

Twitter Thread by Aashish Agarwal ■■



Aashish Agarwal ■■

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#GNFC #chemical

Thread on #GNFC (#attractive valuation)

■■Chemical (~70%) + ■■Fertilizer (~30%)

■■Technical View :

■■Stock crossed major res of 452

■■Retesting strong support levels

■■Movement from here will take it to test ATH

■■Stock consolidated well & is above 10EMA



■■Numbers : In Crs

■■Revenue TTM: 5823 (~1.25 Sales) Cheapest among peers ■■

■■EPS TTM: 60 (PE 7.8) Looks attractive even after the run up ■■

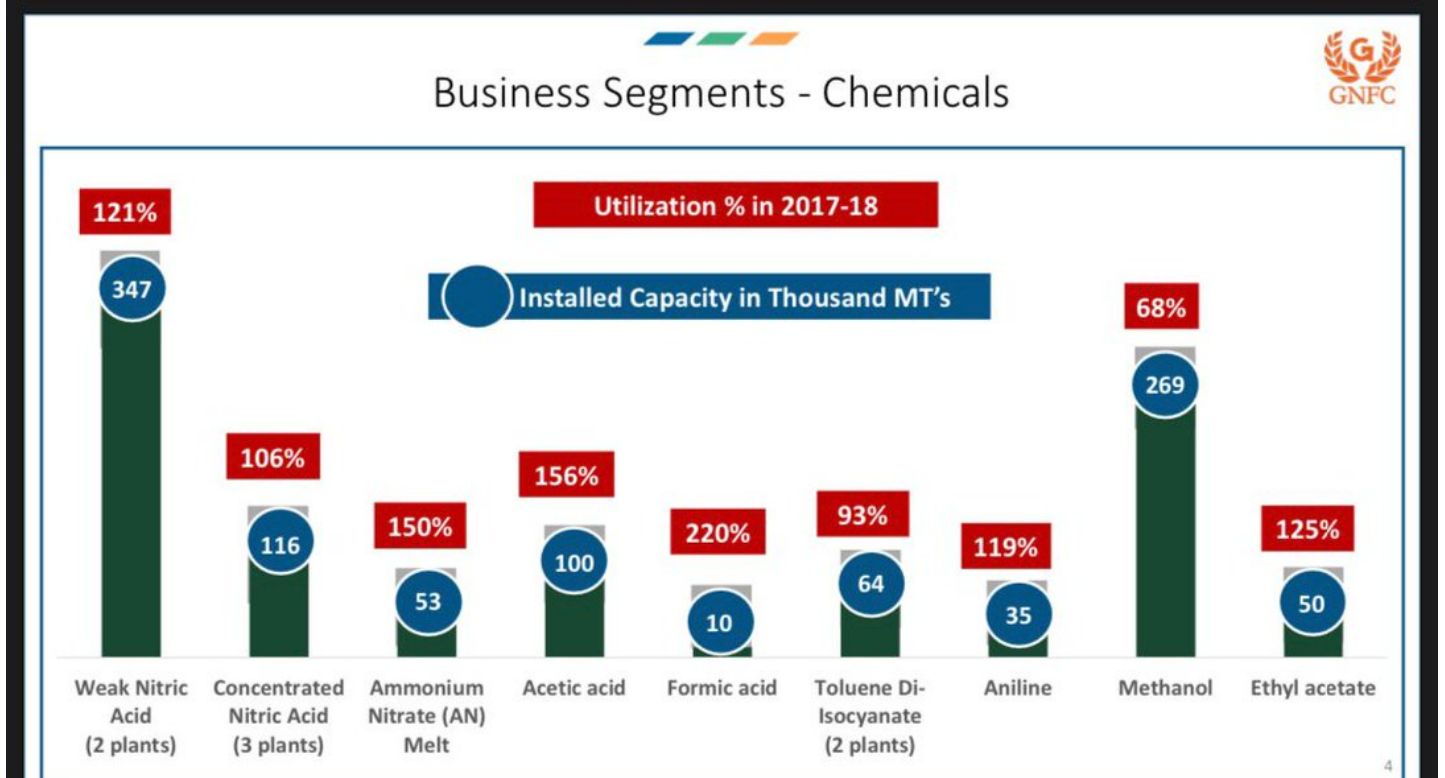
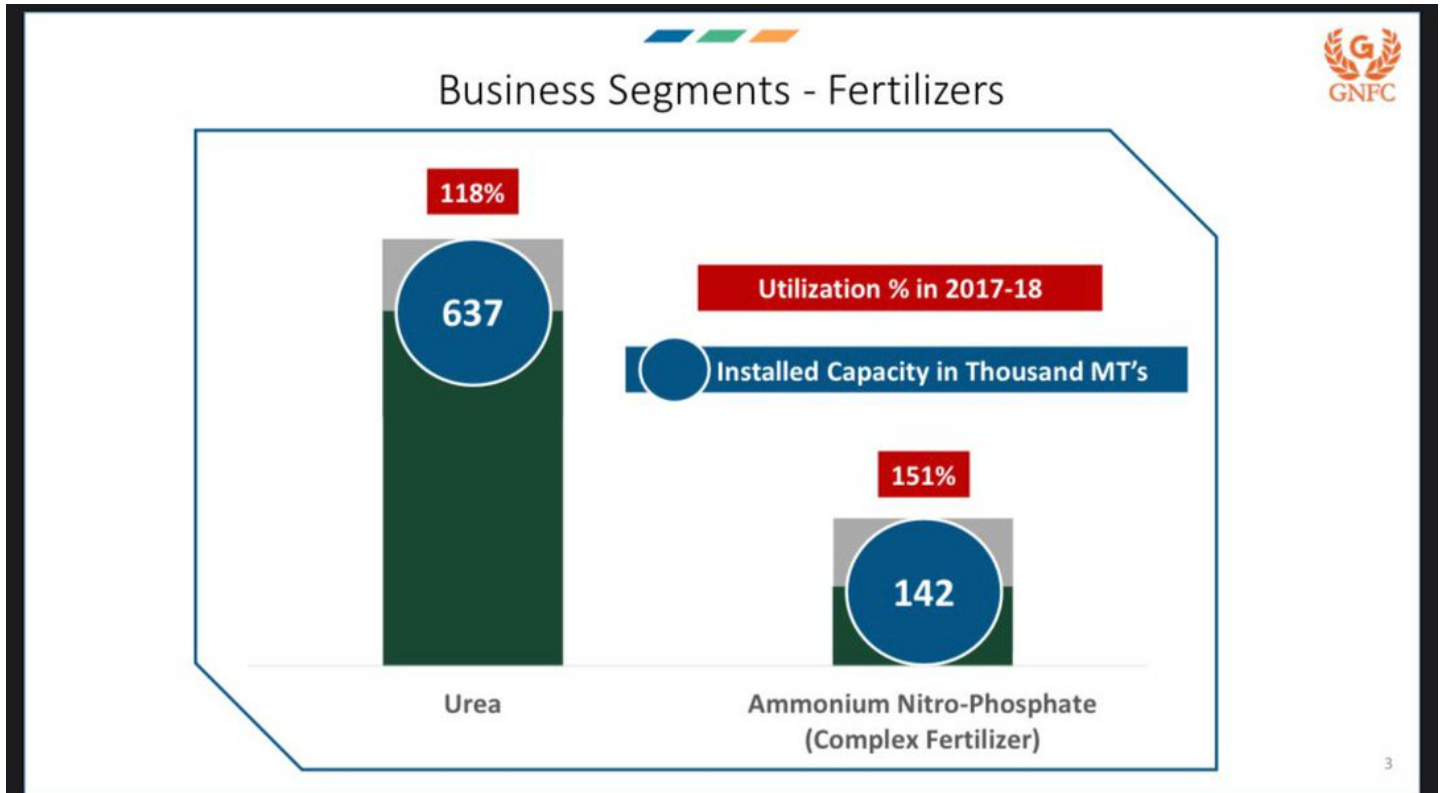
■■Debt Free : ■

■Now lets look at fundamentals

Products and capacities:

Many of the products at multiple yrs BO or 52 weeks High■

■■TDI : Monopoly - Used in Mattress, Car seats (Inc of 40%, EBITDA ~45-50%) #sheelafoams #berger #sleepwell



Methanol : 2x of LY ■■

Urea: 13 years high ■■

Aniline, Acetic Acid, Nitric Acid, Ethyl Acetate, Formic Acid : Import substitutes ■■

Competing companies : #jubilantingreva #laxmiorganic #deepakfertiliser #GSFC #IOL and so on

■No company has this diverse and vast capacities■

Most of the products are unique and import substitute. Poised to take benefit of China +1 Story.

TDI : MS of 65%

Aniline, Formic Acid : More than 50%

Acetic Acid/Urea/Methanol: One of the largest player

Best in class technology with world class technology partners :

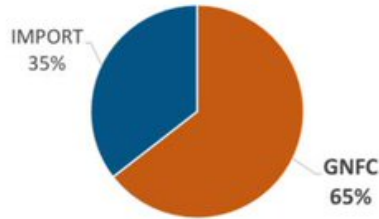
Toluene Di-Isocyanate



Major Brands Using TDI from GNFC



Market Share of TDI in India



TECHNOLOGY PROVIDER



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Aniline



Major Brands Using Aniline from GNFC



Market Share of Aniline in India



TECHNOLOGY PROVIDER



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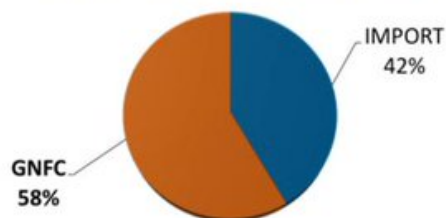
Formic Acid



Major Brands Using Formic Acid from GNFC



Market Share of Formic Acid in India



TECHNOLOGY PROVIDER



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Expansion and Growth plan :

Has over 1500 Crs of surplus in books, can be utilized for acquisition or Capex

Co plans on the following products :

- Acetic Acid
- Formic Acid
- Ammonia
- Nitric Acid
- TDI

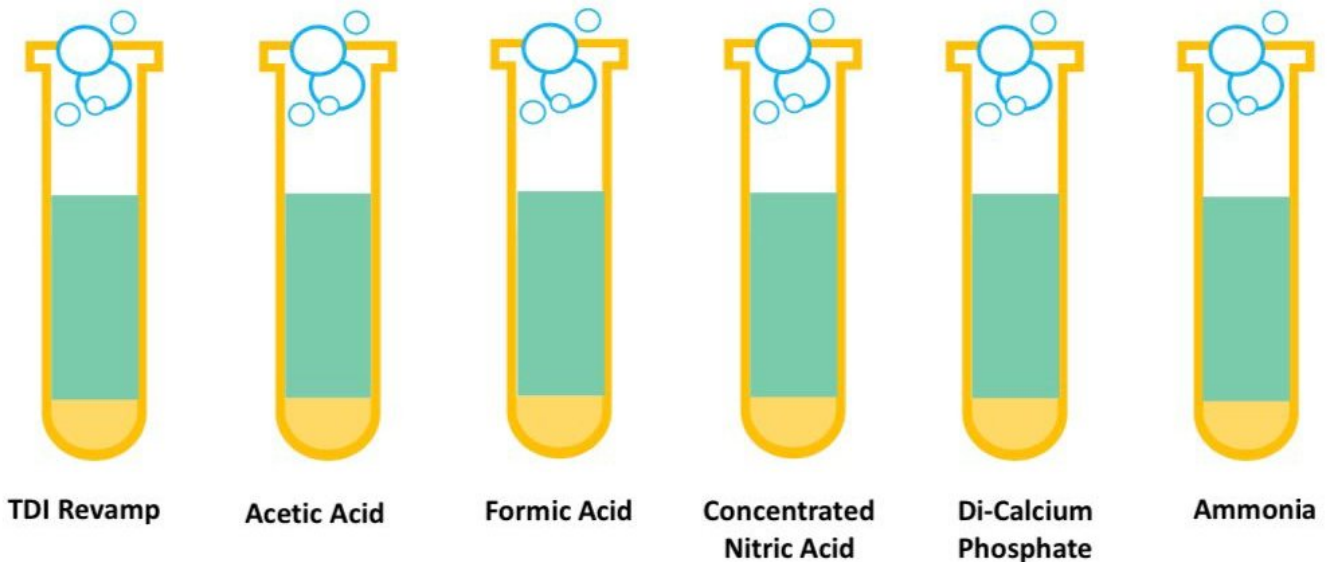
Company plans to make India self sufficient #AatmanirbharBharat



Expansion and Growth Plans



Focusing on the core capabilities & existing strengths, the board has already approved expansion plans for these major chemicals



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The company is thus uniquely positioned in India's chemical growth journey and has potential to take advantage of the China + 1 story #ChinaPowerCrisis

TDI has monopoly in India. Others have competitors, but the company has strong capacity and dominance across ■■■■

Is expected to give strong numbers in the coming quarters on the back of steep increase in prices of Acetic Acid, TDI, Urea, Formic Acid, Aniline, Methanol and so on. ■■■■

Low PE and EPS expansion makes it a good investment stock at current levels. STUDY AND TAKE A CALL ■■