

Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	80,598	0.1	3.1
Nifty-50	24,631	0.0	4.2
Nifty-M 100	56,504	-0.3	-1.2
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	6,450	-0.29	9.7
Nasdaq	21,623	-0.40	12.0
FTSE 100	9,139	-0.4	11.8
DAX	24,359	-0.1	22.4
Hang Seng	9,039	-1.0	24.0
Nikkei 225	43,378	1.7	8.7
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	68	2.0	-8.0
Gold (\$/OZ)	3,335	-0.6	27.1
Cu (US\$/MT)	9,677	-0.5	11.8
Almn (US\$/MT)	2,615	0.2	3.5
Currency	Close	Chg .%	CYTD.%
USD/INR	87.6	0.1	2.3
USD/EUR	1.2	-0.5	12.5
USD/JPY	147.8	0.3	-6.0
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.4	-0.08	-0.4
10 Yrs AAA Corp	7.2	-0.08	-0.1
Flows (USD b)	14-Aug	MTD	CYTD
FII's	-0.2	-0.61	-11.4
DII's	0.44	1.75	49.8
Volumes (INRb)	14-Aug	MTD*	YTD*
Cash	912	984	1067
F&O	4,65,244	2,27,630	2,14,648

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research theme

India Strategy: Earnings review 1QFY26 – Modest yet Resilient!

- ❖ The aggregate earnings of the MOFSL Universe companies grew 11% YoY (vs. our est. of 9% YoY) in 1QFY26. Ex-Financials, earnings for the MOFSL Universe grew 13% YoY (est. +14% YoY); whereas, barring global commodities, the MOFSL Universe reported a 9% YoY earnings growth (est. +6% YoY).
- ❖ The overall modest earnings growth was anchored by O&G (+27% YoY), Telecom (loss-to-profit), NBFC-Lending (+14%), PSU Banks (+7%), Technology (+7%), Cement (+51%), and Healthcare (+11%), which contributed 77% of the incremental YoY accretion in earnings. In contrast, Automobiles (-3%) contributed adversely to earnings.
- ❖ The Nifty delivered an 8% YoY PAT growth (vs. our est. of +5%). Excluding Metals & O&G, profits for Nifty constituents were up 9% YoY (vs. our est. of +4% YoY).
- ❖ The MOFSL Universe is likely to deliver sales/EBITDA/ PAT growth of 4%/11%/12% YoY in FY26.
- ❖ The Nifty EPS estimate for FY26/FY27 was reduced by 1.2%/0.9% to INR1,108/INR1,296.



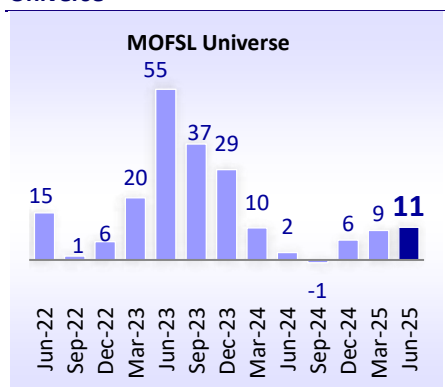
Research covered

Cos/Sector	Key Highlights
India Strategy	Earnings review 1QFY26 – Modest yet Resilient! Welcome tailwinds for Indian equities
Consumer	Consumption revival mode continues BPCL Max Healthcare United Spirits Ashok Leyland Vishal Mega Mart Endurance Technologies IRB Infrastructure Deepak Nitrite Nuvama Wealth Angel One Brigade Enterprises Vinati Organics Aditya Birla Lifestyle Brands Bata India Alkyl Amines Chemicals Aditya Birla Fashion and Retail Galaxy Surfactants Indostar Capital Finance TCI Express Spandana Sphoorty IOCL Vodafone Idea Amara Raja EcoScope (a. WPI; b. Trade deficit)
Other Updates	

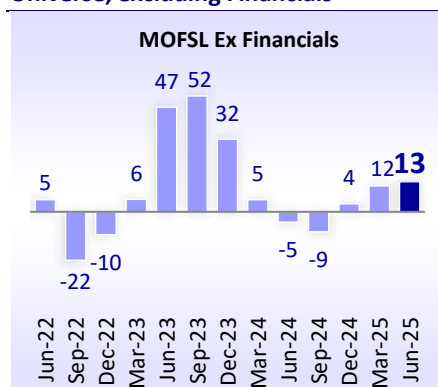


Chart of the Day: India Strategy (Earnings review 1QFY26 – Modest yet Resilient!)

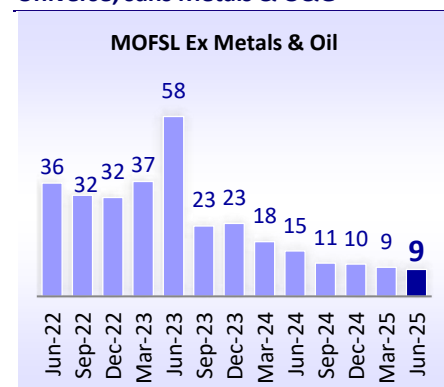
PAT increased 11% YoY for the MOFSL Universe



PAT was up 13% YoY for the MOFSL Universe, excluding Financials



PAT rose 9% YoY for the MOFSL Universe, sans Metals & Oil



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

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



Kindly click on textbox for the detailed news link

1

MakeMyTrip charts global expansion route, boosts corporate travel focus

India's largest online travel aggregator, MakeMyTrip, is sharply expanding its footprint in the corporate travel segment while reinforcing a long-term strategy centred on technology, artificial intelligence (AI), and regional dominance.

2

Aurobindo Pharma expects China plant to break even at Ebitda level in FY26

Aurobindo Pharma expects its China facility to break even in the third quarter of the current financial year, according to its CFO Santhanam Subramanian.

3

Listing a reality, possible in 12-18 months: Classic Legends MD Thareja

The public listing of Mahindra group-backed Classic Legends, the maker of iconic brands Yezdi, Jawa and BSA, is a reality, and a timeline of 12-18 months is a possibility, as it seeks to create a credible mid-market global brand, according to its MD and co-founder Anupam Thareja.

4

Dixon Tech, China's HKC form ₹370 cr JV for display module manufacturing

Dixon Technologies (India) Ltd has entered into a Term Sheet with HKC Corporation Ltd to form a joint venture for manufacturing of Liquid Crystal Modules, thin film transistor liquid crystal display modules, assembly of end products such as smartphones, TVs, monitors and auto displays and selling...

5

Foxconn's Bengaluru unit commences operation with iPhone 17 production

Taiwanese electronics giant Foxconn's Bengaluru factory, its second-largest manufacturing unit, has commenced operation with production of iPhone 17 recently at a small scale. This is in addition to the production of iPhone 17 at its Chennai unit.

6

KEC International secures ₹1,402 crore orders across transmission, civil, and cables businesses

In the Transmission & Distribution (T&D) segment, the company secured a 765 kV transmission line project from a marquee private player in India, along with orders for the supply of towers, hardware, and poles in the Americas.

7

FMCG segment seeing 'consumer shift' towards newer, regional brands: Honasa CEO Varun Alagh

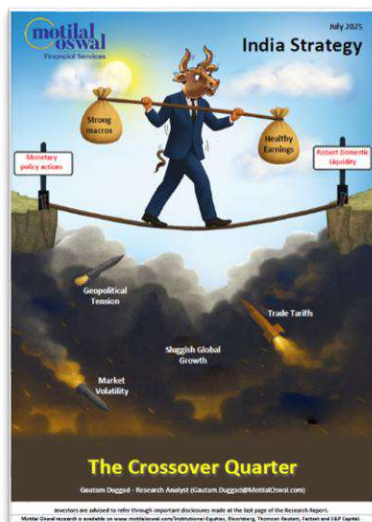
Overall, there is a consumer shift happening towards newer brands, regional brands... as large FMCG (companies) are not growing as strongly," Alagh told PTI.

India Strategy

BSE Sensex: 80,598

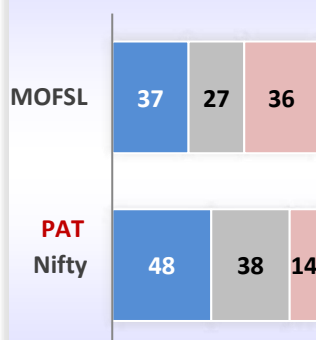
Nifty-50: 24,631

Refer to our Jun'25
quarter preview



Expectations vs. delivery: 1QFY26

% of companies that have declared results
Above Expectations In-line Below Expectations

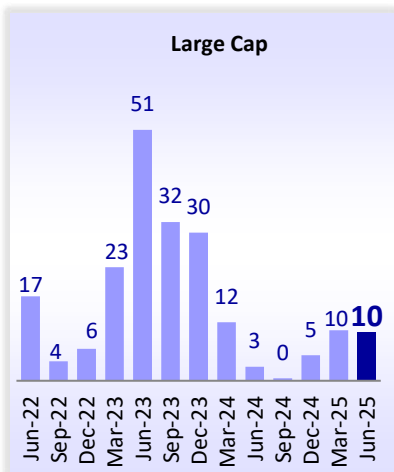


Earnings review 1QFY26 – Modest yet Resilient!

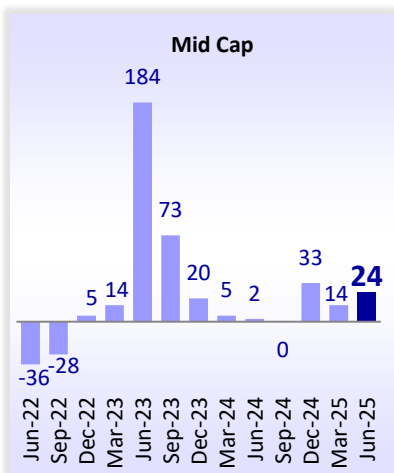
Mid-caps shine and deliver strong earnings growth yet again

- Corporate earnings – sectoral breadth promising:** Corporate earnings for 1QFY26, perceived as the “Crossover quarter,” marked a transition from the subdued low-single-digit earnings growth of FY25 to a sustainable double-digit growth trajectory. A key highlight of the quarter was better sectoral breadth of earnings growth. Of the 25 sectors under our coverage, 16 delivered double-digit growth, eight reported single-digit growth, and only one sector experienced a decline in PAT.
- Oil & Gas and Financials fuel modest earnings growth:** The aggregate earnings of the MOFSL Universe companies grew 11% YoY (vs. our est. of 9% YoY) in 1QFY26. Excluding Financials, earnings for the MOFSL Universe grew 13% YoY (est. +14% YoY); whereas, barring global commodities (i.e., Metals and O&G), the MOFSL Universe reported a 9% YoY earnings growth (est. +6% YoY). The overall modest earnings growth was anchored by O&G (+27% YoY), Telecom (loss-to-profit), NBFC-Lending (+14%), PSU Banks (+7%), Technology (+7%), Cement (+51%), and Healthcare (+11%), which contributed 77% of the incremental YoY accretion in earnings. In contrast, Automobiles (-3%) contributed adversely to earnings.
- Nifty-50 delivers a fifth successive quarter of single-digit PAT growth:** The Nifty delivered an 8% YoY PAT growth (vs. our est. of +5%). **Nifty reported a single-digit earnings growth for the fifth consecutive quarter since the pandemic (Jun'20).** Five Nifty companies – Bharti Airtel, Reliance Industries, SBI, HDFC Bank, and ICICI Bank – contributed 77% of the incremental YoY accretion in earnings. Conversely, Coal India, Tata Motors, IndusInd Bank, ONGC, HCL Technologies, Kotak Mahindra Bank, Axis Bank, Eternal, HUL, and Nestle contributed adversely to the earnings.
- Large-caps and mid-caps record in-line results, while small-caps report a miss:** Within our MOFSL coverage universe, large-caps (87 companies) posted an earnings growth of 10% YoY – similar to the overall universe. Mid-caps (92 companies) have extended their streak of the past two quarters and yet again delivered a strong earnings growth of 24% YoY (vs. our est. of 20%). Multiple mid-cap sectors clocked impressive growth; 17 of 22 sectors under coverage delivered a double-digit PAT growth. Oil & Gas, PSU Banks, NBFCs, Metals, and Technology were the major growth drivers, which contributed 89% of the incremental YoY accretion to earnings. In contrast, small-caps (132 companies) continued to experience weakness and a broad-based miss, with Private Banks, NBFCs (lending and non-lending), Insurance, Oil & Gas, and Automobiles posting a YoY earnings dip. The small-cap earnings dipped 11% YoY (our est. of flat growth), with 46% of the coverage universe missing our estimates. Conversely, within the large-cap/mid-cap universes, 31%/27% of the companies missed our estimates.
- The beat-miss dynamics:** The beat-miss ratio for the MOFSL Universe was balanced, with 37% of the companies exceeding our estimates, while 36% reported a miss at the PAT level. For the MOFSL Universe, the earnings upgrade-to-downgrade ratio has been unfavorable at 0.6x in 1QFY26 (for FY26E), with the earnings of 61 companies having been upgraded by >3%, while the earnings of 108 companies have been downgraded by >3%. Further, the EBITDA margin of the MOFSL Universe (ex-Financials) expanded 70bp YoY to 17.6%, primarily aided by the Oil & Gas, Cement, Telecom, Metals, and Logistics sectors but hurt by the Automobiles, Consumer, Utilities, and Real Estate sectors.

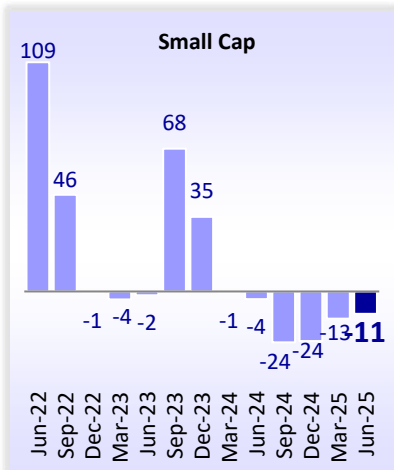
MOFSL Large-cap Universe – PAT growth YoY (%)



MOFSL Mid-cap Universe – PAT growth YoY (%)



MOFSL Small-cap Universe – PAT growth YoY (%)



- **FY26E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 4%/11%/12% YoY in FY26. The Financials, Metals, and Oil & Gas sectors are projected to be the key growth engines, with 8%, 19%, and 9% YoY earnings growth, respectively. These three sectors are likely to contribute 48% of the incremental YoY accretion in earnings. Further, **we categorized the coverage stocks, based on market capitalization, into large-cap, mid-cap, and small-cap segments.** Notably, our large-cap universe is anticipated to deliver a 10% YoY earnings growth in FY26E, while mid-cap is estimated to deliver 21% YoY growth, and small-cap is estimated to deliver a 34% YoY growth in FY26E.
- **MOFSL Universe experiences a cut of 1.3%/0.7%.....:** Our MOFSL Universe witnessed a cut of 1.3% for FY26E, led by Oil & Gas, Private Banks, Utilities, and Healthcare. While our mid-cap universe saw an upgrade of 1.7%, our small-cap universe experienced a bigger cut at 4% for FY26E. The large-cap universe witnessed a cut of 1.5%.
- **...and Nifty EPS witnesses a cut of 1.2%/0.9% for FY26E/FY27E:** The Nifty EPS estimate for FY26 was reduced by 1.2% to INR1,108, largely owing to ONGC, Reliance Industries, Axis Bank, Power Grid Corp, and HDFC Bank. FY27E EPS was also reduced by 0.9% to INR1,296 (from INR1,308) due to downgrades in ONGC, Reliance Industries, Axis Bank, Eternal, and Power Grid Corp.
- **The top earnings upgrades in FY26E:** Tata Consumer (9.7%), Apollo Hospitals (6.5%), Eicher Motors (3.8%), Hero MotoCorp (3.5%), and IndusInd Bank (2.6%).
- **The top earnings downgrades in FY26E:** Eternal (-35.4%), ONGC (-10.2%), Axis Bank (-8.7%), Power Grid Corp. (-5.3%), and Sun Pharma (-5.1%).
- **Key sectoral highlights** – 1) **Banks:** The banking sector posted a weak yet in-line 1QFY26, with business momentum moderating after a busy 4QFY26. NIMs contracted for both private and public banks, with private lenders seeing a sharper decline due to higher exposure to repo-linked loans and interest reversals from elevated slippages. Public banks also reported margin compression, driven by their quicker loan repricing cycle. 2) **Autos:** For our coverage universe, total revenue grew 4% YoY and was in line with our estimates. While Auto OEMs reported a 3% YoY growth in revenues, the auto ancillary universe posted a 6% YoY growth. On the operational front, Hyundai and MSIL posted better-than-expected margins in 1Q. Aggregate earnings growth for our OEM coverage universe (excluding TTMT) stood at 10% and was ahead of our estimates, led primarily by higher other income, which was largely attributed to MTM gains. 3) **Consumer:** Our coverage universe reported 8.3% YoY revenue growth (vs. est. 5.8%). Excluding ITC, our consumer sector grew 6.2% YoY (est. 6%). FMCG demand remained stable, showing a gradual sequential improvement backed by favorable macros. 4) **Oil & Gas:** Revenue came in line with our estimates (flat YoY). However, excluding OMCs, revenue was 6% below our estimates (flat YoY). EBITDA was 6% below estimates (up 17% YoY). Adjusted PAT was 11% below estimates (up 27% YoY), primarily as OMCs, GAIL, and OINL missed estimates. Excluding OMCs, adjusted PAT was 9% below estimates (-1% YoY). 5) **Technology:** IT service companies (within the MOFSL Universe) faced a challenging 1QFY26, with median revenue growing just 0.8% QoQ CC (-0.6%/+1.7%/+2.0%/+1.2% in 4Q/3Q/2Q/1QFY25), as GenAI-led productivity gains, weak macros, and client caution weighed on performance. 6) **Metals:** Ferrous companies within our coverage reported sales volume growth of 3% YoY in 1QFY26 but a 13% decline QoQ, impacted by maintenance

Sector Review Compendium

Highlights / Surprise /
Guidance... (Page 21 onwards)

Automobiles
Capital Goods
Cement
Chemicals
Consumer – FMCG | QSR
Consumer Durables
EMS
Financials – Banks
Financials – NBFC: Lending
Financials – NBFC: Non
Lending
Healthcare
Infrastructure
Logistics
Metals
Oil & Gas
Pipes
Real Estate
Retail

shutdowns and the early onset of monsoon. EBITDA for our ferrous coverage increased 10% QoQ and 19% YoY, driven by healthy NSR and muted costs. PAT for ferrous companies increased 14% QoQ and 59% YoY in 1QFY26, led by strong operating performance supported by better NSR and muted costs.

- **Our view:** The 1QFY26 earnings have broadly been in line, with the severity of earnings cuts moderating compared to the previous quarters, albeit the trend of a higher number of downgrades continues into this quarter. EPS growth for Nifty-50 is projected to rise to ~9% in FY26 (vs. an anemic 1% in FY25) – aided by a likely improvement in the macro environment owing to the stimulative fiscal and monetary measures. While the Indian equity market has been volatile over the past two months owing to tariff jitters, we believe that improved earnings prospects and reasonable valuations (barring small-caps) should enable the market to achieve modest gains. We believe that the influence of the US tariff wars on Indian markets will be limited. The Nifty trades at 22.2x FY26E earnings, near its LPA of 20.7x. While our [model portfolio](#) bias remains towards large-caps (~70% weight), we have turned more constructive towards mid-caps (with 22% weight vs. 16% earlier) owing to better earnings delivery and improving prospects. We are OW on BFSI, Consumer Discretionary, Industrials, Healthcare & Telecom, while we are UW on Oil & Gas, Cement, Real Estate, and Metals.

Our preferred ideas

Company	MCap	CMP	EPS (INR)			EPS CAGR (%)	PE (x)			PB (x)			ROE (%)		
	(USDb)	(INR)	FY25	FY26E	FY27E	FY25-27	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Preferred large-cap stocks															
Bharti Airtel	130.3	1,873	30.3	47.4	63.9	45.2	61.8	39.5	29.3	9.2	7.9	6.1	18.0	22.4	25.8
ICICI Bank	116.1	1,427	66.8	72.6	84.4	12.4	21.4	19.7	16.9	3.5	3.2	2.7	18.0	17.0	17.3
Larsen & Toubro	57.7	3,677	106.8	130.5	155.1	20.5	34.4	28.2	23.7	5.2	4.6	4.1	16.0	17.3	18.2
Mahindra & Mahindra	46.4	3,266	98.7	119.5	136.7	17.7	33.1	27.3	23.9	6.4	5.4	4.6	20.8	21.3	20.7
Sun Pharma	45.0	1,643	47.1	51.2	61.1	13.8	34.9	32.1	26.9	5.5	4.8	4.2	16.6	15.9	16.7
Ultratech Cement	41.4	12,298	207.6	305.6	382.8	35.8	59.2	40.2	32.1	5.1	4.7	4.3	9.3	12.2	14.0
Titan Company	35.5	3,489	42.3	54.6	64.2	23.2	82.5	63.9	54.4	26.7	20.7	16.3	35.8	36.5	33.5
Eternal	33.0	318	0.6	1.2	3.9	157.3	541.4	268.7	81.8	9.4	9.1	8.2	2.1	3.4	10.5
Bharat Electronics	32.1	385	7.2	8.2	9.8	16.5	53.2	46.8	39.2	14.2	11.2	9.0	26.8	24.0	22.9
Tech Mahindra	16.6	1,486	47.9	61.3	78.3	27.8	31.0	24.2	19.0	4.8	4.7	4.5	15.7	19.6	24.2
TVS Motor	16.4	3,021	57.1	67.1	79.6	18.1	53.0	45.0	38.0	14.4	11.4	9.2	30.7	28.4	26.8
Lodha Developers	14.0	1,233	28.7	37.9	40.2	18.5	43.0	32.6	30.6	5.9	5.1	4.4	14.6	16.7	15.4
Indian Hotels	12.6	774	11.8	13.4	16.1	16.8	65.5	57.9	48.0	9.9	8.5	7.3	16.3	15.7	16.3
Preferred mid/smallcap stocks															
Dixon Tech.	11.1	16,191	117.2	169.3	265.1	50.4	138.2	95.6	61.1	32.4	24.5	17.6	30.0	29.2	33.6
SRF	9.7	2,843	46.1	68.7	92.6	41.8	61.7	41.4	30.7	6.7	6.0	5.1	11.4	15.3	18.0
Suzlon Energy	9.4	60	1.1	1.2	2.3	44.7	55.7	48.2	26.6	13.4	10.5	7.5	29.4	24.5	33.0
Jindal Stainless	6.9	730	30.5	36.1	44.5	20.7	23.9	20.2	16.4	3.6	3.1	2.6	15.1	15.3	16.1
Coforge	6.3	1,642	25.2	46.4	58.9	52.9	65.2	35.4	27.9	8.5	7.7	6.7	13.9	17.1	20.7
Supreme Inds.	6.2	4,298	75.6	85.0	119.6	25.7	56.8	50.6	35.9	9.6	8.7	7.4	17.8	18.0	22.2
Page Industries	5.5	43,519	652.9	736.4	843.3	13.7	66.7	59.1	51.6	34.5	28.5	23.8	51.8	48.3	46.1
Kaynes Tech	4.7	6,113	45.8	81.5	132.9	70.4	133.5	75.0	46.0	13.8	7.9	6.7	11.0	13.9	16.4
Radico Khaitan	4.4	2,855	25.8	40.1	51.4	41.1	110.7	71.3	55.6	14.2	12.2	10.4	12.8	17.2	18.7
UTI AMC	1.9	1,330	63.9	68.8	79.8	11.8	20.8	19.3	16.7	3.3	3.1	3.0	16.0	16.5	18.2
Niva Bupa Health	1.7	82	1.2	0.6	1.8	23.9	70.1	135.0	45.7	4.9	3.9	3.6	7.9	3.2	8.1

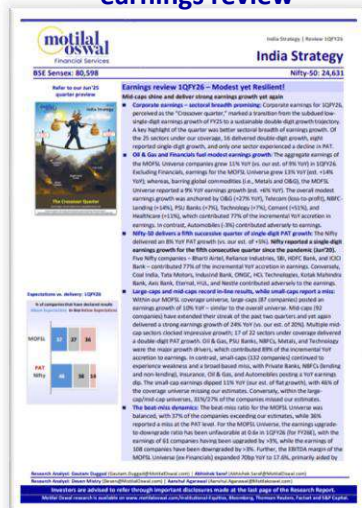
Note: LP = Loss to profit; Large-cap, Mid-cap, and Small-cap stocks listed above are as per the SEBI categorization

India Strategy

BSE Sensex: 80,598

Nifty-50: 24,631

Refer to the 1QFY26 MOFSL earnings review



GST Relief:

Reduction in GST rates on select items/categories

S&P Upgrade:

India's sovereign rating raised to 'BBB' from 'BBB-'

Potential Tariff Relief:

Russia related punitive 25% tariff may be potentially deferred

Welcome tailwinds for Indian equities

- Indian markets have been lackluster over the past year (Nifty flat YoY) and underperformed several global peers. This is primarily attributed to earnings weakness (with Nifty/MOFSL PAT growing at an anemic 4-5% YoY, witnessing sharp earnings cuts), compounded further by a series of geopolitical and macro headwinds. In response, the RBI and the government have adopted a whatever-it-takes approach to revive domestic consumption and stimulate growth. While Indian markets initially responded to regulatory efforts (with Nifty rising ~17% between Apr'25 and Jun'25), they have turned cautious again (down 4% since Jun'25), reflecting concerns over punitive US tariff announcements, geopolitical altercations, a volte-face in the Indo-US relationship, reversal of FII flows, etc.
- However, the past few days have witnessed a confluence of three key developments that, in our view, could rekindle sentiments in the Indian equity market. (i) The most defining development is the PM's Independence Day announcement of second-generation GST reforms, aimed at reducing indirect tax burden on households and stimulating consumption. (ii) The second key development is S&P's upgrade of India's sovereign credit rating to investment grade (from BBB- to BBB)—the first upgrade in 18 years and the highest S&P rating received in the past 35 years. (iii) The third key event is the potential pause on the 25% punitive tariffs on India's exports to the US (the reciprocal 25% tariff remains), following some progress in US-Russia talks.. While it is difficult to assess the pathway of the US tariff situation due to frequent changes, for now, India's merchandise exports will maintain their competitiveness since the ex-punitive-rate tariff stands at 25% and is still lower than several other nations.
- GST rationalization-related beneficiaries** – Key segments/sectors that stand to benefit include: Consumer Staples (through better demand, lower raw material costs), Automobiles (4 wheelers), Cement, Hotels (sub INR7,500 room rate inventory), Retail (footwear), Consumer durables (mainly RACs), Logistics, Quick Commerce, and EMS (likely better demand for ACs). Key stock beneficiaries: HUVR, Britannia, Maruti, Ashok Leyland, Ultratech, Voltas, Amber, Delhivery, LemonTree, Swiggy, HDFC Bank, and Bajaj Finance (for a detailed list, refer to Exhibit 1).
- S&P upgrade-related beneficiaries** – This is a significant macro and structural positive for the overall Indian market, likely supporting incremental valuation expansion driven by lower bond yields and decreased risk perception. Moreover, a higher sovereign rating will drive better FPI debt flows and lead to better USDINR and GOI bond yields. Foreign currency-heavy borrowers can benefit from lower interest costs. Indian financial companies, such as Bajaj Finance, accessing the ECB market could see a 15-20bp reduction on their coupon payments.
- US tariffs-related beneficiaries** – The potential deferral of the punitive tariff provides near-term relief. Key sectors that could benefit include Auto Comps,

Textiles, Gems/Jewellery. Some of India's exports, such as Pharmaceuticals, Metals, Electronics, and Capital Goods, are currently exempt under S.232, resulting in a status quo for these sectors. Within our coverage, Bharat Forge and Sona Comstar are key beneficiaries and could see some recovery following the initial declines after the punitive tariffs were announced.

- **Stars aligning for a strong 2HFY26:** The aforementioned developments, along with several other existing factors, are likely to come together in 2HFY26, creating a conducive macro setting for growth acceleration, consumption pickup, and the return of FII confidence. Both the RBI and GOI have adopted several growth-stimulating measures over the past few quarters, which should now begin to yield results, in our view. Since 3QFY25, the RBI has infused significant liquidity (>INR10t) through multiple tranches of OMOs and Forex swaps, while repo rate and CRR have been cut by 100bp/150 bp, respectively. Consequently, banks' EBLR rates have already started to adjust, with MCLR rates expected to follow suit. The GoI, on its part, had earlier provided a budgetary stimulus of INR1t through personal income tax foregone, which, coupled with GST benefits, is expected to encourage consumption. A well-distributed (both temporally and spatially) normal monsoon rainfall (74% of districts receiving normal+ rainfall), multi-period high real rural wage growth, the advent of the festive season, and a lower base effect are additional growth drivers for 2HFY26 and can help boost market sentiments going forward.
- **Independence Day gift from the Prime Minister to households:** The standout announcement from the PM's Independence Day speech was the introduction of GST reforms 2.0. This will involve rationalizing rates into two slabs vs. the existing four slabs for most items, barring sin goods. In addition, procedural simplification and streamlining measures are proposed to enhance ease of business and encourage wider compliance. The central government has proposed that most goods be subsumed in the 5% and 18% GST slabs vs. the existing 5%/12%/18%/28%. Almost 99% of the goods currently in the 12% slab (standard goods) are expected to be transitioned to the 5% slab, which should lower retail prices by ~4-5%, aiding household budgets. 90% of the goods in the 28% slab will likely be moved to 18%. Here too, households can expect sizable savings, owing to some higher-ticket consumption items bracketed in the 28% tier. The proposals and finer details are likely to be approved by the GST Council in early 3QFY26. The Finance Ministry has indicated ~INR500b of tax revenue impact, which appears manageable.
- **Much-awaited and well-deserved S&P rating upgrade materializes:** India's sovereign rating has been a bone of contention for several years now, with Indian authorities frequently making a case (justifiably, in our view) for a better credit assessment of Indian sovereign paper. The inclusion of Government of India bonds in the JP Morgan Emerging Market Bond Index in Jun'24 was a precursor for rating upgrades. This is an endorsement of India's durable growth, a strong track record of fiscal discipline, and a highly effective monetary policy framework that has been instrumental in controlling inflation. The real effects of rating upgrades will be visible only over the longer term in the form of lower external interest costs, more FPI flows, and enhanced investor goodwill. However, in the immediate term, it is a key sentiment booster for markets,

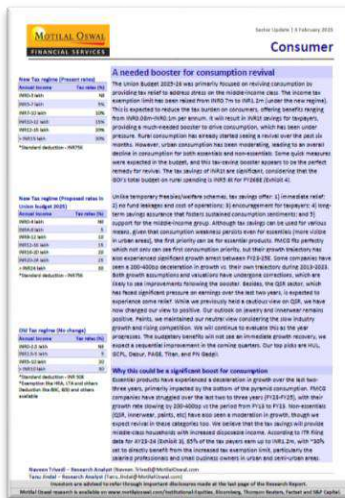
especially in the context of ongoing tactical geopolitical headwinds. Moreover, other reputable global rating agencies are likely to follow suit, which will further corroborate India's standing in global markets as a supplier of investment-grade papers.

- **A potential pause on punitive US tariffs:** Diplomatic discussions between the US and Russia during the weekend have evoked a somewhat favourable outcome, with the potential of US president temporarily deferring the levy of punitive tariffs on countries importing Russian oil. Although the final outcome on the tariff issue is still uncertain, and the endgame could be very different, the frayed market sentiments will be assuaged for the time being, as markets will likely perceive the interim deferment positively.
- **Welcome developments for the market:** Overall, we believe these announcements can collectively improve market sentiments and set the stage for an upmove after a muted performance over the past 12 months. On a YoY basis, Indian benchmark indices have remained largely flat and underperformed several key markets in CY25TD. Nifty is trading at a reasonable 12-month forward P/E of 20.8x (in line with its past 10-year average) and could expand from here, given the improving earnings trajectory. Our team estimates FY26 PAT growth of 9.8%/12.1% for Nifty/MOFSL universe. Given a favorable base effect, markets are likely to respond positively, especially as multiple government measures are expected to improve overall growth dynamics and sentiments in 2HFY26.

Exhibit 1: Key beneficiaries from the proposed GST related announcement

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	❖ Sector benefits as a whole, with consumption expected to pick up; household confidence and demand for debt to increase, driving credit growth into double digits in 2HFY26; direct benefits for consumer-heavy lenders and credit card players
	HDFC Bank	
	IDFC First Bank	
NBFCs	Bajaj Finance	❖ EMI obligation for consumer durables should reduce, benefitting NBFC lending in this segment
Cement	Ultratech	❖ A key sentiment positive for the sector; lower GST from 28% to 18% can lead to 7.5%/8% lower prices; volume relatively less elastic though
	JK Cement	
Consumer Staples	HUVR	❖ Majority of items at the 18% slab, though staple companies generally benefit since several raw materials are at 12% rate, resulting in lower input GST; the segment benefits as it is a core revival area for the government
	Britannia	
Consumer Durable	Voltas	❖ Air conditioners benefit from lower GST of 18% vs. 28%
	Havell's	❖ Havell's also benefits as ~24% of its topline comes through Lloyd's
EMS	Amber	❖ A key supplier to AC companies; will benefit if RAC's GST rate lowers 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	❖ 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
	Max Life	
	HDFC Life	
	Star Health	
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	❖ The segment benefits from higher consumption demand, a substantial part of which will be fulfilled through the Q-commerce channel
	Swiggy	
Retail	Relaxo	❖ Mass market products can benefit from a shift to lower slabs; less than INR1000 footwear had earlier increased from 5% to 18% and significant demand shifted to unorganized; with the latest announcements, the tax arbitrage of the unorganized segment will shrink, benefitting organized players
	Bata	
	Campus	

Consumer



Consumption revival mode continues

- In our sector note ([A needed booster for consumption revival](#)) published after the Union Budget 2025-26, we had noted that the government will continue to focus on consumption revival. Prime Minister Narendra Modi's announcement on 15th Aug'25 about the rationalization of GST rates and the simplification of the rate structure will further accelerate the consumption revival, in our view. Though the details of the GST restructuring have not been disclosed yet. In the last three years consumption was impacted by high inflation, rising interest rates, and a lack of government initiatives.
- We noted a relatively better revenue print and commentary from staple companies in 1QFY26. Rural markets' performance has been an outlier for the last 12 months after witnessing a tepid performance during 2022-2023. We observed an uptrend in rural markets last year, as highlighted in our thematic report titled '[Time to Restock!](#)' Most rural growth drivers have performed well ([link](#)) and led to better consumption.
- In the urban markets, consumption has been weak for the last 12 months, though we believe easing inflation, falling interest rates and other supportive measures (such as income tax relief) should revive urban consumption in the next 12 months. Some consumer companies have mentioned that green shoots are visible in urban demand, which we believe would result in a positive outlook for 2HFY26.
- Considering overall positive macro drivers for consumption, we noted that FMCG companies are also gearing up to address this opportunity. There is a clear impetus on relevant new product launches by most companies, which will largely address the value segment/mass consumers. Most companies' revenue growth in the last two years was much lower than their own historical averages ([link](#)), impacted by price cuts, weak rural sentiment, and a faster change in consumer preferences in urban areas in terms of brands (D2C, etc.), distribution channels (Ecomm, QC), etc. We believe growth initiatives by companies, along with a macro revival, will revive the growth momentum, and most companies will deliver volume-driven revenue growth. Prices of key commodities have been easing with some volatility. The gross margin (GM) impact will be in the base from 3QFY26 and there is a possibility of GM expansion if commodity prices continue to decline. The overall earnings print for FMCG companies is expected to turn superior.
- A consumption revival will also be positive for discretionary companies, but since FMCG companies have been impacted the most and the ask rate has gone down significantly, the sensitivity looks superior for FMCG companies. We continue to like HUL, GCPL, and Marico in our staple universe.

GST reforms, limited details but intent is clear

PM Modi announced on Independence Day that the government will restructure GST rates to reduce the tax burden. This is in addition to the income tax relief provided under the new tax regime in the last Union Budget 2025-26, in potential savings of INR1t for taxpayers. These moves show that the government has strengthened its focus on consumption revival. In the GST rate restructuring, the government is expected to propose a simplified two-slab system (5% and 18%) from the existing multi-tier rates (5%, 12%, 18%, 28%). As per media articles, 99% of items currently in the 12% slab are likely to move to 5%, benefiting everyday consumer goods. Around 90% of the items in the 28% slab may be moved to 18%. A special 40% GST slab is proposed for 5-7 items (sin or luxury goods). The proposal is expected to be discussed in the next GST council meeting in Sep-Oct'25.

Valuation snapshot

Company	CMP (INR)	Target Price (INR)	Reco
Staples			
BRIT	5,306	5,850	Neutral
CLGT	2,154	2,550	Neutral
DABUR	501	600	Buy
HMN	582	700	Buy
GCPL	1,185	1,400	Buy
HUVR	2,483	3,000	Buy
ITC	411	500	Buy
JYL	332	375	Neutral
MRCO	711	825	Buy
NESTLE	1,089	1,200	Neutral
PG	13,277	15,000	Neutral
Paints			
APNT	2,529	2,500	Neutral
INDIGOPN	1,109	1,400	Buy
PIDI	3,084	3,200	Neutral
Liquor			
UNSP	1,318	1,500	Neutral
RDCK	2,855	3,250	Buy
UBBL	1,927	2,000	Neutral
Innerwear			
PAGE	43,519	54,000	Buy
QSR			
BBQ	255	325	Neutral
DEVYANI	155	200	Buy
JUBI	632	725	Neutral
RBA	79	135	Buy
SAPPHIRE	307	400	Buy
WESTLIFE	662	750	Neutral
Jewelry			
KALYANKJ	534	700	Buy
PNG	565	825	Buy
SENCO	361	385	Neutral
TTAN	3,489	4,150	Buy

Rural consumption reviving, more to come!

Rural India had seen sharp growth deceleration during 2022 to mid-2024 as several headwinds impacted the rural economy, such as stagnant wages, high inflation and the prolonged impact of the Covid-19 pandemic. Last 12 months saw a healthy rural recovery, although on a weak base. With macro parameters constantly improving, we expect that rural markets will sustain healthy growth trends in the coming quarters. A promising start to the monsoon season, a rebound in rural wages supported by easing inflation, and increased government expenditure are laying the foundation for a broad-based rural revival.

Urban consumption — are we at an inflection point?

Urban consumption has seen a sharp deceleration during the last 12 months. Urban demand was quite resilient during 2022-23 when rural demand was reeling under pressure. Premiumization and positive urban sentiment were driving consumption. However, persistent pressure of inflation and rising interest rates eventually dented urban savings. With easing inflation, falling interest rates and income tax savings, we are seeing some green shoots in urban markets. We believe that urban demand pressure is bottoming out and recovery signs will be visible more clearly in 2HFY26.

1QFY26 performance was a decent start to FY26

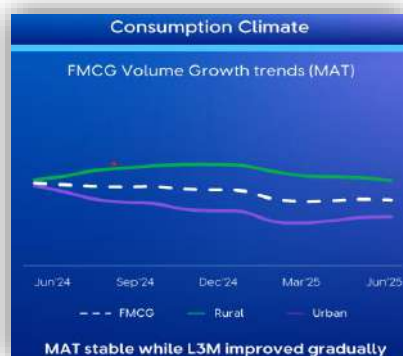
Our staples universe delivered 6%/5% revenue growth in FY24/FY25. In 1QFY26, revenue growth jumped to 10%, aided by better volumes. Most companies reported slightly better volume growth in 1QFY26 ([link](#)). Certainly, 1Q revenue growth and management commentary were buoyant. Margin weakness persists across the names, led by steep inflation in palm oil, copra, etc. Most companies have increased prices to counter inflation, and expect that if input prices remain stable, then margin pressure should ease from 3QFY26 onward.

Commodity prices easing out; expect margin recovery in 2HFY26

Prices of key commodities are easing, although with a bit of volatility. GM has been impacted during the last 4-5 quarters ([link](#)) for most companies, more severely for companies sensitive to palm oil, copra, barley, tea, edible oil, etc. GM for most companies contracted in the range of 50-300bp and impacted EBITDA margin by 20-260bp in FY25. Although the commodity basket is still volatile, the RM impact will be in the base from 3QFY26. If key commodity prices soften or remain stable, there is a possibility of GM expansion. Price hikes have already been taken to counter the inflationary impact. Thereby, along with a volume recovery, GM recovery will lead to a much better earnings print for staple companies from 2HFY26 onward.

What are we building in estimates?

With the expectation of improving demand trends along with companies' own initiatives to accelerate volume growth, we build in a volume recovery in 2HFY26. The pickup can vary between 200bp and 500bp YoY. We also build in easing commodity pressure, and the recent price hike will be sufficient to drive GM expansion in 2HFY26. Thereby, the overall growth print will be far superior compared to the last 8-10 quarters. A few companies (Marico, Britannia) will also be able to deliver double-digit EBITDA growth ([link](#)).



Source: HUL, Nielsen

Valuation and recommendation

A weak demand recovery, competitive pressure, and commodity headwinds have impacted the earnings delivery for the last three years for staple companies. Simultaneously, capital markets keep getting investment opportunities in new consumption stories. Staple companies were earlier enjoying the scarcity premium, which has been tested well during this period. With the fast-changing consumer behavior, rapidly evolving consumer reach, and rising competitive landscape, we believe companies need to be more agile to be fit for their consumer base. Consumer acquisition is becoming difficult, and retaining the same is also becoming a task. Thereby, companies with futuristic portfolios and ready to take risks to be more aggressive and agile will command rich valuations. We have seen de-rating for many companies after their dismal operating performance and failure to acquire and hold consumers. The next 12-24 months will be an interesting period for consumption, but we need to be more mindful of selecting the right portfolio. We continue to like HUL, GCPL, and Marico in our consumer universe.

Valuation summary

Company	CMP (INR)	Target Price		Reco	EPS (INR)			EPS Gr. YoY (%)			P/E (x)			EV/EBITDA (x)			RoE (%)			Div. (%)
		(INR)	Upside %		FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	
Staples																				
BRIT	5,306	5,850	10	Neutral	91.9	104.0	116.4	4	13	12	58	51	46	40	36	32	53.4	53.6	51.6	1.4
CLGT	2,154	2,550	18	Neutral	51.4	51.8	56.7	4	1	9	42	42	38	30	29	27	79.0	86.9	98.9	2.4
DABUR	501	600	20	Buy	10.2	11.0	12.3	(4)	8	12	49	46	41	35	32	29	17.4	17.3	18.5	1.6
HMN	582	700	20	Buy	20.3	21.2	22.8	12	5	7	29	27	26	25	23	21	34.4	32.3	30.9	1.7
GCPL	1,185	1,400	18	Buy	18.5	22.0	26.8	(4)	19	22	64	54	44	41	38	32	15.4	18.3	21.3	1.7
HUVR	2,483	3,000	21	Buy	44.3	45.9	51.5	1	3	12	56	54	48	39	38	34	20.7	21.6	23.7	2.1
ITC	411	500	22	Buy	16.0	17.1	18.6	(3)	7	9	26	24	22	19	18	16	27.7	29.9	31.3	3.5
JYL	332	375	13	Neutral	10.2	10.7	11.9	4	5	12	33	31	28	23	22	19	19.4	18.8	19.8	1.1
L T Foods	446	600	34	Buy	17.4	23.3	28.9	2	34	24	26	19	15	17	13	10	16.8	19.4	20.5	0.6
MRCO	711	825	16	Buy	12.4	13.9	15.7	8	12	13	57	51	45	42	38	33	40.9	44.1	47.0	1.6
NESTLE	1,089	1,200	10	Neutral	16.0	16.9	19.4	(22)	6	15	68	65	56	44	41	36	83.9	78.0	82.7	1.2
PG	13,277	15,000	13	Neutral	195.9	269.5	297.0	(11)	38	10	68	49	45	48	35	32	84.2	106.2	95.7	1.2
Tata Consumer	1,050	1,270	21	Buy	14.0	16.8	19.8	(2)	20	17	75	62	53	42	37	32	7.7	8.1	9.1	0.6
Varun Bev.	502	620	23	Buy	7.7	9.5	11.4	26	24	20	65	53	44	37	32	28	22.0	18.1	18.8	0.5
Paints																				
APNT	2,529	2,500	-1	Neutral	42.5	45.4	54.1	(27)	7	19	60	56	47	39	36	32	21.4	22.2	25.6	1.7
INDIGOPN	1,109	1,400	26	Buy	29.8	33.1	38.5	(4)	11	16	37	34	29	21	19	16	14.7	14.4	14.7	0.3
PIDI	3,084	3,200	4	Neutral	41.3	48.5	55.6	17	17	15	75	64	55	50	44	38	23.1	23.8	24.1	0.6
Liquor																				
UNSP	1,318	1,500	14	Neutral	19.8	21.7	24.4	26	10	12	67	61	54	45	41	36	18.2	16.6	15.7	0.6
RDCK	2,855	3,250	14	Buy	25.8	40.1	51.4	35	55	28	111	71	56	57	42	34	12.8	17.2	18.7	0.1
UBBL	1,927	2,000	4	Neutral	17.7	23.8	33.4	14	35	40	109	81	58	60	47	37	10.9	13.9	17.9	0.3
Innerwear																				
PAGE	43,519	54,000	24	Buy	652.9	736.4	843.3	28	13	15	67	59	52	46	40	35	51.8	48.3	46.1	2.1
QSR																				
BBQ	255	325	28	Neutral	-6.9	-7.1	-5.8	Loss	Loss	Loss	NM	NM	NM	5	5	4	-7.5	-8.3	-7.3	0.0
DEVYANI	155	200	29	Buy	0.2	0.6	1.4	(76)	218	143	830	261	107	26	25	20	2.1	8.0	27.4	0.0
JUBI	632	725	15	Neutral	3.6	6.2	9.2	(10)	75	47	177	101	69	29	25	21	11.2	19.3	27.2	0.2
RBA	79	135	71	Buy	-4.0	-1.9	-0.4	Loss	Loss	Loss	NM	NM	NM	16	11	8	-30.6	-13.4	-2.7	0.0
SAPPHIRE	307	400	30	Buy	1.0	1.2	2.8	(39)	21	136	308	256	108	21	19	16	2.3	2.7	6.2	0.0
WESTLIFE	662	750	13	Neutral	0.8	1.9	4.6	(82)	137	150	845	357	143	36	32	26	2.0	4.6	10.5	0.0
Jewelry																				
KALYANKJ	534	700	31	Buy	7.8	10.9	13.3	35	39	22	68	49	40	34	26	22	17.9	21.5	22.7	0.3
PNG	565	825	46	Buy	17.4	22.8	27.6	32	31	21	32	25	20	24	17	14	22.6	18.1	18.2	0.0
SENGO	361	385	7	Neutral	12.4	15.4	17.5	6	24	14	29	23	21	16	13	12	12.1	12.1	12.4	0.3
TTAN	3,489	4,150	19	Buy	42.3	54.6	64.2	8	29	18	83	64	54	51	40	36	35.8	36.5	33.5	0.4

Source: Company, MOFSL

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	BPCL IN
Equity Shares (m)	4339
M.Cap.(INRb)/(USDb)	1379.9 / 15.8
52-Week Range (INR)	376 / 234
1, 6, 12 Rel. Per (%)	-6/19/-4
12M Avg Val (INR M)	3121

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	4,403	3,636	3,415
EBITDA	254	261	224
Adj. PAT	136	151	123
EPS (INR)	32	35	29
EPS Gr.%	-49.7	10.8	-18.2
BV/Sh. (INR)	190	229	250

Ratios

Net D:E	0.5	0.4	0.5
RoE (%)	17.3	16.8	12.1
RoCE (%)	11.7	11.3	8.3
Payout (%)	32.0	19.7	30.3

Valuation

P/E (x)	10.0	9.0	11.0
P/BV (x)	1.7	1.4	1.3
EV/EBITDA (x)	5.4	5.2	6.1
Div. yield (%)	3.1	3.0	2.7
FCF yield (%)	6.3	3.5	1.7

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	53.0	53.0	53.0
DII	23.1	23.2	22.3
FII	15.5	14.6	15.0
Others	8.5	9.3	9.7

FII Includes depository receipts

CMP: INR318 TP: INR310 (-3%) Neutral

Rising capex intensity raises concerns

- BPCL's EBITDA/PAT came in 12%/11% below expectations in 1QFY26, impacted by lower-than-anticipated GRM (USD 4.9/bbl). However, blended marketing margin stood 25% above estimate at INR8.3/litre (up 75% YoY). 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 BPCL to receive ~INR37.5b in both FY26/FY27 (25% of total compensation). This will result in a ~5% increase in BPCL's FY27E BVPS.
- In our [previous note](#), we highlighted that OMCs are entering the last phase of a rally. Since then, BPCL has delivered only 2% return (peak return of 14%). While MS/HSD marketing margins have corrected recently to an average of INR11.3/INR6.7 per lit so far in 2Q (vs. INR12.7/INR11 per lit in 1Q), they are significantly above our assumption of INR3.3/lit. Further, with current LPG under-recovery per cyl declining to INR30 (vs. INR150 in 1Q), the marketing segment should remain strong. Refining segment reported a weak performance in 1Q, as the inventory loss came in significantly above estimate at USD3.5/bbl. In 2Q'td, HSD cracks have risen 34% QoQ to USD13.3/bbl, while MS cracks have declined 23% QoQ to USD8.7/bbl. Fuel oil cracks have again turned negative, averaging -USD4.8/bbl.
- We continue to prefer HPCL over BPCL because of the following factors: 1) HPCL's leverage towards marketing segment, 2) higher dividend yield, as HPCL's capex cycle is tapering off while BPCL enters into a new capex cycle, and 3) start-up of HPCL's multiple mega-projects in the next 12 months providing a push to earnings.
- BPCL currently trades at 1.5x 1yr. fwd. P/B vs. 10-year average of 1.8x. We have a Neutral rating on BPCL.

Key takeaways from the conference call

- **Bina refinery expansion:** 14% physical progress has been achieved as of Jun'25. INR8b capex has been spent.
- **Mumbai refinery upgrade capex: INR142b will be spent.** Fluid Catalytic Cracking unit and some other units are being replaced, including the upgrade of a bottom residue unit. Completion is expected in May'29. Work has started on the refinery.
- **Capex guidance:** INR200b annual capex is expected in FY26, out of which INR23.8b has been spent in 1Q.
- Inventory levels were on the higher side in 1Q, with around 2.9-3mmt of crude oil inventory (usually 2.2-2.3mmt), leading to higher refining inventory loss.
- Russian crude throughput stood at ~34% in 1Q (lower in Jun'25). Discounts were down at USD1-1.5/bbl.
- LPG under-recovery per cylinder fell to INR30 in Sep'25.

Weak refining mars 1Q performance

- BPCL's reported GRM of ~USD4.9/bbl came in below our est. of USD9.0/bbl.
- Refining throughput stood in line with our est. at 10.4mmt (+3% YoY).
- Marketing volumes, excluding exports, were also in line with our est. at 13.6mmt (-1% YoY).
- Marketing margin (including inv.) was 25% above our est. at INR8.3/lit.
- EBITDA was 12% below our estimate at INR96.6b, with marketing inventory loss of INR8.4b and forex gain of INR0.2b.
- LPG under-recovery amounted to INR20.8b (INR32.2b in 4Q).
- Resulting reported PAT stood 11% below our est. at INR61.2b.
- Other income came in 50% above our estimates.
- As of Jun'25, BPCL had a cumulative negative net buffer of INR125.2b due to the under-recovery on LPG cylinders (INR104.5b as of Mar'25).

Valuation and view

- BPCL's GRMs have been at a premium to SG GRMs because of the continuous optimization of refinery production, product distribution, and crude procurement. The use of advanced processing capabilities of Bina and Kochi refineries allows BPCL to process 100% of high-sulfur crude and 50% of Russian crude.
- We maintain our GRM and marketing margin assumptions. Current marketing margins remain healthy, above the INR3.3/lit we are building in for MS/HSD.
- While valuation appears reasonable and strong marketing performance continues, a muted medium-term refining outlook (our FY26/FY27 PAT estimates are 17%/18% sensitive to every USD1/bbl change in GRM) and the commencement of a new capex cycle emerge as key concerns. Hence, we reiterate our Neutral rating with an SoTP-based valuation of INR310/share.

SoTP-based valuation

Particulars	Amount/Particulars	Multiple	Amount
FY27E EBITDA (INR m)	222,230	7.0	1,555,610
FY27E CGD EBITDA (INR m)	1,675	15.0	25,037
(-) FY27E Net Debt (INR m)			486,763
Core business value (INR m)			1,093,883
(/) shares outstanding			4,273
Core business value (INR/share)			256
Add: Investments (INR/share)			
Listed investment (IGL, PLNG & OINL)	@25% discount to CMP		23
Mozambique Upstream Area 1	@40% discount to transaction value		15
Other upstream investments	Reserve based valuation @USD7/boe		6
Unlisted CGD entities	@15x FY24 P/E		11
Target price (INR/share)			310

Valuation of Mozambique Upstream Area 1

Particulars	Unit	Amount
Total Energy aquired 26.5% stake in Sep'19	USD m	3,900.0
(x) Exchange rate	INR/USD	71.0
Total Energy aquired 26.5% stake in Sep'19	INR m	276,900.0
Total Energy's stake (%)		26.5
BPRL's stake (%)		10.0
Transaction value for BPRL	INR m	104,490.6
Transaction value for BPRL	INR/share	24.5
Discount	%	0.4
Discounted transaction value for BPRL	INR/share	14.7

Standalone - Quarterly Earning Model

(INR b)

Y/E March	FY25				FY26E				1QE	Var (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE				
Net Sales	1,131.0	1,027.6	1,131.4	1,111.8	1,125.1	832.9	837.6	839.4	909.3	24%	-1%	1%
YoY Change (%)	0.1	-0.2	-2.0	-4.6	-0.5	-18.9	-26.0	-24.5	-19.6			
EBITDA	56.5	45.1	75.8	78.1	96.6	53.9	55.8	55.7	109.2	-12%	71%	24%
Forex loss	-0.2	0.4	2.7	0.5	-0.2	0.0	0.0	0.0	0.0			
Depreciation	16.8	17.7	18.0	19.7	18.8	18.6	19.0	19.6	17.7			
Interest	4.4	4.7	4.3	5.5	3.7	4.6	4.2	6.1	4.4			
Other Income	4.8	9.6	11.0	7.9	7.3	10.5	12.1	6.7	4.9			
PBT before EO expense	40.3	31.9	61.8	60.4	81.6	41.2	44.6	36.7	92.1	-11%	102%	35%
Extra-Ord expense	0.0	0.0	0.0	17.7	0.0	-75.0	0.0	0.0	0.0			
PBT	40.3	31.9	61.8	42.6	81.6	116.2	44.6	36.7	92.1	-11%	102%	91%
Rate (%)	25.2	24.9	24.7	24.6	24.9	25.2	25.2	25.2	25.2			
Minority Interest & Profit/Loss of Asso. Cos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Reported PAT	30.1	24.0	46.5	32.1	61.2	86.9	33.4	27.4	68.9	-11%	103%	91%
Adj PAT	30.1	24.0	46.5	45.5	61.2	30.8	33.4	27.4	68.9	-11%	103%	35%
YoY Change (%)	-71.4	-71.8	36.9	-18.3	103.1	28.6	-28.2	-39.7	128.5			
Margin (%)	2.7	2.3	4.1	2.9	5.4	10.4	4.0	3.3	7.6			

Key Assumptions

Refining throughput (mmt)	10.1	10.3	9.5	10.6	10.4	10.4	10.4	10.4	10.1	3%	3%	-2%
Reported GRM (USD/bbl)	7.9	4.4	5.6	9.2	4.9	7.0	7.0	7.0	9.0	-46%	-38%	-47%
Marketing sales volume excld exports (mmt)	13.2	12.4	13.4	13.4	13.6	12.9	14.0	14.0	13.7	-1%	3%	1%
Marketing GM incld inv (INR/litre)	4.8	5.8	7.4	5.9	8.3	4.2	4.2	4.2	6.7	25%	75%	41%

BPCL – key assumptions

Y End: March 31	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.8	84.6	86.0	86.2
Crude cost (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	78.6	65.0	65.0
Domestic Market Sales (mmt)	43.1	43.1	38.7	42.5	48.9	51.0	52.4	54.4	56.6
YoY (%)	5%	0%	-10%	10%	15%	4%	3%	4%	4%
Reported GRM (USD/bbl)	4.6	2.5	4.1	9.5	20.3	14.1	6.8	6.5	6.7
Singapore GRM (USD/bbl)	4.9	3.2	0.5	5.0	10.7	6.6	3.8	5.0	5.0
Prem/(disc) (USD/bbl)	(0.3)	(0.7)	3.6	4.5	9.6	7.6	3.0	1.5	1.7
Refinery throughput (mmt)	31.0	31.9	26.4	34.1	38.5	39.9	40.5	41.7	41.7
YoY (%)	9%	3%	-17%	29%	13%	4%	1%	3%	0%
Marketing Margin (INR/ltr)									
Blended gross marketing margin incld inventory	4.8	4.7	6.9	5.0	(1.4)	6.1	6.0	5.2	4.2
Consolidated EPS	20.0	11.7	31.0	25.5	4.6	63.3	31.8	35.3	28.9

Source: Company, MOSFL

Max Healthcare

Estimate change



TP change



Rating change



Bloomberg	MAXHEALT IN
Equity Shares (m)	972
M.Cap.(INRb)/(USDb)	1186.7 / 13.6
52-Week Range (INR)	1314 / 837
1, 6, 12 Rel. Per (%)	-1/14/38
12M Avg Val (INR M)	2409

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Sales	86.2	108.8	125.8
EBITDA	22.9	28.3	33.9
Adj. PAT	14.6	18.5	23.6
EBIT Margin (%)	21.8	21.8	23.0
Cons. Adj. EPS (INR)	15.1	19.0	24.3
EPS Gr. (%)	10.0	26.0	27.6
BV/Sh. (INR)	108.7	125.4	147.7

Ratios

Net D:E	0.1	0.0	(0.0)
RoE (%)	14.8	16.3	17.8
RoCE (%)	13.0	14.5	16.4
Payout (%)	10.9	10.7	8.2

Valuations

P/E (x)	80.7	64.1	50.2
EV/EBITDA (x)	52.4	42.0	34.8
Div. Yield (%)	0.1	0.2	0.2
FCF Yield (%)	(0.9)	1.0	1.0
EV/Sales (x)	13.9	10.9	9.4

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	23.7	23.7	23.7
DII	17.4	17.6	15.4
FII	54.8	54.7	57.0
Others	4.1	3.9	3.9

FII Includes depository receipts

CMP: INR1,221

TP: INR1,450 (+19%)

Buy

Consistent growth momentum intact in 1QFY26

Work in progress to add beds/expand to new cities for diagnostics/home care

- Max Healthcare (MAXH) delivered largely in-line revenue/EBITDA for the quarter. However, earnings missed estimates by 16% due to higher depreciation, interest, and tax rates.
- That said, MAXH has continued to post a consistent 25% YoY growth in revenue for 16 quarters, with an average EBITDA margin of 27%.
- Not only have new/acquired hospitals scaled up in revenue/EBITDA over the past 12M, but the base hospitals have also continued to grow through case mix/payor mix optimization.
- Even other businesses (Max Lab and Max@home) sustained momentum with 19%/22% growth in 1QFY26.
- We reduce our estimates by 9%/3% for FY26/FY27 to factor in: a) higher depreciation/tax rate and some impact of opex related to newer hospitals. We value MAXH on an SoTP basis (premised on 36x 12M forward EV/EBITDA for the Hospital business, 30x 12M forward EV/EBITDA for Max@lab, and 11x EV/sales for Max@home) to arrive at our TP of INR1,450.
- We believe that MAXH is well-positioned to sustain its earnings growth trajectory, supported by improving operations at existing hospitals, scaling up of recently added/new hospitals, and bed additions (largely through the brownfield route). Even the diagnostics and home care businesses are scaling up at a healthy pace by expanding into new cities and deepening their presence in existing cities. We expect 21%/22%/26% revenue/EBITDA/PAT CAGR over FY25-27. Reiterate BUY.

Revenue/EBITDA largely in line; miss on earnings

- In 1QFY26, Max's network revenue (including the Trust business) grew 27% YoY to INR24.5b (our est. INR24.4b).
- EBITDA margin contracted 40bp YoY to 25.2% (our est. 25.6%), driven by higher raw material costs (up 110bp as a % of sales), which were slightly offset by lower employee costs (down 67bp).
- EBITDA grew 25% YoY to INR6.2b (our est. INR6.3b).
- Adjusted PAT rose 20% YoY to INR3.7b (our est. INR4.3b).
- EBITDA per bed (annualized) stood at INR6.9m (-2% YoY and -7.3% QoQ).
- ARPOB stood at INR78k in 1QFY26 (+1% YoY). Occupancy came in at 76% in 1QFY26, with occupied bed days (OBDs) rising 26% YoY.
- The institutional revenue share increased 390bp YoY to 21.8% in 1QFY26.
- Max Lab's revenue stood at INR480m in 1QFY26 (+19% YoY/6% QoQ)
- Max Home's gross revenue was INR600m (+22% YoY, +6% QoQ) in 1QFY26.
- Net debt stood at INR17.5b at the end of 1QFY26.

Highlights from the management commentary

- Excluding the newer hospitals added since 4QFY24, the base hospitals delivered revenue/EBITDA YoY growth of 13%/15% for the quarter.
- The 160-bed tower at Max Mohali has been completed. The trial run was initiated in Jul'25.
- Forest clearance at Max Vikrant remains delayed due to the ongoing dispute between DDA and the Delhi government over tree cutting in an eco-sensitive area.
- The MSSH Saket hospital (400 beds) is expected to be commissioned by the end of 2QFY26.
- The bed capacity at Lucknow is expected to increase to 520 by the end of FY26 from the current size of 413 beds.
- At Gurgaon, structural MEP work is in progress, with high-end equipment under installation. The facility is expected to be commissioned by the end of FY26.
- Net debt is expected to increase by INR4b-INR5b by the end of FY26.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				(INRm)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26E	FY26	% var
Gross Sales	19,310	21,190	22,690	23,020	24,510	27,121	28,156	29,027	86,210	1,08,815	24,413	0.4
YoY Change (%)	19.1	23.3	34.9	28.5	26.9	40.5	32.9	27.9	26.5	26.2	26.4	
Total Expenditure	14,370	15,520	16,520	16,950	18,340	20,070	20,864	21,277	63,360	80,550	18,163	
EBITDA	4,940	5,670	6,170	6,070	6,170	7,051	7,292	7,750	22,850	28,264	6,250	-1.3
Margins (%)	25.6	26.8	27.2	26.4	25.2	26.0	25.9	26.7	26.5	26.0	25.6	
Depreciation	900	970	1,060	1,140	1,170	1,077	1,118	1,152	4,070	4,517	970	
Interest	80	50	350	360	340	319	279	219	840	1,157	199	
Other Income	40	60	110	240	80	100	120	130	450	430	210	
PBT before EO expense	4,000	4,710	4,870	4,810	4,740	5,756	6,016	6,509	18,390	23,021	5,290	-10.4
Extra-Ord expense	190	270	1,000	180	330	0	0	0	1,640	330	0	
PBT	3,810	4,440	3,870	4,630	4,410	5,756	6,016	6,509	16,750	22,691	5,290	-16.6
Tax	870	950	710	870	960	1,065	1,173	1,295	3,400	4,493	1,005	
Rate (%)	22.8	21.4	18.3	18.8	21.8	18.5	19.5	19.9	20.3	19.8	19.0	
Reported PAT	2,940	3,490	3,160	3,760	3,450	4,691	4,843	5,214	13,350	18,197	4,285	
Adj PAT	3,087	3,702	3,977	3,906	3,708	4,691	4,843	5,214	14,648	18,462	4,285	-13.5
YoY Change (%)	1.0	4.9	16.5	17.7	20.1	52.0	30.8	31.1	10.0	26.0	38.8	
Margins (%)	16.0	17.5	17.5	17.0	15.1	17.3	17.2	18.0	17.0	17.0	17.6	
EPS	3.2	3.8	4.1	4.0	3.8	4.8	5.0	5.4	15.1	19.0	4.4	-13.5

E: MOFSL Estimates

United Spirits

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	UNITDSPR IN
Equity Shares (m)	727
M.Cap.(INRb)/(USD\$)	959.6 / 11
52-Week Range (INR)	1700 / 1271
1, 6, 12 Rel. Per (%)	-1/-11/-8
12M Avg Val (INR M)	1372

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	124.6	136.3	148.4
Sales Gr. (%)	7.7	9.3	8.9
EBITDA	22.4	24.6	27.4
Margin (%)	18.0	18.1	18.5
PAT	15.7	17.3	19.6
EPS (INR)	21.6	23.9	27.0
EPS Gr. (%)	9.3	10.3	13.0
BV/Sh.(INR)	130.0	153.8	182.1

Ratios

RoE (%)	16.6	15.5	14.8
RoCE (%)	19.5	17.9	16.9
Payout (%)	55.5	67.1	66.8

Valuations

P/E (x)	60.9	55.2	48.9
P/BV (x)	10.1	8.6	7.2
EV/EBITDA (x)	40.8	36.7	32.5

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	56.7	56.7	56.7
DII	14.4	14.6	14.0
FII	15.0	15.0	15.1
Others	13.9	13.7	14.2

FII includes depository receipts

CMP: INR1,319 TP: INR1,500 (+14%) Neutral

High ad spends weigh on margin; watchful of policy changes

- United Spirits (UNSP) reported revenue growth of 8% YoY (in line) in 1QFY26, with total volume growth of 9.4% (beat). It was supported by UNSP's re-entry into AP (since Sep'24), along with continued innovation, renovation, and other initiatives. The Prestige & Above (P&A) segment clocked volume and value growth of 9% each. The Popular segment posted 11.6% volume growth and 13.6% revenue growth.
- The price mix was flat given soft demand at the top end, along with seasonality of the business in 1QFY26. The price mix, excluding AP, was 2.3% YoY.
- Gross margin contracted 50bp YoY to 44% (in line). Excluding the one-off impact of INR400m, gross margin expanded by 110bp YoY, backed by efficiency gains and stable RM prices. EBITDA margin contracted by 320bp YoY to 16.3% (in line), impacted by higher A&P spends. Going ahead, we model ~18% EBITDA margin in FY26 and FY27.
- UNSP's re-entry into AP contributed to its incremental volumes. We model a 9% revenue CAGR over FY25-28E. Given the rich valuations, we maintain our *Neutral* rating with a TP of INR1,500, based on 50x Jun'27E standalone EPS and an additional INR250/share for its RCB and other non-core assets.

In-line performance; higher A&P spends dent margin

- **Volume up 9.4%:** Standalone net sales grew 8% YoY to INR25.5b (est. INR25b). P&A revenue (90% revenue mix) was up 9% YoY and popular revenue grew by 14% YoY. The growth was driven by UNSP's re-entry into AP, along with continued innovation, renovation, and revenue growth management initiatives. Total volume rose 9%, with P&A volume up 9% YoY (9% in 4Q) to 12.6m cases (est. 12.1m cases) and Popular volume up 12% YoY to 2.4m cases (est. 2.3m cases).
- **Margins contract:** Gross margin contracted 50bp YoY to 44% (est. 44.5%). Excluding the one-off indirect tax impact of INR400m in 1Q, underlying gross profit rose 11% and gross margin expanded by 110bp YoY, supported by steady revenue growth management initiatives, productivity gains, and relatively stable COGS inflation. A&P spends rose 36% YoY, employee costs were up 2% YoY, and other expenses increased by 19% YoY. EBITDA margin contracted by 320bp YoY to 16.3% (est. 16.8%) due to higher A&P spends.
- **Pressure on profits:** EBITDA was down 9% YoY at INR4.2b (est. INR4.2b). Underlying EBITDA (excluding the one-off impact) was down 0.7% YoY. PBT fell 11% YoY to INR3.6b (est. INR3.8b). APAT declined marginally by 1% YoY to INR3.0b (est. INR2.9b).

Highlights from the management commentary

- UNSP remains optimistic about domestic consumption given an upbeat monsoon and some early signs of urban consumption recovery.
- The Maharashtra excise duty hike has resulted in MRP spike in the range of 30-40%. Maharashtra contributes in mid- to high-teens to UNSP in value terms. It is too early to comment on new developments.
- UNSP is seeing progressive policy changes in some states like UP, MP, and Jharkhand.
- ENA and glass were stable in the quarter. However, UNSP expects ENA prices to inch up as the new ethanol policy is announced by the government around Sep-Oct'25.
- The one-off tax provision of INR400m spans over a five-year period, so on an annualized basis, it will be INR60-80m.
- Management expects EBIT growth to moderate but still aims to keep it slightly ahead of revenue growth.

Valuation and view

- We keep our EPS estimates largely unchanged for FY26 and FY27. The improvement in margins is supported by a favorable shift toward premium products and effective cost-control measures. We model ~18% EBITDA margin in FY26 and FY27.
- UNSP sold a large part of its Popular portfolio to focus on its global strategy for the premium portfolio. The liquor industry is currently witnessing an upgrading trend, which aligns well with UNSP's renewed emphasis on P&A, supporting the long-term liquor upgrading narrative in India.
- We remain watchful of any developments happening in Maharashtra as it contributes mid- to high-teens to UNSP in value terms. That said, liquor policies in many states are becoming more favorable, driving consumer upgrades and increased frequency. UNSP is well positioned to capitalize on this large opportunity.
- The company's re-entry into AP has contributed to its incremental volumes. We model a 9% revenue CAGR over FY25-28E. Given the rich valuations, we maintain our *Neutral* rating with a TP of INR1,500, based on 50x Jun'27E standalone EPS and an additional INR250/share for its RCB and other non-core assets.

Quarterly Performance

(INR m)

Y/E March (Standalone)	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Volume growth %	3.5	-4.4	10.2	6.9	9.4	5.8	4.0	4.6	4.1	5.7	4.9	
Total revenues	23,520	28,430	34,320	29,460	25,490	30,653	36,585	31,921	1,15,730	1,24,649	24,986	2.0%
YoY change (%)	8.3	-0.8	14.8	10.5	8.4	7.8	6.6	8.4	8.2	7.7	6.2	
Gross Profit	10,460	12,850	15,350	13,100	11,210	13,702	16,427	14,130	51,760	55,469	11,119	0.8%
Margin (%)	44.5	45.2	44.7	44.5	44.0	44.7	44.9	44.3	44.7	44.5	44.5	
Total Exp	18,940	23,360	28,440	24,410	21,340	24,921	29,963	25,988	95,150	1,02,212	20,801	
EBITDA	4,580	5,070	5,880	5,050	4,150	5,732	6,622	5,933	20,580	22,437	4,185	-0.8%
Margins (%)	19.5	17.8	17.1	17.1	16.3	18.7	18.1	18.6	17.8	18.0	16.8	
EBITDA growth (%)	18.9	7.8	19.7	39.5	-9.4	13.1	12.6	17.5	20.5	9.0	-8.6	
Depreciation	650	690	720	680	680	685	685	692	2,740	2,742	689	
Interest	220	250	200	220	490	245	240	215	890	1,190	220	
Other income	320	340	720	750	610	385	700	755	2,130	2,450	550	
PBT	4,030	4,470	5,680	4,900	3,590	5,187	6,397	5,781	19,080	20,955	3,826	-6.2%
Tax	1,040	1,120	1,480	1,340	900	1,307	1,612	1,455	4,980	5,274	964	
Rate (%)	25.8	25.1	26.1	27.3	25.1	25.2	25.2	25.2	26.1	25.2	25.2	
Adj. PAT	2,990	3,350	4,203	3,798	2,963	3,880	4,785	4,325	14,341	15,680	2,862	3.5%
YoY change (%)	24.8	5.3	20.7	62.3	-0.9	15.8	13.8	13.9	25.8	9.3	-4.3	
Extraordinary inc/(Exp)	0	0	527	713	-383	0	0	0	1,239	857	0	
Reported PAT	2,990	3,350	4,730	4,510	2,580	3,880	4,785	4,325	15,580	15,680	2,862.0	

E: MOFSL Estimate

Key Performance Indicators

Y/E March (Standalone)	FY25				FY26
	1Q	2Q	3Q	4Q	1Q
Key Metrics					
Sales Volume (m Cases)	13.7	15.4	18.2	16.7	15.0
Volume Growth %	3.5	-4.4	10.2	6.9	9.4
Realisation/case (INR)	1,717	1,844	1,890	1,767	1,701
Realisation growth %	4.7	3.9	4.2	3.4	-0.9
EBITDA/Case (INR)	334.3	328.9	323.9	303.0	277.0
Segmental performance					
P&A Volumes (m Cases)	11.5	12.9	14.9	13.6	12.6
Popular Volumes (m Cases)	2.2	2.5	3.2	3.1	2.4
P&A Volumes Growth (%)	5.1	-3.7	11.2	9.2	9.0
Popular Volumes Growth (%)	-4.6	-7.9	5.9	-2.2	11.6
P&A Sales Growth (%)	10.1	0.3	16.1	13.2	9.0
Popular Sales Growth (%)	-2.7	-6.9	9.5	1.0	13.6
Average growth for the last two years (%)					
Volume	4.6	-1.7	4.2	5.3	6.4
Sales	3.6	-1.1	11.1	8.7	8.3
EBITDA	30.6	7.1	26.6	23.3	4.8
PAT	16.4	13.0	40.9	36.2	11.9
As a % of Sales					
COGS	55.5	54.8	55.3	55.5	56.0
Operating expenses	25.0	27.4	27.6	27.3	27.7
Depreciation	2.8	2.4	2.1	2.3	2.7
YoY change (%)					
COGS	6.7	-3.9	12.2	8.3	9.3
Operating expenses	4.6	0.6	17.4	1.5	20.1
Other Income	53.1	-12.4	56.2	50.0	90.6
EBIT	22.8	8.2	20.4	50.2	-11.7

E: MOFSL Estimates

Ashok Leyland

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	AL IN
Equity Shares (m)	5873
M.Cap.(INRb)/(USD\$)	716.3 / 8.2
52-Week Range (INR)	132 / 95
1, 6, 12 Rel. Per (%)	-2/7/-3
12M Avg Val (INR M)	1728

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	387.5	405.3	447.4
EBITDA	49.3	51.4	58.9
Adj. PAT	32.2	33.9	39.5
Adj. EPS (INR)	5.5	5.8	6.7
EPS Gr. (%)	20.2	5.0	16.8
BV/Sh. (INR)	19.6	22.1	25.1

Ratios

RoE (%)	31.7	27.6	28.5
ROCE (%)	25.4	23.3	24.4
Payout (%)	56.9	56.4	55.7

Valuations

P/E (x)	22.2	21.2	18.1
P/BV (x)	6.2	5.5	4.9
EV/EBITDA (x)	13.7	12.6	10.6
Div. Yield (%)	2.6	2.7	3.1

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.1	51.1	51.1
DII	13.8	14.0	14.1
FII	24.5	24.1	22.7
Others	10.6	10.8	12.2

FII includes depository receipts

CMP: INR122 TP: INR141 (+16%) Buy

Improved mix drives margin expansion

Finance arm gets RBI approval for reverse merger

- Ashok Leyland's (AL) 1Q PAT stood at INR5.9b, marginally ahead of our estimate of INR5.8b, led by a slight beat on margins (30bp) and higher other income. Its margins expanded 50bp YoY to 11.1% despite subdued demand, led by a healthy non-CV mix in 1Q.
- Over the years, AL has effectively reduced its business cyclicality by focusing on non-MHCV segments. Its continued emphasis on margin expansion is expected to support stronger returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR141 (based on 11x June27E EV/EBITDA + ~INR10/sh for NBFC).**

Improved mix drives margin expansion

- AL revenue grew 1.5% YoY (in line with our estimates) to INR 87.2b, led by marginal growth in both volume and blended ASP.
- Despite subdued volumes, EBITDA margin expanded 50bp YoY to 11.1% and was slightly ahead of our estimate of 10.8%.
- EBITDA margin was supported by a favorable shift in the mix, driven by higher non-CV sales, with spare parts growing 8% YoY and the power solutions business growing 29% YoY. Within the CV segment, the mix improved with an increase in MAV sales, while exports also recorded strong growth of 29% YoY.
- As a result, EBITDA grew 6% YoY to INR 9.7b, largely in line with our estimate.
- Overall, PAT grew 13% YoY to INR5.9b, marginally ahead of our estimate of INR5.8b.
- AL has undergone significant deleveraging over the past 12 months, moving to a net cash position of INR8b, compared to a net debt of INR12b previously.

Highlights from the management commentary

- Management expects the MHCV industry to post mid-single-digit growth in FY26, while the LCV segment is expected to grow at a slightly higher rate.
- Backed by a healthy order backlog, management remains confident of achieving double-digit growth in the defense segment in FY26 and sustaining the momentum into FY27.
- Exports grew 29% YoY in 1Q, and management expects this momentum to continue in the coming quarters.
- Switch India reported a positive PBT in 1QFY26 and is targeting PAT breakeven in FY26E. As of the end of 1Q, it had an order backlog of over 1,500 buses.
- Hinduja Leyland Finance Ltd. (HLFL) has received RBI approval for its merger with NxT Digital, with remaining statutory and regulatory approvals still in process. According to management, the HLFL listing is likely to take at least 3-4 quarters.

Valuation and view

- Over the years, AL has effectively reduced its business cyclicality by focusing on non-MHCV segments. Its continued emphasis on margin expansion is expected to support strong returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR141 (based on 11x June27E EV/EBITDA + ~INR10/sh for NBFC).**

Qty Performance (S/A)

	FY25				FY26E				FY25	FY26	1QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	47,905	47,796	60,363	195,097	200,302	44,238	0.0
Growth %	6.2	-8.5	-1.4	5.1	0.8	5.0	3.0	2.0	0.3	3.0	0.8	
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,980	2,083	2,049	1,986	2,024	1,988	-0.8
Change (%)	-1.1	-0.6	3.7	0.6	0.7	3.0	2.0	1.8	0.7	2.6	1.5	
Net operating revenues	85,985	87,688	94,787	119,067	87,245	94,835	99,583	123,686	387,527	405,348	87,961	-0.8
Change (%)	5.0	-9.0	2.2	5.7	1.5	8.1	5.1	3.9	1.0	5.7	2.3	
RM/sales %	72.2	71.2	71.5	70.6	70.6	71.0	71.0	72.2	71.3	71.3	71.5	
Staff/sales %	6.4	6.8	6.4	5.5	7.0	6.7	6.5	5.1	6.2	6.2	6.6	
Other exp/sales %	10.9	10.4	9.4	8.9	11.2	10.5	9.6	8.4	9.8	9.8	11.1	
EBITDA	9,109	10,173	12,114	17,910	9,696	11,191	12,846	17,643	49,306	51,376	9,500	2.1
EBITDA Margins(%)	10.6	11.6	12.8	15.0	11.1	11.8	12.9	14.3	12.7	12.7	10.8	30bp
Interest	591	607	501	471	419	350	310	249	2,169	1,327	380	
Other Income	223	973	247	1,059	529	700	300	1,012	2,503	2,540	350	51.0
Depreciation	1,727	1,754	1,923	1,789	1,828	1,850	1,880	1,891	7,193	7,449	1,750	
PBT before EO Item	7,014	8,785	9,938	16,709	7,977	9,691	10,956	16,515	42,446	45,139	7,720	3.3
EO Exp/(Inc)	0	-1,174	0	137	0	0	0	0	-1,037	0	0	
PBT after EO	7,014	9,958	9,938	16,573	7,977	9,691	10,956	16,515	43,483	45,139	7,720	
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.6	25.5	24.0	25.1	24.0	25.0	25.5	
Adj PAT	5,256	6,933	7,617	12,562	5,937	7,219	8,327	12,371	32,355	33,854	5,751	3.2
Change (%)	-8.9	20.2	31.2	32.4	13.0	4.1	9.3	-1.5	20.6	4.6	9.4	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY25				FY26E				FY25	FY26E	1QE
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
M&HCV	27,885	28,180	30,058	39,908	28,071	27,428	28,755	30,082	126,031	126,031	28071
Dom. M&HCV Mkt sh (%)	30.7	31.1	29.6	31.3	30.7				30.7		
LCV	16,008	17,444	16,346	19,268	16,167	16,810	15,483	14,599	69,066	69,066	16167
Dom. LCV Mkt sh (%)	11.1	12.0	10.4	11.2	11.2				6.2		
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	47,905	47,796	60,363	195,097	195,097	44238
AL's CV Market Sh (%)	18.3	18.9	18.0	20.2	19.8						
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,980	2,083	2,049	1,986	2,024	1988
Growth %	-1.1	-0.6	3.7	0.6	0.7	3.0	2.0	1.8	42.4	45.1	1
Cost Break-up											
RM Cost (% of sales)	72.2	71.2	71.5	70.6	70.6	71.0	71.0	72.2	71.3	71.3	71.5
Staff Cost (% of sales)	6.4	6.8	6.4	5.5	7.0	6.7	6.5	5.1	6.2	6.2	6.6
Other Cost (% of sales)	10.9	10.4	9.4	8.9	11.2	10.5	9.6	8.4	9.8	9.8	11.1
Gross Margin (%)	27.8	28.8	28.5	29.4	29.4	29.0	29.0	27.8	28.7	28.7	28.5
EBITDA Margins (%)	10.6	11.6	12.8	15.0	11.1	11.8	12.9	14.3	12.7	12.7	10.8
EBIT Margins (%)	8.6	9.6	10.8	13.5	9.0	9.8	11.0	12.7	10.9	10.8	8.8

E:MOFSL Estimates

Vishal Mega Mart

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	VMM IN
Equity Shares (m)	4661
M.Cap.(INRb)/(USDb)	683.2 / 7.8
52-Week Range (INR)	156 / 96
1, 6, 12 Rel. Per (%)	9/33/-
12M Avg Val (INR M)	4448

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	129.5	154.5	182.7
EBITDA	18.9	22.8	27.1
NP	8.3	10.5	13.1
EBITDA Margin (%)	14.6	14.7	14.8
Adj. EPS (INR)	1.8	2.3	2.8
EPS Gr. (%)	30.1	26.5	23.9
BV/Sh. (INR)	15.7	17.9	20.7

Ratios

Net D:E	0.0	0.0	-0.1
RoE (%)	12.2	13.5	14.5
RoCE (%)	10.2	10.9	11.4
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	81.1	64.1	51.8
EV/EBITDA (x)	36.3	29.8	24.7
EV/Sales (x)	5.3	4.4	3.7
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-25	Mar-25
Promoter	54.2	74.6
DII	27.3	12.2
FII	12.9	7.0
Others	5.6	6.2

FII Includes depository receipts

CMP: INR147 TP: INR170 (+16%) Buy

Superlative performance on all fronts

- Vishal Mega Mart (VMM) delivered a strong performance in 1QFY26, with 21% YoY revenue growth, led by 21 net store additions (+15% YoY) and resilient ~11.4% SSSG, despite a shift in Eid to 4QFY25.
- Gross/EBITDA/Pre-INDAS EBITDA margins expanded 15/55/90bp YoY, driven by operating leverage and robust cost controls.
- Management indicated that VMM delivered double-digit SSSG across tiers and states in 1QFY26, driven by higher footfalls and slight up-trading by customers to higher price points. Further, its focus will be to maintain gross margins and invest the surplus to drive growth, while EBITDA margin expansion will be driven by operating leverage.
- We continue to believe that VMM's unique business model, characterized by: 1) a wide presence in Tier 2+ cities (717 stores in 472 cities), 2) a well-diversified exposure to key consumption baskets; 3) a strong and affordable own brands portfolio (~76% revenue share), and 4) one of the lowest cost structures, provides it with strong moats against rising competition.
- We raise our FY26-28E EBITDA by ~1% each, driven by slightly higher operating leverage, while the PAT increase is more pronounced due to lower depreciation. We model a CAGR of 20%/21%/27% in revenue/EBITDA/PAT over FY25-28E, driven by ~13% CAGR in store additions and double-digit SSSG.
- We reiterate our **BUY** rating with a revised **TP of INR170**, premised on DCF implied ~45x Sep'27E pre-IND AS 116 EV/EBITDA (implying ~31x Sep'27E reported EBITDA and ~67x Sep'27E P/E).

Strong 1QFY26; revenue/EBITDA up ~21%/26% YoY

- 1QFY26 consolidated revenue stood at INR31.4b, growing **21% YoY (vs. consensus estimate of 20% YoY growth)**, driven by an adjusted SSSG of **11.4%** (slightly lower than 13.7% in 4Q due to a shift in the festive dates).
 - VMM added **21 net new stores** in 1Q (23 gross additions), taking the total store count to 717 across 472 cities (14 cities added in 1Q), with a total retail area of ~12.4m sq. ft. (up ~11% YoY).
 - Sales of own brands grew 24% YoY, while third-party brands grew by a modest ~13% YoY.
- Gross profit at INR8.9b grew ~22% YoY as margin expanded ~15bp YoY to 28.4%, driven by a higher share of private labels (75.8%, up 170bp YoY).
- Employee/other expenses rose 14%/19% YoY, but overall expenses were ~40bp lower YoY as % of sales, driving operating leverage in 1QFY26.
- Reported EBITDA grew ~26% YoY to INR4.6b (4% above BBG consensus) as reported EBITDA margin expanded ~55bp YoY to 14.6%.
- Pre-INDAS 116 EBITDA (post-ESOP charges) grew ~33% YoY to INR3.1b, with **EBITDA margin of 9.9%, up ~90bp YoY**.
- Adjusted PAT (pre-ESOP charges) came in at INR2.2b (up 38% YoY), with margin expanding 90bp YoY to 6.9%.
- Reported PAT of INR2.1b surged ~37% YoY, driven by higher EBITDA and other income (+2.2x YoY).

General merchandise and South India outperformed in 1QFY26

- Among categories, general merchandise outperformed with 23% YoY growth, followed by 20% each for apparel and FMCG.
- VMM expanded its presence in South India (Karnataka, Kerala, etc.) by adding 12 stores and opening a new store in Gujarat and Maharashtra. Early responses to these stores have been encouraging, according to management.
- Geographically, South India was the fastest-growing region for VMM with 23% YoY growth, though the region's per-store productivity remains ~15% below the company-level average.

Highlights from the management commentary

- **Demand trends:** Management indicated that the company posted double-digit SSSG across tiers and states in 1QFY26, driven primarily by higher footfalls as well as slight up-trading to higher price points by customers. There was some impact from the shift of festivals such as Ugadi and Eid to Mar'25 (vs. Apr'24 in the base quarter).
- **Demand outlook:** The company remains optimistic about an improvement in consumer demand, led by higher disposable income after income tax rate cuts. Moreover, there is a slight uptick in rural demand.
- **Margins:** Management reiterated its endeavor to keep gross margin broadly stable, with any surplus likely to be reinvested in the business for driving growth. However, EBITDA margin is likely to expand slightly (~10-30bp), primarily driven by operating leverage.
- **Expansions in Gujarat and Maharashtra:** VMM opened one new store each in Maharashtra and Gujarat during 1Q, and the early response from customers has been encouraging. The company has begun exploring additional properties in both the states.

Valuation and view

- We believe the company's diversified category mix, ownership of opening price points, significant contribution from its own brands, and lean cost structure provide it with a strong moat against intense competition from both offline and online value retailers. Refer to our [recent Initiating Coverage note](#) for our detailed thesis on VMM.
- We raise our FY26-28E EBITDA by ~1% each, driven by slightly higher operating leverage, while the PAT increase is more pronounced due to lower depreciation. We model a CAGR of 20%/21%/27% in revenue/EBITDA/PAT over FY25-28E, driven by ~13% CAGR in store additions and double digit SSSG.
- We **reiterate our BUY rating with a revised TP of INR170**, premised on DCF implied ~45x Sep'27E pre-IND AS 116 EV/EBITDA (implying ~31x Sep'27E reported EBITDA and ~67x Sep'27E P/E).

Consolidated - Quarterly Earning

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	25,963	24,362	31,359	25,479	31,403	29,433	37,327	31,377	1,07,163	1,29,541
YoY Change (%)	0.0	19.3	19.5	23.2	21.0	20.8	19.0	23.1	20.2	20.9
Gross Profit	7,331	6,872	9,123	7,201	8,913	8,330	10,937	8,917	30,527	37,096
Gross margin	28.2	28.2	29.1	28.3	28.4	28.3	29.3	28.4	28.5	28.6
Total Expenditure	22,307	21,338	26,309	21,908	26,811	25,717	31,295	26,854	91,862	1,10,677
EBITDA	3,656	3,025	5,050	3,571	4,592	3,716	6,032	4,523	15,302	18,863
EBITDA margins (%)	14.1	12.4	16.1	14.0	14.6	12.6	16.2	14.4	14.3	14.6
Depreciation	1,383	1,405	1,407	1,707	1,591	1,687	1,688	1,984	5,902	6,949
Interest	342	342	315	493	411	416	420	443	1,492	1,689
Other Income	77	132	190	186	170	237	237	305	586	917
PBT before EO expense	2,008	1,409	3,519	1,557	2,760	1,851	4,162	2,402	8,493	11,141
PBT	2,008	1,409	3,519	1,557	2,760	1,851	4,162	2,402	8,493	11,141
Tax	506	369	892	406	699	466	1,048	595	2,173	2,808
Rate (%)	25.2	26.2	25.3	26.1	25.3	25.2	25.2	24.8	25.6	25.2
Reported PAT	1,501	1,040	2,627	1,151	2,061	1,385	3,114	1,806	6,320	8,334
Adj PAT	1,501	1,040	2,627	1,151	2,061	1,385	3,114	1,806	6,320	8,334
YoY Change (%)	0	0	28	88	37	33	19	57	37	32

We ascribe a TP of INR170, based on ~31x Sep'27 reported EBITDA

INR b	EBITDA	Multiple (x)	Value
Enterprise value	24.9	31	781
Net debt (incl. leases)			1
Equity value			779
TP (INR/share)			170
CMP (INR/share)			147
Potential upside (%)			16

Source: MOFSL

Our TP implies ~45x Sep'27 pre-IND-AS 116 EBITDA

INR b	EBITDA	Multiple (x)	Value
Enterprise value	16.8	45	759
Net debt (excl. leases)			
Equity value			779
TP (INR/share)			170
CMP (INR/share)			147
Potential upside (%)			16

Source: MOFSL

Quarterly performance

Consol P&L (INR m)	1QFY25	4QFY25	1QFY26	YoY%	QoQ%
Revenue	25,963	25,479	31,403	21.0%	23.3%
Raw Material cost	18,632	18,277	22,490	20.7%	23.0%
Gross Profit	7,331	7,201	8,913	21.6%	23.8%
Gross margin (%)	28.2%	28.3%	28.4%	15	12
Employee Costs	1,498	1,673	1,711	14.2%	2.3%
Other expenses	2,177	1,957	2,610	19.9%	33.4%
EBITDA	3,656	3,571	4,592	25.6%	28.6%
EBITDA margin (%)	14.1%	14.0%	14.6%	54	61
Depreciation and amortization	1,383	1,707	1,591	15.0%	-6.8%
EBIT	2,273	1,864	3,001	32.1%	61.0%
EBIT margin (%)	8.8%	7.3%	9.6%	80	224
Finance Costs	342	493	411	20.4%	-16.6%
Other income	77	186	170	121.1%	-8.7%
Profit before Tax	2,008	1,557	2,760	37.4%	77.2%
Tax	506	406	699	38.0%	72.0%
Tax rate (%)	25.2%	26.1%	25.3%		
Profit after Tax	1,501	1,151	2,061	37.2%	79.0%
Adj. Profit after Tax	1,501	1,151	2,061	37.2%	79.0%

Endurance Technologies

Estimate changes	↔
TP change	↔
Rating change	↔

Bloomberg	ENDU IN
Equity Shares (m)	141
M.Cap.(INRb)/(USD\$)	366 / 4.2
52-Week Range (INR)	3030 / 1556
1, 6, 12 Rel. Per (%)	-2/33/3
12M Avg Val (INR M)	388

Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	115.6	142.7	160.7
EBITDA	15.5	19.6	22.4
Adj. PAT	8.3	10.2	11.8
EPS (INR)	58.8	72.4	83.8
EPS Growth (%)	21.5	23.2	15.6
BV/Share (INR)	406.5	464.9	531.7

Ratios

Net Debt/Equity	-0.2	-0.2	-0.2
RoE (%)	15.5	16.6	16.8
RoCE (%)	13.9	15.5	15.9
Payout (%)	18.5	19.3	20.3

Valuations

P/E (x)	44.4	36.1	31.2
P/BV (x)	6.4	5.6	4.9
EV / EBITDA (x)	23.6	18.9	16.6
Div. Yield (%)	0.4	0.5	0.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	75.0	75.0	75.0
DII	9.5	10.9	14.4
FII	13.5	12.4	8.7
Others	1.9	1.7	2.0

FII includes depository receipts

CMP: INR2,602 TP: INR3,068 (+18%) Buy

Margin stable in Europe despite weak macro

Mandatory ABS may open up a huge new growth opportunity

- Endurance Technologies (ENDU) delivered an in-line operational performance in 1QFY26. The key highlight in the quarter was the steady operating performance in Europe despite the ongoing global headwinds, which is commendable in our view.
- We estimate a CAGR of ~18%/20%/19% in revenue/EBITDA/PAT over FY25-27, driven by new order wins and its focus on significantly ramping up its presence in 4Ws going forward. If ABS were to be mandated in all 2Ws as per the draft notification issued by MORTH, it would open up a huge growth opportunity for players like ENDU. The stock trades at 36x/31x FY26E/FY27E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,068 (based on 35x Jun'27E consolidated EPS).**

Margin remains intact in Europe despite weak macro

- 1QFY26 consol. revenue grew ~17.5% YoY to INR33.2b (in line with estimate), driven by ~10.1% YoY growth in standalone (India) business (vs. 2W industry sales decline of 1.6%) and ~39% YoY growth in Europe (in INR; +28.5% in EUR terms).
- **Standalone performance:** Standalone EBITDA margin declined 50bp YoY to 12.4% (below our estimate of 12.9%), impacted by higher metal prices. However, given a higher-than-expected revenue growth, EBITDA was in line with our estimate at INR2.9b.
- **Europe performance:** Europe business growth was aided by new hybrid/EV orders and Stoferle consolidation. Organic growth would be 0.6% compared to a 1.8% fall in EU new car registrations. Europe EBITDA margin (including other income) expanded 90bp YoY to 17.4%. Stoferle margin stood at 19.6%.
- **Maxwell performance:** Maxwell revenue jumped 10x YoY (on a low base) to INR310m, led by higher volumes from key customers. Maxwell posted a positive EBITDA of INR10m vs. a loss of INR42m YoY.
- Consolidated PAT grew 11% YoY to INR2.3b (in line), supported largely by inorganic growth (Europe PAT growth of 42% YoY). On the other hand, standalone PAT grew 1.8% YoY to INR1.7b, while Maxwell's loss declined to INR20m from INR70m in 1QFY25.

Highlights from the management commentary

- In 2W inverted front forks, ENDU is by far the market leader. It is already a big supplier to BAL and KTM and has recently received orders from TVS and HMCL. Recently, ENDU has won a new order from a leading Chinese 2W OEM for inverted front forks and rear mono shocks. SOP for the same is likely to start in 3Q-4QFY26. This is likely to peak in FY27.
- If ABS is mandated on all 2Ws as per the draft notification issued by MORTH, it would open up a huge growth opportunity for players like ENDU, which is already supplying low-cost ABS solutions to BAL and RE, and there are just three other MNC competitors in this segment. With higher volume, ENDU now targets 25% market share initially (from 15% currently). Further, higher ABS usage would also mean higher requirement of disc brakes. Given that ENDU is a market leader in 2W disc brakes (43% share in disc brake systems and 60% share in brake discs), it is likely to emerge as a major beneficiary of the same.
- ENDU has now tied up with a Korean entity for the entry into 4W suspensions in India. It is actively pursuing new business with multiple OEMs.
- In AI forgings, ENDU has recently received another order from RE and HMCL for the supply of AI forgings. ENDU now sees this as a key area for future growth. It is setting up a new plant for this business and expects to relocate the current setup in the new plant.
- ENDU has won its first order for 4W drum brakes from TTMT, for which SOP will begin in 4QFY26. Although it is a small order worth INR250m p.a., it is critical as it marks ENDU's entry into this segment with a huge opportunity for growth in the long run. It aims to get into advanced braking systems like ESP in collaboration with BWI. However, ENDU is cognizant of the fact that lead time is high in such safety-critical products in 4Ws.
- ENDU intends to invest INR8b in a standalone entity in FY26 and the capex is unlikely to decline even in FY27 given that the company foresees significant growth opportunities in different segments.

Valuation and view

- We estimate a CAGR of ~18%/20%/19% in consolidated revenue/EBITDA/PAT over FY25-27, driven by healthy new order wins and its focus on significantly ramping up its presence in 4Ws going forward. If ABS were to be mandated in all 2Ws as per the draft notification issued by MORTH, it would open up a huge growth opportunity for players like ENDU. The stock trades at 36x/31x FY26E/FY27E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,068 (based on 35x Jun'27E consolidated EPS).**

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E	1QE	Var. (%)
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	28,255	29,127	28,592	29,635	33,189	34,310	36,486	38,699	115,608	142,684	32,216	3.0
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	17.8	27.6	30.6	12.9	23.4	14.0	
EBITDA	3,741	3,820	3,725	4,225	4,439	4,644	5,027	5,495	15,511	19,605	4,350	2.0
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.5	13.8	14.2	13.4	13.7	13.5	
Depreciation	1,288	1,311	1,364	1,424	1,644	1,610	1,680	1,714	5,387	6,649	1,500	
Interest	112	116	115	125	135	107	98	126	468	466	101	
Other Income	339	265	219	346	356	290	310	306	1,170	1,262	210	
PBT before EO expense	2,680	2,658	2,466	3,022	3,016	3,217	3,559	3,961	10,825	13,752	2,959	
Exceptional Item	0	0	0	-122	0	0	0	0	-122	0	0	
PBT after EO	2,680	2,658	2,466	3,144	3,016	3,217	3,559	3,961	10,947	13,752	2,959	
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	23.1	22.5	23.7	23.6	23.5	22.9	
Adj. PAT	2,039	2,030	1,844	2,358	2,264	2,475	2,760	3,023	8,270	10,521	2,280	-0.7
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	21.9	49.7	28.2	20.7	27.2	11.8	

Standalone Performance

Y/E March	FY25				FY26E				FY25	FY26E	1QE	Var. (%)
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	21,204	22,995	21,773	22,490	23,346	25,294	26,127	26,925	88,461	101,692	22,476	3.9
YoY Change (%)	16.2	16.5	9.2	9.2	10.1	10.0	20.0	19.7	12.4	15.0	6.0	
RM Cost (% of sales)	64.6	65.2	65.0	64.3	65.2	64.8	64.8	64.8	64.8	64.9	64.5	
Staff Cost (% of sales)	5.1	4.7	5.0	5.0	5.2	4.8	4.8	4.7	4.9	4.9	5.1	
Other Expenses (% of sales)	17.4	17.2	17.5	17.2	17.1	17.4	17.4	17.1	17.3	17.3	17.5	
EBITDA	2,742	2,984	2,729	3,055	2,895	3,277	3,394	3,618	11,510	13,184	2,904	-0.3
Margins (%)	12.9	13.0	12.5	13.6	12.4	13.0	13.0	13.4	13.0	13.0	12.9	
Depreciation	692	727	735	742	814	820	860	861	2,897	3,355	750	
Interest	7	5	7	7	15	7	8	10	26	40	6	
Other Income	142	176	144	204	161	150	130	121	666	562	90	
PBT before EO expense	2,185	2,429	2,131	2,509	2,227	2,600	2,656	2,869	9,254	10,352	2,238	
Extra-Ord expense	0	0	0	174	0	0	0	0	0	0	0	
Tax Rate (%)	25.5	23.9	26.4	25.5	25.5	25.0	25.0	25.7	24.8	25.3	25.5	
Adj. PAT	1,629	1,848	1,569	1,871	1,658	1,950	1,993	2,132	6,960	7,733	1,668	-0.6
YoY Change (%)	24.8	29.7	18.5	11.9	1.8	5.5	27.0	13.9	17.4	11.1	2.4	
Margins (%)	7.7	8.0	7.2	8.3	7.1	7.7	7.6	7.9	7.9	7.6	7.4	

EU Subs

Y/E March	FY25				FY26E				FY25	FY26E	1QE	Var. (%)
EUR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	80	67	77	80	103	86	99	104	304	392	100	3.2
YoY Change (%)	16.7	6.6	21.2	17.1	28.5	28.6	28.8	30.0	15.5	29.0	24.5	
EBITDA	13.3	10.7	12.4	14.7	18.1	14.6	17.3	18.1	50.8	68.2	17	9.4
Margins (%)	16.6	16.0	16.2	18.4	17.5	17.0	17.5	17.5	16.7	17.4	16.5	

E: MOFSL Estimates

Maxwell

Y/E March	FY25				FY26E				FY25	FY26E	1QE	Var. (%)
INR m	1Q	2Q	3Q	4Q	1Q	(%)	3Q	4Q				
Net Sales	34	190	261	210	310	330	360	400	695	1,400	240	29.2
YoY Change (%)	-78.8	11.8	37.4	90.9	811.8	73.7	37.9	90.5	10.3	101.4	605.9	
EBITDA	-42.0	-17.0	-9.0	1.0	10.0	10.6	12.6	13.8	-67.0	47.0	-12	NM
Margins (%)	-123.5	-8.9	-3.4	0.5	3.2	3.2	3.5	3.5	-9.6	3.4	-5.0	

IRB Infrastructure

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR45 TP: INR50 (+10%) Neutral

Decent operating performance, in line with estimates

- IRB's revenue grew 13% YoY (in line) to ~INR21b in 1QFY26. Revenue included 1) gains on InvIT & related assets as per fair value measurement, and b) dividend/interest income from InvITs & related assets.
- EBITDA margin came in at 45.4% (our estimate was 45%) in 1QFY26 (-90bp YoY and -110bp QoQ). EBITDA grew 11% YoY to ~INR9.5b (in line).
- APAT grew 45% YoY to INR2b (against our estimate of INR 1.8b).
- Construction revenues stood at INR 12.2b (-1.5% YoY); BOT revenue stood at INR 6.5b (+5% YoY); and InvIT & related assets revenue stood at INR 2.3b.
- The Board declared an interim dividend of INR 0.07 per equity share.
- IRB's order book stood at INR300b (excl. GST) as of end-Jun'25, of which the O&M order book was INR278b and the EPC order book was INR22b.
- IRB posted decent results, and its emphasis on InvIT investments and asset monetization ensures a stable income stream and supports long-term value creation. A robust order book, increasing toll collections, and marquee projects such as the Ganga Expressway underpin growth. Although order inflows are currently subdued, the company anticipates a pick-up in ordering momentum in 2HFY26. We largely retain our estimates for FY26/FY27. With a strong order book and a robust tender pipeline, driven by BOT projects, we expect a revenue CAGR of 23% over FY25-27. **Reiterate Neutral with an SoTP-based TP of INR50.**

Steady execution with resilient toll growth; margins moderately hit as some projects have been completed

- In 1QFY26, IRB reported steady operational performance, with EBITDA growth supported by resilient toll collections and stable contributions from its BOT and InvIT portfolios. Margins slightly dipped due to a higher share of lower-margin utility shifting work and increased execution in HAM projects.
- The order book stood at INR300b as of Jun'25, largely O&M-heavy (INR278b), and asset monetization to the Public InvIT will release capital and allow enhanced bidding capacity.
- BOT assets and InvIT investments continued to deliver robust profitability, while construction margins moderated as some projects got completed.
- Toll collections benefited from both traffic growth and tariff revisions. IRB witnessed key operational milestones, including the completion of most of the Palsit–Dankuni stretch and notable progress on the Ganga Expressway.

Key takeaways from the management commentary

- The next two years' executable order book (EPC + O&M) is ~INR43b.
- While NHAI awarding activity remains muted, BOT bidding is expected to pick up from Sep–Oct'25, with EPC/HAM margins seen in the 18–20% range.
- Management retains its guidance of a 15% CAGR in construction over the next 2–3 years, a stable 20–25% margin, and a sharper focus on core road projects.

Bloomberg	IRB IN
Equity Shares (m)	6039
M.Cap.(INRb)/(USDb)	274 / 3.1
52-Week Range (INR)	67 / 41
1, 6, 12 Rel. Per (%)	-4/-12/-29
12M Avg Val (INR M)	957

Financials & Valuations (INR b)

Y/E Mar	2025	2026E	2027E
Sales	76.1	94.3	114.3
EBITDA	36.1	44.6	55.5
PAT	6.8	13.0	16.6
EBITDA (%)	47.4	47.2	48.6
EPS (INR)	1.1	2.2	2.8
EPS Gr. (%)	11.7	92.9	27.6
BV/Sh. (INR)	32.8	34.6	37.0

Ratios

Net D/E	0.9	0.8	0.6
RoE (%)	4.0	6.4	7.7
RoCE (%)	6.6	7.2	8.2
Payout (%)	3.7	16.7	13.1

Valuations

P/E (x)	40.2	20.8	16.3
P/BV (x)	1.4	1.3	1.2
EV/EBITDA (x)	12.3	9.6	7.5
Div Yield (%)	0.7	0.7	0.7

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	30.4	30.4	30.4
DII	10.2	46.1	44.5
FII	43.6	7.5	7.7
Others	15.8	15.9	17.5

FII Includes depository receipts

- The O&M order book, with 20-year visibility, is projected to grow from 20-25% to ~30% of the total order book within two to three years.
- IRB aims to maintain its 25-30% market share in BOT and TOT projects, despite intense competition in EPC and HAM segments. The company is not looking to add projects from other infrastructure sectors.

Valuation and view

- The government's focus on BOT and TOT projects presents significant opportunities. IRB's strong order book and strategic asset monetization position it well to capture these opportunities, though competition in EPC and HAM segments remains a challenge.
 - We largely retain our estimates for FY26/FY27, factoring in stagnant income from Private InVIT. With a strong order book and a robust tender pipeline, driven by BOT projects, we expect a revenue CAGR of 23% over FY25-27E.
- Reiterate Neutral with an SoTP-based TP of INR50.**

Quarterly performance

Y/E March	FY25				FY26E				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	FY26 1QE	Var %
Net Sales	18,529	15,858	20,254	21,492	20,990	21,227	25,861	26,270	76,135	94,348	21,059	(0)
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.3	33.9	27.7	22.2	2.8	23.9	13.7	
EBITDA	8,570	7,667	9,842	9,979	9,520	10,040	12,439	12,577	36,059	44,577	9,477	0
Margins (%)	46.3	48.3	48.6	46.4	45.4	47.3	48.1	47.9	47.4	47.2	45.0	
Depreciation	2,550	2,312	2,651	2,863	2,692	2,730	2,750	2,753	10,376	10,925	2,840	
Interest	4,387	4,342	4,614	4,576	4,620	4,680	4,750	4,745	17,919	18,795	4,700	
Other Income	1,187	1,658	649	686	656	850	885	954	4,181	3,345	780	
PBT before EO expense	2,820	2,671	3,227	3,225	2,864	3,480	5,824	6,033	11,944	18,201	2,717	
Extra-Ord expense	-	-	58,041	-	-	-	-	-	58,041	-	-	
PBT	2,820	2,671	61,268	3,225	2,864	3,480	5,824	6,033	69,985	18,201	2,717	
Tax	887	835	1,008	1,078	839	1,114	1,864	1,926	3,808	5,151	869	
Rate (%)	31.4	31.3	1.6	33.4	29.3	32.0	32.0	31.9	5.4	28.3	32.0	
Share of profit in Associates	(534)	(837)	-	-	-	-	-	-	(1,371)	-	-	
Reported PAT	1,400	999	60,261	2,147	2,025	2,367	3,960	4,106	64,806	13,050	1,847	
Adj PAT	1,400	999	2,219	2,147	2,025	2,367	3,960	4,106	6,765	13,050	1,847	10
YoY Change (%)	4.6	4.3	18.4	13.7	44.6	137.0	78.4	91.2	11.7	92.9	32.0	
Margins (%)	7.6	6.3	11.0	10.0	9.6	11.1	15.3	15.6	8.9	13.8	8.8	

Deepak Nitrite

Estimate change

TP change

Rating change



Bloomberg	DN IN
Equity Shares (m)	136
M.Cap.(INRb)/(USDb)	253.2 / 2.9
52-Week Range (INR)	3095 / 1775
1, 6, 12 Rel. Per (%)	-4/-10/-37
12M Avg Val (INR M)	679

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	82.8	86.5	92.9
EBITDA	10.9	12.0	14.1
PAT	7.0	7.7	8.9
EPS (INR)	51.1	56.6	65.2
EPS Gr. (%)	-7.3	10.7	15.2
BV/Sh.(INR)	395.1	443.3	499.0

Ratios

Net D:E	0.1	0.3	0.4
RoE (%)	13.7	13.5	13.8
RoCE (%)	11.9	10.7	10.4
Payout (%)	14.7	14.7	14.7

Valuations

P/E (x)	35.8	32.4	28.1
P/BV (x)	4.6	4.1	3.7
EV/EBITDA (x)	23.6	22.2	19.5
Div. Yield (%)	0.4	0.5	0.5
FCF Yield (%)	-2.0	-2.9	-2.4

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	49.3	49.3	49.2
DII	22.6	23.2	21.2
FII	6.7	6.7	6.9
Others	21.4	20.9	22.7

FII includes depository receipts

CMP: INR1,857
TP: INR1,630 (-12%)
Sell

Margin hit by pricing pressure

- Deepak Nitrite (DN) reported a muted operating performance in 1QFY26, as EBITDA declined by 39% YoY to INR1.9b. Gross margin contracted by 280bp YoY to 28% and EBITDA margins contracted by 420bp, led by the persistent pricing pressure and a slower-than-expected recovery in some agrochemical intermediates.
- Amid a volatile geopolitical environment and shifting global trade dynamics, DN reported volume growth across its diverse product portfolio, driven by a strong recovery in demand from non-agrochemical applications.
- Considering a muted performance and macroeconomic headwinds, we cut our EPS estimates by 9% for FY26 and largely maintain our FY27 estimates. We value the stock at 25x FY27E EPS to arrive at a TP of INR1,630. Reiterate Sell.

Phenolics and Intermediates segments face margin headwinds

- 1Q revenue rose 3% YoY to INR19b (our est. INR19.3b), which included government incentive income of INR170m.
- EBITDA declined 39% YoY to INR1.9b (our est. INR2b). EBITDA, adjusted for government incentive, was INR1.7b.
- Gross margin came in at 28% (down 280bp YoY), while EBITDAM stood at 10% (down 420bp YoY).
- Reported PAT declined 45% YoY to INR1.1b (in line with est.), down 20% YoY.
- Advanced Intermediates revenue stood at INR6b (down 15% YoY), EBIT declined 47% YoY to INR355m, and EBIT margin came in at ~5.9% (down 340bp YoY).
- Phenolics revenue stood at INR13b (down 11% YoY), EBIT declined 43% YoY to INR1.2b, and EBIT margin came in at ~9% (down 340bp YoY).

Highlights from the management commentary

- Guidance and outlook:** For the MIBK product (Methyl Isobutyl ketone), management expects merchant revenue of ~INR5.5b. Planned capex for FY26 stands at INR8b-10b. Peak debt is projected at INR70b-75b. For the polycarbonate project, management anticipates a payback period of 5-5.5 years with IRR of 16-18%.
- Macro environment:** DN navigated a challenging global environment, marked by a slower-than-expected recovery in agrochemicals, pricing pressure from Chinese oversupply, and heightened geopolitical uncertainties. Management expects potential US tariff impacts to be moderate, given the limited consolidated exposure of 2.5-3%, and underscored India's distinct advantage of balanced supply and demand-led growth.
- Pricing:** In the Advanced Intermediates segment, DN faced pricing pressures, while the phenolics segment benefited from better realizations, supported by bottlenecking and capacity augmentation initiatives. MIBK prices remained highly volatile, particularly over the past six months. In 1Q, phenolics spreads improved QoQ, although segment revenue declined 6%.

Valuation and view

- Despite capacity expansion, new projects, process optimization, and a focus on innovation and sustainability, we expect DN's performance to be weighed down by industry-wide challenges.
- A slower-than-expected recovery in some agrochemical intermediates, persistent oversupply from China, and rapidly evolving geopolitical developments continue to exert pricing pressure and add to pressure on operational performance.
- DN aims to become the largest player in the solvents market by focusing on import substitution. It is foraying into PC (165ktpa), Methyl Isobutyl Ketone (MIBK, 40ktpa), Methyl Isobutyl Carbinol (MIBC, 8ktpa), and Sodium Nitrite/ Nitrate, among other products. These products are taking shape and are likely to be commissioned in FY26. Some other previously announced capex projects have already been commissioned (fluorination plant, specialty salts unit).
- We cut our EPS estimates by 9% for FY26 and largely maintain our FY27 estimates. The stock trades at ~28x FY27E EPS of INR65.2 and ~19.5x FY27E EV/EBITDA. We expect a CAGR of 6%/14%/13% in revenue/EBITDA/adj. PAT over FY25-27 and value the stock at 25x FY27E EPS to arrive at a TP of INR1,630. Reiterate Sell.

Consolidated - Quarterly Snapshot

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Gross Sales	21,668	20,320	19,034	21,797	18,899	21,073	22,744	23,738	82,819	86,453	19,306	-2%
YoY Change (%)	22.5	14.3	-5.3	2.5	-12.8	3.7	19.5	8.9	7.8	4.4	-10.9	
Gross Margin (%)	30.8%	32.0%	26.8%	30.6%	28.0%	30.7%	32.0%	33.0%	30.1%	31.1%	28.1%	-0.1%
EBITDA	3,092	2,975	1,685	3,166	1,896	2,853	3,418	3,797	10,918	11,963	2,001	-5%
Margin (%)	14.3	14.6	8.9	14.5	10.0	13.5	15.0	16.0	13.2	13.8	10.4	-0.3
Depreciation	475	485	482	513	513	525	560	600	1,954	2,198	537	
Interest	58	63	61	93	81	102	107	113	275	403	97	
Other Income	188	213	210	228	246	237	225	291	839	998	218	
PBT before EO expense	2,748	2,640	1,352	2,788	1,547	2,462	2,976	3,375	9,528	10,360	1,586	-2%
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	2,748	2,640	1,352	2,788	1,547	2,462	2,976	3,375	9,528	10,360	1,586	-2%
Tax	723	698	371	762	425	621	751	846	2,554	2,643	399	
Rate (%)	26.3	26.4	27.4	27.3	27.5	25.2	25.2	25.1	26.8	25.5	25.2	
Reported PAT	2,025	1,942	981	2,025	1,123	1,841	2,225	2,529	6,974	7,717	1,187	-5%
Adj PAT	2,025	1,942	981	2,025	1,123	1,841	2,225	2,529	6,974	7,717	1,187	-5%
YoY Change (%)	35.1	-5.3	-51.4	3.4	-44.6	-5.2	126.8	24.8	-7.3	10.7	-41.4	
Margin (%)	9.3	9.6	5.2	9.3	5.9	8.7	9.8	10.7	8.4	8.9	6.1	-0.2
Segmental Revenue (INR m)												
Advanced Intermediates	7,157	6,060	5,517	6,539	6,053	6,181	6,620	6,866	23,266	21,790	5,829	4%
Phenolic	14,636	14,435	13,657	15,323	13,040	15,012	16,252	17,008	34,194	33,579	13,591	-4%
Segmental EBIT (INR m)												
Advanced Intermediates	665	475	169	449	355	603	725	808	3,989	3,548	470	-25%
Phenolic	2,076	2,149	1,212	2,393	1,179	2,063	2,290	2,369	3,917	4,351	1,851	-36%
Segmental EBIT Margin (%)												
Advanced Intermediates	9.3%	7.8%	3.1%	6.9%	5.9%	9.7%	11.0%	11.8%	17.1%	16.3%	8.1%	-2.2%
Phenolic	14.2%	14.9%	8.9%	15.6%	9.0%	13.7%	14.1%	13.9%	11.5%	13.0%	13.6%	-4.6%

Nuvama Wealth

Estimate change

TP change

Rating change



Bloomberg	NUVAMA IN
Equity Shares (m)	36
M.Cap.(INRb)/(USD\$)	250.6 / 2.9
52-Week Range (INR)	8510 / 4568
1, 6, 12 Rel. Per (%)	-4/24/12
12M Avg Val (INR M)	1136

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Revenues	29.0	32.3	37.7
Opex	15.9	17.8	20.4
PBT	13.1	14.5	17.3
PAT	9.9	11.0	13.0
EPS (INR)	277	308	367
EPS Gr. (%)	64	11	19
BV/Sh. (INR)	989	1,130	1,299

Ratios (%)

C/I ratio	54.8	55.1	54.2
PAT margin	34.0	34.0	34.6
RoE	30.8	29.3	30.4
Div. Payout	53.8	57.9	56.9

Valuations

P/E (x)	25.2	22.6	19.0
P/BV (x)	7.0	6.2	5.4
Div. Yield (%)	2.2	2.6	3.0

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	54.7	54.8	55.7
DII	6.4	5.8	1.4
FII	17.1	16.6	6.7
Others	21.8	22.8	36.2

FII includes depository receipts

CMP: INR6,959
TP: INR8,750 (+26%)
Buy

Robust performance across segments

- Nuvama Wealth's (NUVAMA) 1QFY26 operating revenue grew 15% YoY to INR7.7b (in-line), fueled by 18%/46% growth in the wealth management/asset services businesses.
- Total operating expenses increased 13% YoY to INR4.2b (7% below est. mainly due to a 17% decline in other expenses), driven by a 13% YoY growth in employee expenses and 11% YoY growth in other opex. CIR declined YoY to 54.7% from 56% in 1QFY25 and 56.4% in 4QFY25 (our est. of 56.2%).
- PAT grew 19% YoY to INR2.6b (in line) in 1QFY26. PAT margin came in at 34.3% in 1QFY26 vs. 33.1% in 1QFY25 and 33.1% in 4QFY25.
- Management expects ~30% growth in the Wealth business and ~26-27% growth in the Private business for FY26 on the 1Q base, driven by the current flow run rate.
- We have cut our earnings estimates for FY26E and FY27 by 9% each to factor in the volume impact from the ban on Jane Street's trading. We expect a 14%/15% revenue/PAT CAGR for FY25-27. **Reiterate BUY rating on the stock with a TP of INR8,750 (based on SOTP valuations).**

Robust flows in MPIS and ARR segments driving overall growth

Nuvama Wealth

- Revenue rose 17% YoY (in line) to INR2.2b, driven by 59% YoY growth in Managed Products and Investment Solutions (MPIS), constituting ~54% of the mix, while average client assets grew 20% YoY to INR997b, led by MPIS net new money and MTM gains on other assets.
- Net flows stood strong at INR28.7b, with ~79% coming from MPIS (highest ever quarterly flows)—driven by sustained healthy inflows in annuity products.
- The company currently has an RM base of ~1.2k, with plans to expand to ~3-4k over the next 3-4 years.
- CIR for the quarter was ~66%, stable YoY, with management guiding for a 100bp reduction from current levels in FY26.
- Retention declined YoY to 89bp from 92bp in 1QFY25.

Nuvama Private

- Revenue grew 19% YoY (13% miss) to INR1.6b, driven by ~25% YoY growth of annual recurring revenue (~66% of the mix), while the transactional segment reported a growth of 9% in 1QFY26.
- Average client assets rose 15% YoY, led by strong growth of 30% YoY in ARR assets and MTM. Of the total clients, one-third have an AUM exceeding INR100m, while ~50-60% have an AUM above INR50m.
- CIR remained stable at 69% YoY despite an increase in RMs to 137 in 1QFY26 from ~118 in 1QFY25; management aims to reduce CIR to 65% from current levels in FY26.
- Retention declined YoY to 87bp from 91bp in 1QFY25.

Nuvama AMC

- Revenue increased 23% YoY (15% beat) to INR186m, led by 37% YoY growth in the management fee (driven by healthy growth in public markets and CRE strategy).
- Fee-paying AUM now represents 93% of closing AUM. Average fee-paying AUM surged 85% YoY, while net new money fell 101% YoY. Net flows were subdued due to a slowdown in public market flows, but management expects a ramp-up as flows have begun to recover.
- Under the private markets, the focus will now be on the deployment of the funds.
- The company is planning to launch a private credit product by 3QFY26.

Nuvama Capital Markets

- Capital Markets revenue fell 10% YoY to INR1.8b, mainly due to a large one-time M&A transaction in 1QFY25; excluding this, performance was on an uptrend, in line with the company's strategy. Sequentially, revenue rose 10%, driven by improved market momentum.
- The Asset Services business grew 46% YoY to INR1.9b, driven by the scale-up of existing clients as well as the addition of new ones across the international and domestic segments. The International segment constitutes ~70-75% of the overall revenue.
- CIR for the segment stood at ~40%, with asset services at 30-32% and Capital markets business at ~50-55%. Management expects an uptrend in the CIR.
- Average client assets in the asset services segment grew 26% YoY to INR1.2t, driven by 44% YoY growth in assets under custody.
- Retentions on average assets under clearing improved to 2.1% vs. 1.4% in 1QFY25 and 2% in 4QFY25. If the markets are expected to decline further, management guides for a decrease of up to 2% on the higher side.
- Wealth management contributed 49% to the revenue mix, followed by Capital Markets and Asset Services (49%) and Asset Management (2%).
- Employee expenses grew 13% YoY to INR3.1b (with fixed costs rising 17% YoY, mainly due to new hiring on the distribution side), while other opex grew 11% YoY to INR1.1b. Management guides for a 6-7% YoY rise for FY26. CIR for 1QFY26 improved to 55% from 56% in 1QFY25, and management has guided to maintain these levels.
- The closing client assets grew 19% YoY to INR4.6t, with Wealth accounting for a 70% share, Asset Services accounting for 28%, and the remaining held by asset management.

Highlights from the management commentary

- Under Asset Services, on the domestic front, the company plans to introduce two new value-added services—RTA and Trusteeship—for AIF and PMS clients, with board approvals in place and implementation expected within six months.
- Regarding the Jane Street trading ban, management anticipates a 2Q volume impact, though normalization is anticipated through a strong new-client pipeline and scaling from existing clients, even if Jane Street remains inactive.

- The company has applied for an MF license for SIF, with the first SEBI inspection round completed and approvals expected in 3-4 months; the team and strategy are ready to ramp up operations once the license is granted.

Valuation and view

We have cut our earnings estimates for FY26E and FY27E by 9% each to factor in the volume impact from the ban on Jane Street's trading. Management expects 2Q volumes to be impacted; however, it anticipates a recovery thereafter, driven by a strong new-client pipeline and scaling from existing clients, even if Jane Street remains inactive. We expect a 14%/15% revenue/PAT CAGR for FY25-27E. **Reiterate BUY rating on the stock with a TP of INR8,750 (based on SOTP valuations).**

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	1Q FY26E	Actual vs Est. %	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE						
Revenue from Operations	6,675	7,397	7,229	7,712	7,701	7,838	8,239	8,582	29,013	32,359	8,021	-4.0	15.4	(0.1)
Change YoY (%)	60.2	50.2	29.5	29.5	15.4	6.0	14.0	11.3	40.7	11.5	20.2			
Employee expenses	2,793	2,983	2,946	3,082	3,156	3,202	3,186	3,109	11,804	12,652	3,247	-2.8	13.0	2.4
Total Operating Expenses	3,741	3,920	3,894	4,349	4,209	4,386	4,551	4,674	15,904	17,820	4,509	-6.7	12.5	(3.2)
Change YoY (%)	27.9	30.0	18.8	21.6	12.5	11.9	16.9	7.5	24.3	12.1	20.5			
PBT before share of profit from associates	2,934	3,477	3,335	3,363	3,492	3,451	3,687	3,908	13,109	14,539	3,512	-0.6	19.0	3.8
Change YoY (%)	136.2	82.2	44.7	41.3	19.0	-0.7	10.6	16.2	67.3	10.9	19.7			
Tax Provisions	760	902	824	848	868	863	922	977	3,334	3,630	878	-1.1	14.2	2.4
PAT before share of profit from associates	2,174	2,575	2,511	2,515	2,623	2,589	2,765	2,931	9,776	10,908	2,634	-0.4	20.7	4.3
Change YoY (%)	135.0	78.3	42.8	38.5	20.7	0.5	10.1	16.5	64.4	11.6	21.2			
Share of profit of associates (net of taxes)	37	0	6	37	15	20	20	35	80	90	20	-24.2	(58.7)	(59.5)
Net Profit	2,210	2,575	2,517	2,553	2,639	2,609	2,785	2,966	9,855	10,998	2,654	-0.6	19.4	3.4
Change YoY (%)	133.5	77.6	42.9	41.3	19.4	1.3	10.7	16.2	65.2	11.6	20.1			
Key Operating Parameters (%)														
Cost to Income Ratio	56.0	53.0	53.9	56.4	54.7	56.0	55.2	54.5	54.8	55.1	56.2	-156 bp	-139 bp	-174 bp
PBT Margin	44.0	47.0	46.1	43.6	45.3	44.0	44.8	45.5	45.2	44.9	43.8	156 bp	139 bp	174 bp
PAT Margin	33.1	34.8	34.8	33.1	34.3	33.3	33.8	34.6	34.0	34.0	33.1	118 bp	115 bp	116 bp

Changes to our estimates

INR b	New estimates		Old estimates		Change in estimates	
Y/E March	2026E	2027E	2026E	2027E	2026E	2027E
Revenues	32.3	37.7	35.4	41.3	-8.7%	-8.8%
Opex	17.8	20.4	19.4	22.4	-8.3%	-8.8%
PBT	14.5	17.3	16.0	18.9	-9.3%	-8.7%
PAT	11.0	13.0	12.1	14.3	-9.2%	-8.6%
EPS (INR)	308	367	340	401	-9.3%	-8.7%
EPS Gr. (%)	11	19	22.8	18.1		
BV/Sh. (INR)	1,130	1,299	1,162	1,366	-2.7%	-4.9%
Ratios (%)						
C/I ratio	55.1	54.2	54.8	54.3	27 bps	-3 bps
PAT margin	34.0	34.6	34.1	34.5	-18 bps	4 bps
RoE	29.3	30.4	31.9	32.0	-250 bps	-158 bps
Div. Payout	57.9	56.9	52.5	52.0	533 bps	492 bps
Valuations						
P/E (x)	22.6	19.0	20.0	16.9		
P/BV (x)	6.2	5.4	5.8	5.0		
Div. Yield (%)	2.6	3.0	2.7	3.1		

Angel One

BSE SENSEX 80,598 S&P CNX 24,631



Bloomberg	ANGELONE IN
Equity Shares (m)	91
M.Cap.(INRb)/(USDb)	239.5 / 2.7
52-Week Range (INR)	3503 / 1941
1, 6, 12 Rel. Per (%)	0/12/23
12M Avg Val (INR M)	4573

Valuation summary

Y/E March	2025	2026E	2027E
Revenues	41.3	38.7	47.0
Opex	24.3	25.2	27.7
PBT	15.9	12.2	17.9
PAT	11.7	9.0	13.2
EPS (INR)	129.8	99.6	146.7
EPS Gr. (%)	-3.1	-23.3	47.4
BV/Sh. (INR)	678.4	749.0	852.9

Ratios (%)

C/I ratio	58.9	65.2	58.9
PAT margin	28.4	23.2	28.2
RoE	27.1	15.2	20.0
Div. Payout	28.5	35.0	35.0

Valuations

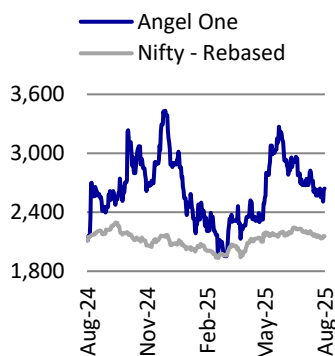
P/E (x)	20.4	26.5	18.0
P/BV (x)	3.9	3.5	3.1
Div. Yield (%)	1.4	1.3	1.9

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	29.0	35.6	35.6
DII	16.4	14.3	14.0
FII	14.7	13.1	15.4
Others	39.9	37.1	35.0

FII includes depository receipts

Stock's Performance (one-year)



CMP: INR2,642 TP: INR3,100 (+17%) Buy

Regulatory uncertainty on broking; diversification on track

- Angel One (ANGELONE) is steadily transforming from a pure-play broker into a full-stack digital financial platform. While broking remains the core funnel, the company's strategic focus is on monetizing its expanding client base through non-broking verticals like MTF, insurance, wealth, loan distribution, and AMC. Management maintains a strong focus on execution, with a clear bias toward capital-light, tech-driven scale.
- Broking continues to be a reliable growth driver, with steady client additions and a conscious shift toward higher-quality users. While F&O regulations impacted client activity, ANGELONE remains confident of sustaining its long-term growth trajectory, aided by deeper monetization, improved platform engagement, and a stable pricing strategy. The company is equipped to cater to higher MTF demand with <1x leverage, ~50% unused limits, and lender comfort to scale. Growth will depend on cash market participation, but the risk-reward remains favorable, given its ROE-accretive profile.
- ANGELONE is also evolving its authorized partner (AP) network into a comprehensive distribution channel, offering insurance and mutual fund (MF) products alongside broking. Enhanced platform tools, attractive commissions, and superior customer analytics are helping attract full-service distributors.
- The company's recent foray into insurance manufacturing reflects a long-term bet on digital-first protection products. It aims to operate with a business model that incorporates features like behavior-linked pricing, tech-driven underwriting, and rapid claim settlement, offering a differentiated alternative to legacy savings-oriented insurers. Backed by industry veterans and Olympus Capital, the insurance JV is set to build a fully digital, modular, capital-light life insurance platform aimed at reimagining protection for the digital generation.
- In wealth management, ANGELONE is building full-stack capabilities with in-house manufacturing (PMS/AIF) and curated offerings for both HNI and emerging mass-affluent segments. Recent AUM growth and the hiring of high-quality portfolio managers underscore the company's intent to compete with established wealth players.
- The loan distribution business has scaled well, delivering strong yields, low delinquencies, and zero balance sheet risk. With disbursements reaching INR9b (as of 1QFY26) and ambitions to enter secured lending, this vertical is becoming a meaningful contributor to PBT.
- The company's AMC business, though in its early stages, is focused on building long-term franchise value in passive products. Early traction from third-party platforms highlights the vertical's potential as passive investing gains momentum in India.
- Overall, in the medium term (~5-7 years), the share of the non-broking business is expected to increase materially as multiple business lines become accretive. While the costs have been built into our estimates, the revenue potential has not yet been factored in.
- In the near term, uncertainties around future regulatory actions on derivatives are likely to dampen stock performance. However, we note that non-broking segments have started gaining significant traction. Since most costs for the new businesses are already factored into the current P&L, incremental revenues from these businesses are expected to contribute directly to PBT.
- We have adjusted our estimates to factor in a stronger trajectory in distribution and MTF income, alongside slower growth in F&O orders, leading to a 6% cut in FY27 earnings. We reiterate our BUY rating on the stock with a one-year TP of INR3,100 (21x FY27E).

Broking business – Maintaining market share amid volatility

Customer acquisition strategy

- Client additions have been strong, supported by steady acquisition costs. Following the recent increase in break-even levels from approximately 6 months to 10 months, these trends have remained steady.
- The focus remains on higher-quality customers, as reflected in increased acquisition numbers, while acquisition costs have remained steady.
- Building on the success of MF customers who started with SIPs and later became active equity traders, ANGELONE is now cautiously experimenting with acquiring MF-first customers—clients who initially invest in mutual funds and subsequently engage in trading.
- The long-term strategy remains focused on acquiring customers now and engaging them meaningfully through a broad product suite while maintaining the desired market share.

Regulatory impact

- SEBI's derivative rules resulted in a 25% decline in the number of monthly active customers on NSE (between Sep'24 and Jun'25), primarily among low-ticket traders. However, overall options premium trading volume fell only 17% during this period, indicating that the decrease in customers was disproportionate to the decline in options premium TO.
- Recent actions against a large HFT have impacted the short-term volume trajectory, but the long-term potential of the Indian equity participation story remains strong.
- Data shows that only about five out of every 100 retail traders trade exclusively in futures and options.
- The recent changes to algo regulations have provided retail investors with additional sophisticated tools to trade more effectively.




Margin trade funding book

- ANGELONE currently operates with a leverage of less than 1x and has the capacity to safely scale up to approximately 3x without balance sheet constraints.
- Additional borrowing capacity is available, with lenders willing to provide exposure to support MTF expansion.
- Currently, ANGELONE has sufficient headroom from lenders to scale up its client funding book, leaving significant runway for growth, which will depend on market conditions and opportunities in the cash market.
- ANGELONE aims to improve its market share in the MTF segment.

Pricing as a lever for margin expansion

- The company has no immediate plans to increase prices, although this remains an available lever; it chooses instead to maintain competitiveness.
- The brokerage per transaction has declined to 50bp, primarily due to an increase in average contract sizes.
- Customers are generally not highly sensitive to small fee differences; platform experience and service quality are more important for retention.
- The company aims to achieve a steady-state operating margin of 40-45% by the end of FY26, relying on organic client growth and contributions from non-broking businesses rather than price hikes.

Brigade Enterprises

Estimate change 
TP change 
Rating change 

Bloomberg	BRGD IN
Equity Shares (m)	244
M.Cap.(INRb)/(USDb)	229.2 / 2.6
52-Week Range (INR)	1450 / 813
1, 6, 12 Rel. Per (%)	-12/-15/-18
12M Avg Val (INR M)	454

Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	50.7	49.8	61.1
EBITDA	14.1	17.5	22.4
EBITDA (%)	27.9	35.2	36.7
PAT	6.9	9.2	13.1
EPS (INR)	33.6	44.9	64.2
EPS Gr. (%)	51.9	34.0	42.7
BV/Sh. (INR)	275.9	318.8	381.0

Ratios

Net D/E	0.4	0.2	0.0
RoE (%)	15.0	15.1	18.3
RoCE (%)	10.8	11.3	13.6
Payout (%)	7.5	4.4	3.1

Valuations

P/E (x)	33	25	17
P/BV (x)	4.1	3.5	2.9
EV/EBITDA (x)	17.6	13.8	10.3
Div Yield (%)	0.3	0.2	0.2

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	41.1	41.1	43.7
DII	23.5	22.9	22.9
FII	19.3	20.2	16.2
Others	16.1	15.8	17.3

CMP: INR938
TP: INR1,470 (+57%)
Buy

Operating performance hit by limited launch activity

Residential launch pipeline of 13msf provides near-term growth visibility

- Brigade Enterprises (BRGD) reported a 3% YoY growth in 1Q pre-sales to INR11.2b, 56% below our estimates, mainly because only one project with 1.09msf of potential was launched in Chennai. The company recorded volumes of 0.95msf (-17% YoY; 63% below our expectations) in 1QFY26.
- Consolidated collections rose 8% YoY to INR17.3b (31% below estimate).
- BRGD launched 1.63msf of projects in 1QFY26 in Chennai, Bengaluru, and Gujarat (one residential and two commercial projects).
- The company plans to launch ~13msf of residential area in the next four quarters in Bangalore, Chennai, Hyderabad, and Mysuru.
- In 1QFY26, Brigade Group acquired a prime land parcel on Velachery Road, Chennai, for INR4.4b for premium residential development, with a total potential of 0.8msf and a GDV of INR16b.
- Gross debt was INR47.5b, while net debt was INR22.7b. Brigade's share of debt stood at INR15.3b. Its net debt-to-equity ratio stood at 0.34x by the end of 1QFY26 (vs. 0.14x in 4QFY25). The cost of debt was 8.25%.
- **Leasing** revenue grew 15% YoY to INR3b, while EBITDA stood at INR2.2b.
- BRGD had a balance capex commitment of INR8b out of a total ongoing capex of INR11.8b for commercial assets.
- About 2.6msf of commercial area will be launched in the next four quarters.
- **Hospitality:** The business was listed on 31st Jul'25 under the name of Brigade Hotel Ventures Limited (BHVL), wherein Brigade Enterprises holds a 74.09% share. BHVL's revenue rose 19% YoY to INR1.4b, and EBITDA grew 34% YoY to INR480m.
- BHVL currently has 1,604 keys. Nine hotels with a total of 1,700 keys are under the planning stage, of which six hotels with 940 keys are in an agreement with Marriott International.

P&L performance

- Revenue increased 19% YoY to INR12.8b (34% above our estimate).
- EBITDA stood at INR3.2b, up 11% YoY (in line). EBITDA margin came in at 25.3%.
- Adj. PAT jumped 79% YoY to INR1.5b (19% below estimate), clocking a margin of 12%. The miss was attributed to higher-than-expected depreciation and interest costs.

Valuation and view

- BRGD reported flat bookings growth on a YoY basis, while bookings were down 54% sequentially due to the absence of material launches this quarter. Although it has a strong residential launch pipeline of ~13msf, which should enable it to sustain the growth traction going ahead.
- Management intends to keep assessing growth opportunities in the residential segment and expects to spend more on business development over the next two years. This will provide growth visibility in the residential segment and lead to a further re-rating.

■ We have adjusted for BRGD's ownership (74.09%) in the hotel business and thereby valued its hotel arm. **We reiterate our BUY rating with a revised TP of INR1,470 (vs. INR1,580), implying a 57% potential upside.**

Quarterly Performance

Y/E March	FY25				FY26E							
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	FY26E 1Q	Var (%)
Gross Sales	10,777	10,722	14,639	14,604	12,811	12,178	13,116	11,653	50,742	49,758	9,556	34%
YoY Change (%)	64.8	-21.5	24.7	-14.2	18.9	13.6	-10.4	-20.2	3.6	-1.9	-11.3	
Total Expenditure	7,851	7,802	10,502	10,444	9,575	7,886	8,494	6,267	36,600	32,222	6,188	
EBITDA	2,926	2,919	4,137	4,160	3,237	4,292	4,623	5,385	14,142	17,536	3,368	-4%
Margins (%)	27.1	27.2	28.3	28.5	25.3	35.2	35.2	46.2	27.9	35.2	35.2	-998bps
Depreciation	679	689	763	756	756	774	834	800	2,888	3,165	608	
Interest	1,519	1,226	1,143	1,066	1,056	1,177	1,268	1,308	4,955	4,809	924	
Other Income	357	660	657	719	517	615	662	718	2,393	2,513	483	
PBT before EO expense	1,084	1,664	2,888	3,057	1,941	2,955	3,183	3,996	8,693	12,076	2,319	-16%
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	1,084	1,664	2,888	3,057	1,941	2,955	3,183	3,996	8,693	12,076	2,319	-16%
Tax	279	513	533	563	359	642	691	1,348	1,888	3,039	504	
Rate (%)	25.7	30.8	18.5	18.4	18.5	21.7	21.7	33.7	21.6	14.1	21.7	
MI & P/L of Asso. Cos.	-32	-39	-7	25	84	-37	-40	-158	-53	-150	-29	
Reported PAT	837	1,190	2,362	2,468	1,499	2,350	2,531	2,806	6,858	9,186	1,844	-19%
Adj PAT	837	1,190	2,362	2,468	1,499	2,350	2,531	2,806	6,858	9,186	1,844	-19%
YoY Change (%)	117.3	-10.9	221.5	19.8	79.0	97.5	7.2	13.7	51.9	34.0	120.3	
Margins (%)	7.8	11.1	16.1	16.9	11.7	19.3	19.3	24.1	13.5	18.5	19.3	

E: MOFSL Estimates

Operational Performance

Pre Sales (msf)	1.2	1.7	2.2	2.0	1.0	1.7	2.4	5.5	7.0	10.6	2.6	-63%
Booking Value (INRb)	10.9	18.2	24.9	24.5	11.2	20.5	27.7	45.7	78.5	105.0	25	-56%
Avg rate/sf (INR)	9,442	10,838	11,364	12,083	11,768	11,768	11,768	11,768	11,132	9,946	9,946	18%
Collections (INRb)	16.1	19.4	17.8	19.3	17.3	20.1	27.3	38.7	72.5	103.4	25	-31%

Source: Company, MOFSL Estimates

Vinati Organics

Estimate changes



TP change



Rating change



Bloomberg	VO IN
Equity Shares (m)	104
M.Cap.(INRb)/(USDb)	173.3 / 2
52-Week Range (INR)	2140 / 1413
1, 6, 12 Rel. Per (%)	-12/-2/-21
12M Avg Val (INR M)	128

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	22.5	27.4	32.4
EBITDA	5.9	8.2	9.2
PAT	4.2	5.8	6.5
EPS (INR)	40.0	56.0	62.2
EPS Gr. (%)	28.4	39.8	11.2
BV/Sh.(INR)	270.7	316.2	366.7

Ratios

Net D:E	0.0	0.0	-0.0
RoE (%)	15.8	19.1	18.2
RoCE (%)	14.8	17.8	17.2
Payout (%)	18.7	18.7	18.7

Valuations

P/E (x)	41.7	29.9	26.8
P/BV (x)	6.2	5.3	4.6
EV/EBITDA (x)	29.7	21.2	18.8
Div. Yield (%)	0.4	0.6	0.7
FCF Yield (%)	1.8	1.1	1.6

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	74.3	74.3	74.3
DII	9.3	9.2	6.8
FII	3.9	3.8	5.3
Others	12.6	12.7	13.6

FII Includes depository receipts

CMP: INR1,671
TP: INR2,180 (+30%)
Buy

Gross margin expansion drives earnings

Earnings above our estimate

- Vinati Organics (VO) reported a strong operated performance in 1QFY26, as EBITDA surged 33% YoY to INR1.7b. Gross margin expanded 710bp to 52%, while EBITDAM expanded 670bp YoY to 30.6%. PAT grew 31% YoY to INR1.1b (our est. INR940m).
- For FY26, VO is targeting revenue growth across ATBS, BP, and AO segments, supported by favorable demand trends and capacity additions. The company has guided for a 20% CAGR in revenue over the next three years and aims for EBITDAM of 26-27% in FY26.
- We largely maintain our earnings estimates for FY26/FY27. We value VO at 37x FY27E EPS to arrive at a TP of INR2,180. **We reiterate our BUY rating on the stock.**

Strong operating performance despite muted sales

- In 1QFY26, revenue rose 3% YoY to INR5.4b (est. of INR5.6b).
- Gross margins expanded by 710bp YoY to 52%, while EBITDAM came in at 30.6% (+670bp YoY). Other expense as a percentage of sales stood at 13.9% vs. 15% in 1QFY25.
- EBITDA grew 33% YoY to INR1.7b (est. of INR1.4b).
- Adjusted PAT increased by 31% YoY to INR1.1b (est. of INR940m).

Valuation and view

- VOPL has commissioned a plant for MEHQ and Guaiacol, along with other products (Anisole, 4-MAP, Iso Amylene, etc.), to be commercialized in FY26. We expect them to be the key growth drivers for VO going forward.
- VO is now producing the largest amount of antioxidants (AOs) in India. While Chinese supply poses a potential threat, the long-term outlook for the segment remains positive on the back of a novel antioxidant for lubricant additives, further strengthening the portfolio.
- We expect operating margins to stay healthy, supported by leadership in ATBS, the scale-up of AOs, upcoming product launches, market expansion and product enhancements.
- We broadly maintain our FY26/FY27 estimates and expect a CAGR of 20%/25%/25% in revenue/EBITDA/PAT over FY26-27. The stock trades at ~27x FY27E EPS of INR62.2 and ~19x FY27E EV/EBITDA. We value the stock at 35x FY27E EPS to arrive at a TP of INR2,180. **Reiterate BUY.**

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)	(%)	(%)
Gross Sales	5,247	5,533	5,217	6,485	5,423	6,585	7,170	8,260	22,481	27,438	5,616	-3%	3%	-16%
YoY Change (%)	19.6	19.5	16.4	17.8	3.3	19.0	37.4	27.4	18.3	22.0	7.0			
Gross Margin (%)	44.9%	45.8%	49.0%	47.4%	52.0%	49.0%	50.0%	49.5%	46.8%	50.0%	46.1%	6.0%	7.1%	4.7%
EBITDA	1,251	1,340	1,428	1,836	1,658	1,885	2,156	2,488	5,855	8,187	1,378	20%	33%	-10%
Margin (%)	23.8	24.2	27.4	28.3	30.6	28.6	30.1	30.1	26.0	29.8	24.5	6.0	6.7	2.3
Depreciation	196	205	205	202	213	225	240	255	808	933	204			
Interest	4	1	1	2	4	2	3	4	8	13	3			
Other Income	93	222	67	61	73	200	100	150	443	523	86			
PBT before EO expense	1,144	1,357	1,289	1,694	1,515	1,858	2,013	2,380	5,482	7,765	1,257	20%	32%	-11%
PBT	1,144	1,357	1,289	1,694	1,515	1,858	2,013	2,380	5,482	7,765	1,257	20%	32%	-11%
Tax	284	295	333	418	387	468	506	598	1,330	1,960	317			
Rate (%)	24.8	21.8	25.8	24.7	25.5	25.2	25.2	25.1	24.3	25.2	25.2			
Reported PAT	860	1,061	956	1,276	1,128	1,389	1,506	1,781	4,152	5,805	940	20%	31%	-12%
Adj PAT	860	1,061	956	1,276	1,128	1,389	1,506	1,781	4,152	5,805	940	20%	31%	-12%
YoY Change (%)	23.9	46.4	24.1	22.1	31.1	30.9	57.7	39.6	28.4	39.8	9.3			
Margin (%)	16.4	19.2	18.3	19.7	20.8	21.1	21.0	21.6	18.5	21.2	16.7	4.1	4.4	1.1

Aditya Birla Lifestyle Brands

Estimate changes



TP change



Rating change



Bloomberg	ABLBL IN
Equity Shares (m)	1,220
M.Cap.(INRb)/(USDb)	161 / 1.8
52-Week Range (INR)	176 / 129
1, 6, 12 Rel. Per (%)	-14/-/-
12M Avg Val (INR M)	362

Financials & Valuations (INR b)

INRb	FY26E	FY27E	FY28E
Sales	83.9	91.6	99.8
EBITDA	13.1	14.7	16.3
Adj. PAT	2.4	2.7	3.0
EBITDA Margin (%)	15.7	16.0	16.3
Adj. EPS (INR)	1.9	2.2	2.5
BV/Sh. (INR)	12.4	14.6	17.0

Ratios

Net D:E	1.8	1.4	1.1
RoE (%)	16.9	16.3	15.5
RoCE (%)	12.4	12.4	12.3

Valuations

P/E (x)	68.5	60.2	53.9
EV/EBITDA (x)	14.4	12.8	11.3
EV/Sales (x)	2.3	2.0	1.8
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-25	Mar-25
Promoter	46.6	46.6
DII	11.0	11.2
FII	23.0	23.4
Others	19.5	18.8

FII Includes depository receipts

CMP: INR132
TP: INR150(+14%)
Neutral

Retail momentum offset by online pullback; overall growth recovery key

- Despite a weak base and benefit of higher wedding-related footfalls, Aditya Birla Lifestyle Brands' (ABLBL) overall revenue growth was tepid at ~3% YoY (weaker than peers).
- Retail like-to-like (LTL) improved to 15% YoY, but was offset by continued store consolidation and weaker performance in the online channel (-19% YoY).
- Accelerated brand-building efforts during IPL (A&P spends ~280bp higher YoY) hurt profitability, with EBITDA declining ~2% YoY to INR2.6b (in line).
- ABLBL opened ~50 gross stores, but overall store count declined by ~23, driven by continued store rationalization. However, management continues to aim for 250+ new store additions in FY26.
- Management is targeting to double revenue (11%+ CAGR) over FY24-30 through sustained high-single-digit LTL growth and an accelerated rollout of 250+ net store additions annually (on a base of ~3,200+ stores).
- We fine-tune our FY26-27 forecasts with modest change in revenue and EBITDA. We build in a CAGR of 8%/11%/24% for revenue/EBITDA/PAT over FY25-28.
- We ascribe a 12x Sep'27E EV/EBITDA multiple to Lifestyle brands and a ~1.2x EV/Sales multiple to Emerging brands. **We reiterate a Neutral stance with a TP of INR150** (implies ~25x Sep'27 pre-INDAS 116 EV/EBITDA).

Tepid performance; revenue grew 3% YoY, while EBITDA declines 2% YoY

- Revenue at INR18.4b grew 3% YoY (2.5% below) despite a weaker base and weaker vs. branded apparel peers (+16% YoY for Arvind Fashions).
- Lifestyle brands' revenue grew 6% YoY, as 15% retail LTL growth was offset by continued store consolidation and weaker performance in the online channel.
- Emerging brands' revenue declined 2% YoY due to the closure of Forever21.
- Gross profit rose ~10% YoY to INR11.5b (5% beat) as gross margin expanded ~375bp YoY (+460bp ahead), driven by a better sales channel mix, closure of unprofitable stores, and lower markdowns.
- Other expenses spiked 19% YoY (11% ahead), primarily due to higher A&P spends (up 280bp YoY), while employee and rental expenses rose 8-9% YoY.
- Reported EBITDA at INR2.6b declined ~2% YoY (in line with our estimate), as EBITDA margin contracted ~75bp YoY (35bp ahead) due to higher A&P spends.
- Depreciation rose ~6% YoY (9% below), while interest costs declined ~3% YoY.
- Reported PAT at INR241m rose ~5% YoY, significantly ahead of our estimate of INR167m, largely due to lower depreciation, higher other income (+60% YoY), and lower tax rate (~15% vs. our est. of 25.2%).

Key highlights from the management interaction

- **Demand environment:** The overall consumption environment during 1QFY26 remained sluggish, with selective pockets of growth, largely driven by higher wedding-related demand. Management indicated that despite cautious sentiments, ABLBL delivered strong double-digit LTL retail growth across its Lifestyle brands portfolio, aided by strong brand recall, widespread network, and improved retail execution.
- **Growth guidance:** ABLBL aims to deliver early double-digit growth in Lifestyle brands through retail network expansion and robust LTL growth, while Emerging brands are likely to see higher ~18-20% growth on a relatively lower base.
- **Store additions & distribution expansion plans:** ABLBL added 50 stores on a gross basis in 1QFY26. However, on a net basis, overall store count declined by ~23. However, management reaffirmed its target of adding 250+ net stores in FY26 across all brands. Expansion will be portfolio-wide, including Lifestyle brands, Reebok, and youth brands, with strong opportunities to expand the network in tier-2 and tier-3 towns. The major heavy lifting in correcting the department store network is complete, with only minor closures expected going forward.
- **Debt & cash generation:** Net debt rose INR2b to ~IN7b in 1Q due to inventory build-up ahead of the upcoming festive season. However, management expects annual debt reduction of INR2-3b, targeting to become net-debt free in the next 2-3 years. Cash generation is sufficient to fund retail expansion in both Lifestyle and Emerging brands.

Valuation and view

- ABLBL is a pioneer in India's branded apparel sector with over three decades of operating history. Its four Lifestyle brands have each scaled beyond the INR10b mark, having established a widespread presence through 2,800+ retail outlets, MBOs, LFS, and online channels.
- While Lifestyle brands have achieved scale and healthy profitability, the company is now focused on scaling up its Emerging brands, such as American Eagle (denim), Reebok (footwear), and Van Heusen Innerwear (innerwear and athleisure). This provides a compelling retail play with balanced growth, profitability profile, strong cash generation, and robust return ratios.
- Management is targeting to double revenue (11%+ CAGR) over FY24-30 through sustained high-single-digit LTL growth and an accelerated rollout of 250+ net store additions annually (on a base of ~3,200+ stores).
- We fine-tune our FY26-27E forecasts with a modest change in revenue and EBITDA. We build in a CAGR of 8%/11%/24% for revenue/EBITDA/PAT over FY25-28E.
- We ascribe a 12x Sep'27E EV/EBITDA multiple to Lifestyle brands and a ~1.2x EV/Sales multiple to Emerging brands. **We reiterate a Neutral stance with a TP of INR150** (implies ~25x Sep'27 pre-INDAS 116 EV/EBITDA).

Quarterly earnings summary

Y/E March	FY25				FY26E				FY25	FY26	FY26	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var (%)	
Revenue	17,845			19,422	18,406	21,033	23,195	21,251	78,300	83,885	18,884	-2.5
YoY Change (%)	NA			NA	3.1	NA	NA	9.4	0.6	7.1		
Total Expenditure	15,157			16,335	15,775	17,874	19,381	17,723	66,382	70,753	16,254	-2.9
EBITDA	2,688			3,087	2,631	3,159	3,814	3,528	11,918	13,132	2,631	0.0
Change, YoY (%)	NA			8.8	-2.1	NA	NA	14.3	10.1	10.2		
Depreciation	1,623			2,014	1,725	1,959	1,959	2,193	7,057	7,836	1,894	
Interest	874			894	850	762	762	674	3,820	3,048	727	
Other Income	141			212	225	223	223	222	777	894	214	
PBT before EO expense	332			391	282	661	1,317	882	1,817	3,142	224	25.9
Extra-Ord expense	3			0	0	0	0	0	-983	0		
PBT	335	-		391	282	661	1,317	882	834	3,142	224	25.9
Tax	102	-		104	41	166	331	252	238	791	56	
Rate (%)	30.5	-		26.6	14.6	25.2	25.2	28.5	28.5	25.2	25.2	
Reported PAT	232			287	241	495	985	630	596	2,351	167	43.6
Adj PAT	236			287	241	495	985	630	-387	2,351	167	43.6
YoY Change (%)	NA			NA	2.2	NA	NA	nm	-7.5	48.9		

Valuation on Sep'27 basis

Sep'27E (INR b)	EBITDA/Revenue	Multiple	EV	EV/share
Lifestyle Brands	15.9	12	191	157
Emerging Brands	15.4	1.2	18	15
ABLBL EV	15.5	13.5	210	172
Net debt (inc. leases)			26	21
ABLBL equity value			184	150
Share count (m)			1,220	
ABLBL TP			150	

Bata India

Estimate change

TP change

Rating change



Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USD\$)	134.9 / 1.5
52-Week Range (INR)	1479 / 1025
1, 6, 12 Rel. Per (%)	-13/-28/-26
12M Avg Val (INR M)	297

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	35.9	38.1	40.5
EBITDA	8.1	8.8	9.6
Adj. PAT	2.6	2.9	3.4
EBITDA Margin (%)	22.5	23.1	23.7
Adj. EPS (INR)	20.3	22.8	26.3
EPS Gr. (%)	4.6	12.4	15.3
BV/Sh. (INR)	132.3	143.7	156.9

Ratios

Net D:E	0.3	0.2	0.0
RoE (%)	15.8	16.5	17.5
RoCE (%)	11.3	11.8	12.5
RoIC (%)	13.2	14.5	15.9

Valuations

P/E (x)	52.0	46.3	40.2
EV/EBITDA (x)	17.6	15.9	14.4
EV/Sales (X)	3.9	3.7	3.4
Div. Yield (%)	1.0	1.1	1.1

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	50.2	50.2	50.2
DII	29.4	29.5	27.5
FII	6.9	6.9	7.6
Others	13.6	13.5	14.7

FII includes depository receipts

CMP: INR1,050

TP: INR980 (-7%)

Neutral

Subdued start to FY26 as growth remains a challenge

- Bata India (BATA)'s 1QFY26 marked another subdued quarter, with flattish revenue and adjusted EBITDA, missing our estimates by 2-3%.
- Reported EBITDA grew 7% YoY to INR2b, driven by accounting adjustments, while adjusted PAT declined 33% YoY to INR568m.
- Positive developments included the value offering in ladies' footwear, improving conversions, and Zero Base Merchandising (ZBM) alongside tactical measures, contributing to a 15% reduction in inventory.
- Strategic initiatives such as inventory cleanup, curated product refreshes, and franchise-led expansion should enhance efficiency and aid margin recovery, though near-term competitive pressures remain.
- We cut our FY26-27 revenue and EBITDA estimates by 3-6% due to continued weakness in growth. We model a revenue/EBITDA/adj. PAT CAGR of 5%/9%/11% over FY26-28. **Reiterate Neutral with a revised TP of INR980.**

Growth remains tepid; accounting change drives optical EBITDA growth

- Revenue remained flat YoY at INR9.4b (3% below our estimate) as ~5% YoY store additions were likely offset by a **decline in SSS**.
- Gross profit declined 3% YoY to INR5b (8% miss) as gross margins **contracted 140bp YoY** to 53.5% (down 530bp QoQ) and were ~250bp below our estimate.
- Other expenses **declined 11% YoY, likely due to a change in royalty** structure for one of the brands (~INR155m boost in 4QFY25).
- As a result, **EBITDA grew 7% YoY** to INR2b (2% below), with EBITDA margin expanding ~155bp YoY to 21.1% (~20bp miss).
 - However, **EBITDA on a like-for-like basis would likely be flat to -1% YoY**, with EBITDA margin likely stable YoY.
- Depreciation and amortization expense surged 22% YoY due to a change in royalty structure for one of the brands, and finance cost rose 13% YoY.
- As a result, reported PAT declined 70% YoY to INR520m (27% miss) due to weaker EBITDA, higher D&A, and finance costs.
- Bata continued its VRS program, leading to a one-time exceptional cost of INR48m. Adjusted for the same, PAT at INR568m dipped 33% YoY (21% miss).

Key takeaways from the management commentary

- **Muted demand:** Despite a weak demand environment weighing on overall revenue, BATA is witnessing selective volume-led growth in both value and premium segments—particularly in the sub-INR1k products and the Floatz portfolio. Internal initiatives such as zero-based merchandising are improving store-level efficiency and driving better conversions, partly offsetting broader market softness.
- **Margin pressure amid value focus:** BATA's sharper value-for-money portfolio has supported consumer retention but compressed gross margins by 230bp, due to an adverse channel mix and lower ASPs. An additional 100bp impact on operating margins stemmed from one-off employee costs. However, cost resets and product portfolio rationalization are underway to rebuild operating leverage.

- **Brand and channel mix:** BATA continues to evolve its multi-channel approach, with ~80% of new store additions from the franchise network and a renewed focus on modern trade. Brand-wise, Floatz has emerged as a premium growth driver (40%+ growth, nearing INR2b), while Power and Hush Puppies (~20% contribution each) support the dual strategy of value and premiumization.
- **Inventory-led efficiency gains:** The company reduced inventory by 16% YoY, with aged stock now at a low level of 2-3% of the total inventory. ZBM implementation across 146 stores led to a 40% SKU reduction and 25% inventory decline. This also enhanced agility, enabling more curated, innovation-led product replenishment, supporting margin recovery through lower markdown.

Valuation and view

- Over the last couple of years, following the change in management, a renewed focus on growth has been evident, characterized by a brand refresh, the introduction of new product lines (such as sneakers), and enhancements in the backend supply chain infrastructure. However, these initiatives have yet to result in sustained growth.
- Despite muted demand, BATA is seeing early traction in the value segment (sub INR1k). Strategic inventory cleanup, curated product refreshes, and franchise-led expansion are positioning the company for improved efficiency and gradual margin recovery, though near-term pressures persist.
- We cut FY26-27 revenue and EBITDA estimates by 3-6% due to continued weakness in growth. We build in FY26-28 CAGR of 5%/9%/11% for revenue/EBITDA/adj. PAT. **We reiterate our Neutral rating with a revised TP of INR980.**
- Sustained volume recovery remains the key trigger for the stock.

Consolidated quarterly earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Revenue	9,446	8,371	9,188	7,882	9,419	8,667	9,556	8,300	34,888	35,941	9,732	-3.2
YoY Change (%)	-1.4	2.2	1.7	-1.2	-0.3	3.5	4.0	5.3	0.3	3.0	3.0	
Gross Profit	5,182	4,740	5,163	4,634	5,038	4,897	5,399	4,884	19,719	20,217	5,450	-7.6
Gross margin%	54.9	56.6	56.2	58.8	53.5	56.5	56.5	58.8	56.5	56.3	56.0	-25.1
Total Expenditure	7,597	6,625	7,193	6,104	7,430	6,717	7,334	6,391	27,519	27,873	7,698	-3.5
EBITDA	1,849	1,746	1,995	1,778	1,988	1,950	2,222	1,909	7,369	8,069	2,034	-2.2
EBITDA margin	19.6	20.9	21.7	22.6	21.1	22.5	23.3	23.0	21.1	22.5	20.9	21
Change YoY (%)	-22.8	-3.9	9.4	-2.4	7.5	11.7	11.4	7.3	-6.2	9.5	10.0	
Depreciation	872	902	902	1,037	1,061	1,033	1,033	1,006	3,713	4,134	980	8.2
Interest	308	318	311	348	349	310	310	271	1,285	1,240	292	19.4
Other Income	162	172	99	223	170	193	193	215	656	771	197	-13.7
PBT before EO expense	832	698	881	617	748	799	1,071	847	3,027	3,466	959	-21.9
Extra-Ord expense	-1,340	0	108	0	48	0	0	0	-1,232	48	0	
PBT	2,171	698	773	617	701	799	1,071	847	4,259	3,418	959	-26.9
Tax	431	178	186	163	181	201	270	208	957	860	242	-25.2
Rate (%)	19.8	25.5	24.1	26.4	25.8	25.2	25.2	24.6	22.5	25.2	25.2	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0			0	
Reported PAT	1,741	520	587	454	520	598	801	639	3,302	2,558	717	-27.5
Adj PAT	849	520	669	454	568	598	801	639	2,492	2,606	717	-20.8
YoY Change (%)	-21	-19	15	-29	-33	15	20	41	-15	5	-16	
Margins (%)	9.0%	6.2%	7.3%	5.8%	6.0%	6.9%	8.4%	7.7%	7.1%	7.2%	7.4%	

E: MOFSL Estimates

Alkyl Amines Chemicals

Estimate changes



TP change



Rating change



Bloomberg	AACL IN
Equity Shares (m)	51
M.Cap.(INRb)/(USDb)	105.7 / 1.2
52-Week Range (INR)	2499 / 1508
1, 6, 12 Rel. Per (%)	-6/17/1
12M Avg Val (INR M)	210

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	15.7	17.1	19.2
EBITDA	2.9	3.4	3.9
PAT	1.9	2.3	2.6
EPS (INR)	36.3	44.1	50.4
EPS Gr. (%)	24.8	21.3	14.3
BV/Sh.(INR)	273.9	305.9	342.4

Ratios

Net D:E	-0.1	-0.1	-0.2
RoE (%)	13.9	15.2	15.5
RoCE (%)	13.2	14.4	14.8
Payout (%)	27.5	27.5	27.5

Valuations

P/E (x)	57.0	47.0	41.1
P/BV (x)	7.6	6.8	6.1
EV/EBITDA (x)	35.8	30.4	26.3
Div. Yield (%)	0.5	0.6	0.7
FCF Yield (%)	2.0	0.9	1.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	72.0	72.0	72.0
DII	2.6	2.2	1.1
FII	3.3	3.2	3.1
Others	22.1	22.6	23.9

FII includes depository receipts

CMP: INR2,066
TP: INR2,270 (+10%)
Neutral

Macro headwinds balanced by expansion and innovation

Earnings below our estimate

- Alkyl Amines Chemicals (AACL) reported a muted operating performance in 1QFY26 as EBITDA declined 3% YoY. Gross margin contracted 120bp YoY to 45.8%. Employee expenses increased by 30bp YoY to 7% YoY, while other expenses declined 60bp YoY to 20%.
- The company is expanding capacities, introducing new products, and upgrading manufacturing facilities. These initiatives are supported by in-house R&D focused on enhancing quality and achieving cost efficiencies. In FY26, AACL aims to prioritize sustainable growth through increasing market share in existing products and launching new offerings.
- We broadly maintain our FY26/27 estimates, supported by the ramp-up of the newly commercialized plant, initiatives to increase market share in existing products, and new offerings. We value the stock at 45x FY27E EPS to arrive at a TP of INR2,270. **Reiterate Neutral.**

Muted operating performance

- Revenue grew 1% YoY to INR4b (est. INR4.2b), while gross margin contracted by 120bp YoY to 45.8%.
- EBITDA margins contracted 90bp YoY to 18.9% (est. 18.6%). Employee costs as a percentage of sales stood at 7% (vs. 6% in 1QFY26), while other expenses stood at 20% vs. 21% in 1QFY25.
- EBITDA stood at INR766m, down 3% YoY (est. of INR784m).
- Adj. PAT stood at INR494m, up 1% YoY (est. of INR528m).

Valuation and view

- AACL remains focused on strengthening its global presence by developing efficient, cost-effective processes for high-grade and extra-pure specialty products, enhancing the efficiency of existing processes, and exploring emerging process intensification techniques for both new and existing products.
- We estimate a CAGR of 10%/16%/18% in revenue/EBITDA/PAT over FY26-27. The key risk to our outlook is high competition (domestic and imports, mainly from China), leading to limited pricing power.
- We largely maintain our FY26/FY27 estimates and value the stock at 45x FY27E EPS to arrive at a TP of INR2,270. **Reiterate Neutral.**

Standalone - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Gross Sales	3,997	4,149	3,712	3,861	4,055	4,323	4,344	4,405	15,718	17,127	4,219	-4%
YoY Change (%)	-2.5	17.8	15.3	8.3	1.5	4.2	17.0	14.1	9.1	9.0	5.6	
Gross Margin (%)	47.0%	45.4%	48.4%	45.9%	45.8%	47.5%	48.3%	49.5%	46.6%	47.8%	46.7%	-0.9%
EBITDA	791	735	712	678	766	844	867	943	2,911	3,419	784	-2%
Margin (%)	19.8	17.7	19.2	17.6	18.9	19.5	20.0	21.4	18.5	20.0	18.6	0.3
Depreciation	177	180	179	176	179	187	193	197	712	756	180	
Interest	2	4	9	2	3	3	3	4	10	12	2	
Other Income	47	92	66	93	80	88	102	99	298	369	103	
PBT before EO expense	659	643	591	594	663	742	773	841	2,486	3,020	705	-6%
PBT	659	643	591	594	663	742	773	841	2,486	3,020	705	-6%
Tax	170	169	153	133	169	187	195	212	625	762	177	
Rate (%)	25.9	26.2	25.9	22.5	25.5	25.2	25.2	25.2	25.1	25.2	25.2	
Adj PAT	489	475	438	460	494	555	578	630	1,861	2,258	528	-6%
YoY Change (%)	-1.8	74.2	30.9	19.7	1.2	17.0	32.2	36.8	25.0	21.3	8.0	
Margin (%)	12.2	11.4	11.8	11.9	12.2	12.8	13.3	14.3	11.8	13.2	12.5	-0.3

Aditya Birla Fashion and Retail

Estimate changes



TP change



Rating change



Bloomberg	ABFRL IN
Equity Shares (m)	1220
M.Cap.(INRb)/(USDb)	91.5 / 1
52-Week Range (INR)	133 / 71
1, 6, 12 Rel. Per (%)	0/-24/-36
12M Avg Val (INR M)	1088

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	80.7	89.8	100.5
EBITDA	6.9	7.9	9.5
Adj. PAT	(7.4)	(7.1)	(6.6)
EBITDA Margin (%)	8.5	8.8	9.5
Adj. EPS (INR)	(6.0)	(5.8)	(5.4)
BV/Sh. (INR)	59.9	52.9	46.4

Ratios

Net D:E	0.3	0.3	0.4
RoE (%)	(11.4)	(12.3)	(13.2)
RoCE (%)	(2.8)	(2.2)	(1.6)

Valuations

P/E (x)	(12.4)	(13.0)	(13.8)
EV/EBITDA (x)	16.9	14.9	12.6
EV/Sales (x)	1.4	1.3	1.2
Div. Yield (%)	-	-	-

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	46.6	46.6	52.0
DII	12.1	14.6	14.5
FII	18.0	22.6	20.4
Others	23.3	16.2	13.1

FII Includes depository receipts

CMP: INR75
TP: INR85 (+13%)
Neutral

Operationally ahead; sustained profitability a key

- Aditya Birla Fashion and Retail (ABFRL) delivered a better-than-expected operational performance in 1QFY26, with revenue growth of 9% YoY (strong performance in Ethnic and TMRW) and EBITDA growth of 25% YoY (~22% beat,) driven by 16-24pp improvement in profitability for Ethnic and Luxury Retail.
- TMRW raised ~INR4.4b from ServiceNow Ventures for ~11% stake, valuing the company at ~INR40b. The funds would be used to accelerate growth through increased branding activities and offline expansion for key brands.
- Management has laid out ambitious long-term growth and profitability targets for demerged ABFRL, targeting a break-even for most of its brands by FY27 (except TMRW). An improved execution towards sustaining profitability and meeting these targets remain key to re-rating.
- We raise our FY26-27E EBITDA by 9-10%, driven by better profitability in Ethnic and Luxury Retail. We build in a CAGR of 11%/12% in revenue/EBITDA over FY25-28E for ABFRL, driven by robust growth and improved profitability in TMRW and Ethnic. However, we still expect ABFRL to report losses over FY25-28E.
- We value ABFRL on the SoTP basis. We assign EV/EBITDA multiple of 11x to Pantaloons and EV/sales of 1x to other businesses of ABFRL (demerged) on Sep'27E. We **reiterate our Neutral rating with an unchanged TP of INR85.**

Good 1Q led by strong recovery in Ethnic and improved profitability in Luxury Retail

- Revenue grew 9% YoY to INR18.3b (~5% beat), driven by strong performance in Ethnic (up 25% YoY) and TMRW (up 38% YoY).
- Pantaloons' revenue declined ~1% YoY owing to the impact of last years' store rationalization and flat LTL due to a shift in the festive period.
- Gross profit grew 18% YoY to INR10.5b as gross margin expanded ~410bp YoY to 57.3%.
- EBITDA at ~INR1.1b (22% beat) grew 25% YoY as EBITDA margin improved ~75bp YoY to 6.1%.
- Pantaloons EBITDA margin declined ~50bp YoY, while Ethnic and Luxury Retail saw significant 16-24pp improvement in margins.
- Reported losses remained stable YoY at ~INR2.3b (vs. ~INR2.4b loss YoY) as higher EBITDA was offset by an increase in depreciation (up 15% YoY).

Key highlights from the management interaction

- **Demand:** ABFRL indicated that overall demand remained muted, with select pockets of growth, mainly driven by an uplift from the wedding season. Premium and occasion-wear saw an uptick in demand, while momentum for value retail sustained in lower-tier markets. The strategic focus remains on driving profitability while selectively pursuing growth opportunities in the new businesses, which have seen their contribution increase significantly to ~44% of revenue (from 37% YoY).
- **Pantaloons:** Adjusting for the shift in Eid to 4QFY25, Pantaloons' LTL growth would have been ~3% (vs. zero reported in 1QFY26). Over the last 12-18 months, the company has closed unprofitable stores and believes the store closures are largely behind. Pantaloons is targeting larger-size ~20-25k sqft stores, with cleaner, bigger, more impactful and contemporary layout in line with the brands' repositioning. Nearly 50% of the stores have been shifted to a new retail identity with improved visual merchandizing and experiential customer engagement. The performance of these stores has improved in line with management's expectations. Pantaloons' profitability has improved to 17-18%, but is diluted by losses from Style Up on reported basis. Management believes there is room for ~300-500bp margin expansion in Pantaloons.
- **Ethnics:** From nearly zero presence in FY20, ABFRL now boasts the most comprehensive ethnic wear portfolio in India with a mix of highly profitable designer-led brands, TCNS (which is in turnaround phase) and Tasva (which is currently in build-out phase). Typically, profitability is higher in 2H, driven by a higher number of wedding days. Tasva is expected to achieve the breakeven by FY27, while TCNS has shown improvement after integration. TCNS' reported EBITDA was positive in 1Q, though it still posted a loss on pre-INDAS 116 basis. Designer brands are performing well, and at the portfolio level, management expects ~20%+ margin, though seasonal variations will persist.
- **TMRW fund raise:** ABFRL has so far invested ~INR7.7b through equity in TMRW, which has raised ~INR4.4b by selling ~11% stake to ServiceNow Ventures, implying a valuation of ~INR40b. TMRW plans to raise ~USD100m in the current funding round. The funds are earmarked for accelerating the growth through more branding activities and offline expansions for key brands (which offers more credibility to the brands and improves gross margin by ~10% vs. online channel). Management indicated that TMRW's revenue (incl. Wrogn) stood at ~INR10b, with plans to accelerate the revenue run rate to INR14-15b in FY26.

Valuation and view

- ABFRL (demerged) provides a diversified play across several high-growth segments in apparel retail. However, over the last few years, ABFRL's profitability and valuations have been hurt by investments in several new businesses, which are currently in the build-out phase and are loss-making.
- After the recent fund raise, debt-related concerns have been addressed. However, a profitable scale-up of value fashion, branded ethnic wear and a turnaround in TMRW remain a key medium-term monitorable.
- Management has laid out ambitious long-term growth and profitability targets for demerged ABFRL, targeting a break-even for most brands by FY27 (except

TMRW). An improved execution towards sustaining profitability and meeting these targets remain key to re-rating.

- We raise our FY26-27E EBITDA by 9-10%, driven by better profitability in Ethnic and Luxury Retail. We model a CAGR of 11%/12% in revenue/EBITDA over FY25-28E for ABFRL, driven by robust growth and improved profitability in TMRW and Ethnic. However, we still expect ABFRL to report losses over FY25-28E.
- We value ABFRL on the SOTP basis. We assign EV/EBITDA multiple of 11x to Pantaloons and EV/sales of 1x to other businesses of ABFRL (demerged) on Sep'27E. We **reiterate our Neutral rating with an unchanged TP of INR85.**

Consolidated - Quarterly Earnings summary

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	Var (%)
Revenue	16,742	17,605	22,005	17,195	18,315	19,576	24,072	18,741	73,547	80,704	17,533	-4.3
YoY Change (%)				9.2	9.4	11.2	9.4	9.0	14.2	9.7		
Total Expenditure	15,847	16,802	18,989	15,146	17,198	18,475	21,093	17,072	66,783	73,838	16,621	-3.4
EBITDA	896	803	3,017	2,049	1,117	1,102	2,979	1,669	6,764	6,866	912	-18.3
Change, YoY (%)				486.6			-1.3	-18.5	82.8	1.5	-86.7	
Depreciation	2,736	2,905	3,007	3,016	3,156	3,188	3,219	3,378	11,664	12,941	2,289	
Interest	1,321	1,412	1,507	1,434	1,134	1,488	1,830	1,684	5,674	6,136	1,168	
Other Income	337	312	349	959	635	575	707	453	1,957	2,370	491	
PBT before EO expense	-2,824	-3,203	-1,148	-1,442	-2,538	-2,999	-1,364	-2,939	-8,616	-9,840	-2,054	-19.1
Extra-Ord expense	0	1,612	0	0	0	0	0	0	1,612	0	0	
Share in JV	-3	-32	-89	-54	-58	0	0	58	-179			
PBT	-2,827	-1,623	-1,238	-1,496	-2,595	-2,999	-1,364	-2,882	-7,184	-9,840	-2,054	-20.9
Tax	-449	-429	-178	113	-258	-756	-344	-1,119	-942	-2,477	-518	
Rate (%)	15.9	26.4	14.4	-7.6	9.9	25.2	25.2	38.8	13.1	25.2	25.2	
Reported PAT	-2,379	-1,195	-1,059	-1,609	-2,337	-2,244	-1,020	-1,762	-6,242	-7,363	-1,536	-34.3
Adj PAT	-2,379	-2,806	-1,059	-1,609	-2,337	-2,244	-1,020	-1,762	-7,853	-7,363	-1,536	-34.3
YoY Change (%)									-14.6	-6.2		

E: MOFSL Estimates

Valuation on Sep'27 basis

Sep'27E (INR b)

Pantaloons EBITDA	8.3
EV/EBITDA (x)	11.0
Pantaloons EV (a)	91.7
Ethnic and others revenue	46.6
EV/sales (x)	1.0
Ethnics and others EV (b)	47.5
Overall EV (a+b)	139.2
Net debt / (cash)	36.0
Equity Value	103.3
TP (INR/share)	85
CMP	75.1
Upside (%)	12.7

Galaxy Surfactants

Estimate changes

TP change

Rating change



Bloomberg	GALSURF IN
Equity Shares (m)	35
M.Cap.(INRb)/(USDb)	80.4 / 0.9
52-Week Range (INR)	3370 / 2021
1, 6, 12 Rel. Per (%)	-9/-8/-20
12M Avg Val (INR M)	68

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	42.2	51.5	59.3
EBITDA	4.8	5.3	6.0
PAT	3.0	3.3	3.9
EPS (INR)	86	93	109
EPS Gr. (%)	1.1	7.8	17.4
BV/Sh.(INR)	666	735	816

Ratios

Net D:E	-0.0	-0.0	-0.1
RoE (%)	13.4	13.2	14.0
RoCE (%)	13.1	13.3	14.0
Payout (%)	25.6	25.6	25.6

Valuations

P/E (x)	26.4	24.5	20.9
P/BV (x)	3.4	3.1	2.8
EV/EBITDA (x)	16.5	15.1	12.9
Div. Yield (%)	1.0	1.0	1.2
FCF Yield (%)	2.5	2.1	3.2

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	70.9	70.9	70.9
DII	12.7	13.0	12.7
FII	4.3	4.1	3.9
Others	12.1	12.1	12.5

FII Includes depository receipts

CMP: INR2,269 TP: INR2,720 (+20%)

Buy

RoW continues to support sales growth

Operating performance in line

- Galaxy Surfactants (GALSURF) reported an EBITDA/kg of INR18.4 (est. INR19.3), down 5% YoY, while total volumes increased ~5% YoY to 67.3tmt (vs. est 64.4tmt), supported by robust growth in the RoW region (up 16% YoY) driven by LATAM and APAC. EBITDA remained stable at INR1.2b, while PAT was flat YoY at INR795m (our estimate: INR756m).
- Overall demand was mixed in 1QFY26. India volumes rose 3% YoY, driven by a growing shift towards re-engineering formulations, while AMET volumes remained flat, hit by subdued market conditions in Egypt and Turkey.
- The company remained resilient and committed to its long-term goals despite inflationary headwinds. The company is advancing towards "Strategy 2030" with a strengthened focus on innovation and operational agility, while enhancing customer service and future-proofing its portfolio.
- Factoring in its 1QFY26 performance, we broadly retain our FY26/27 estimates and reiterate our BUY rating with a TP of INR2,720 (based on 25x FY27E EPS).

Strong revenue growth offset by margin compression

- Revenue came in at INR12.8b (est. of INR12b), up 31% YoY/12% QoQ, led by 45%/12% growth in Performance Surfactants/Specialty Care Products to INR8.4b/INR4.4b during the quarter.
- Gross margin stood at 26.2% (-740bp YoY, -320bp QoQ), EBITDAM came in at 9.7% (-300bp YoY, -140bp QoQ).
- EBITDA stood at INR1.2b (est. of INR1.2b), flat YoY, -2% QoQ.
- Adjusted PAT stood at INR795m (est. of INR756m), flat YoY, +5% QoQ.

Highlights from the management commentary

- Guidance:** The company plans to maintain regular maintenance and debottlenecking capex of INR1.2-1.5b, with no major new investments amid current market uncertainties. For FY26, management aims to sustain last year's 4% growth rate, with a potential uptick to 6%, though achieving the typical 6–8% range would require a meaningful demand recovery in India.
- Margin:** The company maintained EBITDA per metric ton at ~INR20,000 in 1QFY26 (vs. INR20,200 in 1QFY25) despite prevailing challenges. Margin recovery remains contingent on a rebound in the premium specialties business and resolution of the US tariff situation, with management expecting margins to return to last year's levels in Q2 and Q3 if prices remain stable.
- Inventory:** GALSURF is carefully managing inventory levels and raw material price risk amid expectations of potential price corrections. Customers are maintaining minimal inventory due to demand uncertainty and elevated prices, shortening their inventory planning horizon from six months to three months.

Valuation and view

- We expect volume growth to be driven by the company's sustained focus on R&D, improving domestic demand supported by a favorable monsoon and government-led rural stimulus, and the establishment of new teams in Europe, Latin America, and the US as part of its expansion strategy.
- We expect a CAGR of 18%/12%/12% in revenue/EBITDA/adj. PAT over FY25-27.
- Along with a volume CAGR of 6.6% over FY25-27, the stock is currently trading at ~20.9x FY27E EPS of INR109 and ~13x FY27E EV/EBITDA. We value the stock at 25x FY27E EPS to arrive at a TP of INR2,720. **Reiterate BUY.**

Consolidated Quarterly Snapshot

Y/E March	FY25				FY26				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E	FY26	Var.
											1QE	(%)
Gross Sales	9,741	10,630	10,417	11,449	12,779	13,228	12,375	13,138	42,237	51,520	11,950	7%
YoY Change (%)	3.4	8.1	10.8	23.2	31.2	24.4	18.8	14.8	11.3	22.0	22.7	
Gross Margin (%)	33.6%	33.0%	31.1%	29.4%	26.2%	26.5%	27.0%	27.0%	31.7%	26.7%	29.6%	-3.3%
EBITDA	1,241	1,276	1,056	1,269	1,239	1,307	1,312	1,393	4,842	5,250	1,244	0%
Margin (%)	12.7	12.0	10.1	11.1	9.7	9.9	10.6	10.6	11.5	10.2	10.4	-0.7
Depreciation	266	278	277	283	293	294	301	308	1,103	1,195	287	
Interest	40	41	50	62	66	67	72	74	193	279	65	
Other Income	54	87	40	78	112	72	65	88	258	337	54	
PBT	989	1,045	769	1,001	992	1,018	1,004	1,098	3,804	4,112	946	5%
Tax	192	198	123	243	197	206	203	222	755	828	191	
Rate (%)	19.4	18.9	16.0	24.2	19.9	20.2	20.2	20.2	19.8	20.1	20.2	
Reported PAT	797	847	646	759	795	812	801	876	3,049	3,284	756	5%
Adj PAT	797	847	646	759	795	812	801	876	3,049	3,284	756	5%
YoY Change (%)	6.0	9.4	-9.5	-2.1	-0.3	-4.1	24.0	15.5	1.1	7.7	-5.2	
Margin (%)	8.2	8.0	6.2	6.6	6.2	6.1	6.5	6.7	7.2	6.4	6.3	-0.1
Total Volumes (tmt)	64.1	68.2	62.6	62.2	67.3	69.5	67.6	69.9	257.1	260.3	64.4	4%
Operating Performance (INR/kg)												
Implied realization (INR/kg)	151.9	155.9	166.3	184.2	189.8	190.2	182.9	187.8	164.3	187.7	185.5	2%
Gross margin (INR/kg)	51.0	51.4	51.7	54.1	49.8	50.4	49.4	50.7	52.0	50.1	54.8	-9%
EBITDA (INR/kg)	19.4	18.7	16.9	20.4	18.4	18.8	19.4	19.9	18.8	19.1	19.3	-5%

Indostar Capital Finance

Bloomberg	INDOSTAR IN
Equity Shares (m)	137
M.Cap.(INRb)/(USDb)	36.3 / 0.4
52-Week Range (INR)	369 / 218
1, 6, 12 Rel. Per (%)	-12/5/9
12M Avg Val (INR M)	81

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	4.6	6.3	7.8
PPP	1.9	3.2	4.4
PAT	0.5	7.5	2.9
EPS (INR)	3.9	51.2	19.8
EPS Gr. (%)	-27	1,224	-61
BV (INR)	252	363	383

Ratios

NIM (%)	6.1	9.2	10.8
C/I ratio (%)	71.7	62.4	57.8
RoA (%)	0.5	6.5	2.2
RoE (%)	1.6	17.2	5.3
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	70.7	5.3	13.8
P/BV (x)	1.1	0.8	0.7
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	73.0	73.3	73.6
DII	2.4	2.3	1.8
FII	3.1	2.7	2.1
Others	21.5	21.7	22.5

FII Includes depository receipts

CMP: INR266
TP: INR330 (+24%)
Buy

Weak quarter; gain from HFC sale partly used for provisioning

Credit costs elevated; focus this year will be on opex optimization

IndoStar Capital Finance (IndoStar) delivered a weak performance in 1QFY26, with muted disbursements and weak AUM growth, impacted by tighter stringent underwriting and seasonal factors. Credit costs remained elevated, driven by technical write-offs and additional provisions made for accounts where recovery prospects remain uncertain.

Key highlights: 1) Disbursements declined ~39% YoY to ~INR8.58b and retail AUM rose ~9% YoY to INR77.8b; 2) Credit costs stood at INR4.9b (PQ: INR494m) 2) IndoStar partly utilized the gain from HFC sale for taking write-offs of ~INR1.6b, where the recovery of loans had become less certain, and for making incremental provisions of ~INR2.55b on select Security Receipts (SRs) as part of its focused efforts to accelerate resolutions and unlock value, 3) calc. NIM expanded ~25bp QoQ on lower CoB, and 5) opex optimization will be an important theme in FY26, given that management targets to bring down the cost-to-income ratio to ~50% over the medium term.

Financial Highlights

- Consolidated PAT stood at INR5.5b, which included pre-tax exceptional gain of INR11.7b from the sale of its housing finance subsidiary.
- NII grew ~25% YoY to INR1.3b. Opex rose ~26% YoY to INR1.4b, translating into a cost-to-income ratio of ~88% in 1QFY26 (PY: 78% and PQ: 66%). PPOP declined ~40% YoY to INR189m.
- Standalone AUM grew ~9% YoY to ~INR77.8b. VF AUM rose ~14% YoY to INR72b (PQ: ~INR74b).
- Micro-LAP AUM grew ~46% QoQ to INR760m. Disbursements in micro-LAP declined ~21% QoQ to INR270m. LTV in this segment stood at 33.3% as of Jun'25.
- Management indicated that demand for used commercial vehicles remains strong, supported by the vehicle scrappage policy and the high cost of new vehicles. Additionally, it shared that used CVs carry EMIs that are 40-50% lower than those for new vehicles, making them particularly attractive for small fleet operators and first-time buyers.
- We estimate a CAGR of 16%/135% in AUM/PAT over FY25-27, aided by improvements in NIM to 9.2%/10.8% in FY26E/FY27E. **Reiterate BUY with a TP of INR330 (premised on 0.9x Mar'27E BVPS).**

AUM grew ~9% YoY; disbursements declined 39% YoY in VF

- Disbursements declined ~47% YoY to ~INR8.6b. Vehicle finance (VF) disbursements declined ~39% YoY to INR8.3b.

- Management shared that the combined effect of policy tightening and the usual seasonal slowdown in 1Q resulted in weaker disbursement volumes. To offset this, the company is focusing on increasing the share of prime-quality borrowers in its portfolio. As its cost of borrowings declines further, it expects to expand its reach to a larger base of prime customers in the coming quarters. The company has guided for standalone AUM growth of ~12-15% in FY26. We model AUM CAGR of 16% over FY25-27E.

Credit costs high due to technical write-off and SR provisions

- Asset quality exhibited improvement, with standalone GNPA improving ~50bp QoQ to ~4.05% and standalone NNPA declining ~80bp QoQ to 1.7%. The improvement in GNPA was mainly driven by technical write-off of INR1.6b. During the quarter, the company revised its technical write-off policy for loans over 210dpd.
- Collection efficiency (including overdue) stood at ~94% (PQ: ~97%). CRAR was healthy at ~33% and the debt-equity ratio stood at 1.7x.

Key highlights from the management commentary

- The company plans to roll out its Micro-LAP operations in Andhra Pradesh, after the successful launch in Tamil Nadu last year. The strategy involves co-locating Micro-LAP operations within existing vehicle finance branches, enabling better utilization of branch infrastructure, enhancing productivity, and expanding market reach.
- Management highlighted that a revised incentive plan for sales teams and channel partners has been rolled out to boost disbursement volumes and maintain/improve portfolio quality.

Valuation and View

- IndoStar delivered a weak quarter as disbursements and AUM growth were subdued, impacted by tighter underwriting standards and seasonal factors. Credit costs remained elevated, driven by technical write-offs and additional provisions made for accounts where recovery prospects remain uncertain.
- IndoStar has strategically prioritized the expansion of its loan book in the Used CV segment and micro-LAP. A reinforced management team, enhanced processes, opex rationalization and an improvement in the economic climate will serve as catalysts for IndoStar. **Reiterate BUY** rating on the stock with a TP of **INR330 (premised on 0.9x Mar'27E BVPS)**.

Quarterly Performance

(InR m)

Y/E March	FY25				FY26	FY25	FY26E
	1Q	2Q	3Q	4Q	1Q		
Interest Income	2,703	2,956	3,125	3,184	3,146	11,968	10,603
Interest Expenses	1,668	1,878	1,930	1,933	1,855	7,408	6,522
Net Interest Income	1,035	1,078	1,196	1,251	1,291	4,560	4,080
YoY Growth (%)	-12.2	40.5	47.9	44.6	24.7	36.6	-10.5
Other Income	387	565	611	566	291	2,129	2,527
Total Income	1,422	1,643	1,806	1,817	1,582	6,688	6,607
YoY Growth (%)	-1.9	75.6	93.1	-21.7	11.3	26.8	-1.2
Operating Expenses	1,106	1,272	1,212	1,198	1,393	4,788	5,498
Operating Profit	317	371	594	619	189	1,901	1,109
YoY Growth (%)	6.4	333.5	1,044.5	-49.1	-40.2	24.0	-41.7
Provisions & Loan Losses	210	193	479	494	4,904	1,375	957
Profit before Tax and exceptional item	297	363	331	442	-4,579	1,434	152
Exceptional item	0	0	0	0	11,760		
Profit before Tax from continuing operations	297	363	331	442	7,181	1,434	152
Tax Provisions	48	46	54	80	1,725	229	35
Net Profit	249	317	277	362	5,456	1,205	117
YoY Growth (%)	-36.0	27.9	64.3	2.6	-	4.0	-90.3
AUM Growth (%)	13.5	30.0	31.7	23.1	8.9		
NIM (%)	6.1	5.9	6.2	6.3	6.6		
Cost to Income Ratio (%)	77.7	77.4	67.1	65.9	88.0		
Tax Rate (%)	16.1	12.8	16.4	18.2	24.0		
Key Operating Parameters (%)							
Yield on loans (Cal)	17.0	17.1	17.6	17.8	17.6		
Cost of funds (Cal)	10.9	11.2	10.9	11.2	10.8		
Spreads (Cal)	6.1	5.9	6.7	6.6	6.8		
NIMs (Cal)	6.1	5.9	6.2	6.3	6.6		
Credit Cost (Cal)	1.2	1.0	2.5	2.5	24.9		
Cost to Income Ratio	77.7	77.4	67.1	65.9	88.0		
Tax Rate	0.1	0.1	0.1	0.2	24.0		
Balance Sheet Parameters							
AUM (INR B)	71.5	75.5	78.6	79.6	77.8		
Change YoY (%)	13.5	30.0	31.7	23.1	8.9		
AUM Mix (%)							
Vehicle	88.5	92.3	92.9	93.0	92.9		
Micro-LAP	0.0	0.0	0.0	0.7	1.0		
SME & Others	6.3	5.4	4.9	4.4	4.7		
Corporate	5.2	2.3	2.2	2.0	1.4		
Asset Quality Parameters (%)							
GS 3 (INR B)	3.5	3.7	3.6	3.4	3.0		
Gross Stage 3 (% on Assets)	4.2	5.0	4.9	4.5	4.0		
Net Stage 3 (% on Assets)	2.1	2.5	2.7	2.5	1.7		
PCR (%)	53.7	51.0	46.2	46.6	59.6		

E: MOFSL estimates

TCI Express

Estimate change

TP change

Rating change



Stock Info

Bloomberg	TCIEXP IN
Equity Shares (m)	38
M.Cap.(INRb)/(USDb)	25.9 / 0.3
52-Week Range (INR)	1170 / 580
1, 6, 12 Rel. Per (%)	-7/-12/-38
12M Avg Val (INR m)	36

Financials Snapshot (INR b)

Y/E March	2025	2026E	2027E
Net Sales	12.1	12.9	14.4
EBITDA	1.2	1.4	1.8
Adj. PAT	0.9	1.0	1.3
EBITDA Margin (%)	10.3	10.9	12.5
Adj. EPS (INR)	22.4	26.2	33.3
EPS Gr. (%)	-34.8	16.8	27.3
BV/Sh. (INR)	200	218	243

Ratios

Net D/E (x)	0.0	0.0	0.0
RoE (%)	11.7	12.5	14.5
RoCE (%)	11.6	12.3	14.1
Payout (%)	35.7	30.6	24.0

Valuations

P/E (x)	29.6	25.3	19.9
P/BV (x)	3.3	3.0	2.7
EV/EBITDA (x)	20.2	18.0	14.2
Div. Yield (%)	1.2	1.2	1.2
FCF Yield (%)	7.0	0.4	0.4

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	69.5	69.5	69.6
DII	9.8	9.6	10.2
FII	0.8	0.8	1.6
Others	19.9	20.1	18.6

FII includes depository receipts

CMP: INR674
TP: INR730 (+8%)
Neutral

Weak operating performance yet again; outlook remains soft

- TCI Express's (TCIE) 1QFY26 revenue declined 2% YoY to INR2.9b (-7% QoQ), 9% below our estimate. Volumes declined ~1% YoY in 1QFY25, impacted by slower growth in the SME segment.
- EBITDA stood at INR281m (-14% YoY/+7% QoQ), 17% below our estimate. EBITDA margin came in at 9.8% in 1QFY26 vs. our estimate of 10.7%. Higher employee and other expenses resulted in lower margins
- Weak operating performance resulted in APAT decline of 13% YoY to INR195m (flat QoQ) vs our estimate of INR242m.
- Management expects 8-9% tonnage and 11-12% revenue growth in FY26. However, the margin expansion target may face challenges from persistent cost pressures, inflationary labor expenses, and relatively lower margins in the international air express segment. The planned capex of INR2b over FY26-27, largely for sorting center automation and network expansion, along with dependence on higher-margin multimodal segments, could pose risks if demand recovery is slower than anticipated.
- 1QFY26's performance was impacted by soft demand in certain industrial segments, coupled with elevated freight rates and compliance-related costs, despite stable capacity utilization and cost discipline in Surface Express. We cut our EBITDA/PAT estimates for FY26 by ~7%/8%, respectively, to incorporate the weak 1QFY26 performance, while marginally reducing EBITDA and PAT estimates for FY27 by 3% each. We expect TCIE to clock a 9%/20%/22% volume/revenue/EBITDA CAGR over FY25-27. **We reiterate our Neutral rating with a revised TP of INR730 (based on 22x FY27 EPS).**

Highlights from the management commentary

- Volumes in 1QFY26 stood at 0.23m tons (down 1% YoY). Capacity utilization during 1QFY26 remained steady at 82%.
- TCIE commissioned three advanced sorting centers in Nagpur, Raipur, and Indore (over 0.2m sq. ft.), enhancing processing capacity and enabling faster, cost-efficient operations in Central India. Further, new branches were added during the quarter to strengthen last-mile delivery and service reach.
- Tonnage growth in FY26 is expected at 8-9%. Revenue growth is projected at 11-12%, supported by price hikes, network expansion, and growing multimodal contribution.
- EBITDA margin is expected to improve through cost optimization, higher automation benefits, and price increases, with FY27 margins guided at 15-16%.

Valuation and view

- TCIE faces headwinds as SME demand remains weak amid high inflation and interest rates. Management expects 8-9% tonnage and 11-12% revenue growth in FY26. However, margin expansion may be limited by ongoing cost pressures, inflationary labor expenses, and lower margins in the international air express segment.
- We cut our EBITDA/PAT estimates for FY26 by ~7%/8%, respectively, to incorporate the weak 1QFY26 performance, while marginally reducing EBITDA and PAT estimates for FY27 by 3% each. We expect TCIE to clock a 9%/20%/22% volume/revenue/EBITDA CAGR over FY25-27. **We reiterate our Neutral rating with a revised TP of INR730 (based on 22x FY27 EPS).**

Quarterly snapshot

	FY25				FY26E				FY25	FY26E	FY26	INR m
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var. vs Est
Net Sales	2,930	3,115	2,965	3,073	2,868	3,209	3,361	3,435	12,083	12,872	3,141	(9)
YoY Change (%)	-3.9	-2.6	-4.9	-3.1	-2.1	3.0	13.4	11.8	-3.6	6.5	7.2	
EBITDA	327	368	289	263	281	340	370	416	1,247	1,406	336	(17)
Margins (%)	11.2	11.8	9.8	8.5	9.8	10.6	11.0	12.1	10.3	10.9	10.7	
YoY Change (%)	-29.4	-27.1	-36.6	-41.4	-14.3	-7.5	27.9	58.3	-33.4	12.8	2.7	
Depreciation	51	53	53	59	53	52	51	50	216	205	52	
Interest	3	3	3	5	3	0	0	0	13	3	0	
Other Income	23	25	26	61	38	37	34	37	134	145	40	
PBT before EO expense	297	336	259	260	263	325	353	402	1,152	1,343	324	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	297	336	259	260	263	325	353	402	1,152	1,343	324	
Tax	74	87	67	66	68	82	89	101	294	340	82	
Rate (%)	24.8	25.8	26.0	25.5	25.9	25.2	25.2	25.2	25.5	25.4	25.2	
Reported PAT	223	249	192	194	195	243	264	301	858	1,003	242	
Adj PAT	223	249	192	194	195	243	264	301	858	1,003	242	(20)
YoY Change (%)	-31.0	-29.9	-40.4	-38.7	-12.7	-2.4	37.5	55.4	-34.8	16.8	8.6	
Margins (%)	7.6	8.0	6.5	6.3	6.8	7.6	7.8	8.8	7.1	7.8	7.7	

Spandana Sphoorty

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	SPANDANA IN
Equity Shares (m)	71
M.Cap.(INRb)/(USD\$)	17.1 / 0.2
52-Week Range (INR)	610 / 184
1, 6, 12 Rel. Per (%)	-13/-23/-59
12M Avg Val (INR M)	226

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	12.6	4.7	7.0
Total Income	14.9	6.2	9.3
PPoP	6.1	-1.3	3.0
PAT	-10.4	-8.4	1.2
EPS (INR)	-145	-105	14
EPS Gr. (%)	-	-	-
BV (INR)	369	225	261

Ratios (%)

NIM	15.1	9.0	13.2
C/I ratio	59.3	121.7	67.8
Credit cost	23.8	19.0	3.4
RoA	-9.5	-10.9	1.6
RoE	-33.0	-36.3	5.6

Valuations

P/E (x)	-	-	17.5
P/BV (x)	0.6	1.1	0.9

Shareholding pattern (%)

As of	Jun-25	Mar-25	Jun-24
Promoter	48.1	48.1	56.9
DII	5.7	6.5	9.0
FIIFII	19.8	19.8	22.8
Others	26.4	25.6	11.4

FII includes depository receipts

CMP: INR240
TP: INR280 (+17%)
Buy

Weak quarter; rebuilding phase focused on operational improvements

Sequential moderation in credit costs; reported NIM contracts ~250bp QoQ

- Spandana Sphoorty's (SPANDANA) 1QFY26 loss stood at ~INR3.6b (vs. a loss of INR4.3b in 4QFY25). 1Q NII declined ~70% YoY to ~INR1.3b (~8% miss). Operating loss stood at INR587m (PQ: operating profit of INR251m). Total borrower count declined ~18% QoQ to 2m.
- Opex rose ~10% YoY to ~INR2.1b (inline), resulting in a cost-income ratio of ~140% (PY: ~40% and PQ: ~90%).
- Credit costs stood at ~INR4.2b, resulting in annualized credit costs (as a % of average loans) of ~34% (PQ: ~36% and PY: ~8%). Technical write-offs stood at INR5.8b (vs. INR6.5b in 4QFY25). As a prudent measure, the company recognized additional credit costs of INR1.3b for the quarter due to technical write-off. Excluding this, impairment costs would have been INR2.9b. Recovery from the 90dpd account was INR410m in 1QFY26 (vs. INR520m in 4QFY25).
- Spandana indicated that disbursements in Jul'25 were nearly equivalent to the total disbursements in 1QFY26, with momentum strengthening further in Aug'25 as MTD-Aug'25 was tracking better than the corresponding period run-rate in July. Management anticipates a significant acceleration in both AUM and disbursement growth from 2HFY26, even as 2Q is still expected to remain challenging.
- **The company shared that the appointment of the new MD&CEO is expected within the next 30-45 days, with the Board currently evaluating both internal and external candidates for the role.** Spandana highlighted that FY26 will be a year of rebuilding for the company, with process enhancements aimed at improving efficiency and reducing operating costs. Profitability is likely to remain under pressure for one to two more quarters, with a gradual recovery anticipated thereafter.
- We model AUM to decline ~20% in FY26 and expect profitability only in FY27 now. We expect credit costs for SPANDANA to remain elevated in 2QFY26, with AUM growth likely to remain subdued in FY26. While there are no near-term catalysts, **we reiterate our BUY rating on the stock** with a TP of INR280 (based on 1.1x Mar'27E P/BV), given that SPANDANA now trades at an undemanding valuation of 0.9x Mar'27E P/BV.

AUM down ~58% YoY; disbursements dip ~88% YoY

- AUM declined ~58% YoY and ~27% QoQ to ~INR50b. Disbursements declined ~88% YoY to INR2.8b. Disbursements in Jul'25 stood at ~INR2.7b.
- The number of loan officers (net) declined by ~3,135 during the quarter; SPANDANA currently employs ~8,859 loan officers.

Reported NIM contracts ~250bp and yields drop ~130bp sequentially

- Reported yields declined ~130bp QoQ to ~19.4%, while CoF rose ~20bp QoQ to ~12.3%, resulting in a ~150bp QoQ decline in spreads to 7.1%.
- Reported NIM declined ~250bp QoQ to ~8.2%. This was primarily driven by interest income reversals on loans, which slipped into Stage 3. We estimate NIM of 9%/13.2% in FY26/FY27 (vs. FY25: ~15.1%).

GNPA declines ~15bp QoQ; technical write-offs at INR5.8b

- GNPA/NNPA declined ~15bp/5bp QoQ to ~5.5%/1.15%. PCR was broadly stable QoQ at ~79%. Stage 2 declined ~130bp QoQ to ~7.9%.
- **Gross collection efficiency (including arrears) declined to 91.1% (PQ: 91.5%), and net collection efficiency declined to 90.6% (PQ: 90.9%).** X-bucket Collection Efficiency stood at 97.9% in Jun'25 vs. 98.6% in Mar'25. Further, the X-bucket CE stood at ~98.5% in Jul'25.
- Customers having loans from SPANDANA +>= 3 lenders as of Jul'25 stood at ~21% (compared to ~20.3% in Apr'25).
- Management shared that forward flows into the GNPA bucket remained elevated, indicating that a higher proportion of overdue accounts still continue to flow forward into higher buckets. However, collection efficiency in the current bucket improved to 98.5% in Jul'25, suggesting stronger recoveries from customers who are not yet overdue. Management expects forward flows to stay high for the next 1-2 quarters, with a gradual moderation likely from 3Q/4Q onwards as collection measures and portfolio quality improvement measures start to take effect.
- CRAR stood at ~40.8% as of Jun'25. The company completed its Rights issue of INR4b (partly paid-up), which saw participation from promoters and institutional investors. CRAR, after the Rights issue, stood at 46%.

Highlights from the management commentary

- Management indicated that stricter operational controls have been implemented, including compulsory house visits before loan disbursement, the introduction of e-signing to enable faster processing, and various other enhancements in the onboarding process.
- A dedicated collection team of over 500 members recovered INR410m from overdue accounts during the quarter, with these efforts further supported by an extensive tele-calling initiative to enhance recoveries.

Valuation and view

- SPANDANA reported a weak 1QFY26, with a sharp decline in disbursements and AUM, as the focus shifted to strengthening collections and operational stability. Credit costs were elevated due to forward flows from Stage 2 assets and are likely to remain high in 2QFY26 as well, and we expect near-normalization only by the end of FY26.
- SPANDANA will continue to exhibit asset quality stress for the next couple of quarters. We estimate SPANDANA to deliver RoA/RoE of 1.6%/6% in FY27E. While there are no near-term catalysts, given the undemanding valuation of 0.9x Mar'27E P/BV, **we reiterate our BUY rating on the stock** with a TP of INR280 (based on 1.1x Mar'27E P/BV).

Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E 1Q	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	6,935	6,071	5,029	3,907	2,837	2,270	2,202	2,645	21,943	9,954	2,930	-3
Interest Expenses	2,594	2,584	2,290	1,855	1,538	1,261	1,185	1,312	9,323	5,296	1,521	1
Net Interest Income	4,342	3,487	2,739	2,052	1,300	1,009	1,017	1,333	12,621	4,658	1,409	-8
YoY Growth (%)	48.0	10.4	-13.4	-46.8	-70.1	-71.1	-62.9	-35.1	-3.8	-63.1	-67.5	
Other Income	435	994	697	282	204	316	476	542	2,298	1,539	476	-57
Total Income	4,776	4,481	3,436	2,335	1,504	1,325	1,492	1,875	14,918	6,196	1,885	-20
YoY Growth (%)	45.7	8.6	-15.5	-49.3	-68.5	-70.4	-56.6	-19.7	-5.8	-58.5	-60.5	
Operating Expenses	1,908	2,203	2,651	2,083	2,091	1,947	1,803	1,703	8,843	7,544	2,040	3
Operating Profit	2,869	2,278	784	251	-587	-622	-310	172	6,075	-1,347	-155	280
YoY Growth (%)	51.7	-11.6	-67.4	-90.5	-120.5	-127.3	-139.6	-31.5	-34.7	-122.2	-105.4	
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,222	2,955	1,773	907	19,863	9,857	4,660	-9
Profit before Tax	751	-2,886	-5,876	-5,776	-4,809	-3,577	-2,083	-735	-13,788	-11,204	-4,814	0
Tax Provisions	193	-723	-1,474	-1,433	-1,207	-894	-521	-190	-3,436	-2,812	-1,348	-10
Net Profit	557	-2,163	-4,402	-4,343	-3,602	-2,683	-1,563	-544	-10,352	-8,392	-3,466	-4
YoY Growth (%)	-53	-273	-446	-438	-747	24	-65	-87	-307	-19	-722	

Key Parameters (%)

Yield on loans	25.4	24.4	24.0	23.4	23.0	23.0	23.3	23.6		
Cost of funds	11.4	12.4	12.6	12.0	12.3	12.5	12.4	12.3		
Spread	14.1	12.0	11.5	11.5	10.6	10.5	10.9	11.3		
NIM	15.9	14.0	13.1	12.3	10.5	10.2	10.8	11.9		
Credit cost	7.8	20.7	31.8	36.2	34.2	30.0	18.8	8.1		
Cost to Income Ratio (%)	39.9	49.2	77.2	89.2	139.1	146.9	120.8	90.8		
Tax Rate (%)	25.8	25.0	25.1	24.8	25.1	25.0	25.0	25.9		

Performance ratios (%)

AUM/Branch (INR m)	0	69	54	38	29					
AUM/Loan Officer (INR m)	11.9	9.5	7.1	5.7	5.6					
Borrowers/Branch	2,048	2,022	1,669	1,380	1,186					
Borrowers/Loan Officer	219	191	149	135	131					

AUM (INR B)	117.2	105.4	89.4	68.2	49.6	43.1	45.2	54.5		
Change YoY (%)	32.5	7.7	-14.1	-43.0	-57.7	-59.1	-49.4	-20.1		
Disbursements (INR B)	22.8	15.1	14.4	3.7	2.8	10.3	15.0	19.5		
Change YoY (%)	37.2	-39.8	-43.3	-90.8	-87.7	-32.0	4.0	435.3		
Borrowings (INR B)	90.4	78.5	67.5	56.6	43.1					
Change YoY (%)	42.6	1.1	-15.3	-40.0	-52.4					
Borrowings/Loans (%)	77.1	74.5	75.5	82.9	86.8					
Debt/Equity (x)	2.4	2.2	2.2	2.1	1.9					

Asset Quality (%)

GS 3 (INR M)	2,920	4,770	4,000	3,540	2,510					
G3 %	2.6	4.9	4.8	5.6	5.5					
NS 3 (INR M)	590	970	810	750	530					
NS3 %	0.5	1.1	1.1	1.3	1.3					
PCR (%)	79.8	79.7	79.8	78.8	78.9					
ECL (%)	4.4	7.5	8.5	9.6	9.0					
Return Ratios - YTD (%)										
ROA (Rep)	1.7	-7.1	-16.3	-18.7	-18.9					
ROE (Rep)	6.1	-24.0	-53.5	-60.8	-58.6					

E: MOFSL Estimates

BSE SENSEX
80,598

S&P CNX
24,631

CMP: INR140
Buy

Conference Call Details


Date: 18 Aug'25

Time: 1100 hours IST

Dial-in details:

+91 22 6280 1342

+91 22 7115 8243

Higher-than-expected inventory losses drag 1Q performance

- IOCL 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.
- The Petchem segment reported EBIT loss of INR10m (vs. EBIT loss of INR2.1b 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 under-recovery on LPG cylinders (INR199.3b as of Mar'25).
- According to the 8th Aug'25 PIB release, the Union Cabinet approved INR300b compensation for PSU OMCs. However, the company has not recognized the same as the exact split among OMCs is yet to be announced by MoPNG.

Standalone - Quarterly Earning Model

(INR b)

Y/E March	FY25				FY26E					Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1QE	(%)	(%)	(%)
Net Sales	1,932	1,738	1,939	1,950	1,930	1,705	1,845	1,834	1,880	3%	0%	-1%
YoY Change (%)	-2.2	-3.3	-2.6	-1.5	-0.1	-1.9	-4.8	-5.9	-2.7			
EBITDA	86.3	41.9	91.7	135.7	126.1	78.7	80.1	79.5	150.1	-16%	46%	-7%
Margins (%)	4.5	2.4	4.7	7.0	6.5	4.6	4.3	4.3	8.0			
Depreciation	37.6	37.2	39.0	39.1	38.4	38.8	40.7	41.7	39.2			
Forex loss	0.0	4.2	20.5	0.0	0.0	0.0	0.0	0.0	0.0			
Interest	19.6	24.1	23.1	20.5	19.7	25.7	24.6	22.9	20.9			
Other Income	5.3	13.7	18.8	11.7	6.1	9.3	12.7	13.6	3.6			
PBT	34.5	1.7	34.7	87.9	74.0	23.5	27.5	28.5	93.7	-21%	114%	-16%
Rate (%)	23.4	-4.2	17.2	17.3	23.2	25.2	25.2	25.2	24.5			
Reported PAT	26.4	1.8	28.7	72.6	56.9	17.6	20.6	21.3	70.7	-20%	115%	-22%
YoY Change (%)	-80.8	-98.6	-64.4	50.2	115.2	876.2	-28.5	-70.7	167.5			
Margins (%)	1.4	-0.6	1.1	3.7	2.9	1.0	1.1	1.2	3.8			
Key Assumptions												
Refining throughput (mmt)	18.2	16.7	18.1	18.5	18.7	18.7	18.7	18.7	18.7	0%	3%	1%
Reported GRM (USD/bbl)	6.4	1.6	2.9	8.0	2.2	6.5	6.5	6.5	7.0	-69%	-66%	-73%
Domestic sale of refined products (mmt)	24.1	21.9	24.8	24.6	25.0	24.1	25.8	25.6	25.0	0%	4%	2%
Marketing GM incld. inv. per litre (INR/litre)	4.9	5.9	6.4	5.9	7.8	4.2	4.1	4.2	6.3	24%	61%	32%

Vodafone Idea

BSE SENSEX
80,598

S&P CNX
24,631

Conference Call Details



Date: 18th August 2025

Time: 02:30pm IST

Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Net Sales	451	492	536
EBITDA	185	208	232
Adj. PAT	-316	-309	-276
EBITDA Margin (%)	40.9	42.3	43.4
Adj. EPS (INR)	-23.8	-2.2	-10.9
BV/Sh. (INR)	-20.2	-29.9	-38.5

Ratios

Net D:E	-2.9	-2.4	-2.0
RoE (%)	NM	NM	NM
RoCE (%)	-2.8	-1.2	1.3
Payout (%)	0.0	0.0	0.0

Valuations

EV/EBITDA (x)	12.0	12.3	11.8
P/E (x)	-2.1	-2.2	-2.4
P/B (x)	-0.3	-0.2	-0.2
Div. Yield (%)	0.0	0.0	0.0

CMP: INR 6.2

Sell

Broadly in-line results, subscriber losses moderate further

- Vodafone Idea's (Vi) overall revenue at INR110b (flat QoQ, +5% YoY) was **in line with our estimate**.
- Reported EBITDA at INR46.1b (-1% QoQ, +10% YoY, vs. ~3%/5% QoQ for Bharti-India wireless and RJio) was **~1% above** our estimate on account of lower network opex (+1% QoQ, 4% below), offset by higher SG&A expenses (+8% QoQ, 8% above).
- Reported EBITDA margin contracted ~50bp QoQ to 41.8% (up 185bp YoY, +20bp/+125bp QoQ for Bharti-India wireless and RJio) and **was ~35bp above** our estimate.
- Pre Ind-AS 116 EBITDA at INR21.8b declined ~6% QoQ (+4% YoY) and was **in line with** our estimate. Pre Ind-AS 116 EBITDA margin contracted ~130bp QoQ to 19.8% (-20bp YoY, in line with our estimate).
- Vi's reported losses narrowed to INR66b (vs. INR72b QoQ, and our estimate of INR75b), primarily due to lower interest costs (-8% QoQ, likely due to interest savings from recent GoI equity conversions).
- Reported net debt (excluding leases, but including interest accrued and not due) **increased by INR69b QoQ to INR1.94t**. Vi still owes ~INR1.99t to GoI for deferred spectrum and AGR dues. External/banking debt declined to ~INR19.3b (vs. INR23b QoQ).
- Capex moderated **to INR24.4b (vs. record high of INR42b in 4QFY25)**.

Subscriber losses moderate, but wireless revenue up modest 6% YoY despite tariff hike boost

- Wireless ARPU was **up 0.6% QoQ** at INR165 (+13% YoY, vs. +1%/+2% QoQ for RJio/Bharti) and **was in line with** our estimate, driven largely by one extra day QoQ.
- Vi indicated that customer ARPU (excluding M2M) was up ~1% QoQ at **INR177** (vs. +2% QoQ at INR250 for Bharti).
- Vi's overall subscriber base at 197.7m **declined by 0.5m QoQ** (significant moderation vs. 1.6m net declines in 4QFY25, and **better than our expectation** of 1.2m QoQ decline).
- Monthly churn **was stable QoQ at 4.1%** (vs. 40bp QoQ uptick for Bharti at 2.7%) and remains a key monitorable.
- Postpaid subscriber base (including M2M) further improved by ~1m QoQ to 26.6m, largely driven by ~0.8m M2M net adds. 4G/5G subscriber base inched up ~1m QoQ, while data subs rose ~0.7m QoQ. We believe Vi has lost ~0.1m pure-play data subs (excl. M2M subs).
- 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.

Other highlights: Data usage improves, driven by IPL and unlimited data offerings, but remains well below peers

- Enterprise revenue at INR12.1b (+5% QoQ, -2% YoY) was ~2% above our estimate.
- Vi's data volume grew ~9% QoQ (+5% QoQ in 4QFY25), driven by IPL boost, and trended largely in line with 8%/12% QoQ growth for Bharti/RJio, including FTTH, albeit on a much lower base.
- Data usage per data subscriber increased to 16.3GB/month (from 15.3GB QoQ), but remained significantly below RJio (37GB including FTTH contribution) and Bharti (26.9GB).
- Voice usage on Vi network declined ~2% QoQ (vs. -1% QoQ in 4QFY25, weaker vs. flat to -1% QoQ for Bharti and RJio).
- Implied minute of usage per subscriber declined to 590min/month (vs. 598min QoQ), but remained significantly below 1,143mins/1,007mins for Bharti/RJio.
- Vi's trade payables were stable QoQ at INR107b, primarily comprising dues to tower and network vendors such as Indus Towers.

5G services expanded to 22 cities; network rollout slightly moderated (from record levels in 4QFY25)

- After the largest-ever quarterly rollout since the merger, Vi's network rollout moderated to ~1.9k towers (~4.6k MBB towers) and ~21.6k net broadband sites in 1Q.
- Vi's 4G population coverage increased further to ~84% by Jun'25 (vs. 77% in Mar'24).
- Management indicated that 4G population coverage would be further ramped up to ~1.2b (or 90% of overall population).
- Vi has expanded its 5G services to 22 cities across 13 circles and plans to expand 5G services to all key cities in 17 priority circles by Sep'25.

Bharti was once again the biggest gainer on RMS in 1QFY26

- On our estimates, Bharti was once again the biggest gainer on revenue market share (RMS) in 1QFY26, gaining 28bp QoQ (+206bp YoY), with RJio gaining modest 3bp QoQ (but losing 67bp YoY) and Vi losing further 31bp QoQ RMS in 1QFY26 (and -139bp YoY), among the three private telcos.
- On subscriber market share (SMS), RJio was the biggest gainer in 1QFY26 with 35bp QoQ gain (+22bp YoY) as Bharti lost 15bp QoQ (but gained 91bp YoY) and Vi lost further 19bp QoQ (and 113bp YoY), among the three private telcos.

Vodafone Idea (INR m)	1QFY25	4QFY25	1QFY26	YoY	QoQ	1QFY26E	vs. est
Revenue	1,05,083	1,10,135	1,10,225	4.9	0.1	1,09,997	0.2
Interconnection costs	10,852	11,961	11,139	3	(7)	11,611	(4.1)
License fee and spectrum charges	8,924	9,283	9,473	6	2	9,273	2.2
Network operating costs	23,935	23,255	23,493	(2)	1	24,481	(4.0)
Employee costs	5,467	5,495	5,435	(1)	(1)	5,494	(1.1)
SG&A expenses	13,858	13,544	14,564	5	8	13,477	8.1
Total costs	63,036	63,538	64,104	2	1	64,336	(0.4)
EBITDA	42,047	46,597	46,121	9.7	(1.0)	45,661	1.0
EBITDA margin (%)	40.0	42.3	41.8	183	(47)	41.5	33
Pre-INDA AS EBITDA	21,000	23,200	21,800	3.8	(6.0)	21,761	0.2
Pre Ind-AS EBITDA margin (%)	20.0	21.1	19.8	(21)	(129)	19.8	(1)
D&A	53,691	55,713	54,721	1.9	(1.8)	56,507	(3.2)
EBIT	(11,644)	(9,116)	(8,600)	26.1	5.7	(10,846)	20.7
Net interest income/(expense)	52,623	62,565	57,511	9.3	(8.1)	63,754	(9.8)
PBT	(64,267)	(71,681)	(66,111)	(2.9)	7.8	(74,600)	11.4
Taxes	(55)	-	30			—	
MI and share of associates	1	20	-			—	
PAT	(64,321)	(71,661)	(66,081)	(2.7)	7.8	(74,600)	11.4
Extraordinaries	-	—	—			—	
Reported net income	(64,321)	(71,661)	(66,081)	(2.7)	7.8	(74,600)	11.4
Key performance indicators							
Subscriber base (EoP) (m)	210.1	198.2	197.7	(5.9)	(0.3)	197.0	0.4
Net adds/(declines) (m)	(5.1)	(6.8)	(0.5)			(1.2)	
Data subscribers(EoP) (m)	136.9	134.1	134.8	(1.5)	0.5	134.1	0.5
Reported ARPU (INR/month)	146	164	165	13.0	0.6	165	(0.1)
Total minutes of use (b)	385	357	350	(9.1)	(2.0)	353	(1.0)
Average MoU (min/month)	607	598	590	(2.8)	(1.3)	596	(1.0)
Data volume (Petabyte)	6,111	6,166	6,748	10.4	9.4	6,228	8.4
Implied data usage (GB/month)	14.9	15.3	16.7	12.6	9.2	15.5	8.1
Wireless revenue	92,571	97,908	97,985	5.8	0.1	97,940	0.0
Enterprise revenue	12,298	11,575	12,094	(1.7)	4.5	11,807	2.4
Other operating revenue	214	652	146	(31.8)	(77.6)	250	(41.6)
Debt and capex (INRb)							
Gross debt	2,210	1,973	2,011	(9.0)	1.9		
Gol debt	2,162	1,949	1,991	(7.9)	2.2		
Spectrum debt	1,458	1,190	1,217				
AGR dues	703	759	775				
External debt	46	23	19	(58.2)	(17.1)		
OCDs to ATC	1.6	-					
Cash and equivalents	181.5	99.3	68.3	(62)	(31.2)		
Net debt	2,028	1,873	1,943	(4.2)	3.7		
Capex	7.6	42.3	24.4	221.1	(42.3)	38.2	(36.1)

Telecom comparisons	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	QoQ	YoY
Wireless subs, EOP (m)								
Bharti	352.3	354.5	351.6	356.6	361.6	362.8	0.3	2.3
Vodafone Idea	212.6	210.1	205.0	199.8	198.2	197.7	(0.3)	(5.9)
RJio (inc. FTTH)	481.8	489.7	478.8	482.1	488.2	498.1	2.0	1.7
RJio - wireless	470.5	477.3	464.6	465.9	470.8	478.1	1.5	0.2
Wireless revenues (INR b)								
Bharti - wireless	218.2	223.1	246.3	260.8	264.2	271.8	2.9	21.8
Vodafone Idea - wireless	93.7	92.6	97.1	99.0	97.9	98.0	0.1	5.8
RJio (inc. FTTH)	259.6	264.8	283.4	293.1	300.2	308.8	2.9	16.6
RJio - wireless	246.6	251.2	267.4	274.9	280.1	286.4	2.3	14.0
Wireless ARPU (INR/sub/month)								
Bharti	208.9	210.6	233.0	245.3	245.0	250.3	2.1	18.8
Vodafone Idea	146.0	146.0	156.0	163.0	164.0	165.0	0.6	13.0
RJio (inc. FTTH)	181.7	181.7	195.1	203.3	206.2	208.7	1.2	14.9
RJio - wireless	176.6	176.7	189.3	196.9	199.3	201.2	0.9	13.9
Wireless EBITDA (INR b)								
Bharti	121.6	125.3	141.7	154.6	157.5	162.7	3.3	29.9
Vodafone Idea	43.4	42.0	45.5	47.1	46.6	46.1	(1.0)	9.7
RJio (inc. FTTH)	136.1	139.2	150.4	154.8	158.5	166.9	5.3	19.9
Wireless EBITDA margin (%)								
Bharti	55.1	55.6	57.1	58.8	59.2	59.4	22	379
Vodafone Idea	40.9	40.0	41.6	42.4	42.3	41.8	(47)	183
RJio (inc. FTTH)	52.4	52.6	53.1	52.8	52.8	54.0	124	147
Wireless EBIT (INR b)								
Bharti	48.3	48.4	61.9	75.0	78.4	84.1	7	56
Vodafone Idea	(14.2)	(11.6)	(8.5)	(9.2)	(9.1)	(8.6)	(6)	27
RJio (inc. FTTH)	80.5	83.1	93.0	96.5	99.3	104.9	6	23
Wireless EBIT margin (%)								
Bharti	21.9	21.5	24.9	28.5	29.5	30.7	125	923
Vodafone Idea	(13.3)	(11.1)	(7.8)	(8.2)	(8.3)	(7.8)	47	328
RJio (inc. FTTH)	31.0	31.4	32.8	32.9	33.1	34.0	88	256
Wireless revenue market share among private telcos (%)								
Bharti	39.1	39.4	40.3	41.1	41.1	41.4	28	206
Vi	16.8	16.3	15.9	15.6	15.2	14.9	(31)	(139)
RJio - wireless	44.2	44.3	43.8	43.3	43.6	43.6	3	(67)
Wireless paying subs market share among private telcos (%)								
Bharti	34.0	34.0	34.4	34.9	35.1	34.9	(15)	91
Vi	20.5	20.2	20.1	19.5	19.2	19.0	(19)	(113)
RJio - wireless	45.4	45.8	45.5	45.6	45.7	46.0	35	22

Note:

RJio (ex-FTTH) metrics are our estimates

Amara Raja

BSE SENSEX

80,540

S&P CNX

24,619

Conference Call Details


Date: 18th Aug 2025

Time: 4PM IST

Dial-in details: [Diamond Pass](#)
[Link](#)

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	124.0	135.3	148.4
EBITDA	16.3	16.9	19.0
Adj. PAT	8.8	9.0	10.4
EPS (INR)	48.2	49.4	56.8
EPS Gr. (%)	-2.7	2.6	15.0
BV/Sh. (INR)	403	443	488

Ratios

RoE (%)	12.5	11.7	12.2
RoCE (%)	12.4	11.7	12.5
Payout (%)	19.9	20.2	20.2

Valuations

P/E (x)	19.8	19.3	16.7
P/BV (x)	2.4	2.2	2.0
Div. Yield (%)	1.2	1.1	1.3
FCF yield (%)	3.9	2.9	6.0

CMP: INR953

Persistent margin pressure leads to PAT miss

- 1QFY26 standalone revenue grew ~7% YoY to INR33.5b (in line). 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, Amara saw strong traction in UPS/data centers, with 13% growth. The new energy business was driven by healthy volumes in the stationary business.
- Gross margin stood at 29% (+120bp YoY/+270bp QoQ), likely impacted by a higher traded portion in tubular batteries in 1Q.
- EBITDA margin declined 220bp YoY to 11.5% (flat QoQ) and below our estimate of 12%. Margins are likely to have been impacted by the continued impact of higher non-lead alloy costs and higher power costs.
- As a result, EBITDA declined 10.2% YoY to INR3.9b (in line).
- However, other income came in much lower than expected at INR139m (est. INR245m).
- As a result, PAT declined 20.7% YoY to INR1.9b (below est. of INR2.1b).
- Valuation view:** The stock trades at 19.3x/16.7x FY26E/FY27E EPS.

Quarterly Performance

										(INR M)		
Y/E March (INR m)	FY25				FY26E				FY25	FY26E		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			1QE	VAR (%)
Net Sales	31,312	31,358	31,640	29,739	33,499	33,240	34,488	34,047	1,24,049	1,35,274	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	68.5	68.3	66.7	67.8	68.5	68.6	190bp
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.0	6.0	6.1	6.0	6.0	5.9	0bp
Other Exp (% of sales)	11.5	12.2	13.9	14.7	12.0	13.0	12.5	14.5	13.1	13.0	13.5	-150bp
EBITDA	4,304	4,407	4,158	3,422	3,867	4,155	4,552	4,335	16,291	16,909	3,908	-1.1
Margins (%)	13.7	14.1	13.1	11.5	11.5	12.5	13.2	12.7	13.1	12.7	12.0	-50bp
Depreciation	1,183	1,220	1,233	1,284	1,292	1,289	1,304	1,331	4,921	5,216	1,250	3.4
Interest	90	131	107	95	104	135	145	167	422	550	120	-13.8
Other Income	256	185	293	200	139	200	267	344	933	950	245	-43.1
PBT before EO expense	3,287	3,240	3,111	2,244	2,610	2,931	3,370	3,182	11,881	12,093	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	2,931	3,370	3,182	11,881	12,093	2,783	-6.2
Tax	841	833	1,103	576	670	733	859	785	3,353	3,048	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	2,198	2,511	2,396	8,815	9,046	2,087	-7.0
YoY Change (%)	23.1	6.3	-9.1	-26.8	-20.7	-8.7	9.3	43.7	-2.7	2.6	-14.7	

E: MOFSL Estimates

WPI inflation eases to a two-year low in Jul'25

Led by a decline in food inflation

- Wholesale Price Index (WPI)-based inflation eased to a 24-month low (the fastest pace of decline in two years) of 0.6% YoY in Jul'25 (vs a decline of 0.1% in Jun'25), marking its second successive contraction. This was led by a continued decline in food inflation. Additionally, prices of fuel & power items continued to remain in the deflationary territory in Jul'25 (fourth successive contraction). On the contrary, prices of manufactured products remained high (grew 2% in Jul'25, similar to Jun'25) (*Exhibit 1*). Sequentially, WPI increased 0.4% in Jul'25 vs. an increase of 0.1% in Jun'25.
- Food inflation contracted 2.1% in Jul'25 vs. a contraction of 0.3% in Jun'25 and a growth of 3.6% in Jul'24, led by a broad-based deceleration. WPI, excluding food, increased 0.1% in Jul'25 vs. a contraction of 0.1% in Jun'25. (*Exhibit 2*). The decline in food inflation was led by a sharp correction in the vegetable index, which fell for the sixth straight month by 29%, a much steeper drop than the 8.6% decline last year, driven by lower prices of potatoes, onions, tomatoes, cabbage, and ginger. Other categories also showed weakness: spices and condiments fell 15.6% (vs. a rise of 1.1% last year), while fruits declined 2.7% (vs. a rise of 15.6%). Milk inflation moderated to 2.2% (vs. 4.6%), while eggs, meat, and fish saw a smaller decline of 1.1% (vs. a decline of 1.6%). Foodgrains also softened, with the index falling 1.9% in Jul'25 compared to a sharp 11.1% rise last year. Within this, pulses inflation dropped steeply to 15.1% (vs. a rise of 20.3%), while cereal inflation eased mainly due to moderation in paddy prices (0.1% vs. 11% in July 2024). Wheat inflation also softened but less sharply (4.4% vs. 7%).
- The fuel and power segment remained in deflation in Jul'25, with the index falling 2.4% YoY compared to a 1.9% increase in Jul'24 and a decline of 2.7% in Jun'25. The decline was primarily driven by a 5.0% fall in the mineral oil index (vs. a rise of 3.7% in Jul'24), consistent with global trends. In contrast, coal prices rose 0.5% (vs. a decline of 1.5%) and electricity prices increased 3.3% (vs. a decline of 1%). Internationally, Brent crude prices averaged 17.1% lower YoY in Jul'25, reversing a 4.6% increase recorded in the previous year. Within mineral oils, most products (except for bitumen and petroleum coke) recorded YoY declines.
- WPI for non-food manufacturing products rose 1.1% in Jul'25, the highest in three months (vs. 1.0% in Jun'25), led by an increase in the prices of wearing apparel, leather products, other non-metallic mineral products, computer, electronic and optical products, electrical equipment, and machinery & equipment.
- Agro inflation declined sharply to an all-time low of 4.7% in Jul'25 from 2.7% in Jun'25 (the third successive contraction). At the same time, agro-input prices increased 0.8% YoY in Jul'25 (the highest in four months) vs. an increase of 0.5% YoY in Jun'25. Consequently, the agricultural terms of trade contracted 5.4% in Jul'25 (vs. a contraction of 3.2% in Jun'25, the lowest in 29 months; *Exhibit 4*). Prices of imported items contracted 0.2% in Jul'25 (vs a contraction of 0.6% in Jun'25). Additionally, non-agro domestic inflation stood at 1.9% YoY in Jul'25 (vs. a rise of 2.1% in Jun'25; *Exhibit 3*).
- Going forward, uncertainties surrounding potential US sanctions on importers of Russian oil and the unresolved status of the ceasefire deal are exerting upward pressure on crude prices. However, renewed tariff tensions are likely to dampen global growth prospects, which could weigh on commodity prices. Balancing these opposing forces, WPI is expected to remain contained in the coming months.

Exhibit 1: WPI inflation at a two-year low in Jul'25

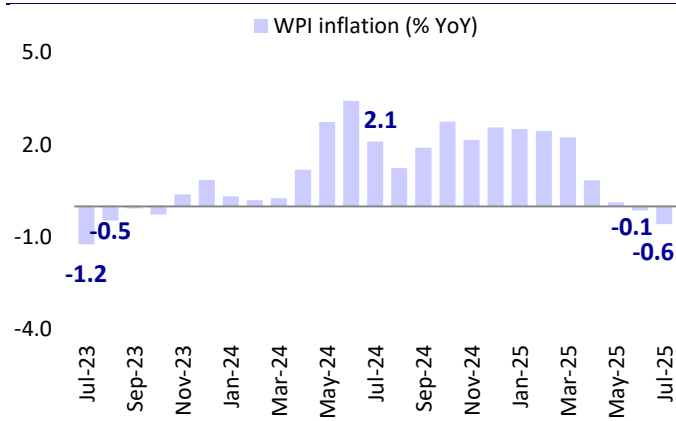


Exhibit 2: Moderation in WPI was led by a decline in food inflation

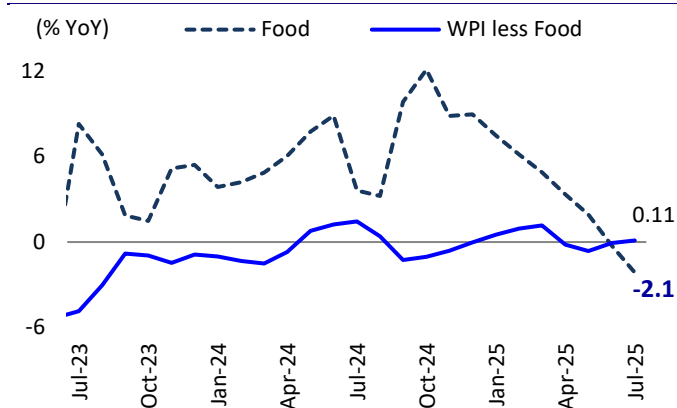


Exhibit 3: Agro inflation contracted 4.7% in Jul'25

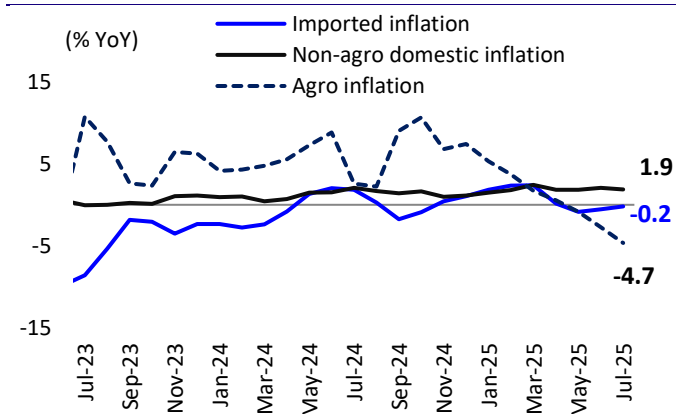
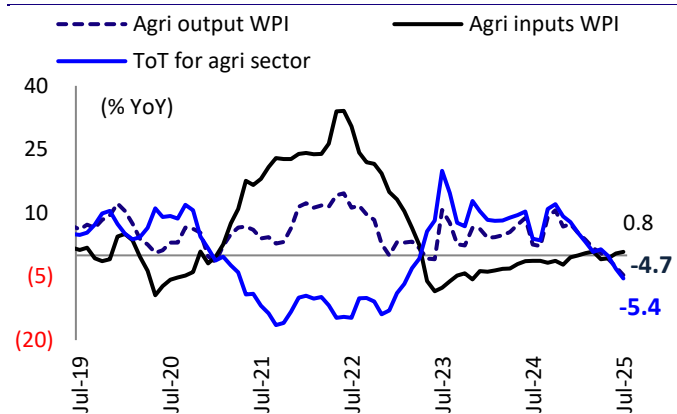


Exhibit 4: Terms of trade for the agri sector contracted 5.4% in Jul'25, the lowest in 29 months



*Constituting ~41.8% weightage in the WPI basket

**Constituting ~38.8% weightage in the WPI basket

@Constituting ~19.4% weightage in the WPI basket

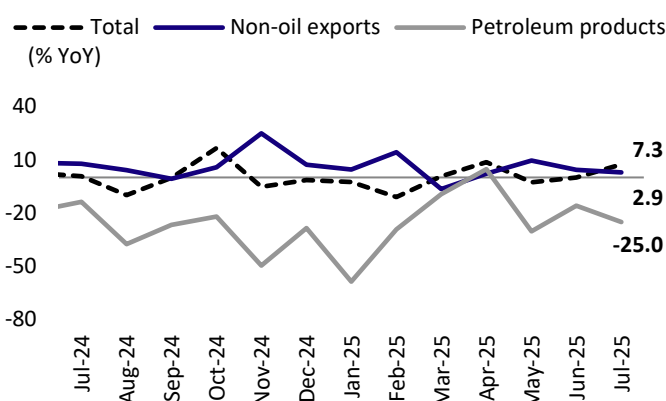
Source: Office of Economic Adviser, MOFSL

Trade deficit widens in Jul'25

Led by an increase in imports

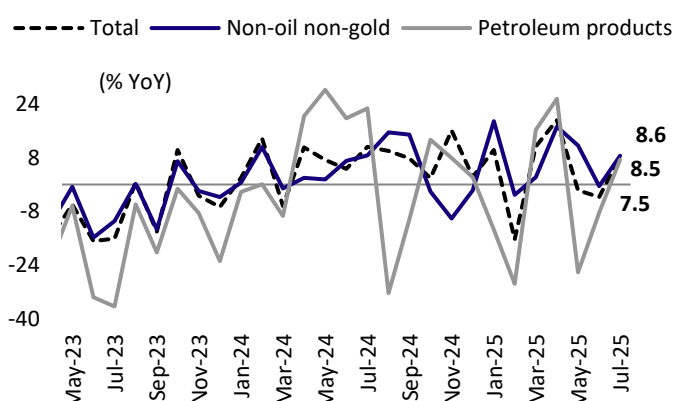
- Merchandise exports stood at USD37.2b in Jul'25, up 7.3% YoY (highest in three months) vs. USD34.7b in Jul'24 and USD35.1b in Jun'25. The increase in merchandise exports was led by the six-month high growth in non-oil exports (+13.8% YoY in Jul'25 vs. +2.9%/+4.1% in Jun'25/Jul'24) and 45-month high growth in gems & jewelry exports (+28.9% YoY in Jul'25 vs. -20.4%/-19.6% in Jun'25/Jul'24). On the other hand, petroleum product exports contracted 25% YoY in Jul'25, marking its third successive contraction (-15.9%/-13.8% in Jun'25/Jul'24) (Exhibit 1).
- Major growth drivers of merchandise exports in Jul'25 include engineering goods (+13.8% YoY in Jul'25), electronic goods (+34% YoY in Jul'25), gems & jewelry (+29% YoY in Jul'25), drugs & pharmaceuticals (+14.1% YoY in Jul'25) and organic & inorganic chemicals (+7.2% YoY in Jul'25).
- Merchandise imports increased 8.6% to USD64.6b in Jul'25, vs. USD53.9b in Jun'25 (-3.7% YoY) and USD59.4b in Jul'24 (+11.2% YoY). The increase in merchandise imports was a result of a broad-based acceleration. Petroleum imports grew 7.5% in Jul'25 (vs. -8.4% in Jun'25), gold imports increased at a three-month high pace of 13.8% in Jul'25 (vs. -25.7% in Jun'25) and non-oil-non-gold imports rose 8.5% in Jul'25 (vs. -0.5% in Jun'25).
- Consequently, the merchandise trade deficit widened to USD27.4b in Jul'25 (vs. USD24.8b in Jul'24 and USD18.8b in Jun'25), mainly led by a sharper increase in imports (Exhibit 3).
- In Apr-Jul'25, exports grew 3.1% vs. 4.6% growth in the same period last year. At the same time, imports grew 5.3% in Apr-Jul'25 vs. 8.5% growth in Apr-Jul'24 (Exhibit 4).

Exhibit 1: Exports increased 7.3% YoY in Jul'25



Source: Ministry of Commerce and Industry, MOFSL

Exhibit 2: Imports increased 8.6% YoY in Jul'25



Source: Ministry of Commerce and Industry, MOFSL

Exhibit 3: Trade deficit widened to USD27.4b in Jul'25

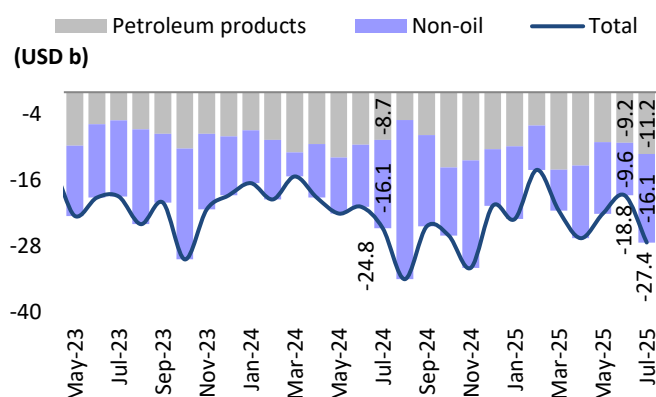
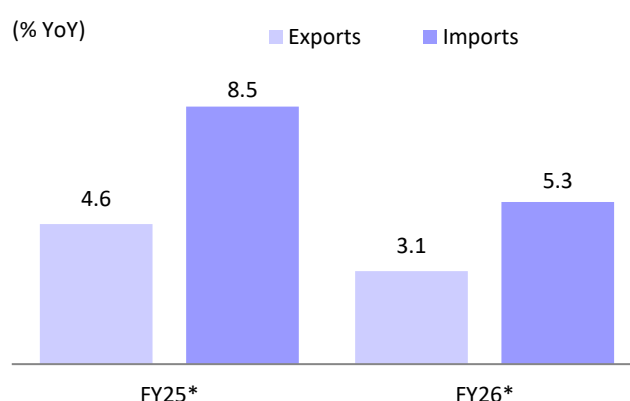


Exhibit 4: Imports grew faster than exports in Apr-Jul'25





Max Healthcare: New hospitals have pressured the overall margin due to first-year operations; Abhay Soi, Chairman & MD

- Capacity up 30% in 15 months (Dwarka greenfield + JP Noida acquisition); new units at ~12–12.5% EBITDA margins, expected to reach group levels by FY26.
- Existing hospitals saw EBITDA/bed +7%, ARPOB +5%, and margin expansion from 25.8% to 26.2%.
- Revenue up 32% YoY (9% of total); expected CAGR of 25–30%, but share may hold steady due to 30% further capacity addition in next 6 months.
- Max Lab margin to rise from 13% to 17–20% with scale; Max @ Home maintains 20%+ margins and revenue growth, both asset-light and high-ROCE businesses.

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Muthoot Finance: Gold loan demand is healthy due to limited access to unsecured loans; George Alexander Muthoot, MD

- NIMs steady at 9.5%, with lower funding costs likely passed to customers.
- Belstar AUM declined to ₹7,700cr from ₹10,000cr but expected to stabilize post-Q3 CY25; using 40% non-MFI limit to expand gold loans.
- Sector trends show healthy growth in gold loans; Microfinance discipline improving across the industry.
- Belstar IPO not near-term; focus on expanding gold loans and steady growth in other segments.

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Supriya Lifescience: Have 2 opportunities in CMO Space; one project can materialise next year; Saloni Wagh, MD

- Q1 EBITDA margin at 36% (down YoY) but guidance intact at 33–35% for FY26.
- Contributed 85% of revenue; Europe share up to 41% (vs 34% YoY); North America & Asia also strong.
- Growth led by anesthetics and higher export volumes.
- Two additional CMO deals in advanced talks; smaller in size but strategically important for MNC relationships.

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CSB Bank: Strong growth in wholesale book has put some pressure on yields; Pralay Mondal, MD & CEO

- Wholesale loan growth outpaced other segments but added yield pressure.
- Gold loans expected to grow 25–30%. Unsecured exposure remains ≤3% of total assets.
- FY26 guidance: GNPA <2%, NNPA <1%, with improvement by year-end.
- Conservative risk posture maintained despite diversification efforts.

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		CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
Company	Reco	(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Automobiles																
Amara Raja Ener.	Neutral	952	1049	10	48.2	49.4	56.8	-2.7	2.6	15.0	19.3	16.7	2.2	2.0	12.5	12.8
Apollo Tyres	Buy	432	520	20	19.6	23.0	28.6	-33.2	17.6	24.1	18.8	15.1	1.4	1.3	9.7	11.2
Ashok Ley.	Buy	122	141	16	5.5	5.8	6.7	20.2	5.0	16.8	21.2	18.1	5.5	4.9	27.6	28.5
Bajaj Auto	Neutral	8209	8618	5	299.5	322.4	360.8	11.8	7.6	11.9	25.5	22.8	6.6	6.2	26.9	28.0
Balkrishna Inds	Neutral	2397	2510	5	96.4	90.2	111.4	26.0	-6.4	23.5	26.6	21.5	3.9	3.5	15.8	17.1
Bharat Forge	Neutral	1181	1060	-10	21.4	25.9	33.1	8.5	20.8	28.2	45.7	35.6	5.6	5.1	12.8	14.9
Bosch	Neutral	38607	35967	-7	682.4	814.0	958.0	10.0	19.3	17.7	47.4	40.3	7.4	6.8	16.4	17.6
CEAT	Buy	3094	4393	42	122.1	169.3	229.8	-27.9	38.6	35.8	18.3	13.5	2.5	2.2	14.8	17.6
Craftsman Auto	Neutral	7095	6212	-12	92.1	156.2	237.6	-36.1	69.6	52.1	45.4	29.9	5.3	4.5	12.3	16.3
Eicher Mot.	Sell	5763	4698	-18	172.7	179.0	195.4	18.0	3.7	9.2	32.2	29.5	6.5	5.8	21.6	20.8
Endurance Tech.	Buy	2608	3068	18	58.8	72.4	83.8	21.5	23.2	15.6	36.0	31.1	5.6	4.9	16.6	16.8
Escorts Kubota	Neutral	3400	3380	-1	100.6	105.2	117.0	17.9	4.6	11.1	32.3	29.1	3.7	3.4	11.9	12.1
Exide Ind	Neutral	374	379	1	12.7	14.5	15.8	2.3	14.7	9.0	25.8	23.6	2.1	1.9	8.0	8.2
Happy Forgings	Buy	945	1118	18	28.4	30.2	38.3	10.1	6.3	26.8	31.3	24.7	4.2	3.7	14.4	16.0
Hero Moto	Buy	4706	5355	14	226.0	247.6	269.1	10.5	9.5	8.7	19.0	17.5	4.4	4.1	24.1	24.4
Hyundai Motor	Buy	2238	2408	8	69.4	67.9	84.6	-6.9	-2.1	24.4	32.9	26.5	9.0	7.3	30.3	30.4
M&M	Buy	3266	3687	13	98.7	119.5	136.7	11.3	21.0	14.5	27.3	23.9	5.4	4.6	21.3	20.7
CIE Automotive	Buy	395	502	27	21.7	21.4	22.6	2.8	-1.2	5.3	18.4	17.5	2.1	1.9	11.8	11.4
Maruti Suzuki	Buy	12920	14476	12	443.9	488.6	539.0	5.6	10.1	10.3	26.4	24.0	3.9	3.5	14.6	14.4
MRF	Sell	138431	112648	-19	4,408.74	891.95	522.0	-11.7	11.0	12.9	28.3	25.1	2.9	2.6	10.7	10.9
Samvardh. Motherson	Buy	93	114	22	3.6	3.3	4.6	51.5	-6.8	38.4	28.0	20.2	2.7	2.4	9.8	12.6
Motherson Wiring	Buy	38	46	22	0.9	1.0	1.3	-5.1	10.8	32.4	37.3	28.2	12.6	10.3	36.4	40.1
Sona BLW Precis.	Neutral	452	468	4	9.9	8.5	10.1	10.5	-14.2	19.3	53.3	44.7	4.8	4.5	9.1	10.4
Tata Motors	Neutral	665	631	-5	63.2	45.8	51.9	7.7	-27.6	13.4	14.5	12.8	1.9	1.7	13.6	13.7
TVS Motor	Neutral	3021	2839	-6	57.1	67.1	79.6	30.1	17.7	18.6	45.0	38.0	11.4	9.2	28.4	26.8
Tube Investments	Buy	3063	3515	15	38.6	41.3	47.6	1.6	7.0	15.3	74.2	64.4	10.0	8.8	14.4	14.6
Aggregate								7.0	0.7	15.5	26.9	26.7	4.8	4.2	17.7	15.9
Banks - Private																
AU Small Finance	Buy	752	875	16	29.8	35.5	48.3	33.9	19	35.9	21.2	15.6	3.1	2.7	15.0	18.3
Axis Bank	Neutral	1068	1250	17	85.3	80.5	101.3	5.7	-5.7	25.9	13.3	10.5	1.6	1.5	13.1	14.6
Bandhan Bank	Neutral	163	185	13	17.0	16.4	22.8	23.1	-4	39.1	10.0	7.2	1.1	0.9	10.6	13.9
DCB Bank	Buy	121	160	32	19.6	22.7	31.7	14.3	15.8	39.7	5.3	3.8	0.6	0.5	12.5	15.5
Equitas Small Fin.	Buy	53	70	32	1.3	0.4	6.2	-81.8	-66.7	1,330.2	122.8	8.6	1.0	0.9	0.8	11.5
Federal Bank	Buy	196	235	20	16.6	16.0	20.6	1.8	-4.1	29.2	12.3	9.5	1.3	1.2	11.2	13.0
HDFC Bank	Buy	1991	2300	15	88.0	94.3	113.9	9.9	7.1	20.8	21.1	17.5	2.8	2.5	13.7	14.9
ICICI Bank	Buy	1427	1670	17	66.8	72.6	84.4	14.4	8.7	16.3	19.7	16.9	3.2	2.7	17.0	17.3
IDFC First Bk	Neutral	69	80	16	2.1	3.3	5.5	-50.9	58.0	65.6	20.5	12.4	1.2	1.1	6.2	9.6
IndusInd	Neutral	770	830	8	33.1	40.6	57.1	-71.4	22.7	40.8	19.0	13.5	0.9	0.8	4.8	6.4
Kotak Mah. Bk	Buy	1979	2400	21	111.3	105.2	127.2	21.5	-5.4	20.8	18.8	15.6	2.3	2.0	12.2	13.4
RBL Bank	Buy	252	290	15	11.5	17.1	31.3	-40.5	48.4	83.5	14.8	8.1	1.0	0.9	6.5	11.4
Aggregate								6.5	5.0	22.8	19.9	19.0	2.7	2.5	13.7	13.1
Banks - PSU																
BOB	Neutral	243	260	7	37.8	36.5	45.6	10.1	-3.5	24.8	6.6	5.3	0.9	0.8	14.3	16.2
Canara Bank	Buy	109	135	24	18.8	21.0	23.4	17.0	12.0	11.3	5.2	4.7	0.9	0.8	19.2	19.0
Indian Bank	Buy	667	750	12	81.1	87.9	94.9	30.3	8.5	7.9	7.6	7.0	1.2	1.1	17.7	16.9
Punjab Natl.Bank	Buy	106	130	22	14.8	13.5	18.5	97.4	-8.6	37.0	7.9	5.7	0.9	0.8	12.4	15.2
SBI	Buy	827	925	12	86.9	89.4	101.1	15.6	3	13.1	9.3	8.2	1.4	1.2	15.8	15.3
Union Bank (I)	Neutral	135	155	15	23.6	21.7	24.7	24.9	-8	14.2	6.2	5.4	0.8	0.7	14.6	14.8
Aggregate								23.4	2	17	8	8.0	1.3	1.2	16.2	14.5
NBFCs																
AAVAS Financiers	Neutral	1657	1900	15	72.5	82.5	100.5	17.0	13.8	21.8	20.1	16.5	2.6	2.3	13.9	14.7
Aditya Birla Cap	Buy	273	325	19	12.8	14.9	18.6	14.5	16.6	24.8	18.3	14.7	2.1	1.9	12.1	13.6
Bajaj Fin.	Neutral	862	1000	16	27.0	33.0	42.4	15.5	22.4	28.2	26.1	20.3	4.7	3.9	19.5	21.0



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Can Fin Homes	Neutral	759	900	19	64.4	71.1	77.5	14.2	10.5	9.0	10.7	9.8	1.7	1.5	17.4	16.5
Cholaman.Inv.&Fn	Buy	1459	1650	13	50.6	62.1	78.7	24.3	22.7	26.7	23.5	18.5	4.1	3.4	19.6	19.8
CreditAccess	Buy	1334	1500	12	33.3	56.7	106.1	-63.3	70.4	87.2	23.5	12.6	2.7	2.2	12.2	19.5
Fusion Finance	Neutral	148	170	15	-121.7	-3.0	17.8	-342.3	Loss	LP	NM	8.3	1.2	0.9	-2.1	12.3
Five-Star Business	Buy	586	800	37	36.4	38.6	46.5	27.4	6.0	20.4	15.2	12.6	2.3	2.0	16.6	17.0
IIFL Finance	Buy	442	550	24	8.9	38.8	55.0	-80.7	334.5	42.0	11.4	8.0	1.4	1.2	12.5	15.6
Home First Finan	Buy	1251	1600	28	42.4	51.2	64.6	22.8	20.7	26.2	24.4	19.4	3.0	2.6	15.6	14.6
IndoStar	Buy	266	360	35	3.9	8.0	13.5	-26.6	107.3	68.3	33.2	19.7	0.8	0.8	2.9	4.1
L&T Finance	Buy	202	250	24	10.6	12.5	16.5	13.8	17.7	32.4	16.2	12.2	1.8	1.6	11.6	13.9
LIC Hsg Fin	Neutral	569	650	14	98.6	96.7	103.7	13.9	-2.0	7.3	5.9	5.5	0.8	0.7	13.9	13.4
Manappuram Fin.	Neutral	266	280	5	14.2	10.7	19.5	-45.2	-24.4	81.8	24.8	13.6	1.6	1.4	7.1	11.5
MAS Financial	Buy	300	400	33	16.9	20.1	25.9	11.6	19.0	29.0	15.0	11.6	1.9	1.7	13.5	15.2
M&M Fin.	Buy	255	310	21	19.0	19.1	24.8	33.2	0.6	29.7	13.4	10.3	1.4	1.3	11.9	13.3
Muthoot Fin	Neutral	2758	2790	1	129.5	195.3	213.7	28.4	50.7	9.4	14.1	12.9	3.2	2.6	24.7	22.3
Piramal Enterp.	Neutral	1121	1315	17	21.5	63.7	105.4	-306.2	195.9	65.5	17.6	10.6	0.9	0.8	5.2	8.1
PNB Housing	Buy	767	980	28	74.5	88.6	102.1	28.3	18.9	15.3	8.7	7.5	1.0	0.9	12.8	13.2
Poonawalla Fincorp	Buy	456	520	14	-1.3	9.6	22.4	-109.5	LP	133.8	47.6	20.4	3.5	3.1	8.3	16.1
PFC	Buy	416	490	18	52.6	59.4	61.1	20.8	12.9	3.0	7.0	6.8	1.3	1.2	20.0	18.1
REC	Buy	382	460	21	59.7	68.4	72.9	12.2	14.6	6.5	5.6	5.2	1.1	1.0	21.4	19.6
Repco Home Fin	Neutral	369	430	17	70.2	69.4	73.1	11.3	-1.3	5.5	5.3	5.0	0.6	0.6	12.3	11.6
Spandana Sphoorty	Buy	240	330	37	-145.2	-104.9	13.7	-306.7	Loss	LP	NM	17.5	1.1	0.9	-36.3	5.6
Shriram Finance	Buy	617	780	26	44.0	49.9	59.9	14.9	13.3	20.2	12.4	10.3	1.8	1.6	15.6	16.4
Aggregate								6.9	22.8	20.3	17.6	14.3	2.5	2.2	14.4	15.2
NBFC-Non Lending																
360 ONE WAM	Buy	1038	1450	40	25.8	32.3	37.1	15.3	25.1	15.0	32.1	27.9	5.1	4.3	17.6	19.0
Aditya Birla AMC	Buy	855	1050	23	32.3	35.5	39.1	19.3	9.9	10.2	24.1	21.9	5.9	5.4	25.9	25.8
Anand Rathi Wealth	Neutral	2707	2100	-22	36.2	46.2	59.2	33.7	27.6	28.2	58.6	45.7	23.1	16.4	46.5	41.8
Angel One	Buy	2643	3100	17	129.8	99.6	146.7	-3.1	-23.3	47.4	26.5	18.0	3.5	3.1	15.2	20.0
BSE	Neutral	2482	2600	5	32.4	49.8	57.6	67.2	53.5	15.8	49.9	43.1	16.9	13.0	33.8	30.1
Cams Services	Buy	3868	4900	27	94.8	98.6	116.4	32.4	4.0	18.0	39.2	33.2	14.4	12.3	39.8	40.0
CDSL	Neutral	1560	1400	-10	25.1	25.5	31.0	24.8	1.7	21.5	61.2	50.4	16.0	13.9	28.1	29.6
HDFC AMC	Buy	5491	6400	17	115.2	133.8	152.3	26.6	16.1	13.8	41.0	36.0	13.3	12.1	33.7	35.1
KFin Technologies	Neutral	1129	1200	6	19.5	21.4	26.8	33.9	9.9	25.0	52.7	42.2	13.5	11.7	26.7	29.7
MCX	Neutral	8149	8300	2	110.1	167.2	197.7	573.8	51.9	18.2	48.7	41.2	20.2	18.4	43.2	46.7
Nippon Life AMC	Buy	803	930	16	20.4	23.9	27.1	16.2	17.2	13.2	33.6	29.7	11.8	11.6	35.5	39.4
Nuvama Wealth	Buy	6953	9600	38	276.9	340.0	401.4	64.5	22.8	18.1	20.5	17.3	6.0	5.1	31.9	32.0
Prudent Corp.	Neutral	2668	2600	-3	47.3	54.3	68.1	41.1	14.9	25.4	49.1	39.2	63.7	49.7	29.3	28.5
UTI AMC	Buy	1330	1650	24	63.9	68.8	79.8	1.4	7.7	16.1	19.3	16.7	3.1	3.0	16.5	18.2
Aggregate								31.3	17.0	18.6	44.2	37.8	11.1	9.8	25.1	25.9
Insurance																
HDFC Life Insur.	Buy	789	910	15	8.4	9.8	11.4	14.9	17.1	16.7	80.4	68.9	2.6	2.3	16.3	16.5
ICICI Lombard	Buy	1899	2400	26	50.9	62.7	71.9	30.7	23.2	14.6	30.3	26.4	5.6	4.8	20.0	19.7
ICICI Pru Life	Buy	626	780	25	8.2	9.9	11.1	38.6	20.4	12.7	63.4	56.3	1.7	1.5	12.9	13.2
Life Insurance Corp.	Buy	888	1080	22	76.1	82.5	93.4	18.8	8.3	13.3	10.8	9.5	0.6	0.6	11.7	11.5
Max Financial	Neutral	1599	1750	9	9.4	11.4	13.9	24.7	21.0	21.7	140.2	115.2	2.3	1.9	19.5	19.5
Niva Bupa Health	Buy	82	101	23	1.2	0.6	1.8	142.7	-48.0	195.5	135.0	45.7	3.9	3.6	3.2	8.1
SBI Life Insurance	Buy	1840	2140	16	24.1	27.6	32.1	27.4	14.5	16.2	66.6	57.3	2.2	1.8	19.4	19.0
Star Health Insu	Buy	438	520	19	11.0	13.4	17.9	-23.9	21.6	33.9	32.8	24.5	3.3	2.9	10.6	12.6
Chemicals																
Alkyl Amines	Neutral	2076	2270	9	36.3	44.1	50.4	24.8	21.3	14.3	47.1	41.2	6.8	6.1	15.2	15.5
Atul	Buy	6348	8975	41	169.3	233.9	256.4	53.9	38.2	9.6	27.1	24.8	3.0	2.7	11.7	11.6
Clean Science	Neutral	1187	1350	14	24.9	31.8	40.1	8.3	28.0	25.9	37.3	29.6	7.4	6.1	21.7	22.7
Deepak Nitrite	Sell	1855	1630	-12	51.1	56.6	65.2	-7.3	10.7	15.2	32.8	28.5	4.2	3.7	13.5	13.8
Fine Organic	Sell	4788	4380	-9	127.1	129.1	134.3	5.9	1.6	4.1	37.1	35.6	5.7	5.0	16.5	14.9
Galaxy Surfact.	Buy	2266	2720	20	86.0	92.6	108.8	1.1	7.8	17.4	24.5	20.8	3.1	2.8	13.2	14.0



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Navin Fluorine	Neutral	4990	5100	2	58.2	88.5	112.4	26.2	52.0	27.1	56.4	44.4	6.8	6.1	14.2	14.5
NOCIL	Neutral	174	190	9	6.4	5.6	7.6	-18.3	-12.6	35.6	30.9	22.8	1.6	1.5	5.3	6.8
PI Inds.	Buy	3688	4650	26	109.2	108.2	127.2	-1.3	-0.9	17.6	34.1	29.0	4.9	4.2	15.1	15.6
SRF	Buy	2843	3650	28	46.1	68.7	92.6	-3.0	49.2	34.7	41.4	30.7	6.0	5.1	15.3	18.0
Tata Chemicals	Neutral	934	970	4	16.5	35.8	54.8	-54.4	117.4	53.0	26.1	17.0	1.1	1.0	4.2	6.2
Vinati Organics	Buy	1667	2189	31	40.0	56.0	62.2	28.4	39.8	11.2	29.8	26.8	5.3	4.5	19.1	18.2
Aggregate								9.6	20.4	16.2	43.3	36.0	5.2	4.5	12.0	12.6
Capital Goods																
ABB India	Buy	5029	6000	19	88.5	80.0	95.1	50.2	-9.5	18.8	62.8	52.9	13.7	12.4	22.8	24.6
Bharat Electronics	Buy	385	490	27	7.2	8.2	9.8	31.5	13.6	19.6	46.8	39.2	11.2	9.0	24.0	22.9
Bharat Dynamics	Buy	1577	1900	20	15.0	28.2	37.8	-10.3	88.4	34.0	55.8	41.7	12.0	9.7	21.5	23.3
Cummins India	Buy	3779	4350	15	71.7	83.5	98.4	16.6	16.4	17.8	45.3	38.4	13.2	11.6	30.9	32.1
Hind.Aeronautics	Buy	4554	5800	27	125.0	141.2	161.2	38.4	13.0	14.2	32.2	28.2	7.3	6.1	22.6	21.8
Hitachi Energy	Sell	20387	16500	-19	77.5	177.4	238.4	100.5	129.1	34.3	114.9	85.5	17.3	14.3	15.9	17.6
Kalpataru Proj.	Buy	1232	1450	18	39.3	57.0	74.9	20.3	44.8	31.6	21.6	16.4	2.6	2.3	12.8	14.8
KEC International	Neutral	778	950	22	21.4	34.9	44.2	64.6	62.6	26.9	22.3	17.6	3.4	2.9	16.2	17.9
Kirloskar Oil	Buy	902	1230	36	28.8	33.6	40.9	15.1	16.7	21.8	26.9	22.1	3.9	3.4	15.3	16.4
Larsen & Toubro	Buy	3677	4200	14	106.8	130.5	155.1	13.0	22.2	18.9	28.2	23.7	4.6	4.1	17.3	18.2
Siemens	Neutral	3169	3300	4	56.8	76.8	66.9	3.0	35.3	-12.8	41.3	47.3	6.2	5.5	15.1	11.6
Siemens Energy	Buy	3173	3600	13	19.6	31.6	40.0		61.4	26.5	100.3	79.3	26.0	19.6	25.9	24.7
Thermax	Sell	3273	3450	5	56.4	68.0	79.8	8.1	20.5	17.5	48.2	41.0	6.7	5.9	14.6	15.2
Triveni Turbine	Buy	511	620	21	11.3	11.8	14.0	33.2	4.4	19.0	43.4	36.5	10.9	9.0	27.7	27.1
Zen Technologies	Neutral	1406	1650	17	29.1	29.8	46.7	107.3	2.3	56.7	47.2	30.1	6.5	5.3	14.7	19.4
Aggregate								24.9	21.1	17.5	46.4	38.4	8.3	7.2	17.9	18.7
Cement																
Ambuja Cem.	Buy	578	730	26	7.9	10.7	14.9	-42.8	35.1	39.0	53.8	38.8	2.6	2.4	4.8	6.4
ACC	Neutral	1783	2040	14	71.2	91.3	116.2	-28.3	28.3	27.2	19.5	15.3	1.7	1.5	9.0	10.5
Birla Corp.	Buy	1271	1700	34	42.2	73.5	85.5	-21.8	74.1	16.2	17.3	14.9	1.3	1.2	7.8	8.4
Dalmia Bhar.	Buy	2270	2660	17	37.1	73.2	69.6	-9.0	97.4	-4.9	31.0	32.6	2.3	2.2	7.6	6.9
Grasim Inds.	Buy	2764	3500	27	74.1	86.0	106.9	-22.5	16.1	24.3	32.1	25.9	3.3	3.2	-3.7	-0.7
India Cem	Sell	369	280	-24	-24.0	-1.4	3.8	216.9	Loss	LP	NM	97.8	1.2	1.2	-0.5	1.2
J K Cements	Buy	7001	7300	4	103.5	160.4	199.8	0.8	55.0	24.6	43.6	35.0	7.5	6.3	18.7	19.7
JK Lakshmi Ce	Buy	898	1150	28	25.7	44.3	53.6	-34.6	72.2	21.0	20.3	16.8	2.7	2.4	14.1	15.0
Ramco Cem	Neutral	1066	1050	-2	3.9	18.8	27.2	-76.6	379.9	44.5	56.7	39.2	3.2	3.0	5.8	7.9
Shree Cem	Neutral	30435	33000	8	337.9	439.1	538.6	-50.6	29.9	22.7	69.3	56.5	4.9	4.6	7.3	8.4
Ultratech	Buy	12298	14600	19	207.6	305.6	382.8	-15.1	47.2	25.3	40.2	32.1	4.7	4.3	12.2	14.0
Aggregate								-27.2	45.5	25.5	57.3	39.4	3.7	3.4	6.4	8.7
Consumer																
Asian Paints	Neutral	2529	2500	-1	42.5	45.4	54.1	-26.7	6.8	19.2	55.7	46.8	12.3	11.6	22.2	25.6
Britannia	Neutral	5306	5850	10	91.9	104.0	116.4	3.6	13.2	12.0	51.0	45.6	25.6	21.7	53.6	51.6
Colgate	Neutral	2154	2550	18	51.4	51.8	56.7	4.4	0.8	9.4	41.6	38.0	37.2	38.0	86.9	98.9
Dabur	Buy	501	600	20	10.2	11.0	12.3	-4.0	7.9	11.9	45.7	40.9	7.6	7.4	17.3	18.5
Emami	Buy	582	700	20	20.3	21.2	22.8	12.4	4.6	7.3	27.5	25.6	8.4	7.5	32.3	30.9
Godrej Cons.	Buy	1185	1400	18	18.5	22.0	26.8	-4.3	18.9	21.9	53.8	44.1	9.6	9.2	18.3	21.3
HUL	Buy	2483	3000	21	44.3	45.9	51.5	1.4	3.4	12.3	54.2	48.2	11.6	11.3	21.6	23.7
ITC	Buy	411	500	22	16.0	17.1	18.6	-2.5	6.9	8.8	24.1	22.1	7.1	6.8	29.9	31.3
Indigo Paints	Buy	1109	1400	26	29.8	33.1	38.5	-3.8	11.0	16.3	33.5	28.8	4.6	4.0	14.4	14.7
Jyothy Lab	Neutral	332	375	13	10.2	10.7	11.9	4.0	4.7	11.8	31.1	27.8	5.8	5.3	18.8	19.8
L T Foods	Buy	446	600	34	17.4	23.3	28.9	2.0	33.6	24.0	19.2	15.4	3.5	2.9	19.4	20.5
Marico	Buy	711	825	16	12.4	13.9	15.7	7.9	12.2	12.7	51.2	45.4	22.1	20.7	44.1	47.0
Nestle	Neutral	1089	1200	10	16.0	16.9	19.4	-22.1	5.5	14.9	64.6	56.2	48.5	44.6	78.0	82.7
Page Inds	Buy	43519	54000	24	652.9	736.4	843.3	27.9	12.8	14.5	59.1	51.6	28.5	23.8	48.3	46.1
Pidilite Ind.	Neutral	3084	3200	4	41.3	48.5	55.6	16.7	17.4	14.6	63.6	55.5	14.3	12.6	23.8	24.1
P&G Hygiene	Neutral	13277	15000	13	195.9	269.5	297.0	-11.1	37.6	10.2	49.3	44.7	47.2	39.0	106.2	95.7
Radico Khaitan	Buy	2855	3250	14	25.8	40.1	51.4	34.9	55.3	28.3	71.3	55.6	12.2	10.4	17.2	18.7



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Tata Consumer	Buy	1050	1270	21	14.0	16.8	19.8	-2.4	20.2	17.4	62.4	53.1	4.6	4.4	8.1	9.1
United Brew	Neutral	1927	2000	4	17.7	23.8	33.4	13.6	34.6	40.4	81.1	57.7	10.8	9.9	13.9	17.9
United Spirits	Neutral	1318	1500	14	19.8	21.6	23.9	25.8	9.3	10.3	60.9	55.2	10.1	8.6	16.6	15.5
Varun Beverages	Buy	502	620	23	7.7	9.5	11.4	26.2	23.9	20.1	52.8	44.0	9.0	7.7	18.1	18.8
Aggregate								-1.8	9.5	13.1	48.2	44.0	11.3	10.6	23.4	24.2
Consumer Durables																
Havells India	Neutral	1479	1680	14	23.5	25.6	31.9	15.7	9.1	24.8	57.8	46.3	9.9	8.7	17.1	18.8
KEl Industries	Neutral	3816	4200	10	72.9	90.1	106.3	13.2	23.6	18.0	42.4	35.9	5.5	4.8	13.9	14.4
Polycab India	Buy	6965	8130	17	134.3	169.6	193.6	13.1	26.3	14.1	41.1	36.0	8.8	7.5	21.5	20.8
R R Kabel	Neutral	1211	1450	20	27.6	34.9	39.6	4.5	26.8	13.2	34.7	30.6	5.5	4.8	17.1	16.9
Voltas	Neutral	1275	1350	6	25.4	23.4	31.8	251.5	-7.9	35.9	54.4	40.1	6.0	5.3	10.9	13.3
Aggregate								27.9	15.9	20.1	54.3	46.8	8.9	7.8	16.4	16.6
EMS																
Amber Enterp.	Buy	6892	9000	31	72.0	116.2	181.4	82.6	61.4	56.1	59.3	38.0	8.7	7.1	15.8	20.6
Avalon Tech	Buy	838	1100	31	9.6	15.6	25.2	125.2	63.1	61.4	53.6	33.2	7.8	6.3	15.6	20.9
Cyient DLM	Buy	419	600	43	9.3	13.2	20.3	20.8	41.9	53.2	31.7	20.7	3.2	2.7	10.5	14.2
Data Pattern	Neutral	2517	2500	-1	39.6	48.2	62.8	22.1	21.6	30.3	52.3	40.1	8.0	6.7	16.4	18.1
Dixon Tech.	Buy	16191	22100	36	117.2	169.3	265.1	90.5	44.5	56.6	95.6	61.1	24.5	17.6	29.2	33.6
Kaynes Tech	Buy	6113	7300	19	45.8	81.5	132.9	59.6	77.9	63.2	75.0	46.0	7.9	6.7	13.9	16.4
Syрма SGS Tech.	Buy	692	820	18	9.7	15.7	23.3	57.6	63.0	47.9	44.0	29.8	6.2	5.2	14.9	18.9
Aggregate								66.8	53.2	54.2	111.1	72.5	15.2	11.5	13.7	15.8
Healthcare																
Alembic Phar	Neutral	958	990	3	29.1	36.4	44.8	-7.4	25.1	23.1	26.3	21.4	3.2	2.9	12.9	14.1
Alkem Lab	Neutral	5346	5580	4	181.1	211.3	194.8	13.4	16.7	-7.8	25.3	27.4	4.6	4.2	19.6	16.0
Ajanta Pharma	Buy	2683	3200	19	74.1	83.6	97.2	18.9	12.9	16.2	32.1	27.6	7.4	6.2	25.0	24.4
Apollo Hospitals	Buy	7821	9010	15	100.6	128.3	164.5	61.1	27.6	28.2	60.9	47.5	10.9	8.9	20.3	21.3
Aurobindo	Buy	1083	1300	20	61.0	63.8	77.7	7.9	4.6	21.7	17.0	13.9	1.7	1.6	10.8	11.8
Biocon	Buy	359	410	14	2.0	4.1	9.0	13.2	102.3	118.5	87.0	39.8	2.0	1.9	2.3	4.8
Blue Jet Health	Buy	792	1100	39	17.6	25.3	32.2	78.5	43.6	27.2	31.4	24.6	8.9	6.7	32.8	31.0
Cipla	Neutral	1564	1580	1	62.8	61.8	65.8	19.6	-1.6	6.6	25.3	23.8	3.5	3.1	13.9	13.1
Divis Lab	Neutral	6130	6320	3	81.2	93.4	117.0	35.3	15.0	25.2	65.6	52.4	9.7	8.6	15.7	17.5
Dr Reddy's	Neutral	1259	1190	-5	67.3	66.9	63.1	6.1	-0.6	-5.7	18.8	20.0	2.7	2.4	15.3	12.7
Dr Agarwal's Hea	Buy	469	530	13	2.7	3.7	5.1	0.2	41.1	37.5	125.4	91.2	7.4	6.9	6.1	7.8
ERIS Lifescience	Neutral	1685	1700	1	25.6	37.7	54.4	-12.4	47.1	44.3	44.7	31.0	7.0	5.8	16.8	20.6
Gland Pharma	Buy	1974	2340	19	42.4	55.6	68.4	-10.9	31.2	23.0	35.5	28.8	3.2	2.9	9.5	10.6
Glenmark	Buy	2044	2430	19	47.7	54.7	70.5	1,821.0	14.6	28.9	37.4	29.0	5.6	4.7	16.1	17.7
GSK Pharma	Neutral	2769	3000	8	54.7	58.8	68.6	26.4	7.3	16.8	47.1	40.3	18.9	14.8	40.1	36.6
Global Health	Buy	1375	1630	19	19.3	24.2	30.3	8.6	24.9	25.5	56.9	45.4	9.4	8.0	17.7	19.1
Granules India	Buy	459	530	15	19.7	23.0	30.7	13.6	16.7	33.7	20.0	14.9	2.6	2.3	14.1	16.3
IPCA Labs	Buy	1368	1610	18	36.0	41.1	51.0	44.8	14.2	24.2	33.3	26.8	4.4	3.9	14.1	15.4
Laxmi Dental	Buy	346	500	44	4.8	9.0	12.5	4.9	88.9	38.6	38.5	27.8	7.4	5.8	21.2	23.4
Laurus Labs	Buy	859	970	13	5.8	12.2	15.4	92.4	109.8	26.6	70.6	55.8	9.0	7.9	13.4	15.1
Lupin	Neutral	1960	2000	2	71.6	94.4	96.3	72.4	31.8	2.0	20.8	20.4	4.0	3.4	21.8	18.0
Mankind Pharma	Buy	2472	2990	21	50.0	45.8	62.0	4.7	-8.5	35.5	54.0	39.9	6.5	5.7	12.5	15.2
Max Healthcare	Buy	1220	1450	19	15.1	19.0	24.3	10.0	26.0	27.6	64.1	50.2	9.7	8.3	16.3	17.8
Piramal Pharma	Buy	190	240	26	0.7	1.1	2.5	62.5	59.6	127.2	173.1	76.2	2.7	2.6	1.8	3.9
Sun Pharma	Buy	1643	1960	19	47.1	51.2	61.1	13.4	8.6	19.3	32.1	26.9	4.8	4.2	15.9	16.7
Torrent Pharma	Neutral	3622	3580	-1	57.8	70.1	86.8	22.7	21.2	24.0	51.7	41.7	6.7	5.6	28.4	29.3
Zydus Lifesciences	Neutral	989	1000	1	46.0	45.1	42.0	22.3	-1.9	-7.1	21.9	23.6	3.5	3.1	17.5	14.1
Aggregate								21.1	10.9	15.1	38.2	34.4	5.5	4.9	14.5	14.1
Infrastructure																
G R Infraproject	Buy	1261	1500	19	74.7	79.9	107.8	2.4	7.0	34.8	15.8	11.7	1.4	1.3	9.3	11.4
IRB Infra	Neutral	45	50	10	1.1	2.2	2.8	11.7	92.9	27.6	21.0	16.5	1.3	1.2	6.4	7.7
KNR Constructions	Neutral	199	210	6	14.0	8.7	14.4	-8.1	-38.2	65.9	22.9	13.8	1.3	1.2	6.0	9.2
Aggregate											25.2	19.5	1.4	1.3	5.7	6.9



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Logistics																
Adani Ports	Buy	1301	1700	31	50.2	62.7	73.1	21.6	24.9	16.6	20.8	17.8	3.8	3.2	19.9	19.6
Blue Dart Express	Buy	5855	7200	23	103.1	134.1	201.1	-15.2	30.1	49.9	43.7	29.1	7.4	6.0	18.2	22.8
Concor	Buy	532	670	26	17.0	18.3	22.8	4.9	7.5	24.4	29.1	23.4	3.1	2.9	10.9	12.7
Delhivery	Buy	464	540	16	2.2	4.8	6.1	-173.1	115.6	25.0	95.8	76.6	3.5	3.4	3.8	4.5
JSW Infra	Buy	303	380	25	7.0	7.9	9.4	20.5	13.2	19.3	38.3	32.1	5.7	4.9	16.1	16.5
Mahindra Logistics	Neutral	322	400	24	-5.0	5.6	23.1	-38.8	LP	310.9	57.3	13.9	5.0	3.8	8.7	30.1
Transport Corp.	Buy	1131	1420	26	53.5	61.5	66.9	16.8	14.9	8.8	18.4	16.9	3.4	2.9	19.8	18.2
TCI Express	Neutral	662	750	13	22.4	26.2	33.3	-34.8	16.8	27.3	25.3	19.9	3.0	2.7	12.5	14.5
VRL Logistics	Buy	281	350	25	10.5	12.6	14.8	106.5	20.6	17.4	22.3	19.0	4.0	3.8	19.2	20.6
Aggregate											30.8	24.9	4.5	3.9	14.6	15.8
Media																
PVR Inox	Neutral	1081	1180	9	-15.4	14.2	24.4	-232.4	LP	71.6	76.0	44.3	1.5	1.4	2.0	3.3
Sun TV	Neutral	576	600	4	43.4	42.9	43.8	-8.8	-1.3	2.1	13.4	13.2	1.8	1.7	13.6	12.8
Zee Ent.	Neutral	116	135	16	8.2	8.6	10.2	80.8	5.5	18.1	13.5	11.4	0.9	0.9	7.0	7.8
Aggregate								-3.3	13.3	10.8	19.0	16.7	1.5	1.4	7.8	8.4
Metals																
Coal India	Buy	384	480	25	57.4	57.7	67.3	-5.5	0.6	16.5	6.7	5.7	2.0	1.7	30.6	30.3
Hindalco	Buy	695	790	14	74.8	69.9	72.7	63.9	-6.6	4.0	9.9	9.6	1.4	1.2	14.9	13.6
Hind. Zinc	Neutral	427	465	9	24.7	28.8	31.0	34.5	16.5	7.8	14.8	13.8	8.8	6.3	72.1	53.6
JSPL	Buy	975	1180	21	41.4	54.5	93.1	-29.1	31.6	70.8	17.9	10.5	1.9	1.6	11.1	16.7
JSW Steel	Buy	1045	1200	15	15.6	49.0	75.0	-57.7	214.6	53.3	21.3	13.9	2.8	2.4	14.0	18.4
Jindal Stainless	Buy	730	830	14	30.5	36.1	44.5	-3.9	18.3	23.2	20.2	16.4	3.1	2.6	15.3	16.1
Nalco	Neutral	187	190	1	28.7	19.1	20.5	215.8	-33.3	7.1	9.8	9.1	1.7	1.4	18.3	16.9
NMDC	Buy	69	84	21	7.4	8.3	9.3	13.3	11.6	12.0	8.4	7.5	1.8	1.5	22.7	21.9
SAIL	Neutral	120	130	8	3.2	6.2	13.5	24.3	92	117.7	19.3	8.9	0.8	0.8	4.3	8.8
Tata Steel	Neutral	155	165	6	3.4	8.7	13.0	41.5	157	50.0	17.9	12.0	2.2	2.0	12.5	17.8
Vedanta	Neutral	430	480	12	34.8	40.4	47.3	162.2	16	17.1	10.6	9.1	3.5	2.9	35.2	34.5
Aggregate								16.4	19.1	24.8	14.4	12.1	2.4	2.1	16.8	17.8
Oil & Gas																
Aegis Logistics	Neutral	700	725	4	18.9	22.0	24.1	16.5	16.3	9.7	31.8	29.0	4.8	4.3	15.8	15.7
BPCL	Neutral	318	310	-3	31.8	35.3	28.9	-49.7	10.8	-18.2	9.0	11.0	1.4	1.3	16.8	12.1
Castrol India	Buy	205	250	22	9.4	9.4	9.6	7.3	-0.2	2.4	22.0	21.4	8.2	7.7	39.0	37.0
GAIL	Buy	174	210	21	14.4	13.1	14.9	4.8	-9.1	14.0	13.3	11.7	1.4	1.3	11.7	12.3
Gujarat Gas	Buy	422	500	18	16.6	16.8	19.3	4.0	1.1	14.9	25.1	21.8	3.2	2.9	13.1	13.8
Gujarat St. Pet.	Neutral	301	327	9	14.3	12.9	13.6	-37.1	-10.2	5.6	23.4	22.1	1.5	1.4	6.6	6.6
HPCL	Buy	394	520	32	31.6	54.7	44.8	-57.9	72.7	-18.0	7.2	8.8	1.4	1.2	20.7	14.5
IOC	Buy	140	167	19	7.8	10.8	8.8	-73.6	38.6	-18.1	13.0	15.9	1.0	0.9	7.7	6.0
IGL	Buy	204	250	22	10.5	11.5	12.8	-16.0	9.3	11.4	17.8	16.0	2.8	2.5	16.4	16.6
Mahanagar Gas	Buy	1316	1700	29	105.8	108.9	111.9	-18.9	3.0	2.8	12.1	11.8	2.0	1.8	17.3	16.1
MRPL	Sell	124	100	-19	0.3	6.5	11.0	-98.6	2,150.7	70.0	19.0	11.2	1.6	1.4	8.5	13.2
Oil India	Neutral	401	440	10	37.6	32.0	34.3	-22.7	-14.8	7.1	12.5	11.7	1.3	1.2	11.0	10.9
ONGC	Neutral	237	230	-3	30.6	28.2	29.7	-31.9	-7.7	5.3	8.4	8.0	0.8	0.8	10.0	9.8
PLNG	Buy	272	410	51	26.2	26.1	30.9	11.0	-0.4	18.7	10.4	8.8	1.9	1.7	19.0	20.0
Reliance Ind.	Buy	1374	1700	24	51.5	57.7	63.5	0.0	12.1	10.0	23.8	21.6	2.0	1.9	8.9	9.0
Aggregate								-31.7	9.5	3.2	17.9	16.3	1.7	1.6	9.7	9.7
Real Estate																
Anant Raj	Buy	536	807	51	12.4	14.7	13.0	59.4	18.2	-11.5	36.5	41.3	4.0	3.6	10.8	8.8
Brigade Enterpr.	Buy	937	1470	57	28.1	37.6	53.7	43.6	34.0	42.7	24.9	17.5	3.5	2.9	15.1	18.4
DLF	Buy	751	1005	34	17.6	19.1	15.6	60.3	8.2	-18.5	39.4	48.3	2.9	2.7	10.6	8.0
Godrej Propert.	Buy	1937	2843	47	46.1	82.3	80.0	71.7	78.4	-2.8	23.5	24.2	2.9	2.6	13.4	11.5
Kolte Patil Dev.	Buy	407	489	20	14.0	41.6	38.6	-253.7	196.7	-7.2	9.8	10.5	2.2	1.8	30.2	19.1
Oberoi Realty	Neutral	1620	1878	16	61.2	79.9	101.4	15.5	30.5	26.9	20.3	16.0	3.2	2.7	17.1	18.4
Lodha Developers	Buy	1233	1870	52	28.7	37.9	40.2	70.4	32.1	6.2	32.6	30.6	5.1	4.4	16.7	15.4
Mahindra Lifespace	Neutral	341	382	12	4.0	2.7	12.8	-37.7	-32.4	380.6	127.7	26.6	2.1	2.0	2.1	7.8



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
SignatureGlobal	Buy	1101	1760	60	7.2	55.7	125.3	511.9	674.8	124.7	19.7	8.8	10.2	4.7	70.0	73.6
Sunteck Realty	Buy	376	540	44	10.3	12.2	26.1	111.9	18.4	114.8	30.9	14.4	1.6	1.5	5.3	10.6
Sobha	Buy	1531	1935	26	8.9	33.7	50.6	71.0	281.0	49.9	45.4	30.3	3.3	3.0	7.6	10.5
Prestige Estates	Buy	1600	2000	25	12.7	21.1	24.2	-28.2	65.7	14.7	75.8	66.1	4.0	3.7	5.3	5.8
Phoenix Mills	Neutral	1429	1646	15	27.5	49.7	62.1	-10.6	80.6	24.8	28.7	23.0	4.2	3.6	15.8	16.8
Aggregate								42.8	41.0	12.9	45.9	32.5	4.5	3.9	9.7	12.0
Retail																
Aditya Birla Fashion	Neutral	75	85	13	-6.1	-4.5	-3.4	-18.5	Loss	Loss	NM	NM	1.2	1.3	-8.4	-6.8
Aditya Birla Lifestyle	Neutral	132	170	29	1.3	2.1	3.0	-7.5	62.3	41.6	62.8	44.4	10.5	8.5	18.2	21.2
Avenue Supermarts	Buy	4354	4950	14	41.6	46.4	55.6	6.7	11.6	19.8	93.8	78.3	11.6	10.1	13.2	13.8
Barbeque-Nation	Neutral	255	325	28	-6.9	-7.1	-5.8	142.4	Loss	Loss	NM	NM	3.0	3.2	-8.3	-7.3
Bata India	Neutral	1051	980	-7	19.4	20.3	22.8	-14.9	4.6	12.4	51.8	46.1	7.9	7.3	15.9	16.5
Campus Activewe.	Buy	252	310	23	4.0	4.9	6.1	35.5	23.8	25.1	51.5	41.2	8.8	7.5	17.1	18.2
Devyani Intl.	Buy	155	200	29	0.2	0.6	1.4	-75.7	218.5	143.1	260.6	107.2	27.0	32.1	8.0	27.4
Go Fashion (I)	Buy	686	988	44	17.3	17.5	22.3	13.0	1.4	27.1	39.1	30.8	4.8	4.3	11.5	13.0
Jubilant Food.	Neutral	632	725	15	3.6	6.2	9.2	-9.6	74.9	47.4	101.2	68.7	19.6	18.7	19.3	27.2
Kalyan Jewellers	Buy	534	700	31	7.8	10.9	13.3	34.9	38.9	22.4	49.1	40.1	9.8	8.5	21.5	22.7
Metro Brands	Buy	1097	1325	21	13.9	15.4	18.6	9.4	10.8	20.4	71.0	59.0	14.7	12.6	22.8	23.6
P N Gadgil Jewellers	Buy	565	825	46	17.4	22.8	27.6	32.5	30.8	21.0	24.8	20.5	4.1	3.4	18.1	18.2
Raymond Lifestyle	Buy	1030	1425	38	16.5	43.5	59.0	-79.4	163.4	35.7	23.7	17.5	0.6	0.6	5.9	7.5
Restaurant Brand	Buy	79	135	71	-4.0	-1.9	-0.4	-6.7	Loss	Loss	NM	NM	5.9	6.0	-13.4	-2.7
Relaxo Footwear	Sell	437	410	-6	6.8	8.2	9.5	-15.0	20.4	15.0	53.0	46.1	4.8	4.5	9.4	10.1
Sapphire Foods	Buy	307	400	30	1.0	1.2	2.8	-38.9	20.6	136.4	255.5	108.1	6.9	6.5	2.7	6.2
Senco Gold	Neutral	361	385	7	12.4	15.4	17.5	6.2	24.3	13.9	23.5	20.6	2.7	2.4	12.1	12.4
Shoppers Stop	Neutral	509	510	0	0.6	1.1	1.9	-88.9	85.1	66.9	449.8	269.4	12.1	11.4	3.6	5.7
Titan Company	Buy	3489	4150	19	42.3	54.6	64.2	7.6	29.1	17.6	63.9	54.4	20.7	16.3	36.5	33.5
Trent	Buy	5369	6400	19	43.2	51.3	60.8	47.7	19.0	18.4	104.6	88.3	25.2	19.7	29.1	26.8
Vedant Fashions	Neutral	743	800	8	16.0	17.5	19.1	-6.2	9.2	9.6	42.6	38.8	9.2	8.2	21.0	20.5
Vishal Mega Mart	Buy	147	170	16	1.4	1.8	2.3	34.2	30.1	26.5	81.9	64.8	9.4	8.2	12.2	13.5
V-Mart Retail	Buy	740	1035	40	2.6	13.4	22.5	-121.3	415.7	67.9	55.3	32.9	6.4	5.4	12.3	17.7
Westlife Foodworld	Neutral	662	750	13	0.8	1.9	4.6	-82.4	136.9	149.6	356.7	142.9	15.8	14.3	4.6	10.5
Aggregate								15.4	31.4	24.7	102.7	79.5	12.8	11.6	12.5	14.6
Technology																
Cyient	Sell	1173	1120	-4	55.4	63.6	76.1	-17.2	14.9	19.6	18.4	15.4	2.3	2.2	12.0	13.6
HCL Tech.	Buy	1489	2000	34	63.9	67.0	75.9	10.3	4.9	13.2	22.2	19.6	5.9	6.0	26.4	30.1
Hexaware Tech.	Buy	716	930	30	19.3	23.5	27.5	17.6	22.0	16.9	30.4	26.0	7.2	6.3	25.4	26.1
Infosys	Neutral	1447	1750	21	63.8	68.6	72.6	0.8	7.5	5.8	21.1	19.9	6.2	6.2	29.7	31.3
LTI Mindtree	Buy	5108	6000	17	155.3	174.4	200.1	0.3	12.3	14.7	29.3	25.5	5.9	5.2	21.3	21.6
L&T Technology	Neutral	4152	4300	4	119.0	129.8	155.8	-3.2	9.0	20.1	32.0	26.6	6.3	5.5	21.0	22.0
Mphasis	Neutral	2717	2900	7	89.3	99.8	111.8	9.2	11.8	12.1	27.2	24.3	5.0	4.6	19.0	19.7
Coforge	Buy	1642	2240	36	25.2	46.4	58.9	-8.7	84.3	26.9	35.4	27.9	7.7	6.7	17.1	20.7
Persistent Sys	Buy	5288	6800	29	90.2	114.5	140.1	20.2	26.9	22.3	46.2	37.8	11.1	9.4	26.1	27.2
TCS	Buy	3022	3850	27	134.2	142.7	152.6	6.3	6.3	6.9	21.2	19.8	11.1	10.6	53.4	54.9
Tech Mah	Buy	1486	2000	35	47.9	61.3	78.3	17.1	27.9	27.7	24.2	19.0	4.7	4.5	19.6	24.2
Wipro	Sell	247	230	-7	12.5	12.6	13.1	22.8	1.0	3.9	19.5	18.8	3.1	3.0	15.9	16.2
Zensar Tech	Neutral	803	750	-7	28.4	32.3	34.6	-2.5	13.8	7.2	24.9	23.2	4.1	3.8	17.4	17.2
Aggregate								8.7	7.8	9.2	24.2	22.4	6.8	6.6	28.1	29.4
Telecom																
Bharti Airtel	Buy	1873	2285	22	30.3	47.4	63.9	54.2	56.6	34.7	39.5	29.3	7.9	6.1	22.4	25.8
Bharti Hexacom	Neutral	1701	2010	18	25.6	38.4	55.0	58.7	49.9	43.2	44.3	30.9	11.6	9.3	28.9	33.4
Indus Towers	Neutral	333	390	17	18.4	26.5	30.1	-18.0	44.4	13.3	12.6	11.1	2.3	2.2	19.4	19.8
Vodafone Idea	Sell	6	7	6	-3.8	-2.9	-2.8	-39.9	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1693	1675	-1	28.7	46.9	63.7	-32.0	63.3	35.7	36.1	26.6	13.5	10.3	40.6	44
Aggregate								Loss	LP	219.0	-499	214	16.8	12.1	-3.4	5.7
Utilities																



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Acme Solar	Buy	277	347	25	4.5	7.5	10.3	-563.2	65.5	37.2	37.0	27.0	3.4	3.0	9.5	11.8
Indian Energy Exchange	Neutral	140	135	-4	4.7	5.1	4.9	21.4	10.1	-4.1	27.4	28.5	9.8	8.6	38.4	32.0
Inox Wind	Buy	137	210	53	3.5	5.5	8.4	-	58.0	52.3	24.8	16.3	3.1	2.6	13.3	17.4
JSW Energy	Buy	529	620	17	10.7	12.6	16.9	1.6	18.4	33.9	41.9	31.3	3.1	2.9	7.8	9.6
NTPC	Neutral	339	380	12	20.3	25.8	28.0	6.2	26.7	8.8	13.2	12.1	1.7	1.6	13.6	13.6
Power Grid Corpn	Buy	289	345	20	16.7	18.0	19.1	-0.3	7.7	6.4	16.1	15.1	2.7	2.5	17.4	17.2
Suzlon Energy	Buy	60	80	33	1.1	1.2	2.3	105.5	15.5	81.3	48.2	26.6	10.5	7.5	24.5	33.0
Tata Power Co.	Buy	385	487	26	12.3	13.4	17.4	11.7	9.4	29.6	28.7	22.2	3.1	2.7	11.3	13
Aggregate								8.1	18.1	14.0	22	18	2.7	2.5	12.5	13.5
Others																
APL Apollo Tubes	Buy	1610	2000	24	27.3	41.9	56.6	3.4	53.5	35.0	38.4	28.5	8.6	6.8	24.7	26.6
Astral	Buy	1279	1650	29	19.5	22.1	29.6	-4.1	13.6	33.9	57.8	43.2	6.3	5.4	15.5	18.1
Cello World	Buy	530	700	32	15.3	16.3	22.1	-1.7	6.4	35.1	32.5	24.0	4.5	3.9	14.4	17.7
Coromandel Intl	Buy	2355	2930	24	61.3	76.2	97.4	9.8	24.4	27.8	30.9	24.2	5.4	4.5	18.7	20.3
Dreamfolks Services	Buy	154	160	4	11.9	14.6	17.7	-5.0	22.3	21.3	10.5	8.7	2.2	1.7	23.4	22.5
EPL	Buy	230	280	22	11.3	13.8	16.7	39.9	21.7	21.5	16.7	13.8	2.8	2.4	17.6	18.9
Eternal	Buy	318	330	4	0.6	1.2	3.9	44.2	101.5	228.6	268.7	81.8	9.1	8.2	3.4	10.5
Godrej Agrovet	Buy	753	940	25	22.4	27.6	36.1	19.5	23.5	30.6	27.3	20.9	8.1	6.4	25.5	34.2
Gravita India	Buy	1782	2300	29	42.3	57.7	73.4	22.2	36.2	27.3	30.9	24.3	5.3	4.4	18.7	19.7
Indiamart Inter.	Buy	2546	3050	20	91.7	84.2	95.1	66.1	-8.2	12.9	30.2	26.8	5.8	5.1	21.0	20.3
Indian Hotels	Buy	774	900	16	11.8	13.4	16.1	33.4	13.0	20.8	57.9	48.0	8.5	7.3	15.7	16.3
Info Edge	Neutral	1366	1380	1	11.9	16.1	19.9	-7.4	35.5	23.4	84.6	68.6	3.1	3.0	3.7	4.5
Interglobe	Buy	6003	6900	15	188.1	269.7	262.0	-11.2	43.4	-2.9	22.3	22.9	12.0	8.0	73.2	42.2
Kajaria Ceramics	Buy	1267	1430	13	21.8	30.4	34.9	-21.9	39.3	14.7	41.7	36.3	6.7	6.0	16.6	17.2
Lemon Tree Hotel	Buy	145	185	27	2.5	3.7	4.5	32.4	50.0	19.8	39.0	32.5	7.9	6.3	22.5	21.6
MTAR Tech	Buy	1514	1900	25	17.2	31.3	52.6	-5.8	82.0	68.0	48.4	28.8	5.6	4.7	12.4	17.9
One 97	Neutral	1150	1025	-11	-10.4	6.1	14.8	-53.1	LP	141.8	188.2	77.8	4.9	4.9	2.6	6.4
Prince Pipes	Buy	291	440	51	3.9	8.9	14.6	-73.8	128.2	63.5	32.5	19.9	0.8	0.7	6.1	9.3
Qess Corp	Neutral	266	340	28	15.2	15.6	17.7	63.3	2.9	13.4	17.1	15.0	3.2	3.8	22.9	30.2
SBI Cards	Neutral	789	950	20	20.2	27.8	37.9	-20.5	37.8	36.3	28.4	20.8	4.6	3.8	17.7	20.2
SIS	Buy	352	450	28	22.0	31.6	38.4	69.7	43.7	21.5	11.1	9.2	0.8	0.7	17.4	17.7
Supreme Inds.	Buy	4298	5350	24	75.6	85.0	119.6	-10.2	12.4	40.7	50.6	35.9	8.7	7.4	18.0	22.2
Swiggy	Neutral	398	450	13	-13.6	-17.0	-11.2	27.4	Loss	Loss	NM	NM	12.8	17.0	-44.9	-41.1
Team Lease Serv.	Buy	1707	2200	29	64.9	96.9	114.6	0.1	49.4	18.3	17.6	14.9	2.7	2.3	15.3	15.5
Time Technoplast	Buy	446	578	30	17.1	21.3	26.3	25.0	24.4	23.7	21.0	17.0	3.1	2.7	15.6	16.8
Updater Services	Buy	244	330	35	17.7	20.3	23.8	56.2	14.5	17.0	12.0	10.3	1.5	1.3	13.0	13.3
UPL	Neutral	684	700	2	25.0	40.7	58.9	583.6	62.8	44.7	16.8	11.6	1.1	1.0	10.3	13.8
VA Tech Wabag	Buy	1583	1900	20	47.6	61.3	73.1	20.2	28.7	19.2	25.8	21.7	4.0	3.4	15.3	15.7



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.1	-2.0	1.9
Nifty-50	0.0	-1.8	2.0
Nifty Next 50	-0.2	-2.6	-7.2
Nifty 100	0.0	-1.9	0.3
Nifty 200	0.0	-2.3	0.2
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	0.0	2.4	-3.9
Amara Raja Ener.	-0.6	-3.5	-38.5
Apollo Tyres	-2.8	-4.7	-11.1
Ashok Leyland	1.9	-3.6	-1.0
Bajaj Auto	-0.4	1.6	-15.8
Balkrishna Inds	-0.5	-9.4	-13.7
Bharat Forge	-0.1	-2.4	-24.7
Bosch	-0.2	2.0	24.5
CEAT	-2.1	-20.9	18.4
Craftsman Auto	1.1	19.1	32.5
Eicher Motors	0.9	4.0	21.8
Endurance Tech.	2.8	-3.3	4.8
Escorts Kubota	0.8	4.2	-7.1
Exide Inds.	-0.3	-2.3	-23.0
Happy Forgings	0.5	2.5	-20.9
Hero Motocorp	-1.3	10.7	-7.2
Hyundai Motor	-0.3	4.3	
M & M	-0.5	5.6	18.9
CIE Automotive	0.5	-7.8	-24.5
Maruti Suzuki	0.8	3.4	6.0
MRF	-0.5	-7.2	1.6
Sona BLW Precis.	0.7	-0.1	-30.7
Motherson Sumi	-0.3	-8.3	-24.3
Motherson Wiring	0.3	-10.6	-17.9
Tata Motors	0.1	-1.5	-37.4
TVS Motor Co.	0.0	7.8	15.9
Tube Investments	0.3	6.8	-21.9
Banks-Private	0.0	-5.0	7.3
AU Small Fin. Bank	1.7	-6.8	24.5
Axis Bank	0.2	-8.9	-7.4
Bandhan Bank	-1.4	-6.7	-14.0
DCB Bank	-0.9	-15.3	4.4
Equitas Sma. Fin	-2.7	-16.5	-32.6
Federal Bank	-0.2	-7.0	-3.4
HDFC Bank	0.5	0.4	23.8
ICICI Bank	0.5	0.3	22.9
IDFC First Bank	-1.6	-7.4	-2.6
Indusind Bank	-0.5	-11.3	-42.5
Kotak Mah. Bank	-0.5	-10.2	13.2
RBL Bank	-0.8	-4.4	22.5
SBI Cards	-0.1	-12.6	14.5
Banks-PSU	0.1	-0.7	3.7
BOB	0.4	0.8	1.4
Canara Bank	0.2	-3.9	3.4
Indian Bank	-0.1	5.5	21.8
Punjab Natl.Bank	-0.3	-4.0	-6.4
St Bk of India	0.6	2.2	2.9

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-0.1	-2.7	0.0
Nifty Midcap 100	-0.3	-4.3	-0.1
Nifty Smallcap 100	-0.4	-7.4	-3.0
Nifty Midcap 150	-0.2	-3.5	0.5
Nifty Smallcap 250	-0.4	-6.5	-2.5
Union Bank (I)	-0.6	-8.3	15.5
NBFCs	0.4	-1.7	16.6
Aditya Birla Capital Ltd	1.0	-4.8	-5.8
AAVAS Financiers	-1.5	-16.6	-1.3
Bajaj Fin.	2.9	0.8	13.3
Cholaman.Inv.&Fn	1.4	-9.6	26.0
Can Fin Homes	-2.7	-20.5	-47.3
CreditAcc. Gram.	-0.9	-15.6	10.1
Fusion Microfin.	-2.7	-13.8	11.1
Five-Star Bus.Fi	0.4	-1.7	25.9
Home First Finan	-0.9	-6.2	-11.5
Indostar Capital	3.9	1.1	32.0
IIFL Finance	-1.5	-4.9	-9.0
L&T Finance	-1.8	-1.7	8.8
LIC Housing Fin.	9.9	3.5	51.8
MCX	3.5	0.0	-12.7
M & M Fin. Serv.	-0.8	-29.5	-7.6
Muthoot Finance	-1.4	-4.3	-32.3
Manappuram Fin.	0.9	0.3	28.6
MAS Financial Serv.	-0.3	-2.0	-14.1
PNB Housing	-1.8	-15.3	-21.5
Power Fin.Corp.	-2.8	-14.4	-57.1
REC Ltd	0.4	-13.1	0.5
Repco Home Fin	-0.5	0.5	20.5
Shriram Finance	-2.1	6.7	50.6
Spandana Sphoort	0.4	-1.4	25.0
Nippon Life Ind.	-0.3	-7.0	21.8
UTI AMC	0.1	7.8	32.4
Nuvama Wealth	1.3	-11.5	13.7
Prudent Corp.	-2.3	-0.7	86.1
NBFC-Non Lending			
360 One	1.2	0.6	34.2
Aditya AMC	1.2	-6.3	-7.2
Anand Rathi Wea.	0.6	-0.6	25.9
Angel One	0.1	-4.4	8.7
BSE	-0.6	-7.4	-6.0
C D S L	0.4	-6.2	13.8
Cams Services	1.1	-24.9	-15.4
HDFC AMC	-0.6	0.9	190.9
KFin Technolog.	0.2	-6.2	33.4
MCX	3.5	0.0	-12.7
Nippon Life Ind.	-0.3	-7.0	21.8
Nuvama Wealth	1.3	-11.5	13.7
Prudent Corp.	-2.3	-0.7	86.1
UTI AMC	0.1	7.8	32.4
Insurance			
HDFC Life Insur.	1.6	3.1	14.9
ICICI Pru Life	0.9	-6.8	-12.8



Company	1 Day (%)	1M (%)	12M (%)
ICICI Lombard	-0.8	-6.0	-4.0
Life Insurance	0.0	-3.1	-13.6
Max Financial	0.6	1.3	53.6
Niva Bupa Health	0.5	-10.1	
SBI Life Insuran	0.0	-0.6	8.8
Star Health Insu	-1.4	3.9	-23.5
Chemicals			
Alkyl Amines	-1.3	-8.2	3.5
Atul	-1.5	-15.9	-17.7
Clean Science	-4.0	-18.9	-25.7
Deepak Nitrite	-0.9	-5.5	-34.8
Fine Organic	-1.0	-9.4	-7.3
Galaxy Surfact.	-3.2	-11.1	-18.0
Navin Fluor. Intl.	1.6	0.4	54.4
NOCIL	-0.7	-7.3	-37.7
P I Inds.	-2.2	-8.9	-14.9
SRF	-0.5	-10.3	14.1
Tata Chemicals	-0.8	1.0	-8.5
Vinati Organics	2.4	-14.1	-19.3
Capital Goods			
A B B	-1.1	-10.9	-35.2
Bharat Dynamics	-0.8	-13.5	19.7
Bharat Electron	-1.0	-5.5	31.1
Cummins India	-0.2	7.4	1.6
Hind. Aeronautics	0.7	-6.8	-2.3
Hitachi Energy	-3.4	10.2	83.4
K E C Intl.	-1.8	-10.7	-4.2
Kalpataru Proj.	-0.1	2.8	0.1
Kirloskar Oil	-0.3	-2.0	-27.9
Larsen & Toubro	-0.5	5.2	3.7
Siemens	0.6	0.5	-9.5
Siemens Ener	0.3	3.2	
Thermax	-0.7	-4.8	-23.8
Triveni Turbine	-1.1	-21.2	-35.9
Zen Technologies	-1.0	-22.9	-15.1
Cement			
Ambuja Cem.	-0.5	-2.1	-7.2
ACC	-0.2	-9.9	-21.9
Birla Corp.	-1.9	-7.2	1.1
Dalmia Bhar.	0.0	5.2	31.5
Grasim Inds.	0.7	-0.7	10.1
India Cem	0.0	6.7	0.9
J K Cements	0.9	7.5	70.5
JK Lakshmi Cem.	-1.3	-7.7	12.1
The Ramco Cement	0.1	-5.9	36.0
Shree Cement	0.1	-2.1	25.1
UltraTech Cem.	-0.7	-1.6	11.9
Consumer			
Asian Paints	1.1	5.3	-16.4
Britannia Inds.	-1.4	-8.2	-6.3
Colgate-Palm.	-0.8	-9.4	-37.9
Dabur India	-0.5	-4.8	-17.1
Emami	0.0	-0.5	-27.6

Company	1 Day (%)	1M (%)	12M (%)
Godrej Consumer	-1.2	-6.5	-13.6
Hind. Unilever	-0.6	-1.4	-8.9
ITC	-0.6	-1.9	-11.6
Indigo Paints	0.7	-7.8	-22.9
Jyothy Lab.	0.6	-6.6	-38.8
L T Foods	-2.9	-7.5	42.4
Marico	0.0	-2.4	9.3
Nestle India	-0.7	-8.9	-12.0
Page Industries	0.0	-10.8	7.1
Pidilite Inds.	0.8	4.1	1.8
P & G Hygiene	1.1	0.6	-21.0
Radico Khaitan	1.0	3.7	73.0
Tata Consumer	-0.5	-1.9	-10.0
United Breweries	0.4	-1.5	1.9
United Spirits	1.0	-3.3	-6.1
Varun Beverages	-1.8	8.8	-14.2
Consumer Durables			
Polycab India	0.9	-3.1	-19.9
R R Kabel	0.3	2.2	-11.1
Havells	0.1	2.6	8.7
Voltas	-0.9	-11.5	-23.2
KEI Industries	-0.1	-7.4	-17.8
EMS			
Amber Enterp.	-0.7	-9.6	68.7
Avalon Tech	-4.1	-4.6	79.9
Cyient DLM	-1.2	-11.7	-45.4
Data Pattern	0.5	-12.1	-13.9
Dixon Technolog.	1.5	1.8	35.9
Kaynes Tech	0.9	1.6	25.6
Syrma SGS Tech.	-0.4	1.6	70.5
Healthcare			
Ajanta Pharma	0.4	1.3	-11.9
Alembic Pharma	1.5	-7.1	-9.9
Alkem Lab	-0.8	10.5	-5.9
Apollo Hospitals	0.2	8.3	20.0
Aurobindo	0.5	-4.8	-28.7
Biocon	-0.3	-5.2	9.6
Blue Jet Health	-0.4	-17.3	71.2
Cipla	0.2	5.4	0.0
Divis Lab	0.5	-9.5	31.6
Dr Agarwal's Health	3.9	9.8	
Dr Reddy's	0.6	0.8	-7.3
ERIS Lifescience	0.8	-3.3	43.7
Gland Pharma	1.3	4.6	0.9
Glenmark	1.4	3.5	28.9
Global Health	-0.2	-5.4	-31.4
Granules	-0.1	-13.1	-1.9
GSK Pharma	0.8	-7.9	37.1
IPCA Labs	0.1	-6.2	1.2
Laurus Labs	-0.4	4.4	100.6
Laxmi Dental	-8.8	-22.3	
Lupin	-1.4	1.8	-5.4
Mankind Pharma	-3.7	-2.3	40.3



Company	1 Day (%)	1M (%)	12M (%)
Max Healthcare	0.3	-8.3	11.6
Piramal Pharma	-1.1	-8.6	4.0
Sun Pharma	0.1	-2.4	-5.8
Torrent Pharma	0.1	6.4	8.2
Zydus Lifesci.	0.0	2.1	-15.5
Infrastructure	-0.4	-2.8	-0.4
G R Infraproject	2.2	-0.5	-19.8
IRB Infra.Devl.	1.3	-5.4	-27.5
KNR Construct.	-1.2	-9.3	-41.7
Logistics			
Adani Ports	-1.5	-9.3	-11.1
Blue Dart Exp.	-0.3	-14.2	-25.3
Delhivery	-0.6	14.2	11.9
Container Corpn.	-1.8	-13.6	-30.1
JSW Infrast	1.0	-4.4	-2.4
Mahindra Logis.	-3.6	-7.7	-25.6
Transport Corp.	0.1	-7.9	11.3
TCI Express	-0.8	-8.4	-36.1
VRL Logistics	0.5	-9.3	7.2
Media	-0.5	-4.3	-18.1
PVR INOX	0.0	10.0	-24.7
Sun TV	-1.9	0.4	-29.3
Zee Ent.	-0.5	-18.7	-13.2
Metals	-1.4	-2.0	4.2
Hindalco	-0.7	4.3	11.9
Hind. Zinc	-0.8	-2.2	-25.4
JSPL	-2.1	4.5	4.9
JSW Steel	-0.8	0.6	17.4
Jindal Stainless	1.1	5.6	4.9
Nalco	-1.2	-1.0	13.6
NMDC	-4.4	0.5	-1.3
SAIL	-3.0	-10.3	-3.9
Tata Steel	-3.0	-3.2	6.2
Vedanta	-1.9	-4.0	2.4
Oil & Gas	-1.2	-6.6	-17.1
Aegis Logistics	-1.0	-0.9	-0.9
BPCL	0.3	-5.5	27.9
Castrol India	-3.4	-5.1	-6.7
GAIL	-1.4	-7.7	-2.2
Gujarat Gas	0.3	-5.3	-23.3
Gujarat St. Pet.	-1.4	-7.9	-16.4
HPCL	-0.5	-8.9	-28.8
IOCL	-0.4	-6.6	-5.6
IGL	-4.1	-8.3	5.7
Mahanagar Gas	-1.6	-6.6	-14.4
MRPL	-1.1	-6.1	-24.2
Oil India	-0.9	-12.9	-39.4
ONGC	-2.2	-11.0	-24.1
PLNG	-1.5	-10.1	-39.2
Reliance Ind.	-0.7	-3.0	-27.8
Real Estate	-0.8	-9.9	-14.1
Anant Raj	-0.2	-6.3	3.2
Brigade Enterpr.	-3.0	-13.6	-16.4

Company	1 Day (%)	1M (%)	12M (%)
DLF	-0.8	-9.1	-8.5
Godrej Propert.	-1.2	-14.2	-32.6
Kolte Patil Dev.	-0.4	-11.2	12.9
Mahindra Life.	-0.5	-5.0	-36.9
Macrotech Devel.	0.5	-13.2	-4.1
Oberoi Realty Ltd	-0.4	-10.2	-5.5
SignatureGlobal	-1.2	-12.2	-26.2
Sobha	0.9	-0.7	-9.5
Sunteck Realty	-0.8	-14.5	-35.3
Phoenix Mills	-0.5	-5.4	-15.0
Prestige Estates	-1.7	-7.3	-10.4
Retail			
Aditya Bir. Fas.	0.4	-2.1	-33.8
A B Lifestyle	-2.7	-15.7	
Avenue Super.	0.5	8.6	-12.1
Barbeque-Nation	-2.4	-17.2	-56.1
Bata India	-4.3	-15.0	-24.4
Campus Activewe.	-2.8	-12.2	-11.2
Devyani Intl.	-2.3	-8.4	-8.9
Go Fashion (I)	-0.4	-23.1	-37.9
Jubilant Food	-1.2	-7.1	-0.9
Kalyan Jewellers	3.5	-8.9	-6.2
Metro Brands	-1.2	-6.8	-15.4
P N Gadgil Jewe.	-1.1	-4.6	
Raymond Lifestyl	-0.8	-18.7	
Relaxo Footwear	0.8	-10.9	-44.4
Restaurant Brand	-0.4	-3.6	-26.2
Sapphire Foods	-2.7	-7.2	-0.1
Senco Gold	6.5	5.1	-34.3
Shoppers St.	-2.1	-3.8	-31.6
Titan Co.	0.7	2.5	2.6
Trent	-0.5	1.1	-16.6
Vedant Fashions	0.8	-5.7	-32.9
V-Mart Retail	0.2	-3.3	-19.8
Vishal Mega Mart	1.6	6.9	
Westlife Food	-1.2	-16.3	-16.9
Technology	0.4	-6.5	-12.3
Cyient	0.3	-9.3	-32.4
HCL Tech.	-0.8	-8.0	-8.4
Hexaware	-0.9	-15.5	
Infosys	1.5	-7.8	-20.6
LTIMindtree	-0.1	-1.0	-5.9
L&T Technology	0.4	-4.4	-15.5
Mphasis	0.7	-4.0	-0.1
Coforge	1.3	-12.4	39.9
Persistent Sys	0.8	-5.6	11.0
TCS	-0.5	-6.2	-29.6
Tech Mah	-1.3	-5.7	-2.5
Wipro	2.1	-2.9	-0.3
Zensar Tech	0.2	-0.7	8.5
Telecom	0.2	-7.8	-9.6
Bharti Airtel	0.3	-2.5	27.3
Indus Towers	-1.3	-17.6	-17.4



Company	1 Day (%)	1M (%)	12M (%)
Idea Cellular	-3.3	-20.2	-61.1
Tata Comm	3.4	-1.1	-7.6
Utilities	-0.5	-4.3	-18.3
ACME Solar Hold.	-2.0	-5.1	
Coal India	-0.4	0.2	-23.8
Indian Energy Ex	-0.6	-32.3	-24.5
Inox Wind	-0.7	-21.3	-33.8
JSW Energy	-1.1	-0.3	-18.1
NTPC	-0.2	-0.8	-14.4
Power Grid Corpn	0.2	-3.2	-13.4
Suzlon Energy	-0.5	-8.2	-21.8
Tata Power Co.	-0.5	-4.3	-5.0
Others			
APL Apollo Tubes	-1.1	-10.5	-25.4
Astral	-1.0	-14.4	-31.3
Cello World	1.6	-5.0	12.9
Coromandel Intl	0.4	-0.7	-0.2
Dreamfolks Servi	0.0	-4.2	-32.7
EPL Ltd	-1.8	-7.7	-4.5
Eternal Ltd	1.9	17.7	22.4
Godrej Agrovet	0.5	-3.0	-5.6
Gravita India	-3.1	-2.7	-5.4
Havells	0.1	2.6	8.7
Indiamart Inter.	-0.2	3.2	-8.2
Indian Hotels	-0.3	-7.1	-4.8
Info Edge	0.6	6.2	26.6
Interglobe	3.0	-2.4	-5.7
Kajaria Ceramics	0.6	1.0	42.6
Lemon Tree Hotel	-4.5	-38.7	79.5
MTAR Technologie	-1.4	-4.5	25.6
One 97	-0.3	18.1	113.7
Piramal Enterp.	-0.5	-13.3	27.1
Prince Pipes	-2.8	-18.1	-49.9
Qess Corp	-0.5	-12.7	-20.2
SIS	-1.4	-5.5	-15.6
Supreme Inds.	0.2	4.7	-16.9
Swiggy	-0.5	1.4	
Time Technoplast	-0.1	-0.5	16.6
Team Lease Serv.	0.8	-12.3	-44.6
Updater Services	1.1	-13.6	-20.6
UPL	-0.3	3.7	31.3
Voltas	-0.9	-11.5	-23.2
Va Tech Wab.	3.8	8.7	22.0

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NOTES

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

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