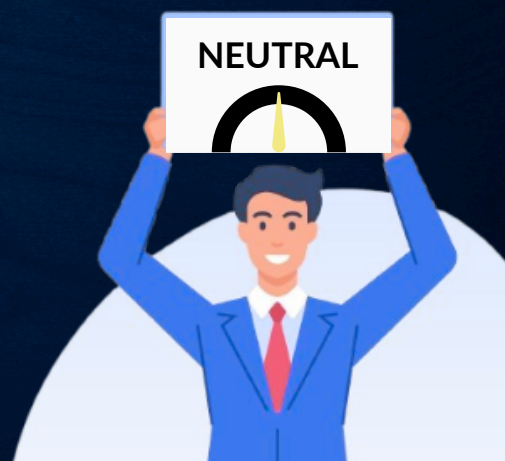




IPO NOTE

PRASOL CHEMICALS LIMITED



Rating:

NEUTRAL



ISSUE OFFER

Issue Opens on	SEP 08, 2026
Issue Close on	SEP 10, 2026
Total IPO size (cr)	₹500 CR
Fresh issue (cr)	₹80 CR
Offer For Sale (cr)	₹420 CR
Price Band (INR)	₹643-676
Market Lot	22 SHARES
Face Value (INR)	₹2
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹4,000.80 CR.

MINIMUM INVESTMENT DETAILS

Number of Shares	73,96,437
Minimum Investment Amount	₹14,872
Small-HNI (Min)/ 308 Shares	₹2,08,208
Big-HNI (Min)/ 1,496 Shares	₹10,11,296

INDICATIVE TIMETABLE

Basis of Allotment	11-09-2026
Refunds/Unblocking ASBA Fund	15-09-2026
Credit of Share to Demat A/c	15-09-2026
Listing Date	16-09-2026

ISSUE BREAK-UP (%)

QIB Portion	50%
Retail Portion	35%
NII Portion	15%

Prasol Chemicals operates in the specialty chemicals industry. The company manufactures over 150 specialty chemicals, including acetone-based, phosphorous-based, and other complex chemicals.

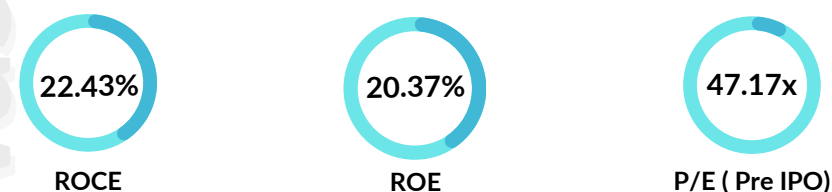
OBJECTS OF THE ISSUE

- Repayment and/ or pre-payment, in full or part, of certain borrowings availed by the company
- General Corporate Purposes

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2026	FY 2025	FY 2024
Equity Share Capital	11.60	11.60	11.60
Net Worth	448.51	367.46	325.84
Revenue from operations	1,232.59	1,012.49	876.56
EBITDA Margin%	11.30%	8.67%	6.91%
Net Profit/Loss of the year	83.12	43.57	18.13

FINANCIAL RATIOS OF FY26



OUTLOOK & VALUATION

- Niche specialty chemicals player with 150+ products, 1,600+ customers and exports to 69 countries.
- Revenue and PAT grew strongly from FY24-26, with EBITDA margin improving to 11.7%.
- FY26 RoNW stood at 18.5%, ahead of most peers.
- At 45-47x P/E, valuation looks fair-to-full, leaving limited room for error.
- Given the rich valuation, investors can consider the stock after listing, once financial performance stabilises and the valuation becomes more reasonable.



COMPANY PROFILE

- Established in 1992, Prasol Chemicals is a specialty chemicals manufacturer with a portfolio of 150+ products.
- Its offerings include acetone-based, phosphorus-based and other specialty chemicals, catering to industries such as performance chemicals, paints & inks, construction & adhesives, pharmaceuticals, agrochemicals, and home & personal care.
- The company operates two manufacturing facilities in Maharashtra – Khopoli and Mahad – with a combined annual capacity of 98,644 MT.
- It serves around 1,600 customers, including Alembic Pharmaceuticals, Lubrizol India, Rossari Biotech and Croda India, and exports its products to 69 countries.
- With a 3-Star Export House status and a distribution network spanning APAC, North & South America, and Europe, Prasol has built a sizeable presence in both domestic and international markets.



COMPETITIVE STRATEGIES

- Expand capacity and improve existing production facilities.
- Strengthen R&D for new products, complex chemistries and import substitution.
- Pursue inorganic growth through acquisitions, technology tie-ups and JVs.
- Expand globally and increase business from existing customers.
- Improve Mahad facility performance to boost profitability.



KEY CONCERNS

- Dependence on manufacturing facilities exposes the company to shutdowns, operational disruptions and under-utilisation risks, which could impact profitability and cash flows.
- Handling hazardous, corrosive and flammable materials creates safety and operational risks, where accidents could disrupt operations and impact profitability and cash flows.
- Outstanding litigations involving the company, promoters and directors could impact financial performance if decided adversely



KEY 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
- Long standing relationships with a diversified customer base and strong global presence
- Experienced, Qualified and Professional Leadership Team with a focus on business sustainability
- Robust financial performance

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Prasol Chemicals Limited	14.33	47.17	77.33	1,232.59	18.53%
Peer Group					
Aarti Industries Limited	11.56	46.79	164.27	8,286.00	7.04%
Atul Limited	230.25	28.04	2,136.46	6,273.54	10.95%
Laxmi Organic Industries Limited	2.87	59.95	71.66	2,846.66	4.00%
Vinati Organic Limited	42.80	30.95	304.99	2,226.89	14.03%
Privi Speciality Chemicals Limited	81.08	42.67	368.79	2,563.68	21.99%
Yasho Industries Limited	20.95	206.68	368.18	830.00	5.69%
Excel Industries Limited	60.19	17.12	1,354.74	1,094.52	4.44%



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