Jyothy Labs Ltd

Market Cap.	52 Week H/L	CMP	Target Price
Rs. 11,397 Cr.	Rs. 433/268	Rs. 310	Rs. 507

FMCG

STOCK DATA

BUY

Reuters Code	JYOI.BO
Bloomberg Code	JYL IN
BSE Code	532926
NSE Symbol	JYOTHYLAB
Face Value	Rs. 1
Shares Outstanding	37 Cr.
Avg. Daily Volume (6m)	376,493 Shares

Price Performance (%)

1M	3M	6M
(3)	(9)	(11)

200 days EMA Rs. 348

SHARE HOLDING (%)

Promoters	62.89
Govt.	0.01
FII	12.12
FI / MF	16.00
Bodies Corporate	0.28
Public & Others	8.70

Jyothy Labs Ltd has recently announced its performance for the quarter ended September 30, 2025. Following are the key financial highlights:

Particulars	Q2FY26	Q2FY25	YoY	Q1FY26	QoQ
Net Sales	753.0	745.6	0.9%	770.7	(2.2%)
EBITDA	135.3	150.8	(10.2%)	143.6	(5.7%)
EBITDA Margin	**18.0%**	**19.5%**	**(150 bps)**	**18.6%**	**(60 bps)**
Profit (loss) before Tax	118.7	135.6	(12.4%)	127.5	(6.4%)
Profit (loss) after Tax	87.8	104.9	(16.3%)	96.8	(9.2%)
PAT Margin	**11.6%**	**13.5%**	**(190 bps)**	**12.6%**	**(100 bps)**
EPS	2.39	2.86	(16.4%)	2.64	(9.4%)

Highlights from the Quarter (Q2FY26):

Jyothy Labs Ltd (JLL) reported a flat quarterly net revenue of Rs.753.0cr for Q2FY26, marginally higher by 0.9% YoY and lower by 2.2% on a QoQ basis. The company reported an EBITDA of Rs.135.3cr for the quarter vs Rs.150.8cr for the same quarter in the previous year and Rs.143.6cr in the preceding quarter. Subsequently, the company posted a net profit of Rs.87.8cr for the quarter.

Gross Margins stood at 48.1%, compared to 50.2% in the same period last year. This was lower by 210 basis points year-on-year, mainly due to input cost pressure, price reductions, and consumer offers in select categories. This subsequently impacted EBITDA margins for the quarter.

Coming to the product categories, Fabric Care delivered an encouraging performance in both Main Wash and Post Wash. Jyothy Labs expanded its fabric care portfolio into a premium niche with the launch of Dr. Wool, an expert liquid detergent specifically for Woollens and Delicates. The performance of the personal care segment was negatively impacted by the GST transition announced in September 2025. This transition affected key products, including toilet soaps and toothpaste, which together account for about 11% of the business. The market disruption and channel destocking due to price resets contributed to the flat growth in the segment.

The new brand Jovia, along with Margo, is expected to start delivering improvements from Q3FY26 onwards.

Future outlook:

- Management remains cautiously optimistic about a gradual improvement in demand and further stability in commodity prices.
- The company expects the GST impact normalization and improving demand to lift sequential growth.
- The margin performance is expected to be supported by benign commodities, the scaling of premium launches, and better mix.
- The Operating EBITDA margin is expected to remain in the 16%–17% range in the second half of FY26.

RESEARCH ASSOCIATE
Yash Dalal | +91 22 4093 4077
yash.dalal@sushilfinance.com

SALES:
Devang Shah | +91 22 4093 6060/61
devang.shah@sushilfinance.com

Earlier Recommendation

Date	Report Type	Reco	Price (Rs.)	Target (Rs.)
12-Jul-24	Initiating Coverage	Buy	488	620
13-Nov-24	Q2FY25 Update	Buy	434	620
12-Feb-25	Q3FY25 Update	Buy	370	620
13-May-25	Q4FY25 Update	Buy	336	620
18-Aug-25	Q1FY26 Update	Buy	336	507

OUTLOOK AND VALUATION

We remain bullish on Jyothy Labs Ltd due to an anticipated recovery as well as the company's rigorous push towards growth. We expect FY27E revenue at Rs.3507.8cr, EBITDA of Rs.659.5cr at an EBITDA margin of 18.8% and PAT of Rs.503.2cr. We estimate FY27E EPS at Rs.13.7, and assign a PE multiple of 37x, maintaining the target price of Rs.507 (upside ~63.5%) from the current market price of Rs.310. We maintain our BUY Rating for Jyothy Labs Ltd over an investment horizon of 24 months.

Y/E Mar	Revenue (Rs. Cr)	EBITDA (Rs. Cr)	EBITDA Margin (%)	PAT (Rs. Cr)	NPM (%)	EPS (Rs.)	P/E (x)	P/S (x)	P/BV (x)
FY24	**2,756.9**	**479.8**	**17.4%**	**369.3**	**13.4%**	**10.1**	**33.4**	**4.5**	**6.8**
FY25	**2,847.0**	**499.6**	**17.5%**	**374.7**	**13.2%**	**10.1**	**33.3**	**4.3**	**6.0**
FY26 E	**3,160.1**	**537.2**	**17.0%**	**409.3**	**13.0%**	**11.1**	**30.1**	**3.9**	**5.5**
FY27 E	**3,507.8**	**659.5**	**18.8%**	**503.2**	**14.3%**	**13.7**	**24.5**	**3.5**	**4.9**

PROFIT & LOSS STATEMENT

(Rs. Cr.)

Y/E Mar.	FY24	FY25	FY26E	FY27E
Revenue	**2,757**	**2,847**	**3,160**	**3,508**
Raw Material Cost	1404	1420	1583	1715
Employee Cost	301	326	332	368
Other Expenses	573	602	708	765
EBITDA	**480**	**500**	**537**	**659**
EBITDA Margin (%)	*17.4%*	*17.5%*	*17.0%*	*18.8%*
Depreciation	50	56	55	59
EBIT	**430**	**443**	**483**	**600**
EBIT Margin (%)	*15.6%*	*15.6%*	*15.3%*	*17.1%*
Finance Costs	5	6	2	1
Other Income	0	-4	0	0
Profit before Tax	**479**	**489**	**546**	**671**
Tax Expense	110	118	136	168
Net Profit	**369**	**375**	**409**	**503**
Net Margin (%)	*13.4%*	*13.2%*	*13.0%*	*14.3%*
A-EPS	**10.1**	**10.1**	**11.1**	**13.7**

BALANCE SHEET

(Rs. Cr.)

Y/E Mar.	FY24	FY25	FY26E	FY27E
PP&E (incl. CWIP+intangibles)	306	322	343	344
Right of Use Assets / Investment Property	47	56	56	56
Other Non-Current	909	902	920	936
Inventories	284	328	364	399
Trade Receivables	201	274	303	336
Cash Balance	84	77	55	93
Bank Balance	82	65	104	172
Other Current Assets	488	667	753	844
Total Assets	**2,401**	**2,691**	**2,898**	**3,181**
Equity Share Capital	37	37	37	37
Reserves & Surplus	1,772	2,013	2,211	2,482
Borrowings (LT)	-	-	-	-
Other Non-Current Liabilities	111	134	134	134
Trade Payables	276	290	299	310
Other Financial Liabilities	34	39	28	28
Current Borrowings	-	-	-	-
Other Current Tax Liab & Provisions	170	179	189	191
Total Liabilities	**2,399**	**2,691**	**2,898**	**3,181**

Source: Company, Sushil Finance Research

CASH FLOW STATEMENT

(Rs. Cr.)

Y/E Mar.	FY24	FY25	FY26E	FY27E
PBT	479	489	546	671
Depreciation	50	56	55	59
Interest	5	6	2	1
CFO before Working Cap chg	**534**	**551**	**602**	**731**
Chg in Inventories	18	(45)	(36)	(35)
Chg in Trade Receivables	(64)	(73)	(29)	(33)
Chg in Trade Payables	62	14	9	11
Chg in Current Assets & Liabilities	42	74	100	100
Income Taxes Paid	(110)	(118)	(136)	(168)
Cash Flow from Operations	**482**	**403**	**509**	**605**
Interest Paid	(5)	(6)	(2)	(1)
Dividend Paid	(127)	(169)	(211)	(232)
Other Adjustments	15	(44)	(110)	(105)
Cash Flow from Financing	**(116)**	**(219)**	**(323)**	**(339)**
Capital Expenditure	(110)	(34)	(57)	(60)
Current Investments	(192)	(265)	(55)	(61)
Other Financial assets	96	16	(39)	(68)
Other Adjustments	(255)	89	(39)	(40)
Cash Flow from Investing	**(460)**	**(194)**	**(190)**	**(229)**
Opening Cash	**106**	**84**	**58**	**55**
Total Cash Flow	**(21)**	**(7)**	**(3)**	**38**
Closing Cash	**84**	**58**	**55**	**93**

Source: Company, Sushil Finance Research

FINANCIAL RATIO STATEMENT

Y/E Mar.	FY24	FY25	FY26E	FY27E
Growth (%)				
Revenue	10.9%	3.3%	11.0%	11.0%
EBITDA	51.9%	4.1%	7.5%	22.8%
Net Profit	58.7%	1.5%	9.2%	22.9%
Profitability (%)				
EBITDA Margin	17.4%	17.5%	17.0%	18.8%
Net Profit Margin	13.4%	13.2%	13.0%	14.3%
ROCE	24.3%	22.0%	21.8%	24.2%
ROE	20.4%	18.3%	18.2%	20.0%
Per Share Data (Rs.)				
EPS	10.1	10.1	11.1	13.7
BVPS	49.2	55.8	61.2	68.6
CEPS	11.4	11.6	12.6	15.3
Valuation (x)				
P/E	33.4	33.3	30.1	24.5
P/BV	6.8	6.0	5.5	4.9
EV/EBITDA	25.5	24.5	22.8	18.6
P/Sales	4.5	4.3	3.9	3.5
Turnover				
Inventory days	74	84	84	85
Debtor days	27	35	35	35
Creditor days	72	75	69	66
Gearing (x)				
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%

Sushil Financial Services Private Limited
Member : BSE / NSE - SEBI Regn. No. INZ000165135
Research Analyst – SEBI Registration No. INH000000867
Compliance officer / Grievance Officer :
Mr. Suresh Nemani – Phone : +91 22-40935000 |
Email : suresh.nemani@sushilfinance.com |
Grievance Email - compliance@sushilfinance.com
Regd. Office : 12, Homji Street, Fort, Mumbai 400 001.
Phone: +91 22 40936000 Fax: +91 22 22665758 |
Email : info@sushilfinance.com

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