

Volatile quarter led by uncertainty and deferment of shipments

Specialty Chemicals ▶ Result Update ▶ August 01, 2025

CMP (Rs): 407 | TP (Rs): 450

Aarti's Q1 EBITDA at Rs2.1bn (-31% YoY, -21% QoQ) was below street's expectations and our estimates, owing to a) a steep decline in prices of raw materials like benzene and aniline (15-20%), resulting in inventory loss of Rs300mn, b) logistics issues arising from the Middle East conflict leading to postponement of bulk shipments to July, from June, and c) impact on Kutch operations, led by MMA catalyst replacement/capacity expansion and the Indo-Pak conflict. In Q1, the environment remained challenging for the company; however, the management reiterated guidance of Rs18-22bn EBITDA by FY28, led by cost-optimization and capacity additions in Zone-4. We cut FY26/27/28 EBITDA by 19/12/8% to factor in weak near-term macro. Also, we are now baking in the lower-end of FY28 EBITDA guidance, to factor in uncertainty in the overall business environment created by MMA. We maintain BUY with a revised TP of Rs450 (25x Jun-27E EPS), from Rs525 earlier.

Macro uncertainty led to a volatile environment in Q1

Aarti posted Rs2.1bn EBITDA (-31% YoY/-21% QoQ) in Q1FY26. The decline in EBITDA was primarily due to pressure on pricing, led by 15-20% correction in benzene and aniline prices (Rs300mn inventory loss). Non-energy and energy businesses saw volume increases of 9% and 3% YoY, respectively. Unfavorable macro situations like a) the US tariff uncertainty led to lower utilization in MMA (US customers are concerned about affordability) and DCB (auto manufacturers turned cautious; competition from the EU); b) MMA operations being impacted by India-Pak/Israel-Iran conflicts led to postponement of bulk shipments to Jul-25 (net impact: Rs200mn; MMA exports in Jul-25: 20-22kt). The company expects RM prices to remain range-bound (flat over the last 1-1.5M) and FG prices to remain under pressure across product chains.

Capacity expansion to drive growth in a staggered manner

Aarti increased NT/ethylation capacities in Q4FY25. It debottlenecked its MMA capacity from 200ktpa to 260ktpa in Q1FY26 and may further expand with a limited capex. The ramp-up in these underutilized capacities is expected to add Rs3.5-5.5bn to EBITDA by FY28E. MPP and Zone-4 (calcium chloride) plants are expected to commercialize by Dec-25, along with utility blocks. The remaining 5 blocks in Zone-4 pertain to chlorotoluene and dichlorotoluene and are expected to be commissioned in a phased manner over Jan to May-26. MPP will be catering to 4-5 products in phase 1 (out of 10 products), with end-application segments of polymers, agro, and pharma. Aarti can manufacture 35-40 downstream products, with a combination of Zone-4 and MPP.

FY28 EBITDA guidance stays; we revise estimate to lower-end of guidance

The management reiterated its guidance of Rs18-22bn EBITDA by FY28, led by cost-optimization, ramp-up in existing capacities, and capex-led growth from MPP and Zone-4. While the management did not commit to any FY26 guidance, we bake in ~10% growth in EBITDA for FY26E, with back-ended commissioning of projects. Also, we bake in the lower-end of FY28 EBITDA guidance to factor in uncertainty in the overall business.

Target Price – 12M	Jun-26
Change in TP (%)	(14.3)
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	10.6

Stock Data	ARTO IN
52-week High (Rs)	767
52-week Low (Rs)	344
Shares outstanding (mn)	362.6
Market-cap (Rs bn)	147
Market-cap (USD mn)	1,684
Net-debt, FY26E (Rs mn)	41,029.4
ADTV-3M (mn shares)	2
ADTV-3M (Rs mn)	782.7
ADTV-3M (USD mn)	8.9
Free float (%)	57.8
Nifty-50	24,565.3
INR/USD	87.5

Shareholding, Jun-25

Promoters (%)	42.2
FPIs/MFs (%)	6.4/20.4

Price Performance

(%)	1M	3M	12M
Absolute	(16.1)	(3.5)	(45.2)
Rel. to Nifty	(12.7)	(4.4)	(44.2)

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)	35.4	45.0	28.6	20.5	16.4
EV/EBITDA (x)	18.2	17.7	16.3	11.7	9.6
P/B (x)	2.8	2.6	2.4	2.2	2.0
FCFF yield (%)	(0.4)	(0.8)	(1.7)	3.6	4.5

Source: Company, Emkay Research

Meet Vora

meet.vora@emkayglobal.com

+91-22-66242474

Team: emkay@whitemarquesolutions

Meet Gada

meet.gada@emkayglobal.com

+91-22-66121235

Exhibit 1: Results update

P&L (Rs mn)	Reported					Emkay Estimates		Full-year ended		
	Q1FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)	Q1FY26	vs Est (%)	FY25	FY24	YoY (%)
Net revenue	18,550	19,490	16,750	-10	-14	19,478	-14	72,720	63,730	14
Raw Material cost	(11,550)	(12,510)	(11,220)	-3	-10	(12,685)	-12	(46,530)	(38,790)	20
Gross Profit	7,000	6,980	5,530	-21	-21	6,793	-19	26,190	24,940	5
Gross margin (%)	37.7	35.8	33.0	-473 bps	-280 bps	34.9	-187 bps	36.0	39.1	-312 bps
Employee cost	(1,135)	(990)	(1,090)	-4	10	(1,013)	8	(4,225)	(4,030)	5
Other overheads	(2,815)	(3,310)	(2,330)	-17	-30	(3,214)	-27	(11,955)	(11,120)	8
Total expenses	(15,500)	(16,810)	(14,640)	-6	-13	(16,911)	(13)	(62,710)	(53,940)	16
EBITDA	3,050	2,680	2,110	-31	-21	2,566	-18	10,010	9,790	2
EBITDA margin (%)	16.4	13.8	12.6	-385 bps	-116 bps	13.2	-58 bps	13.8	15.4	-160 bps
Other income	60	(30)	40	-33	-233	-	-	130	80	62
Interest	(640)	(640)	(600)	-6	-6	(688)	-13	(2,750)	(2,110)	30
Depreciation	(1,020)	(1,130)	(1,140)	12	1	(1,164)	(2)	(4,340)	(3,780)	15
Exceptional Items	-	-	-	-	-	-	-	20	-	-
PBT	1,450	880	410	-72	-53	715	-43	3,070	3,980	-23
Tax	(80)	70	20	-125	-71	(36)	(156)	230	200	15
Share of Associates Profit	-	-	-	-	-	-	-	-	-	-
Adj PAT	1,370	950	430	-69	-55	679	-37	3,300	4,180	-21
EO Items	-	-	-	-	-	-	-	-	-	-
Reported PAT	1,370	950	430	-69	-55	679	-37	3,300	4,180	-21
EPS (Rs)	3.8	2.6	1.2	-69	-55	1.9	-37	9.0	11.5	-22
Costs as a % of sales										
Raw Material cost	62.3	64.2	67.0	472 bps	279 bps	65.1	186 bps	64.0	60.9	311 bps
Employee cost	6.1	5.1	6.5	38 bps	142 bps	5.2	130 bps	5.8	6.3	-52 bps
Other overheads	15.2	17.0	13.9	-127 bps	-308 bps	16.5	-259 bps	16.4	17.4	-101 bps
Income tax rate (%)	5.5	(8.0)	(4.9)	-1040 bps	307 bps	5.0	-988 bps	(7.5)	(5.0)	-247 bps

Source: Company, Emkay Research

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

Product Groups	Capacity (KT; expanded period)	FY22	FY23	FY24	FY25	YoY	Q1FY25	Q4FY25	Q1FY26	YoY	QoQ	Q1FY26 utilization
NCB	108 (from Q3FY24)	76.6	77.8	73.5	85.3	16%	19.5	23.9	21.7	11%	-9%	80%
DCB	120	74.6	84.2	80.7	88.6	10%	24.1	20.4	19.3	-20%	-5%	64%
Hydrogenation	60	35.7	37.2	39.1	44.4	14%	10.3	11.6	12.3	19%	6%	82%
PDA	12	6.5	4.2	4.4	3.9	-11%	0.6	1.0	2.0	233%	100%	67%
NT	45 (from Q4FY25)	16	23.9	30.5	29.4	-4%	7.6	7.9	8.7	14%	10%	77%
Ethylation	25-30 (from Q4FY25)	7.2	11.9	10.5	14.5	38%	2.6	4.6	4.6	77%	0%	67%
MMA	260 (from Q1FY26)	23.1	37.8	89.3	123.0	38%	31.1	34.8	38.4	23%	10%	60%

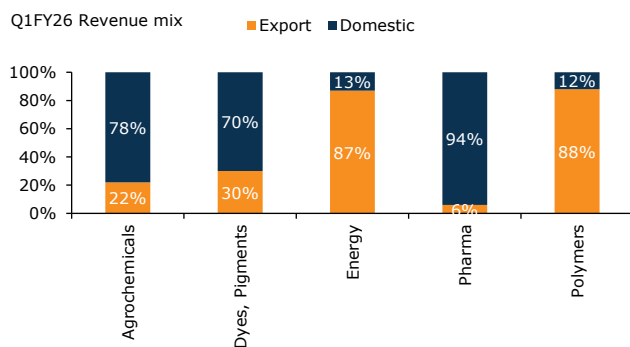
Source: Company, Emkay Research

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

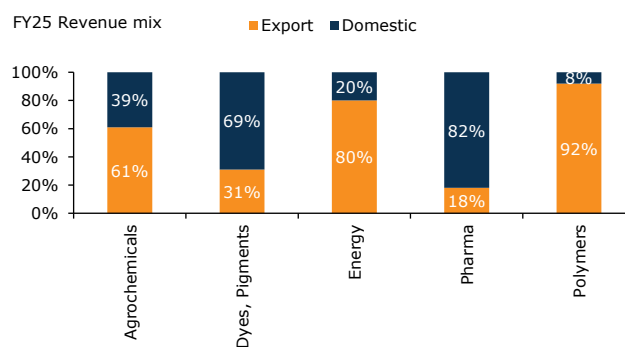
Exhibit 3: Application-wise revenue and highlights

Application-wise revenue and highlights (Rs mn)	Q1FY25	Q4FY25	Q1FY26	YoY (%)	QoQ (%)	Market updates	Business highlights
Agrochemicals and Fertilizer	4,024	3,985	3,361	(16.5)	(15.7)	Volume recovery visible in certain products, though prices remain under pressure. SSP demand has strengthened because of disruptions in Fertilizer supplies from China.	Capacity utilization improving for chloro anilines and fluorination products. New capacity ramp up for ethylation products facing margin pressure from China. New products to be launched during FY26 post Zone IV - MPP unit commissioning.
Dyes, Pigments, and Printing Inks	2,817	2,657	2,801	(0.6)	5.4	Muted demand growth in downstream markets. Pricing pressure continues, driven by capacity overhang and isomer imbalances in select products.	Volume growth anticipated for select products, driven by key customer partnerships. Antidumping investigation initiated for PNT by the EU.
Energy and Additives	8,249	7,970	6,721	(18.5)	(15.7)	Gasoline-naphtha cracks are recovering marginally. Increase in competition to cause margin pressure.	MMA capacity expanded to 260ktpa. Pricing strategy adjustments are expected to drive an increase in export volumes. Efforts to strategically increase the customer base and geographic reach are currently underway.
Pharmaceuticals	1,610	2,214	2,240	39.2	1.2	India's domestic drug market continues to show growth. Aarti has an unfavorable cost position in fluoro products vs China; however, volume recovery seen across the product basket.	As two of our major customers expand/ramp up capacities, the domestic market is expected to improve.
Polymer and additives	1,610	3,904	2,614	62.4	(33.1)	Automotive manufacturers and consumers remain cautious amid macroeconomic uncertainty. Ambiguity on development of US tariffs on China continue to create export opportunities to the USA, from India.	Demand growth from key customers for certain polymer applications. Margin growth supported by cost optimization and operating leverage.
Others	1,811	1,409	934	(48.4)	(33.8)		
Total	20,120	22,140	18,670	(7.2)	(15.7)		

Source: Company, Emkay Research

Exhibit 4: Share of exports declined in Q1 due to lower pharma and polymer export volumes

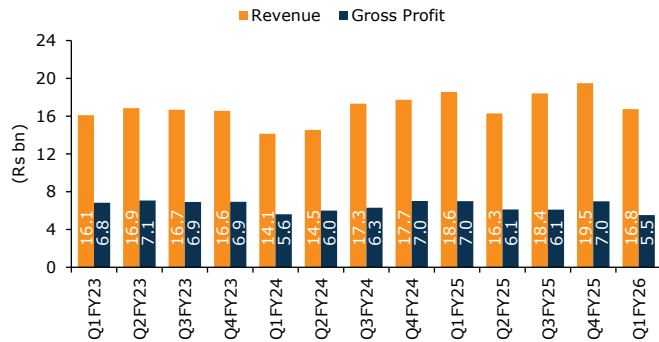
Source: Company, Emkay Research

Exhibit 5: Aarti's revenue mix (47% domestic: 53% exports)

Source: Company, Emkay Research

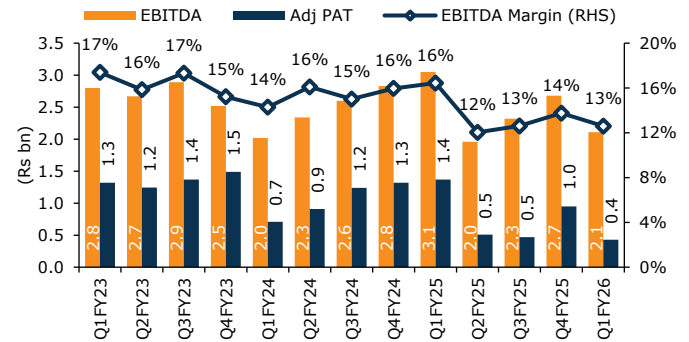
This report is intended for Team White Marque Solutions (team.emkay@whitemarquessolutions)

Exhibit 6: Absolute gross profit fell on lower volumes



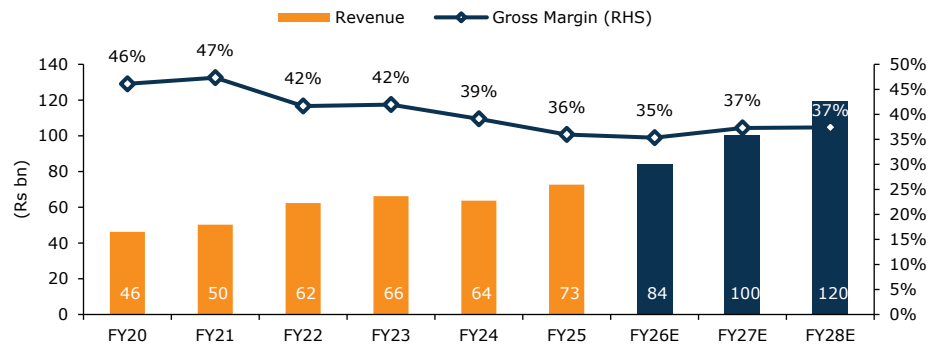
Source: Company, Emkay Research

Exhibit 7: EBITDA declined ~31% YoY



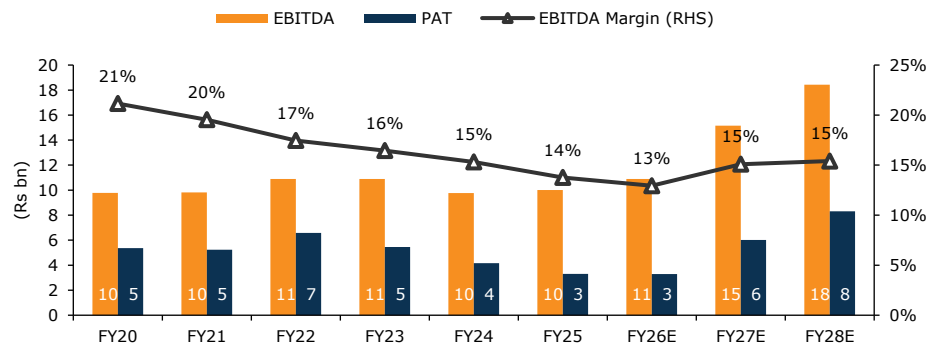
Source: Company, Emkay Research

Exhibit 8: Revenue CAGR to clock 18% over FY25-28E



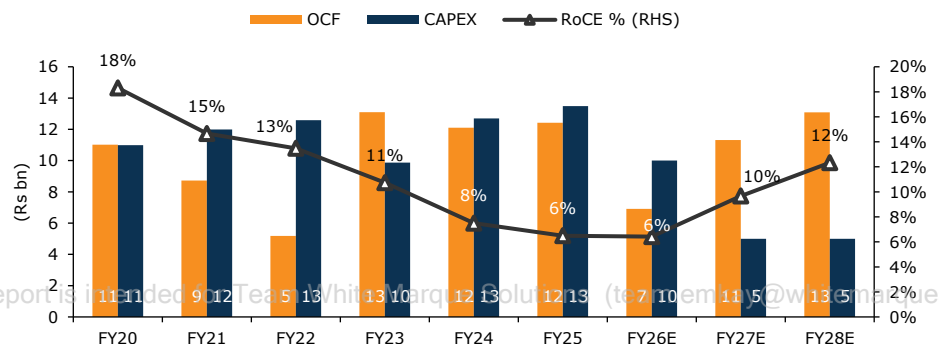
Source: Company, Emkay Research

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



Source: Company, Emkay Research

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

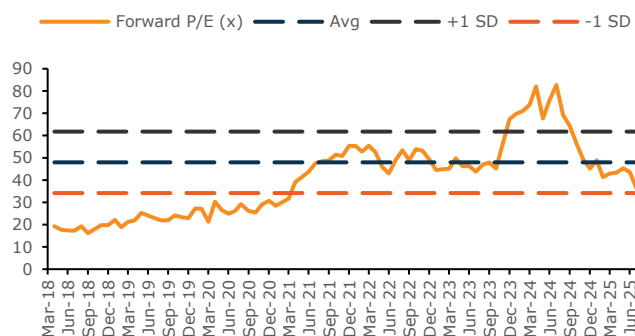


Source: Company, Emkay Research

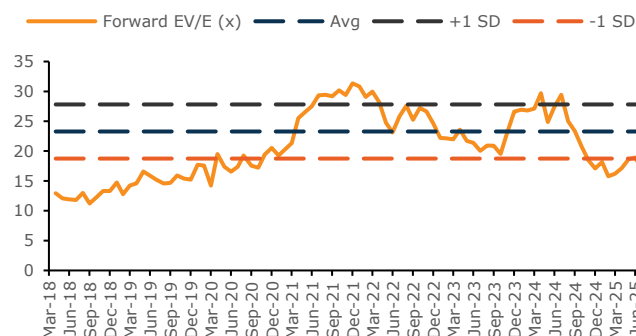
Exhibit 11: We cut our FY26/27/28E EBITDA by 19/12/8% to factor in weak near-term macro

Particulars (Rs mn)	FY26E			FY27E			FY28E		
	Revised	Earlier	Chg (%)	Revised	Earlier	Chg (%)	Revised	Earlier	Chg (%)
Revenue	84,137	90,179	-7	1,00,454	1,05,976	-5	1,19,606	1,22,862	-3
EBITDA	10,888	13,511	-19	15,158	17,305	-12	18,427	19,931	-8
EBITDA margin (%)	12.9	15.0	-205 bps	15.1	16.3	-124 bps	15.4	16.2	-82 bps
PAT	3,296	5,140	-36	6,022	7,168	-16	8,307	8,961	-7
EPS (Rs)	9	14	-36	17	20	-16	23	25	-7

Source: Company, Emkay Research

Exhibit 12: One-year forward P/E

Source: Company, Emkay Research

Exhibit 13: One-year forward EV/EBITDA

Source: Company, Emkay Research

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

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

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	1,046	1,254
Current assets (ex-cash)	25,530	27,230	19,518	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

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

Valuations and key Ratios					
Y/E March	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	35.4	45.0	28.6	20.5	16.4
EV/CE(x)	2.0	1.9	1.8	1.7	1.7
P/B (x)	2.8	2.6	2.4	2.2	2.0
EV/Sales (x)	2.8	2.4	2.1	1.8	1.5
EV/EBITDA (x)	18.2	17.7	16.3	11.7	9.6
EV/EBIT(x)	29.7	31.3	28.9	18.1	13.9
EV/IC (x)	2.6	2.4	1.9	1.9	1.8
FCFF yield (%)	(0.4)	(0.8)	(1.7)	3.6	4.5
FCFE yield (%)	(1.9)	(2.9)	(3.1)	3.7	5.0
Dividend yield (%)	0.4	0.2	0.3	0.5	0.6
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

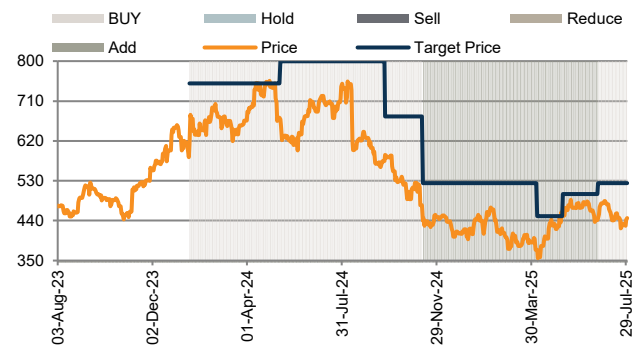
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
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
18-Jan-24	612	750	Buy	Meet Vora

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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

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 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.

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 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)

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 persons¹ 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 Interests² 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.

¹ 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.

² 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 August 01, 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 August 01, 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 August 01, 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.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>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 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)