

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	81,225	0.3	12.4
Nifty-50	24,854	0.4	14.4
Nifty-M 100	58,649	0.3	27.0
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,865	0.4	23.0
Nasdaq	18,490	0.6	23.2
FTSE 100	8,358	-0.3	8.1
DAX	19,657	0.4	17.3
Hang Seng	7,472	4.1	29.5
Nikkei 225	38,982	0.2	16.5
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	73	-2.1	-6.5
Gold (\$/OZ)	2,721	1.1	31.9
Cu (US\$/MT)	9,503	1.3	12.3
Almn (US\$/MT)	2,579	2.5	9.9
Currency	Close	Chg .%	CYTD.%
USD/INR	84.1	0.0	1.0
USD/EUR	1.1	0.3	-1.6
USD/JPY	149.5	-0.5	6.0
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.8	0.04	-0.4
10 Yrs AAA Corp	7.3	0.02	-0.4
Flows (USD b)	18-Oct	MTD	CYTD
FII	-0.7	-9.14	2.5
DII	0.62	9.45	49.7
Volumes (INRb)	18-Oct	MTD*	YTD*
Cash	1,111	1151	1292
F&O	1,42,996	3,96,091	3,81,484

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

Raymond Lifestyle - Initiating Coverage: On a transformative journey

- ❖ Raymond Lifestyle Limited (RLL), formed as a demerger from Raymond Ltd, has a strong presence in men's wear (with ~65% share in worsted suiting).
- ❖ We anticipate RLL's growth will be driven by: 1) fast paced growth in branded apparels through retail expansion (target to double EBOs); 2) capitalizing on opportunities from Bangladesh +1 and China +1 trends in B2B garmenting; 3) launch of new categories such as innerwear and sleepwear; 4) increasing focus on casualization and premiumization of portfolio, and 5) achieving sourcing efficiencies through scale, which could enhance operating leverage.
- ❖ We expect RLL to deliver a revenue/PAT CAGR of 11%/15% over FY24-27. We initiate coverage on the stock with a BUY rating and a TP of INR3,200 premised on 30x Sep-26E PE (implied 16x EV/EBITDA).



Research covered

Cos/Sector	Key Highlights
Raymond Lifestyle	Initiating Coverage: On a transformative journey
HDFC Bank	Steadily moving towards improved growth and profitability
Kotak Mahindra Bank	Operating performance inline; Card delinquencies drive an increase in slippage run-rate
Hindustan Zinc	Performance in line; focus on controlling CoP
Other Updates	Tech Mahindra Tata Consumer Products Polycab India ICICI Lombard NMDC MRPL IndiaMART RBL Bank Zee Entertainment CEAT Oberoi Realty L&T Finance Dalmia Bharat MCX Jio Financial Services



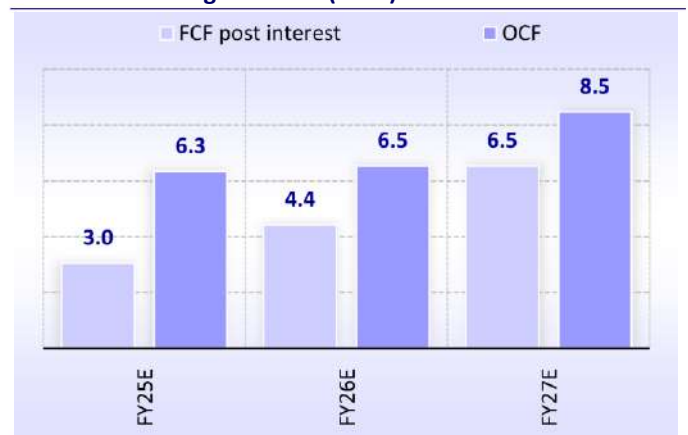
Chart of the Day: Raymond Lifestyle - Initiating Coverage (On a transformative journey)

Expect ~14% revenue CAGR in Garmenting over FY24-27; margin to expand ~220 bps over FY24-27



Source: Company, MOFSL

Robust cash flow generation (INRb)



Source: Company, MOFSL

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

Prestige Estates to invest Rs 7,000 cr to develop township in Ghaziabad

In March, Prestige Estates Projects acquired 62.5 acres at Siddharth Vihar, Indirapuram Extension, Ghaziabad to develop a township

2

Zee Entertainment Enterprises Q2 Results: Profit Rises by 70.3% YOY

Zee Entertainment Enterprises declared their Q2 results on 18 Oct, 2024, revealing a mixed performance with a significant rise in profit despite a notable decline in revenue.

3

Tech Mahindra Q2 Results: Net profit zooms 153% to ₹1,250 crore, revenue up 3.5% YoY; dividend declared

Revenue rose by 3.49 per cent to ₹13,313.2 crore in the second quarter of 2024-25 compared to ₹12,863.9 crore in the same quarter of 2023-24.

4

Expect pressure to ease from high natural rubber price in H2: CEAT MD & CEO

The company expects its aftermarket business to continue to grow in double digits and better performance of its international business, which was also affected by non-availability of containers

5

HDB Financial Services aiming to raise up to Rs 12,500 cr via IPO

India's top private lender HDFC Bank said on Saturday its HDB Financial Services unit will raise up to Rs 12,500 crore (\$1.5 billion) in its initial public offering (IPO).

6

Borosil Group expects to cross Rs 7,000-cr revenue in 4 years

The Kheruka-family promoted Borosil Group, which operates with three listed entities under its fold — Borosil Ltd, Borosil Renewables Ltd, and Borosil Technologies Ltd — expects to reach a revenue close to Rs 3,500 crore in FY25.

7

Vedanta announces investments of Rs 1 trn in Rajasthan across verticals

Vedanta participated in the Rising Rajasthan Roadshow in the UK, which was led by Rajasthan Chief Minister Bhajan Lal Sharma and a delegation of ministers from the state



Raymond Lifestyle

BSE SENSEX 81,225 S&P CNX 24,854

CMP: INR 2,356 TP: INR3,200 (+36%)

Buy



Stock Info

Bloomberg	RAYMONDL IN
Equity Shares (m)	61
M.Cap.(INRb)/(USDb)	143.9 / 1.7
52-Week Range (INR)	3100 / 2056
1, 6, 12 Rel. Per (%)	3/-/-
12M Avg Val (INR M)	435
Free float (%)	45.3

Financials Snapshot (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Net Sales	65.4	69.1	77.6
EBITDA	9.4	9.9	11.6
NP	4.8	5.0	5.9
EPS (INR)	78.7	81.6	96.1
EPS Gr (%)	-	3.7%	17.7%
BV/Share (INR)	1,599	1,681	1,777
P/E (x)	29.9	28.9	24.5
P/BV (x)	1.5	1.4	1.3
RoE (%)	10.7	10.5	11.1
RoCE (%)	15.1	14.3	13.9

Scaling up the distribution network

Particulars	FY24	FY27E	3Y CAGR (%)
EBO	409	900	30
LFScounters	1,350	2,500	23
MBO	4,525	5,500	7
TRS	1,065	1,200	4

On a transformative journey

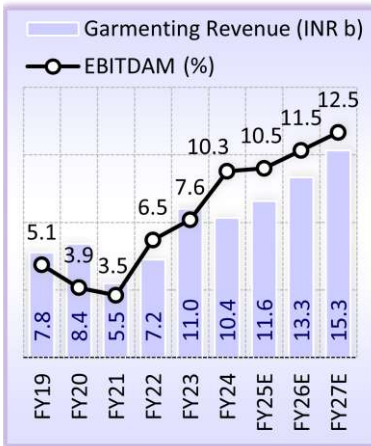
Rising focus on branding, re-energizing and expanding legacy brands

- **Pure-play Lifestyle company from the House of Raymond:** Raymond Lifestyle Limited (RLL), formed as a demerger from Raymond Ltd, has a strong presence in men’s wear (with ~65% share in worsted suiting). RLL’s portfolio includes branded textiles (B2B and B2C) and several apparel brands (such as Park Avenue, ColorPlus, Ethnix by Raymond) that cater to formal, casual and ethnic wear. With a strong brand affinity and wide distribution network, RLL has ~5% share in men’s wedding wear industry.
- **Multiple growth levers at play:** We anticipate RLL’s growth will be driven by: 1) fast paced growth in branded apparels through retail expansion (target to double EBOs); 2) capitalizing on opportunities from Bangladesh +1 and China +1 trends in B2B garmenting; 3) launch of new categories such as innerwear and sleepwear; 4) increasing focus on casualization and premiumization of portfolio, and 5) achieving sourcing efficiencies through scale, which could enhance operating leverage.
- **Raymond striving to enhance shareholder value...:** Over the past few years, Raymond Group has taken several steps such as demerging the Lifestyle Business, vertical demerger of the Real Estate Business, restructuring of engineering business and strategic sale of the FMCG business. These initiatives have simplified the group structure into pure-play listed lifestyle, realty and engineering companies, which has potential to enhance shareholder value. Each business is managed by professionals, with a sharp focus on maintaining net cash balance sheet, optimizing costs and managing working capital effectively.
- **...through fast paced growth in branded apparels:** RLL enjoys a strong brand affinity in men’s wear, but trades at relatively lower valuation due to sluggish execution in the past, with significant PAT volatility over FY10-20. Historically, concerns were related to weak growth and profitability, a high working capital cycle, and leveraged balance sheet. However, in recent years, RLL has optimized its working capital and achieved net cash position, ahead of the guidance. Additionally, RLL has improved its pre Ind-AS EBITDA margin through rationalization of unprofitable stores/formats and effective cost controls under the leadership of Mr. Sunil Kataria (ex-GCPL), with margins improving to ~12% in FY24 from single digit during FY17-20. RLL is now focused on fast paced growth in branded apparels through network expansion, foray in new categories such as sleepwear, innerwear and ramp-up of Ethnix by Raymond.
- **Initiate coverage with a BUY:** We expect RLL to deliver a revenue/PAT CAGR of 11%/15% over FY24-27. We initiate coverage on the stock with a BUY rating and a TP of INR3,200 premised on 30x Sep-26E PE (implied 16x EV/EBITDA).

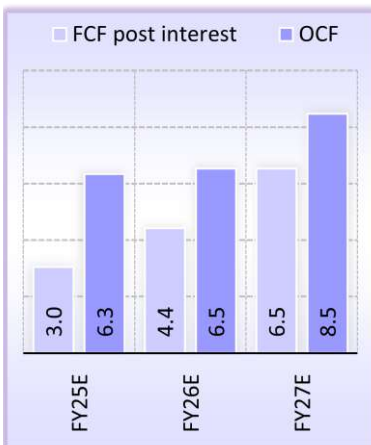
Scaling up the underpenetrated brand

RLL boasts a legacy collection of well-established brands such as Park Avenue, Raymond RTW, Parx, and ColorPlus. However, it remains under-penetrated, with a total of 424 Exclusive Brand Outlets (EBOs) as of end-1QFY25. Each brand has the potential to reach at least 250 EBOs individually, significantly under-indexed versus peers with EBO count of 2,636 for ABFRL Lifestyle Brands and 931 for Arvind Fashion. RLL's strategy focuses on opening EBOs in Tier 1 and Tier 2 cities and selectively in Tier 3 and Tier 4 cities. Consequently, the combination of a franchisee-led model and under-penetrated brands presents a significant opportunity for growth.

Expect ~14% revenue CAGR in Garmenting over FY24-27; margin to expand ~220 bps over FY24-27



Robust cash flow generation (INRb)



The expansion plan for branded apparel will be driven by two key strategies: 1) retail network expansion, which involves increasing the number of EBOs, Large Format Stores (LFS) counters, and Multi-Brand Outlets (MBOs) at a CAGR of 30%, 23%, and 7% over the next three years, to 900, 2,500, and 5,500, respectively; and 2) brand extension initiatives, including i) a sleepwear line, SleepZ by Raymond, ii) Park Avenue Innerwear, and 3) ramping up presence in ethnic wear through Ethnix by Raymond. We anticipate that these three brand extensions could generate annual revenue of ~INR2b, INR1b, and INR5b by FY27, respectively, contributing an incremental revenue of around INR7b in FY27 (vs. FY24). With a revenue base of INR16b (accounting for 24% of total revenue), **we expect branded apparel segment to be a key driver of growth.** We are modeling a revenue CAGR of ~25% over FY24-FY27, with a focus on network expansion through a capex-light franchise model.

Capitalizing on the Bangladesh and China opportunities

Recent turmoil in Bangladesh (~USD50b market opportunity), a global movement towards China +1 strategy, along with new free trade agreements (FTAs) with the UK, EU, and Australia, could create a large opportunity for India in garmenting business (currently a USD16b export market). Any shift in business from Bangladesh presents significant growth potential for India. Raymond’s garmenting segment is predominantly a B2B exports business (exports accounting for over 95%), which places it in an advantageous position. In the aftermath of recent turmoil in Bangladesh, Raymond has been receiving a substantial number of inquiries from large foreign brands. RLL is incurring a cumulative capex of INR2b over FY24-25 to increase its capacity, which put together could generate an incremental revenue of over INR4b by FY27, based on asset turnover ratio of ~2x. Assuming an EBITDA margin of 10%, this could yield an incremental EBITDA of over INR400m, with a post-tax return on capital employed (RoCE) of ~15-16%. Given the macroeconomic tailwinds, we are projecting a 14% revenue CAGR over FY24-27, **positioning garmenting as a second largest growth driver for RLL.**

A net-cash company with improving cash flows

Historically, investors’ primary concern on Raymond, was its weak balance sheet, a factor that impeded its growth potential. However, over the past three to four years, RLL has undertaken several measures to reduce receivables, particularly in the branded textile and apparel businesses, and optimized its inventory levels with net working capital (NWC) days have decreased to 78 in FY24, from over 100 days prior to FY20. The strategic sale of the FMCG business has enabled RLL to become a net cash entity. Going ahead, RLL plans to: a) adopt an asset-light franchise model for store expansion, and b) grow without inflating working capital by ensuring disciplined WC management and maintaining working capital days at ~75. This strategy is expected to generate operating cash flow (OCF) of around INR7b annually over FY24-FY27. Further, after accounting for maintenance & incremental garmenting capex of ~INR1b in FY25, RLL is projected to generate a robust free cash flow of ~INR4.7b on average annually over FY24-27.

Trading at lower multiples than peers

Valuation and view

Although the valuation of the Raymond’s Lifestyle business has almost doubled since the demerger, the stock is currently trading at a relatively lower P/E and an EV/EBITDA (pre-Ind-AS-116) of 25x and 16x on FY26E, respectively. The valuation is significantly lower than that of our Coverage Universe and other retail and discretionary companies, which are valued at an EV/EBITDA of ~35-40x on FY26E. While RLL benefits from strong brand affinity, its valuation has been impeded by sluggish execution in the past (volatility in PAT growth over FY10-20). However, as RLL continues to exhibit a positive growth trajectory, characterized by revenue/PAT CAGR of 11%/15% over FY24-26E, we believe valuations could re-rate.

The growth in the Branded Apparel segment led by network expansion and ramp-up of new categories (sleepwear, innerwear and Ethnix) will augur well for RLL. By enhancing sourcing efficiency, leveraging scale benefits, optimizing working capital, and adopting an asset-light model, RLL could achieve robust cash flow generation; however, successful execution remains crucial.

We factor in 11%/14%/15% revenue/EBITDA/PAT CAGR over FY24-27. Additionally, we anticipate a return on invested capital (ROIC) of 24%, 26%, and 30% in FY25, FY26, and FY27, respectively. With improved FCF generation, RLL could look to increase shareholder returns through dividends. We value RLL at a PE multiple of 30x on Sep’26E (implied 16x EV/EBITDA), resulting in equity valuation of INR195b (or INR3,200 per share).

Key downside risks to our TP include a prolonged demand slowdown, inflationary pressures, leadership attrition, and competition from established apparel players.

RLL’s valuation

PAT	6,456
PE	30x
Equity	1,94,899
NOS	61
per share	3,200
CMP	2,356
upside	36%

Source: MOFSL

Peer of manufacturing fabric unit of RLL (Branded Textile + Garmenting + HVCS)

Company	Market cap (INRb)	EV/Sales FY25	EV/Sales FY26	EV/EBITDA FY25	EV/EBITDA FY26	PE FY25	PE FY26
Raymond Lifestyle	144	2.1x	1.9x	15.0x	12.8x	28.9x	24.5x
Arvind Ltd	94	1.3x	1.1x	10.6x	8.2x	22.0x	14.9x
Vardhaman Textiles	138	1.5x	1.4x	10.1x	8.3x	12.8x	10.5x
Gokaldas Exports	64	1.9x	1.6x	16.6x	12.1x	40.7x	23.6x
K P R Mills	318	4.8x	4.3x	22.0x	18.3x	31.9x	27.1x

Note: Closing price as on 18th Oct 24

Source: MOFSL

Peer of retail business of RLL (Branded Apparels)

Company	Market cap (INRb)	EV/Sales FY25	EV/Sales FY26	EV/EBITDA FY25	EV/EBITDA FY26	PE FY25	PE FY26
Raymond Lifestyle	144	2.1x	1.9x	15.0x	12.8x	28.9x	24.5x
Arvind Fashions	80	1.9x	1.7x	14.8x	12.1x	62.9x	38.4x
ABFRL	358	2.8x	2.4x	20.6x	16.5x	NA	NA
Shoppers Stop	82	2.3x	1.9x	13.0x	11.3x	112.1x	54.9x
Vedant Fashions	322	21.5x	18.1x	44.3x	36.7x	72.5x	59.6x
Page Industries	508	10.0x	8.7x	51.7x	43.3x	78.3x	64.8x

Note: Closing price as on 18th Oct 24

Source: MOFSL



HDFC Bank

Estimate change	↓
TP change	↑
Rating change	↔

CMP: INR1,682 TP: INR2,050 (+22%) Buy

Bloomberg	HDFCB IN
Equity Shares (m)	7631
M.Cap.(INRb)/(USDb)	12833.8 / 152.6
52-Week Range (INR)	1794 / 1363
1, 6, 12 Rel. Per (%)	1/0/-16
12M Avg Val (INR M)	33540

Financials & Valuations (INR b)

Y/E	FY24	FY25E	FY26E
NII	1,085	1,217	1,367
OP	944	994	1,138
NP	608	670	761
NIM (%)	3.4	3.4	3.5
EPS (INR)	80.0	88.2	100.1
EPS Gr. (%)	1.0	10.2	13.5
BV/Sh. (INR)	580	648	727
ABV/Sh. (INR)	555	619	695

Ratios

RoA (%)	1.8	1.8	1.8
RoE (%)	14.6	14.4	14.6

Valuations

P/E(X)	21.0	19.1	16.8
P/E(X)*	17.3	15.7	13.8
P/BV (X)	2.9	2.6	2.3
P/ABV (X)*	2.5	2.2	2.0

* adjusted for subs

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	0.0	0.0	0.0
DII	30.6	30.7	26.5
FII	55.0	54.3	58.6
Others	14.4	15.0	14.9

FII Includes depository receipts

Steadily moving towards improved growth and profitability NIMs stable despite liquidity built-up; CD ratio, LCR improves sharply

- HDFC Bank (HDFCB) reported steady performance in 2QFY25, with net earnings of INR168.2b (~3% beat).
- NIMs declined 1bp QoQ to 3.46%, while the C/D ratio declined sharply by ~4% QoQ to 99.8%.
- Provisions were 5% higher than MOFSLe at INR27b. The bank utilized INR7b of contingent provisions pursuant to the reversal of AIF provisions. HDFCB is holding total provisions (floating and contingent) of INR262b.
- GNPA ratio increased 3bp QoQ to 1.36%, while PCR remained stable at 71.2%. Fresh slippages stood at INR78b (1.3% of loans).
- Given that the bank is focusing on bringing C/D to a normalized level, we trim our loan growth estimates to 7%/10% for FY25/FY26. Thus, we estimate C/D to improve to 97.1%/92.2% in FY25/FY26.
- **We estimate HDFCB to report gradual recovery in loan growth over FY25-27E with earnings growth accelerating faster. We thus estimate HDFCB to deliver FY26E RoA/RoE of 1.8%/14.6%. We reiterate our BUY rating with a TP of INR2,050 (2.4x Sep'26E ABV + INR295 for subs).**

Credit growth modest; fresh slippages remain under control

- NII grew 10% YoY to INR301.1b (in line), while NIMs saw a marginal decline of 1bp QoQ to 3.46% despite a rise in cash and bank balances. Other income grew 7.2% YoY/7.6% QoQ amid better core fee income. In 1HFY25, earnings grew 18% YoY to INR329b and we estimate 2HFY25 earnings to grow ~5.7% YoY to INR340b.
- Opex rose 1.6% QoQ to INR168.9b (in line). The C/I ratio, thus, declined to 40.6%. PPop grew by 3.4% QoQ to INR247.1b (in line).
- Loans grew at a modest 1.3% QoQ amid slower growth in home loans and a 3% QoQ dip in corporate book, while most of the other segments continued to do well. Deposit growth was robust at 5.1% QoQ, while the CASA ratio declined 70bp QoQ to 35.3%. We estimate a gradual recovery in loan growth at 7%/10%/13% YoY over FY25/FY26/27 respectively and expect a ~15% deposit CAGR over FY24-26.
- C/D declined sharply by 375bp QoQ to 99.8% as the bank aims to bring down C/D ratio at an accelerated pace while also focusing on profitability. We estimate C/D to decline to ~92% by FY26.
- GNPA/NNPA ratios increased 3bp/2bp QoQ to 1.36%/0.41%. PCR was broadly stable at 71.2%. HDFCB holds total provisions (contingent + floating) of INR262b or 1.1% of loans. CAR improved to 19.8%, with Tier 1 at 17.8% (CET1 at 17.3%).
- **Subsidiary performance: HDB Financial** reported loan growth of 27% YoY/3% QoQ to INR986b, while PAT stood at INR5.9b vs. INR6.0b in 2QFY24. GS3 assets increased to 2.1%, while CAR was 19.3%. **HDFC Securities:** Revenue jumped 52% YoY to INR9.1b, while PAT rose 49.5% YoY to INR3.2b.

Highlights from the management commentary

- AIF provisions were fully provided at 100% for the bank's contribution to the AIF, eliminating the need for proportionate provisioning, which led to a reduction in contingent provisions.
- The bank's LCR target is 100-120%, with a historical average of 115%. In 2Q, LCR reached 128%, driven by granular retail deposits. The bank aims to optimize deposits.
- **Loan mix:** 69-70% is EBLR, with MCLR being a small part of EBLR. The remaining 30% of the book is fixed-rate. The corporate book accounts for 19% of total loans, with a majority potentially under MCLR.

Valuation and view: Reiterate BUY with a TP of INR 2,050

HDFCB posted an in-line performance in 2QFY25, characterized by stable margins and healthy asset quality. Deposit growth was strong, while advances growth was tepid, aligning with the bank's strategy to reduce C/D in an accelerated manner. Asset quality witnessed a slight deterioration, while PCR was broadly stable at ~71.2%. However, HDFCB holds healthy provisions (floating + contingent) of INR262b or 1.1% of loans. Given that the bank is focusing on bringing down C/D in an accelerated manner, we factor in a moderation in loan growth in FY25/FY26 to 7%/10%. However, the gradual retirement of high-cost borrowings, along with an improvement in operating leverage, will support return ratios over the coming years. **We estimate HDFCB to report gradual recovery in loan growth over FY25-27E with earnings growth accelerating faster. We thus estimate HDFCB to deliver FY26E RoA/RoE of 1.8%/14.6%. We reiterate our BUY rating with a TP of INR2,050 (2.4x Sep'26E ABV + INR295 for subs).**

Quarterly performance

(INR b)

	FY24					FY25E			FY24	FY25E	FY25E	V/s our
	1Q	2Q	3Q	4Q	1QE	2Q	3QE	4QE		2QE	Est (%)	
Net Interest Income	236.0	273.9	284.7	290.8	298.4	301.1	305.4	311.9	1,085.3	1,216.8	298.1	1.0%
% Change (Y-o-Y)	21.1	30.3	23.9	24.5	26.4	10.0	7.3	7.3	25.0	12.1	8.9	
Other Income	92.3	107.1	111.4	181.7	106.7	114.8	118.0	123.3	492.4	462.9	114.6	0.2%
Total Income	328.3	380.9	396.1	472.4	405.1	416.0	423.4	435.2	1,577.7	1,679.7	412.8	0.8%
Operating Expenses	140.6	154.0	159.6	179.7	166.2	168.9	172.9	178.0	633.9	686.0	169.0	-0.1%
Operating Profit	187.7	226.9	236.5	292.7	238.8	247.1	250.6	257.2	943.9	993.7	243.7	1.4%
% Change (Y-o-Y)	22.2	30.5	24.3	57.2	27.2	8.9	6.0	-12.1	34.1	5.3	7.4	
Provisions	28.6	29.0	42.2	135.1	26.0	27.0	27.4	25.8	234.9	106.2	25.7	5.2%
Profit before Tax	159.1	197.9	194.3	157.6	212.8	220.1	223.2	231.4	709.0	887.4	218.1	0.9%
Tax	39.6	38.1	30.6	-7.5	51.1	51.8	54.9	59.6	100.8	217.4	54.5	
Net Profit	119.5	159.8	163.7	165.1	161.7	168.2	168.3	171.8	608.1	670.0	163.5	2.9%
% Change (Y-o-Y)	30.0	50.6	33.5	37.1	35.3	5.3	2.8	4.0	37.9	10.2	2.4	
Operating Parameters												
Deposit	19,131	21,729	22,140	23,798	23,791	25,001	25,846	27,391	23,798	27,391	24,695	
Loan	16,157	23,312	24,461	24,849	24,635	24,951	25,718	26,588	24,849	26,588	25,144	
Deposit Growth (%)	19.2	29.8	27.7	26.4	24.4	15.1	16.7	15.1	26.4	15.1	13.7	
Loan Growth (%)	15.8	57.5	62.3	55.2	52.5	7.0	5.1	7.0	55.2	7.0	7.9	
Asset Quality												
Gross NPA (%)	1.2	1.3	1.3	1.2	1.3	1.4	1.4	1.3	1.2	1.3	1.3	
Net NPA (%)	0.3	0.4	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.4	0.4	
PCR (%)	74.9	74.4	75.3	74.0	71.2	71.2	71.3	71.4	74.0	71.4	71.5	

E: MOFSL Estimates



Kotak Mahindra Bank

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,871 **TP: INR1,950 (+4%)** **Neutral**

Operating performance inline; Card delinquencies drive an increase in slippage run-rate

NIMs decline 11bp QoQ; CASA showing signs of stability

- Kotak Mahindra Bank (KMB) posted a standalone PAT of ~INR33.4b (5% miss, 5% YoY growth). Consol. PAT stood at INR50.4b (13% YoY growth) in 2QFY25.
- NII grew 11.5% YoY to INR70.2b (inline). NIM moderated 11bp QoQ to 4.91%. Other income grew 16% YoY to INR26.8b (11% miss). Total revenue thus grew 12.7% YoY.
- Advances rose 14.7% YoY/2.5% QoQ to ~INR4t while deposits grew 15.1% YoY/3.1% QoQ. CASA mix improved 20bp QoQ to 43.6%.
- Fresh slippages were elevated at INR18.7b (INR13.6b in 1QFY25). GNPA/NNPA ratio rose 10bp/8bp QoQ to 1.49%/0.43%. PCR declined 344bp QoQ to 71.4%.
- KMB entered into an agreement to acquire the personal loan book of Standard Chartered Bank (INR41b) to further fortify its position in the retail credit market. The acquisition is likely to be completed in the next three months, subject to regulatory/other approvals.
- KMB is navigating well through the limitations that regulator has imposed on the bank and potential lifting of the ban will further aid operating performance. We fine-tune our earnings and estimate KMB's RoA/RoE at 2.2%/13.6% by FY26. **Reiterate Neutral with a TP of INR1,950 (based on 2.2x FY26E ABV).**

Deposit growth healthy; other income misses estimate

- KMB reported a standalone PAT of ~INR33.4b (5% miss, 5% YoY growth) led by lower other income. Consolidated PAT stood at INR50.4b (13% YoY growth). KMB's 1HFY25 earnings grew 3.3% YoY (including exceptional items, it rose 44% YoY). We estimate 2HFY25 earnings to grow ~3.4% YoY to INR74b.
- NII grew 11.5% YoY to INR70.2b (inline). NIMs moderated 11bp QoQ to 4.91%. Other income grew 16% YoY to INR26.8b (11% miss). Treasury gain was INR0.9b vs. INR1.05b in 1QFY25.
- Opex grew 15% YoY to INR46b (inline). C/I ratio thus increased 122bp QoQ to 47.5%. PPop grew 10.6% YoY at INR51b (4% lower than MOFSLe).
- Loan book grew 14.7% YoY (up 2.5% QoQ). KMB reported a healthy sequential trend in business banking and home loans. Deposit grew 15.1% YoY/3.1% QoQ. CASA mix improved 20bp QoQ to 43.6%.
- Fresh slippages increased 38% QoQ to INR18.7b, with a large chunk of slippages from credit cards. GNPA/NNPA ratio increased 10bp/8bp QoQ to 1.49%/0.43%. PCR declined 344bp QoQ to 71.4%. SMA-2 advances stood at INR1.76b (4bp of loans). CAR stood at 22.6%, while CET-1 was 21.5%.
- **Performance of subsidiaries:** Kotak Securities reported net earnings growth of 37% YoY, while KIL reported PAT growth of 12% YoY.

Bloomberg	KMB IN
Equity Shares (m)	1988
M.Cap.(INRb)/(USD\$b)	3719.9 / 44.2
52-Week Range (INR)	1953 / 1544
1, 6, 12 Rel. Per (%)	4/-8/-20
12M Avg Val (INR M)	10335

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
NII	259.9	287.1	327.7
OP	195.9	217.5	246.4
NP	137.8	144.3	161.0
Cons. NP	182.1	189.9	215.8
NIM (%)	5.2	4.9	4.9
EPS (INR)	69.4	72.6	81.0
EPS Gr. (%)	25.9	4.7	11.6
ABV. (INR)	462	528	603
Cons. BV. (INR)	654	747	854

Ratios

RoA (%)	2.5	2.3	2.2
RoE (%)	15.3	13.9	13.6
Cons. RoE (%)	14.0	12.8	12.7

Valuations

P/BV (X) (Cons.)	2.9	2.5	2.2
P/ABV (X) (Adj)	2.7	2.4	2.1
P/E(X) (Adj)	18.1	17.3	15.5
P/E(X)	27.0	25.8	23.1

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	25.9	25.9	25.9
DII	29.4	25.1	19.6
FII	31.5	35.9	41.5
Others	13.2	13.1	12.9

FII Includes depository receipts

Highlights from the management commentary

- The bank has cut the savings account deposit rate (up to 0.5m) by ~50bp, which will expand its NIM by ~4bp and will improve yield.
- Reduction in yield on advances and deterioration in NIM are due to the change in asset mix more towards secured products.
- A larger chunk (~30-35%) of slippages was from credit cards; the recoveries from rural and secured businesses will help the bank reduce slippages going forward.

Valuation and view

KMB reported a slight miss on earnings due to lower other income and 11bp sequential contraction in margin. Asset quality ratios deteriorated slightly, affected by higher slippages in unsecured and credit card segments. However, the bank expects recoveries from rural and secured businesses to mitigate the overall impact. Changes in the asset mix more towards secured products have affected the yields and margins, but the management continues to guide for mid-teen growth in unsecured lending. Growth in deposits was healthy, leading to moderation in the CD ratio to 86.6%. However, we will closely monitor the pace of deposit accretion for the bank and the impact on margins over the coming quarters. In this quarter, the full effect of the embargo has adversely affected the business, and we believe that the removal of the ban remains critical for KMB to deliver sustainable growth and earnings going forward. KMB is navigating well through the limitations that regulator has imposed on the bank and potential lifting of the ban will further aid operating performance. We fine-tune our earnings and estimate KMB's RoA/RoE at 2.2%/13.6% by FY26. **Reiterate Neutral with a TP of INR1,950 (based on 2.2x FY26E ABV).**

Quarterly performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	V/s
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE	Our Est	
Net Interest Income	62.3	63.0	65.5	69.1	68.4	70.2	72.9	75.6	259.9	287.1	69.5	1%
% Change (Y-o-Y)	32.7	23.5	15.9	13.2	9.8	11.5	11.3	9.4	20.6	10.5	10.4	
Other Income	26.8	23.1	23.0	29.8	29.3	26.8	28.2	33.8	102.7	118.1	30.3	-11%
Total Income	89.2	86.1	88.5	98.9	97.7	97.0	101.2	109.3	362.7	405.2	99.9	-3%
Operating Expenses	39.7	40.0	42.8	44.3	45.2	46.0	46.9	49.6	166.8	187.7	46.7	-1%
Operating Profit	49.5	46.1	45.7	54.6	52.5	51.0	54.2	59.8	195.9	217.5	53.2	-4%
% Change (Y-o-Y)	77.8	29.2	18.6	17.5	6.2	10.6	18.8	9.4	31.9	11.1	15.3	
Provisions	3.6	3.7	5.8	2.6	5.8	6.6	7.1	6.7	15.7	26.1	6.4	2%
Profit before Tax	45.9	42.4	39.9	52.0	46.8	44.4	47.2	53.1	180.1	191.4	46.7	-5%
Tax	11.3	10.5	9.8	10.6	11.6	11.0	11.6	13.0	42.3	47.1	11.5	-5%
Net Profit	34.5	31.9	30.1	41.3	35.2	33.4	35.6	40.1	137.8	144.3	35.2	-5%
% Change (Y-o-Y)	66.7	23.6	7.6	18.2	2.0	4.8	18.4	-2.9	26.0	4.7	10.4	
Exceptional item					27.3					27.3		
PAT including exceptionals	34.5	31.9	30.1	41.3	62.5	33.4	35.6	40.1	137.8	171.6	35	
% Change (Y-o-Y)	66.7	23.6	7.6	18.2	2.0	4.8	18.4	-2.9	26.0	24.5	10.4	
Deposits (INRb)	3,863	4,010	4,086	4,490	4,474	4,615	4,880	5,109	4,490	5,109	4,651	
Loans (INRb)	3,286	3,483	3,596	3,761	3,900	3,995	4,134	4,310	3,761	4,310	4,024	
Deposit growth (%)	22.0	23.3	18.6	23.6	15.8	15.1	19.4	13.8	23.6	13.8	16.0	
Loan growth (%)	17.3	18.5	15.7	17.6	18.7	14.7	15.0	14.6	17.6	14.6	15.5	
Asset Quality												
Gross NPA (%)	1.77	1.72	1.73	1.39	1.39	1.49	1.53	1.57	1.39	1.57	1.38	
Net NPA (%)	0.40	0.37	0.34	0.34	0.35	0.43	0.43	0.44	0.34	0.44	0.36	
PCR (%)	78.0	79.1	80.6	75.9	74.9	71.4	72.3	72.7	75.9	72.7	74.4	

E: MOFSL Estimates



Hindustan Zinc

Estimate changes	↔
TP change	↔
Rating change	↔

Bloomberg	HZ IN
Equity Shares (m)	4225
M.Cap.(INRb)/(USDb)	2140.1 / 25.5
52-Week Range (INR)	808 / 285
1, 6, 12 Rel. Per (%)	6/12/35
12M Avg Val (INR M)	1245

Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Net Sales	332	369	379
EBITDA	165	208	215
PAT	97	129	133
EPS (INR)	23.0	30.6	31.4
GR. (%)	25.1	33.3	2.7
BV/Sh (INR)	28.9	47.6	67.0

Ratios

ROE (%)	70.8	80.1	54.9
RoCE (%)	57.3	68.1	54.0

Valuations

P/E (X)	22.1	16.6	16.1
P/BV (X)	17.5	10.7	7.6
EV/EBITDA (X)	13.0	9.8	9.0
Div Yield (%)	5.9	2.4	2.4

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	63.4	64.9	64.9
DII	32.7	32.6	32.5
FII	1.0	0.7	0.8
Others	2.9	1.8	1.8

FII Includes depository receipts

CMP: INR507 **TP: INR570 (+13%)** **Neutral**

Performance in line; focus on controlling CoP

- In 2QFY25, revenue stood at INR83b (+22% YoY/+2% QoQ) against our estimate of INR78b. The YoY growth was driven by better metal and silver volumes and zinc and silver prices, further supported by a strong dollar and marginally offset by lower lead prices.
- EBITDA stood at INR41b (+31% YoY/+5% QoQ) against our estimate of INR39b. EBITDA margin came in at 50% vs. 48.5% in 1QFY25. Zinc cost of production (COP) for 2QFY25 stood at USD1,071 (INR89,686) per MT (-5% YoY and -3% QoQ). The improvement was due to higher volume and better linkage coal availability, further supported by softened coal and input commodity prices and operational efficiencies.
- APAT stood at INR24b (+35% YoY/flat QoQ) against our estimate of INR22b. In Aug'24, HZ declared an interim dividend of INR19 per share.
- During 1HFY25, revenues grew 16% YoY, EBITDA rose 24% YoY and APAT increased by 29% YoY.
- Mined metal for 2QFY25 stood at 256kt (+2% YoY/-2% QoQ), driven by higher ore production at Zawar Mine, partly offset by lower mined metal grade at SK Mine.
- Refined Zinc volume stood at 198kt (+7% YoY/-6% QoQ). Refined Lead volume stood at 63kt (+12% YoY/+23% QoQ), aided by the lead mode at pyro plant operations during the quarter.
- Silver volume stood at 184t (+2% YoY/+10% QoQ) on account of the lead mode at pyro plant operations during the quarter, partly offset by lower silver output from SK Mine.

Key management commentary

- The decline in CoP during 2QFY25 was due to better grades, softened coal and input commodity prices, and better linkage coal. The management maintained its zinc CoP guidance of USD1,050-1,100/t for FY25.
- HZ commenced sourcing RE power from the 180mW Serentica Renewables solar project in May'24. This increased share of RE power in total power requirement to 14% in 2QFY25 (8.5% in 1QFY25). The rise in renewable share aided HZL to reduce the energy cost by USD9/t during the quarter.
- The company expects RE power's share to reach 25% by FY25 end, which would aid CoP and offset the increase in coal prices.

Valuation and view

- The performance was largely in line with our estimates. The company continues to focus on improving production with tight cost control. We retain our earnings estimates and expect HZ to maintain its focus on profitability.
- **At the CMP, HZ trades at 8.8x FY27E EV/EBITDA and we believe the current valuation prices in all positive factors. We maintain our Neutral rating on the stock with a TP of INR570 (premised on 10x EV/EBITDA on FY27 estimates).**

Quarterly Performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Vs. Est. %
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE		
Mine prodn. (kt)	257	252	271	299	263	256	282	313	1,079	1,114		
Sales												
Zinc refined (kt)	208	185	203	221	211	198	200	203	817	811		
Lead refined (kt)	50	57	56	53	51	63	64	64	216	242		
Silver (tonnes)	179	181	197	179	167	184	187	192	736	731		
Net Sales	73	68	73	75	81	83	85	83	289	332	78	6
Change (YoY %)	-22.4	-18.5	-7.1	-11.3	11.6	21.5	16.2	10.3	-15.2	14.7		
Change (QoQ %)	-14.4	-6.7	7.6	3.3	7.7	1.5	2.9	-2.0				
EBITDA	33	31	35	36	39	41	44	41	137	165	39	7
Change (YoY %)	-34.8	-28.8	-5.0	-14.2	17.9	31.3	24.1	11.9	-22.0	21.0		
Change (QoQ %)	-21.3	-6.2	12.2	3.6	8.1	4.5	5.9	-6.5				
As % of Net Sales	46.0	46.2	48.2	48.3	48.5	50.0	51.4	49.1	47.2	49.8		
Finance cost	2	2	2	3	3	3	2	1	10	9		
DD&A	8	8	9	9	8	9	9	11	35	38		
Other Income	3	2	3	3	3	3	3	4	11	13		
PBT (before EO item)	26	23	27	27	31	32	35	33	103	131		
EO exp. (income)	0	0	0	0	0	(0.8)	0	0	0	(0.8)		
PBT	26	23	27	27	31	33	35	33	103	132		
Total Tax	6	6	6	7	8	8	9	9	25	34		
% Tax	24.8	25.0	24.0	25.2	24.7	24.4	27.0	27.2	24.7	25.8		
Reported PAT	20	17	20	20	23	25	26	24	78	98		
Adjusted PAT	20	17	20	20	23	24	26	24	78	97	22	8
Change (YoY %)	-36.5	-35.5	-5.9	-21.1	19.4	34.6	26.6	17.0	-26.2	24.0		
Change (QoQ %)	-24.0	-12.0	17.3	0.5	15.1	-0.8	10.3	-7.1				



Tech Mahindra

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR1,688 TP: INR1,700 (+1%) Neutral

Transformation on track

Continued recovery in margins accompanied by healthy deal wins

■ Tech Mahindra (TECHM) reported 2QFY25 revenue of USD1.6b, up 0.7% QoQ in constant currency (CC) vs. our estimate of 0.2% QoQ CC. The growth was driven by Retail/Technology (up 5.6%/5.7% sequentially). Communication/BFSI also witnessed growth of 2.7%/2.4% QoQ, while Manufacturing declined 4% QoQ. EBIT margin expanded 110bp QoQ at 9.6%, beating our estimates of 9.0%. Adj. PAT stood at INR12.5b (est. INR10b), up 46% QoQ/28% YoY due to operating leverage and higher other income. For 1HFY25, revenue/EBIT/PAT grew 1.1%/13.7%/8.7% vs. 1HFY24. We expect revenue/EBIT/PAT to grow by 4%/44%/27% YoY in 2HFY25. Deal TCV was USD603m, up 13% QoQ/ down 6% YoY.

Our view: Disciplined execution

- **Growth, excluding manufacturing, was robust:** TECHM had broad-based revenue growth, most of which was concentrated in Europe. BFSI was up 2.4%, underscoring the recovery in the sector; that said, persisting weakness in top accounts suggests US communications continued to struggle, and we believe this could be the most significant drag on growth in the near term for TECHM and the industry.
- **Healthy TCV despite avoiding large deals:** TECHM's deal TCV was up 13% QoQ; while the company continues to be disciplined and looks away from large deals, slowly improving deal activity in short-cycle deals could work in TECHM's favor.
- **Transformation in progress:** We believe Tech Mahindra's Phase 1 transformation is progressing well, with EBIT margins likely to exceed 12.7% by FY26. However, the period from FY26 to FY27 may bring renewed margin pressures across the industry, including rising attrition rates, high costs associated with backfilling roles, and increasing demand for specialized talent. These factors could complicate the company's ability to achieve its FY27 EBIT margin target of 15%.
- **Market's faith in the new management being vindicated:** We believe despite the challenges, the new management has repaid the initial faith in its ability to engineer a turnaround. TECHM could be valued at a higher multiple to its historical average. We raise our target multiple to 25x (23x earlier) Sep'26E EPS, which is now at a 10% discount to Infosys.

Valuation and change in estimates

- Change in estimate for FY25 (increase by ~8%) is due to higher other income in 2Q – resulting from exceptional gains on sale of property (operating estimates largely unchanged). We expect FY25/FY26/FY27 EBIT margins at 9.2%/ 12.7%/13.1%, which will result in a 20% CAGR in INR PAT over FY24-27.
- We remain on the sidelines, as we believe the current valuation fairly factors in the uncertainties around growth and margin. **We reiterate our Neutral rating on the stock and upgrade our target multiple to 25x Sep'26E EPS. Our TP of INR1,700 implies a 1% upside.**

Bloomberg	TECHM IN
Equity Shares (m)	978
M.Cap.(INRb)/(USDb)	1651.4 / 19.6
52-Week Range (INR)	1710 / 1089
1, 6, 12 Rel. Per (%)	7/30/16
12M Avg Val (INR M)	3108

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	534	567	612
EBIT Margin (%)	9.5	12.7	13.1
Adj. PAT	42.4	56.5	63.0
Adj. EPS (INR)	47.9	63.7	71.1
PAT	42.4	56.5	63.0
EPS (INR)	47.9	63.7	71.1
EPS Gr. (%)	78.9	33.1	11.5
BV/Sh. (INR)	308.9	318.8	329.9

Ratios

RoE (%)	15.7	20.3	21.9
RoCE (%)	16.2	22.4	24.3
Payout (%)	85.0	85.0	85.0

Valuations

P/E (x)	35.1	26.4	23.7
P/BV (x)	5.5	5.3	5.1
EV/EBITDA (x)	21.3	16.4	14.6
Div Yield (%)	2.4	3.2	3.6

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	35.0	35.0	35.1
DII	31.2	30.9	27.3
FII	23.7	23.3	26.2
Others	10.1	10.8	11.3

FII Includes depository receipts

Beat on revenue and margins; broad-based growth (ex-manufacturing)

- Revenue stood at USD1.6b, up 0.7% QoQ CC, beating our estimates of 0.2% QoQ CC.
- IT service growth was up 2.3% QoQ, while BPO grew 2.9% QoQ.
- Retail/Technology led the growth by +5.6%/+5.7% sequentially, whereas Communication/BFSI grew 2.7%/2.4% QoQ. Manufacturing dipped 4% QoQ.
- EBIT margin was up 110bp QoQ at 9.6%, beating our estimates of 9.0%.
- Net employee addition: 6653 (up 4.5% QoQ). Utilization (ex. trainees) was up by 20bp at 86.3%. LTM attrition was up by 50bp at 10.6%.
- NN Deal TCV was USD603m, up 13% QoQ/ down 6% YoY.
- Adj. PAT stood at INR12.5b (up 46% QoQ / 28% YoY), above our estimate of INR10b.
- FCF conversion to PAT stood at 106% vs. 104% in 1Q.
- The Board announced an interim dividend of INR15 per share.

Key highlights from the management commentary

- Demand remains largely unchanged. The company has been focusing on strengthening client relationships and expanding the partner ecosystem.
- The second half of the fiscal year is expected to be better as the foundation for a turnaround has been established.
- Steady progress is being made on long-term metrics: three pillars—growth, margins, and organizational excellence.
- **Growth:** Accounts with revenue exceeding USD20mn have grown significantly. The company is investing in account-based marketing through turbocharged programs and training for technical and marketing architecture. **Organizational:** Cultural transformation is underway, with progress in generative AI skills; one-third of the workforce is using GitHub Copilot.
- Large deal wins are a key factor for growth, and the company is investing in developing large deal capabilities. Conversion rates have improved due to the quality of technical solutions. The company is investing in deal architecture and negotiators for better conversion rates.

Valuation and view

We remain positive about the restructuring at TECHM under the new leadership and believe this quarter was another step in the right direction. But we expect the impact from these steps to be visible gradually. Further, TECHM's presence in the communications segment, which remains under notable duress, makes the new management's job that much harder. We remain on the sidelines as we feel the current valuation fairly factors in the uncertainties around growth and margin. **We reiterate our Neutral rating on the stock and upgrade our target multiple to 25x Sep'26 EPS. Our TP of INR1,700 implies a 1% upside.**

Quarterly Performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	Est. 2QFY25	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue (USD m)	1,601	1,555	1,573	1,548	1,559	1,589	1,605	1,621	6,277	6,375	1,564	1.6
QoQ (%)	-4.0	-2.8	1.1	-1.6	0.7	1.9	1.0	1.0	-5.0	1.6	0.3	161bp
Revenue (INR b)	132	129	131	129	130	133	135	136	520	534	131	1.6
YoY (%)	3.5	-2.0	-4.6	-6.2	-1.2	3.5	2.9	5.8	-2.4	2.7	1.8	166bp
GPM (%)	25.7	22.5	23.9	27.0	26.5	27.9	27.0	27.3	24.8	27.2	26.5	142bp
SGA (%)	13.5	11.5	13.6	16.1	14.5	14.8	14.0	14.0	13.7	14.3	14.0	78bp
EBITDA	16	14	14	14	16	18	18	18	58	69	16	6.9
EBITDA Margin (%)	12.2	10.9	10.3	10.9	12.0	13.1	13.0	13.3	11.1	12.9	12.5	65bp
EBIT	12	9	9	9	11	13	13	14	40	51	12	8.6
EBIT Margin (%)	8.8	7.3	7.0	7.4	8.5	9.6	9.7	10.0	7.6	9.5	9.0	62bp
Other income	1	2	0	3	1	4	1	1	5	8	1	491.6
ETR (%)	21.8	9.9	17.6	23.4	26.7	26.6	26.6	26.6	18.5	26.6	23.0	362bp
Adj. PAT	10	10	7	10	9	13	11	11	36	42	10	31.1
QoQ (%)	-28.2	2.3	-26.5	34.9	-12.2	46.8	-15.9	3.9			11.9	3486bp
YoY (%)	-15.5	-25.3	-44.6	-27.1	-10.9	27.8	46.3	12.6	-28.5	17.2	-2.5	3036bp
Extraordinary Item	-2.6	-4.8	-2.1	-3.1	0.0	0.0	0.0	0.0	-12.6	0.0	0.0	
Reported PAT	7	5	5	7	9	13	11	11	24	42	10	31.1
EPS (INR)	10.8	11.0	8.1	11.0	9.6	14.1	11.9	12.3	41.1	47.9	10.7	31.2

Key Performance Indicators

Y/E March	FY24				FY25		FY24
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue (QoQ CC %)	-4.2	-2.4	1.1	-0.8	0.7	0.7	
Margins (%)							
Gross Margin	25.7	22.5	23.9	27.0	26.5	27.9	24.8
EBITDA margin	12.2	10.9	10.3	10.9	12.0	13.1	11.1
EBIT Margin	8.8	7.3	7.0	7.4	8.5	9.6	7.6
Net Margin	7.3	7.6	5.5	7.5	6.5	9.4	7.0
Operating Metrics							
Headcount (k)	148	151	146	145	148	154	145
Util excl. trainees (%)	87.2	86.0	88.0	86.0	86.0	86.0	86.8
Attrition (%)	12.8	11.4	10.0	10.0	10.0	10.6	10.0
Deal TCW (USD m)	359	640	381	500	534	603	1,880
Key Verticals (QoQ %)							
Communication	-14.3	0.4	-0.2	-8.3	-2.0	2.8	-14.9
Enterprise	2.9	-4.5	1.8	2.3	2.1	1.4	1.7
Key Geographies (QoQ %)							
North America	-0.5	0.7	-1.5	-3.7	3.9	-0.6	-1.3
Europe	-6.7	-6.8	2.0	0.1	-2.6	4.5	-8.3



Tata Consumer Products

Estimate change	↑
TP change	↔
Rating change	↔

CMP: INR1,093 TP: INR1,320 (+21%) Buy

Incubating new products

Operating performance above estimates

Bloomberg	TATACONS IN
Equity Shares (m)	989
M.Cap.(INRb)/(USD\$b)	1091.8 / 13
52-Week Range (INR)	1254 / 861
1, 6, 12 Rel. Per (%)	-7/-15/-3
12M Avg Val (INR M)	2010
Free float (%)	66.2

- Tata Consumer Products (TATACONS) reported 8% YoY EBIT growth in 2QFY25 on the back of a strong performance in its international branded beverage segment (EBIT up 74% YoY) and non-branded business (EBIT up 86% YoY). EBIT for India branded business declined 26% YoY due to tea cost inflation.
- Organically (excluding acquisition), India business revenue grew 2% YoY and EBITDA declined 23% YoY in 2QFY25.
- Going ahead, India business margins are likely to recover as the company has increased prices of salt (to mitigate cost inflation) and tea (staggered price increases). The growth business will continue to drive revenue, with a rebound in the ready-to-drink (RTD) segment.
- Factoring in 2Q performance, lower interest cost led by repayment of debt and tax benefits from the merger with subsidiaries, we increase our FY25 earnings estimates by 6% while maintaining our FY26 earnings estimates. **Reiterate BUY with an SoTP-based TP of INR1,320.**

Financials & valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	174.5	188.2	205.7
EBITDA	26.3	28.7	31.2
Adj. PAT	15.8	19.3	21.3
EBITDA Margin (%)	15.0	15.2	15.2
Cons. Adj. EPS (INR)	16.0	19.5	21.5
EPS Gr. (%)	11.3	22.3	10.0
BV/Sh. (INR)	236.1	266.7	282.3

Ratios

Net D:E	-0.2	-0.2	-0.3
RoE (%)	8.0	8.1	8.4
RoCE (%)	9.6	9.9	10.5
Payout (%)	41.9	33.3	30.3

Valuations

P/E (x)	68.6	56.1	51.0
EV/EBITDA (x)	36.8	33.2	30.1
Div. Yield (%)	0.6	0.6	0.6
FCF Yield (%)	1.9	1.5	1.7

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	33.8	33.6	34.4
DII	18.8	18.7	16.9
FII	24.4	24.1	25.3
Others	23.0	23.6	23.4

Note: FII includes depository receipts

International beverage and non-branded business drives operating profitability

- 2Q revenue grew 13% YoY to INR42.1b (in line). EBITDA margin improved YoY by 50bp to 14.9% (est. 13.8%), led by higher gross margins (up 110bp YoY). EBITDA rose 17% YoY to INR6.3b (est. INR5.8b).
- Indian branded business grew 10% YoY to INR26.5b, led by revenue growth of 3%/20% YoY in Indian branded beverage/Indian food business to INR13.8b/INR12.7b. EBIT declined 26% YoY to INR2.4b.
- Volumes in India packaged beverage business fell 4% YoY, while volumes in the foods business grew 1% YoY (excluding Capital Foods). Salt segment revenue grew 2% YoY, with flat volumes. Tata Sampann portfolio grew 26% YoY.
- RTD segment (NourishCo) revenue declined ~11% YoY to ~INR1.54b due to unfavorable weather and competitive pricing actions. Tata Gluco Plus pricing was reset in response to competition with encouraging initial results. Tata Starbucks revenue grew 2% YoY, in line with soft demand trends in the sector.
- International branded beverages revenue grew 18% YoY to ~INR11.2b, with EBIT growth of 74% YoY to INR1.7b. EBIT margins stood at 15%, up 490bp YoY. Non-branded business revenue increased by 19% YoY to INR4.6b, while EBIT jumped 86% YoY to INR1.1b.
- Adj. PAT grew 10% YoY to INR3.8b (est. INR3.4b). During the quarter, the company incurred exceptional expenses of INR272m relating to legal and professional fees for business acquisitions (integration and restructuring).
- For 1HFY25, revenue/EBITDA/adj. PAT grew 15%/20%/3% YoY to INR85.7b/INR12.9b/INR6.9b. Based on our estimates, the implied revenue/EBITDA growth for 2HFY25 is 15%/11% YoY.

Highlights from the management commentary

- **RTD:** The entry of a new player with different price points disrupted the industry. The company has adjusted its pricing strategy in response to competition, resulting in encouraging initial outcomes. It expects to return to 25-30% growth by 3Q end.
- **New distribution channel:** Under a pilot project, the company has launched its products in pharmacies in 10 cities. Further, it will launch products such as salt, pulses, sauces and mayo (capital foods products), tea and coffee in the HoReCa channel under this pilot project. It has created HoReCa-ready packs across categories and initial results are encouraging.
- **Tata Sampann** posted another strong quarter with 26% YoY growth. It posted high single-digit margin, led by a change in the product mix, brand awareness and economies of scale.

Valuation and view

- TATACONS's holistic strategy is aimed at: i) strengthening and accelerating its core business, ii) exploring new opportunities, iii) unlocking synergies, iv) digitizing the supply chain, v) expanding its product portfolio and innovation, vi) enhancing its focus on premiumization and health & wellness products, vii) embedding sustainability, and viii) expanding its sales and distribution infrastructure, supply chain, and capability building toward being a multi-category FMCG player.
- We expect TATACONS to clock a CAGR of 10%/13%/19% in revenue/EBITDA/PAT during FY24-26. **Reiterate BUY with an SoTP-based TP of INR1,320.**

Consolidated - Quarterly Earnings

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Gross Sales	37.4	37.3	38.0	39.3	43.5	42.1	43.3	45.5	152.1	174.5	42.4	-1
YoY Change (%)	12.5	11.0	9.5	8.5	16.3	12.9	13.9	15.8	10.3	14.7	13.5	
Total Expenditure	32.0	32.0	32.3	33.0	36.8	35.9	36.9	38.6	129.2	148.2	36.5	
EBITDA	5.5	5.4	5.7	6.3	6.7	6.3	6.4	6.9	22.8	26.3	5.8	7
Margins (%)	14.6	14.4	15.0	16.0	15.3	14.9	14.8	15.2	15.0	15.0	13.8	
Depreciation	0.8	0.9	0.9	1.2	1.5	1.5	1.6	1.6	3.8	6.1	1.5	
Interest	0.3	0.3	0.3	0.4	0.9	1.0	0.2	0.1	1.3	2.1	0.6	
Other Income	0.6	0.9	0.6	0.4	0.4	0.5	1.1	0.8	2.5	2.7	0.9	
PBT before EO expense	4.9	5.1	5.1	5.1	4.6	4.2	5.8	6.0	20.2	20.7	4.6	
Extra-Ord expense	-0.1	-0.1	-0.9	-2.2	-0.2	-0.3	0.0	0.0	-3.3	-0.4	0.0	
PBT	4.9	4.9	4.2	2.9	4.5	4.0	5.8	6.0	17.0	20.3	4.6	
Tax	1.3	1.3	1.1	0.3	1.3	0.4	1.6	1.6	3.9	4.9	1.2	
Rate (%)	26.7	26.8	25.2	8.8	29.9	9.5	27.0	27.0	23.3	24.2	27.0	
Minority Interest	0.2	0.3	0.2	0.0	0.0	0.0	0.1	0.1	0.7	0.2	0.0	
Profit/Loss of Asso. Cos.	-0.2	0.0	-0.1	-0.6	-0.2	0.1	-0.2	-0.3	-0.9	-0.7	0.0	
Reported PAT	3.2	3.4	2.8	2.2	2.9	3.6	4.0	4.0	11.5	14.5	3.4	
Adj PAT	3.2	3.5	3.5	3.8	3.0	3.8	4.0	4.0	14.0	14.9	3.4	14
YoY Change (%)	17.2	42.8	18.7	38.4	-5.4	10.2	13.9	6.0	28.7	6.4	-3.6	
Margins (%)	8.6	9.4	9.1	9.6	7.0	9.1	9.1	8.8	9.2	8.5	7.9	



Polycab India

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR7,120 TP: INR8,340 (+17%) Buy

Weak margin offsets strong revenue growth

Expect 2H to be better than 1H; business mix to improve

Bloomberg	POLYCAB IN
Equity Shares (m)	150
M.Cap.(INRb)/(USD\$)	1070.8 / 12.7
52-Week Range (INR)	7607 / 3801
1, 6, 12 Rel. Per (%)	9/21/7
12M Avg Val (INR M)	4173
Free Float (%)	36.9

Financials & Valuations (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	217.2	249.9	287.6
EBITDA	26.6	32.3	39.4
Adj. PAT	18.8	22.7	27.4
EBITDA Margin (%)	12.2	12.9	13.7
Cons. Adj. EPS (INR)	124.9	151.4	182.2
EPS Gr. (%)	5.2	21.2	20.4
BV/Sh. (INR)	639.9	756.2	903.4

Ratios

Net D:E	(0.0)	(0.1)	(0.1)
RoE (%)	19.5	20.0	20.2
RoCE (%)	20.7	21.3	21.4
Payout (%)	24.0	23.1	19.2

Valuations

P/E (x)	57.0	47.0	39.1
P/BV (x)	11.1	9.4	7.9
EV/EBITDA (x)	40.0	32.8	26.7
Div Yield (%)	0.5	0.6	0.6
FCF Yield (%)	0.4	0.9	1.3

Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	63.1	65.0	65.9
DII	9.4	6.9	8.1
FII	13.5	13.6	12.4
Others	14.1	14.4	13.6

FII includes depository receipts

- Polycab India (POLYCAB)'s 2QFY25 earnings were in line with our estimates, as lower-than-estimated margins offset higher-than-estimated revenue growth. Its revenue grew 30% YoY to INR55.0b (10% beat) while EBITDA grew ~4% YoY to INR6.3b (est. INR6.6b). OPM contracted 3.0pp YoY to 11.5% (est. ~13%). PAT increased ~3% YoY to INR4.4b (est. INR4.6b)
- Management indicated demand momentum to remain strong in the Cables and Wires (C&W) segment and believes that 2H should be better than 1H. Further, the retail distribution and exports businesses are expected to improve. The FMEG business is estimated to pick up in FY26 on account of robust demand from the real estate sector. The company is optimistic about achieving INR200b revenue targeted under Project Leap, a year ahead of schedule. It is currently working on its next five-year guidance, which will be communicated later this year.
- We cut our EPS estimate by 4%/3% for FY25/26E as we reduce C&W segment's margin by 30-50bp and estimate the FMEG segment to break even in FY26 vs. earlier estimated in FY25. We estimate EBITDA margin in the range of 12-14% during FY25-27. It is currently trading at 47x/39x FY26E/FY27E EPS. We reiterate a BUY rating on the stock and value it at 50x Sep'26E EPS to arrive at our TP of INR8,340.

Revenue & EBITDA up 30%/4% YoY; OPM contracts 3pp YoY to 11.5%

- Consolidated revenue/EBITDA/PAT stood at INR55.0b/INR6.3b/INR4.4b (up 30%/4%/3% YoY and up 10%/ down 4%/4% vs. our estimates). Gross margin contracted 3.6pp YoY to ~24%. OPM contracted 3.0pp YoY to 11.5%. Ad spending stood at 0.6% of revenue vs. 1.1% in 2QFY24.
- Segmental highlights: **C&W's** revenue rose 24% YoY to INR47.2b and EBIT grew 4% YoY to INR5.8b. However, the EBIT margin contracted 2.3pp YoY to ~12%. **FMEG's** revenue rose 20% YoY to INR4.0b. Its loss increased to INR252m vs. INR60m/INR28m YoY/QoQ. **EPC and others'** revenue rose 4.6x YoY (+3% QoQ) to INR3.8b. EBIT also jumped 4.6x YoY/19% QoQ to INR507m and EBIT margin was flat YoY at ~13%.
- In 1HFY25, revenue/EBITDA/PAT grew ~26%/5%/1% YoY. OPM contracted 2.4pp YoY to ~12%. Based on our estimates, the implied revenue/EBITDA/PAT growth for 2HFY25 is ~16%/9%/9%. We estimate EBITDA margin at 12.5% vs. 13.4%/12.0% in 2HFY24/1HFY25. OCF stood at INR13.3b vs. INR2.9b in 1HFY24, led by higher acceptances. Net cash balance stood at INR24.3b vs. INR21.4b as of Mar'24.

Key highlights from the management commentary

- The growth of the wires business outpaced that of the cables business. Volume growth of the wires business stood at 20-25% YoY, whereas that of the cables business was in the low teens.
- The company is focused on increasing its switchgear contribution in the FMEG business due to better margins. Within the next five years, it aims to be among the top three players in the switchgear segment.
- Capex stood at INR2.9b in 2Q and INR5.7b in 1HFY25. Capex is pegged at INR10-12b in FY25/FY26.

Valuation and view

- POLYCAB reported industry-leading revenue growth, supported by its leadership position in the C&W segment. However, margin contraction was higher than our estimate due to increased competitive intensity in the retail wires segment, as industry players seek to maximize volume growth during higher demand. We estimate margins to expand with some stability in commodity prices and growth in its retail distribution and exports businesses.
- We estimate POLYCAB’s revenue/EBITDA/PAT CAGR at 17%/16%/15% over FY24-27. The company continues to generate healthy free cash flows despite higher capex and remains a net cash positive company. We estimate a cumulative FCF generation of INR27b during FY25-27 and its net cash balance to increase to INR37b by FY27 vs. INR24b as of Sep’24. **We reiterate our BUY rating on POLYCAB with a TP of INR8,340 (based on 50x Sep’26E EPS).**

Quarterly performance

Y/E March	FY24				FY25E				FY24	FY25E	MOFSL	INR m
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE	2QE	Var.
Sales	38,894	42,177	43,405	55,919	46,980	54,984	51,905	63,356	1,80,394	2,17,226	49,785	10.4%
Change (%)	42.1	26.6	16.8	29.3	20.8	30.4	19.6	13.3	27.9	20.4	18.0	
EBITDA	5,486	6,089	5,695	7,615	5,834	6,316	6,969	7,488	24,918	26,606	6,610	-4.5%
Change (%)	76.3	42.4	13.0	24.9	6.3	3.7	22.4	-1.7	34.5	6.8	8.6	
EBITDA Margin (%)	14.1	14.4	13.1	13.6	12.4	11.5	13.4	11.8	13.8	12.2	13.3	-179
Depreciation	571	603	619	657	671	721	706	492	2,450	2,590	678	
Interest	249	268	322	244	413	453	460	486	1,083	1,812	380	
Other Income	640	353	710	538	584	762	790	764	2,209	2,900	550	
Share of JV's Loss	-	-	-	-	-	-	-	-	-	-	-	
PBT	5,305	5,572	5,464	7,253	5,334	5,903	6,592	7,274	23,593	25,104	6,103	-3.3%
Tax	1,273	1,274	1,299	1,718	1,317	1,451	1,615	1,766	5,564	6,150	1,495	
Effective Tax Rate (%)	24.0	22.9	23.8	23.7	24.7	24.6	24.5	24.3	23.6	24.5	24.5	
MI	35	42	37	75	57	54	55	23	189	189	45	
Exceptional	-	-	-	-	-	-	-	-	0	0	-	
Reported PAT	3,996	4,256	4,129	5,460	3,960	4,398	4,922	5,485	17,841	18,765	4,562	-3.6%
Change (%)	81.8	58.9	15.4	28.6	-0.9	3.3	19.2	0.5	40.4	5.2	7.2	
Adj. PAT	3,996	4,256	4,129	5,460	3,960	4,398	4,922	5,485	17,841	18,765	4,562	-3.6%
Change (%)	81.8	58.9	15.4	28.6	-0.9	3.3	19.2	0.5	40.4	5.2	7.2	

Segmental performance

Y/E March	FY24				FY25				FY24	FY25E	MOFSL	INR m
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE	2QE	Var.
Sales												
Cable and Wires	35,338	38,047	39,041	48,647	39,421	47,200	44,897	56,131	1,61,073	1,87,649	43,754	7.9%
ECDs	3,145	3,300	2,962	3,581	3,855	3,975	3,258	3,459	12,989	14,547	3,531	12.6%
Others (incl. EPC)	411	830	1,402	3,691	3,704	3,809	3,750	3,766	6,333	15,029	2,500	52.4%
EBIT												
Cable and Wires	5,223	5,547	5,474	7,363	4,967	5,793	5,837	7,610	23,607	24,207	5,688	1.8%
ECDs	(57)	(60)	(366)	(459)	(28)	(252)	(195)	(179)	(942)	(655)	(35)	NA
Others (incl. EPC)	85	110	340	265	425	507	431	441	801	1,804	250	102.6%
EBIT Margin (%)												
Cable and Wires	14.8	14.6	14.0	15.1	12.6	12.3	13.0	13.6	14.7	12.9	13.0	(73)
ECDs	(1.8)	(1.8)	(12.4)	(12.8)	(0.7)	(6.4)	(6.0)	(5.2)	(7.3)	(4.5)	(1.0)	(535)
Others (incl. EPC)	20.6	13.3	24.3	7.2	11.5	13.3	11.5	11.7	12.6	12.0	10.0	330



ICICI Lombard

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ICICIGI IN
Equity Shares (m)	493
M.Cap.(INRb)/(USDb)	999.8 / 11.9
52-Week Range (INR)	2302 / 1332
1, 6, 12 Rel. Per (%)	-4/5/22
12M Avg Val (INR M)	1491

Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
NEP	201.2	237.0	273.6
U/W Profit	-10.4	-10.7	-10.2
PBT	32.0	38.2	48.2
PAT	24.0	28.7	36.2
EPS (INR/share)	48.8	58.2	73.4
EPS Growth (%)	25.2	19.4	26.2
BVPS (INR/share)	275.2	317.1	374.3

Ratios (%)

Claims	71.2	70.9	70.5
Commission	17.4	17.3	17.2
Expense	14.1	13.9	13.5
Combined	102.7	102.1	101.3
RoE	18.8	19.6	21.2

Valuations

P/E (x)	41.4	34.7	27.5
P/BV (x)	7.3	6.4	5.4

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	51.8	51.3	48.0
DII	17.3	16.1	18.3
FII	23.9	23.1	22.0
Others	7.0	9.6	11.7

FII includes depository receipts

CMP: INR2,021 TP:INR2,400 (+19%) Buy

Combined ratio higher than estimates by ~200bp

- ICICIGI's GDP grew 11% YoY in 2QFY25 to INR69b (3% miss). NEP grew 17% YoY to INR50b (3% ahead of our estimates).
- **Claims ratio** was largely in line with our estimate at 71.4% (vs. 70.7% in 2QFY24). On a sequential basis, the **commission ratio** increased ~50bp to 17.5% in 2QFY25 from 15% in 1QFY25 (our est. 17%). **The expense ratio** increased to 15.6% from 13.3% in 1QFY25 (est. 14%).
- A higher-than-expected expense ratio led to a miss in the **combined ratio** at 104.5% (est. 102.5%) compared to 103.9% in 2QFY24.
- **PAT** grew 20% YoY to INR6.9b (2% miss).
- The management expects the momentum in the auto segment to pick up during the festive season and investments in the health business to yield results over the medium term. Combined ratio guidance of 101.5% in 4QFY25 is maintained.
- We have cut our FY25/FY26 earnings estimates by 4% each on the back of weaker-than-expected performance in 2QFY25. **Reiterate BUY with a TP of INR2,400 (based on 36x Sept'26E EPS).**

Higher-than-expected underwriting losses offset by total income

- **Gross domestic premium** income grew 11% YoY in 2QFY25 to INR69b. For 1HFY25, GDP came in at INR148.8b (+15% YoY). For 2HFY25, we expect GDP of INR149.9b (+18% YoY).
- **NEP** growth of 17% YoY was driven by 22% YoY growth in health (including PA) and marine NEP, followed by 18% YoY growth in crop NEP and 14% YoY growth in motor NEP.
- **Underwriting losses** stood at INR1.6b vs. losses of INR1.5b in 2QFY24 (vs. est. loss of INR1.2b). Total investment income rose 14% YoY to INR11b, in line with our estimate.
- **Claims ratio** came in at 71.4% vs. 74% in 1QFY25 (our est. 71.5%). The loss ratio for the Motor OD segment rose to 65.9% from 64.1% in 2QFY24, and for the Motor TP segment, it increased to 60.2% from 60% in 2QFY24. The Health segment's loss ratio was 83.8% vs. 82.3% in 2QFY24.
- **Combined ratio** stood at 103.2% for 1HFY25 vs. 103.8% for 1HFY24. Excluding the NATCAT impact of INR0.94b in 1HFY25 and INR0.83b in 1HFY24, the combined ratio stood at 102.2% and 102.7%, respectively.
- Total investment income rose 14% YoY to INR11b (in line).
- In 1HFY25, NEP/PAT stood at INR95.3b/INR12.7b, up 16%/32% YoY. For 2HFY25, we expect NEP/PAT of INR105.9b/INR11.3b, up 22%/19% YoY.
- **Solvency ratio** was 2.65 vs. 2.56 in 1QFY25.

Highlights from the management commentary

- The net commission ratio was elevated on account of the business mix, a cautious approach to the commercial lines segment, and unfavorable reinsurance commission rates. Focus is to maintain EoM within 30%.

- Auto sales for the quarter remained muted. On the PV side (50%+ of the book), growth was impacted by a higher base, whereas 2Ws witnessed a recovery (still at pre-Covid level of ~80-85%). CV growth will depend on the industry growth. The management expects single-digit growth in auto sales in 2HFY25 amid the festive season.
- The Retail health segment’s market share grew to 3.5% from 2.1%, led by a good response to the retail product ‘Elevate’, while the group business moderated due to pricing pressure.

Valuation and view: Reiterate BUY

Going forward, the festival season is expected to drive a pickup in auto sales, with expectations of single-digit growth. The health segment, especially retail health, continues to gain traction and garner market share after the new product launch. ICICI continues to focus on cautious selection of business pools, especially in the commercial segment, to achieve profitable growth. The management continues to guide for market-leading performance and also maintains combined ratio guidance of 101.5% for 4QFY25. We have cut our FY25/FY26 earnings estimates by 4% each on the back of weaker-than-expected performance in 2QFY25. **Reiterate BUY with a TP of INR2,400 (based on 36x Sept’26E EPS).**

Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	2QFY25E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Gross premium	66,221	62,723	64,366	62,631	79,311	69,483	75,308	74,542	2,55,942	2,98,644	71,504	-2.8	11%	-12%
Net written premium	44,676	42,401	46,907	47,672	53,605	48,355	56,481	58,411	1,81,656	2,16,852	48,623	-0.6	14%	-10%
Net earned premium	38,873	43,061	43,048	43,683	45,039	50,256	52,528	53,407	1,68,665	2,01,230	48,623	3.4	17%	12%
Investment Income + Trf from SH A/C	6,507	7,431	6,983	7,935	8,481	8,251	8,309	8,614	28,856	33,654	8,566	-3.7	11%	-3%
Total Income	45,380	50,492	50,031	51,617	53,520	58,507	60,836	62,022	1,97,521	2,34,884	57,189	2.3	16%	9%
Change YoY (%)	14.1	12.2	14.7	-1.8	17.9	15.9	21.6	20.2	9.2	18.9	13.3			
Incurred claims	28,815	30,451	30,141	29,987	33,344	35,870	37,295	36,781	1,19,395	1,43,290	34,765	3.2	18%	8%
Net commission	5,564	7,371	8,457	9,499	8,045	8,447	9,884	11,382	30,890	37,758	8,266	2.2	15%	5%
Opex	7,689	6,698	7,274	6,516	7,116	7,548	8,190	7,707	28,177	30,561	6,807	10.9	13%	6%
Total Operating Expenses	42,068	44,521	45,871	46,002	48,505	51,865	55,369	55,871	1,78,462	2,11,609	49,839	4.1	16%	7%
Change YoY (%)	14.9	11.6	12.3	15.7	15.3	16.5	20.7	21.5	13.6	18.6	11.9			
Underwriting profit	-3,195	-1,460	-2,823	-2,319	-3,466	-1,609	-2,841	-2,463	-9,797	-10,379	-1,216	32.4	N.A	N.A
Operating profit	3,312	5,972	4,160	5,616	5,015	6,642	5,468	6,151	19,059	23,275	7,351	-9.6	11%	32%
Shareholder's P/L														
Transfer from Policyholder's	3,312	5,972	4,160	5,616	5,015	6,642	5,468	6,151	19,059	23,275	7,351	-9.6	11%	32%
Investment income	1,856	2,219	2,088	2,337	2,529	2,755	2,672	2,980	8,500	10,936	2,658	3.7	24%	9%
Total Income	5,168	8,190	6,248	7,953	7,544	9,397	8,139	9,131	27,559	34,211	10,009	-6.1	15%	25%
Total Expenses	-32	554	511	975	-196	207	550	1,619	2,007	2,180	545	-62.0	-63%	NA
PBT	5,200	7,637	5,737	6,978	7,740	9,190	7,589	7,512	25,552	32,030	9,464	-2.9	20%	19%
Change YoY (%)	11.8	25.3	23.3	21.9	48.8	20.3	32.3	7.7	21.0	25.4	23.9			
Tax Provisions	1,297	1,864	1,423	1,783	1,936	2,251	1,897	1,923	6,365.9	8,007.6	2,366	-4.9	21%	16%
Adj Net Profit	3,904	5,773	4,315	5,195	5,804	6,940	5,692	5,589	19,186	24,023	7,098	-2.2	20%	20%
Change YoY (%)	11.8	24.8	22.4	18.9	48.7	20.2	31.9	7.6	19.8	25.2	23.0			
Rep Net Profit	3,904	5,773	4,315	5,195	5,804	6,940	5,692	5,589	20,466	24,023	7,098	-2.2	20%	20%
Key Parameters (%)														
Claims ratio	74.1	70.7	70.0	68.6	74.0	71.4	71.0	68.9	70.8	71.2	71.5	-12bp	0.7	-2.7
Commission ratio	12.5	17.4	18.0	19.9	15.0	17.5	17.5	19.5	17.0	17.4	17.0	47bp	0.1	2.5
Expense ratio	17.2	15.8	15.5	13.7	13.3	15.6	14.5	13.2	15.5	14.1	14.0	161bp	-0.2	2.3
Combined ratio	103.8	103.9	103.6	102.2	102.3	104.5	103.0	101.6	103.3	102.7	102.5	195bp	0.6	2.1
Solvency	2.53	2.59	2.57	2.62	2.56	2.65			2.9	2.9	0.0			



BSE SENSEX 81,225 S&P CNX 24,854



Stock Info

Bloomberg	NMDC IN
Equity Shares (m)	2931
M.Cap.(INRb)/(USDb)	678.3 / 8.1
52-Week Range (INR)	286 / 149
1, 6, 12 Rel. Per (%)	11/-15/17
12M Avg Val (INR M)	3475
Free float (%)	39.2

Financials Snapshot (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	257	273	306
Adj EBITDA	94	105	120
Adj. PAT	73	79	89
EBITDA Margin (%)	37	38	39
Cons. Adj. EPS (INR)	25	27	30
EPS Gr. (%)	26	9	12
BV/Sh. (INR)	105	123	145

Ratios

Net D:E	-0.4	-0.4	-0.4
RoE (%)	25.8	23.8	22.6
RoCE (%)	31.7	29.9	28.8
Payout (%)	31.2	31.3	28.1

Valuations

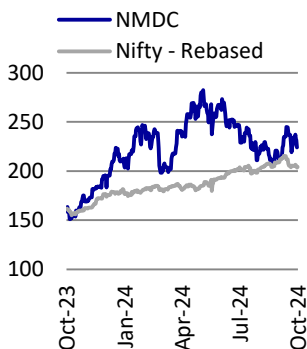
P/E (x)	9.3	8.5	7.6
P/BV (x)	2.2	1.9	1.6
EV/EBITDA(x)	6.0	5.1	4.2
Div. Yield (%)	3.3	3.7	3.7

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	60.8	60.8	60.8
DII	14.3	14.1	18.0
FII	12.8	12.6	7.0
Others	12.1	12.5	14.2

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR231 TP:INR290 (+25%) BUY

Rising steel demand, capacity expansion to boost growth Volume growth to be robust in 2HFY25

- In 2QFY25, NMDC reported production volume of 8.3mt, down 10% QoQ and 6% YoY, totaling 17.5mt for 1HFY25 (down 11% YoY). Weak volume growth was due to a heavy monsoon. NMDC has maintained its production target of 50mt for FY25 and expects volumes to ramp up significantly in 2HFY25.
- NMDC took a cumulative price cut of INR1,000 per ton during Jun-Aug'24 for lumps/fines to INR5,350/INR4,610 per ton, considering weak global prices and subdued steel demand due to monsoon. Recently, NMDC announced a price hike of INR400/t for both lump and fines in Oct'24.

Robust capex to support volume momentum; incremental EC to drive volumes beyond FY26

- NMDC is undertaking multiple capex projects to augment ore production, improve the product mix and enhance mining capacities.
- The 15mt slurry pipeline from Bailadila to Nagarnar is progressing well with almost all approvals received. Out of 131km, ~73km has already been laid and the rest to be done soon.
- As of now, NMDC's total EC limit is ~51mt, of which ~19mt each is in Kirandul and Bacheli, and the rest in Karnataka.
- NMDC has got 1.5mt EC for Kumaraswamy mines and is trying to take 10mt, which will take its total capacity to 64mt by next year.
- NMDC plans to enhance EC at Kirandul and Bacheli to 30-35mt over the next 4-5 years.

Valuation and view

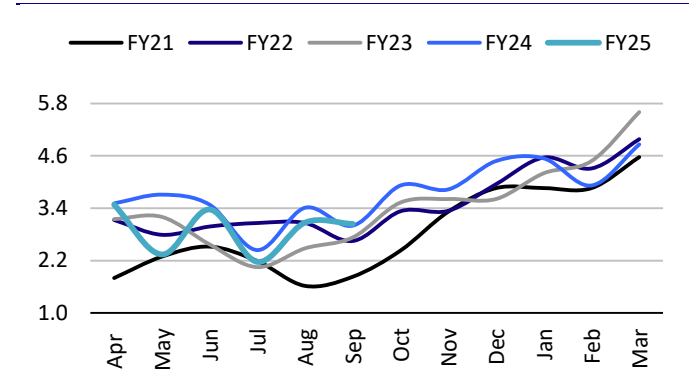
- India domestic crude steel capacity reached ~168mt in FY24 with capacity utilization of 82%. This would translate into iron ore demand of ~280mt during FY24, with NMDC holding a market share of about 16%. As crude steel capacity rises to 300mt by FY30-31, total demand for iron ore would be ~435-445mt. We believe NMDC is well placed to capitalize on the opportunities ahead.
- NMDC has planned capex for various evacuation and capacity enhancement projects, which are expected to improve the product mix and increase its production capacity to ~100mt by FY29-30E.
- At CMP, NMDC trades at 4.2x FY27E EV/EBITDA and 1.6x FY27E P/B. We reiterate our BUY rating on the stock with a TP of INR290, valued at 5.5x FY27E EV/EBITDA.
- **Key risks:** 1) More than 100 iron ore blocks have been auctioned since FY16; when the remaining captive mines become operational, it would lead to an increase in the supply of iron ore, thus increasing the competition for NMDC; 2) NMDC relies heavily on a few customers, which exposes the company to business risk.

100mt volumes under NMDC 2.0 strategy

Mine	State	Area in Ha	Lease validity
Bailadila Deposit – 11 (A,B & C)	Chhattisgarh	874.92	10/09/2037
Bailadila Deposit – 14	Chhattisgarh	322.37	11/09/2035
Bailadila Deposit – 14NMZ	Chhattisgarh	506.74	06/12/2035
Bailadila Deposit – 5	Chhattisgarh	540.05	10/09/2035
Bailadila Deposit – 10	Chhattisgarh	309.24	10/09/2035
Donimalai	Karnataka	597.54	03/11/2038
Kumaraswamy	Karnataka	639.80	17/10/2042

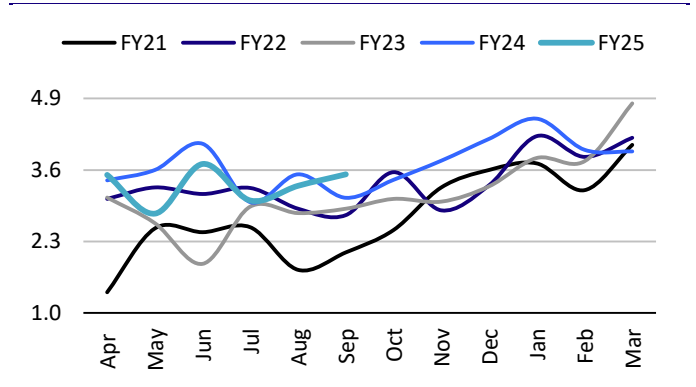
Source: MOFSL, Company

2QFY25 monthly production (mt) fell QoQ



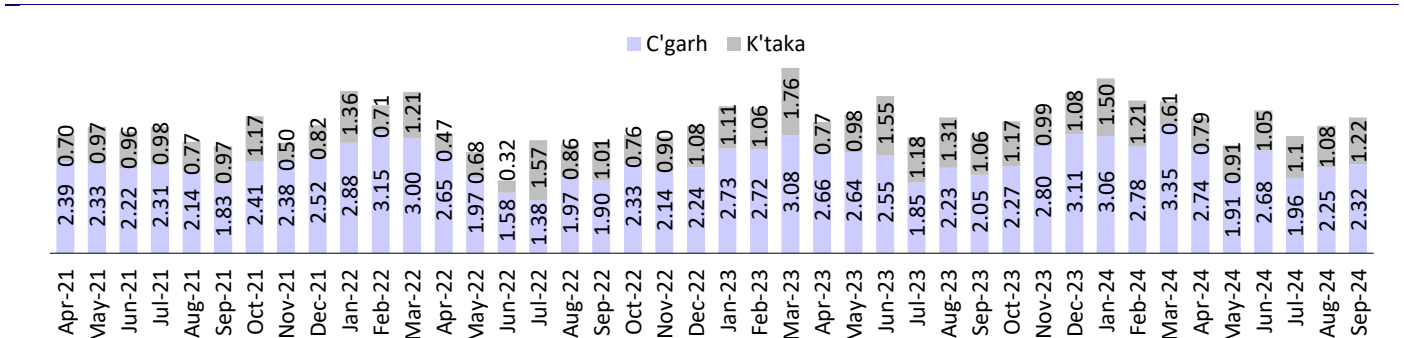
Source: MOFSL, Company

Sales (mt) declined QoQ in 2QFY25



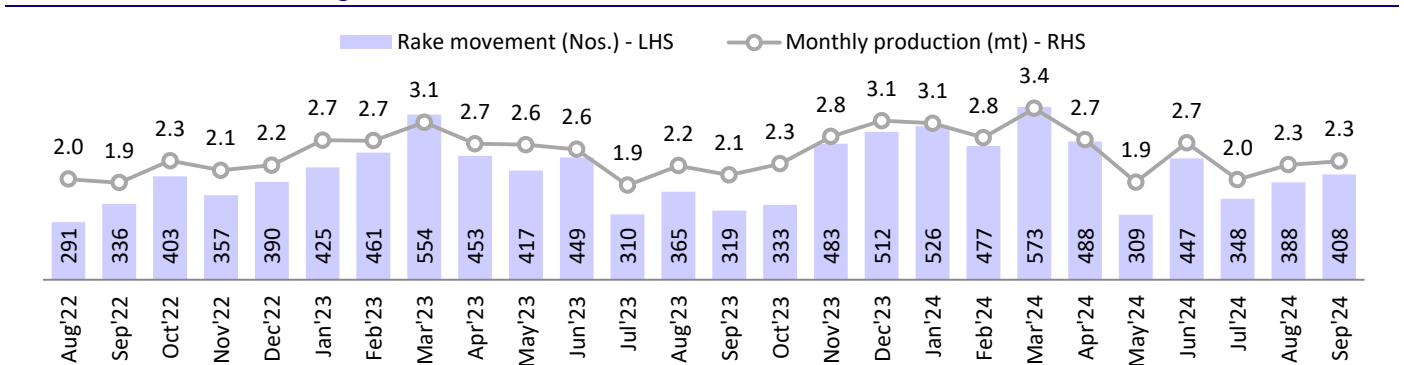
Source: MOFSL, Company

Sales volume mix between Chhattisgarh and Karnataka (in mt)



Source: MOFSL, Company

Rake movement from Chhattisgarh mines



Source: MOFSL, SteelMint, Company



Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR166 TP: INR131 (-21%) Sell

Disappointing performance continues

Bloomberg	MRPL IN
Equity Shares (m)	1753
M.Cap.(INRb)/(USDb)	290.1 / 3.5
52-Week Range (INR)	289 / 93
1, 6, 12 Rel. Per (%)	-11/-39/28
12M Avg Val (INR M)	1401

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E	FY27E
Sales	904	879	845	851
EBITDA	78	23	49	52
Adj. PAT	36	4	17	20
Adj. EPS (INR)	20.5	2.2	9.9	11.4
EPS Gr. (%)	36.6	-89.4	356.0	14.9
BV/Sh.(INR)	75.6	77.3	85.3	94.4

Ratios

Net D:E	0.9	0.8	0.6	0.5
RoE (%)	31.2	2.8	12.2	12.7
RoCE (%)	16.9	4.2	9.1	9.7
Payout (%)	14.6	20.0	20.0	20.0

Valuation

P/E (x)	8.1	76.1	16.7	14.5
P/BV (x)	2.2	2.1	1.9	1.8
EV/EBITDA (x)	5.3	17.7	7.9	7.0
Div. Yield (%)	1.8	0.3	1.2	1.4
FCF Yield (%)	18.9	7.7	10.0	10.5

Shareholding pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	88.6	88.6	88.6
DII	1.5	1.5	1.1
FII	1.7	2.3	1.5
Others	8.2	7.6	8.8

FII Includes depository receipts

- MRPL reported a substantial miss vs. our estimates in 2QFY25 due to a weak refining performance, with GRM coming in at USD0.5/bbl (our estimate: USD5/bbl). The weakness in 2QFY25 financial performance was likely a result of weaker core GRM as well as inventory loss coming in higher than our estimate (USD2.5/bbl).

- Following the weak 2QFY25 result, we cut our FY25 EBITDA by 50% as we temper our GRM assumption to USD4.5/bbl (earlier: USD6.6/bbl). We also reduce our FY26 EBITDA by 24% and revised our GRM assumption to USD6.9/bbl (earlier: USD8.4/bbl). Further, we model a throughput of 17mmt for FY25/FY26. In 1HFY25 company has reported a net loss of INR 6.1bn while in 2HFY25 we are building in moderate improvement in refining GRM (due to seasonally stronger winter months) leading to 2HFY25 PAT of INR 10bn.

- Following this downward earnings revision, our revised TP stands at INR131, premised on 6x Dec'26E EV/EBITDA. In Oct'24TD, Singapore GRM (SG GRM) has been 24% lower than 2Q, averaging at USD2.7/bbl and oil demand growth is likely to remain weak in CY25 at ~1mb/d. As such, we do not foresee a sharp turnaround in the refining cycle in the near to medium term.

- We believe a strong FCF generation of INR22.3b/INR29.1b in FY25/26 and a reduction in debt will result in a decline in the net debt-to-equity ratio to 0.6x by the end of FY26 (vs. 0.89x currently). MRPL earlier guided INR80b of capex over the next five years towards:

- increasing petchem integration from 10.0% to 12.5%,
- expanding total retail outlets to 1,000 by FY27 (from 100 currently), and
- launching isobutyl-benzene, with a pilot plant already awarded

- However, at 1.9x FY26E P/B (FY26E RoE: 12.2%), we believe valuations for MRPL remain elevated. **We reiterate our Sell rating, implying a 21% potential downside from the CMP.**

Weak core GRM; inventory loss leads to earnings miss

- The refining throughput was in line with our est. at 4.6mmt (up 43% YoY) in 2QFY25.

- However, reported GRM came in at USD0.55/bbl (vs. our est. of USD5/bbl). The sharp variance vs. our estimate was likely due to weaker core GRM as well as inventory loss. We were building in inventory loss of ~USD 2.5/bbl.

- The GRM was a sharp deterioration over 1QFY25 (reported GRM: USD 4.7/bbl) despite Singapore GRM remaining stable on a q-q basis.

- 2QFY25 profitability was also impacted by forex loss of INR 0.4bn.

- Resultant EBITDA stood at negative INR4.3b (vs. our est. of positive INR8.3b). Net loss came in at INR6.8 (vs. our est. PAT of INR1.8b).

- Other highlights:

- The Devangonhi marketing terminal was commissioned in Aug'24, and HSD tanker loading has also commenced via this terminal.

Valuation and view

- The stock is currently trading at FY26E EV/EBITDA of 7.9x. Additionally, the dividend yield is expected to be a meager 0.3%/1.2% in FY25/FY26 at the current price. Our GRM assumptions of USD6.4/bbl for 2HFY25 are also at the higher end of what the company has delivered historically.
- We value the stock at 6x Dec'26E EBITDA of INR51.4b to arrive at our TP of INR131. **We reiterate our Sell rating.**

Standalone - Quarterly Earnings Model

Y/E March	FY24					FY25			FY24	FY25E	FY25	Var. (%)
	2Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE		
Net Sales	192.3	192.3	246.7	253.3	232.5	249.7	208.2	188.3	904.0	878.7	227.2	10%
YoY Change (%)	-21.9	-21.9	-7.1	-0.1	20.9	29.8	-15.6	-25.7	-16.9	-2.8	18.2	
EBITDA	22.4	22.4	11.8	23.4	6.2	-4.3	11.6	9.2	78.3	22.6	8.3	PL
Margin (%)	11.7	11.7	4.8	9.2	2.7	-1.7	5.6	4.9	8.7	2.6	3.7	
Depreciation	3.0	3.0	3.3	3.3	3.4	3.4	3.6	4.1	12.6	14.5	3.6	
Forex loss	1.0	1.0	0.2	0.1	0.1	0.4	0.0	0.0	1.3	0.5	0.0	
Interest	3.1	3.1	2.7	2.6	2.1	2.8	2.5	2.5	11.1	10.0	2.3	
Other Income	0.7	0.7	0.4	0.4	0.4	0.6	2.0	5.0	2.1	8.1	0.4	
PBT before EO expense	16.1	16.1	5.9	17.7	1.0	-10.4	7.5	7.6	55.3	5.7	2.7	PL
PBT	16.1	16.1	5.9	17.7	1.0	-10.4	7.5	7.6	55.2	5.7	2.7	PL
Tax	5.5	5.5	2.0	6.3	0.4	-3.6	2.6	2.6	19.3	1.9	0.9	
Rate (%)	34.0	34.0	34.5	35.6	34.8	34.5	34.0	34.0	34.9	33.3	34.0	
Reported PAT	10.6	10.6	3.9	11.4	0.7	-6.8	5.0	5.0	36.0	3.8	1.8	PL
YoY Change (%)	LP	LP	LP	-40.1	-93.8	PL	28.1	-56.0	36.6	-89.4	-83.1	
Margin (%)	5.5	5.5	1.6	4.5	0.3	-2.7	2.4	2.7	4.0	0.4	0.8	
Key Assumptions												
Refining throughput (mmt)	3.2	3.2	4.4	4.6	4.4	4.6	4.3	3.8	12.2	17.0	4.5	3%
Reported GRM (USD/bbl)	17.1	17.1	5.0	11.4	4.7	0.6	6.4	6.4	11.2	4.5	5.0	-89%

Year-end: March (INRm)	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Exchange Rate (USD/INR)	70.0	70.9	74.3	74.5	80.4	82.8	84.0	84.9	85.0
Brent Crude (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	78.7	75.0	75.0
Capacity (mmt)	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Throughput (mmt)	16.4	14.2	11.5	14.9	17.2	16.0	17.0	17.0	17.0
Utilization (%)	110%	94%	77%	99%	115%	107%	113%	113%	113%
MRPL Core GRM (USD/bbl)	4.1	(0.3)	3.0	7.9	9.7	10.8	4.5	6.9	7.4
Singapore	4.9	3.2	0.5	5.0	10.7	6.6	4.9	6.0	6.0
Premium/discount	(0.7)	(3.5)	2.5	2.9	(0.9)	4.2	(0.4)	0.9	1.4
EPS	2.1	(23.6)	(4.3)	17.0	15.0	20.5	2.2	9.9	11.4



Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR3013 TP: INR3500 (+16%) Buy

Churn in lower-rung accounts persists

But strong margins in the interim provide some respite

Bloomberg	INMART IN
Equity Shares (m)	60
M.Cap.(INRb)/(USD\$)	180.7 / 2.1
52-Week Range (INR)	3199 / 2229
1, 6, 12 Rel. Per (%)	3/6/-19
12M Avg Val (INR M)	739

■ IndiaMART (INMART) reported 2QFY25 revenue growth of 18% YoY/5% QoQ, in line with our estimate of 18.8% YoY growth. Collection growth was soft at 6% YoY to INR3.5b. Deferred revenue rose 19% YoY to INR14.8b. EBITDA margin expanded ~270bp QoQ, above our estimates of 31.1%, driven by lower employee expenses and outsourced sales costs. For 1HFY25, revenue/EBITDA/PAT grew 17.7%/61.8%/63.6% compared to 1HFY24. We expect revenue/EBIT/PAT to grow by 18.0%/24.9%/2.0% YoY in 2HFY25. Adj. PAT was INR1,352m, up 19% QoQ/96% YoY, beating our estimate of INR966mn.

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	14.1	16.4	19.9
EBITDA	4.7	5.1	6.4
Adj. PAT	4.3	4.8	6.1
Adj. EPS (INR)	72.2	80.0	100.8
Adj. EPS Gr. (%)	30%	11%	26%
BV/Sh. (INR)	348.4	406.3	466.2

Ratios

RoE (%)	22.6	21.2	23.1
RoCE (%)	25.5	23.7	25.3
Payout (%)	18.3	27.7	40.9

Valuations

P/E (x)	41.3	37.3	29.6
P/BV (x)	8.6	7.3	6.4

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	49.2	49.2	49.2
DII	11.8	10.6	5.6
FII	23.4	23.1	26.9
Others	15.6	17.1	18.3

FII Includes depository receipts

Our view: Gold and platinum accounts still strong

- Despite decent price increases (ARPU up 14% YoY), the churn in Gold and Platinum accounts remained minimal. Nonetheless, the company continued to witness a higher-than-anticipated churn in the silver bucket, which is a key concern.
- **Collection growth sees another soft quarter:** Collection growth was weak at 6% YoY, impacted by sales execution issues. Historically, the company has reported single-digit collection growth only 3-4 times, and the management remains focused on improving sales execution to drive stronger collections in the short term. While this could well be the bottom, we believe collections could continue to be soft for the short term.
- **Platinum and gold customers strong:** Platinum and gold customers, making up ~50% of the customer base and 75% of revenue, continued to exhibit a low churn and strong growth in ARPU and collections. We expect these top-paying accounts to remain stable.
- **Margins:** INMART's margin expansion was attributed to low supplier additions and cost-optimization initiatives. We believe, as customer growth picks up, customer addition costs will increase, leading to normalized margins. The margin expansion will normalize to gradual operating leverage inherent in the business. A sustainable margin range is expected to be around 34-35%. Hence, we expect margin to contract going forward in the medium term.

Valuation and change in estimates

- We estimate EBITDA margin of 33.4%/31.0%/32.1% for FY25/FY26/FY27. This, in turn, should drive a 21% PAT CAGR over FY23-25E. We expect INMART to deliver a 22% revenue CAGR over FY25-27, aided by sustained paying subscriber additions and strong growth in deferred revenue.
- We continue to see INMART as a key beneficiary of the technology adoption by India's MSME universe and a shift to a formalized ecosystem. We believe that the company is poised to drive significant value, owing to its industry-leading position in the segment. We value INMART on a DCF basis to arrive at our TP of INR3,500, assuming 11.5% WACC and 6% terminal growth.

Maintain BUY.

In-line revenues and beat on margins; ARPU up 14% YoY

- INMART reported 2QFY25 revenue of INR3.4b, growth of 18.0% YoY vs. our estimate of 18.8%.
- Collections stood at INR3.56b (+6% YoY). Deferred revenue rose 19% YoY to INR14.9b.
- It added 2.4k paying subscribers QoQ. ARPU grew 14% YoY to INR61k.
- EBITDA margin was 38.7%, up 270bp QoQ and above our estimate of 31.1%, on the back of lower employee expenses and outsourced sales costs.
- Adj. PAT was INR1,352m, up 19% QoQ/96% YoY, beating our estimate of INR966m due to higher other income and lower depreciation.
- Traffic was flat YoY at 287m. Total suppliers on the platform stood at 8m, up 5% YoY.
- Total cash and investments stood at INR24.4b.

Highlights from the management commentary

- Unique business inquiries grew 14% YoY to 28m. The total number of paying subscribers rose to 218,000.
- Gold and platinum customers make up 50% of the total customer base and 75% of realized revenue. Revenue and collections from gold and platinum customers were mostly in line.
- The company added 2,400 new customers in 2Q (vs. 1,600 in 1Q). However, the company continued to see more-than-anticipated churn in the silver bucket.
- The increase in the net customer base remained flat, reflecting in collection growth. Low collection growth was due to sales execution issues.
- Traffic growth is less reliable due to an increase in bot activity.
- IndiaMart used to share buyer details with six suppliers, now reduced to 5-5.5 suppliers. However, as churn persists, the company is looking to increase the number of suppliers per buyer.
- Margin expansion was due to organic operating leverage, certain cost-optimization initiatives and savings due to lower customer acquisitions. As customer growth picks up, the margin expansion will normalize to gradual operating leverage inherent in the business.

Valuation and View

- We are confident of strong fundamental growth in operations, propelled by: 1) higher growth in digitization among SMEs, 2) the need for out-of-the-circle buyers, 3) a strong network effect, 4) over 70% market share in the underlying industry, 5) the ability to improve ARPU on low price sensitivity, and 6) higher operating leverage.
- Our estimates are largely unchanged. We value INMART on a DCF basis to arrive at our TP of INR3,500, assuming 11.5% WACC and 6% terminal growth. Our TP implies a 17% potential upside. **We reiterate our BUY rating on the stock.**

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Gross Sales	2,821	2,947	3,053	3,147	3,313	3,477	3,601	3,718	11,968	14,109	3,502	-0.7
YoY Change (%)	25.6	22.5	21.4	17.1	17.4	18.0	17.9	18.1	21.5	17.9	18.8	-90bp
Total Expenditure	2,048	2,150	2,200	2,260	2,120	2,130	2,562	2,583	8,658	9,395	2,415	-11.8
EBITDA	773	797	853	887	1,193	1,347	1,039	1,135	3,310	4,714	1,087	23.9
Margins (%)	27.4	27.0	27.9	28.2	36.0	38.7	28.9	30.5	27.7	33.4	31.1	770bp
Depreciation	74	80	84	127	81	82	90	93	365	345	91	-10
Interest	22	23	22	22	20	19	19	19	89	77	20	-5
Other Income	571	346	417	772	532	655	363	378	2,106	1,928	442	48
PBT before EO expense	1,248	1,040	1,164	1,510	1,624	1,901	1,294	1,401	4,962	6,219	1,419	34.0
Extra-Ord expense	18	0	0	0	0	0	0	0	18	0	0	
PBT	1,230	1,040	1,164	1,510	1,624	1,901	1,294	1,401	4,944	6,219	1,419	34.0
Tax	293	239	277	395	374	422	287	311	1,204	1,394	341	24
Rate (%)	23.8	23.0	23.8	26.2	23.0	22.2	22.2	22.2	24.4	22.4	24.0	-180bp
Minority Interest & Profit/Loss of Asso. Cos.	106	110	72	116	112	127	127	127	404	493	112	
Reported PAT	831	691	815	999	1,138	1,352	879	963	3,336	4,332	966	39.9
Adj PAT	849	691	815	999	1,138	1,352	879	963	3,354	4,332	966	39.9
YoY Change (%)	81.8	1.0	33.1	79.0	34.0	95.7	7.9	-3.6	44.5	29.2	39.9	5580bp
Margins (%)	30.1	23.4	26.7	31.7	34.3	38.9	24.4	25.9	28.0	30.7	27.6	1130bp

Key performance indicators

Y/E March	FY24				FY25		FY24
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue Indicators							
Paid Suppliers ('000)	208.0	210.0	212.0	214.0	216.0	218.0	214.0
ARPU ('000)	51.5	53.5	55.1	55.9	58.4	60.8	53.4
Cost Indicators							
Employees	4821	5,066	5,186	5,384	5729	5923	5384
Other Expenses (INR M)	488	460	460	491	460	440	1899



Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR205 TP: INR220 (+7%) Neutral

Weak quarter; fresh slippages remain high

Credit cost guidance increased to 2.6-3.0%

Bloomberg	RBK IN
Equity Shares (m)	606
M.Cap.(INRb)/(USDb)	124.7 / 1.5
52-Week Range (INR)	301 / 190
1, 6, 12 Rel. Per (%)	-1/-30/-41
12M Avg Val (INR M)	2307

- RBL Bank (RBK) reported 2QFY25 PAT of INR2.2b (12% miss, down 24% YoY), dragged down by high provisions.
- NII grew 9.5% YoY to INR16.2b (3% miss) as NIMs moderated 32bp QoQ to 5.35%.
- Advances grew at a modest 15.1% YoY/1.4% QoQ, while deposits increased by 6.5% QoQ (up 20.2% YoY). CASA mix improved to 33.6%.
- Fresh slippages increased to INR10.3b, mainly due to the microfinance and credit card (CC) segments. GNPA/NNPA ratios rose 19bp/5bp QoQ to 2.88%/0.79%. PCR moderated 15bp QoQ to 73%.
- We cut our EPS estimates by 20%/4% for FY25/FY26 and estimate FY26 RoA/RoE at 1.0%/10.7%. **Reiterate Neutral with a TP of INR220 (0.8x FY26E ABV).**

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	60.4	70.3	83.1
OP	30.3	37.4	46.4
NP	11.7	14.3	18.9
NIM (%)	5.1	5.1	5.1
EPS (INR)	19.3	23.6	31.3
EPS Gr. (%)	31.1	22.2	32.5
BV/Sh. (INR)	245	261	282
ABV/Sh. (INR)	235	252	271

Ratios

RoE (%)	8.2	9.3	11.5
RoA (%)	0.9	1.0	1.1

Valuations

P/E(X)	12.4	10.2	7.7
P/BV (X)	1.0	0.9	0.9
P/ABV (X)	1.0	1.0	0.9

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	0.0	0.0	0.0
DII	20.7	20.6	20.7
FII	28.5	25.1	25.9
Others	50.8	54.3	53.4

Deposit growth robust; margin moderates 32bp QoQ to 5.35%

- RBK reported a PAT of INR2.2b (12% miss, down 24% YoY) amid higher-than-expected provisions. In 1HFY25, earnings grew 2% YoY to INR5.9b and we estimate 2HFY25 earnings to decline 27% YoY to INR4.2b.
- NII grew 9.5% YoY to INR16.2b (3% miss). NIM moderated 32bp QoQ to 5.35%. NII was impacted by interest reversals and lower disbursements in microfinance.
- Other income grew 32% YoY to INR9.27b (9% beat). Treasury gains stood at INR1b vs. INR403m in 1QFY25. Opex grew 12.7% YoY to INR16.32b (3% below estimates). The C/I ratio, thus, improved 150bp QoQ to 64.2%. PPOp grew 24.5% YoY (8% beat) amid higher other income and slightly lower opex.
- Provisions jumped 69% QoQ to INR6.18b (23% above our estimates), due to higher slippages in CC and microfinance.
- Advances grew 15% YoY (up 1.4% QoQ) to INR879b, led by 24% YoY growth in retail loans vs. muted 2.9% YoY growth in the wholesale book. Housing loans rose 11% QoQ. Personal loans declined 3% QoQ, while credit cards grew 1% QoQ, with the mix of cards standing at 20% of loans.
- Deposits saw a steady growth of 6.5% QoQ (up 20.2% YoY). The CASA ratio improved 99bp QoQ to 33.6%. LCR declined to 129% during the quarter.
- Fresh slippages rose to INR10.3b mainly due to the microfinance and CC segments. GNPA/NNPA ratios rose 19bp/5bp QoQ to 2.88%/0.79%. PCR moderated 15bp QoQ to 73%. Restructured book declined to 0.38% (0.44% in 1QFY25).

Highlights from the management commentary

- LCR declined in 2Q and is a function of daily average. There has not been any change in assumptions / run-off factor.
- Net slippages break-up – INR6b in cards and INR2b in microfinance. On gross level: INR6.4b in cards and INR 2.4b in microfinance.
- RBK expects to clock a 20% CAGR in advances and deposits each.
- The bank raised its credit cost guidance for FY25 to 2.6-3.0%, with recovery expected from 4QFY25 onward.

Valuation and view

RBK reported a miss in 2Q earnings due to higher provisions and a 32bp QoQ moderation in margins. Asset quality ratios deteriorated during the quarter as slippages were high in the CC and microfinance segments. However, deposits saw a robust growth, with the CASA ratio improving sequentially and leading to a C/D ratio of 86.6%. Loan growth remains modest, but the management anticipates the momentum to gain traction and deposits growth to sustain at the current level. The credit cost was also high during the quarter and the management expects 3Q slippages and credit cost to be higher than the 2Q level. We cut our EPS estimates by 20%/4% for FY25/FY26 and estimate FY26 RoA/RoE at 1.0%/10.7%. **Reiterate Neutral with a TP of INR220 (premised on 0.8x FY26E ABV).**

Quarterly performance

	FY24				FY25E				FY24	FY25E	FY25E 2QE	V/s our Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Interest Income	14.2	14.7	15.5	16.0	17.0	16.1	16.3	17.2	60.4	66.6	16.7	-3%
% Change (Y-o-Y)	19.6	25.6	21.1	17.9	19.5	9.5	5.6	7.3	20.9	10.3	13.2	
Other Income	6.9	7.0	7.8	8.8	8.1	9.3	9.5	10.0	30.4	36.8	9	9%
Total Income	21.1	21.8	23.2	24.8	25.1	25.4	25.8	27.2	90.9	103.5	25	1%
Operating Expenses	14.6	14.5	15.6	15.9	16.5	16.3	16.5	16.9	60.6	66.3	17	-3%
Operating Profit	6.5	7.3	7.7	8.9	8.6	9.1	9.3	10.2	30.3	37.2	8	8%
% Change (Y-o-Y)	22.4	42.7	34.9	49.4	32.7	24.5	20.9	15.5	37.6	22.7	14.8	
Provisions	2.7	6.4	4.6	4.1	3.7	6.2	7.1	6.7	17.7	23.6	5	23%
Profit before Tax	3.8	0.9	3.1	4.7	4.9	2.9	2.2	3.6	12.6	13.6	3	-14%
Tax	0.9	-2.0	0.7	1.2	1.2	0.7	0.5	0.9	0.9	3.4	1	-19%
Net Profit	2.9	2.9	2.3	3.5	3.7	2.2	1.6	2.7	11.7	10.2	3	-12%
% Change (Y-o-Y)	43.2	45.9	11.5	30.1	29.0	-24.3	-30.4	-24.6	32.3	-12.5	-14.2	
Operating Parameters												
Deposit	856.4	897.8	927.5	1,034.9	1,013.5	1,079.6	1,132.7	1,202.6	1,034.9	1,202.6	1,068.5	
Loan	730.9	763.2	799.5	839.9	867.0	878.8	928.0	978.4	839.9	978.4	889.8	
Deposit Growth (%)	8.1	13.1	13.5	21.9	18.4	20.2	22.1	16.2	21.9	16.2	19.0	
Loan Growth (%)	21.3	21.3	19.9	19.6	18.6	15.1	16.1	16.5	19.6	16.5	16.6	
Asset Quality												
Gross NPA (%)	3.2	3.1	3.1	2.7	2.7	2.9	3.0	3.2	2.7	3.2	2.8	
Net NPA (%)	1.0	0.8	0.8	0.7	0.7	0.8	0.9	0.9	0.7	0.9	0.8	
PCR (%)	69.6	75.6	75.1	72.7	73.1	73.0	71.6	71.3	72.7	71.3	72.2	

E: MOFSL Estimates



Zee Entertainment

Estimate changes

TP change

Rating change



Bloomberg	Z IN
Equity Shares (m)	961
M.Cap.(INRb)/(USD\$b)	127.2 / 1.5
52-Week Range (INR)	300 / 125
1, 6, 12 Rel. Per (%)	3/-22/-75
12M Avg Val (INR M)	4242

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	86.4	84.6	91.4
EBITDA	9.1	11.7	14.5
Adj. PAT	4.3	6.9	9.2
EBITDA Margin (%)	10.5	13.9	15.9
Adj. EPS (INR)	4.5	7.2	9.6
EPS Gr. (%)	-4.9	59.2	32.9
BV/Sh. (INR)	113.2	118.5	126.3

Ratios

Net D:E	-0.1	-0.2	-0.3
RoE (%)	4.0	6.2	7.8
RoCE (%)	3.4	6.3	7.8
Payout (%)	0.0	25.4	18.8

Valuations

P/E (x)	28.8	18.1	13.6
P/B (x)	1.2	1.1	1.0
EV/EBITDA (x)	12.7	8.5	6.5
Div. Yield (%)	0.0	1.1	1.1

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	4.0	4.0	4.0
DII	22.5	35.6	40.8
FII	18.9	19.2	33.4
Others	54.6	41.3	21.8

FII Includes depository receipts

CMP: INR132

TP: INR145 (+9%)

Neutral

Cost controls bear fruit; ad revenue recovery vital for re-rating

- Zee Entertainment's (Zee) revenue continued the declining trend as 2QFY25 revenue fell 18% YoY (5% miss) on softer advertising revenue (-8% YoY, 1% miss) and lower revenue from other sales and services (-77% YoY on a high base (2QFY24 boosted by Gadar 2 release).
- However, Zee's strong control over costs and a further reduction in Zee5 losses led to 18%/15% QoQ jump in EBITDA/adj. PAT (21%/35% beat).
- The management indicated that advertising revenue saw pick-up in Sep'24, which should continue in 3Q with the onset of the festive season. However, a strong and sustainable pick-up in rural consumption is required to maintain healthy ad revenue momentum beyond 3Q.
- Zee aspires to deliver a CAGR of 8-10% in total revenue with its current portfolio and improve EBITDA margins to an industry-leading range of 18-20%. We believe a steady recovery in ad revenue remains key to meeting these aspirations and potential re-rating.
- We lower our FY25/FY26 revenue estimates by 5-7% due to weaker growth in domestic ad revenue and cut our EBITDA estimates by 3-10% largely on weaker revenue growth.
- We build in a CAGR of 4%/21%/33% in revenue/EBITDA/PAT over FY24-27.
- Zee's valuations have turned attractive. However, we await the outcome of ongoing litigation for ICC rights with Star before we turn more constructive. **We reiterate our neutral rating with a TP of INR145.**

Effective cost control drives EBITDA beat

- Zee's consolidated revenue declined 6% QoQ (-18% YoY) to INR20b (~5% miss) due to softer ad revenue and weaker other sales and services.
 - Ad revenue declined 8% YoY to INR9b (-1% QoQ, 7% miss), as macro ad environment remained soft in the domestic business (-9% YoY).
 - Subscription revenue grew 9% YoY to INR9.7b (-2% QoQ, in line), driven by a pick-up in TV subscription revenue after NTO 3.0 & ZEE5.
 - Revenues from other sales and services plunged 77% YoY to INR1.3b as the base quarter benefitted from the release of Gadar 2.
- However, Zee maintained strong cost controls as total operating expenses declined further 10% QoQ (-20% YoY) to INR16.8b (8% lower), mainly driven by lower programming/content costs (down 26%/240bp YoY).
- As a result, EBITDA was up 18% QoQ (down ~4% YoY) at INR3.2b (21% beat) as margins improved further 330bp QoQ (240bp YoY) to 16% (350bp beat).
- Zee5 revenue recovered 6% QoQ to INR2.4b (down 11% YoY), driven by healthy trends in usage and engagement metrics. EBITDA losses reduced further to INR1.6b (vs. INR1.8b loss QoQ and INR2.5b loss YoY).

- Adjusted for Zee5, Zee's linear TV business revenue/EBITDA declined 19%/18% YoY.
- The company reported an exceptional gain of INR109m pertaining to the settlement of SITI Network's past receivables.
- Adj. PAT stood at INR1.9b (vs. INR1.7b YoY, 35% beat), aided by higher EBITDA, higher other income and lower depreciation.
- 1HFY25 revenue declined 7% YoY, while EBITDA/PAT grew by 22%/60% YoY, largely on continued cost rationalization.
- For 2H, the implied growth rate is ~3% for revenue (vs. 7% YoY decline in 1H) and ~40% YoY for EBITDA (vs. 22% YoY in 1H).
- For 1HFY25, Zee generated OCF of INR4.5b, led by EBITDA and control over WC.
- With INR540m of capex and interest costs, Zee generated FCF of INR3.9b. This led to an increase in net cash position to INR16.3b.
- WC days remained stable QoQ/YoY at 303.

Highlights from the management commentary

- **Recovery in ad revenue:** Zee management indicated that ad revenue started to pick up in Sep'24 and should further recover in 3Q with the onset of the festive season. However, the management believes that a sustainable strong recovery in rural consumption remains key to long-term growth in ad revenue.
- **Drivers for further margin expansion:** A large part of cost rationalization has already happened and the company has reinstated salary hikes from Sep'24. Going ahead, the management expects margin improvement to 18-20% to be driven by a pick-up in revenue growth.
- **Guidance:** The management expects a CAGR of 8-10% in total revenue with the current portfolio and expects to improve margins further to 18-20%.
- **Music:** Zee Music remains a key asset and the company will continue to invest in it. There was some slowdown due to lower film production.
- **Competitive intensity:** Zee management highlighted that the company competed with Disney and Viacom separately in the past and it does not expect things to change materially on the competitive front after the merger. Further, the management noted that Disney-Viacom's merged entity's strategy is sports focused, while Zee remains focused on entertainment and has no plans of venturing into sports aggressively.

Valuation and view

- Zee aspires to deliver a CAGR of 8-10% in total revenue with its current portfolio and improve EBITDA margins to an industry-leading range of 18-20%. We believe that a sustainable recovery in ad revenue remains key to meeting these aspirations and potential re-rating.
- We lower our FY25/FY26 revenue estimates by 5-7% due to weaker domestic ad revenue growth and cut our EBITDA estimates by 3-10% largely on weaker revenue growth.
- We now build in a CAGR of 4%/21%/33% in revenue/EBITDA/PAT over FY24-27.
- Zee's valuations have turned attractive. However, we await the outcome of the ongoing litigation for ICC rights with Star before we turn more constructive on Zee. We **retain our neutral rating with a TP of INR145.**

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Est (%)
Revenue	19,838	24,378	20,457	21,699	21,305	20,007	21,412	21,862	86,372	84,586	20,972	-4.6
YoY Change (%)	7.5	20.6	-3.0	2.7	7.4	-17.9	4.7	0.7	6.8	-2.1	-14.0	
Total Expenditure	18,289	21,050	18,365	19,597	18,589	16,797	18,052	19,406	77,301	72,844	18,328	-8.4
EBITDA	1,549	3,328	2,092	2,102	2,717	3,210	3,360	2,455	9,071	11,741	2,643	21.4
EBITDA Margin (%)	7.8%	13.6%	10.2%	9.7%	12.8%	16.0%	15.7%	11.2%	10.5%	13.9%	12.6%	27
Depreciation	785	772	761	772	756	732	747	765	3,091	2,999	764	-4.1
Interest	234	234	183	69	55	83	83	89	721	310	60	37.4
Other Income	145	718	276	154	190	337	220	253	1,292	1,000	150	124.7
Fair Value through P&L gain/(loss)	38	0			-11	22	0	0	38	11	0	
PBT before EO expense	713	3,039	1,423	1,415	2,084	2,754	2,750	1,855	6,590	9,443	1,969	39.8
Extra-Ord expense	706	1,198	603	276	286	-109	0	0	2,784	177	0	
PBT	6	1,842	819	1,139	1,798	2,863	2,750	1,855	3,806	9,266	1,969	45.4
Tax	-31	544	288	1,018	542	769	692	467	1,818	2,470	496	55.1
Rate (%)	-480.0	29.5	35.1	89.4	30.2	26.9	25.2	25.2	47.8	26.7	25.2	
MI & P/L of Asso. Cos.	-1	-1	-1	-1	-1	-1	0	0	-4	-2	0	
Reported PAT	39	1,299	532	122	1,257	2,095	2,058	1,388	1,992	6,798	1,474	42.2
Adj PAT	496	1,726	1,065	1,059	1,467	1,986	2,058	1,388	4,346	6,899	1,474	34.8
YoY Change (%)	-57	21	-19	58	196	15	93	31	-5	59	-15	

E: MOFSL Estimates



Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	CEAT IN
Equity Shares (m)	40
M.Cap.(INRb)/(USDb)	120.3 / 1.4
52-Week Range (INR)	3263 / 2060
1, 6, 12 Rel. Per (%)	3/6/9
12M Avg Val (INR M)	684

Financials & valuations (INR b)

INR Billion	FY24	FY25E	FY26E
Sales	119.4	132.6	146.0
EBITDA	16.5	14.6	16.8
EBIDTA Margin (%)	13.8	11.0	11.5
Adj. PAT	6.9	5.3	7.1
EPS (Rs)	169.4	131.9	176.3
EPS Growth (%)	226.6	-22.2	33.6
BV/Share (Rs)	999	1,106	1,248

Ratios

RoE (%)	18.3	12.5	15.0
RoCE (%)	15.3	11.7	13.3
Payout (%)	18.9	19.0	19.9

Valuations

P/E (x)	17.5	22.5	16.8
P/BV (x)	3.0	2.7	2.4
Div. Yield (%)	1.0	0.8	1.2
FCF Yield (%)	7.1	2.3	5.3

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	47.2	47.2	47.2
DII	17.1	15.9	12.2
FII	18.8	20.2	26.2
Others	16.9	16.7	14.4

FII includes depository receipts

CMP: INR2,973 TP: INR3,450 (+16%) BUY

Operating margins impacted by higher RM costs

Replacement and exports to drive growth, input cost to moderate in H2

- Ceat Ltd (CEAT)'s 2QFY25 performance was impacted by higher RM costs, leading to a 100bp contraction in operating margins QoQ, which stood at 11% (est. 11.5%). The outlook for replacement segment across categories and exports remains healthy, with a recovery expected in the OEM segment in H2.
- CEAT's focus on strategic areas such as PVs/2Ws/OHT/exports (to help margins), along with prudent capex plans (to benefit FCF), should continue to improve its returns in the long run. Valuations at 22.5x/16.8x FY25E/FY26E consol. EPS appear reasonable. **We reiterate our BUY rating on the stock with a TP of INR3,450 (based on ~17x Sep'26E EPS).**

Lower other expenses offset the impact of higher RM costs

- CEAT's 2QFY25 revenue grew 8% YoY but EBITDA/adj. PAT declined 21%/41% YoY to INR3.6b/INR1.2b (est. INR3.8b/INR1.5b). 1HFY25 revenues grew 8.5% YoY but EBITDA/adj. PAT declined 12%/23% YoY. 2HFY25 revenue is estimated to grow 13.5% YoY while EBITDA/adj. PAT is estimated to decline 12%/21% YoY.
- Volume grew ~6.4% YoY, mainly led by double-digit growth in the replacement and exports markets, while OEM volumes experienced a 3-4% YoY decline.
- Gross margins contracted 590bp YoY (-180bp QoQ) to 37.4% (est.38.2%) due to the higher RM costs.
- EBITDA margin stood at 11% (-400bp YoY; est. 11.5%); the miss was mainly due to the higher RM costs, which were offset by savings in marketing costs, leading to lower other expenses.
- 1HFY25 cash outflow stood at INR114m (INR3.8b cash inflow in 1HFY24) due to the lower operating cash flow of INR4.15b (INR7.7b in 1HFY24) and higher capex of INR4.3b (INR3.9b in 1HFY24).
- Debt increased by INR2.4b sequentially to INR18.85b as of Sep'24. This was due to the higher WC requirement and payment of dividend. Capex stood at INR2.1b for the quarter.

Highlights from the management commentary

- **Outlook:** A double-digit volume growth is expected in replacement/export segments, with a bounce back in the OEM segment anticipated in H2.
- **RM costs are expected to witness a further rise (1.5-2%) in 3Q with some softening expected in 4Q.**
- **They have taken a price hike of 1.5%/3.5% in the first week of Oct'24.** They are looking to take further **price hikes in 3QFY25** to pass on the higher cost impact.
- The Sri Lanka business is recovering well and clocked 31% YoY volume growth in 2Q with 19.5% EBITDA margin.

Valuation and view

- CEAT has guided for double-digit volume growth in both replacement and export segments. It also expects OE demand to pick up in H2, led by new model wins and higher share of business in PVs/2Ws/CVs. However, given the rising cost pressure, we have lowered our FY25/FY26 EPS estimate by 9% each.
- CEAT’s focus on strategic areas such as PVs/2Ws/OHT/exports (to help margins), along with prudent capex plans (to benefit FCF), should continue to improve its returns in the long run. Valuations at 22.5x/16.8x FY25E/FY26E consol. EPS appear reasonable. **We reiterate our BUY rating on the stock with a TP of INR3,450 (based on ~17x Sep’26E EPS).**

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
Net Sales	29,352	30,533	29,631	29,919	31,928	33,045	33,780	33,822	1,19,435	1,32,576	32,976
YoY Change (%)	4.1	5.5	8.7	4.1	8.8	8.2	14.0	13.0	5.6	11.0	8.0
RM Cost (%)	58.9	56.7	58.7	57.7	60.8	62.6	63.0	62.5	58.0	62.2	61.8
Employee Cost (%)	6.7	7.1	7.3	7.2	6.1	6.6	6.3	6.5	7.1	6.4	6.1
Other Expenses (%)	21.2	21.3	19.9	22.0	21.1	19.8	20.2	20.5	21.1	20.4	20.6
EBITDA	3,871	4,561	4,175	3,915	3,829	3,623	3,547	3,552	16,522	14,550	3,792
Margins (%)	13.2	14.9	14.1	13.1	12.0	11.0	10.5	10.5	13.8	11.0	11.5
Depreciation	1,209	1,245	1,273	1,361	1,318	1,371	1,380	1,388	5,088	5,457	1,320
Interest	701	717	656	617	619	665	600	551	2,691	2,434	550
Other Income	33	105	29	31	62	35	70	114	197	280	75
PBT Before EO Expense	1,993	2,704	2,276	1,969	1,954	1,622	1,637	1,726	8,941	6,939	1,997
Exceptional Item	0	0	0	582	-75	0	0	74	582	0	0
PBT	1,993	2,704	2,276	1,387	2,029	1,621	1,637	1,652	8,359	6,939	1,997
Tax Rate (%)	26.5	25.3	23.9	33.0	26.6	28.6	26.0	22.7	26.5	26.0	26.0
Minority Int. & Profit of Asso. Cos.	18	-59	-84	-157	-53	-61	-55	-32	-282	-200	-45
Reported PAT	1,446	2,080	1,815	1,086	1,542	1,219	1,266	1,308	6,427	5,335	1,523
Adj PAT	1,446	2,080	1,815	1,513	1,486	1,219	1,266	1,363	6,854	5,335	1,523
YoY Change (%)	1,383	745	408	8	3	-41	-30	-10	227	-22	-26.8
Key Performance Indicators											
RM Cost (% of sales)	58.9	56.7	58.7	57.7	60.8	62.6	63.0	62.5	58.0	62.2	61.8
Staff Cost (% of sales)	6.7	7.1	7.3	7.2	6.1	6.6	6.3	6.5	7.1	6.4	6.1
Other Cost (% of sales)	21.2	21.3	19.9	22.0	21.1	19.8	20.2	20.5	21.1	20.4	20.6
Gross Margin (%)	41.1	43.3	41.3	42.3	39.2	37.4	37.0	37.5	41.1	43.3	38.2
EBITDA Margins (%)	13.2	14.9	14.1	13.1	12.0	11.0	10.5	10.5	13.8	11.0	11.5
EBIT Margins (%)	9.1	10.9	9.8	8.5	7.9	6.8	6.4	6.4	13.8	11.0	7.5

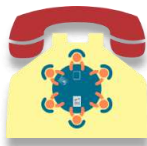
E:MOFSL Estimates

BSE SENSEX
81,225S&P CNX
24,854

CMP: INR1,932

Neutral

Conference Call Details

Date: 21st October 2024

Time: 16:00 IST

Dial-in details:

+91-22 6280 1244

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	45.0	47.4	63.7
EBITDA	24.1	26.1	35.5
EBITDA Margin (%)	53.6	55.1	55.8
PAT	19.3	18.4	25.8
EPS (INR)	53.0	50.5	71.0
EPS Gr. (%)	1.2	-4.6	40.5
BV/Sh. (INR)	380.8	423.3	486.3
Ratios			
RoE (%)	14.8	12.6	15.6
RoCE (%)	12.8	11.5	14.6
Payout (%)	15.1	15.8	11.3
Valuations			
P/E (x)	36.4	38.2	27.2
P/BV (x)	5.1	4.6	4.0
EV/EBITDA (x)	29.9	27.4	20.0
Div yld (%)	0.4	0.4	0.4

Stellar sales in 360 West and Elysian drive growth

Higher occupancy across commercial assets drives rental portfolio performance

Operational performance

- The company achieved pre-sales of INR14.4b, up 49% YoY (80% higher than the estimate).
- The strong growth was led by encouraging sales in Elysian and 360 West, which recorded sales of 39 units valued at INR3.2b and 6 units valued at INR6.6b, respectively.
- Sales velocity for Enigma (Mulund) improved after receiving OC, achieving sales of INR2b, while Sky City generated steady sales of INR1.3b.
- The new project in Thane (launched in 3Q) generated bookings of INR0.6b across 29 units.
- Price realization remained steady across all projects.
- The company declared successful resolution applicant by NCLT for the acquisition of Nirmal Lifestyle Realty Pvt. Ltd.
- The company entered into an agreement for redevelopment of land admeasuring ~2576 sqm situated in Carter Road, Bandra.
- **Leasing segment:** Following the Commerz-3 augmentation in 1QFY25, occupancy inched up to 65% from 54%, resulting in revenue growth of 41% QoQ to INR0.9b. This brought total office revenue to INR1.4b (+27% QoQ), with an EBITDA margin of 88%.
- Commerz-1 occupancy rose further to 84% (vs. 76% in 1QFY25), resulting in revenue growth of 31% YoY to INR121m. Commerz-2 occupancy was steady at 93% with revenue of INR329m.
- The Oberoi mall continued to deliver healthy performance with a 34% YoY increase in revenue to INR488m. Additionally, the company received an OC for Borivali Mall. EBITDA from the annuity portfolio stood at INR1.7b, with a blended margin of 91%.
- In 2QFY25, The Westin hotel witnessed 9% YoY growth in revenue to INR438m, aided by an 8% increase in ARR of INR12,630. The occupancy remained steady at 82%. EBITDA came in at INR163m with a margin of 37%.
- **Cash flow performance**
- Collections increased 10% YoY to INR12.1b.
- During the quarter, the net debt declined to INR2.8b (vs. INR8.4b in 1QFY25) with D/E of 0.02x.
- **P&L highlights**
- Revenue increased 8% YoY to INR13b (27% above estimate). Further, the company reported EBITDA of INR8.1b, up 28% YoY, as the margin expanded 10pps YoY to 62%. The margin expansion was led by higher revenue recognition from Elysian.
- Consequently, PAT increased 29% YoY to INR5.9b.
- The company declared its 2nd interim dividend for FY24-25 at the rate of INR2/share, i.e. 20% of the face value of equity shares of INR10/share.

Quarterly performance (INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Variance (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	9,100	12,174	10,536	13,148	14,052	13,199	12,319	7,811	44,958	47,381	10,424	27%
YoY Change (%)	-0.3	76.8	-35.3	36.8	54.4	8.4	16.9	-40.6	7.2	5.4	-14.4	
Total Expenditure	4,362	5,792	5,443	5,262	5,901	5,061	5,527	4,770	20,859	21,259	4,495	
EBITDA	4,737	6,382	5,094	7,886	8,151	8,138	6,792	3,042	24,099	26,122	5,929	37%
Margins (%)	52.1	52.4	48.3	60.0	58.0	61.7	55.1	38.9	53.6	55.1	56.9	478bp
Depreciation	113	113	114	135	202	208	270	357	475	1,037	228	
Interest	615	565	501	504	589	517	350	-109	2,184	1,347	296	
Other Income	236	264	292	2,438	368	387	234	-89	3,230	900	198	
PBT before EO expense	4,245	5,968	4,771	9,685	7,728	7,800	6,406	2,704	24,669	24,638	5,602	
PBT	4,245	5,968	4,771	9,685	7,728	7,800	6,406	2,704	24,669	24,638	5,602	39%
Tax	1,046	1,421	1,192	1,833	1,905	1,930	1,633	814	5,491	6,283	1,429	
Rate (%)	24.6	23.8	25.0	18.9	24.7	24.7	25.5	30.1	22.3	25.5	25.5	
MI & P/L of Asso. Cos.	17	21	22	28	23	25	0	-25	89	23	0	
Reported PAT	3,216	4,568	3,602	7,880	5,845	5,894	4,772	1,866	19,266	18,378	4,174	
Adj PAT	3,216	4,568	3,602	7,880	5,845	5,894	4,772	1,866	19,266	18,378	4,174	41%
YoY Change (%)	-20.2	43.4	-48.7	64.1	81.7	29.0	32.5	-76.3	1.2	-4.6	-8.6	
Margins (%)	35.3	37.5	34.2	59.9	41.6	44.7	38.7	23.9	42.9	38.8	40.0	
Operational metrics												
Residential												
Sale Volume (msf)	0.15	0.22	0.26	0.45	0.21	0.28	0.53	0.7	1.0	1.8	0.24	15%
Sale Value (INRm)	4,760	9,650	7,868	17,907	10,519	14,425	16,000	17,594	39,428	58,537	8,000	80%
Collections (INRm)	11,091	11,013	8,915	10,821	10,114	12,112	12,500	13,224	40,086	47,950	10,000	21%
Realization (INR/sft)	32,630	43,700	30,575	40,017	49,903	52,305	30,000	23,916	40,062	33,344	33,333	57%

Note: Estimates are under review since we will revise them after the earnings call

L&T Finance Holdings

BSE SENSEX
81,225S&P CNX
24,854

CMP: INR167

Buy

Conference Call Details

Date: 21st Oct 2024

Time: 11:00 AM IST

Call details:

+91 22 7115 8867/

+91 22 6280 1486

[Registration Link](#)

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Total Income	75.4	91.1	112.5
PPP	51.7	61.9	78.1
Adj. PAT	23.2	28.3	35.4
EPS (INR)	9.3	11.4	14.2
EPS Gr. (%)	42.4	22.2	25.1
BV/Sh. (INR)	94	103	114
Ratios			
NIM (%)	9.6	10.0	9.8
C/I ratio (%)	40.4	40.1	38.0
RoAA (%)	2.2	2.5	2.6
RoE (%)	10.3	11.5	13.1
Payout (%)	26.9	26.0	24.5
Valuation			
P/E (x)	17.9	14.7	11.7
P/BV (x)	1.8	1.6	1.5
Div. Yield (%)	1.5	1.8	2.1

MFI book performance better than the industry; earnings in line

Asset quality largely stable, aided by write-offs

- L&T Finance Holdings (LTFH) reported 17% YoY growth in 2QFY25 PAT to INR7b (in line). PPoP grew ~23% YoY to ~INR15.9b (in line), while credit costs stood at INR6.5b (vs. MOFSLe of INR6b), translating into annualized credit costs of ~2.6% (PQ: 2.4% and PY: 2.6%). Write-offs stood at ~INR6.6b (PQ: ~INR4.8b).
- Total loan book grew ~18% YoY and ~5% QoQ to ~INR930b. Wholesale loans continued to tail off, declining ~56% YoY to ~INR40b (PQ: ~INR43b).

Momentum across all retail segments except MFI; wholesale continues to decline

- Retail assets contributed ~96% to the loan mix (PQ: 95%). Retail loans grew ~28% YoY, led by healthy growth in 2W, Home loans, LAP, and SME. The company has started to regrow its personal loans book, which increased ~8% QoQ. Given the sectoral stress, Rural Business Loans (MFI) grew ~3% QoQ.
- Total disbursements in 2QFY25 grew 11% YoY to ~INR152b, driven by ~12% YoY growth in retail disbursements to ~INR151b. Wholesale disbursements declined ~64% YoY to INR710m.

Asset quality largely stable, significant decline in PCR due to write-offs

- Consol GS3 rose ~5bp QoQ to ~3.2% and NS3 rose ~20bp QoQ to ~0.95%. PCR declined ~5pp to ~71%.
- Retail GS3 rose ~5bp QoQ to 2.8%.

Microfinance fares better than the industry

- Collection efficiency in Rural Business Finance stood at ~99.4% in Sep'24 (compared to 99.6% in Jun'24).
- Only ~5.4% of the customers have loans from five or more lenders (including LTFH). ~95% of book compliant with MFIN guardrails were issued in Jul'24. Customers with 'LTF + >= 4' external associations and >INR200K indebtedness were at INR2.3b, which was < 1% of the MFI book as of Sep'24.

NIM contracts ~40bp QoQ; fee income higher QoQ

- Spreads (calc.) remained stable at ~8.9%, while yields (calc.) grew 25bp QoQ to ~16.1%
- Reported NIM contracted ~40bp QoQ to 8.9%. However, Consol NIMs+Fees contracted only ~20bp QoQ to 10.9%, aided by higher fee income.

Valuation and view

In the retail segment, home loans, 2W, LAP, and SME continued to exhibit strong growth, with retail contributing ~96% to the loan mix. The company continues to focus on digital initiatives to sustain its retail growth momentum. We expect that credit costs will remain slightly elevated in the near term, driven by some more stress unfolding in the Microfinance segment. We expect LTFH to improve its consolidated RoA to ~2.6% by FY26. Mr. Sudipta Roy (ex-ICICI), MD & CEO, will continue to leverage his vast experience in his prior role to further strengthen the digital capabilities of this franchise. We will review our estimates after the earnings call on 21st Oct'24.

Quarterly performance

Y/E March	FY24				FY25E				FY24	FY25E	2QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	31,165	31,685	33,063	33,226	34,526	36,544	39,102	40,886	1,29,139	1,51,059	36,080	1
Interest Expenses	13,638	13,249	13,534	13,351	13,514	14,763	15,796	15,880	53,772	59,953	13,852	7
Net Interest Income	17,527	18,436	19,529	19,875	21,012	21,781	23,306	25,006	75,367	91,106	22,228	-2
Change YoY (%)	14.3	11.9	7.2	12.6	19.9	18.1	19.3	25.8	11.4	20.9	20.6	
Other Operating Income	1,068	453	2,277	3,492	3,318	3,649	2,176	-1,319	6,667	7,825	2,786	31
Net Operating Income	18,596	18,889	21,805	23,367	24,330	25,431	25,482	23,687	82,034	98,930	25,014	2
Change YoY (%)	11.7	7.5	12.9	31.9	30.8	34.6	16.9	1.4	15.1	20.6	32.4	
Other income	1,535	2,682	473	56	2	47	1,750	2,709	4,745	4,508	536	-91
Total Income	20,130	21,572	22,278	23,422	24,332	25,477	27,233	26,397	86,779	1,03,439	25,550	0
Change YoY (%)	11.1	15.0	11.9	18.7	20.9	18.1	22.2	12.7	13.4	19.2	18.4	
Operating Expenses	7,782	8,598	8,896	9,803	9,656	9,578	10,497	11,759	35,079	41,490	10,231	-6
Change YoY (%)	18.3	25.2	19.9	24.6	24.1	11.4	18.0	20.0	22.1	18.3	19.0	
Operating Profits	12,348	12,974	13,382	13,619	14,676	15,899	16,735	14,638	51,701	61,948	15,319	4
Change YoY (%)	6.9	9.1	7.2	7.3	18.9	22.5	25.1	7.5	6.3	19.8	18.1	
Provisions	5,212	5,000	5,142	6,679	5,453	6,504	6,813	5,433	21,410	24,202	5,967	9
Profit before Tax	7,136	7,974	8,240	6,940	9,223	9,396	9,922	9,205	30,290	37,746	9,353	0
Tax Provisions	1,831	2,032	1,847	1,410	2,370	2,429	2,530	2,107	7,119	9,437	2,385	2
Profit after tax	5,309	5,951	6,402	5,539	6,855	6,967	7,392	7,098	23,171	28,310	6,968	0
Change YoY (%)	103	47	41	11	29	17	15	28	43	22	17	
Key Operating Parameters (%)												
Rep. Net Income (% of Avg Assets)	9.64	10.84	10.92	11.25	11.08	10.86						
Rep. Cost of funds (%)	7.77	7.79	7.81	7.82	7.85	7.80						
Cost to Income Ratio	38.7	39.9	39.9	41.9	39.7	37.6						
Rep Credit Cost	2.33	2.58	2.52	3.23	2.37	2.59						
Tax Rate	25.7	25.5	22.4	20.3	25.7	25.9						
Balance Sheet Parameters												
Gross Customer Assets (INR B)	786	787	818	856	887	930						
Change YoY (%)	-10.8	-12.6	-7.5	5.8	12.9	18.1						
Borrowings (INR B)	754	766	760	765	803	849						
Change YoY (%)	-7.8	-10.3	-11.9	-7.8	6.5	10.9						
Customer Assets /Borrowings (%)	104	103	108	112	110	110						
Asset Quality Parameters (%)												
GS 3 (INR B)	31.7	25.8	26.3	27.0	27.9	29.6						
Gross Stage 3 (%)	4.0	3.3	3.2	3.2	3.1	3.2						
NS 3 (INR B)	9.1	6.3	6.5	6.6	6.9	8.7						
Net Stage 3 (%)	1.6	0.8	0.8	0.8	0.8	1.0						
PCR (%)	71.4	75.7	75.3	75.5	75.3	70.6						
Return Ratios (%)												
ROAA	2.1	2.4	2.5	2.2	2.7	2.6						
ROAE	9.4	10.8	11.4	9.5	11.6	11.7						

E: MOFSL Estimates

Dalmia Bharat

BSE Sensex
81,225S&P CNX
24,854

CMP: INR1,850

BUY

Conference Call Details

**Date:** 21 October 2024**Time:** 09:30 IST**Dial-in details:**

+91 22 6280 1536,

+91 22 7115 8344

[Link for the call](#)

Financials & Valuations (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	152.5	168.2	181.7
EBITDA	28.7	34.9	39.8
Adj. PAT	9.8	13.0	16.4
EBITDA Margin (%)	18.8	20.7	21.9
Adj. EPS (INR)	52.5	69.5	87.3
EPS Gr. (%)	28.7	32.5	25.6
BV/Sh. (INR)	910	961	1,028

Ratios

Net D:E	0.1	0.0	-0.0
RoE (%)	5.9	7.4	8.8
RoCE (%)	6.1	7.3	8.6
Payout (%)	24.8	25.9	22.9

Valuations

P/E (x)	35.3	26.6	21.2
P/BV (x)	2.0	1.9	1.8
EV/EBITDA(x)	11.8	9.9	8.3
EV/Ton (USD)	87	85	81
Div. Yield (%)	0.7	1.0	1.1
FCF Yield (%)	-1.9	3.4	6.0

EBITDA miss, EBITDA/t at INR650 (est. INR700)

- Dalmia Bharat (DALBHARA) reported weak performance in 2QFY25 with an EBITDA decline of ~26% YoY to INR4.3b (5% below our estimate). EBITDA/t declined 32% YoY to INR650 (est. INR700, due to lower-than-estimated realization). However, volume grew 8% YoY to 6.7mt (+3% vs. our est.). OPM contracted 4.7pp YoY to ~14% (-50bp vs. our est.). PAT declined ~54% YoY to INR550m (4% below our estimate).
- DALBHARA is working on its next phase of capacity expansion (to be announced within the next nine months) to achieve its capacity target of 78mtpa by FY28 (vs. exiting capacity of 46.6mtpa). It has commissioned 16MW of solar power plant at Sattur, TN, increasing its total Renewable Energy (RE) capacity to 202MW. Additionally, it executed renewable power agreements under group captive for 151MW in 2QFY25 and 287MW in 1HFY25. The RE consumption stood at ~39% vs. ~35% in 1QFY25 (including third-party purchases).
- **We have a BUY rating on the stock;** we will review our assumptions after the conference call.

Volumes up ~8% YoY; realization down ~9% YoY (~4% miss)

- Consolidated revenue/EBITDA/adj. PAT stood at INR30.9b/INR4.3b/INR550m (down 2%/26%/54% YoY and down 1%/5%/4% vs. our estimates) in 2QFY25. Sales volumes grew 8% YoY to 6.7mt (3% above our estimate). Realization at INR4,607/t (down 9% YoY and 6% QoQ) was 4% below our estimate.
- Variable costs declined 13% YoY (8% lower than our estimate). Meanwhile, other expense/freight cost per ton increased 7%/8% YoY (up 6%/flat vs our estimate). Employee costs declined 3%/4% YoY/QoQ. Opex/t was down 4% YoY (3% lower than our estimate). OPM contracted 4.7pp YoY to ~14%. Fuel consumption cost/t stood at USD101 vs. USD127/106 in 2QFY24/1QFY25.
- In 1HFY25, consolidated revenue/EBITDA declined 1%/9% YoY, while adj. PAT increased 16% (led by lower depreciation and ETR). Sales volume grew ~7% YoY to 14.1mt. EBITDA/t declined ~15% YoY to INR780, led by a sharp decline in realization (down 8% YoY), which was partly offset by lower opex/t (down 6% YoY). OCF declined 69% YoY to INR2.1b due to an increase in working capital. Capex stood at INR13.9b vs. INR16.1b in 1HFY24. Net debt increased to INR6.4b vs. INR4.6b as of Jun'24. Net debt to EBITDA stood at 0.25x vs. 0.17x as of Jun'24.

Valuation and view

- DALBHARA EBITDA was below our estimate due to lower-than-estimated realizations. However, it reported higher-than-estimated volume growth. The company is yet to announce its next phase of expansion. Over the concall, we will seek management's guidance on the demand environment and pricing trends following the festive season. We have a **BUY** rating on the stock; however, we will review our assumptions after the concall on 21st Oct'24 at 09:30 IST ([Link for the call](#)).

Quarterly performance (Consolidated)

(INR b)

Y/E March	FY24				FY25				FY25	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	2QE	(%)
Net Sales	36.3	31.5	36.0	43.1	36.2	30.9	36.3	49.1	31.2	3
YoY Change (%)	10.0	6.0	7.4	10.1	-0.3	-2.0	0.8	14.0	-0.9	
Total Expenditure	30.1	25.6	28.3	36.5	29.5	26.5	31.4	30.1	26.7	
EBITDA	6.2	5.9	7.8	6.5	6.7	4.3	4.9	12.8	4.6	-5
Margins (%)	17.0	18.7	21.6	15.2	18.5	14.1	13.5	26.1	14.6	-52
Depreciation	4.0	4.0	3.7	3.3	3.2	3.4	3.4	3.7	3.4	-0
Interest	0.8	1.0	1.1	0.9	1.0	1.0	1.0	1.0	1.0	-
Other Income	0.5	0.9	0.6	1.2	0.5	0.7	0.8	0.7	0.7	12
PBT Before EO Expense	1.9	1.7	3.6	3.5	3.1	0.7	1.2	8.8	0.9	-14
Extraordinary Items	0.0	0.0	0.0	0.0	1.1	0.0	0.0	0.0	0.0	
PBT After EO Expense	1.9	1.7	3.6	3.5	1.9	0.7	1.2	8.8	0.9	-14
Prior Period Tax Adjustment	0.0	0.0	0.1	-0.6	0.0	0.1	0.0	0.0	0.0	
Tax	0.4	0.5	1.0	0.3	0.5	0.2	0.3	2.5	0.2	
Rate (%)	22.2	27.9	24.7	26.7	16.0	20.5	27.0	27.9	27.0	
Reported PAT (Pre Minority)	1.4	1.2	2.7	3.2	1.5	0.5	0.9	6.3	0.6	-21
Minority + Associate	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.1	
PAT Adj for EO Items (Post MI)	1.2	1.2	2.7	2.5	2.3	0.6	0.9	6.3	0.6	-4
YoY Change (%)	-36.9	325.0	33.8	-3.1	82.9	-53.8	-67.7	147.3	-52.0	

Per Ton Analysis (Blended) INR/t

Sales Volumes (m ton)	7.0	6.2	6.8	8.8	7.4	6.7	7.6	9.2	6.5	3
YoY Change (%)	12.4	6.9	7.9	18.9	6.2	8.1	12.3	4.8	5.0	
Net Realization	5,209	5,079	5,300	4,894	4,893	4,607	4,757	5,323	4,793	-4
YoY Change (%)	-2.2	-0.8	-0.5	-7.4	-6.1	-9.3	-10.2	8.8	-5.6	
RM Cost	812	860	921	1,111	818	664	880	1,053	860	-23
Employee Expenses	319	365	325	230	308	327	293	292	361	-9
Power, Oil & Fuel	1,294	1,126	1,068	898	1,023	1,055	1,065	894	1,003	5
Freight and Handling Outward	1,161	1,018	1,093	1,159	1,122	1,099	1,110	1,135	1,100	-0
Other Expenses	739	761	749	753	719	815	767	561	771	6
Total Expenses	4,324	4,129	4,154	4,151	3,989	3,960	4,116	3,936	4,094	-3
EBITDA	885	950	1,146	743	904	648	642	1,388	699	-7

Source: Company, MOFSL Estimates

BSE SENSEX 81,225
S&P CNX 24,854

CMP: INR6,561

Buy

Conference Call Details



Date: 21th October 2024
Time: 04:00pm IST
Dial In : +91 22 7115 8184

Financial valuation

Y/E March	2025E	2026E	2027E
Sales	10.8	13.3	15.9
EBIT margin (%)	56.9	61.4	64.2
PAT	5.6	7.2	9.0
EPS (INR)	109.3	142.2	176.1
EPS Gr. (%)	570.4	30.1	23.9
BV/Sh. (INR)	292.1	320.6	355.8
Ratio			
RoE (%)	38.8	46.4	52.1
Valuations			
P/E (x)	55.8	42.9	34.6
P/BV (x)	20.9	19.0	17.1
Div Yld (%)	0.6	0.6	0.6

7% beat in PAT driven by better-than-expected top-line

- Multi Commodity Exchange (MCX) reported an operating revenue of INR2.9b, reflecting growth of 73% YoY (5% beat). For 1HFY25, operating revenue grew 67% YoY.
- Revenue growth was driven by a strong spike in volumes, increasing 114% YoY. Futures volumes grew 46% YoY to INR17.5t and options volumes grew 129% YoY to INR126t.
- Other income grew 33% YoY at INR252m and was 28% higher than our estimates.
- Staff cost increased 19% YoY to INR327m (1% lower than estimates). Other expenses declined 56% YoY to INR735m (9% higher than estimates). The higher-than-expected other expenses were due to higher-than-expected product license fees and contributions toward SGF.
- EBIT at INR1.7b (vs. EBIT loss of INR353m in 2QFY24) was 4% better than our estimates.
- The company reported INR1.5b PAT (vs. a loss of INR191m in 2QFY24), reflecting 39% QoQ growth, which was 7% higher than our estimates. For 1HFY25, PAT was at INR2.6b (vs. INR6m in 1HFY24).

Quarterly Performance

	INR m													
	FY24				FY25				FY24	FY25E	Est.	Var.	YoY	QoQ
	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY25	(%/bp)	(%)	(%)	
Sales	1,651	1,915	1,811	2,344	2,856	2,951	2,615	6,835	10,766	2,729	4.6	73.0	21.9	
Yo-Y Gr. (%)	29.6	33.4	35.4	60.8	73.0	54.1	44.4	33.1	57.5	65.3				
Staff Costs	274	290	307	321	327	333	333	1,123	1,314	328	(0.6)	19.3	1.8	
Other Expenses	1,664	1,822	484	697	735	668	691	5,069	2,790	676	8.6	(55.9)	5.4	
EBITDA	-287	-197	1,020	1,326	1,794	1,950	1,591	643	6,661	1,724	4.1	NA	35.4	
Depreciation	66	113	138	134	140	140	124	359	539	134	-	113.5	4.5	
EBIT	-353	-310	882	1,191	1,654	1,810	1,467	283	6,123	1,590	4.0	NA	38.8	
Margins (%)	-21.4	-16.2	48.7	50.8	57.9	61.3	56.1	4.1	56.9	58.3				
Interest Costs	1	1	1	1	1	1	1	3	3	1		66.7	100.0	
Other Income	189	177	183	188	252	265	115	754	821	198	27.7	33.5	34.1	
PBT bef. Exceptional Items	-164	-133	1,065	1,379	1,906	2,074	1,582	1,035	6,941	1,787	6.6	NA	38.2	
Tax	16	-91	205	273	374	415	326	189	1,388	357	4.5	NA	36.7	
Rate (%)	-9.9	68.3	19.3	19.8	19.6	20.0	20.6	18.2	20.0	20.0				
Profit from Associate	-10	-11	19	4	4	0	11	-15	19	0.0				
PAT	-191	-54	878	1,109	1,536	1,659	1,267	831	5,572	1,430	7.4	NA	38.5	
Y-o-Y Gr. (%)	-130	-114	1,512	464	-906	-3,202	44	-44	570	-850				
EPS (INR)	-3.7	-1.1	17.3	21.8	30.2	32.6	24.9	16.3	109.3	28.1	7.4	NA	38.5	
Total Volumes (INR t)	67.0	73.6	82.7	112.3	143.2	146.0	149.5	275.0	551.0	143.2	-	113.8	27.5	
Q-o-Q Gr. (%)	29.3	9.9	12.4	35.8	27.5	2.0	2.4		27.5					
Y-o-Y Gr. (%)	86.3	80.6	97.1	116.8	113.8	98.5	80.9	86.7	100.4	113.8				

E: MOFSL Estimates

Jio Financial Services

BSE SENSEX
81,225S&P CNX
24,854

CMP: INR331

Not Rated

On a strong footing; continues to introduce new products

- Jio Financial Services (JIOFIN)'s 2QFY25 NII grew ~10% YoY to INR2.1b (PY: ~INR1.86b).
- Other income grew ~16% YoY to INR4.9b. This included dividend income of ~INR2.4b (PY: INR2.2b) and investment income of ~INR2.1b (PY: INR1.6b). Opex rose ~100% YoY to INR1.4b (PY: ~INR0.7b)
- PPop rose ~3% YoY to INR5.5b. Credit costs stood at INR38m (vs. INR3m in 1QFY25). Profit contribution of JVs and associates grew ~4% YoY to ~INR2.3b (PY: ~INR2.2b). 2QFY25 PAT grew ~3% YoY to ~INR6.9b (PY: INR6.7b) and 1HFY25 PAT was flat YoY at ~INR10b.

Expansion in the lending and leasing business

- Lending AUM stood at ~INR12.1b as of Sep'24. JIOFIN now offers Home Loans (incl. BT), Loan on MF, LAP, and Loan against Securities. It also offers corporate loans, including Vendor Financing, Working Capital, Term Loans, and Invoice Factoring.
- The Ship Leasing business continues to operate under Reliance International Leasing, which is JIOFIN's JV with Reliance Strategic Business Ventures in GIFT City.

Developments in the Jio Finance App

- The beta version of the Jio Finance app was launched on 30th May'24. Subsequently, the company launched the new and improved app on 10th Oct'24.
- As of 1QFY25, the company's offerings included Loan on MF, Savings Accounts, UPI, Auto, and 2W Insurance. In 2QFY25, the company added Home Loans (including BT), LAP, Health Insurance, and Term Life Insurance to its offerings.

Progress in other businesses

- Investment: The JV for Asset Management received in-principle approval of sponsors from SEBI in Oct'24. It is making steady progress in hiring the right leadership and functional teams for the JV. The product roadmap and GTM strategy are in advanced stages. In its JV for Wealth Management, the company incorporated Jio BlackRock Investment Advisers in Sep'24 to offer wealth management services.
- Jio Payments Bank: It has acquired over 1.5m CASA customers and expanded its Business Correspondents (BC) network to ~3,000. It will continue to further expand its BC network.
- Jio Payment Solutions: Credit Card billers from leading banks were added to the Jio Finance App. Additionally, the company plans to incorporate the NEFT/RTGS payment solution for B2B invoice payments, EMI solutions, and Brand EMI payments.
- Jio Insurance Broking: Its D2C product portfolio includes 24 plans across 4 product categories (Auto, 2W, Life, and Health). The growth momentum in the institutional channel continued, driven by new client acquisitions.



Highlights from the management commentary

Financial update

- The company reported a consol income of INR6.94b and PAT of ~INR6.9b for 2QFY25. For 1HFY25, it reported a consol PAT of ~INR10b.
- The company experienced strong execution momentum, launching multiple products in Jul, Aug, and Sep'24.
- The company received encouraging initial feedback, boosting its confidence to launch additional products planned for upcoming quarters. Further, it is leveraging data analytics to effectively target customers.

Jio Finance App

- The beta version was launched on 30th May'24. The new and improved Jio Finance app was launched on 10th Oct'24.
- As of 1QFY25, the company's offerings included Loan on MF, Savings Accounts, UPI, Auto, and 2QW Insurance. In 2Q, it added Home loans (including BT), LAP, Health Insurance, and Term Life Insurance to its offerings.

JFL

- AUM stood at ~INR12.1b as of Sep'24.
- The company offers Home Loans (incl. BT), Loan on MF, LAP, and Loan against Securities.
- Corporate Lending includes Vendor Financing, Working Capital, Term Loans, and Invoice Factoring.
- Ship leasing continues to operate under JIOFIN's Reliance International Leasing JV with Reliance Strategic Business Ventures in GIFT City.

Jio Payments Bank

- JPBL is making steady progress in expanding its BC network, which currently stands at 3,000, and this expansion will continue.

Jio Payment Solutions

- Credit card billers from leading banks were added to the Jio Finance App.
- Upcoming: NEFT/RTGS payment solution for B2B invoice payments, EMI solutions, and brand EMI payments are on the roadmap.

Protection

- The company offers 24 insurance plans across Auto, 2W, Health, and Life (jioinsure.in) through tie-ups with 31 leading insurance providers.
- Three Channels: D2C, Embedded Insurance, and Institutional Sales.
- The company launched the Employee Benefit portal for institutional clients. Its institutional product suite includes Group Term Life, Group Medical Cover, Group Personal Accident, and Commercial Insurance.

Investment

- JV for Asset Management: The company is making steady progress in hiring the right leadership and functional teams for the JV. Its product roadmap and GTM strategy are in advanced stages.

Financial Highlights

- It has incorporated a subsidiary called Jio Finance Platforms and Service for the distribution of financial products.
- Total revenue stood at ~INR6.94b in 2QFY25 (vs. ~INR6.1b YoY).
- The company received a dividend income of ~INR2.4b from shares of Reliance Ltd.
- Net gain on fair value changes on investments in money markets and mutual funds stood at INR2.1b.
- The increase in employee costs and other opex was due to the scaling up of its operations and various verticals.
- CSR expenses stood at ~INR140m in 2QFY25.
- Consol 2QFY25 PAT stood at INR6.9b (vs. INR6.7b in 2QFY24).
- During the quarter, the company invested ~INR780m to increase its stake in the Jio Payments Bank.

JFSL - P&L Statement (INR m)

	2QFY25	1QFY25	QoQ (%)	2QFY24	YoY (%)
Interest Income	2,050	1,617	27	1,861	10
Interest Expenses	-	-	-	-	-
Net Interest Income	2,050	1,617	27	1,861	10
Other Income	4,889	2,561	91	4,220	16
Total Income	6,939	4,178	66	6,080	14
Operating Expenses	1,423	790	80	714	99
Operating Profit	5,515	3,388	63	5,366	3
Provisions & Loan Losses	38	3	-	0	-
Share of Profit of JV & Associate	2,257	619	265	2,178	4
Profit before Tax	7,735	4,004	93	7,544	3
Tax Provisions	844	878	-4	863	-2
Net Profit	6,891	3,126	120	6,682	3



Keystone Realtors: A Stellar 129% YoY Jump In Pre-Sales In Q2FY25; Boman Rustom Irani, CMD

- Area sold increased by 184% YoY
- Launched three new projects this quarter.
- Strong interest in plotted developments in Kasara
- Anticipating a bumper sales season during Diwali
- Targeting further growth beyond MMR market

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Karur Vysya Bank: Don't Have Co-Lending Model With The 4 NBFCs Mentioned By RBI; B Ramesh Babu, MD & CEO

- Loan growth is subdued, targeting 14-15% for H2
- Retail segment grew by 20%, while corporate lending decreased to 16%
- Credit costs projected at 75 basis points, with slippage ratio around 1%
- Focus on maintaining a healthy retail engine amid corporate constraints
- CD ratio expected to stabilize between 83-85%

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Polycab: Should Be Able To Achieve ₹20,000 Cr Revenue Target By End Of FY25; Inder Jaisinghani, CMD & Gandharv Tongia, CFO

- Gross margins at 10-quarter lows due to competitive intensity
- Strategic roadmap for FMEG business to improve losses
- Export revenue improved by 36% QoQ
- Government's optical fiber project could provide significant contracts
- Margin guidance for cable and wire remains at 12-14%

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Havells India: Looking At EBITDA Margin Of 13-14% Excluding Lloyd; Anil Rai Gupta, CMD

- Margins under pressure but expected to improve in H2
- Competitive intensity remains, but manageable through brand strategy
- Inorganic growth opportunities are being explored cautiously
- Significant capex planned for cables and wires expansion
- Capacity utilization for underground cables now at 75-80%

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Wipro: Closer To Aspirational Margin Band Of 17-17.5%; Srinipallia, CEO

- Positive momentum in the Americas and APAC regions
- Capco's revenue growth at 3.2%, outperforming overall company growth
- Hiring plans include onboarding 2,500 to 3,000 freshers quarterly
- Attrition slightly up, indicating a recovering job market
- Discretionary spending stable, with growth opportunities in BFSI sector

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Automobiles																
Amara Raja Ener.	Neutral	1343	1415	5	49.5	54.5	61.7	10.4	10.1	13.2	24.6	21.8	3.2	2.9	13.9	14.0
Apollo Tyres	Buy	506	630	25	28.7	25.4	33.2	77.3	-11.6	30.7	19.9	15.2	1.7	1.5	11.1	13.3
Ashok Ley.	Buy	223	275	23	9.1	10.9	13.2	102.5	19.5	21.3	20.5	16.9	6.4	5.4	33.6	34.8
Bajaj Auto	Neutral	10063	11450	14	276.1	302.1	387.9	28.9	9.4	28.4	33.3	25.9	10.1	9.2	32.0	37.2
Balkrishna Inds	Neutral	2995	2840	-5	76.5	82.0	108.8	39.6	7.2	32.7	36.5	27.5	5.8	5.0	16.8	19.5
Bharat Forge	Neutral	1475	1465	-1	19.7	33.4	44.3	61.8	69.1	32.7	44.2	33.3	8.5	7.2	20.4	23.4
Bosch	Neutral	36811	34275	-7	620.5	731.6	877.2	28.5	17.9	19.9	50.3	42.0	8.2	7.5	17.1	18.7
CEAT	Buy	2968	3450	16	169.4	131.9	176.3	226.6	-22.2	33.7	22.5	16.8	2.7	2.4	12.5	15.0
Craftsman Auto	Buy	5993	7475	25	144.2	144.4	223.1	22.6	0.2	54.5	41.5	26.9	4.5	3.9	14.3	15.6
Eicher Mot.	Sell	4764	4095	-14	146.3	161.1	175.7	37.3	10.1	9.0	29.6	27.1	6.2	5.4	22.6	21.4
Endurance Tech.	Buy	2389	2760	16	47.3	61.9	74.3	36.5	30.9	20.0	38.6	32.1	5.9	5.1	16.3	17.1
Escorts Kubota	Neutral	3813	4085	7	94.9	99.9	127.4	85.0	5.3	27.5	38.1	29.9	4.6	4.1	12.7	14.4
Exide Ind	Neutral	496	470	-5	12.4	13.7	16.8	16.5	10.4	22.8	36.3	29.5	3.0	2.8	8.3	9.4
Happy Forgings	Buy	1122	1375	23	25.8	30.5	42.7	10.6	18.4	39.9	36.7	26.3	5.7	4.8	16.6	19.9
Hero Moto	Buy	5215	6625	27	204.6	230.3	280.1	40.5	12.6	21.6	22.6	18.6	5.4	5.0	24.8	28.0
M&M	Buy	2964	3610	22	88.7	103.0	122.7	34.0	16.0	19.2	28.8	24.2	5.7	4.8	21.6	21.8
CIE Automotive	Buy	534	650	22	21.1	21.7	26.8	16.8	2.7	23.6	24.7	19.9	3.1	2.7	13.0	14.5
Maruti Suzuki	Buy	12103	15235	26	429.0	475.1	550.4	56.8	10.7	15.9	25.5	22.0	4.0	3.5	15.6	16.0
MRF	Sell	129584	107790	-17	4,990.2	4,745.7	5,546.8	175.2	-4.9	16.9	27.3	23.4	3.0	2.7	11.4	12.0
Samvardh. Motherson	Buy	205	240	17	3.7	6.3	8.4	63.6	71.3	32.3	32.3	24.4	4.8	4.2	15.5	18.3
Motherson Wiring	Buy	64	83	29	1.4	1.6	2.1	31.1	12.1	27.6	39.7	31.1	13.9	11.3	38.5	40.0
Sona BLW Precis.	Neutral	638	670	5	8.9	10.2	13.2	31.6	14.5	28.6	62.3	48.4	11.7	10.1	20.1	22.4
Tata Motors	Neutral	910	990	9	58.7	57.1	69.5	2,628.0	-2.7	21.7	15.9	13.1	3.2	2.6	22.2	22.0
TVS Motor	Neutral	2715	2610	-4	43.8	52.5	67.9	44.4	19.6	29.4	51.8	40.0	13.2	10.4	28.4	29.0
Tube Investments	Buy	4486	5040	12	34.4	60.6	74.4	-15.2	76.3	22.8	74.0	60.3	14.0	11.5	20.8	21.0
Aggregate								94.5	9.4	21.8	30.0	27.4	5.8	5.0	19.4	18.4
Banks - Private																
AU Small Finance	Buy	684	830	21	23.0	30.6	38.8	4.3	33	26.5	22.3	17.6	3.1	2.6	14.9	16.0
Axis Bank	Neutral	1195	1225	2	80.7	85.1	98.2	14.9	5.4	15.5	14.1	12.2	2.1	1.8	16.1	15.9
Bandhan Bank	Neutral	192	220	15	13.8	24.4	28.6	1.6	76	17.0	7.9	6.7	1.3	1.1	17.1	17.5
DCB Bank	Buy	114	175	53	17.1	19.3	24.2	14.6	12.8	25.1	5.9	4.7	0.7	0.6	12.0	13.4
Equitas Small Fin.	Buy	70	100	42	7.1	5.6	8.9	46.6	-20.8	58.7	12.5	7.9	1.2	1.1	10.3	14.8
Federal Bank	Buy	195	230	18	16.3	16.9	20.5	14.5	3.5	20.9	11.5	9.5	1.5	1.3	13.4	14.3
HDFC Bank	Buy	1681	2050	22	80.0	88.2	100.1	1.0	10.2	13.5	19.1	16.8	2.6	2.3	14.4	14.6
ICICI Bank	Buy	1263	1400	11	58.4	63.6	72.0	27.5	9.0	13.1	19.9	17.6	3.2	2.8	17.6	17.2
IDFC First Bk	Neutral	72	83	16	4.3	4.2	6.0	13.8	-2.1	41.0	16.9	12.0	1.4	1.3	8.9	11.4
IndusInd	Buy	1347	1700	26	115.5	113.9	140.4	20.3	-1.4	23.3	11.8	9.6	1.5	1.3	13.3	14.5
Kotak Mah. Bk	Neutral	1870	1950	4	91.6	95.5	108.5	21.9	4.2	13.6	19.6	17.2	2.4	2.1	13.9	13.6
RBL Bank	Neutral	205	220	7	19.3	23.6	31.3	31.1	22.3	32.6	9.3	11.5	0.9	0.9	9.3	11.5
SBI Cards	Neutral	739	850	15	25.4	27.6	37.2	6.2	8.6	34.8	26.8	19.9	4.9	4.0	19.8	22.1
Aggregate								27.0	9.3	15.8	19.1	17.5	2.9	2.5	15.1	14.5
Banks - PSU																
BOB	Buy	248	290	17	34.4	37.6	41.3	26.1	9.4	9.9	6.6	6.0	1.0	0.9	16.9	16.3
Canara Bank	Buy	105	133	27	16.0	17.8	19.4	37.3	10.9	8.9	5.9	5.4	1.0	0.9	19.2	18.2
Indian Bank	Buy	519	670	29	62.2	75.9	83.3	46.7	22.0	9.8	6.8	6.2	1.1	1.0	18.1	17.3
Punjab Natl. Bank	Neutral	103	135	31	7.5	13.0	15.3	228.8	74.2	17.3	7.9	6.7	1.0	0.9	13.8	14.4
SBI	Buy	820	1015	24	75.2	87.7	100.9	20.6	17	15.1	9.4	8.1	1.6	1.3	18.5	17.9
Union Bank (I)	Buy	112	165	47	18.9	20.5	23.5	52.9	8	14.7	5.5	4.8	0.8	0.7	16.0	16.1
Aggregate								34.0	19	14	9	7.8	1.4	1.3	15.4	16.1
NBFCs																
AAVAS Financiers	Neutral	1732	2070	20	62.0	74.4	90.4	14.0	20.0	21.4	23.3	19.2	3.1	2.7	14.5	15.2
Aditya Birla Cap	Buy	222	270	21	10.1	13.2	17.1	19.0	30.9	29.2	16.8	13.0	1.9	1.7	12.1	13.9
Angel One	Buy	3116	4100	32	135.9	169.0	189.7	26.4	24.4	12.3	18.4	16.4	4.3	3.8	31.2	24.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Bajaj Fin.	Neutral	6897	8600	25	233.7	273.2	363.5	22.8	16.9	33.1	25.2	19.0	4.5	3.7	19.6	21.3
BSE	Neutral	4275	4000	-6	57.0	85.2	96.2	275.5	49.4	13.0	50.2	44.4	15.9	14.3	31.6	32.2
Cams Services	Buy	4741	5300	12	71.6	94.5	114.0	23.3	31.9	20.7	50.2	41.6	21.6	18.3	46.5	47.6
Can Fin Homes	Neutral	861	960	11	56.4	63.5	72.8	20.8	12.6	14.7	13.6	11.8	2.2	1.9	17.9	17.5
Cholaman.Inv.&Fn	Buy	1462	1850	27	40.7	53.4	73.1	25.6	31.0	36.9	27.4	20.0	5.1	3.9	20.6	22.5
CreditAccess	Buy	1027	1260	23	90.7	81.2	97.9	74.5	-10.5	20.6	12.7	10.5	2.1	1.8	18.1	18.4
Fusion Finance	Neutral	208	240	15	50.2	-1.7	54.0	30.2	PL	LP	NM	3.9	0.7	0.6	-0.6	17.5
Five-Star Business	Buy	891	1000	12	28.6	36.7	44.3	38.0	28.6	20.5	24.3	20.1	4.2	3.5	18.7	18.8
HDFC Life Insur.	Buy	742	900	21	7.3	8.3	9.5	15.3	13.2	14.8	89.9	78.3	2.9	2.5	16.8	16.3
Home First Fin.	Buy	1171	1355	16	34.5	42.4	52.6	33.2	22.8	24.1	27.6	22.3	4.2	3.6	16.4	17.5
ICICI Pru Life	Buy	745	930	25	5.9	6.9	8.9	5.0	17.3	28.8	107.3	83.3	2.1	1.8	19.5	19.9
ICICI Lombard	Buy	2015	2400	19	38.9	48.8	58.2	11.0	25.3	19.3	41.4	34.7	7.3	6.4	18.8	19.6
IIFL Finance	Buy	450	580	29	46.2	26.5	48.3	17.2	-42.7	82.3	17.0	9.3	1.5	1.3	9.6	14.9
360 ONE WAM	Buy	1068	1300	22	22.4	29.2	34.6	21.3	30.5	18.4	36.5	30.8	10.5	9.8	29.5	32.8
IndoStar	Buy	264	290	10	8.5	12.5	17.6	-48.5	47.3	40.2	21.1	15.0	1.1	1.0	5.1	7.1
L&T Finance	Buy	167	-		9.3	11.4	14.2	42.4	22.2	25.1	14.7	11.7	1.6	1.5	11.5	13.1
Life Insurance Corp.	Buy	935	1300	39	64.3	70.2	76.2	11.8	9.1	8.5	13.3	12.3	0.7	0.7	11.5	11.3
LIC Hsg Fin	Buy	619	830	34	86.6	89.2	93.3	64.8	3.0	4.6	6.9	6.6	1.0	0.9	14.7	13.8
MCX	Buy	6560	-		16.3	109.3	142.2	-44.2	570.4	30.1	60.0	46.1	22.5	20.5	38.8	46.4
Manappuram Fin.	Neutral	153	160	4	26.0	25.1	27.8	46.5	-3.4	10.7	6.1	5.5	1.0	0.8	17.0	16.3
MAS Financial	Buy	300	360	20	15.1	16.9	21.7	23.3	11.6	29.0	17.8	13.8	2.2	1.9	14.5	14.7
Max Financial	Neutral	1198	1250	4	7.6	11.1	13.0	-17.8	46.5	17.5	108.2	92.0	2.2	1.9	19.1	19.4
M&M Fin.	Buy	291	395	36	14.3	20.7	28.3	-11.4	45.1	36.7	14.1	10.3	1.7	1.5	12.7	15.7
Muthoot Fin	Neutral	1969	1800	-9	100.9	126.7	145.3	16.6	25.6	14.7	15.5	13.5	2.8	2.4	19.3	19.1
Piramal Enterp.	Neutral	1036	1000	-3	-75.0	41.0	79.9	-200.1	LP	94.9	25.2	13.0	0.9	0.8	3.4	6.4
PNB Housing	Buy	933	1235	32	58.1	70.3	88.9	-6.3	21.1	26.5	13.3	10.5	1.4	1.3	11.5	13.0
Poonawalla Fincorp	Buy	376	460	22	13.4	16.8	21.3	73.3	25.5	26.8	22.3	17.6	3.1	2.7	14.8	16.4
PFC	Buy	473	560	19	43.5	49.9	55.0	-1.0	14.6	10.3	9.5	8.6	1.7	1.5	19.4	18.7
REC	Buy	546	630	15	53.2	60.5	69.3	26.8	13.6	14.7	9.0	7.9	1.8	1.5	21.3	20.9
Repco Home Fin	Neutral	496	580	17	63.1	68.9	74.3	33.3	9.2	7.9	7.2	6.7	0.9	0.8	13.9	13.2
Spandana Sphoorty	Buy	500	580	16	70.2	12.7	73.0	3,922.1	-81.9	474.7	39.4	6.8	1.0	0.8	2.5	13.0
Shriram Finance	Buy	3345	4100	23	191.3	224.9	272.7	19.8	17.5	21.3	14.9	12.3	2.3	2.0	16.3	17.2
SBI Life Insurance	Buy	1705	2200	29	18.9	24.5	25.0	9.9	29.3	1.9	69.6	68.3	2.4	2.0	22.0	20.5
Star Health Insu	Buy	550	720	31	14.4	18.4	24.3	35.8	27.3	32.3	29.9	22.6	4.2	3.5	15.0	16.9
Aggregate								5.8	17.1	23.0	18.4	15.7	2.8	2.4	15.3	15.5
Chemicals																
Alkyl Amines	Neutral	2236	2305	3	29.1	41.5	56.9	-34.9	42.7	37.2	53.9	39.3	8.1	7.2	15.9	19.4
Atul	Buy	7770	9955	28	103.4	172.6	222.4	-38.8	66.8	28.9	45.0	34.9	4.1	3.8	9.5	11.3
Clean Science	Neutral	1597	1580	-1	23.0	26.6	36.0	-17.3	15.7	35.3	60.1	44.4	11.7	9.5	21.3	23.7
Deepak Nitrite	Neutral	2839	3005	6	55.1	73.8	80.6	-11.7	33.9	9.1	38.4	35.2	6.8	5.8	19.2	17.9
Fine Organic	Sell	5052	4250	-16	120.0	118.8	119.0	-37.7	-1.0	0.2	42.5	42.5	7.1	6.1	18.0	15.4
Galaxy Surfact.	Buy	2956	3750	27	85.0	97.7	115.0	-20.9	14.9	17.7	30.3	25.7	4.3	3.8	15.0	15.8
Navin Fluorine	Neutral	3370	3355	0	46.1	60.4	85.3	-39.1	31.1	41.2	55.8	39.5	6.4	5.7	12.0	15.4
NOCIL	Neutral	294	315	7	7.9	9.4	11.7	-11.7	19.2	24.9	31.3	25.1	2.8	2.6	9.0	10.6
PI Inds.	Buy	4562	5470	20	110.6	112.5	136.9	36.8	1.7	21.7	40.6	33.3	6.8	5.7	18.0	18.5
SRF	Neutral	2326	2240	-4	47.5	51.1	73.8	-37.7	7.7	44.3	45.5	31.5	5.5	4.9	12.7	16.4
Tata Chemicals	Neutral	1088	1070	-2	36.1	30.7	49.0	-60.5	-14.9	59.4	35.4	22.2	1.2	1.2	3.5	5.4
Vinati Organics	Buy	1927	2500	30	31.2	42.7	50.9	-22.8	36.8	19.2	45.2	37.9	7.1	6.2	16.8	17.5
Aggregate								-26.4	28.2	20.2	55.8	43.6	6.8	6.0	12.1	13.8
Capital Goods																
ABB India	Buy	8780	9500	8	58.9	97.0	114.2	81.9	64.7	17.8	90.5	76.9	23.7	18.4	29.8	27.0
Bharat Electronics	Buy	287	360	25	5.5	6.7	8.2	33.7	21.0	22.7	43.1	35.2	10.3	8.3	24.0	23.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Cummins India	Buy	3709	4300	16	60.0	74.2	89.0	33.4	23.7	19.9	50.0	41.7	14.8	13.0	31.3	33.1
Hitachi Energy	Neutral	15510	12800	-17	38.6	75.4	149.9	74.4	95.3	98.7	205.6	103.5	39.2	28.4	19.0	27.5
Kalpataru Proj.	Buy	1294	1500	16	32.6	49.3	69.6	8.3	51.3	41.1	26.2	18.6	3.3	2.8	13.2	16.4
KEC International	Neutral	990	950	-4	13.5	25.7	42.5	97.0	90.3	65.5	38.6	23.3	4.7	4.1	13.9	18.8
Kirloskar Oil	Buy	1178	1540	31	25.0	36.1	46.2	33.8	44.4	28.2	32.7	25.5	5.7	4.9	18.6	20.6
Larsen & Toubro	Buy	3576	4250	19	94.5	108.0	135.7	24.5	14.3	25.7	33.1	26.3	5.0	4.4	16.1	17.8
Siemens	Buy	7805	8400	8	55.1	73.4	87.5	55.5	33.3	19.2	106.3	89.2	18.5	16.0	18.6	19.3
Thermax	Neutral	5199	4950	-5	52.2	66.0	83.6	30.3	26.5	26.7	78.8	62.2	11.6	10.1	15.7	17.4
Triveni Turbine	Buy	785	830	6	8.5	11.0	14.3	39.8	30.5	29.4	71.0	54.9	20.6	16.2	32.3	33.0
Zen Technologies	Buy	1908	1900	0	15.1	28.8	41.8	218.8	90.9	45.0	66.2	45.7	23.1	15.3	42.2	40.3
Aggregate								32.3	23.9	26.1	61.4	49.5	10.1	8.7	16.5	17.5
Cement																
Ambuja Cem.	Buy	573	740	29	13.9	9.5	15.2	-2.2	-31.8	59.9	60.5	37.8	2.6	2.5	4.9	6.7
ACC	Buy	2286	3170	39	99.3	87.9	116.2	88.7	-11.5	32.1	26.0	19.7	2.5	2.2	9.9	11.8
Birla Corp.	Buy	1227	1650	35	54.0	31.6	64.4	1,052.2	-41.5	103.8	38.8	19.0	1.4	1.3	3.6	7.1
Dalmia Bhar.	Buy	1850	-		40.8	52.5	69.5	11.5	28.7	32.5	35.3	26.6	2.0	1.9	5.9	7.4
Grasim Inds.	Buy	2760	3270	18	95.6	89.4	104.9	-2.9	-6.5	17.2	30.9	26.3	3.4	3.3	0.8	2.5
India Cem	Sell	362	310	-14	-7.6	-12.4	-1.3	-49.9	Loss	Loss	NM	NM	2.2	2.2	-7.3	-0.8
J K Cements	Buy	4302	5270	23	102.7	96.3	136.3	86.2	-6.3	41.6	44.7	31.6	5.6	4.9	13.2	16.6
JK Lakshmi Ce	Buy	823	970	18	39.6	26.8	37.2	29.9	-32.2	38.8	30.7	22.1	2.8	2.6	9.5	12.1
Ramco Cem	Neutral	851	860	1	16.7	11.9	22.2	15.0	-28.8	86.8	71.5	38.3	2.7	2.6	3.9	6.9
Shree Cem	Neutral	24340	26580	9	684.2	449.3	510.4	110.3	-34.3	13.6	54.2	47.7	4.1	3.8	7.7	8.3
Ultratech	Buy	11061	13600	23	244.5	250.8	336.6	39.4	2.6	34.2	44.1	32.9	4.8	4.1	11.5	13.5
Aggregate								30.3	-10.4	35.5	37.2	41.5	3.7	3.4	10.0	8.1
Consumer																
Asian Paints	Neutral	2991	3150	5	57.9	55.3	61.8	30.9	-4.6	11.8	54.1	48.4	14.3	13.1	27.4	28.3
Britannia	Neutral	5886	6100	4	88.7	101.2	113.9	10.1	14.1	12.5	58.1	51.7	31.1	26.1	57.4	54.9
Colgate	Neutral	3396	3550	5	49.2	56.9	63.4	26.8	15.7	11.3	59.7	53.6	42.0	36.1	76.0	72.4
Dabur	Buy	571	700	23	10.6	10.8	12.5	9.2	2.2	15.4	52.8	45.8	9.4	8.7	18.6	19.8
Emami	Buy	701	950	36	18.0	20.4	23.1	17.0	13.3	13.1	34.3	30.3	11.0	9.6	34.1	33.9
Godrej Cons.	Buy	1336	1650	24	19.3	21.7	26.7	13.2	12.1	23.1	61.7	50.1	10.0	9.0	16.8	18.9
HUL	Buy	2716	3400	25	43.7	46.3	52.3	0.7	6.0	12.9	58.6	51.9	12.3	12.0	21.1	23.4
ITC	Buy	487	585	20	16.4	17.0	18.6	9.0	3.8	9.1	28.6	26.2	7.8	7.4	27.9	28.9
Indigo Paints	Buy	1565	1750	12	31.0	30.6	37.3	27.5	-1.2	21.9	51.1	41.9	7.3	6.4	15.2	16.3
Jyothy Lab	Neutral	512	575	12	9.8	11.1	12.4	54.8	12.8	12.3	46.2	41.2	9.8	8.8	21.8	22.6
Marico	Buy	669	780	17	11.5	12.6	13.9	13.7	9.5	10.8	53.2	48.1	21.7	20.8	41.6	44.2
Nestle	Neutral	2350	2400	2	41.0	34.0	38.6	62.5	-17.1	13.5	69.0	60.9	54.7	46.3	87.7	82.5
Page Inds	Neutral	45523	40000	-12	510.3	573.3	701.4	-0.4	12.3	22.3	79.4	64.9	29.1	25.1	36.7	38.6
Pidilite Ind.	Neutral	3185	3200	0	35.9	42.3	49.4	42.2	17.9	16.7	75.3	64.5	17.0	15.3	23.9	24.9
P&G Hygiene	Neutral	16062	17000	6	220.3	260.2	296.4	15.1	18.2	13.9	61.7	54.2	55.2	45.9	98.4	92.6
Tata Consumer	Buy	1095	1320	21	14.3	16.0	19.5	26.1	11.6	21.9	68.6	56.1	4.6	4.1	8.0	8.1
United Brew	Sell	1978	1950	-1	15.5	22.8	32.2	24.7	46.4	41.7	86.9	61.3	11.6	10.5	13.9	18.0
United Spirits	Neutral	1517	1550	2	18.1	18.4	20.8	42.7	1.6	13.2	82.4	72.8	13.3	11.2	16.1	15.4
Varun Beverages	Buy	588	730	24	6.3	8.0	10.2	37.3	26.8	27.1	73.3	57.7	20.7	15.7	32.3	30.9
Aggregate								15.0	4.3	12.9	51.6	49.5	13.1	12.1	25.4	24.5
Consumer Durables																
Havells India	Neutral	1851	1830	-1	20.3	23.9	29.6	18.5	17.8	24.0	77.5	62.5	13.8	12.1	17.8	19.3
KEI Industries	Buy	4060	5100	26	64.4	75.6	91.1	21.7	17.4	20.6	53.7	44.6	9.7	8.0	18.0	18.1
Polycab India	Buy	7118	8340	17	118.8	124.9	151.4	40.0	5.2	21.2	57.0	47.0	11.0	9.4	19.5	20.0
R R Kabel	Buy	1722	2130	24	26.4	32.0	45.5	57.0	21.2	42.1	53.8	37.8	9.2	7.7	18.3	22.2
Voltas	Buy	1865	2100	13	7.2	27.1	34.8	-36.8	274.0	28.7	68.9	53.6	9.3	8.1	13.5	15.2
Aggregate								23.2	29.2	24.2	81.2	62.9	12.8	11.1	15.8	17.6
EMS																
Amber Enterp.	Buy	5403	5500	2	40.1	68.1	105.1	-14.0	69.6	54.3	79.4	51.4	7.9	6.9	10.5	14.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Avalon Tech	Buy	591	690	17	4.3	6.7	15.1	-53.0	58.3	123.3	87.7	39.3	6.6	5.6	7.8	15.4
Cyient DLM	Buy	692	880	27	7.7	13.9	22.0	92.9	79.6	58.8	49.9	31.4	5.4	4.6	11.4	15.8
Data Pattern	Neutral	2451	2400	-2	32.4	40.0	53.1	46.6	23.2	32.8	61.3	46.2	8.9	7.5	15.6	17.6
Dixon Tech.	Buy	15385	16000	4	61.5	114.0	168.3	43.3	85.4	47.6	135.0	91.4	39.0	27.5	33.6	35.3
Kaynes Tech	Buy	5616	6400	14	28.7	53.4	94.2	75.3	86.2	76.3	105.1	59.6	12.7	10.5	12.8	19.2
Syrma SGS Tech.	Buy	407	530	30	6.1	9.0	15.0	-9.3	46.3	67.7	45.4	27.1	4.1	3.6	9.5	14.3
Aggregate								27.6	67.9	56.5	161.0	95.9	16.1	13.9	10.0	14.5
Healthcare																
Alembic Phar	Neutral	1160	1150	-1	31.5	37.4	41.2	43.9	18.8	10.3	31.0	28.1	4.2	3.7	14.2	13.9
Alkem Lab	Neutral	6133	6072	-1	159.7	187.8	204.3	50.6	17.6	8.8	32.7	30.0	6.1	5.3	20.1	18.8
Ajanta Pharma	Buy	3201	3790	18	62.3	75.8	87.8	26.6	21.7	15.7	42.2	36.5	9.5	7.9	24.5	23.7
Apollo Hospitals	Buy	6995	8330	19	62.4	94.4	125.5	29.6	51.2	33.0	74.1	55.7	11.9	9.8	17.9	19.9
Aurobindo	Neutral	1472	1480	1	56.0	66.3	73.8	46.1	18.3	11.3	22.2	20.0	2.6	2.3	12.3	12.2
Biocon	Neutral	340	340	0	1.8	4.4	9.2	-71.1	144.4	109.8	77.1	36.7	2.0	1.9	2.6	5.3
Cipla	Buy	1552	1940	25	52.5	58.7	65.6	39.0	11.9	11.7	26.4	23.7	4.1	3.5	15.4	14.9
Divis Lab	Neutral	6025	5300	-12	60.0	77.7	95.1	-7.5	29.6	22.4	77.5	63.3	10.7	9.6	14.4	15.9
Dr Reddy's	Neutral	6749	6930	3	317.1	353.8	389.0	29.6	11.6	9.9	19.1	17.3	3.4	2.8	19.1	17.7
ERIS Lifescience	Neutral	1343	1220	-9	29.2	30.4	42.0	5.2	4.0	38.0	44.1	32.0	6.3	5.4	15.2	18.2
Gland Pharma	Buy	1650	2170	32	47.6	53.4	67.0	-5.6	12.1	25.6	30.9	24.6	2.8	2.5	9.6	10.9
Glenmark	Buy	1739	1930	11	2.5	47.5	59.2	-88.0	1,811.9	24.6	36.6	29.4	5.4	4.6	15.8	16.8
GSK Pharma	Neutral	2666	2720	2	43.3	48.1	53.4	20.5	11.1	11.1	55.4	49.9	21.3	17.6	38.3	35.3
Global Health	Buy	1067	1263	18	17.8	19.3	24.8	46.7	8.2	29.0	55.4	43.0	8.6	7.4	16.6	18.5
Granules India	Buy	597	645	8	17.4	22.2	29.4	-19.5	27.7	32.8	26.9	20.3	3.9	3.3	15.4	17.5
IPCA Labs	Buy	1649	1950	18	20.8	33.4	42.8	0.0	60.8	28.1	49.3	38.5	5.9	5.2	12.7	14.5
Laurus Labs	Buy	475	540	14	3.0	6.7	11.9	-79.6	121.9	78.3	71.0	39.8	5.8	5.2	8.4	13.7
Lupin	Neutral	2176	2060	-5	41.5	59.2	69.8	382.6	42.5	17.8	36.8	31.2	5.9	5.0	17.3	17.4
Mankind Pharma	Buy	2648	3000	13	47.8	54.5	62.4	38.5	14.1	14.6	48.6	42.4	9.6	8.2	21.4	20.9
Max Healthcare	Buy	938	1238	32	13.7	15.6	19.1	18.6	13.9	22.4	59.9	49.0	8.4	7.2	15.1	15.8
Piramal Pharma	Buy	225	280	24	0.4	2.6	5.3	-170.2	509.3	107.2	87.4	42.2	3.3	3.0	4.2	8.2
Sun Pharma	Buy	1910	2220	16	41.4	49.2	57.9	15.8	18.6	17.8	38.9	33.0	6.2	5.3	17.2	17.4
Torrent Pharma	Neutral	3448	3430	-1	47.1	63.4	82.0	26.7	34.6	29.3	54.4	42.1	7.1	5.8	28.5	30.5
Zydus Lifesciences	Neutral	1022	1140	12	37.6	43.9	47.3	68.0	16.5	7.9	23.3	21.6	4.1	3.5	19.6	17.4
Aggregate								24.8	24.0	18.3	46.8	37.7	6.4	5.6	13.7	14.8
Infrastructure																
G R Infraproject	Buy	1621	2050	26	73.0	79.2	99.9	-17.2	8.5	26.2	20.5	16.2	2.0	1.8	10.1	11.5
IRB Infra	Neutral	57	62	8	1.0	1.6	2.1	-15.9	58.6	30.8	36.0	27.5	2.4	2.2	6.8	8.4
KNR Constructions	Buy	315	410	30	15.2	14.6	18.9	3.3	-4.4	29.7	21.6	16.7	2.4	2.1	11.9	13.5
Aggregate											34.2	27.9	2.5	2.3	7.2	8.2
Logistics																
Adani Ports	Buy	1405	1880	34	41.3	51.2	61.1	16.5	24.2	19.2	27.4	23.0	4.8	4.1	19.1	19.3
Blue Dart Express	Buy	8439	9900	17	121.6	137.1	223.5	-21.2	12.7	63.0	61.5	37.8	12.3	10.0	21.3	29.2
Concor	Buy	872	1150	32	20.3	22.3	32.6	5.8	9.9	46.1	39.1	26.7	4.2	3.9	11.2	15.2
JSW Infra	Buy	320	410	28	5.8	6.5	9.3	6.8	11.7	44.3	49.4	34.3	7.4	6.4	15.9	20.0
Mahindra Logistics	Neutral	487	530	9	-8.2	6.6	19.1	-322.8	LP	188.9	73.5	25.5	6.7	5.4	9.1	23.1
Transport Corp.	Buy	1068	1290	21	45.8	52.6	64.5	10.1	14.8	22.6	20.3	16.6	3.5	2.9	18.2	18.8
TCL Express	Buy	1025	1370	34	34.4	32.8	43.5	-5.4	-4.5	32.6	31.2	23.5	4.9	4.2	16.7	19.2
VRL Logistics	Buy	578	670	16	10.1	12.7	23.4	-46.1	25.7	83.6	45.4	24.7	5.2	4.7	11.6	20.1
Aggregate											38.0	31.2	5.9	5.1	15.5	16.3
Media																
PVR Inox	Neutral	1611	1750	9	11.7	7.4	26.7	-153.8	-36.8	262.9	218.6	60.2	2.1	2.1	1.0	3.5
Sun TV	Neutral	760	860	13	47.6	47.1	50.2	12.0	-1.0	6.5	16.1	15.1	2.7	2.5	16.8	16.5
Zee Ent.	Neutral	132	145	10	4.5	7.2	9.6	-4.9	59.9	32.7	18.1	13.6	1.1	1.0	6.2	7.8
Aggregate								16.7	8.2	23.1	23.9	22.1	2.0	1.9	8.5	8.8
Metals																
Coal India	Buy	492	590	20	60.7	61.2	67.4	17.8	0.9	10.1	8.0	7.3	3.0	2.5	37.3	34.2



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Hindalco	Buy	753	880	17	45.6	63.0	63.1	0.8	38.0	0.1	12.0	11.9	1.8	1.6	16.2	14.2
Hind. Zinc	Neutral	508	570	12	18.4	23.0	30.6	-26.2	25.2	33.0	22.1	16.6	17.5	10.7	70.8	80.1
JSPL	Buy	964	1200	24	58.4	54.8	95.5	60.4	-6.2	74.3	17.6	10.1	2.0	1.7	11.7	17.9
JSW Steel	Buy	992	1200	21	36.8	32.6	67.8	148.7	-11.5	108.1	30.5	14.6	2.9	2.4	9.8	17.9
Nalco	Neutral	232	220	-5	9.1	12.9	13.9	16.3	42.2	7.8	18.0	16.7	2.6	2.4	15.6	15.0
NMDC	Buy	231	290	25	19.7	25.0	27.0	18.0	26.7	8.0	9.3	8.5	2.2	1.9	25.8	23.8
SAIL	Neutral	129	140	9	2.6	4.1	10.4	-43.8	58	150.6	31.2	12.4	0.9	0.9	3.0	7.2
Tata Steel	Neutral	155	180	16	2.7	5.9	12.4	-61.8	119	108.7	26.2	12.6	2.2	2.1	8.5	17.0
Vedanta	Neutral	481	550	14	13.3	36.2	44.1	-53.1	173	21.7	13.3	10.9	5.0	4.1	40.6	41.2
Aggregate								0.1	22.9	32.1	17.7	14.4	2.8	2.5	15.9	17.6
Oil & Gas																
Aegis Logistics	Neutral	726	810	12	16.2	17.5	21.7	10.8	7.9	24.2	41.5	33.4	5.9	5.3	15.0	16.8
BPCL	Neutral	343	340	-1	63.3	32.6	35.5	1,271.9	-48.5	8.9	10.5	9.7	1.8	1.6	17.6	17.6
Castrol India	Buy	222	300	35	8.7	9.4	9.6	6.0	7.4	2.7	23.7	23.1	9.8	9.2	42.4	41.1
GAIL	Buy	221	290	31	13.7	15.3	17.3	70.1	11.5	13.2	14.5	12.8	2.0	1.8	15.0	15.5
Gujarat Gas	Buy	563	730	30	16.0	19.0	22.7	-27.8	19.0	19.2	29.6	24.8	4.5	4.0	16.1	17.2
Gujarat St. Pet.	Neutral	400	472	18	22.8	13.1	12.1	35.9	-42.4	-7.7	30.5	33.0	2.1	2.0	7.0	6.2
HPCL	Buy	431	510	18	75.2	30.2	47.1	-329.4	-59.9	56.2	14.3	9.2	1.8	1.6	13.0	18.2
IOC	Buy	165	225	36	29.5	10.5	13.7	344.7	-64.4	30.9	15.8	12.1	1.2	1.1	7.7	9.5
IGL	Sell	452	466	3	25.0	23.3	26.2	21.0	-6.6	12.5	19.4	17.2	3.3	2.9	17.9	17.8
Mahanagar Gas	Buy	1583	2430	54	132.3	129.4	137.0	65.4	-2.2	5.9	12.2	11.6	2.6	2.3	23.1	21.4
MRPL	Sell	166	131	-21	20.5	2.2	9.9	36.6	-89.3	350.0	76.1	16.7	2.1	1.9	2.8	12.2
Oil India	Buy	534	720	35	48.7	46.2	51.3	16.2	-5.0	11.0	11.5	10.4	1.8	1.6	16.1	16.0
ONGC	Buy	283	365	29	46.3	45.0	52.8	44.9	-2.8	17.2	6.3	5.4	1.0	0.9	15.9	16.5
PLNG	Neutral	349	394	13	23.6	25.3	30.5	9.1	7.3	20.7	13.8	11.4	2.8	2.4	21.1	22.6
Reliance Ind.	Buy	2718	3255	20	102.9	96.7	129.7	4.4	-6.0	34.1	28.1	21.0	2.1	1.9	7.9	9.8
Aggregate								80.0	-23.3	24.9	12.9	16.9	1.9	1.8	15.0	10.6
Real Estate																
Brigade Enterpr.	Buy	1278	1630	28	22.1	37.1	42.0	82.6	67.9	13.2	34.4	30.4	6.0	5.0	18.9	18.0
DLF	Neutral	876	850	-3	11.0	16.6	17.0	-3.5	50.5	2.4	52.9	51.6	3.7	3.4	10.0	9.4
Godrej Propert.	Buy	3132	3725	19	26.9	52.0	34.4	20.3	93.4	-33.8	60.2	91.0	7.6	7.0	13.5	8.0
Kolte Patil Dev.	Buy	399	620	56	-9.2	13.3	42.1	-167.7	LP	217.1	30.0	9.5	3.8	2.8	13.1	33.6
Oberoi Realty	Neutral	1931	-		53.0	50.5	71.0	1.2	-4.6	40.5	38.2	27.2	4.6	4.0	12.6	15.6
Macrotech Devel.	Buy	1162	1770	52	16.9	23.4	35.3	6.0	38.3	51.0	49.7	32.9	5.7	4.9	12.1	16.0
Mahindra Lifespace	Neutral	515	600	16	6.3	6.3	6.9	111.6	0.5	8.9	81.2	74.6	4.1	4.0	5.2	5.4
SignatureGlobal	Buy	1492	2000	34	1.2	47.4	69.2	-129.1	3,931.0	46.1	31.5	21.6	16.2	9.3	69.4	54.7
Sunteck Realty	Buy	592	745	26	4.8	16.2	23.2	4,699.7	234.8	43.1	36.5	25.5	2.6	2.4	7.4	9.7
Sobha	Buy	1742	2250	29	5.1	35.2	74.2	-52.9	591.2	110.5	49.4	23.5	5.9	4.8	12.7	22.6
Prestige Estates	Buy	1766	2150	22	19.0	19.9	26.2	-1.5	5.0	31.9	88.8	67.3	5.5	5.1	6.4	7.9
Phoenix Mills	Neutral	1609	1650	3	30.8	30.3	41.6	50.6	-1.4	36.9	53.0	38.7	5.5	4.9	10.9	13.3
Aggregate								18.3	44.6	23.8	74.1	51.3	6.1	5.5	8.3	10.8
Retail																
Avenue Supermarts	Buy	3986	5300	33	39.0	44.3	55.2	6.2	13.8	24.5	89.9	72.2	12.0	10.3	14.3	15.4
Aditya Birla Fashion	Neutral	335	380	13	-7.4	-6.6	-6.2	955.4	Loss	Loss	NM	NM	8.4	9.9	-15.2	-16.8
Bata India	Neutral	1464	1520	4	22.8	26.4	33.6	-9.3	16.1	27.0	55.4	43.6	10.5	9.4	20.5	22.8
Barbeque-Nation	Neutral	630	700	11	-2.9	-2.4	1.2	-172.8	Loss	LP	NM	505.6	6.4	6.3	-2.4	1.3
Campus Activewe.	Buy	302	390	29	2.9	4.3	5.6	-23.6	46.8	30.8	70.4	53.8	11.8	9.7	16.8	18.0
Devyani Intl.	Buy	175	220	26	0.8	0.8	1.9	-66.5	-2.3	148.8	232.6	93.5	30.1	31.8	10.3	33.1
Jubilant Food.	Neutral	625	625	0	3.9	5.3	8.0	-32.9	34.8	50.4	117.5	78.2	17.9	16.7	15.2	21.4
Kalyan Jewellers	Buy	719	850	18	5.8	8.4	11.4	29.9	44.9	35.4	85.5	63.1	15.3	13.1	19.2	22.3
Metro Brands	Buy	1231	1525	24	12.7	14.8	18.1	-5.2	16.3	21.9	83.0	68.1	14.9	12.6	19.9	20.5
Relaxo Footwear	Neutral	782	850	9	8.1	9.4	11.8	29.8	16.7	25.4	83.3	66.4	8.9	8.1	11.2	12.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Restaurant Brands	Buy	103	140	36	-4.8	-3.2	-0.8	-2.5	Loss	Loss	NM	NM	10.8	11.8	-28.7	-8.2
Sapphire Foods	Buy	347	415	20	1.6	1.4	3.4	-52.5	-15.8	147.9	252.8	102.0	8.0	7.4	3.2	7.5
Shoppers Stop	Neutral	743	900	21	5.5	7.0	10.2	-50.2	26.7	46.4	106.6	72.8	15.5	12.1	21.2	24.6
Senco Gold	Buy	1379	1700	23	23.3	31.3	37.4	1.6	34.4	19.5	44.0	36.8	6.7	5.8	16.4	16.8
Titan Company	Buy	3380	4300	27	39.3	45.5	56.4	6.8	15.9	23.9	74.3	59.9	24.6	19.1	37.5	35.9
Trent	Buy	7770	8760	13	29.2	54.3	73.2	162.5	86.0	34.7	143.0	106.2	43.0	30.0	38.4	35.6
V-Mart Retail	Neutral	4295	4670	9	-53.5	-3.0	35.7	1,132.9	Loss	LP	NM	120.2	10.5	9.6	NM	8.4
Vedant Fashions	Neutral	1328	1400	5	17.1	18.5	22.7	-3.5	8.6	22.7	71.6	58.4	18.2	15.8	26.2	26.3
Westlife Foodworld	Neutral	868	825	-5	4.4	3.0	7.7	-38.0	-32.6	156.0	290.2	113.4	17.4	17.3	6.8	15.3
Aggregate								-1.5	30.9	33.7	137.5	105.0	20.7	17.9	15.1	17.1
Technology																
Cyient	Buy	1830	2300	26	66.9	69.9	85.8	27.7	4.6	22.7	26.2	21.3	4.4	4.1	16.4	18.8
HCL Tech.	Buy	1857	2300	24	57.9	63.7	71.9	5.6	10.1	12.9	29.1	25.8	7.5	7.6	25.6	29.3
Infosys	Buy	1879	2200	17	63.3	63.4	71.1	10.0	0.2	12.0	29.6	26.4	8.8	8.8	29.8	33.4
LTI Mindtree	Buy	5992	7400	23	154.8	164.6	191.8	2.0	6.3	16.5	36.4	31.2	7.8	6.8	22.7	23.2
L&T Technology	Buy	5136	6400	25	123.0	126.3	149.4	11.3	2.7	18.3	40.7	34.4	9.0	7.7	24.0	24.5
Mphasis	Neutral	3096	3400	10	81.8	91.4	104.7	-6.0	11.8	14.5	33.9	29.6	6.2	5.7	19.1	20.2
Coforge	Buy	7210	8100	12	133.2	150.0	193.9	2.0	12.6	29.2	48.1	37.2	11.2	9.8	24.3	27.6
Persistent Sys	Buy	5507	6300	14	75.1	89.7	115.4	20.1	19.5	28.6	61.4	47.7	14.5	12.3	25.7	28.1
TCS	Buy	4122	5400	31	126.3	141.0	156.8	9.5	11.7	11.2	29.2	26.3	15.6	14.6	54.8	57.4
Tech Mah	Neutral	1688	1700	1	41.1	47.9	63.7	-28.2	16.6	33.0	35.1	26.4	5.5	5.3	15.7	20.3
Wipro	Neutral	549	550	0	20.4	22.6	24.5	-1.5	11.0	8.1	24.3	22.4	3.9	3.8	16.1	17.3
Zensar Tech	Neutral	692	770	11	29.1	27.3	31.3	102.7	-6.4	14.8	25.4	22.1	3.9	3.5	16.5	16.8
Aggregate								3.8	9.7	13.0	33.4	30.4	9.3	9.1	28.0	30.0
Telecom																
Bharti Airtel	Buy	1707	2000	17	19.7	30.8	46.7	36.7	56.9	51.3	55.4	36.6	10.5	8.1	20.6	27.1
Indus Towers	Neutral	385	395	3	22.4	33.7	29.0	151.1	50.5	-14.1	11.4	13.3	3.1	2.6	29.5	20.8
Vodafone Idea	Neutral	9	10	11	-11.1	-9.8	-9.3	9.3	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1873	1790	-4	42.3	37.6	58.1	-30.0	-11.1	54.7	49.9	32.2	21.7	14.5	50.4	54
Aggregate								Loss	Loss	LP	-89	-2,116	179.5	72.8	-201.4	-3.4
Utilities																
Indian Energy Exchange	Neutral	191	226	18	3.8	4.1	4.9	16.7	7.6	19.2	46.3	38.8	15.0	12.6	35.3	35.3
JSW Energy	Buy	677	917	35	10.5	17.9	20.8	24.2	70.1	16.5	37.8	32.5	4.8	4.2	13.3	13.8
NTPC	Neutral	425	450	6	22.0	23.6	26.4	24.6	7.2	12.1	18.0	16.1	2.4	2.2	13.7	14.2
Power Grid Corpn	Buy	332	425	28	16.7	18.4	19.2	1.0	9.6	4.7	18.1	17.3	3.4	3.2	19.1	19.1
Tata Power Co.	Buy	454	551	21	12.8	15.7	18.6	7.5	22.4	18.8	28.9	24.3	4.0	3.5	14.5	15
Aggregate								13.2	12.1	10.5	23	20	3.3	3.0	14.3	14.8
Others																
APL Apollo Tubes	Buy	1570	1860	18	26.4	28.4	45.7	14.1	7.5	61.0	55.3	34.4	10.3	8.2	20.1	26.5
Cello World	Buy	871	1150	32	15.6	18.3	23.0	24.4	17.4	25.8	47.6	37.8	12.1	9.3	25.5	24.5
Coromandel Intl	Buy	1621	1810	12	55.8	54.8	72.1	-18.5	-1.7	31.5	29.6	22.5	4.5	3.9	16.1	18.5
Dreamfolks Services	Buy	460	720	57	12.5	16.6	22.1	-6.2	32.5	33.0	27.7	20.8	7.4	5.4	32.2	31.1
EPL	Buy	270	310	15	8.2	10.4	14.4	13.5	27.7	38.0	25.8	18.7	3.8	3.3	15.2	18.9
Gravita India	Buy	2514	2900	15	34.6	43.7	60.4	18.9	26.2	38.1	57.5	41.6	15.3	11.3	30.7	31.2
Godrej Agrovet	Buy	774	940	21	18.7	26.3	34.5	44.1	40.3	31.3	29.5	22.4	5.3	4.5	18.9	21.7
Indian Hotels	Buy	687	770	12	8.9	11.2	14.4	25.9	26.8	28.0	61.1	47.7	8.9	7.6	15.7	17.2
Indiamart Inter.	Buy	3018	3500	16	55.2	72.2	80.0	19.0	30.8	10.8	41.3	37.3	8.6	7.3	22.6	21.2
Info Edge	Neutral	8088	7400	-9	64.3	76.6	93.4	102.2	19.1	22.0	105.6	86.6	3.9	3.8	3.8	4.5
Interglobe	Neutral	4651	4655	0	211.8	193.8	209.1	-	-9	8	24.0	22	19.0	10.2	131.9	60.0
Kajaria Ceramics	Buy	1396	1750	25	27.2	30.7	38.0	27.2	13.0	23.6	45.4	36.8	7.7	6.9	17.4	19.5
Lemon Tree Hotel	Buy	123	165	34	1.9	2.4	3.8	25.7	26.5	59.1	51.3	32.2	8.3	6.6	17.7	22.9
MTAR Tech	Buy	1689	2100	24	18.2	29.7	52.1	-45.7	62.7	75.4	56.9	32.4	6.8	5.6	12.6	18.9



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
One 97	Neutral	725	650	-10	-22.4	-28.6	-12.1	-20.2	Loss	Loss	NM	NM	3.8	4.0	-14.4	-6.6
Qess Corp	Neutral	754	770	2	20.4	28.4	35.1	78.3	38.9	23.9	26.6	21.5	2.9	2.7	14.8	17.0
SIS	Buy	401	530	32	13.0	29.1	36.4	-44.2	124.7	24.9	13.8	11.0	1.0	0.8	16.7	17.3
Team Lease Serv.	Buy	3003	4000	33	64.8	83.0	127.1	-0.5	28.1	53.1	36.2	23.6	5.5	4.5	14.8	19.1
UPL	Neutral	556	650	17	3.7	26.3	45.1	-93.7	618.2	71.8	21.1	12.3	1.1	1.0	8.0	12.9
Updater Services	Buy	374	490	31	11.4	16.0	22.4	67.8	41.2	39.7	23.3	16.7	2.6	2.2	11.8	14.3
Zomato	Buy	257	320	24	0.4	1.0	3.3	-134.9	149.5	219.9	253.0	79.1	10.4	9.2	4.2	12.3



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.3	-2.1	23.3
Nifty-50	0.4	-2.1	26.3
Nifty Next 50	0.4	-0.9	64.6
Nifty 100	0.3	-2.1	31.8
Nifty 200	0.3	-2.1	33.9
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	0.6	-2.5	52.1
Amara Raja Ener.	-1.9	-3.5	109.4
Apollo Tyres	0.3	-1.0	32.1
Ashok Leyland	1.7	-5.4	27.2
Bajaj Auto	-0.5	-14.5	95.9
Balkrishna Inds	0.9	-1.2	15.9
Bharat Forge	0.2	-6.4	33.3
Bosch	0.9	7.1	82.9
CEAT	2.8	1.1	35.4
Craftsman Auto	-1.8	-6.3	33.0
Eicher Motors	3.1	-1.7	36.3
Endurance Tech.	-0.3	-2.7	48.2
Escorts Kubota	0.7	0.5	15.7
Exide Inds.	-0.1	5.1	85.7
Happy Forgings	1.4	-6.9	
Hero Motocorp	0.0	-12.5	65.4
M & M	0.0	5.6	88.2
CIE Automotive	0.8	-7.5	10.2
Maruti Suzuki	-0.3	-0.8	12.2
MRF	-0.2	-3.5	18.2
Sona BLW Precis.	-1.7	-11.2	14.1
Motherson Sumi	1.1	0.5	112.9
Motherson Wiring	0.5	-8.3	2.8
Tata Motors	2.1	-5.4	36.1
TVS Motor Co.	1.4	-2.5	69.7
Tube Investments	0.4	11.3	49.6
Banks-Private	1.9	-2.0	13.7
AU Small Fin. Bank	-0.5	-5.6	-3.0
Axis Bank	5.7	-3.5	20.5
Bandhan Bank	0.9	-9.9	-19.4
DCB Bank	0.2	-5.4	-6.6
Equitas Sma. Fin	-0.4	-6.1	84.5
Federal Bank	0.9	5.1	33.3
HDFC Bank	0.5	-0.8	10.7
ICICI Bank	2.7	-1.9	34.0
IDFC First Bank	-0.2	-1.7	-21.3
IndusInd Bank	0.0	-9.0	-5.1
Kotak Mah. Bank	0.4	1.7	6.7
RBL Bank	1.4	-2.9	-15.0
SBI Cards	0.0	-5.1	-7.4
Banks-PSU	1.3	-0.1	32.7
BOB	2.5	4.2	21.8
Canara Bank	2.1	-0.7	40.7
Indian Bank	1.1	2.7	24.6
Punjab Natl.Bank	0.8	-5.0	39.2
St Bk of India	1.2	3.5	43.3
Union Bank (I)	0.6	-8.8	9.9

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.3	-1.9	35.2
Nifty Midcap 100	0.3	-1.8	45.3
Nifty Smallcap 100	0.1	-1.6	46.6
Nifty Midcap 150	0.2	-1.5	43.8
Nifty Smallcap 250	0.0	-1.3	46.1
NBFCs	1.5	-1.6	21.6
Aditya Birla Capital Ltd	1.6	-2.2	22.9
Angel One	-0.4	19.0	44.1
Bajaj Fin.	0.0	-9.6	-12.3
BSE	0.4	9.7	187.3
Cholaman.Inv.&Fn	0.3	-8.2	19.8
Can Fin Homes	0.3	-2.0	12.8
Cams Services	-2.3	4.8	82.7
CreditAcc. Gram.	-2.0	-17.3	-25.6
Fusion Microfin.	-3.9	-32.4	-66.0
Five-Star Bus.Fi	-0.9	15.7	14.7
Home First Finan	-2.5	-4.8	22.7
Indostar Capital	-0.6	-7.5	47.4
IIFL Finance	-2.1	-14.8	-28.4
L&T Finance	0.1	-5.9	21.6
LIC Housing Fin.	1.1	-8.3	31.4
MCX	3.5	13.0	199.1
M & M Fin. Serv.	3.1	-11.1	3.4
Muthoot Finance	0.7	-2.4	57.4
Manappuram Fin.	-13.6	-27.1	7.9
MAS Financial Serv.	0.0	1.4	-2.0
360 One	-3.5	-1.1	99.0
PNB Housing	-0.1	-13.2	22.5
Power Fin.Corpn.	0.7	-3.9	92.3
REC Ltd	0.7	0.0	89.0
Repco Home Fin	0.0	-8.0	16.1
Shriram Finance	2.6	-6.4	79.2
Spandana Sphoort	-0.3	-17.6	-37.1
Insurance			
HDFC Life Insur.	2.3	6.2	15.1
ICICI Pru Life	1.4	-0.7	43.1
ICICI Lombard	-1.0	-5.6	48.8
Life Insurance	0.2	-8.2	46.9
Max Financial	2.0	4.9	28.7
SBI Life Insuran	0.2	-7.4	25.8
Star Health Insu	0.1	-8.9	-7.1
Chemicals			
Alkyl Amines	-0.6	-5.5	-0.4
Atul	0.2	1.2	13.7
Clean Science	0.7	3.2	17.1
Deepak Nitrite	-1.0	-1.6	34.8
Fine Organic	-1.1	-6.5	4.9
Galaxy Surfact.	-0.3	-8.9	9.5
Navin Fluo.Intl.	1.4	5.1	-8.2
NOCIL	-2.5	4.5	26.9
P I Inds.	2.2	-2.0	30.0
SRF	2.8	-2.6	3.5
Tata Chemicals	1.3	6.9	4.2



Company	1 Day (%)	1M (%)	12M (%)
Vinati Organics	-2.2	-2.1	8.7
Capital Goods	-0.1	-2.8	-1.4
A B B	1.1	12.8	114.3
Bharat Electron	0.9	1.5	109.5
Cummins India	0.5	-1.4	115.5
Hitachi Energy	-1.7	20.1	239.0
K E C Intl.	-0.1	-2.5	48.7
Kalpataru Proj.	-0.4	-6.1	84.5
Kirloskar Oil	-2.1	-7.6	112.1
Larsen & Toubro	0.2	-4.1	17.5
Siemens	1.1	15.8	123.4
Thermax	1.8	-0.4	66.7
Triveni Turbine	1.5	5.6	111.7
Zen Technologies	0.7	14.1	164.7
Cement			
Ambuja Cem.	0.5	-7.4	32.6
ACC	0.9	-7.7	13.5
Birla Corp.	1.7	-6.9	-3.0
Dalmia Bhar.	0.9	1.0	-17.0
Grasim Inds.	2.0	1.4	41.7
India Cem	-0.1	-1.9	63.8
J K Cements	0.3	-7.1	30.8
JK Lakshmi Cem.	2.1	6.0	21.5
The Ramco Cement	0.1	1.1	-13.9
Shree Cement	0.4	-2.9	-9.2
UltraTech Cem.	0.5	-4.8	33.7
Consumer	-0.5	-5.5	16.4
Asian Paints	-2.1	-8.6	-3.4
Britannia Inds.	-1.7	-3.9	27.8
Colgate-Palm.	0.8	-6.6	65.0
Dabur India	-0.2	-12.7	7.0
Emami	-2.0	-5.9	39.3
Godrej Consumer	-0.8	-6.7	33.7
Hind. Unilever	-0.8	-5.5	6.6
ITC	-0.4	-4.1	7.8
Indigo Paints	0.3	6.3	7.4
Jyothy Lab.	-1.5	-5.3	41.0
Marico	0.5	-3.7	21.9
Nestle India	-1.2	-9.5	1.0
Page Industries	0.2	5.9	18.0
Pidilite Inds.	0.9	-0.3	32.3
P & G Hygiene	-3.3	-3.0	-7.1
Tata Consumer	0.3	-9.0	23.6
United Breweries	-0.3	-3.5	26.1
United Spirits	-0.6	-1.2	43.8
Varun Beverages	0.1	-9.0	59.1
Consumer Durables	0.2	-2.9	40.6
Polycab India	0.0	6.8	33.4
R R Kabel	-0.7	3.4	22.2
Havells	2.4	-6.9	38.0
Voltas	1.7	-1.3	123.6
KEI Industries	-2.1	-9.9	49.0

Company	1 Day (%)	1M (%)	12M (%)
EMS			
Amber Enterp.	-1.4	21.2	81.3
Avalon Tech	2.5	0.5	10.1
Cyient DLM	-0.4	-0.5	-3.1
Data Pattern	0.1	-7.7	17.8
Dixon Technolog.	1.7	9.4	180.9
Kaynes Tech	0.5	2.4	123.6
Syrma SGS Tech.	0.3	-8.5	-36.9
Healthcare	0.4	1.4	52.3
Alembic Pharma	-2.4	-2.7	42.0
Alkem Lab	1.8	0.7	68.8
Apollo Hospitals	-0.1	-0.8	40.3
Ajanta Pharma	-1.1	2.5	78.5
Aurobindo	0.3	-4.3	63.7
Biocon	0.3	-6.5	42.4
Zydus Lifesci.	0.2	-5.3	75.1
Cipla	-0.4	-6.0	28.2
Divis Lab	-0.9	10.1	65.4
Dr Reddy's	0.6	2.6	18.7
ERIS Lifescience	-0.3	-3.7	55.2
Gland Pharma	0.6	-10.4	2.5
Glenmark	0.2	5.6	117.4
Global Health	-1.0	-4.2	38.1
Granules	0.5	9.1	67.8
GSK Pharma	0.3	-4.7	75.2
IPCA Labs	0.2	14.0	71.1
Laurus Labs	1.9	-2.1	19.1
Lupin	0.2	-2.0	83.0
Mankind Pharma	-1.4	10.5	47.0
Max Healthcare	0.0	-2.7	62.2
Piramal Pharma	0.5	-1.7	126.6
Sun Pharma	1.1	4.0	65.6
Torrent Pharma	1.6	2.7	79.9
Infrastructure	0.5	-1.7	46.3
G R Infracore	0.2	-3.3	34.0
IRB Infra.Devl.	-1.4	-5.7	65.0
KNR Construct.	-0.2	-4.2	13.2
Logistics			
Adani Ports	0.8	-1.6	76.0
Blue Dart Exp.	1.6	-1.5	25.1
Container Corpn.	0.4	-5.9	21.3
JSW Infracore	-1.9	-5.6	82.7
Mahindra Logis.	-2.0	4.4	27.3
Transport Corp.	-0.5	-2.5	34.1
TCI Express	0.2	-8.7	-24.9
VRL Logistics	-1.8	-3.4	-16.1
Media	1.4	-3.1	-12.1
PVR INOX	0.0	-4.0	-9.2
Sun TV	-0.7	-7.9	14.8
Zee Ent.	5.3	1.0	-48.4
Metals	1.6	4.8	42.1
Hindalco	2.5	10.0	55.3
Hind. Zinc	-0.3	4.4	61.7



Company	1 Day (%)	1M (%)	12M (%)
JSPL	3.7	-5.9	41.1
JSW Steel	1.3	3.8	26.5
Nalco	3.1	25.4	135.7
NMDC	3.3	9.1	43.2
SAIL	0.9	-0.5	47.0
Tata Steel	2.0	3.2	22.3
Vedanta	1.8	7.3	108.6
Oil & Gas	-0.1	-2.5	56.2
Aegis Logistics	-0.8	-6.0	128.4
BPCL	-0.1	1.9	95.6
Castrol India	0.6	-11.8	53.7
GAIL	-0.3	1.6	69.0
Gujarat Gas	-1.3	-8.7	34.1
Gujarat St. Pet.	1.3	-0.2	38.5
HPCL	-0.4	5.9	152.0
IOCL	0.7	-1.8	82.2
IGL	-10.5	-15.6	-6.0
Mahanagar Gas	-10.2	-16.0	40.4
MRPL	-1.9	-13.1	54.1
Oil India	1.6	-10.4	143.7
ONGC	0.6	-2.4	51.5
PLNG	-0.4	5.1	51.5
Reliance Ind.	0.2	-7.1	17.0
Real Estate	0.3	-1.5	72.2
Brigade Enterpr.	-0.4	-6.2	104.3
DLF	1.6	1.7	54.3
Godrej Propert.	1.6	8.6	87.0
Kolte Patil Dev.	-2.5	-7.2	-19.7
Mahindra Life.	-0.1	-2.8	-1.4
Macrotech Devel.	-0.7	-9.9	42.5
Oberoi Realty Ltd	1.5	6.8	71.8
SignatureGlobal	0.3	0.5	191.5
Sobha	-0.7	-6.7	134.0
Sunteck Realty	1.3	3.9	24.6
Phoenix Mills	-0.8	-6.5	71.7
Prestige Estates	-1.5	-5.7	141.1
Retail			
Aditya Bir. Fas.	1.0	-0.2	45.0
Avenue Super.	-2.5	-24.3	5.0
Bata India	2.1	2.3	-10.1
Campus Activewe.	-0.1	-10.6	2.7
Barbeque-Nation	-1.7	1.2	-13.2
Devyani Intl.	-0.8	-11.3	-14.2
Jubilant Food	2.1	-7.5	17.6
Kalyan Jewellers	-1.2	3.1	138.7
Metro Brands	-3.2	-0.3	2.0
Relaxo Footwear	-0.2	-4.2	-15.7
Restaurant Brand	-1.0	-4.9	-14.5
Sapphire Foods	-0.9	2.7	22.5
Senco Gold	1.8	9.5	103.2
Shoppers St.	-0.9	-13.1	7.3
Titan Co.	-0.6	-9.2	3.0
Trent	0.6	5.9	279.1

Company	1 Day (%)	1M (%)	12M (%)
V-Mart Retail	-3.2	20.3	124.6
Vedant Fashions	-0.1	4.3	3.3
Westlife Food	-0.5	2.4	-6.8
Technology	-1.5	0.0	33.2
Cyient	-1.5	-11.1	8.9
HCL Tech.	-0.5	5.8	46.3
Infosys	-4.5	-0.7	30.5
LTIMindtree	-6.3	-5.9	16.2
L&T Technology	-2.1	-6.3	17.9
Mphasis	0.5	3.0	37.3
Coforge	-0.6	5.1	41.6
Persistent Sys	-0.5	6.3	92.7
TCS	0.3	-5.1	18.2
Tech Mah	-0.7	5.1	42.2
Wipro	3.8	2.0	34.7
Zensar Tech	-0.5	-7.1	33.6
Telecom	0.6	-5.9	45.1
Bharti Airtel	0.4	3.2	79.2
Indus Towers	-0.1	-10.2	104.7
Idea Cellular	-0.3	-30.1	-22.9
Tata Comm	2.3	-6.1	4.9
Utilities	0.5	-0.3	84.0
Coal India	0.5	1.0	55.3
NTPC	1.7	2.6	75.6
Power Grid Corpn	0.3	-0.7	60.8
Tata Power Co.	0.7	2.9	79.2
JSW Energy	0.0	-9.8	71.2
Indian Energy Ex	-0.1	-16.3	42.9
Others			
APL Apollo Tubes	1.5	9.6	-10.7
Cello World	-0.6	-1.0	
Coromandel Intl	1.8	-6.3	39.7
Dreamfolks Servi	0.0	-8.0	16.1
EPL Ltd	0.4	8.7	36.1
Gravita India	0.6	-1.6	157.0
Godrej Agrovet	-1.0	-5.6	62.0
Havells	2.4	-6.9	38.0
Indian Hotels	-0.1	0.8	66.3
Indiamart Inter.	-1.0	-5.6	48.8
Info Edge	0.2	-8.2	46.9
Interglobe	0.8	-5.3	81.3
Kajaria Ceramics	-0.3	-6.0	9.4
Lemon Tree Hotel	-2.0	-4.9	1.5
MTAR Technologie	-2.9	-4.0	-36.3
One 97	4.2	8.0	-23.5
Piramal Enterpr.	0.0	-4.2	1.9
Qess Corp	3.2	-10.4	71.3
SIS	2.7	-4.1	-10.1
Team Lease Serv.	0.3	-4.8	15.8
UPL	0.3	-8.2	-10.5
Updater Services	-0.2	-0.5	31.1
Voltas	1.7	-1.3	123.6
Zomato Ltd	-4.8	-6.7	127.4

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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