Amir Chand Jagdish Kumar (Exports) Ltd.

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IPO Note **23rd March 2026**

Company Overview

Amir Chand Jagdish Kumar (Exports) Limited (ACJK), widely recognized for its flagship brand "Aeroplane," is a premier Indian processor and exporter of Basmati rice and FMCG kitchen staples. Established as a corporate entity in 2003 and headquartered in New Delhi, the company has evolved from a legacy firm founded over four decades ago into a significant organized player in the industry. ACJK operates a fully integrated business model spanning procurement, milling, aging, and branding which is a rare end-to-end capability in the fragmented rice sector. With a large combined installed capacity across three strategic facilities in Punjab, Haryana, and Delhi, the company has been conferred the status of a Three Star Export House by the Ministry of Commerce and Industry. The company's portfolio is predominantly focused on its rice segment, which includes premium Basmati varieties alongside regional specialties like Kolam and Sona Masuri. Strategically, ACJK is leveraging its "Aeroplane" brand equity to diversify into the broader FMCG space, marketing daily kitchen essentials such as wheat flour (atta), besan, and semolina (suji). This dual segment approach allows the company to target multiple price points and consumer demographics through more than 40 registered sub-brands, including "Ali Baba" and "Jet." Globally, the company maintains a massive footprint, exporting to over 38 countries across four continents through a robust network of international distributors, while simultaneously supporting a pan-India domestic distribution chain.

Objects of the issue

The net proceeds of the fresh issue are proposed to be utilized in the following manner:

⇒ Funding working capital requirements of the company; and

⇒ General corporate purposes.

Investment Rationale

Underutilized capacity driving operating leverage with high potential FMCG optionality

One of the most underappreciated aspects of ACJK is the significant operational leverage embedded in its existing manufacturing infrastructure. The company's three units have a combined installed capacity of 5,50,800 MT per annum, yet for FY25, the actual production was only 2,77,908 MT, implying a utilization rate of approximately 50.5%. This headroom of nearly 50% in production capacity means the company can absorb substantial volume growth without incurring significant incremental capital expenditure, directly translating volume growth into margin improvement and cash conversion. Furthermore, the FMCG segment, while currently contributing less than 0.3% of revenues, represents a significant long-term optionality that the market may not be fully pricing in. ACJK is among a very small group of Indian rice processors that have ventured into FMCG staples, and its existing distribution infrastructure, including modern trade tie-ups, e-commerce partnerships, and a 431 strong distributor network is immediately deployable for FMCG volume without a greenfield build-out. As consumer preference shifts toward branded, quality-assured versions of flour, semolina and besan (driven by rising incomes, post-pandemic home-cooking trends and food safety awareness), ACJK's FMCG playbook mirrors the journey its rice brand undertook decades ago. A successful FMCG scale-up would not only diversify revenue streams but also significantly re-rate the company's earnings multiple as it transitions from a commodity adjacent exporter toward a consumer staples brand.

Robust brand equity and strategic market positioning augurs well for growth

The "Aeroplane" brand serves as a formidable competitive moat within the fragmented Basmati rice industry. With over four decades of legacy, the brand has cultivated deep consumer trust, allowing the company to command a distinct price premium over unbranded or newer market entrants. This strong brand pull ensures high-velocity shelf space across both sophisticated modern retail outlets and the traditional kirana store network, which remains the backbone of Indian domestic consumption. The company's core strength lies in its multi-tier branding strategy, which effectively segments

Issue Details	
Offer Period	24th Mar. 2026 - 27th Mar. 2026
Price Band	Rs. 201 to Rs. 212
Bid Lot	70
Listing	BSE & NSE
Issue Size (no. of shares in Cr.)	2.1
Issue Size (Rs. in Cr.)	440
Face Value (Rs.)	10

Issue Structure	
QIB	50%
NIB	15%
Retail	35%
BRLM	Emkay Global Financial Services Ltd., Keynote Financial Services Ltd.
Registrar	Kfin Technologies Ltd.

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	99.4%	78.8%
Public	0.6%	21.2%
Total	**100.0%**	**100.0%**

(Assuming issue subscribed at higher band)

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the market to capture a larger share of the consumer wallet. By offering a diverse portfolio ranging from ultra-premium "Aeroplane Classic" for special occasions to "Value" and "HORECA" packs for daily use, the company minimizes customer attrition. During inflationary periods, this hierarchy encourages consumers to "down-trade" within the Aeroplane brand family rather than switching to competitors. Additionally, the company's "Aged Rice" proposition emphasizing superior aroma, non-sticky texture, and elongation resonates strongly with discerning consumers in both India and high-demand export markets like the Middle East and Europe.

Valuation

The medium to long-term outlook for Amir Chand Jagdish Kumar (Exports) Limited is strongly positive, driven by a global shift toward organized, branded players and India's dominant position as the world's top Basmati producer. With Basmati exports projected to grow at an 8% CAGR through 2030, the company is well-positioned to benefit from its flagship "Aeroplane" brand and a more supportive government trade environment, including the removal of export price floors. To accelerate this growth, the company is moving beyond its traditional business model with three key strategic pillars. First, it is launching high-profile, celebrity led ad campaigns to transform "Aeroplane" into a premium household name. Second, it plans to nearly double its domestic distributor network to penetrate untapped Tier 3 and Tier 4 cities. Third, it is diversifying into daily FMCG staples like flour (atta) and semolina (suji), using its existing factories and trucks to scale these new products at a very low extra cost. On the financial front, the company has demonstrated robust growth and expanding profitability over the last three years. The company's revenue scaled significantly between FY23 and FY25, delivering a robust CAGR of 23% to reach Rs. 2,002 crores by the end of the FY25, signalling healthy market demand and successful operational scaling. Even more impressive is the operational efficiency reflected in the EBITDA, which grew at a significantly higher CAGR of 43% during the same period. This indicates that the company is successfully benefiting from economies of scale as it grows. By the end of FY25, the company's EBITDA margin reached 8%, showing a steady upward trajectory in operational profitability. On the bottom line, the company reported a Profit After Tax (PAT) of Rs. 61 crores for FY25, resulting in a PAT margin of 3%. This consistent improvement across all key financial metrics suggests a company that is not just growing its sales, but is also becoming increasingly disciplined and efficient in managing its costs. **At the upper price band of Rs. 212, Amir Chand Jagdish Kumar (Exports) Ltd. is valued at a P/E multiple of 28.4x based on FY25 earnings. Given the company's historical growth track record, expanding margins, scalable business model and industry growth potential, we believe the valuation is justified. Thus, we recommend a "SUBSCRIBE" rating for this issue with a medium to long-term investment horizon.**

Key Risks:

⇒ The Basmati rice business is highly capital-intensive due to its seasonal nature. Since paddy is harvested only once a year but sold year-round, the company must fund massive inventory purchases in a short window, leading to high seasonal debt and interest costs. Because "Premium" rice requires aging for 12-18 months, the company carries significant inventory on its balance sheet for long periods. This creates high sensitivity to interest rate fluctuations and the risk of inventory write downs if market prices drop during the aging process, which can severely impact margins and cash flows.

⇒ The Indian branded rice market is highly competitive, facing pressure from established giants like KRBL (India Gate) and LT Foods (Daawat), as well as private labels from major retailers. This crowding increases the risk of consumers switching brands if competitors offer aggressive discounts or lower prices. Furthermore, changing dietary habits toward low carb alternatives could slow down long-term growth for the Basmati category. To protect its market share, the company must maintain high marketing spend and successfully innovate in emerging segments like "Ready-to-Cook" and health-focused options like Brown or Low-GI rice.

⇒ The company is highly exposed to geopolitical and regulatory risks due to its heavy reliance on exports, particularly to the Middle East. Sudden changes in international food safety standards or import duties can disrupt sales, while Indian government interventions such as export bans or Minimum Export Prices (MEP) can lead to an immediate loss of market share to competitors like Pakistan.

Amir Chand Jagdish Kumar (Exports) Ltd.

Income Statement (Rs. in Crores)

Particulars	FY23	FY24	FY25	H1FY26
Revenue				
Revenue from operations	1,316	1,550	2,002	1,021
Total revenue	**1,316**	**1,550**	**2,002**	**1,021**
Expenses				
Cost of material consumed	1,112	1,255	1,731	842
Changes in inventory of finished goods, stock in trade and work in progress	(10)	42	(39)	21
Purchase of stock in trade	4	3	4	2
Employee benefit expenses	11	12	14	6
Other expenses	120	128	127	44
Total operating expenses	**1,236**	**1,440**	**1,838**	**915**
EBITDA	**80**	**110**	**164**	**106**
Depreciation & amortization expenses	7	7	7	3
EBIT	**72**	**102**	**157**	**103**
Finance costs	51	65	79	43
Other Income	2	2	2	3
PBT	**23**	**39**	**80**	**63**
Total tax	6	9	19	14
Net Profit	**17**	**30**	**61**	**49**
Diluted EPS	**2.1**	**3.8**	**7.5**	**5.9**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in Crores)

Particulars	FY23	FY24	FY25	H1FY26
Cash Flow from/(used in) operating activities	74	(5)	95	(13)
Cash flow from/(used in) investing activities	(2)	(3)	(0)	(2)
Net cash flows (used in) / from financing activities	(70)	9	(93)	15
Net increase/(decrease) in cash and cash equivalents	**2**	**0**	**2**	**(0)**
Cash and cash equivalents at the beginning of the period	**16**	**18**	**18**	**20**
Cash and cash equivalents at the end of the period*	**18**	**18**	**20**	**19**

**Cash and cash equivalents + Bank Balances*

Source: RHP, BP Equities Research

Amir Chand Jagdish Kumar (Exports) Ltd.

Balance Sheet (Rs. in Crores)

Particulars	FY23	FY24	FY25	H1FY26
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	91	93	98	102
(b) Capital work-in-progress	2	2	2	2
(c) Investment Property	1	1	1	1
(d) Goodwill	1	1	1	1
(e) Other Intangible assets	-	-	0	1
(f) Financial Assets				
- Security Deposit	0	0	0	0
(g) Other Non-Current Assets	1	1	1	1
Total Non-Current Assets	**96**	**98**	**103**	**108**
Current assets				
(a) Inventories	870	928	797	627
(b) Financial Assets				
- Investments	3	1	2	1
- Trade receivables	452	451	324	310
- Cash and cash equivalents	6	6	2	9
- Bank balances (other than above)	14	14	16	9
- Other Financial Assets	41	44	23	20
(c) Other Current Assets	44	8	17	6
Total Current Assets	**1,430**	**1,451**	**1,180**	**981**
Total Assets	**1,526**	**1,549**	**1,284**	**1,089**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	83	82	5	5
(b) Other Equity	358	297	306	275
Total Equity	**441**	**379**	**311**	**281**
Liabilities				
Non Current Liabilities				
(a) Financial liabilities				
- Borrowings	1	1	2	11
(b) Provisions	0	0	0	0
(c) Deferred Tax liabilities	4	4	5	6
(d) Other non-current liabilities	-	-	4	4
Total Non Current Liabilities	**5**	**5**	**11**	**21**
Current liabilities				
(a) Financial liabilities				
- Borrowings	739	783	776	657
- Trade Payables:-				
(A) total outstanding dues of MSME	-	-	-	-
(B) total outstanding dues of other creditors	154	146	55	101
- Other financial liabilities	152	217	124	23
(b) Provisions	0	0	0	0
(c) Other current liabilities	10	5	2	4
(d) Current Tax Liabilities (Net)	26	14	4	2
Total Current Liabilities	**1,081**	**1,165**	**961**	**787**
Total Liabilities	**1,526**	**1,549**	**1,284**	**1,089**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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