



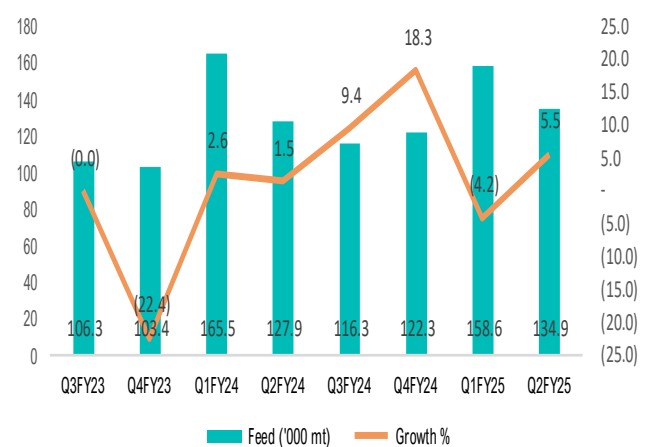
## Key Highlights...

- Due to adverse weather in Andhra Pradesh during July and August, harvesting took place earlier, thereby decreasing the feed consumption in Q2 which is normally the quarter for the 2nd crop. However, favorable climatic conditions supported farmers to restocking from September, extending the season to December, raising the hopes of higher consumption of feed during Q3 FY25 compared to Q3FY24.
- The company is eligible for PLI scheme on raw products and value added products. The total incentive received until Q2FY25 is Rs. 16.77cr.
- The union budget has announced financial support for setting up Nucleus Breeding Centers for Shrimp Broodstocks and NABARD financing for shrimp farming, processing, and export.
- Shrimp feed revenue has grown by ~4.5% YoY while EBITDA (shrimp feed) surged by 63% YoY with EBITDA margin increase of 490 bps.
- Shrimp processing revenue grew by ~12% YoY while EBITDA (shrimp processing) dropped by 17% YoY with EBITDA margin decline of 410 bps.

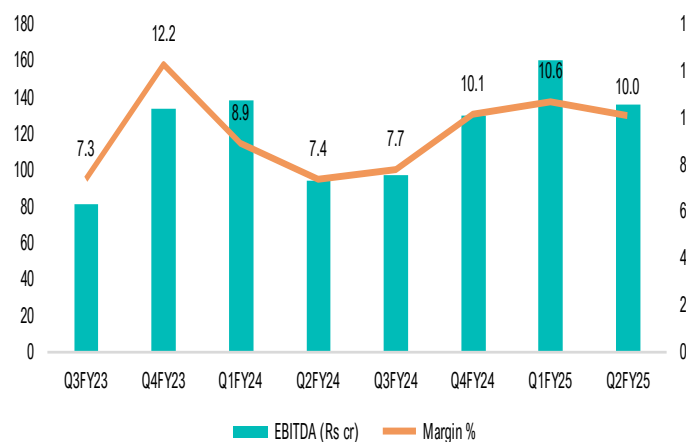
### Revenue



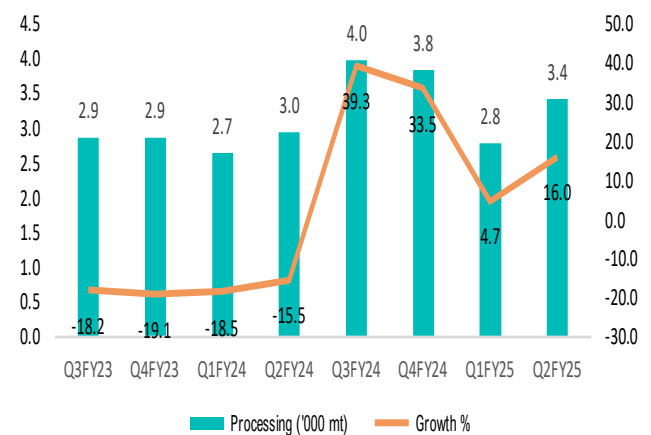
### Volume trend (Feed)



### EBITDA



### Volume trend (Processing)



## Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Revenue	5,633	6,163	5,564	6,053	-1.2	-1.8
EBITDA	648	756	617	701	-4.7	-7.3
Margins (%)	11.5	12.3	11.1	11.6	10bps	-10bps
Adj. PAT	501	592	489	535	-2.4	-9.6
EPS	36.7	43.5	35.9	39.3	-2.2	-9.7



## Consolidated Financials

### PROFIT & LOSS

Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25E	FY26E
Revenue	4,101	5,036	5,087	5,371	5,564	6,053
% change	-0.4	22.8	1.0	5.6	3.6	8.8
EBITDA	461	323	393	460	617	701
% change	1.6	-29.9	21.6	17.0	34.2	13.5
Depreciation	41	41	43	56	63	64
EBIT	420	283	350	403	555	637
Interest	2	2	2	1	1	1
Other Income	93	82	92	136	152	151
PBT	511	335	427	538	706	787
% change	5.5	-34.5	27.6	26.0	31.1	11.5
Tax	112	79	115	143	176	209
Tax Rate	22.0%	23.5%	26.8%	26.6%	25.0%	26.5%
Reported PAT	361	223	279	359	489	535
Adj*	0	-28	-13	0	0	0
Adj PAT	361	250	292	359	489	535
% change	4.2	-30.7	16.8	22.7	36.3	9.5
No. of shares (cr)	13.6	13.6	13.6	13.6	13.6	13.6
Adj EPS (Rs.)	26.5	16.4	20.5	26.3	35.9	39.3
% change	4.2	-30.7	16.8	22.7	36.3	9.5
DPS (Rs.)	6.3	6.3	6.3	6.3	6.3	6.3
CEPS (Rs.)	29.5	21.4	24.6	30.5	40.5	44.0

### BALANCE SHEET

Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25E	FY26E
Cash	47	65	34	13	91	77
Accounts Receivable	67	114	122	143	145	149
Inventories	555	988	805	886	851	884
Other Cur. Assets	42	46	281	755	759	762
Investments	1,235	931	1,005	746	1,146	1,646
Gross Fixed Assets	440	463	632	777	807	837
Net Fixed Assets	288	271	397	486	453	419
CWIP	6	40	34	9	10	10
Intangible Assets	4	3	0	1	1	1
Def. Tax (Net)	23	21	16	23	23	23
Other Assets	12	35	38	26	40	44
<b>Total Assets</b>	<b>2,280</b>	<b>2,515</b>	<b>2,735</b>	<b>3,084</b>	<b>3,516</b>	<b>4,012</b>
Current Liabilities	273	351	323	349	331	330
Provisions	16	14	14	12	15	17
Debt Funds	0	0	0	0	0	0
Other Liabilities	229	254	303	358	400	446
Equity Capital	14	14	14	14	14	14
Reserves & Surplus	1,748	1,882	2,082	2,352	2,756	3,206
Shareholder's Fund	1,761	1,895	2,095	2,365	2,769	3,219
<b>Total Liabilities</b>	<b>2,280</b>	<b>2,515</b>	<b>2,735</b>	<b>3,084</b>	<b>3,516</b>	<b>4,012</b>
<b>BVPS (Rs.)</b>	<b>129</b>	<b>139</b>	<b>154</b>	<b>174</b>	<b>203</b>	<b>236</b>

### CASH FLOW

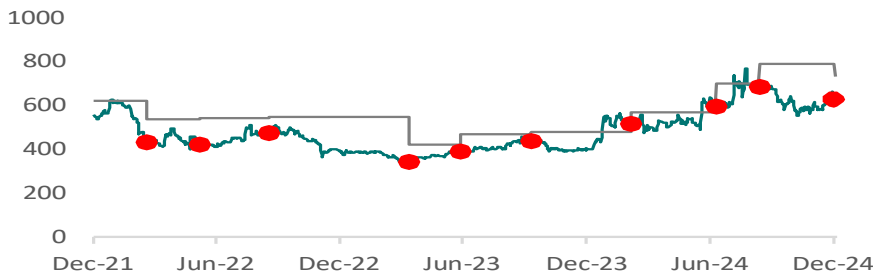
Y.E March (Rs. cr)	FY21A	FY22A	FY23A	FY24A	FY25E	FY26E
Net inc. + Depn.	402	291	322	415	551	599
Non-cash adj.	150	88	149	180	219	254
Other adjustments	2	-3	0	0	1	1
Changes in W.C	34	-436	152	-68	1	-44
<b>C.F. Operation</b>	<b>383</b>	<b>-212</b>	<b>449</b>	<b>263</b>	<b>596</b>	<b>602</b>
Capital exp.	-43	-55	-159	-131	-31	-30
Change in inv.	-499	341	-283	-160	-400	-500
Other invest.CF	7	9	27	67	0	0
<b>C.F – Investment</b>	<b>-535</b>	<b>295</b>	<b>-416</b>	<b>-224</b>	<b>-431</b>	<b>-530</b>
Issue of equity	0	0	0	0	0	0
Issue/repay debt	-2	-2	-2	13	-1	-1
Dividends paid	-2	-86	-85	-85	-85	-85
Other finance.CF	15	19	23	13	0	0
<b>C.F – Finance</b>	<b>15</b>	<b>-68</b>	<b>-65</b>	<b>-60</b>	<b>-86</b>	<b>-86</b>
Chg. in cash	31	18	-32	-21	78	-14
Closing cash	47	65	34	13	91	77

### RATIOS

Y.E March	FY21A	FY22A	FY23A	FY24A	FY25E	FY26E
<b>Profitab. &amp; Return</b>						
EBITDA margin (%)	11.2	6.4	7.7	8.6	11.1	11.6
EBIT margin (%)	10.3	5.6	6.9	7.5	10.0	10.5
Net profit mgn.(%)	8.8	5.0	5.7	6.7	8.8	8.8
ROE (%)	22.8	13.7	14.7	16.1	19.0	17.9
ROCE (%)	17.9	10.6	10.8	11.8	14.3	13.2
<b>W.C &amp; Liquidity</b>						
Receivables (days)	6.9	6.5	8.4	9.0	9.5	8.9
Inventory (days)	48.9	55.9	64.3	57.5	57.0	52.3
Payables (days)	26.0	23.4	25.9	25.5	26.4	23.2
Current ratio (x)	6.3	5.6	6.6	7.0	8.6	10.1
Quick ratio (x)	0.4	0.5	0.5	0.4	0.7	0.7
<b>Turnover &amp; Leverage</b>						
Gross asset T.O (x)	10.0	11.2	9.3	7.6	7.0	7.4
Total asset T.O (x)	2.0	2.1	1.9	1.8	1.7	1.6
Int. coverage ratio (x)	250.6	140.8	173.9	309.6	566.0	758.0
<b>Adj. debt/equity (x)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Valuation						
EV/Sales (x)	1.8	1.5	1.5	1.4	1.3	1.1
EV/EBITDA (x)	15.6	23.1	18.9	16.8	11.7	9.6
P/E (x)	23.4	33.8	28.9	23.6	17.3	15.8
P/BV (x)	4.8	4.5	4.0	3.6	3.1	2.6



## Recommendation Summary (last 3 years)



Source: Bloomberg, Geojit Research

Dates	Rating	Target
05-Sep-22	Accumulate	548
31-Mar-23	Buy	420
16-Jun-23	Buy	469
27-Sept-23	Hold	478
23-Feb-24	Accumulate	569
27-June-24	Accumulate	698
02-Sept-24	Accumulate	790
23-Dec-24	Accumulate	715

## Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%


### Not rated/Neutral


#### Definition:

**Buy:** Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

#### Symbols definition:

 Upgrade

 No Change

 Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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