

## Concerns around specialty scale-up overblown

Pharmaceuticals ▶ Company Update ▶ September 04, 2025

CMP (Rs): 1,579 | TP (Rs): 2,000

While we had addressed concerns around the sustainability of Sun's domestic outperformance in one of our earlier notes ([link](#)), we focus on the street's concerns around Sun's specialty investments in FY26 + new specialty launches undershooting medium-term street expectations. Even as we acknowledge that Abbvie's superior Phase 3 trial read-out would establish Rinvoq as the standard of care for Alopecia Areata (AA) post-commercialization (launch + scale up, however, is at least 3 years away), our market share assumptions for Leqselvi were anyway conservative to begin with (~5% by FY30E, when we expect Leqselvi to post close to USD500mn in global sales; consensus estimate for Pfizer's Litfulo in CY26—the 3<sup>rd</sup> full year of sales—at ~USD240mn, despite sub-par efficacy). We analyze the evolution of payor coverage for Plaque Psoriasis and Atopic Dermatitis in the US + the extant prior authorization policies for AA which lead us to believe that concerns around payor coverage for Leqselvi are overstated and will be addressed in the medium term. We note that the AA space in the US (no other candidate currently in Phase 3) is nowhere nearly as competitive as the Plaque Psoriasis space, where Ilumya has well exceeded street expectations despite multiple injectable as well as oral treatment options being available + a weaker efficacy profile + being a relatively late entrant. Besides, additional indications for Leqselvi (which will be a subset of Rinvoq's approved indications) as well as Unloxcyt (same as Libtayo's other approved indications) are currently not a part of our NPV estimates. We believe that comparisons of Sun's current multiples with its 5-year average trading range are unjustified, given that the company's revenue mix has meaningfully changed over FY20-25 (branded sales share at 70% in FY25 vs 56% in FY20; FY28E at 76%). Notably, while domestic formulations are one-third of the overall top line, the business accounts for ~55% of Sun's overall EBITDA pool (which will continue to witness double-digit growth). We reiterate BUY.

## Concerns around payor coverage for Leqselvi overstated

An analysis of the evolution of payor coverage for new treatment options for Plaque Psoriasis and Atopic Dermatitis in the US suggests that concerns around payor coverage for Leqselvi are overstated and will be addressed in the medium term. Insurers typically begin offering coverage with restrictive policies for 2-3 years post-launch, followed by relaxation of requirements and gradual expansion in coverage. Early biologics for Psoriasis such as Enbrel and Stelara faced hurdles, including strict prior authorizations and documentation of experience with unsuccessful conventional therapies. Similarly, Dupilumab (Dupixent)—approved for moderate-to-severe Atopic Dermatitis in CY17—faced restrictive initial coverage (limited to patients satisfying clinical criteria, which was more stringent than FDA's inclusion criteria for clinical trials), which was subject to prior authorizations, appeals, and step therapy. Over time, coverage for both treatment options expanded owing to strong patient outcomes and increase in prescriber comfort.

Target Price – 12M	Sep-26
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	26.7

Stock Data	SUNP IN
52-week High (Rs)	1,960
52-week Low (Rs)	1,553
Shares outstanding (mn)	2,399.3
Market-cap (Rs bn)	3,788
Market-cap (USD mn)	43,008
Net-debt, FY26E (Rs mn)	(261,682.9)
ADTV-3M (mn shares)	3
ADTV-3M (Rs mn)	4,136.9
ADTV-3M (USD mn)	47.0
Free float (%)	45.5
Nifty-50	24,715.1
INR/USD	88.1

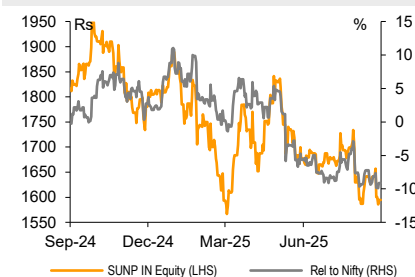
## Shareholding, Jun-25

Promoters (%)	54.5
FPIs/MFs (%)	17.3/19.5

## Price Performance

(%)	1M	3M	12M
Absolute	(3.1)	(5.3)	(12.9)
Rel. to Nifty	(3.7)	(6.0)	(10.9)

## 1-Year share price trend (Rs)



## Sun Pharma: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	484,968	525,784	571,184	632,475	701,545
EBITDA	130,231	152,717	160,217	185,631	212,217
Adj. PAT	100,706	119,844	113,968	133,930	155,018
Adj. EPS (Rs)	42.0	50.0	47.5	55.8	64.6
EBITDA margin (%)	26.9	29.0	28.1	29.4	30.3
EBITDA growth (%)	11.8	17.3	4.9	15.9	14.3
Adj. EPS growth (%)	16.5	19.0	(4.9)	17.5	15.7
RoE (%)	16.8	17.6	15.1	16.1	16.9
RoIC (%)	18.1	21.2	19.7	22.2	25.2
P/E (x)	39.5	34.7	35.5	28.3	24.4
EV/EBITDA (x)	27.8	23.7	22.6	19.5	17.1
P/B (x)	5.9	5.2	4.8	4.4	3.9
FCFF yield (%)	2.9	3.3	2.2	3.5	4.0

Source: Company, Emkay Research

## Shashank Krishnakumar

shashank.krishnakumar@emkayglobal.com  
+91-22-66242466

## Bhavya Gandhi

bhavya.gandhi@emkayglobal.com  
+91-22-66242409

## Mohd Suheb Alam

suheb.alam@emkayglobal.com  
+91 022 66242413

While one could argue that coverage evolution for Alopecia Areata might not mirror that for Plaque Psoriasis/Atopic Dermatitis given that some plans currently exclude Alopecia, per the National Alopecia Areata Foundation in the US, ~40% of appeals against denied insurance claims are successful; also, patients who meet the clinical requirement can request for an external review by a state/federal agency, following which the probability of a denial is lower, given favorable precedents. In case of Leqselvi, the step therapy requirement (conventional systemic therapy/high-potency topical corticosteroid) has been waived off for patients already on Eli Lilly's Olumiant and Pfizer's Litfulo (we do expect Leqselvi to initially gain share from competing JAK inhibitors currently in the market, given its superior efficacy profile). The clinical requirement (at least 50% scalp hair loss for a minimum of 6 months) imposed by payors so far is also in line with the FDA's inclusion criteria for clinical trials. Our view is also consistent with past studies, which indicate that coverage for specialty drugs in the US turns more favorable the longer these drugs are in the market.

#### Additional indications for Leqselvi and Unloxcyt currently not a part of our NPV estimates

Of the multiple other indications that JAK inhibitors have been approved for (prominent chronic inflammatory conditions, including Rheumatoid Arthritis, Psoriatic Arthritis, Juvenile Idiopathic Arthritis, Axial Spondyloarthritis, Ulcerative Colitis, and Atopic Dermatitis; rare forms of blood cancer, such as Myelofibrosis and Polycythemia Vera), Sun is likely to target 2-3 other indications with Leqselvi. Sun will target Atopic Dermatitis and Psoriatic Arthritis, in our view, given the synergies with its existing specialty brands and derma field-force. Notably, Sun has refrained from targeting indications such as Crohn's disease and Ulcerative Colitis with Ilumya, unlike other IL-23 inhibitors, given the need to establish a dedicated gastro sales-force. Other JAK inhibitors, including Olumiant, Litfulo, and Rinvoq, are also being investigated for Vitiligo, an indication that Sun could also pursue with Leqselvi, given its settlement with Incyte (Incyte's topical Ruxolitinib was approved for the treatment of non-segmental Vitiligo by the FDA in CY22). Unloxcyt could also be evaluated for Libtayo's other approved indications (Basal Cell Carcinoma and Non-Small Cell Lung Cancer). It is to be noted that Unloxcyt had demonstrated an overall response rate in line with that of Libtayo (albeit head-to-head comparison not appropriate) within the Non-Small Cell Lung Cancer cohort in Phase 1 trials.

#### Exhibit 1: No other Alopecia Areata candidate currently in Phase 3 in the US

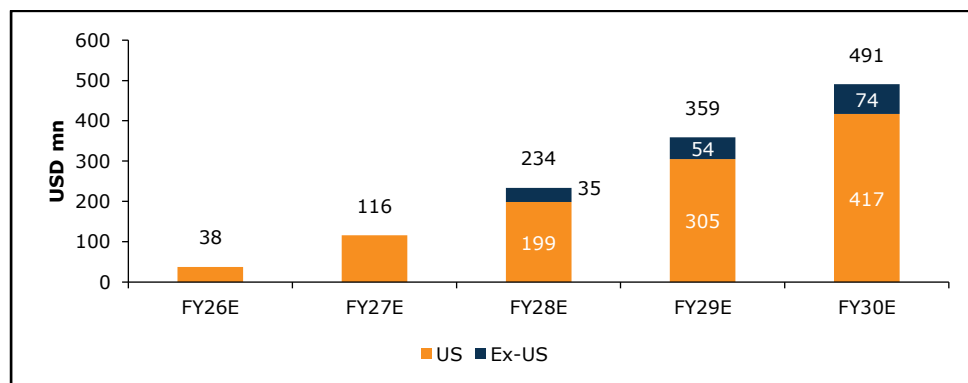
Candidate	Innovator	Status
ALY 101	Alys Pharmaceuticals	Phase 2
Amlitelimab	Kymab/Sanofi	Phase 2
Bempikibart (ADX-914)	Bristol-Myers Squibb/Q32 Bio	Phase 2
DR 01	Dren Bio	Phase 1
Daxdilimab	Amgen/Horizon Therapeutics	Phase 2
FB 102	Forte Biosciences	Phase 1
Gecaxitinib Hydrochloride	Suzhou Zelgen Biopharmaceuticals	Phase 1
HCW 9302	HCW Biologics	Phase 1
Ivarmacitinib	Arcutis Biotherapeutics/Jiangsu HengRui Medicine	Phase 1
Rezpegaldesleukin	Nektar Therapeutics	Phase 2
IMG-007	Inmagene LLC	Phase 2

Source: Emkay Research

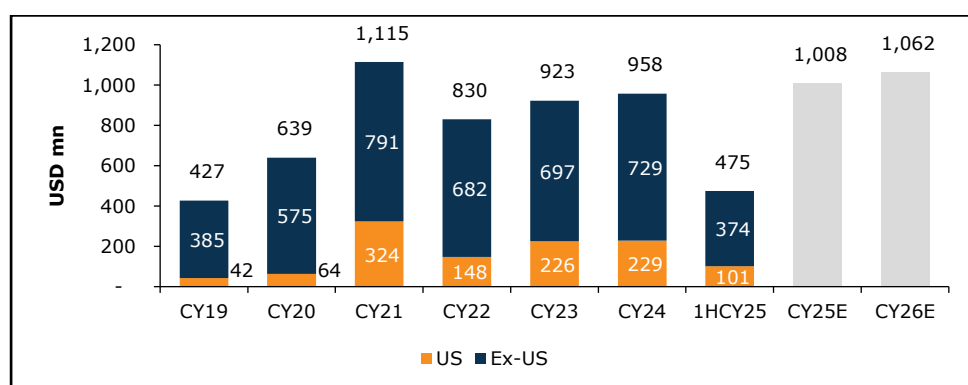
#### Exhibit 2: Leqselvi's efficacy profile far superior than that of approved JAK inhibitors (Eli Lilly's Olumiant and Pfizer's Litfulo)

	Rinvoq 15mg	Rinvoq 15mg	Rinvoq 30mg	Rinvoq 30mg	Leqselvi 8mg	Leqselvi 8mg	Olumiant 4mg	Olumiant 4mg	Litfulo 50mg
Difference vs Placebo at Week 24	UP-AA1 trial	UP-AA2 trial	UP-AA1 trial	UP-AA2 trial	THRIVE-AA1 trial	THRIVE-AA2 trial	BRAVE-AA1 trial	BRAVE-AA2 trial	AA-I trial
SALT ≤20	44%	41%	54%	51%	28%	31%	23%	28%	21%
SALT ≤10	35%	35%	45%	46%	21%	24%	16%	19%	12%

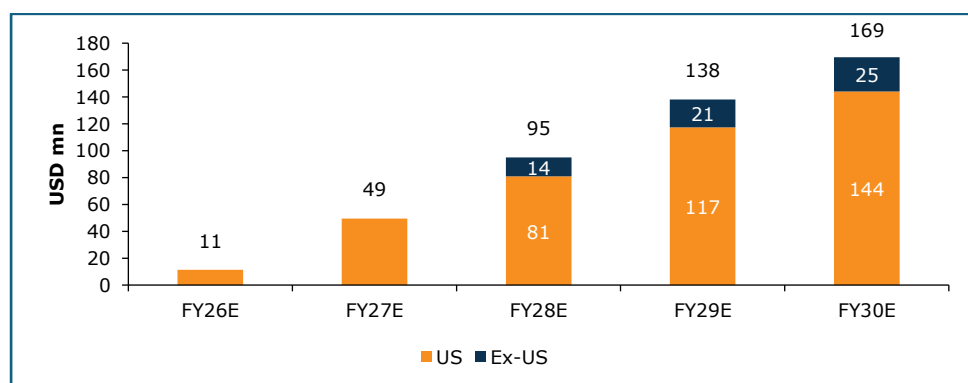
Source: Company, Emkay Research; Note: a SALT score of 20 indicates the subject has 20% total scalp hair loss; the primary endpoint for Leqselvi was the proportion of subjects who achieved at least 80% scalp hair coverage (SALT score ≤20) at Week-24; Eli Lilly reported the primary endpoint for Olumiant at Week-36; Olumiant 4mg's efficacy at Week-36 was comparable with Leqselvi 8mg's efficacy at Week-24

**Exhibit 3: Leqselvi opportunity for Sun likely to be as significant by FY30E as Ilumya is today**

Source: Emkay Research

**Exhibit 4: Olumiant – Annual sales trajectory**

Source: Company, Bloomberg, Emkay Research; Note: CY25 and CY26 sales are Bloomberg estimates, CY21 spike driven by Emergency Use Authorization granted during Covid

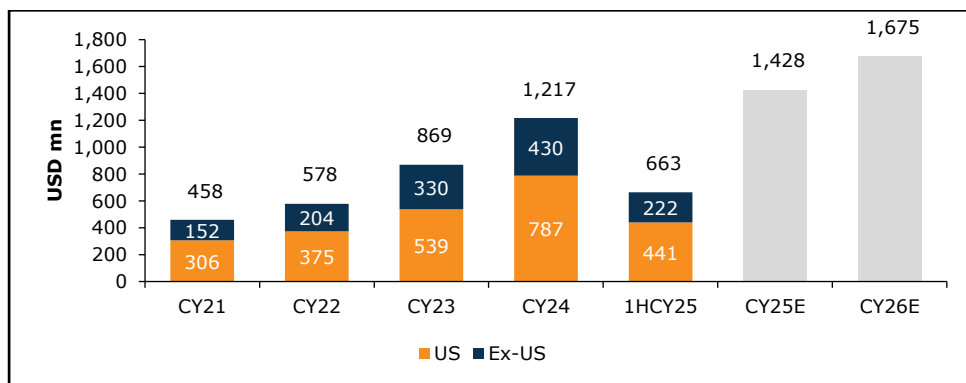
**Exhibit 5: Our Unloxcyt estimates are conservative, considering Libtayo's sales trajectory and Unloxcyt's strong efficacy profile**

Source: Emkay Research

**Exhibit 6: Unloxyct's efficacy profile in line with that of other approved treatment options**

Overall Response Rate (ORR)	Unloxyct	Libtayo	Keytruda
Locally advanced cSCC	48%	45%	50%
Metastatic cSCC	47%	51%	34%

Source: USFDA, Emkay Research; Note: ORR might not be strictly comparable, given that definitions can vary across studies; cSCC: Cutaneous Squamous Cell Carcinoma

**Exhibit 7: Libtayo achieved 'blockbuster' status in CY24**

Source: Company, Bloomberg, Emkay Research; Note: CY25 and CY26 sales are Bloomberg estimates

Sun Pharma: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	484,968	525,784	571,184	632,475	701,545
Revenue growth (%)	10.5	8.4	8.6	10.7	10.9
EBITDA	130,231	152,717	160,217	185,631	212,217
EBITDA growth (%)	11.8	17.3	4.9	15.9	14.3
Depreciation & Amortization	25,566	25,754	28,559	30,359	32,271
EBIT	104,664	126,963	131,658	155,273	179,946
EBIT growth (%)	14.8	21.3	3.7	17.9	15.9
Other operating income	7,384	5,372	5,372	6,178	7,104
Other income	13,542	19,650	19,991	22,137	24,554
Financial expense	2,385	2,314	2,018	1,684	1,209
PBT	115,821	144,300	149,631	175,725	203,291
Extraordinary items	(4,943)	(10,553)	(7,175)	0	0
Taxes	14,395	23,946	35,163	41,295	47,773
Minority interest	(721)	(511)	(500)	(500)	(500)
Income from JV/Associates	-	-	-	-	-
Reported PAT	95,763	109,290	106,793	133,930	155,018
PAT growth (%)	13.0	14.1	(2.3)	25.4	15.7
Adjusted PAT	100,706	119,844	113,968	133,930	155,018
Diluted EPS (Rs)	42.0	50.0	47.5	55.8	64.6
Diluted EPS growth (%)	16.5	19.0	(4.9)	17.5	15.7
DPS (Rs)	12.1	15.1	19.0	22.5	26.5
Dividend payout (%)	30.3	33.1	42.7	40.3	41.0
EBITDA margin (%)	26.9	29.0	28.1	29.4	30.3
EBIT margin (%)	21.6	24.1	23.1	24.6	25.7
Effective tax rate (%)	12.4	16.6	23.5	23.5	23.5
NOPLAT (pre-IndAS)	91,656	105,894	100,718	118,784	137,659
Shares outstanding (mn)	2,399	2,399	2,399	2,399	2,399

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	2,399	2,399	2,399	2,399	2,399
Reserves & Surplus	634,268	719,781	788,168	868,120	959,564
Net worth	636,668	722,180	790,567	870,519	961,964
Minority interests	34,592	2,679	3,179	3,679	4,179
Non-current liab. & prov.	13,880	14,179	14,179	14,179	14,179
Total debt	28,457	18,696	16,671	11,671	6,671
Total liabilities & equity	713,596	757,735	824,597	900,049	986,993
Net tangible fixed assets	101,923	100,359	102,150	105,160	109,429
Net intangible assets	130,558	125,503	153,974	151,920	150,102
Net ROU assets	-	-	-	-	-
Capital WIP	11,077	12,343	12,343	12,343	12,343
Goodwill	85,690	89,394	89,394	89,394	89,394
Investments [JV/Associates]	4,426	4,426	4,426	4,426	4,426
Cash & equivalents	191,052	249,877	278,354	343,427	417,034
Current assets (ex-cash)	415,959	428,496	450,675	477,626	508,934
Current Liab. & Prov.	141,400	163,271	177,326	194,853	215,276
NWC (ex-cash)	274,559	265,225	273,349	282,772	293,658
Total assets	713,596	757,735	824,597	900,049	986,993
Net debt	(162,595)	(231,181)	(261,683)	(331,756)	(410,363)
Capital employed	713,596	757,735	824,597	900,049	986,993
Invested capital	507,041	491,088	529,473	539,853	553,189
BVPS (Rs)	265.4	301.0	329.5	362.9	401.0
Net Debt/Equity (x)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)
Net Debt/EBITDA (x)	(1.2)	(1.5)	(1.6)	(1.8)	(1.9)
Interest coverage (x)	49.6	63.4	75.2	105.3	169.1
RoCE (%)	17.4	20.3	19.5	20.9	22.0

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	102,280	124,649	129,640	153,588	178,737
Others (non-cash items)	21,459	(16,860)	19,991	22,137	24,554
Taxes paid	(15,694)	(4,768)	(35,163)	(41,295)	(47,773)
Change in NWC	(14,646)	9,633	(8,124)	(9,423)	(10,885)
Operating cash flow	121,350	140,721	136,922	157,049	178,113
Capital expenditure	(15,291)	(20,401)	(58,821)	(31,315)	(34,722)
Acquisition of business	(590)	0	0	0	0
Interest & dividend income	13,542	19,650	19,991	22,137	24,554
Investing cash flow	(6,902)	(53,062)	(58,821)	(31,315)	(34,722)
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(33,522)	(9,761)	(2,025)	(5,000)	(5,000)
Payment of lease liabilities	0	0	0	0	0
Interest paid	(2,385)	(2,314)	(2,018)	(1,684)	(1,209)
Dividend paid (incl tax)	(29,007)	(36,173)	(45,581)	(53,978)	(63,574)
Others	(2,188)	(30,811)	0	0	0
Financing cash flow	(67,102)	(79,058)	(49,624)	(60,662)	(69,783)
Net chg in Cash	47,346	8,601	28,477	65,073	73,608
OCF	121,350	140,721	136,922	157,049	178,113
Adj. OCF (w/o NWC chg.)	135,996	131,088	145,045	166,473	188,998
FCFF	106,059	120,320	78,101	125,734	143,391
FCFE	117,217	137,656	96,074	146,187	166,735
OCF/EBITDA (%)	93.2	92.1	85.5	84.6	83.9
FCFE/PAT (%)	122.4	126.0	90.0	109.2	107.6
FCFF/NOPLAT (%)	115.7	113.6	77.5	105.9	104.2

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	39.5	34.7	35.5	28.3	24.4
P/CE(x)	30.0	26.0	26.6	23.1	20.2
P/B (x)	5.9	5.2	4.8	4.4	3.9
EV/Sales (x)	7.6	7.0	6.4	5.8	5.2
EV/EBITDA (x)	27.8	23.7	22.6	19.5	17.1
EV/EBIT(x)	34.6	28.5	27.5	23.3	20.1
EV/IC (x)	7.1	7.4	6.8	6.7	6.6
FCFF yield (%)	2.9	3.3	2.2	3.5	4.0
FCFE yield (%)	3.1	3.6	2.5	3.9	4.4
Dividend yield (%)	0.8	1.0	1.2	1.4	1.7
DuPont-RoE split					
Net profit margin (%)	20.8	22.8	20.0	21.2	22.1
Total asset turnover (x)	0.7	0.7	0.7	0.7	0.7
Assets/Equity (x)	1.2	1.1	1.0	1.0	1.0
RoE (%)	16.8	17.6	15.1	16.1	16.9
DuPont-RoIC					
NOPLAT margin (%)	18.9	20.1	17.6	18.8	19.6
IC turnover (x)	1.0	1.1	1.1	1.2	1.3
RoIC (%)	18.1	21.2	19.7	22.2	25.2
Operating metrics					
Core NWC days	206.6	184.1	174.7	163.2	152.8
Total NWC days	206.6	184.1	174.7	163.2	152.8
Fixed asset turnover	2.0	2.3	2.4	2.5	2.7
Opex-to-revenue (%)	51.2	50.5	51.6	50.7	50.0

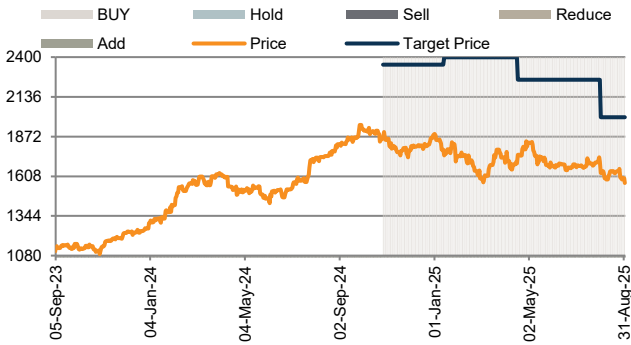
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
01-Aug-25	1,630	2,000	Buy	Shashank Krishnakumar
23-May-25	1,684	2,250	Buy	Shashank Krishnakumar
17-Apr-25	1,752	2,250	Buy	Shashank Krishnakumar
10-Apr-25	1,652	2,400	Buy	Shashank Krishnakumar
06-Mar-25	1,614	2,400	Buy	Shashank Krishnakumar
01-Feb-25	1,742	2,400	Buy	Shashank Krishnakumar
21-Jan-25	1,763	2,400	Buy	Shashank Krishnakumar
13-Jan-25	1,747	2,400	Buy	Shashank Krishnakumar
04-Nov-24	1,809	2,350	Buy	Shashank Krishnakumar
29-Oct-24	1,872	2,350	Buy	Shashank Krishnakumar
27-Oct-24	1,860	2,350	Buy	Shashank Krishnakumar

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

**GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):**

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. [www.emkayglobal.com](http://www.emkayglobal.com).

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit [www.emkayglobal.com](http://www.emkayglobal.com) to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

**Disclaimer for U.S. persons only:** Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

This report is intended for Team White Marque Solutions ([team.emkay@whitemarquessolutions.com](mailto:team.emkay@whitemarquessolutions.com))



**RESTRICTIONS ON DISTRIBUTION**

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

**ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)**

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons<sup>1</sup> may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

<sup>1</sup> An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

**COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):**

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of September 04, 2025
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report

**Disclosure of previous investment recommendation produced:**

- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of September 04, 2025
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the September 04, 2025
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

**Emkay Rating Distribution**

Ratings	Expected Return within the next 12-18 months.
<b>BUY</b>	>15% upside
<b>ADD</b>	5-15% upside
<b>REDUCE</b>	5% upside to 15% downside
<b>SELL</b>	>15% downside

**Emkay Global Financial Services Ltd.**

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions)



**OTHER DISCLAIMERS AND DISCLOSURES:**

**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit [www.emkayglobal.com](http://www.emkayglobal.com) to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)