

**Market snapshot**



Equities - India	Close	Chg .%	CYTD.%
Sensex	80,982	-1.1	12.1
Nifty-50	24,718	-1.2	13.7
Nifty-M 100	57,914	-1.0	25.4
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,347	-1.8	12.1
Nasdaq	16,776	-2.4	11.8
FTSE 100	8,175	-1.3	5.7
DAX	17,661	-2.3	5.4
Hang Seng	5,975	-1.8	3.6
Nikkei 225	35,910	-5.8	7.3
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	78	-4.4	0.8
Gold (\$/OZ)	2,443	-0.1	18.4
Cu (US\$/MT)	8,934	0.1	5.6
Almn (US\$/MT)	2,203	-1.6	-6.1
Currency	Close	Chg .%	CYTD.%
USD/INR	83.7	0.0	0.6
USD/EUR	1.1	1.1	-1.2
USD/JPY	146.5	-1.9	3.9
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.9	-0.02	-0.3
10 Yrs AAA Corp	7.4	-0.06	-0.3
Flows (USD b)	2-Aug	MTD	CYTD
FII	-0.4	2.95	3.9
DII	0.35	3.16	31.6
Volumes (INRb)	2-Aug	MTD*	YTD*
Cash	1,413	1432	1295
F&O	1,31,004	2,81,357	3,77,668

Note: Flows, MTD includes provisional numbers.

\*Average



**Today's top research idea**

**State Bank of India: Earnings in line; growth outlook remains healthy**

- ❖ SBIN reported 1QFY25 PAT of INR170.4b (up 1% YoY, in line), driven by controlled opex. NII grew 5.7% YoY to INR411.3b (4% miss). NIMs moderated 8bp QoQ to 3.22%. Opex growth was under control at 1% YoY to INR258.4b (9% lower than MOFSLe), resulting in 5% YoY growth in PPOp to INR264.5b (in line).
- ❖ Loan book grew 16% YoY/1% QoQ, while deposits grew 8% YoY (flat QoQ). CASA ratio moderated 41bp QoQ to 40.7%. Fresh slippages stood at INR79.03b in a seasonally weak quarter (annualized slippage rate of 0.84%). Credit cost stood at 0.48% vs. 0.32% in 1QFY24. GNPA ratio improved by 3bp QoQ to 2.2%, while NNPA ratio was flat at 0.6%. PCR ratio declined 61bp QoQ to 74.4%.
- ❖ We broadly maintain our earnings estimates and expect FY26 RoA/RoE of 1.1%/18.2%. Reiterate BUY with a TP of INR1,015 (1.5x FY26E ABV).



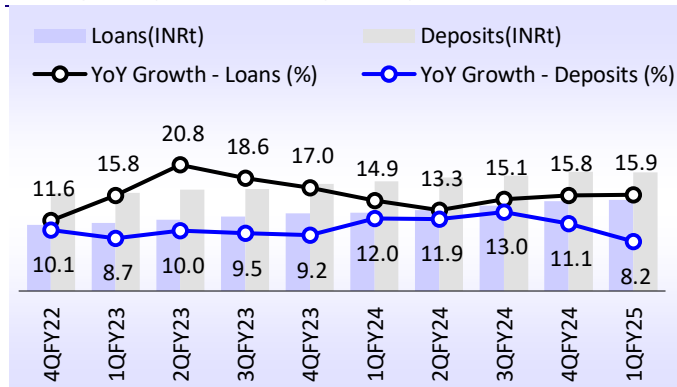
**Research covered**

Cos/Sector	Key Highlights
State Bank of India	Earnings in line; growth outlook remains healthy
India Strategy (Interim earnings review)	1QFY25 in line; Domestic cyclicals igniting resilience
Bulls & Bears	Nifty scales a new peak; FIIs witness the second consecutive month of inflows
Other Updates	Titan Company   Hindustan Zinc   Divi's Laboratories   Max Healthcare   Tube Investments of India   Thermax   UPL   Eris Lifesciences   Repco Home Finance   Britannia Industries   GSK Pharma   LIC Housing Finance   Amara Raja   CAMS



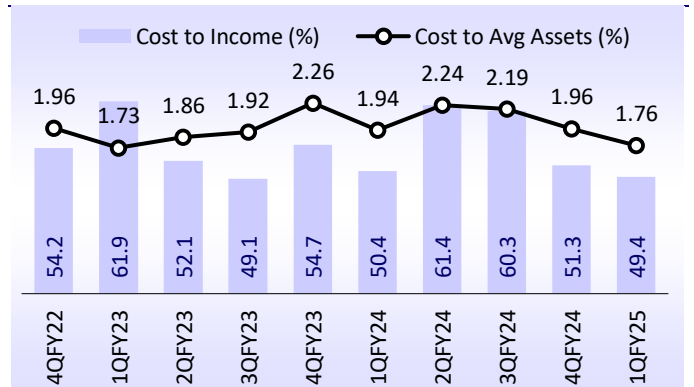
**Chart of the Day: State Bank of India (Earnings in line; growth outlook remains healthy)**

Loans grew by 15.9% YoY; deposits up 8.2% YoY



Source: MOFSL, Company

C/I ratio declined to 49.4%; Cost to asset at 1.8%



Source: MOFSL, Company

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

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



Kindly click on textbox for the detailed news link

1

### Vodafone Idea clears Rs 1,500 crore DoT bill

Also paid the first installment of Rs 346 crore for the spectrum bought in June auctions.

2

### IDBI Bank sells distressed Rs 6151 cr portfolio to Omkara ARC

At inter-se bidding held on Saturday (August 3), Omkara ARC gave the highest offer of Rs 652 crore, outbidding government-promoted National Asset Reconstruction Company Ltd (NARCL). For IDBI Bank, the distressed portfolio sale equates to a recovery of 10.5%.

3

### Numaligarh Refinery's expansion will augment crude refining capacity: Hardeep Puri

India's journey towards energy self-sufficiency gains momentum as Minister Hardeep Puri announced the expansion of the Numaligarh Refinery in Assam, tripling its refining capacity to 9 MTPA by 2024. A 1,640 km pipeline is being laid for transporting crude oil, with a budget of Rs 28,026 crore.

4

### Bhartiya Vayuyan Vidheyak Bill 2024: Building the runway to aviation growth

The Bill significantly amplifies the powers of the Directorate General of Civil Aviation (DGCA), making it the primary regulatory authority in the Indian aviation sector.

5

### Sonata Software has 9 AI deals, expects larger ones in early FY26

The mid-tier IT company reported a 15% sequential increase in revenue from operations for the quarter ended June, reaching Rs 2,527.43 crore.

6

### Post demerger, Adani Wilmar eyes aggressive business expansion

Looking at both organic and inorganic growth, says the company.

7

### 500 freshers face over 2-year joining delay at Infosys

Company says it honours all offers; onboarding is aligned with client requirements.



# State Bank of India

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR848      TP: INR1015 (+20%)      Buy**

## Earnings in line; growth outlook remains healthy

### Asset quality stable

- SBIN reported 1QFY25 PAT of INR170.4b (up 1% YoY, in line), driven by controlled opex. NII grew 5.7% YoY to INR411.3b (4% miss). NIMs moderated 8bp QoQ to 3.22%.
- Opex growth was under control at 1% YoY to INR258.4b (9% lower than MOFSLe), resulting in 5% YoY growth in PPOp to INR264.5b (in line).
- Loan book grew 16% YoY/1% QoQ, while deposits grew 8% YoY (flat QoQ). CASA ratio moderated 41bp QoQ to 40.7%.
- Fresh slippages stood at INR79.03b in a seasonally weak quarter (annualized slippage rate of 0.84%). Credit cost stood at 0.48% vs. 0.32% in 1QFY24. GNPA ratio improved by 3bp QoQ to 2.2%, while NNPA ratio was flat at 0.6%. PCR ratio declined 61bp QoQ to 74.4%.
- We broadly maintain our earnings estimates and expect FY26 RoA/RoE of 1.1%/18.2%. **Reiterate BUY with a TP of INR1,015 (1.5x FY26E ABV).**

### Credit growth guidance at ~15%; margins decline 8bp QoQ

- SBIN reported 1QFY25 PAT of INR170.4b (up 1% YoY, in line), driven by controlled opex, which offset higher provisions. NII grew 5.7% YoY (4% miss), while margins moderated by 8bp QoQ to 3.22%.
- Other income declined 7.5% YoY to INR111.6b (in line). Treasury gains stood at INR25.9b (down 33% YoY).
- Opex growth was under control at 1% YoY to INR258.4b (9% lower than MOFSLe), resulting in 5% YoY growth in PPOp to INR264.5b (in line). C/I ratio, thus, moderated 188bp QoQ to 49.4%. Provisions increased 38% YoY to INR34.5b (12% higher than MOFSLe).
- Advances grew ~16% YoY/1.2% QoQ. Agri grew 17% YoY, retail personal grew 13.6% YoY and SME saw ~20% YoY growth. Xpress loan growth moderated to 11% YoY vs. 20% YoY last year. Deposits saw modest growth at 8.2% YoY (flat QoQ), with the CASA mix moderating 41bp QoQ to 40.7%. The domestic CD ratio, thus, increased to 69.3%.
- Fresh slippages stood at INR79.03b in a seasonally weak quarter (INR76.59b in 1QFY24, annualized slippage rate of 0.84%). Credit cost stood at 0.48% vs. 0.32% in 1QFY24. GNPA ratio improved by 3bp QoQ to 2.2%, while NNPA ratio was flat at 0.6%. Restructured book declined to INR160b (0.4% of advances), while SMA 1/2 portfolio stood at INR46b (12bp of loans). The bank guides FY25 credit cost at 0.5%.
- **Subsidiary performance:** SBICARD clocked a PAT of INR5.9b (flat YoY). SBILIFE's PAT grew 36.5% YoY to INR5.2b. PAT of the AMC business increased by 45.6% YoY to INR6.8b, while SBI General reported a profit of INR1,830m (vs. INR1,050m in 4QFY24).

Bloomberg	SBIN IN
Equity Shares (m)	8925
M.Cap.(INRb)/(USDb)	7566.7 / 90.3
52-Week Range (INR)	912 / 543
1, 6, 12 Rel. Per (%)	0/17/15
12M Avg Val (INR M)	13628

### Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	1,599	1,717	1,946
OP	867	1,104	1,278
NP	611	713	803
NIM (%)	3.1	3.0	3.1
EPS (INR)	68.4	79.9	89.9
EPS Gr. (%)	21.6	16.8	12.5
ABV (INR)	365	431	505
Cons. BV (INR)	448	523	622

### Ratios

RoE (%)	18.8	18.8	18.2
RoA (%)	1.0	1.1	1.1

### Valuations

P/BV (x) (Cons.)	1.9	1.6	1.4
P/ABV (x)	1.7	1.4	1.2
P/E (x)	11.3	9.5	8.2
P/E (x)*	8.9	7.6	6.8

\*Adjusted for subsidiaries

### Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	56.9	56.9	56.9
DII	23.7	24.0	25.0
FII	12.0	11.8	10.8
Others	7.3	7.3	7.3

FII Includes depository receipts

### Highlights from the management commentary

- With the implementation of new investment guidelines, there was a net benefit of INR36.73b in reserves, ~10bp on CET-1.
- Provision breakdown: Provision due to increase in slippages – INR9.14b, Aging provisions – INR2.47b, Agricultural provisions – INR1.06b.
- Advances Book breakup: MCLR linked – 36%, EBLR linked – 27%, Fixed book – 20%, T-bill + Others - 14%.

### Valuation and view

SBIN reported an in-line quarter, with PPOP growth driven by controlled opex amid modest revenue growth. Margins moderated 8bp QoQ; however, the bank expects margins to remain broadly stable going forward with variation of ±10bp, aided by levers such as the CD ratio and MCLR repricing. Deposit growth was modest with a slight moderation in CASA mix; however, domestic CD ratio remained well in control at ~69%. Fresh slippages and credit cost increased sequentially in a seasonally weak quarter; however, healthy recoveries and upgrades drove improvement in GNPA ratio. Restructured book was well-managed at 0.4% of advances, while the SMA pool was controlled at 12bp of loans. We broadly maintain our earnings estimates and expect FY26 RoA/RoE of 1.1%/18.2%. **Reiterate BUY with a TP of INR1015 (1.5x FY26E ABV).**

### Quarterly Performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	V/s Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
<b>Net Interest Income</b>	<b>389.0</b>	<b>395.0</b>	<b>398.2</b>	<b>416.6</b>	<b>411.3</b>	<b>418.9</b>	<b>436.1</b>	<b>450.6</b>	<b>1,598.8</b>	<b>1,716.9</b>	<b>427.2</b>	<b>-4%</b>
% Change (YoY)	24.7	12.3	4.6	3.1	5.7	6.1	9.5	8.2	10.4	7.4	9.8	
Other Income	120.6	107.9	114.6	173.7	111.6	122.6	130.2	178.2	516.8	542.7	114.0	-2%
<b>Total Income</b>	<b>509.7</b>	<b>502.9</b>	<b>512.7</b>	<b>590.2</b>	<b>522.9</b>	<b>541.6</b>	<b>566.3</b>	<b>628.8</b>	<b>2,115.6</b>	<b>2,259.5</b>	<b>541.2</b>	<b>-3%</b>
Operating Expenses	256.7	308.7	309.4	302.8	258.4	276.1	294.5	326.3	1,177.6	1,155.3	283.2	-9%
<b>Operating Profit</b>	<b>253.0</b>	<b>194.2</b>	<b>203.4</b>	<b>287.5</b>	<b>264.5</b>	<b>265.4</b>	<b>271.8</b>	<b>302.5</b>	<b>938.0</b>	<b>1,104.2</b>	<b>257.9</b>	<b>3%</b>
% Change (YoY)	98.4	-8.1	-19.4	16.8	4.6	36.7	33.7	5.2	3.6	27.4	2.0	
Provisions	25.0	1.2	6.9	16.1	34.5	35.9	41.9	37.3	49.1	149.5	30.7	12%
Exceptional items (exp)	0.0	0.0	71.0	0.0	0.0	0.0	0.0	0.0	71.0	0.0	0.0	
<b>Profit before Tax</b>	<b>228.0</b>	<b>193.0</b>	<b>125.5</b>	<b>271.4</b>	<b>230.0</b>	<b>229.6</b>	<b>230.0</b>	<b>265.2</b>	<b>817.8</b>	<b>954.8</b>	<b>227.2</b>	<b>1%</b>
Tax Provisions	59.1	49.7	33.8	64.4	59.6	59.2	59.3	63.3	207.1	241.6	58.6	2%
<b>Net Profit</b>	<b>168.8</b>	<b>143.3</b>	<b>91.6</b>	<b>207.0</b>	<b>170.4</b>	<b>170.3</b>	<b>170.6</b>	<b>201.9</b>	<b>610.8</b>	<b>713.2</b>	<b>168.6</b>	<b>1%</b>
% Change (YoY)	178.2	8.0	-35.5	24.0	0.9	18.9	86.2	-2.5	21.6	16.8	-0.2	
Adj. Net profit	168.8	143.3	144.0	207.0	170.4	170.3	170.6	201.9	610.8		168.6	
<b>Operating Parameters</b>												
Deposits (INR t)	45.3	46.9	47.6	49.2	49.0	51.0	52.3	53.9	49.2	53.9	50.1	-2.1%
Loans (INR t)	32.4	33.5	35.2	37.0	37.5	38.8	40.2	41.8	37.0	41.8	37.9	-1.1%
Deposit Growth (%)	12.0	11.9	13.0	11.1	8.2	8.7	9.9	9.6	11.1	9.6	10.5	
Loan Growth (%)	14.9	13.3	15.1	15.8	15.9	16.1	14.3	12.8	15.8	12.8	17.2	
<b>Asset Quality</b>												
Gross NPA (%)	2.76	2.55	2.42	2.24	2.21	2.16	2.11	2.07	2.24	2.07	2.19	
Net NPA (%)	0.71	0.64	0.64	0.57	0.57	0.55	0.54	0.53	0.57	0.53	0.55	
PCR (%)	74.8	75.4	74.2	75.0	74.4	74.8	74.6	75.1	74.8	75.1	75.4	

E: MOFSL Estimates



BSE Sensex: 80,981

Nifty-50: 24,718

Refer to our Jun'24 Quarter Preview



### Interim earnings review – 1QFY25 in line; Domestic cyclicals igniting resilience

#### Domestic cyclicals drive earnings; Global cyclicals drag

- In this report, we present our interim review of the 1QFY25 earnings season.
- As of 1<sup>st</sup> Aug'24, 163/39 companies within the MOFSL Universe/Nifty announced their 1QFY25 results. These companies constitute: a) 76% and 80% of the estimated PAT for the MOFSL and Nifty Universe, respectively; b) 48% of India's market capitalization; and c) 86% weightage in the Nifty.
- The 1QFY25 earnings growth of the aforementioned 163 MOFSL Universe companies declined 2% YoY (est. -4% YoY). The aggregate performance was hit by a sharp drag from global commodities. Excluding Metals and O&G, the MOFSL Universe and Nifty posted a healthy 16% and 15% earnings growth vs. expectations of +13% each, respectively. The earnings growth was fueled by BFSI and Autos. Along with Metals and O&G, the earnings of the Cement and Specialty Chemicals sectors also decreased during the quarter.
- The overall earnings growth was driven, once again, by domestic cyclicals, such as Automobiles (+34% YoY) and BFSI (+19% YoY), with improved contributions from Healthcare (+19% YoY), Real Estate (+80% YoY), and Capital Goods (+14% YoY). Conversely, earnings growth was weighed down by global cyclicals, such as O&G (OMC's profit plunged 80% YoY), which saw a dip of 49% YoY, along with Metals (-5% YoY), Cement (-2% YoY), and Specialty Chemicals (-16% YoY).
- Excluding BFSI, profits for the MOFSL Universe would have declined 12% YoY (vs. est. of -15% YoY). Until now, 26/61 companies within the MOFSL Coverage Universe have reported an upgrade/downgrade of more than 3% each, leading to an adverse upgrade-to-downgrade ratio for FY25E. Further, the EBITDA margin of the MOFSL Universe (ex-Financials) contracted 170bp YoY to 14.2% thus far.
- Earnings of the 39 Nifty companies that have declared results so far grew 5% YoY (vs. est. of +2% YoY), fueled by HDFC Bank, Tata Motors, ICICI Bank, Maruti Suzuki, and TCS. These five companies contributed 131% to the incremental YoY accretion in earnings. Conversely, BPCL, JSW Steel, Reliance Industries, and Asian Paints contributed adversely to Nifty earnings. Twelve companies within the Nifty reported profits below our expectations, while 11 recorded a beat, and 16 registered in-line results.
- Nifty EPS saw a downgrade of 1.2%/0.8% for FY25E/FY26E: The Nifty EPS estimate for FY25 was cut by 1.2% to INR1,120, largely owing to Reliance Industries and BPCL. FY26E EPS was also reduced by 0.8% to INR1,319 (from INR1,330) as upgrades in Infosys, Coal India, Tata Motors, and Maruti were offset by downgrades in Axis Bank, HDFC Bank, ICICI Bank, and Indusind Bank.
- Summary of the 1QFY25 performance thus far: **1) Banks:** FY25 has started on a modest note, with several private banks reporting moderation in business growth. Private Banks reported broadly steady performance. Margins were largely stable to marginally weak. **2) NBFCs – Lending:** 1QFY25 was a seasonally weak quarter in terms of asset quality and relatively weaker demand in new PVs and mortgages. While select lenders across the affordable housing sector and vehicle finance continued to exhibit strong disbursement momentum, others faced challenges related to elections and heat waves. **3) Automobiles:** 1QFY25 results have been positive so far. Revenue has been in line, largely driven by

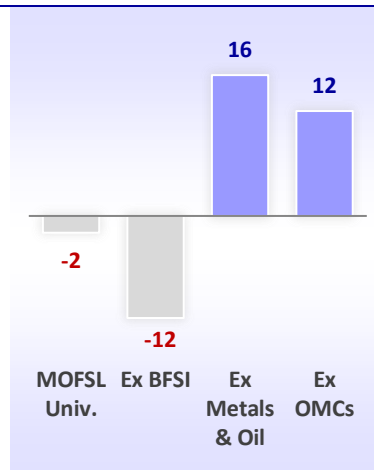
#### 1QFY25: Expectations vs. delivery

% of companies that have declared results  
 ABOVE EXPECTATIONS IN-LINE BELOW EXPECTATIONS

	Above Expectations	In-Line	Below Expectations
MOFSL	31	33	37
PAT			
Nifty	28	41	31

healthy volume growth across most of the segments (particularly 2Ws), a better product mix, and price hikes. The EBITDA and PAT were above our estimates. **4) Technology:** The IT Services companies reported healthy performance (exceeding our estimates), with a median revenue growth of 1.2% QoQ CC. The Tier-1 players achieved a median revenue growth of 0.7% QoQ CC, while the Tier-2 companies recorded a growth of 1.6% QoQ CC. **5) Consumer:** The results so far have been in line with expectations, exhibiting an improving consumption trend. In the staples sector, demand has been steadily increasing, with indications of growth in rural markets. **6) Oil & Gas:** Our coverage universe has so far reported mixed results. RIL fell short of our estimates mainly due to weak O2C performance resulting from a sharp correction in refining cracks. OMCs' earnings were significantly impacted by LPG under-recovery. *Refer to page 8 for the detailed 1QFY25 sectoral trends.*

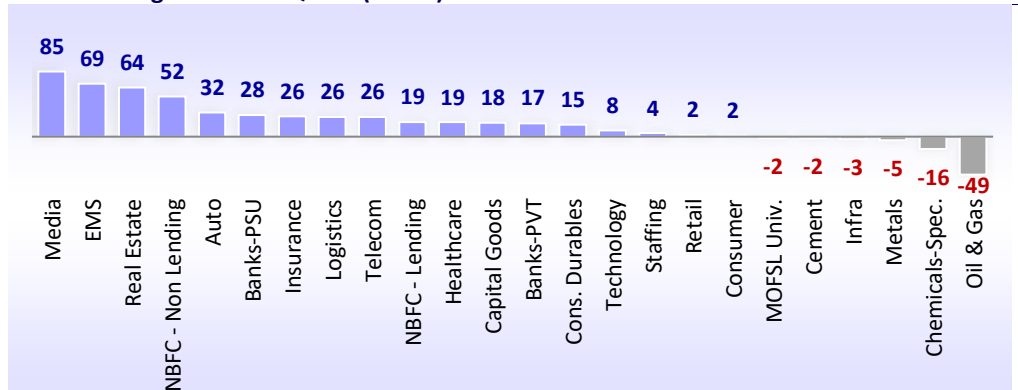
1QFY25: PAT growth YoY (%)



**Key 1QFY25 result highlights**

- As of 1<sup>st</sup> Aug'24, **39 Nifty stocks** reported a sales/EBITDA/PBT/PAT growth of 7%/6%/5%/5% YoY (vs. est. of +6%/4%/2%/2%). Of these, 11/12 companies surpassed/missed our PAT estimates. On the EBITDA front, 9/8 companies exceeded/missed our estimates during the quarter thus far.
- For the **163 companies within our MOFSL Universe**, sales/EBITDA/PBT/PAT were +6%/0%/-2%/-2% YoY (vs. est. of +9%/-1%/-5%/-4%). Excluding Metals and O&G, the MOFSL Universe companies recorded a sales/EBITDA/PBT/PAT growth of 9%/13%/16%/16% YoY (vs. est. of +9%/10%/12%/13%) in 1QFY25 so far.
- Among the Nifty constituents, Coal India, Tata Motors, HCL Tech, Maruti Suzuki, Sun Pharma, Adani Ports, Ultratech Cement, Dr Reddy's Labs, Tata Steel, and SBI Life Insurance exceeded our profit estimates. Conversely, Reliance Industries, Axis Bank, ITC, BPCL, M&M, IndusInd Bank, Asian Paints, JSW Steel, Nestle, HDFC Life Insurance, and Tata Consumer missed our profit estimates for 1QFY25.
- **View:** The corporate earnings scorecard for 1QFY25 has been in line so far, with heavyweights such as HDFC Bank, Tata Motors, ICICI Bank, Maruti, and TCS driving the aggregate. The earnings spread has been decent, with 63% of our Coverage Universe either meeting or exceeding profit expectations. However, growth has primarily been led by the BFSI and Auto sectors. The Nifty is trading at a 12-month forward P/E of 21x, at a 3% premium to its own long-period average (LPA). **Industrials and Capex, Consumer Discretionary, Real Estate, and PSU Banks are our key preferred investment themes.** We remain OW on PSU Banks, Consumption, Industrials, and Real Estate. We recently raised IT to marginal OW from UW and cut Auto from OW to UW. We also turned OW on Healthcare from Neutral, while maintaining our UW stance on Pvt Banks and Energy in [our model portfolio](#).

Sectoral PAT growth for 1QFY25 (YoY %)



Of the 24 major sectors under MOFSL's coverage, 18 sectors have seen a rise in profits YoY

**Performance in line: BFSI and Automobiles drive earnings; OMCs drag**

- **Aggregate performance of the MOFSL Universe:** Sales/EBITDA/PBT/PAT grew 6%/0%/-2%/-2% YoY (vs. est. of +9%/-1%/-5%/-4%). Excluding Metals and O&G, the MOFSL Universe companies recorded a sales/EBITDA/PBT/PAT growth of 9%/13%/16%/16% YoY (vs. est. of +9%/10%/12%/13%) in 1QFY25.
- **Nifty-50 companies that surpassed/missed our estimates** Coal India, Tata Motors, HCL Tech, Maruti Suzuki, Sun Pharma, Adani Ports, Ultratech Cement, Dr Reddy's Labs, Tata Steel, and SBI Life Insurance exceeded our profit estimates. Conversely, Reliance Industries, Axis Bank, ITC, BPCL, M&M, IndusInd Bank, Asian Paints, JSW Steel, Nestle, HDFC Life Insurance, Tata Consumer missed our profit estimates for 1QFY25.
- **Top FY25E upgrades:** Coal India (10.8%), Dr Reddy's Labs (6.7%), Adani Ports (4.3%), Tata Steel (3.3%), and Infosys (3.1%).
- **Top FY25E downgrades:** BPCL (-16.3%), JSW Steel (-8.2%), Indusind Bank (-7.7%), Ultratech Cement (-6.6%), and Tata Consumer (-6.3%).

**Sector wise 1QFY25 performance of the MOFSL Universe companies (INR b)**

Sector (no of companies)	Sales				EBITDA				PBT				PAT			
	Jun-24	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-24	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-24	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-24	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (12)	2,072	-6.5	7.7	2.1	296	-4.7	20	7.4	218	-3.6	33.8	15.2	156	-12.7	31.6	7.4
Capital Goods (6)	711	-22.2	14.2	2.5	73	-31.9	17.1	1.4	62	-35	14.1	2.8	39	-42.3	18.2	0.2
Cement (7)	378	-10.9	-0.6	-1.2	61	-21.5	-4	-3.3	41	-26.8	-5.4	0.4	31	-23.4	-2.1	10.4
Chemicals-Spec. (6)	64	-0.7	4.9	5.2	12	-2	-6	3.9	9	-4	-15.1	3.6	6	-17.2	-16	1
Consumer (12)	708	7.2	6.9	-1.1	182	9.5	4	-3.9	173	7.6	1.6	-5.4	128	5.2	1.5	-6.1
Cons. Durables (4)	144	-4.8	18.8	2.2	15	-16.4	18	-3.6	14	-17	16.7	-1.4	10	-17.9	15.4	-1.7
EMS (3)	9	-26.7	43.4	1.1	1	-45.2	41	3.2	1	-46.6	65.1	10.3	1	-46.2	68.6	10.5
Financials (41)	2,089	-9.1	14.8	-1.3	1,237	-2.8	14.7	0.9	993	6	19.4	1.5	739	-0.7	20.6	1.3
Banks-Private (13)	915	3.1	17	0.3	688	-5.7	18	2.6	575	9.9	16.8	1.2	433	-2.1	17.4	1.7
Banks-PSU (5)	468	-0.8	7.1	-0.7	336	2.7	2.9	-1.3	250	1	23.1	3.6	177	2.8	28.2	2
Insurance (5)	447	-35.3	13	-5.5	20	-38.9	12	-12.1	24	1.1	26.8	-2.2	21	3.1	26.2	-1.1
NBFC - Lending (15)	242	4.2	24.3	-0.9	184	4.9	24.8	-0.4	135	0	20.2	-1.3	101	-0.9	19.2	-1.3
NBFC-Non Lend. (3)	17	7.5	63.3	7.2	9	3.7	71	19.3	10	8.9	76	28.1	6	-3.5	51.9	11.5
Healthcare (10)	400	4.7	9.5	-1.6	105	13.3	12.7	4.4	92	15	18.9	7.8	71	7.1	18.5	5.1
Infrastructure (1)	19	-12	-11.9	-3	2	-17.5	-22	-7.9	3	-1.6	-5.6	6.8	2	-10.5	-3.2	9.1
Logistics (5)	118	-0.6	11	-2.2	50	2.2	12.3	-0.9	36	8	22.1	2.7	31	8.2	25.9	8.2
Media (2)	33	-3.1	1	2	2	10.6	-1	54.6	0	40.6	91.6	LP	0	-36	84.6	LP
Metals (4)	1,478	-5.2	-1.6	-1.6	266	6.3	2.2	5.8	200	17	-4.1	27.5	145	19.3	-4.7	27.5
Oil & Gas (11)	7,304	-2	3.8	-6.3	632	-16.7	-32	-3.6	377	-27.3	-46.9	-10	260	-30.4	-49.1	-8.5
Ex OMCs (8)	3,102	-1.9	10.3	-1.8	468	-8.2	2.3	-4.2	297	-15	-2.7	-9	200	-17	-3	-7.1
Real Estate (7)	93	-24.8	24.5	-3.4	30	-28	46	-1.8	34	-13.1	79.8	36.3	27	-20.2	63.6	22.9
Retail (9)	238	11.5	17.1	-1.1	23	13.5	7.6	-6.8	14	18	2.6	-10.9	10	18.9	2.3	-12.2
Staffing (3)	107	2.2	9.9	-2.2	3	8.8	8	-11.2	2	31.8	11.1	-22.4	2	47.1	4.4	-25.5
Technology (12)	1,881	1.3	3.7	0.4	428	0.2	6.9	1.8	397	1	8.4	3.3	292	0.2	7.8	1.6
Telecom (2)	130	1	9.9	-1.7	56	9.8	25	13.7	29	6.4	26.4	18.2	22	-2.4	25.8	17.1
Others (6)	303	4.7	14.4	8.1	60	15.1	7.2	44.7	28	19	-14.2	81.3	26	12.6	-17.5	85.4
<b>MOFSL Univ. (163)</b>	<b>18,279</b>	<b>-3.9</b>	<b>6.1</b>	<b>-2.5</b>	<b>3,536</b>	<b>-4.9</b>	<b>0</b>	<b>1.4</b>	<b>2,724</b>	<b>-3</b>	<b>-1.7</b>	<b>3.1</b>	<b>1,998</b>	<b>-6.9</b>	<b>-1.9</b>	<b>2.7</b>
<b>Ex Financials</b>	<b>16,190</b>	<b>-3.2</b>	<b>5</b>	<b>-2.7</b>	<b>2,299</b>	<b>-6</b>	<b>-6.5</b>	<b>1.6</b>	<b>1,730</b>	<b>-7.4</b>	<b>-10.7</b>	<b>4</b>	<b>1,259</b>	<b>-10.2</b>	<b>-11.6</b>	<b>3.5</b>
<b>Ex Metals &amp; Oil</b>	<b>9,498</b>	<b>-5.2</b>	<b>9.2</b>	<b>0.4</b>	<b>2,638</b>	<b>-2.6</b>	<b>12.6</b>	<b>2.2</b>	<b>2,147</b>	<b>1.3</b>	<b>15.9</b>	<b>3.9</b>	<b>1,593</b>	<b>-3.5</b>	<b>16</b>	<b>2.9</b>
<b>Ex OMCs</b>	<b>14,078</b>	<b>-4.5</b>	<b>8.2</b>	<b>-0.3</b>	<b>3,372</b>	<b>-2.8</b>	<b>10.2</b>	<b>1.5</b>	<b>2,644</b>	<b>0.3</b>	<b>11.7</b>	<b>3.7</b>	<b>1,938</b>	<b>-3.8</b>	<b>11.9</b>	<b>3.2</b>
<b>Nifty (39)</b>	<b>12,179</b>	<b>-4.5</b>	<b>7.4</b>	<b>1.5</b>	<b>2,739</b>	<b>-3.6</b>	<b>5.9</b>	<b>1.8</b>	<b>2,130</b>	<b>-0.3</b>	<b>5.1</b>	<b>3.5</b>	<b>1,529</b>	<b>-5.9</b>	<b>5</b>	<b>2.7</b>
<b>Sensex (27)</b>	<b>9,475</b>	<b>-3.4</b>	<b>8.3</b>	<b>0.7</b>	<b>2,345</b>	<b>-3.9</b>	<b>10.3</b>	<b>1.4</b>	<b>1,768</b>	<b>-1.3</b>	<b>10.7</b>	<b>1.6</b>	<b>1,255</b>	<b>-7.8</b>	<b>11</b>	<b>0.4</b>

Note: LP: Loss to Profit; PL: Profit to Loss



# Bulls & Bears

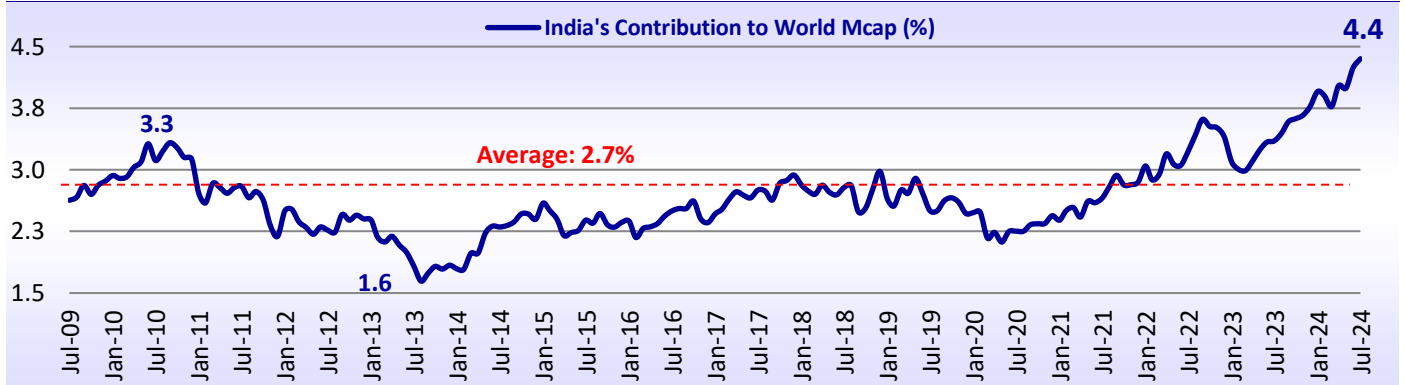
## India Valuations Handbook

### Strategy: Nifty scales a new peak; FIIs witness the second consecutive month of inflows

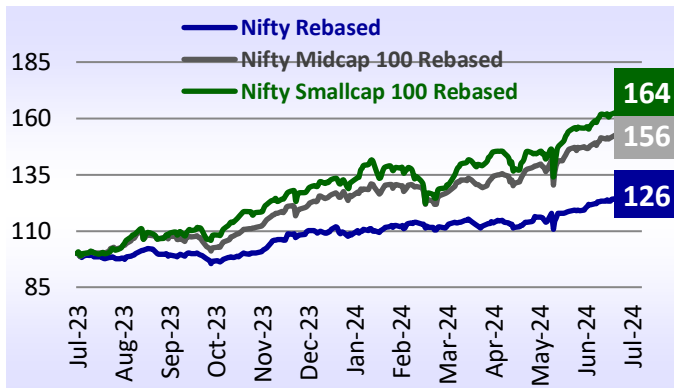
- Nifty scales a record high:** The Nifty touched a fresh high of ~25k before ending 3.9% up MoM at 24,951 in Jul'24. The index closed higher for the second successive month and recorded the second-best MoM returns in the last seven months. The Nifty has been up 14.8% in CY24YTD. Midcaps and smallcaps outperformed largecaps by 1.9% and 0.6%, respectively, in Jul'24. Similarly, in CY24YTD, midcaps and smallcaps have outperformed largecaps and have risen 27.7% and 26.4%, respectively, vs. a 14.8% rise for the Nifty.
- FIIs inflows for the second consecutive month:** FIIs turned buyers for the second consecutive month of USD3.3b in Jul'24. DIIs inflows were healthy at USD2.8b in Jul'24. FII inflows into Indian equities stand at USD3.7b in CY24YTD vs. inflows of USD21.4b in CY23. DII inflows into equities in CY24YTD continue to be strong at USD31.3b vs. USD22.3b in CY23.
- Breadth favorable in Jul'24:** Among sectors, Technology (+13%), Healthcare (+10%), Consumer (+9%), Media (+8%), and Utilities (+6%) were the top gainers, whereas Metals (-2%), Private Banks (-1%), and Real Estate (-1%) were the only laggard MoM. ONGC (+22%), HDFC Life (+20%), Infosys (+19%), SBI Life (+18%), and Tata Motors (+17%) were the top performers, while Axis Bank (-8%), Tata Steel (-5%), Bajaj Finance (-4%), HDFC Bank (-4%), and Reliance Inds (-4%) were the key laggards.
- India the best performing market in Jul'24:** Among the key global markets, India (+4%), Brazil (+3%), Indonesia (+3%), the UK (+2%), and the US (+1%) ended higher in local currency terms. However, Taiwan (-4%), Japan (-1%), Korea (-1%), and China (-1%) ended lower MoM in Jul'24. Over the last 12 months, the MSCI India Index (+37%) has significantly outperformed the MSCI EM Index (+4%). Over the last 10 years, the MSCI India Index has notably outperformed the MSCI EM index by a robust 209%.
- Corporate earnings in line so far in 1QFY25:** The corporate earnings scorecard for 1QFY25 has been in line so far, with heavyweights such as HDFC Bank, Tata Motors, ICICI Bank, Maruti Suzuki, and TCS driving the aggregate. The earnings spread has been decent, with 63% of our Coverage Universe either meeting or exceeding profit expectations. However, growth has primarily been led by the BFSI and Automobile sectors. Earnings of the 39 Nifty companies that have declared results so far grew 5% YoY (vs. est. of +2% YoY), led by HDFC Bank, Tata Motors, ICICI Bank, Maruti Suzuki, and TCS.
- Economy – The Union Budget 2024-25: Government remains focused on long-term macro stability:** The new government presented its first Union Budget on 23rd Jul'24. Anticipation was high for some consumption-boosting initiatives, as the Government of India (GoI) received additional resources from the Reserve Bank of India (RBI). Nevertheless, akin to the Interim Budget of 1st Feb'24 and the Budget of 2023, the GoI refrained from introducing any major schemes to stimulate consumption and instead focused on fiscal deficit consolidation.
- Our view:** With markets at a new high, the budget further bolsters India's strong macro-micro positioning amid a fragile world economy. The combination of ~7% GDP growth and ~15% Nifty earnings CAGR in FY24-26, stable currency, moderating inflation, and buoyant retail participation may keep sentiments strong. However, valuations appear fair for Nifty-50 and expensive for mid/small caps. Valuations for Nifty remain near its LPA at 21x one-year forward earnings. Industrials and Capex, Consumer Discretionary, Real Estate, and PSU Banks are our key preferred investment themes. We remain OW on PSU Banks, Consumption, Industrials, and Real Estate. We recently raised IT to marginal OW from UW and cut Auto from OW to UW. We also turned OW on Healthcare from Neutral, while maintaining UW on Private Banks and Energy in [our model portfolio](#).
- Top ideas: Largecaps** – ICICI Bank, SBI, L&T, M&M, HCL Tech, Coal India, Titan, Mankind Pharma, Hindustan Unilever and Hindalco; **Midcaps and Smallcaps** – Indian Hotels, Ashok Leyland, Godrej Prop., KEI Inds., PNB Housing, Cello World, Kalyan Jewelers, Persistent Syst., Angel One, and Metro Brands.



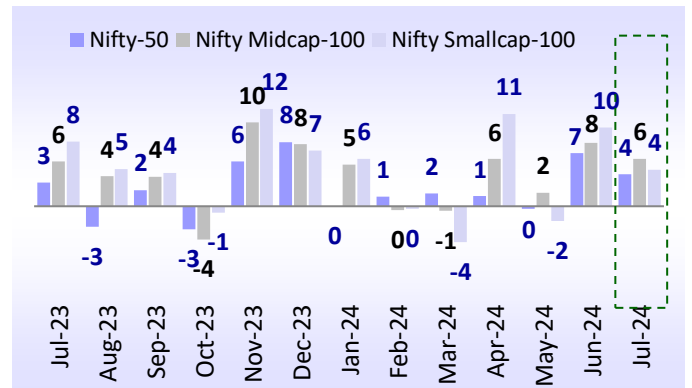
Trend in India's contribution to the global market cap (%) – at its all-time high



Performance of midcaps/smallcaps vs. largecaps over the last 12 months



MoM performance (%) – Midcaps and smallcaps outperforms in Jul'24





# Titan Company

Estimate changes	↔
TP change	↔
Rating change	↔

**CMP: INR3,450      TP: INR4,000 (+16%)      Buy**

## Sustains margin print; all eyes on demand recovery

Bloomberg	TTAN IN
Equity Shares (m)	888
M.Cap.(INRb)/(USDb)	3073.8 / 36.7
52-Week Range (INR)	3887 / 2882
1, 6, 12 Rel. Per (%)	-1/-17/-10
12M Avg Val (INR M)	3933

### Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	510.8	594.1	692.0
Sales Gr. (%)	25.9	16.3	16.5
EBITDA	52.9	62.2	74.1
EBITDA Margin (%)	10.4	10.5	10.7
Adj. PAT	35.0	40.9	50.7
Adj. EPS (INR)	39.3	46.0	56.9
EPS Gr. (%)	6.8	17.1	23.8
BV/Sh.(INR)	105.5	137.7	177.6

### Ratios

RoE (%)	32.9	37.8	36.1
RoCE (%)	17.3	17.4	18.0
Payout (%)	28.0	30.0	30.0

### Valuation

P/E (x)	87.9	75.0	60.6
P/BV (x)	32.7	25.0	19.4
EV/EBITDA (x)	58.8	49.7	41.6
Div. Yield (%)	0.3	0.4	0.5

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	52.9	52.9	52.9
DII	10.9	10.5	10.7
FII	18.3	19.1	18.5
Others	17.9	17.6	17.9

FII Includes depository receipts

- Titan Company (TTAN) posted consolidated sales growth of 12% YoY in 1QFY25, marginally better than our estimate. Stable gross margins and cost optimization led to an overall 5% beat on EBITDA. Higher interest costs (+111% YoY) and depreciation (+28%) led to a 5% YoY dip in profitability.
- Jewelry sales (standalone, ex-bullion) growth was subdued at 9% YoY due to fewer wedding dates (5% growth in wedding-related sales), election-related restrictions, and rising gold prices (+20% YoY). There was only 2% YoY growth in the number of buyers. The studded growth was 6% YoY, and the ratio was 26% (flattish YoY). Net store additions were slow, at 37 in 1Q, to reach a total store count of 974. The domestic LFL growth was slower at 3%, while Caratlane's growth was at 8% in 1QFY25.
- Despite slower studded growth, standalone jewelry EBIT margin (ex-bullion) expanded slightly by 20bp YoY to 11.2% (est. 10.6%). The company focused on cost optimization in such a challenging quarter. Caratlane's margin contracted 50bp YoY to 5%. The moderation in gold prices, after customs duty reduction, is expected to boost margin improvement.
- The watch segment grew 12% YoY. In the analog watches, Fastrack, Titan, and Helios clocked 25%, 16%, and 8% YoY growth, while the wearables revenue declined 6% due to price cuts (double-digit volume growth).
- The demand environment is healthy, and a revival in footfalls has been visible post-reduction in customs duty. TTAN remains aggressive in its growth outlook, driven by new store additions, attractive designs, and market share gains. However, the competitive pressure is intense, and execution and demand will be critical to track. **We reiterate our BUY rating with a TP of INR4,000 (premised on 65x Jun'26E EPS).**

## Despite slow growth, cost rationalization boosts Jewelry EBIT margin

- **Subdued revenue growth:** Consolidated revenue grew 12% YoY to INR132.7b (est. INR130.5b). Jewelry consolidated sales grew 10% YoY to INR118b (est. 116.6b) (ex-bullion sales grew by 11% to INR108.1b). Standalone jewelry (ex-bullion) sales rose by 9% to INR98.8b (in line) and Caratlane's sales grew 18% YoY. The new buyers' contribution was ~45% of jewelry customers for the quarter. The number of jewelry stores grew 23% YoY to 974. Watches, Eyewear, and Others segments clocked 12%, 3%, and 73% YoY growth.
- **Stable margins:** Consol. gross margin was flattish YoY at 22.1% (est. 22.7%). EBITDA margin contracted 10bp YoY to 9.4% (est. 9.1%). The standalone jewelry EBIT margin (ex-bullion) expanded 20bp to 11.2% (est. 10.6%), while Caratlane's EBIT margin dipped 50bp to 5%. Watches' margin was down 20bp to 10.9% and the eye care margin dipped 820bp YoY to 9.0%.

- **Muted profit growth:** EBITDA grew 11% YoY to INR12.5b (est. INR11.8b) in 1QFY25. PBT declined 3% YoY to INR9.7b (est. INR10.4b) on higher interest (+111% YoY to INR2.3b) and higher depreciation (+28% YoY to INR1.6b). Adj. PAT declined 5% YoY to INR7.2b (est. INR7.8b).

#### Highlights from the management commentary

- Post-budget announcements, several hesitant customers have started buying, leading to a significant upswing in gold and studded jewelry sales.
- Customs duty reductions could result in a maximum loss of INR5.0b-5.5b over the next six months, which will flow through the P&L.
- The company hopes that the recent moderation in gold prices will provide relief on gross margins, especially for studded products.
- The interest payment for Caratlane's borrowing was INR 600-650m per quarter.
- The company aims to open 40 to 50 Tanishq stores and 70 to 80 Mia/Caratlane stores. In addition to these plans, the company will transform 20 to 30 stores into significantly larger stores.

#### Valuation and view

- We cut our EPS by 2% each for FY25E/26E.
- TTAN, with its superior competitive positioning (in sourcing, studded ratio, youth-centric focus, and reinvestment strategy), has continued to outperform other branded players. The brand recall and business moat are not easily replicable; therefore, Tanishq's competitive edge will remain strong in the category. The store count reached 3,096 stores as of Jun'24, and the expansion story remains intact.
- TTAN's EBITDA margin has been under pressure during FY24 owing to a lower studded mix. It will be critical to monitor the margin outlook amid intensifying competition. The non-jewelry business is also scaling up well and will contribute to growth in the medium term. The business currently accounts for 12% and 9% of revenue and EBIT, respectively.
- We model 16%/18%/20% revenue/EBITDA PAT CAGR during FY24-26E. TTAN's valuation is rich, but it offers a long runway for growth with a superior execution track record. **Reiterate BUY with a TP of INR4,000 (based on 65x Jun'26E EPS).**

**Consolidated Quarterly Performance**

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Sales</b>	<b>119.0</b>	<b>125.3</b>	<b>141.6</b>	<b>124.9</b>	<b>132.7</b>	<b>141.5</b>	<b>175.1</b>	<b>144.8</b>	<b>510.8</b>	<b>594.1</b>	<b>130.5</b>	1.7
YoY change (%)	26.0	36.7	22.0	20.6	11.5	13.0	23.6	15.9	25.9	16.3	9.7	
<b>Gross Profit</b>	<b>26.4</b>	<b>29.3</b>	<b>32.9</b>	<b>27.9</b>	<b>29.3</b>	<b>32.7</b>	<b>40.8</b>	<b>33.8</b>	<b>116.5</b>	<b>136.6</b>	<b>29.6</b>	
Margin (%)	22.2	23.4	23.3	22.3	22.1	23.1	23.3	23.4	22.8	23.0	22.7	
<b>EBITDA</b>	<b>11.3</b>	<b>14.1</b>	<b>15.7</b>	<b>11.9</b>	<b>12.5</b>	<b>16.0</b>	<b>19.0</b>	<b>14.7</b>	<b>52.9</b>	<b>62.2</b>	<b>11.8</b>	5.3
EBITDA growth %	-5.9	13.2	16.2	9.4	10.8	13.4	21.5	23.3	8.5	17.5	5.3	
Margin (%)	9.5	11.3	11.0	9.5	9.4	11.3	10.9	10.1	10.4	10.5	9.1	
Depreciation	1.3	1.4	1.5	1.6	1.6	1.7	1.7	1.7	5.8	6.7	1.5	
Interest	1.1	1.4	1.7	2.0	2.3	1.8	1.7	1.7	6.2	7.5	1.4	
Other Income	1.1	1.2	1.4	1.6	1.2	1.5	1.7	1.8	5.3	6.1	1.5	
<b>PBT</b>	<b>10.0</b>	<b>12.5</b>	<b>13.8</b>	<b>9.9</b>	<b>9.7</b>	<b>14.0</b>	<b>17.3</b>	<b>13.1</b>	<b>46.2</b>	<b>54.1</b>	<b>10.4</b>	-6.7
Tax	2.5	3.4	3.3	2.2	2.6	3.4	4.2	3.0	11.3	13.2	2.6	
Rate (%)	24.6	26.9	23.6	22.2	26.5	24.4	24.4	22.8	24.4	24.4	25.0	
<b>Adjusted PAT</b>	<b>7.6</b>	<b>9.2</b>	<b>10.5</b>	<b>7.7</b>	<b>7.2</b>	<b>10.6</b>	<b>13.1</b>	<b>10.1</b>	<b>35.0</b>	<b>40.9</b>	<b>7.8</b>	-8.6
YoY change (%)	-4.3	9.6	15.5	4.8	-5.4	16.0	24.1	30.9	6.8	17.1	3.5	

E: MOFSL Estimates



# Hindustan Zinc

Estimate changes	↔
TP change	↔
Rating change	↔

**CMP: INR652**      **TP: INR610 (-6%)**      **Neutral**

## Performance in line; CoP to remain under control

Bloomberg	HZ IN
Equity Shares (m)	4225
M.Cap.(INRb)/(USDb)	2754.1 / 32.9
52-Week Range (INR)	808 / 285
1, 6, 12 Rel. Per (%)	-3/92/76
12M Avg Val (INR M)	870

### Financials Snapshot (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Net Sales	289	332	370
EBITDA	137	166	209
PAT	78	97	126
EPS (INR)	18	23	30
GR. (%)	-26	26	30
BV/Sh (INR)	36	47	65

### Ratios

ROE (%)	55.2	55.6	53.5
RoCE (%)	42.4	49.7	52.1

### Valuations

P/E (X)	35.4	28.2	21.7
P/BV (X)	18.1	13.8	10.0
EV/EBITDA (X)	20.0	16.2	12.3
Div Yield (%)	2.3	1.8	1.8

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	64.9	64.9	64.9
DII	32.6	32.5	32.5
FII	0.7	0.6	0.8
Others	1.8	2.0	1.8

FII Includes depository receipts

- Revenue for 1QFY25 stood at INR81b (+12% YoY/+8% QoQ) against our estimate of INR79b. Revenue growth was driven by better metal volume and metal & silver prices, further supported by a strong dollar but partly offset by weak silver volume.
- EBITDA stood at INR39b (+18% YoY/+8% QoQ) against our estimate of INR38b. EBITDA margin was flat QoQ at 48.5% (46% in 1QFY24).
- Zinc cost of production (COP) stood at USD1,107 (INR92,375) per MT (+5% QoQ and -7% YoY). Cost improvement was majorly led by better grades, softened coal and input commodity prices, and better linkage coal materialization.
- APAT came in at INR23b (+19% YoY/+15% QoQ) vs. our estimate of INR22b.
- Mined metal stood at 263kt (+2% YoY/-12% QoQ), aided by improved mined metal grades. The QoQ decline was due to mine preparation activities being carried out every year in the first quarter.
- Refined Zinc volume stood at 211kt (+1% YoY/-4% QoQ) and Refined Lead volume stood at 52kt (flat YoY/-2% QoQ). The QoQ decline was due to plant availability and pyro operations being on lead mode since Jun'24.
- Silver volume stood at 189t (-7% YoY/-12% QoQ). The QoQ decline was due to WIP build-up in the normal course of business as pyro operations have been run on lead mode since Jun'24. WIP will be liquidated in the subsequent period.

### Key management commentary

- For FY25, the management kept its production guidance intact (mined metal at 1,100-1,125kt and refined metal at 1,075-1,100 kt).
- HZ share of RE power consumption out of total power requirement increased to 8.5% in 1QFY25 vs. 5.4% in 4QFY24.
- For FY25, the management expects ~13% of power to come from RE sources and 43% each from domestic (linkage + e-auction) and imported coal.
- It expects the silver prices to be in the range of USD1,050-1,100/kg
- The new roaster at Debari is on track and will be commissioned by Q4FY25.
- 510kt of DAP/NPK fertilizer plant at Chanderiya is progressing as per timelines and is likely to be commissioned by 2QFY26.
- HZ has received the consent to operate (CTO) for Bamnia Kalan Mines and the site work is under progress.

### Valuation and view

- The performance was largely in line with our estimates. The company continues to focus on improving production with tight cost control.
- **HZ currently trades at 12x FY26E EV/EBITDA and we believe the current valuation prices in all positive factors. We maintain our Neutral rating on the stock with a TP of INR610 (premised on 11x EV/EBITDA on FY26 estimates).**

Quarterly Performance

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25 1QE	Vs. Est. %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Mine prodn. (kt)</b>	<b>257</b>	<b>252</b>	<b>271</b>	<b>299</b>	<b>263</b>	<b>262</b>	<b>282</b>	<b>307</b>	<b>1,079</b>	<b>1,114</b>		
<b>Sales</b>												
Zinc refined (kt)	208	185	203	221	211	193	212	227	817	843		
Lead refined (kt)	50	57	56	53	51	54	53	53	216	211		
Silver (tonnes)	179	181	197	179	167	185	186	205	736	743		
<b>Net Sales</b>	<b>73</b>	<b>68</b>	<b>73</b>	<b>75</b>	<b>81</b>	<b>78</b>	<b>84</b>	<b>89</b>	<b>289</b>	<b>332</b>	<b>79</b>	<b>3</b>
Change (YoY %)	-22.4	-18.5	-7.1	-11.3	11.6	15.3	14.5	18.0	-15.2	14.9		
Change (QoQ %)	-14.4	-6.7	7.6	3.3	7.7	-3.7	6.9	6.4				
<b>EBITDA</b>	<b>33</b>	<b>31</b>	<b>35</b>	<b>36</b>	<b>39</b>	<b>39</b>	<b>42</b>	<b>44</b>	<b>137</b>	<b>166</b>	<b>38</b>	<b>5</b>
Change (YoY %)	-34.8	-28.8	-5.0	-14.2	17.9	25.6	19.0	21.1	-22.0	21.3		
Change (QoQ %)	-21.3	-6.2	12.2	3.6	8.1	-0.1	6.3	5.5				
As % of Net Sales	46.0	46.2	48.2	48.3	48.5	50.4	50.1	49.6	47.2	49.8		
Finance cost	2	2	2	3	3	2	2	2	10	9		
DD&A	8	8	9	9	8	9	9	9	35	38		
Other Income	3	2	3	3	3	3	3	3	11	13		
<b>PBT (before EO item)</b>	<b>26</b>	<b>23</b>	<b>27</b>	<b>27</b>	<b>31</b>	<b>31</b>	<b>33</b>	<b>36</b>	<b>103</b>	<b>132</b>	<b>29</b>	
EO exp. (income)	0	0	0	0	0	0	0	0	0	0		
<b>PBT</b>	<b>26</b>	<b>23</b>	<b>27</b>	<b>27</b>	<b>31</b>	<b>31</b>	<b>33</b>	<b>36</b>	<b>103</b>	<b>132</b>	<b>29</b>	
Total Tax	6	6	6	7	8	8	9	10	25	34		
% Tax	24.8	25.0	24.0	25.2	24.7	26.0	26.0	27.5	24.7	26.0		
<b>Reported PAT</b>	<b>20</b>	<b>17</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>23</b>	<b>25</b>	<b>26</b>	<b>78</b>	<b>97</b>		
<b>Adjusted PAT</b>	<b>20</b>	<b>17</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>23</b>	<b>25</b>	<b>26</b>	<b>78</b>	<b>97</b>	<b>22</b>	<b>8</b>
Change (YoY %)	-36.5	-35.5	-5.9	-21.1	19.4	32.3	21.8	27.0	-26.2	25.5		
Change (QoQ %)	-24.0	-12.0	17.3	0.5	15.1	-2.4	8.0	4.7		6.1		



# Divi's Laboratories

Estimate change	↔
TP change	↑
Rating change	↔

**CMP: INR4,991      TP: INR4,680 (-6%)      Neutral**

## Custom Synthesis outperforms; API underperforms

### Work-in-progress to improve prospects in peptide/contrast media space

Bloomberg	DIVI IN
Equity Shares (m)	265
M.Cap.(INRb)/(USDb)	1325 / 15.8
52-Week Range (INR)	5011 / 3295
1, 6, 12 Rel. Per (%)	7/22/9
12M Avg Val (INR M)	2006

- DIVI delivered a miss on 1QFY25 earnings performance, due to the ongoing pricing headwinds in API segment and muted Nutraceutical sales. The custom synthesis (CS) segment maintained strong growth momentum for this quarter as well.
- We largely maintain our estimates for FY25/FY26. We value DIVI at 43x 12M forward earnings to arrive at a TP of INR4,680.
- DIVI continues to make efforts to enhance its business prospects in peptide, contrast media and other niche segments within CS. Its consistent service at lab-scale and availability of manufacturing capability/capacity give impetus to innovator customers to have DIVI as a reliable supplier. The US Biosecure Act further provides a boost to Indian CMDO companies, including DIVI. The API business outlook remains muted due to ongoing price erosion, given the large inventory base at the industry level. The valuation adequately factors in the earnings upside at CMP. We maintain Neutral stance on the stock.

### Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	78.5	91.4	106.2
EBITDA	22.2	28.6	34.2
Adj. PAT	15.9	20.6	25.3
EBIT Margin (%)	23.5	27.0	28.4
Cons. Adj. EPS (INR)	60.0	77.7	95.1
EPS Gr. (%)	-7.5	29.6	22.4
BV/Sh. (INR)	511.2	564.9	630.6

### Ratios

Net D:E	-0.3	-0.3	-0.3
RoE (%)	12.1	14.4	15.9
RoCE (%)	12.1	14.4	15.9
Payout (%)	31.0	31.0	31.0

### Valuations

P/E (x)	83.2	64.2	52.5
EV/EBITDA (x)	57.8	45.0	37.5
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	0.2	0.2	0.7
EV/Sales (x)	16.4	14.1	12.1

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	51.9	51.9	51.9
DII	21.8	22.2	21.2
FII	16.2	14.7	14.7
Others	10.2	11.2	12.1

FII Includes depository receipts

### Operating leverage outweighs product mix impact on YoY basis

- Revenues grew 19% YoY to INR21.2b (our est: INR22b) for the quarter. CS revenue (51% of sales) grew 52% YoY, while API revenue (49% of sales) declined 3% on a YoY basis.
- Gross margin contracted 160bp YoY to 59.7% due to a change in the product mix.
- However, EBITDA margin expanded 100bp YoY to 29.4% (our est: 31%) largely due lower employee costs/other expenses (-100bp/160bp as % of sales), offset by lower gross margin.
- As a result, EBITDA grew 23.4% YoY to INR6.2b (our est: INR6.8b) for the quarter.
- Adjusted for INR10m in forex loss, PAT grew 20.3% YoY to INR4.3b (our est: INR5.1b).

### Highlights from the management commentary

- Kakinada plant would be operational in 4QFY25. The meaningful commercial benefit is expect two years onward.
- Generic API prices are expected to stabilize in the next few quarters. DIVI is able to offset the pricing impact through higher volume offtake.
- Two reactors of 500L capacity will cater to peptide manufacturing (GLP1 products).
- Considering the share of generics/CS in 1Q revenue, the CS segment reported 52% YoY growth, while the generics API segment posted a 3% YoY decline.
- DIVI has commercial scale contracts for Iodine-based contrast media products. Gadolinium-based products are under clinical development.
- The overall capacity utilization is about 82%.

**Quarterly Performance**

(INRm)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
<b>Net Sales</b>	<b>17,780</b>	<b>19,090</b>	<b>18,550</b>	<b>23,030</b>	<b>21,180</b>	<b>22,668</b>	<b>23,343</b>	<b>24,165</b>	<b>78,450</b>	<b>91,355</b>	<b>21,994</b>	<b>-3.7</b>
YoY Change (%)	-21.1	2.9	8.6	18.1	19.1	18.7	25.8	4.9	1.0	16.5	23.7	
Total Expenditure	12,740	14,100	13,660	15,720	14,960	15,641	15,966	16,194	56,220	62,761	15,176	
<b>EBITDA</b>	<b>5,040</b>	<b>4,990</b>	<b>4,890</b>	<b>7,310</b>	<b>6,220</b>	<b>7,027</b>	<b>7,376</b>	<b>7,971</b>	<b>22,230</b>	<b>28,594</b>	<b>6,818</b>	<b>-8.8</b>
YoY Change (%)	-40.5	-19.7	19.8	48.6	23.4	40.8	50.8	9.0	-6.1	28.6	35.3	
Margins (%)	28.3	26.1	26.4	31.7	29.4	31.0	31.6	33.0	28.3	31.3	31.0	
Depreciation	930	950	950	950	970	975	980	975	3,780	3,900	960	
<b>EBIT</b>	<b>4,110</b>	<b>4,040</b>	<b>3,940</b>	<b>6,360</b>	<b>5,250</b>	<b>6,052</b>	<b>6,396</b>	<b>6,996</b>	<b>18,450</b>	<b>24,694</b>	<b>5,858</b>	<b>-10.4</b>
YoY Change (%)	-46.1	-24.5	22.5	57.1	27.7	49.8	62.3	10.0	-8.9	33.8	42.5	
Interest	0	10	0	20	0	0	0	0	30	0	0	
Other Income	810	750	770	770	780	810	870	920	3,100	3,380	800	
<b>PBT before EO Income</b>	<b>4,920</b>	<b>4,780</b>	<b>4,710</b>	<b>7,110</b>	<b>6,030</b>	<b>6,862</b>	<b>7,266</b>	<b>7,916</b>	<b>21,520</b>	<b>28,074</b>	<b>6,658</b>	
Forex gain /(Loss)	30	-90	180	20	10	0	0	0	140	10	0	
<b>PBT</b>	<b>4,950</b>	<b>4,690</b>	<b>4,890</b>	<b>7,130</b>	<b>6,040</b>	<b>6,862</b>	<b>7,266</b>	<b>7,916</b>	<b>21,660</b>	<b>28,084</b>	<b>6,658</b>	<b>-9.3</b>
Tax	1,360	1,210	1,310	1,750	1,740	1,818	1,860	2,024	5,630	7,442	1,531	
Rate (%)	27.5	25.8	26.8	24.5	28.8	26.5	25.6	25.6	26.0	26.5	23.0	
<b>PAT</b>	<b>3,590</b>	<b>3,480</b>	<b>3,580</b>	<b>5,380</b>	<b>4,300</b>	<b>5,044</b>	<b>5,406</b>	<b>5,892</b>	<b>16,030</b>	<b>20,642</b>	<b>5,127</b>	<b>-16.1</b>
<b>Adj. PAT</b>	<b>3,568</b>	<b>3,547</b>	<b>3,448</b>	<b>5,365</b>	<b>4,293</b>	<b>5,044</b>	<b>5,406</b>	<b>5,892</b>	<b>15,928</b>	<b>20,635</b>	<b>5,127</b>	<b>-16.3</b>
YoY Change (%)	-45.6	-24.4	25.9	65.7	20.3	42.2	56.8	9.8	-7.5	29.6	43.7	
Margins (%)	20.2	18.2	19.3	23.4	20.3	22.2	23.2	24.4	20.4	22.6	23.3	
<b>Adj. EPS</b>	<b>13.4</b>	<b>13.4</b>	<b>13.0</b>	<b>20.2</b>	<b>16.2</b>	<b>19.0</b>	<b>20.4</b>	<b>22.2</b>	<b>60.0</b>	<b>77.7</b>	<b>19.3</b>	

**Quarterly Performance**

Y/E March	FY24				FY25E				FY24	FY25E	FY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
<b>Cost Break-up</b>											
RM Cost (% of Sales)	38.7	41.4	39.3	39.2	40.3	39.8	39.4	39.0	39.9	39.6	39.0
Staff Cost (% of Sales)	14.8	13.9	14.4	12.9	13.8	13.0	12.8	12.1	13.9	12.9	13.5
Other Expenses(% of Sales)	18.2	18.5	19.9	16.2	16.6	16.2	16.2	15.9	17.8	16.2	16.5
Tax rate (%)	27.5	25.8	26.8	24.5	28.8	26.5	25.6	25.6	26.0	26.5	23.0
Gross Margins (%)	61.3	58.6	60.7	60.8	59.7	60.2	60.6	61.0	60.1	60.4	61.0
EBITDA Margins (%)	28.3	26.1	26.4	31.7	29.4	31.0	31.6	33.0	28.3	31.3	31.0
EBIT Margins (%)	23.1	21.2	21.2	27.6	24.8	26.7	27.4	29.0	23.5	27.0	26.6





# Max Healthcare

Estimate change	
TP change	
Rating change	

**CMP: INR916 TP: INR1,055 (+15%) Buy**

## Case mix/price revision drive ARPOB growth

### Efforts underway to scale up Lucknow/Nagpur/Dwarka

Bloomberg	MAXHEALT IN
Equity Shares (m)	972
M.Cap.(INRb)/(USDb)	890.3 / 10.6
52-Week Range (INR)	980 / 509
1, 6, 12 Rel. Per (%)	-2/6/34
12M Avg Val (INR M)	1706

- Max Healthcare (MAXH) delivered largely in-line operational performance in 1QFY25. While occupancy remains high (77% for existing units), MAXH has undertaken measures to refurbish/add beds at acquired units in Lucknow and Nagpur, in addition to the launch of a 303-bed hospital in Dwarka.
- We lower our earnings estimates by 2%/3% for FY25/FY26 to factor in temporary challenges in international business and operational cost related to new hospitals. We value MAXH on SOTP basis (32x EV/12M forward EBITDA for hospital business, 24x EV/12M forward EBITDA for Maxlab and 4x EV/sales for Max@Home) to arrive at a TP of INR1,055.
- While significant rerating has happened for the healthcare space and MAXH in particular, we remain positive on MAXH on the back of a) robust visibility for bed additions at existing/new sites, b) superior scale-up in acquired hospitals, c) Scope of further ARPOB improvement through payor mix/case mix optimization. Maintain BUY.

### Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	68.2	81.3	95.4
EBITDA	18.7	21.9	26.0
Adj. PAT	13.3	15.4	18.8
EBIT Margin (%)	23.3	21.8	22.6
Cons. Adj. EPS (INR)	13.7	15.9	19.4
EPS Gr. (%)	18.6	15.8	21.9
BV/Sh. (INR)	95.9	111.6	131.0

### Ratios

	(0.0)	0.0	(0.1)
Net D:E	(0.0)	0.0	(0.1)
RoE (%)	15.3	15.3	16.0
RoCE (%)	13.5	13.5	14.4
Payout (%)	0.0	0.0	0.0

### Valuations

P/E (x)	66.8	57.7	47.4
EV/EBITDA (x)	47.5	40.7	33.6
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	(0.4)	(0.3)	1.9
EV/Sales (x)	13.0	11.0	9.2

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	23.7	23.8	23.8
DII	15.4	15.0	11.9
FII	57.0	57.3	59.9
Others	3.9	4.0	4.5

FII Includes depository receipts

### ARPOB/volume benefit partly offset by opex at new site/soft international business

- For 1QFY25, Max network's revenue (including the Trust business) grew 19% YoY to INR19.3b (our est. INR19.0b).
- EBITDA margin contracted 90bp YoY to 25.6% (our est. 27.1%).
- EBITDA grew 15.2% YoY to INR4.9b (our est. INR5b).
- Adjusted PAT grew marginally by 1% YoY to INR3.1b (our est. INR3.5b) due to high interest expenses (vs. interest income in 1QFY24), higher depreciation, and tax burden.
- EBITDA per bed (annualized) stood at INR7.0m (-1% YoY and -8% QoQ).
- Overall ARPOB stood at INR77.1k (+3% YoY/-1% QoQ), driven by growth in Oncology & General Surgery segments, along with price revisions from self-pay, insurance, and the institutional segments. ARPOB for existing hospitals grew 7% YoY to INR80k, while ARPOB for new hospitals stood at INR45k.
- Overall occupancy came in at 75% (existing hospitals: 76.6%).

### Highlights from the management commentary

- MAXH expects to sustain **ARPOB** growth (7% YoY for existing hospitals in 1Q), primarily driven by an increase in the surgical mix share in new hospitals and optimization of case mix/payor mix in existing sites.
- **Max Dwarka** has operationalized 94 beds out of total 303 beds and it is expected to break even in the next 6-8 months.
- It is soon operationalizing additional 140 beds in **Lucknow** over existing 234 beds. Further, it has received clearance to set up a 450-bed tower, which is expected to complete in 24 months for an investment of INR4.5b.

**Consolidated - Quarterly Earning**

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	% var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
<b>Gross Sales</b>	<b>16,220</b>	<b>17,190</b>	<b>16,820</b>	<b>17,910</b>	<b>19,310</b>	<b>20,181</b>	<b>20,689</b>	<b>21,093</b>	<b>68,150</b>	<b>81,272</b>	<b>18,977</b>	<b>1.8</b>
YoY Change (%)	16.7	16.8	14.9	15.6	19.1	17.4	23.0	17.8	16.0	19.3	17.0	
Total Expenditure	11,930	12,350	12,170	12,970	14,370	14,773	15,041	15,227	49,420	59,410	13,835	
<b>EBITDA</b>	<b>4,290</b>	<b>4,840</b>	<b>4,650</b>	<b>4,940</b>	<b>4,940</b>	<b>5,409</b>	<b>5,648</b>	<b>5,866</b>	<b>18,730</b>	<b>21,862</b>	<b>5,143</b>	<b>-3.9</b>
Margins (%)	26.4	28.2	27.6	27.6	25.6	26.8	27.3	27.8	27.5	26.9	27.1	
Depreciation	640	660	700	840	900	990	1,080	1,147	2,840	4,117	940	
Interest	-30	-170	-140	-40	80	-110	-130	-325	-380	-485	-120	
Other Income	70	130	60	90	40	155	130	244	350	569	120	
<b>PBT before EO expense</b>	<b>3,750</b>	<b>4,480</b>	<b>4,150</b>	<b>4,230</b>	<b>4,000</b>	<b>4,684</b>	<b>4,828</b>	<b>5,288</b>	<b>16,620</b>	<b>18,799</b>	<b>4,443</b>	
Extra-Ord expense	190	190	40	250	190	0	0	0	670	190	0	
<b>PBT</b>	<b>3,560</b>	<b>4,290</b>	<b>4,110</b>	<b>3,980</b>	<b>3,810</b>	<b>4,684</b>	<b>4,828</b>	<b>5,288</b>	<b>15,950</b>	<b>18,609</b>	<b>4,443</b>	
Tax	660	910	730	870	870	881	821	778	3,160	3,350	906	
Rate (%)	18.5	21.2	17.8	21.9	22.8	18.8	17.0	14.7	19.8	18.0	20.4	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>2,900</b>	<b>3,380</b>	<b>3,380</b>	<b>3,110</b>	<b>2,940</b>	<b>3,803</b>	<b>4,007</b>	<b>4,509</b>	<b>12,790</b>	<b>15,259</b>	<b>3,537</b>	
<b>Adj PAT</b>	<b>3,055</b>	<b>3,530</b>	<b>3,413</b>	<b>3,319</b>	<b>3,087</b>	<b>3,803</b>	<b>4,007</b>	<b>4,509</b>	<b>13,316</b>	<b>15,415</b>	<b>3,537</b>	<b>-12.7</b>
YoY Change (%)	28.3	24.5	20.3	4.6	1.0	7.7	17.4	35.9	18.6	15.8	15.8	
Margins (%)	18.8	20.5	20.3	18.5	16.0	18.8	19.4	21.4	19.5	19.0	18.6	

E: MOSL Estimates



# Tube Investments of India

Estimate changes

TP change

Rating change



Bloomberg	TIINDIA IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	783.4 / 9.4
52-Week Range (INR)	4682 / 2729
1, 6, 12 Rel. Per (%)	-4/-2/6
12M Avg Val (INR M)	1037

### Consol. Financials & Valuations (INR b)

INR b	FY24	FY25E	FY26E
Sales	168.9	192.5	219.7
EBITDA	19.5	24.8	30.0
Adj. PAT	6.6	11.7	14.5
EPS (INR)	34.4	60.2	75.1
EPS Gr. (%)	-15.2	75.2	24.7
BV/Sh. (INR)	264	320	390
<b>Ratios</b>			
RoE (%)	14.7	20.6	21.2
RoCE (%)	32.8	34.2	36.0
Payout (%)	10.2	6.9	6.6
<b>Valuations</b>			
P/E (x)	117.8	67.2	53.9
P/BV (x)	15.4	12.7	10.4
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	-0.2	1.4	1.9

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	45.1	45.1	46.1
DII	16.0	15.3	12.7
FII	27.4	28.3	29.4
Others	11.6	11.3	11.8

FII Includes depository receipts

**CMP: INR4,050**

**TP: INR4,740 (+17%)**

**Buy**

## Operationally in line; lower other income dents PAT

### Management confident about double-digit growth in core business

- TIINDIA's 1QFY25 result was operationally in line, though adj. PAT was slightly lower at INR1.5b (est. INR1.6b). The engineering business saw a robust ~11% YoY growth, and the mobility segment showed signs of recovery. However, the metal-formed division struggled due to weak domestic PV demand. The company remains optimistic about achieving double-digit growth in core business revenue in the coming years.
- We have reduced our FY25/FY26 consolidated EPS estimates by 5% each to factor in moderate demand in domestic PVs and lower other income. The stock trades at 67x/54x FY25E/FY26E consol. EPS. We reiterate our BUY rating and a TP of ~INR4,740 (premised on Jun'26E SoTP).

### Healthy growth in engineering; mobility too witnessed recovery

- Standalone revenue/EBITDA/PAT grew ~10%/11%/5% YoY to INR19.6b/INR2.4b/INR1.5b (est. INR20.3b/INR2.3b/INR1.6b).
- All business divisions reported YoY growth, excluding the mobility segment, which declined ~3% YoY. Revenue for engineering/metal formed grew ~11%/5% YoY. Revenue from other business grew 39% YoY.
- Gross margin expanded 90bp YoY/50bp QoQ to 36.8%. This resulted in EBITDA growth of ~11% YoY to INR2.4b (in line). EBITDA margin expanded ~10bp YoY/110bp QoQ to 12.2% (est. 11.6%).
- While the operating performance was in line, it was offset by lower other income, resulting in a miss on adj. PAT at INR1.55b (est. INR1.65b), up 5% YoY.
- Revenue for engineering/metal formed/other business grew ~11%/5%/39% YoY to INR12.7b/INR3.6b/INR2.5b (est. INR13b/INR4.1b/INR2.1b). Mobility division revenue declined ~3% YoY to INR1.8b (est. INR1.9b).
- Mobility business reported a positive PBIT margin of 0.9% (1.1%/-5.7% in 1Q/4QFY24; our est. -4%) after reporting PBIT losses for the last three quarters.
- Engineering business reported PBIT margin expansion of ~60bp YoY (-10bp QoQ) to 12.4% (est. 12.6%).
- Metal formed division reported PBIT margin contraction of 280bp YoY/100bp QoQ to 10% (est. 11.5%).
- PBIT margin for other businesses contracted 310bp YoY/140bp QoQ to 6.1% (est. 7.4%).

### Highlights from the management commentary

- **TI standalone:** The company is aiming for double-digit growth in the core business. Growth will be driven by three factors: 1) growing construction and non-auto segments, 2) demand in EVs for lighter components where it has expertise, and 3) export opportunities where it can leverage its strong market presence in metal forms and tubes globally.

- **Engineering division:** The capacity expansion for large diameter tubes will materialize over a period, but some part of it is ready. After the full commissioning, capacity utilization will come down to ~70% from 85-90%, which would be sufficient for the next two years.
- **Metal formed:** It is dependent on the 4W segment (~50% revenue contribution), which remained muted in 1Q; it is a temporary issue. Railway margins are under pressure because of participation in the tender business. Both of these issues should be resolved in the next couple of quarters.
- **EVs:** The company wants to be among the top-2 players in all businesses and aspires for 20-25% market share in each of the segments. In e3Ws, it is proceeding steadily in the south region. It is making inroads in the key markets of the north region and garnering around 4-5% market share.

#### Valuation and view

- TIINDIA offers diversified revenue streams, with strong growth in the core business (~14% CAGR in standalone PAT over FY24-26E), ramp-up in CG Power, and the optionality of new businesses incubated under the TI-2 strategy.
- The stock trades at 67x/54x FY25E/FY26E consolidated EPS. Reiterate BUY rating and a TP of ~INR4,740 (premised on June'26E SOTP, based on 36x for the standalone business, valuing listed subsidiaries at 20% HoldCo discount and adding INR351/share for the three EV businesses).

#### Quarterly performance (S/A)

Y/E March	(INR M)											
	FY24				FY25E				FY24	FY25E	FY25E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
<b>Net Sales</b>	17,801	19,696	18,983	19,624	19,603	20,701	20,744	21,783	76,105	82,831	20,321	
YoY Change (%)	-9.0	3.3	11.0	18.0	10.1	5.1	9.3	11.0	5.2	8.8	14.2	
<b>EBITDA</b>	2,160	2,514	2,395	2,171	2,400	2,578	2,568	2,643	9,239	10,189	2,349	
Margins (%)	12.1	12.8	12.6	11.1	12.2	12.5	12.4	12.1	12.1	12.3	11.6	
Depreciation	331	346	361	370	386	400	430	436	1,408	1,652	350	
Interest	70	77	74	75	72	42	37	26	295	177	45	
Other Income	219	358	137	1,451	137	350	400	1,533	2,211	2,420	250	
<b>PBT before EO expense</b>	1,979	2,448	2,096	3,178	2,079	2,486	2,501	3,714	9,747	10,780	2,204	
Tax	502	634	521	699	534	627	630	933	2,359	2,724	555	
Tax Rate (%)	25.4	25.9	24.9	22.0	25.7	25.2	25.2	25.1	24.2	25.3	25.2	
<b>Adj PAT</b>	1,477	1,814	1,575	2,479	1,545	1,860	1,871	2,781	7,391	8,056	1,649	
YoY Change (%)	10.0	13.2	14.4	-9.2	4.6	2.5	18.8	12.2	3.9	9.0	11.6	

E: MOFSL Estimates

#### Segmental Mix (INR m)

	FY24				FY25E				FY24	FY25E	FY25E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Mobility business	1,867	1,766	1,473	1,539	1,807	1,784	1,620	1,696	6,645	6,907	1,941	
Growth (%)	(24.0)	(21.9)	(15.2)	(0.4)	(3.2)	1.0	10.0	10.2	(16.9)	4.0	4.0	
PBIT margin (%)	1.1	(1.7)	(5.6)	(5.7)	0.9	(1.5)	(4.0)	(4.9)	(2.7)	(2.3)	(4.0)	
Contribution (%)	10.5	9.0	7.8	7.8	9.2	8.6	7.8	7.8	8.7	8.3	9.6	
Engineering business	11,416	12,741	12,289	12,759	12,652	13,378	13,395	14,081	49,205	53,507	13,014	
Growth (%)	(8.2)	6.9	13.7	22.2	10.8	5.0	9.0	10.4	7.9	8.7	14.0	
PBIT margin (%)	11.8	13.3	12.4	12.5	12.4	12.8	12.7	13.1	12.5	12.8	12.6	
Contribution (%)	64.1	64.7	64.7	65.0	64.5	64.6	64.6	64.6	64.7	64.6	64.0	
Metal formed business	3,419	3,996	3,917	3,859	3,576	4,116	4,231	4,484	15,191	16,406	4,103	
Growth (%)	2.1	7.7	5.7	11.2	4.6	3.0	8.0	16.2	6.7	8.0	20.0	
PBIT margin (%)	12.8	13.4	12.1	11.0	10.0	13.2	13.4	13.5	12.3	12.6	11.5	
Contribution (%)	19.2	20.3	20.6	19.7	18.2	19.9	20.4	20.6	20.0	19.8	20.2	
Other business	1,776	2,068	2,195	2,302	2,469	2,316	2,392	2,379	8,340	9,556	2,131	
Growth (%)	(20.2)	10.1	32.1	20.5	39.1	12.0	9.0	3.3	8.6	14.6	20.0	
PBIT margin (%)	9.0	8.4	6.3	7.5	6.1	6.3	6.6	7.1	7.8	6.5	7.4	
Contribution (%)	10.0	10.5	11.6	11.7	12.6	11.2	11.5	10.9	11.0	11.5	10.5	
<b>Total Revenue (post inter segment)</b>	17,801	19,696	18,983	19,624	19,603	20,701	20,744	21,783	76,105	82,831	20,321	
Growth (%)	(9.0)	3.3	11.0	18.0	10.1	5.1	9.3	11.0	5.2	8.8	14.2	

E:MOFSL Estimates



# Thermax

Estimate changes



TP change



Rating change



	TMX IN
Bloomberg Equity Shares (m)	119
M.Cap.(INRb)/(USDb)	593.9 / 7.1
52-Week Range (INR)	5840 / 2450
1, 6, 12 Rel. Per (%)	-6/48/65
12M Avg Val (INR M)	740

### Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Net Sales	110.5	129.4	152.8
EBITDA	10.5	13.5	16.4
PAT	7.4	9.4	11.6
EPS (INR)	66.0	83.6	103.1
GR. (%)	26.5	26.7	23.3
BV/Sh (INR)	446.3	514.9	603.1

### Ratios

ROE (%)	15.7	17.4	18.4
RoCE (%)	13.6	14.9	16.0

### Valuations

P/E (X)	75.6	59.7	48.4
P/BV (X)	11.2	9.7	8.3
EV/EBITDA (X)	53.5	41.6	33.8
Div Yield (%)	0.3	0.3	0.3

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	62.0	62.0	62.0
DII	12.9	15.8	15.5
FII	20.6	17.7	17.8
Others	4.5	4.5	4.7

FII Includes depository receipts

**CMP: INR4,984**

**TP: INR4,950 (-1%)**

**Neutral**

## Subdued performance

Thermax (TMX)'s 1QFY25 result fell short of our estimate. While revenue was in line, PAT missed our estimate due to lower-than-expected margins. Revenue/ EBITDA/PAT grew by 13%/7%/17% YoY for the quarter. EBITDA margin contraction led to a large miss on PAT. Order inflow for the quarter was flat at INR25.6b, resulting in an order book of INR107b, up just 2% YoY. There was a lack of large-sized orders during the quarter. The company is expecting finalization of large-sized order inflows over the next few quarters. TMX is also evaluating thermal power project opportunities via identifying only boiler-related packages. We tweak our estimates by -2%/1% for FY25/26 to factor in the 1Q performance. We roll forward our TP to Jun'26 and arrive at our revised TP of INR4,950 (vs. INR4,710) based on 55x Jun'26E EPS and add value of investments in Green Solutions at 1.5x P/BV. Reiterate Neutral.

### In-line revenue; muted performance due to margins and order inflows

TMX reported an in-line 1QFY25 revenue of INR21.8b (+13% YoY). The growth was primarily led by Industrial Products (+15% YoY) and Green Solutions (+54% YoY). Industrial Infra posted flat revenue YoY. Gross margin contracted ~60bp YoY to 43.7%. This, coupled with adverse operating leverage, led to an EBITDA margin contraction of ~30bp YoY/ 330bp QoQ to 6.5%. The drop in margin was entirely attributable to the Industrial Infra segment, which reported an EBIT loss of INR184m. However, the other segments posted healthy margin expansions. Accordingly, EBITDA grew 7% YoY to INR1.4b, a miss vs. our estimate of INR2.1b. PAT at INR1b grew 17% YoY, aided by a lower effective tax rate (32.1% vs. 34.3%) and higher other income (+58% YoY). Order inflow growth was flat during the quarter at INR25.7b in the absence of large-sized order wins, while the order book stood at INR106.8b (+2% YoY).

### Segment wise outlook on margins appearing brighter

TMX has posted margin improvement across most segments except Industrial Infra. Industrial infra margins were negative as TMX had taken a hit of INR450m for a bio-CNG project, INR80m for an FGD project, and INR200m for a sulfur recovery project. Adjusted for this, margins could have been more than 5.7-5.8%. TMX has now stopped taking new orders in bio-CNG until it delivers the existing ones. In the coming quarters, TMX expects the industrial infra segment to recover to normal margins, with a focus on profitable projects. Segment margins have a scope for further improvement driven by improved product mix, better quality products, and higher market share despite competition being higher in 70% of the portfolio of industrial product division. Differentiation has already started getting reflected in TMX's offerings for ZLD, water, and cooling products vs. traditional products of competitors. We expect the Industrial product and Chemical segments to remain the high-margin segments for TMX.

### Base ordering maintained while large order inflows muted

Base ordering is maintained for the company during 1QFY25 but has not grown YoY due to weakness seen in select segments such as ethanol, sugar, steel, and refineries. The enquiry pipeline remains strong, with discussion already on for steel sector projects, projects from refineries may start getting finalized from 2HFY25 over the next two years. TMX continued to witness an improved traction for industrial products related to water, waste water, air pollution control, electric boilers, electric heaters, bio-solutions, cooling, hybrid heat pumps, ZLD, gas upgradation, carbon capture, etc. However, it had to take a step back from HVAC offerings due to the long gestation of product absorption. For coal gasification too, so far bigger projects have not materialized for TMX. We have currently factored in order inflows of INR120b/ INR154b/INR178b for FY25/FY26/FY27 for TMX.

### Selectively evaluating opportunities for thermal projects

TMX is evaluating thermal power projects selectively by focusing only on the separate packages related to boilers. As highlighted in our TMX AR2024 [update](#), the company wants to stay away from the risks of taking large-sized full-thermal projects and also doesn't want to take risks for the civil and construction parts. For the boiler-related technology, it is already in touch with Babcock and Wilcox USA.

### TOESL's performance better than FEPL

TMX's subsidiary TOESL's performance was better during last year and this quarter too, while FEPL is facing difficulties due to some issues in the project in Tamil Nadu because of floods as well as delays in another big wind-related project. TMX would be continuously investing in both TOESL and FEPL with incremental capex.

### We expect 26% PAT CAGR over FY24-27

We expect a CAGR of 18%/27%/26% in revenue/EBITDA/PAT over FY24-27. Growth will be driven by: 1) 24% CAGR in order inflows, 2) a gradual recovery in EBIT margins of the Industrial Product and Chemical divisions to 10.2% and 19.0%, respectively, by FY26E, and 3) control over working capital and NWC (at 17 days).

### Valuation and view

The stock is currently trading at 76x/60x/48x FY25E/FY26E/FY27E EPS. We roll forward our valuation to Jun'26E and revise our TP of INR4,950, based on 55x Jun'26E EPS and add value of investments in Green Solutions at 1.5x P/BV. **Reiterate Neutral.**

### Key risks and concerns

Slowdown in order inflows, a sharp rise in commodity prices, slower-than-expected revival in private sector capex, and increased competition are the key risks to our estimates.

**Thermax**

**Quarterly Earning Model**

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var. (%)	
<b>Net Sales</b>	<b>19,330</b>	<b>23,025</b>	<b>23,244</b>	<b>27,637</b>	<b>21,844</b>	<b>26,589</b>	<b>28,172</b>	<b>33,868</b>	<b>93,235</b>	<b>1,10,474</b>	<b>22,010</b>	<b>-1</b>
YoY Change (%)	16.8	10.9	13.4	19.6	13.0	15.5	21.2	22.5	15.2	18.5	13.9	
Total Expenditure	18,008	20,978	21,369	24,905	20,433	23,927	25,305	30,268	85,261	99,933	19,884	
<b>EBITDA</b>	<b>1,322</b>	<b>2,046</b>	<b>1,874</b>	<b>2,732</b>	<b>1,412</b>	<b>2,662</b>	<b>2,867</b>	<b>3,600</b>	<b>7,974</b>	<b>10,541</b>	<b>2,125</b>	<b>-34</b>
Margins (%)	6.8	8.9	8.1	9.9	6.5	10.0	10.2	10.6	8.6	9.5	9.7	
Depreciation	294	330	358	499	360	395	405	500	1,481	1,660	386	-7
Interest	134	198	266	278	275	301	309	381	876	1,265	294	-7
Other Income	531	659	584	553	841	555	569	367	2,326	2,332	542	55
<b>PBT before EO expense</b>	<b>1,425</b>	<b>2,177</b>	<b>1,834</b>	<b>2,507</b>	<b>1,617</b>	<b>2,521</b>	<b>2,722</b>	<b>3,087</b>	<b>7,943</b>	<b>9,948</b>	<b>1,987</b>	<b>-19</b>
Extra-Ord expense	506	0	-1,261						-755	0		
<b>PBT</b>	<b>919</b>	<b>2,177</b>	<b>3,095</b>	<b>2,507</b>	<b>1,617</b>	<b>2,521</b>	<b>2,722</b>	<b>3,087</b>	<b>8,698</b>	<b>9,948</b>	<b>1,987</b>	<b>-19</b>
Tax	315	589	721	633	519	638	689	671	2,258	2,517	503	
Rate (%)	34.3	27.0	23.3	25.2	32.1	25.3	25.3	21.7	26.0	25.3	25.3	
Minority Interest & Profit/Loss of Asso. Cos.	4	3	3	-2	4	0	0	0	8		0	
<b>Reported PAT</b>	<b>600</b>	<b>1,586</b>	<b>2,371</b>	<b>1,876</b>	<b>1,094</b>	<b>1,883</b>	<b>2,034</b>	<b>2,416</b>	<b>6,432</b>	<b>7,431</b>	<b>1,484</b>	<b>-26</b>
<b>Adj PAT</b>	<b>932</b>	<b>1,586</b>	<b>1,403</b>	<b>1,876</b>	<b>1,094</b>	<b>1,883</b>	<b>2,034</b>	<b>2,416</b>	<b>5,873</b>	<b>7,431</b>	<b>1,484</b>	<b>-26</b>
YoY Change (%)	58.1	45.3	11.0	20.1	17.4	18.7	44.9	28.8	42.7	15.5	59.3	
Margins (%)	4.8	6.9	6.0	6.8	5.0	7.1	7.2	7.1	6.3	6.7	6.7	

INR m	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Segmental revenue</b>										
Industrial Products	8,359	9,894	10,226	12,074	9,608	11,853	12,841	15,086	40,552	49,388
Industrial Infra	9,162	10,851	10,974	13,565	9,251	11,828	12,321	15,884	44,552	49,283
Green Solutions	1,132	1,246	1,235	1,458	1,737	1,742	1,815	1,964	5,071	7,259
Chemical	1,608	1,879	1,606	1,541	1,708	2,017	2,097	2,244	6,634	8,066
Less: Intersegmental	(931)	(845)	(797)	(1,001)	(691)	(851)	(901)	(1,079)	(3,574)	(3,522)
<b>Total revenues</b>	<b>19,330</b>	<b>23,025</b>	<b>23,244</b>	<b>27,637</b>	<b>21,613</b>	<b>26,589</b>	<b>28,172</b>	<b>34,099</b>	<b>93,235</b>	<b>1,10,474</b>
<b>Segmental EBIT</b>										
Industrial Products	560	988	1,015	1,407	867	1,185	1,284	1,603	3,970	4,939
Margin (%)	6.7	10.0	9.9	11.7	9.0	10.0	10.0	10.6	9.8	10.0
Industrial Infra	303	573	389	825	(184)	651	739	1,011	2,089	2,218
Margin (%)	3.3	5.3	3.5	6.1	(2.0)	5.5	6.0	6.4	4.7	4.5
Green Solutions	100	80	133	137	230	157	163	176	449	726
Margin (%)	8.8	6.4	10.8	9.4	13.2	9.0	9.0	9.0	8.9	10.0
Chemical	265	345	331	296	304	373	388	440	1,238	1,505
Margin (%)	16.5	18.4	20.6	19.2	17.8	18.5	18.5	19.6	18.7	18.7



Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR538      TP: INR550 (+2%)      Neutral**

**Margin pressure continues due to lower price and high COGS**

**Operating performance below expectations**

Bloomberg	UPLL IN
Equity Shares (m)	751
M.Cap.(INRb)/(USDb)	403.5 / 4.8
52-Week Range (INR)	639 / 448
1, 6, 12 Rel. Per (%)	-8/-12/-40
12M Avg Val (INR M)	1869

- UPLL reported a weak quarter as revenue grew marginally (1% YoY), led by strong volume growth (up 16%) offset by lower agrochemical prices (down 15% YoY). EBITDA margins contracted 510bp YoY largely due to price decline, liquidation of high-cost inventory (~USD10-12m) and increase in freight cost.
- Gross debt (excluding perpetual bonds) increased to INR316.5b as of Jun'24 from INR300.8b/INR284.4b as of Jun'23/Mar'24. Net debt (excluding perpetual bonds) increased to INR275b as of Jun'24 from INR262b/INR222b as of Jun'23/Mar'24.
- Despite weak operating performance in 1Q, we largely retain our FY25E/ FY26E EPS on the back of positive commentary on outlook (margin recovery and strong volume growth in 2HFY25) and unchanged guidance. **Reiterate Neutral with a TP of INR550.**

**Financials & Valuations (INR b)**

Y/E Mar	2024	2025E	2026E
Sales	431.0	456.9	501.5
EBITDA	55.2	77.4	92.3
PAT	2.8	20.0	34.4
EBITDA (%)	12.8	16.9	18.4
EPS (INR)	3.7	26.1	45.0
EPS Gr. (%)	(93.7)	612.8	72.5
BV/Sh. (INR)	491	506	553

**Ratios**

Net D/E	1.0	0.9	0.7
RoE (%)	1.1	7.9	12.9
RoCE (%)	5.3	6.9	9.8
Payout (%)	(70.1)	59.0	31.1

**Valuations**

P/E (x)	146.9	20.6	11.9
EV/EBITDA (x)	11.9	8.3	6.6
Div Yield (%)	2.1	2.7	2.7
FCF Yield (%)	(2.7)	14.9	17.5

**Shareholding pattern (%)**

	Jun-24	Mar-24	Jun-23
Promoter	32.4	32.4	32.4
DII	15.7	15.3	15.2
FII	37.8	37.0	42.0
Others	14.1	15.4	10.4

Note: FII includes depository receipts

**Revenue improves YoY across regions, except LATAM and India**

- UPL reported a revenue of INR90.7b (in line) in 1QFY25, up 1% YoY (volume growth: 16%, price decline: 14%, exchange loss: 1%).
- EBITDA stood at INR11.5b (est. INR14b), down 28% YoY. EBITDA margin was 12.6% vs. 17.8% in 1QFY24, due to a 600bp contraction in gross margin. Contribution margin was hit by high-cost inventory liquidation and higher rebates to support channel partners. Net loss came in at INR2b (est. loss of INR1.4b) vs. net profit of INR4b in 1QFY24.
- **India** revenue declined 9% YoY to INR18.7b, led by the company's strategy to place products closer to the season (shift product placement in 1Q to 2Q) to optimize working capital and prioritize cash collections.
- **North America** revenue grew 42% YoY to INR12.4b, fueled by strong volume growth (~20% YoY) mainly in herbicides & fungicides, as well as the restocking of inventory before season. **LATAM** revenue dipped 10% YoY to INR26.6b, owing to continued pricing pressure in Brazil, shift of purchase closer to the season in Argentina, and drought in Colombia. **Europe** revenue rose 13% YoY to INR14.3b, aided by volume improvement, while **RoW** revenue grew 3% YoY to INR18.7b, owing to higher volumes in Africa and insecticides.
- Advanta/UPL Specialty Chemicals' revenue declined 7%/22% YoY to INR9.9b/INR21.5b led by tight inventories of certain products and supply constraints/decline in captive revenue due to inventory liquidation.

**Highlights from the management commentary**

- **Guidance:** Management maintained its guidance for ~4-8% revenue growth in FY25, with an absolute EBITDA growth of over 50% and CFO generation of USD300-400m. The majority of the high-cost inventory has been sold this quarter, and UPL is left with only a little quantity to be sold in 2Q, resulting in a recovery in contribution margin hereon.



- **Outlook on Pricing:** Global agrochemical prices have largely stabilized in this quarter. Management is not expecting a 1Q-like pricing impact in the quarters going forward, and it is anticipating stable pricing in 2HFY25.
- **Deleveraging guidance intact:** To reduce debt by USD300m-400m (ex-rights issue proceeds) in FY25.

### Valuation and view

- We expect 2HFY25 to witness a recovery in margins aided by the entire high-cost inventory liquidation in 1HFY25, stable agrochemical prices, and demand recovery across the key markets.
  - Considering the short-term challenges, cash flow generation and debt repayments remain the key monitorables.
  - Despite weak operating performance, we largely maintain our FY25E/FY26E on the back of a strong commentary on outlook and unchanged guidance.
- Reiterate Neutral with a TP of INR550 (based on 12x FY26E EPS; ~20% discount to its five-year average, and a one-year forward P/E of 15x).**

### Cons.: Quarterly Earnings Model

Y/E March	FY24				FY25				FY24	FY25E	FY25E	Var %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1Q		
<b>Net Sales</b>	<b>89.6</b>	<b>101.7</b>	<b>98.9</b>	<b>140.8</b>	<b>90.7</b>	<b>103.5</b>	<b>106.8</b>	<b>155.9</b>	<b>431.0</b>	<b>456.9</b>	<b>89.5</b>	<b>1%</b>
YoY Change (%)	-17.2	-18.7	-27.7	-15.0	1.2	1.8	8.0	10.8	-19.6	6.0	-0.1	
Total Expenditure	73.7	86.0	94.7	121.5	79.2	88.4	86.4	125.6	375.8	379.6	75.5	
<b>EBITDA</b>	<b>15.9</b>	<b>15.8</b>	<b>4.2</b>	<b>19.3</b>	<b>11.5</b>	<b>15.2</b>	<b>20.4</b>	<b>30.4</b>	<b>55.2</b>	<b>77.4</b>	<b>14.0</b>	<b>-18%</b>
Margins (%)	17.8	15.5	4.2	13.7	12.6	14.6	19.1	19.5	12.8	16.9	15.7	
Depreciation	6.4	6.6	6.8	7.9	6.6	6.7	7.5	8.7	27.6	29.5	6.3	
Interest	7.0	8.7	11.9	10.9	9.1	9.0	8.5	8.0	38.5	34.6	10.5	
Other Income	1.0	1.1	1.5	1.3	1.0	1.0	1.4	1.2	4.8	4.6	1.0	
Exch. difference on trade rec./payable	3.2	2.5	3.2	0.8	0.5	0.0	0.0	0.0	9.8	0.5	0.0	
<b>PBT before EO expense</b>	<b>0.4</b>	<b>-1.0</b>	<b>-16.2</b>	<b>0.9</b>	<b>-3.7</b>	<b>0.4</b>	<b>5.8</b>	<b>14.9</b>	<b>-15.9</b>	<b>17.4</b>	<b>-1.8</b>	
Extra-Ord expense	0.4	0.9	0.2	1.1	0.5	0.0	0.0	0.0	2.5	0.5	0.0	
<b>PBT</b>	<b>0.0</b>	<b>-1.9</b>	<b>-16.4</b>	<b>-0.1</b>	<b>-4.2</b>	<b>0.4</b>	<b>5.8</b>	<b>14.9</b>	<b>-18.5</b>	<b>16.9</b>	<b>-1.8</b>	<b>NA</b>
Tax	-1.6	-1.0	-0.6	1.1	0.7	0.1	1.0	2.7	-2.1	4.5	-0.3	
Rate (%)	3,280.0	51.9	3.6	-733.3	-17.0	18.0	18.0	18.0	11.3	26.8	18.0	
MI & P/L of Asso. Cos.	-0.1	1.0	-3.6	-1.7	-1.1	1.1	-4.0	-1.7	-4.4	-5.8	-0.1	
<b>Reported PAT</b>	<b>1.7</b>	<b>-1.9</b>	<b>-12.2</b>	<b>0.4</b>	<b>-3.8</b>	<b>-0.7</b>	<b>8.8</b>	<b>13.9</b>	<b>-12.0</b>	<b>18.2</b>	<b>-1.4</b>	<b>NA</b>
<b>Adj PAT</b>	<b>4.0</b>	<b>1.1</b>	<b>-5.9</b>	<b>3.6</b>	<b>-2.0</b>	<b>-0.7</b>	<b>8.8</b>	<b>13.9</b>	<b>2.8</b>	<b>20.0</b>	<b>-1.4</b>	<b>NA</b>
YoY Change (%)	-61.7	-89.8	-144.2	-65.1	-150.8	-168.9	-248.5	282.3	-93.7	612.8	NA	

Note: Adjusted PAT = Reported PAT + forex adjustment + exceptional item

### Key Performance Indicators

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Consolidated</b>										
<b>Sales Growth Split</b>										
Volume (%)	-9.0	-7.0	-5.0	-2.0	16.0	0.0	0.0	0.0	-6.0	8.0
Price (%)	-10.0	-15.0	-24.0	-15.0	-14.0	0.0	0.0	0.0	-17.0	-2.0
Exchange Impact (%)	2.0	3.0	1.0	2.0	-1.0	0.0	0.0	0.0	2.0	0.0
<b>Cost Break-up</b>										
RM Cost (% of sales)	43.8	51.4	64.0	64.0	49.9	50.0	49.2	55.0	56.8	51.5
Staff Cost (% of sales)	13.8	12.3	11.7	7.4	14.7	12.4	11.7	8.3	10.9	11.3
Other Cost (% of sales)	24.6	20.8	20.2	14.9	22.8	23.0	20.0	17.2	19.5	20.3
Gross Margins (%)	56.2	48.6	36.0	36.0	50.1	50.0	50.8	45.0	43.2	48.5
EBITDA Margins (%)	17.8	15.5	4.2	13.7	12.6	14.6	19.1	19.5	12.8	16.9
EBIT Margins (%)	10.7	9.0	-2.6	8.1	5.4	8.2	12.1	13.9	6.4	10.5



# Eris Lifesciences

Estimate change	↔
TP change	↑
Rating change	↔

**CMP: INR1121      TP: INR1,075 (-4%)      Neutral**

## In-line 1Q; acquires fill-finish manufacturing site

### Progressing on scaling/integrating base as well as acquired business

- Eris Lifescience (ERIS) delivered in-line 1QFY25 operational performance. Steady growth in the base business and the addition of acquired business led to strong revenue growth in 1Q. Gross margins of acquired business are expected to further expand due to insourcing initiatives.
- To scale up Eris Biotech Hub, it has acquired injectable manufacturing capabilities across multiple dosages and a wide range of product categories.
- We largely maintain our estimates for FY25/FY26. We value ERIS at 23x 12M forward earnings to arrive at a TP of INR1,075.
- ERIS is in process of improving the growth prospects of its base business and the efficiency of its acquired business. In fact, the medium-term focus is on reaping benefits from MR additions in the derma segment, new launches in oncology/critical care, and optimizing manufacturing sourcing for products. Accordingly, we expect a 21% earnings CAGR over FY24-26. The current valuation captures the earnings upside adequately. Maintain Neutral stance on the stock.

### Improved operating profit offset by higher interest/depreciation

- Revenue grew 54.2% YoY to INR7.2b (est. INR7).
- Gross margin contracted 830bp YoY to 74.9% due to change in product mix.
- EBITDA margin contracted at lower rate of 160bp YoY to 34.7% (our est. 34.8%). Lower GM was offset by lower employee expenses/other expenses (-390bp/-280bp as % of sales).
- Likewise, EBITDA increased by 47.3% YoY to INR2.5b (est. INR2.4b).
- Adj. PAT declined by 12% YoY to INR832m (est. INR892m), due to higher interest (up 3.5x YoY) and depreciation (up 86% YoY).

### Highlights from the management commentary

- ERIS guides for total business revenue of INR30b and EBITDA margin of 35%.
- Organic business revenue is expected to grow by 12-14% with EBITDA margin of 37% for FY25.
- Acquired Biocon 1 revenue would be INR1.3b with EBITDA margin of 36%.
- Acquired Biocon 2 revenue would be INR3.4b-INR3.5b with EBITDA margin of 28%.
- Swiss parenterals revenue would be INR3.3b with EBITDA margin of 35%.
- Organic revenue grew by 10%.
- In 1Q, derma portfolio GM improved by 400bp on account of insourcing.
- The MR count was ~3700+. ERIS has no plan to increase headcount in FY25.

Bloomberg	ERIS IN
Equity Shares (m)	136
M.Cap.(INRb)/(USDb)	152.5 / 1.8
52-Week Range (INR)	1150 / 785
1, 6, 12 Rel. Per (%)	5/13/14
12M Avg Val (INR M)	185

### Financials & valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	20.1	31.0	35.5
EBITDA	7.0	10.8	12.5
Adj. PAT	4.0	4.2	5.8
EBIT Margin (%)	25.5	25.6	27.0
Cons. Adj. EPS (INR)	29.2	30.4	42.0
EPS Gr. (%)	5.2	4.0	38.0
BV/Sh. (INR)	188.1	213.0	249.5

### Ratios

Net D:E	1.0	1.0	0.8
RoE (%)	16.8	15.2	18.2
RoCE (%)	11.8	10.9	12.3
Payout (%)	19.3	18.1	13.1

### Valuations

P/E (x)	38.6	37.1	26.9
EV/EBITDA (x)	26.1	17.1	14.5
Div. Yield (%)	0.5	0.5	0.5
FCF Yield (%)	-1.4	-0.3	4.1
EV/Sales (x)	9.0	6.0	5.1

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	52.9	52.9	52.9
DII	10.9	10.5	10.7
FII	18.3	19.1	18.5
Others	17.9	17.6	17.9

FII includes depository receipts

Consolidated - Quarterly Earning

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	Estimate 1QE	Var %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Gross Sales</b>	<b>4,666</b>	<b>5,053</b>	<b>4,863</b>	<b>5,509</b>	<b>7,197</b>	<b>7,579</b>	<b>8,024</b>	<b>8,246</b>	<b>20,091</b>	<b>31,047</b>	<b>6,999</b>	2.8
YoY Change (%)	17.1	9.7	14.9	36.8	54.2	50.0	65.0	49.7	19.2	54.5	50.0	
Total Expenditure	2,969	3,242	3,108	3,811	4,697	4,919	5,216	5,380	13,129	20,211	4,563	
<b>EBITDA</b>	<b>1,697</b>	<b>1,811</b>	<b>1,755</b>	<b>1,698</b>	<b>2,500</b>	<b>2,660</b>	<b>2,808</b>	<b>2,867</b>	<b>6,962</b>	<b>10,835</b>	<b>2,436</b>	2.6
Margins (%)	36.4	35.8	36.1	30.8	34.7	35.1	35.0	34.8	34.7	34.9	34.8	
Depreciation	409	421	457	539	759	718	711	693	1,830	2,882	690	
Interest	174	163	181	330	604	630	610	585	848	2,428	650	
Other Income	10	35	42	151	16	50	65	117	238	248	40	
<b>PBT before EO expense</b>	<b>1,125</b>	<b>1,262</b>	<b>1,159</b>	<b>980</b>	<b>1,153</b>	<b>1,362</b>	<b>1,552</b>	<b>1,706</b>	<b>4,522</b>	<b>5,774</b>	<b>1,136</b>	1.5
Extra-Ord expense	0	0	0	214	0	0	0	0	214	0	0	
<b>PBT</b>	<b>1,125</b>	<b>1,262</b>	<b>1,159</b>	<b>766</b>	<b>1,153</b>	<b>1,362</b>	<b>1,552</b>	<b>1,706</b>	<b>4,308</b>	<b>5,774</b>	<b>1,136</b>	
Tax	188	39	144	-30	259	343	388	453	342	1,443	278	
Rate (%)	16.7	3.1	12.4	-3.9	22.5	25.2	25.0	26.6	7.9	25.0	24.5	
MI & Profit/Loss of Asso. Cos.	12	11	13	-87	62	31	37	16	-51	147	35.0	
<b>Reported PAT</b>	<b>948</b>	<b>1,234</b>	<b>1,027</b>	<b>710</b>	<b>832</b>	<b>988</b>	<b>1,127</b>	<b>1,236</b>	<b>3,916</b>	<b>4,184</b>	<b>892</b>	-6.8
<b>Adj PAT</b>	<b>948</b>	<b>1,234</b>	<b>1,027</b>	<b>815</b>	<b>832</b>	<b>988</b>	<b>1,127</b>	<b>1,236</b>	<b>4,021</b>	<b>4,184</b>	<b>892</b>	-6.8
YoY Change (%)	0.3	2.3	1.2	24.6	-12.3	-19.9	9.7	51.6	5.2	4.0	-5.9	
Margins (%)	20.3	24.4	21.1	14.8	11.6	13.0	14.0	15.0	20.0	13.5	12.8	

E: MOFSL Estimates



# Repc Home Finance

Estimate change	
TP change	
Rating change	

**CMP: INR505**      **TP: INR550 (+9%)**      **Neutral**

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USDb)	31.6 / 0.4
52-Week Range (INR)	581 / 312
1, 6, 12 Rel. Per (%)	-11/-2/31
12M Avg Val (INR M)	137
Free float (%)	62.9

### Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	6.5	7.0	7.5
PPP	5.2	5.6	6.1
PAT	3.9	4.3	4.6
EPS (INR)	63.1	69.0	73.1
EPS Gr. (%)	33	9	6
BV/Sh. (INR)	463	528	598

### Ratios

NIM (%)	5.2	5.0	4.9
C/I ratio (%)	24.6	25.7	25.8
RoAA (%)	3.0	3.0	2.8
RoE (%)	14.6	13.9	13.0
Payout (%)	4.8	4.7	4.7

### Valuation

P/E (x)	8.0	7.3	6.9
P/BV (x)	1.1	1.0	0.8
P/ABV (x)	1.1	1.0	0.8
Div. Yield (%)	0.6	0.6	0.7

### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	37.1	37.1	37.1
DII	18.8	19.6	19.5
FII	14.0	14.0	13.4
Others	30.0	29.3	29.9

FII Includes depository receipts

## Disbursements and loan growth muted; NIM stable QoQ

### Earnings beat due to improvement in spreads; asset quality deteriorates a bit

- Repco Home Finance (REPCO)'s 1QFY25 PAT grew 18% YoY to INR1,054m (10% beat). NII rose ~8% YoY to ~INR1.7b (in line). Other income grew 67% YoY to INR155m. Opex increased ~15% YoY to INR452m (in line). PPOP grew ~11% YoY to INR1.4b.
- Provisions stood at ~INR14m, translating into annualized credit costs of ~4bp (PY: ~16bp). GNPA rose ~20bp QoQ to 4.3%, and NNPA rose ~20bp QoQ to ~1.7%. PCR on S3 loans declined by ~3pp QoQ to ~62%.
- Home loans grew ~5% YoY, while other mortgage loans (including top-ups, CRE, and LAP) rose ~20% YoY. Management guided disbursements of ~INR36-38b in FY25 and expects the loan book to grow to ~INR150b in FY25 and ~INR200b by FY27.
- Valuations at ~0.8x FY26E P/BV are indeed attractive, but we believe that the company will continue to under-deliver on its loan growth guidance because of: 1) its inability to scale-up loan growth in core home loans, and 2) too high focus on improving asset quality and profitability, to the detriment of loan growth.
- We raise our FY25 estimates by ~5% to factor in higher other income. We model a loan/ PAT CAGR of ~10%/8% over FY24-FY26E. For an RoA/RoE of 2.8%/13% in FY26E, **we reiterate our Neutral rating** on the stock with our revised TP of INR550 (based on 0.9x FY26E BVPS).

### Moderation in loan growth due to lower disbursements

- Disbursements declined ~1% YoY to INR6.8b in 1QFY25. Loan book grew ~8% YoY to ~INR137b. The run-offs were lower, with repayment rates declining ~80bp YoY to ~14.6% (PY: ~15.4%).
- The proportion of non-salaried customers remained broadly stable at ~52%. The proportion of non-mortgage loans marginally rose to ~26% and the management shared that this segment will be capped at ~30%, to better manage the risk.
- Management shared that it plans to add additional 10-15 branches/centers in the remainder of FY25 and strengthen its resources in sales, collections, and underwriting, which will further boost loan growth. The company has started recruiting experienced employees in the sales and collections vertical, across geographies and branches, and in the Head Office as well. We estimate a loan growth of 10%/11% in FY25/FY26.

### Improvement in spreads driven by the increase in yields

- Reported yields rose ~30bp QoQ to ~12.0% and reported CoF increased by ~30bp to ~8.6%, leading to a ~10bp QoQ rise in spreads to ~3.4%. Improvement in yields was aided by ~20bp increase in PLR taken by REPCO during the course of 1QFY25. Reported NIM was stable QoQ at 5.1%.
- Cost-income ratio (CIR) declined ~260bp QoQ to ~24.7%.

- Management shared that it is prepared for some spread/margin compression if CoB continues to increase. However, any compression in spreads can be offset by writebacks in provisions and credit costs. We model NIMs of 5.0%/4.9% for FY25/FY26, primarily driven by an increase in CoB.

#### Key highlights from the management commentary

- Management has guided for GNPA to decline to ~INR4.5b by Mar'25, which will translate into a GNPA of ~3%.
- The company has started sourcing loans through connectors and with experienced employees joining REPCO, it expects the productivity of its branches and employees to improve. This will help improve disbursements/loan growth.

#### Valuation and view

- We will continue to focus on the management's ability to deliver on the guided metrics of asset quality and loan growth. Like last fiscal year, we expect credit costs to remain benign and model net provision write-backs in FY25.
- We believe that REPCO should utilize the levers on its NIM for stronger loan growth in FY25-FY26. Although the risk-reward balance appears favorable at the current valuation of ~0.8x FY26E P/BV, we would wait for additional evidence of successful execution in the realm of *home loan growth* before adopting a positive stance on the stock. We reiterate our **Neutral rating with a TP of INR550 (based on 0.9x FY26E BVPS)**.

Quarterly performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	1QFY25E	Act v/s est(%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	3,572	3,770	3,787	3,831	4,007	4,119	4,204	4,325	14,960	16,656	3,916	2
Interest Expenses	2,026	2,075	2,153	2,203	2,330	2,400	2,452	2,515	8,456	9,697	2,269	3
<b>Net Income</b>	<b>1,546</b>	<b>1,695</b>	<b>1,635</b>	<b>1,628</b>	<b>1,677</b>	<b>1,719</b>	<b>1,752</b>	<b>1,810</b>	<b>6,504</b>	<b>6,959</b>	<b>1,648</b>	<b>2</b>
YoY Growth (%)	16.5	23.6	17.8	10.5	8.5	1.4	7.2	11.2	17.0	7.0	6.6	
Other income	93	69	145	141	155	160	170	142	448	627	120	30
<b>Total Income</b>	<b>1,639</b>	<b>1,765</b>	<b>1,779</b>	<b>1,769</b>	<b>1,833</b>	<b>1,879</b>	<b>1,922</b>	<b>1,953</b>	<b>6,952</b>	<b>7,586</b>	<b>1,768</b>	<b>4</b>
YoY Growth (%)	15.7	18.9	18.7	11.9	11.8	6.5	8.0	10.4	16.2	9.1	7.8	
Operating Expenses	392	426	410	483	452	470	489	534	1,710	1,946	458	-1
YoY Growth (%)	15.7	24.4	2.9	27.6	15.4	10.3	19.5	10.8	17.3	13.8	17.0	
<b>Operating Profits</b>	<b>1,247</b>	<b>1,338</b>	<b>1,370</b>	<b>1,287</b>	<b>1,380</b>	<b>1,409</b>	<b>1,433</b>	<b>1,418</b>	<b>5,242</b>	<b>5,640</b>	<b>1,309</b>	<b>5</b>
YoY Growth (%)	15.7	17.3	24.5	6.9	10.7	5.3	4.6	10.2	15.9	7.6	5.0	
Provisions	50	16	29	-100	14	-35	-36	-48	-5	-104	7	111
<b>Profit before Tax</b>	<b>1,198</b>	<b>1,322</b>	<b>1,341</b>	<b>1,387</b>	<b>1,366</b>	<b>1,444</b>	<b>1,468</b>	<b>1,466</b>	<b>5,247</b>	<b>5,744</b>	<b>1,302</b>	<b>5</b>
Tax Provisions	307	341	346	306	312	361	382	370	1,300	1,425	343	-9
<b>Profit after tax</b>	<b>891</b>	<b>981</b>	<b>994</b>	<b>1,081</b>	<b>1,054</b>	<b>1,083</b>	<b>1,086</b>	<b>1,096</b>	<b>3,947</b>	<b>4,320</b>	<b>960</b>	<b>10</b>
YoY Growth (%)	43.5	37.9	23.1	31.6	18.4	10.4	9.3	1.4	33.3	9.4	7.7	
Loan growth (%)	6.7	7.1	8.1	8.5	8.3	8.6	9.0	9.7	9.0	11.2	8.5	
Cost to Income Ratio (%)	23.9	24.2	23.0	27.3	24.7	25.0	25.5	27.4	24.6	25.7	25.9	
Tax Rate (%)	25.6	25.8	25.8	22.1	22.8	25.0	26.0	25.3	24.8	24.8	26.3	
<b>Key Parameters (%)</b>												
Yield on loans (Cal)	11.4	11.8	11.6	11.5	11.8	11.9	11.8	11.9	12.0	12.1		
Cost of funds (Cal)	8.2	8.3	8.4	8.4	8.6	8.7	8.7	8.7	8.2	8.6		
Spreads (Cal)	3.2	3.5	3.2	3.1	3.2	3.2	3.2	3.2	3.8	3.5		
NIMs (Reported)	5.1	5.4	5.3	5.1	5.1	0.0	0.0	0.0	5.2	5.0		
Credit Cost	0.16	0.05	0.09	-0.30	0.04	-0.10	-0.10	-0.13	0.0	-0.1		
Cost to Income Ratio	23.9	24.2	23.0	27.3	24.7	25.0	25.5	27.4	24.6	25.7		
Tax Rate	25.6	25.8	25.8	22.1	22.8	25.0	26.0	25.3	24.8	24.8		
<b>Balance Sheet</b>												
AUM (INR B)	126.6	129.2	131.9	135.1	137.0	140.4	143.7	148.2	135.1	148.2		
Change YoY (%)	6.7	7.1	8.1	8.5	8.3	8.6	9.0	9.7	8.5	9.7		
AUM Mix (%)												
Non-Salaried	51.8	51.0	51.3	51.4	51.6	0.0	0.0	0.0	51.8	51.0		
Salaried	48.2	49.0	48.7	48.6	48.4	0.0	0.0	0.0	48.2	49.0		
AUM Mix (%)												
Home loans	76.9	76.2	75.6	74.7	74.3	0.0	0.0	0.0	74.7	74.0		
LAP	23.1	23.8	24.4	25.3	25.7	0.0	0.0	0.0	25.3	26.0		
Disbursements (INR B)	6.8	8.0	7.6	8.9	6.8	8.8	8.6	10.6	31.3	34.8		
Change YoY (%)	6.6	6.9	9.0	7.1	-0.6	11.0	13.0	18.2	7.4	11.0		
Borrowings (INR B)	99.1	100.5	103.6	107.0	109.1	111.5	114.3	118.0	107.0	118.0		
Change YoY (%)	6.4	4.3	7.9	7.9	10.2	11.0	10.4	10.3	7.9	10.2		
Loans/Borrowings (%)	127.8	128.6	127.3	126.3	125.5	125.9	125.7	125.6	126.3	125.6		
Borrowings Mix (%)												
Banks	74.1	75.6	77.7	79.2	79.8				74.1	75.6		
NHB	14.9	13.1	12.0	10.8	10.6				14.9	13.1		
Repco Bank	11.0	11.4	10.3	10.0	9.6				11.0	11.4		
NCD	0.0	0.0	0.0	0.0	0.0				0.0	0.0		
CP	0.0	0.0	0.0	0.0	0.0				0.0	0.0		
<b>Asset Quality</b>												
GS 3 (INR B)	6.9	6.4	6.2	5.5	5.8				5.5	5.0		
Gross Stage 3 (% on Assets)	5.5	4.9	4.7	4.1	4.3				4.1	3.4		
NS 3 (INR B)	3.4	2.7	2.5	1.9	2.2				1.9	1.7		
Net Stage 3 (% on Assets)	2.8	2.2	1.9	1.5	1.7				1.5	1.2		
PCR (%)	51.4	57.4	60.1	65.2	61.8				65.2	65.0		
<b>Return Ratios (%)</b>												
ROA (Rep)	2.8	3.1	3.1	3.2	3.1				3.0	3.0		
ROE (Rep)	15.8	16.1	15.8	16.5	16.3				14.6	13.9		

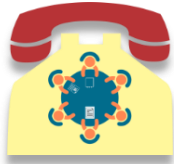
E: MOFSL Estimates

## Britannia Industries

BSE SENSEX 80,982 S&amp;P CNX 24,718

CMP: INR5,720

## Conference Call Details

Date: 5<sup>th</sup> August 2024

Time: 10:00 AM

Dial-in details:

+91 22 6280 1313 /

+91 22 7115 8214

[Diamond Pass](#)

## Financials &amp; Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	167.7	183.5	202.3
Sales Gr. (%)	2.9	9.4	10.3
EBITDA	31.7	35.5	39.2
EBITDA mrg. (%)	18.9	19.4	19.4
Adj. PAT	21.4	24.7	27.7
Adj. EPS (INR)	88.7	102.6	115.0
EPS Gr. (%)	10.1	15.6	12.1
BV/Sh.(INR)	163.6	190.6	227.9
<b>Ratios</b>			
RoE (%)	57.2	57.9	54.9
RoCE (%)	33.5	38.6	39.2
Payout (%)	82.9	73.6	67.4
<b>Valuation</b>			
P/E (x)	64.5	55.8	49.7
P/BV (x)	35.0	30.0	25.1
EV/EBITDA (x)	43.1	38.3	34.4
Div. Yield (%)	1.3	1.3	1.4

## In-line revenue; miss on EBITDA

- BRIT's consolidated net sales (excluding other operating income) rose 4% YoY to INR41.3b (est. INR41.7b) during the quarter.
- Other operating income increased 195% YoY to 1,204m. Consolidated total sales rose 6% YoY to INR42.5b (est. INR42.3b); the four-year CAGR was 6%.
- The company has delivered **high single-digit** volume growth in 1QFY25.
- BRIT's consol. EBITDA/PBT/Adj. PAT rose 9%/14%/16% YoY to INR7.5b/INR7.1b/INR5.3b (est. INR7.8b/INR7.3b/INR5.3b).
- Consolidated gross margin improved 150bp YoY, while it contracted 150bp QoQ to 43.4% (est. 43.5%).
- Employee and other expenses rose 7% YoY and 10% YoY, respectively.
- EBITDA margin slightly improved to 55bp YoY to 17.7% (est. of 18.6%).
- EBITDA increased 9% YoY (est. +14%).

## Other key highlights

- **Market share:** The company's market share improved due to sustained investments in brands, product excellence, and innovation. Rural market share grew faster than urban market share.
- **Rural focus:** BRIT is making positive strides in rural areas by expanding its distribution footprint and aligning product offerings with regional preferences.
- **Modern trade and e-commerce:** The company is actively leveraging the growing modern trade and e-commerce channels, which have seen significant growth compared to the previous year.
- **New product launches:** The introduction of Pure Magic Stars and Golmaal variants has generated consumer excitement and strengthened the brand franchise.
- **Cost efficiency and profitability:** BRIT remains vigilant of commodity price fluctuations and the geopolitical landscape. The Cost Efficiency Program is yielding operational savings and maintaining robust operating margins.
- **Acquisition:** Sourcing renewable energy for its Ranjangaon factory in Maharashtra, BRIT has made an investment of INR 43m. This investment equates to a 26% stake in the equity share capital of special purpose vehicles of Amplus Energy Solutions Pte. Ltd.

**Consol. Quarterly Performance**

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
<b>Base business volume growth (%)</b>	<b>0.0</b>	<b>0.0</b>	<b>3.0</b>	<b>3.5</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>9.0</b>	<b>1.6</b>	<b>7.5</b>	<b>5.0</b>	
<b>Total Revenue</b>	<b>40,107</b>	<b>44,329</b>	<b>42,563</b>	<b>40,694</b>	<b>42,503</b>	<b>48,700</b>	<b>46,735</b>	<b>45,519</b>	<b>1,67,693</b>	<b>1,83,457</b>	<b>42,283</b>	0.5
YoY change (%)	8.4	1.2	1.4	1.1	6.0	9.9	9.8	11.9	2.9	9.4	5.4	
<b>Gross Profit</b>	<b>16,820</b>	<b>19,011</b>	<b>18,673</b>	<b>18,269</b>	<b>18,449</b>	<b>20,941</b>	<b>20,657</b>	<b>20,674</b>	<b>72,772</b>	<b>80,721</b>	<b>18,393</b>	0.3
Margins (%)	41.9	42.9	43.9	44.9	43.4	43.0	44.2	45.4	43.4	44.0	43.5	
<b>EBITDA</b>	<b>6,889</b>	<b>8,724</b>	<b>8,211</b>	<b>7,874</b>	<b>7,537</b>	<b>9,639</b>	<b>9,045</b>	<b>9,278</b>	<b>31,698</b>	<b>35,499</b>	<b>7,847</b>	(4.0)
Margins (%)	17.2	19.7	19.3	19.4	17.7	19.8	19.4	20.4	18.9	19.4	18.6	
YoY growth (%)	37.6	22.6	0.4	-1.7	9.4	10.5	10.2	17.8	12.0	12.0	8.1	
Depreciation	708	717	781	799	739	825	825	925	3,005	3,314	800	
Interest	531	534	311	264	290	400	375	429	1,640	1,493	350	
Other Income	539	524	506	573	556	575	575	621	2,142	2,327	575	
<b>PBT</b>	<b>6,190</b>	<b>7,997</b>	<b>7,625</b>	<b>7,384</b>	<b>7,064</b>	<b>8,989</b>	<b>8,420</b>	<b>8,545</b>	<b>29,196</b>	<b>33,018</b>	<b>7,272</b>	(2.9)
Tax	1,665	2,121	2,026	1,980	1,762	2,247	2,105	2,196	7,793	8,311	1,927	
Rate (%)	26.9	26.5	26.6	26.8	24.9	25.0	25.0	25.7	26.7	25.2	26.5	
<b>Adjusted PAT</b>	<b>4,555</b>	<b>5,865</b>	<b>5,586</b>	<b>5,366</b>	<b>5,295</b>	<b>6,735</b>	<b>6,308</b>	<b>6,342</b>	<b>21,371</b>	<b>24,681</b>	<b>5,307</b>	(0.2)
YoY change (%)	35.7	19.5	0.3	-3.8	16.3	14.8	12.9	18.2	10.1	15.5	16.5	

E: MOFSL Estimates



# GSK Pharma

**BSE SENSEX** 80,982  
**S&P CNX** 24,718

**CMP: INR2820**

## Conference Call Details



Date: 5<sup>th</sup> August 2024

### Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	34.5	37.3	40.7
EBITDA	9.1	9.9	11.1
Adj. PAT	7.3	7.8	8.6
EBIT Margin (%)	24.3	24.7	25.4
Cons. Adj. EPS (INR)	43.3	45.8	50.8
EPS Gr. (%)	20.5	5.7	10.9
BV/Sh. (INR)	104.9	123.1	146.3
<b>Ratios</b>			
Net D:E	-0.6	-0.5	-0.6
RoE (%)	41.3	37.2	34.7
RoCE (%)	40.4	40.2	37.7
Payout (%)	61.1	63.1	56.9
<b>Valuations</b>			
P/E (x)	65.1	61.6	55.5
EV/EBITDA (x)	36.8	33.8	29.9
Div. Yield (%)	0.8	0.9	0.9
FCF Yield (%)	2.9	1.2	2.6
EV/Sales (x)	9.7	9.0	8.1

## Earning beat estimates; Operating leverage improved profitability

- GSK Pharma (GLXO) revenue grew 7% YoY to INR8.1b (in line).
- Gross margin (GM) expanded 260bp YoY at 63.8%, due to a change in product mix and lower RM cost.
- Consequently, EBITDA margin expanded 940bp YoY to 28.3% (our est: 26.1%) due to higher GMs, lower employee expenses/other expense (down 310bp/370bp YoY as % of sales).
- EBITDA grew 60.2% YoY to INR2.3b (vs. est. of INR2.1b).
- Adj. PAT for GLXO grew 58.6% YoY to INR1.8b for the quarter (our est. INR1.7b).
- Revenue misses BBG estimate by 1.2% while EBITDA/PAT beats BBG estimates by 8%/6% respectively.

### Other highlights:

- Calpol, Augmentin, T-Bact delivered with 10% YoY growth and has gained market share.
- Respiratory portfolio comprising Nucala and Trelegy delivered a growth of 57% for the quarter.
- The Paediatric vaccine segment delivered double-digit growth of 15% for the quarter.

### Qtr Perf. (Consol.)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E 1QE	Chg. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Sales</b>	<b>7,617</b>	<b>9,570</b>	<b>8,053</b>	<b>9,298</b>	<b>8,147</b>	<b>10,087</b>	<b>8,477</b>	<b>10,621</b>	<b>34,537</b>	<b>37,331</b>	<b>8,096</b>	<b>1%</b>
YoY Change (%)	2.2	4.4	0.4	18.1	7.0	5.4	5.3	14.2	6.2	8.1	6.3	
Total Expenditure	6,178	6,675	5,872	6,725	5,841	7,454	6,265	7,839	25,450	27,399	5,983	
<b>EBITDA</b>	<b>1,439</b>	<b>2,895</b>	<b>2,181</b>	<b>2,573</b>	<b>2,305</b>	<b>2,633</b>	<b>2,213</b>	<b>2,781</b>	<b>9,087</b>	<b>9,932</b>	<b>2,113</b>	<b>9%</b>
YoY Change (%)	-3.4	12.7	-4.7	51.6	60.2	-9.1	1.5	8.1	13.0	9.3	46.8	
Margins (%)	18.9	30.3	27.1	27.7	28.3	26.1	26.1	26.2	26.3	26.6	26.1	
Depreciation	164	181	171	181	164	163	163	222	697	712	163	
<b>EBIT</b>	<b>1,276</b>	<b>2,714</b>	<b>2,010</b>	<b>2,392</b>	<b>2,141</b>	<b>2,470</b>	<b>2,050</b>	<b>2,559</b>	<b>8,390</b>	<b>9,220</b>	<b>1,950</b>	
YoY Change (%)	-4.2	12.8	-5.3	56.8	67.9	-9.0	2.0	7.0	13.6	9.9	52.9	
Margins (%)	16.7	28.4	25.0	25.7	26.3	24.5	24.2	24.1	24.3	24.7	24.1	
Interest	3	4	3	8	4	4	4	1	18	12	18	
Other Income	364	282	281	298	356	356	356	231	1,226	1,300	364	
<b>PBT before EO Expense</b>	<b>1,637</b>	<b>2,992</b>	<b>2,287</b>	<b>2,682</b>	<b>2,494</b>	<b>2,822</b>	<b>2,402</b>	<b>2,789</b>	<b>9,598</b>	<b>10,508</b>	<b>2,296</b>	
Tax	487	817	197	761	671	734	625	724	2,262	2,753	597	
Rate (%)	29.8	27.3	8.6	28.4	26.9	26.0	26.0	26.0	22.4	26.2	26.0	
<b>Adjusted PAT</b>	<b>1,150</b>	<b>2,175</b>	<b>2,090</b>	<b>1,921</b>	<b>1,823</b>	<b>2,089</b>	<b>1,778</b>	<b>2,065</b>	<b>7,336</b>	<b>7,755</b>	<b>1,699</b>	<b>7%</b>
YoY Change (%)	-1.1	12.5	18.8	56.1	58.6	-4.0	-15.0	7.5	20.5	5.7	47.8	
Margins (%)	15.1	22.7	26.0	20.7	22.4	20.7	21.0	19.4	21.2	20.8	21.0	
One-off Expense/(Income)	-173	0	1,633	-24	0	0	0	0	1,436	0	0	
<b>Reported PAT</b>	<b>1,323</b>	<b>2,175</b>	<b>457</b>	<b>1,945</b>	<b>1,823</b>	<b>2,089</b>	<b>1,778</b>	<b>2,065</b>	<b>5,900</b>	<b>7,755</b>	<b>1,699</b>	<b>7%</b>
<b>Reported PAT incl disc operations</b>	<b>1,323</b>	<b>2,175</b>	<b>457</b>	<b>1,945</b>	<b>1,823</b>	<b>2,089</b>	<b>1,778</b>	<b>2,065</b>	<b>5,900</b>	<b>7,755</b>	<b>1,699</b>	<b>7%</b>

## LIC Housing Finance

BSE SENSEX  
80,982S&P CNX  
24,718

CMP: INR749

Buy

## Conference Call Details

Date: 05<sup>th</sup> Aug 2024

Time: 11:30 AM IST

Dial-in details:

+91 22 6280 1145

[Link for call](#)

## Financials &amp; Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	86.5	84.4	86.6
PPP	77.0	74.7	76.1
PAT	47.7	49.8	51.2
EPS (INR)	86.6	90.5	93.0
EPS Gr. (%)	64.8	4.5	2.8
BV/Sh (INR)	570	642	716

## Ratios

NIM (%)	3.2	2.9	2.7
C/I ratio (%)	13.0	13.8	14.5
RoAA (%)	1.7	1.6	1.5
RoE (%)	16.3	14.9	13.7
Payout (%)	10.4	10.5	10.6

## Valuations

P/E (x)	8.6	8.3	8.0
P/BV (x)	1.3	1.2	1.0
Div. Yield (%)	1.2	1.3	1.3

## Weak operating performance but earnings in line; NIM contracts ~40bp QoQ

## Credit costs, aided by provision releases, were benign at ~20bp

- LICHF's 1QFY25 PAT declined ~2% YoY to ~INR13b (in line). NII declined ~10% YoY to ~INR19.9b (8% miss). NII includes recoveries from NPA accounts of INR900m (v/s INR2.3b in 4QFY24).
- Opex grew ~8% YoY to INR2.6b (8% lower than MOFSLe) and cost-to-income ratio rose ~2pp YoY to ~13% (PY: ~11%). PPoP at ~INR17.7b (8% miss) declined ~12% YoY.
- Reported Yields and CoF stood at 9.8% and ~7.8%, respectively, leading to spreads of 2.10% (PQ: 2.15%). 1QFY25 NIM dipped ~40bp QoQ to ~2.75%, partly due to lower recoveries from NPA accounts in 1QFY25 vs. 4QFY24.
- Annualized credit costs were benign at ~20bp (PY: ~50bp). This included ECL provision release of ~INR6b and technical write-offs of ~INR7.4b.

## Disbursements muted; loan growth weak

- Base quarter of 1QFY24 was severely impacted by technology changes at LICHF. Loan disbursements in individual home loans (IHL) rose ~16% YoY, while non-housing individual/commercial disbursements grew 23% YoY. Project loan disbursements grew ~108% YoY.
- Total disbursements rose ~19% YoY to ~INR129b (but were muted relative to expectations). Overall loan-book grew ~4% YoY and ~1% QoQ. Home loans grew ~7% YoY, while developer loan book declined ~51% YoY.

## Asset quality largely stable; sharp PCR decline across Stage 1 and 2

- GS3 and NS3 were broadly stable at ~3.3% and 1.7%, respectively. Stage 1 PCR declined to ~18bp (PQ: ~24bp), Stage 2 PCR declined to ~3.9% (PQ: 6.4%) and Stage 3 PCR declined to ~50% (PQ: ~51%). Write-offs (technical) stood at ~INR7.4b.
- Stage 2 + 3 assets (30+ dpd) declined ~15bp QoQ to 7.35% (vs. 7.5% in 4QFY24). ECL/ EAD declined ~20bp QoQ to ~2.0% (vs. 2.2% in 4QFY24).

## Valuation and view

- During the quarter, management reported muted loan growth. NIM contracted and Net Interest Income also was lower (because of lower recoveries from NPA accounts), leading to a weak operating performance.
- It will be interesting to understand the management's outlook on demand for mortgages and its guidance on individual loan growth. Guidance on NIM and credit costs for FY25 will also be important. We will review our estimates after the earnings call on 5<sup>th</sup> Aug'24.

**Quarterly Performance**

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	1QFY25E	Act. v/s est. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	67,037	67,066	67,437	68,875	67,391	68,200	69,087	79,191	2,70,416	2,83,868	69,633	-3
Interest Expenses	44,942	46,000	46,465	46,499	47,501	48,546	49,711	53,708	1,83,907	1,99,465	48,127	-1
<b>Net Interest Income</b>	<b>22,094</b>	<b>21,066</b>	<b>20,972</b>	<b>22,376</b>	<b>19,891</b>	<b>19,654</b>	<b>19,376</b>	<b>25,482</b>	<b>86,509</b>	<b>84,404</b>	<b>21,506</b>	-8
YoY Growth (%)	37.2	81.2	30.6	12.4	-10.0	-6.7	-7.6	13.9	36.7	-2.4	-2.7	
Fees and other income	429	521	488	493	446	625	585	595	1,931	2,252	515	-13
<b>Net Income</b>	<b>22,523</b>	<b>21,587</b>	<b>21,460</b>	<b>22,869</b>	<b>20,337</b>	<b>20,280</b>	<b>19,961</b>	<b>26,078</b>	<b>88,440</b>	<b>86,656</b>	<b>22,021</b>	-8
YoY Growth (%)	36.4	79.1	30.6	12.8	-9.7	-6.1	-7.0	14.0	36.3	-2.0	-2.2	
Operating Expenses	2,425	2,595	2,615	3,829	2,621	2,700	2,781	3,881	11,463	11,983	2,862	-8
<b>Operating Profit</b>	<b>20,098</b>	<b>18,993</b>	<b>18,845</b>	<b>19,041</b>	<b>17,715</b>	<b>17,580</b>	<b>17,180</b>	<b>22,197</b>	<b>76,976</b>	<b>74,672</b>	<b>19,159</b>	-8
YoY Growth (%)	38.8	101.1	39.0	8.7	-11.9	-7.4	-8.8	16.6	40.0	-3.0	-4.7	
Provisions and Cont.	3,608	4,192	4,358	4,279	1,431	1,402	1,262	9,082	16,437	13,177	3,789	-62
<b>Profit before Tax</b>	<b>16,490</b>	<b>14,801</b>	<b>14,487</b>	<b>14,762</b>	<b>16,285</b>	<b>16,178</b>	<b>15,918</b>	<b>13,115</b>	<b>60,539</b>	<b>61,496</b>	<b>15,370</b>	6
Tax Provisions	3,253	2,920	2,858	3,854	3,282	3,074	3,024	2,304	12,885	11,684	2,920	12
<b>Net Profit</b>	<b>13,237</b>	<b>11,881</b>	<b>11,629</b>	<b>10,908</b>	<b>13,002</b>	<b>13,104</b>	<b>12,894</b>	<b>10,811</b>	<b>47,654</b>	<b>49,811</b>	<b>12,450</b>	4
YoY Growth (%)	43	290	142	-8	-2	10	11	-1	65	5	-6	

**Key Operating Parameters (%)**

Yield on loans (Cal)	9.72	9.68	9.65	9.70	9.37				9.9	9.7		
Cost of funds (Cal)	7.40	7.59	7.61	7.47	7.50				7.4	7.6		
Spreads (Cal)	2.33	2.09	2.04	2.23	1.87				2.5	2.1		
Margins (Cal)	3.21	3.04	3.00	3.15	2.76				3.1	2.8		
Credit Cost (Cal)	0.52	0.60	0.62	0.60	0.20				0.6	0.5		
Cost to Income Ratio	10.8	12.0	12.2	16.7	12.9				13.0	13.8		
Tax Rate	19.7	19.7	19.7	26.1	20.2				21.3	19.0		

**Balance Sheet Parameters**

Loans (INR B)	2,764	2,780	2,812	2,868	2,887				2806	3051		
Change YoY (%)	8.1	6.0	4.8	4.3	4.4				4.8	8.7		
Indiv. Disb. (INR B)	106	142	148	167	124				564	682		
Change YoY (%)	-28.8	-13.1	-5.5	15.6	16.9				-8.2	21.0		
Borrowings (INR B)	2,414	2,436	2,451	2,530	2,537				2525	2724		
Change YoY (%)	6.8	4.6	2.0	3.4	5.1				3.2	7.9		
Loans/Borrowings (%)	114.5	114.1	114.7	113.4	113.8				111.1	112.0		

**Asset Quality Parameters**

GS 3 (INR B)	137.1	120.4	119.8	94.9	95.3				94.9	84.3		
Gross Stage 3 (% on Assets)	5.0	4.3	4.3	3.3	3.3				3.3	2.7		
NS 3 (INR B)	79.2	70.8	61.6	46.2	48.0				46.2	42.2		
Net Stage 3 (% on Assets)	2.9	2.6	2.2	1.6	1.7				1.6	1.4		
PCR (%)	42.3	41.2	48.6	51.4	49.6				51.4	49.9		
ECL (%)	2.75	2.34	2.45	2.19	1.96							

**Loan Mix (%)**

Home loans	83.2	84.4	84.9	85.1	85.3							
LAP	12.3	12.1	12.1	12.8	12.7							
Non Individual loans	4.3	3.5	3.0	2.1	2.0							

**Borrowing Mix (%)**

Banks	31.0	33.0	35.0	34.0	34.0							
NCD	54.0	53.0	52.0	52.0	54.0							
Sub Debt	1.0	1.0	1.0	1.0	1.0							
Deposits	5.0	5.0	4.0	4.0	3.0							
NHB	5.0	4.0	4.0	4.0	4.0							
CP	4.0	4.0	4.0	5.0	4.0							

E: MOFSL Estimates

# Amara Raja

BSE Sensex  
80,982

S&P CNX  
24,718

**CMP: INR1611**

## Conference Call Details



**Date:** 05th Aug 2024

**Time:** 3PM IST

**Dial-in details:** [\[Link\]](#)

+91 22 6280 1222/ 7115 8123

### Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	112.6	125.9	139.1
EBITDA	16.2	18.9	21.3
Adj. PAT	9.1	10.7	12.1
EPS (INR)	49.5	58.6	66.2
EPS Gr. (%)	10.4	18.5	12.8
BV/Sh. (INR)	370	420	477

### Ratios

RoE (%)	14.2	14.9	14.8
RoCE (%)	14.0	14.8	14.8
Payout (%)	20.0	15.3	13.6

### Valuations

P/E (x)	32.6	27.5	24.4
P/BV (x)	4.4	3.8	3.4
Div. Yield (%)	0.7	0.6	0.6
FCF yield (%)	3.2	4.1	4.0

## Revenue surprises, but operating performance in line

- Revenue grew 13% YoY to INR31.3b (est. INR29.9b) led by healthy volumes in the automotive, replacement, OEMs, and the export markets.
- Gross margin improved 70bp YoY (-340bp QoQ) to 31.1% (est. 33.5%). A QoQ dip in gross margin could be due to the rising lead prices and the mix impact.
- Further, lower other expenses on a sequential basis (-260bp; as a % of sales) aided EBITDA margin, which came in at 13.7% (+40bp YoY/-90bp QoQ) to 13.7% (est. 14.8%).
- Adj. PAT stood at INR2.4b (est. INR2.55b) and grew 23% YoY.
- Key takeaways from the press release:
  - There was a good traction in the international business mainly due to the off-take of indigenously designed AGM batteries.
  - There was a healthy growth in the chargers and battery pack business. The company has started finalizing customer alliances.
  - The construction of the first phase of the cell manufacturing & advanced energy research and innovation center is proceeding in a phased manner.
- Valuation view:** We will revisit our estimates after the earnings call. The stock trades at 27.5x/24x FY25E/26E EPS.

### Quarterly Performance

Y/E March (INR m)	FY24				FY25E				FY24	FY25E	FY25E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1Q	1QE		
<b>Net Sales</b>	<b>27,707</b>	<b>28,108</b>	<b>28,817</b>	<b>27,967</b>	<b>31,312</b>	<b>31,199</b>	<b>32,275</b>	<b>31,140</b>	<b>1,12,603</b>	<b>1,25,927</b>	<b>29,915</b>	<b>4.7</b>
YoY Change (%)	5.8	4.1	9.3	14.9	13.0	11.0	12.0	11.3	8.4	11.8	8.0	
RM Cost (% of sales)	69.6	68.4	66.0	65.5	68.9	66.5	67.0	65.2	66.9	66.9	66.5	
Staff Cost (% of sales)	6.4	5.8	6.3	5.8	5.9	5.9	5.8	6.0	6.2	5.9	6.0	
Other Exp (% of sales)	10.7	12.1	12.6	14.1	11.5	12.5	12.2	12.6	12.5	12.2	12.7	
<b>EBITDA</b>	<b>3,689</b>	<b>3,870</b>	<b>4,349</b>	<b>4,077</b>	<b>4,304</b>	<b>4,702</b>	<b>4,843</b>	<b>5,040</b>	<b>16,214</b>	<b>18,889</b>	<b>4,422</b>	<b>-2.7</b>
Margins (%)	13.3	13.8	15.1	14.6	13.7	15.1	15.0	16.2	14.4	15.0	14.8	
Depreciation	1,168	1,148	1,202	1,210	1,183	1,200	1,300	1,453	4,787	5,136	1,150	
Interest	76	62	77	97	90	90	95	75	332	350	85	
Other Income	218	275	238	283	256	280	285	280	1,015	1,100	260	
<b>PBT before EO expense</b>	<b>2,662</b>	<b>2,935</b>	<b>3,307</b>	<b>3,053</b>	<b>3,287</b>	<b>3,692</b>	<b>3,733</b>	<b>3,791</b>	<b>12,110</b>	<b>14,503</b>	<b>3,447</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT after EO</b>	<b>2,662</b>	<b>2,935</b>	<b>3,307</b>	<b>3,053</b>	<b>3,287</b>	<b>3,692</b>	<b>3,733</b>	<b>3,791</b>	<b>12,110</b>	<b>14,503</b>	<b>3,447</b>	
Tax	676	791	779	773	841	960	971	1,176	3,052	3,771	896	
Tax Rate (%)	25.4	27.0	23.6	25.3	25.6	26.0	26.0	31.0	25.2	26.0	26.0	
<b>Adj PAT</b>	<b>1,987</b>	<b>2,143</b>	<b>2,528</b>	<b>2,280</b>	<b>2,446</b>	<b>2,732</b>	<b>2,763</b>	<b>2,616</b>	<b>9,059</b>	<b>10,732</b>	<b>2,551</b>	<b>-4.1</b>
YoY Change (%)	51.1	6.0	13.5	29.7	23.1	27.5	9.3	14.7	18.4	18.5	32.5	

E: MOFSL Estimates

BSE Sensex  
80,982S&P CNX  
24,718

CMP: INR4,368

Buy

## Conference Call Details

Date: 5<sup>th</sup> Aug 2024

Time: 11:00 AM IST

[Link for the call](#)

## Financials &amp; Valuations (INR b)

Y/E March	2024	2025E	2026E
AAUM	33.4	39.5	45.9
Revenue	11.4	13.3	15.3
EBITDA	5.0	6.2	7.3
Margin (%)	44.4	46.6	47.7
PAT	3.5	4.4	5.2
PAT Margin (%)	31	33	34
EPS	71.6	88.9	106.6
EPS Grw. (%)	23.3	24.1	19.9
BVPS	186.9	217.8	255.1
RoE (%)	41.3	43.9	45.1
Div. Payout (%)	58.8	65.0	65.0
<b>Valuations</b>			
P/E (x)	56.3	45.4	37.9
P/BV (x)	21.6	18.5	15.8
Div. Yield (%)	1.0	1.4	1.7

## In-line performance, PAT grows 41% YoY

- QAAUM grew 34.3% YoY and 8.3% QoQ to INR 40.3t. Equity AUM grew 55% YoY and 11% QoQ to INR 21.5t in 1QFY25.
- Operating revenue at INR3.3b was higher by 26.8% YoY and 6.7% QoQ, in-line with our estimates.
- Overall expenses grew by 20.1% YoY and 8.7% QoQ (3.2% higher than our estimates) to INR1.82b. Employee expenses were up 19% YoY and 7.8% QoQ to INR1.13b. The Cost-to-Income ratio came in at 54.8% in 1QFY25 vs. 57.9% in 1QFY24 and 53.8% in 4QFY24.
- EBITDA came at INR1.5b and EBITDA margin stood at 45.2% v/s 42.1% in 1QFY24. EBITDA was up 36.1% YoY and 4.5% QoQ (broadly in line).
- Other income came in at INR117m, up 21% YoY (6.4% higher than our estimates)
- PAT stood at INR1,070m in 1QFY25, a growth of 41.3% YoY and 3.9% QoQ. PAT for the quarter came in-line with our estimates.
- The BOD declared a dividend of INR11 per equity share

## Valuation and view

- Empirically, CAMS has traded at a premium to listed AMCs in terms of one-year forward P/E. This premium is well deserved, given: 1) the duopoly nature of the industry and high-entry barriers, 2) a relatively low risk of a market share loss, and 3) higher customer ownership as compared to AMCs.
- Structural tailwinds in the MF industry shall aid absolute growth in MF revenue. With favorable macro triggers and the right investments, the non-MF share of revenues for CAMS is expected to increase to 15% in the next three to five years.
- We will update our estimates after the conference call scheduled on 5<sup>th</sup> Aug'24.

Quarterly Performance													(INRm)	
Y/E March	FY24				FY25E				FY24	FY25E	1QFY25E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE						
Revenue from Operations	2,613	2,751	2,897	3,105	3,314	3,347	3,381	3,277	11,365	13,318	3,290	0.7	26.8	6.7
Change YoY (%)	10.4	13.5	18.9	24.6	26.8	21.7	16.7	5.5	16.9	17.2	25.9			
Employee expenses	950	977	997	1,048	1,130	1,105	1,116	1,058	3,972	4,408	1,089.0	3.8	19.0	7.8
Total Operating Expenses	1,512	1,530	1,603	1,671	1,816	1,784	1,802	1,717	6,316	7,119	1,760	3.2	20.1	8.7
Change YoY (%)	9.0	12.2	18.4	19.2	20.1	16.6	12.4	2.7	14.7	12.7	16.4			
<b>EBITDA</b>	<b>1,101</b>	<b>1,221</b>	<b>1,294</b>	<b>1,433</b>	<b>1,498</b>	<b>1,563</b>	<b>1,579</b>	<b>1,560</b>	<b>5,049</b>	<b>6,200</b>	1,530	-2.1	36.1	4.5
Other Income	97	96	99	114	117	117	117	94	406	445	110	6.4	21.0	2.4
Depreciation	165	174	185	181	170	170	170	232	705	741	185	-8.2	2.9	(6.2)
Finance Cost	20	20	21	21	21	21	21	18	82	82	20	6.7	5.5	1.3
<b>PBT</b>	<b>1,012</b>	<b>1,124</b>	<b>1,187</b>	<b>1,346</b>	<b>1,424</b>	<b>1,489</b>	<b>1,505</b>	<b>1,404</b>	<b>4,668</b>	<b>5,822</b>	<b>1,435</b>	-0.8	40.7	5.8
Change YoY (%)	16.4	15.9	21.4	36.6	40.7	32.5	26.7	4.3	22.8	24.7	41.8			
Tax Provisions	255	286	302	316	354	375	379	358	1,159	1,467	362	-2.0	38.8	12.2
<b>Net Profit</b>	<b>757</b>	<b>838</b>	<b>885</b>	<b>1,030</b>	<b>1,070</b>	<b>1,114</b>	<b>1,125</b>	<b>1,046</b>	<b>3,510</b>	<b>4,355</b>	<b>1,073</b>	-0.3	41.3	3.9
Change YoY (%)	17.1	16.2	20.3	38.5	41.3	32.9	27.1	1.5	23.3	24.1	41.8			
<b>Key Operating Parameters (%)</b>														
Cost to Operating Income Ratio	57.9	55.6	55.3	53.8	54.8	53.3	53.3	52.4	55.6	53.4	53.5	1.3	(3.1)	1.0
EBITDA Margin	42.1	44.4	44.7	46.2	45.2	46.7	46.7	47.6	44.4	46.6	46.5	-1.3	3.1	(1.0)
PBT Margin	38.7	40.8	41.0	43.3	43.0	44.5	44.5	42.8	41.1	43.7	43.6	-0.6	4.2	(0.4)
Tax Rate	25.2	25.4	25.4	23.5	24.9	25.2	25.2	25.5	24.8	25.2	25.2	-0.3	(0.3)	1.4
PAT Margin	29.0	30.5	30.6	33.2	32.3	33.3	33.3	31.9	30.9	32.7	32.6	-0.3	3.3	(0.9)
<b>Opex Mix (%)</b>														
Employee expenses	62.8	63.9	62.2	62.7	62.2	61.9	61.9	61.6	62.9	61.9	61.9	-0.4	(0.6)	(0.8)
<b>Key Parameters</b>														
QAUM (INR b)	30,000	32,500	33,950	37,200	40,300	40,703	41,110	41,727	33,400	39,540	40,020	0.7	34.3	8.3

**AXIS BANK : Expect 13% credit growth for the industry in FY25; Amitabh Chaudhry, MD & CEO**

- Banks might see net interest margin decline by 15-20 bps if LCR rule is implemented
- Some green shoots in deposit growth for axis bank
- RBI will consider macros, might not move in a hurry
- Expect 13% credit growth for the industry in FY25

[→ Read More](#)**Godrej properties : Launch pipeline is strong, may exceed our guidance for FY25; Gaurav Pandev, CEO & MD**

- Expect to clock Rs 15,000 cr of collection this year
- Those holding properties over 10-20 years may be impacted the most by LTCG tax changes
- End user looking to upgrade home will not be impacted by LTCG Tax change
- Launch pipeline is strong, may exceed our guidance for FY25

[→ Read More](#)**GE Shipping : Q2 rates have softened vs Q1 due to seasonality; G Shivakumar, CFO**

- Saw a slight drop in demand for oil which impacted rates
- 30% of the product tankers fleet is fixed for 12 months
- Have 2 rigs coming up for repricing in 3-5 months
- Q2 rates have softened vs Q1 due to seasonality

[→ Read More](#)**DLF : Pace of growth will eventually slowdown; Ashok Kumar Tyagi, MD**

- Don't see softening of prices, trying best to avoid speculators
- 12.5% capital gains tax rate is positive for organised builders
- Privana prices hiked to Rs 50lk per project to filter out speculation
- Pace of growth will eventually slowdown

[→ Read More](#)



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
<b>Automobiles</b>																
Amara Raja Ener.	Neutral	1611	-		49.5	58.6	66.2	10.4	18.4	13.0	27.5	24.4	3.8	3.4	14.9	14.8
Apollo Tyres	Buy	537	620	16	29.0	29.8	35.8	79.0	2.9	20.0	18.0	15.0	1.8	1.6	12.9	14.0
Ashok Ley.	Buy	250	285	14	9.1	11.8	14.6	102.5	29.5	23.3	21.2	17.2	7.0	5.8	35.9	36.8
Bajaj Auto	Neutral	9618	8695	-10	276.1	316.4	380.9	28.9	14.6	20.4	30.4	25.3	9.7	9.0	33.5	36.9
Balkrishna Inds	Neutral	3293	2825	-14	76.5	87.8	113.4	39.6	14.7	29.2	37.5	29.0	6.4	5.6	18.1	20.6
Bharat Forge	Neutral	1655	1525	-8	20.6	36.0	48.5	69.0	74.8	34.6	46.0	34.1	9.3	7.7	21.7	24.7
Bosch	Neutral	33897	31290	-8	620.5	802.2	938.9	28.5	29.3	17.0	42.3	36.1	7.5	6.7	18.7	19.7
CEAT	Buy	2674	3090	16	169.4	153.0	192.6	226.6	-9.7	25.9	17.5	13.9	2.4	2.1	14.4	16.0
Craftsman Auto	Buy	5354	5965	11	144.2	142.2	218.5	22.6	-1.4	53.7	37.7	24.5	4.0	3.5	14.1	15.4
Eicher Mot.	Sell	4724	4045	-14	146.3	164.3	178.2	37.3	12.3	8.4	28.7	26.5	6.2	5.4	23.0	21.6
Endurance Tech.	Buy	2543	3100	22	47.3	65.5	85.6	36.5	38.6	30.7	38.8	29.7	6.2	5.3	17.2	19.3
Escorts Kubota	Neutral	3905	3725	-5	94.9	97.2	124.1	85.0	2.3	27.7	40.2	31.5	4.7	4.2	12.3	14.1
Exide Ind	Neutral	509	480	-6	12.4	14.1	18.0	16.5	14.1	27.7	36.0	28.2	3.1	2.8	8.5	10.1
Happy Forgings	Buy	1270	1420	12	25.8	34.7	45.2	10.6	34.7	30.1	36.6	28.1	6.3	5.3	18.7	20.7
Hero Moto	Buy	5272	6375	21	204.6	255.4	304.2	40.5	24.9	19.1	20.6	17.3	5.4	4.9	27.3	29.6
M&M	Buy	2749	3310	20	88.7	106.4	124.7	34.0	19.9	17.1	25.8	22.0	5.3	4.5	22.3	21.9
CIE Automotive	Buy	574	675	18	21.1	23.7	28.9	16.8	12.5	21.9	24.2	19.9	3.3	2.9	14.2	15.5
Maruti Suzuki	Buy	12731	15160	19	429.0	486.0	565.2	56.8	13.3	16.3	26.2	22.5	4.2	3.7	15.9	16.3
MRF	Sell	138374	99700	-28	4,990.2	4,582.8	5,113.5	175.2	-8.2	11.6	30.2	27.1	3.2	2.9	11.1	11.2
Samvardh. Motherson	Buy	193	230	19	3.7	6.5	8.5	63.6	74.7	31.7	29.9	22.7	4.5	3.9	15.8	18.5
Motherson Wiring	Buy	73	84	15	1.4	1.8	2.1	31.1	21.5	17.8	41.6	35.3	15.4	12.7	41.1	39.3
Sona BLW Precis.	Neutral	689	620	-10	8.9	10.6	13.3	31.6	18.7	25.3	64.8	51.7	12.6	10.8	20.7	22.5
Tata Motors	Neutral	1097	1025	-7	58.7	59.8	69.9	2,628.0	2.0	16.8	18.3	15.7	3.8	3.1	23.1	21.9
TVS Motor	Neutral	2566	2095	-18	43.8	55.3	65.4	44.4	26.1	18.3	46.4	39.2	12.2	9.7	29.7	27.5
Tube Investments	Buy	4049	4740	17	34.4	60.2	75.1	-15.1	74.9	24.8	67.2	53.9	12.7	10.4	20.6	21.2
<b>Aggregate</b>								<b>94.6</b>	<b>14.4</b>	<b>19.0</b>	<b>31.6</b>	<b>27.7</b>	<b>6.1</b>	<b>5.3</b>	<b>19.4</b>	<b>19.1</b>
<b>Banks - Private</b>																
AU Small Finance	Buy	638	735	15	23.0	30.8	38.9	4.3	34	26.1	20.7	16.4	2.8	2.4	14.6	15.5
Axis Bank	Neutral	1161	1175	1	80.7	85.6	98.3	14.9	6.1	14.8	13.6	11.8	2.1	1.8	16.3	16.2
Bandhan Bank	Neutral	213	220	4	13.8	26.3	30.3	1.6	90	15.2	8.1	7.0	1.4	1.2	18.6	18.9
DCB Bank	Buy	125	175	41	17.1	19.5	24.0	14.6	13.5	23.3	6.4	5.2	0.7	0.6	12.1	13.3
Equitas Small Fin.	Buy	82	110	35	7.1	6.3	10.0	46.6	-12.0	60.0	13.0	8.1	1.4	1.2	11.4	16.3
Federal Bank	Buy	198	230	16	16.3	17.4	20.7	14.5	6.7	18.9	11.3	9.5	1.5	1.3	13.7	14.5
HDFC Bank	Buy	1660	1850	11	80.0	90.7	104.5	1.0	13.3	15.2	18.3	15.9	2.6	2.3	14.7	15.1
ICICI Bank	Buy	1196	1400	17	58.4	64.1	73.2	27.5	9.8	14.2	18.7	16.3	3.1	2.6	17.7	17.3
IDFC First Bk	Neutral	74	83	12	4.3	4.5	6.4	13.8	3.9	42.5	16.6	11.6	1.5	1.3	9.4	12.0
IndusInd	Buy	1405	1700	21	115.5	122.4	151.1	20.3	5.9	23.5	11.5	9.3	1.5	1.3	14.2	15.4
Kotak Mah. Bk	Neutral	1804	1800	0	91.6	97.4	113.5	21.9	6.3	16.6	18.5	15.9	2.4	2.1	14.2	14.3
RBL Bank	Neutral	227	270	19	19.3	23.6	31.3	31.1	22.2	32.5	9.6	7.3	0.9	0.8	9.3	11.5
SBI Cards	Neutral	714	770	8	25.4	28.0	37.7	6.2	10.5	34.4	25.5	19.0	4.7	3.8	20.1	22.2
<b>Aggregate</b>								<b>27.0</b>	<b>11.4</b>	<b>16.8</b>	<b>18.9</b>	<b>17.0</b>	<b>2.8</b>	<b>2.5</b>	<b>15.1</b>	<b>14.7</b>
<b>Banks - PSU</b>																
BOB	Buy	244	290	19	34.4	37.5	42.6	26.1	9.2	13.6	6.5	5.7	1.0	0.9	16.9	16.8
Canara Bank	Buy	111	133	20	16.0	18.2	20.8	37.3	13.4	14.6	6.1	5.3	1.1	0.9	19.5	19.3
Indian Bank	Buy	596	670	12	62.2	75.6	85.5	46.7	21.5	13.1	7.9	7.0	1.3	1.1	18.0	17.7
Punjab Natl. Bank	Neutral	120	135	12	7.5	12.8	15.4	228.8	71.0	20.0	9.4	7.8	1.2	1.0	13.6	14.5
SBI	Buy	848	1015	20	75.2	89.4	103.2	20.6	19	15.4	7.6	6.8	1.6	1.4	18.8	18.2
Union Bank (I)	Buy	133	165	24	18.9	20.7	23.4	52.9	10	13.1	6.4	5.7	1.0	0.8	16.2	16.1
<b>Aggregate</b>								<b>34.0</b>	<b>20</b>	<b>16</b>	<b>10</b>	<b>8.5</b>	<b>1.6</b>	<b>1.4</b>	<b>15.4</b>	<b>16.2</b>
<b>NBFCs</b>																
AAVAS Financiers	Neutral	1674	1800	8	62.0	74.4	94.1	14.0	20.1	26.4	22.5	17.8	3.0	2.6	14.5	15.7
Aditya Birla Cap	Buy	212	270	28	10.1	13.2	17.2	19.0	30.9	29.5	16.0	12.3	1.8	1.6	12.1	13.9
Angel One	Buy	2245	3300	47	135.9	179.9	205.8	26.4	32.4	14.4	12.5	10.9	3.1	2.6	32.9	26.1





Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Bajaj Fin.	Neutral	6725	7500	12	233.7	275.5	359.2	22.8	17.9	30.4	24.4	18.7	4.5	3.7	20.2	21.8
BSE	Neutral	2564	3000	17	57.0	86.3	112.5	275.5	51.4	30.3	29.7	22.8	9.5	8.4	32.0	37.0
Cams Services	Buy	4367	-		71.6	88.9	106.6	23.3	24.1	19.9	49.1	41.0	20.1	17.1	43.9	45.1
Can Fin Homes	Neutral	839	890	6	56.4	64.8	72.9	20.8	14.9	12.5	12.9	11.5	2.2	1.9	18.2	17.4
Cholaman.Inv.&Fn	Buy	1386	1675	21	40.7	54.6	72.2	25.6	34.1	32.2	25.4	19.2	4.9	3.7	21.1	22.1
CreditAccess	Buy	1311	1520	16	90.7	104.5	124.0	74.5	15.2	18.7	12.5	10.6	2.6	2.1	22.7	21.8
Fusion Micro	Buy	436	550	26	50.2	63.4	78.0	30.2	26.3	23.0	6.9	5.6	1.3	1.0	20.1	20.2
Five-Star Business	Buy	777	950	22	28.6	37.3	45.1	38.0	30.3	21.1	20.9	17.2	3.6	3.0	19.0	19.0
HDFC Life Insur.	Buy	707	750	6	7.3	7.7	9.6	15.4	6.0	24.6	91.5	73.4	2.7	2.4	16.7	16.5
Home First Fin.	Buy	1025	1215	18	34.5	43.0	55.1	33.2	24.5	28.1	23.8	18.6	3.7	3.1	16.6	18.2
ICICI Pru Life	Buy	728	740	2	5.9	6.5	7.6	5.0	10.3	16.6	111.5	95.7	2.1	1.7	19.8	20.1
ICICI Lombard	Buy	1983	2200	11	38.9	51.1	64.5	11.0	31.2	26.3	38.8	30.7	7.1	6.1	19.6	21.4
IIFL Finance	Buy	449	605	35	46.2	37.4	55.8	17.2	-19.1	49.3	12.0	8.0	1.4	1.2	13.3	16.5
360 ONE WAM	Buy	1057	1300	23	22.4	29.8	35.6	21.3	33.2	19.3	35.4	29.7	10.4	9.7	30.1	33.7
IndoStar	Buy	243	290	19	8.5	12.5	18.5	-48.5	47.3	47.9	19.4	13.1	1.0	0.9	5.1	7.5
L&T Finance	Buy	177	230	30	9.3	11.7	15.2	42.4	26.0	29.2	15.1	11.7	1.7	1.5	11.9	13.9
Life Insurance Corp.	Buy	1182	1270	7	64.3	68.3	73.6	11.8	6.2	7.7	17.3	16.1	0.9	0.8	11.6	11.4
LIC Hsg Fin	Buy	748	-		86.6	90.5	93.0	64.8	4.5	2.8	8.3	8.0	1.2	1.0	14.9	13.7
MCX	Buy	4331	4850	12	16.3	93.9	121.3	-44.2	476.3	29.2	46.1	35.7	15.0	13.8	33.6	40.3
Manappuram Fin.	Buy	210	245	17	26.0	30.0	35.3	46.5	15.4	17.8	7.0	5.9	1.3	1.1	20.1	19.8
MAS Financial	Buy	289	360	25	15.1	17.2	22.2	23.3	14.0	28.7	16.8	13.1	2.1	1.8	14.8	15.0
Max Financial	Neutral	1105	1030	-7	17.2	24.2	30.1	87.1	40.8	24.1	45.6	36.7	2.0	1.7	19.5	19.2
M&M Fin.	Buy	305	350	15	14.3	22.6	28.1	-11.4	58.5	24.4	13.5	10.9	1.8	1.6	13.9	15.5
Muthoot Fin	Neutral	1877	1630	-13	100.9	124.8	141.0	16.6	23.7	13.0	15.0	13.3	2.7	2.3	19.1	18.6
Piramal Enterp.	Neutral	1037	925	-11	-75.0	30.9	65.8	-200.1	LP	112.7	33.5	15.8	0.9	0.8	2.6	5.3
PNB Housing	Buy	810	1015	25	58.1	69.8	88.8	-6.3	20.3	27.1	11.6	9.1	1.3	1.1	11.4	13.0
Poonawalla Fincorp	Buy	362	465	28	13.4	17.2	22.2	73.3	28.2	29.0	21.1	16.3	3.0	2.6	15.1	17.0
Repco Home Fin	Neutral	505	550	9	63.1	69.0	73.1	33.3	9.4	5.9	7.3	6.9	1.0	0.8	13.9	13.0
Spandana Sphoorty	Buy	652	830	27	70.2	79.1	104.2	3,922.1	12.6	31.8	8.2	6.3	1.1	0.9	14.4	16.2
Shriram Finance	Buy	2990	3400	14	191.3	226.5	279.2	19.8	18.4	23.3	13.2	10.7	2.0	1.8	16.4	17.6
SBI Life Insurance	Buy	1744	1900	9	18.9	19.9	23.2	10.0	5.3	16.5	87.6	75.2	2.5	2.0	21.9	20.5
Star Health Insu	Buy	591	730	23	14.4	18.4	24.6	35.8	27.6	33.4	32.1	24.1	4.5	3.8	15.0	17.1
<b>Aggregate</b>								<b>-2.0</b>	<b>24.0</b>	<b>25.4</b>	<b>22.0</b>	<b>17.8</b>	<b>3.1</b>	<b>2.7</b>	<b>14.0</b>	<b>14.9</b>
<b>Chemicals</b>																
Alkyl Amines	Neutral	2138	1955	-9	29.1	41.5	55.8	-34.9	42.7	34.5	51.5	38.3	7.8	6.9	15.9	19.0
Atul	Buy	7795	9100	17	103.4	160.8	214.4	-38.8	55.5	33.3	48.5	36.4	4.2	3.8	8.9	10.9
Clean Science	Neutral	1650	1375	-17	23.0	30.4	34.4	-17.3	32.3	13.1	54.3	48.0	11.8	9.7	24.0	22.2
Deepak Nitrite	Neutral	3095	2705	-13	55.1	69.2	77.3	-11.7	25.5	11.7	44.7	40.0	7.5	6.5	18.1	17.3
Fine Organic	Sell	5458	4095	-25	120.0	119.2	116.9	-37.7	-0.7	-1.9	45.8	46.7	7.6	6.6	18.0	15.2
Galaxy Surfact.	Buy	2943	3450	17	85.0	97.7	115.0	-20.9	14.9	17.7	30.1	25.6	4.3	3.8	15.0	15.8
Navin Fluorine	Neutral	3600	3450	-4	46.1	60.3	86.2	-39.1	30.8	43.0	59.7	41.8	6.9	6.1	12.0	15.5
NOCIL	Neutral	318	260	-18	7.9	10.2	13.0	-11.7	29.5	27.4	31.2	24.5	3.0	2.8	9.8	11.7
PI Inds.	Buy	4275	4400	3	110.6	111.9	131.9	36.8	1.2	17.8	38.2	32.4	6.3	5.4	17.9	17.9
SRF	Neutral	2522	2130	-16	47.5	52.6	74.0	-37.7	10.7	40.7	47.9	34.1	6.0	5.3	13.0	16.4
Tata Chemicals	Neutral	1087	1000	-8	36.1	33.5	51.3	-60.5	-7.3	53.1	32.4	21.2	1.2	1.2	3.8	5.6
Vinati Organics	Buy	2233	2340	5	31.2	42.7	52.0	-22.8	36.8	21.8	52.3	43.0	8.2	7.2	16.8	17.9
<b>Aggregate</b>								<b>-26.4</b>	<b>26.4</b>	<b>19.6</b>	<b>57.9</b>	<b>45.8</b>	<b>7.0</b>	<b>6.2</b>	<b>12.1</b>	<b>13.6</b>
<b>Capital Goods</b>																
ABB India	Buy	7580	9500	25	58.9	90.5	111.9	81.9	53.7	23.5	83.7	67.8	20.8	16.2	28.1	26.9
Bharat Electronics	Buy	303	360	19	5.5	6.7	8.2	33.7	21.0	22.7	45.5	37.1	10.9	8.7	24.0	23.5
Cummins India	Buy	3507	4300	23	60.0	74.2	89.0	33.4	23.7	19.9	47.3	39.4	14.0	12.3	31.3	33.1
Hitachi Energy	Neutral	12037	12000	0	38.6	75.4	149.9	74.4	95.3	98.7	159.6	80.3	30.4	22.0	19.0	27.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Kalpataru Proj.	Buy	1348	1500	11	32.6	49.3	69.6	8.3	51.3	41.1	27.3	19.4	3.4	3.0	13.2	16.4
KEC International	Neutral	882	830	-6	13.5	24.5	39.6	97.0	81.6	61.6	36.0	22.3	5.0	4.3	14.6	20.8
Kirloskar Oil	Buy	1178	1500	27	25.0	34.4	44.1	33.8	37.9	28.1	34.2	26.7	5.7	4.9	17.8	19.8
Larsen & Toubro	Buy	3666	4150	13	94.5	105.8	136.0	24.5	12.0	28.5	34.6	27.0	5.2	4.5	15.8	17.8
Siemens	Buy	6879	8700	26	55.1	81.0	97.0	55.5	47.1	19.7	84.9	70.9	16.1	13.8	20.4	20.9
Thermax	Neutral	4990	4950	-1	52.2	66.0	83.6	30.3	26.5	26.7	75.6	59.7	11.2	9.7	15.7	17.4
Triveni Turbine	Buy	608	720	18	8.5	11.0	14.8	39.8	29.8	35.1	55.3	40.9	15.9	12.5	32.2	34.2
Zen Technologies	Buy	1709	1820	6	15.1	28.4	40.7	218.8	88.4	43.0	60.1	42.0	20.8	13.9	41.7	39.6
<b>Aggregate</b>								<b>32.3</b>	<b>23.1</b>	<b>27.7</b>	<b>60.7</b>	<b>49.4</b>	<b>10.0</b>	<b>8.7</b>	<b>16.5</b>	<b>17.5</b>
<b>Cement</b>																
Ambuja Cem.	Buy	651	800	23	13.9	12.6	18.2	-2.2	-9.1	44.0	51.5	35.8	2.9	2.7	6.4	7.8
ACC	Buy	2436	3300	35	99.3	110.5	134.3	88.7	11.2	21.6	22.0	18.1	2.6	2.3	12.2	13.2
Birla Corp.	Buy	1511	1970	30	54.0	66.8	87.2	1,052.2	23.7	30.5	22.6	17.3	1.6	1.5	7.5	9.1
Dalmia Bhar.	Buy	1799	2300	28	40.8	52.4	69.7	11.5	28.6	32.9	34.3	25.8	2.0	1.9	5.9	7.4
Grasim Inds.	Buy	2708	3150	16	95.6	97.2	108.9	-2.9	1.7	12.0	27.8	24.9	3.3	3.2	1.7	2.5
India Cem	Sell	372	180	-52	-7.6	-1.8	6.0	-49.9	Loss	LP	NM	62.5	2.2	2.1	-1.0	3.4
J K Cements	Buy	4282	5150	20	102.7	112.0	150.1	86.2	9.0	34.0	38.2	28.5	5.5	4.7	15.2	17.8
JK Lakshmi Ce	Buy	849	1080	27	39.6	34.5	45.9	29.9	-12.9	33.3	24.6	18.5	2.8	2.5	12.1	14.4
Ramco Cem	Neutral	828	890	7	16.7	18.4	28.2	15.0	10.0	53.4	45.1	29.4	2.6	2.4	5.9	8.6
Shree Cem	Neutral	27219	30300	11	684.2	626.4	624.3	110.3	-8.4	-0.3	43.5	43.6	4.4	4.1	10.6	9.8
Ultratech	Buy	11758	13000	11	244.5	261.3	336.6	39.4	6.9	28.8	45.0	34.9	5.1	4.3	11.9	13.5
<b>Aggregate</b>								<b>30.3</b>	<b>5.1</b>	<b>25.8</b>	<b>40.3</b>	<b>38.4</b>	<b>4.0</b>	<b>3.6</b>	<b>10.0</b>	<b>9.4</b>
<b>Consumer</b>																
Asian Paints	Neutral	3107	3150	1	57.9	58.0	65.7	30.9	0.1	13.3	53.6	47.3	14.7	13.2	28.5	29.5
Britannia	Neutral	5723	-		88.7	102.6	115.0	10.1	15.6	12.1	55.8	49.8	30.1	25.2	58.0	55.2
Colgate	Neutral	3369	3150	-6	49.2	57.7	62.2	26.8	17.4	7.8	58.3	54.1	41.3	35.9	76.7	70.9
Dabur	Buy	627	750	20	10.6	11.8	13.2	9.2	11.8	11.8	53.0	47.4	10.4	9.7	20.4	21.1
Emami	Buy	780	950	22	18.0	21.0	23.4	17.0	16.3	11.7	37.1	33.2	12.2	10.6	34.9	34.1
Godrej Cons.	Buy	1458	1600	10	19.3	22.5	26.7	13.2	16.4	18.6	64.8	54.7	10.6	9.4	17.2	18.2
HUL	Buy	2694	3250	21	43.7	47.9	53.6	0.7	9.6	11.9	56.2	50.2	12.1	11.7	21.8	23.7
ITC	Buy	489	575	18	16.4	17.3	18.8	9.0	5.5	8.7	28.3	26.0	7.8	7.4	28.2	29.1
Indigo Paints	Buy	1482	1650	11	31.3	34.8	38.0	28.8	11.3	9.0	42.5	39.0	6.8	6.0	17.1	16.3
Jyothy Lab	Neutral	519	565	9	9.8	11.1	12.4	54.8	12.8	12.3	46.9	41.8	10.0	8.9	21.8	22.6
Marico	Buy	662	700	6	11.5	12.7	14.1	13.7	11.0	10.6	51.9	47.0	21.4	20.3	42.0	44.4
Nestle	Neutral	2494	2500	0	41.0	36.8	40.8	62.5	-10.2	10.7	67.7	61.1	59.7	50.2	96.4	89.3
Page Inds	Neutral	42763	37500	-12	510.3	597.6	722.8	-0.4	17.1	20.9	71.6	59.2	25.6	21.8	35.7	36.8
Pidilite Ind.	Neutral	3134	2850	-9	35.9	42.5	48.6	42.2	18.6	14.2	73.7	64.5	16.7	15.0	24.1	24.5
P&G Hygiene	Neutral	17201	17000	-1	250.6	284.7	314.7	31.0	13.6	10.5	60.4	54.7	47.3	40.3	85.0	79.7
Tata Consumer	Buy	1194	1380	16	14.6	16.6	20.2	28.7	13.1	22.1	72.0	59.0	5.4	5.1	9.0	9.5
United Brew	Sell	1997	1800	-10	15.5	25.7	34.2	24.7	65.3	33.2	77.7	58.4	11.6	10.5	15.6	18.9
United Spirits	Neutral	1422	1400	-2	18.1	19.3	22.0	42.7	6.3	14.1	73.8	64.7	12.4	10.4	16.7	16.0
Varun Beverages	Buy	1572	1850	18	15.8	20.7	25.9	37.3	30.5	25.4	76.1	60.7	22.0	16.6	33.1	31.1
<b>Aggregate</b>								<b>15.3</b>	<b>7.6</b>	<b>11.7</b>	<b>52.1</b>	<b>48.4</b>	<b>13.2</b>	<b>12.2</b>	<b>25.4</b>	<b>25.2</b>
<b>Consumer Durables</b>																
Havells India	Neutral	1819	1820	0	20.3	25.8	31.4	18.5	27.4	21.4	70.4	58.0	13.4	11.7	19.0	20.1
KEI Industries	Buy	4245	5230	23	64.4	80.0	99.1	21.7	24.2	23.9	53.1	42.8	10.0	8.2	18.9	19.2
Polycab India	Buy	6753	8200	21	118.8	130.1	156.6	40.0	9.6	20.4	51.9	43.1	10.5	8.8	20.2	20.4
R R Kabel	Buy	1711	2140	25	26.4	34.2	50.1	57.0	29.5	46.6	50.0	34.1	9.0	7.4	19.5	23.9
Voltas	Buy	1489	1670	12	7.2	21.0	31.8	-36.8	190.6	51.3	70.8	46.8	7.6	6.7	10.8	14.4
<b>Aggregate</b>								<b>23.2</b>	<b>28.8</b>	<b>27.0</b>	<b>78.1</b>	<b>60.6</b>	<b>12.3</b>	<b>10.7</b>	<b>15.8</b>	<b>17.6</b>
<b>EMS</b>																
Avalon Tech	Buy	515	640	24	4.3	9.3	15.9	-53.0	118.3	71.0	55.4	32.4	5.6	4.7	10.6	15.8
Cyient DLM	Buy	784	880	12	7.7	14.5	21.9	92.9	88.0	51.1	54.1	35.8	6.1	5.2	11.9	15.6
Data Pattern	Neutral	3162	2900	-8	32.4	39.9	53.1	46.6	23.1	32.9	79.2	59.5	11.5	9.7	15.6	17.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Kaynes Tech	Buy	4359	5000	15	28.7	54.3	90.6	75.3	89.1	67.0	80.3	48.1	9.8	8.2	13.0	18.5
Syrma SGS Tech.	Buy	491	565	15	6.1	9.7	15.3	-9.3	58.9	56.8	50.4	32.1	4.9	4.3	10.2	14.4
<b>Aggregate</b>								<b>33.2</b>	<b>63.3</b>	<b>55.1</b>	<b>109.8</b>	<b>67.3</b>	<b>9.0</b>	<b>8.0</b>	<b>8.2</b>	<b>11.8</b>
<b>Healthcare</b>																
Alembic Phar	Neutral	1245	930	-25	31.5	37.9	42.1	43.9	20.6	11.0	32.8	29.6	4.5	4.0	14.4	14.1
Alkem Lab	Neutral	5301	5430	2	159.7	169.1	195.2	50.6	5.9	15.4	31.3	27.2	5.3	4.6	18.2	18.3
Ajanta Pharma	Buy	2829	2935	4	62.3	75.8	88.1	26.6	21.7	16.2	37.3	32.1	8.4	7.0	24.5	23.8
Apollo Hospitals	Buy	6704	7070	5	62.4	88.5	125.9	29.6	41.8	42.3	75.8	53.3	11.5	9.5	16.9	20.1
Aurobindo	Neutral	1444	1320	-9	56.0	67.0	75.7	46.1	19.6	13.0	21.5	19.1	2.5	2.2	12.4	12.5
Biocon	Neutral	356	340	-5	2.2	6.2	12.1	-65.1	183.8	96.7	57.7	29.3	2.1	2.0	3.7	7.0
Cipla	Buy	1529	1830	20	52.5	58.7	65.6	39.0	11.9	11.7	26.0	23.3	4.0	3.5	15.4	14.9
Divis Lab	Neutral	4990	4680	-6	60.0	77.7	95.1	-7.5	29.5	22.4	64.2	52.5	8.8	7.9	14.4	15.9
Dr Reddy's	Neutral	6960	7100	2	317.1	353.8	389.0	29.6	11.6	9.9	19.7	17.9	3.5	2.9	19.1	17.7
ERIS Lifescience	Neutral	1122	1075	-4	29.2	30.4	42.0	5.2	4.0	38.2	37.1	26.9	5.3	4.5	15.2	18.2
Gland Pharma	Buy	2128	2110	-1	47.6	59.4	69.4	-5.6	24.7	16.9	35.9	30.7	3.6	3.2	10.6	11.1
Glenmark	Neutral	1443	1200	-17	2.5	42.7	50.5	-88.0	1,619.7	18.3	33.8	28.6	4.5	3.9	14.4	14.8
GSK Pharma	Neutral	2824	-		43.3	45.8	50.8	20.5	5.7	10.9	61.7	55.6	22.9	19.3	37.2	34.7
Global Health	Buy	1209	1490	23	17.8	19.6	25.2	46.7	9.9	28.9	61.8	47.9	9.7	8.3	16.8	18.7
Granules India	Buy	646	680	5	17.4	24.0	31.9	-19.5	38.5	32.5	26.9	20.3	4.1	3.5	16.6	18.6
IPCA Labs	Neutral	1300	1150	-12	20.8	30.5	40.6	0.0	46.5	33.3	42.7	32.0	4.7	4.2	11.6	13.9
Laurus Labs	Buy	447	505	13	3.0	7.2	12.9	-79.6	139.9	78.2	61.8	34.7	5.4	4.8	9.1	14.7
Lupin	Neutral	1961	1590	-19	41.5	50.7	59.6	382.6	22.0	17.6	38.7	32.9	5.4	4.7	15.0	15.3
Mankind Pharma	Buy	1997	2650	33	47.8	54.5	62.4	38.5	14.1	14.6	36.7	32.0	7.3	6.2	21.4	20.9
Max Healthcare	Buy	916	1055	15	13.7	15.9	19.4	18.6	15.7	22.0	57.7	47.4	8.2	7.0	15.3	16.0
Piramal Pharma	Buy	174	195	12	0.4	2.5	5.1	-170.2	497.1	103.1	68.9	33.9	2.5	2.3	4.1	7.9
Sun Pharma	Buy	1732	1980	14	41.4	49.3	58.4	15.8	19.1	18.4	35.1	29.6	5.6	4.8	17.3	17.6
Torrent Pharma	Neutral	3227	3340	3	47.1	63.4	82.0	26.7	34.6	29.3	50.9	39.4	6.6	5.5	28.5	30.5
Zydus Lifesciences	Neutral	1249	1030	-18	37.6	39.0	41.4	68.0	3.6	6.1	32.0	30.2	5.1	4.5	17.6	15.7
<b>Aggregate</b>								<b>24.9</b>	<b>21.9</b>	<b>18.9</b>	<b>43.8</b>	<b>35.9</b>	<b>6.0</b>	<b>5.3</b>	<b>13.8</b>	<b>14.6</b>
<b>Infrastructure</b>																
G R Infraproject	Buy	1682	1980	18	73.0	73.6	99.8	-17.2	0.9	35.5	22.8	16.9	2.1	1.8	9.4	11.5
IRB Infra	Neutral	65	61	-5	1.0	1.6	2.1	-15.9	61.2	27.6	39.9	31.2	2.7	2.5	6.9	8.3
KNR Constructions	Buy	388	400	3	15.2	15.3	20.1	3.3	0.2	31.5	25.4	19.3	3.0	2.6	12.5	14.4
<b>Aggregate</b>											<b>38.8</b>	<b>31.9</b>	<b>2.8</b>	<b>2.6</b>	<b>7.2</b>	<b>8.1</b>
<b>Logistics</b>																
Adani Ports	Buy	1588	1850	17	41.3	51.2	61.1	16.5	24.2	19.2	31.0	26.0	5.5	4.6	19.1	19.3
Blue Dart Express	Buy	8118	9500	17	121.6	137.1	223.5	-21.2	12.7	63.0	59.2	36.3	11.9	9.6	21.3	29.2
Concor	Buy	1030	1220	18	20.3	25.8	33.9	5.8	27.0	31.3	39.9	30.4	4.9	4.5	12.8	15.6
JSW Infra	Buy	326	390	20	5.8	6.5	9.3	6.8	11.7	44.3	50.3	34.9	7.6	6.5	15.9	20.0
Mahindra Logistics	Neutral	515	510	-1	-8.2	6.6	19.2	-322.8	LP	190.3	77.8	26.8	7.1	5.7	9.1	23.2
Transport Corp.	Buy	1005	1160	15	45.8	52.6	64.5	10.1	14.8	22.6	19.1	15.6	3.3	2.7	18.2	18.8
TCI Express	Buy	1186	1450	22	34.4	38.3	44.6	-5.4	11.5	16.5	30.9	26.6	5.5	4.7	19.3	19.2
VRL Logistics	Buy	570	670	18	10.1	15.4	23.1	-46.1	51.7	50.4	37.1	24.7	5.0	4.6	13.9	19.4
<b>Aggregate</b>											<b>42.5</b>	<b>34.2</b>	<b>6.6</b>	<b>5.7</b>	<b>15.5</b>	<b>16.6</b>
<b>Media</b>																
PVR Inox	Neutral	1469	1400	-5	11.7	2.2	27.1	-152.3	-81.3	1,141.8	673.1	54.2	2.0	1.9	0.3	3.6
Sun TV	Buy	893	900	1	47.6	51.3	52.5	12.0	7.7	2.4	17.4	17.0	3.1	2.9	17.9	16.9
Zee Ent.	Neutral	143	155	9	4.5	7.1	10.2	-4.9	56.9	43.4	20.1	14.0	1.2	1.1	6.1	8.3
<b>Aggregate</b>								<b>16.7</b>	<b>12.3</b>	<b>21.7</b>	<b>26.1</b>	<b>23.2</b>	<b>2.2</b>	<b>2.1</b>	<b>8.5</b>	<b>9.1</b>
<b>Metals</b>																
Coal India	Buy	525	600	14	60.7	61.9	68.1	17.8	2.0	10.0	8.5	7.7	3.2	2.7	37.7	34.5
Hindalco	Buy	648	800	23	45.6	61.2	63.6	0.8	34.1	3.9	10.6	10.2	1.6	1.4	15.8	14.3
Hind. Zinc	Neutral	652	610	-6	18.4	23.1	29.9	-26.2	25.8	29.6	28.2	21.7	13.8	10.0	55.6	53.5
JSPL	Buy	957	1200	25	58.4	63.6	95.7	60.4	8.9	50.4	15.0	10.0	1.9	1.6	13.5	17.6
JSW Steel	Buy	900	1030	14	36.7	55.9	78.0	149.9	52.3	39.5	16.1	11.5	2.5	2.1	16.3	19.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Nalco	Neutral	185	185	0	9.1	12.3	14.1	16.3	35.1	15.0	15.1	13.1	2.1	1.9	14.8	15.3
NMDC	Buy	236	300	27	19.7	25.5	28.5	18.0	29.4	11.5	9.2	8.3	2.2	1.9	26.5	24.7
SAIL	Neutral	146	160	9	2.6	9.8	12.7	-43.8	277	29.1	14.9	11.5	1.0	1.0	7.0	8.6
Tata Steel	Neutral	158	180	14	2.7	9.9	13.7	-61.8	264	39.4	16.1	11.5	2.1	2.0	13.8	17.7
Vedanta	Neutral	434	520	20	13.3	33.9	44.7	-53.1	155	32.1	12.8	9.7	4.6	3.7	38.4	42.6
<b>Aggregate</b>								<b>0.1</b>	<b>38.2</b>	<b>22.6</b>	<b>18.6</b>	<b>13.5</b>	<b>3.0</b>	<b>2.6</b>	<b>15.9</b>	<b>19.5</b>
<b>Oil &amp; Gas</b>																
Aegis Logistics	Neutral	736	760	3	16.2	17.5	21.7	10.8	7.9	24.2	42.0	33.9	6.0	5.4	15.0	16.8
BPCL	Neutral	347	320	-8	63.3	29.0	35.4	1,271.9	-54.2	22.1	12.0	9.8	1.8	1.7	15.7	17.7
Castrol India	Buy	260	310	19	8.7	9.8	11.0	6.0	12.6	11.9	26.4	23.6	11.4	10.7	44.4	46.6
GAIL	Buy	237	275	16	13.7	15.3	17.0	70.1	11.5	10.9	15.5	14.0	2.1	2.0	15.0	15.2
Gujarat Gas	Buy	657	755	15	16.0	21.0	23.6	-27.8	31.3	12.2	31.3	27.8	5.2	4.7	17.7	17.7
Gujarat St. Pet.	Buy	342	405	18	22.8	11.6	12.1	35.9	-48.9	4.1	29.4	28.2	1.8	1.7	6.3	6.2
HPCL	Buy	390	460	18	75.2	26.7	47.0	-329.4	-64.5	75.8	14.6	8.3	1.6	1.4	11.6	18.3
IOC	Buy	177	215	21	29.5	9.5	13.3	344.7	-67.8	40.5	18.7	13.3	1.3	1.2	6.9	9.3
IGL	Sell	538	475	-12	25.0	23.4	30.8	21.0	-6.5	31.7	23.0	17.5	3.9	3.4	17.9	20.6
Mahanagar Gas	Buy	1846	2200	19	132.3	129.4	136.9	65.4	-2.2	5.9	14.3	13.5	3.1	2.7	23.1	21.4
MRPL	Sell	218	170	-22	20.5	9.4	15.4	36.6	-54.2	63.1	23.1	14.2	2.6	2.3	11.9	17.2
Oil India	Buy	606	560	-8	48.7	46.8	51.7	16.2	-3.9	10.5	13.0	11.7	2.0	1.8	16.3	16.1
ONGC	Buy	330	330	0	46.3	50.3	56.0	44.9	8.6	11.3	6.6	5.9	1.1	1.0	17.6	17.2
PLNG	Neutral	362	380	5	23.6	30.9	31.3	9.1	30.9	1.5	11.7	11.6	2.8	2.5	25.4	22.7
Reliance Ind.	Buy	2998	3435	15	102.9	113.9	144.8	4.4	10.7	27.1	26.3	20.7	2.2	2.0	9.3	10.7
<b>Aggregate</b>								<b>80.0</b>	<b>-16.8</b>	<b>22.0</b>	<b>14.4</b>	<b>17.3</b>	<b>2.2</b>	<b>2.0</b>	<b>15.0</b>	<b>11.4</b>
<b>Real Estate</b>																
Brigade Enterpr.	Buy	1198	1525	27	22.1	37.1	42.0	82.6	67.9	13.2	32.3	28.5	5.6	4.7	18.9	18.0
DLF	Neutral	845	850	1	11.0	16.6	17.0	-3.5	50.5	2.4	51.0	49.8	3.5	3.3	10.0	9.4
Godrej Propert.	Buy	3002	3725	24	26.9	52.0	34.4	20.3	93.4	-33.8	57.7	87.2	7.3	6.7	13.5	8.0
Kolte Patil Dev.	Buy	379	700	85	-9.2	13.3	42.7	-167.7	LP	221.3	28.5	8.9	3.6	2.6	13.1	34.0
Oberoi Realty	Neutral	1779	1560	-12	53.0	50.5	70.8	1.2	-4.6	40.0	35.2	25.1	4.2	3.7	12.6	15.6
Macrotech Devel.	Buy	1231	1770	44	16.9	23.4	35.3	6.0	38.3	51.0	52.6	34.8	6.0	5.2	12.1	16.0
Mahindra Lifespace	Neutral	599	600	0	6.3	6.3	5.7	111.6	0.5	-9.8	94.4	104.7	4.8	4.7	5.2	4.5
Sunteck Realty	Buy	583	640	10	4.8	16.2	23.2	4,699.7	234.8	43.1	35.9	25.1	2.6	2.3	7.4	9.7
Sobha	Buy	1731	2250	30	5.1	35.2	74.2	-52.9	591.2	110.5	49.1	23.3	5.9	4.7	12.7	22.6
Prestige Estates	Buy	1695	2100	24	19.0	19.9	26.2	-1.5	5.0	31.9	85.2	64.6	5.3	4.9	6.4	7.9
Phoenix Mills	Neutral	3465	3220	-7	61.6	60.8	83.0	50.6	-1.3	36.5	57.0	41.8	5.9	5.2	10.9	13.2
<b>Aggregate</b>								<b>17.2</b>	<b>37.8</b>	<b>22.5</b>	<b>74.0</b>	<b>53.7</b>	<b>6.1</b>	<b>5.6</b>	<b>8.3</b>	<b>10.4</b>
<b>Retail</b>																
Avenue Supermarts	Buy	4908	5500	12	39.0	49.8	66.4	6.2	27.9	33.2	98.5	73.9	14.6	12.2	16.0	17.9
Aditya Birla Fashion	Neutral	335	335	0	-7.4	-7.1	-6.4	955.4	Loss	Loss	NM	NM	8.5	10.1	-16.4	-17.7
Bata India	Neutral	1620	1400	-14	22.8	29.2	40.1	-9.2	27.9	37.3	55.5	40.4	10.9	8.6	21.9	23.8
Barbeque-Nation	Neutral	568	625	10	-2.9	-0.7	1.7	-172.8	Loss	LP	NM	332.8	5.7	5.6	-0.7	1.7
Campus Activewe.	Buy	310	335	8	2.9	4.2	5.6	-23.6	42.3	33.8	74.7	55.8	12.2	10.0	16.3	17.9
Devyani Intl.	Buy	178	200	12	0.8	1.2	2.1	-66.5	55.5	74.0	148.7	85.5	28.1	28.6	15.9	33.2
Jubilant Food.	Neutral	607	525	-13	3.9	5.5	8.2	-32.9	39.5	48.3	110.3	74.4	17.4	16.4	15.8	22.1
Kalyan Jewellers	Buy	559	650	16	5.8	8.4	11.3	29.9	45.4	34.1	66.3	49.5	11.9	10.2	19.3	22.2
Metro Brands	Buy	1347	1420	5	12.7	15.3	19.0	-5.2	20.2	23.9	87.9	71.0	16.2	13.6	20.5	21.3
Raymond	Buy	1980	3755	90	104.1	119.2	151.6	10.2	14.5	27.2	16.6	13.1	2.4	2.1	15.9	17.2
Relaxo Footwear	Neutral	845	790	-6	8.1	9.8	12.3	29.8	22.1	24.9	85.9	68.7	9.6	8.7	11.7	13.3
Restaurant Brands	Buy	112	140	25	-4.8	-2.3	-0.2	-2.5	Loss	Loss	NM	NM	10.8	11.0	-19.9	-2.0
Sapphire Foods	Buy	1675	1850	10	8.2	13.0	23.8	-52.5	59.5	82.7	128.7	70.5	7.5	6.8	6.0	10.1
Shoppers Stop	Neutral	737	780	6	5.5	6.9	10.0	-50.2	24.8	45.5	107.3	73.8	15.4	12.1	20.9	24.2
Senco Gold	Buy	990	1350	36	23.3	30.3	37.1	1.6	30.0	22.6	32.7	26.6	4.9	4.2	15.9	16.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Titan Company	Buy	3463	4000	16	39.3	46.0	56.9	6.8	17.1	23.7	75.0	60.6	25.0	19.4	37.8	36.1
Trent	Buy	5537	6080	10	29.2	49.4	62.7	162.5	69.0	27.0	112.1	88.3	31.6	22.8	35.5	32.1
V-Mart Retail	Neutral	3429	2880	-16	-53.5	-23.3	15.1	1,132.9	Loss	LP	NM	226.9	8.8	8.5	NM	3.8
Vedant Fashions	Neutral	1138	1050	-8	17.1	18.8	23.3	-3.5	10.5	23.6	60.4	48.9	15.2	12.9	26.3	25.5
Westlife Foodworld	Neutral	810	775	-4	4.4	6.2	10.5	-38.0	40.5	69.2	130.0	76.8	15.2	14.4	13.7	19.3
<b>Aggregate</b>								<b>-0.7</b>	<b>35.1</b>	<b>33.5</b>	<b>125.9</b>	<b>93.2</b>	<b>19.0</b>	<b>16.3</b>	<b>15.1</b>	<b>17.5</b>
<b>Technology</b>																
Cyient	Buy	1765	2070	17	66.9	71.4	89.7	27.7	6.8	25.6	24.7	19.7	4.3	3.9	16.8	19.6
HCL Tech.	Buy	1610	1850	15	57.9	62.5	68.5	5.6	7.9	9.7	25.8	23.5	6.6	6.7	25.4	28.2
Infosys	Buy	1821	2000	10	63.3	65.4	78.1	10.0	3.3	19.4	27.8	23.3	8.5	8.5	30.8	36.6
LTI Mindtree	Buy	5507	7000	27	154.8	166.8	198.8	2.0	7.7	19.2	33.0	27.7	7.1	6.2	23.0	23.9
L&T Technology	Buy	5103	5950	17	123.0	129.2	156.1	11.3	5.1	20.8	39.5	32.7	9.0	7.9	24.2	25.7
Mphasis	Neutral	2774	2800	1	81.8	91.2	103.4	-6.0	11.5	13.4	30.4	26.8	5.5	5.1	19.0	19.9
Coforge	Neutral	6082	6100	0	133.2	150.3	202.8	2.0	12.8	34.9	40.5	30.0	9.5	8.2	24.3	28.8
Persistent Sys	Buy	4635	5700	23	75.1	88.9	114.0	20.1	18.4	28.3	52.2	40.6	12.5	10.8	25.8	28.9
TCS	Buy	4283	4660	9	126.3	143.5	155.4	9.5	13.7	8.3	29.8	27.6	17.9	18.3	58.3	64.9
Tech Mah	Neutral	1511	1470	-3	41.1	44.5	63.6	-28.2	8.3	42.9	33.9	23.7	4.9	4.7	14.6	20.3
Wipro	Neutral	502	500	0	20.4	22.0	24.5	-1.5	7.9	11.5	22.8	20.5	3.6	3.5	15.7	17.3
Zensar Tech	Neutral	763	750	-2	29.1	28.2	32.8	102.7	-3.3	16.3	27.1	23.3	4.3	3.8	17.0	17.4
<b>Aggregate</b>								<b>3.8</b>	<b>10.4</b>	<b>13.5</b>	<b>33.4</b>	<b>30.3</b>	<b>9.4</b>	<b>9.3</b>	<b>28.0</b>	<b>30.8</b>
<b>Telecom</b>																
Bharti Airtel	Buy	1494	1654	11	19.7	35.3	52.6	36.7	79.6	49.1	42.3	28.4	6.8	5.4	19.8	21.9
Indus Towers	Neutral	421	395	-6	22.4	23.7	25.5	151.1	5.9	7.7	17.7	16.5	3.4	2.8	21.2	18.7
Vodafone Idea		16			-11.1	-10.9	-10.4	9.3	Loss	Loss	NM	NM	-0.4	-0.4	NM	NM
Tata Comm	Neutral	1952	1950	0	42.3	44.3	77.5	-30.0	4.9	74.8	44.0	25.2	20.5	12.1	56.1	60
<b>Aggregate</b>								<b>Loss</b>	<b>Loss</b>	<b>LP</b>	<b>-77</b>	<b>-298</b>	<b>155.4</b>	<b>23.7</b>	<b>-201.4</b>	<b>-8.0</b>
<b>Others</b>																
APL Apollo Tubes	Buy	1473	1850	26	26.4	37.9	55.7	14.1	43.7	46.7	38.8	26.4	9.1	7.0	26.0	29.8
Cello World	Buy	952	1090	15	15.6	19.0	24.0	24.4	22.1	26.0	50.0	39.7	13.1	9.9	26.3	25.1
Coromandel Intl	Buy	1638	1810	11	55.8	63.0	71.3	-18.5	12.9	13.3	26.0	23.0	4.4	3.8	18.3	17.9
EPL	Buy	220	260	18	8.2	10.1	14.1	13.5	23.7	39.5	21.8	15.6	3.1	2.7	14.7	18.6
Godrej Agrovet	Neutral	825	830	1	18.7	24.5	31.3	44.1	30.8	27.6	33.7	26.4	5.7	5.0	17.7	20.1
Indian Hotels	Buy	629	665	6	8.9	10.5	12.9	25.9	18.5	22.6	59.9	48.9	8.2	7.1	14.7	15.6
Interglobe	Neutral	4312	4420	3	211.8	200.3	204.0	-2,678.8	-5	2	21.5	21	17.2	9.5	133.3	57.9
Kajaria Ceramics	Buy	1461	1670	14	27.2	30.7	38.0	27.2	13.0	23.6	47.5	38.5	8.1	7.3	17.4	19.5
Lemon Tree Hotel	Buy	147	175	19	1.9	2.7	4.0	25.7	42.8	48.9	54.0	36.3	9.7	7.7	19.8	23.6
MTAR Tech	Buy	1864	2310	24	18.2	32.1	57.2	-45.7	75.8	78.2	58.1	32.6	7.4	6.0	13.6	20.4
One 97	Neutral	527	500	-5	-22.4	-33.2	-13.8	-20.2	Loss	Loss	NM	NM	2.8	3.0	-16.8	-7.6
Qess Corp	Neutral	692	680	-2	20.4	28.1	33.7	78.3	37.5	19.9	24.6	20.5	2.6	2.4	14.6	16.3
SIS	Buy	450	540	20	13.0	29.2	38.4	-44.2	125.4	31.4	15.4	11.7	1.1	0.9	16.7	18.2
Team Lease Serv.	Buy	3150	4120	31	64.8	89.7	137.4	-0.5	38.4	53.2	35.1	22.9	5.7	4.6	15.9	20.3
UPL	Neutral	538	550	2	3.7	26.1	45.0	-93.7	613.1	72.4	20.6	11.9	1.1	1.0	7.9	12.9
Updater Services	Buy	317	-		11.4	17.9	23.6	67.8	57.7	31.6	17.7	13.4	2.1	1.9	11.5	13.4
Zomato	Buy	262	300	14	0.4	0.9	3.2	-134.9	131.3	239.2	278.3	82.1	10.6	9.4	3.9	12.2



Index	1 Day (%)	1M (%)	12M (%)
<b>Sensex</b>	-1.1	1.9	23.1
<b>Nifty-50</b>	-1.2	2.5	26.6
<b>Nifty Next 50</b>	-1.3	2.1	64.2
<b>Nifty 100</b>	-1.1	2.6	32.5
<b>Nifty 200</b>	-1.1	2.8	35.8
Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>	-2.9	2.3	66.7
Amara Raja Ener.	0.5	-4.1	154.1
Apollo Tyres	-2.7	0.2	26.3
Ashok Leyland	0.0	6.7	38.7
Bajaj Auto	-1.2	2.3	99.0
Balkrishna Inds	-1.6	5.2	33.3
Bharat Forge	-3.6	0.6	82.8
Bosch	-1.3	-2.1	85.7
CEAT	1.9	-3.0	10.1
Craftsman Auto	-3.5	-6.1	15.8
Eicher Motors	-4.9	2.2	41.8
Endurance Tech.	-0.6	-6.2	51.2
Escorts Kubota	-5.9	-5.4	50.3
Exide Inds.	-0.8	-9.9	96.0
Happy Forgings	0.6	0.8	
Hero Motocorp	-1.8	-5.3	76.2
M & M	-2.8	-4.0	85.1
CIE Automotive	-2.5	-4.1	15.6
Maruti Suzuki	-4.7	5.7	31.8
MRF	-1.4	7.5	34.9
Sona BLW Precis.	2.5	2.7	24.3
Motherson Sumi	-1.6	-4.8	99.6
Motherson Wiring	-0.4	0.2	21.8
Tata Motors	-4.2	11.8	76.1
TVS Motor Co.	-0.6	9.9	86.2
Tube Investments	-1.0	-1.6	32.9
<b>Banks-Private</b>	-0.4	-1.4	10.7
AU Small Fin. Bank	-1.1	-5.3	-12.2
Axis Bank	-1.0	-7.4	22.8
Bandhan Bank	-0.6	5.1	-5.8
DCB Bank	-0.2	-10.6	3.0
Equitas Sma. Fin	-0.5	11.9	113.8
Federal Bank	-1.5	13.0	48.9
HDFC Bank	1.2	-4.1	1.1
ICICI Bank	-1.1	0.5	21.2
IDFC First Bank	-1.4	-5.8	-14.7
IndusInd Bank	-1.1	-1.8	1.7
Kotak Mah. Bank	0.6	1.9	-1.1
RBL Bank	-1.8	-12.1	2.9
SBI Cards	-0.8	0.5	-17.6
<b>Banks-PSU</b>	-1.7	0.3	60.8
BOB	-3.0	-8.0	25.1
Canara Bank	-2.0	-5.0	68.8
Indian Bank	0.1	10.8	73.4
Punjab Natl.Bank	-2.2	-0.3	102.1
St Bk of India	-1.7	2.6	41.7
Union Bank (I)	-1.5	-0.6	51.7

Index	1 Day (%)	1M (%)	12M (%)
<b>Nifty 500</b>	-1.1	2.6	38.0
<b>Nifty Midcap 100</b>	-1.0	3.7	55.5
<b>Nifty Smallcap 100</b>	-0.8	1.6	62.1
<b>Nifty Midcap 150</b>	-1.0	2.8	53.8
<b>Nifty Smallcap 250</b>	-0.8	2.0	57.4
<b>NBFCs</b>	-0.3	-0.6	16.4
Aditya Birla Capital Ltd	-3.9	-10.6	11.4
Angel One	0.3	-4.6	51.8
Bajaj Fin.	-0.7	-6.1	-6.6
BSE	-3.0	3.1	206.2
Cholaman.Inv.&Fn	-0.4	-1.1	26.0
Can Fin Homes	0.2	-6.0	15.9
Cams Services	-1.0	16.1	84.2
CreditAcc. Gram.	-0.8	-2.2	-10.0
Fusion Microfin.	-0.5	-5.3	-32.6
Five-Star Bus.Fi	1.7	-6.1	3.8
Home First Finan	0.2	-6.5	23.1
Indostar Capital	0.0	-2.1	38.6
IIFL Finance	-1.4	-13.3	-21.1
L&T Finance	0.4	-5.4	36.4
LIC Housing Fin.	-1.2	-5.9	80.7
MCX	-1.1	11.8	172.3
M & M Fin. Serv.	-0.3	1.0	4.1
Muthoot Finance	0.7	4.5	39.1
Manappuram Fin.	-1.9	1.7	56.9
MAS Financial Serv.	-0.8	-1.6	9.8
360 One	-3.9	10.9	109.6
PNB Housing	0.1	1.8	33.3
Repco Home Fin	-7.0	-8.5	57.3
Shriram Finance	0.1	5.9	63.2
Spandana Sphoort	-2.4	-11.2	-20.0
<b>Insurance</b>			
HDFC Life Insur.	-0.9	19.9	10.0
ICICI Pru Life	-0.8	17.5	28.4
ICICI Lombard	-1.1	9.7	46.0
Life Insurance	0.0	19.7	83.9
Max Financial	0.2	12.7	42.2
SBI Life Insuran	-1.3	16.7	38.2
Star Health Insu	-1.8	3.9	-8.0
<b>Chemicals</b>			
Alkyl Amines	1.4	-0.4	-11.5
Atul	-0.7	18.7	9.8
Clean Science	5.6	8.9	26.3
Deepak Nitrite	0.2	15.2	53.8
Fine Organic	-1.1	4.4	20.8
Galaxy Surfact.	1.9	5.9	11.3
Navin Fluo.Intl.	-2.2	0.0	-21.4
NOCIL	-1.9	11.6	42.2
P I Inds.	-3.0	13.9	16.1
SRF	-3.9	5.4	11.4
Tata Chemicals	-1.5	-0.8	4.4
Vinati Organics	2.8	15.0	19.3



Company	1 Day (%)	1M (%)	12M (%)
<b>Capital Goods</b>	<b>-1.7</b>	<b>-0.5</b>	<b>20.0</b>
A B B	-2.5	-11.0	71.9
Bharat Electron	-2.6	-1.0	141.7
Cummins India	-8.0	-10.8	84.8
Hitachi Energy	-2.8	-10.1	198.5
K E C Intl.	-2.7	-2.2	39.2
Kalpataru Proj.	-0.5	11.9	113.8
Kirloskar Oil	-1.7	-15.9	168.3
Larsen & Toubro	-3.0	1.1	39.8
Siemens	-2.2	-11.5	80.1
Thermax	-3.8	-3.6	91.5
Triveni Turbine	0.5	0.0	52.5
Zen Technologies	0.6	31.5	181.9
<b>Cement</b>			
Ambuja Cem.	-1.7	-5.7	41.6
ACC	-2.1	-12.2	23.5
Birla Corp.	-2.7	-4.7	21.7
Dalmia Bhar.	-0.8	-2.2	-9.3
Grasim Inds.	-2.1	-1.3	49.3
India Cem	2.4	30.8	72.9
J K Cements	-3.1	-1.2	33.8
JK Lakshmi Cem.	-1.5	-5.5	33.3
The Ramco Cement	0.3	-2.1	-6.3
Shree Cement	-1.7	-1.5	13.5
UltraTech Cem.	-1.8	-0.8	42.0
<b>Consumer</b>	<b>-0.7</b>	<b>9.0</b>	<b>17.9</b>
Asian Paints	0.2	6.2	-7.6
Britannia Inds.	-0.2	5.9	18.9
Colgate-Palm.	-0.3	17.2	68.8
Dabur India	-2.5	4.1	10.9
Emami	-5.4	7.7	75.0
Godrej Consumer	-0.8	6.4	43.1
Hind. Unilever	-0.8	8.3	4.8
ITC	-0.9	14.9	6.3
Indigo Paints	-1.4	6.5	-4.3
Jyothy Lab.	-0.5	8.7	71.1
Marico	-1.9	9.8	17.7
Nestle India	0.4	-1.9	9.0
Page Industries	1.9	10.3	10.6
Pidilite Inds.	0.4	1.6	19.3
P & G Hygiene	0.9	2.6	8.1
Tata Consumer	-1.2	9.4	43.3
United Breweries	-0.2	-1.7	28.1
United Spirits	0.5	11.5	41.6
Varun Beverages	-0.2	-0.3	94.6
<b>Consumer Durables</b>	<b>-0.9</b>	<b>1.6</b>	<b>41.7</b>
Polycab India	-0.3	1.9	47.2
R R Kabel	-1.7	-2.5	
Havells	-1.0	0.3	38.7
Voltas	-3.0	2.8	86.1
KEI Industries	-2.0	-6.7	79.0
<b>EMS</b>			
Kaynes Tech	-0.6	9.9	146.0

Company	1 Day (%)	1M (%)	12M (%)
Avalon Tech	-1.6	-5.0	-10.8
Syrma SGS Tech.	-1.9	1.2	2.3
Cyient DLM	-1.9	4.3	58.9
Data Pattern	-0.1	2.4	58.6
<b>Healthcare</b>	<b>0.5</b>	<b>10.7</b>	<b>46.6</b>
Alembic Pharma	2.7	27.9	61.7
Alkem Lab	0.7	7.9	34.8
Apollo Hospitals	0.1	10.0	34.3
Ajanta Pharma	1.3	26.3	68.0
Aurobindo	0.7	19.0	76.8
Biocon	0.4	-0.2	40.8
Zyodus Lifesci.	0.7	16.3	98.8
Cipla	-1.1	2.7	30.9
Divis Lab	1.5	9.2	35.2
Dr Reddy's	1.1	9.3	23.0
ERIS Lifescience	0.1	7.8	40.2
Gland Pharma	0.1	17.4	65.0
Glenmark	0.4	15.5	84.9
Global Health	-1.0	-5.1	80.6
Granules	2.3	31.5	103.7
GSK Pharma	2.2	7.7	100.7
IPCA Labs	-0.3	14.9	46.4
Laurus Labs	-1.0	2.1	22.6
Lupin	0.4	20.1	97.2
Mankind Pharma	-0.2	-6.1	15.0
Max Healthcare	-0.9	0.3	60.4
Piramal Pharma	0.6	8.3	69.3
Sun Pharma	1.0	13.6	52.5
Torrent Pharma	0.7	14.5	64.2
<b>Infrastructure</b>	<b>-1.6</b>	<b>2.6</b>	<b>56.4</b>
G R Infraproject	-5.1	-2.3	30.1
IRB Infra.Devl.	-1.2	-0.5	153.4
KNR Construct.	-0.9	14.0	61.8
<b>Logistics</b>			
Adani Ports	-0.1	7.7	108.5
Blue Dart Exp.	-1.3	-1.3	24.3
Container Corpn.	-0.8	0.3	51.6
JSW Infrast	-1.8	-6.8	
Mahindra Logis.	1.0	-5.6	43.9
Transport Corp.	-2.2	5.8	31.5
TCI Express	-2.1	-5.9	-23.5
VRL Logistics	-0.9	-0.8	-21.2
<b>Media</b>	<b>-0.4</b>	<b>1.9</b>	<b>3.6</b>
PVR INOX	-1.3	0.0	-8.6
Sun TV	0.3	13.8	70.3
Zee Ent.	0.6	-6.9	-37.1
<b>Metals</b>	<b>-2.7</b>	<b>-5.3</b>	<b>40.4</b>
Hindalco	-3.8	-6.7	42.6
Hind. Zinc	0.6	-0.1	103.1
JSPL	-2.7	-8.5	48.6
JSW Steel	-3.7	-4.1	11.8
Nalco	-3.9	-3.9	100.9
NMDC	-2.8	-3.5	107.4



Company	1 Day (%)	1M (%)	12M (%)
SAIL	-2.5	-0.3	57.3
Tata Steel	-3.0	-9.4	33.0
Vedanta	-3.1	-5.2	59.5
<b>Oil &amp; Gas</b>	<b>-1.4</b>	<b>9.0</b>	<b>69.1</b>
Aegis Logistics	-4.3	-13.8	93.1
BPCL	-0.6	14.0	88.1
Castrol India	1.7	21.4	85.1
GAIL	-0.8	6.9	103.7
Gujarat Gas	0.0	0.9	39.2
Gujarat St. Pet.	0.7	13.5	19.0
HPCL	-0.5	18.6	111.3
IOCL	-1.4	5.3	88.9
IGL	-0.7	3.6	18.6
Mahanagar Gas	1.2	8.0	68.1
MRPL	-1.5	1.7	164.0
Oil India	1.2	24.9	235.9
ONGC	-3.4	20.1	87.6
PLNG	-1.5	7.8	60.8
Reliance Ind.	-1.1	-4.2	20.6
<b>Real Estate</b>	<b>-3.5</b>	<b>-6.6</b>	<b>89.1</b>
Brigade Enterpr.	-4.7	-12.4	108.8
DLF	-3.4	1.7	71.1
Godrej Propert.	-4.0	-9.1	80.8
Kolte Patil Dev.	-1.7	-11.2	-11.1
Mahindra Life.	-1.7	-0.5	20.0
Macrotech Devel.	-3.3	-17.5	68.3
Oberoi Realty Ltd	-3.3	-1.3	60.5
Sobha	-3.2	-13.0	197.1
Sunteck Realty	-1.1	5.2	58.6
Phoenix Mills	-3.7	-3.0	101.5
Prestige Estates	-3.4	-8.0	193.8
<b>Retail</b>			
Aditya Bir. Fas.	-0.5	1.8	53.8
Avenue Super.	-1.7	2.8	32.2
Bata India	-0.1	8.3	-7.8
Campus Activewe.	-2.1	5.5	7.0
Barbeque-Nation	-0.4	-0.6	-18.8
Devyani Intl.	2.1	6.2	-8.3
Jubilant Food	1.0	5.5	24.3
Kalyan Jewellers			
Metro Brands	-0.2	8.9	27.8
Raymond	-0.8	7.6	72.5
Relaxo Footwear	-0.5	1.6	-9.0
Restaurant Brand	0.7	9.2	-1.8
Sapphire Foods	-1.0	7.5	25.1
Senco Gold	0.2	-11.1	152.4
Shoppers St.	-2.0	-2.3	-8.4
Titan Co.	-0.2	1.8	16.3
Trent	-4.0	0.0	227.5
V-Mart Retail	-0.4	17.8	50.0
Vedant Fashions	-1.0	3.6	-11.4
Westlife Food	-0.4	-2.1	-12.7

Company	1 Day (%)	1M (%)	12M (%)
<b>Technology</b>	<b>-2.4</b>	<b>6.5</b>	<b>32.2</b>
Cyient	0.3	-4.1	16.6
HCL Tech.	-1.9	8.7	42.3
Infosys	-1.7	12.3	34.2
LTIMindtree	-3.0	0.7	13.2
L&T Technology	-0.4	1.5	23.6
Mphasis	-2.8	10.7	25.7
Coforge	-3.3	7.5	27.8
Persistent Sys	-3.3	3.0	96.6
TCS	-2.6	6.6	24.5
Tech Mah	-2.4	2.4	31.6
Wipro	-3.7	-6.7	24.7
Zensar Tech	-1.9	1.5	58.4
<b>Telecom</b>	<b>-0.6</b>	<b>3.6</b>	<b>73.7</b>
Bharti Airtel	-0.8	5.3	70.1
Indus Towers	-1.8	9.7	147.9
Idea Cellular	0.8	-5.3	104.1
Tata Comm	-1.0	3.3	14.0
<b>Utilites</b>	<b>-0.5</b>	<b>7.2</b>	<b>98.6</b>
Coal India	-2.9	9.5	123.6
NTPC	-0.9	13.3	91.6
Power Grid Corpn	-0.8	8.3	92.2
<b>Others</b>			
APL Apollo Tubes	-0.2	-7.6	-7.5
Cello World	1.8	5.6	
Coromandel Intl	0.3	4.4	59.6
EPL Ltd	0.7	0.2	-0.3
Godrej Agrovet	1.4	2.3	71.0
Havells	-1.0	0.3	38.7
Indian Hotels	-0.5	4.2	58.9
Interglobe	-2.1	1.5	68.1
Kajaria Ceramics	-0.5	-1.3	2.3
Lemon Tree Hotel	0.2	0.9	54.5
MTAR Technologie	-1.2	-1.5	-11.7
One 97	6.1	25.2	-32.1
Piramal Enterpr.	1.4	14.6	8.9
Quess Corp	-1.4	8.0	61.3
SIS	2.1	-0.5	4.0
Team Lease Serv.	-3.9	6.5	36.9
UPL	-4.1	-5.1	-13.2
Updater Services	-0.7	4.3	
Voltas	-3.0	2.8	86.1
Zomato Ltd	12.1	25.5	208.5

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



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

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

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