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India | Equity Research | Results Update

Himadri Speciality Chemical

Speciality Chemicals

Growing list of new products and projects

Himadri Specialty Chemical (Himadri)'s Q1FY27 print continued to show expansion in value creation from its existing business, and ramp-up in Birla Tyres. Himadri has been growing its value-added product portfolio, foraying into carbon nanotube, and super-specialty carbon black alongside its ongoing expansion capex into anthraquinone and carbazole. Himadri's strength stems from its backward integration into coal tar distillation; is also about to process multiple feedstocks. The company is on track to gain approval for its anode material – has commissioned a pilot plant, and its 2ktpa LFP facility to be commissioned by Q3FY27, which should help speed up the approval process ahead of phase-1 capacity of 40ktpa in FY28.

We maintain our EBITDA/EPS estimates but raise our SoTP-based TP to INR 720 (from INR 550) as we increase the core business EV/EBITDA multiple to 20x (from 15x) with rising value addition and battery chemical EV/IC to 5x (from 3x), which is nearing commercialisation, and rising opportunity. Retain **HOLD**.

Volume down 5.9% YoY; gross profit/kg up 26% YoY to INR 35.7

Consolidated revenue rose 28% YoY to INR 14.3bn, driven by a rise in pricing for base business, higher value addition in coal tar distillates, and ramp-up in Birla Tyres revenue. Standalone business saw a realisation jump of 19% QoQ/23% YoY to INR 96.6/kg. Himadri has been creating more value-added products, which is driving gross profit/kg up 26% YoY/13.5% QoQ; we believe the company could benefit from a jump in realisation post the Middle East crisis. Also, Himadri has increased the sale of refined naphthalene, specialty carbon black and improved waste recovery, which is helping it grow profitability. EBITDA/kg has increased 20.3% YoY/32.7% QoQ, sequentially boosted by lower forex losses.

Consolidated gross profit rose 27.1% YoY to INR 5.2bn while EBITDA grew only 17.5% YoY to INR 2.9bn. Other segment (Birla Tyres/sand mining) saw EBIT contraction due to negligible sales from sand mining. D&A rose 45.5% YoY to INR 213mn on commissioning of new specialty carbon black plant. PAT gained 26.3% YoY to INR 2.3bn, and was helped by higher other income, which rose 111% YoY to INR 563mn, from M2M investments and interest on FDs.

Financial Summary

Y/E March (INR mn)	FY25A	FY26A	FY27E	FY28E
Net Revenue	46,126	46,607	62,805	81,477
EBITDA	8,542	9,621	12,619	15,008
EBITDA Margin (%)	18.5	20.6	20.1	18.4
Net Profit	5,556	7,513	9,430	10,450
EPS (INR)	11.3	14.8	18.6	20.6
EPS % Chg YoY	35.0	31.6	25.6	10.9
P/E (x)	64.1	48.7	38.8	35.0
EV/EBITDA (x)	41.3	37.8	29.4	24.8
RoCE (%)	14.3	14.0	14.6	14.1
RoE (%)	16.4	17.8	18.3	17.1

Sanjesh Jain

sanjesh.jain@icicisecurities.com
+91 22 6807 7153

Mohit Mishra

mohit.mishra@icicisecurities.com

Vandan Dave

vandan.dave@icicisecurities.com

Market Data

Market Cap (INR)	364bn
Market Cap (USD)	3,784mn
Bloomberg Code	HSCH IN
Reuters Code	HIMD.BO
52-week Range (INR)	735 /419
Free Float (%)	46.0
ADTV-3M (mn) (USD)	86.4

Price Performance (%)	3m	6m	12m
Absolute	47.8	52.8	40.5
Relative to Sensex	48.8	60.5	47.1

ESG Score	2024	2025	Change
ESG score	69.2	73.4	4.2
Environment	53.9	61.3	7.4
Social	80.5	84.6	4.1
Governance	75.9	77.3	1.4

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

Source: SES ESG, I-sec research

Previous Reports

28-04-2026: [Q4FY26 results review](#)

22-01-2026: [Q3FY26 results review](#)

Foray into CNT and super specialty carbon black (SSCG)

Himadri announced two projects in the carbon black category, viz.: 1) Carbon nanotube (CNT) – used in batteries due to the strength of iron, conductivity of copper and light weight; and 2) converting commodity-grade carbon black capacity to produce SSCG – has multiple applications across industries. These are a continuation of efforts to create more value from existing business.

Expanding offerings in battery chemicals

Himadri has commissioned 200tpa anode material plant at Mahistikry, West Bengal in Apr'26. The company has commenced sample-B qualification with customers across India and global OEMs/cell manufacturers. Anode material approval cycle takes 1.5–2 years, and commissioning of the commercial-scale pilot plant could help accelerate the qualification process before larger capacity expansion. The company is yet to announce capex plans for commercial plants in anode material.

Himadri's key strength in anode material business comes from backward integration with its coal tar pitch, while also retaining flexibility to process petroleum-based feedstock. Further, the company plans to offer synthetic graphite, natural graphite and silicon-carbon hybrid anode materials, enabling it to cater to diverse customer requirements across battery chemistries.

Himadri continues to strengthen its battery ecosystem through strategic investments. During Q1FY27, Sicona Battery Technologies, in which Himadri is a strategic investor, secured AUD 45mn funding to accelerate commercialisation of next-generation silicon-carbon anode technology. The company also increased its stake in International Battery Company (IBC) to strengthen its presence across the battery value chain. IBC is expected to commission cell manufacturing facility in India by Q4FY27, which management believes would provide commercial validation for Himadri's battery materials.

Global battery capacity estimated at 1,600 GWh, and 1GWh battery requires 1te of anode material. This implies anode material global size at 1.6mn tpa.

The company's LFP plant, with a 2ktpa capacity, is slated to be commissioned in Q3FY27. This should help speed up the validation process. Himadri also plans to commission its 40ktpa plant in FY28. Considering 50% of current battery capacity is LFP, and 1GWh of battery requires 2te of cathode material, this implies a resultant total CAM demand at 1.6mn tpa. Himadri is targeting to achieve global market share of 2-3% in CAM (LFP) over next 5–6 years.

Capex update

- Himadri has developed indigenous carbon nanotubes (CNT) technology and would invest INR700mn to set up a 200tpa facility, targeted for commissioning in Q4FY27. Company believes that CNT's current global market size is 30ktpa with high growth prospects. It is a next-generation advanced material with applications across lithium-ion batteries, semiconductors, electronics, aerospace, sensors, coatings and polymers. The company expects to primarily address the global market, where only a handful of manufacturers operate currently.
- The company has announced INR 1.7bn capex to convert 6ktpa of existing commodity carbon black capacity into super speciality carbon black by FY28. Super speciality carbon black is a niche 300ktpa global market with significantly higher value addition and margin profile compared with conventional speciality carbon black. The products would cater to premium applications, including lithium-ion batteries, conductive black, engineered plastics, coatings, fibres and fabrics. It expects revenue potential of INR 5bn p.a. from super speciality carbon black.

- Himadri reiterated its INR 11.3bn capex plan for the 40ktpa LFP cathode active material plant. The first 2ktpa module remains on track for commissioning in Q3FY27, while 40ktpa phase-1 capacity is expected to be operational by FY28, in-line with customer approvals and demand visibility. The company reiterated its long-term plan to scale LFP cathode capacity to 200ktpa over the next 5–6 years. The revenue potential from phase-1 capacity is INR 30bn.
- Total announced capex stands at ~INR 20bn; of which, ~INR 10bn is expected to be incurred each in FY27 and FY28.
- Sand mining business had a pause in revenue pending licence renewal.

Other highlights

- **Birla Tyres:** The company is modernising manufacturing facilities, upgrading automation and progressively converting truck and bus bias tyre capacity towards off-the-road (OTR) tyres over the next three years. During Q1FY27, Birla Tyres expanded its agriculture tyre portfolio with three new product lines. PCR tyre plant remains on track for commissioning by FY28, targeting EV and SUV segments. Company expects Birla Tyres to become EBITDA positive during FY27 and its long-term revenue target is INR30bn over the next four to five years.
- **Anthraquinone and Carbazole:** Its 5.3ktpa speciality chemicals project remains on track. The first phase (2.6ktpa) is expected to be commissioned in Q2FY27, while the balance 2.7ktpa capacity is targeted for Q2FY28. Total revenue potential is INR 2.5–3bn p.a.
- **Guidance:** Company reiterated its guidance of achieving INR 11bn PAT by FY28 and maintained that the business remains on track to deliver the targeted profitability.

Risks

Downside risks: Drop in coal tar prices, or increase in crude coal tar prices impacting profitability of legacy business; and rise in competitive intensity from China for coal chemical value China.

Upside risks: Higher-than-expected market share in tyre segment; and faster-than-expected ramp-up in battery chemical business.

Exhibit 1: Himadri consolidated financials

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	11,183	10,710	11,836	12,878	14,319	11.2	28.0
COGS	7,095	6,620	7,411	7,874	9,121	15.8	28.6
Gross profit	4,088	4,091	4,425	5,004	5,198	3.9	27.1
GPM (%)	36.6	38.2	37.4	38.9	36.3		
Employee cost	411	514	531	483	583	20.6	41.7
% of revenue	3.7	4.8	4.5	3.8	4.1		
Other expenses	1,227	1,249	1,469	2,103	1,736	(17.5)	41.5
% of revenue	11.0	11.7	12.4	16.3	12.1		
Total expenses	1,638	1,763	1,999	2,586	2,319	(10.4)	41.5
EBITDA	2,450	2,328	2,426	2,417	2,879	19.1	17.5
EBITDA (%)	21.9	21.7	20.5	18.8	20.1		
Depreciation	146	174	176	186	213	14.8	45.5
EBIT	2,304	2,154	2,250	2,232	2,666	19.5	15.7
Other income	267	359	466	621	563	(9.3)	111.1
Finance cost	158	148	164	174	224	28.9	41.6
PBT	2,412	2,365	2,553	2,679	3,005	12.2	24.6
Tax	619	604	632	604	721	19.4	16.5
ETR (%)	25.6	25.5	24.8	22.5	24.0		
Exceptional item	-	-	-	-	-		
Minority Interest	(23)	(5)	(2)	67	(11)		
Net profit	1,817	1,767	1,922	2,008	2,295	14.3	26.3
Net profit (%)	16.2	16.5	16.2	15.6	16.0		
EPS (INR)	3.7	3.6	3.9	4.1	4.6	14.3	26.3

Source: I-Sec research, Company data

Exhibit 2: Himadri standalone financials

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	11,004	10,704	11,330	11,013	12,743	15.7	15.8
COGS	7,041	6,756	7,128	6,751	8,042	19.1	14.2
Gross profit	3,964	3,948	4,202	4,262	4,701	10.3	18.6
GPM (%)	36.0	36.9	37.1	38.7	36.9		
Employee cost	337	401	415	356	421	18.2	24.8
% of revenue	3.1	3.7	3.7	3.2	3.3		
Other expenses	1,189	1,171	1,398	1,766	1,519	(14.0)	27.8
% of revenue	10.8	10.9	12.3	16.0	11.9		
Total expenses	1,526	1,572	1,813	2,122	1,940	(8.6)	27.1
EBITDA	2,438	2,376	2,389	2,140	2,761	29.0	13.3
EBITDA (%)	22.2	22.2	21.1	19.4	21.7		
Depreciation	129	156	157	166	193	15.7	49.2
EBIT	2,309	2,220	2,232	1,974	2,568	30.1	11.2
Other income	276	383	485	619	585	(5.6)	111.8
Finance cost	144	132	149	160	212	32.7	47.7
PBT	2,441	2,471	2,568	2,433	2,941	20.9	20.5
Tax	615	603	623	576	707	22.7	14.8
ETR (%)	25.2	24.4	24.2	23.7	24.0		
Exceptional item	-	-	-	-	-		
Net profit	1,826	1,869	1,946	1,857	2,234	20.3	22.4
Net profit (%)	16.6	17.5	17.2	16.9	17.5		
EPS (INR)	3.7	3.8	3.9	3.7	4.4	20.4	19.7

Source: I-Sec research, Company data

Exhibit 3: Himadri (consolidated minus standalone) financials

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	179	6	506	1,865	1,576	(15.5)	782.0
COGS	54	(136)	283	1,123	1,079	(3.9)	
Gross profit	125	143	224	741	497	(33.0)	298.4
GPM (%)	69.8	2,301.6	44.2	39.8	31.5		
Employee cost	74	112	116	127	162	27.4	118.9
% of revenue	41.4		22.8	6.8	10.3		
Other expenses	38	79	71	337	217	(35.7)	464.6
% of revenue	21.5	1,267.7	14.0	18.1	13.8		
Total expenses	112	191	187	464	379	(18.4)	237.1
EBITDA	12	(48)	37	277	118	(57.4)	853.2
EBITDA (%)	6.9	(779.0)	7.3	14.9	7.5		
Depreciation	17	18	19	19	21	7.3	17.8
EBIT	(5)	(66)	18	258	98	(62.2)	
Other income	(9)	(24)	(19)	2	(21)		
Finance cost	15	16	15	14	12	(15.0)	(18.5)
PBT	(29)	(106)	(16)	246	64	(73.8)	
Tax	3	1	10	28	14	(48.4)	333.3
ETR (%)				11.3	22.2		
Exceptional item	-	-	-	-	-		
Net profit	(9)	(102)	(24)	151	61	(59.6)	
Net profit (%)	(4.9)		(4.7)	8.1	3.9		

Source: I-Sec research, Company data

Exhibit 4: Himadri consolidated segmental financials

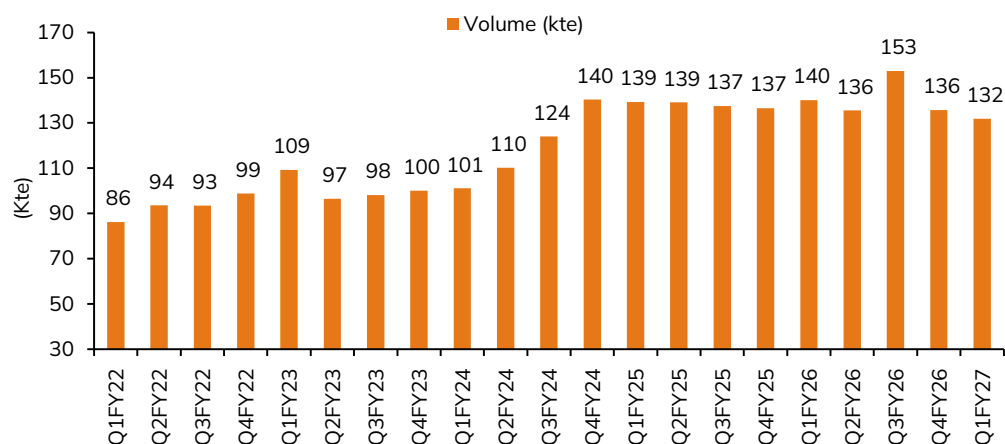
INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue							
Carbon materials & chemicals	11,129	10,197	11,105	11,239	12,789	13.8	14.9
Power	255	229	215	255	319	24.8	24.8
Others	-	475	691	1,579	1,439	(8.9)	
Total	11,183	10,710	11,836	12,878	14,319	11.2	28.0
EBIT							
Carbon materials & chemicals	1,985	2,020	2,143	2,137	2,626	22.9	32.3
Power	221	192	178	222	281	26.5	26.9
Others	-	(7)	30	254	12		
Total	2,206	2,205	2,352	2,613	2,918	11.7	32.3
EBIT margin (%)							
Carbon materials & chemicals	17.8	19.8	19.3	19.0	20.5		
Power	86.7	83.6	82.7	87.0	88.1		
Others			4.4	16.1	0.8		
Total	19.7	20.6	19.9	20.3	20.4		

Source: I-Sec research, Company data

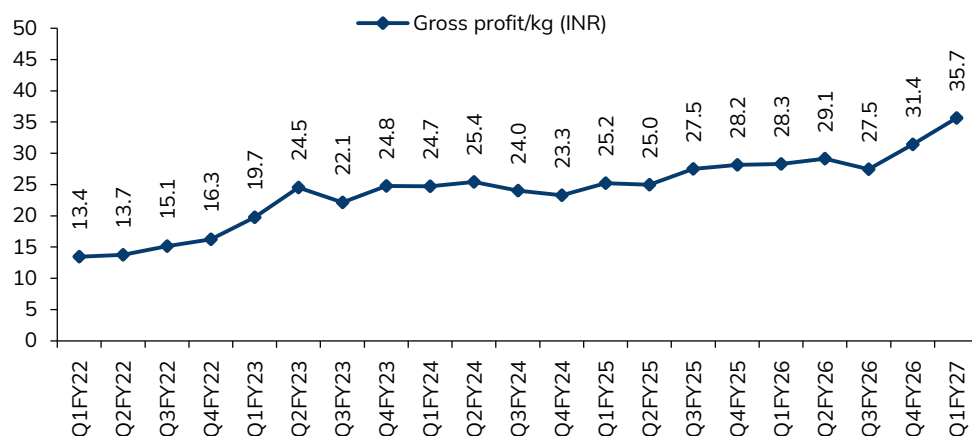
Exhibit 5: Standalone - Gross profit per kg up 26% YoY/ 13.5% QoQ

	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Sales volume (te)	1,40,090	1,35,513	1,52,969	1,35,634	1,31,844	(2.8)	(5.9)
INR/kg							
Revenue	78.6	79.0	74.1	81.2	96.6	19.0	23.0
COGS	50.3	49.9	46.6	49.8	61.0	22.5	21.4
Gross profit	28.3	29.1	27.5	31.4	35.7	13.5	26.0
Expenses	10.9	11.6	11.8	15.6	14.7	(6.0)	35.1
EBITDA	17.4	17.5	15.6	15.8	20.9	32.7	20.3

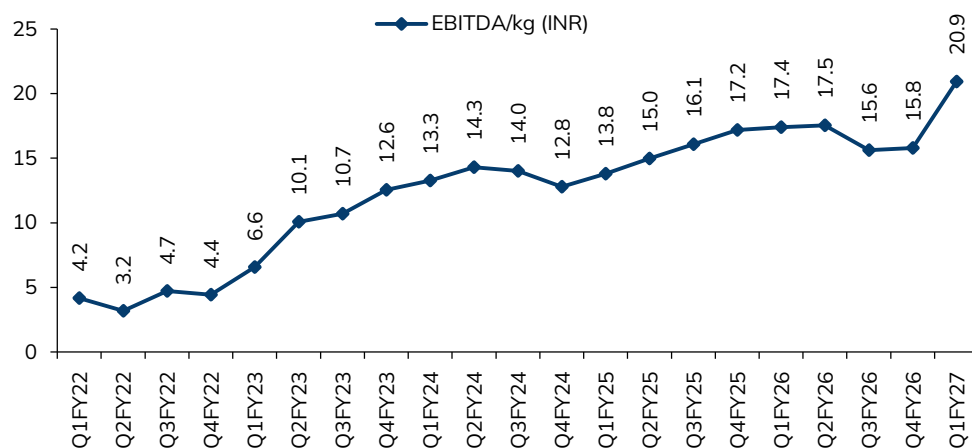
Source: I-Sec research, Company data

Exhibit 6: Volume trend

Source: I-Sec research, Company data

Exhibit 7: Gross profit per kg trend

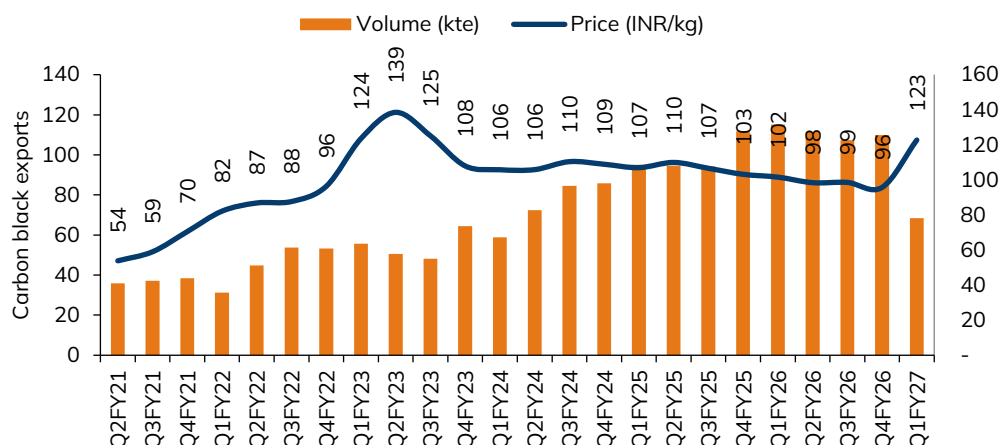
Source: I-Sec research, Company data

Exhibit 8: EBITDA per kg trend

Source: I-Sec research, Company data

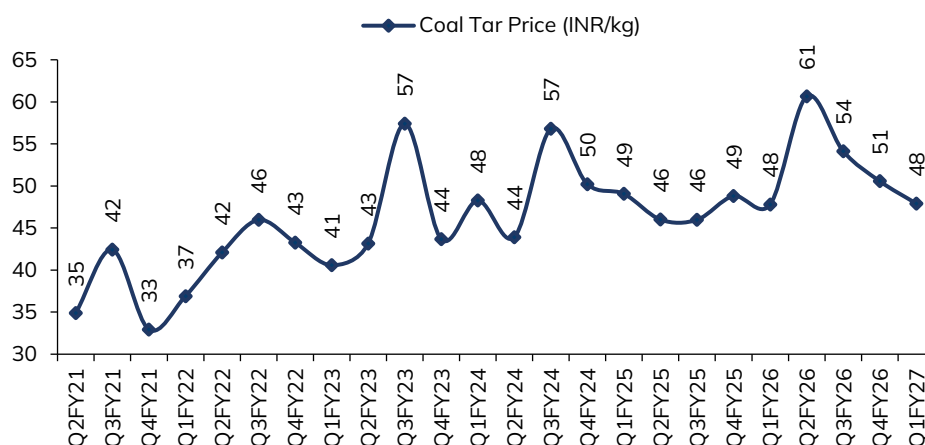
EXIM data

Exhibit 9: Carbon black prices up 20.9% YoY



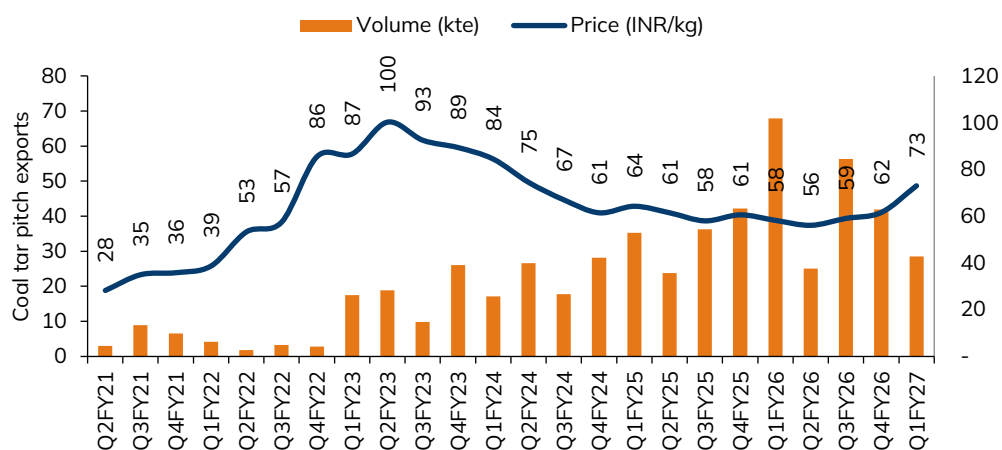
Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May'26

Exhibit 10: Coal tar prices flat YoY



Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May'26

Exhibit 11: Coal tar pitch prices declined 4% YoY



Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May'26

Exhibit 12: SoTP-based valuation

Business	Methodology	INR mn (FY28E)	Multiple (x)	INR mn
Legacy	EV/EBITDA	12,360	20.0	2,47,207
Tyre	EV/Sales	20,000	3.0	60,000
Battery chemicals	EV/IC	12,500	5.0	62,500
Total EV				3,69,707
Less: Net debt				8,278
Equity value				3,61,429
Shares (mn)				505
Target price per share (INR)				720

Source: I-Sec research

Exhibit 13: Implied valuation

	FY27E	FY28E
Target price (INR)	720	720
EPS (INR)	19	21
PE (x)	38.5	34.8
EV	3,69,747	3,71,725
EBITDA	12,619	15,008
EV/EBITDA (x)	29.3	24.8

Source: I-Sec research

Financials

Exhibit 14: Himadri's unit economics data

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Financial (Standalone)								
Volume (te)	3,71,974	4,03,826	4,75,582	5,52,206	5,64,206	6,26,742	6,86,882	10.3
Growth (%)	8.8	8.6	17.8	16.1	2.2	11.1	9.6	
Rs/kg (unit economics)								
Revenue	75.0	103.3	88.0	83.5	78.1	84.3	81.9	2.4
COGS	60.3	80.6	63.7	57.0	49.1	54.5	52.3	3.3
Gross profit	14.7	22.7	24.3	26.5	29.0	29.8	29.6	1.0
GPM (%)	19.6	22.0	27.6	31.8	37.2	35.3	36.1	
Expenses	10.5	12.8	10.7	11.1	12.5	12.1	11.6	(3.5)
EBITDA	4.2	9.9	13.6	15.5	16.6	17.7	18.0	4.2
EBITDA (%)	5.6	9.6	15.4	18.5	21.2	21.0	22.0	
Growth (%)	9.6	135.6	37.2	14.0	7.0	6.6	1.9	

Source: I-Sec research, Company data

Exhibit 15: Himadri's consolidated financials

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Financial								
Revenue	27,913	41,718	41,849	46,126	46,607	62,805	81,477	32.2
COGS	22,449	32,544	30,303	31,470	28,999	39,943	52,086	
Gross profit	5,465	9,174	11,546	14,656	17,608	22,862	29,392	29.2
GMP (%)	19.6	22.0	27.6	31.8	37.8	36.4	36.1	
Growth (%)	22.7	67.9	25.9	26.9	20.1	29.8	28.6	
Employee cost	808	915	1,105	1,394	1,939	2,703	4,128	45.9
% of revenue	2.9	2.2	2.6	3.0	4.2	4.3	5.1	
Other expenses	3,096	4,267	3,991	4,720	6,048	7,540	10,255	30.2
% of revenue	11.1	10.2	9.5	10.2	13.0	12.0	12.6	
Total expenses	3,904	5,183	5,096	6,114	7,987	10,243	14,383	34.2
EBITDA	1,561	3,992	6,451	8,542	9,621	12,619	15,008	24.9
EBITDA (%)	5.6	9.6	15.4	18.5	20.6	20.1	18.4	
Growth (%)	19.2	155.8	61.6	32.4	12.6	31.2	18.9	
D&A	496	508	499	550	682	822	1,556	51.1
EBIT	1,065	3,483	5,952	7,993	8,940	11,797	13,452	22.7
Growth (%)	26.9	227.1	70.9	34.3	11.9	32.0	14.0	
Other income	72	280	425	517	1,713	1,587	1,428	(8.7)
Finance cost	356	661	639	448	644	727	860	
PBT	781	3,102	5,739	8,062	10,009	12,657	14,020	18.4
Growth (%)	21.0	297.2	85.0	40.5	24.2	26.5	10.8	
Tax expenses	144	644	1,632	2,511	2,458	3,190	3,533	19.9
ETR (%)	18.4	20.8	28.4	31.1	24.6	25.2	25.2	
PAT	392	2,160	4,108	5,556	7,513	9,430	10,450	17.9
Growth (%)	(17.2)	451.5	90.2	35.3	35.2	25.5	10.8	
EPS (INR)	1.5	5.7	8.3	11.3	14.9	18.7	20.7	17.9

Source: I-Sec research, Company data

Exhibit 16: Balance sheet parameters

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Capital productivity								
Gross block	21,729	21,798	22,449	22,862	26,634	38,097	44,897	29.9
Revenue/GB (x)	1.28	1.91	1.86	2.02	1.75	1.65	1.81	
EBITDA/GB (x)	0.07	0.18	0.29	0.37	0.36	0.33	0.33	
Capex								
Capex	232	825	524	1,706	4,497	11,500	6,800	
Intensity (% of revenue)	0.8	2.0	1.3	3.7	9.6	18.3	8.3	
D&A/capex (x)	2.1	0.6	1.0	0.3	0.2	0.1	0.2	
Capital employed	24,433	31,139	36,432	40,796	55,286	65,282	77,247	18.2
pre-tax ROCE (%)	4.3	12.5	17.6	20.7	18.6	19.6	18.9	
Leverage								
Net debt	3,134	2,114	(1,318)	(3,673)	(937)	6,300	8,278	
ND/EBITDA (x)	2.0	0.5	(0.2)	(0.4)	(0.1)	0.5	0.6	
Cash conversion								
Inventory days	101	48	61	46	60	59	59	
Debtor days	66	44	57	50	55	54	54	
Creditor days	102	30	50	19	29	29	29	
Cash conversion	65	62	69	77	85	83	83	
WC as % of revenue	17.8	16.9	18.8	21.2	23.3	22.7	22.7	

Source: I-Sec research, Company data

Exhibit 17: Himadri's capex outlook

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Ops CF (after tax & lease)	1,579	3,290	5,549	7,163	7,502	9,430	11,475	23.7
% of EBITDA	101.2	82.4	86.0	83.9	78.0	74.7	76.5	
Chg of WC	1,698	(2,778)	(1,516)	(2,715)	(3,701)	(5,555)	(6,698)	
CFO	3,277	511	4,033	4,448	3,801	3,874	4,777	12.1
% of revenue	11.7	1.2	9.6	9.6	8.2	6.2	5.9	
Capex (incl acquisition)	(232)	(832)	(527)	(1,708)	(4,497)	(11,500)	(6,800)	
FCF	3,046	(320)	3,505	2,740	(696)	(7,626)	(2,023)	
% of revenue	10.9	(0.8)	8.4	5.9	(1.5)	(12.1)	(2.5)	
Finance cost	(312)	(486)	(629)	(419)	(671)	(727)	(860)	
FCFE	2,734	(806)	2,876	2,321	(1,367)	(8,352)	(2,883)	

Source: I-Sec research, Company data

Peer Comparison

Exhibit 18: Specialty chemicals coverage valuation snapshot

	CMP (INR)	Mcap (INR bn)	Revenue (INR mn)			CAGR (%) FY26-28E	EPS (INR)			CAGR (%) FY26-28E
			FY26A	FY27E	FY28E		FY26A	FY27E	FY28E	
SRF	2,889	856	1,57,865	1,77,210	1,98,467	12%	64.8	79.7	94.1	21%
Navin Fluorine	7,650	379	33,139	40,643	49,081	22%	129.5	165.7	192.4	22%
Gujarat Fluoro	4,124	453	49,960	62,229	70,989	19%	54.1	94.6	111.7	44%
Atul Ltd	6,081	179	62,735	72,730	79,682	13%	230.1	297.5	336.3	21%
Deepak Nitrite	1,742	238	78,871	98,587	1,07,991	17%	41.3	69.0	63.6	24%
Aarti Industries	505	183	82,860	97,799	1,10,022	15%	11.6	15.2	19.4	29%
Chemplast	200	32	42,238	47,679	52,242	11%	(38.9)	(11.3)	6.1	
Galaxy	1,940	69	52,483	57,209	61,957	9%	78.8	98.4	107.5	17%
Rossari	542	30	23,964	27,093	30,508	13%	26.7	31.3	35.6	15%
EPL	236	75	47,631	52,661	56,786	9%	12.1	15.5	17.3	19%
Tatva Chintan	1,420	33	5,059	6,381	7,996	26%	18.0	31.0	48.9	65%
Clean Science	771	82	9,564	11,593	13,573	19%	21.6	22.7	27.0	12%
Archean Chemical	549	68	10,811	14,076	16,105	22%	8.6	21.8	25.0	70%
Sudeep Pharma	885	100	6,423	7,517	10,570	28%	15.3	16.9	19.7	13%
PCBL	326	123	81,893	92,345	1,02,399	12%	5.7	9.2	15.2	64%
Himadri	722	357	46,607	62,805	81,477	32%	14.9	18.7	20.7	18%
Median						16%				21%

Source: I-Sec research, Company data

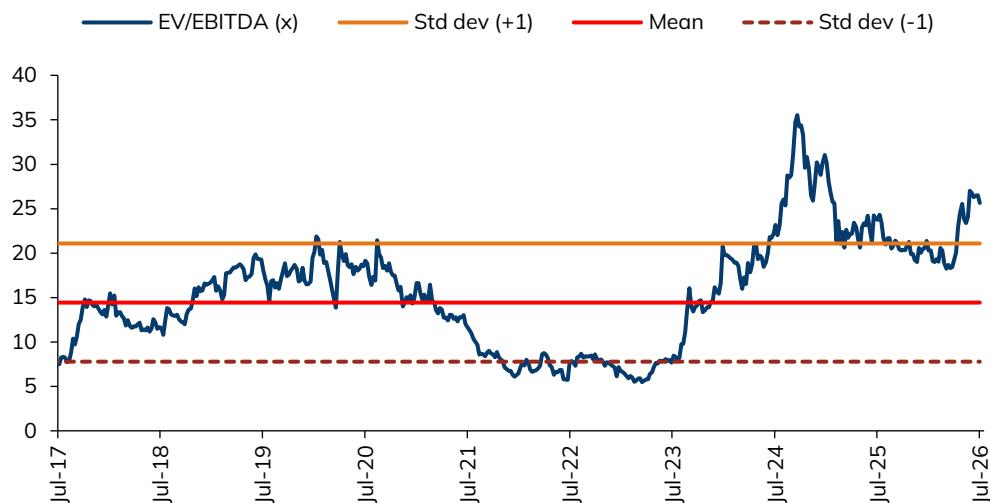
Exhibit 19: Specialty chemicals coverage valuation snapshot

	PE (x)		EV/EBITDA (x)		ROCE (pre-tax, %)		GB turnover (x)		Capex (INR mn)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
SRF	36.3	30.7	21.2	18.4	16.5	17.6	0.8	0.8	24,845	27,917
Navin Fluorine	46.2	39.8	28.4	24.4	20.6	21.1	0.9	1.0	5,096	5,351
Gujarat Fluoro	43.6	36.9	25.8	21.6	12.8	13.1	0.7	0.7	25,000	12,500
Atul Ltd	20.4	18.1	12.0	10.2	14.3	14.6	1.4	1.5	2,448	2,571
Deepak Nitrite	25.2	27.4	17.6	20.0	13.7	8.9	2.1	2.2	21,673	31,504
Aarti Industries	33.3	26.0	15.2	12.6	8.9	10.4	0.9	0.9	7,130	6,000
Chemplast	(17.7)	32.5	16.5	9.1	2.5	9.0	1.0	1.0	3,551	1,831
Galaxy	19.7	18.0	11.1	10.0	13.6	13.6	2.7	2.7	1,506	1,657
Rossari	17.3	15.2	9.5	8.5	14.3	15.0	2.3	2.4	792	850
EPL	15.2	13.6	7.2	6.3	17.9	18.1	1.0	1.0	4,000	4,200
Tatva Chintan	45.9	29.0	25.0	17.5	9.5	13.4	0.8	0.8	1,225	1,227
Clean Science	34.0	28.5	20.7	17.5	17.2	18.5	0.9	1.0	1,220	1,561
Archean Chemical	25.2	22.0	15.0	13.0	14.9	15.2	0.7	0.6	2,675	4,013
Sudeep Pharma	52.2	44.9	37.6	31.4	21.0	20.6	1.2	1.4	1,900	1,500
PCBL	35.3	21.5	13.9	11.0	9.3	12.5	1.5	1.6	4,000	5,000
Himadri	38.6	34.9	28.8	24.3	19.6	18.9	1.6	1.8	11,500	6,800
Median	33.6	27.9	17.1	15.3	14.3	14.8	1.0	1.0		

Source: I-Sec research, Company data

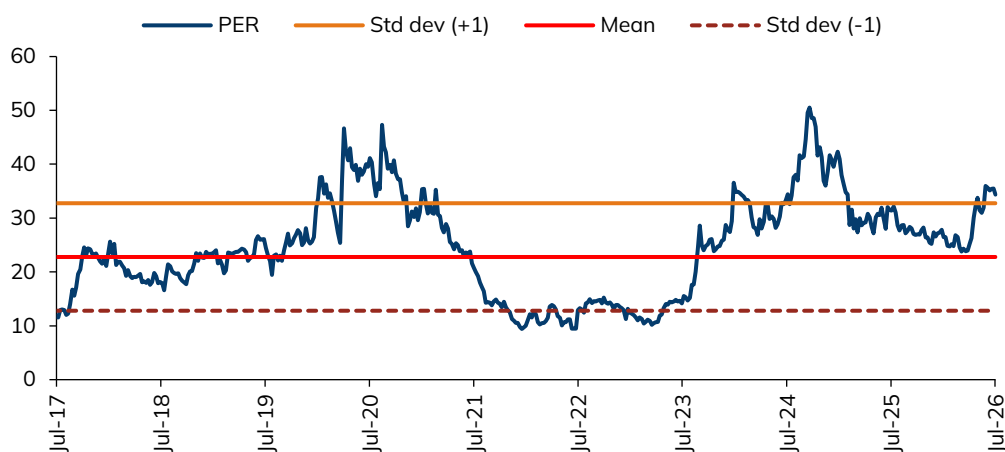
Band Charts

Exhibit 20: Himadri's one-year forward EV/EBITDA



Source: I-Sec research, Bloomberg

Exhibit 21: Himadri's one-year forward PE



Source: I-Sec research, Bloomberg

Exhibit 22: Shareholding pattern

%	Dec'25	Mar'26	Jun'26
Promoters	52.5	52.5	52.5
Institutional investors	8.8	9.2	10.2
MFs and others	1.1	1.1	1.3
FIs/Banks	0.2	0.2	0.0
Insurance	1.9	1.9	2.1
FIIIs	5.8	6.0	6.8
Others	38.7	38.3	37.3

Source: Bloomberg, I-Sec research

Exhibit 23: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 24: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Net Sales	46,126	46,607	62,805	81,477
Operating Expenses	37,584	36,986	50,186	66,469
EBITDA	8,542	9,621	12,619	15,008
EBITDA Margin (%)	18.5	20.6	20.1	18.4
Depreciation & Amortization	550	682	822	1,556
EBIT	7,993	8,940	11,797	13,452
Interest expenditure	448	644	727	860
Other Non-operating Income	517	1,713	1,587	1,428
Recurring PBT	8,062	10,009	12,657	14,020
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	2,511	2,458	3,190	3,533
PAT	5,556	7,513	9,430	10,450
Less: Minority Interest	(5)	37	37	37
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	5,562	7,476	9,393	10,412
Net Income (Adjusted)	5,556	7,513	9,430	10,450

Source Company data, I-Sec research

Exhibit 25: Balance sheet

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Total Current Assets	21,512	28,235	28,641	36,619
of which cash & cash eqv.	6,718	7,355	2,365	2,388
Total Current Liabilities & Provisions	6,049	12,361	14,037	15,969
Net Current Assets	15,464	15,874	14,604	20,650
Investments	5,822	10,599	9,351	9,351
Net Fixed Assets	17,090	22,295	32,973	38,217
ROU Assets	213	459	459	459
Capital Work-in-Progress	1,852	3,722	3,722	3,722
Total Intangible Assets	814	842	842	842
Other assets	1,271	2,206	2,809	3,501
Deferred Tax Assets	93	134	134	134
Total Assets	46,560	63,064	74,750	88,663
Liabilities				
Borrowings	3,087	7,666	8,666	10,666
Deferred Tax Liability	2,632	2,879	2,879	2,879
Provisions	111	141	155	170
Other Liabilities	3	3	3	5
Equity Share Capital	494	505	505	505
Reserves & Surplus	36,724	46,562	55,521	65,448
Total Net Worth	37,217	47,067	56,025	65,952
Minority Interest	492	554	591	629
Total Liabilities	46,560	63,064	74,750	88,663

Source Company data, I-Sec research

Exhibit 26: Quarterly trend

(INR mn, year ending March)

	Sep-25	Dec-25	Mar-26	Jun-26
Net Sales	10,710	11,836	12,878	14,319
% growth (YOY)	(5.8)	3.8	13.5	28.0
EBITDA	2,328	2,426	2,417	2,879
Margin %	21.7	20.5	18.8	20.1
Other Income	359	466	621	563
Extraordinaries	-	-	-	-
Adjusted Net Profit	1,767	1,922	2,008	2,295

Source Company data, I-Sec research

Exhibit 27: Cashflow statement

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Operating Cashflow	7,183	7,521	9,430	11,475
Working Capital Changes	(2,715)	(3,701)	(5,555)	(6,698)
Capital Commitments	(1,708)	(4,497)	(11,500)	(6,800)
Free Cashflow	2,760	(677)	(7,626)	(2,023)
Other investing cashflow	(644)	(5,141)	2,834	1,428
Cashflow from Investing Activities	(644)	(5,141)	2,834	1,428
Issue of Share Capital	924	2,540	-	-
Interest Cost	(419)	(671)	(727)	(860)
Inc (Dec) in Borrowings	(2,953)	4,349	1,000	2,000
Dividend paid	(247)	(296)	(471)	(522)
Others	0	-	-	-
Cash flow from Financing Activities	(2,715)	5,903	(198)	617
Chg. in Cash & Bank balance	(598)	85	(4,989)	22
Closing cash & balance	1,551	1,648	2,365	2,388

Source Company data, I-Sec research

Exhibit 28: Key ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
Per Share Data (INR)				
Reported EPS	11.3	14.8	18.6	20.6
Adjusted EPS (Diluted)	11.3	14.8	18.6	20.6
Cash EPS	12.4	16.2	20.3	23.8
Dividend per share (DPS)	0.6	0.8	0.9	1.0
Book Value per share (BV)	75.4	93.3	111.0	130.7
Dividend Payout (%)	5.3	5.4	5.0	5.0
Growth (%)				
Net Sales	10.2	1.0	34.8	29.7
EBITDA	32.4	12.6	31.2	18.9
EPS (INR)	35.0	31.6	25.6	10.9
Valuation Ratios (x)				
P/E	64.1	48.7	38.8	35.0
P/CEPS	58.4	44.5	35.5	30.4
P/BV	9.6	7.7	6.5	5.5
EV / EBITDA	41.3	37.8	29.4	24.8
EV/SALES	7.7	7.8	5.9	4.6
Dividend Yield (%)	0.1	0.1	0.1	0.1
Operating Ratios				
Gross Profit Margins (%)	31.8	37.8	36.4	36.1
EBITDA Margins (%)	18.5	20.6	20.1	18.4
Effective Tax Rate (%)	31.1	24.6	25.2	25.2
Net Profit Margins (%)	12.0	16.1	15.0	12.8
NWC / Total Assets (%)	33.2	25.2	19.5	23.3
Net Debt / Equity (x)	(0.1)	0.0	0.1	0.1
Net Debt / EBITDA (x)	(0.4)	(0.1)	0.5	0.6
Profitability Ratios				
RoCE (%)	14.3	14.0	14.6	14.1
RoE (%)	16.4	17.8	18.3	17.1
RoC (%)	17.4	16.7	16.1	14.6
Fixed Asset Turnover (x)	2.0	1.8	1.6	1.8
Inventory Turnover Days	46.3	59.8	58.8	58.8
Receivables Days	50.1	54.5	53.5	53.5
Payables Days	18.9	29.4	29.4	29.4

Source Company data, I-Sec research

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, E-mail Address : complianceofficer@icicisecurities.com

For any queries or grievances: [Mr. Jeetu Jawrani](#) Email address: headsservicequality@icicidirect.com Contact Number: 18601231122
