

Aarti's Q3 EBITDA at Rs3.2bn (+38% YoY, +10% QoQ) was above the street's and our estimates. This was mainly owing to strong MMA volumes, aided by a) resumption of US shipments, b) customer-geography diversifications, c) better blending economics. Q3 results show Aarti's agility and swift calibration amid a challenging macro environment. The management maintained its FY28 EBITDA guidance, underpinned by cost-optimization and capacity ramp-up in Zone-IV. It raised its FY26 capex guidance to Rs11bn (from Rs10bn), driven by MMA debottlenecking from ~290kt to 360kt, DCB expansion, and select downstream projects (capex intensity to reduce from FY27). We build in the lower end of its FY28 EBITDA guidance and retain our estimates, to factor in the visible demand and margin recovery led by US trade deal, EU FTA (strategic partnerships), and China's anti-involution efforts (benefiting the NCB chain). We retain BUY on Aarti while raising TP by ~11% to Rs500 from Rs450 (rollover to Dec-27E EPS).

Macro uncertainty persists in Q3; performance driven by strong MMA volumes

Aarti posted EBITDA of Rs3.2bn (+38% YoY/+10% QoQ) in Q3FY26; the improvement was led by a) higher volumes in MMA and b) operating leverage benefits driven by higher capacity utilization. Volume growth remained strong in the energy business (+78% YoY/+13% QoQ), supported by better naphtha-gasoline spread and increased capacity, while the non-energy segment reported weaker volumes sequentially (+11% YoY/ -5% QoQ) due to delay in bulk shipments. Agrochemical volumes saw a recovery in Q3, but margins remained under pressure. The dyes and polymers (PDA) business continued to be impacted by US tariffs, while DCB performed well led by PDCB and downstream demand. After targeting US, Africa, and Middle East, Aarti now aims to scale up in Europe.

Headwinds turning into tailwinds now, owing to trade deals

Aarti is set to benefit from 3 recent major macro developments – US trade deal, China's anti-involution effort, EU FTA. The US trade deal will help increase volume in MMA and PDCB, along with margin improvement, as Aarti absorbed partial impact of US tariffs. Chinese anti involution is benefitting the NCB chain (incl PNCB), where prices have already risen ~7-10%; if expanded to more products, the anti-involution can improve pharmaceutical/agrochemicals' margins, which have been seeing pressure from Chinese dumping. EU FTA is likely to help build strategic partnerships, on a better duty structure.

Management maintains FY28 guidance; we keep our estimates unchanged

The management reaffirmed its FY28 EBITDA guidance of Rs18-22bn, led by cost-optimization measures (renewable power, yield improvement), ramp-up of existing capacities, and commissioning of MPPs and various blocks at Zone-IV. JV projects with Superform and Re Sustainability are on track, with commissioning by H1CY26. Aarti spent ~Rs8.5bn capex in 9MFY26 and increased FY26 capex guidance by 10% to Rs11bn, led by MMA capacity expansion and a DCB de-bottlenecking project. There will be no substantial capex in FY27. We bake in the lower end of the FY28 EBITDA guidance, to account for the volatility in energy business. Accordingly, we retain our estimates.

| | |
|-------------------------|-------------|
| Target Price – 12M | Dec-26 |
| Change in TP (%) | 11.1 |
| Current Reco. | BUY |
| Previous Reco. | BUY |
| Upside/(Downside) (%) | 16.3 |

| Stock Data | ARTO IN |
|-------------------------|----------|
| 52-week High (Rs) | 495 |
| 52-week Low (Rs) | 338 |
| Shares outstanding (mn) | 362.6 |
| Market-cap (Rs bn) | 156 |
| Market-cap (USD mn) | 1,726 |
| Net-debt, FY26E (Rs mn) | 41,029.4 |
| ADTV-3M (mn shares) | 0.9 |
| ADTV-3M (Rs mn) | 423.7 |
| ADTV-3M (USD mn) | 4.7 |
| Free float (%) | 57.8 |
| Nifty-50 | 25,727.6 |
| INR/USD | 90.3 |

Shareholding, Dec-25

| | |
|---------------|----------|
| Promoters (%) | 42.1 |
| FPIs/MFs (%) | 6.7/18.2 |

Price Performance

| (%) | 1M | 3M | 12M |
|---------------|------|------|--------|
| Absolute | 14.0 | 10.6 | (5.1) |
| Rel. to Nifty | 16.7 | 10.7 | (13.8) |

1-Year share price trend (Rs)



Aarti Industries: Financial Snapshot (Consolidated)

| Y/E March (Rs mn) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---------------------|--------|--------|--------|---------|---------|
| Revenue | 63,720 | 72,710 | 84,137 | 100,454 | 119,606 |
| EBITDA | 9,760 | 10,010 | 10,888 | 15,158 | 18,427 |
| Adj. PAT | 4,160 | 3,290 | 3,296 | 6,022 | 8,307 |
| Adj. EPS (Rs) | 11.5 | 9.1 | 9.1 | 16.6 | 22.9 |
| EBITDA margin (%) | 15.3 | 13.8 | 12.9 | 15.1 | 15.4 |
| EBITDA growth (%) | (10.4) | 2.6 | 8.8 | 39.2 | 21.6 |
| Adj. EPS growth (%) | (23.7) | (20.9) | 0.2 | 82.7 | 37.9 |
| RoE (%) | 8.1 | 6.0 | 5.7 | 9.8 | 12.2 |
| RoIC (%) | 9.5 | 8.6 | 7.1 | 8.9 | 10.7 |
| P/E (x) | 37.4 | 47.6 | 47.2 | 25.8 | 18.7 |
| EV/EBITDA (x) | 19.1 | 18.6 | 17.1 | 12.3 | 10.1 |
| P/B (x) | 2.9 | 2.8 | 2.6 | 2.4 | 2.2 |
| FCFF yield (%) | (0.4) | (0.8) | (1.7) | 3.4 | 4.3 |

Source: Company, Emkay Research

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Exhibit 1: Aarti – Q3 results update

| P&L (Rs mn) | Reported | | | | | Emkay Estimates | | 9M ended | | |
|------------------------------|-----------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|-----------------|-----------------|-----------------|
| | Q3FY25 | Q2FY26 | Q3FY26 | YoY (%) | QoQ (%) | Q3FY26 | vs Est (%) | 9MFY26 | 9MFY25 | YoY (%) |
| Net revenue | 18,400 | 21,000 | 23,180 | 26 | 10 | 23,920 | -3 | 60,930 | 53,230 | 14 |
| Raw Material cost | (12,300) | (13,750) | (15,310) | 24 | 11 | (16,130) | -5 | (40,280) | (34,020) | 18 |
| Gross Profit | 6,100 | 7,250 | 7,870 | 29 | 9 | 7,790 | 1 | 20,650 | 19,210 | 7 |
| Gross margin (%) | 33.2 | 34.5 | 34.0 | 79 bps | -58 bps | 32.6 | 138 bps | 33.9 | 36.1 | -220 bps |
| Employee cost | (1,050) | (1,050) | (1,060) | 1 | 1 | (1,196) | -11 | (3,200) | (3,235) | -1 |
| Other overheads | (2,730) | (3,290) | (3,600) | 32 | 9 | (3,588) | 0 | (9,220) | (8,645) | 7 |
| Total expenses | (16,080) | (18,090) | (19,970) | 24 | 10 | (20,914) | (5) | (52,700) | (45,900) | 15 |
| EBITDA | 2,320 | 2,910 | 3,210 | 38 | 10 | 3,006 | 7 | 8,230 | 7,330 | 12 |
| EBITDA margin (%) | 12.6 | 13.9 | 13.8 | 123 bps | -1 bps | 12.6 | 128 bps | 13.5 | 13.8 | -27 bps |
| Other income | 50 | - | 20 | -60 | | - | | 60 | 160 | -63 |
| Interest | (850) | (1,000) | (690) | -19 | -31 | (773) | -11 | (2,290) | (2,110) | 9 |
| Depreciation | (1,110) | (1,200) | (1,210) | 9 | 1 | (1,212) | (0) | (3,550) | (3,210) | 11 |
| Exceptional Items | - | 220 | (150) | | (168) | - | | 70 | 20 | 250 |
| PBT | 410 | 930 | 1,180 | 188 | 27 | 1,022 | 16 | 2,520 | 2,190 | 15 |
| Tax | 60 | 130 | 150 | 150 | 15 | (51) | (394) | 300 | 160 | 88 |
| Share of Associates Profit | - | - | - | | | - | | - | - | |
| Adj PAT | 470 | 895 | 1,443 | 207 | 61 | 970 | 49 | 2,768 | 2,335 | 19 |
| EO Items | - | 165 | (113) | | (168) | - | | 53 | 15 | 250 |
| Reported PAT | 470 | 1,060 | 1,330 | 183 | 25 | 970 | 37 | 2,820 | 2,350 | 20 |
| EPS (Rs) | 1.3 | 2.9 | 3.7 | 183 | 25 | 2.7 | 37 | 7.8 | 6.5 | 20 |
| Costs as a % of sales | | | | | | | | | | |
| Raw Material cost | 66.8 | 65.5 | 66.0 | -80 bps | 57 bps | 67.4 | -139 bps | 66.1 | 63.9 | 219 bps |
| Employee cost | 5.7 | 5.0 | 4.6 | -114 bps | -43 bps | 5.0 | -43 bps | 5.3 | 6.1 | -83 bps |
| Other overheads | 14.8 | 15.7 | 15.5 | 69 bps | -14 bps | 15.0 | 53 bps | 15.1 | 16.2 | -111 bps |
| Income tax rate (%) | (14.6) | (14.0) | (12.7) | 192 bps | 126 bps | 5.0 | -1772 bps | (11.9) | (7.3) | -460 bps |

Source: Company, Emkay Research

Exhibit 2: Capacity and utilization trends show significant upside potential, leading to operating leverage

| Product Group | Capacity (KT; expanded period) | FY22 | FY23 | FY24 | FY25 | YoY | Q3FY25 | Q2FY26 | Q3FY26 | YoY | QoQ | Q3FY26 utilization |
|---------------|--------------------------------|------|------|------|-------|------|--------|--------|--------|-----|------|--------------------|
| NCB | 108 (from Q3FY24) | 76.6 | 77.8 | 73.5 | 85.3 | 16% | 22.9 | 21.5 | 24.6 | 7% | 14% | 91% |
| DCB | 120 | 74.6 | 84.2 | 80.7 | 88.6 | 10% | 20.8 | 22 | 25.9 | 25% | 18% | 86% |
| Hydrogenation | 60 | 35.7 | 37.2 | 39.1 | 44.4 | 14% | 11.3 | 11.3 | 12 | 6% | 6% | 80% |
| PDA | 12 | 6.5 | 4.2 | 4.4 | 3.9 | -11% | 1.3 | 1.8 | 1.3 | 0% | -28% | 43% |
| NT | 45 (from Q4FY25) | 16 | 23.9 | 30.5 | 29.4 | -4% | 6.5 | 8.4 | 8.9 | 37% | 6% | 79% |
| Ethylation | 25-30 (from Q4FY25) | 7.2 | 11.9 | 10.5 | 14.5 | 38% | 4.1 | 3.8 | 5 | 22% | 32% | 80% |
| MMA | 290 (from Q3FY26) | 23.1 | 37.8 | 89.3 | 123.0 | 38% | 36.6 | 63.5 | 69 | 89% | 9% | 96% |

Source: Company, Emkay Research

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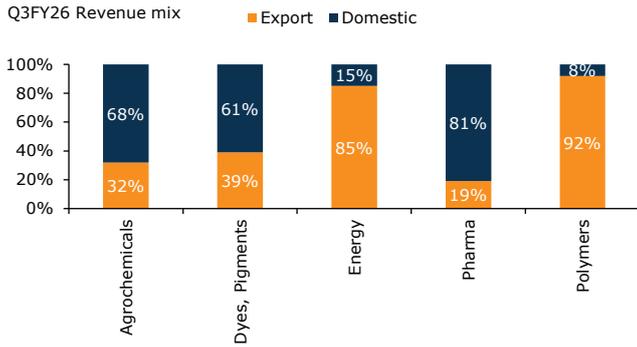
Exhibit 3: Application-wise revenue and highlights

| Application-wise revenue and highlights (Rs mn) | Q3FY25 | Q2FY26 | Q3FY26 | YoY (%) | QoQ (%) | Market updates | Business highlights |
|---|---------------|---------------|---------------|-------------|-------------|---|--|
| Agrochemicals and Fertilizer | 3,283 | 4,275 | 2,990 | (8.9) | (30.0) | <p>Macro demand concerns persist, while green shoots of volume recovery in a few products are visible. Margins remain under pressure.</p> <p>US tariff and Chinese competition impacted the Q3 performance.</p> <p>China's anti-involution and EU FTA stance to improve the mid-term outlook.</p> | <p>New capacity ramp-up for ethylation products is facing margin pressure from China.</p> <p>PEDA capacity to be commissioned by Q4FY26.</p> <p>Customer engagements have started for Zone IV products, as capacities start commissioning from Q4FY26.</p> <p>Entered into a 3-year strategic exclusive distribution agreement with Actylis for PCBTF supply in the North American market.</p> |
| Dyes, Pigments, and Printing Inks | 2,442 | 2,475 | 2,741 | 12.3 | 10.8 | <p>Muted demand growth in downstream markets, with US tariffs impacting some applications.</p> <p>Pricing pressure continues.</p> | <p>Targeting a higher share in the domestic market, with export markets under pressure.</p> <p>China anti-involution expected to benefit the NCB chain in the near term; full impact visibility by Q1FY27.</p> |
| Energy and Additives | 6,946 | 9,675 | 12,709 | 83.0 | 31.4 | <p>Improved gasoline cracks supported blending economics, driving higher volumes in Q3.</p> <p>Gradual resumption of US volumes support incremental Q3 volumes.</p> <p>Volatility linked to refining product margins and geopolitics continues.</p> | <p>Higher volumes in Europe and Africa to aid customer diversification; onboarding process initiated with multiple O&G majors.</p> <p>Recent decline in gasoline naphtha crack might impact blend volumes ahead.</p> <p>The Zone-IV Calcium Chloride plant under final trials; to be commercialized soon.</p> |
| Pharmaceuticals | 2,415 | 2,250 | 2,243 | (7.1) | (0.3) | <p>India's domestic pharma market remains steady.</p> <p>Margin pressure from China persists, especially in fluoro products.</p> | <p>Domestic expansion by key strategic customers will support volume growth.</p> <p>Pursuing variable cost optimization projects in fluoro chain product.</p> |
| Polymer and additives | 3,229 | 2,700 | 3,489 | 8.1 | 29.2 | <p>Partial resumption of US volumes in Q3, with part absorption of US tariffs.</p> <p>Strong growth in PDCB, driven by its application in polymer consumed in EVs.</p> <p>India-US trade deal will help recover volumes.</p> | <p>Diversifying demand growth for PDCB across various markets, including China.</p> <p>Targeting margin growth via cost optimization and operating leverage.</p> |
| Others | 2,035 | 1,125 | 748 | (63.3) | (33.5) | | |
| Total | 20,350 | 22,500 | 24,920 | 22.5 | 10.8 | | |

Source: Company, Emkay Research

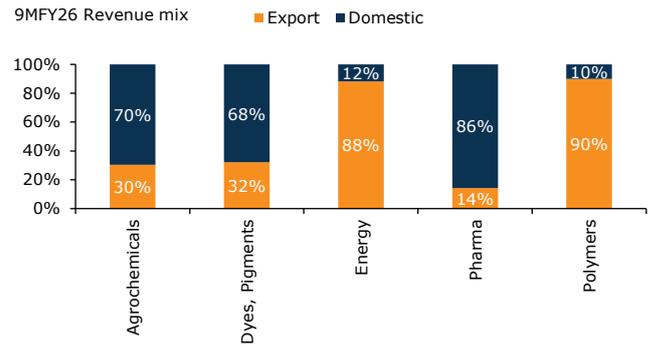
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Exhibit 4: Share of exports increased in Q3 due to growth in energy business volumes and dyes, pigments, and printing inks



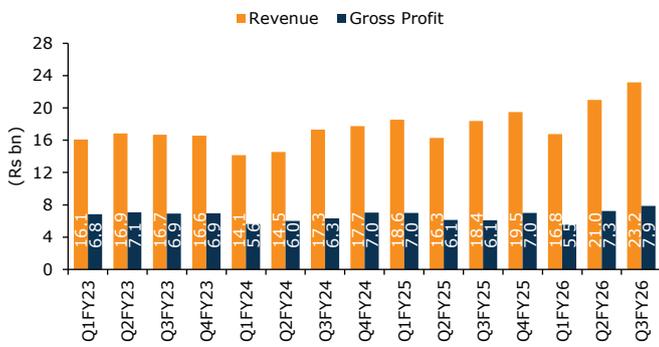
Source: Company, Emkay Research

Exhibit 5: Aarti's revenue mix in 9MFY26 (39% domestic: 61% exports)



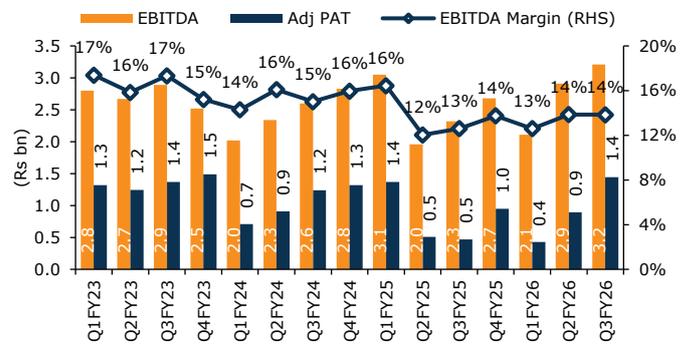
Source: Company, Emkay Research

Exhibit 6: Absolute gross profit is the highest in the last 3Y



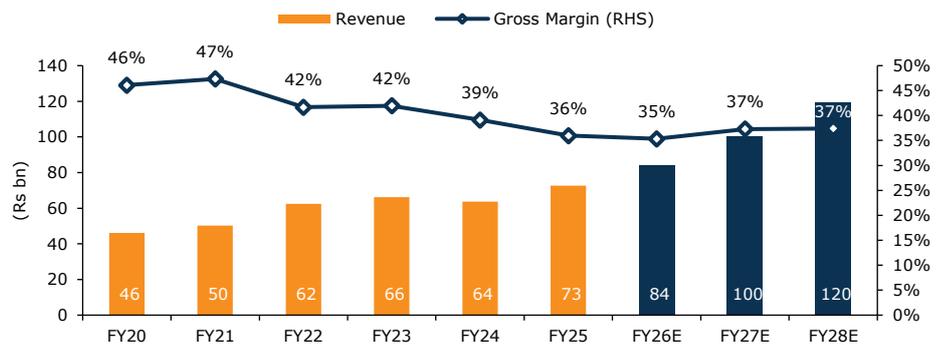
Source: Company, Emkay Research

Exhibit 7: EBITDA grew ~38% YoY



Source: Company, Emkay Research

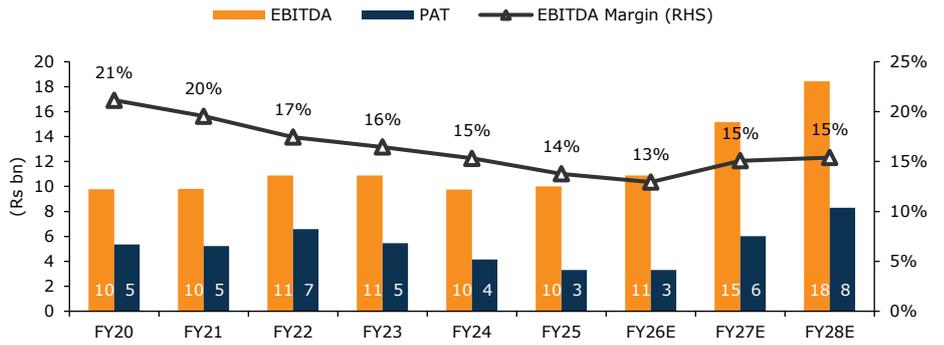
Exhibit 8: Aarti to clock revenue CAGR of 18% over FY25-28E



Source: Company, Emkay Research

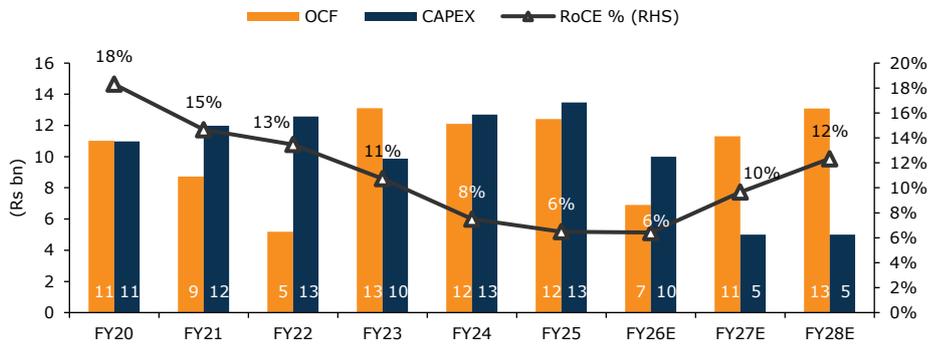
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Exhibit 9: Volume growth and cost-optimization to lead to EBITDA growth



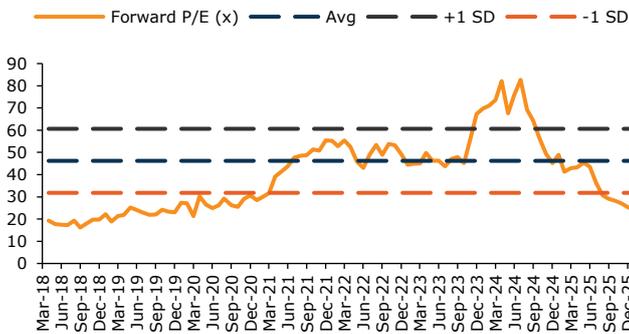
Source: Company, Emkay Research

Exhibit 10: Consistent capex with stable cash flows to help improve RoCE over 3-4 years



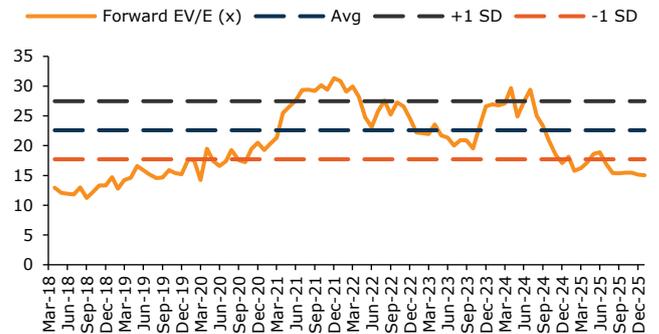
Source: Company, Emkay Research

Exhibit 11: One-year forward P/E



Source: Company, Emkay Research

Exhibit 12: One-year forward EV/EBITDA



Source: Company, Emkay Research

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Aarti Industries: Consolidated Financials and Valuations

Profit & Loss

| Y/E March (Rs mn) | FY24 | FY25 | FY26E | FY27E | FY28E |
|-----------------------------|---------------|---------------|---------------|----------------|----------------|
| Revenue | 63,720 | 72,710 | 84,137 | 100,454 | 119,606 |
| Revenue growth (%) | (3.7) | 14.1 | 15.7 | 19.4 | 19.1 |
| EBITDA | 9,760 | 10,010 | 10,888 | 15,158 | 18,427 |
| EBITDA growth (%) | (10.4) | 2.6 | 8.8 | 39.2 | 21.6 |
| Depreciation & Amortization | 3,780 | 4,340 | 4,745 | 5,358 | 5,608 |
| EBIT | 5,980 | 5,670 | 6,143 | 9,800 | 12,818 |
| EBIT growth (%) | (23.2) | (5.2) | 8.3 | 59.5 | 30.8 |
| Other operating income | - | - | - | - | - |
| Other income | 80 | 140 | 140 | 140 | 140 |
| Financial expense | 2,110 | 2,750 | 2,813 | 2,855 | 2,574 |
| PBT | 3,950 | 3,060 | 3,470 | 7,085 | 10,384 |
| Extraordinary items | 0 | (20) | 0 | 0 | 0 |
| Taxes | (210) | (230) | 173 | 1,063 | 2,077 |
| Minority interest | 0 | 0 | 0 | 0 | 0 |
| Income from JV/Associates | - | - | - | - | - |
| Reported PAT | 4,160 | 3,270 | 3,296 | 6,022 | 8,307 |
| PAT growth (%) | (23.7) | (21.4) | 0.8 | 82.7 | 37.9 |
| Adjusted PAT | 4,160 | 3,290 | 3,296 | 6,022 | 8,307 |
| Diluted EPS (Rs) | 11.5 | 9.1 | 9.1 | 16.6 | 22.9 |
| Diluted EPS growth (%) | (23.7) | (20.9) | 0.2 | 82.7 | 37.9 |
| DPS (Rs) | 1.5 | 1.0 | 0.9 | 1.7 | 2.3 |
| Dividend payout (%) | 13.0 | 11.0 | 10.0 | 10.0 | 10.0 |
| EBITDA margin (%) | 15.3 | 13.8 | 12.9 | 15.1 | 15.4 |
| EBIT margin (%) | 9.4 | 7.8 | 7.3 | 9.8 | 10.7 |
| Effective tax rate (%) | (5.3) | (7.5) | 5.0 | 15.0 | 20.0 |
| NOPLAT (pre-IndAS) | 6,298 | 6,096 | 5,836 | 8,330 | 10,255 |
| Shares outstanding (mn) | 362 | 362 | 362 | 362 | 362 |

Source: Company, Emkay Research

Cash flows

| Y/E March (Rs mn) | FY24 | FY25 | FY26E | FY27E | FY28E |
|------------------------------|-----------------|-----------------|----------------|----------------|----------------|
| PBT (ex-other income) | 3,870 | 2,920 | 3,330 | 6,945 | 10,244 |
| Others (non-cash items) | 3,780 | 4,340 | 4,745 | 5,358 | 5,608 |
| Taxes paid | (850) | 60 | (173) | (1,063) | (2,077) |
| Change in NWC | 1,828 | 2,160 | (3,801) | (2,785) | (3,269) |
| Operating cash flow | 12,100 | 12,420 | 6,914 | 11,311 | 13,081 |
| Capital expenditure | (12,761) | (13,880) | (10,000) | (5,000) | (5,000) |
| Acquisition of business | (58) | (250) | 0 | 0 | 0 |
| Interest & dividend income | - | - | - | - | - |
| Investing cash flow | (13,690) | (13,980) | (9,860) | (4,860) | (4,860) |
| Equity raised/(repaid) | (3) | 0 | 0 | 0 | 0 |
| Debt raised/(repaid) | 6,900 | 2,250 | 4,605 | (3,412) | (4,608) |
| Payment of lease liabilities | (227) | 20 | 0 | 0 | 0 |
| Interest paid | (2,110) | (2,750) | (2,813) | (2,855) | (2,574) |
| Dividend paid (incl tax) | (540) | (360) | (330) | (602) | (831) |
| Others | (47) | 130 | - | - | - |
| Financing cash flow | 3,973 | (710) | 1,462 | (6,870) | (8,013) |
| Net chg in Cash | 2,383 | (2,270) | (1,484) | (419) | 208 |
| OCF | 12,100 | 12,420 | 6,914 | 11,311 | 13,081 |
| Adj. OCF (w/o NWC chg.) | 10,272 | 10,260 | 10,715 | 14,096 | 16,350 |
| FCFF | (661) | (1,460) | (3,086) | 6,311 | 8,081 |
| FCFE | (2,771) | (4,210) | (5,900) | 3,455 | 5,507 |
| OCF/EBITDA (%) | 124.0 | 124.1 | 63.5 | 74.6 | 71.0 |
| FCFE/PAT (%) | (66.6) | (128.7) | (179.0) | 57.4 | 66.3 |
| FCFF/NOPLAT (%) | (10.5) | (23.9) | (52.9) | 75.8 | 78.8 |

Source: Company, Emkay Research

Balance Sheet

| Y/E March (Rs mn) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---------------------------------------|---------------|---------------|---------------|----------------|----------------|
| Share capital | 1,810 | 1,810 | 1,810 | 1,810 | 1,810 |
| Reserves & Surplus | 51,080 | 54,240 | 57,206 | 62,626 | 70,103 |
| Net worth | 52,890 | 56,050 | 59,016 | 64,436 | 71,913 |
| Minority interests | 10 | 0 | 0 | 0 | 0 |
| Non-current liab. & prov. | (1,440) | (2,180) | (2,180) | (2,180) | (2,180) |
| Total debt | 35,640 | 37,890 | 42,495 | 39,083 | 34,474 |
| Total liabilities & equity | 87,100 | 91,760 | 99,332 | 101,339 | 104,207 |
| Net tangible fixed assets | 55,875 | 62,765 | 77,560 | 77,202 | 76,593 |
| Net intangible assets | 85 | 485 | 485 | 485 | 485 |
| Net ROU assets | 530 | 510 | 510 | 510 | 510 |
| Capital WIP | 12,290 | 14,540 | 5,000 | 5,000 | 5,000 |
| Goodwill | 0 | 0 | 0 | 0 | 0 |
| Investments [JV/Associates] | 230 | 480 | 480 | 480 | 480 |
| Cash & equivalents | 5,160 | 2,950 | 1,466 | 1,406 | 1,254 |
| Current & ex-cash | 25,530 | 27,230 | 29,518 | 35,006 | 41,447 |
| Current Liab. & Prov. | 12,600 | 17,200 | 15,687 | 18,390 | 21,562 |
| NWC (ex-cash) | 12,930 | 10,030 | 13,831 | 16,616 | 19,885 |
| Total assets | 87,100 | 91,760 | 99,332 | 101,339 | 104,207 |
| Net debt | 30,480 | 34,940 | 41,029 | 38,036 | 33,220 |
| Capital employed | 87,100 | 91,760 | 99,332 | 101,339 | 104,207 |
| Invested capital | 68,890 | 73,280 | 91,876 | 94,302 | 96,963 |
| BVPS (Rs) | 146.1 | 154.8 | 163.0 | 178.0 | 198.7 |
| Net Debt/Equity (x) | 0.6 | 0.6 | 0.7 | 0.6 | 0.5 |
| Net Debt/EBITDA (x) | 3.1 | 3.5 | 3.8 | 2.5 | 1.8 |
| Interest coverage (x) | 2.9 | 2.1 | 2.2 | 3.5 | 5.0 |
| RoCE (%) | 7.3 | 6.4 | 6.4 | 9.7 | 12.3 |

Source: Company, Emkay Research

Valuations and key Ratios

| Y/E March | FY24 | FY25 | FY26E | FY27E | FY28E |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| P/E (x) | 37.4 | 47.6 | 47.2 | 25.8 | 18.7 |
| EV/CE(x) | 2.1 | 2.0 | 1.8 | 1.8 | 1.7 |
| P/B (x) | 2.9 | 2.8 | 2.6 | 2.4 | 2.2 |
| EV/Sales (x) | 2.9 | 2.6 | 2.2 | 1.9 | 1.6 |
| EV/EBITDA (x) | 19.1 | 18.6 | 17.1 | 12.3 | 10.1 |
| EV/EBIT(x) | 31.1 | 32.8 | 30.3 | 19.0 | 14.5 |
| EV/IC (x) | 2.7 | 2.5 | 2.0 | 2.0 | 1.9 |
| FCFF yield (%) | (0.4) | (0.8) | (1.7) | 3.4 | 4.3 |
| FCFE yield (%) | (1.8) | (2.7) | (3.8) | 2.2 | 3.5 |
| Dividend yield (%) | 0.3 | 0.2 | 0.2 | 0.4 | 0.5 |
| DuPont-RoE split | | | | | |
| Net profit margin (%) | 6.5 | 4.5 | 3.9 | 6.0 | 6.9 |
| Total asset turnover (x) | 0.8 | 0.8 | 0.9 | 1.0 | 1.2 |
| Assets/Equity (x) | 1.6 | 1.6 | 1.7 | 1.6 | 1.5 |
| RoE (%) | 8.1 | 6.0 | 5.7 | 9.8 | 12.2 |
| DuPont-RoIC | | | | | |
| NOPLAT margin (%) | 9.9 | 8.4 | 6.9 | 8.3 | 8.6 |
| IC turnover (x) | 1.0 | 1.0 | 1.0 | 1.1 | 1.3 |
| RoIC (%) | 9.5 | 8.6 | 7.1 | 8.9 | 10.7 |
| Operating metrics | | | | | |
| Core NWC days | 74.1 | 50.4 | 60.0 | 60.4 | 60.7 |
| Total NWC days | 74.1 | 50.4 | 60.0 | 60.4 | 60.7 |
| Fixed asset turnover | 0.9 | 0.9 | 0.9 | 0.9 | 1.1 |
| Opex-to-revenue (%) | 23.8 | 22.2 | 22.4 | 22.2 | 22.0 |

Source: Company, Emkay Research

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

RECOMMENDATION HISTORY - DETAILS

| Date | Closing Price (Rs) | TP (Rs) | Rating | Analyst |
|-----------|--------------------|---------|--------|-----------|
| 06-Jan-26 | 375 | 450 | Buy | Meet Vora |
| 27-Dec-25 | 376 | 450 | Buy | Meet Vora |
| 07-Nov-25 | 392 | 450 | Buy | Meet Vora |
| 20-Sep-25 | 393 | 450 | Buy | Meet Vora |
| 01-Aug-25 | 406 | 450 | Buy | Meet Vora |
| 15-Jul-25 | 452 | 525 | Buy | Meet Vora |
| 23-Jun-25 | 445 | 525 | Buy | Meet Vora |
| 09-May-25 | 452 | 500 | Add | Meet Vora |
| 06-Apr-25 | 374 | 450 | Add | Meet Vora |
| 03-Feb-25 | 453 | 525 | Add | Meet Vora |
| 11-Nov-24 | 440 | 525 | Add | Meet Vora |
| 24-Sep-24 | 589 | 675 | Buy | Meet Vora |
| 27-Aug-24 | 640 | 800 | Buy | Meet Vora |
| 13-Aug-24 | 621 | 800 | Buy | Meet Vora |
| 14-Jul-24 | 706 | 800 | Buy | Meet Vora |
| 07-Jun-24 | 635 | 800 | Buy | Meet Vora |
| 13-May-24 | 669 | 800 | Buy | Meet Vora |
| 07-Apr-24 | 696 | 750 | Buy | Meet Vora |
| 26-Feb-24 | 672 | 750 | Buy | Meet Vora |
| 09-Feb-24 | 663 | 750 | Buy | Meet Vora |

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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| SELL | >15% downside |

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