

January 21, 2026

Visit Update

Key Financials - Consolidated

Y/e Mar	FY22	FY23	FY24	FY25
Sales (Rs. m)	36,527	44,290	37,647	41,983
EBITDA (Rs. m)	4,007	5,683	4,622	4,842
Margin (%)	11.0	12.8	12.3	11.5
PAT (Rs. m)	2,628	3,810	3,015	3,049
EPS (Rs.)	74.1	107.5	85.0	86.0
Gr. (%)	-13.0	45.0	-20.9	1.1
DPS (Rs.)	18.0	22.0	22.0	22.0
Yield (%)	1.0	1.2	1.2	1.2
RoE (%)	18.3	22.0	14.8	13.4
RoCE (%)	18.0	21.9	15.2	13.9
EV/Sales (x)	1.7	1.4	1.7	1.5
EV/EBITDA (x)	15.7	11.1	13.6	13.0
PE (x)	25.5	17.6	22.2	21.9
P/BV (x)	4.25	3.6	3.1	2.8

Key Data

GALX.BO | GALSURF IN

52-W High / Low	Rs.2,750 / Rs.1,860
Sensex / Nifty	83,246 / 25,586
Market Cap	Rs.67.0bn/ \$ 742.4m
Shares Outstanding	35.5m
3M Avg. Daily Value	Rs.30.6m

Shareholding Pattern (%)

Promoter's	70.91
Foreign	4.09
Domestic Institution	13.05
Public & Others	11.96
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.0)	(25.8)	(21.4)
Relative	(4.2)	(27.6)	(31.5)

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Specialty & performance segments drive growth

Quick Pointers:

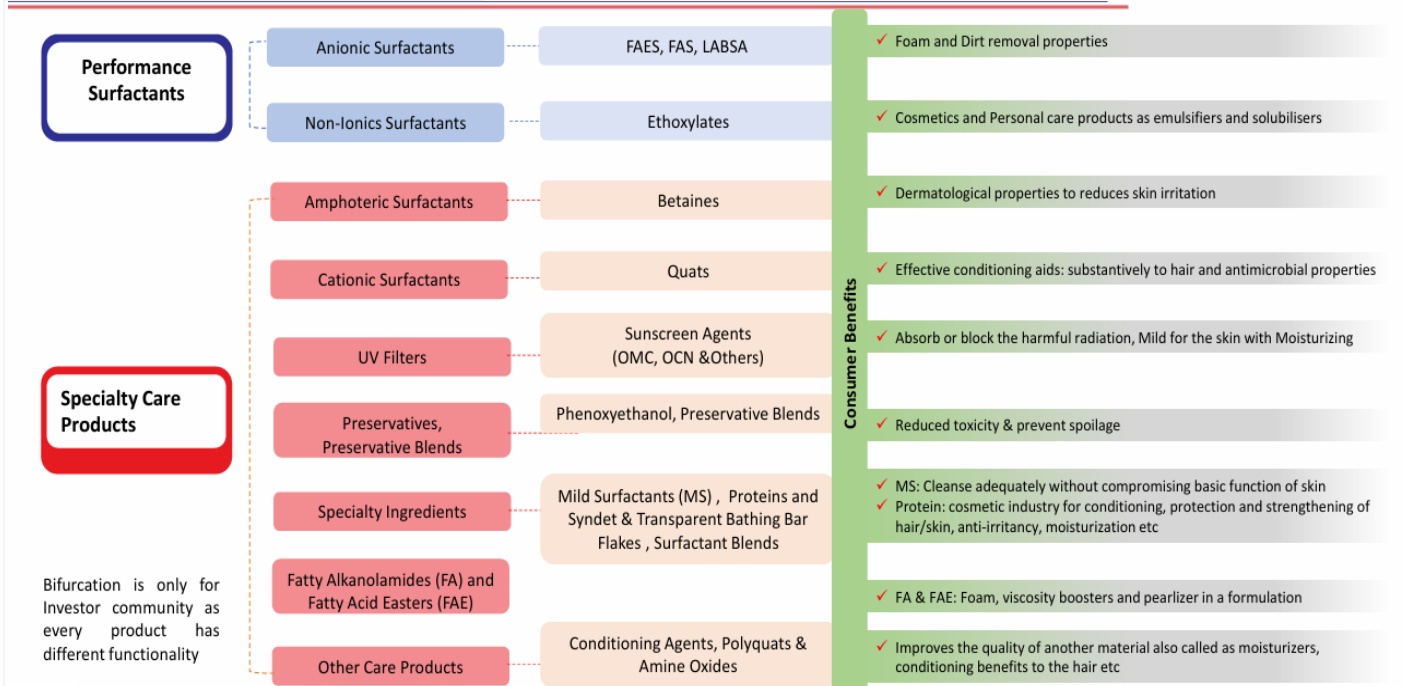
- Guidance of 2x volume growth
- Rs25,000 EBITDA/mt by CY30

We recently visited Galaxy Surfactants' Jhagadia plant, which contributes ~30% of the company's revenues and operates a diversified product portfolio including ethoxylates, phenoxyethanol, acid chlorides, mild surfactants, and SLES across ~40 acres. CWIP stands at Rs2.7bn on a consolidated basis (Rs2.2bn standalone), largely focused on scaling existing products, with most projects to be commissioning from Q3FY26–Q1FY27. Management reiterated its continued strategic focus on the specialty segment, which caters to global markets but is currently impacted by tariff-related uncertainties, particularly in the US. Despite near-term demand and cost headwinds, management remains confident in a 2x volume growth and an EBITDA/mt target of Rs25,000 by CY30, driven by an improving product mix. Over FY22–25, Galaxy Surfactants' revenue/EBITDA have registered a CAGR of 5% and 7%, respectively. The stock trades at 20x based on FY27E consensus EPS. Not Rated.

- **Specialty segment grew 21% YoY:** The specialty segment delivered a strong 21% YoY growth, contributing 39% to overall revenues, while adoption in India remains at an early stage. Management highlighted that specialty products continue to be a key strategic priority, with future capacity additions largely focused on this segment. Although customer approvals typically take 6–9 months, and up to 2–3 years for large global brands, these timelines create strong entry barriers and customer stickiness. In the near term, the segment faces pressure from US tariff-related uncertainty and elevated raw material costs. However, management remains confident in the medium- to long-term outlook, supported by an improving product mix and diversification across markets.
- **EBITDA/mt declined:** Currently, the company's EBITDA/mt has declined due to reciprocal tariffs imposed by the US government. In Q2FY26, EBITDA/mt stood at Rs17,300. EBITDA declined by 5% YoY in H1FY26 and 15% QoQ in Q2FY26, primarily due to global tariff headwinds, tactical reformulation within the Performance segment, and lower domestic volumes following GST-driven inventory adjustments. Management noted that GST-related disruptions have now been resolved, and the tactical reformulation affected only few key accounts, which contributes significantly to the segment, limiting its overall impact.
- **Guidance of 2x volume growth and Rs25,000 EBITDA/mt by CY30:** Management has reiterated its long-term growth ambition of doubling volumes by CY30, with a target of Rs25,000 EBITDA/mt. This outlook is driven by the gradual ramp-up of ongoing specialty capacities and an improvement in the product mix. The CWIP stands at Rs2.7 bn consolidated (Rs2.2 bn standalone), with the Taj facility already commissioned in Q3 and the

remaining projects commissioning from Q3FY26–Q1 FY27. current capex is primarily focused on scaling existing products where demand visibility exists, rather than introducing new molecules. management is also exploring acquisitions, targeting performance chemicals within India and specialty products internationally. The specialty segment remains the key strategic focus, serving global markets and driving the company’s medium- to long-term growth strategy.

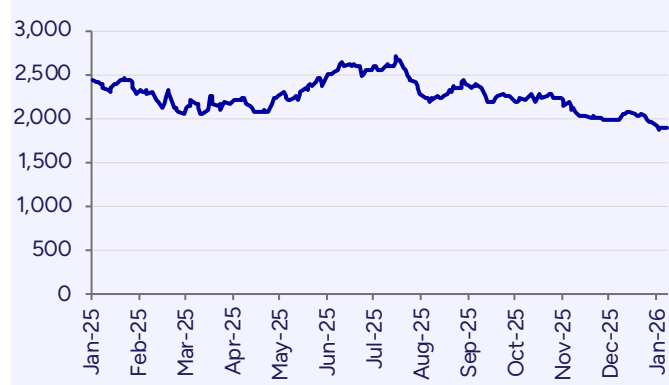
Exhibit 1: Galaxy Surfactants Ltd product portfolio



Source: Company, PL

Price Chart

Recommendation History



Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Accumulate	401	375
2	Bharat Petroleum Corporation	Hold	374	371
3	Bharti Airtel	Accumulate	2,259	2,113
4	Clean Science and Technology	Hold	892	865
5	Deepak Nitrite	Hold	1,729	1,626
6	Fine Organic Industries	BUY	5,103	4,274
7	GAIL (India)	BUY	202	169
8	Gujarat Fluorochemicals	Hold	3,639	3,485
9	Gujarat Gas	Hold	420	438
10	Gujarat State Petronet	Hold	322	319
11	Hindustan Petroleum Corporation	Hold	501	482
12	Indian Oil Corporation	Accumulate	175	164
13	Indraprastha Gas	Hold	196	190
14	Jubilant Ingrevia	Hold	755	744
15	Laxmi Organic Industries	Reduce	153	162
16	Mahanagar Gas	BUY	1,356	1,074
17	Mangalore Refinery & Petrochemicals	Accumulate	162	151
18	Navin Fluorine International	Accumulate	6,722	5,751
19	NOCIL	Hold	152	148
20	Oil & Natural Gas Corporation	BUY	307	242
21	Oil India	BUY	538	426
22	Petronet LNG	Hold	281	295
23	Reliance Industries	BUY	1,683	1,458
24	SRF	Hold	3,058	3,051
25	Vinati Organics	BUY	1,887	1,615

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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