

Jyothy Labs Ltd.

Sector: FMCG

25th March 2026
BUY

Key Changes	Target ▼	Rating ●	Earnings ▼	Target	Rs. 271
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Small Cap	JYL:IN	74,068	JYOTHYLAB	532926	12 Months
				CMP	Rs. 210
				Return	+29%

Data as of: 24-03-2026, 16:00 hrs

Company Data			
Market Cap (Rs.cr)	7,711.2		
52 Week High — Low (Rs.)	400-199		
Enterprise Value (Rs.cr)	7,677.4		
Outstanding Shares (cr)	36.7		
Free Float (%)	37%		
Dividend Yield (%)	1.7%		
6m average volume (cr)	0.04		
Beta	0.8		
Face value Rs.	1.0		

Shareholding (%)	Q1FY26	Q2FY26	Q3FY26
Promoters	62.9	62.9	62.9
FII's	11.4	9.4	12.8
MFs/Insti	12.6	13.6	15.1
Public	10.4	11.8	8.3
Others	9.8	9.3	0.9
Total	100.0	100.0	100.0
Promotor pledge	Nil	Nil	Nil

Price Performance	3 Month	6 Month	1 Year
Absolute Return	-15.8%	-26.1%	-27.0%
Absolute Sensex	-8.6%	-4.9%	4.1%
Relative Return*	-7.2%	-21.1%	-31.1%

*over or under performance to benchmark index



Consolidated (Rs. cr)	FY26E	FY27E	FY28E
Sales	2,944	3,255	3,600
Growth (%)	3.4	10.6	10.6
EBITDA	461	508	589
EBITDA Margin (%)	15.7	15.6	16.4
Adj. PAT	349	389	453
Growth (%)	-6.8	11.3	16.5
Adj. EPS	9.5	10.6	12.3
Growth (%)	-6.8	11.3	16.5
P/E	22.1	19.8	17.0
P/B	3.4	3.0	2.7
EV/EBITDA	16.7	15.1	12.9
ROE (%)	16.2	16.2	16.8
D/E	0.0	0.0	0.0

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Healthy Volumes, Margins Soften Amid Competitive Intensity

Jyothy Labs Ltd. (JLL) is an Indian FMCG player with products across fabric care, dishwashing, mosquito repellents and personal care.

- Revenue grew by ~5% YoY; mainly aided by volumes growth of 7% YoY, while EBITDA and PAT declined by 4% and 7% respectively due to softness in margins.
- Gross margin declined by 330bps YoY to 46.5% due to price cuts/higher gram-mage in key categories while EBITDA margins dropped by 140bps YoY to 15%.
- Major segments, Fabric Care revenue grew 9% YoY led by strong liquid detergents, while Dishwash revenue declined by 1.3% YoY despite volume growth of 7% due to high competitive intensity. Personal Care and Household Insecticides (HI) grew by 11% and 13% YoY respectively.
- The ad-spend for the quarter was ~7.7% on sales and the company guides for 8-9% range for a broader time horizon.
- The company maintains a strong cash position of ~Rs. 800 crore and remains debt-free, supporting future growth and potential acquisitions.

Outlook & Valuation

The company focuses on volume-led growth near term, targeting double-digit volume trajectory as category demand normalizes across channels and the GST impact fades. Gross margin is likely to remain subdued for a couple of quarters, given competitive intensity in Dishwash segment. Distribution expansion to ~14 lakh direct outlets by FY26 end underpins execution. Margin trajectory should improve supported by gradual stability in commodity prices, normalization of pricing actions, and scaling of premium launches. With zero debt and ~₹800 crore in cash, JLL is well-positioned for organic growth and selective acquisitions. However, competitive intensity in dishwash, commodity price volatility and slower urban recovery remain key risks to watch. **The stock currently trades at 1yr fwd PE of 24x (30x 5yr avg). We value JLL at a P/E of 22x (3yr avg=34x), with a target price of Rs. 271, and recommend BUY rating supported by improving demand outlook and decent correction in valuation.**

Quarterly Financials Consol.

Rs. cr	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	9MFY26	9MFY25	YoY (%)
Sales	740	704	5.0	736	0.5	2,227	2,180	2.1
EBITDA	111	116	(4.4)	118	-6.4	353	388	-8.9
Margin (%)	15.0	16.4	(147bps)	16.1	(110bps)	15.9	17.8	(190bps)
EBIT	95	101	(6.2)	103	-7.7	308	346	-11.1
PBT	109	114	(3.8)	119	-7.8	356	382	-6.9
Rep. PAT	81	87	(7.2)	88	-7.6	266	294	-9.7
Adj PAT	81	87	(7.2)	88	-7.6	266	294	-9.7
EPS (Rs)	2	2	(7.2)	2	-7.6	7	8	-9.7



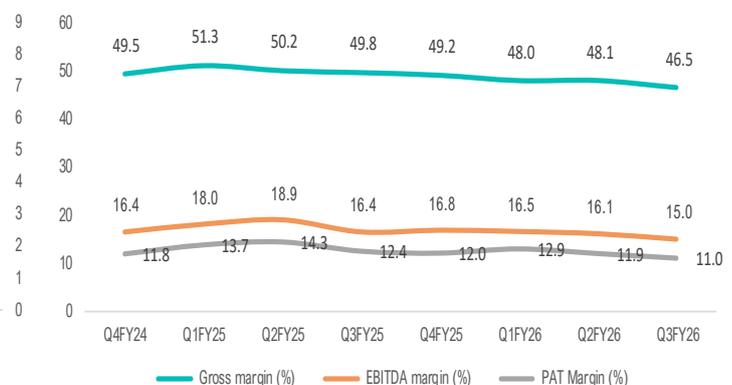
Key Highlights...

- Consumer confidence improved through the quarter with rural demand resilient and urban recovering; General trade restocked post-GST normalization while modern trade, e-commerce and q-commerce delivered strong growth.
- The HI portfolio mix continues to pivot toward liquid vaporizers and aerosols, reducing coil dependence to ~one-third of HI revenue and supporting a targeted turnaround by end-FY27.
- Direct distribution is on track to expand from ~13 lakh to ~14 lakh outlets by FY26 end, with pan-India additions across channels to underpin volume-led growth.
- Category playbooks emphasize post-wash premiumisation (Ujala Crisp & Shine Intense), detergent portfolio across tiers, dishwash format leadership, and Personal Care extensions under Margo.
- Near-term risks include LABSA ((Linear Alkylbenzene Sulfonic Acid)) and SLES (Sodium Lauryl Ether Sulfate) inflation, geopolitical/ forex volatility and elevated competitive intensity, which management expects could keep the value-volume gap near 2-3% for a few quarters.

Revenue



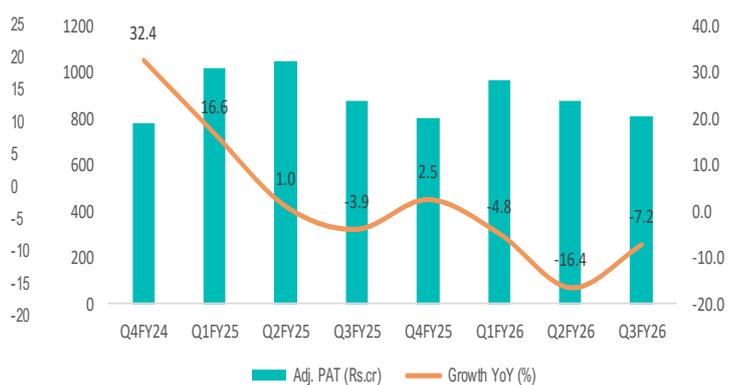
Gross / EBITDA / PAT margin



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	2,969	3,258	2,944	3,255	-0.8	-0.1
EBITDA	477	554	461	508	-3.3	-8.4
Margins (%)	16.1	17.0	15.7	15.6	-40bps	-140bps
Adj. PAT	365	424	349	389	-4.4	-8.4
EPS	10.0	11.5	9.5	10.6	-4.9	-8.0



Consolidated Financials

PROFIT & LOSS

Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	2,757	2,847	2,944	3,255	3,600
% change	10.9	3.3	3.4	10.6	10.6
EBITDA	480	500	461	508	589
% change	51.9	4.1	-7.7	10.0	15.9
Depreciation	50	56	61	66	70
EBIT	430	443	400	442	518
Interest	5	6	4	1	-1
Other Income	54	56	68	72	79
PBT	479	493	464	513	598
% change	60.0	3.0	-5.9	10.5	16.7
Tax	110	118	115	124	145
Tax Rate (%)	22.9%	24.0%	24.8%	24.2%	24.3%
Reported PAT	369	375	349	389	453
Adj*	-9	0	0	0	0
Adj PAT	360	375	349	389	453
% change	54.8	4.0	-6.8	11.3	16.5
No. of shares (cr)	36.7	36.7	36.7	36.7	36.7
Adj EPS (Rs.)	9.8	10.2	9.5	10.6	12.3
% change	54.8	4.0	-6.8	11.3	16.5
DPS (Rs.)	3.5	3.5	3.5	3.5	3.5
CEPS (Rs.)	11.2	11.7	11.2	12.4	14.2

CASH FLOW

Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Net inc. + Depn.	410	431	410	454	523
Non-cash adj.	-5	-14	4	1	-1
Changes in W.C	45	-106	26	-11	-11
C.F. Operation	458	311	440	444	511
Capital exp.	-14	-58	-52	-59	-59
Change in inv.	-351	-125	-250	-250	-250
Other invest.CF	21	21	0	0	0
C.F – Investment	-344	-161	-302	-309	-309
Issue of equity	0	0	0	0	0
Issue/repay debt	0	0	-45	-16	-16
Dividends paid	-110	-129	-129	-129	-129
Other finance.CF	0	-5	-4	-1	1
C.F – Finance	-135	-158	-177	-145	-144
Chg. in cash	-21	-7	-39	-11	58
Closing cash	84	77	39	28	86

BALANCE SHEET

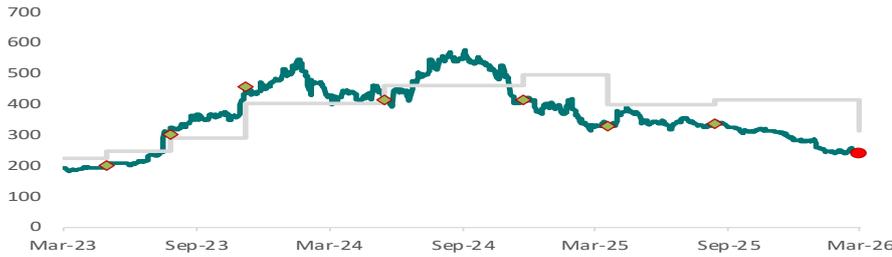
Y.E March (Rs. cr)	FY24A	FY25A	FY26E	FY27E	FY28E
Cash	84	77	39	28	86
Accounts Receivable	201	274	274	294	326
Inventories	284	328	361	401	437
Other Cur. Assets	378	275	277	282	288
Investments	192	456	706	956	1,206
Gross Fixed Assets	717	788	848	908	968
Net Fixed Assets	333	349	347	341	331
CWIP	13	22	15	15	15
Intangible Assets	792	793	792	791	790
Def. Tax (Net)	59	27	27	27	27
Other Assets	64	88	82	91	94
Total Assets	2,401	2,691	2,920	3,227	3,599
Current Liabilities	432	455	509	559	610
Provisions	109	122	121	134	148
Debt Funds	51	61	17	0	-17
Other Liabilities	0	3	3	4	4
Equity Capital	37	37	37	37	37
Reserves & Surplus	1,772	2,013	2,233	2,493	2,818
Shareholder's Fund	1,810	2,050	2,270	2,530	2,854
Total Liabilities	2,401	2,691	2,920	3,227	3,599
BVPS (Rs.)	49	56	62	69	78

RATIOS

Y.E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profitab. & Return					
EBITDA margin (%)	17.4	17.5	15.7	15.6	16.4
EBIT margin (%)	15.6	15.6	13.6	13.6	14.4
Net profit mgn.(%)	13.1	13.2	11.9	11.9	12.6
ROE (%)	21.5	19.4	16.2	16.2	16.8
ROCE (%)	21.0	19.1	16.0	16.2	16.9
W.C & Liquidity					
Receivables (days)	22.5	30.5	34.0	31.9	31.4
Inventory (days)	38.7	39.2	42.7	42.7	42.5
Payables (days)	53.2	56.8	59.8	59.9	59.2
Current ratio (x)	2.1	2.4	2.6	2.8	3.1
Quick ratio (x)	0.7	0.8	0.6	0.6	0.7
Turnover & Leverage					
Gross asset T.O (x)	4.0	3.8	3.6	3.7	3.8
Total asset T.O (x)	1.2	1.1	1.0	1.1	1.1
Int. coverage ratio (x)	90.9	74.8	114.3	594.4	-697.2
Adj. debt/equity (x)	0.0	0.0	0.0	0.0	0.0
Valuation					
EV/Sales (x)	3.2	3.1	3.0	2.7	2.4
EV/EBITDA (x)	18.4	17.7	19.1	17.4	14.9
P/E (x)	24.6	23.6	25.4	22.8	19.5
P/BV (x)	4.9	4.3	3.9	3.5	3.1



Recommendation Summary (last 3 years)



Dates	Rating	Target
07-Aug-23	Sell	291
16-Nov-23	Sell	405
29-May-24	Accumulate	478
13-Oct-24	Accumulate	645
04-Dec-24	Buy	496
11-Mar-25	Buy	395
27-Mar-25	Accumulate	404
22-Aug-25	Buy	412
25-Mar-26	Buy	271

Source: Bloomberg, Geojit Research

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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