DHANWEL HYBRID SEEDS LIMITED

DH

Manufacturing | SME

Rs. 95 - 99

19 Aug 2026 - 21 Aug 2026

Allotment 24 Aug 2026 | Listing 26 Aug 2026

Issue size	Where the money goes	Earnings per share
Rs. 26.7 cr	**All fresh issue**	**Rs. 9.56**
	the document states no offer for sale - computed from the share count at the band cap - p.3	issuer disclosed

WHAT STANDS OUT IN THE OFFER DOCUMENT

LOOK CLOSER Profit jumped just before the IPO, but the cash didn't follow.
The operating margin in 2026 was 1.5x the earlier years' average, while cash from operations that year was -Rs.2.5 cr. (p.116)

LOOK CLOSER Promoters will own less than half the company after the IPO.
They will hold 35.1%. (p.87)

THE FIVE QUESTIONS

1. How it makes money
Rs.57 of every Rs.100 of sales comes from its "Oil Seeds" segment.

2. Is it growing, and is profit turning into cash?
Sales grew 2.1x from 2024 to 2026 (Rs.35.5 cr to Rs.74.6 cr). Over 3 years it made Rs.10.2 cr of profit, and its operations used Rs.8.5 cr of cash. Spending on fixed assets took a further Rs.5.5 cr over 3 years.

3. How much cushion does it have?
It owes Rs.0.39 for every Rs.1 of its own money. We point it out when a manufacturer owes more than Rs.2 for every Rs.1.

4. What you pay, and who gets the money
All the money raised goes to the company. At Rs.99 the whole company is valued at Rs.90.1 cr, counting the new shares. You pay Rs.15 for every Rs.1 of last year's profit and Rs.1.94 for every Rs.1 of its own money after the issue.
- Its own money grew Rs.7.7 cr more than the profit it made from 2024 to 2026: money from shares issued, or other changes in its equity.
- Rs.7.6 cr goes to repaying loans; what it owes went from Rs.1.9 cr to Rs.7.7 cr from 2024 to 2026.
- Rs.11.6 cr goes to working capital; over 3 years its operations used Rs.8.5 cr of cash.

5. Who controls it, and what is on record?
Promoters own 50% now and 35% after the IPO. The document discloses 1 legal matter.

WHAT THE COMPANY DOES

Our Company is engaged in the business of seed manufacturing, which includes the development, multiplication, processing, and supply of seeds for a variety of field crops and vegetables.

WHERE THE MONEY GOES

How the fresh proceeds are to be spent, as stated in Objects of the Offer.



Funding towards Repayment or prep... 40% Funding the working capital requi... 60%

PROMOTER HOLDING

49.9% before > **35.1%** after

Dilution of 14.8 points. Promoters fall below half the company. p.87

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
DHANWEL HYBRID SEEDS LIMITED (this IPO, at the band cap)	**14.7x**	**Rs. 74.6 cr**	**value after the issue / profit**
Bombay Super Hybrid Seeds Limited	39.1x	Rs. 344 cr	p.110
Upsurge Seeds of Agriculture Limited	14.0x	Rs. 110 cr	p.110
Industry average	26.6x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	2024	2025	2026	2Y CAGR
Revenue	35	44	75	+45.0%

EBITDA	3	4	9	—
Profit after tax	2	2	6	+79.0%
Net worth	4	13	20	—
Total debt	2	6	8	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	2024	2025	2026
Operating cash flow	0	-6	-2
Capital expenditure	2	2	2
Financing	1	11	1

Operating cash flow is -41% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+12 months
Promoter
—

+12 months
Other
—

+24 months
Promoter
—

+36 months
Promoter
20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Wide Range of Seeds and its Variants (p.139)
2. Quality Assurance (p.139)
3. Customer Satisfaction (p.139)
4. Experienced Promoter supported by dedicated Management team (p.139)
5. Order Book Visibility (p.140)

RISKS IT DISCLOSES

1. Our business is subject to seasonality and climatic conditions, which could impact demand for our products and affect our financial performance. (p.31)
2. Certain delays, discrepancies and Omissions have been detected in our statutory records, as well as in records related to the submission of returns to the concerned Registrar of Companies. (p.31)
3. Major portion of our transactions are conducted in cash, which may expose us to operational, regulatory, and financial risks. (p.32)
4. Certain delays in statutory filings under the Companies Act, 2013 may lead to financial and regulatory consequences for our Company. (p.32)
5. Non-compliance with certain procedural requirements under Section 42 of the Companies Act, 2013 relating to a private placement of equity shares may expose our Company to regulatory action, penalties, and other adverse consequences. (p.33)

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

It forecasts the market to grow about 5.5% a year.

Drivers it names: Government cluster programs scaling certified seed demand; Shift to climate-resilient hybrids in cereals and pulses; Expansion of protected cultivation boosting high-value vegetable seeds.

Constraints it names: Counterfeit seed trade and weak last-mile traceability; Regulatory uncertainty around GM crop approvals.

> These industry figures come from a Mordor Intelligence report commissioned and paid for by the issuer. It is not neutral research.

Analysed from the PROSPECTUS at https://www.wealthminenetworks.com/pdf/Red%20Herring%20Prospectus%20dhsl.pdf by IPO Agent's proprietary AI-assisted extraction on 2026-08-27. Figure verification was skipped. The source text was not available to check against.

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