



## PRATAAP SNACKS LIMITED

Public Issue of Equity Shares

### Issue Highlights

Issue opens:	<b>Friday, September 22, 2017</b>
Issue closes:	<b>Tuesday, September 26, 2017</b>
Price Band:	<b>Rs. 930/- to Rs. 938/-</b>
Bid Lot:	<b>15 Equity Shares and in multiples thereafter</b>
Face Value:	Rs. 5/- per share
Listing:	<b>NSE / BSE</b>
BRLM:	<b>Edelweiss / JM / Spark</b>
Registrar:	Karvy Computershare Private Limited
Discount:	<b>Discount of Rs. 90/- to Eligible Employees</b>

**Offer Size:** Fresh Issue: Rs.2,000 million  
 Offer for Sale: 3,005,770 Equity Shares

### Offer Breakup

Category	Allocation	Issue Size ( ₹ in Crs)	
		Lower Band	Upper Band
<b>QIB</b>	50%	239.76	240.97
<b>NIB</b>	15%	71.93	72.29
<b>Retail</b>	35%	167.83	168.67
<b>Total</b>	<b>100%</b>	<b>479.53</b>	<b>481.94</b>

### Promoters of Company

Arvind Mehta, Amit Kumat, Apoorva Kumat, Rajesh Mehta, Naveen Mehta, Arun Mehta, Kanta Mehta, Rita Mehta, Premlata Kumat, Swati Bapna, Rakhi Kumat, Sandhya Kumat and SCI Growth Investments II,.

### Business Overview

Prataap Snacks Limited; one of the top six Indian snack food companies in terms of revenues in 2016, and among the fastest growing companies in the Indian organised snack market between 2010 and 2016.(Source: FS Report). Prataap is present in three major savoury snack food categories in India i.e. Extruded Snacks, Chips and Namkeen, with a pan-India distribution network. All their products are sold under the "Yellow Diamond" brand.

Its diversified product portfolio includes three categories:

**Extruded Snacks:** Extruded snacks are processed, reconstituted and shaped potato or cereal based snacks. Extruded snacks may be flavoured or unflavoured. It includes puffed snacks. Its Extruded Snacks products are divided into two sub-categories: (i) Shaped Extruded Snacks, which includes Puffs, Rings and Pellets products; and (ii) Random Extruded Snacks, which includes Chulbule product. Chulbule was introduced by Prakash Snacks in Fiscal 2006, and this business was subsequently acquired by the Company in Fiscal 2012. Rings, one of its major products in the Extruded Snacks category, was launched in Fiscal 2012.

**Chips:** Chips include fried, sliced chips or crisps made from potatoes, hummus, lentils etc. It includes flavoured and unflavoured chips, and may be standard chips, thick-cut and / or crinkle-cut. Potato Chips were introduced by the Company in Fiscal 2010. Its Group Company, Prakash Snacks, introduced potato chips in Fiscal 2005 and it acquired its potato chips manufacturing business in Fiscal 2012.

**Namkeen:** Namkeen are a type of traditional savoury Indian snack which includes products such as moong dal, masala or fried nuts, sev and bhujia. Namkeen under the Yellow Diamond brand was launched by the Company in Fiscal 2012, pursuant to the business transfer agreement dated September 28, 2011.

### Object of the Issue

#### Offer for Sale

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale. The Company will not receive any proceeds from the Offer for Sale.

#### Fresh Issue

The Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment/pre-payment, in full or part, of certain borrowings availed by the Company;
2. Funding capital expenditure requirements in relation to expansion (including through setting up of a new production line and construction of a building) and modernization at certain of the existing manufacturing facilities;
3. Investment in its Subsidiary, Pure N Sure, towards enabling the repayment/pre-payment of certain borrowings availed of by its Subsidiary;
4. Marketing and brand-building activities; and
5. General corporate purposes.

# Product Note - IPO

## Comparison with listed Industry peers

Name of Company	Face Value (₹ Per Share)	Closing price on August 29, 2017 (₹)	Revenue, for the Fiscal 2017 (in ₹ million)	EPS (₹)		NAV <sup>(4)</sup> (₹ per share)	P/E <sup>(2)</sup>	RONW <sup>(3)</sup> (%)
				Basic	Diluted <sup>(1)</sup>			
Prataap Snacks Limited	5.0	-	9,039.17	4.77	4.77	114.66	-	4.15
<b>Peer Group</b>								
Britannia Industries	2.0	4,173.1	93,241.1	73.72	73.71	224.92	56.62	32.78
DFM Foods	10.0	1,392.6	3,448.9	15.87	15.86	80.75	87.81	19.65

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the Annual Reports of the respective company for the year ended March 31, 2017

Source for Prataap Snacks Limited: Based on the Restated Consolidated Financial Statements for the year ended March 31, 2017.

### Notes:

1. Diluted EPS refers to the Diluted EPS sourced from the audited financial results of the respective company for the year ended March 31, 2017
2. P/E Ratio has been computed based on the closing market price of equity shares on the BSE on August 29, 2017, divided by the Diluted EPS provided under Note 1.
3. RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as sum of share capital and reserves and surplus (including capital reserve and excluding debenture redemption reserve, if any)
4. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares

## Restated consolidated Summary Statement of Profit and Loss Account

(in ₹ million)

Particulars	For the Year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Total Income	9,054.57	7,579.01	5,605.71	4,468.45	3,444.84
Total Expenses	8,630.48	7,006.68	5,249.42	4,254.61	3,162.20
Profit Before Tax	129.39	275.60	130.03	49.84	178.37
Profit after Tax	98.93	273.73	99.02	53.79	148.72
E.P.S.(Rs.) Basic / Diluted	4.77	13.32	4.83	-	-
RONW (%)	4.15	12.60	5.22	-	-

### An indicative timetable in respect of the Issue is set out below:

Finalization of Basis of Allotment	On or about September 29, 2017
Initiation of refunds/un-blocking of ASBA Accounts	On or about October 3, 2017
Credit of Equity Shares to demat accounts of Allottees	On or about October 4, 2017
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about October 5, 2017

The above timetable is indicative and does not constitute any obligation on Company or the Selling Shareholders or the BRLMs.

## Prataap Snacks Limited - Retail Payment Chart

Issue Dates	22-09-2017 to 26-09-2017	
Price Band	₹ 930 to ₹ 938	
Bid Lot	15 Equity Shares & in multiples thereafter	
No. of Shares	Cut off price per share (₹ 938)	Total Amount
15	₹ 938	₹ 14,070
30	₹ 938	₹ 28,140
45	₹ 938	₹ 42,210
60	₹ 938	₹ 56,280
75	₹ 938	₹ 70,350
90	₹ 938	₹ 84,420
105	₹ 938	₹ 98,490
120	₹ 938	₹ 1,12,560
135	₹ 938	₹ 1,26,630
150	₹ 938	₹ 1,40,700
165	₹ 938	₹ 1,54,770
180	₹ 938	₹ 1,68,840

# Product Note - IPO

195	₹ 938	₹ 1,82,910
210	₹ 938	₹ 1,96,980

## Edelweiss – Financial Products Distribution Branch Location for submission of application Forms

<b>West</b>	Mumbai – Pune
<b>Gujarat</b>	Ahmedabad
<b>North</b>	Faridabad & Chandigarh

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