



Anupam Rasayan India Ltd

Q1FY26



Anupam Rasayan India Ltd

Strong Q1FY26 momentum; robust order book underpins healthy growth outlook

CMP INR 1,148	Target INR 1,230	Potential Upside 7.1%	Market Cap (INR Mn) 126,280	Recommendation ACCUMULATE	Sector Specialty Chemicals
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Result highlights

Revenue: Consolidated revenue for the quarter increased by 91.1% YoY (-2.9% QoQ) to INR 4,858 Mn., stood sharply above our estimates, led by rapid ramp-up of pharma molecule, strong rebound in agrochemicals, commercialization of polymer products, new global contracts, and higher export revenue mix.

Margin and Profitability: EBITDA increased by 133.7% YoY (-14.0% QoQ) to INR 1,243 Mn., sharply above our estimates, led by lower base in Q1FY25 and improved operating leverage. Adjusted net profit increased exponentially by 769.2% YoY (-23.6% QoQ) to INR 340 Mn., sharply above our estimates, led by significant improvement in operational performance on account of higher revenue.

Despite gross margin witnessing a sharp contraction, EBITDA margin improved significantly by 466bps YoY (-330 bps QoQ) to 25.6%, led by cost optimization, improved plant utilization and easing energy and freight costs. Gross margin contracted by 999bps YoY (-271bps QoQ) to 49.8%, as product mix observed a shift towards pharma and performance materials-which carry relatively lower margins, due to front loading of costs on account of the ramp-up phase of new molecules and competitive bids for new long-term contracts.

Verticals/Segments: Pharma segment witnessed an exponential growth of ~3x YoY, with its revenue share increasing from 15.0% in Q1FY25 to 24.0% in Q1FY26, driven by ramp-up of 17 new molecules launched over the past 18–24 months. The polymer segment (performance materials) also observed a robust growth momentum of ~2x YoY, with its share increasing from 10% in Q1FY25 to 12% in Q1FY26, led by commercialization of product from recently signed contracts. Agrochemicals segment grew by ~100.0% YoY and accounted for ~57% of the overall revenue, led by strong rebound in consumer demand and stability in inventory levels. The personal care segment delivered steady growth, although on a smaller base, and remained stable without major volatility.

Exports contributed ~58.0% of revenues, with the US and Japan markets remaining strong in terms of demand, with off-take visibility improving as stability observed in customer inventory. The signed order book stood at INR 146.5bn, providing strong earnings visibility driven by both domestic and export markets.

Outlook: We believe the outlook remains positive, with strong growth visibility across agrochemicals, pharma, and polymers, while personal care should deliver steady performance. Management guided for over 30.0% revenue growth in FY26E, driven by the ramp-up of long-term contracts and LOIs in agrochemicals and specialty polymers.

Valuation: We have revised our FY26E/FY27E EPS estimates by -14.0%/+3.9%, as we factor in weaker margins, higher interest expense on short-term working capital, lower other income and higher ETR of 27-28% in FY26, and while expect higher revenue for FY27 led by stronger visibility from LOI/order book ramp-up.

We have rolled forward our valuation to Jun'27 estimates. We value Anupam Rasayan at 45.0x Jun'27 EPS (near to its 3-year Avg. NTM P/E"), implying a target price of INR 1,230.

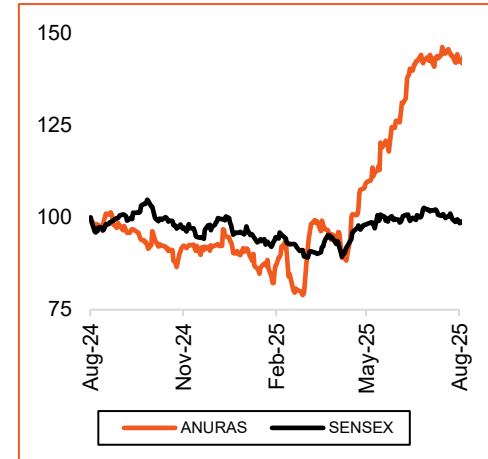
We reiterate our "ACCUMULATE" rating on the stock.

KEY FINANCIALS

Particulars (INR Mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	14,751	14,370	18,613	22,284	26,375
EBITDA	3,806	4,009	4,868	6,383	7,920
Adj. PAT	1,286	933	1,351	2,786	4,042
Adj. EPS (INR)	11.9	8.5	12.3	25.4	36.8
EBITDA Margin	25.8%	27.9%	26.2%	28.6%	30.0%
Adj. NPM	8.7%	6.5%	7.3%	12.5%	15.3%

Source: Company, DevenChoksey Research

SHARE PRICE PERFORMANCE



MARKET DATA

Shares outs (Mn)	110
Mkt Cap (INR Mn)	126,280
52 Wk H/L (INR)	1,197/601
Volume Avg (3m K)	210
Face Value (INR)	10
Bloomberg Code	ANURAS IN

*Based on the previous closing

Note: All the market data is as of the previous closing

SHARE HOLDING PATTERN (%)

Particulars	Jun-25	Mar-25	Dec-24
Promoters	61.2	61.2	61.2
FIIIs	4.9	6.5	7.5
DIIIs	2.2	2.3	2.3
Others	31.7	30.1	29.0
Total	100.0	100.0	100.0

24.5%

Revenue CAGR
between FY25-FY27E

72.8%

Adj. PAT CAGR
between FY25-FY27E

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Key Concall Highlights:

Agrochemical

- During FY25 the global agrochemicals industry went through a prolonged slowdown. Innovator customers (global crop-protection companies) were carrying high inventory levels due to oversupply during FY23–24, leading to widespread de-stocking. By mid-2025, customers witnessed normalization in their inventory cycle after nearly 18 months of de-stocking. With inventory normalization complete, offtake schedules became more robust and predictable, driving a rebound in order execution.
- In Q1FY26, the contribution from agrochemicals stood at ~57.0% of consolidated revenues, reinforcing its leadership in Company's portfolio. Several long-term contracts and LOI's signed during FY25 observed rapid ramp up during the quarter, particularly across the agrochemical and polymer (performance materials) segment.

Order book

- **Japanese fluorochemicals MNC:** It signed a long-term master purchase agreement with a global leader in fluorochemicals and advanced technology solutions. The engagement covers 5–6 niche specialty polymer molecules with applications in semiconductors, data centers, and electronics. Initial commercialization is expected in FY26E with significant ramp-up from FY27E onwards, marking a significant milestone in global customer penetration.
- **E-Lyte Innovations (Fuchs Group subsidiary, Europe):** The Company signed an LOI for electrolyte solutions used in EV batteries. Anupam will be one of the first commercial producers of this molecule in India, positioning it strategically within the EV and energy storage value chain.
- **US contracts/LOIs:** Witnessed strong execution under previously signed agreements with US multinationals, and a rapid ramp-up in production was observed during Q1FY26. The management highlighted that key molecules are on the tariff-exempt list, mitigating near-term trade policy risks.
- **Agrochemicals:** Observed ramp-up for multiple LOIs during the quarter, and the LOI's are expected to contribute INR 4.5–5bn in FY26E (i.e., almost 2x compared to FY25).

Pharma and Polymers

- The company's targets import substitution in India for its pharma segment, specifically in the KSM space — an area with limited domestic competition, unlike APIs and formulations where Indian companies are more active. It plans to supply intermediates spanning across multiple therapeutic areas including CNS, statins, and infectious diseases, providing diversification within pharma revenues.
- In Q1FY26, the Pharma segment grew by ~3x YoY, majorly driven by higher adoption and ramp-up of 17 new molecules launched over the past 18–24 months. As the growth was organic and not tied to existing LOI's, the growth is expected to be structural and sustained. The Polymers segment too witnessed a robust growth of ~2x YoY, led by commercialization of product from recently signed contracts, including molecules in the specialty polymers.

Guidance and outlook

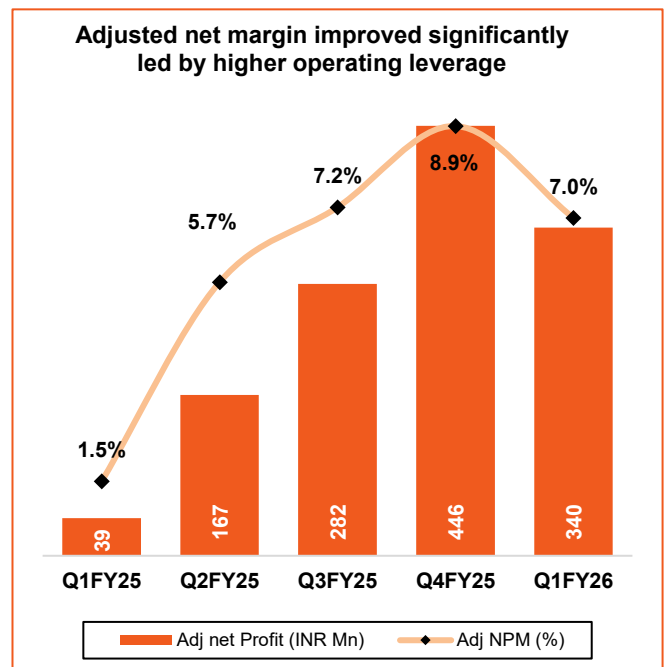
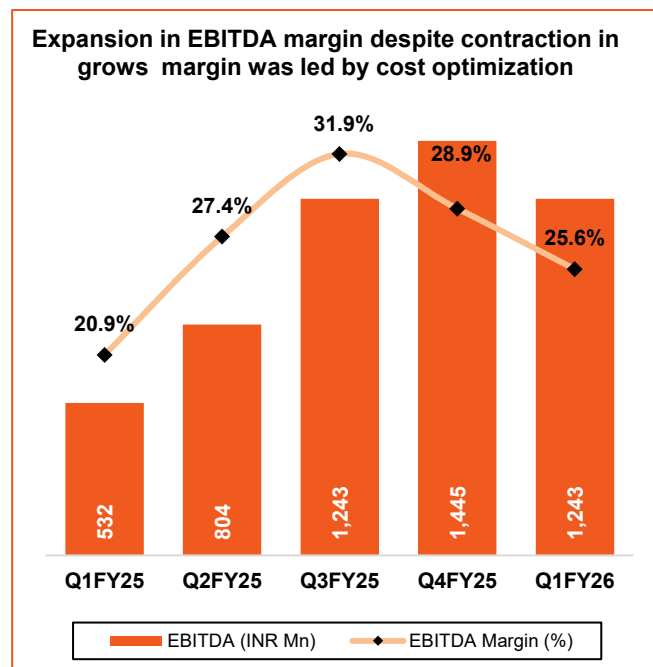
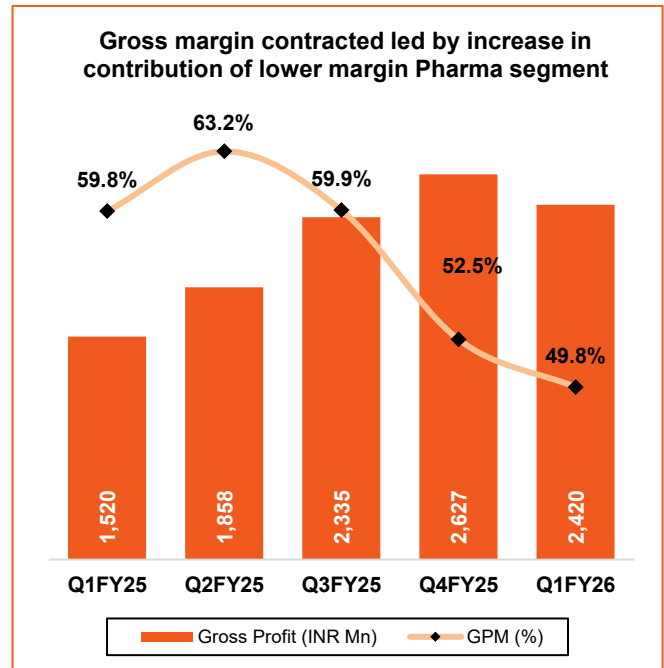
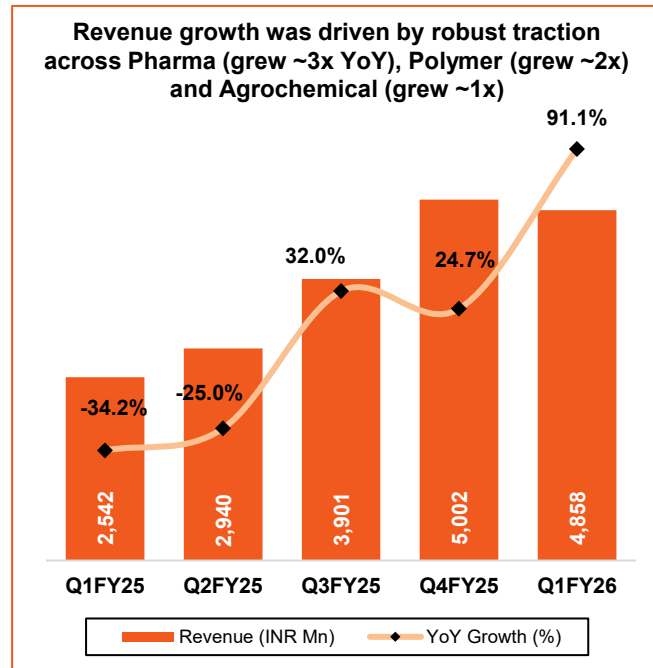
- Management expects strong growth momentum in agrochemicals across the whole of FY26E, alongside robust traction in the pharma and polymer segment, with personal care remaining steady yet accounting for marginal contribution. FY26E is expected to witness a growth in the range of 30.0%–35.0%, with agrochemical remaining the highest contributor in segments.
- Polymer (performance materials) segment could contribute ~15–20.0% of revenues in FY26E, which is expected to increase to ~20–25.0% by FY28E, cementing its entry into high-value specialty polymer chemistry and leading to sustained higher margins.
- The Company expects the EBITDA margins to remain weak in the short term in the range of 25–26.0% due to front loading costs on account of initial ramp-up in multiple accounts and higher contribution of lower margin pharma segment. Despite short term – weakness the margin is expected to witness strong improvement led by changing product mix anchored towards higher contribution of polymer business, improved operating leverage and normalization of energy/logistics costs.

Other highlights

- All planned plant projects have been completed, with units commissioned and fully operational. Two plants were commercialized, and trial runs were ongoing in one additional plant during Q1FY26. The Company has incurred all the major capacity upgrades and expects no major incremental CapEx during FY26/27.
- Anupam Rasayan is expected to increase its focus on improving its working capital during FY26, majorly driven by stronger control on inventory cycle. A substantial part of Q2FY26 order execution is expected to be fulfilled with existing inventory, helping liquidate stock and release cash. Moreover, the company, has received advances from customers for inventory, which helped reduce balance sheet stress and improve liquidity.

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Story in charts



Source: Company, DevenChoksey Research

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Result Snapshot

Particulars (Mn)	Q1FY26	Q4FY25	Q1FY25	QoQ	YoY
Revenue from Operations	4,858	5,002	2,542	-2.9%	91.1%
Total Expenditure	3,615	3,557	2,010	1.6%	79.9%
Cost of Raw Materials	3,612	2,830	1,827	27.6%	97.7%
Purchase of Stock	20	0	0	NA	NA
Changes in Inventories	-1,193	-455	-805	NA	NA
COGS	2,439	2,375	1,022	2.7%	138.6%
Employee Cost	203	184	170	10.4%	19.9%
Other Expenses	974	998	819	-2.4%	18.9%
EBITDA	1,243	1,445	532	-14.0%	133.7%
EBITDA Margins (%)	25.6%	28.9%	20.9%	-330 bps	466 bps
Depreciation	307	307	206	0.1%	48.6%
EBIT	936	1,138	325	-17.7%	187.7%
Other Income	49	55	61	-11.3%	-19.1%
Interest Expense	357	312	224	14.2%	59.4%
PBT	629	881	162	-28.7%	287.6%
Tax	144	252	40	-42.9%	259.3%
Minority Interest	144	184	83	-21.5%	73.9%
PAT	340	446	39	-23.6%	769.2%
PAT Margin (%)	7.0%	8.9%	1.5%	-190 bps	547 bps
EPS	3.1	4.1	0.4	-23.6%	769.2%
Adj. PAT	340	446	39	-23.6%	769.2%
Adj. PAT Margin (%)	7.0%	8.9%	1.5%	-190 bps	547 bps
Adj. EPS	3.1	4.1	0.4	-23.6%	769.2%

Source: Company, DevenChoksey Research

Anupam Rasayan India Ltd

Change in Estimates:

Anupam Rasayan delivered a strong performance in Q1FY26, driven by a rebound in agrochemicals, robust traction in pharma from newly launched molecules, and steady momentum in polymers through recent contracts and product commercialization. The company secured landmark global agreements, strengthening its order book and enhancing export visibility, with USA and Japan showing strong demand recovery. Margins benefited from operating leverage, improved capacity utilization, and cost efficiencies, even as product mix diluted gross margins.

We believe outlook is positive, supported by strong growth visibility across agrochemicals, pharma, and polymers, while personal care is expected to deliver steady performance. Management expects FY26E revenue growth to remain in the range of 30.0-35.0%, underpinned by the ramp-up of long-term contracts and LOIs, particularly in agrochemicals and specialty polymers. Pharma growth is structurally supported by import substitution in KSMs and diversification across therapeutic areas.

We have revised our FY26E/FY27E EPS estimates by -14.0%/+3.9%, as we factor in weaker margins, higher interest expense on short-term working capital, lower other income and higher ETR of 27-28% in FY26, and while expect higher revenue for FY27 led by stronger visibility from LOI/order book ramp-up.

	New Estimates			Old Estimates			Variation		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue	18,613	22,284	26,375	18,604	24,185	NA	0.0%	-7.9%	NA
EBITDA	4,868	6,383	7,920	5,023	6,530	NA	-3.1%	-2.3%	NA
EBITDA Margin (%)	26.2%	28.6%	30.0%	27.0%	27.0%	NA	-85 bps	164 bps	NA
Adj PAT	1,351	2,786	4,042	1,570	2,681	NA	-14.0%	3.9%	NA
Adj EPS	12.3	25.4	36.8	14.3	24.5	NA	-14.0%	3.5%	NA

Source: Company, DevenChoksey Research and Analysis

Valuation:

We have rolled forward our valuation to Jun'27 estimates. We value Anupam Rasayan at 45.0x Jun'27 EPS (near to its 3-year Avg. NTM P/E"), implying a target price of INR 1,230.

Anupam Rasayan is currently trading at 93.5x/45.3x of our FY26E/FY27E EPS estimates.

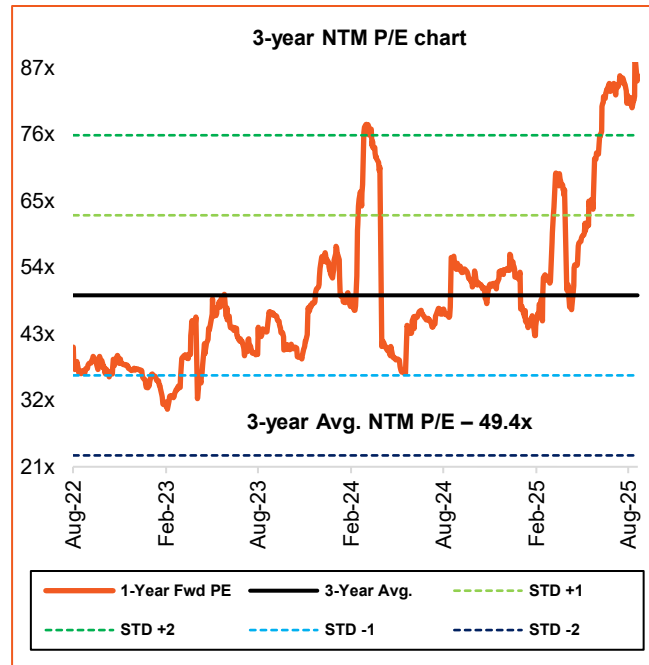
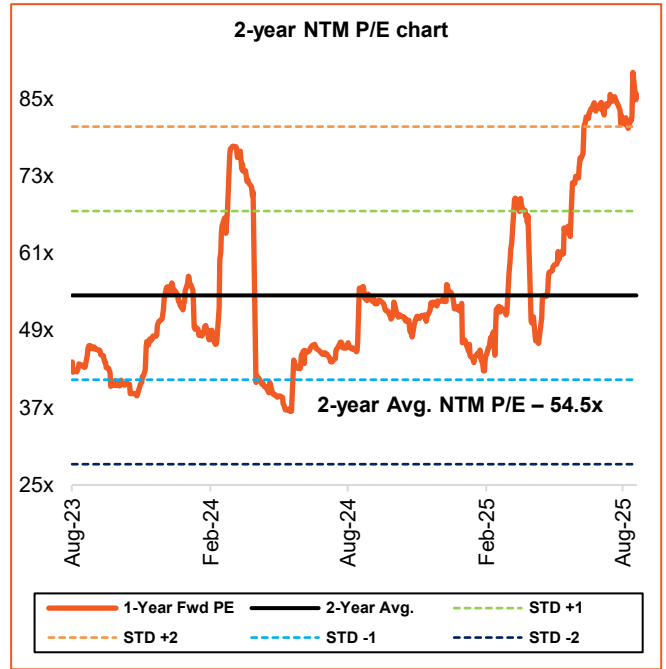
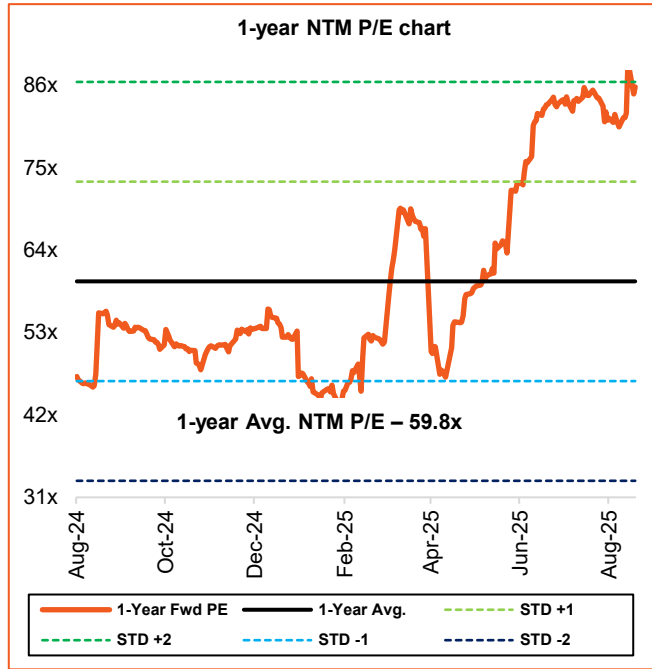
We reiterate our "ACCUMULATE" rating on the stock as we believe scale-up of pharma KSM molecules, and commercialization in specialty polymers, and diversification into EV and semiconductor-linked chemistries enhances long-term growth prospects.

Company	CMP	MCAP	Revenue CAGR	EBITDA CAGR	EBITDA Margin (%)	EV/EBITDA		P/E		ROE (%)	
	INR	In Mn.	FY25-27E (%)	FY25-27E (%)	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Anupam Rasayan	1,148	1,26,280	24.5%	26.2%	27.9%	28.2x	22.6x	93.3x	45.3x	4.5	8.5
BASF India	4,546	196,781	9.0%	38.2%	4.7%	17.3x	13.6x	25.9x	20.9x	19.2	20.1
Fine Organic Ind.	4,862	149,069	8.7%	6.4%	23.5%	25.9x	23.5x	34.8x	32.4x	17.0	15.6
Atul	6,400	188,427	14.1%	19.6%	16.7%	16.3x	13.6x	29.3x	25.4x	10.8	12.1
Mean			10.6%	21.4%	15.0%	19.8x	16.9x	30.0x	26.3x	15.7	15.9
Median			9.0%	19.6%	16.7%	17.3x	13.6x	29.3x	25.4x	17.0	15.6

Source: Company, Bloomberg, DevenChoksey Research and Analysis

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Valuation Charts



Source: Bloomberg, DevenChoksey Research

Anupam Rasayan India Ltd**Exhibit 1: Profit & Loss Statement**

INR Mn	FY25	FY26E	FY27E	FY28E
Revenues	14,370	18,613	22,284	26,375
COGS	6,045	8,751	10,135	11,724
Gross profit	8,325	9,862	12,148	14,651
Employee cost	736	864	1,003	1,187
Other expenses	3,580	4,129	4,763	5,543
EBITDA	4,009	4,868	6,383	7,920
Depreciation	1,023	1,244	1,278	1,323
EBIT	2,986	3,624	5,105	6,597
Finance Costs	1,122	1,302	965	795
Other Income	115	124	108	120
PBT	2,986	3,624	5,105	6,597
Tax	379	672	1,062	1,481
PAT	933	1,351	2,786	4,042
EPS (INR)	8.5	12.3	25.4	36.8

Exhibit 3: Cash Flow Statement

INR Mn	FY25	FY26E	FY27E	FY28E
CFFO	(301)	5,417	3,812	4,861
Capex	(4,099)	(1,200)	(1,200)	(1,200)
Dividend Paid	0	0	0	0
Change in Capital	2,661	(3,178)	(1,000)	(2,000)
Closing Cash	1,130	868	1,515	2,380
FCF	(3,600)	4,217	2,612	3,661

Exhibit 4: Key Ratio

INR Mn	FY25	FY26E	FY27E	FY28E
Gross Margin (%)	57.9%	53.0%	54.5%	55.5%
EBITDA Margin%	27.9%	26.2%	28.6%	30.0%
ROE%	3.3%	4.5%	8.5%	11.0%
ROCE%	7.2%	9.1%	12.3%	15.1%
P/E	89.3x	89.3x	89.3x	89.3x
EV/EBITDA	34.58	28.48	21.72	17.50

Source: Company, DevenChoksey Research

Exhibit 2: Balance Sheet

INR Mn	FY25	FY26E	FY27E	FY28E
Equity				
Equity Capital	1,070	1,070	1,070	1,070
Other Equity	29,747	31,522	34,707	39,149
Total Equity	30,817	32,592	35,777	40,219
Liabilities				
Long-term debt	1,712	0	0	0
Short term debt	11,466	10,000	9,000	7,000
Trade Paybles	5,764	4,395	5,571	6,594
Other liabilities	2,930	3,796	4,544	5,378
Total Liabilities	21,872	18,191	19,116	18,973
Assets				
Property Plants and Equipments	19,301	19,257	19,179	19,056
Right-of-use assets / CWIP / other intangibles	3,474	3,474	3,474	3,474
Inventories	14,515	11,633	12,380	13,187
Trade Receivables	7,338	6,980	8,356	9,524
Cash and Bank	1,130	868	1,515	2,380
Other assets	6,931	8,570	9,989	11,569
Total Assets	52,689	50,782	54,893	59,192

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Date	CMP (INR)	TP (INR)	Recommendation
21-Aug-25	1,148	1,230	ACCUMULATE
29-May-25	990	1,053	ACCUMULATE
14-Feb-25	674	694	HOLD
19-Nov-24	715	719	HOLD
22-Aug-24	807	850	ACCUMULATE
24-May-24	773	824	ACCUMULATE

Rating Legend (Expected over a 12-month period)	
Our Rating	Upside
Buy	More than 15%
Accumulate	5% – 15%
Hold	0 – 5%
Reduce	-5% – 0
Sell	Less than – 5%

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