Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	72,782	-0.3	-14.6
Nifty-50	22,623	-0.4	-13.4
Nifty-M 100	59,409	-0.1	-1.8
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	7,719	-1.1	12.8
Nasdaq	26,693	-1.9	14.8
FTSE 100	10,725	0.7	8.0
DAX	25,299	0.2	3.3
Hang Seng	8,183	0.1	-8.2
Nikkei 225	67,744	0.0	34.6
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	127	-2.1	103.9
Gold ($/OZ)	4,105	-1.3	-5.0
Cu (US$/MT)	14,597	-0.7	17.2
Almn (US$/MT)	2,988	-1.7	0.7
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	95.2	-0.1	5.9
USD/EUR	1.1	-0.4	-5.0
USD/JPY	158.3	0.0	1.0
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	7.4	0.03	0.8
Flows (USD b)	**14-Oct**	**MTD**	**CYTD**
FIIs	-0.14	-3.89	-32.0
DIIs	0.26	5.01	72.5
Volumes (INRb)	**14-Oct**	**MTD***	**YTD***
Cash	1,157	1233	1339
F&O	6,35,909	2,75,768	2,52,580

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

Radico Khaitan: Growth catalysts intact; on track for FY27 guidance

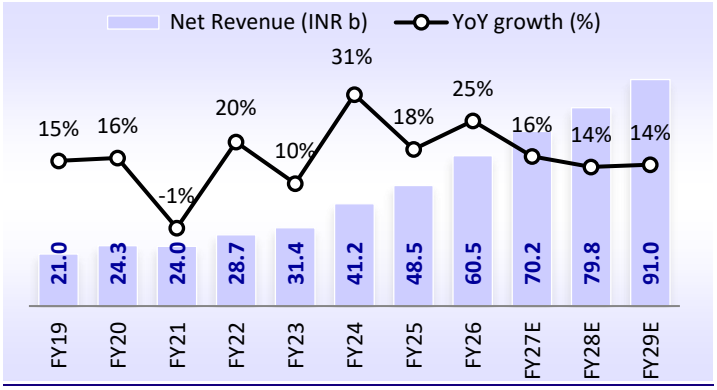
- Radico Khaitan (RDCK) has materially outperformed the IMFL industry by shifting its portfolio toward Prestige & Above (P&A) brands. P&A volumes have increased at a 15% CAGR over FY15-26 to 17m cases in FY26 from 4m in FY15, while the segment's contribution to RDCK's IMFL revenue has increased to 70% from less than 40%. With luxury and semi-luxury brands already contributing 10% of revenue (~INR5b), the mix upgrade opportunity remains meaningful. RDCK targets 25% growth in FY27 for its luxury segment. We expect P&A volume growth to remain strong, supported by premiumization, portfolio innovation and further market-share gains.
- RDCK trades at 55x/45x FY28E/FY29E EPS, and the projected earnings trajectory supports a premium valuation. We value the company at 55x Sep'28E EPS to arrive at a target price of INR5,350 and maintain BUY.

Research covered

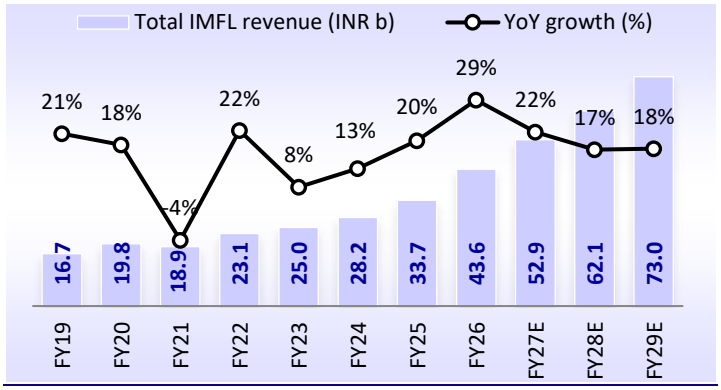
Cos/Sector	Key Highlights
Radico Khaitan	Growth catalysts intact; on track for FY27 guidance
Billionbrains Garage Ventures	Strong operating performance drives 11% PAT beat
Canara Bank	Healthy performance; margin improves 3bp QoQ
ICICI Lombard	Miss on CoR; investment income drives PAT beat
Aegis Logistics	From domestic leader to global contender
Other Updates	HDB Financial Services | Tata Technologies | Kalpataru Projects | Motherson Wiring | Economy (Macro-Cap) | Flash (CEAT)

Chart of the Day: Radico Khaitan (Growth catalysts intact; on track for FY27 guidance)

Net revenue to clock 14% CAGR over FY27-29E...



...led by IMFL revenue growth



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.

In the news today

Kindly click on textbox for the detailed news link

1

Cabinet clears way for Watsa's Fairfax's Rs 52,878 crore deal for 60.72% stake in IDBI Bank

Fairfax Financial Holdings will acquire a majority stake of 60.72% in IDBI Bank for ₹52,878 crore

2

Lord's Mark Industries strengthens lightening & Energy portfolio with acquisition of Radio Electric Pvt. Ltd.

To fortify its electrical manufacturing division, Lord's Mark Industries Limited has successfully acquired Radio Electric Private Limited.

3

India's gem and jewellery exports up 9.43% on-year in September

In September, India's gem and jewellery sector saw a notable rise in exports, driven by a robust appetite for studded gold jewellery and lab-grown diamonds.

4

India EV penetration may cross 10% by year-end, says JSW MG Motor executive

Electric vehicles are expected to capture more than 10% of passenger vehicle sales in India by the year's end.

5

Biocon clears path for cancer drug launch

Biocon has finalized a global settlement and license agreement with Genentech for its drug Pebrilzo.

6

Hitachi CEO calls for stronger grid connection amid growing power demand

Hitachi Energy's CEO Andreas Schierenbeck emphasized the importance of strong grid connections for rising electricity demand.

7

Healthtech startup Confido Health raises $12.5 million in funding led by Z47

Founded in 2022 by Chetan Reddy and Vichar Shroff, Confido Health develops artificial intelligence (AI) agents that automate administrative tasks for healthcare providers, including patient calls, appointment scheduling, insurance verification.

Radico Khaitan

BSE SENSEX	S&P CNX
72,782	22,623

CMP: INR4,554 TP: INR5,350 (+17%) Buy

Growth catalysts intact; on track for FY27 guidance

- Radico Khaitan (RDCK) has materially outperformed the IMFL industry by shifting its portfolio toward Prestige & Above (P&A) brands. P&A volumes have increased at a 15% CAGR over FY15-26 to 17m cases in FY26 from 4m in FY15, while the segment's contribution to RDCK's IMFL revenue has increased to 70% from less than 40%. With luxury and semi-luxury brands already contributing 10% of revenue (~INR5b), the mix upgrade opportunity remains meaningful. RDCK targets 25% growth in FY27 for its luxury segment. We expect P&A volume growth to remain strong, supported by premiumization, portfolio innovation and further market-share gains.
- Growth outperformance vs. United Spirits (UNSP) and Pernod Ricard underscores RDCK's superior execution. Over FY19-27E, RDCK's P&A volumes are expected to expand 3.7x vs. 1.4x for UNSP, while P&A revenue is projected to grow 5x vs. 2x for UNSP. RDCK's P&A revenue share has consequently increased from 14% of UNSP's P&A revenue in FY19 to 27% in FY26, and we expect this share to rise to ~30% in FY27E. RDCK expects its FY27 P&A volumes to grow by 25% YoY, reinforcing confidence in near-term momentum.
- State-level policy changes could provide an additional growth catalyst for RDCK's premium portfolio. Karnataka's pricing rationalization is supporting P&A portfolio (big MRP cuts for luxury brands such as Rampur and Royal Ranthambore). Progressive policy in UP (accounts for 20-25% of domestic volumes) also provides a strong base to deepen RDCK's P&A presence. Separately, Maharashtra is showing signs of stabilization after initial disruption; the pressure will be in the base in 2HFY27. The UK and EU FTAs could further support premiumization and improve the growth outlook.
- Margin expansion is the second leg of RDCK's earnings story. EBITDA margin improved to 16.9% in FY26 from 12% in FY24, and management is targeting 20% in FY27, implying ~350bp expansion. While ENA, glass and packaging costs remain high, premiumization-led mix improvement, operating leverage, backward integration and packaging efficiencies should offset them. Moreover, the India-UK FTA is estimated to drive annual input cost savings of INR700-750m. We forecast EBITDA margin of 20.4% in FY27E and 21.7% by FY29E.
- The improving earnings profile is also supporting balance-sheet deleveraging. Net debt declined by INR1.38b from Mar'26 to INR1.06b as of Jun'26, with management targeting a net debt-free balance sheet in FY27. We expect APAT to increase from INR6.1b in FY26 to INR13.4b in FY29E, implying a ~30% CAGR, driven by P&A growth, supportive policies and margin expansion.
- RDCK trades at 55x/45x FY28E/FY29E EPS, and the projected earnings trajectory supports a premium valuation. We value the company at 55x Sep'28E EPS to arrive at a target price of INR5,350 and maintain BUY.

Stock Info

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	610.2 / 6.4
52-Week Range (INR)	4748 / 2500
1, 6, 12 Rel. Per (%)	8/67/67
12M Avg Val (INR M)	1538
Free float (%)	59.8

Financials Snapshot (INR b)

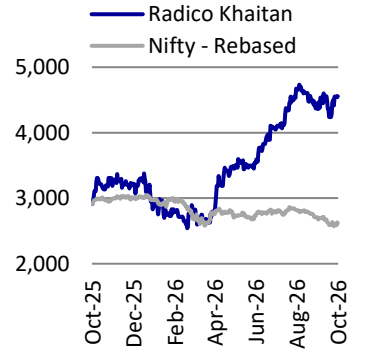
Y/E Mar	2027E	2028E	2029E
Sales	70.2	79.8	91.0
Sales Gr. (%)	16	14	14
EBITDA	14.3	16.7	19.7
Margins (%)	20.4	21.0	21.7
Adj. PAT	9.2	11.1	13.4
Adj. EPS (INR)	69.0	83.2	100.3
EPS Gr. (%)	52	21	21
BV/Sh.(INR)	298	365	445
Ratios			
RoE (%)	23.2	22.8	22.6
RoCE (%)	26.9	29.2	32.7
Payout (%)	20.0	20.0	20.0
Valuations			
P/E (x)	66.2	54.9	45.6
P/BV (x)	15.3	12.5	10.3
EV/EBITDA (x)	42.5	36.1	30.2

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	40.2	40.2	40.2
DII	27.2	28.1	25.5
FII	19.4	18.2	18.0
Others	13.2	13.5	16.3

FII Includes depository receipts

Stock Performance (1-year)



Billionbrains Garage Ventures

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	GROWW IN
Equity Shares (m)	6274
M.Cap.(INRb)/(USDb)	1207.8 / 12.7
52-Week Range (INR)	227 / 112
1, 6, 12 Rel. Per (%)	-1/4/-
12M Avg Val (INR M)	10332
Free float (%)	72.9

Financial & Valuation (INR b)

Y/E March	2026	2027E	2028E
Revenues	48.2	64.4	81.6
Opex	19.0	22.8	27.3
PBT	28.2	40.7	53.3
PAT	20.8	30.2	40.0
EPS (INR)	3.3	4.8	6.4
EPS Gr. (%)	13.0	45.0	32.4
BV/Sh. (INR)	15.5	20.3	26.7
Ratios (%)			
Operating margin	59.1	63.7	65.7
PAT margin	43.3	46.9	49.0
RoE	28.7	27.1	27.3
Valuations			
P/E (x)	57.8	39.9	30.1
P/BV (x)	13.1	15.6	18.8

Shareholding pattern (%)

As On	Sep-26	Jun-26
Promoter	27.1	27.1
DII	12.7	10.1
FII	11.9	8.0
Others	48.2	54.8

FII includes depository receipts

CMP: INR193 **TP: INR240 (+25%)** **Buy**

Strong operating performance drives 11% PAT beat

- Billionbrains Garage Ventures' (GROWW) operating revenue of INR15b in 2QFY27 grew 47% YoY (5% beat). For 1HFY27, revenue grew 56% YoY.
- Operating expenses rose 29% YoY in 2QFY27 to INR5.3b (6% below est.), with employee expenses rising 36% YoY (11% below est.) and other expenses rising 25% YoY (in line). EBITDA grew 60% YoY to INR9.7b, reflecting EBITDA margin of 64.5% (59.2% in 2QFY26 and MOFSLe of 60.4%).
- PAT for the quarter came in at INR7.2b, growing 54% YoY (reflecting an 11% beat on our estimates). For 1HFY27, PAT grew 72% YoY.
- The impact of SEBI's proposed optionality measures on CAS is expected to be limited, with derivatives activity likely to normalize relatively quickly following implementation, according to management.
- We have increased our earnings estimates by 4%/1% for FY27/28, considering strong 2QFY27 performance driven by improved operational efficiency. **We reiterate our BUY rating with a TP of INR240 (premised on 38x FY28E EPS).**

MTF surge supporting broking revenue/order improvement

- Broking revenue rose 29% YoY to INR10.5b, driven by 24% YoY growth in orders to 517.3m as well as an increase in revenue per order to INR20.4 (INR19.7 in 2QFY26).
- Derivatives revenue grew 13% YoY but declined 14% QoQ to ~INR6.9b, owing to market adjustments to CAS. GROWW's retail options premium ADTO market share was 11.0%, up from 8.7% in 2QFY26.
- Cash revenue grew 29% YoY/8% QoQ to ~INR2.7b, with ADTO market share at 15.4% (12.9% in 2QFY26). Cash orders witnessed ~3% sequential growth, while revenue/order continues to benefit from rising MTF adoption.
- Commodity derivatives benefited from growth in user adoption and industry momentum, with revenue growing 26% QoQ and contributing 6% to GROWW's total operating revenue. Launched in 3QFY26, commodity derivatives currently have 505,000 active users.
- MTF revenue grew 26% QoQ to INR1.6b (INR503m in 2QFY26), with the MTF book scaling to INR43.5b by the end of 2QFY27 (INR37.7b in 1QFY27), reflecting a stable market share of 2.7%. Management expects quarterly book additions of INR6-7b to continue, supported by ongoing improvements in risk control.
- The credit segment's revenue rose 37% YoY/7% QoQ to INR909m. Disbursement by partners declined sequentially to INR3.5b, with ~96% being unsecured in nature. Groww Creditserv's unsecured loan book increased sequentially to INR13.8b (INR13b in 1QFY27), while the secured loan book continues to scale significantly at INR4.1b (INR3.1b in 1QFY27).
- The AMC's AUM reached INR72b, with revenue of INR41.3m and an operating loss of INR83m during the quarter.

- Wealth management AUM crossed INR100b to INR108b in 2QFY27 (INR98b in 1QFY27), with active users increasing meaningfully from 421,000+ to 607,000+, driven by rising adoption of MF Prime.
- Cost-to-grow declined sequentially to ~INR1.1b (INR1.5b in 1QFY27), primarily due to the impact of IPL-related spending in the last quarter. The transacting user base reached 24.1m by the end of 2QFY27. With a recovery in market, the quarterly run rate is expected to normalize at INR1.2-1.3b.
- Cost-to-serve grew 25% YoY to INR2.1b, largely driven by: 1) a higher number of trading days, 2) a rise in AI costs, and 3) a one-time impact of INR100-130m from delayed expiry-day files.

Highlights from the management commentary

- GROWW is engaging with the regulator on the proposed INR300 cap on UPI MDR, with potential cost implications depending on the final implementation.
- MTF-linked trades accounted for over 5% of cash turnover in 2QFY27, with the share expected to rise over time, backed by improving adoption of the product.
- Over 50% of customers use more than two products, while over 5% use more than four, supporting opportunities for deeper engagement and monetization.

Valuation and view

- GROWW continues to report strong revenue growth YoY, driven by rising product adoption by users. Its brokerage business is gaining market share across segments, with its newer products, MTF and commodities, aggressively fueling further growth. The scale, coupled with strong operational efficiency, has also driven robust profitability growth during the quarter.
- We expect overall order volumes in the broking segment to report ~20% growth over FY27-28, backed by market share gains, with revenue growth further supported by improving revenue per order. Continued expansion in the MTF segment, along with gradual growth in LAS and wealth management, is expected to provide an additional boost to top-line growth.
- We have increased our earnings estimates by 4%/1% for FY27/28, considering strong 2QFY27 performance driven by improved operational efficiency. **We reiterate our BUY rating with a TP of INR240 (premised on 38x FY28E EPS).**

Quarterly Performance INRm

Y/E March	FY26				FY27				FY26	FY27E	2Q FY27E	Act v/s Est. (%)	YoY Gr. %	QoQ Gr. %
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Operating Revenue	9,044	10,187	12,161	15,054	15,014	15,015	15,727	16,912	46,446	62,681	14,342	4.7	47.4	0.0
Other Income	441	521	450	302	473	390	420	456	1,713	1,741	450	-13.3	-25.1	-17.4
Total Income	**9,485**	**10,708**	**12,611**	**15,355**	**15,487**	**15,405**	**16,147**	**17,368**	**48,159**	**64,422**	**14,792**	**4.1**	43.9	-0.5
Change YoY (%)	-9.5	-7.7	25.5	80.7	63.3	43.9	28.0	13.1	18.6	33.8	38.1			
Operating Expenses	4,211	4,148	4,956	5,667	5,307	5,330	5,672	5,928	18,982	22,766	5,683	-6.2	28.5	0.4
Change YoY (%)	-27.6	-27.9	NA	37.3	26.0	28.5	14.5	4.6	24.1	19.9	37.0			
EBITDA	4,827	6,034	7,198	9,380	9,700	9,678	10,054	10,984	27,464	39,915	8,659	11.8	60.4	-0.2
Depreciation	71	68	95	245	176	182	185	189	479	732	180	1.1	167.6	3.2
Interest cost	164	110	105	80	73	47	45	42	459	207	78	-39.6	-57.2	-35.6
PBT	**5,033**	**6,377**	**7,449**	**9,357**	**9,923**	**9,839**	**10,244**	**11,209**	**28,214**	**40,716**	8,851	11.2	54.3	-0.8
Tax Provisions	1,248	1,663	1,979	2,493	2,572	2,592	2,561	2,780	7,384	10,505	2,346	10.5	55.8	0.8
Net Profit	**3,785**	**4,714**	**5,469**	**6,864**	**7,350**	**7,247**	**7,683**	**8,429**	**20,830**	**30,212**	**6,506**	**11.4**	53.7	-1.4
Adj. Net profit	**3,785**	**4,714**	**5,469**	**6,864**	**7,350**	**7,247**	**7,683**	**8,429**			**6,506**	**11.4**	53.7	-1.4
Change YoY (%)	12.0	12.2	23.7	122.0	94.2	53.7	40.5	22.8			38.0			
Profitability ratios													**bp**	**bp**
EBITDA margin	53.4	59.2	59.2	62.3	64.6	64.5	63.9	64.9	59.1	63.7	60.4	407	522	-15
PAT Margin	39.9	44.0	43.4	44.7	47.5	47.0	47.6	48.5	43.3	46.9	44.0	306	302	-42
Revenue mix (%)													**bp**	**bp**
Equity derivatives	56.4	56.9	53.5	54.8	51.9	44.8	45.3	45.0	55.2	46.7	46.3		-1210	-710
Stocks	19.3	17.8	16.5	15.6	16.1	17.4	18.0	17.9	17.1	17.4	17.6		-40	130
Commodity derivatives			3.5	4.5	4.9	6.2	6.2	6.3	2.4	5.9	5.7		620	130
Float	9.9	7.4	7.0	7.9	8.4	8.4	8.1	7.8	7.9	8.1	8.9		100	0
PL + LAS	6.6	6.2	5.9	5.2	5.5	5.9	6.0	6.1	5.9	5.9	5.8		-30	40
MTF	3.0	4.7	5.6	6.9	8.0	10.1	11.1	11.8	5.3	10.3	10.1		540	210
Treasury	4.6	4.9	3.6	2.0	3.1	2.5	2.6	2.6	3.6	2.7	3.0		-240	-60
Others	0.2	1.9	4.3	3.3	2.1	4.8	2.8	2.6	2.7	3.0	2.7		290	270
Operating metrics														
Stocks ADTO (INRb)	106.7	101.3	113.3	137.9	158.0	144.3					144.0		42.5	-8.7
Op. Prem. ADTO (INRb)	92.8	95.7	114.8	164.9	156.6	123.2					122.5		28.7	-21.3
Comm. notional ADTO (INRb)	0.0	48.6	1031.7	961.0	2430.6	2835.8								
MTF Book (INRb)	10.4	16.7	23.1	28.1	37.7	43.5	50.0	57.5			43.0		160.8	15.3
Broking Orders (m)	378.6	415.7	474.2	587.4	560.2	517.3	547.7	583.6			503.9		24.4	-7.6
Transacting users (m)	18.1	19.0	20.4	21.6	22.4	24.1					0.0		26.6	7.4

Canara Bank

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	CBK IN
Equity Shares (m)	9071
M.Cap.(INRb)/(USDb)	1131.7 / 11.9
52-Week Range (INR)	163 / 117
1, 6, 12 Rel. Per (%)	4/-5/10
12M Avg Val (INR M)	3609

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	372.1	448.4	517.9
OP	330.2	360.8	413.0
NP	191.9	212.2	232.0
NIM (%)	2.1	2.3	2.4
EPS (INR)	21.2	23.4	25.6
EPS Gr. (%)	12.7	10.6	9.3
BV/Sh. (INR)	121	133	144
ABV/Sh. (INR)	116	128	138
RoA (%)	1.1	1.1	1.0
RoE (%)	19.1	18.9	18.9
Valuations			
P/E (x)	5.9	5.4	4.9
P/BV (x)	1.0	0.9	0.9
P/ABV (x)	1.1	1.0	0.9

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	62.9	62.9	62.9
DII	12.3	11.9	12.2
FII	12.3	12.7	11.9
Others	12.4	12.5	12.9

CMP: INR125 **TP: INR160 (+28%)** **Buy**

Healthy performance; margin improves 3bp QoQ

Lower provisioning and reduced opex drive earnings beat

- Canara Bank (CBK) posted a 2QFY27 standalone PAT of INR51.7b (up 8% YoY/7% QoQ; 8% beat on MOFSLe), fueled by lower-than-expected provisions and opex.
- NII grew 20% YoY/8% QoQ to INR110.0b (3% higher than MOFSLe). CBK's NIM improved 3bp QoQ to 2.55% (in line). The bank maintained its NIM guidance of 2.5-2.6% for FY27.
- The bank's loan book grew 20% YoY/7% QoQ to INR13.6t. Deposits grew 13% YoY/ 5% QoQ to INR16.97t.
- Slippages stood at INR19b (INR18b in 1QFY27). GNPA/NNPA ratios improved 24bp/6bp QoQ to 1.33%/ 0.30%. PCR rose to 77.9% (up 71bp QoQ). The impact of the ECL transition is likely to be in the range of INR120-150b (vs. INR100-120b earlier) and is likely to affect CRAR by ~1.0-1.2%.
- **We tweak our estimates for FY27E/28E and expect CBK to deliver an FY27 RoA/RoE of 1.06%/18.9%. Reiterate BUY with a TP of INR160 (based on 1.1x Mar'28E ABV+ INR13 for subsidiaries).**

Business growth steady; asset quality ratios improve

- CBK's 2QFY27 PAT grew 8% YoY/7% QoQ to INR51.7b (8% above MOFSLe), aided by lower-than-expected provisioning and opex.
- NII grew 20% YoY/8% QoQ to INR110.0b (~3% beat). Its margin expanded 3bp QoQ to 2.55% (in line). CBK retained its FY27 NIM guidance at 2.5-2.6%.
- Other income declined 18% YoY/ 14% QoQ to INR57.7b (3% lower than MOFSLe) with lower PSLC and treasury income. Total revenue thus rose 4% YoY to INR167.8b (in line).
- Operating expenses increased 5% YoY (down 3% QoQ) to INR80.2b (4% lower than MOFSLe). C/I ratio declined to 47.8% (vs. 49.0% in 1QFY27). PPoP thus rose 2% YoY/1% QoQ to INR87.4b (5% beat).
- The loan book grew 20.4% YoY/6.5% QoQ, led by robust growth in the retail (21% YoY/6.2% QoQ) and Agri segments (14.3% YoY/10.2% QoQ). The gold loan book stood at INR2.8t, of which the agricultural gold loan book accounted for INR1.7t.
- Deposits grew 13.1% YoY/5.3% QoQ to INR16.97t. CASA deposits grew 4.9% YoY/2.6% QoQ. CASA ratio stood at 29.0% (vs 29.7% in 1QFY27), while the CD ratio increased to 80.2% (vs. 79.3% in 1QFY27).
- Provisions came in at INR17.8b (13% below MOFSLe), down 14% QoQ and 24% YoY. Slippages increased marginally to INR19b (INR18b in 1QFY27), even as asset quality ratios improved across segments. GNPA/NNPA ratios improved 24bp/6bp QoQ to 1.33%/0.30%. PCR stood at 77.9%.
- Reported credit costs dipped to 0.47% from 0.49% in 1QFY27. SMA book (INR50m and above) declined to 0.51% from 0.58% in 1QFY27.

Highlights from the management commentary

- Yield on corporate loans increased from 7.68% in 1QFY27 to 7.72% in 2QFY27. Yield on gold loans rose from 8.96% in 1QFY27 to 9.10% in 2QFY27.
- CBK expects to sustain NIM at 2.55%, with the adverse impact on NIMs in 3Q from the leveraged portion of FCNR(B) deposits expected to be offset by rate hikes.
- The estimated impact of the ECL transition has increased from INR120b to INR150b, owing to higher G-sec yields. This translates into a 1.0-1.2% impact on CRAR. CBK might not need to spread the transition impact beyond two years.
- Total exposure to drought-exposed regions stood at INR139b. The bank does not anticipate significant problems, given the likely dispensation from SLBC and the restructuring of loans.

Valuation and view: Reiterate BUY with a TP of INR160

CBK reported a steady quarter with an uptick in margins and lower provisions and opex while asset quality continued to improve. CBK's NIM is expected to be range-bound at 2.5-2.6% for FY27 aided by rate hikes. Loan growth was healthy and broad-based with RAM segments leading the overall growth. Deposit growth lagged credit growth, while CBK remains focused on improving the granularity of deposits. CBK maintains its loan growth guidance of 11-12%. The bank's asset quality improved, with lower NPAs across asset classes. CBK will need to make additional provisions of INR120-150b for the ECL transition, with an estimated impact of 1.0-1.2% on CRAR. The RoA guidance stands at 1%+ for FY27. **We marginally tweak our estimates for FY27E/28E and expect CBK to deliver FY27E RoA/RoE of 1.06%/18.9%. Reiterate BUY with a TP of INR160 (based on 1.1x Mar'28E ABV+ INR13 for subsidiaries).**

Quarterly performance **(INR b)**

	FY26				FY27E				FY26	FY27E	FY27E	V/S our
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Interest Income	**90.1**	**91.4**	**92.5**	**98.1**	**102.2**	**110.0**	**113.9**	**122.3**	**372.1**	**448.4**	**107.4**	**2.4%**
% Change (Y-o-Y)	-1.7	-1.9	1.1	3.9	13.4	20.4	23.1	24.7	0.4	20.5	17.5	
Other Income	70.6	70.5	79.0	48.2	67.3	57.7	57.9	60.3	268.4	243.2	59.7	-3.2%
Total Income	**160.7**	**162.0**	**171.5**	**146.3**	**169.4**	**167.8**	**171.8**	**182.6**	**640.5**	**691.5**	**167.1**	**0.4%**
Operating Expenses	75.2	76.1	80.3	78.7	83.1	80.2	82.0	85.5	310.3	330.7	83.8	-4.3%
Operating Profit	**85.5**	**85.9**	**91.2**	**67.6**	**86.4**	**87.6**	**89.7**	**97.1**	**330.2**	**360.8**	**83.3**	**5.2%**
% Change (Y-o-Y)	12.3	12.2	16.4	-18.4	1.0	2.0	-1.6	43.7	5.2	9.3	-3.0	
Other Provisions	23.5	23.5	24.1	9.9	20.8	17.8	18.8	19.7	81.1	77.1	20.5	-13.2%
Profit before Tax	**62.0**	**62.3**	**67.1**	**57.7**	**65.6**	**69.8**	**70.9**	**77.4**	**249.1**	**283.6**	62.8	11.2%
Tax	14.5	14.6	15.5	12.6	17.0	18.0	17.2	19.3	57.2	71.5	**14.7**	**22.2%**
Net Profit	**47.5**	**47.7**	**51.6**	**45.1**	**48.6**	**51.7**	**53.8**	**58.1**	**191.9**	**212.2**	48.0	7.8%
% Change (Y-o-Y)	21.7	18.9	25.6	-9.9	2.2	8.4	4.3	29.0	12.7	10.6	**1**	
Operating Parameters												
Deposit (INR b)	14,438	15,003	15,213	15,687	16,117	16,973	17,318	17,726	15,687	17,726	16,963	
Loan ((INR b)	10,736	11,301	11,728	12,200	12,777	13,608	13,855	14,116	12,200	14,116	13,543	
Deposit Growth (%)	8.1	11.4	12.9	7.7	11.6	13.1	13.8	13.0	9.7	13.0	13.1	
Loan Growth (%)	13.4	14.8	14.6	16.3	19.0	20.4	18.1	15.7	16.3	15.7	19.8	
Asset Quality												
Gross NPA (%)	2.7	2.5	2.1	1.8	1.6	1.3	1.3	1.4	1.8	1.4	1.5	
Net NPA (%)	0.6	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.4	0.3	0.3	
PCR (%)	77.1	77.4	78.6	77.1	77.1	77.9	78.2	78.6	77.0	78.6	77.3	

E: MOFSL Estimates

ICICI Lombard

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	ICICIGI IN
Equity Shares (m)	499
M.Cap.(INRb)/(USDb)	855.9 / 9
52-Week Range (INR)	2065 / 1423
1, 6, 12 Rel. Per (%)	21/1/2
12M Avg Val (INR M)	1575

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
NEP	222.6	251.5	279.5
U/W Profit	-11.1	-16.3	-12.9
PBT	36.6	36.4	45.2
PAT	27.7	27.5	34.1
EPS (INR/share)	56.3	55.8	69.3
EPS Growth (%)	10.5	-0.7	24.1
BVPS (INR/share)	341.9	381.3	434.2
Ratios (%)			
Claims	71.1	72.1	71.2
Commission	19.2	20.1	19.5
Expense	13.1	12.6	12.3
Combined	103.4	104.8	103.0
RoE	17.8	15.4	17.0
Valuations			
P/E (x)	30.4	30.7	24.7
P/BV (x)	5.0	4.5	3.9

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	51.2	51.3	51.5
DII	20.8	19.5	17.6
FII	21.5	22.3	23.9
Others	6.6	6.9	7.0

FII includes depository receipts

CMP: INR1,713 TP: INR1,730 (+1%) Neutral

Miss on CoR; investment income drives PAT beat

- ICICI Lombard's (ICICIGI) gross written premium grew 9% YoY in 2QFY27 to INR77b (7% beat). For 1HFY27, GWP grew ~10% YoY.
- Claims ratio for the quarter stood at 72.7% (vs our est. 72.3%) vs 72.1% in 2QFY26. Expense ratio came in at 13.9%, declining 10bp YoY (vs. our expectation of 13.5%). Commission ratio came in at 20.4% vs 19.1% in 2QFY26 (vs. our expectation of 19%).
- The combined ratio stood at 107% (vs our expectation of 104.8%), compared to 105.1% in 2QFY26. Excluding the impact of CAT losses of INR1.18b, combined ratio was at 105.3%.
- PAT at INR9.5b grew 15% YoY (35% beat), hit by weak underwriting performance, which was offset by higher-than-expected investment income. For 1HFY27, PAT declined 14% YoY.
- No further incremental motor reserves are currently anticipated. Management intends to maintain group health loss ratio in the mid-90s, retail indemnity loss ratio at 65–70%, and overall motor loss ratio at 65-67%.
- We have slightly increased our NEP estimates but revised our PAT estimates upwards by 7%/5% for FY27/28, considering strong investment performance in 2QFY27. **We reiterate our Neutral rating on the stock with a TP of INR1,730 (based on 25x FY28E EPS).** There remains uncertainty around growth, with the final distribution regulations yet to be implemented. TP rate adjustments, IFRS implementation, and risk-based solvency are additional monitorables for the company's operating performance.

Health remains the top contributor to NEP growth

- ICICIGI's NEP grew 17% YoY to INR66.5b (18% beat), fueled by 48% YoY growth in the health (including PA) segment. The marine segment grew 22% YoY, while the motor segment grew 9% YoY. The fire segment continues to witness a decline, with NEP falling 30% YoY.
- Underwriting loss stood at INR3.2b, compared to INR1.8b in 2QFY26. While the expense ratio was largely stable, the commission ratio increased YoY, driven by strong growth in the retail business, and the claims ratio witnessed a slight increase YoY due to higher CAT frequency compared to last year.
- Total investment income on policyholders' accounts was 31% above our estimate at INR11.9b, while investment income from shareholders' accounts was 31% above our estimate at INR4.1b. Investment yield for the quarter stood at 2.47% (2.19% in 2QFY26) on an investment book of INR643b. Investment leverage stood at 3.6%. The investment portfolio mix for 1HFY27 stood at 36.9%/35.5%/18.0% for corporate bonds/G-Sec/equity (incl. equity ETF).

- The claims ratio worsened by 65bp YoY to 72.7% due to an 800bp deterioration in the health segment's loss ratio. In the motor segment, the loss ratio for motor OD weakened by 210bp, while the loss ratio for motor TP improved by 930bp. Any subsequent reserving or reserve release following the impact of the SC judgement remains a key monitorable for motor TP loss ratios.
- Return on Average Equity (RoAE) stood at 23.7% in 2QFY27, compared to 21.3% in 2QFY26.
- The solvency ratio stood at 2.75x (vs. 2.73x in 2QFY26).

Key highlights from the management commentary

- Proposed distribution reforms could improve affordability and insurance penetration as lower distribution costs support higher volumes.
- The industry motor combined ratio deteriorated further to 131% in 1QFY27, reinforcing the opportunity for disciplined underwriters.
- NEP growth is expected to sustain its momentum in 2HFY27, alongside gross premium growth expected ahead of the industry.

Valuation and view

- ICICIGI's growth trajectory has improved on the back of a recovery in motor insurance (owing to GST cuts), strong market share gains in retail health (additional boost from GST exemption), and rising market share in commercial lines over the past few months.
- The company's retail health segment maintains its strong momentum, gaining market share with significant traction in its 'Elevate' product. Competitive intensity remained high in the motor OD segment, while motor TP segment saw significant improvement in claims ratio following the impact of SC judgement last quarter. With deteriorating industry ratios, ICICIGI is well positioned within the industry, given the regulator's stance on improving affordability for the customer.
- We have slightly increased our NEP estimates but revised our PAT estimates upwards by 7%/5% for FY27/28, considering strong investment performance in 2QFY27. The final distribution regulations could have a significant impact on growth if implemented as proposed, and hence remain a key monitorable. Additionally, TP hike adjustments, IFRS, and RBC implementation could impact the company's operating performance. **We reiterate our Neutral rating on the stock with a TP of INR1,730 (based on 25x FY28E EPS)**.

Quarterly Performance (INR b)

Y/E March	FY26				FY27				FY26	FY27E	2Q FY27E	act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Gross premium	79.3	69.5	64.7	69.0	88.6	77.0	80.9	88.3	306.2	334.7	72.2	6.7	9%	-13%
Net written premium	53.6	48.4	50.8	54.8	66.0	62.1	65.0	70.9	233.7	264.1	56.2	10.6	17%	-6%
Net earned premium	45.0	50.3	50.5	52.3	59.5	66.5	62.0	63.5	222.6	251.5	56.5	17.6	18%	12%
Investment Income + Trf from SH A/C	8.5	8.3	8.4	6.3	8.6	11.9	9.5	9.7	36.3	39.8	9.1	30.9	28%	38%
Total Income	**53.5**	**58.5**	**58.8**	**58.5**	**68.1**	**78.4**	**71.5**	**73.2**	**258.9**	**291.3**	**65.6**	**19.5**	19%	15%
Change YoY (%)	17.9	15.9	17.6	13.4	12.0	19.2	8.1	10.6	12.9	12.5	-0.3			
Incurred claims	33.3	35.9	33.2	37.4	45.4	48.4	42.8	44.7	158.3	181.4	40.9	18.3	19%	6%
Net commission	8.0	8.4	11.6	10.3	12.5	12.7	14.8	13.2	44.8	53.2	10.7	18.8	25%	1%
Opex	7.1	7.5	7.1	6.7	7.9	8.6	8.5	8.3	30.6	33.2	7.6	13.7	16%	10%
Total Operating Expenses	48.5	51.9	52.0	54.4	65.8	69.7	66.1	66.2	233.7	267.8	59.2	17.8	20%	6%
Change YoY (%)	15.3	16.5	13.3	18.2	21.2	19.6	9.4	9.1	13.1	14.6	1.5			
Underwriting profit	-3.5	-1.6	-1.5	-2.1	-6.3	-3.2	-4.1	-2.7	-11.1	-16.3	-2.6			
Operating profit	5.0	6.6	6.9	4.2	2.3	8.7	5.4	7.0	25.2	23.4	6.5	34.5	16%	274%
Shareholder's P/L														
Transfer from Policyholder's	5.0	6.6	6.9	4.2	2.3	8.7	5.4	7.0	25.2	23.4	6.5	34.5	16%	274%
Investment income	2.5	2.8	2.8	2.6	2.9	4.1	3.3	3.9	11.9	14.1	3.1	30.7	28%	42%
Total Income	7.5	9.4	9.6	6.8	5.2	12.8	8.7	10.9	37.2	37.5	9.6	33.3	20%	146%
Total Expenses	-0.2	0.2	0.0	0.1	-0.1	0.3	0.3	0.6	0.6	1.1	0.3			
PBT	**7.7**	**9.2**	**9.6**	**6.7**	**5.4**	**12.5**	**8.4**	**10.3**	**36.6**	**36.4**	**9.4**	33.1	16%	133%
Change YoY (%)	48.8	20.3	67.3	-4.2	-46.1	15.8	-2.9	42.8	10.2	-0.4	-13.0			
Tax Provisions	1.9	2.3	2.4	1.6	1.3	3.0	2.1	2.5	8.9	8.9	2.3	28.5	17%	127%
Adj Net Profit	**5.8**	**6.9**	**7.2**	**5.1**	**4.0**	**9.5**	**6.3**	**7.8**	**27.7**	**27.5**	**7.0**	34.7	15%	135%
Change YoY (%)	48.7	20.2	67.9	-1.9	-46.0	15.5	-3.9	42.3	10.5	-0.7	-14.3			
Rep Net Profit	**5.8**	**6.9**	**7.2**	**5.1**	**4.0**	**9.5**	**6.3**	**7.8**	**27.7**	**27.5**	**7.0**	34.7	15%	135%
Key Parameters (%)														
Claims ratio	74.0	71.4	65.8	71.6	76.4	72.7	69.1	70.4	71.1	72.1	72.3	42bp	65bp	-363bp
Commission ratio	15.0	17.5	22.9	18.7	18.9	20.4	22.8	18.6	19.2	20.1	19.0	142bp	135bp	149bp
Expense ratio	13.3	15.6	14.0	12.1	11.9	13.9	13.0	11.7	13.1	12.6	13.5	39bp	-10bp	199bp
Combined ratio	102.3	104.5	102.7	102.5	107.2	107.0	104.9	100.8	103.4	104.8	104.8	223bp	191bp	-15bp

Y/E March	New estimates		Old estimates		Change	
	2027E	2028E	2027E	2028E	2027E	2028E
NEP	251.5	279.5	245.3	276.1	3%	1%
U/W Profit	-16.3	-12.9	-14.9	-13.0		
PBT	36.4	45.2	34.0	43.1	7%	5%
PAT	27.5	34.1	25.7	32.5	7%	5%
EPS (INR/share)	55.8	69.3	52.1	66.1	7.2%	4.9%
EPS Growth (%)	-0.7	24.1	-7.4	26.8		
BVPS (INR/share)	381.3	434.2	377.6	427.2		
Ratios (%)						
Claims	72.1	71.2	72.3	71.3	-15bp	-7bp
Commission	20.1	19.5	19.6	19.5	51bp	-4bp
Expense	12.6	12.3	12.6	12.3	3bp	2bp
Combined	104.8	103.0	104.5	103.1	39bp	-10bp
RoE	15.4	17.0	14.5	16.4	96bp	58bp

Aegis Logistics

BSE SENSEX	S&P CNX
72,782	22,623

CMP: INR1,489 TP: INR1,333 (-10%) Neutral

From domestic leader to global contender

- Aegis Logistics' proposed acquisition of an 89.8% stake in Tristar for USD809m marks a transformational step in its evolution from a domestic LPG and liquid logistics player to a global energy logistics platform. Operating across 30+ countries, Tristar provides Aegis with immediate scale, geographic diversification and access to complementary businesses across maritime logistics, fuel storage, distribution and aviatin fueling. Tristar reported USD1.4b in revenue, USD257m in EBITDA and USD82m in PAT in CY25.
- The transaction implies an enterprise value of USD1.5b for Tristar (~6x CY25 EBITDA; Aegis trades at 26x FY28E EBITDA), with potential operational synergies and a larger earnings base offering scope for long-term value creation. However, integration risks, cash-flow conversion and sustaining profitability amid recent margin pressure remain key monitorables.
- The stock has run up significantly in recent months, primarily driven by the strength in the LPG distribution segment's margin. While we are constructive about the growth outlook on the back of capacity addition and utilization improvement, valuations are not inexpensive. We have not factored in the proposed acquisition into our estimates and we maintain our LPG distribution EBITDA/mt assumptions at INR6,000/INR5,000 for FY27/FY28. We reiterate our Neutral rating with a TP of INR1,333, based on 36x FY28E EPS of INR37.

Tristar deal implies ~6x CY25 EBITDA

- Aegis, through its wholly owned step-down subsidiary Aegis Logistics International Pte, has entered into a definitive agreement to acquire an 89.8% stake in Tristar Holdings from Agility Tristar Holdings, Gulf Investment Corporation and Diamond Holdings for an equity consideration of USD809m, including contingent consideration and interest on deferred payments. The transaction is subject to applicable regulatory approvals and customary closing conditions and is **expected to be completed in 4QFY27**.
- **The transaction implies an enterprise value of USD1.5b at ~6x CY25 EBITDA.** Based on Agility's transaction disclosures, the deal implies an enterprise value of USD1.5b and an equity value of USD882m, translating into 6x CY25 EBITDA.

Potential operational synergies on the cards

- The acquisition could enable cross-selling across Aegis' domestic infrastructure and Tristar's global network, expand access to blue-chip customers and create opportunities for procurement efficiencies and improved asset utilization. The combined platform could also offer integrated logistics solutions across storage, transportation and fuel distribution, supporting international expansion and long-term growth.
- However, the extent and timing of these synergies remain uncertain, and their realization will depend on integration execution and the ability to translate the expanded operating footprint into incremental earnings and cash flows.

Stock Info

Bloomberg	AEGISLOG IN
Equity Shares (m)	351
M.Cap.(INRb)/(USDb)	522.7 / 5.5
52-Week Range (INR)	1529 / 576
1, 6, 12 Rel. Per (%)	13/146/94
12M Avg Val (INR M)	1396
Free float (%)	41.9

Financials Snapshot (INR b)

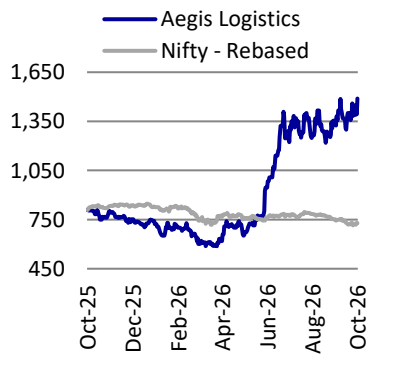
Y/E March	FY26	FY27E	FY28E
Sales	83.3	95.5	136.4
EBITDA	14.5	19.7	19.5
Adj. PAT	9.0	12.5	13.0
Adj. EPS (INR)	25.6	35.5	37.0
EPS Gr.%	35.4	38.7	4.4
BV/Sh.INR	172.5	195.6	219.7
Ratios			
Net D:E	-0.3	-0.2	-0.3
RoE (%)	16.8	19.3	17.8
RoCE (%)	15.3	17.3	16.4
Payout (%)	34.0	35.0	35.0
Valuation			
P/E (x)	58.2	42.0	40.2
P/BV (x)	8.6	7.6	6.8
EV/EBITDA (x)	34.8	25.9	25.8
Div. Yld (%)	0.6	0.8	0.9
FCF Yld (%)	2.3	-0.1	1.8

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	58.1	58.1	58.1
DII	3.6	3.7	6.4
FII	19.5	19.6	16.8
Others	18.8	18.7	18.7

FII includes depository receipts

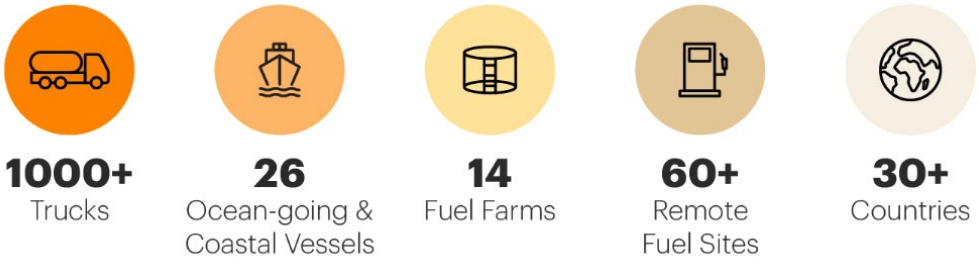
Stock performance (one-year)



Tristar: An integrated energy logistics platform across 30+ countries

- Established in 1998 and headquartered in Dubai, Tristar provides end-to-end liquid logistics solutions across maritime transportation, road transport, fuel storage, fuel distribution and aviation fueling. Its diversified operating platform spans the Middle East, Africa, Asia-Pacific, Europe and the Americas.
- Tristar's maritime operations support the transportation of petroleum products and chemicals, while its road transportation and fuel distribution businesses serve industrial and energy customers across multiple geographies. Its infrastructure portfolio includes fuel storage facilities and airport fueling infrastructure, providing capabilities across the energy supply chain. Tristar has also expanded into retail fuel distribution in Sri Lanka, where it increased its ownership to 95% in 2025, and commissioned new airport fuel infrastructure in East Africa.
- These capabilities complement Aegis' existing Indian operations across LPG, liquid storage and distribution, providing an established platform to expand its international presence.

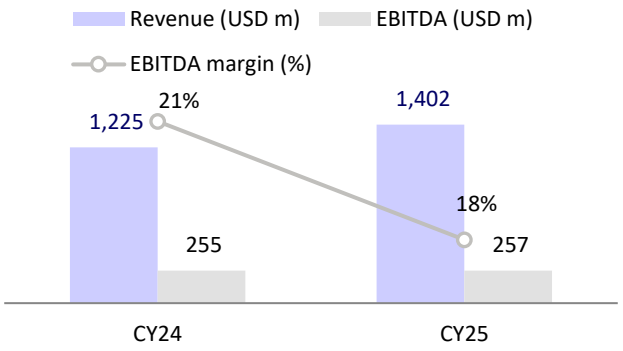
Tristar's operational footprint



Source: Agility, MOFSL

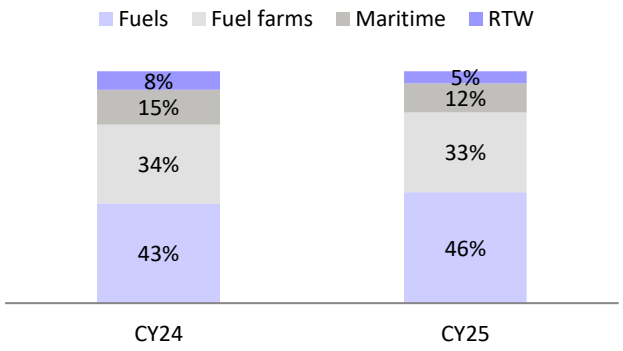
- **Financial Performance: Strong revenue growth, but margins under pressure**
  - Tristar's revenue increased 14.4% YoY to USD1.4b in CY25, following 11.8% growth to USD1.2b in CY24. EBITDA, however, remained broadly stable at USD257m in CY25 compared with USD255m in CY24, resulting in EBITDA margin contraction to 18.3% from 20.8%. EBIT declined to USD132m from USD152m, while net profit fell to USD82m from approximately USD95m. Agility attributed the pressure on EBIT partly to the charter-in impact of leased vessels in the maritime segment.
  - While the acquisition provides Aegis with an immediate and sizeable earnings base, the divergence between revenue and EBITDA growth warrants monitoring. Operating efficiency, segment-level profitability and cash conversion will be important determinants of the acquisition's financial contribution.

Tristar: Revenue grew 14% YoY, while EBITDA remained flat in CY25



Source: Company, Tristar, Agility, MOFSL

Tristar's product-wise revenue split (%)



Source: Tristar, Agility, MOFSL

Summarized financial information: Tristar (in USD m)

Particulars	CY24	CY25
Summarised statement of income:		
Revenue	1,225	1,402
Profit for the year	95	82
Allocation to NCI	-51	-40
Summarised statement of financial position:		
Total assets	1,848	1,729
Total liabilities	-1,848	-923
Total equity	764	807
Accumulated balances of non-controlling interests	396	400
Summarised cash flow information:		
Operating	290	105
Investing	-9	-14
Financing	-87	-161
Net (decrease) increase in cash and cash equivalents	194	-70

Source: Agility, MOFSL

Deal implies ~6x CY25 EBITDA

Particulars	USD m
Enterprise value	1,500
CY25 EBITDA	257
Implied EV/EBITDA valuation multiple (x)	5.8

Source: Agility, MOFSL

Valuation and view

- The stock has run up significantly in recent months, primarily driven by the strength in the LPG distribution segment's margin. While we are constructive about the company's growth outlook on the back of capacity addition and utilization improvement, valuations are not inexpensive.
- We estimate a 20% CAGR in PAT over FY26-28E; however, we believe current valuations at 40x FY28E EPS already factor in the strong expansion in capacity and earnings. We have not factored in the proposed acquisition into our estimates and we maintain our LPG distribution EBITDA/mt assumptions at INR6,000/INR5,000 for FY27/FY28. We reiterate our Neutral rating on the stock with a TP of INR1,333, based on 36x FY28E EPS of INR37.

HDB Financial Services

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	HDBFS IN
Equity Shares (m)	830
M.Cap.(INRb)/(USDb)	485 / 5.1
52-Week Range (INR)	797 / 555
1, 6, 12 Rel. Per (%)	-10/0/-11
12M Avg Val (INR M)	647

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total Income	89.7	103.6	118.2
PPP	61.2	72.0	82.3
PAT	25.4	32.7	37.2
EPS (INR)	30.6	39.4	44.8
EPS Gr. (%)	12	29	14
BV (INR)	249	288	333
Ratios			
NIM (%)	8.2	8.5	8.4
C/I ratio (%)	41.1	39.6	39.2
RoAA (%)	2.2	2.5	2.5
RoE (%)	13.9	14.7	14.4
Valuation			
P/E (x)	19.0	14.8	13.0
P/BV (x)	2.3	2.0	1.8
Div. Yield (%)	0.7	0.9	1.0

Shareholding pattern (%)

As of	Jun-26	Sep-25
Promoter	74.1	74.2
DII	12.1	10.9
FII	3.8	3.4
Others	10.0	11.5

FII includes depository receipts

CMP: INR584 **TP: INR655 (+12%)** **Neutral**

Business momentum improving; loan growth to pick up in 2H

Earnings in line; seasonal deterioration in asset quality but credit costs stable

- HDB Financial Services (HDBFIN)'s 2QFY27 PAT rose 34% YoY to ~INR7.8b (in line). NII grew 16% YoY to ~INR25.3b (in line). Other income stood at ~INR6.5b (down1% YoY).
- Opex grew ~7% YoY to ~INR14.1b. (in line) The cost-to-income ratio (CIR) in lending business declined ~60bp YoY to 39.3% (PY: 40.7% and PQ: 39.9%).
- Yields (calc.) fell ~5bp QoQ to 14.13%, while CoB (calc.) rose ~7bp QoQ to 7.05%, leading to spreads (calc.) declining by ~12bp QoQ to ~7.1%. NIM contracted ~12bp QoQ to ~8.23%, but the sequential decline was more seasonal in nature. Management remains focused on sustaining NIM at ~8.2% in the near term and maintaining it above 8% over the longer term. We estimate NIM of 8.5%/8.4% in FY27/FY28E (vs. 8.25% in FY26).
- HDBFIN expects AUM growth to accelerate to 17-18% from FY28 onward, with momentum improving progressively through 3Q/4QFY27 as disbursements pick up. Following subdued disbursement growth of just 4% in FY26, a stronger disbursement trajectory in FY27 is expected to underpin the recovery in loan growth in FY28. We model AUM CAGR of ~15% over FY26-28E.
- Management attributed the sequential increase in Stage 3 assets primarily to seasonality and slower book growth, rather than any material deterioration in portfolio quality. Asset quality in the used CV business saw some stress due to persistent delinquencies in older loan vintages. However, the company anticipates a potential rollback of slipped accounts from 3Q onward.
- Loan growth recovery is gradual, with management's expectation of 17-18% AUM growth in FY28 . The anticipated rate-hike cycle could weigh on margins through higher funding costs, while weak monsoons and drought conditions pose downside risks to asset quality. We believe a steady recovery in loan growth and stability in asset quality are key to improving earnings visibility.
- We keep our FY27E EPS broadly unchanged and cut our FY28E EPS by 4% to factor in lower fee income. We estimate a CAGR of 16%/15%/21% in disbursement/loans/PAT over FY26-28E, with RoA/RoE of ~2.5%/14.4% in FY28. **Reiterate Neutral with a TP of INR655 (based on 1.8x Sep'28E BVPS).**
- **Key risks:** 1) Business momentum remaining tepid; 2) asset quality deterioration due to El-Nino, weak monsoons and drought situations in multiple states; and 3) margin compression driven by rise in cost of funds.

Disbursements rise 19% YoY, but loan growth still muted at ~12% YoY

- Total loan book grew ~12% YoY and ~2.2% QoQ to INR1.24t. Enterprise lending loan book grew 9% YoY/2.4% QoQ, asset finance grew 8% YoY/1.3% QoQ, and consumer finance grew 22% YoY/3.4% QoQ during the quarter.
- Disbursements grew 19% YoY to INR185b. Enterprise lending disbursements grew ~26% YoY, asset finance disbursements rose 3% YoY, and consumer finance disbursements grew 27% YoY. Repayments (annualized) increased YoY to 52.2% (PY: 49.5% and PQ: ~48.2%).
- Management expects strong momentum in consumer finance, alongside improving trends in enterprise lending and asset finance, to support stronger overall growth trajectory by 4QFY27. We model a loan CAGR of ~15% over FY26-28E.

Minor deterioration in asset quality; GS3 rose ~9bp QoQ

- Asset quality saw minor seasonal deterioration, with GNPA rising ~10bp QoQ to ~2.43% and NS3 increasing ~5bp QoQ to ~1.1%. PCR declined ~75bp QoQ to ~55%. Stage 2 assets rose ~20bp QoQ to 2.1% (PQ: 1.9% and PY: 2.2%).
- Credit costs stood at ~INR7.3b (in line). Annualized credit costs stood at ~2.4% (PQ: ~2.3% and PY: ~2.7%). Management shared that drought condition in certain states is not a material near-term risk, given its limited tractor loan exposure in affected states and no direct crop loan exposure.
- HDBFIN continued to guide for normalized credit costs of ~2.3%, driven by expected improving trends in asset quality in the coming quarters. We estimate credit costs (as a % of avg. loans) of ~2.3% each in FY27E/FY28E.

Key highlights from the management commentary

- HDB highlighted that new CV financing is tracking at budgeted levels but used CV financing has underperformed expectations due to weak market demand and some internal execution issues. Corrective measures are underway, with management expecting disbursement growth to improve through 3Q-4QFY27 as festive demand, last-mile activity, post-monsoon recovery and construction activity support the market.
- Management shared that unsecured business loans returned to sequential growth (~0.2% QoQ) after six quarters of decline. Management expects this momentum to improve further.

Valuation and view

- HDBFIN reported a weak quarter, with earnings broadly in line with estimates but growth remaining subdued and asset quality showing a marginal deterioration amid minor stress in the asset-finance portfolio. NIM declined during the quarter, largely due to seasonal factors. With bank borrowings accounting for 43% of total borrowings and ~55-60% of these linked to the repo rate, further funding-cost pressure could weigh on margins in the coming quarters.
- HDBFIN currently trades at 1.8x FY28E P/BV. We estimate a CAGR of 16%/15%/21% in disbursement/AUM/PAT over FY26-28, with RoA/RoE of ~2.5%/14.4% in FY28E. **Reiterate Neutral with a TP of INR655 (premised on 1.8x Sep'28E BVPS).** With valuations largely factoring in medium-term growth potential, we will look for clearer evidence of stronger execution on loan growth, the ability to better navigate industry/product cycles, and structural (not just cyclical) improvement in return ratios.

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	38,315	38,865	39,890	40,813	42,620	43,508	45,009	47,079	1,57,883	1,78,216	43,558	-0
Interest Expenses	17,397	16,940	17,040	16,825	17,533	18,171	18,898	19,989	68,202	74,591	18,129	0
Net Interest Income	**20,918**	**21,925**	**22,850**	**23,988**	**25,087**	**25,337**	**26,111**	**27,089**	**89,681**	**1,03,624**	**25,429**	-0
YoY Growth (%)	*18.3*	*19.6*	*22.1*	*21.6*	*19.9*	*15.6*	*14.3*	*12.9*	*20.4*	*15.5*	*16.0*	
Other Income	6,339	6,589	6,845	6,641	6,759	6,545	6,872	7,345	14,175	15,527	6,989	-6
Total Income	**27,257**	**28,514**	**29,695**	**30,629**	**31,846**	**31,882**	**32,983**	**34,434**	**1,03,856**	**1,19,152**	**32,417**	-2
YoY Growth (%)	*14.2*	*18.4*	*18.8*	*17.1*	*16.8*	*11.8*	*11.1*	*12.4*	*19.5*	*14.7*	*13.7*	
Operating Expenses	13,235	13,209	13,970	13,671	14,324	14,146	14,592	15,339	42,655	47,157	14,461	-2
Operating Profit	**14,022**	**15,305**	**15,725**	**16,958**	**17,522**	**17,736**	**18,392**	**19,095**	**61,201**	**71,995**	**17,957**	-1
YoY Growth (%)	*17.2*	*24.4*	*23.2*	*26.7*	*25.0*	*15.9*	*17.0*	*12.6*	*23.2*	*17.6*	*17.3*	
Provisions & Loan Losses	6,697	7,483	7,122	6,846	6,971	7,299	7,358	7,335	28,148	28,963	7,221	1
Profit before Tax	**7,325**	**7,822**	**8,603**	**10,112**	**10,551**	**10,437**	**11,034**	**11,761**	**33,863**	**43,782**	**10,736**	-3
Tax Provisions	1,648	2,008	2,164	2,606	2,699	2,635	2,758	2,941	8,425	11,033	2,684	-2
Net Profit	**5,677**	**5,814**	**6,439**	**7,506**	**7,852**	**7,802**	**8,275**	**8,820**	**25,438**	**32,749**	**8,052**	-3
YoY Growth (%)	*-2.4*	*-1.6*	*36.3*	*41.4*	*38.3*	*34.2*	*28.5*	*17.5*	*16.9*	*28.7*	*38.5*	
Key Parameters (Calc., %)												
Yield on loans	14.2	14.1	14.1	14.0	14.2	14.1	14.2	14.3				
Cost of funds	7.8	7.4	7.4	7.0	7.0	7.0	7.1	7.3				
Spread	6.4	6.6	6.7	7.0	7.2	7.1	7.1	7.0				
NIM	7.7	7.9	8.1	8.2	8.4	8.2	8.2	8.2				
C/I ratio	48.6	46.3	47.0	44.6	45.0	44.4	44.2	44.5				
Credit cost	2.5	2.7	2.5	2.3	2.3	2.4	2.3	2.2				
Tax rate	22.5	25.7	25.2	25.8	25.6	25.2	25.0	25.0				
Balance Sheet Parameters												
Disbursements (INR b)	**152**	**156**	**179**	**199**	**176**	**185**	**210**	**229**				
Growth (%)	*-8.1*	*-0.5*	*10.1*	*12.9*	*16.2*	*18.7*	*17.0*	*14.9*				
AUM (INR b)	**1,093**	**1,114**	**1,146**	**1,185**	**1,218**	**1,245**	**1,293**	**1,350**				
Growth (%)	14.3	*13.0*	12.2	10.9	11.4	*11.7*	12.8	13.9				
Borrowings (INR b)	**915**	**905**	**929**	**992**	**1,021**	**1,044**	**1,077**	**1,119**				
Growth (%)	16.4	9.5	11.0	13.5	11.7	15.4	15.9	12.8				
Asset Quality Parameters												
GS 3 (INR B)	27.9	31.3	32.2	29.0	28.5	30.2						
GS 3 (%)	2.6	2.8	2.8	2.4	2.3	2.4						
NS 3 (INR B)	12.1	14.2	14.3	12.9	12.6	13.6						
NS 3 (%)	1.1	1.3	1.3	1.1	1.1	1.1						
PCR (%)	56.7	54.7	55.6	55.5	55.7	55.0						

Tata Technologies

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	TATATECH IN
Equity Shares (m)	406
M.Cap.(INRb)/(USDb)	302.7 / 3.2
52-Week Range (INR)	891 / 505
1, 6, 12 Rel. Per (%)	1/38/18
12M Avg Val (INR M)	963
Free float (%)	44.8

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	55.1	68.5	75.2
EBIT Margin (%)	12.9	14.0	15.0
PAT	5.5	8.0	9.6
EPS (INR)	15.6	19.7	23.6
EPS Gr. (%)	(5.9)	26.4	19.9
BV/Sh. (INR)	96.6	102.4	111.1
Ratios			
RoE (%)	14.6	19.8	22.2
RoCE (%)	16.8	18.4	20.7
Payout (%)	75.1	70.6	63.4
Valuations			
P/E (x)	47.8	37.8	31.5
P/BV (x)	7.7	7.3	6.7
EV/EBITDA (x)	35.1	25.8	22.1
Div Yield (%)	1.6	1.9	2.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	55.2	55.2	55.2
DII	4.5	3.5	3.3
FII	6.3	5.8	4.9
Others	34.1	35.6	36.6

FII includes depository receipts

CMP: INR746 TP: INR630 (-15%) Sell

FY27 growth outlook intact

Revenue growth on track despite softness in Germany

- Tata Technologies (TTL) reported revenue of USD178m in 2QFY27, up 1.9% QoQ in CC terms (broadly in line with our est. of 1.8% QoQ in CC). Services segment's revenue was USD142m, up 4.3% QoQ in CC. EBIT margin was 12.9% (down 40bp QoQ), below our estimate of 13.5%. Adj. PAT dipped 5.1% QoQ, but rose 3.6% YoY to INR1,714m (below our est. of INR2,004m).
- For 1HFY27, TTL's revenue/EBIT/adj. PAT grew 31%/27.2%/4.9% **YoY in INR** terms. For 2HFY27, we expect its revenue/EBIT/adj. PAT to grow of 18.8%/ 42.6%/50.9% YoY.
- **At ~32x 12M fwd P/E, we view TTL's valuations as premium relative to its growth and peers; we assign a TP of INR630 and reiterate our Sell rating.**

Our view: Margin expansion likely to remain gradual

- TTL reiterated its expectation of **strong double-digit** consolidated revenue growth in FY27, supported by 1HFY27 performance, ongoing program ramp-ups and pipeline conversion. Services revenue grew 4.3% QoQ in CC terms, with Automotive and Non-automotive both growing **7.5% QoQ in USD terms, excluding ESTEC**. The **ramp-up of recently secured large engagements** is expected to support growth in 2HFY27. We are building in **13.9% organic YoY CC growth for FY27**.
- **Margins are likely to improve sequentially, with operating leverage partly offset by investments:** EBIT margin was down QoQ by ~40bps in 2QFY27, as ~100bp headwind from the **annual salary increments was absorbed through operational efficiencies and business mix**. Sequential margin improvement in 2HFY27 will be supported by program ramp-ups and productivity initiatives.
- However, **subcontracting costs, higher depreciation and lease-related interest costs** following the Pune office investment, and continued spending on talent and AI capabilities could moderate the pace of expansion. We maintain our **14%/15% EBIT margin** estimates for FY27/FY28.
- **Large deal wins reinforce the shift towards full-vehicle engineering programs: Five large deals** were secured in 2QFY27, including a **USD138m** full-vehicle engineering program for a European luxury automotive OEM, covering two **vehicle programs over ~2.5 years**. The program has begun ramping up and is expected to contribute from 2HFY27, with further benefits extending into FY28.
- **Germany remained soft, but the shift in OEM R&D spending could benefit Indian engineering partners:** Demand at ESTEC remains subdued, particularly from its largest German customer, with some **additional softness expected in 3QFY27**. The near-term weakness is linked to **restructuring and cost-optimization measures** among German OEMs. However, we believe the gradual **globalization of R&D spending beyond Germany** will create opportunities for TTL.

- Aerospace is being developed as a **second growth engine**, supported by the **Airbus relationship** and demand for engineering capacity. In Technology Solutions, revenue declined **6.6% QoQ INR**, partly due to a change in the recognition of certain OEM-hosted licenses, which reduced **quarterly revenue by INR126m**. Excluding this impact, consolidated revenue growth would have been **2.8% QoQ INR vs. the reported 2.1%.** The product business is expected to **benefit from seasonal demand in 3QFY27**, while the **education business may remain under pressure** due to delays in infrastructure readiness at certain customer sites.

Valuations and changes to our estimates

- TTL's revenue CAGR is expected to be **~12.5% in USD terms over FY26-28**. We keep our estimates largely unchanged.
- Its EBITDA margin is likely to improve gradually through FY27, supported by operating leverage, business mix, program ramp-ups and productivity initiatives. However, margin **expansion will be limited** due to higher subcontracting costs to support global ramp-ups, higher lease and interest costs owing to the new Pune office and continued investments in AI and capabilities. The 18% and 20% EBITDA margin levels remain TTL's stated long-term aspirations rather than near-term guidance, and **we model 17.1%/18% EBITDA margins for FY27/FY28.**
- At ~32x FY28E P/E, **we believe the current valuation already reflects the strong double-digit growth guidance and continued margin expansion.** While execution has been better over the last three quarters, TTL trades at a ~90% premium to KPIT (17x FY28E P/E) and ~31% premium to Tata Elxsi (24x FY28E P/E). We therefore believe the premium valuation leaves limited room for error. We reiterate our **Sell** rating with a TP of INR630 based on 26x FY28E EPS**.**

Revenue in line but margins below est.; Services segment rose 4.3% QoQ CC

- TTL's USD revenue came in at USD178m; up 1.9% QoQ in CC terms, largely in line with our estimate of 1.8% QoQ CC growth.
- Services segment's revenue stood at USD142m and grew 4.3% QoQ in CC terms.
- Auto segment revenue was 80% in 2QFY27 (vs. 81% in 1QFY27).
- EBIT margin was 12.9% (down 40bp QoQ), below our estimate of 13.5%.
- Adj. PAT was down 5.1% QoQ, but was up 3.6% YoY to INR1,714m (below our estimate of INR2,004m).
- The Onsite:Offshore revenue mix was 65%: 35% vs. 66%: 34% in 1QFY27.
- Net headcount increased 2.5% QoQ in 2QFY27; total headcount stood at 12,895. Attrition (LTM) decreased 40bp QoQ to 15.6%.

Key highlights from the management commentary

- Management sees the auto industry at an inflection point, with Chinese OEMs setting new benchmarks on speed and cost, pushing Western OEMs to outsource more engineering.
- Germany remains weak, with VW targeting ~100,000 job cuts by 2030, but 2Q was in line with guidance and no incremental deterioration is seen in 2H.
- Management reiterated strong double-digit consolidated revenue growth for FY27, backed by program ramp-ups and healthy pipeline conversion.

- The 50m+ client bucket declined due to a planned, tactical change at one anchor customer, with recovery expected in 2HFY27.
- Strong double-digit growth is expected for several years, though 20%+ growth rate will become harder with scale, with investments in capability, infrastructure, and AI posing key challenges.
- Management expects to announce a couple more wins before the end of CY26, while competition outside India is mainly from European and North American ESPs, with Chinese players emerging.
- AI is a central pillar of its strategy, aimed at faster development cycles, lower costs and higher engineering productivity.

Quarterly performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue (USD m)	**145**	**151**	**153**	**171**	**175**	**178**	**181**	**184**	**620**	**719**	**178**	**-0.1**
QoQ (%)	-2.0	3.9	1.2	11.9	2.7	1.4	1.8	1.7			1.5	-5bp
Revenue (INR m)	**12,443**	**13,234**	**13,657**	**15,722**	**16,646**	**16,988**	**17,306**	**17,600**	**55,056**	**68,540**	**17,009**	**-0.1**
YoY (%)	-1.9	2.1	3.7	22.3	33.8	28.4	26.7	11.9	6.5	24.5	28.5	-16bp
GPM (%)	**23.2**	**22.7**	**21.9**	**24.8**	**25.0**	**27.1**	**28.0**	**28.0**	**23.2**	**27.0**	**24.2**	**286bp**
SGA (%)	7.1	7.0	7.8	8.7	8.9	11.0	10.0	10.0	7.7	10.0	7.9	308bp
EBITDA	**2,002**	**2,079**	**1,928**	**2,521**	**2,674**	**2,733**	**3,115**	**3,168**	**8,530**	**11,690**	**2,772**	**-1.4**
EBITDA Margin (%)	**16.1**	**15.7**	**14.1**	**16.0**	**16.1**	**16.1**	**18.0**	**18.0**	**15.5**	**17.1**	**16.3**	**-21bp**
EBIT	**1,688**	**1,770**	**1,568**	**2,054**	**2,207**	**2,190**	**2,561**	**2,605**	**7,080**	**9,563**	**2,295**	**-4.6**
EBIT Margin (%)	**13.6**	**13.4**	**11.5**	**13.1**	**13.3**	**12.9**	**14.8**	**14.8**	**12.9**	**14.0**	**13.5**	**-60bp**
Other income	589	436	227	152	215	113	277	282	1,404	886	357	-68.4
ETR (%)	26.8	26.7	27.7	28.5	28.2	29.1	26.0	26.0	27.4	27.2	27.0	207bp
Adj. PAT	**1,703**	**1,655**	**1,350**	**1,625**	**1,807**	**1,714**	**2,226**	**2,264**	**6,333**	**8,012**	**2,004**	**-14.4**
QoQ (%)	-9.8	-2.8	-18.4	20.4	11.2	-5.1	29.9	1.7			10.9	
YoY (%)	5.1	5.2	-19.9	-14.0	6.1	3.6	64.9	39.3	-5.9	26.5	21.1	
Exceptional Items	**0**	**0**	**1,284**	**-417**	**0**	**0**	**0**	**0**	**867**	**0**	0.0	
PAT	**1,703**	**1,655**	**66**	**2,042**	**1,807**	**1,714**	**2,226**	**2,264**	**5,466**	**8,012**	**2,004**	**-14.4**
Adj. EPS (INR)	4.2	4.1	3.3	4.0	4.5	4.2	5.5	5.6	15.6	19.7	4.9	-14.5

Kalpataru Projects International

BSE SENSEX	S&P CNX
72,782	22,623

CMP: INR1,400 TP: INR1,670 (+19%) Buy

Rightly positioned

Kalpataru Projects (KPIL) is adequately positioned to benefit from improved ordering in the transmission and B&F segments and is looking to expand its presence in the oil and gas (O&G) segment. With an order book of INR666b as of 1QFY27 and strong order inflows of ~INR200b in YTDFY27, revenue visibility for next 2.5-3 years looks healthy. The company has also been able to improve its revenue mix, thereby resulting in better control over margin, working capital and net debt vs. its peers. With most of its non-core assets now out of the books and a strong balance sheet, management is focusing on strengthening its presence in high-growth areas and building capabilities for large projects. We retain BUY on KPIL with a revised SoTP-based TP of INR1,670 on roll forward, valuing the core business at 18x two-year forward earnings.

Strong inflows from domestic and international boost revenue visibility

KPIL's order inflows stood at INR77b in 1QFY27 and have ramped up since, with YTDFY27 inflows at ~INR200b (up 30% YoY from 1HFY26) – about two-thirds of the FY27 target of INR300b. These inflows have come from diverse segments such as power T&D, B&F and O&G. KPIL also won a major gas pipeline EPC order of ~INR40b in the UAE and continues to add overseas T&D and water mandates. Domestically, T&D and B&F remain the key drivers, with B&F backlog at INR196b and T&D backlog at INR296b as of 1QFY27. KPIL is also L1 in projects worth over INR120b, providing further visibility for inflows in 2HFY27. We maintain our estimates and build inflows of INR350b/INR395b for FY27/28, providing revenue runway over the medium term.

Building up O&G segment after T&D and B&F

KPIL is building up its O&G segment as a third growth leg after T&D and B&F. The Mar'24 order of USD907m from Saudi Aramco to lay over 800km of lateral gas pipelines is currently under execution. The O&G segment formed 6% of the INR666b order book as of 1QFY27. KPIL is planning to expand its presence in the segment and is qualified with large utilities in the Middle East (Saudi Arabia, Abu Dhabi, Kuwait, Qatar). It has recently bagged a large EPC contract (>INR40b) from a gas pipeline project in the UAE.

Favorable revenue mix

Most of the order inflows have come in T&D and B&F and the combined share of T&D and B&F in the overall order book was around 74% as of Jun'26. In both T&D and B&F, the company has built a strong presence across years and the margin profile is relatively better than railways and water. Water segment formed 11% of order book in 1QFY27, and the payment situation is also easing out from central and state authorities. Going forward, we expect T&D/non-T&D mix at 51%/49%.

Stock Info

Bloomberg	KPIL IN
Equity Shares (m)	171
M.Cap.(INRb)/(USDb)	239.1 / 2.5
52-Week Range (INR)	1500 / 1007
1, 6, 12 Rel. Per (%)	1/25/21
12M Avg Val (INR M)	300
Free float (%)	66.4

Financials & Valuations (INR b)

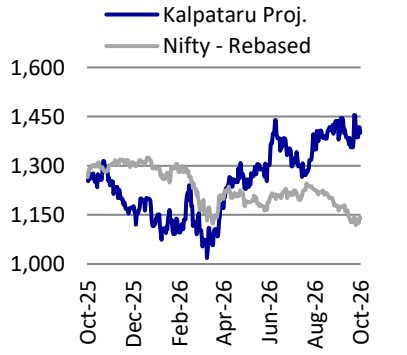
Y/E MARCH	FY27E	FY28E	FY29E
Net Sales	265.3	303.1	345.7
EBITDA	23.3	26.7	30.4
PAT	11.9	13.8	16.3
EPS (INR)	69.6	81.0	95.5
GR. (%)	18.7	16.5	17.8
BV/Sh (INR)	541.5	613.6	700.1
Ratios			
ROE (%)	13.6	14.0	14.5
RoCE (%)	12.3	12.9	13.5
Valuations			
P/E (X)	20.1	17.3	14.6
P/BV (X)	2.6	2.3	2.0
EV/EBITDA (X)	10.6	9.2	7.9
Div Yield (%)	0.6	0.6	0.6
Y/E MARCH	FY27E	FY28E	FY29E
Net Sales	265.3	303.1	345.7

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	40.2	40.2	40.2
DII	27.2	28.1	25.5
FII	19.4	18.2	18.0
Others	13.2	13.5	16.3

FII Includes depository receipts

Stock Performance (1-year)



Comfortable net debt position

KPIL's net debt has come down in the last three years with control over cash flows and divestment of non-core assets. This debt will further decline after the stake sale in Linjemontage through its IPO. The company has reduced its stake in Linjemontage from 96.12% before IPO to 65.9% now. With a comfortable net debt position and most of its non-core assets now out of the books, management is focusing on strengthening its presence in high-growth areas and building capabilities for large projects in both domestic and international markets.

Financial outlook

We expect KPIL's growth to be driven by a healthy prospect pipeline (YTDFY27 inflows of ~INR200b and an order backlog of INR666b as of 1QFY27-end), improving execution, diversification in non-T&D segments, a stable-to-improving margin trajectory, and comfortable leverage. We estimate revenue/EBITDA/PAT CAGR of 14%/14%/18% over FY26-29.

Valuation and recommendation

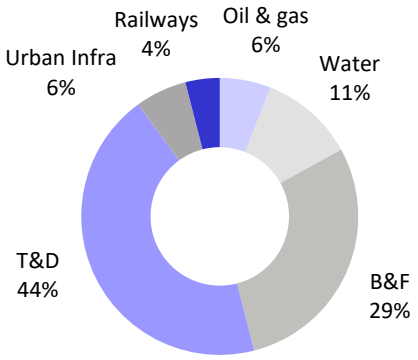
We maintain our estimates with an EBITDA margin of around 8.8% for the years ahead. KPIL is currently trading at 20.1x/17.3x/14.6x P/E on FY27E/FY28E/FY29E earnings. **We retain our BUY rating with a revised SoTP-based TP of INR1,670 on roll forward, valuing the core business at 18x P/E on Dec'28E EPS.**

Key risks

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

Strong order book and inflows

KPIL's order book at INR666b as of 1QFY27-end, with T&D and B&F making up 73%



Source: Company, MOFSL

Motherson Wiring

BSE SENSEX	S&P CNX
72,782	22,623

Bloomberg	MSUMI IN
Equity Shares (m)	6632
M.Cap.(INRb)/(USDb)	225 / 2.4
52-Week Range (INR)	54 / 33
1, 6, 12 Rel. Per (%)	-3/-7/-13
12M Avg Val (INR M)	436

Financials & Valuations (INR b)

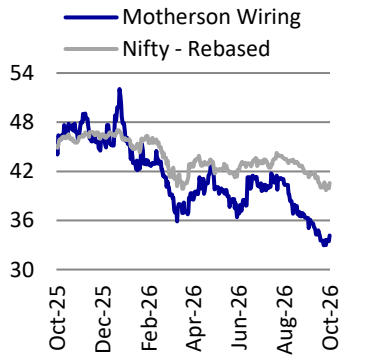
Y/E March	2026	2027E	2028E
Sales	114.8	137.7	157.0
EBITDA	10.6	11.0	13.6
Adj. PAT	6.3	6.1	7.9
EPS (Rs)	0.9	0.9	1.2
EPS Growth (%)	3.2	-2.0	28.3
BV/Share (Rs)	3.3	3.6	4.1
Ratios			
Net D:E	0.0	0.0	0.0
RoE (%)	32.4	26.9	30.6
RoCE (%)	37.4	32.3	36.9
Payout (%)	61.5	69.3	63.3
Valuations			
P/E (x)	36.0	36.7	28.6
P/BV (x)	10.4	9.4	8.2
Div. Yield (%)	1.7	1.9	2.2
FCF Yield (%)	2.5	2.1	3.0

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	61.7	61.7	61.7
DII	17.9	17.4	16.3
FII	8.9	9.7	10.4
Others	11.5	11.1	11.7

FII Includes depository receipts

Stock's performance (one-year)



CMP: INR34 **TP: INR41 (+22%)** **Buy**

Demand remains strong; margins set to bottom soon

Motherson Wiring (MSWIL) has corrected ~25% over the past year, driven primarily by margin pressure rather than any deterioration in its growth outlook. Elevated copper prices and a lag in customer pass-through, a slower-than-expected ramp-up of greenfield facilities, and the minimum-wage hike in the NCR region have been the key drivers of margin contraction. We believe these headwinds are largely transitory. Despite rising copper prices, the catch-up in cost pass-through should support margins, while improving utilization at greenfield facilities should drive a recovery in profitability through 2HFY27. The medium-to-long-term thesis remains unchanged. MSWIL has consistently outgrown underlying passenger-vehicle production, supported by its market-leading position in India's wiring harness industry, deep relationships with leading OEMs, and strong execution capabilities. Growth remains underpinned by rising content per vehicle (premiumization, electrification, and increasing feature complexity), higher EV penetration, localization opportunities, deeper participation across existing customer platforms, and continued new model launches by OEMs. MSWIL also enjoys strong capital efficiency, with management maintaining a >40% RoCE objective and the company having historically delivered returns above this threshold. Given its competitive positioning, top-decile capital efficiency, and the benefits of EVs and other mega-trends in autos, we believe MSWIL deserves the rich valuations it commands, and the correction offers a more attractive entry point. We reiterate our BUY rating with a TP of INR41 (based on 35x FY28E EPS).

Growth levers already in place

- MSWIL's growth outlook is supported by a combination of near-term capacity ramp-up, deeper participation across existing OEM platforms, and structurally rising electrical and electronic content per vehicle.
- In the near term, the ramp-up of greenfield facilities at Navagam, Kharkhoda, and Pune, alongside the commencement of new customer programs, should remain important growth drivers. The three facilities generated INR10.4b of revenue in FY26, while management has indicated combined annualized revenue potential of around INR20–21b, subject to customer production schedules and volume ramp-up (1QFY27 revenue stood at INR4.5b). As of 1QFY27, utilization stood at ~80% at Kharkhoda, ~60% at Navagam, and ~50% at Pune, with the latter affected by customer volumes falling short of initial forecasts. This leaves meaningful headroom for revenue growth from capacity that has already been commissioned.
- Alongside capacity ramp-up, MSWIL continues to benefit from new model launches, premiumization, and deeper participation with existing OEM customers. The company's long-standing relationships and technological capabilities have led customers to entrust it with more platforms, higher content, and greater responsibility, supporting growth ahead of underlying industry volumes.

- The more structural growth driver, however, is the increasing electrical and electronic content per vehicle, which should enable wiring-harness demand to grow faster than underlying vehicle production over time. Premiumization, connected-car features, infotainment, electronically controlled safety systems, sensors, cameras, and ADAS are increasing the number and complexity of electrical and data connections within vehicles, thus increasing the content per vehicle over time.
- MSWIL is positioning itself for this transition through a powertrain-agnostic portfolio spanning ICE, EV, hybrid, and CNG platforms. Its capabilities extend across low- and high-voltage harnesses, while the company is also expanding into high-voltage, dual-voltage and integrated harness systems, and charging and power-electronics solutions.
- Backed by the ramp-up of greenfield facilities and incremental order wins from the model launch pipeline of OEMs over the next two years, we expect MSWIL to record a 17% revenue CAGR over FY26-28. For FY27, we currently factor in a 20% revenue growth (below the company's guidance of over 24%).

Margin headwinds should ease as pass-through catches up

- MSWIL's profitability has come under increasing pressure over the past few quarters, with reported EBITDA margin contracting to 7.6% in 1QFY27 from 9.8% in 1QFY26. Key headwinds include: i) start-up costs at greenfield facilities, ii) a lag in the contractual pass-through of sharply higher copper prices and, more recently, iii) an increase in statutory minimum wages.
- In FY26, MSWIL ramped up its Pune, Kharkhoda, and Navagam facilities, simultaneously. Wiring-harness manufacturing is manpower-intensive, and labor and supervisory staff must be deployed and trained ahead of the full customer-volume ramp-up. This created negative operating leverage in the initial stages of production.
- By 1QFY27, management indicated that quarterly greenfield revenue was broadly stable at ~INR4.5b, and that the facilities had reached around break-even. Management subsequently clarified that this assessment excludes the copper pass-through lag. On a reported basis, the greenfield facilities in aggregate had yet to make a meaningful EBITDA contribution in 1QFY27.
- Further, margin expansion should come from higher utilization and better productivity as the plants mature. Management expects profitability to move progressively closer to that of established plants as volumes approach normal utilization levels.
- The current commodity-pressure cycle first became visible in 4QFY25. Average copper prices rose from INR836/kg in 3QFY25 to INR883/kg in 1QFY26 and INR929/kg in 2QFY26, before accelerating ~15% QoQ to INR1,067/kg in 3QFY26. The sharp rise created a temporary mismatch between procurement costs and customer price resets. Management quantified the 3QFY26 impact at ~200bp, reflecting a three- to six-month lag in customer pass-through.
- Pressure intensified in 4QFY26, when average copper rose another ~18% QoQ to INR1,259/kg. Management estimated profitability impact of the recovery lag at ~200-250bp for the quarter.

- In 1QFY27, average copper rose a further ~7% QoQ to INR1,348/kg. The pace of sequential inflation moderated from ~18% in 4QFY26, and quarterly customer resets had already begun to incorporate the earlier increases.
- We expect copper to rise further in 2QFY27. However, pending pass-through of the 4QFY26 and 1QFY27 increases, along with operating leverage on higher production volumes, should support 2QFY27 margins. Normalization of copper prices by the end of FY27 should help margins recover in FY28.
- In addition to normal wage/VDA revisions across plants, MSWIL faced a 35-40% increase in minimum wages in the NCR region. Given the labor-intensive nature of wiring-harness assembly, the impact on profitability is meaningful. MSWIL is in discussions with customers to recover these exceptional cost increases.
- The catch-up in contractual copper pass-through, improving greenfield utilization and productivity, and potential recovery of exceptional wage increases should together support a gradual recovery in EBITDA margins over the next few quarters. For FY27, we expect margins to remain under pressure at around 1Q levels, before recovering marginally to 8.7% in FY28.

Valuation and view

- MSWIL offers a pure play on the Indian automotive market (>95% of revenue from India). With over 40% market share, the company enjoys a market leadership position in the Indian wiring harness industry, with strong headroom for a sustainable increase in content, benefiting from mega trends witnessed in the automotive industry (premiumization, electrification, connected vehicles, etc.).
- The company enjoys healthy returns, led by superior efficiencies and economies of scale, healthy margins, higher asset turnover, and lower capex requirements. These parameters reflect high capital efficiencies and superior cash-flow generation.
- With copper prices now stabilizing, we do expect margins to gradually normalize in the coming quarters as the benefit of price pass-through will be reflected in financials. Overall, we estimate MSWIL to post a CAGR of 17%/13%/12% in revenue/EBITDA/PAT over FY26-28. The company's premium valuations at 36x/28x FY27E/FY28E EPS seem justified, given its strong competitive positioning, top-decile capital efficiency, and benefits of EVs and other mega trends in autos. **We reiterate our BUY rating with a TP of INR41 (based on 35x FY28E EPS)**.

Economy | Macro-Cap

The cost shock deepens!

- **WPI inflation accelerated to 11.4% YoY in Sep'26 from 9.9% in Aug'26,** indicating a sharp broadening of wholesale price pressures. On a month-on-month (MoM) basis, WPI inflation rose by 1.5% in Sep'26 vs. a 0.7% increase in Aug'26. The increase was broad-based, with higher prices across fuel and power, primary articles and manufactured products. **Rising energy and industrial commodity prices, coupled with a sharp increase in primary food inflation, contributed to the acceleration.**
- The impact of the West Asia conflict on global energy prices has pushed up crude oil, petroleum products and industrial input costs. **However, the pass-through of higher input costs from WPI to CPI is not yet clearly evident.** The recent increase in CPI inflation has been driven primarily by food prices, rather than by a broad-based pass-through of higher wholesale input costs. Going forward, if elevated energy and industrial commodity prices persist, their impact could become more visible in CPI during 3QFY27 as higher transportation, logistics, and manufacturing costs feed through to retail prices. A sustained increase in both food and non-food inflation could also risk un-anchoring inflation expectations and trigger second-round price pressures.
- **The rise in WPI inflation in Sep'26 was driven primarily by higher energy prices and a spike in crude petroleum and natural gas inflation**. Fuel and Power inflation rose to 25.9% YoY in Sep'26 from 22.9% in Aug'26, while inflation in crude petroleum and natural gas surged to 57.3% from 34.4%. Mineral oils inflation rose to 40.0% in Sep'26 vs. 38.5% in Aug'26, while coal and lignite inflation increased to 9.3% in Sep'26 from 1.6% in Aug'26.Therefore, imported inflation surged to 17.8% YoY in Sep'26, up from 15.0% YoY in Aug'26.
- **WPI food inflation accelerated to 8.6% YoY in Sep'26 from 7.1% YoY in Aug'26, reflecting a sharp increase in primary food inflation**. Inflation in primary food articles rose to 8.1% in Sep'26 from 5.7% in Aug'26. In contrast, inflation in manufactured food products moderated marginally to 9.4% in Sep'26 (from 9.7% in Aug'26), although it remained elevated. The persistence of elevated manufactured food inflation indicates that processing, packaging and other production costs remain important sources of inflationary pressure throughout the food supply chain.
- **Inflation in manufactured products rose to 9.8% YoY in Sep'26 from 8.4% YoY in Aug'26.** Inflation accelerated across basic metals (17.0% vs 10.9%), chemicals (16.7% vs 14.3%), textiles (13.9% vs 12.6%), rubber and plastic products (13.5% vs 11.2%), and electrical equipment (11.9% vs 11.1%) in Sep'26 compared with Aug'26. **The spike in metals and chemicals inflation is particularly significant given their role as intermediate inputs across several industries. If these pressures persist, manufacturers may face a combination of margin compression and higher selling prices, depending on demand conditions and their ability to pass on increased costs.**

- **Agricultural terms of trade improved in Sep'26, with the contraction narrowing to 2.4% in Sep'26 from 4.0% in Aug'26.** Nevertheless, the terms of trade remained in contraction, indicating that pressures on agricultural profitability have not fully dissipated. The impact on farm incomes will continue to depend on movements in agricultural output prices relative to input costs, alongside crop-specific realizations and supply conditions.
- **Output Producer Price Inflation (OPPI) accelerated in Sep'26, rising to 11.4% YoY in Sep'26 from 9.8% in Aug'26.** Inflation increased in mining and quarrying (21.3% in Sep'26 vs 15.1% in Aug'26), manufactured products (12.6% vs 11.0%), and agriculture, forestry and fishing (8.5% vs 7.3%), while deflation in electricity prices narrowed (-0.3% in Sep'26 vs -1.7% in Aug'26). Within manufacturing, inflation rose in coke and refined petroleum products (39.6% in Sep'26 vs 37.9% in Aug'26), chemicals (16.7% vs 14.2%), textiles (16.1% vs 14.4%), rubber and plastic products (14.1% vs 11.8%), and basic metals (17.3% vs 11.0%). **These trends indicate that selling-price pressures remain elevated across several industrial segments, potentially reflecting higher commodity costs and ongoing price adjustments by producers.**
- **Input Producer Price Inflation (IPPI) for the manufacturing sector increased to 1.8% MoM in Sep'26 following a 1.2% MoM dip in Aug'26, indicating a renewed increase in manufacturing input costs**. The rebound was led by a 9.2% MoM increase in coke and refined petroleum products in Sep'26, following a 13.8% decline in Aug'26. Input prices also increased in chemical products (2.3% MoM in Sep'26 vs 0.8% in Aug'26), rubber and plastic products (1.9% MoM in Sep'26 vs 1.3%), basic metals (1.6% vs 0.2%), electrical equipment (1.3% vs 0.9%) and textiles (1.1% vs -0.2%).
- **The combination of rebounding input costs and accelerating output producer prices suggests that cost pressures remain significant. If sustained, these increases could squeeze manufacturers' margins or lead to higher final-goods prices, depending on pricing power and demand conditions.**

CEAT

BSE SENSEX	S&P CNX
72,782	22,623

Conference Call Details



Date: 15th Oct 2026
Time: 4pm IST
Dial-in details:
Diamond Pass Registration

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	156.8	179.4	199.4
EBITDA	20.5	16.5	24.9
Adj. PAT	7.5	3.2	9.1
EPS (Rs)	185.1	79.9	224.7
EPS Growth (%)	51.5	-56.8	181.2
BV/Share (Rs)	1,247	1,307	1,483
Ratios			
RoE (%)	15.9	6.3	16.1
RoCE (%)	13.3	7.5	13.7
Payout (%)	20.3	27.1	21.4
Valuations			
P/E (x)	18.1	42.0	14.9
P/BV (x)	2.7	2.6	2.3
EV / EBITDA (x)	8.2	9.8	6.5
Div. Yield (%)	1.0	0.7	1.4

CMP: INR3,358 — Buy

Margin beat despite RMC pressure leads to a beat on PAT

- CEAT's net sales grew 26.2% YoY to INR47.6b in 2QFY27, beating our estimates, aided by healthy YoY volume and realization growth across segments. Volumes registered marginal QoQ growth, led by the OEM and international business segments.
- Realizations improved both sequentially and on a YoY basis, primarily due to price hikes taken across segments.
- **Segmental mix:** Truck/bus 27%, 2/3Ws 28%, PV 23%, OHT 16%, Others 6%
- **Market mix:** Replacement 50%, OEM 30%, Exports 20%
- Gross margin dipped 630bp YoY but grew ~70bp QoQ to 34.6%. RM basket prices grew in high-single digit on a sequential basis.
- EBITDA margin dipped 370bp YoY (up 110bp QoQ) to 9.6%, against our exp of 8.2%. EBITDA was down ~9% YoY to INR4.6b. The YoY margin contraction was primarily attributable to RMC pressure.
- The company witnessed an one-time exceptional expense of INR130m as compensation for employees who opted for the VRS.
- Interest burden was much lower than expected at ~INR870m (est. INR980m).
- Led by lower-than-expected costs and QoQ margin expansion, CEAT's 2QFY27 earnings beat our estimates, despite declining 35% YoY to INR1.2b.
- Capex outflow for the quarter stood at INR4.93b. Debt increased to INR38.5b, from INR32.4b QoQ, and, as a result, the D/E ratio rose QoQ to 0.77x. Net working capital was also up sequentially to INR2.58b.
- CFO for 1HFY27 stood at INR3.4b with FCF at a negative INR4.6b.
- The stock currently trades at 42x/14.9x FY27E/FY28E P/E.

Consolidated - Quarterly Earnings Model (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**35,294**	**37,727**	**41,571**	**42,189**	**43,180**	**47,620**	**44,480**	**44,129**	**156,780**	**179,409**	**44,475**	**7.1**
YoY Change (%)	10.5	14.2	26.0	23.3	22.3	26.2	7.0	4.6	18.6	14.4	17.9	
RM cost (%)	63.2	59.1	60.1	60.3	66.1	65.4	64.5	62.0	60.6	64.5	66.0	-60bps
Employee cost (%)	6.4	6.9	6.8	7.1	6.9	6.7	6.9	6.7	6.8	6.8	6.8	-10bps
Other expenses (%)	19.4	20.6	19.6	18.5	18.6	18.2	19.9	21.3	19.5	19.5	19.0	-80bps
EBITDA	**3,877**	**5,034**	**5,634**	**5,927**	**3,650**	**4,570**	**3,870**	**4,416**	**20,472**	**16,506**	**3,647**	**25**
YoY Change (%)	1.3	38.9	65.3	52.7	-5.9	-9.2	-31.3	-25.5	38.9	-19.4	-27.6	
Margins (%)	11.0	13.3	13.6	14.0	8.5	9.6	8.7	10.0	13.1	9.2	8.2	140bps
Depreciation	1,514	1,739	1,881	1,841	1,860	1,930	2,100	2,195	6,974	8,085	2,000	-4
Interest	821	870	1,050	847	1,460	870	990	1,113	3,586	4,433	980	-11
Other Income	47	39	61	257	60	50	52	88	404	250	40	25
PBT before EO expense	**1,590**	**2,464**	**2,763**	**3,498**	**390**	**1,820**	**832**	**1,195**	**10,316**	**4,237**	**707**	**157**
Exceptional item	33	0	580	100	70	130	0	0	-712	70	0	
PBT	**1,558**	**2,464**	**2,183**	**3,398**	**320**	**1,690**	**832**	**1,195**	**9,603**	**4,167**	**707**	**139**
Tax Rate (%)	26.9	27.6	31.0	29.8	103.1	30.8	24.0	13.1	29.0	28.9	24.0	
Minority Int. & Profit of Asso. Cos.	14	-72	-50	-55	-50	50	-43	-140	-166	-182	-43	
Reported PAT	**1,125**	**1,857**	**1,558**	**2,439**	**40**	**1,120**	**675**	**1,179**	**6,981**	**3,144**	**581**	**93**
Adj PAT	**1,148**	**1,857**	**1,969**	**2,509**	**90**	**1,210**	**675**	**1,179**	**7,504**	**3,193**	**581**	**108**
YoY Change (%)	-23	52	103	98	-92	-35	-66	-53	47	-57	-68.7	



Canara Bank: A Good Q2FY27 For Canara Bank | Credit Growth Guidance Of 11-12% Will Be Better
Brajesh Kumar Singh, MD & CEO

- Credit growth guidance of 11-12% will be better on strong festive season demand
- Deposit growth will catch up and the gap between deposit and advances growth will narrow down
- Net Interest Margin will be protected and maintained in the 2.50-2.60% range

Read More

Hero Motors Surges On Strong Q1FY27 Numbers; Mgmt Eyes Double-Digit Growth
Amit Gupta, MD & CEO

- Revenue grew 25% in 1Q; double-digit growth expected in FY27.
- Margins expected to improve, with 14–15% possible by FY27 exit; alloys business targets profitability.
- Powertrain share to rise to 57%; EVs may reach 40–45% of powertrain revenue.
- Deleveraging: ₹600cr IPO proceeds could deliver ₹40–45cr annual finance-cost benefits.

Read More

Senco Gold: Eyes 25% Q3 Growth! Suvankar Sen Flags Strong Festive And Wedding Demand
Suvankar Sen, MD & CEO

- FY27 growth guidance raised to 25%+, with 18–19% from existing stores and 6–7% from new stores.
- Store Expansion: Targets 18–20% growth in store count during FY27.
- Festive Demand: Expects 20–25% growth in 3Q, driven by festive and wedding demand.
- Diamond jewellery sales grew ~12%, supported by demand for lightweight and studded designs.

Read More

Vijay Sales: Value Growth Would Be Over 20-25% This Festive Season With 5-8% Unit Growth
Nilesh Gupta, Director

- Diwali value growth expected at 20–25%, with unit growth of 5–8%.
- Mobile/laptop prices rose 40%/25–30%; 75–80% of sales are EMI-funded, supporting demand.
- Extended summer has boosted AC sales, providing a festive-season tailwind.
- Emerging Categories: Robotic vacuum cleaners and air fryers are key growth categories.

Read More

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

NOTES

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

In the past 12 months, MOFSL or any of its associates may have:
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 it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
Research Analyst may have served as director/officer/employee in the subject company.
MOFSL and research analyst may engage in market making activity for the subject company.
MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

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

Disclosure of Interest Statement
Analyst ownership of the stock No
A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

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

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

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

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

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

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

Disclaimer:
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 dpgrievances@motilaloswal.com.