

Jubilant Ingrevia Ltd.

Built for Scale, Positioned for Sustained Earnings Expansion; Initiating with a BUY

Rating: Buy

Target Price (12-mth): Rs.975

Share Price: Rs.709



Key data	JUBLINGR IN / JUBN.BO
52-week high / low	884 / 557
Sensex / Nifty	84,929 / 25,966
Market cap	Rs113bn
Shares outstanding	159m

Shareholding (%)	Sep'25	Jun'25	Mar'25
Promoters	45.2	45.2	51.5
- of which, Pledged	7.1	2.2	2.7
Free float	54.8	54.8	48.5
- Foreign institutions	6.0	7.0	7.1
- Domestic institution	23.0	21.8	15.9
- Public	25.8	26.0	25.5

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Table of contents

Index	Pg No.
Introduction	3
Investment Thesis	4
Business Overview	5
Story in Charts	6
Capex Timeline	9
Valuations	10
Key Risks	12
Peer Valuation	13
Consensus Estimate Changes	15
Company Overview	16

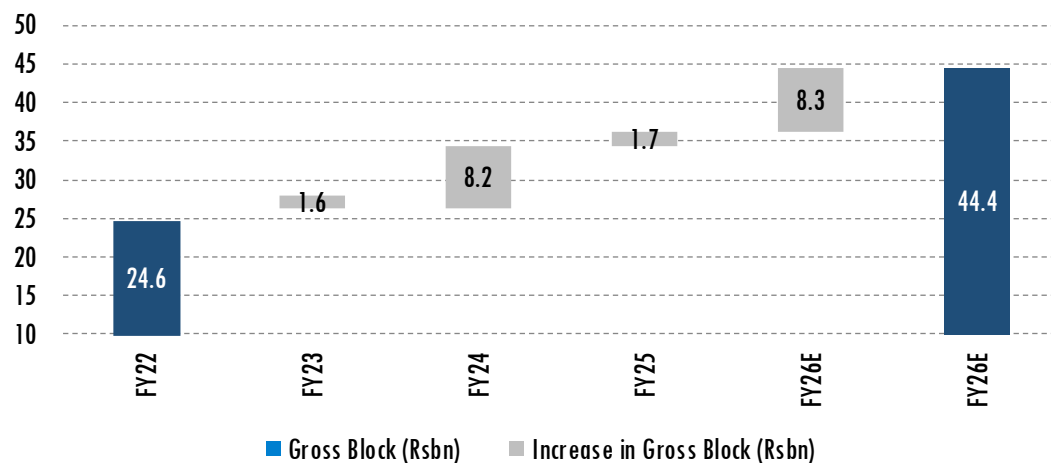
Index	Pg No.
Leadership Reset	20
Specialty Chemicals	21
Nutrition and Health Solutions	32
Chemical Intermediates	37
Cost Reset Initiatives	46
Porters' Five Forces	47
Appendix	48
Financials	50
Price Performance	52

Multi-engine growth flywheel now switching on

Jubilant Ingrevia (JUBLINGR) is a diversified chemicals platform spanning Specialty Chemicals, Nutrition & Health Solutions (NHS) and Chemical Intermediates (CI), built on strong upstream advantages in the Pyridine and Ketene chains, where it holds global leadership in Pyridines, Picolines and Vitamin B3. Over the past three years, it has executed ~Rs 20bn of strategic capex across new multi-purpose plants (MPPs), the expanded Vitamin B3 facility, two additional Bharuch units and 15-20% debottlenecking, creating a materially enhanced asset base now. While pricing pressure across chemicals slowed the revenue ramp-up, capacity utilization is improving and monetization is set to scale up materially as new products commercialize. This capex block will drive a sharp earnings acceleration over FY26-28, with consolidated EBITDA expected to clock ~22% CAGR, led by Specialty and Nutrition contributing >90% of incremental EBITDA as CDMO revenue scales from ~Rs 3bn in FY26 to ~Rs 12bn by FY28. Crucially, JUBLINGR has undergone a deep capability reset with 70 - 80% leadership renewal, a 50% expansion in scientific talent and a newly built tech-transfer organization - improving win-rates in CDMO and leveraging its proprietary chemistry platforms. As operating leverage kicks in, ROCE is set to rise to >15% by FY27-28. Despite this clear earnings and margin inflection, the stock trades at mid-cycle valuations (~16-17x EV/EBITDA), below the ~20-22x valuation (+1 σ versus the mean) seen under more constructive earnings conditions. **We initiate coverage on JUBLINGR with BUY rating and an SoTP-based TP of Rs 975, reflecting premiumization-led margin expansion and the earnings acceleration unlocked by the recent capex build out.**

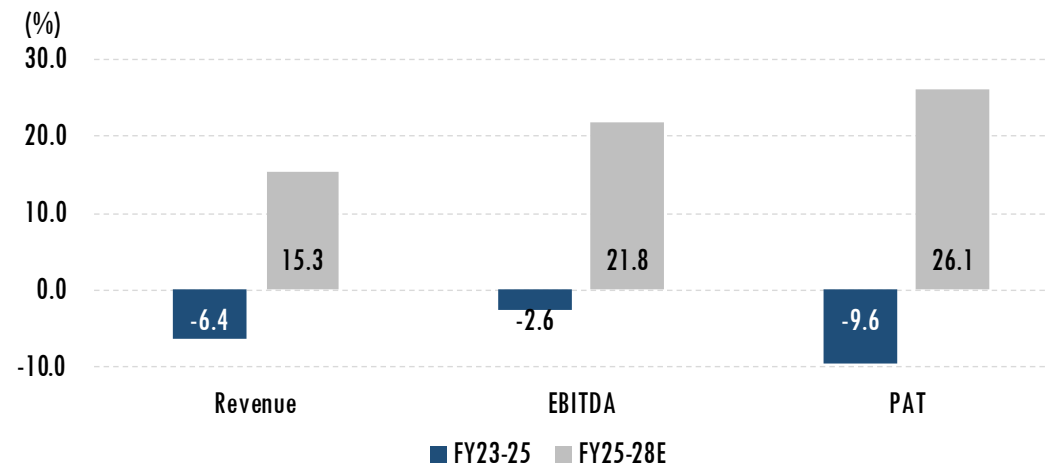
Key risks: (a) Execution risk in Specialty & CDMO scale-up, (b) Slower ramp-up of human-grade B3 capacity utilization, (c) A prolonged downcycle in acetyls.

Accelerated Capex: Gross Block expanded by ~Rs20bn



Source: Company, Anand Rathi Research

Earnings set to accelerate sharply through FY28e



Source: Company, Anand Rathi Research

Investment Thesis - Structural earnings quality up-shift

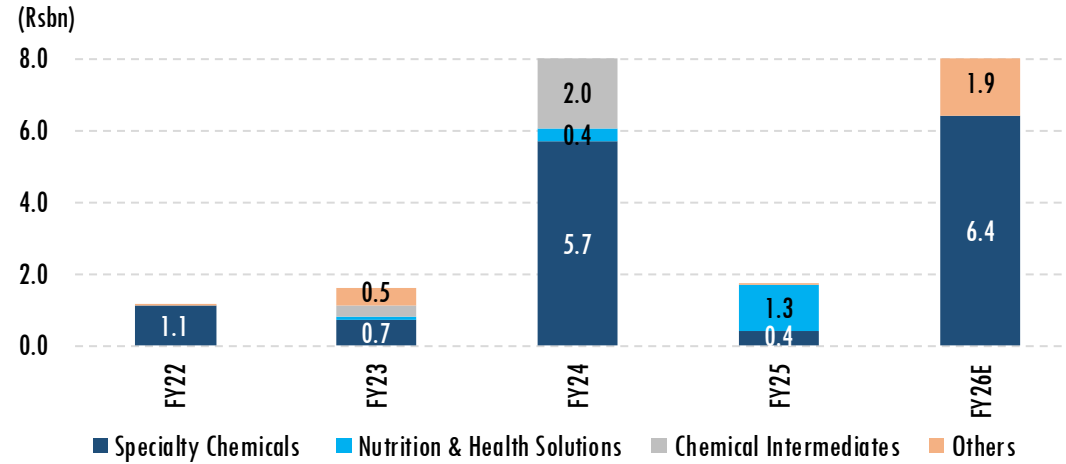
- **Portfolio shifting rapidly towards structurally high-margin engines.** JUBLINGR's portfolio is rapidly tilting towards structurally higher-margin engines, with growth now anchored by Specialty Chemicals (~Rs20bn revenue with ~26% margin) and Nutrition (~Rs7bn revenue with ~13% margin), while Acetyls remains EBITDA-positive despite a deep downcycle due to strong scale and cost position. Specialty is undergoing a material upgrade as Fine Chemicals and CDMO (already ~50% of the mix) rise towards two-third by FY27, reducing dependence on volatile Pyridine chains. This mix shift, along with significant power/steam/effluent cost resets, has doubled Specialty Chemicals' EBITDA to ~Rs5bn over two years despite the decline in pyridine prices. Nutrition, led by Vitamin B3 where Jubilant is global No. 2 player (and positioned for No. 1 with the new Human-grade Vitamin B3 plant), adds further margin stability. Together, these shifts make earnings structurally less cyclical and set up a sustained margin expansion trajectory.
- **CDMO - Central growth vector now; two major wins validate global capability.** JUBLINGR has established itself as a credible multi-vertical CDMO partner with 12 confirmed molecules (~Rs12bn peak potential) and 100+ curated opportunities. A large agro take-or-pay contract (~Rs5bn/year) is expected to ramp up to full run-rate by Q1FY27 after closing 3/4th of a ~60% China cost disadvantage through joint R&D and process optimization. A second win - a patented innovator molecule - was taken from concept to seed volumes in 12 months by upgrading an MPP line. CDMO revenue will scale from ~Rs3bn in FY26 to ~Rs12bn by FY28, delivering >Rs2.5bn EBITDA, supported by a diversified pipeline across agro, pharma, nutrition and industrial applications.
- **Nutrition entering its strongest earnings phase with Human-grade Vitamin B3 plant and Vitamin B4 ramp-up.** The new Human-grade Vitamin B3 plant (commissioned Jan'25) is the primary margin driver, wherein utilization is set to rise to ~65% by FY28 (from ~20% in FY26), adding ~Rs2bn of high-margin revenue (20%+ EBITDA). Choline Chloride (B4) benefits from EU anti-dumping, enabling JUBLINGR to target 8-10 ktpa of the ~60 ktpa market, albeit at lower margins vs B3.
- **Organizational rebuild + capacity readiness set up a multi-year compounding cycle.** A sweeping leadership refresh (70-80% new) and expanded scientific talent (R&D: 100 to 150; newly built tech-transfer team) have repositioned JUBLINGR as a solution-driven partner rather than a catalogue supplier. Capacity is adequate for FY27/28 through 7th MPP expansion, two new Bharuch plants, and 15-20% debottlenecking possibility, while upcoming MPP-8 (timeline not announced) supports the next wave of growth. Annual capex of ~Rs6bn is screened for 20%+ EBITDA margin and 20%+ pre-tax RoCE. With rising Specialty mix, Human-grade Vitamin B3-led Nutrition uplift, and a tripling CDMO business, Jubilant is set for sustained multi-year margin and earnings expansion.

Business overview - Specialty led, diversified business model

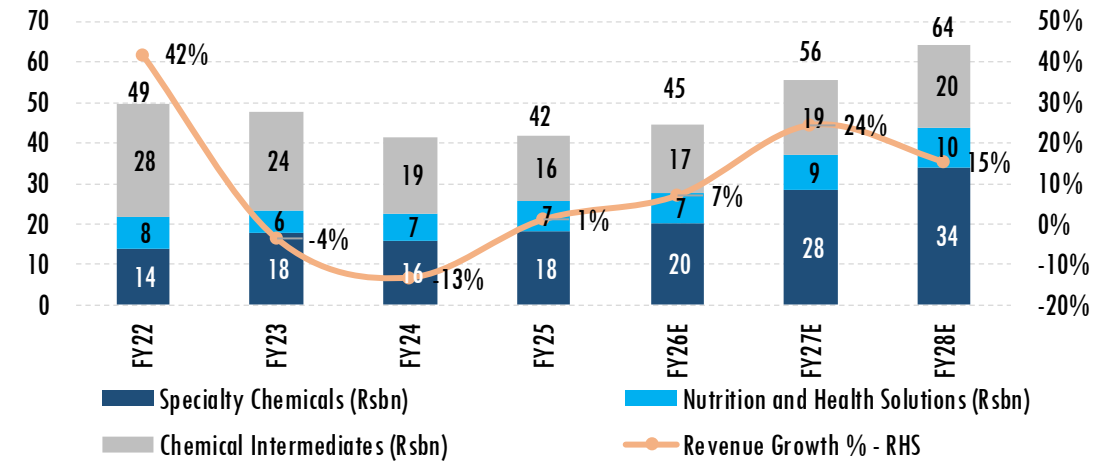
Consolidated - FY25	Specialty Chemicals (SC)	Nutrition & Health Solutions (NHS)	Chemical Intermediates (CI)
Revenue Rs41.7bn EBITDA Rs5.2bn EBITDA Margin 12.4%	Revenue Rs18.1bn (44%) EBITDA Rs4.2bn (67%) EBITDA Margin 23.2%	Revenue Rs7.5bn (18%) EBITDA Rs1.0bn (16%) EBITDA Margin 13.6%	Revenue Rs16.1bn (39%) EBITDA Rs1.1bn (17%) EBITDA Margin 6.7%
Portfolio	Pyridine and Picoline Fine Chemicals (P&P derivatives, Diketene derivatives) CDMO (Agro, Pharma, Industrials, Nutrition, Semicon)	Animal Nutrition (Vitamin B3, B4) Human Nutrition (Cosmetic and food grade B3, Choline Salts Premix)	Acetic Anhydride, Ethyl Acetate Bio Acetic Acid, Propionic Anhydride, Formaldehyde, Acetaldehyde
Applications	Pharmaceuticals, Agrochemicals, Nutrition, Microbial Control, Paints & Coatings, Solvent, Food, Electronics, Oil Field Chemicals, Personal Care and Cosmetics	Animal Nutrition (Poultry, Dairy, Aqua), Human Nutrition (Hair Care, Cosmetics, Energy Drinks, Breakfast Cereals, Nutraceuticals, Weight Supplements)	Pharmaceuticals (Paracetamol and 6+ other API's), Agro (Clethodim, etc.), Food and Nutrition
Raw Materials	Formaldehyde, Acetaldehyde, Ammonia	Beta Picoline, Ammonia, Trimethylamine, Hydrogen Chloride	Acetic Acid, Ethanol
Competition	Global - Lonza/Arxada, Aurorium, Nanjing Red Sun Co., Shandong Hongda, Shandong Luba Chemical Domestic - Laxmi Organics	Global - Arxada, DSM Ferminich Glanbia PLC, Kemin Industries, BASF SE Domestic - Balaji Amines, Lasons India, Camlin Fine Science, Avitech Nutrition	Global - Celanese Corporation, Eastman Chemical, Daicel Corporation, Sipchem, INEOS Domestic - Laxmi Organics, GNFC, EID Parry, IOCL, Godavari Biorefineries

Story in charts...

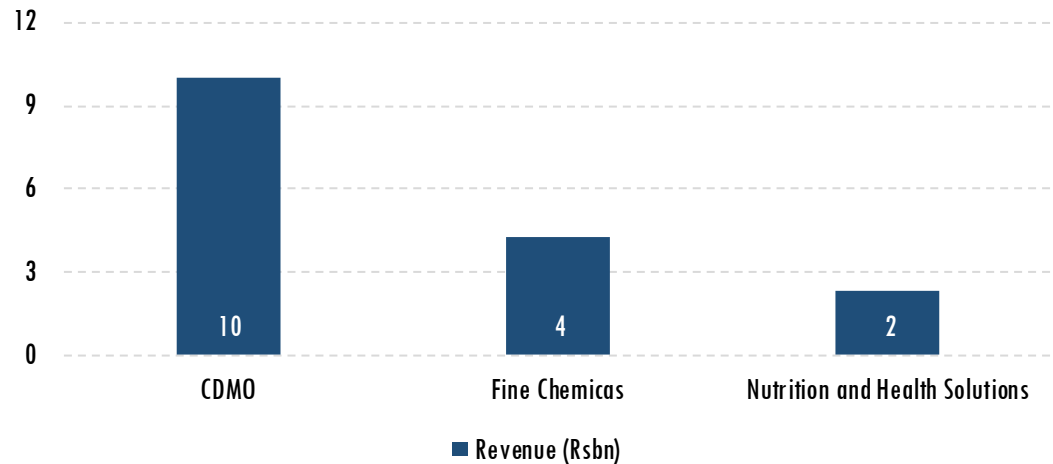
Capex prioritized towards high-value specialty chemicals



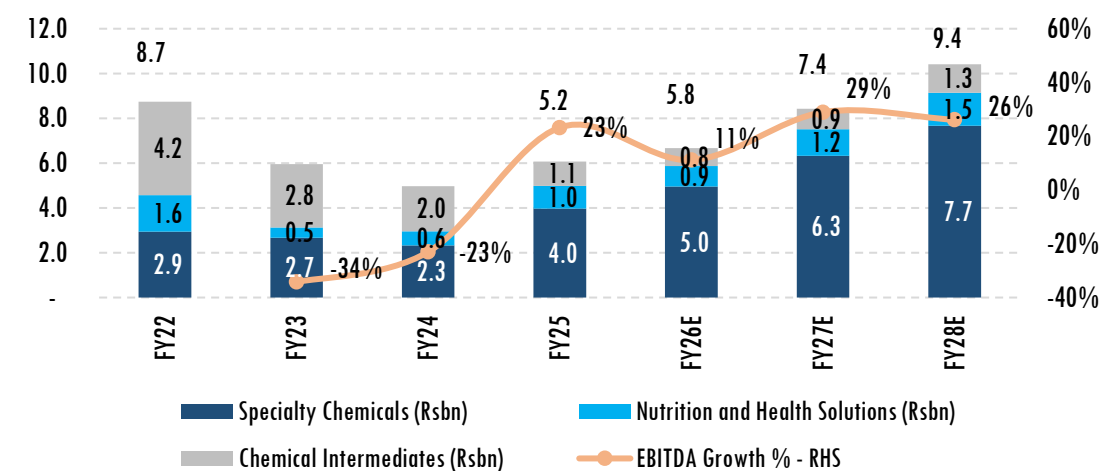
FY26-28e revenue upswing led by capex cycle monetization



CDMO, Fine Chemicals and Nutrition anchor FY26-28e growth

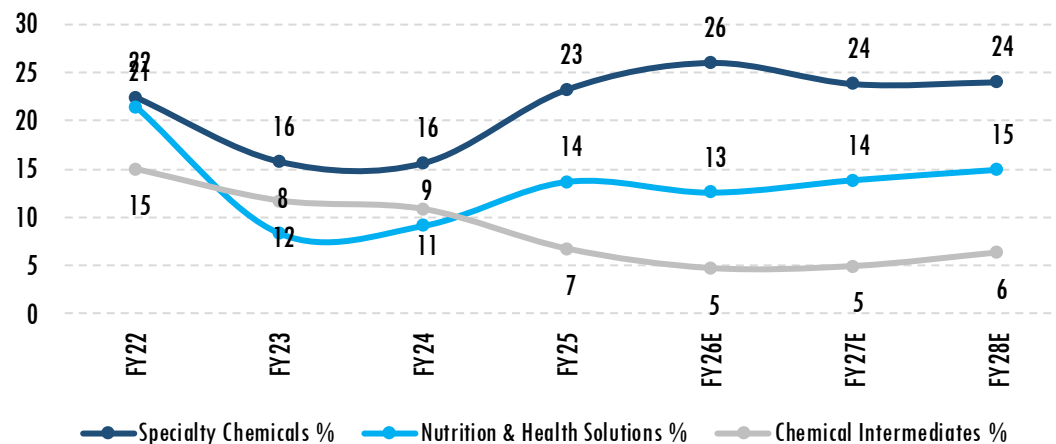


22% EBITDA CAGR (FY25-28e) driven by high-value mix

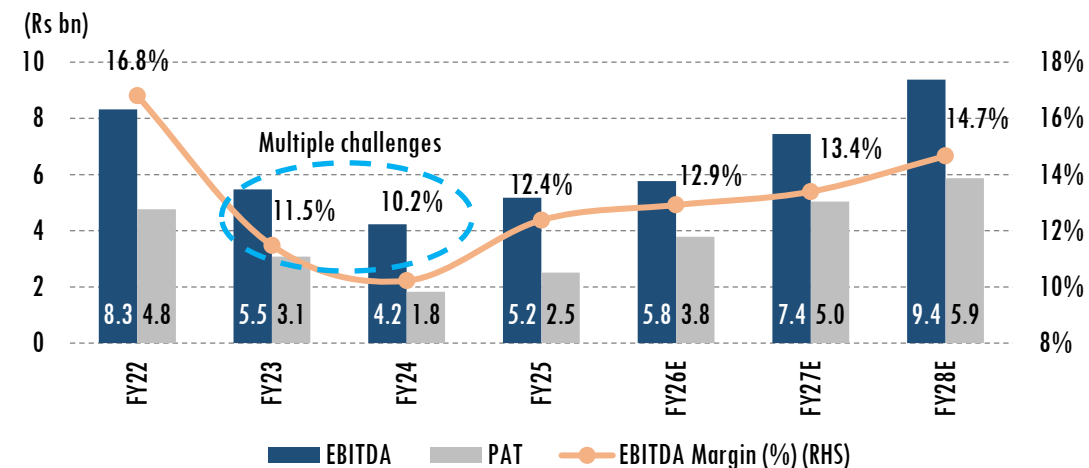


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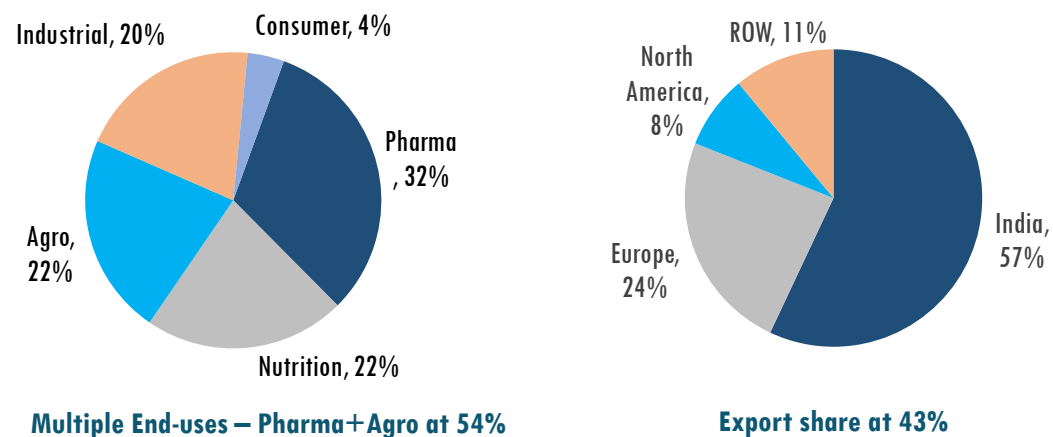
Margin stability in Specialty; recovery in Nutrition; Trough in CI



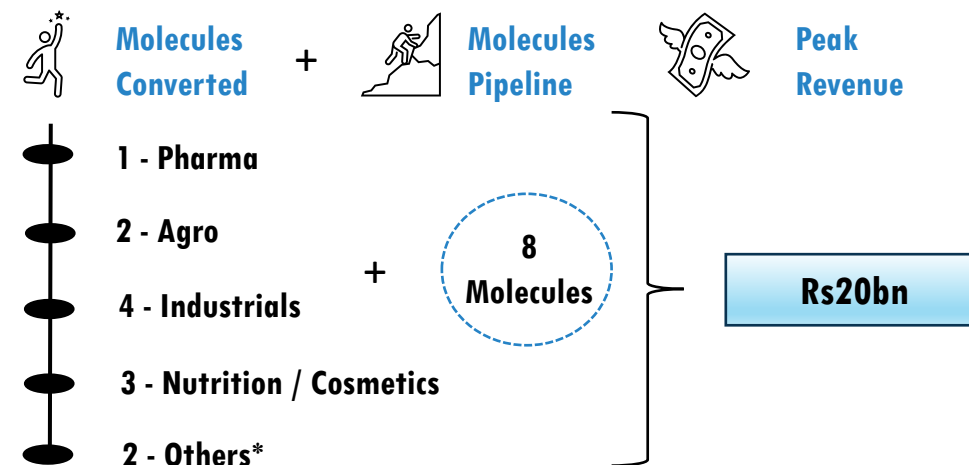
Steady EBITDA recovery and margin rebuild through FY28



User Industry and Geographical diversification - H1FY26

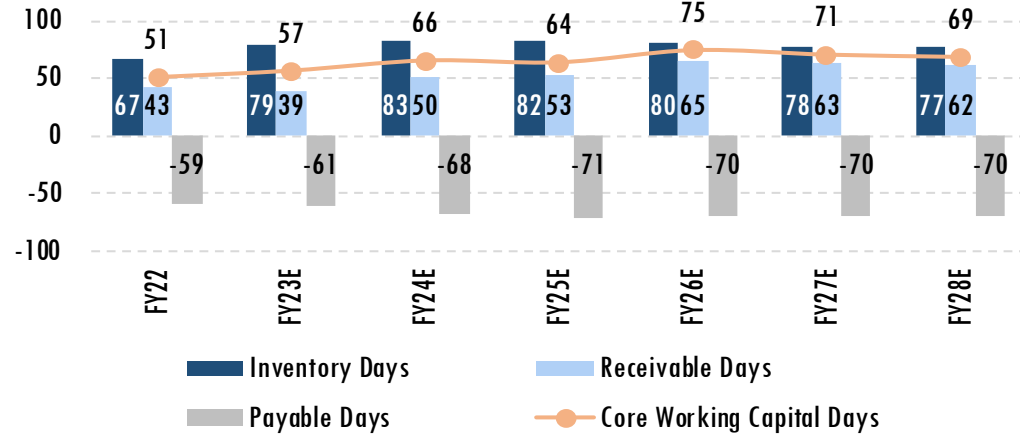


CDMO Molecules Kitty - Rs20bn potential (Rs12bn converted)

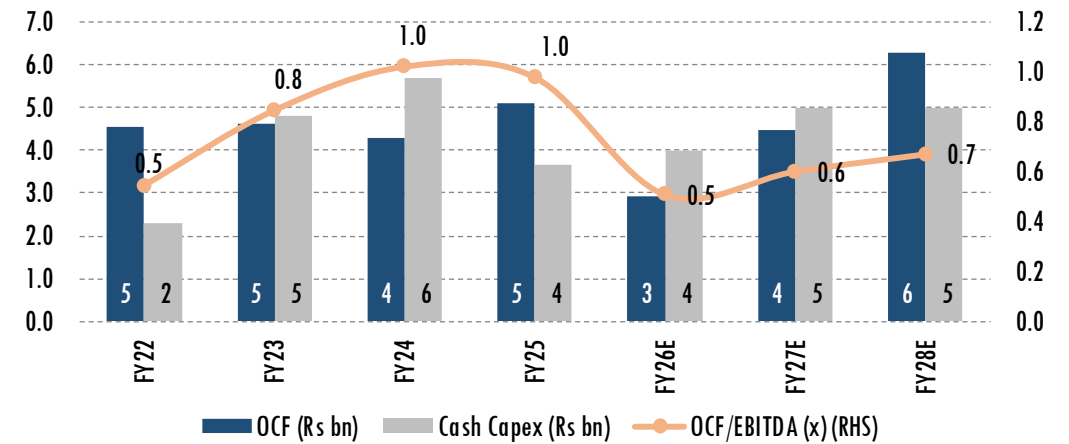


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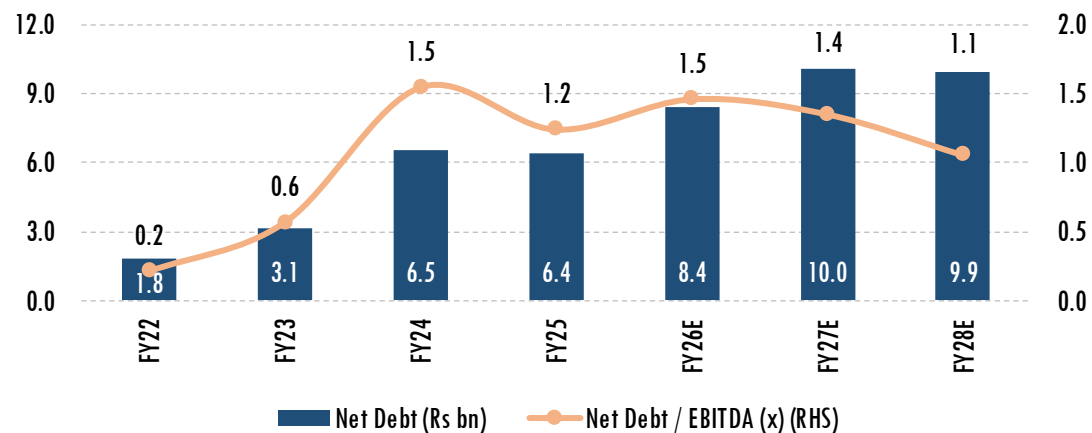
Steady working capital days



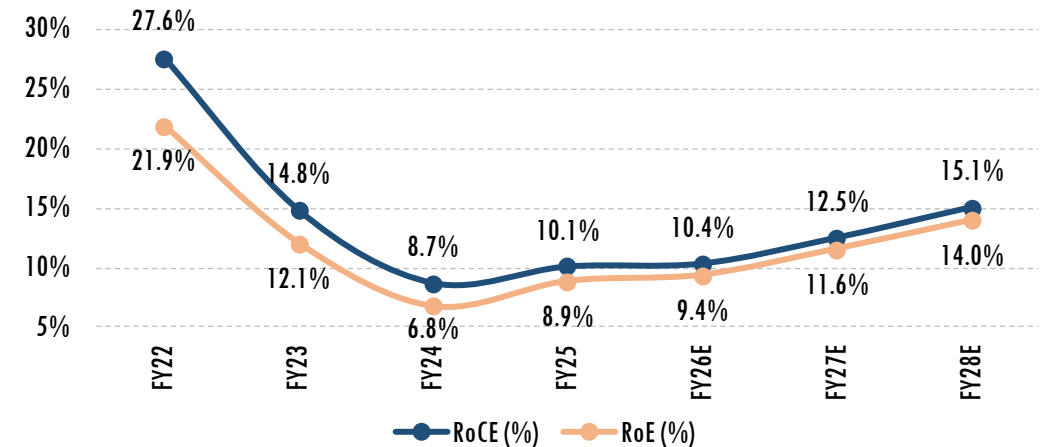
Healthy OCF generation of Rs14bn (FY26-28e) to self-sustain capex



Debt metrics to improve despite capex momentum



RoCE and RoE to expand with operating leverage



Capex execution on track; monetization underway

Project	Segment	Expected Commissioning	Actual Commissioning	Capex rationale
Diketene derivatives (Phase 1)	Specialty Chemicals	Q4FY22	Q4FY22	Moving up the value chain of Ketene
Food Grade Acetic Acid	Chemical Intermediates	Q1FY23	Q1FY23	Green Acetic Acid for food applications
Acetaldehyde	Specialty Chemicals	NA	Q3FY23	For integration in Pyridine
CDMO (GMP) Multi Purpose Plant	Specialty Chemicals	Q1FY23	Q1FY24	For pharma intermediates
CDMO (Non-GMP) - 2 Multi Purpose Plants	Specialty Chemicals	Q1FY23	Q1FY24	2 MPPs for pharma and agro intermediates
Acetic Anhydride (60ktpa)	Chemical Intermediates	Q4FY23	Q1FY24	Growing demand and geographic expansion
Diketene derivatives (Phase 2)	Specialty Chemicals	Q4FY24	Q4FY24	Moving up the value chain of Ketene
CDMO-R&D expansion (Greater Noida)	Specialty Chemicals	Q3FY24	Q4FY24	Process development and tech-transfer capability
Agro Active MPP	Specialty Chemicals	Q4FY24	Q4FY24	Revamped for CDMO
Pharma Grade Vitamin B3 (USFDA, EU CEP) + premixes	Nutrition & Health Solutions	Q4FY24	Q1FY25	For niche application in pharmaceuticals
Human Grade Vitamin B3 (5ktpa)	Nutrition & Health Solutions	Q1FY25	Q3FY25	Moving forward with value added end uses
Debottlenecking in Specialty (Pyridines)	Specialty Chemicals	NA	FY23 - 25	Incremental demand from Vertellus exit
CDMO plant	Specialty Chemicals	Q3-Q4FY26	TBC	For 5 year Agro CDMO contract
Boiler	Specialty Chemicals	Q2FY26	TBC	Low-cost steam and power for enlarged asset base
MPP 8 for CDMO & Fine chemicals	Specialty Chemicals	NA	NA	To cater incremental CDMO focus

Source: Company, Anand Rathi Research TBC - To be commissioned

SoTP Valuation anchored in higher value mix

We value Jubilant Ingrevia (JUBLINGR) on Sum-of-the-Parts (SoTP) basis, reflecting the starkly different growth vectors, margin profile and competitive dynamics across its three businesses. The resultant FY28e SoTP equity valuation of Rs155bn yields a fair value of Rs975/sh (implied EV/EBITDA at 17.5x and P/E at 31x FY28e). It aligns with both, the company's structural shift towards high-value specialties and the sector valuations, with scope for a re-rating on execution.

SOTP	FY26E	FY27E	FY28E	3yr CAGR
EBITDA (Rsm)				
Specialty Chemicals	5,270	6,722	8,155	25%
Nutrition & Health Solutions	911	1,189	1,463	13%
Chemical Intermediates	801	915	1,272	6%
Segment EBITDA - Total	6,982	8,826	10,891	20%
Less: Unallocable items	(1,213)	(1,388)	(1,509)	
Consolidated EBITDA (Rsm)	5,769	7,438	9,382	22%
EV/EBITDA Target Multiple (x)			FY28E	
Specialty Chemicals			18	
Nutrition & Health Solutions			12	
Chemical Intermediates			8	
Unallocable items			6	
Enterprise Value (Rsm)			FY28E	Per Share
Specialty Chemicals			146,790	922
Nutrition & Health Solutions			17,560	110
Chemical Intermediates			10,179	64
Less: Unallocable items			(9,055)	-57
Enterprise Value (Rsm)			165,474	1,039
Less: Net Debt			(10,049)	-64
Equity Value / MCap (Rsm)			155,425	975
Fair Value (Rs/sh)			975	

Specialty Chemicals. We assign 18x 1yr-fwd EV/EBITDA, in line with domestic specialty average (~17x) but below CDMO-heavy peers (19-28x for SRF, Navin Fluorine, PI Industries) as JUBLINGR's CDMO ramp-up is still in execution through FY27-28. The mix is strengthening rapidly, with Fine Chemicals + CDMO reaching ~68% of revenues by FY28 and sustaining >24% margin, sharply reducing Pyridine-led volatility. With 12 validated CDMO molecules and >Rs12bn revenue visibility by FY28, it is positioned for a clear re-rating as execution becomes demonstrable.

Nutrition & Health Solutions. We apply 12x 1yr-fwd EV/EBITDA, slightly above global peers (~11x), supported by shift to human-grade B3 (~20% margins; utilization ramping to ~65%). Premiumization through premixes, EU-qualified B3/B4 and cosmetic-nutrition actives reduces cyclicalities, while EU anti-dumping adds an 8-10ktpa B4 opportunity. With growth at ~13% EBITDA CAGR with improving earnings mix, a mid-cycle 12x multiple is appropriate.

Chemical Intermediates. We assign 8x FY28e EV/EBITDA, in-line with global peers viz. BASF, Celanese, Eastman (~7-8x), as CI remains a cash-accretive but structurally oversupplied acetyl chain with margins capped by global overcapacity. Normalized profitability remains well below specialty and nutrition, and while CI supports integration, it offers limited standalone rerating potential - justifying a clear discount.

Earnings quality inflecting, but valuations still at mid-cycle

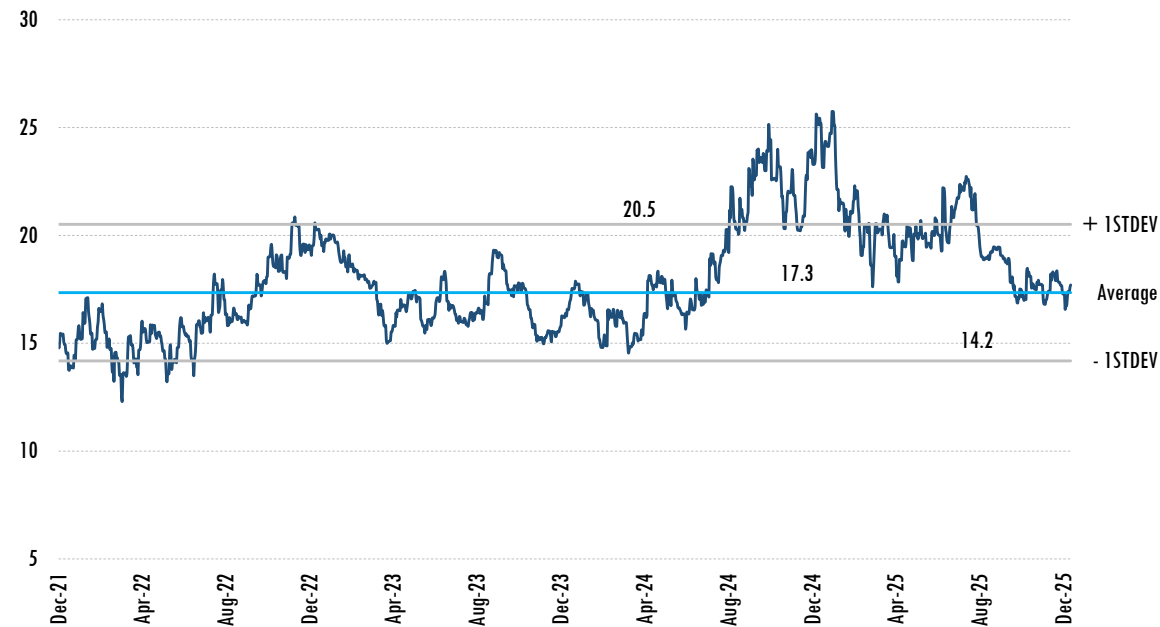
- **Trading at mid-cycle valuations (~16 - 17x EV/EBITDA) despite RoCE recovery underway.** JUBLINGR currently trades around mid-cycle EV/EBITDA (~16 - 17x, 1-yr fwd) even as RoCE climbs from the FY24 trough (~8 - 9%) toward mid-teens by FY27-28e. The market is still pricing in execution risk and normalized profitability, keeping multiples closer to the long-term mean (~17x) rather than $+1\sigma$ versus the mean, seen under more constructive earnings conditions.
- **Earnings quality is structurally inflecting, but yet to fully reflect in valuations.** Mix is shifting toward higher-margin specialty construct - qualification led businesses (CDMO, Fine Chemicals, specialty nutrition), reducing dependence on cyclical Pyridine and Acetyl chains - yet the valuation re-rating typically lags until consistency is demonstrated.
- **Improving utilization across new assets + margin stability sets up an upward valuation phase.** As the new capacity ramps and margins stabilize across Specialty and Nutrition, the earnings trajectory becomes more predictable, a key trigger for JUBLINGR's move back towards the upper valuation band.
- **Strong valuation support near -1σ .** Downside risk appears contained, with historical support around ~14x EV/EBITDA (-1σ) providing a valuation floor.

P/E (1-yr fwd)



Source: Company, Bloomberg, Anand Rathi Research

EV/EBITDA (1-yr fwd)



Source: Company, Anand Rathi Research

Key Risks to Investment Thesis

While we believe Jubilant Ingrevia (JUBLINGR) is set for a structural revamp, the key risks to our valuation, view and rating include:

- **Execution risk in Specialty & CDMO scale-up.** Achieving the FY28 CDMO revenue target of Rs12bn+ hinges on timely execution of upcoming contracts, with pricing discipline being critical to sustaining contract value. While the recently signed US\$300mn Agri CDMO contract offers comfort through Take-or-Pay clauses, future agreements may lack similar safeguards, posing a potential risk to earnings visibility and valuation. On the Specialty Chemicals front, successful scale-up of the Diketene derivatives portfolio remains a key monitorable, especially amid rising domestic capacities. Strategic focus on value-added grades and reducing dependence on commodity grades, where Chinese competition is entrenched, will be essential to protect margins and drive differentiation.
- **Slower ramp-up of human-grade B3 capacity utilization.** We expect the utilization of human-grade Vitamin B3 capacity to increase from the current 20% to ~65% by FY28e. However, any delays in meeting stringent customer requirements on quality and delivery could pose a risk to our valuation. This sub-segment is a critical margin accretive driver for the business, and any slowdown in its planned ramp-up would negatively impact profitability and overall valuation.
- **A prolonged downcycle in acetyls.** The Acetyls business has the potential to influence JUBLINGR's overall valuation. While our current estimates for this segment remain conservative, a prolonged period of depressed spreads, driven by oversupply from new capacity additions in China, could exert downward pressure on revenues through pricing erosion. This trend would mirror the weakness observed over the past two years following the end of the FY22 upcycle, masking the gains across Specialty and Nutrition businesses.

Domestic Specialty Chemicals - Peer Valuations

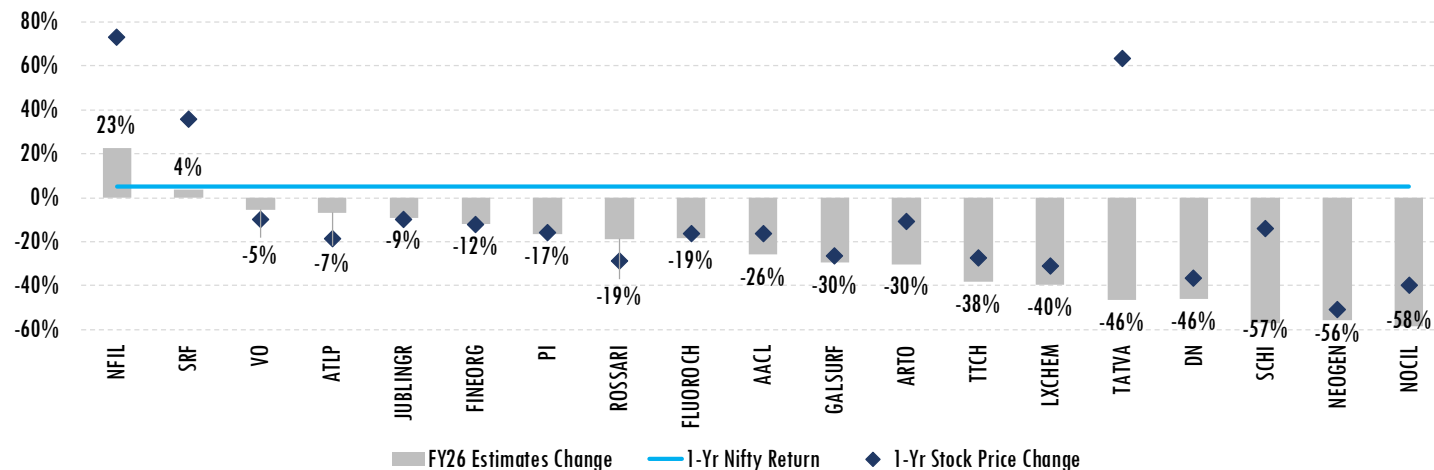
Particulars	Rating	Mcap	FY25-28E CAGR			PE (x)			EV/EBITDA (x)			ROE %		
		(Rsbn)	Revenue	EBITDA	PAT	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Coverage Companies														
Aarti Industries Ltd	Hold	134	14%	21%	35%	32.2	22.8	16.7	15.0	11.8	9.3	7.2	9.5	11.8
Atul Ltd	Buy	177	14%	17%	25%	26.7	21.6	18.9	14.9	12.1	10.2	11.2	12.5	12.9
Fine Organic Industries Ltd	Buy	131	16%	16%	12%	29.1	26.8	23.0	22.1	19.6	15.5	18.2	17.1	17.3
Galaxy Surfactants Ltd	Hold	71	11%	10%	11%	20.7	18.9	16.8	12.3	10.9	9.4	13.6	13.4	13.6
Jubilant Ingrevia Ltd	Buy	113	15%	22%	26%	39.7	29.9	22.4	21.0	16.5	13.1	9.4	11.6	14.0
NOCIL Ltd	Hold	26	9%	25%	24%	30.7	19.1	15.5	17.0	10.8	8.5	4.7	7.3	8.5
Rossari Biotech Ltd	Hold	32	14%	16%	18%	21.8	18.3	14.2	11.4	9.3	7.4	11.5	12.2	13.9
Sudarshan Chemical Industries Ltd	Buy	76	49%	45%	47%	42.4	21.1	14.6	12.6	8.7	6.6	5.2	9.8	12.9
Vinati Organics Ltd	Hold	162	16%	17%	15%	36.3	30.5	26.1	24.5	20.3	17.2	15.1	15.9	16.3
Non-Coverage Companies														
Aether Industries Ltd		111	31%	35%	33%	51.3	37.4	29.4	32.3	24.3	19.1	9.4	11.3	12.7
Alkyl Amines Chemicals		82	14%	18%	19%	41.1	31.3	26.3	25.9	20.2	16.9	13.3	15.7	18.3
Balaji Amines Ltd		36	11%	18%	17%	22.8	19.4	15.9	14.1	11.6	9.4	8.0	9.0	10.2
Clean Science & Technology Ltd		96	21%	17%	18%	34.3	26.9	21.9	22.5	17.9	14.8	18.1	19.7	20.4
Deepak Nitrite Ltd		227	8%	11%	10%	39.4	28.3	29.6	23.9	16.6	15.2	10.1	12.7	12.9
Gujarat Fluorochemicals Ltd		397	20%	26%	36%	49.5	36.5	29.0	27.1	21.0	17.2	10.2	12.3	13.6
Laxmi Organic Industries Ltd		48	13%	13%	21%	39.1	31.0	23.8	19.0	14.2	11.6	6.1	7.3	8.8
Navin Fluorine International Ltd		299	25%	35%	41%	55.8	44.6	36.8	33.2	27.5	23.0	17.0	17.3	18.0
Neogen Chemicals Ltd		28	42%	42%	53%	68.9	47.2	23.3	27.6	16.4	9.8	5.0	6.9	12.3
PI Industries Ltd *		493	7%	7%	6%	30.8	27.9	24.7	21.4	19.2	17.2	14.7	14.5	14.4
SRF Ltd		916	13%	21%	33%	48.2	38.2	31.2	26.9	22.3	18.8	14.2	15.5	16.4
Tatva Chintan Pharma Chem Pvt Ltd		33	26%	70%	150%	70.3	44.7	36.7	34.2	23.4	19.7	6.1	8.8	9.8
India Average			18%	22%	25%	38.1	28.9	23.0	21.2	16.6	13.5	11.1	12.6	14.0

Global Chemicals - Peer Valuations

Particulars	Ccy	Mcap	FY25-28E CAGR			PE (x)			EV/EBITDA (x)			ROE %		
		(^bn)	Revenue	EBITDA	PAT	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Global Companies														
Albemarle Corp #	USD	17	2%	-215%	-178%	NA	120.7	36.5	20.5	17.1	12.4	-1.7	1.9	8.1
BASF SE	EUR	39	-1%	6%	31%	16.9	16.3	13.4	8.8	8.2	7.5	5.6	7.8	7.9
Celanese Corp #	USD	5	-1%	121%	-179%	9.9	7.6	6.2	8.6	8.1	7.6	9.4	12.3	13.9
Chemours Co/The	USD	2	3%	13%	62%	12.2	6.6	4.8	7.0	6.0	5.2	29.7	67.2	84.2
Clariant AG	CHF	2	0%	6%	8%	10.7	8.8	7.8	6.1	5.7	5.5	8.8	11.1	11.9
Croda International PLC	GBP	4	4%	9%	16%	19.6	17.5	15.6	11.4	10.3	9.5	7.6	9.1	10.2
Daicel Corp	JPY	370	3%	4%	1%	6.9	7.9	6.9	6.3	5.8	5.2	13.1	11.1	11.6
DSM-Firmenich AG	JPY	18	1%	6%	60%	18.2	18.4	16.0	9.2	9.6	8.8	3.7	4.2	4.8
Eastman Chemical Co	HKD	7	-1%	-3%	-4%	11.7	10.3	9.0	8.1	7.6	7.1	9.9	11.5	12.6
Ecolab Inc	USD	75	4%	7%	9%	35.0	31.1	27.4	20.9	19.1	17.6	22.7	22.7	23.4
Glanbia PLC	HKD	4	3%	13%	31%	12.9	11.9	11.0	9.8	9.3	8.8	15.2	16.1	16.5
International Flavors & Fragrances Inc #	USD	17	-2%	-205%	72%	15.7	14.8	13.6	10.7	10.6	10.0	8.0	7.4	8.0
Kerry Group PLC	EUR	12	2%	6%	8%	16.1	14.8	13.4	11.8	11.1	10.3	11.7	11.4	11.7
Lonza Group AG	CHF	37	11%	22%	37%	32.1	27.1	22.7	18.3	16.2	14.0	11.2	12.3	13.5
Symrise AG	EUR	10	2%	4%	8%	18.4	17.1	15.7	11.0	10.6	9.9	12.4	12.3	12.4
Wanhua Chemical Group Co Ltd	CNY	237	10%	14%	14%	18.7	14.8	12.2	11.7	9.7	8.0	12.5	14.4	15.9
Zhejiang NHU Co Ltd	CNY	75	8%	5%	10%	11.3	10.7	9.8	7.6	7.5	7.0	19.9	18.3	17.5
Ex-India Average			4%	8%	21%	17.2	15.2	13.3	10.6	9.8	8.9	13.1	16.4	18.2
Global Average			11%	15%	23%	27.6	22.1	18.1	15.9	13.2	11.2	12.1	14.5	16.1

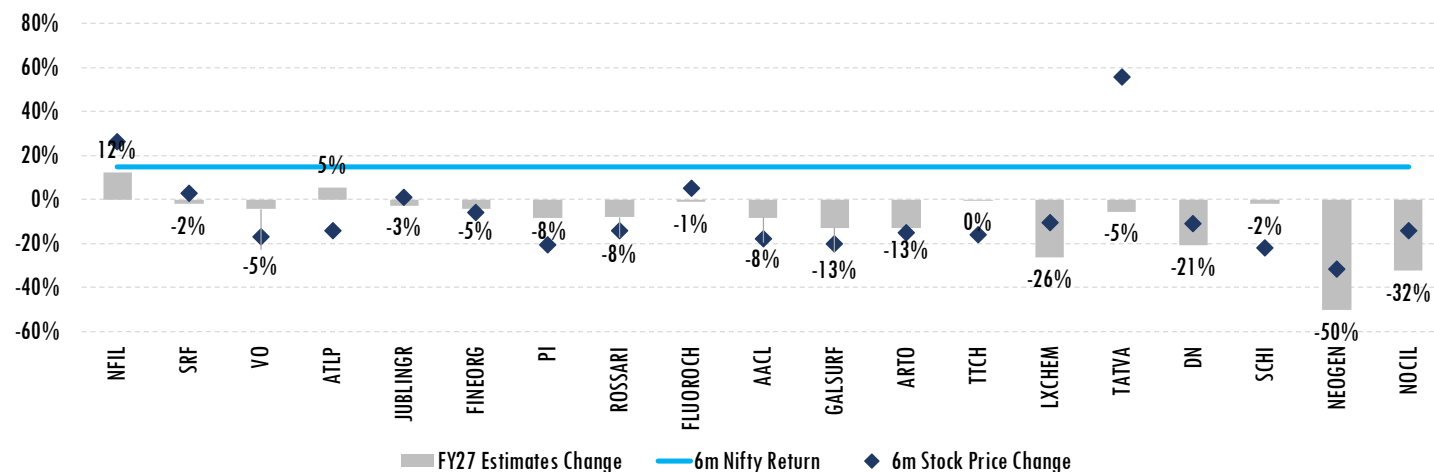
Chemicals reset: Sectoral pain vs. JUBLINGR's relative resilience

Change in FY26 earnings estimates (consensus) vs. stock price change over past 1 year



Consensus earnings downgrades have been broad-based across the chemicals space, and stock price corrections have been severe. The sector's earnings-reset was driven by weak global demand, price deflation and prolonged inventory imbalances. Even the companies with relatively modest estimate cuts have seen sharp drawdowns, reflecting a sentiment washout.

Change in FY27 earnings estimates (consensus) vs stock price change over past 6 months



Nonetheless, JUBLINGR's earnings revisions were modest, as underlying earnings performance remains healthy, and delivery confidence is stronger vs. most peers.

Company Background

Demerged from Jubilant Lifesciences in 2021, Jubilant Ingrevia is a globally integrated specialty chemicals and life sciences player with leadership in pyridine derivatives, acetic anhydride and Vitamin B3. The company operates 5 manufacturing sites and 3 R&D centres in India, serves 1,500+ customers across 63+ countries, and derives ~43% of revenues from exports. Backed by the Jubilant Group's diversified platforms and capital strength, it brings scale, execution credibility and strong governance to drive growth across Specialty, Nutrition and CDMO.

1978-1990

- Started as VAM Organics
- Focused on VAM, Acetic Acid & Acetic Anhydride

1990-2011

- Foray into Pyridine Chemistry
- Expansion of Acetyl Business

2011-2023

- Forward integration into Pyridine derivatives
- Launch of Vitamin B3

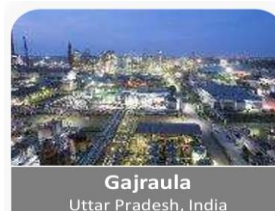
2023 onwards

- Expansion of Pyridine derivatives
- Foray into Diketene derivatives
- Focus on CDMO (Agro, Pharma ongoing, Semicon upcoming)
- Specialty Products in Nutrition (Cosmetic & Food B3, Choline Salts)

Scaled platforms across consumer, pharma and chemicals

Group Company	Sector	MCap (Rsbn)
Jubilant Foodworks	QSR	372
Jubilant Pharmova	Pharma	173
Jubilant Ingrevia	Life Sciences Ingredients	113
Jubilant Agri and Consumer Products	Performance Polymers, Fertilisers, Agri-Nutrients	33

Manufacturing facility – 50 Plants across 5 sites in 3 states with a workforce of 2,300



Gajraula
Uttar Pradesh, India

Integrated facility for Specialty Chemicals & Chemical Intermediates

463 acres



Bharuch
Gujarat, India

CDMO & Fine Chemicals Nutrition and Chemical Intermediates

310 acres



Nira
Maharashtra, India

Chemical Intermediates Facility

144 acres



Savli
Gujarat, India

Animal Nutrition & Health Solutions Facility

109 acres



Ambarnath
Maharashtra, India

Microbial Control Solutions Facility

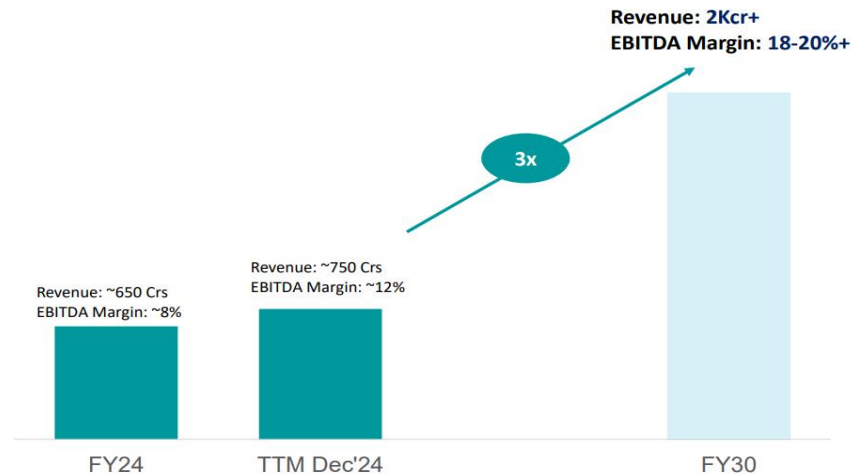
3.5 acres

Pinnacle 3.4.5 - Management's roadmap to FY30

Pinnacle 3.4.5 Vision[^]

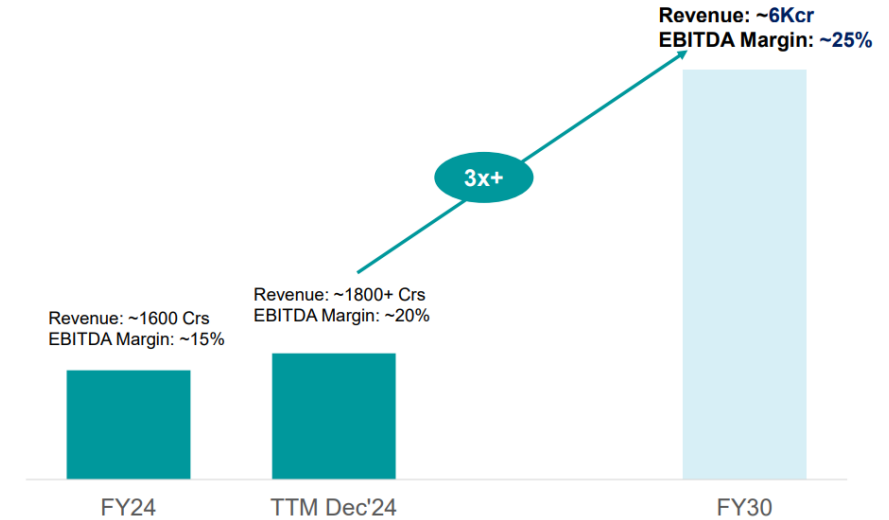


Nutrition and Health Solutions (NHS) FY30 aspiration

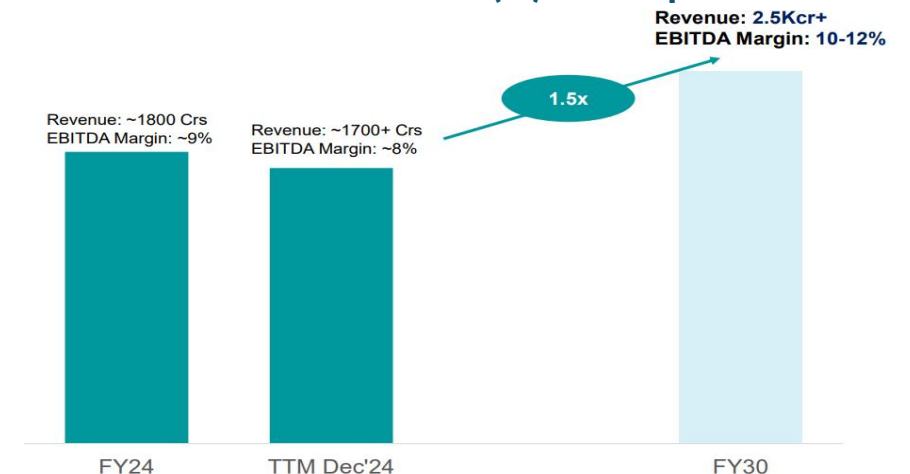


Source: Company [^]Including inorganic growth

Specialty Chemicals (SC) FY30 aspiration

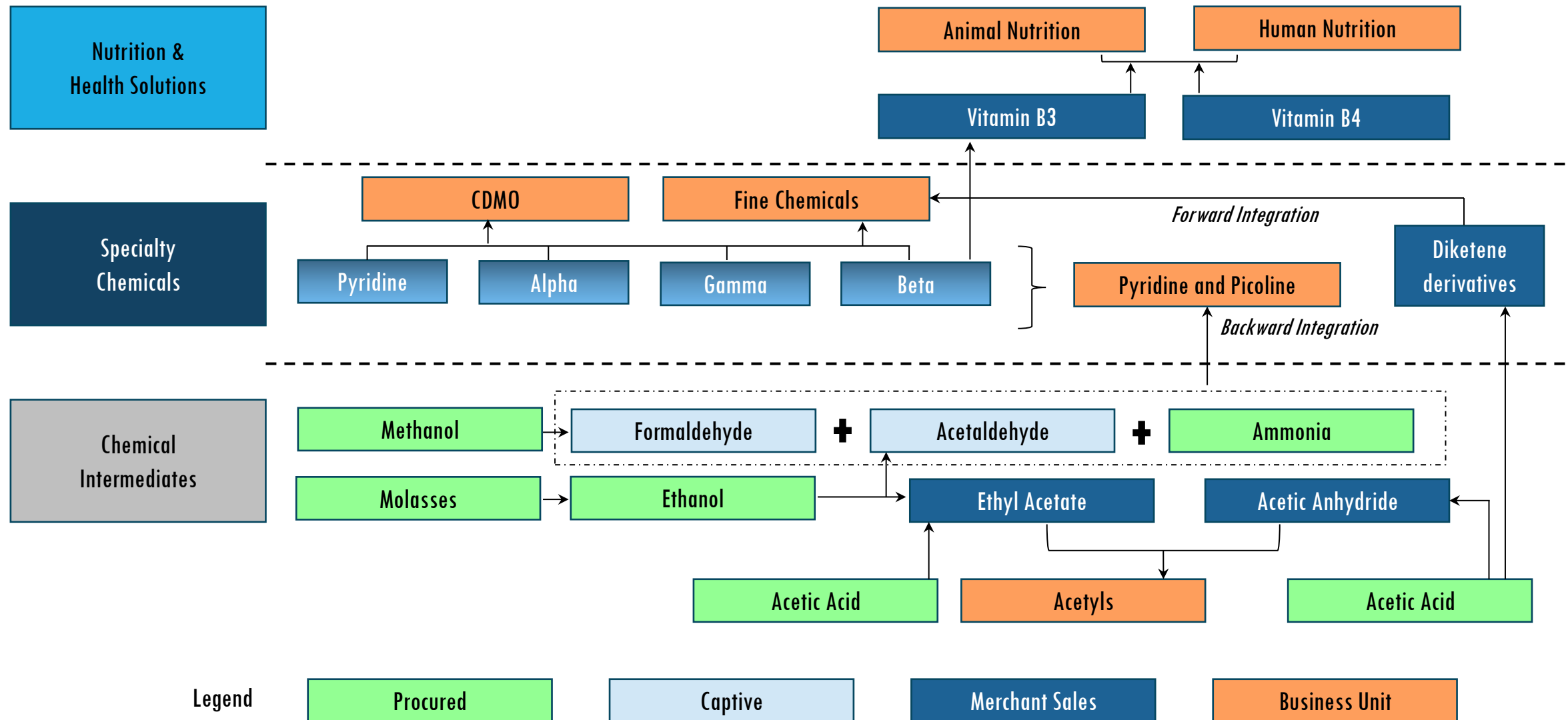


Chemical Intermediates (CI) FY30 aspiration



Source: Company

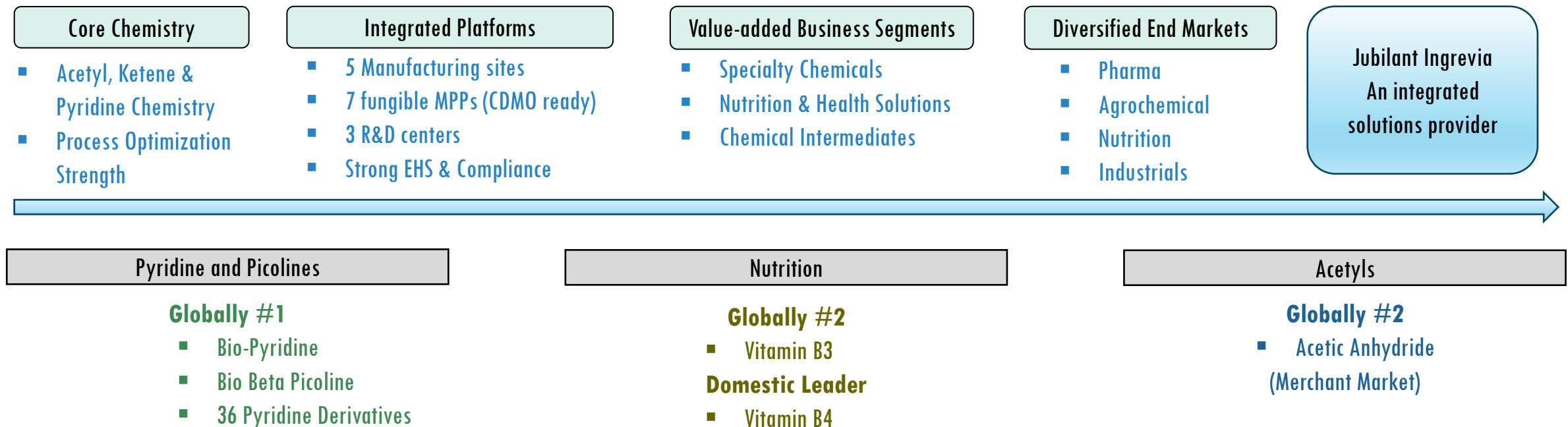
Integrated architecture across Pyridine, Ketene & Acetyl chains



Integrated value chains driving cost & competitive advantage

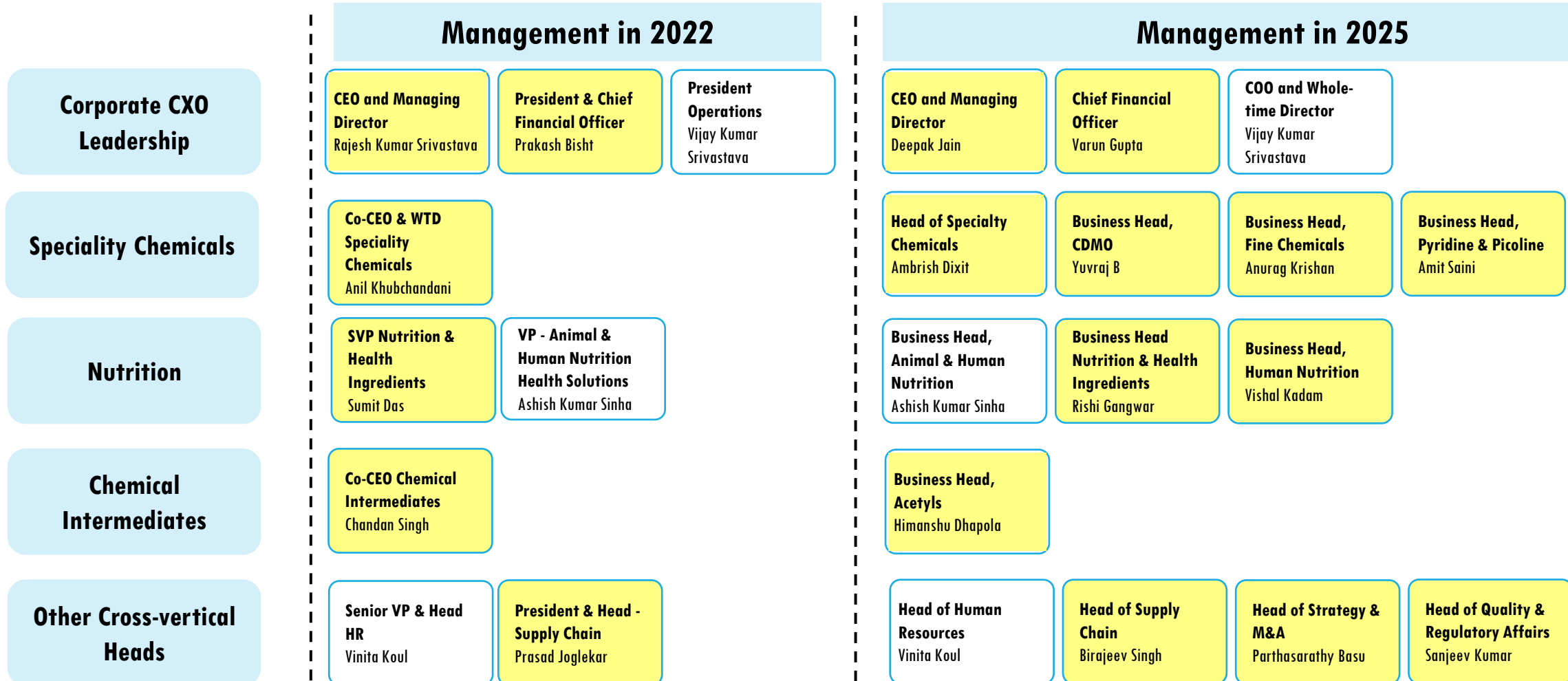
Integrated value chain driving cost leadership and high entry barriers: JUBLINGR's deep vertical integration underpins its cost advantage and market leadership. Significant Pyridine and Chemical Intermediates output is consumed captively for downstream value-added products, while 100% of Beta Picoline for Vitamin B3 is sourced internally - creating structural cost efficiency and strong competitive barriers.

- **Specialty Chemicals (SC).** (a) Leadership in Pyridine, Picolines, and downstream intermediates, aided by full integration; (b) long 3-5-year customer qualification cycles create sticky and high barrier relationships; (c) proven expertise in complex, multi-step chemistries at commercial scale.
- **Nutrition & Health Solutions (NHS).** (a) Differentiated air-oxidation technology for Niacinamide, backed by complete backward integration to Beta Picoline; (b) strong farmer reach and distribution capabilities across animal nutrition and health markets.
- **Chemical Intermediates (CI).** Specialist in handling large, highly reactive ketene volumes that requires on-site consumption, backed by strong controlled-substance capabilities.



Leadership rejig driving a new growth orbit

JUBLINGR has undergone a major leadership reset, refreshing 70-80% of senior leadership with global CDMO and fine-chem experts having customer-centric execution. This transformation, driven by a cultural shift from volume-led chemicals to innovation-driven solutions, expanded the opportunity funnel from near-zero to 100+ high-quality projects in just 2 years.



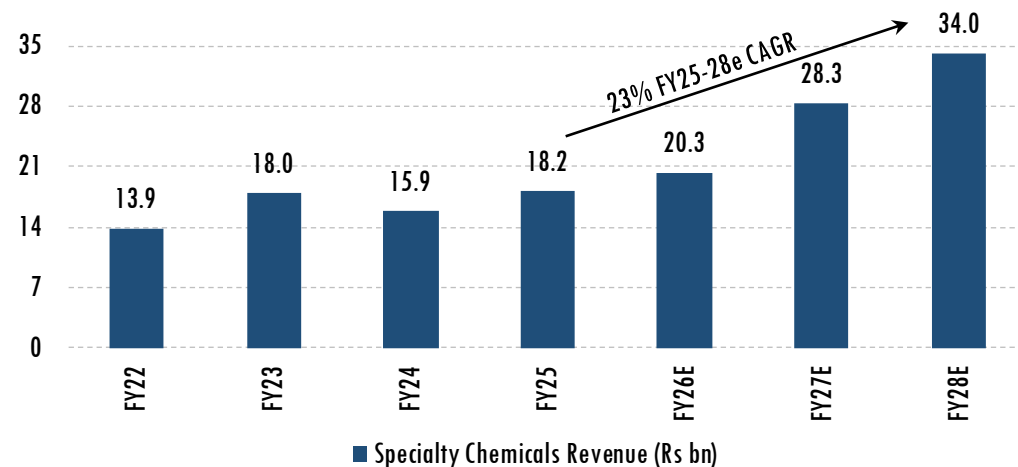


Specialty Chemicals

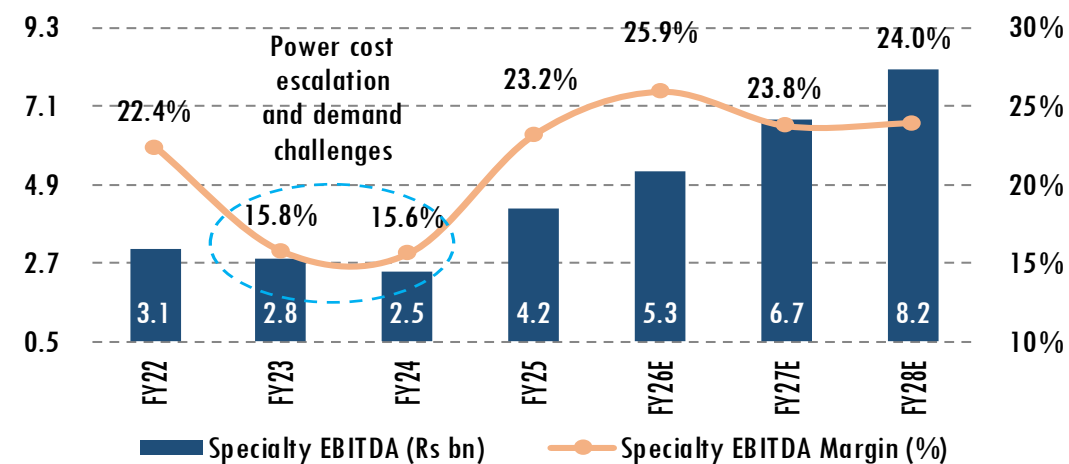
Specialty Chemicals (SC) - Multi-engine growth and mix upgrade

- **Strong core franchise with improving margin.** Specialty Chemicals is now a Rs20bn franchise with ~50% of revenue coming from higher-value Fine Chemicals + CDMO, enabling the segment to generate over Rs5bn EBITDA despite Pyridine prices being ~30% lower vs FY24.
- **Pyridine leadership strengthened by structural cost advantages.** JUBLINGR continues to run its pyridine capacity at ~85% utilization even as global prices remain at multi-year lows coupled with weak utilization, reflecting its market leadership and structural cost competitiveness. Recent cost-optimization initiatives (including reductions in power, steam and effluent-handling costs) impacted positively given it is a high-energy and high-effluent molecule.
- **Fine Chemicals + CDMO is the specialty growth engine.** Fine Chemicals generates >20% EBITDA margins backed by 35+ chemistries and several multipurpose plants (MPPs), enabling fast project onboarding. Leveraging the same capability base, CDMO has emerged as the key growth driver, with strong multi-sector traction (agro, pharma, nutrition, industrials), rapid scale-up capability, and 12 confirmed molecules forming a robust pipeline for FY26-FY28.
- **Improving mix and expanding scale.** We believe the Specialty Chemicals portfolio can increase from ~Rs18bn to Rs34bn over the next three years, supported by cost-led resilience in Pyridine, steady growth in the Diketene and Fine Chemicals platforms, and accelerating CDMO scale-up to ~Rs12bn from 12 confirmed molecules. This mix shift should help sustain ~24% EBITDA margin with improving visibility and lower volatility.

Revenue boost led by CDMO and Fine Chemicals scale up



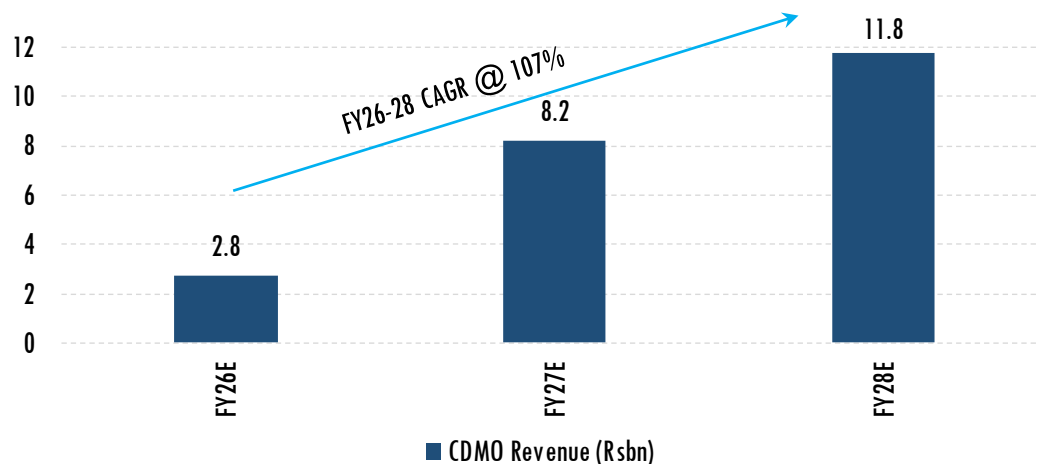
Specialty EBITDA to scale at 25% CAGR; Margins ~24%



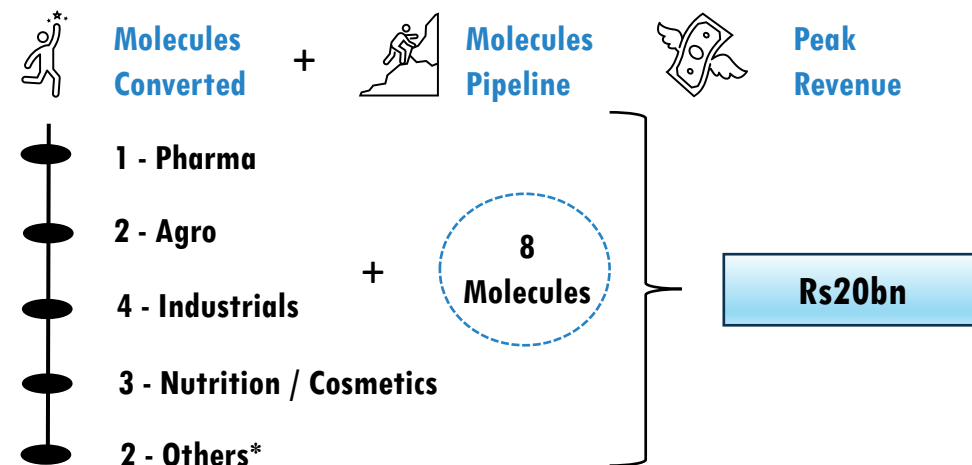
CDMO within Specialty Chemicals - The growth accelerator

- **Strong CDMO positioning through capability depth & asset flexibility.** CDMO positioning is built on a combination of chemistry depth, backward integration and multipurpose plant flexibility, enabling rapid lab-to-commercial scale-up, allowing the company to win two major contracts: (a) large CMO-style agri-generic US\$300mn 5 year take-or-pay contract (~Rs5bn p.a.) and (b) an innovator-led molecule - already commercialized and supplied in Q2FY26 (within 12 months).
- **Robust CDMO pipeline with broad-based customer diversification.** Pipeline strength remains robust, with 100+ molecules - 2 confirmed and 8 nearing conversion representing ~Rs20bn peak revenue from the first 20 alone. Early customer wins are diversified - across agrochemicals (2), industrials (4), nutrition/ cosmetics (3), pharma (1).
- **CDMO emerging as the core strategic pillar.** CDMO has become the key growth driver within Specialty, with customer interest and project conversions rising sharply. Leadership changes and stronger technical engagement, improved global customer perception, position JUBLINGR as a credible long-term partner across verticals - backed by its capability in complex chemistry, non-China supply security and competitive manufacturing economics, and decades long relationships with global innovators.
- **Strengthening CDMO revenue visibility.** CDMO visibility improves sharply from FY27, with revenues rising from ~Rs3 bn in FY26 to ~Rs8.2 bn in FY27 as the large agro contract ramps-up and smaller molecules scale to mid-commercialization. By FY28, CDMO could reach Rs11-12 bn as additional confirmed molecules mature. Growing visibility, backed by strong execution and rising customer trust, positions CDMO as JUBLINGR's most powerful growth engine through FY27-30.

CDMO revenue to scale to Rs12bn by FY28e



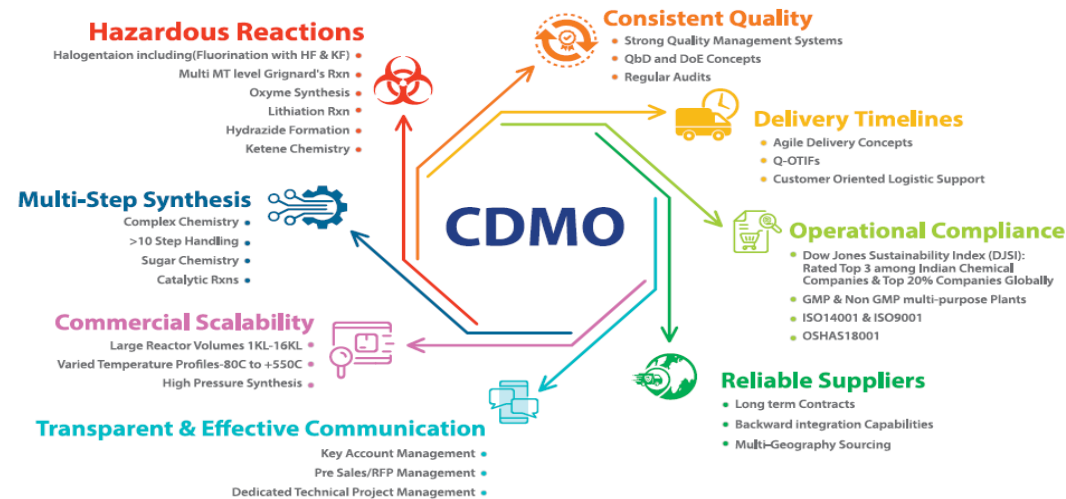
CDMO Molecules Kitty



Scaling a high-value opportunity through integrated CDMO capability

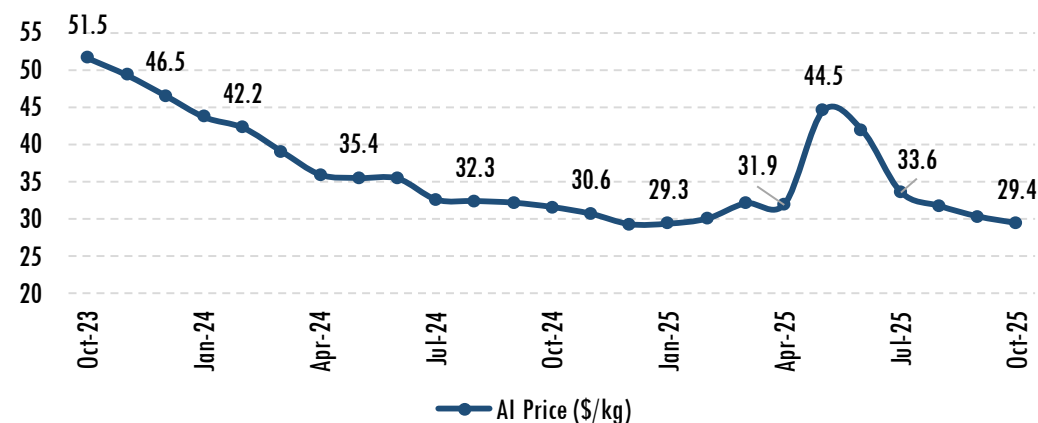
- Large global market supported by strong innovator defensibility.** The contracted molecule addresses a US\$ 1bn global market with ~10-12ktpa demand. Despite composition patent expiry, the innovator protects its leadership through multi-step process patents, intermediate route differentiation, impurity control know-how, and regulatory data exclusivity, retaining significant global share. This drives long duration outsourcing of complex upstream chemistry.
- Core structural block to be supplied.** The CDMO engagement is built around a core molecular block of the AI, that determines potency, quality and regulatory consistency - ensuring non-cyclical, recurring demand. This block sits firmly within JUBLINGR's strengths i.e. deep expertise in Pyridine-based chemistry and complex multi-step intermediates, patented EHS-compliant processes, backward integration and world-scale cost efficiency, which only a handful of global players possess.
- Long-term volume visibility and high-entry barriers.** As post-patent markets expand, innovators outsource more upstream complex chemistry to a small set of qualified suppliers, giving the company 5-10 years of predictable offtake and capacity utilization. Despite a huge nameplate capacity in China for this molecule, effective capacity is <15ktpa due to stringent dossier linked impurity norms, and multi-step yield sensitivity, structurally limiting competition and reinforcing long term partnerships.
- Strengthens margin mix & CDMO franchise.** The project upgrades the company's portfolio toward high-value, high-complexity CDMO work, improving EBITDA quality, enhancing credibility with global innovators. The underlying capabilities (intermediate route design, impurity control, continuous-process upgrades, Pyridine chain integration) unlock adjacent-molecule CDMO opportunities across insecticides, pharma, and other areas.

JUBLINGR's key strengths in CDMO



Source: Company, Anand Rathi Research

Indicative AI price normalization as generics enter



Source: Industry, Anand Rathi Research

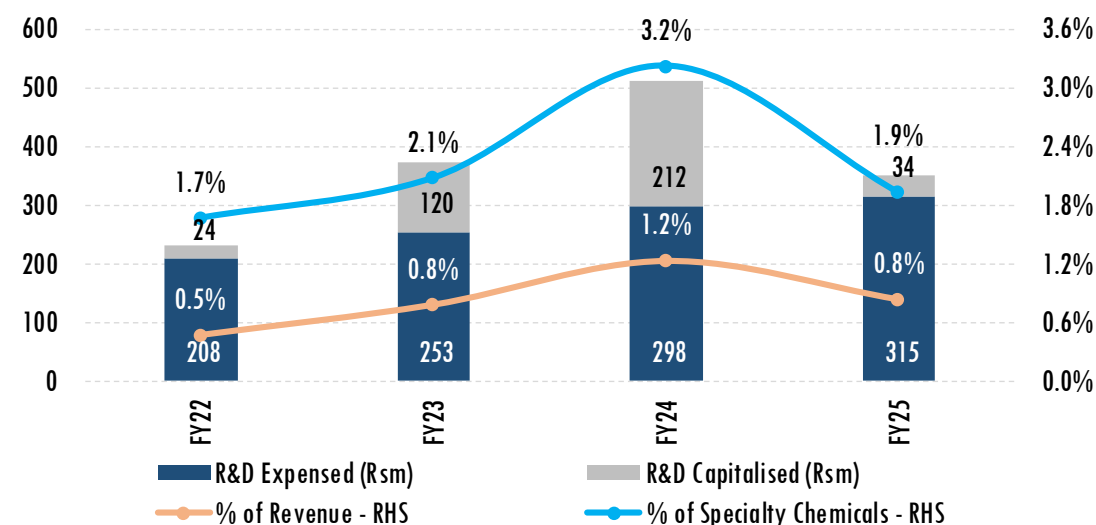
R&D expansion underway

- **R&D scale-up underway but still mid-cycle.** The team has expanded from 100 to ~150 scientists, with continuous hiring to service a pipeline of >50 active R&D products and 100 opportunities. Capability readiness is ~60-70%, with people build-out still in progress.
- **Strategic pivot toward Specialty & Nutrition R&D.** We believe, Acetyls is a mature, low-R&D segment; hence R&D intensity should be benchmarked only to Specialty Chemicals and Nutrition, where spend is ~2% and will rise further as the pipeline deepens.
- **Infrastructure upgrade in progress.** The Greater Noida R&D centre (set up 2 years ago) is being expanded with additional stations, new equipment, and a dedicated semiconductor chemistry lab (new floor). Continuous capex is being deployed to strengthen analytical, scale-up and process development capabilities.
- **Tech-transfer team being strengthened.** A dedicated technology transfer and scale-up team - led by a senior hire from a large chemical company - has been established and is building capability. Focused investments in people and processes position this function to increasingly translate R&D output into reliable commercial execution.

Key technology platforms

1000s MT	100s MT	MTs
Ammonoxidation	Bromination	Bu-Li Reaction
Aromatization	Chichibabin	Chiral Synthesis
Chlorination	EO Reaction	De-alkylation
Fermentation	Esterification	Hoffman Re-arrangement
Ketene Technology	Fluorination	Iodination
Oxidation	Grignard	Methylation
Photo Chlorination	Hydrogenation	N-Formylation
Vapour Phase Reactions	Methylation	
	Quaternisation	
	Sandmeyer	
	Thiol Handling	

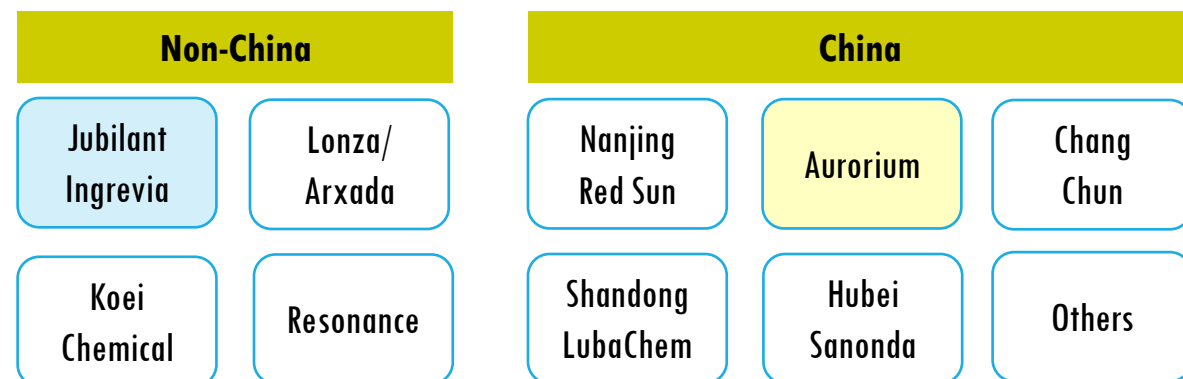
R&D expenses & intensity (% of Revenue) - Total vs. Specialty



Derivatives are the profit engine of the pyridine value chain

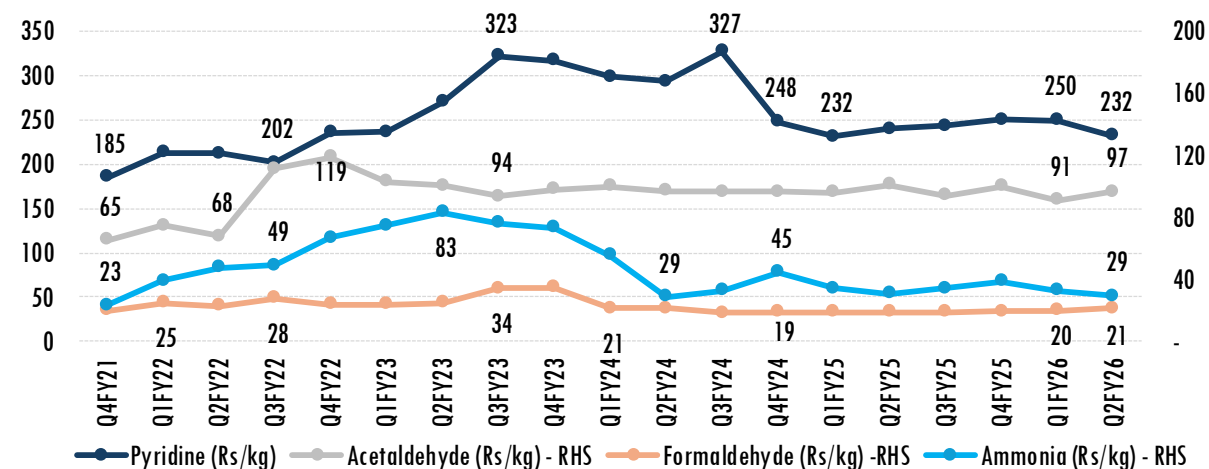
- **Pyridine as a strategic building block.** Pyridine (C_5H_5N) anchors ~150ktpa of global downstream chemistry, with $\beta/\alpha/\gamma$ -picolines feeding large-volume value chains like Vitamin B3 and key agro actives such as paraquat, diquat and chloropyridine derivatives. The market has shifted away from simple solvent use toward multi-step, qualification-intensive fine-chemical applications.
- **Severe global overcapacity keeps pricing depressed.** Installed capacity of ~300-325ktpa vs effective demand of ~150ktpa results in chronic oversupply. China alone accounts for 250-270ktpa, operating at 40-50% utilization, while ex-China (mainly India) operates at 80-85% due to deeper integration. This imbalance caps realizations and makes Pyridine a low-margin feedstock globally.
- **Derivatives drive profit pools and value growth.** While base pyridine realizations remain cyclical, downstream derivatives (β -picoline > niacin; α -picoline > chloropyridines; substituted pyridines > pharma) grow at 6-9% value CAGR, with materially higher spreads. Complexity, multi-step chemistry and qualification requirements create sustainable entry barriers and margin resilience.
- **Integrated players capture disproportionate economics.** Competitiveness hinges on backward integration, derivatives breadth, and ability to arbitrage China's low Pyridine prices. End-to-end Pyridine > Picoline > Vitamin/Agro/Pharma intermediates players capture 2-4x higher value addition vs standalone pyridine producers, structurally outperforming in an oversupplied market.

Key global pyridine manufacturers (merchant + captive)



 Vertellus (US based) was shutdown in 2023 - Later taken over by Pritzker Private Capital and branded as Aurorium which shutdown its US facility in 2023 and operates largely from its Chinese facilities

Pyridine & key inputs price trends



Pyridine and Picoline chemistry enables diverse high-value applications

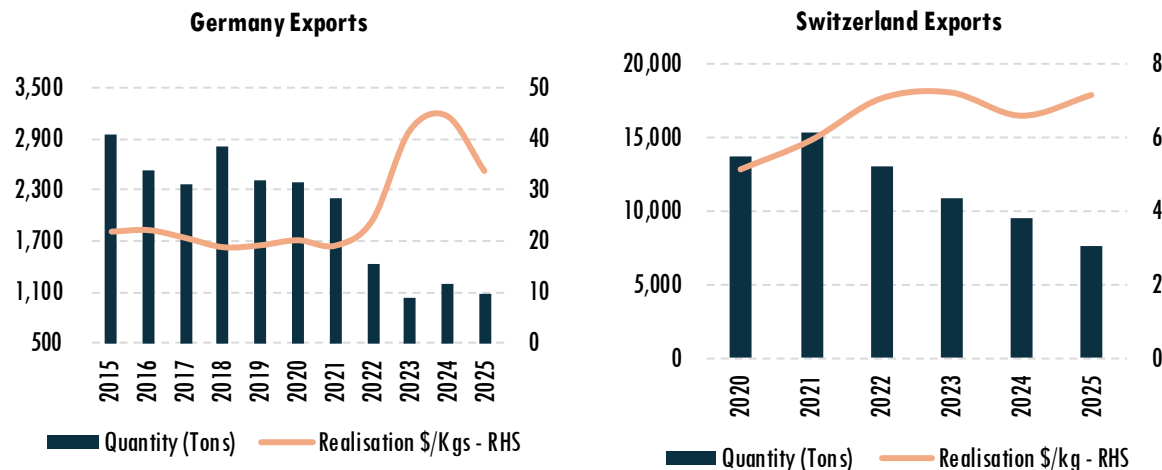
Applications of some of the key products and services

Select Products	Applications	Examples
Lutidines & Collidines	Pharma	Esomeprazole, Lansoprazole and other prazoles (anti-ulcer), Etoricoxib (anti-inflammatory)
Amino Pyridines	Pharma	Dabigatran (anti-coagulant/blood thinner), Pirfenidone (Idiopathic pulmonary fibrosis), Risperidone (anti-psychotic), Rifaximine (IBS - irritable bowel syndrome), Sulfasalazine (anti-arthritis)
Halo Pyridines	Pharma	Abirateron acetate, Venetoclax (anti-cancer), Vonoprazan (anti-ulcer), Palbociclib (anti-breast cancer), Lasmiditan (antimigraine), Edoxaban (anti-coagulant/ blood thinner)
	Agro	Rynaxypyr (insecticide), Picoxystrobin (fungicide), Fluroxypr (hebicide), Nitrapyrin (nitrification inhibitor), Picloram, Clopyralid, Aminopyralid (herbicide)
Picolines	Pharma	Isoniazid (anti-TB), Fexofenadine (anti-histamine), Bromazepam (anti-anxiety)
	Agro	Haloxyfop, Fluazifop (herbicide), Pymetrozine, Flonicamid (insecticide)
	Nutrition	Vitamin B3, Chromium and Zinc Picolinate
	Industrial	2-Vinyl Pyridine Latex
Pyridine	Agro	Triclopyr & Picloram(Herbicide), Chlorpyrifos (Insecticide), other fungicides
Pyrithiones	Consumer	Anti-microbial for paints, personal care

Europe's transition unlocks new Diketene opportunities

- **EU Diketene industry consolidation.** The EU diketene industry has consolidated as high energy costs, strict REACH norms and weak economics pushed producers out of low-value intermediates. Lonza's 2021 divestment (now Arxada) reflected this broader exit from energy-intensive chemistries. Consequently, Europe now focuses on high-purity, specialty diketene derivatives, while commodity grades have shifted to China and India.
- **EU export trends signal shift toward high-margin diketene derivatives.** Post-2022, Germany and Switzerland's diketene exports have declined sharply, while realizations rose materially, signaling a shift to specialty grades, consistent with the EU's move away from manufacturing commoditized diketene products.
- **Consolidation in key end-use markets.** Europe's pigments and coatings ecosystem (anchored by Germany as a major coatings hub), underwent notable transactional and restructuring activity, especially involving BASF, Clariant and Heubach, driven by weak demand, high costs and regulatory pressures.
- **Agro and Pharma applications are the key growth drivers.** Agro and Pharma remain the fastest-growing segments for diketene derivatives, with value-added intermediates expected to grow at ~7% and ~6% CAGR, respectively, over the next five years.

European Diketene export trends signal shift to high-margin specialties



Source: Industry, Anand Rathi Research

Top European Diketene Players

arxada

WACKER

Notable M&As in Europe Paints/Coatings industry in last 5 years

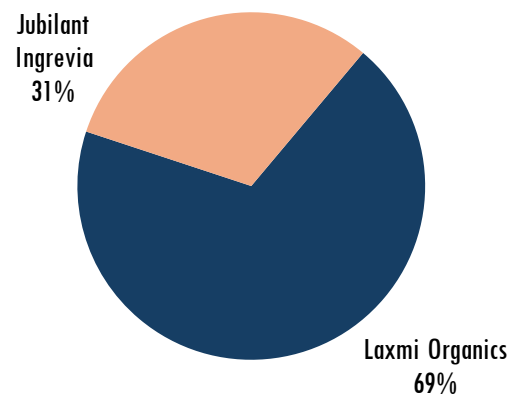
Company (Acquirer)	Company (Seller)	Industry	Year
Sherwin Williams	Sika EU Coatings Business	Coatings	2021
PTT Global	Allnex	Coatings	2021
Heubach & SK Capital	Clariant Pigments	Pigment	2022
DIC/Sun Chemical	BASF (Global Pigment Business)	Pigment	2021
Huntsman Textile Effects	Archroma	Dyes	2023
Sudarshan Chemical	Heubach	Pigment	2025

Source: Industry, Anand Rathi Research

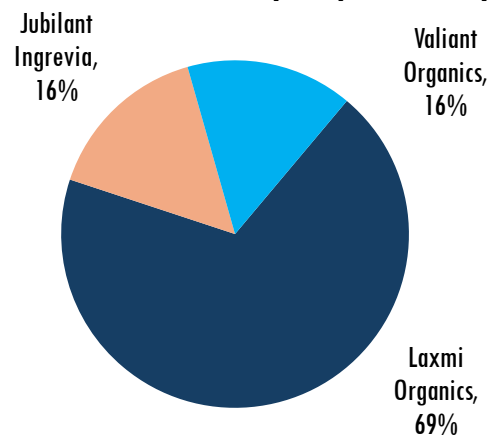
India's Diketene industry at an inflexion point

Indian Diketene Derivatives capacity to double

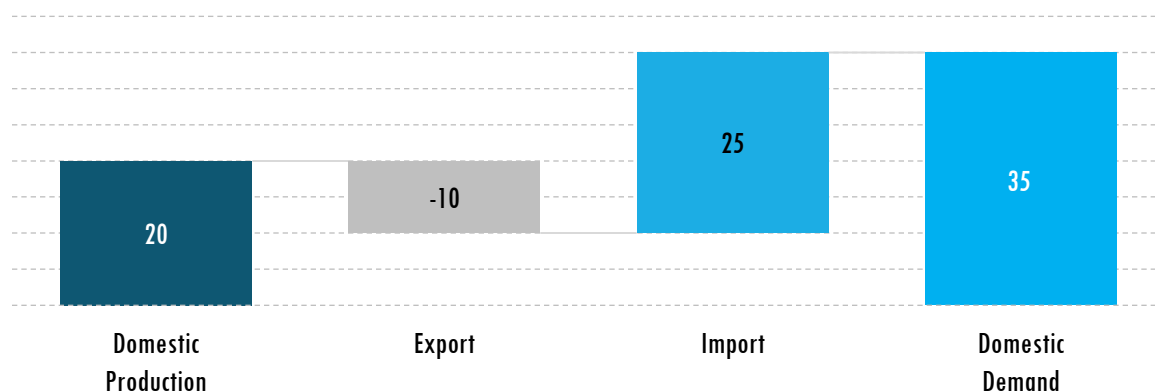
FY25 – Diketene Capacity at ~30ktpa



FY27-28e – Diketene Capacity at ~60ktpa



FY25 - Domestic demand landscape (ktpa)



- **Laxmi Organics' pre-2022 dominance.** Laxmi Organics remained the sole large scale producer of Diketene Derivatives in India until 2022, holding over 55% market share, with the balance being met through imports from China (~85%), Germany (~4%), Switzerland (~3%) and others.
- **JUBLINGR's strategic entry expands domestic supply.** In 2022, JUBLINGR entered the Diketene value chain through forward integration, commissioning a 7ktpa facility in FY23 and adding ~2ktpa of value-added derivatives in FY25, targeting import substitution and exports.
- **Heubach-Sudarshan integration may increase sourcing from India.** Sudarshan Chemical's acquisition of Heubach is expected to realign global supply chains toward India, as pigment production is consolidated into lower-cost domestic sites - potentially supporting higher local sourcing of diketene derivatives
- **China and Europe supply risks create opportunities for India.** Export opportunities for India have opened given (a) China's dominant share (>60%) in low-value derivatives, along with periodic regulatory and energy disruptions, (b) Europe's high-cost, regulation-heavy environment eroding its edge in commodity grades.
- **India capacity poised to double.** India's diketene derivatives capacity is projected to rise from ~30ktpa in FY25 to ~60ktpa by FY28, driven by Laxmi Organics expansion at Dahej (doubling by FY27), JUBLINGR's 9ktpa, and Valiant Organics' planned ~9ktpa (with EC approvals for 15+ derivatives).

Jubilant's strategic build-out in Diketene Derivatives

- **Forward integrated into diketene derivatives.** Leveraging its ketene chemistry foundation (long established in Acetic Anhydride), JUBLINGR forward-integrated into Diketene derivatives in 2022 to address import substitution demand and export opportunities.
- **2-Phased capex executed.** It commissioned a 7ktpa Phase-I diketene derivatives unit in FY23 (now operating at >70% utilization) and added a 2ktpa value-added Phase-II in FY25 (ramp-up underway). Debottlenecking / additional phases are likely as it targets becoming the world's third-largest player.
- **Commercialized 5+ products over the last 2 years.** Current commercialized products primarily serve domestic demand, while Phase-II ramp-up is expected to scale high-value derivatives aimed at export markets. Low-value products such as MAA/EAA sustain ~40-50% gross spreads, implying even stronger margins for further value-added derivatives that build on these base intermediates.
- **CDMO opportunities.** Within its CDMO pipeline, JUBLINGR is developing Diketene-based intermediates for campaign-based/industrial opportunities. Ethyl-2-chloroacetoacetate (2-Cl-EAA), its newly commercialized campaign product, also has applications in pharmaceutical synthesis.

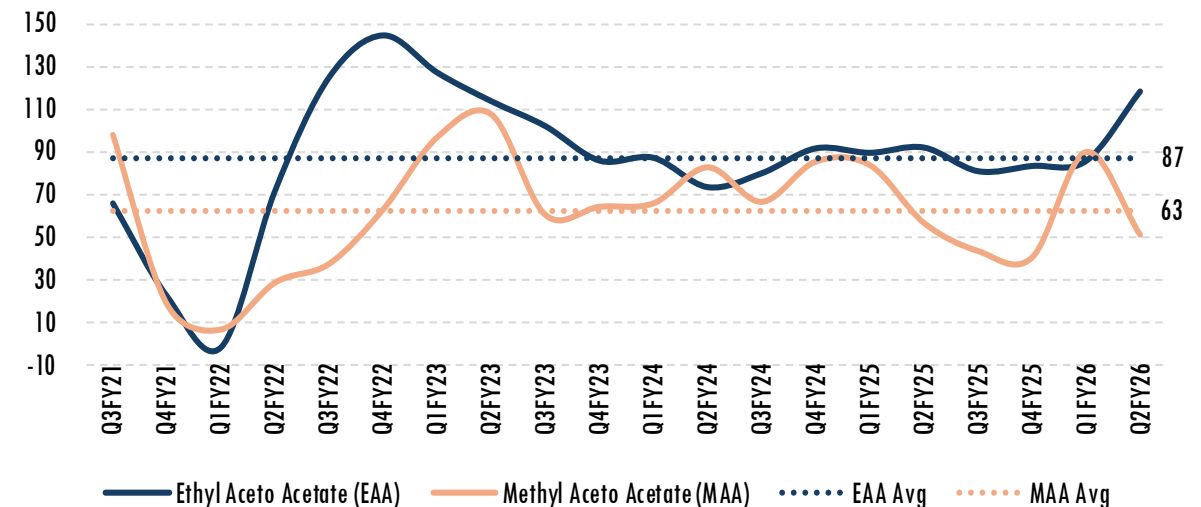
Fully Integrated Ketene Capabilities



JUBLINGR's product basket

Product	Avg. Rs/kg	Usage
Ethyl Aceto Acetate (EAA)	180	Pharma, Paints/Coatings, F&F
Methyl Aceto Acetate (MAA)	130	Pharma, Agro, Nutrition, Dyes
2-Acetoacetoxy Ethyl Methacrylate Ester	350	Polymer coatings, Pharma
DimethylAcrylic Acid Methylester (DAME)	650	Personal Care
Others	~300-500	Pharma, Agro

EAA and MAA spreads (Rs/kg) – Cyclical volatility with mean reversion



Agrochemical patent expiries unlock a large generic opportunity pipeline

A broad set of high-value herbicides, fungicides and insecticides will see patent cliffs through 2024-30, opening sizeable generic entry opportunities. Several of these actives contain Pyridine rings, supporting long-duration demand for Pyridine and downstream intermediates.

Molecule	Category	Inventor	2024/25 Size (\$m)	Patent Expiry (Indicative)	Contains Pyridine
Aminopyralid	Herbicide	Corteva Agriscience	425	2021	Yes
Cyflumetofen	Insecticide	Otsuka Chemical	500	2021	No
Pyrasulfotole	Herbicide	Bayer CropScience	NA	2021-22	No
Fluxapyroxad	Fungicide	BASF SE	1,500	2022	No
Fenpyrazaminea	NA	Sumitomo Chemical	150	2022	Yes
Bixafen	Fungicide	Bayer Crop Science	1,200	2023	No
Isopyrazam	Fungicide	Syngenta Ag	136	2023	No
Mandipropamid	Fungicide	Syngenta Ag	NA	2023	No
Indaziflam	Herbicide	Bayer CropScience	385	2024	No
Pyroxulam	Herbicide	Corteva Agriscience	377	2024	Yes
Saflufenacil	Herbicide	BASF SE	NA	2024	No
Thiencarbazone-methyl	Herbicide	Bayer Crop Science	NA	2024	No
Fluopicolide	Fungicide	Bayer Crop Science	NA	2024	Yes
Fluopyram	Fungicide	Bayer Crop Science	NA	2024	Yes
Isofetamid	Fungicide	Ishihara	NA	2024	No
Penflufen	Fungicide	Bayer Crop Science	NA	2024	No
Pyriofenone	Fungicide	Ishihara	NA	2024	No
Sedaxane	Fungicide	Syngenta AG	NA	2024	No
Chlorantraniliprole	Insecticide	Corteva/FMC	1,960	2024	Yes
Spinetoram	Insecticide	Corteva Agriscience	643	2024	No
Flubendiamide	NA	Bayer Crop Science	1,200	2024	No
Penthiopyrad	NA	Corteva Agriscience	NA	2024	No

Molecule	Category	Inventor	2024/25 Size (\$m)	Patent Expiry (Indicative)	Contains Pyridine
Valifenalate	NA	Ishihara	NA	2024	No
Pyroxasulfone	Herbicide	Kumiai Chemical	470	2025	No
Methiozolin	Herbicide	Moghu Research	NA	2026	No
Cyantraniliprole	Insecticide	Corteva/FMC/Syngenta	NA	2026	Yes
Pinoxaden	NA	Syngenta AG	895	2026	No
Oxathiapiprolin	Fungicide	Corteva Agriscience	343	2027	Piperidine
Flupyradifurone	Insecticide	Bayer CropScience	846	2027	Yes
Sulfoxaflor	Insecticide	Corteva Agriscience	NA	2027	Yes
Bicyclopyrone	Herbicide	Syngenta AG	NA	2028	Yes
Benzovindiflupyr	Fungicide	Syngenta AG	NA	2028	No
Florpyrauxifen-benzyl	Herbicide	Corteva Agriscience	312	2029	Yes
Ametoctradin	Fungicide	BASF SE	1,230	2031	No
Halauxifen-methyl	Herbicide	Corteva Agriscience	NA	2034*	Yes
Aminocyclopyrachlor	Herbicide	Bayer Crop Science	342	NA	No
Amisulbrom	Fungicide	Sumitomo Chemical	362	NA	No
Flutianil	Fungicide	OAT Agrio	NA	NA	No
Mandestrobin	Fungicide	Sumitomo Chemical	425	NA	No
Picarbutrazox	Fungicide	Nippon Soda (Nisso)	312	NA	Yes
Afidopyropen	Insecticide	BASF SE	NA	NA	Yes
Pyrifluquinazon	Insecticide	Nihon Nohyaku	365	NA	Yes
Fluensulfone	Nematicide	Adama	412	NA	No
Tioxazafen	Nematicide	Bayer Crop Science	325	NA	No



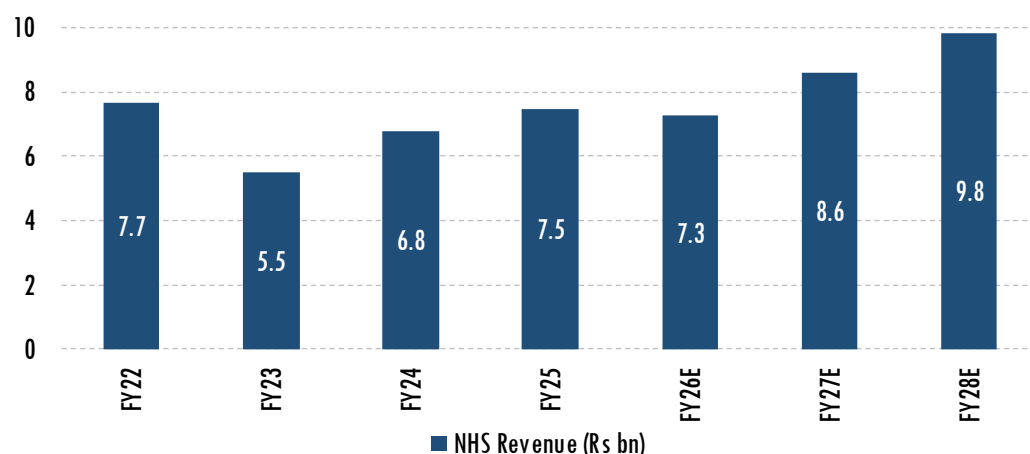
Nutrition & Health Solutions

Nutrition & Health Solutions (NHS) - Premiumization lifts earnings profile

JUBLINGR is shifting from commodity vitamins to a specialty-led portfolio with stronger global qualifications. A higher mix of human-nutrition ingredients and premixes supports stable 15-16% margin while reducing feed-grade B3 dependence. Expanding approvals across cosmetics, food-grade and EU markets provide a multi-year runway. We model ~10% revenue CAGR and ~13% EBITDA CAGR over FY25-28e, with growth accelerating through FY27 as capacity ramps up.

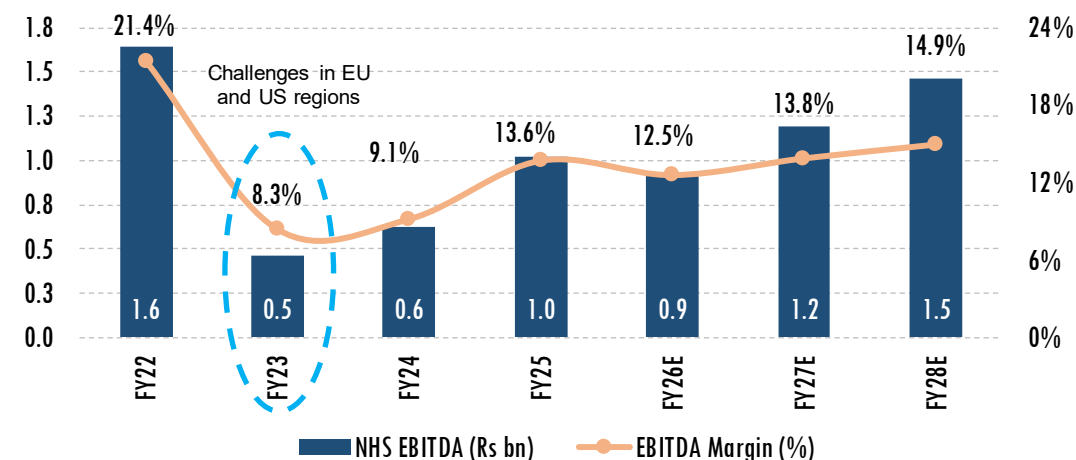
- **Human-grade Vitamin B3 ramp-up to be the primary earnings driver.** The new Human-grade Vitamin B3 plant (Jan'25) is scaling from ~20% capacity utilization in FY26 to 65%+ by FY28 as large customers qualify. This unlocks Rs2bn high-margin revenue (~20% EBITDA margin), lifting segment profitability.
- **Vitamin B3 demand surge from cosmetics, fortified foods & supplements.** Niacinamide (Vitamin B3) usage in skincare and global fortification programs is driving 6 - 8% industry demand growth. Stricter Chinese environmental norms constrain supply, enabling premium pricing for compliant Indian producers.
- **EU Anti-Dumping-Duty on China creating a structural export opportunity in Choline Chloride.** EU ADD has effectively displaced Chinese Choline Chloride (Vitamin B4- ~22kt volume in CY24). Indian suppliers like JUBLINGR stand to gain 8-10ktpa of predictable export volumes.
- **Premiumization eases cyclicalty.** Specialty premixes are growing 30%+ on fortification demand; EU-qualified human-grade choline chloride/bitartrate delivers 20%+ margins.

NHS Revenue growth led by Vitamin B3 & B4 Scale-Up



Source: Company, Anand Rathi Research

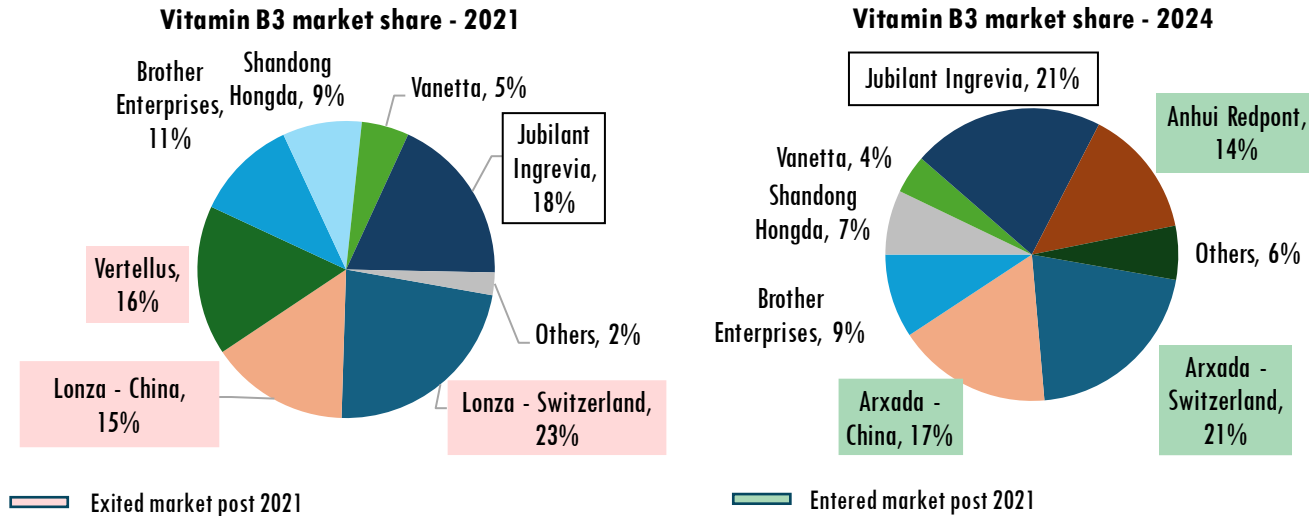
EBITDA strengthening as high-margin nutrition mix improves



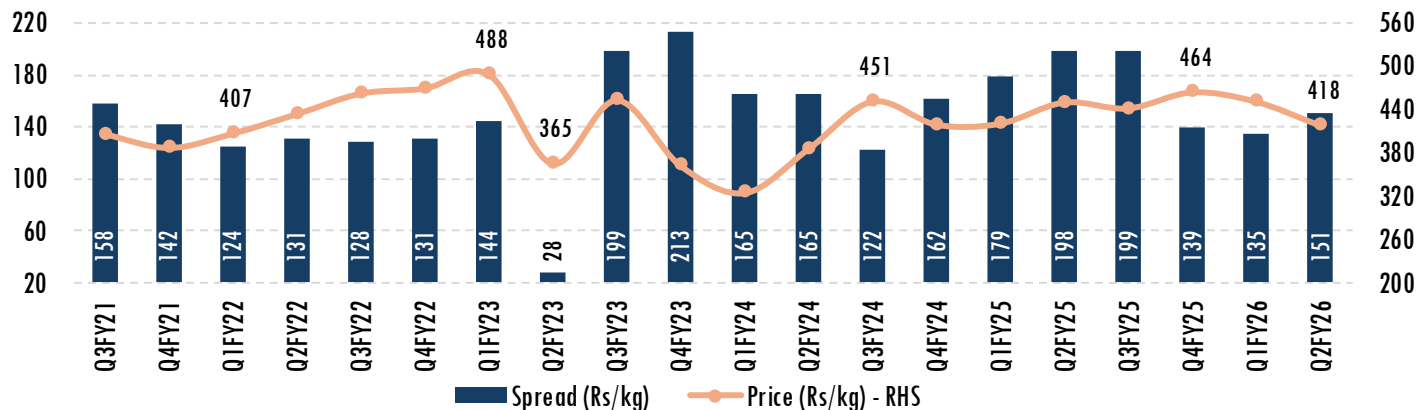
Source: Company, Anand Rathi Research

Vitamin B3 scale-up anchors segment profitability

Major Industry Reshuffle (2021-24): Lonza to Arxada in 2021, Vertellus Exit in 2023, Anhui Redpoint gains share



Niacinamide spread volatility to reduce with improving mix



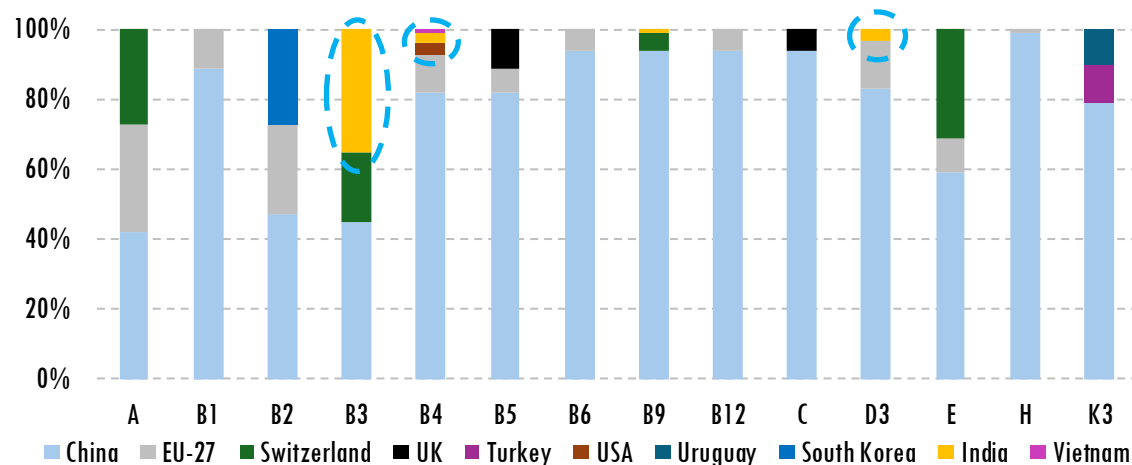
- Vitamin B3 Market.** Global Vitamin B3 market clocked 2.6% CAGR to ~70ktpa (2021-24), with animal feed (improved nutrient absorption and feed efficiency) driving the mix. Growth is gradually broadening into higher-value segments such as Human nutrition (premises/ supplements/ fortification/ energy drinks), personal care (skin/hair), technical uses (metal plating), and agrochemicals (insecticides).
- Global leadership in B3 backed by deep integration.** JUBLINGR is the world's 2nd largest Vitamin B3 producer after Arxada, with ~21ktpa of installed capacity across feed, pharma, and human-grade applications. Full backward integration into Pyridine and in-house β -picoline production positions it among the lowest-cost manufacturers globally.
- Rising skin care usage.** Niacinamide (B3) is a fast-growing skincare active used by brands like CeraVe, The Ordinary and Olay. The market is ~US\$590m in 2024 growing at 6.2% CAGR, with 42% of demand from <5% concentration products, reflecting high-value, low-volume usage.
- Scaling high margin B3.** JUBLINGR's new 5ktpa Human & Cosmetic grade B3 plant (Jan'25) taps this segment, earning a US\$2-3/kg premium over feed grade. Utilization is set to scale from ~20% in FY26 to 70%+ by FY28, unlocking >Rs2bn high-margin revenue (~20% EBITDA margin).

Human & Animal Nutrition: Expanding vitamin opportunities

Vitamins serve three end-markets - animal feed, human nutrition, and cosmetics. Feed supplements are a ~US\$3.5bn market in 2025, with vitamins at ~US\$1.9bn, growing at ~4% pa. In human nutrition, vitamins represent ~US\$57bn of the US\$280bn nutraceuticals market, growing to ~US\$133bn by 2035 (8.8% CAGR). Vitamin-based cosmetic actives sit within the fast-growing cosmeceuticals, projected to reach ~US\$138bn by 2032 (9.3% CAGR).

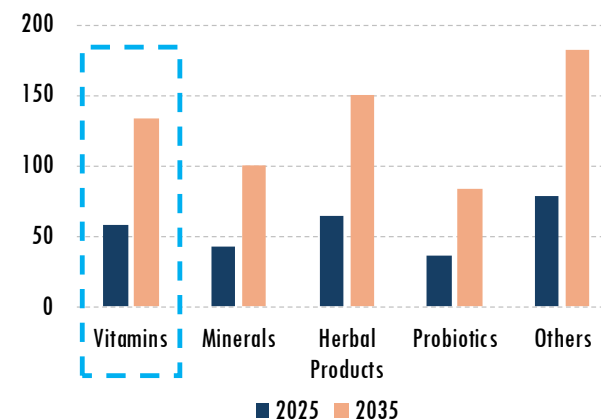
- **India's share prominent in Vitamin B3.** China dominates most vitamins, but India has a strong foothold in B3 with ~35% share, versus just ~3% in B4 and ~1% in D3.
- **Preference for human grade over feed.** Global players like DSM-Firmenich and Evonik are scaling back volatile feed-grade vitamins, reinforcing the shift towards higher-value human-grade products.

China dominates most vitamins globally; India has a strong foothold in B3

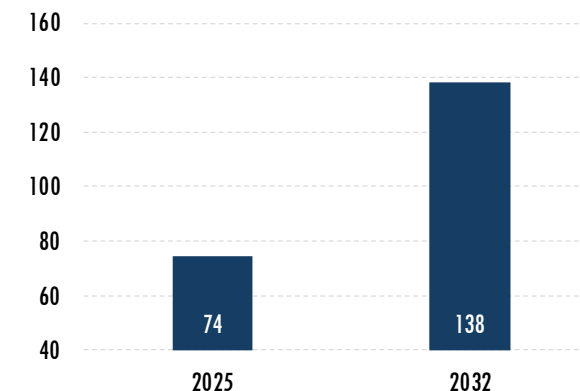


Source: Industry, Anand Rathi Research

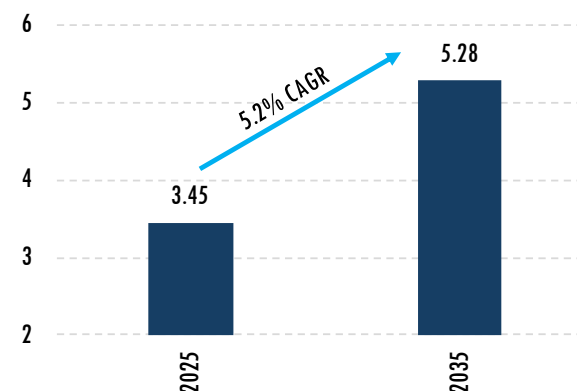
Global Nutraceutical Market at \$280bn



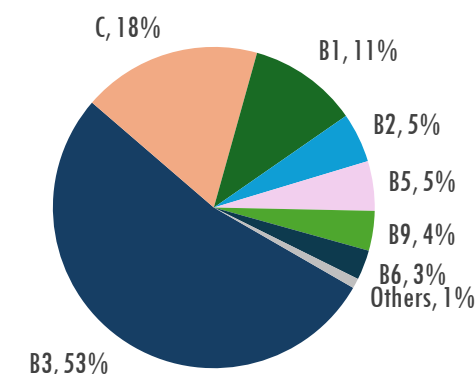
Global Cosmeceutical Market at \$74bn



Global Feed Supplement Market at \$3.5bn



Vitamin Feed Supplements Mix

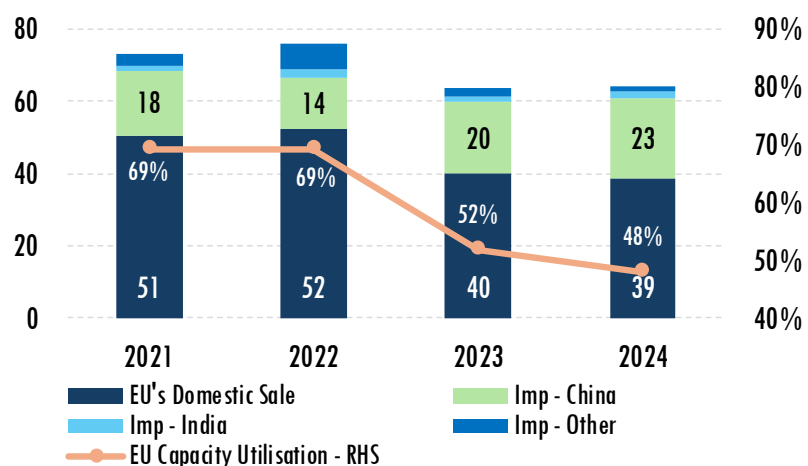


Source: Industry, Anand Rathi Research

Choline Chloride - Structural EU opportunity post ADD on China

- **The EU's proposed ADD on Chinese B4.** EU B4 producers (Balchem Italia, Taminico BV and Algry Quimica) saw a 31% production drop (utilization down from ~70% to ~45%) between 2021-24 due to high production costs and Chinese dumping, which eroded margins (to negative 11-13%). The EU Commission now proposes anti-dumping duties of ~95% - 121% on Chinese imports supplying 35% of EU demand at cut-throat prices.
- **Upside for JUBLINGR.** ADD imposition opens a meaningful opportunity for JUBLINGR to supply 8-10ktpa to the EU at current prices (~Rs90—95/kg). As EU producers raise prices to restore profitability, JUBLINGR stands to benefit from additional realization upside.
- **China dominates B4/Choline Chloride.** Vitamin B4, a ~US\$632m global market in 2025, is projected to grow at ~7.6% CAGR over 2035. China controls >80% of global supply, with Europe (~11%) and India (~3%). Animal-grade B4 represents >40% of total demand.
- **B4 volume ramp-up and mix improvement to drive margins higher.** JUBLINGR is scaling human-grade choline chloride and choline bitartrate (commands ~10x higher realizations than feed grade). 8-10ktpa EU export opportunity and potential price resets post-ADD, coupled with premiumization, could lift B4 margins to ~12-13% (from current ~8-9%).

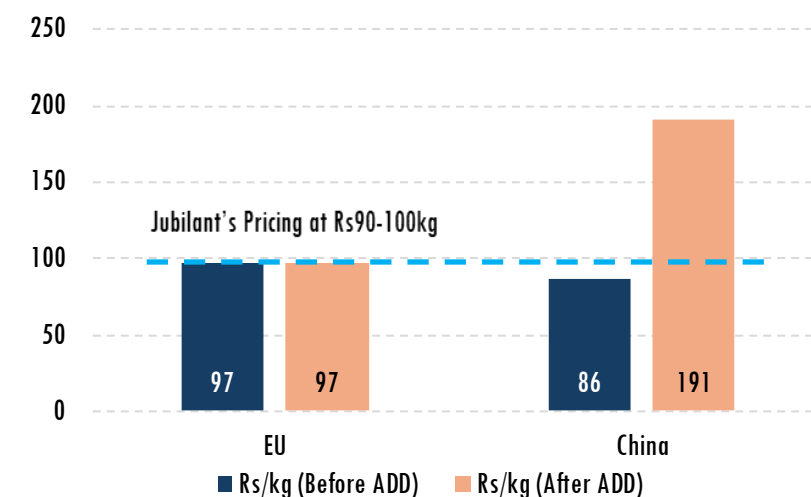
EU's Choline Chloride Market (ktpa)



EU's proposed anti-dumping duties on Chinese players

Dumping Companies	Provisional ADD%
Shandong Aocter Feed Additives	120.8
Shandong FY Feed Technology	95.4
Shandong Yinfeng Biological Technology	95.4
Other cooperating companies	99.8
All other imports originating in China	120.8

Price differential: Before and After ADD



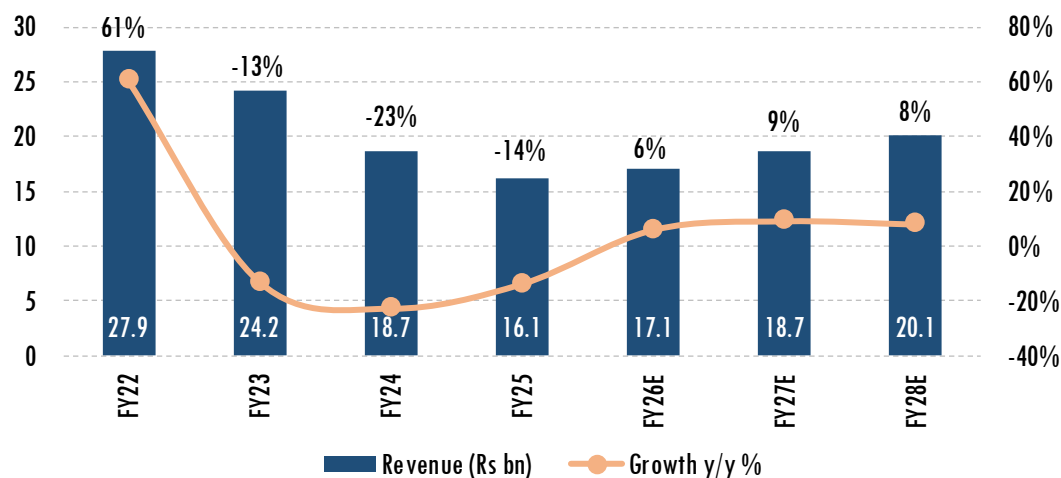


Chemical Intermediates

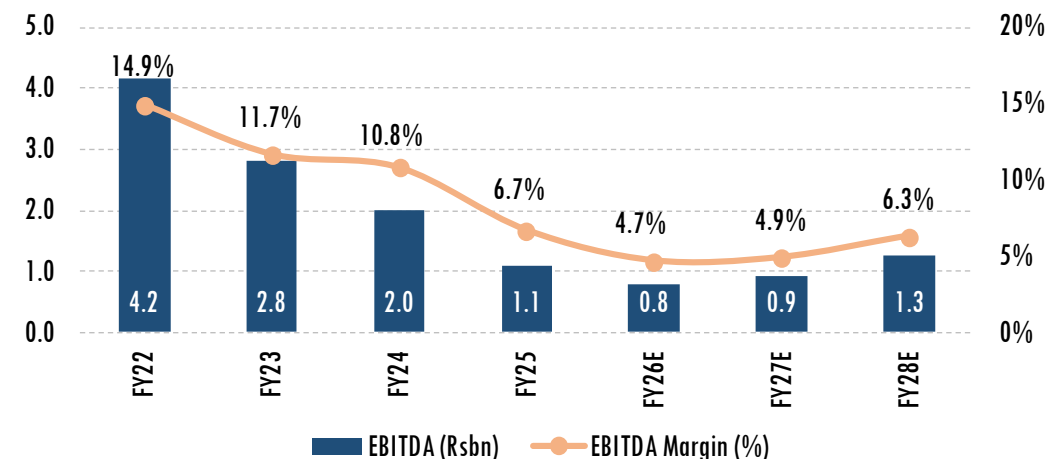
Chemical Intermediates - Acetyls platform provides stability and optionality

- **Strategically relevant as feedstock platform.** Chemical Intermediates (CI) contributes ~40% of JUBLINGR's revenues and houses the Acetyls value chain i.e key input Acetic acid and key outputs (a) acetic anhydride, (b) ethyl acetate etc. - supplying pharma, agro, food & nutrition, inks/packaging, coatings, adhesives, dyes and solvents, with ~1/3rd of CI volumes consumed in-house by Specialty Chemicals.
- **Structurally oversupplied global acetyl chain keeps margins anchored.** Global acetic acid capacity additions in China/US have pushed utilization toward ~70%, capping pricing power and keeping CI EBITDA near the 5-6% normalized band vs the peak levels (14-15%) in FY22.
- **Near-term tightness offers tactical spread improvement but not a cycle turn.** Current outages/turnarounds (~6mntpa) and selective shutdowns have lifted acetic acid and acetic anhydride prices off the bottom, but the medium-term remains heavy given ~5.6mntpa new capacity planned through 2028.
- **Anhydride & ETAC scale add resilience, but margins remain globally driven.** JUBLINGR's scale position in anhydride and steady ETAC demand (inks, coatings, packaging) soften volatility, yet spreads are ultimately tied to global Acetic Acid economics and cannot drive structural margin expansion.
- **CI remains a steady cash-platform feeding Specialty/CDMO; not a growth engine.** With capex largely completed and mix shifting toward high-value segments, CI's role is to provide stable volumes and feedstock integration, offering cyclical optionality; growth and margin delta will increasingly come from Specialty and CDMO.

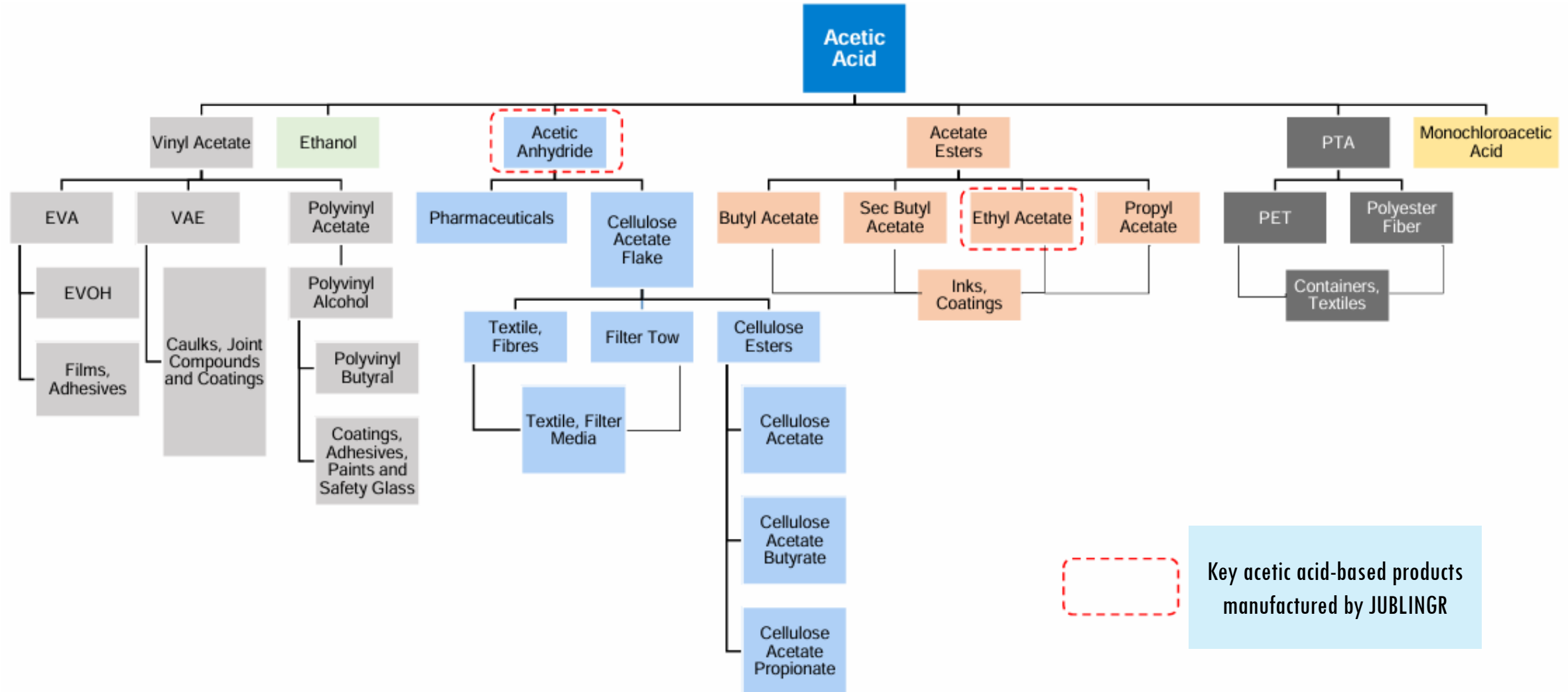
CI Revenues reset from cycle highs; steady state trajectory emerged



Acetic acid pricing pressure weighing on CI EBITDA margins



Acetic Acid - Major organic chemical and key input for Jubilant Ingrevia

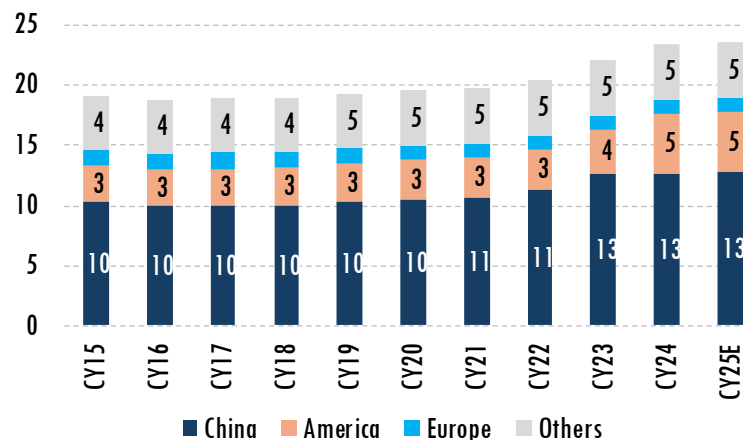


Acetic Acid - Crucial feedstock in a technology-driven market

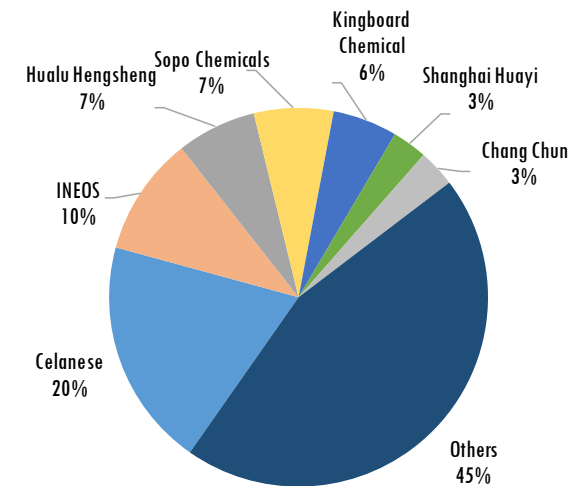
Acetic acid (Ethanoic acid) is a core CI building block, feeding acetic anhydride, VAM, and multiple solvent and ester value chains, while also serving as a key solvent in PTA manufacturing.

- **Technology controlled, carbonylation-led supply.** Methanol carbonylation dominates ~85% of global acetic acid capacity due to its cost and yield advantage (vs older routes viz Acetaldehyde Oxidation), and ~63% of global supply runs on proprietary technology, making new projects dependent on licensors. India lacks indigenous technology, with GNFC's 150ktpa plant operating on INEOS' carbonylation process.
- **Global over capacity keeps prices suppressed.** Global Acetic Acid prices remain subdued as China and the US added ~3.1mntpa new capacity over the past three years, outpacing demand growth. With industry operating rates having retreated towards ~70%, there is persistent oversupply, keeping realizations under pressure.
- **Stable demand driven by diverse end uses.** Global Acetic Acid demand is estimated ~17mntpa, supported by diversified end uses across plastics, rubber, inks, pharma, automotive and textiles. Consumption is expected to grow at a steady ~3% CAGR over the next five years, reflecting its essential role across industrial value chains.

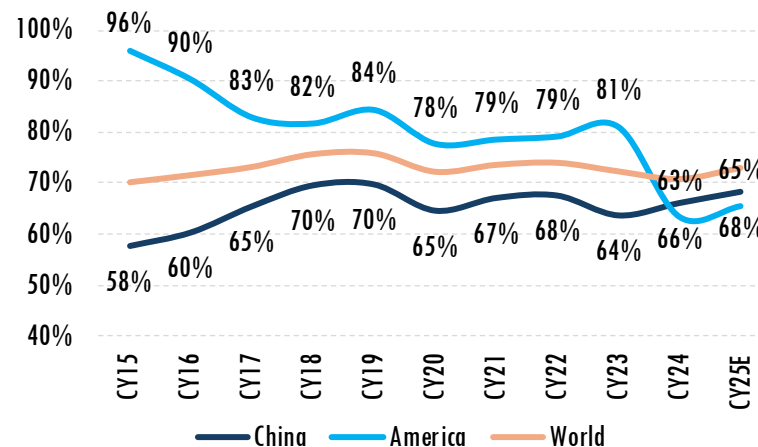
Global Capacity at >23mntpa



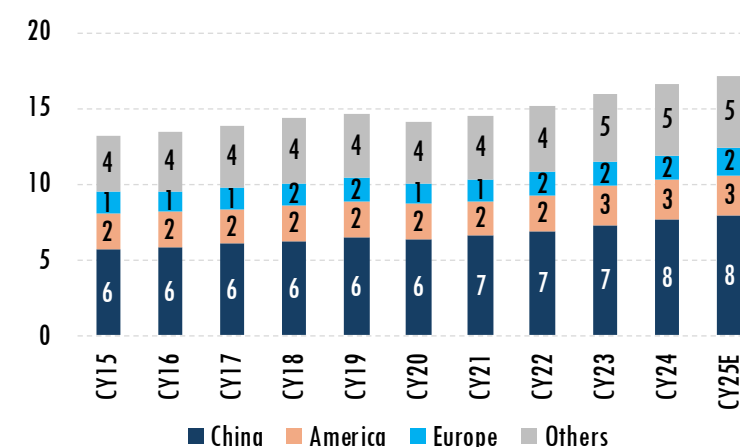
Key global players & capacity



Global operating rates remain soft



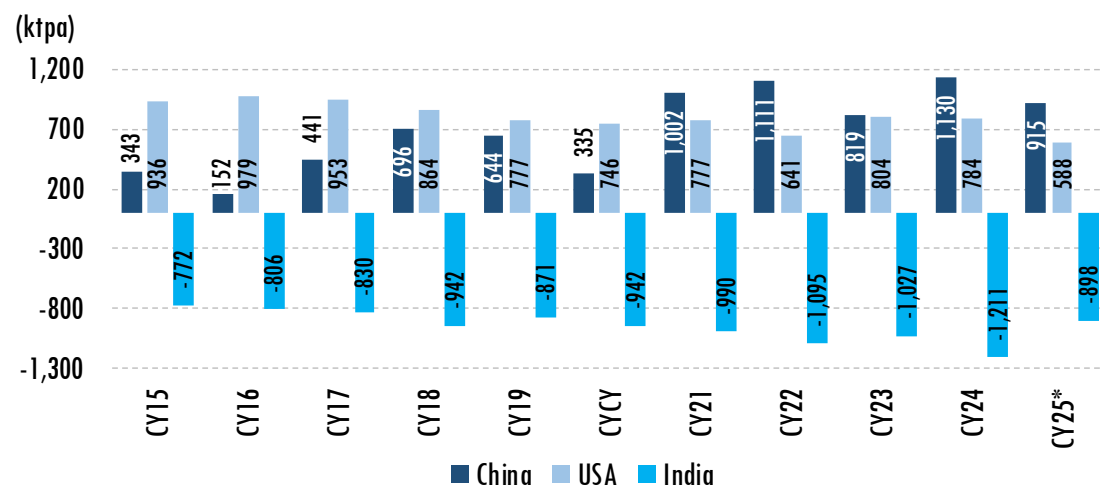
Global Demand at ~17mntpa



Acetic Acid sees near-term tightness despite structural oversupply

- **Supply outages tighten the market lately.** Acetic acid plants undergo major maintenance roughly every three years, with outages of about six weeks. Lately, there have been major supply outages, ~6 mntpa of turnarounds, force majeures, and a 700 ktpa China shutdown - tightening the market and lifting prices ~10% m/m.
- **Medium-term outlook remains supply-heavy.** Despite near-term tightness, ~5.6 mntpa of new capacity slated for 2025-28 (>90% in China), keeps the outlook supply-heavy, likely capping prices and margins unless major shutdowns intervene.
- **India - largest net importer for Acetic Acid.** With just 150ktpa of capacity, India is the world's largest acetic acid importer, making domestic prices and margins for JUBLINGR and Laxmi Organics highly dependent on global supply-demand.

Acetic Acid Net Trade (in ktpa) - India is the largest net importer



Acetic Acid - Capacity closures and turnarounds in 2025

Company	Region	Capacity (ktpa)	Duration	Type	Restarted
Shanghai Huayi (Wujing)	China	700	Sep-25 - Closed	Permanent	NA
Lyondell Basell	US	544	Sep-Nov-25	Turnaround	Yes
Shandong Hualu Hengsheng	China	1,600	Aug-25 (20 days)	Maintenance	Yes
Kingboard Chemical - Hebei Jiangto	China	1300	May 25, Sep-25	Maintenance	Yes
Celanese Nanjing	China	1,200	May-25	Force Majeure	Yes
Chang Chun Petrochemical	China	750	Apr-25	Turnaround	NA
Total Closure/Turnarounds		6,094			

Acetic Acid - Capacity additions from 2023 to 2028

Company	Region	Capacity additions (ktpa)	Timeline
Huala Hengsheng	China	1,000	Oct-23
Celanese Clear Lake, Texas	US	1,300	Mar-24
Kingboard Chemical - Hebei Jiangto	China	800	Q1-2025
Commissioned in 2023-25		3,100	
Handsome Chemical	China	600	2025
Bushehr Petrochemical	Iran	300	2025
Guangdong Shengyuanda	China	1,500	2026
Xinjiang Zhonghe Hezhong New Materials	China	1,000	2026
Zhejiang Petrochemical & Ineos Jv Daishan	China	1,000	2026-2028
ShengHong Holding Group Lianyungang	China	1,000	2026-2028
El-Alamein	Africa	280	2028
Combined Capacity Addition in 2025-28		5,680	

Chemical Intermediates Portfolio across the Acetyls Value Chain

The Acetyls value-chain

Products	Applications	Captive / Merchant Sales	JUBLINGR's market share	Outlook	Avg. Realization Range
Acetic Anhydride	Pharmaceuticals, agrochemicals, nutrition, polymers, dyes, and aromatics, Acetylated Wood	Merchant Sale	No. 4 producer globally (~70% domestic share)	Highest contributor	~Rs60-70/kg
Ethyl Acetate	Green Solvent - Flexible packaging, inks, adhesives, paints, coatings, pharmaceuticals, and agrochemicals	Merchant Sale	Among top 10 globally	2 nd Highest contributor	~Rs70/kg
Bio Acetic Acid	Food Preservative and Acidity Regulator better than Glacial Acetic Acid	Merchant Sale	NA	Not major contributor yet	NA
Propionic Anhydride	Key RM in production of herbicides, dyes, aromatics, and active pharmaceutical ingredients (APIs)	Merchant Sale	Leading producer domestically	Not major contributor in terms of volumes	~Rs170-200/kg
Bio Acetaldehyde	Key precursor in the Pyridine value chain, alkyd resins, pharmaceuticals, fragrances, and flavourings	Captive/ Merchant Sale (Integrated with Bioethanol operations)	No.1 producer globally (35% domestic share)	Not major contributor yet, in terms of volumes/ value	NA
Formaldehyde	Industrial chemicals such as urea-formaldehyde resin, phenol-formaldehyde resin, pentaerythritol, and Pyridine	Captive/ Merchant Sale	NA	NA	NA

Acetic Anhydride - JUBLINGR's leadership in a concentrated market

Acetic anhydride is a colourless liquid produced by dehydrating Acetic Acid and is manufactured mainly via the Ketene route or through carbonylation of Methyl Acetate. Global Acetic Anhydride demand stands at ~2.1-2.2mntpa against ~3mntpa of capacity (>70% utilization), growing at ~4% CAGR. JUBLINGR holds ~7% of global capacity and accounts for over 93% of India's exports (3rd largest globally). Even with >100ktpa of backward-integrated capacity additions by pharma players, JUBLINGR's export position remains structurally strong.

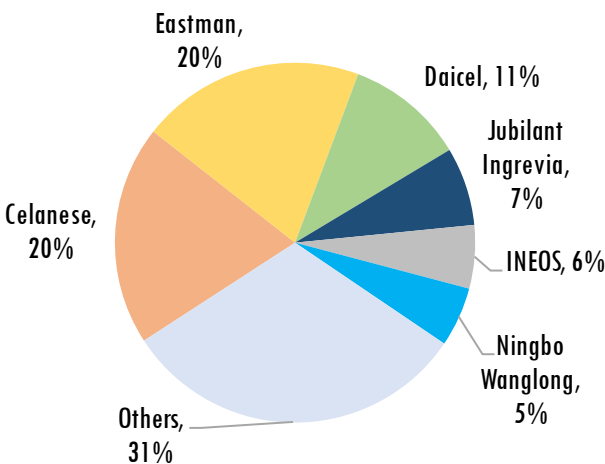
- **Pharmaceutical (48% share).** Key intermediate for ~20 APIs, including major analgesic/antipyretic/anti-inflammatory drugs (Paracetamol, Ibuprofen, Aspirin) and other APIs such as Prazoles and Caffeine.
- **Acetic Esters / Cellulose Acetate (15% share).** Used in the acetylation of cellulose to produce acetate fibres, plastics, coatings and films.
- **Other applications.** Synthetic Fibres (14% share) used in textiles, and Plasticizers (8% share) used in plastics, paints, and food-grade products.

Acetic Anhydride - Capacity additions from Nov 2025

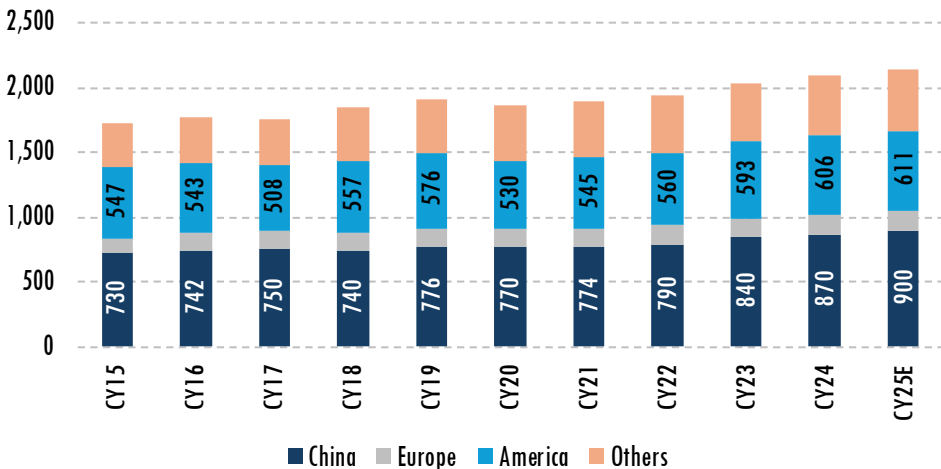
Company	Region	Capacity (ktpa)	Timeline
Valiant Advanced Sciences	India	59	Nov-25
Farmsons Pharmaceuticals	India	43	Nov-25
Xinjiang Zhonghe Hezhong New Materials	China	150	2026

Source: Industry, Anand Rathi Research

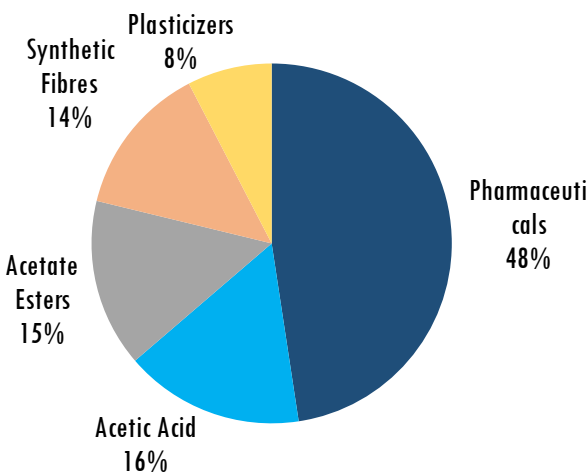
Global Capacity at ~3mntpa



Global Demand at ~2.1-2.2mntpa



Acetic Anhydride Applications

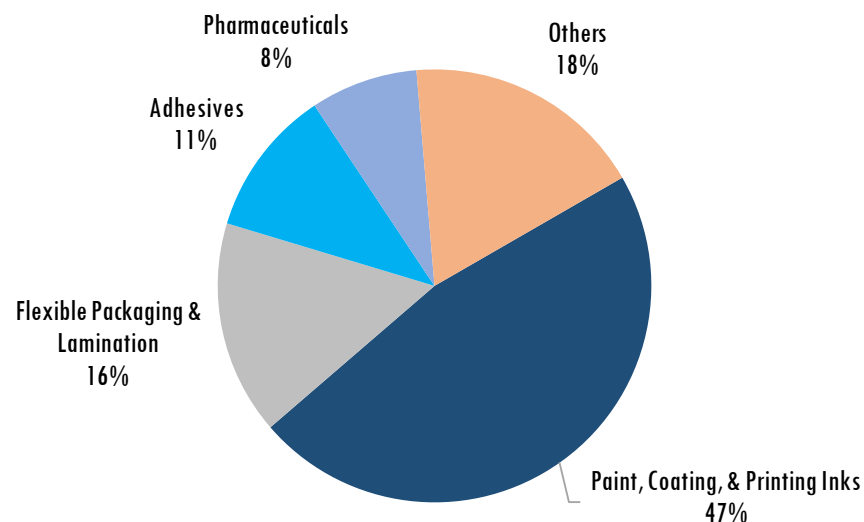


Ethyl Acetate - Steady demand, rising supply headwinds

Ethyl acetate is the preferred solvent across paints, coatings, inks, packaging, adhesives, and pharma due to fast evaporation, low toxicity, mild odor, and cost efficiency. REACH's 2015 ban on toluene, chloroform, and benzene-based glues further boosted ETAC demand.

- **Steady demand in end-user industries.** Ethyl acetate demand was around 3.7mntpa in 2024 and is expected to grow at 3.5% over 2024-35.
- **Concentrated capacities.** Global capacity at ~5.9 mntpa is concentrated with the Top-5 players holding ~30%, while the rest is fragmented. Operating rates improved to 62% (vs. 56% in 2021) due to limited new capacity. Upcoming net capacity addition at 250ktpa - Sipchem (100ktpa closure), Handsome Chemical (280ktpa addition) and Laxmi Organics (70 ktpa addition), may further pressurize prices and spreads.

Global demand at ~3.7 mntpa



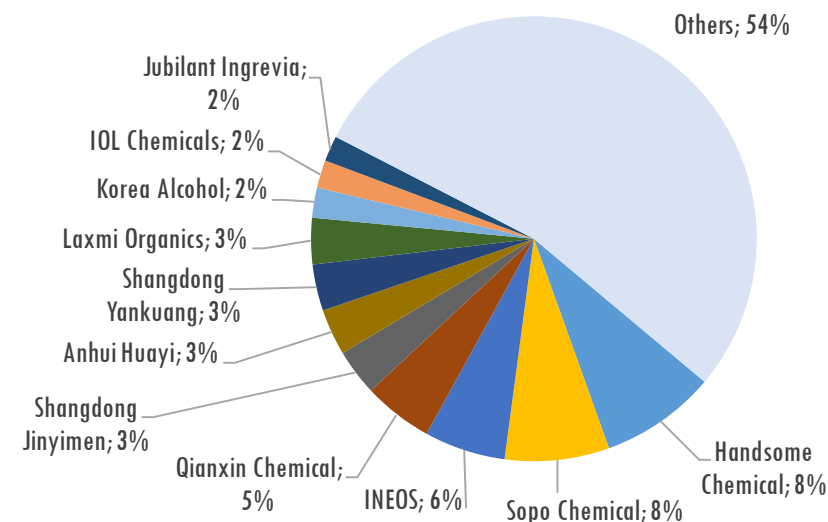
Ethyl Acetate closures in 2025

Company	Region	Capacity (ktpa)	Shut w.e.f
SipChem	Middle East	100	Mar-2025

Ethyl Acetate capacity additions in 2025-26

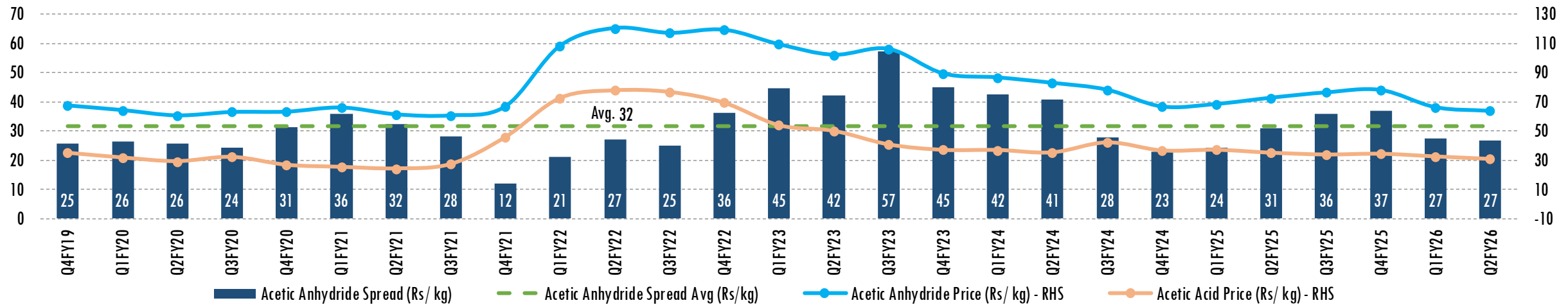
Company	Region	Capacity (ktpa)	Timeline
Handsome Chemical	China	180	H2-2025
Laxmi Organics	India	70	Q4 FY26

Global Capacity at ~5.9mntpa

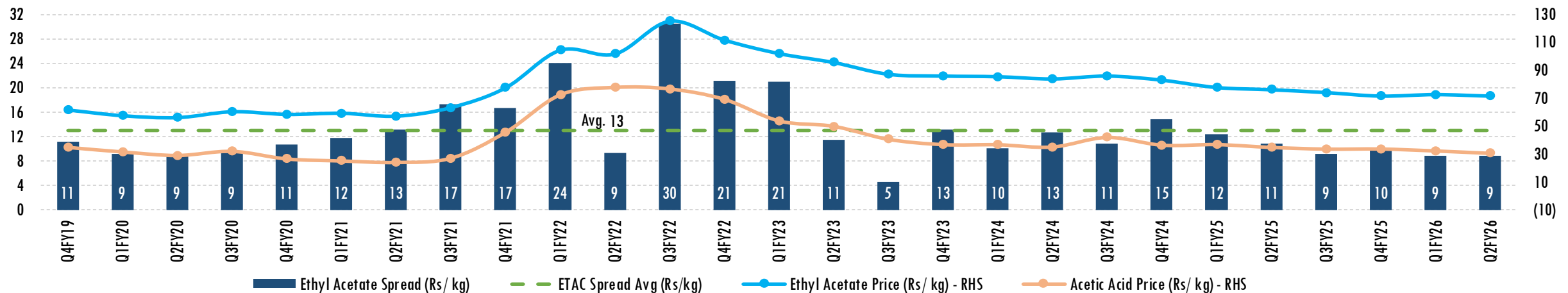


Acetyl spreads remain cyclical and range-bound

Acetic Anhydride to Acetic Acid spread - Peaked only during FY23 tightness; normalized levels continue to cap CI profitability



Ethyl Acetate to Acetic Acid + Ethanol spread - Structural overcapacity keeps spreads below sustainable levels

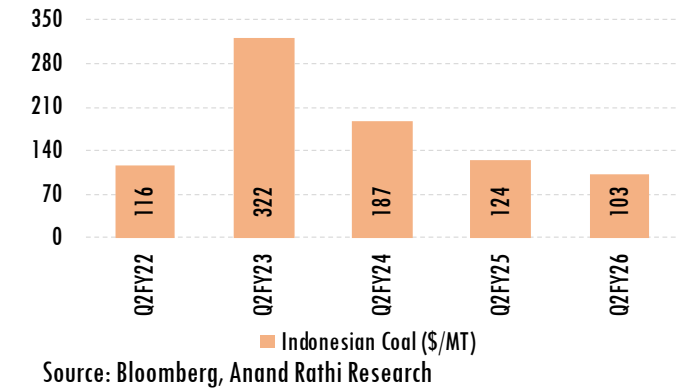


Cost reset - Surge, Lean and Energy efficiencies

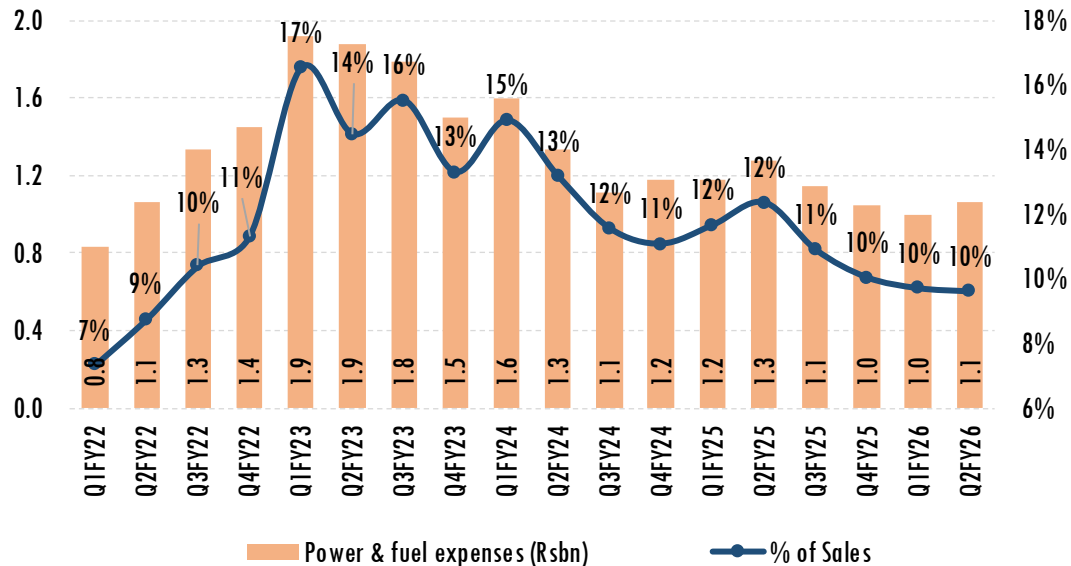
Targeted cost reset Initiatives: Phase I Savings at Rs1.2bn in FY25 ; Phase II Savings at Rs1-1.2bn in FY26e

Initiative	Type	Updates
Surge	Digital	Deployment of data-driven tools for optimization of workflows - Reduced effluent cost by 13% in FY25
Lean	Process Simplification	Enhanced Workforce productivity by 20% in FY25
Business Excellence	Continuous Improvement	
Energy	Optimization	<ul style="list-style-type: none"> 17% reduction in FY25 with process tweaks and captive renewable expansion with O2 sourcing. Renewable Sourcing is at 28% of total requirement (To reach 35% in coming quarters)
SS Safety	Standardised safety programmes	Achieved multiple consecutive Zero incident months

Coal Cost decline also aided cost reduction

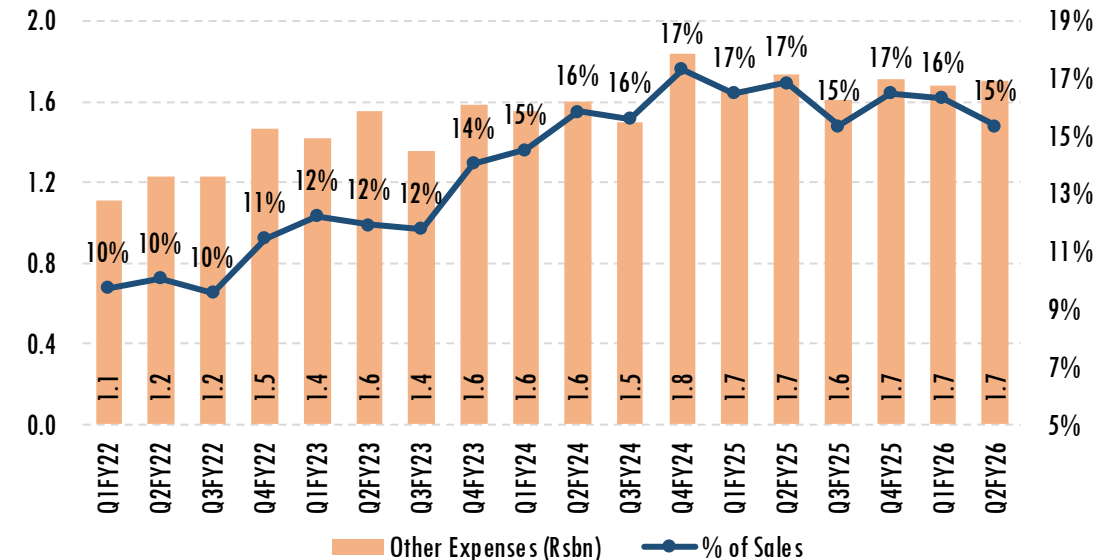


Power cost down 200bps from Q2FY25, 700bps from Q1FY23



Source: Company, Anand Rathi Research

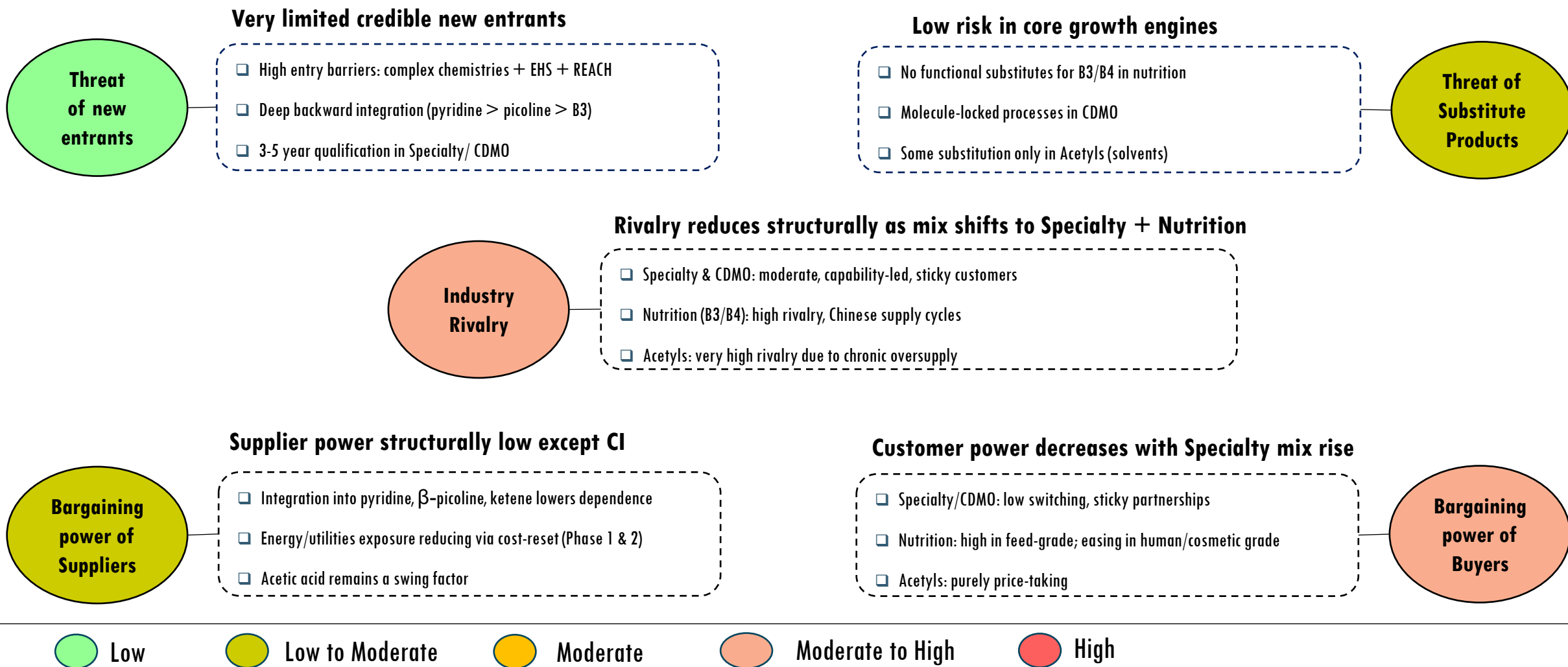
Other expenses (% of Sales) down 200bps from Q1FY25



Source: Company, Anand Rathi Research

Competitive position analysis - Porter's Five Forces

Jubilant's competitive positioning strengthens as the portfolio shifts from cyclical (Acetyls, feed-grade vitamins) to high-barrier, high-margin engines (CDMO, Fine Chemicals, Human/Cosmetic B3). This reduces customer power, rivalry, and substitute risks over FY26-28. Backward integration and capability depth create durable cost and differentiation advantages.



Appendix - Multi Location Manufacturing

Manufacturing facility - 50 Plants across 5 sites in 3 states with a workforce of 2,300



Gajraula
Uttar Pradesh, India

Integrated facility for
Specialty Chemicals &
Chemical Intermediates

463 acres



Bharuch
Gujarat, India

CDMO & Fine Chemicals
Nutrition and Chemical
Intermediates

310 acres



Nira
Maharashtra, India

Chemical Intermediates
Facility

144 acres



Savli
Gujarat, India

Animal Nutrition
& Health Solutions Facility

109 acres



Ambarnath
Maharashtra, India

Microbial Control
Solutions Facility

3.5 acres

R&D Centers employing 150 scientists



R&D Center G. Noida UP, India



Pilot Plant at Gajraula UP, India

Operational Capabilities

**Multi-Chemistry,
Multi-Product
Expertise**

**Continuous &
Batch processes**

**World Class cGMP
facility: US FDA
inspected**

**Responsible Care,
TFS commitment:
Ecovadis Gold**

**Ecologically
Harmonized
Practices**

**Health & Safety
benchmarking
global performance**

Appendix - Key Management personnel and Board of Directors

Board of Directors

Board Members	Designation	Board Members	Designation
Shyam S. Bhartia	Chairman	Ameeta Chatterjee	Independent Director
Hari S. Bhartia	Co-Chairman & Whole Time Director	Siraj Azmat Chaudhry	Independent Director
Deepak Jain	CEO & Managing Director	Sudha Pillai	Independent Director
Vijay Kumar Srivastava	Chief of Operations & Whole time Director	Sushil Kumar Roongta	Independent Director
Priyavrat Bhartia	Director	Arun Seth	Independent Director
Aashti Bhartia	Director	Pradeep Banerjee	Independent Director

Chemical Expertise in BU Heads

Members	Business Unit	Industry Exp. (Years)	Chemical Industry Exp.	Chemical Background
Deepak Jain	All	20	18	Yes
Ambrish Dixit	Specialty Chemicals	24	19	Yes
Yuvraj B	CDMO	18	14	NA
Anurag Krishan	Fine Chemicals	19	13	Yes
Amit Saini	Pyridine & Picolines	21	7	Yes
Himanshu Dhapola	Acetyls	22	8	NA
Rishi Gangwar	Nutrition & Health Ingredients	21	15	Yes
Vishal Kadam^	Human Nutrition	27	27	Yes
Ashish Kr. Sinha^	Animal & Human Nutrition	25	25	NA

5 out of 6 key committees led by independent directors

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Sustainability & CSR Committee	Risk Management Committee	Finance Committee
<u>Mr. Sushil Kumar Roongta*</u>	<u>Mr. Pradeep Banerjee*</u>	<u>Mr. Siraj Azmat Chaudhry*</u>	<u>Mrs. Sudha Pillai*</u>	<u>Mr. Arun Seth*</u>	Mr. Shyam S. Bhartia*
<u>Mr. Arun Seth</u>	Mr. Shyam S. Bhartia	<u>Mr. Sushil Kumar Roongta</u>	<u>Mr. Sushil Kumar Roongta</u>	<u>Ms. Sudha Pillai</u>	Mr. Hari S. Bhartia
<u>Mr. Pradeep Banerjee</u>	Ms. Sudha Pillai	<u>Mr. Arun Seth</u>	<u>Mr. Arun Seth</u>	<u>Mr. Sushil Kumar Roongta</u>	Mr. Priyavrat Bhartia
<u>Mr. Siraj Azmat Chaudhry</u>	<u>Mr. Siraj Azmat Chaudhry</u>	Mr. Deepak Jain	<u>Mr. Pradeep Banerjee</u>	<u>Mr. Pradeep Banerjee</u>	Mr. Arjun Shanker Bhartia
<u>Ms. Ameeta Chatterjee</u>	<u>Ms. Ameeta Chatterjee</u>		<u>Ms. Ameeta Chatterjee</u>	<u>Mr. Siraj Azmat Chaudhry</u>	Mr. Deepak Jain
			Mr. Priyavrat Bhartia	<u>Ms. Ameeta Chatterjee</u>	Mr. Arvind Chokhany
			Mr. Arjun Shanker Bhartia	Mr. Priyavrat Bhartia	
			Mr. Deepak Jain	Mr. Arjun Shanker Bhartia	
				Mr. Deepak Jain	
				Mr. Varun Gupta	

Financials

Income statement (Rs m)	FY24	FY25	FY26e	FY27e	FY28e
Revenues	41,358	41,776	44,666	55,547	64,004
Growth (%)	-13.3	1.0	6.9	24.4	15.2
Raw material	21,426	21,073	23,079	29,347	33,435
Employee & other expenses	15,721	15,513	15,818	18,762	21,187
EBITDA	4,211	5,191	5,769	7,438	9,382
EBITDA margins (%)	10.2	12.4	12.9	13.4	14.7
- Depreciation	1,362	1,576	1,773	2,089	2,314
Other income	353	378	454	499	549
Interest expense	527	556	584	704	755
PBT	2,676	3,436	3,866	5,144	6,861
Effective tax rate (%)	32	27	27	27	27
+ Associates/(Minorities)	0	0	0	0	0
Adjusted income	1,829	2,512	2,842	3,781	5,043
Extraordinary item (Loss)/Profit	-	-	-	-	-
Reported PAT	1,829	2,512	2,842	3,781	5,043
Adjusted PAT	1,829	2,512	2,842	3,781	5,043
WANS	159	159	159	159	159
FDEPS (Rs/share)	11.5	15.8	17.8	23.7	31.7

Source: Company, Anand Rathi Research

Balance sheet (Rs m)	FY24	FY25	FY26e	FY27e	FY28e
Share capital	158	158	159	159	159
Net worth	27,375	29,271	31,261	34,097	38,131
Total debt (including Pref)	7,330	7,565	9,115	11,009	10,575
Minority interest	-	-	-	-	-
Deferred tax Liability/(Asset)	2,136	2,251	2,251	2,251	2,251
Capital employed	36,841	39,087	42,627	47,357	50,958
Net tangible assets	25,387	25,810	32,288	34,199	37,885
Goodwill	-	-	-	-	-
CWIP (tangible and intangible)	3,314	5,252	1,000	2,000	1,000
Investments (Strategic)	155	205	205	205	205
Investments (Financial)	-	162	162	162	162
Current Assets (ex Cash) Incl LT assets	17,667	17,902	20,270	24,473	27,769
Cash	796	987	528	797	498
Current Liabilities (ex ST Loan/Current Portion) incl LT liabilities	10,478	11,231	11,827	14,480	16,562
Working capital	7,189	6,671	8,443	9,993	11,207
Capital deployed	36,841	39,087	42,627	47,357	50,958
Contingent Liabilities	-	-	-	-	-

Source: Company, Anand Rathi Research

Financials

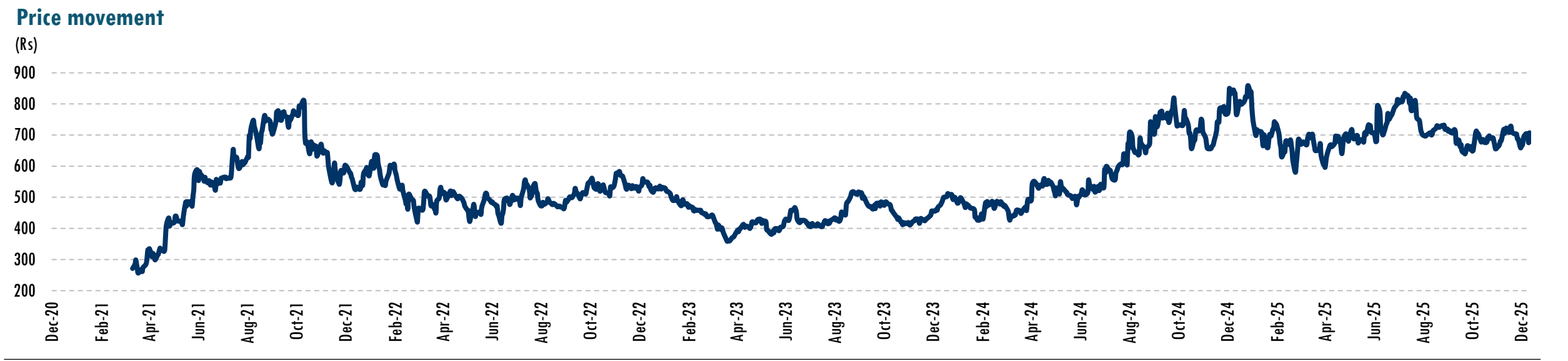
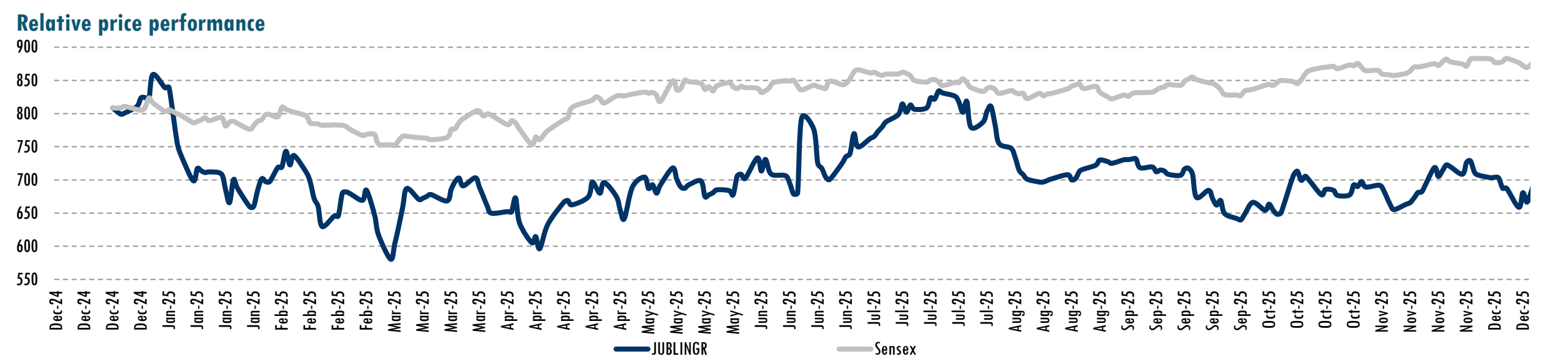
Cash-flow (Rs m)	FY24	FY25	FY26e	FY27e	FY28e
PBT	2,676	3,437	3,866	5,144	6,861
+ Non-cash items	2,025	2,213	1,903	2,294	2,520
Operating profit before WC changes	4,701	5,649	5,769	7,438	9,382
- Incr./ (decr.) in WC	59	228	-1,853	-1,744	-1,385
Others including taxes	-460	-796	-990	-1,233	-1,717
Operating cash-flow	4,300	5,081	2,926	4,461	6,279
- Capex (tangible + Intangible)	5,662	3,522	4,000	5,000	5,000
Free cash-flow	-1,362	1,560	-1,074	-539	1,279
Acquisitions	-	-	-	-	-
- Dividend (including buyback & taxes)	786	798	852	945	1,009
+ Equity raised	-	44	1	-	-
+ Debt raised	3,363	235	1,549	1,894	-433
- Fin Investments	-7	207	-454	-499	-549
- Misc. Items (CFI + CFF)	1,162	928	537	640	686
Net cash-flow	-50	192	-459	269	-299

Source: Company, Anand Rathi Research

Ratio analysis	FY24	FY25	FY26e	FY27e	FY28e
P/E (x)	61.2	44.6	39.7	29.9	22.4
EV/EBITDA (x)	28.2	22.8	21.0	16.5	13.1
EV/sales (x)	2.9	2.8	2.7	2.2	1.9
P/B (x)	4.1	3.8	3.6	3.3	3.0
RoE (%)	6.8	8.9	9.4	11.6	14.0
RoCE (%)	8.7	10.1	10.4	12.5	15.1
RoIC (%) - After tax	6.1	7.6	7.8	9.4	11.3
DPS (Rs per share)	5.0	5.0	5.4	5.9	6.3
Dividend yield (%)	0.7	0.7	0.8	0.9	0.9
Dividend payout (%)	43.2	31.4	30.0	25.0	20.0
Net debt/equity (x)	0.2	0.2	0.3	0.3	0.3
Receivables (days)	50	53	65	63	62
Inventory (days)	83	82	80	78	77
Payables (days)	68	71	70	70	70
CFO : PAT%	235	202	103	118	125

Source: Company, Anand Rathi Research

Price Performance



Appendix

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