FP

FARM PEACE LIMITED

Cement / steel / metals | SME

Rs. 59 - 59

1 Sep 2026 - 3 Sep 2026

Issue size	Where the money goes	P/E at the cap price
Rs. 32 cr	**All fresh issue**	**11.9x**
	the document states no offer for sale - p.1	issuer disclosed - p.107

WHAT STANDS OUT

- Low promoter holding - Promoters hold 38.6% after the issue. Promoters hold under half the company after the issue.
- Profit not converting to cash - Operating cash flow is -95% of profit after tax. Less than half of reported profit arrived as cash — usually receivables or inventory build.
- Strong revenue growth - Revenue compounded 20% a year over 2 years. Revenue compounding above 20% a year.
- Margins compressing - EBITDA margin declined across the reported years.

WHAT THE COMPANY DOES

We are an integrated contract farming company specializing in processed-grade potato varieties like Santana, Frysona, Innovators, Lady Rosetta, and Chipsona, supplying processing companies for manufacturing French fries, chips, and other potato-based products.

Contract farming, trading of agricultural produce, primarily potatoes, seed trading, distribution of agri-inputs and related storage, maintenance and ancillary services.

WHERE THE MONEY GOES

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

Funding our incremental working c... 83% | General corporate purposes 17%

PROMOTER HOLDING

52.4% before > **38.6%** after

Dilution of 13.8 points. Promoters fall below half the company. p.87

FINANCIALS, RS. CRORE

	2024	2025	2026	2Y CAGR
Revenue	63	79	91	+20.5%
EBITDA	9	9	12	—
Profit after tax	6	7	8	+10.5%
Net worth	9	36	43	—
Total debt	7	2	11	—

READING THESE NUMBERS AS CEMENT / STEEL / METALS

What actually diagnoses this business: Capacity utilisation - Realisation per tonne - Cost per tonne - Cycle position.

P/E **11.9x** read with care

A low P/E at a cyclical peak is the classic trap: earnings are at their highest, so the multiple looks cheapest exactly when it is most fragile.

DOES THE PROFIT TURN INTO CASH

	2024	2025	2026
Operating cash flow	-2	-18	-7
Capital expenditure	0	0	0
Financing	5	15	7

Operating cash flow is -95% 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	+36 months
Other	**Promoter**
—	20.2%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Contract Farming Model with 100% Buy-Back Assurance (p.189)
2. Agro-Climatic Advantage of Gujarat for Processing-Grade Potato Cultivation (p.190)
3. Strong and Expanding Farmer Network and Building long lasting relationship (p.190)
4. End-to-End Farming Support covering planning to post-harvest (p.191)
5. Experienced Promoters and Management Team (p.192)

RISKS IT DISCLOSES

1. Our Company does not enter into formal contracts with farmers and operates through verbal arrangements. (p.26)
2. Dependence on seasonal and climatic conditions for processed-grade potato cultivation may expose us to risks of reduced yield. (p.27)
3. Concentration of our operations in Gujarat exposes us to regional risks. (p.28)
4. Any significant dependence on third-party suppliers for seeds may expose us to risks relating to availability, quality, and timely supply of inputs. (p.28)
5. Our dependence on frozen potato manufacturers and snack producers for the sale of processed-grade potatoes may expose us to risks arising from limited market coverage. (p.29)

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

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

a 6.8% CAGR.

Drivers it names: Increasing demand for processed potato products, government support and policy framework, financial assistance, technological advancements, farm management systems, quality assurance and traceability, infrastructure development and market access and information..

Constraints it names: Power Imbalance Between Farmers and Corporations; Quality Control Issues; Delayed Payments and Procurement Issues.

> These industry figures come from a Dun & Bradstreet Information Services India Private Limited report commissioned and paid for by the issuer. It is not neutral research.

THE WIDER GROUP

Champeshvar Iron & Steel Private Limited (promoter-group)	—
Hcube Impex LLP (promoter-group)	—
Sharneshvar Alloys Private Limited (promoter-group)	—
Vireshvar Iron and Steel Private Limited (promoter-group)	—

Extracted from the PROSPECTUS at https://farmpeace.in/wp-content/uploads/2026/08/Prospectus.pdf by gemini-3.5-flash on 2026-08-28. Figure verification was skipped. The source text was not available to check against.