Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	81,274	0.8	4.0
Nifty-50	24,877	1.0	5.2
Nifty-M 100	57,113	1.1	-0.2
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	6,449	-0.01	9.6
Nasdaq	21,630	0.03	12.0
FTSE 100	9,158	0.2	12.0
DAX	24,315	-0.2	22.1
Hang Seng	9,034	-0.1	23.9
Nikkei 225	43,714	0.8	9.6
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	67	-1.2	-9.1
Gold ($/OZ)	3,333	-0.1	27.0
Cu (US$/MT)	9,636	-0.4	11.4
Almn (US$/MT)	2,588	-1.0	2.4
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	87.4	-0.2	2.0
USD/EUR	1.2	0.1	12.6
USD/JPY	147.9	0.1	-5.9
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.5	0.10	-0.3
10 Yrs AAA Corp	7.3	0.07	0.0
Flows (USD b)	**18-Aug**	**MTD**	**CYTD**
FIIs	0.1	-1.77	-12.8
DIIs	0.47	7.30	55.4
Volumes (INRb)	**18-Aug**	**MTD***	**YTD***
Cash	1,159	1000	1068
F&O	1,27,953	2,18,568	2,14,096

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

JSW Cement | Initiating Coverage: Leveraging group synergies with greener solutions

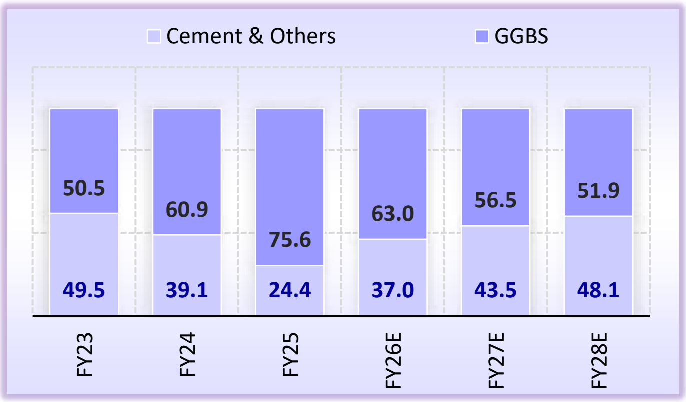
- JSWC, a part of JSW Group, is among the top 10 cement manufacturers in India in terms of grinding capacities. JSWC commenced its journey from the southern region with an aim to consume slag produced by a group company. Currently, it operates seven plants across India and a clinker unit in the UAE, with clinker/grinding capacity of 6.4mtpa/20.6mtpa. Unlike other cement companies, which are predominantly into grey cement, JSWC has a higher concentration of revenue/profits from GGBS. It is the largest manufacturer of GGBS in India with a market share of ~84%.
- JSWC delivered a CAGR of ~8%/9% in grinding capacity/volume over FY19-25, outperforming the industry, led by timely project execution and a diversified product mix. The company aims to grow its clinker/grinding capacity to 9.7mtpa/31.9mtpa by FY28 through greenfield plants in the northern and eastern regions and a brownfield expansion in the southern region. We estimate a CAGR of 19%/31% in revenue/EBITDA over FY25-28, driven by higher sales volume and pricing improvement. EBITDA/t is estimated to clock a CAGR of ~12% over FY25-28.
- JSWC is well positioned to capitalize on the growing demand for GGBS, supported by long-term supply agreements for blast furnace slag. Despite improvement in profits and fundraising, we expect debt to remain elevated, driven by higher capex of INR56b over FY25-28E. We initiate coverage on JSWC with a Neutral rating and a target price of INR163, valuing at 15x Sep'27E EV/EBITDA.

Research covered

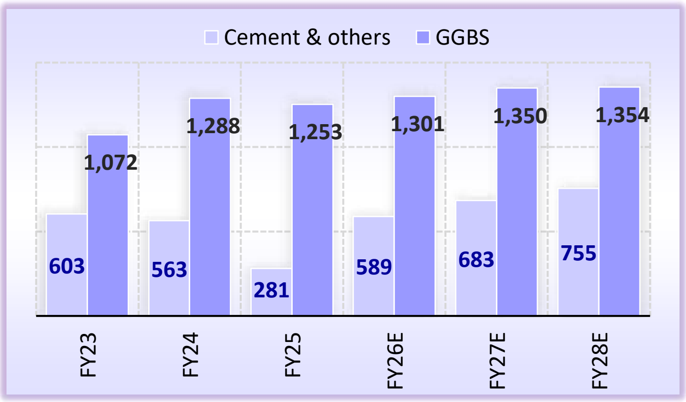
Cos/Sector	Key Highlights
JSW Cement | Initiating Coverage	Leveraging group synergies with greener solution
Automobiles	GST 2.0: A much-needed booster dose
Expert Speak | India Strategy	GST 2.0: Potential to usher in a new era
Other Updates	NTPC | IOCL | Vodafone Idea | NMDC | Glenmark Pharma | Amara Raja

Chart of the Day: JSW Cement | Initiating Coverage (Leveraging group synergies with greener solutions)

Contribution of cement & other/GGBS in EBITDA (%)



EBITDA/t estimate for cement & other and GGBS (INR)



Research Team (Gautam.Duggad@MotilalOswal.com)

1

Escorts Kubota To Set Up Rs 4,500 Crore Tractor Manufacturing Plant On Yamuna Expressway

The Yamuna Expressway Industrial Development Authority has allotted around 200-acre land to Escorts Kubota Ltd. for setting up a Rs 4,500 crore tractor manufacturing unit.

2

GMR Airports to redeem ₹5,000-crore non-convertible bonds by August 30

The redemption covers three sets of bonds — one worth ₹1,950 crore, another worth ₹800 crore, and a third ₹2,250 crore. Together, these add up to ₹5,000 crore.

3

Swiggy partners with Bounce to roll out e-scooters for delivery fleet

Swiggy on Monday announced a partnership with electric vehicle (EV) company Bounce. The collaboration aims to utilise Bounce's electric scooters for the food delivery major's operations across multiple cities.

4

Hindustan Zinc to invest ₹3,823 cr to build tailings reprocessing plant

Hindustan Zinc Ltd's (HZL's) board has approved an investment of ₹3,823 crore for a zinc tailings reprocessing plant in Rampura Agucha, Bhilwara district, Rajasthan. The new plant, with a capacity of 10 million tonnes per annum (mtpa), is targeted for completion within 28 months.

5

Tips Music acquires Studio Radha's full catalogue to expand into Gujarat

Tips Music has acquired Studio Radha's full music catalogue for an undisclosed amount to expand its footprint in Gujarat's cultural music heritage. Studio Radha, known for its collection of more than 4,000 traditional songs — including devotional music, folk music and cultural storytelling — will add a heritage-rich catalogue to Tips' portfolio and strengthen its position in regional Indian music. The company said it will also explore new digital streaming and global publishing opportunities.

6

Amazon India hires 150,000 seasonal workers ahead of festive demand surge

Amazon India said it has created more than 150,000 seasonal jobs across its operations network as the e-commerce giant prepares for a surge in demand during the country's peak festive shopping season.

7

Reliance Consumer Products acquires majority stake in Naturedge Beverages

Reliance Consumer Products (RCP), the FMCG arm of Reliance Industries (RIL), has forayed into the fast-growing healthy functional beverage space with the acquisition of majority stake in a joint venture (JV) with Naturedge Beverages as it looks to enhance its presence as a total beverage company.

18 August 2025

Initiating Coverage | Sector: Cement

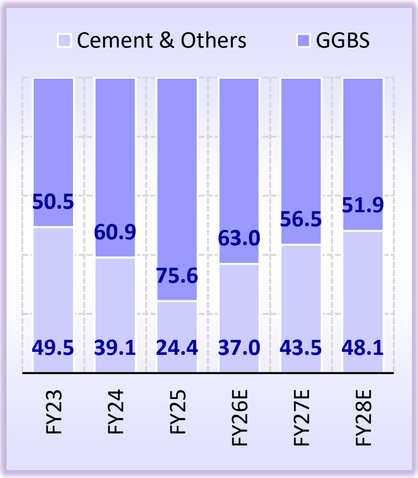
JSW Cement

BSE SENSEX	S&P CNX
81,274	24,877

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	68.2	84.1	98.3
EBITDA	12.7	16.2	19.2
Adj. PAT	3.1	4.0	4.8
EBITA Margin (%)	18.7	19.3	19.5
Cons. Adj. EPS (INR)	2.3	2.9	3.6
EPS Gr. (%)	n/m	27.0	21.5
BV/Sh. (INR)	45.1	48.8	52.8
Ratios			
Net D:E	0.7	0.8	0.8
RoE (%)	7.4	6.2	7.0
RoCE (%)	7.4	7.4	7.8
Payout (%)	10.0	15.0	20.0
Valuations			
P/E (x)	2.3	2.9	3.6
P/BV (x)	3.3	3.1	2.8
EV/EBITDA (x)	19.6	16.0	13.6
EV/ton (USD)	133	107	94
Div Yield (%)	0.2	0.3	0.5
FCF Yield (%)	-7.5	-2.4	1.8

Contribution of cement & other/GGBS in EBITDA (%)



CMP: INR150 TP: INR163 (+9%) Neutral

Leveraging group synergies with greener solutions

India's leading GGBS manufacturer with ~84% market share

- **Ground granulated blast furnace slag (GGBS) contributes significantly to EBITDA: Leveraging JSW Group's presence in steel manufacturing, JSW Cement (JSWC) is the largest supplier of GGBS in India with ~84% market share in FY25. The product is manufactured from slag, a byproduct of the steel-making process. GGBS accounted for ~34% of JSWC's total revenue in FY25, though we believe that its contribution to EBITDA was higher at ~61%/76% in FY24/FY25. We estimate GGBS EBITDA contribution to be at ~63%/57%/52% in FY26/FY27/FY28.**
- **Capacity expansion to help regional diversification for cement: The company's current expansion plans will mark its entry into the North region, where industry profitability is better compared to the South region. It will also help JSWC reduce its capacity concentration in the South region to ~41% in FY28E from ~53% in FY25. We expect a higher cost of limestone for the North plant (INR210/t+ higher as mines have been acquired through e-auction) to be offset by state incentives (INR273/INR140 per ton in FY27/28E) as new cement plants in Rajasthan are eligible for state incentives for seven years.**
- **Capex intensity to keep debt elevated: We estimate a capex of INR56b during FY26-28E, which would be mainly for the Rajasthan integrated unit. The remaining capex will be used for a grinding unit of Shiva Cement, a greenfield GU in Punjab and brownfield capacity expansion in the south region. Net debt is estimated to be at INR57.5b in FY28E vs. INR40.7b (excl. CCPS) in FY25. Net debt-to-EBITDA ratio is estimated to remain elevated at 3.0x in FY28E vs. 3.2x/4.7x in FY24/FY25.**
- **Fairly valued; initiate with Neutral: Over FY25-28E, we estimate a CAGR of 19%/31% in revenue/EBITDA, led by volume (~12%/19% CAGR for GGBS/cement) and pricing growth (~2%/3% CAGR for GGBS/cement). It should report a profit of ~INR3b in FY26E (loss of INR554m adjusted for CCPS-related charges in FY25). RoIC should rise to 8.1% in FY28E from 5.7% in FY25. We initiate coverage on JSWC with a Neutral rating and a target price of INR163, valuing at 15x Sep'27E EV/EBITDA.**
- **Key upside risks: 1) improvement in C:C ratio for existing plants and higher-than-estimated C: C ratio for the North plant; and 2) higher-than-estimated GGBS volumes and higher utilization for the North plant. Key downside risks: 1) declining trade volumes of ~53% in FY25 vs. ~65% in FY22; 2) pricing pressure in the South region; and 3) delay in capacity commissioning in the North or lower utilization there.**

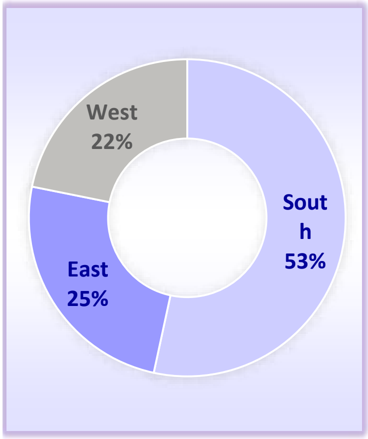
GGBS: Higher contributor to EBITDA (~52% in FY28E vs. ~76% in FY25)

- JSWC, unlike other cement companies that are predominantly into grey cement, has a higher profitability share from GGBS, in our view. GGBS is manufactured from slag, a byproduct of the steel-making process, and JSWC leverages its group presence in steel to procure slag under long-term agreements.
- JSWC is the largest supplier of GGBS in India with ~84% share in FY25. Other companies using slag for cement manufacturing procure it from steel manufacturers. Out of ~37mt slag produced in FY25, 65-70% was used by the cement sector. JSWC consumed ~9.7mt slag in FY25.

- GGBS contributed ~33%/34% to JSWC's total revenues in FY24/FY25; however, its EBITDA contribution was much higher at ~61%/76% in FY24/FY25 (as per our calculations). GGBS sales by JSWC increased at ~12% CAGR over FY19-25 and we estimate sales volume CAGR of ~12% over FY25-28E. We estimate GGBS revenue contribution to be at ~35%/32%/31% in FY26/27/28E. Based on our estimates, we expect its EBITDA contribution to be at ~63%/57%/52% in FY26/27/28E.

Regional diversification through expansion in North

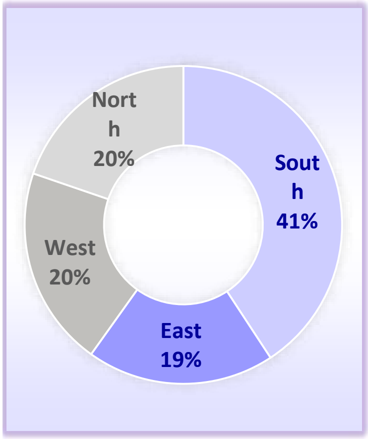
Grinding capacity geographic-mix (FY25)



- JSWC's ~53% of grinding capacities (both cement and slag grinding capacities are fungible) are in the south region, while ~25%/22% of capacities are in the East/West regions. With its expansion in the North, we believe that ~41%/20%/20%/19% of grinding capacities will be in the South/West/North/East regions in FY28E.
- Regional diversification will help JSWC in risk mitigation as profitability for cement companies as of now is better in the North region than in the South/East regions. JSWC's mines in Nagaur, Rajasthan, have been acquired through e-auctions and we believe that the cost of limestone will be higher by INR210/t+ compared to other operating mines in the region.
- Nagaur plant will also be eligible for state incentives, which represent 75% of state tax due and are deposited for a period of seven years from the date of commencement of commercial production. However, the annual ceiling on incentives is capped at INR500m for 1-3 years and INR650m for 4-7 years. Based on our assumptions, we expect incentive per ton from the Nagaur plant to be at INR273/INR140 per ton in FY27/28E.
- The commissioning of a grinding unit at the Shiva Cement plant in the east region may also help in cost savings as other grinding units are situated at a distance of ~370-400km. However, the benefit would be marginal as the clinker plant operated at ~68% capacity (in FY25) and currently caters to the requirements of grinding units in Odisha and West Bengal.

Surplus grinding unit estimated in the North region

Grinding capacity geographic-mix by FY28E

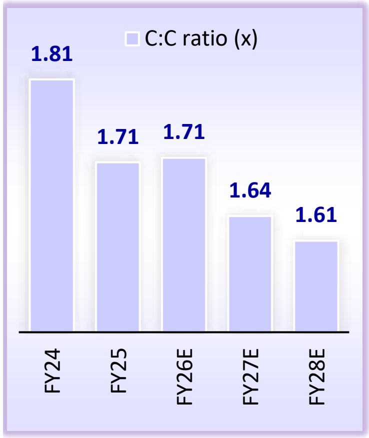


- JSWC is planning to increase its clinker capacity by 3.3mtpa to 9.7mtpa by 4QFY26, while its grinding capacity is estimated to increase to 27.9mtpa by FY27 and 31.9mtpa by FY28. The clinker-to-cement conversion (C:C) ratio of the company declined to 1.71x in FY25 from 1.81x in FY24. We expect the C:C ratio for the North plant to be lower initially (40% OPC and 60% PPC) and hence, it is estimated to be at 1.61x in FY28E.
- We believe that the company will have a surplus GU capacity of ~8mtpa (excess grinding capacity in North region to be at ~1.5mtpa) based on its current expansion plans. We estimate the Nagaur plant's clinker capacity utilization to be at ~40%/70% in FY27/28E, which reflects a grinding capacity utilization of ~51-52% in FY27/28E.
- Cement volume CAGR should be at ~19% over FY25-28E, based on ~7% CAGR from existing plants and additional volumes from the North plant.

Debt to remain high; net debt-to-EBITDA at 3.0x in FY28E

- Based on the stated capacity expansion plans, we expect a capex of INR56b during FY26-28E, mainly for the Rajasthan integrated unit, while the remaining capex will be spent on the Shiva Cement GU, a greenfield GU in Punjab, and brownfield capacity expansion in the South region.
- Cash outflow during FY26-28E is estimated to be at INR16.8b and hence, we estimate net debt to be at INR45.2b/INR55.1b/INR57.5b in FY26/27/28E vs. INR40.7b (ex-CCPS) in FY25.
- Net debt-to-EBITDA ratio is estimated to remain high at 3.6x/3.4x/3.0x in FY26/27/28E vs. 3.2x/4.7x in FY24/25.

C:C ratio is estimated to decline over FY27-28



Estimate CAGR of ~19%/31% in revenue/EBITDA over FY25-28E

- JSWC's performance in FY25 was impacted by ~8% YoY decline in cement realization which led to ~4%/20% decline in revenue/EBITDA. Going forward, we estimate ~19% revenue CAGR over FY25-28E, led by volume growth (~12%/19% CAGR for GGBS/cement) and higher cement/GGBS prices (~2%/3% CAGR for GGBS/cement).
- We estimate ~31% EBITDA CAGR over FY25-28 and expect EBITDA/t of INR993 in FY28E vs. INR699 in FY25 (CAGR of ~12% over FY25-28E). OPM is estimated to be at ~20% in FY28E vs. ~15% in FY25.
- JSWC reported a loss of INR1.6b in FY25; however, adjusted for CCPS-related charges, we believe that the loss was ~INR554m in FY25. Higher profitability of cement and GGBS, along with stable interest expenses (absence of CCPS-related charges), should help the company to report a profit of ~INR3b in FY26, which we expect to increase to ~INR5b in FY28E.

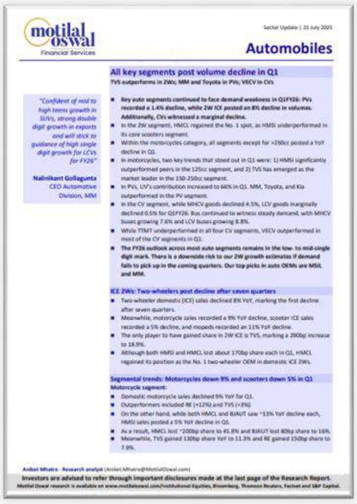
Valuation and view: Fairly valued; initiate with Neutral

- At CMP, JSWC trades at 16.0x/13.6x FY27/28E EV/EBITDA and USD107/USD94 FY27/28 EV/t (adjusted EV/t at USD122/USD120 for FY27/28E considering surplus grinding units).
- The Ramco Cements (TRCL) and Dalmia Bharat (DALBHARA), which operate in similar markets, trade at 14.0x and 11.4x FY27E EV/EBITDA, respectively. Considering the aggressive expansion plans of JSWC and earnings stability due to its exposure in GGBS, we value it at a higher multiple of 15x Sep'27E EV/EBITDA to arrive at our TP of INR163. We initiate coverage on JSWC with a Neutral rating.

Valuation summary

	M-cap (USD b)	CMP (INR)	Rating	P/E (x)			EV/EBITDA (x)			EV/t (USD)			ROE (%)			Net debt/ EBITDA (x)		
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
UTCEM	43.1	12,765	Buy	41.7	33.3	27.7	21.9	18.1	15.5	224	207	215	12.2	14.0	15.2	0.9	0.5	0.1
ACEM	17.0	590	Buy	48.4	34.8	29.0	20.9	16.6	13.9	160	153	148	4.8	6.4	7.3	(0.0)	(0.2)	(0.3)
SRCM	13.2	31,326	Neutral	71.3	58.2	48.4	21.2	18.1	15.4	179	174	167	7.3	8.4	9.4	(1.0)	(1.1)	(1.2)
JKCE	6.6	7,305	Buy	45.5	36.6	30.7	21.9	18.2	15.8	229	225	190	18.7	19.7	19.7	1.6	1.1	0.7
DALBHARA	5.1	2,330	Buy	31.9	33.5	27.9	12.7	11.4	10.5	105	94	96	7.6	6.9	7.8	0.6	0.9	0.8
ACC	4.1	1,844	Neutral	20.2	15.9	13.2	9.7	7.5	5.9	80	76	71	9.0	10.5	11.4	(1.1)	(1.3)	(1.5)
TRCL	3.0	1,087	Neutral	57.8	40.0	30.8	16.5	14.0	12.0	132	114	97	5.8	7.9	9.5	2.3	2.0	1.5
JSWC	**2.4**	**150**	**Neutral**	**65.1**	**51.2**	**42.2**	**19.6**	**16.0**	**13.6**	**133**	**107**	**94**	**7.4**	**6.2**	**7.0**	**3.6**	**3.4**	**3.0**
ICEM	1.3	370	Sell	Loss	98.2	32.6	36.3	23.2	15.2	96	100	103	(0.5)	1.2	3.6	4.0	2.5	1.4
JKLC	1.3	945	Buy	21.5	17.8	17.7	11.6	9.7	8.6	83	79	71	14.1	15.0	13.3	1.7	2.0	1.9
BCORP	1.2	1,288	Buy	17.5	15.1	13.0	7.7	6.5	5.7	65	62	54	7.8	8.4	9.1	1.9	2.2	1.9

Source: MOFSL, Note: ACEM estimates and valuation on a consolidated basis



GST 2.0: A much-needed booster dose

Proposed rate cuts likely to revive sector demand from this festive season

Auto demand has been weak in the first four months of FY26, with all segments, except tractors, trailing growth estimates. In terms of volume, the domestic 2W industry is down 4% YoY (earlier estimate of high single-digit growth), PVs are down 1% YoY (est. of 2-4% growth) and CVs are flat YoY (est. of mid-single-digit growth). In such a muted situation, the government's proposal to rationalize GST rates comes as a much-needed booster dose for the sector given that the bulk of the auto sector falls under the 28% slab, which is proposed to be reduced to 18%. This is expected to reduce vehicle prices by ~7%, hence leading to a demand revival. This is in addition to several tailwinds for the sector such as: 1) positive progress of monsoon driving up rural sentiment, 2) income tax benefits, and 3) interest rate cuts. Thus, if the GST rate rationalization happens on expected grounds, it is likely to drive a pick-up in auto demand from this festive season and is also likely to drive a re-rating for the sector. Segmental beneficiaries include small cars (as SUVs are likely to be taxed higher) and 3Ws and CVs (as benefit for 2Ws would be partially offset by ABS mandate). We would wait to understand the finer details of this proposal before changing our estimates and recommendations. Our top OEM picks in the sector remain Maruti Suzuki, Hyundai India and M&M, and our top auto ancillary picks are Endurance, SAMIL and Happy Forgings.

While the stocks have moved up 2-9% on 18th Aug'25, we elaborate our thoughts on different sub-segments after interacting with a few companies and experts.

GST rate rationalization proposal – understanding sectoral nuances

Passenger Vehicles (PVs)

- All PVs currently fall under the 28% GST bracket.
- However, there are multiple sub-segments, and each gets taxed at a different rate depending on the fuel mix and the cess levied on each vehicle.
- Simply put, small cars (up to 4 meters in length) are taxed at 28%, whereas large cars (above 4 meters) are taxed in the range of 43-50%.
- As per our understanding, the GST rates would be reduced only for small cars, while large cars are likely to be classified as "luxury" and hence would remain in the higher tax slab.
- Moreover, given that the government's target is to benefit the middle class and it would have limited fiscal room, we think large vehicles are likely to be taxed at a higher rate.
- Hence, we believe MSIL is likely to be one of the major beneficiaries of this move compared to peers.

Two Wheelers (2Ws)

- 2Ws up to 350cc get taxed at 28%, and 2Ws above 350cc attract another 3% cess and hence get taxed at 31%.
- This segment is also likely to see a reduced GST rate of 18%.
- However, the government also wants to implement ABS for all 2Ws, which the government may push along with a cut in GST rates.
- Thus, assuming the government's push for its ABS mandate, the net benefit from the GST rationalisation would be limited for 2Ws.

Commercial Vehicles (CVs)

- This segment is also taxed at a 28% GST rate.
- It will benefit both from a reduction in GST rates and a general pick-up in consumption.
- However, the only pure-play CV company that would benefit from this is Ashok Leyland.

Tractors

- Tractors are currently taxed at 12%.
- This segment already suffers the inverted duty structure as majority of its components are taxed at 18%. Hence, the entire input tax credit cannot be claimed, which leads to working capital blockage.
- Hence, even if the GST rate is reduced to 5% for tractors, it remains to be seen if this sector will see a commensurate benefit, as we do not expect the tax rate on components to be reduced to 5%.

Quick observation on few auto ancillaries

- We understand that tyres (except farm) and batteries attract a GST rate of 28%. These segments have a huge replacement market. Thus, they stand to benefit from the GST reduction.
- The GST rate on segments like forgings and wiring harness is 18%, which may remain unchanged.
- Overall, the GST restructuring would be a pass-through for all auto ancillaries, though we believe domestic-focused companies are likely to be indirect beneficiaries of this rationalisation given the expected demand revival. Since export-focused companies continue to face headwinds in their end markets, we think the final benefit of this measure is unlikely to be material for them.
- Hence, key auto ancillaries within our coverage universe that are expected to benefit include all tyre companies, battery companies, Bosch, Endurance, Happy Forgings and MSWIL.
- **A quick take on Endurance**: Endurance enjoys a dual benefit: 1) first is the indirect effect of auto demand recovery 2) the possible implementation of ABS on all 2Ws.

Near-term factors to watch out for

- While the GST rate rationalisation is going to drive long-term demand for the sectors where it is applicable, it is likely to have some teething issues in the interim.
- For instance, if these rates are not implemented soon, customers are unlikely to buy vehicles before this move in anticipation of the rate cut.
- At a time when OEMs were looking to push dealer stock in anticipation of a demand revival in the festive, this move is likely to put OEMs in a spot in the interim.
- Further, beyond the dealer stocks, it remains to be seen what happens to the working capital in the system in this transition period and who bears the impact of the same. We wait for clarity on these issues.

Understanding the timelines

- The GoM will be meeting to discuss the GST rate rationalization on 20-21 Aug.
- If the Centre’s proposal is accepted by the GoM, it is likely to be placed before the GST Council in its meeting scheduled for next month.

Our View

- FY26 has started off on a weak note for the auto sector as most segments, except tractors, are currently trailing growth expectations.
- After the first four months of FY26, domestic 2W industry is down 4% YoY (earlier estimate of high single digit growth), PVs are down 1% YoY (est of 2-4% growth) and CVs are flat YoY (estimate of mid-single digit growth).
- The proposed GST cut rationalisation is a much-needed booster shot for the sector. This is in addition to upcoming favorable tailwinds such as: 1) positive progress of monsoon driving up rural sentiment, 2) income tax benefits, and 3) interest rate cuts.
- Thus, if the GST rate rationalisation happens on expected grounds, it is likely to drive a pick-up in auto demand from this festive season and is also likely to drive a re-rating for the sector.
- We would wait to understand the finer details of this proposed move before changing our estimates/recommendations.
- Our top OEM picks in the sector remain Maruti Suzuki, Hyundai India and M&M and our top auto ancillary picks are Endurance, SAMIL and Happy Forgings.

Segment-wise GST rates

Segments	Sub segments	GST	Cess	Total
PVs petrol, CNG, LPG	❖ Up to 4 mtr and up to 1200cc	28	1	29
PV diesel	❖ Up to 4 mtr and up to 1500cc	28	3	31
PV	❖ Up to 1500cc	28	17	45
PV	❖ above 1500cc	28	20	48
PV	❖ >4mtr and >1500cc and >1700mm ground clearance	28	22	50
PV hybrid	❖ Up to 4mtr and 1200cc petrol	28	0	28
PV hybrid	❖ above 4mtr or above 1200cc petrol	28	15	43
Two Wheelers	❖ up to 350cc	28	0	28
Two Wheelers	❖ >350cc	28	3	31
Three Wheelers		28	0	28
CVs	❖ 10-13 seater	28	15	43
CVs	❖ > 13 seater and CV goods	28	0	28

Valuation snapshot

Auto OEM's	Rating	CMP (INR)	P/E (x)		EV/EBITDA (x)		PB (x)		EPS CAGR (%)
			FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY25-27E
Bajaj Auto	Neutral	8,588	26.6	23.8	19.3	16.9	6.9	6.4	9.8
Hero MotoCorp	Buy	4,984	20.1	18.5	13.4	12.0	4.7	4.4	9.1
TVS Motor	Neutral	3,220	48.0	40.5	29.5	25.3	12.2	9.8	18.1
Eicher Motors	Sell	5,911	33.0	30.2	31.5	27.9	6.7	5.9	6.4
Maruti Suzuki	Buy	14,075	28.5	25.9	19.3	16.3	4.2	3.8	10.7
M&M	Buy	3,381	28.3	24.7	19.6	16.8	2.8	2.4	17.7
Tata Motors	Neutral	676	14.8	13.0	4.8	4.0	1.9	1.7	-9.4
Hyundai	Buy	2,427	35.7	28.7	21.8	17.1	9.8	7.9	10.4
Ashok Leyland	Buy	132	22.9	19.6	13.7	11.6	6.0	5.3	10.7
Escorts	Neutral	3,622	34.3	30.8	28.9	28.8	3.9	3.6	8.0

Expert Speak

GST 2.0: Potential to usher in a new era

MR. Shailesh Haribhakti

Mr. Shailesh Haribhakti is a pioneering advocate of ESG, CSR, and sustainability, with a five-decade career as a Chartered and Cost Accountant. His illustrious career encompasses roles as a Chartered and Cost Accountant, Certified Internal Auditor, Financial Planner, and Fraud Examiner. Beyond his impressive credentials, he is recognized as a transformative leader, serving as Board Chairman, Audit Committee Chairperson, and Independent Director at several of the nation's leading organizations. He has served on the Securities and Exchange Board of India (SEBI)'s Committee on Disclosures and Accounting Standards and Takeover Panel and was Chairman of the NPS (National Pension Scheme) Trust from 2015-2017.

We hosted Mr. Shailesh Haribhakti, a veteran finance and strategy professional, to understand the effects of GST 2.0 announcements on the economy and key sectors. He hailed the announcement as a potential 'growth reform' and not just a 'tax reform', sounding optimistic about the wide-ranging economic benefits expected to accrue after the implementation of the proposed reform.

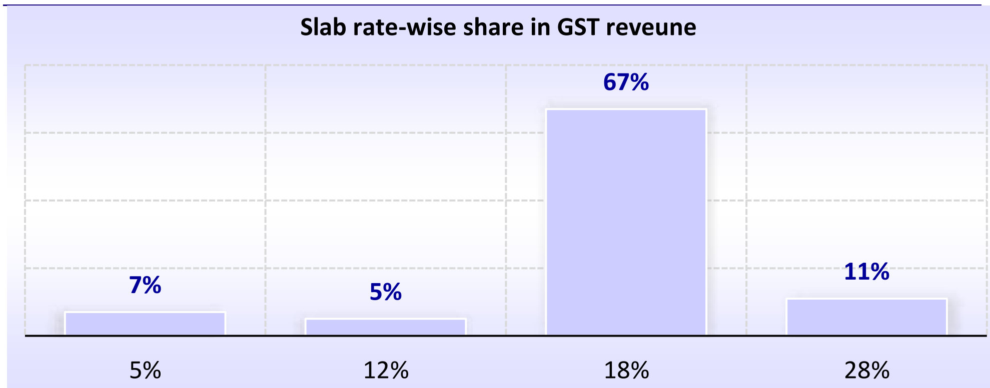
- **Quick takeaways from the call: (a)** There is a strong significance in Prime Minister Narendra Modi personally announcing GST 2.0, signaling the government's serious intent and preparation; **(b)** Rationalization of slabs to 5%/18% (vs. 5%/12%/18%/28%) is more than an exercise in arithmetic; it can have a multiplier effect on the whole GST ecosystem; **(c)** Beyond the simplification of the rate structure, the government could also consider structural reforms like bringing the hitherto excluded segments such as oil & gas, electricity, real estate under the GST regime; this will mark the much-needed transition towards a universal coverage and allow a seamless flow of goods and services through the supply chain; **(d)** The chronic issue of inversion and inadequate input tax credit flow should be addressed after the rationalization and better coverage; **(e)** Strong gains can flow from the seemingly mundane but practical streamlining and procedural simplification; **(f)** Better compliance and widening of tax net could follow; **(g)** Autos, cement, consumer durables (RAC) and consumption sectors are among the key beneficiaries; Cement can see more benefits if real estate gets uniform treatment; **(h)** All indicators suggest the possibility of fast implementation; **(i)** The fiscal impact will be manageable.
- **After his initial address on GST during the inauguration in 2017, this Independence Day was the first time that PM himself made a declaration on GST, suggesting deeper significance. This could be viewed as political signaling and an economic rebuttal of US tariffs by highlighting and enhancing the strong potential of the Indian economy.**
- **Mr. Haribhakti shared finer details on the impact of GST rationalization to 2 core rates of 5% & 18%. Multiple rates have been the key source of disputes, and the rate arbitrage will end after the two-rates-regime comes into force. Several far-reaching benefits can accrue if this rationalization is carried out in spirit. The vexatious issue of a partial flow-through of input tax credit (ITC) will be significantly resolved as lower rates and a lesser number of rates will help to address the issue of inversion, a key reason preventing the full realization of ITC benefits. Moreover, the digital ecosystem is now well primed to ensure a smooth adoption of the proposed new regime. This implies that since the system is ready for a full flow-through of ITC, the concerns of industry and investors over ITC's unavailability at lower GST slab should be assuaged. He also indicated that the blocked credit list should be pruned to a minimum and should be applied only to personal consumption.**
- **In the auto sector, though there is some ambiguity about UVs' taxation owing to the current definition of luxury cars, there may be an economic case to reconsider this definition.**
- **While Mr. Haribhakti did not give clear contours on the timeline for the implementation, as per him the bold announcement by the PM and the scheduling of discussions in the next GST council meeting suggest a sense of urgency to roll out the new measures.**
- **Our view: We believe that the government is clearly in overdrive to lift and stimulate the economy, and the GST announcement, once implemented, will be the first big structural reform of the government in the current term. In our view, this has also kick-started a positive sentiment cycle for the Indian market, which has been a key underperformer in the past year. The current valuation at ~21x (vs. LPA of 20.7x) is reasonable and has room to expand, supported by expectation of double-digit PAT growth (9.8%/12.1% for Nifty/MOFSL univ).**

Potential key beneficiaries of the proposed GST related announcement (MOFSL analyst views)

Sector	Key Stocks	Rationale
Autos	Maruti	❖ 4Ws are in the 28% slab; should benefit from 18% GST rate
	Tata Motors	❖ 4Ws are in the 28% slab; should benefit from 18% GST rate
	Ashok Leyland	❖ CVs can benefit from the lower GST of 18% vs. 28% currently
Banks	ICICI Bank HDFC Bank IDFC First Bank	❖ Overall benefits for the sector, with consumption expected to pick up; household confidence and demand for debt to increase, driving credit growth to double digits in 2HFY26; direct benefits for consumer-heavy lenders and credit card players
NBFCs	Bajaj Finance	❖ EMI obligation for consumer durables should reduce, benefitting NBFC lending in this segment
Cement	Ultratech JK Cement	❖ Positive for the sector; a lower GST rate of 18% (from 28%) could reduce prices by 7.5%/8%; volume relatively less elastic though
Consumer Staples	HUVR Britannia	❖ Majority of items in the 18% slab, though staple companies generally benefit since several raw materials are in the 12% slab, resulting in lower input GST; the segment benefits as it is a core revival area for the government
Consumer Durable	Voltas	❖ Air conditioners benefit from a lower GST rate of 18% vs. 28%
	Havells	❖ Positive as ~24% of its revenue comes from Lloyd's
EMS	Amber	❖ A key supplier to AC companies; will benefit if RACs' GST rate is lowered from 28% to 18%
Hotels	LemonTree	❖ GST on the sub INR7,500 ARR inventory can move lower from 12% to 5%
	Indian Hotels	❖ Benefits through Ginger, which has the sub INR7,500 ARR inventory
Insurance	Niva Bupa Max Life HDFC Life Star Health	❖ Senior citizens' policies currently attract 18%, but there is a possibility that this may be reduced to 5% or completely exempted. In such an eventuality, health insurers and term life-heavy insurers can benefit
Logistics	Delhivery	❖ Key beneficiary of expected volume increase in categories like consumer durables and electronics, which form a large part of Delhivery's volumes
Quick Commerce	Eternal Swiggy	❖ The segment benefits from higher consumption demand, a substantial part of which will be fulfilled through the Q-commerce channel
Retail	Relaxo Bata Campus	❖ Mass market products can benefit from a shift to lower slabs; GST rate on footwear priced below INR1,000 had earlier increased from 5% to 18%, resulting in significant demand shifting to unorganized; with the latest announcements, the tax arbitrage of the unorganized segment will shrink, benefitting organized players.

Source: MOFSL

Slab rate-wise share in GST revenue



Source: Financial media; GoI

Proposed GST slab changes for key goods

Sector/Goods	Current GST Slab (2025)	Likely New Slab
Clothing & Apparel	5% (≤INR1k), 12% (>INR1k)	5%
Essential Goods (Food & Basic Needs)	0% to 5%	5%
Hotels & Restaurants	5% - 18%	5% or 18%
Insurance, Financial & IT Services	18%	18%
Mobiles & Electronics	12% - 18%	18%
Packaged Foods & Beverages	12%	5%
Personal Care & FMCG	18%	18%
Precious Metals (Gold, Silver, Diamonds)	3%	TBD (likely retained)
Raw Stones / Semi-Precious stones	0.25%	TBD
Tobacco, Pan Masala, Alcohol	28% + cess (effectively 38–60%)	40% (Luxury/Sin Slab)

Source: MOFSL

NTPC

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	NTPC IN
Equity Shares (m)	9697
M.Cap.(INRb)/(USDb)	3258.6 / 37.3
52-Week Range (INR)	448 / 293
1, 6, 12 Rel. Per (%)	-1/0/-17
12M Avg Val (INR M)	5365

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	1,881	2,043	2,189
EBITDA	546	644	701
Adj. PAT	202	261	286
Adj. EPS (INR)	21	27	30
EPS Gr. (%)	9	30	10
BV/Sh.(INR)	182	201	220
Ratios			
Net D:E	1.3	1.2	1.2
RoE (%)	12.0	13.9	14.1
RoCE (%)	7.3	8.4	8.5
Payout (%)	39.7	40.3	33.4
Valuations			
P/E (x)	16.2	12.7	11.4
P/BV (x)	1.8	1.7	1.5
EV/EBITDA (x)	10.4	9.0	8.4
Div. Yield (%)	2.5	3.2	2.9
FCF Yield (%)	2.4	4.9	4.0

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.1	51.1	51.1
DII	29.0	27.3	27.7
FII	16.1	17.8	17.7
Others	3.8	3.8	3.6

FII Includes depository receipts

CMP: INR336 TP: INR380 (+13%) Neutral

Neutral stance amid execution and yield concerns

We reiterate our Neutral stance on NTPC with a TP of INR380. After a 17% correction in the share price over the last 12M, valuations at 11x FY27 P/E appear relatively reasonable, even as the long-term project pipeline continues to build up, supported by an expanding footprint in nuclear, PSP, renewables, and green chemicals. However, we maintain a cautious view on execution, especially at NGEL, even though management has guided that 87/80% of capacity slated to be commissioned in FY26/27 already has PPAs tied up. Further, we believe valuations for NGEL (15% of our SOTP) have little room for re-rating and may continue to face pressure. Lastly, we believe the FY27E dividend yield of 2.9% remains modest and lower than peers such as PWGR (FY27: 3.4%).

Decline in power generation weighs on earnings performance

1QFY26 performance:

- NTPC reported a standalone revenue of INR426b in 1QFY26, 6% below our estimate of INR453b (-4% YoY), as there was a decline in power generation. EBITDA came in at INR103b (-17% YoY), 17% below our est., pressured by a surge of 86% YoY in other expenses.
- Reported PAT of INR47.7b (+6% YoY) beat estimates by 8%, mainly on account of higher-than-expected other income and a lower tax rate.
- NTPC Green reported a consolidated revenue and EBITDA of INR6.8b and INR6.0b, respectively, in 1Q, reflecting an 18% YoY growth. Profit after tax (PAT) rose 59% YoY to INR2.2b.

Operational and other highlights:

- NTPC Group's total installed capacity now stands at 82.6GW (Standalone: 61GW). Group RE portfolio: 8GW operational, 13.3GW under construction.
- The company's gross power generation stood at 91BUs, down 6.7% YoY.
- Plant availability for coal plants stood at 93.5% in 1QFY26 (1QFY25: 92.8%).
- Coal plant PLF declined to 75% in 1QFY26, down 5% YoY, primarily due to grid restrictions impacting generation.
- Hydro plant PLF improved to 59.5% (vs. 57.36% in 1QFY25), while gas plant PLF declined to 11.1% (vs. 23.8% in 1QFY25), as gas stations were operating according to the grid demand.
- Average tariff was INR4.87/unit in 1QFY26 vs. INR4.68 in 1QFY25.
- COD for THDC's Tehri PSP Units 1 and 2 (250 MW each) was declared on 7^{th} June and 10^{th} July 2025, respectively. Another 500MW is slated for commissioning in 2026.

Highlights of 1QFY26 performance

- Capacity & Generation: Installed capacity stands at 82.6GW (Standalone: 61GW). Gross generation stands at 91BUs, down 6.7% YoY.
- Operational Performance: Coal plant availability improved to 93.5% (92.8% YoY), while PLF declined to 75% (-5pp YoY) due to grid restrictions. Hydro PLF rose to 59.5% (57.4% YoY), while gas PLF fell to 11.1% (23.8% YoY).

- Capacity Expansion: The company added 3.05GW in FY26YTD (vs. 4GW in FY25). 31GW is under construction; 7.2GW new thermal projects are expected to be awarded in FY26.
- Renewables: RE capacity stands at 8GW, with a target of 60GW by 2032. The company aims for 6GW RE addition in FY26 (1.4GW already commissioned).
- PPAs & Visibility: The company aims for strong tie-ups with 87% PPAs for FY26 and 80% for FY27. By FY28, ~93% land, 76% connectivity, and 60% PPAs are expected to be secured.
- Green Hydrogen: It has commissioned a 150kg/day plant and has one TPD facility planned for Simhadri in FY26.
- Financials & Capex: The company has guided for ~INR7t of group capex by 2032. It has refinanced INR48.7b, reducing the borrowing costs by ~2%.

Valuation and view

Our TP of INR380 for NTPC is based on:

- Value of INR219 for the standalone, coal, and other businesses at Mar'27E P/B of 2.2x.
- Value of INR19 for other subsidiaries and INR53 for JV/associates at Mar'27E P/B of 2.0x.
- The stake in NGEL is valued at a 25% discount to the current market price.

Standalone performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%	%	%
Net Sales	**444**	**403**	**414**	**439**	**426**	**456**	**458**	**467**	**1,700**	**1,807**	**453**	**-6%**	**-4%**	**-3%**
YoY Change (%)	13.5	-1.3	4.8	3.2	-4.2	13.2	10.7	6.4	5.0	6.3	2			
EBITDA	**124**	**97**	**120**	**113**	**103**	**133**	**140**	**147**	**454**	**523**	**123**	**-17%**	**-17%**	**-9%**
Margin (%)	28.0	24.0	28.9	25.6	24.2	29.2	30.6	31.5	26.7	29.0	27			
Depreciation	37	36	37	40	39	39	39	40	151	156	39	0%	6%	-4%
Interest	26	31	22	31	28	28	30	29	111	116	30	-4%	7%	-8%
Other Income	6	9	10	19	8	8	10	19	44	44	7	16%	20%	-60%
PBT incl. Regulatory items	62	61	66	81	63	74	81	97	269	314	62			
Extra-Ord inc/(exp)	-	-	-	-	-	-	-	-	-	-	-			
PBT	**62**	**61**	**66**	**81**	**63**	**74**	**81**	**97**	**269**	**314**	**62**	**1%**	**1%**	**-23%**
Tax	17	14	19	23	15	18	19	30	73	82	18	-16%	-11%	-36%
Rate (%)	26.9	23.2	28.9	28.7	23.7	24.3	23.5	30.9	27.1	26.0	28.6			
Reported PAT	**45**	**46**	**47**	**58**	**48**	**56**	**62**	**67**	**196**	**233**	**44**	**8%**	**6%**	**-17%**
Adj PAT	**42**	**42**	**46**	**50**	**44**	**56**	**62**	**67**	**180**	**229**	**44**	**0%**	**5%**	**-12%**
YoY Change (%)	13.9	28.9	6.0	0.4	5.2	32.6	34.0	34.7	-16.2	27.2	5			
Margin (%)	9.4	10.4	11.2	11.4	10.4	12.2	13.5	14.4	10.6	12.7	10			

NTPC SoTP valuation

Segment	Regulated Equity (March-27E)	P/B	Value/Sh. (INR)
Standalone + Coal + Others	9,75,077	2.2	219
Other subsidiaries	92,799	2.0	19
JV & Associates	2,57,557	2.0	53
NGEL Stake*			59
Cash and equivalents			30
Target price			**380**
CMP			336
Upside/(Downside)			**13%**

**At 25% Discount*

Source: MOFSL

IOCL

Estimate change	↓
TP change	↓
Rating change	↓

Bloomberg	IOCL IN
Equity Shares (m)	14121
M.Cap.(INRb)/(USDb)	1981.4 / 22.7
52-Week Range (INR)	184 / 111
1, 6, 12 Rel. Per (%)	-6/9/-17
12M Avg Val (INR M)	2303

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	7,581	7,326	7,334
EBITDA	360	456	442
Adj. PAT	107	165	148
Adj. EPS (INR)	7.8	11.9	10.7
EPS Gr. (%)	-73.6	53.9	-10.2
BV/Sh.(INR)	135.4	151.0	158.3
Ratios			
Net D:E	0.7	0.6	0.6
RoE (%)	5.8	8.3	6.9
RoCE (%)	5.8	7.1	6.3
Payout (%)	30.4	22.1	31.2
Valuations			
P/E (x)	18.0	11.7	13.0
P/BV (x)	1.0	0.9	0.9
EV/EBITDA (x)	9.2	7.2	7.4
Div. Yield (%)	2.1	3.1	2.4
FCF Yield (%)	(0.1)	11.4	6.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.5	51.5	51.5
DII	29.9	29.6	29.6
FII	7.5	7.4	7.8
Others	11.2	11.6	11.1

FII includes depository receipts

CMP: INR140 TP: INR150 (+7%) Downgrade to Neutral

Earnings volatility and low ROE cap upside

- **IOCL's EBITDA/PAT came in 16%/20% below our estimates in 1QFY26, impacted by higher-than-anticipated refining inventory loss (USD4.8/bbl). However, blended marketing margin stood 24% above estimate at INR7.8/litre. Refining throughput and marketing volumes came in line with estimates.**
- **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 IOCL to receive ~INR72b in both FY26/FY27 (48% of total compensation). This will result in a ~4% increase in IOCL's FY27E BVPS.**
- **Petchem drag, weak refining, and low ROE drive downgrade: In our previous note, we highlighted that OMCs are entering the last phase of a rally. Since then, IOCL has corrected 2% (peak return of +8%). We now downgrade IOCL to Neutral as earnings remain highly volatile due to large refining inventory swings and limiting visibility. The petrochemical segment continues to post losses, and spreads are likely to remain muted given the significant upcoming capacity additions in China. Further, we maintain a bearish view on refining, expecting spreads to stay range-bound amid substantial global net capacity additions (IEA est. of ~2.6mb/d) and weak demand growth for refined products over CY24-30. With a modest ROE of ~7%-8.5% over FY26/27, returns remain unattractive compared to peers. Accordingly, we cut our P/B valuation multiple to 1x, as we see limited upside at the current levels.**
- **We continue to prefer HPCL over IOCL because of the following factors: 1) HPCL's leverage toward marketing segment, 2) higher dividend yield, as HPCL's capex cycle is tapering off, while IOCL's capex intensity remains high, and 3) start-up of HPCL's multiple mega-projects in the next 12 months providing a push to earnings.**
- **IOCL currently trades at 1x 1yr. fwd. P/B, at par with its 10-year average. We now value IOCL at 1x FY27E consol. P/B and arrive at a TP of INR150/sh.**

Other key takeaways from the conference call

- Total inventory losses stood at INR65b in 1Q (marketing + refining).
- IOCL plans to add 4,000+ retail outlets in FY26 (40k+ outlets operating currently; 48000+ outlets by FY27'end).
- Russian crude %: 24% (discounts of USD1-1.5/bbl vs. Dubai crude).
- 1Q capex stood at INR64.7b. FY26 planned capex is ~INR335b.
- Ennore terminal capacity utilization: 25% in FY25 and 31% expected in FY26.

Higher-than-expected inventory losses drag down 1Q performance

- EBITDA came in 16% below our estimate at INR126.1b (up 46% YoY).
  - Reported GRM came in significantly below our estimate at USD2.2/bbl; refining inventory loss stood at USD4.8/bbl during the quarter.
  - Marketing margin stood at INR7.8/lit, 24% above estimates.
  - LPG under-recovery of INR37.1b was booked in 1Q (INR55b in 4Q)
  - Marketing and refining throughput came in line with our estimate.
  - Petchem segment posted EBIT loss of INR10m (vs. INR2.1b loss in 4QFY25).
- Reported PAT came in 20% below our estimate at INR56.9b.

- Other income came in above our estimates.
- **As of Jun'25**, IOCL had a cumulative negative net buffer of INR236.4b due to the under-recovery on LPG cylinders (INR199.3b as of Mar'25).
- As per the PIB release dated 8th Aug'25, the Union Cabinet approved INR300b in compensation for PSU OMCs. However, the company has not recognized this, as the exact split among OMCs is yet to be announced by MoPNG.

Valuation and view

- IOCL is set to commission multiple projects over the next two years, driving growth acceleration. Refinery projects that are currently underway, including the Panipat refinery (25mmtpa), Gujarat refinery (18mmtpa), and Barauni refinery (9mmtpa), are expected to be completed in 4QFY26-FY27.
- The stock trades at 13x consolidated FY27E EPS of INR10.7 and 0.9x FY27E P/B. **We downgrade the stock to Neutral with a TP of INR150, valuing at 1x FY27E P/B.**

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

Y/E March	FY25				FY26E				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net Sales	**1932.4**	**1738.5**	**1939.0**	**1949.7**	**1929.7**	**1710.4**	**1851.6**	**1839.7**	**7559.5**	**7331.3**	**1879.9**	**3%**
YoY Change (%)	-2.2	-3.3	-2.6	-1.5	-0.1	-1.6	-4.5	-5.6	-2.4	-3.0	-2.7	
EBITDA	**86.3**	**41.9**	**91.7**	**135.7**	**126.1**	**86.6**	**88.8**	**88.0**	**355.7**	**389.5**	**150.1**	**-16%**
Margin (%)	4.5	2.4	4.7	7.0	6.5	5.1	4.8	4.8	4.7	5.3	8.0	
Depreciation	37.6	37.2	39.0	39.1	38.4	38.8	40.7	41.7	152.8	159.6	39.2	
Forex loss	0.0	4.2	20.5	0.0	0.0	0.0	0.0	0.0	24.7	0.0	0.0	
Interest	19.6	24.1	23.1	20.5	19.7	25.7	24.6	22.9	87.3	92.9	20.9	
Other Income	5.3	13.7	18.8	11.7	6.1	9.3	12.7	13.6	49.6	41.6	3.6	
PBT before EO expense	**34.5**	**-9.8**	**27.9**	**87.9**	**74.0**	**31.4**	**36.2**	**37.0**	**140.4**	**178.6**	**93.7**	**-21%**
Extra-Ord expense	0.0	-11.6	-6.8	0.0	0.0	-144.0	0.0	0.0	-18.4	-144.0	0.0	
PBT	**34.5**	**1.7**	**34.7**	**87.9**	**74.0**	**175.4**	**36.2**	**37.0**	**158.8**	**322.6**	**93.7**	**-21%**
Tax	8.1	-0.1	6.0	15.2	17.2	44.1	9.1	9.3	29.2	79.7	22.9	-25%
Rate (%)	23.4	-4.2	17.2	17.3	23.2	25.2	25.2	25.2	18.4	24.7	24.5	
Reported PAT	**26.4**	**1.8**	**28.7**	**72.6**	**56.9**	**131.2**	**27.1**	**27.7**	**129.6**	**242.9**	**70.7**	**-20%**
Adj PAT	**26.4**	**-10.3**	**23.1**	**72.6**	**56.9**	**23.5**	**27.1**	**27.7**	**111.2**	**98.9**	**70.7**	**-20%**
YoY Change (%)	-80.8	-107.9	-71.3	50.2	115.2	-328.9	17.1	-61.9	-71.9	-11.1	167.5	
Margin (%)	1.4	-0.6	1.2	3.7	2.9	1.4	1.5	1.5	1.5	1.3	3.8	
Key Assumptions												
Refining throughput (mmt)	18.2	16.7	18.1	18.5	18.7	18.7	18.7	18.7	71.6	74.7	18.7	0%
Reported GRM	6.4	1.6	2.9	8.0	2.2	6.5	6.5	6.5	4.7	5.4	7.0	-69%
Domestic sale of refined products (mmt)	24.1	21.9	24.8	24.6	25.0	24.1	25.8	25.6	95.4	100.5	25.0	0%
Marketing GM incld. inv. per litre (INR/litre)	4.9	5.9	6.4	5.9	7.8	4.4	4.3	4.4	5.8	5.2	6.3	24%

Vodafone Idea

Estimate changes	↓
TP change	↓
Rating change	↔

Bloomberg	IDEA IN
Equity Shares (m)	108343
M.Cap.(INRb)/(USDb)	699.9 / 8
52-Week Range (INR)	17 / 6
1, 6, 12 Rel. Per (%)	-16/-28/-61
12M Avg Val (INR M)	5068

Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Net Sales	449	473	513
EBITDA	190	200	222
Adj. PAT	-266	-261	-221
EBITDA Margin (%)	42.4	42.2	43.2
Adj. EPS (INR)	-35.9	-2.0	-15.4
BV/Sh. (INR)	-18.7	-26.8	-33.7
Ratios			
Net D:E	-3.1	-2.5	-2.1
RoE (%)	NM	NM	NM
RoCE (%)	-1.9	-0.8	1.6
Payout (%)	0.0	0.0	0.0
Valuations			
EV/EBITDA (x)	11.5	12.4	11.8
P/E (x)	-2.6	-2.7	-3.2
P/B (x)	-0.3	-0.2	-0.2
Div. Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	25.6	38.8	38.2
DII	53.2	27.5	31.3
FII	6.0	10.1	12.7
Others	15.3	23.6	17.9

FII includes depository receipts

CMP: INR6.5 TP: INR6.0 (-8%) Sell

In-line 1Q; debt raise crucial for long-term survival

- Vodafone Idea's (Vi) reported EBITDA declined 1% QoQ (vs.3%/5% QoQ for Bharti India Wireless/RJio), ~1% above our estimates, as lower network opex (+1% QoQ) was offset by higher SG&A costs (+8% QoQ).
- Operationally, subscriber losses moderated further to a modest 0.5m (vs. -1.6m in 4Q), while ARPU inched up 0.6% QoQ to INR165 (+13% YoY, in line).
- Vi continued to lose market share as wireless revenue remained flat QoQ (+6% YoY, in line), compared to ~3% QoQ growth for peers.
- After a record high capex in 4QFY25, Vi's capex moderated to INR24b (vs. INR42b QoQ). Management indicated a capex of ~INR25-35b in 2QFY26, while future capex plans remain contingent on the successful closure of debt raise. Vi continues to engage with lenders; however, the fund raise has remained elusive thus far.
- Despite equity infusion and acceleration in network capex, Vi has continued to lose market share to peers. On our estimates, Vi lost further ~20bp QoQ (110bp YoY) in subscriber market share (SMS) and ~30bp QoQ (~140bp YoY) in revenue market share (RMS) among the three private telcos.
- Further, as we have argued earlier, tariff hikes do not benefit Vi as much as its peers. We note, Vi's revenue grew a modest ~6% YoY, translating into an annualized increase of ~INR22b vs. ~INR195b/INR140b for Bharti/RJio).
- In the absence of relief on AGR dues (~INR164b annual repayments starting Mar'26) and the closure of debt raise, Vi's planned capex of INR500-550b remains in jeopardy, potentially resulting in higher subscriber churns.
- We cut our FY27-28 revenue and EBITDA estimates by ~4-5%, each driven by higher subscriber declines. We **reiterate our SELL rating on Vi with a revised TP of INR6**, based on DCF implied ~12.5x Sep'27E EV/EBITDA.

Broadly in line 1Q; subscriber losses moderate further

- Vi's overall subscriber base at 197.7m declined 0.5m QoQ (further moderation vs. 1.6m declines in 4QFY25 and our expectation of -1.2m.
- Wireless ARPU rose 0.6% QoQ (in line) at INR165 (+13% YoY, vs. +1%/+2% QoQ for RJio/Bharti), driven largely by one extra day QoQ.
- Monthly churn was stable QoQ at 4.1% (vs. a 40bp QoQ uptick for Bharti at 2.7%) and remains a key monitorable.
- Wireless revenue at INR98b (+6% YoY, in line) was flat QoQ (vs. ~3% QoQ increase for Bharti/RJio), as slightly higher ARPU was offset by modest subscriber declines.
- Reported EBITDA at INR46.1b (-1% QoQ, +10% YoY vs. ~3%/5% QoQ for Bharti-India Wireless and RJio) was ~1% above our estimate, as lower network opex (+1% QoQ, 4% below) was offset by higher SG&A (+8% QoQ, 8% above).
- EBITDA margin contracted ~50bp QoQ (35bp above) to 41.8% (up 185bp YoY, +20bp/+125bp QoQ for Bharti-India Wireless and RJio).
- Pre-Ind-AS 116 EBITDA at INR21.8b (in line) declined ~6% QoQ (+4% YoY), as margin contracted ~130bp QoQ to 19.8% (-20bp YoY, in line).

- Losses narrowed to INR66b (vs. INR72b QoQ and our estimate of INR75b), due to lower interest costs (-8% QoQ, interest savings from recent GoI equity conversions).
- Net debt (excl. leases but including interest accrued) increased INR69b QoQ to INR1.94t. Vi still owes ~INR1.99t to GoI for the deferred spectrum and AGR dues. External/banking debt declined to ~INR19.3b (vs. INR23b QoQ).
- Capex moderated to INR24.4b (vs. a record high of INR42b in 4QFY25).

Key highlights from the management commentary

- **CEO change: Following the completion of a three-year tenure, Mr. Akshaya Moondra has stepped down as CEO of Vi. The current COO, Mr. Abhijit Kishore, will assume the role of CEO from 19th Aug'25.**
- **Capex:** 4Q capex stood at INR24.4b, with 4,600+ new broadband towers, bringing 4G coverage to 84% of the population. Management reiterated its commitment to INR50-60b capex in 1HFY26, but noted that major capex beyond 1HFY26 remains contingent on the closure of the debt raise and will be funded by internal accruals in the interim.
- **Debt raise:** Vi continues to engage with lenders other than banks as well for closing the long-awaited debt raise. Discussions with banks have progressed following the GoI equity conversion and credit rating upgrades, but banks continue to seek additional assurance on the AGR dues. Management remains confident that the GoI is committed to maintaining a three-private-telcos construct and is hopeful of relief on AGR dues.
- **5G:** Vi has rolled out 5G in 22 cities across 13 circles, marking steady progress since the Mar'25 launch in Mumbai. Adoption has been encouraging, with 60-70% of customers owning 5G devices already using the services where available. The company's focus remains on expanding 5G to key cities across 17 priority circles by Sep'25.
- **Subscriber trends:** Subscriber churn, particularly to BSNL, has stabilized since Jan'25, with the company confident that the worst is behind. Efforts to enhance network quality and customer engagement have begun yielding results. Seasonality and labor migration impacted VLR subs in 1Q, but management sees an improving subscriber trend as population coverage expands.

Valuation and view

- Despite equity infusion and acceleration in the network capex, Vi continues to lose market share to peers due to lower ARPU translation from tariff hikes, given its inferior subscriber mix and elevated subscriber churn.
- While Vi's subscriber losses have moderated further in 1QFY26, we believe that without the closure of its debt raise, Vi's plans for a significant capex cycle (INR500-550b over the next 2-3 years) remain in jeopardy, potentially resulting in elevated churn going ahead.
- Further, as we have argued earlier, tariff hikes do not benefit Vi as much as its peers. We note, Vi's revenue grew at a modest ~6% YoY, or an annualized increase of ~INR22b, vs. ~INR195/140b for Bharti/RJio).
- In the absence of a relief on AGR dues (~INR164b annual repayments starting Mar'26) and closure of debt raise, Vi's planned capex of INR500-550b remains in jeopardy, potentially resulting in higher subscriber churns.
- We cut our FY27-28E revenue and EBITDA estimates by ~4-5% each, driven by higher subscriber declines. We reiterate our **SELL rating on Vi with a revised TP of INR6**, based on DCF implied ~12.5x Sep'27E EV/EBITDA.

Consolidated - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Revenue	**105**	**109**	**111**	**110**	**110**	**111**	**112**	**116**	**436**	**449**	**110**	**0.2**
YoY Change (%)	-1.4	2.0	4.2	3.8	4.9	1.5	1.0	5.3	2.2	3.1	3.7	
Total Expenditure	63	64	64	64	64	65	65	65	254	259	64	-0.4
EBITDA	**42**	**45**	**47**	**47**	**46**	**46**	**47**	**51**	**181**	**190**	**46**	**1.0**
YoY Change (%)	1.1	6.2	8.3	7.5	9.7	1.3	-0.3	9.8	5.8	5.0	-73.1	
Depreciation	54	54	56	56	55	55	55	54	220	219	57	-3.2
Net Finance Costs	53	63	57	63	58	57	61	62	235	238	64	-9.8
PBT before EO expense	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-266**	**-75**	**11.4**
PBT	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-266**	**-75**	**11.4**
Tax	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	
Rate (%)	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	
Reported PAT	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-266**	**-75**	**11.4**
YoY Change (%)	-18.0	-17.9	-14.6	-6.6	2.7	-8.2	4.5	-9.0	-14.4	-2.8	-3.6	

Valuation based on Sep'27E EV/EBITDA

	Methodology	Driver	Multiple	Fair Value (INRb)	Value/sh (INR)
Consol EBITDA	EV/EBITDA	211	12.4(DCF based)	2,617	24
Less Net debt				2,064	1,968
Total Value				**649**	**6.0**
Diluted shares o/s				108.3	
CMP (INR)					6.5
Upside (%)					**-8**

Source: MOFSL, Company

Summary of our estimate revisions

	FY26E	FY27E	FY28E
EoP subscribers (m)			
Old	194.8	197.3	198.3
Actual/New	193.5	190.0	191.0
Change (%)	-0.7	-3.7	-3.7
ARPU (INR/sub/month)			
Old	171	187	204
Actual/New	170	183	201
Change (%)	-0.4	-2.4	-1.5
Revenue (INRb)			
Old	451	492	536
Actual/New	449	473	513
Change (%)	-0.4	-3.8	-4.4
EBITDA (INRb)			
Old	185	208	232
Actual/New	190	200	222
Change (%)	3.1	-4.0	-4.7
EBITDA margin (%)			
Old	40.9	42.3	43.4
Actual/New	42.4	42.2	43.2
Change (bp)	143bp	-9bps	-17bp
Pre IND-AS EBITDA			
Old	88.3	108.2	128.0
Actual/New	90.6	95.8	114.8
Change (%)	2.6	-11.5	-10.3
Net Profit (INRb)			
Old	-316	-309	-276
Actual/New	-266	-261	-221
Change (%)	15.9	15.6	19.9

Source: Company, MOFSL

NMDC

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	NMDC IN
Equity Shares (m)	8792
M.Cap.(INRb)/(USDb)	611.7 / 7
52-Week Range (INR)	83 / 60
1, 6, 12 Rel. Per (%)	-2/2/-5
12M Avg Val (INR M)	2081

Financials & Valuations (INR b)

Y/E MARCH	2025	2026E	2027E
Sales	239	270	294
Adj EBITDA	81	100	111
Adj. PAT	65	76	82
EBITDA Margin (%)	34	37	38
Cons. Adj. EPS (INR)	7	9	9
EPS Gr. (%)	13	16	8
BV/Sh. (INR)	34	40	46
Ratios			
Net D:E	-0.2	-0.3	-0.3
RoE (%)	23.6	23.6	21.7
RoCE (%)	28.4	29.3	27.6
Payout (%)	37.6	32.8	30.5
Valuations			
P/E (x)	9.4	8.1	7.5
P/BV (x)	2.1	1.8	1.5
EV/EBITDA(x)	6.7	5.0	4.4
Div. Yield (%)	4.7	4.1	4.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	60.8	60.8	60.8
DII	14.5	15.1	14.3
FII	12.2	11.7	12.8
Others	12.5	12.4	12.1

FII Includes depository receipts

CMP: INR70 | TP: INR84 (+20%) | Buy

In-line performance; lower cost drives earnings

Consolidated result highlights

- Revenue stood in line with our estimate at INR67.4b, rising 25% YoY but declining 4% QoQ.
- Muted volumes QoQ were offset by healthy NSR.
- Iron ore production stood at 12mt (+31% YoY and -10% QoQ), while sales stood at 11.5mt (+14% YoY and -9% QoQ) during the quarter.
- ASP for the quarter reached INR5,851/t (+9% YoY and +6% QoQ) as iron ore prices remain elevated.
- EBITDA stood at INR24.8b (+6% YoY and +21% QoQ), in line with our estimate.
- EBITDA/t rebounded to INR2,152/t (-7% YoY and +33% QoQ), against our est. of INR1,956/t during the quarter.
- APAT for the quarter stood at INR19.7b (flat YoY and +33% QoQ), against our estimate of INR18b during the quarter.

Valuation and view

- In 1QFY26, volume growth was sluggish due to the early onset of monsoon.
- NMDC implemented steady price hikes, which offset the adverse volume impact, leading to healthy operating profit.
- Going forward, we expect volumes to pick up steadily to ~50mt in FY26 and 55mt in FY27, fueled by an increasing EC limit. We largely maintain our estimates for FY26-27, driven by stable realization and healthy volume-led operating growth.
- NMDC has planned capex for various evacuation and capacity enhancement projects, aimed at improving the product mix and increasing production capacity to ~100mt by FY29-30.
- Additionally, NMDC had net cash of INR63b as of FY25, and is expected to generate OCF of ~INR190b over the next two years. This will support its capex plan without overleveraging.
- **At CMP, the stock trades at 4.1x EV/EBITDA on FY27E. We reiterate our BUY rating on NMDC with a TP of INR84 (based on 4.5x EV/EBITDA on FY27E).**
- **Key risks** – a) rising competition from captive iron ore mining and 2) Karnataka mineral tax demand, which could impact earnings if ruled against NMDC.

Consolidated Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	vs Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Iron ore Production (mt)	**9.2**	**8.3**	**13.3**	**13.3**	**12.0**	**11.0**	**13.0**	**14.1**	**44.1**	**50.1**		
Iron ore Sales (mt)	**10.1**	**9.7**	**11.9**	**12.7**	**11.5**	**11.0**	**13.0**	**14.1**	**44.4**	**50.1**		
Avg NSR (INR/t)	5,375	5,057	5,503	5,529	5,851	5,351	5,251	5,318	5,384	5,380		
Net Sales	**54.1**	**49.2**	**65.7**	**70.0**	**67.4**	**58.9**	**68.3**	**75.0**	**239.1**	**269.5**	**68.7**	**(1.9)**
Change (YoY %)	0.4	22.5	21.4	7.9	24.5	19.7	3.9	7.1	55.5	3.8		
Change (QoQ %)	(16.6)	(9.1)	33.5	6.6	(3.8)	(12.7)	16.0	9.9				
EBITDA	**23.4**	**13.9**	**23.7**	**20.5**	**24.8**	**20.5**	**25.7**	**29.3**	**81.5**	**100.3**	**23.7**	**4.7**
Change (YoY %)	17.3	16.4	18.2	(2.4)	6.0	48.0	8.4	42.9	11.7	23.1		
Change (QoQ %)	11.3	(40.8)	71.2	(13.5)	20.8	(17.3)	25.4	14.0				
EBITDA per ton (INR/t)	**2,322**	**1,425**	**1,987**	**1,619**	**2,152**	**1,864**	**1,979**	**2,078**	**1,835**	**2,002.7**	**1,956**	**10.0**
Interest	0.2	0.3	0.6	0.6	0.3	0.5	0.6	0.6	1.8	1.9		
Depreciation	0.7	1.0	1.0	1.4	1.1	1.3	1.4	1.4	4.2	5.2		
Other Income	3.6	3.6	3.8	4.9	3.0	3.8	4.1	4.4	15.9	15.3		
PBT (before EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**26.4**	**22.6**	**27.9**	**31.7**	**91.4**	**108.6**	**25.7**	**2.8**
Extra-ordinary item	-	-	-	-	-	-	-	-	-	-		
PBT (after EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**26.4**	**22.6**	**27.9**	**31.7**	**91.4**	**108.6**		
Total Tax	6.4	4.2	6.9	8.5	6.8	7.1	8.8	9.9	26.0	32.6		
% Tax	24.7	25.9	26.6	36.6	25.6	31.5	31.5	31.3	28.5	30.0		
PAT before MI and Sh. of Asso.	**19.6**	**12.0**	**19.0**	**14.8**	**19.7**	**15.5**	**19.1**	**21.8**	**65.4**	**76.0**		
MI	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	-	-	-	(0.1)	(0.0)		
Sh. of Asso.	0.1	0.1	(0.2)	(0.1)	0.0	-	-	-	(0.1)	0.0		
PAT after MI and Sh. of Asso.	**19.7**	**12.1**	**18.8**	**14.8**	**19.7**	**15.5**	**19.1**	**21.8**	**65.4**	**76.0**		
Adjusted PAT	**19.7**	**12.1**	**18.8**	**14.8**	**19.7**	**15.5**	**19.1**	**21.8**	**65.4**	**76.0**	**18.0**	**9.3**
Change (YoY %)	19.2	18.1	13.3	3.1	(0.1)	27.5	1.6	47.3	13.3	16.2		
Change (QoQ %)	37.4	(38.5)	55.3	(21.4)	33.2	(21.5)	23.7	13.9				

100mt volumes under the NMDC 2.0 strategy

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

Source: MOFSL, Company

Glenmark Pharma

Estimate change	↑
TP change	↑
Rating change	↑

Bloomberg	GNP IN
Equity Shares (m)	282
M.Cap.(INRb)/(USDb)	557 / 6.4
52-Week Range (INR)	2286 / 1275
1, 6, 12 Rel. Per (%)	-11/35/25
12M Avg Val (INR M)	1598

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	133.2	142.4	161.4
EBITDA	23.7	28.7	34.9
Adj. PAT	13.5	16.9	22.2
EBIT Margin (%)	14.2	16.4	18.2
Adj EPS (INR)	47.7	59.8	78.7
EPS Gr. (%)	1821.0	25.3	31.7
BV/Sh. (INR)	313.6	369.8	444.3
Ratios			
Net D-E	0.1	-0.1	-0.2
RoE (%)	16.1	17.5	19.3
RoCE (%)	16.8	17.1	19.3
Payout (%)	8.1	2.2	5.3
Valuations			
P/E (x)	41.4	33.0	25.1
EV/EBITDA (x)	23.7	19.2	15.3
Div. Yield (%)	0.1	0.2	0.2
FCF Yield (%)	-2.9	7.8	2.9
EV/Sales (x)	4.2	3.9	3.3

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	46.7	46.7	46.7
DII	17.7	14.6	14.0
FII	20.6	23.2	21.0
Others	15.1	15.6	18.4

FII Includes depository receipts

CMP: INR1,974 TP: INR2,400 (+22%) Buy

Weak 1QFY26 performance

Strategic transformation underway

- Glenmark Pharma (GNP) reported a lower-than-expected performance in 1QFY26, as revenue/EBITDA/PAT came in 9%/14%/15% below our estimates. The miss was attributed to lower business in the domestic formulation (DF), EU and ROW segments. Moreover, higher opex dented margins.
- 1Q was an aberration in terms of YoY growth in EU and EM markets for GNP. Adverse seasonality impacted EM business and growth also moderated in EU. However, the branded business delivered robust growth.
- Given its strategy of rationalizing DF portfolio, GNP witnessed moderate YoY growth in this segment.
- We increase our earnings estimates for FY26/FY27 by 3%/8%, factoring in a) receipt of income from deal related to ISB2001, b) the recalibration of its DF portfolio, c) a moderation in EU/EM businesses, and d) regulatory constraints for the US business. We value GNP on the SoTP basis (27x 12M forward earnings for base business and add NPV related to ISB2001) to arrive at a TP of INR2,400.
- GNP has witnessed a significant transformation in its business, with the sale of its API business, the deal with Abbvie on ISB2001, and an increased focus on profitable growth. Subsequently, it is resetting its DF business, enhancing its offerings in injectables/respiratory space in the US market, and driving branded-led growth in the EU/EM markets. Maintain BUY.

Product mix benefits more than offset by lower operating leverage

- GNP's 1QFY26 revenue was almost flat YoY at INR32.6b (our est. INR35.9b).
- Europe revenue declined by 4% YoY to INR6.7b (20% of sales). The Rest of World (RoW) segment also remained flat YoY at INR5.7b (18% of revenue).
- DF grew 3.7% YoY to INR12.4b (38% of sales). NA was stable YoY at INR7.8b (20% of revenue).
- Gross margin improved 310bp YoY to 68.9%, due to a better product mix.
- However, EBITDA margin contracted 100bp YoY to 17.8% (our est. 18.7%), due to higher opex (employee/other expenses up 150bp/300bp YoY as % of sales).
- EBITDA declined 4.9% YoY to INR5.8b (our est. INR6.7b).
- GNP made a provision for INR3.2bm related to a US litigation settlement.
- Adjusting for this provision, PAT stood at INR3.1b, down 12% YoY (our est. INR3.7b).

Highlights from the management commentary

- EBITDA margin is expected to pick up in 2HFY26, with GNP targeting 23% EBITDA margin in 3QFY26.
- GNP plans to file 1/5-6 ANDAs in 2QFY26/FY26 and targets to launch 10-12 products, including partnered products.
- The company has largely completed remediation work at Monroe and would be starting commercial soon.
- The proceeds from ISB2001 are expected to be received in Sep'25. From the upfront non-refundable payment of USD700m from Abbvie, GNP would set aside funds for three years of R&D expenses (~USD200m) and one-time payment from Abbvie on post-tax basis.

Quarterly performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E	Estimate	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	% Var
Net Revenues (Core)	**32,442**	**34,338**	**33,876**	**32,562**	**32,644**	**35,629**	**36,968**	**37,112**	**1,33,217**	**1,42,354**	**35,945**	**-9.2**
YoY Change (%)	6.9	7.1	35.1	6.3	0.6	3.8	9.1	14.0	12.8	6.9	10.8	
EBITDA	**6,102**	**6,019**	**6,002**	**5,610**	**5,805**	**6,271**	**8,096**	**8,499**	**23,734**	**28,671**	**6,733**	**-13.8**
YoY Change (%)	39.5	19.1	-515.5	11.2	-4.9	4.2	34.9	51.5	82.2	20.8	10.3	
Margins (%)	18.8	17.5	17.7	17.2	17.8	17.6	21.9	22.9	17.8	20.1	18.7	
Depreciation	1,178	1,203	1,227	1,252	1,299	1,297	1,346	1,351	4,860	5,292	1,274	
EBIT	**4,924**	**4,816**	**4,775**	**4,358**	**4,506**	**4,974**	**6,750**	**7,148**	**18,874**	**23,378**	**5,459**	
YoY Change (%)	66.7	32.4	-263.8	23.5	-8.5	3.3	41.4	64.0	161.9	23.9	10.9	
Margins (%)	15.2	14.0	14.1	13.4	13.8	14.0	18.3	19.3	14.2	16.4	15.2	
Interest	396	485	523	667	582	450	250	213	2,071	1,495	650	
Other Income	315	324	311	117	264	130	135	140	1,067	669	120	
PBT before EO Expense	**4,843**	**4,656**	**4,563**	**3,808**	**4,188**	**4,654**	**6,635**	**7,075**	**17,870**	**22,552**	**4,929**	**-15.0**
One-off loss/(gain)	220	-70	0	3,728	3,232	-42,140	0	0	3,878	-38,908	0	
PBT after EO Expense	**4,623**	**4,726**	**4,563**	**80**	**956**	**46,794**	**6,635**	**7,075**	**13,992**	**61,460**	**4,929**	**-80.6**
Tax	1,221	1,181	1,083	36	486	11,792	1,659	1,804	3,521	15,741	1,252	
Rate (%)	26.4	25.0	23.7	45.0	50.9	25.2	25.0	25.5	25.2	25.6	25.4	
Reported PAT	**3,402**	**3,545**	**3,480**	**44**	**470**	**35,002**	**4,977**	**5,271**	**10,471**	**45,719**	**3,677**	**-87.2**
Minority Interest	0	3	1	-3	1	-1	0	-2	0	-2	-2	
Reported PAT after Minority Interest	**3,403**	**3,542**	**3,480**	**47**	**469**	**35,003**	**4,977**	**5,273**	**10,471**	**45,721**	**3,679**	
Adj PAT	**3,565**	**3,490**	**3,480**	**2,932**	**3,140**	**3,482**	**4,977**	**5,273**	**13,466**	**16,872**	**3,679**	**-14.6**
YoY Change (%)	220.9	149.8	-199.8	74.6	-11.9	-0.2	43.0	79.8	1,821.0	25.3	3.2	
Margins (%)	11.0	10.2	10.3	9.0	9.6	9.8	13.5	14.2	10.1	11.9	10.2	

Key performance Indicators

Y/E March	FY25				FY26E				FY25	FY26E	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
India formulations	11,962	12,817	10,637	9,430	12,399	13,458	11,541	10,382	44,846	32,887	12,979
YoY Change (%)	11.9	13.9	300.2	0.4	3.7	5.0	8.5	10.1	31.9	9.0	8.5
US	7,808	7,405	7,813	7,146	7,780	7,654	8,131	8,737	30,172	31,893	7,439
YoY Change (%)	-4.6	-1.2	1.4	-5.4	-0.4	3.4	4.1	22.3	-2.5	7.1	-4.7
ROW+LatAm	5,708	7,041	7,491	7,898	5,721	7,393	7,940	8,285	28,138	20,138	7,535
YoY Change (%)	3.3	-4.1	3.0	4.9	0.2	5.0	6.0	4.9	1.7	4.3	32.0
Europe	6,957	6,874	7,297	7,335	6,678	6,874	7,881	8,069	28,463	24,164	7,583
YoY Change (%)	21.4	14.6	14.8	19.9	-4.0	0.0	8.0	10.0	17.6	3.6	9.0
Cost Break-up											
RM Cost (% of Sales)	34.2	31.2	32.0	33.4	31.1	32.2	31.0	29.5	32.7	30.9	31.8
Staff Cost (% of Sales)	21.9	22.9	23.3	22.6	23.4	22.0	21.0	21.0	22.7	21.8	22.7
R&D Expenses(% of Sales)	7.4	7.2	6.6	7.3	7.1	7.2	7.0	7.4	7.1	7.2	7.2
Other Cost (% of Sales)	17.6	21.2	20.4	19.4	20.6	21.0	19.1	19.2	19.7	20.0	20.6
Gross Margins(%)	65.8	68.8	68.0	66.6	68.9	67.8	69.0	70.5	67.3	69.1	68.2
EBITDA Margins(%)	18.8	17.5	17.7	17.2	17.8	17.6	21.9	22.9	17.8	20.1	17.8
EBIT Margins(%)	15.2	14.0	14.1	13.4	13.8	14.0	18.3	19.3	14.2	16.4	14.0

Amara Raja

Estimate changes	↓
TP change	⟷
Rating change	⟷

Bloomberg	ARENM IN
Equity Shares (m)	183
M.Cap.(INRb)/(USDb)	175.3 / 2
52-Week Range (INR)	1610 / 805
1, 6, 12 Rel. Per (%)	-2/-7/-40
12M Avg Val (INR M)	764

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	124.0	135.3	148.4
EBITDA	16.3	16.1	19.0
Adj. PAT	8.8	8.3	10.2
EPS (INR)	48.2	45.5	55.8
EPS Gr. (%)	-2.7	-5.6	22.8
BV/Sh. (INR)	403	440	484
Ratios			
RoE (%)	12.5	10.8	12.1
RoCE (%)	12.4	10.7	12.0
Payout (%)	19.9	19.8	19.7
Valuations			
P/E (x)	19.9	21.1	17.2
P/BV (x)	2.4	2.2	2.0
Div. Yield (%)	1.2	1.0	1.2
FCF yield (%)	3.9	4.8	7.0

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	32.9	32.9	32.9
DII	14.0	14.6	14.6
FII	19.4	20.7	23.8
Others	33.8	31.9	28.8

FII Includes depository receipts

CMP: INR958 TP: INR1,030 (+8%) Neutral

Lower other income leads to PAT miss

Margins to revive in 2H

- Amara Raja's (ARENM) 1QFY26 PAT at INR1.9b was below our estimate of INR2.1b due to lower-than-expected other income. Margins remained under pressure at 11.5% due to higher non-lead alloy costs and higher power costs.
- We cut our FY26/FY27 EPS estimates by 8%/2% to factor in a weaker-than-expected performance in 1Q. While the market is optimistic about ARENM's li-ion initiative, we are cautious about its potential returns. We believe the stock, trading at around 21.1x FY26E/17.2x FY27E EPS, appears fairly valued. Therefore, we maintain a Neutral rating with a TP of INR1,030, based on 18x FY27E EPS.

Lower other income leads to PAT miss

- 1QFY26 standalone revenue grew ~7% YoY to INR33.5b (marginally ahead). Domestic revenue increased by 10%+, led by robust demand from OEMs in the 4W and 2W segments and healthy volumes in the aftermarket segment. In addition, its HUPS and tubular batteries business delivered a strong seasonal performance, while its allied business gained market momentum and penetration. In the industrial segment, ARENM saw strong traction in UPS/data centers, with 15% growth. The new energy business was driven by healthy volumes in the stationary business. The lead-acid business contributed 96% of revenues (INR32.8b). Export volumes remained subdued on account of muted demand conditions.
- Gross margins came in below our expectations at 29.5%, primarily due to rising prices of non-lead alloy. EBITDA margins at 11.5% (down ~220bp YoY and flat QoQ) were below our estimates of 12%. EBITDA fell 10.2% YoY to INR 3.9b (in-line).
- Other income of INR139m came in much lower than our estimate of INR245m. This resulted in an Adj. PAT miss, which fell 20.7% YoY to INR1.9b (vs. estimate of INR2.1b).

Highlights from the management commentary

- Demand outlook: 2W replacement is likely to grow at 10-11% and 4W replacement at 6-7%. Similarly, UPS segment is likely to post 5-6% growth. However, exports may remain subdued at least in the near term.
- Management expects margins to improve from 2Q onward as tubular battery production ramps up and recycling plant scales up. ARENM expects power costs to normalize by 3Q.
- Gigafactory update: The construction of a customer qualification plant (CQP) and a research lab is on track and expected to be completed by the end of FY26. The phase 1 for the 1 GWh cylindrical NMC cells is set to commence production by FY27. Deliberations are ongoing on whether to expand to 2 GWh or diversify into LFP cylindrical cells. The long-term capacity target of 16 GWh by FY30 has been stated.

- ARENM has invested around INR12b in its EV subsidiary so far, with an additional INR12b required for CQP, R&D and other working capital requirements.
- FY26 capex is estimated at INR12-13b, with INR8-9b for new energy projects and the balance for the lead-acid business.

Valuation and view

- ARENM's venture into the lithium-ion business is strategically sound given the opportunities in the segment and risks facing its core business. However, there are notable challenges: 1) market opportunities are limited by existing OEM partnerships; 2) low-margin nature of lithium-ion business is likely to dilute returns; and 3) long-term viability of technology remains uncertain despite the large capital investment.
- While the market is optimistic about ARENM's li-ion initiative, we are cautious about its potential returns. We believe the stock, trading at around 21.1x FY26E /17.2x FY27E EPS, appears fairly valued. Therefore, we maintain a Neutral rating with a TP of INR1,030, based on 18x Jun'27E EPS.

Quarterly Performance- SA (INR M)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E		VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	(%)
Net Sales	**31,312**	**31,358**	**31,640**	**29,739**	**33,499**	**33,240**	**34,488**	**34,047**	**124,049**	**135,274**	**32,564**	**2.9**
YoY Change (%)	13.0	11.6	9.8	6.3	7.0	6.0	9.0	14.5	10.2	9.0	4.0	
RM Cost (% of sales)	68.9	67.6	66.9	67.7	70.5	69.5	69.0	67.8	67.8	69.2	68.6	190bp
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.0	5.8	5.9	6.0	5.9	5.9	0bp
Other Exp (% of sales)	11.5	12.2	13.9	14.7	12.0	13.0	13.0	14.0	13.1	13.0	13.5	-150bp
EBITDA	**4,304**	**4,407**	**4,158**	**3,422**	**3,867**	**3,823**	**4,208**	**4,201**	**16,291**	**16,098**	**3,908**	**-1.1**
Margins (%)	13.7	14.1	13.1	11.5	11.5	11.5	12.2	12.3	13.1	11.9	12.0	-50bp
Depreciation	1,183	1,220	1,233	1,284	1,292	1,289	1,294	1,301	4,921	5,176	1,250	**3.4**
Interest	90	131	107	95	104	110	115	122	422	450	120	**-13.8**
Other Income	256	185	293	200	139	155	180	179	933	653	245	**-43.1**
PBT before EO expense	**3,287**	**3,240**	**3,111**	**2,244**	**2,610**	**2,579**	**2,979**	**2,957**	**11,881**	**11,125**	**2,783**	**-6.2**
Extra-Ord expense	0	0	-1,111	0	0	0	0	0	0	0	0	
PBT after EO	**3,287**	**3,240**	**4,222**	**2,244**	**2,610**	**2,579**	**2,979**	**2,957**	**11,881**	**11,125**	**2,783**	**-6.2**
Tax	841	833	1,103	576	670	645	760	729	3,353	2,803	696	
Tax Rate (%)	25.6	25.7	26.1	25.7	25.7	25.0	25.5	24.7	28.2	25.2	25.0	
Adj PAT	**2,446**	**2,407**	**2,298**	**1,668**	**1,940**	**1,934**	**2,219**	**2,228**	**8,528**	**8,321**	**2,087**	**-7.0**
YoY Change (%)	23.1	6.3	-9.1	-26.8	-20.7	-19.7	-3.4	33.6	-5.9	-2.4	-14.7	

E: MOFSL Estimates

M&M: We're Covered For Q2FY26 & Q3FY26; Put In Multiple Mitigation Actions For Rare-Earth Minerals; Rajesh Jaijurikar, ED

- Should accept GST reforms with grace
- Automobiles sector is a GDP and employment multiplier
- There is a huge Make in India opportunity
- We're Covered For Q2FY26 & Q3FY26; Put In Multiple Mitigation Actions For Rare-Earth Minerals

Read More

TCI Express: Will Be Enhancing Multi-modal Business Including Rail Express; Mukti Lal, CFO

- See more stability and predictability this year vs last year
- Targeting 8-9% vol. growth and 11% revenue growth
- With de-risking strategy intact, will be in a better position this year
- Coal and other costs have stabilized

Read More

Ola Electric: Our 4680 Cells Will Be In Our Products This Quarter Itself By Navratri; Bhavish Agarwal, Founder

- Gigafactory is now fully functional
- Both our top-end bike and scooter will be powered by 4680 cells
- First vehicle with Ferrite motors will come next quarter, with a roadmap to magnet-less motors
- Q1 showed improvement in margins and bottom-line

Read More

Knowledge REIT: Will Acquire 3-4 assets in the next 18 months; Shirish Godbole, CEO

- Will ensure acquisitions are accretive
- Currently, our focus is on larger cities
- IT is less than 10% of our portfolio
- Will Acquire 3-4 assets in the next 18 months

Read More

Zaggle: Guidance Of 35-40% Growth Remains Intact For Now & Will Take A Relook At The End Of Q2FY26; Avinash Godkhindi, CEO

- Sticking to guidance of 35-40% as of now
- Will re-look at guidance by end of 2Q
- Will see some of the large acquisitions this year
- Inorganic acquisition will add up to the momentum

Read More

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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:
The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

In the past 12 months, MOFSL or any of its associates may have:
a) received any compensation/other benefits from the subject company of this report
b) managed or co-managed public offering of securities from subject company of this research report,
c) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
d) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:
This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification
The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement	**Companies where there is interest**
Analyst ownership of the stock	No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)
This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:
This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.
MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under

applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .
In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.
Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.
Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.
Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.