

## Market snapshot



## Today's top research theme

### India Strategy | Interim review: Resilient quarter; poised for gains as Fiscal & Monetary measures kick in

- ❖ 1QFY26E earnings of MOFSL coverage companies (184 cos.) grew 7% YoY (in line). Excl. financials, MOFSL earnings grew 8% YoY (in line), while excl. Metals and O&G, earnings rose 7.4% YoY (in line). MOFSL Universe earnings growth (7% YoY) was driven by BFSI (4% YoY), Technology (7% YoY), O&G (7% YoY), Cement (47% YoY), and Utilities (13% YoY).
- ❖ Auto (+8% YoY), Capital Goods (+31% YoY), Consumer Durables (+20%), and Metals (-2% YoY) exceeded our expectations, whereas PSU Banks (+2% YoY), O&G (+7% YoY), and Real Estate (+10% YoY) missed our estimates.
- ❖ MOFSL large-caps (+7% YoY earnings growth) and mid-caps (+12% YoY) delivered in-line results, while small-caps' (-9% YoY) results came in below our estimates.
- ❖ Earnings of 38 Nifty companies increased by 7.5% YoY (in line), driven by RIL, HDFC Bank, ICICIB, JSW Steel, Bajaj Fin., L&T, and M&M. Conversely, growth was dragged down by COAL, IndusInd Bank, HCL, KMB, Axis Bank, and Eternal.
- ❖ Nifty EPS estimates for FY26/FY27 have been reduced by 1.1%/0.8% to INR1,110/INR1,297.



## Research covered

Cos/Sector	Key Highlights
India Strategy	Interim review: Resilient quarter; poised for gains as Fiscal & Monetary measures kick in
ITC	Healthy cigarette growth; margin weakness persists
Power Grid Corporation of India	Muted performance; robust capex outlook intact
Other Updates	Tata Power   Cholamandalam Inv. & Finance   Mankind Pharma   Godrej Properties   UPL   GSK Pharma   Federal Bank   Thermax   Radico Khaitan   Delhivery   R R Kabel   Blue Dart Express   Go Fashion - India   Financials - Banks   Automobiles   EcoScope   ABB India   Tube Investments   MCX   LIC Housing Finance   G R Infraprojects   JK Lakshmi Cement



## Chart of the Day: India Strategy (Interim review: Resilient quarter)

Sectoral PAT growth for 1QFY26 (YoY %)



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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](http://www.motilaloswal.com)/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

**Govt plans Rs 5K-crore rare earth push**

Govt plans to expand rare earth magnet scheme to Rs 5,000 crore and quadruple output target to 6,000 MT. The move aims to boost local manufacturing, attract more players, and reduce import dependence in EVs, wind turbines, defence, and electronics.

2

**Battle for 'captive' may intensify again: Telcos vs tech giants over hugely monetisable use case for 5G spectrum**

A renewed push by the telecom department to assess demand for direct spectrum allocation for private 5G networks is sparking conflict between tech and telecom companies.

3

**Optimal time to open, grow hospitality brands in India:**

**ITC Hotels MD**

ITC Hotels is capitalizing on heightened investor interest and evolving customer needs in India's hospitality sector by expanding its brand portfolio and exploring new segments like branded residences.

4

**Dabur, Nestle, Emami shelve brands, prune staff & stall launches amid slow demand & D2C pressure**

Packaged goods companies are trimming portfolios and controlling costs amid weak demand. Nestle India and Dabur have dropped underperforming products, while Varun Beverages is rationalising manpower due to weather-hit sales.

5

**Andhra Pradesh CM Naidu turns heat on defaulters in green energy space**

Andhra Pradesh, under Chief Minister Naidu, is cracking down on inactive renewable energy projects, scrutinizing ₹4 lakh crore worth of ventures. A 328 MW wind project allocated to Sreeja Infrastructure has been cancelled due to delays, signaling a firm stance.

6

**NCLT excludes Phoenix ARC from Committee of Creditors in Hotel Horizon case**

The NCLT partially approved Hotel Horizon's promoters' plea, excluding Phoenix ARC's claim from the CIRP due to limitation. Oberoi Realty's consortium secured CoC approval to acquire the company for Rs 919 crore.

7

**Nykaa to double store count to 500, reach over 100 cities**

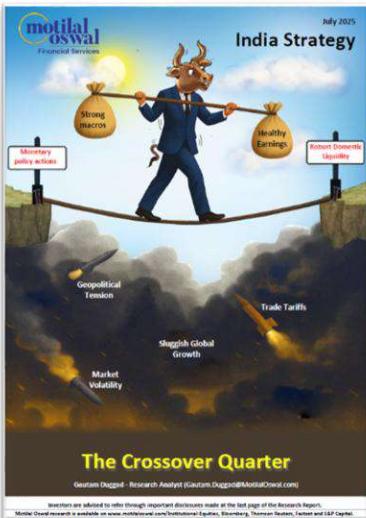
Nykaa plans to double its beauty store count to 500 and expand to over 100 cities by FY30. Backed by strong in-house brands, rapid delivery, and Gen Z-focused innovation, the company aims to deepen omnichannel presence and scale fashion and B2B verticals.



**BSE Sensex: 80,600**

**Nifty-50: 24,565**

Refer to our Quarter Preview

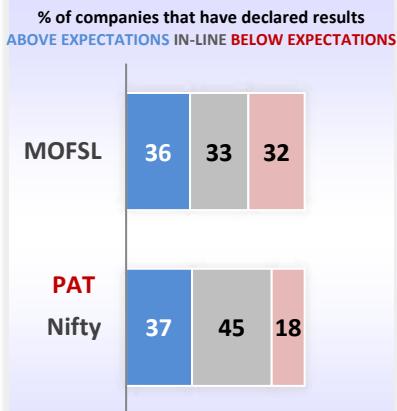


## Interim review: Resilient quarter; poised for gains as Fiscal & Monetary measures kick in

Modest growth amid global headwinds | Nifty EPS estimate experiences a cut

- In this report, we present our interim review of the 1QFY26 earnings season.
- As of 2<sup>nd</sup> Aug'25, 184/38 companies within the MOFSL Universe/Nifty have announced their 1QFY26 results. These companies constituted i) 67% and 77% of the estimated PAT for the MOFSL and Nifty Universe, respectively; ii) 49% of India's market capitalization; and iii) 84% weightage in the Nifty.
- The earnings of the aforementioned 184 MOFSL Universe companies grew 7% YoY (in line with our estimate of 6% YoY) in 1QFY26. Overall earnings growth was driven by BFSI (4%), Technology (7% YoY), Oil & Gas (7% YoY), Cement (47% YoY), and Utilities (13% YoY). These five sectors contributed 71% of the incremental YoY accretion in earnings so far.
- **Excluding financials**, the earnings for the MOFSL Universe grew 8% YoY (in line); whereas, barring global commodities (i.e., Metals and O&G), the Universe reported a 7.4% YoY earnings growth vs. our estimate of 5.7%.
- **Earnings of the 38 Nifty companies** that have declared results so far have grown 7.5% YoY (vs. est. of +5.7% YoY), driven by RIL, HDFC Bank, ICICI Bank, JSW Steel, Bajaj Finance, L&T, and M&M. These seven companies contributed 100% to the incremental YoY accretion in earnings. Conversely, Coal India, IndusInd Bank, HCL Tech, Kotak Mahindra Bank, Axis Bank, and Eternel dragged Nifty earnings lower. Seven companies within the Nifty reported lower-than-expected profits, while fourteen recorded a beat and seventeen registered in-line results.
- **Large-caps and mid-caps deliver in-line results, while small-caps' results are below our estimate:** Within our MOFSL coverage universe, large-caps (56 companies) posted an earnings growth of 7% YoY – similar to the overall universe. Mid-caps (54 companies) have extended their streak of the past two quarters and yet again delivered the highest growth at 12% YoY (vs. our est. of 8%). Multiple mid-cap sectors clocked impressive growth, including Technology, Capital Goods, PSU Banks, Healthcare, Cement, Metals, and Utilities. In contrast, small-caps (74 companies) continued to experience weakness and a broad-based miss, with Private Banks, NBFCs (lending and non-lending), Automobiles, and Oil & Gas posting a YoY earnings decline. The small-cap earnings dipped 9% YoY (our est. of +3%), with 45% of the coverage universe missing our estimates. Conversely, within the large-cap/mid-cap universes, 29%/20% of the companies missed our estimates.
- **Upgrade-to-Downgrade ratio at 0.6x:** Until now, 32/55 companies within the MOFSL Coverage Universe have reported an upgrade/downgrade of more than 3% each, leading to an adverse upgrade-to-downgrade ratio for FY26E. The EBITDA margin of the MOFSL Universe (ex-Financials) contracted, albeit slightly, by 10bp YoY to 18.8%, owing to margin shrinkage in Automobiles, Consumer, Telecom, Real Estate, and Utilities. However, the margin was propped up by the Cement, Metals, and Chemicals sectors.
- **Nifty EPS cut for FY26E/FY27E:** The Nifty EPS for FY26E has been cut by 1.1% and currently stands at INR1,110. The FY27E EPS has also been cut by 0.8% to INR1,297 (from INR1,308), due to cuts in earnings of Reliance Industries, Axis Bank, Power Grid Corp, HDFC Bank, and Kotak Mahindra Bank.

### Expectations vs. delivery: 1QFY26



**PAT growth YoY in 1QFY26 (%)**



- **MOFSL Universe experienced a cut of 1.1%/0.5% in PAT est. for FY26E/FY27:** MOFSL Universe witnessed a cut of 1.1% for FY26, led by Oil & Gas, Private Banks, Healthcare, Utilities, and Lending NBFCs. MOSL Midcap universe stood out with 2.8% earnings upgrade for FY26, even as the large-cap and small-cap universes experienced earnings cuts of 1.5% and 4.2%, respectively.

**Key result highlights: 1QFY26**

- As of 1st Aug'25, **38 Nifty stocks** reported a sales/EBITDA/PBT/PAT growth of 6%/11%/6%/7% YoY (vs. est. of +8%/8%/5%/6%). Of these, 14/7 companies surpassed/missed our PAT estimates each by more than 5%. On the EBITDA front, 11/6 companies exceeded/missed our estimates during the quarter.
- For the **184 companies within our MOFSL Universe**, sales/EBITDA/PBT/PAT were +6%/9%/7%/7% YoY (vs. est. of +8%/+8%/+5%/6%). Excluding Metals and O&G, the MOFSL Universe companies recorded a sales/EBITDA/PBT/PAT growth of 9%/11%/7%/7% YoY (vs. est. of +9%/7%/4%/6%) in 1QFY26 so far.
- **Summary of the 1QFY26 performance thus far:**
  - 1) Banks:** Private Banks reported mixed 1QFY26 results, with a few banks posting healthy earnings, while most of the PSBs witnessed some decline. Margins for all banks experienced contraction due to repo rate cuts; margins are likely to further moderate in 2Q as the effect of the rate cuts is yet to be transferred. Most banks expect earnings growth to bottom out in the 1HFY26, with credit costs likely to improve as stress in unsecured lending subsides.
  - 2) NBFCs – Lending:** NBFCs reported subdued performance in terms of asset quality and loan growth in 1QFY26, impacted both by seasonal factors such as early monsoons and a weak macroeconomic environment. Vehicle financiers reported elevated credit costs, as the early onset of monsoon affected vehicle utilization and borrower cash flows.
  - 3) Consumer:** Staples companies recorded a steady quarter and saw an uptick in volumes as rural-led recovery remained intact, while urban demand also picked up, albeit at a slower pace.
  - 4) Metals:** Companies across the board reported muted volumes in 1Q, largely offset by the better NSR, leading to a stable revenue performance as expected. Operating earnings stood largely in line with or better than estimated during the quarter, on account of favorable pricing with muted costs.
  - 5) Oil & Gas:** So far, 1QFY26 results for oil & gas companies have been weak. **RIL's** consolidated EBITDA declined 2% QoQ (a 5% miss), hit by softer performance in its Retail and O2C segments.
  - CGDs** – both IGL and MAHGL posted lower-than-expected EBITDA/scm margins, though volumes remained in line.
  - 6) Technology:** The IT services companies had a challenging 1QFY26, with median revenue growing just 0.8% QoQ CC, as GenAI-led productivity gains, weak macros, and client caution weighed on performance. *Refer to page 14 for the detailed 1QFY26 sectoral trends.*
- **View:** The 1QFY26 earnings have broadly been in line, with the intensity of earnings cuts moderating compared to the previous quarters, albeit the trend of a higher number of downgrades persists into the quarter. EPS growth for Nifty-50 is projected to rise to ~10% in FY26 (vs. an anemic 1% in FY25) – aided by a likely improvement in the macro environment owing to the stimulative fiscal and monetary measures. Markets have staged an impressive recovery from the Apr'25 lows, and even though Jul'25 has been somewhat weak, we believe that better earnings prospects and reasonable valuations (barring small-caps) should help the market to eke out gains. We believe that the influence of the US tariff wars on Indian markets will be limited. The Nifty trades at 22.1x FY26E earnings, near its LPA of 20.7x. While our model portfolio bias remains towards large-caps (~70% weight), we have turned more constructive towards mid-caps (with 22% weight vs. 16% earlier) owing to better earnings delivery and improving

prospects. We are OW on BFSI, Consumer Discretionary, Industrials, Healthcare & Telecom, while we are UW on Oil & Gas, Cement, Real Estate, and Metals.

### Performance in line with our estimate; modest earnings growth

- **Aggregate performance of the MOFSL Universe:** sales/EBITDA/PBT/PAT were +6%/9%/7%/7% YoY (vs. est. of +8%/+8%/+5%/6%). Excluding Metals and O&G, the MOFSL Universe companies recorded a sales/EBITDA/PBT/PAT growth of 9%/11%/7%/7% YoY (vs. est. of +9%/7%/4%/6%) in 1QFY26 so far.
- **Nifty-50 companies that surpassed/missed our estimates:** HDFC Bank, ICICI Bank, JSW Steel, M&M, L&T, Tata Steel, NTPC, Bharat Electronics, Cipla, and Eicher Motors exceeded our profit estimates. Conversely, Reliance Industries, Sun Pharma, Power Grid, Nestle, Eternal, Kotak Mahindra Bank, and HCL Technologies missed our profit estimates for 1QFY26.
- **Top FY26E upgrades:** Tata Consumer (9.7%), Eicher Motors (3.8%), IndusInd Bank (2.6%), Wipro (2%), and ICICI Bank (1.9%).
- **Top FY26E downgrades:** Eternal (-35.4%), Axis Bank (-8.7%), Power Grid (-5.3%), Sun Pharma (-5.1%), and Nestle (-3.9%).

### Sector-wise 1QFY26 performance of the MOFSL Universe companies (INR b)

Sector (no of companies)	Sales				EBITDA				PBT				PAT			
	Jun-25	Chg. %	Chg. %	Var. over Exp. %	Jun-25	Chg. %	Chg. %	Var. over Exp. %	Jun-25	Chg. %	Chg. %	Var. over Exp. %	Jun-25	Chg. %	Chg. %	Var. over Exp. %
QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	QoQ	YoY	QoQ	YoY
Automobiles (11)	1,190	-0.4	12	3.2	157	-3.5	4	3.9	150	4.1	9	13.0	115	3.0	8	12.8
Capital Goods (6)	769	-19.6	13.7	0.6	83	-31.7	17.0	3.0	77	-32.0	26.9	8.0	50	-37.1	30.9	8.1
Cement (8)	498	-5.4	14	0.2	95	-2.8	44	2.0	63	-4.1	53	5.1	43	-4.7	47	1.4
Chemicals (5)	100	-2.5	7.1	-6.5	20	9.6	24.8	3.5	13	18.8	47.6	6.9	10	18.8	57.1	4.6
Consumer (13)	774	9.6	8	2.9	183	8.6	1	0.3	173	8.9	1	-0.2	129	9.3	1	-0.6
Cons. Durables (4)	160	-14.2	11.4	0.8	18	-22.2	21.0	6.1	17	-22.7	20.6	5.6	12	-23.4	20.3	5.8
EMS (5)	182	11.0	67	9.8	10	-10.0	67	13.5	7	-34.0	78	11.5	5	-10.2	61	10.1
Financials (48)	2,305	-9.0	6.7	0.4	1,492	9.4	16.3	9.9	1,101	1.0	4.3	2.8	822	-1.5	4.3	1.4
Banks-Private (10)	903	1.2	4	0.7	804	22.2	24	18.3	533	1.1	-4	-1.6	424	6.1	2	4.1
Banks-PSU (5)	465	-2.3	-0.7	0.6	356	-1.0	5.7	3.9	286	-4.3	14.1	7.6	181	-20.0	2.0	-6.8
Insurance (6)	519	-31.1	14	0.1	19	-44.2	4	-2.6	28	6.0	12	60.3	24	-1.3	12	8.7
NBFC - Lending (15)	361	1.1	14.8	-0.4	284	-0.4	13.5	-1.0	219	4.8	12.4	2.9	167	2.2	12.7	2.8
NBFC - Non Lending (12)	57	7.1	12	0.2	29	5.6	7	-0.4	36	21.8	7	5.9	27	20.5	8	4.8
Healthcare (10)	420	2.3	10.8	0.7	111	7.3	10.3	5.7	96	4.9	7.2	1.5	73	-1.4	8.2	-0.7
Infrastructure (1)	18	-6.0	-4	6.7	2	-23.2	-6	14.4	3	-22.9	7	21.4	2	-24.6	14	23.8
Logistics (4)	54	-0.4	12.7	-1.7	9	-8.3	10.6	-10.5	6	-12.9	7.9	-11.3	5	-17.4	15.8	-8.8
Media (1)	18	-16.5	-14	-6.5	2	-20.1	-16	-8.6	2	-24.7	-5	-8.3	1	-23.8	-7	-10.6
Metals (6)	2,035	-6.5	0.7	0.6	425	-3.3	6.6	-0.6	277	-5.7	0.5	3.5	190	-7.5	-1.8	5.5
Oil & Gas (6)	3,135	-7.7	2	-6.9	486	-3.9	5	-7.4	324	-6.5	10	-8.7	212	-9.7	7	-12.2
Real Estate (9)	76	-32.2	-3.0	-25.9	20	-31.3	-8.7	-40.2	28	-9.6	4.3	-16.6	21	-9.0	9.9	-17.0
Retail (10)	218	8.7	13	-0.8	22	18.9	7	-2.6	12	35.5	3	-3.1	9	31.7	3	-3.7
Staffing (3)	101	1.5	8.5	-0.1	3	-9.7	13.3	-4.2	2	-17.7	26.5	-12.1	2	-6.7	28.7	-6.5
Technology (13)	2,014	0.1	5	-0.3	441	-1.3	4	-1.9	425	1.0	6	0.8	316	0.6	7	1.2
Telecom (2)	140	2.2	8.0	-0.7	55	0.7	-2.7	1.2	26	-2.0	-10.2	2.9	19	-9.2	17.2	-3.4
Utilities (6)	763	0.7	2	-4.4	259	1.6	-3	-6.5	135	-11.6	10	2.2	103	-4.6	13	3.5
Others (13)	648	-7.5	17	0.5	108	-20.8	12	-2.4	40	-41.0	8	-7.5	34	-38.5	5	-4.6
<b>MOFSL Univ. (184)</b>	<b>15,618</b>	<b>-5.2</b>	<b>6.5</b>	<b>-1.3</b>	<b>3,999</b>	<b>0.7</b>	<b>9.5</b>	<b>1.8</b>	<b>2,977</b>	<b>-3.0</b>	<b>6.6</b>	<b>1.2</b>	<b>2,175</b>	<b>-4.4</b>	<b>6.6</b>	<b>0.4</b>
<b>Ex Financials (136)</b>	<b>13,313</b>	<b>-4.5</b>	<b>6.5</b>	<b>-1.5</b>	<b>2,507</b>	<b>-3.9</b>	<b>5.8</b>	<b>-2.5</b>	<b>1,876</b>	<b>-5.3</b>	<b>7.9</b>	<b>0.3</b>	<b>1,353</b>	<b>-6.1</b>	<b>8.0</b>	<b>-0.2</b>
<b>Ex Metals &amp; Oil</b>	<b>10,448</b>	<b>-4.1</b>	<b>9.1</b>	<b>0.2</b>	<b>3,088</b>	<b>2.0</b>	<b>10.7</b>	<b>3.7</b>	<b>2,376</b>	<b>-2.2</b>	<b>6.8</b>	<b>2.5</b>	<b>1,772</b>	<b>-3.4</b>	<b>7.4</b>	<b>1.6</b>
<b>Nifty (38)</b>	<b>10,381</b>	<b>-5.2</b>	<b>5.7</b>	<b>-1.8</b>	<b>2,723</b>	<b>3.8</b>	<b>10.8</b>	<b>2.9</b>	<b>2,068</b>	<b>-2.8</b>	<b>6.1</b>	<b>1.0</b>	<b>1,508</b>	<b>-1.1</b>	<b>7.5</b>	<b>1.6</b>
<b>Sensex (24)</b>	<b>8,412</b>	<b>-4.0</b>	<b>6.7</b>	<b>-2.1</b>	<b>2,301</b>	<b>3.6</b>	<b>12.8</b>	<b>3.4</b>	<b>1,745</b>	<b>-3.0</b>	<b>9.1</b>	<b>0.1</b>	<b>1,266</b>	<b>-2.7</b>	<b>11.2</b>	<b>1.3</b>

Note: LP: Loss to Profit; PL: Profit to Loss

Estimate change	
TP change	
Rating change	

Bloomberg	ITC IN
Equity Shares (m)	12524
M.Cap.(INRb)/(USDb)	5215.5 / 59.6
52-Week Range (INR)	500 / 390
1, 6, 12 Rel. Per (%)	4/-15/-9
12M Avg Val (INR M)	7002

#### Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	833.2	896.0	966.3
Sales Gr. (%)	8.6	7.5	7.8
EBITDA	279.9	305.1	327.1
EBITDA Mrg. %	33.6	34.1	33.8
Adj. PAT	213.7	232.5	248.9
Adj. EPS (INR)	17.1	18.6	19.9
EPS Gr. (%)	6.9	8.8	7.1
BV/Sh.(INR)	58.2	60.4	62.5
<b>Ratios</b>			
RoE (%)	29.9	31.3	32.4
RoCE (%)	29.4	30.9	32.0
Payout (%)	92.8	93.4	94.8
<b>Valuations</b>			
P/E (x)	24.4	22.4	21.0
P/BV (x)	7.2	6.9	6.7
EV/EBITDA (x)	17.1	15.6	14.5
Div. Yield (%)	3.8	4.2	4.5

#### Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	46.9	45.2	44.0
FII	38.0	39.9	40.5
Others	15.1	14.9	15.5

FII Includes depository receipts

**CMP: INR416**

**TP: INR500 (+20%)**

**Buy**

#### Healthy cigarette growth; margin weakness persists

- ITC sustained healthy performance in core segments in a tepid consumption environment, though margins remained under pressure. Gross cigarette sales grew 8% YoY (est. 6%) and volume growth was ~6% (vs. est. 5%). The premium cigarette segment continued to outperform. Cigarette EBIT grew by 4.6% YoY (est. 5.2% YoY). EBIT margin contracted 190bp YoY to 57.6% (est. 59%), impacted by the sharp escalation in the leaf tobacco cost.
- FMCG segment sales grew 5.5% YoY (ex-notebook 8.6%). Notebook industry continued to operate under deflationary conditions, while unseasonal rains during the quarter impacted beverages sales. Growth was driven by Staples, Dairy, Premium Personal Wash, Homecare and Agarbattis. EBIT declined 17% YoY. EBIT margin contracted by 180bp to 6.9% (in line).
- Agri business sales increased significantly by 39% YoY (est. 15%), driven by trading opportunities in bulk commodities and leaf tobacco exports. EBIT margin contracted by 45bp YoY to 4.5% (est. 6%).
- Paper business continued to struggle due to low-priced supplies into global markets (including India), subdued realizations and elevated wood prices. Revenue grew 7% and EBIT margin contracted 580bp to 7.2% (all-time low).
- ITC's core business growth has been steady, with cigarette growth coming in better than expected. Consistent focus on new launches, stable taxes and a variety of other initiatives led to 7% cigarette growth in FY25 and the momentum continued in 1QFY26. FMCG performance was below par in FY25, but with demand recovery, we expect improving trends. **We reiterate our BUY rating on ITC with our SOTP-based TP of INR500 (implying 26x Jun'27E P/E).**

#### Cigarette volume up ~6%, but FMCG and paper remain soft

- Consolidated performance (ex-hotel business):** ITC's 1QFY26 net revenue grew by 21% YoY to INR214.9b (est. INR194b), mainly led by cigarette and agri businesses. Gross margin contracted 700bp YoY to 52.4% (est. 58.7%), impacted by high food inflation and the rise of certain input costs (leaf, wood, etc.). EBITDA margin contracted 510bp YoY to 31.7% (est. 34.9%). EBITDA grew 4% YoY to INR68.2b (est. INR67.8b). PBT and APAT grew by 4% and 5%, respectively.
- Cigarette volumes up ~6%, with 5% EBIT growth:** Gross cigarette sales grew 8% YoY to INR95.5b (est. INR93.7b). Cigarette volume growth was ~6% (est. 5%). Differentiated and premium offerings continued to perform well. EBIT grew by 4.6% YoY to INR55b (est. INR55.3b). Cigarette EBIT margin contracted 190bp YoY to 57.6% (est. 59%). Consumption of high-cost leaf tobacco inventory weighed on margins. Procurement prices moderated in the current crop cycle.

- **FMCG-Others** sales grew 5.5% YoY to INR58b (est. INR57.1b), while ex-notebook growth was 8.6%. Notebook industry continues to operate under deflationary conditions on account of low-priced paper imports and opportunistic play by local/regional players. Unseasonal rains during the quarter impacted beverages sales. EBIT declined 17% YoY to INR4b (est. INR4b) in 1QFY26. EBIT margin contracted by 180bp to 6.9% (est. 7%).
- **Agri business** sales increased significantly by 39% YoY to INR97.2b (est. INR80.5b). EBIT grew by 26% YoY to INR4.3b. EBIT margin contracted by 45bp YoY to 4.5% (est. 6%).
- **Paperboards** business sales grew 7% YoY to INR21.1b (est. INR20.7b). EBIT fell 41% YoY to INR1.5b and EBIT margin contracted 580bp YoY to 7.2% (est. 9%).
- **FoodTech Business**, a key growth area in ITC Next strategy, combines ITC's food science, FMCG brands, and culinary expertise to rapidly build a capital-efficient, tech-enabled full-stack platform with ~60 cloud kitchens in five cities currently. It achieved GMV of INR1b in FY25.

### Valuation and view

- There is no material change in our EPS estimates for FY26 and FY27.
- ITC's core business of cigarettes saw steady performance. With stable taxes on cigarettes, we anticipate stable growth in this business. We model a 5% revenue CAGR in FY26-28.
- While the FMCG segment is seeing moderation due to multiple headwinds. ITC has historically enjoyed industry-leading growth due to several category drivers, e.g., a large unorganized mix, under-penetration, etc. With the overall demand environment expected to improve, we expect FMCG performance to improve in the coming quarters. We model an 11% revenue CAGR during FY26-28.
- If ITC sustains mid-single digit volume growth in cigarette, and FMCG business sees a recovery in FY26, we expect valuation re-rating. **We reiterate our BUY rating on ITC with our SOTP-based TP of INR500 (implying 26x Jun'27E P/E).**

Y/E March	Consol. Quarterly Performance (Reported)										(INR b)		
	FY25					FY26					FY25	FY26E	FY25 Var.
	1Q	2Q	3Q*	4Q*	1QE*	2QE*	3QE	4QE					
Est. cigarette vol. gr. (%)	3.0	3.5	6.0	5.0	6.0	5.0	4.0	4.5	4.4	4.5	5.0		
Net Sales	184.6	207.4	187.9	187.7	214.9	215.3	203.0	200.0	767.5	833.2	194.0	10.8%	
YoY change (%)	7.5	16.7	4.3	4.7	16.5	3.8	8.0	6.6	8.3	8.6	5.1		
Gross Profit	111.7	115.9	108.3	110.3	112.6	126.0	121.8	127.0	446.2	487.4	113.9		
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.5	60.0	63.5	58.1	58.5	58.7		
EBITDA	67.5	67.6	63.6	65.2	68.2	69.4	70.7	71.0	263.9	279.9	67.8	0.6%	
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	2.6	11.2	8.9	0.5	6.1	0.5		
Margins (%)	36.6	32.6	33.9	34.7	31.7	32.2	34.8	35.5	34.4	33.6	34.9		
Depreciation	5.0	5.2	4.2	4.1	4.2	4.4	4.6	4.8	18.5	18.1	4.4		
Interest	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.5	0.5	0.1		
Other Income	6.9	6.2	6.0	6.4	6.8	6.8	6.6	7.1	25.5	27.3	7.2		
PBT	69.3	68.4	65.3	67.4	70.6	71.6	72.6	73.1	270.4	288.6	70.5	0.1%	
Tax	17.6	17.9	17.3	16.8	17.8	18.0	18.3	18.5	69.6	72.6	17.8		
Rate (%)	25.4	26.2	26.4	24.9	25.3	25.2	25.2	25.2	25.7	25.2	25.2		
Adj PAT	50.9	49.9	47.3	50.7	52.4	53.0	53.7	53.8	198.9	213.7	52.2	0.5%	
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	6.1	13.5	6.0	-2.8	7.4	2.5		
Reported PAT	50.9	49.9	47.3	50.7	52.4	53.0	53.7	53.8	199.9	213.7	52.2	0.5%	

E: MOFSL estimate; \*Excluding the hotel business data, therefore not comparable YoY

Consol. Quarterly Performance (Ex- hotel business)										(INR b)
(INR b)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	FY24	FY25	FY26E
<b>Est. cigarette vol. gr. (%)</b>	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	3.3	4.4	4.5
<b>Net Sales</b>	<b>172.0</b>	<b>170.4</b>	<b>177.8</b>	<b>199.9</b>	<b>187.9</b>	<b>187.7</b>	<b>214.9</b>	<b>679.3</b>	<b>753.2</b>	<b>833.2</b>
YoY change (%)					9.3	10.1	20.9	0.0	10.9	10.6
<b>Gross Profit</b>	<b>102.3</b>	<b>105.3</b>	<b>105.7</b>	<b>109.2</b>	<b>108.3</b>	<b>110.3</b>	<b>112.6</b>	<b>409.5</b>	<b>433.4</b>	<b>487.4</b>
Margin (%)	59.5	61.8	59.4	54.6	57.6	58.8	52.4	60.3	57.5	58.5
<b>EBITDA</b>	<b>62.1</b>	<b>63.0</b>	<b>65.4</b>	<b>65.5</b>	<b>63.6</b>	<b>65.2</b>	<b>68.2</b>	<b>252.5</b>	<b>259.8</b>	<b>279.9</b>
Growth (%)					2.4	3.4	4.2	0.0	2.9	7.8
Margins (%)	36.1	37.0	36.8	32.8	33.9	34.7	31.7	37.2	34.5	33.6
Depreciation	3.8	3.9	4.0	4.2	4.2	4.1	4.2	15.2	16.5	18.1
Interest	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.5	0.5
Other Income	6.5	6.8	6.8	6.1	6.0	6.4	6.8	26.9	25.3	27.3
<b>PBT</b>	<b>64.6</b>	<b>65.9</b>	<b>68.1</b>	<b>67.3</b>	<b>65.3</b>	<b>67.4</b>	<b>70.6</b>	<b>263.9</b>	<b>268.2</b>	<b>288.6</b>
Tax	12.3	15.8	17.3	17.6	17.3	16.8	17.8	62.1	68.9	72.6
Rate (%)	19.0	24.0	25.3	26.1	26.4	24.9	25.3	23.5	25.7	25.2
<b>Adj PAT</b>	<b>51.7</b>	<b>49.4</b>	<b>50.1</b>	<b>49.2</b>	<b>47.3</b>	<b>50.7</b>	<b>52.4</b>	<b>199.0</b>	<b>197.3</b>	<b>213.7</b>
YoY change (%)					-8.4	2.8	4.7	0.0	-0.8	8.3
<b>Reported PAT</b>	<b>51.7</b>	<b>49.4</b>	<b>50.1</b>	<b>49.2</b>	<b>47.3</b>	<b>50.7</b>	<b>52.4</b>	<b>199.0</b>	<b>197.3</b>	<b>213.7</b>

E: MOFSL estimate;



# Power Grid Corporation of India

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	PWGR IN
Equity Shares (m)	9301
M.Cap.(INRb)/(USDb)	2708.8 / 30.9
52-Week Range (INR)	366 / 247
1, 6, 12 Rel. Per (%)	2/-4/-18
12M Avg Val (INR M)	4234

## Financials & Valuations (INRb)

Y/E March	FY25	FY26E	FY27E
Sales	460.7	498.5	530.6
EBITDA	393.4	423.3	444.5
Adj. PAT	155.2	167.1	177.7
Adj. EPS (INR)	16.7	18.0	19.1
EPS Gr. (%)	-0.3	7.7	6.4
BV/Sh.(INR)	99.6	107.0	115.2
<b>Ratios</b>			
Net D:E	1.4	1.3	1.2
RoE (%)	17.3	17.4	17.2
RoCE (%)	9.7	10.2	10.4
Payout (%)	53.9	53.4	52.3
<b>Valuations</b>			
P/E (x)	17.4	16.2	15.2
P/BV (x)	2.9	2.7	2.5
EV/EBITDA (x)	9.9	9.1	8.7
Div. Yield (%)	3.1	3.3	3.4
FCF Yield (%)	4.5	9.6	6.3

## Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.3	51.3	51.3
DII	18.6	18.4	16.3
FII	26.5	26.8	28.7
Others	3.6	3.5	3.6

FII Includes depository receipts

**CMP: INR291**
**TP: INR345 (+18%)**
**Buy**

## Muted performance; robust capex outlook intact

- In 1QFY26, Power Grid Corporation (PWGR) reported a standalone (SA) revenue of INR99.3b (-1% YoY), 6% below our estimate. EBITDA was 12% below our estimate at INR81.2b (-7% YoY), hit by a 66% YoY surge in other expenses. Adj. SA PAT was 6% below our est. at INR34.7b, supported by higher-than-expected other income and lower tax expenses.
- In the analyst meet, management reiterated its robust capex trajectory, improving capitalization trends, and a strong project pipeline. Capex guidance remains unchanged at INR280b/INR350b/INR450b for FY26/FY27/FY28, respectively. However, the capitalization target for FY26 has been slightly revised downward to INR220b (vs. earlier guidance of INR230–250b), owing to persistent issues related to right-of-way (RoW).
- Looking ahead, the interstate and intrastate TBCB pipelines are expected to witness cumulative bidding opportunities of INR6t and INR3t, respectively, by 2032, underscoring a healthy growth runway for PWGR's regulated and bid-based project segments.
- We **reiterate our BUY rating** on the stock with a TP of INR345 (based on 3x FY27E BVPS).

## EBITDA below estimate; higher other income supports PAT

- **SA performance:**
  - In 1QFY26, PWGR reported SA revenue of INR99.3b (-1% YoY), 6% below our estimate. EBITDA was 12% below our estimate at INR81.2b (-7% YoY), hit by a 66% YoY surge in other expenses.
  - Adj. SA PAT was 6% below our est. at INR34.7b, supported by higher-than-expected other income and lower tax expenses. The weakness in PAT was likely attributable to capitalization continuing to trail company guidance.
  - The net movement in regulatory deferral account balances was at INR2.1b during the quarter.
- **Consolidated performance:**
  - The company reported an EBITDA of INR 93.6b (-2% YoY), while PAT declined ~2% YoY to INR 36.3b.
  - The transmission segment remained the primary revenue driver, contributing 97.31% of consolidated EBIT (INR62.2b). The telecom segment contributed 2.21%, with EBIT of INR1.4b.
  - In 1QFY26, its JVs reported a loss of INR0.44b (vs. a loss of INR0.3b in 4QFY25 and a profit of INR0.29b in 1QFY25).
- **The Board of Directors approved the following:**
  - Enhancement of the borrowing limit from INR160b to INR250b for FY25-26, through various sources, including private placement of non-convertible debentures (NCDs).
  - Fundraising of up to INR300b during FY26-27 via domestic bonds (secured/unsecured, non-convertible, redeemable, taxable/tax-free) under private placement, in one or more tranches.
  - In-principle approval for participation in up to two TBCB projects, with a cumulative estimated cost of INR5b, through a consortium of PWGR and PGInvIT.

### Highlights of the 1QFY26 performance:

- **Project execution & operational performance**
  - Consolidated capex for 1QFY26 stood at INR69.8b, with capitalization of INR28b.
  - Added 652km of transmission lines and 19,370 MVA of transformation capacity during the quarter.
  - Transmission system performance remained strong with 99.84% availability and 0.08 trippings per line per year as of 1QFY26.
- **Consultancy segment**
  - Revenue grew to INR3.3b in 1QFY26 (vs. INR1.2b in 1QFY25), supported by an INR1.5b contribution from the newly launched smart meter business.
- **Capex & capitalization guidance**
  - The capex target has been maintained for FY26 at INR280b (RTM: INR35.5b, TBCB: INR190.6, and others: INR53.8b).
  - Capex target for FY27/FY28: INR350b/INR450b.
  - The FY26 capitalization target stands at INR220b, with quarterly phasing as follows: 2Q – INR30b, 3Q – INR70b, and 4Q – INR80b.
  - Capitalization target for FY27: INR200-250b.
- **Works in hand**
  - Total work-in-hand stands at INR1.48t, including INR999b for TBCB projects, INR90b for ongoing RTM projects, INR370b for new RTM projects, and INR26b for other projects.

### Valuation and view

We derive our TP of INR345 for PWGR based on FY27E BVPS and a P/B multiple of 3x, which we believe is reasonable given that its capex and capitalization are on a multi-year uptrend with the order book at an elevated level.

Y/E March	(INRb)													
	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	%	%	%	%	
<b>Sales</b>	<b>100.7</b>	<b>102.6</b>	<b>101.2</b>	<b>109.8</b>	<b>99.3</b>	<b>107.3</b>	<b>105.9</b>	<b>120.9</b>	<b>414.3</b>	<b>433.4</b>	<b>106</b>	<b>-6%</b>	<b>-1%</b>	<b>-10%</b>
YoY Change (%)	-1.7	5.3	-5.2	-0.6	-1.4	4.6	4.6	10.1	-0.9	4.6	5.1			
<b>EBITDA</b>	<b>87.4</b>	<b>87.9</b>	<b>85.2</b>	<b>92.2</b>	<b>81.2</b>	<b>92.7</b>	<b>90.1</b>	<b>108.2</b>	<b>352.8</b>	<b>372.2</b>	<b>93</b>	<b>-12%</b>	<b>-7%</b>	<b>-12%</b>
YoY Change (%)	-2.9	3.0	-9.3	0.9	-7.2	5.5	5.7	17.3	-2.5	5.5	5.9			
As of % Sales	86.8	85.6	84.2	84.0	81.8	86.4	85.1	89.5	85.1	85.9	87.5			
Depreciation	30.7	31.6	30.7	30.4	29.7	33.2	32.3	34.6	123.5	129.8	32	-8%	-3%	-2%
Interest	21.6	26.0	21.3	25.9	23.0	26.3	21.5	24.9	94.8	95.8	22	6%	7%	-11%
Other Income	7.8	11.2	14.9	15.0	13.3	11.6	15.4	10.4	48.9	50.7	8	64%	70%	-11%
Regulatory/Extraordinary Items	-0.6	2.5	0.4	0.5	2.1	0.0	0.0	0.0	2.8	2.1	0			
<b>PBT</b>	<b>42.3</b>	<b>43.9</b>	<b>48.5</b>	<b>51.4</b>	<b>43.9</b>	<b>44.8</b>	<b>51.8</b>	<b>59.1</b>	<b>186.2</b>	<b>199.6</b>	<b>47</b>	<b>-6%</b>	<b>4%</b>	<b>-15%</b>
Tax	8.2	6.8	9.6	8.1	7.3	8.0	11.4	11.9	32.7	38.6	10	-24%	-11%	-9%
Effective Tax Rate (%)	19.4	15.5	19.8	15.7	16.7	17.9	21.9	20.1	17.5	19.4	20.8			
<b>Reported PAT</b>	<b>34.1</b>	<b>37.1</b>	<b>38.9</b>	<b>43.4</b>	<b>36.5</b>	<b>36.8</b>	<b>40.4</b>	<b>47.2</b>	<b>153.5</b>	<b>160.9</b>	<b>37</b>	<b>-1%</b>	<b>7%</b>	<b>-16%</b>
YoY Change (%)	-3.7	-3.2	-1.9	5.0	7.1	-0.9	3.8	8.9	-0.8	4.8	8.1			
<b>Adjusted PAT</b>	<b>34.6</b>	<b>35.0</b>	<b>38.6</b>	<b>42.9</b>	<b>34.7</b>	<b>36.8</b>	<b>40.4</b>	<b>47.2</b>	<b>151.2</b>	<b>159.1</b>	<b>37</b>	<b>-6%</b>	<b>0%</b>	<b>-19%</b>
YoY Change (%)	-8.7	4.8	-0.4	0.5	0.4	5.0	4.7	10.0	-1.1	5.3	6.6			

### Our valuation for PWGR

BVPS- FY27	INR	115
P/B multiple	(x)	3
<b>Target Price</b>	<b>INR</b>	<b>345</b>
CMP	INR	291
<b>Upside / (Downside)</b>	<b>%</b>	<b>19%</b>



Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	TPWR IN
Equity Shares (m)	3195
M.Cap.(INRb)/(USDb)	1243.9 / 14.2
52-Week Range (INR)	495 / 326
1, 6, 12 Rel. Per (%)	0/1/-14
12M Avg Val (INR M)	4180

#### Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	654.8	766.9	874.9
EBITDA	139.3	148.4	176.8
Adj. PAT	39.2	48.3	55.3
Adj. EPS (INR)	12.3	15.1	17.3
EPS Gr. (%)	11.7	23.3	14.4
BV/Sh.(INR)	112.2	127.3	144.6
<b>Ratios</b>			
Net D:E	1.1	1.1	1.2
ROE (%)	11.5	12.6	12.7
RoCE (%)	10.3	9.2	9.2
Payout (%)	18.4	21.5	18.8
<b>Valuations</b>			
P/E (x)	31.7	25.7	22.5
P/BV (x)	3.5	3.1	2.7
EV/EBITDA (x)	12.6	12.6	11.1
Div. Yield (%)	0.6	0.8	0.8

#### Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	46.9	46.9	46.9
DII	16.3	16.2	15.8
FII	10.1	9.4	9.5
Others	26.8	27.6	27.8

FII Includes depository receipts

**CMP: INR389**      **TP: INR487 (+25%)**

**Buy**

#### Renewables, distribution drive earnings growth

- TPWR's 1QFY26 EBITDA came in 25% above our estimate at INR41b, while adjusted PAT was in line with our est. at INR10.6b. Healthy 1Q EBITDA was backed by: 1) robust improvement in the Odisha distribution business as its AT&C losses narrowed and collection efficiency improved, 2) a strong performance in the solar EPC business, and 3) a higher contribution from the cell and module business with the facility operating at over 90% utilization now.
- Adjusted PAT, though in line with our est., was impacted by an adverse INR5.7b charge related to regulatory deferral balances. TPWR targets new RE capacity installation of 2GW in FY26. Potential supplementary PPA for Mundra and progress on distribution business bids in UP remain key catalysts for the stock in the coming quarters.
- Other highlights: 1) guides for FY26 capex of INR250b, incl. INR37b spent in 1Q, 2) net debt rose to INR480b as of 1Q end, with leverage ratio at 2.9x, 3) commenced work on pumped hydro projects, targeted to be commissioned in CY29.
- We reiterate our BUY rating on the stock with a TP of INR487.**

#### EBITDA above estimate; adj. PAT in line

##### Results overview:

- Cons. EBITDA of INR41.4b was 25% above our est. of INR33b (+15% YoY), as all core businesses, incl. generation, T&D and RE, posted strong growth.
- Revenue stood at INR180b (+4% YoY), while reported PAT was in line with our est. at INR10.6b (+9% YoY).
- Ad. PAT of INR10.6b (+29.5% YoY) was in line with our est. of INR10.8b.

##### Operational highlights:

- Solar rooftop EPC and utility-scale EPC (third-party) order book stood at INR12.4b and INR27.3b, respectively, as of 1Q end.
- In 1Q, TPWR installed 270MWp of rooftop solar.
- The 4.3GW module and cell plant is operating at over 90% utilization. All four cell lines (1GW each) continued to ramp up in 1QFY26. In 1QFY26, 950MW of modules and 900MW of cells were supplied.
- As of 1Q, TPWR had a clean and green operational capacity of ~7GW (44% of total installed capacity), with an additional 10.2GW under construction.

##### Highlights of 1QFY26 performance

- Capex of INR37b was incurred in 1Q. FY26 capex target is INR250b (~60% for RE expansion and ~30% for T&D broadly, but might change).
- On track to commission 2.5-2.7GW of RE capacity in FY26.
- TP Solar's cell and module plants are now fully operational. Management expects production to exceed 3,700MW for cells and modules in the coming years.
- Construction of 600MW Dagachhu hydro project in Bhutan has started, with completion expected by Nov'29.
- Section XI was not extended beyond 30 June; detailed discussions are underway for a supplementary PPA (SPPA) for the Mundra plant.

### Valuation and view

- The valuation of TPWR is segmented across various business units, leading to a TP of INR487/share.
- Regulated business is valued using a 2.5x multiple on regulated equity.
- Coal segment is valued at 1.5x FY25 book value.
- Renewables segment is valued at 14x FY27E EBITDA.
- Pumped storage segment is valued at 1x PB, while other segments are valued at 1.5x PB. Cash and investments add INR66/share.
- The sum of these contributions results in a TP of INR487/share, reflecting the comprehensive valuation of TPWR's diverse business segments.

Y/E March	Consolidated performance								(INR b)					
	FY25				FY26E				FY25		FY26E		Var.	YoY
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	%	%	%	%
<b>Net Sales</b>	<b>172.9</b>	<b>157.0</b>	<b>153.9</b>	<b>171.0</b>	<b>180.4</b>	<b>198.6</b>	<b>189.3</b>	<b>198.7</b>	<b>654.8</b>	<b>766.9</b>	184.0	-2.0	4.3	5.5
YoY Change (%)	13.7	-0.3	5.1	7.9	4.3	26.5	23.0	16.2			6.4			
<b>EBITDA</b>	<b>35.9</b>	<b>37.5</b>	<b>33.5</b>	<b>32.5</b>	<b>41.4</b>	<b>37.9</b>	<b>37.6</b>	<b>31.4</b>	<b>139.3</b>	<b>148.4</b>	33.1	25.2	15.4	27.5
Margins (%)	20.7%	23.9%	21.8%	19.0%	22.9%	19.1%	19.9%	15.8%	21.3%	19.3%	18.0			
Depreciation	9.7	9.9	10.4	11.2	11.6	11.4	11.5	11.1	41.2	45.6	11.2	3.9	19.3	4.0
Interest	11.8	11.4	11.7	12.1	12.8	12.7	13.0	11.8	47.0	50.4	13.0	-1.9	8.8	5.4
Other Income	2.5	5.1	4.0	3.5	3.6	5.1	4.6	8.2	15.1	21.4	3.7	-3.4	46.2	3.0
Rate regulated activity	-6.9	-6.7	-2.7	1.7	-5.7	0.0	0.0	0.0	-14.7	0.0	0.0			
<b>PBT before EO expense</b>	<b>10.0</b>	<b>14.5</b>	<b>12.7</b>	<b>14.3</b>	<b>14.9</b>	<b>18.9</b>	<b>17.6</b>	<b>16.7</b>	<b>51.5</b>	<b>73.9</b>	12.6	18.3	49.4	4.0
Extra-ord items	2.0	-2.2	0.0	0.8	0.0	0.0	0.0	0.0	0.7	0.0	0.0			
<b>PBT</b>	<b>12.0</b>	<b>12.4</b>	<b>12.7</b>	<b>15.2</b>	<b>14.9</b>	<b>18.9</b>	<b>17.6</b>	<b>16.7</b>	<b>52.3</b>	<b>73.9</b>	12.6	18.3	24.1	-1.8
Tax	3.0	3.8	2.7	2.9	3.6	5.7	4.9	4.8	12.4	19.0	2.8			
Rate (%)	25.1	30.7	21.2	19.4	24.0	30.0	28.0	28.7	23.8	25.7	22.4			
Share of associates and JV	2.9	2.4	1.9	0.8	1.3	1.0	0.8	0.2	7.9	3.3	3.0			
Minority Interest	2.2	1.7	1.6	2.6	2.0	2.7	2.3	2.9	8.0	9.9	1.9			
<b>Reported PAT</b>	<b>9.7</b>	<b>9.3</b>	<b>10.3</b>	<b>10.4</b>	<b>10.6</b>	<b>11.6</b>	<b>11.1</b>	<b>9.3</b>	<b>39.7</b>	<b>48.3</b>	<b>10.8</b>	<b>-2.1</b>	<b>9.2</b>	<b>1.6</b>
<b>Adj PAT</b>	<b>8.2</b>	<b>10.8</b>	<b>10.3</b>	<b>9.7</b>	<b>10.6</b>	<b>11.6</b>	<b>11.1</b>	<b>9.3</b>	<b>39.2</b>	<b>48.3</b>	<b>10.8</b>	<b>-2.1</b>	<b>29.5</b>	<b>8.7</b>

### TPWR SoTP valuation

Segment	Metric type	Metric value	Multiple	Value (INR/sh.)
Regulated business	Regulated equity	1,29,673	2.5	100
Coal	Equity		1.5x FY24 BV	14
Renewables	FY27 EBITDA	83,948	14	261
Pumped storage	Equity	37,650	1x PB	13
Others	Equity		1.5x PB	34
Cash and investments				66
<b>Target price</b>				<b>487</b>
CMP				389
Upside / (Downside)				25%

# Cholamandalam Inv. & Finance

**Estimate change**

**TP change**

**Rating change**


Bloomberg	CIFC IN
Equity Shares (m)	841
M.Cap.(INRb)/(USDb)	1196.6 / 13.7
52-Week Range (INR)	1684 / 1168
1, 6, 12 Rel. Per (%)	-7/8/4
12M Avg Val (INR M)	2649

**Financials & Valuations (INR b)**

Y/E March	FY25	FY26E	FY27E
Total Income	135.7	170.3	205.5
PPP	82.3	104.3	126.6
PAT	42.6	53.3	67.6
EPS (INR)	50.6	62.1	78.7
EPS Gr. (%)	24	23	27
BV (INR)	281	359	435
<b>Valuations</b>			
NIM (%)	6.9	7.0	7.1
C/I ratio (%)	39.3	38.7	38.4
RoAA (%)	2.4	2.4	2.6
RoE (%)	19.7	19.6	19.8
Payout (%)	4.0	3.2	3.2
<b>Ratios</b>			
P/E (x)	28.1	22.9	18.1
P/BV (x)	5.1	4.0	3.3
Div. Yield (%)	0.1	0.1	0.2

**Shareholding pattern (%)**

As On	Jun-25	Mar-25	Jun-24
Promoter	49.9	49.9	50.3
DII	16.1	15.5	16.9
FII	28.0	28.2	26.6
Others	6.1	6.4	6.2

FII Includes depository receipts

**CMP: INR1,423**
**TP: INR1,650 (+16%)**
**Buy**
**Asset quality weakness across segments; recovery expected in 2H**
**Earnings in line; elevated credit costs offset by higher other income**

- Cholamandalam Inv. & Finance (CIFC)'s 1QFY26 PAT grew ~21% YoY to INR11.4b (in line). Its 1Q NII grew ~24% YoY to ~INR31.8b (in line). Other income increased ~48% YoY to ~INR6.8b (~16% above est.), primarily driven by upfront assignment income of ~INR1.5b (PQ: INR940m).
- Opex rose ~23% YoY to ~INR14.5b (in line), and the cost-income ratio declined ~40pp QoQ to ~37.6% (PQ: 38% and PY: ~39%). PPOp grew ~30% YoY to INR24.1b. Management guided for an opex-to-assets ratio of ~2.9-3.0% over the next few quarters.
- Yields (calc.) declined ~10bp QoQ to ~14.4%, and CoF (calc.) dipped ~10bp QoQ to ~7.8%. NIM contracted ~5bp QoQ to ~6.75%.
- Management attributed the weakness in asset quality within the vehicle finance (VF) segment to subdued capacity utilization caused by the early onset of monsoons and a weak macroeconomic environment. However, the company expects a recovery in collections by the end of 2QFY26, with a visible improvement in asset quality anticipated from 2HFY26 onwards.
- The company guided for a ~12-15bp expansion in NIM in FY26, driven by a drop in CoF in a declining interest rate environment. We expect its NIM to expand ~15bp/10bp to ~7.0%/7.1% in FY26/FY27 (vs. ~6.9% in FY25). We estimate a CAGR of 12%/20%/26% in disbursement/AUM/PAT over FY25-27.
- We cut out FY26/FY27 EPS estimates by ~3%/4% to factor in lower loan growth and higher credit costs. CIFC will have to utilize its levers on NIM (and fee income) to offset the impact of moderation in AUM growth and elevated credit costs. We estimate RoA/RoE of ~2.6%/20% in FY27. **Reiterate BUY with a TP of INR1,650 (premised on 3.8x Mar'27E BVPS).**
- Key risks:** 1) weak macros translating into weaker vehicle demand and sustained lower capacity utilization; and 2) deterioration in asset quality, particularly in the new businesses (including unsecured business loans and micro-LAP), which could keep the credit costs high for longer than estimated.

**AUM rises ~24% YoY; disbursements remain flat YoY**

- Business AUM grew 24% YoY/4% QoQ to INR1.92t, with newer businesses now forming ~13% of the AUM mix.
- Total disbursements in 1QFY26 were flat YoY at ~INR243b. New lines of businesses contributed ~17% to the disbursement mix (PQ: ~17% and PY: ~24%), and VF disbursements in 1QFY26 grew ~7% YoY. Disbursements in CSEL further dipped, as the company is exiting the Partnership CSEL business completely. Additionally, CIFC has slowed down certain low RoTA products like supply chain financing and loans against shares in the SME segment.
- Management noted that CIFC has performed better than the industry within vehicle finance and has either maintained or gained some market share across auto sub-segments. The company guided for ~10-12% growth in vehicle finance disbursements and a ~15-17% growth in vehicle AUM, and it is confident of achieving an overall AUM growth of 20% in FY26. We model AUM CAGR of ~20% over FY25-27E.

### Asset quality deteriorates further in new businesses; GS3 rises ~35bp QoQ

- GS3/NS3 deteriorated ~35bp/25bp QoQ to 3.15%/1.8% while PCR on S3 declined ~155bp QoQ to ~43.7%. ECL/EAD rose to 1.97% (PQ: ~1.84%). GS3 in newer businesses rose ~40bp QoQ to ~2.6% (PQ: 2.2% and PY: 1.3%).
- Stage 2 + Stage 3 (30+ dpd) rose ~85bp QoQ to ~6.2%.
- CIFC's 1Q credit costs stood at ~INR8.8b (~8% higher than MOFSLe). This translated into annualized credit costs of ~1.8% (PY: ~1.5% and PQ: ~1.6%). In 1QFY26, write-offs stood at ~INR5.1b, translating into ~1.3% of TTM AUM (PY: ~1.1% and PQ: 1.35%). CRAR stood at ~20% (Tier 1: ~14.3%) as of Jun'25.
- Management guided for credit costs of ~1.5% in FY26 (vs. ~1.4% in FY25). We estimate credit costs (as % of avg. assets) of ~1.5%/1.4% in FY26/FY27.

### Key highlights from the management commentary

- CIFC indicated that FY26 will be focused on collections rather than disbursements. Management acknowledged asset quality weakness (from multiple customer loans) in the unsecured MSME segment but emphasized that the company's MSME portfolio primarily comprises mortgage-backed loans. In the secured MSME segment, CIFC remains confident, expecting resolutions through SARFAESI or arbitration processes.
- CIFC shared that it has reduced quarterly disbursements by ~INR15b from the discontinuation of partnership-sourced CSEL and ~INR5b from the Supply Chain Finance segment. Going forward, the company intends to focus on expanding Consumer Durables (CD) and strengthening in-house digital originations.

### Valuation and View

- CIFC reported a subdued quarter, with muted disbursements primarily because of the discontinuation of Partnership CSEL and supply chain finance. Notwithstanding the seasonality, asset quality weakness was pronounced across all segments, which resulted in significantly high credit costs. Further, reported NIM dipped, primarily due to a drop in yields and interest income reversals.
- The stock trades at 3.3x FY27E P/BV. In order to sustain this premium valuation multiple, CIFC will have to give higher confidence in its ability to deliver on its AUM growth and credit costs guidance in FY26. Further, it might have to navigate any further weakness in vehicle demand to deliver healthy AUM growth and asset quality by leveraging its diversified product mix. We estimate a CAGR of ~20%/26% in AUM/PAT over FY25-27 for an RoA/RoE of 2.6%/20% in FY27E. **Reiterate BUY with a TP of INR1,650 (premised on 3.8x Mar'27E BVPS).**

**Quarterly Performance**

Y/E March	FY25								FY26E		(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26	1Q FY26E	v/s Est.
Interest Income	53,695	57,680	61,587	64,180	66,501	68,828	71,788	75,173	2,37,200	2,82,290	67,068	-1
Interest Expenses	27,957	30,551	32,718	33,623	34,663	35,217	36,062	36,734	1,24,849	1,42,676	34,632	0
<b>Net Interest Income</b>	<b>25,738</b>	<b>27,128</b>	<b>28,869</b>	<b>30,557</b>	<b>31,838</b>	<b>33,611</b>	<b>35,726</b>	<b>38,439</b>	<b>1,12,351</b>	<b>1,39,614</b>	<b>32,437</b>	<b>-2</b>
YoY Growth (%)	39.7	34.6	33.0	29.8	23.7	23.9	23.7	25.8	34.0	24.3	26.0	
Other Income	4,595	5,248	6,537	7,027	6,807	7,448	8,041	8,422	23,348	30,717	5,881	16
<b>Total Income</b>	<b>30,333</b>	<b>32,376</b>	<b>35,406</b>	<b>37,584</b>	<b>38,645</b>	<b>41,059</b>	<b>43,766</b>	<b>46,861</b>	<b>1,35,699</b>	<b>1,70,331</b>	<b>38,318</b>	<b>1</b>
YoY Growth (%)	42.6	36.8	37.2	29.0	27.4	26.8	23.6	24.7	35.9	25.5	26.3	
Operating Expenses	11,834	13,155	14,130	14,269	14,528	16,312	17,521	17,628	53,388	65,989	14,911	-3
<b>Operating Profit</b>	<b>18,499</b>	<b>19,221</b>	<b>21,276</b>	<b>23,315</b>	<b>24,117</b>	<b>24,746</b>	<b>26,245</b>	<b>29,233</b>	<b>82,311</b>	<b>1,04,342</b>	<b>23,407</b>	<b>3</b>
YoY Growth (%)	38.1	35.3	40.4	43.2	30.4	28.7	23.4	25.4	39.4	26.8	26.5	
Provisions & Loan Losses	5,814	6,235	6,640	6,253	8,821	9,000	7,700	7,010	24,943	32,531	8,200	8
<b>Profit before Tax</b>	<b>12,685</b>	<b>12,986</b>	<b>14,636</b>	<b>17,062</b>	<b>15,296</b>	<b>15,746</b>	<b>18,545</b>	<b>22,224</b>	<b>57,369</b>	<b>71,811</b>	<b>15,207</b>	<b>1</b>
Tax Provisions	3,263	3,355	3,771	4,395	3,937	4,063	4,785	5,721	14,783	18,505	3,923	0
<b>Net Profit</b>	<b>9,422</b>	<b>9,631</b>	<b>10,865</b>	<b>12,667</b>	<b>11,359</b>	<b>11,684</b>	<b>13,761</b>	<b>16,503</b>	<b>42,585</b>	<b>53,306</b>	<b>11,284</b>	<b>1</b>
YoY Growth (%)	29.8	26.3	24.0	19.7	20.6	21.3	26.6	30.3	24.4	25.2	19.8	

**Key Parameters (Calc., %)**

Yield on loans	14.38	14.5	14.6	14.5	14.40	14.4	14.4	14.3	14.5	14.2	
Cost of funds	7.86	7.94	8.06	7.86	7.78	7.65	7.59	7.48	8.1	7.6	
Spread	6.5	6.6	6.6	6.6	6.6	6.7	6.8	6.8	6.5	6.6	
NIM	6.84	6.78	6.81	6.80	6.76	6.84	6.94	7.09	6.9	7.0	
C/I ratio	39.0	40.6	39.9	38.0	37.6	39.7	40.0	37.6	39.3	38.7	
Credit cost	1.55	1.56	1.57	1.39	1.87	1.83	1.50	1.29	1.5	1.6	
Tax rate	25.7	25.8	25.8	25.8	25.7	25.8	25.8	25.7	25.8	25.8	

**Balance Sheet Parameters**

<b>Disbursements (INR b)</b>	<b>243</b>	<b>243</b>	<b>258</b>	<b>264</b>	<b>243</b>	<b>263</b>	<b>282</b>	<b>303</b>	<b>1,009</b>	<b>1,090</b>	
Growth (%)	21.6	12.9	15.3	6.6	0.0	8.0	9.3	14.5	13.7	8.1	
<b>AUM (INR b)</b>	<b>1,554</b>	<b>1,646</b>	<b>1,746</b>	<b>1,847</b>	<b>1,921</b>	<b>2,009</b>	<b>2,110</b>	<b>2,224</b>	<b>1,847</b>	<b>2,224</b>	
Growth (%)	35.4	32.5	30.5	26.9	23.6	22.0	20.9	20.4	26.9	20.4	
<b>AUM mix (%)</b>											
Vehicle finance	57.0	55.9	55.4	54.8	54.5	54.0	54.0	52.6	54.8	52.6	
Home Equity	20.7	21.2	21.5	22.4	22.9	23.8	24.0	24.7	22.4	24.7	
Home loans & Others	22.3	23.0	23.1	22.8	22.6	22.3	22.0	22.7	12.8	12.1	
<b>Borrowings (INR b)</b>	<b>1,499</b>	<b>1,578</b>	<b>1,671</b>	<b>1,749</b>	<b>1,813</b>	<b>1,868</b>	<b>1,931</b>	<b>1,995</b>	<b>1,749</b>	<b>1,995</b>	
Growth (%)	38.6	32.1	35.7	30.1	20.9	18.4	15.6	14.1	30.1	14.1	

**Asset Quality Parameters**

GS 3 (INR B)	41.2	47.1	51.3	52.1	60.4				52.1	65.5	
GS 3 (%)	2.62	2.8	2.9	2.8	3.16				2.8	2.9	
NS 3 (INR B)	22.5	26.1	28.7	28.5	34.0				28.5	36.7	
NS 3 (%)	1.46	1.6	1.7	1.6	1.81				1.6	1.7	
PCR (%)	45.5	44.5	44.1	45.3	43.7				45.3	44.0	

**Vehicle finance AUM mix (%)**

LCV	19.8	19.8	19.2	19.0	19.2				19.8	19.8	
Cars & MUV	22.8	23.1	23.7	24.1	24.5				22.8	23.1	
3W & SCV	3.6	3.6	3.6	3.5	3.5				3.6	3.6	
Used CV	27.4	27.6	27.6	27.7	27.6				27.4	27.6	
Tractor	6.5	6.2	6.0	5.6	5.3				6.5	6.2	
HCV	6.7	6.6	6.6	6.8	6.7				6.7	6.6	
CE	6.5	6.3	6.4	6.4	6.3				6.5	6.3	
Two wheeler	6.8	6.7	6.8	6.8	6.8				6.8	6.7	

E: MOFSL estimates

# Mankind Pharma

**Estimate change**

**TP change**

**Rating change**

Bloomberg	MANKIND IN
Equity Shares (m)	413
M.Cap.(INRb)/(USDb)	1059.2 / 12.1
52-Week Range (INR)	3055 / 1901
1, 6, 12 Rel. Per (%)	16/-1/30
12M Avg Val (INR M)	1434

**Financials & Valuations (INR b)**

Y/E MARCH	FY25	FY26E	FY27E
Sales	122.5	145.0	163.8
EBITDA	30.8	36.4	43.4
Adj. PAT	20.6	18.9	25.6
EBIT Margin (%)	25.1	25.1	26.5
Cons. Adj. EPS (INR)	50.0	45.8	62.0
EPS Gr. (%)	7.9	-8.5	35.5
BV/Sh. (INR)	347.4	382.9	430.8
<b>Ratios</b>			
Net D:E	0.4	0.2	0.0
RoE (%)	17.4	12.5	15.2
RoCE (%)	14.9	10.8	13.4
Payout (%)	20.6	20.0	20.0
<b>Valuations</b>			
P/E (x)	51.7	56.5	41.7
EV/EBITDA (x)	34.3	31.5	25.7
Div. Yield (%)	0.4	0.4	0.5
FCF Yield (%)	2.8	6.0	5.5
EV/Sales (x)	8.6	7.9	6.8

**Shareholding pattern (%)**

As On	Jun-25	Mar-25	Jun-24
Promoter	72.7	72.7	74.9
DII	11.5	11.5	9.9
FII	13.1	12.9	11.6
Others	2.8	2.9	3.6

FII Includes depository receipts

**CMP: INR2,566**
**TP: INR2,990 (+17%)**
**Buy**

## Cost headwinds lead to earnings miss

Rx-recovery/consumer traction/financial deleverage to support earnings in FY27

- Mankind Pharma (Mankind) reported in-line revenue in 1QFY26. However, EBITDA/PAT came in 5%/7% below our estimates. Higher operational costs at the start of the financial year, coupled with increased interest costs and depreciation, affected earnings for the quarter.
- After the implementation of corrective measures in the prescription (Rx) segment of the domestic formulation (DF) category over the past two years, the benefits are now visible to some extent, with Mankind outpacing industry growth in Rx in 1QFY26.
- Notably, Mankind outperformed the industry in volume, along with superior growth in chronic therapies.
- With a focus on modern trade (MT) and ecom, Mankind was able to deliver healthy growth in the consumer segment.
- After strong 35% YoY growth in the base export segment in FY25, Mankind delivered moderate single-digit YoY growth in 1QFY26.
- The company is working on improving growth prospects of BSV by widening its reach and expanding manufacturing capacity.
- We reduce our earnings estimates by 6% each for FY26/FY27, factoring in a) increased operational costs to improve its chronic therapies franchise, b) promotional spending on new launches in the consumer health segment, and c) a gradual reduction in interest outgo. We value Mankind at 45x 12M forward earnings to arrive at a TP of INR2,990.
- Considering the moderation in overall industry growth in the prescription segment, Mankind has proactively recalibrated its efforts to outpace the industry and deliver sustainable growth going forward. Mankind may see an earnings decline. However, the scale-up in BSV operations, market share gains in Rx, utilization of multiple distribution channels for consumer health products, and lower financial leverage should put Mankind back on the growth path from FY27 onward. Maintain BUY.

## Revenue and profitability miss estimates

- Sales grew 23.4% YoY to INR35.7b (est. INR35.6b). DF revenue (87% of sales) rose 19% YoY to INR31b. Rx (92% of DF sales) grew 17.5% YoY to INR28.5b, supported by improved base business growth and addition of BSV portfolio.
- Consumer business (8% of domestic sales) grew 15% YoY to INR2.5b.
- Exports (13% of sales) grew 81.1% YoY to INR4.7b, primarily due to consolidation of BSV supported by growth in base business.
- Gross margin contracted by 140bp to 70.5% due to increased raw material costs for the company.
- EBITDA margin contracted 130bp YoY to 24% owing to higher raw material costs, while opex remained stable YoY as % of sales.
- Accordingly, EBITDA grew 17% YoY to INR8.5b (our estimates of INR8.9b).
- PAT declined 24% YoY to INR4.3b (our est: INR4.6b).

### Highlights from the management commentary

- Mankind maintained its EBITDA margin guidance of 25-26% for FY26.
- It expects BSV YoY sales growth of 18-20% and EBITDA margin of 26-28% in FY26. YoY BSV sales were stable in 1QFY26.
- The company plans to invest INR1.5-2b in setting up a biologic facility at Baroda to scale up its BSV business.
- Mankind highlighted that organic growth would be 10% YoY for the quarter. This implies BSV sales of INR4b for the quarter.
- The company also noted that international base business grew in single digits in 1Q. Assuming it to be 8%, BSV exports would be INR1.9b for the quarter.
- Mankind expects to pay debt of INR20b in FY26. INR5b was paid in 1Q.

Y/E March	Consolidated - Quarterly Earning Model								(INR m)			
	FY25				FY26E				FY25	FY26E	Est.	Var %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Gross Sales</b>	<b>28,934</b>	<b>30,765</b>	<b>31,988</b>	<b>30,794</b>	<b>35,704</b>	<b>38,306</b>	<b>36,561</b>	<b>34,442</b>	<b>1,22,481</b>	<b>1,45,012</b>	<b>35,611</b>	<b>0.3</b>
YoY Change (%)	12.2	13.6	22.7	26.1	23.4	24.5	14.3	11.8	18.5	18.4	23.1	
Total Expenditure	21,697	22,265	23,828	23,712	27,236	28,231	27,128	26,038	91,698	1,08,634	26,708	
<b>EBITDA</b>	<b>7,238</b>	<b>8,500</b>	<b>8,160</b>	<b>7,082</b>	<b>8,468</b>	<b>10,074</b>	<b>9,433</b>	<b>8,404</b>	<b>30,783</b>	<b>36,378</b>	<b>8,903</b>	<b>-4.9</b>
YoY growth %	10.5	24.5	34.5	19.8	17.0	18.5	15.6	18.7	21.4	18.2	23.0	
Margins (%)	25.0	27.6	25.5	23.0	23.7	26.3	25.8	24.4	25.1	25.1	25.0	
Depreciation	1,077	1,056	1,872	2,309	2,187	2,313	2,208	2,080	6,212	8,788	2,148	
Interest	109	71	2,209	1,905	1,707	1,690	1,447	1,240	4,294	6,083	1,447	
Other Income	1,006	1,094	770	1,013	799	420	420	420	5,368	2,057	420	
<b>PBT before EO expense</b>	<b>7,057</b>	<b>8,468</b>	<b>4,849</b>	<b>3,881</b>	<b>5,373</b>	<b>6,491</b>	<b>6,198</b>	<b>5,503</b>	<b>25,645</b>	<b>23,565</b>	<b>5,727</b>	<b>-6.2</b>
Extra-Ord expense	420	0	0	-1,250	0	0	0	0	-830	0	0	
<b>PBT</b>	<b>6,637</b>	<b>8,468</b>	<b>4,849</b>	<b>5,131</b>	<b>5,373</b>	<b>6,491</b>	<b>6,198</b>	<b>5,503</b>	<b>26,475</b>	<b>23,565</b>	<b>5,727</b>	
Tax	1,246	1,904	1,105	864	958	1,233	1,196	1,095	5,097	4,483	1,060	
Rate (%)	18.8	22.5	22.8	16.8	17.8	19.0	19.3	19.9	19.3	19.0	18.5	
MI & P/L of Asso. Cos.	26.7	28.4	8.5	15.6	94.7	30.0	30.0	46.6	79.2	201.3	30.0	
<b>Reported PAT</b>	<b>5,365</b>	<b>6,535</b>	<b>3,736</b>	<b>4,251</b>	<b>4,320</b>	<b>5,227</b>	<b>4,971</b>	<b>4,362</b>	<b>21,298</b>	<b>18,880</b>	<b>4,638</b>	<b>-6.9</b>
<b>Adj PAT</b>	<b>5,706</b>	<b>6,535</b>	<b>3,736</b>	<b>3,212</b>	<b>4,320</b>	<b>5,227</b>	<b>4,971</b>	<b>4,362</b>	<b>20,635</b>	<b>18,880</b>	<b>4,638</b>	<b>-6.9</b>
YoY Change (%)	17.2	30.4	-17.7	-31.8	-24.3	-20.0	33.1	35.8	7.9	-8.5	-18.7	
Margins (%)	19.7	21.2	11.7	10.4	12.1	13.6	13.6	12.7	16.8	13.0	13.0	
<b>EPS</b>	<b>14.2</b>	<b>16.3</b>	<b>9.3</b>	<b>8.0</b>	<b>10.8</b>	<b>13.0</b>	<b>12.4</b>	<b>10.9</b>	<b>50.0</b>	<b>45.8</b>	<b>11.6</b>	



# Godrej Properties

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	GPL IN
Equity Shares (m)	301
M.Cap.(INRb)/(USDb)	617.7 / 7.1
52-Week Range (INR)	3400 / 1870
1, 6, 12 Rel. Per (%)	-8/-18/-33
12M Avg Val (INR M)	2285

## Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	49.2	53.7	58.0
EBITDA	0.4	6.8	8.9
EBITDA (%)	0.9	12.6	15.4
PAT	13.9	24.8	24.1
EPS (INR)	46.1	82.3	80.0
EPS Gr. (%)	106.4	206.3	73.4
BV/Sh. (INR)	574.8	657.1	737.1
<b>Ratios</b>			
Net D/E	0.2	-0.1	-0.4
RoE (%)	10	13	11
RoCE (%)	7	9	8
Payout (%)	0.0	0.0	0.0
<b>Valuations</b>			
P/E (x)	44	25	26
P/BV (x)	4	3	3
EV/EBITDA (x)	1,472	88	58
Div Yield (%)	0	0	0

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Dec-24
Promoter	46.7	46.7	46.5
DII	9.3	9.3	9.4
FII	30.5	30.5	30.9
Others	13.4	13.5	13.2

**CMP: INR2,051**
**TP: 2,843 (+39%)**
**Buy**

## Revenue hit by soft collections; upcoming launches key to driving pre-sales

### Achieves 57% of annual BD guidance

- Godrej Properties' (GPL) pre-sales volume for 1QFY26 declined 31% YoY/18% QoQ to 6.2msf (in line with estimates). However, pre-sales value stood at INR71b (-18% YoY/-30% QoQ, 11% below estimates). Realization grew 19% YoY to INR11,478/sq. ft. The quarter's pre-sales were driven by new project launches—Godrej MSR City, Godrej Majesty, and Godrej Tiara—which together accounted for a booking value of INR38b (54% of total reported bookings in 1QFY26).
- Notably, 89% of the contribution came from projects in NCR, MMR, and Bengaluru.
- In 1QFY26, GPL launched six new projects/phases across four cities, with a cumulative saleable potential of INR85b, and deliveries stood at 0.8msf.
- GPL's gross collections surged 20% YoY to INR41b (37% below estimates), whereas OCF (pre-interest and tax) was down 4% YoY to INR9.5b. The company spent INR20.2b on new land investments and approvals. This led to a cash deficit of INR13.7b and increased the net debt to INR46b, or 0.26x of equity (vs. 0.19x as of Mar'25).
- GPL added five new projects in 1QFY26 with a potential saleable area of 9.24msf and an estimated GDV of INR114b, achieving 57% of its annual guided BD in the first quarter itself.
- Overall, 0.06msf was leased in 1QFY26 across three assets.
- P&L performance:** GPL reported revenue of INR4.3b, down 41% YoY / 80% QoQ (57% below our estimates), due to the absence of material completions during the quarter.
- GPL reported EBITDA loss of INR2.4b vs a loss of INR1.3b YoY.
- GPL's other income increased 23% YoY/2x QoQ, driven by fair value gains from the acquisition of three joint ventures during the quarter (Madhuvan Enterprises, Vagishwari Developers, and Munjal Hospitality), resulting in a PAT of INR6b, up 15% YoY/58% QoQ (28% above estimates), with a profit margin of 138%.

### Key management takeaways

- The company aims to lead in each operating market while sustaining a strong national presence, expecting healthy volume and price growth amid rising housing demand and industry consolidation that favors branded players.
- Launch-ready inventory from land acquired since FY23 stands at INR550-600b, with total unsold inventory at INR1.14t and pending collections of INR510b; price hikes were modest across regions.
- 1QFY26 launches amounted to INR85b in GDV, with 64% of sales from new launches; FY26 guidance remains unchanged at INR400b in launches and INR325b in pre-sales.

- A strong pipeline includes launches across Gurgaon, Greater Noida, Mumbai, Pune, Bengaluru, Panipat, Kharghar, and Hyderabad, along with one Evergreen Square and a plotted development.
- An outstanding INR9b is yet to be spent on FY26 deals, with an additional INR12b pending for deals signed in earlier years.
- Like-for-like price increases were 2-3% in the North and South markets, 1-2% in Mumbai, and a marginal 0.5% in Pune.

### Valuation and view

- GPL completed FY25 with a strong performance across key operational parameters of pre-sales and cash flows. With a strong launch pipeline, the company remains on track to achieve its operational goals. Thus, we keep our FY26/FY27 pre-sales estimates unchanged.
- While gross margin has sustained at a healthy 35-40% for recognized projects in P&L, the higher scale of operations has led to a proportionately high overhead increase, leading to subdued operating profits. We expect the sales booked over the past two years, characterized by a better margin profile and outright ownership, to be recognized after FY26/FY27, which will allay investor concerns.
- We believe GPL will continue to surprise on growth, cash flows, and margins, given its strong pipeline and healthy realizations, which have been key concerns for investors. We reiterate our BUY rating with a TP of INR2,843, implying a 39% potential upside.

### Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E 1Q	Var 1Q (%/bp)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q					
<b>Gross Sales</b>	<b>7,390</b>	<b>10,932</b>	<b>9,689</b>	<b>21,217</b>	<b>4,346</b>	<b>11,286</b>	<b>13,973</b>	<b>24,138</b>	<b>49,228</b>	<b>53,743</b>	<b>10,158</b>	<b>-57</b>	
YoY Change (%)	-21.0	218.7	193.2	48.8	-41.2	3.2	44.2	13.8	62.2	9.2	37.5		
<b>Total Expenditure</b>	<b>8,641</b>	<b>10,613</b>	<b>9,413</b>	<b>20,118</b>	<b>6,779</b>	<b>9,868</b>	<b>12,217</b>	<b>-15,551</b>	<b>48,785</b>	<b>46,990</b>	<b>8,881</b>		
<b>EBITDA</b>	<b>-1,251</b>	<b>319</b>	<b>276</b>	<b>1,100</b>	<b>-2,433</b>	<b>1,418</b>	<b>1,756</b>	<b>39,689</b>	<b>444</b>	<b>6,754</b>	<b>1,276</b>	<b>NA</b>	
Margins (%)	-16.9	2.9	2.8	5.2	-56.0	12.6	12.6	164.4	0.9	12.6	12.6	NA	
Depreciation	166	183	177	211	220	155	192	170	737	737	139		
Interest	408	446	424	460	327	929	1,150	2,018	1,737	4,424	836		
Other Income	9,605	2,533	2,711	5,593	11,858	6,166	7,635	3,705	20,442	29,364	5,550		
<b>PBT before EO expense</b>	<b>7,780</b>	<b>2,224</b>	<b>2,385</b>	<b>6,022</b>	<b>8,878</b>	<b>6,501</b>	<b>8,049</b>	<b>41,206</b>	<b>18,412</b>	<b>30,956</b>	<b>5,851</b>	<b>52</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>7,780</b>	<b>2,224</b>	<b>2,385</b>	<b>6,022</b>	<b>8,878</b>	<b>6,501</b>	<b>8,049</b>	<b>41,206</b>	<b>18,412</b>	<b>30,956</b>	<b>5,851</b>	<b>52</b>	
Tax	1,974	-1,145	621	1,884	2,622	1,625	2,012	1,480	3,334	7,739	1,463		
Rate (%)	25.4	-51.5	26.0	31.3	29.5	25.0	25.0	3.6	18.1	25.0	25.0		
Minority Interest & Profit/Loss of Asso. Cos.	-618	-32	-183	-354	-272	329	408	1,103	-1,186	1,569	297		
<b>Reported PAT</b>	<b>5,188</b>	<b>3,338</b>	<b>1,582</b>	<b>3,784</b>	<b>5,984</b>	<b>5,205</b>	<b>6,444</b>	<b>40,830</b>	<b>13,892</b>	<b>24,786</b>	<b>4,685</b>	<b>28</b>	
<b>Adj PAT</b>	<b>5,188</b>	<b>3,338</b>	<b>1,582</b>	<b>3,784</b>	<b>5,984</b>	<b>5,205</b>	<b>6,444</b>	<b>40,830</b>	<b>13,892</b>	<b>24,786</b>	<b>4,685</b>		
YoY Change (%)	288.3	359.5	152.2	-20.8	15.3	55.9	307.4	978.9	86.0	78.4	-9.7		
Margins (%)	70.2	30.5	16.3	17.8	137.7	46.1	46.1	169.1	28.2	46.1	46.1		
<b>Operational Metrics</b>													
Sale Volume (msf)	9.0	5.2	4.1	7.5	6.2	5.5	8.3	9.2	26	29	5.9	<b>4</b>	
Sale Value (INRb)	86	52	54	102	71	60	80	110	294	321	80.0	<b>-11</b>	
Collections (INRb)	34	43	35	76	41	49	66	107	189	263	65.7	<b>-37</b>	
Realization/sft	9,607	10,093	13,381	13,515	11,478	11,000	9,600	11,971	11,443	11,007	13,500	<b>-15</b>	

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	UPLL IN
Equity Shares (m)	751
M.Cap.(INRb)/(USDb)	564.6 / 6.4
52-Week Range (INR)	736 / 484
1, 6, 12 Rel. Per (%)	3/6/26
12M Avg Val (INR M)	1529

Financials & Valuations (INR b)			
Y/E Mar	2025	2026E	2027E
Sales	466.4	500.3	534.7
EBITDA	81.2	92.9	104.3
PAT	19.1	31.2	45.1
EBITDA (%)	17.4	18.6	19.5
EPS (INR)	25.0	40.7	58.9
EPS Gr. (%)	583.6	62.8	44.7
BV/Sh. (INR)	578	614	682
Ratios			
Net D/E	0.6	0.5	0.4
RoE (%)	7.1	10.3	13.8
RoCE (%)	10.4	11.0	13.0
Payout (%)	124.1	38.0	24.7
Valuations			
P/E (x)	26.6	16.3	11.3
EV/EBITDA (x)	8.6	7.4	6.3
Div Yield (%)	2.1	2.1	2.1
FCF Yield (%)	14.7	3.8	11.7

Shareholding Pattern (%)			
	Jun-25	Mar-25	Jun-24
Promoter	33.5	33.5	32.5
DII	18.1	18.6	15.7
FII	37.8	37.2	37.8
Others	10.6	10.7	13.9

Note: FII includes depository receipts

**CMP: INR665**      **TP: INR700 (+5%)**      **Neutral**

### Margin expansion led by better product mix and operating leverage

#### Operating performance beats our estimates

- UPL Ltd (UPLL) made a decent start to FY26, with EBITDA growing 14% YoY to INR13b, led by a better product mix (EBITDA margin up 150bp YoY), higher capacity utilization, and lower COGS (gross margins up 460bp YoY), despite revenue growth of 2% to INR92b.
- Pricing pressure persists globally. However, UPLL remains on track to accelerate growth from 2HFY26 onwards, driven by strong prospects in the Super Specialty Chemicals (SSC) segment (within Superform), new product launches, and increased investments by Advanta (for new market entries).
- We maintain our FY26/FY27 earnings estimates and **reiterate Neutral with a TP of INR700.**

#### Growth across platforms except UPL Corp due to lower volumes

- UPLL reported revenue of INR92b (in-line) in 1QFY26, up 1.6% YoY (volume decline: 1%, price up: 1%, forex up: 2%). EBITDA stood at INR13b (est. INR11.7b), up 14% YoY. EBITDA margin was at 14.1% vs. 12.6% in 1QFY25, due to a 460bp expansion in gross margin. PAT came in at INR1b (est. net loss INR2b) vs a net loss of INR2b in 1QFY25.
- **India's** revenue rose 21% YoY to INR22.6b, led by growth in the seeds (up 40%) and crop protection businesses (up 13%). **North America's** revenue grew 8% YoY to INR13.4b, led by pricing improvement in selective active ingredients. **LATAM's** revenue declined 10% to INR24b due to a decrease in volumes in Brazil (insecticides) and Mexico. This decline was offset by higher revenue in the seeds business. **Europe** grew 8% YoY to INR15.4b, aided by volume growth in herbicides and NPP, partially offset by a decline in Turkey. **RoW's** revenue declined 10% YoY to INR16.8b, owing to lower revenue in seeds and crop production in Africa, Australia, and South East Asia.
- **Advanta's** revenue increased 20% YoY to INR11.8b, driven by higher volumes and improved realizations in corn, sorghum, and sunflower. **UPL SAS's** revenue grew 13% YoY in 1QFY26, driven by overall growth in herbicides and new launches (supported by improved pricing and favorable weather). **SUPERFORM's** revenue rose 9% YoY to INR25.6b, led by 11% YoY volume growth, supported by a 6% rise in the Active ingredients business and a higher 21% growth in SSC.
- Gross debt declined to INR268b in 1QFY26 vs. INR316b in 1QFY25; net debt declined to INR214b in 1QFY26 vs INR275b in 1QFY25. The decline was primarily led by lower working capital requirements and significant improvement in gearing ratios compared to last year. The company also prepaid perpetual bonds amounting to USD400m (INR34b). Net working capital days improved by 35 days to 86 in 1QFY26 vs 121 in 1QFY25.

### Highlights from the management commentary

- **UPL Corp:** The company witnesses a strong order book growth on a YoY basis (Specifically in Brazil). Management expects the momentum to continue in the coming quarters, with better performance from H2 onwards. However, growth from 2Q to 4Q is expected to come from volumes rather than prices.
- **Inorganic expansion:** Advanta remains open to inorganic expansion as part of its strategy. The company aims to invest in 'New Seeds'. However, a significant litigation between the two companies is currently underway, with a trial scheduled for next year in the Court of Australia.
- **New launches:** In India, new products in the herbicide category (Centurion EZ and Canora EZ) helped improve the product mix. The company expects USD130m in revenue from new launches this year (primarily in H2FY26). Further, Advanta is making significant investments in new market entries and product launches.

### Valuation and view

- UPLL has demonstrated resilience in 1QFY26 despite macro headwinds. Building on this momentum, the company is expected to accelerate growth from 2HFY26 onwards. This growth will be led by healthy volume increases across key regions (North America, LATAM, and ROW), while pricing is expected to remain soft. Moreover, contributions from new products are set to ramp up significantly, with Advanta seeds continuing to grow in both existing and new product lines.
- We expect revenue/EBITDA/Adj. PAT CAGR of 7%/13%/53% over FY25-27. **We reiterate Neutral with a TP of INR700 (based on 12x FY27 EPS).**

Cons. Quarterly Earning (INR b)												
Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1Q	1Q	%	
<b>Net Sales</b>	<b>90.7</b>	<b>110.9</b>	<b>109.1</b>	<b>155.7</b>	<b>92.2</b>	<b>119.0</b>	<b>118.4</b>	<b>170.7</b>	<b>466.4</b>	<b>500.3</b>	<b>90.2</b>	<b>2%</b>
YoY Change (%)	1.2	9.0	10.3	10.6	1.6	7.3	8.6	9.6	8.2	7.3	-0.5	
Total Expenditure	79.2	95.2	87.5	123.4	79.1	101.0	94.2	133.2	385.2	407.4	78.5	
<b>EBITDA</b>	<b>11.5</b>	<b>15.8</b>	<b>21.6</b>	<b>32.4</b>	<b>13.0</b>	<b>18.0</b>	<b>24.3</b>	<b>37.6</b>	<b>81.2</b>	<b>92.9</b>	<b>11.7</b>	<b>11%</b>
Margins (%)	12.6	14.2	19.8	20.8	14.1	15.1	20.5	22.0	17.4	18.6	13.0	
Depreciation	6.6	7.0	6.9	7.1	7.3	7.4	7.4	7.7	27.5	29.8	6.8	
Interest	9.1	10.7	7.3	9.1	10.1	7.4	6.5	5.8	36.3	29.7	8.0	
Other Income	1.0	1.1	1.7	1.1	1.4	1.5	1.2	1.3	4.9	5.3	1.0	
Exch. difference on trade rec./payable	0.5	2.2	2.1	0.5	-0.9	0.0	0.0	0.0	5.2	-0.9	0.0	
<b>PBT before EO expense</b>	<b>-3.7</b>	<b>-3.0</b>	<b>7.1</b>	<b>16.8</b>	<b>-2.0</b>	<b>4.7</b>	<b>11.6</b>	<b>25.4</b>	<b>17.1</b>	<b>39.7</b>	<b>-2.1</b>	
Extra-Ord expense	0.5	0.1	0.8	2.8	0.1	0.0	0.0	0.0	4.1	0.1	0.0	
<b>PBT</b>	<b>-4.2</b>	<b>-3.1</b>	<b>6.3</b>	<b>14.0</b>	<b>-2.1</b>	<b>4.7</b>	<b>11.6</b>	<b>25.4</b>	<b>13.0</b>	<b>39.6</b>	<b>-2.1</b>	
Tax	0.7	1.4	-5.0	3.0	-0.1	0.6	1.5	3.3	0.1	5.3	-0.3	
Rate (%)	-17.0	-44.2	-79.0	21.2	6.7	13.0	13.0	13.0	0.7	13.3	13.0	
MI & P/L of Asso. Cos.	-1.1	-0.1	3.0	2.1	-1.1	0.5	3.2	2.3	4.0	5.0	0.2	
<b>Reported PAT</b>	<b>-3.8</b>	<b>-4.4</b>	<b>8.3</b>	<b>9.0</b>	<b>-0.9</b>	<b>3.6</b>	<b>6.8</b>	<b>19.8</b>	<b>9.0</b>	<b>29.3</b>	<b>-1.9</b>	
<b>Adj PAT</b>	<b>-2.0</b>	<b>-0.6</b>	<b>9.9</b>	<b>11.9</b>	<b>1.0</b>	<b>3.6</b>	<b>6.8</b>	<b>19.8</b>	<b>19.1</b>	<b>31.2</b>	<b>-1.9</b>	<b>NA</b>
YoY Change (%)	-150.8	-159.3	-267.9	225.5	-147.6	-672.7	-31.4	66.5	583.6	62.8	-4.7	
Margins (%)	-2.2	-0.6	9.1	7.6	1.0	3.0	5.7	11.6	4.1	6.2	-2.1	


**Estimate change**

**TP change**

**Rating change**

Bloomberg	GLXO IN
Equity Shares (m)	169
M.Cap.(INRb)/(USDb)	497.5 / 5.7
52-Week Range (INR)	3516 / 1921
1, 6, 12 Rel. Per (%)	-9/45/8
12M Avg Val (INR M)	528

**Financials & valuations(INR b)**

Y/E MARCH	FY25	FY26E	FY27E
Sales	37.5	40.4	45.7
EBITDA	11.7	12.7	14.7
Adj. PAT	9.3	10.0	11.6
EBIT Margin (%)	29.4	29.5	30.6
Cons. Adj. EPS (INR)	54.7	58.8	68.6
EPS Gr. (%)	26.4	7.3	16.8
BV/Sh. (INR)	115.2	146.3	187.4
<b>Ratios</b>			
Net D:E	-0.7	-0.4	-0.5
RoE (%)	47.5	40.1	36.6
RoCE (%)	49.1	45.0	41.2
Payout (%)	52.8	49.2	42.1
<b>Valuations</b>			
P/E (x)	53.6	49.9	42.8
EV/EBITDA (x)	38.6	35.8	30.5
Div. Yield (%)	0.8	0.8	0.8
FCF Yield (%)	2.7	0.2	2.4
EV/Sales (x)	12.0	11.2	9.8

**Shareholding pattern (%)**

As On	Jun-25	Mar-25	Jun-24
Promoter	75.0	75.0	75.0
DII	7.7	7.8	7.5
FII	4.9	4.5	4.0
Others	12.4	12.7	13.5

FII Includes depository receipts

**CMP: INR2,937**
**TP:INR3,000 (+2%)**
**Neutral**
**Specialty gains offset by base portfolio headwinds**
**Fire at CMO site further impacted supplies in the quarter**

- GlaxoSmithKline Pharmaceuticals (GLXO) delivered lower-than-expected revenue/EBITDA (8%/5% miss) in 1QFY26. However, PAT was in line with expectations due to higher other income. The quarterly performance was impacted by disruption from one of the suppliers.
- GLXO has been transforming its offerings in the domestic formulation (DF) segment through the addition of specialty products.
- It is gearing up for gynaec-onco launches in the near term. New products are innovative and exclusive from the GLXO basket, and the traction is expected to be promising over the medium term.
- With leadership in pediatric vaccines, GLXO is also implementing efforts to create considerable awareness for an adult vaccine (Shingrix).
- The general medicines category faced headwinds due to industry slowdown.
- We cut our estimates by 5%/2% for FY26/FY27, factoring in a) the adverse impact on supplies of certain drugs due to constraints at a CMO facility, and b) moderation of prospects in dermatology/respiratory covered markets.
- We value GLXO at 45x 12M forward earnings to arrive at a TP of INR3,000.
- We expect 12% earnings CAGR over FY25-27 for GLXO. While new launches are enhancing patient satisfaction and driving growth for GLXO, the base portfolio is affected by industry headwinds, keeping overall earnings growth in check. Maintain Neutral rating on the stock.

**Operational miss; earnings in line**

- Revenue marginally dropped 1.2% YoY to INR8.1b (est: INR8.8b).
- Gross margin (GM) expanded 50bp YoY to 64.3%, as its key promoted brands gained market share and outpaced market growth.
- EBITDA margin expanded 290bp YoY to 31.2% (our est: 28.7%) due to a significant cut in other expenses and steady employee costs YoY (other expenses down 280bp YoY as a % of sales).
- EBITDA grew 9%YoY to INR2.5b (vs. est. of INR2.7b).
- PAT grew 12.4% YoY to INR2.1b (in line with our est. of INR2.1b).

**Key highlights from the management commentary**

- The YoY growth for the quarter was impacted by supply constraints from one of the CMOs and weakness in anti-infectives/derma therapies.
- GLXO is launching oncology drugs (Jejula/Jemperli) in India market soon. About 20 key account managers have been appointed for promotional activities of these drugs.
- GLXO's vaccines portfolio saw 8.6% YoY growth in 1Q. In general medicines, there was no new introduction in the quarter.
- The company sells 9-10k Shingrix doses every month. GLXO can garner INR1b in sales on annual basis from this product.
- Volume declined 2% YoY in general medicine category for the quarter.
- Specifically, Calpol and nutritional supplements were impacted by a fire incident at one of the CMO sites.
- About 60% of the procurement is outsourced by GLXO for India business.

**Qtr Perf. (Consol.)**
**(INRm)**

Y/E March	FY25								FY26E				FY25	FY26E	Chg. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE						
<b>Net Sales</b>	<b>8,147</b>	<b>10,107</b>	<b>9,494</b>	<b>9,743</b>	<b>8,052</b>	<b>10,675</b>	<b>10,825</b>	<b>10,853</b>	<b>37,491</b>	<b>40,404</b>	<b>8,798</b>	<b>-8%</b>			
YoY Change (%)	7.0	5.6	17.9	4.8	-1.2	5.6	14.0	11.4	8.6	7.8	8.0				
<b>Total Expenditure</b>	<b>5,841</b>	<b>6,891</b>	<b>6,665</b>	<b>6,412</b>	<b>5,541</b>	<b>7,323</b>	<b>7,458</b>	<b>7,402</b>	<b>25,809</b>	<b>27,724</b>	<b>6,141</b>				
<b>EBITDA</b>	<b>2,305</b>	<b>3,216</b>	<b>2,829</b>	<b>3,332</b>	<b>2,511</b>	<b>3,352</b>	<b>3,366</b>	<b>3,451</b>	<b>11,682</b>	<b>12,681</b>	<b>2,657</b>	<b>-5%</b>			
YoY Change (%)	60.2	11.1	29.7	29.5	8.9	4.2	19.0	3.6	28.6	8.5	15.3				
Margins (%)	28.3	31.8	29.8	34.2	31.2	31.4	31.1	31.8	31.2	31.4	30.2				
Depreciation	164	169	188	147	155	193	195	200	668	743	156				
<b>EBIT</b>	<b>2,141</b>	<b>3,048</b>	<b>2,641</b>	<b>3,184</b>	<b>2,356</b>	<b>3,159</b>	<b>3,171</b>	<b>3,251</b>	<b>11,014</b>	<b>11,937</b>	<b>2,501</b>				
YoY Change (%)	67.9	12.3	31.4	33.1	10.0	3.7	20.1	2.1	31.3	8.4	16.8				
Margins (%)	26.3	30.2	27.8	32.7	29.3	29.6	29.3	30.0	29.4	29.5	28.4				
Interest	4	3	1	6	4	3	2	3	13	12	5				
Other Income	356	345	351	407	437	300	300	550	1,459	1,587	300				
<b>PBT before EO Expense</b>	<b>2,494</b>	<b>3,391</b>	<b>2,991</b>	<b>3,585</b>	<b>2,789</b>	<b>3,456</b>	<b>3,469</b>	<b>3,798</b>	<b>12,461</b>	<b>13,512</b>	<b>2,796</b>				
Tax	671	913	782	957	740	912	919	987	3,323	3,559	749				
Rate (%)	26.9	26.9	26.2	26.7	26.5	26.4	26.5	26.0	26.7	26.3	26.8				
<b>Adjusted PAT</b>	<b>1,823</b>	<b>2,477</b>	<b>2,209</b>	<b>2,628</b>	<b>2,049</b>	<b>2,544</b>	<b>2,550</b>	<b>2,811</b>	<b>9,138</b>	<b>9,954</b>	<b>2,047</b>	<b>0%</b>			
Margins (%)	22.4	24.5	23.3	27.0	25.5	23.8	23.6	25.9	24.4	24.6	23.3				
One-off Expense/(Income)	0	-47	-90	0	0	0	0	0	-137	0	0				
<b>Reported PAT</b>	<b>1,823</b>	<b>2,524</b>	<b>2,299</b>	<b>2,628</b>	<b>2,049</b>	<b>2,544</b>	<b>2,550</b>	<b>2,811</b>	<b>9,275</b>	<b>9,954</b>	<b>2,047</b>	<b>0%</b>			
<b>Reported PAT incl disc operations</b>	<b>1,823</b>	<b>2,477</b>	<b>2,209</b>	<b>2,628</b>	<b>2,049</b>	<b>2,544</b>	<b>2,550</b>	<b>2,811</b>	<b>9,138</b>	<b>9,954</b>	<b>2,047</b>	<b>0%</b>			

E: MOFSL Estimates:

**KPIs (Consolidated)**

Y/E March	FY25								FY26E				FY25	FY26E	Chg. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1QE						
<b>Cost Break-up</b>															
RM Cost (% of Sales)	36.2	38.0	37.8	36.1	35.7	36.6	35.8	35.3	37.1	35.9	36.20	0.46			
Staff Cost (% of Sales)	18.6	14.9	14.1	15.7	19.0	16.5	17.0	17.0	15.7	17.3	17.30	-1.65			
Other Cost (% of Sales)	16.9	15.2	18.3	14.0	14.1	15.5	16.1	15.9	16.0	15.5	16.30	2.18			
Gross Margins(%)	63.8	62.0	62.2	63.9	64.3	63.4	64.2	64.7	62.9	64.1	63.80	-0.46			
EBITDA Margins(%)	28.3	31.8	29.8	34.2	31.2	31.4	31.1	31.8	31.2	31.4	30.20	-0.98			
EBIT Margins(%)	26.3	30.2	27.8	32.7	29.3	29.6	29.3	30.0	29.4	29.5	28.43	-0.83			

E: MOFSL Estimates

# Federal Bank

Estimate change	
TP change	
Rating change	

Bloomberg	FB IN
Equity Shares (m)	2457
M.Cap.(INRb)/(USDb)	481.7 / 5.5
52-Week Range (INR)	220 / 173
1, 6, 12 Rel. Per (%)	-7/2/-1
12M Avg Val (INR M)	1907

**Financials & Valuations (INR b)**

Y/E Mar	FY25	FY26E	FY27E
NII	94.7	99.3	122.1
OP	61.0	65.9	82.8
NP	40.5	38.9	50.2
NIM (%)	3.2	3.0	3.2
EPS (INR)	16.6	16.0	20.6
EPS Gr. (%)	1.8	-4.1	29.2
BV/Sh. (INR)	137	149	168
ABV/Sh. (INR)	131	142	160
<b>Ratios</b>			
ROA (%)	1.2	1.0	1.2
ROE (%)	13.0	11.2	13.0
<b>Valuations</b>			
P/E(X)	11.8	12.3	9.5
P/BV (X)	1.4	1.3	1.2
P/ABV (X)	1.5	1.4	1.2

**Shareholding Pattern (%)**

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	47.7	48.6	44.7
FII	27.6	27.0	29.4
Others	24.7	24.4	25.9

**CMP: INR196**
**TP: INR235 (+20%)**
**Buy**
**MFI stress dents earnings; NIM contraction broadly in line**
**Asset quality slightly deteriorates**

- Federal Bank (FB) reported 1QFY26 earnings of INR8.6b (6% miss) amid a spike in provisions (up 177% YoY/190% QoQ), partly offset by contained opex.
- NII was in line, while reported NIM contracted 18bp QoQ to 2.94% (MOFSLe: 2.96%), amid repo rate cuts as well as interest reversal (4-5bp impact). FB remains focused on reorienting its asset mix to improve yields and CASA mix.
- Advances grew 9.2% YoY/2.7% QoQ, led by growth in SME (CoB + BuB), CV, and Gold. Deposits grew 8% YoY/1.3% QoQ. The CASA ratio stood at 30.4%.
- Slippages were elevated at INR6.6b (up 56% YoY/34% QoQ), amid elevated slippages from the MFI book. GNPA/NNPA ratios increased 7bp/ 4bp QoQ to 1.84%/0.44%. The bank's credit costs increased 39bp QoQ to 0.65%.
- We reduce our earnings estimates by 7%/4% for FY26/27, factoring in a slight margin contraction and elevated provisions. We estimate FB to deliver an FY27 RoA/RoE of 1.18%/13.0%. **Reiterate BUY with a TP of INR235 (based on 1.4x FY27E ABV).**

**CD ratio inches up to ~83.9%; retail deposit mix improves to 71.3%**

- FB reported 1QFY26 earnings of INR8.6b (6% miss) amid accelerated provisions owing to MFI stress, partly offset by in-line NII and contained opex.
- NII stood in line at INR23.4b (down 1.7% QoQ/up 2% YoY), while NIM dipped 18bp QoQ (4-5bp impact due to interest reversal) to 2.94% as the bank has fully passed on the 100bp rate cuts (MOFSLe: 2.96%).
- Other income grew 21.6% YoY/10.6% QoQ to INR11.1b (inline), led by healthy treasury income as well as recovery from the written-off assets.
- Opex stood at INR18.9b (down 1.3% QoQ/up 11% YoY, 2.6% lower than estimates). FB expects the C/I ratio to remain in the mid-50s range in the near term. PPoP increased 3.7% YoY/ 6.2 QoQ to INR15.6b (7.5% beat on MOFSLe).
- On the business front, advances grew 9.2% YoY/2.7% QoQ to INR2.4t, while retail was largely flat QoQ. Within retail, credit cards grew faster at 8.5% QoQ (up 18.8% YoY), while housing/mortgages remained broadly flat/declined marginally on a sequential basis. Growth in SME stood at 3.6% QoQ.
- Deposits grew 8% YoY/1.3% QoQ, driven by SA deposits (up 4.2% QoQ), while the CA book declined 6.3% QoQ. The CASA mix improved marginally to 30.4% (up 12bp QoQ), while the LCR ratio contracted to 132.5% (down 9.5% QoQ).
- Slippages increased to INR6.6b vs INR4.9b in 4QFY25, amid higher slippages from MFI. GNPA/NNPA ratios increased by 7bp/4bp QoQ to 1.84%/0.44%, while the restructured book declined to 0.55% (down 6bp QoQ). Credit costs increased to 0.65%.

### Highlights from the management commentary

- FB underwent faster repricing of loans due to the T+1 policy; the cost of funds has also significantly reduced. Management expects NIM contraction to be limited to 5-10bp in 2QFY26.
- Loan book pricing: 48% are EBLR-linked loans, and FB expects the same to reduce going forward. About 33% of the loan book is fixed-rate in nature.
- MFI stress has begun to show in 4Q and spurted in 1QFY26. June and July have seen a drop in slippages, while May recorded the highest slippages in MFI.
- The intention is to have growth at 1.2-1.5x of nominal GDP growth. Credit cost guidance is at 55bp for FY26. The C/I ratio will continue to remain in the mid-50s.

### Valuation and view: Reiterate BUY with a TP of INR235

FB reported a weak quarter, impacted by higher-than-expected provisions and a sharp decline in NIM. Loan growth was primarily driven by strong traction in the SME segment (CoB + BuB), along with Gold and Agri portfolios, while the MFI book contracted due to rising stress. Deposit growth remained modest, supported by healthy traction in SA balances, although the seasonal outflow in the CA book (post 4Q) led to only a marginal improvement in the CASA mix. NIM contracted due to repo rate cuts and T+1 loan repricing, with the bank guiding a further 5-10bp dip in NIM in 2QFY26. Asset quality weakened due to stress in the MFI segment, resulting in elevated credit costs during the quarter, although the PCR ratio remained stable. We believe near-term headwinds will persist, but expect the trajectory to improve in the second half, supported by a recovery in margins and delinquency rate. We reduce our earnings estimates by 7%/4% for FY26/27, factoring in a slight margin contraction and elevated provisions. We estimate FB to deliver an FY27 RoA/RoE of 1.18%/13.0%. **Reiterate BUY with a TP of INR235 (based on 1.4x FY27E ABV).**

### Quarterly performance

									(INR b)		
	FY25				FY26E				FY25	FY26E	FY25E V/s our
	1Q	2Q	3Q	4Q	1QAE	2QAE	3QAE	4QAE		1QAE	Est
<b>Net Interest Income</b>	<b>22.9</b>	<b>23.7</b>	<b>24.3</b>	<b>23.8</b>	<b>23.4</b>	<b>23.1</b>	<b>25.2</b>	<b>27.6</b>	<b>94.7</b>	<b>99.3</b>	<b>23.0</b>
% Change (YoY)	19.5	15.1	14.5	8.3	2.0	-2.3	3.5	16.2	14.2	4.8	0.2
Other Income	9.2	9.6	9.2	10.1	11.1	11.4	11.3	11.8	38.0	45.6	10.9
<b>Total Income</b>	<b>32.1</b>	<b>33.3</b>	<b>33.5</b>	<b>33.8</b>	<b>34.5</b>	<b>34.6</b>	<b>36.4</b>	<b>39.4</b>	<b>132.7</b>	<b>144.9</b>	<b>33.9</b>
Operating Expenses	17.1	17.7	17.8	19.2	18.9	19.4	19.8	20.8	71.7	79.0	19.4
<b>Operating Profit</b>	<b>15.0</b>	<b>15.7</b>	<b>15.7</b>	<b>14.7</b>	<b>15.6</b>	<b>15.2</b>	<b>16.6</b>	<b>18.6</b>	<b>61.0</b>	<b>65.9</b>	<b>14.5</b>
% Change (YoY)	15.2	18.2	9.2	32.0	3.7	-3.2	5.8	26.9	17.9	8.0	-3.5
Provisions	1.4	1.6	2.9	1.4	4.0	3.5	3.4	3.0	7.3	14.0	2.2
<b>Profit before Tax</b>	<b>13.6</b>	<b>14.1</b>	<b>12.8</b>	<b>13.3</b>	<b>11.6</b>	<b>11.6</b>	<b>13.2</b>	<b>15.6</b>	<b>53.7</b>	<b>51.9</b>	<b>12.3</b>
Tax	3.5	3.5	3.2	3.0	2.9	2.9	3.3	3.8	13.2	13.0	3.1
<b>Net Profit</b>	<b>10.1</b>	<b>10.6</b>	<b>9.6</b>	<b>10.3</b>	<b>8.6</b>	<b>8.7</b>	<b>9.8</b>	<b>11.7</b>	<b>40.5</b>	<b>38.9</b>	<b>9.2</b>
% Change (YoY)	18.2	10.8	-5.1	13.7	-14.6	-17.7	3.1	13.7	8.9	-4.1	-8.8
<b>Operating Parameters</b>											
Deposit (INR b)	2,661	2,691	2,664	2,836	2,874	2,962	3,069	3,194	2,836	3,194	2,891
Loan (INR b)	2,208	2,303	2,304	2,348	2,412	2,462	2,559	2,672	2,348	2,672	2,379
Deposit Growth (%)	19.6	15.6	11.2	12.3	8.0	10.1	15.2	12.6	12.3	12.6	8.7
Loan Growth (%)	20.3	19.4	15.7	12.1	9.2	6.9	11.1	13.8	12.1	13.8	7.8
<b>Asset Quality</b>											
Gross NPA (%)	2.1	2.1	2.0	1.8	1.9	1.9	1.9	1.8	1.8	1.8	1.8
Net NPA (%)	0.6	0.6	0.5	0.4	0.5	0.5	0.5	0.5	0.4	0.5	0.4
PCR (%)	71.9	72.9	75.2	76.2	75.2	75.1	75.0	75.4	76.2	75.4	76.4

Estimate changes



TP change

Rating change

Bloomberg	TMX IN
Equity Shares (m)	119
M.Cap.(INRb)/(USDb)	450.3 / 5.1
52-Week Range (INR)	5721 / 2930
1, 6, 12 Rel. Per (%)	16/-7/-25
12M Avg Val (INR M)	585

#### Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	115.2	127.1	142.4
EBITDA	11.7	13.7	15.9
PAT	7.7	9.0	10.7
EPS (INR)	68.0	79.8	94.6
GR. (%)	20.5	17.5	18.5
BV/Sh (INR)	491.4	556.2	635.9
<b>Ratios</b>			
ROE (%)	14.6	15.2	15.9
RoCE (%)	12.4	12.9	13.6
<b>Valuations</b>			
P/E (X)	55.6	47.3	39.9
P/BV (X)	7.7	6.8	5.9
EV/EBITDA (X)	36.5	31.0	26.4
Div Yield (%)	0.4	0.4	0.4

#### Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	62.0	62.0	62.0
DII	11.8	12.3	12.9
FII	21.5	21.3	20.6
Others	4.8	4.4	4.5

FII Includes depository receipts

**CMP: INR3,779**
**TP: INR3,450 (-9%)**
**Sell**

#### Core performance remains weak

Thermax's (TMX) 1QFY26 results came in ahead of our estimates owing to incentives received by the company during the quarter. Revenue growth remained weak across all segments, while order inflow improved in single digits. Order prospect pipeline remained strong, particularly from thermal IPP, steel, cement and oil and gas. While we do see positives from the possibility of conversion of enquiry pipeline into large-sized inflows, we remain concerned about the low-margin legacy order book of INR7b, which can continue to weigh on margins. Along with this, exposure of exports to the US market pose an overhang on margins of chemical segment. We bake in order inflow and revenue growth of 11%/16% and a PAT CAGR of 17% over FY25-28. With an increase of 3% each in our FY26/27 estimates, we arrive at a revised TP of INR3,450, based on core business valuation at 40x Sep'27E EPS and the addition of subsidiary valuations. Maintain Sell.

#### Results beat our estimates on income from incentive schemes

EBITDA/PAT were ahead of our estimates mainly due to income from the package scheme of incentives (PSI) from the Maharashtra government. After adjusting this incentive, results were below our estimates. Revenue declined 2% YoY as revenue growth was broadly flat across segments and was impacted by delayed customer clearance and offtake. EBITDA/PAT grew 60.0%/38% YoY mainly due to incentive scheme payout and higher other income. Gross margin expanded ~730bp QoQ and ~700bp YoY to 50.7% and EBITDA margin stood at 10.5%. Order inflow for the quarter stood at INR27.5b, up 7% YoY, and the overall order book stood at INR114b, up 7% YoY.

#### Segment-wise performance remains weak

Revenue growth was weak across all segments. Industrial Product segment EBIT margin fell 90bp YoY to 8.1% due to lower revenue and fixed cost component. The Industrial Infra segment's EBIT margin remained strong, expanding 600bp YoY to 8.0% due to income from the PSI (vs. -2.0% in 1QFY25 when TMX had to take a hit of INR450m for a bio-CNG project). The Chemical segment's EBIT margin was weak at 9.3% due to increased costs on the commissioning of a new plant in Jhagadia and a one-off expense of INR40-50m related to worker settlement and gratuity reversal effects. On the PBT level, Green Solutions' PBT margin expanded to 5.1% in 1QFY26 vs. 3.3% in 1QFY25.

#### Industrial Products: Strong outlook

During 1Q, the division witnessed inflow growth of 2% YoY. The key segments of the division, such as water and enviro, are seeing good demand. Cooling segment is also witnessing healthy demand in domestic and exports. Heating is currently a bit soft and will revive over time. With improved demand across key sub-segments, we expect revenue growth and margin trajectory to improve going forward. We bake in 16% revenue CAGR over FY25-28 and 11.5% EBIT margin each for FY26/27/28.

### Industrial Infra: Selective approach continues

Revenue declined 4% YoY for the quarter. Margin was high at 8% as it included income from the PSI from the Maharashtra government (vs. -2.0% in 1QFY25 when TMX had to take a hit of INR450m for a bio-CNG project). TMX remains selective in industrial infra projects and execution of current FGD projects would not be impacted by recent government directives on FGD projects. However, it will have to see the claim settlement process from CEA. Overall, TMX is eyeing opportunities from independent power producer (IPP) projects, waste-to-energy, and advanced biofuels. We expect 5% revenue CAGR over FY25-28 and 5.0%/5.5%/6.0% EBIT margin for FY26/27/28.

### Green Solutions: To benefit from claim settlement

TMX aims to exceed 300 MW of operational capacity in FY26, with another 300-400 MW under construction in FEPL, and even the performance of TOESL is stabilizing. The company expects to benefit from the claim settlement in 2QFY26. We bake in improved revenue and margins for green solutions in our estimates, while PAT will remain impacted by higher interest and depreciation particularly from FEPL.

### Chemicals: US tariff risk may weigh on chemicals outlook

The recently imposed US tariffs on select chemical imports could be an overhang on TMX's chemicals business. The company has an estimated USD15m in planned exports to the US for FY26, with broader exposure including cooling products at around USD30m. The impact on 2Q is expected to be minimal, as goods shipped before 7th Aug'25 are exempt from these tariffs. However, if tariffs continue beyond that, it may impact the future shipments and competitiveness of TMX, particularly in specialty chemicals where Chinese players are already engaging in aggressive pricing. Management maintains a cautious stance, noting that while the US remains an important market, a significant portion of TMX's chemicals growth is expected to come from other geographies such as Southeast Asia and Latin America, where it has recently added capacities. With management guiding for 12-13% margins in 2Q, the trajectory toward its medium-term target of 16-17% appears dependent on the resolution to tariff-related headwinds and execution in new markets. We expect chemicals segment revenue to clock a CAGR of 9% over FY25-28E, with EBIT margin of 11.5% each for FY26/27/28E.

### Strong pipeline yet to reflect in order book

TMX reported 7% YoY growth in order inflows, below expectations due to delays in financial closures, particularly in the ethanol and sugar segments. The inquiry pipeline remains strong across sectors like steel, cement, oil & gas, and thermal power, with management maintaining double-digit growth in inflows for FY26. Industrial Infra is expected to benefit from rising domestic and international IPP activity, while Industrial Products should see recovery in heating and steady traction in water and cooling. Green Solutions is scaling up with 300-400 MW under execution, though Tamil Nadu delays impacted 1QFY26. Risks persist in Chemicals due to weak exports and tariff concerns. While refining and petrochemical orders are cyclical in nature and are expected to finalize only in 4QFY26, global client

qualification efforts are progressing well for TMX, supporting a pickup in inflows from 2QFY26. We bake in order inflows to post a CAGR of 16% over FY25-28.

### Selective bidding and legacy projects to decide margins

TMX still has low-margin legacy projects worth INR7b in its current order book, which will have an impact on its margins particularly in industrial infra and bio-CNG projects as these projects (INR5b) will get over in FY26 and the remaining to be completed in FY27. For new projects, TMX is now following a selective approach and trying to maintain better margins than low-margin legacy projects.

### Financial outlook

We expect a CAGR of 11%/21%/19% in revenue/EBITDA/PAT over FY25-28. We build in 1) 16% CAGR in order inflows, 2) a gradual recovery in EBIT margins of the Industrial Infra and Green Solutions divisions to 6.0% and 11.5%, respectively, by FY28E, and 3) control over working capital and NWC (at 10 days).

### Valuation and view

The stock is currently trading at 55.6x/47.3x/39.9x on FY26E/FY27E/FY28E EPS. **We reiterate our Sell rating with a revised TP of INR3,450 based on 40x Sep'27E EPS.** With the value of investments in subsidiaries, we believe that stock is currently factoring in a possible revival in order inflows as well as margin improvement.

### Key risks and concerns

A slowdown in order inflows, a spike in commodity prices, a slower-than-expected revival in private sector capex, and increased competition are the key risks to our estimates.

### Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var (%)	
<b>Net Sales</b>	<b>21,844</b>	<b>26,116</b>	<b>25,078</b>	<b>30,849</b>	<b>21,502</b>	<b>28,863</b>	<b>27,830</b>	<b>36,990</b>	<b>1,03,887</b>	<b>1,15,184</b>	<b>24,437</b>	<b>-12</b>
YoY Change (%)	13.0	13.4	7.9	11.6	-1.6	10.5	11.0	19.9	11.4	10.9	11.9	
Gross profit	9,556	11,711	11,083	13,401	10,898	12,988	12,384	14,457	45,752	50,727	10,752	
Total Expenditure	20,433	23,336	23,188	27,853	19,251	26,166	25,113	32,926	94,809	1,03,457	22,420	
<b>EBITDA</b>	<b>1,412</b>	<b>2,780</b>	<b>1,890</b>	<b>2,997</b>	<b>2,251</b>	<b>2,697</b>	<b>2,717</b>	<b>4,064</b>	<b>9,078</b>	<b>11,728</b>	<b>2,017</b>	<b>12</b>
Margins (%)	6.5	10.6	7.5	9.7	10.5	9.3	9.8	11.0	8.7	10.2	8.3	
Depreciation	360	421	351	453	489	467	467	491	1,585	1,913	456	7
Interest	275	294	287	313	302	340	358	395	1,168	1,395	323	-6
Other Income	841	598	315	769	656	538	566	446	2,522	2,207	525	25
<b>PBT before EO expense</b>	<b>1,617</b>	<b>2,663</b>	<b>1,568</b>	<b>3,000</b>	<b>2,117</b>	<b>2,428</b>	<b>2,458</b>	<b>3,624</b>	<b>8,847</b>	<b>10,627</b>	<b>1,765</b>	<b>20</b>
Extra-Ord expense										0		
<b>PBT</b>	<b>1,617</b>	<b>2,663</b>	<b>1,568</b>	<b>3,000</b>	<b>2,117</b>	<b>2,428</b>	<b>2,458</b>	<b>3,624</b>	<b>8,847</b>	<b>10,627</b>	<b>1,765</b>	<b>20</b>
Tax	519	683	425	951	600	680	688	1,007	2,578	2,976	494	
Rate (%)	32.1	25.6	27.1	31.7	28.4	28.0	28.0	27.8	29.1	28.0	28.0	
Minority Interest & P/L of Asso. Cos.	4	0	5	-7	2	0	0	-2	2		0	
<b>Reported PAT</b>	<b>1,094</b>	<b>1,980</b>	<b>1,137</b>	<b>2,056</b>	<b>1,515</b>	<b>1,748</b>	<b>1,770</b>	<b>2,619</b>	<b>6,268</b>	<b>7,651</b>	<b>1,271</b>	<b>19</b>
<b>Adj PAT</b>	<b>1,094</b>	<b>1,980</b>	<b>1,137</b>	<b>2,056</b>	<b>1,515</b>	<b>1,748</b>	<b>1,770</b>	<b>2,619</b>	<b>6,268</b>	<b>7,651</b>	<b>1,271</b>	<b>19</b>
YoY Change (%)	17.4	24.9	-19.0	5.3	38.4	-11.7	55.6	27.4	6.7	20.5	16.1	
Margins (%)	5.0	7.6	4.5	6.7	7.0	6.1	6.4	7.1	6.0	6.6	5.2	

# Radico Khaitan

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	380 / 4.3
52-Week Range (INR)	2941 / 1628
1, 6, 12 Rel. Per (%)	14/15/68
12M Avg Val (INR M)	709

## Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	60.3	69.6	79.6
Sales Gr. (%)	24	15	14
EBITDA	9.1	11.1	13.1
Margin (%)	15.1	15.9	16.5
PAT	5.4	6.9	8.5
EPS (INR)	40.1	51.4	63.2
EPS Gr. (%)	55	28	23
BV/Sh.(INR)	233	274	325
<b>Ratios</b>			
RoE (%)	17.2	18.7	19.5
RoCE (%)	17.5	20.0	22.4
Payout (%)	20.0	20.0	20.0
<b>Valuations</b>			
P/E (x)	70.9	55.3	44.9
P/BV (x)	12.2	10.4	8.7
EV/EBITDA (x)	42.0	34.3	28.7

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	40.2	40.2	40.3
DII	26.0	26.8	24.5
FII	17.8	16.9	18.8
Others	16.0	16.0	16.4

FII includes depository receipts

**CMP: INR2,839**   **TP: INR3,250 (+15%)**   **Buy**

## Robust underlying growth aided by AP

- Radico Khaitan reported strong revenue growth of 32% YoY (est. 22%) in 1QFY26, with total volume growing 37% (beat). The Prestige & Above (P&A) segment clocked volume and value growth of 41% and 43%. Regular segment posted 48% value growth and 52% volume growth, aided by a low base, resolution of state-specific issues, and route-to-market changes in Andhra Pradesh (Oct'24). Excluding AP, total volume growth stood at ~12%, with P&A volume growth at ~20%. The market share in AP increased sharply from 10% in 1HFY25 to 28% in 1QFY26. Non-IMFL delivered moderate revenue growth of 12% due to lower bulk alcohol sales.
- Luxury and semi-luxury brands delivered nearly 50% value growth YoY, led by a strong consumer uptake and successful premiumization, with Royal Ranthambore revenue growing 90%. The company remains on track to achieve its FY26 target of INR5,000m in revenue from this segment.
- Gross margin expanded 150bp YoY to 43% (est. 43.5%), led by ongoing premiumization and stable RM prices. EBITDA margin expanded 230bp YoY to 15.4% (est. 14.3%), led by operating leverage. The company has revised its margin expansion guidance upward to 125-150bp annually for the next three years (vs. 100bp earlier), aiming to reach high-teens margins. We model 16% and 16.5% EBITDA margins for FY27 and FY28.
- Radico has delivered healthy returns (17%) since our initiation in May'25 ([IC report](#)), where we highlighted its strong growth trajectory in the P&A segment and its strategic expansion into premium and luxury portfolios—segments that continue to exhibit strong industry volume growth. With industry-leading growth, we believe rich valuations will sustain. We reiterate a BUY rating with a TP of INR3,250 (based on 60x Jun'27 P/E)

## Robust volume growth; all-round beat

- Strong volume growth:** Standalone net sales rose 32% YoY to INR15.1b (est. INR13.8b) in 1QFY26. Total volume increased 37%, with P&A volume rising 41% YoY (16% in 4Q) to 3.8m cases (est. 3.2m cases) and Regular volume rising 52% YoY to 5.4m cases. Royalty cases declined 40% YoY to 0.46m cases, now part of the P&A and Regular segments. Regular segment's growth was aided by a low base, resolution of state-specific issues, and route-to-market changes in Andhra Pradesh. Non-IMFL's revenue remained muted due to lower bulk alcohol sales.
- Margin expansion:** Gross margin expanded 150bp YoY to 43%, driven by ongoing premiumization and a stable raw material environment. Management remains optimistic on the stability of ENA and grain prices in FY26. Employee costs rose 10%, S&D increased 48%, and other expenses increased 23% YoY. EBITDA margin rose 230bp YoY to 15.4%.
- Strong growth in profitability:** EBITDA/PBT/APAT grew 56%/82%/84% YoY in 1QFY26. An exceptional item of INR699m relates to the settlement of a demand raised by the Municipal Council of Rampur for reassessed House and Water Tax covering the period from Apr'19 to Mar'31.

## Highlights from the management commentary

- Radico expects Scotch imports worth INR2500m in FY26, and projects imports to exceed INR4,000m in three years.
- Annual capex guidance for the next two years stands at INR1,500m-1,600m, focused on malt infrastructure and brand development.
- Marketing spends are maintained at 7-8% of turnover, with a growing focus on digital media, on-trade promotions, and experiential branding.
- Morpheus Super Premium Whiskey, which marks Radico's entry into the 17m-case super-premium segment, has seen a strong initial response and will be launched in 10 states, covering 70% of the market.
- Spirit of Kashmir, a luxury vodka brand aimed at competing with international offerings, is positioned for global scale-up and premium consumer appeal.

## Valuation and view

- We raised our EPS estimates by 10% for FY26 and 9% for FY27 on strong volume growth and beat in EBITDA margin.
- Radico's debt is likely to decline steadily, supported by healthy free cash flow generation. The company has already reduced debt by INR1,640mn since Mar'25.
- Radico continues to deliver strong growth in its P&A segment, with premiumization remaining a key structural driver. The luxury and semi-luxury portfolio grew ~50% YoY in 1QFY26, supported by new launches and rising consumer demand.
- The valuation gap with UNSP has narrowed significantly, reflecting market recognition of Radico's brand strength and execution. Despite past margin pressures, the company's ability to sustain premium-led volume growth makes it a compelling long-term story.
- Radico is currently trading at 71x/55x FY26E/FY27E P/E, with a RoE/RoIC of ~19%/20% in FY27E. We believe a ~30% EPS CAGR provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Jun'27E EPS to derive a TP of INR3,250.

Radico Khaitan (Standalone)											(INR m)	
Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
IMFL volume growth %	-4.1	-2.4	15.5	27.5	37.5	17.8	6.6	27.1	9.2	21.9	22.6	
P&A volume growth (%)	14.2	12.7	18.0	16.4	40.7	22.0	18.0	27.2	15.5	26.1	17.0	
Regular volume growth (%)	-14.0	-11.9	13.5	78.1	51.8	25.0	5.0	26.6	13.3	27.2	35.0	
Total revenues	11,365	11,163	12,942	13,041	15,060	13,569	15,023	16,683	48,512	60,335	13,830	9%
YoY change (%)	19.1	20.7	11.5	20.9	32.5	21.6	16.1	27.9	17.8	24.4	21.7	
Gross Profit	4,720	4,870	5,568	5,669	6,477	5,902	6,580	7,329	20,773	26,288	6,016	8%
Margin (%)	41.5	43.6	43.0	43.5	43.0	43.5	43.8	43.9	42.8	43.6	43.5	
EBITDA	1,490	1,632	1,840	1,776	2,322	2,090	2,238	2,453	6,737	9,102	1,978	17%
Margins (%)	13.1	14.6	14.2	13.6	15.4	15.4	14.9	14.7	13.9	15.1	14.3	
EBITDA growth (%)	24.7	34.6	28.8	45.0	55.8	28.1	21.7	38.1	33.1	35.1	32.7	
Depreciation	329	357	356	360	363	365	365	378	1,401	1,471	360	
Interest	185	167	195	215	159	155	155	132	738	602	180	
Other income	37	11	11	14	47	30	25	23	49	125	25	
PBT	1,014	1,118	1,299	1,215	1,846	1,600	1,743	1,966	4,646	7,155	1,463	26%
Tax	251	297	339	308	443	401	438	514	1,194	1,796	367	
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.1	25.1	26.1	25.7	25.1	25.1	
Extraordinary inc/(Exp)	0	0	0	0	-70	0	0	0	0	0	0	
Reported PAT	763	822	960	907	1,473	1,198	1,306	1,452	3,452	5,359	1,096	34%
Adj.PAT	763	822	960	907	1,403	1,198	1,306	1,452	3,452	5,359	1,096	28%
YoY change (%)	20.7	32.8	30.0	59.7	83.9	45.8	36.1	60.1	35.0	55.3	43.5	

E: MOFSL Estimate

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	DELHIVERY IN
Equity Shares (m)	2100
M.Cap.(INRb)/(USDb)	548.5 / 6.3
52-Week Range (INR)	361 / 205
1, 6, 12 Rel. Per (%)	-16/-16/19
12M Avg Val (INR M)	1101

### Financial Snapshot (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	102.1	116.9	133.5
EBITDA	6.7	8.0	9.8
Adj. PAT	3.6	4.5	6.0
EBITDA Margin (%)	6.5	6.8	7.3
Adj. EPS (INR)	4.8	6.1	8.0
EPS Gr. (%)	115.6	25.0	32.9
BV/Sh. (INR)	131.3	137.4	145.4
<b>Ratios</b>			
Net D:E	-0.4	-0.5	-0.5
ROE (%)	3.8	4.5	5.7
RoCE (%)	4.9	5.3	6.3
Payout (%)	0.0	0.0	0.0
<b>Valuations</b>			
P/E (x)	88.8	71.0	53.5
P/BV (x)	3.3	3.1	3.0
EV/EBITDA(x)	47.4	38.8	30.7
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	-3.0	3.5	4.5

### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	85.6	85.6	85.6
DII	2.7	2.5	4.1
FII	5.4	5.6	5.1
Others	6.3	6.3	5.2

FII Includes depository receipts

**CMP: INR430**

**TP: INR500 (+16%)**

**Buy**

### Positioned for scalable growth; eyes margin expansion and network synergies

#### Solid performance across key segments

- Delhivery reported a 6% YoY increase in revenue to INR22.9b in 1QFY26. EBITDA surged 53% YoY to INR1.5b, resulting in an improved EBITDA margin of 6.5%.
- Adjusted PAT came in strong at INR911m, up 53% YoY, supported by margin expansion and disciplined cost management.
- Delhivery's core transportation segment, comprising Express Parcel and Part Truckload (PTL), saw healthy volume growth (Express Parcel: +10% YoY and PTL: +15% YoY), supported by improved services and network utilization. Service EBITDA margins for Express Parcel/PTL stood at 16.3%/10.7%, underscoring Delhivery's operational efficiency and scale advantages.
- Performance in the supply chain services (SCS) and cross-border businesses remained muted primarily due to strategic exits from unprofitable contracts and weak seasonal demand in select verticals.
- **Delhivery delivered a strong 1QFY26 performance despite seasonal weakness, with robust volume growth in Express Parcel (+14% YoY) and PTL (+15% YoY) and improved service EBITDA margins. New services such as Delhivery Direct and Rapid are scaling up, while the Ecom Express acquisition is set to boost network synergies and lower capex intensity. With improvement in service EBITDA margins and an improved outlook, we raise our EBITDA estimates for FY26/FY27/FY28 by 19%/12%/5% and expect Delhivery to report a CAGR of 14%/38%/53% in sales/EBITDA/APAT over FY25-28E. Reiterate BUY with a revised TP of INR500 (based on DCF valuation).**

#### Core transportation businesses driving profit-accretive growth

- Express Parcel and PTL segments remain key drivers of core growth and profitability for Delhivery. Express Parcel revenue grew 10% YoY to INR14b, with shipment volumes increasing 14% YoY to 208m parcels. The segment reported a healthy service EBITDA margin of 16.3%, reflecting strong network efficiency and operational discipline.
- PTL revenue rose ~17% YoY to INR5b, with tonnage growing 15% YoY to 0.46mmt. PTL profitability improved markedly, with Service EBITDA margins expanding to 10.7% (up from 3.2% in 1QFY25), driven by yield improvement, value-added services, better utilization of capacity, and operating leverage from automation.
- The combined transportation business (Express + PTL) delivered a robust Service EBITDA margin of 14.8% in a seasonally weak quarter, with pricing discipline, route optimization, and consistent investments in high-capacity fleet and integrated gateways.

### Strengthened strategic position through asset optimization and acquisition

- Delhivery has demonstrated capital discipline and strategic clarity in recent quarters. The company has completed major capex investments during FY22-25, i.e., expanding its trucking fleet from 299 to 1,741 vehicles and building mega-gateways in Tauru, Bhiwandi, and Hoskote. As a result, capital intensity has declined from 6.8% of revenue in FY22 to 5.2% in FY25, with expectations of further moderation to ~4% of revenue by FY28.
- The Ecom Express acquisition, approved in Jun'25, strengthens Delhivery's network footprint and gives it access to automation equipment and high-quality infrastructure.

### Highlights from the management commentary

- Delhivery expects more than 20% annual growth in PTL tonnage, supported by rising demand for express PTL services, better fulfillment economics for clients, and further penetration into SME and retail segments across underserved geographies.
- Express Parcel and PTL segments continue to deliver healthy service EBITDA margins, and the company is targeting 16-18% steady-state margins across both businesses in the next two years.
- Delhivery is selectively exiting unprofitable contracts while targeting INR18-20b in Supply Chain revenue, with service EBITDA margin of 12% and RoCE of 20% in three years, driven by a growing enterprise pipeline and white-labeled "Prime" offerings.
- Delhivery is building long-term optionality through targeted investments in new service lines like **Delhivery Direct** (on-demand intra-city and inter-city logistics) and **Rapid** (dark store-led same-day fulfillment). Delhivery Direct is launched in three major cities—Ahmedabad, Delhi NCR, and Bengaluru.

### Valuation and view

- Delhivery is well-positioned for future growth, supported by strong momentum in its core transportation businesses and a clear focus on profitability. With Express Parcel and PTL segments delivering consistent volume growth and healthy service EBITDA margins, the company expects to sustain 16-18% margins over the next two years.
- The integration of Ecom Express is set to enhance network efficiency and reduce capital intensity, while new services like Delhivery Direct and Rapid offer long-term growth potential in on-demand and time-sensitive logistics.
- We expect Delhivery to report a CAGR of 14%/38%/53% in sales/EBITDA/ APAT over FY25-28E. **Reiterate BUY with a revised TP of INR500 (based on DCF valuation).**

**Quarterly performance**

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Net Sales</b>	<b>21,723</b>	<b>21,897</b>	<b>23,783</b>	<b>21,916</b>	<b>22,940</b>	<b>25,025</b>	<b>27,115</b>	<b>27,050</b>	<b>89,319</b>	<b>1,02,131</b>
YoY Change (%)	12.6	12.8	8.4	5.6	5.6	14.3	14.0	23.4	9.7	14.3
<b>EBITDA</b>	<b>971</b>	<b>573</b>	<b>1,024</b>	<b>1,191</b>	<b>1,488</b>	<b>1,627</b>	<b>1,790</b>	<b>1,765</b>	<b>3,758</b>	<b>6,670</b>
Margins (%)	4.5	2.6	4.3	5.4	6.5	6.5	6.6	6.5	4.2	6.5
YoY Change (%)	LP	LP	-6.3	159.5	53.3	184.0	74.7	48.3	196.9	77.5
Depreciation	1,194	1,313	1,417	1,425	1,475	1,470	1,473	1,477	5,349	5,894
Interest	282	305	333	337	340	330	315	316	1,258	1,301
Other Income	1,099	1,196	987	1,119	1,299	1,270	1,265	1,273	4,401	5,107
<b>PBT before EO expense</b>	<b>593</b>	<b>151</b>	<b>260</b>	<b>548</b>	<b>973</b>	<b>1,097</b>	<b>1,267</b>	<b>1,245</b>	<b>1,552</b>	<b>4,581</b>
Extra-Ord expense	51	0	0	0	0	0	0	0	-51	0
<b>PBT</b>	<b>542</b>	<b>151</b>	<b>260</b>	<b>548</b>	<b>973</b>	<b>1,097</b>	<b>1,267</b>	<b>1,245</b>	<b>1,501</b>	<b>4,581</b>
Tax	-14	-16	-12	-8	-14	276	319	314	-50	896
Rate (%)	-2.6	-10.5	-4.5	-1.5	-1.4	25.2	25.2	25.2	-3.3	19.6
<b>Reported PAT</b>	<b>543</b>	<b>102</b>	<b>250</b>	<b>726</b>	<b>911</b>	<b>820</b>	<b>947</b>	<b>932</b>	<b>1,621</b>	<b>3,610</b>
<b>Adj PAT</b>	<b>595</b>	<b>102</b>	<b>250</b>	<b>726</b>	<b>911</b>	<b>820</b>	<b>947</b>	<b>932</b>	<b>1,672</b>	<b>3,610</b>
YoY Change (%)	LP	LP	5.8	LP	53.1	704.2	279.2	28.4	LP	115.9
Margins (%)	2.7	0.5	1.1	3.3	4.0	3.3	3.5	3.4	1.9	3.5

Y/E March	FY24				FY25				FY26	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	
<b>Express Parcel (mn)</b>	182	181	201	176	183	185	206	177	208	
Change YoY	20%	12%	18.2%	-2.2%	1%	2%	2.5%	0.6%	14%	
<b>Realization (INR/shipment)</b>	66.0	66.9	72.0	69.1	69.7	70.2	72.2	71.0	67	
Change YoY	0%	0%	0%	0%	6%	5%	0%	3%	2%	
<b>PTL (000'ton)</b>	343	348	354	384	399	427	412	458	458	
Change YoY	43.5%	21.7%	37.2%	20.8%	16.3%	22.7%	16.4%	19.3%	15%	
<b>Realization (INR/000't)</b>	10,117	10,718	10,706	10,859	10,902	11,101	11,214	11,288	11,092	
Change YoY	0.0%	0.0%	0.0%	0.0%	7.8%	3.6%	4.7%	3.9%	4%	

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	RRKABEL IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	150.9 / 1.7
52-Week Range (INR)	1815 / 751
1, 6, 12 Rel. Per (%)	0/-3/-22
12M Avg Val (INR M)	392
Free float (%)	38.2

**Financials & Valuations (INR b)**

Y/E MARCH	FY26E	FY27E	FY28E
Sales	87.6	100.5	115.8
EBITDA	6.3	7.6	9.0
Adj. PAT	3.9	4.5	5.3
EBITDA Margin (%)	7.2	7.5	7.8
Cons. Adj. EPS (INR)	34.9	39.6	47.1
EPS Gr. (%)	26.8	13.2	19.1
BV/Sh. (INR)	218.3	250.9	290.0
<b>Ratios</b>			
Net D:E	0.2	0.2	0.2
RoE (%)	17.1	16.9	17.4
RoCE (%)	16.1	15.6	16.1
Payout (%)	20.0	17.7	17.0
<b>Valuations</b>			
P/E (x)	38.2	33.7	28.3
P/BV (x)	6.1	5.3	4.6
EV/EBITDA (x)	24.6	20.7	17.4
Div Yield (%)	0.5	0.5	0.6
FCF Yield (%)	(2.9)	0.3	0.8

**Shareholding pattern (%)**

As of	Jun-25	Mar-25	Jun-24
Promoter	61.8	61.8	61.9
DII	13.6	14.7	13.5
FII	8.6	7.2	6.5
Others	16.0	16.3	18.1

FII includes depository receipts

**CMP: INR1,334**      **TP: INR1,450 (+9%)**      **Neutral**  
**Earnings in line; capacity expansion to drive growth**

**18% Volume growth guidance intact with higher growth in cables ahead**

- RRKABEL's 1QFY26 earnings were in line with our estimate. Revenue/EBITDA grew ~14%/50% YoY to INR20.6b/INR1.4b. Its cables and wires (C&W) revenue grew ~16% YoY to INR18.3b, while FEMG revenue declined marginally by ~2% YoY to INR2.3b. Overall, OPM surged 1.7pp YoY to 6.9% (in line). Adj. PAT jumped ~39% YoY to INR898m (in line).
- Management indicated that C&W's overall volume grew 6.5% YoY, fueled by 8–10% growth in wires and ~2% growth in cables, with the latter being hit by domestic order spillovers. RRKABEL remains confident of achieving 18% volume growth and a 100bp margin improvement for FY26 (realized a 40bp improvement so far), aided by ongoing capacity expansions. FMEG losses narrowed by 5.5–6.0pp due to cost savings and a better product mix. It guided an FMEG revenue growth of ~20-25% in FY26. The company introduced the mid-premium and premium FMEG categories, which accounted for ~20% of its overall sales.
- We broadly retain our EPS estimates for FY26/FY27 and introduce our FY28 estimates with this note. We value RRKABEL at 35x Jun'27E EPS to arrive at our TP of INR1,450. **Reiterate Neutral**.

**C&W revenue up 16% YoY; segmental margin expands 40bp YoY to 7.6%**

- RRKABEL's consol. revenue/EBITDA/PAT stood at INR20.6b/INR1.4b/INR898m (up 14%/50%/39% YoY and in line). Gross margin improved 80bp YoY to ~18%. OPM surged 1.7pp YoY to 6.9%. Employee costs increased 5% YoY (stood at 4.5% of revenue vs. 4.9% in 1QFY25). Other expenses were up ~7% YoY (stood at 6.8% of revenue vs. 7.2% in 1QFY25). Depreciation/interest costs increased ~25%/30% YoY, whereas other income declined ~33% YoY in 1QFY26.
- Segmental highlights: a) **C&W**: Revenue increased ~16% YoY to INR18.3b, and EBIT increased ~23% YoY to INR1.4b. EBIT margin improved 40bp YoY to 7.6%. b) **FMEG**: Revenue declined marginally by ~2% YoY to INR2.3b. The company posted a segment loss of INR71m vs. INR207m/INR91m in 1QFY25/4QFY25.

**Key highlights from the management commentary**

- RRKABEL's wire capacity utilization was ~70%, and cable capacity utilization stood at ~92-95% during the quarter. It believes that the wires and cables mix in the next three years would be 60:40 for the company, vs. 70:30 at present.
- In the domestic market, cable performance was slightly negative this quarter. As a result, most of the growth on the domestic side was driven primarily by the wire segment.
- Total capex is pegged at INR12.0b over the next three years, with capacities to be commissioned in a phased manner in each year. Net working capital was at 52 days vs. 56 days in Mar'25 and 64/75 days in Mar'24/Mar'23.

**Valuation and View**

- RRKABEL's 1QFY26 earnings were in line with our estimates. However, C&W volume growth during the quarter remained subdued at ~7%, significantly lower than peers. Though management is confident of achieving full-year volume growth guidance of ~18% with robust growth of 25% in cables during 9MFY25, the losses in the FMEG business and a pick-up in consumer demand remain critical for profitable growth.

■ We estimate RRKABEL's revenue/EBITDA/PAT CAGR at 15%/23%/20% over FY25-28. We estimate the company's C&W segment margin at 7.8%/8.1%/8.3% in FY26/FY27/FY28 vs. 7.4% in FY25. We project the company's net debt would increase to INR8.5b by FY28 vs. INR1.1b by FY25, led by higher capex. The stock is trading fairly at 38x/34x FY26E/27E EPS. We value RRKABEL at 35x Jun'27E EPS to arrive at our TP of INR1,450. **Reiterate Neutral.**

#### Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	MOFSL	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
<b>Sales</b>	<b>18,081</b>	<b>18,101</b>	<b>17,822</b>	<b>22,178</b>	<b>20,586</b>	<b>20,495</b>	<b>20,697</b>	<b>25,773</b>	<b>76,182</b>	<b>87,550</b>	<b>20,334</b>	<b>1</b>
YoY Change (%)	13.2	12.5	9.1	26.4	13.9	13.2	16.1	16.2	15.5	14.9	12.5	
<b>EBITDA</b>	<b>949</b>	<b>858</b>	<b>1,105</b>	<b>1,944</b>	<b>1,421</b>	<b>1,431</b>	<b>1,415</b>	<b>2,060</b>	<b>4,856</b>	<b>6,326</b>	<b>1,401</b>	<b>1</b>
YoY Change (%)	(15.9)	(29.1)	(1.8)	68.6	49.6	66.8	28.0	14.0	5.2	30.3	47.5	
Adj EBITDA margin (%)	5.3	4.7	6.2	8.8	6.9	7.0	6.8	8.0	6.4	7.2	6.9	1
Depreciation	162	175	178	190	203	207	218	221	705	848	200	2
Interest	116	156	162	155	151	175	180	195	589	702	160	(5)
Other Income	185	72	134	119	124	120	145	159	511	548	135	(8)
<b>PBT</b>	<b>857</b>	<b>599</b>	<b>900</b>	<b>1,718</b>	<b>1,190</b>	<b>1,168</b>	<b>1,162</b>	<b>1,803</b>	<b>4,074</b>	<b>5,324</b>	<b>1,176</b>	<b>1</b>
Tax	218	101	219	441	303	315	297	469	978	1,384	306	
Effective Tax Rate (%)	25.4	16.9	24.3	25.6	25.4	27.0	25.6	26.0	24.0	26.0	26.0	
JV share	5	(2)	4	14	10	1	2	(3)	21	10	4	
<b>Reported PAT</b>	<b>644</b>	<b>495</b>	<b>686</b>	<b>1,291</b>	<b>898</b>	<b>854</b>	<b>867</b>	<b>1,331</b>	<b>3,116</b>	<b>3,950</b>	<b>874</b>	<b>3</b>
Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	72.5	75.0	16.8	4.5	513.5	36	
<b>Adj PAT</b>	<b>644</b>	<b>495</b>	<b>686</b>	<b>1,291</b>	<b>898</b>	<b>854</b>	<b>867</b>	<b>1,331</b>	<b>3,116</b>	<b>3,950</b>	<b>874</b>	<b>3</b>
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	72.5	26.4	16.8	4.5	513.5	35.8	
Margins (%)	3.6	2.7	3.8	5.8	4.4	4.2	4.2	5.2	4.1	4.5	4.3	

#### Segmental performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	MOFSL	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
<b>Sales</b>												
Cables & Wires	15,782	16,118	15,425	19,562	18,335	18,214	17,893	22,703	66,888	77,146	18,149	1.0
FMEG	2,300	1,984	2,396	2,616	2,251	2,281	2,804	3,069	9,296	10,405	2,185	3.0
<b>Growth YoY (%)</b>												
Cables & Wires	10.9	11.1	7.6	28.4	16.2	13.0	16.0	16.1	14.7	15.3	15.0	
FMEG	24.2	24.1	19.5	13.3	(2.1)	15.0	17.0	17.3	19.7	11.9	(5.0)	
<b>EBIT</b>												
Cables & Wires	1,130	818	1,075	1,941	1,391	1,311	1,342	1,905	4,965	5,950	1,379	1
FMEG	(207)	(117)	(44)	(91)	(71)	(91)	(56)	11	(459)	(208)	(109)	(35)
<b>EBIT Margin (%)</b>												
Cables & Wires	7.2	5.1	7.0	9.9	7.6	7.2	7.5	8.4	7.4	7.7	7.6	(1)
FMEG	(9.0)	(5.9)	(1.8)	(3.5)	(3.2)	(4.0)	(2.0)	0.3	(4.9)	(2.0)	(5.0)	183

# Blue Dart Express

Estimate change	
TP change	
Rating change	

	BDE IN
Equity Shares (m)	24
M.Cap.(INRb)/(USDb)	139.7 / 1.6
52-Week Range (INR)	9489 / 5365
1, 6, 12 Rel. Per (%)	-10/-15/-27
12M Avg Val (INR M)	231

## Financial Snapshot (INR b)

Y/E MARCH	2025	2026E	2027E
Sales	57.2	63.9	74.5
EBITDA	5.0	5.9	8.2
Adj. PAT	2.4	3.2	4.8
EBITDA Margin (%)	8.7	9.2	11.0
Adj. EPS (INR)	103.1	134.1	201.1
EPS Gr. (%)	-15.2	30.1	49.9
BV/Sh. (INR)	684.1	793.2	969.2
<b>Ratios</b>			
Net D:E	-0.1	-0.1	-0.1
RoE (%)	16.0	18.2	22.8
RoCE (%)	17.8	20.0	24.4
Payout (%)	24.3	18.6	12.4
<b>Valuations</b>			
P/E (x)	57.3	44.1	29.4
P/BV (x)	8.6	7.5	6.1
EV/EBITDA(x)	26.9	22.5	15.7
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	3.0	1.1	2.1

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	75.0	75.0	75.0
DII	13.0	13.0	12.7
FII	5.5	5.5	5.4
Others	6.4	6.5	7.0

FII includes depository receipts

<b>CMP: INR5,910</b>	<b>TP: INR7,200 (+22%)</b>	<b>Buy</b>
<b>High operating costs drag earnings; focus remains on volume growth</b>		

- Blue Dart Express (BDE) revenue grew 7% YoY to INR14.4b (in line). The company handled 0.34m tons of cargo volumes (+9% YoY) in 1QFY26. Realization dipped ~1% YoY to INR42.4/kg. It carried 94m shipments in 1Q.
- EBITDA margin stood at 6.9% (vs. our estimate of 10.5%; -120bp YoY). High employee costs and other expenses as a percentage of revenue dragged margins.
- EBITDA dipped ~9% YoY to INR1b (vs. our estimate of INR1.5b). Weak operating performance led to a 9% YoY decline in APAT to INR469m (our estimates of INR754m). The Board appointed Mr. Sagar Patil as the new CFO.
- In 1QFY26, though tonnage growth was largely in line with expectations, margins were pressured due to higher costs. We expect an improvement in volumes, realizations, and margins as newly launched routes and recently added aircraft achieve optimal utilization. Additionally, the ground express segment—contributing ~35% to total revenue—is expected to act as a key driver of high single-digit growth. As the integration of new routes and freighters into the network progresses, we have revised our FY26 and FY27 estimates downward. We reiterate our BUY rating with a revised TP of INR7,600 (based on 20x FY27 EV/EBITDA).**

## New aircraft operating at optimum utilization levels; B2B and B2C segments growing well

- In 1QFY26, BDE reported shipment volume of 94m (+4.4% YoY) and tonnage of 0.34mt (+9% YoY). However, margins were pressured due to higher other expenses.
- Revenue composition remained stable, with air express contributing ~65% and surface express ~35%, while B2B and B2C segments accounted for ~71% and ~29%, respectively. Both segments saw a balanced volume growth for the year.
- In the surface express segment, BDE is expanding its e-commerce presence and expects growth momentum to continue going forward.

## Highlights from the management commentary

- Margins remained low due to the change in sales mix, though they are expected to improve going forward.
- BDE maintained or grew its air express market share while leveraging both commercial and passenger airlines.
- Its new aircraft are now operating at strong utilization levels of 80-85%.
- Looking ahead to FY26 and FY27, BDE anticipates strong and consistent growth regardless of broader industry trends, with a continued emphasis on service quality as a competitive edge.

### Valuation and view

- BDE is targeting growth through a strong focus on service quality, expansion within the e-commerce segment, and potential freighter additions.
- The ground express segment, which accounts for roughly 35% of the total revenue, is expected to be a key growth driver, supporting high single-digit expansion. However, as the integration of new routes and freighters continues, we have lowered our EBITDA estimates for FY26 and FY27 by 14%/3%, respectively. **We reiterate our BUY rating with a revised TP of INR7,600 (based on 20x FY27 EV/EBITDA).**

### Quarterly snapshot - Standalone

Y/E March (INR m)	FY25								FY26E		FY26	INR m Var. 1QE vs Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E		
<b>Net Sales</b>	<b>13,427</b>	<b>14,485</b>	<b>15,117</b>	<b>14,173</b>	<b>14,419</b>	<b>15,968</b>	<b>16,825</b>	<b>16,728</b>	<b>57,202</b>	<b>63,940</b>	<b>14,646</b>	<b>(2)</b>
YoY Change (%)	8.5	9.4	9.3	7.1	7.4	10.2	11.3	18.0	8.6	11.8	9.1	
<b>EBITDA</b>	<b>1,094</b>	<b>1,219</b>	<b>1,462</b>	<b>1,181</b>	<b>1,002</b>	<b>1,389</b>	<b>1,716</b>	<b>1,750</b>	<b>4,956</b>	<b>5,857</b>	<b>1,538</b>	<b>(35)</b>
Margins (%)	8.1	8.4	9.7	8.3	6.9	8.7	10.2	10.5	8.7	9.2	10.5	
YoY Change (%)	-3.4	-6.6	8.9	-15.3	-8.5	14.0	17.4	48.3	-4.2	18.2	40.5	
Depreciation	523	519	522	529	505	520	550	558	2,092	2,132	650	
Interest	70	70	73	75	72	85	88	83	288	328	82	
Other Income	191	190	196	206	207	220	215	219	783	861	202	
<b>PBT before EO expense</b>	<b>693</b>	<b>819</b>	<b>1,064</b>	<b>782</b>	<b>632</b>	<b>1,004</b>	<b>1,293</b>	<b>1,329</b>	<b>3,359</b>	<b>4,258</b>	<b>1,008</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>693</b>	<b>819</b>	<b>1,064</b>	<b>782</b>	<b>632</b>	<b>1,004</b>	<b>1,293</b>	<b>1,329</b>	<b>3,359</b>	<b>4,258</b>	<b>1,008</b>	
Tax	178	212	273	250	163	253	326	335	912	1,076	254	
Rate (%)	25.7	25.9	25.6	32.0	25.7	25.2	25.2	25.2	27.2	25.3	25.2	
<b>Reported PAT</b>	<b>515</b>	<b>608</b>	<b>791</b>	<b>532</b>	<b>469</b>	<b>751</b>	<b>967</b>	<b>994</b>	<b>2,446</b>	<b>3,182</b>	<b>754</b>	
<b>Adj PAT</b>	<b>515</b>	<b>608</b>	<b>791</b>	<b>532</b>	<b>469</b>	<b>751</b>	<b>967</b>	<b>994</b>	<b>2,446</b>	<b>3,182</b>	<b>754</b>	<b>(38)</b>
YoY Change (%)	-13.8	-14.8	-3.0	-30.0	-8.9	23.6	22.3	86.8	-15.2	30.1	46.3	
Margins (%)	3.8	4.2	5.2	3.8	3.3	4.7	5.7	5.9	4.3	5.0	5.1	

# Go Fashion (India)

**Estimate change**

**TP change**

**Rating change**
**CMP: INR761**
**TP: INR988 (+30%)**
**Buy**
**Muted start to FY26; structural growth intact, valuations attractive**

Bloomberg	GOCOLORS IN
Equity Shares (m)	54
M.Cap.(INRb)/(USDb)	41.1 / 0.5
52-Week Range (INR)	1408 / 660
1, 6, 12 Rel. Per (%)	-10/-21/-32
12M Avg Val (INR M)	87

**Financials & Valuations Consol (INR b)**

Y/E March	FY26E	FY27E	FY28E
Sales	9.5	11.0	12.5
EBITDA	1.6	1.8	2.1
Adj. PAT	0.9	1.2	1.5
Pre-IND AS EBITDA Margin (%)	16.5%	16.6%	17.2%
Adj. EPS (INR)	17.5	22.3	27.1
EPS Gr. (%)	1.4	27.1	21.8
BV/Sh. (INR)	142.9	160.8	182.5
RoE (%)	11.5	13.0	14.0
RoCE (%)	18.7	20.9	22.5

**Valuations**

P/E (x)	43.4	34.2	28.0
EV/EBITDA (x)	24.2	20.3	16.9
EV/Sales (X)	4.0	3.4	2.9

**Shareholding pattern (%)**

As On	Jun-25	Mar-25	Jun-24
Promoter	52.8	52.8	52.8
DII	34.6	33.3	31.5
FII	9.7	11.7	12.7
Others	3.0	2.3	3.1

FII Includes depository receipts

- Go Fashion (India) Ltd (GOCOLORS) reported a muted start to FY26, with revenue growing modestly at 1% YoY, impacted by a 2% SSSG decline driven by weak footfalls, supply chain disruptions due to Bangladesh import restrictions, and a 13% YoY revenue drop in the LFS channel amid partner-related challenges.

- Employee costs increased ~300bp YoY, reflecting a higher headcount from new store additions and annual salary increments.
- Overall, subdued topline growth and negative operating leverage led to a 17% YoY decline in pre-Ind AS EBITDA to INR 350m, with margins contracting ~355bp to 15.7%.
- We cut our revenue/EBITDA estimates for FY25-28 by 3-4% to reflect near-term softness, but build in a 14%/14%/16% CAGR in revenue/EBITDA/PAT over FY25-28.
- At 40x one-year forward EPS, the stock trades below its historical average. **We reiterate our BUY rating with a TP of INR 988, based on 40x Sep'27E EPS.**

**Revenue growth picks up on a low base; higher opex hurts profitability**

- Revenue grew by a **modest 1% YoY** to INR2.3b (9% miss).
- **EBO revenue** grew 3% YoY, largely led by new store additions (added 27 QoQ), as SSSG remained weak at (-2%).
- LFS revenue declined 13% YoY, impacted by ongoing consolidation at a major LFS partner (Reliance), despite ~220 new LFS additions during the period.
- Online revenue grew 8% YoY. MBO revenue doubled YoY.
- ASP grew 4% YoY, owing to a better product mix.
- Gross margins expanded ~120bp YoY to 63% (in-line), driven by favorable RM costs. Gross profit rose 3% YoY to INR 1.4b.
- Employee costs increased 19% YoY (5% above), while other expenses were up by a modest ~3% YoY (11% below).
- EBITDA declined 5% YoY to INR687m (16% miss), driven by a negative operating leverage.
- EBITDA margin contracted ~195bp YoY to 30.8% (~240bp miss).
- **Pre-IND AS EBITDA** declined 17% YoY to INR350m.
- Pre-IND AS EBITDA margin contracted ~355bp YoY to 15.7%.
- Depreciation/Finance costs grew 9%/8% YoY, while others declined ~10% YoY.
- As a result, reported PAT declined ~22% YoY to INR223m.

## Highlights from the management commentary

- **Demand trends:** 1QFY26 saw a 2% SSSG decline, with volumes down ~5% due to weak footfalls, LFS disruptions, and delayed Bangladesh-sourced SKUs. Sales were soft in April-May (Eid timing, regional issues), but recovered in June via EOSS. Management targets mid-single-digit SSSG, supported by sharper pricing (INR 1,000-1,200) and 6-7 new bottom-wear launches.
- **Channel challenges:** LFS revenue declined 13% YoY despite 12-13% outlet growth, impacted by partner-level issues and promotional timing. Restructuring is now largely complete with near-full partner coverage. MBO remains a selective, brand-building channel.
- **Expansion strategy:** 27 EBOs were added in 1Q (total 803), with FY26 expansion focused on 120+ net adds, 60-70% in Tier 2/3 cities.
- **Pilots** for women's top-wear and menswear were launched in 10-15 stores by utilizing surplus space to test new categories. The company entered global markets with its first Dubai store, which received a positive initial response.
- **Promoter pledge** was reduced by ~200bp in July to ~9% of equity.

## Valuation and view

- GOCOLORS is well-positioned to leverage its leadership in the women's bottom-wear segment and D2C model, with significant expansion potential beyond its current presence in ~180 cities.
- While near-term SSSG headwinds persist, management's confident target of adding 120+ stores—60–70% of which will be in newer geographies—is a key positive for future growth.
- Gross margins are expected to remain resilient, aided by favorable input costs, helping partially offset the impact of negative operating leverage from subdued SSSG.
- We cut our revenue/EBITDA estimates for FY25-28E by 3-4% to reflect near-term softness, but build in a 14%/14%/15% CAGR in revenue/EBITDA/PAT over FY25-28.
- At 40x one-year forward EPS, the stock trades below its historical average. **We reiterate our BUY rating with a TP of INR 988, based on 40x Sep'27E EPS.**

**Consolidated - Quarterly summary**

Y/E March									(INR m)			
	FY25				FY26E				FY25	FY26E	FY26E	Var (%)
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		1Q	Est	
<b>Revenue</b>	<b>2,201</b>	<b>2,085</b>	<b>2,147</b>	<b>2,048</b>	<b>2,228</b>	<b>2,324</b>	<b>2,583</b>	<b>2,345</b>	<b>8,482</b>	<b>9,480</b>	<b>2,450</b>	<b>-9</b>
YoY Change (%)	16	10	6	13	1	11	20	15	11	12	10	
<b>Gross Profit</b>	<b>1,360</b>	<b>1,315</b>	<b>1,377</b>	<b>1,316</b>	<b>1,403</b>	<b>1,458</b>	<b>1,621</b>	<b>1,467</b>	<b>5,368</b>	<b>5,949</b>	<b>1,544</b>	<b>-9</b>
Gross margin	61.8	63.1	64.1	64.3	63.0	62.8	62.8	62.5	63.3	62.8	63.0	
Total Expenditure	1,480	1,450	1,449	1,424	1,541	1,599	1,703	1,605	5,802	6,448	729	
<b>EBITDA</b>	<b>721</b>	<b>635</b>	<b>698</b>	<b>624</b>	<b>687</b>	<b>725</b>	<b>880</b>	<b>740</b>	<b>2,680</b>	<b>3,032</b>	<b>815</b>	<b>-16</b>
EBITDA margins (%)	32.8	30.4	32.5	30.5	30.8	31.2	34.1	31.6	31.6	32.0	33.3	
Depreciation	295	311	317	314	323	346	404	339	1,237	1,411	335	-4
Interest	110	115	116	122	120	145	153	173	464	591	146	-18
Other Income	58	71	58	66	52	58	64	61	254	236	60	-13
<b>PBT</b>	<b>374</b>	<b>281</b>	<b>323</b>	<b>254</b>	<b>297</b>	<b>292</b>	<b>388</b>	<b>290</b>	<b>1,233</b>	<b>1,267</b>	<b>393</b>	<b>-24</b>
Tax	88	76	79	55	74	74	98	73	298	318	99	-25
Rate (%)	23	27	25	22	25	25	25	25	24	25	25	
<b>Reported PAT</b>	<b>287</b>	<b>205</b>	<b>243</b>	<b>199</b>	<b>223</b>	<b>219</b>	<b>290</b>	<b>217</b>	<b>935</b>	<b>948</b>	<b>294</b>	<b>-24</b>
<b>Adj PAT</b>	<b>287</b>	<b>205</b>	<b>243</b>	<b>199</b>	<b>223</b>	<b>219</b>	<b>290</b>	<b>217</b>	<b>935</b>	<b>948</b>	<b>294</b>	<b>-24</b>
YoY Change (%)	9	2	4	52	-22	7	19	9	13	1	3	

E: MOFSL Estimates

**Quarterly performance (INR m)**

Consol P&L (INR m)	1QFY25	4QFY25	1QFY26	YoY%	QoQ%	1QFY26E	v/s Est (%)
<b>Total Revenue</b>	<b>2,201</b>	<b>2,048</b>	<b>2,228</b>	<b>1</b>	<b>9</b>	<b>2,450</b>	<b>-9</b>
Raw Material cost	841	732	825	-2	13	907	-9
<b>Gross Profit</b>	<b>1,360</b>	<b>1,316</b>	<b>1,403</b>	<b>3</b>	<b>7</b>	<b>1,544</b>	<b>-9</b>
<b>Gross margin (%)</b>	<b>61.8</b>	<b>64.3</b>	<b>63.0</b>	<b>119.2</b>	<b>-129.9</b>	<b>63.0</b>	<b>-2.8</b>
Employee Costs	371	416	442	19	6	420	5
Other expenses	267	276	274	3	-1	309	-11
<b>Total Opex</b>	<b>638</b>	<b>692</b>	<b>716</b>	<b>12</b>	<b>3</b>	<b>729</b>	<b>-2</b>
<b>EBITDA</b>	<b>721</b>	<b>624</b>	<b>687</b>	<b>-5</b>	<b>10</b>	<b>815</b>	<b>-16</b>
<b>EBITDA margin (%)</b>	<b>32.8</b>	<b>30.5</b>	<b>30.8</b>	<b>-194.3</b>	<b>35.8</b>	<b>33.3</b>	<b>-242.2</b>
Depreciation and amortization	295	314	323	9	3	335	-4
<b>EBIT</b>	<b>427</b>	<b>310</b>	<b>364</b>	<b>-15</b>	<b>18</b>	<b>480</b>	<b>-24</b>
<b>EBIT margin (%)</b>	<b>19.4</b>	<b>15.1</b>	<b>16.4</b>	<b>-303.2</b>	<b>121.9</b>	<b>19.6</b>	<b>-323.8</b>
Finance Costs	110	122	120	8	-2	148	-19
Other income	58	66	52	-10	-21	60	-13
<b>Profit before Tax</b>	<b>374</b>	<b>254</b>	<b>297</b>	<b>-21</b>	<b>17</b>	<b>393</b>	<b>-24</b>
Tax	88	55	74	-15	34	99	-25
Tax rate (%)	23.5	21.8	25.0	6.7	15.0	25.2	-0.6
<b>Profit after Tax</b>	<b>287</b>	<b>199</b>	<b>223</b>	<b>-22</b>	<b>12</b>	<b>294</b>	<b>-24</b>

# Financials: Banks

	PSBs Market share (in %)	Credit market share change of PSBs (in %)
FY11	80.8	-0.3
FY12	80.1	-0.7
FY13	79.4	-0.6
<b>3-year mkt shr loss</b>		<b>-1.6</b>
FY14	79.0	-0.4
FY15	77.5	-1.5
FY16	73.9	-3.6
<b>3-year mkt shr loss</b>		<b>-5.6</b>
FY17	71.0	-2.9
FY18	68.3	-2.6
FY19	64.8	-3.6
<b>3-year mkt shr loss</b>		<b>-9.1</b>
FY20	62.7	-2.1
FY21	61.5	-1.2
FY22	59.8	-1.7
<b>3-year mkt shr loss</b>		<b>-5.0</b>
FY23	58.9	-0.8
FY24	58.3	-0.6
FY25	58.7	+0.4
<b>3-year mkt shr loss</b>		<b>-1.1</b>

## Credit market share: Are PSBs making a comeback?

Gap between retail and system growth has reduced to its lowest in past 10 years

India's banking landscape over the past two decades have witnessed Private Banks steadily gaining credit market share. This was led by aggressive network expansion, strong underwriting and a distinct thrust on retail lending with superior customer service by Private Banks. PSBs on the other hand faced issues centered around asset quality, weak capitalization levels, merger linked challenges and slower adoption of digital banking which hampered their business productivity.

However, recent balance sheet repair and improving profitability levels with most PSBs crossing 1% RoA mark, has supported PSB's capitalization levels and enabled them to deliver an improved growth trajectory. FY25 thus stood as the first year in past fifteen years when PSBs grew at a faster pace than Private Banks. In this note, we have covered this market share journey between Private and PSU Banks and present our thoughts on the outlook going forward.

- **Credit growth moderated to 9.8% YoY in Jul'25**, down from a 15.6% CAGR in FY22-24, driven by tight liquidity, regulatory curbs, and weak corporate demand across both retail and wholesale segments.
- **Retail growth slowed across secured and unsecured loans**, with mortgage and card growth decelerating to 9%/8.5% YoY. We expect recovery in 2HFY26, supported by festive demand and easing rates.
- **Unsecured retail stress is close to bottoming out**. Stabilizing delinquencies and risk-based pricing should support a gradual recovery from 2HFY26. We estimate MFI stress also to subside over 2HFY26 enabling modest sector growth against a sharp 14% YoY decline in FY25.
- **PSBs overtook Private Banks in FY25**, with them delivering 12% YoY growth vs. 10% for private banks. Elevated CD ratios for private banks may keep this gap tight in FY26-27 as well. **PSBs thus reversed market share loss in FY25, gaining ~40bp**, aided by HDFCB's slowdown. While not structural, we expect only a modest ~140-160bp decline in PSBs share over FY25-28 vs a sharper decline in preceding three year blocks.
- **PSBs' growth outlook remains steady rather than steep**. Despite improved fundamentals, they continue to lag in branch expansion, tech, and staffing. We expect a 10-13% loan CAGR for PSBs over FY25-28.
- **Top picks**: ICICIB, HDFCB and SBIN.

## Credit growth shows moderation across segments; expect recovery in 2H

After a strong run over FY22-24, when system loans posted a 15.6% CAGR, credit growth has since moderated to 9.8% YoY, according to the latest RBI print. The slowdown has been broad-based, affecting both retail and wholesale segments. This moderation reflects a combination of factors, such as tighter liquidity in prior quarters, regulatory curbs on unsecured retail, and muted loan demand from the corporate sector.

- **Retail growth has slowed down**, led by a moderation across both secured and unsecured segments. **We note that growth for systemic mortgage and card businesses has moderated to 9% and 8.5%, respectively vs 20% and 33% a year ago.**
- **We expect credit demand to pick up in 2HFY26**, supported by festive demand, improving liquidity, benefits from reduced interest rates, and a pick-up in consumption following lower tax rates. We, thus, estimate system growth to sustain at ~11% over FY26.

#### **Unsecured retail growth nearing bottom; AQ normalization to aid recovery**

- Unsecured retail segments like personal loans and credit card posted a 22% and 25% CAGR, respectively, over FY21-24. However, **Credit card** growth considerably slowed down to just 8.5% YoY as of May'25, due to heightened stress and moderating demand. **Personal loan** growth across key banks in our coverage has moderated from 16-43% range in FY24 to tepid 1-8% currently. **Likewise, MFI** industry has de-grown by 14% YoY in FY25 vs growth of 25% YoY in FY24 with most lenders reporting further decline in 1QFY26.
- Bank commentaries suggest that incremental delinquencies have plateaued, and are hopeful of moderation in credit cost over 2HFY26. We estimate top private banks to start showing improved traction in unsecured loans over the coming quarters. Risk-based pricing is now well embedded into overall product underwriting, and gradual improvement in margins, credit cost trajectory will further support profitability.

#### **Growth divergence between Private and PSU bank narrows**

The credit growth gap between Private banks and PSBs has narrowed significantly in recent years. While private banks consistently outpaced the system through much of the past decade, **FY23-25 marked a clear shift as PSBs regained balance sheet health, strengthened their capitalization levels, and reported a strong turnaround in sector profitability.** Over FY22-24, private banks posted an ~17% CAGR, adjusted for the HDFCB merger, though growth declined to ~10% YoY in FY25. In comparison, PSBs posted healthy credit growth of 12% in FY25. This compares to the average ~1.7%/7.7 growth differential between Private and PSBs that persisted over the FY23-25/ FY20-22.

- Given the elevated CD ratios across select large private banks, we estimate the growth differential between PSBs and Private banks to remain narrow over FY26-27.
- **Our estimates currently factor in 12-16% CAGR for large Private banks over FY25-27E vs 10-13% CAGR for PSBs.**

### PSBs' market share shows stability after years of consistent losses

PSBs' credit market share has structurally declined from ~81% in FY2000 to 57% by FY2025. **We note that during FY14-24, PSBs lost ~20% credit market share, implying an average loss of 200bp each year.** This was driven by a weak balance sheet, regulatory constraints (including PCA), and the inability to match the distribution and underwriting agility of private banks. However, over the past few years, PSBs have managed to arrest their market share erosion, cumulatively losing only ~200bp over the past three years (adjusted for HDFCB-HDFC merger). With HDFCB's loan growth slowing significantly (5% in FY25), **PSBs gained credit market share by ~40bp in FY25, for the first time in past one decade.** While this trend is temporary, we estimate controlled ~140-160bp decline in PSBs' credit market share over FY25-28.

### Is the current growth trajectory for PSBs sustainable?

- PSBs posted 12% credit growth in FY25, outpacing private peers as well as system growth—a marked turnaround led by strong internal accruals (RoEs at 15-18%), CET-1 ratios of 10-14%, and improved underwriting (GNPAs <4% with PCR ranging between 75-94%). **However, the long-term sustainability of this growth remains unclear, as PSBs have not invested in business expansion to the same extent as private banks.**
- We note that during FY21-25, PSBs collectively added just ~267 branches vs. ~11,750 branches for private banks, while they already lag in digital adoption. While some PSBs, such as SBI and BoB, are ramping up tech spends, broader transformation continues to trail private peers. Similarly, we note that PSBs' share in total employee headcount has declined significantly to 42% from 72% in 2010 with Private Banks continuing to add employees and strengthening their distribution strength.
- We, thus, expect PSBs to continue reporting moderate growth in the medium term and factor in 10-13% loan growth over FY25-28 across our six coverage PSU banks. **While PSBs are now structurally sound, their growth runway appears steady rather than steep, reflecting stability more than scale-led acceleration.**

### Maintain preference for ICICI, HDFCB and SBI

- We maintain our view that NIMs will remain under pressure through 1H and partially into 3QFY26, driven by continued loan repricing. However, a gradual reduction in funding costs will enable margin recovery from 2H onwards, translating into healthy earnings growth over FY27E.
- Banks are increasingly focusing on building granular and stable deposit franchises to cushion margin pressures and support balance sheet resilience. Strong liability profiles are becoming a key differentiator in the current environment.
- We estimate banking sector earnings to recover from 2HFY26 with growth improving to ~19% over FY27E, marking an end to the five year earnings deceleration cycle. We estimate credit growth to sustain at ~11% for FY26E and 12.5% for FY27E.
- **Top ideas: ICICIB, HDFCB, and SBIN.** These banks stand out due to their strong balance sheets, healthy PCR, and robust contingency buffers, capitalization levels which will enable them to better withstand the cyclical pressures.

# Automobiles

## Domestic demand fails to revive in most segments, even in July

PV wholesale volumes continued to show weakness and grew 2% YoY for the four listed companies. Among listed peers, MM continued to outperform peers with double-digit growth. Overall, PV volumes for the four listed entities grew 1.5% YoY for YTD. In two wheelers, the four listed players have posted an 18.4% YoY growth in July. It is largely over a low base, as volumes are down 4% MoM for 2Ws. BJAUT is the only player to have posted just 3% growth, while all the other three listed peers posted healthy double-digit growth, albeit over a low base. Overall, 2W volumes for the four listed entities grew 5% YoY for YTD, largely driven by exports. In CVs, the three listed peers have posted 7% YoY growth in July, largely fueled by exports and bus sales. For the first time in this fiscal, both TTMT and AL have outperformed VECV. Overall, for YTDFY26, CV sales for the three listed players have remained flat YoY. In tractors, MM continued to outperform Escorts. Thus, domestic demand for most of the key segments, except tractors, continued to trail behind expectations. Our top OEM picks are MSIL, MM, and HMI.

- **PVs (in line):** PV wholesale volumes continued to show weakness and grew 2% YoY for the four listed companies. Among listed peers, MM continued to outperform peers. MM's UV volumes rose 20% YoY to 49.8k units (ahead of our estimate of 48k). MSIL sales grew 3% YoY to 180.5k units (in line). While exports saw strong momentum with 32% YoY growth, domestic sales were down 1.5% YoY. Hyundai posted a 7% YoY decline in PV sales (in line). TTMT PV sales were down 11% YoY (in line) to 40,175 units. Overall, PV volumes for the four listed entities grew 1.5% YoY for YTD.
- **2Ws (mixed):** The four listed players have posted an 18.4% YoY growth in July. However, this is largely over a low base, as volumes are down 4% MoM. BJAUT sales grew 3% YoY to 366k units (in line). While export momentum continued to be strong (28% growth in July and 19% YTD), domestic sales were down 13% YoY. BJAUT domestic 2W sales remained weak and were down 18% YoY. TVSL continued to outperform peers and posted a strong 29% YoY growth in total vehicle sales to 456k units (ahead of our estimate). 2W sales grew 29% YoY, and 3W sales rose 21% YoY. Overall, exports grew 46% YoY to a record high of 142k units. EV sales grew 10% YoY to 23.6k units. HMCL's July'25 sales grew 22% YoY to 450k units (ahead of our estimate), largely over a low base of last year (down 19% MoM). RE volumes grew 31% YoY over a low base of last year to 88k units (down 2% mom), in line with our estimate. Its key growth driver was exports, which jumped 95% YoY to 11,791 units. Overall, 2W volumes for the four listed entities have grown 5% YoY YTD, largely driven by exports.
- **CVs (in line):** The three listed peers have posted 7% YoY growth in July, largely led by exports and bus sales. For TTMT, overall CV sales grew 7% YoY to 28,956 units (in line). MHC/LCV sales grew 15%/1% YoY in July'25 to 13.7k/15.3k units. Also, TTMT CV growth is driven by 57% YoY growth in exports, while domestic sales were up 4% YoY. AL posted 8% YoY growth in CV volumes to 15k units (in line with our estimate) in Jul'25. While MHC sales were up 13% YoY, LCV sales grew just 1% YoY. Within MHCs, truck sales grew 4% YoY, whereas bus sales grew 42% YoY. VECV sales grew 7% YoY in July'25 to 7.1k units. Overall, for YTDFY26, CV sales for the three listed players have remained flat YoY.

- **Tractors (in line):** For MM, tractor volume rose 6% YoY to 28.7k units (in line). However, Escorts continued to underperform and posted 2.7% YoY growth in volume to 7.1k units (in line). Overall, tractor growth momentum is likely to remain intact in FY26, backed by onset of a normal monsoon, the announcement of higher MSPs by the government, higher reservoir levels, and improved liquidity in rural areas.
- **Valuation and view:** As highlighted above, while 2W headline numbers appear strong, these are largely over a low base of last year, with the four listed peers posting 5% growth for YTD, despite robust growth in exports. PVs continue to see low single-digit growth. Also, in CVs, while TTMT and AL have posted strong growth, these are driven by strong exports and bus demand, and YTD growth for the three listed peers remained flat YoY. Thus, domestic demand for most of the key segments continued to trail behind expectations. MSIL is our top pick among auto OEMs, as its upcoming new launches and the current export momentum should drive healthy earnings growth. We like MM given the uptrend in tractors and healthy growth in UVs.

#### Auto OEM Sales snapshot July2025

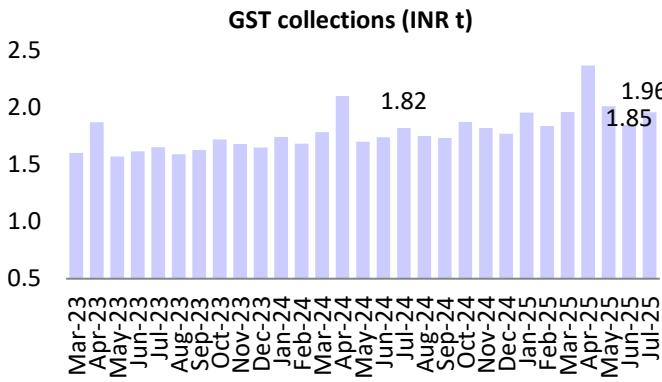
Company Sales	July-25	July-24	YoY (%) chg	Jun-25	MoM (%) chg	YTD FY26	YTD FY25	(%) chg	FY26E	Gr. (%)	Residual Growth (%)	Residual Monthly Run rate
<b>Maruti Suzuki</b>	<b>1,80,526</b>	<b>1,75,041</b>	<b>3.1</b>	<b>1,67,993</b>	<b>7.5</b>	<b>7,08,387</b>	<b>6,96,909</b>	<b>1.6</b>	<b>23,47,677</b>	<b>5.1</b>	<b>6.6</b>	<b>1,82,143</b>
Domestic	1,48,781	1,51,056	-1.5	1,30,151	14.3	5,79,670	6,02,364	-3.8	19,40,637	2.0	4.7	1,51,219
Export	31,745	23,985	32.4	37,842	-16.1	1,28,717	94,545	36.1	4,07,040	22.4	16.9	30,925
<b>Hyundai Motor</b>	<b>60,073</b>	<b>64,563</b>	<b>-7.0</b>	<b>60,924</b>	<b>-1.4</b>	<b>2,40,472</b>	<b>2,56,618</b>	<b>-6.3</b>	<b>7,71,150</b>	<b>1.2</b>	<b>5.0</b>	<b>58,964</b>
Domestic	43,973	49,013	-10.3	44,024	-0.1	1,76,232	1,98,468	-11.2	5,83,256	-2.6	1.7	45,225
Exports	16,100	15,550	3.5	16,900	-4.7	64,240	58,150	10.5	1,87,894	15.0	17.5	13,739
<b>Mahindra &amp; Mahindra</b>	<b>1,12,399</b>	<b>93,653</b>	<b>20.0</b>	<b>1,32,361</b>	<b>-15.1</b>	<b>4,93,737</b>	<b>4,26,674</b>	<b>15.7</b>	<b>15,22,160</b>	<b>11.5</b>	<b>9.5</b>	<b>1,14,269</b>
UV (incl. pick-ups)	73,109	61,925	18.1	69,288	5.5	2,96,282	2,52,430	17.4	9,47,532	12.5	10.4	72,361
LCV & M&HCV	1,107	926	19.5	1,227	-9.8	4,624	4,320	7.0	13,920	6.8	6.7	1,033
Three-Wheelers	9,475	3,593	163.7	8,454	12.1	30,034	21,248	41.3	97,848	14.0	5.0	7,535
Tractors	28,708	27,209	5.5	53,392	-46.2	1,62,797	1,48,676	9.5	4,62,859	9.0	8.7	33,340
<b>Escorts Kubota</b>	<b>7,154</b>	<b>6,963</b>	<b>2.7</b>	<b>11,498</b>	<b>-37.8</b>	<b>37,735</b>	<b>37,333</b>	<b>1.1</b>	<b>1,21,332</b>	<b>5.0</b>	<b>6.9</b>	<b>9,289</b>
<b>Tata Motors</b>	<b>69,131</b>	<b>71,996</b>	<b>-4.0</b>	<b>67,475</b>	<b>2.5</b>	<b>2,79,546</b>	<b>3,01,887</b>	<b>-7.4</b>	<b>9,45,280</b>	<b>1.3</b>	<b>5.5</b>	<b>73,970</b>
CV's	28,956	27,042	7.1	30,238	-4.2	1,14,562	1,18,251	-3.1	3,81,286	1.2	3.1	29,636
PVs	40,175	44,954	-10.6	37,237	7.9	1,64,984	1,83,636	-10.2	5,63,995	1.4	7.1	44,335
<b>Hero MotoCorp</b>	<b>4,49,755</b>	<b>3,70,274</b>	<b>21.5</b>	<b>5,53,963</b>	<b>-18.8</b>	<b>18,16,825</b>	<b>19,05,430</b>	<b>-4.7</b>	<b>60,76,308</b>	<b>3.0</b>	<b>6.7</b>	<b>4,73,276</b>
<b>Bajaj Auto</b>	<b>3,66,000</b>	<b>3,54,169</b>	<b>3.3</b>	<b>3,60,806</b>	<b>1.4</b>	<b>14,77,237</b>	<b>14,56,225</b>	<b>1.4</b>	<b>49,19,728</b>	<b>5.8</b>	<b>7.8</b>	<b>3,82,499</b>
Domestic	1,83,143	2,10,997	-13.2	1,88,460	-2.8	8,17,951	9,01,618	-9.3	28,58,766	2.5	8.2	2,26,757
Exports	1,82,857	1,43,172	27.7	1,72,346	6.1	6,59,286	5,54,607	18.9	20,60,962	10.6	7.1	1,55,742
<b>TVS Motor</b>	<b>4,56,350</b>	<b>3,54,140</b>	<b>28.9</b>	<b>4,02,001</b>	<b>13.5</b>	<b>17,33,522</b>	<b>14,41,315</b>	<b>20.3</b>	<b>53,01,259</b>	<b>11.8</b>	<b>8.0</b>	<b>3,96,415</b>
Domestic	3,13,721	2,56,551	22.3	2,84,856	10.1	12,38,431	10,90,178	13.6	38,34,780	8.1	5.6	2,88,483
Exports	1,42,629	97,589	46.2	1,17,145	21.8	4,95,091	3,51,137	41.0	14,66,479	22.7	15.0	1,07,932
<b>Eicher Motors</b>												
Royal Enfield	88,045	67,265	30.9	89,540	-1.7	3,53,573	2,94,172	20.2	11,16,405	10.6	6.7	84,759
VECV	7,115	6,622	7.4	7,363	-3.4	28,760	26,324	9.3	96,290	6.8	5.8	7,503
<b>Ashok Leyland</b>	<b>15,064</b>	<b>13,928</b>	<b>8.2</b>	<b>15,333</b>	<b>-1.8</b>	<b>59,302</b>	<b>57,821</b>	<b>2.6</b>	<b>2,04,834</b>	<b>5.0</b>	<b>6.0</b>	<b>16,170</b>
M&HCV	9,529	8,440	12.9	9,829	-3.1	37,600	36,325	3.5	1,33,166	5.7	6.5	10,618
LCV	5,535	5,488	0.9	5,504	0.6	21,702	21,496	1	71,668	3.8	5.0	5,552

## GST Monitor: GST collections stood at INR2t in Jul'25

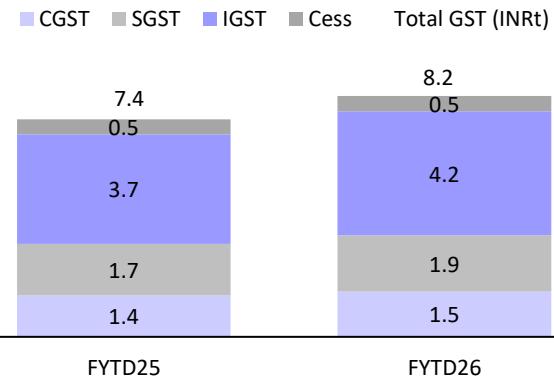
Up 7.5% YoY vs. 6.2% YoY growth in Jun'25

- India's GST collections for Jul'25 reached INR1.96t (vs. INR1.85t in Jun'25 and INR1.82t in Jul'24), up 7.5% YoY (higher than 6.2% YoY in Jun'25 but lower than the growth in Jul'24). The YoY moderation was mainly attributed to a five-month low growth in GST collections on imports (*Exhibit 1*).
- In Jul'25, CGST collections amounted to INR354.7b (up 9.5% YoY in Jul'25 vs. 8.8% YoY in Jul'24) and SGST collections stood at INR440.6b (up 9.4% YoY in Jul'25 vs. 7.1% in Jul'24). IGST collections amounted to INR1035.4b (up 7.4% YoY in Jul'25 vs. 12.2% YoY in Jul'24; *Exhibit 2*).
- GST collected on domestic activities grew 6.7% YoY in Jul'25 vs. 9.0% YoY growth in Jul'24. At the same time, GST collected on imports grew 9.8% YoY to INR527.1b in Jul'25 vs. 14% YoY growth in Jul'24. GST collected on domestic transactions constituted 76.5% of the total GST receipts in FYTD26 vs. 78% in FYTD25 and 76.4% in FY25 (*Exhibit 3*).
- GST collections for Apr-Jul'25 totaled INR8.2t, registering a 10.7% increase over the same period last year—suggesting a stable fiscal position going into 2QFY26.
- For FY26, the GoI has budgeted 11% growth, implying GST receipts of INR24.5t or monthly receipts of INR2.0t (*Exhibit 4*). We believe the FY26BE target is achievable. GST collections in FY26 are expected to remain strong, supported by steady economic growth, better tax compliance, and increased formalization of businesses. Import-led tax buoyancy, expanding digital footprint (e-invoicing, AI audits), and reduced evasion are expected to drive revenue further. However, net revenue growth may remain moderate due to elevated refund claims, especially from exporters. Rationalization of tax slabs, potential inclusion of petroleum and electricity under GST, and better state-Centre coordination will shape medium-term trends.

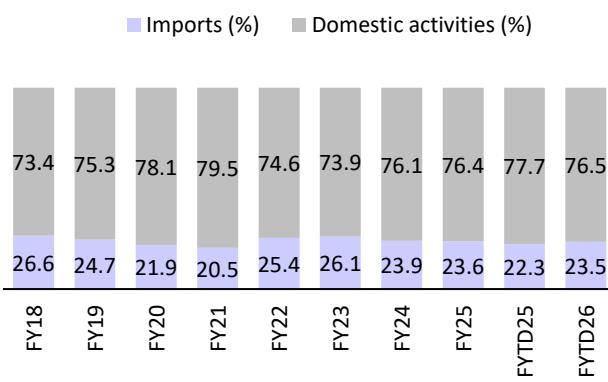
**Exhibit 1: GST collections stood at INR1.96t in Jul'25...**



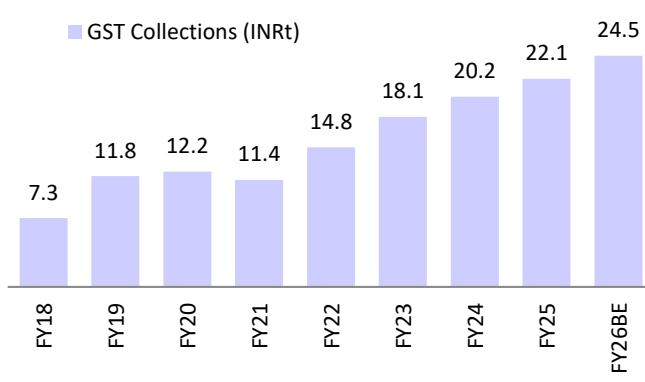
**Exhibit 2: ...led by higher IGST collections**



**Exhibit 3: GST collected on domestic activities came down to 76.5% in Jul'25**



**Exhibit 4: FY26 GST collections budgeted at INR24.5t, implying average monthly receipts of INR2t**



Source: Finance Ministry, MOFSL

**BSE SENSEX**  
80,600

**S&P CNX**  
24,565

## Conference Call Details


**Date:** 4<sup>th</sup> August 2025

**Time:** 10:00am IST

**Dial-in details:**
[Diamond pass](#)

### Financials & Valuations (INR b)

Y/E March	CY25E	CY26E	CY27E
Sales	134.6	153.0	175.1
EBITDA	24.6	27.0	30.0
Adj. PAT	20.1	22.1	24.4
Adj. EPS (INR)	94.8	104.5	115.4
EPS Gr. (%)	7.2	10.2	10.4
BV/Sh.(INR)	381.7	429.8	477.4
<b>Ratios</b>			
RoE (%)	26.5	25.8	25.4
RoCE (%)	26.7	25.9	25.6
Payout (%)	49.6	54.0	58.7
<b>Valuations</b>			
P/E (x)	56.9	51.6	46.8
P/BV (x)	14.1	12.6	11.3
EV/EBITDA (x)	45.5	41.2	36.9
Div. Yield (%)	0.7	0.9	1.1

**CMP: INR5,388**
**Buy**

### Results lower than expectations

- ABB's results came lower than estimates on margin and PAT due to forex fluctuations and one-off exceptional expense during the quarter. Order inflows declined 12% YoY due to cyclical correction in ordering activity across multiple segments. We would look out for order inflow and margin improvement commentary from the call for both electrification and robotics & motion segment.
- For 2QCY25, revenue grew by 12%YoY while EBITDA/PAT fell by 24%/20%. Revenue was in-line, whereas EBITDA/PAT miss our estimates by 30%/27%.
- Revenue grew 12% YoY to INR31.8b. Electrification revenue growth was strong while other segments were weak due to delays in clearance and decisions in certain sectors.
- Gross margin during the quarter declined 350 bps QoQ and 470 bp YoY. EBITDA margin contracted 620bp YoY to 13.0% versus our estimate of 18.4%. Margins remained under pressure mainly due to contraction in Electrification and Robotics & Motion segments' margins which were affected by competitive pricing and forex loss during the quarter.
- PBIT margin declined in Electrification segment (at 16.1% in 2QCY25 versus 23.1% in 2QCY24), Robotics & Motion segment (14.7% in 2QCY25 versus 22.5% in 2QCY24). Process automation PBIT margin increased sequentially to 17.1% in 2QCY25 from 16.4% in 1QCY25 and increased YoY versus 16.2% in 2QCY24.
- PAT for the quarter declined 21% YoY to INR3.5b.
- Order inflows were weak during the quarter (-12% YoY) at INR30.4b. Base orders formed INR30.2 b (+5% YoY), while large orders at INR130m were impacted by subdued market conditions. This resulted in order book moving up to INR100.6b. ABB has mentioned that after strong growth periods, the company experienced a cyclic correction in ordering activity that is seen across multiple sectors, but it expects a gradual uptick in demand driven by easing inflation and deeper market reach.
- During the quarter, ABB India and Steel Authority of India Limited (SAIL) signed a MoU to digitally transform operations at the Rourkela Steel Plant in Odisha.
- For 1HCY25, revenue increased 7% YoY. EBITDA/PAT declined 10%/8% YoY, while EBITDA margin in 1HCY25 contracted 300 bp YoY to 15.7%.
- The company's cash position continues to remain robust at INR51.5b at the end of 1HCY25.

**Standalone - Quarterly Earning Model** (INR m)

Y/E December	CY24					CY25E			CY24		CY25E		Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	2QE	Var (%)	2QE	Var (%)	
<b>Net Sales</b>	<b>30,804</b>	<b>28,309</b>	<b>29,122</b>	<b>33,649</b>	<b>31,596</b>	<b>31,754</b>	<b>33,085</b>	<b>38,170</b>	<b>1,21,883</b>	<b>1,34,604</b>	<b>32,160</b>	<b>-1</b>	
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	12.2	13.6	13.4	16.7	10.4	13.6		
Total Expenditure	25,152	22,884	23,719	27,076	25,773	27,614	27,030	29,561	98,831	1,09,977	26,244		
<b>EBITDA</b>	<b>5,652</b>	<b>5,425</b>	<b>5,402</b>	<b>6,573</b>	<b>5,823</b>	<b>4,141</b>	<b>6,055</b>	<b>8,608</b>	<b>23,052</b>	<b>24,627</b>	<b>5,916</b>	<b>-30</b>	
Margins (%)	18.3	19.2	18.6	19.5	18.4	13.0	18.3	22.6	18.9	18.3	18.4		
Depreciation	314	310	328	337	338	355	341	331	1,289	1,365	341		
Interest	38	45	30	51	47	42	36	20	165	145	36		
Other Income	871	868	929	866	923	998	938	893	3,534	3,752	938		
<b>PBT before EO expense</b>	<b>6,171</b>	<b>5,938</b>	<b>5,973</b>	<b>7,051</b>	<b>6,361</b>	<b>4,741</b>	<b>6,616</b>	<b>9,151</b>	<b>25,133</b>	<b>26,869</b>	<b>6,476</b>	<b>-27</b>	
<b>PBT</b>	<b>6,171</b>	<b>5,938</b>	<b>5,973</b>	<b>7,051</b>	<b>6,361</b>	<b>4,741</b>	<b>6,616</b>	<b>9,151</b>	<b>25,133</b>	<b>26,869</b>	<b>6,476</b>	<b>-27</b>	
Tax	1,575	1,511	1,568	1,732	1,620	1,220	1,667	2,263	6,387	6,771	1,632		
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.7	25.2	24.7	25.4	25.2	25.2		
<b>Reported PAT</b>	<b>4,596</b>	<b>4,426</b>	<b>4,405</b>	<b>5,319</b>	<b>4,741</b>	<b>3,521</b>	<b>4,949</b>	<b>6,888</b>	<b>18,746</b>	<b>20,098</b>	<b>4,844</b>	<b>-27</b>	
<b>Adj PAT</b>	<b>4,596</b>	<b>4,426</b>	<b>4,405</b>	<b>5,319</b>	<b>4,741</b>	<b>3,521</b>	<b>4,949</b>	<b>6,888</b>	<b>18,746</b>	<b>20,098</b>	<b>4,844</b>	<b>-27</b>	
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	-20.5	12.3	29.5	50.2	7.2	9.4		
Margins (%)	14.9	15.6	15.1	15.8	15.0	11.1	15.0	18.0	15.4	14.9	15.1		

INR m	CY24					CY25E			CY24		CY25E		Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	2QE	Var (%)	2QE	Var (%)	
<b>Segmental revenue</b>													
Robotics & Motion	11,219	11,601	11,908	12,590	12,454	13,242	13,337	13,532	47,318	52,565	12,761	4	
YoY Change (%)	7.9	11.6	8.3	23.2	11.0	14.1	12.0	7.5	12.6	11.1	10.0		
Electrification Products	12,963	11,214	11,540	15,028	13,577	13,786	15,002	19,369	50,744	61,733	14,017	-2	
YoY Change (%)	29.7	11.5	10.7	33.0	4.7	22.9	30.0	28.9	21.5	21.7	25.0		
Process Automation	7,263	6,327	5,963	6,277	5,865	4,921	5,068	5,768	25,830	21,622	5,694	-14	
YoY Change (%)	72.9	24.2	-11.7	-0.5	-19.3	-22.2	-15.0	-8.1	15.5	-16.3	-10.0		
Unall. & others (incl. excise duty)	26	44	47	60	51	38	12	-52	176	49	12	208	
Less: inter-segmental	-667	-877	-335	-306	-351	-232	-334	-448	-2,185	-1,365	-325		
<b>Total revenues</b>	<b>30,804</b>	<b>28,309</b>	<b>29,122</b>	<b>33,649</b>	<b>31,596</b>	<b>31,754</b>	<b>33,085</b>	<b>38,170</b>	<b>1,21,883</b>	<b>1,34,604</b>	<b>32,160</b>	<b>-1</b>	
<b>Segmental EBIT</b>													
Robotics & Motion	2,332	2,613	2,659	2,485	2,596	1,942	2,734	3,562	10,089	10,834	2,591	-25	
Margin (%)	20.8	22.5	22.3	19.7	20.8	14.7	20.5	26.3	21.3	20.6	20.3	-560 bp	
Electrification Products	3,078	2,594	2,397	3,548	3,356	2,214	3,300	4,711	11,618	13,581	3,252	-32	
Margin (%)	23.7	23.1	20.8	23.6	24.7	16.1	22.0	24.3	22.9	22.0	23.2	-710 bp	
Process Automation	1,181	1,023	1,145	1,221	962	842	887	984	4,570	3,676	940	-10	
Margin (%)	16.3	16.2	19.2	19.4	16.4	17.1	17.5	17.1	17.7	17.0	16.5	60 bp	
<b>Total</b>	<b>6,590</b>	<b>6,230</b>	<b>6,202</b>	<b>7,254</b>	<b>6,914</b>	<b>4,998</b>	<b>6,921</b>	<b>9,258</b>	<b>26,276</b>	<b>28,091</b>	<b>6,782</b>	<b>-26</b>	

# Tube Investments

BSE SENSEX	S&P CNX
80,600	24,565

## Conference Call Details



**Date:** 04th Feb 2025

**Time:** 10am IST

**Dial-in details:** [\[Link\]](#)

### Financials & Valuations (INR b)

INR b	FY25	FY26E	FY27E
Sales	78.9	85.5	94.3
EBITDA	9.6	10.5	12.1
Adj. PAT	7.5	8.1	9.1
EPS (INR)	38.6	41.8	47.2
EPS Gr. (%)	1.7	8.3	12.8
BV/Sh. (INR)	269.3	307.1	349.8

### Ratios

RoE (%)	16.3	14.5	14.4
RoCE (%)	20.3	18.9	18.9
Payout (%)	5.2	9.6	9.5

### Valuations

P/E (x)	12.0	11.1	9.8
P/BV (x)	1.7	1.5	1.3
Div. Yield (%)	0.8	0.9	1.0
FCF Yield (%)	0.5	0.5	0.7

**CMP: INR2,797**

**Buy**

## Margins in line; PAT beat led by higher other income

- Revenue rose 2.4% YoY to INR20.1b (in line). Revenue from mobility/engineering/metal formed grew 9.8%/~3%/2.3% YoY, respectively. The others segment, however, posted a 4.3% YoY decline in revenue in 1Q.
- Gross margin expanded 80bp YoY to 37.6%.
- EBITDA grew 3% YoY to INR2.5b and was in line with our estimate. EBITDA margin remained flat YoY at 12.3% (est. 12%).
- Segmental EBIT performance: Mobility margins expanded sharply by 260bp YoY to 3.5%. On the other hand, while the Engg business margin contracted 60bp YoY to 11.8%, margins for the metal formed division remained stable YoY at 10%.
- Other income was ahead of our estimate at INR234m (estimate INR150m).
- As a result, PAT at INR1.68b came in ahead of our estimate of INR1.6b, marking a 9% YoY increase.
- RoIC (annualized) in 1Q stood at 39% for Q1 vs 47% YoY.
- Free cash flow stood at INR820m for the quarter.
- **Valuation view:** Adjusted for its stake in CG Power and Shanti Gears, the standalone entity is valued at 11x/10x FY26E/FY27E EPS.

Y/E March	(INR M)											
	FY25				FY26E				FY25	FY26E	1QE	VAR. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Sales</b>	<b>19,603</b>	<b>20,648</b>	<b>19,102</b>	<b>19,573</b>	<b>20,066</b>	<b>21,503</b>	<b>21,103</b>	<b>22,814</b>	<b>78,925</b>	<b>85,486</b>	<b>20,604</b>	<b>-2.6</b>
YoY Change (%)	10.1	4.8	0.6	-0.3	2.4	4.1	10.5	16.6	3.7	8.3	5.1	
<b>EBITDA</b>	<b>2,400</b>	<b>2,460</b>	<b>2,431</b>	<b>2,280</b>	<b>2,474</b>	<b>2,655</b>	<b>2,633</b>	<b>2,776</b>	<b>9,606</b>	<b>10,537</b>	<b>2,463</b>	<b>0.4</b>
Margins (%)	12.2	11.9	12.7	11.6	12.3	12.3	12.5	12.2	12.2	12.3	12.0	40bp
Depreciation	386	407	432	463	450	453	483	506	1,688	1,892	439	
Interest	72	69	54	52	37	50	45	68	247	200	60	
Other Income	137	261	175	1,502	234	200	250	1,447	2,075	2,132	150	
<b>PBT before EO expense</b>	<b>2,079</b>	<b>2,245</b>	<b>2,120</b>	<b>3,267</b>	<b>2,221</b>	<b>2,352</b>	<b>2,355</b>	<b>3,650</b>	<b>15,134</b>	<b>10,577</b>	<b>2,114</b>	<b>5.1</b>
Tax	534	567	512	664	540	565	566	815	2,277	2,486	508	
Tax Rate (%)	25.7	25.3	24.2	20.3	24.3	24.0	24.0	22.3	23.4	23.5	24.0	
<b>Adj PAT</b>	<b>1,545</b>	<b>1,678</b>	<b>1,607</b>	<b>2,603</b>	<b>1,681</b>	<b>1,787</b>	<b>1,789</b>	<b>2,835</b>	<b>7,468</b>	<b>8,091</b>	<b>1,606</b>	<b>4.7</b>
YoY Change (%)	4.6	-7.5	2.1	5.0	8.8	6.5	11.3	8.9	1.7	8.3	4.0	

E: MOFSL Estimates

#### Segmental Mix (INR m)

	FY25				FY26E				FY25	FY26E	1QE	VAR. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Mobility business	1,807	1,675	1,418	1,808	1,984	1,658	1,403	1,690	6,708	6,736	1,825	8.7
Growth (%)	(3.2)	(5.1)	(3.8)	17.5	9.8	(1.0)	(1.0)	(6.5)	1.0	0.4	1.0	
PBIT margin (%)	0.9	(0.2)	(0.6)	2.4	3.5	0.5	0.7	(2.6)	0.7	0.6	0.5	
Contribution (%)	9.2	8.1	7.4	9.2	9.9	7.7	6.7	7.4	8.5	7.9	8.9	
Engineering business	12,652	13,231	12,118	12,287	12,982	13,893	13,451	14,124	49,997	54,449	13,158	-1.3
Growth (%)	10.8	3.8	(1.4)	(3.7)	2.6	5.0	11.0	15.0	1.0	8.9	4.0	
PBIT margin (%)	12.4	12.3	12.9	11.5	11.8	12.4	12.5	12.9	12.3	12.4	12.0	
Contribution (%)	64.5	64.1	63.4	62.8	64.7	64.6	63.7	61.9	63.3	63.7	63.9	
Metal formed business	3,576	4,044	3,997	4,031	3,658	4,286	4,396	4,873	15,938	17,214	3,862	-5.3
Growth (%)	4.6	1.2	2.0	4.5	2.3	6.0	10.0	20.9	4.9	8.0	8.0	
PBIT margin (%)	10.0	11.3	10.1	9.8	10.0	10.2	10.2	10.4	10.1	10.2	10.0	
Contribution (%)	18.2	19.6	20.9	20.6	18.2	19.9	20.8	21.4	20.2	20.1	18.7	
Other business	2,469	2,433	2,524	2,441	2,363	2,676	2,827	3,139	9,866	11,005	2,716	-13.0
Growth (%)	39.1	17.6	15.0	6.0	(4.3)	10.0	12.0	28.6	22.7	11.5	10.0	
PBIT margin (%)	6.1	3.6	4.5	5.2	7.2	4.5	4.5	3.0	4.8	4.7	4.5	
Contribution (%)	12.6	11.8	13.2	12.5	11.8	12.4	13.4	13.8	12.5	12.9	13.2	
<b>Total Revenue (post inter segment)</b>	<b>19,603</b>	<b>20,648</b>	<b>19,102</b>	<b>19,573</b>	<b>20,066</b>	<b>21,503</b>	<b>21,103</b>	<b>22,814</b>	<b>78,925</b>	<b>85,486</b>	<b>20,604</b>	
Growth (%)	10.1	4.8	0.6	(0.3)	2.4	4.1	10.5	16.6	3.7	8.3	5.1	

E:MOFSL Estimates

<b>BSE SENSEX</b> 80,600	<b>S&amp;P CNX</b> 24,565
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## Conference Call Details


**Date:** 04<sup>th</sup> August 2025

**Time:** 04:00pm IST

**Dial In :** +91 22 7115 8184

### Financial snapshot

<b>Year End</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>
Sales	11.1	16.7	19.9
EBIT margin (%)	54.1	61.3	63.1
PAT	5.6	8.9	10.8
EPS (INR)	110.1	174.2	212.3
EPS Gr. (%)	573.8	58.3	21.8
BV/Sh. (INR)	370.4	405.3	447.7
<b>Ratio</b>			
RoE (%)	34.3	44.9	49.8
<b>Valuations</b>			
P/E (x)	71.1	44.9	36.9
P/BV (x)	21.1	19.3	17.5
Div Yld (%)	0.4	0.4	0.4

**CMP: INR7,596**
**Neutral**

## Volumes scale a new peak; performance in line

- MCX's operating revenue grew 59% YoY to INR3.7b (in line).
- Other income at INR326m jumped 73% YoY (10% beat).
- Staff costs grew 40% YoY to INR448m (18% above est.). Other expenses rose 24% YoY to INR867m (9% below est. due to lower tech costs offset by higher-than-expected contribution to the statutory fund).
- EBIT stood at INR2.2b vs INR1.2b in 1QFY25 (in line).
- The company reported PAT of INR2b, up 83% YoY (in line).
- Futures volumes grew 44% YoY, scaling a peak of INR25.9t, while options notional volumes jumped 81% YoY to an all-time high of INR172.9t. Option premium volumes increased 76% YoY to INR2.7t.
- The Board has approved a stock split in the ratio of 1:5.

### Quarterly performance

							INRm				
	FY25		FY26		FY25		FY26	Est.	Var.	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q		1QFY26	(%/bp)			
<b>Sales</b>	<b>2,344</b>	<b>2,856</b>	<b>3,014</b>	<b>2,913</b>	<b>3,732</b>	11,127	16,662	3,832	(2.6)	59.2	28.1
YoY Gr. (%)	60.8	73.0	57.4	60.9	59.2	62.8	49.7	63.5			
Staff Costs	321	327	332	463	448	1,443	1,558	379	18.4	39.7	(3.1)
Other expenses	697	735	750	849	867	3,031	3,949	949	(8.6)	24.4	2.2
<b>EBITDA</b>	<b>1,326</b>	<b>1,794</b>	<b>1,931</b>	<b>1,602</b>	<b>2,417</b>	6,653	11,155	2,504	(3.5)	82.3	50.9
Margins (%)	56.6	62.8	64.1	55.0	64.8	59.8	66.9	65.4			
Depreciation	134	140	146	217	173	638	934	221	(21.8)	28.8	(20.2)
<b>EBIT</b>	<b>1,191</b>	<b>1,654</b>	<b>1,785</b>	<b>1,385</b>	<b>2,244</b>	<b>6,016</b>	<b>10,221</b>	2,283	(1.7)	88.3	62.0
Interest Costs	1	1	2	1	1	5	5	1	(40.0)	20.0	(53.8)
Other Income	188	252	230	292	326	962	1,147	297	9.6	73.3	11.8
<b>PBT bef. Exceptional items</b>	<b>1,379</b>	<b>1,906</b>	<b>2,013</b>	<b>1,675</b>	<b>2,569</b>	<b>6,973</b>	<b>11,363</b>	<b>2,580</b>	(0.4)	86.3	53.4
Tax	273	374	418	328	532	1,394	2,500	568	(6.2)	94.7	62.1
Rate (%)	19.8	19.6	20.8	19.6	20.7	20.0	22.0				
Profit from the associate	4	4	5	8	-5	21	0	0.0			
<b>PAT</b>	<b>1,109</b>	<b>1,536</b>	<b>1,600</b>	<b>1,355</b>	<b>2,032</b>	<b>5,600</b>	<b>8,863</b>	<b>2,012</b>	1.0	83.2	50.0
YoY Gr. (%)	NA	NA									
<b>EPS (INR)</b>	<b>21.8</b>	<b>30.2</b>	<b>31.5</b>	<b>26.6</b>	<b>39.9</b>	<b>109.8</b>	<b>173.8</b>	<b>39.6</b>	1.0	83.2	50.0
<b>Total volumes (INR t)</b>	<b>112.3</b>	<b>143.2</b>	<b>148.4</b>	<b>160.2</b>	<b>198.9</b>	<b>564.0</b>	<b>861.3</b>	<b>198.9</b>	(0.0)	77.1	24.1
QoQ Gr. (%)	35.8	27.5	3.6	8.0	24.1				24.1		
YoY Gr. (%)	116.8	113.8	101.7	93.8	77.1	105.1	52.7	77.1			

# LIC Housing Finance

**BSE SENSEX**  
80,600

**S&P CNX**  
24,564

## Conference Call Details



**Date:** 04<sup>th</sup> August 2025

**Time:** 11:30 AM IST

**Dial-in details:**

+91 22 7115 8046/

+91 22 6280 1145

[Link for call](#)

## Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	81.3	84.3	93.2
PPP	71.4	73.0	80.1
PAT	54.3	52.7	56.5
EPS (INR)	98.6	95.7	102.7
EPS Gr. (%)	13.9	-3.0	7.3
BV/Sh (INR)	659	734	815
<b>Ratios</b>			
NIM (%)	2.8	2.7	2.7
C/I ratio (%)	16.2	17.2	17.3
RoAA (%)	1.8	1.6	1.6
RoE (%)	16.0	13.7	13.3
Payout (%)	10.1	11.0	10.7
<b>Valuations</b>			
P/E (x)	5.8	5.9	5.5
P/BV (x)	0.9	0.8	0.7
Div. Yield (%)	1.8	1.8	1.9

## CMP: INR569

**Buy**

### Earnings in line; NIM contracts and loan growth still muted

**Seasonal deterioration in asset quality; reported NIM declines ~20bp QoQ**

- LICHF's 1QFY26 PAT grew ~5% YoY to ~INR13.6b (in line). NII rose ~4% YoY to ~INR20.7b (in line). Fee and other income surged 170% YoY to INR1.2b. PPoP grew ~7% YoY to ~INR18.9b (in line).
- Opex grew ~12% YoY to INR2.9b (~17% lower than est.) and cost-income ratio rose ~50bp YoY to ~13.4% (PY: ~12.9% and PQ: ~19.4%).
- Reported yields declined ~20bp QoQ to 9.6%, while CoB declined ~25bp QoQ to ~7.5%. This resulted in spreads improving by ~5bp QoQ to ~2.1%. NIM contracted ~20bp QoQ to ~2.68%.
- Seasonal slippages in asset quality resulted in credit costs of ~INR1.9b (~42% higher than est.) and translated into annualized credit costs of 25bp (PY: 14bp and PQ: 20bp).

### Weak disbursements lead to loan growth of ~7% YoY

- Loan disbursements in individual home loans grew ~3% YoY, while non-housing individual/commercial disbursements rose 17% YoY. Builder/project loan disbursements declined ~70% YoY.
- Total disbursements rose ~2% YoY and ~32% QoQ to ~INR131b.
- **The total loan book grew ~7% YoY and ~0.6% QoQ to INR3.1t. Home loans grew ~7% YoY, while developer loan book grew ~14% YoY.**

### Seasonal deterioration in asset quality; PCR declines across all buckets

- GS3/NS3 rose ~15bp/10bp QoQ to ~2.6%/1.3%. Stage 3 PCR declined ~40pp QoQ to ~50.8% (PQ: ~51.2%). Stage 1 PCR declined to ~18bp (PQ: ~20bp) and Stage 2 PCR declined ~25bp QoQ to 3.75% (PQ: 4%).
- Stage 2 + 3 assets (30+ dpd) rose ~30bp QoQ to 6.2% (vs. ~5.9% in Mar'25).
- ECL/ EAD rose ~4bp QoQ to ~1.63% (vs. 1.59% in 4QFY25).

### Valuation and view

- LICHF delivered an operationally soft quarter, with subdued loan growth and disbursements. Asset quality weakened, mainly due to seasonal factors, as seen in the sequential rise in its 30+ dpd loans. Margins also came under pressure, primarily from lower yields after the recent repo rate reductions.
- It will be interesting to understand management's outlook on demand for mortgages, the competitive intensity from banks and its guidance on loan growth. NIM guidance (in the current declining interest rate environment) and credit costs for FY26 will also be important. We will review our estimates after the earnings call on 4<sup>th</sup> Aug'25.

Quarterly Performance <span style="float: right;">(INR M)</span>												
Y/E March	FY25				FY26				FY25	FY26	1QFY26E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	67,391	68,534	69,516	71,173	71,131	70,633	70,774	73,554	2,76,615	2,86,091	71,742	-1
Interest Expenses	47,501	48,796	49,515	49,508	50,473	50,826	51,131	49,323	1,95,320	2,01,753	50,053	1
<b>Net Interest Income</b>	<b>19,891</b>	<b>19,739</b>	<b>20,001</b>	<b>21,664</b>	<b>20,658</b>	<b>19,807</b>	<b>19,643</b>	<b>24,231</b>	<b>81,295</b>	<b>84,339</b>	<b>21,689</b>	-5
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	0.3	-1.8	11.8	-6.0	3.7	9.0	
Fees and other income	446	784	1,057	1,661	1,201	940	1,047	621	3,948	3,809	669	80
<b>Net Income</b>	<b>20,337</b>	<b>20,522</b>	<b>21,059</b>	<b>23,326</b>	<b>21,859</b>	<b>20,747</b>	<b>20,690</b>	<b>24,852</b>	<b>85,243</b>	<b>88,148</b>	<b>22,358</b>	-2
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	1.1	-1.8	6.5	-3.6	3.4	9.9	
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,056	3,178	6,004	13,826	15,176	3,539	-17
<b>Operating Profit</b>	<b>17,715</b>	<b>17,417</b>	<b>17,495</b>	<b>18,790</b>	<b>18,920</b>	<b>17,691</b>	<b>17,512</b>	<b>18,849</b>	<b>71,416</b>	<b>72,972</b>	<b>18,819</b>	1
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	1.6	0.1	0.3	-7.2	2.2	6.2	
Provisions and Cont.	1,431	773	-440	1,094	1,929	2,122	2,334	-76	2,858	6,308	1,359	42
<b>Profit before Tax</b>	<b>16,285</b>	<b>16,644</b>	<b>17,934</b>	<b>17,696</b>	<b>16,992</b>	<b>15,570</b>	<b>15,178</b>	<b>18,925</b>	<b>68,558</b>	<b>66,664</b>	<b>17,460</b>	-3
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,114	3,187	4,306	14,268	13,999	3,701	-8
<b>Net Profit</b>	<b>13,002</b>	<b>13,289</b>	<b>14,320</b>	<b>13,680</b>	<b>13,599</b>	<b>12,456</b>	<b>11,991</b>	<b>14,619</b>	<b>54,290</b>	<b>52,665</b>	<b>13,758</b>	-1
YoY Growth (%)	-2	12	23	25	5	-6	-16	7	14	-3	6	
<b>Key Operating Parameters (%)</b>												
Yield on loans (Cal)	9.37	9.40	9.37	9.38	9.22				9.5	9.1		
Cost of funds (Cal)	7.50	7.64	7.62	7.43	7.46				7.5	7.2		
Spreads (Cal)	1.87	1.76	1.75	1.95	1.76				2.0	1.9		
Margins (Cal)	2.76	2.71	2.69	2.86	2.68				2.7	2.6		
Credit Cost (Cal)	0.20	0.11	-0.06	0.14	0.25				0.1	0.2		
Cost to Income Ratio	12.9	15.1	16.9	19.4	13.4				16.2	17.2		
Tax Rate	20.2	20.2	20.2	22.7	20.0				20.8	21.0		
<b>Balance Sheet Parameters</b>												
Loans (INR B)	2,887	2,946	2,991	3,077	3,096				3028	3279		
Change YoY (%)	4.4	6.0	6.4	7.3	7.2				7.9	8.3		
Indiv. Disb. (INR B)	124	151	145	183	130				602	657		
Change YoY (%)	16.9	6.0	-2.1	9.3	4.6				6.9	9.0		
Borrowings (INR B)	2,537	2,574	2,626	2,706	2,709				2706	2922		
Change YoY (%)	5.1	5.7	7.1	7.0	6.8				7.2	8.0		
Loans/Borrowings (%)	113.8	114.4	113.9	113.7	114.3				111.9	112.2		
<b>Asset Quality Parameters</b>												
GS 3 (INR B)	95.3	90.1	82.3	76.0	81.1				76.0	67.8		
Gross Stage 3 (% on Assets)	3.30	3.06	2.75	2.47	2.62				2.5	2.1		
NS 3 (INR B)	48.0	45.7	43.2	37.1	39.9				37.1	56.6		
Net Stage 3 (% on Assets)	1.69	1.58	1.47	1.22	1.31				1.2	1.7		
PCR (%)	49.6	49.3	47.5	51.2	50.8				51.2	16.6		
ECL (%)	1.96	1.85	1.66	1.59	1.63							
<b>Loan Mix (%)</b>												
Home loans	85.3	85.2	85.1	85.0	84.8							
LAP	12.7	12.9	13.2	13.3	13.6							
Non Individual loans	2.0	1.9	1.7	1.7	1.6							
<b>Borrowing Mix (%)</b>												
Banks	34.0	34.0	33.0	32.0	31.0							
NCD	54.0	54.0	54.0	55.0	55.0							
Sub Debt	1.0	1.0	1.0	1.0	0.0							
Deposits	3.0	3.0	3.0	3.0	4.0							
NHB	4.0	4.0	5.0	4.0	5.0							
CP	4.0	4.0	4.0	5.0	5.0							

E: MOFSL Estimates

# G R Infraprojects

BSE SENSEX	S&P CNX
80,600	24,565

## Conference Call Details



Date: 4<sup>th</sup> Aug 2025

Time: 3:00 pm IST

Conference call details:

[Link](#)

## Financials & Valuations (INR b)

Y/E MARCH	2025	2026E	2027E
Sales	64.3	71.3	80.2
EBITDA	8.2	8.9	11.1
Adj. PAT	7.2	7.5	10.4
EBITDA Margin (%)	12.7	12.5	13.8
Adj. EPS (INR)	74.7	78.0	107.3
EPS Gr. (%)	2.4	4.5	37.5
BV/Sh. (INR)	815.3	893.4	1000.6

## Ratios

Net D:E	0.0	0.0	-0.1
RoE (%)	9.6	9.1	11.3
RoCE (%)	9.7	9.2	11.3
Payout (%)	0.0	0.0	0.0

## Valuations

P/E (x)	16.3	15.6	11.3
P/BV (x)	1.5	1.4	1.2
EV/EBITDA(x)	14.3	12.7	9.9
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	6.3	7.3	5.9

**CMP: INR1,215**

**Buy**

## Beat on margin led by better execution

### Earnings summary: 4QFY25

- Revenue declined ~4% YoY to ~INR18.3b during 1QFY26 (against our estimate of INR17.1b), driven by a pickup in execution.
- EBITDA margin stood at 12.7% in 1QFY26 (-40bp YoY) vs our estimate of 11.8%. EBITDA declined 6% YoY to INR2.3b and was 14% above our estimate. Better execution led to a beat on margins.
- Higher operating margins, along with lower depreciation and interest, resulted in APAT growth of 14% YoY to ~INR2.2b (24% above our estimates).
- The current order book stands at ~INR180b (based on orders announced post 4QFY25 and adjusted for 1Q execution).

## Quarterly Performance (Standalone)

Y/E March (INR m)						(INR m)			
	1Q	2Q	3Q	4Q	1Q	FY25	FY26E	FY26 1QE	Variance
<b>Net Sales</b>	<b>18,965</b>	<b>11,281</b>	<b>14,628</b>	<b>19,429</b>	<b>18,261</b>	<b>64,304</b>	<b>71,339</b>	<b>17,121</b>	<b>7%</b>
YoY Change (%)	(11.9)	(28.3)	(19.0)	(9.9)	(3.7)	(16.4)	10.9	(9.7)	
<b>EBITDA</b>	<b>2,466</b>	<b>1,171</b>	<b>1,546</b>	<b>3,009</b>	<b>2,311</b>	<b>8,193</b>	<b>8,917</b>	<b>2,020</b>	<b>14%</b>
Margins (%)	13.0	10.4	10.6	15.5	12.7	12.7	12.5	11.8	
Depreciation	632	631	612	572	524	2,448	2,568	630	
Interest	281	214	207	155	119	857	630	160	
Other Income	1,081	1,311	1,222	1,389	1,163	5,003	4,367	1,100	
<b>PBT before EO expense</b>	<b>2,634</b>	<b>1,637</b>	<b>1,949</b>	<b>3,671</b>	<b>2,830</b>	<b>9,892</b>	<b>10,086</b>	<b>2,330</b>	
Extra-Ord expense	(494)	356	377	849	-	1,088	-	-	
<b>PBT</b>	<b>2,140</b>	<b>1,993</b>	<b>2,326</b>	<b>4,520</b>	<b>2,830</b>	<b>10,980</b>	<b>10,086</b>	<b>2,330</b>	
Tax	621	845	640	807	672	2,913	2,539	587	
Rate (%)	29.0	42.4	27.5	17.9	23.7	26.5	25.2	25.2	
<b>Reported PAT</b>	<b>1,520</b>	<b>1,148</b>	<b>1,686</b>	<b>3,712</b>	<b>2,158</b>	<b>8,066</b>	<b>7,547</b>	<b>1,744</b>	
<b>Adj PAT</b>	<b>1,890</b>	<b>1,161</b>	<b>1,309</b>	<b>2,864</b>	<b>2,158</b>	<b>7,224</b>	<b>7,547</b>	<b>1,744</b>	<b>24%</b>
YoY Change (%)	(9.1)	(5.8)	(12.2)	27.3	14.2	2.4	4.5	(7.7)	
Margins (%)	10.0	10.3	8.9	14.7	11.8	11.2	10.6	10.2	

# JK Lakshmi Cement

BSE Sensex 80,600	S&P CNX 24,565
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## Conference Call Details



**Date:** 4<sup>th</sup> August 2025

**Time:** 16:00 IST

**Dial-in details:**

+ 91 22 6280 1143

+ 91 22 7115 8044

[Link for the call](#)

## Consol. Financials Snapshot (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Sales	61.9	67.2	72.6
EBITDA	8.6	11.9	14.1
Adj. PAT	2.9	5.3	5.7
EBITDA Margin (%)	14.0	17.8	19.5
Adj. EPS (INR)	24.5	45.2	48.3
EPS Gr. (%)	<b>-37.8</b>	84.9	6.9
BV/Sh. (INR)	295	334	376
<b>Ratios</b>			
Net D:E	0.5	0.4	0.6
RoE (%)	8.6	14.4	13.6
RoCE (%)	7.7	11.1	11.3
Payout (%)	20.6	14.4	14.4
<b>Valuations</b>			
P/E (x)	39.0	21.1	19.8
P/BV (x)	3.2	2.9	2.5
EV/EBITDA(x)	15.2	11.3	9.4
EV/ton (USD)	94	82	77
Div. Yield (%)	0.7	0.6	0.6
FCF Yield (%)	1.2	2.0	<b>-4.0</b>

**CMP: INR943**

**Buy**

## Earnings in line; EBITDA/t at INR936 (est. INR948)

- JKLC's 1QFY26 EBITDA was in line with our estimates due to higher-than-estimated volumes (~6% above estimates). Consol. EBITDA increased ~40% YoY to INR3.1b (in line), and EBITDA/t increased ~27% YoY to INR936 (est. INR948). OPM surged 3.7pp YoY to ~18% (est. 18%). Adj. PAT increased ~63% YoY to INR1.5b (19% above our estimate).
- The company is expanding grinding capacity at the Surat plant by 1.35mtpa to 2.7mtpa at a cost of INR2.25b, and this project will be completed in 2QFY26. The first phase of the railway siding at the Durg plant (capex: INR3.25b) has been completed. The Durg expansion (2.3mtpa clinker and 1.2mtpa integrated grinding capacity along with three split GUs of 3.4mtpa aggregate capacity at a capex of INR30b) will be completed in two phases: 1) Clinker plant with 2.4mtpa grinding capacity by Mar'27 and 2) 2.2mtpa grinding capacity by Mar'28.
- We have a **BUY rating** on the stock and will review our assumptions following the conference call with the management.

## Sales volume rises 10% YoY; realization/t improves 1% YoY

- Consolidated revenue/EBITDA/adj. PAT stood at INR17.4b/INR3.1b/1.5b (up 11%/40%/63% YoY and in line/in line/ up 19% vs. our estimate). Sales volume increased 10% YoY to 3.3mt. Realization/t was up 1% YoY/down 1% QoQ at INR5,234/t (in line).
- Opex/t dipped 3% YoY (~1% below estimate) due to ~14% YoY reduction in variable costs, while freight costs/employee costs/other expenses per ton increased 15%/11%/3% YoY. OPM surged 3.7pp YoY to ~18%, and EBITDA/t increased 27% YoY to INR936 in 1QFY26. Depreciation/finance costs were up 8% YoY (each). Other income was up 70% YoY.

## Highlights from the management commentary

- The share of green power stood at ~49% in 1QFY26 vs. 50% in FY24/4QFY25. The company is implementing a project to increase the TSR share to 16% from 4% at its Sirohi plant in a phased manner.
- The Board approved the appointment of Mr. Shrivats Singhania as an Additional Director designated as Deputy Managing Director for a period of five years. Mr. Arun Kumar Shukla was reappointed as the President and Director for a period of three years.

## Valuation and view

- JKLC's operating performance was in line with our estimates, driven by higher volumes. During the conference call, we will seek clarification on the status of various ongoing expansion plans. We have a **BUY rating** on the stock. However, we will review our assumptions after the conference call on 4<sup>th</sup> Aug'25 ([Concall Link](#)).

Quarterly performance (consolidated)											(INR b)	
Y/E March	FY25				FY26E				FY25	FY26E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Sales Volumes (mt)	3.02	2.48	3.03	3.60	3.33	2.93	3.37	3.23	12.13	12.84	3.13	6
YoY Change (%)	(0.4)	(9.3)	2.4	10.3	10.0	18.2	11.1	(10.3)	1.2	5.9	3.1	
<b>Net Sales</b>	<b>15.6</b>	<b>12.3</b>	<b>15.0</b>	<b>19.0</b>	<b>17.4</b>	<b>15.1</b>	<b>17.6</b>	<b>17.1</b>	<b>61.9</b>	<b>67.2</b>	<b>16.5</b>	<b>5</b>
YoY Change (%)	(9.6)	(21.6)	(12.1)	6.6	11.3	22.2	17.7	(9.9)	(8.8)	8.5	9.9	
<b>EBITDA</b>	<b>2.2</b>	<b>0.9</b>	<b>2.0</b>	<b>3.5</b>	<b>3.1</b>	<b>2.3</b>	<b>3.3</b>	<b>3.2</b>	<b>8.6</b>	<b>11.9</b>	<b>2.9</b>	<b>5</b>
YoY Change (%)	13.3	(58.9)	(33.2)	4.4	(70.4)	5.1	264.7	60.3	(17.8)	436.9	<b>226.3</b>	
Margin (%)	14.2	7.2	13.5	18.5	17.9	15.5	18.5	18.9	14.0	17.8	17.7	(3)
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9	3.0	3.3	0.8	(5)
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.4	1.8	1.9	0.5	11
Other Income	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.0	0.5	0.5	0.1	81
<b>PBT before EO expense</b>	<b>1.2</b>	<b>(0.2)</b>	<b>0.9</b>	<b>2.5</b>	<b>2.0</b>	<b>1.2</b>	<b>2.1</b>	<b>2.0</b>	<b>4.3</b>	<b>7.3</b>	<b>1.7</b>	<b>13</b>
Extra-Ord. expense	0.4	-	-	-	-	-	-	-	0.4	-	-	
<b>PBT</b>	<b>0.8</b>	<b>(0.2)</b>	<b>0.9</b>	<b>2.5</b>	<b>2.0</b>	<b>1.2</b>	<b>2.1</b>	<b>2.0</b>	<b>3.9</b>	<b>7.3</b>	<b>1.7</b>	<b>13</b>
Tax	0.3	(0.1)	0.3	0.8	0.5	0.3	0.5	0.5	1.2	1.7	0.4	
Prior period tax adj.	-	-	-	-	-	-	-	-	-	-	-	0.1
Rate (%)	32.3	46.2	29.7	31.7	26.5	22.5	22.5	23.2	30.7	23.8	23.8	
<b>Reported PAT</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.6</b>	<b>1.7</b>	<b>1.5</b>	<b>0.9</b>	<b>1.6</b>	<b>1.6</b>	<b>2.7</b>	<b>5.6</b>	<b>1.2</b>	<b>9</b>
Minority Interest	(0.0)	0.0	0.0	0.1	(0.0)	0.0	0.1	0.0	0.1	0.1	0.1	
<b>Adj. PAT</b>	<b>0.9</b>	<b>(0.1)</b>	<b>0.6</b>	<b>1.6</b>	<b>1.5</b>	<b>0.9</b>	<b>1.5</b>	<b>1.5</b>	<b>3.0</b>	<b>5.5</b>	<b>1.2</b>	<b>19</b>
YoY Change (%)	17.7	(115.1)	NA	2.5	62.6	(727.3)	160.7	(5.0)	(35.9)	82.7	100.3	
<b>Per ton analysis (INR)</b>												
<b>Net realization</b>	<b>5,172</b>	<b>4,983</b>	<b>4,940</b>	<b>5,274</b>	<b>5,234</b>	<b>5,154</b>	<b>5,234</b>	<b>5,302</b>	<b>5,106</b>	<b>5,233</b>	<b>5,294</b>	<b>(1)</b>
RM Cost	1,274	987	907	971	922	960	960	1,841	1,018	955	980	(6)
Employee Expenses	335	444	377	316	374	401	354	329	362	363	385	(3)
Power, Oil, and Fuel	1,132	1,295	1,157	1,086	1,137	1,110	1,095	1,125	1,158	1,117	1,125	1
Freight and Handling Outward	1,042	1,137	1,147	1,222	1,194	1,184	1,194	1,024	1,155	1,149	1,150	4
Other Expenses	653	760	686	703	672	712	692	842	699	719	733	(8)
<b>Total Expenses</b>	<b>4,436</b>	<b>4,623</b>	<b>4,274</b>	<b>4,298</b>	<b>4,299</b>	<b>4,356</b>	<b>4,267</b>	<b>4,300</b>	<b>4,393</b>	<b>4,304</b>	<b>4,346</b>	<b>(1)</b>
<b>EBITDA</b>	<b>735</b>	<b>360</b>	<b>666</b>	<b>976</b>	<b>936</b>	<b>799</b>	<b>967</b>	<b>1,003</b>	<b>713</b>	<b>929</b>	<b>948</b>	<b>(1)</b>



## Radico Khaitan: P&A Volume Growth Expected At 15% In Next Three Years; Abhishek Khaitan, MD

- Delivered strong 30%+ revenue and 40%+ volume growth; confident of 20%+ full-year volume growth
- Premium segment up 40%, with 15%+ growth guided ahead
- Key brands scaling rapidly across states
- UK FTA to aid margins via duty cuts
- Maharashtra excise impact seen limited due to low regional exposure.

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## RR Kabel: Wires And Cables Margin To Improve By 100 Bps In FY26; Rajesh Jain, CFO

- Revenue grew 14% with 7% volume growth, driven by wires; cable growth to normalize in Q2
- FY26 volume growth guidance of 18% remains intact
- Margins improved to 7.6%; 100 bps gain expected this year
- FMEG to break even in H2
- Export exposure diversified; US tariff impact seen as minimal

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## Netweb Technologies: Will Keep Growing At The Same Pace Of 40% CAGR Seen In The Past; Sanjay Lodha, CMD

- Q1 saw strong enterprise and government demand; AI jumped to 29% of revenue
- FY26 AI share guided at 22%
- HPC and private cloud remain core growth drivers
- Margins capped to maintain customer value
- Strong funnel ensures confidence in sustaining 40%+ growth despite short order cycles.

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## Sun Pharma: Will Be In A Position To Assess Impact On Speciality Portfolio If There Are Any Dvpts; Jayashree Satagopan, CFO

- Posted 10% revenue and 19% EBITDA growth with margin expansion
- Specialty sales reached \$311M; \$100M to be invested in two U.S. launches
- Tax rate normalized to 25%
- MFN pricing and tariff risks remain uncertain
- India semaglutide launch to strengthen leadership in the ₹12,000cr+ cardiovascular market.

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## Maruti Suzuki: Concerned About Small Car Sales Which Have Fallen; Rahul Bharti, Senior ED

- Q1 profit beat aided by higher other income; revenue growth muted but ahead of estimates
- Domestic retail sales down 3.7% due to continued decline in small car demand
- Input cost pressures persist, especially in steel and rare earths

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Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
<b>Automobiles</b>																
Amara Raja Ener.	Neutral	954	1049	10	48.2	49.4	56.8	-2.7	2.6	15.0	19.3	16.8	2.2	2.0	12.5	12.8
Apollo Tyres	Buy	441	547	24	19.6	25.5	30.4	-33.2	30.5	19.0	17.3	14.5	1.4	1.3	10.6	11.6
Ashok Ley.	Buy	120	145	20	5.5	5.7	7.0	20.2	3.8	22.5	21.1	17.2	5.5	4.8	27.4	29.5
Bajaj Auto	Neutral	8040	8671	8	299.5	319.4	361.1	11.8	6.6	13.1	25.2	22.3	6.5	6.0	26.7	28.1
Balkrishna Inds	Neutral	2581	2510	-3	96.4	90.2	111.4	26.0	-6.4	23.5	28.6	23.2	4.2	3.7	15.8	17.1
Bharat Forge	Neutral	1146	1230	7	21.4	29.4	38.9	8.5	37.4	32.4	38.9	29.4	5.3	4.7	14.4	17.0
Bosch	Neutral	40377	29657	-27	682.4	760.9	901.5	10.0	11.5	18.5	53.1	44.8	8.0	7.4	15.7	17.3
CEAT	Buy	3228	4393	36	122.1	169.3	229.8	-27.9	38.6	35.8	19.1	14.0	2.7	2.3	14.8	17.6
Craftsman Auto	Neutral	6475	6212	-4	92.1	156.2	237.6	-36.1	69.6	52.1	41.4	27.2	4.8	4.1	12.3	16.3
Eicher Mot.	Sell	5527	4772	-14	172.7	179.0	195.4	18.0	3.7	9.2	30.9	28.3	6.3	5.5	21.6	20.8
Endurance Tech.	Buy	2473	3275	32	58.8	73.4	87.0	21.5	24.8	18.6	33.7	28.4	5.3	4.6	16.8	17.4
Escorts Kubota	Neutral	3290	3327	1	100.6	101.0	115.2	17.9	0.4	14.1	32.6	28.6	3.6	3.2	11.4	11.9
Exide Ind	Neutral	381	374	-2	12.7	14.3	15.6	2.3	13.1	8.7	26.6	24.4	2.1	2.0	7.9	8.1
Happy Forgings	Buy	941	1095	16	28.4	30.7	37.9	10.1	8.0	23.6	30.7	24.8	4.2	3.7	14.6	15.8
Hero Moto	Buy	4313	4839	12	230.3	239.1	263.2	12.6	3.8	10.1	18.0	16.4	4.1	3.8	23.4	24.1
Hyundai Motor	Buy	2182	2408	10	69.4	67.9	84.6	-6.9	-2.1	24.4	32.1	25.8	8.8	7.1	30.3	30.4
M&M	Buy	3160	3687	17	98.7	119.5	136.7	11.3	21.0	14.5	26.5	23.1	5.2	4.4	21.3	20.7
CIE Automotive	Buy	406	502	24	21.7	21.4	22.6	2.8	-1.2	5.3	18.9	18.0	2.1	2.0	11.8	11.4
Maruti Suzuki	Buy	12299	14429	17	443.9	488.6	539.0	5.6	10.1	10.3	25.2	22.8	3.7	3.3	14.6	14.4
MRF	Sell	145965	113397	-22	4,408.74	4,949.55	5,558.7	-11.7	12.3	12.3	29.5	26.3	3.0	2.7	10.8	10.9
Samvardh. Motherson	Buy	96	116	21	3.6	3.7	4.7	51.5	2.5	28.5	26.2	20.4	2.7	2.5	10.8	12.7
Motherson Wiring	Buy	37	46	23	0.9	1.0	1.3	-5.1	10.8	32.4	37.0	28.0	12.5	10.2	36.4	40.1
Sona BLW Precis.	Neutral	437	470	7	9.9	7.9	10.1	10.5	-19.7	27.9	55.1	43.1	4.6	4.4	8.6	10.5
Tata Motors	Neutral	649	668	3	63.2	46.0	51.9	7.7	-27.3	12.9	14.1	12.5	1.8	1.6	13.7	13.7
TVS Motor	Neutral	2859	2814	-2	57.1	67.1	79.6	30.1	17.7	18.6	42.6	35.9	10.8	8.7	28.4	26.8
Tube Investments	Buy	2797	-		38.6	41.8	47.2	1.6	8.3	12.8	66.9	59.3	9.1	8.0	14.5	14.4
<b>Aggregate</b>								<b>7.1</b>	<b>0.9</b>	<b>15.6</b>	<b>26.2</b>	<b>26.0</b>	<b>4.7</b>	<b>4.1</b>	<b>17.7</b>	<b>15.9</b>
<b>Banks - Private</b>																
AU Small Finance	Buy	741	875	18	29.8	35.5	48.3	33.9	19	35.9	20.9	15.4	3.0	2.6	15.0	18.3
Axis Bank	Neutral	1063	1250	18	85.3	80.5	101.3	5.7	-5.7	25.9	13.2	10.5	1.6	1.4	13.1	14.6
Bandhan Bank	Neutral	163	185	13	17.0	16.4	22.8	23.1	-4	39.1	10.0	7.2	1.1	0.9	10.6	13.9
DCB Bank	Buy	135	175	29	19.6	22.7	31.7	14.3	15.8	39.7	6.0	4.3	0.7	0.6	12.5	15.5
Equitas Small Fin.	Buy	57	80	40	1.3	3.2	7.8	-81.8	143.3	148.6	18.1	7.3	1.1	0.9	5.9	13.7
Federal Bank	Buy	196	235	20	16.6	16.0	20.6	1.8	-3.8	28.8	12.3	9.5	1.3	1.2	11.2	13.0
HDFC Bank	Buy	2012	2300	14	88.0	94.3	113.9	9.9	7.1	20.8	21.3	17.7	2.8	2.5	13.7	14.9
ICICI Bank	Buy	1471	1670	13	66.8	72.6	84.4	14.4	8.7	16.3	20.3	17.4	3.3	2.8	17.0	17.3
IDFC First Bk	Neutral	68	80	18	2.1	3.3	5.5	-50.9	58.0	65.6	20.2	12.2	1.5	1.3	6.8	11.4
IndusInd	Neutral	784	830	6	33.1	40.6	57.1	-71.4	22.7	40.8	19.3	13.7	0.9	0.9	4.8	6.4
Kotak Mah. Bk	Buy	1992	2400	20	111.3	105.2	127.2	21.5	-5.4	20.8	18.9	15.7	2.3	2.0	12.2	13.4
RBL Bank	Buy	259	290	12	11.5	17.1	31.3	-40.5	48.4	83.5	15.2	8.3	1.0	0.9	6.5	11.4
<b>Aggregate</b>								<b>6.5</b>	<b>5.3</b>	<b>22.7</b>	<b>20.2</b>	<b>19.2</b>	<b>2.8</b>	<b>2.5</b>	<b>13.7</b>	<b>13.2</b>
<b>Banks - PSU</b>																
BOB	Neutral	235	260	11	37.8	36.5	45.6	10.1	-3.5	24.8	6.4	5.2	0.9	0.8	14.3	16.2
Canara Bank	Buy	106	135	28	18.8	21.0	23.4	17.0	12.0	11.3	5.0	4.5	0.9	0.8	19.2	19.0
Indian Bank	Buy	622	750	21	81.1	87.9	94.9	30.3	8.5	7.9	7.1	6.6	1.1	1.0	17.7	16.9
Punjab Natl.Bank	Buy	103	130	26	14.8	13.5	18.5	97.4	-8.6	37.0	7.6	5.6	0.9	0.8	12.4	15.2
SBI	Buy	794	925	17	86.9	88.6	101.5	15.6	2	14.5	9.0	7.8	1.3	1.1	15.8	15.6
Union Bank (I)	Neutral	128	155	21	23.6	21.7	24.7	24.9	-8	14.2	5.9	5.2	0.8	0.7	14.6	14.8
<b>Aggregate</b>								<b>23.4</b>	<b>1</b>	<b>17</b>	<b>8</b>	<b>7.6</b>	<b>1.2</b>	<b>1.1</b>	<b>16.2</b>	<b>14.7</b>
<b>NBFCs</b>																
AAVAS Financiers	Neutral	1680	2065	23	72.5	85.2	101.0	17.0	17.5	18.5	19.7	16.6	2.6	2.3	14.4	14.7
Aditya Birla Cap	Buy	251	250	-1	12.8	14.9	18.5	14.5	16.6	24.3	16.9	13.6	1.9	1.7	12.1	13.6
Bajaj Fin.	Neutral	877	1000	14	27.0	33.0	42.4	15.5	22.4	28.2	26.5	20.7	4.8	4.0	19.5	21.0
Can Fin Homes	Neutral	740	900	22	64.4	71.1	77.5	14.2	10.5	9.0	10.4	9.5	1.7	1.5	17.4	16.5



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)		
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	
Cholaman.Inv.&Fn	Buy	1422	1650	16	50.6	62.1	78.7	24.3	22.7	26.7	22.9	18.1	4.0	3.3	19.6	19.8	
CreditAccess	Buy	1246	1500	20	33.3	56.7	106.1	-63.3	70.4	87.2	22.0	11.7	2.5	2.1	12.2	19.5	
Fusion Finance	Neutral	159	210	32	-121.7	3.8	18.3	-342.3	LP	379.2	41.6	8.7	1.2	0.9	2.7	12.1	
Five-Star Business	Buy	598	800	34	36.4	38.6	46.5	27.4	6.0	20.4	15.5	12.9	2.4	2.0	16.6	17.0	
IIFL Finance	Buy	427	550	29	8.9	38.8	55.0	-80.7	334.5	42.0	11.0	7.8	1.3	1.1	12.5	15.6	
Home First Finan	Buy	1198	1600	34	42.4	51.2	64.6	22.8	20.7	26.2	23.4	18.5	2.9	2.5	15.6	14.6	
IndoStar	Buy	282	360	28	3.9	8.0	13.5	-26.6	107.3	68.3	35.2	20.9	0.9	0.8	2.9	4.1	
L&T Finance	Buy	201	250	24	10.6	12.5	16.5	13.8	17.7	32.4	16.1	12.2	1.8	1.6	11.6	13.9	
LIC Hsg Fin	Neutral	569	-		98.6	95.7	102.7	13.9	-3.0	7.3	5.9	5.5	0.8	0.7	13.7	13.3	
Manappuram Fin.	Neutral	248	290	17	14.2	12.6	23.8	-45.2	-11.4	89.0	19.7	10.4	1.5	1.3	8.3	13.8	
MAS Financial	Buy	305	400	31	16.9	20.1	25.9	11.6	19.0	29.0	15.2	11.8	1.9	1.7	13.5	15.2	
M&M Fin.	Buy	259	310	20	19.0	19.1	24.8	33.2	0.6	29.7	13.5	10.4	1.5	1.3	11.9	13.3	
Muthoot Fin	Neutral	2592	2790	8	129.5	177.9	211.0	28.4	37.3	18.6	14.6	12.3	3.0	2.5	22.7	22.3	
Piramal Enterp.	Neutral	1196	1315	10	21.5	63.7	105.4	-306.2	195.9	65.5	18.8	11.4	1.0	0.9	5.2	8.1	
PNB Housing	Buy	808	1300	61	74.5	88.6	102.1	28.3	18.9	15.3	9.1	7.9	1.1	1.0	12.8	13.2	
Poonawalla Fincorp	Buy	419	520	24	-1.3	9.6	22.4	-109.5	LP	133.8	43.8	18.7	3.2	2.8	8.3	16.1	
PFC	Buy	404	490	21	52.6	56.9	60.1	20.8	8.3	5.6	7.1	6.7	1.3	1.1	19.3	17.9	
REC	Buy	389	460	18	59.7	68.4	72.9	12.2	14.6	6.5	5.7	5.3	1.1	1.0	21.4	19.6	
Repco Home Fin	Neutral	400	475	19	70.2	67.5	73.9	11.3	-3.9	9.5	5.9	5.4	0.7	0.6	12.0	11.8	
Spandana Sphoorty	Buy	260	330	27	-145.2	-116.7	23.3	-306.7	Loss	LP	NM	11.1	1.0	0.9	-37.5	8.8	
Shriram Finance	Buy	614	780	27	44.0	49.9	59.9	14.9	13.3	20.2	12.3	10.2	1.8	1.6	15.6	16.4	
<b>Aggregate</b>									<b>6.9</b>	<b>21.4</b>	<b>21.8</b>	<b>17.4</b>	<b>14.4</b>	<b>2.5</b>	<b>2.2</b>	<b>14.4</b>	<b>15.0</b>
<b>NBFC-Non Lending</b>																	
360 ONE WAM	Buy	1051	1450	38	25.8	32.3	37.1	15.3	25.1	15.0	32.5	28.3	5.2	4.3	17.1	17.1	
Aditya Birla AMC	Buy	835	1050	26	32.3	35.5	39.1	19.3	9.9	10.2	23.5	21.3	5.8	5.3	25.9	25.8	
Anand Rathi Wealth	Neutral	2598	2100	-19	36.2	46.2	59.2	33.7	27.6	28.2	56.3	43.9	22.2	15.7	46.5	41.8	
Angel One	Buy	2568	3200	25	129.8	98.4	156.8	-3.1	-24.2	59.2	26.1	16.4	3.4	3.0	15.0	21.3	
BSE	Neutral	2411	2400	0	32.4	46.7	53.9	67.2	43.9	15.4	51.7	44.8	16.7	13.0	32.2	29.0	
Cams Services	Buy	3645	5000	37	94.8	98.6	116.4	32.4	4.0	18.0	37.0	31.3	13.6	11.6	39.8	40.0	
CDSL	Neutral	1479	1400	-5	25.1	25.5	31.0	24.8	1.7	21.5	58.0	47.7	15.2	13.2	28.1	29.6	
HDFC AMC	Buy	5608	6400	14	115.2	133.8	152.3	26.6	16.1	13.8	41.9	36.8	13.5	12.4	33.7	35.1	
KFin Technologies	Neutral	1102	1200	9	19.5	21.4	26.8	33.9	9.9	25.0	51.4	41.2	13.1	11.4	26.7	29.7	
MCX	Neutral	7594	-		110.1	174.2	212.3	573.8	58.3	21.8	43.6	35.8	18.7	17.0	44.9	49.8	
Nippon Life AMC	Buy	804	940	17	20.4	23.9	27.1	16.2	17.2	13.2	33.6	29.7	11.8	11.6	35.5	39.4	
Nuvama Wealth	Buy	6922	9600	39	276.9	340.0	401.4	64.5	22.8	18.1	20.4	17.2	6.0	5.1	31.9	32.0	
Prudent Corp.	Neutral	2686	2300	-14	47.3	54.3	68.1	41.1	14.9	25.4	49.5	39.5	64.1	50.0	29.3	28.5	
UTI AMC	Buy	1296	1650	27	63.9	68.8	79.8	1.4	7.7	16.1	18.8	16.2	3.0	2.9	16.5	18.2	
<b>Aggregate</b>									<b>31.3</b>	<b>16.2</b>	<b>19.5</b>	<b>43.6</b>	<b>37.5</b>	<b>10.9</b>	<b>9.6</b>	<b>25.1</b>	<b>25.7</b>
<b>Insurance</b>																	
HDFC Life Insur.	Buy	741	910	23	8.4	9.8	11.4	14.9	17.1	16.7	75.6	64.8	2.5	2.1	16.3	16.5	
ICICI Lombard	Buy	1869	2400	28	50.9	62.7	71.9	30.7	23.2	14.6	29.8	26.0	5.5	4.8	20.0	19.7	
ICICI Pru Life	Buy	600	780	30	8.2	9.9	11.1	38.6	20.4	12.7	60.8	53.9	1.6	1.4	12.9	13.2	
Life Insurance Corp.	Buy	885	1150	30	76.1	82.5	93.4	18.8	8.3	13.3	10.7	9.5	0.6	0.6	11.7	11.5	
Max Financial	Neutral	1471	1750	19	9.4	11.4	13.9	24.7	21.0	21.7	129.0	106.0	2.1	1.8	19.6	19.6	
Niva Bupa Health	Buy	82	100	23	1.2	0.6	1.8	142.7	-48.0	195.5	134.3	45.4	3.8	3.5	3.2	8.1	
SBI Life Insurance	Buy	1794	2140	19	24.1	27.6	32.1	27.4	14.5	16.2	64.9	55.8	2.1	1.8	19.4	19.0	
Star Health Insu	Buy	436	520	19	11.0	13.4	17.9	-23.9	21.6	33.9	32.6	24.3	3.3	2.9	10.6	12.6	
<b>Chemicals</b>																	
Alkyl Amines	Neutral	2342	2285	-2	36.3	44.7	50.8	24.8	23.1	13.4	52.3	46.1	7.6	6.8	15.4	15.6	
Atul	Buy	6489	8975	38	169.3	233.9	256.4	53.9	38.2	9.6	27.7	25.3	3.1	2.8	11.7	11.6	
Clean Science	Neutral	1207	1350	12	24.9	31.8	40.1	8.3	28.0	25.9	37.9	30.1	7.5	6.2	21.7	22.7	
Deepak Nitrite	Sell	1820	1660	-9	51.1	61.9	66.4	-7.3	21.1	7.3	29.4	27.4	4.1	3.6	14.7	13.9	
Fine Organic	Sell	5234	3640	-30	127.1	119.3	121.4	5.9	-6.1	1.7	43.9	43.1	6.3	5.5	15.3	13.7	
Galaxy Surfact.	Buy	2652	3155	19	86.0	92.0	105.1	1.1	7.0	14.3	28.8	25.2	3.6	3.3	13.1	13.6	
Navin Fluorine	Neutral	5011	5100	2	58.2	88.5	112.4	26.2	52.0	27.1	56.6	44.6	6.9	6.1	14.2	14.5	



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
NOCIL	Neutral	180	210	17	6.4	6.4	8.5	-18.3	-0.8	32.7	28.2	21.3	1.6	1.6	6.0	7.5
PI Inds.	Buy	4186	4830	15	109.2	108.5	130.5	-1.3	-0.6	20.2	38.6	32.1	5.5	4.8	15.2	16.0
SRF	Buy	2984	3650	22	46.1	68.7	92.6	-3.0	49.2	34.7	43.4	32.2	6.3	5.4	15.3	18.0
Tata Chemicals	Neutral	956	970	1	16.5	35.8	54.8	-54.4	117.4	53.0	26.7	17.5	1.1	1.1	4.2	6.2
Vinati Organics	Buy	1791	2505	40	40.0	53.6	62.6	28.4	33.9	16.8	33.4	28.6	5.7	4.9	18.3	18.4
<b>Aggregate</b>					<b>9.6</b>	<b>22.5</b>	<b>13.6</b>	<b>44.9</b>	<b>36.7</b>	<b>5.4</b>	<b>4.7</b>	<b>12.0</b>	<b>12.8</b>			
<b>Capital Goods</b>																
ABB India	Buy	5397	-		88.5	94.4	103.6	50.2	6.7	9.7	57.2	52.1	14.2	12.6	26.4	25.6
Bharat Electronics	Buy	377	490	30	7.2	8.2	9.8	31.5	13.6	19.6	45.9	38.4	11.0	8.8	24.0	22.9
Bharat Dynamics	Buy	1564	1900	21	15.0	28.2	37.8	-10.3	88.4	34.0	55.4	41.3	11.9	9.6	21.5	23.3
Cummins India	Buy	3564	4200	18	71.7	83.3	97.9	16.6	16.2	17.6	42.8	36.4	12.5	11.0	30.9	32.1
Hind.Aeronautics	Buy	4441	5750	29	125.0	141.2	161.2	38.4	13.0	14.2	31.5	27.5	7.1	6.0	22.6	21.8
Hitachi Energy	Sell	20536	16500	-20	77.5	177.4	238.4	100.5	129.1	34.3	115.7	86.1	17.5	14.4	15.9	17.6
Kalpataru Proj.	Buy	1121	1450	29	39.3	55.4	74.1	20.3	40.8	33.9	20.2	15.1	2.4	2.1	12.4	14.7
KEC International	Neutral	823	950	15	21.4	34.9	44.2	64.6	62.6	26.9	23.6	18.6	3.6	3.1	16.2	17.9
Kirloskar Oil	Buy	871	1150	32	28.8	33.6	40.9	15.1	16.7	21.8	26.0	21.3	3.7	3.3	15.3	16.4
Larsen & Toubro	Buy	3590	4200	17	106.8	130.5	155.1	13.0	22.2	18.9	27.5	23.1	4.5	4.0	17.3	18.2
Siemens	Neutral	3022	3450	14	56.8	52.1	66.1	3.0	-8.2	26.9	58.0	45.7	6.3	5.5	10.8	12.0
Siemens Energy	Buy	3168	3300	4	19.6	32.8	38.9		67.3	18.8	96.6	81.4	25.7	19.5	26.6	24.0
Thermax	Sell	3777	3450	-9	56.4	68.0	79.8	8.1	20.6	17.4	55.6	47.3	7.7	6.8	14.6	15.2
Triveni Turbine	Buy	588	700	19	11.3	12.8	16.0	33.2	13.8	25.0	45.8	36.6	12.4	10.0	29.9	30.1
Zen Technologies	Neutral	1534	1650	8	29.1	29.8	46.7	107.3	2.3	56.7	51.5	32.9	7.1	5.8	14.7	19.4
<b>Aggregate</b>					<b>24.9</b>	<b>19.6</b>	<b>19.2</b>	<b>45.9</b>	<b>38.3</b>	<b>8.2</b>	<b>7.1</b>	<b>17.9</b>	<b>18.5</b>			
<b>Cement</b>																
Ambuja Cem.	Buy	609	700	15	7.9	10.7	14.9	-42.8	35.1	39.0	56.7	40.8	2.7	2.6	4.8	6.4
ACC	Neutral	1794	2040	14	71.2	91.3	116.2	-28.3	28.3	27.2	19.6	15.4	1.7	1.5	9.0	10.5
Birla Corp.	Buy	1318	1650	25	42.2	73.5	85.5	-21.8	74.1	16.2	17.9	15.4	1.4	1.3	7.8	8.4
Dalmia Bhar.	Buy	2206	2660	21	37.1	73.2	69.6	-9.0	97.4	-4.9	30.2	31.7	2.2	2.1	7.6	6.9
Grasim Inds.	Buy	2722	3280	20	74.1	85.4	106.6	-22.5	15.2	24.9	31.9	25.5	3.3	3.1	-4.6	-1.4
India Cem	Sell	363	280	-23	-24.0	-1.4	3.8	216.9	Loss	LP	NM	96.2	1.2	1.2	-0.5	1.2
J K Cements	Buy	6656	7300	10	103.5	160.4	199.8	0.8	55.0	24.6	41.5	33.3	7.2	6.0	18.7	19.7
JK Lakshmi Ce	Buy	973	-		24.5	45.2	48.3	-37.8	84.9	6.9	21.5	20.1	2.9	2.6	14.4	13.6
Ramco Cem	Neutral	1151	1050	-9	3.9	22.3	30.8	-76.6	469.4	38.2	51.6	37.3	3.4	3.2	6.8	8.8
Shree Cem	Neutral	30653	32400	6	337.9	407.5	552.4	-50.6	20.6	35.6	75.2	55.5	5.0	4.7	6.8	8.7
Ultratech	Buy	12106	14600	21	207.6	305.6	382.8	-15.1	47.2	25.3	39.6	31.6	4.6	4.2	12.2	14.0
<b>Aggregate</b>					<b>-27.3</b>	<b>45.3</b>	<b>26.0</b>	<b>57.3</b>	<b>39.5</b>	<b>3.6</b>	<b>3.4</b>	<b>6.4</b>	<b>8.6</b>			
<b>Consumer</b>																
Asian Paints	Neutral	2429	2500	3	42.5	45.4	54.1	-26.7	6.8	19.2	53.5	44.9	11.8	11.2	22.2	25.6
Britannia	Neutral	5803	5900	2	91.9	102.8	117.8	3.6	11.9	14.6	56.4	49.2	28.1	23.7	53.1	52.3
Colgate	Neutral	2256	2550	13	51.4	51.8	56.7	4.4	0.8	9.4	43.6	39.8	38.9	39.8	86.9	98.9
Dabur	Buy	534	575	8	10.2	11.0	12.3	-4.0	7.9	11.9	48.7	43.5	8.1	7.9	17.3	18.5
Emami	Buy	619	700	13	20.3	21.2	22.8	12.4	4.6	7.3	29.2	27.2	8.9	8.0	32.3	30.9
Godrej Cons.	Buy	1265	1450	15	18.5	23.0	26.9	-4.3	24.1	17.0	55.0	47.0	10.2	9.8	19.0	21.2
HUL	Buy	2551	3000	18	44.3	45.9	51.5	1.4	3.4	12.3	55.6	49.6	11.9	11.6	21.6	23.7
ITC	Buy	417	500	20	16.0	17.1	18.6	-2.5	6.9	8.8	24.4	22.4	7.2	6.9	29.9	31.3
Indigo Paints	Buy	1202	1350	12	29.8	34.0	39.5	-3.8	13.9	16.2	35.4	30.4	5.0	4.3	14.8	15.0
Jyothy Lab	Neutral	333	375	13	10.2	10.9	12.1	4.0	7.3	10.9	30.4	27.4	5.8	5.2	19.3	20.0
L T Foods	Buy	477	600	26	17.4	23.3	28.4	2.0	33.6	22.1	20.5	16.8	3.7	3.1	19.4	20.2
Marico	Buy	710	825	16	12.4	14.4	15.7	7.9	16.0	9.0	49.5	45.4	21.7	20.4	45.2	46.4
Nestle	Neutral	2276	2400	5	32.0	33.7	38.8	-22.1	5.5	14.9	67.5	58.7	48.6	43.1	76.3	77.8
Page Inds	Buy	46765	57500	23	652.9	749.1	877.2	27.9	14.7	17.1	62.4	53.3	30.6	25.3	48.9	47.5
Pidilite Ind.	Neutral	2858	3000	5	41.3	46.9	53.8	16.7	13.5	14.7	61.0	53.2	13.3	11.8	23.0	23.5
P&G Hygiene	Neutral	13687	15000	10	195.9	269.5	297.0	-11.1	37.6	10.2	50.8	46.1	48.7	40.2	106.2	95.7
Radico Khaitan	Buy	2841	3250	14	25.8	40.1	51.4	34.9	55.3	28.3	70.9	55.3	12.2	10.4	17.2	18.7
Tata Consumer	Buy	1070	1270	19	14.0	16.8	19.8	-2.4	20.2	17.4	63.6	54.1	4.7	4.4	8.1	9.1



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)			
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E		
United Brew	Neutral	1924	2000	4	17.7	23.8	33.4	13.6	34.6	40.4	80.9	57.6	10.8	9.8	13.9	17.9		
United Spirits	Neutral	1322	1500	13	19.8	21.7	24.4	25.8	9.6	12.4	61.0	54.3	10.2	8.6	16.6	15.7		
Varun Beverages	Buy	512	620	21	7.7	9.5	11.4	26.2	23.9	20.1	53.8	44.8	9.1	7.9	18.1	18.8		
<b>Aggregate</b>								<b>-1.8</b>	<b>9.7</b>	<b>12.9</b>	<b>49.1</b>	<b>44.8</b>	<b>11.5</b>	<b>10.8</b>	<b>23.4</b>	<b>24.2</b>		
<b>Consumer Durables</b>																		
Havells India	Neutral	1480	1680	13	23.5	25.6	31.9	15.7	9.1	24.8	57.8	46.3	9.9	8.7	17.1	18.8		
KEI Industries	Neutral	3812	4200	10	72.9	90.1	106.3	13.2	23.6	18.0	42.3	35.9	5.5	4.8	13.9	14.4		
Polycab India	Buy	6699	8130	21	134.3	169.6	193.6	13.1	26.3	14.1	39.5	34.6	8.5	7.2	21.5	20.8		
R R Kabel	Neutral	1335	1450	9	27.6	34.9	39.6	4.5	26.8	13.2	38.2	33.8	6.1	5.3	17.1	16.9		
Volta	Neutral	1317	1350	3	25.4	25.8	33.5	251.5	1.6	29.6	51.0	39.3	6.1	5.4	11.9	13.8		
<b>Aggregate</b>								<b>27.9</b>	<b>17.4</b>	<b>19.4</b>	<b>54.0</b>	<b>46.0</b>	<b>8.8</b>	<b>7.7</b>	<b>16.4</b>	<b>16.7</b>		
<b>EMS</b>																		
Amber Enterp.	Buy	7869	9000	14	72.0	116.2	181.4	82.6	61.4	56.1	67.7	43.4	9.9	8.1	15.8	20.6		
Avalon Tech	Buy	858	1030	20	9.6	14.9	25.2	125.2	55.1	69.8	57.7	34.0	8.0	6.4	14.9	20.9		
Cyient DLM	Buy	444	600	35	9.3	13.2	20.3	20.8	41.9	53.2	33.6	21.9	3.3	2.9	10.5	14.2		
Data Pattern	Neutral	2550	2700	6	39.6	49.7	64.5	22.1	25.5	29.7	51.3	39.5	8.0	6.7	16.9	18.4		
Dixon Tech.	Buy	16836	22100	31	117.2	169.3	265.1	90.5	44.5	56.6	99.4	63.5	25.5	18.3	29.2	33.6		
Kaynes Tech	Buy	6370	7300	15	45.8	81.5	132.9	59.6	77.9	63.2	78.2	47.9	8.2	6.9	13.9	16.4		
Syrma SGS Tech.	Buy	749	820	9	9.7	15.7	23.3	57.6	63.0	47.9	47.6	32.2	6.7	5.6	14.9	18.9		
<b>Aggregate</b>								<b>66.8</b>	<b>53.4</b>	<b>54.0</b>	<b>117.0</b>	<b>76.3</b>	<b>16.0</b>	<b>12.1</b>	<b>13.7</b>	<b>15.8</b>		
<b>Healthcare</b>																		
Alembic Phar	Neutral	958	970	1	29.1	35.5	44.0	-7.4	21.7	24.2	27.0	21.8	3.3	2.9	12.6	13.9		
Alkem Lab	Neutral	4895	4930	1	181.1	188.3	189.4	13.4	4.0	0.6	26.0	25.8	4.3	3.9	17.7	15.9		
Ajanta Pharma	Buy	2694	3200	19	74.1	83.6	97.2	18.9	12.9	16.2	32.2	27.7	7.4	6.2	25.0	24.4		
Apollo Hospitals	Buy	7344	8720	19	100.6	120.5	153.8	61.1	19.8	27.7	60.9	47.7	10.4	8.5	19.2	20.2		
Aurobindo	Buy	1080	1365	26	61.0	69.1	83.3	7.9	13.2	20.6	15.6	13.0	1.7	1.5	11.6	12.5		
Biocon	Buy	383	430	12	2.0	4.4	9.3	13.2	116.6	109.5	86.6	41.3	2.1	2.0	2.4	4.9		
Blue Jet Health	Buy	796	1100	38	17.6	25.3	32.2	78.5	43.6	27.2	31.5	24.7	9.0	6.7	32.8	31.0		
Cipla	Neutral	1501	1580	5	62.8	61.8	65.8	19.6	-1.6	6.6	24.3	22.8	3.4	3.0	13.9	13.1		
Divis Lab	Neutral	6359	7045	11	81.2	101.1	124.3	35.3	24.6	22.9	62.9	51.2	10.0	8.8	16.9	18.4		
Dr Reddy's	Neutral	1220	1190	-2	67.3	66.9	63.1	6.1	-0.6	-5.7	18.2	19.3	2.6	2.3	15.3	12.7		
Dr Agarwal's Hea	Buy	452	510	13	2.6	3.8	5.1	0.0	44.2	34.0	118.3	88.3	7.1	6.6	6.2	7.8		
ERIS Lifescience	Neutral	1804	1520	-16	25.6	38.1	54.5	-12.4	48.8	43.0	47.3	33.1	7.5	6.2	17.0	20.6		
Gland Pharma	Buy	1979	2215	12	42.4	50.9	66.5	-10.9	20.2	30.5	38.9	29.8	3.3	2.9	8.8	10.4		
Glenmark	Buy	2067	2430	18	47.7	57.9	72.6	1,821.0	21.3	25.5	35.7	28.5	5.6	4.7	17.0	18.1		
GSK Pharma	Neutral	2934	3000	2	54.7	58.8	68.6	26.4	7.3	16.8	49.9	42.8	20.0	15.7	40.1	36.6		
Global Health	Buy	1338	1380	3	19.8	22.4	31.2	11.1	13.3	39.0	59.7	42.9	9.3	7.9	16.6	19.8		
Granules India	Buy	452	570	26	19.7	23.8	31.0	13.6	20.7	30.3	19.0	14.6	2.6	2.2	14.5	16.3		
IPCA Labs	Buy	1452	1710	18	36.0	44.1	54.2	44.8	22.7	22.9	32.9	26.8	4.7	4.1	15.1	16.2		
Laxmi Dental	Buy	410	540	32	4.8	9.0	12.5	4.9	88.9	38.6	45.6	32.9	8.7	6.9	21.2	23.4		
Laurus Labs	Buy	848	970	14	5.8	12.2	15.4	92.4	109.8	26.6	69.7	55.0	8.9	7.8	13.4	15.1		
Lupin	Neutral	1865	2140	15	71.6	89.2	95.0	72.4	24.6	6.4	20.9	19.6	3.9	3.3	20.9	18.2		
Mankind Pharma	Buy	2562	2990	17	50.0	45.8	62.0	4.7	-8.5	35.5	56.0	41.3	6.7	5.9	12.5	15.2		
Max Healthcare	Buy	1247	1380	11	15.1	21.0	25.0	10.0	38.7	19.4	59.5	49.8	9.8	8.3	17.7	18.0		
Piramal Pharma	Buy	191	240	26	0.7	1.1	2.5	62.5	59.6	127.2	173.6	76.4	2.7	2.6	1.8	3.9		
Sun Pharma	Buy	1629	1960	20	47.1	51.2	61.1	13.4	8.6	19.3	31.8	26.7	4.8	4.2	15.9	16.7		
Torrent Pharma	Neutral	3674	3580	-3	57.8	70.1	86.8	22.7	21.2	24.0	52.4	42.3	6.8	5.7	28.4	29.3		
Zydus Lifesciences	Neutral	949	990	4	46.0	43.6	41.3	22.3	-5.3	-5.4	21.8	23.0	3.4	3.0	16.9	14.0		
<b>Aggregate</b>								<b>21.2</b>	<b>10.9</b>	<b>15.7</b>	<b>37.9</b>	<b>34.2</b>	<b>5.5</b>	<b>4.8</b>	<b>14.5</b>	<b>14.1</b>		
<b>Infrastructure</b>																		
G R Infraproject	Buy	1217	-		74.7	78.0	107.3	2.4	4.5	37.5	15.6	11.3	1.4	1.2	9.1	11.3		
IRB Infra	Neutral	44	50	13	1.1	2.0	2.8	11.7	77.9	38.3	22.3	16.1	1.3	1.2	5.9	7.7		
KNR Constructors	Neutral	212	220	4	14.0	10.8	14.2	-8.1	-22.7	30.9	19.6	15.0	1.4	1.3	7.4	9.0		
<b>Aggregate</b>													<b>24.8</b>	<b>19.7</b>	<b>1.4</b>	<b>1.3</b>	<b>5.7</b>	<b>6.7</b>
<b>Logistics</b>																		



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)			
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E		
Adani Ports	Buy	1347	1700	26	50.2	62.3	72.6	21.6	24.2	16.6	21.6	18.5	3.9	3.3	19.7	19.5		
Blue Dart Express	Buy	5883	7200	22	103.1	134.1	201.1	-15.2	30.1	49.9	43.9	29.3	7.4	6.1	18.2	22.8		
Concor	Buy	573	760	33	17.0	19.7	23.7	4.9	15.7	20.1	29.1	24.2	3.3	3.1	11.7	13.1		
Delhivery	Buy	430	500	16	2.2	4.8	6.1	-173.1	115.6	25.0	88.8	71.0	3.3	3.1	3.8	4.5		
JSW Infra	Buy	304	380	25	7.0	7.9	9.4	20.5	13.2	19.3	38.5	32.2	5.8	5.0	16.1	16.5		
Mahindra Logistics	Neutral	327	400	22	-5.0	5.6	23.1	-38.8	LP	310.9	58.1	14.1	5.1	3.8	8.7	30.1		
Transport Corp.	Buy	1166	1420	22	53.5	61.5	66.9	16.8	14.9	8.8	19.0	17.4	3.5	3.0	19.8	18.2		
TCI Express	Neutral	710	750	6	22.4	28.2	34.2	-34.8	26.0	21.3	25.1	20.7	3.2	2.9	13.5	14.7		
VRL Logistics	Buy	600	700	17	20.9	26.5	29.2	106.5	26.9	10.0	22.6	20.5	4.4	4.1	20.5	20.6		
<b>Aggregate</b>											<b>31.6</b>	<b>25.5</b>	<b>4.6</b>	<b>4.0</b>	<b>14.6</b>	<b>15.8</b>		
<b>Media</b>																		
PVR Inox	Neutral	1002	1080	8	-15.4	12.9	24.0	-232.4	LP	85.4	77.6	41.8	1.4	1.3	1.8	3.2		
Sun TV	Neutral	561	625	11	43.4	45.2	47.6	-8.8	4.0	5.5	12.4	11.8	1.8	1.6	14.2	13.7		
Zee Ent.	Neutral	116	135	16	8.2	8.6	10.2	80.8	5.5	18.1	13.5	11.4	0.9	0.9	7.0	7.8		
<b>Aggregate</b>										<b>-3.3</b>	<b>16.6</b>	<b>13.0</b>	<b>18.4</b>	<b>15.8</b>	<b>1.4</b>	<b>1.4</b>	<b>7.8</b>	<b>8.6</b>
<b>Metals</b>																		
Coal India	Buy	372	470	26	57.4	57.7	67.3	-5.5	0.6	16.5	6.4	5.5	2.0	1.7	30.6	30.3		
Hindalco	Buy	672	800	19	74.8	69.6	73.7	63.9	-6.9	5.9	9.7	9.1	1.3	1.2	14.9	13.8		
Hind. Zinc	Neutral	416	465	12	24.7	28.8	31.0	34.5	16.5	7.8	14.4	13.4	8.6	6.2	72.1	53.6		
JSPL	Buy	945	1090	15	41.4	54.4	93.1	-29.1	31.3	71.2	17.4	10.1	1.8	1.6	11.1	16.7		
JSW Steel	Buy	1027	1200	17	15.6	49.0	75.0	-57.7	214.6	53.3	21.0	13.7	2.8	2.3	14.0	18.4		
Jindal Stainless	Buy	706	810	15	30.5	36.2	44.5	-3.9	18.7	22.8	19.5	15.9	3.0	2.6	15.4	16.1		
Nalco	Neutral	181	190	5	28.7	17.9	20.4	215.8	-37.7	14.1	10.1	8.9	1.6	1.4	17.2	17.0		
NMDC	Buy	70	83	18	7.4	8.3	9.3	13.3	11.6	12.0	8.5	7.6	1.8	1.5	22.7	21.9		
SAIL	Neutral	120	130	8	3.2	6.2	13.5	24.3	92	117.7	19.3	8.9	0.8	0.8	4.3	8.8		
Tata Steel	Neutral	153	155	1	3.4	8.7	13.0	41.5	157	50.0	17.7	11.8	2.2	2.0	12.5	17.8		
Vedanta	Neutral	424	490	15	34.8	40.4	47.3	162.2	16	17.1	10.5	9.0	3.4	2.8	35.2	34.5		
<b>Aggregate</b>										<b>16.4</b>	<b>18.8</b>	<b>25.3</b>	<b>14.1</b>	<b>11.8</b>	<b>2.4</b>	<b>2.1</b>	<b>16.8</b>	<b>17.8</b>
<b>Oil &amp; Gas</b>																		
Aegis Logistics	Neutral	708	807	14	18.9	20.9	23.0	16.5	10.7	10.1	33.8	30.7	4.9	4.4	15.1	15.1		
BPCL	Neutral	318	300	-6	31.8	36.5	27.5	-49.7	14.6	-24.6	8.7	11.5	1.5	1.3	17.9	12.1		
Castrol India	Buy	218	258	18	9.4	9.6	9.9	7.3	2.0	3.8	22.8	22.0	8.8	8.1	39.8	38.3		
GAIL	Buy	174	210	20	14.4	13.1	14.9	4.8	-9.1	14.0	13.3	11.7	1.4	1.3	11.7	12.3		
Gujarat Gas	Buy	428	555	30	16.6	18.3	21.3	4.0	10.2	16.2	23.3	20.1	3.2	2.9	14.2	15.0		
Gujarat St. Pet.	Neutral	309	356	15	14.3	12.6	13.6	-37.1	-12.0	7.8	24.5	22.7	1.5	1.5	6.4	6.6		
HPCL	Buy	403	505	25	31.6	57.0	44.1	-57.9	80.0	-22.6	7.1	9.2	1.5	1.3	22.0	15.2		
IOC	Buy	141	167	18	7.8	13.6	11.1	-73.6	75.8	-18.4	10.3	12.7	1.0	0.9	9.7	7.5		
IGL	Buy	202	250	24	10.5	11.5	12.8	-16.0	9.3	11.4	17.6	15.8	2.8	2.5	16.4	16.6		
Mahanagar Gas	Buy	1338	1700	27	105.8	108.9	111.9	-18.9	3.0	2.8	12.3	12.0	2.0	1.8	17.3	16.1		
MRPL	Sell	123	100	-19	0.3	6.5	11.0	-98.6	2,150.7	70.0	19.0	11.2	1.6	1.4	8.5	13.2		
Oil India	Buy	434	521	20	37.6	34.3	36.6	-22.7	-8.8	6.7	12.7	11.9	1.4	1.3	11.8	11.6		
ONGC	Buy	237	275	16	30.6	31.4	33.5	-31.9	2.8	6.6	7.5	7.1	0.8	0.8	11.1	11.0		
PLNG	Buy	281	410	46	26.2	26.1	30.9	11.0	-0.4	18.7	10.8	9.1	1.9	1.7	19.0	20.0		
Reliance Ind.	Buy	1394	1700	22	51.5	57.7	63.5	0.0	12.1	10.0	24.2	22.0	2.1	1.9	8.9	9.0		
<b>Aggregate</b>										<b>-31.7</b>	<b>15.2</b>	<b>2.2</b>	<b>18.1</b>	<b>15.7</b>	<b>1.8</b>	<b>1.6</b>	<b>9.7</b>	<b>10.3</b>
<b>Real Estate</b>																		
Anant Raj	Buy	564	807	43	12.4	14.7	13.0	59.4	18.2	-11.5	38.5	43.4	4.2	3.8	10.8	8.8		
Brigade Enterpr.	Buy	980	1580	61	33.6	44.9	64.2	51.9	34.0	42.7	21.8	15.3	3.1	2.6	15.1	18.3		
DLF	Buy	777	1005	29	17.6	19.1	15.6	60.3	8.2	-18.5	40.7	50.0	3.0	2.8	10.6	8.0		
Godrej Propert.	Buy	2049	2843	39	46.1	82.3	80.0	71.7	78.4	-2.8	24.9	25.6	3.1	2.8	13.4	11.5		
Kolte Patil Dev.	Buy	412	489	19	14.0	41.6	38.6	-253.7	196.7	-7.2	9.9	10.7	2.3	1.9	30.2	19.1		
Oberoi Realty	Neutral	1589	1878	18	61.2	79.9	101.4	15.5	30.5	26.9	19.9	15.7	3.2	2.7	17.1	18.4		
Lodha Developers	Buy	1206	1870	55	28.7	37.9	40.2	70.4	32.1	6.2	31.9	30.0	5.0	4.3	16.7	15.4		
Mahindra Lifespace	Neutral	371	382	3	4.0	2.7	12.8	-37.7	-32.4	380.6	138.8	28.9	2.3	2.2	2.1	7.8		
SignatureGlobal	Buy	1132	1760	55	7.2	55.7	125.3	511.9	674.8	124.7	20.3	9.0	10.5	4.9	70.0	73.6		



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Sunteck Realty	Buy	388	540	39	10.3	12.2	26.1	111.9	18.4	114.8	31.9	14.8	1.7	1.5	5.3	10.6
Sobha	Buy	1584	1935	22	8.9	33.7	50.6	71.0	281.0	49.9	47.0	31.3	3.5	3.1	7.6	10.5
Prestige Estates	Buy	1598	2000	25	13.6	22.6	25.9	-28.2	65.7	14.7	70.8	61.8	3.7	3.5	5.3	5.8
Phoenix Mills	Neutral	1452	1646	13	27.5	49.7	62.1	-10.6	80.6	24.8	29.2	23.4	4.3	3.6	15.8	16.8
<b>Aggregate</b>								<b>42.8</b>	<b>41.0</b>	<b>12.9</b>	<b>46.6</b>	<b>33.1</b>	<b>4.5</b>	<b>4.0</b>	<b>9.7</b>	<b>12.0</b>
<b>Retail</b>																
Aditya Birla Fashion	Neutral	74	85	16	-6.1	-4.5	-3.4	-18.5	Loss	Loss	NM	NM	1.2	1.3	-8.4	-6.8
Aditya Birla Lifestyle	Neutral	138	170	23	1.3	2.1	3.0	-7.5	62.3	41.6	65.7	46.4	11.0	8.9	18.2	21.2
Avenue Supermarts	Buy	4197	4950	18	41.6	46.4	55.6	6.7	11.6	19.8	90.4	75.5	11.2	9.7	13.2	13.8
Barbeque-Nation	Neutral	272	325	20	-6.9	-7.1	-5.8	142.4	Loss	Loss	NM	NM	3.2	3.4	-8.3	-7.3
Bata India	Neutral	1185	1150	-3	19.4	23.7	27.6	-14.7	21.8	16.5	50.1	43.0	8.8	8.0	18.4	19.5
Campus Activewe.	Buy	267	325	22	4.0	5.1	6.7	35.5	29.2	31.5	52.3	39.7	9.0	7.3	17.1	18.4
Devyani Intl.	Buy	162	210	30	0.2	0.5	1.3	-75.7	158.4	170.0	334.1	123.8	29.0	37.0	6.6	26.3
Go Fashion (I)	Buy	760	988	30	17.3	17.5	22.3	13.0	1.4	27.1	43.4	34.1	5.3	4.7	11.5	13.0
Jubilant Food.	Neutral	641	750	17	3.6	6.1	9.2	-9.6	71.5	50.3	104.8	69.7	19.9	19.1	19.0	27.3
Kalyan Jewellers	Buy	583	660	13	7.8	10.7	13.0	34.9	37.4	20.8	54.2	44.9	10.7	9.4	21.3	22.3
Metro Brands	Buy	1199	1375	15	13.9	16.2	19.7	9.4	16.1	21.4	74.0	61.0	16.0	13.6	23.8	24.7
P N Gadgil Jewellers	Buy	578	825	43	17.4	21.4	27.5	32.5	22.7	28.6	27.0	21.0	4.3	3.5	17.1	18.4
Raymond Lifestyle	Buy	1171	1500	28	16.5	48.8	68.7	-79.4	195.7	40.8	24.0	17.0	0.7	0.7	6.6	8.7
Restaurant Brand	Buy	84	135	61	-4.0	-1.9	-0.4	-6.7	Loss	Loss	NM	NM	6.3	6.4	-13.4	-2.7
Relaxo Footwear	Sell	444	410	-8	6.8	8.2	9.5	-15.0	20.4	15.0	53.9	46.9	4.9	4.6	9.4	10.1
Sapphire Foods	Buy	320	400	25	1.0	1.2	2.8	-38.9	20.6	136.4	266.1	112.6	7.1	6.7	2.7	6.2
Senco Gold	Neutral	314	400	27	12.4	14.2	16.7	6.2	14.6	18.0	22.2	18.8	2.4	2.1	11.2	11.9
Shoppers Stop	Neutral	523	510	-3	0.6	1.1	1.9	-88.9	85.1	66.9	462.0	276.8	12.4	11.7	3.6	5.7
Titan Company	Buy	3315	4250	28	42.3	53.9	63.3	7.6	27.5	17.4	61.5	52.4	19.7	15.6	36.1	33.2
Trent	Buy	5182	6650	28	43.2	53.2	65.0	47.7	23.3	22.1	97.3	79.7	24.1	18.6	30.0	28.2
Vedant Fashions	Neutral	741	775	5	16.0	17.5	19.1	-6.2	9.2	9.6	42.4	38.7	9.2	8.2	21.0	20.5
Vishal Mega Mart	Buy	141	165	17	1.4	1.7	2.1	34.2	23.8	25.6	82.9	66.0	9.0	7.9	11.5	12.8
V-Mart Retail	Buy	780	1035	33	2.6	13.4	22.5	-121.3	415.7	67.9	58.3	34.7	6.8	5.7	12.3	17.7
Westlife Foodworld	Neutral	721	750	4	0.8	1.9	4.6	-82.4	136.9	149.6	388.3	155.6	17.2	15.5	4.6	10.5
<b>Aggregate</b>								<b>15.4</b>	<b>31.2</b>	<b>25.5</b>	<b>100.7</b>	<b>78.1</b>	<b>12.5</b>	<b>11.4</b>	<b>12.5</b>	<b>14.5</b>
<b>Technology</b>																
Cyient	Sell	1182	1120	-5	55.4	63.6	76.1	-17.2	14.9	19.6	18.6	15.5	2.3	2.2	12.0	13.6
HCL Tech.	Buy	1453	2000	38	63.9	67.0	75.9	10.3	4.9	13.2	21.7	19.1	5.7	5.8	26.4	30.1
Hexaware Tech.	Buy	695	930	34	19.3	23.5	27.5	17.6	22.0	16.9	29.5	25.2	6.9	6.1	25.4	26.1
Infosys	Neutral	1471	1750	19	63.8	68.6	72.6	0.8	7.5	5.8	21.4	20.3	6.3	6.3	29.7	31.3
LTI Mindtree	Buy	5017	6000	20	155.3	174.4	200.1	0.3	12.3	14.7	28.8	25.1	5.8	5.1	21.3	21.6
L&T Technology	Neutral	4273	4300	1	119.0	129.8	155.8	-3.2	9.0	20.1	32.9	27.4	6.5	5.6	21.0	22.0
Mphasis	Neutral	2753	2900	5	89.3	99.8	111.8	9.2	11.8	12.1	27.6	24.6	5.0	4.7	19.0	19.7
Coforge	Buy	1704	2240	31	25.2	46.4	58.9	-8.7	84.3	26.9	36.7	28.9	7.9	7.0	17.1	20.7
Persistent Sys	Buy	5055	6800	35	90.2	114.5	140.1	20.2	26.9	22.3	44.1	36.1	10.6	9.0	26.1	27.2
TCS	Buy	3003	3850	28	134.2	142.7	152.6	6.3	6.3	6.9	21.0	19.7	11.0	10.6	53.4	54.9
Tech Mah	Buy	1439	2000	39	47.9	61.3	78.3	17.1	27.9	27.7	23.5	18.4	4.5	4.4	19.6	24.2
Wipro	Sell	243	230	-5	12.5	12.6	13.1	22.8	1.0	3.9	19.2	18.5	3.0	3.0	15.9	16.2
Zensar Tech	Neutral	792	750	-5	28.4	32.3	34.6	-2.5	13.8	7.2	24.5	22.9	4.1	3.7	17.4	17.2
<b>Aggregate</b>								<b>8.7</b>	<b>7.8</b>	<b>9.2</b>	<b>24.0</b>	<b>22.3</b>	<b>6.7</b>	<b>6.5</b>	<b>28.1</b>	<b>29.4</b>
<b>Telecom</b>																
Bharti Airtel	Buy	1885	2200	17	30.3	48.1	63.7	54.2	58.7	32.4	39.2	29.6	8.0	6.2	22.7	25.7
Bharti Hexacom	Neutral	1844	1950	6	25.6	38.3	55.5	58.7	49.4	44.8	48.2	33.2	12.5	10.1	28.8	33.7
Indus Towers	Neutral	345	400	16	18.4	26.5	30.1	-18.0	44.4	13.3	13.0	11.5	2.3	2.3	19.4	19.8
Vodafone Idea	Sell	7	7	-2	-3.8	-2.9	-2.9	-39.9	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1667	1675	0	28.7	46.9	63.7	-32.0	63.3	35.7	35.5	26.2	13.3	10.1	40.6	44
<b>Aggregate</b>								<b>Loss</b>	<b>LP</b>	<b>213.8</b>	<b>-506</b>	<b>223</b>	<b>17.1</b>	<b>12.3</b>	<b>-3.4</b>	<b>5.5</b>
<b>Utilities</b>																
Acme Solar	Buy	277	347	25	4.5	7.5	10.3	-563.2	65.5	37.2	37.1	27.0	3.4	3.0	9.5	11.8



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Indian Energy Exchange	Neutral	132	135	2	4.7	5.1	4.9	21.4	10.1	-4.1	25.8	26.9	9.2	8.1	38.4	32.0
Inox Wind	Buy	152	210	38	3.5	5.8	8.4	-2,530.3	66.8	44.3	26.0	18.0	3.4	2.9	14.0	17.3
JSW Energy	Buy	512	620	21	10.7	12.6	16.9	1.6	18.4	33.9	40.5	30.2	3.0	2.8	7.8	9.6
NTPC	Neutral	331	380	15	20.3	25.8	28.0	6.2	26.7	8.8	12.8	11.8	1.7	1.5	13.6	13.6
Power Grid Corpn	Buy	291	345	18	16.7	18.0	19.1	-0.3	7.7	6.4	16.2	15.2	2.7	2.5	17.4	17.2
Suzlon Energy	Buy	66	82	24	1.1	1.7	2.3	105.5	55.0	40.2	39.5	28.2	10.7	7.8	31.5	32.0
Tata Power Co.	Buy	389	487	25	12.3	15.1	17.3	11.7	23.3	14.4	25.8	22.5	3.1	2.7	12.6	13
<b>Aggregate</b>								<b>8.1</b>	<b>20.7</b>	<b>11.6</b>	<b>22</b>	<b>18</b>	<b>2.7</b>	<b>2.5</b>	<b>12.5</b>	<b>13.8</b>
<b>Others</b>																
APL Apollo Tubes	Buy	1591	2000	26	27.3	41.9	56.6	3.4	53.5	35.0	38.0	28.1	8.5	6.7	24.7	26.6
Astral	Buy	1406	1800	28	19.5	23.8	30.4	-4.1	22.2	27.6	59.1	46.3	6.9	5.9	16.5	18.3
Cello World	Buy	593	720	22	15.3	16.5	21.9	-1.7	7.5	32.6	35.9	27.1	5.0	4.4	14.5	17.6
Coromandel Intl	Buy	2596	2930	13	61.3	76.2	97.4	9.8	24.4	27.8	34.1	26.7	5.9	5.0	18.7	20.3
Dreamfolks Services	Buy	135	280	107	11.9	15.2	19.0	-5.0	28.0	24.8	8.9	7.1	1.9	1.5	24.3	23.8
EPL	Buy	225	290	29	11.3	14.1	16.7	39.9	24.3	18.5	16.0	13.5	2.7	2.4	18.0	18.8
Eternal	Buy	304	330	8	0.6	1.2	3.9	44.2	101.5	228.6	256.9	78.2	8.7	7.8	3.4	10.5
Godrej Agrovet	Buy	814	980	20	22.4	29.7	36.7	19.5	32.6	23.8	27.4	22.2	8.6	6.7	27.1	34.1
Gravita India	Buy	1790	2300	28	42.3	57.7	73.4	22.2	36.2	27.3	31.0	24.4	5.3	4.4	18.7	19.7
Indiamart Inter.	Buy	2599	3050	17	91.7	84.2	95.1	66.1	-8.2	12.9	30.9	27.3	6.0	5.2	21.0	20.3
Indian Hotels	Buy	741	900	21	11.8	13.4	16.1	33.4	13.0	20.8	55.4	45.9	8.1	7.0	15.7	16.3
Info Edge	Neutral	1368	1350	-1	11.9	16.8	20.2	-7.4	40.9	20.3	81.4	67.7	3.1	3.0	3.9	4.5
Interglobe	Buy	5785	6900	19	188.1	269.7	262.0	-11.2	43.4	-2.9	21.4	22.1	11.6	7.7	73.2	42.2
Kajaria Ceramics	Buy	1183	1430	21	21.8	30.4	34.9	-21.9	39.3	14.7	38.9	33.9	6.2	5.6	16.6	17.2
Lemon Tree Hotel	Buy	147	185	26	2.5	3.7	4.5	32.4	46.4	22.1	39.9	32.6	7.9	6.4	22.0	21.6
MTAR Tech	Buy	1427	1900	33	17.2	32.7	53.7	-5.8	90.3	64.2	43.6	26.6	5.3	4.4	12.9	18.1
One 97	Neutral	1076	1025	-5	-10.4	6.1	14.8	-53.1	LP	141.8	176.0	72.8	4.6	4.6	2.6	6.4
Prince Pipes	Buy	335	500	49	3.9	9.6	15.8	-73.8	144.7	64.6	34.9	21.2	0.9	0.8	6.5	10.0
Quess Corp	Neutral	291	340	17	15.2	15.6	17.7	63.3	2.9	13.4	18.6	16.4	3.5	4.1	22.9	30.2
SBI Cards	Neutral	803	950	18	20.2	27.8	37.9	-20.5	37.8	36.3	28.9	21.2	4.7	3.9	17.7	20.2
SIS	Buy	381	430	13	22.0	31.6	38.4	69.7	43.7	21.5	12.0	9.9	0.9	0.8	17.4	17.7
Supreme Inds.	Buy	4246	5350	26	75.6	85.0	119.6	-10.2	12.4	40.7	49.9	35.5	8.6	7.3	18.0	22.2
Swiggy	Neutral	392	350	-11	-13.6	-17.0	-11.2	27.4	Loss	Loss	NM	NM	12.6	16.8	-44.9	-41.1
Team Lease Serv.	Buy	1829	2400	31	64.9	96.9	114.6	0.1	49.4	18.3	18.9	16.0	2.9	2.5	15.3	15.5
Time Technoplast	Buy	452	578	28	17.1	21.4	26.3	25.0	25.2	22.7	21.1	17.2	3.1	2.7	15.7	16.8
Updater Services	Buy	283	370	31	17.7	21.0	24.8	56.2	18.4	17.9	13.5	11.4	1.7	1.5	13.6	13.9
UPL	Neutral	665	700	5	25.0	40.7	58.9	583.6	62.8	44.7	16.3	11.3	1.1	1.0	10.3	13.8
VA Tech Wabag	Buy	1572	1900	21	47.6	60.0	73.2	20.2	26.0	22.0	26.2	21.5	3.9	3.4	15.0	15.8

Index	1 Day (%)	1M (%)	12M (%)
Sensex	-0.7	-3.7	-1.5
Nifty-50	-0.8	-3.8	-1.8
Nifty Next 50	-1.3	-4.0	-10.9
Nifty 100	-0.9	-3.8	-3.5
Nifty 200	-1.0	-4.1	-3.4
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-1.0	-1.7	-11.6
Amara Raja Ener.	-1.0	-0.8	-40.6
Apollo Tyres	-2.0	-1.5	-20.1
Ashok Leyland	-0.6	-4.3	-3.8
Bajaj Auto	0.5	-4.2	-17.3
Balkrishna Inds	-3.8	4.0	-23.0
Bharat Forge	-2.0	-10.8	-33.3
Bosch	0.0	25.0	17.5
CEAT	-2.5	-11.6	23.0
Craftsman Auto	-4.3	13.4	16.6
Eicher Motors	1.1	-3.3	11.3
Endurance Tech.	-2.9	-14.1	-3.6
Escorts Kubota	-2.1	-0.9	-20.7
Exide Inds.	-1.3	-1.7	-26.0
Happy Forgings	-0.5	-1.2	-25.5
Hero Motocorp	1.2	2.0	-19.7
Hyundai Motor	1.4	-2.7	
M & M	-1.4	-0.5	11.7
CIE Automotive	0.8	-8.9	-31.3
Maruti Suzuki	-2.4	-1.1	-7.9
MRF	-1.6	2.1	3.7
Sona BLW Precis.	-2.7	-8.1	-34.9
Motherson Sumi	-1.7	-5.8	-27.0
Motherson Wiring	1.1	-5.5	-23.2
Tata Motors	-2.6	-5.1	-43.3
TVS Motor Co.	2.0	-1.2	10.6
Tube Investments	-1.1	-9.0	-31.3
<b>Banks-Private</b>	<b>-0.6</b>	<b>-4.8</b>	<b>4.7</b>
AU Small Fin. Bank	-0.1	-11.6	14.9
Axis Bank	-0.6	-9.5	-9.4
Bandhan Bank	-2.8	-12.7	-23.5
DCB Bank	0.4	-8.0	8.3
Equitas Sma. Fin	-3.7	-17.6	-28.9
Federal Bank	-3.1	-10.4	-2.3
HDFC Bank	-0.3	0.0	22.8
ICICI Bank	-0.7	2.8	21.6
IDFC First Bank	-1.7	-12.5	-10.4
IndusInd Bank	-1.9	-10.9	-44.8
Kotak Mah. Bank	0.7	-8.8	11.1
RBL Bank	-2.9	-0.4	12.1
SBI Cards	-0.4	-13.7	11.6
<b>Banks-PSU</b>	<b>-1.1</b>	<b>-6.6</b>	<b>-7.5</b>
BOB	-1.2	-5.0	-6.4
Canara Bank	-1.3	-8.3	-6.0
Indian Bank	-0.1	-4.4	4.3
Punjab Natl.Bank	-2.1	-8.7	-16.1
St Bk of India	-0.3	-3.2	-8.0

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-1.1	-4.0	-3.5
Nifty Midcap 100	-1.3	-5.2	-3.2
Nifty Smallcap 100	-1.7	-7.3	-6.8
Nifty Midcap 150	-1.3	-3.9	-2.8
Nifty Smallcap 250	-1.6	-5.1	-5.4
Union Bank (I)	-2.2	-17.2	-5.3
<b>NBFCs</b>	<b>-0.6</b>	<b>-2.3</b>	<b>13.0</b>
Aditya Birla Capital Ltd	-1.5	-6.4	-11.3
AAVAS Financiers	-2.5	-17.4	0.9
Bajaj Fin.	-0.2	-0.9	-5.8
Cholaman.Inv.&Fn	-1.1	-9.2	16.9
Can Fin Homes	-2.5	-20.4	-62.6
CreditAcc. Gram.	-10.6	-9.0	-6.5
Fusion Microfin.	-2.4	-22.5	15.8
Five-Star Bus.Fi	-0.7	-3.2	14.0
Home First Finan	-2.7	-6.7	-24.7
Indostar Capital	-2.0	-10.9	16.0
IIFL Finance	0.4	-3.2	-13.3
L&T Finance	-1.0	-1.5	4.6
LIC Housing Fin.	-0.8	-1.9	39.1
MCX	-2.6	-10.2	-24.4
M & M Fin. Serv.	-18.0	-26.8	-0.1
Muthoot Finance	-1.6	-2.9	-37.8
Manappuram Fin.	-0.7	-9.6	16.6
MAS Financial Serv.	-1.5	-4.7	-25.6
PNB Housing	-2.1	-9.2	-26.4
Power Fin.Corpn.	-4.0	-3.0	-59.3
REC Ltd	0.0	-10.5	-4.2
Repco Home Fin	-2.7	5.6	20.3
Shriram Finance	-1.7	23.4	39.8
Spandana Sphoort	-1.2	-13.3	14.9
Nippon Life Ind.	-0.1	-17.7	21.3
UTI AMC	-0.6	9.2	34.2
Nuvama Wealth	1.7	-17.4	24.5
Prudent Corp.	-1.3	-16.2	73.4
<b>NBFC-Non Lending</b>			
360 One	-2.0	-10.5	14.2
Aditya AMC	-2.5	-14.1	-17.4
Anand Rathi Wea.	-1.1	-0.5	22.1
Angel One	-1.4	-11.1	2.3
BSE	0.3	-8.8	-8.0
C D S L	-4.5	-16.3	4.1
Cams Services	0.7	-21.6	-21.7
HDFC AMC	-0.7	-13.1	173.7
KFin Technolog.	-0.6	-6.5	29.3
MCX	-2.6	-10.2	-24.4
Nippon Life Ind.	-0.1	-17.7	21.3
Nuvama Wealth	1.7	-17.4	24.5
Prudent Corp.	-1.3	-16.2	73.4
UTI AMC	-0.6	9.2	34.2
<b>Insurance</b>			
HDFC Life Insur.	-1.8	-8.4	3.9
ICICI Pru Life	-2.5	-9.1	-18.3

Company	1 Day (%)	1M (%)	12M (%)
ICICI Lombard	-3.1	-9.5	-6.8
Life Insurance	-1.1	-8.9	-25.0
Max Financial	-1.9	-11.0	33.5
Niva Bupa Health	-6.9	-0.5	
SBI Life Insuran	-2.4	-3.6	1.6
Star Health Insu	-2.0	2.8	-27.7
<b>Chemicals</b>			
Alkyl Amines	-0.3	1.6	11.0
Atul	-2.1	-12.4	-17.3
Clean Science	-1.2	-16.7	-22.7
Deepak Nitrite	-1.1	-7.1	-41.1
Fine Organic	-1.1	3.3	-5.0
Galaxy Surfact.	-0.3	2.1	-8.0
Navin Fluo.Intl.	-0.7	2.5	36.0
NOCIL	-2.8	-7.4	-44.4
P I Inds.	-1.4	0.9	-5.0
SRF	-1.8	-6.7	13.7
Tata Chemicals	-2.7	2.8	-13.3
Vinati Organics	-1.9	-8.2	-17.4
<b>Capital Goods</b>			
A B B	-2.2	-9.4	-30.7
Bharat Dynamics	-3.3	-21.0	7.9
Bharat Electron	-1.5	-12.7	21.2
Cummins India	0.4	6.6	-6.5
Hind.Aeronautics	-2.1	-9.6	-7.8
Hitachi Energy	2.3	6.5	65.8
K E C Intl.	-4.4	-9.4	-9.1
Kalpataru Proj.	-2.3	-6.8	-17.8
Kirloskar Oil	-3.5	1.8	-27.3
Larsen & Toubro	-1.4	-2.2	-5.1
Siemens	-0.3	-9.0	-13.5
Siemens Ener	-2.1	6.6	
Thermax	-4.1	12.6	-27.1
Triveni Turbine	-1.9	-3.0	-2.8
Zen Technologies	4.7	-22.5	-9.8
<b>Cement</b>			
Ambuja Cem.	2.6	4.8	-8.4
ACC	0.3	-6.6	-27.9
Birla Corp.	-2.4	-1.9	-15.0
Dalmia Bhar.	-1.4	0.7	21.6
Grasim Inds.	-0.9	-4.4	-1.6
India Cem	-1.9	4.6	-0.3
J K Cements	0.3	8.9	51.1
JK Lakshmi Cem.	0.3	2.3	13.1
The Ramco Cement	-3.1	5.9	38.3
Shree Cement	-0.5	-1.7	10.4
UltraTech Cem.	-1.1	-0.8	1.1
<b>Consumer</b>			
Asian Paints	1.5	2.6	-21.6
Britannia Inds.	0.5	0.9	1.2
Colgate-Palm.	0.6	-6.3	-33.1
Dabur India	1.0	10.8	-17.0
Emami	3.1	9.5	-24.9

Company	1 Day (%)	1M (%)	12M (%)
Godrej Consumer	0.6	8.4	-13.9
Hind. Unilever	1.3	11.2	-6.0
ITC	1.1	0.3	-10.8
Indigo Paints	0.4	2.0	-19.8
Jyothi Lab.	0.0	-4.0	-36.3
L T Foods	-1.9	0.2	55.4
Marico	0.2	-0.9	5.4
Nestle India	1.3	-5.5	-8.4
Page Industries	-4.1	-2.9	11.4
Pidilite Inds.	-0.4	-6.1	-8.4
P & G Hygiene	-0.3	2.8	-18.6
Radico Khaitan	3.8	10.5	66.0
Tata Consumer	-0.3	-2.3	-11.4
United Breweries	-1.1	-1.3	-3.8
United Spirits	-1.3	-5.6	-6.5
Varun Beverages	-2.0	13.4	-18.8
<b>Consumer Durables</b>			
Polycab India	-1.2	-4.2	-19.3
R R Kabel	-0.7	0.1	-11.9
Havells	-1.8	0.5	-1.1
Volta	-7.3	-3.6	-23.3
KEI Industries	-0.8	-0.7	-14.3
<b>EMS</b>			
Amber Enterp.	-1.2	11.1	84.7
Avalon Tech	1.2	4.1	63.7
Cyient DLM	-1.0	-6.2	-44.3
Data Pattern	-3.4	-12.9	-19.5
Dixon Technolog.	0.0	14.5	44.4
Kaynes Tech	3.2	3.7	45.5
Syrma SGS Tech.	-1.0	27.5	49.4
<b>Healthcare</b>			
Ajanta Pharma	-2.0	7.7	-3.5
Alembic Pharma	-1.9	-5.2	-20.9
Alkem Lab	-3.6	0.0	-8.0
Apollo Hospitals	-2.0	-1.9	9.6
Aurobindo	-5.3	-4.7	-24.6
Biocon	-2.1	5.7	8.0
Blue Jet Health	-1.2	-5.6	59.5
Cipla	-3.3	-0.9	-2.8
Divis Lab	-3.5	-7.2	29.4
Dr Agarwals Health	-1.1	11.8	
Dr Reddy's	-3.9	-4.4	-11.4
ERIS Lifescience	0.4	7.7	61.3
Gland Pharma	-4.2	5.4	-6.8
Glenmark	2.0	16.2	9.5
Global Health	-4.9	-7.6	-28.5
Granules	-7.1	-12.4	6.5
GSK Pharma	-3.1	17.9	43.8
IPCA Labs	-1.6	5.7	11.1
Laurus Labs	-2.9	13.8	88.0
Laxmi Dental	-2.7	-4.5	
Lupin	-3.2	-4.8	-4.4
Mankind Pharma	0.0	-2.6	34.8

Company	1 Day (%)	1M (%)	12M (%)
Max Healthcare	0.0	12.2	28.0
Piramal Pharma	-3.2	-6.9	10.0
Sun Pharma	-4.5	-2.2	-5.0
Torrent Pharma	-1.7	7.7	14.8
Zydus Lifesci.	-2.1	-5.3	-23.6
<b>Infrastructure</b>	<b>-1.1</b>	<b>-5.1</b>	<b>-5.9</b>
G R Infraproject	-0.8	-8.6	-31.7
IRB Infra.Devl.	-1.6	-10.8	-32.1
KNR Construct.	-1.1	-3.6	-46.0
<b>Logistics</b>			
Adani Ports	-1.9	-6.9	-15.3
Blue Dart Exp.	-1.8	-14.0	-28.4
Delhivery	1.1	12.0	5.6
Container Corpn.	-0.8	-3.9	-30.9
JSW Infrast	-0.2	-3.1	-8.3
Mahindra Logis.	-2.6	3.8	-29.6
Transport Corp.	-0.8	2.3	13.9
TCI Express	0.8	-7.1	-41.4
VRL Logistics	-3.3	2.4	4.4
<b>Media</b>	<b>-0.6</b>	<b>-6.6</b>	<b>-23.3</b>
PVR INOX	-0.2	3.5	-33.0
Sun TV	-0.3	-5.7	-37.0
Zee Ent.	-1.6	-18.1	-18.0
<b>Metals</b>	<b>-2.0</b>	<b>-4.8</b>	<b>-4.9</b>
Hindalco	-1.6	-3.1	-0.2
Hind. Zinc	-2.0	-7.8	-35.9
JSPL	-2.0	-0.6	-3.8
JSW Steel	-2.0	-0.2	10.0
Jindal Stainless	1.7	-0.1	-4.1
Nalco	-2.4	-5.0	-6.3
NMDC	-0.5	3.7	-12.9
SAIL	-3.3	-9.9	-19.9
Tata Steel	-3.1	-4.4	-6.2
Vedanta	-0.3	-8.9	-5.3
<b>Oil &amp; Gas</b>	<b>-1.9</b>	<b>-5.9</b>	<b>-19.8</b>
Aegis Logistics	-8.6	2.3	16.4
BPCL	-2.5	1.1	26.1
Castrol India	-1.8	-5.0	-8.0
GAIL	-3.5	-4.3	-9.0
Gujarat Gas	-1.9	-8.0	-27.0
Gujarat St. Pet.	0.1	-2.8	-14.6
HPCL	-2.9	-11.0	-34.9
IOCL	-2.0	-7.8	-9.2
IGL	-3.5	-8.3	3.2
Mahanagar Gas	-3.2	-4.2	-21.5
MRPL	-1.7	-6.7	-25.6
Oil India	-2.0	-13.5	-44.2
ONGC	-1.5	-10.3	-26.7
PLNG	-1.4	-0.1	-27.5
Reliance Ind.	-1.7	-2.7	-30.7
<b>Real Estate</b>	<b>-1.8</b>	<b>-8.9</b>	<b>-16.6</b>
Anant Raj	-0.1	-0.2	5.7
Brigade Enterpr.	-2.5	-10.2	-21.9

Company	1 Day (%)	1M (%)	12M (%)
DLF	-0.9	-7.8	-11.0
Godrej Propert.	-2.5	-11.4	-34.4
Kolte Patil Dev.	-0.6	-16.2	7.0
Mahindra Life.	-1.2	1.8	-34.2
Macrotech Devel.	-1.9	-13.2	-5.2
Oberoi Realty Ltd	-2.5	-16.9	-13.6
SignatureGlobal	-1.1	-9.2	-21.9
Sobha	-1.0	6.2	-11.4
Sunteck Realty	-1.2	-11.6	-34.4
Phoenix Mills	-2.1	-6.1	-19.5
Prestige Estates	-1.8	-2.5	-9.0
<b>Retail</b>			
Aditya Bir. Fas.	1.2	-1.0	-40.0
A B Lifestyle	-3.9	-11.6	
Avenue Super.	-1.7	-5.8	-16.0
Barbeque-Nation	-4.2	-13.8	-52.2
Bata India	-0.3	-3.6	-26.7
Campus Activewe.	0.0	-3.9	-15.7
Devyani Intl.	-1.0	-4.3	-7.3
Go Fashion (I)	-7.6	-13.7	-33.6
Jubilant Food	-2.1	-9.6	6.9
Kalyan Jewellers	-2.0	2.2	3.2
Metro Brands	-3.4	5.7	-11.2
P N Gadgil Jewe.	-0.9	-4.1	
Raymond Lifestyl	2.0	-8.7	
Relaxo Footwear	-2.4	0.9	-47.8
Restaurant Brand	3.1	1.3	-24.2
Sapphire Foods	1.0	-2.3	-5.7
Senco Gold	0.5	-7.8	-36.2
Shoppers St.	0.1	3.8	-31.1
Titan Co.	-0.9	-10.4	-4.4
Trent	3.2	-15.7	-10.2
Vedant Fashions	-0.9	-8.8	-35.4
V-Mart Retail	-1.3	-8.4	-8.9
Vishal Mega Mart	1.1	7.0	
Westlife Food	-1.1	-6.3	-11.6
<b>Technology</b>	<b>-1.8</b>	<b>-10.8</b>	<b>-14.9</b>
Cyient	-2.0	-8.7	-33.0
HCL Tech.	-1.1	-15.5	-11.5
Hexaware	-1.4	-18.1	
Infosys	-2.6	-8.5	-20.7
LTIMindtree	-1.7	-5.4	-11.6
L&T Technology	-0.8	-1.8	-16.6
Mphasis	-1.2	-4.3	-3.4
Coforge	-2.4	-11.2	35.7
Persistent Sys	-1.9	-16.2	5.5
TCS	-1.1	-12.4	-31.7
Tech Mah	-1.7	-13.9	-6.8
Wipro	-2.2	-8.2	-6.9
Zensar Tech	-1.7	-5.8	2.0

<b>Telecom</b>	<b>-2.4</b>	<b>-10.5</b>	<b>-11.8</b>
Bharti Airtel	-1.6	-6.7	25.2
Indus Towers	-4.9	-17.9	-19.5
Idea Cellular	-4.5	-11.4	-58.7
Tata Comm	-3.3	-3.4	-15.4
<b>Utilties</b>	<b>-0.5</b>	<b>-3.5</b>	<b>-21.7</b>
ACME Solar Hold.	-0.6	11.2	
Coal India	-1.0	-4.4	-31.1
Indian Energy Ex	-2.4	-31.6	-30.6
Inox Wind	0.7	-11.0	-13.5
JSW Energy	-0.7	-2.9	-29.7
NTPC	-1.0	-0.5	-21.9
Power Grid Corpn	0.1	-2.1	-19.3
Suzlon Energy	7.1	-1.9	-3.0
Tata Power Co.	-2.1	-4.2	-16.2
<b>Others</b>			
APL Apollo Tubes	-2.6	-6.4	-23.7
Astral	0.1	-6.1	-35.3
Cello World	-0.4	-9.4	8.0
Coromandel Intl	1.1	-1.4	5.5
Dreamfolks Servi	-1.8	-7.8	-37.3
EPL Ltd	-3.1	-11.0	-8.1
Eternal Ltd	-1.0	16.8	30.2
Godrej Agrovet	1.2	-7.1	2.9
Gravita India	-3.9	3.4	-0.5
Havells	-1.8	0.5	-1.1
Indiamart Inter.	-4.4	-3.1	7.0
Indian Hotels	0.4	0.0	-8.8
Info Edge	0.1	-2.7	17.2
Interglobe	-1.8	-5.6	-0.9
Kajaria Ceramics	-2.1	-3.0	31.4
Lemon Tree Hotel	-5.0	-23.2	184.3
MTAR Technologie	-1.9	5.3	0.3
One 97	-1.2	15.7	116.6
Piramal Enterp.	-4.4	2.4	17.0
Prince Pipes	-0.3	-9.5	-48.0
Quess Corp	-1.4	-3.2	-15.3
SIS	-1.6	2.7	-13.9
Supreme Inds.	-1.3	-2.9	-19.0
Swiggy	-2.8	-0.3	
Time Technoplast	-3.2	3.1	32.6
Team Lease Serv.	-0.1	-8.8	-44.0
Updater Services	-2.1	-3.5	-11.1
UPL	-5.5	-0.9	23.7
Volta	-7.3	-3.6	-23.3
Va Tech Wab.	-0.8	10.7	18.4

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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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