



## RUCHI SOYA INDUSTRIES LIMITED

## FPO NOTE

## ISSUE KEY HIGHLIGHTS

PRICE:	Rs.615 – Rs.650	ISSUE OPENS:	24 <sup>th</sup> Mar 2022
ISSUE SIZE:	Rs.4,300 crores	ISSUE CLOSE:	28 <sup>th</sup> Mar 2022

Particulars	No of Shares @ Higher Band (Cr)	No of Shares @ Lower Band (Cr)	%age	Amount Rs. in Cr
QIB	3.30	3.49	50%	2150.00
NIB	0.99	1.04	15%	645.00
Retail	2.31	2.44	35%	1505.00
<b>Total Issue</b>	<b>6.61</b>	<b>6.99</b>	<b>100%</b>	<b>4,300.00</b>

\*Employee Reservation: 10,000 Equity Shares

## Issue Details:

Industry: Personal Products

Promoters: Patanjali Ayurved Ltd, Patanjali Parivahan Pvt Ltd

## Capital Structure:

Further Public Offering (@Higher Band) Rs. 4,300 Cr

Offer for Sale (@Higher Band) -

Total Issue as % of total capital (Post-Issue) (@Higher Band) 18.27%

Post Issue No. of Shares @ Higher Band (Cr.) 36.19

Post Issue Market Cap @ Higher Band (Rs. Cr.) 23530

Face Value 2

Issue Route Book Build Issue

Bid Lot (Shares) 21

Lead Managers Axis Capital, SBI Capital Markets, ICICI Securities

Registered Office Maharashtra

Registrar Link Intime India Pvt Ltd

Listing BSE and NSE

## Key Investment Details for Retail Investors: (UPI or ASBA)

Min No. of Shares application 21

Amount on the Min. Application (Rs.) ₹13,650

## An Indicative timetable post issue closing:

Particulars	On or about
Finalization of Basis of Allotment	31-Mar-2022
Refunds/un-blocking of ASBA Accounts	04-Apr-2022
Credit of Equity Shares to DP Ac	05-Apr-2022
Trading Commences	06-Apr-2022

## Shareholding %:

Particulars	Pre-Issue	Post Issue
Promoters	98.90	80.82
Public	1.10	19.18
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

## Objects of the Offer:

Objects	Amt (Rs.Cr)
• Repayment and/or prepayment, in full or part, of certain borrowings availed by the company	<b>2663.83</b>
• Funding incremental working capital requirements of the company	<b>593.42</b>
• General Corporate Purposes	[.]
<b>Total</b>	<b>[.]</b>

## Business Overview:

- Ruchi Soya Industries Limited ("Ruchi Soya") was incorporated on 6th January, 1986. Pursuant to completion of the Corporate Insolvency Resolution Process and upon implementation of the Patanjali Resolution Plan, the company was acquired by its current promoters.
- Ruchi soya is one of the largest FMCG companies in the Indian edible oil sector and one of the largest fully integrated edible oil refining companies in India. They are the pioneers and largest manufacturers of soya foods under their brand 'Nutrela'. They have launched a range of premium edible oils and blended edible oils and 'Nutrela High Protein Chakki Atta' and 'Nutrela Honey' in Fiscal 2021.
- Ruchi Soya is the largest player in terms of allocated zones, to undertake palm plantation, by the Government, which assists them in backward integration of sourcing palm oil. Today, 'Ruchi Oil Palm' has largest allocated zone of 2,99,245 hectares. Of the aforesaid Ruchi Soya has developed 56,106 hectares as of September 30, 2021.
- Further they have expanded their packaged food portfolio by acquiring the 'Patanjali' product portfolio of biscuits, cookies, rusks, noodles, and breakfast cereals. In Fiscal 2022, they forayed into a niche and a high growth Fast Moving Health Goods ("FMHG") segment with the launch of Nutraceutical business.
- The business verticals of the company are:
  - ✓ Edible oil, its by-products and derivatives;
  - ✓ Oleochemicals;
  - ✓ Edible soya flour and Textured Soya Protein ("TSP");
  - ✓ Honey and atta (flour);
  - ✓ Oil palm plantation;
  - ✓ Nutraceutical and wellness products;
  - ✓ Biscuits, cookies and rusks;
  - ✓ Noodles and breakfast cereals; and
  - ✓ Renewable energy - Wind power.
- Ruchi Soya has a total of 23 processing plants (of which 17 are currently operational) across India, out of which 10 such processing plants form their oil crushing and refinery units, and 1 biscuit manufacturing plant with yearly processing capacity of 27,900 MT.
- The company has pan India network of over 97 sale depots, 4,763 distributors who in turn reach out, directly to 457,788 retail outlets in the urban, semi-urban and rural areas of the country.

## Brief Financial Details\*:

(₹ In Cr)

Particulars	As at Sep' 30,		As at Mar' 31,	
	2021(06)	2021 (12)	2020 (12)	2019 (12)
Equity Share Capital	59.15	59.15	59.15	65.29
Reserves as stated	4,342.39	4,003.26	3,311.75	-4,586.09
Net worth as stated	1,218.75	866.17	155.83	-7,648.53
Revenue from Operations	11,261.19	16,318.63	13,117.79	12,729.23
Revenue Growth (%)	-	24.40%	3.05%	-
EBITDA as stated	706.54	1,018.37	458.47	221.96
EBITDA (%) as stated	6.25%	6.22%	3.48%	1.73%
Profit Before Tax	459.09	514.4	7,700.61	34.13
Net Profit for the period	337.81	680.77	7,714.61	34.13
Net Profit (%) as stated	3.00%	4.17%	58.81%	0.27%
EPS (₹) as stated	11.42 <sup>^</sup>	23.02	876.88	104.54
RoNW (%)	27.72% <sup>^</sup>	78.60%	4950.60%	-0.45%
NAV(₹) as stated	148.82	137.35	383.15	-13,847.47

Source: RHP, \*Restated Consolidated, ^not annualised

## The Company Promoter and Promoter Group:

- Pursuant to the implementation of the Patanjali Resolution Plan in terms of the NCLT Order, the Promoters of the company have been re-classified. Currently, the Promoter of the company and the number of Equity Shares holds by them as follows:

Promoter and Promoter Group Shareholder	No. of Shares Hold	% to Share Capital
Patanjali Ayurved Ltd	142500000	48.17%
Patanjali Parivahan Pvt Ltd	50000000	16.90%
Patanjali Gramudyog Nayas	40000000	13.52%
Ruchi Soya Industries Ltd Beneficiary Trust	76299	0.03%
Yogakshem Sansthan	60000000	20.28%
Other Promoters	-	-
Total for Promoter and Promoter Group Shareholder	292576299	98.90%

## Business Overview:

- Ruchi Soya Industries Limited (“Ruchi Soya”) is a diversified FMCG and FMHG focused company, with strategically located manufacturing facilities and well recognised brands having pan India presence. They are one of the largest FMCG companies in the Indian edible oil sector and one of the largest fully integrated edible oil refining companies in India. Being the pioneers and largest manufacturers of soya foods has aided their brand ‘Nutrela’ in becoming a household and generic name in India. They are across the entire value chain in palm and soya segment, with a healthy mix of upstream and downstream business. Ruchi Soya is the largest player in terms of allocated zones, to undertake palm plantation, by the Government, which assists them in backward integration of sourcing palm oil. Their integration also extends downstream to the oleo-chemicals and other by-product and derivatives business. They are pioneers in soya chunks which are associated with nutrition and good health. Leveraging upon the brand ‘Nutrela’, they have launched a range of premium edible oils and blended edible oils and ‘Nutrela High Protein Chakki Atta’ and ‘Nutrela Honey’ in Fiscal 2021.
- Further they have expanded their packaged food portfolio by acquiring the ‘Patanjali’ product portfolio of biscuits, cookies, rusks, noodles, and breakfast cereals. In Fiscal 2022, they forayed into a niche and a high growth Fast Moving Health Goods (“FMHG”) segment with the launch of their Nutraceutical business. They are also into the wind power generation business, where the renewable power generated is used for sale and for captive use. This also helps them to offset their carbon footprint, to the extent possible.
- Ruchi Soya is a part of the Patanjali group, one of India’s leading FMCG and Health and Wellness Company. Their portfolio includes health and ayurvedic products, cosmetics, processed food, beverages and juices, and personal and home care products. They leverage Patanjali’s expertise and technical know-how in nutraceuticals and benefit from the synergy in the research and development and the pan India distribution network.
- Post the takeover by the Patanjali Group and implementation of the Patanjali Resolution Plan, the company has managed to turnaround/improve its operations and successfully generate profits. The company benefits from their strong parentage. They leverages Patanjali Ayurved Limited’s sourcing capabilities, technical know-how and benefit from Patanjali Ayurved Limited’s – synergy in portfolio of products of PAL and Ruchi Soya, in-depth understanding of local markets, extensive experience in manufacturing of FMCG products and trading and advanced logistics network in India.

## Revenue From Operations:

Year	6 months period ended Sep’30,	Year Ended 31st March,		
	2021	2021	2020	2019
Oil	9666.05	14505.35	11191.69	10750.51
Vanaspati	582.22	845.84	693.67	776.93
Seed Extraction	1490.74	2893.87	2671.83	2862.41
Food Products	705.27	480.56	544.18	510.99
Wind Turbine Power Generation	33.81	47.49	57.9	58.78
Others	356.27	159.96	157.84	130.22
Total	12834.35	18933.08	15,317.10	15089.84
Less: Inter Segment Revenue	1573.16	2614.44	2199.31	2360.61
Net Sales/Income from Operations	11261.19	16318.63	13,117.79	12729.23

## INDUSTRY PEERS



## COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2021)

Name of the Company	Consolidated/ Standalone	Face Value	Total Income for FY2021 (₹ Cr)	Closing price* (₹)	EPS (Basic)	NAV (₹)	P/E	RoNW (%)
Ruchi Soya Industries Ltd	Standalone	2	16,382.98	798.70	23.02	137.35	34.7	78.60%
<b>Listed Peers</b>								
Dabur Ltd	Consolidated	1	9,886.94	505.95	9.58	43.36	52.81	22.12%
Britannia Industries Ltd	Consolidated	1	13,449.01	3,153.45	77.43	147.38	40.73	52.16%
Nestle India Ltd	Standalone	10	14,829.52	17,342.05	222.46	216.2	77.96	102.90%
Agro Tech Foods Ltd	Consolidated	10	893.42	837.25	13.21	182	63.38	7.26%
Zydus Wellness Ltd	Consolidated	10	1,875.61	1,489.35	19.55	752.01	76.18	2.60%
Godrej Agrovet Ltd	Consolidated	10	6,306.27	472.30	16.34	106.79	28.9	16.95%
Marico Ltd	Consolidated	1	8,142.00	481.85	9.08	25.11	53.07	37.01%
ITC Ltd	Consolidated	1	55,787.68	224.95	10.7	49.06	21.02	22.18%

Source: RHP; All financial information is sourced from financial results or annual report of the company for the year ended March 31, 2021 except for Nestle India Ltd whose standalone annual report is as on December 31, 2021. \* Closing Price as on 7th March 2022 as per NSE Site.

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