

Market Cap.		52 Week H/L		CMP			Target Price										
Rs. 15,958 Cr.		Rs. 595/367		Rs. 434			Rs. 620										
FMCG																	
Jyothy Labs Ltd has recently announced its performance for the quarter ended Sept 30, 2024. Following are the key financial highlights:																	
STOCK DATA																	
BUY																	
Reuters Code	JYOI.BO																
Bloomberg Code	JYL IN																
BSE Code	532926																
NSE Symbol	JYOTHYLAB																
Face Value	Rs.1																
Shares Outstanding	36.7 Cr.																
Avg. Daily Volume (6m)	1,039,158 Shares																
Price Performance (%)																	
1M	3M																
(16)	(21)																
200 days EMA Rs.481																	
SHARE HOLDING (%)																	
Promoters	62.9																
FII	15.1																
FI / MF	15.1																
Bodies Corporate	0.2																
Public & Others	6.7																
RESEARCH ASSOCIATE																	
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OUTLOOK AND VALUATION																	
Jyothy Labs Ltd posted a flat quarter in terms of revenue numbers. However, on the back of improved EBITDA margins and increased distribution network, the management remains confident of improved growth and margins in the second half of the financial year. Therefore, we expect FY26E revenue at Rs.3821.6cr, EBITDA of Rs.718.5cr at an EBITDA margin of 16.1% and PAT of Rs.256.7 cr. We estimate FY26E EPS at Rs.18.1, and assign a PE multiple of 40x, maintaining the target price of Rs.620 (upside ~43.6%) from the current market price of Rs.434. We maintain our BUY Rating for Jyothy Labs Ltd over an investment horizon of 24-30 months.																	
Y/E Mar	Revenue	EBITDA	EBITDA Margin (%)	PAT	NPM	EPS	P/E	P/S	P/BV								
	(Rs. Cr)	(Rs. Cr)	(%)	(Rs. Cr)	(%)	(Rs.)	(x)	(x)	(x)								
FY24	2,756.9	479.8	17.4%	369.3	13.4%	10.1	43.0	5.8	8.8								
FY25 E	3,074.0	531.8	17.3%	416.1	13.5%	11.3	38.1	5.2	7.7								
FY26 E	3,427.5	613.5	17.9%	485.2	14.2%	13.2	32.7	4.6	6.8								
FY27 E	3,821.6	718.5	18.8%	569.4	14.9%	15.5	27.9	4.2	5.9								



Earlier Recommendation

Date	Report Type	Reco	Price (Rs.)	Target (Rs.)
12-July-24	Initiating Coverage	Buy	488	620

PROFIT & LOSS STATEMENT		(Rs. Cr.)		
Y/E Mar.	FY24	FY25E	FY26E	FY27E
Revenue	2,757	3,074	3,427	3,822
Raw Material Cost	1404	1519	1686	1869
Employee Cost	301	320	360	401
Other Expenses	573	704	768	833
EBITDA	480	532	614	718
<i>EBITDA Margin (%)</i>	<i>17.4%</i>	<i>17.3%</i>	<i>17.9%</i>	<i>18.8%</i>
Depreciation	50	54	55	59
EBIT	430	478	559	659
<i>EBIT Margin (%)</i>	<i>15.6%</i>	<i>15.5%</i>	<i>16.3%</i>	<i>17.3%</i>
Finance Costs	5	4	2	1
Other Income	0	0	0	0
Profit before Tax	479	533	622	730
Tax Expense	110	117	137	161
Net Profit	369	416	485	569
<i>Net Margin (%)</i>	<i>13.4%</i>	<i>13.5%</i>	<i>14.2%</i>	<i>14.9%</i>
A-EPS	10.1	11.3	13.2	15.5

BALANCE SHEET		(Rs.Cr.)		
Y/E Mar.	FY24	FY25E	FY26E	FY27E
PP&E (incl. CWIP+intangibles)	306	345	342	342
Right of Use Assets / Investment Property	47	47	47	47
Other Non-Current	909	920	933	948
Inventories	284	320	356	394
Trade Receivables	201	236	272	304
Cash Balance	84	116	209	291
Bank Balance	82	122	196	323
Other Current Assets	488	565	631	705
Total Assets	2,401	2,671	2,985	3,354
Equity Share Capital	37	37	37	37
Reserves & Surplus	1,772	2,019	2,293	2,630
Borrowings (LT)	-	-	-	-
Other Non-Current Liabilities	111	115	115	115
Trade Payables	276	287	314	338
Other Financial Liabilities	34	31	31	31
Current Borrowings	-	-	-	-
Other Current Tax Liab & Provisions	172	183	196	205
Total Liabilities	2,401	2,671	2,985	3,354

Source: Company, Sushil Finance Research

CASH FLOW STATEMENT

(Rs. Cr)

Y/E Mar.	FY24	FY25E	FY26E	FY27E
PBT	479	533	622	730
Depreciation	50	54	55	59
Interest	5	4	2	1
CFO before Working Cap chg	534	591	679	790
Chg in Inventories	18	(37)	(35)	(38)
Chg in Trade Receivables	(64)	(34)	(37)	(31)
Chg in Trade Payables	62	11	27	24
Chg in Current Assets & Liabilities	42	74	100	100
Income Taxes Paid	(110)	(117)	(137)	(161)
Cash Flow from Operations	482	487	596	683
Interest Paid	(5)	(4)	(2)	(1)
Dividend Paid	(127)	(169)	(211)	(232)
Other Adjustments	15	(85)	(93)	(99)
Cash Flow from Financing	(116)	(257)	(307)	(332)
Capital Expenditure	(110)	(37)	(51)	(59)
Current Investments	(192)	(19)	(21)	(23)
Other Financial assets	96	(41)	(73)	(127)
Other Adjustments	(255)	(45)	(52)	(59)
Cash Flow from Investing	(460)	(142)	(198)	(269)
Opening Cash	106	84	116	209
Total Cash Flow	(21)	88	93	82
Closing Cash	84	116	209	291

Source: Company, Sushil Finance Research

FINANCIAL RATIO STATEMENT

Y/E Mar.	FY24	FY25E	FY26E	FY27E
<u>Growth (%)</u>				
Revenue	10.9%	11.5%	11.5%	11.5%
EBITDA	51.9%	10.8%	15.4%	17.1%
Net Profit	58.7%	12.7%	16.6%	17.4%
<u>Profitability (%)</u>				
EBITDA Margin	17.4%	17.3%	17.9%	18.8%
Net Profit Margin	13.4%	13.5%	14.2%	14.9%
ROCE	24.3%	23.7%	24.4%	25.1%
ROE	20.4%	20.2%	20.8%	21.4%
<u>Per Share Data (Rs.)</u>				
EPS	10.1	11.3	13.2	15.5
BVPS	49.2	56.0	63.4	72.6
CEPS	11.4	12.8	14.7	17.1
<u>Valuation (x)</u>				
P/E	43.0	38.1	32.7	27.9
P/BV	8.8	7.7	6.8	5.9
EV/EBITDA	32.9	29.7	25.7	22.0
P/Sales	5.8	5.2	4.6	4.2
<u>Turnover</u>				
Inventory days	74	77	77	77
Debtor days	27	28	29	29
Creditor days	72	69	68	66
<u>Gearing (x)</u>				
D/E	0.0	0.0	0.0	0.0

Source: Company, Sushil Finance Research

Rating Scale :

This is a guide to the rating system used by our Institutional Research Team. Our rating system comprises of three rating categories.

Total Expected Return Matrix (Rating and Return)	BUY : Over 12%	HOLD : -12% to 12%	SELL : Below -12%
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Analyst Stock Ownership	No
Stock Recommended to Clients	Yes
Remuneration/Benefits received from company in 12 months	No
Merchant Banking Market Making activities / projects	No
Sushil Financial Services Pvt. Ltd and Group Companies Holding	No
Sushil Financial Services Pvt. Ltd and Group Directors Holding	No
Broking Relationship with the company covered	No