

Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	77,959	1.2	-8.5
Nifty-50	24,331	1.2	-6.9
Nifty-M 100	61,327	1.8	1.4
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	7,365	1.5	7.6
Nasdaq	25,839	2.0	11.2
FTSE 100	10,439	2.1	5.1
DAX	24,919	2.1	1.7
Hang Seng	8,801	0.8	-1.3
Nikkei 225	59,513	0.0	18.2
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	104	-9.6	66.7
Gold (\$/OZ)	4,691	3.0	8.6
Cu (US\$/MT)	13,320	2.0	7.0
Almn (US\$/MT)	3,575	-2.1	20.4
Currency	Close	Chg .%	CYTD.%
USD/INR	94.6	-0.7	5.3
USD/EUR	1.2	0.5	0.0
USD/JPY	156.4	-0.9	-0.2
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.9	-0.10	0.3
10 Yrs AAA Corp	7.5	0.00	0.2
Flows (USD b)	6-May	MTD	CYTD
FII	-0.62	-0.66	-21.1
DII	0.72	2.22	34.2
Volumes (INRb)	6-May	MTD*	YTD*
Cash	1,599	1510	1331
F&O	1,07,349	3,63,096	2,79,377

Note: Flows, MTD includes provisional numbers.
*Average



Today's top research idea

CG Power and Industrial Solutions: Capacity commissioning to aid growth

- ❖ CG Power's FY26 result came in line with respect to revenue and EBITDA, while the outperformance on earnings was led by higher other income and a lower-than-expected tax rate. Order inflows for the year remained strong at INR196b (up 34% YoY), primarily led by strong inflows in the power systems division. The division's performance remained strong, driven by a healthy demand environment, pricing power, and efficient execution.
- ❖ The company's capacity will increase to 1,10,000 MVA after the current ongoing capex. The industrial system performance was relatively weaker on inflows and revenue, while price hikes of nearly 17.5% taken during the entire year helped in passing through the RM cost inflation. We expect losses from the OSAT division to begin narrowing down from FY28 as the second phase of capacity expansion would be completed by the end of CY26.
- ❖ We expect strong pricing power in the power systems segment, the ability to pass through RM cost pressures in industrial systems, and the narrowing of losses from the OSAT division to result in margin improvement from FY28. We tweak our estimates by 6%/5% for FY27/28 to bake in better margins in power systems and other BS details. We roll forward our SoTP-based TP to Jun'28 and reiterate our BUY rating with a TP of INR940.



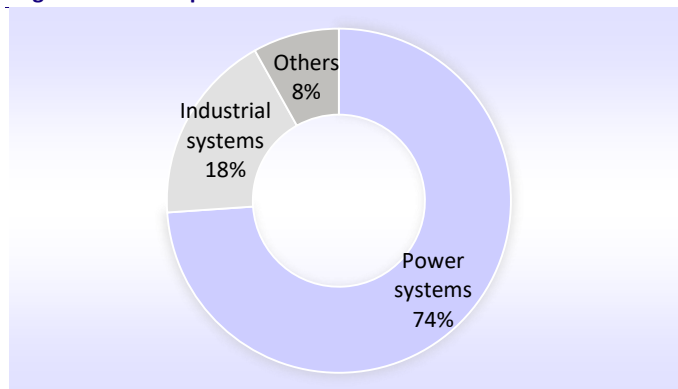
Research covered

Cos/Sector	Key Highlights
CG Power and Industrial Solutions	Capacity commissioning to aid growth
TATA Steel	Price hikes boost domestic outlook; EU near breakeven
Other Updates	Bajaj Auto Polycab India Hero MotoCorp Godrej Consumer Shree Cement SRF PB Fintech Container Corporation United Breweries Exide Alkyl Amines Chemicals Shoppers Stop Angel One Radico Khaitan Blue Star Brigade Enterprises Aditya Birla Real Estate HomeFirst Finance Avalon Technologies Arvind Fashions Raymond Lifestyle



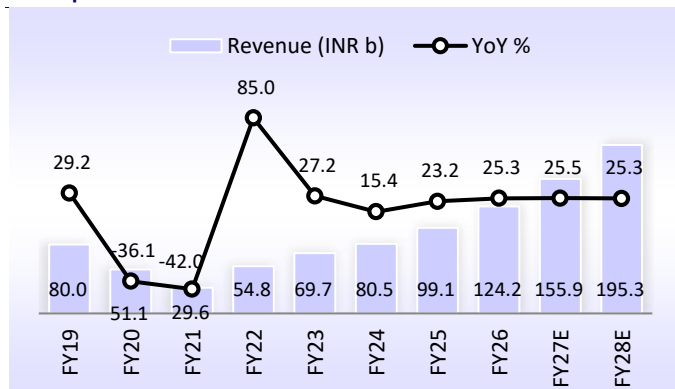
Chart of the Day: CG Power and Industrial Solutions (Capacity commissioning to aid growth)

Segmental breakup of INR171b order book



Source: Company, MOFSL

We expect revenue to clock a CAGR of 25% over FY25-28



Source: Company, MOFSL

Research Team

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

India, EU pitch for joint initiative to strengthen EV battery recycling

India and the European Union have launched a new initiative to recycle electric vehicle batteries. This joint effort aims to secure raw materials and promote a circular economy.

2

India steel sector grows in April, crude output up 5.8%, consumption up 8.1%

Crude steel production stood at 14.09 million tonnes in April 2026, marking a 5.8 percent increase compared with 13.31 million tonnes in April 2025. Hot metal output rose by 5.4 percent year on year. Pig iron production declined by 6 percent to 0.69 million tonnes.

3

Liquor makers seek price hikes as Middle East crisis drives up costs

India's alcoholic beverages industry is grappling with one of its sharpest cost shocks in recent years, as the ongoing Middle East crisis disrupts global energy flows, inflates input costs, and threatens supply chains.

4

Indian Bank sees ₹4,000-6,000 crore ECL impact, plans QIP in Q3 FY27

Chennai-based Indian Bank is planning to raise capital through a qualified institutional placement (QIP) in the third quarter of the current financial year to absorb the impact of the expected credit loss (ECL) framework that comes into effect from April 2027.

5

Zaggle signs 3-year agreement with Supreme Industries for Zaggle Propel platform

Zaggle Prepaid Ocean Services Ltd has entered into a three-year agreement with The Supreme Industries Ltd to provide its Zaggle Propel reward platform. Under the agreement, Zaggle will provide its Zaggle Propel reward platform for channel rewards and recognition to Supreme Industries.

6

Epic bets on technical textiles with \$150 million Odisha investment

Hong Kong-headquartered global apparel major Epic Group will invest \$150 million to set up a new textiles and technical textiles manufacturing facility in Odisha as part of its next strategic leap.

7

Mahindra Lifespaces launches Rs 1,650-crore premium Mumbai project

Mahindra Lifespace Developers has announced the launch of an ultra-premium residential development, Mahindra BeaconHill, in Mumbai's Mahalaxmi, with a potential gross development value (GDV) of ₹1,650 crore.

CG Power and Industrial Solutions

Estimate changes



TP change



Rating change



Bloomberg	CGPOWER IN
Equity Shares (m)	1575
M.Cap.(INRb)/(USD\$)	1305.5 / 13.8
52-Week Range (INR)	847 / 526
1, 6, 12 Rel. Per (%)	15/18/39
12M Avg Val (INR M)	2337

Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	124.2	155.9	195.3
EBITDA	16.3	21.7	29.6
PAT	12.4	16.1	21.5
EPS (INR)	7.9	10.2	13.7
GR. (%)	23.5	29.7	34.0
BV/Sh (INR)	50.6	59.1	70.6

Ratios

ROE (%)	21.0	18.6	21.1
RoCE (%)	20.9	18.6	21.1
Payout (%)	16.5	16.6	16.1

Valuations

P/E (X)	105.4	81.3	60.7
P/BV (X)	16.4	14.0	11.8
EV/EBITDA (X)	79.8	60.0	43.7
Div Yield (%)	0.2	0.2	0.3

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	56.4	56.4	58.1
DII	18.1	17.6	13.6
FII	12.0	12.0	13.0
Others	13.5	14.1	15.4

FII includes depository receipts

CMP: INR829

TP: INR940 (+13%)

Buy

Capacity commissioning to aid growth

CG Power's FY26 result came in line with respect to revenue and EBITDA, while the outperformance on earnings was led by higher other income and a lower-than-expected tax rate. Order inflows for the year remained strong at INR196b (up 34% YoY), primarily led by strong inflows in the power systems division. The division's performance remained strong, driven by a healthy demand environment, pricing power, and efficient execution. The company's capacity will increase to 1,10,000 MVA after the current ongoing capex. The industrial system performance was relatively weaker on inflows and revenue, while price hikes of nearly 17.5% taken during the entire year helped in passing through the RM cost inflation. We expect losses from the OSAT division to begin narrowing down from FY28 as the second phase of capacity expansion would be completed by the end of CY26. We expect strong pricing power in the power systems segment, the ability to pass through RM cost pressures in industrial systems, and the narrowing of losses from the OSAT division to result in margin improvement from FY28. We tweak our estimates by 6%/5% for FY27/28 to bake in better margins in power systems and other BS details. We roll forward our SoTP-based TP to Jun'28 and reiterate our BUY rating with a TP of INR940.

In-line revenue and EBITDA, while PAT beat our estimate

Consolidated revenue grew 25% YoY to INR34b in 4QFY26, driven by strong performance in the power systems division (+50% YoY), while industrial systems grew 2% YoY. Gross margin expanded 230bp YoY to 32.1%, while EBITDA increased 36% YoY to INR5b with margin expanding 110bp YoY to 13.7%. While revenue and EBITDA were broadly in line, PAT beat our estimate due to higher other income and a lower tax rate. PAT was up 34% YoY to INR4b with PAT margin at 11%. Order inflow during the quarter stood at INR53b (+39% YoY), taking the total order book to INR171b (+61% YoY). For FY26, revenue/EBITDA/PAT grew 25%/25%/27% YoY to INR124b/INR16b/INR12b, and EBITDA margin remained broadly flat YoY at 13.1%. Meanwhile, OCF dipped 23% YoY to INR7b due to higher working capital requirements, while FCF turned negative at INR724m (vs. INR4.9b in FY25) due to higher capex during FY26.

Power systems segment growth to remain strong

The power systems segment delivered a strong FY26 performance with revenue growing 46% YoY to INR51b, while PBIT increased 68% YoY to INR11b, leading to a 290bp YoY margin expansion to 21.9%, driven by strong execution and operating leverage. Order inflow remained strong at INR112b (+69% YoY), taking the backlog to INR126b (+91% YoY), supported by strong demand across domestic utilities, exports, and data centers. To support future growth, the transformer capacity across the Gwalior and Bhopal plants has increased to ~65,000 MVA currently and is likely to rise to ~110,000 MVA by the end of CY26, with the commissioning of the new greenfield facility. The company has price variation clauses to pass on RM price hikes. We expect this division's revenue to clock a 36% CAGR over FY26-28 with an EBIT margin of 22% for FY27/28.

Industrial systems: Margin pressure remains during the year

The industrial systems segment delivered a relatively muted FY26 performance, with revenue growing 6% YoY to INR67b. However, PBIT declined 16% YoY to INR6b, leading to a 230bp YoY contraction in PBIT margin to 9.3%. This was hurt by mix changes and competitive pricing in railways, along with higher material costs in motors. Order inflow declined ~8% YoY to INR64b, although management highlighted healthy traction in motors, railways, exports, and services. During the year, the company implemented cumulative price hikes of ~17.5% in motors to offset commodity inflation while maintaining market share, with further hikes dependent on commodity movements and pricing discipline. Commodity inflation remains a near-term risk; the impact is being mitigated through pricing actions, cost optimization, and productivity initiatives, and railway segment margins are expected to gradually improve through service growth and operational efficiencies. We expect the Industrial Systems segment to deliver a 6% revenue CAGR over FY26-28, with an EBIT margin at 9.5%/10% in FY27/FY28.

Steady progress in the semiconductor business

The semiconductor business continued to make steady progress in FY26, with CG Semi's G1 OSAT facility now operational with a peak capacity of ~0.5m units per day, while the G2 facility for 14.5m units per day would be completed by the end of CY26. On the design side, Axiro strengthened capabilities through the integration of the RF business acquired from Renesas, which contributed ~USD65m revenue during FY26, while management also indicated further investments in semiconductor design and AI capabilities. We expect the semiconductor business to achieve EBITDA breakeven from FY28 as operating leverage improves with scale-up.

Financial outlook

We marginally revise our estimates by 6%/5% for FY27/FY28 to bake in better margins in power systems and other BS details. We expect overall order inflows to register an 11% CAGR over FY26-28E, fueled by healthy demand for transformers and switchgear in the power systems segment across domestic and export markets. In the Industrial segment, inflows will be supported by expansion in motors and railways. We model a revenue CAGR of 25% over FY26-28E and an EBIT margin of 13.9%/15.1% for FY27/FY28, resulting in a PAT CAGR of 32% over the same period.

Valuation and view

The stock is currently trading at 81.3x/60.7x P/E on FY27E/FY28E EPS. We roll forward our SoTP-based TP to Jun'28 and reiterate our BUY rating with a TP of INR940. We ascribe a 58x multiple for the power systems business, which bakes in the upcoming large capacity in the power systems segment and also some discount to MNC players. We ascribe a 55x multiple to industrial systems, which is at 10% discount to ABB, and we ascribe value to the OSAT business via DCF to capture the benefits that will start accruing from FY28.

Key risks and concerns

Key risks would include: 1) a slowdown in T&D capex, 2) an increase in commodity prices, 3) weak motor demand, and 4) limited OSAT experience.

Consolidated - Quarterly Earnings Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net sales	22,275	24,127	25,157	27,528	28,781	29,228	31,754	34,418	99,087	1,24,180	34,167	1
YoY Change (%)	18.9	20.5	27.1	25.6	29.2	21.1	26.2	25.0	23.2	25.3	24.1	
EBITDA	3,271	2,947	3,310	3,468	3,812	3,767	3,973	4,700	13,047	16,253	4,654	1
YoY Change (%)	23.2	-4.5	27.0	22.2	16.5	27.8	20.0	35.5	15.7	24.6	34	
Margins (%)	14.7	12.2	13.2	12.6	13.2	12.9	12.5	13.7	13.2	13.1	13.6	
Depreciation	240	276	284	319	435	521	507	494	1,118	1,956	697	-29
Interest	6	24	14	28	22	27	35	38	71	122	26	45
Other Income	332	291	336	714	283	661	764	735	1,622	2,443	573	28
PBT before EO expense	3,357	2,938	3,349	3,836	3,638	3,881	4,195	4,904	13,480	16,618	4,504	9
Extra-Ord expense	0	0	0	0	0	0	356	-20	0	336	0	
PBT	3,357	2,938	3,349	3,836	3,638	3,881	3,840	4,924	13,480	16,282	4,504	
Tax	944	742	970	1,094	969	1,036	1,001	1,289	3,750	4,295	1,506	
Rate (%)	28.1	25.2	29.0	28.5	26.6	26.7	26.1	26.2	27.8	26.4	33.4	
MI & Profit/Loss of Asso. Cos.	1	-13	-27	23	-24	-23	-9	-20	-16	-76	-44	
Reported PAT	2,411	2,210	2,405	2,720	2,692	2,867	2,848	3,655	9,746	12,063	3,043	20
Adj PAT	2,411	2,210	2,405	2,720	2,692	2,867	3,204	3,635	9,746	12,399	3,043	19
YoY Change (%)	22.7	2.0	22.3	13.5	11.6	29.8	33.2	33.7	14.8	27.2	11.9	
Margins (%)	10.8	9.2	9.6	9.9	9.4	9.8	10.1	10.6	9.8	10.0	8.9	

Segment revenue	FY25				FY26				FY25	FY26	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Power Systems	7,503	8,457	9,202	9,935	10,701	12,545	13,263	14,873	35,097	51,382	15,240	-2
YoY%	46.6	36.5	42.4	21.0	42.6	48.3	44.1	49.7	35.1	46.4	53.4	
Industrial Systems	14,725	15,614	15,910	17,510	16,915	15,333	17,308	17,913	63,758	67,470	17,798	1
YoY%	8.4	13.2	19.9	28.4	14.9	-1.8	8.8	2.3	17.4	5.8	1.6	
Semiconductor	0	0	0	0	1,085	1,279	1,108	1,556	0	5,028	1,028	51
YoY%												
Others	53	64	53	101	85	74	91	93	271	342	75	23
YoY%	10.9	41.5	-9.2	48.9	59.8	16.6	69.5	-7.7	23.5	26.5	-25.1	
Total	22,281	24,135	25,166	27,545	28,786	29,232	31,770	34,435	99,126	1,24,222	34,141	1
YoY%	18.8	20.5	27.2	25.7	29.2	21.1	26.2	25.0	23.2	25.3	23.9	
Less: Inter-Segment Revenue	6	8	9	17	6	4	16	17	39	43	-26	
Total income from operations	22,275	24,127	25,157	27,528	28,781	29,228	31,754	34,418	99,087	1,24,180	34,167	1
YoY%	18.9	20.5	27.1	25.6	29.2	21.1	26.2	25.0	23.2	25.3	24.1	

EBIT	FY25				FY26E				FY25	FY26	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Power Systems	1,493	1,489	1,619	2,082	2,253	2,597	2,835	3,543	6,683	11,227	3,204	11
Margin %	19.9	17.6	17.6	21.0	21.1	20.7	21.4	23.8	19.0	21.9	21.0	
Industrial Systems	1,932	1,753	1,819	1,920	1,721	1,367	1,562	1,604	7,425	6,253	1,614	-1
Margin %	13.1	11.2	11.4	11.0	10.2	8.9	9.0	9.0	11.6	9.3	9.1	
Semiconductor	0	0	-10	-146	-87	-217	-400	-374	-156	-1,079	-421	-11
Margin %					-8.0	-17.0	-36.1	-24.0		-21.5	-40.9	
Others	5	-49	17	98	7	16	18	22	71	62	12	75
Margin %	9.6	-77.0	32.4	97.2	7.8	21.1	19.8	23.5	26.2	18.1	16.5	
Total	3,431	3,194	3,445	3,954	3,894	3,762	4,014	4,794	14,023	16,464	4,410	9
Finance costs	6	24	14	28	22	27	35	38	71	122	26	
Other un-allocable expenditure	68	232	83	22	234	-146	-216	-148	405	-276	-120	
Add Exceptional items (net)	0	0	0	0	0	0	-356	0	0	-356	0	
PBT	3,357	2,938	3,349	3,904	3,638	3,881	3,840	4,904	13,548	16,262	4,504	

TATA Steel

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR215

TP: INR250 (+16%)

BUY

TATA STEEL

Stock Info

Bloomberg	TATA IN
Equity Shares (m)	12484
M.Cap.(INRb)/(USDb)	2689.9 / 28.4
52-Week Range (INR)	218 / 140
1, 6, 12 Rel. Per (%)	4/26/49
12M Avg Val (INR M)	5225
Free float (%)	66.8

Financials Snapshot (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	2,310	2,618	2,703
EBITDA	339	434	473
Adj. PAT	108	178	198
EBITDA Margin (%)	14.7	16.6	17.5
Adj. EPS (INR)	8.6	14.2	15.9
BV/Sh. (INR)	79.5	91.8	105.7

Ratios

Net D:E	0.9	0.7	0.5
RoE (%)	11.3	16.6	16.1
RoCE (%)	11.5	15.3	15.5
Payout (%)	23.2	14.0	12.6

Valuations

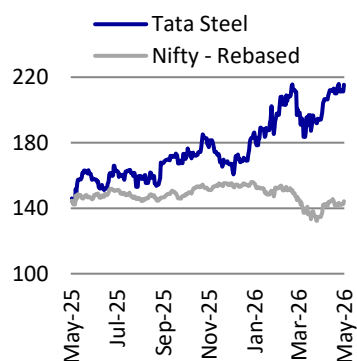
P/E (x)	25.0	15.1	13.6
P/BV (x)	2.7	2.4	2.0
EV/EBITDA(x)	10.4	7.9	7.0
Div. Yield (%)	0.9	0.9	0.9

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	33.2	33.2	33.2
DII	26.9	27.2	24.7
FII	19.1	18.0	18.8
Others	20.9	21.7	23.4

FII Includes depository receipts

Stock Performance (1-year)



Price hikes boost domestic outlook; EU near breakeven

Driven by safeguard duty-led price hikes, we believe Tata Steel's domestic business should deliver a better performance in the near to medium term. With imports declining after the duty, domestic steel players could see strong volume. Given its ongoing capacity expansions, TATA is well placed to capitalize on the longer-term opportunity. A gradual turnaround in the EU business, driven by regulatory tailwinds and cost-saving measures, should support the company's consolidated performance.

Domestic steel prices jump after safeguard duty implementation; imports plunge, while exports surge

- Domestic HRC prices have rebounded from INR47,500/t in 3QFY26 to INR57,800/t currently, following the government's definitive safeguard duty.
- While coking coal costs have increased by USD20-30/t, the price hike would more than compensate for the coal cost increase, leading to healthy EBITDA/t expansion in the India business.
- As per the Joint Plant Committee (JPC), India's crude steel production rose 10% YoY to 167mt in FY26, and imports declined 19% YoY to 5.9mt due to tighter import controls, whereas exports surged 84% YoY to 6.6mt.

Capacity expansion on track; to help capitalize on the opportunity

- India's steel demand is projected to grow by ~8-10% over FY26-30, backed by a robust demand environment, policy support, and ongoing recovery in industry fundamentals. TATA is aggressively expanding its capacity in India to capitalize on rising domestic demand, scaling from 26.5mtpa in FY25 to 40mtpa by FY31, with an annual capex commitment of ~INR160b.
- Recently, TATA commissioned 5mtpa integrated capacity at Kalinganagar, increasing the plant's total capacity to 8mtpa (INR270b investment), with phase-III expansion targeting 13mtpa.
- Other key projects include scaling up NINL from 1mtpa to 5.8mtpa. The board has approved the expansion under Phase-I of its long-term plan with an expected timeline of 3-3.5 years.
- The board has approved establishing a ~1mtpa demonstration plant in Jamshedpur, based on Hisarna low-carbon technology.
- TATA is transitioning into green steelmaking in Europe, where it is converting Port Talbot (UK) to a 3mtpa EAF from conventional BF route steelmaking. The company is also exploring a gas-based DRI + EAF route at IJmuiden (the Netherlands), subject to policy clarity.
- These expansions would place the company well to capitalize on the expected demand improvement ahead.

European operations to post better performance driven by regulatory tailwinds and cost-saving initiatives

- EU has implemented CBAM from 2026, under which steel importers will progressively bear carbon costs (from 10% in CY26 to 20% in CY27 and higher thereafter). This would support EU steel prices and protect earnings of steelmakers in that region.
- China has been reducing its steel production owing to weak demand and trade restrictions by other countries against low-cost imports. In Jan-Mar'26, China reduced steel production by 6% YoY to 238mt. In CY25, China's steel production was below the 1bt mark, the lowest level since 2018. Chinese steelmakers produced 950mt in CY25 (down 6% YoY).
- Tata Steel Europe (UK & Netherlands) faces challenges of high energy and operational costs, subdued demand, and decarbonization obligations. The INR115b cost transformation program (India, UK, and the Netherlands) is on track, with the UK targeted to break even in the next few quarters.
- Europe operations are making visible progress toward a breakeven, with recent quarters showing a narrowing of losses from USD42/t in 3QFY25 to USD10/t in 3QFY26 despite weak NSR, which reflects strong cost reduction.
- We expect further improvement to be driven by cost optimization, softer energy prices, and benefits from the legacy BF shutdown in the UK. This could lift Europe's EBITDA/t to ~USD70 and consolidated EBITDA/t to ~INR13,000 by FY28E (vs. INR8,376 in FY25).

Valuation and view: BUY

- India business is expected to continue its strong performance, driven by improved pricing. In Europe, near-term profitability remains contingent on spread recovery and energy costs, while structural measures such as CBAM and tighter import quotas should gradually improve pricing discipline and reduce import-led margin pressure.
- TATA is one of the largest players in India's steel sector and we maintain a constructive stance, supported by a strong domestic demand outlook and safeguard duty-led price support. Net debt stood at INR818b as of 3QFY26, which includes cash of INR108b. This translates into a net debt-to-EBITDA ratio of 2.59x as of Dec'25.
- **At CMP, TATA is trading at 7x FY28E EV/EBITDA and 2x FY28E P/B. We maintain our BUY rating with an SoTP-based TP of INR250 (on FY28 estimate).**

Estimate change



TP change



Rating change


CMP: INR10,319
TP: INR9,965 (-3%)
Neutral

Healthy performance in a tough macro

Outlook remains uncertain across key segments

- Bajaj Auto's (BJAUT) 4QFY26 earnings at INR27.2b were in line with our estimate. Favorable currency, price hikes, and an improved mix helped offset cost headwinds and maintain margins QoQ at 20.8% (in line).
- While BJAUT has been able to post healthy performance in this adverse macro thus far, there are multiple headwinds to navigate. Export demand remains healthy, though the outlook remains uncertain, given the geopolitical issues. Even in the domestic market, while BJAUT is likely to outperform the motorcycle industry on the back of its new launches, growth is likely to moderate in FY27E. Further, a sharp surge in input costs is likely to limit margin upside. Overall, we factor in BJAUT to post 15%/15%/14% CAGR in revenue/EBITDA/PAT over FY26-28E. At 25.4x/22.2x FY27E/FY28E EPS, the stock appears fairly valued. **We reiterate a Neutral rating with a TP of INR9,965, based on 22x FY28E core EPS.**

Performance in line

- BJAUT's 4QFY26 revenues came in line with our estimates, growing 31.8% YoY to INR160.1b. Volumes were up 24.3% YoY to ~1.4m units and realizations were up 6% YoY to ~INR117k units. An improved product mix, favorable currency movement, and record volumes drove growth across all businesses.
- EBITDA margins grew 60bp YoY to 20.8% (flat QoQ), in line with our estimates. Margins were stable QoQ despite input cost inflation, as led by an improved mix, price hikes, and favorable currency.
- EBITDA also grew 35.6% YoY to INR33.2b.
- PAT for the year was up 32.6% YoY to INR27.2b, in line with our estimates.
- For full year FY26, Revenue/EBITDA/PAT grew by 17.4%/19%/18.3% to INR587b/INR120b/INR98.3b, respectively.
- CFO for FY26 stood at INR89.6b, and FCF was at INR85.4b. RoE and RoCE for FY26 stood at 29.3% and 28.1%, respectively.

Highlights from the management commentary

- BJAUT has lined up new models, with refreshed launches in both 125cc and 150cc+ categories expected from July onward, including new Pulsar offerings aimed at further strengthening competitiveness. However, they have not yet revealed the timeline for the launch of the new affordable 125cc motorcycle.
- Near-term demand outlook for domestic motorcycles has moderated, with near-term industry growth expected at 7-9% based on April trends, reflecting the impact of price hikes, potential inflationary pressure, and weaker consumer sentiment. Within this moderation, the premium motorcycle segment, particularly 150cc+, is expected to grow at ~1.5x-2x the broader industry.

Bloomberg	BJAUT IN
Equity Shares (m)	279
M.Cap.(INRb)/(USDb)	2884.1 / 30.5
52-Week Range (INR)	10481 / 7556
1, 6, 12 Rel. Per (%)	9/23/30
12M Avg Val (INR M)	3459

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	587	682	773
EBITDA	120.2	138.1	158.7
EBITDA (%)	20.5	20.2	20.5
Adj. PAT	98.2	111.8	127.5
EPS (INR)	352	407	464
EPS Gr. (%)	17.4	15.7	14.1
BV/Sh. (INR)	1,251	1,190	1,329

Ratios

RoE (%)	29.3	33.0	36.9
RoCE (%)	28.1	32.0	35.4
Payout (%)	42.7	70.1	70.0

Valuation

P/E (x)	29.3	25.4	22.2
P/BV (x)	8.2	8.7	7.8
Div. Yield (%)	1.5	2.8	3.2
FCF Yield (%)	3.0	3.4	3.9

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	55.0	55.0	55.0
DII	14.5	14.1	11.0
FII	8.9	8.9	11.7
Others	21.6	22.0	22.3

FII includes depository receipts

- The export outlook remains robust in the near term, driven by strong positioning in key markets such as Latin America and Asia, although geopolitical risks and logistics challenges remain monitorable.
- Electric mobility across both two-wheelers and three-wheelers is expected to continue growing faster than the broader market, remaining a key strategic growth engine for BJAUT.
- Commodity inflation is emerging as a significant near-term headwind, with steel up ~15%, copper ~20%, and aluminum/noble metals up 35–45%, translating into a projected material cost inflation impact of ~3.5–4.0% of revenues in 1QFY27. However, favorable currency movements and pricing actions helped mitigate the impact in 4Q. The company has already implemented pricing action in April to offset ~40% of this impact.

Valuation and view

While BJAUT has been able to post healthy performance in this adverse macro thus far, there are multiple headwinds to navigate. Export demand remains healthy, though the outlook remains uncertain, given the geopolitical issues. Even in the domestic market, while BJAUT is likely to outperform the motorcycle industry on the back of its new launches, growth is likely to moderate in FY27E. Further, a sharp surge in input costs is likely to limit margin upside. Overall, we factor in BJAUT to post 15%/15%/14% CAGR in revenue/EBIDTA/PAT over FY26-28E. At 25.4x/22.2x FY27E/FY28E EPS, the stock appears fairly valued. **We reiterate a Neutral rating with a TP of INR9,965, based on 22x FY28E core EPS.**

Quarterly Performance

	FY25				FY26				FY25	FY26	INR m	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var. (%)
Volumes ('000 units)	1,102	1,222	1,224	1,103	1,111	1,294	1,341	1,371	4,651	5,118	1,371	
Growth YoY (%)	7.3	15.9	2.0	3.2	0.8	5.9	9.5	24.3	6.9	10.0	24.3	
Realization (INR/unit)	108,234	107,470	104,591	110,142	113,247	115,307	113,479	116,739	107,527	114,764	115,633	1.0
Growth YoY (%)	7.9	5.1	3.7	2.5	4.6	7.3	8.5	6.0	4.7	6.7	5.0	
Net Sales	119,280	131,275	128,069	121,480	125,845	149,221	152,203	160,057	500,103	587,325	158,539	1.0
Change (%)	15.7	21.8	5.7	5.8	5.5	13.7	18.8	31.8	11.9	17.4	30.5	
EBITDA	24,154	26,522	25,807	24,505	24,818	30,517	31,605	33,227	100,988	120,166	32,978	0.8
Growth YoY (%)	23.6	24.3	6.2	6.3	2.7	15.1	22.5	35.6	14.5	19.0	34.6	
EBITDA Margins (%)	20.2	20.2	20.2	20.2	19.7	20.5	20.8	20.8	20.2	20.5	20.8	0bp
Other Income	3,209	3,845	3,347	3,808	4,308	3,692	3,420	4,210	14,209	15,629	3,581	17.6
Interest	207	159	143	168	141	144	26	49	677	359	39	23.7
Depreciation	937	956	997	1,111	1,109	1,117	1,119	1,137	4,001	4,482	1,176	-3.3
PBT after EO	26,219	27,139	28,015	27,033	27,875	32,948	33,266	36,627	108,406	130,870	35,343	3.6
Effective Tax Rate (%)	24.2	26.1	24.7	24.2	24.8	24.7	24.8	25.0	24.8	21.3	24.5	
Adj. PAT	19,884	22,160	21,087	20,492	20,960	24,797	25,488	27,180	83,103	98,309	26,696	1.8
Change (%)	19.4	20.7	3.3	5.8	5.4	11.9	20.9	32.6	11.1	18.3	30.3	

E: MOFSL Estimates

Polycab India

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	POLYCAB IN
Equity Shares (m)	151
M.Cap.(INRb)/(USDb)	1267 / 13.4
52-Week Range (INR)	8724 / 5535
1, 6, 12 Rel. Per (%)	13/15/43
12M Avg Val (INR M)	2743
Free float (%)	38.5

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	288.8	340.0	405.8
EBITDA	39.9	46.1	56.2
Adj. PAT	26.6	30.0	37.0
EBITDA Margin (%)	13.8	13.6	13.9
Cons. Adj. EPS (INR)	177	199	246
EPS Gr. (%)	31.7	12.8	23.2
BV/Sh. (INR)	798	947	1,143

Ratios

Net D:E	(0.1)	(0.0)	(0.1)
RoE (%)	22.2	21.1	21.5
RoCE (%)	23.4	22.7	22.8
Payout (%)	20.6	25.1	20.4

Valuations

P/E (x)	47.6	42.2	34.3
P/BV (x)	10.6	8.9	7.4
EV/EBITDA (x)	31.6	27.4	22.3
Div Yield (%)	0.5	0.6	0.6
FCF Yield (%)	1.8	0.5	1.3

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	61.5	61.5	63.0
DII	8.0	11.1	11.0
FII	18.2	14.8	11.1
Others	12.3	12.6	14.9

FII includes depository receipts

CMP: INR8,416 TP: INR9,800 (+16%) Buy

Soft C&W volumes; positive margin surprise in FMEG

Market share gain continues; long-term growth and margin firm

- Polycab's (POLYCAB) 4QFY26 revenue/EBITDA grew ~27%/13% YoY to INR88.6b/INR11.6b (~5%/8% beat). Cable & wire (C&W) revenue increased ~29% YoY to INR77.6b (~5% beat) and FMEG revenue grew ~39% YoY to INR6.6b. (~22% beat). OPM dipped 1.6pp YoY to ~13% (+40bp vs. our est.), led by a decline of 2.0pp in C&W margin at 13.1% (in line). Adj. PAT was up ~6% YoY at INR7.7b (~12% beat).
- Management highlighted that C&W volume growth in 4Q was in low single digits due to geopolitical disruptions, March demand slowdown, and channel destocking amid raw material volatility. However, FY26 volumes grew ~18%, ahead of industry, reflecting continued market share gains (4pp YoY gain in FY26). It guided sustainable margin in the range of ~11-13% in the long term. It guided the company's growth to be 1.5x of industry growth and exports are expected to scale from ~5% of revenues to ~10% by FY30. Capacity utilization remains at ~75%, with aggressive capex ensuring no bottlenecks and supporting growth.
- We increase our EPS estimates for FY27/FY28 by ~3%/5% on account of higher revenue growth in C&W and slightly better margins in FMEG. The stock is currently trading at 42x/34x FY27E/FY28E EPS. We value POLYCAB at 40x FY28E EPS to arrive at our revised TP of INR9,800 (earlier INR9,350). **Reiterate BUY.**

C&W margin down 2pp YoY to ~13%; FMEG margin up 4pp

- Consolidated revenue/EBITDA/PAT stood at INR88.6b/INR11.6b/INR7.7b (+27%/+13%/+6% YoY and +5%/+8%/+12% vs. estimates). Gross margin contracted 2.1pp YoY to 23.4%. OPM dipped 1.6pp YoY to ~13%. Ad spend accounted for 0.6% of revenue vs. 0.4%/1.2% in 4QFY25/3QFY26.
- Segmental highlights: **C&W** revenue rose ~29% YoY to INR77.6b, EBIT increased ~12% YoY to INR10.2b (+5% vs. estimate), and EBIT margin declined 2pp YoY to ~13% (in line). **FMEG** revenue grew ~39% YoY to INR6.6b, EBIT jumped 15x YoY to INR292m (2.2x above our estimate), and EBIT margin expanded 4pp to ~4%. **EPC and other's** revenue declined ~9% YoY to INR4.5b, EBIT fell ~33% YoY to INR269m, and EBIT margin contracted 2.1pp YoY to 6.0%.
- In FY26, revenue/EBITDA/PAT stood at INR288.8b/INR39.9b/INR26.6b (up ~29%/35%/32% YoY). OPM expanded 60bp YoY to 13.8%. C&W revenue/EBIT rose ~33% (each) YoY to INR255.3b/INR34.8b and EBIT margin remained flat YoY at 13.6%. OCF stood at INR38.1b vs. INR18.1b in FY25. Capex stood at INR14.8b vs. INR9.7b in FY25. FCF stood at INR23.3b vs INR8.4b in FY25.

Key highlights from the management commentary

- Structurally, C&W demand remains robust, driven by power sector capex, real estate momentum, manufacturing investments, and emerging segments like data centers, EV infrastructure, and defense.

- 4Q EBITDA margins stood at ~13.1%, impacted by multiple factors, including higher institutional mix, weaker export mix due to Middle East disruption, and softer operating leverage due to weak Mar'26 demand.
- Annual capex guidance remains at INR12b-16b, and management reiterated that there will be no scenario where the company runs out of capacity given its proactive investment approach. Under Project Spring, the company remains on track to execute INR60b-80b of capex over the next five years.

Valuation and view

- POLYCAB's 4QFY26 operating performance was above our estimates, mainly led by better-than-estimated revenue and margin in FMEG, while C&W margin was in line with our estimates. There have been several near-term challenges due to external factors; however, the demand outlook remains strong for the next 2-3 years. Its continued proactive capex ensures no capacity constraints and positions it well to capture demand recovery and maintain strong growth.
- We estimate a CAGR of 19% in POLYCAB's revenue/EBITDA each and ~18% in PAT over FY26-28. We estimate OPM to range around 13.5-14.0% in FY27/28 (average ~13.5%). Cumulative OCF during FY27-28E is expected to be at INR48.6b vs. INR56.2b during FY25-26 (higher due to sharp increase in acceptances). We estimate a cumulative capex of INR26.0b over FY27-28 vs. INR24.5b over FY27-28. The company's net cash balance is estimated to increase to INR47.8b vs. INR41.5b in FY26. We value POLYCAB at 40x FY28E EPS to arrive at our revised TP of INR9,800 (earlier INR9,350). **Reiterate BUY.**

Quarterly performance

Y/E March	FY25				FY26				FY25	FY26	MOFSL	INR m
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var.
Sales	46,980	54,984	52,261	69,858	59,060	64,772	76,361	88,645	2,24,083	2,88,838	84,190	5.3%
Change (%)	20.8	30.4	20.4	24.9	25.7	17.8	46.1	26.9	24.2	28.9	20.5	
EBITDA	5,834	6,316	7,199	10,254	8,576	9,877	9,861	11,613	29,602	39,928	10,717	8.4%
Change (%)	6.3	3.7	26.4	34.6	47.0	56.4	37.0	13.3	18.8	34.9	4.5	
EBITDA Margin (%)	12.4	11.5	13.8	14.7	14.5	15.2	12.9	13.1	13.2	13.8	12.7	37
Depreciation	671	721	786	804	857	968	1,056	978	2,981	3,859	1,099	-11.1%
Interest	413	453	498	325	513	484	687	746	1,689	2,430	645	15.7%
Other Income	584	762	250	481	799	454	505	604	2,076	2,363	629	-4.0%
Share of JV's Loss	-	-	-	-	-	-	-	-	-	-	-	
PBT	5,334	5,903	6,166	9,606	8,006	8,880	8,623	10,493	27,008	36,001	9,602	9.3%
Tax	1,317	1,451	1,522	2,262	2,009	2,280	2,120	2,637	6,553	9,046	2,473	
Effective Tax Rate (%)	24.7	24.6	24.7	23.5	25.1	25.7	24.6	25.1	24.3	25.1	25.8	
MI	57	54	68	77	76	75	85	128	255	364	97	
Exceptional	-	-	-	-	-	330	(201)	-	0	129	-	
Reported PAT	3,960	4,398	4,576	7,267	5,921	6,855	6,217	7,728	20,200	26,720	6,872	12.4%
Change (%)	-0.9	3.3	10.8	33.1	49.5	55.9	35.9	6.3	13.2	32.3	-5.4	
Adj. PAT	3,960	4,398	4,576	7,267	5,921	6,609	6,366	7,728	20,200	26,624	6,912	11.8%
Change (%)	-0.9	3.3	10.8	33.1	49.5	50.3	39.1	6.3	13.2	31.8	-4.9	

Hero MotoCorp

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR5,170 TP: INR6,248 (+21%) Buy

Steady quarter

Rural recovery bodes well for HMCL

- Hero MotoCorp's (HMCL) 4QFY26 PAT at INR14b came in line with our estimate. Margins remained stable YoY despite the ramp-up in its EV business.
- We expect HMCL to benefit from a gradual rural recovery, given the strong brand equity in the economy and executive segments. Its focus on ramping up presence in scooters (both ICE and EVs) and exports is likely to help drive volume growth. We project HMCL to deliver a CAGR of ~10%/9%/9% in revenue/EBITDA/PAT over FY26-28. At ~18.3x/16.2x FY27E/28E EPS, the stock appears attractively valued. We reiterate our BUY rating with a TP of INR6,248 (based on 18x FY28E EPS + INR89/419 for Hero FinCorp/Ather after 20% holdco discount).

Bloomberg	HMCL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USDb)	1034.5 / 10.9
52-Week Range (INR)	6390 / 3710
1, 6, 12 Rel. Per (%)	-5/2/34
12M Avg Val (INR M)	3722

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	468.3	509.1	561.3
EBITDA	68.7	72.5	81.3
Adj. PAT	53.6	56.6	63.8
Adj. EPS (INR)	267.8	282.5	318.8
EPS Gr. (%)	16.3	5.5	12.9
BV/Sh. (INR)	1,078	1,160	1,244

Ratios

RoE (%)	25.9	25.2	26.5
RoCE (%)	25.3	24.7	26.0
Payout (%)	69.1	70.8	73.7

Valuations

P/E (x)	19.3	18.3	16.2
P/BV (x)	4.8	4.5	4.2
Div. Yield (%)	3.6	3.9	4.5
FCF Yield (%)	7.2	4.7	6.2

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	34.7	34.7	34.7
DII	24.8	26.4	27.9
FII	31.1	29.4	27.4
Others	9.3	9.5	9.9

FII includes depository receipts

Earnings in line with estimates

- 4Q net revenues grew 28.8% YoY (in line) to ~INR128b.
- Net realizations grew 3.7% YoY/2.7% QoQ to ~INR74.6k per unit. Volumes rose 24.2% YoY (flat QoQ) at 1.7m units.
- Gross margins contracted 300bp YoY to 31.5% (below the estimated 32.2%).
- EBITDA was up 31.1% YoY to INR18.6b, broadly in line with our estimates. EBITDA margins marginally expanded 30bp YoY to 14.5% (in line).
- PAT came in line with our estimates at INR14b, up 29.6%.
- FY26 revenue/EBITDA/PAT grew 15%/17%/16% YoY, respectively, while CFO/FCF stood at INR83b/INR74b in FY26.
- RoCE/RoE in FY26 stood at 26%/25%, respectively.

Highlights from the management commentary

- In FY26, retail performance outpaced dispatches, which helped reduce channel inventory to five weeks, within which EV inventory stood at under 10 days.
- Management expects the domestic 2W industry to grow in high single digits in FY27, with scooters outpacing the motorcycle segment by a couple of percent points. HMCL expects to outperform the industry in both segments.
- Management expects the export momentum to continue over the next couple of years as it expands its product offerings and enters new markets.
- Near-term margins are expected to remain under pressure due to commodity inflation, but HMCL plans to partially offset the impact through price hikes and cost savings
- PLI has been approved for three products, covering around 60% of the EV portfolio, and this coverage is expected to increase to 90% in FY27.
- HMCL plans INR15b capex in FY27, focused on scooters, EVs, and a second parts center. Around INR7b of capex is earmarked for the second parts center in South India.

Valuation and view

- We expect HMCL to benefit from a gradual rural recovery, given strong brand equity in the economy and executive segments. Its focus on ramping up presence in scooters (both ICE and EVs) and exports is likely to help drive volume growth. We expect HMCL to deliver a volume CAGR of ~8% over FY26-28, driven by new launches and a ramp-up in exports.
- We project a CAGR of ~10%/9%/9% in revenue/EBITDA/PAT over FY26-28. At ~18.3x/16.2x FY27E/28E EPS, the stock appears attractively valued. We reiterate our BUY rating with a TP of INR6,248 (based on 18x FY28E EPS + INR89/419 for Hero FinCorp/Ather after 20% holdco discount).

Qty performance (S/A)

Y/E March	FY25				FY26				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26	4Q	Var. (%)
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,691	1,697	1,714	5,899	6,469	1,714	
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	11.3	15.9	24.2	4.9	9.7	24.2	
Net Realization	66,076	68,851	69,755	71,991	70,069	71,724	72,658	74,646	69,088	72,393	73,312	
Growth YoY (%)	1.9	3.3	4.7	5.3	6.0	4.2	4.2	3.7	3.7	4.8	1.8	
Net Op Revenues	1,01,437	1,04,632	1,02,108	99,387	95,789	1,21,264	1,23,284	1,27,965	4,07,564	4,68,301	1,25,678	1.8
Growth YoY (%)	15.7	10.8	5.0	4.4	-5.6	15.9	20.7	28.8	8.8	14.9	26.5	
RM Cost (% sales)	67.7	66.7	65.8	65.5	66.7	66.7	67.4	68.5	66.4	67.4	67.8	
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.5	5.8	5.7	5.3	6.4	5.8	5.7	
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.3	12.5	12.2	11.7	12.8	12.1	12.2	
EBITDA	14,598	15,159	14,765	14,156	13,817	18,234	18,101	18,556	58,677	68,708	17,946	3.4
EBITDA Margins (%)	14.4	14.5	14.5	14.2	14.4	15.0	14.7	14.5	14.4	14.7	14.3	
Change (%)	21.0	14.1	8.4	4.1	-5.3	20.3	22.6	31.1	11.6	17.1	14.3	
Other Income	2,317	2,830	3,175	2,237	3,037	2,328	2,959	2,086	10,559	10,410	2,463	
Interest	48	49	55	47	56	57	60	55	199	228	68	
Depreciation	1,932	1,937	1,969	1,921	1,928	1,970	2,044	2,039	7,759	7,980	2,067	
PBT before EO Exp/(Inc)	14,935	16,003	15,916	14,425	14,870	18,537	18,955	18,548	61,278	70,910	18,274	
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.3	24.9	24.1	24.5	24.8	24.4	25.3	
Adj. PAT	11,226	12,035	12,028	10,809	11,257	13,928	14,385	14,011	46,100	53,581	13,655	2.6
Growth (%)	18.7	14.2	12.1	6.4	0.3	15.7	19.6	29.6	12.7	16.2	26.3	

Godrej Consumer

Estimate changes	↔
TP change	↔
Rating change	↔

CMP: INR1,094 TP: INR1,300 (+19%) Buy

Weak international margin; near-term cost pressure persists

Bloomberg	GCPL IN
Equity Shares (m)	1023
M.Cap.(INRb)/(USDb)	1119.5 / 11.8
52-Week Range (INR)	1309 / 967
1, 6, 12 Rel. Per (%)	3/0/-12
12M Avg Val (INR M)	1617

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	151.8	170.7	189.2
Sales Gr. (%)	8.4	12.5	10.8
EBITDA	30.4	36.1	40.9
EBITDA mrg. (%)	20.0	21.1	21.6
Adj. PAT	19.1	24.7	29.1
Adj. EPS (INR)	18.7	24.2	28.4
EPS Gr. (%)	10.5	29.4	17.6
BV/Sh.(INR)	123.7	128.3	135.2

Ratios

RoE (%)	15.5	19.2	21.6
RoCE (%)	13.5	16.0	18.7
Payout (%)	107.2	91.1	84.5

Valuations

P/E (x)	58.7	45.3	38.6
P/BV (x)	8.9	8.5	8.1
EV/EBITDA (x)	37.5	31.3	27.3
Div. Yield (%)	1.8	2.0	2.2

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	53.1	53.1	53.1
DII	18.0	16.5	12.2
FII	13.9	15.4	19.5
Others	15.0	15.1	15.2

FII includes depository receipts

- Godrej Consumer's (GCPL) consolidated revenue rose 11% YoY to INR39b (est. INR39.9b) in 4QFY26, while volume growth stood at 6%. EBITDA grew 11% YoY (est. 15%), dragged down by lower-than-expected international business performance. India EBITDA grew by 19% YoY, while international EBITDA fell 4% owing to high brand investments.
- India revenue rose 10%, with underlying volume growth of 8% YoY, driven by innovation and improved execution on the ground. Home Care delivered 12% revenue growth, while personal care sales rose 3% YoY. Considering RM inflation, GCPL has taken a price hike of 5% in soaps and HI portfolios and 6-7% in detergents. Most of these price hikes are taken in Apr'26.
- International revenue rose 15%, led by 20% growth in GAUM. Indonesia grew 3% (with 4% UVG) and LATAM rose 26%. Management said that pricing pressure in Indonesia has bottomed out and that operating conditions should improve from FY27. EBITDA for Indonesia/GAUM grew by only 1%/2%, dragging down overall profitability.
- India's GM expanded by 90bp YoY to 52.3%, while EBITDA margin expanded by 200bp YoY to 24.9% (in line). EBITDA grew 19% YoY to INR5.9b (est. INR6.1b), aided by lower ad spends. GCPL expects India business to deliver continued, calibrated growth at normative EBITDA margins (guided range of 24-26%) going ahead. That said, GCPL stated that 1HFY27 margins can be slightly compressed compared to 1HFY26.
- The India business is witnessing steady improvement, with personal wash showing a positive trajectory. HI portfolio is gaining market share across segments, and GCPL is taking various initiatives to reduce seasonality. Given volatile RM scenario, GCPL has taken price hikes in the range of mid-single digit across its portfolio. Near-term raw material pressure delays the margin recovery for the company. We expect improvement in international business profitability in FY27. We model 12%/16% revenue/EBITDA CAGR for FY26-28E. Given its focus on growth, we **reiterate our BUY rating on GCPL with a TP of INR1,300 (based on 45x Mar'28E EPS).**

India performance shines with UVG of 8%

- **Strong India performance:** Net sales (including OOI) grew 10% YoY to INR23.4b in 4QFY26 (est. INR23.9b). **India business reported underlying volume growth of 8% YoY (7% excluding Muuchstac).** Home Care business registered 12% revenue growth, while Personal Care posted 3% growth. Gross margin expanded by 90bp YoY to 52.3%, while GP was up by 11% YoY. EBITDA margin expanded by 200bp YoY to 24.9% (est. 25.1%). EBITDA grew 19% YoY to INR5.9b (est. INR6.1b), aided by lower ad spends. PAT stood at INR4.2b (est: INR4.1b).

- **Muted international print; margin pressure across geographies:** Indonesia delivered 4% UVG and 3% sales growth (1% CCG) led by Shampoo HC and Baby care. GCPL said that Indonesia pricing pressure largely bottomed out and it is seeing early signs of stabilization. EBITDA grew by a mere 1% in 4QFY26. GAUM business delivered revenue growth of 20% in INR (6% CCG), led by Hair Fashion and scale-up of Air Fresheners. However, EBITDA fell 4% YoY as GCPL continued to invest in media for its FMCG categories in the region.
- **Consolidated revenue in line, but EBITDA below est.:** Consolidated net sales grew 11% YoY to INR39b (est. INR39.9b). Consolidated volume growth was 6%. Gross margins expanded 70bp YoY to 52.1% (est. 52.8%). EBITDA margin remained flat YoY at 21.6% (est. 21.9%). Employee expenses rose 24% (on a base of -19%) and other expenses were up 17.5% (on flat base), while ad spends were down 2% YoY (on a base of -8%). EBITDA was up by 11%. Depreciation rose 5%, while interest costs stood flat. However, lower taxes (down 12% YoY) led to 20% growth in APAT to INR5.2b (est. INR5.8b).
- FY26 consolidated sales grew by 9% YoY with UVG of 6%. EBITDA/APAT grew 8%/13%.

Highlights from the management commentary

- GCPL said that underlying consumption remains stable, with some distortion in soaps due to pack-size changes rather than demand weakness.
- The portfolio mix continues to improve, with home care gaining share vs. soaps, which is structurally positive for margin.
- Considering RM inflation, GCPL has taken ~5% price hike in soaps and HI portfolios and 6-7% in detergents category. Most of these price hikes are taken in Apr'26.
- 1HFY27 margins can be slightly compressed compared to 1HFY26.
- Godrej Fab generated ARR of INR5b in FY26 and is largely near the breakeven at EBITDA level.

Valuation and view

- We maintain our EPS estimates for FY27-FY28.
- Management remains committed to improving Indian business volumes and optimizing efficiencies across the value chain. Going forward, the GAUM business is expected to deliver improved profitability growth. Indonesia's recovery is anticipated to start meaningfully from FY27 as market conditions normalize. Management is confident of sustaining profitability momentum into FY27, despite the macroeconomic headwinds.
- The company is expanding its TAM by foraying into new, faster-growing categories, such as men's face wash and toilet cleaners, and continues to strengthen its core portfolio. Besides, the company has made consistent efforts to address gaps in profitability and growth across its international business. Given the growth-centric focus, we remain constructive on GCPL and **reiterate our BUY rating with a TP of INR1,300 (based on 45x Mar'28E EPS).**

Quarterly Performance (Consolidated)
(INR b)

Y/E March	FY25E				FY26				FY25	FY26	FY26E 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Domestic volume Growth (%)	8	7	0	4	5	3	9	8	5	6	8	
Net Sales (including OOI)	32.5	35.7	36.6	35.1	35.7	37.1	40.0	39.0	140.0	151.8	39.9	-2.1
YoY change (%)	-5.6	-0.9	-0.1	3.8	9.7	3.9	9.3	11.0	-0.7	8.4	10.8	
Gross Profit	17.8	19.4	19.3	18.1	18.1	18.8	20.7	20.3	74.6	77.8	21.0	-3.4
Margin (%)	54.8	54.4	52.7	51.4	50.7	50.6	51.7	52.1	53.3	51.3	52.8	
EBITDA	6.8	7.0	6.9	7.6	6.5	6.7	8.8	8.4	28.4	30.4	8.7	-3.6
Margins (%)	21.0	19.7	18.9	21.6	18.1	18.1	22.0	21.6	20.3	20.0	21.9	
YoY growth (%)	0.2	-2.9	-23.6	-0.2	-5.5	-4.3	27.4	10.8	-7.6	7.2	14.9	
Depreciation	0.5	0.5	0.6	0.7	0.6	0.7	0.7	0.8	2.3	2.7	0.6	
Interest	0.9	0.8	0.9	0.9	0.9	0.8	0.8	0.9	3.5	3.3	0.8	
Other Income	0.8	0.8	0.8	0.7	0.8	0.6	0.6	0.7	3.2	2.7	0.6	
PBT	6.2	6.5	6.2	6.7	5.8	5.9	7.9	7.4	25.6	27.1	7.9	-6.2
Tax	1.9	2.2	1.8	2.3	1.6	1.7	2.0	2.0	8.2	7.3	2.1	
Rate (%)	31.2	33.1	29.5	33.9	27.9	27.9	25.5	26.8	32.0	26.9	26.6	
Adj PAT	4.2	4.4	4.4	4.3	4.1	4.2	5.6	5.2	17.3	19.1	5.8	-11.4
YoY change (%)	12.1	-1.3	-25.4	-24.8	-2.5	-3.8	28.6	19.5	-12.7	10.5	34.9	
Reported PAT	4.1	4.3	4.3	4.1	4.0	4.0	5.0	4.5	16.9	17.5	5.8	-22.5

E: MOFSL Estimate

Shree Cement

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR24,975 TP: INR26,000 (+4%) Neutral

Performance in line; strong volume growth

Capacity utilization improves; cost pressure a key concern

Bloomberg	SRCM IN
Equity Shares (m)	36
M.Cap.(INRb)/(USDb)	901.1 / 9.5
52-Week Range (INR)	32508 / 22550
1, 6, 12 Rel. Per (%)	-1/-4/-15
12M Avg Val (INR M)	991

Financial Snapshot (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	193.1	209.8	227.5
EBITDA	42.7	44.8	52.0
Adj. PAT	17.7	18.8	22.6
EBITDA Margin (%)	22.1	21.4	22.9
Cons. Adj. EPS (INR)	490	522	626
EPS Gr. (%)	45.0	6.5	20.0
BV/Sh. (INR)	6,239	6,561	6,977

Ratios

Net D:E	-0.2	-0.3	-0.4
RoE (%)	8.1	8.2	9.2
RoCE (%)	8.3	8.3	9.4
Payout (%)	40.2	38.3	33.5

Valuations

P/E (x)	47.7	44.8	37.4
P/BV (x)	3.8	3.6	3.4
EV/EBITDA(x)	18.4	17.0	14.3
EV/ton (USD)	129	120	112
Div. Yield (%)	0.8	0.9	0.9
FCF Yield (%)	2.4	3.2	3.8

Shareholding pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	62.6	62.6	62.6
DII	16.0	14.8	15.3
FII	8.9	10.1	9.7
Others	12.5	12.5	12.4

FII includes depository receipts

- Shree Cement's (SRCM) 4QFY26 operating performance was in line with our estimates. EBITDA declined ~11% YoY to INR12.5b (due to cost pressure) and EBITDA/t declined ~19% YoY to INR1,161 (estimated INR1,139). OPM contracted 4.8pp YoY to ~22%. Adj. PAT declined ~8% YoY to INR5.3b (in line).
- Management indicated that cost pressures remain elevated, with near-term inflation of ~INR150–200/ton, driven by fuel, freight, and packaging costs. It is taking a price hike to offset cost increases. Structural cost-saving initiatives for renewable power, WHRS, rail logistics, and clinker optimization continue to reinforce its low-cost leadership. The RMC business is scaling gradually, with expansion to ~50–55 plants in FY27, positioning it as a long-term growth lever. Overall capacity utilization improved to ~66% in 4QFY26 from ~56% in 3QFY26, and the company remains focused on further improving capacity utilization.
- We maintained our earnings estimates for FY27/FY28E. SRCM trades fairly at 17x/14x FY27E/FY28E EV/EBITDA. **We reiterate our Neutral rating with a TP of INR26,000 (based on 16x FY28E EV/EBITDA).**

Volume increases ~9% YoY; EBITDA/t declines ~19% YoY to INR1,161

- Standalone revenue/EBITDA/PAT stood at INR56.4b/INR12.5b/INR5.3b (+8%/-11%/-8% YoY and +4%/+2%/+3% vs. our estimates) in 4QFY26. Sales volumes grew ~9% YoY to 10.8mt (in line). Cement realization was flat YoY (up ~2% QoQ) at INR4,732/t.
- Opex/t increased ~5% YoY (+3% vs. our estimate), led by variable/freight/staff expenses per ton, which increased ~10%/7%/1% YoY, while other expenses/t declined ~10% YoY (benefited from positive operating leverage). OPM contracted 4.8pp YoY to ~22%, and EBITDA/t declined ~19% YoY to INR1,161. Depreciation declined 15% YoY. Other income declined 25% YoY.
- In FY26, standalone revenue/EBITDA/PAT stood at INR193.1b/INR42.7b/INR17.7b (up 7%/10%/45% YoY). OPM expanded 70bp YoY to ~22%. EBITDA/t grew ~8% YoY to INR1,174. OCF stood at INR34.9b vs. INR50.6b in FY25. Capex stood at INR14.2b vs. INR34.7b. FCF stood at INR20.7b vs INR15.9b in FY25.

Highlights from the management commentary

- It guided volume growth of 1pp ahead of industry growth. Industry cement demand growth is expected to be at ~7-7.2% in FY27, implying ~8–8.5% growth for the company. It targets to achieve ~40mt of volume in FY27.
- Fuel cost stood at ~INR1.60/kcal in 4Q and is expected to rise by ~10–12% in 1QFY27 due to geopolitical disruptions and tight global energy markets. Green power share was at 61% vs. 59%/60% in 4QFY25/3QFY26.
- Capex is pegged at INR15.0b for FY27, focused on three key areas - expansion of RMC plants, development of railway sidings, and preliminary work for the Meghalaya expansion project.

Valuation and view

- SRCM's 4Q operating performance was in line with our estimates as higher-than-estimated realization was offset by higher-than-estimated opex/t. The company has reported strong volume growth, driven by the ramp-up of capacity utilization. While elevated costs due to higher fuel, packaging, and oil prices remain a key concern in the near term, the company is focused on rapidly expanding the RMC business, which will enhance geographical reach, optimize logistics costs, and support incremental volume growth.
- We estimate a CAGR of 9%/10%/13% in revenue/EBITDA/PAT over FY26-28. We estimate a volume CAGR of ~8% over FY26-28 (vs. muted volume CAGR over FY24-26). We estimate EBITDA/t of INR1,143/INR1,228 in FY27/FY28 vs. INR1,174 in FY26. SRCM trades at fair valuations of 17x/14x FY27E/FY28E EV/EBITDA. **We reiterate our Neutral rating with a TP of INR26,000 (based on 16x FY28E EV/EBITDA).**

Standalone quarterly performance

Y/E March	FY25				FY26				FY25	FY26	FY26	(INR b)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	Var. (%)	
Net Sales	48.3	37.3	42.4	52.4	49.5	43.0	44.2	56.4	180.4	193.1	54.4	4
YoY Change (%)	-2.7	-18.3	-13.6	3.3	2.3	15.5	4.3	7.7	-7.5	7.1	3.9	
Total Expenditure	39.2	31.3	32.9	38.3	37.2	34.3	35.0	43.9	141.7	150.4	42.2	4
EBITDA	9.2	5.9	9.5	14.1	12.3	8.8	9.2	12.5	38.7	42.7	12.2	2
YoY Change (%)	-1.7	-31.9	-23.3	6.4	34.1	47.7	-3.2	-11.4	-11.4	10.4	-13.6	
Margin (%)	19.0	15.9	22.3	26.9	24.8	20.3	20.8	22.2	21.4	22.1	22.4	-26
Depreciation	6.4	6.7	7.5	7.5	5.5	5.5	5.9	6.4	28.1	23.3	6.1	4
Interest	0.6	0.6	0.5	0.4	0.4	0.5	0.6	0.5	2.1	2.1	0.6	-1
Other Income	1.3	1.8	1.1	1.5	2.0	1.6	1.3	1.1	5.8	6.0	1.5	-26
PBT before EO Exp.	3.5	0.4	2.6	7.7	8.3	4.3	4.0	6.7	14.3	23.3	7.0	-5
Extra-Ord. Expense	0.0	0.0	0.0	0.3	0.0	0.2	0.6	0.0	-0.3	0.8	0.0	
PBT	3.5	0.4	2.6	7.4	8.3	4.0	3.4	6.7	14.0	22.5	7.0	-5
Tax	0.3	-0.5	0.3	1.9	2.1	1.3	0.6	1.4	2.0	5.4	1.9	
Rate (%)	9.4	-108.1	11.4	25.1	25.8	31.2	18.7	20.6	14.4	24.1	26.5	
Reported PAT	3.2	0.9	2.3	5.6	6.2	2.8	2.8	5.3	12.0	17.1	5.2	3
Tax adjustment prior period	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Adj. PAT	3.2	0.9	2.3	5.8	6.2	2.9	3.2	5.3	12.2	17.7	5.2	3
YoY Change (%)	-45.3	-81.0	-68.8	-12.5	94.7	215.1	41.3	-8.1	-50.6	45.0	-10.6	

Quarterly performance

Sales Dispat. (mt)	9.6	7.6	8.7	9.8	9.0	7.9	8.7	10.8	35.7	36.4	10.7	1
YoY Change (%)	8.1	-7.9	-2.5	3.2	-7.2	4.8	0.8	9.5	0.5	1.9	8.9	
Realization	5,015	4,936	4,885	5,325	5,528	5,440	5,053	5,240	5,052	5,309	5,083	3
YoY Change (%)	-10.0	-11.3	-11.3	0.1	10.2	10.2	3.4	-1.6	-7.9	5.1	-4.6	
Expenditure												
RM Cost	530	543	623	569	626	682	709	761	566	698	506	50
Staff Cost	254	331	273	240	284	325	316	243	271	289	240	1
Power and Fuel	1,458	1,326	1,054	1,172	1,281	1,314	1,103	1,159	1,253	1,209	1,408	-18
Freight	1,157	1,181	1,144	1,175	1,211	1,191	1,172	1,252	1,164	1,210	1,172	7
Other Expenses	667	771	699	735	753	821	704	664	715	730	618	7
Total Op. cost	4,065	4,152	3,793	3,890	4,155	4,334	4,004	4,079	3,969	4,135	3,944	3
EBITDA	951	785	1,092	1,435	1,373	1,106	1,049	1,161	1,083	1,174	1,139	2

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR2,720 TP: INR3,400 (+25%) Buy

Broad-based growth across all segments

Operating performance beats our estimates

Bloomberg	SRF IN
Equity Shares (m)	296
M.Cap.(INRb)/(USD\$)	806.2 / 8.5
52-Week Range (INR)	3325 / 2314
1, 6, 12 Rel. Per (%)	6/-2/-7
12M Avg Val (INR M)	1516

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	157.9	187.1	209.6
EBITDA	36.0	46.4	53.1
PAT	20.4	26.8	31.3
EBITDA (%)	22.8	24.8	25.3
EPS (INR)	68.6	90.1	105.3
EPS Gr. (%)	48.9	31.4	16.9
BV/Sh. (INR)	472	545	634

Ratios

Net D/E	0.3	0.2	0.1
RoE (%)	15.3	17.7	17.9
RoCE (%)	12.5	14.3	14.9
Payout (%)	27.6	18.9	16.1

Valuations

P/E (x)	39.6	30.2	25.8
EV/EBITDA (x)	23.5	18.2	15.7
Div Yield (%)	0.6	0.6	0.6
FCF Yield (%)	0.9	1.5	2.1

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	50.3	50.3	50.3
DII	21.2	20.2	18.5
FII	16.7	17.5	18.3
Others	11.9	12.0	13.0

Note: FII includes depository receipts

- SRF delivered a healthy performance in 4QFY26 as EBIT grew 14% YoY, led by a 5%/47%/63% YoY jump in the EBIT of Chemicals/Performance Films and Foil (PFF)/Technical Textiles Business (TTB). The company delivered a healthy performance despite a challenging global environment in the specialty chemicals segment, and successfully redirected its business away from the Middle East without any loss of volumes.

- Going forward, SRF's overall business is expected to grow despite a volatile global environment, supported by diversification and a strong capex pipeline. Growth in FY27 is expected to be led by refrigerant gases, recovery in specialty chemicals, and improving fluoropolymer traction, while PFF and technical textiles show a gradual cyclical recovery.

- We broadly retain our FY27/FY28 EBITDA estimates. We **reiterate our BUY rating** with an SoTP-based **TP of INR3,400**.

Margin expansion across all the segments

- SRF reported overall revenue of INR46.2b (est. in line) in 4QFY26, up ~7% YoY. EBITDA margins expanded by 180bp YoY to 25% (est. of 23%). Gross margins stood at 50.5% in 4QFY26 vs. 48.2% in 4QFY25; employee costs: 6.8% vs. 6.4%, power cost: 7.5% vs. 7.7%, and other expenses: 11.3% vs. 10.9%. EBITDA stood at INR11.5b (est. of INR10.9b), up 15% YoY. Adj. PAT grew 20% YoY to INR6.9b (est. of INR6.3b), adjusted for forex loss/labor code impact of INR1.3b/INR117m in 4QFY26.

- Chemical business** revenue (53%/77% of total sales/EBIT in 4Q) grew 4% YoY to INR24.5b, EBIT grew 4.6% YoY to INR7.8b, and EBIT margin was 32.0% (vs. 31.8% in 4QFY25). The performance of the Fluorochemicals Business was robust due to higher domestic and export volumes, higher realizations in HFCs, and steady performance in Industrial Chemicals and Fluoropolymers. The Specialty Chemicals business improved QoQ despite pricing pressure and deferred orders, driven by cost efficiencies, new product launches, and progress in active ingredients development.

- PFF** revenue (35%/15% of total sales/EBIT in 4QFY26) grew 13% YoY to INR16.0b, EBIT grew ~47% YoY to INR1.5b, and margin expanded 220bp YoY to 9.6%. The PFF Business delivered a healthy performance, driven by improved volumes and margins in BOPET and BOPP Films and a sustained focus on sustainable and value-added products

- Technical textiles** revenue (10%/6% of total sales/EBIT in 4QFY26) was up 5% YoY at INR4.8b, EBIT grew 63% YoY to INR652m, and EBIT margin expanded 480p YoY to 13.5%. The TTB delivered an improved QoQ performance despite a challenging business environment.

- For FY26, Revenue/EBITDA/Adj. PAT grew 7%/27%/51% YoY to INR158b/INR36b/INR21b.

- Gross debt stood at INR50b vs INR46b as of Mar'25. CFO stood at INR2.6b vs INR2.5b as of Mar'25.

Highlights from the management commentary

- **Guidance and outlook:** The Chemical business is expected to deliver ~15-20% growth in FY27, led by refrigerant gas price and volumes and recovery in specialty chemicals. The company does not expect the business to be impacted by the unavailability of raw materials. Further, the fluorochemical supply to the Middle Eastern market is expected to normalize.
- **HFO project:** SRF is setting up a project in Odisha, focusing on the fourth-generation fluorochemicals comprising 20kMTPA of Hydrofluoroolefins (HFOs), 30kMTPA of Anhydrous Hydrogen Fluoride (AHF), and Value-added Hydrogen Fluoride (VHF). The project requires an estimated total capex of INR23b, financed through a mix of debt and internal accruals, with completion expected by Feb'28. The HFO product portfolio will comprise HFO1234yf, HFO1234z, and HFO1233zd.
- **Capex:** The BOD also approved a debottlenecking capex of INR880m, taking the HFC capacity to more than ~65kMTPA. SRF has deferred the proposed INR4.9b BOPP Film manufacturing facility at Indore and, instead, has planned to commission one new Polyamide line facility (India's first of a kind) in Sep'27 (capex of INR1.8b). Further, management has guided for capex of INR25b for FY27.

Valuation and view

- We expect the chemicals business (fluorochemicals and specialty chemicals) to maintain the growth momentum going ahead, fueled by: 1) the ramp-up of recently commissioned plants, 2) the launch of new products, 3) a strong R&D and innovation pipeline, 4) stable demand for refrigerant gases in the international market and a recovery in the domestic market, and 5) expanding margins in PFF's existing business, coupled with a ramp up in new capacities.
- We build in a CAGR of 15%/21%/24% of revenue/EBITDA/Adj. PAT over FY26-28E. We **reiterate our BUY rating and** value the stock on an SoTP basis to arrive at our **TP of INR3,400**.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26	FY26E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			FY25	FY26
Net Sales	34,641	34,243	34,913	43,133	38,186	36,402	37,125	46,152	1,46,931	1,57,865	47,242	-2
YoY Change (%)	3.8	7.8	14.4	20.8	10.2	6.3	6.3	7.0	11.8	7.4	9.5	
Total Expenditure	28,435	28,637	28,375	33,108	29,975	28,354	28,924	34,633	1,18,555	1,21,885	36,376	
EBITDA	6,207	5,606	6,538	10,025	8,212	8,048	8,202	11,519	28,376	35,980	10,866	6
Margins (%)	17.9	16.4	18.7	23.2	21.5	22.1	22.1	25.0	19.3	22.8	23.0	
Depreciation	1,882	1,939	1,943	1,952	2,032	2,121	2,169	2,198	7,715	8,521	2,300	
Interest	965	938	963	894	799	707	655	620	3,760	2,780	705	
Other Income	253	333	396	345	291	257	273	249	1,327	1,071	430	
PBT before EO expense	3,612	3,063	4,029	7,525	5,671	5,477	5,651	8,950	18,229	25,749	8,291	
Extra-Ord expense & DO	172	226	342	451	-87	306	1,134	1,379	1,192	2,733	0	
PBT	3,440	2,837	3,687	7,074	5,758	5,171	4,517	7,571	17,037	23,016	8,291	
Tax	918	822	976	1,813	1,435	1,289	190	1,751	4,529	4,665	2,024	
Rate (%)	25.4	26.9	24.2	24.1	25.3	23.5	3.4	19.6	24.8	18.1	24.4	
Reported PAT	2,522	2,014	2,711	5,261	4,323	3,882	4,327	5,820	12,508	18,352	6,267	
Adj PAT	2,695	2,240	3,053	5,712	4,258	4,112	5,177	6,855	13,700	21,085	6,267	9
YoY Change (%)	-29.6	-30.0	12.4	30.4	58.0	83.5	69.6	20.0	-3.0	53.9	10	
Margins (%)	7.8	6.5	8.7	13.2	11.2	11.3	13.9	14.9	9.3	13.4	13.3	

PB Fintech

Estimate change 

TP change 

Rating change 

CMP: INR1,702

TP: INR1,870 (+10%)

Neutral

30%+ YoY premium growth maintained; beat across all parameters

Bloomberg	POLICYBZ IN
Equity Shares (m)	463
M.Cap.(INRb)/(USDb)	787.4 / 8.3
52-Week Range (INR)	1978 / 1334
1, 6, 12 Rel. Per (%)	10/1/7
12M Avg Val (INR M)	2913
Free float (%)	100.0

Financial & Valuation (INRb)

Y/E March	2026	2027E	2028E
Revenue	67.9	87.5	111.2
YoY growth %	36.5	28.9	27.0
Opex	62.8	78.0	95.9
Adj EBITDA	5.1	9.5	15.3
PAT	6.7	9.8	13.2
YoY growth %	89.8	45.8	34.8
EPS (INR)	14.6	21.1	28.5
BVPS (INR)	158	179	208

Ratios (%)

EBITDA Margin	7.5	10.9	13.7
PAT Margin	9.9	11.2	11.8
RoE	9.7	12.5	14.7

Valuations

P/E (x)	116.7	80.6	59.8
P/B (x)	10.8	9.5	8.2
EV/ EBITDA (x)	144	77	48

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	0.0	0.0	0.0
DII	36.7	29.5	23.0
FII	40.1	40.9	46.2
Others	23.2	29.6	30.8

FII Includes depository receipts

- PB Fintech (POLICYBZ) reported revenue of INR20.6b (11% beat), growing 37% YoY, driven by 42% YoY growth in online revenue to INR12.5b (13% beat) and 29% YoY growth in new initiatives revenue to INR8.1b (7% beat). For FY26, revenue grew 37% YoY to INR67.9b.
- Adj. EBITDA was at INR2.8b (22% beat; +87% YoY) and Adj. EBITDA margin at 13.6% (vs our est. of 12.3%). Core online adjusted EBITDA margin was at 25.1% (21.7% in 4QFY25), while for new initiatives, it was negative at 4.2% (-6.3% in 4QFY25). For FY26, adjusted EBITDA margin was at 10.7%.
- Strong revenue growth, along with robust operational efficiency, resulted in 23% PAT beat, which came in at INR2.6b, up 52% YoY. For FY26, PAT grew 90% YoY to INR6.7b.
- Insurance premium is expected to sustain a 30% growth trajectory. PaisaBazaar is expanding into bonds and mutual funds, along with continued recovery in lending, and has become EBITDA positive with expectations of sequential improvement through FY27.
- We have increased our revenue estimates by 2%/3% for FY27/28, considering the 4QFY26 performance. Improved cost efficiency has resulted in a 2%/5% increase in PAT estimates for FY27/28. We reiterate our **Neutral** stance with a revised TP of INR1,870 (based on DCF valuation), implying FY28E EV/EBITDA of 53x.

67% YoY growth in protection; lending sees sequential recovery

- Core online premium grew 44% YoY to INR62b, while new initiative premium grew 50% YoY to INR30.2b.
- Lending disbursement for the quarter was INR51.8b (-32% YoY), of which core online lending at INR26.3b continues to grow sequentially. Secured lending (PB Connect) disbursements declined to INR25.5b (INR52.8b in 4QFY24), as the company discontinued credit from wholesale agents.
- The core online insurance take rate improved to 18.2% (17.7% in 4QFY25), resulting in core insurance revenue growth of 48% YoY to INR11.3b. Core online credit revenue grew 7% YoY to INR1.2b, maintaining a sequential growth trajectory.
- New initiatives revenue grew 29% YoY to INR8.1b, backed by 50% YoY growth in new initiative insurance premium, improving insurance take rates, and offset by decline in secured lending disbursements to INR25.5b.
- Insurance renewal revenue annualized run-rate, based on 4Q performance, was INR11.3b (INR6.9b in 4QFY25), providing visibility for continued revenue growth and margin expansion.
- Contribution profit of INR6.1b (12% beat) grew 42% YoY, reflecting contribution margin of 29.8% (vs our est. of 29.4%). For FY26, contribution margin was at 28.8%.
- ESOP expenses for 4Q were INR620m. Other income was at INR1,040m.

- Policy bazaar platform's registered customer base grew to 145.7m (104.8m in 4QFY25), with transacting customers at 26.4m (20.6m in 4QFY25). The platform has sold 67.3m policies to date.
- Paisa bazaar platform witnessed 7.5m transacting customers (6.3m in 4QFY25), with 58.5m credit scores accessed and 11.3m transactions to date. 87,000 credit cards were issued during the quarter.

Highlights from the management commentary

- PB Health acquired one operational hospital (Annual PAT of INR200-300m), with 2-3 others in the pipeline. The company is also looking at opportunities beyond Delhi NCR, with potential capital raise discussions underway.
- The protection segment grew 67% YoY, with health contributing higher than term. However, term insurance is gaining momentum and is expected to potentially rival the growth trajectory of health insurance going forward.
- Paisabazaar's entry into savings business through bonds and mutual funds is expected to be fully built out in the next 2-3 years. While the bonds business provides a strong growth opportunity, competitive intensity is high in mutual funds, which will have to be tackled through innovative differentiations.

Valuation and view

- POLICYBZ continues to deliver strong volume growth in 4QFY26, above its guidance of 30%, driven by GST exemption-led boost in term and health insurance. Strong momentum in the protection segment, along with operational efficiency on the back of productivity improvement, resulted in robust profitability. We believe POLICYBZ holds a strong position in two of India's most under-penetrated financial services segments, complemented by embedded optionality from new initiatives that offer further long-term convexity. Over FY26-28, we expect POLICYBZ to post a strong CAGR of 28%/73%/40% in revenue/EBITDA/PAT, factoring in a strengthening position in the under-penetrated credit and insurance industries. However, the potential risk of commission caps on take rates remains the key monitorable.
- We have increased our revenue estimates by 2%/3% for FY27/28, considering the 4QFY26 performance. Improved cost efficiency has resulted in 2%/5% increase in PAT estimates for FY27/28. We reiterate our **Neutral** stance with a revised TP of INR1,870 (based on DCF valuation), implying FY28E EV/EBITDA of 53x.

Quarterly Performance
(INR b)

Y/E March	FY25				FY26				FY25	FY26	4Q FY26E	act v/s Est. (%)	YoY (%)	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Revenue	10.0	11.7	12.9	15.1	13.5	16.1	17.7	20.6	49.8	67.9	18.6	10.8	36.7	16.4
Change YoY (%)	50.6	43.8	48.2	38.6	34.4	38.1	37.2	36.7	44.8	36.5	23.4			
Core Online Business	6.6	7.7	7.7	8.8	8.3	9.6	10.4	12.5	30.7	40.8	11.0	13.2	42.4	20.2
New initiatives	3.5	4.0	5.2	6.3	5.1	6.6	7.3	8.1	19.0	27.2	7.6	7.3	28.8	11.1
Direct costs	7.2	8.5	9.6	10.8	9.8	11.5	12.7	14.5	36.1	48.4	13.1	10.2	34.7	14.4
Core Online Business	3.7	4.5	4.6	4.7	4.9	5.3	5.8	6.7	17.5	22.7	5.9	13.0	42.3	16.3
New initiatives	3.5	4.0	5.1	6.0	4.9	6.2	6.9	7.8	18.6	25.8	7.2	7.9	28.8	12.8
Contribution profit	2.8	3.2	3.3	4.3	3.7	4.6	5.1	6.1	14	20	5.5	12.2	41.8	21.6
Change YoY (%)	29.7	29.1	27.4	43.4	30.6	45.5	53.0	41.8	33.0	43.0	26.3			
Core Online Business	2.9	3.2	3.2	4.1	3.4	4.3	4.6	5.8	13.3	18.1	5.1	13.4	42.6	25.1
New initiatives	0.0	0.0	0.2	0.3	0.3	0.4	0.4	0.4	0.4	1.4	0.4	-3.6	29.6	-16.7
Adjusted EBITDA	0.5	0.6	0.8	1.5	0.9	1.6	2.0	2.8	3.3	7.3	2.3	22.0	86.7	40.0
Core Online Business	0.9	1.0	1.1	1.9	1.2	1.8	2.2	3.1	5.0	8.4	2.7	18.0	65.3	40.2
New initiatives	-0.4	-0.5	-0.4	-0.4	-0.3	-0.3	-0.2	-0.3	-1.7	-1.2	-0.4	-7.3	-15.0	41.7
EBITDA	-0.4	-0.1	0.3	1.1	0.3	1.0	1.6	2.2	1.2	5.1	1.7	29.4	91.2	37.1
Other Income	1.0	1.1	1.0	1.0	1.0	0.9	0.9	1.0	4.1	3.7	1.0	4.8	2.9	22.4
PBT	0.7	0.6	0.9	1.7	0.9	1.4	2.0	2.7	3.9	7.1	2.2	20.7	57.2	34.5
Tax	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.3	0.4	0.1	-13.8	1292.4	-8.3
PAT	0.6	0.5	0.7	1.7	0.8	1.4	1.9	2.6	3.5	6.7	2.1	22.8	51.5	37.2
Profitability Ratios (%)												bp		
Contribution margin	28.3	27.3	25.6	28.7	27.5	28.8	28.5	29.8	27.4	28.8	29.4	39	106	126
Adjusted EBITDA margin	4.9	4.8	6.1	9.9	6.6	9.7	11.3	13.6	6.7	10.7	12.3	125	363	229
Operational Highlights (INRb)														
Premiums	48.7	54.5	61.4	63.2	59.3	68.2	79.7	92.2	211.2	299.3	86.5	6.5	45.8	15.7
Core Online Business	33.6	39.2	41.1	43.1	40.9	47.5	53.6	62.0	146.5	203.9	59.8	3.5	43.9	15.6
New initiatives	15.1	15.3	20.2	20.2	18.4	20.8	26.1	30.2	64.8	95.4	26.7	13.3	49.8	16.0
Lending Disbursal	31.0	41.3	54.4	76.5	70.0	85.7	99.9	51.8	204.7	307.4	112.6	-54.0	-32.3	-48.1

Container Corporation

BSE SENSEX 77,959 S&P CNX 24,331



Bloomberg	CCRI IN
Equity Shares (m)	762
M.Cap.(INRb)/(USD\$b)	399.2 / 4.2
52-Week Range (INR)	653 / 421
1, 6, 12 Rel. Per (%)	10/6/-3
12M Avg Val (INR M)	1001

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	92.1	105.7	121.6
EBITDA	20.4	24.2	28.1
Adj. PAT	13.0	15.7	18.4
EBITDA Margin (%)	22.2	22.9	23.1
Adj. EPS (INR)	17.1	20.7	24.1
EPS Gr. (%)	0.4	20.9	16.5
BV/Sh. (INR)	172.9	184.6	198.3

Ratios

Net D:E	(0.3)	(0.4)	(0.4)
RoE (%)	10.2	11.6	12.6
RoCE (%)	10.6	11.9	12.9
Payout (%)	43.0	43.1	43.1

Valuations

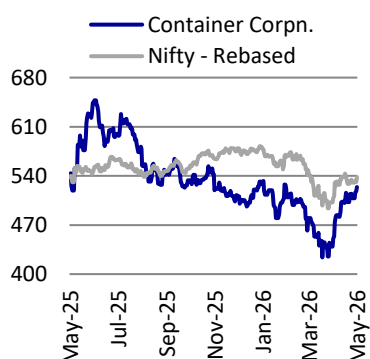
P/E (x)	30.7	25.4	21.8
P/BV (x)	3.0	2.8	2.6
EV/EBITDA(x)	16.8	13.8	11.5
Div. Yield (%)	1.4	1.7	2.0
FCF Yield (%)	2.3	3.4	4.2

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	54.8	54.8	54.8
DII	29.8	28.7	26.3
FII	8.3	9.1	13.1
Others	7.1	7.5	5.8

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR524

TP: INR600 (+14%)

Buy

Structural tailwinds after WDFC connectivity

- The DFCCIL has commissioned the Western Dedicated Freight Corridor (WDFC), including the key connectivity to JNPT via Vaitarna, completing the ~2,843km DFC network. This is expected to drive a structural shift in rail logistics, with JNPT's rail coefficient likely increasing materially from the current levels of 16%. The improvement will be supported by double-stack container movement and faster evacuation, leading to a meaningful modal shift from road to rail.
- Concor (CCRI) stands to be a key beneficiary of this transition, given its dominant 55-60% market share in rail container logistics. The all-India major port container volume stood at 213mt in FY26, growing 10% YoY.
- CCRI delivered a steady performance in terms of volume growth in FY26. The company reported ~10% YoY volume growth in FY26, with EXIM volumes growing ~8% and domestic volumes ~15%, while EXIM continues to contribute ~75% of total volumes. However, realizations in both EXIM and domestic segments remained under pressure in 9MFY26. Growth was impacted by ongoing geopolitical tensions and heightened competitive intensity, while the company continued to avoid low-margin business, leading to lower realizations.
- However, we remain optimistic about CCRI's growth outlook, supported by the commissioning of WDFC connection to JNPT, which is expected to drive volume growth and enable a more sustainable growth trajectory. We expect CCRI to clock a CAGR of 10%/11% in revenue/EBITDA over FY25-FY28. **We reiterate our BUY rating on the stock with a TP of INR600 (based on 14x EV/EBITDA on FY28E).**

WDFC tailwinds underpin strong FY29 growth path

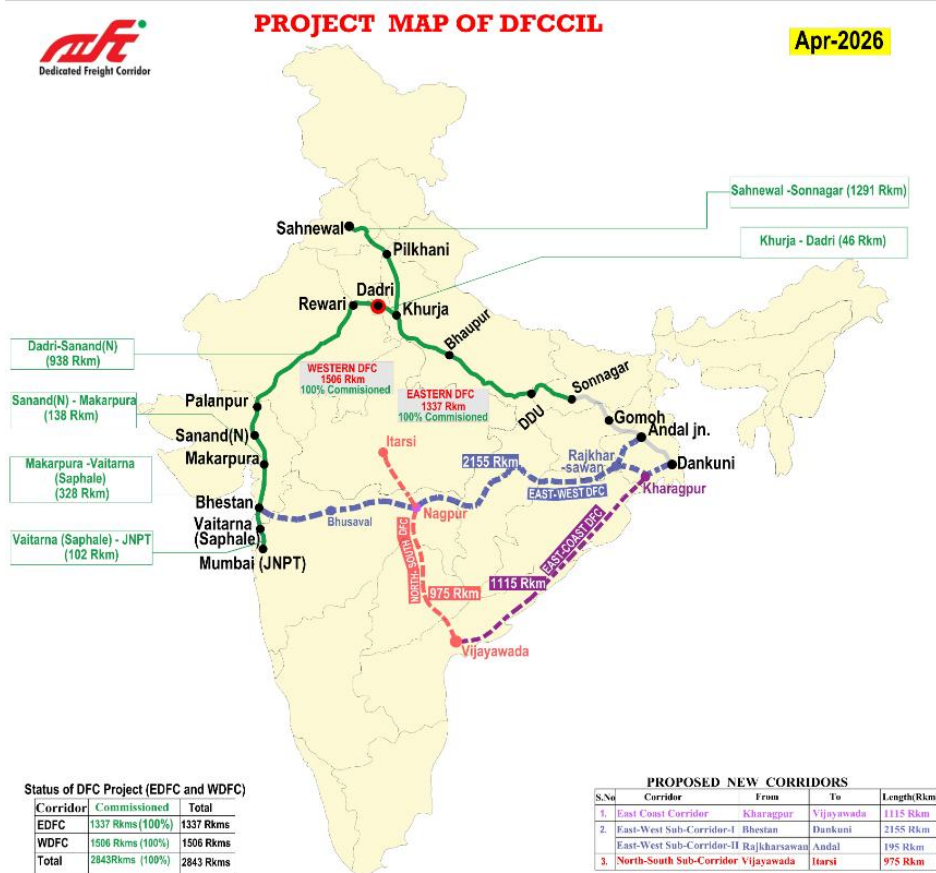
- Management sees a significant opportunity in cement container transport, as only ~10% of cement is currently transported by rail, with the balance moving by road. To tap this opportunity, the company has signed MoUs with Ultratech and Adani Cement to transport 1 lakh tons of cement per month with each of them.
- CCRI had signed an MoU for developing and managing Common Rail handling operations at Vadhvan port, which is expected to be commissioned by 2030. Total project investment amounts to ~INR5b.
- The company targets strong revenue growth of ~INR150b in FY29, driven by robust traction in both EXIM and domestic segments. EXIM revenue is expected to grow at ~15% CAGR through FY29, supported by WDFC commissioning, ramp-up in double-stack volumes from Ahmedabad and Jodhpur, and throughput from new terminals at Mandalgarh, Jajpur, and Kadakola. Domestic revenue is guided to post ~20% CAGR through FY29, aided by incremental volumes from cement tank container contracts with UltraTech, JK Cement, and Adani Cement.

Valuation and view

- CCRI strengthened its logistics ecosystem by expanding double-stack rail operations, shipping operations in the Middle East, utilizing the DFC to drive efficiency, and advancing its integrated logistics network. The company remains focused on scaling up its rail freight services and infrastructure, supported by a higher capex allocation toward new terminal commissioning, fleet augmentation, and enhanced multimodal connectivity.
- We remain optimistic about the expected improvement in rail coefficient, coupled with operational efficiencies from double-stack movement and network expansion on the volume growth, supported by the commissioning of WDFC. **We expect CCRI to clock a CAGR of 10%/11% in revenue/ EBITDA over FY25-FY28. We reiterate our BUY rating with a revised TP of INR600 (based on 14x EV/EBITDA on FY28E).**

DFC connectivity

DFCCIL project map



Source: DFCCIL, MOFSL

United Breweries

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR1,420 **TP: INR1,425** **Neutral**

Weak performance; near-term pressure on margins

Bloomberg	UBBL IN
Equity Shares (m)	264
M.Cap.(INRb)/(USDb)	373.6 / 3.9
52-Week Range (INR)	2245 / 1382
1, 6, 12 Rel. Per (%)	-11/-17/-34
12M Avg Val (INR M)	310

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Net Sales	92.3	103.7	115.3
Sales Gr. (%)	3.7	12.3	11.2
EBITDA	8.1	9.9	12.3
Margin (%)	8.7	9.6	10.7
Adj. PAT	3.7	5.4	7.3
Adj. EPS (INR)	14.1	20.5	27.8
EPS Gr. (%)	-19.9	45.1	35.4
BV/Sh. (INR)	170.9	181.9	196.8

Ratios

RoE (%)	8.4	11.6	14.7
RoCE (%)	9.5	12.4	15.4

Valuations

P/E (x)	100.4	69.1	51.1
P/BV (x)	8.3	7.8	7.2
EV/EBITDA (x)	45.9	36.9	29.5

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	70.8	70.8	70.8
DII	19.2	18.6	17.3
FII	4.9	5.5	6.9
Others	5.0	5.1	4.9

FII includes depository receipts

- United Breweries (UBBL) reported a 3% YoY decline in revenue (est. +7%, +4% in 3Q), despite 4% volume growth. Secondary volume growth was healthy at 8–9% YoY. Realization was down 7% because of a temporary higher mix of contract manufacturing. The premium portfolio delivered a healthy 16% volume growth (21% in FY26). Beer industry growth was ~10% at the consumer level, supported by favorable regulatory developments, improved affordability, and stable demand conditions.
- GM expanded 330bp YoY to 45.4% (est. 42.9%), aided by **premiumization, pricing actions, and improved procurement efficiencies**. Brand investments increased by ~27% YoY, ahead of the peak summer season. EBITDA contracted 180bp YoY to 6.2% (est. 7.8%). Such volatility in EBITDA margin has been witnessed in the previous quarters as well.
- The company indicated a cost pressure of INR 4–5bn amid ongoing geopolitical disruptions due to inflation in packaging materials, energy, and logistics. However, the company already expects to mitigate ~50% of this cost impact through productivity initiatives, selective pricing actions, and rationalization of trade spends in low-margin markets.
- Management expects high single-digit volume growth and double-digit revenue growth in FY27. Cost inflation will continue to impact GM; we build lower overhead costs driven by cost efficiencies, which will cover the RM cost pressure. We model a 9.5% EBITDA margin for FY27, but there can be downside risk in the margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, **we reiterate our Neutral rating** on the stock with a TP of INR1,425 (premised on 50x Mar'28E EPS).

Miss on all fronts; the volatile quarterly trend continues

- **Weak revenue; premium volumes up 16%:** UBBL's standalone net sales declined by 3% YoY to INR22.5b (est. INR24.7b) despite volume up by 4% (est. +4%). Secondary sales growth was at 8-9%; inventory correction impacted primary performance. The price mix performance was negative due to a higher mix of contract manufacturing. The Premium portfolio continues to grow strongly and posted 16% volume growth (+21% in FY26).
- **Miss on operating margins:** Gross margin expanded 330bp YoY to 45.4% (est. 43%). Other expenses were up 14%, while employee expenses inched up 2% YoY. EBITDA margin contracted 180bp YoY to 6.2% (est. 7.8%, 10.9% in 3QFY26).
- **Dip in profitability:** The EBITDA fell 25% YoY to INR1.4b (est. INR1.9b). Interest costs were up ~395% YoY to INR290m (est. INR173m). APAT dipped 46% YoY to INR530m (est. INR1,045m). There was an exceptional gain of INR740m in the quarter due to the transfer of freehold land.
- In FY26, net sales grew 4%, while EBITDA/APAT dipped 4%/20%.

Highlights from the management commentary

- The company highlighted that the beer category witnessed a strong recovery in 4Q, with ~10% growth. Growth was broad-based, with most markets contributing positively. Category growth was supported by regulatory developments, improved affordability, and stable demand conditions.
- Management indicated that the weak price-mix performance in the quarter is not structural, as it was hit by temporary factors such as inventory correction and higher reliance on contract manufacturing.
- Cost pressures remain elevated, driven by inflation in packaging materials, energy, and logistics, due to geopolitical disruptions (INR4-5bn impact). The company has already identified mitigation plans for ~50% cost increase (INR2.0-2.5b) through productivity initiatives, selective pricing actions, and rationalization of trade spends in low-margin markets.
- The company expects high-single-digit volume growth in FY27, which will lead to double-digit revenue growth.

Valuation and view

- We cut our EPS estimates by 13-15% for FY27 and FY28 due to cost inflation and consistent delay in margin recovery.
- The beer industry is seeing a recovery supported by favorable regulatory developments, improved affordability, and stable demand conditions. A **favorable policy environment** remains a key growth driver, with no major tax hikes on beer across most recent state policies and relatively higher taxation on spirits improving beer affordability. Management is expecting the mid to high single-digit volume growth in FY27, which will lead to double-digit revenue growth.
- Management expects high single-digit volume growth and double-digit revenue growth in FY27. Cost inflation will continue to impact GM; we build lower overhead costs driven by cost efficiencies, which will cover the RM cost pressure. We model a 9.5% EBITDA margin for FY27, but there can be downside risk in the margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, **we reiterate our Neutral rating** on the stock with a TP of INR1,425 (premised on 50x Mar'28E EPS).

Standalone Quarterly Performance

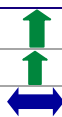
	(INRm)											
Y/E March	FY25				FY26				FY25	FY26	FY26	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Volume growth (%)	5	5	8	5	11	-3	-1	4	6	7	4	
Net Sales	24,730	21,147	19,984	23,214	28,624	20,511	20,714	22,478	89,074	92,327	24,739	-9.1%
YoY Change (%)	8.8	12.0	9.6	8.9	15.7	-3.0	3.7	-3.2	9.7	3.7	6.6	
Gross Profit	10,642	9,272	8,619	9,772	12,176	8,779	9,393	10,209	38,305	40,557	10,609	-3.8%
Margin (%)	43.0	43.8	43.1	42.1	42.5	42.8	45.3	45.4	43.0	43.9	42.9	
EBITDA	2,847	2,268	1,411	1,862	3,105	1,301	2,255	1,391	8,390	8,053	1,935	-28.1%
YoY Change (%)	27.8	22.9	-3.0	31.2	9.1	-42.6	59.8	-25.3	20.5	-4.0	3.9	
Margins (%)	11.5	10.7	7.1	8.0	10.8	6.3	10.9	6.2	9.4	8.7	7.8	
Depreciation	577	571	613	567	628	640	689	759	2,327	2,716	693	
Interest	16	22	32	59	112	147	169	290	129	717	173	
Other Income	73	105	101	79	110	150	109	78	357	446	82	
PBT before EO expense	2,327	1,781	867	1,316	2,475	665	1,506	420	6,291	5,066	1,151	-63.5%
Tax	595	458	227	342	638	196	510	144	1,622	1,487	106	
Rate (%)	25.5	25.7	26.2	26.0	25.8	29.4	33.9	34.2	26.9	27.3	9.2	
Reported PAT	1,733	1,322	383	974	1,837	469	808	1,017	4,412	4,132	1,045	
Adj PAT	1,733	1,322	640	974	1,837	469	932	530	4,669	3,741	1,045	-49.3%
YoY Change (%)	27.3	22.9	-24.5	20.5	6.0	-64.5	45.6	-45.6	13.6	-19.9	7.3	
Margins (%)	7.0	6.3	3.2	4.2	6.4	2.3	4.5	2.4	5.2	4.1	4.2	

E: MOFSL Estimates

Estimate changes

TP change

Rating change



CMP: INR352

TP: INR327 (-7%)

Neutral

Exports and telecom drag down revenue growth

Surge in input costs to hurt margins in the near term

	EXID IN
Bloomberg Equity Shares (m)	850
M.Cap.(INRb)/(USD\$)	298.9 / 3.2
52-Week Range (INR)	431 / 287
1, 6, 12 Rel. Per (%)	12/-3/-5
12M Avg Val (INR M)	864

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	172.7	185.7	197.5
EBITDA	19.4	20.1	22.1
Adj. PAT	11.2	11.5	12.8
Adj. EPS (INR)	13.2	13.5	15.1
EPS Gr. (%)	3.8	2.6	11.9
BV/Sh. (INR)	172.6	184.0	196.7

Ratio

RoE (%)	7.6	7.3	7.7
RoCE (%)	7.7	7.6	7.9
Payout (%)	15.2	15.9	15.9

Valuations

P/E (x)	26.7	26.1	23.3
P/BV (x)	2.0	1.9	1.8
Div Yield (%)	0.6	0.6	0.7
FCF Yield (%)	6.1	3.9	4.3

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	46.0	46.0	46.0
DII	19.1	18.7	17.2
FII	10.3	10.9	11.6
Others	24.6	24.4	25.3

FII Includes depository receipts

- Exide's 4QFY26 PAT at INR3.1b came in slightly above our estimate of INR3b. Most key segments reported healthy double-digit growth YoY. However, revenue inched up only 9.4% mainly due to weak exports and a continued decline in the telecom segment.
 - The outlook for lead-acid business remains positive for the auto segment and the industrial business (excl. telecom). However, we remain cautious about the long-term returns from the lithium-ion business. Besides, the stock trading at ~26.1x/23.3x FY27E/28E EPS appears fairly valued.
- Reiterate Neutral with an SoTP-based TP of INR327. We value the core (lead acid) business at 15x FY28E EPS (in line with Amara). We add INR59 per share value for the EV business (based on book) and INR50 per share for its stake in HDFC Life.**

Margins in line; PAT slightly ahead of estimates

- EXID's 4QFY26 revenue came in line with our estimate, growing 9.4% YoY to INR45.5b. Overall, domestic business grew 12.5% YoY, despite a 50% drop in telecom. Exports continued to show a double-digit dip due to notable headwinds, led by the ongoing geopolitical crisis, unavailability of containers, and disruption in shipping routes.
- Auto OEM business grew 25%+ YoY, leading to increased market share across multiple segments. 2W/4W replacement business posted double-digit growth on a YoY basis.
- The industrial infra business (ex-telecom) also clocked double-digit growth as order inflow and order execution picked up in sectors like railways, traction, etc. Inverters and solar business are back on a growth trajectory, posting mid-to-high teen growth on a YoY basis, buoyed by peak season demand in the second half of 4Q.
- EBITDA margin came in at 11.7%, in line with our estimate. Despite sharp INR depreciation, EXID was able to increase margins by 40bp YoY due to an improved product mix and better realization, aided by lowering warranty costs. EBITDA also came in line, growing 13.7% YoY to INR5.3b.
- PAT came in slightly above estimates at INR3.1b, up 22.7% YoY.
- For FY26, EXID's revenue/EBITDA/PAT rose 4.1%/4.3%/3.8% to INR173b/INR19.4b/INR11.2b. CFO stood at INR22.3b, while FCF was INR18.2b. The company continues to be debt-free despite high capex.
- The board has recommended a dividend of INR2 per equity share for FY26, the same as last year.

Highlights from management call

- Management remains constructive on the outlook of its core lead-acid business, expecting high single-digit to low double-digit growth potential in the near term and indicating that medium-term growth could broadly remain in line with the company's historical ~11% CAGR.
- Rising input costs are likely to hurt margins in the near term. Costs of key inputs like sulphur and plastics have spiked in the recent past. For instance, sulphur prices have gone up from ~INR15 one year back to ~INR75 at Apr'26 end (stood at INR58 as of Mar'26 end).
- To mitigate input cost inflation, the company has implemented multiple price hikes in the replacement segment in 4Q, amounting to a total of 5-6%, followed by an additional ~3% hike in April. Even these price hikes do not cover for the entire input cost inflation currently, with management indicating further possible hikes in 1QFY27.
- Exide Energy Solutions invested INR6b in 4Q and INR15b in FY26, taking the cumulative infusion to ~INR48b, with an additional INR14b earmarked for FY27 for capex and working capital requirements for Phase 1 ramp-up.

Valuation and view

The outlook for lead-acid business remains positive for the auto segment and the industrial business (excl. telecom). However, we remain cautious about the long-term returns from the lithium-ion business. Besides, the stock trading at ~26.1x/23.3x FY27/28E EPS appears fairly valued. **Reiterate Neutral with an SoTP-based TP of INR327. We value the core (lead-acid) business at 15x FY28E EPS (in line with Amara). We add INR59 per share value for the EV business (based on book) and INR50 per share for its stake in HDFC Life.**

S/A Quarterly Performance

Y/E March	(INR M)												
	FY25				FY26				FY25	FY26		4QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q					
Net Sales	43,128	42,673	38,486	41,594	45,098	41,783	40,297	45,511	165,881	172,689	43,716	4.1	
Growth YoY (%)	5.9	3.9	0.2	3.7	4.6	-2.1	4.7	9.4	3.5	4.1	5.1		
RM cost (%)	69.3	68.5	68.0	68.8	69.2	70.2	68.4	69.9	68.7	69.4	68.5		
Employee cost (%)	6.1	6.3	6.8	6.3	6.1	6.4	6.5	6.0	6.4	6.3	6.3		
Other Exp(%)	13.1	13.9	13.5	13.7	12.6	14.0	13.4	12.4	13.6	13.1	13.3		
EBITDA	4,943	4,836	4,486	4,667	5,482	3,947	4,696	5,304	18,931	19,429	5,172	2.6	
EBITDA Margin(%)	11.5	11.3	11.7	11.2	12.2	9.4	11.7	11.7	11.4	11.3	11.8		
Change (%)	14.4	0.1	2.0	-9.6	10.9	-18.4	4.7	13.7	1.2	4.3	11		
Non-Operating Income	142	528	132	161	182	424	183	142	962	931	221		
Interest	87	103	120	130	91	89	85	84	439	349	87		
Depreciation	1,257	1,270	1,244	1,268	1,276	1,306	1,270	1,158	5,039	5,010	1,312		
PBT after EO Exp	3,741	3,991	3,253	3,430	4,297	2,976	3,434	4,204	14,415	14,911	3,995	5.2	
Effective Tax Rate (%)	25.3	25.4	24.7	25.8	25.4	25.8	25.0	25.7	25.3	25.5	25.8		
Adj. PAT	2,796	2,978	2,450	2,546	3,205	2,207	2,644	3,124	10,769	11,181	2,964	5.4	
Change (%)	15.6	3.8	2.0	-10.3	14.6	-25.9	7.9	22.7	2.3	3.8	16.4		

Key performance indicators

Cost Break-up												
RM(%)	69.3	68.5	68.0	68.8	69.2	70.2	68.4	69.9	68.7	69.4	68.5	140bp
Employee cost (%)	6.1	6.3	6.8	6.3	6.1	6.4	6.5	6.0	6.4	6.3	6.3	-30bp
Other Exp(%)	13.1	13.9	13.5	13.7	12.6	14.0	13.4	12.4	13.6	13.1	13.3	-90bp
Gross Margin (%)	30.7	31.5	32.0	31.2	30.8	29.8	31.6	30.1	31.3	30.6	31.5	-140bp
EBITDA Margin(%)	11.5	11.3	11.7	11.2	12.2	9.4	11.7	11.7	11.4	11.3	11.8	-20bp
EBIT Margin(%)	8.5	8.4	8.4	8.2	9.7	7.3	9.0	9.4	8.4	8.9	9.3	10bp

Alkyl Amines Chemicals

Estimate changes	↔
TP change	↑
Rating change	↔

CMP: INR1,759 **TP: INR1,720 (-2%)** **Neutral**

Bloomberg	AACL IN
Equity Shares (m)	51
M.Cap.(INRb)/(USD\$b)	89.9 / 1
52-Week Range (INR)	2449 / 1212
1, 6, 12 Rel. Per (%)	27/2/4
12M Avg Val (INR M)	154

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	15.4	16.7	18.1
EBITDA	2.8	3.1	3.4
PAT	1.8	2.0	2.2
EPS (INR)	35.2	39.5	43.1
EPS Gr. (%)	-3.3	12.3	9.0
BV/Sh.(INR)	299.5	328.1	359.3
Ratios			
Net D:E	-0.1	-0.2	-0.2
RoE (%)	12.3	12.6	12.5
RoCE (%)	11.6	11.9	11.9
Payout (%)	27.5	27.5	27.5
Valuations			
P/E (x)	50.0	44.5	40.8
P/BV (x)	5.9	5.4	4.9
EV/EBITDA (x)	30.9	27.7	25.2
Div. Yield (%)	0.5	0.6	0.7
FCF Yield (%)	1.2	2.0	2.1

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	72.1	72.0	72.0
DII	3.0	3.0	2.2
FII	3.5	3.5	3.2
Others	21.5	21.5	22.6

FII includes depository receipts

Muted quarter, with gradual demand recovery likely in FY27

Strong beat on our estimates

- Alkyl Amines Chemicals (AACL) reported a steady operating performance with EBITDA growth of 4% YoY in 4QFY26. The company successfully mitigated raw material cost pressures through price pass-throughs, driving a 70bp YoY improvement in EBITDA margin to 18.3%.
- While volume growth remained flat in FY26, the growth momentum is expected to improve steadily, driven by rising demand from the pharma segment led by peptides, with management guiding a 5-10% overall volume growth. Further, the anti-dumping duty (ADD) on acetonitrile is likely to aid price recovery and strengthen AACL's market position.
- We broadly maintain our earnings estimates and value the stock at 40x FY28E EPS to arrive at a TP of INR1,720. **Reiterate Neutral.**

Stable operating performance with margin resilience

- Revenue stood flat YoY while growing 9% QoQ to INR3.9b (est. INR3.2b), while gross margin remained flat YoY and contracted 200bp QoQ to 45.8%.
- EBITDA margins expanded 70bp YoY but contracted 70bp QoQ to 18.3% (est. 17%). Employee costs as a percentage of sales stood at 7.5% (vs. 6.4% in 4QFY25), while other expenses stood at 20.1% vs. 21.9% in 4QFY25.
- EBITDA stood at INR707m, up 4% YoY and 5% QoQ (est. of INR558m).
- Adj. PAT stood at INR454m, down 1% YoY and up 7% QoQ (est. of INR349m).
- In FY26, Revenue/EBITDA/Adj. PAT declined ~2%/2%/3% to INR15.4b/INR2.8b/INR1.8b.
- The company stands debt-free as of Mar'26. Further, the cash flow from operations in Mar'26 stood at INR2.4b

Highlights from the management commentary

- **Guidance and outlook:** Management remains cautiously optimistic on the outlook, supported by a moderation in aggressive pricing from Chinese players, which is expected to aid industry-wide margin recovery. While prices are unlikely to revert to pre-Feb levels, the company believes the worst of the downturn is behind it and continues to guide a 5-10% volume growth.
- **Macro environment:** FY26 remained challenging, with flat revenue and profit performance amid subdued demand, although the company gained market share in select products. Additionally, the ADD on acetonitrile reduced imports and supported an improvement in domestic pricing towards the end of the year.
- **End-user demand scenario:** The pharma industry remained relatively insulated from tariff-related disruptions, with the outlook continuing to remain positive, led by the growth in the peptides segment. However, the Agri segment's outlook remains cautious due to El Niño-related concerns.

Valuation and view

- We expect short-term headwinds to persist due to the uncertainty in the microenvironment and significant uncertainty stemming from the tensions in the Middle East, impacting the raw material prices.
- Going forward, the growth will be aided by i) the planned commercialization of a new product at the Kurkumbh facility in 2QFY27, ii) additional products in the R&D pipeline, iii) the anti-dumping duty on acetonitrile, iv) headroom in improving capacity utilization leading to operating leverage, and v) rising demand from the pharma segment.
- We estimate a CAGR of 6%/6%/7% in revenue/EBITDA/PAT over FY26-28 and maintain our earnings estimates. We value the stock at 40x FY28E EPS to arrive at our TP of INR1,720. **Reiterate Neutral.**

Standalone - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	3,997	4,149	3,712	3,861	4,055	3,894	3,540	3,869	15,718	15,359	3,281	18%
<i>YoY Change (%)</i>	-2.5	17.8	15.3	8.3	1.5	-6.1	-4.6	0.2	9.1	-2.3	-15.0	
Total Expenditure	3,206	3,414	3,000	3,182	3,290	3,192	2,868	3,162	12,807	12,512	2,724	
<i>Gross Margin (%)</i>	47.0%	45.4%	48.4%	45.9%	45.8%	47.3%	47.9%	45.8%	46.6%	46.7%	47.5%	
EBITDA	791	735	712	678	766	702	672	707	2,911	2,846	558	27%
<i>Margin (%)</i>	19.8	17.7	19.2	17.6	18.9	18.0	19.0	18.3	18.5	18.5	17.0	
Depreciation	177	180	179	176	179	182	177	179	712	717	185	
Interest	2	4	9	2	3	3	2	3	10	12	2	
Other Income	47	92	66	93	80	74	80	83	298	317	95	
PBT before EO expense	659	643	591	594	663	591	572	608	2,486	2,435	466	
PBT	659	643	591	594	663	591	572	608	2,486	2,435	466	
Tax	170	169	153	133	169	162	150	154	625	635	117	
<i>Rate (%)</i>	25.9	26.2	25.9	22.5	25.5	27.4	26.2	25.4	25.1	26.1	25.2	
Adj PAT	489	475	438	460	494	429	423	454	1,861	1,800	349	30%
<i>YoY Change (%)</i>	-1.8	74.2	30.9	19.7	1.2	-9.5	-3.4	-1.4	25.0	-3.3	-24.2	
<i>Margin (%)</i>	12.2	11.4	11.8	11.9	12.2	11.0	11.9	11.7	11.8	11.7	10.6	

Shoppers Stop

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR336 **TP: INR370 (+10%)** **Neutral**

Premium push driving growth; Earnings recovery gradual

Bloomberg	SHOP IN
Equity Shares (m)	110
M.Cap.(INRb)/(USD\$)	37.3 / 0.4
52-Week Range (INR)	589 / 267
1, 6, 12 Rel. Per (%)	9/-24/-30
12M Avg Val (INR M)	44

Financials & Valuations Stand (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	47.1	50.4	55.1
EBITDA	7.2	8.0	9.1
Adj. PAT	(0.7)	(0.2)	(0.1)
EBITDA Margin (%)	15.3	15.9	16.5
Adj. EPS (INR)	(5.9)	(1.9)	(0.6)
EPS Gr. (%)	-	68.4	69.3
BV/Sh. (INR)	35.8	33.4	32.6

Ratios

Net D:E	10.3	10.8	10.0
RoE (%)	(20.4)	(7.1)	(2.3)
RoCE (%)	4.6	5.5	6.4
Payout (%)	-	-	-

Valuations

P/E (x)	NA	NA	NA
EV/EBITDA (x)	9.6	8.5	7.2
EV/Sales (x)	1.5	1.4	1.2
Div. Yield (%)	-	-	-

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	66.1	65.7	65.5
DII	25.4	25.4	25.5
FII	2.1	2.8	3.1
Others	6.4	6.1	5.8

FII includes depository receipts

- Shoppers Stop (SHOP) delivered its strongest departmental store performance in a decade with FY26 LFL growth of 4.7%, supported by premiumization, improved footfalls, and healthy traction across non-apparel categories. Renovated stores continue to post materially higher productivity.
- Margins remained under pressure due to the high base created by one-off provision reversals in FY25. FY26 pre-IND AS EBITDA stood at INR1.4b, with margins contracting ~80bp YoY to 2.7%. However, management indicated underlying operational margins improved, aided by better mix, lower discounting, and tighter cost-control initiatives.
- Despite capex of ~INR1.2b during FY26, inventory optimization (~INR1.5b reduction) and tighter working capital management supported strong OCF (INR2.8b) and debt reduction (INR1.1b). Management reiterated its target of becoming debt-free by FY27E.
- Within INTUNE, management has shifted focus from aggressive rollout toward improving unit economics, productivity, and inventory efficiency after a slower-than-expected initial ramp-up. Targeting new venture losses to halve from ~INR0.8b in FY26 in FY27, achieving breakeven by FY28E.
- SHOP's repositioning toward premium retail is driving improvement in productivity and customer metrics. However, medium-term growth visibility remains relatively moderate given calibrated store expansion.
- We raise our FY27/28E revenue and EBITDA estimates by 1–6%. However, continued losses in new ventures and structurally low margins in the core business are likely to keep overall profitability constrained.
- We value SHOP at 18x FY28E pre-IND AS EBITDA to arrive at our revised TP of INR370. We reiterate our Neutral rating on the stock.**

Premiumization holding up growth; margins disappoint

- Shoppers Stop's standalone revenue was up 9% YoY at INR11.2b (5% ahead of our est.), led by strong LFL growth in core departmental stores.
- Departmental store revenue grew 6% YoY, driven by robust 5% LFL growth. The full-year revenue surpassed INR50b with 4.7% LFL, the highest in 10 years.
- Premiumization continues to drive growth, with the premium mix growing 11% YoY (LFL 10% vs. 6%/14% in 3Q/2Q). Personnel shoppers reported INR12b in revenue, with contributions increasing 400p YoY.
- Beauty segment's (ex-distribution) revenue declined 7% YoY, while including distribution, revenue grew 17% YoY. On a full-year basis, Beauty (including distribution) rose 17% YoY, led by a spurt in distribution revenue (+81% YoY).
- Revenue from In-tune stood at INR670m (vs. INR770m QoQ, up 24% YoY) with presence expanding to 84 stores (vs. 81 QoQ). Full year up 46% YoY.
- Store additions were muted, with the store count remaining flat YoY at 295. It added a net of three departmental/INTUNE stores but closed beauty EBOs.

- The respective store count was: Departmental: 113 (4 opened, 1 closed), Beauty: 73 (7 closed), Intune: 84 (4 opened, 1 closed), and Home Stop: 12 (1 addition) for a total store count of 295.
- Gross profit inched up 2% YoY to INR4.6b (1% below our estimate) as gross margin contracted ~280bp YoY to 41.6%.
- Employee costs grew 10% YoY, while other expenses declined 4% YoY.
- EBITDA grew 5% YoY to INR1.8b (in line) with the margin at 15.9% (contracting ~65bp YoY, a 50bp miss), owing to lower gross margin.
- **Pre-Ind-AS operating profit** stood at INR270m (down 14% YoY), with margins at 2.2% (vs. 2.9% in 4QFY25).
- Depreciation and interest costs were up 15%/2% YoY. Other income declined 50% YoY, further hurting profitability.
- Reported loss stood at INR183m (vs. profit of INR25m YoY).

Full-year performance

- Standalone revenue grew 6% YoY to INR47b.
- Gross margin was hit, contracting 110bp to 40.2%.
- Employee costs were up 6%, while others grew 2% YoY.
- Better cost controls were partly offset by lower gross margin, leading to a 50bp dip in EBITDA margin to 15.3%; EBITDA was up 3% YoY to INR7.2b.
- Lease rentals grew 9% YoY to INR5.8b in FY26 to 11.4% of sales (up 27bp YoY).
- FY26 Pre-IND AS EBITDA stands at INR1.4b (vs. INR1.7b YoY) with margins at 2.7% vs. 3.5% in FY25.
- Depreciation grew by 9%, while finance costs declined by 11%.
- Adj. loss stood at INR275m (vs. INR67m profit in FY25).
- **Core WC** stood at (-)30 days (INR3.9b), down 50% YoY, owing to a dip in inventory days (down 10 days to 148). SHOP has repaid borrowings worth INR1.1b in FY26, taking the total debt to INR1.5b (on track to be debt-free by FY27).
- Despite lower profitability, WC optimization has led to a strong improvement in OCF (post-leases + interest) at INR2.7b (vs. INR247m YoY). Capex also declined 25% YoY to INR1.2b owing to a slow ramp-up in INTUNE stores, resulting in an FCFF generation of INR1.5b.

Segment performance

- **The core segment** reported INR12.8b revenue (4% YoY) with pre-IND AS EBITDA at INR500m (down 12% YoY) and a margin of 3.9% (down ~75bp on account of operating deleverage).
- **New Ventures** reported sales of INR720m (up 30% YoY), with a pre-IND AS EBITDA loss of (-) INR210m (increasing 11% YoY).
- *Segment-level EBITDA included other income.*

Highlights from the management commentary

- **Department stores** delivered 4.7% LFL growth in FY26, the highest in a decade, aided by improving customer traction, with LFL customer entry rising 4%. This marks the third consecutive quarter of positive customer entry growth, with momentum improving, supported by weddings, local travel, and resilient discretionary demand. However, inflationary pressures and potential supply-chain disruptions pose near-term risks.

- **Premiumization driving productivity:** Premium categories and non-apparel segments such as beauty (24% YoY in FY26), watches (16%), handbags (10%), and fragrances (12%) continued to outperform, supported by higher ASPs and improved customer engagement.
- **INTUNE** grew 46% YoY in FY26, with store count reaching 84 across 39 cities. Management has shifted focus from aggressive expansion toward improving unit economics through inventory rationalization (~INR370m reduction), lower discounting, and better assortment. Operating KPIs and LFL trends turned positive from Feb'26 onwards and sustained into Apr'26. Expansion will remain calibrated in 1HFY27, with management targeting new venture losses to halve in FY27 (vs INR0.8b in FY26) and achieve breakeven by FY28E.

Valuation and view

- SHOP's repositioning toward premium retail is driving improvements in productivity and customer metrics. However, medium-term growth visibility remains relatively moderate given calibrated store expansion and stabilization of INTUNE, where management has shifted focus from an aggressive rollout to improving unit economics and profitability.
- We raise our FY27/28E revenue and EBITDA estimates by 1–6%. However, continued losses in new ventures and structurally low margins in the core business are likely to keep overall profitability constrained.
- **We value SHOP at 18x FY28E pre-IND AS EBITDA to arrive at our revised TP of INR370. We reiterate our Neutral rating on the stock.**

Standalone - Quarterly earnings summary

Y/E March	(INR m)											
	FY25				FY26				FY25	FY26	FY26	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE	(%)	
Total Revenue from Operations	10,337	10,681	13,115	10,224	10,942	11,753	13,209	11,173	44,356	47,077	10,684	5
YoY Change (%)	5.3	4.2	8.7	2.3	5.9	10.0	0.7	9.3	5.3	6.1	-2.4	
Total Expenditure	8,916	9,213	10,715	8,530	9,280	10,113	11,111	9,393	37,374	39,897	8,928	5
EBITDA	1,421	1,468	2,399	1,694	1,662	1,640	2,097	1,780	6,982	7,179	1,756	1
EBITDA Margin (%)	13.7	13.7	18.3	16.6	15.2	14.0	15.9	15.9	15.7	15.3	16.4	(50)
Depreciation	1,167	1,214	1,293	1,243	1,282	1,326	1,310	1,425	4,916	5,343	1,289	10
Interest	604	638	647	691	718	710	702	705	2,579	2,835	722	-2
Other Income	35	97	223	174	100	95	239	86	530	519	149	-42
PBT before EO expense	-314	-286	682	-66	-238	-302	324	-263	16	-480	-107	-147
Extra-Ord expense	0	-21	0	21	0	0	-175	-13	0	-188	0	
PBT	-314	-307	682	-45	-238	-302	149	-250	16	-668	-107	-135
Tax	-89	-87	195	-70	-59	-75	23	-94	-52	-205	-27	
Rate (%)	28.4	28.3	28.5	154.5	24.9	24.9	15.5	37.4	-328.7	30.7	25.2	
Reported PAT	-225	-220	488	25	-179	-227	126	-157	67	-436	-80	-96
Adj PAT	-225	-199	488	4	-179	-227	301	-170	67	-275	-80	-113
YoY Change (%)	-250.7	-482.6	37.2	-91.2	-20.5	13.7	-38.3	-4,142.9	-88.9	-507.3	-55.4	

E: MOFSL Estimates

Valuation based on FY28E EV/EBITDA

	Methodology	Pre-IND AS EBITDA	Multiple	Fair Value (INR b)	Value/sh (INR)
Enterprise Value	EV/EBITDA	2.4	18	43	390
Less Net debt				2	20
Equity Value				41	370
Shares o/s (m)				110	
CMP (INR)					336
Upside (%)					10.3

Source: MOFSL, Company

Angel One

BSE SENSEX	S&P CNX
77,959	24,331

CMP: INR314

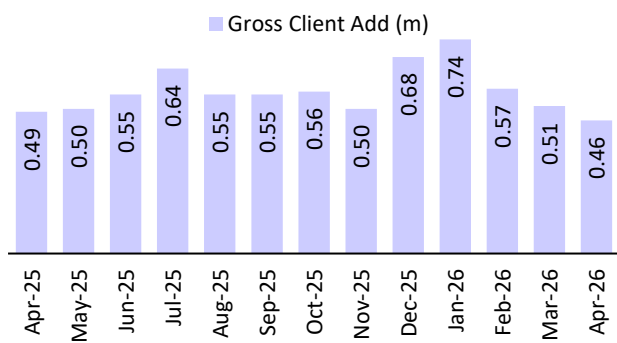
Market share rises MoM in F&O and Cash segments; MTF book declines MoM

Angel One (ANGELONE) released its key business numbers for Apr'26. Here are the key takeaways:

- ANGELONE's gross client acquisition at 0.46m declined 10% MoM in Apr'26 (-6% YoY), taking the total client base to ~37.8m.
- The average MTF book declined 4% MoM to ~INR53.1b (+36% YoY) in Apr'26.
- The number of orders declined 3% MoM to 135.8m for Apr'26 (up 27% YoY), and the order run rate declined 8% MoM to 6.8m (+21% YoY).
- Overall ADTO was up 5% MoM, led by 4% MoM growth in F&O ADTO and 36% MoM rise in cash ADTO. Commodity ADTO grew 19% MoM. Overall premium ADTO grew 17% MoM, while F&O premium ADTO declined 10% MoM.
- Based on the option premium turnover, the overall market share rose 80bp MoM to 20.5%, with F&O premium market share up 70bp MoM to 22.3%. Market share for the cash segment grew 190bp MoM to 17.9%, while the commodity segment market share declined 50bp MoM to 56.7%.
- The number of registered unique MF SIPs was down 2% MoM to ~0.58m in Apr'26 (up 3% YoY).

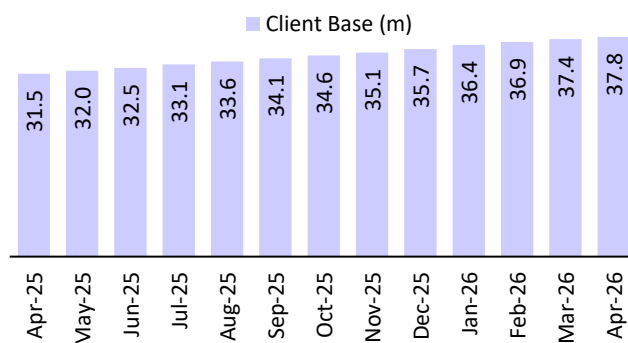
Key Metrics	Apr-25	Jun-25	Sep-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	% YoY	% MoM
No of Days	19	21	22	22	20	21	19	20		
Client Base (m)	31.5	32.5	34.1	35.7	36.4	36.9	37.4	37.8	20.0	1.1
Gross Client Add (m)	0.49	0.55	0.55	0.68	0.74	0.57	0.51	0.46	-6.1	-9.8
Avg MTF book (INR b)	39.1	47.1	55.5	58.4	61.2	59.3	55.1	53.1	35.8	-3.5
Orders (m)	106.6	115.0	127.6	129.0	146.7	144.0	140.0	135.8	27.3	-3.0
Per day orders (m)	5.6	5.5	5.8	5.9	7.3	6.9	7.4	6.8	21.0	-7.9
Unique MF SIPs registered (ln m)	0.56	0.74	0.79	0.77	0.87	0.67	0.59	0.58	2.9	-1.6
Angel's ADTO (INR b)										
Overall	36,957	34,995	48,183	53,374	64,075	55,743	49,957	52,210	41.3	4.5
F&O	36,024	34,020	46,712	51,542	62,451	54,130	48,032	49,917	38.6	3.9
Cash	71	85	76	67	80	78	69	94	32.4	36.2
Commodity	862	890	1,395	1,765	1,545	1,535	1,855	2,199	155.1	18.5
Angel's Premium T/O (INR b)										
Overall	1,067	1,102	1,594	1,959	1,790	1,777	2,109	2,459	130.5	16.6
F&O	134	126	123	128	165	164	184	166	23.9	-9.8
Retail T/o Market Share									bps YoY	bps MoM
Overall Equity - based on option premium T/O	19.6	19.6	20.6	20.4	20.6	20.8	19.7	20.5	90	80
F&O - based on option premium T/O	20.6	20.8	21.8	22.0	22.4	22.6	21.6	22.3	170	70
Cash	18.0	18.0	19.0	17.9	17.6	17.8	16.0	17.9	-10	190
Commodity	56.1	58.3	64.3	51.9	48.5	57.0	57.2	56.7	60	-50

Client addition run rate declined MoM in Apr'26



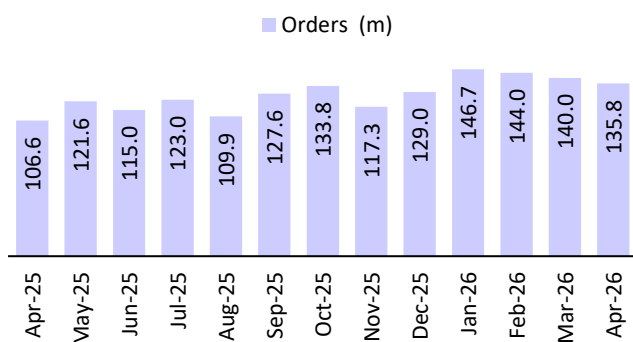
Source: MOFSL, Company

Total client base reached 37.8m in Apr'26



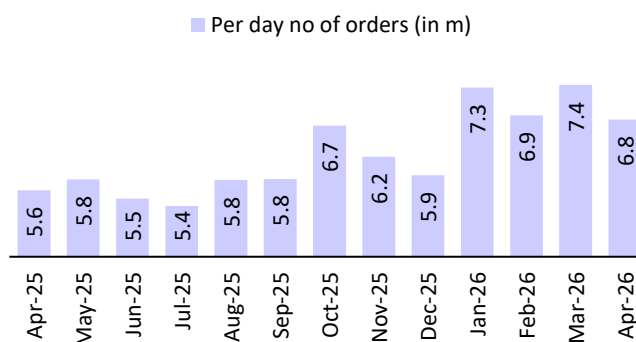
Source: MOFSL, Company

Total orders trend saw a sequential dip in Apr'26...



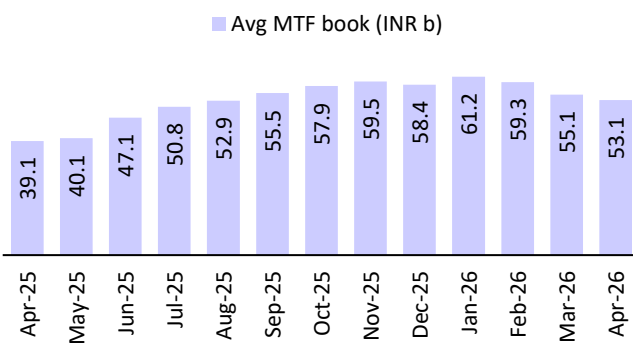
Source: MOFSL, Company

...as the order run rate declined in Apr'26



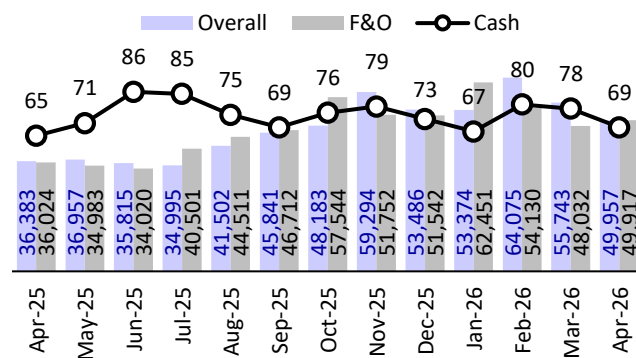
Source: MOFSL, Company

Client funding book declined MoM



Source: MOFSL, Company

ADTO trends (INR b)



Source: MOFSL, Company

Radico Khaitan

BSE SENSEX 77,959
S&P CNX 24,331

CMP: INR3,345

Buy

Conference Call Details



Date: 07th May 2026

Time: 4:00pm IST

Dial-in details:

[Diamond Pass](#)

[Registration](#)

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	60.5	68.8	77.6
Sales Gr. (%)	25	14	13
EBITDA	10.2	11.9	14.0
EBITDA Margin (%)	16.9	17.3	18.1
PAT	6.1	7.6	9.3
EPS (INR)	45.3	56.7	69.8
EPS Gr. (%)	76	25	23
BV/Sh. (INR)	242	288	344
Ratios			
RoE (%)	18.7	19.7	20.3
RoIC (%)	20.1	22.0	24.6
Payout (%)	8.8	20.0	20.0
Valuations			
P/E (x)	70.3	56.3	45.7
P/BV (x)	13.1	11.1	9.3
EV/EBITDA (x)	41.9	35.8	29.9
Sales	60.5	68.8	77.6

P&A volume above our est.; EBITDA up 60%

- Standalone net sales continued to report robust growth, rising 15% YoY to INR15b (est. INR15.8b) in 4QFY26.
- P&A volume grew 28% YoY to 4.4m cases (est: 4.1m). In contrast, overall IMFL volume grew 4% YoY (est. 8%).
- Regular portfolio volume declined 10% YoY to ~5m cases, while royalty cases were down 9% YoY to 0.4m. The regular volume dip was due to a higher base of 4QFY25, following the change in the route-to-market in Andhra Pradesh and the impact of the policy changes in Maharashtra and Karnataka.
- Non-IMFL revenue grew 21% YoY on a lower base of bulk alcohol sales in 4QFY25.
- Gross margin improved 450bp YoY (+150bp QoQ) to 48% (the highest in the last 20 quarters), backed by a relatively benign raw material scenario (RM benefit +225bp YoY) coupled with premiumization.
- Despite the West Asia crisis, RDCK remains confident of its margin expansion trajectory in FY27.
- Employee costs were up 15%, and other expenses rose 13% YoY, while S&D rose 10%. The management alluded to the fact that in 4QFY26, A&SP was 6.7% of IMFL sales compared to 7.6% in 4QFY25. The company expects to maintain A&SP spending around 6% to 8% of IMFL revenue.
- EBITDA margin improved 530bp YoY to 18.9% (the highest ever), benefitting from robust GM expansion.
- EBITDA jumped 60% YoY (est 50%).
- PBT/APAT grew 92%/93% YoY in 4QFY26.
- Revenue/EBITDA/APAT grew 25%/52%/76% YoY in FY26.
- The net debt has reduced to INR2.4b (from INR3.65b in 3QFY26), implying a reduction of INR3.3b since Mar'25. The company aspires to be net debt-free by 1HFY27.

Radico Khaitan (Standalone)

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
IMFL volume growth %	-4.1	-2.4	15.5	27.5	37.5	37.7	16.6	4.0	9.2	22.2	8.4	
P&A volume growth (%)	14.2	12.7	18.0	16.4	40.7	21.6	25.9	27.9	15.5	28.5	21.4	
Regular volume growth (%)	-14.0	-11.9	13.5	78.1	51.8	79.4	32.8	-10.2	13.3	31.0	0.9	
Total revenues	11,365	11,163	12,942	13,041	15,060	14,939	15,467	15,037	48,512	60,504	15,830	-5%
YoY change (%)	19.1	20.7	11.5	20.9	32.5	33.8	19.5	15.3	17.8	24.7	21.4	
Gross Profit	4,720	4,870	5,568	5,669	6,477	6,520	7,194	7,218	20,773	27,409	7,331	-2%
Margin (%)	41.5	43.6	43.0	43.5	43.0	43.6	46.5	48.0	42.8	45.3	46.3	
EBITDA	1,490	1,632	1,840	1,776	2,322	2,376	2,672	2,845	6,737	10,215	2,695	6%
Margins (%)	13.1	14.6	14.2	13.6	15.4	15.9	17.3	18.9	13.9	16.9	17.0	
EBITDA growth (%)	24.7	34.6	28.8	45.0	55.8	45.6	45.2	60.2	33.1	51.6	51.7	
Depreciation	329	357	356	360	363	374	372	422	1,401	1,530	387	
Interest	185	167	195	215	159	163	164	154	738	640	154	
Other income	37	11	11	14	47	24	26	58	49	154	29	
PBT	1,014	1,118	1,299	1,215	1,846	1,863	2,162	2,327	4,646	8,199	2,183	7%
Tax	251	297	339	308	443	474	515	576	1,194	2,008	590	
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.4	23.8	24.7	25.7	24.5	27.0	
Extraordinary inc/(Exp)	0	0	0	0	-70	0	-96	0	0	-166	0	
Reported PAT	763	822	960	907	1,473	1,390	1,742	1,752	3,452	6,356	1,594	10%
Adj. PAT	763	822	960	907	1,403	1,390	1,647	1,752	3,452	6,066	1,594	10%
YoY change (%)	20.7	32.8	30.0	59.7	83.9	69.1	71.6	93.1	35.0	75.7	75.7	

E: MOFSL Estimate

Key operational metrics

Revenue Split (Rs Mn)	Q4FY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
P&A	5,035	4,995	5,780	6,479	6,148	7,132	7,184	8,383	7,937
Regular	1,715	2,363	1,766	2,294	3,440	3,499	3,228	2,952	2,945
Royalty	124	96	93	158	104	65	62	62	104
IMFL	6,874	7,454	7,639	8,931	9,692	10,696	10,474	11,397	10,986
Non IMFL	3,912	3,911	3,523	4,011	3,349	4,364	4,465	4,070	4,050
Total	10,786	11,365	11,162	12,942	13,041	15,060	14,939	15,467	15,036

Rev Growth YoY (%)

P&A	16%	19%	18%	25%	22%	43%	24%	29%	29%
Regular	-21%	-15%	-12%	15%	101%	48%	83%	29%	-14%
Royalty	61%	25%	16%	58%	-16%	-32%	-33%	-61%	0%
IMFL	4%	6%	9%	22%	41%	43%	37%	28%	13%
Non IMFL	126%	57%	56%	-7%	-14%	12%	27%	1%	21%
Total	30%	19%	21%	11%	21%	33%	34%	20%	15%

IMFL Volume details (Mn Cases)

	Q4FY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Prestige & Above	2.9	2.7	3.2	3.7	3.4	3.8	3.9	4.6	4.4
Regular	3.0	3.6	2.8	3.5	5.3	5.4	5.0	4.7	4.8
Royalty	1.3	0.8	0.8	1.2	0.5	0.5	0.4	0.4	0.4
Total	7.2	7.1	6.8	8.4	9.1	9.7	9.4	9.8	9.5

Chg YoY (%)

Prestige & Above	15%	14%	13%	18%	16%	41%	22%	26%	28%
Regular	-22%	-14%	-12%	13%	78%	52%	79%	33%	-10%
Royalty	44%	-7%	-16%	14%	-65%	-40%	-46%	-63%	-9%
Total	-1%	-4%	-2%	15%	27%	37%	38%	17%	4%

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR1,807

Neutral

Conference Call Details



Date: 07th May 2026

Time: 12:00 pm

Dial-in details:

+91 22 6280 1102

+91 22 7115 8003

[Link for the call](#)

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	127.1	150.3	175.1
EBITDA	9.0	11.5	13.9
Adj PAT	5.6	7.1	9.0
EBITDA Margin (%)	7.1	7.6	7.9
EPS (INR)	27.3	34.8	43.9
EPS Gr. (%)	-3.5	27.2	26.3
BV/Sh (INR)	164.0	189.7	222.6
Ratios			
Net D/E	0.1	-0.0	-0.1
RoE (%)	16.7	18.3	19.7
RoCE (%)	15.9	17.6	19.0
Payout (%)	32.9	31.6	28.5
Valuations			
P/E (x)	68.3	53.7	42.5
P/BV (x)	11.4	9.8	8.4
EV/EBITDA (x)	43.0	33.4	27.3
Div Yield (%)	0.5	0.6	0.7
FCF Yield (%)	-1.2	1.9	1.4

Earnings beat; UCP segment margin above estimates

- Blue Star's 4QFY26 revenue grew ~1% YoY to INR40.7b (~7% miss), supported by ~7% YoY growth in PES, whereas EMPS/UCP revenue inched up ~1% YoY each (6%/8% below estimates). However, EBITDA increased ~17% YoY to INR3.3b (+9% vs. our estimate). OPM improved 1.1pp YoY to 8.0% (+1.2pp vs. our estimates). Adj. PAT was up ~11% YoY to INR2.1b (+27% vs. our estimates, aided by higher other income and lower than estimated ETR).
- RAC business was adversely impacted during the summer of 2025 due to unseasonal rains; however, demand recovered toward the end of the year, enabling the company to record its highest-ever quarterly revenue in 4QFY26. Additionally, strong growth in the Projects, Commercial Air Conditioning, and International Business segments helped to offset these external challenges and supported the company's overall performance for the year.
- We have a Neutral rating on the stock. However, we will review our assumptions after the concall on 07th May'26.

UCP revenue up ~1% YoY; UCP margin at 10.4% (vs. est. 7.8%)

- Consol. revenue/EBITDA/adj. PAT stood at INR40.7b/INR3.2b/INR2.1b (up 1%/17%/11% YoY and -7%/+9%/+27% vs. our estimates) in 4QFY26. Depreciation/interest costs increased ~36%/23% YoY, while 'other income' rose ~17% YoY.
- Segmental highlights: a) **UCP:** Revenue was up 1% YoY (8% below estimate) to INR19.9b in 4QFY26. EBIT surged ~26% YoY to INR2.1b and EBIT margin expanded 2.0pp YoY to 10.4% (+2.6pp above estimates) b) **EMPS:** Revenue rose 1% YoY to INR19.9b in 4QFY26. EBIT declined ~14% YoY to INR1.3b and PBIT margins contracted 1.2bp YoY to 6.5%. c) **PES:** Revenue grew ~7% YoY to INR972m in 4QFY26, led by industrial solutions business (automotive, steel sectors, and the data security solutions business maintained steady performance). PBIT increased ~63% YoY to INR143m. PBIT margins expanded 5.0pp YoY to 14.7%.
- In FY26, revenue/EBITDA/Adj. PAT stood at INR124.0b/INR9.3b/INR5.6b (+4%/+6%/-3% YoY). PES/UCP revenue declined 12%/5% YoY to INR3.1b/INR53.3b, whereas EMPS revenue increased ~13% YoY to INR67.6b. UCP/EMPS EBIT was -8%/+2% YoY to INR4.3b/INR5.0b, while EBIT margin contracted 25bp/75bp YoY to 8.2%/7.4%.

Key highlights of management commentary

- The Electro-Mechanical Projects and Commercial Air Conditioning businesses delivered steady growth, supported by demand from buildings, data centers, factories, and strong offtake from government, industrial, and retail segments, although office, education, and IT demand remained subdued. Growth in ducted systems and chillers remained strong, while VRF systems showed steady progress.

- In the Unitary Cooling Products segment, healthy 4QFY26 demand was driven by stronger March offtake and channel stocking ahead of summer. The company launched a new BEE-compliant RAC range across segments, while cost rationalization and lower discretionary spending supported margins. Commercial Refrigeration remained weak due to muted frozen food and QSR demand, though storage water coolers saw double-digit growth.
- In the Professional Electronics segment, Med-Tech performance remained weak due to regulatory uncertainty, while Industrial Solutions grew strongly, led by automotive and steel sectors, and Data Security Solutions remained stable.

Valuation and view

- The Electro-Mechanical Projects and Commercial Air Conditioning businesses saw steady growth, supported by demand from buildings, data centres, factories, and government segments, while office and IT demand remained weak. In UCP, stronger summer stocking, new BEE-compliant RAC launches, and cost optimization supported performance and margins, though Commercial Refrigeration remained subdued. In Professional Electronics, Med-Tech stayed weak due to regulatory uncertainty, while Industrial Solutions grew strongly and Data Security Solutions remained stable.
- **We have a Neutral rating on the stock.** However, we will review our assumptions following the concall on 07th May'26 ([Concall Link](#)).

Quarterly performance (Consolidated)

	(INR m)											
	FY25				FY26				FY25	FY26	FY26	Var.
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Sales	28,654	22,760	28,074	40,190	29,823	24,224	29,253	40,721	1,19,677	1,24,020	43,762	-7
Change (%)	28.7	20.4	25.3	20.8	4.1	6.4	4.2	1.3	23.6	3.6	8.9	
EBITDA	2,378	1,493	2,094	2,794	2,000	1,834	2,207	3,263	8,759	9,304	2,981	9
Change (%)	64.0	21.7	34.8	15.5	-15.9	22.8	5.4	16.8	31.7	6.2	6.7	
As of % Sales	8.3	6.6	7.5	7.0	6.7	7.6	7.5	8.0	7.3	7.5	6.8	120
Depreciation	280	300	350	354	414	434	459	482	1,284	1,788	469	3
Interest	76	65	159	188	101	169	221	231	488	721	234	-2
Other Income/JV share	239	182	80	236	147	90	112	276	737	625	125	121
Extra-ordinary Items	2,260	1,311	1,665	2,488	1,632	1,322	1,640	2,826	7,724	7,419	2,402	18
PBT	573	350	465	548	424	334	271	729	1,937	1,758	703	4
Tax	25.3	26.7	27.9	22.0	26.0	25.3	16.5	25.8	25.1	23.7	29.3	
Effective Tax Rate (%)	0	0	125	0	0	0	-564	175	125	-388	0	
MI/Share of profit from JV	1	1	1	-4	1	2	1	-1	0	4	-7	
Reported PAT	1,688	962	1,326	1,936	1,210	990	807	2,271	5,912	5,277	1,692	34
Change (%)	102.6	36.1	32.1	20.6	-28.4	2.9	-39.2	17.3	42.5	-10.8	-12.6	
Adj PAT	1,688	962	1,232	1,936	1,210	990	1,277	2,141	5,818	5,617	1,692	27
Change (%)	102.6	36.1	22.7	20.6	-28.4	2.9	3.7	10.5	40.2	-3.5	-12.6	

Segment wise details

	(INR M)											
Description	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26	4QE	Var
EMP & Services	10,390	14,284	15,624	19,682	14,125	16,642	16,962	19,899	59,980	67,628	21,219	-6
Engineering products and services	969	805	806	906	704	644	749	972	3,486	3,068	866	12
Unitary cooling business	17,295	7,670	11,644	19,602	14,994	6,938	11,542	19,850	56,211	53,324	21,676	-8
Total	28,654	22,760	28,074	40,190	29,823	24,224	29,253	40,721	1,19,677	1,24,020	43,762	-7
PBIT												
EMP & Services	1,030	1,192	1,187	1,499	1,116	1,471	1,147	1,285	4,909	5,019	1,437	-11
Engineering products and services	96	52	62	88	76	62	68	143	297	349	90	58
Unitary cooling business	1,580	539	948	1,645	875	427	977	2,070	4,713	4,348	1,692	22
Total PBIT	2,707	1,783	2,197	3,232	2,067	1,960	2,191	3,497	9,919	9,716	3,219	9
Segment PBIT (%)												
EMP & Services (%)	9.9	8.3	7.6	7.6	7.9	8.8	6.8	6.5	8.2	7.4	6.8	-31
Engineering products and services (%)	9.9	6.4	7.7	9.7	10.8	9.6	9.1	14.7	8.5	11.4	10.4	429
Unitary cooling business (%)	9.1	7.0	8.1	8.4	5.8	6.2	8.5	10.4	8.4	8.2	7.8	262
Total PBIT (%)	9.4	7.8	7.8	8.0	6.9	8.1	7.5	8.6	8.3	7.8	7.4	123

Brigade Enterprises

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR809

Buy

Conference Call Details



Date: 7 May 2026

Time: 14:30 IST

Dial-in details:

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=7843965&linkSecurityString=3ff254e8ae>

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	57.0	90.5	94.4
EBITDA	14.3	22.3	22.9
EBITDA (%)	25.1	24.6	24.2
PAT	6.6	12.7	13.3
EPS (INR)	26.9	52.0	54.2
EPS Gr. (%)	(4.1)	93.2	4.3
BV/Sh. (INR)	278.8	328.8	381.0

Ratios

RoE (%)	10.6	17.1	15.3
RoCE (%)	8.9	11.7	11.3
Payout (%)	7.6	3.8	3.7

Valuations

P/E (x)	30	16	15
P/BV (x)	2.9	2.5	2.1
EV/EBITDA (x)	16.3	9.7	8.8
Div yld (%)	0.2	0.2	0.2

Lack of notable launches drags FY26 presales

Steady launch pipeline to drive presales recovery

- In 4QFY26, BRGD's presales were up 3% YoY to INR25.2b (6.7% below estimates). Volumes stood at 2msf, down 4% YoY. BRGD launched 7 residential projects with a TDA of 4msf in 4Q across Chennai, Bengaluru, and Hyderabad.
- In FY26, presales were down 5% YoY at INR74b, while volumes were down 13% YoY to 6.1msf. Overall, in the year, the company launched 12 residential projects with a TDA of 8.3msf across Bengaluru, Hyderabad, and Chennai. In FY26, the company acquired two projects in Chennai with a GDV of INR26b – 1) a prime land parcel on Velachery Road for premium residential development with a total potential of 0.8msf, resulting in a GDV of INR16b; BRGD acquired this land at a cost of INR4.4b; 2) a JDA in west Chennai for 6.6-acre land with a GDV of INR10b.
- BRGD plans to launch ~11.59msf in the next four quarters across Bangalore (6 projects), Chennai (3 projects), Hyderabad (2 projects), and Mysuru (3 projects).

Collections and cash flow

- Consolidated collections rose 3% YoY to INR19.9b. CFO stood at INR3.8b, down 35% YoY due to a rise in construction costs. In FY26, collections stood at INR75b, up 3% YoY, while CFO was down 34% YoY to INR14.1b.
- Gross debt rose by INR7.3b to INR52.3b, while net debt rose to INR23b (INR4b increase QoQ). Its net debt-to-equity stood at 0.3x by 4Q end (vs 0.2x in 3QFY26); the cost of debt declined to 7.57%.

Leasing and hospitality continue to perform well

- **Leasing:** In FY26, leasing revenue grew 10% YoY to INR13b while EBITDA stood at INR7.3b with a margin of 56%. Retail footfalls increased by 7% YoY with 18% YoY growth in consumption. Portfolio occupancy stood at 88%. 4.51msf of area is to be launched in the next four quarters.
- **Hospitality:** In FY26, BHVL reported revenue growth of 13% YoY to INR6b, while EBITDA stood at INR2.1, up 11% YoY.
- 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 agreement with Marriott International.

Financial performance

- In 4QFY26, revenue was flat YoY to INR14.6b. EBITDA stood at INR3.6b, down 12% YoY. EBITDA margin came in at 25%. Adj. PAT was at INR1.4b, down 43% YoY, clocking a margin of 9.6%.
- In FY26, revenue rose 12% YoY to INR57b. EBITDA was flat YoY to INR14.3b with margins at 25%, while adj. PAT dipped 4% YoY to INR6.6b with a margin at 11.6%.
- The Board has recommended a bonus issue of 1:3, i.e., one bonus share of INR10 each for every three equity shares held by the shareholders as on the record date, subject to the approval of the members of the company.

Quarterly performance

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Gross Sales	10,777	10,722	14,639	14,604	12,811	13,834	15,751	14,576	50,742	56,972
YoY Change (%)	64.8	-21.5	24.7	-14.2	18.9	29.0	7.6	-0.2	3.6	12.3
Total Expenditure	7,851	7,802	10,502	10,444	9,575	10,553	11,642	10,929	36,600	42,699
EBITDA	2,926	2,919	4,137	4,160	3,237	3,281	4,109	3,647	14,142	14,273
Margins (%)	27.1	27.2	28.3	28.5	25.3	23.7	26.1	25.0	27.9	25.1
Depreciation	679	689	763	756	756	765	801	802	2,888	3,124
Interest	1,519	1,226	1,143	1,066	1,056	1,023	899	1,117	4,955	4,094
Other Income	357	660	657	719	517	465	481	655	2,393	2,118
PBT before EO expense	1,084	1,664	2,888	3,057	1,941	1,958	2,890	2,384	8,693	9,173
Extra-Ord expense	0	0	0	0	0	0	191	-53	0	138
PBT	1,084	1,664	2,888	3,057	1,941	1,958	2,699	2,437	8,693	9,035
Tax	279	513	533	563	359	253	638	542	1,888	1,791
Rate (%)	25.7	30.8	18.5	18.4	18.5	12.9	23.6	22.2	21.6	18.9
MI & Profit/Loss of Asso. Cos.	-32	-39	-7	25	84	80	196	440	-53	800
Reported PAT	837	1,190	2,362	2,468	1,499	1,625	1,865	1,455	6,858	6,444
Adj PAT	837	1,190	2,362	2,468	1,499	1,625	2,056	1,402	6,858	6,582
YoY Change (%)	117.3	-10.9	221.5	19.8	79.0	36.6	-13.0	-43.2	51.9	-4.0
Margins (%)	7.8	11.1	16.1	16.9	11.7	11.7	13.1	9.6	13.5	11.6

E: MOFSL Estimates

Operational Performance

Pre Sales (msf)	1.2	1.7	2.2	2.0	1.0	1.9	1.3	2.0	7.0	6.1
Booking Value (INRb)	10.9	18.2	24.9	24.5	11.2	20.3	17.5	25.2	78.5	76.2
Avg rate/sf (INR)	9,442	10,838	11,364	12,083	11,768	10,705	13,158	12,928	11,132	12,400
Collections (INRb)	16.1	19.4	17.8	19.3	17.3	20.0	17.6	19.9	72.5	74.8

Source: MOFSL, Company Note: We will revisit our estimates after the concall

Aditya Birla Real Estate

BSE SENSEX 77,959
S&P CNX 24,331

CMP: INR1,550

Buy

Conference Call Details



Date: 7th May 2026

Time: 11:00 IST

Dial-in details:

+91-22 6280 1458 /

+91-22 7115 8846

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	4.1	14.0	54.8
EBITDA	-3.6	3.7	17.1
EBITDA Margin (%)	-88.2	26.3	31.3
PAT	-0.8	0.7	11.0
EPS (INR)	-7.0	6.4	98.1
EPS Gr. (%)	110.5	-190.9	1434.0
BV/Sh. (INR)	331.3	370.6	465.6

Ratios

RoE (%)	-2.1	1.8	23.5
RoCE (%)	-3.0	3.3	12.5
Payout (%)	-27.0	7.1	3.1

Valuations

P/E (x)	-220.4	242.5	15.8
P/BV (x)	4.7	4.2	3.3
EV/EBITDA (x)	-60.0	44.1	9.5
Div yld (%)	0.2	0.2	0.2

In-line operational performance

Significant new launches support pre-sales

- ABREL reported presales of INR42.9b in 4QFY26 (down 25% YoY, in line) due to the launch of Niyaara Tower C (GDV of INR49b) being spilled over to FY27. Despite this, it managed to do overall presales of INR81.4b in the year, which was similar to last year. The company launched eight projects in FY26 – Birla Arika, Birla Pravaah, Birla Trimaya, Birla Evara, Birla Taranya, Birla Evam, Birla Punya, and Boisar, which supported this presales momentum.
- NCR saw INR34.5b in bookings, of which INR16.0b were in Birla Arika, with ~97% inventory sold within a month. Birla Pravaah clocked ~INR18.5b in bookings, with 100% sell-out within 24 hours. Birla Trimaya Phase 4 (~INR6.5b) and Birla Evara (~INR10.4b) drove strong Bengaluru performance, while Birla Taranya in Thane and Boisar Plotted development cumulatively recorded ~INR10.2b in bookings, supporting MMR traction. Additionally, Birla Punya phase 2 (INR2.5b) and Birla Evam supported strong absorption in Pune. Healthy sustenance sales came in from Birla Evara and Niyaara (INR6.3b).
- The launch pipeline for FY27 constitutes six projects (three in MMR, one in NCR, and two in Pune) with a combined GDV of INR96b. Beyond FY27, the company has eight projects in its pipeline with INR325.1b GDV, 75% of which is from Worli and Thane.
- The company also signed its first luxury redevelopment project in Khar, Mumbai (INR17b in GDV, with an area of 0.29msf).

Steady collections and cash flow visibility

In 4QFY26, collections stood at INR9.9b, down 7% YoY, while the OCF was INR3b, up 2.7x. Net debt stood at INR32b. In FY26. Collections were up 23% YoY to INR33b, while OCF stood at INR6b. ABREL has pending collections of INR166b and unsold inventory of INR73b; after accounting for INR142b of remaining project costs. This translates into a surplus cash flow potential of INR96b.

P&L highlights

- In 4QFY26, revenue was down 79% YoY to INR826m. The company reported an operating loss of INR1.6b vs. a loss of INR250m YoY. Adj. PAT stood at INR133m vs. a loss of INR70m YoY.
- In FY26, revenue was down 67% YoY at INR4.1b. EBITDA loss was at INR3.6b vs. EBITDA profit of INR295m YoY. Loss after tax stood at INR784m vs. a loss of INR373m YoY.

Quarterly performance
(INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	3,533	2,664	2,044	3,948	1,456	978	812	826	12,189	4,072
YoY Change (%)	-60.5	-75.9	-79.9	-64.2	-58.8	-63.3	-60.3	-79.1	10.7	-66.6
Total Expenditure	3,078	2,395	2,224	4,198	1,855	1,679	1,702	2,427	11,893	7,665
EBITDA	455	269	-180	-250	-399	-701	-891	-1,601	296	-3,593
Margins (%)	12.9	10.1	-8.8	-6.3	-27.4	-71.6	-109.7	-193.8	2.4	-88.2
Depreciation	161	157	161	158	155	157	178	185	638	675
Interest	110	155	78	115	71	177	190	206	458	644
Other Income	120	94	42	130	119	154	92	156	385	520
PBT before EO expense	304	51	-376	-393	-506	-882	-1,167	-1,836	-415	-4,392
Extra-Ord expense	0	0	0	1,240	0	0	223	25	1,240	248
PBT	304	51	-376	-1,633	-506	-882	-1,390	-1,861	-1,655	-4,640
Tax	125	64	-74	-419	-58	-187	-332	-813	-303	-1,390
Rate (%)	41.1	125.0	19.7	25.7	11.5	21.2	23.9	43.7	18.3	30.0
MI & Profit/Loss of Asso. Cos.	175	2	-18	14	9	16	-9	0	174	16
Reported PAT	78	26	-406	-1,310	-255	-157	-729	108	-1,613	-1,033
Adj PAT	78	26	-406	-70	-255	-157	-506	133	-373	-785
YoY Change (%)	-90.6	-83.1	-129.1	-105.1	-427.4	-710.1	24.6	-289.5	-173.8	110.5
Margins (%)	2.2	1.0	-19.9	-1.8	-17.5	-16.1	-62.3	16.1	-3.1	-19.3
Operational metrics										
Pre Sales (msf)	0.1	1.3	0.4	3.3	0.3	0.5	1.7	3.0	5.1	5.5
Booking Value (INRb)	2.6	14.1	6.8	57.4	4.2	8.9	25.4	42.9	80.9	81.4
Avg rate/sf (INR)	37,429	10,779	18,243	17,283	14,083	17,790	14,918	14,294	15,951	14,793
Collections (INRb)	4.9	6.4	5.0	10.7	5.5	5.1	12.9	9.9	27.1	33.4

Source: MOFSL, Company

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

HomeFirst Finance

BSE SENSEX
77,959

S&P CNX
24,331

Concall details:

Date: 7 May 2026

[Link for the call](#)

Time: 4 PM IST

Dial in: +91 22 6280 1382



Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	8.7	10.9	13.0
PPoP	7.6	9.0	10.6
PAT	5.4	6.4	7.5
EPS (INR)	51.8	62.3	73.2
EPS Gr. (%)	22.1	18.7	17.5
BV/Sh. (INR)	418	472	541
ABV/Sh. (INR)	403	454	519
Ratios			
NIM (%)	6.1	6.1	5.9
C/I ratio (%)	32.4	33.0	33.4
RoAA (%)	3.9	3.9	3.8
RoAE (%)	15.7	14.1	14.4
Valuations			
P/E (x)	23.7	15.4	13.1
P/BV (x)	2.9	2.0	1.8
P/ABV (x)	3.0	2.1	1.9
Div. yield (%)	0.3	0.5	0.5

CMP: INR1,225

Buy

Earnings in line; strong improvement in asset quality

NIM contracted ~10bp QoQ; 1+ dpd improved ~60bp QoQ

- HomeFirst's 4QFY26 PAT grew 43% YoY to INR1.5b (in line). PAT for FY26 grew ~41% YoY to INR5.4b. NII in 4QFY26 grew 37% YoY to INR2.4b (in line). Other income grew 37% YoY to INR730m (vs. MOFSLe of INR652m).
- Opex grew 23% YoY to INR984m (in line). PPop rose ~45% YoY to INR2.1b (in line). PPop for FY26 grew ~44% YoY to INR7.6b.
- Credit costs stood at INR158m (vs MOFSLe of ~INR135m), translating into annualized credit cost of ~50bp (PQ: ~47bp and PY: ~30bp).

Healthy AUM growth of ~25% YoY; BT-OUT rate declines YoY/QoQ

- Disbursements grew 24% YoY/19% QoQ to ~INR15.7b, leading to AUM growth of 25% YoY/6% QoQ to ~INR159b.
- BT-OUT rate (annualized) in 4QFY26 declined to ~6.4% (PQ: ~6.6% and PY ~7.5%).

Reported NIM contracts ~10bp QoQ, but spreads remain stable

- Reported yield declined ~20bp QoQ to ~13.1%, and CoF declined ~20bp QoQ to ~7.9%. Overall spreads remained stable QoQ at 5.2%.
- Incremental CoF and origination yield in 4QFY26 stood at 7.6% (PQ: 7.7%) and 13% (PQ: 13.1%), respectively. Reported NIM contracted ~10bp QoQ to 5.9%.

1+dpd improves ~60bp QoQ; bounce rates improve sequentially

- GS3 declined by ~20bp QoQ to 1.8%, and NS3 declined ~20bp QoQ to 1.4%. PCR improved ~2pp QoQ to ~24%.
- 1+dpd improved ~60bp QoQ to 4.7%. Bounce rates declined ~80bp QoQ to ~15.9% in 4QFY26 (v/s ~16.7% in 3QFY26). Apr'26 bounce rates came in at 16.3%.
- Capital adequacy stood at 44% (Tier 1: 43.8%) as of Mar'26.

Valuation and view

- HomeFirst reported a healthy quarter. AUM growth remained robust, indicating sustained business momentum. Yields compression was offset by a decline in CoB. The company managed balance transfers effectively, with BT-OUTs moderating to ~6.4% (from 6.6% in 3QFY26). Asset quality exhibited strong improvement, with 1+dpd declining ~60bp QoQ, and credit costs remained below 50bp.
- Going forward, it will be important to track loan growth guidance and analyze yield trends, particularly as incremental yields have moderated. It remains to be seen to what extent this moderation is driven by competitive pressures from banks. We might revise our estimates after the earnings call on 7th May'26.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26	4Q FY26E	Act V/s Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	3,032	3,322	3,558	3,629	3,944	4,091	4,288	4,317	13,540	16,640	4,493	-4
Interest expenses	1,568	1,756	1,926	1,903	2,003	2,026	1,941	1,953	7,153	7,923	2,044	-4
Net Interest Income	1,464	1,566	1,631	1,726	1,941	2,065	2,347	2,364	6,388	8,717	2,449	-3
YoY Growth (%)	17.5	18.6	21.4	26.2	32.6	31.8	43.9	37.0	21.0	36.5	41.9	
Other Income	382	421	517	533	609	699	549	730	1,852	2,587	652	12
Net Income	1,846	1,987	2,148	2,259	2,550	2,764	2,896	3,094	8,239	11,304	3,101	0
YoY Growth (%)	20.6	23.4	25.8	31.4	38.2	39.1	34.8	37.0	25.5	37.2	37.3	
Operating Expenses	655	726	752	803	868	879	926	984	2,936	3,658	971	1
Operating Profit	1,191	1,261	1,396	1,456	1,682	1,885	1,970	2,110	5,304	7,646	2,130	-1.0
YoY Growth (%)	21.9	20.7	27.2	28.3	41.2	49.5	41.1	44.9	24.7	44.2	46.3	
Provisions and Cont.	56	57	98	77	117	152	142	158	288	569	135	17
Profit before Tax	1,135	1,204	1,298	1,379	1,565	1,732	1,828	1,952	5,016	7,078	1,996	-2
Tax Provisions	258	281	324	332	376	414	426	457	1,195	1,674	493	-7
Net Profit	878	922	974	1,047	1,189	1,318	1,402	1,494	3,821	5,404	1,503	-1
YoY Growth (%)	27.0	24.1	23.5	25.4	35.5	43.0	44.0	42.7	25.0	41.4	43.6	
Key Operating Parameters (%)												
Other income to Net Income Ratio	20.7	21.2	24.1	23.6	23.9	25.3	18.9	23.6				
Credit Cost	0.26	0.25	0.40	0.30	0.43	0.53	0.47	0.50				
Cost to Income Ratio	35.5	36.5	35.0	35.5	34.0	31.8	32.0	31.8				
Tax Rate	22.7	23.4	25.0	24.1	24.0	23.9	23.3	23.4				
Balance Sheet Parameters												
AUM (INR b)	104.8	112.3	119.5	127.1	134.8	141.8	149.2	158.8				
Change YoY (%)	34.7	34.2	32.6	31.1	28.6	26.3	24.9	24.9				
Loans (INR b)	87.9	94.5	100.6	106.5	112.5	118.1	123.5	131.3				
Change YoY (%)	34.9	34.5	33.3	30.8	27.9	25.0	22.7	23.3				
Borrowings (INR b)	95.1	105.9	110.4	115.6	118.5	119.7	124.5	132.8				
Change YoY (%)	39.4	45.4	33.8	31.4	24.6	13.1	12.8	14.9				
Loans/Borrowings (%)	92.5	89.2	91.2	92.1	95.0	98.6	99.2	98.9				
Asset Quality Parameters (%)												
GS 3 (INR m)	1,540	1,640	1,770	1,808	2,082	2,297	2,551					
Gross Stage 3 (% on Assets)	1.74	1.72	1.74	1.68	1.84	1.93	2.05					
NS 3 (INR m)	1,116	1,202	1,319	1,353	1,623	1,815	1,990					
Net Stage 3 (% on Assets)	1.26	1.26	1.30	1.26	1.43	1.53	1.60					
PCR (%)	27.5	26.7	25.5	25.2	22.0	21.0	22.0					
ECL (%)	0.83	0.80	0.80	0.77	0.77	0.77	0.81					
Return Ratios (%)												
ROAA (Rep)	3.6	3.4	3.4	3.5	3.7	3.8	4.0					
ROAE (Rep)	16.3	16.5	16.6	17.0	14.9	13.4	13.7					

E: MOFSL Estimates

Avalon Technologies

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR1151

Buy

Conference Call Details



Date: 7th May, 2026

Time: 3:30pm IST

Dial-in details:

[Click Here](#)

Operating performance above our estimates

- Consolidated revenue grew 40% YoY to INR4.8b (est. INR4.5b).
- EBITDA margin contracted 30bp to 11.8% (est. 12.0%) largely due to a reduction in gross margin (contracted 80bp to 34.3% in 4QFY26), which was partially offset by a reduction in employee (down 50bp) and other expenses (down 100bp). EBITDA grew 38% YoY to INR569m (est. INR536m).
- The segment mix for Clean Energy/Mobility & Transportation/Industrials/Communication/Medical & Others stood at 22%/30%/32%/6%/10% in 4QFY26 compared to 20%/27%/30%/8%/15% in FY25.
- Adj. PAT grew 70% YoY to INR412m (est. INR365m).
- For FY26, the company's revenue/EBITDA/Adj PAT grew 46%/57%/78% to INR16b/INR1.7b/INR1.1b.
- Gross debt stood at INR2.1b vs. INR1.8b as of Mar'25. CFO stood at INR572m vs. INR251m as of Mar'25.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26	FY26E	Var
Gross Sales	1,995	2,750	2,809	3,428	3,233	3,825	4,175	4,799	10,981	16,032	4,456	8
YoY Change (%)	-15.2	36.8	31.1	58.1	62.1	39.1	48.7	40.0	26.6	46.0	30.0	
Total Expenditure	1,951	2,449	2,462	3,014	2,934	3,438	3,692	4,230	9,876	14,295	3,921	
EBITDA	44	301	346	414	299	386	483	569	1,105	1,737	536	6
Margins (%)	2.2	11.0	12.3	12.1	9.2	10.1	11.6	11.8	10.1	10.8	12.0	
Depreciation	66	69	74	77	85	89	79	83	286	336	85	
Interest	42	37	45	42	38	41	30	42	167	150	25	
Other Income	44	39	100	32	17	79	74	119	215	289	65	
PBT before EO expense	-20	234	327	326	193	336	448	563	867	1,540	491	
Extra-Ord expense	0	0	0	0	0	0	3	0	0	3	0	
PBT	-20	234	327	326	193	336	445	563	867	1,536	491	
Tax	3	60	87	83	51	86	119	151	233	407	125	
Rate (%)	-14.5	25.4	26.7	25.5	26.4	25.6	26.7	26.9	26.8	26.5	25.5	
Reported PAT	-23	175	240	243	142	250	326	412	634	1,129	365	
Adj PAT	-23	175	240	243	142	250	328	412	634	1,132	365	13
YoY Change (%)	NA	140.1	264.7	243.8	NA	42.9	36.9	69.5	126.7	78.4	50.5	
Margins (%)	-1.2	6.4	8.5	7.1	4.4	6.5	7.9	8.6	5.8	7.1	8.2	

Arvind Fashions

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR477

Buy

Conference Call Details



Date: 7th May 2026

Time: 14:30pm IST

Y/E March	FY26	FY27E	FY28E
Sales	52.5	59.2	66.0
EBITDA	7.0	8.4	9.4
Adj. PAT	1.0	1.7	2.1
EBITDA Margin (%)	13.3	14.2	14.3
Adj. EPS (INR)	7.3	12.6	15.6
EPS Gr. (%)	NM	72.1	23.9
BV/Sh. (INR)	94.8	103.0	115.3
Ratios			
Net D:E	0.1	0.0	-0.1
RoE (%)	8.1	12.8	14.3
RoCE (%)	21.9	26.0	27.7
Valuations			
P/E (x)	65.1	37.8	30.5
EV/EBITDA (x)	9.3	7.6	6.5
EV/Sales (X)	1.2	1.1	0.9

Growth momentum remains strong; inventory build-up weighs on cash flows

- **Arvind Fashions (AFL) reported 15% YoY revenue growth to INR13.7b in 4QFY26, reflecting consistent traction across channels.**
 - Retail channel led the performance with 7.8% SSSG and 15% YoY revenue growth, driven by continued investments in brand building and store productivity.
 - Store additions remained modest at three stores (30k sqft, net area up 12% YoY), taking the total EBO count to 1,025 and 1.34mn sqft.
 - Online B2C sales accelerated further by ~46% to INR1.9b, accounting for ~14% of total revenue, underscoring the success of AFL's digital-first strategy.
 - Online B2B, however, declined by 3% YoY.
 - Wholesale/B2B channels delivered a healthy growth of 11% YoY.
 - Full-year FY26 growth stood at 14%, with retail up 14% YoY (on 8.1% LFL and 12% area additions), wholesale up 14%, online B2C up 45%, and online B2B flat.
- **Margin expansion driven by operating leverage**
 - Gross margins expanded by a modest 20bp to 54.1% (10bp below est).
 - Employee costs grew by 18%, while other costs rose 13%.
 - EBITDA grew by 19% YoY to INR1.9b (in line), with margins at 13.9% (up 51bp).
 - For FY26, gross margins expanded 90bp YoY to 54.4%, while EBITDA margins expanded 35bp to 13.4%, driving 17% EBITDA growth.
 - Pre-IND AS EBITDA stood at INR4.5b (up 21% YoY), with margins at 8.4% (up 50bp).
 - Depreciation/Finance costs increased by 15%/16% YoY.
 - Other income was down 35% YoY to INR73m.
 - Attributable PAT stood at INR474m (vs. loss of INR45m YoY).
 - Full-year PAT doubled YoY to INR1.2b.
 - PVH Arvind, a joint venture, contributed INR194m in minority interest, down 6% YoY (INR611m in FY26, down 11%).
- **Cashflows and WC**
 - AFL has seen inventory build up to 96 days (vs. 85 YoY) due to early inwards of merchandise. Inventory grew by 29% YoY (vs. 14% revenue growth).
 - Nevertheless, this was offset by a similar increase in payables (up 3 days and 18% YoY) and lower receivables (down 5 days).
 - Thus, CWC days stood at 52 (vs. 50 YoY). CWC in absolute terms stood at INR7.5b (up 18% YoY).
 - High profitability was offset by an increase in WC, leading to a 50% decline in pre-IND AS CFO to INR1.4b (vs. INR2.9b in FY25). FCFE stood at INR290m (vs. INR2b).
 - AFL has paid INR1.4b for the Flying Machine acquisition from Flipkart, leading to a slight buildup in debt.
 - Net borrowings stood at INR4.7b (vs. INR2.3b YoY).

Consolidated Quarterly	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s est (%)
Revenue	11,891	13,766	13,648	14.8	-0.9	13,437	1.6
Raw Material cost	5,484	6,134	6,268	14.3	2.2	6,160	1.8
Gross Profit	6,406	7,632	7,380	15.2	-3.3	7,277	1.4
Gross Margin (%)	53.9	55.4	54.1	19bps	-137bps	54.2	-8bps
Employee Costs	694	819	820	18.2	0.2	829	-1.0
Other Expenses	4,125	4,865	4,668	13.2	-4.0	4,611	1.2
Total Expenses	4,820	5,684	5,489	13.9	-3.4	5,440	0.9
EBITDA	1,587	1,948	1,891	19.2	-3.0	1,837	2.9
Margin (%)	13.3	14.2	13.9	51bps	-30bps	13.7	18bps
Depreciation	648	748	751	15.8	0.3	901	-16.7
EBIT	939	1,200	1,140	21.5	-5.0	936	21.8
EBIT margin (%)	7.9	8.7	8.4	46bps	-36bps	7.0	139bps
Finance Costs	388	434	449	15.7	3.6	427	5.2
Other income	113	59	73	-35.2	24.6	63	16.2
Exceptional item	883	-290	57				
Profit before Tax	664	825	764	15.2	-7.4	572	33.5
Tax	1,385	172	154	-88.9	-10.4	144	6.6
Tax rate (%)	208.8	20.8	20.1	NA	-67bps	25.2	-509bps
Adj PAT	-722	654	611	-184.6	-6.6	428	42.6
Adj PAT margin (%)	-6.1	4.8	4.5	NM	-28bps	3.2	129bps
Attributable PAT	-45	258	474	NM	83.4	213	122.9
Adj PAT margin (%)	-0.4	1.9	3.5	385bps	159bps	1.6	189bps

Raymond Lifestyle

BSE SENSEX
77,959

S&P CNX
24,331

CMP: INR828

Buy

Conference Call Details



Date: 07th May 2026

Time: 16:00 IST

Financial Snapshot

Y/E March	FY26E	FY27E	FY28E
Net Sales	68.6	74.2	80.1
EBITDA	7.2	8.8	10.0
NP	2.2	3.5	4.3
EPS (INR)	35.5	57.3	70.9

Ratios

RoE (%)	4.9	7.5	8.6
RoCE (%)	8.2	11.0	12.0

Valuations

P/E (x)	23.3	14.4	11.7
P/BV (x)	0.5	0.5	0.5
EV/EBITDA	7.7	6.3	5.5

Sharp profitability miss on higher opex and write-offs

- Raymond Lifestyle's (RLL) consolidated revenue rose 19% YoY to INR17.7b (2% ahead of our estimates).
- Base quarter was adversely impacted by a cyberattack and hence not comparable.
- RLL closed net 22 stores in 4Q (35 net closures in FY26), bringing the total retail store network to 1,653 stores.
- During FY26, the company opened 89 stores but closed 124 stores.
- Gross profit grew 16% YoY to INR7.2b (in line). Gross margins contracted ~115bp YoY to 40.6% (125bp miss).
- EBITDA stood at INR1.2b (33% miss) due to lower GMs and higher opex/brand investments.
- EBITDA margin stood at ~6.7% YoY (vs. our estimate of 10.1%).
- Overall, pre-IND AS EBITDA for FY26 stood at INR4.2b (up 56% YoY) with margins at 6.2% (vs. 4.4% in FY25).
- Depreciation and amortization grew 8% YoY (in line), while finance costs rose 4% YoY (4% below).
- The company reported a loss allowance of INR700m related to apparel business, leading to a PAT loss of INR521m (vs. our est. of INR565m profit).

Segmental performance

- **Branded Textile:** Revenue at INR8.3b (13% miss) grew ~14% YoY, led by strong volume growth and premiumization. EBITDA stood at INR1.2b (37% miss) with margins at 13.9% (vs. our est. of 19.1%).
 - For full-year FY26, branded textiles revenue rose 14% YoY to INR34.3b and EBITDA stood at INR6.1b, up 46% YoY, with margins at 17.8%.
- **Branded Apparel:** Revenue at INR4.7b (10% ahead) grew 20% YoY, with broad-based growth across all brands and key channels. EBITDA came in modest at INR183m (12% beat). Margins remained weak at 3.9%, due to increased marketing sales and lower sales from new stores.
 - FY26 revenue stood at INR18.1b (up 14% YoY) and EBITDA fell 17% YoY to INR9.8b. EBITDA margins stood at 5.4% (vs. 7.4% YoY).
- **Garmenting:** Revenue at INR3.4b grew 38% YoY (45% beat). Segment reported EBITDA of INR140m (vs. ~INR110m profit QoQ) on account of demand recovery after the US trade deal.
 - FY26 revenue stood at INR10.7b (flat YoY) owing to tariff-related uncertainties. EBITDA declined 38% YoY to INR317m.
- **High-value cotton shirting (HVCS):** Revenue at INR1.9b (7% miss) rose ~6% YoY. However, EBITDA (adj for one-time subsidy in 4QFY25) doubled YoY to INR195m (vs. est of INR235m), as margins expanded ~550bp YoY to 9.9%, driven by an improved product mix.
 - FY26 revenue stood at INR8.2b (flat YoY) and EBITDA grew 42% YoY to INR866m, with margins expanding 300bp YoY.

Balance Sheet and CF

- Core working capital days stood at 74 in FY26 (vs. 93/80 in 1HFY26/FY25). Inventory reduced by 4 days to 100 days (vs. 104 days in FY25). Receivables and payables declined by 4 days/2 days. In absolute terms, CWC stood at INR14b, flat YoY.
- OCF (adj for lease) stood at INR1.7b (vs. INR768m in FY25), aided by better profitability and lower WC needs. After incurring a capex of INR1.8b (vs. INR2.2b in FY25), FCFF outflow stood at INR59m (vs. INR1.4b outflow in FY25).
- RLL reported net cash of INR1.8b.

Consol P&L (INR m)	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Total Revenue	14,942	18,487	17,765	19	-4	17,487	2
Raw Material cost	8,698	10,187	10,544	21	4	10,163	4
Gross Profit	6,243	8,300	7,221	16	-13	7,323	-1
Gross margin (%)	41.8%	44.9%	40.6%	-113.9	-425.0	41.9%	-123.5
Employee Costs	2,249	2,387	2,218	-1	-7	2,464	-10
Other expenses	3,859	3,543	3,818	-1	8	3,101	23
EBITDA	135	2,369	1,185	775	-50	1,759	-33
EBITDA margin (%)	0.9%	12.8%	6.7%	576.5	-614.5	10.1%	-338.6
Depreciation and amortization	911	923	982	8	6	967	2
EBIT	-775	1,446	203	-126	-86	792	-74
EBIT margin (%)	-0.1	7.8%	1.1%	NM	NM	4.5%	-3.4
Finance Costs	534	603	553	4	-8	577	-4
Other income	856	341	339	-60	-1	451	-25
Exceptional item	-20	-568	-670	NM	NM	0	NM
Profit before Tax	-473	615	-682	44	-211	666	-202
Tax	-23	187	-161	588	-186	101	-259
Tax rate (%)	4.9%	30.3%	23.6%	377.6	-22.1	15.2%	55.6
Profit after Tax	-450	429	-521	16	-221	565	-192
Adj Profit after Tax	-430	997	150	-135	-85	565	-73

Segment Revenue	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Branded Textile	7,274	9,513	8,305	14%	-13%	9,582	-13%
Branded Apparel	3,912	4,817	4,694	20%	-3%	4,259	10%
Garmenting	2,480	2,576	3,417	38%	33%	2,377	44%
HVCS	1,847	2,045	1,966	6%	-4%	2,107	-7%
Consolidated Revenue	14,942	18,487	17,765	19%	-4%	17,487	2%
Elimination	571	463	618			837	

Segment EBITDA	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Branded Textile	509	2,074	1,154	127%	-44%	1,833	-37%
Branded Apparel	16	352	183	1070%	-48%	163	12%
Garmenting	-72	108	140	-295%	30%	16	800%
HVCS	81	227	195	140%	-14%	235	-17%
Consolidated EBITDA	135	2,369	1,185	775%	-50%	1,759	-33%
Elimination	399	391	487			488	

Segment EBITDA Margin	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Branded Textile	7.0	21.8	13.9	690	-790	19.1	-523
Branded Apparel	0.4	7.3	3.9	350	-340	3.8	7
Garmenting	-2.9	4.2	4.1	700	-10	0.7	344
HVCS	4.4	11.1	9.9	550	-120	11.2	-126
Consolidated EBITDA	0.9	12.8	6.7	576	-614	10.1	-339



Aadhaar Housing Finance : Growth Driven By Tier-2 & Tier-3 Markets; Rishi Anand, MD & CEO

- Aadhaar Housing crosses ₹30,000 crore AUM
- Targets ₹50,000 crore by FY29
- Asset quality improves, GNPA at 1.08%
- Tier 2/3 growth drives expansion

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M&M : moved to a multi-layered mitigation strategy spanning operations, sourcing and design; Anish Shah, CEO & MD

- M&M flags geopolitical risks to supply chains
- Identified high-risk components and commodities
- Increasing localisation, alternate sourcing strategies
- Building buffers, stronger monitoring systems

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Hero : 2W industry to grow high single digits despite West Asia crisis; Harshavardhan Chitale, CEO

- 2W industry sees high single-digit FY27 growth outlook
- FY26 volumes rose 10.7% to 21.7 million units
- Demand momentum remains strong, no softening yet
- E-commerce, gig economy support sustained volume growth

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