

Bio-fuels and Potable Spirits and recovery in chemicals remain key growth drivers.

CMP: INR 1,009

Rating: BUY

Target Price: INR 1,428

Stock Info

BSE	500201
NSE	INDIAGLYCO
Bloomberg	IGLY:IN
Reuters	IGLY.NS
Sector	Chemicals
Face Value (INR cr)	5
Equity Capital (INR cr)	31
Mkt Cap (INR cr)	6,762
52w H/L (INR)	1,223 / 792
Avg Yearly Volume (in 000')	195.6

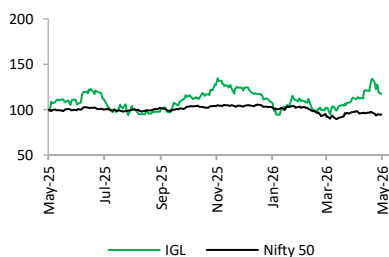
Shareholding Pattern %

(As on Mar, 2026)

Promoters	59.63
DII	5.19
FII	2.27
Public & Others	32.91

Stock Performance (%)	3m	6m	12m
IGL	4.9	-7.5	17.5
NIFTY	-8.4	-8.7	-5.2

IGL vs Nifty



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India Glycols Ltd reported numbers, Q4FY26 revenue stood at INR 976cr (+13.1% YoY/-11.4% QoQ); below our estimates of INR 1,126r, supported by Bio-fuels and Chemical business. Gross Profit stood at INR 369cr (+12.2% YoY/-10.1% QoQ); below our estimates of INR 424cr. Gross margins contracted by 32 bps YoY (+58 bps QoQ) to 37.8% in Q4FY26, due to RM fluctuations. EBITDA stood at INR 167cr (+14.1% YoY/-5.1% QoQ); below our estimates of INR 177cr. EBITDA margin improved by 15 bps YoY (+114 bps QoQ) to 17.1% in Q4FY26, due to gross margin impact and partially offset by reduction in employee expenses in-term of sales. PAT stood at INR 87cr (+35.7% YoY/+28.6% QoQ); below our estimates of INR 91cr. PAT margin improved by 148 bps YoY (+277 bps QoQ) to 8.9% in Q4FY26.

Key Highlights

Margin expansion via premiumization & high-growth segments: The company is focused on premiumization in Potable Spirits, where IMFL represents 34% of value from only of 25% of volume, growing at double-digit rates in UP and Uttarakhand. Successful premium brand launches (Amrut Prestige, flavored vodkas, luxury single malts) and CSD/paramilitary approvals provide high-margin, lifetime sales channels. The Bio-Fuels segment saw 40.9% YoY growth in FY26, benefiting from India's 20% ethanol blending target achieved ahead of schedule and potential further increases. The company has reduced its low-margin chemical business, and performance chemicals grew 40% YoY in FY26, supported by India's first green bio-based amine with L'Oréal as the first customer.

Aggressive deleveraging and captive ethanol advantage: The company prepaid INR 804cr in Q4FY26, funded by an INR 467 crore preferential allotment and internal cash flows, generating INR 20cr in immediate cost savings. The company is focused to de-leverage with debt of INR 268cr for FY27E and additional prepayments planned. The company is aiming to make the chemical business debt-free by FY28-29E. The company is benefiting from a captive ethanol advantage. With grain prices stable at INR 21-22 per kg, and maize contributing 46% of ethanol feedstock (up from 9% in 2020). The company also uses its in-house ethanol production to supply its chemical business without worrying about excess capacity or external price volatility. The recurring income from the Clariant JV (49% owned) is integrated with the chemical business and provides steady other income, with an upcoming equity infusion in FY28-29E expected to generate handsome returns for further debt reduction.

Multiple growth drivers across geographies and value-added products: In potable Spirits, the expansion into Kerala (with a new French-blend brandy), followed by Andhra and Rajasthan, provides volume & value growth without excessive working capital risk. The company has opened 42 company-operated warehouses in UP and introduced new SKUs and brands across 10 new stations. In Ennature Bio-pharma, the strategic shift from commodity nicotine to value-added customers, along with investment in branded nutraceuticals for women's health and the opening of a US office, positions this segment for recovery. The pipeline of new chemical products, including diabolic esters for foundries and Vitamin D derivatives for personal care, offers additional upside. The potential increase in ethanol blending beyond 20% and the possible introduction of flexi-fuel vehicles would further boost the Bio-Fuels segment.

Outlook & Valuation: India Glycols aggressively de-leveraging, with debt of INR 268cr for FY27E and additional repayment planned, aiming to make the chemical business debt-free by FY28-FY29E. The upcoming equity infusion into the Clariant JV FY28-29E is expected to generate good returns to further reduce debt. Potable Spirits will sustain double-digit growth through premiumization, geographic expansion into Kerala, Andhra, and Rajasthan, and recent CSD/paramilitary approvals. Bio-Fuels stands to benefit from potential ethanol blending increases beyond 20% and stable grain prices supporting margins. Chemicals are poised for a recovery, with performance chemicals expected to double, driven by bio-based amines and new products. Ennature Biopharma will see a gradual recovery as it shifts to value-added nicotine and branded nutraceuticals. We anticipate deleveraging with no major capex, strong cash flows and completion of demerger is expected to unlock value going forward. At the CMP of INR 1,009 per share, we maintain our "BUY" rating at a TP of INR 1,428 per share; based on SOTP; an upside of 41.6%.

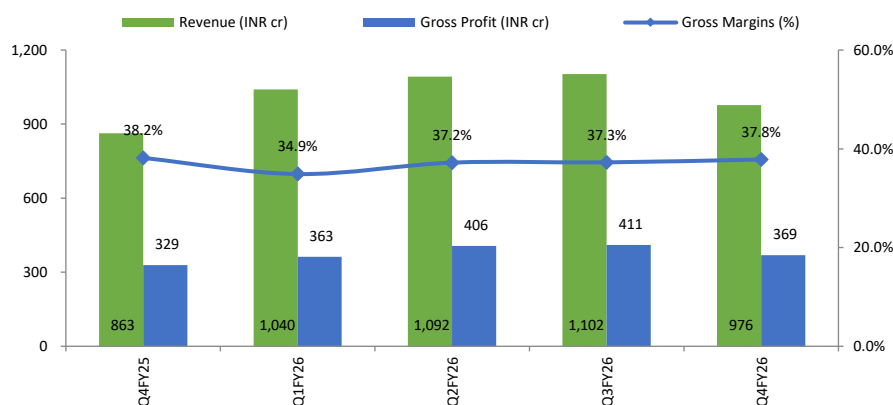
Q4FY26 Results

Exhibit 1: Income statement summary

Particular (INR cr)	Q4FY25	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Revenue	863	1,102	976	13.1%	-11.4%
Net Raw Materials	534	692	607	13.7%	-12.3%
Gross Profit	329	411	369	12.2%	-10.1%
Gross Margin (%)	38.2%	37.3%	37.8%	-32 bps	+58 bps
Power & Fuel	75	106	88	16.2%	-17.1%
Employee Cost	31	35	34	11.9%	-2.9%
Other Expenses	77	94	81	4.7%	-14.0%
EBITDA	146	175	167	14.1%	-5.1%
EBITDA Margin (%)	16.9%	15.9%	17.1%	+15 bps	+114 bps
Depreciation	33	41	41		
Interest expense	45	47	26		
Other income	2	1	1		
Share of profits associate & JV	11	3	13		
Profit before tax	82	91	112	37.5%	24.1%
Taxes	18	23	26		
PAT	64	68	87	35.7%	28.6%
PAT Margin (%)	7.4%	6.1%	8.9%	+148 bps	+277 bps
EPS (INR)	10.3	10.1	13.0		

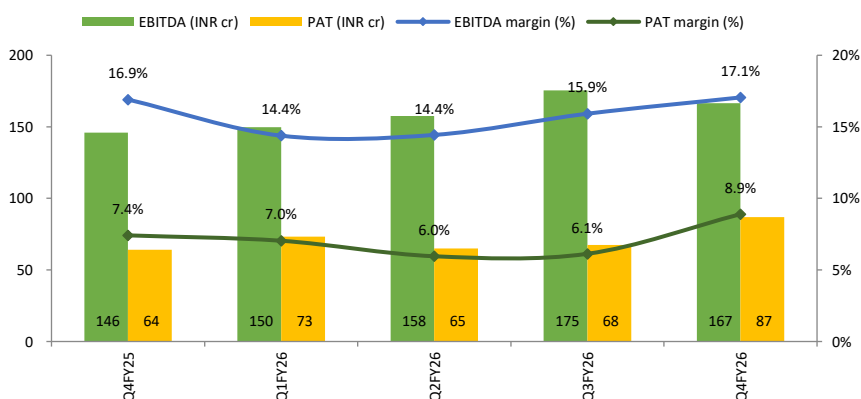
Source: Company Reports, Arihant Capital Research

Exhibit 2: Gross margins moderated by 32 bps YoY (+58 bps QoQ) to 37.8% in Q4FY26 due to raw material cost fluctuations.



Source: Company Reports, Arihant Capital Research

Exhibit 3: EBITDA margin improved by 15 bps YoY (+114 bps QoQ) to 17.1% in Q4FY26; led by lower employee and other expenses in-terms of sales.



Source: Company Reports, Arihant Capital Research

Quarterly results and segments

Exhibit 4: Chemicals and Bio-fuels supported overall growth, while Potable Spirits stabilized. Potable Spirits grew single digit rates and company is focused on premiumization. Ennature Biopharma witnessed recovery supported by branded nutraceuticals and value-added products.

Segment Revenue (INR cr)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Bio Based Specialities and Performance Chemicals	254	300	288	313	301	18.5%	-3.8%
Potable Spirits	284	342	338	345	306	7.9%	-11.1%
Ennature Biopharma	52	51	43	50	63	23.2%	26.1%
Bio-Fuel	273	348	423	394	305	11.6%	-22.6%
Total Segment Revenue	863	1,040	1,092	1,102	976	13.1%	-11.4%

Segment Revenue (%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Bio Based Specialities and Performance Chemicals	29.5%	28.8%	26.4%	28.4%	30.8%		
Potable Spirits	32.9%	32.9%	30.9%	31.3%	31.4%		
Ennature Biopharma	6.0%	4.9%	4.0%	4.6%	6.5%		
Bio-Fuel	31.7%	33.4%	38.7%	35.8%	31.3%		
Total Segment Revenue	100.0%	100.0%	100.0%	100.0%	100.0%		

Source: Company Reports, Arianth Capital Research

Exhibit 5: Bio-fuels margin expansion supported by operating leverage and in-house feedstocks. Chemical business margin expansion driven by performance chemicals. Ennature Biopharma margin remain under pressure; company is shifting commodity-based products to value-added products like branded nutraceuticals.

Segment EBIT (INR cr)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Bio Based Specialities and Performance Chemicals	29	33	31	40	37	26.5%	-8.5%
Potable Spirits	78	72	72	72	68	-13.6%	-6.4%
Ennature Biopharma	4	1	1	2	3	-29.8%	47.5%
Bio-Fuel	16	23	29	33	30	90.0%	-8.4%
Segment EBIT	128	129	134	148	138	7.9%	-6.7%

Segment EBIT Margin (%)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Bio Based Specialities and Performance Chemicals	11.4%	10.9%	10.9%	12.8%	12.2%	+78 bps	-63 bps
Potable Spirits	27.6%	21.1%	21.4%	21.0%	22.1%	-549 bps	+111 bps
Ennature Biopharma	8.3%	2.4%	2.3%	4.1%	4.7%	-358 bps	+69 bps
Bio-Fuel	5.8%	6.5%	6.9%	8.4%	9.9%	+408 bps	+153 bps
Segment EBIT Margin	14.8%	12.4%	12.3%	13.4%	14.1%	-68 bps	+72 bps

Source: Company Reports, Arianth Capital Research

Exhibit 6: Potable spirits growth 5% YoY (-5.8% QoQ) in Q4FY26, while lower excise duty in-terms of sales improved revenue growth (+7.9% YoY/-11.1% QoQ) in Q4FY26.

Potable Spirits (INR cr)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Potable Spirits	1,609	1,805	1,658	1,793	1,690	5.0%	-5.8%
Less: Excise duty	1,325	1,463	1,320	1,449	1,384	4.4%	-4.5%
<i>Excise duty as a % of sales</i>	<i>82.4%</i>	<i>81.0%</i>	<i>79.6%</i>	<i>80.8%</i>	<i>81.9%</i>	-0.6%	1.4%
Net Potable Spirits	284	342	338	345	306	7.9%	-11.1%

Source: Company Reports, Arianth Capital Research

Exhibit 7: Raw material fluctuation slightly impacted margins. Employee and other expenses significantly reduced in-terms of sales.

Particular (INR cr)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
Revenue	863	1,040	1,092	1,102	976	13.1%	-11.4%
Raw material costs	534	677	686	692	607	13.7%	-12.3%
<i>Raw material costs as % of sales</i>	<i>61.8%</i>	<i>65.1%</i>	<i>62.8%</i>	<i>62.7%</i>	<i>62.2%</i>		
Employee costs	31	31	32	35	34	11.9%	-2.9%
<i>Employee costs as % of sales</i>	<i>3.5%</i>	<i>3.0%</i>	<i>2.9%</i>	<i>3.2%</i>	<i>3.5%</i>		
Power & Fuel costs	75	92	115	106	88	16.2%	-17.1%
<i>Power & Fuel costs as % of sales</i>	<i>8.7%</i>	<i>8.8%</i>	<i>10.6%</i>	<i>9.6%</i>	<i>9.0%</i>		
Other expenses	77	91	101	94	81	4.7%	-14.0%
<i>Other expenses as % of sales</i>	<i>9.0%</i>	<i>8.7%</i>	<i>9.3%</i>	<i>8.5%</i>	<i>8.3%</i>		

Source: Company Reports, Arianth Capital Research

Q4FY26 Concall Highlights

Premiumization in Potable Spirits

- In Potable Spirits, IMFL contributes 25% of volume and 34% of value. Bunty & Bubli remain the largest-selling brands.
- In Potable Spirits, Country Liquor (IMIL) contributes 75% of volume, but at a lower value. The premiumization strategy aims to shift the mix toward high-margin IMFL without losing the IMIL base.
- The company's premium launches include Amrut Prestige, Bunty Vodka (Jamun/Cranberry), Amazing Vodka, and Dhurandhar Whisky.
- Amrut luxury single malts distribution secured in North India.
- CSD and paramilitary approvals (Solmate, Zumba Lemon, Zumba Black) are major growth drivers.

Leadership position and expansion

- The company maintained its leadership position in UP and Uttarakhand. IMFL grew 11% YoY in UP and 21% YoY in Uttarakhand.
- The company has expanded coverage in western UP with new brands and new stations. The company opened 42 company-operated warehouses in UP and introduced the 100 ml SKU.
- Solmat Black maintains leadership in the regular biscuit category.
- The company entered Kerala with French-blend brandy, and soon entered Andhra and Rajasthan.

Biofuel

- India achieved 20% blending ahead of 2030. The government may raise blending to 21-22% and consider flexi-fuel vehicles. The flexi-fuel vehicles that can operate at 85% ethanol, although there is an operating range between 13% and 85%, where engines face challenges.

Feedstock

- Grain-based ethanol now dominates; maize contributes 46% of feedstock (up from 9% in 2020).
- Grain prices are stable at INR 21-22/kg. The increasing acceptability of DDGS (a protein byproduct) has improved profitability.
- Dual flexibility (grain + molasses) optimizes cost.

Chemicals and value-added products

- Performance chemicals grew 40% YoY in value in Q4FY26. The company is the 1st Indian manufacturer of green bio-based amine, with L'Oréal as the first customer. The pipeline products are diabolic esters for foundries and Vitamin D derivatives for personal care and flavors & fragrances.
- The company is building its carbon smart materials and oilfield chemicals businesses. The company is working with global majors like BSF, New Park, Dove, and L'Oréal.

Q4FY26 Concall Highlights**Ennature Biopharma**

- Ennature Biopharma's margin pressure is due to the global environment, but Q4FY26 recovery is driven by Thiocolchicoside price increase, nicotine recovery, and strong nutraceuticals.
- The company is investing in branded nutraceuticals for women's health and has opened a US office.
- In Nicotine business, the company is shifting from commodity/volume-driven customers to value-added, long-term customers.

JV

- JV income (INR 38.4cr from Clariant) is recurring and integrated with the chemical business. Accounting standard 28 adjusts this against investment, not as dividend income.
- The company will shell out 24% more equity in FY28-29E, which is expected to generate handsome returns to further reduce debt.

Debt repayment

- The company prepaid INR 804cr in Q4FY26, funded by preferential allotment (INR 467cr) and internal accruals. Interest cost savings stood at INR 20cr/quarter.
- The finance cost run rate is expected to continue reducing, with a debt of about INR 268 crores for FY27E (INR 168cr in the liquor business and INR 100cr in chemicals).
- The company planned additional prepayments and aimed to be debt-free by FY29E.

NCLT hearing

- Scheme of arrangement admitted by NCLT; hearing on 21st May 2026. The company expects orders by the first 10 days of June, then filing with the ROC.

War impact

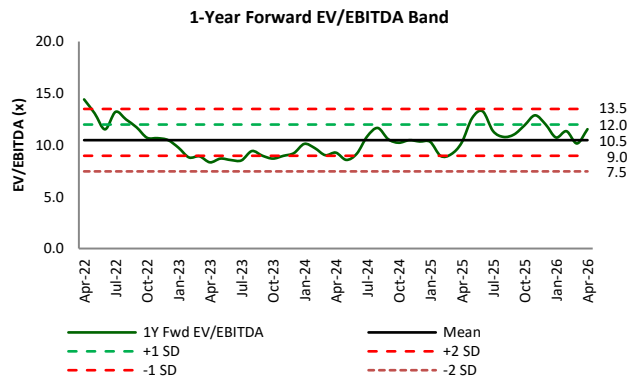
- The war's impact is mixed. The higher crude prices led to improved ethanol-based competitiveness.
- The export halt of oilfield chemicals to the Middle East (New Park business on hold). Propylene oxide prices up, availability tight. Overall, the war's impact is slightly positive.

Outlook & Valuation: India Glycols aggressively de-leveraging, with debt of INR 268cr for FY27E and additional repayment planned, aiming to make the chemical business debt-free by FY28-FY29E. The upcoming equity infusion into the Clariant JV FY28-29E is expected to generate good returns to further reduce debt. Potable Spirits will sustain double-digit growth through premiumization, geographic expansion into Kerala, Andhra, and Rajasthan, and recent CSD/paramilitary approvals. Bio-Fuels stands to benefit from potential ethanol blending increases beyond 20% and stable grain prices supporting margins. Chemicals are poised for a recovery, with performance chemicals expected to double, driven by bio-based amines and new products. Ennature Biopharma will see a gradual recovery as it shifts to value-added nicotine and branded nutraceuticals. We anticipate deleveraging with no major capex, strong cash flows and completion of demerger is expected to unlock value going forward. At the CMP of INR 1,009 per share, we maintain our “BUY” rating at a TP of INR 1,428 per share; based on SOTP; an upside of 41.6%.

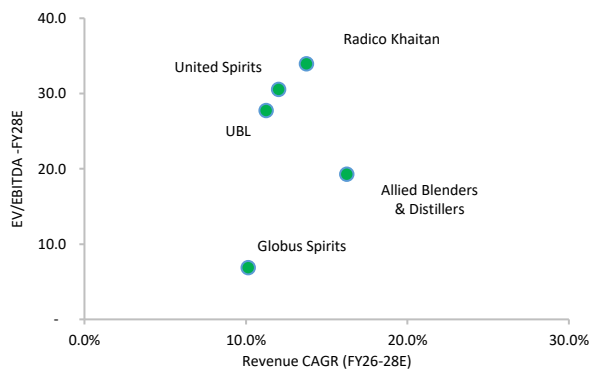
IGL FY28E based implied valuation	IGL Spirits	India Glycols	Ennature Biopharma	
FY28E EBITDA (INR cr)	670	194	18	
EV/EBITDA (x)	15.0x	5.0x	1.0x	
EV (INR cr)	10,057	971	18	11,046
Net Debt/(cash) (INR cr) - FY28E end				1,473
Market Cap (INR cr)				9,573
Share outstanding (cr)				6.7
Value per share (INR) - FY28E				1,428
CMP (INR)				1,009
Upside/Downside (%)				41.6%
Rating				BUY

Source: Company reports, Aриhant Capital Research

Exhibit 8: Large liquor players are available between 25-35x EV/EBITDA, while small & medium players are available between 10-20x EV/EBITDA. IGL spirits also has Bio-fuel (~30% share) and well positioned to capture ethanol blending program. We have assigned 15x EV/EBITDA to IGL Spirits.



Source: Aриhant Capital Research



Sensitivity Analysis

Exhibit 9: Changes in IGL Spirits & India Glycols multiple impact on TP

FY28E Target Price (INR)

		IGL Spirits EV/EBITDA (x)								
		1,428	12.0x	13.0x	14.0x	15.0x	16.0x	17.0x	18.0x	19.0x
India Glycols EV/EBITDA (x)	2.0x	1,041	1,141	1,241	1,341	1,441	1,541	1,642	1,742	
	3.0x	1,070	1,170	1,270	1,370	1,470	1,570	1,670	1,771	
	4.0x	1,099	1,199	1,299	1,399	1,499	1,599	1,699	1,800	
	5.0x	1,128	1,228	1,328	1,428	1,528	1,628	1,728	1,829	
	6.0x	1,157	1,257	1,357	1,457	1,557	1,657	1,757	1,857	
	7.0x	1,186	1,286	1,386	1,486	1,586	1,686	1,786	1,886	
	8.0x	1,215	1,315	1,415	1,515	1,615	1,715	1,815	1,915	
	9.0x	1,244	1,344	1,444	1,544	1,644	1,744	1,844	1,944	

FY28E Target Price upside (%)

		IGL Spirits EV/EBITDA (x)								
		42%	12.0x	13.0x	14.0x	15.0x	16.0x	17.0x	18.0x	19.0x
India Glycols EV/EBITDA (x)	2.0x	3.2%	13.1%	23.0%	32.9%	42.9%	52.8%	62.7%	72.6%	
	3.0x	6.1%	16.0%	25.9%	35.8%	45.7%	55.6%	65.6%	75.5%	
	4.0x	8.9%	18.9%	28.8%	38.7%	48.6%	58.5%	68.4%	78.3%	
	5.0x	11.8%	21.7%	31.6%	41.6%	51.5%	61.4%	71.3%	81.2%	
	6.0x	14.7%	24.6%	34.5%	44.4%	54.3%	64.3%	74.2%	84.1%	
	7.0x	17.6%	27.5%	37.4%	47.3%	57.2%	67.1%	77.1%	87.0%	
	8.0x	20.4%	30.3%	40.3%	50.2%	60.1%	70.0%	79.9%	89.8%	
	9.0x	23.3%	33.2%	43.1%	53.1%	63.0%	72.9%	82.8%	92.7%	

Source: Company Reports, Arianth Capital Research

Exhibit 10: Revenue and EBITDA margin change impact on PAT and EPS.

FY28E PAT (INR cr)

		EBITDA Margin (%)							
		514	15.0%	15.5%	16.0%	16.5%	17.0%	17.5%	18.0%
Revenue (INR cr)	5,000	419	437	456	475	493	512	531	
	5,200	441	460	480	499	519	538	558	
	5,400	463	484	504	524	544	564	585	
	5,600	486	507	528	549	570	591	612	
	5,800	508	530	552	573	595	617	639	
	6,000	531	553	576	598	621	643	665	
	6,200	553	576	600	623	646	669	692	

FY28E EPS (INR)

		EBITDA Margin (%)							
		76.7	15.0%	15.5%	16.0%	16.5%	17.0%	17.5%	18.0%
Revenue (INR cr)	5,000	62.5	65.2	68.0	70.8	73.6	76.4	79.2	
	5,200	65.8	68.7	71.6	74.5	77.4	80.3	83.2	
	5,400	69.2	72.2	75.2	78.2	81.2	84.2	87.2	
	5,600	72.5	75.6	78.8	81.9	85.0	88.1	91.3	
	5,800	75.9	79.1	82.3	85.6	88.8	92.0	95.3	
	6,000	79.2	82.5	85.9	89.2	92.6	95.9	99.3	
	6,200	82.5	86.0	89.5	92.9	96.4	99.8	103.3	

Source: Company Reports, Arianth Capital Research

Financial Statements

Income statement summary

Y/e 31 Mar (INR cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Revenue	2,868	2,651	3,294	3,768	4,211	4,773	5,479
Net Raw Materials	1,921	1,582	2,149	2,408	2,662	3,012	3,453
Power & Fuel	332	417	328	362	401	451	516
Employee Cost	89	89	103	123	133	148	167
Other Expenses	444	267	311	365	367	411	467
EBITDA	81	296	402	511	649	750	878
EBITDA Margin (%)	2.8%	11.1%	12.2%	13.6%	15.4%	15.7%	16.0%
Depreciation	(80)	(94)	(101)	(115)	(155)	(164)	(169)
Interest expense	(70)	(100)	(121)	(164)	(167)	(101)	(87)
Other income	22	24	26	15	5	7	8
Exceptional Items	221	28	-	-	(1)	-	-
Share of profits associate & JV	21	11	17	46	46	50	58
Profit before tax	195	165	223	292	377	543	687
Taxes	(39)	(24)	(50)	(61)	(84)	(137)	(173)
PAT	156	141	173	231	293	406	514
PAT from discontinued operations	10	-	-	-	-	-	-
PAT	166	141	173	231	293	406	514
PAT Margin (%)	5.8%	5.3%	5.3%	6.1%	7.0%	8.5%	9.4%
Other Comprehensive income	(0)	0	(0)	(1)	(2)	-	-
Net profit	166	141	173	229	291	406	514
EPS (INR)	26.7	22.8	27.9	37.1	43.4	60.6	76.7

Source: Company Reports, Arihant Capital Research

Balance sheet summary

Y/e 31 Mar (INR cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity capital	31	31	31	31	34	34	34
Reserves	1,761	1,870	2,020	2,225	2,899	3,261	3,718
Net worth	1,792	1,901	2,051	2,256	2,933	3,294	3,752
Minority Interest	(19)	-	-	-	-	-	-
Provisions	8	7	8	8	13	4	5
Debt	1,367	1,479	1,763	2,309	2,154	1,869	1,619
Other non-current liabilities	527	475	401	445	508	573	658
Total Liabilities	3,675	3,863	4,223	5,018	5,608	5,740	6,032
Fixed assets	2,303	2,690	3,171	3,736	4,445	4,388	4,377
Capital Work In Progress	243	125	84	98	37	38	39
Other Intangible assets	2	2	2	1	1	1	1
Investments	456	370	384	427	430	477	548
Other non current assets	19	25	31	96	110	119	137
Net working capital	362	368	286	527	495	614	729
Inventories	693	754	1,106	1,171	891	1,155	1,343
Sundry debtors	399	430	384	365	351	418	480
Loans & Advances	26	0	1	1	2	2	2
Other current assets	201	179	189	149	167	196	240
Sundry creditors	(642)	(752)	(1,099)	(979)	(788)	(1,014)	(1,172)
Other current liabilities & Prov	(314)	(244)	(295)	(179)	(127)	(143)	(164)
Cash	102	113	138	77	50	53	146
Other Financial Assets	188	170	127	54	39	48	55
Total Assets	3,675	3,863	4,223	5,018	5,608	5,740	6,032

Source: Company Reports, Arihant Capital Research

Financial Statements

Cashflow summary

Y/e 31 Mar (INR cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Profit before tax	195	165	223	292	377	543	687
Depreciation	80	94	101	115	155	164	169
Tax paid	(39)	(24)	(50)	(61)	(84)	(137)	(173)
Working capital Δ	322	(6)	81	(241)	32	(119)	(114)
Operating cashflow	558	229	355	105	480	451	569
Capital expenditure	(330)	(362)	(541)	(695)	(803)	(108)	(159)
Free cash flow	228	(133)	(186)	(590)	(322)	343	409
Equity raised	486	(8)	(0)	(1)	459	(0)	-
Investments	(374)	86	(14)	(43)	(3)	(47)	(71)
Others	(128)	12	37	8	0	(18)	(25)
Debt financing/disposal	(97)	131	284	546	(155)	(285)	(250)
Dividends paid	(18)	(23)	(23)	(25)	(75)	(45)	(57)
Other items	(93)	(53)	(74)	45	68	56	85
Net Δ in cash	4	12	25	(60)	(28)	3	93
Opening Cash Flow	98	102	113	138	77	50	53
Closing Cash Flow	102	113	138	77	50	53	146

Source: Company Reports, Arihant Capital Research

Ratio analysis

Y/e 31 Mar	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Growth matrix (%)							
Revenue growth	23.8%	-7.6%	24.3%	14.4%	11.8%	13.3%	14.8%
Op profit growth	-69.6%	263.3%	36.1%	26.9%	27.1%	15.5%	17.0%
Net profit growth	26.1%	-15.0%	22.7%	33.4%	26.9%	38.6%	26.7%
Profitability ratios (%)							
OPM	2.8%	11.1%	12.2%	13.6%	15.4%	15.7%	16.0%
Net profit margin	4.2%	5.7%	5.8%	5.3%	5.3%	6.1%	7.0%
RoCE	0.6%	5.9%	7.0%	7.7%	8.0%	8.6%	10.2%
RoNW	10.5%	7.6%	8.8%	10.7%	11.3%	13.0%	14.6%
RoA	4.2%	3.7%	4.1%	4.6%	5.2%	7.1%	8.5%
Per share ratios (INR)							
EPS	26.7	22.8	27.9	37.1	43.4	60.6	76.7
Dividend per share	3.0	3.7	3.7	4.0	11.2	6.7	8.4
Cash EPS	38.1	38.0	44.2	55.9	66.9	85.1	101.9
Book value per share	289.4	307.1	331.2	364.3	437.6	491.5	559.8
Valuation ratios (x)							
P/E	37.7	44.2	36.2	27.2	23.2	16.7	13.2
P/CEPS	26.5	26.6	22.8	18.1	15.1	11.9	9.9
P/B	3.5	3.3	3.0	2.8	2.3	2.1	1.8
EV/EBITDA	86.7	24.5	18.6	15.8	13.0	10.8	8.8
Payout (%)							
Dividend payout	11.8%	16.3%	13.3%	10.7%	25.7%	11.0%	11.0%
Tax payout	20.2%	14.5%	22.5%	21.0%	22.4%	25.2%	25.2%
Liquidity ratios							
Debtor days	48	57	45	36	31	29	30
Inventory days	124	167	158	173	141	124	132
Creditor days	80	108	117	116	91	82	87
WC Days	92	116	86	92	82	72	75
Leverage ratios (x)							
Interest coverage	0.0	2.0	2.5	2.4	3.0	5.8	8.1
Net debt / equity	0.7	0.7	0.8	1.0	0.7	0.6	0.4
Net debt / op. profit	15.6	4.6	4.0	4.4	3.2	2.4	1.7

Source: Company Reports, Arihant Capital Research

Story in Charts

Exhibit 11: Potable spirits, Biofuels and recovery in chemicals will drive the growth going forward.

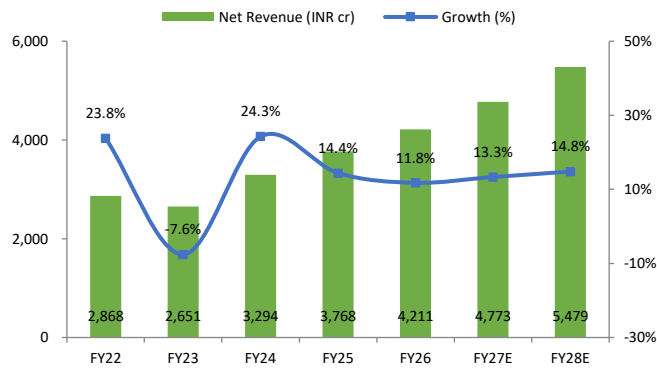


Exhibit 12: In-house grain based distilleries is expected to stabilize gross margin going forward.

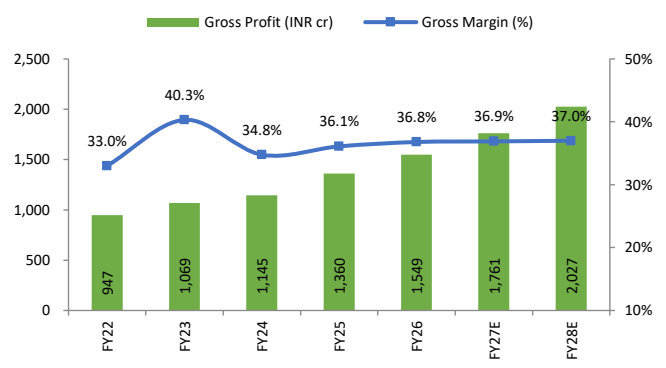


Exhibit 13: The captive wind and solar hybrid power will reduce costs going forward.

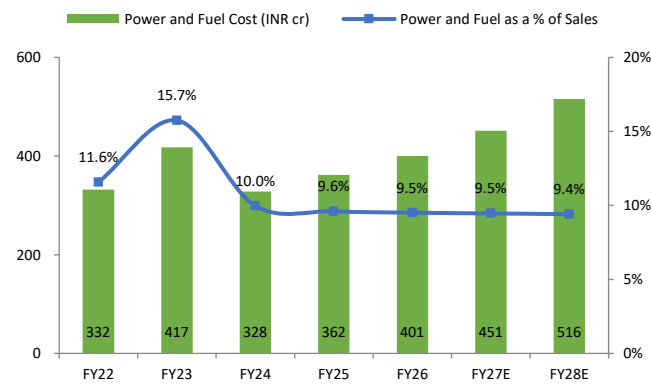


Exhibit 14: Growth in EBITDA & PAT levels.

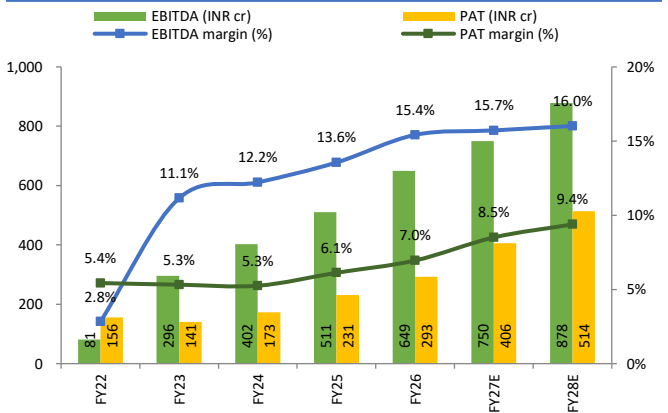


Exhibit 15: Working capital days to be improve

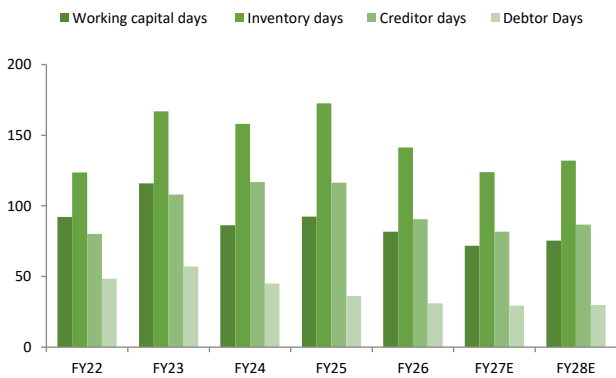
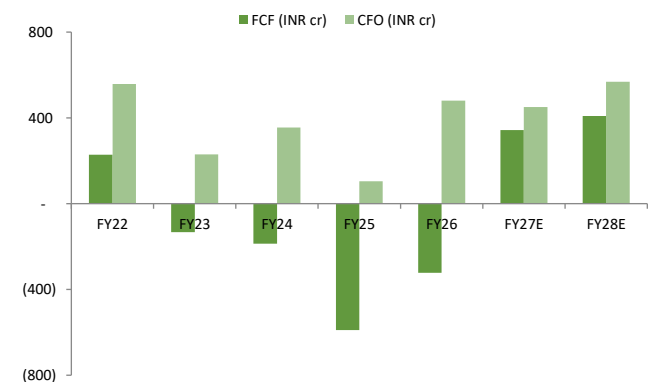


Exhibit 16: Cash flows to be improve



Source: Company Reports, Arianth Capital Research

Story in Charts

Exhibit 17: Return ratios to be improve.

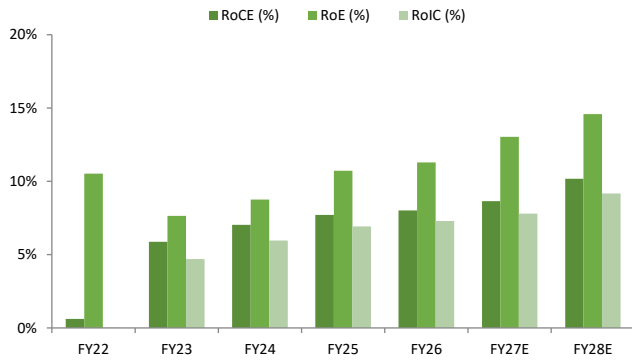


Exhibit 18: Working capital is expected to be below 20% in terms of sales going forward.

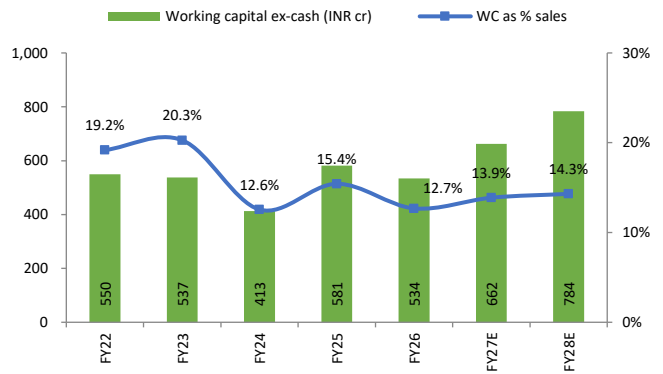


Exhibit 19: Cash conversion cycle is expected to maintain going forward.

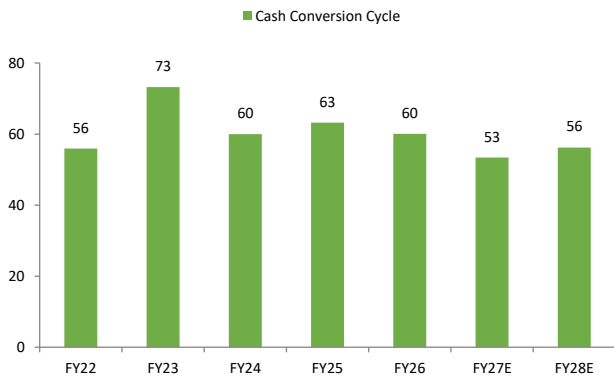


Exhibit 20: The company is aggressively repaying the debt.

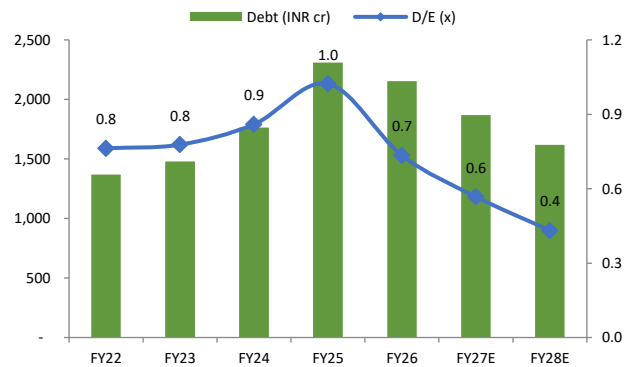


Exhibit 21: Ethanol blending, Potable Spirits and recovery in BSPC and will drive growth.

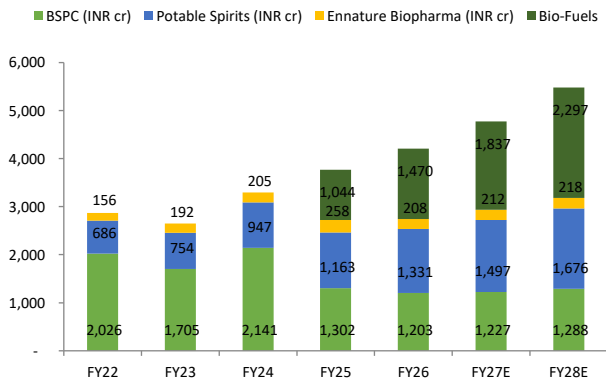
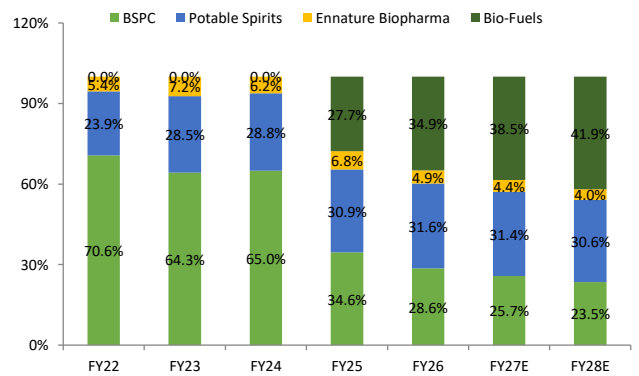


Exhibit 22: Segment wise mix



Source: Company Reports, Arianth Capital Research

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Stock Rating Scale

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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