promoter group company, is the largest palm oil supplier in the world, and provides them with additional competitive edge as they need not depend on third party suppliers for sourcing of palm oil.
- **Integrated business model with well-established operational infrastructure and strong manufacturing capabilities**
  - Company operate an integrated manufacturing infrastructure to derive cost efficiency across their different business lines. Company’s integrated infrastructure includes the following:
    - *Backward and forward integration.* Most of their crushing units are fully integrated with refineries to refine crude oil they produce in-house. Company further derive de-oiled cakes from crushing and use palm stearin derived from palm oil refining to manufacture oleochemical products, such as soap noodles, stearic acid and glycerin, and FMCG, such as soaps and handwash. For example, their plant in Mundra is an end-to-end integrated plant where they produce *vanaspati*, margarine, oleochemical products and soap bars with raw materials from the refining process;
    - *Integration of manufacturing capacities of edible oils and packaged foods at the same locations.* Such integrated manufacturing infrastructure has enabled them to share supply chain, storage facilities, distribution network and experienced manpower among different products and reduce the overall costs for processing and logistics. For example, they have (i) *besan* units at their edible oil plants in Alwar, Saoner (Nagpur) and Neemuch; (ii) pulse, *besan* and soya chunk units at company’s edible oil plant in

Haldia; (iii) a rice unit at their castor oil plant in Mundra; (iv) soya value-added products at their crushing unit in Vidisha; and (v) a margarine unit at their refinery in Krishnapatnam.

- Company have 22 plants in India which are strategically located across 10 states, comprising 10 crushing units and 19 refineries with an aggregate designed capacity of 8,525 MT per day and 16,285 MT per day, respectively, as of September 30, 2021. Out of the 19 refineries, ten are port-based to facilitate use of imported crude edible oil and reduce transportation costs, while the remaining are typically located in the hinterland in proximity to raw material production bases to reduce storage costs. Company's refinery in Mundra is the largest single location refinery in India with a designed capacity of 5,000 MT per day. In addition, as of September 30, 2021, they had 36 tolling units across India to cater to the excess demand and ensure company's presence across different parts of the country, which produce mustard oil, rice bran oil, wheat flour, rice, pulses, sugar, soya chunks and *khichdi* with raw materials they provide.

- **Extensive pan-India distribution network**

- From the financial year 2019 to the financial year 2021, the number of company's distributors in India experienced a 33% growth. As of September 30, 2021, they had 5,590 distributors in India located in 28 states and eight union territories, catering to over 1.6 million retail outlets, representing approximately 35% of the retail outlets in India.
- Company's pan-India presence is supported by a robust distribution infrastructure to ensure the availability of their products. As of September 30, 2021, they had 88 depots in India, with an aggregate storage space of approximately 1.8 million square feet across the country to ensure availability of company's products.
- Apart from company's presence in general trade outlets and modern trade outlets, they have been utilizing Fortune Foods, Company's exclusive website to showcasing the entire basket of products available under the Fortune brand, and Fortune Online, which is a one-stop-online shop for all the products under the Fortune brand. Currently, customers in 25 cities can place orders through Fortune Online. Furthermore, they have recently launched Fortune Mart, which are franchised physical stores to showcase company's Fortune-branded products and which also serve as fulfillment centers for home delivery of products ordered through Fortune Online. In addition, they partner with certain e-commerce platforms, such as Grofers, and company's products are available across major e-commerce platforms. Company's online sales in India through e-commerce platforms increased by 53.30% from the financial year 2020 to 2021.

- **Focus on environmental and social sustainability**

- Company is committed to maintaining environmental and social sustainability. Their efforts towards environmental and social sustainability include:
- Company's operating entities in India procured approximately 95.6% of crude palm oil which is traceable up to mills in the calendar year 2020. Company's nine palm oil refineries in India are all certified by the Roundtable on Sustainable Palm Oil ("**RSPO**").
- *Promoting green energy.* Company have implemented solar power at five of its plants in India with an aggregate installed capacity of 3,040 kilowatts.
- *Conserving water.* Company have installed zero liquid discharge systems at eight of their plants in India, which allow them to recover and reuse wastewater from their manufacturing process. Company is in the process of establishing zero liquid discharge system at another plant in India.
- *Using recyclable packaging.* Approximately 96% of the packing materials used by their operating entities in India in the six months ended September 30, 2021 can be recycled by customers after use.

- **Strong parentage with professional management and experienced board**

- Company is a joint venture incorporated by the Adani Group and Wilmar Group. The Adani Group is a multinational diversified business group with significant interests across transport and logistics, including ports, shipping, airports and railways, and energy and utility sectors, including power generation, transmission and distribution. Wilmar Group is one of Asia's leading agribusiness groups which was ranked seventh largest listed companies by market capitalization on the Singapore Exchange by September 30, 2021. Wilmar Group's integrated business model encompasses the entire value chain of the agricultural commodity business from cultivation and milling of palm oil and sugarcane to processing, branding and distribution of a wide range of edible food products, animal feeds and industrial agri-

products such as oleochemicals and biodiesel. Company benefit from the Adani Group's in-depth understanding of local markets, extensive experience in domestic trading and advanced logistics network and leverage on Wilmar Group's global sourcing capabilities and technical know-how.

## BUSINESS STRATEGY

- **Become the leading packaged food and FMCG company in India**

- Driven by increasing per capita income, urbanization and the large working age population and concern of the general public over hygiene of foods in loose form, food traceability and sustainability, the demand for packaged foods in India is experiencing a rapid growth. Certain food categories, which used to be predominantly sold in loose form, are being increasingly sold in packages. However, the penetration rate of packaged foods in India remains low, which provides significant potential for growth for packaged edible oil and food products.
- Company will also continue to strengthen their leading position in the edible oil market by introducing additional premium products. To target health conscious consumers, Company aim to focus on health benefits in development of new edible oil products.

- **Further expand Company's distribution network with an omni-channel approach**

- Company strive to expand their distribution network in order to further penetrate both urban and rural areas and increase their sales. Company will continue to increase the coverage of it's retail outlets. In the meantime, they will continue to adopt company's omni-channel strategy and endeavor to extend their customer reach through e-commerce platforms, including company's Fortune Online portal, and Fortune Mart stores which serve as fulfillment centers for home delivery of products ordered through Fortune Online. Company aim to expand their online reach in India from current 25 cities to 100 cities in the next few years. Company also aim to have more than 40 Fortune Mart stores opened across India in the next few years.
- Company have designed programs to motivate their distributors to achieve performance targets. Distributors could earn rewards, such as cars, motorcycles and overseas trips, when they meet quarterly targets. Company believe that the motivations they provide to distributors have helped them engage their distributors and increase sales.

- **Focus on increasing brand awareness**

- Product brand advertising. As part of the product brand strategy, Company will strive to maintain their market share in the leadership categories and at the same time also grow it's challenger categories across edible oil and packaged food and FMCG segments. Company strategically price it's challenger categories in order to compete with regional brands and capture market share. For challenger categories, Company endeavour to focus on driving strong cultural connect and ensure share of voice (SOV) and share of brand experience (SOE) to be in line with share of market (SOM).
- Range advertising. Range advertising will be conceptualized with a focus on highlighting company's entire range of kitchen essentials across edible oil and food and FMCG categories.
- Digital connect. Company will also focus on increasing it's digital connect and reach by tying up with influencers and bloggers and drive on e-commerce sales to communicate with the young demographic.

- **Continue to launch new products and enhance company's customer base**

- Company plan to launch new products to capture consumer trends. They have been evaluating new products in adjacent categories, based on a set of criteria, including their ability to create a differentiated offering, competitive intensity, go-to-market capability, back-end product fitment, category, scale and profitability of the new products. Company's potential new products may include additional functional edible oils, cold pressed or infused oils, noodles and pasta, *poha*, biryani rice kit, masala oats and *dalia*, honey, instant dry mixes for *idly*, *dosa*, *poha* and *khaman*, Chinese, Mexican and Schezwan flavored rice, traditional savory snacks, biscuits, cookies, *khari*/rusks, low calorie sugar, vermicelli, cake mix, dishwash bars and floor cleaner. Company expect new products to increase their market share and further expand it's customer base.

- In addition, Company is exploring to leverage the Adani Group's access to a wide retail customer base from its gas, electricity and airport businesses for cross-selling of their products.
- **Pursue strategic acquisitions**
  - Company pursue strategies acquisition when opportunities rise. Through acquisitions, Company seek to:
 

*Expand its graphic presence.* For example, Company may pursue acquisitions in the edible oil and food industry to strengthen it's enhance the southern regions where regional companies are strong. Company intend to consolidate market share through acquisitions of regional players. For example, they recently acquired Bangladesh Edible Oil Limited, an edible oil manufacturer with market leadership in some edible oil categories in Bangladesh, which will help them extend the Bangladesh market and further increase their edible oil manufacturing capacity. For further details, see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last
  - Include additional products in company's portfolio. Company's seeking to acquire brands and businesses from food and FMCG companies, which will to expand their product and brand portfolios increase food and FMCG manufacturing capacities and distribution access. Company also hope to improve overall business performance in terms of top line and margins through such acquisitions. For example, They intend to grow their food business through strategic acquisitions of and partnerships with third party staple food manufacturers. They may also seek growth in ready-to-cook and ready-to-eat food product offerings through strategic acquisitions and partnerships. Company's strategy to acquire brands and businesses will be guided by the principle to enhance not only the product portfolio but also to derisk their business from dependency on any single product or category.
- **Focus on multiple drivers for margin expansion**
  - Company intend to focus on the following to drive their margin expansion:
  - Market share consolidation. Company is seeking continuous improvement in their market share which will enable them to have better realization and premium pricing.
  - Integrated manufacturing facilities. The location of Company's manufacturing facilities near manufacturing hubs helps reduce cost and achieve operational efficiency. Company plan to continue to make progress on improving the integration of Company's existing and upcoming manufacturing facilities.
  - Optimize overheads. Company strive to achieve further economies of scale through manufacturing hubs producing multiple products, which will help them further optimize Company's overheads.
  - Leverage scale to improve sourcing and ramp-up sales. Company's scale will help them in the procurement of raw materials from reliable sources at competitive prices and also optimize sales by leveraging existing distribution channels.

## Risk Factors

- **Company's operations are dependent on the supply of large amounts of raw materials, such as unrefined palm oil, soyabean oil and sunflower oil, wheat, paddy and oil seeds.**
  - Unfavourable local and global weather patterns may have an adverse effect on the availability of raw materials. In addition, they do not have long term agreements with suppliers for Company's raw materials. Any increase in the cost of, or a shortfall in the availability of, such raw materials could have an adverse effect on their business and results of operations, and seasonable variations could also result in fluctuations in it's results of operations.
  - Company's business depends on the availability of reasonably priced and high quality raw materials in the quantities required by them. For example, they source certain raw materials from global suppliers. Predominantly, unrefined soybean oil is imported from Argentina and Brazil, unrefined sunflower oil from Ukraine and Russia, and palm oil from Indonesia and Malaysia. Company also



source wheat, paddy and oilseeds domestically, either directly from farmers or through agents acting on behalf of them.

- Unfavourable local and global weather patterns, including extremes such as drought, floods and natural disasters, may have an adverse effect on the availability of raw materials. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters.
- **The COVID-19 pandemic has affected, and could continue to affect, the global economy as a whole and markets in which they operate.**
- COVID-19 pandemic restrictions had initially disrupted company's supply chains in the first half of 2020, resulting in:
  - **Increased transportation cost:** Due to the lockdown, Company was only able to operate two of their largest plants, namely Mundra and Haldia, to cater to the overall market demand which continued up to May 2020. This led to increased transportation costs. After May 2020, they resumed operations at all the plants across the country.
  - **Delayed shipments of imported crude edible oil:** Due to the COVID-19 restrictions and safety and quarantine guidelines, Company's shipments of imported unrefined edible oil were delayed, which led to an increase in raw material prices and impacted their supply chain for 2-3 months from the onset of COVID-19.
  - **Financing cost:** Company use letter of credits issued by foreign banks to settle payments with suppliers for its imports. Due to a temporary liquidity crunch in the market during the onset of COVID-19, foreign banks typically charged them a higher interest rate due to a temporary uncertainty in the risks involved, which increased their financing costs.
  - **Labour shortage:** Company was temporarily impacted by unavailability of truck drivers and delivery vehicles as well as labour shortage due to migration of labour to their hometown as a result of the lockdown restrictions. The labour shortage lasted for only a short period up to June 2020 and reduced drastically since July 2020.
  - **Export business:** Due to the reduced demand and supply chain disruptions, the revenue from their export sales reduced from ₹29,270.87 million in the financial year 2020 to ₹27,461.55 million in the financial year 2021.
- **Company derive a significant portion of its revenue from its edible oil business segment and any reduction in demand or in the production of such products could have an adverse effect on their business, results of operations and financial condition.**
- Company derive a significant portion of their revenue from company's edible oil business segment in India. For the financial years 2019, 2020 and 2021 and the six months ended September 30, 2021, Company's revenue from their edible oil business was ₹215,398 million, ₹234,767 million, ₹304,978 million and ₹201,174 million, or 74.80%, 79.16%, 82.23% and 82.70% of their revenue from operations, respectively.
- Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of company's edible oil products could have an adverse effect on their business, results of operations and financial condition.
- Company's products are in the nature of commodities and their prices are subject to fluctuations that may affect their profitability.
- Company's earnings are to an extent dependent on the prices of the commodities that they sell, including, amongst others, palm oil, sunflower oil, grain and castor oil. These fluctuate due to factors beyond their control, including, amongst others, world supply and demand, supply of raw materials, weather, crop yields, trade disputes between governments of key producing and consuming countries and governmental regulation. Global demand for agricultural commodities may be adversely affected in periods of sustained economic downturn, while supply may increase due to weather patterns or long-term technological developments, all of which are factors beyond their control.

- Fluctuation in the exchange rate between the Indian rupee and foreign currencies may have an adverse effect on their business.
- Although they follow established risk management policies, including the use of derivatives, such as foreign exchange forward contracts and options, to hedge company's exposure to foreign currency risks, they are nevertheless exposed to risks from foreign exchange rate fluctuations since company's business is dependent on imports and exports entailing large foreign exchange transactions, in currencies including the U.S. dollar, Euro, British Pound, Swiss Franc and the Swedish Krona. In addition, they have certain foreign currency borrowings and Company's future capital expenditures, including any imported equipment and machinery, may be denominated in foreign currencies. Exchange rates between some of these currencies and the Indian rupee in recent years have fluctuated significantly and may do so in the future, thereby impacting results of operations and cash flows in Indian rupee terms.
- Under-utilization of manufacturing capacities could have an adverse effect on their business and results of operations.
- Company's revenues and profits are dependent on their ability to maximize their capacity utilization. Maximizing capacity utilization rates at its manufacturing facilities allows them to increase their economies of scale and allocate fixed costs over a greater number of units of products, thus increasing their profit margins. Company's crushing plant operations have been under-utilized as a result of low domestic production of seeds and better pricing parity for importation of unrefined oil. The capacity utilization of their crushing units in India for the financial years 2019, 2020 and 2021 and the six months ended September 30, 2021 was 23%, 20%, 25% and 22%, respectively. The capacity utilization of its refineries was 61%, 51%, 55% and 48%, respectively.

• **Installed Capacity, Actual Production and Capacity Utilization**

Facility	Six Months Ended September 30,						Financial Year 2021			Financial Year 2020			Financial Year 2019		
	2020			2021			Installed Capacity	Processed Quantity	Capacity Utilization	Installed Capacity	Processed Quantity	Capacity Utilization	Installed Capacity	Processed Quantity	Capacity Utilization
	Installed Capacity + (MT)	Processed Quantity+ (MT)	Capacity Utilization ** (%)	Installed Capacity + (MT)	Processed Quantity+ (MT)	Capacity Utilization ** (%)	(MT)	(MT)	(%)	(MT)	(MT)	(%)	(MT)	(MT)	(%)
Edible oil															
Crushing	1,113,750	248,365	22	1,113,750	248,071	22	2,227,500	549,705	25	2,160,000	436,935	20	2,107,500	483,351	23
Refining	2,735,880	1,450,088	53	2,735,880	1,313,711	48	5,471,760	3,012,453	55	4,889,360	2,483,970	51	4,128,600	2,516,211	61
Packaged foods	282,750	113,635	40	288,750	94,472	33	565,500	219,081	39	371,350	148,388	40	196,500	86,820	44
Oleochemicals	383,850	233,572	61	383,850	233,700	61	767,700	500,668	65	743,508	523,639	70	738,663	475,270	64

• **Exports**

- As of September 30, 2021, company exported their products, including branded edible oil products, foods, FMCG and industry essentials, to over 50 countries. They have recently introduced their branded edible oil products to the Middle East. They are also exporting industry essentials, such as castor oil and oleochemicals, to the Middle East, Southeast Asia, East Africa, Europe, United States and Canada. Company were the largest exporter of castor oil and among the three largest exporters of oleochemicals in India as of March 31, 2020. In the financial years 2019, 2020 and 2021 and the six months ended September 30, 2021, Company generated ₹31,660.06 million, ₹29,270.87 million, ₹27,461.55 million and ₹16,509.52 million, respectively, from export sales, representing approximately 10.99%, 9.87%, 7.40% and 6.64%, respectively, of company's revenue from operations.

• **E-commerce Channels**

- Company adopt an omni-channel strategy to extend its customer reach. In addition to traditional retail distribution channels, they have been utilizing e-commerce channels. Company have an exclusive website "Fortune Foods" showcasing the entire basket of products available under the Fortune brand. They have recently launched an online portal, Fortune Online, which is a one-stop-shop for all the products under the Fortune brand along with the mobile application Fortune Online.

Facility	Six Months Ended September 30,						Financial Year 2021			Financial Year 2020			Financial Year 2019		
	2020			2021			Installed Capacity	Processed Quantity	Capacity Utilization**	Installed Capacity	Processed Quantity	Capacity Utilization**	Installed Capacity	Processed Quantity	Capacity Utilization**
	Installed Capacity* (MT)	Processed Quantity* (MT)	Capacity Utilization** (%)	Installed Capacity* (MT)	Processed Quantity* (MT)	Capacity Utilization** (%)	(MT)	(MT)	(%)	(MT)	(MT)	(%)	(MT)	(MT)	(%)
Edible oil															
Crushing	1,113,750	248,365	22	1,113,750	248,071	22	2,227,500	549,705	25	2,160,000	436,935	20	2,107,500	483,351	23
Refining	2,735,880	1,450,088	53	2,735,880	1,313,711	48	5,471,760	3,012,453	55	4,889,360	2,483,970	51	4,128,600	2,516,211	61
Packaged foods	282,750	113,635	40	288,750	94,472	33	565,500	219,081	39	371,350	148,388	40	196,500	86,820	44
Oleochemicals	383,850	233,572	61	383,850	233,700	61	767,700	500,668	65	743,508	523,639	70	738,663	475,270	64

Fortune Online – Online portal for all products under Fortune brand



**25**  
Current live cities

**100**  
Targeted live towns within the next few years

Fortune Business – Online ordering app for Fortune retail partners



**16**  
Current live cities

Fortune Foods – Exclusive website



Showcases the entire basket of products available under the "Fortune" brand along with an option to shop through other prominent e-commerce platforms

Fortune Mart – franchised physical stores



Fulfillment centers for home delivery of products ordered through Fortune Online

**12** Current outlets

**40** Additional outlets to be opened within the next few years

## OBJECT OF THE OFFER

Company proposes to utilise the Net Proceeds towards funding of the following objects:

1. Funding capital expenditure for expansion of company's existing manufacturing facilities and developing new manufacturing facilities ("**Capital Expenditure**").
2. Repayment/prepayment of company's borrowings.
3. Funding strategic acquisitions and investments.
4. General corporate purposes.

- **Proposed schedule of implementation and deployment of Net Proceeds**

➤ Company propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

Particulars	Amount to be funded from the Net Proceeds	Estimated deployment of the Net Proceeds			
		Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Capital Expenditure	19,000.00	-	7,000.00	8,000.00	4,000.00
Repayment/prepayment of borrowings	10,589.00	9,324.56	1,264.44	-	-
Funding strategic acquisitions and investments	4,500.00	1,000.00	3,500.00	-	-

- The following table sets forth the installed capacity, processed quantity and capacity utilization of their manufacturing facilities in India for the periods indicated:

Facility	Six Months Ended September 30,						Financial Year 2021			Financial Year 2020			Financial Year 2019		
	2020		Capacity Utilization** (%)	2021		Capacity Utilization** (%)	Installed Capacity (MT)	Processed Quantity (MT)	Capacity Utilization** (%)	Installed Capacity (MT)	Processed Quantity (MT)	Capacity Utilization** (%)	Installed Capacity (MT)	Processed Quantity (MT)	Capacity Utilization** (%)
Installed Capacity+ (MT)	Processed Quantity+ (MT)	Installed Capacity+ (MT)		Processed Quantity+ (MT)											
Edible oil															
Crushing	1,113,750	248,365	22	1,113,750	248,071	22	2,227,500	549,705	25	2,160,000	436,935	20	2,107,500	483,351	23
Refining	2,735,880	1,450,088	53	2,735,880	1,313,711	48	5,471,760	3,012,453	55	4,889,360	2,483,970	51	4,128,600	2,516,211	61
Packaged foods	282,750	113,635	40	288,750	94,472	33	565,500	219,081	39	371,350	148,388	40	196,500	86,820	44
Oleochemicals	383,850	233,572	61	383,850	233,700	61	767,700	500,668	65	743,508	523,639	70	738,663	475,270	64

- Company is proposing to expand/develop the manufacturing facilities at the locations as set out below:

S. No.	Location	Description
<i>Expansion at manufacturing facility</i>		
1.	Nagpur, Maharashtra	100 TPD soya nugget plant with BP and CP packing ("Nagpur 1") Soya value added products plants, namely, a) soya flour mill - 150 TPD, and (b) Flour Packing - 100 TPD ("Nagpur 2") 240 TPD chana dal plant ("Nagpur 3")
2.	Haldia, West Bengal	1,500 TPD palm oil refinery, 400 TPD neutralization plant, 300 kilo liters per day ("KLD") effluent treatment plant ("ETP"), 500 TPD fractionation plant, and suitable expansion in acid oil
3.	Paradip, Odisha	Setting up packing section with warehouse of 4,000 square meter
4.	Bundi, Rajasthan	500 TPD oil mill
5.	Mantralayam, Andhra Pradesh	300 TPD solvent extraction plant, revamp of solvent extraction process, and warehouse for de-oiled cake
6.	Kadi, Gujarat	240 TPD dal plant and 150 TPD besan plant
7.	Neemuch, Madhya Pradesh	240 TPD dal plant
<i>Developing new manufacturing facility</i>		
8.	Gohana, Haryana	Integrated manufacturing including 12 TPH x 2 Line P2R and 8 TPH R2R x 2 lines, 400 TPD rice bran oil extraction, 100 TPD Rice bran oil refinery, 500 TPD mustard oil mill and 200 TPD wheat flour plant

## MANAGEMENT

- **Brief biographies of Directors**

- **Kuok Khoon Hong** is the Non-Executive Chairman of Company. He holds a bachelor's degree in business administration from the University of Singapore. He has over 40 years of experience in the agribusiness industry. He is the co-founder of Wilmar International Limited and currently, he is the Chairman and Chief Executive Officer of Wilmar International Limited. He was appointed to company's Board of Directors with effect from February 27, 1999.
- **Angshu Mallick** is the Chief Executive Officer and Managing Director of Company. He holds a bachelor's degree in dairy technology from Dairy Science College, National Dairy Research Institute, Karnal and a post graduate diploma in rural management from Institute of Rural Management, Anand. He has over 35 years of experience in marketing and sales in the food industry. Previously, he was working with Gujarat Co-operative Milk Marketing Federation Limited as Manager, Marketing and Distribution and has been working with their Company since March 1999. He was appointed to company's Board of Directors with effect from April 1, 2021.
- **Pranav Vinod Adani** is the Non-Executive, Non-Independent Director of Company. He holds a bachelor's degree of science in business administration from Boston University, United States. He has been working with the Adani Group since 1999 and currently heads the oil and gas, city gas distribution and agri



infrastructure businesses of Adani Group. He was appointed to company's Board of Directors with effect from April 1, 2008.

- **Malay Ramesh Mahadevia** is a Non-Executive, Non-Independent Director of Company. He holds a bachelor's and master's degree in dental surgery from University of Bombay and degree of doctor of philosophy (science) from Gujarat University. He has been working with the Adani Group since 1993 and was the Group HR Director of Adani Group. He was appointed to company's Board of Directors with effect from June 17, 2019.

## FINANCIALS

Particulars	2019	2020	2021
<b>Income (Cr)</b>	28919	29766	37195
<b>EBITDA (Cr)</b>	1253	1419	1430
<b>EBITDA (%)</b>	4.33	4.77	3.84
<b>Net Profit (Cr)</b>	375.55	460.87	727.64
<b>EPS (Rs)</b>	2.89	3.55	5.60
<b>Book Value (Rs)</b>	16.25	19.78	25.38

### ❖ Peer Group Comparison :

Financials 2021 M	ADANI WILMAR @ 230	RUCHI SOYA @ 845	TATA CONSUMER @ 707	MARICO @ 468
<b>Sales (Cr.)</b>	37195	16319	11,602	8048
<b>EBITDA (Cr.)</b>	1430	957	1544	1589
<b>EBITDA (%)</b>	3.84 %	5.86 %	13.31 %	19.74 %
<b>Net Profit (Cr.)</b>	727.64	681	857.00	1172
<b>Cash EPS(Rs)</b>	11.01	32.35	16.76	12.30
<b>EPS (Rs.)</b>	5.60	23.02	9.30	9.07
<b>Book Value</b>	53.09*	148.78	158.36	30.51
<b>Cash P/E Ratio</b>	<b>20.90</b>	<b>26.12</b>	<b>42.20</b>	<b>38.06</b>
<b>PE Ratio</b>	41.07	36.70	76.02	51.60
<b>MP/BV</b>	4.33*	5.68	4.46	15.34
<b>Debt/Equity Ratio</b>	0.14*	0.82	0.08	0.09
<b>Market Cap (Cr)</b>	29886	24995	65150	60480

**\* Post Issue :**

### **Future Price Projections:**

**FY 21 Mar CEPS** Rs 11.01\* 22/25 CPE = Rs242/275

**FY 22Mar Estimated CEPS (GR 15 %)** Rs 12.66\* 22/25 CPE = Rs 278/316

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