

# Jyothy Labs Ltd

Q1FY26 Result Update | Sector: FMCG

Aug 13, 2025

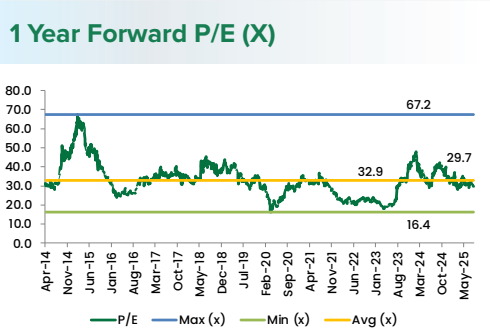
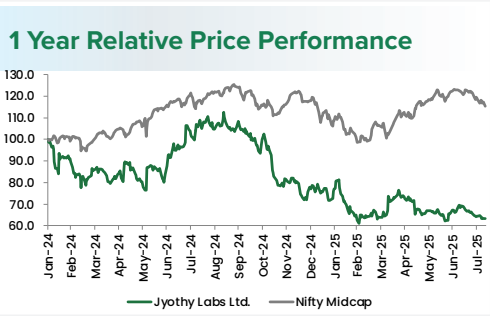




CMP	331
TP	450
Upside	35.9%
Sensex	80,410
Nifty	24,573

Kay Stock Data	
BSE Code	532926
NSE Code	JYOTHYLAB
Bloomberg	JYL IN
Shares o/s, Cr (FV 1)	36.7
Market Cap (Rs Cr)	12,154
3M Avg Volume (NSE)	5,31,632
52 week H/L	596/268

Shareholding Pattern (%)			
	Dec-24	Mar-25	Jun-25
Promoter	62.9	62.9	62.9
FII	14.4	13.1	13.1
DII	15.3	16.3	16.3
Others	7.5	7.7	7.7



**Muted revenue performance:** Jyothy Labs posted a muted performance in Q1FY26, with revenue up 1.3% YoY to ₹751.2 crore and volume growth of 3.6% YoY. Sequentially, revenue grew 12.6%, though competitive intensity and sluggish urban demand persisted. Segment-wise, fabric care and personal care recorded YoY growth, while sequentially; all segments except Household Insecticides saw a decline.

**Margin under pressure:** In Q1FY26, the company's gross profit fell 5.2% YoY but rose 10% QoQ to ₹360.8 crore, with gross margin contracting 326bps YoY and 116bps QoQ to 48% due to input cost pressures. EBITDA declined 7% YoY to ₹124.2 crore, with a margin drop of 146bps YoY to 16.5%, impacted by heightened competition in the dishwash category, leading to aggressive promotions and price discounts. Sequentially, EBITDA fell 7%, with a margin contraction of 26bps. PAT stood at ₹96.8 crore, down 4.8% YoY, with margin down 82bps YoY; however, it grew 26.9% QoQ, with margin improving 145bps to 12.9%. Management reiterated its EBITDA margin guidance of 16–17%, focusing on cost efficiencies and selective pricing actions to safeguard profitability.

Key highlights:

- » Urban consumers continued to down-trade or delay non-essential purchases, a persistent trend observed across the sector for the past five to six quarters.
- » Working on New Product Developments (NPDs) across categories to build the pipeline for future growth.
- » Company has a robust New Product Developments (NPDs) pipeline, with multiple launches slated for H2, aligning with an anticipated demand recovery, particularly compared to the softer trends seen in H1.
- » In Q1FY26, volume growth (3.6%) outpaced value growth (1.4%) by 2.2%, driven by higher promotions, price-offs, and increased grammage. With these effects fully captured in Q1, the gap is expected to narrow from Q3.
- » Modern trade, e-commerce, and quick commerce remained the fastest-growing channels in Q1FY26, delivering sustained double-digit growth, contrasting with muted general trade performance amid rising consumer preference for convenience and faster delivery.
- » Management is focused on strengthening its brand presence through strategic advertising and promotions, maintaining ad spend at 8-9% of revenues.
- » For H2 FY26, Management is cautiously optimistic about a recovery driven by a favorable monsoon, easing inflation, government support, and festive season demand. They expect improved urban discretionary spending, cost efficiencies, distribution expansion, and new product launches to boost growth.
- » Raw material costs showed improving stability, with softened crude oil prices; however, derivative costs remain elevated, reflecting lag effects and processing expenses.

**Outlook & Valuation:** Jyothy Labs reported muted numbers with low single-digit volume growth. Going forward, the management's plan is to focus on volume-led growth, drive liquid products in demand, and continue spending behind brands, innovation, and launches, as well as on advertising and promotional spending to increase recall value. Additionally, the company aims for double-digit revenue growth driven by volume and an EBITDA margin of 16%-17% in the upcoming years. On the financial front, we expect revenue/EBITDA/PAT to grow at 10%/9.5%/11.3% CAGR over FY25-27E. We have maintained our **buy** rating with a target price to Rs **450**

Key Financials				
Particulars, Rs Cr	FY24	FY25	FY26E	FY27E
Net revenue	2,756.9	2,847.0	3,103.2	3,444.6
EBITDA	479.8	499.6	521.3	599.4
EBITDAM (%)	17.4	17.5	16.8	17.4
APAT	369.3	374.7	403.4	464.0
APATM (%)	13.4	13.2	13.0	13.5
EPS (Rs)	10.1	10.2	11.0	12.6
PE (x)	32.9	32.4	30.1	26.2
RoE (%)	20.4	18.2	17.8	18.4

Source : RBL Research

Research Analyst

Vinay Kalani

vinay.kalani1@religare.com

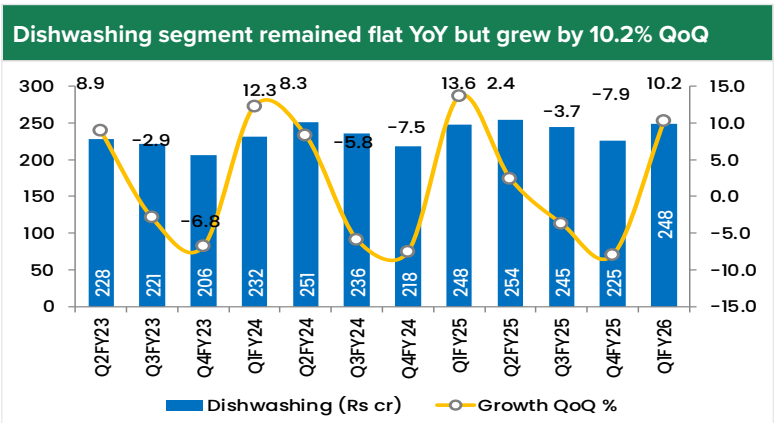
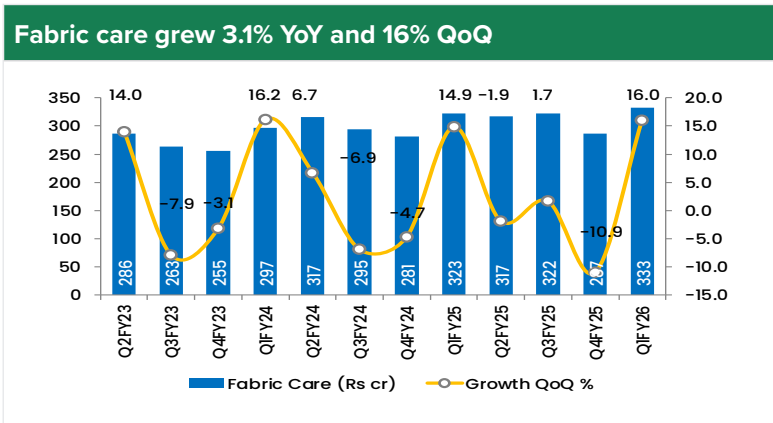
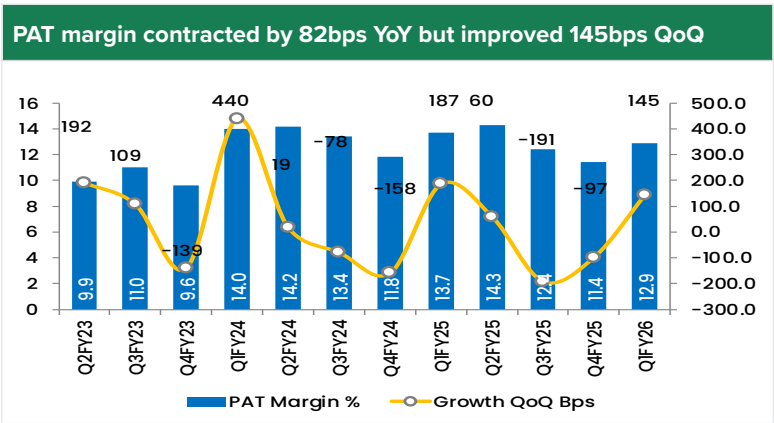
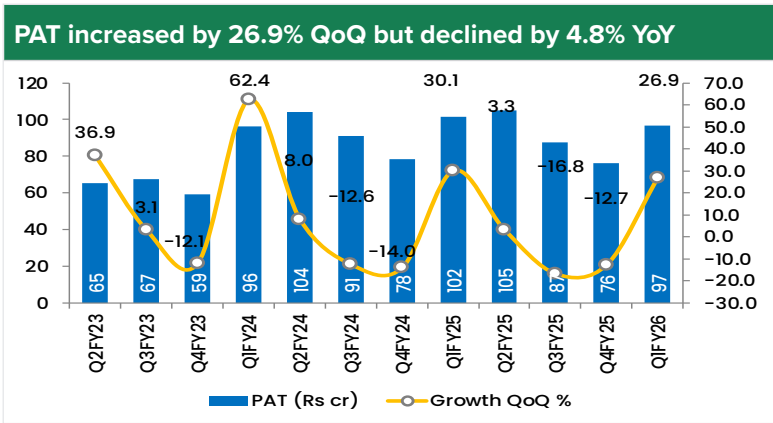
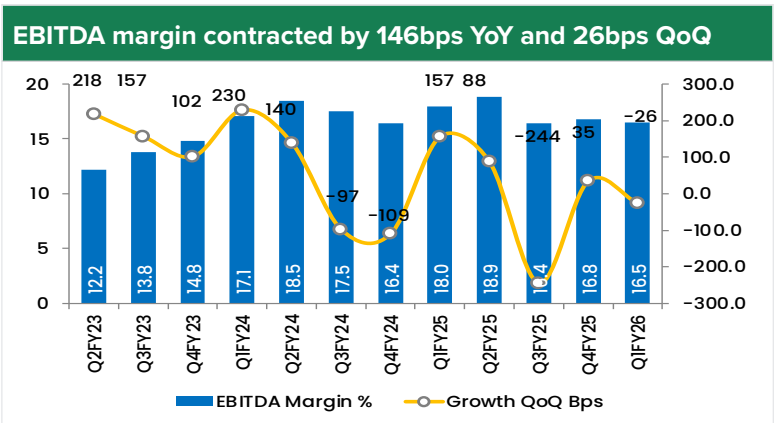
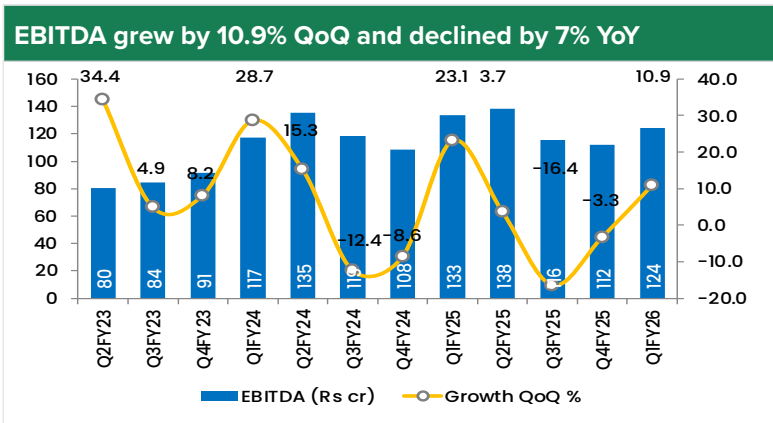
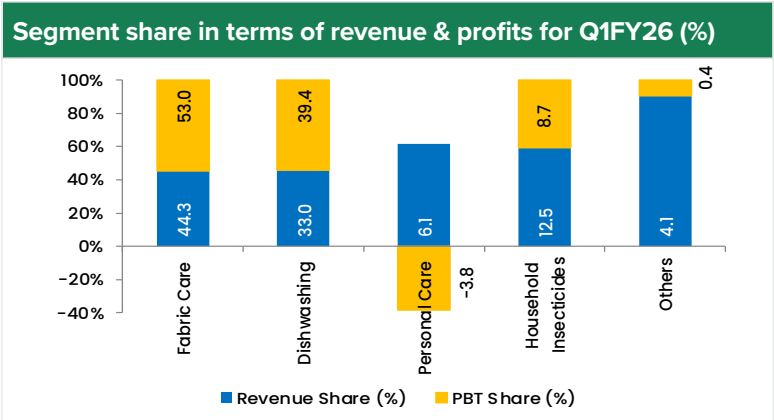
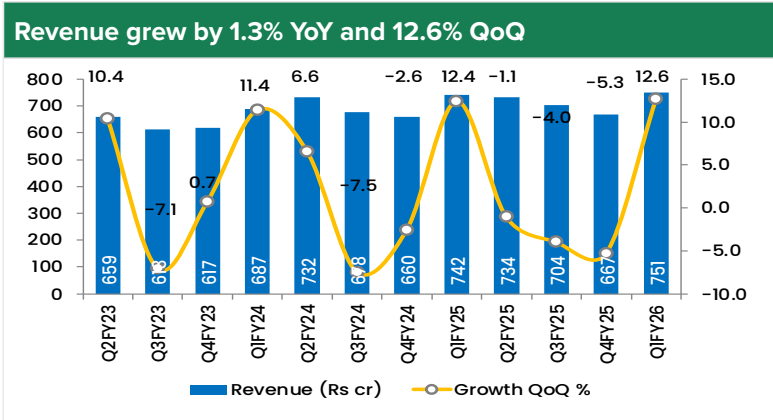
P&L Account Quarterly - Consolidated					
Particulars, Rs Cr	Q1FY26	Q1FY25	Y-o-Y	Q4FY25	Q-o-Q
Net Sales	751.2	741.8	1.3	667.0	12.6
Cost of Raw Materials	353.8	358.4	(1.3)	311.7	13.5
Purchase of Finished Goods	20.0	29.1	(31.1)	20.0	-
(Increase) / Decrease In Stocks	16.6	(26.2)	(163.5)	7.1	133.2
Total Raw material cost	390.4	361.3	8.1	338.9	15.2
Gross Profit	360.8	380.5	(5.2)	328.1	10.0
Gross Margins %	48.0	51.3	-326bps	49.2	-116bps
Employee Cost	86.7	86.2	0.6	78.3	10.8
Advertisement Exp.	58.9	61.6	(4.4)	53.4	10.2
Other Expense	91.1	99.3	(8.3)	84.5	7.8
Total Expenditure	627.1	608.4	3.1	555.0	13.0
EBITDA	124.2	133.5	(7.0)	111.9	10.9
EBITDA Margins (%)	16.5	18.0	-146bps	16.8	-26bps
Depreciation	14.7	13.4	9.8	14.6	1.2
EBIT	109.4	120.0	(8.8)	97.4	12.4
Other Income	19.4	13.7	41.7	15.5	25.6
Interest	1.3	1.4	(3.6)	1.7	(19.3)
PBT	127.5	132.4	(3.7)	111.2	14.7
Tax	30.7	30.7	0.2	30.6	0.3
PAT	96.8	101.7	(4.8)	76.3	26.9
PAT Margin (%)	12.9	13.7	-82bps	11.4	145bps
EPS	2.6	2.8	(4.8)	2.1	26.9
Source : RBL Research					

Net sales grew by 1.3% YoY, while volume grew by 3.6%

Segment Share in Revenue (%)					
Particulars, Rs Cr	Q1FY26	Q1FY25	Y-o-Y	Q4FY25	Q-o-Q
Fabric Care	332.8	322.8	3.1	286.9	16.0
% of Sales	44.3	43.5	77bps	43.0	129bps
Dishwashing	248.2	248.0	0.1	225.2	10.2
% of Sales	33.0	33.4	-40bps	33.8	-72bps
Household Insecticides	45.5	50.3	(9.7)	68.7	(33.8)
% of Sales	6.1	6.8	-74bps	10.3	-424bps
Personal Care	93.9	93.3	0.7	56.4	66.7
% of Sales	12.5	12.6	-7bps	8.4	406bps
Others	30.9	27.2	13.3	29.9	3.2
% of Sales	4.1	3.7	43bps	4.5	-37bps
Total	751.2	741.6	1.3	667.0	12.6
Source : RBL Research					

Segment Share in Profit (%)					
Particulars, Rs Cr	Q1FY26	Q1FY25	Y-o-Y	Q4FY25	Q-o-Q
Fabric Care	67.6	80.2	(15.7)	64.2	5.4
% of PBT	53.0	60.6	-759bps	60.0	-700bps
Dishwashing	50.2	49.5	1.4	40.8	23.2
% of PBT	39.4	37.4	198bps	38.1	126bps
Household Insecticides	(4.8)	(5.4)	-	(4.8)	-
% of PBT	(3.8)	(4.1)	-	(4.5)	-
Personal Care	11.1	10.3	7.8	6.0	85.7
% of PBT	8.7	7.7	92bps	5.6	310bps
Others	0.6	(0.5)	-	1.1	-
% of PBT	0.4	(0.3)	77bps	1.0	-61bps
Total	124.6	134.1	(7.1)	107.2	16.3
Finance Cost	1.3	1.4	(3.6)	1.7	(19.3)
Other unallocable exp	12.5	11.5	-	7.7	63.3
Exceptional exp	-	-	-	(4.3)	-
Other Income	16.8	11.1	-	13.4	25.5
PBT	127.5	132.4	(3.7)	106.9	19.3
Source : RBL Research					

## Story in Charts



Profit & Loss A/C (Consolidated)				
Particulars, Rs Cr	FY24	FY25	FY26E	FY27E
Net sales	2,756.9	2,847.0	3,103.2	3,444.6
Cost of materials	1,242.6	1,359.7	1,474.0	1,625.8
Purchase of stock in trade	155.0	77.2	86.9	96.4
(Increase) / Decrease In Stocks	6.3	(17.4)	3.1	3.4
Total raw materials	1,403.8	1,419.5	1,564.0	1,725.7
Gross Profit	1,353.1	1,427.5	1,539.2	1,718.8
Gross Margins %	49.1	50.1	49.6	49.9
Employee cost	300.5	325.8	350.7	385.8
Advertisements cost	228.2	239.7	279.3	303.1
Other expenses	344.5	362.3	387.9	430.6
Total expenditure	2,277.1	2,347.4	2,581.9	2,845.2
EBITDA	479.8	499.6	521.3	599.4
EBITDAM (%)	17.4	17.5	16.8	17.4
Depreciation	50.0	56.1	62.1	68.9
EBIT	429.8	443.5	459.3	530.5
Other income	53.7	55.6	77.6	86.1
Interest expenses	4.7	5.9	5.9	5.9
PBT	478.8	493.1	530.9	610.6
Tax	109.5	118.4	127.5	146.7
Reported PAT	369.3	374.7	403.4	464.0
PAT Margin %	13.4	13.2	13.0	13.5
EPS	10.1	10.2	11.0	12.6

Source: RBL Research

Balance sheet (Consolidated)				
Particulars, Rs Cr	FY24	FY25	FY26E	FY27E
Share Capital	36.7	36.7	36.7	36.7
Reserves & Surplus	1,771.6	2,017.8	2,283.4	2,603.3
Total Shareholder's Fund	1,808.3	2,054.5	2,320.2	2,640.0
Minority Interest	1.9	-	-	-
Long term provision	80.2	90.5	93.1	103.3
Other long term liabilities	29.9	39.9	43.4	48.2
Total	110.6	130.9	137.1	152.1
Current Liabilities				
Trade payables	276.1	290.3	316.4	351.3
Short term provisions	28.3	31.3	34.1	37.9
Other current liabilities	175.7	181.4	197.8	219.5
Total	480.1	503.1	548.3	608.7
Total Equity & Liabilities	2,400.9	2,651.9	2,965.2	3,349.4
Application of Assets				
Net Block	338.9	355.9	384.3	384.3
Current work in process	13.4	22.4	22.4	22.4
Goodwill on consolidation	786.3	786.3	786.3	786.3
Tax assets	65.3	67.4	73.5	81.6
Other non-current assets	57.8	59.7	65.1	72.2
Total	1,261.7	1,291.7	1,331.7	1,346.9
Current Assets				
Inventories	283.5	328.1	357.6	396.9
Trade receivables	201.4	274.4	299.1	332.0
Cash balance	84.3	262.7	426.1	684.8
Bank balance	81.7	81.7	81.7	81.7
Other current assets	296.7	306.4	334.0	370.8
Total	1,139.2	1,350.8	1,625.5	1,995.9
Total assets	2,400.9	2,651.9	2,965.2	3,349.4

Source: RBL Research

Cash Flow (Consolidated)				
Particulars, Rs Cr	FY24	FY25	FY26E	FY27E
Profit before tax	478.8	493.1	530.9	610.6
Add: Depreciation	50.0	56.1	62.1	68.9
Add: Interest cost	4.7	5.9	5.9	5.9
Less: Other Income	(21.8)	(11.1)	(15.5)	(17.2)
Others	(13.2)	-	-	-
Operating profit before WC	498.5	544.1	583.4	668.2
Changes in working capital	38.7	(88.1)	(41.8)	(48.8)
Cash from Operations	537.3	455.9	541.6	619.4
Less: Taxes	(79.3)	(118.4)	(127.5)	(146.7)
Cash flow from Operations	457.9	337.5	414.1	472.8
Purchase of fixed assets	(37.1)	(82.1)	(90.5)	(68.9)
Purchase of investments	(351.2)	(265.0)	208.2	(27.3)
Sales of fixed assets	22.7	-	-	-
Other Income	21.3	11.1	15.5	17.2
Cash flow from investing	(344.4)	(336.0)	133.2	(79.0)
Dividends	(110.2)	(128.5)	(146.9)	(165.2)
Interest cost	-	(5.9)	(5.9)	(5.9)
Others	(24.7)	(1.9)	-	-
Cash flow from Financing	(134.9)	(134.5)	(152.8)	(171.2)
Net cash Inflow/Outflow	(21.3)	196.7	394.5	222.6
Opening cash	105.6	84.3	262.7	426.1
Closing Cash	84.3	262.7	426.1	684.8

Source: RBL Research

Key Financial ratios				
Particulars	FY24	FY25	FY26E	FY27E
Per share Data				
EPS (Rs)	10.1	10.2	11.0	12.6
Book value per share (Rs)	49.2	55.9	63.2	71.9
Dividend per share (Rs)	3.0	3.5	4.0	4.5
Dividend Payout %	29.8	34.3	36.4	35.6
Dividend Yield %	0.9	0.9	1.2	1.4
Profitability Ratios				
EBITDAM(%)	17.4	17.5	16.8	17.4
PBTM (%)	17.4	17.3	17.1	17.7
NPM (%)	13.4	13.2	13.0	13.5
RoE (%)	20.4	18.2	17.8	18.4
RoCE (%)	23.8	21.6	21.1	21.9
Efficiency Data				
Debt-Equity Ratio	0.0	0.0	0.0	0.0
Interest Cover Ratio	90.9	74.8	77.4	89.5
Fixed Asset Ratio	0.1	0.1	0.1	0.1
Debtors Days	26.7	35.2	35.2	35.2
Inventory Days	37.5	42.1	42.1	42.1
Payable Days	36.5	37.2	37.2	37.2
WC Days	27.6	40.0	40.0	40.0
Valuation				
P/E (x)	32.9	32.4	30.1	26.2
P/BV (x)	6.7	7.1	6.3	5.5
EV/EBITDA (x)	25.2	28.7	25.8	21.6
EV/Sales (x)	4.4	5.0	4.6	4.1
Source: RBL Research				

Research Team	
Name	Email Id
Ajit Mishra	<a href="mailto:ajit.mishra@religare.com">ajit.mishra@religare.com</a>
Abhijeet Banerjee	<a href="mailto:abhijeet.banerjee@religare.com">abhijeet.banerjee@religare.com</a>
Gaurav Sharma	<a href="mailto:gauravsharma2@religare.com">gauravsharma2@religare.com</a>
Ashwani Harit	<a href="mailto:ashwani.harit@religare.com">ashwani.harit@religare.com</a>
Divya Parmar	<a href="mailto:divya.parmar@religare.com">divya.parmar@religare.com</a>
Vinay Kalani	<a href="mailto:vinay.kalani1@religare.com">vinay.kalani1@religare.com</a>
Rajan Gupta	<a href="mailto:rajan.gupta1@religare.com">rajan.gupta1@religare.com</a>

Rating Methodology

Ratings	Upside
Buy	More than 15%
Accumulate	5% - 15%
Hold	0%- 5%
Sell	Below 0%

**Note:** RBL Investment ratings (All ratings based on absolute return; All ratings and target price refers to 12 month performance horizon, unless mentioned otherwise).

Before you use this research report, please ensure to go through the disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 and Research Disclaimer at the following link: <https://www.religareonline.com/disclaimer/>

Specific analyst(s) specific disclosure(s) inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations,

S. No.	Statement	Answer	
		Tick appropriate	
		Yes	No
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of Interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve No months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		

2014 is/are as under:

Statements on ownership and material conflicts of interest, compensation– Research Analyst (RA)

Nature of Interest (if answer to F (a) above is Yes :.....

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to

S. No.	Name of RA	Signature of RA	Serial Question of question which the signing RA needs to make to make a separate declaration / answer	Answer	Answer

Copyright in this document vests exclusively with RBL. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose, without prior written permission from RBL. We do not guarantee the integrity of any emails or attached files and are not responsible for any changes made to them by any other person.