

19 July 2025

India | Equity Research | Results update

Atul

Speciality Chemicals

Muted EBITDA performance in Q1; business mix deteriorates

Atul Ltd's (Atul) Q1FY26 EBITDA rose just 5.5% YoY at INR 2.4bn, and was hurt from under-performance in standalone business where EBITDA declined 12.5%; entire growth came from subsidiaries (up 93% YoY). This implies business mix deteriorated with rising contribution of commodity (caustic soda). 2,4-D prices dipped 9% QoQ, adding to the pain; export volumes were flattish, and India agro-chemical sales failed to offset. Epoxy export volumes did not rise for Atul, while prices of other key products in performance segment were under pressure. Reduce EPS by ~5% each for FY26/27E and cut TP to INR 6,600 (from INR 6,950) with an unchanged FY27E P/E multiple of 25x. Maintain **HOLD**.

Gross profit up 8.7% YoY/ dips 0.2% QoQ at INR 7.2bn

In Q1FY26, Atul's revenue increased 11.8% YoY/ 1.8% QoQ to INR 14.8bn, largely driven by volume growth across key products and some pricing gains in 2,4-D. Atul has benefited from its newly-commissioned chlor-alkali plant ramping up; however, prices have dipped QoQ for caustic soda. Atul's standalone revenue grew 8% YoY while subsidiaries' revenue (defined as consol minus standalone) grew to INR 1.7bn, up 51% YoY/ 26.7% QoQ. Consol gross profit jumped 8.7% YoY to INR 7.2bn, largely driven by subsidiaries where gross profit rose 119% YoY/ 40% QoQ. Atul's standalone gross profit dipped 3.6% YoY to INR 5.7bn, which is disappointing.

Life sciences segment's revenue improved 6% YoY to INR 4.5bn, led by higher prices, and it appears volumes in 2,4-D remained flattish, which is disappointing, considering good monsoon in India. 2,4-D India export volumes for Q1FY26-TD (Apr/May'25) have been flat at 5.8kte, but export prices grew 10.4% YoY (dip 9% QoQ). Atul also had aggressive plans for expansion of pharmaceuticals intermediate which should have also aided growth.

Performance and other chemicals segment's revenue was INR 10.7bn, up 13.7% YoY/ 1.2% QoQ. The growth largely came from chlor-alkali segment (in subsidiary) while epoxy offtake was disappointing, a part of standalone business. Prices for most key products remained stable YoY, but dipped QoQ, except epoxy.

Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	47,257	55,834	67,380	75,774
EBITDA	6,367	9,130	11,358	13,260
EBITDA Margin (%)	13.5	16.4	16.9	17.5
Net Profit	3,230	4,839	6,374	7,771
EPS (INR)	109.6	164.3	216.4	263.8
EPS % Chg YoY	(37.0)	49.8	31.7	21.9
P/E (x)	63.3	42.3	32.1	26.3
EV/EBITDA (x)	31.7	21.7	17.1	14.3
RoCE (%)	5.5	7.6	9.9	11.0
RoE (%)	6.6	9.0	10.9	12.0

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Market Data

Market Cap (INR)	204bn
Market Cap (USD)	2,373mn
Bloomberg Code	ATLP IN
Reuters Code	ATLP.BO
52-week Range (INR)	8,180 /4,752
Free Float (%)	54.0
ADTV-3M (mn) (USD)	5.9

Price Performance (%)	3m	6m	12m
Absolute	22.2	3.7	(2.6)
Relative to Sensex	18.1	(3.0)	(3.1)

ESG Score	2023	2024	Change
ESG score	63.9	60.6	(3.3)
Environment	45.7	43.6	(2.1)
Social	69.9	71.3	1.4
Governance	72.5	69.2	(3.3)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY26E	FY27E
Revenue	(1.9)	(2.4)
EBITDA	(4.3)	(4.1)
EPS	(5.5)	(5.1)

Previous Reports

04-05-2025: [Company update](#)

26-01-2025: [Q3FY25 results review](#)

Key products in performance segment such as para cresol India exports volume dropped 59% YoY in Q1FY26 while export price rose 5.1% YoY (dipped 4.7% QoQ). Anisic aldehyde/ exports volumes declined 9.9% in Q1FY26 while export prices were up 2.7% YoY (down 2.2% QoQ). Resorcinol import prices were up 2.8% YoY (drop 2.7% QoQ). Domestic epoxy demand should be strong on good growth in construction industry; exports volume jumped 49.6% YoY in Q1FY26 and export prices were up 1.8% YoY (+1.4% QoQ). However, Atul's standalone financials do not reflect the benefit of strong India exports of epoxy.

EBITDA grew only 5.5% YoY to INR 2.3bn

Employee cost increased 14.3% YoY to INR 1.2bn; other expenses decreased 0.9% YoY/ 21.2% QoQ to INR 1.8bn; power and fuel cost increased 21.3% YoY/22.1% QoQ to INR 1.8bn. EBITDA margin dipped 100bp YoY/ +50bp QoQ to 15.9%, and YoY decline was large on lower gross profit margin. Depreciation cost increased 7.1% YoY / 0.4% QoQ to INR 820mn. Net profit rose 14.2% YoY/ +1% QoQ to INR 1.3bn.

Atul's standalone EBITDA dropped 12.5% YoY to INR 1.6bn, and EBITDA margin stood at 12.4% compared to 12.8% in Q4FY25, and 15.3% in Q1FY25. Standalone net profit fell 10.5% YoY.

Atul's subsidiaries' EBITDA stood at INR 735mn compared to INR 552mn in Q4FY25 and INR 380mn in Q1FY25, due to higher sales from Atul Products (chlor alkali plant), also benefitting from operating leverage.

Life sciences segment's EBIT dipped 3.6% YoY/ 29.1% QoQ to INR 684mn. EBIT margin came in at 15.2% (down 652bp QoQ) and was impacted partly by drop in 2,4-D prices QoQ. Performance and other chemicals segment's EBIT rose 17.4% YoY/ 16.9% QoQ to INR 1bn. EBIT margin stood at 9.4%, up 127bp QoQ.

Risks

Upside risks: 1) Expansion in spreads particularly in 2,4-D and epoxy; and 2) faster-than-expected growth in pharmaceuticals segment particularly from custom manufacturing.

Downside risks: 1) Volatility in prices of caustic soda, with prices being lower; 2) rise in competition in key products – 2,4-D and epoxy.

Exhibit 1: Q1FY26 result review – consolidated

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	13,221	13,928	14,168	14,516	14,780	1.8	11.8
COGS	6,604	6,538	7,009	7,305	7,586	3.8	14.9
Gross profit	6,616	7,390	7,160	7,212	7,194	(0.2)	8.7
GPM (%)	50.0	53.1	50.5	49.7	48.7		
Employee cost	1,050	1,184	1,124	1,189	1,200	1.0	14.3
% of revenue	7.9	8.5	7.9	8.2	8.1		
Other expenses	1,824	2,044	2,017	2,293	1,807	(21.2)	(0.9)
% of revenue	13.8	14.7	14.2	15.8	12.2		
Power & fuel	1,510	1,735	1,778	1,501	1,832	22.1	21.3
% of revenue	11.4	12.5	12.5	10.3	12.4		
Total expenses	4,384	4,963	4,919	4,982	4,839	(2.9)	10.4
EBITDA	2,232	2,427	2,241	2,229	2,355	5.6	5.5
EBITDA (%)	16.9	17.4	15.8	15.4	15.9		
Depreciation	766	775	810	817	820	0.4	7.1
EBIT	1,467	1,652	1,431	1,412	1,535	8.7	4.6
Other income	130	315	158	487	262	(46.1)	101.2
Finance cost	54	89	43	54	45	(16.2)	(15.6)
PBT	1,543	1,878	1,546	1,845	1,752	(5.1)	13.5
Tax	455	514	407	560	447	(20.2)	(1.9)
ETR (%)	29.5	27.4	26.4	30.3	25.5		
Exceptional item	-	-	-	-	-		
Net profit	1,119	1,368	1,087	1,265	1,278	1.0	14.2
Net profit (%)	8.5	9.8	7.7	8.7	8.6		
EPS (INR)	38.0	46.4	36.9	42.9	43.4	1.0	14.2

Source: I-Sec research, Company data

Exhibit 2: Q1FY26 result review – standalone

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	12,075	12,787	12,737	13,148	13,046	(0.8)	8.0
COGS	6,124	6,386	6,735	6,976	7,307	4.7	19.3
Gross profit	5,951	6,401	6,002	6,172	5,739	(7.0)	(3.6)
GPM (%)	49.3	50.1	47.1	46.9	44.0		
Employee cost	858	950	902	934	949	1.7	10.6
% of revenue	7.1	7.4	7.1	7.1	7.3		
Other expenses	1,809	2,034	1,991	2,181	1,783	(18.2)	(1.4)
% of revenue	15.0	15.9	15.6	16.6	13.7		
Power & fuel	1,433	1,481	1,479	1,380	1,387	0.5	(3.2)
% of revenue	11.9	11.6	11.6	10.5	10.6		
Total expenses	4,100	4,464	4,372	4,494	4,119	(8.3)	0.5
EBITDA	1,852	1,937	1,631	1,678	1,620	(3.5)	(12.5)
EBITDA (%)	15.3	15.1	12.8	12.8	12.4		
Depreciation	509	517	552	553	558	1.0	9.6
EBIT	1,343	1,420	1,078	1,125	1,062	(5.7)	(20.9)
Other income	141	393	251	545	290	(46.9)	105.9
Finance cost	6	37	5	15	6	(59.7)	(1.6)
PBT	1,477	1,776	1,325	1,655	1,345	(18.7)	(8.9)
Tax	385	489	398	398	368	(7.6)	(4.6)
ETR (%)	26.1	27.5	30.1	24.0	27.3		
Exceptional item	-	-	-	-	-		
Net profit	1,092	1,288	927	1,257	977	(22.2)	(10.5)
Net profit (%)	9.0	10.1	7.3	9.6	7.5		
EPS (INR)	36.9	43.5	31.3	42.4	33.0	(22.2)	(10.5)

Source: I-Sec research, Company data

Exhibit 3: Atul (consolidated less standalone)

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue	1,145	1,142	1,431	1,369	1,734	26.7	51.4
COGS	480	153	274	329	279	(15.2)	(42.0)
Gross profit	665	989	1,158	1,040	1,456	40.0	118.9
GPM (%)	58.0	86.6	80.9	76.0	83.9		
Employee cost	192	234	223	255	251	(1.6)	30.9
Other expenses	15	10	26	112	24	(78.7)	55.2
Total expenses	285	498	548	488	720	47.5	153.2
EBITDA	380	491	610	552	735	33.3	93.3
EBITDA (%)	33.2	43.0	42.6	40.3	42.4		
Depreciation	257	259	258	265	262	(0.9)	2.1
EBIT	124	232	352	287	473	64.8	282.4
Other income	(10)	(78)	(94)	(58)	(27)	(53.0)	165.0
Finance cost	48	52	38	39	39	1.0	(17.5)
PBT	66	102	221	190	407	113.8	516.8
Tax	70	26	9	162	79	(51.1)	13.2
Net profit	(165)	27	81	161	8	(95.0)	(104.9)

Source: I-Sec research, Company data

Exhibit 4: Life science segment's EBIT margin fell 652bp QoQ; performance segment's margin up 127bp

INR mn	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	QoQ (%)	YoY (%)
Revenue							
Life Sciences	4,236	4,078	4,164	4,439	4,492	1.2	6.0
Performance and other chemicals	9,386	10,237	10,412	10,547	10,669	1.2	13.7
Others	194	186	187	171	164	(4.6)	(15.7)
Total revenue	13,817	14,501	14,764	15,158	15,325	1.1	10.9
EBIT							
Life Sciences	710	836	956	966	684	(29.1)	(3.6)
Performance and other chemicals	852	990	752	855	1,000	16.9	17.4
Others	50	27	34	12	23		
Total EBIT	1,612	1,852	1,743	1,833	1,708	(6.8)	6.0
EBIT margin (%)							
Life Sciences	16.8	20.5	23.0	21.8	15.2		
Performance and other chemicals	9.1	9.7	7.2	8.1	9.4		
Others	25.9	14.3	18.1	7.1	14.3		

Source: I-Sec research, Company data

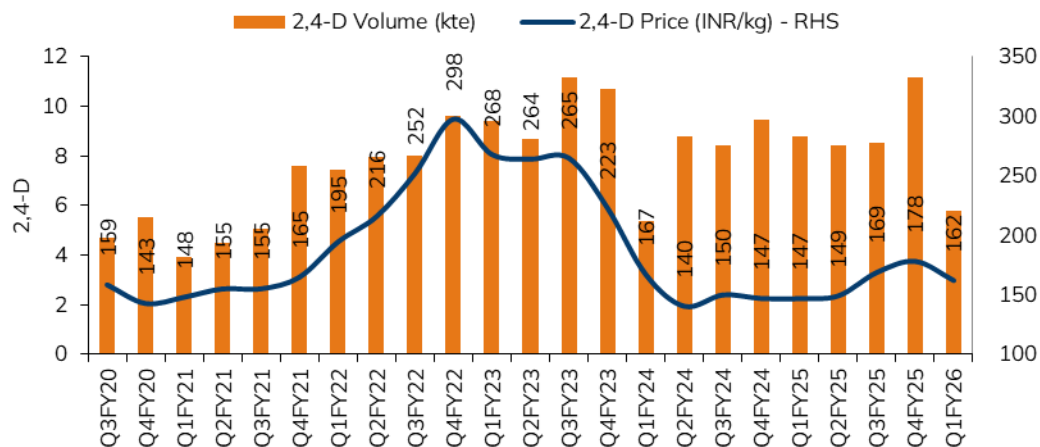
Exhibit 5: Earnings revision

INR mn	Revised		Earlier		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	67,380	75,774	68,654	77,647	(1.9)	(2.4)
Gross profit	32,224	36,391	34,550	39,231	(6.7)	(7.2)
GPM (%)	47.8	48.0	50.3	50.5		
EBITDA	11,358	13,260	11,869	13,830	(4.3)	(4.1)
EBITDA (%)	16.9	17.5	17.3	17.8		
PAT	6,374	7,771	6,745	8,184	(5.5)	(5.1)
EPS (INR)	216	264	229	278	(5.5)	(5.1)

Source: I-Sec research, Company data

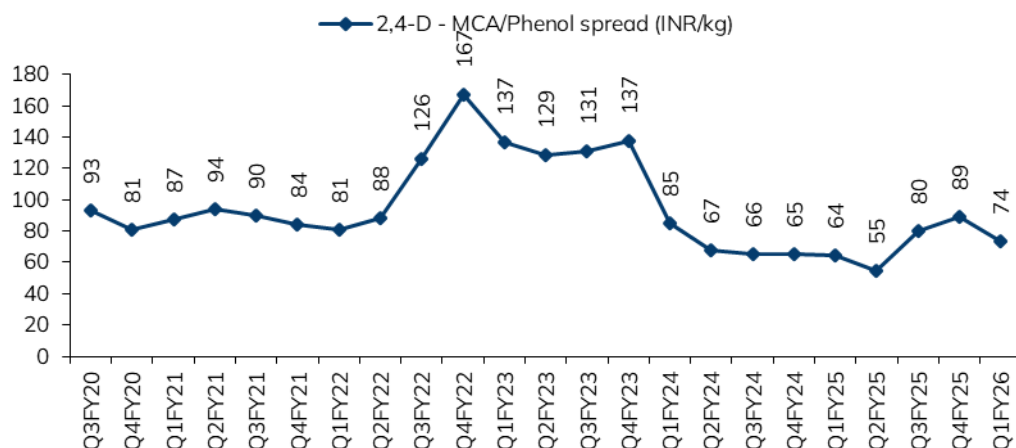
Exim Data

Exhibit 6: 2,4-D prices down 9% QoQ/ up 10.4% YoY



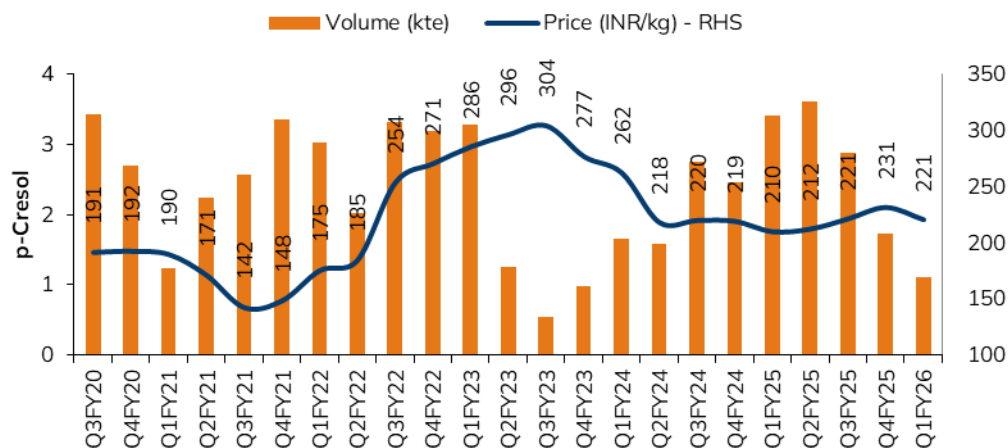
Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 7: 2,4-D-MCA/phenol spread was down 17.1% QoQ/ up 14.5% YoY

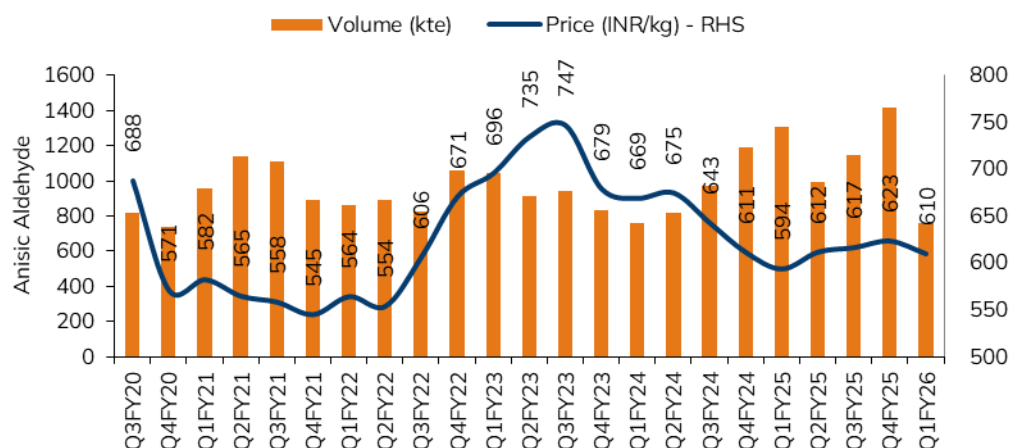


Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

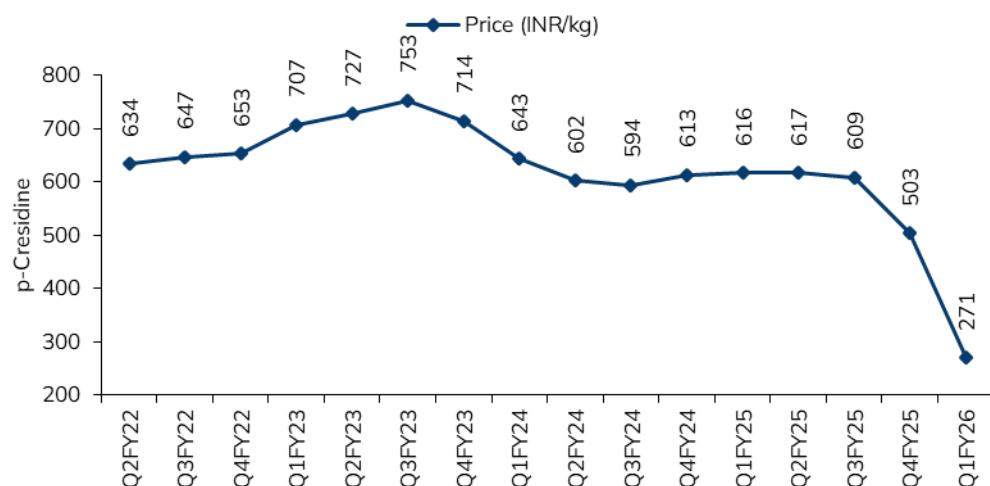
Exhibit 8: Para cresol prices down 4.7% QoQ/ up 5.1% YoY



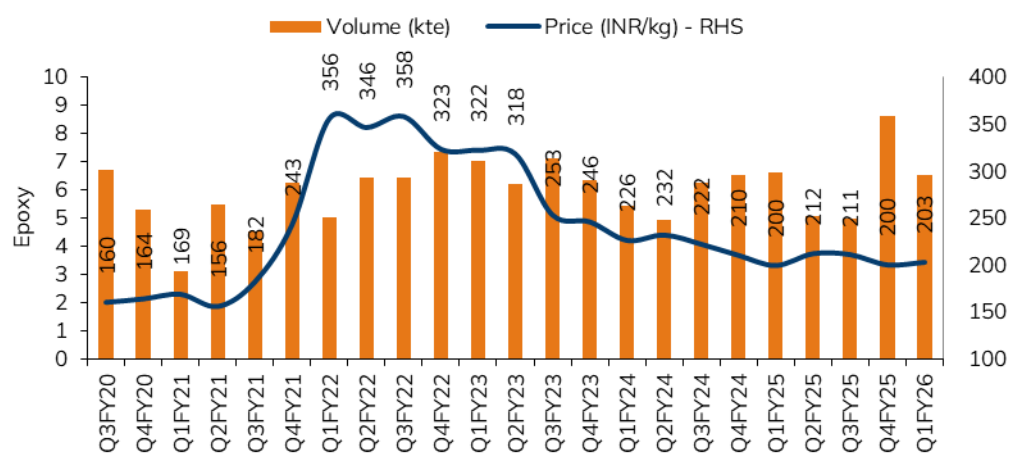
Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 9: Anisic aldehyde prices down 2.2% QoQ/ up 2.7% YoY

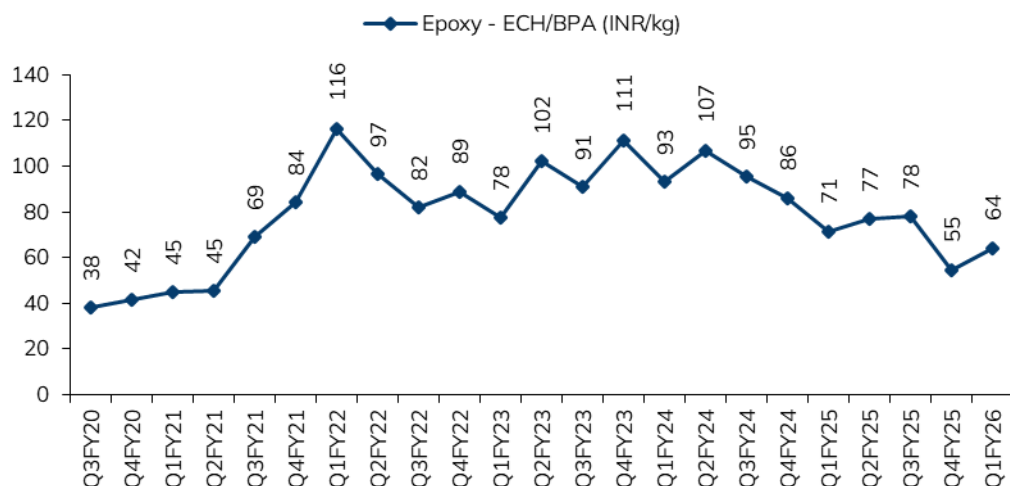
Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 10: Para cresidine prices were down 46.2% QoQ/ 56.1% YoY

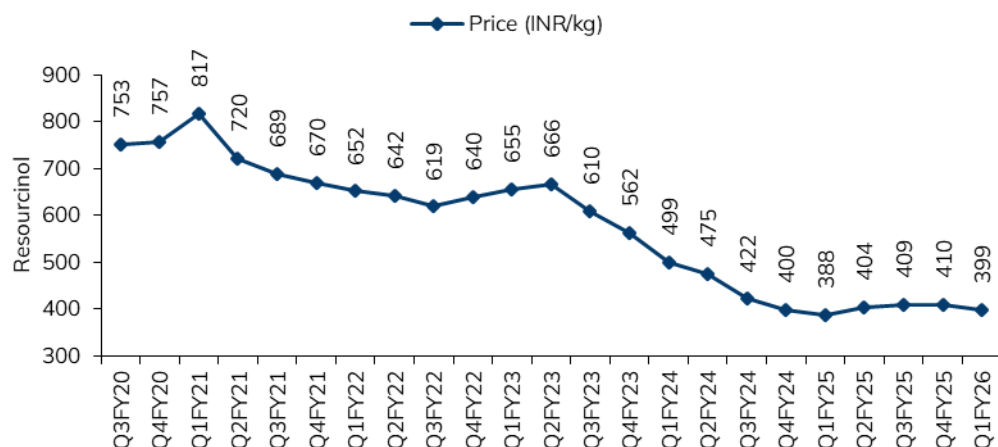
Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 11: Epoxy prices rose 1.4% QoQ/ 1.8% YoY

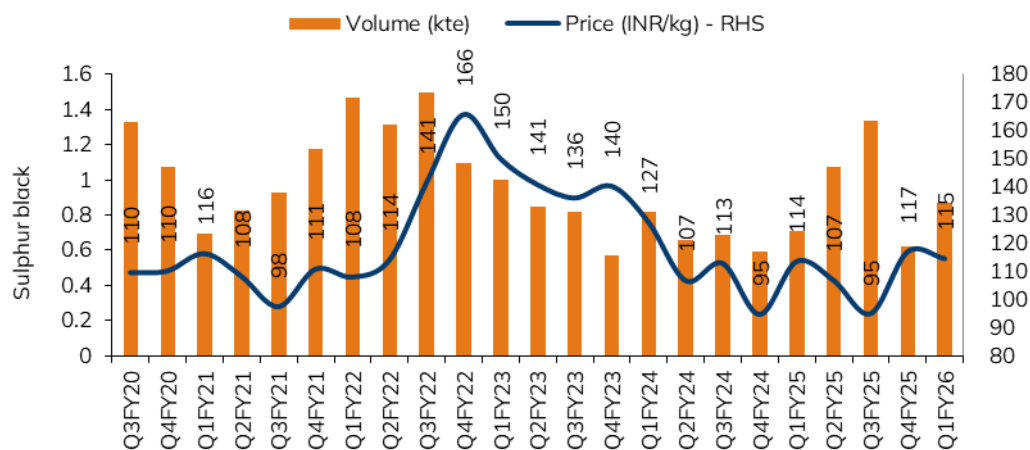
Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 12: Epoxy-ECH/BPA spread up 17.2% QoQ/down 10.1% YoY

Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 13: Resorcinol prices were down 2.7% QoQ/ up 2.8% YoY

Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Exhibit 14: Sulphur black export prices down 2.1% QoQ/ up 0.9% YoY

Source: I-Sec research, Company data, Q1FY26-TD is only for Apr'25 & May'25

Financials

Exhibit 15: Atul's segmental data

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
Segment revenue								
Life Science	12,161	14,647	19,589	14,264	16,914	18,705	20,893	11.1
Performance and others	24,669	35,463	34,190	32,360	38,180	47,898	54,067	19.0
Others	485	700	496	633	739	776	815	5.0
Total	37,315	50,809	54,275	47,257	55,834	67,380	75,774	16.5
Segment EBIT								
Life Science	2,196	1,789	4,227	2,031	3,468	3,685	4,266	10.9
Performance and others	5,942	5,759	2,403	2,398	3,449	5,370	6,599	38.3
Others	113	244	12	57	123	142	146	8.9
Total	8,250	7,792	6,641	4,485	7,039	9,196	11,011	25.1
Segment EBIT (%)								
Life Science	18.1	12.2	21.6	14.2	20.5	19.7	20.4	(0.2)
Performance and others	24.1	16.2	7.0	7.4	9.0	11.2	12.2	16.2
Others	23.3	34.9	2.3	9.0	16.6	18.2	17.9	3.7
Total	22.1	15.3	12.2	9.5	12.6	13.6	14.5	7.4

Source: I-Sec research, Company data

Exhibit 16: Consolidated financials

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
Financial								
Revenue	37,315	50,809	54,275	47,257	55,834	67,380	75,774	16.5
COGS	16,952	25,886	28,640	25,105	27,456	35,155	39,384	
Gross profit	20,363	24,923	25,635	22,151	28,377	32,224	36,391	13.2
GMP (%)	54.6	49.1	47.2	46.9	50.8	47.8	48.0	
Growth (%)		22.4	2.9	(13.6)	28.1	13.6	12.9	
Employee cost	3,104	3,425	3,702	3,980	4,546	4,819	5,108	6.0
% of revenue	8.3	6.7	6.8	8.4	8.1	7.2	6.7	
Other expenses	8,088	12,383	14,185	11,804	14,702	16,048	18,022	10.7
% of revenue	21.7	24.4	26.1	25.0	26.3	23.8	23.8	
Total expenses	11,192	15,808	17,887	15,785	19,248	20,867	23,130	9.6
EBITDA	9,171	9,114	7,749	6,367	9,130	11,358	13,260	20.5
EBITDA (%)	24.6	17.9	14.3	13.5	16.4	16.9	17.5	
Growth (%)		(0.6)	(15.0)	(17.8)	43.4	24.4	16.8	
D&A	1,363	1,767	1,978	2,429	3,168	3,239	3,327	2.5
EBIT	7,808	7,348	5,770	3,938	5,961	8,119	9,933	29.1
Growth (%)		(5.9)	(21.5)	(31.8)	51.4	36.2	22.3	
Other income	1,030	760	1,149	582	1,090	669	703	(19.7)
Finance cost	94	92	79	111	240	216	194	
PBT	8,744	8,016	6,840	4,409	6,812	8,572	10,441	23.8
Growth (%)		(8.3)	(14.7)	(35.5)	54.5	25.8	21.8	
Tax expenses	2,217	2,050	1,812	1,265	1,937	2,160	2,631	16.6
ETR (%)	25.3	25.6	26.5	28.7	28.4	25.2	25.2	
PAT	6,558	6,043	5,141	3,230	4,839	6,374	7,771	26.7
Growth (%)		(7.9)	(14.9)	(37.2)	49.8	31.7	21.9	
EPS (INR)	221.5	204.1	174.1	109.6	164.3	216.4	263.8	26.7

Source: I-Sec research, Company data

Exhibit 17: Balance sheet parameters

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
Capital productivity								
Gross block	19,735	23,194	26,172	38,564	41,735	44,735	47,435	6.6
Revenue/GB (x)	1.89	2.19	2.07	1.23	1.34	1.51	1.60	
EBITDA/GB (x)	0.46	0.39	0.30	0.17	0.22	0.25	0.28	
Capex								
Capex	3,225	5,909	8,747	5,039	2,702	3,000	2,700	
Intensity (% of revenue)	8.6	11.6	16.1	10.7	4.8	4.5	3.6	
D&A/capex (x)	0.4	0.3	0.2	0.5	1.2	1.1	1.2	
Capital employed	40,088	45,983	47,664	53,952	58,601	64,238	70,911	10.0
pre-tax ROCE (%)	21.4	17.1	12.3	7.8	10.6	13.2	14.7	
Leverage								
Net debt	(9,369)	(4,805)	(1,946)	(2,669)	(6,832)	(10,056)	(15,427)	
ND/EBITDA (x)	(1.0)	(0.5)	(0.3)	(0.4)	(0.7)	(0.9)	(1.2)	
Cash conversion								
Inventory days	58	62	53	48	48	48	48	
Debtor days	72	71	57	72	74	74	74	
Creditor days	55	46	36	45	40	40	40	
Cash conversion	75	88	74	75	81	81	81	
WC as % of revenue	20.5	24.0	20.2	20.4	22.2	22.2	22.2	

Source: I-Sec research, Company data

Exhibit 18: Atul's capex outlook

INR mn	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	CAGR (%) FY25-27E
Ops CF (after tax & lease)	7,425	7,360	6,796	5,565	8,122	9,160	10,589	14.2
% of EBITDA	81.0	80.8	87.7	87.4	89.0	80.6	79.9	
Chg of WC	(245)	(5,046)	271	1,110	(2,090)	(2,653)	(1,929)	
CFO	7,180	2,315	7,067	6,675	6,031	6,506	8,660	19.8
% of revenue	19.2	4.6	13.0	14.1	10.8	9.7	11.4	
Capex (incl acquisition)	(3,225)	(5,909)	(8,747)	(5,039)	(2,702)	(3,000)	(2,700)	
FCF	3,954	(3,595)	(1,680)	1,636	3,330	3,506	5,960	
% of revenue	10.6	(7.1)	(3.1)	3.5	6.0	5.2	7.9	
Finance cost	(87)	(99)	(79)	(121)	(237)	(216)	(194)	
FCFE	3,868	(3,693)	(1,759)	1,515	3,093	3,290	5,766	

Source: I-Sec research, Company data

Peer comparison

Exhibit 19: Specialty chemicals coverage valuation snapshot

INR mn	CMP (INR)	Mcap (INR bn)	Revenue			CAGR (%) FY25-27E	EPS (INR)			CAGR (%) FY25-27E
			FY25A	FY26E	FY27E		FY25A	FY26E	FY27E	
SRF	3,187	945	1,46,931	1,71,964	1,90,832	14%	42.2	67.8	82.0	39%
Navin Fluorine	4,869	242	23,494	31,394	36,708	25%	58.2	91.7	111.1	38%
Gujarat Fluoro	3,499	385	47,370	60,158	70,378	22%	49.7	87.0	98.4	41%
Atul Ltd	6,942	204	55,834	68,654	77,647	18%	164.3	228.9	277.8	30%
Deepak Nitrite	1,949	266	82,819	99,958	1,10,500	16%	51.1	59.5	66.7	14%
Chemplast	456	72	43,461	52,142	54,553	12%	(7.2)	9.0	14.0	
Galaxy	2,533	90	42,237	48,296	49,155	8%	86.0	101.7	117.1	17%
Rossari	743	41	20,803	24,648	28,752	18%	24.6	27.2	36.9	22%
EPL	235	75	42,133	46,471	51,365	10%	11.2	13.9	16.0	20%
Sudarshan	1,260	87	28,050	32,144	35,025	12%	24.6	36.7	41.5	30%
Tatva Chintan	1,000	23	3,827	5,529	6,981	35%	2.4	31.0	40.1	305%
Clean Science	1,319	140	9,666	12,135	15,829	28%	24.9	30.9	38.1	24%
BlueJet Healthcare	1,010	175	10,300	12,583	14,339	18%	17.6	20.4	22.3	13%
Archean Chemical	698	86	10,410	16,633	18,919	35%	13.1	35.7	41.6	78%
PCBL	420	159	84,043	91,191	98,235	8%	13.3	14.2	18.7	19%
Himadri	514	254	46,126	55,990	69,027	22%	11.3	14.3	16.5	21%
Median						18%				24%

Source: I-Sec research, Company data

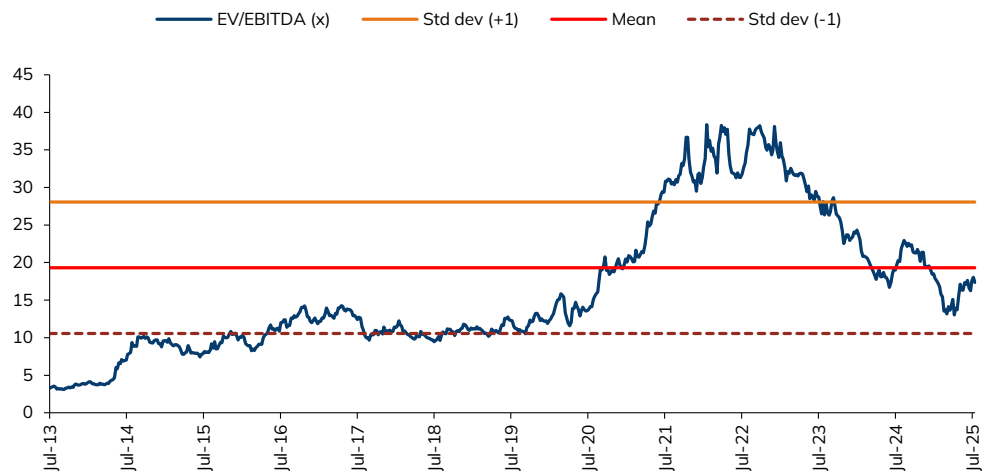
Exhibit 20: Specialty chemicals coverage valuation snapshot

INR mn	PE (x)		EV/EBITDA (x)		ROCE (pre-tax)		GB turnover (x)		Capex (INR mn)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
SRF	47.0	38.9	26.4	22.4	16.2	17.4	0.8	0.8	25,379	24,404
Navin Fluorine	53.1	43.8	31.3	26.6	15.2	16.5	0.8	0.9	5,000	5,250
Gujarat Fluoro	40.2	35.6	23.0	19.6	13.8	14.0	0.8	0.9	15,190	7,595
Atul Ltd	30.3	25.0	16.4	13.7	14.0	15.4	1.4	1.5	3,000	2,700
Chemplast	32.8	29.2	21.1	20.9	14.3	12.0	2.1	2.2	17,730	32,867
Galaxy	50.9	32.6	15.6	13.4	9.9	11.6	1.1	1.1	2,800	2,940
Rossari	24.9	21.6	15.1	13.0	16.1	16.7	2.5	2.4	1,500	1,650
EPL	27.4	20.2	14.6	11.6	14.8	17.5	2.4	2.4	2,570	953
Sudarshan	16.9	14.6	8.0	7.0	19.4	20.6	1.0	1.0	3,800	3,500
Tatva Chintan	34.4	30.3	17.7	15.6	19.7	19.7	1.5	1.6	1,000	1,000
Clean Science	32.3	25.0	19.5	15.4	10.1	11.2	0.8	0.8	1,121	1,534
BlueJet Healthcare	42.6	34.7	29.2	23.5	25.8	27.3	1.0	1.2	2,998	1,100
Archean Chemical	49.6	45.3	37.9	34.0	34.2	31.9	2.2	2.1	2,000	1,000
PCBL	19.6	16.8	13.0	10.7	24.6	24.1	0.9	1.0	1,000	1,100
Himadri	29.6	22.4	13.9	11.5	9.9	11.9	1.7	1.6	6,000	7,000
Median	32.8	29.2	17.7	15.4	15.2	16.7	1.1	1.2		

Source: I-Sec research, Company data

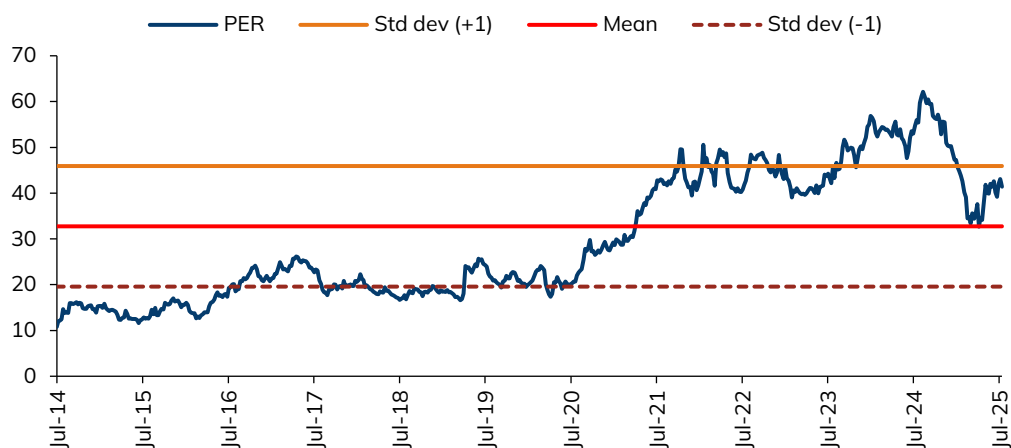
Band charts

Exhibit 21: Atul's one-year forward EV/EBITDA



Source: I-Sec research, Bloomberg

Exhibit 22: Atul's one-year forward PE



Source: I-Sec research, Bloomberg

Exhibit 23: Shareholding pattern

%	Dec'24	Mar'25	Jun'25
Promoters	45.2	45.2	45.2
Institutional investors	34.1	33.5	33.0
MFs and others	12.8	13.2	12.9
FIs/Banks, Insurance	0.1	0.1	0.1
Insurance	9.3	9.8	10.7
FIs	11.9	10.4	10.1
Others	20.7	20.3	21.0

Source: Bloomberg, I-Sec research

Exhibit 24: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 25: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Net Sales	47,257	55,834	67,380	75,774
Operating Expenses	40,890	46,704	56,022	62,514
EBITDA	6,367	9,130	11,358	13,260
EBITDA Margin (%)	13.5	16.4	16.9	17.5
Depreciation & Amortization	2,429	3,168	3,239	3,327
EBIT	3,938	5,961	8,119	9,933
Interest expenditure	111	240	216	194
Other Non-operating Income	582	1,090	669	703
Recurring PBT	4,409	6,812	8,572	10,441
Profit / (Loss) from Associates	97	113	119	125
Less: Taxes	1,265	1,937	2,160	2,631
PAT	3,144	4,875	6,412	7,810
Less: Minority Interest	11	149	156	164
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	3,230	4,839	6,374	7,771
Net Income (Adjusted)	3,230	4,839	6,374	7,771

Source Company data, I-Sec research

Exhibit 26: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	22,756	29,449	36,613	44,884
of which cash & cash eqv.	723	647	3,870	9,241
Total Current Liabilities & Provisions	8,884	8,838	10,600	11,885
Net Current Assets	13,872	20,611	26,013	32,999
Investments	13,953	17,692	17,692	17,692
Net Fixed Assets	30,196	29,179	28,940	28,313
ROU Assets	-	-	-	-
Capital Work-in-Progress	2,808	1,243	1,243	1,243
Total Intangible Assets	291	291	291	291
Other assets	1,616	1,344	1,948	2,354
Deferred Tax Assets	213	214	214	214
Total Assets	64,763	70,010	77,541	85,590
Liabilities				
Borrowings	2,319	1,977	1,977	1,977
Deferred Tax Liability	1,742	2,253	2,253	2,253
Provisions	311	368	477	553
Other Liabilities	99	107	129	145
Equity Share Capital	295	295	295	295
Reserves & Surplus	50,849	55,691	61,172	67,681
Total Net Worth	51,143	55,986	61,467	67,975
Minority Interest	491	638	795	959
Total Liabilities	64,763	70,010	77,541	85,590

Source Company data, I-Sec research

Exhibit 27: Quarterly trend

(INR mn, year ending March)

	Sep-24	Dec-24	Mar-25	June-25
Net Sales	13,928	14,168	14,516	14,780
% growth (YOY)	16.7	24.5	19.8	11.8
EBITDA	2,427	2,241	2,229	2,355
Margin %	17.4	15.8	15.4	15.9
Other Income	315	158	487	262
Extraordinaries	0	0	0	0
Adjusted Net Profit	1,368	1,087	1,265	1,278

Source Company data, I-Sec research

Exhibit 28: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Operating Cashflow	5,565	8,122	9,160	10,589
Working Capital Changes	1,110	(2,090)	(2,653)	(1,929)
Capital Commitments	(5,039)	(2,702)	(3,000)	(2,700)
Free Cashflow	1,636	3,330	3,506	5,960
Other investing cashflow	(1,793)	(2,249)	669	703
Cashflow from Investing Activities	(1,793)	(2,249)	669	703
Issue of Share Capital	-	-	-	-
Interest Cost	(121)	(237)	(216)	(194)
Inc (Dec) in Borrowings	1,231	(342)	-	-
Dividend paid	(618)	(589)	(737)	(1,098)
Others	(116)	(1)	-	-
Cash flow from Financing Activities	375	(1,178)	(952)	(1,292)
Chg. in Cash & Bank balance	218	(97)	3,223	5,371
Closing cash & balance	603	514	3,870	9,241

Source Company data, I-Sec research

Exhibit 29: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	109.6	164.3	216.4	263.8
Adjusted EPS (Diluted)	109.6	164.3	216.4	263.8
Cash EPS	50.7	64.0	326.3	376.7
Dividend per share (DPS)	20.0	25.0	37.3	50.7
Book Value per share (BV)	1,752.7	1,922.1	2,113.4	2,339.9
Dividend Payout (%)	18.2	15.2	17.2	19.2
Growth (%)				
Net Sales	(12.9)	18.1	20.7	12.5
EBITDA	(17.8)	43.4	24.4	16.8
EPS (INR)	(37.0)	49.8	31.7	21.9
Valuation Ratios (x)				
P/E	63.3	42.3	32.1	26.3
P/CEPS	136.9	108.5	21.3	18.4
P/BV	4.0	3.6	3.3	3.0
EV / EBITDA	31.7	21.7	17.1	14.3
EV/SALES	4.3	3.5	2.9	2.5
Dividend Yield (%)	0.3	0.4	0.5	0.7
Operating Ratios				
Gross Profit Margins (%)	46.9	50.8	47.8	48.0
EBITDA Margins (%)	13.5	16.4	16.9	17.5
Effective Tax Rate (%)	28.7	28.4	25.2	25.2
Net Profit Margins (%)	6.8	8.7	9.5	10.3
NWC / Total Assets (%)	21.4	29.4	(3.4)	(2.3)
Net Debt / Equity (x)	(0.1)	(0.1)	(0.2)	(0.2)
Net Debt / EBITDA (x)	(0.4)	(0.7)	(0.9)	(1.2)
Profitability Ratios				
RoCE (%)	5.5	7.6	9.9	11.0
RoE (%)	6.6	9.0	10.9	12.0
RoIC (%)	6.0	8.6	11.9	14.1
Fixed Asset Turnover (x)	1.2	1.3	1.5	1.6
Inventory Turnover Days	47.8	47.7	47.7	47.7
Receivables Days	71.6	73.6	73.6	73.6
Payables Days	44.7	40.2	40.2	40.2

Source Company data, I-Sec research

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