Retail Research	IPO Note
Sector: FMCG – Consumer Staples	Price Band (Rs): 306 – 322
18th September 2025	Recommendation: SUBSCRIBE for Long Term

Ganesh Consumer Products Ltd

Company Overview:

Ganesh Consumer Products Ltd (GCPL) is Eastern India's third-largest brand of packaged whole wheat flour and the largest brand in wheat-based derivatives in terms of value sold during FY25. It is also one of the top 2 players for packaged sattu and besan with a market share of ~43.4% and ~4.9% respectively in Eastern India in terms of value sold during FY25. The company's product portfolio consists of 42 products & 232 SKUs ranging across consumer staples categories of a) whole wheat flour b) wheat & gram-based value-added products and c) emerging food products like packaged instant food mixes, spices, ethnic snacks & flours which are sold under its flagship brand 'Ganesh'. As of Mar'25, GCPL services its general trade partners through 28 C&F agents, 9 super stockists, 972 distributors catering to over 70,000 retail outlets.

Key Highlights:

1. **Among the market leaders in Eastern India**: The company is one of the largest brands of wheat-based & gram-based derivatives in East India by value sold in FY25, with ~12.6% market share in the packaged wheat and gram-based product. Further as of Mar'25, it was the largest player in the packaged sooji, dalia and maida market with a market share of 31.2% (sooji & dalia) and 16.4% (maida) in East India by value sold.

2. **Continuously evolving product portfolio**: As of Mar'25, GCPL's product portfolio comprised of 42 products with 232 SKUs across product categories. Over the years, the company has leveraged its experience and understanding of the preferences and tastes of the consumers and tailored its product offerings to ensure that the products are able to cater to the entire range of consumers in a given geographical market. As a result the number of SKUs have increased from 150 as of Mar'23 to 232 as of Mar'25. This approach has enabled the company to develop a wide range of products permitting it to strengthen its foothold in Eastern India.

3. **Well-established distribution network**: GCPL has developed a widespread multichannel distribution network comprising of a) general trade b) modern trade and c) e-commerce channels. The company's general trade distribution network includes 28 C&F agents, 9 super stockists, 972 distributors which cater to over 70,000 retail outlets in the states of West Bengal, Jharkhand, Bihar, Odisha and Assam. Further, it also sells its products through modern trade channels in over 204 stores of retail players in East India. GCPL has also built a digital presence comprising of partnership with third-party online & quick commerce marketplaces along with its own website.

4. **Strategically located manufacturing facilities:** The company operates 7 manufacturing facilities in Kolkata (4 facilities), Agra, Varanasi and Hyderabad. These facilities are strategically located in proximity to optimize the sourcing of raw materials and to enable efficient logistics management. As of Jun'25, GCPL's total installed capacity stood at 1,312 tons per day (TPD). Further, each of these manufacturing facilities has a quality laboratory along with a dedicated quality assurance team to ensure robust standards.

View & Valuation: Ganesh Consumer Products has a market-leading share in East India led by its strong brand and extensive distribution network which is expected to drive consistent financial performance going ahead. The company has delivered Revenue/EBITDA/PAT CAGR of 18.0%/16.5%/14.3% respectively over FY23-25. The company rides on value-added products (whole wheat & gram-based) and is also building its portfolio on value-added spices (whole & blended), ethnic snacks and ethnic flour. At the upper price band of Rs 322, the company is valued at post-issue capital FY25 PE of 36.7x. We recommend investors to SUBSCRIBE to the issue at the cut-off price for the long-term.

Issue Details	
Date of Opening	22nd September 2025
Date of Closing	24th September 2025
Price Band (Rs)	306 – 322
Issue Size (Rs cr) @ upper band	408.8
Fresh Issue (Rs cr)	130.0
Offer for sale (shares)	86,58,333
Issue Size (No. of shares) @ upper band	1,26,95,600
Face Value (Rs)	10.0
Post Issue Market Cap (Rs cr) @ upper band	1,243 – 1,301
BRLMs	DAM Capital Advisors, IIFL Capital Services Ltd, Motilal Oswal Investment Advisors Ltd
Registrar	MUFG Intime India Pvt Ltd
Bid Lot	46 shares and in multiples thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Objects of Issue	Estimated utilization from net proceeds (Rs cr)
Prepayment/repayment of certain outstanding borrowing availed by the company.	60.0
Funding capex requirements for setting up a roasted gram flour and gram flour manufacturing unit in Darjeeling, West Bengal	45.0
General corporate purposes*	-
Total proceeds from fresh issue*	**130.0**

**To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Shareholding Pattern		
Pre-Issue	**No. of Shares**	**%**
Promoter & Promoter Group	2,73,82,289	75.3
Public & Others	89,90,970	24.7
Total	**3,63,73,259**	**100.0**

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	2,58,95,663	64.1
Public & Others	1,45,14,863	35.9
Total	**4,04,10,526**	**100.0**

Source: RHP, SSL Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25
Revenue from operations	611	759	850
EBITDA	56	63	73
PAT	27	27	35
EBITDA Margin (%)	9.2	8.3	8.6
PAT Margin (%)	4.4	3.6	4.2
RoE (%)	13.3	12.2	15.6
RoCE (%)	14.8	16.6	19.6
P/E (x)*	43.2	43.4	33.1

Source: RHP, SSL Research
**** Pre-issue based on upper price band***

Risk Factors

- **Raw material sourcing risk:** The company's operations are dependent on the timely and cost-effective supply of raw materials as evidenced by the cost of raw materials which accounts for 77.2%/78.6%/77.8% of FY23/FY24/FY25 revenue, respectively. Any inadequate or interrupted supply of raw materials may have an adverse impact on the company's performance.

- **Price risk:** The pricing and procurement of key raw materials wheat and gram prices are dependent on government policies and guidelines like Minimum Support Price (MSP) or stocking limits which are susceptible to fluctuation on account of government regulations, driven by external market scenarios and geopolitical uncertainties. Any increase in cost of or shortfall in the availability of raw materials may adversely impact the company's performance.

- **Geographic concentration:** During FY23/FY24/FY25, the company generated 83.5%/82.5%/84.3% of its revenue respectively from the state of West Bengal. Any significant social, political, economic, civil disruptions or natural calamities in the region may have an adverse impact on the company's performance.

- **Utilization risk:** Any slowdown or interruption to the manufacturing operations or under-utilisation of existing or future manufacturing facilities may have an adverse impact on the company's performance.

- **Brand risk:** The company's performance to a certain extent is dependent on the strength and reputation of the 'Ganesh' brand which is vulnerable to adverse market and customer perception particularly in an industry where integrity, trust and customer confidence are paramount. Thus, any damage to the brand 'Ganesh' or the company's reputation may have an adverse impact on its performance.

Growth Strategy

- Grow distribution network and business-to-consumer (B2C) operations to deepen and expand geographical presence.

- Enhance existing product portfolio and brand awareness.

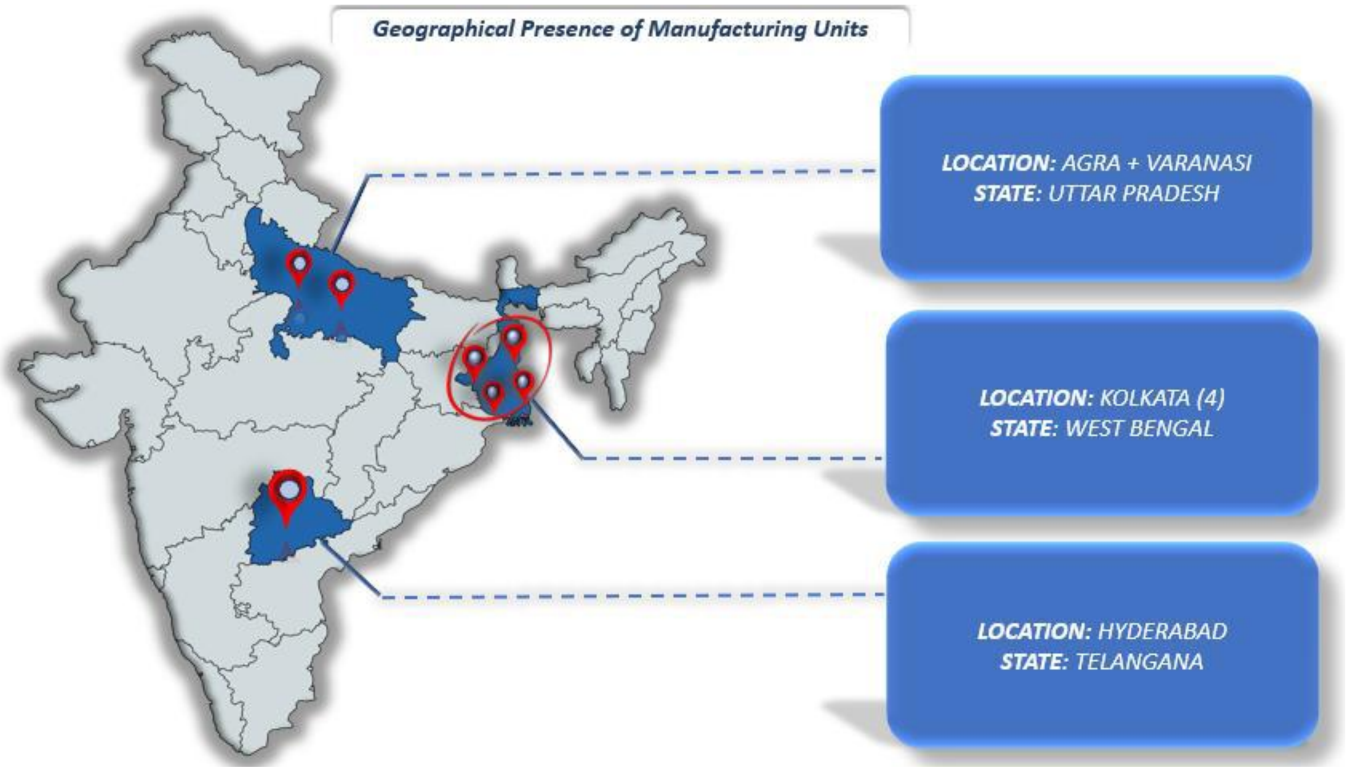
- Continue to undertake initiatives to optimise operations.

Revenue Split - Segment wise

Particulars	FY23		FY24		FY25	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
Business-to-Consumer (B2C)						
Whole Wheat Flour	164.0	26.9	187.2	24.7	207.1	24.4
Wheat and gram-based value-added flour products	299.2	49.0	335.2	44.2	394.1	46.3
Other emerging food products	19.6	3.2	37.9	5.0	53.5	6.3
Total B2C	**482.8**	***79.0***	**560.3**	***73.8***	**654.7**	***77.0***
Business-to-Business (B2B)						
Whole Wheat Flour	19.8	3.2	13.1	1.7	0.5	0.1
Wheat and gram-based value-added flour products	36.8	6.0	85.7	11.3	89.0	10.5
Other emerging food products	9.9	1.6	0.3	0.0	0.2	0.0
Others	4.1	0.7	3.3	0.4	17.0	2.0
Total B2C	**70.6**	***11.6***	**102.4**	***13.5***	**106.7**	***12.5***
By product	57.4	*9.4*	96.4	*12.7*	89.1	*10.5*
Total	**610.8**	***100.0***	**759.1**	***100.0***	**850.5**	***100.0***

Source: RHP, SSL Research

Geographical Presence of Manufacturing Units



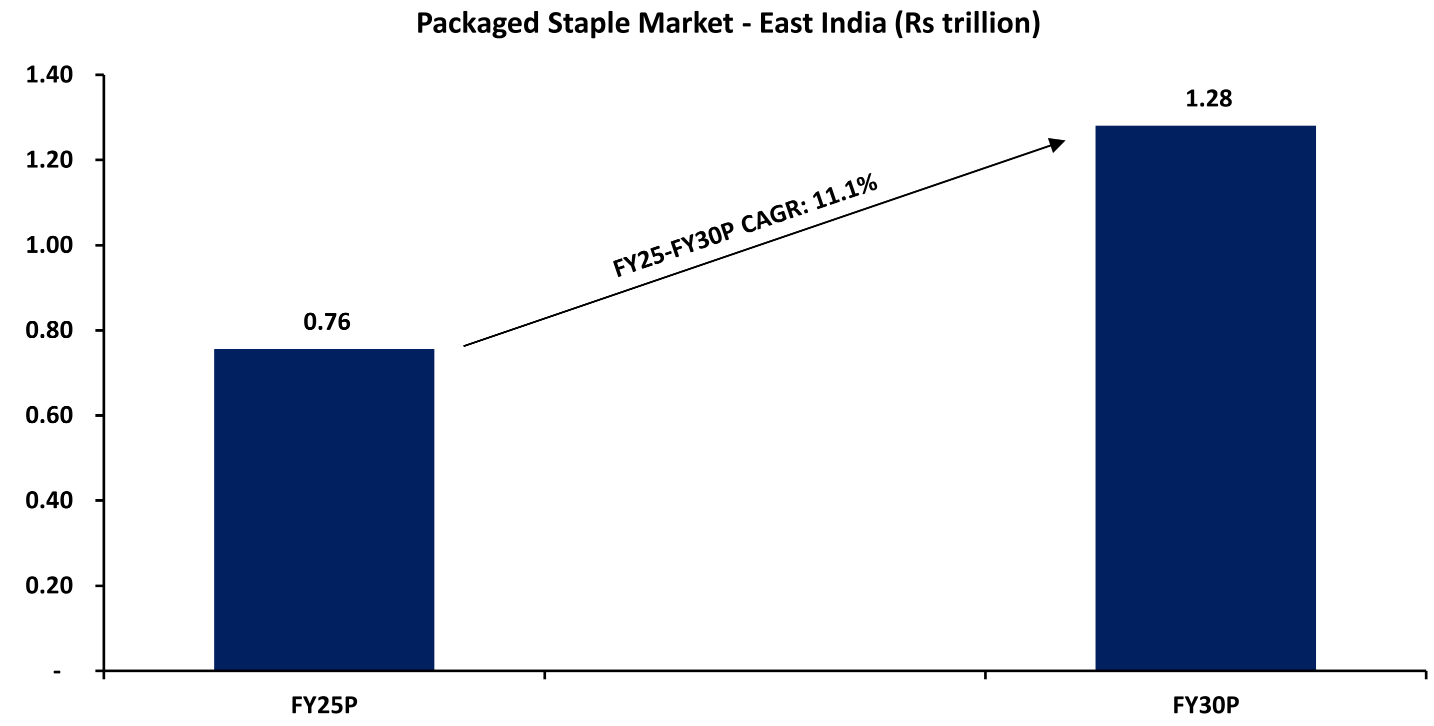
Source: RHP, SSL Research

Manufacturing Facilities & Installed Capacity (TPD)

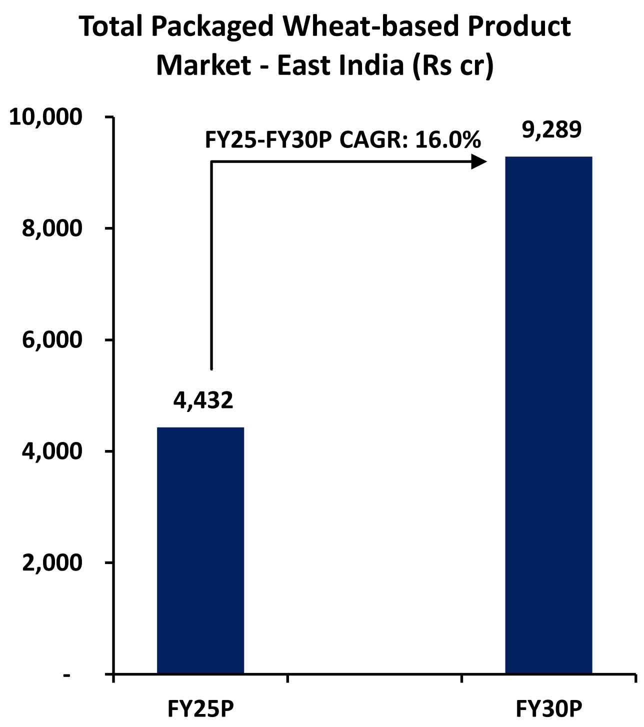
Sr No.	Name of the Unit	Installed Capacity as of Jun'25 (Tons per day)	Products Manufactured
1	Padmavati Unit, West Bengal	384	1. Whole wheat flour (Atta) 2. Wheat based value-added flour (maida, sooji and dalia)
2	Hyderabad Unit, Telangana	312	1. Whole wheat flour (Atta) 2. Wheat based value-added flour (maida, sooji and dalia)
3	Varanasi Unit, Uttar Pradesh	186	1. Whole wheat flour (Atta) 2. Wheat based value-added flour (maida, sooji and dalia) 3. Gram based value-added flour (sattu and besan)
4	Jalan Complex Unit I, West Bengal	150	1. Wheat based value-added flour (Sooji and Maida)
5	Agra Unit, Uttar Pradesh	150	1. Wheat based value-added flour (Sooji and Maida)
6	Food Park Unit, West Bengal	90	1. Gram based value-added flour (sattu and besan) 2. Instant mixes (khaman dhokla, bela kachori, etc.) 3. Ethnic flour (singhara atta, bajri atta, etc.)
7	Jalan Complex Unit II, West Bengal	40	1. Powder spices (turmeric, chilli, cumin, coriander) 2. Whole spices (cumin, coriander, black pepper, black mustard, etc.) 3. Blended spices (garam masala, chicken masala, chana masala, etc.)
	Total	**1,312**	**-**

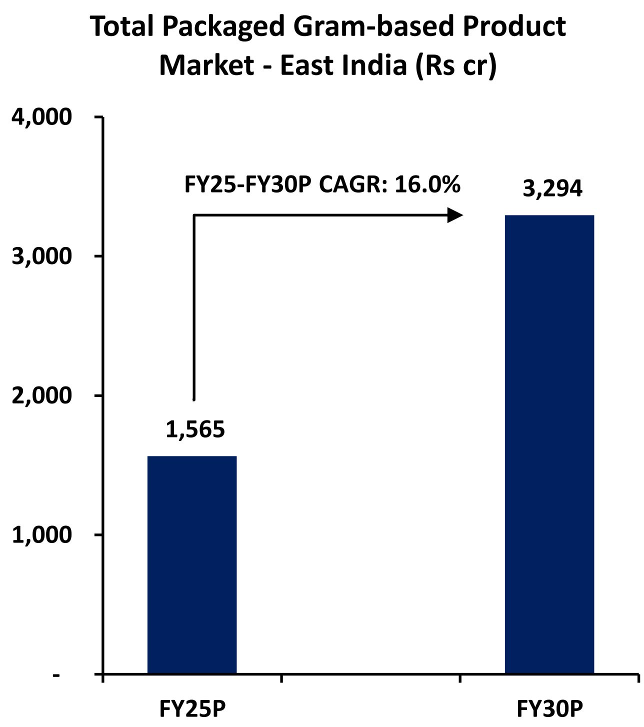
Source: RHP, SSL Research

Industry Overview



Source: RHP, SSL Research





Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Revenue from Operations	**611**	**759**	**850**
YoY growth	-	***24.3%***	***12.0%***
Cost Of Revenues (incl. Stock Adj.)	**471**	**597**	**661**
Gross Profit	**139**	**162**	**189**
Gross margin	***22.8%***	***21.4%***	***22.2%***
Employee Cost	13	14	14
Other Operating Expenses	71	85	102
EBITDA	**56**	**63**	**73**
EBITDA margin	***9.2%***	***8.3%***	***8.6%***
Other Income	4	6	5
Interest Exp.	7	7	6
Depreciation	17	27	24
PBT	**36**	**36**	**48**
Tax	9	9	12
Reported PAT	**27**	**27**	**35**
Reported PAT margin	***4.4%***	***3.6%***	***4.2%***

BALANCE SHEET			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Assets			
Net Block	154	134	125
Capital WIP	4	21	4
Intangible Assets	1	3	2
Right of use assets	18	14	41
Other Non-current Assets	13	14	20
Current Assets			
Current Investment	3	-	-
Inventories	100	62	81
Trade receivables	10	7	9
Cash and Bank Balances	1	1	1
Short-term loans and advances	26	26	26
Other Current Assets	12	27	32
Total Current Assets	**154**	**123**	**149**
Current Liabilities & Provisions			
Trade payables	24	28	34
Other current liabilities	9	6	6
Short-term provisions	1	1	1
Total Current Liabilities	**34**	**34**	**42**
Net Current Assets	**120**	**89**	**107**
Assets Classified as held for sale	-	-	-
Total Assets	**310**	**274**	**300**
Liabilities			
Share Capital	36	36	36
Reserves and Surplus	168	185	190
Total Shareholders' Funds	**204**	**221**	**227**
Total Debt	86	38	50
Lease Liabilities	18	14	22
Net Deferred Tax Liability	1	1	1
Total Liabilities	**310**	**274**	**300**

CASHFLOW			
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**
Cash flow from Operating Activities	(13)	88	46
Cash flow from Investing Activities	(20)	(22)	(17)
Cash flow from Financing Activities	34	(67)	(28)
Free Cash Flow	(39)	62	28

RATIOS			
Particulars	**FY23**	**FY24**	**FY25**
Profitability			
Return on Assets	7.9%	8.7%	10.4%
Return on Capital Employed	14.8%	16.6%	19.6%
Return on Equity	13.3%	12.2%	15.6%
Margin Analysis			
Gross Margin	22.8%	21.4%	22.2%
EBITDA Margin	9.2%	8.3%	8.6%
Net Profit Margin	4.4%	3.6%	4.2%
Short-Term Liquidity			
Current Ratio (x)	1.3	1.7	1.6
Quick Ratio (x)	0.4	0.8	0.7
Avg. Days Sales Outstanding	6	3	4
Avg. Days Inventory Outstanding	78	38	44
Avg. Days Payables	16	14	16
Fixed asset turnover (x)	4.0	5.6	6.8
Debt-service coverage (x)	0.5	1.0	1.0
Long-Term Solvency			
Total Debt / Equity (x)	0.4	0.2	0.2
Interest Coverage Ratio (x)	6.5	6.5	8.5
Valuation Ratios*			
EV/EBITDA (x)	22.4	19.1	16.7
P/E (x)	43.2	43.4	33.1
P/B (x)	5.7	5.3	5.2
EV/Sales (x)	2.1	1.6	1.4
Mkt Cap/Sales (x)	1.9	1.5	1.4

**** Valuation ratios are based on pre-issue capital at the upper price band.***
Source: RHP, SSL Research

Peer Comparison (FY25)

Particulars (Rs cr)	Ganesh Consumer Products Ltd	Patanjali Foods Ltd	AWL Agri Business Ltd
CMP (Rs)	322	606	260
Sales	850	34,157	63,672
EBITDA	73	1,946	2,482
Net Profit	35	1,301	1,225
Mkt Cap.	1,301	65,944	33,694
Enterprise Value	1,220	66,429	33,081
EBITDA Margin (%)	8.6	5.7	3.9
Net Profit Margin (%)	4.2	3.8	1.9
RoE (%)	9.9	11.4	13.0
RoCE (%)	13.3	14.9	20.9
P/E (x)	36.7	50.7	27.5
EV/EBITDA (x)	16.7	34.1	13.3
EV/Sales (x)	1.4	1.9	0.5

For Ganesh Consumer Products Limited, the Market cap, Enterprise Value, Return Ratios, P/E(x), EV/EBITDA (x) and EV/Sales(x) are calculated on post-issue equity share capital based on the upper price band.

CMP as on 18th September, 2025.

Source: RHP, SSL Research

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