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PRASOL CHEMICALS LTD

LONG TERM SUBSCRIBE

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IPO Report

09th[t] Sept 26

Snapshot

Company was incorporated in 1992 and with over 33 years of experience in the specialty chemicals industry, Company is a forward integrated manufacturer of acetone and phosphorous based specialty chemicals and other specialty chemicals involving complex and differentiated chemistries. Company is a highly diversified specialty chemical player with over 150 specialty chemical products and over 1,600 customers and exports to 69 countries, as of July 15, 2026. Company's products find diversified applications across numerous industries with 5 key segments being: (a) performance chemicals (including lubricant additives and mining chemicals); (b) PICA viz., paints, inks construction, & adhesives; (c) pharmaceuticals; (d) agrochemicals; and (e) home and personal care (**Application Industries**).

VALUATION

Company is bringing the issue at price band of Rs 643-676 per share at p/e multiple of 48x on post issue FY26 basis.
Company is highly diversified product portfolio used across various application industries with well established R&D capabilities driving innovation with strong pipeline of products to address customised customer requirements along with long standing relationships with a diversified customer base and strong global presence Hence, we recommend "Long term Subscribe" to issue.

Price Band (Rs./Share)	**643-676**
Opening date of the issue	**08th Sept '2026**
Closing Date of the issue	**10th Sept '2026**
No of shares pre issue	5,80,00,000 Eq Shares
Issue Size	Rs 80 Cr
Fresh Issue	Rs 420 Cr
OFS	62,13,006 Eq Shares
Face Value (Rs/ share)	Rs 2/share
Bid Lot	22
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer
Non-Institutional	15% of the offer
Retail	35% of the offer
Lead managers	DAM Capital Advisors Ltd
Registrar to the issue	KFinTech Technologies Ltd

STRENGTHS

Highly diversified product portfolio used across various Application Industries

Well established R&D capabilities driving innovation with strong pipeline of products to address customised customer requirements.

Well established R&D capabilities

OBJECTS OF ISSUE

The Offer comprises the Fresh Issue of Equity Shares, aggregating up to ₹ 800.00 million by Company and an Offer for Sale of Equity Shares aggregating to up to ₹4,200.00 million by the Selling Shareholders
Company proposes to utilise the Net Proceeds towards the following objects:
1. Repayment and/ or pre-payment, in full or part, of certain borrowings availed by Company;
2. General corporate purposes.

Financial Statements

Rs Mn

	FY24	FY25	FY26
Total Revenue	8765.65	10124.94	12325.93
Total Expenditure	8160.25	9247.28	10932.73
EBIDTA	605.40	877.66	1393.20
EBIDTA Margin	0	8.67	11.30
Other Income	109.97	30.46	52.52
Depreciation	213.62	232.77	246.96
EBIT	501.75	675.35	1198.76
Interest	108.89	82.48	79.77
PBT	392.86	592.87	1118.99
Share of profit in Asso	-0.12	0.00	0.00
PBIT	392.74	592.87	1118.99
Exceptional	57.64	0.00	0.00
PBT	335.10	592.87	1118.99
Tax	153.79	157.18	287.75
PAT	181.31	435.69	831.24
NPM	2.07	4.30	6.74
ROE%	5.56	11.86	18.53
EPS	3.13	7.51	14.33
Eq Cap	116.00	116.00	116.00
Net Worth	3,258.35	3,674.70	4,485.05

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