

Market snapshot



Today's top research idea

State Bank of India: Steady quarter; treasury gains drive earnings

- ❖ State Bank of India (SBIN) reported a 1QFY26 PAT of INR191.6b (13% beat), aided by robust treasury gains and controlled opex. NII declined 4% QoQ to INR410.7b (largely in line). NIM contracted 10bp QoQ/32bp YoY to 2.9%. The bank expects FY26 domestic NIMs to be maintained at >3%, with NIMs anticipated to rebound from 3QFY26 onwards.
- ❖ Advances grew 11.9% YoY/0.8% QoQ. Of this, retail grew 12.5% YoY, corporate declined 3% QoQ (up 6% YoY), agri stood flat QoQ, and SME grew 19% YoY/4.4% QoQ. Xpress credit has remained flat for quite a few quarters; the bank expects the segment to revive gradually in FY26. Slippages increased to INR83.9b in 1QFY26 (slippage ratio stood at 0.75% vs 0.55% in 4QFY25). GNPA ratio increased 1bp QoQ to 1.83%, while NNPA ratio stood flat at 0.47%. PCR ratio stood broadly stable at 74.5%. Credit cost stood at 0.47%, while SMA book stood at 12bp of loans.
- ❖ We increase our earnings by 3%/3.5% for FY26/27E to factor in robust treasury gains and controlled opex, and estimate FY27E RoA/RoE at 1.1%/15.5%. Reiterate BUY with a TP of INR925 (1.2x FY27E ABV).



Research covered

Cos/Sector	Key Highlights
State Bank of India	Steady quarter; treasury gains drive earnings
India Strategy	Ownership analysis – DIIs fortify their grip
Other Updates	TATA Motors Grasim Siemens Cummins India Info Edge HPCL Max Financial Services Biocon Voltas Global Health NALCO Metro Brands Apollo Tyres Aegis Logistics Manappuram Finance Kalpataru Projects Signature Global Data Patterns (India) Equitas Small Finance Bank Indigo Paints NOCL Repco Home Finance India Life Insurance EcoScope - Monsoon Diary Lemon Tree Hotels Happy Forgings Fusion Finance

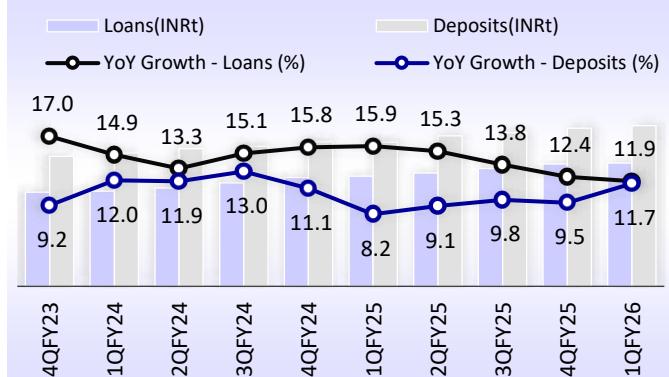
Note: Flows, MTD includes provisional numbers.

*Average

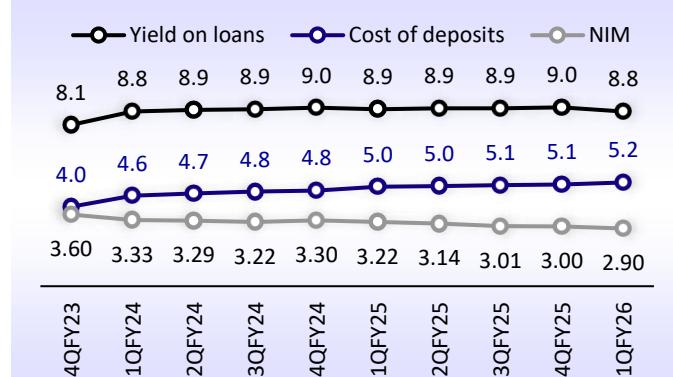


Chart of the Day: State Bank of India (Steady quarter; treasury gains drive earnings)

Loans grew 11.9% YoY; deposits rose 11.7% YoY



Global NIM moderated 10bp QoQ to 2.9%





Kindly click on textbox for the detailed news link

1

ICICI Bank reports lowest attrition rate among private peers in last 3 fiscal years

ICICI Bank has reported the lowest employee attrition rate among large private sector lenders in the last three financial years, reflecting higher stickiness due to competitive remuneration and a better working environment.

2

Shrimp exporters seek govt aid as Trump tariffs threaten \$2 bn of exports

The Seafood Export Association of India has approached the ministries of commerce and finance to seek emergency financial support as USD 2 billion worth of shrimp exports to the US face severe disruptions

3

IndusInd Bank to boost retail loans, MSME assets, and rural banking in FY26

Ramping up retail liabilities, scaling secured retail and MSME assets, and being selective in the corporate space are some of the focus areas for the current fiscal, as IndusInd Bank is making efforts to come out of the financial mess caused by past frauds, its chairman Sunil Mehta has said.

4

PNB set to sell NPAs worth ₹5,000 cr, eyes 50% minimum realisation: MD

In a bid to shore up recovery, the country's second-largest public sector lender Punjab National Bank (PNB) has identified about 100 non-performing asset (NPA) accounts for sale to asset reconstruction companies (ARCs) during the current financial year.

5

Tata Steel eyes ₹7k cr gross merchandise value from 'Aashiyana' in FY26

Tata Steel is aiming to double the gross merchandise value (GMV) to around ₹7,000 crore of its homebuilding e-commerce platform 'Aashiyana' in the 2025-26 fiscal, a senior company official said.

6

Stainless Steel Industry Seeks Anti-Dumping Duties On Cheap Imports To Protect Local Players

The domestic stainless steel industry has filed a petition with the Directorate General of Trade Remedies to consider anti-dumping duties on cheap imports, which are posing a challenge to local players.

7

BharatPe to raise funds before IPO, listing not on card in FY26: CEO

BharatPe will raise funds before the initial public offer, but the listing will take place only when market conditions are favourable, a top official of the unicorn fintech firm said.



State Bank of India

Estimate change	
TP change	
Rating change	
Bloomberg	SBIN IN
Equity Shares (m)	9231
M.Cap.(INRb)/(USDb)	7424.2 / 84.7
52-Week Range (INR)	876 / 680
1, 6, 12 Rel. Per (%)	4/6/-1
12M Avg Val (INR M)	12620

Financials & Valuations (INR b)			
Y/E March	FY25	FY26E	FY27E
NII	1,670	1,736	1,991
OP	1,106	1,148	1,304
NP	709	718	803
NIM (%)	2.9	2.8	2.9
EPS (INR)	79.4	79.1	87.0
EPS Gr. (%)	16.1	-0.4	10.0
ABV (INR)	437	511	580
Cons. BV (INR)	529	604	705
Ratios			
RoA (%)	1.1	1.0	1.0
RoE (%)	18.6	15.8	15.3
Valuations			
P/BV (x) (Cons.)	1.5	1.3	1.1
P/ABV (x)*	1.3	1.1	1.0
P/E (x)	9.2	9.0	7.9
P/E (x)*	7.1	7.1	6.5

*Adjusted for subsidiaries

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	56.9	56.9	56.9
DII	25.5	24.8	23.4
FII	10.1	10.8	12.1
Others	7.5	7.5	7.6

FII includes depository receipts

CMP: INR804

TP: INR925 (+15%)

Buy

Steady quarter; treasury gains drive earnings

Domestic NIM guidance maintained at >3%

- State Bank of India (SBIN) reported a 1QFY26 PAT of INR191.6b (13% beat), aided by robust treasury gains and controlled opex.
- NII declined 4% QoQ (flat YoY) to INR410.7b (in line). NIM contracted 10bp QoQ (down 32bp YoY) to 2.9% (MOFSLe of 2.88%).
- Opex declined 22% QoQ (up 8% YoY) to INR278.7b (7% lower than MOFSLe), driven by a decline in employee expenses as well as other expenses.
- SBIN's loan book grew 12% YoY (0.8% QoQ), while deposits grew 11.7% YoY/1.7% QoQ. CASA ratio declined 61bp QoQ to 39.4%.
- Slippages stood elevated at INR83.9b (0.75% slippage ratio). GNPA ratio increased 1bp QoQ to 1.83%, while NNPA ratio stood flat at 0.47%. PCR stood stable at 74.5%.
- **We increase our earnings by 3%/3.5% for FY26/27E to factor in robust treasury gains and controlled opex, and estimate FY27E RoA/RoE at 1.1%/15.5%. Reiterate BUY with a TP of INR925 (1.2x FY27E ABV).**

Revenue growth broadly in line; asset quality remains stable

- SBIN reported a 1QFY26 PAT of INR191.6b (13% beat), amid healthy treasury income and controlled opex.
- NII declined 4% QoQ to INR410.7b (largely in line). NIM contracted 10bp QoQ/32bp YoY to 2.9%. The bank expects FY26 domestic NIMs to be maintained at >3%, with NIMs anticipated to rebound from 3QFY26 onwards.
- Provisions stood at INR47.6b (down 26% QoQ). Other income grew 55.4% YoY (down 28% QoQ), led by a healthy treasury income of INR63.3b.
- Opex grew 8% YoY (down 22% QoQ) to INR278.7b (7% lower than MOFSLe). As a result, PPoP grew 15.5% YoY (12% higher than MOFSLe).
- Advances grew 11.9% YoY/0.8% QoQ. Of this, retail grew 12.5% YoY, corporate declined 3% QoQ (up 6% YoY), agri stood flat QoQ, and SME grew 19% YoY/4.4% QoQ. Xpress credit has remained flat for quite a few quarters; the bank expects the segment to revive gradually in FY26.
- Deposits grew 11.7% YoY/1.7% QoQ, with CASA ratio declining 61bp QoQ to 39.4%. As a result, the cost of deposits increased 10bp QoQ to 5.21%.
- Slippages increased to INR83.9b in 1QFY26 (slippage ratio stood at 0.75% vs 0.55% in 4QFY25). GNPA ratio increased 1bp QoQ to 1.83%, while NNPA ratio stood flat at 0.47%. PCR ratio stood broadly stable at 74.5%. Credit cost stood at 0.47%, while SMA book stood at 12bp of loans.
- **Subsidiaries:** SBICARD clocked a PAT of INR5.6b (down 6% YoY/up 4% QoQ). SBILIFE's PAT grew 14% YoY (down 27% QoQ) to INR5.9b. PAT of the AMC business grew 24% YoY/38% QoQ to INR8.45b.

Highlights from the management commentary

- The bank reiterates its domestic NIM guidance of 3%. Margins may see a contraction in 2Q but are expected to recover from 3Q onwards.
- RoA stood at 1.14% in 1QFY26 and may face marginal pressure if treasury gains moderate. The bank targets a C/I ratio of below 50% on a sustainable basis.
- Fresh slippages affected overall asset quality, but no segment-specific concerns were noted. Recoveries and pullbacks have already offset some of the stress.

Valuation and view

SBIN reported a steady quarter, led by strong treasury gains, controlled operating expenses, and in-line NII. NIM contracted 10bp QoQ to 2.9%, but management expects a gradual recovery in FY26, supported by improved liquidity from CRR cuts, moderation in deposit cost, and benefits from the recent capital raise. Credit growth stood at 12% YoY, with the unsecured Xpress Credit book remaining flat, while a robust credit pipeline is expected to support a healthy outlook over FY26. Domestic CD ratio remains benign and will be supportive of incremental credit growth. Despite elevated slippages (seasonal trend in 1Q), the bank does not anticipate any material stress across lending segments. **We raise our earnings by 3% / 3.5% for FY26/27E and estimate FY27E RoA/RoE at 1.1% / 15.5%. We reiterate our BUY rating with a TP of INR925 (1.2x FY27E ABV).**

Quarterly performance

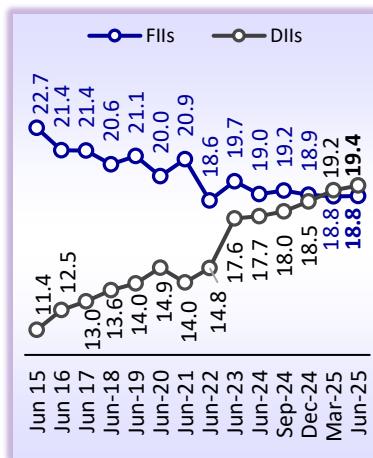
Y/E March									(INR b)			
	FY25				FY26E				FY25	FY26E	FY26E	V/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		1QE		Est
Net Interest Income	411.3	416.2	414.5	427.7	410.7	412.2	438.2	475.1	1,669.7	1,736.2	420.4	-2%
% Change (YoY)	5.7	5.4	4.1	2.7	-0.1	-1.0	5.7	11.1	4.4	4.0	2.2	
Other Income	111.6	152.7	110.4	242.1	173.5	155.2	158.5	176.0	616.8	663.1	152.7	14%
Total Income	522.9	568.9	524.9	669.8	584.2	567.3	596.7	651.1	2,286.5	2,399.3	573.1	2%
Operating Expenses	258.4	276.0	289.4	357.0	278.7	294.0	307.8	370.6	1,180.7	1,251.2	300.8	-7%
Operating Profit	264.5	292.9	235.5	312.9	305.4	273.3	288.9	280.4	1,105.8	1,148.1	272.3	12%
% Change (YoY)	4.6	50.9	15.8	8.8	15.5	-6.7	22.7	-10.4	27.5	3.8	2.9	
Provisions	34.5	45.1	9.1	64.4	47.6	44.9	55.0	39.5	153.1	186.9	43.0	11%
Exceptional items (exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Profit before Tax	230.0	247.9	226.4	248.4	257.9	228.4	233.9	240.9	952.7	961.2	229.2	12%
Tax Provisions	59.6	64.6	57.5	62.0	66.2	58.3	59.7	59.0	243.7	243.2	59.1	12%
Net Profit	170.4	183.3	168.9	186.4	191.6	170.2	174.3	181.9	709.0	718.0	170.1	13%
% Change (YoY)	0.9	27.9	84.3	-9.9	12.5	-7.2	3.2	-2.4	16.1	1.3	-0.1	
Adj. Net profit	170.4	183.3	168.9	186.4	191.6	170.2	174.3	181.9	664.6		170.1	
Operating Parameters												
Deposits (INR t)	49.0	51.2	52.3	53.8	54.7	55.7	57.4	59.1	53.8	59.1	54.6	0.2%
Loans (INR t)	37.5	38.6	40.0	41.6	42.0	43.4	45.0	46.5	41.6	46.5	42.4	-0.9%
Deposit Growth (%)	8.2	9.1	9.8	9.5	11.7	8.9	9.8	9.8	9.5	9.8	11.4	
Loan Growth (%)	15.9	15.3	13.8	12.4	11.9	12.5	12.3	11.8	12.4	11.8	13.0	
Asset Quality												
Gross NPA (%)	2.2	2.1	2.1	1.8	1.8	1.8	1.7	1.7	1.8	1.7	1.8	
Net NPA (%)	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.4	0.5	
PCR (%)	74.4	75.7	74.7	74.4	74.5	74.7	74.8	75.1	74.2	75.1	74.5	

India Strategy

BSE Sensex: 79,858

Nifty-50: 24,363

Institutional ownership - Nifty-500 (%)



Ownership analysis – DIIs fortify their grip

FII allocation in BFSI at a seven-quarter high

- **Markets gain despite headwinds:** The Indian equity markets staged a sharp recovery in 1QFY26 after hitting lows in Mar'25, despite navigating multiple headwinds during the period. The quarter was characterized by heightened geopolitical tensions, modest earnings prints, and weak consumption trends.
- **DIIs strengthen their grip on Indian Equities:** Defying the market volatility, DIIs invested USD19.7b into Indian equities, while FIIs added USD5.4b during 1QFY26. Further, sustained retail participation and record monthly SIP flows of over USD3b have propelled domestic institutional ownership to new highs. This structural shift in institutional ownership, which has gained momentum since 2021, continues to strengthen as DII holdings reach new peaks and surpass FII holdings in Nifty 500 companies.
- **Promoter holdings dip:** DII ownership in Nifty-500 rose 170bp YoY (+20bp QoQ) to 19.4%, whereas FII ownership remained unchanged at 18.8% (-20bp YoY and flat QoQ). Promoter holdings dropped to an all-time low of 49.3% (-170bp YoY and -20bp QoQ), while Retail holdings remained stable at 12.4% (+10bp YoY, flat QoQ) as of Jun'25.
- **In this report, we delve deep into their ownership across the Nifty-500 sectors and companies, examining how their holdings have evolved.**

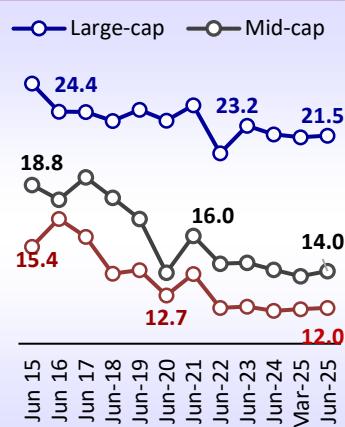
DII holdings in Nifty-500 have risen to an all-time high of 19.4%

DII holdings in Nifty-500 surge for the fifth consecutive quarter

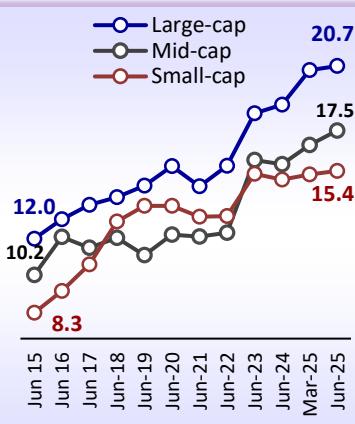
- Over the past one year, DII ownership rose 170bp YoY (+20bp QoQ) to an all-time high of 19.4% in Jun'25, while FII ownership was unchanged at 18.8% (-20bp YoY and flat QoQ). **Promoter** holdings, which have historically remained range-bound, also declined meaningfully to an all-time low of 49.3% (-170bp YoY, -20bp QoQ) in Jun'25. This sharp drop was driven by a recovery in the primary market in 1QFY26, where high valuations and strong investor appetite continue to provide an attractive opportunity for several promoters to liquidate their stakes. **Retail** holdings were stable at 12.4% (+10bp YoY, flat QoQ) in Jun'25.
- **Notably, the net shift in holdings during the quarter was primarily marked by gains in DII ownership, accompanied by a reduction in promoter stakes.**
- **Sectoral holding trends:** Within Nifty-500, FIIs and DIIs showcased divergent trends. On a YoY basis, **DIIs increased their holdings in 20 sectors** (out of 24 sectors) – the top increase in holdings was seen in Retail, PSU Banks, Consumer, Cement, Utilities, Private Banks, Technology, and EMS, while sectors that experienced a reduction in holdings were Infrastructure, Media, NBFC, Non-Lending, and Metals. On a sequential basis, DIIs recorded the maximum increase in holdings of the EMS, Retail, Telecom, Technology, and Logistics sectors. On a QoQ and YoY basis, however, FIIs increased their stakes in Infrastructure, NBFC-Non-Lending, Telecom, and Media. On a YoY basis, **FIIs reduced their holdings in 13 sectors** – the top reduction in holdings was observed in Utilities, Retail, Automobiles, Oil & Gas, Cement, Logistics, Consumer, Consumer Durables, Capital Goods, PSU Banks, and Healthcare.

The FII-DII ownership ratio in the Nifty-500 remained flat QoQ at 1x in Jun'25

FII holdings in Large-, Mid-, and Small-caps (%)



DII holdings in Large-, Mid-, and Small-caps (%)



FII-DII ownership ratio remains unchanged sequentially

- As a proportion of the free float of Nifty-500, FII ownership decreased 150bp YoY (-10bp QoQ) to 37.2%, while DII ownership increased 210bp YoY (+30bp QoQ) to 38.3%.
- The FII-DII ownership ratio in Nifty-500 remained flat QoQ (-10bp YoY) at 1x in Jun'25. Over the last one year, the FII-DII ratio has expanded primarily in Infrastructure, NBFC Non-Lending, Media, and Telecom, while it contracted in 17 out of 24 sectors.
- Within the **Nifty-500 companies**, FIIs reduced their holdings in 53% of the companies YoY, while DIIs increased their stake in 74% of the companies.
- In the **Nifty-50**, FIIs reduced their holdings in 80% of the companies, while DIIs raised their holdings in 88% of the companies.

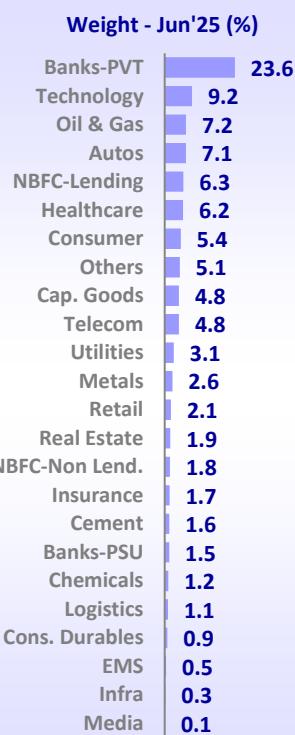
Analyzing the Caps: DIIs continue to raise their stakes across the board

- According to the SEBI's categorization, large-, mid-, and small-cap stocks accounted for 67%, 22%, and 11% of the total Nifty-500 market cap, respectively.
- FII, Promoter, and Retail holdings in large-caps dipped to the lowest levels of 21.5%, 47.3%, and 10.5%, respectively. In contrast, DII holdings in large-caps rose to an all-time high of 20.7% as of Jun'25.
- Analysis of institutional holding patterns:** 1) **FIIs** reduced their stakes in large- and mid-caps by 10bp YoY each and raised their holdings in small-caps by 20bp YoY. On a sequential basis, FIIs increased their stakes across large-caps and mid-caps by 10bp and 30bp QoQ, respectively while reduced 10bp QoQ for Small-caps to 21.5%/14%/12%; 2) **DIIs** significantly raised their stakes across market caps by 190bp/170bp /40bp YoY (+20bp/+80bp/-10bpQoQ) to 20.7%/17.5%/15.4%; and 3) **Promotors** notably reduced their YoY holdings across market caps to an all-time low; their holdings reduced 160bp/300bp/80bp YoY and 10bp/100bp/30bp QoQ to 47.3%/54.3%/51.5% across Large-/ Mid-/Small-caps as of Jun'25; and 4) **Retail** holdings also dipped to all-time lows in large-caps to 10.5%; however, the holdings rose 130bp YoY (flat QoQ) in mid-caps to 14.2% and remained strong for small-caps at 21% (+10bp YoY, flat QoQ), given the higher retail participation in these categories.

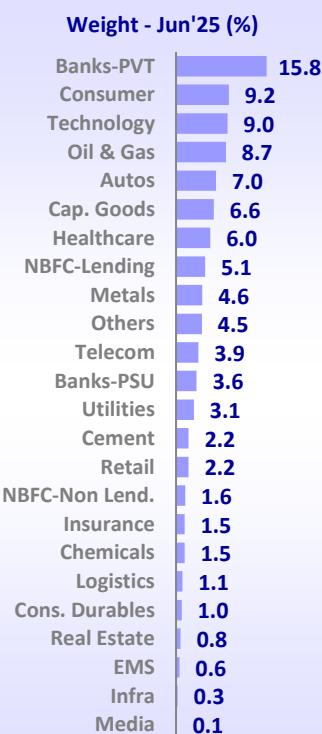
PSU stocks – both FII and DII holdings moderate

- We classified the Nifty-500 universe among Private, PSU, and MNC companies. Notably, **FII** holdings in Private companies reduced 60bp YoY; however, the holdings rose 10bp QoQ to 20.2% in Jun'25. The FII stakes in PSUs reduced 30bp to 17.7% (+ 120bp YoY) in Jun'25.
- DII** holdings in Private companies rose to an all-time high of 19.2% (up 190bp YoY/50bp QoQ), and those of PSU companies moderated 20bp QoQ to 18.6% (+120bp YoY).
- The return of buoyancy in primary and secondary markets also led to increased stake dilution by Promoter groups of **private** companies. This resulted in a dip in their overall holdings in Nifty-500 to an all-time low level of 46.9% (-170bp YoY/-70bp QoQ) in Jun'25. Further, Promoter holdings in the **PSU** companies also increased 60bp QoQ to 54.7% (-210bp YoY).

FII's sectoral allocations within Nifty-500 (%)



DII's sectoral allocations within Nifty-500 (%)



Sector holdings YoY: FIIs gain in nine sectors, while DIIs in 20

- Within Nifty-500, FIIs increased their holdings in 9 out of 24 sectors: 1) FIIs had the **highest** holding in Private Banks (47.6%), followed by Telecom (23%), NBFC Non-lending (21.3%), Real Estate (20.2%), Technology (19.1%), Automobile (18.6%) and Healthcare (18.5%). Among the top sectors, FII raised their stakes in Infrastructure (+520bp), NBFC – Non-Lending (+470bp), Telecom (+220bp), Media (+140bp), EMS (+120bp), and Chemicals (+80bp) YoY. 2) DIIs had the **highest** holdings in Private Bank (32.9%), Consumer (24.2%), Oil & Gas (21.4%), Consumer Durables (20.8%), and Metals (20.6%). Among the key sectors, DIIs raised their stakes in both Private Banks (+190bp) and PSU Banks (+280bp), and also in Retail (+290bp), Consumer (+280bp), Cement (+250bp), EMS (+250bp), Consumer Durables (+220bp), and Utilities (+200bp) on a YoY basis.

FII allocation in BFSI at a seven-quarter high; rises for the third straight quarter

- BFSI's (Private Banks, PSU Banks, NBFCs, and Insurance) growth continued to be reflected in FII allocation, which rose 350bp YoY/50bp QoQ to 34.9% in Nifty-500 as of Jun'25 – to a seven-quarter high. FIIs remained significantly overweight (by 420bp) in BFSI vs. Nifty-500 (BFSI's weight in Nifty-500 currently stands at 30.7%).
- BFSI was followed by Technology, in which FIIs had 9.2% weightage (down 20bp YoY and 80bp QoQ), and Oil & Gas (down 150bp YoY and up 40bp QoQ). Overall, the Top 5 sectoral allocations of FIIs in Nifty-500 accounted for 64.6% of total allocation – BFSI (34.9%), Technology (9.2%), Oil & Gas (7.2%), Automobiles (7.1%), and Healthcare (6.2%).
- On a sequential basis, FIIs raised their weights in Telecom, Oil & Gas, NBFC-Non Lending, Capital Goods, and Automobiles, while they reduced their holdings in Technology, Utilities, Consumer, Metals, and Healthcare.
- In terms of absolute holdings, out of the total FII holdings of USD914b, Private Banks topped the chart with USD215b in investment value. The top-5 companies that contributed 31% to the holding value were HDFC Bank (USD99.9b), ICICI Bank (USD68.4b), Reliance (USD48.9b), Bharti Airtel (USD37.7b), and Infosys (USD30.6b).

DIIs: UW on Private Banks and NBFCs; OW on Consumer and O&G

- Within Nifty-500, DIIs were overweight on Consumer, O&G, PSU Banks, and Metals, while they were underweight on Private Banks, NBFCs, and Real Estate.
- Overall, the Top 5 sectoral holdings of DIIs in Nifty-500 accounted for 61.4% of the total allocation – BFSI (27.5%), Consumer (9.2%), Technology (9%), O&G (8.7%), and Automobiles (7%).
- Of the total DII holdings of USD942b in Nifty-500, Private Banks topped the chart at USD149b, followed by Consumer at USD87b and Technology at USD85b.
- The top 5 stocks by holding value were HDFC Bank (USD55.8b), Reliance (USD46.6b), ICICI Bank (USD43.3b), ITC (USD42.5b), and Infosys (USD27.5b).

Retail holdings stable over the last three years

- Retail holdings for the overall Nifty-500 universe have been broadly stable over the last three years in the range of 12-13%. The holdings inched up 10bp YoY but remained flat QoQ at 12.4% as of Jun'25.
- Within Nifty-500, the Top 5 sectoral holdings of Retail accounted for 56.9% of the allocation – BFSI (24.6%), Capital Goods (10.5%), Consumer (7.6%), Automobiles (7.2%), and Technology (7%).

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	TTMT IN
Equity Shares (m)	3682
M.Cap.(INRb)/(USDb)	2333.1 / 26.6
52-Week Range (INR)	1142 / 536
1, 6, 12 Rel. Per (%)	-4/-14/-40
12M Avg Val (INR M)	10986

Financials & Valuations (INR b)			
Y/E March	2025	2026E	2027E
Net Sales	4,397	4,538	4,827
EBITDA	551.3	471.6	547.1
Adj. PAT	232.6	168.4	190.9
Adj. EPS (INR)	63.2	45.8	51.9
EPS Gr. (%)	8	-28	13
BV/Sh. (INR)	315.6	356.2	402.0
Ratios			
Net D/E (x)	0.1	0.1	0.1
RoE (%)	23.1	13.6	13.7
RoCE (%)	14.2	10.5	10.8
Payout (%)	9.6	11.0	11.6
Valuations			
P/E (x)	10.0	13.8	12.2
P/BV (x)	2.0	1.8	1.6
EV/EBITDA (x)	3.9	4.4	3.7
Div. Yield (%)	1.0	0.8	1.0

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	42.6	42.6	46.4
DII	17.2	17.2	16.1
FII	17.2	17.8	18.2
Others	23.0	22.4	19.4

FII Includes depository receipts

CMP: INR634
TP: INR631
Neutral
India CV shines, JLR and India PVs face severe headwinds
Demand outlook remains weak across its business segments

- Tata Motors' consol EBITDA margin of 9.2% in 1QFY26 came in below our estimate of 10.9% due to weaker-than-expected performance at JLR and India PVs. Consol PBT was ahead of estimate due to lower depreciation and lower interest expenses.
- JLR is facing multiple headwinds, which include: 1) tariff-led uncertainty for exports to the US; 2) demand weakness in key regions like Europe and China; and 3) rising VME, warranty and emission costs. Given these factors, management has refrained from giving any guidance for FY26 and beyond. Given the above headwinds, we expect margin pressure to persist for JLR and have factored in 150bp margin decline over FY25-27E. Even in India, both CV and PV businesses are seeing moderation in demand. For lack of any triggers, we reiterate Neutral with June-27E SOTP-based TP of INR631.

India CV a bright spot in an otherwise weak performance

- Consolidated business:** Tata Motors' consol EBITDA margin at 9.2% was below our estimate of 10.9% due to weaker-than-expected performance at JLR and India PVs. Consol PBT was ahead of estimate due to lower depreciation and lower interest expenses.
- JLR:** JLR EBIT margin declined 490bp YoY to a multi-quarter low of 4%. The sharp margin impact was a function of: 1) weak volumes, partially offset by an improved mix (impact of GBP82m), US tariff impact for two months (GBP254m), higher VME spends (up 90bp YoY to 4.1%, impact GBP38m), high warranty (up GBP144m) and adverse currency movement (GBP205m).
- TTMT CV business:** Margins remained strong at 12.2% (flat QoQ and +60bp YoY), led by better ASP, higher exports and a higher share of non CV sales.
- TTMT PV business:** PV EBITDA margins were down 180bp YoY at 4% due to weak demand, higher input costs, higher promotional spends (IPL) and higher discounting pressure. There have been periods where inventory was higher than the normal levels due to lower than expected demand, which in turn led to higher discounts.
- The overall India business (PV + CV) recorded free cash outflow of INR38b in 1Q after capex of INR22b.
- At a consolidated level, the net automotive debt has increased to INR135b from a net cash position of INR10b QoQ. Bulk of this net debt has increased at JLR and currently stands at INR106b.

Highlights from the management commentary

- JLR:** Luxury demand globally has been weak given the tariff-led uncertainty in key regions. However, once the tariffs are set, management expects the uncertainty to go away, and hence, demand would reset to the new normal. In terms of region-wise demand, US demand continues to be strong and UK is stable. However, Europe remains uncertain and China has been weak due to the additional tax on luxury vehicles. Management has maintained its FY26 EBIT margin guidance at 5-7% with near nil FCF.

- India CVs:** Management expects the CV industry to post single-digit volume growth in 2Q over a low base. Further, with normal monsoon and festive season build-up, TTMT expects CV demand to pick up in 2H. Hence, it maintains 5% volume growth guidance for the industry in FY26. Among segments, TTMT expects HCVs to post 3-5% growth, ILCVs a bit lower, SCVs to remain flat.
- India PVs:** In India PVs, TTMT continues to expect low single-digit growth in PVs in FY26. Even to achieve this, demand will need to pick up in the festive season and 2H, given that the first four months have seen flat retail demand, with a 3% decline in the last two months. ICE margin is likely to remain under pressure in the near term. However, with a pick-up in demand, management expects ICE margins to revive in the medium term. TTMT remains committed to achieving double-digit EBITDA margin in the long run in PV business.

Valuation and view

JLR is facing multiple headwinds, which include: 1) tariff-led uncertainty for exports to the US; 2) demand weakness in key regions like Europe and China; and 3) rising VME, warranty and emission costs. Given these factors, management has refrained from giving any guidance for FY26 and beyond. Given the above headwinds, we expect margin pressure to persist for JLR and have factored in 150bp margin decline over FY25-27E. Even in India, both CV and PV businesses are seeing moderation in demand. For lack of any triggers, we reiterate Neutral with June-27E SOTP-based TP of INR631.

Quarterly Performance [Consol]

INR b	FY25								FY26E		FY25	FY26E	1QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
JLR Volumes (incl JV; '000 units)	97.8	87.3	104.4	111.4	87.3	85.0	104.9	109.7	400.9	386.9	88.0	88.0	-0.8	
JLR Realizations (GBP/unit)	74,400	74,167	71,686	69,355	75,659	75,650	75,271	75,445	72,240	75,491	71,424			
JLR EBITDA Margins (%)	15.8	11.7	14.2	15.3	9.3	10.5	12.0	13.4	14.3	11.4	11.8			
India CV Volumes ('000 units)	93.7	86.0	98.4	108.2	88.1	89.7	98.8	108.2	386.3	384.9	88.1	88.1	0.0	
India CV Realizations (INR '000/unit)	1910.1	2014.9	1896.6	1991.4	1938.8	1994.7	1972.5	2035.2	1948.8	1987.8	1,939			
India CV EBITDA Margins (%)	11.6	10.7	12.2	12.2	12.1	11.8	12.0	12.7	11.7	12.2	10.7			
India PV Volumes ('000 units)	138.8	130.5	139.8	147.0	124.8	134.1	135.7	138.7	556.1	533.3	124.8	124.8	0.0	
India PV Realizations (INR '000/unit)	856.8	903.1	902.2	870.4	881.6	894.0	902.2	903.7	882.5	895.7	882			
India PV EBITDA Margins (%)	5.8	6.2	7.6	7.8	4.0	4.8	5.6	5.8	6.9	5.1	5.5			
Net Consol. Op Income	1080.5	1014.5	1135.8	1195.0	1044.1	1029.9	1210.9	1252.8	4397.0	4537.7	997.1	997.1	4.7	
Growth (%)	5.7	-3.5	2.7	-0.4	-3.4	1.5	6.6	4.8	0.4	3.2			-7.7	
Consol. EBITDA	155.1	117.4	130.3	166.3	97.2	104.8	124.0	145.6	551.3	471.6	109.1	109.1	-10.9	
EBITDA Margins (%)	14.4	11.6	11.5	13.9	9.3	10.2	10.2	11.6	12.5	10.4			10.9	
Depreciation	65.7	60.1	54.1	53.0	53.2	55.0	57.0	59.7	232.6	224.9			58.0	
Other Income	15.8	15.7	17.9	15.1	15.2	13.5	15.0	13.3	62.4	57.0			14.5	
Interest Expenses	20.9	20.3	17.3	10.8	9.4	13.2	13.5	18.3	50.8	54.4			12.5	
PBT before EO	87.0	56.9	77.4	119.4	54.9	50.1	68.5	76.0	339.6	249.4	53.1	53.1	3.3	
EO Exp/(Inc)	-0.4	0.0	0.3	5.5	0.6	0.0	0.0	0.0	5.31	0.56			0.00	
PBT after EO Exp	87.4	56.9	77.1	113.9	54.3	50.1	68.5	76.0	334.3	248.8	53.1	53.1		
Tax rate (%)	36.4	40.8	27.2	25.9	28.7	31.9	31.9	34.1	31.4	31.9			31.8	
PAT	55.6	33.7	56.2	84.4	38.7	34.1	46.7	50.0	229.3	169.6	36.2	36.2		
Minority Interest	-1.3	-1.1	-1.3	-0.9	-0.8	-0.7	-0.8	-1.2	-3.2	-3.5			-0.6	
Share in profit of Associate	1.3	0.8	-0.4	1.1	1.3	0.8	0.7	-0.9	2.9	1.9			0.7	
Reported PAT	55.7	33.4	54.5	84.7	39.2	34.2	46.6	48.0	228.9	168.0	36.3	36.3	8.0	
Adj PAT	55.4	33.4	54.7	88.9	39.7	34.2	46.6	48.0	232.6	168.4	36.3	36.3		
Growth (%)	46.2	-13.6	-23.0	15.1	-28.3	2.4	-14.9	-46.1	3.4	-27.6			-34.4	

E: MOFSL Estimates



Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	GRASIM IN
Equity Shares (m)	681
M.Cap.(INRb)/(USDb)	1831.7 / 20.9
52-Week Range (INR)	2898 / 2276
1, 6, 12 Rel. Per (%)	0/5/5
12M Avg Val (INR M)	1852

Financial Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	372.4	422.9	478.4
EBITDA	16.5	25.8	34.6
Adj. PAT	6.0	14.5	24.0
EBITDA Margin (%)	4.4	6.1	7.2
S/A Adj. EPS (INR)	8.8	21.3	35.2
S/A EPS Gr. (%)	83.3	141.6	65.5
Consol EPS (INR)	86.0	106.9	129.6
BV/Sh. (INR)	836.0	867.4	895.6
Ratios			
Net D:E	0.1	0.1	0.1
RoE (%)	-3.7	-0.7	0.0
RoCE (%)	0.8	3.0	0.0
Valuations			
P/E (x)	66.7	27.6	16.7
EV/EBITDA (x)	3.4	2.5	1.7
Div. Yield (%)	0.2	0.3	0.3
FCF Yield (%)	(0.9)	(0.3)	0.6

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	43.1	43.1	43.1
DII	17.9	18.5	16.7
FII	16.2	15.9	17.0
Others	22.7	22.6	23.3

FII includes depository receipts

CMP: INR2,692 **TP: INR3,500 (+30%)** **Buy**
Margin beat; paints business continues to gain traction
Core operations strengthen; paints premium segment gains momentum

- GRASIM's 1QFY26 performance was above our estimates, led by higher-than-estimated: 1) profitability in the VSF and chemical segments and 2) revenue in high-growth businesses (Paint and B2B). Standalone EBITDA increased ~18% YoY to INR3.8b (~74% beat). OPM contracted 55bp YoY to 4.2% (vs. 2.5% est.). It reported a net loss of INR1.2b vs. a net loss of INR521m in 1QFY25 and INR2.1b in 4QFY25.
- Management highlighted that the paints business posted double-digit QoQ growth even as the broader organized decorative paint industry remained sluggish. Notably, 65% of Birla Opus revenue is now derived from premium and luxury paint products. The brand has expanded distribution to over 8,000 towns in under a year. The B2B platform hosts over 40,000 SKUs across 35 categories, sourced from more than 300 vendors. The annualized revenue run rate is on track to reach INR85b by FY27. The Chemical business saw margin improvements and stable demand, while VSF maintained healthy volumes, benefiting from operational stability.
- We raised EBITDA estimates for FY26/FY27 by 5%/4%, given the outperformance in 1QFY26. The current HoldCo discount stands at ~41% vs the average of the last three years at ~37% (long-term average at ~46%). We reiterate our BUY rating with a TP of INR3,500 (earlier INR3,300) based on an SoTP valuation.

VSF margin contracts 2.7pp YoY; chemical margin expands 2.6pp

- GRASIM's standalone revenue/EBITDA came in at INR92.2b/INR3.8b (+34%/+18% YoY and +4%/+74% vs. our estimate) in 1QFY26. It reported a net loss of INR1.2b vs. a net loss of INR521m in 1QFY25.
- VSF segment:** Sales volume declined ~1% YoY, whereas realization rose ~8% YoY. EBITDA declined ~20% YoY (up 10% QoQ) to INR3.2b (~15% above estimates). OPM contracted 2.7pp YoY (up 70bp QoQ) to ~8% (+1pp vs. our estimate). EBITDA/kg was at INR15 vs. INR18/INR13 in 1QFY25/4QFY25.
- Chemical segment:** Sales volume/realization increased 7%/8% YoY. EBITDA increased ~36% YoY to INR4.2b (~55% above our estimates). OPM expanded 2.6pp YoY to ~18% (+4.8pp QoQ; +5.7pp vs. our estimates).
- Revenue from the Paints and B2B E-commerce businesses (combined) stood at INR24.6b vs INR21.7b in 4QFY25 and INR15.9b in 3QFY25. Loss in new high-growth businesses stood at INR3.0b vs. INR3.1b/INR3.3b in 4QFY25/3QFY25.

Highlights from the management commentary

- The company continued to expand its footprint, reaching over 8,000 towns within a year of launch and nearing its first-year target of 50,000 dealers. Throughput per dealer improved as the focus shifted from dealer additions to deepening product penetration per outlet.
- 179+ products with over 1,460+ SKUs are placed in the distribution channel, which are operational across India. The total capex in the Paints business stood at INR95.5b as of Jun'25.

- Phase-1 of the 55K TPA Lyocell project at Harihar, Karnataka, is progressing as planned, with commissioning targeted for mid-FY27. Orders for long-lead items have been placed, while procurement and contracting for the remaining requirements are underway.

Valuation and view

- GRASIM's core businesses (VSF and Chemical) saw an improvement in profitability, along with stable demand and operating performance. However, changing global trade dynamics and policies may lead to near-term challenges. Meanwhile, the Paints and B2B e-commerce businesses are seeing a steady improvement, with continuous distribution and product portfolio expansions. We continue to believe that revenue growth in these two segments and a reduction in losses will be the key monitorables.
- We reiterate our BUY rating with a TP of INR3,500 as we value its: 1) holding in listed subsidiaries by assigning a discount of 35% on our TP for coverage companies, 2) standalone business at 6x Jun'27E EV/EBITDA, 3) paint business at 2x of investments, 4) B2B e-commerce at 1.5x of Jun'27E (TTM) revenue, and 5) renewable business at 10x FY27E EV/EBITDA.

Quarterly performance (S/A)										(INR b)	
Y/E March	FY25				FY26				FY25	FY26E	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var. (%)
Net Sales	68.9	76.2	81.2	89.3	92.2	93.8	91.8	94.5	315.6	372.4	88.3
YoY Change (%)	10.5	18.3	26.9	31.9	33.8	23.1	13.1	5.9	22.1	18.0	28.1
EBITDA	3.3	3.3	2.7	2.2	3.8	3.3	5.1	4.3	11.4	16.5	2.2
YoY Change (%)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	1.0	86.6	(50.7)	18.3	(32.1)
Margins (%)	4.7	4.3	3.3	2.5	4.2	3.5	5.5	4.6	3.6	4.4	2.5
Depreciation	3.5	4.1	4.2	5.0	4.8	4.9	4.9	5.2	16.8	19.7	5.1
Interest	1.4	1.6	1.8	2.0	2.1	2.1	2.1	2.1	6.8	8.3	2.0
Other Income	0.9	12.9	1.0	2.3	1.4	13.8	1.2	2.7	17.2	19.1	1.1
PBT before EO Items	-0.7	10.5	-2.3	-2.5	-1.6	10.1	-0.8	-0.2	5.0	7.5	-3.8
Extraordinary Inc/(Exp)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-	-
PBT after EO Items	-0.7	10.0	-2.3	-3.7	-1.6	10.1	-0.8	-0.2	3.3	7.5	-3.8
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.2	-0.2	-0.2	1.2	1.5	-0.7
Rate (%)	25.8	28.0	26.8	21.8	24.4	22.0	19.0	80.1	36.2	20.0	19.0
Reported PAT	-0.5	7.2	-1.7	-2.9	-1.2	7.9	-0.7	0.0	2.1	6.0	-3.1
Prior period tax/DTL reversal	-	-	-	-	-	-	-	-	-	-	-
Adj. PAT	-0.5	7.6	-1.7	-2.1	-1.2	7.9	-0.7	0.0	3.3	6.0	-3.1
Margins (%)	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-0.7	0.0	1.0	1.6	-3.5
YoY Change (%)	(114.7)	(4.7)	(171.4)	(191.6)	NM	4.1	NM	NM	(79.8)	83.3	NM

Segmental performance										(INR b)	
Y/E March	FY25				FY26				FY25	FY26E	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var. (%)
VSF Segment											
Sales Volume (ton)	222	230	216	218	219	237	227	235	886	918	222
YoY Change (%)	12.8	4.1	0.5	(0.3)	(1.1)	3.1	5.1	7.5	4.1	3.6	0.0
Blended realization (INR/kg)	171	179	182	186	185	183	176	177	179	180	171
Net Sales (INR m)	37.9	41.3	39.3	40.5	40.4	43.4	40.1	41.6	159.0	165.5	39.9
YoY Change (%)	5.7	6.1	5.9	7.7	6.8	5.3	1.9	2.6	6.3	4.1	5.4
EBITDA (INR m)	4.0	4.9	3.3	2.9	3.2	3.4	3.8	4.0	15.2	14.4	2.8
EBITDA (%)	10.7	12.0	8.4	7.2	8.0	7.8	9.4	9.7	9.6	8.7	7.0
EBITDA/kg (INR)	18.3	21.5	15.3	13.4	14.7	14.3	16.6	17.2	17.2	15.7	12.6
Chemical Segment											
Sales Volume (ton)	282	295	303	290	303	313	327	297	1,170	1,240	302
YoY Change (%)	(3.4)	(3.6)	1.3	(5.8)	7.4	6.0	8.0	2.5	(2.9)	6.0	7.0
Blended realization (INR/kg)	73	70	73	79	79	66	69	83	73	74	75
Net Sales (INR m)	20.7	20.5	22.3	23.0	23.9	20.7	22.6	24.6	86.5	91.8	22.7
YoY Change (%)	(3.7)	3.3	11.5	10.5	15.7	0.7	1.5	6.9	5.3	6.2	10.1
EBITDA (INR m)	3.1	2.7	3.3	3.0	4.2	2.6	2.7	3.0	12.1	12.5	2.7
EBITDA (%)	15.0	13.3	14.8	12.8	17.7	12.5	12.0	12.3	14.0	13.7	12.0
											565bp

Estimate changes	NA
TP change	
Rating change	

Bloomberg	SIEM IN
Equity Shares (m)	356
M.Cap.(INRb)/(USDb)	1079.7 / 12.3
52-Week Range (INR)	4042 / 2270
1, 6, 12 Rel. Per (%)	-3/7/-11
12M Avg Val (INR M)	2535

Financials Snapshot (INR b)			
Y/E MAR	18M26E	12M27E	12M28E
Net Sales	262.7	205.5	233.4
EBITDA	32.6	28.9	33.9
PAT	27.3	23.8	27.7
EPS (INR)	76.8	66.9	77.8
GR. (%)	35.3	-12.8	16.2
BV/Sh (INR)	508.1	575.1	652.9
Ratios			
ROE (%)	15.1	11.6	11.9
RoCE (%)	15.4	11.8	12.1
Valuations			
P/E (X)	39.5	45.3	38.9
P/BV (X)	6.0	5.3	4.6
EV/EBITDA (X)	31.5	33.9	28.5

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	75.0	75.0	75.0
DII	7.3	7.3	7.0
FII	7.7	8.2	8.6
Others	10.1	9.5	9.4

FII Includes depository receipts

CMP: INR3,032 **TP: INR3,300 (+9%)** **Neutral**

Miss on profitability

Siemens Ltd's results were weak on profitability as lower margins and lower other income weighed on overall profitability. Execution scale-up was good in smart infrastructure and mobility, while it remained weak in digital industries. Overall margins came in lower than our estimates due to weak margins in mobility. Order inflows were good for Siemens Ltd at INR57b (up 13% YoY) and included two large orders from the railways for mobility divisions. The company has also transferred pending cash and cash equivalents worth INR24b to Siemens Energy during the quarter. It has also taken approval for changing the financial year from Oct-Sep to Apr-Mar. Thus, FY26 will include 18 months from Oct'24-Mar'26. Going ahead, we would watch out for 1) a broad-based recovery in inflows across all divisions, and 2) margin improvement, particularly in mobility and digital industries. We incorporate the changes related to the change in financial year and 3QFY26 performance and roll forward our TP to 45x Sep'27E EPS. We retain our Neutral rating on the stock with a revised TP of INR3,300.

Profitability below our estimates

Siemens reported a weak set of results with a miss on PAT, while revenue and EBITDA were in line with our estimates. Revenue grew 16% YoY to INR43.5b, which was broadly in line with our estimates. YoY growth was led by strong growth across Smart Infra and Mobility segments, while weakness in Digital Industries continued, albeit it improved from 1Q levels. Absolute EBITDA at INR5.2b increased 7% YoY, in line with our estimate. However, EBITDA margin contracted 90bp YoY to 12.0% vs. our estimate of 12.6%. Margin was lower than our estimate largely due to higher-than-expected other expenses. PAT declined 3% YoY to INR4.2b, which was 12% below our estimate due to lower-than-expected other income. Order inflow was up 13% YoY at INR56.8b, leading to an 8% increase in the order book to INR428.5b.

Segmental performance remained strong from Smart infrastructure

Smart infrastructure segment continues to be the key growth driver for Siemens, growing 21% YoY to INR23.8b, while EBIT margin contracted 70bp YoY on a high base to 13.4%. Mobility revenue grew 34% YoY to INR8.3b, with margins improving 130bp YoY to 3.9%, which was still much lower than our estimates. Weakness in Digital Industries continued, with revenue declining 5% YoY to INR9.2b, though it improved from the 1Q levels, showing signs of recovery. EBIT margin of Digital Industries recovered from the lows of 1HFY25 and expanded 140bp YoY to 10.8%. LVM segment was broadly flat YoY at INR2.4b, with EBIT margin of less than 1% during the quarter.

Outlook across segments

We expect **Smart Infrastructure** revenue to continue to benefit from investments in power distribution, data centers, and semiconductor infra. The company had earlier highlighted that it would keep focusing on increasing the share of exports and services in this segment. **Mobility segment** is getting the benefit of large-sized order inflows from metros and high-speed rail, and hence, the order book build-up is healthy. The company's production of locomotives for a 9000HP locomotive order has commenced and a further scale-up in production will help in better absorption of costs. **Digital industries** segment is dependent on private capex growth, but it is bottoming out in terms of a decline in inflows and margins.

Financial outlook

We incorporate the changes related to the change in financial year and 3QFY25 performance and expect revenue/EBITDA/PAT to grow at 11%/14%/9% over FY24 (Sep-ending)-FY28 (Mar-ending). Overall we expect smart infrastructure segment to maintain its growth trajectory and we expect a gradual improvement in digital industries and mobility. EBIT margins of both these divisions are lower than smart infrastructure margins.

Valuation and view

The stock is currently trading at 45.3x/38.9x P/E on FY27/28E earnings. We maintain Neutral rating on the stock with a revised TP of INR3,300, based on 45x Sep'27E earnings on estimated financials of Siemens Ltd.

Key risks and concerns

1) Slowdown in order inflows from key government-focused segments, 2) aggression in bids to procure large-sized projects would adversely impact margins, 3) related-party transactions with parent group entities at lower-than-market valuations to weigh on the stock performance.

Quarterly performance (Consol)												(INR m)				
Income Statement	12MFY24 (Y/E Sep)						18MFY26E (Y/E Mar)						12M24	18M26E	FY26E	Est
	Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	5QE	6QE	3QE	Var %			
Net Sales	37,095	41,524	37,626	44,572	35,872	42,590	43,468	47,966	44,364	48,414	1,60,817	2,62,674	42,133	3		
Change (%)					-3.3	2.6	15.5	7.6	23.7	13.7		63.3	12.0			
Expenses	32,565	35,155	32,773	39,122	31,863	37,915	38,254	41,098	38,904	42,001	1,39,615	2,30,035	36,822	4		
EBITDA	4,530	6,369	4,853	5,450	4,009	4,675	5,214	6,868	5,460	6,413	21,202	32,639	5,310	(2)		
As of % Sales	12.2	15.3	12.9	12.2	11.2	11.0	12.0	14.3	12.3	13.2	13.2	12.4	13			
Depreciation	605	629	697	625	689	686	711	744	698	716	2,556	4,244	652	9		
Interest	28	212	46	154	34	23	49	34	33	34	440	207	42	18		
Other Income	1,618	3,253	1,569	2,331	1,723	1,515	1,241	1,203	1,315	1,347	8,771	8,345	1,825	(32)		
PBT pre EO items	5,515	8,781	5,679	7,002	5,009	5,481	5,695	7,292	6,044	7,011	26,977	36,532	6,443	(12)		
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	0	0			
PBT	5,515	8,781	5,679	7,002	5,009	5,481	5,695	7,292	6,044	7,011	26,977	36,532	6,443	(12)		
Tax	1,399	2,289	1,309	1,776	1,288	1,402	1,461	1,765	1,523	1,767	6,773	9,206	1,624	(10)		
Effective Tax Rate (%)	25.4	26.1	23.0	25.4	25.7	25.6	25.7	24.2	25.2	25.2	25.1	25.2	25			
Reported PAT	4,116	6,492	4,370	5,226	3,721	4,079	4,234	5,527	4,521	5,244	20,204	27,326	4,819	(12)		
Adj PAT	4,116	6,492	4,370	5,226	3,721	4,079	4,234	5,527	4,521	5,244	20,204	27,326	4,819	(12)		
Margin (%)	11.1	15.6	11.6	11.7	10.4	9.6	9.7	11.5	10.2	10.8	12.6	10.4	11.4			
Change (%)	NA	NA	NA	NA	-9.6	-37.2	-3.1	5.8	21.5	28.6		35.3	10.3			

INR m	12MFY24 (Y/E Sep)						18MFY26E (Y/E Mar)						12M24	18M26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	5QE	6QE				
Segmental revenue														
Smart infrastructure	18,523	21,655	19,700	22,701	19,549	22,718	23,790	24,780	24,026	26,220	82,579	1,41,083		
Mobility	6,597	7,573	6,168	8,823	6,364	7,309	8,273	8,673	8,099	8,838	29,161	47,556		
Digital industry	10,379	10,419	9,644	10,519	7,901	10,253	9,156	12,013	9,949	10,857	40,961	60,128		
Low Voltage Motors	2,219	2,171	2,370	2,606	2,290	2,380	2,395	2,769	2,488	2,715	9,366	15,038		
Others	161	275	215	385	239	459	460	189	341	372	1,036	2,059		
Less : Intersegmental	-784	-569	-471	-462	-471	-529	-606	-458	-539	-588	-2,286	-3,190		
Total Revenues	37,095	41,524	37,626	44,572	35,872	42,590	43,468	47,966	44,364	48,414	1,60,817	2,62,674		
Segmental EBIT														
Smart infrastructure	1,964	3,097	2,772	3,046	2,351	3,444	3,194	3,728	3,123	3,671	10,879	19,511		
Margin %	10.6	14.3	14.1	13.4	12.0	15.2	13.4	15.0	13.0	14.0	13.2	13.8		
Mobility	492	698	160	723	513	458	319	853	648	795	2,073	3,587		
Margin %	7.5	9.2	2.6	8.2	8.1	6.3	3.9	9.8	8.0	9.0	7.1	7.5		
Digital industry	1,313	1,721	908	988	484	468	988	1,206	846	977	4,930	4,969		
Margin %	12.7	16.5	9.4	9.4	6.1	4.6	10.8	10.0	8.5	9.0	12.0	8.3		
Low Voltage Motors	142	214	278	151	109	191	6	284	124	217	785	932		
Margin %	6.4	9.9	11.7	5.8	4.8	8.0	0.3	10.3	5.0	8.0	8.4	6.2		
Others	14	10	38	27	11	54	32	16	20	37	89	171		
Less- Demerger related expenses	0	0	0	-110	-148	-626	-36	36	0	0	-110	-774		
Total EBIT	3,925	5,740	4,156	4,825	3,320	3,989	4,503	6,123	4,762	5,698	18,646	28,395		
Margin %	10.6	13.8	11.0	10.8	9.3	9.4	10.4	12.8	10.7	11.8	11.6	10.8		

2024 data is for 12 months Sep Y/E; 2026 data is for 18 months Mar Y/E

Cummins India

Estimate change	
TP change	
Rating change	

Bloomberg	KKC IN
Equity Shares (m)	277
M.Cap.(INRb)/(USDb)	1055.3 / 12
52-Week Range (INR)	3929 / 2580
1, 6, 12 Rel. Per (%)	14/29/1
12M Avg Val (INR M)	1949

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	120.9	141.5	163.0
EBITDA	23.8	27.9	32.4
PAT	23.1	27.3	31.7
EPS (INR)	83.5	98.4	114.3
GR. (%)	16.4	17.8	16.3
BV/Sh (INR)	287.3	325.8	370.9
Ratios			
ROE (%)	30.9	32.1	32.8
RoCE (%)	29.4	30.6	31.3
Valuations			
P/E (X)	45.6	38.7	33.3
P/BV (X)	13.3	11.7	10.3
EV/EBITDA (X)	43.2	36.7	31.4
Div Yield (%)	1.2	1.4	1.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.0	51.0	51.0
DII	22.6	22.9	22.4
FII	17.5	17.2	18.0
Others	8.9	8.9	8.7

FII includes depository receipts

CMP: INR3,807 **TP: INR4,350 (+14%)** **Buy**

Strong broad-based performance

Cummins India (KKC) reported a strong set of results with a beat on all parameters. Revenue growth was fueled by sharp growth in powergen and exports, followed by distribution. KKC seems to have gained market share during the quarter, with a sharp growth seen in the powergen segment revenues as compared to the nearest peer. We expect KKC to benefit from 1) demand improvement in the powergen segment as prices have largely stabilized, 2) customized product offerings in the industrial segment and improved penetration for the distribution segment, and 3) recovery in exports. We broadly maintain our estimates and roll forward our valuations to 41x Sep'27E earnings. We reiterate our BUY rating with a revised TP of INR4,350.

Strong start to the year with a beat across all parameters

KKC reported a strong set of results in 1QFY26, with a beat on all parameters. Revenue increased 26% YoY to INR29.1b, beating our estimate by 9%. Domestic sales at INR23.4b grew 25% YoY/21% QoQ, whereas export sales rose 34% YoY/9% QoQ to INR5.2b. Exports have been continuously increasing since 4QFY24. Gross margin at 37.0% contracted 80bp YoY/20bp QoQ. However, lower employee costs and other expenses led to EBITDA margin expansion of 110bp YoY/20bp QoQ to 21.4%. This was higher than our expectation of 20.1%, which was already above the Street's expectation of 19%. Absolute EBITDA rose 33% YoY/20% QoQ to INR6.2b, a 17% beat to our estimate. Adj. PAT increased 32% YoY to INR5.6b (13% above our estimate). During the quarter, the company had an exceptional gain of INR442m related to the sale of 100% stake in its wholly owned subsidiary, Cummins Sales & Service Private Limited (CSSPL). This was included in the reported PAT of INR5.9b.

Powergen segment's growth outperforms the industry

The powergen revenue grew 31% YoY during 1QFY26, much higher than our estimates. Powergen volumes have now come back to pre-emission levels and are getting the benefit of a broad-based demand revival. Even sequentially, the company's powergen revenues below the 750kVA category have grown 45%, indicating a much sharper volume growth than the overall industry. KKC appears to have gained market share in 1QFY26. In the above 750kVA category too, the company's revenue rose 24% YoY, thereby reflecting its market leadership position in the HHP segment. Demand originated from the manufacturing sector, pharma, quick commerce, and mission-critical operations. Data centers contributed steadily, accounting for 15-20% of overall powergen sales. From 2QFY26 onwards, it will be a volume-driven growth. We expect the powergen segment's revenue to clock a 15% CAGR over FY25-28.

Industrial segment's performance hurt by the monsoons

Industrial segment growth stood at 12% YoY for 1QFY26, with sub-segments, such as railways, mining, and compressors, contributing to healthy growth, while the construction sub-segment growth was hit by subdued activity due to monsoons. The company is working on products for Indian Railways, such as the diesel electric tower car and power car, which will keep the growth momentum intact in railways. We expect industrial segment revenues to grow at 18% CAGR over FY25-28.

Distribution growth riding on deeper penetration of core segments

KKC's distribution segment revenue grew by 19% YoY/23% QoQ to INR7.8b in 1QFY26, supported primarily by better penetration in the traditional Powergen and Railways businesses, as well as improved execution and aftermarket solutions. While newly launched products such as DF (dual fuel) kits, power management solutions, AdBlue (diesel exhaust fluid), hydraulic filters, and innovations in the railway segment (e.g., track recording cars and hotel load converters) have begun contributing, these are not yet the primary growth drivers. Instead, the focus remains on deepening reach within established segments and delivering high-quality service support. The CPCB IV+ transition has increased the technological complexity of gensets, opening opportunities for branded players with strong technical teams, which should favor KKC in the aftermarket. Both the Powergen and Industrial sub-segments within distribution are growing, with additional prospects in railways, mining, and marine. While near-term growth is driven by deeper penetration and execution in core markets, the gradual ramp-up of new products could add incremental upside in the medium term. We expect the distribution segment to grow at a CAGR of 19% over FY25-28.

Exports gaining momentum across key markets

Export revenue surged 34% YoY in 1QFY26, with both HHP and LHP categories performing strongly. Growth was broad-based across geographies, led by Latin America and Europe, reflecting the benefits of targeted product positioning and steady market penetration. While management is mindful of geopolitical and trade policy risks, the underlying demand in key markets remains healthy, supported by lower-emission product offerings in regions with less stringent norms and continued participation in markets adopting CPCB IV+ standards. Potential opportunities in the US, particularly for engines like QSK38 and QSK50, offer additional upside, with tariff and market factors under review. With robust momentum in the C&I and rental Powergen segments, deeper penetration in select high-growth regions, and an expanding product portfolio tailored to local needs, we expect export revenue to clock a 17% CAGR over FY25-28.

Financial outlook

We broadly retain our estimates and expect a revenue/EBITDA/PAT CAGR of 16%/16%/17% over FY25-28; we also build in an EBITDA margin of 19.7%/19.7%/19.8% for FY26/27/28. Our estimates factor in a gross margin of 35% in FY26/27/28 vs. 36% in FY25, as we expect some gross margin contraction after price levels for CPCB 4+ normalize.

Valuation and view

The stock is currently trading at 45.6x/38.7x/33.3x on FY26/27/28E EPS. We reiterate our **BUY** rating on the stock with a revised TP of INR4,350 (based on 41x Sep'27E earnings).

Key risks and concerns

Key risks to our recommendation would come from lower-than-expected demand for key segments, higher commodity prices, increased competitive intensity, and lower-than-expected recovery in exports.

Standalone - Quarterly Earnings Model

Y/E March											(INR m)	
	FY25					FY26E				FY25	FY26E	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	Var (%)	Est	
Net Sales	23,042	24,923	30,860	24,569	29,068	29,114	31,762	30,931	1,03,394	1,20,875	26,579	9
YoY Change (%)	4.3	31.2	21.8	6.1	26.2	16.8	2.9	25.9	15.4	16.9	15.4	
Gross profit	8,701	8,917	10,729	9,131	10,752	10,190	11,117	10,369	37,478	42,427	9,701	
Total Expenditure	18,369	20,113	24,860	19,372	22,833	23,437	25,537	25,245	82,714	97,052	21,237	
EBITDA	4,673	4,810	6,000	5,197	6,235	5,677	6,225	5,686	20,680	23,824	5,342	17
Margins (%)	20.3	19.3	19.4	21.2	21.4	19.5	19.6	18.4	20.0	19.7	20.1	
Depreciation	439	452	481	457	479	471	520	506	1,829	1,976	458	5
Interest	48	26	27	52	27	42	42	57	151	166	42	(36)
Other Income	1,322	1,611	1,209	2,119	1,529	1,696	1,875	2,024	6,261	7,124	1,619	(6)
PBT before EO expense	5,509	5,944	6,702	6,807	7,258	6,861	7,538	7,147	24,961	28,805	6,462	12
Extra-Ord expense					-442	-	-	-	-	-	-442	
PBT	5,509	5,944	6,702	6,807	7,200	6,861	7,538	7,147	24,961	29,246	6,462	19
Tax	1,311	1,438	1,562	1,593	1,807	1,647	1,809	1,664	5,904	6,927	1,551	
Rate (%)	23.8	24.2	23.3	23.4	23.5	24.0	24.0	23.3	23.7	23.7	24.0	
Reported PAT	4,198	4,506	5,140	5,214	5,893	5,215	5,729	5,483	19,058	22,319	4,911	20
Adj PAT	4,198	4,506	5,140	5,214	5,555	5,215	5,729	5,484	19,058	21,982	4,911	13
YoY Change (%)	33.0	37.2	12.7	-7.2	32.3	15.7	11.5	5.2	14.7	15.3	17.0	
Margins (%)	18.2	18.1	16.7	21.2	19.1	17.9	18.0	17.7	18.4	18.2	18.5	

INR m											(INR m)	
	FY25					FY26E				FY25	FY26E	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	Var (%)	Est	
Segmental revenue												
Powergen	8,030	8,960	12,710	8,740	10,560	10,543	12,187	11,734	38,440	45,023	9,534	11
Industrial	3,720	4,060	5,110	3,790	4,180	4,791	5,621	5,597	16,680	20,189	4,092	2
Distribution	6,510	6,580	7,460	6,310	7,770	7,830	8,057	8,038	26,860	31,695	7,161	9
Exports	3,890	4,400	4,640	4,790	5,230	5,192	5,104	5,237	17,720	20,763	5,057	3
Total	22,620	24,484	30,414	24,144	28,587	28,728	31,340	30,615	1,01,662	1,19,270	26,225	9

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	INFOE IN
Equity Shares (m)	648
M.Cap.(INRb)/(USDb)	863 / 9.8
52-Week Range (INR)	1839 / 1151
1, 6, 12 Rel. Per (%)	-4/-19/-5
12M Avg Val (INR M)	2155

Financials & Valuations (INR b)			
Y/E Mar	FY25	FY26E	FY27E
Sales	26.5	29.7	33.7
EBITDA	10.7	11.2	13.7
Adj. PAT	7.7	10.5	12.9
Reported PAT	7.2	10.5	12.9
Adj. EPS	11.9	16.1	19.9
EPS (INR)	11.9	16.1	19.9
EPS Gr. (%)	(7.4)	35.5	23.4
BV/Sh. (INR)	428	440	452
Ratios			
RoCE (%)	2.4	3.4	4.0
Payout (%)	47	35	25
Valuations			
P/E (x)	111.7	82.5	66.9
P/BV (x)	3.1	3.0	2.9

Shareholding Pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	37.6	37.6	37.9
DII	19.0	18.8	19.4
FII	33.1	33.4	32.3
Others	10.3	10.2	10.5

FII includes depository receipts

CMP: INR1,332 **TP: INR1,380 (+4%)** **Neutral**

Steady 1QFY26 amid uneven hiring demand

Margins likely to be capped as marketing expenses remain high

- Info Edge (INFOE)'s standalone revenue stood at INR7.4b, up 15.3% YoY/ 7.2% QoQ, in line with our estimate of ~INR7.4b. EBITDA margin came in at 37.7% (flat QoQ/down130bp YoY), below our estimate of 40.7%. Overall billings rose 11.2% YoY and stood at INR6.4b. Adj. PAT came in at INR2.6b (below our est. of INR2.8b. In 1QFY26, INFOE's revenue/EBITDA grew 15.3%/11.4% YoY. We expect its revenue/EBITDA to grow 13.1%/4.1% YoY in 2QFY26. **We reiterate our NEUTRAL rating with a TP of INR1,380, implying a 4% upside.**

Our view: Non-recruitment growth offsets recruitment moderation

- INFOE delivered a steady 1QFY26 despite a softer close to the quarter. Recruitment billings growth moderated to 9% as momentum slowed in the latter part of 1Q due to macro events, client caution, and contract deferrals. GCCs and non-tech sectors such as Retail, Healthcare, and Manufacturing, however, held up well with double-digit growth.
- We believe that the current hiring environment remains patchy. While certain sectors are showing resilience, caution persists among IT and consulting clients. Even so, niche adjacencies like IIM Jobs, Naukri Gulf, and Naukri Fast Forward remain standout performers with strong double-digit growth and should provide some comfort to this business.
- Non-recruitment businesses** maintained their upward trajectory, collectively narrowing cash losses overall. 99acres sustained market share gains even in a seasonally softer quarter, driven by customer and pricing growth, with brokers and channel partners outpacing developers. The business achieved operating breakeven and generated positive cash flow, and **in our opinion, the current momentum and marketing-led visibility could push the platform into decent profitability over the medium term.**
- Jeevansathi** continued to outperform in its niche with 36% billings growth, healthy engagement metrics, and breakeven profitability. The freemium model, coupled with AI-led product upgrades, is driving stronger user engagement and healthier monetization. **Marketing expenses are being kept in check – steady at INR120–150m a quarter – allowing INFOE to pursue 20-25% growth in FY26E while holding the line on breakeven profitability.**
- Margins were softer in 1Q, with IPL-linked campaigns** and investments in growth businesses weighing on profitability. In our opinion, these investments, while impacting near-term margins, are aligned with INFOE's growth strategy.
- We believe margin expansion may be limited in the near term**, as growth-led investments are likely to continue and are contingent on a rebound in recruitment demand. We forecast the company's EBITDA margin at 37.8%/40.8% for FY26/FY27.

Valuations and changes to our estimates

- Our estimates are broadly unchanged. While INFOE's businesses exhibit steady growth in recruitment and real estate, limited near-term profitability upside weighs on the outlook. In our opinion, current valuations already reflect much of the expected growth, leaving little room for re-rating.
- We value the company's operating entities using DCF valuation. Our SoTP-based valuation indicates a TP of INR1,380. **Reiterate Neutral**.

In-line revenue but a miss on margins; billings rise 11% YoY

- Standalone revenue stood at INR7.4b, up 15.3% YoY/7.2% QoQ, in line with our estimates (~INR 7.4bn).
- Overall billings rose 11.2% YoY and were INR6.4b. Billings for Recruitment/ 99 Acres came in at INR4.7b/INR0.94b vs. INR4.3b/INR0.81b in 1QFY25.
- EBITDA margin came in at 37.7% (flat QoQ/down 130bp YoY), below our estimate of 40.7%. The margin contraction was due to higher advertisement expenses on a YoY basis (15.1% of revenue vs. 13.4% in 1QFY25).
- Naukri's PBT margin was down 200bp QoQ at 52.5%, while 99acres' PBT loss percentage increased 310bp QoQ to 16.9%.
- Adj. PAT was up 11.8% YoY to INR2.6b (below our est. of 2.8b) owing to a lower-than-expected EBITDA margin.

Highlights from the management commentary

- Billing growth in 1Q moderated with softness in the recruitment business, while the non-recruitment businesses sustained steady growth.
- Management described the quarter as a "tale of two halves". Solid traction until mid-May, followed by a slowdown in the latter part due to multiple macro events, heightened client caution, and deferred contracts.
- Management remains cautiously optimistic about sustaining growth in the coming quarters, subject to macro stability and a rebound in hiring demand.
- **Recruitment:** Billings growth moderated to 9% in Q1, while revenue growth benefited from the carry-through of earlier momentum. **Elevated marketing spend was driven by IPL campaigns, database expansion in Tier 2/3 cities, and investments in smaller growth businesses.**
- **Real Estate:** Q1 billings were resilient in a seasonally softer quarter, aided by continued market share gains and strengthened leadership. The business was operating breakeven and generated positive cash flow from operations in Q1.
- Standalone operating margin dipped in Q1 due to seasonal IPL spending and investments in emerging/growth businesses.

Valuation and view

- We expect near-term recruitment growth to remain range-bound, as macro uncertainty and client caution – particularly in IT and consulting – keep overall hiring demand muted. Management's disciplined investments in growth businesses such as 99acres and Jeevansathi are already showing progress, and we believe these could scale meaningfully over the medium term, adding to the group's long-term value.
- We value the company's operating entities using DCF valuation. Our SoTP-based valuation indicates a TP of INR1,380. **Reiterate Neutral**.

Standalone quarterly performance (INR m)												
Y/E March	FY25				FY26E				FY25	FY26E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Revenues	6,389	6,561	6,715	6,871	7,364	7,418	7,631	7,642	26,536	29,737	7,398	-0.5
YoY (%)	9.3	10.6	12.8	13.0	15.3	13.1	13.6	11.2	11.4	12.1	15.8	-50bp
Salary costs	2,587	2,624	2,681	2,923	2,915	3,004	3,067	3,069	10,815	12,055	2,992	-2.6
Ad and Promotion costs	856	755	667	846	1,111	1,038	1,068	1,070	3,125	4,288	888	25.1
Other Expenses	452	437	470	512	559	519	534	535	1,871	2,147	510	9.5
EBITDA	2,495	2,744	2,897	2,589	2,779	2,856	2,961	2,968	10,726	11,247	3,007	-7.6
EBITDA Margin (%)	39.0	41.8	43.1	37.7	37.7	38.5	38.8	38.8	40.4	37.8	40.7	-290bp
Depreciation	175	186	217	224	226	223	214	191	801	853	222	1.8
EBIT Margin (%)	36.3	39.0	39.9	34.4	34.7	35.5	36.0	36.3	37.4	35.0	37.7	-300bp
Other Income	770	803	781	784	960	890	916	917	3,138	3,683	873	10.0
PBT bef. Extra-ordinary	3,043	3,315	3,415	3,099	3,462	3,472	3,610	3,640	12,871	13,867	3,607	-4.0
Provision for Tax	720	3,537	820	624	866	816	848	855	5,701	3,386	848	2.2
ETR (%)	23.7	106.7	24.0	20.1	25.0	23.5	23.5	23.5	44.3	24.4	23.5	150bp
Adj. PAT	2,323	-222	2,595	2,474	2,596	2,656	2,762	2,785	7,170	10,481	2,759	-5.9
EOI	0	1,080	-593	-76	0	0	0	0	564	0	0.0	
Reported PAT	2,323	859	2,002	2,551	2,596	2,656	2,762	2,785	7,734	10,481	2,759	-5.9
QoQ (%)	10.1	-63.0	133.1	27.4	1.8	2.3	4.0	0.8			8.2	
YoY (%)	16.2	-58.9	-6.3	20.9	11.8	209.3	37.9	9.2	-7.2	35.5	18.8	
EPS (INR)	3.6	1.3	3.1	3.8	4.0	4.1	4.3	4.3	11.9	16.1	4.3	-5.9

Key performance indicators

Y/E March	FY25				FY26		FY25	
	1Q	2Q	3Q	4Q	1Q	1Q	1Q	1Q
Operating metrics								
Headcount	5,817	5,820	5,883	6,065	6,174	6,065		
99acres – Listings (k)	1,103	1,162	1,183	1,387	1,544	4,835		
Revenue (YoY %)								
Recruitment	6%	9%	12%	13%	15%	10%		
99acres	20%	17%	17%	14%	12%	17%		

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	HPCL IN
Equity Shares (m)	2128
M.Cap.(INRb)/(USDb)	871.3 / 9.9
52-Week Range (INR)	457 / 288
1, 6, 12 Rel. Per (%)	-5/16/4
12M Avg Val (INR M)	2664

Financials & Valuations (INR b)			
Y/E March	FY25	FY26E	FY27E
Sales	4,341	3,634	3,423
EBITDA	166	222	203
Adj. PAT	67	116	95
Adj. EPS	32	55	45
EPS Gr.	-58	73	-18
BV/Sh.(INR)	240	288	331
Ratios			
Net D:E	1.3	1.0	0.8
ROE (%)	13.7	20.7	14.5
RoCE (%)	8.2	10.8	8.8
Payout (%)	33.2	30.6	28.2
Valuations			
P/E (x)	13.0	7.5	9.1
P/BV (x)	1.7	1.4	1.2
EV/EBITDA	9.3	6.6	7.0
Div. Yield	2.6	5.1	4.1
FCF Yield	5.5	16.9	12.5

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	54.9	54.9	54.9
DII	23.2	23.6	21.5
FII	13.6	12.6	13.2
Others	8.4	9.0	10.4

FII Includes depository receipts

CMP: INR410 **TP: INR520 (+27%)** **Buy**

Inventory losses weigh on 1Q performance

- HPCL's 1QFY26 EBITDA was 9% below our est., led by lower-than-estimated GRM (USD3.1/bbl). GRM, adj. for inventory gains, stood at USD6.5/bbl. Marketing margin stood 10% above estimates at INR7/lit. Resultant PAT was 11% below our est. at INR43.7b.
- The Union Cabinet has approved INR300b in LPG compensation to OMCs, which will be paid in 12 tranches. While the disbursement timeline remains undisclosed, we estimate HPCL to receive ~INR40.5b in both FY26/27 (~27% of total compensation). This will result in ~9% increase in HPCL's FY27E BVPS.
- In our previous note ([link](#)), we highlighted that OMCs are entering the last phase of a rally. Since then, HPCL has delivered only 4% return (peak return of 14%). While MS/HSD marketing margins have corrected recently to an average of INR11.3/INR6.7 per lit in 2Q'td (vs. INR12.7/INR11 per lit in 1Q), they are significantly above our assumption of INR3.3/lit. Further, with current LPG under-recovery per cyl declining to INR75-85 (vs. INR160-170 in 1Q), marketing segment should remain strong. Refining segment reported a weak performance in 1Q, as the inventory loss came in significantly above estimate at USD3.5/bbl. In 2Q'td, HSD cracks have risen 34% QoQ to USD13.3/bbl, while MS cracks have declined 23% QoQ to USD8.7/bbl. Fuel oil cracks have again turned negative, averaging - USD4.8/bbl.
- We continue to prefer HPCL among OMCs due to the following factors: 1) HPCL's higher leverage toward the marketing segment, 2) higher dividend yield as HPCL's capex cycle is tapering off, and 3) start-up of HPCL's multiple mega-projects in the next 12 months providing a push to earnings.
- HPCL currently trades at 1.2x FY27E P/B, at par with its LTA 1yr fwd. P/B. We estimate the company to deliver 15%+ ROE during FY26/27, and estimate a 4% FY27E dividend yield. We reiterate our BUY rating on the stock with our SoTP-based TP of INR520/sh.

Key takeaways from the conference call

- In 1Q, the company achieved a throughput of 6.7mmt (+16% YoY), with an average capacity utilization of 109%.
- Market sales volume for the quarter reached a record 13mmt (including exports) (+3.2% YoY).
- Capacity utilization target for Chhara terminal: FY26/FY27 - **10-15%/35-40%**.
- HPCL has started an EBITDA enhancement program via operational efficiency and targets INR10-15b EBITDA uplift (savings) by Mar'31. 25% savings are locked in and 16% target has already flown in 1Q (~INR0.5b).
- In 1Q, **Russian crude proportion stood at 13.2% only**.
- 1Q LPG under-recovery stood at INR21.5b (INR167/164/155 per cyl UR in Apr/May/Jun). Current level UR results in INR10b in under recovery per quarter.
- In 1Q, INR14b/INR6b inventory loss pertained to refining/marketing. Due to geopolitical tensions, the **company held higher inventories, leading to higher inventory losses**.

Miss led by weak refining performance

- HPCL's EBITDA came in at INR76.7b, down 9% vs. our estimate, due to a lower-than-estimated GRM, which was 59% below our estimate at USD3.1/bbl.
- Refining throughput was in line at 6.7mmt. Marketing volumes also came in line at 13mmt.
- Marketing margin (including inv.) stood at ~INR7/lit (est. INR6.4/lit).
- LPG under-recovery stood at INR21.5b (down 35% QoQ).
- PAT came in 11% below our est. at INR43.7b. Other income and finance costs were below our estimates.
- In 1Q, HPCL had a forex loss of INR0.7b.
- As of Jun'25, HPCL had a cumulative negative net buffer of INR130b due to the under-recovery on LPG cylinders (INR109b as of Mar'24).
- As of Jun'25, gross debt stood at INR510b (down INR123b QoQ).

Valuation and view

- **HPCL** remains our preferred pick among the three OMCs. We model a marketing margin of INR3.3/lit for both MS and HSD in FY26/27, while the current MS and HSD marketing margins are above INR6.5/lit. We view the following as key catalysts for the stock: 1) the de-merger and potential listing of the lubricant business, 2) the commissioning of its bottom upgrade unit in 2QFY26'end, and 3) the start of its Rajasthan refinery in FY26.
- HPCL currently trades at 1.2x FY27E P/B, which we believe offers a reasonable margin of safety as we estimate FY27E RoE of 15%. **We value the stock at our SoTP-based TP of INR520/sh. Reiterate BUY.**

Standalone - Quarterly Earning Model											(INR b)		
Y/E March	FY25					FY26E				FY25	FY26E	FY26	Var (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE					
Net Sales	1,138	999	1,105	1,095	1,108	830	840	853	4,337	3,630	895	24%	
YoY Change (%)	1.6	4.4	-0.7	-4.4	-2.7	-17.0	-24.0	-22.1	0.0	-16.3	-21.3		
EBITDA	21	28	65	58	77	46	50	50	171	222	84	-9%	
Margins (%)	1.8	2.8	5.8	5.3	6.9	5.5	5.9	5.8	3.9	6.1	9.4		
Depreciation	15	15	15	16	15	16	16	17	61	65	15.8		
Forex loss	0	0	5	0	1	0	0	0	4	1	0.0		
Interest	7	9	9	7	7	11	10	10	33	39	9.0		
Other Income	6	6	5	8	5	6	5	11	24	29	6.4		
PBT	5	8	40	43	58	25	28	34	96	145	65.8	-11%	
Tax rate (%)	24.5	24.4	24.6	22.1	25.0	25.2	25.2	25.2	23.5	25.1	25.2		
Adj PAT	3.6	6.3	30.2	33.5	43.7	18.8	21.3	25.1	73.6	109.0	49.2	-11%	
YoY Change (%)	-94.3	-87.7	471.4	18.0	1,128.5	198.5	-29.5	-25.1	-49.9	48.0	1,282.9		
Key Assumptions													
Refining throughput (mmt)	5.8	6.3	6.5	6.7	6.7	6.7	6.7	6.7	25.3	26.6	6.6	0%	
Reported GRM (USD/bbl)	5.0	3.1	6.0	8.5	3.1	6.0	6.5	6.5	5.7	5.5	7.5	-59%	
Marketing sales volume incl exports (mmt)	12.6	11.6	12.9	12.7	13.0	12.1	13.4	13.3	49.8	51.8	13.1	-1%	
Marketing GM incl inv (INR/litre)	3.0	4.2	5.7	4.5	7.0	4.5	4.4	4.4	4.4	5.1	6.4	10%	



Max Financial Services

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	MAXF IN
Equity Shares (m)	345
M.Cap.(INRb)/(USDb)	535.4 / 6.1
52-Week Range (INR)	1669 / 950
1, 6, 12 Rel. Per (%)	3/36/39
12M Avg Val (INR M)	1361

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Gross Premium	332.2	386.3	450.0
PAT	4.1	4.9	6.0
APE	87.7	103.1	122.6
VNB margin (%)	24.0	25.0	25.5
Op. RoEV (%)	19.1	18.5	18.7
AUM (INRb)	1,751	1,968	2,217
VNB(INRb)	21.1	25.8	31.3
EV per Share	584	698	834
Valuations			
P/EV (x)	2.4	2.0	1.7
P/EVOP (x)	22.4	17.9	14.9

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	1.7	1.7	6.5
DII	47.3	47.3	40.7
FII	44.7	44.8	46.6
Others	6.3	6.2	6.1

FII includes depository receipts

CMP: INR1,552
TP: INR1,750 (+13%)
Neutral

Beat on VNB margin; industry-leading growth trajectory intact

- Axis Max Life Insurance (MAXLIFE) continued to report better-than-industry performance in 1QFY26, with new business APE growth of 15% YoY to INR16.7b (in line).
- A shift in product mix toward non-par resulted in 32% YoY growth in VNB to INR3.4b (9% beat). This resulted in a VNB margin of 20.1% vs. 17.5% in 1QFY25 (est. 18.5%).
- The company reported EV of INR264.7b at the end of 1QFY26, reflecting RoEV of 20% and operating RoEV of 14.3% (14.2% in 1QFY25).
- The gap between adjusted first-year premium growth and APE growth is expected to reduce to 2-4%. The management reiterated confidence in achieving 24–25% VNB margin guidance for FY26. Any upside is likely to be reinvested into business growth.
- We retain our estimates and expect a 25.0%/25.5% VNB margin in FY26/FY27. **Reiterate Neutral** with a TP of INR1,750, premised on 2.4x FY27E EV and a holding company discount of 10%. The success of the reverse merger is key to further re-rating of the stock.

Higher contribution of protection and savings drives margin expansion

- Gross premium income grew 19% YoY to INR64b (in line). Renewal premium rose 17% YoY to INR38.7b (in line).
- The strong growth drove market share expansion to 10% during 1QFY26 from 8.8% in 1QFY25.
- VNB margin expansion of 260bp YoY was driven by a product mix shift reflected in: 1) non-par savings contribution increasing to 33% (27% in 1QFY25) with APE growth of 41% YoY, 2) protection contribution rising to 23% (20% in 1QFY25) with rider APE growing 380% YoY, and 3) ULIP contribution declining to 33% (39% in 1QFY25) with APE dipping 4% YoY.
- MAXLIFE launched the Smart Value income and Benefit Enhancer plans during the quarter, offering instant income in the first policy year, which witnessed strong traction and contributed to non-par growth.
- On the distribution front, proprietary /bancassurance channels grew 11%/16% YoY during 1QFY26. Within the proprietary channel, offline APE grew 18% YoY while online APE was largely flattish YoY due to the high base impact of strong ULIP sales in 1QFY25. Within the bancassurance channel, Axis Bank witnessed growth of 11% YoY, while other bank partners witnessed APE growth of 54% YoY, driven by increasing tie-ups as well as a focus on achieving an optimal product mix in the bancassurance channel.
- The policyholders' opex-to-GWP ratio was largely stable YoY at 17.8% in 1Q.
- Persistency on the premium basis improved across long-term cohorts, especially in the 25th-month (+500bp YoY to 75%) and 61st-month (+200bp YoY to 54%). However, the 13th-month persistency dipped 100bp YoY to 86%.
- AUM grew 14% YoY to INR1.83t, while solvency was 199%.

Highlights from the management commentary

- The company launched its in-house developed Axis Max Life app to integrate life insurance with wellness offerings. The app is expected to enhance customer engagement, NPS, and persistency, while also supporting cost efficiencies. It focuses on enabling real-time service and cross-selling opportunities.
- A newly launched non-par savings product, repricing actions, and maintained momentum in rider attachment aided margin expansion. However, some product segments saw pressure due to design changes.
- EV movement saw a positive non-operating variance, largely driven by favorable interest rate movements. Operating variance was also positive, though of a smaller magnitude. Unwind rate moderated from 8.4% to 8.3%.

Valuation and view

- MAXLIFE continues to witness strong growth and reported a better-than-expected VNB margin in 1QFY26, backed by product mix shift towards savings and protection segments. Both proprietary and bancassurance channels maintained growth momentum backed by continued traction in offline sales and increasing tie-ups with banks.
- We retain our estimates and expect a 25.0%/25.5% VNB margin in FY26/ FY27. **Reiterate Neutral** with a TP of INR1,750, premised on 2.4x FY27E EV and a holding company discount of 10%. The success of the reverse merger is key to further re-rating of the stock.

Quarterly snapshot

Policyholder's A/c (INR b)	FY25				FY26				FY25	FY26E	FY26E 1QE	A v/s E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
First-year premium	12.6	20.5	20.4	29.8	15.5	23.6	24.6	34.7	83.3	98.5	15.5	0%
Growth (%)	27.1%	33.6%	16.1%	17.3%	23.3%	15.4%	20.6%	16.6%	20.9%	18.3%	22.8%	
Renewal premium	33.2	47.2	52.2	77.8	38.7	54.3	59.9	88.5	210.5	241.6	37.4	3%
Growth (%)	10.3%	12.4%	13.3%	16.4%	16.6%	15.1%	14.8%	13.8%	13.7%	14.8%	12.7%	
Single premium	8.2	9.7	9.6	11.1	9.7	11.6	11.5	13.4	38.5	46.2	9.7	0%
Growth (%)	-5.7%	8.4%	3.0%	-27.0%	19.0%	20.3%	20.3%	21.2%	-7.0%	20.3%	19.0%	
Gross premium income	54.0	77.4	82.2	118.6	64.0	89.6	96.1	136.6	332.2	386.3	62.6	2%
Growth (%)	10.8%	16.8%	12.7%	10.5%	18.5%	15.8%	16.8%	15.2%	12.5%	16.3%	16.0%	
PAT	1.6	1.4	0.7	0.4	0.9	1.5	1.0	1.6	4.1	4.9	1.5	-42%
Growth (%)	51.4%	-11.2%	-53.8%	-174.5%	-44.9%	5.9%	40.9%	320.7%	13.0%	21.0%	-5.4%	
Key metrics (INRb)												
New Business APE	14.5	21.7	21.1	30.4	16.7	25.1	26.0	35.4	87.7	103.1	16.6	0%
Growth (%)	30.5%	31.3%	17.4%	5.8%	14.8%	15.5%	23.5%	16.4%	20.9%	17.6%	0.1	
VNB	2.5	5.1	4.9	8.5	3.4	6.3	6.5	9.7	21.1	25.8	3.1	9%
Growth (%)	2.8%	23.1%	0.0%	3.8%	31.9%	22.3%	33.1%	13.4%	6.8%	22.4%	0.2	
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,832.1	1,887.1	1,943.7	1,967.8	1,750.7	1,967.8	1,838	0%
Growth (%)	24.8%	26.8%	20.4%	16.0%	13.7%	10.9%	13.2%	12.4%	16.1%	12.4%	0.1	
Key ratios (%)												
VNB Margin (%)	17.5	23.6	23.2	28.0	20.1	25.0	25.0	27.3	24.0	25.0	18.5	

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BIOS IN
Equity Shares (m)	1337
M.Cap.(INRb)/(USDb)	459 / 5.2
52-Week Range (INR)	406 / 291
1, 6, 12 Rel. Per (%)	-2/-15/0
12M Avg Val (INR M)	1572

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	153.0	175.0	208.0
EBITDA	32.0	36.0	44.0
Adjusted PAT	2.0	5.0	11.0
EBIT Margin (%)	9.7	9.8	12.0
Cons. Adj EPS (INR)	2.0	4.1	9.0
EPS Gro. (%)	13.2	102.3	118.5
BV/Sh. (INR)	180.4	184.3	192.8
Ratios			
Net D-E	0.6	0.7	0.8
RoE (%)	1.2	2.3	4.8
RoCE (%)	2.7	3.0	4.0
Payout (%)	23.2	5.6	5.6
Valuations			
P/E (x)	167.4	82.8	37.9
EV/EBITDA (x)	1.9	1.8	1.7
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	4.2	-0.3	-1.5
EV/Sales (x)	3.3	2.9	2.4

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	54.5	60.6	60.6
DII	22.8	15.7	14.3
FII	6.2	5.9	6.2
Others	16.5	17.8	18.9

FII includes depository receipts

CMP: INR343
TP: INR410 (+19%)
Buy
Temporary headwinds in generics weigh on 1Q
Biologics and Syngene continue to build strategic strengths

- Biocon (BIOS) reported lower-than-expected financial performance in 1QFY26, affected mainly by a sharp reduction in generics sales and increased opex related to new facilities.
- While it was a dismal quarter for the generics segment, BIOS has a pipeline of product approval/launches lined up for the near to medium term to improve growth prospects and profitability.
- Biologics sales witnessed improved traction from commercialized molecules in both advanced as well as emerging markets.
- In fact, the profitability also remained steady in the biologics segment (21% EBITDA margin in 1QFY26), driven by higher volume off-take and better operating leverage.
- BIOS also has a launch pipeline in the biologics segment (insulin Aspart in particular) to sustain growth momentum in this segment.
- BIOS' subsidiary, Syngene, delivered steady growth on a low base of past year. It continues to expand niche platform service offerings in research services and scale up manufacturing capabilities in small/large molecules.
- We reduce our earnings estimates by 7%/3% for FY26/FY27, factoring in a) near-term cost pressures in generics, b) lower operating leverage, and c) higher depreciation related to facilities coming online in Syngene. We value BIOS on an SOTP basis (20x 12M forward EV/EBITDA for 73% stake in Biocon Biologics, 53% stake in Syngene, and 10x EV/EBITDA for the Generics business) to arrive at a TP of INR410.
- BIOS is building growth levers across generics, biologics and Syngene. The product pipeline remains encouraging for generics/biologics. Investment in manufacturing to support commercial traction for launches/potential approval is largely in place in generics/biologics. Considering the market demand dynamics, Syngene is expanding its capabilities in CDMO space. Maintain BUY.

Biologics drive revenue growth; margins miss estimates in 1QFY26

- BIOS 1QFY26 revenues grew 15% YoY to INR39.4b (est. INR42.4b).
- Revenue growth was led by Biosimilars (61% of sales), up 28.6% YoY to INR24.5b. Research services (22% of sales) grew 11% YoY to INR8.8b. Generics sales rose 5.7% YoY to INR7b (17% of sales).
- Gross margin (GM) contracted 120bp YoY to 63.5%.
- EBITDA margin expanded 90bp YoY to 19% (est: 21.5%) due to lower R&D/employee expenses (-140bp/-60bp YoY as a % of sales).
- EBITDA margin for Biocon Biologics was 20.8% for 1QFY26 (down 200bp YoY/down 110bp QoQ).
- EBITDA margin of Syngene was 25.6% for the quarter (up 410bp YoY/ down 810bp QoQ basis).
- Generic business EBITDA margin was 1.9% vs. 8.9% YoY and 23.2% QoQ.
- EBITDA grew 20.5% YoY to INR7.5b (est: INR9b) for the quarter.
- Adj. PAT came in at INR300m vs. loss of INR1.6b YoY.

Highlights from the management commentary

- While generics business was subdued for the quarter, BIOS has a line-up of product launches, which would improve profitability of generics going forward. Specifically, Liraglutide in EU, g-Entresto, and Micafungin everolimus in the US would drive near-term sales.
- BIOS awaits approval for Liraglutide in the US market. Insulin Aspart would be launched soon in the US market.
- With respect to RH-Insulin, BIOS has expanded its drug product capacity in Malaysia to cater to certain markets after regulatory approval.
- About 77% of biologics business comes from advanced markets and the remaining from emerging markets.
- There has been a small component of g-Revlimid in 1QFY26 sales for BIOS.

Quarterly performance (Consolidated)

Y/E March	FY25								FY26		FY26 E vs Est	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	1QE	
Net Sales	34,329	35,904	38,214	44,170	39,420	42,832	45,810	47,437	1,52,617	1,75,499	42,406	-7.0%
YoY Change (%)	0.3	3.7	6.0	12.8	14.8	19.3	19.9	7.4	5.9	15.0	23.5	
Total Expenditure	28,120	29,040	30,357	33,390	31,940	34,180	35,824	37,380	1,20,907	1,39,323	33,288	
EBITDA	6,209	6,864	7,857	10,780	7,480	8,652	9,987	10,057	31,710	36,175	9,117	-18.0%
YoY Change (%)	-12.9	-7.4	36.2	17.7	20.5	26.0	27.1	-6.7	7.6	14.1	46.8	
Margins (%)	18.1	19.1	20.6	24.4	19.0	20.2	21.8	21.2	20.8	20.6	21.5	
Depreciation	4,050	4,200	4,250	4,360	4,550	4,531	4,846	5,018	16,860	18,945	4,358	
EBIT	2,159	2,664	3,607	6,420	2,930	4,121	5,141	5,038	14,850	17,230	4,759	
YoY Change (%)	-39.2	-24.4	123.1	26.1	35.7	54.7	42.5	-21.5	7.8	16.0	120.4	
Interest	2,360	2,260	2,230	2,120	2,770	1,950	1,750	1,500	8,970	7,970	2,100	
Other Income	767	330	350	370	800	650	430	445	1,817	2,325	410	
Extraordinary Income	10,893	260	-163	210	0	0	0	0	11,200	0	0	
PBT	11,459	994	1,564	4,880	960	2,821	3,821	3,983	18,897	11,585	3,069	-68.7%
Tax	2,840	710	750	280	80	663	909	956	4,580	2,608	859	
Rate (%)	24.8	71.4	47.9	5.7	8.3	23.5	23.8	24.0	24.2	22.5	28.0	
Minority Interest	2,030	430	560	1,150	580	1,135	1,140	1,160	4,170	4,015	1,120	
PAT	6,589	-146	254	3,450	300	1,023	1,771	1,867	10,147	4,962	1,090	-72.5%
Adj PAT	-1,604	365	439	3,252	300	1,023	1,771	1,867	2,452	4,962	1,090	-72.5%
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-118.7	180.1	303.3	-42.6	13.2	102.3	-167.9	
Margins (%)	19.2	-0.4	0.7	7.8	0.8	2.4	3.9	3.9	6.6	2.8	2.6	

Key performance Indicators (Consolidated)

Y/E March	FY25								FY26E		FY25	FY26E	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE				
Cost Break-up													
RM Cost (% of Sales)	37.2	35.6	38.0	35.5	38.4	38.0	37.2	37.3	37.2	36.1	36.5		
Staff Cost (% of Sales)	20.4	20.8	19.1	17.3	19.9	19.1	18.4	18.2	19.3	18.8	18.5		
R&D Expenses(% of Sales)	6.6	5.6	5.2	5.2	5.2	5.1	5.5	5.7	5.7	7.1	5.7		
Other Cost (% of Sales)	17.7	18.9	17.1	17.6	17.6	17.6	17.1	17.6	17.8	17.5	17.8		
Gross Margins (%)	62.8	64.4	62.0	64.5	61.6	62.0	62.8	62.7	62.8	63.9	63.5		
EBITDA Margins (%)	18.1	19.1	20.6	24.4	19.0	20.2	21.8	21.2	20.8	20.6	21.5		
EBIT Margins (%)	6.3	7.4	9.4	14.5	7.4	9.6	11.2	10.6	9.7	9.8	11.2		

Estimate change	
TP change	
Rating change	

Bloomberg	VOLT IN
Equity Shares (m)	331
M.Cap.(INRb)/(USDb)	431.8 / 4.9
52-Week Range (INR)	1946 / 1135
1, 6, 12 Rel. Per (%)	0/-9/-10
12M Avg Val (INR M)	2844
Free float (%)	69.7

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	152.5	172.6	195.8
EBITDA	10.4	13.2	15.7
Adj. PAT	7.7	10.5	12.7
EBITA Margin (%)	6.8	7.7	8.0
Cons. Adj. EPS (INR)	23.4	31.8	38.4
EPS Gr. (%)	(7.9)	35.9	20.6
BV/Sh. (INR)	214.0	239.9	270.3
Ratios			
Net D:E	0.0	(0.0)	(0.1)
RoE (%)	10.9	13.3	14.2
RoCE (%)	11.7	13.2	13.8
Payout (%)	25.0	25.0	25.0
Valuations			
P/E (x)	55.7	41.0	34.0
P/BV (x)	6.1	5.4	4.8
EV/EBITDA (x)	41.7	32.5	27.0
Div Yield (%)	0.4	0.6	0.7
FCF Yield (%)	1.2	1.4	1.8

Shareholding pattern (%)

As of	Jun-25	Mar-25	Jun-24
Promoter	30.3	30.3	30.3
DII	33.4	33.2	40.4
FII	21.2	22.0	15.1
Others	15.2	14.5	14.2

FII includes depository receipts

CMP: INR1,305
TP: INR1,350 (+3%)
Neutral
Weak performance; eyes recovery in the festive season
Estimates a flat to moderate growth in FY26 amid 1Q pressure

- Voltas (VOLT)'s 1QFY26 earnings were below our estimate. Revenue dipped ~20% YoY to INR39.4b (-10% vs. estimate), due to ~25%/16%/3% YoY decline in UCP/PES/EMPS revenue. EBITDA declined ~58% YoY to INR1.8b (~43% miss, led by lower-than-estimated revenue/margin in the UCP segment). OPM contracted 4.1pp YoY to 4.5% (2.7pp below our estimate). PAT declined ~58% YoY to INR1.4b (~42% miss) for the quarter.
- Management highlighted that 1QFY26 was a challenging period as growth momentum turned adverse in May'25. The weak summer season led to a significant drop in peak season demand for ACs and other cooling products. VOLT believes the performance dip in 1QFY26 was temporary, and it is taking corrective actions, including cost-control measures, inventory realignment, and production adjustments. Management remains cautiously optimistic about a recovery in the coming quarters, aided by the upcoming festive season and the possibility of a second summer in certain regions. It expects industry to close FY26 flattish to modest growth.
- We cut our EPS estimates for FY26/FY27 by ~9%/5% to reflect the 1QFY26 underperformance and lower margins in the UCP segment. We reiterate our **Neutral rating** on the stock with a TP of INR1,350, based on 45x Jun'27E EPS for the UCP segment, 20x Jun'27E EPS for the PES and EMPS segments, and INR22/share for Voltbek.

UCP's EBIT margin contracts ~5pp YoY to 3.6% (lowest quarterly margin)

- VOLT's consol. revenue/EBITDA/PAT stood at INR39.4b/INR1.8b/INR1.4b (-20%/58%/58% YoY and -10%/-43%/-42% v/s our estimates) in 1QFY26. OPM contracted 4.1pp YoY to 4.5% (vs. estimate of 7.2%). Depreciation/interest costs increased 38%/39% YoY, whereas 'other income' inched up ~2% YoY.
- Segmental highlights: a) **UCP** – revenue declined 25% YoY to INR28.7b, and EBIT declined 68% YoY to INR1.0b. EBIT margin was down 5.0pp YoY to 3.6%; b) **EMPS** – revenue dipped 3% YoY to INR9.2b. EBIT declined ~27% YoY to INR492m. EBIT margin contracted 1.8pp to ~5%; c) **PES** – revenue was down ~16% YoY to INR1.4b, and EBIT decreased 11% YoY to INR401m. EBIT margin increased 1.7pp YoY to ~30%.

Highlights from the management commentary

- VOLT's market share in RAC stood at 17.8% for 1QFY26 (vs. 19.5% in 1QFY25) and was 19.3% in Jun'25-exit (vs. 21.1% in Jun'24-exit).
- The **order book** was INR62.0b as of Jun'25, ensuring strong revenue visibility going forward. Management reiterated its cautious approach by stating that it would bid only for projects with assured margins and secured funding to avoid repeats of past international losses.
- Voltas Beko sustained its strong growth momentum, recording a 33% YoY increase in volumes, accompanied by notable gains in market share. Market share gains were recorded in both semiautomatic and overall washing machine segments, while the refrigerator category also improved its standing, particularly in direct cool models.

Valuation and view

- VOLT's 1QFY26 performance was notably below our estimate due to weak UCP segment performance. Though it maintained leadership in RAC with a Jun'25-exit market share of 19.3%, this was lower than the Jun'24-exit market share at 21.1%. This was because of a weak summer in North India, which is a much bigger market for the company. It has scaled down factory operations to avoid overproduction, which led to under-absorption of fixed costs and put pressure on profitability.
- We estimate VOLT's revenue/EBITDA/PAT CAGR at ~8%/12%/15% over FY25-28E. We estimate the UCP segment's margin to stand at 7.0% in FY26 (vs. 8.4% in FY25), though demand recovery will be crucial in 2HFY26, led by the festive season and change in energy rating norms. We maintain our Neutral rating on the stock with a TP of INR1,350 based on 45x Jun'27E EPS for the UCP segment, 20x Jun'27E EPS for the PES and EMPS segments, and INR22/share for Voltbek.

Quarterly performance

Y/E March	(INR m)								FY25	FY26E	MOFSL	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Sales	49,210	26,191	31,051	47,676	39,386	27,811	32,874	52,390	1,54,128	1,52,460	43,553	(10)
Change (%)	46.5	14.2	18.3	13.4	(20.0)	6.2	5.9	9.9	23.5	-1.1	-11.5	
Adj. EBITDA	4,238	1,622	1,974	3,328	1,785	1,863	2,229	4,482	11,162	10,360	3,152	(43)
Change (%)	128.6	130.8	594.5	74.6	(57.9)	14.9	12.9	34.7	135.2	-7.2	-25.6	
Adj. EBITDA margin (%)	8.6	6.2	6.4	7.0	4.5	6.7	6.8	8.6	7.2	6.8	7.2	(270)
Depreciation	134	164	179	141	185	189	197	199	618	770	182	1
Interest	98	136	155	233	135	140	135	190	621	600	110	23
Other Income	803	1,055	591	797	821	850	650	741	3,245	3,062	815	1
Extra-ordinary items	0	0	0	-	-	-	-	-	0	0	0	
PBT	4,809	2,377	2,231	3,751	2,286	2,384	2,547	4,834	13,168	12,051	3,675	(38)
Tax	1,165	726	599	1,075	621	639	683	1,311	3,565	3,254	985	(37)
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	27.2	26.8	26.8	27.1	27.1	27.0	26.8	
Share of profit of associates/JV's	(294)	(323)	(324)	(320)	(259)	(290)	(300)	(273)	(1,260)	(1,121)	-260	(0)
Reported PAT	3,350	1,328	1,308	2,357	1,406	1,455	1,564	3,250	8,343	7,676	2,430	(42)
Change (%)	159.1	262.1	NA	102.4	(58.0)	9.6	19.6	37.9	231.1	-8.0	-27.5	
Minority Interest	8	(12)	(14)	(53)	2	(12)	(14)	(47)	(71)	(71)	8	
Adj. PAT	3,342	1,340	1,321	2,410	1,405	1,467	1,578	3,297	8,414	7,747	2,422	(42)
Change (%)	158.5	265.3	NM	132.2	(58.0)	9.5	19.4	36.8	251.5	-7.9	(28)	

Note: 4QFY24 and FY24 Adj. PAT is after adjusting tax related to earlier period

Global Health

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	MEDANTA IN
Equity Shares (m)	269
M.Cap.(INRb)/(USDb)	382.4 / 4.4
52-Week Range (INR)	1457 / 936
1, 6, 12 Rel. Per (%)	21/18/20
12M Avg Val (INR M)	447

Financials & Valuations (INR b)			
Y/E MARCH	FY25	FY26E	FY27E
Sales	36.9	42.3	49.0
EBITDA	8.9	10.1	12.5
Adj. PAT	5.2	6.5	8.1
EBIT Margin (%)	18.5	19.0	20.4
Cons. Adj. EPS (INR)	19.3	24.2	30.3
EPS Gr. (%)	8.6	24.9	25.5
BV/Sh. (INR)	126.1	146.3	171.3
Ratios			
Net D:E	0.1	0.1	(0.0)
RoE (%)	16.5	17.7	19.1
RoCE (%)	14.5	15.7	16.8
Payout (%)	16.3	17.9	17.6
Valuations			
P/E (x)	73.6	58.9	46.9
EV/EBITDA (x)	43.4	38.1	30.6
EV/Sales (x)	10.5	9.1	7.8
Div. Yield (%)	0.2	0.3	0.3
FCF Yield (%)	(0.1)	0.8	1.1

Shareholding pattern (%)			
As of	Jun-25	Mar-25	Jun-24
Promoter	33.0	33.0	33.0
DII	12.2	11.9	10.6
FII	11.6	11.8	12.9
Others	43.2	43.3	43.4

FII includes depository receipts

CMP: INR1,423 **TP: INR1,630 (+15%)** **Buy**

Performance above est.; record revenue for the quarter

Operating efficiency/capacity expansion to drive further growth

- Global Health (Medanta) delivered better-than-expected 1QFY26. Improved performance in mature as well as developing hospitals led to a 7%/6%/11% beat on our sales/EBITDA/PAT estimates for the quarter.
- Medanta achieved its highest-ever quarterly revenue, supported by increased patient volumes and improved realization.
- Notably, 1QFY26 is the first quarter to witness an increase in ARPOB in Patna, led by improved efficiency. This resulted in a dip in Average Length of Stay (ALOS). However, the performance was partly offset by an increase in the share of institutional patients at Lucknow, affecting ARPOB for developing hospitals.
- Medanta also saw improvement in international business in 1QFY26, led by patient flow from Africa/CIS countries.
- After establishing hospitals in Lucknow and Patna in CY19 and CY21, respectively, Medanta has expanded the bed capacity to 757 and 490 beds to date, with potential for further expansion at these locations.
- We broadly retain our estimates for FY26/FY27. We value Medanta at 30x 12M forward EV/EBITDA to arrive at our TP of INR1,630.
- In addition to improving efficiency across existing hospitals in Gurgaon, Lucknow, Patna, and Ranchi, Medanta is further expanding bed capacities to cater to the rising demand in these micro-markets and experience a strong brand recall. Further, Medanta is adding beds within ~50Km radius at Noida/Ranchi to extend its service offerings and serve a higher number of patients. The cost is expected to be calibrated based on the specialty/therapies offered and pick-up in occupancy.
- We estimate a revenue/EBITDA/PAT CAGR of 15%/18%/24% over FY25-27. **Reiterate BUY.**

Revenue growth of 20% & PAT surge of 41% mark a robust start to FY26

- In 1QFY26, sales grew 20% YoY to INR10.3b (vs. our est: INR9.6b).
- EBITDA margin expanded 60bp YoY to 22.8% YoY (our est: 23%).
- Medanta's EBITDA grew 23% YoY to INR2.3b (our est: INR2.2b).
- In 1QFY26, ARPOB grew 4% YoY to INR66.5K.
- Both IPD and OPD volumes increased 14% and 13% YoY, respectively.
- Occupancy levels stood at 63% (vs. 59% in 1QFY25) and 61% in 4QFY25.
- Mature hospitals' revenue (66% of total revenue) grew 10.7% YoY to INR7b.
- EBITDA stood at INR1.6b, and the margin contracted 90bp YoY to 23.7%.
- Developing hospitals' revenue (34% of total revenue) grew 36% YoY to INR3.2b. EBITDA stood at INR940m for the quarter, with margins expanding 440bp YoY to 29.3%.
- Medanta had 1) a one-time gain of INR196m related to the reversal of interest liability on Export Promotion Capital Goods (EPCG); and b) ESOP-related opex of INR79m in 1QFY26.
- Adjusting for the same, PAT grew 41% YoY to INR1.5b (vs. our est: INR1.3b).

Highlights from the management commentary

- The 300-bed Noida hospital would be operationalized by 2QFY26.
- The 110-bed Ranchi hospital commenced operations in Jul'25.
- While there have been reductions in international patients from Bangladesh, Afghanistan, and Iraq, there has been an increase in patient flow from Africa and CIS countries.
- About 11-12% of revenue at Gurgaon hospital is from international patients. Hence, there is a limited impact of international patients on the increase in ARPOB on a YoY basis.
- The developing hospitals witnessed a slight YoY decline in ARPOB due to an 11% reduction in ARPOB at Lucknow. This was offset to some extent by an 8% YoY rise in ARPOB of Patna.

Y/E March	Consolidated - Quarterly Earnings Model								(INRm)			
	FY25				FY26				FY25	FY26E	FY26E	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Gross Sales	8,611	9,566	9,434	9,312	10,308	10,080	10,439	11,429	36,923	42,256	9,643	7%
YoY Change (%)	11.4	13.3	12.8	15.2	19.7	5.4	10.6	22.7	12.7	14.4	12.0	
Total Expenditure	6,699	7,222	7,023	7,066	7,959	7,712	7,881	8,594	28,008	32,147	7,425	
EBITDA	1,912	2,344	2,412	2,247	2,349	2,369	2,558	2,834	8,915	10,110	2,218	6%
YoY Change (%)	3.7	7.3	8.9	17.6	22.8	1.1	6.0	26.1	7.6	13.4	16.0	
Margins (%)	22.2	24.5	25.6	24.1	22.8	23.5	24.5	24.8	24.1	23.9	23.0	
Depreciation	515	555	519	493	451	521	539	591	2,082	2,102	524	
Interest	180	160	163	150	138	155	160	181	653	634	152	
Other Income	219	182	160	229	205	245	252	397	791	1,099	230	
PBT before EO expense	1,437	1,811	1,891	1,833	1,965	1,938	2,110	2,460	6,972	8,472	1,772	11%
Extra-Ord expense/(Income)	0	0	0	-499	117	0	0	0	-499	117	0	
PBT	1,437	1,811	1,891	1,334	2,081	1,938	2,110	2,460	6,473	8,589	1,772	17%
Tax	374	503	462	321	492	450	496	576	1,659	2,013	416	
Rate (%)	26.0	27.8	24.4	24.0	23.6	23.2	23.5	23.4	25.6	23.4	23.5	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	1,063	1,308	1,429	1,014	1,590	1,488	1,614	1,884	4,813	6,577	1,355	17%
Adj PAT	1,063	1,308	1,429	1,393	1,501	1,488	1,614	1,884	5,193	6,487	1,355	11%
YoY Change (%)	4.2	4.5	15.6	9.4	41.2	13.8	13.0	35.2	8.6	24.9	27.6	
Margins (%)	12.3	13.7	15.1	15.0	14.6	14.8	15.5	16.5	14.1	15.4	14.1	

E: MOFSL Estimates

Note: Sum of 4 quarter does not match with full year as the company has restated its number

Estimate changes	↔
TP change	↔
Rating change	↔

	NACL IN
Equity Shares (m)	1837
M.Cap.(INRb)/(USDb)	344.2 / 3.9
52-Week Range (INR)	263 / 138
1, 6, 12 Rel. Per (%)	3/-10/8
12M Avg Val (INR M)	3094

Financials & Valuations (INR b)

Y/E MARCH	2025	2026E	2027E
Sales	168	155	175
EBITDA	76	52	59
Adj. PAT	53	35	38
EBITDA Margin (%)	45	33	33
Cons. Adj. EPS (INR)	28.7	19.1	20.5
EPS Gr. (%)	216	-33	7
BV/Sh. (INR)	97	113	129
Ratios			
Net D:E	-0.3	-0.4	-0.4
RoE (%)	33	18	17
RoCE (%)	42	24	23
Payout (%)	28	21	20
Valuations			
P/E (x)	6.6	9.8	9.2
P/BV (x)	1.9	1.7	1.5
EV/EBITDA(x)	3.8	5.2	4.3
Div. Yield (%)	4.3	2.1	2.1
FCF Yield (%)	15.8	6.7	7.2

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.3	51.3	51.3
DII	15.8	15.7	19.1
FII	15.1	15.8	10.4
Others	17.9	17.2	19.2

FII includes depository receipts

CMP: INR187 **TP: INR190 (+1%)** **Neutral**
Soft metal prices and muted volume drag down operational performance

- 1QFY26 revenue stood at INR38.1b (+33% YoY and -28% QoQ) against our est. of INR43.2b, driven by a softening in alumina prices and muted volumes.
- Consol. EBITDA came in at INR14.9b (+60% YoY and -46% QoQ) against our est. of INR16.8b amid muted NSR and sustained costs. EBITDA margin stood at 39.2% vs. 32.7% in 1QFY25 and 52.3% in 4QFY25.
- APAT was INR10.5b (+78% YoY and -49% QoQ), in line with our est. of INR10.9b, supported by lower finance costs and higher other income.
- The board recommended a final dividend of INR2.5 per share (~50% of the face value) in FY25.

Aluminum business

- Revenue from the aluminum business stood at INR27.2b, rising 7% YoY but declining 14% QoQ during the quarter.
- Metal production stood at 115kt (+3% YoY and -3% QoQ), while sales volume was at 113kt (+9% YoY and -10% QoQ) during the quarter.
- EBIT for the vertical stood at INR9b, up 11% YoY but down 37% QoQ.

Chemical (Alumina) business

- Revenue from the chemical business stood at INR16.3b, up 91% YoY but down 36% QoQ, led by a softening in alumina prices and muted volume.
- Alumina Hydrate production declined 1% QoQ to 578kt (+28% YoY), while alumina sales volume fell 12% QoQ to 304kt (+49% YoY) due to muted export volume.
- Export volume declined by 17% QoQ to 275kt (vs. 334/90kt in 4Q/1QFY25), and domestic volume stood at 29kt (vs. 12.4/9.8kt in 4Q/1QFY25).
- EBIT declined 62% QoQ to INR5b (vs. INR311m in 1QFY25).

Key highlights from the management commentary

- Management guided that alumina export volume is expected to increase to ~1,200-1,280kt in FY26 vs. 1,064kt in FY25, as the company plans to grow alumina shipments from 36 in FY25 to over 40 in FY26.
- Export share is likely to remain 80% of total alumina sales, while the remaining 20% will be supplied in domestic market.
- In 1QFY26, NACL achieved an average alumina realization of USD416/t, despite spot prices moderating to ~USD400/t. Management expects spot prices to remain in the range of USD400-450/t in the coming quarters.
- NACL expects the alumina CoP to remain stable or slightly improve in FY26 on account of continued optimization efforts.

Valuation and view

- NACL reported sequential weak performance during the quarter, led by softened alumina/aluminum prices and muted volume. With limited production headroom, **alumina prices are vital for near-term operating performance.**
- In the long run, NACL's planned an expansion with a total capex of INR300b could significantly enhance production capacity. However, with the completion timeline of FY30, execution risks and cost escalations remain key concerns.
- Despite strong fundamentals, zero debt, and a robust demand outlook for aluminum in India, the near-term upside is capped by potential price corrections in alumina, limited production headroom, US trade tension, on-time execution challenges, and regulatory risks.
- **At CMP, NACL trades at 4.3x on EV/EBITDA and 2.1x on P/B. We reiterate our Neutral rating on the stock with a TP of INR190, valuing it at 4.5x EV/EBITDA on FY27E.**

Consolidated Quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Vs	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE					
Net Sales	28,561	40,015	46,622	52,678	38,069	37,113	38,082	41,675	1,67,876	1,54,939	43,175		-11.8
Change (YoY %)	(10.1)	31.5	39.3	47.2	33.3	(7.3)	(18.3)	(20.9)	27.7	(7.7)			
Change (QoQ %)	(20.2)	40.1	16.5	13.0	(27.7)	(2.5)	2.6	9.4					
Total Expenditure	19,219	24,525	23,347	25,140	23,148	25,575	25,748	28,724	92,230	1,03,196			
EBITDA	9,342	15,490	23,275	27,539	14,921	11,537	12,334	12,951	75,646	51,744	16,807		-11.2
Change (YoY %)	57.2	290.7	201.1	148.7	59.7	(25.5)	(47.0)	(53.0)	163.4	(31.6)			
Change (QoQ %)	(15.6)	65.8	50.3	18.3	(45.8)	(22.7)	6.9	5.0					
Interest	34	44	191	321	80	104	109	111	590	405			
Depreciation	1,743	1,798	2,857	878	1,783	1,802	1,802	1,821	7,276	7,209			
Other Income	605	718	991	1,256	1,235	1,188	1,188	1,140	3,570	4,750			
PBT (after EO)	8,170	14,366	21,219	27,596	14,293	10,819	11,610	12,159	71,351	48,880			
Total Tax	2,158	3,744	5,390	6,813	3,654	2,867	3,077	3,356	18,104	12,953			
% Tax	26.4	26.1	25.4	24.7	25.6	26.5	26.5	27.6	25.4	26.5			
PAT before MI and Asso.	6,012	10,622	15,829	20,784	10,639	7,952	8,534	8,803	53,247	35,927			
Sh. of Associate	(128)	(162)	(166)	(111)	(144)	(194)	(194)	(244)	(567)	(775)			
Reported PAT after MI and Asso.	5,884	10,460	15,663	20,672	10,495	7,758	8,340	8,560	52,679	35,152			
Adjusted PAT	5,884	10,460	15,663	20,672	10,495	7,758	8,340	8,560	52,679	35,152	10,923		-3.9
Change (YoY %)	76.3	458.3	232.8	205.5	78.4	(25.8)	(46.8)	(58.6)	164.9	(33.3)			
Change (QoQ %)	(13.0)	77.8	49.7	32.0	(49.2)	(26.1)	7.5	2.6					

E: MOFSL Estimates

Proposed key expansion projects & timeline

Project	Est. CapEx (INR b)	Capacity Expansion	Expected Completion
5th Stream Alumina Refinery	56.77	+1MTPA Alumina	FY 2025-26
Pottangi Bauxite Mines	19.61	+3.5MTPA Bauxite	FY 2025-26
New Aluminum Smelter	171.63	+0.5MTPA Aluminium	FY 2029-30
New Captive Power Plant (CPP)	130.00	+1,200MW	FY 2029-30
Existing Refinery Modifications	N/A	+5-10% output	FY 2025-26
Coal Block Development (Utkal D & E)	N/A	+4MTPA coal	FY 2024-25
Renewable Energy Projects	N/A	+7MW solar & wind	FY 2025-27
Value-Added Product Expansion	TBD	Extrusions & rolled products	FY 2026-27

Source: MOFSL, Company

Metro Brands

Estimate change	
TP change	
Rating change	

Bloomberg	METROBRA IN
Equity Shares (m)	272
M.Cap.(INRb)/(USDb)	301.6 / 3.4
52-Week Range (INR)	1412 / 890
1, 6, 12 Rel. Per (%)	-1/-14/-18
12M Avg Val (INR M)	138

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	27.8	32.3	37.1
EBITDA	8.4	10.0	11.6
Adj. PAT	4.2	5.0	5.9
EBITDA Margin (%)	30.4	30.9	31.3
Adj. EPS (INR)	15.4	18.6	22.0
EPS Gr. (%)	10.8	20.4	18.3
BV/Sh. (INR)	74.5	86.8	101.4
Ratios			
Net D:E	0.3	0.2	0.1
RoE (%)	22.8	23.6	24.0
RoCE (%)	15.6	15.9	16.2
Payout (%)	35.8	34.8	34.8
Valuations			
P/E (x)	72.1	59.9	50.6
EV/EBITDA (x)	37.3	31.4	26.8
EV/Sales (X)	11.3	9.7	8.4
Div. Yield (%)	0.5	0.6	0.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	71.9	71.9	74.2
DII	7.5	7.4	5.6
FII	3.7	3.5	3.1
Others	17.0	17.3	17.2

FII includes depository receipts

CMP: INR1,108 **TP: INR1,325 (+20%)**

Buy

Largely in line; consistent double-digit growth remains key

- Metro Brands' (MBL) 1QFY26 revenue grew 9% YoY on a low base (-1% YoY in 1QFY25), driven by a 45% growth in E-commerce and a modest ~4% YoY growth in in-store sales (on the back of ~8% YoY area additions).
- EBITDA grew 8% YoY (6% miss), as margin contracted ~45bp to 30.9% due to higher marketing spends and ~15bp dip in gross margin.
- 1QFY26 was impacted by a shift in Eid dates, early monsoon, and subdued consumer sentiments. However, management reiterated its long-term target of 15-18% revenue CAGR, driven by mid-to-high single digit SSSG, store additions, and rising contribution from newer formats. Further, with its robust cost controls and strong store economics, management continues to target over 30% EBITDA and mid-teen PAT margins.
- We cut our FY26-27E EBITDA and PAT estimates by ~5-6%, driven by slower store additions and muted SPSF. Overall, we build in revenue/EBITDA/PAT CAGR of 14%/15%/16% over FY25-28E.
- We **reiterate our BUY rating on MBL** with a revised **TP of INR1,325**, premised on 65x Sept'27 EPS. Consistent double-digit growth and ramp-up of newer formats such as FILA, Foot Locker, and Clarks remain key re-rating triggers for the stock.

Slightly weaker growth; EBITDA hurt by higher marketing spends

- Consolidated 1QFY26 revenue grew ~9% YoY on a weak base to INR6.2b (2% below), driven by an increase in wedding-related footfalls.
 - The growth was driven by area additions and robust E-commerce sales, as quarterly SPSF declined ~3% YoY to INR4,350/sq ft.
 - In-store sales grew modest ~4% YoY (vs. ~5% YoY in 4QFY24), driven largely by 8% YoY area additions.
 - The company added 23 stores and closed three stores, bringing the total count to 928. Format-wise, MBL added five stores in Metro, nine in Mochi, two in Crocs, and four in Walkway.
 - E-commerce sales grew ~45% YoY to INR840m.
- Gross profit grew 9% YoY to INR3.7b as margins moderated 15bp YoY to 59.3% (~20bp below our estimate), likely due to a higher share of e-commerce (+330bp YoY) and lower share of own brands (-100bp YoY).
- EBITDA grew 8% YoY to INR1.9b (6% miss) due to weaker growth and a 13% YoY increase in other expenses on account of elevated marketing spends on brand building and positioning.
- EBITDA margin contracted ~45bp YoY (115bp miss) due to a 13% YoY (5% above) increase in other expenses.
- PBT at INR1.3b grew 6% YoY (broadly in line), as lower EBITDA was offset by higher other income and lower finance costs.
- PAT grew 7% YoY to INR0.99b (in line).

Key takeaways from the management commentary

- **Demand:** Demand trends were broadly in line with expectations, though impacted by the shift in Eid dates (to 4QFY25) and the early onset of monsoon. These factors were offset by higher wedding-related footfalls. Management noted that early festive will influence sales dispersion in 2Q (vs. 3Q).
- **Regional trends:** Management indicated that MBL was impacted by the early monsoon in Maharashtra and Gujarat and witnessed relatively soft demand in South India, potentially due to a slowdown in the IT sector. However, management believes this is temporary and not a long-term concern.
- **Store openings:** MBL opened 23 new stores and closed three stores during 1Q. Management indicated that rentals have come off slightly, but the company continues to focus on opening profitable stores and is not chasing any particular number for store additions. Further, the company expects to open three Foot Locker stores before the festive season, scale up New Era from 2QFY26 onwards, and open FILA EBOs from 2HFY26.
- **Guidance:** Management reiterated its long-term guidance of 15-18% CAGR, driven by mid-to-high single digit SSSG, new store openings, and rising contribution from newer banners. Further, driven by its robust cost controls and superior store economics, the company aims to deliver 30%+ EBITDA margin and mid-teen profit margin.

Valuation and view

- Concerns around Fila's liquidation and BIS-related challenges are now well behind the company. Its strategic focus has shifted toward ramping up FILA, Foot Locker, and the newly added Clarks.
- We remain positive on MBL's long-term outlook, given: a) its superior store economics, with industry-leading store productivity and strong cost controls, and b) a long runway for growth, largely funded through internal accruals, backed by a strong balance sheet and a healthy RoIC.
- We cut our FY26-27E EBITDA and PAT estimates by ~5-6%, driven by slower store additions and muted SPSF.
- Given the strong runway for growth in the Metro, Mochi, and Walkway formats, along with significant growth opportunities in FILA/Foot Locker/Clarks, we build in revenue/EBITDA/PAT CAGR of 14%/15%/16% over FY25-28E.
- We reiterate our **BUY** rating on MBL with a revised **TP of INR1,325**, premised on 65x Sept'27 EPS. Consistent double-digit growth and the ramp-up of newer formats such as FILA, Foot Locker, and Clarks remain key re-rating triggers for the stock.

Consolidated - Quarterly Earnings Summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	Est 1QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	5,761	5,855	7,031	6,428	6,282	6,500	7,838	7,182	25,074	27,803	6,407	-1.9
YoY Change (%)	-1.1	5.4	10.6	10.3	9.1	11.0	11.5	11.7	6.4	10.9	-52.3	
Total Expenditure	3,957	4,306	4,781	4,456	4,343	4,763	5,319	4,940	17,500	19,365	4,355	-0.3
EBITDA	1,804	1,548	2,250	1,972	1,939	1,738	2,519	2,242	7,574	8,438	2,052	-5.5
EBITDA Margin (%)	31.3	26.4	32.0	30.7	30.9	26.7	32.1	31.2	30.2	30.4	32.0	-117 bp
Depreciation	600	624	655	701	688	695	702	742	2,580	2,828	708	-2.8
Interest	208	218	235	244	237	260	287	295	905	1,079	260	-8.8
Other Income	234	234	232	231	286	257	255	248	930	1,046	244	17.1
PBT	1,230	939	1,593	1,258	1,300	1,039	1,786	1,453	5,019	5,578	1,329	-2.2
Tax	309	225	649	309	320	262	449	373	1,491	1,404	334	-4.2
Rate (%)	25.1	23.9	40.7	24.5	24.6	25.2	25.2	25.6	29.7	25.2	25.2	
MI & Profit/Loss of Asso. Cos.	2	3	7	4	9	4	8	9	16	30	0	
PAT before MI	921	715	944	949	979	778	1,336	1,080	3,528	4,174	994	-1.5
Adj PAT post MI	923	718	1,201	953	988	781	1,345	1,090	3,795	4,204	994	-0.6
YoY Change (%)	-1	6	22	10	7	9	12	14	9.5	10.8	-54	

E: MOFSL Estimates

We ascribe a TP of INR1,325 to MBL based on 65x Sep'27 EPS

(INR/share)	Sep'27
EPS (INR)	20.3
Target P/E (x)	65
Target Price	1,325
CMP	1,108
Upside (%)	20%

Apollo Tyres

Estimate change	
TP change	
Rating change	

Bloomberg	APTY IN
Equity Shares (m)	635
M.Cap.(INRb)/(USDb)	275.8 / 3.1
52-Week Range (INR)	585 / 368
1, 6, 12 Rel. Per (%)	-3/-2/-16
12M Avg Val (INR M)	749

Financials & valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	261.2	280.7	302.1
EBITDA	35.7	38.9	43.1
Adj. PAT	12.4	14.6	18.2
EPS (INR)	19.6	23.0	28.6
EPS Growth (%)	-33.2	17.6	24.1
BV/Share (INR)	290.1	304.8	329.9
Ratios			
RoE (%)	8.7	9.7	11.2
RoCE (%)	11.4	12.6	14.5
Payout (%)	28.3	37.2	29.7
P/E (x)	22.2	18.9	15.2
P/BV (x)	1.5	1.4	1.3
Div. Yield (%)	1.2	1.6	2.0
FCF Yield (%)	4.0	7.3	6.8

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	37.0	37.4	37.4
DII	29.1	28.1	26.7
FII	12.5	13.4	14.5
Others	21.5	21.1	21.5

FII includes depository receipts

CMP: INR434

TP: INR520 (+20%)

Buy

India business impresses; Europe disappoints

Margins likely to improve with a reduction in input costs

- Apollo Tyres (APTY)’s 1QFY26 consolidated performance was in line with our estimates. However, while standalone performance was much ahead of our estimates, the European business margin was weaker than expected.
- On account of its weak performance in Europe, we reduce our EPS estimates by 10%/6% over FY26/FY27E. We factor in a 60bp improvement in APTY’s margin during our forecast period, driving a 21% PAT CAGR over a corrected base. Valuations at 15.2x FY27E appear attractive, especially when compared to peers. **We reiterate our BUY rating on APTY** with a TP of INR520 (valued at 18x Jun’27E consol. EPS).

India business impresses, but Europe disappoints

- APTYs’ 1QFY26 consolidated performance was in line. However, while standalone performance was much ahead of our estimates, the European business was weaker than expected.
- Consolidated revenue grew ~4% YoY to INR65.6b (in line). Revenue was led by low to mid-single-digit growth in the replacement and OEM segments, offset by a decline in export volumes.
- The company’s EBITDA margin remained flat YoY at 13.2% (in line). EBITDA contracted 4.6% YoY (up ~4% QoQ) to INR8.7b (in line).
- In 1Q, Apollo booked exceptional expenses related to the restructuring costs of INR3.7b at its Netherlands unit. Adjusted for these costs, PAT declined 15% YoY to INR2.8b (est. INR3.1b), primarily due to lower-than-expected other income.
- Standalone business revenue was in line at INR47.2b, up ~3% YoY and QoQ each. Gross margin contracted 380bp YoY (+220bp QoQ) to 36.7% (est. 35%). Employee costs experienced a sudden jump on account of new talent acquisition, bonus payouts, and a new ESOP scheme for senior management. EBITDA margin spiked 240bp QoQ (down 20bp YoY) to 13.6% (above our estimate of 12%), due to lower input costs.
- The EBITDA margin of the European business hit a multi-quarter low of 10.8% (down 290bp YoY) on account of weak demand and higher inflationary pressure, both on commodities and employees.
- Net debt during the period came down by INR3.9b to INR21b, with net debt/EBITDA improving to 0.7x, aided by controlled capex and a focus on free cash flow.

Highlights from the management commentary

- India business grew in line with the industry, with OE business growing at low single digits and the replacement segment growing at mid-single-digit levels. Management is hopeful of demand revival in the festive season. Revenue growth guidance remains at high single digits for FY26E.

- Europe witnessed a seasonal decline in revenue. Despite weak sentiments, APTY's PCLT segment outperformed the market. Management expects a pick-up in demand momentum in the coming quarters.
- Gross margin may improve in future quarters on account of reduced RM costs; however, exchange rate uncertainty remains a major factor to monitor.
- APTY refrained from providing margin guidance due to uncertain macroeconomic conditions. There is no change from the previous capex guidance of INR15b, which includes INR7b for maintenance and INR8b for expansion.

Valuation and view

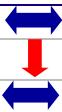
On account of its weak performance in Europe, we reduce our EPS estimates by 10%/6% over FY26/FY27E. We factor in a 60bp improvement in APTY's margin during our forecast period, driving a 21% PAT CAGR over a corrected base. Valuations at 15.2x FY27E appear attractive, especially when compared to peers. **We reiterate our BUY rating on APTY with a TP of INR520 (valued at 18x Jun'27E consol. EPS).**

Cons - Qty Earnings Model											(INR m)	
Y/E March	FY25				FY26E				FY25	FY26E	1QE	VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Revenues	63,349	64,370	69,280	64,236	65,608	69,317	74,982	70,771	261,234	280,677	67,102	-2
YoY Change (%)	1.4	2.5	5.0	2.6	3.6	7.7	8.2	10.2	2.9	10.6	5.9	
EBITDA	9,093	8,779	9,470	8,374	8,677	9,357	10,966	9,893	35,715	38,893	8,710	0
Margins (%)	14.4	13.6	13.7	13.0	13.2	13.5	14.6	14.0	13.7	13.9	13.0	
Depreciation	3,695	3,759	3,759	3,771	3,776	3,850	3,910	4,130	14,984	15,666	3,780	
Interest	1,070	1,197	1,105	1,094	1,006	950	880	876	4,466	3,712	1,010	
Other Income	308	217	81	275	189	230	120	250	881	789	370	
PBT before EO expense	4,636	4,040	4,686	3,785	4,085	4,787	6,296	5,137	17,146	20,305	4,290	
Extra-Ord expense	404	52	42	1,188	3,702	0	0	0	1,687	3,702	0	
PBT	4,232	3,988	4,644	2,596	383	4,787	6,296	5,137	15,460	16,603	4,290	
Tax Rate (%)	28.6	25.4	27.4	29.0	66.5	26.0	26.0	29.3	27.5	28.0	25.5	
MI & Profit/Loss of Asso. Cos.	0	-1	-2	-3	-1	-1	1	1	-7	0	0	
Reported PAT	3,020	2,975	3,372	1,846	129	3,544	4,658	3,629	11,213	11,959	3,197	
Adj PAT	3,313	3,012	3,403	2,708	2,812	3,544	4,658	3,629	12,436	14,626	3,197	-12
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-15.1	17.6	36.9	34.0	-33.2	17.6	-3.5	
Margins (%)	5.2	4.7	4.9	4.2	4.3	5.1	6.2	5.1	4.8	5.2	4.8	
Standalone (India)												
Net Revenues	45,916	44,617	45,398	45,805	47,254	47,294	48,576	49,587	181,736	192,711	48,212	-2
YoY Change (%)	4.0	1.2	4.8	4.4	2.9	6.0	7.0	8.3	3.6	6.0	5.0	
EBITDA	6,331	5,389	5,035	5,152	6,447	6,290	6,509	6,826	21,907	26,073	5,785	11
Margins (%)	13.8	12.1	11.1	11.2	13.6	13.3	13.4	13.8	12.1	13.5	12.0	
Adj PAT	2,264	1,675	1,251	1,438	2,233	2,244	2,407	2,602	6,657	9,492	1,978	13
YoY Change (%)	-27.1	-52.2	-59.2	-8.8	-1.4	34.0	92.4	81.0	-40.8	42.6	-12.6	
Europe (EUR m)												
Net Revenues	146	171	183	176	146	169	182	177	676	674	146	0
YoY Change (%)	1.4	1.2	4.0	-3.3	0.0	-1.2	-0.5	0.4	0.8	0.4	0.0	
Margins (%)	13.7	14.8	17.7	14.3	10.8	12.5	15.0	13.3	15.2	13.0	13.5	

Source: MOFSL Estimates

Aegis Logistics

Estimate change



TP change



Rating change

CMP: INR713
Neutral
TP: INR725(+2%)

Stock Info

Bloomberg	AEGISLOG IN
Equity Shares (m)	351
M.Cap.(INRb)/(USDb)	250.2 / 2.9
52-Week Range (INR)	1037 / 610
1, 6, 12 Rel. Per (%)	-1/-17/-4
12M Avg Val (INR M)	1276
Free float (%)	41.9

Financials Snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	67.6	74.8	79.7
EBITDA	11.0	13.1	14.2
PAT	6.6	7.7	8.5
EPS (INR)	18.9	22.0	24.1
EPS Gr. (%)	16.5	16.3	9.7
BV/Sh.(INR)	131.9	146.2	161.9

Ratios

Net D:E	-0.1	-0.1	-0.1
RoE (%)	15.6	15.8	15.7
RoCE (%)	14.1	13.1	13.3
Payout (%)	42.3	35.0	35.0

Valuations

P/E (x)	37.7	32.4	29.6
P/BV (x)	5.4	4.9	4.4
EV/EBITDA (x)	21.4	17.9	16.4
Div. Yield (%)	1.2	1.1	1.2
FCF Yield (%)	-1.6	1.8	2.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	58.1	58.1	58.1
DII	6.4	6.3	6.7
FII	16.8	18.1	17.7
Others	18.7	17.5	17.5

FII Includes depository receipts

CMP: INR713
TP: INR725(+2%)
Neutral

Weak liquid division performance drives miss

- In 1QFY26, AEGIS reported EBITDA of INR2.4b, missing our estimate by 14% as normalized EBITDA of Liquid division came in 33% below our estimate, while that of gas division stood 11% above estimates. Management has reiterated its PAT guidance of 25% CAGR over the next few years, primarily led by robust upcoming capacities.
- We estimate a 13% CAGR in EPS over FY25-27E. However, the current valuations at FY27E PE of 29.6x and PB of 4.4x (FY27 ROE: 15.7%) are expensive. Hence, we maintain our Neutral rating on the stock with a TP of INR725, based on 30x FY27E EPS of INR24.1.

Miss led by lower-than-estimated EBITDA margin

- 1QFY26 revenue stood in line with expectations at INR17.2b, while EBITDA missed estimate by 14%, coming in at INR2.4b.
- EBITDA margin stood 1.8% below our estimates at 14% (1QFY25 margins: 14.5%).
- APAT came in at INR1.3b, 12% below our estimate.
- In 1QFY26, standalone revenue stood at INR8.4b (+14% YoY, -8% QoQ).
- Standalone PAT came in at INR0.7b (-58% YoY, -69% QoQ).
- During the quarter, Aegis Vopak Terminals Ltd. (AVTL), a subsidiary, completed its IPO of 119.1m equity shares at INR235/sh, raising INR28b. Post listing, Aegis Logistics' stake reduced from 50.10% to 44.71%. Despite the dilution, Aegis Logistics retains control, and AVTL remains a consolidated subsidiary.

Segmental performance

- Liquids division revenue was INR1.4b (flat YoY, -40% QoQ), and EBIT was INR0.8b (-6% YoY, -54% QoQ).
- Gas division revenue stood at INR15.8b (+8% YoY, +8%QoQ), and EBIT was INR1.3b (flat YoY, -38% QoQ).

Valuation and view: Maintain Neutral

- AEGIS has reiterated its ambitious capex plan for: 1) the commissioning of 125,000 kl liquid capacity at Mumbai port, partially in both FY26/27 (INR2.5b); 2) additional liquid, LPG and LPG bottling capacity at JNPA (INR16.8b); 3) 94cbm LPG capacity at Kandla in FY27; 4) ammonia terminals at Kandla, and 5) 36,000 mt of liquid capacity at Pipavav by 1QFY27.
- While we estimate a 13% CAGR in EPS over FY25-27E, we believe that the current valuations at 29.6x FY27E EPS already factor in the strong expansion in capacity and earnings. We value the stock at 30x FY27E EPS of INR24.1 to arrive at our TP of INR725. **We maintain our Neutral rating on the stock.**

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25								FY26E			FY25	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	17,651	-3%			
Net Sales	16,013	17,504	17,070	17,050	17,194	19,138	18,713	19,790	67,638	74,835	17,651			
YoY Change (%)	-23.8	41.8	-8.9	-7.2	7.4	9.3	9.6	16.1	-4.0	10.6	10.2			
EBITDA	2,323	2,239	2,329	4,088	2,399	2,581	2,725	5,389	10,980	13,095	2,781	-14%		
Margin (%)	14.5	12.8	13.6	24.0	14.0	13.5	14.6	27.2	16.2	17.5	15.8	-0.1		
Depreciation	368	374	373	407	417	431	430	477	1,522	1,756	425			
Interest	313	300	514	525	328	288	494	476	1,653	1,586	398			
Other Income	435	395	600	654	625	437	663	580	2,084	2,305	482			
PBT	2,077	1,960	2,041	3,810	2,279	2,299	2,464	5,016	9,888	12,058	2,441	-7%		
Tax	496	440	446	632	525	579	621	1,313	2,014	3,039	615			
Rate (%)	23.9	22.4	21.8	16.6	23.1	25.2	25.2	26.2	20.4	25.2	25.2			
MI & P/L of Asso. Cos.	266	261	353	361	440	440	440	-19	1,240	1,302	326	35%		
Reported PAT	1,315	1,260	1,243	2,817	1,313	1,279	1,403	3,722	6,634	7,717	1,500	-12%		
Adj PAT	1,315	1,260	1,243	2,817	1,313	1,279	1,403	3,722	6,634	7,717	1,500	-12%		
YoY Change (%)	13.5	-0.8	-4.5	43.5	-0.1	1.5	12.9	32.1	16.5	16.3	14.1			
Margin (%)	8.2	7.2	7.3	16.5	7.6	6.7	7.5	18.8	9.8	10.3	8.5	-0.1		

Segmental Highlights	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
LPG logistics volumes ('000 MT)	881	1,020	1,097	1,017	1,013	1,064	1,221	1,225	1,161	14.6	-5.2
YoY change (%)	38.3	22.4	11.0	16.1	15.0	4.3	11.3	20.5	14.6		
LPG distribution volumes ('000 MT)	159	131	144	126	129	129	127	136	145	12.4	6.6
YoY change (%)	86.4	12.7	(7.8)	(7.5)	(18.9)	(1.5)	(11.8)	7.9	12.4		
LPG sourcing volumes ('000 MT)	226	174	179	220	124	194	140	139	119	-4.0	-14.4
YoY change (%)	(1.7)	(23.7)	(10.5)	(7.2)	(45.1)	11.5	(21.8)	(36.8)	(4.0)		
Gas division EBITDA (INR m)	1,340	1,510	1,470	1,810	1,420	1,440	1,560	2,310	1,500	5.6	-35.1
YoY change (%)	22.9	32.5	(9.8)	24.0	6.0	(4.6)	6.1	27.6	5.6		
Liquids division EBITDA (INR m)	780	800	850	1,530	1,080	930	950	2,030	1,060	-1.9	-47.8
YoY change (%)	41.8	15.9	10.4	118.6	38.5	16.3	11.8	32.7	(1.9)		



Manappuram Finance

Estimate change	
TP change	
Rating change	

Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USDb)	218.8 / 2.5
52-Week Range (INR)	285 / 138
1, 6, 12 Rel. Per (%)	0/20/29
12M Avg Val (INR M)	2142

Financials & Valuations (INR b)			
Y/E March	FY25	FY26E	FY27E
NII	62.2	55.8	66.7
PPP	36.3	26.9	34.8
PAT	12.0	10.1	20.2
EPS (INR)	14.2	10.7	19.5
EPS Gr. (%)	-45.2	-24.4	81.8
BV/Sh.(INR)	147	169	185
Ratios			
NIM (%)	15.0	12.6	13.2
C/I ratio (%)	44.2	54.1	50.2
RoA (%)	2.5	2.0	3.5
RoE (%)	10.0	7.1	11.5
Payout (%)	24.6	33.0	20.6
Valuations			
P/E (x)	18.2	24.1	13.3
P/BV (x)	1.8	1.5	1.4
Div. Yld. (%)	1.4	1.4	1.6

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	35.3	35.3	35.2
DII	8.6	8.0	9.3
FII	29.7	28.4	33.0
Others	26.4	28.3	22.4

FII Includes depository receipts

CMP: INR259
TP: INR280 (+8%)
Neutral

Strong gold loan momentum tempered by yield compression

Asset quality deteriorated across segments; MFI credit costs declined QoQ

- MGFL reported 1QFY26 consol. profit of INR1.3b. NII declined ~10% YoY to ~INR13.8b (in line) and PPoP fell ~33% YoY to ~INR6.6b (in line). Operating expenses grew 10% YoY to ~INR7.5b (~6% lower than our est.).
- Consol. credit costs stood at ~INR5.6b (vs. est. ~INR7.5b). Annualized credit costs for the quarter declined ~325bp QoQ to 5.2% (PQ: ~8.4%).
- Consol. AUM rose ~3% QoQ and declined 1% YoY. Gold AUM grew ~13% QoQ and ~22% YoY to ~INR288b.
- Gold loan yields declined to ~20.7% (PQ: 22.2%). Net yields on the standalone business declined ~120bp QoQ to 20.5%, while standalone CoB was stable QoQ at 9.2%, resulting in a ~120bp contraction in spreads.
- Management indicated that gold loan yields are expected to moderate to ~18% over the next 4-6 quarters, as the company plans a calibrated reduction in lending rates. This strategic move is aimed at aligning its gold loan yields with that of peer gold loan NBFCs. The company also highlighted that the impact of lower gold loan yields will be offset by stronger loan growth, ensuring that the projected income from the gold loan portfolio remains unaffected during the course of this year.
- Standalone (Gold + Vehicle + Onlending + MSME) GNPA/NNPA ratios increased by ~20bp/10bp QoQ to ~3%/~2.6%. There was a significant deterioration in asset quality in vehicle finance (with GNPA of 9.2% in 1QFY26 vs 6.7% in 4QFY25). Asset quality deteriorated in the housing finance and MSME segments as well.
- Management shared that the rise in GNPA in vehicle finance was driven by higher delinquencies in the 2W and farm equipment segment. As part of its corrective actions, the company exited the farm equipment segment and revamped its 2W lending by implementing an automated underwriting system (which will also reduce opex in the segment).
- MGFL plans to gradually raise the share of gold loans to ~75% of its total portfolio, aided by the rollout of multiple attractive gold loan schemes and cut in gold loan yields. Growth in Housing, CV, and MSME loans will be pursued in a calibrated manner, with the secured book maintained at ~90% of total AUM. The MFI portfolio will be capped at ~10% of AUM.
- We cut our FY26/FY27 PAT estimates by ~15%/18% to factor in lower loan growth in non-gold segments and low spreads/NIM. Over FY25-27, we estimate a CAGR of 23%/15% in gold/consolidated AUM and ~29% in consolidated PAT, with consolidated RoA/RoE of ~3.5%/12% in FY27.
- Reiterate our Neutral rating on the stock with a TP of INR280 (based on 1.5x Mar'27E consolidated BVPS).**

Strong gold loan growth of ~13% QoQ; gold tonnage rises sequentially

- Gold AUM grew ~13% QoQ and ~22% YoY to ~INR288b. Gold tonnage rose ~1% QoQ to ~56.9 tons. Within gold loans, LTV was stable QoQ at ~57%, while the average ticket size (ATS) rose to INR75.7k (PQ: INR67.8k). Gold loan customer base was broadly stable at ~2.6m.
- Management anticipates gold loan growth in FY26 to exceed FY25 levels. We project a 26% increase in gold loan disbursements for FY26. The company shared that small-ticket gold loans (<INR100k) have seen some decline, as customers in this segment tend to shift toward the unorganized market. In contrast, higher-ticket gold loan customers continue to prefer borrowing from organized players.

Asirvad MFI: MFI book declined ~46% YoY; GNPA declined ~4pp QoQ

- Asirvad's GNPA declined ~4pp QoQ to 4.4%, while NNPA declined ~110bp QoQ to ~1.4%. Credit costs stood at ~INR4.8b (PQ: ~INR8.5b), translating into annualized credit costs of ~26% (PQ: ~37%).
- Asirvad MFI book declined ~50% YoY and ~23% QoQ to ~INR55.4b and its gold loan book rose 9% YoY/20% QoQ to INR11.1b Asirvad reported 1QFY26 loss of INR2.7b (vs. loss of INR6.2b in 4QFY25).
- MGFL shared that MFI credit costs should decline by 30-40% in the coming quarters and the company guided that it can deliver a profit in its MFI business by 4QFY26.

Highlights from the management commentary

- MGFL is in talks with banks to explore co-lending partnerships, with a focus on the gold loan segment. The company intends to leverage its gold loan branches under Asirvad to enable these collaborations and may gradually introduce gold loans in select Asirvad MFI branches to further broaden its product reach.
- Asirvad has resumed MFI disbursements with stricter underwriting norms, prioritizing lending in centers with stronger collection performance.
- Deal with BAIN Capital announced earlier this year is progressing as planned, with the CCI approval already in place. The company is currently awaiting RBI approval, which is expected by next month.

Valuation and view

- MGFL reported a soft operational performance for the quarter, with asset quality weakening across segments. The only bright spot was strong growth in the gold loan portfolio, though this was tempered by significant (~150bp QoQ) yield compression. Asirvad MFI's net loss narrowed sequentially, driven mainly by lower credit costs; however, the MFI portfolio continues to experience a substantial run-down.
- MGFL trades at 1.4x FY27E P/BV, and we believe that there could be a near-term impact on profitability and growth due to the lingering stress in the MFI, MSME and CV segments accompanied by overall weakness in macroeconomic activity. Gold loans will continue to exhibit healthy growth with an AUM CAGR of ~24% over FY25-27, but at the cost of compression in yields. **Reiterate our Neutral rating on the stock with a TP of INR280 (based on 1.5x Mar'27E consolidated BVPS).**

MGFL - Quarterly Performance (Consolidated)
(INR M)

Y/E March	FY25								FY26E				1Q	Act v/s
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	FY26E	Est. (%)		
Interest Income	23,861	25,411	25,163	23,062	22,357	22,222	22,045	22,478	97,997	89,101	23,416	-5		
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,536	8,203	8,055	35,747	33,347	8,936	-4		
Net Interest Income	15,378	16,354	15,909	14,446	13,804	13,687	13,842	14,423	62,250	55,755	14,480	-5		
YoY Growth (%)	19.40	20.8	9.5	-3.3	-10.24	-16.3	-13.0	-0.2	11.4	-10.4	-5.8			
Other income	1,259	961	464	230	293	388	459	421	2,752	2,918	296	-1		
Net Income	16,636	17,314	16,373	14,676	14,097	14,074	14,301	14,844	65,002	58,672	14,776	-5		
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,682	7,914	8,669	28,718	31,752	7,982	-6		
Operating Profits	9,814	10,331	9,307	6,833	6,609	6,392	6,387	6,175	36,285	26,920	6,793	-3		
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-38.1	-31.4	-9.6	2.6	-25.8	-30.8			
Provisions	2,286	2,604	5,546	9,192	5,594	3,999	2,694	2,015	19,628	14,302	7,536	-26		
PBT	7,528	7,727	3,761	-2,359	1,015	2,393	3,693	4,160	16,656	12,618	-743	-		
Tax Provisions	1,963	2,006	976	-327	-310	622	997	1,214	4,618	2,524	-111	178		
PAT	5,565	5,721	2,785	-2,032	1,325	1,771	2,696	2,946	12,039	10,094	-631	-		
YoY Growth (%)	12	2	-52	-136	-76	-69	-3	-245	-45	-16	-111			
Key Ratios (%)														
Yield on loans	22.5	22.9	22.8	21.5	20.8	20.5	20.2	20.0	23.6	20.2				
Cost of funds (Cal)	9.4	9.4	9.8	9.5	9.4	9.3	9.3	9.2	10.4	9.5				
Spreads (Cal)	13.1	13.5	13.0	11.99	11.41	11.1	10.9	10.7	13.2	10.7				
NIMs (Cal)	14.5	14.8	14.4	13.47	12.85	12.6	12.7	12.8	15.0	12.6				
C/I ratio	41.0	40.3	43.2	53.4	53.1	54.6	55.3	58.4	44.2	54.1				
Credit Cost	2.1	2.3	4.9	8.43	5.12	3.6	2.4	1.7	4.7	3.0				
Tax Rate	26.1	26.0	26.0	13.9	-30.5	26.0	27.0	29.2	27.7	20.0				
Balance Sheet Parameters														
Consol. AUM (INR b)	449	457	442	430	443	446	452	474						
Change YoY (%)	21.2	17.4	9.5	2.3	-1.4	-2.5	2.3	10.2						
Gold loans (INR b)	236	244	245	256	288	300	306	322						
Change YoY (%)	14.8	17.1	18.0	19.0	21.8	22.9	24.7	26.0						
Gold stock (tonnes)	60	60	57	56	57									
Gold loans/branch (INR m)	58	60	61	63	71									
Consol. Borrowings (INR b)	385	385	370	354	374	357	348	351						
Change YoY (%)	34.8	19.4	15.9	5.2	-2.8	-7.3	-5.9	-0.9						
Borrowings Mix (%)														
Debentures	12.3	12.1	11.3	10.6										
CPs	2.3	1.5	0.8	0.8										
WC/CC	20.5	19.1	20.6	20.5										
TL	54.3	47.7	53.5	52.7										
ECB	10.0	19.0	13.4	14.8										
Others	0.6	0.7	0.4	0.5										
Debt/Equity (x)	1.6													
Asset Quality Parameters (%)														
GNPL ratio (Standalone)	2.0	2.4	2.5	2.8	3.0									
NNPL ratio (Standalone)	1.7	2.1	2.3	2.5	2.6									
Return Ratios (%)														
RoA (Rep)	4.8	4.4	2.2	-1.6	1.1									
RoE (Rep)	16.7	18.6	8.9	-6.4	4.3									

E: MOFSL estimates

Kalpataru Projects

Estimate changes	
TP change	
Rating change	

Bloomberg	KPIL IN
Equity Shares (m)	171
M.Cap.(INRb)/(USDb)	202.1 / 2.3
52-Week Range (INR)	1449 / 770
1, 6, 12 Rel. Per (%)	4/10/-6
12M Avg Val (INR M)	418

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	228.8	269.4	304.7
EBITDA	20.4	25.1	28.3
PAT	9.7	12.8	14.9
EPS (INR)	57.0	74.9	87.0
GR. (%)	44.8	31.6	16.1
BV/Sh (INR)	471.0	539.3	619.6
Ratios			
ROE (%)	12.8	14.8	15.0
RoCE (%)	11.3	13.0	13.4
Valuations			
P/E (X)	20.7	15.8	13.6
P/BV (X)	2.5	2.2	1.9
EV/EBITDA (X)	10.5	8.6	7.4
Div Yield (%)	0.6	0.6	0.6

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	33.5	33.5	35.2
DII	44.8	45.0	45.6
FII	11.8	11.6	10.1
Others	9.8	9.9	9.1

FII Includes depository receipts

CMP: INR1,184

TP: INR1,450 (+23%)

Buy

Beat across all parameters

Kalpataru Projects (KPIL) reported a sharp beat on revenue and PAT during 1QFY26. This was driven by strong execution across T&D, B&F, and the oil & gas division. The company continues to benefit from a strong prospect pipeline in T&D and buildings & factories. We anticipate KPIL to benefit from 1) incremental T&D awarding on both domestic and international fronts, 2) execution ramp-up of the existing strong order book, and 3) comfortable working capital. We marginally raise our estimates by 3%/1% for FY26/27 to bake in the 1QFY26 performance. The stock is currently trading at attractive valuations of 20.7x/15.8x P/E on FY26/27 earnings. Reiterate BUY with an unchanged SoTP-based TP of INR1,450, valued at 18x P/E for the core business.

Strong set of numbers with an all-round beat

KPIL's 1QFY26 revenue at INR50b (+34% YoY) was 10% above our estimate. Growth was driven by robust project progress and a strong order backlog. T&D/B&F revenue grew 56%/13% YoY, while O&G/Urban Infra revenue jumped 132%/42% YoY. Railways grew moderately by 5% YoY, while the Water segment continued to witness challenges, declining 5% YoY. Absolute EBITDA grew 37% YoY to INR4.3b vs. our estimate of INR3.9b (10% beat), while EBITDA margin was in line with our estimate of 8.5%. Adj. PAT surged 72% YoY to INR2.0b, beating our estimate of INR1.5b by 30%, aided by strong revenue growth and a lower tax rate (26.8% vs. our estimate of 27.7%). Order inflows at INR99b were up 41% YoY, mainly driven by B&F and T&D businesses. The company received its largest-ever order in the B&F business, worth over INR25b, during the quarter. The order book stood at INR644.8b (+13% YoY). NWC days stood at a comfortable level of 106 in 1QFY26 vs. 124 in 1QFY25. Net debt was down YoY at INR19.4b in 1QFY26 (vs. INR29b in 1QFY25).

Segmental performance driven by T&D, B&F, and oil & gas

Segmental performance in 1QFY26 was led by strong growth in the T&D, B&F, and oil & gas segments. On a consolidated basis, T&D revenue surged 56% YoY to INR28.7b, supported by a robust order backlog, healthy execution in both domestic and overseas markets, and new orders worth INR31.9b, taking the order book to INR267.3b. The B&F business maintained its momentum, with consolidated revenue increasing 13% YoY to INR13.8b, and with inflows of INR67.1b (including the company's largest-ever design-build residential project), the order book grew to INR166b. Oil & Gas revenue more than doubled to INR5.9, led by strong progress on the Saudi Aramco project, with KPIL now qualified with major Middle East utilities and actively bidding for large-scale projects in the region. Collectively, these high-margin products remained the key contributors to growth and profitability during the quarter. Railways grew moderately by 5%, while Water continues to face challenges, declining 5% YoY.

T&D and B&F segments to fuel execution and improve margins

The T&D and B&F segments are poised to remain key growth drivers for KPIL in the coming years, backed by strong order visibility, healthy margins, and strategic positioning in high-potential markets. The T&D business, with an INR267.3b order book (up 30% YoY) and a tender pipeline exceeding INR1.2t over the next 12-18 months, is set to benefit from sustained investments in grid expansion, modernization, and energy transition, both in India and internationally. Recent wins in HVDC projects and deeper penetration in the Middle East and Nordic regions further enhance long-term prospects. The B&F segment, with an all-time high order book of over INR166b, continues to secure large-scale, complex design-build contracts, including a large order received during the quarter for a residential project of over 12 million sq. ft. The business has a strong presence in southern India, works with marquee developers, and is expanding into high-growth areas such as data centers. Both segments deliver high EBITDA margins of 9-10% and are expected to drive not only revenue expansion but also margin accretion, making them key growth drivers for the company. We expect T&D/B&F to clock a revenue CAGR of 18%/19% over FY25-28, with order inflows to post a CAGR of 10%/15% even on a high base.

Water projects' healthy backlog offset by delays in JJM funding

The water segment reported a 5% YoY revenue decline in 1QFY26, impacted by delayed collections in certain states, particularly Uttar Pradesh and Jharkhand, though improvement was noted in others like Madhya Pradesh and Odisha, where payments are now timely. KPIL is adopting a cautious execution approach, prioritizing projects in states with better payment track records, while continuing work on centrally funded projects where budgets are already allocated. Outstanding receivables under the Jal Jeevan Mission stand at over INR10b as of 30 Jun'25, including billed and unbilled amounts. With an order backlog of INR89b providing 2-2.5 years of revenue visibility, the company expects single-digit growth in FY26, supported by gradual improvement in collections and a selective approach to new orders. However, due to uncertainties in the government allocating funds to the JJM scheme, we expect the water segment to remain under pressure for the next 2-3 years.

Roads and international subsidiary performance

In 1QFY26, toll revenue from the company's road BOOT assets rose to INR7.3m per day from INR6.4m in the prior year, with no fresh equity infusion into the SPVs during the quarter. WEPL issued a termination notice to NHAI in Jul'25 due to contractual defaults, with management not expecting any material financial impact apart from a possible INR400m debt repayment to avoid NPA classification, which is anticipated to be recovered through claims. The sale of the Vindyachal Expressway remains on track, with approvals expected in 3QFY26 and cash inflows of INR7b-8b, of which roughly half will be used for debt reduction and the remainder for equity inflow to the company. In subsidiaries, Sri Shubham Logistics is pursuing the sale of two to three large warehouses in FY26 to repay debt, while Indore real estate projects are nearly sold out with INR1b collections expected by early 3QFY26. LMG revenue increased 72% YoY to INR7.7b with an EBITDA margin of ~8%. The company is exploring fundraising for this subsidiary (including IPO). Fasttel recorded revenue

growth but remained loss-making at the EBITDA level, with breakeven targeted from 3QFY26. Management's outlook for these non-core assets remains focused on monetization, debt reduction, and redeployment of released capital to strengthen the balance sheet and support core business growth.

Financial outlook

We tweak our estimates upwards by 3%/1% each for FY26/27 to bake in 1QFY26 performance. We expect KPIL to report a CAGR of 17%/21%/30% in revenue/EBITDA/PAT over FY25-28. This would be driven by: 1) inflows of INR280b/INR318b/INR366b FY26/FY27/FY28 on a strong prospect pipeline, 2) a gradual recovery in EBITDA margin to 9.3% by FY28, and 3) control over working capital owing to improved customer advances, better debtor collections from water and railways, and claims settlement. Led by improvement in margins and moderation in working capital, we expect KPIL's RoE/RoCE to improve to 15%/13% in FY28.

Valuation and view

KPIL is currently trading at 20.7x/15.8x P/E on FY26/27 earnings. Reiterate BUY with an unchanged SoTP-based TP of INR1,450 based on 18x P/E for the core business.

Key risks and concerns

Slowdown in execution, lower-than-expected order inflows, a spike in commodity prices, and an increase in promoter pledge are some of the key concerns that can weigh on financials and valuations of the company.

Y/E March	Standalone - Quarterly Earnings Model										(INR m)	
	FY25				FY26E				FY25	FY26E	FY26	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	Var (%)	1QE	Var (%)
Net Sales	37,219	41,361	48,257	62,042	50,397	52,634	57,210	68,600	1,88,879	2,28,842	45,898	10
YoY Change (%)	2.8	7.6	16.4	20.5	35.4	27.3	18.6	10.6	12.7	21.2	23.3	
Total Expenditure	34,085	37,877	44,239	56,810	46,114	48,055	52,062	62,240	1,73,009	2,08,470	41,997	
EBITDA	3,135	3,485	4,019	5,232	4,284	4,579	5,149	6,360	15,870	20,372	3,901	10
Margins (%)	8.4	8.4	8.3	8.4	8.5	8.7	9.0	9.3	8.4	8.9	8.5	
Depreciation	929	914	956	949	936	1,085	1,112	1,314	3,749	4,447	1,120	-16
Interest	861	998	1,071	877	840	897	942	942	3,807	3,622	929	-10
Other Income	295	264	185	235	234	264	315	346	979	1,159	285	-18
PBT before EO expense	1,640	1,836	2,177	3,641	2,742	2,862	3,410	4,450	9,294	13,462	2,138	28
Extra-Ord expense	-	-	-	330	-	-	-	-	330	-	-	-
PBT	1,640	1,836	2,177	3,311	2,742	2,862	3,410	4,450	8,964	13,462	2,138	28
Tax	474	513	604	894	734	794	946	1,261	2,485	3,734	593	
Rate (%)	28.9	27.9	27.7	27.0	26.8	27.7	27.7	28.3	27.7	27.7	27.7	
Reported PAT	1,166	1,323	1,574	2,416	2,008	2,068	2,464	3,189	6,479	9,729	1,545	30
Adj PAT	1,166	1,323	1,574	2,657	2,008	2,068	2,464	3,189	6,718	9,729	1,545	30
YoY Change (%)	-7.4	17.1	9.3	51.8	72.1	56.3	56.6	20.0	20.3	44.8	32.4	
Margins (%)	3.1	3.2	3.3	4.3	4.0	3.9	4.3	4.6	3.6	4.3	3.4	

Signature Global

Estimate change	↔
TP change	↑
Rating change	↑

	SIGNATUR IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	156.2 / 1.8
52-Week Range (INR)	1647 / 1011
1, 6, 12 Rel. Per (%)	-6/-15/-22
12M Avg Val (INR M)	764

Financials & Valuations (INR b)			
Y/E Mar	FY25	FY26E	FY27E
Sales	25.0	43.6	74.0
EBITDA	0.4	7.9	17.7
EBITDA (%)	1.8	18.2	23.9
Adj. PAT	1.0	7.8	17.6
EPS (INR)	7.2	55.7	125.3
EPS Gr. (%)	511.9	674.8	124.7
BV/Sh. (INR)	51.7	107.5	232.7
Ratios			
Net D/E	1.2	-0.2	-0.2
RoE (%)	14.9	70.0	73.6
RoCE (%)	5.3	26.0	40.9
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	154.5	19.9	8.9
P/BV (x)	21.5	10.3	4.8
EV/EBITDA (x)	370.6	19.4	8.5
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	69.6	69.6	69.6
DII	5.2	5.2	5.3
FII	10.6	10.4	8.3
Others	14.5	14.9	16.7

CMP: INR1,111 **TP: INR1,760 (+58%)** **Buy**

Collections still lag behind last year's shortfall

- Signature Global achieved pre-sales of INR26.4b in 1QFY26, down 15% YoY but up 63% QoQ (12% below our estimate), aided by the launch of 'Cloverdale SPR', a premium residential project located on Southern Peripheral Road (SPR), Sector 71, Gurugram.
- Area sold in the quarter stood at 1.6msf, down 20% YoY and up 19% QoQ (12% below our estimates).
- Average sales realization stood at INR16,296/sqft, up 6% YoY/37% QoQ. Higher realization was attributed to the launch of Cloverdale SPR.
- Total units sold in the quarter were ~778, down 20% YoY and up 32% QoQ.
- Collections were down 23% YoY/21% QoQ at INR9.3b (39% below estimate).
- The company acquired ~10 acres of land in the Sohna market. Its development potential is ~0.53msf.
- The company's project pipeline remains strong, comprising 14.8 msf of recently launched projects, 24.6 msf of upcoming developments, and 10.4 msf under construction, all scheduled for execution over the next 2-3 years.
- Net debt in 1QFY26 stood at INR8.9b vs. INR8.8b in FY25.
- P&L performance:** In 1QFY26, revenue stood at INR8.7b, up 2x YoY/66% QoQ (24% below the estimate).
- EBITDA declined 24% QoQ to INR332m (84% below est.) vs. a loss of INR13m YoY. Margin stood at 3.8%.
- Adj. PAT was at INR344m, up 5x and down 44% QoQ (83% below estimate).

Key highlights from the management commentary

- The company remains focused on middle-income housing and the premium segment, expecting steady consumption trends, supported by sustained supply.
- In FY26, 75% of collections are projected from sold inventory, with the remaining 25% from new launches. Collections are expected to improve sharply in 3Q-4Q.
- In 1QFY26, Cloverdale (Phase 2 of Titanium) in Sector 71 was launched, achieving 65% presales; GDV stood at INR40b for 2 msf.
- FY26 launch pipeline exceeds 10msf with GDV of INR170b, including 3.5msf in Sector 37D and 4msf in Sector 71 during 2Q-4Q.
- Of the 1.44msf completed in 1Q, 45% was premium and 55% was mid-income housing.
- Operating surplus of INR1.9b in 1QFY26 was allocated for land acquisition (INR1.2b) and debt servicing (INR0.8b). Net debt increased by INR0.1b due to fresh borrowings.
- Debt increased to INR8.9b in 1QFY26 from INR8.8b in 4QFY25, down from INR11.6b in FY24. FY26 net debt is targeted below 0.5x projected surplus.

Valuation and view

- SIGNATUR reported a strong 57% CAGR in pre-sales over FY21-25, driven by an increase in projects under execution and premiumization. As SIGNATUR gears up with a strong launch pipeline of premium projects, we expect it to deliver a 31% CAGR in bookings over FY25-27E as the growth momentum remains intact.
- Strong pre-sales growth will also lead to a rapid scale-up in operations across the key parameters, e.g., cash flows, revenue, and profitability, which will give confidence in the company's execution capability and future growth potential.
- We have valued the current residential portfolio by discounting the cash flows from all projects and accounting for the recent BD as well as potential land investments of INR15b for future growth.
- We reiterate our **BUY** rating with a TP of INR1,760 indicating a 58% upside potential.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	4,006	7,493	8,277	5,204	8,657	8,720	12,208	11,336	24,980	43,601	11,336	-24%
YoY Change (%)	141.5	660.5	193.7	-25.0	116.1	16.4	47.5	117.8	101.4	74.5	183.0	
Total Expenditure	4,019	7,609	8,142	4,766	8,324	7,135	9,989	10,226	24,535	35,673	9,275	
EBITDA	-13	-116	135	439	332	1,585	2,220	1,110	446	7,927	2,061	-84%
Margins (%)	-0.3	-1.5	1.6	8.4	3.8	18.2	18.2	9.8	1.8	18.2	18.2	-1434bps
Depreciation	52	68	75	79	76	63	88	88	274	315		82
Interest	75	169	142	130	126	232	325	477	515	1,160		301
Other Income	274	281	345	500	327	336	470	547	1,400	1,680		437
PBT before EO expense	135	-71	263	730	458	1,627	2,277	1,092	1,057	8,133	2,114	
Extra-Ord expense	2	0	0	3	1	0	0	-1	6	0		0
PBT	133	-72	263	727	457	1,627	2,277	1,092	1,051	8,133	2,114	
Tax	65	-113	-29	116	113	60	84	43	39	299		78
Rate (%)	48.8	157.9	-11.0	15.9	24.7	3.7	3.7	3.9	-3.9	-1.4		3.7
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	1	1		0
Reported PAT	68	41	291	611	344	1,566	2,193	1,049	1,011	7,832	2,036	-83%
Adj PAT	68	41	291	611	344	1,566	2,193	1,049	1,011	5,153	2,036	-83%
YoY Change (%)	-199.4	-121.3	1,195.2	46.4	408.8	3,714.1	653.2	71.7	452.8	409.8	2,910.2	
Margins (%)	1.7	0.5	3.5	11.7	4.0	18.0	18.0	9.3	4.0	11.8	18.0	

E: MOFSL Estimates

Operational Performance

Booking Value (INRb)	31.2	27.8	27.7	16.2	26.4	20.0	35.0	41.3	102.9	122.7	30	-12%
Collections (INRb)	12.1	9.2	10.8	11.7	9.3	10.2	17.9	21.1	43.8	62.7	15	-39%

Data Patterns (India)

Estimate change	
TP change	
Rating change	

Bloomberg	DATAPATT IN
Equity Shares (m)	56
M.Cap.(INRb)/(USDb)	135.9 / 1.6
52-Week Range (INR)	3269 / 1351
1, 6, 12 Rel. Per (%)	-14/23/-19
12M Avg Val (INR M)	1788

Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	7.1	8.9	11.1
EBITDA	2.8	3.3	4.3
Adj. PAT	2.2	2.7	3.5
EBITDA Margin (%)	38.8	37.0	38.5
Cons. Adj. EPS (INR)	39.6	48.2	62.8
EPS Gr. (%)	22.1	21.6	30.3
BV/Sh. (INR)	269.3	316.5	378.2
Ratios			
Net D:E	-0.3	-0.3	-0.3
RoE (%)	15.7	16.4	18.1
RoCE (%)	16.3	17.0	18.5
Valuations			
P/E (x)	61	50	39
EV/EBITDA (x)	48	40	31

Shareholding Pattern (%)

As on	Jun-25	Mar-25	Jun-24
Promoter	42.4	42.4	42.4
DII	8.1	7.4	8.5
FII	12.8	12.8	15.0
Others	36.7	37.5	34.1

Note: FII includes depository receipts

CMP: INR2,427

TP: INR2,500 (+3%)

Neutral

Delays in customer approvals impact revenue

Earnings missed our estimates

- Data Patterns (DATAPATT) reported a muted quarter, with revenue declining ~5% YoY due to delays in customer approvals (~INR270m). The Production/Service segment grew 25%/4% YoY, which was offset by a sharp 63% decline in the development segment. EBITDA margin contracted 340bp YoY, led by low-margin strategic contracts taken up by the company.
- The closing order book as of Jun'25 stood at INR8.1b, down 20% YoY. However, on the back of strong order book visibility, driven by additional BrahMos orders from the Air Force and Navy, management is targeting orders worth over INR10b. **The company has retained its revenue growth/EBITDA margin guidance of ~20-25%/35-40%/for FY26.**
- We largely maintain our FY26/FY27 estimates despite muted 1Q as spillover of revenue from 1Q is expected in 2Q and the company has also maintained its full year guidance, supported by strong order book visibility. **We reiterate our Neutral rating with a TP of INR2,500 (premised on 40x FY27E EPS).**

Adverse operating leverage impacts operating margins

- Consolidated revenue declined ~5% YoY to INR993m (est. INR1.2b) in 1QFY26 due to delays in customer approvals (~INR270m). Revenue from Service/Production grew 4%/25% YoY to INR99m/INR497m, while revenue from development declined 25% YoY.
- In terms of products, Radar/Avionics accounted for the largest revenue mix at ~66.4%/11.5%. In terms of customers, BEL played a significant role this quarter, accounting for ~63% of the mix.
- Gross margins expanded 750bp YoY to ~80%. Employee/other expenses grew 27pp/16pp YoY to 36.6%/10.8% in 1QFY26.
- Accordingly, EBITDA margin contracted 340bp YoY to 32.3% (est. 35.4%). EBITDA declined 14% YoY to INR321m (est. INR442m). Adjusted PAT declined 22% YoY to INR255m (est. INR372m).
- The order book stood at ~INR8.1b as of Jun'25 vs. INR7.3b/INR10.1b in Mar'25/Jun'24. Development/Production/Service account for 38%/37%/25% of the total order book.

Highlights from the management commentary

- **Guidance:** Revenue softness in 1Q from customer approval delays is expected to normalize, with strong order visibility supporting 2Q's rebound. Management maintains its FY26 growth guidance of 20-25% and 35-40% EBITDA margin, with scaling efforts focused on 2HFY26.
- **Orders:** The company's order book stands at INR10b, with over INR3.2b in new orders received since the start of the financial year, including significant wins from BrahMos and the Ministry of Defense. The export order book remains healthy at around INR1b, supported by increasing traction in international markets. Management is targeting over INR10b in additional orders over the next 6-8 months.

- **Product development** The company is strengthening its product portfolio with over INR1.2b invested in advanced defense systems (including radar, electronic warfare, communication, and airborne solutions). Flagship projects such as the BrahMos seeker and the jamming pod are in the final stages of production and testing.

Valuation and view

- DATAPATT reported a muted start to the year, though this is expected to be largely recouped in 2Q. The company's guidance of higher order bookings in FY26 supports the near-term outlook. Meanwhile, long-term tailwinds, such as: 1) strong order book visibility, 2) differentiated product building competencies, 3) long-term relationship with clients, and 4) a strong pipeline of products, will drive sustainable growth.
- We estimate a CAGR of 25%/25%/26% in revenue/EBITDA/adj. PAT over FY25-27. **We reiterate our Neutral rating with a TP of INR2,500 (premised on 40x FY27E EPS).**

Consolidated - Quarterly Earning

Y/E March									(INR m)			
	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		%
Gross Sales	1,041	910	1,170	3,962	993	1,365	1,545	4,996	7,084	8,900	1,249	-20
YoY Change (%)	16.0	-16.0	-16.1	117.4	-4.6	50.0	32.0	26.1	36.3	25.6	20.0	
Total Expenditure	669	567	630	2,467	673	821	926	3,188	4,334	5,608	807	
EBITDA	372	343	540	1,495	321	544	619	1,808	2,750	3,292	442	-27
Margins (%)	35.7	37.7	46.2	37.7	32.3	39.9	40.1	36.2	38.8	37.0	35.4	
Depreciation	31	35	35	39	55	57	58	60	139	230	45	
Interest	30	28	32	31	32	30	28	25	121	115	31	
Other Income	123	120	114	106	106	150	190	198	463	644	130	
PBT before EO expense	435	400	588	1,531	340	607	723	1,921	2,953	3,591	496	
PBT	435	400	588	1,531	340	607	723	1,921	2,953	3,591	496	
Tax	107	98	141	390	85	151	180	478	735	894	123	
Rate (%)	24.5	24.4	24.0	25.5	24.9	24.9	24.9	24.9	24.9	24.9	24.9	
Reported PAT	328	303	447	1,141	255	456	543	1,443	2,218	2,697	372	
Adj PAT	328	303	447	1,141	255	456	543	1,443	2,218	2,697	372	-32
YoY Change (%)	26.9	-10.4	-12.4	60.5	-22.2	50.6	21.5	26.5	22.1	21.6	13.6	
Margins (%)	31.5	33.3	38.2	28.8	25.7	33.4	35.1	28.9	31.3	30.3	29.8	

Equitas Small Finance Bank

Estimate change	
TP change	
Rating change	

Bloomberg	EQUITASB IN
Equity Shares (m)	1140
M.Cap.(INRb)/(USDb)	64.4 / 0.7
52-Week Range (INR)	87 / 52
1, 6, 12 Rel. Per (%)	-6/-24/-29
12M Avg Val (INR M)	318

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	32.5	33.1	38.8
OP	13.3	12.1	16.0
NP	1.5	0.5	7.0
NIM (%)	7.5	6.7	6.7
EPS (INR)	1.3	0.4	6.2
BV/Sh. (INR)	53	51	56
ABV/Sh. (INR)	51	49	54
Ratios			
RoA (%)	0.3	0.1	1.1
RoE (%)	2.4	0.8	11.5
Valuations			
P/E(X)	43.2	129.8	9.1
P/BV (X)	1.0	1.1	1.0
P/ABV (X)	1.1	1.1	1.0

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	0.0	0.0	0.0
DII	47.1	42.7	45.4
FII	16.3	16.5	19.7
Others	36.6	40.8	34.9

FII includes depository receipts

CMP: INR56
TP: INR70 (+24%)
Buy

Elevated provisions dent earnings

Asset quality pressures persist; estimate gradual RoA recovery from 4Q

- Equitas SFB (EQUITASB) reported a net loss of INR2.24b vs our estimate of PAT of INR220m, driven by a sharp rise in provisions due to stress in MFI and changes in the provisioning policy.
- NII declined 2% YoY/5% QoQ to INR7.8b (in-line), amid declining yields due to shrinking MFI book and increased stress. NIM contracted 58bp QoQ to 6.55% (our est of 6.88%).
- Advances declined 4% QoQ (up 8.8% YoY) amid a sharp decline in the MFI portfolio (down 21.9% QoQ), which now stands at 9.4% of the portfolio. Meanwhile, deposits grew 18.3% YoY/3.0% QoQ, led by a sharp increase in CA deposits (up 92% YoY/36.7% QoQ). As a result, CASA ratio increased to 29.4%.
- Slippages increased 72% YoY/19.7% QoQ, led by higher slippage in the MFI book. GNPA ratio, thus, increased 3bp QoQ to 2.92%, while NNPA stood flat QoQ at 0.98%. PCR stood stable at 67%.
- We cut our earnings estimates sharply by 86%/21% for FY26/27E and estimate RoA/RoE of 1.1%/11.5% by FY27E. **Reiterate BUY with a TP of INR70 (1.3x FY27E ABV).**

Margins contract 58bp QoQ; credit costs to stay elevated in FY26

- 1QFY26 loss stood at INR2.24b (vs MOFSLe of INR220m PAT), impacted by a sharp rise in provisions due to ongoing stress in MFI.
- NII stood at INR7.9b, down 2% YoY/5% QoQ (3% miss) amid declining yields as well as higher funding costs. Declining MFI share further weighed on margins as NIM contracted 58bp QoQ to 6.55% (MOFSLe of 6.88%).
- Other income surprised positively at INR2.9b, growing 40% YoY/29% QoQ (12% higher than MOFSLe), driven by healthy treasury gains as well as healthy growth in fee income. Opex came in at INR7.6b, up 14% YoY and 3% QoQ (in line). Thus, PPoP came in at INR3.1b, down 8% YoY/up 1% QoQ (3% beat).
- Advances declined 4% QoQ (up 8.8% YoY) to INR347.4b, driven by a decline in the MFI business (down 21.9% QoQ). SBL and HF posted healthy growth, rising 2.3% QoQ and 2.1% QoQ. VF loan grew modestly by 12.3% YoY/0.6% QoQ amid a decline in new CV loans by 8.8% QoQ, while used CV loans grew 4.6% QoQ.
- Disbursements declined to INR35.1b in 1QFY26 (down 13% YoY and 18% QoQ), with MFI disbursements falling sharply (down 74% YoY and 25% QoQ). The share of MFI AUM decreased to 9.5% from 11.9%/14.4% in 4Q/3QFY25, as the bank follows a cautious approach in MFI and has guided to reduce this mix further in the coming quarters.
- Deposits posted healthy growth, rising 18.3% YoY/3% QoQ to INR443b, led by a sharp increase in CA deposits (up 92% YoY/36.7% QoQ). CASA ratio, thus, increased to 29.4%.
- On the asset quality front, slippages remained elevated by 72% YoY/19.7% QoQ, led by higher slippages in the MFI book. GNPA ratio increased 3bp QoQ to 2.92%, while NNPA stood flat at 0.98%. PCR stood stable at 67%.

Highlights from the management commentary

- The bank reiterated its strategy to scale down the MFI book and accelerate secured lending, aiming for a healthier loan mix transformation by FY26-end.
- Management emphasized that credit cost is likely to remain elevated in 2QFY26 but is expected to normalize from 3QFY26 as asset quality stabilizes and recovery trends sustain.
- The bank disclosed that additional provisions were created in 1QFY26 to strengthen the balance sheet.
- The bank remains confident of delivering RoA of >1% by 4QFY26, supported by an improving operating leverage, digital-led efficiencies, and a continued shift toward secured retail segments.

Valuation and view: Reiterate BUY with TP of INR70

EQUITASB reported a weak quarter amid muted loan growth, elevated credit costs, and declining yields, while slippages also stood elevated. Deposit growth was steady, while the CA book increased sharply, resulting in an improvement in the CASA ratio. Loan book declined amid a sharp dip in the MFI book, given the bank's cautious approach to the MFI business. Meanwhile, SBL and housing book are expected to see a proportionate increase as MFI shrinks. Credit costs are expected to remain high amid continued stress in MFI. For 1Q, ordinances in Karnataka and Tamil Nadu impacted collection efficiency, leading to a spike in credit costs. However, trends showed some recovery in Jul'26. With the MFI mix decreasing at a faster pace, the bank's margins may see a downward bias, thus putting pressure on operating earnings. We cut our earnings sharply by 86%/21% for FY26/27E and estimate FY27E RoA/ RoE at 1.1% / 11.5%. **Reiterate BUY with a TP of INR70 (1.3x FY27E ABV).**

Y/E March	(INR b)										
	FY25				FY26E			FY25	FY26E	FY25E	v/s
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		1QE	Est
Interest Income	15.0	15.5	16.1	16.4	16.5	16.4	17.7	18.9	63.1	69.6	16.9
Interest Expense	7.0	7.5	7.9	8.1	8.6	8.7	9.4	9.8	30.6	36.5	8.8
Net Interest Income	8.0	8.0	8.2	8.3	7.9	7.7	8.3	9.2	32.5	33.1	8.1
% Change (YoY)	7.9	4.8	4.2	5.5	-2.0	-3.8	1.9	10.5	5.6	1.7	1.1
Other Income	2.1	2.4	2.4	2.3	2.9	2.6	2.7	2.7	9.1	10.9	2.6
Total Income	10.1	10.4	10.6	10.5	10.8	10.3	11.0	11.9	41.6	44.0	10.7
Operating Expenses	6.7	6.9	7.2	7.4	7.6	7.8	8.1	8.4	28.3	31.9	7.7
Operating Profit	3.4	3.5	3.3	3.1	3.1	2.5	2.9	3.5	13.3	12.1	3.0
% Change (YoY)	9.1	5.9	-7.6	-16.9	-7.5	-27.6	-12.1	13.2	-3.1	-9.1	-10.5
Provisions	3.0	3.3	2.4	2.6	6.1	2.3	1.6	1.4	11.4	11.5	2.8
Profit before Tax	0.4	0.2	0.9	0.5	-3.0	0.2	1.3	2.1	2.0	0.7	0.3
Tax	0.1	0.1	0.2	0.1	-0.7	0.0	0.3	0.5	0.5	0.2	0.1
Net Profit	0.3	0.1	0.7	0.4	-2.2	0.1	1.0	1.6	1.5	0.5	0.2
% Change (YoY)	-86.5	-93.5	-67.2	-79.7	-968.7	10.6	48.8	279.7	-81.6	-66.7	-14.7
Operating Parameters											
AUM	349	361	373	380	376	361	434	460	402	460	349
Deposits	375	399	407	431	444	453	474	493	431	493	444
Loans	319	340	354	362	347	380	398	415	362	415	373
AUM Growth (%)	17.8	15.4	13.9	10.6	7.9	0.0	16.3	21.0	16.9	14.5	0.0
Deposit Growth (%)	35.4	29.2	25.8	19.3	18.3	13.6	16.3	14.4	19.3	14.4	18.3
Loan Growth (%)	16.0	18.1	21.1	16.9	8.8	12.0	12.4	14.5	16.9	14.5	16.9
Asset Quality											
Gross NPA (%)	2.73	2.95	2.97	2.89	2.92	2.89	2.97	2.70	2.89	2.70	2.78
Net NPA (%)	0.83	0.97	0.96	0.98	0.98	0.98	1.00	0.90	0.98	0.90	0.90
PCR (%)	70.3	67.7	68.3	66.8	67.0	66.7	67.2	67.4	66.8	67.4	68.2

E: MOFSL Estimates

Indigo Paints

Estimate change	
TP change	
Rating change	

Bloomberg	INDIGOPN IN
Equity Shares (m)	48
M.Cap.(INRb)/(USDb)	54.9 / 0.6
52-Week Range (INR)	1720 / 900
1, 6, 12 Rel. Per (%)	1/-12/-21
12M Avg Val (INR M)	352

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	14.4	16.4	18.6
Sales Gr. (%)	7.5	13.5	14.0
EBITDA	2.5	3.0	3.4
EBIT Margin (%)	17.6	18.2	18.4
Adj. PAT	1.6	1.8	2.1
Adj. EPS (INR)	33.1	38.5	44.6
EPS Gr. (%)	11.0	16.3	15.8
BV/Sh.(INR)	241.8	280.4	320.2
Ratios			
RoE (%)	14.4	14.7	14.8
RoCE (%)	14.2	14.6	14.7
Valuation			
P/E (x)	34.7	29.8	25.8
P/BV (x)	4.7	4.1	3.6
EV/EBITDA (x)	20.3	16.9	14.4

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	53.9	53.9	53.9
DII	19.3	16.7	1.1
FII	11.7	12.4	8.3
Others	15.1	16.9	36.7

FII Includes depository receipts

CMP: INR1,152 **TP: INR1,400 (+21%)** **Buy**

Weak print; all eyes on demand recovery in festive period

- Indigo Paints' (INDIGOPN) standalone sales were flat YoY in 1QFY26 due to consistent demand headwinds and the early onset of monsoon. Apple Chemie's (subsidiary) sales declined 18% YoY. Consolidated sales declined 1% YoY to INR3.1b (below).
- Management indicated that while the first half of the quarter saw a healthy offtake, the early onset of monsoon, especially in East and South, dented 1Q's performance. However, July saw an improvement in demand, and management expects this growth momentum to sustain, anticipating a healthy pent-up demand in 2HFY26. The company indicated that it does not anticipate any significant competitive intensity in the near term. We model a CAGR of 14%/16% in revenue/EBITDA in FY26-28E.
- Gross margin contracted 70bp YoY to 45.9% (below). EBITDA margin contracted 90bp YoY to 14.3% (below). The company highlighted that EBITDA margin is historically low during 1Q and 2Q and hits a peak during 4Q as the product mix changes during the year. That said, EBITDA margin is expected to expand over the remainder of FY26, driven by demand recovery, lower input costs, and a more favorable product mix.
- INDIGOPN continues to focus on the premium and emulsion segments, with a deliberate shift away from the economy segment. It has consciously decided not to enter the low-margin general industrial segment, despite competitors pursuing it to boost revenue growth, as it affects margins and profitability.
- We reiterate our BUY rating with a TP of INR1,400 (based on 35x Jun'27 P/E), considering its growth outperformance, synergies with Apple Chemie, consistent capacity and distribution expansion, and its favorable valuation multiples vs peers.

Weak macros and seasonality result in subdued performance

Consolidated performance

- Miss on sales:** INDIGOPN's net sales declined 1% YoY to INR3,089m (est. INR3,234m). Standalone revenue remained flat YoY at INR2,949m. Apple Chemie posted a sales decline of 18% YoY to INR140m in 1QFY26.
- Weak volume performance:** Putty and cement paint saw a value and volume decline of 2% and 4%, respectively. Emulsions saw a 5.4% volume decline and 0.9% value decline. Enamel and wood coatings' volume/value grew 6.8%/11.5% YoY. Primer and distempers posted volume growth of 1.8% and value growth of 6.3% in 1QFY26.
- Contraction in margins:** Gross margin contracted 70bp YoY to 45.9% (est. 46.8%). Raw material prices were largely stable, barring Titanium Dioxide. Employee expenses rose 3% YoY, while other expenses declined 1% YoY. EBITDA margin contracted 90bp YoY to 14.3% (est. 15.4%).

- **EBITDA/PBT/PAT in negative trajectory:** EBITDA declined 6% YoY to INR443m (est. INR499m). PBT declined 3% YoY to INR348m (est. INR386m). APAT declined 1% YoY to INR259m (est. INR288m).

Highlights from the management commentary

- April and the first half of May witnessed a healthy offtake. However, an early onset of monsoon impacted the performance. July saw an improvement in demand, and management expects the growth momentum to sustain, with a healthy pent-up demand anticipated in 2HFY26.
- South India contributes 35% of the company's sales, and a large part of it is driven by Kerala. Management anticipates no significant pickup in competitive intensity in Kerala, where it holds a dominant share.
- Management views current industry discounting as within historical norms and noted that recent incentives were aimed at countering slower volumes and passing on RM cost savings. It also mentioned that industry discounting levels remain far below those of Birla Opus.
- EBITDA margins are expected to expand going forward, driven by recovering demand, lower input costs, and a more favorable product mix.
- As of Jun'25, the number of active dealers stood at 18,556, reflecting a QoQ increase of 185. The number of active dealers declined in 2HFY25 due to subdued demand; however, a rebound in active dealer count is expected in FY26.

Valuation and view

- We slightly cut our EPS estimates by 2% for FY26/FY27.
- INDIGOPN's strategic shift toward focusing on non-metro towns and increased investments in distribution and influencers as part of its Strategy 2.0 are proving to be successful endeavors. That said, the company continues to focus on the premium and emulsion segments, with a deliberate shift away from the economy segment.
- Given the relatively smaller scale of INDIGOPN (INR13b revenue in FY25) in the paint industry, the company has been able to grow much faster than the industry. Consumers' rising acceptance of the brand and the expansion of distribution have been driving its outperformance. However, the changing competitive landscape will be a key monitorable. **We reiterate our BUY rating with a revised TP of INR1,400 (premised on 35x Jun'27E EPS).**

Consolidated Quarterly Performance

Y/E March									INR m)			
	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	(%)		
Net Sales	3,110	2,995	3,426	3,876	3,089	3,175	3,803	4,345	13,407	14,412	3,234	-4.5%
Change (%)	7.8	7.4	-3.2	0.7	-0.7	6.0	11.0	12.1	2.6	7.5	4.0	
Raw Material/PM	1,661	1,686	1,829	2,061	1,671	1,762	2,023	2,283	7,237	7,739	1,720	
Gross Profit	1,449	1,309	1,597	1,815	1,418	1,413	1,780	2,063	6,170	6,673	1,514	-6.4%
Gross Margin (%)	46.6	43.7	46.6	46.8	45.9	44.5	46.8	47.5	46.0	46.3	46.8	
EBITDA	474	415	572	874	443	457	647	989	2,335	2,536	499	-11.2%
Margin (%)	15.2	13.9	16.7	22.6	14.3	14.4	17.0	22.8	17.4	17.6	15.4	
Change (%)	-3.5	-1.5	-8.1	3.3	-6.5	10.1	13.1	13.1	-1.9	8.6	5.3	
Interest	6	7	6	15	7	18	10	10	35	45	8	
Depreciation	152	154	147	132	148	145	145	147	585	586	150	
Other Income	42	51	31	60	60	55	45	44	185	203	45	
PBT	357	306	450	787	348	349	537	876	1,900	2,109	386	-9.9%
Tax	90	83	92	213	87	88	135	220	478	530	97	
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.0	25.2	25.2	25.2	25.2	25.2	25.2	
Minority Interest	5	-4	-2	5	1	1	1	1	4	4	1	
Adjusted PAT	262	226	360	569	259	260	400	655	1,418	1,574	288	-9.9%
Change (%)	-15.6	-10.6	-3.3	6.0	-1.0	14.9	11.2	15.1	-3.8	11.0	9.8	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY25				FY26	
	1Q	2Q	3Q	4Q	1Q	
Segmental volume growth (%)						
Cement Paints + Putty	8.2	2.8	-7.2	-10.3	-	-4.0
Emulsions	0.4	7.2	1.7	-2.5	-	-5.4
Enamels + Wood Coatings	5.0	4.3	-12.6	7.9	-	6.8
Primers + Distempers + Others	24.4	7.1	-6.0	2.2	-	1.8
Segmental value growth (%)						
Cement Paints + Putty	8.9	3.0	-5.3	-8.4	-	-1.5
Emulsions	-3.1	7.5	2.8	1.3	-	-0.9
Enamels + Wood Coatings	-1.0	3.6	-11.5	11.4	-	11.5
Primers + Distempers + Others	28.6	13.7	-0.6	6.3	-	6.3
% of Sales						
COGS	53.4	56.3	53.4	53.2	-	54.1
Operating Expenses	31.4	29.8	29.9	24.3	-	31.6
Depreciation	4.9	5.1	4.3	3.4	-	4.8
YoY change (%)						
COGS	9.3	11.0	-0.2	4.7	-	0.6
Operating Expenses	11.6	5.2	-5.2	-9.1	-	-0.1
Other Income	10.2	61.3	2.7	44.9	-	41.6
EBIT	-17.7	-15.2	-10.8	7.5	-	-8.2

E: MOFSL Estimates



Estimate changes	↓
TP change	↓
Rating change	↔

Bloomberg	NOCIL IN
Equity Shares (m)	167
M.Cap.(INRb)/(USDb)	29.1 / 0.3
52-Week Range (INR)	309 / 155
1, 6, 12 Rel. Per (%)	-6/-25/-40
12M Avg Val (INR M)	131

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	13.9	14.7	16.6
EBITDA	1.3	1.5	2.0
PAT	1.1	0.9	1.3
EPS (INR)	6.4	5.6	7.6
EPS Gr. (%)	-18.3	-12.6	35.6
BV/Sh.(INR)	105.0	108.9	114.1
Ratios			
Net D:E	-0.0	0.1	0.1
RoE (%)	6.3	5.3	6.8
RoCE (%)	6.0	4.9	6.2
Payout (%)	31.0	31.0	31.0
Valuations			
P/E (x)	27.0	30.9	22.8
P/BV (x)	1.7	1.6	1.5
EV/EBITDA (x)	21.4	20.5	15.3
Div. Yield (%)	1.1	1.0	1.4
FCF Yield (%)	(3.3)	(0.7)	1.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	33.8	33.8	33.8
DII	5.2	5.3	4.5
FII	6.7	8.2	7.8
Others	54.4	52.8	53.9

FII Includes depository receipts

CMP: INR174
TP: INR190 (+9%)
Neutral
Muted outlook with limited near-term growth prospects
Operating performance below our estimates

- 1QFY26 was a muted quarter for NOCIL, with revenue declining 10% YoY to INR3.3b, while EBITDA margin contracted 190bp YoY to 8.8% due to continued pricing pressure in the domestic market.
- While export volumes have begun to moderate, we factor in the weak domestic market outlook—driven by sustained pricing pressure amid high competitive intensity and a global slowdown in latex—and accordingly cut our FY26/FY27 earnings estimates by 12%/10%. We reiterate our Neutral rating on the stock with a TP of INR190, based on 25x FY27E EPS.

Soft quarter impacted by lower volumes and realizations

- NOCIL reported revenue of INR3.4b (est. of INR3.5b), down 10% YoY, due to a decrease in sales volume by 8% YoY to 13.5mt.
- Gross margin stood at 42.5% (up 80bp YoY), while EBITDA margin contracted 190bp YoY to 8.8% due to a decrease in realization by 2% YoY to INR249.7/kg (INR255.3/kg in 1QFY25), driven by dumping pressure in the domestic market.
- Employee cost as a % of sales stood flat YoY at ~7%, while other expenses as a % of sales stood at ~27%, compared to ~24% in 1QFY25.
- EBITDA stood at INR296m (est. of INR400m), down 26% YoY, and PAT decreased 39% YoY to INR166m in 1QFY26 (est. INR252m).
- EBITDA/kg stood at INR22 in 1QFY26 (est. ~INR29), down 19% YoY.

Highlights from the management commentary

- **Anti-dumping Duty:** In order to mitigate the impact of dumping in the domestic market, the company has filed anti-dumping petitions with the Indian government for certain products, which collectively contribute around 40-45% of its total revenue. These petitions are currently under investigation, with outcomes anticipated over the coming months.
- **Capex:** Ongoing capex of INR2.5b is underway, with 30% already spent as of Mar'25. New capacity is expected to contribute from 2HFY27 onwards, with the commercialization of new products anticipated by the end of the year.
- **Latex:** The company indicated that US tariffs and geopolitical factors have adversely impacted latex product exports, resulting in moderated growth. Management anticipates a temporary softness in demand from latex-based customers in upcoming quarters, while structural growth is expected to continue in the non-latex segment, supported by ongoing customer diversification efforts.

Valuation and view

- NOCIL is focused on expanding its capacity, with the new facility expected to come online in FY27. The company is also working on diversifying its geographical presence beyond the US into regions such as Europe, Asia, and Latin America to mitigate uncertainties related to US tariffs.
- However, we expect pricing pressure in the domestic market to persist, driven by heightened competitive intensity. Additionally, the slowdown in auto components and latex industries is likely to continue, weighed down by weak demand trends and limited near-term recovery catalysts.

- Consequently, we revise our FY26/FY27 earnings estimate downwards by 12%/10% and reiterate our Neutral rating on the stock with a TP of INR190, based on 25x FY27E EPS.

Standalone - Quarterly Earning Model											(INR m)	
Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Gross Sales	3,722	3,627	3,181	3,397	3,362	3,553	3,765	3,989	13,927	14,669	3,499	-4%
YoY Change (%)	-6.2	3.4	-6.6	-4.7	-9.7	-2.0	18.4	17.4	-3.6	5.3	-6.0	
Gross Margin (%)	41.7%	43.3%	44.4%	41.6%	42.5%	42.0%	42.0%	42.9%	42.7%	42.4%	44.9%	-2.4%
EBITDA	398	371	238	335	296	331	385	451	1,342	1,463	400	-26%
Margin (%)	10.7	10.2	7.5	9.9	8.8	9.3	10.2	11.3	9.6	10.0	11.4	-2.6
Depreciation	128	130	132	132	133	140	145	152	523	577	135	
Interest	5	5	4	4	4	5	6	6	18	24	4	
Other Income	100	88	148	54	64	91	111	130	389	395	76	
PBT	364	324	249	254	222	276	346	424	1,191	1,257	337	-34%
Tax	92	-91	64	50	57	69	87	106	115	316	85	
Rate (%)	25.3	-28.0	25.7	19.7	25.4	25.2	25.2	25.1	9.7	25.2	25.2	
Reported PAT	272	415	185	204	166	206	259	318	1,076	940	252	-34%
Adj PAT	272	415	185	204	166	206	259	318	1,076	940	252	-34%
YoY Change (%)	-18.9	54.3	-37.8	-50.4	-39.1	-50.2	39.7	56.0	-18.1	-12.6	-7.5	
Margin (%)	7.3	11.4	5.8	6.0	4.9	5.8	6.9	8.0	7.7	6.4	7.2	-2.3
Operational parameters												
Total Volume Sold (tmt)	14.6	14.3	12.9	13.4	13.5	13.8	14.5	15.2	39.3	41.0	13.9	-3%
Implied Realization (INR/kg)	255.3	254.1	247.4	254.2	249.7	256.6	260.3	261.8	354.5	357.7	252.3	-1%
EBITDA (INR/kg)	27.3	26.0	18.5	25.1	22.0	23.9	26.6	29.6	34.2	35.7	28.9	-24%



Repco Home Finance

Estimate change	
TP change	
Rating change	

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USDb)	24.2 / 0.3
52-Week Range (INR)	595 / 308
1, 6, 12 Rel. Per (%)	-4/-5/-15
12M Avg Val (INR M)	96
Free float (%)	62.9

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	6.8	7.3	8.0
PPP	5.5	5.8	6.4
PAT	4.4	4.3	4.6
EPS (INR)	70.2	69.4	73.1
EPS Gr. (%)	11	-1	5
BV/Sh. (INR)	530	594	663
Ratios			
NIM (%)	5.0	4.9	4.8
C/I ratio (%)	27.5	29.0	28.6
RoAA (%)	3.1	2.8	2.7
RoE (%)	14.2	12.3	11.6
Payout (%)	5.7	6.6	6.6
Valuation			
P/E (x)	5.5	5.6	5.3
P/BV (x)	0.7	0.7	0.6
P/ABV (x)	0.8	0.7	0.6
Div. Yield (%)	1.0	1.2	1.2

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	37.1	37.1	37.1
DII	23.3	21.1	18.8
FII	11.2	11.2	14.0
Others	28.5	30.5	30.0

FII Includes depository receipts

CMP: INR387

TP: INR430 (+11%)

Neutral

Muted loan growth; asset quality stable despite seasonality

Reported NIM stable QoQ; disbursements rose ~22% YoY

- Repco Home Finance's (Repco) 1QFY26 PAT grew 2% YoY to INR1.1b (6% beat). NII in 1QFY26 grew ~8% YoY to ~INR1.8b (in line). Other income was broadly flat YoY at INR150m. Opex rose ~17% YoY to INR530m (~8% lower than MOFSLe).
- PPOP grew ~4% YoY to INR1.4b (~7% beat). Provision writebacks stood at INR27m, translating into 1QFY26 annualized credit costs of -7bp (PY: 4bp and PQ: -65bp).
- GNPA rose ~5bp QoQ to ~3.3%, while NNPA dipped ~10bp QoQ to ~1.2%. The company increased the PCR on S3 loans by ~220bp QoQ to ~62%. Repco shared that the company has not witnessed any unusual trends or significant deterioration in any state. For the new book (originated post Apr'22), GS2 stood at 5% (vs 9.7% for the overall book) and GS3 stood at 1.1% (vs. 3.3% for the overall book).
- Home loans grew ~4% YoY, while other mortgage loans (including top-ups, CRE, and LAP) rose ~15% YoY. Management has guided for disbursements of INR40b in FY26 with a target AUM of INR160b by Mar'26.
- Management shared that momentum has picked up in Karnataka, with notable improvement in Gujarat and Rajasthan during 1Q. The 30-35 new branches opened over the past 2-3 years are now contributing meaningfully, boosting management's confidence in achieving the ~INR40b disbursement target for FY26.
- Repco's valuation at ~0.6x FY27E P/BV is indeed attractive, but we believe the company will continue to fall short of its loan growth guidance due to: 1) its inability to scale up loan growth in core home loans and 2) a greater focus on improving asset quality and profitability, which is detrimental to loan growth.
- We have made very marginal changes to our FY26/FY27 EPS estimates. We model a loan/PAT CAGR of ~9%/2% over FY25-FY27E. For an RoA/RoE of 2.7%/12% in FY27E, **we reiterate our Neutral rating** on the stock with a revised TP of INR430 (based on 0.7x Mar'27E BVPS).

Loan growth remains muted; disbursements rise 22% YoY

- Disbursements grew ~22% YoY to INR8.3b in 1QFY26. The loan book grew ~7% YoY to ~INR147b. Run-offs were higher, with repayment rates increasing ~280bp YoY to ~18% (PY: ~17.2%).
- As of Jun'25, the proportion of non-salaried customers remained broadly stable at ~52%, while loans for the salaried segment accounted for 48% share. Housing loans accounted for 72% of the loan book, while Home Equity accounted for 28%.
- Management indicated it is experiencing slightly higher BT-OUTs compared to peers (driven by ~100bp repo rate cut), but has managed the situation effectively so far. Repco is retaining quality customers by offering rate reductions or top-up loans. We estimate a slightly lower loan growth of 9%/10% in FY26/FY27.

Reported NIM stable QoQ; yields dip ~20bp QoQ

- Reported yields/COB declined ~20bp each QoQ to ~12%/8.7%. This led to stable spreads QoQ at ~3.3%. Reported NIM was stable QoQ at 5.2%.
- Cost-to-income ratio declined ~4pp QoQ to ~26.9% (PY: ~24.7% and PQ: ~30.9%).
- Management shared that its cost of borrowings (CoB) has been declining, and with commercial banks yet to pass on MCLR cuts, management expects the CoB decline to continue over the coming quarters. We model an NIM of 4.9%/4.8% for FY26/FY27 (vs. 5% in FY25), primarily due to a moderation in its yields amid higher competitive intensity in a declining interest rate environment.

Key highlights from the management commentary

- The company has enhanced its recovery efforts by appointing three dedicated recovery managers in each region, introducing a Board-approved one-time settlement (OTS) scheme, holding monthly mega auctions, and increasing the allocation of accounts to recovery agencies. Its vertical collections model has helped reduce bounce rates from 4-5% previously to around 1-2% currently.
- Management indicated that apart from Maharashtra—where additional manpower deployment is required—the company is experiencing healthy growth across all other states.

Valuation and view

- Repco's quarterly performance was impacted by muted loan growth, despite a healthy growth in disbursements. Nonetheless, its asset quality continued to strengthen, underscoring the company's commitment to building a high-quality portfolio.
- We will continue to focus on management's ability to deliver on the guided metrics of loan growth and profitability. Similar to the previous fiscal year, we expect credit costs to remain benign due to recoveries from NPA and the written-off pool.
- Although the risk-reward appears favorable at the current valuation of ~0.6x FY27E P/BV, we believe the company will have to start delivering stronger loan growth in its core home loan product to command higher valuations. We reiterate our **Neutral rating with a TP of INR430 (based on 0.7x Mar'27E BVPS)**.

Quarterly performance (INR M)												
Y/E March	FY25				FY26E				FY25	FY26E	1Q	Act v/s
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	FY26E	est(%)
Interest Income	4,007	4,051	4,258	4,166	4,257	4,308	4,375	4,429	16,482	17,369	4,229	1
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,465	2,519	2,602	9,659	10,028	2,475	-1
Net Income	1,677	1,656	1,783	1,708	1,816	1,843	1,856	1,826	6,823	7,341	1,754	4
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	11.3	4.1	6.9	4.9	7.6	4.6	
Other income	155	229	196	184	150	200	220	308	764	878	170	-12
Total Income	1,833	1,884	1,978	1,892	1,966	2,043	2,076	2,135	7,587	8,219	1,924	2
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	8.4	4.9	12.8	9.1	8.3	5.0	
Operating Expenses	452	517	535	584	530	572	601	677	2,088	2,380	578	-8
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	10.7	12.4	16.0	22.1	14.0	27.8	
Operating Profits	1,380	1,367	1,443	1,308	1,436	1,470	1,475	1,457	5,499	5,839	1,346	7
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	7.5	2.2	11.4	4.9	6.2	-2.5	
Provisions	14	-160	3	-233	-27	19	19	28	-376	38	11	-
Profit before Tax	1,366	1,528	1,440	1,541	1,463	1,452	1,456	1,430	5,875	5,801	1,335	10
Tax Provisions	312	403	375	392	384	363	378	337	1,481	1,462	314	22
Profit after tax	1,054	1,125	1,066	1,149	1,080	1,089	1,077	1,093	4,394	4,339	1,021	6
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-3.2	1.1	-4.9	11.3	-1.3	-3.1	
Loan growth (%)	8.3	8.1	7.4	7.2	7.2	7.6	8.2	8.7	8.2	9.8	7.3	
Cost to Income Ratio (%)	24.7	27.4	27.0	30.9	26.9	28.0	29.0	31.7	27.5	29.0	30.0	
Tax Rate (%)	22.8	26.3	26.0	25.4	26.2	25.0	26.0	23.5	25.2	25.2	23.5	
Key Parameters (%)												
Yield on loans (Cal)	11.8	11.7	12.1	11.6	11.7	11.6	11.5	11.4	12.1	11.7		
Cost of funds (Cal)	8.6	8.6	8.8	8.8	8.8	8.7	8.7	8.7	8.8	8.6		
Spreads (Cal)	3.2	3.1	3.3	2.8	2.9	2.8	2.9	2.7	3.3	3.1		
NIMs (Reported)	5.1	5.1	5.5	5.2	5.2	0.0	0.0	0.0	5.0	4.9		
Credit Cost	0.04	-0.46	0.01	-0.65	-0.07	0.05	0.05	0.07	-0.3	0.0		
Cost to Income Ratio	24.7	27.4	27.0	30.9	26.9	28.0	29.0	31.7	27.5	29.0		
Tax Rate	22.8	26.3	26.0	25.4	26.2	25.0	26.0	23.5	25.2	25.2		
Balance Sheet												
AUM (INR B)	137.0	139.6	141.6	144.9	146.9	150.3	153.2	157.6	144.9	157.6		
Change YoY (%)	8.3	8.1	7.4	7.2	7.2	7.6	8.2	8.7	7.2	8.7		
AUM Mix (%)												
Non-Salaried	51.6	51.8	52.1	52.2	52.3				51.0	51.3		
Salaried	48.4	48.2	47.9	47.8	47.7				49.0	48.7		
AUM Mix (%)												
Home loans	74.3	73.8	74.0	73.0	72.4				73.0	72.0		
LAP	25.7	26.2	26.0	27.0	27.6				27.0	28.0		
Disbursements (INR B)	6.8	8.7	7.6	9.8	8.3	9.8	9.1	10.8	32.8	38.0		
Change YoY (%)	-0.6	8.8	0.3	9.0	21.8	13.0	20.0	10.8	4.8	15.8		
Borrowings (INR B)	109.1	114.6	110.8	111.5	110.7	114.7	117.9	122.1	111.4	122.1		
Change YoY (%)	10.2	14.1	6.9	4.2	1.5	0.1	6.4	9.5	4.1	9.6		
Loans/Borrowings (%)	125.5	121.8	127.8	130.0	132.6	131.0	130.0	129.1	130.1	129.1		
Borrowings Mix (%)												
Banks	79.8	81.4	82.2	82.9	82.1				75.6	77.7		
NHB	10.6	9.5	8.5	7.9	8.4				13.1	12.0		
Repco Bank	9.6	9.1	9.3	9.2	8.2				11.4	10.3		
NCD	0.0	0.0	0.0	0.0	0.0				0.0	0.0		
CP	0.0	0.0	0.0	0.0	1.3				0.0	0.0		
Asset Quality												
GS 3 (INR B)	5.8	5.5	5.5	4.7	4.9				4.7	4.2		
Gross Stage 3 (% on Assets)	4.25	3.96	3.86	3.26	3.30				3.3	2.6		
NS 3 (INR B)	2.23	2.17	2.09	1.91	1.72				1.9	1.5		
Net Stage 3 (% on Assets)	1.7	1.61	1.53	1.36	1.2				1.4	1.0		
PCR (%)	61.8	60.7	61.8	59.6	64.7				59.6	64.0		
Return Ratios (%)												
ROA (Rep)	3.1	3.3	3.1	3.3	2.9				3.1	2.8		
ROE (Rep)	16.3	16.0	14.6	15.1	14.0				14.2	12.3		

E: MOFSL Estimates

Insurance Tracker

Individual WRP and YoY growth (%)

Individual WRP, INR m	Jul'25	YoY gr. (%)
Grand Total	1,06,018	10.1%
Total Private	76,000	14.4%
LIC	30,018	0.4%
SBI Life	18,003	9.0%
HDFC life	13,352	24.7%
Max Life	7,065	13.9%
ICICI Prudential	6,542	-4.0%
Tata AIA	8,042	36.6%
Canara HSBC	1,676	6.9%
Bajaj Allianz	5,879	-6.9%
Birla Sun life	3,456	32.2%

Source: LI Council, MOFSL

Industry's individual APE growth continues to improve

Private players grow in double digits; LIC's growth remains flat

- In Jul'25, the individual weighted received premium (WRP) growth for private players improved to ~14% YoY from 13% YoY in Jun'25. This improvement fueled the industry growth to ~10% YoY in WRP terms, offset by flat YoY growth reported by LIC.
- Among the listed players, HDFCLIFE continues to grow the fastest for individual WRP (+25% YoY), while MAXLIFE/SBILIFE posted 14%/9% YoY growth. IPRULIFE and BALIC reported a decline of 4% and 7% YoY, respectively.
- The industry's new business premium grew 22% YoY in Jul'25, owing to a 22%/23% YoY growth for private players/LIC.
- In terms of new business premium, HDFCLIFE/SBILIFE/IPRULIFE/MAXLIFE reported a growth of 13%/27%/8%/13% YoY, while BAGIC reported a decline of 4% YoY.
- The life insurance industry has been improving with respect to individual APE growth, led by growth in the private segment. We expect a gradual recovery toward 2HFY26, backed by a strong focus on traditional products and private insurers expanding their reach through geographical penetration. HDFCLIFE and SBILIFE are our preferred picks within the sector.

Individual WRP market share improves MoM for private players

- The individual WRP market share of private players improved MoM to 71.7% in Jul'25 (70.4% in Jun'25).
- In Jul'25, SBILIFE maintained its premier position with 17% market share in individual WRP, followed by HDFCLIFE at 12.6% and TATA AIA at 7.6%.
- On an unweighted premium basis, HDFCLIFE was the largest private player with a market share of 5.7%, followed by SBILIFE at 5.4% and IPRULIFE at 4.7%.

Performance of key private players

On an individual WRP basis, the combined market share of private listed players – SBILIFE, HDFCLIFE, IPRULIFE, and MAXLIFE – accounted for 59.1% of the private insurance industry and 42.4% of the overall industry as of Jul'25. Among other prominent private insurers, TATA AIA and BALIC have a market share of 7.6% and 5.5%, respectively, in Jul'25.

Among the key listed players based on individual WRP –

- **HDFCLIFE** grew 25% YoY in Jul'25. The total unweighted premium rose 13% YoY.
- **SBILIFE** grew 9% YoY in Jul'25. The total unweighted premium was up 27% YoY.
- **IPRULIFE** declined 4% YoY in Jul'25. The total unweighted premium rose 8% YoY.
- **MAXLIFE** grew 14% YoY in Jul'25. The total unweighted premiums grew 13% YoY.

Monsoon Diary: All-India rainfall 2% above LPA by early Aug'25

Spatial unevenness poses downside risks to agri-GVA

- **Jul'25 rainfall stood at 105% of LPA in FY26:** All-India cumulative rainfall is 2% above its long-period average (LPA) as of 7th Aug'25. Last year, as of 7th Aug, it was 7% above LPA (*Exhibit 1*). India recorded above-normal rainfall at 104.8% of the Long Period Average (LPA) in Jul'25, slightly below the India Meteorological Department's (IMD) projection of over 106% of LPA for the month. The strong start to the month was followed by a softening in the latter half. Specifically, during July 1–15, rainfall was 11% above LPA, helping boost kharif sowing momentum across key crops. However, in the second half of July, precipitation slipped marginally to 0.5% below LPA, pulling down the overall monthly average. Despite this moderation, cumulative monsoon performance in Jun–Jul'25 remains favorable, supporting agricultural prospects and rural demand for the rest of the season (*Exhibit 2*).
- **Surplus rains in Northwest and Central India boost kharif sowing prospects amid a deficit in the East:** As of 7th Aug'25, the Northwest and Central regions of India have received substantially higher surpluses this year at 20% and 8% above normal, respectively, compared to -5% and 19% in 2024. This early and abundant rainfall in these agriculturally important zones has created favorable soil moisture conditions, supporting the timely sowing of kharif crops such as pulses, coarse cereals, and oilseeds. It also helps replenish reservoirs and groundwater levels, which are critical for irrigation continuity later in the season. In contrast, the Southern Peninsula has recorded a deficit of 4% below normal this year vs. a strong surplus of 25% last year. The East and Northeast regions continue to face the largest shortfall, with rainfall at -18% (i.e., 18% below LPA/normal) in 2025 compared to -12% in 2024 (*Exhibit 3*). These divergences highlight the uneven spatial distribution of monsoon rains this year, despite near-normal aggregate levels at the national scale.
- **Rainfall spread key to assessing monsoon health:** Spatially, rainfall distribution varies significantly across India's districts and meteorological subdivisions. Tracking the number of districts or subdivisions under each rainfall category—such as large excess, excess, normal, deficient, and large deficient—provides insights into the uniformity or skewness of the monsoon. A balanced distribution, with a higher number of districts in the "normal" and "excess" range and fewer in "deficient" categories, indicates a healthy monsoon phase. Conversely, a higher number of deficient or large deficient regions signals stress for agriculture, reservoirs, and rural livelihoods.
- **Jul'25 witnesses a sharp rise in large rainfall deficiencies across regions:** The regional rainfall distribution for July over the past four years shows a noticeable shift in 2025 towards deficit conditions. In Jul'25, 18 meteorological subdivisions experienced large deficiencies, significantly higher than in previous years, while 8 subdivisions faced normal rainfall and 7 saw excess rainfall. In contrast, Jul'24 had a more balanced distribution, with 12 subdivisions in the large excess category, 11 in excess, and only 3 experiencing large deficiencies (*Exhibit 4*).
- **Spatial unevenness poses downside risks to agri-GVA:** The pattern in 2025 points to greater spatial unevenness, with surpluses concentrated in fewer regions and widespread deficits elsewhere, despite overall near-normal national rainfall levels. This could lead to uneven agricultural performance and regional economic divergence. This could soften rural consumption in deficit-hit regions, even as surplus areas fare better. Localized supply constraints for pulses, coarse cereals, or oilseeds may also emerge, posing upside risks to food inflation later in FY26. In addition, poor rainfall in certain catchments could limit reservoir recharge, affecting rabi season irrigation and increasing production costs. If such spatial imbalances persist, they may modestly drag agri-GVA growth below current expectations.
- **Kharif sowing up 5.1% YoY, led by cereals:** As of 1st Aug'25, total kharif sowing stood at 93.3m hectares, up 5.1% YoY from 88.8m hectares last year. The growth was fueled by rice (+16.7% YoY) and coarse cereals (+4.7%), aided by favorable monsoon conditions in key growing regions. All food grains together recorded a healthy 9.8% rise in acreage. In contrast, sowing of oilseeds (-4.0%), cotton (-2.4%), and jute (-3.0%) declined, reflecting regional rainfall imbalances and possibly crop-switching decisions by farmers. The acreage of pulses was broadly stable (-0.3%), while sugarcane rose moderately by 2.9%. The overall expansion in sown area, particularly in staple cereals, bodes well for kharif output and agri-GVA growth in FY26, though deficits in some crops could still affect price stability and regional farm incomes (*Exhibit 5*).
- **Kharif acreage growth hits a five-year high in 2025:** The actual sown area of kharif crops has recorded a notable turnaround in 2025, rising 5.1% YoY, the strongest expansion in at least five years. This marks a sharp improvement from

the modest 1.0% growth in 2024 and consecutive declines during 2021–2023 (-1.6% to -3.4%). The rebound in 2025 reflects favorable monsoon conditions in most major crop-growing regions, particularly for rice and cereals, and improved reservoir levels supporting timely sowing. The sustained expansion in acreage is expected to bolster kharif output and contribute positively to agricultural GVA in FY26, although regional rainfall deficits and crop-specific declines in oilseeds and cotton may temper the overall gains (*Exhibit 6*).

- **Early August reservoir levels at a decadal high in FY26:** As of early August 2025, India's reservoir storage has reached 73% of live capacity, the highest level in at least a decade and well above last year's 65%. This sharp improvement is driven by healthy monsoon inflows and offers a strong water buffer for both ongoing kharif cultivation and the upcoming rabi season. Regionally, significant gains are evident in the northern region (72% vs. 46% last year) and in the western and southern regions (75% and 78%, respectively), while the central region has risen to 73% from 66%. The eastern region has also improved to 55%, up from 47% a year ago. These elevated storage levels are expected to support irrigation, stabilize crop yields, and mitigate risks from any late-season rainfall shortfalls, thereby providing a cushion for agricultural output and rural incomes in FY26 (*Exhibits 7 and 8*).
- **Outlook for agri GVA in FY26:** The monsoon performance in FY26YTD presents a broadly positive backdrop for agricultural activity, with cumulative rainfall slightly above the long-period average, kharif sowing at a five-year high, and reservoir storage at decadal peaks. These factors, coupled with strong gains in acreage for rice, cereals, and coarse grains, position agri-GVA to register healthy growth in the range of 3.5–4.0% this year. Elevated water storage levels will also provide an important buffer for irrigation during the remainder of the kharif season and into the rabi sowing period, reducing vulnerability to short-term rainfall variability. However, the pronounced spatial unevenness in rainfall distribution poses meaningful downside risks. Large deficiencies in parts of the South Peninsula, East, and Northeast could depress yields for pulses, oilseeds, and cotton, dampen rural incomes in deficit-hit regions, and potentially create localized supply shortages. If such imbalances persist, they may exert upward pressure on food inflation later in FY26 and weigh modestly on overall agri-GVA growth. While the national outlook remains favorable, sustained monitoring of regional rainfall patterns, crop progress, and market prices will be essential to safeguard the agricultural growth momentum.

Exhibit 1: All-India rainfall surpasses LPA by 2% as of 7th Aug'25

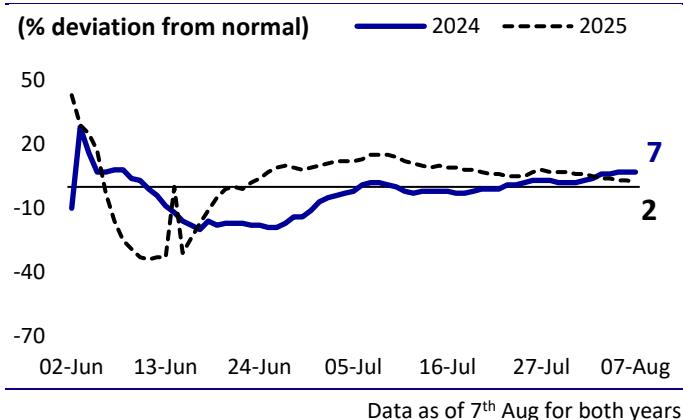


Exhibit 2: Jul'25 rainfall stood at 105% of LPA in FY26, the lowest in four years

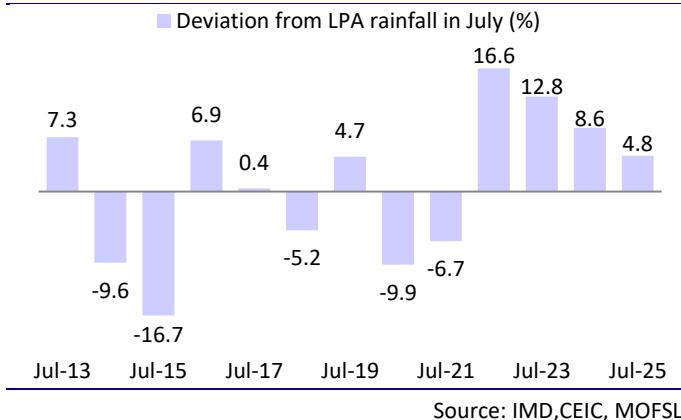


Exhibit 3: Rainfall in Northwest and Central India stood at a surplus of 20% and 8%, respectively (as of 7th Aug'25)

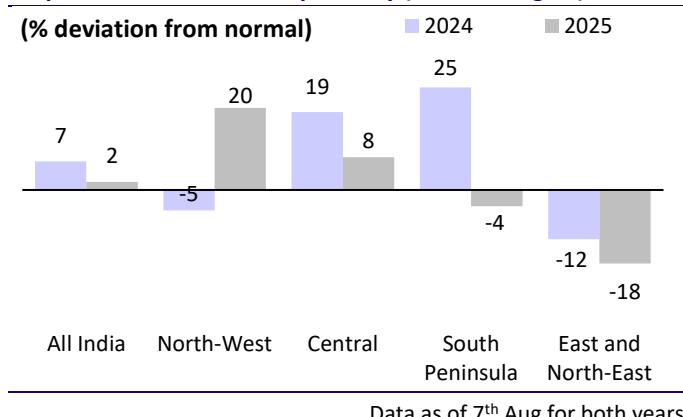
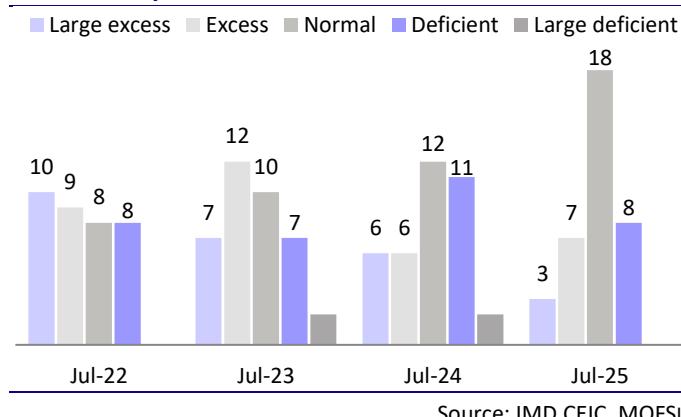


Exhibit 4: Jul'25 rainfall shows the most uneven distribution in the last four years



Lemon Tree Hotels

BSE SENSEX 79,858	S&P CNX 24,363
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Conference Call Details



Date: 11th Aug'25

Time: 3:00pm IST

Dial-in details:

[Click here](#)

CMP: INR143

Buy

Operating performance in line with estimates

- 1QFY26 revenue grew 18% YoY to INR3.2b (est. in line).
- EBITDA grew 22% YoY to ~INR1.4b (est. in line).
- EBITDA margin expanded 160bp YoY to 44.5% (est. 44%) on the back of favorable operating leverage.
- Adj. PAT grew 94% YoY to INR383m (est. INR294m).

Consolidated Quarterly Performance

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var (%)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE					
Gross Sales	2,680	2,844	3,552	3,785	3,158	3,435	4,029	4,252	12,861	14,873	3,128	1	
YoY Change (%)	20.6	25.2	23.0	15.6	17.8	20.8	13.4	12.3	20.7	15.6	16.7		
Total Expenditure	1,530	1,536	1,710	1,744	1,753	1,772	1,862	1,899	6,520	7,286	1,752		
EBITDA	1,151	1,307	1,842	2,041	1,405	1,662	2,167	2,353	6,341	7,587	1,376	2	
Margins (%)	42.9	46.0	51.9	53.9	44.5	48.4	53.8	55.3	49.3	51.0	44.0		
Depreciation	346	348	351	349	342	353	353	353	1,393	1,401	351		
Interest	518	513	503	472	447	420	400	359	2,007	1,626	450		
Other Income	4	5	6	9	16	12	14	18	23	60	10		
PBT before EO expense	291	451	994	1,229	633	901	1,428	1,659	2,965	4,621	585		
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0		
PBT	291	451	994	1,229	633	901	1,428	1,659	2,965	4,621	585		
Tax	91	102	197	141	148	207	286	232	531	873	170		
Rate (%)	31.2	22.7	19.8	11.5	23.3	23.0	20.0	14.0	17.9	18.9	29.0		
MI & P/L of Asso. Cos.	2	52	173	241	102	151	241	287	468	781	121		
Reported PAT	198	296	625	846	383	543	901	1,140	1,966	2,967	294		
Adj PAT	198	296	625	846	383	543	901	1,140	1,966	2,967	294	30	
YoY Change (%)	-15.6	30.9	76.5	26.3	93.5	83.2	44.2	34.6	32.4	50.9	48.5		
Margins (%)	7.4	10.4	17.6	22.4	12.1	15.8	22.4	26.8	15.3	19.9	9.4		

Happy Forgings

BSE SENSEX	S&P CNX
79,858	24,363

Conference Call Details



Date: 11th Aug 2025

Time: 10.30 AM

**Concall registration-
[Diamond pass link]**

Financials & Valuations (INR b)

INR b	FY25	FY26E	FY27E
Sales	14.1	15.5	18.3
EBITDA	4.1	4.5	5.4
Adj. PAT	2.7	2.9	3.6
EPS (INR)	28.4	30.7	37.9
EPS growth %	10.1	8.1	23.6
BV/Sh. (INR)	196	223	256
Ratios			
RoE (%)	15.5	14.6	15.8
RoCE (%)	14.3	13.5	14.6
Payout (%)	10.6	13.0	13.2
Valuations			
P/E (x)	33.6	31.1	25.2
P/BV (x)	4.9	4.3	3.7
EV/EBITDA (x)	21.8	19.8	16.5
Div. Yield (%)	0.3	0.4	0.5

CMP: INR955

Buy

Margins stable despite multiple headwinds

- 1QFY26 standalone revenue grew 3.6% YoY (flat QoQ) to INR3.54b (in line).
- Revenue growth was entirely driven by volume growth, while ASP remained flat YoY.
- Domestic revenue was up 7% YoY, led by healthy demand across its key segments. However, export demand was impacted by sluggish demand in its key segments.
- Gross margins expanded 230bp YoY (10bp QoQ) to 58.8%.
- EBITDA margins remained flat YoY at 28.6% (in line with estimates). EBITDA rose 3.6% YoY to ~INR1b, which was in line with our estimate.
- Other income was marginally higher YoY at INR104m.
- Adj. PAT grew 3% YoY to INR657m (in line).
- Its forgings capacity utilization stood at 59% in 1Q, while its machining utilization was at 77%.
- The company has announced investment of INR6.5b for setting up advanced forging capabilities in the heavyweight components segment (weighing 250-3000kg).
- This will be used for non-automotive industrial segments. It will be one of the largest facilities in Asia and the second largest globally.
- Valuation view: The stock trades at 31x/25x FY26E/FY27E EPS.

Quarterly (Standalone)

Y/E March	(INR m)											
	FY25				FY26E				FY25	FY26E	1QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net operating income	3,415	3,611	3,543	3,520	3,538	3,900	3,933	4,136	14,089	15,507	3,585	-1.3
Change (%)	3.5	5.3	3.6	2.5	3.6	8.0	11.0	17.5	3.7	0.0	5.0	
RM/Sales (%)	43.5	41.2	42.0	41.3	41.2	42.0	42.0	42.7	42.0	42.0	41.8	
Staff Cost (%)	8.5	8.5	9.3	9.2	9.1	8.8	8.9	9.0	8.9	0.0	9.2	
Other Exp. (%)	19.4	21.2	20.1	20.4	20.3	20.2	20.2	19.8	20.3	0.0	20.2	
EBITDA	976	1,054	1,015	1,023	1,012	1,131	1,137	1,181	4,067	4,492	1,033	-2.0
EBITDA Margins (%)	28.6	29.2	28.6	29.1	28.6	29.0	28.9	28.6	28.9	0.0	28.8	
Non-Operating Income	77	83	66	101	104	96	92	91	376	383	90	
Interest	14	16	21	24	23	22	23	21	75	89	20	
Depreciation	180	197	191	203	206	220	235	239	771	899	205	
EO Exp	-48				0	0	0	0	0	0	0	
PBT after EO items	859	973	868	897	886	985	971	1,013	3,597	3,886	898	
Tax	220	259	223	219	230	246	249	270	921	995	230	
Eff. Tax Rate (%)	25.6	26.6	25.7	24.4	25.9	25.0	25.7	26.6	25.6	0.0	25.6	
Rep. PAT	639	714	645	678	657	739	721	743	2,676	2,891	668	
Change (%)	-0.3	29.3	11.4	3.0	2.9	3.4	11.8	9.6	-68.1	0.0	4.6	
Adj. PAT	639	666	645	678	657	739	721	743	2,676	2,891	668	-1.6
Change (%)	-0.3	20.6	11.4	3.0	2.9	10.9	11.8	9.6	10.1	8.1	4.6	

E: MOFSL Estimates

Fusion Microfinance

Conference Call Details


Date: 11th August 2025

Time: 9:30 AM IST

Dial-in details:

+91 22 7115 8807

[Link for the call](#)

Financials & Valuation (INR b)

Y/E March	FY25	FY26E	FY27E
Total Income	15.3	12.5	13.4
PPP	7.4	4.9	6.1
PAT	-12.2	0.5	3.0
EPS (INR)	-121.7	4	18
EPS Gr. (%)	-	-	379
BV (INR)	163	129	173
Valuations			
NIM (%)	14.3	14.0	14.5
C/I ratio (%)	51.7	61.1	54.6
RoAA (%)	-12.2	0.6	3.7
RoE (%)	-54.5	2.7	12.1
Valuations			
P/E (x)	-	38.5	8.0
P/BV (x)	0.9	1.1	0.9

CMP: INR147

Neutral

Earnings miss; sequential decline in credit costs

Sequential ~14% decline in AUM; GS3 improved ~250bp QoQ

- Fusion reported a net loss of ~INR923m in 1QFY26 (vs. MOFSLe loss of INR434m). NII declined ~31% YoY to ~INR2.7b (in line).
- Opex rose 13% YoY to INR2.1b (in line) and the cost-to-income ratio rose ~120bp QoQ to ~70.8% (PQ: ~69.6% and PY: ~38.4%). PPoP declined ~71% YoY to ~INR866m (5% miss).
- Net credit costs declined sequentially to ~INR1.8b (vs est. of ~INR1.4b). Annualized credit costs in 1QFY26 stood at ~9.4% (PY: ~13% and PQ: ~12%).
- Disbursements declined 18% QoQ to ~INR9.5b and AUM declined 14% QoQ to ~INR77b.
- Fusion successfully completed a rights issue of INR8b in Apr'25. Given that these were partly paid-up shares, the company has received ~INR4b from this rights issue. As of Jun'25, the funds were parked in scheduled commercial banks. The company had planned to utilize the proceeds from Jul'25 onward.

Reported NIMs up ~170bp QoQ; Calc. yields rise ~180bp QoQ

- Yields (calc.) rose ~180bp QoQ to ~22.2%, while CoF (calc.) declined ~25bp QoQ to ~10.2%, which led to spreads rising ~210bp QoQ to ~12%. Reported NIMs expanded ~170bp QoQ to ~10.3%, primarily driven by lower interest income reversals during the quarter.
- Share of foreign borrowings in the borrowing mix grew ~2pp to ~22% in 1QFY26 (PQ: 20%).

GS3 down ~250bp QoQ; sequential decline in write-offs

- GS3 declined ~250bp QoQ to ~5.4%, while NS3 declined ~10bp QoQ to 0.2%. PCR rose ~20bp QoQ to 96.6%.
- Stage 2 declined ~70bp QoQ to 2.45% and S2 PCR rose ~8pp QoQ to ~72%. ECL/EAD (incl. management overlay of ~INR595m) declined to ~8.2% (PQ: ~10.9%). Write-offs for the quarter stood at ~INR4.9b (PQ: INR9.2b).

Current portfolio collection efficiency stood at ~98.5% in 1QFY26.

Decline in borrower base; moderation in Fusion + >=3 borrowers

- The borrower base declined to 2.8m as of Jun'25 (from 3.2m as of Mar'25). Fusion + >=3 borrowers declined to 17.6% (vs. ~18.1% in 4QFY25).
- Fusion had breached covenants on borrowings of ~INR36b, resulting in these borrowings becoming payable on demand. The company has successfully obtained covenant waivers for ~72% of such borrowings, which were in breach. The company is in discussion with the remaining lenders to obtain similar extensions and no demand for immediate repayment of borrowed funds has been made by lenders to date.
- CRAR stood at ~29.5% as of Jun'25 (post rights issue equity infusion).

Valuation and view

- Fusion reported another weak quarter, with both AUM growth and disbursements remaining muted as the company maintained its strategic focus on improving portfolio quality and strengthening collection efficiency. On a positive note, credit costs saw a sequential decline, supported by improved collection efficiency and lower delinquencies during the quarter.
- It will be interesting to hear from the management regarding its credit cost guidance, the overall stress in the MFI sector and by when it expects things to start trending toward normalization. We may revise our estimates and TP after the earnings call on 11th Aug'25

Quarterly Performance (INR M)												
Y/E March	FY25				FY26E				FY25	FY26E	1QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	6,213	6,261	4,382	4,487	4,219	4,050	3,767	4,008	21,342	16,044	4,307	-2
Interest Expenses	2,234	2,274	2,137	1,794	1,489	1,325	1,239	1,613	8,439	5,666	1,597	-7
Net Interest Income	3,979	3,987	2,245	2,693	2,730	2,725	2,528	2,396	12,904	10,378	2,711	1
YoY Growth (%)	34.6	30.4	-33.7	-25.4	-31.4	-31.7	12.6	-11.0	-0.8	-19.6	-32	
Other Income	854	776	443	273	237	297	482	1,154	2,347	2,170	231	2
Total Income	4,833	4,764	2,688	2,966	2,967	3,022	3,010	3,550	15,250	12,548	2,942	1
YoY Growth (%)	30.9	25.3	-34.7	-35.6	-38.6	-36.6	11.9	19.7	-6.0	-17.7	-39	
Operating Expenses	1,855	1,925	2,041	2,065	2,101	2,046	1,956	1,560	7,886	7,663	2,026	4
Operating Profit	2,978	2,838	648	901	866	976	1,053	1,990	7,365	4,885	915	-5
YoY Growth (%)	26.5	17.4	-75.1	-69.0	-70.9	-65.6	62.6	120.8	-28.4	-33.7	-69	
Provisions & Loan Losses	3,485	6,941	5,723	2,547	1,789	1,520	1,292	-306	18,695	4,296	1,350	33
Profit before Tax	-507	-4,102	-5,075	-1,646	-923	-544	-239	2,295	-11,330	590	-434	-
Tax Provisions	-151	-1,052	2,118	0	0	-82	-36	206	915	88	0	-
Net Profit	-356	-3,050	-7,193	-1,646	-923	-463	-203	2,089	-12,245	501	-434	-
YoY Growth (%)	-130	-343	-669	-224	159	-85	-97	-227	-342	-104.1	22	
Key Parameters (%)												
Yield on loans	21.7	21.5	19.1	19.1	20.6							
Cost of funds	10.1	10.1	10.3	10.5	10.3							
Spread	11.6	11.4	8.8	8.6	10.3							
NIM	11.6	11.5	8.9	8.6	10.3							
Credit cost	3.28	6.55	5.70	2.80	2.30							
Cost to Income Ratio (%)	38.4	40.4	75.9	69.6	70.8							
Tax Rate (%)	29.8	25.6	-41.7	0.0	0.0							
Performance ratios (%)												
Avg o/s per borrower (INR '000)	30	29	27	26	25							
AUM/ RO (INR m)	1.2	1.1	1.1	0.9	0.8							
AUM/ Branch (INR m)	9	8	7	6	5							
Borrower/ Branch (INR m)	3,017	2,805	2,590	2,175	1,932							
Balance Sheet Parameters												
AUM (INR B)	121.9	115.7	106.0	89.8	76.9							
Change YoY (%)	25.5	15.4	-0.9	-21.8	-36.9							
Disbursements (INR B)	29.9	16.6	11.7	11.6	9.5							
Change YoY (%)	30.7	-29.1	-56.9	-60.9	-68.2							
Borrowings (INR B)	91.2	86.4	73.1	64.0	52.7							
Change YoY (%)	26.9	14.8	-8.9	-25.7	-42.3							
Borrowings/Loans (%)	89.0	94.6	92.3	88.2	81.4							
Debt/Equity (x)	3.2	3.4	4.0	3.9	2.7							
Asset Quality (%)												
GS 3 (INR M)	5,952	9,672	11,920	6,460	3,830							
G3 %	5.5	9.4	12.6	7.9	5.4							
NS 3 (INR M)	1,301	2,302	1,450	230	130							
NS3 %	1.27	2.52	1.83	0.32	0.20							
PCR (%)	78.1	76.2	87.8	96.4	96.6							
ECL (%)	5.9	11.1	16.4	10.9	8.2							
Return Ratios - YTD (%)												
ROA (Rep)	-1.2	-10.3	-27.6	-7.4	-4.7							
ROE (Rep)	-5.0	-45.7	-132.9	-38.2	-20.6							



Metro Brands :Fila, Foot Locker & New Era Will Be Growth Drivers For US Going Forward; Nissan Joseph,CEO

- Metro Brands aims to return to 15% revenue CAGR with steady momentum.
- PAT margins to stay in mid-teens despite marketing-led fluctuations.
- Store expansion continues, led by Walkway and Clarks.
- FILA has broken even, now entering brand repositioning phase.
- New banners remain small but are expected to scale meaningfully ahead.

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Greenlam Industries: US Contributes Just 2% To Overall Revenue; Saurabh Mittal, MD & CEO

- Revenue grew ~12% with strong domestic performance; exports to recover ahead.
- Chipboard ramp-up and forex loss hit EBITDA; PAT impacted by depreciation and interest.
- No new capex; focus on sweating existing assets. FY26 margin seen at 11–12%.
- Debt has peaked; working capital steady.
- Export growth to continue despite domestic tilt.

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Biocon Biologics: Insulin & GLP-1 Drugs Complimentary To Each Other; Shreehas Tambe, CEO & MD

- Weak Q1 with lower revenue and margins.
- Pharma tariffs unlikely to impact due to global exemptions.
- Laglutide launched in UK; US entry planned.

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LIC:Average Ticket Size Has Increased & LIC Has Been Able To Secure Higher-Ticket Premium Sales; R Doraiswamy, CEO & MD

- LIC expects high single-digit to possible double-digit growth in FY26, driven by rising ticket sizes.
- VNB margin to improve beyond FY25's 17.6%, aided by cost control and higher non-par mix
- Non-par share crossed 30% in Q1; more launches planned
- Focus remains on inclusive, diversified product portfolio.

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Escorts Kubota: In Final Stages Of Negotiations With UP Government For Greenfield Project; Nikhil Nanda, CMD

- Escorts Kubota nears final approval for its greenfield UP plant
- Current Faridabad site adjusted to meet short-term demand
- Promax tractor faces supply crunch amid strong response
- ~70% exports routed via Kubota network
- Export sales to grow 25–30% annually. T
- Tariff risks seen as short-term; long-term global expansion remains on track.

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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
Automobiles															
Amara Raja Ener.	Neutral	935	1049	12	48.2	49.4	56.8	-2.7	2.6	15.0	18.9	16.4	2.1	1.9	12.5
Apollo Tyres	Buy	434	520	20	19.6	23.0	28.6	-33.2	17.6	24.1	18.9	15.2	1.4	1.3	9.7
Ashok Ley.	Buy	115	145	26	5.5	5.7	7.0	20.2	3.8	22.5	20.2	16.5	5.2	4.6	27.4
Bajaj Auto	Neutral	8220	8618	5	299.5	322.4	360.8	11.8	7.6	11.9	25.5	22.8	6.6	6.2	26.9
Balkrishna Inds	Neutral	2429	2510	3	96.4	90.2	111.4	26.0	-6.4	23.5	26.9	21.8	4.0	3.5	15.8
Bharat Forge	Neutral	1136	1060	-7	21.4	25.9	33.1	8.5	20.8	28.2	43.9	34.3	5.4	4.9	12.8
Bosch	Neutral	38327	35967	-6	682.4	814.0	958.0	10.0	19.3	17.7	47.1	40.0	7.3	6.8	16.4
CEAT	Buy	3161	4393	39	122.1	169.3	229.8	-27.9	38.6	35.8	18.7	13.8	2.6	2.3	14.8
Craftsman Auto	Neutral	6524	6212	-5	92.1	156.2	237.6	-36.1	69.6	52.1	41.8	27.5	4.9	4.2	12.3
Eicher Mot.	Sell	5660	4698	-17	172.7	179.0	195.4	18.0	3.7	9.2	31.6	29.0	6.4	5.7	21.6
Endurance Tech.	Buy	2515	3275	30	58.8	73.4	87.0	21.5	24.8	18.6	34.3	28.9	5.4	4.7	16.8
Escorts Kubota	Neutral	3354	3380	1	100.6	105.2	117.0	17.9	4.6	11.1	31.9	28.7	3.6	3.3	11.9
Exide Ind	Neutral	375	379	1	12.7	14.5	15.8	2.3	14.7	9.0	25.8	23.7	2.1	1.9	8.2
Happy Forgings	Buy	955	-		28.4	30.7	37.9	10.1	8.0	23.6	31.1	25.2	4.3	3.7	14.6
Hero Moto	Buy	4599	5355	16	226.0	247.6	269.1	10.5	9.5	8.7	18.6	17.1	4.3	4.0	24.1
Hyundai Motor	Buy	2120	2408	14	69.4	67.9	84.6	-6.9	-2.1	24.4	31.2	25.1	8.5	6.9	30.3
M&M	Buy	3146	3687	17	98.7	119.5	136.7	11.3	21.0	14.5	26.3	23.0	5.2	4.4	21.3
CIE Automotive	Buy	399	502	26	21.7	21.4	22.6	2.8	-1.2	5.3	18.6	17.7	2.1	1.9	11.8
Maruti Suzuki	Buy	12579	14476	15	443.9	488.6	539.0	5.6	10.1	10.3	25.7	23.3	3.8	3.4	14.6
MRF	Sell	142771	113397	-21	4,408.7	4,949.5	5,558.7	-11.7	12.3	12.3	28.8	25.7	3.0	2.7	10.8
Samvardh. Motherson	Buy	91	116	27	3.6	3.7	4.7	51.5	2.5	28.5	25.0	19.5	2.6	2.4	10.8
Motherson Wiring	Buy	39	46	18	0.9	1.0	1.3	-5.1	10.8	32.4	38.6	29.2	13.0	10.6	36.4
Sona BLW Precis.	Neutral	445	468	5	9.9	8.5	10.1	10.5	-14.2	19.3	52.5	44.0	4.7	4.4	9.1
Tata Motors	Neutral	633	631	0	63.2	45.8	51.9	7.7	-27.5	13.3	13.8	12.2	1.8	1.6	13.6
TVS Motor	Neutral	2969	2839	-4	57.1	67.1	79.6	30.1	17.7	18.6	44.2	37.3	11.2	9.0	28.4
Tube Investments	Buy	2884	3515	22	38.6	41.3	47.6	1.6	7.0	15.3	69.9	60.6	9.4	8.3	14.6
Aggregate								7.0	1.2	15.3	26.2	25.9	4.7	4.1	17.7
Banks - Private															
AU Small Finance	Buy	739	875	18	29.8	35.5	48.3	33.9	19	35.9	20.8	15.3	3.0	2.6	15.0
Axis Bank	Neutral	1057	1250	18	85.3	80.5	101.3	5.7	-5.7	25.9	13.1	10.4	1.6	1.4	13.1
Bandhan Bank	Neutral	165	185	12	17.0	16.4	22.8	23.1	-4	39.1	10.1	7.2	1.1	1.0	10.6
DCB Bank	Buy	127	160	26	19.6	22.7	31.7	14.3	15.8	39.7	5.6	4.0	0.7	0.6	12.5
Equitas Small Fin.	Buy	56	70	24	1.3	0.4	6.2	-81.8	-66.7	1,330.2	130.5	9.1	1.1	1.0	0.8
Federal Bank	Buy	196	235	20	16.6	16.0	20.6	1.8	-4.1	29.2	12.3	9.5	1.3	1.2	11.2
HDFC Bank	Buy	1973	2300	17	88.0	94.3	113.9	9.9	7.1	20.8	20.9	17.3	2.8	2.4	13.7
ICICI Bank	Buy	1436	1670	16	66.8	72.6	84.4	14.4	8.7	16.3	19.8	17.0	3.2	2.7	17.0
IDFC First Bk	Neutral	69	80	16	2.1	3.3	5.5	-50.9	58.0	65.6	20.6	12.4	1.2	1.2	6.2
IndusInd	Neutral	783	830	6	33.1	40.6	57.1	-71.4	22.7	40.8	19.3	13.7	0.9	0.9	4.8
Kotak Mah. Bk	Buy	1951	2400	23	111.3	105.2	127.2	21.5	-5.4	20.8	18.5	15.3	2.2	2.0	12.2
RBL Bank	Buy	262	290	11	11.5	17.1	31.3	-40.5	48.4	83.5	15.4	8.4	1.0	0.9	6.5
Aggregate								6.5	5.0	22.8	19.8	18.9	2.7	2.5	13.7
Banks - PSU															
BOB	Neutral	239	260	9	37.8	36.5	45.6	10.1	-3.5	24.8	6.6	5.3	0.9	0.8	14.3
Canara Bank	Buy	108	135	25	18.8	21.0	23.4	17.0	12.0	11.3	5.1	4.6	0.9	0.8	19.2
Indian Bank	Buy	651	750	15	81.1	87.9	94.9	30.3	8.5	7.9	7.4	6.9	1.2	1.1	17.7
Punjab Natl.Bank	Buy	104	130	25	14.8	13.5	18.5	97.4	-8.6	37.0	7.7	5.6	0.9	0.8	12.4
SBI	Buy	805	925	15	86.9	89.4	101.1	15.6	3	13.1	9.0	7.9	1.3	1.1	15.8
Union Bank (I)	Neutral	131	155	18	23.6	21.7	24.7	24.9	-8	14.2	6.0	5.3	0.8	0.7	14.6
Aggregate								23.4	2	17	8	7.8	1.3	1.1	16.2
NBFCs															
AAVAS Financiers	Neutral	1713	2065	21	72.5	85.2	101.0	17.0	17.5	18.5	20.1	17.0	2.7	2.3	14.4
Aditya Birla Cap	Buy	272	325	20	12.8	14.9	18.6	14.5	16.6	24.8	18.2	14.6	2.1	1.9	12.1
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
Can Fin Homes	Neutral	745	900	21	64.4	71.1	77.5	14.2	10.5	9.0	10.5	9.6	1.7	1.5	17.4
Cholaman.Inv.& F	Buy	1451	1650	14	50.6	62.1	78.7	24.3	22.7	26.7	23.4	18.4	4.0	3.3	19.6
n															



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		
CreditAccess	Buy	1237	1500	21	33.3	56.7	106.1	-63.3	70.4	87.2	21.8	11.7	2.5	2.1	12.2	19.5
Fusion Finance	Neutral	147	-		-121.7	3.8	18.3	-342.3	LP	379.2	38.5	8.0	1.1	0.9	2.7	12.1
Five-Star Business	Buy	580	800	38	36.4	38.6	46.5	27.4	6.0	20.4	15.0	12.5	2.3	2.0	16.6	17.0
IIFL Finance	Buy	448	550	23	8.9	38.8	55.0	-80.7	334.5	42.0	11.6	8.1	1.4	1.2	12.5	15.6
Home First Finan	Buy	1203	1600	33	42.4	51.2	64.6	22.8	20.7	26.2	23.5	18.6	2.9	2.5	15.6	14.6
IndoStar	Buy	277	360	30	3.9	8.0	13.5	-26.6	107.3	68.3	34.6	20.5	0.9	0.8	2.9	4.1
L&T Finance	Buy	196	250	28	10.6	12.5	16.5	13.8	17.7	32.4	15.7	11.8	1.7	1.6	11.6	13.9
LIC Hsg Fin	Neutral	571	650	14	98.6	96.7	103.7	13.9	-2.0	7.3	5.9	5.5	0.8	0.7	13.9	13.4
Manappuram Fin.	Neutral	259	280	8	14.2	10.7	19.5	-45.2	-24.8	82.2	24.1	13.3	1.5	1.4	7.1	11.5
MAS Financial	Buy	303	400	32	16.9	20.1	25.9	11.6	19.0	29.0	15.1	11.7	1.9	1.7	13.5	15.2
M&M Fin.	Buy	253	310	23	19.0	19.1	24.8	33.2	0.6	29.7	13.2	10.2	1.4	1.3	11.9	13.3
Muthoot Fin	Neutral	2616	2790	7	129.5	177.9	211.0	28.4	37.3	18.6	14.7	12.4	3.1	2.5	22.7	22.3
Piramal Enterp.	Neutral	1137	1315	16	21.5	63.7	105.4	-306.2	195.9	65.5	17.9	10.8	0.9	0.8	5.2	8.1
PNB Housing	Buy	770	980	27	74.5	88.6	102.1	28.3	18.9	15.3	8.7	7.5	1.1	0.9	12.8	13.2
Poonawalla Fincorp	Buy	435	520	20	-1.3	9.6	22.4	-109.5	LP	133.8	45.4	19.4	3.4	2.9	8.3	16.1
PFC	Buy	405	490	21	52.6	59.4	61.1	20.8	12.9	3.0	6.8	6.6	1.3	1.1	20.0	18.1
REC	Buy	381	460	21	59.7	68.4	72.9	12.2	14.6	6.5	5.6	5.2	1.1	1.0	21.4	19.6
Repco Home Fin	Neutral	387	430	11	70.2	69.4	73.1	11.3	-1.2	5.3	5.6	5.3	0.7	0.6	12.3	11.6
Spandana Sphoorty	Buy	245	330	35	-145.2	-116.7	23.3	-306.7	Loss	LP	NM	10.5	1.0	0.9	-37.5	8.8
Shriram Finance	Buy	610	780	28	44.0	49.9	59.9	14.9	13.3	20.2	12.2	10.2	1.8	1.6	15.6	16.4
Aggregate								6.9	22.3	21.2	17.5	14.3	2.5	2.2	14.4	15.1
NBFC-Non Lending																
360 ONE WAM	Buy	1044	1450	39	25.8	32.3	37.1	15.3	25.1	15.0	32.3	28.1	5.1	4.3	17.1	17.1
Aditya Birla AMC	Buy	846	1050	24	32.3	35.5	39.1	19.3	9.9	10.2	23.8	21.6	5.8	5.3	25.9	25.8
Anand Rathi Wealth	Neutral	2583	2100	-19	36.2	46.2	59.2	33.7	27.6	28.2	56.0	43.7	22.1	15.6	46.5	41.8
Angel One	Buy	2554	3200	25	129.8	98.4	156.8	-3.1	-24.2	59.2	25.9	16.3	3.4	3.0	15.0	21.3
BSE	Neutral	2393	2600	9	32.4	49.8	57.6	67.2	53.5	15.8	48.1	41.5	16.3	12.5	33.8	30.1
Cams Services	Buy	3745	4900	31	94.8	98.6	116.4	32.4	4.0	18.0	38.0	32.2	14.0	11.9	39.8	40.0
CDSL	Neutral	1567	1400	-11	25.1	25.5	31.0	24.8	1.7	21.5	61.5	50.6	16.1	14.0	28.1	29.6
HDFC AMC	Buy	5560	6400	15	115.2	133.8	152.3	26.6	16.1	13.8	41.5	36.5	13.4	12.3	33.7	35.1
KFin Technologies	Neutral	1074	1200	12	19.5	21.4	26.8	33.9	9.9	25.0	50.1	40.1	12.8	11.1	26.7	29.7
MCX	Neutral	7714	8300	8	110.1	167.2	197.7	573.8	51.9	18.2	46.1	39.0	19.1	17.4	43.2	46.7
Nippon Life AMC	Buy	800	940	18	20.4	23.9	27.1	16.2	17.2	13.2	33.4	29.5	11.8	11.5	35.5	39.4
Nuvama Wealth	Buy	6780	9600	42	276.9	340.0	401.4	64.5	22.8	18.1	19.9	16.9	5.8	5.0	31.9	32.0
Prudent Corp.	Neutral	2639	2600	-1	47.3	54.3	68.1	41.1	14.9	25.4	48.6	38.8	63.0	49.1	29.3	28.5
UTI AMC	Buy	1319	1650	25	63.9	68.8	79.8	1.4	7.7	16.1	19.2	16.5	3.1	2.9	16.5	18.2
Aggregate								31.3	16.9	19.3	43.5	37.2	10.9	9.6	25.1	25.9
Insurance																
HDFC Life Insur.	Buy	761	910	20	8.4	9.8	11.4	14.9	17.1	16.7	77.6	66.5	2.5	2.2	16.3	16.5
ICICI Lombard	Buy	1893	2400	27	50.9	62.7	71.9	30.7	23.2	14.6	30.2	26.3	5.6	4.8	20.0	19.7
ICICI Pru Life	Buy	610	780	28	8.2	9.9	11.1	38.6	20.4	12.7	61.8	54.8	1.6	1.4	12.9	13.2
Life Insurance Corp.	Buy	913	1080	18	76.1	82.5	93.4	18.8	8.3	13.3	11.1	9.8	0.7	0.6	11.7	11.5
Max Financial	Neutral	1551	1750	13	9.4	11.4	13.9	24.7	21.0	21.7	136.0	111.7	2.2	1.9	19.5	19.5
Niva Bupa Health	Buy	80	101	26	1.2	0.6	1.8	142.7	-48.0	195.5	131.7	44.6	3.8	3.5	3.2	8.1
SBI Life Insurance	Buy	1833	2140	17	24.1	27.6	32.1	27.4	14.5	16.2	66.3	57.1	2.2	1.8	19.4	19.0
Star Health Insu	Buy	434	520	20	11.0	13.4	17.9	-23.9	21.6	33.9	32.5	24.3	3.3	2.9	10.6	12.6
Chemicals																
Alkyl Amines	Neutral	2062	2285	11	36.3	44.7	50.8	24.8	23.1	13.4	46.1	40.6	6.7	6.0	15.4	15.6
Atul	Buy	6628	8975	35	169.3	233.9	256.4	53.9	38.2	9.6	28.3	25.9	3.2	2.9	11.7	11.6
Clean Science	Neutral	1178	1350	15	24.9	31.8	40.1	8.3	28.0	25.9	37.0	29.4	7.4	6.1	21.7	22.7
Deepak Nitrite	Sell	1806	1660	-8	51.1	61.9	66.4	-7.3	21.1	7.3	29.2	27.2	4.0	3.6	14.7	13.9
Fine Organic	Sell	4840	3640	-25	127.1	119.3	121.4	5.9	-6.1	1.7	40.6	39.9	5.8	5.1	15.3	13.7
Galaxy Surfact.	Buy	2440	3155	29	86.0	92.0	105.1	1.1	7.0	14.3	26.5	23.2	3.3	3.0	13.1	13.6
Navin Fluorine	Neutral	4811	5100	6	58.2	88.5	112.4	26.2	52.0	27.1	54.4	42.8	6.6	5.9	14.2	14.5
NOCIL	Neutral	174	190	9	6.4	5.6	7.6	-18.3	-12.6	35.6	30.9	22.8	1.6	1.5	5.3	6.8



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
PI Inds.	Buy	3915	4830	23	109.2	108.5	130.5	-1.3	-0.6	20.2	36.1	30.0	5.1	4.5
SRF	Buy	2860	3650	28	46.1	68.7	92.6	-3.0	49.2	34.7	41.6	30.9	6.0	5.2
Tata Chemicals	Neutral	946	970	3	16.5	35.8	54.8	-54.4	117.4	53.0	26.4	17.3	1.1	1.0
Vinati Organics	Buy	1659	2505	51	40.0	53.6	62.6	28.4	33.9	16.8	30.9	26.5	5.3	4.5
Aggregate					9.6	22.0	13.6	43.3	35.5	5.2	4.5	12.0	12.7	
Capital Goods														
ABB India	Buy	5021	6000	19	88.5	80.0	95.1	50.2	-9.5	18.8	62.7	52.8	13.7	22.8
Bharat Electronics	Buy	385	490	27	7.2	8.2	9.8	31.5	13.6	19.6	46.8	39.1	11.2	9.0
Bharat Dynamics	Buy	1500	1900	27	15.0	28.2	37.8	-10.3	88.4	34.0	53.1	39.6	11.4	9.2
Cummins India	Buy	3807	4350	14	71.7	83.5	98.4	16.6	16.4	17.8	45.6	38.7	13.3	30.9
Hind.Aeronautics	Buy	4440	5750	30	125.0	141.2	161.2	38.4	13.0	14.2	31.4	27.5	7.1	22.6
Hitachi Energy	Sell	20283	16500	-19	77.5	177.4	238.4	100.5	129.1	34.3	114.3	85.1	17.2	14.3
Kalpataru Proj.	Buy	1181	1450	23	39.3	57.0	74.9	20.3	44.8	31.6	20.7	15.8	2.5	12.8
KEC International	Neutral	806	950	18	21.4	34.9	44.2	64.6	62.6	26.9	23.1	18.2	3.5	3.0
Kirloskar Oil	Buy	904	1230	36	28.8	33.6	40.9	15.1	16.7	21.8	26.9	22.1	3.9	15.3
Larsen & Toubro	Buy	3607	4200	16	106.8	130.5	155.1	13.0	22.2	18.9	27.6	23.3	4.5	4.0
Siemens	Neutral	3031	3300	9	56.8	76.8	66.9	3.0	35.3	-12.9	39.5	45.3	6.0	5.3
Siemens Energy	Buy	3085	3600	17	19.6	31.6	40.0		61.4	26.5	97.5	77.1	25.3	19.0
Thermax	Sell	3274	3450	5	56.4	68.0	79.8	8.1	20.5	17.5	48.2	41.0	6.7	5.9
Triveni Turbine	Buy	528	620	17	11.3	11.8	14.0	33.2	4.4	19.0	44.8	37.7	11.3	9.3
Zen Technologies	Neutral	1405	1650	17	29.1	29.8	46.7	107.3	2.3	56.7	47.2	30.1	6.5	5.3
Aggregate					24.9	18.8	19.7	45.7	38.5	8.2	7.1	17.9	18.4	
Cement														
Ambuja Cem.	Buy	580	730	26	7.9	10.7	14.9	-42.8	35.1	39.0	54.1	38.9	2.6	2.4
ACC	Neutral	1788	2040	14	71.2	91.3	116.2	-28.3	28.3	27.2	19.6	15.4	1.7	1.5
Birla Corp.	Buy	1249	1700	36	42.2	73.5	85.5	-21.8	74.1	16.2	17.0	14.6	1.3	1.2
Dalmia Bhar.	Buy	2244	2660	19	37.1	73.2	69.6	-9.0	97.4	-4.9	30.7	32.3	2.3	2.2
Grasim Inds.	Buy	2690	3500	30	74.1	86.0	106.9	-22.5	16.1	24.3	31.3	25.2	3.2	3.1
India Cem	Sell	355	280	-21	-24.0	-1.4	3.8	216.9	Loss	LP	NM	94.2	1.1	1.1
J K Cements	Buy	7049	7300	4	103.5	160.4	199.8	0.8	55.0	24.6	43.9	35.3	7.6	6.4
JK Lakshmi Ce	Buy	904	1150	27	25.7	44.3	53.6	-34.6	72.2	21.0	20.4	16.9	2.7	2.4
Ramco Cem	Neutral	1069	1050	-2	3.9	18.8	27.2	-76.6	379.9	44.5	56.9	39.4	3.2	3.0
Shree Cem	Neutral	30444	33000	8	337.9	439.1	538.6	-50.6	29.9	22.7	69.3	56.5	4.9	4.6
Ultratech	Buy	12154	14600	20	207.6	305.6	382.8	-15.1	47.2	25.3	39.8	31.7	4.7	4.2
Aggregate					-27.2	45.5	25.5	56.8	39.0	3.6	3.4	6.4	8.7	
Consumer														
Asian Paints	Neutral	2475	2500	1	42.5	45.4	54.1	-26.7	6.8	19.2	54.6	45.8	12.0	11.4
Britannia	Neutral	5384	5850	9	91.9	104.0	116.4	3.6	13.2	12.0	51.8	46.2	26.0	22.0
Colgate	Neutral	2209	2550	15	51.4	51.8	56.7	4.4	0.8	9.4	42.7	39.0	38.1	39.0
Dabur	Buy	507	600	18	10.2	11.0	12.3	-4.0	7.9	11.9	46.3	41.4	7.7	7.5
Emami	Buy	576	700	22	20.3	21.2	22.8	12.4	4.6	7.3	27.2	25.3	8.3	7.4
Godrej Cons.	Buy	1186	1400	18	18.5	22.0	26.8	-4.3	18.9	21.9	53.9	44.2	9.6	9.2
HUL	Buy	2498	3000	20	44.3	45.9	51.5	1.4	3.4	12.3	54.5	48.5	11.7	11.3
ITC	Buy	414	500	21	16.0	17.1	18.6	-2.5	6.9	8.8	24.3	22.3	7.1	6.9
Indigo Paints	Buy	1157	1400	21	29.8	33.1	38.5	-3.8	11.0	16.3	34.9	30.0	4.8	4.1
Jyothi Lab	Neutral	326	375	15	10.2	10.9	12.1	4.0	7.3	10.9	29.8	26.8	5.6	5.1
L T Foods	Buy	455	600	32	17.4	23.3	28.4	2.0	33.6	22.1	19.5	16.0	3.5	3.0
Marico	Buy	704	825	17	12.4	13.9	15.7	7.9	12.2	12.7	50.6	44.9	21.8	20.5
Nestle	Neutral	1097	1200	9	16.0	16.9	19.4	-22.1	5.5	14.9	65.0	56.6	48.8	44.9
Page Inds	Buy	44717	54000	21	652.9	736.4	843.3	27.9	12.8	14.5	60.7	53.0	29.3	24.5
Pidilite Ind.	Neutral	3081	3200	4	41.3	48.5	55.6	16.7	17.4	14.6	63.5	55.4	14.2	12.6
P&G Hygiene	Neutral	13226	15000	13	195.9	269.5	297.0	-11.1	37.6	10.2	49.1	44.5	47.1	38.8
Radico Khaitan	Buy	2814	3250	15	25.8	40.1	51.4	34.9	55.3	28.3	70.3	54.8	12.1	10.3
Tata Consumer	Buy	1050	1270	21	14.0	16.8	19.8	-2.4	20.2	17.4	62.4	53.1	4.6	4.4
United Brew	Neutral	1921	2000	4	17.7	23.8	33.4	13.6	34.6	40.4	80.8	57.5	10.8	9.8
United Spirits	Neutral	1290	1500	16	19.8	21.7	24.4	25.8	9.6	12.4	59.5	53.0	9.9	8.4
Varun Beverages	Buy	496	620	25	7.7	9.5	11.4	26.2	23.9	20.1	52.2	43.4	8.8	7.6
Aggregate					-1.8	9.5	13.1	48.3	44.1	11.3	10.6	23.4	24.2	
Consumer														



Company	CMP		TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
	Reco	(INR)			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Durables																
Havells India	Neutral	1490	1680	13	23.5	25.6	31.9	15.7	9.1	24.8	58.2	46.6	10.0	8.8	17.1	18.8
KEI Industries	Neutral	3839	4200	9	72.9	90.1	106.3	13.2	23.6	18.0	42.6	36.1	5.6	4.9	13.9	14.4
Polycab India	Buy	6743	8130	21	134.3	169.6	193.6	13.1	26.3	14.1	39.8	34.8	8.6	7.2	21.5	20.8
R R Kabel	Neutral	1242	1450	17	27.6	34.9	39.6	4.5	26.8	13.2	35.6	31.4	5.7	5.0	17.1	16.9
Voltas	Neutral	1304	1350	4	25.4	23.4	31.8	251.5	-7.9	35.9	55.7	41.0	6.1	5.4	10.9	13.3
Aggregate								27.9	15.9	20.1	54.0	46.6	8.9	7.7	16.4	16.6
EMS																
Amber Enterp.	Buy	7365	9000	22	72.0	116.2	181.4	82.6	61.4	56.1	63.4	40.6	9.3	7.6	15.8	20.6
Avalon Tech	Buy	898	1100	23	9.6	15.6	25.2	125.2	63.1	61.4	57.4	35.6	8.3	6.7	15.6	20.9
Cyient DLM	Buy	426	600	41	9.3	13.2	20.3	20.8	41.9	53.2	32.2	21.0	3.2	2.8	10.5	14.2
Data Pattern	Neutral	2427	2500	3	39.6	48.2	62.8	22.1	21.6	30.3	50.4	38.7	7.7	6.4	16.4	18.1
Dixon Tech.	Buy	15864	22100	39	117.2	169.3	265.1	90.5	44.5	56.6	93.7	59.8	24.0	17.3	29.2	33.6
Kaynes Tech	Buy	5809	7300	26	45.8	81.5	132.9	59.6	77.9	63.2	71.3	43.7	7.5	6.3	13.9	16.4
Syрма SGS Tech.	Buy	703	820	17	9.7	15.7	23.3	57.6	63.0	47.9	44.7	30.2	6.2	5.2	14.9	18.9
Aggregate								66.8	53.2	54.2	109.8	71.7	15.0	11.3	13.7	15.8
Healthcare																
Alembic Phar	Neutral	935	990	6	29.1	36.4	44.8	-7.4	25.1	23.1	25.7	20.9	3.2	2.8	12.9	14.1
Alkem Lab	Neutral	4764	4930	3	181.1	188.3	189.4	13.4	4.0	0.6	25.3	25.2	4.2	3.8	17.7	15.9
Ajanta Pharma	Buy	2603	3200	23	74.1	83.6	97.2	18.9	12.9	16.2	31.1	26.8	7.2	6.0	25.0	24.4
Apollo Hospitals	Buy	7083	8720	23	100.6	120.5	153.8	61.1	19.8	27.7	58.8	46.0	10.0	8.2	19.2	20.2
Aurobindo	Buy	1042	1300	25	61.0	63.8	77.7	7.9	4.6	21.7	16.3	13.4	1.7	1.5	10.8	11.8
Biocon	Buy	343	410	19	2.0	4.1	9.0	13.2	102.3	118.5	83.1	38.0	1.9	1.8	2.3	4.8
Blue Jet Health	Buy	803	1100	37	17.6	25.3	32.2	78.5	43.6	27.2	31.8	25.0	9.0	6.8	32.8	31.0
Cipla	Neutral	1485	1580	6	62.8	61.8	65.8	19.6	-1.6	6.6	24.1	22.6	3.3	2.9	13.9	13.1
Divis Lab	Neutral	5911	6320	7	81.2	93.4	117.0	35.3	15.0	25.2	63.3	50.5	9.4	8.3	15.7	17.5
Dr Reddy's	Neutral	1212	1190	-2	67.3	66.9	63.1	6.1	-0.6	-5.7	18.1	19.2	2.6	2.3	15.3	12.7
Dr Agarwal's Hea	Buy	444	510	15	2.6	3.8	5.1	0.0	44.2	34.0	116.2	86.7	7.0	6.5	6.2	7.8
ERIS Lifescience	Neutral	1720	1700	-1	25.6	37.7	54.4	-12.4	47.1	44.3	45.7	31.6	7.2	6.0	16.8	20.6
Gland Pharma	Buy	1933	2340	21	42.4	55.6	68.4	-10.9	31.2	23.0	34.7	28.2	3.2	2.8	9.5	10.6
Glenmark	Buy	2018	2430	20	47.7	57.9	72.6	1,821.0	21.3	25.5	34.9	27.8	5.5	4.6	17.0	18.1
GSK Pharma	Neutral	2649	3000	13	54.7	58.8	68.6	26.4	7.3	16.8	45.1	38.6	18.1	14.1	40.1	36.6
Global Health	Buy	1424	1630	15	19.8	24.2	30.3	11.1	22.3	25.2	58.2	46.4	9.6	8.2	17.7	19.1
Granules India	Buy	440	570	30	19.7	23.8	31.0	13.6	20.7	30.3	18.5	14.2	2.5	2.1	14.5	16.3
IPCA Labs	Buy	1385	1710	24	36.0	44.1	54.2	44.8	22.7	22.9	31.4	25.5	4.4	3.9	15.1	16.2
Laxmi Dental	Buy	395	540	37	4.8	9.0	12.5	4.9	88.9	38.6	43.9	31.7	8.4	6.6	21.2	23.4
Laurus Labs	Buy	821	970	18	5.8	12.2	15.4	92.4	109.8	26.6	67.4	53.3	8.6	7.6	13.4	15.1
Lupin	Neutral	1917	2000	4	71.6	94.4	96.3	72.4	31.8	2.0	20.3	19.9	3.9	3.3	21.8	18.0
Mankind Pharma	Buy	2466	2990	21	50.0	45.8	62.0	4.7	-8.5	35.5	53.9	39.8	6.4	5.7	12.5	15.2
Max Healthcare	Buy	1245	1380	11	15.1	21.0	25.0	10.0	38.7	19.4	59.4	49.7	9.8	8.3	17.7	18.0
Piramal Pharma	Buy	190	240	27	0.7	1.1	2.5	62.5	59.6	127.2	172.8	76.1	2.7	2.6	1.8	3.9
Sun Pharma	Buy	1587	1960	24	47.1	51.2	61.1	13.4	8.6	19.3	31.0	26.0	4.6	4.1	15.9	16.7
Torrent Pharma	Neutral	3572	3580	0	57.8	70.1	86.8	22.7	21.2	24.0	51.0	41.1	6.6	5.5	28.4	29.3
Zydus Lifesciences	Neutral	936	990	6	46.0	43.6	41.3	22.3	-5.3	-5.4	21.4	22.7	3.4	3.0	16.9	14.0
Aggregate								21.2	10.5	15.4	37.0	33.5	5.4	4.7	14.5	14.1
Infrastructure																
G R Infraproject	Buy	1208	1500	24	74.7	79.9	107.8	2.4	7.0	34.8	15.1	11.2	1.3	1.2	9.3	11.4
IRB Infra	Neutral	44	50	15	1.1	2.0	2.8	11.7	77.9	38.3	21.8	15.8	1.3	1.2	5.9	7.7
KNR Constructions	Neutral	209	220	5	14.0	10.8	14.2	-8.1	-22.7	30.9	19.3	14.7	1.4	1.3	7.4	9.0
Aggregate											24.5	19.2	1.4	1.3	5.7	6.8
Logistics																
Adani Ports	Buy	1324	1700	28	50.2	62.7	73.1	21.6	24.9	16.6	21.1	18.1	3.9	3.3	19.9	19.6
Blue Dart Express	Buy	5817	7200	24	103.1	134.1	201.1	-15.2	30.1	49.9	43.4	28.9	7.3	6.0	18.2	22.8
Concor	Buy	557	670	20	17.0	18.3	22.8	4.9	7.5	24.4	30.4	24.5	3.2	3.0	10.9	12.7
Delhivery	Buy	465	500	8	2.2	4.8	6.1	-173.1	115.6	25.0	95.9	76.7	3.5	3.4	3.8	4.5
JSW Infra	Buy	297	380	28	7.0	7.9	9.4	20.5	13.2	19.3	37.6	31.5	5.6	4.9	16.1	16.5
Mahindra	Neutral	321	400	24	-5.0	5.6	23.1	-38.8	LP	310.9	57.1	13.9	5.0	3.8	8.7	30.1



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	
Logistics																	
Transport Corp.	Buy	1136	1420	25	53.5	61.5	66.9	16.8	14.9	8.8	18.5	17.0	3.4	2.9	19.8	18.2	
TCI Express	Neutral	670	750	12	22.4	28.2	34.2	-34.8	26.0	21.3	23.7	19.6	3.0	2.7	13.5	14.7	
VRL Logistics	Buy	557	710	27	20.9	25.2	29.5	106.5	20.4	17.3	22.1	18.9	4.2	3.8	19.5	21.0	
Aggregate											31.2	25.2	4.6	4.0	14.6	15.8	
Media																	
PVR Inox	Neutral	1071	1180	10	-15.4	14.2	24.4	-232.4	LP	71.6	75.2	43.8	1.5	1.4	2.0	3.3	
Sun TV	Neutral	550	600	9	43.4	42.9	43.8	-8.8	-1.3	2.1	12.8	12.6	1.7	1.6	13.6	12.8	
Zee Ent.	Neutral	113	135	20	8.2	8.6	10.2	80.8	5.5	18.1	13.1	11.1	0.9	0.8	7.0	7.8	
Aggregate									-3.3	13.3	10.8	18.3	16.2	1.4	1.4	7.8	8.4
Metals																	
Coal India	Buy	380	480	26	57.4	57.7	67.3	-5.5	0.6	16.5	6.6	5.6	2.0	1.7	30.6	30.3	
Hindalco	Buy	673	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	421	465	11	24.7	28.8	31.0	34.5	16.5	7.8	14.6	13.6	8.7	6.2	72.1	53.6	
JSPL	Buy	974	1090	12	41.4	54.4	93.1	-29.1	31.3	71.2	17.9	10.5	1.9	1.6	11.1	16.7	
JSW Steel	Buy	1049	1200	14	15.6	49.0	75.0	-57.7	214.6	53.3	21.4	14.0	2.8	2.4	14.0	18.4	
Jindal Stainless	Buy	683	830	22	30.5	36.1	44.5	-3.9	18.3	23.2	18.9	15.4	2.9	2.5	15.3	16.1	
Nalco	Neutral	187	190	1	28.7	19.1	20.5	215.8	-33.3	7.1	9.8	9.1	1.7	1.4	18.3	16.9	
NMDC	Buy	71	84	18	7.4	8.3	9.3	13.3	11.6	12.1	8.6	7.6	1.8	1.6	22.7	21.9	
SAIL	Neutral	121	130	7	3.2	6.2	13.5	24.3	92	117.7	19.4	8.9	0.8	0.8	4.3	8.8	
Tata Steel	Neutral	158	165	4	3.4	8.7	13.0	41.5	157	50.0	18.2	12.2	2.3	2.1	12.5	17.8	
Vedanta	Neutral	431	480	11	34.8	40.4	47.3	162.2	16	17.1	10.7	9.1	3.5	2.9	35.2	34.5	
Aggregate									16.4	19.0	25.1	14.3	12.0	2.4	2.1	16.8	17.8
Oil & Gas																	
Aegis Logistics	Neutral	713	725	2	18.9	22.0	24.1	16.5	16.4	9.5	32.4	29.6	4.9	4.4	15.8	15.7	
BPCL	Neutral	320	300	-6	31.8	36.5	27.5	-49.7	14.6	-24.6	8.8	11.6	1.5	1.3	17.9	12.1	
Castrol India	Buy	213	250	17	9.4	9.4	9.6	7.3	-0.2	2.4	22.8	22.3	8.6	7.9	39.0	37.0	
GAIL	Buy	171	210	23	14.4	13.1	14.9	4.8	-9.1	14.0	13.1	11.5	1.4	1.3	11.7	12.3	
Gujarat Gas	Buy	430	500	16	16.6	16.8	19.3	4.0	1.1	14.9	25.6	22.2	3.2	2.9	13.1	13.8	
Gujarat St. Pet.	Neutral	304	356	17	14.3	12.6	13.6	-37.1	-12.0	7.8	24.2	22.4	1.5	1.5	6.4	6.6	
HPCL	Buy	410	520	27	31.6	54.7	44.8	-57.9	72.8	-18.1	7.5	9.1	1.4	1.2	20.7	14.5	
IOC	Buy	140	167	19	7.8	13.6	11.1	-73.6	75.8	-18.4	10.3	12.6	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	1320	1700	29	105.8	108.9	111.9	-18.9	3.0	2.8	12.1	11.8	2.0	1.8	17.3	16.1	
MRPL	Sell	126	100	-20	0.3	6.5	11.0	-98.6	2,150.7	70.0	19.3	11.4	1.6	1.4	8.5	13.2	
Oil India	Buy	432	521	21	37.6	34.3	36.6	-22.7	-8.8	6.7	12.6	11.8	1.4	1.3	11.8	11.6	
ONGC	Buy	233	275	18	30.6	31.4	33.5	-31.9	2.8	6.6	7.4	7.0	0.8	0.8	11.1	11.0	
PLNG	Buy	273	410	50	26.2	26.1	30.9	11.0	-0.4	18.7	10.5	8.8	1.9	1.7	19.0	20.0	
Reliance Ind.	Buy	1368	1700	24	51.5	57.7	63.5	0.0	12.1	10.0	23.7	21.6	2.0	1.9	8.9	9.0	
Aggregate									-31.7	14.7	2.5	17.8	15.6	1.7	1.6	9.7	10.2
Real Estate																	
Anant Raj	Buy	534	807	51	12.4	14.7	13.0	59.4	18.2	-11.5	36.4	41.2	3.9	3.6	10.8	8.8	
Brigade Enterpr.	Buy	947	1580	67	33.6	44.9	64.2	51.9	34.0	42.7	21.1	14.8	3.0	2.5	15.1	18.3	
DLF	Buy	747	1005	35	17.6	19.1	15.6	60.3	8.2	-18.5	39.1	48.0	2.9	2.7	10.6	8.0	
Godrej Propert.	Buy	1973	2843	44	46.1	82.3	80.0	71.7	78.4	-2.8	24.0	24.7	3.0	2.7	13.4	11.5	
Kolte Patil Dev.	Buy	405	489	21	14.0	41.6	38.6	-253.7	196.7	-7.2	9.7	10.5	2.2	1.8	30.2	19.1	
Oberoi Realty	Neutral	1568	1878	20	61.2	79.9	101.4	15.5	30.5	26.9	19.6	15.5	3.1	2.6	17.1	18.4	
Lodha Developers	Buy	1203	1870	55	28.7	37.9	40.2	70.4	32.1	6.2	31.8	29.9	5.0	4.3	16.7	15.4	
Mahindra Lifespace	Neutral	342	382	12	4.0	2.7	12.8	-37.7	-32.4	380.6	127.9	26.6	2.1	2.0	2.1	7.8	
SignatureGlobal	Buy	1111	1760	58	7.2	55.7	125.3	511.9	674.8	124.7	19.9	8.9	10.3	4.8	70.0	73.6	
Sunteck Realty	Buy	384	540	41	10.3	12.2	26.1	111.9	18.4	114.8	31.6	14.7	1.6	1.5	5.3	10.6	
Sobha	Buy	1515	1935	28	8.9	33.7	50.6	71.0	281.0	49.9	44.9	30.0	3.3	3.0	7.6	10.5	
Prestige Estates	Buy	1605	2000	25	12.7	21.1	24.2	-28.2	65.7	14.7	76.1	66.3	4.0	3.8	5.3	5.8	
Phoenix Mills	Neutral	1417	1646	16	27.5	49.7	62.1	-10.6	80.6	24.8	28.5	22.8	4.2	3.6	15.8	16.8	
Aggregate									42.8	41.0	12.9	45.5	32.3	4.4	3.9	9.7	12.0
Retail																	
Aditya Birla Fashion	Neutral	74	85	15	-6.1	-4.5	-3.4	-18.5	Loss	Loss	NM	NM	1.2	1.3	-8.4	-6.8	



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
Aditya Birla Lifestyle	Neutral	132	170	29	1.3	2.1	3.0	-7.5	62.3	41.6	62.9	44.5	10.5	8.5	18.2	21.2
Avenue Supermarts	Buy	4168	4950	19	41.6	46.4	55.6	6.7	11.6	19.8	89.8	75.0	11.1	9.7	13.2	13.8
Barbeque-Nation	Neutral	253	325	28	-6.9	-7.1	-5.8	142.4	Loss	Loss	NM	NM	3.0	3.2	-8.3	-7.3
Bata India	Neutral	1180	1150	-3	19.4	23.7	27.6	-14.7	21.8	16.5	49.9	42.8	8.8	8.0	18.4	19.5
Campus Activewe.	Buy	264	325	23	4.0	5.1	6.7	35.5	29.2	31.5	51.6	39.2	8.8	7.2	17.1	18.4
Devyani Intl.	Buy	156	210	35	0.2	0.5	1.3	-75.7	158.4	170.0	322.2	119.4	28.0	35.7	6.6	26.3
Go Fashion (I)	Buy	702	988	41	17.3	17.5	22.3	13.0	1.4	27.1	40.1	31.5	4.9	4.4	11.5	13.0
Jubilant Food.	Neutral	625	750	20	3.6	6.1	9.2	-9.6	71.5	50.3	102.0	67.9	19.4	18.6	19.0	27.3
Kalyan Jewellers	Buy	528	700	33	7.8	10.9	13.3	34.9	38.9	22.4	48.6	39.7	9.7	8.4	21.5	22.7
Metro Brands	Buy	1108	1325	20	13.9	15.4	18.6	9.4	10.8	20.4	71.8	59.6	14.9	12.8	22.8	23.6
P N Gadgil Jewellers	Buy	553	825	49	17.4	21.4	27.5	32.5	22.7	28.6	25.9	20.1	4.1	3.4	17.1	18.4
Raymond Lifestyle	Buy	1086	1425	31	16.5	43.5	59.0	-79.4	163.4	35.7	25.0	18.4	0.7	0.6	5.9	7.5
Restaurant Brand	Buy	80	135	69	-4.0	-1.9	-0.4	-6.7	Loss	Loss	NM	NM	5.9	6.1	-13.4	-2.7
Relaxo Footwear	Sell	437	410	-6	6.8	8.2	9.5	-15.0	20.4	15.0	53.1	46.2	4.8	4.5	9.4	10.1
Sapphire Foods	Buy	317	400	26	1.0	1.2	2.8	-38.9	20.6	136.4	263.8	111.6	7.1	6.7	2.7	6.2
Senco Gold	Neutral	332	400	20	12.4	14.2	16.7	6.2	14.6	18.0	23.4	19.9	2.5	2.3	11.2	11.9
Shoppers Stop	Neutral	520	510	-2	0.6	1.1	1.9	-88.9	85.1	66.9	459.4	275.2	12.3	11.7	3.6	5.7
Titan Company	Buy	3460	4150	20	42.3	54.6	64.2	7.6	29.1	17.6	63.4	53.9	20.5	16.2	36.5	33.5
Trent	Buy	5312	6400	20	43.2	51.3	60.8	47.7	19.0	18.4	103.5	87.4	24.9	19.5	29.1	26.8
Vedant Fashions	Neutral	741	800	8	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	139	165	19	1.4	1.7	2.1	34.2	23.8	25.6	81.7	65.1	8.9	7.8	11.5	12.8
V-Mart Retail	Buy	760	1035	36	2.6	13.4	22.5	-121.3	415.7	67.9	56.8	33.8	6.6	5.5	12.3	17.7
Westlife Foodworld	Neutral	680	750	10	0.8	1.9	4.6	-82.4	136.9	149.6	366.4	146.8	16.3	14.6	4.6	10.5
Aggregate								15.4	30.8	25.0	100.9	78.5	12.6	11.4	12.5	14.5
Technology																
Cyient	Sell	1165	1120	-4	55.4	63.6	76.1	-17.2	14.9	19.6	18.3	15.3	2.3	2.2	12.0	13.6
HCL Tech.	Buy	1475	2000	36	63.9	67.0	75.9	10.3	4.9	13.2	22.0	19.4	5.8	5.9	26.4	30.1
Hexaware Tech.	Buy	719	930	29	19.3	23.5	27.5	17.6	22.0	16.9	30.5	26.1	7.2	6.3	25.4	26.1
Infosys	Neutral	1424	1750	23	63.8	68.6	72.6	0.8	7.5	5.8	20.8	19.6	6.1	6.1	29.7	31.3
LTI Mindtree	Buy	5010	6000	20	155.3	174.4	200.1	0.3	12.3	14.7	28.7	25.0	5.8	5.1	21.3	21.6
L&T Technology	Neutral	4178	4300	3	119.0	129.8	155.8	-3.2	9.0	20.1	32.2	26.8	6.4	5.5	21.0	22.0
Mphasis	Neutral	2695	2900	8	89.3	99.8	111.8	9.2	11.8	12.1	27.0	24.1	4.9	4.6	19.0	19.7
Coforge	Buy	1606	2240	39	25.2	46.4	58.9	-8.7	84.3	26.9	34.6	27.3	7.5	6.6	17.1	20.7
Persistent Sys	Buy	5103	6800	33	90.2	114.5	140.1	20.2	26.9	22.3	44.6	36.4	10.7	9.1	26.1	27.2
TCS	Buy	3035	3850	27	134.2	142.7	152.6	6.3	6.3	6.9	21.3	19.9	11.1	10.7	53.4	54.9
Tech Mah	Buy	1480	2000	35	47.9	61.3	78.3	17.1	27.9	27.7	24.1	18.9	4.7	4.5	19.6	24.2
Wipro	Sell	240	230	-4	12.5	12.6	13.1	22.8	1.0	3.9	18.9	18.2	3.0	2.9	15.9	16.2
Zensar Tech	Neutral	785	750	-4	28.4	32.3	34.6	-2.5	13.8	7.2	24.3	22.7	4.0	3.7	17.4	17.2
Aggregate								8.7	7.8	9.2	24.0	22.3	6.7	6.5	28.1	29.4
Telecom																
Bharti Airtel	Buy	1859	2285	23	30.3	47.4	63.9	54.2	56.6	34.7	39.2	29.1	7.9	6.1	22.4	25.8
Bharti Hexacom	Neutral	1757	2010	14	25.6	38.4	55.0	58.7	49.9	43.2	45.8	31.9	11.9	9.7	28.9	33.4
Indus Towers	Neutral	333	390	17	18.4	26.5	30.1	-18.0	44.4	13.3	12.5	11.1	2.3	2.2	19.4	19.8
Vodafone Idea	Sell	7	7	0	-3.8	-2.9	-2.9	-39.9	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1653	1675	1	28.7	46.9	63.7	-32.0	63.3	35.7	35.2	26.0	13.2	10.0	40.6	44
Aggregate								Loss	LP	234.8	-497	233	16.8	12.1	-3.4	5.2
Utilities																
Acme Solar	Buy	271	347	28	4.5	7.5	10.3	-563.2	65.5	37.2	36.3	26.4	3.3	2.9	9.5	11.8
Indian Energy Exchange	Neutral	138	135	-2	4.7	5.1	4.9	21.4	10.1	-4.1	26.9	28.1	9.6	8.4	38.4	32.0
Inox Wind	Buy	140	210	50	3.5	5.8	8.4	-2,530.3	66.8	44.3	23.9	16.6	3.1	2.6	14.0	17.3
JSW Energy	Buy	519	620	20	10.7	12.6	16.9	1.6	18.4	33.9	41.1	30.7	3.1	2.8	7.8	9.6
NTPC	Neutral	335	380	14	20.3	25.8	28.0	6.2	26.7	8.8	13.0	11.9	1.7	1.5	13.6	13.6
Power Grid Corpn	Buy	285	345	21	16.7	18.0	19.1	-0.3	7.7	6.4	15.9	14.9	2.7	2.5	17.4	17.2



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	
Suzlon Energy	Buy	63	82	30	1.1	1.7	2.3	105.5	55.0	40.2	37.8	27.0	10.3	7.4	31.5
Tata Power Co.	Buy	379	487	29	12.3	13.4	17.4	11.7	9.4	29.6	28.3	21.8	3.0	2.7	11.3
Aggregate						8.1	19.5	12.8	21	18	2.7	2.5	12.5	13.7	
Others															
APL Apollo Tubes	Buy	1583	2000	26	27.3	41.9	56.6	3.4	53.5	35.0	37.8	28.0	8.4	6.6	24.7
Astral	Buy	1375	1800	31	19.5	23.8	30.4	-4.1	22.2	27.6	57.8	45.3	6.7	5.8	16.5
Cello World	Buy	571	720	26	15.3	16.5	21.9	-1.7	7.5	32.6	34.6	26.1	4.8	4.2	14.5
Coromandel Intl	Buy	2420	2930	21	61.3	76.2	97.4	9.8	24.4	27.8	31.8	24.9	5.5	4.6	18.7
Dreamfolks Services	Buy	131	160	23	11.9	14.6	17.7	-5.0	22.3	21.3	9.0	7.4	1.8	1.5	23.4
EPL	Buy	229	280	22	11.3	13.8	16.7	39.9	21.7	21.5	16.6	13.7	2.8	2.4	17.6
Eternal	Buy	301	330	10	0.6	1.2	3.9	44.2	101.5	228.6	253.9	77.2	8.6	7.7	3.4
Godrej Agrovet	Buy	816	940	15	22.4	27.6	36.1	19.5	23.5	30.6	29.5	22.6	8.8	6.9	25.5
Gravita India	Buy	1774	2300	30	42.3	57.7	73.4	22.2	36.2	27.3	30.8	24.2	5.3	4.3	18.7
Indiamart Inter.	Buy	2556	3050	19	91.7	84.2	95.1	66.1	-8.2	12.9	30.4	26.9	5.9	5.1	21.0
Indian Hotels	Buy	735	900	23	11.8	13.4	16.1	33.4	13.0	20.8	55.0	45.5	8.1	6.9	15.7
Info Edge	Neutral	1333	1380	4	11.9	16.1	19.9	-7.4	35.5	23.4	82.5	66.9	3.0	2.9	3.7
Interglobe	Buy	5768	6900	20	188.1	269.7	262.0	-11.2	43.4	-2.9	21.4	22.0	11.6	7.7	73.2
Kajaria Ceramics	Buy	1308	1430	9	21.8	30.4	34.9	-21.9	39.3	14.7	43.0	37.5	6.9	6.2	16.6
Lemon Tree Hotel	Buy	143	-		2.5	3.7	4.5	32.4	46.4	22.1	38.9	31.9	7.7	6.2	22.0
MTAR Tech	Buy	1499	1900	27	17.2	31.3	52.6	-5.8	82.0	68.0	47.9	28.5	5.6	4.7	12.4
One 97	Neutral	1062	1025	-4	-10.4	6.1	14.8	-53.1	LP	141.8	173.8	71.9	4.5	4.5	2.6
Prince Pipes	Buy	291	440	51	3.9	8.9	14.6	-73.8	128.2	63.5	32.5	19.9	0.8	0.7	6.1
Quess Corp	Neutral	268	340	27	15.2	15.6	17.7	63.3	2.9	13.4	17.2	15.1	3.2	3.8	22.9
SBI Cards	Neutral	786	950	21	20.2	27.8	37.9	-20.5	37.8	36.3	28.2	20.7	4.6	3.8	17.7
SIS	Buy	372	450	21	22.0	31.6	38.4	69.7	43.7	21.5	11.7	9.7	0.9	0.7	17.4
Supreme Inds.	Buy	4152	5350	29	75.6	85.0	119.6	-10.2	12.4	40.7	48.8	34.7	8.4	7.1	18.0
Swiggy	Neutral	385	450	17	-13.6	-17.0	-11.2	27.4	Loss	Loss	NM	NM	12.4	16.5	-44.9
Team Lease Serv.	Buy	1733	2200	27	64.9	96.9	114.6	0.1	49.4	18.3	17.9	15.1	2.8	2.4	15.3
Time Technoplast	Buy	458	578	26	17.1	21.4	26.3	25.0	25.2	22.7	21.4	17.4	3.1	2.7	15.7
Updater Services	Buy	263	330	25	17.7	20.3	23.8	56.2	14.5	17.0	13.0	11.1	1.6	1.4	13.0
UPL	Neutral	689	700	2	25.0	40.7	58.9	583.6	62.8	44.7	16.9	11.7	1.1	1.0	10.3
VA Tech Wabag	Buy	1520	1900	25	47.6	60.0	73.2	20.2	26.0	22.0	25.3	20.7	3.8	3.3	15.0
															15.8

Index	1 Day (%)	1M (%)	12M (%)
Sensex	-0.9	-4.6	1.2
Nifty-50	-0.9	-4.5	1.0
Nifty Next 50	-1.2	-4.7	-8.8
Nifty 100	-1.0	-4.6	-0.9
Nifty 200	-1.1	-4.8	-1.0
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-1.4	-1.6	-5.8
Amara Raja Ener.	-0.3	-3.1	-37.6
Apollo Tyres	-0.5	-8.0	-15.1
Ashok Leyland	-3.7	-7.6	-6.3
Bajaj Auto	-0.1	-1.4	-14.7
Balkrishna Inds	0.1	-7.4	-22.4
Bharat Forge	-2.3	-11.4	-29.3
Bosch	-0.6	8.0	20.4
CEAT	-1.5	-17.2	19.7
Craftsman Auto	1.9	11.6	23.6
Eicher Motors	-0.3	-0.3	23.7
Endurance Tech.	0.2	-3.8	-2.5
Escorts Kubota	0.0	-1.1	-9.2
Exide Inds.	-1.1	-3.4	-22.7
Happy Forgings	-1.9	0.9	-22.6
Hero Motocorp	-1.3	7.0	-10.8
Hyundai Motor	-0.9	3.2	
M & M	-2.1	-0.4	17.2
CIE Automotive	-0.1	-10.0	-26.8
Maruti Suzuki	-0.3	1.4	3.0
MRF	-1.1	-1.5	1.7
Sona BLW Precis.	-0.9	-3.5	-32.1
Motherson Sumi	-2.8	-10.9	-24.8
Motherson Wiring	2.1	-9.2	-18.6
Tata Motors	-2.0	-8.6	-39.2
TVS Motor Co.	-1.5	4.9	17.4
Tube Investments	-1.9	-1.3	-28.0
Banks-Private	-1.3	-5.9	6.2
AU Small Fin. Bank	-0.6	-9.9	18.0
Axis Bank	-1.7	-9.2	-7.0
Bandhan Bank	-0.6	-5.4	-17.1
DCB Bank	-0.8	-10.6	7.9
Equitas Sma. Fin	-0.8	-10.3	-28.4
Federal Bank	-1.1	-8.0	1.3
HDFC Bank	-1.1	-1.4	20.2
ICICI Bank	-0.3	-0.4	23.3
IDFC First Bank	-0.2	-11.2	-4.1
IndusInd Bank	-3.1	-8.0	-41.9
Kotak Mah. Bank	-2.0	-12.2	10.2
RBL Bank	-2.0	4.7	21.6
SBI Cards	-1.2	-14.4	10.0
Banks-PSU	-0.4	-3.4	0.3
BOB	-1.2	-0.2	-0.9
Canara Bank	-0.8	-5.1	0.7
Indian Bank	0.5	1.9	17.1
Punjab Natl.Bank	-0.7	-7.2	-8.8
St Bk of India	-0.1	-1.0	-0.5

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-1.1	-4.8	-1.2
Nifty Midcap 100	-1.6	-5.7	-1.2
Nifty Smallcap 100	-1.5	-7.8	-4.8
Nifty Midcap 150	-1.4	-4.7	-0.7
Nifty Smallcap 250	-1.3	-6.5	-4.0
Union Bank (I)	-1.1	-12.8	8.8
NBFCs	-0.9	-3.1	14.6
Aditya Birla Capital Ltd	-0.4	-9.3	-6.0
AAVAS Financiers	1.8	-13.4	4.0
Bajaj Fin.	-0.4	-4.4	-1.0
Cholaman.Inv.&Fn	-1.4	-12.2	17.0
Can Fin Homes	-3.7	-20.9	-51.3
CreditAcc. Gram.	-1.2	-10.4	4.5
Fusion Microfin.	-3.6	-18.7	9.1
Five-Star Bus.Fi	-2.3	-6.0	18.2
Home First Finan	-1.3	-5.7	-10.8
Indostar Capital	-0.9	-4.1	30.4
IIFL Finance	-0.4	-6.4	-12.3
L&T Finance	0.3	-2.4	10.3
LIC Housing Fin.	-0.6	-1.2	41.7
MCX	0.6	-4.9	-18.0
M & M Fin. Serv.	1.6	-29.2	-4.2
Muthoot Finance	-0.9	-3.5	-34.6
Manappuram Fin.	-2.3	-7.6	17.8
MAS Financial Serv.	-1.1	-3.6	-17.8
PNB Housing	-0.1	-8.5	-14.3
Power Fin.Corpn.	-3.4	-7.7	-56.8
REC Ltd	-2.1	-14.6	1.2
Repco Home Fin	-0.7	4.4	29.6
Shriram Finance	-0.7	24.0	44.0
Spandana Sphoort	-3.4	-5.2	18.7
Nippon Life Ind.	0.2	-10.7	27.8
UTI AMC	-1.8	8.9	35.4
Nuvama Wealth	-1.5	-15.7	18.0
Prudent Corp.	-2.2	-9.2	83.1
NBFC-Non Lending			
360 One	-2.3	-2.0	29.1
Aditya AMC	-1.9	-9.1	-12.0
Anand Rathi Wea.	-1.2	1.6	24.5
Angel One	-2.5	-4.6	7.5
BSE	-1.6	-11.0	-5.6
C D S L	-2.5	-9.3	9.9
Cams Services	-0.7	-23.3	-20.1
HDFC AMC	-2.0	-3.4	176.1
KFin Technolog.	-0.2	-5.4	33.3
MCX	0.6	-4.9	-18.0
Nippon Life Ind.	0.2	-10.7	27.8
Nuvama Wealth	-1.5	-15.7	18.0
Prudent Corp.	-2.2	-9.2	83.1
UTI AMC	-1.8	8.9	35.4
Insurance			
HDFC Life Insur.	0.8	-4.1	7.2
ICICI Pru Life	-1.4	-8.2	-17.4

Company	1 Day (%)	1M (%)	12M (%)
ICICI Lombard	-0.5	-7.0	-3.8
Life Insurance	3.2	-3.6	-18.9
Max Financial	3.1	-1.3	40.2
Niva Bupa Health	-0.5	-4.5	
SBI Life Insuran	-1.5	0.9	7.5
Star Health Insu	0.5	1.7	-26.0
Chemicals			
Alkyl Amines	-2.1	-12.4	-1.1
Atul	0.0	-13.1	-17.2
Clean Science	-1.7	-18.9	-26.0
Deepak Nitrite	-1.0	-8.8	-40.9
Fine Organic	-3.3	-6.0	-7.8
Galaxy Surfact.	-0.3	-2.0	-15.4
Navin Fluo.Intl.	-2.8	-4.5	35.6
NOCIL	0.0	-10.1	-38.9
P I Inds.	-2.6	-5.5	-12.1
SRF	-1.5	-12.9	12.8
Tata Chemicals	-1.3	2.2	-8.1
Vinati Organics	-2.9	-18.0	-28.3
Capital Goods			
A B B	-1.9	-14.0	-36.8
Bharat Dynamics	-4.4	-23.9	6.0
Bharat Electron	-0.8	-8.9	29.0
Cummins India	3.6	9.5	2.1
Hind.Aeronautics	-2.4	-11.2	-4.9
Hitachi Energy	-2.0	6.2	84.5
K E C Intl.	-1.4	-8.3	-5.5
Kalpataru Proj.	6.4	-0.5	-4.9
Kirloskar Oil	-0.7	8.5	-21.7
Larsen & Toubro	-0.9	0.0	1.5
Siemens	-2.7	-8.0	-9.9
Siemens Ener	-2.9	1.2	
Thermax	-1.7	-5.2	-24.9
Triveni Turbine	1.6	-17.5	-23.3
Zen Technologies	-2.1	-28.1	-16.6
Cement			
Ambuja Cem.	-2.1	-2.0	-9.2
ACC	-1.6	-9.7	-24.1
Birla Corp.	-0.5	-10.4	-12.7
Dalmia Bhar.	-1.0	4.2	26.8
Grasim Inds.	-1.9	-4.6	5.8
India Cem	-0.8	1.7	-3.6
J K Cements	1.5	11.1	65.1
JK Lakshmi Cem.	-1.5	-7.8	9.4
The Ramco Cement	-5.7	-2.5	34.8
Shree Cement	-1.1	-3.1	25.6
UltraTech Cem.	-0.9	-2.3	8.0
Consumer			
Asian Paints	-1.2	-0.4	-17.6
Britannia Inds.	-1.6	-7.7	-6.2
Colgate-Palm.	-1.5	-9.9	-36.3
Dabur India	-1.9	-1.1	-20.4
Emami	-1.0	0.4	-26.0

Company	1 Day (%)	1M (%)	12M (%)
Godrej Consumer	-2.8	-7.1	-19.0
Hind. Unilever	-0.8	4.4	-8.6
ITC	0.2	-0.6	-11.4
Indigo Paints	-4.8	-4.0	-19.8
Jyothi Lab.	-0.6	-9.1	-40.3
L T Foods	-1.3	-5.6	48.0
Marico	-2.0	-3.3	7.9
Nestle India	-1.9	-9.3	-11.9
Page Industries	-2.0	-8.4	10.1
Pidilite Inds.	1.0	0.4	-2.7
P & G Hygiene	0.0	-1.3	-22.4
Radico Khaitan	-0.5	7.1	65.8
Tata Consumer	-0.2	-4.4	-10.8
United Breweries	-0.6	-2.9	-1.2
United Spirits	0.1	-5.4	-11.5
Varun Beverages	-1.3	8.3	-16.8
Consumer Durables			
Polycab India	-0.2	-2.6	-16.4
R R Kabel	0.0	1.9	-7.1
Havells	-2.0	-0.1	1.6
Volta	-2.9	-7.5	-25.3
KEI Industries	-0.3	-4.8	-9.1
EMS			
Amber Enterp.	-4.9	-2.1	69.4
Avalon Tech	-6.3	5.2	81.4
Cyient DLM	-1.8	-13.7	-44.6
Data Pattern	-5.5	-18.8	-18.0
Dixon Technolog.	-4.8	2.5	38.5
Kaynes Tech	-4.5	-3.2	35.9
Syrma SGS Tech.	-1.0	14.3	74.4
Healthcare			
Ajanta Pharma	-0.5	-0.2	-12.0
Alembic Pharma	-1.6	-6.5	-23.0
Alkem Lab	-2.5	-1.1	-16.5
Apollo Hospitals	-1.2	-6.4	8.3
Aurobindo	-2.6	-9.2	-29.6
Biocon	-5.7	-7.0	1.2
Blue Jet Health	3.4	-8.2	65.9
Cipla	-0.3	-0.2	-5.4
Divis Lab	-3.5	-14.8	22.3
Dr Agarwals Health	2.3	2.6	
Dr Reddy's	0.9	-5.6	-12.7
ERIS Lifescience	1.8	0.8	48.1
Gland Pharma	-1.2	2.5	-4.6
Glenmark	7.2	16.8	21.2
Global Health	-2.3	-8.7	-32.7
Granules	-1.0	-18.7	-7.7
GSK Pharma	-2.1	10.3	39.1
IPCA Labs	-0.3	-5.4	1.9
Laurus Labs	-2.0	5.6	90.4
Laxmi Dental	-1.2	-7.5	
Lupin	-1.3	-0.2	-6.5
Mankind Pharma	-1.6	-3.9	42.3

Company	1 Day (%)	1M (%)	12M (%)
Max Healthcare	-2.8	1.5	19.0
Piramal Pharma	-0.9	-5.6	2.7
Sun Pharma	-0.7	-5.1	-8.6
Torrent Pharma	-0.7	7.5	7.2
Zydus Lifesci.	-0.9	-4.8	-26.8
Infrastructure	-1.3	-6.4	-2.2
G R Infraproject	-0.4	-2.5	-24.5
IRB Infra.Devl.	-2.9	-12.0	-31.7
KNR Construct.	0.2	-4.7	-42.4
Logistics			
Adani Ports	-1.5	-8.5	-12.8
Blue Dart Exp.	0.2	-12.0	-27.6
Delhivery	-0.2	13.7	13.7
Container Corpn.	0.6	-7.0	-30.3
JSW Infrast	-1.8	-4.6	-6.1
Mahindra Logis.	1.4	-3.8	-27.3
Transport Corp.	-0.4	-0.5	14.1
TCI Express	-0.4	-10.5	-42.7
VRL Logistics	-1.4	-8.1	7.0
Media	-0.1	-6.1	-20.8
PVR INOX	0.4	10.2	-26.4
Sun TV	-2.0	-4.1	-37.8
Zee Ent.	-1.6	-22.7	-18.4
Metals	-1.8	-3.9	2.0
Hindalco	-2.0	-1.9	9.6
Hind. Zinc	-0.9	-3.6	-29.9
JSPL	-2.5	2.4	6.0
JSW Steel	-1.5	0.4	18.2
Jindal Stainless	-5.7	-0.1	3.0
Nalco	-1.2	-1.3	8.5
NMDC	-0.6	4.1	-4.2
SAIL	-1.9	-10.4	-11.9
Tata Steel	-1.1	-2.5	5.1
Vedanta	-1.5	-5.4	2.2
Oil & Gas	-0.1	-8.8	-17.4
Aegis Logistics	-3.1	-0.4	15.1
BPCL	-1.3	-1.7	33.0
Castrol India	-1.2	-5.6	-2.5
GAIL	2.9	-10.2	-5.6
Gujarat Gas	1.0	-11.2	-24.7
Gujarat St. Pet.	-0.8	-2.3	-16.6
HPCL	1.3	-9.3	-30.8
IOCL	1.6	-7.9	-9.4
IGL	1.8	-9.5	5.2
Mahanagar Gas	-1.2	-9.0	-17.8
MRPL	-1.6	-11.3	-25.4
Oil India	1.7	-13.2	-37.8
ONGC	2.2	-12.7	-26.8
PLNG	0.1	-2.4	-29.4
Reliance Ind.	-0.2	-4.0	-27.7
Real Estate	-2.1	-11.0	-13.2
Anant Raj	-2.3	-3.0	2.7
Brigade Enterpr.	-0.7	-15.4	-18.3

Company	1 Day (%)	1M (%)	12M (%)
DLF	-1.6	-11.4	-10.3
Godrej Propert.	-3.5	-14.7	-31.4
Kolte Patil Dev.	-1.3	-16.6	8.5
Mahindra Life.	-1.3	-5.9	-33.2
Macrotech Devel.	-1.6	-12.5	1.2
Oberoi Realty Ltd	-2.4	-15.4	-9.9
SignatureGlobal	0.3	-10.4	-20.7
Sobha	-3.1	-0.5	-10.6
Sunteck Realty	1.6	-12.6	-32.6
Phoenix Mills	-2.7	-10.0	-14.2
Prestige Estates	-1.6	-3.3	-3.9
Retail			
Aditya Bir. Fas.	-2.5	-6.7	-35.6
A B Lifestyle	-2.4	-20.0	
Avenue Super.	-2.2	-1.0	-16.3
Barbeque-Nation	0.2	-16.9	-54.7
Bata India	0.0	-5.0	-18.8
Campus Activewe.	0.2	-1.8	-11.6
Devyani Intl.	-2.7	-9.1	-11.0
Go Fashion (I)	-1.4	-22.2	-36.8
Jubilant Food	-1.8	-9.3	4.6
Kalyan Jewellers	-10.6	-8.0	-1.6
Metro Brands	-2.2	-5.1	-17.3
P N Gadgil Jewe.	0.6	-8.2	
Raymond Lifestyl	-3.9	-17.6	
Relaxo Footwear	-3.1	-12.0	-47.6
Restaurant Brand	-2.4	-2.5	-24.9
Sapphire Foods	0.3	-5.9	-1.2
Senco Gold	-2.6	-5.2	-35.7
Shoppers St.	-1.1	0.0	-30.5
Titan Co.	1.3	0.5	5.0
Trent	0.3	-2.3	-5.8
Vedant Fashions	1.2	-8.4	-33.7
V-Mart Retail	-2.0	-3.9	-16.3
Vishal Mega Mart	-3.8	7.1	
Westlife Food	-1.0	-14.9	-14.8
Technology	-0.9	-11.8	-10.5
Cyient	-1.8	-9.6	-31.0
HCL Tech.	0.0	-13.6	-5.3
Hexaware	-0.8	-18.5	
Infosys	-1.0	-13.2	-18.4
LTIMindtree	-0.5	-6.6	-6.1
L&T Technology	-0.6	-3.6	-14.6
Mphasis	-0.4	-7.5	1.7
Coforge	-5.7	-17.6	37.4
Persistent Sys	-1.5	-11.7	10.7
TCS	-0.3	-10.9	-27.2
Tech Mah	-0.1	-9.5	1.0
Wipro	-1.3	-11.3	-1.9
Zensar Tech	-0.6	-7.0	4.3
Telecom	-1.8	-10.5	-11.1
Bharti Airtel	-3.3	-8.4	28.0
Indus Towers	-0.6	-18.1	-20.3

Company	1 Day (%)	1M (%)	12M (%)
Idea Cellular	-3.1	-10.7	-59.0
Tata Comm	-1.1	-6.2	-10.8
Utilities	-0.9	-5.0	-19.6
ACME Solar Hold.	-2.1	4.9	
Coal India	0.0	-0.8	-27.5
Indian Energy Ex	3.4	-31.3	-28.7
Inox Wind	-4.1	-19.8	-17.5
JSW Energy	-2.7	0.9	-25.9
NTPC	1.5	-2.5	-17.9
Power Grid Corpn	-0.2	-4.3	-16.9
Suzlon Energy	-1.6	-4.6	-13.3
Tata Power Co.	-1.8	-5.5	-9.4
Others			
APL Apollo Tubes	-1.7	-10.5	-24.9
Astral	-2.8	-7.4	-33.9
Cello World	-0.8	-9.1	10.3
Coromandel Intl	0.0	-0.3	2.6
Dreamfolks Servi	-0.5	-7.5	-35.9
EPL Ltd	2.9	-7.2	0.4
Eternal Ltd	-0.3	14.2	13.3
Godrej Agrovet	2.3	-1.4	8.4
Gravita India	0.5	4.5	2.3
Havells	-2.0	-0.1	1.6
Indiamart Inter.	-3.3	-1.4	-0.1
Indian Hotels	0.0	0.3	-8.5
Info Edge	-0.9	-0.5	19.8
Interglobe	-2.2	-8.7	-3.7
Kajaria Ceramics	-1.5	-0.6	35.5
Lemon Tree Hotel	-5.0	-42.0	106.6
MTAR Technologie	-0.5	-2.4	13.5
One 97	-0.3	16.6	108.9
Piramal Enterp.	-2.3	-2.2	20.9
Prince Pipes	-2.5	-19.7	-52.0
Quess Corp	-3.4	-12.3	-19.2
SIS	1.2	1.5	-11.5
Supreme Inds.	-0.6	-1.1	-18.4
Swiggy	-3.4	0.9	
Time Technoplast	1.9	5.4	44.0
Team Lease Serv.	-0.8	-12.4	-43.5
Updater Services	-0.2	-10.9	-18.3
UPL	-2.4	2.3	31.1
Voltas	-2.9	-7.5	-25.3
Va Tech Wab.	0.6	2.0	17.4

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