

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	77,928	0.4	-8.6
Nifty-50	24,317	0.3	-6.9
Nifty-M 100	62,642	-0.4	3.6
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	7,438	1.7	8.6
Nasdaq	25,122	2.8	8.1
FTSE 100	10,897	-0.1	9.7
DAX	25,612	0.6	4.6
Hang Seng	8,645	0.2	-3.0
Nikkei 225	61,867	0.7	22.9
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	91	0.0	46.0
Gold (\$/OZ)	4,080	0.3	-5.5
Cu (US\$/MT)	13,605	0.0	9.2
Almn (US\$/MT)	3,217	0.0	8.4
Currency	Close	Chg .%	CYTD.%
USD/INR	95.7	0.0	6.5
USD/EUR	1.1	0.1	-2.3
USD/JPY	162.8	-0.4	3.9
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.8	0.01	0.2
Flows (USD b)	30-Jul	MTD	CYTD
FII's	0.38	2.19	-27.2
DII's	-0.19	3.23	53.5
Volumes (INRb)	30-Jul	MTD*	YTD*
Cash	1,365	1298	1361
F&O	82,422	2,17,645	2,64,744

Note: Flows, MTD includes provisional numbers.

*Average

Today's top research idea

Bajaj Finance: Firing on all cylinders; a new earnings cycle begins; Upgrade to Buy

- ❖ Bajaj Finance has moved beyond the earnings normalization phase and is entering a period of structurally higher earnings growth. Our investment thesis is predicated on three structural pillars, 1) The credit cycle has turned which will enable lower credit costs and higher earnings, 2) multiple growth engines (core lending, digital ecosystem, gold loans, new businesses for BAF) are firing simultaneously and 3) duration and magnitude of this new earnings call, leaves room for both earnings upgrades and valuation support.
- ❖ We raise our FY27/FY28 EPS estimates by 4%/2% to factor in higher AUM growth, higher non-interest income and lower credit costs. We model PAT CAGR of ~30% over FY26-FY28E and RoA/RoE of 4.2%/21.4% in FY28E.
- ❖ Upgrade our rating on BAF to BUY with a TP of INR1,300, implying a 23% upside.



Research covered

Cos/Sector Key Highlights

Bajaj Finance Firing on all cylinders; a new earnings cycle begins; Upgrade to Buy

India Strategy Ownership analysis – DII dominance deepens!

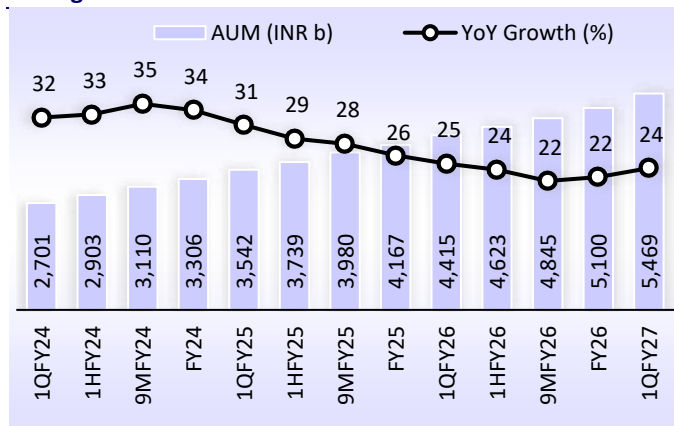
Other Updates

M&M | Torrent Pharma | Hyundai Motor | Vedanta Alum. Metal | Mankind Pharma | Vedanta | Swiggy | Prestige Estates | Ajanta Pharma | Premier Energies | Balkrishna Inds | Hexaware Tech. | Star Health Ins. | Craftsman Auto | Syrma SGS Tech | Acme Solar Holdings | Piramal Pharma | IRB Infra. Devl. | MTAR Tech. | Amara Raja | Niva Bupa Health | TBO Tek | Zensar Tech. | Westlife Food | GNG Electronics | MAS Fin. Ser. | Indostar Capital | Go Fashion | Economy - Macro Cap | Tata Steel | Thermax | Global Health | Exide Inds. | Nuvama Wealth | LIC Housing Fin. | Data Pattern | Vardhman Textile | NSDL | Privi Speci. | L T Foods | Indegene | Mahanagar Gas | TCI Express



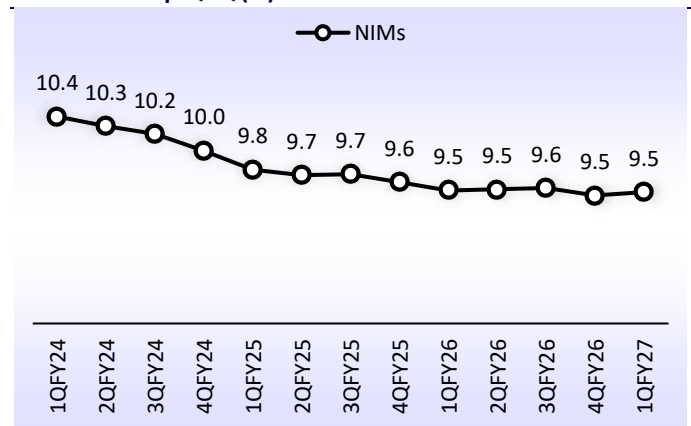
Chart of the Day: Bajaj Finance (Firing on all cylinders; Upgrade to Buy)

AUM grew ~24% YoY



Source: MOFSL, Company

NIMs rose ~3bp QoQ (%)



Source: MOFSL, Company; Note: Data as of 1QFY27

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

Astra Microwave bags ₹2,205 crore HAL order for Uttam Radar programme

Astra Microwave Products has secured a ₹2,205.23 crore order from Hindustan Aeronautics Ltd (HAL), a Ministry of Defence enterprise, for the supply of equipment for the Uttam Radar programme.

2

NMDC scouts Argentina's copper belt as critical minerals push gathers pace

State-run mining major NMDC has stepped up its overseas push for critical minerals by scouting copper-rich regions of Argentina and holding discussions with authorities across six mineral-rich provinces to explore future partnerships in copper, lithium, rare earth elements

3

HFCL bags fresh order for optical fibre cable exports worth ₹441 crore

HFCL on Thursday said it has bagged a fresh order for optical fibre cable exports worth USD 46.13 million, about ₹441.53 crore. The order has to be executed by January 2027

4

Flipkart pushes deeper into consumer lending with Pay Later service

Flipkart Group has teamed up with PayU Finance to roll out Flipkart Pay Later, a checkout-embedded credit product across Flipkart, Myntra and Flipkart Minutes, as the e-commerce giant deepens its push into consumer lending.

5

Avaada gets ₹12,800-cr loan to fund projects in Gujarat and Maharashtra

Avaada Group secured ₹12,800 crore financing from three major lenders. This funding will support 2.15 GW of renewable energy projects in Gujarat and Maharashtra. These new projects will commence commercial operations starting March 2027. The financing covers hybrid renewable energy and solar capacity developments. The loans have an aggregate tenure of 21.5 years.

6

Bosch Home to start AC exports from India in two years: CEO & President Jan Brockmann

Bosch Home Comfort Group will begin India exports within two years, aiming for global manufacturing. The company is investing eighty million dollars to expand its Indian manufacturing capacity significantly.

7

SEBI clears ₹1,491 crore settlement in NSE co-location, dark fibre cases

The Securities and Exchange Board of India (SEBI) has given its in-principle approval to settle the National Stock Exchange's long-running co-location and dark fibre matters for ₹1,491.21 crore, bringing the exchange closer to resolving two of its biggest legacy regulatory cases.

Bajaj Finance

Estimate change



TP change



Rating change



Bloomberg	BAF IN
Equity Shares (m)	6226
M.Cap.(INRb)/(USDb)	6559 / 68.6
52-Week Range (INR)	1102 / 787
1, 6, 12 Rel. Per (%)	3/17/21
12M Avg Val (INR M)	8408

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Net Income	533	654	801
PPP	355	438	540
PAT	193	265	327
EPS (INR)	31	43	53
EPS Gr. (%)	15	37	24
BV/Sh. (INR)	188	224	268

Ratios

NIM (%)	9.7	9.6	9.4
C/I ratio (%)	33.3	33.0	32.5
RoA (%)	3.8	4.2	4.2
RoE (%)	18.1	20.7	21.4
Payout (%)	20.7	16.5	16.2

Valuations

P/E (x)	34.0	24.8	20.1
P/BV (x)	5.6	4.7	3.9
Div. Yield (%)	0.6	0.7	0.8

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	54.7	54.7	54.7
DII	16.4	15.2	14.6
FII	20.3	21.4	21.7
Others	8.6	8.7	8.9

FII includes depository receipts

CMP: INR1,054 TP: INR1,300 (+23%)
Upgrade to Buy

Firing on all cylinders; a new earnings cycle begins

Broad-based growth, improving asset quality and resilient margins underpin a structural earnings acceleration

- Bajaj Finance's (BAF) 1QFY27 PAT grew 28% YoY to ~INR60.8b (in line). NII grew 23% YoY to ~INR125.7b (in line). Non-interest income stood at INR26.5b (up 11% YoY). Opex grew ~23% YoY to ~INR50.1b (in line). PPOP stood at INR101.4b (in line), up 19% YoY.
- Credit costs stood at ~INR19.9b (~10% lower than MOFSLe), resulting in annualized credit costs declining ~10bp QoQ to ~1.54% (PQ: 1.65% and PY: ~2%). This included prudent management and macro-economic provisions of ~INR2.96b. Excluding this, loan losses and provisions were ~INR17b, and adjusted credit costs for 1QFY27 stood at ~1.3%.
- BAF highlighted that vintage performance across 3, 6 and 9 MOB cohorts continues to improve, with performance now at or better than pre-Covid levels. While management remains optimistic about the structural credit cost trajectory, it will wait for another quarter before revisiting its credit cost guidance for FY27. We have reduced our credit costs estimate to 1.5%/1.45% for FY27/FY28.
- **BAF has moved beyond the earnings normalization phase and is entering a period of structurally higher earnings growth.** The combination of broad-based loan growth, resilient margins, improving asset quality and declining credit costs is driving a meaningful acceleration in profitability. At the same time, new growth engines, including digital platforms, rapid gold loan expansion and new business launches, provide incremental optionality.
- BAF has also outlined a comprehensive roadmap to strengthen its competitive positioning through customer-centric growth, AI-led execution, portfolio diversification, and disciplined risk management. These structural initiatives are expected to enhance operating efficiency, improve portfolio quality, and reinforce the company's ability to deliver sustainable and profitable growth over the long term.
- Our investment thesis is predicated on three structural pillars: 1) The credit cycle has turned, which will enable lower credit costs and higher earnings; 2) Multiple growth engines (core lending, digital ecosystem, gold loans, new businesses for BAF) are firing simultaneously; and 3) Duration and magnitude of this new earnings cycle leave room for both earnings upgrades and valuation support. We raise our FY27/FY28 EPS estimates by 4%/2% to factor in higher AUM growth and lower credit costs. We model PAT CAGR of ~30% over FY26-FY28E and RoA/RoE of 4.2%/21.4% in FY28E. **We upgrade our rating on BAF to BUY with a TP of INR1,300 (premised on 4.8x FY28E BVPS).**

Strong and broad-based AUM growth; NIM (calc.) rose ~3bp QoQ

- Total AUM grew 24% YoY/7.2% QoQ to INR5.47t. Rural sales finance and urban sales finance grew 49% YoY and 38% YoY, respectively, supported by a combination of organic volume growth and higher SKU prices. Of the ~40% average growth, ~20% was driven by higher SKU prices, while the remaining ~20% came from organic volume growth. The company expects further support from potential SKU price increases, providing an additional growth tailwind.
- MSME growth remained subdued at 2% YoY as the company continued to prune the portfolio since Jul'25 as part of its risk-calibration measures. Given early green shoots on delinquency trends in business loans, BAF expects growth momentum in this segment to resume by 3QFY27.
- New customer acquisition stood at ~5.1m in 1QFY27. BAF now expects to add 18-20m new customers (vs. earlier target of 15-17m) to its franchise in FY27.
- NIM (calc.) rose ~3bp QoQ in 1QFY27 to 9.51% (PQ: 9.48%). CoB was stable QoQ at 7.4%. The company expects CoB to remain range-bound with a modest upward bias in the near term amid an uncertain geopolitical environment and ongoing West Asia tensions. **We expect BAF to deliver ~25% AUM CAGR over FY26-28E, with NIM of ~9.6%/9.4% in FY27E/FY28E. (FY26: 9.7%).**

Asset quality improves and credit costs decline significantly

- As of Jun'26, GNPA & NNPA stood at 0.96% (down ~5bp QoQ) & 0.4% (down ~2bp QoQ). PCR on Stage 3 assets was stable QoQ at ~60% (PQ: 60%)
- BAF highlighted that credit quality remains strong across businesses and intends to continue strengthening and "bullet-proofing" the balance sheet amid an uncertain macroeconomic and geopolitical environment. We expect BAF's credit costs to decline from ~1.9% in FY26 (before accelerated ECL provisions) to ~1.5%/1.45% in FY27E/FY28E.

Highlights from the management commentary

- The company continues to see a strong long-term opportunity in India and remains focused on reinvesting in existing businesses while exploring two new business lines targeted for launch by Jan-Feb'27.
- Digital platforms are expected to facilitate ~INR400-450b of business in FY27, with a medium-term ambition of ~INR1t. Gold loan branches are expected to increase to ~2,800 by end-FY27, with Gold AUM targeted at ~INR290b-310b.

Valuation and view

- BAF reported an all-round strong quarter, with healthy performance across growth, asset quality, credit costs and margins. Borrowings costs remained stable despite a volatile macroeconomic environment. Growth remained broad-based across segments, while asset quality continued to improve, supported by strong vintage performance and lower credit costs.
- BAF trades at 3.9x FY28E P/BV and ~20x P/E. We model a PAT CAGR of ~30% over FY26-FY28E and RoA/RoE of 4.2%/21% in FY28E. We believe the company is entering a phase of sustainable earnings compounding, driven by broad-based growth, resilient profitability and improving asset quality. **We upgrade our rating on BAF to BUY with a TP of INR1,300 (premised on 4.8x FY28E BVPS).**

Quarterly Performance

(INR b)

Y/E March	FY26				FY27E				FY26	FY27E	1Q FY27E	Act V/s Est
	1Q	2Q	3Q	4Q	1QA	2QE	3QE	4QE				
Interest Income	171.4	178.0	186.6	191.8	205.1	218.1	230.7	243.4	728	897.3	203.3	1
Interest expenses	69.2	70.1	73.4	74.0	79.4	85.3	91.5	98.0	287	354.2	78.6	1
Net Interest Income	102.3	107.8	113.2	117.8	125.7	132.8	139.2	145.4	441	543.1	124.7	1
YoY Growth (%)	22.3	22.0	20.6	20.1	22.9	23.1	23.0	23.4	21.2	23.1	21.9	
Other Operating Income	23.8	23.8	25.6	24.3	26.5	27.3	28.9	28.4	92	111.1	26.2	1
Net Income	126.1	131.7	138.8	142.1	152.2	160.0	168.0	173.8	533	654.1	150.8	1
YoY Growth (%)	21.0	20.3	18.9	19.2	20.7	21.5	21.1	22.3	18.6	22.7	19.6	
Operating Expenses	41.2	43.0	48.2	48.0	50.9	53.2	55.4	56.3	178	215.7	50.7	0
Operating Profit	84.9	88.7	90.5	94.1	101.4	106.9	112.6	117.5	355	438.4	100.2	1
YoY Growth (%)	22.2	21.4	16.0	18.1	19.4	20.5	24.3	24.9	18.4	23.3	18.0	
Provisions and Cont.	21.2	22.7	36.3	20.1	19.9	21.8	22.3	20.7	95	84.7	22.2	-10
Profit before Tax	63.7	66.1	54.3	74.1	81.5	85.1	90.3	96.9	258	353.7	78.0	4
Tax Provisions	16.0	16.6	13.7	18.6	20.7	21.4	22.7	24.4	65	89.1	19.6	6
Net Profit	47.7	49.5	40.7	55.5	60.8	63.7	67.6	72.4	193	264.6	58.4	4
YoY Growth (%)	21.8	23.3	-5.6	22.2	27.6	28.8	66.3	30.4	15.2	36.8	22.6	
Key Operating Parameters (%)												
Fees to Net Income Ratio	18.9	18.1	18.4	17.1	17.4	17.1	17.2	16.3				
Credit Cost	2.02	2.05	3.12	1.65	1.54	1.58	1.53	1.34				
Cost to Income Ratio	32.7	32.6	34.7	33.8	33.4	33.2	33.0	32.4				
Tax Rate	25.2	25.1	25.1	25.1	25.4	25.1	25.1	25.2				
Balance Sheet Parameters												
AUM (INR B)	4,415	4,623	4,845	5,100	5,469	5,776	6,116	6,426				
Change YoY (%)	24.6	23.6	21.7	22.4	23.9	24.9	26.2	26.0				
Loans (INR B)	4,325	4,525	4,756	4,989	5,361	5,654	6,000	6,312				
Change YoY (%)	23.7	23.1	21.9	22.3	24.0	25.0	26.2	26.5				
Borrowings (INR B)	3,718	3,909	4,050	4,265	4,590	4,880	5,223	5,516				
Change YoY (%)	22.0	22.5	20.9	19.4	23.5	24.9	29.0	29.3				
Loans/Borrowings (%)	116.3	115.8	117.4	117.0	116.8	115.9	114.9	114.4				
Asset Quality Parameters (%)												
GS 3 (INR B)	45.2	56.9	58.8	51.2	52.4							
Gross Stage 3 (% on Assets)	1.03	1.24	1.21	1.01	0.96							
NS 3 (INR B)	21.7	27.4	22.7	20.6	21.1							
Net Stage 3 (% on Assets)	0.50	0.60	0.47	0.41	0.39							
PCR (%)	51.9	51.8	61.3	59.7	60.0							
Return Ratios (%)												
ROAA (Rep)	4.5	4.5	4.5	4.6	4.7							
ROAE (Rep)	19.0	19.1	19.1	19.2	20.4							

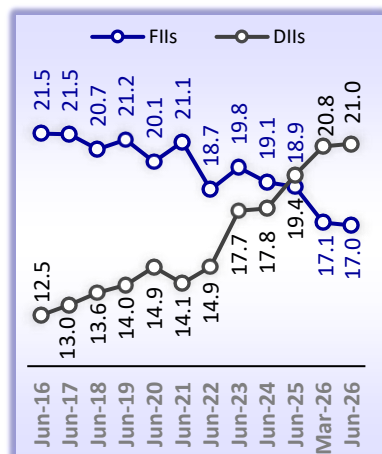
E: MOFSL Estimates

India Strategy

BSE Sensex: 77,928

Nifty-50: 24,317

Institutional ownership – Nifty-500 (%)



DII remain supportive – their holdings in the Nifty-500 rise to an all-time high of 21%

Ownership analysis – DII dominance deepens!

FII & DII allocations in BFSI rise, while they moderate in global commodities

- **Flow dynamics – record DII inflows cushion continued FII outflows:** A combination of geopolitical uncertainties, moderating earnings growth, and elevated valuations has kept FII sentiment toward India firmly negative, resulting in cumulative outflows of USD58b over the past 22 months since the Indian market peaked in Sep'24. However, record DII inflows of USD166b during the same period, along with resilient retail participation – average monthly SIP inflows of ~USD3b – have emerged as a powerful counterbalance, comfortably absorbing foreign selling.
- **DII ownership surges for the ninth consecutive quarter:** This structural shift in institutional ownership, which has gained momentum since 2021, continues to strengthen as DII holdings scale new peaks, accounting for 21% of Nifty 500 companies in Jun'26. In contrast, FII holdings declined to a new low of 17% over the same period. In 2QCY26, DIIs invested USD22.8b in Indian equities, backed by the unwavering SIP run rate. Conversely, FII flows have been volatile; although they turned positive in the second half of Jun'26 at USD1.3b vs. net outflows of USD4.3b in the first half of Jun'26 – taking the 2QCY26 FII outflows to USD13.2b.
- **In this report, we explore their ownership across the Nifty-500 sectors and companies, analyzing how their holdings have evolved.**

Nifty-500: DII holdings rise for the ninth consecutive quarter

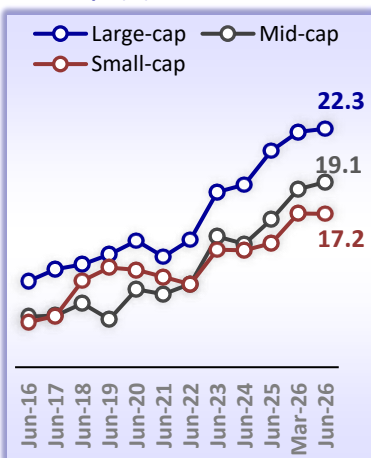
- Over the past one year, **DII** ownership rose 160bp YoY (+20bp QoQ) to an all-time high of 21% in Jun'26, while **FII** ownership dipped 190bp YoY (-10bp QoQ) to 17% (from 18.9% in Jun'25).
- **Promoter** holdings, which have historically remained range-bound, experienced an increase of 20bp YoY (+10bp QoQ) to 49.5% in Jun'26.
- **Retail** holdings dipped 10bp QoQ to 12.6% in Jun'26 (+20bp YoY).
- **Sectoral holding trends:** Within the Nifty-500, FIIs and DIIs showcased divergent trends. On a YoY basis, **DIIs raised their holdings in 19** out of 24 sectors, while **FIIs reduced their holdings in 19 sectors**.
- DIIs, on a YoY basis, experienced the maximum increase in holdings of Private Banks, Telecom, Real Estate, Technology, Healthcare, Insurance, Automobiles, PSU Banks, NBFC-Lending, Retail, and Capital Goods, while EMS, Media, Metals, Consumer Durables, and Consumer witnessed a reduction.
- Sequentially, DIIs clocked the maximum increase in holdings in the Telecom, Retail, Private Banks, Healthcare, Automobiles, and NBFC-Non-Lending sectors.
- On a YoY basis, FIIs raised their stakes in Metals, PSU Banks, NBFC-Lending, Capital Goods, and Logistics sectors. While the most significant reductions were visible in Private Banks, EMS, NBFC-Non Lending, Technology, Real Estate, Retail, Automobiles, Healthcare, Consumer, Oil & Gas, Insurance, Cement, and Utilities.
- On a sequential basis, FIIs raised their stakes in seven sectors – Infrastructure, Private Banks, Logistics, NBFC (Lending and Non-Lending), Metals, and Retail.

FII-DII ownership ratio remains stable sequentially

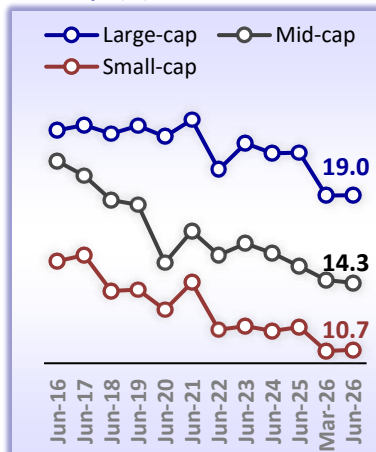
- The FII-DII ownership ratio in the Nifty-500 remained flat QoQ (-20bp YoY) to 0.8x in Jun'26. Over the last year, the FII-DII ratio expanded primarily in PSU Banks, Metals, and Logistics, while it contracted in 19 out of 24 sectors.

The FII-DII ownership ratio in the Nifty 500 remained flat QoQ at 0.8x in Jun'26

DII holdings in large-, mid-, and small-caps (%)



FII holdings in large-, mid-, and small-caps (%)



- As a proportion of the free float of Nifty-500, FII ownership dipped 360bp YoY (-20bp QoQ) to 33.6%. However, DII ownership rose 310bp YoY (+30bp QoQ) to 41.5%.
- Within the **Nifty-500 companies**, FIIs reduced their holdings in 59% of the companies YoY, while DIIs increased their stakes in 73%.
- In the **Nifty-50**, FIIs reduced their holdings in 72% of the companies, while DIIs raised their holdings in 82% of the companies.

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

- According to SEBI's categorization, large-, mid-, and small-cap stocks accounted for 65%, 23%, and 12% of the total Nifty-500 market cap, respectively.
- **DIIs** significantly raised their stakes across market caps to an all-time high as of Jun'26. In contrast, FIIs have reduced their holdings across market caps YoY.
- **Analysis of institutional holding patterns:** 1) On a YoY basis, **FIIs** reduced their stakes in large-, mid-, and small-caps by 230bp, 90bp, and 120bp, respectively. On a sequential basis, FIIs' stakes were unchanged in large-caps and small-caps at 19% and 10.7%, respectively. In contrast, the holdings decreased in mid-caps by 20bp QoQ to 14.3%. 2) Conversely, **DIIs** significantly raised their stakes across market caps by 130bp/220bp/180bp YoY (+20bp/ +40bp/flat QoQ) to 22.3%/19.1%/ 17.2%. 3) **Promoters** notably cut their YoY holdings in mid- and small-caps, while they rose in large-caps. Their holdings were reduced by 160bp/10bp YoY in mid-/small-caps. In contrast, the holdings rose YoY in large-caps by 70bp to 47.7% in Jun'26. 4) **Retail** holdings moderated in large-caps to 11% (+30bp YoY; -20bp QoQ). For mid-caps and small-caps, retail holdings were 13.3% (+30bp YoY; flat QoQ) and 20.2% (-50bp YoY, -10bp QoQ), respectively.

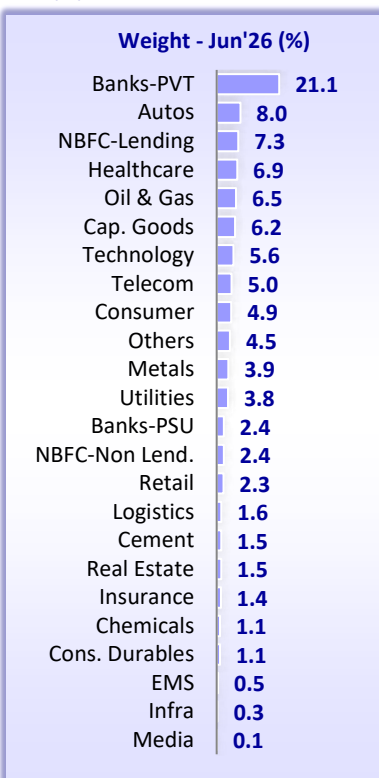
Private players: DII holdings at all-time highs

- We classified the Nifty-500 universe among private, PSU, and MNC companies. Notably, DII holdings in private companies rose to an all-time high of 21.8% (up 200bp YoY/30bp QoQ). Their holdings in PSU companies were at 17.3% (+140bp YoY; -10bp QoQ).
- FII holdings in private companies reduced by 260bp YoY and 10bp QoQ to 19.4% in Jun'26. Further, the FII stake in PSUs moderated by 50bp QoQ (+70bp YoY) to 9.7% in June'26.
- Promoter holdings in private companies increased to 45% (+30bp YoY; +10bp QoQ). For PSU companies, holdings reduced by 180bp YoY but increased 40bp QoQ to 65.3% in Jun'26. However, MNC companies experienced an increase in stake by 320bp YoY and 60bp to 57.5%.
- Retail holdings were up in private companies by 30bp YoY to 13.8%, while they were down by 30bp YoY in PSU companies to 7.7%.

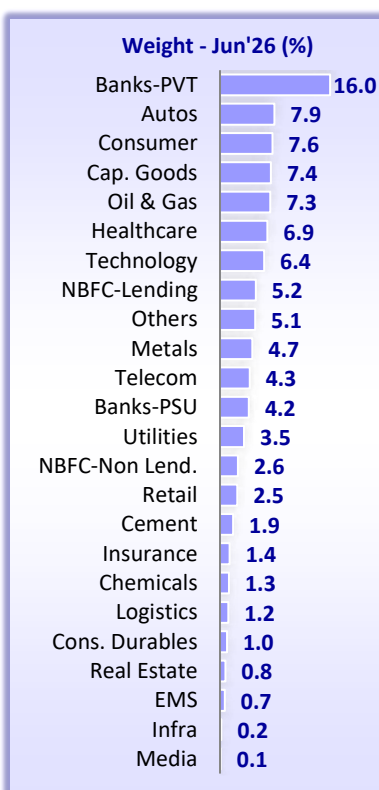
Sectoral holdings YoY: DIIs raise holdings in 19 sectors, while FIIs reduce in 19

- Within the Nifty-500, FIIs reduced their holdings in 19 of 24 sectors: 1) **FII holdings** were the **highest** in Private Banks (41.1%), followed by Telecom (22.2%), Real Estate (18%), Consumer Durables (17.7%), NBFC - Lending (17.4%), Healthcare (17.1%), Automobiles (16.8%), Oil & Gas (15.9%), and Technology (15.6%).
- FIIs raised their stakes in Logistics (+240bp), Metals (+190bp), PSU Banks (+170bp), NBFC-Lending (+50bp), and Capital Goods (+50bp) YoY. 2) **DIIs** had the **highest** holding in Private Banks (38.5%), followed by Consumer (23.8%), Telecom (23.2%), Oil & Gas (22%), and Technology (21.8%).

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



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



- Among the key sectors, DIIs raised their stakes in both Private Banks (+560bp) and PSU Banks (+150bp). DIIs also raised their holdings in Telecom (+380bp), Real Estate (+300bp), Technology (+260bp), Healthcare (+250bp), and Automobiles (+160bp) on a YoY basis.

FII allocations in BFSI climb, while they moderate in global commodities

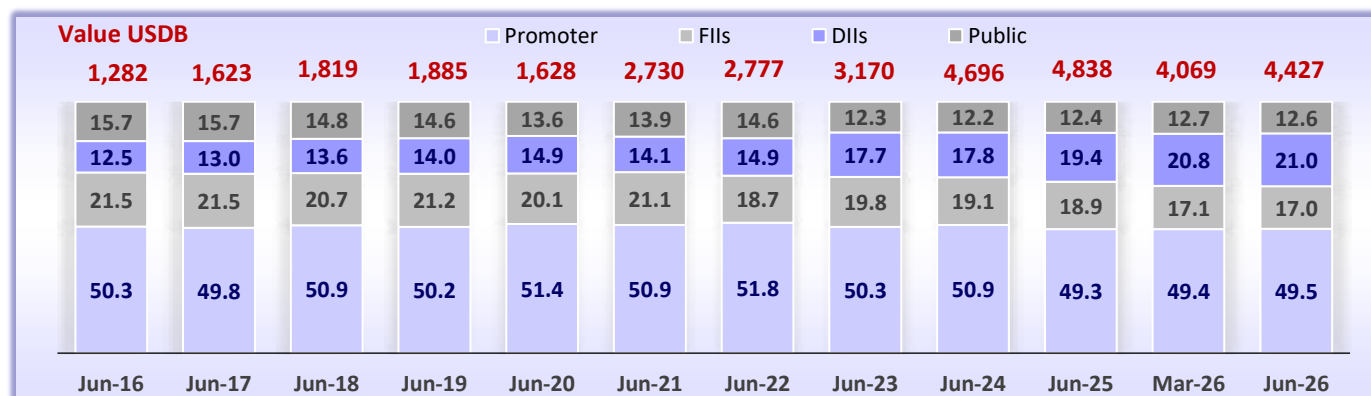
- FII allocation in BFSI (Private Banks, PSU Banks, NBFCs, and Insurance) climbs to 34.6% (+250bp QoQ, -20bp YoY) in the Nifty-500 as of Jun'26. FIIs remained overweight (by 370bp) in BFSI vs. Nifty-500 (BFSI's weight in the Nifty-500 currently stands at 30.9%).
- BFSI was followed by Automobiles, in which FIIs had 8% weightage (up 90bp YoY and -50bp QoQ). In the Healthcare sector, FIIs had a weightage of 6.9% (+70bp YoY and flat QoQ). Oil & Gas sector has a weightage of 6.5% (-130bp YoY and -60bp QoQ). Overall, the Top 5 sectoral allocations of FIIs in the Nifty-500 accounted for 62.2% of total allocation – BFSI at 34.6%, Automobiles at 8%, Healthcare at 6.9%, Oil & Gas at 6.5%, and Capital Goods at 6.2%.
- On a sequential basis, FIIs raised their weights in Private Financials, Capital Goods, Logistics, Infrastructure, and Real Estate, while they reduced their holdings in Technology, Oil & Gas, Automobiles, Telecom, Metals, and PSU Banks. **FII allocation in Technology dipped to an all-time low of 5.6%** (-160bp QoQ, -370bp YoY) in Jun'26.
- In terms of absolute holdings, out of the total FII holdings of USD750b, Private Banks topped the chart with USD158b in investment value. The Top 5 companies that contributed 27% to the holding value were HDFC Bank (USD64.3b), ICICI Bank (USD51.9b), Reliance (USD34.2b), Bharti Airtel (USD32.4b), and Axis Bank (USD19b).

DII allocations rise in Private Banks & Capital Goods, though they remain UW

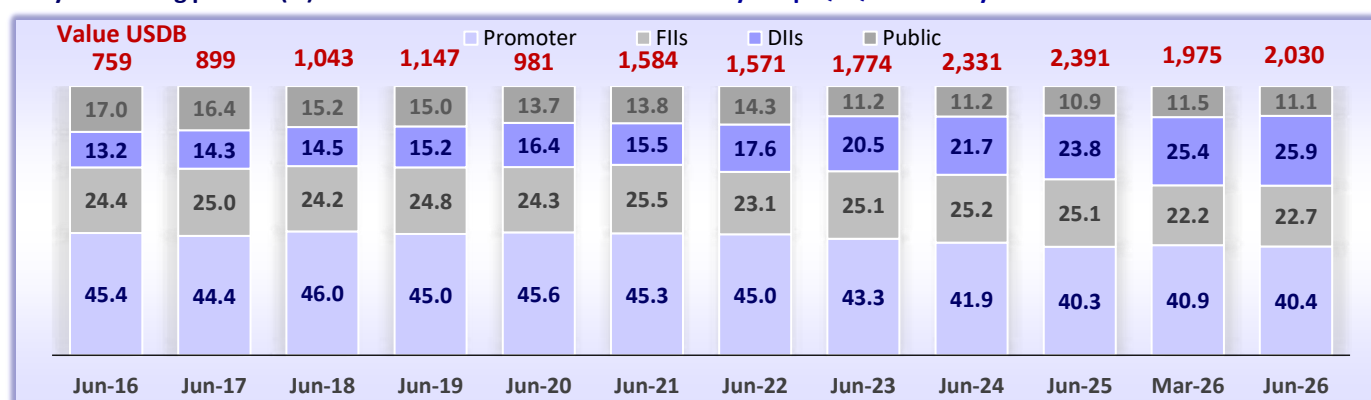
- Within the Nifty-500, DIIs were overweight in Consumer, PSU Banks, Oil & Gas, Telecom, Metals, and Technology, while they were underweight on Private Banks, NBFCs, Capital Goods, Chemicals, Real Estate, Healthcare, and Automobiles. **DII allocation in BFSI climbed to an all-time high of 29.4%** (+120bp QoQ, +190bp YoY) in Jun'26.
- On a sequential basis, DIIs raised their weights in Private Banks, Capital Goods, NBFCs, Healthcare, Retail, Automobiles, and Telecom, while they reduced their weights in Technology, Oil & Gas, Metals, Consumer, and PSU Banks.
- On a YoY basis, DIIs raised their weights in Healthcare, Automobiles, Capital Goods, NBFCs, PSU Banks, Telecom, Retail, and Utilities, while they reduced their weights in Technology, Consumer, Oil & Gas, Cement, Chemicals, and Insurance.
- Overall, the Top 5 sectoral holdings of DIIs in the Nifty-500 accounted for 59.6% of the total allocation – BFSI (29.4%), Automobiles (7.9%), Consumer (7.6%), Capital Goods (7.4%), and Oil & Gas (7.3%).
- Of the total DII holdings of USD929b in the Nifty-500, Private Banks topped the chart at USD148b, followed by Automobiles at USD74b, Consumer at USD71b, Capital Goods at USD68b, and Oil & Gas at USD67b.
- The top 5 stocks by holding value were HDFC Bank (USD47.2b), ICICI Bank (USD44.3b), Reliance (USD38.9b), ITC (USD27.4b), and SBI (USD26.5b). These five stocks contribute 20% to the overall holding value of DII.

INSIGHTFUL TRENDS

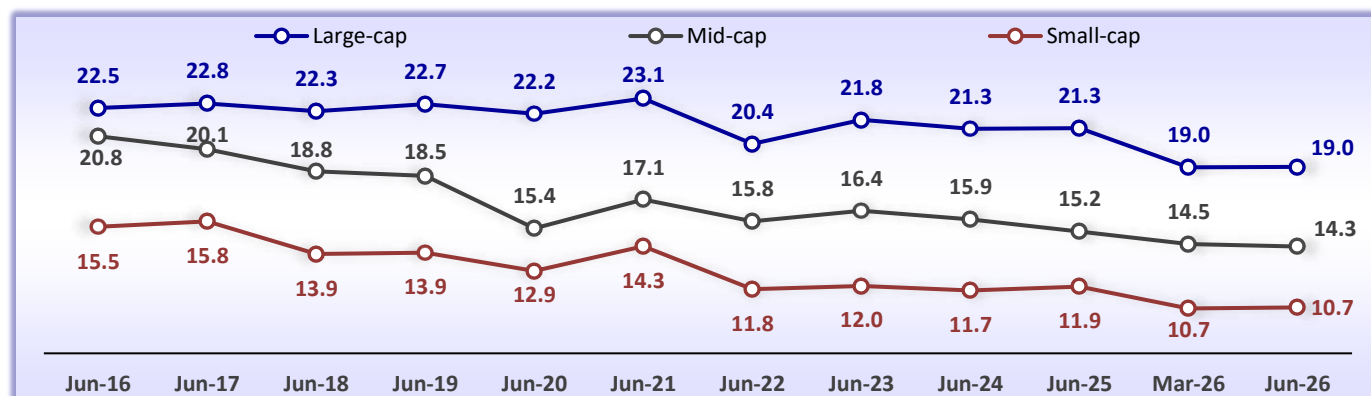
Nifty-500 holding pattern (%) – DIIs continue to raise their stakes for the ninth consecutive quarter to an all-time high



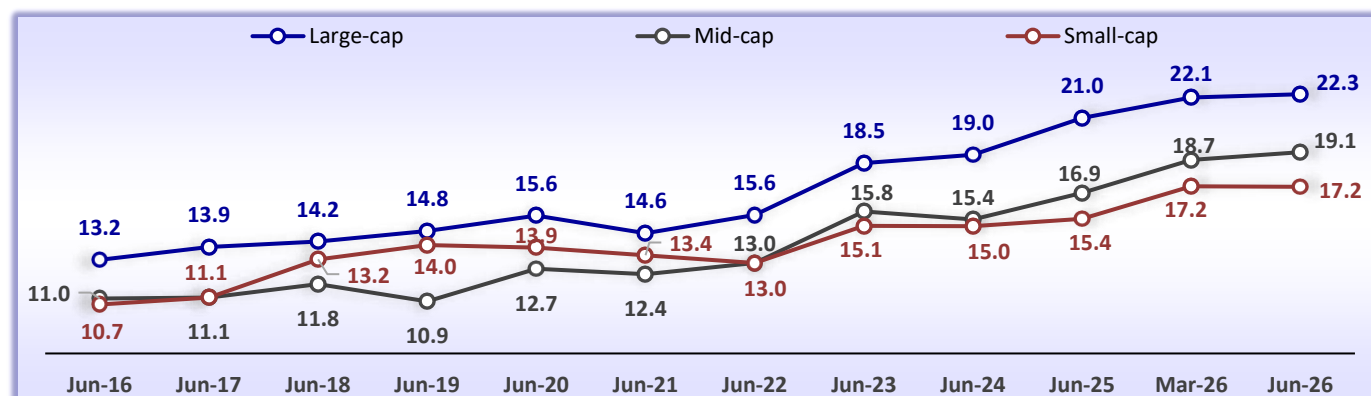
Nifty-50 holding pattern (%) – FIIs and DIIs both raise their stakes by 50bp QoQ in the Nifty-50 index



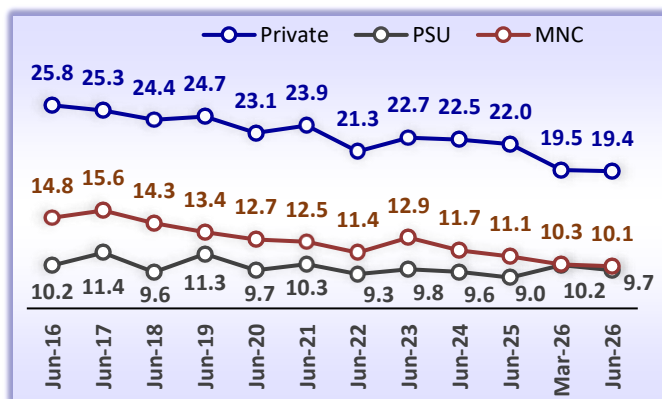
FII holdings within the Nifty-500 (%) – FII stakes were unchanged in large-caps and small-caps on a sequential basis



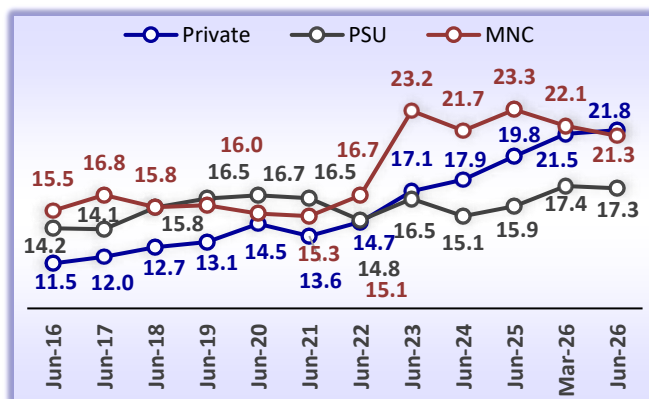
DII holdings within the Nifty-500 (%) – DIIs raised their stakes in large-caps and mid-caps



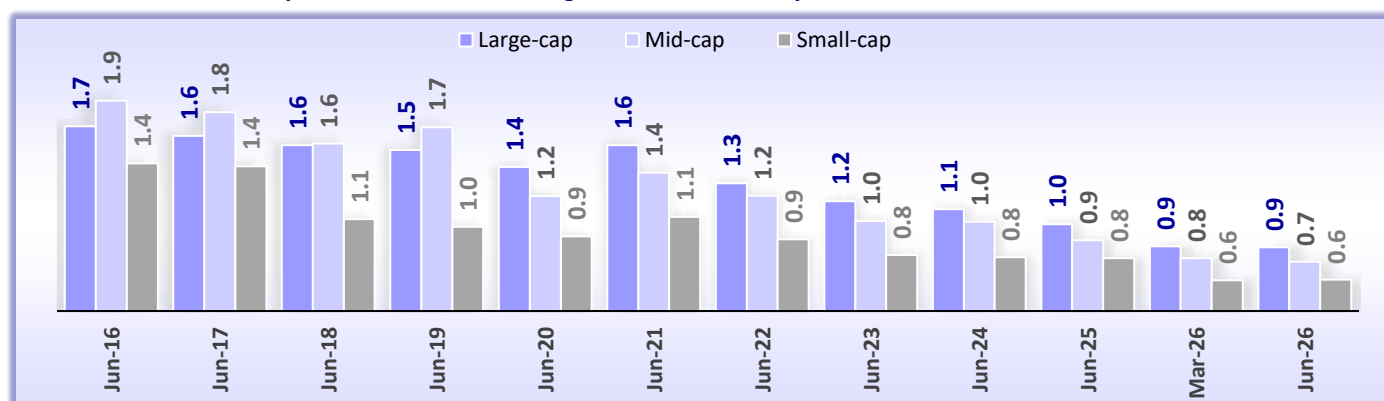
Trends in FII holdings for the Private, PSU, and MNC categories within the Nifty-500 (%)



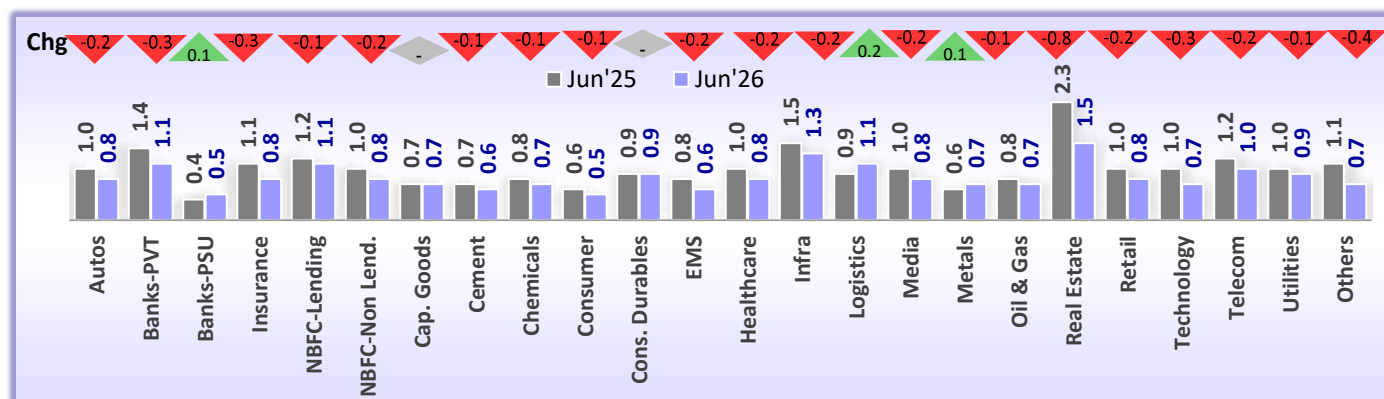
Trends in DII holdings for the Private, PSU, and MNC categories within the Nifty-500 (%)



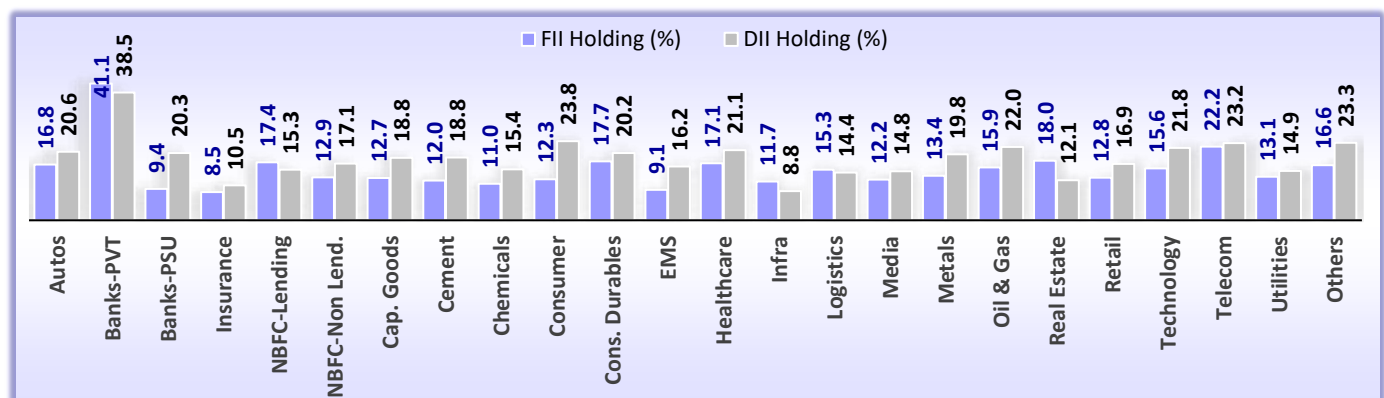
Trends in FII-DII ownership ratio under various categories within the Nifty-500



Sectoral change in the FII-DII ratio over the past year



Sectoral FII/DII holdings in the Nifty-500



Mahindra & Mahindra

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	MM IN
Equity Shares (m)	1244
M.Cap.(INRb)/(USD\$)	4083.4 / 42.7
52-Week Range (INR)	3840 / 2896
1, 6, 12 Rel. Per (%)	5/0/4
12M Avg Val (INR M)	9477

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	1,456	1,718	1,966
EBITDA	209.8	217.8	268.4
Adj. PAT	157.1	163.4	202.7
Adj. EPS (INR)	130.7	135.9	168.6
EPS Gr. (%)	32.4	4.0	24.1
BV/Sh. (INR)	618	716	843

Ratios

RoE (%)	23.1	20.4	21.6
RoCE (%)	22.4	19.8	21.1
Payout (%)	25.2	27.8	24.8

Valuations

P/E (x)	20.7	19.9	16.0
P/BV (x)	4.4	3.8	3.2
Div. Yield (%)	1.2	1.4	1.6
FCF Yield (%)	4.2	3.7	5.0

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	18.1	18.1	18.1
DII	32.2	31.0	29.2
FII	39.4	40.7	43.1
Others	10.3	10.1	9.6

FII includes depository receipts

CMP: INR3,284 **TP: INR4,108 (+25%)** **Buy**

Auto margins set to revive from 2QFY27

Farm margins likely to recover in 2H

- Mahindra & Mahindra (MM)'s 1QFY27 PAT at INR37b was ahead of our estimates, led by higher-than-expected other income, even as margins came in line with expectations. Farm margins outperformed our expectations while the auto segment came in slightly below expectations.
- On the back of its healthy launch pipeline and positive consumer sentiment, management provided a strong outlook for FY27E across segments: the tractor industry at mid-single digits, MM UV at mid-to-high teens, and the LCV industry at high-single digits. We estimate MM to post a CAGR of ~16%/13%/14% in revenue/EBITDA/PAT over FY26-28. **Reiterate BUY with a TP of INR4,108 (based on Mar'28E SoTP).**

PAT beat, fueled by higher other income

- MM's 1QFY27 standalone revenue grew 23% YoY to INR419b, broadly in line with our estimates, driven primarily by a healthy ~14% volume growth and a strong blended ASP growth of 8.1%.
- RM costs came in slightly higher than expectations, resulting in gross margins dipping 350bps YoY to 22% (estimated 22.5%).
- Overall, EBITDA margins came in slightly below our estimates at 12.2% (estimated 12.5%). EBITDA grew by 4.6% YoY to INR51.1b (in line).
- Auto segment's revenue grew 24.4% YoY to INR310b (beating our estimate of INR293b), while PBIT margin was 7.1% (slightly below our est. of 7.5%).
- Farm revenue grew 19.2% YoY to INR109.5b (slightly below our estimate of INR113.7b), while PBIT margin came in at 18.5% (above our est. of 17.5%).
- Other income was above our est. at INR8.2b due to a gain from a stake sale in CIE.
- Consequently, PAT exceeded our estimate, having grown 6.8% YoY to INR36.9b (estimated INR34.6b).

Key highlights from the management commentary

- Management expects auto margins to recover gradually from 2Q through pricing actions, operating leverage, and cost optimization, while commodity prices remain the key monitorable.
- Farm profitability is expected to improve from H2 as seasonal demand strengthens and commodity inflation moderates.
- EV profitability is expected to continue improving through scale, localization, and platform leverage, with management confident of achieving ICE-like profitability over time without relying on PLI incentives.
- While auto inventory was 14 days, tractor inventory stood at 30-40 days.
- Auto SUV capacity is set to increase from 64.5k units per month (56.5k ICE + 8k EV) to 68k units per month (60k ICE + 8k EVs) by the end of 1HFY27. This is expected to further increase to 82k units per month (70k ICE + 12k EVs) by FY27 end. Beyond this, they look to add 10k units per month capacity in

Chakan for the NU iQ platform. Further, the greenfield at Nagpur is expected to add a total of 40k units per month by the end of 1HFY31 in two phases. Thus, M&M's SUV capacity is set to double in the next five years.

Valuation and view

- On the back of its healthy launch pipeline and positive consumer sentiment, management provided a strong outlook for FY27E across segments: the tractor industry at mid-single digits, MM UV at mid-to-high teens, and the LCV industry at high-single digits.
- We estimate MM to post a CAGR of ~16%/ 13%/14% in revenue/EBITDA/PAT over FY26-28. **Reiterate BUY with a TP of INR4,108 (based on Mar'28E SoTP).**

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	FY27
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
Total Volumes (nos)	360,779	349,807	422,937	396,762	410,319	393,458	447,558	429,719	1530,285	1681,054	410,319
Growth YoY (%)	14.4	16.0	23.1	24.2	13.7	12.5	5.8	8.3	19.6	9.9	13.7
Net Realization	944,712	955,430	910,699	996,923	1,021,638	1,005,451	1,004,337	1,054,799	951,298	1,021,720	989,624
Growth YoY (%)	10.2	4.5	2.5	1.6	8.1	5.2	10.3	5.8	4.5	7.4	4.8
Revenue from Operations	340,832	334,216	385,168	395,541	419,197	395,603	449,499	453,267	1455,758	1717,566	406,062
Growth YoY (%)	26.1	21.3	26.1	26.2	23.0	18.4	16.7	14.6	25.0	18.0	19.1
RM Cost (% of sales)	74.5	75.6	76.2	76.4	78.0	77.0	76.5	76.6	76.1	77.0	77.5
Staff (% of sales)	3.8	3.9	3.6	3.3	3.4	3.6	3.5	3.5	3.6	3.5	3.5
Oth. Exp. (% of Sales)	5.8	5.9	5.5	6.2	6.5	7.1	7.0	6.8	5.9	6.8	6.5
EBITDA	48,840	48,615	56,676	55,644	51,106	48,659	58,435	59,559	209,775	217,759	50,758
EBITDA Margins (%)	14.3	14.5	14.7	14.1	12.2	12.3	13.0	13.1	14.4	12.7	12.5
Change (%)	21.4	23.1	26.8	18.8	4.6	0.1	3.1	7.0	22.5	3.8	3.9
Other income (incl Inc. from Invest)	6,431	23,076	7,476	5,890	8,154	24,229	8,200	5,776	42,872	46,360	6,600
Interest	559	590	632	715	997	500	550	466	2,496	2,513	550
Depreciation	9,999	10,406	10,516	12,006	10,503	11,200	11,600	11,913	42,927	45,217	11,000
PBT after EO	44,713	60,695	52,023	48,812	47,759	61,189	54,485	52,956	206,242	216,389	45,808
Tax	10,214	15,489	12,710	11,440	10,909	14,991	13,349	13,766	49,853	53,015	11,223
Effective Tax Rate (%)	22.8	25.5	24.4	23.4	22.8	24.5	24.5	26.0	24.8	24.5	24.5
Reported PAT	34,498	45,205	39,313	37,373	36,850	46,197	41,136	39,190	156,389	163,373	34,585
Adj PAT	34,498	45,205	40,051	37,373	36,850	46,197	41,136	39,190	157,128	163,373	34,585
Change (%)	32.0	17.7	35.1	53.3	6.8	2.2	2.7	4.9	32.5	4.0	0.3

Y/E March	FY26				FY27E				FY26	FY27E	
Realizations (INR '000/unit)											
Auto	1,101	1,099	1,037	1,124	1,230	1,154	1,141	1,188	1,089	1,176	1,161
Farm Equipment	685	695	682	708	693	702	702	729	692	705	719
Blended	945	955	911	997	1,022	1,005	1,004	1,055	951	1,022	990
Segment PBIT Margins (%)											
Auto	8.9	9.2	9.5	9.5	7.1	7.8	8.2	8.7	9.3	8.0	7.5
Farm Equipment	19.8	19.7	20.2	19.4	18.5	18.0	20.2	18.4	19.8	18.8	17.5

Key Performance Indicators	FY26				FY27E				FY26	FY27E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Tractors ('000 units)	134.1	122.9	149.6	119.8	158.0				526.4	547.5
Change (%)	10.4	31.6	22.8	36.1	17.9				24.0	4.0
Total UV ('000 units)	223.2	223.6	270.0	271.9	248.3				988.7	1072.1
Change (%)	21.7	17.3	28.8	21.4	11.3				17.4	8.4
Cost Break-up										
RM Cost (% of sales)	74.5	75.6	76.2	76.4	78.0				76.1	77.0
Staff Cost (% of sales)	3.8	3.9	3.6	3.3	3.4				3.6	3.5
Other Cost (% of sales)	5.8	5.9	5.5	6.2	6.5				5.9	6.8
Gross Margins (%)	25.5	24.4	23.8	23.6	22.0				23.9	23.0
EBITDA Margins (%)	14.3	14.5	14.7	14.1	12.2				14.4	12.7
EBIT Margins (%)	11.4	11.4	12.0	11.0	9.7				11.5	10.0

E:MOFSL Estimates

Torrent Pharma

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR4,890 TP: INR4,730 (-3%) Neutral

India/US/currency benefits lead the charge

Growth momentum intact; valuation caps upside

- Torrent Pharma (TRP) delivered better-than-expected financial performance in 1QFY27, with 6%/9%/9% beat in revenue/EBITDA/PAT. The beat was due to higher growth in domestic branded formulation (DF) segment and stable growth momentum in US generics. The performance was dragged down to some extent by a muted show in Brazil and Germany. The currency tailwinds supported growth in these geographies in INR terms.
- TRP outperformed the Indian Pharma market (IPM) by a wide margin (700bp), led by healthy growth in price, volume and new launches. Specifically, the Curatio portfolio saw strong 34% YoY growth, partly driving overall DF growth for the quarter.
- Certain one-time inventory reduction impacted Brazil's CC growth; however, TRP continued to beat market growth, led by superior execution.
- New launches and favorable currency movement not only improved revenue growth but also made US business profitable for TRP.
- With the full integration of JB Chem in place, the cost synergy has already started showing benefits in margin of JB Chem business, with ~35% EBITDA margin achieved in 1QFY27.
- We largely maintain our estimates for FY27/FY28. While India and the US are on a healthy growth path, Germany business revenue remains subdued on CC basis. TRP would also be rationalizing low-margin products of JB Chem in DF and international business, which will affect overall revenue growth in the near term. We expect overall EBITDA margin to expand by 300bp, driving a 31% CAGR in EBITDA over FY26-28E. With increased depreciation and interest costs, the earnings CAGR would be lower at 23% over FY26-28E.
- We value TRP at 50x 12-month forward earnings to arrive at a TP of INR4,730. With valuation factoring in the earnings upside, we maintain Neutral rating on the stock.

Base business robust; JB Chem profitability on uptrend post acquisition

- Sales grew 54.8% YoY to INR49.2b (our est: INR46.2b). Base business revenue grew 17% YoY to INR37b. JB Chem's (consolidated from 21st Jan'26) revenue was INR12b for 1QFY27.
- Gross margin expanded 80bp to 76.4% for 1QFY27.
- EBITDA margin expanded 90bp YoY to 33.8%, majorly driven by better gross margins. Base business EBITDA margin was 33%, while JB Chem EBITDA margin was 35% for 1QFY27.
- Accordingly, EBITDA grew 59% YoY to INR16.6b (vs our est. INR15.3b). TRP's base business EBITDA grew 17% YoY to INR12.2b for the quarter.
- Adj. PAT grew 4.1% YoY to INR5.8b (vs our est. INR5.3b), majorly impacted by higher interest costs.

Bloomberg	TRP IN
Equity Shares (m)	338
M.Cap.(INRb)/(USDb)	1860 / 19.4
52-Week Range (INR)	5086 / 3480
1, 6, 12 Rel. Per (%)	4/27/33
12M Avg Val (INR M)	1621

Financials & Valuations (INRb)

Y/E March	FY26	FY27E	FY28E
Sales	139.8	194.5	220.1
EBITDA	45.7	65.7	78.7
Adjusted PAT	22.5	23.6	34.1
EBIT Margin (%)	24.7	21.5	24.3
Cons. Adj EPS (INR)	59.3	60.3	89.7
EPS Gr. (%)	15.3	1.7	48.8
BV/Sh. (INR)	495.7	586.0	714.9

Ratios

Net D-E	-18.5	17.2	3.3
RoE (%)	28.2	25.7	31.0
RoCE (%)	15.0	13.9	18.1
Payout (%)	38.1	35.2	36.1

Valuation

P/E (x)	82.2	80.8	54.3
EV/EBITDA (x)	41.0	28.3	23.2
Div. Yield (%)	0.4	0.4	0.6
FCF Yield (%)	1.5	2.2	3.7
EV/Sales (x)	13.4	9.6	8.3

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	68.3	68.3	68.3
DII	9.8	9.1	8.7
FII	15.4	16.2	16.1
Others	6.4	6.5	6.9

FII includes depository receipts

Base business (India/US)/JB Chem addition drive overall revenue growth

- India formulations revenue grew 60% YoY to INR28.9b (59% of sales). Base business grew 19% YoY and JB Chem's DF sales grew 13% YoY in 1QFY27.
- US generics grew 36% YoY to INR4.2b; up 23% CC to USD44m (8% of sales).
- Germany sales grew 3% YoY to INR3.2b; down 9% CC to EUR29m (6% of sales).
- LATAM business grew 27% YoY to INR2.8b; up 3% CC to USD147m (6% of sales).
- ROW+CDMO sales (Base + JB Chem's revenue) stood at INR10.2b (21% of sales), up 91% YoY.

Highlights from the management commentary

- Management reiterated double-digit revenue growth for the combined India (JB) business in FY27, while the international business of JB Chem is expected to recover after integration-related changes.
- Cost synergies from JB Chem acquisition are tracking ahead of plan, with management indicating FY27 synergy realization to exceed the initial INR900m target and surpass INR1.0b.
- The JB CDMO business remains unaffected by the integration and is expected to deliver high single-digit to low double-digit CC growth in FY27.
- Management expects minor, temporary revenue disruption over the next 2-3 quarters due to JB Chem brand consolidation in India and portfolio rationalization in select international markets. Sales are expected to normalize and revive after the integration.
- The combined India field force stood at ~9,400 representatives (TRP: ~7,200; JB: ~2,200) as of 1QFY27 end. Restructuring MRs would be the key activity in FY27.
- JB's field force attrition declined to ~16% in Jun'26 from ~30% pre-acquisition.

Quarterly Performance (Consolidated)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
INRm	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	vs Est
Net Revenues	31,780	33,020	33,030	41,970	49,210	48,637	48,031	48,642	1,39,800	1,94,521	46,249	6.4
YoY Change (%)	11.2	14.3	17.6	41.8	54.8	47.3	45.4	15.9	21.4	39.1	45.5	
EBITDA	10,470	10,830	10,880	13,560	16,640	16,099	16,042	16,928	45,740	64,849	15,262	9.0
YoY Change (%)	13.3	15.3	19.0	38.2	58.9	48.7	47.4	24.8	21.7	41.8	45.8	
Margins (%)	32.9	32.8	32.9	32.3	33.8	33.1	33.4	34.8	32.7	33.3	33.0	
Depreciation	2,010	2,040	2,060	5,080	5,930	5,982	5,907	5,982	11,190	23,801	5,225	
Interest	560	480	450	2,360	3,050	2,717	2,633	2,577	3,850	10,978	2,789	
Other Income	-370	-270	-130	-170	-120	-60	-65	-70	-940	-315	-150	
PBT before EO Expense	7,530	8,040	8,240	5,950	7,540	7,340	7,437	8,298	29,760	29,754	7,099	6.2
One-off expenses	150	130	100	660	210	0	0	0	1,040	210	0	
Rate (%)	25.2	24.9	21.7	27.7	22.1	24.5	24.2	24.0	24.7	24.4	25.0	
Reported PAT	5,480	5,910	6,350	3,640	5,660	5,542	5,637	6,306	21,380	22,285	5,324	6.3
Adj PAT	5,591	6,007	6,428	4,522	5,822	5,542	5,637	6,306	22,549	22,935	5,324	9.4
YoY Change (%)	18.7	32.6	27.8	-14.5	4.1	-7.8	-12.3	39.5	15.3	1.7	-4.8	
Margins (%)	17.6	18.2	19.5	10.8	11.8	11.4	11.7	13.0	16.1	11.8	11.5	

E: MOFSL Estimates

Hyundai Motor

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	HYUNDAI IN
Equity Shares (m)	813
M.Cap.(INRb)/(USDb)	1639.9 / 17.1
52-Week Range (INR)	2890 / 1658
1, 6, 12 Rel. Per (%)	4/-4/-1
12M Avg Val (INR M)	2114

Financials & valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	708	782	883
EBITDA	86	88	111
Adj. PAT	54	55	73
EPS (INR)	67	68	90
EPS Gr. (%)	(4)	2	32
BV/Sh. (INR)	246	292	354

Ratios

RoE (%)	29.9	25.4	27.8
RoCE (%)	26.5	21.7	24.0
RoIC (%)	31.4	22.4	21.7

Valuations

P/E (x)	30.3	29.7	22.6
P/BV (x)	8.2	6.9	5.7
EV/EBITDA (x)	18.1	18.0	14.2
Div. Yield (%)	1.0	1.1	1.3

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	82.5	82.5	82.5
DII	11.7	9.7	7.8
FII	3.3	5.4	7.1
Others	2.5	2.4	2.7

FII includes depository receipts

CMP: INR2,018 TP: INR2,334 (+16%) Buy

New launches to help drive outperformance in 2H

- Hyundai Motor India's (HMIL) 1QFY27 PAT at INR8.9b beat our estimate of INR8.3b, largely due to higher-than-expected other income and lower depreciation. EBITDA margin came in line at 9.3%, down 400bp YoY. This was due to the impact of commodity inflation, lower volumes, plant startup costs, and an adverse product mix.
- Considering its launch pipeline and a strong export order book, we expect HMIL to post a ~9% volume CAGR over FY26-28. This growth is likely to be boosted by a 12% volume CAGR in exports. Overall, HMIL is projected to deliver a ~16% earnings CAGR over FY26-28. We believe the company remains well-positioned to benefit from the premiumization trend in India, given its mix is in favor of SUVs. The stock at 29.7x / 22.6x FY27E / FY28E EPS appears attractively valued. **Reiterate BUY with a TP of INR2,334, valued at 26x FY28E EPS.**

Broadly in-line performance

- HMIL's 1QFY27 revenue came broadly in line with our estimate, flat YoY at INR163.3b. Its revenue was hit by a 1.3% YoY dip in sales volumes, which stood at 178.0k units in 1QFY27. The company's realizations improved 1% YoY during the quarter.
- Domestic volume growth in the quarter was up 5.4% YoY to 139.4k units in 1QFY27. The first two months of the quarter reflected healthy momentum, with cumulative sales in April and May growing by 13% YoY, supported by favorable demand, environment, and strategic product actions. However, the fire incident at one of the supplier facilities temporarily impacted vehicle production in June, constraining the ability to fully meet market demand.
- Exports dipped 19.6% YoY to 38,708 units in 1QFY27, hit by the supplier-related production disruption and geopolitical crisis in the Middle East.
- EBITDA margin came in at 9.3% (above our estimate of 9.0%) and was down by 400bp YoY. The margin was hit by lower volumes following the supplier disruption, adverse product mix due to the loss of higher-margin Creta volumes, geopolitical headwinds affecting exports, commodity inflation (commodity impact was 200bp YoY), and Pune plant-related capacity stabilization costs. EBITDA came broadly in line with our estimates, decreasing 30.8% YoY to INR15.1b.
- Depreciation was lower than expected at INR5.5b.
- The company reported a PAT of INR8.9b, down 35.1% YoY, but ahead of our estimate of INR8.2b.

Key highlights from the management commentary

- Management remains confident of delivering an 8–10% YoY domestic volume growth and 8–10% export growth in FY27, despite the weak 1QFY27 performance.
- 2HFY27 is expected to be stronger, with Hyundai targeting growth ahead of the industry, which is expected to moderate to the low-single-digit range in 2HFY27 due to the high base effect. The company's growth target will be bolstered by the launch of two new models, higher Venue volumes following the Pune third-shift ramp-up, and higher fleet sales.
- Export growth is expected to accelerate from 2QFY27, supported by the recovery in Middle East volumes, continued momentum in Central and South America, new Venue exports, and wider availability of the Exter LHD and Verna PE. Management expects quarterly exports to exceed the ~48,000-unit level recorded in 1QFY26 in the coming quarters.
- The new mid-size SUV and mass-market dedicated EV are expected to be key growth drivers in H2. The mid-size SUV will adopt a differentiated, technology-first positioning, while the EV is being developed with high localization and targeted PLI eligibility.
- Capacity expansion should support the growth outlook, with the Pune plant's third shift commencing in October 2026, while Chennai Plant 1 utilization is expected to improve materially as the two new models ramp up.
- On profitability, management reiterated its 11–14% EBITDA margin guidance for FY27, with the recovery in margins expected to be supported by higher volumes, improved product mix, new model launches, lower initial discounts, and better capacity utilization. Pricing actions will remain calibrated to balance volume growth and profitability.

Valuation and view

Considering its launch pipeline and a strong order book in exports, we expect HMIL to post a ~9% volume CAGR over FY26-28E. This growth is likely to be boosted by a 12% volume CAGR in exports. Overall, HMIL is expected to deliver a ~16% earnings CAGR over FY26-28E. We believe the company remains well-positioned to benefit from the premiumization trend in India, given its mix is in favor of SUVs. The stock at 29.7x / 22.6x FY27E / FY28E EPS appears attractively valued. **Reiterate BUY with a TP of INR2,334, valued at 26x FY28E EPS.**

Consol Quarterly Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Volumes ('000 units)	180.4	190.9	195.4	208.3	178.1	213.8	218.9	231.3	775.0	842.1	178.1	
Change (%)	-6.1	-0.5	4.8	8.7	-1.3	12.0	12.0	11.0	1.7	8.7	-1.3	
Realizations (INR/car)	909,810	914,557	919,661	908,230	917,253	923,703	933,456	935,821	913,039	928,203	918,908	
Change (%)	0.7	1.7	3.0	-3.0	0.8	1.0	1.5	3.0	0.6	1.7	1	
Net operating revenues	164,129	174,608	179,735	189,162	163,346	197,517	204,323	216,440	707,633	781,626	163,641	-0.2
Change (%)	-5.4	1.2	8.0	5.4	-0.5	13.1	13.7	14.4	2.3	10.5	-0.3	
RM Cost (% of sales)	70.7	70.1	71.4	72.9	72.6	72.2	71.8	71.5	71.4	72.0	73.5	
Staff Cost (% of sales)	3.8	3.5	3.9	4.3	4.6	3.8	3.6	3.8	3.9	3.9	4.3	
Other Cost (% of sales)	12.2	12.4	13.5	12.4	13.6	13.2	12.8	12.2	12.6	12.9	13.2	
EBITDA	21,852	24,289	20,183	19,660	15,118	21,420	24,125	26,880	85,985	87,542	14,773	2.3
EBITDA Margins (%)	13.3	13.9	11.2	10.4	9.3	10.8	11.8	12.4	12.2	11.2	9.0	
Change (%)	-6.6	10.1	7.6	-22.4	-30.8	-11.8	19.5	36.7	-4.0	1.8	-32.4	
Depreciation	5,281	5,175	5,688	5,836	5,571	5,820	6,200	6,569	21,980	24,160	6,100	-8.7
EBIT	16,571	19,114	14,496	13,824	9,547	15,600	17,925	20,311	64,005	63,382	8,673	10.1
EBIT Margins (%)	10.1	10.9	8.1	7.3	5.8	7.9	8.8	9.4	9.0	8.1	5.3	
Interest	247	167	272	379	273	250	255	269	1,065	1,048	262	
Non-Operating Income	2,148	2,312	2,437	2,594	2,744	3,000	2,800	2,982	9,490	11,526	2,600	5.5
PBT	18,472	21,260	16,660	16,039	12,017	18,350	20,470	23,024	72,431	73,860	11,011	9.1
Effective Tax Rate (%)	25.9	26.0	25.9	21.7	26.0	25.0	25.0	24.5	25.0	25.0	25.0	
PAT	13,692	15,723	12,344	12,556	8,887	13,762	15,352	17,394	54,315	55,395	8,258	
Adjusted PAT	13,692	15,723	12,344	12,556	8,887	13,762	15,352	17,394	54,315	55,395	8,258	7.6
Change (%)	-8.1	14.3	6.3	-22.2	-35.1	-12.5	24.4	38.5	-3.7	2.0	-39.7	

Vedanta Aluminum

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	VAML IN
Equity Shares (m)	3910
M.Cap.(INRb)/(USD\$)	1787.2 / 18.7
52-Week Range (INR)	538 / 422
1, 6, 12 Rel. Per (%)	0/-/-
12M Avg Val (INR M)	7209
Free float (%)	43.6

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	668.9	777.3	824.5
EBITDA	251.4	339.4	349.2
APAT	122.4	180.6	186.3
EBITDA (%)	37.6	43.7	42.4
Adj. EPS (INR)	31.3	46.2	47.6
BV/Sh. (INR)	33.4	61.3	108.9

Ratios

Net D:E	2.8	1.2	0.2
RoE (%)	119.2	97.6	56.0
RoCE (%)	34.6	44.7	41.8
Payout (%)	-	-	-

Valuations

P/E (x)	14.6	9.9	9.6
P/BV	13.7	7.5	4.2
EV/EBITDA (x)	8.5	6.1	5.3
Div. Yield (%)	-	-	-

Shareholding Pattern (%)

As On	Jun-26
Promoter	56.4
DII	14.0
FII	12.7
Others	16.9

FII includes depository receipts

CMP: INR457 TP: INR540 (+18%) BUY

Robust earnings, led by favorable LME and better volume; outlook healthy

Consolidated result highlights

- Vedanta Aluminum (VAML)'s reported revenue stood at INR214b (+8% YoY and +3% QoQ), mainly driven by favorable LME prices and higher volumes.
- Aluminium production stood at 632kt, registering a growth of 5% YoY and 3% QoQ, primarily due to higher volumes from the new BALCO smelter.
- Alumina production from the Lanjigarh refinery grew 40% YoY to 826kt in 1QFY27 vs. 882kt during 4QFY26. The decline QoQ was due to temporary stabilization issues at the power plant, red mud filtration system, and bauxite-handling facilities.
- Blended NSR for the quarter stood at USD3,679/t (+30% YoY and +8% QoQ) with a 3% premium over LME prices of USD3,571/t.
- EBITDA jumped 134% YoY and 23% QoQ to INR103b in 1QFY27, driven by higher volume & VAP, cost efficiency, and favorable market prices, offsetting input commodity inflation.
- The blended cost of production (CoP) stood at USD1,698/t (down 4% YoY) vs. USD1,726/t in 4QFY26 during the quarter due to higher captive alumina consumption, lower coal costs, and favorable currency movement.
- Alumina CoP stood at USD373/t, up 3% QoQ, mainly due to the headwinds in fuel prices led by the Middle East crisis.
- APAT for the quarter stood at INR56.3b, up by 34% QoQ against INR17.8b in 1QFY26, reflecting strong operating performance.
- The company strengthened its balance sheet through deleveraging, with Net Debt/EBITDA for the quarter improving to 0.9x from 1.3x in 4QFY26.

Valuation and view

- India offers a compelling long-term opportunity as domestic aluminum demand is expected to grow at an 8-9% CAGR and reach 8-8.5MT by FY30, driven by infrastructure development, electrification, automotive demand, renewable energy investments, and manufacturing growth.
- The country's persistent aluminum import dependence further creates a sizeable import substitution opportunity for domestic producers.
- In our view, VAML's ongoing backward integration, rising contribution from VAP, and robust domestic demand outlook provide strong visibility on earnings growth and cash flow generation over the medium term. We forecast its consolidated revenue/EBITDA/PAT to grow at ~11%/18%/23% CAGR over FY26-28, aided by volume growth, margin expansion, and increasing downstream contribution.
- **The stock trades at 5.3x EV/EBITDA on FY28. We retain our estimates for FY28 and reiterate our BUY rating on the stock with a TP of INR540.**

Quarterly performance (INR b)

Y/E March	FY26		FY27				FY26	FY27E
	1Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	146.5	191.2	213.9	180.6	185.8	197.1	668.9	777.3
Change (%)	6.9	18.4	46.0	13.4	8.5	3.0	12.8	16.2
EBITDA	43.9	83.5	103.0	75.6	78.5	82.3	251.4	339.4
Change (%)	(1.2)	79.3	134.8	36.7	11.8	(1.5)	44.3	35.0
EBITDA (USD/t)	869	1,475	1,771	1,330	1,351	1,409	1,161	1,474
Margin (%)	30.1	44.5	48.8	42.5	42.9	42.3	37.6	43.7
Other Income	2.1	3.1	3.1	2.8	2.8	2.4	10.0	11.0
Depreciation	7.0	7.5	7.8	7.7	7.7	7.6	28.1	30.6
EBIT	38.9	79.1	98.3	70.7	73.6	77.2	233.4	319.8
Finance Cost	10.00	9.22	10.01	8.73	8.73	7.46	39.05	34.94
Exceptional Items	-	3.49	-	-	-	-	3.93	-
PBT	28.9	66.4	88.3	62.0	64.9	69.7	190.4	284.9
Tax	7.3	16.8	22.4	16.1	16.9	18.7	48.3	74.1
Tax Rate (%)	25.3	25.3	25.3	26.0	26.0	26.9	25.4	26.0
PAT before MI, Associates & EO Items	21.6	49.6	66.0	45.9	48.0	51.0	142.1	210.8
Minority Interest	3.81	7.51	9.7	7.6	7.6	5.4	23.6	30.2
Share of profit/(loss) of Associates and JVs	-	-	-	-	-	-	-	-
Reported PAT	17.8	42.1	56.3	38.3	40.4	45.5	118.4	180.6
Adj. PAT	17.8	45.6	56.3	38.3	40.4	45.5	122.4	180.6
Change (%)	-	-	216.06	NA	NA	-0.06	74.71	47.58

Sources: MOFSL, Company

Mankind Pharma

Estimate change



TP change



Rating change



Bloomberg	MANKIND IN
Equity Shares (m)	413
M.Cap.(INRb)/(USDb)	1063.8 / 11.1
52-Week Range (INR)	2674 / 1910
1, 6, 12 Rel. Per (%)	-1/25/2
12M Avg Val (INR M)	1249

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	142.8	161.3	182.4
EBITDA	36.2	42.5	49.3
Adj. PAT	20.2	24.9	30.1
EBITDA Margin (%)	25.4	26.4	27.1
Cons. Adj. EPS (INR)	49.0	60.2	72.9
EPS Gr. (%)	5.4	22.9	21.0
BV/Sh. (INR)	395.1	441.5	497.7

Ratios

Net D:E	0.2	0.1	0.0
RoE (%)	13.2	14.4	15.5
RoCE (%)	11.6	12.7	14.8
Payout (%)	18.9	20.0	20.0

Valuations

P/E (x)	52.6	42.8	35.4
EV/EBITDA (x)	31.6	26.3	22.2
Div. Yield (%)	0.4	0.5	0.6
FCF Yield (%)	3.4	5.4	4.8
EV/Sales (x)	8.0	6.9	6.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	72.6	72.7	72.7
DII	15.4	14.5	11.5
FII	9.5	10.2	13.1
Others	2.5	2.6	2.8

FII Includes depository receipts

CMP: INR2,576

TP: INR2,975 (+15%)

Buy

Secondary sales growth catches up with IPM

Enhanced efforts and acute recovery drive re-acceleration

- Mankind Pharma's (MANKIND) reported revenue/EBITDA was in line with expectations for 1QFY27. It missed PAT expectations for the quarter, driven by lower other income and a higher tax rate.
- This is the second consecutive quarter of double-digit YoY growth in the prescription business (Ex-Consumer Health), led by momentum across chronic therapies and recovery in acute therapy.
- Consumer health growth was muted for 1QFY27, impacted by the discontinuation of discounted cash-and-carry sales. With normalization of channel rationalization, MANKIND expects to deliver high single-digit to double-digit growth next quarter onwards.
- Notably, MANKIND achieved superior growth in exports (ex- BSV), led by new product launches in the US and favorable currency movements.
- The BSV scale-up has been encouraging, with 21% YoY growth in 1QFY27. Domestic BSV revenue rose 17% YoY and international revenue grew 25% YoY.
- We reduce our earnings estimate for FY27 by 4%, factoring in muted performance of the consumer health segment. We value MANKIND at 40x 12M forward earnings to arrive at a TP of INR2,975.
- After two years of stable earnings, we expect 22% earnings CAGR over FY26-28, led by: a) sustained momentum in chronic therapies, b) recovery of acute portfolio, c) increasing share of specialty portfolio, and d) improved traction in the BSV portfolio. **Reiterate BUY.**

Revenue growth and segment mix drive better profitability YoY

- Sales grew 12.9% YoY to INR40.3b for the quarter (vs est. INR39.9b).
- Gross margin expanded 225bp to 72.8%.
- EBITDA margin expanded 250bp YoY to 26.2% (vs est. 27.7%).
- Accordingly, EBITDA grew at 24.7% YoY to INR10.6b (vs our estimates of INR11.1b).
- Adj. PAT grew 31.5% YoY to INR5.7b (our est: INR6.5b).

Rx/exports drive revenue growth; muted YoY growth in the CH segment

- Domestic business (85% of sales) grew 10.5% YoY to INR34.3b during the quarter, driven by strong growth in the BSV specialty business.
- Prescription business (Rx) (93% of domestic sales) grew 11% YoY to INR31.8b, driven by strong performance in chronic therapies and recovery in acute therapies.
- Consumer business (7% of domestic sales) grew 3.9% YoY to INR2.5b.
- Exports (15% of sales) grew 29% YoY to INR6b.

Highlights from the management commentary

- MANKIND reiterated its guidance of healthy double-digit YoY growth in the prescription segment for FY27.
- MANKIND indicated high-teen YoY growth in the BSV portfolio in FY27, supported by strategic measures.
- Given the softness in markets, the consumer health segment is expected to grow at high single digit to low double digits in FY27.
- MANKIND's covered market share has increased from 56% to 74% in anti-diabetes therapy.
- The company has maintained its GM guidance of 71% and EBITDA margin guidance of 25.5-26.5% for FY27.
- It witnessed 15.8% YoY growth in chronic therapies and 10.9% YoY growth in acute therapies in 1QFY27.
- The company intends to increase chronic share to 50% over the medium term.
- Finance cost reduced to INR1.1b in 1QFY27 from INR1.4b QoQ, largely driven by debt repayment (INR12.5b).

Quarterly Performance

Y/E March (INR m)	FY26				FY27E				FY26	FY27E	FY27	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	
Gross Sales	35,704	36,972	35,672	34,429	40,306	41,719	40,162	39,142	142,776	161,329	39,892	1.0
YoY Change (%)	23.4	20.2	11.5	11.8	12.9	12.8	12.6	13.7	16.6	13.0	11.7	
Total Expenditure	27,236	27,758	26,442	25,131	29,744	30,372	29,800	28,887	106,567	118,803	28,842	
EBITDA	8,468	9,213	9,230	9,299	10,562	11,348	10,362	10,255	36,210	42,527	11,050	-4.4
YoY growth %	17.0	8.4	13.1	31.3	24.7	23.2	12.3	10.3	17.6	17.4	30.5	
Margins (%)	23.7	24.9	25.9	27.0	26.2	27.2	25.8	26.2	25.4	26.4	27.7	
Depreciation	2,187	2,218	2,226	2,231	2,257	2,321	2,234	2,177	8,862	8,989	2,224	
Interest	1,707	1,697	1,572	1,418	1,100	1,053	1,032	1,000	6,393	4,184	1,358	
Other Income	799	919	728	1,143	450	850	940	1,046	3,588	3,286	1,067	
PBT before EO expense	5,373	6,217	6,160	6,793	7,655	8,824	8,036	8,123	24,543	32,638	8,535	
Extra-Ord expense	0	0	1,066	232	0	0	0	0	1,298	0	0	
PBT	5,373	6,217	5,094	6,562	7,655	8,824	8,036	8,123	23,246	32,638	8,535	
Tax	958	1,038	951	998	1,954	2,074	1,808	1,820	3,946	7,655	2,006	
Rate (%)	17.8	16.7	18.7	15.2	25.5	23.5	22.5	22.4	17.0	23.5	23.5	
Minority Interest & P/L of Asso. Cos.	94.7	109.9	-32.1	-29.9	20.9	30.0	30.0	46.6	142.6	127.5	30.0	
Reported PAT	4,320	5,069	4,175	5,594	5,681	6,720	6,198	6,257	19,158	24,856	6,499	
Adj PAT	4,320	5,069	5,042	5,791	5,681	6,720	6,198	6,257	20,221	24,856	6,499	-12.6
YoY Change (%)	-24.3	-22.4	35.0	80.3	31.5	32.6	22.9	8.1	5.4	22.9	50.4	
Margins (%)	12.1	13.7	14.1	16.8	14.1	16.1	15.4	16.0	14.2	15.4	16.3	
EPS	10.8	12.7	12.6	14.5	14.2	16.8	15.5	15.6	49.0	60.2	16.2	

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	VEDL IN
Equity Shares (m)	3910
M.Cap.(INRb)/(USD\$)	1046 / 10.9
52-Week Range (INR)	361 / 157
1, 6, 12 Rel. Per (%)	-7/-57/-36
12M Avg Val (INR M)	8879
Free float (%)	45.3

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	784	987	961
EBITDA	232	320	297
EBITDA margin	29.6	32.4	30.9
APAT	124	187	168
Adj. EPS (INR)	31.8	47.7	42.9
EPS Gr (%)	29.2	-13.6	-10.1
BV/Sh. (INR)	127.0	139.7	147.6

Ratios

Net D:E	0.5	0.4	0.5
RoE (%)	27.4	38.2	29.9
RoCE (%)	14.0	21.5	22.9
Payout (%)	106.9	73.4	81.6

Valuations

P/E (x)	8.4	5.6	6.2
P/BV	2.1	1.9	1.8
EV/EBITDA (x)	8.5	6.5	7.6
Div. Yield (%)	12.8	13.1	13.1
FCF Yield (%)	17.3	13.6	8.0

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	54.7	56.4	56.4
DII	10.9	13.5	16.5
FII	15.9	14.1	10.7
Others	18.5	16.1	16.4

FII includes depository receipts

CMP: INR268 TP: INR290 (+8%) Neutral

Broadly in-line earnings; strong outlook

Consolidated result highlights

- Vedanta (VEDL) reported in-line consolidated revenue of INR242b (+54% YoY and flat QoQ), driven by higher LME, premium, and forex gains in 1QFY27.
- EBITDA came largely in line at INR85b (+98% YoY and +13% QoQ), mainly driven by higher LME, premiums, forex gains, and higher volumes.
- EBITDA margin for the quarter stood at 35.1% compared to 30.7% in 4QFY26 and 27.1% in 1QFY26.
- APAT for the quarter stood at INR53b (+152% YoY and +24% QoQ) vs our est. of INR47b, led by lower tax outgo.
- Net debt stood at INR83b as of Jun'26, translating into net debt/EBITDA of 0.3x in 1QFY27 vs 0.95x in 4QFY26.

Segmental result highlights

Zinc India (Hindustan Zinc):

- Revenue stood at INR137b (+77% YoY and +2% QoQ) against our est. of INR127b. Growth was driven by favorable commodity prices, higher by-product realization, and a stronger dollar.
- EBITDA came in at INR80.5b (+109% YoY and +5% QoQ) during the quarter, against our estimate of INR76.5b, driven by favorable metal prices and lower cost of production. EBITDA margin stood at 58.6% in 1QFY27 vs 56.9% in 4QFY26 and 49.7% in 1QFY26.
- Zinc CoP (ex-royalty) stood at USD851/t in 1QFY27, declining from USD903/t in 4QFY26 and USD1,319/t in 1QFY26. The decline can be attributed to higher renewable power consumption and improved mined grades.
- APAT stood at INR54.7b (+145% YoY and +9% QoQ), against our est. of INR50b in 1QFY27.
- Mined metal for the quarter stood at 268kt (flat YoY), declining 15% QoQ, driven by better grade.
- Refined metal production for the quarter stood at 260kt (+4% YoY), declining 8% QoQ, driven by planned maintenance activities at the lead smelter. Refined zinc production was 213kt (+5% YoY), declining 6% QoQ, while refined lead production stood at 47kt (-2% YoY and -15% QoQ). Saleable silver volume rose 2% YoY to 149kt, but declined 16% QoQ, in line with lead production.

Zinc International (VZI):

- Mined metal production at Zinc International declined 14% YoY to 48kt, primarily due to the Deep mine at Black Mountain nearing the end of its mine life, while Gamsberg contributed 45kt, remaining flat YoY.
- Revenue stood at INR14b (+21% YoY), whereas EBITDA declined 41% YoY to INR2.5b, led by lower volume and higher cost.
- During the quarter, CoP grew 50% YoY to USD1,898/t in 1QFY27 vs USD1912/t in 4QFY26.

Copper Business:

- Copper production stood at 53kt, rising 3% YoY, while Copper Rod sales at Fujairah declined 51% YoY, impacted by the closure of the Strait of Hormuz.
- Revenue stood at INR85.3b (+34% YoY), led by favorable LME prices. Reported EBITDA profit stood at INR110m in 1QFY27, compared to INR80m in 4QFY26 and a loss of INR260m in 1QFY26.

Valuation and view

- VEDL's 1QFY27 performance came largely as expected, supported by better volumes and favorable LME prices. Management targets to maintain strong growth in earnings, driven by the upcoming capacity supporting higher VAP products and a favorable pricing environment.
- The guided capex plans are progressing well and will likely lead to further cost savings. VEDL remains firm on its deleveraging plans and, going forward, higher cash flows will support both its expansion plans and deleveraging efforts. We largely maintain our FY27/28 estimates.
- **The stock currently trades at 7.6x EV/EBITDA on the FY28 estimate. Based on our SoTP valuation, we derive a fair value of ~INR290/share, with the Zinc business remaining the largest contributing vertical. We reiterate our Neutral rating on the stock.**

Quarterly performance – Vedanta (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Est.%
Net Sales	157.5	167.4	213.4	246.1	242.1	232.4	250.7	262.3	784.4	987.5	246.1	(1.6)
Change (YoY %)	NA	NA	NA	NA	53.6	38.9	17.5	6.6	25.1	25.9		
Change (QoQ %)	NA	6.2	27.5	15.3	(1.6)	(4.0)	7.9	4.6	-	-		
EBITDA	42.8	48.3	65.2	75.6	85.0	76.8	78.8	79.2	231.8	319.8	81.5	4.3
Change (YoY %)	NA	NA	NA	NA	98.8	59.1	20.8	4.8	24.8	37.9		
Change (QoQ %)	NA	12.9	35.1	15.9	12.5	(9.7)	2.6	0.5	-	-		
As % of Net Sales	27.1	28.8	30.6	30.7	35.1	33.0	31.4	30.2	29.6	32.4		
Finance cost	6.1	9.0	5.5	6.9	6.6	6.3	6.3	6.0	27.5	25.2		
DD&A	11.2	11.2	12.4	13.3	11.9	12.8	12.8	13.7	48.1	51.2		
Other Income	3.8	2.6	4.9	4.2	5.4	4.4	4.4	3.3	15.5	17.5		
PBT (before EO item)	29.3	30.7	52.2	59.5	71.9	62.1	64.1	62.9	171.8	260.9	63.8	12.7
EO exp. (income)	-	-	(0.2)	-	-	-	-	-	(0.2)	-		
PBT (after EO item)	29.3	30.7	52.4	59.5	71.9	62.1	64.1	62.9	172.0	260.9	63.8	
Total Tax	8.3	8.7	13.5	16.8	19.0	18.6	19.2	17.6	47.4	74.4		
% Tax	28.3	28.2	25.8	28.3	26.4	30.0	30.0	27.9	27.5	28.5		
PAT before MI and Asso.	21.0	22.1	38.9	42.7	52.9	43.4	44.8	45.3	124.6	186.5	45.9	
Profit from Asso.	-	(0.0)	-	-	-	-	-	-	(0.0)	-		
Minority interest	-	-	-	-	-	-	-	-	-	-		
PAT after MI and Asso.	21.0	22.1	38.9	42.7	52.9	43.4	44.8	45.3	124.6	186.5	45.9	15.3
APAT	21.0	22.1	38.7	42.7	52.9	43.4	44.8	45.3	124.4	186.5	45.9	
Change (YoY %)	NA	NA	NA	NA	151.9	97.0	15.9	6.2	29.2	49.9		
Change (QoQ %)	NA	4.9	75.4	10.3	24.1	(17.9)	3.2	1.1	-	-		

Quarterly performance – Hindustan Zinc (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Est.%
Mine prodn. (kt)	265	258	276	315	268	266	288	309	1,114	1,132	268	
Zinc refined (kt)												
Lead refined (kt)	201	202	221	227	211	218	223	235	851	887	213	
Silver (tonnes)	48	45	49	55	47	53	59	64	197	223	47	
Zinc LME (USD/t)	145	147	158	176	149	152	167	176	627	644	148	
Net Sales	77.7	85.5	109.8	135.4	137.5	124.8	125.8	126.4	408.4	514.4	127.0	8.3
Change (YoY %)	(4.4)	3.6	27.5	49.0	76.9	45.9	14.5	(6.7)	19.8	25.9		
Change (QoQ %)	(14.5)	10.0	28.4	23.4	1.5	(9.2)	0.8	0.5				
EBITDA	38.6	44.5	60.5	77.1	80.5	72.9	73.6	74.7	220.6	301.8	76.5	5.2
Change (YoY %)	(2.2)	7.8	34.6	59.9	108.6	64.1	21.6	(3.1)	26.9	36.8		
Change (QoQ %)	(19.9)	15.2	36.2	27.3	4.5	(9.4)	1.0	1.5				
As % of Net Sales	49.7	52.0	55.1	56.9	58.6	58.5	58.5	59.1	54.0	58.7		
Finance cost	2.4	2.6	2.0	1.9	1.3	2.3	2.3	3.3	8.8	9.3		
DD&A	9.1	8.8	9.5	10.5	9.2	10.5	10.5	11.7	37.9	41.8		
Other Income	2.8	2.4	2.9	2.8	3.2	2.8	2.8	2.5	10.9	11.3		
PBT (before EO item)	29.9	35.4	52.1	67.5	73.1	63.0	63.7	62.1	184.8	261.9	67.3	
EO exp. (income)	-	-	0.3	-	-	-	-	-	0.3	-		
PBT	29.9	35.4	52.3	67.5	73.1	63.0	63.7	62.1	185.1	261.9	67.3	8.7
Total Tax	7.5	8.9	13.1	17.2	18.5	16.1	16.2	15.8	46.8	66.5		
% Tax	25.2	25.2	25.1	25.4	25.2	25.5	25.5	25.4	25.3	25.4		
Reported PAT	22.3	26.5	39.2	50.3	54.7	46.9	47.4	46.4	138.3	195.4		
Adjusted PAT	22.3	26.5	38.9	50.3	54.7	46.9	47.4	46.4	138.1	195.4	50.2	9.1
Change (YoY %)	(4.7)	9.9	46.2	67.6	144.8	77.1	21.1	(7.9)	33.6	41.3		
Change (QoQ %)	(25.6)	18.6	47.8	28.5	8.7	(14.2)	1.1	(2.3)				

Sources: MOFSL, Company

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	SWIGGY IN
Equity Shares (m)	2760
M.Cap.(INRb)/(USDb)	816.8 / 8.5
52-Week Range (INR)	474 / 236
1, 6, 12 Rel. Per (%)	22/-1/-24
12M Avg Val (INR M)	4693

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
GOV	345.9	405.1	484.0
Net Sales	230.5	301.2	378.3
Change (%)	51.4	30.7	25.6
EBITDA	-32.3	-23.2	-6.9
EBITDA margin (%)	-14.0	-7.7	-1.8
Adj. PAT	-41.5	-30.0	-14.8
PAT margin (%)	-18.0	-10.0	-3.9
RoE (%)	-29.08	-17.40	-9.43
RoCE (%)	-27.81	-17.80	-11.39
EPS	-16.27	-11.76	-5.79
EV/ Sales	3.2	2.5	2.0
Price/ Book	4.1	4.7	5.0

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	0.0	0.0	0.0
DII	27.4	25.4	13.5
FII	19.0	20.2	15.1
Others	53.6	54.4	71.4

FII includes depository receipts

CMP: INR296 **TP: INR350 (+18%)** **Buy**

Focus shifts back to QC growth

Growth investments to keep contribution margins range-bound

- Swiggy reported a 1QFY27 net revenue of INR68.1b (+6.8% /+37.5% QoQ/ YoY) vs our estimate of INR65.5b. The food delivery (FD) business's GOV grew 17.4% YoY, whereas the contribution margin (CM) dipped 20bp QoQ to 7.6%. FD's adj. EBITDA as a % of GOV margin decreased 20bp QoQ to 3.1% vs. our est. of 3.0%.
- Instamart's GOV was INR79.1b (up 39.8% YoY) vs. our estimate of INR79.6b. Instamart reported a contribution margin of -0.2% (-1.8% in 4Q). Adjusted EBITDA as a % of NOV was -13.2% (-15.1% in 4Q) vs. our estimate of -12.7%.
- Overall, Swiggy reported a net loss of INR7.9b against our est. of INR8.4b.
- For 1QFY27, its revenue grew 37.3% YoY and adj. EBITDA losses reduced from 8.1b in 1QFY26 to 6.5b. For 2QFY27, we expect its revenue to grow 27.2%, while the adjusted EBITDA loss is likely to **decline from 6.9b to 3.5b**. We value the FD business at **30x FY28E EV/EBITDA, 1x FY28E EV/Sales for the out-of-home, platform, and supply chain businesses, and QC using DCF**. We revise our **TP to INR350, implying an upside of 18%**.

Our view: QC NOV and MTUs recovery will be the key monitorables

- **Contribution margin almost breaks even; take-rate improvement remains an important margin lever:** Instamart's contribution margin improved to -0.2% in 1QFY27, versus -1.8% in 4QFY26, reaching the breakeven level. **Following contribution breakeven, the focus is now shifting back toward growth, with contribution margins expected to remain largely range-bound between breakeven and ~1% negative** over the next few quarters. We build in contribution margins of -0.1%/1.0% for FY27/28E.
- In this quarter, quick commerce revenue grew ~16% QoQ, materially ahead of ~3% QoQ NOV growth, pointing to a meaningful improvement in implied take rates – 21.1% take rate in 1QFY27 (vs. 18.6% in 4QFY26). **Better gross profit negotiations with brands, higher advertising monetization, and user fees drove this improvement. While take rates have improved, they remain below peers**, leaving another meaningful margin lever going forward.
- **EBITDA profitability still some distance away:** While contribution margins have largely reached breakeven, EBITDA profitability remains a different challenge. The **business now requires around INR60b NOV to achieve an EBITDA breakeven. Based on our estimates, however, this is still at least three years away (FY30E)**, underscoring the difficulty of making money in the quick commerce business.
- **Premium assortment could be the next stage of growth; Noice initiatives encouraging, but execution remains key:** The next phase of growth is likely to be driven by premium assortment expansion rather than discount-led volume growth. Private labels, premium assortment, and strategic partnerships such as Noice should support both monetization and customer engagement over time. Around INR20 of the incremental INR30 per order required to reach EBITDA breakeven is expected to come from monetization. However, execution remains key, especially as competitive intensity remains elevated.

- **MTU retention appears to have bottomed out; growth recovery now the key monitorable:** Quick commerce NOV growth improved to around **10% over the latest four-week period**, versus ~1% in the preceding four weeks, supported by improving retention after the clean-up of low-value users. Monthly retention has improved to ~61%, from ~55% a year ago, providing a healthier base for growth. The focus now shifts back to growing MTUs and order frequency.
- **Management change a key monitorable; valuations remain inexpensive:** The recent management change comes at an important stage for Instamart, with the business **shifting** from improving unit economics to accelerating growth. **The appointment of Nandita Sinha as CEO of Instamart, who has a strong execution track record across consumer internet businesses, makes execution under the new leadership an important monitorable**, particularly around user growth, premium assortment, and monetization. While valuations remain inexpensive relative to peers, improving execution at Instamart could act as a positive trigger for the stock.

Valuation and view

- **We largely retain our estimates.** While food delivery execution remains steady with expanding margins, Instamart has largely addressed the contribution margin debate. The focus now shifts to sustaining GOV growth through better MTU additions, retention, and monetization, while progressing toward EBITDA profitability.
- **We continue to believe Swiggy's food delivery franchise and brand recall provide long-term strategic value; however, a clear path toward QC EBITDA profitability remains critical for a meaningful re-rating.** Improving execution under the new Instamart leadership could be a positive catalyst. We value the FD business at **30x FY28E EV/EBITDA, 1x FY28E EV/Sales for the out-of-home, platform, and supply chain businesses, and QC using DCF.** We revise our **TP to INR350, implying an upside of 18%.**

FD GOV growth and Instamart's NOV growth in line, but miss on Instamart's adj. EBITDA margin

- Swiggy reported 1QFY27 net revenue of INR68.1b (+6.8% /+37.5% QoQ /YoY). vs our estimate of INR 65.5b.
- Food delivery GOV stood at INR94.9b (up 5.4%/17.4% QoQ/YoY) vs. our estimate of INR95.5b.
- Instamart GOV came in at INR79.1b (up 39.8% YoY) vs. our estimate of INR79.6b. The dark store rollouts with 28 new active Dark stores in 1Q.
- Instamart NOV came in at INR58.5b (up 3.1% QoQ), largely in line with our estimate of INR58.9b (+3.8% QoQ).
- Instamart reported a contribution margin of -0.2% (-1.8% in 4Q) vs. our estimate of break-even.
- For food delivery, adjusted EBITDA as a % of GOV margin was down 20bp QoQ at 3.1% vs. our estimate of 3.0%.
- Instamart's adjusted EBITDA as a % of NOV was -13.2% (-15.1% in 4Q) vs. our estimate of -12.7%.
- Consol. Adj. EBITDA came in at negative INR65.1b, and Swiggy reported a net loss of INR7.9b against our est. of INR8.4b.

Key highlights from the management commentary

- **FD:** Management maintains that food delivery remains structurally under-penetrated in India (~1 in 10 Indians have ever transacted in the category), supporting a long runway for growth.
- Any new entrants are expected to target value/affordability segments rather than the premium segment, which management views as structurally harder to disrupt.
- About two of every three users on the new vertical are new to the Swiggy ecosystem, with the remaining overlap showing either complementary usage or partial migration of use-cases — management does not see this as diluting the core platform.
- **QC:** Management is prioritizing growth over incremental margin gains going forward, backed by improving user cohort quality and retention (highest-ever monthly retention, cited at ~61% vs. ~55% a year ago).
- Store network utilization stands at ~40%, with several stores in select cities already hitting 2,500–3,000 orders/day and reaching capacity; guidance calls for more store additions this quarter than in the preceding four quarters combined, though confined to existing cities rather than new market entry.
- A recently observed dip in platform order frequency was attributed to the ongoing low-value user cleanup and quick commerce's inherently lower frequency versus food delivery, with management expecting normalization as the retained user base scales.

Valuation and view

- **We largely retain our estimates.** While food delivery execution remains steady with expanding margins, Instamart has largely addressed the contribution margin debate. The focus now shifts to sustaining GOV growth through better MTU additions, retention, and monetization, while progressing toward EBITDA profitability.
- **We continue to believe Swiggy's food delivery franchise and brand recall provide long-term strategic value; however, a clear path toward QC EBITDA profitability remains critical for a meaningful re-rating.** Improving execution under the new Instamart leadership could be a positive catalyst. We value the FD business at **30x FY28E EV/EBITDA, 1x FY28E EV/Sales for the out-of-home, platform, and supply chain businesses, and QC using DCF.** We revise our **TP to INR350, implying an upside of 18%.**

Consolidated - Quarterly Earnings Model

(INR m)

Y/E march	FY26				FY27E				FY26	FY27E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY27	(% / bp)
Revenue (net of delivery)	49,620	55,610	61,480	63,830	68,120	70,755	79,702	82,673	2,30,540	3,01,249	65,531	4.0
YoY Change (%)	54.0	54.4	54.0	44.7	37.3	27.2	29.6	29.5	51.4	30.7	32.1	520bp
Inventory of traded goods	20,640	23,420	27,460	29,150	29,750	30,960	31,579	32,210	1,00,670	1,24,499	30,494	-2.4
Employee Expenses	6,860	6,900	6,730	6,670	6,620	7,629	8,167	8,759	27,160	31,174	7,222	-8.3
Delivery expenses	13,130	14,260	15,330	15,770	17,500	19,415	20,664	21,271	58,490	78,850	18,457	-5.2
Gross Profit	8,990	11,030	11,960	12,240	14,250	12,752	19,292	20,433	44,220	66,727	9,358	52.3
Margins (%)	18.1	19.8	19.5	19.2	20.9	18.0	24.2	24.7	19.2	22.2	14	660bp
Advertisement and sales promotion	10,360	10,390	11,080	10,240	11,600	10,788	10,052	9,388	42,070	41,828	9,950	16.6
Others	8,160	8,620	8,700	8,970	9,150	7,724	14,773	16,479	34,450	48,126	6,331	44.5
EBITDA	-9,530	-7,980	-7,820	-6,970	-6,500	-5,760	-5,533	-5,434	-32,300	-23,227	-6,923	NA
Margins (%)	-19.2	-14.3	-12.7	-10.9	-9.5	-8.1	-6.9	-6.6	-14.0	-7.7	-10.6	100bp
Depreciation	2,880	3,040	3,130	3,120	2,980	2,476	2,790	2,894	12,170	11,140	2,294	29.9
Interest	410	480	550	560	530	450	450	450	2,000	1,880	450	17.8
Other Income	870	590	960	2,660	2,110	1,500	1,300	1,300	5,080	6,210	1,300	62.3
PBT before EO expense	-11,950	-10,910	-10,540	-7,990	-7,900	-7,187	-7,472	-7,477	-41,390	-30,037	-8,367	NA
Tax	0	0	0	0	0	0	0	0	0	0	0	NA
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA	0.0	0bp
Adj PAT	-11,950	-10,910	-10,540	-7,990	-7,900	-7,187	-7,472	-7,477	-41,390	-30,037	-8,367	NA
Extra-Ord expense	0	0	100	0	0	0	0	0	100	0	0	NA
MI & Profit/Loss of Asso. Cos.	10	10	10	10	10	0	0	0	40	10	0	NA
Reported PAT	-11,960	-10,920	-10,650	-8,000	-7,910	-7,187	-7,472	-7,477	-41,530	-30,047	-8,367	NA
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	NA	33%	-28%	NA	NA
Margins (%)	-24.1	-19.6	-17.3	-12.5	-11.6	-10.2	-9.4	-9.0	-18.0	-10.0	-12.8	NA

Key performance indicators – FD business

Particulars	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Avg MTU (m)	16.3	17.2	18.1	18.3	19.2
Avg. MT Restaurant Partners (m)	0.26	0.26	0.27	0.28	0.27
GOV (INR m)	80,860	85,420	89,590	90,050	94,900
GOV/MTU	4,961	4,966	4,950	4,921	4,943

Source: Company, MOFSL

Key performance indicators – QC business

Particulars	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Orders (m)	92	100.8	106.4	112.6	114.5
AOV	612	697	746	700	691
Avg. MTU (m)	11.1	12.0	12.8	13.3	13.5
Active Dark Stores	1062	1102	1136	1143	1171
Orders/Dark store/Day	963	1016	1041	1095	1086
Active Dark Store Area (m Sq ft)	4.3	4.59	4.79	4.81	4.92

Source: Company, MOFSL

Prestige Estates Projects

Estimate change



TP change



Rating change


CMP: INR1,595
TP: INR1,830 (+15%)
Buy

In-line quarter; growth outlook remains healthy

Hyderabad launches support 1Q pre-sales; healthy BD activity

Prestige Estates (PEPL) reported 46% decline in pre-sales to ~INR66b (in line) in 1QFY27 due to fewer launches and a high base. It launched four projects with a combined developable area of 20.2msf, of which 17.2msf were in the residential and plotted segments. Hyderabad contributed 49% of quarterly sales, followed by Bengaluru (27%), Mumbai (12%), NCR (7%) and other markets (5%). Major contributors to 1Q pre-sales were Prestige Golden Grove in Hyderabad (INR29.9b), Evergreen @ Prestige Raintree Park in Bengaluru (INR7.5b) and TPC Indirapuram in NCR (INR4.4b).

BD continues; launch pipeline provides comfortable growth outlook

In 1QFY27, PEPL added three new projects in Mumbai with GDV of ~INR178b. It launched INR122b in the residential segment during the quarter and further has a pipeline of INR451b, which would support pre-sales in the coming quarters. More additions are expected amid progress in the BD activity, which would enhance the growth visibility. The company remains confident of achieving 15-20% pre-sales growth in FY27. Approval delays remain the key risk rather than demand. **We bake in a 14% CAGR in pre-sales to INR388b over FY26-28.**

Healthy collections limit debt increase despite new project additions

Despite a 46% decline in pre-sales, collections remained healthy at INR48.0b, up 6% YoY. NOCF at INR14.9b was down 18% YoY. However, the increase in net debt was limited to INR10b QoQ to INR119b despite the BD activity (net debt-to-equity ratio at 0.69x). On the back of healthy pre-sales growth and progress in execution, we expect ~16% CAGR in collections to ~INR251b over FY26-28, which would enable growth while keeping leverage in check.

Leasing income to sharply increase in the next two years

- **Commercial:** Revenue from the segment stood at INR1.6b with EBITDA margin at 80%. In the operational portfolio, annualized rentals are at INR7.7b, whereas the company expects exit rentals of INR8.7b in FY27 and INR23.3b in FY28. We build in office rental income to reach INR14.9b by FY28E at a CAGR of 49% over FY26-28E.
- **Retail:** The segment's revenue stood at INR797m with EBITDA margin at 57%. In the operational portfolio, annualized rentals are at INR2.8b, whereas it expects exit rentals of INR3.7b/INR6.2b in FY27/ FY28. We build in retail rental income to reach INR4.5b by FY28E at a CAGR of 29% over FY26-28E.

Financial performance

- In 1QFY27, revenue stood at INR26.8b, up 16% YoY. EBITDA stood at INR8.6b, down 4% YoY (in line), with margins at 32.1%. PAT stood at INR2.4b, down 19% YoY (10% below estimates).

Bloomberg	PEPL IN
Equity Shares (m)	431
M.Cap.(INRb)/(USDb)	686.9 / 7.2
52-Week Range (INR)	1805 / 1090
1, 6, 12 Rel. Per (%)	0/13/0
12M Avg Val (INR M)	1249

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	126.9	143.2	176.5
EBITDA	37.1	43.1	54.0
EBITDA (%)	29.2	30.1	30.6
Adj. PAT	12.0	15.8	24.0
EPS (INR)	27.8	36.7	55.7
EPS Gr. (%)	133.0	361.6	278.4
BV/Sh. (INR)	377.8	413.0	467.2

Ratios

Net D/E	0.7	0.7	0.6
RoE (%)	7.5	9.3	12.7
RoCE (%)	8.8	9.9	11.5
Payout (%)	7.2	4.1	2.7

Valuations

P/E (x)	57.5	43.5	28.6
P/BV (x)	4.2	3.9	3.4
EV/EBITDA (x)	21.9	19.0	15.1
Div Yield (%)	0.1	0.1	0.1

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	60.9	60.9	60.9
DII	23.5	22.6	19.6
FII	13.3	14.2	16.7
Others	2.3	2.3	2.8

Valuation and view

- PEPL remains well on track to scale up the residential segment on the back of regional diversification as well as continued BD and launches. Recent business development deals continue to replenish the inventory pipeline, thus improving growth visibility over the medium term.
- Ramp-up in the annuity portfolio is progressing well, and upcoming assets are likely to significantly increase the annuity income over the medium term.
- We value the residential business at 15% premium to the NAV to factor in the growth beyond the existing inventory pipeline. The land bank value is calculated on 1.7x FSI. We value operational annuity assets at a 7.5% cap rate, and ongoing and upcoming assets at an 8% cap rate.
- We retain a **BUY** rating with a TP of INR1,830, indicating a 15% upside potential.

Quarterly Performance

Y/E March	FY26				FY27E						1QE	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY26	FY27	FY27 1Q Est.	Variance (%/bp)
Net Sales	23,073	24,317	38,726	40,738	26,751	30,491	38,932	47,050	1,26,854	1,43,224	33,012	-19
YoY Change (%)	23.9	5.5	134.1	166.5	15.9	25.4	0.5	15.5	72.6	12.9	43.1	
Total Expenditure	14,135	15,219	30,126	30,283	18,155	21,117	26,841	34,001	89,763	1,00,113	24,421	
EBITDA	8,938	9,098	8,600	10,455	8,596	9,374	12,091	13,049	37,091	43,110	8,591	0
Margins (%)	38.7	37.4	22.2	25.7	32.1	30.7	31.1	27.7	29.2	30.1	26.0	610.8
Depreciation	2,162	2,186	2,335	2,378	2,257	2,370	2,488	3,932	9,061	11,047	2,497	
Interest	3,839	3,851	3,838	4,296	4,184	4,393	4,613	6,292	15,824	19,482	4,511	
Other Income	1,614	2,661	129	697	1,605	2,043	2,608	3,340	5,101	9,596	2,212	
PBT before EO expense	4,551	5,722	2,556	4,478	3,760	4,654	7,599	6,165	17,307	22,177	3,796	-1
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	4,551	5,722	2,556	4,478	3,760	4,654	7,599	6,165	17,307	22,177	3,796	-1
Tax	1,271	1,266	336	1,209	943	1,098	1,792	1,398	4,082	5,231	895	
Rate (%)	27.9	22.1	13.1	27.0	25.1	23.6	23.6	22.7	23.6	23.6	23.6	
MI & P/L of Asso. Cos.	355	153	-6	768	458	246	314	137	1,270	1,154	266	
Reported PAT	2,925	4,303	2,226	2,501	2,359	3,311	5,493	4,630	11,955	15,793	2,634	
Adj PAT	2,925	4,303	2,226	2,501	2,359	3,311	5,493	4,630	11,955	15,793	2,634	-10
YoY Change (%)	25.8	123.9	1,157.6	900.4	-19.4	-23.1	146.8	85.1	155.7	32.1	-9.9	
Margins (%)	12.7	17.7	5.7	6.1	8.8	10.9	14.1	9.8	9.4	11.0	8.0	

Source: Company, MOFSL

Ajanta Pharma

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	AJP IN
Equity Shares (m)	125
M.Cap.(INRb)/(USDb)	429.4 / 4.5
52-Week Range (INR)	3599 / 2330
1, 6, 12 Rel. Per (%)	-1/27/25
12M Avg Val (INR M)	356

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	54.5	64.0	72.3
EBITDA	15.1	17.6	20.4
Adj. PAT	10.7	12.2	14.3
EBIT Margin (%)	24.5	24.6	25.3
Cons. Adj. EPS (INR)	85.0	97.5	113.7
EPS Gr. (%)	13.8	14.7	16.6
BV/Sh. (INR)	361.2	434.7	519.4

Ratios

Net D:E	-0.1	-0.2	-0.2
RoE (%)	25.6	24.5	23.8
RoCE (%)	25.3	23.7	23.1
Payout (%)	26.7	25.5	25.5

Valuations

P/E (x)	40.3	35.2	30.2
EV/EBITDA (x)	28.5	24.3	20.6
Div. Yield (%)	0.7	0.7	0.8
FCF Yield (%)	0.4	1.5	2.6
EV/Sales (x)	7.9	6.7	5.8

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	63.5	66.3	66.3
DII	21.8	18.4	17.5
FII	7.7	8.3	8.9
Others	7.0	7.1	7.4

FII includes depository receipts

CMP: INR3,436 TP: INR4,000 (+16%) Buy

Strong start to FY27; India/Africa/US drive earnings

Market share gains/product launches to sustain overall growth

- Ajanta Pharma (AJP) delivered a better-than-expected 1QFY26, with a 7%/9%/11% beat on our revenue/EBITDA/PAT estimates. Robust revenue growth in the US/India/Africa was partially offset by a decline in the Asia segment.
- AJP sustained its quarterly US sales run rate at INR4.9b, driven by improved traction in existing products. However, despite a strong quarter, management guided for mid-single-digit YoY growth in FY27, considering the price erosion.
- In the domestic formulation (DF) segment, AJP posted a 1.4x and 1.8x YoY surge in volumes and new launches vs. the industry, respectively, in MAT June'26.
- While 1QFY27 witnessed a decline in the Asian business due to geopolitical disruptions, the company remains confident of delivering YoY revenue growth in mid-to-high teens in FY27.
- AJP delivered its third consecutive quarter of healthy growth in the African branded generics segment. Backed by leadership across several molecules/sub-therapeutics segments, the company remains confident of sustaining industry outperformance in this segment.
- We largely maintain our estimates for FY27/FY28. AJP is implementing efforts to outpace industry growth in the Indian branded generics segment (increased traction in newer therapies and market share gains in existing therapies), alongside expansion in Asia and Africa markets (increasing reach and entering newer markets). The company is calibrating its product launches in the US market. The currency tailwind is also expected to support better financial performance over FY26-28. Accordingly, we expect a 15%/16%/16% CAGR in revenue/EBITDA/PAT over FY26-28, reaching INR72b/INR20.4b/INR14.2b. We value AJP at 32x 12M forward earnings to arrive at a TP of INR4,000. **Reiterate BUY.**

Product/geography mix benefit offset by higher opex YoY

- AJP's 1QFY27 revenue grew 24.8% YoY to INR16.3b (our est: INR15.1b).
- Gross margin expanded 100bp YoY to 80%.
- However, EBITDA margin contracted 100bp YoY to 27.9% (our est. 27.6%), driven by an increase in other expenses/employee expenses (up 200/20bp as % of sales), partially offset by a decrease in R&D expenses (down 20bp as % of sales).
- EBITDA grew 20.6% YoY to INR4.5b (our est. INR4.2b).
- Adjusting for the net forex gain, PAT grew 19.4% YoY to INR3.2b (our est. INR2.9b).

Robust India/US/Africa growth outweighs Asia's decline on a YoY basis

- India sales grew 24% YoY to INR5.1b (31% of sales).
- US generic sales grew 57% YoY to INR4.9b (30% of sales).
- Africa branded generic sales grew 29% YoY to INR2.9b (18% of sales).
- Branded generics sales in Asia declined 16% YoY to INR2.5b (16% of sales).
- Africa institutional sales grew 84% YoY to INR700m (4% of sales).

Highlights from the management commentary

- Management has guided for high-teen YoY revenue growth in FY27. Specifically, the Indian segment is expected to grow to mid-teens during the year.
- While 1QFY27 sales were impacted by political issues, AJP remains confident of delivering mid-to-high teens YoY growth in FY27.
- Considering price erosion and new launches, management has guided for mid-single-digit YoY growth in the US segment in FY27.
- In addition, management has guided for high-double-digit growth in the African branded segment in FY27.
- The company has guided for GM to reach 78% (+/-100bp) in FY27.
- It has maintained FY27 EBITDA margin growth guidance at 27% (+-1%), excluding the forex impact (+/-100bp).
- It has guided for capex of ~INR4b in FY27, of which INR3b will be utilized to expand the Pithampur plant, while the remaining INR1b will be used for maintenance capex.

Quarterly Performance

Y/E March	FY26				FY27E					FY27E		vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY26	FY27E	1QE	(%)
Net Sales	13,027	13,537	13,748	14,216	16,260	15,987	15,962	15,775	54,529	63,983	15,151	7.3
YoY Change (%)	13.8	14.1	20.0	21.5	24.8	18.1	16.1	11.0	17.3	17.3	16.3	
EBITDA	3,765	3,688	3,892	3,751	4,542	4,268	4,358	4,449	15,096	17,616	4,182	8.6
YoY Change (%)	4.5	9.5	21.3	26.2	20.6	15.7	11.9	18.6	14.8	16.7	11.1	
Margins (%)	28.9	27.2	28.3	26.4	27.9	26.7	27.3	28.2	27.7	27.5	27.6	
Depreciation	413	430	435	454	445	471	470	465	1,731	1,851	461	
Interest	53	34	51	24	32	26	26	26	161	111	26	
Other Income	170	197	164	171	204	206	206	206	701	822	199	
PBT before EO expense	3,469	3,421	3,571	3,444	4,269	3,977	4,067	4,163	13,905	16,476	3,894	
Extra-Ord expense	-158	-13	16	27	199	0	0	0	-129	199	0	
PBT	3,311	3,408	3,586	3,471	4,468	3,977	4,067	4,163	13,777	16,674	3,894	
Tax	758	806	848	804	1,126	1,034	1,057	1,082	3,217	4,299	1,012	
Effective Rate (%)	22.9	23.7	23.7	23.2	25.2	26.0	26.0	26.0	23.3	25.8	26.0	
Reported PAT	2,553	2,602	2,738	2,667	3,342	2,943	3,009	3,081	10,560	12,375	2,882	
Adj PAT	2,675	2,612	2,726	2,646	3,194	2,943	3,009	3,081	10,659	12,227	2,882	10.8
YoY Change (%)	2.0	10.9	24.2	20.6	19.4	12.7	10.4	16.4	13.8	14.7	7.7	
Margins (%)	20.3	19.0	19.6	18.4	19.4	18.2	18.6	19.3	19.3	18.9	18.8	

Premier Energies

BSE SENSEX
77,928

S&P CNX
24,317

CMP: INR983

TP: INR1,240 (+26%)

Buy



Stock Info

Bloomberg	PREMIERE IN
Equity Shares (m)	454
M.Cap.(INRb)/(USD\$)	446.1 / 4.7
52-Week Range (INR)	1134 / 660
1, 6, 12 Rel. Per (%)	-8/40/-
12M Avg Val (INR M)	1641
Free float (%)	41.5

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	78.2	131.3	186.5
Sales Gr. %	20.0	67.8	42.1
EBITDA	23.8	35.0	45.2
EBITDA margin %	30.4	26.6	24.3
Adj. PAT	15.1	18.9	22.5
EPS (INR)	33.3	41.8	49.7
EPS Gr. (%)	61.1	25.4	18.9
BV/Sh. (INR)	95.1	135.9	184.6

Ratios

ND/Equity	0.4	0.7	0.7
ND/EBITDA	0.6	1.2	1.2
RoE (%)	42.4	36.2	31.0
RoIC (%)	63.4	42.7	32.4

Valuations

P/E (x)	27.5	22.0	18.5
EV/EBITDA (x)	18.1	13.1	10.4

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	58.5	63.9	64.3
DII	18.0	13.7	13.0
FII	8.5	6.1	5.1
Others	15.1	16.3	17.7

FII includes depository receipts

Policy resilience and capacity expansions drive upside

We reiterate our BUY rating on Premier Energies Limited (PEL) with a TP of INR1,240 (26% upside). Our positive outlook is premised on:

- **The limited impact from the ALMM-II extension:** Despite a recent [press release](#) deferring ALMM-II until Dec'26 for open access/net metering (C&I) segments, we highlight that utility-scale, PM Surya Ghar (rooftop), and PM-KUSUM segments (~75-80% of domestic demand) remain unimpacted.
- **Module-cell expansion underway:** PEL's module capacity has doubled to 11.1GW, while solar cell capacity will rise to 10.6 GW by 2HFY27 (vs. 3.6 GW at present), supporting the FY26-28E revenue/EBITDA CAGR of 34%/24%.
- **Healthy order book provides visibility; battery localization a catalyst:** PEL secured INR30b of new orders in 1QFY27 (FY26-end: INR140b order book). We estimate current OB/revenue coverage at a healthy 1.1x. The anticipated rollout of a battery localization policy could act as a significant catalyst for PEL. This is likely to create a new growth engine given the 6GWh battery facility commissioning is targeted by the end of CY26.
- **Valuation and view:** At 10.4x FY28 EV/EBITDA, we believe valuations are reasonable given resilient margins, a growing order book and earnings, and potential entry into battery manufacturing.

An INR30b order win in 1QFY27 reinforces demand momentum

- PEL's order book stood at INR140b at FY26-end, with an additional INR30b of orders secured in 1QFY27 (comprising 1.8GW of solar cells and modules scheduled for delivery across FY27-28) diversified across leading power producers, module manufacturers, EPC players, and other customers.
- We do not foresee any material risk to earnings over FY27-28, aided by a healthy order book-to-FY27E revenue ratio of 1.1x as of the end of 1QFY27.
- Industry preference continues to favor sourcing cells from established and reliable manufacturers, supporting PEL's order inflows.

ALMM-II extension unlikely to affect growth

- The ALMM-II extension until Dec'26 applies only to the open access and net metering (C&I) segment, which primarily serves the C&I market (~7GW of India's ~45GW solar installations in FY26).
- ALMM-II continues to remain applicable at present to the utility-scale, PM Surya Ghar, and PM-KUSUM segments, which are expected to account for ~75-80% of the domestic solar market in FY27.
- Given that the extension impacts only a limited portion of the domestic market and is valid only until Dec'26, the near-term impact on Premier Energies is likely to be limited, supported by its healthy order book visibility.
- Additionally, the scaling of PEL's solar cell manufacturing in 2HFY27 (from 3.6GW to 10.6GW) positions it to benefit from the ALMM-II mandate.

Capacity additions enhance scale; a 34% revenue CAGR over FY26-28E

- PEL continues to expand its manufacturing footprint, with ~400MW of solar cell capacity commissioned in Jan'26 and ~5.4GW of module capacity recently added. Both facilities are expected to ramp up meaningfully in early FY27.
- Module manufacturing capacity has more than doubled to 11.1GW, while solar cell capacity is expected to rise from 3.6GW at FY26-end to 8.4GW by 2QFY27 and further to 10.6GW by 2HFY27, underpinning an estimated revenue/EBITDA CAGR of 34%/24% over FY26–28E.
- While these investments strengthen PEL's long-term positioning, free cash flow is estimated to remain negative for the next ~3 years.

Battery adds growth optionality; key beneficiary of the localization policy

- PEL is expanding into battery manufacturing, having conducted the ground-breaking ceremony for its 6GWh Battery Energy Storage System (BESS) container facility on 9th Jul'26.
- Battery manufacturing presents a key growth optionality, with the first phase of 6GWh expected by end-CY26, although ramp-up may be gradual due to certification requirements. A localization policy is anticipated by 2HFY27, which could further support domestic players.
- While Chinese imports remain ~15% cheaper, the 11% import duty partially offsets this gap, improving the relative competitiveness of local manufacturing. In the transformer segment, PEL sees export opportunities across global markets.

Valuation and view

- The valuation of PEL has been derived through an SoTP methodology.
- The domestic module business is valued at 14x FY28E EBITDA. The new business segment is valued at 10x FY28E EBITDA, consistent with domestic peer valuations. The sum of these segment valuations (adjusting for the net debt) results in a TP of INR1,240/share.

Exhibit 1: Premier – SoTP valuation

Segment	Unit	EBITDA (FY28E)	Multiple	EV
Domestic Modules	INR m	40,892	14	572,490
New businesses	INR m	4,350	10	45,592
Total EV	INR m			618,081
Net debt	INR m			56,237
Market Cap	INR m			561,844
NOSH	Mn			453
Target price	INR			1,240
CMP	INR			983
Upside / (Downside)	%			26%

Source: MOFSL

Balkrishna Industries

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	BIL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USD\$)	446 / 4.7
52-Week Range (INR)	2775 / 1970
1, 6, 12 Rel. Per (%)	4/4/-14
12M Avg Val (INR M)	508

Financials & valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	106.6	134.8	156.2
EBITDA	24.6	29.6	35.2
Adj. PAT	12.4	16.8	19.8
EPS (Rs)	64.3	86.9	102.7
EPS Growth (%)	-24.9	35.1	18.2
BV/Share (Rs)	566.8	633.6	712.3

Ratios

RoE (%)	11.6	14.5	15.3
RoCE (%)	10.1	11.0	12.0
Payout (%)	24.9	23.0	23.4

Valuations

P/E (x)	35.9	26.5	22.5
P/BV (x)	4.1	3.6	3.2
Div. yield (%)	0.7	0.9	1.0
FCF yield (%)	-1.7	0.3	1.5

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter (%)	58.3	58.3	58.3
DII (%)	24.6	24.3	24.8
FII (%)	10.3	11.1	10.5
Others (%)	6.8	6.3	6.4

FII includes depository receipts

CMP: INR2,307 **TP: INR2,259 (-2%)** **Neutral**

Demand witnesses a healthy revival

Margins likely to remain under pressure

- Balkrishna Industries' (BKT) 1Q earnings at INR4.3b were ahead of our estimate of INR3.7b, primarily due to an MTM gain of INR570m and higher other income. However, despite a healthy pick-up in volume on a QoQ basis (+9.3%), its margin remained under pressure at 20.6% (vs. our est. of 22%) due to an adverse mix, commodity inflation, higher freight costs, and rising promotional spends.
- BKT is now experiencing a gradual pick-up in demand across its key regions, with India likely to remain its key growth driver and huge potential expected from the Americas. However, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 26.5x FY27E and 22.5x FY28E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns, which, in our view, is likely to be a challenge. **Reiterate Neutral with a TP of INR2,259, valued at 22x FY28E EPS.**

In-line margins; MTM gains lead to earnings beat

- BKT's 1Q revenue at INR34.1b was above our estimate of INR30.4b, growing 16.2% YoY, largely led by strong volume and realization growth.
- **Volumes grew 16.2% YoY to 93,770 MT (+9% QoQ)**, ahead of our estimate of 87,117 MT.
- Blended ASPs also rose 6.3% YoY to ~INR364k per ton, broadly in line with our estimate of INR349k per ton.
- EBITDA margin contracted ~320bp YoY (-233bp QoQ) to 20.6% (below our estimate of 22%) due to a rise in input costs, higher freight costs, rising promotional spends, and an adverse regional mix (rising India share).
- As a result, despite the revenue beat, EBITDA was in line with our estimate at INR7b (up ~7% YoY).
- The MTM gain of INR570m in 1QFY27 boosted profitability.
- As a result, Adj. PAT grew 50% YoY to INR4.3b, ahead of our estimate of INR3.7b.
- The Board declared an INR4/share interim dividend.
- BKT started supplies of TBR tyres in Apr'26. Additionally, a 2W product portfolio has been introduced with select products targeting domestic markets. PCR tyres will be launched as scheduled.

Key highlights from the management commentary

- Management remains focused on balancing volume growth with margin discipline, while leveraging expanded Carbon Black capacity to improve manufacturing efficiency and progressively scaling the On-Highway business.
- BKT estimates its current market share at approximately 18-19% in India, 7-8% in Europe, and 3-4% in the US, with substantial opportunity for further penetration, particularly in the Americas.
- Management expects growth to continue in the Americas, supported by BKT's premium brand positioning, sharper go-to-market strategy, and significant headroom for market share expansion.
- Dealer inventory across major export markets remains at normal levels, with management observing no meaningful pre-buying due to recent price increases.
- Management expects raw material inflation to continue through 2Q and partly into 3Q, with raw material costs expected to increase by ~5%, translating into an estimated ~2% margin pressure in the near term if current cost conditions continue.
- Approximately INR10b of capex has already been incurred in 1Q, with an additional INR15-20b planned during the remaining 9MFY27. Overall, growth capex is likely to taper off meaningfully from FY28 onwards.

Valuation and view

BKT is now experiencing a gradual pick-up in demand across its key regions, with India likely to remain its key growth driver and huge potential expected from the Americas. However, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 26.5x FY27E and 22.5x FY28E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns, which, in our view, is likely to be a challenge. **Reiterate Neutral with a TP of INR2,259, valued at 22x FY28E EPS.**

Quarterly Earning Model (Standalone)

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	VAR
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Volumes (Ton)	80,664	70,252	80,620	85,820	93,770	83,600	93,519	98,164	317,356	369,053	87,117	7.6
YoY Change (%)	-3.5	-4.2	5.6	4.6	16.2	19.0	16.0	14.4	0.7	16.3	8.0	
Realizations (INR '000/ton)	342.1	330.3	332.8	337.2	363.5	363.4	366.0	367.8	335.8	365.3	348.9	4.2
YoY Change (%)	4.3	-1.8	-1.2	-2.5	6.3	10.0	10.0	9.1	-0.3	8.8	2.0	
Net Revenues	27,594	23,207	26,827	28,942	34,087	30,377	34,231	36,103	106,560	134,798	30,398	12.1
YoY Change (%)	0.7	-5.8	4.3	2.0	23.5	30.9	27.6	24.7	0.4	26.5	10.2	
EBITDA	6,560	4,999	6,134	6,632	7,016	6,204	7,786	8,226	24,232	29,232	6,696	4.8
Margins (%)	23.8	21.5	22.9	22.9	20.6	20.4	22.7	22.8	22.7	21.7	22.0	-140bp
YoY Change (%)	-8.1	-19.2	-4.0	-5.7	6.9	24.1	26.9	24.0	-9.6	345.6	2.1	
Depreciation	1,862	1,901	1,921	1,955	2,033	2,150	2,210	2,376	7,640	8,770	2,100	
Interest	290	319	420	440	420	410	415	423	1,470	1,668	400	
Forex loss/(gain)	1,540	10	-360	250	-570	0	0	0	1,440	-570	0	
Other Income	1,042	709	768	-36	680	600	650	647	-36	2,480	600	
PBT before EI	3,910	3,478	4,920	3,950	5,813	4,244	5,811	6,074	16,162	21,941	4,796	21.2
Extra-Ord expense	0	0	83	0	0	0	0	0	83	0	0	
PBT	3,910	3,478	4,837	3,950	5,813	4,244	5,811	6,074	16,079	21,941	4,796	21.2
Rate (%)	26.6	23.7	22.4	25.3	25.8	22.5	22.0	23.3	24.4	24.4	23.0	
Adj PAT	2,869	2,652	3,817	2,951	4,314	3,289	4,533	4,660	12,412	16,796	3,693	16.8
YoY Change (%)	-39.9	-24.1	-13.2	-18.5	50.4	24.0	18.7	57.9	-23.8	35.3	28.7	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY26				FY27E				FY26	FY27E	FY27	VBA.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1Q	
Volumes (Ton)	80,664	70,252	80,620	85,820	93,770	83,600	93,519	98,164	317,356	369,053	87,117	
YoY Change (%)	-3.5	-4.2	5.6	4.6	16.2	19.0	16.0	14.4	0.7	16.3	8.0	
Realizations (INR '000/ton)	342.1	330.3	332.8	337.2	363.5	363.4	366.0	367.8	335.8	365.3	348.9	
YoY Change (%)	4.3	-1.8	-1.2	-2.5	6.3	10.0	10.0	9.1	-0.3	8.8	2.0	
Gross Margins (%)	51.5	50.1	50.5	50.7	49.1	49.8	51.0	51.3	50.7	29.6	50.2	
EBITDA Margins (%)	23.8	21.5	22.9	22.9	20.6	20.4	22.7	22.8	22.7	21.7	22.0	
Gross Profit (INR '000/ton)	176.2	165.6	168.2	171.0	178.5	181.0	186.7	188.6	170.4	108.0	175.2	
EBITDA (INR '000/ton)	81.3	71.2	76.1	77.3	74.8	74.2	83.3	83.8	76.4	79.2	76.9	

Hexaware Technologies

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	HEXT IN
Equity Shares (m)	611
M.Cap.(INRb)/(USD\$)	351.7 / 3.7
52-Week Range (INR)	830 / 400
1, 6, 12 Rel. Per (%)	10/-13/-17
12M Avg Val (INR M)	639
Free float (%)	25.7

Financials & Valuations (INR b)

Y/E Mar	CY25	CY26E	CY27E
Sales	134.3	154.3	170.4
Adj. EBIT Margin (%)	14.0	13.7	13.9
Adj. PAT	14.3	14.8	17.6
Adj. EPS (INR)	23.1	23.9	28.4
EPS Gr. (%)	19.6	3.7	18.8
BV/Sh. (INR)	103.7	115.8	130.3

Ratios

RoE (%)	23.5	22.5	23.4
RoCE (%)	19.6	17.9	19.3
Payout (%)	49.0	50.0	50.0

Valuations

P/E (x)	24.9	24.1	20.2
P/BV (x)	5.5	5.0	4.4
EV/EBITDA (x)	14.6	13.0	11.2
Div Yield (%)	2.0	2.1	2.5

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	74.3	74.3	74.6
DII	16.1	15.0	9.9
FII	3.4	4.5	9.9
Others	6.3	6.2	5.6

FII Includes depository receipts

CMP: INR576 **TP: INR660 (+15%)** **Buy**

Growth to improve over the next few quarters

Delayed deal ramp-ups provide strong visibility despite guidance cut

- Hexaware Technologies (HEXT) reported revenue of USD405m in 2QCY26, up 4.4% QoQ in CC terms vs. our estimate of 4.8% QoQ CC. Professional Services/Healthcare and Insurance grew 13.3%/6.8% QoQ, whereas Technology/Travel declined 3.1%/1% QoQ. The Adj. EBIT margin stood at 13.6%, broadly in line with our estimate of 13.5%. Adj. PAT was down 6.1%/13% QoQ/YoY to INR3.3b (our est. of INR3.8b).
- Management cuts FY27 revenue growth guidance to 6–7% (including 50bp from CP rebadging) from the earlier CY25 baseline growth of 7.6%, citing delayed deal ramp-ups and a weaker macro environment. HEXT maintained its CY26 guidance of 13–14% EBIT margin.
- For 2QCY26, revenue/Adj. EBIT increased 17.9%/6.3%, while PAT declined 13.9% YoY (in INR terms). In 3QCY26, we expect revenue/Adj. EBIT/PAT to grow 13.3%/6.3%/9.6% YoY (in INR terms). **We reiterate our BUY rating with a TP of INR660 (based on 23x CY27E EPS), implying ~15% potential upside.**

Our view: Stronger CY26 exit could support CY27

- **Growth to improve over the next couple of quarters despite guidance cut:** HEXT lowered its CY26 USD revenue growth guidance to **6–7% YoY (from 7.6%)**, primarily due to delayed ramp-up of deals won earlier in the year and continued weakness in the Travel & Transportation vertical. Most of the delayed deal ramp-ups are now expected to come through in late 3Q and 4Q.
- **Not all ramp-ups will happen in 3Q;** 4Q expected to be stronger than the typical furlough quarter as delayed deal ramp-ups continue. We are building **3.5%/2.0% QoQ CC growth for 3Q/4QCY26E**, supported by delayed deal ramp-ups and continued strength in banking, healthcare, and manufacturing. We estimate **6.6% YoY USD revenue growth** for CY26 (mid-point of the 6–7% guidance).
- **Stronger exit rate could support CY27 growth:** HEXT is expected to exit CY26 with stronger growth despite 4Q typically being impacted by furloughs, supported by healthy momentum in large modernization deals and emerging AI-led engagements. **We believe a stronger exit rate into CY27, along with improving deal ramp-ups, provides a reasonable path** for high-single-digit to double-digit revenue growth in CY27, assuming the macro environment remains stable.
- **Margins to remain range-bound:** HEXT maintained its CY26 EBIT margin guidance of **13–14%**. Seasonal costs incurred in 2Q, including client events and other one-offs, are not expected to recur, while utilization is expected to remain healthy at **83–84%**. Although the company continues to invest in hiring and AI capabilities, operating leverage from delayed deal ramp-ups should help offset these investments. We estimate **CY26 EBIT margins of 13.7%**, with margins improving over the next few quarters as revenue growth accelerates.

- **Token economics could gradually change how AI work is priced:** Client discussions are increasingly moving beyond AI productivity to who bears token costs and how AI consumption should be priced. **Historically, proposals were largely based on people costs, but clients are now evaluating labor and token costs together.** HEXT has started experimenting with AI-native and outcome-based pricing models, while also building tools to optimize token usage for clients. **We believe this marks an important shift, as IT service companies could increasingly participate in AI spending** beyond traditional FTE-based pricing.

Valuation and view

- While HEXT lowered its CY26 revenue growth guidance to 6–7% due to delayed deal ramp-ups and weakness in the Travel & Transportation vertical, management commentary suggests that growth is getting deferred rather than lost. We expect delayed ramps, healthy momentum in large modernization deals, and continued strength in banking, healthcare, and manufacturing to support a stronger exit into CY27.
- HEXT also maintained its EBIT margin guidance of 13–14% despite continued investments in hiring and AI capabilities, with operating leverage from deal ramp-ups expected to support margins over the coming quarters. **We largely maintain our estimates and reiterate our BUY rating with a TP of INR660 (based on 23x CY27E EPS), implying ~15% upside.**

Miss on revenue and margins in line with our estimates; FY27 growth guidance cut to 6-7%, while margin guidance maintained

- HEXT's USD revenue came in at USD405m, up 4.4% QoQ in CC terms vs. our estimates of 4.8% QoQ CC.
- Professional Services/Healthcare and Insurance grew 13.3%/6.8% QoQ, whereas Technology/Travel declined 3.1%/1% QoQ.
- In terms of geography, the Americas/Europe/Asia Pacific grew 2.9%/7.0%/14.1% QoQ in USD terms.
- Management cuts FY27 revenue growth guidance to 6–7% (including 50bp from CP rebadging) from the earlier CY25 baseline growth of 7.6%, citing delayed deal ramp-up and a weaker macro environment.
- HEXT maintained its CY26 guidance of 13–14% EBIT margins.
- The EBIT margin stood at 13.6%, broadly in line with our estimate of 13.5%.
- Adj. PAT declined 6.1%/13% QoQ/YoY to INR3.3b (our est. of INR3.8b).
- The headcount rose to 34,506 (up 2.1% QoQ) in 2QCY26. Attrition (LTM) increased by 10bp QoQ to 11.2%. Utilization rose 220bp QoQ to 84.8%.
- The Board of Directors approved an interim dividend of INR8.5/share.

Key highlights from the management commentary

- Management indicated that AI adoption in IT is settling down, with the worst-case disruption scenarios now appearing unlikely to materialize.
- The company cited contrasting client examples: one enterprise rebuilt five to six applications into a portal in under three months, while another slowed its rollout despite faster delivery, reflecting that the adoption pace is constrained by business readiness rather than technology alone.
- 13 of the top 20 clients have undergone vendor consolidation over the last five quarters (~4-5x the historical run rate), largely AI-driven. The business has now entered a post-consolidation stability phase, with growth optionality gradually building.

- Volume growth was supported by the full-quarter impact of prior hiring and improved utilization.
- The company narrowed its FY26 revenue growth guidance to 6-7% (from ~7.6% earlier), including ~50bp contribution from the CPE rebadging deal. The midpoint of the revised guidance implies a ~2.7% QoQ CAGR from current levels.
- The guidance revision was driven by: i) the delayed ramp-up of deals won earlier in the year, now expected to materialize from late 3Q into 4Q, and ii) a worsening macro environment in the Travel & Transportation vertical, particularly in the Middle East.
- Key wins included a German biotech vendor-consolidation program transitioning into an agentic clinical-data platform, a capital markets firm replacing a legacy PDF-output system under the 'zero license' model, and an AI-led middle-office transformation in cash and settlements for another capital markets client.

Quarterly Performance

(INR m)											
Y/E March	CY25				CY26E				CY25	CY26E	Est. Var. (% / 2QCY26 bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			
Revenue (USD m)	372	382	395	389	389	405	418	426	1,537	1,638	407 -0.3
QoQ (%)	-0.2	2.9	3.3	-1.4	-0.1	4.4	3.1	2.0			4.7 -31bp
Revenue (INR m)	32,079	32,607	34,836	34,782	36,130	38,452	39,460	40,250	1,34,304	1,54,292	38,494 -0.1
YoY (%)	16.7	11.1	11.1	10.3	12.6	17.9	13.3	15.7	12.2	14.9	18.1 -13bp
GPM (%)	41.9	42.5	43.1	41.3	40.6	41.1	42.0	42.0	42.2	41.4	41.5 -44bp
Other (%)	25.5	25.1	25.8	25.5	24.8	25.3	25.3	25.5	25.5	25.2	25.0 32bp
EBITDA	5,278	5,676	6,013	5,498	5,708	6,053	6,590	6,641	22,465	24,992	6,351 -4.7
EBITDA Margin (%)	16.5	17.4	17.3	15.8	15.8	15.7	16.7	16.5	16.7	16.2	16.5 -76bp
EBIT	4,543	4,924	5,124	4,261	4,801	5,236	5,446	5,595	18,852	21,077	5,197 0.8
EBIT Margin (%)	14.2	15.1	14.7	12.3	13.3	13.6	13.8	13.9	14.0	13.7	13.5 12bp
Other income	-180	-196	-157	-409	-337	-829	-39	-40	-942	-1,246	-154
PBT	4,363	4,728	4,967	3,852	4,464	4,407	5,406	5,554	17,910	19,831	5,043
ETR (%)	25.0	18.9	25.5	10.4	27.2	25.1	25.0	25.0	20.4	25.5	25.0 7bp
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0
Reported PAT	3,271	3,798	3,699	2,916	3,516	3,302	4,055	4,166	13,684	15,038	3,782 -12.7
QoQ (%)	2.0	16.1	-2.6	-21.2	20.6	-6.1	22.8	2.7			7.6
YoY (%)	17.2	38.3	23.4	-9.1	7.5	-13.1	9.6	42.8	21.4	3.6	-0.4
Extra-ordinary items	0	36	0	535	-264	0	0	0	571	-264	0
Adj. PAT	3,271	3,834	3,699	3,451	3,252	3,302	4,055	4,166	14,256	14,774	3,782
Adj. EPS (INR)	5.3	6.2	6.0	5.6	5.3	5.3	6.6	6.7	23.1	23.9	6.1 -12.7

Hi-Tech and professional services/healthcare and insurance increased sequentially in 2Q

Verticals(QoQ, %)	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26
Financial Services	5.2	5.3	3.9	4.6	1.2	2.0	0.1	-1.8	1.2
Healthcare and Insurance	6.3	8.5	-2.3	-1.5	2.2	11.3	-9.0	10.1	6.5
Manufacturing and Consumer	7.2	-4.4	-6.9	0.2	-0.7	16.5	-0.7	-1.7	3.8
Hi-Tech and Professional Services	9.2	15.9	1.3	-22.4	25.3	-8.7	-19.2	1.0	13.5
Banking	4.2	1.4	5.0	-11.4	13.5	4.1	11.1	-7.9	4.0
Travel and Transportation	6.3	14.2	-7.5	9.2	7.1	-9.9	5.2	-8.6	-1.2

Source: Company, MOFSL

APAC grew 14% QoQ in 2Q

Geography(QoQ, %)	2QCY24	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26
America	9.1	5.5	2.3	0.5	1.7	3.7	-2.9	0.1	3.0
Europe	-4.2	11.5	-8.1	-2.2	8.1	2.2	0.2	1.1	6.8
APAC	11.4	1.6	-9.0	-2.6	1.8	1.4	13.8	-6.6	14.0

Source: Company, MOFSL

Star Health

Estimate change



TP change



Rating change



Bloomberg	STARHEAL IN
Equity Shares (m)	589
M.Cap.(INRb)/(USDb)	357.6 / 3.7
52-Week Range (INR)	625 / 417
1, 6, 12 Rel. Per (%)	1/33/38
12M Avg Val (INR M)	398

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	180.0	209.0	242.4
Service result	13.3	17.6	20.8
PBT	12.3	22.2	24.2
PAT	9.1	16.6	18.1

Ratios (%)

Claims	68.2	67.8	67.8
Expense	30.2	29.5	29.2
CISR	98.4	97.3	97.0
RoE	10.0	16.0	14.9
EPS (Rs)	15.5	28.2	30.8

Valuations

P/E (x)	39.3	21.5	19.7
P/BV (x)	3.7	3.2	2.7

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	58.0	58.0	58.0
DII	19.4	20.3	21.1
FII	16.0	15.1	13.9
Others	6.5	6.7	7.0

FII Includes depository receipts

CMP: INR608
TP: INR770 (+27%)
Buy

Revenue in line; 9% beat on operating performance

- Star Health's (STARHEAL) insurance revenue grew 13% YoY in 1QFY27 to INR49.2b (in line), while gross premium grew 19% YoY. The insurer has also implemented Ind-AS accounting from this quarter.
- Operational efficiency and better-than-expected claims management led to 47% YoY growth in insurance service result to INR4.2b (9% beat). Combined insurance service ratio stood at 97% (MOFSL of 98.1%), improving 170bp YoY.
- Investment income at INR6.4b was in line with our estimates, growing 10% YoY. PAT at INR5.5b grew 25% YoY (6% beat), with RoE at 22.3%. On a normalized basis (assuming investment yield of 8%), PAT grew 40% YoY to INR3.9b, with RoE at 15.6%.
- Management expects insurance revenue growth to improve to 15-16% as the long-term business mix stabilizes. Ongoing investments in operational efficiency as well as claims management should support mid-to-high teen RoE in the long term.
- We have maintained our top-line estimates but slightly reduced our claims and operational expense ratio assumptions, considering the strong 1QFY27 performance, resulting in a 7%/10% increase to our earnings estimates for FY27/28. We expect PAT to post a 41% CAGR over FY26-28. **We reiterate our BUY rating with a TP of INR770 (based on 25x FY28 IFRS PAT).**

Continued improvement in underwriting performance

- Gross written premium at INR42.2b grew 19% YoY, with retail fresh GWP growing 37% YoY to INR7.3b. 94% of fresh business in 1QFY27 was new-to-insurance (90% in 1QFY26).
- The underwriting profit for 1QFY27 came in at INR1.1b, compared to the underwriting profit of INR160m in 1QFY26.
- Claims at INR33.2b grew 12% YoY (5 % below estimates), reflecting a claims ratio of 67.5% (MOFSL of 68.2%). The improvement in claims ratio is supported by investments toward wellness initiatives and calibrated pricing actions.
- Annualized pre-tax RoE of 30.1% in 1QFY27 included 4.6% underwriting RoE (0.8% in 1QFY26) and 25.5% investment RoE. Considering an investment yield of 8% instead of the reported 12.2%, investment RoE would have been 16.8% in 1QFY27 (15.6% in 1QFY26).
- STARHEAL's AUM grew to INR219b at the end of 1QFY27, compared to INR186b at the end of 1QFY26, with investment leverage at 2.1x.
- The solvency ratio was stable at 2.1x.
- 91% of the total GWP came from proprietary channels, supported by a network of 850,000 agents (20,000 agents added in 1QFY27), with productivity improving 19% YoY to INR150,000 from INR120,000 in 1QFY26.
- Agency channel (85% of overall GWP) witnessed 26% YoY growth in the retail fresh business, while D2C (5.5% of overall GWP) witnessed a staggering 142% YoY growth in the retail fresh business. Partnerships (7% of overall GWP) witnessed 33% YoY growth in the retail fresh business.

- STARHEAL's investments in accelerating digital growth are yielding strong results, with 74% of digital business sourced through D2C and the remaining 26% through digital partners. D2C recorded 37% YoY growth in new policy issuances, with 98% of customers being new-to-insurance.

Key takeaways from the management commentary

- Reinsurance costs are expected to decline further, driven by the gradual runoff of a large reinsurance treaty undertaken in 2023 for the long-term business. In addition, continued discussions with GIC Re are expected to help optimize treaty economics.
- Continued investments in technology and process automation are expected to drive a further 30–40 bp improvement in the expense ratio.
- Around 90% of the business is sourced through the company's proprietary distribution network, providing greater resilience against any potential regulatory changes that could affect distribution economics.

Valuation and view

- STARHEAL maintained its double-digit revenue growth in 1QFY27, along with strong premium growth of 19%, driven by continued momentum in retail health. We remain optimistic about the overall prospects for STARHEAL, backed by: a) consistent growth in retail health, given its under-penetration and GST exemption, b) improving claims management, and c) operational efficiency with scale. We believe the company can deliver long-term growth with the investments made in profitable channels and products.
- We have maintained our top-line estimates but slightly reduced our claims and operational expense ratio assumptions following the strong 1QFY27 performance, resulting in a 7%/10% increase in our earnings estimates for FY27/28. We expect PAT to post a 41% CAGR over FY26-28. **We reiterate our BUY rating with a TP of INR770 (based on 25x FY28E IFRS PAT).**

Quarterly Performance

Y/E March	FY26				FY27				FY26	FY27E	1Q FY27E	Act v/s Est. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE						
Insurance revenue	43,364	44,290	45,619	46,711	49,172	51,591	53,641	54,558	1,79,986	2,08,961	51,165	-3.9	13.4	5.3
YoY growth (%)	14.4	11.8	11.5	13.9	13.4	16.5	17.6	16.8	12.9	16.1	18.0			
Claims	29,714	31,430	31,425	30,171	33,184	36,371	36,851	35,269	1,22,744	1,41,676	34,894	-4.9	11.7	10.0
Operating expenses	10,183	10,270	10,754	11,193	11,531	11,866	12,498	13,002	42,399	48,897	11,973	-3.7	13.2	3.0
Insurance service expenses	39,896	41,700	42,179	41,364	44,714	48,237	49,350	48,272	1,65,144	1,90,573	46,867	-4.6	12.1	8.1
Net reinsurance expenses	589	450	200	301	207	206	215	208	1,538	836	409	-49.4	-64.9	-31.2
Insurance service result	2,878	2,140	3,240	5,046	4,251	3,147	4,077	6,078	13,304	17,553	3,889	9.3	47.7	-15.8
Investment income	5,864	1,650	5,687	-2,296	6,437	3,871	4,045	4,159	10,908	18,511	6,348	1.4	9.8	NA
Finance cost	425	180	171	173	388	380	380	368	948	1,516	280	38.6	-8.6	124.3
Other expenses	2,437	2,500	2,816	3,174	2,883	2,874	3,144	3,485	10,924	12,386	3,056	-5.7	18.3	-9.2
PBT	5,881	1,110	5,940	-597	7,417	3,764	4,598	6,384	12,340	22,162	6,901	7.5	26.1	NA
Tax	1,499	320	1,453	-43	1,920	941	1,149	1,530	3,230	5,541	1,725	11.3	28.1	NA
PAT	4,382	790	4,487	-554	5,497	2,823	3,448	4,853	9,110	16,622	5,175	6.2	25.5	NA
YoY growth (%)	43.7	-36.8	409.8	NA	25.5	257.3	-23.1	NA	15.8	82.4	18.2			
Ratios (%)														
Claims ratio	68.5	71.0	68.9	64.6	67.5	70.5	68.7	64.6	68.2	67.8	68.2	-71.5	-104	289
CISR	98.7	100.5	98.8	95.7	97.0	99.2	98.0	95.0	98.4	97.3	98.1	-114.3	-170	126

Craftsman Automation

Estimate changes

TP change

Rating change


CMP: INR10,045
TP: INR9,699 (-3%)
Neutral

Stellar quarterly performance with an all-round beat

Aluminum segment to remain the key growth driver

- Craftsman Automation (Craftsman)'s 1QFY27 consol. adj. PAT of INR1.5b was ahead of our estimates, having nearly doubled YoY on account of strong performance across segments. EBITDA also came in higher than expectations at INR3.8b, while margins expanded 90bps YoY to 15.8%. Its EBITDA margin improved YoY amid a rising input cost environment; this improvement came as a key surprise to us in 1QFY27.
- The aluminum business is likely to be a key growth driver going forward on the back of a ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and the benefits of the restructuring of Sunbeam to be visible from FY27E. Management has indicated that while the Aluminum segment can grow at high teens going forward, the powertrain and Industrial engineering segments can grow at a high single-digit rate. Fueled by a strong outperformance in 1Q, we raise our EPS estimates by 8%/3% for FY27/ FY28. However, after the recent run-up in the stock, most of the positives appear factored in at **40.1x FY27E and at 29x FY28E. Hence, we reiterate our Neutral rating with a TP of INR9,699 (valued at 28x FY28E EPS).**

Strong earnings beat, fueled by outperformance across segments

- Consolidated revenue grew 36.3% YoY/9.2% QoQ to INR24.3b, beating our estimate of INR21.2b. Even on a standalone basis, revenue beat our estimates. Key to note is that revenue grew even on a QoQ basis in 1Q.
- Gross margins were down 170bp YoY/100bp QoQ at 44.5%.
- EBITDA also beat our estimates, growing ~45% YoY to INR3.8b. Margins came in at 15.8%, above our estimate of 14.9%.
- Segmental performance:
 - **Powertrain:** Revenue at INR6.2b rose 25.4% YoY, beating our est. of INR5.5b. EBIT margin at 18.3% was up 310bp, well above our est. of 15.5%.
 - **Aluminum:** Revenue at INR14.8b was up 38.1% YoY (above our est. of INR13.2b). EBIT margin at 10.1% was flat YoY (above our est. of 9.5%).
 - **Industrial:** Revenue at INR3.3b was up 52.4% YoY, beating our estimate of INR2.5b. EBIT margin at 9% was up 600bp YoY, above our est. of 3%.
- Margins across segments have held up well despite rising input cost pressure and have been a key positive surprise in 1QFY27.
- Consequently, PAT came in far ahead of our estimates and doubled YoY to INR1.5b.

Bloomberg	CRAFTSMA IN
Equity Shares (m)	26
M.Cap.(INRb)/(USDb)	262.7 / 2.7
52-Week Range (INR)	10181 / 6252
1, 6, 12 Rel. Per (%)	4/41/49
12M Avg Val (INR M)	646

Consol. Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	80.7	99.9	117.6
EBITDA	12.4	16.2	19.6
Adj. PAT	3.9	6.6	9.1
EPS (INR)	164.8	250.7	346.4
EPS Gr. (%)	78.9	52.1	38.2
BV/Sh. (INR)	1,368	2,251	2,580

Ratios

RoE (%)	12.9	14.3	14.3
RoCE (%)	10.1	11.6	12.2
Payout (%)	6.8	4.8	4.9

Valuations

P/E (x)	61.0	40.1	29.0
P/BV (x)	7.3	4.5	3.9
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-4.0	-2.9	-1.4

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	42.4	48.7	48.7
DII	32.9	28.3	22.7
FII	17.3	15.2	15.8
Others	7.4	7.8	12.8

FII includes depository receipts

Key highlights from the management commentary

- The company remains constructive on the medium-to-long-term outlook, highlighting that India has entered a structural manufacturing capex cycle led by OEMs as well as Tier-1 and Tier-2 suppliers, creating significant growth opportunities for component manufacturers.
- Aluminum remains the company's fastest-growing business and is expected to continue outperforming the other segments in both absolute and percentage growth over the coming quarters.
- Sunbeam's restructuring is mostly complete and is expected to be concluded by Dec'26. The company expects sequential improvement in profitability from Q2 onwards, targeting mid-teen EBITDA margins by 4QFY27.
- The industrial business is witnessing sustained demand across material handling systems and storage solutions, supported by the domestic industrial capex cycle. Management expects the improved profitability in this segment to be sustainable.
- On a consolidated basis, management indicated a conservative FY27 capex guidance of around INR15b, while leaving room for upward revision should business momentum remain strong during 2Q and 3Q.

Valuation and view

The aluminum business is likely to be a key growth driver going forward on the back of a ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and the benefits of the restructuring of Sunbeam to be visible from FY27E. Management has indicated that while the Aluminum segment can grow at high-teens going forward, the powertrain and Industrial engineering segments can grow at a high single-digit rate. Fueled by a strong outperformance in 1Q, we raise our EPS estimates by 8%/3% for FY27/FY28. However, after the recent run-up in the stock, most of the positives appear factored in at **40.1x FY27E and at 29x FY28E. We reiterate our Neutral rating with a TP of INR9,699 (valued at 28x FY28E EPS).**

Quarterly (Consol)

	FY26				FY27E				FY26	FY27E	FY27E	(INR m)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Variance (%)
Net operating income	17,840	20,016	20,573	22,264	24,316	24,699	25,192	25,683	80,693	99,890	21,170	14.9
Change (%)	55.0	64.9	30.5	27.3	36.3	23.4	22.5	15.4	41.8	23.8	18.7	
RM/Sales (%)	53.9	54.7	55.0	54.6	55.5	54.9	54.9	53.9	54.6	54.8	55.2	30bp
Staff Cost (% of Sales)	8.1	7.2	7.3	6.7	6.8	6.9	7.1	7.2	7.3	7.0	7.4	-60bp
Other Exp. (% of Sales)	23.2	23.0	22.6	22.6	21.9	21.9	21.8	22.4	22.8	22.0	22.5	-60bp
EBITDA	2,649	3,019	3,122	3,585	3,839	4,020	4,094	4,230	12,376	16,182	3,147	22.0
EBITDA Margins (%)	14.9	15.1	15.2	16.1	15.8	16.3	16.3	16.5	15.3	16.2	14.9	90bp
Change (%)	34.3	56.6	56.9	47.2	44.9	33.2	31.1	18.0	185.1	205.7	18.8	
Non-Operating Income	50	96	277	191	231	280	400	316	614	1227	60	
Interest	663	770	794	863	862	850	840	847	3090	3399	750	
Depreciation	1019	1090	1149	1181	1204	1275	1330	1371	4439	5180	1200	
Minority Int/Share of Profit	-2	-4	-3	-3	-6	-5	-5	-6	-11	-22	-3	
PBT after EO items	937	1,253	1,422	1,730	2,010	2,180	2,329	2,334	5,343	8,853	1,260	59.5
Eff. Tax Rate (%)	25.7	27.5	24.7	32.7	25.1	25.4	25.9	27.1	28.1	25.9	25.4	
Rep. PAT	696	909	1,071	1,164	1,506	1,625	1,724	1,702	3,840	6,557	940	60.2
Change (%)	30.9	47.3	728.4	74.4	116.3	78.9	61.0	46.2	69.7	70.8	35.0	
Adj. PAT	755	912	1,098	1,168	1,506	1,625	1,724	1,702	3,933	6,557	940	60.2
Change (%)	42.0	47.9	352.8	55.8	99.4	78.2	57.1	45.7	73.8	66.7	24.4	

E: MOFSL Estimates

Syrma SGS Technology

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	SYRMA IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	265.7 / 2.8
52-Week Range (INR)	1518 / 634
1, 6, 12 Rel. Per (%)	-3/85/83
12M Avg Val (INR M)	1477

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	48.2	68.0	91.8
EBITDA	5.4	7.7	10.6
Adj. PAT	3.2	4.8	6.8
EBITDA Margin (%)	11.1	11.3	11.6
Cons. Adj. EPS (INR)	16.7	24.9	35.4
EPS Gr. (%)	72.8	49.5	41.9
BV/Sh. (INR)	160.8	186.1	222.8

Ratios

Net D:E	-0.2	-0.1	-0.0
RoE (%)	13.9	15.6	18.7
RoCE (%)	13.9	15.9	19.0

Valuations

P/E (x)	82	55	39
EV/EBITDA (x)	49	35	25

Shareholding Pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter	42.3	42.3	46.4
DII	15.9	16.6	9.2
FII	7.6	6.7	6.4
Others	34.2	34.4	38.0

Note: FII includes depository receipts

CMP: INR1,378 TP: INR1,770 (+28%) Buy

Strong execution continues; robust order book supports growth outlook

Operating performance above our estimate

- Syrma SGS Technology (SYRMA) continued its strong operating performance, with EBITDA rising ~87% YoY in 1QFY27. EBITDA margin expanded 100bp YoY, led by operating leverage and higher ODM share.
- Revenue grew 68%, driven by a strong performance in Auto (25% of sales), which grew 78% YoY. Consumer (34% of sales) rose 68% YoY, followed by IT and Railways/Healthcare/Industrial (42% of sales), which grew 3x/2x/31% YoY. Further, exports (24% of sales) jumped 62% YoY.
- Moreover, the company reported a healthy order book of INR67b (up 23% YoY). In line with management guidance (revenue growth of 35%+ and EBITDA margin of 10.5-11% in FY27), we expect the company to report healthy performance, driven by strong order book execution across segments, increasing ODM share (17% in 1QFY27 vs. 13% in 1QFY26), and robust growth in exports.
- Factoring in the strong operating performance and management guidance, we raise our EPS by 6%/9% for FY27E/FY28E. We reiterate our **BUY** rating on the stock with a **TP of INR1,770 (50x FY28E EPS)**.

Broad-based growth across segments

- Consolidated revenue grew by 68% YoY to INR15.9b (est. INR14b), led by growth across all segments. IT and Railways grew the most (up 3x), followed by Healthcare/Auto/Consumer/Industrial (up 2x/78%/68%/31% YoY).
- EBITDA margin expanded 100bp YoY to 10.2% (est. 9.5%), led by a dip in the share of employee and other expenses. EBITDA grew by ~87% YoY to INR1.6b (est. INR1.3b). Adj. PAT grew ~2x YoY to INR1b (est. INR788m).
- The order book stood at INR67b in Jun'26 vs INR66b/INR55b as of Mar'26/Jun'25. Auto/Consumer/Industrial/Healthcare/IT & Railways constitute 29%/30%/24%/7%/10% of the current order book.
- Gross debt stood at INR6.9b as of Jun'26 vs. INR3.5b as of Mar'26. Net working capital days were 71 as of Mar'26 vs. 63 days as of Mar'26.

Highlights from the management commentary

- PCB:** The PCB manufacturing project remains on track, with construction 65–70% complete, followed by commercial production from Apr'27. The ~INR4b initial capex (of which INR1–1.3b has already been incurred) will be funded through internal accruals, 50–60% debt, and government incentives, with future phases also eligible for government support. The company expects 1.5x gross asset turns at 80% utilization (initial utilization of 40–50%) and EBITDA margins improving from ~10% initially to 15–18% at steady state (excluding PLI benefits).

- **Exports and ODM:** Exports surged 61% YoY, with management guiding 30–40% growth in FY27, driven by automotive, industrial, and medtech. Europe accounts for 40% of exports, followed by the US (22%), with export revenue targeted to reach INR15–16b over the medium term. Further, ODM revenue nearly doubled to INR2.7b, led by healthcare, defense, consumer, and industrial segments, with management expecting further scale-up in medtech and defense.
- **JV with KAGA:** SYRMA has entered into a strategic JV with Kaga Electronics to manufacture Kaga's AMC requirements through a jointly held Indian subsidiary, wherein Syrma/Kaga will hold 60%/40%. Both partners will make an initial investment of ~INR250m each. The partnership will leverage Kaga's strong presence in Japanese automotive and white goods markets and component sourcing capabilities (expected to improve SYRMA's procurement efficiencies) while strengthening Syrma's electronics manufacturing capabilities and access to Japanese OEM customers. Management expects the JV to generate INR3–5bn revenue over the next 4–5 years.

Valuation and view

- SYRMA continued its strong earnings momentum, driven by a favorable shift in the business mix and supported by operating leverage in 1QFY27. We expect this trend to continue in FY27, led by strong growth in higher-margin segments, such as automotive, industrial, and MedTech.
- We believe the company's growth trajectory will continue to remain strong, backed by: 1) its focus on low-volume, high-margin business; 2) an increase in exports and ODM; 3) increasing share of revenue in the industrial, automotive, and MedTech segments; 4) foray into bare PCB, HDI, and CCL manufacturing through its JV; and 5) its expansion into new verticals, such as defense, 6) and new customer additions (18 new customers added in 1QFY27).
- We estimate a revenue/EBITDA/adj. PAT CAGR of 38%/41%/46% over FY26-28, driven by strong revenue growth and margin expansion. We reiterate our BUY rating on the stock with a **TP of INR1,770 (premised on 50x FY28E EPS)**.

Consolidated - Quarterly Earnings Model

Consolidated - Quarterly Earnings Model												(INR m)
Y/E March	FY26				FY27E				FY26	FY27E	FY27E 1QE	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	9,440	11,459	12,642	14,650	15,886	16,042	17,193	18,899	48,191	68,020	14,160	12
YoY Change (%)	-18.6	37.6	45.4	58.5	68.3	40.0	36.0	29.0	27.3	41.1	50.0	
Total Expenditure	8,574	10,307	11,048	12,909	14,270	14,471	15,035	16,569	42,836	60,346	12,811	
EBITDA	866	1,152	1,594	1,741	1,616	1,571	2,158	2,329	5,354	7,674	1,349	20
Margins (%)	9.2	10.1	12.6	11.9	10.2	9.8	12.6	12.3	11.1	11.3	9.5	
Depreciation	206	218	203	214	225	240	255	275	841	995	250	
Interest	149	126	77	130	133	105	95	80	483	413	100	
Other Income	160	87	103	118	151	180	200	210	469	741	210	
PBT before EO expense	672	895	1,417	1,516	1,408	1,406	2,008	2,184	4,500	7,007	1,209	
Extra-Ord expense	0	0	34	12	0	0	0	0	46	0	0	
PBT	672	895	1,383	1,504	1,408	1,406	2,008	2,184	4,454	7,007	1,209	
Tax	172	232	280	312	351	354	505	550	996	1,760	304	
Rate (%)	25.7	25.9	20.3	20.7	24.9	25.2	25.2	25.2	22.4	25.1	25.2	
MI & Profit/Loss of Asso. Cos.	2	23	75	180	56	125	130	132	280	444	117	
Reported PAT	497	641	1,028	1,012	1,001	927	1,372	1,502	3,178	4,803	788	
Adj PAT	497	641	1,055	1,024	1,001	927	1,372	1,502	3,217	4,803	788	27
YoY Change (%)	157.8	76.8	107.1	56.5	101.2	44.7	30.1	46.7	87.1	49.3	58.4	
Margins (%)	5.3	5.6	8.3	7.0	6.3	5.8	8.0	7.9	6.7	7.1	5.6	

ACME Solar Holdings

Estimate change



TP change



Rating change



Bloomberg	ACMESOLA IN
Equity Shares (m)	707
M.Cap.(INRb)/(USD\$)	255 / 2.7
52-Week Range (INR)	399 / 196
1, 6, 12 Rel. Per (%)	-7/64/31
12M Avg Val (INR M)	499

Financials Snapshot		(INR b)		
Y/E March	FY26	FY27E	FY28E	
Sales	20.2	43.4	82.0	
EBITDA	17.8	32.8	65.5	
Adj. PAT	5.0	8.7	17.1	
EPS (INR)	8.2	12.3	24.2	
EPS Gr. (%)	81.6	49.8	96.8	
BV/Sh. (INR)	83.6	123.5	147.5	
ND/Equity	2.5	2.8	3.5	
ND/EBITDA	7.2	7.3	5.5	
RoE (%)	10.4	12.6	17.8	
RoIC (%)	6.0	6.9	8.7	
Valuations				
P/E (x)	44.0	29.4	14.9	
EV/EBITDA (x)	20.4	15.6	9.6	

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	71.4	83.3	83.4
DII	19.1	7.1	6.6
FII	4.6	3.7	5.8
Others	4.9	6.0	4.2

CMP: INR361
TP: INR427 (+18%)
Buy

Strong earnings momentum to continue

- **Strong 1Q:** ACME Solar Holdings (ACME) reported revenue of INR8.6b, 9% above our estimate, driven by higher-than-expected capacity utilization factor (CUF) and BESS revenue. EBITDA was 14% above our est. at INR7.3b, with an EBITDA margin of 86% (vs. our est. of 82%). Adjusted PAT came in at INR2.4b, beating our estimate by 39%.
- **Key things we liked about the result:** 1) PPAs secured for 76% of the 5.1GW pipeline, providing full visibility on planned capacity additions through FY28; 2) strong BESS performance, with revenue of INR2.3b (~26% of 1QFY27 revenue) and an EBITDA margin of 82%; 3) won bids for short-term contracts, securing INR14b+ revenue lock-in for ~80% of targeted 10GWh FY27 BESS capacity, providing strong earnings visibility for BESS business; 4) CUF improved to 30.9% (vs. 28.5% in 1QFY26), driven by higher irradiation and improved plant performance; and 5) commissioned ~2.3GWh of BESS during the quarter, taking total commissioned BESS capacity to ~3.6GWh and a target of 10Wh by FY27 end.
- **Key monitorables include:** 1) pace of commissioning against the FY27 guidance of 1.5GW renewable capacity additions; 2) progress toward the targeted 10GWh BESS capacity by end-FY27 and the sustainability of BESS margins; and 3) new bidding activity and the pace of PPA signings.
- **Valuation and view:** We assign an EV/EBITDA multiple of 11x (vs. 10x earlier) to core FY28E EBITDA and 6x to Merchant FY28E EBITDA. Adjusting for net debt, we derive our TP of INR427, implying an 18% potential upside.

Strong beat on EBITDA and APAT

Financial Highlights

- ACME reported 1QFY27 consolidated revenue of INR8.6b (+68% YoY, +57% QoQ), beating our estimate by 9%, driven by higher-than-expected capacity utilization factor (CUF) and BESS revenue.
- EBITDA was 14% above our est. at INR7.3b (+60% YoY, +53% QoQ), while EBITDA margin stood at 86% (vs. our est. of 82%).
- Adjusted PAT came in at INR2.4b (+60% YoY, +88% QoQ), beating our estimate by 39%.

Other Highlights

- Quarterly CUF improved to 30.9% in 1QFY27 (vs. 28.5% in 1QFY26).
- Power generation increased 23.4% YoY to 2,020MUs, driven by capacity additions, higher irradiation, and improved plant performance.
- Revenue included an INR2,260m contribution from the phased operationalization of ~3.1GWh of BESS during the quarter. BESS EBITDA margin stood at 82% (lower than the RE portfolio, as it included power purchased cost).
- It commissioned ~2.3GWh of BESS during the quarter, taking the total commissioned BESS capacity to ~3.62GWh.
- The company incurred capex of INR29.5b during the quarter.

Highlights from the management commentary

- BESS commissioning guidance has been advanced by three quarters, with over 10GWh now targeted by FY27 end compared to CY27 earlier, alongside 1.5GW of RE capacity commissioning during the year.
- ACME's operational capacity stands at 3GW, with an under-construction capacity of 5.1GW (76% PPA-backed), taking the total to 8.1GW.
- The company signed PPAs for 600MW during 1QFY27, comprising a 300MW FDRE project and a 300MW hybrid project with SECI.
- INR30b capex was incurred in 1Q and guidance for FY27 stands at INR150-200b.
- Short-term BESS contracts have locked in INR14b of revenue at realizations of INR8-10 per unit, covering 70-80% of the 10GWh base, with the balance to be tied up through the year or sold as merchant power.
- Around 10GWh of BESS will be kept open for merchant and short-term sales each year and shifted to PPA the following year, a cycle management intends to run over the next 3-5 years.
- Battery procurement is 90% contracted ahead of the 6% China export tax from Jan'27, while delivered cost could rise with lithium prices.
- Management expects SECI-backed tendering to revive meaningfully in 6-9 months and sees participation in the medium term, peak power, FDRE, RTC and CFD structures, taking the company beyond its earlier 10GW by 2030 target.

Valuation and view

We reiterate our BUY rating on ACME with a TP of INR427. We assign an EV/EBITDA multiple of 11x to core FY28E EBITDA and 6x to Merchant FY28E EBITDA. Adjusting for net debt, we derive our TP of INR427, implying an 18% potential upside.

Consolidated performance

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%	(%)	(%)
Net Sales	5,110	4,677	4,968	5,479	8,575	9,805	11,203	13,856	20,234	43,439	7,864	9%	68%	57%
YoY Change (%)	65	80	42	13	68	110	126	153	44	115	54			
Total Expenditure	532	675	523	690	1,232	2,409	2,729	4,622	2,420	10,993	1,395	-12	132	79
EBITDA	4,578	4,002	4,445	4,788	7,343	7,396	8,474	9,234	17,813	32,447	6,469	14	60	53
YoY Change (%)	68	81	45	10	60	85	91	93	44	82				
Margin (%)	90	86	89	87	86	75	76	67	88	75	82			
Depreciation	1,076	1,174	1,202	1,228	1,548	2,185	2,237	2,740	4,679	8,710	1,301	19	44	26
Interest	2,330	2,645	2,880	3,375	3,443	4,303	5,593	5,623	11,230	18,962	3,737	-8	48	2
Other Income	730	1,336	1,200	1,571	963	1,586	1,977	1,863	4,837	6,389	824	17	32	-39
PBT before EO expense	1,903	1,519	1,563	1,756	3,315	2,494	2,621	2,734	6,741	11,164	2,254			
Extra-Ord income/(exp.)	-159	42	0	143	0	0	0	0	27	0	-			
PBT	1,744	1,562	1,563	1,900	3,315	2,494	2,621	2,734	6,768	11,164	2,254	47	90	74
Tax	436	411	426	517	961	624	655	648	1,789	2,888	564	71	121	86
Tax rate (%)	25	26	27	27	29	25	25	24	26	26	25			
Minority Interest	-0.1	-0.1	-0.1	-10.1	0.0	0.0	0.0	0.0	-10.3	0.0	-			
Reported PAT	1,308	1,151	1,137	1,393	2,353	1,871	1,966	2,086	4,989	8,276	1,691	39	80	69
Adj PAT	1,467	1,108	1,137	1,250	2,353	1,871	1,966	2,086	4,962	8,276	1,691	39	60	88
YoY Change (%)	10465	624	-4	-9	60	69	73	67	82	67	15			
Margin (%)	29	24	23	23	27	19	18	15	25	19	22			

Piramal Pharma

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	PIRPHARM IN
Equity Shares (m)	1331
M.Cap.(INRb)/(USDb)	261.9 / 2.7
52-Week Range (INR)	209 / 132
1, 6, 12 Rel. Per (%)	15/31/0
12M Avg Val (INR M)	877
Free float (%)	65.2

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	88.7	102.7	115.9
EBITDA	9.2	13.1	16.5
Adj. PAT	(1.3)	1.1	3.1
EBIT Margin (%)	1.0	3.4	5.6
Cons. Adj. EPS (INR)	(1.0)	0.8	2.3
EPS Gr. (%)	NA	NA	178.1
BV/Sh. (INR)	68.4	69.3	71.9

Ratios

Net D:E	0.5	0.5	0.5
RoE (%)	(1.6)	1.3	3.6
RoCE (%)	4.2	1.6	3.4
Payout (%)	-	17.6	17.6

Valuations

P/E (x)	NA	235.8	84.8
EV/EBITDA (x)	33.1	23.4	18.6
Div. Yield (%)	-	0.1	0.2
FCF Yield (%)	0.0	0.0	0.0
EV/Sales (x)	3.4	3.0	2.6

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	34.8	34.9	34.9
DII	14.6	15.6	14.3
FII	13.0	30.5	31.4
Others	37.6	19.0	19.5

FII Includes depository receipts

CMP: INR197
TP: INR230 (+17%)
Buy

Broad-based growth drives improved operational performance

RFP-to-commercial conversions remain key for a better CDMO outlook

- Piramal Pharma (PIRPHARM) delivered better-than-expected revenue/EBITDA (7%/41% beat) for 1QFY27. The company also reported a lower-than-expected loss, supported by higher other income.
- After four quarters of a YoY decline, the CDMO segment witnessed a strong revival in 1QFY27, driven by execution across India as well as overseas sites. That said, management indicated that the customer decision-making timeline for conversion from RFPs into commercial business remains prolonged.
- PIRPHARM sustained its sales run rate in the CHG segment in 1QFY27, largely driven by a higher offtake from ex-US markets.
- The e-commerce route continued to drive growth in the India consumer product (ICP) segment in 1QFY27.
- We raise our FY27/FY28 estimates by 6%/4%, factoring in: a) higher other income, b) encouraging traction in Sevoflurane beyond the US market, c) improving profitable growth in the ICP segment, and d) increased business from the payload linker suite at Riverview. We value PIRPHARM on an SOTP basis (23x EV/EBITDA for the CDMO business, 11x EV/EBITDA for the CHG business, and 13x EV/EBITDA for the ICP business on a 12M forward basis) to arrive at a TP of INR230.
- With a healthy start for FY27, we expect PIRPHARM to deliver a PAT of INR1.1b and INR3b in FY27/FY28 after reporting losses in FY26. Reiterate BUY.

Better operating leverage offsets gross margin pressure

- PIRPHARM's revenue grew 17.4% YoY to INR22.7b for the quarter (our est: INR21.3b).
- Gross margin contracted 160bp YoY to 61.6%.
- However, EBITDA margin expanded 310bp YoY to 8.6% (our est: 6.5%), largely driven by a decline in employee costs (down 220bp YoY) and other expenses (down 250bp) as % of sales.
- EBITDA grew 82.9% YoY to INR2.0b (our est: INR1.4b).
- Net loss came in at INR694m vs our estimated loss of INR1,176m, driven by better operational leverage.

Broad-based momentum across all operating segments

- CDMO segment (52% of total sales) revenue grew 19% YoY to INR11.9b.
- Complex hospital generics segment (CHG; 33% of total sales) revenue grew 17% YoY to INR7.4b.
- India consumer healthcare segment (ICH; 15% of total sales) revenue grew 15% YoY to INR3.5b.

Highlights from the management commentary

- Management maintained its guidance for the CDMO segment. It attributed the strong start to a higher opening order book and expects the business to remain 2H-weighted, while indicating that it may revisit the guidance after 2QFY27 results.
- Management also maintained its guidance for the Complex Hospital Generics segment. While competition from Chinese players persists, the company indicated that actions taken over the past year have started yielding results, particularly in RoW markets, supporting confidence in achieving its full-year guidance.
- Management reiterated its FY27 guidance of early-to-mid teens YoY revenue growth despite a robust 1QFY27 performance.
- The Riverview payload-linker expansion is now available for commercial use, with customer projects already underway. Management indicated a revenue potential of single-to-low-double-digit USD million over time.
- The CDMO revenue mix is geographically balanced, with ~48% generated from outside India and the balance from India.
- The company reiterated its FY27 capex guidance of USD120-135m. It had incurred ~USD21m of capex in 1QFY27.
- Capex is expected to accelerate through the year, in line with project timelines.
- The Lexington expansion remains on track for completion by end-CY27, with spending progressing as planned.

Consol. Income Statement

(INRm)	FY26				FY27E				FY26	FY27E	FY27E % var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
Revenues	19,337	20,437	21,399	27,518	22,699	23,082	24,883	32,028	88,691	1,02,692	21,289 7%
<i>growth YoY(%)</i>	-0.9	-8.8	-2.9	-0.1	17.4	12.9	16.3	16.4	-3.1	15.8	10.1
CDMO	9,970	10,440	11,660	17,080	11,870	11,588	13,059	19,471	49,150	55,989	10,967
CHG	6,370	6,440	6,680	7,550	7,430	7,857	8,016	8,909	27,040	32,212	6,880
ICH	3,020	3,190	3,340	3,200	3,470	3,637	3,808	3,648	12,750	14,562	3,443
EBITDA*	1,067	1,587	1,957	4,605	1,952	2,193	3,359	5,605	9,216	13,109	1,384 41%
<i>margin (%)</i>	5.5	7.8	9.1	16.7	8.6	9.5	13.5	17.5	10.4	12.8	6.5
<i>growth YoY(%)</i>	-47.8	-53.5	-42.0	-17.9	82.9	38.2	71.6	21.7	-36.2	42.2	29.7
Depreciation	1,973	2,028	2,127	2,184	2,236	2,210	2,382	2,759	8,312	9,586	1,860
EBIT	-906	-441	-170	2,421	-283	-17	977	2,846	904	3,522	-476
Other income	584	656	432	461	894	510	520	530	2,133	2,454	490
Interest expense	862	824	892	830	881	938	938	938	3,408	3,693	938
Share from Asso. Co	186	148	103	136	196	140	150	181	572	667	138
PBT	-998	-462	-527	2,188	-75	-304	710	2,619	201	2,950	-786
EO Expenses/(gain)	(207)	-	411	1,758	-	-	-	-	1,961	-	-
Taxes	27	530	423	518	619	390	312	524	1,499	1,845	390
<i>Tax Rate (%)</i>	-3.4	-114.9	-45.1	120.5	-830.2	-128.2	44.0	20.0	-85.1	62.6	-49.6
Reported PAT	-817	-992	-1,362	-88	-694	-694	397	2,095	-3,259	1,104	-1,176
Adj. PAT	-1,031	-992	-950	1,670	-694	-694	397	2,095	-1,304	1,104	-1,176
<i>Change (%)</i>	NA	NA	NA	8.8	-32.7	-30.0	-141.8	25.5	NA	NA	NA

IRB Infrastructure

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR20 **TP: INR25 (+23%)** **Buy**

Steady performance; healthy toll growth and O&M order book to drive earnings

Bloomberg	IRB IN
Equity Shares (m)	12078
M.Cap.(INRb)/(USDb)	244.6 / 2.6
52-Week Range (INR)	24 / 19
1, 6, 12 Rel. Per (%)	-7/1/-10
12M Avg Val (INR M)	433

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	76.5	86.3	108.2
EBITDA	39.8	45.7	58.0
PAT	8.8	12.2	19.4
EBITDA (%)	52.1	53.0	53.6
EPS (INR)	0.7	1.0	1.6
EPS Gr. (%)	30.4	38.8	58.4
BV/Sh. (INR)	17.3	18.2	19.6

Ratios

Net D/E	0.9	0.8	0.7
RoE (%)	4.3	5.7	8.5
RoCE (%)	6.0	6.7	8.7
Payout (%)	14.9	17.8	11.2

Valuations

P/E (x)	27.4	19.7	12.5
P/BV (x)	1.2	1.1	1.0
EV/EBITDA (x)	10.6	8.9	6.9
Div Yield (%)	0.4	0.8	0.8

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	30.8	30.8	30.4
DII	10.2	46.8	10.2
FII	43.9	7.0	43.6
Others	15.2	15.3	15.8

FII includes depository receipts

- Revenue rose ~2% YoY to INR21.3b in 1QFY27 (5% above our estimate). Revenue included a) gains on InvITs & related assets as per fair value measurement, and b) dividend/interest income from InvITs & related assets.
- EBITDA margins came in at 53.9% (vs. our estimate of 55%) in 1QFY27 (+850bps YoY and -230bps QoQ). EBITDA grew ~21% YoY to INR11.5b (in line). APAT rose 51% to INR3b (10% above estimate).
- Construction revenue stood at INR9.6b (-21% YoY); BOT revenue stood at INR7.3b (+14% YoY); and InvIT & related assets revenue stood at INR4.3b.
- IRB declared an interim dividend of INR0.05 per equity share.
- The order book stood at ~INR441b (excl. GST) by the end of Jun'26.
- IRB delivered a steady performance, supported by rising toll collections. However, amid subdued EPC order inflows, the company is strategically focusing on bidding for toll-operate-transfer (ToT) projects and building a sustainable O&M order book. Earnings growth is expected to be more driven by O&M and toll revenue than core EPC construction. We expect a revenue CAGR of 19% over FY26-28 with stable EBITDA margins. **We retain our estimates and reiterate our BUY rating with an SoTP-based TP of INR25.**

Strong toll collections; healthy O&M order book and TOT opportunity pipeline

- In 1QFY27, IRB reported steady operating performance. Its EBITDA growth was supported by healthy toll collections and steady contributions from its BOT and InvIT portfolios.
- The order book stood at INR441b as of Jun'26, largely led by O&M (INR441b). The executable order book from O&M and EPC stands at ~INR43b for the next two years.
- NHAI plans to develop about 1,735km of national highways on BOT with an estimated capital outlay of approximately INR576b in FY27.
- BOT assets and InvIT investments continued to deliver healthy profitability, while construction margins were under pressure amid a weak order book.

Key takeaways from the management commentary

- Awarding was muted in 1QFY27; management expects road project awarding to improve in 2HFY27, consistent with historical trends.
- IRB remains focused primarily on TOT and selective BOT projects rather than HAM or EPC opportunities.
- Toll tariff revision for FY27 was 2.5-3.0% due to lower inflation and rounding mechanisms.
- Intense competition is being witnessed in BOT and HAM projects.
- The company continues to unlock capital by transferring assets from private InvIT to public InvIT. It has signed a binding term sheet to transfer two BOT highway assets (SY & CG) with enterprise value of INR46b.

Valuation and view

- IRB reported a steady performance, supported by rising toll collections. However, amid subdued EPC order inflows, the company is strategically focusing on bidding for the ToT projects and building a sustainable O&M order book. Therefore, earnings growth is expected to be more driven by O&M and toll revenue than core EPC construction.
- We expect a revenue CAGR of 19% over FY26-28 with stable EBITDA margins. **We retain our estimates and reiterate our BUY rating with an SoTP-based TP of INR25.**

Quarterly performance

Y/E March	FY26				FY27E				FY26	FY27E	(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			FY27 1QE	Var %
Net Sales	20,990	17,510	18,712	19,270	21,373	19,295	21,694	23,958	76,482	86,320	20,367	5
YoY Change (%)	13.3	10.4	(7.6)	(10.3)	1.8	10.2	15.9	24.3	0.5	12.9	(3.0)	
EBITDA	9,520	9,246	10,224	10,828	11,526	10,227	11,498	12,471	39,818	45,721	11,202	3
Margins (%)	45.4	52.8	54.6	56.2	53.9	53.0	53.0	52.1	52.1	53.0	55.0	
Depreciation	2,692	2,621	2,894	3,213	3,334	3,200	3,350	3,469	11,420	13,353	3,000	
Interest	4,620	4,510	4,364	4,058	4,380	4,680	4,680	4,718	17,551	18,459	4,680	
Other Income	656	493	411	499	354	500	550	675	2,058	2,079	450	
PBT before EO expense	2,864	2,608	3,377	4,056	4,166	2,847	4,018	4,959	12,905	15,988	3,972	
Extra-Ord expense	-	-	(427)	-	-	-	-	-	(427)	-	-	
PBT	2,864	2,608	2,950	4,056	4,166	2,847	4,018	4,959	12,478	15,988	3,972	
Tax	839	1,200	842	1,094	1,103	854	1,205	1,496	3,975	3,741	1,192	
Rate (%)	29.3	46.0	28.5	27.0	26.5	30.0	30.0	30.2	31.9	23.4	30.0	
Share of profit in Associates	-	-	-	-	-	-	-	-	-	-	-	
Reported PAT	2,025	1,408	2,108	2,963	3,063	1,993	2,812	3,462	8,504	12,247	2,780	
Adj PAT	2,025	1,408	2,428	2,963	3,063	1,993	2,812	3,462	8,823	12,247	2,780	10
YoY Change (%)	44.6	41.0	9.4	38.0	51.3	41.5	15.8	16.9	30.4	38.8	37.3	
Margins (%)	9.6	8.0	13.0	15.4	14.3	10.3	13.0	14.5	11.5	14.2	13.7	

MTAR Technologies

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	MTARTECH IN
Equity Shares (m)	31
M.Cap.(INRb)/(USDb)	167.7 / 1.8
52-Week Range (INR)	8715 / 1391
1, 6, 12 Rel. Per (%)	-30/90/269
12M Avg Val (INR M)	4096

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	8.8	16.2	27.7
EBITDA	1.7	3.9	6.7
Adj. PAT	1.0	2.5	4.6
EBITDA Margin (%)	19.5	24.0	24.3
Cons. Adj. EPS (INR)	31.5	80.3	149.5
EPS Gr. (%)	83.1	154.9	86.3
BV/Sh. (INR)	267.4	347.7	497.2

Ratios

Net D:E	0.2	0.1	0.2
RoE (%)	12.5	26.1	35.4
RoCE (%)	11.3	20.7	28.0

Valuations

P/E (x)	172.8	67.8	36.4
EV/EBITDA (x)	98.6	43.4	25.2

Shareholding pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter	29.4	30.4	31.7
DII	22.4	27.7	23.5
FII	24.8	17.3	7.6
Others	23.5	24.6	37.3

Note: FII includes depository receipts

CMP: INR5,454 TP: INR7,550 (+38%) Buy

Strong 1QFY27; multiple growth engines gain traction

Earnings above estimates

- MTAR Technologies (MTARTECH) delivered a strong 1QFY27 performance, with revenue/EBITDA increasing 2.3x/3x YoY, led by 2.1x YoY growth in fuel cells (61% of revenue) and 4.7x YoY growth in products division (28% of revenue). The order book grew 5.5x YoY/2x QoQ to INR51.4b, with strong inflows (~INR29.2b) in the fuel cells segment (~INR23.3b).
- Further, drastic improvement in working capital to 59 days (vs. 172 in FY26, guidance for FY27 is 100 days) strengthens cash flows and balance-sheet quality. With strong order book growth across segments, ongoing fuel-cell capacity expansion, robust nuclear opportunities, expected doubling of aerospace revenue in FY27, and growing contribution from Product Solutions & Data Centre Infrastructure, we believe MTARTECH is well positioned to achieve growth across all segments.
- Factoring in strong 1QFY27 results, we raise our FY27/FY28 earnings estimates by 9%/2%. **We reiterate our BUY rating on the stock** with a TP of INR7,550 (50x FY28E EPS translating into a ~0.4x PEG ratio on FY26-28E EPS CAGR).

Favorable operating leverage drives margin expansion

- MTARTECH's consolidated revenue grew 2.3x YoY to INR3.6b (est. INR3.1b). EBITDA grew 3x YoY to INR851m (est. INR673m). EBITDA margin expanded 550bp YoY to 23.6% (est. 21.5%). Gross margin was 45.5% (-870bp YoY) due to a change in the product mix. Employee costs/other expenses as a % of sales stood at 12.9%/9.0% (-900bp/-510bp YoY), indicating operating leverage.
- Adj. PAT surged 4.7x YoY to INR502m (est. INR399m) for the quarter.
- Revenue from Clean Energy – Fuel Cell/Aerospace & Defense (A&D)/Product & Others grew 2.1x/47%/4.7x YoY to INR2.2b/INR364m/INR1b, while Clean energy–civil nuclear declined 41% YoY to INR32m.
- The order book as of Jun'26 stood at INR51.4b (vs. INR25.8b/INR9.3b in Mar'26/Jun'25), with inflows of ~INR29b in 1QFY27 (INR24.8b in FY26). The order book mix was ~66.7%/13.3%/7.4%/12.6% for Clean Energy – Fuel Cell/Clean Energy – Nuclear/A&D/Product & Others.
- NWC days declined to 59 as of Jun'26 from 172/267 as of Mar'26/Jun'25, led by better payment terms with customers, faster collection cycles and weekly monitoring of receivable and inventory. The inventory/receivable/payable days stood at 145/82/168 (vs. 140/208/176 in Mar'26). Management aims to maintain NWC level at ~100 days in FY27 (vs. previous guidance of 150-172 days).

Highlights from the management commentary

- **Guidance and capacity:** The company has reiterated its FY27 guidance of ~80% revenue growth and EBITDA margins of 24% (± 100 bp). Management targets 4-5x asset turn on incremental capex (INR5b by FY28 and 70% for fuel cell). The company is commissioning Fuel Cell Phase-2 expansion by Sep-Oct'26 and a multi-fold Phase-3 expansion by Mar'27. Management stated that all current orders will be executed in three years.
- **Civil Nuclear:** MTARTECH's nuclear business is entering a strong growth phase, backed by its largest-ever order for Kaiga 5 & 6 (INR5b), expected refurbishment orders and a total nuclear order book likely to exceed INR8b (INR1.3b expected in 2QFY27). Execution is set to accelerate from 2HFY27, while upcoming opportunities such as Mahi Banswara (four reactors) and future Prototype Fast Breeder Reactor (PFBR) projects provide additional growth visibility. With India's target of 100GW nuclear capacity by CY47; nuclear segment emerging as a long-term sustainable growth driver.
- **A&D:** This segment is entering volume-led growth phase as multiple qualified products transition from first-article approvals to commercial production. The company expects segment revenue to double in FY27, supported by increasing orders from MNC customers, domestic defense opportunities exceeding INR2.5b and strong traction in actuator assemblies, wing flaps and electromechanical systems. Management believes A&D revenue will reach INR6-7b in the next 3-4 years (vs. INR1b in FY26).

Valuation and view

- MTARTECH has a strong order book of ~INR51.4b as of Jun'26, driven by a healthy pipeline across the clean energy (fuel cells), A&D, nuclear sectors, and products & others. Further, commercialization of new products and onboarding of new clients across all segments will drive further growth. We anticipate these initiatives to translate into strong growth and margin expansion, led by operating leverage, as guided by the management.
- Working capital concerns have been addressed with better payment terms and capital advances, leading to strong operating cash flow. Management indicated that ongoing measures will help to sustain NWC at ~100 days in FY27.
- We estimate a CAGR of 78%/98%/118% in revenue/EBITDA/adj. PAT over FY26-FY28. **We reiterate our BUY rating on the stock** with a TP of INR7,550 (based on 50x FY28E EPS and translating into a ~0.4x PEG ratio on FY26-28E EPS CAGR).

Consolidated - Quarterly Earning

(INR m)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%
Gross Sales	1,566	1,356	2,780	3,061	3,607	3,254	4,364	4,985	8,762	16,210	3,132	15%
YoY Change (%)	22.1	-28.7	59.3	67.2	130.4	140.0	57.0	62.9	29.6	85.0	100.0	
Total Expenditure	1,282	1,186	2,139	2,443	2,757	2,506	3,314	3,739	7,050	12,316	2,458	
EBITDA	284	170	640	618	851	749	1,050	1,246	1,712	3,895	673	26%
Margins (%)	18.1	12.5	23.0	20.2	23.6	23.0	24.1	25.0	19.5	24.0	21.5	
Depreciation	84	88	88	90	97	108	112	116	350	433	90	
Interest	58	62	77	96	158	90	80	78	294	406	100	
Other Income	6	37	24	164	79	50	55	59	231	243	50	
PBT before EO expense	148	57	499	595	674	601	913	1,112	1,299	3,299	533	
Extra-Ord expense	0	0	38	0	0	0	0	0	38	0	0	
PBT	148	57	461	595	674	601	913	1,112	1,261	3,299	533	
Tax	40	14	114	153	172	151	229	279	321	830	134	
Rate (%)	27.0	25.2	24.8	25.6	25.5	25.1	25.1	25.1	25.5	25.2	25.2	
Reported PAT	108	42	347	443	502	450	684	833	940	2,469	399	
Adj PAT	108	42	375	443	502	450	684	833	968	2,469	399	26%
YoY Change (%)	144.2	-77.4	135.0	222.6	364.5	959.9	82.2	88.1	83.1	154.9	269.0	
Margins (%)	6.9	3.1	13.5	14.5	13.9	13.8	15.7	16.7	11.1	15.2	12.7	

Amara Raja

BSE SENSEX
77,928

S&P CNX
24,317



Bloomberg	ARENM IN
Equity Shares (m)	183
M.Cap.(INRb)/(USDb)	166.2 / 1.7
52-Week Range (INR)	1058 / 670
1, 6, 12 Rel. Per (%)	6/12/-5
12M Avg Val (INR M)	740

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	135.5	146.8	158.1
EBITDA	15.4	16.3	19.3
Adj. PAT	6.0	7.8	9.6
EPS (INR)	32.8	42.6	52.4
EPS Gr. (%)	-26.6	29.7	23.0
BV/Sh. (INR)	446	480	522

Ratios

RoE (%)	7.7	9.2	10.5
RoCE (%)	7.6	9.1	10.2
Payout (%)	42.9	20.0	20.0

Valuations

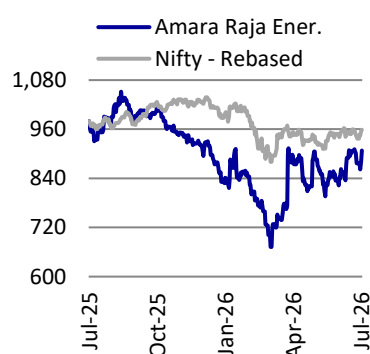
P/E (x)	27.7	21.3	17.3
P/BV (x)	2.0	1.9	1.7
Div. Yield (%)	1.2	0.9	1.2
FCF yield (%)	3.5	6.6	7.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	32.9	32.9	32.9
DII	15.3	17.0	14.0
FII	17.3	17.3	19.4
Others	34.5	32.9	33.8

FII includes depository receipts

Stock Performance (one-year)



CMP: INR908

TP: INR878 (-3%)

Neutral

BESS offers a strong potential for lithium-ion business

We visited Amara Raja (AMRJ)'s Giga Corridor, located at Divitipally, Mahbubnagar district, Telangana, which is planned as an integrated lithium-ion battery manufacturing ecosystem. The giga cell factory is expected to commence Phase 1 of operations in 2QCY27 with an initial capacity of 2GWh based on NMC chemistry. Further, the BESS facility will become operational by the end of CY26 with an initial capacity of 5 GWh, which will later scale up to 10 GWh. AMRJ aims to spend INR15-17b in capex in FY27, of which only INR4b would be spent in the LAB business. Given the huge potential of BESS in the country (25-30 GWh by 2031), AMRJ expects this segment to be one of the stronger growth areas. While the outlook for LAB business has improved on both the auto and industrial fronts post-GST rate cuts, we remain cautious on AMRJ's foray into the lithium-ion business. At 21.3x FY27E/17.3x FY28E EPS, we believe all the positives are already factored in; hence, we reiterate our Neutral rating with a TP of INR878, based on 15x standalone FY28E EPS and INR92/sh value of the investment in the New Energy business.

Lithium-ion cell plant SOP set for 2QFY27

The Customer Qualification plant is already operational, with sample cell deliveries to OEMs for testing and qualification set to begin in Aug'26. Further, the giga cell factory is expected to commence Phase 1 of operations in 2QCY27 with an initial capacity of 2GWh based on NMC chemistry, and further capacity to be set up in a phased manner by FY30, offering both Chemistries - NMC and LFP. Amara Raja has entered into partnerships with EV manufacturers including Ather Energy and Piaggio Vehicles for future lithium-ion solutions. Management believes that once it reaches a scale of 8-10GWh, the lithium-ion giga factory could potentially generate EBITDA margins of 10-11%

BESS capacity expansion – key focus area

Renewable energy demand in India is expected to reach 500GW by 2030, and due to this rapid rise in demand, the BESS market is likely to reach 25-30GWh by 2031 from the current capacity of 1GWh. To cater to this demand, the company is setting up a battery energy storage system facility for commercial & industrial and grid applications. The BESS integration facility will start with an initial capacity of 5 GWh and has an ultimate planned capacity of 10 GWh. The investment is pegged at INR2.8b for the 5GWh capacity, and the capacity is expected to come live by the end of CY26 and would generate a margin of 6-7% initially.

Valuation and view

The lead acid business is expected to witness near-term margin pressure, given the sharp surge in input costs. Further, while the market is optimistic about AMRJ's Li-ion initiative, we are cautious about its potential returns. We believe the stock, trading at around 21.3x FY27E/17.3x FY28E EPS, appears fairly valued.

We reiterate our Neutral rating with a TP of INR878, based on 15x standalone FY28E EPS and INR92/sh value of the investment in the New Energy business.

Key highlights of the plant visit and management interaction

- The project is being developed across approximately 260 acres with a capital outlay plan of INR95b by 2031, with the long-term objective of establishing 16 GWh of lithium-ion cell manufacturing capacity and 5 GWh of battery pack manufacturing capacity.
- The process for mass production of cells involves three key stages. The first stage is research and development (R&D) at the E-hub, where the company develops the required cell chemistry, produces small batches, and conducts laboratory-scale testing. This is followed by the CQP (Cell Qualification Plant) stage, where pilot batches are manufactured and validated for final customer approval. The final stage is the giga factory, where commercial-scale mass production of cells will be undertaken.
- The E+ve Lab and R&D Centre is housed in a 2.2L sq ft area. The E-hub is expected to become operational by the end of August, enabling the production of initial test batches of cells. Currently, around 80 employees are working at the facility, with an additional 60 employees expected to join by August. Depending on future requirements, the company plans to further expand the workforce by adding another 100–150 employees.
- This is India's first lab to have achieved IATF 16949:2016 & ISO 9001:2015 certification for Li-Ion Batteries.
- Material development is the first and most critical step in the cell development process. The company has established a dedicated material development team responsible for sourcing, evaluating, and optimizing various materials required for cell manufacturing.
 - The team is currently focused on developing and testing materials, optimizing formulations, and refining the material mix. The facility procures different materials, produces small-scale batches, and manufactures button cells for initial testing over a couple of months before progressing to full-sized cell trials.
 - AMRJ has procured state-of-the-art equipment for evaluating material quality. However, installation of this equipment is pending, as the suppliers are required to undertake the installation process to ensure warranty compliance.
 - The company is developing both NMC and LFP chemistries to address evolving requirements from different OEM customers. Initially, production will focus on NMC cells, which are expected to cater to applications such as two-wheelers, three-wheelers, power tools, telecom and drones.
 - The manufacturing process for NMC and LFP cells remains largely similar, with the key differences being in the material grades and formulation mix. The machinery installed at the facility is fully fungible and can be utilized for manufacturing both chemistries.
 - The greenfield expansion for the CQP facility commenced in Sep'24 and is expected to begin production in the coming month. The company has invested approximately INR 5.2b in the facility so far.
 - The cell gigafactory is expected to commence commercial production in June 2027, with a total planned capacity of 6GWh. The initial installed capacity will be 2GWh through a single production line focused on NMC cell manufacturing. The facility has provisions for four additional production facilities, which could potentially be utilized for ESS applications.

- To capitalize on the growing BESS opportunity in India, the company plans to develop a total BESS capacity of 10GWh over time, beginning with an initial 5GWh capacity based on LFP chemistry. The company has invested ~INR 3b in this facility to date.
- This facility is expected to commence production by the end of CY26. Management expects the BESS plant to initially generate operating margins of around 6–7%.
- Once the gigafactory becomes operational, the company plans to gradually integrate internally manufactured cells into its BESS products. Following the commencement of production, the company expects to achieve a capacity of 3–4GWh within six months.
- The company's long-term strategy remains focused on EVs, although the ESS opportunity has developed faster than initially anticipated and is expected to outperform in the near-to-medium term. EV adoption remains a key long-term growth driver.
- ESS and two-/three-wheeler applications utilize relatively standardized cells, resulting in lower entry barriers. In contrast, four-wheeler applications have significantly higher entry barriers due to the need for customized cells designed around specific vehicle powertrains.
- Customer engagement has improved significantly, with increased feedback and sample testing from two-wheeler customers. Amara Raja has entered into partnerships with EV manufacturers including Ather Energy and Piaggio Vehicles for future lithium-ion solutions. The Ather partnership covers development and supply of lithium-ion cells, including both NMC and LFP chemistries. The Piaggio relationship covers lithium-ion cells, battery packs and chargers for electric three-wheelers and future mobility applications.
- However, engagement levels with PV customers remain limited at present.
- Despite the recent increase in raw material costs, management remains confident of achieving its targeted double-digit margins for the gigafactory, supported by the fact that processing costs account for less than 10% of overall costs.
- The company believes that achieving a scale of 8–10GWh would be optimal to benefit from economies of scale and secure raw materials at competitive prices.
- Management acknowledged that Indian-made cells will not immediately be cost-competitive with cells imported from China. It estimated a near-term China-plus pricing gap of around 20-25%, mainly because India lacks a local material supply chain while China has scale advantages. However, they expect the same to narrow down as local manufacturing scales up, local supply chains mature, and government-backed localization initiatives gather pace.
- Further, management believes that once it reaches a scale of 8-10GWh, the lithium-ion giga factory could potentially generate an EBITDA margin of 10-11%.
- The company also plans to participate in the ACC PLI scheme bidding process; however, the management does not view the scheme as the primary driver for capacity expansion, given the strong demand environment currently witnessed by the company.
- On the LAB business, the management expects the business to be stable for the next 8–10 years, supported by existing OEM product cycles.

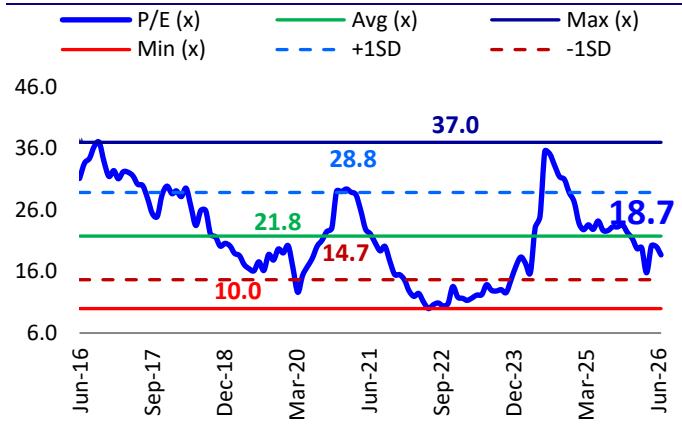
- The company is expanding deeper into home energy solutions and has made progress in North America for lead-acid batteries. Europe remains a potential opportunity, while Southeast Asia, Singapore, and the Middle East-Africa region are strong markets.
- Industrial UPS applications have not yet seen a major transition toward lithium batteries, as lithium chemistry is not required for the specific applications.
- Forklifts and similar industrial mobility applications are expected to remain primarily LAB due to the need for lower operating costs.
- The company plans to introduce lithium-based products for home inverters. This market is expected to grow as applications evolve from providing 15–20 minutes of backup power to supporting daily energy backup requirements.
- Overall export contribution is expected to reach 25-30% levels over the next five years.

Valuation and view

- **AMRJ to emerge as one of the beneficiaries of a steady outlook in LAB:** The outlook on both auto and industrial segments has improved post-GST rate cuts. In the auto segment, steady growth posted by the industry over the last three years is expected to translate into healthy replacement demand in the coming years. The industrial segment (ex-telecom) is expected to benefit from the surge in demand for power backup for data centers. Thermal power generation is seeing a comeback and should witness strong incremental demand, with growth visibility for the next 5-6 years. Given its strong position in LAB in both auto and industrial segments, we expect the company to emerge as a beneficiary of the healthy demand outlook in the industry.
- **Foray into lithium-ion will have its own challenges:** Given the significant imminent risk to its core business, the company has forayed into the manufacturing of lithium-ion cells. The total capex outlay will be INR95b over a 10-year period, which will have an eventual cell manufacturing capacity of 16 GWh. While AMRJ can fund the initial couple of years of this project through internal accruals, we expect the company will need to raise funds to finance the remaining project. Further, we think the company's foray into lithium-ion cell manufacturing is likely to see multiple challenges in the coming years, such as: 1) most domestic PV OEMs either have their own lithium-ion manufacturing plans or existing tie-ups, limiting AMRJ's potential addressable market in this space; 2) given AMRJ is setting up a greenfield in this segment without prior experience, we expect its facility to take at least a couple of years to stabilize operations as it goes through its testing and validation phase initially for interested OEMs; 3) since lithium-ion cell manufacturing is a low-margin business, we expect this business to be return-dilutive for AMRJ in the long run, even if this venture is successful; and 4) given that it is still not certain if the lithium-ion cell technology will emerge as a sustainable technology in the long run, we think the outcome of this venture remains highly uncertain at this stage, despite the significant capital commitment required.
- **Valuations fair; reiterate our Neutral rating:** The lead acid business is expected to witness near-term margin pressure, given the sharp surge in input costs. Further, while the market is optimistic about AMRJ's Li-ion initiative, we are

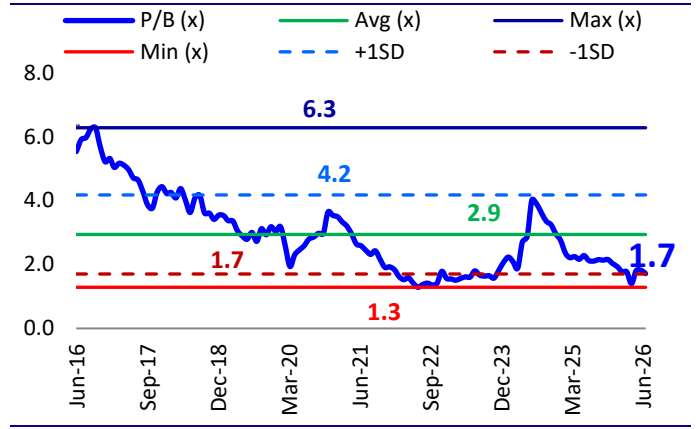
cautious about its potential returns. We believe the stock, trading at around 21.3x FY27E/17.3x FY28E EPS, appears fairly valued. **We reiterate our Neutral rating with a TP of INR878, based on 15x standalone FY28E EPS and INR92/sh value of the investment in the New Energy business.**

Exhibit 1: One-year forward P/E (x) band



Source: MOFSL

Exhibit 2: One-year forward P/B (x) band



Source: MOFSL

Niva Bupa

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	NIVABUPA IN
Equity Shares (m)	1849
M.Cap.(INRb)/(USDb)	158.9 / 1.7
52-Week Range (INR)	91 / 68
1, 6, 12 Rel. Per (%)	-1/13/3
12M Avg Val (INR M)	193

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	78.3	97.4	121.1
Service result	2.1	4.0	5.3
PBT	4.6	6.5	8.4
PAT	3.7	4.9	6.3

Ratios (%)

Claims	64.9	64.0	65.0
CISR	101.5	100.4	99.6
RoE	10.6	12.8	14.4
EPS (Rs)	2.0	2.6	3.4

Valuations

P/E (x)	43.4	32.5	25.1
P/BV (x)	4.4	3.9	3.4

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	55.3	55.4	55.4
DII	16.2	16.5	15.1
FII	12.1	10.6	10.8
Others	16.4	17.6	18.8

FII includes depository receipts

CMP: INR86 TP: INR103 (+20%) Buy

Strong operating performance leads to PAT beat

- Niva Bupa's (Niva) insurance revenue grew 29% YoY in 1QFY27 to INR22.7b (in line). Gross premium grew 32% YoY to INR21.5b, while retail health GWP grew 47% YoY to INR16.1b.
- Combined insurance service ratio at 100.2% (est. 103.5%) improved 300bp YoY. Insurance service result was INR1b vs. INR76m in 1QFY26 (est. INR110m).
- Investment income at INR2b was 10% below our estimate, up 21% YoY. PAT at INR1.4b grew 93% YoY (est. INR985m). RoE was at 3.7% vs. 2.1% in 1QFY26.
- Management expects to maintain 8-10% alpha over the industry in retail health premium growth, with Jul'26 trends in line with expectations. The seasonal infection period is expected to commence soon, though no adversaries have been observed yet.
- Niva has transitioned to Ind AS accounting from this quarter and we have prepared our estimates accordingly. We value the stock at 30x FY28E IFRS PAT to arrive at our TP of INR103. **Reiterate BUY.**

Robust claims management drives claims ratio improvement

- Claims at INR14.3b grew 21% YoY (in line), reflecting a claims ratio of 63.5% (est. 68%), improving by a healthy 380bp YoY. Retail claims ratio improved 90bp YoY from 68.4% in 1QFY26 to 67.5% in 1QFY27.
- Operating expenses grew 24% YoY to INR6.9b (5% above estimates), reflecting an opex ratio of 37.2% vs. 36.4% in 1QFY26. EoM was at 35.2% in 1QFY27, inching closer to the regulatory threshold of 35%.
- Renewal rate for retail health indemnity products improved to 95.8% in 1QFY27 from 92.5% in 1QFY26.
- In terms of product mix, ~75% business was contributed by retail health, while group health contribution declined to 24% owing to a competitive pricing environment in the group health industry.
- Investment assets stood at INR100b as of 1QFY27 end, with investment yield at 7.2%. The solvency ratio was 2.25x.
- The average ticket size per policy (without 1/n) rose to INR30,224 in 1QFY27 from INR24,889 in 1QFY26. GWP contribution from the >INR1m sum insured rose to 92.7% in 1QFY27 from 81.7% in 1QFY26.
- The company's hospital network stood at 10,668 (vs. 10,488 as of 1QFY26 end), while the preferred partner network increased to 1,133 (vs. 681 as of 1QFY26 end).
- The channel mix remained diversified, with 32.4%/19.4%/7.4%/27.5%/12.6%/ 0.7% of the business being contributed by agents/banks/other corporate agents/brokers/direct/others in 1QFY27. The company added 13,000 agents in 1QFY27, taking the total agent count to 251,834. It added 13 banca partnerships in 1QFY27, taking the total partnerships to 134.

Key takeaways from the management commentary

- The renewal retail health loss ratio currently stands at ~75%, while the expense ratio is below 20%.
- The target is to achieve a mid-to-high teen RoE by FY29, compared with the trailing four-quarter RoE of 11.8%.
- Preferred Provider Network (PPN) is able to reduce claim severity by 15-20% by directing customers toward an efficient network of hospitals and minimize fraudulent claims.

Valuation and view

- Niva continued to report industry-leading growth in 1QFY27, supported by GST exemption on retail health insurance and multi-channel distribution strategy. The growth in fresh retail business and the reduction of group health contribution drove down the loss ratios. Operational efficiency has resulted in a gradual improvement in EoM ratios.
- We believe Niva has a strong position to harness the growth opportunity, with a strategic global partner, a growing customer base, a diversified channel mix, and innovative product offerings.
- Niva has transitioned to Ind AS accounting from this quarter and we have prepared our estimates accordingly. We value the stock at 30x FY28E IFRS PAT to arrive at our TP of INR103. **Reiterate BUY.**

Quarterly Performance (INR m)

Y/E March	FY26				FY27				FY26	FY27E	1Q FY27E	Act v/s Est. %	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE						
Insurance revenue	17,686	18,991	20,452	21,162	22,737	24,439	25,381	24,887	78,291	97,444	22,047	3.1	29	7
YoY growth (%)	37.7	33.0	35.9	30.5	28.6	28.7	24.1	17.6	34.1	24.5	28.0			
Claims	11,819	12,360	12,713	13,584	14,326	15,763	15,990	16,285	50,816	62,364	14,992	-4.4	21	5
Acquisition cost	5,601	5,563	7,147	6,165	6,945	6,965	8,122	7,494	24,136	29,526	6,614	5.0	24	13
Insurance service expenses	17,420	17,923	19,860	19,749	21,271	22,728	24,112	23,779	74,952	91,890	21,606	-1.5	22	8
Net reinsurance expenses	190	186	522	300	458	367	355	339	1,198	1,518	331	38.3	141	52
Insurance service result	76	882	70	1,113	1,009	1,344	914	770	2,141	4,036	110	815.1	1224	-9
Investment income	1,631	1,498	1,648	1,349	1,975	1,695	1,744	1,815	6,126	7,229	2,195	-10.0	21	46
Finance cost	91	94	92	91	92	92	92	93	367	369	92	0.3	2	2
Other income	2	4	1	9	5	-	-	-	15	5	-		227	-46
Other expenses	639	1,471	608	572	1,060	1,051	1,091	1,183	3,290	4,385	882	20.1	66	85
PBT	979	819	1,019	1,807	1,837	1,897	1,474	1,308	4,625	6,517	1,332	38.0	88	2
Tax	265	215	279	214	459	474	369	327	972	1,629	346	32.7	73	115
PAT	714	604	740	1,594	1,378	1,423	1,106	981	3,653	4,887	985	39.8	93	-14
YoY growth (%)	101.2	151.5	23.4	90.8	92.9	135.4	49.4	-38.4	79.9	33.8	40.6			
Ratios (%)														
Claims ratio	66.8	65.1	62.2	64.2	63.0	64.5	63.0	65.4	64.9	64.0	68.0	-499.3	-382.0	-118.5
CISR	103.2	103.1	102.6	97.4	100.2	98.8	100.7	101.7	101.5	100.4	103.5	-327.7	-295.7	277.8

TBO Tek

Estimate changes



TP change



Rating change



Bloomberg	TBOTEK IN
Equity Shares (m)	109
M.Cap.(INRb)/(USDb)	162.7 / 1.7
52-Week Range (INR)	1765 / 1004
1, 6, 12 Rel. Per (%)	3/12/13
12M Avg Val (INR M)	353

Financials Snapshot (INR m)

Y/E MARCH	FY26	FY27E	FY28E
Sales	26,775	39,105	48,922
Sales Gr. (%)	54.1	46.1	25.1
EBITDA	3,785	6,241	8,061
EBITDA Margin (%)	14.1	16.0	16.5
PAT	2,443	3,800	5,665
EPS (INR)	22.7	35.3	52.6
EPS Gr. (%)	5.7	55.6	49.1
BV/Share	144	179	232

Ratios

RoE	17.8	21.8	25.6
RoCE	13.8	17.0	21.0
RoIC	13.0	16.2	20.1

Valuations

EV/Sales	5.9	4.0	3.2
EV/EBITDA	41.7	25.3	19.6
P/E (X)	66.7	42.9	28.8
P/BV (X)	10.4	8.4	6.5

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter (%)	44.4	44.4	44.4
DII (%)	21.1	20.3	19.2
FII (%)	30.5	31.4	32.1
Others (%)	4.0	3.9	4.3

CMP: INR1,499
TP: INR1,850 (+23%)
Buy
Strong performance likely to sustain; beat across estimates

- TBO Tek reported a resilient 1QFY27 performance, with revenue rising 81% YoY to INR9,258m (est: INR8,228m), aided by the consolidation of Classic Vacations. Meanwhile, organic revenue grew 16% YoY to INR5,950m (est: INR5,728m).
- EBITDA stood at INR1,435m (est. INR1,112m) and margin came in at 15.5% (est. 13.5%).
- Notably, gross profit growth outpaced SG&A growth on the back of operating leverage.
- PAT increased 32.3% YoY to INR834m (est. INR652m).
- Monthly Transacting Buyers (MTBs) for the quarter reached 33,736, rising 14% YoY.
- Organic MTBs stood at 31,540, rising 7% YoY.
- Overall GTV increased 37% YoY to INR111,540m; 30% in CC terms.
- Organic GTV rose 22% YoY to INR99,180m; 15% in CC terms.
- GTV for the Hotels + Ancillary business reached INR75,780m, up 50% YoY, and GTV for the Airlines business reached INR35,770m, up 17% YoY.
- India Airlines business grew 14.7% YoY, while the Consolidated Airlines business grew 16.9% YoY.
- We believe TBO Tek has delivered a strong set of numbers despite a challenging operating environment. Over FY26-28, we expect it to deliver a CAGR of 35%/46%/52% in revenue/EBITDA/PAT, mainly on the back of increased contribution from high-take-rate hotels and ancillary segments in the GTV mix. We reiterate our BUY rating on TBO Tek with a TP of INR1,850, valued at 35x FY28E EPS.

Our view: We expect a strong rebound in travel demand once the global geopolitical situation stabilizes

- Geography-wise, APAC (up 41% CC) and Europe (up 24% CC) remained the strongest growth drivers, while MEA posted 1% CC YoY growth despite the ongoing conflict.
- North America contributed ~24-25% to Hotels GTV, supported by the Classic Vacations acquisition and resilient transatlantic travel demand.
- Management highlighted that investments made in Europe over the last two years are delivering strong returns, validating its global expansion strategy.
- The Classic Vacations integration remains on track, with platform integration targeted by CY26-end or 3QFY27, which will enable inventory sharing and cross-selling opportunities.
- Management expects revenue synergies, rather than cost synergies, to be the primary long-term benefit from the acquisition.
- AI investments remain focused on customer service automation, AI-enabled CRM, and the Voya travel assistant, with near-term benefits expected through productivity and cost efficiencies.
- Europe, APAC, and North America are expected to remain the key growth engines, while any recovery in the Middle East represents incremental upside.

Valuation and view

We believe TBO Tek has delivered a strong set of numbers despite a challenging operating environment. Over FY26-28, we expect it to deliver a CAGR of 35%/46%/52% in revenue/EBITDA/PAT, mainly on the back of increased contribution from high-take-rate hotels and ancillary segments in the GTV mix. We reiterate our BUY rating on TBO Tek with a TP of INR1,850, valued at 35x FY28E EPS.

TBO Tek - Quarterly Performance

											(INR m)	
Y/E March	FY26				FY27E				FY26	FY27E	Est. 1QFY27	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue (INR m)	5,113	5,675	7,843	8,144	9,258	9,571	10,268	10,009	26,775	39,105	8,228	12.5
YoY (%)	22.2	25.9	85.8	82.6	81.1	68.6	30.9	22.9	54.1	46.1	60.9	
GPM (%)	65.2	64.0	61.6	60.7	59.7	60.0	60.0	60.0	62.5	59.9	81.2	
SGA (%)	29.8	29.5	27.0	26.8	24.8	24.8	24.0	24.0	28.0	24.4	68.8	
EBITDA	779	881	1,072	1,053	1,435	1,486	1,681	1,638	3,785	6,241	1,112	29.1
EBITDA Margin (%)	15.2	15.5	13.7	12.9	15.5	15.5	16.4	16.4	14.1	16.0	13.5	+200bp
EBIT	639	719	808	754	1,105	1,156	1,351	1,307	2,921	4,919	864	27.9
EBIT Margin (%)	12.5	12.7	10.3	9.3	11.9	12.1	13.2	13.1	10.9	12.6	10.5	+140bp
Finance cost	53	89	149	146	146	146	146	146	436	583	53	
Other Income	89	152	55	128	74	96	103	100	424	372	89	
ETR (%)	16.4	13.7	18.8	18.4	19.3	19.3	19.3	19.3	16.7	19.3	18.5	
PAT	630	675	537	601	834	893	1,056	1,018	2,443	3,800	652	27.8
YoY (%)	3.4	12.4	7.4	2.0	32.4	32.1	96.6	69.4	6.2	55.5		
EPS (INR)	5.9	6.3	5.0	5.6	7.8	8.4	9.9	9.5	22.7	35.3	6.1	28.0

Change in Estimates

	Revised		Earlier		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue (INR m)	39,105	48,922	36,566	44,590	6.9%	9.7%
EBITDA (INR m)	6,241	8,061	5,202	7,209	20.0%	11.8%
EBITDA margin (%)	16.0	16.5	14.2	16.2	+170bp	+30bp
PAT (INR m)	3,800	5,665	3,251	4,994	16.9%	13.4%
EPS (INR)	35.3	52.6	30.2	46.4	16.9%	13.5%

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	ZENT IN
Equity Shares (m)	228
M.Cap.(INRb)/(USD b)	118.5 / 1.2
52-Week Range (INR)	869 / 423
1, 6, 12 Rel. Per (%)	21/-16/-34
12M Avg Val (INR M)	873

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	56.9	62.0	66.0
EBIT Margin (%)	14.5	13.4	14.6
PAT	7.9	7.7	8.7
EPS (INR)	34.5	33.5	37.7
EPS Gr. (%)	21.7	-3.1	12.6
BV/Sh. (INR)	207.8	225.2	243.8

Ratios

RoE (%)	18.1	15.7	16.3
RoCE (%)	13.6	12.2	13.1
Payout (%)	43.4	43.6	44.7

Valuations

P/E (x)	15.1	15.6	13.8
P/BV (x)	2.5	2.3	2.1
EV/EBITDA (x)	10.1	9.4	7.8
Div Yield (%)	2.9	2.8	3.2

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	49.0	49.0	49.1
DII	22.0	23.7	20.5
FII	11.1	10.8	14.6
Others	17.9	16.5	15.9

FII Includes depository receipts

CMP: INR521 TP: INR610 (+17%) Buy

Slow recovery through FY27

Margin pressure to persist as revenue growth is prioritized

- Zensar (ZENT) reported 1QFY27 revenue growth of 1.1% QoQ CC (est. flat QoQ CC). BFSI grew 8.3% QoQ CC, while TMT/HLS/MCS declined 9.1%/3.8%/2.3% QoQ CC. Deal TCV bookings came in at USD149m (down 62.9% QoQ/13.3% YoY), and the book-to-bill was 0.9x. EBIT margin was 12.8% (est. 12.5%), down 190bp QoQ. Adj. PAT of INR1,838m (down 12.8% QoQ/up 1% YoY), above our estimate of INR1,696m.
- In INR terms, 1Q revenue/EBIT/adj. PAT grew 8.9%/2.6%/0.9% YoY. In 2QFY27, we expect revenue/EBIT/adj. PAT to grow 7.3%/1%/0.5% YoY. We reiterate **BUY** on ZENT with a TP of INR610, implying a 16x FY28E EPS.

Our view: BFSI mega deal masks underlying weakness

- **Revenue growth to be led by BFSI mega-deal ramp-up:** Sequential growth in 1Q was driven by the early ramp-up of the **USD210m mega deal** signed in 4QFY26. This resulted in **8.3% QoQ CC growth in BFSI (45% of revenue)**, offsetting broad-based weakness across the other three verticals. We expect the mega-deal ramp-up to remain the primary growth driver over the next two quarters and model **1.5%/3.0% QoQ CC revenue growth in 2Q/3QFY27**, with the deal reaching full ramp-up by 3Q.
- **Broad-based weakness persists outside BFSI:** TMT, HLS, and MCS verticals declined **9.1%, 3.8%, and 2.3% QoQ CC**, respectively. TMT posted its **fourth consecutive quarter of sequential decline**, reflecting continued weakness in its largest client. HLS remained under pressure due to macro softness, adverse FDA decisions affecting certain clients, and vendor consolidation, resulting in the loss of a couple of accounts and a **third straight quarter of sequential decline**. Within MCS, weak consumer spending, particularly in Europe, continued to weigh on demand.
- **Margins to remain under pressure amid large-deal investments:** EBIT margin contracted **~200bp QoQ** in 1Q, primarily due to **pre-staffing and transition costs (~200bp)** related to the mega-deal, along with **higher travel, visa, and training expenses (~150bp)**. Headwinds were offset by **forex gains (+80bp)** and a **management bonus reversal (+130bp)**. We expect margin pressure to persist through **2Q and 3Q** as the company prioritizes revenue growth and continues to invest in delivery capabilities and the mega-deal ramp-up. Accordingly, we forecast **FY27 EBIT margin at 13.4%**, down from **14.5% in FY26**, with a meaningful recovery likely only from 4Q.
- **Deal momentum moderates despite healthy net-new mix:** Order intake declined **13% YoY to USD149m**, the lowest level in three years, reflecting rising competitive intensity and the impact of vendor consolidation, particularly in HLS. Excluding the **USD210m mega deal** signed in 4QFY26, **TCV declined ~25% QoQ**. While 1Q is seasonally weak due to the concentration of renewals in 2H, the **record-high share of net-new business** remains an encouraging indicator of the company's long-term demand pipeline.

Valuation and change in estimates

- **1Q performance highlights persistent demand unevenness**, with broad-based weakness across verticals, margin pressure from transition-related and SG&A costs, and rising competitive intensity. We expect **BFSI to remain the key growth driver through FY27**, supported by the ramp-up of the mega deal and strong client mining, evidenced by **four net additions in the USD10m+ client bucket** during the quarter.
- **While the growth outlook remains constructive, margin expansion is likely to remain constrained** as clients continue to reimagine operating models to drive productivity gains, keeping pricing under pressure. We largely maintain our earnings estimates, with the only change being a **60bp reduction in our FY27E EBIT margin forecast to 13.4%**. We retain our **BUY** rating with an unchanged **TP of INR610**, based on **16x FY28E EPS**.

Beat on revenue and margin; BFSI up 8.3% QoQ CC

- ZENT revenue stood at USD160m, up 1.1% QoQ in CC terms (vs. our estimates of 0.3% QoQ CC), aided by the early execution of the large deal.
- BFSI grew 8.3% QoQ CC, while TMT/HLS/MCS declined 9.1%/3.8%/2.3% QoQ CC.
- Deal TCV bookings came in at USD149m (down 62.9% QoQ/13.3% YoY) and the book-to-bill was 0.9x.
- EBIT margin was 12.8% (est. 12.5%), down 190bp QoQ, impacted by transition costs and the early execution phase of the large deal.
- In 1Q, total headcount reached 11,342 (up 5.2% QoQ). LTM attrition was 9.6%, down 20bp QoQ. Utilization was up 80bp QoQ at 85.1%.
- Adj. PAT of INR1,838m (down 12.8% QoQ/up 1% YoY) was above our estimate of INR1,696m.

Key highlights from the management commentary

- Demand environment remained mixed, with global macro uncertainty and geopolitical volatility continuing to weigh on client investment decisions.
- Management highlighted a structural shift as clients move beyond technology modernization toward AI-native transformation, reimaging operating models for productivity gains.
- Management remains confident of stable revenue momentum, though near-term growth continues to be skewed by the large BFSI deal ramp-up.
- Book-to-bill guidance of 0.9x-1.1x of projected revenue was reiterated, with management noting that optics are skewed by the ~USD210m mega deal booked in the prior quarter (~one-third of company revenue).
- The company is actively evaluating inorganic opportunities, targeting scaled assets in the USD150-200m revenue range rather than tuck-in acquisitions, with 2-3 assets under active evaluation.
- Launched Zen.ai Agent Mesh, a universal enterprise platform for discovering, building, deploying and governing autonomous AI agents at scale.
- Scaled AI platform suite includes CI.QR (quality engineering agents), Agent Assurance/Agent Mesh (banking & risk agents), NCI.Guidewire (insurance delivery acceleration) and a content factory agent suite for marketing campaign execution.

Quarterly Performance

(INR Million)

Y/E March	FY26				FY27E				FY26	FY27E	Est. 1QFY27	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Revenue (USD m)	162	163	161	158	160	161	166	169	644	656	159	0.6
QoQ (%)	3.3	0.5	-1.4	-1.3	0.7	1.1	3.0	1.5	3.1	1.9	0.1	62bp
Revenue (INR m)	13,850	14,213	14,307	14,504	15,083	15,245	15,702	15,938	56,874	61,967	15,006	0.5
YoY (%)	7.5	8.7	7.9	6.7	8.9	7.3	9.8	9.9	7.7	9.0	8.3	55bp
GPM (%)	30.5	31.0	33.8	32.7	29.7	30.2	30.4	31.0	32.0	30.3	30.0	-28bp
SGA (%)	15.3	15.6	16.3	16.5	15.1	15.5	15.5	14.5	15.9	15.1	15.7	-62bp
EBITDA	2,106	2,199	2,499	2,357	2,208	2,241	2,340	2,630	9,161	9,418	2,146	2.9
EBITDA Margin (%)	15.2	15.5	17.5	16.3	14.6	14.7	14.9	16.5	16.1	15.2	14.3	34bp
EBIT	1,875	1,947	2,296	2,130	1,923	1,967	2,057	2,343	8,248	8,289	1,876	2.5
EBIT Margin (%)	13.5	13.7	16.0	14.7	12.7	12.9	13.1	14.7	14.5	13.4	12.5	25bp
Other income	531	454	607	625	538	457	455	462	2,217	1,913	358	50.1
ETR (%)	24.4	24.2	24.5	23.7	25.4	24.5	24.0	24.5	24.2	24.6	24.1	
Adj. PAT	1,820	1,821	2,191	2,102	1,837	1,830	1,909	2,118	7,934	7,694	1,696	8.3
QoQ (%)	3.2	0.1	20.3	-4.1	-12.6	-0.4	4.3	10.9			-19.3	
YoY (%)	15.3	16.9	37.2	19.2	0.9	0.5	-12.9	0.7	22.1	-3.0	-6.8	
Exceptional Items	0.0	0.0	193.0	-3.8	0.0	0.0	0.0	0.0	189	0	0.0	
Reported PAT	1,820	1,821	1,998	2,106	1,837	1,830	1,909	2,118	7,745	7,694	1,696	8.3
Adj. EPS (INR)	7.9	7.9	9.5	9.2	8.0	8.0	8.3	9.2	34.5	33.5	7.4	8.2

Westlife Foodworld

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	WESTLIFE IN
Equity Shares (m)	156
M.Cap.(INRb)/(USDb)	75.9 / 0.8
52-Week Range (INR)	780 / 398
1, 6, 12 Rel. Per (%)	-2/3/-33
12M Avg Val (INR M)	131

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	26.3	29.6	33.6
Sales growth (%)	5.4	12.7	13.6
EBITDA	3.5	4.1	4.9
Margins (%)	13.2	13.8	14.7
Adj. PAT	-0.1	0.1	0.5
Adj. EPS (INR)	-0.4	0.8	3.4
EPS Growth (%)	P/L	L/P	314.2
BV/Sh.(INR)	39.7	28.5	38.6

Ratios

RoE (%)	-1.0	2.4	10.1
RoCE (%)	-34.1	5.4	7.0

Valuations

P/E (x)	NM	597.6	144.3
P/BV (x)	12.3	17.2	12.7
EV/Sales (x)	3.0	2.6	2.2
EV/EBITDA (x)	38.7	31.7	23.8

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	56.4	56.4	56.3
DII	28.3	27.3	24.0
FII	7.5	8.2	11.6
Others	7.8	8.2	8.1

FII Includes depository receipts

CMP: INR487 TP: INR550 (+13%) Neutral

Print improves; positive commentary for FY27

- Westlife Foodworld (WESTLIFE) reported 12% YoY revenue growth to INR7.4b in 1QFY27 (est. INR7.4b). SSSG came in at 4.3% YoY (est. 3.5%), driven by double-digit growth in guest count in West and South markets. South India also delivered positive SSSG. WESTLIFE recorded mid-single-digit SSSG in May and June, reflecting improving demand momentum, supported by everyday value offerings and operational excellence, with momentum continuing in July. Growth remained broad-based, with on-premise sales growing 12% YoY and off-premise sales rising 11% YoY.
- The company added a net four restaurants in 1Q, taking the total to 482 restaurants across 79 cities. Lower store additions in 1Q were due to temporary fryer inventory constraints after the LPG equipment conversion. However, management reiterated its plan to open 60+ restaurants annually and it is on track to achieve its target of 580-630 restaurants by Dec'27.
- Gross margin was flat YoY but declined 50bp QoQ to 67.6% (est. 69.5%), impacted by high fuel, food and packaging costs. It has not taken any price hikes so far and intends to maintain a disciplined pricing strategy. Restaurant operating margin (ROM) contracted 130bp YoY to 13.3%, while pre-Ind AS EBITDA margin declined 20bp YoY to 7.5%. Management reiterated its guidance of 100-150bp annual expansion in pre-Ind AS EBITDA margin, supported by operating leverage, cost optimization and improving sales productivity. We model pre-Ind AS EBITDA margins of 8.2%/9.4% for FY27E/FY28E (7.7% in FY26).
- Better throughput of new stores in the last few years will improve the overall store unit economics. It would start improving operating margins in the coming years. **We reiterate our Neutral rating with a TP of INR550, based on 28x Mar'28E EV/EBITDA (pre-IND AS).**

Revenue inline; profitability a miss

- Healthy SSSG at ~4%: Sales grew 12% YoY to INR7.4b (est. INR7.4b), driven by 9% store additions, strong guest count growth and balanced momentum across on-premise and off-premise channels. West markets continued to perform well, while South markets maintained recovery. SSSG was 4.3% YoY (est. 3.5%, +1.5% in 4QFY26, +0.5% in 1QFY26), led by double-digit guest count growth. May and June delivered mid-single-digit SSSG. It added net four stores (opened five, closed one), taking the total to 482 stores in 79 cities. Average sales per store fell 1% YoY to INR61m (annualized).
- EBITDA misses; margins hit by input cost inflation:** Gross margin was flat YoY/down 50bp QoQ at 67.6% (est. 69.5%), impacted by higher fuel, food and packaging costs. EBITDA grew 11% YoY to INR946m (est. INR977m), while EBITDA margin declined 10bp YoY to 12.9% (est. 13.3%). EBITDA (pre Ind AS) rose 9% YoY to INR551m (est. INR597m), with EBITDA margin (pre Ind AS) down 20bp YoY at 7.5%. ROM contracted 130bp YoY to 18.6% post Ind AS (est. 19.6%) and 13.3% pre Ind AS (est. 14.4%), reflecting high input cost pressure despite healthy revenue growth.

Key takeaways from the management commentary

- The West region continued to deliver strong performance, while the South reported positive SSSG with meaningful improvement in guest count trends.
- Management is restructuring its operating model from three divisions to five to improve execution speed and bring decision-making closer to customers.
- The company continues to target 100-150bp annual improvement in pre-Ind AS EBITDA margins, subject to operating performance.
- Cumulative app downloads crossed 55m, with ~3.7m monthly active users, strengthening the company's personalization and loyalty capabilities.

Valuation and view

- We raised our EBITDA estimates by 5-6% for FY27 and FY28.
- Management guided for ~67% gross margin in FY27 amid the ongoing inflationary environment. Demand trajectory improved in 1Q, with positive footfall growth across months. WESTLIFE has become more aggressive in store additions (60 per year vs. earlier 45-50) and targets 580-630 restaurants by Dec'27 (482 as on Jun'26).
- We believe regional demand will improve gradually and, therefore, we expect a gradual ADS recovery in near future. **We reiterate our Neutral rating with a TP of INR550, based on 28x Mar'28E EV/EBITDA (pre-IND AS).**

Consolidated quarterly performance

Y/E March	FY26				FY27E				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY26	FY27E	FY27 1QE	Var (%)
SSSG %	0.5	(2.8)	(3.2)	1.5	4.3	3.5	3.5	4.7	-1.1	4.0	3.5	
No. of McDonald's restaurants	444	450	458	478	482	497	512	538	478	538	493	
Net Sales	6,576	6,419	6,707	6,554	7,356	7,179	7,575	7,481	26,256	29,592	7,351	0.1
YoY Change (%)	6.7	3.9	2.6	8.7	11.9	11.9	12.9	14.2	5.4	12.7	11.8	
Gross profit	4,448	4,337	4,525	4,464	4,970	4,882	5,189	5,141	17,773	20,182	5,109	-2.7
Margin (%)	67.6	67.6	67.5	68.1	67.6	68.0	68.5	68.7	67.7	68.2	69.5	
EBITDA (Pre-IND AS)	505	399	619	490	551	507	788	584	2,012	2,431	597	-7.7
YoY Change (%)	0.5	-16.2	4.3	6.2	9.3	27.2	27.3	19.3	-1.0	20.8	18.3	
Margins (%)	7.7	6.2	9.2	7.5	7.5	7.1	10.4	7.8	7.7	8.2	8.1	
EBITDA	855	759	987	870	946	887	1,188	1,054	3,471	4,075	977	-3.2
YoY Change (%)	6.9	-3.4	8.0	9.6	10.6	16.8	20.4	21.2	5.4	17.4	14.3	
Margins (%)	13.0	11.8	14.7	13.3	12.9	12.4	15.7	14.1	13.2	13.8	13.3	
Depreciation	553	628	562	575	600	650	675	745	2,318	2,668	625	
Interest	354	363	370	368	388	380	400	403	1,455	1,571	375	
Other Income	68	107	74	65	65	85	85	101	314	336	75	
PBT	16	-124	129	-9	23	-57	198	6	11	171	53	
Extra-Ord expense	0	-401	108	1	16	0	0	0	-293	0	0	
PBT after EO expense	16	277	21	-10	8	-57	198	6	304	171	53	
Tax	4	92	10	-33	2	-14	50	6	73	43	13	
Rate (%)	27.4	-74.4	7.7	378.8	8.6	25.0	25.0	88.8	640.7	25.2	25.0	
Reported PAT	11	185	11	24	6	-43	149	1	231	128	40	
Adj PAT	11	-217	119	25	21	-43	149	1	-62	128	40	
YoY Change (%)	-64.8	NA	68.4	61.0	87.1	NA	25.2	-97.0	-150.7	-306.5	245.2	
Margins (%)	0.2	-3.4	1.8	0.4	0.3	-0.6	2.0	0.0	-0.2	0.4	0.5	

E: MOFSL Estimates

GNG Electronics

Estimate change



TP change



Rating change



Bloomberg	EBGNG IN
Equity Shares (m)	114
M.Cap.(INRb)/(USDb)	63.4 / 0.7
52-Week Range (INR)	690 / 239
1, 6, 12 Rel. Per (%)	-13/126/69
12M Avg Val (INR M)	279

Financials & Valuations Consol (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	24.5	31.0	38.8
EBITDA	2.8	3.8	4.9
Adj. PAT	1.9	2.7	3.6
EBITDA Margin (%)	11.5	12.3	12.7
Adj. EPS (INR)	16.9	23.3	31.8
EPS Gr. (%)	45.6	38.1	36.7
BV/Sh. (INR)	83.5	106.8	138.6

Ratios

Net D:E	0.3	0.2	0.1
RoE (%)	22.5	24.5	25.9
RoCE (%)	21.1	23.5	20.9

Valuations

P/E (x)	33.0	23.9	17.5
EV/EBITDA (x)	23.6	17.5	13.5
EV/Sales (X)	2.7	2.1	1.7

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	74.8	78.7	78.7
DII	6.8	5.2	5.1
FII	5.3	2.8	2.5
Others	13.1	13.3	13.7

FII includes depository receipts

CMP: INR556
TP: INR700 (+26%)
Buy

A strong start to FY27; margin expansion aids earnings upgrade

- GNG Electronics (GNG) reported a strong start to FY27, with 32% revenue growth and 56% PAT growth, driven by healthy demand, ~12% ASP growth, and broad-based margin expansion.
- Gross margin expanded ~330bp YoY to 24.6%, supported by procurement efficiencies, higher international contribution, and better realizations.
- AI-led computing demand, persistent memory shortages, and rising new-PC prices continue to widen the affordability gap, reinforcing the structural demand outlook for refurbished devices across enterprise and education segments.
- Strategic inventory management and supplier relationships remain key competitive advantages. Inventory at ~INR7b (vs. INR7.4b QoQ) supports immediate order fulfillment, while established sourcing partnerships help mitigate the impact of industry-wide component inflation.
- GNG raised FY27 guidance to 30% revenue growth (vs. 25% earlier) and 75–100bp PAT margin expansion (vs. 50bp earlier), reflecting confidence in sustaining healthy demand, margin expansion, and execution.
- We raise our gross margin estimates by ~100bp, resulting in ~7-9% higher PAT estimates over FY27–29.** We now model ~195bp gross margin expansion over FY26–29E, driving a 27%/36%/40% revenue/EBITDA/PAT CAGR.
- Reiterate BUY with a TP of INR700 set at 30x FY28 P/E.**

Gross margin boosts earnings beat despite sequential moderation

- Revenue grew **32% YoY** to **INR4.1b**, although growth moderated from 40% in the last two quarters. This growth was broadly in line with our estimate.
- Volume grew ~18% YoY to 150k units, led by laptops (108k units; 72% of volumes and 81% of revenue), while desktops and other products accounted for the balance.
- Blended **ASP increased ~12% YoY**, reflecting an improved product mix and higher realizations.
- Gross profit increased 52% YoY to INR1.0b, with gross margin expanding ~420bp YoY to 24.7%, ahead of our estimate of 22.0%.
- Employee (up 43% YoY) and other operating expenses (up 69% YoY) continue to accelerate sharply ahead of revenues.
- EBITDA grew 53% YoY to INR494m, with EBITDA margin expanding ~170bp YoY to 12.0% (vs. est. 11.1%).
- PBT grew 59% YoY** to **INR357m**, and **PAT increased 56% YoY** to **INR289m** (11% ahead of estimates). The growth was supported by strong operating performance despite higher depreciation, finance costs, and taxes.

Standalone and subsidiaries

Standalone (India business)

- Revenue grew **39% YoY** to **INR2.4b**, led by healthy demand in the domestic refurbishment business.

- Gross margin expanded 150bp YoY to 21.2%, reflecting a favorable product mix and procurement efficiencies. Despite elevated employee and other operating expenses, EBITDA grew 47% YoY, with EBITDA margin improving 60bp YoY to 12.1%.
- **PAT increased 57% YoY to INR159m**, supported by strong operating leverage despite higher finance costs and a higher effective tax rate.

Subsidiaries (CONSOL - Standalone)

- Revenue grew **23% YoY to INR1.7b**, while profitability outpaced revenue growth across overseas operations.
- Gross margin expanded 603bp YoY to 29.4%, driving a 285bp YoY improvement in EBITDA margin to 11.7%, despite higher employee and operating expenses.
- **PAT grew 56% YoY to INR130m**, reflecting healthy operating performance and improved profitability across international subsidiaries.

Highlights from the management commentary

- **Demand** was healthy, aided by AI-led computing demand and rising new-device prices. Memory prices increased another 5–10% QoQ, widening the affordability gap and accelerating adoption of premium refurbished devices. Demand is increasingly structural rather than driven solely by component inflation.
- Supplier relationships continue to provide a sourcing advantage, allowing procurement costs to remain broadly stable despite 12–13% market inflation in sourcing prices. Advance procurement and supplier diversification continue to mitigate sourcing risks.
- **Working capital** remained broadly stable sequentially, with inventory maintained at ~INR7b (30–40 days; vs. ~INR7.4b at the end of FY26) to support procurement and order fulfillment. Net debt increased to ~INR4b, reflecting strategic inventory investments, while capital employed declined marginally.
- **FY27 guidance was upgraded**, with revenue growth raised to **30%** (from **25%**) and PAT margin expansion to **75–100bp** (from **50bp**), reflecting a stronger-than-expected start to the year, healthy demand across geographies, favorable industry tailwinds, and confidence in sustaining margin improvement.

Valuation and view

- GNG's competitive advantage strengthens with scale. Larger procurement volumes improve access to higher-quality devices and deepen supplier relationships, supporting better recovery rates, higher realizations, and a broader refurbishment pipeline.
- Scale also reinforces distribution economics. A wider institutional distribution network improves inventory rotation, procurement visibility, and execution efficiency, creating a self-reinforcing sourcing–distribution flywheel that is increasingly difficult for fragmented refurbishers to replicate.
- However, **working capital remains the key structural constraint**, with inventory-led procurement requiring an investment of ~40% of revenue in working capital. Consequently, we estimate a cumulative CFO of ~INR1.4b and FCFF of ~INR0.8b over FY26–28.
- **We raise our gross margin estimates by ~100bp**, resulting in **~7-9% higher PAT estimates** over FY27–29. We now model **~195bp gross margin expansion over FY26–29E**, driving a **27%/36%/40% revenue/EBITDA/PAT CAGR**.
- **Reiterate BUY with a TP of INR700 set at 30x FY28 P/E.**

Quarterly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Revenue	3,123	4,399	4,872	6,517	4,125	5,741	6,236	8,390	18,911	24,492	4,122	0.1
YoY Change (%)	22.3	24.7	40.3	43.0	32.1	30.5	28.0	28.8	34.0	29.5	32.0	
Gross profit	667	877	1,013	1,253	1,017	1,194	1,350	1,747	3,809	5,308	909	11.8
% Margin	21.4	19.9	20.8	19.2	24.6	20.8	21.7	20.8	20.1	21.7	22.1	259.6
Total Opex	344	411	474	619	523	537	606	827	1,848	2,493	450	16.1
EBITDA	323	465	540	634	494	658	744	920	1,962	2,815	459	7.6
EBITDA Margin	10.3	10.6	11.1	9.7	12.0	11.5	11.9	11.0	10.4	11.5	11.1	84.1
Change YoY (%)	26.7	41.7	75.9	127.5	52.8	41.3	37.9	45.2	67.8	43.5	42.0	
Depreciation	20	22	28	32	33	35	41	31	104	141	34	-2.1
Interest	107	84	90	144	139	149	149	130	424	567	140	-1.4
Other Income	29	2	6	6	35	12	15	-14	43	48	8	332.0
PBT before EO expense	225	361	428	464	357	486	568	744	1,477	2,155	293	22.1
PBT	225	361	428	464	357	486	568	744	1,477	2,155	293	22.1
Tax	40	35	41	42	68	53	61	51	157	233	32	
Rate (%)	17.6	9.6	9.6	9.1	19.1	10.8	10.8	6.9	10.6	10.8	11.0	
Reported PAT	185	327	387	421	289	433	507	693	1,320	1,922	261	11.0
Adj PAT	185	327	387	421	289	433	507	693	1,320	1,922	261	11.0
YoY Change (%)	52.4	41.6	102.8	185.8	56.2	32.6	31.0	64.4	100	45.6	40.7	

Reiterate BUY with a TP of INR700 set at 30x FY28 EPS

INR m	PAT	Multiple (x)	Value
Equity value	2,654	30.0	79,619
TP (INR/share)			700
CMP (INR/share)			556
Upside (%)			25.6

Quarterly performance (INR m)

	1QFY26	4QFY26	1QFY27	YoY%	QoQ%	1QFY27E	v/s est (%)
Total Revenue	3,123	6,517	4,125	32	-37	4,122	0
Raw Material cost	2,456	5,264	3,108	27	-41	3,213	-3
Gross Profit	667	1,253	1,017	52	-19	909	12
Gross margin (%)	21.4	19.2	24.6	329 bp	542 bp	22.1	260 bp
Employee Costs	223	330	319	43	-4	289	10
Other expenses	121	289	204	69	-29	162	26
EBITDA	323	634	494	53	-22	459	8
EBITDA margin (%)	10.3	9.7	12.0	162 bp	225 bp	11.1	84 bp
Depreciation and amortization	20	32	33	61	1	34	-2
EBIT	303	601	461	52	-23	425	8
EBIT margin (%)	9.7	9.2	11.2	148 bp	195 bp	10.3	86 bp
Finance Costs	107	144	139	30	-3	140	-1
Other income	29	6	35	23	461	8	332
Exceptional item							
Profit before Tax	225	464	357	59	-23	293	22
Tax	40	42	68	72	61	32	111
Tax rate (%)	18	9	19			11	
Profit after Tax	185	421	289	56	-31	261	11
Adj Profit after Tax	185	421	289	56	-31	261	11

MAS Financial Services

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	MASFIN IN
Equity Shares (m)	181
M.Cap.(INRb)/(USDb)	57.5 / 0.6
52-Week Range (INR)	359 / 276
1, 6, 12 Rel. Per (%)	0/2/5
12M Avg Val (INR M)	46

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total income	10.4	13.5	16.3
PPP	6.7	8.7	10.4
PAT	3.6	4.6	5.3
EPS (INR)	20.0	25.3	29.1
EPS Gr. (%)	18.9	26.3	14.8
BVPS (INR)	160	183	209

Ratios (%)

NIM	7.3	8.1	8.0
C/I ratio	35.7	35.5	36.3
RoA	2.9	3.2	3.1
RoE	13.4	14.8	14.8
Payout	10.0	10.0	10.0

Valuations

P/E (x)	16	13	11
P/BV (x)	2.0	1.7	1.5
Div. yield (%)	0.6	0.8	0.9

Shareholding pattern (%)

As on	Jun-26	Mar-26	Jun-25
Promoter (%)	66.7	66.7	66.6
DII (%)	19.7	20.0	20.0
FII (%)	3.7	3.5	3.1
Others (%)	10.0	9.9	10.3

FII includes depository receipts

CMP: INR317 **TP: INR385 (+21%)** **Buy**

Balancing growth ambitions with a strong profitability framework

Healthy AUM growth; resilient asset quality amid macro challenges

- MAS Financial (MASFIN)'s 1QFY27 PAT grew ~25% YoY to INR1.05b (in line). Net total income grew 30% YoY to INR3.1b (in line). Opex rose ~29% YoY to INR1.1b (in line).
- PPOp stood at INR2b (in line) and grew 30% YoY. Credit costs rose ~43% YoY to ~INR605m (in line), translating into annualized credit costs of 1.6% (PQ:1.6% and PY: 1.4%).
- MASFIN is confident of maintaining a strong growth trajectory, targeting ~20-25% AUM growth with an ambition to move towards the higher end of the range. Growth is expected to be led by its core MSME franchise, supported by healthy demand and stable portfolio performance, while diversification across housing finance, two-wheeler loans, commercial vehicles, and salaried loans gains momentum.
- The company's calibrated underwriting approach prioritizes sustainable portfolio quality over aggressive growth. Despite near-term pressure on conversions, improving branch productivity, increasing direct sourcing, and technology-led efficiencies are expected to drive scalability and support its long-term aspiration of doubling AUM every 3.0-3.5 years.
- MASFIN has demonstrated resilience in navigating external challenges through calibrated underwriting, particularly in segments impacted by higher energy costs and operating pressures. Going forward, MASFIN is focused on proactive risk management by closely monitoring sectoral and geographical trends and adjusting lending practices accordingly. Healthy borrower behavior and collection efficiency reinforce portfolio resilience, supporting management's expectation of maintaining credit costs at ~1.5-1.75% while balancing growth with asset quality.
- MASFIN remains confident of delivering sustainable, profitable growth, underpinned by its disciplined lending philosophy, diversified portfolio, and continued investments in distribution and technology. It continued to guide an RoA of ~2.75-3.25%, reflecting confidence in its profitability framework. The planned rise in the share of direct distribution to ~75% over the medium term is likely to enhance sourcing efficiency, strengthen customer relationships, and further aid margins and overall operating performance.
- We estimate an AUM/PAT CAGR of 22%/20% over FY26-28, with an RoA/RoE of ~3.1%/15% in FY28. **Reiterate BUY with a TP of INR385 (based on 1.8x FY28E BV).**

MSME-led growth continues to drive AUM expansion

- Standalone AUM stood at ~INR151b, up ~21% YoY/6% QoQ. Within this, AUM of micro-enterprise/SME/2W/CV loans grew 23%/21%/19%/13% YoY. Salaried PL grew ~21% YoY to ~INR13.7b.

- Around ~67% of the underlying assets in the standalone AUM came through direct distribution. The MSME segment contributed 80% to the YoY AUM growth. Avg. ticket size of micro-enterprise loans stood at ~INR82k (PQ: ~INR80k), while SME loans increased marginally to ~INR2.9m (PQ: ~INR2.8m).
- We expect MAS to deliver an AUM CAGR of ~22% over FY26-28.

Spreads expand sequentially; margin outlook remains stable

- Yields (calc.) rose ~30bp QoQ to 15.3%, while CoF (calc) declined ~30bp QoQ to ~8.9%. This resulted in ~60bp QoQ expansion in spreads to ~6.4%. NIM (calc.) remained stable QoQ at ~8.3%.
- Management expects margins to remain stable, with spreads of ~7.0-7.5% and NIMs of ~8.0-8.5%, supported by a favorable asset mix. Near-term CoB is likely to remain at ~9.2-9.3%, with funding costs projected to dip over the medium term, supported by favorable macro conditions and a potential credit rating upgrade. We expect MASFİN to deliver an NIM of ~8.0-8.1% for FY27E/FY28E.

Stable asset quality with adequate provisioning buffer

- Asset quality for the standalone entity remained stable QoQ, with GS3/NS3 at 2.6%/1.7%. The company continues to carry a management overlay of ~INR176m as of Jun'26 (~0.14% of the on-book assets).
- We model credit costs of ~1.6/ ~1.7% for FY27E/FY28E.

Other highlights – HFC subsidiary

- MAS Housing reported an AUM of ~INR9.8b, up ~23% YoY.
- GNPA/NNPA in the housing segment remained stable QoQ at 0.98%/0.68%.
- Housing finance remains a key growth opportunity, with management aspiring to achieve ~35% CAGR growth over the medium term. The company is focused on scaling the segment through branch expansion, improving productivity, and strengthening distribution, particularly across southern markets.

Key highlights from the management commentary

- MASFİN guided the direct distribution to increase to ~70% (of the AUM mix) over the next 12-18 months and further to ~75% over the next 8-12 quarters.
- Average yield in the housing finance business is expected at ~14%, with average credit costs around ~0.5%.

Valuation and view

- MASFİN delivered a steady 1QFY27 performance, supported by healthy AUM growth, stable asset quality, and strong profitability. The company remains focused on sustaining growth through its core MSME franchise, portfolio diversification, and scaling up of the housing finance business. With a focus on maintaining an RoA of ~2.75-3.25%, disciplined underwriting, a strong capital position, and stable margins, the company is well positioned to deliver sustainable growth over the medium term.
- We estimate an AUM/PAT CAGR of 22%/20% over FY26-28, with an RoA/RoE of ~3.1%/15% in FY28. **Reiterate BUY with a TP of INR385 (premised on 1.8x FY28E BV).**

Quarterly Performance

(INR M)

Y/E	FY26				FY27E				FY26	FY27E	1QFY27E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	4,438	4,586	4,816	5,164	5,303	5,593	5,838	6,647	19,003	23,381	5,341	-1
Interest Income	3,687	3,760	3,892	4,242	4,563	4,791	4,983	4,881	15,581	19,217	4,391	4
Gain on assignments	430	534	597	709	545	566	595	1,018	2,270	2,724	659	-17
Other operating Income	320	292	327	213	196	235	261	749	1,152	1,440	291	-33
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,336	2,441	2,851	8,587	9,852	2,281	-2
Total income	2,376	2,471	2,625	2,945	3,079	3,257	3,398	3,796	10,417	13,530	3,060	1
Growth Y-o-Y (%)	36	29	28	30	30	32	29	29	31	30	29	
Operating Expenses	827	897	1,002	1,039	1,071	1,141	1,204	1,390	3,723	4,806	1,091	-2
Operating Profits	1,549	1,574	1,623	1,906	2,007	2,116	2,194	2,406	6,694	8,724	1,969	2
Growth Y-o-Y (%)	31	23	17	26	30	34	35	26	25	30	27	
Provisions	424	371	393	575	605	635	641	701	1,763	2,583	587	3
Profit before tax	1,124	1,202	1,230	1,331	1,403	1,481	1,552	1,705	4,888	6,141	1,383	1
Growth Y-o-Y (%)	19	18	17	22	25	23	26	28	19	26	23	
Tax Provisions	285	305	327	334	357	370	388	433	1,252	1,548	346	3
Net Profit	839	897	903	997	1,046	1,111	1,164	1,273	3,637	4,594	1,037	1
Growth Y-o-Y (%)	19	17	16	23	25	24	29	28	19	26	24	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.85	14.56	14.35	14.98	15.27	15.22	15.25	14.26				
Cost of funds (Cal)	9.32	9.18	9.20	9.16	8.87	8.91	8.95	9.89				
Spreads (Cal)	5.5	5.4	5.2	5.8	6.4	6.3	6.3	4.4				
NIM on AUM (Cal)	7.73	7.75	7.84	8.37	8.35	8.39	8.34	8.88				
Credit Cost (%)	1.4	1.2	1.2	1.6	1.6	1.6	1.6	1.6				
Cost to Income Ratio	34.8	36.3	38.2	35.3	34.8	35.0	35.4	36.6				
Tax Rate	25.4	25.4	26.6	25.1	25.4	25.0	25.0	25.0				
Balance Sheet Parameters												
Standalone AUM (INR B)	125.0	130.0	137.8	143.6	151.5	159.0	166.7	175.2				
Change YoY (%)	20.4	18.0	18.0	18.7	21.1	22.3	21.0	22.0				
Disbursements (INR B)	31.9	32.0	36.0	41.6	44.6	45.7	47.1	50.6				
Change YoY (%)	17.1	5.8	13.9	34.6	39.8	43.0	31.0	21.8				
Borrowings (INR B)	89.9	94.5	96.1	97.6	103.1	106.5	111.7	118.9				
Change YoY (%)	25.1	21.3	19.3	12.2	14.7	12.7	16.2	21.8				
Debt/Equity (x)												
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	40.1	40.1	40.6	39.9	40.6							
SME loans	36.2	35.6	35.7	36.3	36.2							
2W loans	7.0	7.1	7.4	7.4	6.9							
CV loans	7.7	8.1	7.7	7.6	7.2							
Borrowings Mix (%)												
Direct Assignment	21.2	22.0	22.0	22.8	20.7							
Cash Credit	10.1	9.9	9.7	11.0	14.1							
Term Loan	51.6	50.5	49.3	48.4	44.8							
NCD	14.4	15.1	16.1	15.0	17.8							
Sub Debt	2.7	2.6	2.5	2.4	2.4							
Asset Quality Parameters (%)												
GS 3 (INR m)	2,620	2,663	2,891	2,976	3,213							
GS 3 (%)	2.49	2.53	2.56	2.57	2.58							
NS 3 (INR m)	1,541	1,563	1,736	1,730	1,884							
NS 3 (%)	1.63	1.69	1.72	1.70	1.70							
PCR (%)	41.2	41.3	39.9	41.9	41.4							
Return Ratios (%)	1.0				-0.5							
ROA	2.8	2.9	2.9	3.1	3.1							
Tier I ratio	23.2	22.7	21.5	21.5	21.9							

E: MOFSL estimates

Indostar Capital Finance

Bloomberg	INDOSTAR IN
Equity Shares (m)	162
M.Cap.(INRb)/(USDb)	41.7 / 0.4
52-Week Range (INR)	302 / 179
1, 6, 12 Rel. Per (%)	1/29/-9
12M Avg Val (INR M)	40

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	6.4	8.1	9.8
PPP	2.7	4.3	5.7
PAT	1.3	2.0	3.3
EPS (INR)	8.1	12.4	20.7
EPS Gr. (%)	109	54	67
BV (INR)	234	246	267

Ratios

NIM (%)	8.8	9.9	9.8
C/I ratio (%)	65.5	55.5	50.9
RoA (%)	1.3	1.9	2.7
RoE (%)	3.6	5.2	8.1
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	32.4	21.0	12.6
P/BV (x)	1.1	1.1	1.0
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	70.4	70.4	73.0
DII	2.2	2.2	2.4
FII	2.6	2.6	3.1
Others	24.9	24.9	21.5

FII Includes depository receipts

CMP: INR258
TP: INR310 (+20%)
Buy

Exhibiting early signs of business stability

Total disbursements grew 44% YoY; PCR declined sharply by ~7pp QoQ

- Indostar's (INDOSTAR) 1QFY27 PAT stood at INR115m (vs. loss of INR4.2b in 4QFY26). NII grew 44% YoY to INR1.9b. Other income stood at INR367m (PQ: INR309m).
- Opex declined ~7% YoY to INR1.3b, translating into a cost-to-income ratio of ~58.2% in 1QFY27 (PY: 88% and PQ: 56.6%). PPOP grew ~390% YoY to INR929m (on a lower base; PQ: INR933m). Credit costs stood at ~INR815m (PQ: ~INR5.2b). This translated into annualized credit costs of ~4% in 1QFY27 (PQ: ~26% and PY: ~25%).
- INDOSTAR remains focused on scaling its lending franchise, with management targeting ~35% disbursements CAGR and PAT of INR4.5-5b by FY29. Growth is expected to be driven by recovery in vehicle finance, supported by healthy organic demand, replacement-led CV demand, improving affordability, and infrastructure spending. The company is also diversifying its portfolio across CV, PV, construction equipment, and farm equipment, reducing dependence on any single vehicle segment.
- Micro LAP is expected to emerge as a key growth engine, with management targeting ~15-20% portfolio contribution over the next 3-5 years. Growth will be supported by calibrated branch expansion, entry into newer geographies, a fully digital customer journey, higher ticket sizes, and limited competitive intensity in Tier-3 to Tier-6 markets, aided by investments in technology, automation, and credit capabilities.
- INDOSTAR's asset quality is on a recovery path, supported by the run-off of the legacy portfolio and stronger performance of newer vintages. With ~80% of NPAs arising from the legacy book, management expects GNPA and credit costs to improve over the next 3-4 quarters, aided by tighter underwriting, better customer selection, and regional interventions. Newer originations continue to exhibit healthier profiles, reflected in higher CIBIL scores and lower NTC exposure.
- INDOSTAR is moving from a portfolio clean-up phase towards a growth phase, supported by improving asset quality, stronger underwriting, and calibrated business expansion. The company is scaling vehicle finance and Micro LAP while leveraging investments in branches, manpower, and digitization to drive growth. With the legacy book gradually running off and newer vintages performing well, management remains confident of achieving its medium-term AUM growth and profitability targets.
- We estimate a CAGR of 23%/60% in AUM/PAT over FY26-28, aided by expansions in NIM to 9.9%/9.8% in FY27E/FY28E, moderation in credit costs, and improvement in operating efficiencies. **Reiterate BUY with a TP of INR310 (premised on 1.2x Mar'28E BVPS).**

Robust disbursement momentum drives early signs of AUM reacceleration

- Total AUM grew 6% YoY and 2% QoQ to ~INR82.4b. VF AUM grew 7% YoY and 3% QoQ. Total disbursements grew 44% YoY to ~INR12.4b. VF disbursements in 1QFY27 stood at ~INR11.9b, which grew ~43% YoY.
- Micro-LAP AUM grew ~186% YoY/~24% QoQ to INR2.2b. Disbursements in micro-LAP grew ~85% YoY to INR500m. LTV in this segment stood at ~39% as of Jun'26.
- We expect INDOSTAR to deliver an AUM CAGR of ~23% over FY26-28.

GS3 remains stable; PCR declines ~7pp QoQ

- GS3 remained stable QoQ at ~4.8%, whereas NS3 rose ~40bp QoQ to 2.5%. PCR declined ~7pp QoQ to ~50% (PQ: 57.4% and PY: 59.6%).
- We expect credit costs to moderate to 2.6%/2.2% for FY27/FY28.

Funding cost tailwinds to support margin resilience

- Reported CoF during the quarter declined ~30bp QoQ to 9.9% (PQ: 10.2% and PY: 10.7%). Incremental CoF in 1QFY27 rose ~10bp QoQ to 9.1%.
- Disbursement yields in vehicle finance rose ~20bp QoQ to 17.4% (PQ: 17.2%).
- INDOSTAR's margins are expected to remain stable, supported by steady disbursement yields and improving funding costs. The company continues to diversify its liability profile, with the overall CoB expected to decline as higher-cost borrowings are gradually repaid. Incremental disbursement yields have improved, while management expects portfolio yields to remain at ~17-17.25% in the near term, balancing growth with competitive pricing.
- We expect INDOSTAR to deliver NIMs of ~9.9%/9.8% for FY27/FY28.

Key highlights from the management commentary

- Micro LAP remains an attractive long-duration product with superior customer lifetime value, given its average tenure of 6-7 years compared with ~3.5 years in vehicle finance.
- The company plans to further strengthen its frontline sales team, targeting a 50% increase in sales headcount by Mar'27.

Valuation and view

- INDOSTAR delivered a decent quarter with healthy disbursement momentum and continued progress across its strategic initiatives. Management remains confident of achieving its FY29 targets, supported by improving portfolio quality, business diversification, and strengthening operating capabilities. Going forward, consistency in execution and sustained improvement in asset quality will remain key monitorables as the company scales its franchise.
- We estimate a CAGR of 23%/60% in AUM/PAT over FY26-28, aided by expansions in NIM to 9.9%/9.8% in FY27/FY28, moderation in credit costs, and improvement in operating efficiencies. **Reiterate BUY with a TP of INR310 (premised on 1.2x Mar'28E BVPS).**

Quarterly Performance

(INR M)

Y/E March	FY26				FY27	FY26	FY27
	1Q	2Q	3Q	4Q	1Q		
Interest Income	3,146	3,172	3,151	3,158	3,300	12,625	14,261
Interest Expenses	1,855	1,667	1,371	1,319	1,444	6,212	6,175
Net Interest Income	1,291	1,506	1,779	1,839	1,856	6,414	8,085
YoY Growth (%)	24.7	39.7	48.8	47.1	43.7	40.7	26.1
Other Income	291	396	315	309	367	1,311	1,592
Total Income	1,582	1,902	2,094	2,149	2,223	7,724	9,677
YoY Growth (%)	11.3	15.7	15.9	18.2	40.5	15.0	25.3
Operating Expenses	1,393	1,210	1,242	1,215	1,294	5,060	5,374
Operating Profit	189	692	852	933	929	2,665	4,303
YoY Growth (%)	-40.2	86.3	43.5	50.7	390.7	40.2	61.5
Provisions & Loan Losses	4,904	586	769	5,173	815	11,432	2,300
Profit before Tax and exceptional item	-4,715	105	83	-4,240	115	-8,768	2,003
Exceptional item (post-tax)	10,069	0	0	0	0	10,070	0
PBT (incl. exception gain/loss)	5,355	105	83	-4,240	115	1,303	2,003
Tax Provisions	0	0	0	0	0	0	0
Reported PAT	5,355	105	83	-4,240	115	1,303	2,003
YoY Growth (%)	-	-41.2	-27.6	-	-	147.7	53.8
AUM Growth (%)	8.9	0.2	(2.1)	1.2	5.9		
NIM (%)	6.6	7.8	9.3	9.3	9.1		
Cost to Income Ratio (%)	88.0	63.6	59.3	56.6	58.2		
Tax Rate (%)	0.0	0.2	0.1	-	0.0		
Key Operating Parameters (%)							
Yield on loans (Cal)	17.6	18.0	17.8	17.3	17.4		
Cost of funds (Cal)	10.8	10.6	10.1	9.9	10.2		
Spreads (Cal)	6.8	7.4	7.7	7.4	7.2		
NIMs (Cal)	6.6	7.8	9.3	9.3	9.1		
Credit Cost (Cal)	24.9	3.1	4.0	26.3	4.0		
Cost to Income Ratio	88.0	63.6	59.3	56.6	58.2		
Tax Rate	0.0	0.2	0.1	0.0	0.1		
Balance Sheet Parameters							
AUM (INR B)	77.8	75.6	76.9	80.6	82.4		
Change YoY (%)	8.9	0.2	-2.1	1.2	5.9		
AUM Mix (%)							
Vehicle	92.9	92.9	93.0	93.1	93.7		
Micro-LAP	1.0	1.3	1.7	2.2	2.6		
SME & Others	4.7	4.5	4.1	4.7	3.7		
Corporate	1.4	1.3	1.2	0.0	0.0		
Asset Quality Parameters (%)							
GS 3 (INR B)	3.0	2.2	3.0	3.8	3.9		
Gross Stage 3 (% on Assets)	4.0	3.0	4.1	4.8	4.8		
Net Stage 3 (% on Assets)	1.7	1.1	1.8	2.1	2.5		
PCR (%)	59.6	63.6	57.8	57.4	49.9		

E: MOFSL estimates

Go Fashion (India)

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	GOCOLORS IN
Equity Shares (m)	53
M.Cap.(INRb)/(USDb)	18 / 0.2
52-Week Range (INR)	847 / 237
1, 6, 12 Rel. Per (%)	-15/-8/-57
12M Avg Val (INR M)	214

Financials & Valuations Consol (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	8.8	9.7	10.9
EBITDA	1.0	1.3	1.7
Adj. PAT	0.6	0.8	1.0
EBITDA Margin (%)	11.1	13.5	15.2
Adj. EPS (INR)	10.6	15.2	19.7
EPS Gr. (%)	(6.1)	43.7	29.8
BV/Sh. (INR)	137.9	152.6	171.8

Ratios

Net D:E	(0.5)	(0.6)	(0.6)
RoE (%)	7.1	9.1	11.2
RoCE (%)	9.3	13.3	16.4
Payout (%)	-	-	-

Valuations

P/E (x)	27.4	19.0	14.7
EV/EBITDA (x)	13.1	9.2	6.7
EV/Sales (X)	1.5	1.2	1.0
Div. Yield (%)	-	-	-

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	55.5	54.2	52.8
DII	25.9	28.4	34.6
FII	3.5	4.4	9.7
Others	15.2	13.0	3.0

FII Includes depository receipts

CMP: INR343 TP: INR450 (+31%) Buy

Positive SSSG, but growth remains elusive

- Go Fashion started FY27 on a muted note, with revenue remaining flat YoY as accelerated store consolidation offset improving underlying demand, as reflected in a positive SSSG of 0.6%.
- Pre-Ind AS EBITDA (ex-one-offs) declined just 2% YoY to INR310m, with margins sustaining at 14.0%, reflecting resilient underlying profitability despite higher brand investments.
- Recovery remains execution-led, with sustained SSSG improvement and successful revenue migration amid ongoing store consolidation being the key monitorables.
- While early demand indicators are encouraging, higher raw material costs could weigh on gross margins in the near term.
- Accordingly, we tweak our revenue/EBITDA estimates marginally and now model a revenue/Pre-IND AS EBITDA/PAT CAGR of 9%/20%/21% over FY26–29E on a low base.
- Despite limited near-term visibility, valuations remain attractive at ~14x TTM Pre-Ind AS EV/EBITDA, and the company maintains a strong balance sheet, with cash equivalent to ~10% of market capitalization. **We reiterate our BUY rating with a TP of INR450, based on 14x Sep'28 pre-Ind AS EV/EBITDA.**

Store consolidation continues; positive SSSG offsets network drags

- Revenue remained flat YoY at INR2.2b as the network consolidation accelerates.
 - The EBO revenue grew 2% YoY to INR1.6b. SSSG turned positive at +0.6% (vs. -2.6% in 4QFY26), indicating early signs of demand stabilization following several weak quarters.
 - The LFS revenue rose 2% YoY to INR0.5b, while online grew 6% YoY, partially offset by a sharp decline in the others segment.
 - Store consolidation accelerated, with 66 closures during the quarter, as the company continues replacing legacy small stores with larger 700+ sq. ft. formats to improve customer experience and store productivity.
- Gross profit remained flat YoY at INR1.4b, with gross margin broadly stable at 62.9% (down 10bp YoY).
- Operating costs remained elevated, with employee costs rising 1% YoY and other expenses increasing 26% YoY, impacted by a one-off INR65m write-off relating to store closures.
- Management also increased marketing spending to 2.3% of sales (vs. 1.5% in 1QFY26) to strengthen brand visibility and customer acquisition.
- Weak operating leverage resulted in an 11% YoY decline in reported EBITDA to INR609m, with EBITDA margin contracting 350bp YoY to 27.3%.
- Pre-IND AS EBITDA (ex-one-offs) declined only 2% YoY to INR312m, with margin at 14% (down 190bp YoY).
- Other income increased 61% YoY to INR84m, partly offsetting weaker operating performance, while PAT declined 26% YoY to INR165m.

Balance sheet and cashflows

- Working capital improved to 139 days (vs. 152 days in Mar'26), driven by a 17-day reduction in inventory to 100 days, partly offset by a 3-day increase in receivables, while payable days remained broadly stable.
- Cash flow remained robust, with pre-Ind AS operating cash flow of INR254m, translating into ~103% cash conversion from pre-Ind AS EBITDA.
- The company ended the quarter with INR2.0b of cash and investments, maintaining a debt-free balance sheet.

Highlights from the management commentary

- **Demand showed early signs of recovery**, with SSSG turning positive (+0.6%) for the first time in several quarters, supported by broad-based improvement across stores and stronger productivity in larger-format outlets.
- **Network optimization** remains the key focus, with aggressive consolidation of smaller stores continuing. While the retail area declined in 1Q, **the company still targets 8–10% area growth** in FY27 through larger-format stores, with closure intensity expected to moderate.
- The daily wear format is scaling as planned, with 15 stores currently operational and a target of 25–30 stores by FY27-end. Early unit economics remain encouraging, with ~INR1,000 monthly sales/sq. ft. and healthy inventory turns. **Most of the stores are already generating double-digit EBITDA margins.**
- Gross margins could face near-term pressure as fabric costs have increased 7–10%, although the company is not contemplating price hikes currently, expecting input costs to normalize over the coming quarters.

Valuation and view

- FY26 marked a reset year for Go Fashion, with revenue declining ~1% and EBITDA dipping ~32% amid weak SSSG and negative operating leverage.
- While recovery remains gradual and execution risks around the ongoing network transition persist, management is focused on restoring store productivity, improving customer acquisition and driving operating leverage.
- **Accordingly, we tweak our revenue/EBITDA estimates marginally and now model a revenue/Pre-IND AS EBITDA/PAT CAGR of 9%/20%/21% over FY26–29E on a low base.**
- Despite limited near-term visibility, valuations remain attractive at ~14x TTM Pre-Ind AS EV/EBITDA, and the company maintains a strong balance sheet, with cash equivalent to ~10% of market capitalization. **We reiterate our BUY rating with a TP of INR450, based on 14x Sep'28 pre-Ind AS EV/EBITDA.**

Quarterly performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var (%)
	1Q	2Q	3Q	4QE	1Q	2Q	3Q	4Q			1QE	Est
Revenue	2,228	2,242	1,949	1,961	2,228	2,197	2,339	2,061	8,380	8,825	2,172	2.6
YoY Change (%)	1	7	-9	-4	0	-2	20	5	-1	5	-3	
Gross margins (%)	63.0	62.6	64.3	62.9	62.9	63.7	64.2	64.0	63.2	63.7	63	
Change in bps (YoY)	119	-46	20	-141	-10	111	-12	116	-13	54		
Total Expenditure	1,541	1,575	1,428	1,465	1,619	1,599	1,690	1,514	6,009	6,423	1,521	6.5
EBITDA	687	666	521	496	609	598	648	546	2,371	2,402	651	-6.4
Change YoY (%)	-5	5	-25	-20	-11	-10	24	10	-12	1	-5	
EBITDA margins (%)	30.8	29.7	26.7	25.3	27.3	27.2	27.7	26.5	28.3	27.2	30	
Change in bps (YoY)	-194	-71	-576	-516	-349	-251	99	120	-330	-107		
Depreciation	323	328	348	348	346	349	372	336	1,347	1,403	345	0.3
Interest	120	122	124	128	127	128	137	124	494	516	127	0.3
Other Income	52	73	51	84	84	65	69	42	260	260	50	69.3
PBT	297	290	99	104	220	185	208	129	790	743	229	-3.9
Tax	74	72	28	25	55	47	52	32	199	187	58	-3.9
Rate (%)	25.0	24.8	27.9	23.6	25.2	25.2	25.2	25.2	25.1	25.2	25.2	0.0
Reported PAT	223	218	72	79	165	138	156	96	592	556	172	-3.9
Adj PAT	223	218	72	79	165	138	156	96	592	556	172	-3.9
YoY Change (%)	-22	6	-71	-60	-26	-37	118	21	-37	-6		

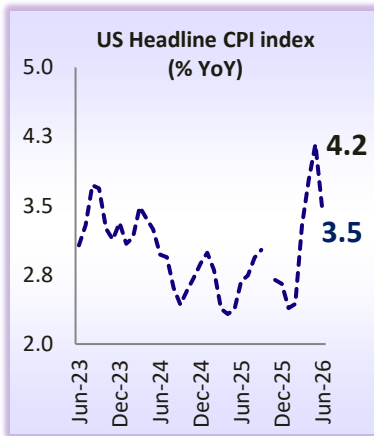
Quarterly performance (INR m)

Consol P&L (INR m)	1QFY26	4QFY26	1QFY27	YoY%	QoQ%	1QFY27E	v/s Est (%)
Total Revenue	2,228	1,961	2,228	0	14	2,172	3
Raw Material cost	825	728	827	0	14	800	3
Gross Profit	1,403	1,233	1,401	0	14	1,372	2
Gross margin (%)	63.0	62.9	62.9	-9.5	1.3	63.2	-27.3
Employee Costs	442	438	447	1	2	447	0
Other expenses	274	299	344	26	15	273	26
Total Opex	716	736	792	11	8	720	10
EBITDA	687	496	609	-11	23	651	-6
EBITDA margin (%)	30.8	25.3	27.3	-348.7	203.6	30.0	-263.7
Pre-IND AS EBITDA	350	133	312	-11	135		
Margin (%)	24.9	10.8	22.3	-267.6	1148.0	0.0	2226.8
Depreciation and amortization	323	348	346	7	-1	345	0
EBIT	364	148	263	-28	78	306	-14
EBIT margin (%)	16.4	7.6	11.8	-454.0	426.1	14.1	-228.5
Finance Costs	120	128	127	6	-1	127	0
Other income	52	84	84	61	0	50	69
Profit before Tax	297	104	220	-26	112	229	-4
Tax	74	25	55	-25	126	58	-4
Tax rate (%)	25.0	23.6	25.2	14.7	154.1	25.2	0.0
Profit after Tax	223	79	165	-26	108	172	-4



Economy | Macro-Cap

US CPI came down to 3.5% in Jun'26 from 4.2% in May'26



10Y Bond yields (%)

	Yield	Weekly	Monthly	YTD
US	4.7	0.00	0.22	0.53
UK	5.0	-0.05	0.28	0.57
Japan	2.8	0.02	0.10	0.73
Australia	5.0	-0.01	0.21	0.24
Germany	3.2	-0.03	0.30	0.32
Brazil	14.8	-0.10	0.34	0.91
Russia	15.7	-0.53	-0.66	1.28
India	6.8	0.01	0.12	0.25

Energy commodities

Commodity	Price	Weekly	Monthly	YTD
Crude Oil (USD/bbl)	84.2	-7.8%	23.9%	48.0%
Brent (USD/bbl)	90.8	-8.1%	29.3%	52.1%
Natural gas (USD/MMBtu)	2.7	-6.5%	-15.3%	-26.0%
Gasoline (USD/Gal)	3.4	-3.9%	14.1%	96.4%

Source: CEIC, MOFSL

Bond markets are doing the central banks' job

- **The US Federal Reserve (Fed) kept the federal funds rate unchanged at 3.50-3.75% in the fifth consecutive meeting in Jul'26.** However, the 9-3 voting split (three FOMC members, Beth Hammack, Neel Kashkari and Lorie Logan, favored a 25bp rate hike) and Chair Kevin Warsh's comments reinforced a hawkish higher-for-longer stance, signaling that further rate hikes are possible if inflation does not return sustainably to the 2% target. Warsh emphasized that the central bank "will deliver price stability" and remains prepared to act if inflation fails to converge toward its 2% target.
- **Inflation remains above the target while the labor market stays resilient.** US headline CPI inflation eased to 3.5% YoY in Jun'26 from 4.2% in May'26 but remained well above the Fed's 2% target. Meanwhile, the unemployment rate edged down to 4.2%, reflecting continued labor market strength. With inflation still elevated and employment resilient, the Fed retains room to keep monetary policy restrictive and, if required, tighten further to ensure inflation returns sustainably to the target.
- **The US economy remains resilient, supported by strong AI-led capex, robust business investment, resilient labor markets, and expanding services activity.** The Fed continues to see little evidence that restrictive monetary policy has materially slowed overall economic activity, allowing it to prioritize inflation over growth.
- **Fed funds futures reinforce the Fed's higher-for-longer message. Markets are pricing a 65% probability of a 25bp rate hike by Sep'26, rising to 94% by Oct'26.** By Jan'27, investors expect two cumulative 25bp rate hikes, with the policy rate likely to reach 4.00-4.25%. Expectations remain firmly anchored to this range through most of 2027.
- **Financial markets are effectively doing the Fed's job.** Despite no policy rate hike, the 10-year US Treasury yield rose nearly 10bp to ~4.68%, the 30-year mortgage rate climbed to 6.8% (a one-year high), the US Dollar Index (DXY) strengthened towards 101, and the Dow Jones fell nearly 700 points, along with a decline in the S&P 500 and the Nasdaq. Higher bond yields have tightened financial conditions, lifted borrowing costs, strengthened the dollar, and compressed equity valuations without any change in the policy rate.
- **The recent correction in US equities reflects a valuation reset rather than weaker fundamentals.** Rising discount rates, elevated oil prices, and concerns over the pace of AI-related capex triggered profit booking in technology and semiconductor stocks (details on page 6).
- **AI is emerging as a new challenge for central banks.** According to the BIS, AI is boosting near-term demand through investment while raising long-term productivity and supply capacity. These conflicting forces make inflation, potential growth, and the neutral interest rate more difficult to assess, increasing the risk of policy mistakes (details on page 9).
- **Although most major central banks have kept policy rates unchanged at their recent meetings, the reasons behind these decisions differ significantly.** The Fed held rates at 3.50-3.75% as inflation remains above the target and the labor market remains resilient, reinforcing its higher-for-longer stance. The ECB kept the deposit rate unchanged at 2.25% as it balances persistent inflation against

weak economic growth. The BoE kept the Bank Rate unchanged at 3.75%, reflecting moderating inflation but continued concerns that underlying price pressures could re-emerge, while weak economic growth warranted a cautious wait-and-watch approach. In contrast, the BoJ, after raising rates to 1.0% in Jun'26, is expected to pause as it assesses the sustainability of wage growth and inflation amid slowing economic activity. Meanwhile, the PBOC maintained its key policy rates to support growth in the face of weak domestic demand and the property sector downturn. The RBI is also expected to keep the repo rate unchanged at 5.25%, supported by resilient growth and benign inflation while monitoring monsoon-related risks and external spillovers. This divergence in policy objectives is likely to keep global financial conditions tight, support the US dollar, and drive differentiated capital flows across economies (details on page 7).

- **For India, the Fed's higher-for-longer stance is likely to keep global financial conditions tight, moderate FPI inflows, maintain depreciation pressure on INR, and increase imported inflation risks.** Nevertheless, resilient domestic growth and inflation below the RBI's forecast provide room for the RBI to remain on hold through CY26, with the probability of rate hikes increasing from early 2027 if inflationary pressures broaden.

Fed remains focused on "price stability"

- **The US Fed kept the federal funds rate unchanged at 3.50-3.75% in the fifth consecutive meeting on 29th Jul'26, broadly in line with market expectations.** While the decision itself was anticipated, the accompanying statement and the 9-3 voting split conveyed a distinctly hawkish tone. Three FOMC members, Beth Hammack, Neel Kashkari, and Lorie Logan, favored a 25bp rate hike, reflecting growing concerns over persistent inflation. Fed Chair Warsh reinforced this stance by emphasizing that the central bank "will deliver price stability" and remains prepared to act if inflation fails to converge toward its 2% target.
- **Fed Chair Warsh indicated a shift away from detailed forward guidance,** stressing that future policy decisions will be driven by incoming economic data rather than pre-committed policy signals. This points to a more flexible and data-dependent approach, increasing uncertainty around future FOMC meetings and the potential for higher market volatility.
- Fed funds futures reinforce the Fed's higher-for-longer message. Markets are pricing a 65% probability of a 25bp rate hike by Sep'26, rising to 94% by Oct'26. By Jan'27, investors expect two cumulative 25bp rate hikes, with the policy rate likely to reach 4.00-4.25%. Expectations remain firmly anchored to this range through most of 2027, underscoring market confidence that US monetary policy will remain restrictive for an extended period (Exhibit 1).

BSE SENSEX
77,928

S&P CNX
24,317

CMP: INR187

Buy

Conference Call Details



Date: 31 July 2026

Time: 12:00 pm IST

Webinar via Webex:

[Link](#)

ID: 2516 902 2831

Password: web@2026

Webinar via YouTube:

[Link](#)

In-line operational performance

Highlights of the standalone results:

- Revenue stood at INR369b (+19% YoY and -4% QoQ) against our estimate of INR348b. The growth was largely driven by strong NSR offsetting the muted volume during the quarter.
- Steel production stood at 5.46mt (+8% YoY and -9% QoQ), whereas the deliveries were in line with our est. at 5.2mt. Deliveries grew 5% YoY but moderated 16% QoQ.
- ASP stood at INR71,367/t in 1QFY27, up 9% YoY and 15% QoQ, driven by strong steel price recovery during the quarter.
- EBITDA stood at INR91.8b (+29% YoY and -3% QoQ) and was in line. EBITDA/t stood at INR17,762/t (+19% YoY and +16% QoQ) in 1QFY27.
- APAT for the quarter stood at INR48b (+29% YoY and flat QoQ) and was in line.

Highlights of the consolidated results:

- Revenue stood at INR608b (+14% YoY and -4% QoQ) and was 8% above our estimate. The growth was mainly attributed to strong NSR.
- Sales volume came in line at 7.2mt (+2% YoY and -17% QoQ), whereas the ASP stood at INR83,624/t (+12% YoY and +15% QoQ) in 1QFY27, led by the steel price recovery.
- Reported EBITDA was in line at INR92.6b (+25% YoY and -6% QoQ), translating to an EBITDA/t of INR12,743 (+22% YoY and +13% QoQ) in 1QFY27.
- APAT for the quarter stood at INR24.6b (+15% YoY and -20% QoQ) against our estimate of INR20.7b.

Highlights of European operations:

- Consolidated steel deliveries stood at 1.88mt (-10% YoY and -15% QoQ) and were in line.
- Revenue stood at INR219b (+6% YoY and -4% QoQ) during the quarter, primarily supported by strong NSR offset by muted volumes.
- Reported EBITDA loss of INR3b (in-line with est) against EBITDA profit of INR1.4b in 1QFY26 and INR320m in 4QFY26.
- EBITDA/t loss stood at USD18/t in 1QFY27 against EBITDA/t profit of USD8/t in 1QFY26 and USD2/t in 4QFY26.

Quarterly Performance (Standalone)

(INR b)

Y/E March	FY26				FY27	FY26	FY27E	FY27E	vs Est
-	1Q	2Q	3Q	4Q	1Q			1QE	(%)
Production (kt)	5,070	5,400	6,050	5,970	5,460	22,490	23,933	5,890	
Deliveries (kt)	4,750	5,550	6,040	6,190	5,170	22,530	23,933	5,154	0.3
Change (YoY %)	(3.8)	8.6	14.2	10.5	8.8	7.6	6.2		
Change (QoQ %)	(15.2)	16.8	8.8	2.5	(16.5)				
Blended ASP (INR/t)	65,293	62,486	58,905	62,113	71,367	62,015	66,721	67,425	5.8
Change (YoY %)	(2.1)	(1.4)	(4.9)	1.1	9.3	(2.0)	7.6		
Change (QoQ %)	6.3	(4.3)	(5.7)	5.4	14.9				
Net Sales	310.1	346.8	355.8	384.5	369.0	1,397.2	1,596.8	347.5	6.2
Change (YoY %)	(5.9)	7.0	8.6	11.8	19.0	5.4	14.3		
Change (QoQ %)	(9.8)	11.8	2.6	8.1	(4.0)				
EBITDA	71.2	81.5	77.3	94.7	91.8	324.7	394.3	91.2	0.7
Change (YoY %)	5.1	23.3	3.1	35.7	29.0	16.5	21.4		
Change (QoQ %)	2.0	14.4	(5.1)	22.5	(3.1)				
EBITDA Margin %	23.0	23.5	21.7	24.6	24.9	23.2	24.7		
Interest	12.7	12.4	12.9	13.2	13.6	51.2	53.2		
Depreciation	16.3	17.2	18.3	19.0	22.1	70.7	77.1		
Other Income	5.6	6.1	7.8	2.2	4.9	21.7	27.1		
PBT (before EO Inc.)	47.8	58.0	53.9	64.8	61.1	224.5	291.2		
EO Income(exp)	(2.2)	(4.0)	(3.5)	(1.3)	(2.9)	(11.0)	(2.9)		
PBT (after EO Inc.)	45.6	54.0	50.5	63.5	58.2	213.5	288.3		
Total Tax	10.3	13.4	12.2	16.9	12.8	52.9	72.1		
% Tax	22.7	24.9	24.3	26.6	22.1	24.8	25.0		
Reported PAT	35.2	40.6	38.2	46.6	45.4	160.7	216.2		
Adjusted PAT	37.4	44.6	41.7	47.9	48.3	171.6	219.1	49.1	(1.6)
Change (YoY %)	4.9	24.7	3.6	29.4	29.0	15.4	27.7		
Change (QoQ %)	1.1	19.2	(6.5)	14.9	0.7				

E: MOFSL Estimates

Quarterly Performance (Consolidated)

Y/E March	FY26				FY27	FY26	FY27E	FY27E	vs Est
-	1Q	2Q	3Q	4Q	1Q			1QE	(%)
Sales (k tons)	7,120	7,910	8,210	8,720	7,270	31,970	33,033	7,264	0.1
Avg Realization (INR/t)	74,688	74,196	69,430	72,557	83,624	72,612	76,819	77,384	8.1
Net Sales	531.8	586.9	570.0	632.7	607.9	2,321.4	2,537.6	562.1	8.2
Change (YoY %)	(2.9)	8.9	6.3	12.5	14.3	6.2	9.3		
Change (QoQ %)	(5.4)	10.4	(2.9)	11.0	(3.9)				
EBITDA	74.3	89.0	82.0	98.3	92.6	343.5	431.5	92.2	0.5
Change (YoY %)	11.0	61.1	14.6	49.8	24.7	32.5	25.6		
Change (QoQ %)	13.2	19.8	(7.8)	19.9	(5.7)				
EBITDA Margin %	14.0	15.2	14.4	15.5	15.2	14.8	17.0		
EBITDA (INR/t)	10,432	11,247	9,987	11,271	12,743	10,745	13,062	12,688	0.4
Interest	18.5	17.7	17.5	17.9	17.7	71.7	69.8		
Depreciation	27.4	28.9	30.5	32.7	36.4	119.5	145.6		
Other Income	2.9	3.6	5.0	2.5	2.3	14.0	7.6		
PBT (before EO Inc.)	31.2	45.9	39.0	50.2	40.9	166.3	223.8		
PBT (after EO Inc.)	30.7	42.2	38.7	48.1	38.4	159.7	221.3		
Total Tax	10.6	10.4	11.4	18.5	14.5	50.8	70.8		
% Tax	34.6	24.6	29.4	38.4	37.8	31.8	32.0		
Reported PAT (after MI)	20.8	31.0	26.9	29.3	23.2	107.9	149.8		
Adj. PAT (after MI)	21.3	32.7	27.4	30.6	24.6	112.1	151.2	20.7	18.9
Change (YoY %)	61.7	625.0	270.9	81.2	15.3	167.0	34.9		
Change (QoQ %)	26.1	53.5	(16.1)	11.6	(19.8)				

BSE SENSEX
77,928

S&P CNX
24,317

Conference Call Details



Date: 31st July 2026

Time: 11:00 am IST

Dial-in details:

[Diamond pass](#)

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	106.9	127.1	152.0
EBITDA	10.3	13.2	16.5
Adj. PAT	6.8	8.0	10.3
Adj. EPS (INR)	60.1	71.2	91.4
EPS Gr. (%)	7.9	18.6	28.4
BV/Sh.(INR)	492.9	549.1	625.6
Ratios			
RoE (%)	12.9	13.7	15.6
RoCE (%)	10.7	11.4	12.9
Valuations			
P/E (x)	70.7	59.7	46.5
P/BV (x)	8.6	7.7	6.8
EV/EBITDA (x)	47.7	37.0	29.3
Div. Yield (%)	0.3	0.4	0.4

CMP:INR4,251

Sell

Sharp miss on estimates due to cost overruns

- Thermax reported an extremely weak set of results in 1QFY27, with a miss seen across revenue, EBITDA, and PAT.
- Revenue increased 7% YoY to INR23b vs. our estimate of INR24.4b. YoY growth was supported by growth seen in all segments, barring Industrial Infra.
- Gross margin contracted ~350bp YoY to 47.0% vs. our estimate of 45.0%.
- Absolute EBITDA decreased 70% YoY to INR686m vs. our estimate of INR2.1b, while EBITDA margin stood at 3.0% (vs. 10.4% last year).
- The sharp decline in margins was mainly due to an increase in the estimated cost to complete its legacy project in the industrial infra segment, impacting profitability by ~INR910m. However, even after adjusting these costs, industrial infra margins stood at 2.5% vs. our estimate of 4.0% and 7.9% last year. In addition, 1QFY26 included INR560m income under the Package Scheme of Incentives for a subsidiary in the Industrial Infra segment.
- These factors, along with lower exports in industrial products segment during 1QFY27, led to PAT declining 86% YoY to INR218m vs. our est. of INR1.1b.
- The company has done some level of reclassification within segments. Segment-wise, EBIT margin in the Industrial Product segment declined YoY to 6.1% in 1QFY27 (vs. 8.1% in 1QFY26). Industrial Infra segment reported EBIT loss of ~INR707m (-8.7% margin) during the quarter due to cost overruns. Chemical segment EBIT margin improved to 11.2% vs. 9.3% last year and our est. of 5.0%. Green Solutions EBIT stood at 4.3% vs. our est. of ~11%.
- Order inflow for the quarter stood at INR28.1b, up ~2% YoY, taking the total order book as of Jun'26-end to INR140b (+23% YoY). During the quarter, the company secured an order worth more than INR4b for the supply of boiler pressure parts for a data centre project in the USA.

Consolidated - Quarterly Earning Model

(InR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Net Sales	21,575	24,739	26,347	34,280	23,027	28,488	31,677	43,952	106,942	127,145	24,361	-5
YoY Change (%)	-1.2	-5.3	5.1	11.1	6.7	15.2	20.2	28.2	2.9	18.9	12.9	
Total Expenditure	19,324	23,019	23,799	30,537	22,341	25,675	28,265	37,676	96,679	113,957	22,310	
EBITDA	2,251	1,720	2,548	3,743	686	2,814	3,412	6,277	10,263	13,188	2,051	-67
YoY Change (%)	59.5	-38.1	34.8	24.9	-69.5	63.6	33.9	67.7	13.0	28.5	-8.9	
Margins (%)	10.4	7.0	9.7	10.9	3.0	9.9	10.8	14.3	9.6	10.4	8.4	-540 bp
Depreciation	489	515	533	540	595	563	592	559	2,076	2,310	550	8
Interest	302	322	342	424	352	466	490	603	1,390	1,910	455	-23
Other Income	656	854	627	537	682	548	577	442	2,675	2,249	535	27
PBT before EO expense	2,117	1,738	2,300	3,317	421	2,333	2,906	5,557	9,471	11,217	1,582	-73
Extra-Ord expense	0	0	588	25	0	0	0	0	612	0	0	
PBT	2,117	1,738	2,888	3,341	421	2,333	2,906	5,557	10,084	11,217	1,582	-73
Tax	600	543	837	897	204	665	828	1,500	2,877	3,197	451	
Rate (%)	28.4	31.2	29.0	26.9	48.3	28.5	28.5	27.0	28.5	28.5	28.5	
MI & P/L of Asso. Cos.	2	1	1	-0	0	0	0	0	4	0	0	
Reported PAT	1,515	1,194	2,050	2,444	218	1,668	2,078	4,056	7,203	8,020	1,131	-81
Adj PAT	1,515	1,194	1,633	2,424	218	1,668	2,078	4,056	6,765	8,020	1,131	-81
YoY Change (%)	38.4	-39.7	43.6	17.9	-85.6	39.7	27.3	67.4	14.9	11.4	-25.3	
Margins (%)	7.0	4.8	6.2	7.1	0.9	5.9	6.6	9.2	6.3	6.3	4.6	

	FY26				FY27E				FY26	FY27E	FY26E	Est
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Segmental revenue												
Industrial Products	9,547	11,888	12,898	16,628	10,582	13,671	15,607	20,205	50,961	60,064	10,883	-3
YoY Change (%)	-0.6	12.4	19.4	16.2	10.8	15.0	21.0	21.5	12.5	17.9	14	
Industrial Infra	8,975	9,487	10,326	14,693	8,142	10,910	12,391	21,085	43,481	52,528	10,052	-19
YoY Change (%)	-3.0	-23.7	-8.8	3.8	-9.3	15.0	20.0	43.5	-7.8	20.8	12	
Green Solutions	1,732	1,917	1,636	2,037	2,447	2,224	1,930	1,917	7,322	8,518	1,940	26
YoY Change (%)	-0.3	9.5	-13.5	34.2	41.3	16.0	18.0	-5.9	6.1	16.3	12	
Chemical	1,732	1,910	2,002	1,932	2,295	2,235	2,363	1,998	7,576	8,891	1,974	16
YoY Change (%)	1.4	0.4	4.5	-8.1	32.5	17.0	18.0	3.4	-0.7	17.4	14	
Less: Intersegmental	-410	-463	-516	-1,010	-438	-551	-614	-1,252	-2,398	-2,856	-488	-10
Total revenues	21,575	24,739	26,347	34,280	23,027	28,488	31,677	43,952	1,06,942	1,27,145	24,361	-5
YoY Change (%)	-1.6	-5.5	4.7	10.9	6.7	15.2	20.2	28.2	2.9	18.9	13	
Segmental EBIT												
Industrial Products	777	1,173	1,194	2,256	642	1,367	1,717	2,881	5,400	6,607	871	-26
Margin (%)	8.1	9.9	9.3	13.6	6.1	10.0	11.0	14.3	10.6	11.0	8.0	
Industrial Infra	710	-148	655	959	-707	545	743	2,307	2,175	2,889	402	-276
Margin (%)	7.9	-1.6	6.3	6.5	-8.7	5.0	6.0	10.9	5.0	5.5	4.0	
Green Solutions	332	362	321	20	106	267	261	389	1,034	1,022	213	-51
Margin (%)	19.2	18.9	19.6	1.0	4.3	12.0	13.5	20.3	14.1	12.0	11.0	
Chemical	161	187	92	95	256	156	201	98	536	711	99	160
Margin (%)	9.3	9.8	4.6	4.9	11.2	7.0	8.5	4.9	7.1	8.0	5.0	

Global Health

BSE SENSEX
77,928

S&P CNX
24,317

Conference Call Details



Date: 31st July 2026

Time: 2:00 PM IST

Dial-in details: [Link](#)

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	44.1	50.5	55.5
EBITDA	9.2	12.0	14.3
Adj. PAT	5.6	7.6	9.7
EBIT Margin (%)	15.8	18.5	20.6
Cons. Adj. EPS (INR)	20.8	28.3	36.2
EPS Gr. (%)	7.4	36.2	28.0
BV/Sh. (INR)	147.5	170.8	200.7

Ratios

Net D:E	0.3	0.2	0.1
RoE (%)	15.2	17.8	19.5
RoCE (%)	13.3	15.2	17.0
Payout (%)	17.6	17.6	17.6

Valuations

P/E (x)	68.1	50.0	39.1
EV/EBITDA (x)	42.5	32.2	26.8
EV/Sales (x)	8.9	7.7	6.9
Div. Yield (%)	0.2	0.3	0.4
FCF Yield (%)	(0.7)	1.1	1.0

CMP: INR1,416

Beat on revenue/EBITDA; earnings in line due to higher tax rate

- In 1QFY27, sales grew 26.5% YoY to INR13b (vs our est: INR11.7b).
- EBITDA margin remained stable at 22% YoY (our est: 21.8%).
- Medanta's EBITDA grew 26.3% YoY to INR2.9b (vs our est: INR2.5b).
- Adjusted PAT grew 9.2% YoY to INR1.6b (vs our est: INR1.6b), impacted by a higher-than-expected tax rate.

Key operating metrics

- Mature hospitals' revenue (61% of total revenue) grew 10.1% YoY to INR7.7b. EBITDA stood at INR1.9b for the quarter, while margins stood at 24.1% (+70bp YoY).
- Developing hospitals' revenue (39% of total revenue) grew 54.8% YoY to INR5b. EBITDA stood at INR1.3b for the quarter. Ex-Noida, developing hospitals' revenue/EBITDA was INR4.1b/INR1.3b, with EBITDA margin at 32%.
- Noida hospital reported revenue of INR855m, with opex loss of INR49m in 1QFY27 (vs loss of INR236m in 4QFY26).
- Overall, ARPOB grew 5.5% YoY to INR70,244 in 1QFY27.
- Both IPD/OPD volumes increased 27.7%/34.5% YoY for the quarter.
- Occupancy levels stood at 63% (vs. 63% in 1QFY26 and 61% in 4QFY26).
- ALOS stood at 32.87 days (vs. 3.03 in 1QFY26).
- OPD Pharmacy revenue increased 50.9% YoY to INR609m.
- International Patients' revenue increased 23% YoY to INR782m.
- Heart/cancer/digestive/neuro/urology contributed ~64.6% of revenue in 1QFY27.

Capex plans

- Medanta incurred INR1.6b of capex in 1QFY27.
- Maintenance capex of INR6b is expected to be incurred over the next three years.
- Total project capex, estimated at INR48.5b, for the next five years will be funded through a combination of debt funding and internal accruals.
- Medanta added 72 beds in 1QFY27 and plans to add another 418 beds by the end of FY27.

Consolidated - Quarterly Earning

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	vs Est
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1Q	(%)
Gross Sales	10,308	10,992	11,210	11,590	13,041	12,139	12,581	12,758	44,101	50,519	11,661	12%
YoY Change (%)	19.7	14.9	18.8	24.5	26.5	10.4	12.2	10.1	19.4	14.6	13.1	
EBITDA	2,270	2,309	2,173	2,438	2,868	2,804	3,070	3,279	9,190	12,020	2,542	13%
YoY Change (%)	18.7	-1.5	-9.9	8.5	26.3	21.4	41.3	34.5	3.1	30.8	12.0	
Margins (%)	22.0	21.0	19.4	21.0	22.0	23.1	24.4	25.7	20.8	23.8	21.8	
Depreciation	451	497	612	665	690	639	662	671	2,225	2,661	632	
Interest	138	171	215	267	267	185	185	185	791	823	185	
Other Income	205	197	218	367	222	364	377	356	987	1,319	350	
PBT before EO expense	1,886	1,838	1,564	1,873	2,133	2,345	2,600	2,778	7,160	9,856	2,075	
Extra-Ord expense/(Income)	196	160	-366	0	0	0	0	0	-10	0	0	
PBT	2,081	1,998	1,198	1,873	2,133	2,345	2,600	2,778	7,150	9,856	2,075	
Tax	492	414	248	456	560	516	572	611	1,609	2,259	457	
Rate (%)	23.6	20.7	20.7	24.4	26.3	22.0	22.0	22.0	22.5	22.9	22.0	
Reported PAT	1,590	1,584	950	1,440	1,573	1,829	2,028	2,167	5,565	7,597	1,619	
Adj PAT	1,440	1,458	1,241	1,440	1,573	1,829	2,028	2,167	5,579	7,597	1,619	-3%
YoY Change (%)	35.6	11.4	-13.2	3.4	9.2	25.5	63.5	50.5	7.4	36.2	12.4	
Margins (%)	14.0	13.3	11.1	12.4	12.1	15.1	16.1	17.0	12.6	15.0	13.9	

E: MOFSL Estimates

BSE SENSEX

77,928

S&P CNX

24,317

Conference Call Details



Date: 31 Jul 2026

Time: 2.30pm IST

Dial-in details:

[\[Diamond pass link\]](#)

+91 22 6280 1245/

+91 22 7115 8146

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	172.7	185.7	200.4
EBITDA	19.4	21.0	23.6
Adj. PAT	11.2	12.3	14.2
Adj. EPS (INR)	13.2	14.4	16.8
EPS Gr. (%)	3.8	9.6	16.2
BV/Sh. (INR)	172.6	184.9	199.3

Ratio

RoE (%)	7.6	7.8	8.4
RoCE (%)	7.7	8.0	8.7
Payout (%)	15.2	14.9	14.3

Valuations

P/E (x)	34.4	31.4	27.0
P/BV (x)	2.6	2.4	2.3
Div Yield (%)	0.4	0.5	0.5
FCF Yield (%)	4.7	3.2	3.6

CMP: INR453

Strong performance revival

- EXID's 1QFY27 revenue was 9% above our estimates, having grown 17.6% YoY to INR53.0bn, with double-digit growth across all major businesses.
- The automotive OEM business delivered 25%+ YoY growth for the 3rd consecutive quarter, continuing to remain one of the fastest-growing businesses for the company.
- The 2W/4W replacement business registered its third consecutive quarter of double-digit growth, reflecting sustained demand momentum in the aftermarket segment.
- The industrial infrastructure business, excluding Telecom, maintained its low double-digit YoY growth trajectory, supported by demand from infrastructure-linked and industrial applications.
- The inverter and solar businesses grew over 20% YoY, supported by strong summer-season demand and strategic initiatives.
- The exports business returned to growth with 20%+ YoY increase on a low base, reflecting sustained efforts towards geographic expansion and opening up of shipping routes to major markets.
- EBITDA margin came in at 12.4% (100bp higher than estimates), despite the headwinds across all key raw material costs, amidst prolonged disruption due to the West Asia conflict. Rupee depreciation against USD added further pressure on input costs. The company took calibrated price adjustments to mitigate the impact of higher input costs, while continuing to accrue benefits from cost excellence initiatives and supply-chain efficiencies. Absolute EBITDA stood at INR6.5b (up 19.5% YoY) and 18% higher than our estimates.
- PAT came in 25% above estimates, at INR4.1b, up 27.1% YoY.
- Liquidity position remains robust with zero debt and high cash flow generation.
- **Other key updates:**
- The company infused INR1b of equity into Exide Energy Solutions (EESL) during Jul'26, taking the cumulative equity investment to INR49b.
- EESL achieved critical project milestones at its Bengaluru gigafactory during the quarter. As of date, 100% of equipment across all four production lines has been delivered and installed, and 100% of utilities have been operationalized at the facilities.
- Revenue contribution from the Bengaluru plant is likely to commence during FY27. The first NMC cylindrical line commenced customer sample deliveries in 1QFY27, while the LFP prismatic line has also recently commenced sample supplies for 3-wheeler and telecom applications.
- EESL continues to engage with key OEMs and has completed important product certifications and testing requirements, including BIS - IS 16046, IS 16893 and IS 16085, along with UN 38.3 certification.
- **Valuation:** The stock currently trades at 31.4x/27.0x FY27E/FY28E EPS.

S/A Quarterly Performance
(INR M)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	
Net Sales	45,098	41,783	40,297	45,511	53,051	45,126	43,924	43,599	172,689	185,699	48,706	8.9
Growth YoY (%)	4.6	-2.1	4.7	9.4	17.6	8.0	9.0	-4.2	4.1	7.5	8.0	
RM cost (%)	69.2	70.2	68.4	69.9	70.5	69.5	69.4	68.0	69.4	69.4	70.0	
Employee cost (%)	6.1	6.4	6.5	6.0	5.7	6.3	6.3	6.5	6.3	6.2	6.0	
Other Exp(%)	12.6	14.0	13.4	12.4	11.5	13.0	13.2	15.0	13.1	13.1	12.6	
EBITDA	5,482	3,947	4,696	5,304	6,552	5,054	4,876	4,556	19,429	21,038	5,552	18.0
EBITDA Margin(%)	12.2	9.4	11.7	11.7	12.4	11.2	11.1	10.5	11.3	11.3	11.4	
Change (%)	10.9	-18.4	4.7	13.7	19.5	28.1	3.8	-14.1	4.3	315.6	1	
Non-Operating Income	182	424	183	142	140	500	185	240	931	1,065	150	
Interest	91	89	85	84	83	95	95	82	349	356	95	
Depreciation	1,276	1,306	1,270	1,158	1,176	1,280	1,300	1,316	5,010	5,072	1,220	
PBT after EO Exp	4,297	2,976	3,434	4,204	5,433	4,179	3,666	3,398	14,911	16,676	4,387	23.8
Effective Tax Rate (%)	25.4	25.8	25.0	25.7	25.0	27.0	26.5	28.2	25.5	26.5	25.5	
Adj. PAT	3,205	2,207	2,644	3,124	4,073	3,051	2,694	2,439	11,181	12,257	3,269	24.6
Change (%)	14.6	-25.9	7.9	22.7	27.1	38.2	1.9	-21.9	3.8	9.6	2.0	

Nuvama Wealth

BSE SENSEX

77,928

S&P CNX

24,317

Conference Call Details



Date: 31st July 2026

Time: 01:00 PM IST

Earnings Call Link

[Link for the call](#)

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenues	31.2	36.6	43.0
Opex	17.4	20.0	23.5
PBT	13.8	16.5	19.5
PAT	10.5	12.5	14.7
EPS (INR)	58	69	81
EPS Gr. (%)	6	20	18
BV/Sh. (INR)	234	276	332
Ratios (%)			
C/I ratio	55.7	54.8	54.6
PAT margin	33.6	34.2	34.3
RoE	27.5	27.8	27.5
Div. Payout	23.6	42.4	35.9
Valuations			
P/E (x)	31.2	26.0	22.0
P/BV (x)	7.7	6.5	5.4
Div. Yield (%)	0.8	1.6	1.6

CMP: INR1793

Buy

Strong performance in capital markets; 7% PAT beat

- 1QFY27 operating revenue at INR9.1b grew 18% YoY (9% beat, driven by 22% beat in capital markets segment).
- Wealth business grew 17% YoY (in line), Private grew 19% YoY (in line), AMC grew 23% YoY (14% beat) and overall Capital Markets business grew 13% YoY (22% beat). Within the Capital Markets segment, revenue from asset services grew 34% YoY, while IB/IE business was flat YoY.
- Total operating expenses grew 19% YoY to INR5b (10% above estimates, led by higher employee costs), with 17% YoY growth in employee expenses. Cost-to-income ratio rose to 55.1% from 54.7% in 1QFY26 (our est. 54.5%).
- EBITDA came in at INR4.1b, up 17% YoY. EBITDA margins stood at 45% vs. 45.3% in 1QFY26.
- PAT was INR3.1b (+16% YoY; 7% beat). PAT margin came in at 33.6% in 1QFY27 vs. 34.3% in 1QFY26.
- Average AUM of the wealth business grew 14% YoY to ~INR3.2t, and for the asset management business, it grew 5% YoY to INR113b.

Valuation and view

- The wealth management business continues to see robust flows in recurring revenue earning segment. Asset services have recovered significantly following the exit of a large client, with revenue achieving a new peak, backed by new client additions. While the asset management business is at a nascent stage, new teams are being set up to provide a complete set of offerings like private credit and SIF.
- We estimate a CAGR of 17%/19%/19% in revenue/EBIDTA/PAT for Nuvama
- over FY26-28. More details will be updated after the call scheduled for 31st Jul'26 at 1pm.

Quarterly Performance

(INR m)

Y/E March	FY26		FY27			FY26	FY27E	1Q FY27E	Actual vs Est. %	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q						
Revenue from Operations	7,701	7,718	7,549	8,252	9,090	31,219	36,568	8,342	9.0	18.0	10.2
Change YoY (%)	15.4	4.3	4.4	7.0	18.0	7.6	17.1	8.3			
Employee expenses	3,156	3,220	2,963	3,423	3,705	12,761	14,215	3,226	14.8	17.4	8.2
Total Operating Expenses	4,209	4,372	4,038	4,784	5,012	17,402	20,022	4,544	10.3	19.1	4.8
Change YoY (%)	12.5	11.5	3.7	10.0	19.1	9.4	15.1	8.0			
PBT before share of profit from associates	3,492	3,346	3,511	3,468	4,078	13,818	16,546	3,798	7.4	16.8	17.6
Change YoY (%)	19.0	-3.8	5.3	3.1	16.8	5.4	19.7	8.8			
Tax Provisions	868	853	890	863	1,046	3,474	4,137	949	10.2	20.5	21.3
PAT before share of profit from associates	2,623	2,494	2,621	2,605	3,032	10,344	12,410	2,848	6.4	15.6	16.4
Change YoY (%)	20.7	-3.2	4.4	3.6	15.6	5.8	20.0	8.6			
Share of profit of associates (net of taxes)	15	46	-6	83	26	138	90	20	29.9	71.3	NA
Net Profit	2,639	2,540	2,615	2,688	3,058	10,482	12,500	2,868	6.6	15.9	13.8
Change YoY (%)	19.4	-1.4	3.9	5.3	15.9	6.4	19.3	8.7			
Key Operating Parameters (%)											bp
Cost to Income Ratio	54.7	56.6	53.5	58.0	55.1	55.7	54.8	54.5	67	48	-284
PBT Margin	45.3	43.4	46.5	42.0	44.9	44.3	45.2	45.5	-67	-48	284
PAT Margin	34.3	32.9	34.6	32.6	33.6	33.6	34.2	34.4	-75	-63	106
Avg AUM (INR b)											
Wealth Management	2,835	2,986	3,051	3,029	3,236	2,975	3,401	3,128	3.5	14.2	6.8
Nuvama Wealth	997	1,063	1,104	1,115	1,177	1,070	1,255	1,132	4.0	18.0	5.6
Nuvama Private (excl. heldaway)	1,837	1,922	1,947	1,914	2,059	1,905	2,146	1,996	3.1	12.1	7.6
Asset Management	107	110	115	114	113	112	167	129	-12.5	4.8	(1.1)

LIC Housing Finance

BSE SENSEX
77,928

S&P CNX
24,317

Conference Call Details


Date: 31st Jul, 2026

Time: 11:30 AM IST

Dial-in details:

+91 22 6280 1145/

+91 22 7115 8046

[Link for call](#)

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	84.2	88.5	92.0
PPP	76.3	80.5	83.3
PAT	56.0	58.4	60.3
EPS (INR)	101.7	106.1	109.6
EPS Gr. (%)	3.1	4.4	3.2
BV/Sh (INR)	751	836	924

Ratios

NIM (%)	2.7	2.7	2.6
C/I ratio (%)	15.1	15.4	16.0
RoAA (%)	1.8	1.7	1.7
RoE (%)	14.4	13.4	12.4
Payout (%)	9.8	10.1	9.7

Valuations

P/E (x)	5.3	5.1	4.9
P/BV (x)	0.7	0.6	0.6
Div. Yield (%)	1.8	2.0	2.0

CMP: INR541
Neutral

Earnings in line; muted disbursements and loan growth

NIMs declined ~20bp QoQ; asset quality broadly stable

- LICHF's 1QFY27 PAT grew ~9% YoY to ~INR14.9b (in line).
- NII grew ~1% YoY to ~INR20.8b (in line). Fee and other income declined 26% YoY to INR420m. Opex grew ~16% YoY to INR3.4b (in line) and cost-income ratio rose ~225bp YoY to ~16.1% (PY: ~13.8% and PQ: ~17%).
- PPop declined ~3% YoY to ~INR17.8b. **(MOFSL estimates are not directly comparable, as the company has reclassified recoveries from other operating income to credit cost line items, which are now presented net of recoveries.)**
- Credit costs (net of recoveries) stood at -INR1.1b and translated into annualized credit costs of -14bp (PY: 17bp and PQ: -4bp).

Disbursements and loan growth remain sluggish

- Loan disbursements in individual home loans grew ~8% YoY, while non-housing individual disbursements rose 20% YoY. Non-housing commercial disbursements declined ~27% YoY. Builder/project loan disbursements stood at INR8.7b (PY: INR1.6b).
- Total disbursements grew ~14% YoY to ~INR150b. **Repayment rate declined sequentially to 17% (PY: 14.6% and PQ: 18.6%).**
- Overall loan book was up ~4% YoY and flat QoQ at INR3.22t. Home loans grew ~4% YoY, while non-housing individual book grew ~10% YoY.

Margins decline sequentially; CoF broadly stable QoQ

- NIM declined ~20bp QoQ to ~2.6%.
- Reported yields as of Jun'26 declined ~10bp QoQ to 9.12%, while CoB was broadly stable QoQ at ~7.28%. This resulted in spreads declining ~10bp QoQ to ~1.84%.

Asset quality stable; Stage 3 PCR declined ~180bp QoQ

- GS3/NS3 remained broadly stable QoQ at ~2.15%/1.12%.
- Stage 3 PCR declined ~180bp QoQ to ~48.2% (PQ: ~50%) and Stage 2 PCR declined ~15bp QoQ to ~4.9% (PQ: 5.05%).

Valuation and view

- LICHF reported a weak quarter, marked by muted disbursement and loan growth, although repayments moderated sequentially. Continued yield pressure weighed on margins, while asset quality remained broadly stable, resulting in benign credit costs.
- Key monitorables include management's commentary on mortgage demand trends, the intensity of competition from banks, and guidance on margins and loan growth. We will review our estimates after the earnings call on 31st Jul'26.

Quarterly Performance

(INR M)

Y/E March	FY26				FY27E				FY26	FY27E	1QFY27E	Act. v/s est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	71,131	70,335	70,439	70,093	70,236	70,938	72,144	76,081	2,81,997	2,89,399	70,653	-1
Interest Expenses	50,484	49,951	49,421	47,875	49,481	50,272	51,026	50,095	1,97,752	2,00,874	48,976	1
Net Interest Income	20,647	20,385	21,017	22,218	20,755	20,666	21,118	25,986	84,245	88,525	21,677	-4
YoY Growth (%)	3.8	3.3	5.1	2.6	0.5	1.4	0.5	17.0	3.6	5.1	4.9	
Fees and other income	564	1,362	1,431	677	420	1,648	1,689	2,792	5,720	6,548	1,441	-71
Net Income	21,211	21,747	22,449	22,895	21,175	22,313	22,807	28,778	89,965	95,073	23,119	-8
YoY Growth (%)	4.3	6.0	6.6	-1.8	-0.2	2.6	1.6	25.7	5.5	5.7	5.8	
Operating Expenses	2,928	3,018	3,488	3,889	3,401	3,639	3,785	3,783	13,618	14,608	3,320	2
Operating Profit	18,284	18,729	18,961	19,006	17,774	18,674	19,022	24,995	76,347	80,465	19,798	-10
YoY Growth (%)	3.2	7.5	8.4	1.1	-2.8	-0.3	0.3	31.5	6.9	5.4	4.6	
Provisions and Cont.	1,292	1,682	1,536	-337	-1,111	-1,222	-1,344	10,197	5,540	6,521	1,350	-182
Profit before Tax	16,992	17,047	17,425	19,342	18,884	19,896	20,366	14,798	70,806	73,944	18,448	2
Tax Provisions	3,392	3,508	3,586	4,368	4,001	3,979	4,277	3,271	14,855	15,528	3,911	2
Net Profit	13,599	13,539	13,840	14,974	14,883	15,917	16,089	11,527	55,952	58,416	14,537	2
YoY Growth (%)	5	2	-3	9	9	18	16	-23	3	4	7	
Key Operating Parameters (%)												
Yield on loans (Cal)	9.22	9.06	9.00	8.83	8.74	8.76	8.79	9.07	9.1	8.9		
Cost of funds (Cal)	7.46	7.35	7.26	6.97	7.14	7.18	7.13	6.88	7.2	7.0		
Spreads (Cal)	1.76	1.70	1.74	1.86	1.60	1.58	1.65	2.19	1.9	1.8		
Margins (Cal)	2.68	2.62	2.69	2.80	2.58	2.55	2.57	3.10	2.7	2.7		
Credit Cost (Cal)	0.17	0.22	0.20	-0.04	-0.14	-0.15	-0.16	1.22	0.2	0.2		
Cost to Income Ratio	13.8	13.9	15.5	17.0	16.1	16.3	16.6	13.1	15.1	15.4		
Tax Rate	20.0	20.6	20.6	22.6	21.2	20.0	21.0	22.1	21.0	21.0		
Balance Sheet Parameters												
Loans (INR B)	3,096	3,118	3,143	3,207	3,221	3,259	3,309	3,405	3162	3359		
Change YoY (%)	7.2	5.8	5.1	4.2	4.0	4.5	5.3	6.2	4.4	6.3		
Indiv. Disb. (INR B)	130	159	155	202	141	0	0	0	646	707		
Change YoY (%)	4.6	5.7	7.0	10.3	9.1	-100.0	-100.0	-100.0	7.2	9.5		
Borrowings (INR B)	2,709	2,725	2,721	2,775	2,768	2,836	2,886	2,941	2774	2941		
Change YoY (%)	6.8	5.8	3.6	2.5	2.2	4.1	6.1	6.0	2.5	6.0		
Loans/Borrowings (%)	114.3	114.4	115.5	115.6	116.4	114.9	114.7	115.8	114.0	114.2		
Asset Quality Parameters												
GS 3 (INR B)	81.1	78.3	77.0	69.3	68.9							
Gross Stage 3 (% on Assets)	2.62	2.51	2.45	2.16	2.14							
NS 3 (INR B)	39.9	36.7	35.0	34.6	35.7							
Net Stage 3 (% on Assets)	1.31	1.20	1.13	1.10	1.12							
PCR (%)	50.8	53.1	54.5	50.0	48.2							
ECL (%)	1.63	1.63	1.62	1.42	1.37							
Loan Mix (%)												
Home loans	84.8	84.7	84.6	84.5	84.4							
LAP	13.6	13.7	13.8	14.2	14.3							
Non Individual loans	1.6	1.6	1.6	1.3	1.3							
Borrowing Mix (%)												
Banks	31.0	35.0	38.0	39.0	37.0							
NCD	55.0	53.0	50.0	46.0	46.0							
Sub Debt	0.0	0.0	0.0	0.0	0.0							
Deposits	4.0	4.0	4.0	4.0	4.0							
NHB	5.0	4.0	5.0	7.0	8.0							
CP	5.0	4.0	3.0	4.0	5.0							

E: MOFSL Estimates

Data Patterns

BSE SENSEX
77,928

S&P CNX
24,317

CMP: INR4460

Neutral

Conference Call Details



Date: 31st Jul'26
Time: 12:30pm IST
Dial-in details:
[Click Here](#)

Big miss on our estimates

- Revenue increased ~17% YoY to INR1.2b (est. INR2.6b).
- Gross margin contracted 90bp YoY to 78.9%.
- EBITDA declined ~2% YoY to INR314m (est. INR990m).
- EBITDA margin contracted ~530bp YoY to 27% (est. ~38%).
- Adj. PAT declined ~14% YoY to INR221m (est. INR743m).

Consolidated - Quarterly Earning Model

Y/E March									(INR m)		
	FY26				FY27E				FY26	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	%
Gross Sales	993	3,075	1,731	3,449	1,160	2,728	2,770	3,504	9,248	10,163	-55
YoY Change (%)	-4.6	237.8	47.9	-13.0	16.8	-11.3	60.0	1.6	30.6	9.9	160.0
Total Expenditure	673	2,390	925	1,520	847	1,691	1,703	2,138	5,508	6,379	1,592
EBITDA	321	685	806	1,928	314	1,037	1,067	1,366	3,740	3,784	-68
Margins (%)	32.3	22.3	46.5	55.9	27.0	38.0	38.5	39.0	40.4	37.2	38.3
Depreciation	55	57	59	59	59	66	66	66	230	257	66
Interest	32	24	22	47	33	30	30	30	125	122	30
Other Income	106	59	58	57	73	150	180	207	280	610	100
PBT before EO expense	340	664	783	1,880	295	1,092	1,151	1,478	3,666	4,016	995
Extra-Ord expense	0	0	30	0	0	0	0	0	30	0	0
PBT	340	664	753	1,880	295	1,092	1,151	1,478	3,635	4,016	995
Tax	85	172	170	496	74	277	292	375	922	1,017	252
Rate (%)	24.9	25.9	22.5	26.4	25.2	25.4	25.4	25.4	25.4	25.3	25.4
Reported PAT	255	492	583	1,384	221	815	860	1,103	2,714	2,998	743
Adj PAT	255	492	606	1,384	221	815	860	1,103	2,736	2,998	743
YoY Change (%)	-22.2	62.5	35.6	21.3	-13.5	65.7	41.9	-20.3	23.4	9.6	191.3
Margins (%)	25.7	16.0	35.0	40.1	19.0	29.9	31.0	31.5	29.6	29.5	28.8

Vardhman Textiles

BSE Sensex
77,928

S&P CNX
24,317

CMP: INR605
NEUTRAL

Conference Call Details


Date: 31 July 2026

Time: 16:00 IST

[Diamond pass link](#)

Results ahead of expectations; EBITDA margin expands 387bp

For the quarter

- Consolidated revenue grew 13% YoY to INR27b (~5% above MO estimates).
- Gross margin expanded 246bp YoY to 47.6%, driven by a better cotton-yarn spread.
- EBITDA came in at INR4.7b (~35% ahead of MO estimates) (+45% YoY), settling the EBITDA margin at 17.5% (+387bp YoY).
- APAT grew 49% to INR3b, settling the APAT margin at 11.5% (~44% ahead of MO estimates).
- We will provide further updates post conference call tomorrow.

Consolidated - Qtrly performance

(InR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	%
Net Sales	23,857	24,801	25,053	24,980	27,031	27,033	27,558	27,728	98,691	1,10,257	25,861	5
YoY Change (%)	3.3	-0.9	1.6	-0.4	13.3	9.0	10.0	11.0	0.9	11.7	8.4	
Gross Profit	10,766	11,214	10,764	11,485	12,862	12,624	12,952	13,115	44,230	50,718	12,025	
Total Expenditure	20,600	21,457	22,210	22,039	22,295	22,953	23,107	23,001	86,304	93,498	22,360	
EBITDA	3,257	3,344	2,844	2,941	4,736	4,080	4,451	4,727	12,386	16,759	3,501	35
Margin (%)	13.7	13.5	11.3	11.8	17.5	15.1	16.2	17.0	12.6	15.2	13.5	
Depreciation	1,094	1,141	1,183	1,226	1,263	1,265	1,285	1,236	4,645	5,008	1,250	1
Interest	225	206	262	232	231	180	200	229	925	809	200	16
Other Income	703	368	585	579	781	800	900	952	2,235	3,352	700	12
PBT before EO items	2,641	2,365	1,983	2,062	4,022	3,435	3,866	4,214	9,051	14,294	2,751	
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0	0	
PBT	2,641	2,365	1,983	2,062	4,022	3,435	3,866	4,214	9,051	14,294	2,751	46
Tax	684	610	451	274	1,035	756	851	927	2,019	3,145	605	71
Rate (%)	25.9	25.8	22.8	13.3	25.7	22.0	22.0	22.0	22.3	22.0	22.0	
JV and Associates	121	115	132	59	111	0	0	0	421	0	0	
Reported PAT	2,077	1,870	1,663	1,847	3,098	2,679	3,016	3,287	7,453	11,149	2,146	44
Adj PAT	2,077	1,870	1,663	1,847	3,098	2,679	3,016	3,287	7,453	11,149	2,146	44
YoY Change (%)	-12.9	-5.0	-21.0	-22.6	49.2	43.2	81.3	77.9	-15.6	49.6	3.3	
Margin (%)	8.7	7.5	6.6	7.4	11.5	9.9	10.9	11.9	7.6	10.1	8.3	

NSDL

BSE SENSEX 77,928
S&P CNX 24,317

Conference Call Details


Date: 31st July 2026

Time: 4:00 PM IST

[Link for the call](#)

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	15.3	17.9	20.7
EBITDA	4.3	4.8	5.5
EBITDA Margin (%)	28.4	27.1	26.4
PAT	3.8	4.2	4.8
PAT Margin (%)	24.8	23.8	23.0
EPS	19.0	21.2	23.9
EPS Grw. (%)	12.3	11.6	12.5
BVPS	119.0	138.7	161.4
RoE (%)	17.3	16.5	15.9
Div. Payout (%)	4.2	4.7	5.0
Valuations			
P/E (x)	43.3	38.8	34.5
P/BV (x)	6.9	5.9	5.1
Div. Yield (%)	0.1	0.1	0.1

CMP: INR823

Neutral

Margins disappoint in every segment

- NSDL's operating revenue grew 66% YoY/13% QoQ to INR5.2b (22% beat due to a 47% beat on the banking services segment).
- Depository revenue (35% of mix) grew 13% YoY/7% QoQ, while the banking services segment (61% of mix) surged 136% YoY/18% QoQ.
- EBITDA rose 6% YoY but declined 3% QoQ to INR1b (11% miss due to higher opex than est.), resulting in an EBITDA margin of 19.5% (vs. 30.5% in 1QFY26 and 22.7% in 4QFY26).
- Operating expenses rose 92%/17% YoY/QoQ to INR4.2b (34% higher than est.). Employee costs increased 41% YoY (10% higher than est.), while other expenses jumped 103% YoY (39% higher than our estimate).
- Other income rose 26%/54% YoY/QoQ to INR439m (15% beat).
- PAT for the quarter rose 10% YoY/9% QoQ to ~INR983m (3% miss due to higher opex). PAT margin came in at 19% vs. 28.7% in 1QFY26 and 19.7% in 4QFY26.

Valuation and view

- NSDL continues to deliver healthy growth across its depository and banking segments, driven by steady expansion in issuer and demat account onboarding, growing DLT adoption, customer onboarding, and increasing traction with fintech partnerships. Sustained momentum in demat account additions and the successful onboarding of new fintech partners will remain key monitorables for future growth.
- We estimate a CAGR of 16%/12%/12% in revenue/EBITDA/PAT for NSDL over FY26-28. **We have a Neutral rating on NSDL** with a one-year TP of INR950. We will revisit our estimates following the earnings call scheduled for tomorrow.

Quarterly Performance

(INRM)

Y/E March	FY26				FY27				FY26	FY27E	1QFY27E	act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q									
Revenue from Operations	3,120	4,000	3,596	4,583	5,166	15,300	17,856	4,224	22.3	66%	13%			
Change YoY (%)	-7.5	12.2	-0.8	26.0	65.6	7.7	16.7	35						
Employee expenses	383	446	501	477	540	1,808	2,079	492	9.8	41%	13%			
Other Expenses	1,785	2,275	2,022	3,066	3,617	9,148	10,941	2,603	39.0	103%	18%			
Total Operating Expenses	2,168	2,721	2,523	3,543	4,157	10,956	13,020	3,094	34.3	92%	17%			
Change YoY (%)	-16	12	-7	30	92	4.9	18.8	43						
EBITDA	952	1,279	1,074	1,039	1,010	4,344	4,836	1,130	-10.7	6%	-3%			
Other Income	348	322	347	285	439	1,302	1,450	380	15.4	26%	54%			
Depreciation	96	111	134	139	145	480	586	142	2.1	51%	4%			
Interest	16	15	19	17	17	67	72	17						
PBT	1,188	1,475	1,268	1,168	1,286	5,099	5,628	1,351	-4.8	8%	10%			
Change YoY (%)	19	11	16	6	8	13.0	10.4	14						
Tax Provisions	287	358	358	252	305	1,255	1,386	331	-7.7	6%	21%			
Net Profit	896	1,104	897	903	983	3,800	4,242	1010	-3	10%	9%			
Change YoY (%)	15	15	5	8	10	10.8	11.6	13						
Key Operating Parameters (%)														
Cost to Operating Income Ratio	69.5	68.0	70.1	77.3	80.5	71.6	72.9	73.3		11.0	3.13			
EBITDA Margin	30.5	32.0	29.9	22.7	19.5	28.4	27.1	26.7		-11.0	-3.13			
PBT Margin	38.1	36.9	35.2	25.5	24.9	33.3	31.5	32.0		-13.2	-0.59			
Tax Rate	24.2	24.3	28.2	21.6	23.7	24.6	24.6	24.5						
PAT Margin	28.7	27.6	24.9	19.7	19.0	24.8	23.8	23.9		-9.7	-0.68			

Privi Speciality Chemicals

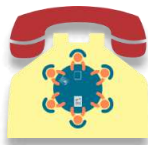
BSE SENSEX
77,928

S&P CNX
24,317

CMP: INR3,600

Buy

Conference Call Details



Date: 31st July, 2026

Time: 3:30pm IST

Dial-in details:

[Click Here](#)

Earnings in line with estimates

- Consol. revenue grew 19% YoY to INR6.7b (est. in line).
- Gross margin contracted 650bp YoY to 44%.
- EBITDA grew 15% YoY to INR1.5b (est. INR1.6b). EBITDA margin contracted 70bp YoY to 22.9% (est. 25.0%), led by lower gross margin. This was partially offset by lower other expenses as a % of sales (down 530bp).
- Adj. PAT grew 36% YoY to INR842m (est. in line).

Consolidated - Quarterly Snapshot

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	(INR m) Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1Q	
Gross Sales	5,588	6,787	6,046	7,215	6,662	7,602	7,679	8,739	25,637	30,682	6,594	1
YoY Change (%)	20%	27%	23%	18%	19%	12%	27%	21%	22%	20%	18.0	
Total Expenditure	4,267	4,967	4,494	5,413	5,140	5,583	5,617	6,516	19,141	22,856	10,853	
Gross Margin (%)	50.7%	50.7%	50.1%	43.8%	44.2%	49.0%	49.3%	47.4%	48.6%	47.6%	49.0%	
EBITDA	1,321	1,820	1,552	1,802	1,523	2,018	2,062	2,223	6,496	7,826	1,645	-7
Margin (%)	23.6	26.8	25.7	25.0	22.9	26.6	26.9	25.4	25.3	25.5	25.0	
Depreciation	362	356	355	365	374	395	415	502	1,438	1,686	380	
Interest	237	215	186	182	167	180	175	170	820	692	180	
Other Income	90	1	65	42	152	20	20	20	198	212	20	
PBT before EO expense	812	1,251	1,077	1,297	1,134	1,463	1,492	1,571	4,436	5,660	1,105	
Extra-Ord expense	0	0	39	0	0	0	0	0	39	0	0	
PBT	812	1,251	1,038	1,297	1,134	1,463	1,492	1,571	4,397	5,660	1,105	
Tax	236	349	289	356	305	368	376	395	1,230	1,445	278	
Rate (%)	29.1	27.9	27.9	27.4	26.9	25.2	25.2	25.2	28.0	25.5	25.2	
MI & Profit/Loss of Asso. Cos.	-44	-37	-31	4	-14	5	5	5	-108	1	5	
Reported PAT	619	939	780	937	842	1,090	1,111	1,170	3,275	4,214	822	
Adj. PAT	619	939	809	937	842	1,090	1,111	1,170	3,305	4,214	822	2
YoY Change (%)	97.4	109.1	82.1	40.8	36.0	16.1	37.4	24.9	76.5	27.5	-75.1	
Margin (%)	11.1	13.8	13.4	13.0	12.6	14.3	14.5	13.4	12.9	13.7	12.5	
Growth (%)	97.4	109.1	82.1	40.8	36.0	16.1	37.4	24.9	76.5	27.5	32.7	

LT Foods

BSE SENSEX
77,928

S&P CNX
25,317

CMP: INR397

Buy

Conference Call Details



Date: 31st July 2026

Time: 16:00 hrs IST

Concall link:

[Click here](#)

Earnings above our estimate

- Revenue: INR31.5b (+28% YoY, +8% QoQ; est. INR29.5b)
- EBITDA: INR3.5b (+33% YoY, +31% QoQ) (est. INR3.1b)
- EBITDA margin: 11.2% (+50bp YoY, +200bp QoQ; est. 10.7%) due to a gross margin contraction of 130bp YoY offset by lower other expenses by 160bp YoY.
- Adj. PAT: INR1.8b (+9% YoY, +35% QoQ; est. INR1.6b).

Consolidated - Quarterly Earning

Y/E March	FY26				FY27				FY27E	FY27 1QE	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
Gross Sales	24,639	27,657	28,092	29,067	31,518	31,207	31,409	32,689	1,26,823	29,458	7%
YoY Change (%)	19.0	31.2	23.5	30.4	27.9	12.8	11.8	12.5	15.9	19.6	
Total Expenditure	21,985	24,563	24,949	26,372	27,980	27,729	27,796	29,075	1,12,580	26,313	
EBITDA	2,654	3,094	3,143	2,695	3,539	3,478	3,612	3,614	14,243	3,146	12%
Margins (%)	10.8	11.2	11.2	9.3	11.2	11.1	11.5	11.1	11.2	10.7	
Depreciation	523	599	629	698	741	700	715	722	2,878	698	
Interest	280	280	349	399	403	336	200	200	1,139	399	
Other Income	371	67	28	309	95	250	260	233	838	131	
PBT before EO expense	2,221	2,283	2,193	1,907	2,490	2,692	2,957	2,925	11,064	2,180	
PBT	2,221	2,283	2,193	1,907	2,490	2,692	2,957	2,925	11,064	2,180	
Tax	598	653	630	529	665	673	721	726	2,784	587	
Rate (%)	26.9	28.6	28.7	27.7	26.7	25.0	24.4	24.8	25.2	26.9	
MI & Profit/Loss of Asso. Cos.	-62	-8	-11	22	-9	0	0	0	-9	0	
Reported PAT	1,685	1,639	1,574	1,357	1,834	2,019	2,236	2,200	8,289	1,593	
Adj PAT	1,685	1,639	1,574	1,357	1,834	2,019	2,236	2,200	8,289	1,593	15%
YoY Change (%)	10.0	10.4	9.8	-15.5	8.9	23.2	42.1	62.1	32.5	-5.5	
Margins (%)	6.8	5.9	5.6	4.7	5.8	6.5	7.1	6.7	6.5	5.4	

Indegene

BSE Sensex
77,928

S&P CNX
24,317

Conference Call Details


Date: 31st July 2026

Time: 09:00 AM IST

Dial-in details:
[Diamond Pass](#)
[Registration](#)
CMP: INR515
Neutral

In-line performance

- In 1QFY27, Indegene delivered USD revenue of 113m, up 26.5% YoY and 2.5% QoQ (est. USD113m), and INR revenue of 10.6b, up 39.7% YoY and 6.0% QoQ (est. INR10.4b).
- EBITDA stood at INR1.7b (est. INR1.7b) with margin of 16.4% (est. 16.7%). Margin performance reflects continued investments in talent, capability building and business expansion.
- PAT was INR1.2b (est. INR1.1b).
- USD10m+ revenue clients: 12
- Active clients: 105 vs. 70 in 1QFY26
- Voluntary attrition at 15.7% vs. 16.8% in 1QFY26.
- Revenue productivity continued to improve, with revenue per employee (RPE) increasing to USD77.1k vs. USD67.5k in 1QFY26 and USD74.7k in 4QFY26, reflecting 14.2% YoY and 3.2% QoQ growth, supported by better utilization and operating leverage.
- Net DSO at 67 days.
- Cash and cash equivalents at INR14.6b.

Valuation and view

We expect new deal wins and the potential for increased outsourcing by global pharmaceutical and life sciences companies on the back of expanding drug pipelines, rising clinical trial activity, and increasing regulatory complexity. We expect Indegene to deliver a CAGR of 19%/21%/18% in revenue/EBIT/PAT over FY25-28. Currently, we have a Neutral rating with a TP of INR552 (based on 20x FY28E EPS).

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			Est. 1Q27E	Var. (%/bp)
Revenue (USD m)	89	92	106	110	113	116	120	123	397	472	113	-0.4
QoQ (%)	1.7	3.7	15.1	3.4	2.6	3.5	3.0	2.5			3.0	
Revenue (INR m)	7,608	8,042	9,421	10,034	10,631	10,712	11,034	11,309	35,105	43,686	10,395	2.3
YoY (%)	12.5	17.1	30.8	32.8	39.7	33.2	17.1	12.7	23.6	24.4	36.6	
GPM (%)	36.7	35.9	39.7	37.0	38.0	38.0	39.0	39.0	37.4	38.5	37.2	2.2
SGA (%)	16.3	18.4	22.8	20.7	21.6	20.5	20.0	20.0	19.8	20.5	20.5	5.4
EBITDA	1,553	1,406	1,595	1,636	1,742	1,875	2,096	2,149	6,190	7,862	1,736	0.3
EBITDA Margin (%)	20.4	17.5	16.9	16.3	16.4	17.5	19.0	19.0	17.6	18.0	16.7	-30bp
EBIT	1,337	1,172	1,199	1,218	1,301	1,446	1,655	1,753	4,926	6,155	1,320	-1.5
EBIT Margin (%)	17.6	14.6	12.7	12.1	12.2	13.5	15.0	15.5	14.0	14.1	12.7	-50bp
Finance cost	37	38	46	72	64	40	40	40	193	184	40	
Other Income	290	214	221	226	290	239	253	268	951	1050	233	
ETR (%)	23.5	23.3	23.6	24.2	23.9	23.9	23.9	23.9	23.6	23.9	24.2	
PAT	1,164	1,021	1,029	797	1,162	1,233	1,397	1,476	4,011	5,268	1,128	3.0
QoQ (%)	-1.0	-12.3	0.8	-2.9	16.3	6.1	13.3	5.6			12.9	
YoY (%)	32.7	11.3	-6.2	-15.0	-0.2	20.8	35.8	47.6	-1.4	31.3	-3.1	
EPS (INR)	4.8	4.2	4.3	3.3	4.8	5.1	5.8	6.1	16.7	22.0	4.7	3.0

Mahanagar Gas

BSE SENSEX
77,928

S&P CNX
24,317

CMP: INR1,124
Buy

Conference Call Details



Date: 31 Jul'26
Time: 4:30pm IST
Dial-in details:
+91 22 6280 1360
+91 22 7115 8261

Beat on EBITDA/scm margin; stable volume growth

- Total volumes were in line with our estimate at 4.8mmscmd (+7% YoY).
- CNG/D-PNG volumes clocked 10%/9% YoY growth, whereas I&C PNG declined 7% YoY.
- EBITDA/scm came in 43% above our estimate at INR7.9/scm.
- On a QoQ basis, EBITDA/scm increased INR1.7/scm as realizations increased INR5.9/scm QoQ and opex decreased INR0.5/scm. However, gas costs rose INR4.7/scm.
- Reported EBITDA was 42% above our est. at INR3.4b (-32% YoY).
- MAHGL's PAT also stood 62% above our est. at INR1.9b (-39% YoY).
- Depreciation, interest, and other income came in below our estimate.
- During the quarter, MAHGL invested INR49m, including INR10m in 3EV Industries Pvt. Ltd. (through Optionally Convertible Debentures) and INR39m to acquire a 26% equity stake in FPEL Reliant Energy Pvt. Ltd. as a captive user.

Standalone - Quarterly Earning Model

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net Sales	20,814	20,493	20,583	20,512	23,717	23,965	24,649	24,238	82,402	96,569	23,071	3
YoY Change (%)	25.0	14.7	11.5	4.5	13.9	16.9	19.8	18.2	13.5	17.2	10.8	
EBITDA	5,007	3,380	3,521	2,603	3,430	3,395	4,400	4,414	14,511	15,639	2,422	42
EBITDA/SCM	12.4	8.0	8.3	6.2	7.9	7.5	9.4	9.6	8.7	8.6	5.5	
Margins (%)	24.1	16.5	17.1	12.7	14.5	14.2	17.9	18.2	17.6	16.2	10.5	
Depreciation	959	1,038	1,034	1,061	1,086	1,108	1,108	1,130	4,092	4,430	1,108	
Interest	45	50	63	48	57	64	64	71	206	257	64	
Other Income	319	289	294	290	304	343	343	382	1,192	1,371	343	
PBT	4,322	2,580	2,718	1,785	2,591	2,565	3,571	3,595	11,405	12,322	1,593	63
Tax	1,127	646	698	466	654	646	899	903	2,937	3,101	401	
Rate (%)	26.1	25.1	25.7	26.1	25.2	25.2	25.2	25.1	25.8	25.2	25.2	
Reported PAT	3,196	1,934	2,020	1,319	1,937	1,920	2,672	2,692	8,468	9,220	1,192	62
YoY Change (%)	10.5	-32.6	-9.4	-45.6	-39.4	-0.7	32.3	104.1	-18.7	8.9	-62.7	
Margins (%)	15.4	9.4	9.8	6.4	8.2	8.0	10.8	11.1	10.3	9.5	5.2	

Sales Volumes (mmscmd)

CNG	3.2	3.3	3.3	3.3	3.5	3.5	3.6	3.6	3.3	3.6	3.4	2
PNG - Domestic	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	1
PNG - Industrial/ Commercial	0.7	0.8	0.7	0.7	0.6	0.8	0.8	0.8	0.7	0.8	0.7	-13
PNG - Total	1.3	1.3	1.3	1.3	1.3	1.4	1.5	1.5	1.3	1.4	1.4	-7
Total Volumes	4.5	4.6	4.6	4.7	4.8	4.9	5.1	5.1	4.6	5.0	4.8	-1

Transport Corp

BSE SENSEX 77,928
S&P CNX 24,317

Conference Call Details



Date: 03 August 2026
Time: 04:00 pm IST
Conference call details:
[Link](#)

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	49.2	55.8	63.7
EBITDA	5.2	5.9	6.8
Adj. PAT	4.6	4.8	5.4
EBITDA Margin (%)	10.5	10.6	10.6
Adj. EPS (INR)	59.2	62.8	70.5
EPS Gr. (%)	10.6	6.2	12.2
BV/Sh. (INR)	332.8	387.6	450.1
Ratios			
Net D:E	0.0	0.0	0.0
RoE (%)	19.0	17.2	16.6
RoCE (%)	18.2	16.3	15.9
Payout (%)	13.5	12.7	11.3
Valuations			
P/E (x)	15.7	14.8	13.2
P/BV (x)	2.8	2.4	2.1
EV/EBITDA(x)	13.1	11.6	10.1
Div. Yield (%)	0.9	0.9	0.9
FCF Yield (%)	0.4	-1.1	-1.2

CMP: INR931

Buy

In-line performance

- Revenue grew ~10% YoY to ~INR12.5b in 1QFY27 (in line).
- EBITDA margin came in at 10.8% in 1QFY27 (+20 bps YoY and flat QoQ) against our estimate of 10.3%.
- EBITDA grew ~12% YoY at INR1.35b (5% above our estimate), while APAT was flat YoY at ~INR1.05b (in line).
- Supply chain revenues grew ~10% YoY while the freight and seaways divisions reported ~9% and 6% YoY growth, respectively.
- The EBIT margin for the Freight division/Supply chain/Seaways division stood at 2.2%/5.5%/34.7%, respectively, in 1QFY27. EBIT margins for the Seaways, Freight, and Supply Chain businesses contracted 220bp, 20bp, and 10bp YoY, respectively.

Quarterly snapshot

Y/E March (INR m)	FY26				FY27E				INR m
	1Q	2Q	3Q	4Q	1Q	FY26	FY27E	FY27 1QE	Var. vs Est
Net Sales	11,393	12,049	12,488	13,238	12,485	49,168	55,793	12,526	(0)
YoY Change (%)	9.0	7.5	8.9	12.3	9.6	9.5	13.5	9.9	
EBITDA	1,210	1,267	1,270	1,424	1,352	5,171	5,909	1,290	5
Margins (%)	10.6	10.5	10.2	10.8	10.8	10.5	10.6	10.3	
YoY Change (%)	16.6	8.2	7.2	17.0	11.7	12.1	14.3	6.6	
Depreciation	288	305	322	358	361	1,273	1,477	360	
Interest	54	59	57	58	70	228	205	58	
Other Income	113	125	121	123	63	482	496	122	
PBT before EO expense	981	1,028	1,012	1,131	984	4,152	4,723	994	
Extra-Ord expense	0	0	0	0	0	0	0	0	
PBT	981	1,028	1,012	1,131	984	4,152	4,723	994	
Tax	106	125	79	79	102	400	661	139	
Rate (%)	10.8	12.2	7.8	7.0	10.4	9.6	14.0	14.0	
Minority Interest	-7.0	-9.0	-11.0	-9.0	-9.0	-36.0	-30.0	-7.0	
Profit/Loss of Asso. Cos	197	232	225	193	184	847	812	205	
Reported PAT	1,065	1,126	1,147	1,236	1,057	4,563	4,844	1,053	
Adj PAT	1,065	1,126	1,147	1,236	1,057	4,563	4,844	1,053	0
YoY Change (%)	17.0	5.8	13.7	8.2	-0.8	10.6	6.2	-1.1	
Margins (%)	9.3	9.3	9.2	9.3	8.5	9.3	8.7	8.4	

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Segment Revenue (INR m)									
Freight	5,136	5,442	5,799	5,736	5,388	5,700	5,952	6,504	5,870
Supply chain	4,097	4,418	4,455	4,801	5,020	5,810	5,580	5,579	5,523
Seaways	1,415	1,633	1,554	1,597	1,575	1,423	1,689	1,848	1,672
Energy	13	20	4	8	14	18	5	5	13
Net segment Revenue	10,661	11,513	11,812	12,142	11,997	12,951	13,226	13,936	13,078
Growth YoY(%)									
Freight	8.0	13.0	19.4	3.3	4.9	4.7	2.6	13.4	8.9
Supply chain	12.9	13.1	14.8	22.2	22.5	31.5	25.3	16.2	10.0
Seaways	12.8	20.6	9.0	7.0	11.3	-12.9	8.7	15.7	6.2
Energy	-18.8	-4.8	-42.9	-27.3	7.7	-10.0	25.0	-37.5	-7.1
Net segment Revenue	10.4	14.0	16.1	10.5	12.5	12.5	12.0	14.8	9.0
Revenue Share									
Freight	48	47	49	47	45	44	45	47	45
Supply chain	38	38	38	40	42	45	42	40	42
Seaways	13	14	13	13	13	11	13	13	13
Energy	0	0	0	0	0	0	0	0	0
Total Revenue Share	100	100	100	100	100	100	100	100	100
Segmental EBIT Margin(%)									
Freight	3.0	2.7	2.4	2.3	2.4	2.3	1.9	1.8	2.2
Supply chain	6.0	5.9	6.1	6.0	5.6	5.6	5.2	5.4	5.5
Seaways	28.6	31.2	32.7	36.4	36.9	37.5	40.6	39.1	34.7
Energy	46.2	70.0	-75.0	12.5	35.7	50.0	-120.0	0.0	46.2
Total	7.6	8.1	7.8	8.3	8.3	7.7	8.2	8.2	7.8



Sterlite Technologies | To Invest Rs 1,500 Cr Over The Next 3 years; Ankit Agarwal, MD

- Data center mix drives margins
- \$1.1 billion order boosts visibility
- FY27 EBITDA margin guidance: 23%
- ₹18,000 crore order book supports growth
- ₹1,500 crore capex for expansion

[➔ Read More](#)

INDO-MIM | Seeing Strong Demand In Aerospace & Defence Segments; Krishna Chivukula, Whole-time Director & CEO

- Aerospace, defense drive future growth
- Medical, turbines see strong demand
- Targets conservative 10–15% growth
- Margins supported by operational leverage
- China-plus-one boosts export opportunities

[➔ Read More](#)

Teamlease | Seeing Positive Trends In IT Which Was Lagging For The Last 3 Yrs; Ramani Dathi, CFO

- IT hiring gains AI momentum
- BFSI hiring remains weak Q2
- H2 recovery outlook stays positive
- Traditional software roles decline
- Portfolio rationalization, capital reallocation

[➔ Read More](#)

Vinati Organics | Expect EBITDA Margin To Be Around 26-27% In FY27; Vinati Saraf Mutreja, MD

- Revenue rises; margins stay stable
- ATBS demand recovery expected H2
- Viral Organics ramps from January
- Flexible anisole sourcing strategy maintained
- ROCE improves with capacity utilization

[➔ Read More](#)



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.4	1.9	-4.4
Nifty-50	0.3	1.9	-2.2
Nifty Next 50	0.1	1.5	7.8
Nifty 100	0.2	1.8	-0.4
Nifty 200	0.1	1.7	1.2
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	1.6	6.8	19.1
Amara Raja Ener.	2.7	7.7	-7.4
Apollo Tyres	-0.2	-1.6	-8.0
Ashok Leyland	0.1	0.2	29.7
Bajaj Auto	0.8	17.7	42.1
Balkrishna Inds	10.8	5.8	-16.4
Bharat Forge	-0.3	1.0	82.1
Bosch	1.3	4.3	3.8
CEAT	0.9	-0.5	1.9
CIE Automotive	-0.7	-10.0	1.1
Craftsman Auto	1.3	6.2	46.3
Eicher Motors	1.7	11.9	44.4
Endurance Tech.	0.8	4.9	8.6
Escorts Kubota	-0.1	2.6	-12.1
Exide Inds.	3.9	16.8	15.8
Gabriel India	-1.6	12.3	32.6
Happy Forgings	0.9	8.9	76.9
Hero Motocorp	3.4	11.1	25.3
Hyundai Motor	1.3	5.9	-3.3
M & M	1.9	7.0	2.3
Maruti Suzuki	1.7	0.5	12.4
Motherson Sumi	0.5	-0.9	48.3
Motherson Wiring	-0.4	2.3	8.7
MRF	0.6	5.6	-10.0
Sona BLW Precs.	6.0	23.2	65.6
Tata Motors CV	0.9	-1.9	
Tata Motors PV	1.3	-5.1	-50.0
Tube Investments	-3.5	-11.2	-5.8
TVS Motor Co.	3.3	21.6	50.6
Uno Minda	0.4	7.8	9.6
Banks-Private	-0.2	-1.5	1.5
AU Small Fin. Bank	-1.1	-0.6	38.1
Axis Bank	-0.5	-8.7	14.5
Bandhan Bank	-0.5	-15.4	2.6
DCB Bank	-2.6	1.3	32.1
Equitas Sma. Fin	-0.8	-3.8	20.7
Federal Bank	-1.4	7.3	73.0
HDFC Bank	0.8	-5.5	-25.6
ICICI Bank	-0.3	4.3	-3.3
IDFC First Bank	-0.3	6.6	22.4
IndusInd Bank	-0.1	9.4	26.1
Kotak Mah. Bank	-0.2	-0.7	-0.6
RBL Bank	1.9	2.4	44.4
Banks-PSU	0.1	-1.9	20.6
BOB	-0.7	-11.3	0.8
Canara Bank	-0.4	-1.0	14.9
Indian Bank	-0.1	1.3	34.6

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	0.0	1.6	1.4
Nifty Midcap 100	-0.4	1.4	8.1
Nifty Smallcap 100	-0.6	2.1	6.0
Nifty Midcap 150	-0.4	1.1	6.9
Nifty Smallcap 250	-0.7	0.7	3.1
Punjab Natl.Bank	0.5	4.6	3.3
St Bk of India	1.1	-0.2	27.9
Union Bank (I)	-0.4	-1.2	30.3
Building Materials			
Astral	-0.3	10.2	2.9
Century Plyboard	1.4	6.0	8.2
Cera Sanitary.	-0.3	-5.1	-6.0
Kajaria Ceramics	-1.8	-1.8	1.6
Prince Pipes	-1.2	-8.8	-23.4
Supreme Inds.	-0.6	9.6	-19.1
NBFCs	-0.1	-1.1	-1.7
AAVAS Financiers	-1.8	-10.4	-22.5
Aditya Birla Capital Ltd	-0.9	0.5	58.4
Bajaj Fin.	-0.1	4.9	19.1
Bajaj Finserv	-0.8	7.3	-2.6
Bajaj Housing	-1.3	-1.1	-24.8
Can Fin Homes	-0.7	-6.0	10.5
Cholaman.Inv.&Fn	-1.6	-0.9	20.0
CreditAcc. Gram.	1.5	8.4	30.2
Five-Star Bus.Fi	-2.7	9.5	-9.4
Fusion Microfin.	-3.4	4.4	19.6
HDB FINANC SER	0.2	-9.3	-11.4
Home First Finan	1.2	4.3	-6.2
IIFL Finance	2.1	19.7	20.6
Indostar Capital	-5.2	3.5	-10.3
Jio Financial	-1.0	4.4	-22.9
L&T Finance	-0.9	-1.4	50.6
LIC Housing Fin.	-2.3	-4.1	-8.3
M & M Fin. Serv.	-0.4	24.2	52.2
Manappuram Fin.	-0.5	13.6	43.6
MAS Financial Serv.	-2.6	2.4	2.9
Muthoot Finance	-0.3	0.4	14.3
Northern ARC	-1.0	-4.1	21.2
Piramal Finance	-0.7	-6.3	
PNB Housing	-2.2	-0.5	4.7
Poonawalla Fin	-1.0	8.1	15.2
Power Fin.Corpn.	-0.2	0.5	3.5
REC Ltd	0.2	3.1	-6.2
Repco Home Fin	-1.9	-7.3	-6.0
Shriram Finance	-1.7	-1.4	62.3
Spandana Sphoort	-2.6	-3.3	-4.4
Tata Capital	-0.2	-1.4	
NBFC-Non Lending			
360 One	-1.6	6.4	7.8
Aditya AMC	-0.4	-12.3	15.1
Anand Rathi Wea.	0.2	3.2	52.7
Angel One	-3.6	-11.8	10.4
Billionbrains	-0.7	-4.8	



Company	1 Day (%)	1M (%)	12M (%)
BSE	-0.3	-8.7	43.7
C D S L	-1.0	2.4	-11.7
Cams Services	0.1	-0.5	1.9
HDFC AMC	0.2	-4.0	-10.2
ICICI AMC	-1.9	-8.1	
KFin Technolog.	-0.9	6.9	-15.2
MCX	-1.5	-5.6	71.9
N S D L	-0.4	-3.6	
Nippon Life Ind.	-1.8	-1.3	39.3
Nuvama Wealth	-1.8	-0.7	21.0
PB Fintech	-1.1	-2.1	-12.5
Prudent Corp.	2.0	7.6	5.2
UTI AMC	-0.6	-2.8	-32.8
Insurance			
Canara HSBC	0.0	5.2	
HDFC Life Insur.	-2.0	-5.3	-28.0
ICICI Lombard	-0.7	-6.0	-14.7
ICICI Pru Life	-0.2	4.6	-17.5
Life Insurance	-0.2	-2.0	-6.2
Max Financial	-0.3	-4.6	0.2
Niva Bupa Health	0.2	1.6	0.9
SBI Life Insuran	-0.9	6.3	2.1
Star Health Insu	1.4	3.1	35.7
Chemicals			
Alkyl Amines	-1.5	4.5	-20.8
Atul	0.1	5.2	1.0
Clean Science	-1.1	-4.1	-41.5
Deepak Nitrite	-1.8	6.3	-13.0
Ellen.Indl.Gas	-4.9	-2.8	-54.4
Fine Organic	2.4	-7.3	-7.0
Galaxy Surfact.	-1.1	-1.1	-28.1
Navin Fluor.Intl.	-2.7	-3.9	42.3
P I Inds.	0.8	8.7	-35.8
Privi Speci.	-3.6	-2.7	39.1
SRF	-1.5	-4.9	-15.6
Tata Chemicals	-1.3	-6.4	-33.1
Vinati Organics	-1.0	-3.0	-30.1
Capital Goods			
A B B	-0.3	3.7	31.3
Atlanta Electric	-1.8	-16.2	
CG Power & Ind	0.4	-12.6	26.1
Cummins India	0.2	-4.7	50.6
GE Vernova T&D	2.5	-15.0	61.8
Hitachi Energy	-1.0	-10.2	50.6
K E C Intl.	-1.8	-10.1	-46.3
Kalpataru Proj.	-1.6	-6.4	14.1
Kirloskar Oil	-2.2	-9.8	132.3
Larsen & Toubro	0.2	-5.0	7.4
Siemens	0.2	1.6	19.1
Siemens Ener	-1.5	-15.2	-3.3
Thermax	-2.9	-17.6	10.8
Triveni Turbine	-1.4	-11.9	-0.4

Company	1 Day (%)	1M (%)	12M (%)
Cement			
ACC	-0.8	2.4	-24.9
Ambuja Cem.	-0.3	2.9	-29.7
Birla Corp.	-0.5	-9.9	-36.1
Dalmia Bharat	-1.4	5.7	-19.7
Grasim Inds.	-0.4	0.0	12.4
India Cem	0.3	5.9	7.5
J K Cements	-1.4	2.2	-15.8
JK Lakshmi Cem.	0.2	-6.5	-41.3
JSW Cement	-0.9	-2.7	
Shree Cement	-1.4	4.8	-13.5
The Ramco Cement	-1.1	-2.0	-24.2
UltraTech Cem.	-1.2	5.3	-3.4
Consumer			
Asian Paints	-0.4	4.2	13.7
Bikaji Foods	0.3	-1.1	-15.7
Britannia Inds.	0.1	7.3	-3.9
Colgate-Palm.	-3.8	4.3	-6.8
Dabur India	-1.8	0.9	-18.4
Emami	-1.1	-0.2	-28.6
Godrej Consumer	-0.4	6.1	-11.9
Gopal Snacks	-0.4	-4.2	-23.3
Hind. Unilever	-0.5	-0.5	-13.5
Indigo Paints	-3.0	5.3	-11.1
ITC	-0.4	-0.7	-30.1
Jyothy Lab.	-1.6	5.8	-38.6
L T Foods	4.9	8.2	-20.7
Marico	0.8	5.9	25.9
Mrs Bectors	-1.1	19.2	-28.4
Nestle India	1.2	8.2	36.3
P & G Hygiene	-1.4	-6.7	-38.6
Page Industries	2.0	-0.7	-15.0
Pidilite Inds.	0.0	2.3	13.4
Prataap Snacks	-0.1	-2.2	13.2
Radico Khaitan	-0.2	10.7	61.0
Tata Consumer	-0.2	1.7	2.0
United Breweries	-0.1	7.6	-26.3
United Spirits	1.8	13.4	16.4
Varun Beverages	0.9	-11.1	-13.6
Zydus Wellness	-2.3	-1.6	37.7
Consumer Durables			
Blue Star	1.4	4.6	-2.9
Crompton Gr. Con	-1.5	-5.3	-19.7
Havells	2.0	8.8	-17.4
KEI Industries	-1.1	-11.6	23.0
LG Electronics	-1.2	-3.4	
Polycab India	-1.7	-10.7	28.4
R R Kabel	0.1	7.0	81.0
Voltas	1.5	4.4	-0.2
Defense			
Astra Microwave	-2.7	-2.0	78.5
Bharat Dynamics	-1.3	-9.0	-23.1
Bharat Electron	-0.7	-6.5	-0.4



Company	1 Day (%)	1M (%)	12M (%)
Data Pattern	0.6	-0.9	72.1
Hind.Aeronautics	-0.2	4.6	0.8
MTAR Tech	5.0	-28.4	266.8
Unimech Aero.	-1.5	0.1	1.9
Zen Technologies	-1.9	-8.9	5.9
EMS			
Amber Enterp.	-0.1	-1.7	-8.0
Avalon Tech	4.9	-2.4	113.6
Cyient DLM	-0.5	47.3	50.7
Dixon Technolog.	0.4	20.3	-14.5
Kaynes Tech	-0.5	16.0	-35.8
Syrma SGS Tech.	2.6	-1.3	80.6
Healthcare	-0.1	4.0	14.2
Ajanta Pharma	1.2	0.4	22.7
Alembic Pharma	-1.1	-2.4	-20.3
Alkem Lab	2.5	4.4	14.1
Apollo Hospitals	0.6	3.5	20.6
Aurobindo	-0.9	-0.1	36.2
Biocon	-1.3	1.7	7.1
Blue Jet Health	1.6	16.6	-23.1
Cipla	-0.5	0.1	-6.0
Divis Lab	0.6	19.1	17.8
Dr Agarwals Health	-1.4	0.7	5.9
Dr Reddy's	0.2	-15.6	-11.4
Emcure Pharma	0.4	4.1	33.8
ERIS Lifescience	-3.6	-4.1	-24.3
Fortis Health	-0.5	-1.0	12.4
Gland Pharma	-1.0	0.9	22.1
Glenmark	-3.2	-0.6	1.7
Global Health	-1.2	7.8	8.4
Granules	-1.1	2.4	69.3
GSK Pharma	-0.7	6.4	-18.4
IPCA Labs	-0.9	3.4	15.0
Laurus Labs	0.0	17.4	102.1
Laxmi Dental	-2.6	-5.8	-50.9
Lupin	-1.1	0.1	22.0
Mankind Pharma	-0.6	1.2	0.0
Max Healthcare	1.2	-0.4	-11.1
Piramal Pharma	0.5	17.0	-2.3
Rubicon Research	-1.8	6.9	
Sun Pharma	0.6	7.4	15.4
Torrent Pharma	-0.1	5.5	30.6
Zydus Lifesci.	-0.7	0.2	12.1
Oil & Gas	0.4	0.7	-3.6
Aegis Logistics	-2.6	6.4	72.9
BPCL	-0.5	4.0	-6.3
Castrol India	-0.1	0.2	-16.1
GAIL	-0.8	0.1	-3.8
Gujarat Energy	0.8	-1.5	-28.2
HPCL	-1.1	-1.5	-8.9
IGL	-0.8	-7.9	-25.3
IOCL	-0.1	0.4	-6.1
Mahanagar Gas	1.2	-4.7	-20.8

Company	1 Day (%)	1M (%)	12M (%)
Oil India	2.0	9.6	2.7
ONGC	1.4	2.8	-0.1
PLNG	0.6	-0.7	-4.5
Reliance Ind.	1.3	-0.1	-8.3
Infrastructure	0.3	-0.5	2.1
G R Infraproject	0.8	-2.7	-28.4
IRB Infra.Devl.	1.4	-5.5	-12.0
KNR Construct.	-0.9	-9.5	-43.3
Logistics			
Adani Ports	-3.2	-8.1	19.4
Blue Dart Exp.	-0.9	3.3	-18.5
Container Corpn.	-0.1	10.5	-10.3
Delhivery	-0.4	-0.8	14.5
JSW Infrast	0.8	-1.0	4.2
Mahindra Logis.	-1.7	7.7	15.1
TCI Express	-1.5	4.9	-22.4
Transport Corp.	2.5	1.7	-21.3
VRL Logistics	-1.3	10.1	-15.2
Media	0.3	7.2	-2.4
PVR Inox	-1.3	17.0	13.9
Sun TV	-0.4	-0.9	-10.0
Zee Ent.	3.8	8.4	-3.8
Metals	0.1	1.5	35.1
Hind. Zinc	-0.1	0.5	23.9
Hindalco	0.8	1.4	40.9
Jindal Stainless	1.3	6.5	8.3
JSPL	0.5	3.2	11.3
JSW Steel	-0.5	3.6	22.4
Midwest	-0.5	-3.9	
Nalco	0.9	2.4	85.8
NMDC	-1.0	-0.2	18.0
SAIL	-1.1	-2.6	36.2
Tata Steel	-0.2	-0.6	15.8
Vedanta	1.1	-4.7	64.5
Vedanta Aluminium	4.0	1.9	
Real Estate	-2.1	8.4	-2.0
A B Real Estate	-2.0	4.1	-27.7
Anant Raj	-0.6	16.9	5.1
Brigade Enterpr.	0.2	12.9	-23.7
DLF	-2.3	5.6	-17.0
Godrej Propert.	-2.1	13.1	-0.9
Kolte Patil Dev.	-1.8	5.1	-9.0
Macrotech Devel.	-2.2	34.7	4.0
Mahindra Life.	-0.5	5.2	6.3
Oberoi Realty Ltd	-1.2	2.6	10.1
Phoenix Mills	-1.2	-3.1	25.7
Prestige Estates	-4.7	1.9	-1.8
SignatureGlobal	-0.8	10.1	-28.0
Sobha	-1.4	-2.5	-15.2
Sri Lotus	1.8	30.2	
Sunteck Realty	-1.7	-2.3	-24.1
Retail			
A B Lifestyle	-1.0	-1.8	-34.4



Company	1 Day (%)	1M (%)	12M (%)
Aditya Bir. Fas.	1.5	1.5	-21.0
Arvind Fashions	-0.2	-4.9	-18.2
Avenue Super.	0.7	-11.6	-9.5
Bata India	0.3	2.4	-41.6
Campus Activewe.	-1.4	-6.3	-18.6
Devyani Intl.	0.1	6.4	-28.1
Go Fashion (I)	6.2	-12.9	-59.1
Jubilant Food	-0.1	5.3	-33.0
Kalyan Jewellers	1.0	64.1	4.6
Lenskart Solut.	0.6	9.4	
Meesho	1.5	-5.3	
Metro Brands	-0.3	2.5	-15.8
P N Gadgil Jewe.	-1.3	23.4	12.6
Raymond Lifestyl	2.6	-6.8	-34.9
Relaxo Footwear	-0.2	0.6	-15.5
Restaurant Brand	-0.1	-15.4	-19.1
Sapphire Foods	0.8	8.0	-39.2
Senco Gold	-2.1	22.6	31.7
Shoppers St.	-0.5	9.2	-26.1
Titan Co.	0.0	10.1	43.6
Trent	-0.2	-8.6	-10.8
United Foodbrands	-4.4	6.1	127.2
Vedant Fashions	3.7	2.3	-47.1
Vishal Mega Mart	-0.3	-8.5	-21.7
V-Mart Retail	2.2	-1.9	-5.1
Westlife Food	-0.4	-0.4	-35.2
Technology	0.2	18.6	-12.1
Coforge	1.9	19.2	-0.1
Cyient	-2.3	-2.8	-30.8
HCL Tech.	0.6	26.2	-8.4
Hexaware Tech.	-6.9	11.8	-19.2
Infosys	0.0	15.5	-24.0
KPIT Technologi.	-7.7	-12.2	-53.5
L&T Technology	-0.7	13.4	-17.4
LTM	0.4	25.5	-13.6
Mphasis	-0.6	8.6	-16.4
Persistent Sys	0.6	27.5	6.8
Tata Elxsi	-0.4	-4.5	-40.0
Tata Technolog.	1.2	9.8	5.9
TCS	-0.6	19.7	-20.4
Tech Mah	1.5	18.8	14.1
Wipro	1.5	9.4	-25.5
Zensar Tech	-2.6	22.5	-35.7
Telecom	-0.1	-2.7	19.6
Bharti Airtel	0.3	5.7	1.3
Bharti Hexacom	0.0	11.5	-8.1
Idea Cellular	-1.4	-11.0	83.9
Indus Towers	1.7	0.3	2.4
Tata Comm	-0.4	-10.0	0.9
Textiles			
Arvind Ltd	-2.1	-13.7	53.1
Gokaldas Exports	-2.5	-7.9	-9.6
Indo Count Inds.	-2.7	-8.3	42.5
K P R Mill Ltd	-2.6	-12.2	-12.3

Company	1 Day (%)	1M (%)	12M (%)
Pearl Global Ind	-1.6	0.6	23.7
Trident	-0.5	-5.3	-19.4
Vardhman Textile	-4.4	-5.4	31.4
Welspun Living	-1.3	0.8	20.6
Utilities	0.0	-6.4	12.4
ACME Solar Hold.	-1.6	-5.2	29.3
Coal India	1.7	-5.0	9.8
Indian Energy Ex	-2.1	5.0	-3.4
Inox Wind	-2.1	-16.8	-52.0
JSW Energy	-0.4	-6.8	3.3
NTPC	0.4	-3.3	1.8
Power Grid Corpn	1.0	-0.2	-1.1
Premier Energies	-5.2	-6.5	-8.2
Saatvik Green	-1.5	-7.2	
Suzlon Energy	-0.1	-19.5	-22.6
Tata Power Co.	-0.3	-2.5	-6.3
Waaree Energies	-4.1	-10.9	-16.5
Others			
APL Apollo Tubes	1.2	5.8	20.9
Cello World	-1.6	-8.3	-42.6
Coromandel Intl	0.8	2.5	-22.6
EPL Ltd	-1.6	2.6	2.6
Eternal Ltd	-0.4	17.4	2.4
FSN E-Commerce	1.9	7.4	56.1
Fujiyama Power	-0.4	13.6	
GNG Electronics	-0.8	-11.1	66.7
Godrej Agrovet	-0.2	0.5	-33.3
Gravita India	-2.3	-3.2	-16.9
Indegene	-1.7	-2.0	-5.8
Indiamart Inter.	-0.5	-8.6	-32.6
Indian Hotels	1.5	4.9	0.6
Info Edge	-0.3	27.2	-10.9
Interglobe	-0.9	-2.6	-8.9
Inventurus Knowl	-1.9	6.3	13.1
Jain Resource	2.3	-1.6	
Le Travenues	-0.3	-1.6	-15.7
Lemon Tree Hotel	-0.9	-6.4	-26.9
One 97	0.2	16.7	24.7
Quess Corp	0.7	15.7	4.0
Safari Inds.	-2.3	-1.9	-23.2
Sagility	2.5	16.7	8.5
SBI Cards	-0.4	10.9	-19.3
Shaily Engineer.	-0.5	4.6	87.2
SIS	-1.4	2.4	10.4
Swiggy	3.0	23.6	-26.2
TBO Tek	-1.6	4.8	10.8
Team Lease Serv.	-2.2	-12.1	-32.4
Time Technoplast	-3.7	15.8	-11.7
Updater Services	-2.0	4.4	-32.0
UPL	-1.1	5.5	-16.5
Urban Company	-0.6	-0.6	
V I P Inds.	-0.4	-3.5	-36.3
Va Tech Wabag	0.7	-6.0	16.9
Ventive Hospitality	-0.5	0.7	-19.1
Yatra Online	-1.9	-5.8	6.9

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

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

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

Disclosures:

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

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

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

In the past 12 months, MOFSL or any of its associates may have:

received any compensation/other benefits from the subject company of this report
 managed or co-managed public offering of securities from subject company of this research report,
 received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
 received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.

Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.

Research Analyst may have served as director/officer/employee in the subject company.

MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
 (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

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

Analyst Certification

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

Disclosure of Interest Statement

Analyst ownership of the stock No

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.raiani@motilaloswal.com

Contact: (+65) 8328 0276

Disclaimer:

This report is intended for distribution to Retail Investors.

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

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

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai - 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

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