



PRASOL CHEMICALS LIMITED

Materials

IPO Report

MainBoard IPO

Price Band: ₹643 to ₹676 per share
Bidding: 08 Sep to 10 Sep, 2026
Listing At: BSE , NSE
Listing Date: Sep 16, 2026

Details of the Issue

Lead Manager	DAM Capital Advisors Ltd.
Registrar	KFin Technologies Ltd.

Promoters Holding (%)

Pre-Issue	89.20
Post-Issue	76.91

Offer Structure

QIB	14,79,289 Shares
Retail	25,88,753 Shares
NII	11,09,466 Shares
Fresh Issue	11,83,431 Shares
OFS	62,13,006 Shares
Total Issue	₹500.00 Cr

Financial Summary (₹ in Millions)

Particular	FY26	FY25	FY24
Revenue	12,325.93	10,124.94	8,765.65
EBITDA	1,393.20	877.66	605.28
PAT	831.24	435.69	181.31

Minimum Application

Category	Lots	Shares	Amount
Retail	1-13	22-286	₹14,872-₹1,93,336
S-HNI	14-67	308-1,474	₹2,08,208-₹9,96,424
B-HNI	68	1,496	₹10,11,296

Customer Concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 3 customers	11.57	10.05	6.51
Top 5 customers	15.41	14.18	10.32
Top 10 customers	23.68	21.96	18.46

Valuations

NAV(FY26)	₹ 77.33
EPS(FY26)	₹ 14.33
P/E(Pre Issue)	47.17

Promoters

Nishith Rajnikant Shah, Gaurang Natwarlal Parikh, Dhaval Nalin Parikh, Pankil Nishith Dharia, Sachin Jatin Parikh, Rakesh Gupta, Nishith Rasiklal Dharia, Kunal Tushar Dharia, Suketu Navinchandra Parikh and Usha Rajnikant Shah.

Company Overview

Founded in 1992, Prasol Chemicals is a specialty chemicals manufacturer producing 150+ chemicals, including acetone based, phosphorus based and other complex specialty chemicals. Its products cater to performance chemicals, paints & inks, construction & adhesives, pharmaceuticals, agrochemicals, and home & personal care industries.

Object of the Issue

- Repayment or pre-payment, in full or in part, of certain of our outstanding borrowings availed by the Company: ₹600.00 Million
- General corporate purposes:

Price Band Analysis

At ₹676 per share, the Company is valued at a post issue P/E of 48.15x and P/B of 8.74x on FY26 earnings. Peers have higher EBITDA margins of 17% to 18% versus 11.30% for the Company, though its margin has nearly doubled since FY24. Valuation appears expensive, but sustained margin and future earnings growth could justify the premium.

Peer Comparison (As of FY26)

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Prasol Chemicals Ltd.	14.33	47.17	18.53	77.33
Aarti Industries Ltd.	11.55	46.79	7.04	164.27
Atul Ltd.	230.25	28.04	10.95	2,136.46
Laxmi Organic Industries Ltd.	2.86	59.95	4.00	71.66
Vinati Organics Ltd.	42.80	30.95	14.03	304.99
Privi Speciality Chemicals Ltd.	81.08	42.67	21.99	368.79
Yasho Industries Ltd.	20.95	206.68	5.69	368.18
Excel Industries Ltd.	60.19	17.12	4.44	1,354.74

Risk Measures:

- The Company faces significant risks from its dependence on manufacturing facilities, with past shutdowns and regulatory notices from MPCB. Any future operational disruptions, regulatory non compliance or prolonged shutdowns could adversely impact production, revenue, profitability and financial performance.
- Failure to keep pace with changing customer preferences, technology and industry trends may adversely affect our business. R&D investments may not result in commercially successful products or proportionate revenue growth. Delays in product development, regulatory approvals or technological upgrades could increase costs and adversely impact our financial performance.

Investment Rationale:

- Strong revenue growth, with revenue from operations rising 21.74% YoY to ₹12,325.93 million in FY26, driven by higher sales volumes of specialty chemicals. The sustained growth in product sales indicates healthy demand and improving scale, supporting the company's growth outlook.
- Highly diversified product portfolio with 150+ specialty chemical products and a broad customer base, reducing dependence on any single product and limiting concentration risk. Backed by a 37 member R&D team, the company has a pipeline of 40 products across various development stages, with 9 having cleared the pilot stage. Further, 13 new products have been developed and commercialised between April 2023 and June 2026, supporting sustained growth and product diversification.
- Exports contribute 27.29% of FY26 revenue, while 65.96% of raw-material procurement costs are import-based. Although the company passes on input-cost increases to customers, hence, geopolitical tensions and supply-chain disruptions could increase input costs and exert pressure on margins.

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Financials (₹ in Million, Except for Percentage & Ratios)

Particular	FY26	FY25	FY24
Revenue From Operations	12,325.93	10,124.94	8,765.65
EBITDA	1,393.20	877.66	605.28
EBITDA Margin (%)	11.30	8.67	6.91
PAT	831.24	435.69	181.31
PAT Margin (%)	6.74	4.30	2.07
Adjusted Return on Average Equity (RoAE%)	20.37	12.57	5.71
Adjusted Return on Capital Employed (RoCE%)	22.43	14.95	12.61
EPS	14.33	7.51	3.13
Debt to Equity Ratio	0.19	0.23	0.22

Product wise Revenue Bifurcation (₹ in Millions)

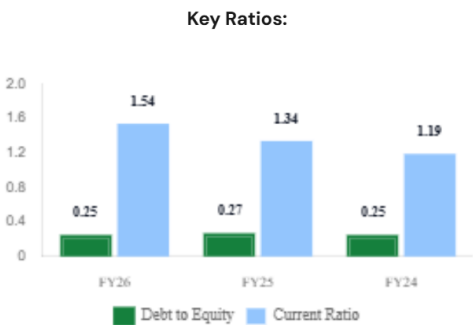
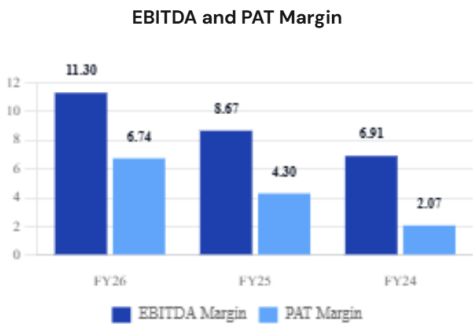
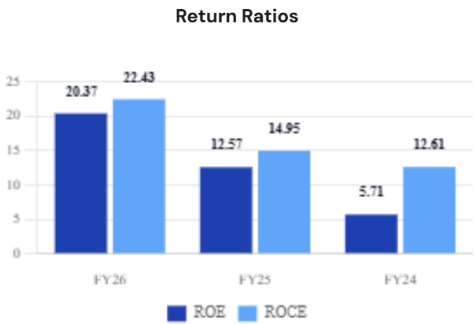
Particulars	FY26	FY25	FY24
Acetone based specialty chemicals	5,268.88	4,833.26	4,116.88
Phosphorous based specialty chemicals	4,720.31	3,489.61	2,789.19
Other specialty chemicals	2,258.95	1,745.45	1,825.79
Other operating and service revenue	77.79	56.62	33.79
Total	12,325.93	10,124.94	8,765.65

About The Founder



Nishith Rajnikant Shah is the Chairman and Whole-time Director and one of the founders of the Company, with around 36 years of experience in the chemical industry. He holds a Bachelor's degree in Science from California State University, Northridge and a Master's degree in Engineering from California Polytechnic State University, USA. He has been associated with the Company as a Director since its incorporation and has also been associated with Heatreaters and Engineers, Heat Fabs and Pratech Brands Private Limited. He oversees the overall strategy and vision of the Company.

FINANCIAL HIGHLIGHTS



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