

Techno Funda Stock



FAIRCHEM ORGANICS LTD.

Sector : Specialty Chemicals

Recommendation
BUY

₹

Buy Price Range
₹2000 - 2500



Target Price
₹3000-3100

www.swastika.co.in

%

Expected Return
25-30%



Holding Period
1-2 Years



Market Capitalization
₹2907 Cr (Small-Cap)



www.swastika.co.in

PRODUCTS

- **Nutraceuticals**
(Used in pharmaceuticals, cosmetics, FMCG etc.)
- **Oleochemicals**
(Used in paints, inks, soaps, textile amines etc.)

WHY TO INVEST?

Capacity Expansion from 45000 MTPA to 120,000 MTPA is done at the end of Q1 FY23 to more than double the revenues and enhance return ratios

Leader Company in the industry

Operational Excellence due to strategically located facility

Strong Customer and Supplier Relationships

www.swastika.co.in

Competitive Advantage by being a lowest cost producer globally and efficient manufacturing

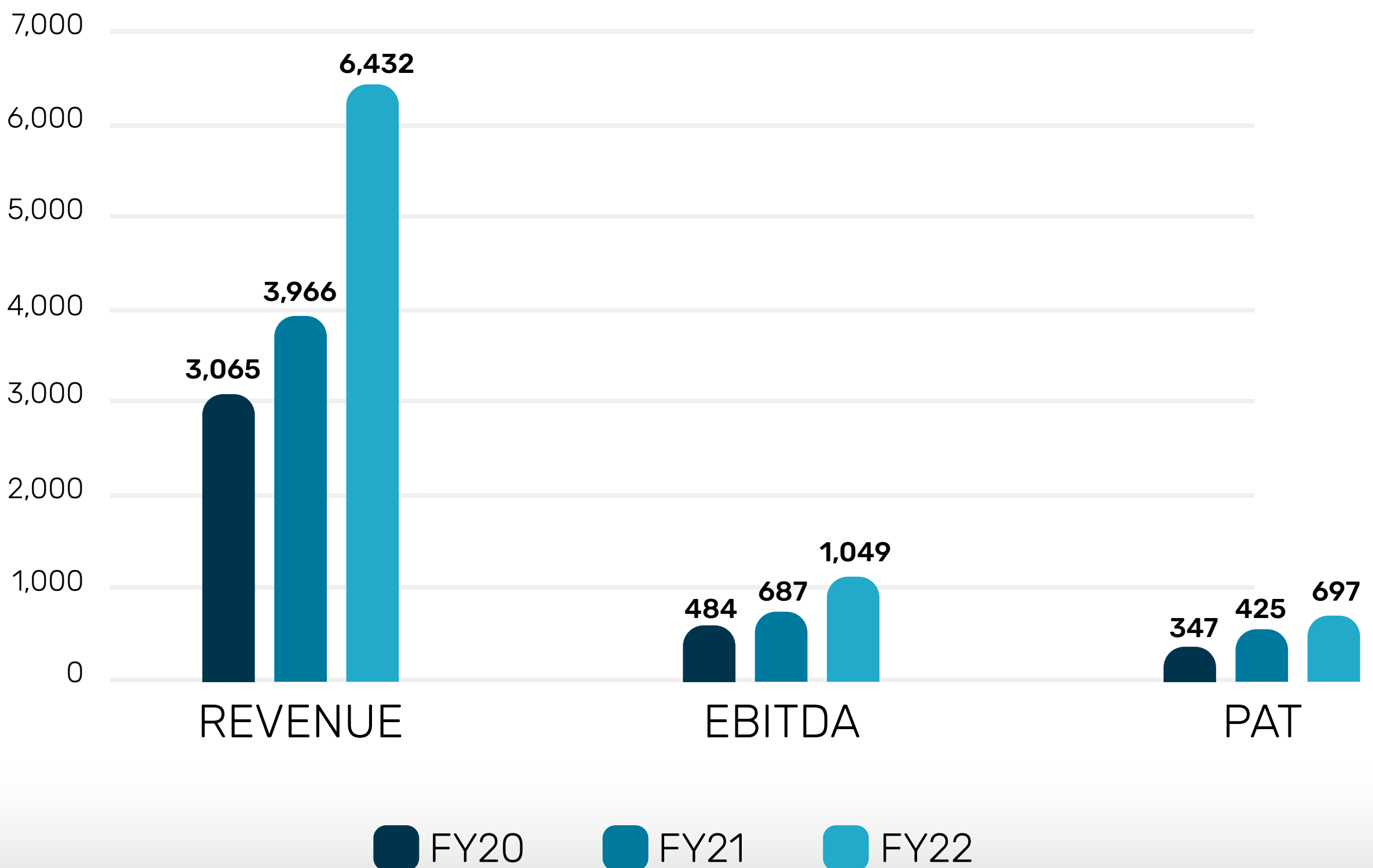
Forward Integration of value added products like 'Tocopherols' & 'Sterols'

New Product Launch of 'Methyl Ester (Biofuel)' and upgradation of coproducts



FINANCIAL HIGHLIGHTS

(All figures are in INR Mn.)



www.swastika.co.in

FY22 KEY FINANCIALS

- ▶ High ROCE **38.11%**
- ▶ EBITDA Margin **16.31%**
- ▶ PAT Margin **10.56%**
- ▶ Debt/Equity Ratio **0.27**
- ▶ 5-Year Revenue CAGR **26%**
- ▶ 5-Year PAT CAGR **49%**
- ▶ Dividend Payout **24.9%**

TECHNICAL HIGHLIGHTS



www.swastika.co.in

- ▶ Trendline breakout with high volume support
- ▶ Stock coming out of consolidation
- ▶ Upward price-cycle movement
- ▶ Price action above 20, 50, 150 & 200 Daily Exponential Moving Average

RESEARCHED BY



SHIVANI NYATI

Sr. Manager, Research
Swastika Investmart Ltd.

www.swastika.co.in

Research Contact

☎ **01214400733**

✉ **research@swastika.co.in**

www.swastika.co.in