BUY (Maintain)

CMP: **INR 519** Target Price: **INR 605 (INR 570)** ▲ 17%

ICICI Securities

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21 July 2026

India | Equity Research | Results Update

Rossari Biotech

Speciality Chemicals

With capacity utilisation ramping up, focus likely shifts to margins

Rossari Biotech (Rossari)'s Q1FY27 EBITDA grew 18.8% YoY; however, the company's margin profile remains constrained due to limited availability of EO, raw-material volatility, and losses in its institutional and B2C businesses. Rossari seeks to lay greater emphasis on margin expansion given its significant ramp-up in capacity utilisation. The company expects its FY28 revenue to accelerate as EO availability eases. Rossari has been monetising excess properties, and shrinking its lower-margin businesses. It has completed a major capex in India, and begun balance sheet deleveraging. It continues to work on large investment in Saudi Arabia, and has involved multiple consultation activities. We cut our FY27E EPS by 5.6% but retain FY28E EPS; we raise our TP to INR 605 (vs. INR 570) with a revised P/E multiple of 17x (vs. 16x FY28E EPS). Retain **BUY**.

HPPC revenue grows 30.4% YoY to INR 5.5bn

Rossari's revenue grew 28.2% YoY to INR 7bn, wherein volumes grew 10% while pricing pass-through from higher raw-material costs fuelled the rest. However, revenue grew 32.1% for the business excluding institutional and B2C where the company is undertaking rationalisation, and shrinking its non-profitable business. Exports contributed 23% of total sales in Q1FY27 (vs. 26% in FY26), and continues to grow YoY. Rossari has been able to utilise EO capacity with many non-EO products, and is running its plants at good utilisation levels. It envisages EO availability improving from Dec'26, and enabling higher volumes from EO business.

Rossari's HPPC segment revenue grew 30.4% to INR 5.5bn despite relatively weaker demand from agrochemical applications, and its struggle with EO availability. The plant in Thailand commenced operations in Mar'26. The plant is largely blending to meet the customer requirements of Southeast Asia.

Revenue from textile segment grew 17.8% YoY/fell 6.2% QoQ to INR 1.1bn. In Q1FY27, the company launched its textile specialty chemicals portfolio, with a dedicated fibre chemicals division, expanding its capabilities across the fibre-to-fibre value chain.

AHN (animal, health and nutrition) segment's revenue grew 26.7% YoY/fell 9.5% QoQ to INR 380mn driven by improved traction across key end-user markets. It has commissioned facilities for premix in Apr'26 – likely aiding growth in FY27.

Financial Summary

Y/E March (INR mn)	FY25A	FY26A	FY27E	FY28E
Net Revenue	20,803	23,964	27,093	30,508
EBITDA	2,651	2,859	3,280	3,786
EBITDA Margin (%)	12.7	11.9	12.1	12.4
Net Profit	1,364	1,492	1,636	1,978
EPS (INR)	24.6	26.9	29.5	35.7
EPS % Chg YoY	4.1	9.4	9.7	20.9
P/E (x)	21.1	19.2	17.6	14.5
EV/EBITDA (x)	11.1	11.0	9.5	8.2
RoCE (%)	11.5	9.7	10.1	11.2
RoE (%)	12.2	11.8	11.8	13.1

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Market Data

Market Cap (INR)	29bn
Market Cap (USD)	298mn
Bloomberg Code	ROSSARI IN EQUITY
Reuters Code	ROSB BO
52-week Range (INR)	746 /373
Free Float (%)	32.0
ADTV-3M (mn) (USD)	1.3

Price Performance (%)	3m	6m	12m
Absolute	4.5	1.5	(30.2)
Relative to Sensex	5.5	7.0	(25.3)

ESG Score	2024	2025	Change
ESG score	NA	67.8	NA
Environment	NA	39.9	NA
Social	NA	76.9	NA
Governance	NA	86.8	NA

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

Source: SES ESG, I-sec research

Earnings Revisions (%)	FY27E	FY28E
Revenue	-	-
EBITDA	(4.4)	(0.3)
EPS	(5.6)	0.3

Previous Reports

20-01-2026: Q4FY26 results review
20-01-2026: Q3FY26 results review

EBITDA margin up 28bp QoQ to 11.6%

Gross profit margin was up 198bp QoQ to 29.6% in Q1FY27; gross profit rose 19.7% YoY/9.1% QoQ to INR 2.1bn. The company has started passing on higher raw material prices to customers. EBITDA grew 18.8% YoY to INR 806mn, and was affected by a 21.9% YoY increase in other expenses to INR 817mn on higher freight cost. Its employee cost rose 17.6% YoY/12.3% QoQ to INR 440mn. D&A was up 44.3% YoY/ 8.9% QoQ at INR 256mn, on the commissioning of its ethoxylate facility. Net profit stood at INR 351mn, up 4.5% YoY, on higher other income from gain on sale of property of INR 32mn. EBITDA loss in its institutional business rose to INR 40mn vs. INR 20mn in Q4FY26. EBITDA from its base business gained 13% YoY to INR 850mn, and margin stood at 13.6% (vs 15.8% in Q1FY26). YoY margin decline was due to raw-material volatility and inflation which depresses reported margin.

Rossari has initiated multiple measures to improve its consolidated margins, including monetisation of non-core assets and under-performing assets, augmenting product mix alongside tight cost discipline.

Guidance

The company expects 15% revenue growth in FY27, majorly from pharma, agro, O&G segments and new capacities put up in FY26. It also expects EBITDA margin to be in the range of 12–13% for FY27. Rossari guides for margins to eventually improve to 15%. It sees growth momentum accelerating in FY28, as availability of EO eases. Capex has been recalibrated, and the company expects limited investment.

Other highlights

- Rossari reiterated that the investment cycle is largely complete, with FY27 focused on improving capacity utilisation, optimising product mix and driving operating leverage rather than undertaking major India capex.
- Consumer (B2C) cleaning business is being evaluated for rationalisation; the institutional cleaning business will likely be retained, as it remains strategically important and more profitable. Portfolio simplification is expected to improve overall earnings quality.
- Saudi Arabia (KSA) project remains under evaluation, with discussions underway regarding land allocation, raw material partnerships and government support. Management continues to remain optimistic despite geopolitical uncertainties, with commercial production expected in ~18 months after project announcement.
- The company has sold two properties – old corporate office for INR 240mn in Q4FY26, and Unitop office for INR 105mn for Q1FY27.

Risks

Downside risks

1) Slower-than-expected volume growth in HPPC, and extended slowdown in textile chemicals; and 2) contraction in EBITDA margin due to volatile raw material prices.

Upside risks

1) Higher-than-expected growth in exports business, and revival in domestic revenue growth; and 2) sustainable increase in EBITDA margin.

Exhibit 1: Rossari Biotech (consolidated) financials

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	5,437	5,861	5,817	6,849	6,972	1.8	28.2
COGS	3,713	4,009	4,008	4,957	4,908	(1.0)	32.2
Gross profit	**1,724**	**1,853**	**1,809**	**1,891**	**2,064**	**9.1**	**19.7**
GPM (%)	*31.7*	*31.6*	*31.1*	*27.6*	*29.6*		
Employee cost	375	378	403	392	440	12.3	17.6
% of revenue	6.9	6.4	6.9	5.7	6.3		
Other expenses	670	755	718	727	817	12.5	21.9
% of revenue	*12.3*	*12.9*	*12.3*	*10.6*	*11.7*		
Total expenses	**1,045**	**1,133**	**1,120**	**1,119**	**1,258**	**12.4**	**20.3**
EBITDA	**679**	**719**	**689**	**773**	**806**	**4.4**	**18.8**
EBITDA (%)	*12.5*	*12.3*	*11.8*	*11.3*	*11.6*		
Depreciation	177	182	196	235	256	8.9	44.3
EBIT	**501**	**537**	**493**	**537**	**550**	**2.4**	**9.8**
Other income	12	16	5	191	32	(83.3)	165.6
Finance cost	57	61	77	91	110	21.2	91.6
PBT	**456**	**492**	**421**	**637**	**472**	**(25.9)**	**3.6**
Share of profit from JV	5	5	4	5	5	(11.1)	(12.3)
Tax	125	128	97	183	126	(31.2)	0.6
ETR (%)	27.4	26.0	23.1	28.7	26.6		
Minority interest	-	-	-	-	-		
Net profit	**336**	**369**	**328**	**460**	**351**	**(23.7)**	**4.5**
Net profit (%)	6.2	6.3	5.6	6.7	5.0		
EPS (INR)	6.1	6.7	5.9	8.3	6.4	(23.7)	4.5

Source: Company data, I-Sec research

Exhibit 2: Rossari Biotech – segmental revenue breakup

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Segment revenue							
HPPC	4,240	4,540	4,310	5,300	5,530	4.3	30.4
of which							
Standalone	2,458	2,875	2,997	3,611	3,383	(6.3)	37.6
Subsidiaries	1,782	1,665	1,313	1,689	2,147	27.2	20.5
Textile chemicals	900	1,010	1,120	1,130	1,060	(6.2)	17.8
Animal health & nutrition	300	310	390	420	380	(9.5)	26.7
Total	**5,440**	**5,860**	**5,820**	**6,850**	**6,970**	**1.8**	**28.1**
Mix (%)							
HPPC	77.9	77.5	74.1	77.4	79.3		
Textile chemicals	16.5	17.2	19.2	16.5	15.2		
Animal health & nutrition	5.5	5.3	6.7	6.1	5.5		

Source: Company data, I-Sec research

Exhibit 3: Consol. (ex-institutional and B2C) EBITDA margin up 90bps QoQ at 13.6%

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Institutional & B2C							
Revenue	700	750	680	700	710	1.4	1.4
Growth (%, YoY)	9.4	1.4	(15.0)	(12.5)	1.4		
EBITDA	**(70)**	**(40)**	**(30)**	**(10)**	**(40)**		
EBITDA (%)	(10.0)	(5.3)	(4.4)	(1.4)	(5.6)		
Growth (%, YoY)							
Consol (ex-institutional & B2C)							
Revenue	4,737	5,111	5,137	6,149	6,260	1.8	32.1
Growth (%, YoY)	11.3	20.4	18.7	23.1	32.1		
EBITDA	**749**	**759**	**719**	**783**	**850**	**8.6**	**13.6**
EBITDA (%)	*15.8*	*14.9*	*14.0*	*12.7*	*13.6*		

Source: I-Sec research, Company data

Exhibit 4: Rossari Biotech (standalone) financials

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	3,658	4,195	4,507	5,161	4,823	(6.6)	31.9
COGS	2,712	3,084	3,360	3,912	3,562	(8.9)	31.4
Gross profit	**946**	**1,111**	**1,146**	**1,250**	**1,261**	**0.9**	**33.3**
GPM (%)	25.9	26.5	25.4	24.2	26.1		
Employee cost	157	173	187	178	204	14.8	30.1
% of revenue	4.3	*4.1*	4.2	3.4	4.2		
Other expenses	350	433	455	436	493	13.0	40.9
% of revenue	9.6	*10.3*	*10.1*	8.4	10.2		
Total expenses	**506**	**607**	**643**	**614**	**697**	**13.5**	**37.5**
EBITDA	**439**	**504**	**504**	**636**	**564**	**(11.3)**	**28.4**
EBITDA (%)	*12.0*	*12.0*	*11.2*	*12.3*	*11.7*		
Depreciation	72	73	75	90	83	(7.1)	16.6
EBIT	**368**	**431**	**429**	**546**	**481**	**(12.0)**	**30.7**
Other income	17	14	11	227	22		
Finance cost	31	25	40	38	38		
PBT	**354**	**420**	**401**	**735**	**464**	**(36.9)**	**31.0**
Tax	92	107	95	188	122	(35.4)	32.0
ETR (%)	26.0	25.5	23.6	25.6	26.2		
Net profit	**262**	**312**	**306**	**547**	**343**	**(37.4)**	**30.6**
Net profit (%)	7.2	*7.4*	6.8	10.6	*7.1*		

Source: Company data, I-Sec research

Exhibit 5: Rossari Biotech (consolidated minus standalone) financials [Correct highlight below]

INR mn	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	QoQ (%)	YoY (%)
Revenue	1,780	1,666	1,310	1,687	2,149	27.4	20.8
COGS	1,002	924	648	1,045	1,346	28.8	34.4
Gross profit	**778**	**742**	**662**	**642**	**803**	**25.1**	**3.2**
GPM (%)	43.7	44.5	50.6	38.0	37.4		
Employee cost	218	205	215	215	237	10.2	8.5
% of revenue	12.2	12.3	16.4	12.7	*11.0*		
Other expenses	321	322	262	291	324	11.6	1.1
% of revenue	18.0	19.3	20.0	17.2	15.1		
Total expenses	**539**	**527**	**477**	**505**	**561**	**11.0**	**4.1**
EBITDA	**239**	**215**	**185**	**137**	**242**	**77.3**	**1.2**
EBITDA (%)	13.4	12.9	*14.1*	8.1	11.3		
Depreciation	106	109	121	146	173	18.7	63.0
EBIT	**133**	**106**	**63**	**(9)**	**69**		**(47.9)**
Other income	(5)	2	(6)	(37)	10		
Finance cost	26	36	37	52	71		
PBT	**128**	**108**	**57**	**(46)**	**79**		**(37.9)**
Tax	33	21	3	(5)	4		(87.2)
ETR (%)	25.8	19.1	4.4	11.8	5.3		
Net profit	**95**	**88**	**55**	**(40)**	**75**		**(20.8)**
Net profit (%)	5.3	5.3	4.2	(2.4)	3.5		

Source: Company data, I-Sec research

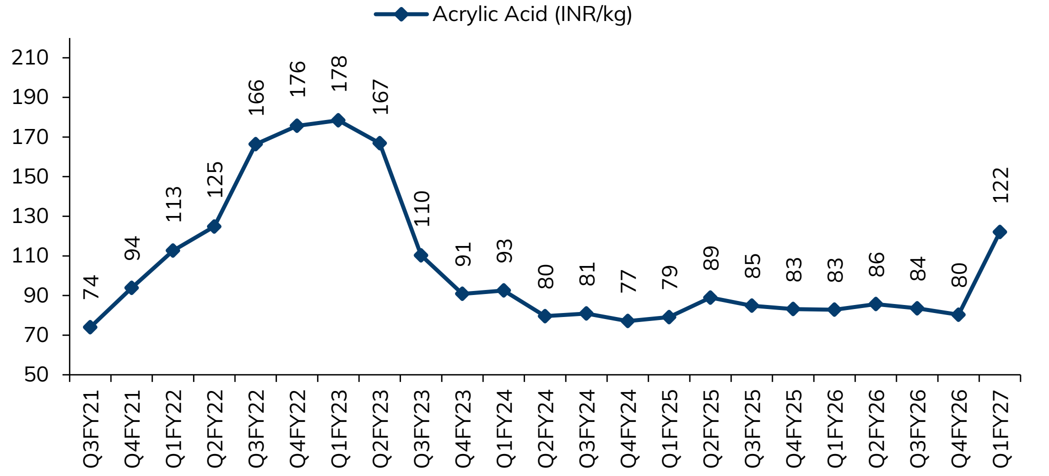
Exhibit 6: Earnings revision

INR mn	Revised		Earlier		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	27,093	30,508	27,093	30,508	-	-
EBITDA	3,280	3,786	3,430	3,796	(4.4)	(0.3)
EBITDA (%)	12.1	12.4	12.7	12.4		
PAT	1,636	1,978	1,734	1,971	(5.6)	0.3
EPS (INR)	29.5	35.7	31.3	35.6	(5.6)	0.3

Source: I-Sec research, Company data

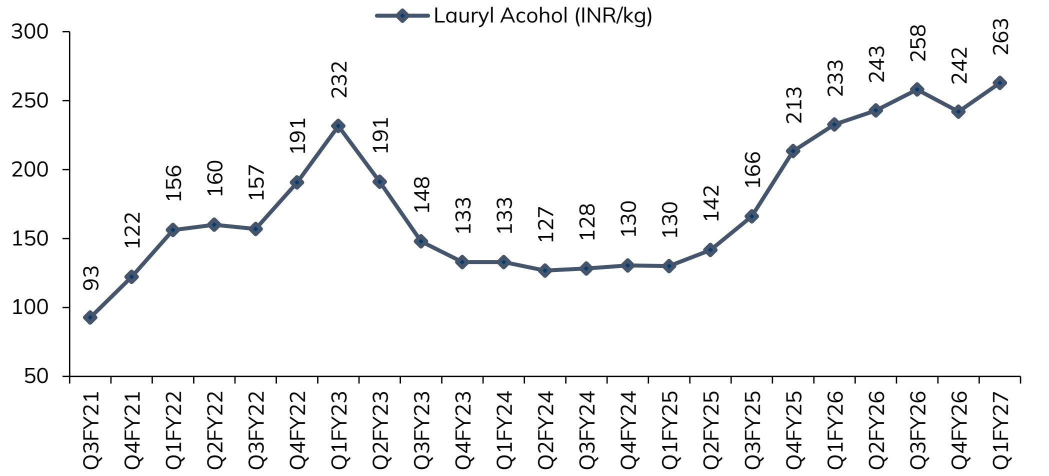
Exim data

Exhibit 7: Acrylic acid prices were up 52% QoQ



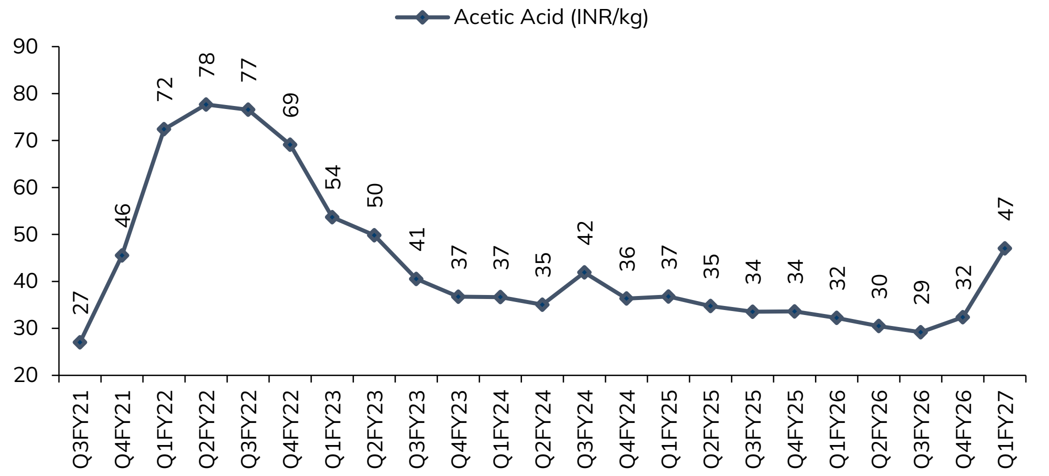
Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May26

Exhibit 8: Lauryl alcohol prices were up 8.6% QoQ



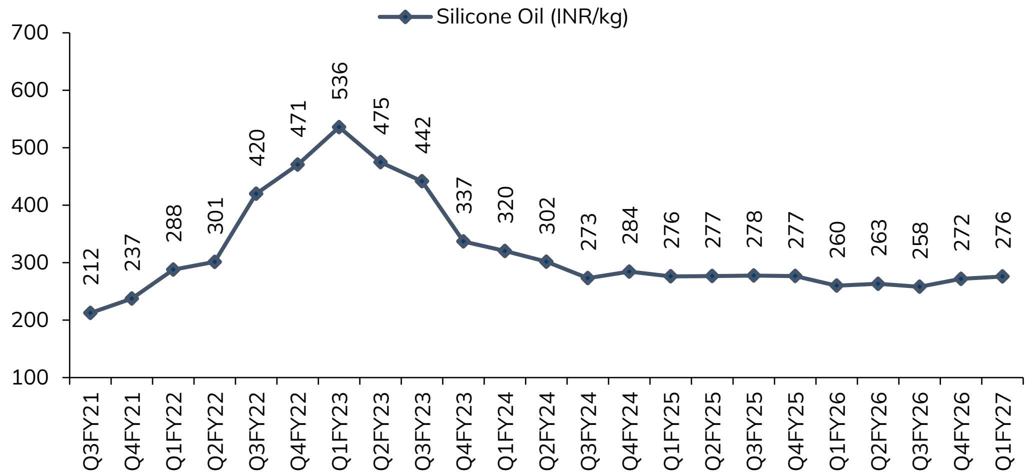
Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May26

Exhibit 9: Acetic acid prices were up 45.2% QoQ



Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May26

Exhibit 10: Silicone oil prices were up 1.5% QoQ



Source: I-Sec research, Company data, Q1FY27-TD data includes number only for the month of Apr'26 and May26

Financials

Exhibit 11: Rossari's segmental data

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Segmental Revenue (INR mn)								
HPPC	9,773	11,565	13,683	15,883	18,384	21,048	23,947	14.1
Textile Chemicals	3,970	3,737	3,543	3,750	4,160	4,426	4,780	7.2
Animal Health & Nutrition	1,087	1,257	1,080	1,170	1,420	1,619	1,781	12.0
Total	**14,830**	**16,559**	**18,306**	**20,803**	**23,964**	**27,093**	**30,508**	**12.8**
Mix (%)								
HPPC	65.9	69.8	74.7	76.3	76.7	77.7	78.5	
Textile Chemicals	26.8	22.6	19.4	18.0	17.4	16.3	15.7	
Animal Health & Nutrition	7.3	7.6	5.9	5.6	5.9	6.0	5.8	
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	

Source: I-Sec research, Company data

Exhibit 12: Rossari's consolidated P&L

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Financial								
Revenue	14,830	16,559	18,306	20,803	23,964	27,093	30,508	12.8
COGS	11,050	11,713	12,935	14,333	16,687	18,930	21,436	
Gross profit	**3,779**	**4,846**	**5,370**	**6,470**	**7,276**	**8,163**	**9,072**	**11.7**
GMP (%)	25.5	29.3	29.3	*31.1*	30.4	30.1	*29.7*	
Growth (%)	52.9	28.2	10.8	20.5	12.5	12.2	*11.1*	
Employee cost	679	986	1,031	1,323	1,547	1,690	1,796	7.7
% of revenue	4.6	6.0	5.6	6.4	6.5	6.2	5.9	
Other expenses	1,266	1,629	1,841	2,496	2,870	3,193	3,491	10.3
% of revenue	8.5	9.8	*10.1*	12.0	12.0	*11.8*	*11.4*	
Total expenses	1,945	2,615	2,873	3,819	4,417	4,883	5,287	9.4
EBITDA	**1,834**	**2,230**	**2,498**	**2,651**	**2,859**	**3,280**	**3,786**	**15.1**
EBITDA (%)	*12.4*	*13.5*	*13.6*	*12.7*	*11.9*	*12.1*	*12.4*	
Growth (%)	49.1	21.6	12.0	6.1	7.9	14.7	15.4	
D&A	481	629	604	671	791	849	906	7.0
EBIT	**1,354**	**1,601**	**1,894**	**1,980**	**2,068**	**2,431**	**2,880**	**18.0**
Growth (%)	35.1	18.2	18.3	4.6	4.4	17.6	18.4	
Other income	120	55	74	40	224	30	32	(62.3)
Finance cost	127	223	194	178	285	299	291	
PBT	**1,347**	**1,433**	**1,774**	**1,842**	**2,006**	**2,163**	**2,620**	**14.3**
Growth (%)	26.6	6.3	23.9	3.8	8.9	7.8	21.1	
Tax expenses	386	370	469	488	533	546	661	11.4
ETR (%)	28.6	25.8	26.4	26.5	26.6	25.2	25.2	
PAT	**977**	**1,073**	**1,307**	**1,364**	**1,492**	**1,636**	**1,978**	**15.1**
Growth (%)	22.0	9.8	21.8	4.4	9.4	9.7	20.9	
EPS (INR)	**17.7**	**19.4**	**23.7**	**24.6**	**26.9**	**29.5**	**35.7**	**15.1**

Source: I-Sec research, Company data

Exhibit 13: Balance sheet parameters

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Capital productivity								
Gross block	**5,697**	**5,779**	**6,157**	**6,744**	**9,033**	**11,533**	**12,383**	**17.1**
Revenue/GB (x)	2.60	2.87	2.97	3.08	2.65	2.35	2.46	
EBITDA/GB (x)	0.32	0.39	0.41	0.39	0.32	0.28	0.31	
Capex	**382**	**329**	**1,313**	**1,585**	**2,647**	**792**	**850**	
Intensity (% of revenue)	2.6	2.0	7.2	7.6	11.0	2.9	2.8	
D&A/capex (x)	1.3	1.9	0.5	0.4	0.3	1.1	1.1	
Capital employed	8,136	9,891	11,536	13,734	17,413	18,559	19,745	6.5
pre-tax ROCE (%)	22.2	17.8	17.7	15.7	13.3	13.5	15.0	
Leverage								
Net debt	557	766	(380)	(735)	(2,807)	(2,477)	(2,190)	
ND/EBITDA (x)	0.3	0.3	(0.2)	(0.3)	(1.0)	(0.8)	(0.6)	
Cash conversion								
Inventory days	47	42	56	62	62	62	62	
Debtor days	75	78	85	83	85	85	85	
Creditor days	46	41	44	50	49	49	50	
Cash conversion	**76**	**79**	**97**	**95**	**97**	**97**	**98**	
WC as % of revenue	20.8	21.6	26.7	26.1	26.6	26.7	26.8	

Source: I-Sec research, Company data

Exhibit 14: Rossari's concise cashflow statement

INR mn	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E	CAGR (%) FY26-28E
Ops CF (after tax & lease)	1,423	1,796	1,993	2,045	2,098	2,754	3,143	22.4
% of EBITDA	77.6	80.5	79.8	77.1	73.4	83.9	83.0	
Chg of WC	(1,130)	(272)	(1,568)	(730)	(1,539)	(873)	(955)	
CFO	**294**	**1,524**	**424**	**1,315**	**559**	**1,881**	**2,188**	**97.9**
% of revenue	2.0	9.2	2.3	6.3	2.3	6.9	7.2	
Capex (incl acquisition)	(3,932)	(1,314)	(1,490)	(1,588)	(2,647)	(792)	(850)	
FCF	**(3,639)**	**210**	**(1,066)**	**(273)**	**(2,088)**	**1,089**	**1,338**	
% of revenue	*(24.5)*	*1.3*	*(5.8)*	*(1.3)*	*(8.7)*	4.0	4.4	
Finance cost	(22)	(61)	(160)	(136)	(226)	(299)	(291)	
FCFE	**(3,660)**	**149**	**(1,226)**	**(409)**	**(2,314)**	**790**	**1,047**	

Source: I-Sec research, Company data

Peer Comparison

Exhibit 15: Specialty chemicals coverage valuation snapshot

	CMP (INR)	Mcap (INR bn)	Revenue (INR mn)			CAGR (%) FY26-28E	EPS (INR)			CAGR (%) FY26-28E
			FY26A	FY27E	FY28E		FY26	FY27E	FY28E	
SRF	2,872	851	1,57,865	1,77,210	1,98,467	12%	64.8	79.7	94.1	21%
Navin Fluorine	7,862	390	33,139	40,643	49,081	22%	129.5	165.7	192.4	22%
Gujarat Fluoro	4,316	474	49,960	62,229	70,989	19%	54.1	94.6	111.7	44%
Atul Ltd*	6,092	179	62,735	72,730	79,682	13%	230.1	297.5	336.3	21%
Deepak Nitrite	1,690	230	78,871	98,587	1,07,991	17%	41.3	69.0	63.6	24%
Chemplast	495	179	82,860	97,799	1,10,022	15%	11.6	15.2	19.4	29%
Galaxy	202	32	42,238	47,679	52,242	11%	(38.9)	(11.3)	6.1	
Rossari*	1,956	69	52,483	57,209	61,957	9%	78.8	98.4	107.5	17%
EPL	519	29	23,964	27,093	30,508	13%	26.9	29.5	35.7	15%
Tatva Chintan	240	77	47,631	52,661	56,786	9%	12.1	15.5	17.3	19%
Clean Science	1,714	40	5,059	6,381	7,996	26%	18.0	31.0	48.9	65%
BlueJet Healthcare	730	78	9,564	11,593	13,573	19%	21.6	22.7	27.0	12%
Archean Chemical	567	70	10,811	14,076	16,105	22%	8.6	21.8	25.0	70%
Sudeep Pharma	866	98	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*	770	380	46,607	62,805	81,477	32%	14.9	18.7	20.7	18%
Median						**16%**				**21%**

Source: I-Sec research, Company data

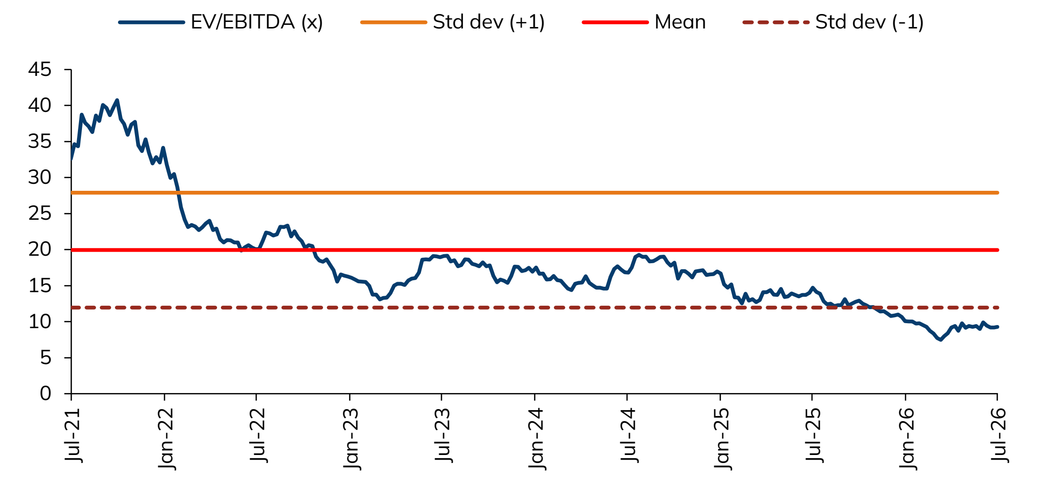
Exhibit 16: Specialty chemicals coverage valuation snapshot

	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	36.1	30.5	21.1	18.3	16.5	17.6	0.8	0.8	24,845	27,917
Navin Fluorine	47.4	40.9	29.2	25.1	20.6	21.1	0.9	1.0	5,096	5,351
Gujarat Fluoro	45.6	38.7	26.9	22.5	12.8	13.1	0.7	0.7	25,000	12,500
Atul Ltd	20.5	18.1	12.0	10.2	14.3	14.6	1.4	1.5	2,448	2,571
Deepak Nitrite	24.5	26.6	17.1	19.6	13.7	8.9	2.1	2.2	21,673	31,504
Chemplast	32.7	25.6	15.0	12.5	8.9	10.4	0.9	0.9	7,130	6,000
Galaxy	(17.9)	32.8	16.6	9.2	2.5	9.0	1.0	1.0	3,551	1,831
Rossari	19.9	18.2	11.2	10.1	13.6	13.6	2.7	2.7	1,506	1,657
EPL	17.6	14.5	9.5	8.2	13.5	15.0	2.3	2.5	792	850
Tatva Chintan	15.5	13.9	7.3	6.4	17.9	18.1	1.0	1.0	4,000	4,200
Clean Science	55.3	35.0	29.9	20.9	9.5	13.4	0.8	0.8	1,225	1,227
BlueJet Healthcare	32.2	27.0	19.5	16.5	17.2	18.5	0.9	1.0	1,220	1,561
Archean Chemical	26.0	22.7	15.5	13.4	14.9	15.2	0.7	0.6	2,675	4,013
Sudeep Pharma	51.1	43.9	36.9	30.8	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	41.2	37.2	30.6	25.9	19.6	18.9	1.6	1.8	11,500	6,800
Median	**32.4**	**26.8**	**16.9**	**15.0**	**14.0**	**14.8**	**1.0**	**1.0**		

Source: I-Sec research, Company data

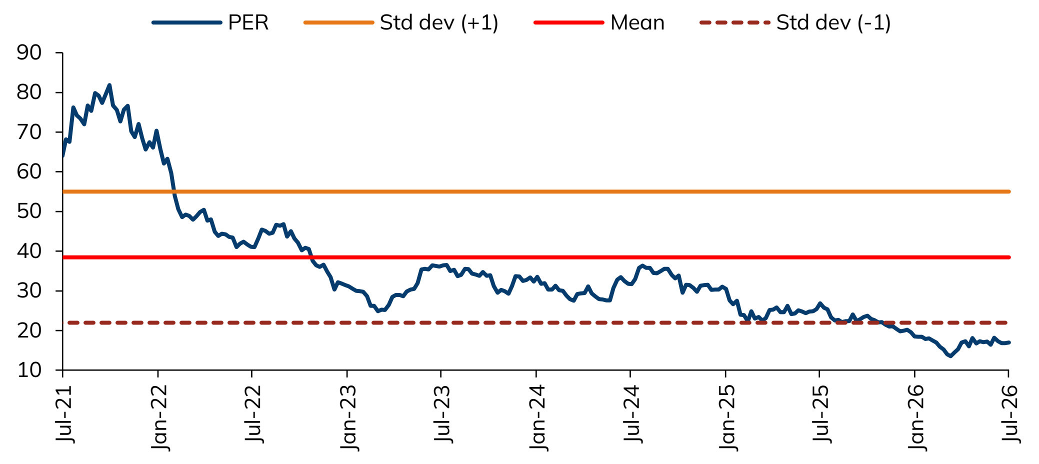
Band charts

Exhibit 17: Rossari's one-year forward EV/EBITDA



Source: I-Sec research, Bloomberg

Exhibit 18: Rossari's one-year forward PE



Source: I-Sec research, Bloomberg

Exhibit 19: Shareholding pattern

%	Sep '25	Dec'25	Mar'26
Promoters	68.2	68.2	68.2
Institutional investors	20.9	20.6	20.4
MFs and other	13.3	13.5	13.4
FIs and Banks	0.0	0.6	0.8
Insurance Cos.	4.4	4.2	4.0
FIIs	3.2	2.3	2.2
Others	10.9	11.3	11.5

Source: Bloomberg, I-Sec research

Exhibit 20: Price chart

Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 21: Profit & Loss

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Net Sales	20,803	23,964	27,093	30,508
Operating Expenses	**18,152**	**21,105**	**23,813**	**26,722**
EBITDA	2,651	2,859	3,280	3,786
EBITDA Margin (%)	**12.7**	**11.9**	**12.1**	**12.4**
Depreciation & Amortization	671	791	849	906
EBIT	1,980	2,068	2,431	2,880
Interest expenditure	178	285	299	291
Other Non-operating Income	40	224	30	32
Recurring PBT	1,842	2,006	2,163	2,620
Profit / (Loss) from Associates	**-**	**-**	**-**	**-**
Less: Taxes	**488**	**533**	**546**	**661**
PAT	1,364	1,492	1,636	1,978
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	1,364	1,492	1,636	1,978
Net Income (Adjusted)	**1,364**	**1,492**	**1,636**	**1,978**

Source Company data, I-Sec research

Exhibit 22: Balance sheet

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Total Current Assets	10,431	12,437	14,267	16,198
of which cash & cash eqv.	572	922	1,251	1,539
Total Current Liabilities & Provisions	5,366	7,896	8,529	9,223
Net Current Assets	**5,066**	**4,541**	**5,738**	**6,974**
Investments	838	623	623	623
Net Fixed Assets	6,198	8,390	8,333	8,278
ROU Assets	684	940	940	940
Capital Work-in-Progress	1,402	1,733	25	25
Total Intangible Assets	1,187	1,187	1,187	1,187
Other assets	775	452	497	547
Deferred Tax Assets	105	149	149	149
Total Assets	**18,962**	**22,888**	**24,707**	**26,631**
Liabilities				
Borrowings	**1,880**	**4,080**	**4,080**	**4,080**
Deferred Tax Liability	**466**	**430**	**430**	**430**
Provisions	53	83	96	110
Other Liabilities	223	203	229	258
Equity Share Capital	111	111	111	111
Reserves & Surplus	11,744	13,223	14,368	15,555
Total Net Worth	**11,854**	**13,333**	**14,479**	**15,666**
Minority Interest	-	-	-	-
Total Liabilities	**18,962**	**22,888**	**24,707**	**26,631**

Source Company data, I-Sec research

Exhibit 23: Quarterly trend

(INR mn, year ending March)

	Sep-25	Dec-25	Mar-26	June-26
Net Sales	5,861	5,817	6,849	6,972
% growth (YOY)	17.6	13.4	18.2	28.2
EBITDA	719	689	773	806
Margin %	12.3	11.8	11.3	11.6
Other Income	16	5	191	32
Extraordinaries	0	0	0	0
Adjusted Net Profit	369	328	460	351

Source Company data, I-Sec research

Exhibit 24: Cashflow statement

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Operating Cashflow	**2,696**	**2,877**	**3,299**	**3,805**
Working Capital Changes	(730)	(1,539)	(873)	(955)
Capital Commitments	(1,588)	(2,647)	(792)	(850)
Free Cashflow	**(214)**	**(1,996)**	**1,089**	**1,338**
Other investing cashflow	**(249)**	**452**	**30**	**32**
Cashflow from Investing Activities	(249)	452	30	32
Issue of Share Capital	51	8	-	-
Interest Cost	(136)	(226)	(299)	(291)
Inc (Dec) in Borrowings	821	2,200	-	-
Dividend paid	(28)	(28)	(491)	(791)
Others	(59)	(92)	-	-
Cash flow from Financing Activities	649	1,863	(790)	(1,083)
Chg. in Cash & Bank balance	**186**	**319**	**329**	**288**
Closing cash & balance	442	753	1,251	1,539

Source Company data, I-Sec research

Exhibit 25: Key ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
Per Share Data (INR)				
Reported EPS	24.6	26.9	29.5	35.7
Adjusted EPS (Diluted)	24.6	26.9	29.5	35.7
Cash EPS	36.7	41.2	44.9	52.1
Dividend per share (DPS)	0.5	0.5	8.9	14.3
Book Value per share (BV)	214.1	240.7	261.4	282.8
Dividend Payout (%)	2.0	1.9	30.0	40.0
Growth (%)				
Net Sales	13.6	15.2	13.1	12.6
EBITDA	6.1	7.9	14.7	15.4
EPS (INR)	4.1	9.4	9.7	20.9
Valuation Ratios (x)				
P/E	21.1	19.2	17.6	14.5
P/CEPS	14.1	12.6	11.6	10.0
P/BV	2.4	2.2	2.0	1.8
EV / EBITDA	11.1	11.0	9.5	8.2
EV/SALES	1.4	1.3	1.2	1.0
Dividend Yield (%)	0.1	0.1	1.7	2.8
Operating Ratios				
Gross Profit Margins (%)	31.1	-	-	-
EBITDA Margins (%)	12.7	11.9	12.1	12.4
Effective Tax Rate (%)	26.5	26.6	25.2	25.2
Net Profit Margins (%)	6.6	6.2	6.0	6.5
NWC / Total Assets (%)	26.7	(6.7)	(3.5)	(3.6)
Net Debt / Equity (x)	0.1	0.2	0.2	0.1
Net Debt / EBITDA (x)	0.3	1.0	0.8	0.6
Profitability Ratios				
RoCE (%)	11.5	9.7	10.1	11.2
RoE (%)	12.2	11.8	11.8	13.1
RoIC (%)	12.4	14.4	14.7	16.5
Fixed Asset Turnover (x)	3.1	2.7	2.3	2.5
Inventory Turnover Days	62.3	61.6	61.8	62.0
Receivables Days	83.3	84.9	85.1	85.3
Payables Days	50.2	49.3	49.5	49.7

Source Company data, I-Sec research

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