Arihant Capital
Generating Wealth

**IPO Note**
**13th March 2026**

# GSP Crop Science Ltd

**Subscribe**

## Rating: Subscribe

### Issue Offer

**Total issue size: INR 4,000 Mn (12.5 Mn shares) - OFS of INR 1,600 Mn (5 Mn shares) and a Fresh Issue of INR 2,400 Mn (7.5 Mn shares).**

| Issue Summary | |
|---|---|
| Price Band (INR) | 304-320 |
| Face Value (INR) | 10 |
| Implied Market Cap (INR mn) | 14,886 |
| Market Lot | 46 |
| Issue Opens on | 16 March, 2026 |
| Issue Close on | 18 March, 2026 |
| No. of share pre-issue | 3,90,18,750 |
| No. of share post issue | 4,65,18,750 |
| Listing | NSE / BSE |

| Issue Break-up (%) | |
|---|---|
| QIB Portion | ≤ 50 |
| Retail Portion | ≥ 35 |
| NII Portion | ≥ 15 |

**Book Running Lead Managers**

Equirus Capital Private Ltd
Motilal Oswal Investment Advisors Ltd

**Registrar**

MUFG Intime India Private Ltd

| Shareholding Pattern | Pre-Issue | Post-Issue |
|---|---|---|
| Promoters | 98.33% | 71.73% |
| Public & Others | 1.67% | 28.27% |

| Objects of the issue | Exp. Amt (INR Mn.) |
|---|---|
| Repayment or pre-repayment of all or a portion of certain outstanding borrowings availed by the Company. | 1700.00 |
| General Corporate Purposes | |


**Abhishek Jain**
abhishek.jain@arihantcapital.com
022-67114871

**Ananya Mukne**


**Incorporated in 1985, GSP Crop Science Limited operates in the agro chemical sector. It manufactures insecticides, herbicides, fungicides and plant growth regulators. They provide customers with crop protection solutions designed to support farmers in maximizing productivity and achieving optimal agricultural output by offering formulations (active ingredients and additives) and technicals (concentrated active ingredients) for effective pest, weed, and disease control. The company's research and development efforts over the years have led to being granted 102 patents, and also have 108 patent applications under process as of March 10, 2026. The company's international business is spread across 37 countries.**

***Investment Rationale:***

**Increasing Focus on Patented Products Driving Margin Expansion:** Patented products typically offer stronger pricing power, reduced competitive intensity, and longer product lifecycles compared to generic offerings. The company's revenue from the sale of patented products has increased from 5.83% in FY23 to 17.10% in H1 FY26. This shift will help the company expand it's EBITDA margins. They have been granted 102 patents and have 108 patent applications under process.

**Backward Integration to strengthen supply chain:** The company currently heavily relies on import of raw materials from China, which account for 42.08% of purchases, as of H1 FY26. The company is working towards increasing backward integration by manufacturing intermediates that are used in the production of technical-grade products. This move is expected to provide greater control over the supply chain and ensure a more reliable availability of key raw materials. In addition, backward integration will allow the company to maintain better control over the quality and consistency of raw materials, which is critical for maintaining product standards.

**Diversified Product Portfolio Strengthening Market Position**: The company offers a diversified portfolio. It operates across both Formulations and Technicals, supported by strong R&D and manufacturing capabilities. As of September 30, 2025, it had 524 product registrations, reflecting its focus on product development and regulatory approvals. Most products are manufactured in-house, ensuring better quality control and operational efficiency. A strong domestic distribution network and branded portfolio further support its presence across both B2B and B2C markets.

***Valuation & Outlook:*** GSP Crop Science Ltd is well positioned to deliver steady revenue growth and gradual margin improvement in the long term due to rising global demand for agrochemicals, increasing exports, and a shift toward higher-value products. Further growth is expected to come from new product launches, stronger R&D capabilities, and backward integration initiatives. Additionally, the commissioning of a new manufacturing unit in Dahej and expansion in global markets could support both volume growth and operating leverage. **At the upper band of INR 320, the issue is valued at a P/E ratio of 9.19x, based on annualized PAT of FY26 EPS of INR 34.84. We are recommending a "Subscribe" rating for this issue.**

***Financial Summary:***

| Particulars (INR Mn) | FY23 | FY24 | FY25 | H1FY26 |
|---|---|---|---|---|
| Revenue | 12,033 | 11,522 | 12,874 | 8,443 |
| *Growth (% YoY)* | | *(4.3%)* | *11.7%* | |
| EBITDA | 813 | 1,304 | 1,640 | 1,389 |
| *Margins* | *6.8%* | *11.3%* | *12.7%* | *16.5%* |
| PAT | 176 | 555 | 814 | 811 |
| *Margins* | *1.5%* | *4.8%* | *6.3%* | *9.6%* |
| Debt | 2,813 | 1,951 | 2,632 | 2,925 |

## Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

| Head Office | Registered Office |
|---|---|
| #1011, Solitaire Corporate Park | |
| Building No. 10, 1st Floor | Arihant House |
| Andheri Ghatkopar Link Road | E-5 Ratlam Kothi |
| Chakala, Andheri (E) | Indore - 452003, (M.P.) |
| Mumbai – 400093 | Tel: (91-731) 3016100 |
| Tel: (91-22) 42254800 | Fax: (91-731) 3016199 |
| Fax: (91-22) 42254880 | |

| Stock Rating Scale | Absolute Return |
|---|---|
| BUY | >20% |
| ACCUMULATE | 12% to 20% |
| HOLD | 5% to 12% |
| NEUTRAL | -5% to 5% |
| REDUCE | -5% to -12% |
| SELL | <-12% |

| Research Analyst Registration No. | Contact | Website | Email Id |
|---|---|---|---|
| INH000002764 | SMS: 'Arihant' to 56677 | www.arihantcapital.com | instresearch@arihantcapital.com |



Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800Fax. 022-42254880

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