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CM RATING 37 / 100

# Amir Chand Jagdish Kumar (Exports)

## Integrated basmati rice player

### Plans to expand distribution network in India

Amir Chand Jagdish Kumar (Exports) is a processor and exporter of basmati rice and other FMCG products in India. The company operates fully integrated operations across the basmati rice value chain, including procurement, storage, processing, marketing, and sales.

The product portfolio is broadly divided into two segments, Rice and FMCG staples. The rice segment includes basmati rice along with other specialty varieties such as kolam rice, sona masuri, idli rice, and ponni rice. Basmati rice, known for its distinctive aroma and long grains, is positioned as a premium offering and remains one of the most valued rice varieties. Products within this segment are further classified into premium, medium, value, and HORECA categories based on grain quality and blend, brand positioning, target customers, and price range.

The FMCG segment comprises staple food products such as aata, maida, sooji, besan, salt, and sugar.

Products are marketed under the flagship registered and trademarked brand “Aeroplane”, supported by more than 40 sub-brands including Aeroplane La-Taste, Aeroplane Classic, Ali Baba, World Cup, and Jet.

Rice products are sold both domestically and internationally, while FMCG products are distributed in the domestic market. In H1 FY26, Rice segment contributed 99.39% to revenue, FMCG segment 0.22%, and others 0.39%.

As of February 28, 2026, the company exported products to more than 38 countries across four continents. In H1 FY26, exports contributed 32.43% to revenue, and domestic market 67.57%.

As of March 12, 2026, the company has registered a total of 100 trademarks, comprising 70 trademarks in India and 30 trademarks across 26 countries primarily in Europe, Asia, and Africa, along with 22 copyrights in India.

Products are distributed through a network of 431 distributors in India and 53 distributors overseas, reaching end customers across markets. Sales are also made directly to institutional consumers and retail chains, as well as through the website, other e-commerce platforms, and quick commerce channels. In H1 FY26, the offline channel accounted for 99.85% of revenue, while online channels contributed 0.15%.

Plans to expand distribution network in India from over 431 distributors currently to over 700 by FY28, along with deeper partnerships with retail chains and HORECA players.

Basmati paddy is primarily procured from the major basmati-producing states in northern India through an extensive and well-established procurement network of registered agents operating across agricultural produce markets, or “mandis.”

In H1 FY26, the contribution of top 10 procurement agents amounted to 50.47% of total purchases.

As of February 28, 2026, operated three manufacturing, processing, and packaging facilities in India, strategically located in the states of Punjab, Haryana, and New Delhi. In H1 FY26, total installed capacity stood at 550,800, with capacity utilization of 24.37%. All units operate under a food safety management system compliant with ISO 22000:2018 standards and are HACCP accredited.

Plans to strengthen brand building and promotional initiatives moving forward and implement comprehensive brand development strategies aligned with growth across various market segments.

### **Offer and its objects**

The IPO consists entirely of a fresh issue of equity shares worth up to Rs 440 crore.

Price band for the IPO is Rs 201 to Rs 212 per equity share of face value Rs 10 each.

The objectives for the fresh issue includes Rs 400 crore for funding working capital requirement and remaining amount for general corporate purpose.

The promoters are Jagdish Kumar Suri, Rahul Suri, and Ramnika Suri. The promoters and promoter group hold an aggregate of 8,15,80,500 equity shares, aggregating to 98.53% of the pre-offer issued and paid-up equity share capital. Their post IPO shareholding is expected to be around 78.78%.

The issue, through the book-building process, will open on 24 March 2026 and will close on 27 March 2026.

### **Strengths**

Fully integrated operations across the basmati rice value chain, from procurement to distribution, enable economies of scale, efficient supply chain, and greater control over product quality.

Extensive distribution network across India and international markets enables broad consumer reach and effective product penetration. Going forward, plans to further expand distribution network in India.

Well positioned to benefit from rising demand for branded and packaged rice, driven by increasing urbanization, improving incomes, and greater focus on quality and food safety.

Existing installed capacity and processing infrastructure provide headroom to scale up production as demand increases, supporting operating leverage.

Strong relationships with procurement agents support an efficient procurement strategy. As of February 28, 2026, the procurement network comprised 325 agents. In addition, its manufacturing and processing facilities are strategically located near major rice-producing regions, enabling efficient procurement of basmati paddy.

Strong presence across metros and Tier 1 and Tier 2 cities provides a solid base to further strengthen its domestic market position, while relatively low penetration in Tier 3 and Tier 4 cities offers significant growth potential.

Extensive experience of promoters and senior management personnel.

### **Weaknesses**

High dependence on export markets, particularly the Middle East, exposes revenue to geopolitical developments, including the ongoing West Asia conflict, as well as to foreign exchange volatility and unfavorable changes in related policies. In H1 FY26, exports contributed 32.43% of revenue, of which the Middle East accounted for 14.27%.

Its Packaging units are located in non-conforming industrial areas in Delhi, which may expose operations to regulatory scrutiny, potential relocation, and business disruption.

Depends on basmati paddy and unfinished rice as principal raw materials, whose prices and availability are largely beyond control. Economic conditions, climate, crop yields, market demand, competition, and transportation costs can significantly affect sourcing and production.

The business is working capital intensive, requiring significant funds to procure and store basmati paddy during the peak harvest season. Additionally, aging of basmati rice for 3–24 months results in high inventory levels, which may strain cash flows.

The rice and FMCG staples markets are highly competitive with organized and unorganized players, exerting pressure on pricing, margins, and market share.

Experienced negative cash flow from operating activities in the past.

Heavy reliance on offline channels, which accounted for 99.85% of revenue in H1 FY26, exposes the company to retail trade disruptions and limits agility in capturing growth from e-commerce and quick commerce channels.

Exposed to risks of product recalls and returns in case of adulteration, tampering, or production errors. In H1 FY26, product returns and rejections stood at 8.28%.

## Valuation

Net sales increased 29% to Rs 2,001.65 crore in FY2025 as compared with FY2024. The OPM improved 110 bps to 8.18%, leading to 49% increase in OP to Rs 163.65 crore. OI increased 26% to Rs 2.38 crore. Interest cost rose 21% to Rs 78.78 crore. Depreciation cost fell 4% to Rs 7.03 crore. PBT surged 104% to Rs 80.22 crore. Tax expenses were Rs 19.41 crore as compared with Rs 8.92 crore. Net profit increased 100% to Rs 60.82 crore.

The FY25 EPS on post-issue equity works out to Rs 5.9. At the upper price band of Rs 212, P/E is 36.

Listed peers such as LT Foods traded at TTM P/E of 21, KRBL trades at TTM P/E of 10, and Chaman Lal Setia Exports at TTM P/E of 12 as on 19 March 2026. The OPM and ROE stood at 8.18% and 17.61% respectively, in FY 2025. These were 11.27% and 16.76% for LT Foods, 12.06% and 9.42% for KRBL, and 9.43% and 14.23% for Chaman Lal Setia Exports, respectively.

<b>Amir Chand Jagdish Kumar (Exports): Issue highlights</b>	
For Fresh Issue Offer size (in no of shares )	
- On lower price band	2,18,90,547
- On upper price band	2,07,54,716
Offer size (in Rs crore)	440
Price band (Rs)	201-212
Minimum Bid Lot (in no. of shares )	70
Post issue capital (Rs crore)	
- On lower price band	104.69
- On upper price band	103.55
Post-issue promoter & Group shareholding (%)	78.78
Issue open date	24-03-2026
Issue closed date	27-03-2026
Listing	BSE, NSE
<b>Rating</b>	<b>37/100</b>

<b>Amir Chand Jagdish Kumar (Exports): Restated Consolidated Financials</b>				
	2303 (12)	2403 (12)	2503 (12)	2509 (6)
Sales	1,315.85	1,549.52	2,001.65	1,021.25
OPM (%)	6.06%	7.08%	8.18%	10.36%
OP	79.69	109.66	163.65	105.76
Other inc.	2.01	1.90	2.38	3.05
PBIDT	81.70	111.56	166.03	108.81
Interest	51.13	64.90	78.78	42.58
PBDT	30.57	46.66	87.25	66.24
Dep.	7.33	7.34	7.03	3.21
PBT	23.24	39.32	80.22	63.02
Share of Profit/(Loss) from Associates/JV	-	-	-	-

PBT before EO	23.24	39.32	80.22	63.02
Exceptional items	-	-	-	-
PBT after EO	23.24	39.32	80.22	63.02
Taxation	5.75	8.92	19.41	14.37
PAT	17.49	30.40	60.82	48.65
EPS (Rs)*	1.7	2.9	5.9	#
* EPS is annualized on post issue equity capital of Rs 103.55 crore of face value of Rs 10 each				
# EPS is not annualised due to seasonality of business				
EO: Extraordinary items. EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate Database				