11th August 2026 | Close* – ₹1,779 | View – **Hold**

Q1FY27 Result Update

- The company reported a strong Q1FY27 performance, with net sales increased by 36% YoY and 22% QoQ to ₹2,578 crs. EBITDA rose sharply by 159% YoY and 45% QoQ to ₹554 crs, with EBITDA margin expanding to 21% from 11% in Q1FY26 and 18% in Q4FY26. PAT increased by 207% YoY and 57% QoQ to ₹345crs, with PAT margin improving to 13%. The performance was driven by healthy volume growth across businesses, supported by a favourable product mix, steady utilisation, proactive procurement, operational efficiencies, supply-chain management and benefits from recent integration initiatives.
- The Advanced Intermediates (AI) segment reported revenue of ₹804crs, up 33% YoY and 14% QoQ, while EBIT increased 89% YoY and doubled QoQ to ₹67 crs. EBIT margin improved to 8% from 6% in Q1FY26 and 5% in Q4FY26. Performance was supported by higher volumes, improved sales realisation, proactive procurement, better product mix and contributions from recently commissioned projects.
- The Phenolics segment delivered its highest ever quarterly performance, with revenue increased by 36% YoY and 24% QoQ to ₹1,775crs, while EBIT surged 254% YoY and 46% QoQ to ₹418crs. EBIT margin expanded to 24% from 9% in Q1FY26 and 20% in Q4FY26. The performance was supported by favourable product spreads, stable domestic realisations & volumes across key products. It maintains high operating rates across the phenolics portfolio through proactive feedstock management. Strategic benzene positioning, process optimisation and debottlenecking further strengthened profitability.
- **Concall highlights:**
  - Management highlighted the completion of the nitrogen platform as a key strategic milestone. With the integration of ammonia, nitric acid, nitration and amines, the company has moved from being a nitration player dependent on purchased nitric acid to becoming a more integrated nitrogen-based chemical manufacturer. This is expected to lower production costs, improve value addition and supply security, create new downstream opportunities and enhance overall competitiveness.
  - Several new projects are expected to be commissioned during Q2FY27, including MIBK, MIBC, Acetophenone and the Multipurpose Agrochemical Intermediate plant. Commercial production from these facilities is expected to begin, followed by a gradual ramp-up. These projects are expected to strengthen downstream integration, expand the product portfolio and support margin expansion.
  - Polycarbonate project: The project is progressing as planned, with equipment shipments from Germany underway and civil work progressing at Dahej. Major OSBL equipment ordering has been completed, with total project commitment of around ₹2,900crs. The project represents India's first integrated polycarbonate chain, with customer qualification already underway and polycarbonate compounds approved by marquee customers. The company is targeting applications across sectors such as electric mobility, electronics and industrial applications, providing a long-term growth opportunity as the new capacity ramps up.
  - HyCO facility: The company has signed a long-term agreement with a leading player for a dedicated HyCO plant to ensure reliable supply of critical raw materials. Commissioning is targeted for 2028.

Important Statistics

Nifty	24,584
Sensex	78,542
Close*	1,779
MCAP (₹ bn)	243.05
52-week H/L (₹)	₹1,904/₹1,280
NSE Code	DEEPAKNTR
BSE Code	506401
Bloomberg Code	DN:IN

Close as on 10th August 2026*

Shareholding pattern (%)	Dec-25	Mar-26	Jun-26
Promoter	49.30%	49.30%	49.30%
FII	6.10%	6.20%	6.20%
DII	23.20%	23.50%	23.80%
Public & Others	21.40%	21.00%	20.70%

Financials

(₹ crs)

Particulars	FY24	FY25	FY26	FY27E	FY28E
Revenues	7682	8282	7887	8710	9755
EBITDA	1118	1092	981	1132	1268
EBITDAMargin(%)	15%	13%	12%	13%	13%
NetProfit	811	697	551	617	711
EPS(₹)	59.4	51.1	40.4	45.2	52.1
RoE(%)	17%	13%	8%	10%	10%
P/E(x)	30.0	34.9	44.1	39.4	34.2
EV/EBITDA(x)	19.2	20.9	26.1	23.9	21.3

Source: Company, Way2Wealth

Relative Performance

Return %	1 yr	3yr	5yr
Deepak Nitrite	-3%	-14%	-17%
Nifty 50	0%	27%	49%
SENSEX	-3%	20%	42%

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W2W Lighthouse - A Quick Perspective

- The company continues to strengthen its R&D pipeline, with a focus on fluorination, flow chemistry, amination and specialty molecules, alongside ongoing customer qualification for new products. Management expects these initiatives to gradually increase the contribution of specialty products and support a more diversified and higher value product portfolio over the next few years.
- The company is undertaking a large ₹11,500crs Polycarbonate project, which is being funded through a 60:40 debt-equity mix. The entire debt requirement has been tied up at competitive borrowing terms. Around ₹1,200crs has already been spent, with a further ₹1,000–1,500crs expected to be invested during FY27, taking cumulative expenditure to around ₹3,200crs by the end of FY27. Peak debt is expected to reach around ₹8,000–8,500crs, while management expects the debt-to-equity ratio to remain below 1x, despite the scale of the investment.
- Phenol capacity expansion: The company is increasing towards 4 lakh tonnes annualised phenol capacity, with further debottlenecking underway. Production had reached this run-rate during certain periods of Q1, while maintenance shutdown and propylene availability affected some periods.
- Management remains positive on the medium-term outlook, supported by improving demand, new capacities, downstream expansion, new product commercialisation and increasing integration across the value chain.

Valuation and Outlook

Management remains positive on the FY27 outlook, supported by improving demand visibility, higher utilisation, new product launches and commissioning of specialty agrochemical and multipurpose plants. Going ahead benefits are expected from deeper integration, debottlenecking and downstream expansion, while the Polycarbonate project provides a longer-term growth opportunity. Chinese pricing pressure, feedstock volatility and geopolitical uncertainties remain key monitorable. Going ahead, the company remains focused on executing its ongoing capex program towards backward integration, specialty expansions, and the polycarbonate value chain, which is expected to drive long-term growth and strengthen integration benefits. At the current market price, the stock trades at 35x P/E and 21x EV/EBITDA on FY28E estimates, reflecting expectations of strong capex-led growth over the medium term. Considering the valuations and ongoing execution phase of major projects, **we maintain a HOLD rating.**

11th August 2026 Close* – ₹1,779 View – **Hold**

Quarterly Financial Performance

(₹ crs)

Particulars	Q1FY27	Q1FY26	YoY % change	Q4FY26	QoQ % change
Net sales	2578	1890	36%	2120	22%
Cost of goods sold	1628	1361		1380	
Gross profit	**949**	**529**	79%	**741**	28%
Gross profit margins %	**37%**	**28%**		**35%**	
Employees cost	118	106	11%	111	7%
power & fuel cost	123	114	8%	120	2%
Other Expenses	168	120	41%	133	26%
Total Expenditure	2037	1700	20%	1744	17%
EBITDA	**540**	**190**	185%	**376**	44%
EBITDA margins %	**21%**	**10%**		**18%**	
Depreciation	64	51	24%	63	2%
EBIT/ Operating Profit	477	138	245%	313	52%
Interest	23	8	182%	19	21%
Other income	14	25	-43%	7	104%
PBT	468	155	202%	301	55%
PBT	468	155	202%	301	55%
Provision for current tax	130	42	210%	66	99%
Provision for Deferred Tax	-8	1	-1395%	16	-147%
PAT	345	112	207%	220	57%
reported PAT	**345**	**112**	207%	**220**	57%
PAT margins %	**13%**	**6%**		**10%**	
EPS (Basic & diluted)	25.29	8.23	207%	16.12	57%

Source: *Company, Way2Wealth*

Segment performance

(₹ crs)

Particulars	Q1FY27	Q1FY26	YoY % change	Q4FY26	QoQ % change
Segment Revenue					
Advanced Intermediates	804	605	33%	708	14%
Phenolics	1775	1304	36%	1429	24%
Total	2579	1909	35%	2137	21%
Less: Inter segmentt rev.	1	19	-93%	17	-92%
Net sales	2578	1890	36%	2120	22%
-					
Segment result					
Advanced Intermediates	67	35	89%	34	100%
EBIT margins %	8%	6%		5%	
Phenolics	418	118	254%	287	46%
EBIT margins %	24%	9%		20%	
Total	485	153	216%	320	51%
Less: Interest	23	8	182%	19	21%
Unallocated (inc/ exp (net))	-6	-10	-39%	0	5173%
Exceptional items					
total PBT	468	155	202%	301	55%

Source: *Company, Way2Wealth*

Financial Performance

(₹ crs)

Particulars	FY24	FY25	FY26	FY27E	FY28E
Net sales	7682	8282	7887	8710	9755
Total Income	7682	8282	7887	8710	9755
COGS	5236	5788	5324	6097	6829
Gross profit	2446	2494	2344	2613	2927
Gross profit margins %	32%	30%	30%	30%	30%
Employees cost	351	392	423	435	488
power & fuel cost	457	464	447	523	585
Administrative & other Expense	520	547	493	523	585
Selling & Distribution exp	0	0	0	0	0
Total Expenditure	6564	7190	6906	7578	8487
EBITDA	1118	1092	981	1132	1268
EBITDA margins %	15%	13%	12%	13%	13%
Depreciation	166	195	225	313	322
EBIT/ Operating Profit	952	896	756	819	946
Interest	12	28	46	50	50
Other income	82	84	60	65	65
PBT	1022	953	770	834	961
PBT	1102	953	757	834	961
Provision for current tax	273	228	191	217	250
Provision for Deferred Tax	18	27	16	0	0
reported PAT	811	697	551	617	711
PAT margins %	11%	8%	7%	7%	7%
EPS (Basic & diluted)	59.4	51.1	40.4	45.2	52.1

Source: *Company, Way2Wealth*

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Disclosure of Interest Statement Deepak Nitrite Ltd. as on 11th August 2026

Name of the Security	Deepak Nitrite Ltd.
Name of the analyst	Rupali Singh
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	 No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
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