

# Deepak Nitrite (DN IN)

Rating: REDUCE | CMP: Rs2,096 | TP: Rs1,799

May 29, 2025

## Q4FY25 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

	Current FY26E	Previous FY27E	Current FY26E	Previous FY27E
<b>Rating</b>	REDUCE	REDUCE		
<b>Target Price</b>	1,799	1,645		
Sales (Rs. m)	82,112	92,158	82,168	90,053
% Chng.	(0.1)	2.3		
EBITDA (Rs. m)	11,599	13,616	11,360	13,342
% Chng.	2.1	2.1		
EPS (Rs.)	51.1	60.0	50.9	58.7
% Chng.	0.3	2.1		

### Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	76,818	82,819	82,112	92,158
EBITDA (Rs. m)	11,233	10,918	11,599	13,616
Margin (%)	14.6	13.2	14.1	14.8
PAT (Rs. m)	8,108	6,974	6,966	8,178
EPS (Rs.)	59.4	51.1	51.1	60.0
Gr. (%)	(4.8)	(14.0)	(0.1)	17.4
DPS (Rs.)	7.5	7.5	7.5	8.8
Yield (%)	0.4	0.4	0.4	0.4
RoE (%)	18.2	13.7	12.3	12.9
RoCE (%)	20.9	15.4	12.5	12.8
EV/Sales (x)	3.7	3.6	3.7	3.3
EV/EBITDA (x)	25.2	27.0	26.2	22.7
PE (x)	35.3	41.0	41.0	35.0
P/BV (x)	6.0	5.3	4.8	4.3

### Key Data

	DPNT.BO   DN IN
52-W High / Low	Rs.3,169 / Rs.1,781
Sensex / Nifty	81,633 / 24,834
Market Cap	Rs.286bn / \$ 3,343m
Shares Outstanding	136m
3M Avg. Daily Value	Rs.494.46m

### Shareholding Pattern (%)

Promoter's	49.28
Foreign	6.65
Domestic Institution	23.22
Public & Others	20.85
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	5.5	(23.1)	(7.6)
Relative	3.7	(24.9)	(15.6)

**Swarnendu Bhushan**

swarnendubhushan@plindia.com | 91-22-66322260

**Saurabh Ahire**

saurabhahire@plindia.com | 91-22-66322537

## Margin pressure remains a key concern

### Quick Pointers:

- Technology transfer agreement for BPA in final stage
- Investments approved by the board for manufacturing 300ktpa of phenol, 185ktpa of acetone and 100ktpa of isopropyl alcohol, including greenfield infrastructure capex for an aggregate investment of ~Rs35bn.

**DN's Q4FY25 adj revenue at Rs20.2bn increased by 6% QoQ, but decreased by 4% YoY. Operating performance of the company was impacted by ongoing pricing pressure, oversupply from China as well as elevated input costs, which appear to have softened now. Sequentially, Advanced Intermediates segment benefitted from volume gains in key products and new offtake agreements, though agrochem business continues to remain under pressure. Phenolics segment saw higher volumes, but profitability remained subdued due to the influx of cheap imports. Projects like CNA, WNA, hydrogenation, nitration and R&D center are expected to be commissioned in Q2FY26, while MIKB and MIBC are likely to come online in Q3FY26. The total capex planned for the polycarbonate value chain is 85bn, however the management has guided just Rs12bn capex for FY26, which makes us believe that the polycarbonate resin project will not commission by Dec'27 as guided earlier.**

**DN has been undertaking numerous growth initiatives, majorly in Phenolics segment. However, we believe that even though domestic demand for all its products will remain robust, the threat of cheap import influx will keep margins under pressure. Agrochem business is likely to continue to face headwinds in the near term. We anticipate EPS CAGR of ~8% over FY25-27E. Valuing the stock at 30x P/E on FY27E EPS, we maintain 'Reduce' rating with target price of Rs1,799.**

- **Adj consolidated revenue declined by 4% YoY :** DN reported consolidated revenue of Rs21.8bn. Adjusting for government incentives of Rs1.6bn, revenue came in at Rs20.2bn, up 6% QoQ, but down 4% YoY. Adj FY25 revenue stood at Rs81.2bn, an increase of 6.2%.
- **EBITDAM impacted by volatile RM prices:** Adj gross profit margin was 25.1% (vs 29.9% in Q4FY24 and 26.8% in Q3FY25), down 480bps YoY due to volatility in RM cost. Adj EBITDA stood at Rs1.6bn, down 44.1% YoY and 7.8% QoQ (vs Rs2.8bn in Q4FY24 and Rs1.7bn in Q3FY25). Adj EBITDA margin came in at 7.7% (vs 13.2% and 8.9%).
- **Segmental mix:** Adj Phenolics revenue mix was 68% of total adj revenue with adj EBIT/kg at Rs6.7 (calculated), vs Rs16.6 in Q4FY24 and Rs10.4 in Q4FY25. Advanced Intermediates' revenue share was 32% with 7% EBIT margin. Phenolics contributed to 64% of overall adj EBIT, while Advanced Intermediates' contribution was 36%.

- **Concall takeaways:** **(1)** Domestic and export revenue mix stood at 82%:18% in Q4FY25. **(2)** In agrochem segment, demand and pricing pressure is expected to continue. **(3)** Demand for dyes and pigments improved from Q3FY25 end. **(4)** New downstream products to be launched to cater to pharma, personal care, industrial solvents, etc., industries. Existing assets will be mostly utilized for their production. **(5)** Temporary rise in imports in Phenolics division led to lower realization. **(6)** Prices of raw materials like benzene and toluene has softened. **(7)** Government incentives are for 10 years (until 2028). Every year on an average, DN will receive Rs700-800mn. It was high in FY25 due to accumulation of previous incentives. **(8)** As DN makes additional investments, incentives may continue beyond 2028 as well. **(9)** Technology transfer agreement for BPA is in the final stage. **(10)** FY26 capex will be in the range of Rs12-15bn. **(11)** Projects like CNA, WNA, hydrogenation, nitration and R&D center are likely to be commissioned in Q2FY26, while MIKB and MIBC are likely to come online in Q3FY26. **(12)** The board approved investments for manufacturing 300ktpa of phenol, 185ktpa of acetone and 100ktpa of isopropyl alcohol, including greenfield infrastructure capex for an aggregate investment of ~Rs35bn. **(13)** These investments will be integrated to produce polycarbonate resins, bringing the total capex pipeline for polycarbonate resins to Rs85bn.

**Exhibit 1: Q4FY25 Result Overview - Consolidated (Rs mn)**

Y/e March	Q4FY25	Q4FY24	YoY gr. (%)	Q4FY25E	% Var.	Q3FY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Net Sales	21,797	21,262	2.5	19,067	14.3	19,034	14.5	82,819	76,818	7.8
Gross Profit	6,673	6,522	2.3	5,671	17.7	5,103	30.8	24,940	24,457	2.0
Margin (%)	30.6%	30.7%		29.7%		26.8%		30.1%	31.8%	
EBITDA	3,165	3,011	5.1	2,118	49.5	1,685	87.8	10,918	11,233	(2.8)
Margin (%)	14.5%	14.2%		11.1%		8.9%		13.2%	14.6%	
Other Income	228	191	19.1	190		210	8.6	839	761	10.2
Depreciation	513	464	10.4	443	15.6	482	6.3	1954	1657	17.9
EBIT	2,881	2,738	5.2	1,865	54.5	1,413	103.8	9,803	10,337	(5.2)
Interest	93	44	111.8	63		61	52.9	275	118	132.5
PBT before exceptional items	2,787	2,694	3.5	1,801	54.7	1,352	106.1	9,528	10,219	(6.8)
Total Tax	762	953	(20.1)	515	48.1	371	105.6	2,554	2,908	(12.2)
ETR (%)	27.3%	35.4%		28.6%		27.4%		26.8%	28.5%	
Adj. PAT	2,025	1,741	16.3	1,287	57.4	981	106.4	6,974	7,310	(4.6)
Exceptional Items	0	798		0	-	0		0	798	
PAT	2,025	2,539	(20.2)	1,287	57.4	981	106.4	6,974	8,108	(14.0)

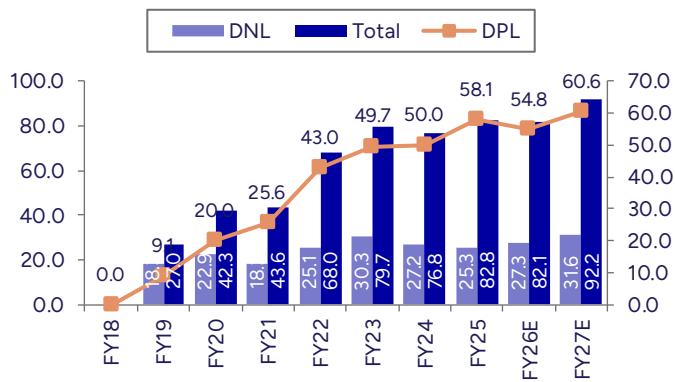
Source: Company, PL

**Exhibit 2: Q4FY25 - Segmental Performance (Rs mn)**

Y/e March	Q4FY25	Q4FY24	YoY gr.	Q3FY25	QoQ gr.	FY25	FY24	YoY gr.
Advanced Intermediates	6,539	6,711	-2.6%	5,517	18.5%	25,273	27,239	-7.2%
Phenolics	15,323	14,661	4.5%	13,657	12.2%	58,051	50,035	16.0%
Intersegment	65	110		140		505	455	
<b>Total Revenue</b>	<b>21,797</b>	<b>21,262</b>	<b>2.5%</b>	<b>19,034</b>	<b>14.5%</b>	<b>82,819</b>	<b>76,818</b>	<b>7.8%</b>
Advanced Intermediates	449	1,339	-66.5%	169	166.2%	1,757	4,459	-60.6%
Phenolics	2,393	2,061	16.1%	1,212	97.5%	7,830	6,439	21.6%
Interest	93	44	111.8%	61	52.9%	275	118	133.1%
Other unallocable expenses	(38)	(136)	-71.7%	(33)	17.8%	(216)	(238)	-9.3%
<b>Total EBT</b>	<b>2,787</b>	<b>3,492</b>	<b>-20.2%</b>	<b>1,352</b>	<b>106.1%</b>	<b>9,528</b>	<b>11,018</b>	<b>-13.5%</b>
<b>EBIT Margins</b>								
Advanced Intermediates	6.9%	20.0%		3.1%		7.0%	16.4%	
Phenolics	15.6%	14.1%		8.9%		13.5%	12.9%	

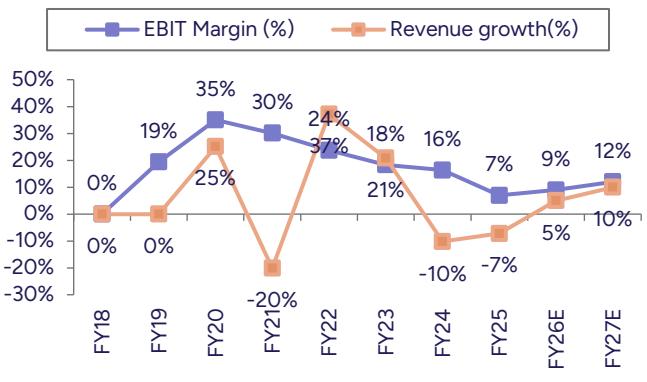
Source: Company, PL

**Exhibit 3: Revenue to grow at 5% CAGR in FY25-27E**



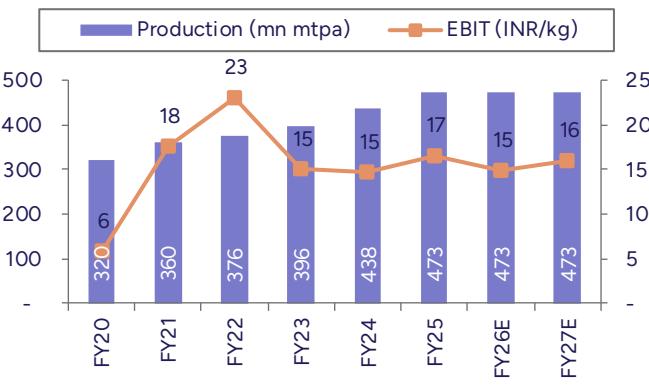
Source: Company, PL

**Exhibit 4: AI EBIT margin to be at 12% in FY27**



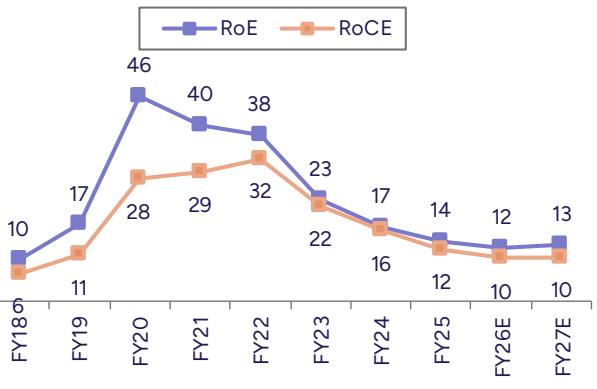
Source: Company, PL

**Exhibit 5: Phenolics EBIT to be at Rs16/kg in FY27**



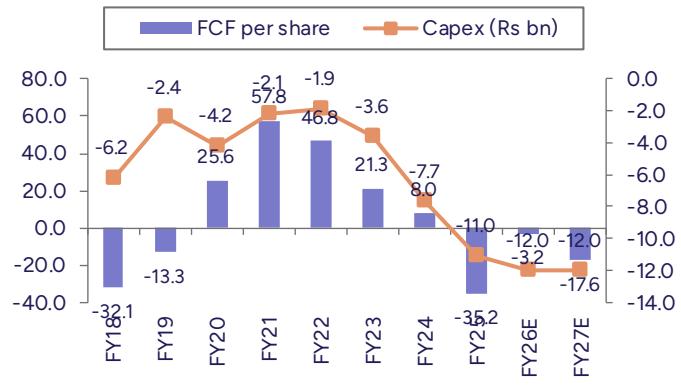
Source: Company, PL

**Exhibit 6: Return ratios to hover at 10-13%**



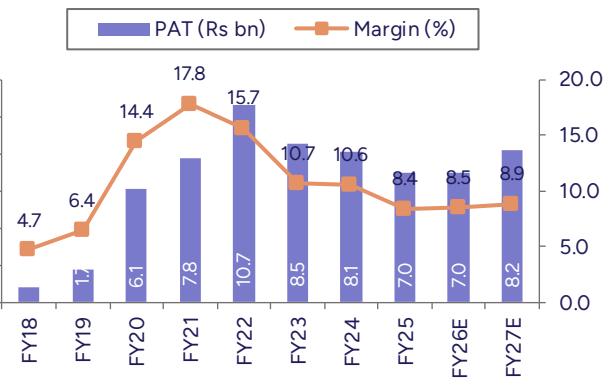
Source: Company, PL

**Exhibit 7: Capex not in sync with FCF**



Source: Company, PL

**Exhibit 8: PAT margin to reach 9% in FY27**



Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Net Revenues</b>	<b>76,818</b>	<b>82,819</b>	<b>82,112</b>	<b>92,158</b>
YoY gr. (%)	(3.6)	7.8	(0.9)	12.2
Cost of Goods Sold	52,361	57,879	55,974	62,824
Gross Profit	24,457	24,940	26,138	29,334
Margin (%)	31.8	30.1	31.8	31.8
Employee Cost	3,511	3,922	4,274	4,659
Other Expenses	9,714	10,101	10,264	11,059
<b>EBITDA</b>	<b>11,233</b>	<b>10,918</b>	<b>11,599</b>	<b>13,616</b>
YoY gr. (%)	(12.9)	(2.8)	6.2	17.4
Margin (%)	14.6	13.2	14.1	14.8
Depreciation and Amortization	1,657	1,954	2,437	2,733
<b>EBIT</b>	<b>9,576</b>	<b>8,964</b>	<b>9,162</b>	<b>10,882</b>
Margin (%)	12.5	10.8	11.2	11.8
Net Interest	118	275	570	753
Other Income	761	839	821	922
<b>Profit Before Tax</b>	<b>10,219</b>	<b>9,528</b>	<b>9,413</b>	<b>11,051</b>
Margin (%)	13.3	11.5	11.5	12.0
Total Tax	2,908	2,554	2,447	2,873
Effective tax rate (%)	28.5	26.8	26.0	26.0
<b>Profit after tax</b>	<b>7,310</b>	<b>6,974</b>	<b>6,966</b>	<b>8,178</b>
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>8,108</b>	<b>6,974</b>	<b>6,966</b>	<b>8,178</b>
YoY gr. (%)	(4.8)	(14.0)	(0.1)	17.4
Margin (%)	10.6	8.4	8.5	8.9
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>8,108</b>	<b>6,974</b>	<b>6,966</b>	<b>8,178</b>
YoY gr. (%)	(4.8)	(14.0)	(0.1)	17.4
Margin (%)	10.6	8.4	8.5	8.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	8,108	6,974	6,966	8,178
<b>Equity Shares O/s (m)</b>	<b>136</b>	<b>136</b>	<b>136</b>	<b>136</b>
<b>EPS (Rs)</b>	<b>59.4</b>	<b>51.1</b>	<b>51.1</b>	<b>60.0</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>31,690</b>	<b>42,739</b>	<b>54,739</b>	<b>66,739</b>
Tangibles	31,690	42,739	54,739	66,739
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>8,763</b>	<b>10,717</b>	<b>13,154</b>	<b>15,887</b>
Tangibles	8,763	10,717	13,154	15,887
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>22,927</b>	<b>32,022</b>	<b>41,585</b>	<b>50,852</b>
Goodwill	22,927	32,022	41,585	50,852
Non-Current Investments	1,219	5,109	5,109	5,109
Net Deferred tax assets	(1,736)	(2,128)	(2,128)	(2,128)
Other Non-Current Assets	-	-	-	-
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	7,599	9,264	9,085	10,120
Trade receivables	12,984	12,738	11,248	12,624
Cash & Bank Balance	4,655	4,066	1,630	278
Other Current Assets	3,844	4,937	4,895	5,494
<b>Total Assets</b>	<b>60,962</b>	<b>84,653</b>	<b>90,043</b>	<b>1,00,967</b>
<b>Equity</b>				
Equity Share Capital	273	273	273	273
Other Equity	47,693	53,614	59,558	66,536
<b>Total Networth</b>	<b>47,966</b>	<b>53,887</b>	<b>59,831</b>	<b>66,809</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	2,170	12,591	20,000	23,000
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	5,823	5,218	5,117	5,700
Other current liabilities	3,007	2,993	2,968	3,331
<b>Total Equity &amp; Liabilities</b>	<b>60,962</b>	<b>76,817</b>	<b>90,043</b>	<b>1,00,967</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	11,017	9,528	9,413	11,051
Add. Depreciation	1,657	1,954	2,437	2,733
Add. Interest	118	275	570	753
Less Financial Other Income	761	839	821	922
Add. Other	(627)	(560)	-	-
Op. profit before WC changes	12,165	11,196	12,420	14,537
Net Changes-WC	(720)	(2,798)	1,585	(2,064)
Direct tax	(2,665)	(2,152)	(2,447)	(2,873)
<b>Net cash from Op. activities</b>	<b>8,781</b>	<b>6,247</b>	<b>11,558</b>	<b>9,600</b>
Capital expenditures	(7,685)	(11,049)	(12,000)	(12,000)
Interest / Dividend Income	40	337	-	-
Others	427	(4,201)	-	-
<b>Net Cash from Inv. activities</b>	<b>(7,218)</b>	<b>(14,913)</b>	<b>(12,000)</b>	<b>(12,000)</b>
Issue of share cap. / premium	-	102	-	-
Debt changes	1,679	8,069	7,409	3,000
Dividend paid	(1,023)	(1,023)	(1,022)	(1,200)
Interest paid	(98)	(194)	(570)	(753)
Others	(123)	1,108	-	-
<b>Net cash from Fin. activities</b>	<b>435</b>	<b>8,062</b>	<b>5,817</b>	<b>1,048</b>
<b>Net change in cash</b>	<b>1,998</b>	<b>(605)</b>	<b>5,374</b>	<b>(1,352)</b>
Free Cash Flow	1,096	(4,802)	(442)	(2,400)

**Key Financial Metrics**

Y/e Mar	FY24	FY25	FY26E	FY27E
<b>Per Share(Rs)</b>				
EPS		59.4	51.1	51.1
CEPS		71.6	65.5	68.9
BVPS		351.7	395.1	438.6
FCF		8.0	(35.2)	(3.2)
DPS		7.5	7.5	7.5
<b>Return Ratio(%)</b>				
RoCE		20.9	15.4	12.5
ROIC		15.8	12.2	9.6
RoE		18.2	13.7	12.3
<b>Balance Sheet</b>				
Net Debt : Equity (x)		(0.1)	0.2	0.3
Net Working Capital (Days)		70	74	68
<b>Valuation(x)</b>				
PER		35.3	41.0	41.0
P/B		6.0	5.3	4.8
P/CEPS		29.3	32.0	30.4
EV/EBITDA		25.2	27.0	26.2
EV/Sales		3.7	3.6	3.7
Dividend Yield (%)		0.4	0.4	0.4

*Source: Company Data, PL Research*
**Quarterly Financials (Rs m)**

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
<b>Net Revenue</b>	<b>21,668</b>	<b>20,320</b>	<b>19,034</b>	<b>21,797</b>
YoY gr. (%)	22.5	14.3	(5.3)	2.5
Raw Material Expenses	15,002	13,823	13,931	15,124
Gross Profit	6,667	6,497	5,103	6,673
Margin (%)	30.8	32.0	26.8	30.6
<b>EBITDA</b>	<b>3,092</b>	<b>2,975</b>	<b>1,685</b>	<b>3,165</b>
YoY gr. (%)	47.4	(1.6)	(44.7)	5.1
Margin (%)	14.3	14.6	8.9	14.5
Depreciation / Depletion	475	485	482	513
<b>EBIT</b>	<b>2,617</b>	<b>2,491</b>	<b>1,203</b>	<b>2,653</b>
Margin (%)	12.1	12.3	6.3	12.2
Net Interest	58	63	61	93
Other Income	188	213	210	228
<b>Profit before Tax</b>	<b>2,748</b>	<b>2,640</b>	<b>1,352</b>	<b>2,787</b>
Margin (%)	12.7	13.0	7.1	12.8
Total Tax	723	698	371	460
Effective tax rate (%)	26.3	26.4	27.4	16.5
<b>Profit after Tax</b>	<b>2,025</b>	<b>1,942</b>	<b>981</b>	<b>2,327</b>
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>2,025</b>	<b>1,942</b>	<b>981</b>	<b>2,327</b>
YoY gr. (%)	35.1	(5.3)	(51.4)	(8.3)
Margin (%)	9.3	9.6	5.2	10.7
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>2,025</b>	<b>1,942</b>	<b>981</b>	<b>2,327</b>
YoY gr. (%)	35.1	(5.3)	(51.4)	(8.3)
Margin (%)	9.3	9.6	5.2	10.7
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>2,025</b>	<b>1,942</b>	<b>981</b>	<b>2,327</b>
Avg. Shares O/s (m)	136	136	136	136
<b>EPS (Rs)</b>	<b>14.9</b>	<b>14.3</b>	<b>7.2</b>	<b>17.1</b>

*Source: Company Data, PL Research*

**Price Chart**

**Recommendation History**



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Apr-25	Reduce	1,645	1,835
2	17-Feb-25	Hold	1,960	1,899
3	08-Jan-25	Reduce	2,295	2,460
4	14-Nov-24	Reduce	2,438	2,639
5	17-Oct-24	Reduce	2,582	3,000
6	05-Oct-24	Reduce	2,564	2,829
7	22-Aug-24	Reduce	2,717	2,970
8	09-Aug-24	Reduce	2,780	3,055
9	04-Jul-24	Reduce	2,268	2,677

**Analyst Coverage Universe**

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Reduce	394	449
2	Bharat Petroleum Corporation	Reduce	267	311
3	Bharti Airtel	Accumulate	1,988	1,834
4	Clean Science and Technology	Hold	1,354	1,329
5	Deepak Nitrite	Reduce	1,645	1,835
6	Fine Organic Industries	BUY	4,930	4,176
7	GAIL (India)	Hold	191	184
8	Gujarat Fluorochemicals	Reduce	3,541	3,988
9	Gujarat Gas	Sell	372	464
10	Gujarat State Petronet	Hold	348	339
11	Hindustan Petroleum Corporation	Sell	321	410
12	Indian Oil Corporation	Reduce	122	143
13	Indraprastha Gas	Sell	150	185
14	Jubilant Ingrevia	Hold	735	700
15	Laxmi Organic Industries	Reduce	172	190
16	Mahanagar Gas	Hold	1,410	1,410
17	Mangalore Refinery & Petrochemicals	Sell	109	129
18	Navin Fluorine International	Accumulate	5,161	4,595
19	NOCIL	Reduce	172	184
20	Oil & Natural Gas Corporation	Accumulate	276	242
21	Oil India	BUY	649	430
22	Petronet LNG	Reduce	292	321
23	Reliance Industries	Accumulate	1,482	1,300
24	SRF	Hold	3,069	2,928
25	Vinati Organics	Accumulate	1,882	1,765

**PL's Recommendation Nomenclature (Absolute Performance)**

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, Passed CFA Level II Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### **(US Clients)**

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

## **DISCLAIMER**

### **Indian Clients**

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd, which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, Passed CFA Level II Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 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 by Prabhudas Lilladher Pvt. Ltd. only 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, Prabhudas Lilladher Pvt. Ltd. has entered into an 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.

## **Prabhudas Lilladher Pvt. Ltd.**

**3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209**

[www.plindia.com](http://www.plindia.com)

May 29, 2025

**AMNISH  
AGGARWAL**

Digitally signed by AMNISH AGGARWAL  
DN: c=IN, o=Person, title=1443  
2.3.1970, a=73418813448651c37dbac3f8  
6aa4ff1e9e948487, postalCode=400015, st=Maharashtra,  
serialNumber=73ef13691881d5a8af63538656d1b48b704de72341bf  
53182e93683ca3fa45e4, crl=AMNISH AGGARWAL  
Date: 2025.05.29 20:40:07 +02'30'

8