

## Company Business

- ✦ Balaji Phosphates Limited is engaged in the production of NPK granulated and mixed fertilizers, as well as Zinc Sulfate (21%).
- ✦ The company focuses on manufacturing phosphate fertilizers, offering a range of products including Single Super Phosphate (SSP) in both powder and granulated forms, produced according to the Fertilizer Control Order of India standards.
- ✦ Company currently has a 99.98% subsidiary known as Jyoti Weighing Systems Pvt. Ltd., ("JWSPL"). JWSPL offers weighbridges of two types: PIT less (Surface Mounted) and PIT type (Ground Level).

## Promoters Details

- ✦ The promoters of Balaji Phosphates Limited are Mr. Alok Gupta and Mr. Mohit Airen.
- ✦ Mr. Mohit Airen: 47 years old, B.Com, MBA, over 20 years of experience in managing corporate entities.
- ✦ Mr. Alok Gupta: 48 years old, B.Com.
- ✦ As of the RHP date, both collectively hold 13,031,100 equity shares, representing 73.05% of the company's issued, subscribed, and paid-up equity share capital.

## Negative Points

### Negative

- ✦ Negative Cash Flows.
- ✦ High Debts.
- ✦ Sales Growth is not impressive and it seems no sales growth for FY 25.
- ✦ Pending cases against the company and its promoters and directors.

## IPO Details

- ✦ The IPO is for up to 7,158,000 equity shares (Rs. 50.11 Cr.).
- ✦ The offer comprises a fresh issue of up to 5,940,000 equity shares (Rs. 41.58 Cr.) and an offer for sale of up to 1,218,000 equity shares (Rs. 8.53 Cr.) by the selling shareholders.
- ✦ **Pre-Offer Shareholding** : Mr. Mohit Airen (40.29%), Mr. Alok Gupta (32.76%).
- ✦ **Post-Offer Shareholding**: Mr. Mohit Airen (27.67%), Mr. Alok Gupta (22.02%).

## Objects of the Issue

The company proposes to utilize the net proceeds from the fresh issue towards:

- ✦ Meeting capital expenditure towards establishing a warehouse at subsidiaries factory premise & upgradation of existing facilities. **Rs. 12.87 Cr.**
- ✦ Funding working capital requirements. **Rs. 19 Cr.**
- ✦ General corporate expenses.

## Financials of the company

(Fig. in Cr)

Particulars	Aug 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	53.37	151.54	144.54	123.65
Growth in Revenue		4.8%	16.90%	23.60%
GP Margins	34%	28.40%	30%	25.90%
EBITDA	5.72	12.09	11.67	7.92
EBITDA Margins	10.73%	8%	8.10%	6.40%
PAT	4.14	6.04	6.08	3.19
PAT Margins	7.80%	4%	4.20%	2.60%
ROCE		16.70%	19.80%	17.30%
D/E Ratio	0.91	0.95	0.91	0.87
Working Capital Cycle (Days)	341	107	102	69
CFOA	-0.41	-3.48	-3.62	3.39

## Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
Balaji Phosphates (FY 2024)	151.54 Cr.	8%	4%	0.95	166.43 Cr.	27.55*
Coromandel International (TTM)	23,010 Cr.	11%	7%	0.06	49,062 Cr.	29.90
Paradeep Phosphate(TTM)	12,569 Cr.	8%	3.28%	1.16	7,312 Cr.	17.70
Rama Phosphate(TTM)	729 Cr.	4%	1.50%	0.33	318 Cr.	28.40

\*Forward PE is 16.76 on the basis of FY 25 PAT.



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