Advance Agrolife Ltd.

September 29, 2025

IPO Details

IPO Date	September 30, 2025 to October 3, 2025
Face Value	₹10 per share
Price Band	₹95 to ₹100 per share
Lot Size	150 Shares
Sale Type	Fresh Capital
Total Issue Size	1,92,85,720 shares (aggregating up to ₹192.86 Cr)
Employee Discount	₹5.00
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	4,50,00,000 shares
Share Holding Post Issue	6,42,85,720 shares
QIB Shares Offered	Not more than 50% of the Net Issue
Retail Shares Offered	Not less than 35% of the Net Issue
NII (HNI) Shares Offered	Not less than 15% of the Net Issue
Retail (Min & Max) shares	150 Shares & 1,950 shares
Retail (Min & Max) application amount	₹15,000 & ₹1,95,000
S-HNI (Min shares & application amount)	2,100 shares & ₹2,10,000
S-HNI (Max shares & application amount)	9,900 shares & ₹9,90,000
B-HNI (Min shares & application amount)	10,050 shares & ₹10,05,000
Basis of Allotment	Mon, Oct 6, 2025
Initiation of Refunds	Tue, Oct 7, 2025
Credit of Shares to Demat	Tue, Oct 7, 2025
Listing Date	Wed, Oct 8, 2025
Cut-off time for UPI mandate confirmation	5 PM on Fri, Oct 3, 2025
Promoters	Om Prakash Choudhary, Kedar Choudhary, Manisha Choudhary and Geeta Choudhary
Registrar	Kfin Technologies Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Advance Agrolife Limited is an agrochemical company engaged in manufacturing a wide range of agrochemical products that support the entire lifecycle of crops. The company's products are designed for use in the cultivation of major cereals, vegetables, and horticultural crops across both agri-seasons (Kharif and Rabi) in India. As on the date of March 31st 2025, they have received four hundred and ten generic registrations comprising of three hundred and eighty Formulation Grade registration and thirty Technical Grade registration for the agrochemicals.

The company's product portfolio includes insecticides, herbicides, fungicides, plant growth regulators. They also manufacture other agrochemical products such as micro-nutrient fertilizers and bio fertilizers. Their products are primarily sold domestically through direct sales to corporate customers on B2B basis, across the country, particularly in nineteen states and two union territories. In addition to serving domestic market, their products are also exported to seven countries including UAE, Bangladesh, China (including Hong Kong), Turkey, Egypt, Kenya and Nepal during the Fiscal 2025, Fiscal 2024 and Fiscal 2023. Some of their marquee corporate customers include DCM Shriram Limited, IFFCO MC Crop Science Private Limited, Indogulf Cropsciences Limited, Mankind Agritech Private Limited, HPM Chemicals and Fertilizers Limited, ULink AgriTech Private Limited, amongst other.

The company primarily operate through its manufacturing facilities cumulatively admeasuring approximately 49,543.35 square metre, all three located in Rajasthan.

The Revenue of the Company increased by 10.17% and Profit after Tax rose by 3.63% from FY24 to FY25.

Objects of the Issue

- ❑ Funding Working Capital requirements of the Company- Rs. 135 Crore
- ❑ General Corporate Purposes- Rs. 57.86 Crore

Financial Details

Particulars (Amount in Crores)	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	502.26	455.89	397.8
Other income	0.61	1.31	0.16
Total Income	**502.87**	**457.2**	**397.97**
Expenses			
- Cost of Materials Consumed	380.63	361.61	331.05
- Change In Inventories of Finished Goods And Work-In-Progress	1.49	-0.87	-5.72
- Manufacturing and Operating Expenses	31.82	21.11	21.32
- Employee Benefit Expense	11.3	9.4	6.68
- Finance costs	5.43	3.53	2.64
- Depreciation and amortization expense	7.61	3.38	2.45
- Other expenses	29.37	25.74	19.4
Total expenses	**467.67**	**423.91**	**377.85**
EBITDA	47.65	38.9	25.07
EBITDA Margin (%)	**9.49%**	**8.53%**	**6.30%**
Profit/(Loss) before tax	**35.2**	**33.29**	**20.12**
Tax expense/(credit)	9.56	8.55	5.25
Profit/(Loss) After Tax	**25.64**	**24.74**	**14.87**
PAT Margin (%)	**5.10%**	**5.41%**	**3.74%**
Basic EPS (in Rs.)	**5.7**	**5.5**	**3.3**

Key Metrics	Mar-25	Mar-24	Mar-23
ROCE (%)	**27.02%**	**37.62%**	**34.38%**
D/E Ratio	**0.80**	**0.60**	**0.50**
Working Capital Days	**74**	**55**	**48**

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Competitive Strengths

- **Established, integrated manufacturing setup at strategic location:** The company operates three manufacturing facilities across 49,543.35 sq.m of land in Jaipur, Rajasthan, with a total annual installed capacity of 89,900 MTPA. Their manufacturing facilities are equipped with advanced machinery and automation, these facilities produce both technicals and formulations efficiently. The automation and technology integration reduces manual intervention, enhances consistency and productivity, and supports cost-effective, high-quality, and scalable production to meet market demand.

- **Diversified product portfolio of agrochemical products:** The company is a B2B agrochemical firm engaged in manufacturing a diverse range of products that support the entire crop lifecycle, including insecticides, herbicides, fungicides, plant growth regulators, micro-nutrient fertilizers, and bio-fertilizers. As of March 31, 2025, it holds 410 registrations—380 for formulation grade and 30 for technical grade products. Registrations in 13 Indian states allow the company to legally distribute and supply its products across these regions, strengthening its market presence.

- **Established customer base and strong relationships:** The company has established strong customer relations in the course of over 23 years of operating experience. During Fiscal Years 2025, Fiscal 2024, and Fiscal 2023, the company has served over 849, 1,194 and 1,135 corporate customers, respectively. Among these, approximately 94 customers have been with them for over 3 years, and 26 customers for over 5 years.

- **Strong Promoters and experienced management team:** The company is driven by a qualified and dedicated management team, which is led by the Board of Directors. The promoters, namely Om Prakash Choudhary and Kedar Choudhary have been associated with the Company since the year 2005 and 2016 respectively and have played a significant role in the development of the business.

- **Track Record of healthy growth:** The company has achieved revenue from operations of ₹502.26 crores in Fiscal 2025, ₹455.89 crores in Fiscal 2024 and ₹397.81 crore in Fiscal 2023. The company's revenue from operations has grown at a CAGR of 12.36% between Fiscal 2023 and Fiscal 2025.

Key Risk Factors

- **Risk of Non-Compliance with Regulatory Quality Standards –** The company is subject to stringent quality standards, regulatory norms, and technical specifications prescribed by the central and state governments in India, as well as by regulatory authorities in the countries to which they export their products. Compliance with such standards is critical for ensuring product safety, efficacy, and regulatory acceptance. Any failure or delay in adhering to these standards whether due to lapses in production processes, inadequate quality control, supply chain disruptions, or evolving regulatory benchmarks could result in product recalls, rejection of orders or cancellation of orders, or regulatory sanctions.

- **Risk from Changes in Agriculture Sector Policies** - The business is directly influenced by the income levels and purchasing power of farmers, which are significantly affected by state and central government policies related to the agriculture sector. Any change in Government policies towards the agriculture sector or a reduction in subsidies and incentives provided to farmers could adversely affect the business and results of operations.

- **Domestic Manufacturing and Customer Base –** The company's manufacturing facilities, supply chains, and primary customer base are located within India, with limited exposure to international markets. Consequently, its business performance is closely linked to the Indian agriculture sector and domestic demand for agrochemical products, exposing the company to various region-specific risks. Due to this concentration, any adverse political, regulatory, economic, or environmental developments in India could disproportionately affect its operations and financial performance.

- **High Customer Concentration -** A major portion of the company's revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on the business, financial condition, results of operations and cash flows.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Advance Agrolife Ltd.	NA	10	17.57*	5.69**	5.69**	29.11%	22.42
Peers:-							
Dharmaj Crop Guard Ltd.	308.25	10	29.92	10.30	10.30	9.24%	116.70
Insecticides India Ltd.	760.35	10	15.71	48.38	48.38	13.55%	372.74
Heranba Industries Ltd.	299.55	10	389.02	0.77	0.77	0.37%	210.15
PI Industries Ltd.	3502.20	10	32.00	109.44	109.42	17.58%	668.22
Sharda Cropchem Ltd.	843.65	10	25.00	33.74	33.74	12.85%	277.21

*P/E calculated based on upper band price.
**EPS calculated including fresh issue shares.

Summary

The Indian agrochemical industry is a globally significant sector, ranking as the fourth-largest producer and second-largest exporter, with a market value projected to reach over $14.5 billion by FY28. This growth is driven by increasing food demand, government support, and expanding export markets, particularly for post-patent products and herbicides. However, the industry also faces challenges including stringent environmental regulations, raw material costs, and global competition, which are being addressed through innovation, a focus on sustainable practices, and enhanced manufacturing capacities.

Advance Agrolife Limited is engaged in the manufacturing of a wide range of agrochemical products that support the entire lifecycle of crops. The company's product portfolio includes insecticides, herbicides, fungicides, plant growth regulators and other products such as micro-nutrient fertilizers and bio fertilizers.. They manufacture both Technical Grade and Formulation Grade agrochemical products through their integrated manufacturing facilities. The company operates three facilities in Jaipur, Rajasthan—two dedicated to formulation grade products and one to technical grade products.

The company will backward integrate its supply chain to address challenges such as raw material price fluctuations. The company specializes in manufacturing for big corporate clients under their brand (white labelling) rather than selling under its own brand. These branded products are then distributed across the corporate client's pan-India presence and licensing network and will use the proceeds from IPO as working capital to grow their business.

Owing to the cyclical nature of the agrochemical business, 60–65% of the company's revenue is generated in the first half of the year, driven largely by the Kharif and Rabi seasons. The company's gross margin has improved from 12.86% in FY23 to 17.58% in FY25.

Therefore, it is recommended to **"Subscribe"** to the IPO for long-term investment, considering its growth potential.

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