

Market snapshot



Equities - India	Close	Chg .%	CY24.%
Sensex	78,058	-0.3	8.2
Nifty-50	23,603	-0.4	8.8
Nifty-M 100	53,501	-1.3	23.9
Equities-Global	Close	Chg .%	CY24.%
S&P 500	6,084	0.4	23.3
Nasdaq	19,792	0.5	28.6
FTSE 100	8,727	1.2	5.7
DAX	21,902	1.5	18.8
Hang Seng	7,690	1.6	26.4
Nikkei 225	39,067	0.6	19.2
Commodities	Close	Chg .%	CY24.%
Brent (US\$/Bbl)	75	0.2	-4.5
Gold (\$/OZ)	2,856	-0.4	27.2
Cu (US\$/MT)	9,155	0.4	2.2
Almn (US\$/MT)	2,625	0.2	7.7
Currency	Close	Chg .%	CY24.%
USD/INR	87.6	0.1	2.9
USD/EUR	1.0	-0.2	-6.2
USD/JPY	151.4	-0.8	11.5
YIELD (%)	Close	1MChg	CY24 chg
10 Yrs G-Sec	6.7	-0.01	-0.4
10 Yrs AAA Corp	7.2	-0.01	-0.5
Flows (USD b)	6-Feb	MTD	CYTD
FII	-0.4	0.92	-0.8
DII	0.31	4.33	62.9
Volumes (INRb)	6-Feb	MTD*	YTD*
Cash	956	1049	1024
F&O	3,50,521	1,77,796	1,89,459

Note: Flows, MTD includes provisional numbers.

*Average

Today's top research idea



Consumer: A needed booster for consumption revival

- ❖ The Union Budget 2025-26 was primarily focused on reviving consumption by providing tax relief to address stress on the middle-income class. The income tax exemption limit has been raised from INR0.7m to INR1.2m (under the new regime). This is expected to reduce the tax burden on consumers, offering benefits ranging from INR0.08m-INR0.1m per annum. It will result in INR1t savings for taxpayers, providing a much-needed booster to drive consumption, which has been under pressure.
- ❖ Rural consumption has already started seeing a revival over the past six months. However, urban consumption has been moderating, leading to an overall decline in consumption for both essentials and non-essentials. Some quick measures were expected in the budget, and this tax-saving booster appears to be the perfect remedy for revival.
- ❖ We will continue to evaluate this as the year progresses. The budgetary benefits will not see an immediate growth recovery, we expect a sequential improvement in the coming quarters. Our top picks are HUL, GCPL, Dabur, PAGE, Titan, and PN Gadgil.



Research covered

Cos/Sector	Key Highlights
Consumer	A needed booster for consumption revival
State Bank of India	Asset quality robust; lower provisions drive earnings
Other Updates	ITC Trent BSE MRF Motherson Wiring The Ramco Cements Lemon Tree Hotels Data Patterns (India) PVR-Inox Sapphire Foods Avalon Technologies VRL Logistics TCI Express Strategy Bharti Airtel Britannia Industries Rural Electrification Corp Hero Motocorp Aurobindo Pi Industries NMDC Apollo Tyres Sobha JK Lakshmi Cement NOCIL

Chart of the Day: Consumer (A needed booster for consumption revival)

Fast-changing HH income group

Income in (USD)	Income in (INR m)	Population mix (%)			HHs (m)			Population (m)		
		2005	2018	2030	2005	2018	2030	2005	2018	2030
>40,000	>INR 3.4	1%	3%	7%	2	9	27	12	41	106
8500-40000	INR0.7-3.4	7%	21%	44%	15	62	170	81	287	667
4000-8500	INR0.35-0.7	23%	33%	34%	50	97	131	266	452	515
<4000	<INR0.35	69%	43%	15%	151	126	58	797	589	227
Total		100%	100%	100%	219	293	386	1,155	1,369	1,515

Source: HUL PPT, MOFSL

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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

Dr Reddy's unit ties up with Shanghai Henlius Biotech

Dr Reddy's Laboratories has partnered with Shanghai Henlius Biotech to develop and commercialize HLX15, a biosimilar to the cancer drug Darzalex. Henlius will manage development and manufacturing, receiving up to \$131.6 million.

2

Zomato to be renamed 'Eternal'; platform unveils new logo, aims for lasting legacy beyond food delivery

Zomato Ltd on Thursday announced that its board has approved the change of name of the company to Eternal Ltd., marking a significant transformation in its corporate identity.

3

Cognizant's 2024 rebound: A real recovery or an acquisition boost?

A \$1.7-billion spending spree fuelled Cognizant's growth in 2024, helping its revenues rebound from a decline the previous year.

4

Back in the game: FMCG & auto sales point to green shoots

Consumer goods sales and vehicle registrations in India have shown improvement, with rural demand outpacing urban areas. This positive economic trend comes ahead of the RBI's monetary policy announcement and may be further boosted by upcoming tax relief and consumer incentives...

5

Leather, footwear boost in Budget 2025 to aid manufacturing, exports, job creation: Govt

The Union Budget 2025 introduces a product scheme focused on the footwear and leather sectors, aiming to enhance domestic manufacturing, exports, and employment. Expected to create 22 lakh jobs and generate substantial turnover, the scheme includes significant incentives such as full customs duty exemption on Wet Blue leather and crust leather duty exemptions.

6

Nearly 30-40% MSME planning to hire more, shows SIDBI survey, 45% upbeat on 2025 sales outlook

The analysis of MSME business sentiment for the October-December 2024 period showed that export optimism has risen from 22% for October-December 2024 to 36% for the same period in 2025.

7

Titan Company: Margin pressure to cap earnings growth

While Titan's growth prospects are strong, it is facing heightened competitive pressure in the key jewellery business



Consumer

A needed booster for consumption revival

The Union Budget 2025-26 was primarily focused on reviving consumption by providing tax relief to address stress on the middle-income class. The income tax exemption limit has been raised from INR0.7m to INR1.2m (under the new regime). This is expected to reduce the tax burden on consumers, offering benefits ranging from INR0.08m-INR0.1m per annum. It will result in INR1t savings for taxpayers, providing a much-needed booster to drive consumption, which has been under pressure. Rural consumption has already started seeing a revival over the past six months. However, urban consumption has been moderating, leading to an overall decline in consumption for both essentials and non-essentials. Some quick measures were expected in the budget, and this tax-saving booster appears to be the perfect remedy for revival. The tax savings of INR1t are significant, considering that the GOI's total budget on rural spending is INR5.6t for FY26BE (Exhibit 4).

Unlike temporary freebies/welfare schemes, tax savings offer: 1) immediate relief; 2) no fund leakages and cost of operations; 3) encouragement for taxpayers; 4) long-term savings assurance that fosters sustained consumption sentiments; and 5) support for the middle-income group. Although tax savings can be used for various means, given that consumption weakness persists even for essentials (more visible in urban areas), the first priority can be for essential products. FMCG fits perfectly which not only can see first consumption priority, but their growth trajectory has also experienced significant growth arrest between FY23-25E. Some companies have seen a 200-400bp deceleration in growth vs. their own trajectory during 2013-2023. Both growth assumptions and valuations have undergone corrections, which are likely to see improvements following the booster. Besides, the QSR sector, which has faced significant pressure on earnings over the last two years, is expected to experience some relief. While we previously held a cautious view on QSR, we have now changed our view to positive. Our outlook on jewelry and innerwear remains positive. Paints, we maintained our neutral view considering the slow industry growth and rising competition. We will continue to evaluate this as the year progresses. The budgetary benefits will not see an immediate growth recovery, we expect a sequential improvement in the coming quarters. Our top picks are HUL, GCPL, Dabur, PAGE, Titan, and PN Gadgil.

Why this could be a significant boost for consumption

Essential products have experienced a deceleration in growth over the last two-three years, primarily impacted by the bottom of the pyramid consumption. FMCG companies have struggled over the last two to three years (FY23-FY25), with their growth rate slowing by 200-400bp vs the period from FY13 to FY23. Non-essentials (QSR, innerwear, paints, etc) have also seen a moderation in growth, though we expect revival in these categories too. We believe that the tax savings will provide middle-class households with increased disposable income. According to ITR filing data for AY23-24 (Exhibit 3), 85% of the tax payers earn up to INR1.2m, with ~30% set to directly benefit from the increased tax exemption limit, particularly the salaried professionals and small business owners in urban and semi-urban areas.

New Tax regime (Present rates)

Annual Income	Tax rates (%)
INR0-3 lakh	Nil
INR3-7 lakh	5%
INR7-10 lakh	10%
INR10-12 lakh	15%
INR12-15 lakh	20%
> INR15 lakh	30%

*Standard deduction - INR75K

New Tax regime (Proposed rates in Union budget 2025)

Annual Income	Tax rates (%)
INR0-4 lakh	Nil
INR4-8 lakh	5
INR8-12 lakh	10
INR12-16 lakh	15
INR16-20 lakh	20
INR20-24 lakh	25
> INR24 lakh	30

*Standard deduction - INR75K

Old Tax regime (No change)

Annual Income	Tax rates (%)
INR0-2.5 lakh	Nil
INR2.5-5 lakh	5
INR5-10 lakh	20
> INR10 lakh	30

*Standard deduction - INR 50K

*Exemption like HRA, LTA and others
Deduction like 80C, 80D and others available

Tax cuts vs. freebies: Why tax relief is better for consumption growth

The government often provides financial relief through tax exemptions or welfare schemes (freebies), but their impact on consumers differs. Tax exemptions or cuts have a positive effect on the economy: 1) they put more money in people's hands, naturally leading to increased spending, especially on branded and discretionary goods; 2) No additional government spending required, making it a sustainable policy, and 3) Encourages economic growth, as consumers have more flexibility in how they use their income. On the other hand, freebies (Subsidies, cash transfers, free goods) are primarily allocated to essential needs like food, electricity, and fuel, resulting in a limited impact on incremental spending on consumption. Furthermore, these measures do not drive premiumization, as consumers tend to focus on affordability over upgrading their purchases. Tax exemptions are generally more effective in driving demand since they encourage broader consumer spending, rather than just subsidizing necessities.

Listed consumer universe revenue vs. INR1t tax saving: The revenue tax savings of ~INR1,000b will boost disposable incomes, driving higher spending across the essentials (FMCG, groceries, personal care) and discretionary (QSR, jewelry, fashion, premium products) categories. With the listed consumer universe (ex-apparel, consumer durable) generating revenue of INR4,400b in FY24, even a partial redirection of these savings can accelerate growth. Compared to rural welfare-driven consumption, tax savings for the middle class are expected to have a greater impact on the listed consumer universe (more preference of branded products). Middle-class consumers are the target users for these companies in the mid-mass segment.

Income tax filing user profile: ~85% of taxpayers fall in the average income range of INR1.2m or below: Based on the income tax filing data for AY23-24, ~85% of taxpayers fall within the average income range of INR1.2m or below. Of this, ~30% earn between INR0.7-1.2m and are actively paying taxes. With the proposed tax slab revision, these individuals will directly benefit and could drive higher consumption (mass to mid-premium segment), contributing to economic growth. Additionally, the remaining 15% of taxpayers earning above INR1.2m will also benefit from tax revisions, with savings of up to INR0.1m. This could lead to increased spending on premium products and services.



State Bank of India

Estimate change



TP change



Rating change

Bloomberg	SBIN IN
Equity Shares (m)	8925
M.Cap.(INRb)/(USDb)	6713.5 / 76.7
52-Week Range (INR)	912 / 638
1, 6, 12 Rel. Per (%)	-3/-4/8
12M Avg Val (INR M)	13968

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	1,599	1,668	1,828
OP	867	1,078	1,190
NP	611	712	751
NIM (%)	3.1	2.9	2.9
EPS (INR)	68.4	79.8	84.1
EPS Gr. (%)	21.6	16.6	5.4
ABV (INR)	365	431	498
Cons. BV (INR)	448	523	616

Ratios

RoA (%)	1.0	1.1	1.0
RoE (%)	18.8	18.8	17.2

Valuations

P/BV (x) (Cons.)	1.7	1.4	1.2
P/ABV (x)*	1.4	1.2	1.0
P/E (x)	10.0	8.5	7.7
P/E (x)*	7.3	6.3	6.0

*Adjusted for subsidiaries

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	56.9	56.9	56.9
DII	24.7	23.9	24.0
FII	11.1	11.6	11.8
Others	7.3	7.6	7.3

FII includes depository receipts

CMP: INR752

TP: INR925 (+23%)

Buy

Asset quality robust; lower provisions drive earnings

Margin contracts 13bp QoQ

- State Bank of India (SBIN) reported 3QFY25 PAT of INR168.9b (up 84% YoY, 4% beat) as lower provisions offset lower other income.
- NII grew 4% YoY to INR414.5b (2% miss). NIMs moderated 13bp QoQ to 3.01%. Provisions declined 80% QoQ to INR9.1b mainly due to the reversal of standard provisioning of INR4.9b and restructured provisioning reversal of ~INR9.0b.
- Loan book grew 13.8% YoY/3.8% QoQ, while deposits grew 10% YoY/2% QoQ. CASA ratio moderated 83bp QoQ to 39.2%.
- Fresh slippages declined to INR38.2b (INR48.7b in 2QFY25). GNPA ratio improved by 6bp QoQ to 2.07%, while net NPA ratio held flat at 0.53%. PCR ratio declined marginally to 74.7%. SMA2 as on Dec'24 included a long-term government sector customer of the bank, with fund-based outstanding of INR58b. The account has been pulled back subsequently. Excluding this, SMA 1 & 2 remained under control at 9bp of loans.
- We cut our earnings estimate by 1.7%/3.4% for FY26/FY27 and expect FY27E RoA/RoE of 1.05%/16.8%. We reiterate BUY with a TP of INR925 (1.2x FY27E ABV).**

Loan growth guidance intact at 14-16%; NIMs to remain above 3%

- SBIN reported 3QFY25 PAT of INR168.9b (up 84% YoY, 4% beat), as lower provisions offset weakness in revenue/PPoP. For 9MFY25, earnings grew 29% YoY to INR522b. In 4QFY25, we expect PAT of INR189b (down 8.5% YoY).
- NII grew 4% YoY to INR414.5b (2% miss). NIMs moderated 13bp QoQ to 3.01%.
- Other income declined 4% YoY to INR110b (16% miss) as treasury gains declined to INR11.9b (vs. INR46.4b in 2QFY25). Forex income also declined to INR480m (vs. INR11b in 2QFY25), affected by MTM losses.
- Opex declined 6% YoY to INR289.4b (in line) resulting in 16% YoY growth in PPoP to INR235.5b. C/I ratio increased 662bp QoQ to 55.1%.
- Advances grew 13.8% YoY/3.8% QoQ. Of which, Retail grew 11.7% YoY, Corporate rose 15% YoY, and Agri/SME increased by 15.3%/18.7% YoY. Within Retail, Xpress credit saw a modest growth of 1% QoQ (up 2.8% YoY).
- Deposits grew 10% YoY/2% QoQ, with CASA ratio moderating 83bp QoQ to 39.2%. Domestic CD ratio increased 107bp QoQ to 68.9%.
- Fresh slippages declined to INR38.2b (INR48.7b in 2QFY25). GNPA ratio improved by 6bp QoQ to 2.07%, while net NPA ratio was flat at 0.53%. PCR ratio declined marginally to 74.7%. Restructured book declined to INR137b (0.34% of advances). SMA2 as on Dec'24 included a long-term government sector customer of the bank, with fund-based outstanding of INR58b. The account has been pulled back subsequently. Excluding this, SMA 1 & 2 remained under control at 9bp of loans. SBIN continues to expect FY25 credit cost at 0.5%.
- CET-1 stood at 9.52% (10.99% including profits for 9MFY25). Despite steady growth, the bank continues to accrete capital, driven by strong internal accruals.

- **Subsidiaries:** SBICARD clocked a PAT of INR3.8b (down 30% YoY). SBILIFE's PAT grew 71% YoY to INR5.5b. PAT of the AMC business was flat YoY at INR5.4b, while SBI General reported a profit of INR900m (up 20% YoY).

Highlights from the management commentary

- Credit growth guidance remains at 14-16%, with broad-based growth across all segments.
- Repo-linked loans constitute 28% of the portfolio, and a 25bp rate cut is unlikely to have a significant impact on NIMs.
- Yields on advances have remained stable over the past year, but deposit costs have risen. NIMs were impacted by higher deposit costs.
- Forex income was impacted by MTM losses due to USD/INR appreciation. Despite adverse dollar movements, the bank managed to recoup some losses through rate corrections.

Valuation and view

SBIN reported a mixed quarter as the provisioning reversal boosted earnings, while margins moderated 13bp QoQ. Other income too reported a miss, affected by weak treasury/forex performance. The bank now expects NIMs to remain above 3%, supported by levers such as CD ratio and MCLR repricing (20bp utilized, 35bp cushion in MCLR pricing). Credit growth was healthy, while the unsecured book (Xpress Credit) saw modest growth. Deposit growth was modest, while CASA growth remained under pressure. SBIN has guided for overall deposit growth of 10% YoY. The bank has seen an increase in its domestic CD ratio to ~68.9%. Fresh slippages and credit costs were contained, which underscores improvements in underwriting standards. Restructured book was well under control at 0.34% of advances and the SMA pool was high due to one long-term government sector customer of the bank, with fund-based outstanding of INR58b. The account has been pulled back subsequently. Excluding this, SMA1&2 remained under control at 9bp of loans. **We cut our earnings estimates by 1.7%/3.4% for FY26/FY27 and expect FY27 RoA/RoE of 1.05%/16.8%. We reiterate BUY with a TP of INR925 (1.2x FY27E ABV).**

Quarterly performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	V/s Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	3QE	3QE		
Net Interest Income	389.0	395.0	398.2	416.6	411.3	416.2	414.5	426.5	1,598.8	1,668.4	422.8	-2%
% Change (YoY)	24.7	12.3	4.6	3.1	5.7	5.4	4.1	2.4	10.4	4.4	6.2	
Other Income	120.6	107.9	114.6	173.7	111.6	152.7	110.4	162.8	516.8	537.5	130.8	-16%
Total Income	509.7	502.9	512.7	590.2	522.9	568.9	524.9	589.2	2,115.6	2,205.9	553.5	-5%
Operating Expenses	256.7	308.7	309.4	302.8	258.4	276.0	289.4	304.2	1,248.6	1,127.9	283.0	2%
Operating Profit	253.0	194.2	203.4	287.5	264.5	292.9	235.5	285.1	867.0	1,078.0	270.5	-13%
% Change (YoY)	98.4	-8.1	-19.4	16.8	4.6	50.9	15.8	-0.8	3.6	24.3	33.0	
Provisions	25.0	1.2	6.9	16.1	34.5	45.1	9.1	34.4	49.1	123.1	51.6	-82%
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	
Profit before Tax	228.0	193.0	125.5	271.4	230.0	247.9	226.4	250.7	746.8	955.0	218.8	3%
Tax Provisions	59.1	49.7	33.8	64.4	59.6	64.6	57.5	61.2	207.1	242.9	56.5	2%
Net Profit	168.8	143.3	91.6	207.0	170.4	183.3	168.9	189.4	539.8	712.0	162.4	4%
% Change (YoY)	178.2	8.0	-35.5	24.0	0.9	27.9	84.3	-8.5	7.5	31.9	77.2	
Adj. Net profit	168.8	143.3	144.0	207.0	170.4	183.3	168.9	189.4	610.8		162.4	
Operating Parameters												
Deposits (INR t)	45.3	46.9	47.6	49.2	49.0	51.2	52.3	54.1	49.2	54.1	52.9	-1.2%
Loans (INR t)	32.4	33.5	35.2	37.0	37.5	38.6	40.0	42.1	37.0	42.1	40.6	-1.4%
Deposit Growth (%)	12.0	11.9	13.0	11.1	8.2	9.1	9.8	10.1	11.1	10.1	11.2	
Loan Growth (%)	14.9	13.3	15.1	15.8	15.9	15.3	13.8	13.6	15.8	13.6	15.4	
Asset Quality												
Gross NPA (%)	2.76	2.55	2.42	2.24	2.21	2.13	2.07	1.99	2.24	1.99	2.04	
Net NPA (%)	0.71	0.64	0.64	0.57	0.57	0.53	0.53	0.51	0.57	0.51	0.50	
PCR (%)	74.8	75.4	74.2	75.0	74.4	75.7	74.7	74.7	74.8	74.7	75.6	

E: MOFSL Estimates



Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR441 TP: INR550 (+25%) Buy

Beat in cigarette volume; FMCG remains muted

Bloomberg	ITC IN
Equity Shares (m)	12512
M.Cap.(INRb)/(USDb)	5518.9 / 63
52-Week Range (INR)	500 / 378
1, 6, 12 Rel. Per (%)	0/-2/0
12M Avg Val (INR M)	8016

Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	759.1	808.4	873.7
Sales Gr. (%)	7.1	6.5	8.1
EBITDA	266.2	287.6	310.8
EBITDA Mrg. %	35.1	35.6	35.6
Adj. PAT	200.8	217.0	234.3
Adj. EPS (INR)	16.1	17.4	18.7
EPS Gr. (%)	-2.0	8.1	7.9
BV/Sh.(INR)	61.4	63.5	66.0

Ratios

RoE (%)	26.5	27.8	28.9
RoCE (%)	26.3	27.6	28.8
Payout (%)	80.0	80.0	80.0

Valuations

P/E (x)	27.6	25.5	23.7
P/BV (x)	7.2	7.0	6.7
EV/EBITDA (x)	17.9	16.5	15.2
Div. Yield (%)	3.3	3.6	3.8

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	0.0	0.0	0.0
DII	44.9	44.6	42.0
FII	40.2	40.6	43.3
Others	14.9	14.8	14.7

FII Includes depository receipts

- ITC delivered consolidated revenue growth (ex-hotel business) of 9% YoY (beat) in 3QFY25, mainly led by the cigarette business. EBITDA grew by 2% YoY to INR63.6b. APAT declined 7% YoY to INR48b.
- Gross cigarette revenue rose 8% (est. 7%). Cigarette volume growth was better than expected at ~6% (vs. est. 4%), partially supported by a favorable base (-2% in 3QFY24). The premium cigarette segment continued to outperform. Cigarette’s EBIT growth was slow at 5% YoY (est. 6% YoY). EBIT margin contracted 180bp YoY to 58.0%, partially impacted by the sharp escalation in the leaf tobacco cost.
- The FMCG segment revenue grew 4% (5% ex-notebooks), impacted by food and edible oil inflation. This was partially offset by the pricing adjustments, improved product mix, and cost efficiencies. Notebooks were impacted by a high base effect and local competition, driven by a sharp decline in paper prices. EBIT margin contracted 240bp to 5.9% (est. 7.7%), marking a 10-quarter low. This was due to the rising competition, higher commodity costs, and weak demand, which led to a 26% YoY EBIT decline.
- The paper business struggled with weak demand, rising low-cost Chinese imports, falling pulp prices, and increasing input costs. Revenue grew 3% and EBIT margin contracted 500bp to 9.2% (all-time low). A partial recovery is expected by FY26-end as new crops arrive.
- Agri business revenue increased 11%, driven by leaf tobacco and value-added agri products, with EBIT margin expansion of 210bp YoY to 13.7%. Hotels maintained strong growth, with revenue up 15% YoY (now demerged).
- We cut our EPS estimates by 4% for FY25 and 5% for FY26, mainly due to the impact of the hotel business demerger w.e.f. Jan’25. We reiterate our **BUY** rating on ITC with our SOTP-based **TP of INR550 (implied 30x Dec’26E P/E)**.

Cigarette volume growth at ~6%; FMCG performance muted

- **Consolidated performance (Ex-hotel business):** ITC’s 3QFY25 net revenue grew by 9% YoY at INR187.9b (est. INR182.1b), mainly led by the cigarette business. Consolidated gross margin contracted by ~180bp YoY to 57.6%, impacted by high food inflation and the rise of certain input costs (leaf, wood, etc). EBITDA grew by 2% YoY to INR63.6b. APAT declined 7% YoY to INR48b.
- **Cigarette volumes up ~6%, with 5% EBIT growth:** Gross cigarette sales grew 8% YoY to INR89.4b (est. INR88.8b). Cigarette volume growth was ~6% (est. 4%), partially also supported by a favorable base (~-2% in 3QFY25). Differentiated and premium offerings continue to perform well. EBIT growth was slower than the revenue growth, posting 5% YoY growth to INR51.9b (est. INR52.5b). The sharp escalation in the leaf tobacco cost was partly offset by the improved product mix.

- **FMCG - Others** sales grew 4% YoY to INR54.3b (est. INR54.8b), while ex-notebook growth was at 5%. Notebooks were impacted by a high base effect and opportunistic play by local brands, driven by a sharp decline in paper prices. EBIT declined 26% YoY to INR3.2b (est. INR4.2bn) in 3QFY25. EBIT margin contracted 240bp to 5.9% (est. 7.7%), marking a 10-quarter low. Severe inflationary pressures were experienced across key inputs such as edible oil, wheat, maida, potato, cocoa, and packaging materials during the quarter.
- **Agri business** sales increased by 11% YoY to INR36.3b (est. INR38.3b). EBIT grew by 30% YoY to INR5.0b. EBIT margin expanded by 210bp YoY to 13.7% (est. 9.7%), marking a 28-quarter high.
- **Paperboards** business sales grew 3% YoY to INR21.4b (est. INR21.6b). EBIT declined 33% YoY to INR2.0b and EBIT margin contracted 500bp YoY to 9.2% (est. 11.8%; all-time low). It was impacted by low-priced Chinese and Indonesian imports, soft domestic demand, and a sharp rise in wood prices.
- **Hotel business** revenue was up 15% YoY to INR9.2b. Following the demerger on 1st Jan'25, the business has been recorded as a discontinued operation in the financial results.

Valuation and view

- We cut our EPS estimates by 4% for FY25 and 5% for FY26, mainly due to the demerger of the hotel business w.e.f. Jan'25.
- ITC's core business of cigarettes has shown steady performance. With stable taxes on cigarettes, we anticipate sustainable growth in this business. While the FMCG sector is seeing moderation due to the rising commodity prices, ITC is enjoying industry-leading growth over peers due to its category presence (large unorganized mix, under-penetrated, etc.).
- We reiterate our **BUY** rating on ITC with our SOTP-based **TP of INR550 (implied 30x Dec'26E P/E)**.

Consol. Quarterly Performance

(INR b)

Y/E March	FY24				FY25				FY24	FY25E	FY25 3QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q*	4QE*				
Est. cigarette vol. gr. (%)	8.0	5.0	-2.0	2.0	3.0	3.5	6.0	4.5	3.0	4.3	4.0	
Net Sales	171.6	177.7	180.2	179.2	184.6	207.4	187.9	179.3	708.8	759.1	182.2	3.2%
YoY change (%)	-7.2	3.9	1.8	1.6	7.5	16.7	4.3	0.0	-0.1	7.1	6.7	
Gross Profit	106.1	107.1	109.8	113.4	111.7	115.9	108.3	118.0	436.3	454.0	119.2	
Margin (%)	61.8	60.2	60.9	63.2	60.5	55.9	57.6	65.8	61.6	59.8	62.0	
EBITDA	66.7	64.5	65.0	66.3	67.5	67.6	63.6	67.5	262.5	266.2	68.2	
Growth (%)	9.8	3.1	-3.0	0.0	1.2	4.8	-2.2	1.8	2.3	1.4	4.8	
Margins (%)	38.9	36.3	36.1	37.0	36.6	32.6	33.9	37.6	37.0	35.1	35.5	
Depreciation	4.4	4.5	4.6	4.6	5.0	5.2	4.2	4.8	18.2	19.2	5.2	
Interest	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.5	0.5	0.1	
Other Income	7.2	6.6	6.6	6.8	6.9	6.2	6.0	6.8	27.3	25.9	7.4	
PBT	69.4	66.6	66.9	68.4	69.3	68.4	65.3	69.3	271.2	272.4	70.2	
Tax	17.6	17.0	12.8	16.5	17.6	17.9	17.3	15.8	63.9	68.6	16.5	
Rate (%)	25.4	25.5	19.2	24.1	25.4	26.2	26.4	22.7	23.6	25.2	23.5	
Adj PAT	51.0	49.0	53.4	51.2	50.9	49.9	48.1	52.8	204.6	200.8	52.9	
YoY change (%)	16.3	6.0	6.7	0.0	-0.2	2.0	-9.9	3.1	6.9	-1.9	-0.9	
Reported PAT	51.0	49.0	53.4	51.2	50.9	49.9	48.1	52.8	204.6	200.8	52.9	

E: MOFSL estimate; * Excluding the hotel business data, therefore not comparable YoY

Consol. Quarterly Performance (Ex-hotel business)

(INR b)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25E
Est. cigarette vol. gr. (%)	-2.0	2.0	3.0	3.5	6.0	4.5
Net Sales	172.0	170.4	177.8	199.9	187.9	179.3
YoY change (%)					9.3	5.2
Gross Profit	102.3	105.3	105.7	109.2	108.3	118.0
Margin (%)	59.5	61.8	59.4	54.6	57.6	65.8
EBITDA	62.1	63.0	65.4	65.5	63.6	67.5
Growth (%)					2.4	7.1
Margins (%)	36.1	37.0	36.8	32.8	33.9	37.6
Depreciation	3.8	3.9	4.0	4.2	4.2	4.8
Interest	0.1	0.1	0.1	0.1	0.1	0.1
Other Income	6.5	6.8	6.8	6.1	6.0	6.8
PBT	64.6	65.9	68.1	67.3	65.3	69.3
Tax	12.3	15.8	17.3	17.6	17.3	15.8
Rate (%)	19.0	24.0	25.3	26.1	26.4	22.7
Adj PAT	51.7	49.4	49.3	49.2	48.1	52.8
YoY change (%)					-6.9	7.0
Reported PAT	51.7	49.4	49.3	49.2	48.1	52.8

E: MOFSL estimate



Estimate change	↔
TP change	↓
Rating change	↔

CMP: INR5,277 TP: INR7,350 (+39%) Buy

Ramp-up in Zudio store openings drives robust growth

- Trent Ltd (TRENT) delivered yet another robust quarter, albeit slightly weaker than our high expectations.
- Revenue grew ~37% YoY (2% miss) as a pick-up in Zudio store openings (58 net store openings vs. 18 QoQ) was offset by a slight moderation in SSSG to high single digits (from double digits in 2Q).
- PAT rose ~37% YoY, though it missed our estimate by ~14% on account of a sharp 52% YoY increase in depreciation (+25% QoQ).
- Star business continued its strong growth momentum, with ~25% YoY growth, led by a robust 10% LFL growth.
- We cut our FY25-26E EBITDA by 2-4% and PAT by 7-8%. We build in FY24-27 standalone revenue/EBITDA/PAT CAGR of 32%/34%/39%, driven by robust area additions and mid-single-digit productivity improvements.
- We assign 55x Mar'27 EV/EBITDA to the standalone business (Westside and Zudio; a premium over our Retail Universe, given TRENT's superlative growth), ~3x FY27 EV/sales to Star JV, and 7x EV/EBITDA to Zara JV to arrive at our **TP of INR7,350**. Adjusting the value of Star and Zara, the stock is trading at 65x FY27 PE for the standalone business (vs. ~90x LT average 1-year forward PE). **We reiterate our BUY rating.**

Bloomberg	TRENT IN
Equity Shares (m)	355
M.Cap.(INRb)/(USDb)	1875.9 / 21.4
52-Week Range (INR)	8346 / 2955
1, 6, 12 Rel. Per (%)	-25/3/66
12M Avg Val (INR M)	5862

Financials & Valuations Consol (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	123.8	173.5	224.2
EBITDA	19.2	27.3	36.2
NP	10.4	16.0	21.8
EBITDA Margin (%)	15.5	15.7	16.1
Adj. EPS (INR)	29.2	45.0	61.4
EPS Gr. (%)	162.5	54.0	36.5
BV/Sh. (INR)	122.4	170.5	236.2

Ratios

Net D:E	0.0	0.0	-0.1
RoE (%)	31.2	32.9	32.3
RoCE (%)	18.0	21.9	21.3
Payout (%)	7.7	0.0	0.0

Valuations

P/E (x)	180.6	117.3	86.0
EV/EBITDA (x)	97.6	68.8	51.7
EV/Sales (x)	15.3	10.9	8.4
Div. Yield (%)	0.1	0.0	0.0

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	37.0	37.0	37.0
DII	15.3	13.4	14.8
FII	21.7	26.6	25.9
Others	26.0	23.0	22.3

FII includes depository receipts

Robust performance continues with 37%/34% YoY revenue/EBITDA growth

- Standalone revenue at INR45b (2% miss) grew 37% YoY (vs. ~40% YoY in 2Q), driven by 27% YoY net store additions and a high-single-digit LFL growth in fashion concepts (vs. double-digit LFL growth in 2QFY25).
- Gross profit grew 33% YoY to INR20.3b (4% miss) as margin contracted ~125bp YoY to 44.7% (80bp miss).
- EBITDA was up 34% YoY to INR8.4b (4% miss) as lower gross margin was offset by operating leverage benefits.
- Reported EBITDA margin contracted ~35bp YoY to 18.5% (30bp miss).
- As per the company, the standalone Pre-Ind AS EBIT margin stood at 13.1% (down 20bp YoY). The impact of leases on EBIT declined from 30bp in 2Q to a modest 10bp.
- PAT grew 37% YoY to INR4.7b (14% miss) on account of a slight EBITDA miss and higher D&A expenses (+52% YoY, 22% miss).

Store additions accelerate for both Zudio and Westside

- TRENT opened 82 stores and closed 6 stores in the fashion concepts to take the total store count to 907.
- The company added 14 Westside stores and consolidated two stores, taking the total count to 238 stores (vs. 226 QoQ).
- TRENT added a net of 58 (open 62; closed 4) Zudio stores, taking the total count to 635 stores, including one in the UAE.
- TRENT also opened six other format stores, taking the store count to 34.

Star: Healthy double-digit LFL growth sustains

- Revenue grew by 25% YoY (vs. 27% YoY in 2Q) led by 10% LFL growth (14% YoY in 2Q) and 10% store addition.
- Store count remained stable at 74 stores (8 net store additions in 9M).
- Calc. revenue per sqft was up 4% YoY to INR31.6k (vs. +4% YoY for DMart at INR39k), and revenue per store increased 12% YoY to INR512m (vs. +4% YoY for DMart at INR1.63b).
- The share of own brand offerings now contributes 74%+ (vs. 69% YoY) to Star's revenue.

Highlights from the management commentary

- Fashion concepts (Westside, Zudio, and others) registered a high-single-digit LFL growth, despite subdued consumer sentiments.
- Emerging categories, including beauty and personal care, innerwear, and footwear, continue to contribute over 20% of standalone revenues.
- Online revenue continues to grow profitably through Westside.com and other Tata group platforms and contributes over 6% of Westside revenue (5% in 2Q).
- The Board approved the sale of ~29% stake in Massimo Dutti JV for INR0.2b (implying 0.7x FY24 sales).

Valuation and view

- TRENT continues to deliver robust performance, with a high-single-digit LFL growth and robust store area additions, despite weak discretionary demand.
- The company's industry-leading growth, driven by healthy SSSG, store productivity, and robust footprint additions, along with the scale-up of Zudio and newer categories (Beauty, and Lab-grown diamonds), offers a huge runway for growth over the next few years.
- Further, TRENT's focus on ramping up Star (currently 74 stores in 10 cities) through Fresh and its own brands provides an additional growth driver in the grocery segment.
- We cut our FY25-26E EBITDA by 2-4%, while we reduce our FY25-26E PAT by 7-8% on account of the EBITDA cut and higher depreciation.
- We build in a standalone revenue/EBITDA/PAT CAGR of 32%/34%/39% over FY24-27, driven by a robust 21% CAGR in area additions and a mid-single-digit improvement in productivity.
- We assign 55x Mar'27 EV/EBITDA to the standalone business (Westside and Zudio; a premium over our Retail Universe, given TRENT's superlative growth), ~3x FY27 EV/sales to Star JV, and 7x EV/EBITDA to Zara JV to arrive at our **TP of INR7,350**. Adjusting the value of Star and Zara, the stock is trading at 65x FY27 PE for the standalone business (vs. ~90x LT average 1-year forward PE). **We reiterate our BUY rating.**

Standalone - Quarterly Earnings Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	25,364	28,907	33,125	31,869	39,917	40,356	45,347	43,121	1,19,266	1,68,741	46,375	-2
YoY Change (%)	53.5	59.4	52.5	53.4	57.4	39.6	36.9	35.3	54.6	41.5	40.0	
Total Expenditure	21,708	24,299	26,893	27,097	33,812	33,949	36,971	36,715	99,996	1,41,447	37,656	-2
EBITDA	3,657	4,609	6,232	4,773	6,106	6,407	8,376	6,406	19,269	27,294	8,718	-4
EBITDA Margin (%)	14.4	15.9	18.8	15.0	15.3	15.9	18.5	14.9	16.2	16.2	18.8	
Depreciation	1,335	1,448	1,575	2,027	1,759	1,915	2,393	2,001	6,385	8,069	1,965	22
Interest	891	923	957	322	312	324	363	381	3,094	1,379	334	9
Other Income	498	1,511	768	733	461	1,387	564	614	3,509	3,025	845	-33
PBT before EO expense	1,928	3,748	4,467	3,157	4,496	5,554	6,184	4,637	13,300	20,870	7,265	-15
Extra-Ord expense	0	0	0	5,434	0	0	0	0	5,434	0	0	
PBT	1,928	3,748	4,467	8,591	4,496	5,554	6,184	4,637	18,733	20,870	7,265	-15
Tax	445	851	1,031	2,048	1,074	1,320	1,490	1,167	4,375	5,052	1,816	
Reported PAT	1,483	2,897	3,436	6,543	3,422	4,234	4,693	3,470	14,358	15,819	5,449	-14
Adj PAT	1,483	2,897	3,436	2,477	3,422	4,234	4,693	3,470	10,292	15,819	5,449	-14
YoY Change (%)	44.5	55.9	113.5	135.6	130.8	46.2	36.6	40.1	85.6	53.7	58.6	

E: MOFSL Estimates



Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR5,568 TP: INR6,900 (+24%) BUY
High SGF contribution hits PAT; Robust outlook ahead

Bloomberg	BSE IN
Equity Shares (m)	135
M.Cap.(INRb)/(USDb)	753.7 / 8.6
52-Week Range (INR)	6133 / 1941
1, 6, 12 Rel. Per (%)	9/142/118
12M Avg Val (INR M)	7329

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Net Sales	29.1	37.5	44.6
EBITDA	15.4	22.2	27.2
PAT	12.0	18.7	22.7
Adj. PAT	12.0	18.7	22.7
EPS (INR)	88.5	137.9	167.7
EPS Gr (%)	196.3	55.8	21.6
BV / Sh (INR)	271	312	362

Ratios (%)

RoE	32.7	44.2	46.3
Payout ratio	70.0	70.0	70.0

Valuations

P/E (x)	62.9	40.4	33.2
P / BV (x)	20.6	17.9	15.4

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	0.0	0.0	0.0
DII	12.1	11.7	11.3
FII	37.9	35.9	35.2
Others	50.0	52.4	53.6

FII includes depository receipts

- BSE reported operating revenue of ~INR7.7b (in-line), reflecting 108% YoY growth, driven by 208%/72% YoY growth in transaction charges/services to corporates. For 9MFY25, revenue grew 136% YoY.
- Operating expenses grew 21% YoY to INR3.4b (in-line), driven by 11%/33%/85% YoY growth in employee expenses/ technology expenses/clearing house expenses. Regulatory costs declined 9% YoY.
- EBITDA grew ~4x YoY to INR4.4b (+12% QoQ; in-line), driven by strong growth in revenue and stable costs. EBITDA margins grew to 56.3% vs. our expectations of 55.4% and 49.1% in 3QFY24.
- SGF contribution of INR2b resulted in a 41% miss on PAT at INR2.2b (+108% YoY). Excluding SGF impact, PAT was in line with our estimates at INR3.7b (+245% YoY). For 9MFY25, adjusted PAT grew 199% YoY.
- Factors such as an improvement in premium turnover quality, a reduction in settlement fees due to a decline in contracts, higher participation in long-term contracts, and the introduction of colocation racks will drive growth in the medium term.
- Factoring in the impact of SGF contribution, we have cut our PAT estimates for FY25E by 11%. We raise our earnings estimates by 3% each for FY26/FY27, considering the maintained momentum in premium turnover. We reiterate our BUY rating on the stock with a TP of INR6,900 (premised on 45x Sept'26E EPS).

Sequential boost from corporate services to top-line

- Transaction charges surged 208% YoY (+1% QoQ) to INR5.1b, driven by 11%/513%/94% YoY growth in cash/derivatives/Star MF. The flattish sequential performance was largely due to the impact of F&O regulations and a volatile market environment, while Star MF maintained its momentum.
- Cash ADTO grew 3% YoY to INR68b, despite a challenging market environment, while premium ADTO was the highest-ever at INR88b in 3QFY25. Star MF continued to achieve new highs, witnessing the highest-ever orders of 61.5m in Dec'24 (180m orders in 3QFY25).
- Revenue from services to corporates grew 72% YoY (+26% QoQ) to INR1.5b, driven by 37%/199% YoY growth in listing fees/book building fees. 3QFY25 saw 30 new listings with INR955b raised (+261% YoY), and the pipeline remains robust.
- Investment income grew 3% YoY to INR619m (-15% QoQ; 8% miss).
- The enhanced methodology for calculating the minimum corpus required by SEBI and the revised stress test models led to a significant rise in SGF contribution to INR2b, impacting 3QFY25 profitability. However, this was a one-time reset of the SGF contribution. Future SGF contributions will depend on the market share in clearing and settlement.

Key takeaways from the management commentary

- Core SGF computation depends on multiple factors, including volatility and price shocks, making the future trajectory difficult to predict. The significant increase in contribution is due to the use of the enhanced version.
- BSE is monetizing its colocation facility through rent, and a small token charge has been introduced for order rates, which will be increased at the right time. Currently, the company has 200-220 racks and is working towards expanding additional colocation space to accommodate the large waiting list. The growth of retail algo trading will lead to an increased demand for colocation facilities.
- Sensex contracts continue to scale up, but Bankex and single-stock derivative volumes have yet to pick up, as members are still developing connectivity.

Valuation and view: Reiterate BUY

- The impact of five out of the six new F&O regulations has been seen on notional volumes, while premium turnover has started to improve. Strong listing activity has boosted BSE's revenue and profitability, though this has been offset by the increase in SGF contribution. Increased member participation, colocation monetization, and sustained momentum in premium turnover will be key growth drivers for BSE.
- Factoring in the impact of SGF contribution, we have cut our PAT estimates for FY25E by 11%. We raise our earnings estimates by 3% each for FY26/FY27, considering the maintained momentum in premium turnover. We reiterate our BUY rating on the stock with a TP of INR6,900 (premised on 45x Sept'26E EPS).

Consolidated Quarterly Performance

Y/E March	FY24				FY25				FY24	FY25E	Est. 3Q	Var. (%/bp)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Revenue from operations	2,156	3,145	3,692	4,885	6,077	7,463	7,736	7,799	13,878	29,075	7,589	1.9	110%	4%
YoY Change (%)	15.4	59.1	81.0	115.2	181.9	137.3	109.5	59.7	70.2	109.5	104	535bp		
Total Expenditure	1,455	1,814	1,879	3,923	3,239	3,573	3,378	3,530	9,071	13,720	3,385	-0.2	80%	-5%
EBITDA	701	1,331	1,813	962	2,838	3,890	4,358	4,269	4,807	15,355	4,204	3.7	140%	12%
Margins (%)	32.5	42.3	49.1	19.7	46.7	52.1	56.3	54.7	34.6	52.8	55.4	94bp	722bp	421bp
Depreciation	214	227	249	265	240	291	303	313	954	1,147	285	6.3	22%	4%
Interest	65	0	0	0	0	0	0	0	65	0	0			
Investment income	556	525	598	600	666	727	619	656	2,279	2,668	675	-8.3	3%	-15%
PBT before EO expense	977	1,629	2,163	1,297	3,265	4,325	4,674	4,612	6,066	16,876	4,594	1.7	116%	8%
Exceptional items + SGF	3,657	0	-933	-17	0	-2	-1,992	-206	2,707	-2,200	0			
PBT	4,634	1,629	1,230	1,280	3,265	4,323	2,682	4,405	8,773	14,676	4,594	-41.6	118%	-38%
Tax	371	636	371	470	851	1,109	694	1,015	1,848	3,669	1,148	-39.6	87%	-37%
Rate (%)	8	39	30	37	26	26	26	23	21	25	25			
P/L of Asso. Cos.	119	190	165	244	227	244	199	300	719	970	245	-18.9	20%	-19%
Reported PAT	4,382	1,184	1,024	1,054	2,642	3,458	2,187	3,689	7,643	11,974	3,690	-40.8	114%	-37%
Adj PAT	1,018	1,184	1,035	1,064	2,642	3,459	2,187	3,689	4,301	11,976	3,690	-40.8	111%	-37%
YoY Change (%)	936	80	167	19	-40	192	114	250	193	57	252			
Margins (%)	47.2	37.6	28.0	21.8	43.5	46.3	28.3	47.3	55.1	41.2	49			

E: MOFSL Estimates



Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR113,858 TP: INR95,500 (-16%) Sell

Prioritizing growth over profitability

Revenue traction better but margin impact higher than peers

- MRF's 3QFY25 result was weak as the margin contracted 280bp QoQ to 11.6% (est. of 13.9%). The company appears to be focusing on recovering its share, which is hurting margins, in the interim. This is also evident in the fact that while its revenue traction is better than peers, its margin impact is higher on a sequential basis.
- We reduce our FY25/FY26 EPS estimates by 8%/10% to factor in the weak performance in 3Q. The stock trades at 25.2x/22x FY26E/FY27E EPS (higher than APTV's 13.7x/11.2x and CEAT's 17.2x/13.4x), which does not align with its weakening competitive position. **Reiterate Sell with a TP of INR95,500, based on 19x Dec'26E EPS.**

Bloomberg	MRF IN
Equity Shares (m)	4
M.Cap.(INRb)/(USDb)	482.9 / 5.5
52-Week Range (INR)	151445 / 110000
1, 6, 12 Rel. Per (%)	-7/-14/-28
12M Avg Val (INR M)	1196

Financials & valuations (INR b)

INR b	FY25E	FY26E	FY27E
Sales	282.4	308.1	335.8
EBITDA	38.9	43.3	48.2
Adj. PAT	17.3	19.2	22.0
EPS (INR)	4,082	4,533	5,191
EPS Growth (%)	-18.2	11.0	14.5
BV/Share (INR)	43,076	47,109	51,700

Ratios

RoE (%)	9.9	10.1	10.5
RoCE (%)	10.1	10.2	10.6
Payout (%)	9.8	11.0	11.6

Valuations

P/E (x)	27.9	25.2	22.0
P/BV (x)	2.6	2.4	2.2
Div. Yield (%)	0.4	0.4	0.5
FCF yield (%)	2.9	2.8	3.6

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	27.8	27.8	27.8
DII	12.0	11.7	11.5
FII	18.2	18.7	19.4
Others	42.0	41.9	41.4

FII Includes depository receipts

EBITDA margin at an eight-quarter low of 11.6%

- Standalone revenue grew ~14% YoY to INR68.8b (in line), but EBITDA/ adj. PAT declined 23%/40% YoY to INR8b/INR3.1b (est. INR9.5b/INR4.1b). Revenue grew ~12% YoY while EBITDA/PAT declined 11%/20% YoY during 9MFY25.
- Higher commodity costs led to a lower gross margin at 33.1% (-700bp YoY/-340bp QoQ; est. 36%).
- This resulted in an EBITDA margin contraction of ~550bp YoY/280bp QoQ to 11.6% (est. 13.9%). Overall, EBITDA dipped 23% YoY to INR8b (est. INR9.5b) during the quarter.
- The company appears to be focusing on recovering its share, which is hurting margins, in the interim. This is also evident in the fact that while its revenue traction is better than peers, its margin impact is higher on a sequential basis.
- Weak operational performance led to a 40% YoY decline in Adj. PAT at INR3.1b (est. INR4.1b).
- The BOD approved an interim dividend of INR3 per share.

Valuation and view

- MRF's competitive positioning in the sector has weakened over the past few years, which is reflected in the dilution of pricing power in the PCR and TBR segments. This, coupled with the impact of the planned capex, should limit the expansion in its return ratios. We expect MRF's return ratios to dilute over the next two years as its RoE is expected to reach 10.5% by FY27E (vs. ~13.5% in FY24).
- Valuations at 25.2x/22x FY26E/FY27E EPS appear expensive given its weakening competitive position and similar capital efficiency as peers. **Hence, we reiterate our Sell rating on the stock with a TP of INR95,500 (valuing it at 19x Dec'26E EPS).**

Standalone - Quarterly Earnings Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	3QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	63,233	60,876	60,478	62,151	70,778	67,604	68,832	70,008	2,46,737	2,77,222	68,340	1
YoY Change (%)	12.9	6.4	9.3	8.6	11.9	11.1	13.8	12.6	9.3	12.4	13.0	
Total Expenditure	52,091	49,589	50,084	52,096	59,400	57,869	60,814	60,823	2,04,595	2,38,906	58,809	
EBITDA	11,142	11,286	10,394	10,055	11,378	9,734	8,018	9,184	42,142	38,315	9,531	-16
Margins (%)	17.6	18.5	17.2	16.2	16.1	14.4	11.6	13.1	17.1	13.8	13.9	
Depreciation	3,317	3,500	3,591	3,842	3,943	4,079	4,143	4,151	14,250	16,315	4,100	
Interest	780	749	776	858	754	667	711	717	3,163	2,850	710	
Other Income	739	696	766	924	827	1,121	966	988	3,125	3,902	810	
PBT before EO expense	7,783	7,734	6,792	6,279	7,509	6,109	4,130	5,304	27,853	23,052	5,531	
Extra-Ord expense	0	0	0	1,200	0	0	0	0	464	0	0	
PBT	7,783	7,734	6,792	5,079	7,509	6,109	4,130	5,304	27,389	23,052	5,531	
Tax	1,969	2,015	1,712	1,284	1,883	1,555	1,063	1,377	6,980	5,878	1,410	
Rate (%)	25.3	26.1	25.2	25.3	25.1	25.4	25.7	26.0	25.5	25.5	25.5	
Reported PAT	5,814	5,719	5,080	3,795	5,625	4,554	3,067	3,927	20,409	17,174	4,121	
Adj PAT	5,814	5,719	5,080	4,692	5,625	4,554	3,067	3,927	20,755	17,174	4,121	-26
YoY Change (%)	417.6	361.3	200.2	32.7	-3.3	-20.4	-39.6	-16.3	173.9	-17.3	-18.9	
Margins (%)	9.2	9.4	8.4	7.5	7.9	6.7	4.5	5.6	8.4	6.2	6.0	

E: MOFSL Estimates

Key Performance Indicators	FY24				FY25E				FY24	FY25E	3QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
RM Cost(% of sales)	61.2	59.2	59.9	61.1	62.7	63.5	66.9	64.9	60.3	64.5	64.0
Staff Cost(% of sales)	6.5	7.1	7.2	7.5	6.3	6.9	6.6	6.6	7.1	6.6	6.9
Other costs(% of sales)	14.7	15.1	15.7	15.2	14.9	15.2	14.9	15.4	15.5	15.1	15.2
Gross Margin(%)	38.8	40.8	40.1	38.9	37.3	36.5	33.1	35.1	39.7	35.5	36.0
EBITDA Margin(%)	17.6	18.5	17.2	16.2	16.1	14.4	11.6	13.1	17.1	13.8	13.9



Motherson Wiring

Estimate change	↓
TP change	↓
Rating change	↔

CMP:INR56 **TP: INR65 (+16%)** **Buy**

Startup costs of greenfield plants dent profitability

New greenfield plants have peak annual revenue potential of INR21b

- Motherson Wiring's (MSUMI) 3QFY25 profitability missed our estimate, as start-up costs of new plants affected EBITDA/PAT by INR400m/INR320m. Adjusted for these costs, EBITDA margin would have been 12.1% in 9MFY25.
- To factor in start-up costs of greenfield facilities, we cut our FY25E/FY26E EPS by ~6% each. We believe MSUMI deserves rich valuations, given its strong competitive positioning, top-decile capital efficiency, and benefits of EVs and other megatrends in autos. **Reiterate BUY with a TP of INR65 (premised on ~35x Dec'26E EPS).**

Greenfield start-up costs hurt margins

- In 3QFY25, revenue grew ~9% YoY to INR23b (est. INR24.2b), while EBITDA/adj. PAT declined 9%/17% YoY to INR2.4b/INR1.4b (est. INR2.7b/INR1.7b). 9MFY25 revenue/EBITDA grew 12%/1% YoY, while adj. PAT inched lower by 1% YoY.
- The company's growth outpaced industry volume growth of 6% YoY, led by a favorable product and content mix. The growing premiumization trend augurs well for the company. The PV industry, which accounts for almost 60% of MSWIL's revenues, was up just 3% YoY in 3Q and the CV industry (~12% contribution) was also up only 1% YoY.
- Revenue from the greenfield plants in 3Q stood at INR800m. Even after excluding this revenue, MSUMI posted 5% YoY growth in 3Q.
- Gross margin expanded 80bp YoY to 35.1% (est. 34.8%). JPY appreciation has a temporary impact on financials as the pass-through to customers happens with a lag of a quarter or a half year.
- The impact of start-up costs for the new greenfield plants stood at INR400m in EBITDA and INR320m in PAT (for YTD FY25, INR950m impact at EBITDA level and INR760m at PAT level).
- As a result, EBITDA margin contracted 210bp YoY/40bp QoQ to 10.3%. Adjusting start-up costs, EBITDA margin would have been 12.1% in 9MFY25.

Highlights from the management commentary

- MSUMI is in various stages of completion for the three new greenfield plants as below: 1) Pune plant – SOP for EV + ICE plant has begun in 2Q, while the same for EV only plant will begin in 4QFY25; 2) Navagam (Gujarat) plant – SOP for EV only plant by 1QFY26 and the same for EV + ICE plant by 2QFY26; 3) SOP for Karkhoda plant by 2QFY26.
- These are sizeable plants with a peak combined revenue potential of INR21b, i.e., ~25% of MSUMI's FY24 revenue. They have secured business from large Indian OEMs, including MSIL, MM and TTMT, for their upcoming new model launches in coming years. Management has indicated that MSUMI remains the preferred supplier for new-age vehicles by MSIL, MM and TTMT.
- EV mix of total revenue stands at 3-4%.

Bloomberg	MSUMI IN
Equity Shares (m)	4421
M.Cap.(INRb)/(USDb)	248.2 / 2.8
52-Week Range (INR)	80 / 53
1, 6, 12 Rel. Per (%)	-3/-19/-31
12M Avg Val (INR M)	520

Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	92.3	104.3	117.8
EBITDA	9.9	11.6	13.8
Adj. PAT	6.0	7.2	8.7
EPS (Rs)	1.4	1.6	2.0
EPS Growth (%)	-5.4	19.7	20.1
BV/Share (Rs)	4.4	5.2	6.3

Ratios

Net D:E	-0.2	-0.1	-0.1
RoE (%)	33.5	34.1	34.0
RoCE (%)	39.3	40.3	40.8
Payout (%)	55.0	55.0	55.0

Valuations

P/E (x)	41.0	34.2	28.5
P/BV (x)	12.8	10.7	8.9
Div. Yield (%)	1.3	1.6	1.9
FCF Yield (%)	1.7	2.4	3.0

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	61.7	61.7	61.7
DII	16.7	16.3	17.3
FII	9.9	10.5	11.0
Others	11.7	11.4	9.9

FII Includes depository receipts

- Capex guidance for FY25 stands at INR2b. MSUMI has so far invested INR1.2b in 9MFY25. It has invested about INR400-600m in each plant, excluding the cost of land and building, which MSUMI has taken on lease from SAMIL.
- For high-voltage wiring harness, the company has localized the cables and few connectors. However, based on OEM plans, the target would be to continue to drive up the localization going forward.

Valuation and view

- We expect EBITDA margin to improve in FY26E, led by a better product mix, ramp-up of the new greenfield plants, moderating commodity costs, and localization efforts.
- We believe MSUMI deserves rich valuations, given its strong competitive positioning, top-decile capital efficiency, and benefits of EVs and other mega-trends in Autos. The stock trades at 34.2x FY26E/28.5x FY27E EPS. **Reiterate our BUY rating with a TP of INR65 (premised on ~35x Dec'26E EPS).**

MSUMI: Quarterly performance

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	3QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	18,718	21,046	21,145	22,327	21,848	23,256	23,003	24,169	83,283	92,277	24,186.7	-5
YoY Change (%)	12.0	14.7	25.4	16.7	16.7	10.5	8.8	10.6	17.8	10.8	14.4	
RM Cost (% of sales)	65.2	66.2	65.5	65.1	65.1	64.9	64.9	64.7	65.5	64.9	65.2	
Staff Cost (% of sales)	17.5	16.3	16.1	15.4	17.2	17.3	17.9	17.4	16.3	17.4	16.7	
Other Expenses (% of sales)	6.2	5.7	6.0	6.4	6.7	7.1	6.8	6.8	6.1	6.9	6.9	
EBITDA	2,072	2,481	2,620	2,913	2,388	2,496	2,376	2,672	10,132	9,931	2,702.0	-12
Margins (%)	11.1	11.8	12.4	10.9	10.9	10.7	10.3	11.1	12.2	10.8	11.2	
Depreciation	338	364	377	394	399	444	470	478	1,473	1,790	450	
Interest	77	74	64	58	55	72	66	60	273	252	65	
Other Income	5	56	11	43	50	48	6	42	69	145	45	
PBT before EO expense	1,661	2,100	2,190	1,984	1,984	2,027	1,846	2,176	8,455	8,033	2,232	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT after EO Expense	1,661	2,100	2,190	2,505	1,984	2,027	1,846	2,176	8,455	8,033	2,232.0	
Tax Rate (%)	26	26	23	25	25	25	24	25	25	25	25.0	
Reported PAT	1,231	1,559	1,679	1,914	1,489	1,521	1,400	1,632	6,383	6,041	1,674	
Adj PAT	1,231	1,559	1,679	1,914	1,489	1,521	1,400	1,632	6,383	6,041	1,674	-16
YoY Change (%)	-2.2	33.9	58.1	7.5	20.9	-2.4	-16.6	9.6	31.1	-5.4	-0.3	

E: MOFSL Estimates



The Ramco Cements

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR890 TP: INR870 (-2%) Neutral

Weak realization drags performance

Net debt reduces by INR4.9b QoQ to INR46.2b as of Dec'24

Bloomberg	TRCL IN
Equity Shares (m)	236
M.Cap.(INRb)/(USD\$b)	210.4 / 2.4
52-Week Range (INR)	1060 / 700
1, 6, 12 Rel. Per (%)	-6/12/-18
12M Avg Val (INR M)	718

- TRCL's 3QFY25 EBITDA was below estimates, mainly due to lower-than-estimated realization/t (3% miss). EBITDA declined ~29% YoY to INR2.8b (~14% miss) and EBITDA/t declined 35% YoY to INR639 (est. INR742). OPM contracted 4.6pp YoY to ~14% (est. ~16%). PAT (adjusted for profit on the sale of non-core assets) declined 97% YoY to INR32m (vs. estimated PAT of INR329m).
- The company's net debt declined by INR4.9b QoQ to INR46.2b as of Dec'24, aided by proceeds from the disposal of non-core assets (monetized INR4.4b in 9M vs. its target of INR10.0b by Jun'25). It also received an advance of INR100m, the sale for which is under progress. It is expanding its clinker/grinding capacity by 3.2mtpa/1.5mtpa at Kolimigundla, AP (line II). The company has further plans of debottlenecking/adding GUs at existing facilities with minimal capex to reach its capacity target of 30mtpa by Mar'26 vs. 24mtpa currently.
- We cut our EBITDA estimates by 10%/8%/7% for FY25/FY26/FY27 due to the weak realizations estimate in its core market (South). We value TRCL at 12x Dec'26E EV/EBITDA to arrive at our revised TP of INR870 (earlier INR950). We reiterate our Neutral rating on the stock.

Financial Snapshot (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	88.2	97.1	107.1
EBITDA	13.6	17.7	21.3
Adj. PAT	2.0	4.3	6.0
EBITDA Margin (%)	15.4	18.2	19.9
Adj. EPS (INR)	8.3	18.4	25.5
EPS Gr. (%)	-50.2	120.8	39.0
BV/Sh. (INR)	321	336	358

Ratios

Net D:E	0.6	0.6	0.5
RoE (%)	2.7	5.6	7.4
RoCE (%)	5.1	6.0	7.1
Payout (%)	15.9	19.1	0.0

Valuations

P/E (x)	107.0	48.5	34.9
P/BV (x)	2.8	2.7	2.5
EV/EBITDA(x)	17.8	14.2	11.7
EV/ton (USD)	116	111	109
Div. Yield (%)	0.4	0.4	0.0
FCF Yield (%)	0.7	2.3	4.2

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	42.8	42.3	42.1
DII	34.3	34.3	36.3
FII	6.9	6.6	7.9
Others	16.1	16.9	13.6

FII Includes depository receipts

Volume increases ~9% YoY; realization/t down 14% YoY

- Revenue/EBITDA/adj. PAT stood at INR19.8b/INR2.8b/INR32m (down 6%/29%/97% YoY and down 2%/14%/90% vs. our estimates) in 3QFY25. Sales volume increased ~9% YoY to 4.37mt (in line). Realization declined 14% YoY to INR4,523/t (flat QoQ; ~3% below our estimate).
- Opex/t declined ~9% YoY, led by a 10%/1% YoY reduction in variable/freight cost/t. Other expense/employee cost per ton declined ~20%/12% YoY, led by a reduction in the overall expense and positive operating leverage. OPM contracted 4.6pp YoY to 14% and EBITDA/t declined 35% YoY to INR639. Depreciation/ interest costs grew ~5%/10% YoY, and other income increased ~62% YoY.
- In 9MFY25, Revenue/EBITDA/PAT stood at INR61.0b/INR9.1b/INR643m (down 9%/20%/77% YoY). Sales volume grew ~2% YoY, while realization declined ~11% YoY. EBITDA/t declined ~22% YoY to INR690. We estimate Revenue/EBITDA/PAT to increase ~2%/7%/9% YoY in 4QFY25. Additionally, we estimate volume growth of ~8% YoY and EBITDA/t of INR757 vs. INR760 in 4QFY25.

Highlights from the management commentary

- Increased allocation for capex and 50-year interest-free loans to states for infrastructure development under the recent budget will be key positives for cement demand growth.
- Improvement in the C:C ratio to 1.4x vs. 1.3x in 3QFY24 and reduction in fuel consumption cost at INR1.45/Kcal vs. INR1.64/kcal in 3QFY24 enabled the company to reduce the variable cost/t ~10% YoY.

- Capex of INR2.6b was incurred in 3QFY25 and INR8.0b in 9MFY25. Capex for FY26 is estimated at INR12.0b. For Karnataka greenfield projects, the company has acquired 53% of mining land and 13% of factory land so far.

View and valuation

- TRCL's earnings were below our estimates, mainly due to lower realization. Higher competitive intensity in the company's core market in the South has kept cement prices under pressure. Further, the company's volume share in the South surged to ~79% in 3QFY25 vs. ~76% in 3QFY24.
- We expect the company's volume growth to moderate to ~7% CAGR over FY25-27 vs. ~18% over FY21-25E. Higher competition and pricing pressure in its key markets, leveraged balance sheets, and low return ratios (RoE/ROCE in mid-single digits till FY26/FY27) will keep the stock price range-bound.
- At CMP, the stock trades at 14/12x FY26E/FY27E EV/EBITDA. We value TRCL at 12x Dec'26E EV/EBITDA and reiterate our Neutral rating with a revised TP of INR870 (earlier INR950).

Quarterly Performance

Y/E March	FY24				FY25				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Sales volume (m ton)	4.30	4.61	4.00	5.49	4.36	4.49	4.37	5.92	18.40	19.14	4.36	0
YoY Change (%)	29.9	37.7	9.9	16.8	1.3	(2.6)	9.3	7.8	22.5	4.0	8.9	
Realization (INR/ton)	5,212	5,053	5,265	4,869	4,792	4,539	4,523	4,598	5,081	4,611	4,649	(3)
YoY Change (%)	(1.6)	(3.8)	(4.5)	(10.9)	(8.1)	(10.2)	(14.1)	(5.6)	(5.6)	(9.2)	(11.7)	
QoQ Change (%)	(4.6)	(3.1)	4.2	(7.5)	(1.6)	(5.3)	(0.4)	1.7			2.4	
Net Sales	22.4	23.3	21.1	26.7	20.9	20.4	19.8	27.2	93.5	88.2	20.2	(2)
YoY Change (%)	26.4	30.5	4.8	4.0	(6.8)	(12.5)	(6.2)	1.8	14.9	(5.6)	(3.9)	
Total Expenditure	19.0	19.3	17.1	22.6	17.7	17.3	17.0	22.7	78.0	74.7	17.0	(0)
EBITDA	3.4	4.0	4.0	4.2	3.2	3.1	2.8	4.5	15.5	13.6	3.2	(14)
YoY Change (%)	13.6	116.9	38.9	1.0	(6.5)	(21.7)	(29.3)	7.4	31.4	(12.5)		
Margins (%)	15.2	17.1	18.8	15.6	15.3	15.3	14.1	16.5	16.6	15.4	16.0	1
Depreciation	22.4	23.3	21.1	26.7	20.9	20.4	19.8	27.2	93.5	88.2	20.2	(2)
Interest	26.4	30.5	4.8	4.0	(6.8)	(12.5)	(6.2)	1.8	14.9	(5.6)	(3.9)	19
Other Income	19.0	19.3	17.1	22.6	17.7	17.3	17.0	22.7	78.0	74.7	17.0	(90)
PBT before EO expense	1.1	1.4	1.3	1.6	0.5	0.3	0.0	1.7	5.4	2.6	0.5	-
PBT	1.1	1.4	1.3	1.6	0.5	0.3	3.3	1.7	5.4	5.9	4.5	(25)
Tax	0.3	0.4	0.4	0.4	0.1	0.1	0.1	0.4	1.5	0.7	1.2	
Prior year tax	-	-	-	-	-	-	-	-	-	-	-	
Rate (%)	27.0	26.7	30.8	25.2	26.3	26.9	2.4	24.0	27.3	12.2	27.5	
Reported PAT	0.8	1.0	0.9	1.2	0.4	0.3	3.3	1.3	3.9	5.2	3.2	1
Adj PAT	0.8	1.0	0.9	1.2	0.4	0.3	0.0	1.3	3.9	2.0	0.3	(90)
YoY Change (%)	(29.7)	783.2	38.6	(20.4)	(55.0)	(74.7)	(96.6)	9.0	15.0	(50.2)	(64.8)	
Margins (%)	3.5	4.3	4.4	4.5	1.7	1.3	0.2	4.9	4.2	2.2	1.6	

Per ton analysis (incl. Dry mortar)

	(INR/t)											
Net realization	5,212	5,053	5,265	4,869	4,792	4,539	4,523	4,598	5,081	4,611	4,649	(3)
RM Cost	760	959	820	1,132	835	894	933	887	934	887	880	6
Employee Expenses	294	300	342	227	314	303	301	252	286	289	322	(6)
Power, Oil & Fuel	1,758	1,358	1,384	1,128	1,300	1,121	1,060	1,136	1,389	1,152	1,141	(7)
Freight cost	1,064	1,025	1,073	1,082	1,064	1,018	1,066	1,072	1,062	1,056	1,065	0
Other Expenses	541	546	658	541	546	509	523	495	567	516	500	5
Total Expenses	4,418	4,188	4,277	4,110	4,059	3,844	3,884	3,841	4,238	3,901	3,907	(1)
EBITDA	794	865	988	760	733	695	639	757	844	710	742	(14)

Source: Company, MOFSL Estimates



Lemon Tree Hotels

Estimate change

TP change

Rating change

CMP: INR146

TP: INR190 (+30%)

Buy

Higher occupancy drives revenue growth

In-line operating performance

- Lemon Tree Hotels (LEMONTRE) reported strong revenue growth of 23% YoY in 3QFY25, led by significant improvement in occupancy (OR) to 74.2% (up 830bp YoY) and healthy growth in ARR (up 7% YoY). OR improvement was primarily led by the ramp-up of Aurika Mumbai. Further, operating leverage resulted in an EBITDA margin improvement of 350bp YoY.
- With a robust performance in 9MFY25 (revenue up 23%), we expect FY25 to end on a strong footing with healthy performance in 4Q. The continuous ramp-up of Aurika Mumbai and favorable demand-supply dynamics coupled with renovations (boosting ARR and OR) will be the key drivers.
- We broadly maintain our FY25/FY26/FY27 EBITDA estimates and **reiterate our BUY rating** on the stock, with an SoTP-based TP of INR190 for FY27.

Operating leverage drives margin expansion

- Revenue grew 23% YoY to INR3.6b (in line), and occupancy rose 830bp YoY to 74.2%, reflecting the ongoing ramp-up at Aurika Mumbai and higher ARR of INR6,763 (up 7% YoY). Management fees increased 23% YoY to INR184m.
- EBITDA rose 32% YoY to INR1.8b (in line). EBITDA margin expanded 350bp YoY to 52% (est. ~50.3%) driven by favorable operating leverage. Adj. PAT increased 71% YoY to INR625m (est. INR664m).
- During the quarter, LEMONTRE signed 13 new management and franchise contracts, which added 766 new rooms to its pipeline, and operationalized one hotel, which added 38 rooms to its portfolio.
- As of 31st Dec'24, the total operational inventory comprised 112 hotels with 10,317 rooms, and the pipeline comprised 88 hotels with 6,068 rooms.
- In 9MFY25, revenue/EBITDA/adj. PAT grew 23%/24%/37% YoY to INR9b/ INR4.3b/ INR1.1b.

Highlights from the management commentary

- **Guidance:** The company expects mid-teen RevPAR growth through optimizing ARR and occupancy. It is also targeting to reach 20,000 rooms (operational and pipeline) ahead of FY27, i.e., within 12 to 15 months vs. the current 16,385 rooms (operational – 10,317; pipeline – 6,068).
- **Aurika:** The company expects Aurika Mumbai to stabilize by 2HFY26, with ARR reaching ~INR11.5-12.5k and occupancy stabilizing over 85%. The hotel is already doing ARR/OR of ~INR9,500/85% in Jan'25. Additionally, the company is close to signing Aurika in Varanasi, which is expected to have an ARR five times higher than the other Aurika properties.
- **Aurika Shillong:** LEMONTRE received a Letter of Award from the Directorate of Tourism, Government of Meghalaya, to redevelop Shillong's Orchid Hotel as Aurika under a PPP model, featuring 120 rooms. The company will invest INR1.2b for all 120 rooms supported by a 5% interest subvention. It received the land for a 1% revenue share plus INR10-20m annually. The initial annual EBITDA from this hotel is expected to be ~INR150m.

Bloomberg	LEMONTRE IN
Equity Shares (m)	792
M.Cap.(INRb)/(USDb)	115.7 / 1.3
52-Week Range (INR)	162 / 112
1, 6, 12 Rel. Per (%)	-3/7/-5
12M Avg Val (INR M)	619

Financials & Valuations (INR b)

Y/E Mar	2025E	2026E	2027E
Sales	12.8	15.3	16.5
EBITDA	6.3	7.9	8.6
PAT	1.76	3.04	3.59
EBITDA (%)	48.7	51.9	52.2
EPS (INR)	2.3	3.9	4.6
EBITDA Gr. (%)	18.8	72.6	18.0
BV/Sh. (INR)	14.6	18.5	23.1

Ratios

Net D/E	1.3	0.7	0.3
RoE (%)	16.7	23.5	22.1
RoCE (%)	11.7	16.5	19.3

Valuations

P/E (x)	61.1	35.4	30.0
EV/EBITDA (x)	20.7	15.8	14.0
FCF Yield (%)	5.2	6.4	7.4

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	22.8	22.8	23.2
DII	20.8	18.9	15.0
FII	20.1	21.8	22.9
Others	36.4	36.5	38.9

Valuation and view

- LEMONTRE is likely to maintain a healthy growth momentum, led by 1) the stabilization of Aurika Mumbai, 2) accelerated growth in the management contract (pipeline of ~5,879 rooms), and 3) the timely completion of the portfolio’s renovation leading to improved OR, ARR, and EBITDA margins.
- We expect LEMONTRE to post a CAGR of 16%/19%/34% in revenue/EBITDA/Adj. PAT over FY24-27 and RoCE to improve to 19.3% by FY27 from ~10% in FY24. We reiterate our BUY rating on the stock with our SoTP-based TP of INR190 for FY27.

Consolidated Quarterly Performance

(INRm)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Gross Sales	2,223	2,272	2,887	3,273	2,680	2,844	3,552	3,765	10,655	12,841	3,528	1
YoY Change (%)	15.7	15.5	23.6	29.5	20.6	25.2	23.0	15.0	21.8	20.5	22.2	
Total Expenditure	1,178	1,253	1,490	1,558	1,530	1,536	1,710	1,808	5,479	6,584	1,752	
EBITDA	1,045	1,019	1,397	1,715	1,151	1,307	1,842	1,957	5,176	6,257	1,776	4
Margins (%)	47.0	44.8	48.4	52.4	42.9	46.0	51.9	52.0	48.6	48.7	50.3	
Depreciation	228	226	333	334	346	348	351	355	1,121	1,399	350	
Interest	481	473	534	528	518	513	503	480	2,016	2,014	480	
Other Income	24	29	22	39	4	5	6	30	113	45	60	
PBT before EO expense	359	348	552	892	291	451	994	1,152	2,151	2,888	1,006	
PBT	359	348	552	892	291	451	994	1,152	2,151	2,888	1,006	
Tax	87	86	118	50	91	102	197	274	341	664	240	
Rate (%)	24.2	24.8	21.3	5.6	31.2	22.7	19.8	23.8	15.9	23.0	23.9	
MI & P/L of Asso. Cos.	38	35	80	172	2	52	173	233	325	460	102	
Reported PAT	235	226	354	670	198	296	625	645	1,485	1,764	664	
Adj PAT	235	226	354	670	198	296	625	645	1,485	1,764	664	-6
YoY Change (%)	34.5	35.1	-11.4	52.4	-15.6	30.9	76.5	-3.7	25.7	18.8	87.5	
Margins (%)	10.6	10.0	12.3	20.5	7.4	10.4	17.6	17.1	13.9	13.7	18.8	

Key Performance Indicators

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Occupancy (%)	70.2	71.7	65.9	72.0	66.6	68.4	74.2	74.9	72.0	71.7
ARR (INR)	5,237	5,268	6,333	6,605	5,686	5,902	6,763	6,941	6,260	6,864
Change (%)	8.6	7.1	10.4	13.4	8.6	12.0	6.8	5.1	10.1	9.6
RevPAR (INR)	3,678	3,775	4,173	4,756	3,787	4,035	5,018	5,202	4,506	4,918
Change (%)	17.2	16.0	7.6	10.9	3.0	6.9	20.2	9.4		
Cost Break-up										
F&B Cost (% of sales)	5.6	5.8	5.8	6.3	6.1	6.0	5.5	6.0	5.9	5.9
Staff Cost (% of sales)	19.2	20.4	17.0	15.2	18.9	19.1	15.9	15.1	17.6	17.0
Power and fuel (% of sales)	8.7	8.4	6.9	6.0	8.7	8.0	6.0	6.2	7.3	7.1
Other Cost (% of sales)	19.6	20.6	22.0	20.1	23.3	20.9	20.7	20.7	20.6	21.3
Gross Margins (%)	94.4	94.2	94.2	93.7	93.9	94.0	94.5	94.0	94.1	94.1
EBITDA Margins (%)	47.0	44.8	48.4	52.4	42.9	46.0	51.9	52.0	48.6	48.7
EBIT Margins (%)	36.8	34.9	36.9	42.2	30.0	33.7	42.0	42.5	38.1	37.8



Data Patterns (India)

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR1,964 TP: INR2,180 (+11%) Neutral

Weak performance due to revenue deferment

Earnings below estimates

- Data Patterns (DATAPATT) witnessed a weak quarter, with revenue declining 16% YoY, largely led by the deferment of order delivery (~INR700m). The service/production revenue declined ~33%/28% YoY while development revenue grew 19% YoY. However, EBITDA margins expanded 310bp YoY, led by a favorable business mix (development revenue mix increase 11pp YoY).
- Despite a weak 9MFY25 (down 8% YoY), the company guides to achieve its full-year revenue growth/EBITDA margin guidance of ~20-25%/35-40%. This indicates a major ramp-up in 4QFY25, implying over 70% YoY revenue growth, while margins may experience a significant dip in 4Q to maintain its FY25 guidance.
- Factoring in the weak 3Q performance, we cut our FY25/FY26 EPS estimates by 7%/5% while largely maintaining our FY27 EPS estimate. **We reiterate our Neutral rating with a TP of INR2,180 (premised on 35x FY27E EPS).**

Bloomberg	DATAPATT IN
Equity Shares (m)	56
M.Cap.(INRb)/(USDb)	109.9 / 1.3
52-Week Range (INR)	3655 / 1751
1, 6, 12 Rel. Per (%)	-16/-30/-4
12M Avg Val (INR M)	1313

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	6.1	8.2	10.3
EBITDA	2.5	3.3	4.2
Adj. PAT	2.0	2.7	3.5
EBITDA Margin (%)	40.1	40.8	41.1
Cons. Adj. EPS (INR)	36.1	48.6	62.2
EPS Gr. (%)	11.4	34.4	28.0
BV/Sh. (INR)	271.5	319.1	380.2

Ratios

Net D:E	-0.5	-0.5	-0.5
RoE (%)	14.2	16.4	17.8
RoCE (%)	14.9	17.0	18.2

Valuations

P/E (x)	54	41	32
EV/EBITDA (x)	41	30	23

Shareholding Pattern (%)

As on	Dec-24	Sep-24	Dec-23
Promoter	42.4	42.4	42.4
DII	8.8	8.7	9.2
FII	14.1	14.4	6.7
Others	34.7	34.5	41.7

Note: FII includes depository receipts

Higher development revenue mix YoY aids margin expansion

- Consolidated revenue declined 16% YoY to INR1.2b (est. INR1.9b) in 3QFY25. Service/development/production revenue stood at INR47m/INR433m/INR691m, down 33%/up 19%/down28% YoY, respectively.
- In terms of products, Radar/ATE accounted for the largest revenue mix at ~62.3%/17.9%, respectively. In terms of customers, exports played a significant role this quarter, accounting for ~76.8% of the mix vs only 0.9% in 3QFY24.
- Gross margins expanded 21.6pp YoY to 80.3%, led by a favorable business mix. Employee/other expenses grew 6.1pp/3.3pp YoY to 24.9%/9.2% in 3QFY25.
- Accordingly, EBITDA margins expanded 310bp YoY to 46.2% (est. 42.3%). EBITDA declined 10% YoY to INR540m (est. INR815m). Adjusted PAT declined 12% YoY to INR447m (est. INR616m).
- The order book stood at ~INR10.95b as of Dec'24 vs. INR9.7b/INR9.6b in Sep'24/Dec'23. Development/Production accounts for 47% each, while the Service order book constitutes ~6%.
- In 9MFY25, revenue/EBITDA/Adj. PAT declined 8%/2%/3% at INR3.1b/INR1.2b/INR1b.

Highlights from the management commentary

- **Guidance:** DATAPATT maintains its guidance of ~20-25% revenue growth in FY25, with EBITDA margins of ~35-40%. The company also reaffirms its near-term growth outlook, targeting a 20-25% CAGR.
- **Order Intake:** The international order book stands at ~INR1b, with significant new production orders in EW, Radar, and Avionics. Moving forward, order book growth is expected to be driven by repeat contracts and new orders, offering the potential for faster conversions.

- **Inventory days** increased due to two large radar orders, which tied up ~60-65% of the company's inventory. The company is expected to deliver one project by Mar'25-end and the other by 1HFY26, leading to a significant decline in inventory.

Valuation and view

- DATAPATT is likely to witness strong revenue growth in 4QFY25, driven by the fulfillment of differed order deliveries as well as the execution of orders on hand (INR10.95b as of Dec'24).
- The overall macro scenario, driven by favorable government policies and new programs sanctioned by DRDO, along with management's focus on expanding the addressable market and the shift towards complete systems, positions the company well for a positive long-term outlook.
- We estimate a revenue/EBITDA/adj. PAT CAGR of 26%/24%/24% over FY24-27. **We reiterate our Neutral rating with a TP of INR2,180 (premised on 35x FY26E EPS).**

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25				FY24	FY25E	FY25E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Gross Sales	897	1,083	1,395	1,823	1,041	910	1,170	3,008	5,198	6,129	1,925	-39
YoY Change (%)	31.2	22.9	24.8	-1.5	16.0	-16.0	-16.1	65.0	14.6	17.9	38.0	
Total Expenditure	619	676	795	893	669	567	630	1,804	2,982	3,670	1,111	
EBITDA	278	408	600	930	372	343	540	1,204	2,217	2,459	815	-34
Margins (%)	31.0	37.6	43.0	51.0	35.7	37.7	46.2	40.0	42.6	40.1	42.3	
Depreciation	28	31	33	70	31	35	35	40	162	140	42	
Interest	17	23	23	30	30	28	32	30	93	120	25	
Other Income	116	108	113	123	123	120	114	130	460	487	135	
PBT before EO expense	349	463	657	953	435	400	588	1,264	2,422	2,686	883	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	349	463	657	953	435	400	588	1,264	2,422	2,686	883	
Tax	91	125	148	242	107	98	141	318	605	663	222	
Rate (%)	25.9	27.0	22.4	25.4	24.5	24.4	24.0	25.2	25.0	24.7	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	258	338	510	711	328	303	447	946	1,817	2,023	661	
Adj PAT	258	338	510	711	328	303	447	946	1,817	2,023	661	-32
YoY Change (%)	81.4	60.5	53.0	28.4	26.9	-10.4	-12.4	33.0	46.6	11.4	29.6	
Margins (%)	28.8	31.2	36.5	39.0	31.5	33.3	38.2	31.4	35.0	33.0	34.3	



PVR-Inox

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	PVRINOX IN
Equity Shares (m)	98
M.Cap.(INRb)/(USDb)	110.1 / 1.3
52-Week Range (INR)	1748 / 1026
1, 6, 12 Rel. Per (%)	-10/-19/-28
12M Avg Val (INR M)	873

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	61.1	58.0	68.4
EBITDA	7.1	3.4	7.6
Adj. PAT	1.1	-2.0	1.0
EBITDA Margin (%)	11.7	5.9	11.1
Adj. EPS (INR)	11.7	-20.8	10.0
EPS Gr. (%)	LP	-278.1	-148.3
BV/Sh. (INR)	747.3	726.5	736.5

Ratios

Net D:E	1.1	1.1	0.0
RoE (%)	1.6	-2.8	1.4
RoCE (%)	2.8	-0.7	2.8
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	96.1	-54.0	111.8
P/BV (x)	1.5	1.5	1.5
EV/EBITDA (x)	17.3	35.9	16.1
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	27.5	27.5	27.8
DII	40.0	39.9	39.2
FII	19.2	20.7	21.8
Others	13.3	12.0	11.1

FII Includes depository receipts

CMP: INR1,121 TP: INR1,250 (+11%) Neutral

Weak quarter despite an all-time blockbuster release

- Despite the release of the all-time blockbuster, *Pushpa 2*, PVRINOX (PVR)'s footfall remained stable QoQ at 25.7%, due to weaker performance from the Hindi language movies.
- Revenue increased 11% YoY to INR 17.1b (+6% QoQ, 3% beat) driven by all-time high average ticket prices (ATP), spends per head (SPH), and recovery in advertisement revenue.
- EBITDA (pre-Ind-AS 116) improved 17% QoQ to INR2.4b (5% beat) driven by lower movie exhibition costs. Margin expanded to 13.8% (20bp beat).
- FY25 has been a muted year for PVR, due to the lack of tent-pole movie releases in Hindi and the impact of the Hollywood strike.
- We expect the content pipeline to improve in FY26, with several tent-pole movie releases in Hindi and an improvement in the Hollywood movie slate.
- However, PVR's business remains highly sensitive to occupancy trends, which are dependent on the quality of content (not in PVRL's control). Although management sounded upbeat about the FY26 content pipeline, we note that even a 200-300bp blip in occupancy could derail the company's screen economics.
- We cut our FY25-26 revenue estimates by 2-5% and EBITDA by ~10-15% primarily on lower footfall assumptions. **Reiterate Neutral with a TP of INR1,250** (based on ~14x pre-Ind-AS 116 FY27E EBITDA).

3Q ahead of muted expectations on lower movie exhibition costs

- Consolidated revenue grew 11% YoY (+6% QoQ) to INR17.2b (3% beat). Blockbuster movies such as *Pushpa 2* contributed to the revenue uptick.
 - Ticketing revenue at INR8.8b (+6% YoY) was up 5% QoQ, largely on account of a 9% QoQ improvement in ATP to INR281 (+4% YoY) as occupancy remained stable QoQ at 25.7% (vs. 25.2% YoY).
 - F&B revenue at INR5.2b (+9% YoY) was flat QoQ as 3% QoQ higher SPH at INR140 (+6% YoY) was offset by ~4% QoQ decline in admits (+2% YoY).
 - Ad revenue was up 6% YoY (-7% YoY) to INR1.5b.
- EBITDA (pre-Ind-AS 116) rose 17% YoY to INR2.4b (5% beat)
 - EBITDA margin stood at 13.8% (vs. 11.5%/13.1% QoQ/YoY; 20bp beat).
 - Movie exhibition costs at INR3.5b came in at ~40% as a % of ticketing revenue (vs. 39% QoQ, 45% YoY).
 - F&B COGS at INR1.3b, came in at ~25.7% of F&B sales (vs. 30bp higher QoQ, 26.2% YoY).
- Depreciation declined 5% YoY (-6% QoQ, 8% below).
- Reported PAT was up ~66% YoY to INR682m (vs. est. of INR506m) led by higher EBITDA and lower depreciation.

Occupancy steady in 3Q; ATP and SPH at all-time highs

- Admits and occupancy:** PVRL's admits declined 4% QoQ (up 2% YoY) to 37.3m, while the occupancy rate remained flat at 25.7% QoQ (25.2% YoY).
- ATP:** PVR's ATP improved 9% QoQ to INR281 (+4% YoY).
- SPH:** PVR's SPH improved 6% YoY to INR140 (up 3% QoQ).
- Ad revenue:** Grew 36% QoQ (+6% YoY) to reach the highest level since the pandemic.

Highlights from the management commentary

- **Demand trends:** 3QFY25 saw the highest box office collections of 2024 and the highest ever quarterly ATP and SPH, led by the massive success of Pushpa 2. The quarter also saw the highest advertisement revenue since the pandemic. October collections were boosted by regional movies, while the Hindi box office remained muted. However, Singham and Bhul Bhulaiya-3 led to a recovery in Nov'24, which was followed by the massive success of Pushpa 2, which accounted for ~36% of Indian box office in 3Q and ~12% of 2024 box-office collections.
- **Content pipeline:** The content pipeline during 2024 was subdued as there was no superstar movie release. Further, the Hollywood strike also hit the box-office performance in 2024. Hollywood started to pick up momentum with the release of Mufasa in 3Q. The upcoming content pipeline, both in Hindi (Sikander, Chhava, Sitare Zameen Par, etc.) and Hollywood (several franchise movies, F1), is strong and should drive higher footfalls. Further, management also expects some boost from the recent tax cuts.
- **Screen additions:** PVR added 77 screens to date and closed 67 screens. The management has guided for 100-110 gross screen additions and ~30-40 net screen additions. PVR expects to add another ~100 screens next year, with 35-40% of the screens to be opened in the South.
- **Capital-light model:** The company has signed 100 screens in the capital-light model with 31 screens on the management contract and 69 screens in the asset-light model. The management aims to ramp up screen additions through the capital-light model going forward and use the cashflows to further deleverage the balance sheet.

Valuation and view

- Despite the release of the all-time blockbuster, Pushpa 2, PVR's footfall remained stable QoQ at 25.7%, due to weaker performance from Hindi language movies. PVR is looking to improve occupancy through re-releases and alternative content such as sports and concert streaming.
- However, PVR's business remains highly sensitive to occupancy trends, which are dependent on the quality of content (not in PVR's control). Although the management sounded upbeat about the FY26 content pipeline, we note that even a 200-300bp blip in occupancy could derail the company's screen economics.
- Improvement in occupancy, continued recovery in advertising revenue, and ramp-up of F&B business through ventures such as PVR Café and food courts remain the key growth drivers for PVR.
- We cut our FY25-26E revenue estimates by 2-5% and EBITDA by ~10-15% primarily on lower footfall assumptions. **Reiterate Neutral with a TP of INR1,250** (based on ~14x pre-Ind-AS 116 FY27E EBITDA).

Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25	FY25	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	13,049	19,999	15,459	12,564	11,907	16,221	17,173	12,668	61,071	57,969	16,671	3
YoY Change (%)	-16.5	88.7	6.2	9.9	-8.8	-18.9	11.1	0.8	16.9	-5.1	7.8	
Total Expenditure	12,241	15,723	13,434	12,552	12,285	14,350	14,805	13,087	53,950	54,527	14,407	3
EBITDA	808	4,276	2,025	12	-378	1,871	2,368	-419	7,121	3,442	2,264	5
YoY Change (%)	-74.1	-8,018.5	-3.1	-77.4	-146.8	-56.2	16.9	-3,590.3	36.6	-51.7	11.8	
Depreciation	1,111	1,220	1,254	1,122	1,164	1,266	1,194	1,511	4,707	5,135	1,304	-8
Interest	464	486	451	453	451	489	490	498	1,854	1,928	509	-4
Other Income	195	197	234	340	179	198	215	308	966	900	225	-4
PBT before EO expense	-572	2,767	554	-1,223	-1,814	314	899	-2,120	1,526	-2,721	676	33
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	-572	2,767	554	-1,223	-1,814	314	899	-2,120	1,526	-2,721	676	33
Tax	-131	693	142	-322	-448	90	217	-544	383.0	-684.8	170	27
Rate (%)	22.9	25.0	25.6	26.3	24.7	28.7	24.1	25.7	25.1	25.2	25.2	
Reported PAT	-441	2,074	412	-901	-1,366	224	682	-1,576	1,143	-2,036	506	35
Adj PAT	-441	2,074	412	-901	-1,366	224	682	-1,576	1,143	-2,036	506	35
YoY Change (%)	-131.0	-364.5	47.7	-38.2	209.8	-89.2	65.5	74.9	-311.6	-278.1	22.8	



Sapphire Foods

Estimate changes	↔
TP change	↔
Rating change	↔

CMP: INR318

TP: INR415 (+31%)

Buy

Steady improvement; play on urban recovery

Bloomberg	SAPPHIRE IN
Equity Shares (m)	321
M.Cap.(INRb)/(USDb)	101.9 / 1.2
52-Week Range (INR)	401 / 259
1, 6, 12 Rel. Per (%)	-10/-2/5
12M Avg Val (INR M)	294

Financials & Valuations (INR b)

Y/E Mar	2025E	2026E	2027E
Sales	29.1	33.4	38.2
Sales Gr. (%)	12.0	15.1	14.2
EBITDA	4.9	6.1	7.1
Margins (%)	16.9	18.2	18.7
Adj. PAT	0.5	1.1	1.6
Adj. EPS (INR)	1.4	3.5	5.1
EPS Gr. (%)	-11.4	139.6	47.3
BV/Sh.(INR)	43.1	46.6	51.7

Ratios

RoE (%)	3.4	7.7	10.4
RoCE (%)	5.3	7.6	9.1

Valuations

P/E (x)	220.1	91.9	62.4
P/BV (x)	7.4	6.8	6.2
EV/Sales (x)	3.4	2.9	2.5
Pre Ind-AS EV/EBITDA (x)	35.9	26.9	21.6

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	26.1	26.2	31.3
DII	38.3	37.1	31.7
FII	30.7	31.5	30.0
Others	4.9	5.2	7.0

FII includes depository receipts

- Sapphire Foods India (SAPPHIRE) reported revenue growth of 14% YoY (in line) in 3QFY25, driven by a 13% YoY increase in store count. KFC revenue grew 12% YoY, supported by 22% store expansion, though offset by a 3% decline in same-store sales (est. -3.5%). Pizza Hut (PH) revenue rose 10% YoY, with 6% new store additions and 5% SSSG (est. 4%). Sri Lanka posted strong revenue growth of 30% YoY (+15% in LKR), driven by 14% LKR SSSG and 5% store growth.
- Gross margin contracted 30bp YoY and 20bp QoQ to 68.6% (est. 68.8%). KFC's ROM was down 190bp YoY/up 170bp QoQ at 18.2%, impacted by operating deleverage. PH's ROM expanded 10bp YoY to 4.7%, and Sri Lanka's ROM improved 360bp YoY to 17.8%. Consolidated restaurant EBITDA pre-Ind-AS grew 9% YoY to INR1,164m (in line), though margins declined 60bp YoY to 15.4% (13.8% in 2QFY25). Pre-Ind-AS EBITDA rose 12% YoY to INR 811m, with a marginal 10bp contraction in margin to 10.7% (8.5% in 2QFY25).
- Underlying recovery was partial, while growth improvement was aided by a favorable base. Dine-in continued to underperform delivery. The company is focusing on innovation, customer engagement, and value offerings to drive recovery. Also, government measures for the middle class in the budget could support demand revival. However, ADS and SSSG recovery remain key monitorables, as they are critical to improving unit economics. We reiterate **our BUY rating on the stock with a TP of INR415 (30x Dec'26 pre-IND-AS EV/EBITDA)**.

In-line revenue; store addition continues

- **Double-digit revenue growth across business on favorable base:** Cons. sales grew 14% YoY to INR7.6b (inline). KFC revenue grew 12% YoY and same-store sales declined 3%. PH revenue grew 10% YoY with SSSG 5%. ADS of KFC was down 8% YoY at INR115k, while PH ADS improved 7% YoY to INR48k. Sri Lanka sales grew 30% YoY (+15% in LKR term) to INR1,159m and SSSG was 14%. ADS grew 27% YoY to INR103k.
- **Store addition continues:** Store growth was 13% YoY in 3Q to 963 stores. It added net 54 stores (35 KFC, 16 PH, 5 stores in Sri Lanka and closed 2 stores in Maldives).
- **Marginal improvement in margins:** Consolidated gross profit grew 13% YoY to INR5.2b. Consolidated GM contracted 30bp YoY and 20bp QoQ to 68.8%. Reported EBITDA improved 15% YoY to INR1.4b (est. INR1.3b) and margin expanded 20bp YoY and 240bp QoQ to 18.5% (est. 17.2%). EBITDA pre-Ind-AS rose 12% YoY and margins were flat YoY/up 220bp QoQ at 10.7%. Higher depreciation (up 15%) and lower other income missed PBT expectation. PBT grew 20% YoY to INR168m (est. INR238m) with margin of 2.2%. APAT grew 30% YoY to INR127m at 1.7% margin.
- In 9MFY25, net sales/EBITDA grew by 11%/5%, while APAT declined 48% YoY.

Highlights from the management commentary

- Competitive intensity across the QSR industry remains largely unchanged. The revision of tax slabs in the budget is a positive development for middle-class consumers. While the impact may not be immediate, it will be important to monitor how it influences consumer spending over time.
- Delivery continues to outperform for both KFC and PH. However, the company expects dine-in sales to improve in the medium term, supported by product innovations and customer engagement initiatives.
- The company estimates that KFC SSSG needs to exceed 5% for restaurant margins to expand beyond 18%. At 5% SSSG, margins are expected to remain stable at 18%.
- For PH, at ADS of INR47-48k, margins will remain stable. At ADS of INR50k, margins will grow to high single digits. To achieve double-digit margins, the company will need to reach an ADS target of INR55k.

Valuation and view

- There are no material changes to our revenue/EBITDA estimates for FY25/FY26.
- KFC's store addition will sustain in FY25, but PH's store addition will be muted as management aims to fix ADS and profitability snags for the current network.
- Underlying recovery was partial, while growth improvement was aided by a favorable base. Dine-in continued to underperform delivery. The company is focusing on innovation, customer engagement, and value offerings to drive recovery. Also, government measures for the middle class in the budget could support demand revival. However, ADS and SSSG recovery remain key monitorables, as they are critical to improving unit economics. The stock trades at 31x and 25x pre-Ind-AS EV/EBITDA on FY25E and FY26E, respectively. We reiterate **our BUY rating on the stock with a TP of INR415 (30x Dec'26 pre-IND-AS EV/EBITDA).**

Quarterly Performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE		
KFC - No. of stores	358	381	406	429	442	461	496	504	429	504	483	
PH - No. of stores	302	311	319	319	320	323	339	339	319	339	337	
KFC - SSSG (%)	0.0	0.0	-2.0	-3.0	-6.0	-8.0	-3.0	2.2	-1.0	-3.7	-3.5	
PH - SSSG (%)	-9.0	-20.0	-19.0	-15.0	-7.0	-3.0	5.0	7.0	-16.0	0.5	4.0	
Net Sales	6,544	6,426	6,656	6,317	7,183	6,957	7,565	7,351	25,943	29,056	7,506	0.8
YoY change (%)	19.8	14.2	11.6	12.7	9.8	8.3	13.7	16.4	14.5	12.0	12.8	
Gross Profit	4,483	4,417	4,583	4,351	4,927	4,786	5,189	4,993	17,834	19,882	5,166	0.4
Margin (%)	68.5	68.7	68.9	68.9	68.6	68.8	68.6	67.9	68.7	68.4	68.8	
EBITDA	1,214	1,151	1,217	1,029	1,242	1,120	1,398	1,154	4,613	4,914	1,290	8.4
EBITDA growth %	10.0	11.6	4.3	4.9	2.3	-2.7	14.9	12.1	7.7	6.5	6.0	
Margin (%)	18.6	17.9	18.3	16.3	17.3	16.1	18.5	15.7	17.8	16.9	17.2	
Depreciation	727	768	874	870	904	881	1,005	773	3,239	3,563	881	
Interest	226	245	263	275	273	271	275	279	1,009	1,098	272	
Other Income	75	75	60	124	53	85	50	174	334	361	100	
PBT	336	214	140	8	118	53	168	276	699	615	238	-29.2
Tax	88	62	42	-12	36	1	41	76	180	155	60	
Rate (%)	26.0	28.9	30.0	-143.0	30.8	2.2	24.3	27.7	25.7	25.2	25.2	
Adjusted PAT	249	152	98	20	82	52	127	199	520	460	178	-28.4
YoY change (%)	-34.8	-43.4	-69.9	-82.2	-67.1	-65.9	29.5	877.2	-52.4	-11.4	80.8	

E: MOFSL Estimates



Avalon Technologies

Estimate change	↑
TP change	↓
Rating change	↔

CMP: INR733 TP: INR1,000 (+36%) Buy

Broad-based growth across geographies

Earnings above our estimate

Bloomberg	AVALON IN
Equity Shares (m)	66
M.Cap.(INRb)/(USD\$)	48.5 / 0.6
52-Week Range (INR)	1074 / 425
1, 6, 12 Rel. Per (%)	-20/50/47
12M Avg Val (INR M)	327

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	10.6	14.4	19.1
EBITDA	1.1	1.7	2.4
Adj. PAT	0.6	1.1	1.6
EBITDA Margin (%)	10.0	12.0	12.6
Cons. Adj. EPS (INR)	9.5	16.8	25.0
EPS Gr. (%)	123.4	76.2	49.2
BV/Sh. (INR)	92.8	109.6	134.6

Ratios

Net D:E	(0.0)	(0.0)	(0.0)
RoE (%)	10.8	16.6	20.5
RoCE (%)	10.1	14.9	18.8

Valuations

P/E (x)	77.0	43.7	29.3
EV/EBITDA (x)	45.2	27.9	20.0

Shareholding Pattern (%)

As on	Dec-24	Sep-24	Dec-23
Promoter	50.6	50.7	51.0
DII	20.9	23.7	17.1
FII	5.4	3.0	5.7
Others	23.2	22.6	26.3

Note: FII includes depository receipts

- Avalon Technologies (AVALON) reported a strong quarter, with revenue growing 31% YoY in 3QFY25, fueled by a continued recovery in the US (+39% YoY) and consistent performance in the Indian business (+22% YoY). Operating profitability improved (+440bp) due to an increase in domestic manufacturing (88% vs. 77% in 3QFY24) and favorable operating leverage.
- The company is experiencing a strong business recovery in the US, expanding its presence in India, and gaining clients globally. This led to a healthy order book (INR27.1b). As a result, management raised its FY25 revenue growth guidance to 22-24% YoY (from 16-20%), with an expected gross margin of 33-36%. We anticipate a strong 4Q, with ~42% implied revenue growth and margin expansion driven by operating leverage.
- Factoring in the strong 3Q performance and positive growth outlook, we raise our EPS estimates for FY25/FY26 by 9%/6%, while largely retaining our FY27 estimates. **Reiterate BUY with a TP of INR1,000 (premised on 40x FY27E EPS).**

Healthy gross margin and operating leverage aid margin expansion

- Consolidated revenue grew 31% YoY to INR2.8b, driven by growth in both domestic (up 22% YoY due to traction in the industrials and clean energy business) and US (up 39% YoY due to recovery in the market and order flows from new and existing customers) operations.
- Consolidated EBITDA jumped 2.1x YoY to INR346m. Consolidated EBITDA margin expanded 460bp to 12.3% (+140bp QoQ) led by gross margin expansion (up by 30bps to 37.3%). Operating leverage played its role, with employee expense as a % of sales declining 370bp YoY to 17.6% and other expenses as a % of sales decreasing 50bp YoY to 7.4% in 3QFY25. The company reported an Adj. PAT of INR240m, up 3.6x YoY.
- The total order book stood at INR27.1b with the short-term order book (executable within 14 months) at INR15.95b (up 25%/7% YoY/QoQ) and the longer executable order book (from 14 months up to three years) at INR11.11b (up 32% YoY).
- Gross debt as of Dec'24 stood at INR1.6b vs. INR1.6b/INR1.1b as of Sep'24/Dec'23. Net working capital days increased to 150 from 134 days as of Sep'24, primarily led by higher receivable days (up 15 days).
- During 9MFY25, revenue/EBITDA/Adj. PAT increased 16%/55%/87% YoY at INR7.5b/INR691m/INR392m.

Highlights from the management commentary

- Guidance & outlook:** AVALON raised its FY25 revenue growth guidance to 22-24% (from 16-20%) and expects EBITDA margins to sustain over 12%. The gross margin is likely to be in the range of 33-35% going forward.

- **Business & market performance:** The company is progressing from prototyping to commercial production in industrial, automotive, and aerospace sectors with major US clients, where ramp-up is expected soon. Strong momentum in the US and key wins in India’s industrial, rail, and communications sectors reinforce its market strength.
- **Capex:** Phase 1 of the Chennai brownfield expansion is complete, with Phase 2 set to begin in the current quarter to meet the rising domestic demand. The company spent ~INR727m in 9MFY25.

Valuation and view

- With US operations now witnessing a healthy recovery and the Indian business experiencing growth, we expect AVALON’s revenue and profitability to experience healthy improvement going forward. We also believe the company’s long-term revenue trajectory will continue to be strong, backed by: 1) the addition of new customers in the US and Indian markets and 2) order inflows from high-growth/high-margin industries, such as Clean Energy, Mobility, and Industrials.
- We estimate AVALON to post a CAGR of 30%/57%/80% in revenue/EBITDA/adj. PAT over FY24-FY27 on account of strong growth and healthy order inflows.
Reiterate BUY with a TP of INR1,000 (premised on 40x FY27E EPS).

Consolidated - Quarterly performance

(INR m)

Y/E March	FY24				FY25				FY24	FY25E	FY25E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Gross Sales	2,351	2,010	2,143	2,168	1,995	2,750	2,809	3,079	8,672	10,632	2,786	1
YoY Change (%)	19.9	-17.9	-7.9	-20.2	-15.2	36.8	31.1	42.0	-8.2	22.6	30.0	
Total Expenditure	2,189	1,884	1,977	1,996	1,951	2,449	2,462	2,706	8,046	9,568	2,464	
EBITDA	162	126	165	172	44	301	346	372	626	1,064	322	8
Margins (%)	6.9	6.3	7.7	7.9	2.2	11.0	12.3	12.1	7.2	10.0	11.5	
Depreciation	53	55	60	61	66	69	74	78	229	286	70	
Interest	56	32	36	39	42	37	45	35	164	160	28	
Other Income	51	47	22	28	44	39	100	63	148	246	55	
PBT before EO expense	105	86	91	99	-20	234	327	322	381	864	279	
PBT	105	86	91	99	-20	234	327	322	381	864	279	
Tax	34	13	25	29	3	60	87	89	101	238	77	
Rate (%)	32.4	15.2	27.5	29.0	-14.5	25.4	26.7	27.5	26.5	27.6	27.5	
Reported PAT	71	73	66	71	-23	175	240	234	280	625	202	
Adj PAT	71	73	66	71	-23	175	240	234	280	625	202	19
YoY Change (%)	-23.9	-50.7	14.7	-68.9	NA	140.1	264.7	231.0	-46.7	123.4	207.2	
Margins (%)	3.0	3.6	3.1	3.3	-1.2	6.4	8.5	7.6	3.2	5.9	7.3	



VRL Logistics

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR520 TP: INR670 (+29%) Buy

Revenue in line; lower fuel costs drive EBITDA beat

Network expansion to drive volumes; strong margins to sustain

Bloomberg	VRL IN
Equity Shares (m)	87
M.Cap.(INRb)/(USDb)	45.5 / 0.5
52-Week Range (INR)	718 / 432
1, 6, 12 Rel. Per (%)	3/-1/-32
12M Avg Val (INR M)	85

Financial Snapshot (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	32.0	34.9	38.8
EBITDA	5.4	6.0	6.6
Adj. PAT	1.6	2.0	2.3
EBITDA Margin (%)	16.8	17.2	17.0
Adj. EPS (INR)	18.2	22.4	25.8
EPS Gr. (%)	79.7	23.2	14.9
BV/Sh. (INR)	116.3	126.8	138.5

Ratios

Net D:E	0.4	0.2	0.0
RoE (%)	16.2	18.5	19.4
RoCE (%)	15.4	16.3	18.3
Payout (%)	54.9	53.5	54.3

Valuations

P/E (x)	28.6	23.2	20.2
P/BV (x)	4.5	4.1	3.8
EV/EBITDA(x)	9.1	7.9	6.9
Div. Yield (%)	1.9	2.3	2.7
FCF Yield (%)	0.2	7.6	7.7

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	60.2	60.2	60.2
DII	25.6	25.5	28.1
FII	3.6	3.9	2.5
Others	10.6	10.4	9.1

FII includes depository receipts

- VRL Logistics (VRLL)'s 3QFY25 revenue grew 12% YoY (+3% QoQ) to ~INR8.3b (in line). Volumes inched up 1% YoY to 1.1m tons, while realizations improved 11% YoY. Realization per ton increased to INR7,390 vs. INR6,669 in 3QFY24 and INR7,241 in 2QFY25. This higher realization, coupled with 1% YoY growth in volumes, played a key role in driving revenue growth.
- EBITDA margin stood at 20.2% vs. our estimate of 16.2%. The margins were supported by the price hikes implemented at the end of 1QFY25. Further, the fuel costs as a % of revenue declined as the company procured more from refineries (from 22% in 3QFY24 to 40% in 3QFY25). Further, the lorry hire charges as a % of revenue declined due to an improvement in km run by VRL-owned vehicles.
- EBITDA jumped 76% YoY to INR1.7b in 3QFY25 (26% above our estimate). Strong operating performance led to an increase in APAT to INR594m in 3QFY25 from INR 137m in 3QFY24 (our estimate was INR419m).
- Capex in 3QFY25 stood at INR2.8b, including the Bangalore Hub. Net debt rose to INR4.65b at the end of Dec'24 (INR2.6b at FY24 end).
- VRLL's strong 3QFY25 performance was driven by cost optimization and freight rate hikes, despite muted volume growth. EBITDA margins are expected to be sustained at 18%, supported by efficiencies in fuel procurement and fleet movement. The company plans to reduce debt using its ~INR1b quarterly operating cash flow generation, expand its fleet by ~200 vehicles, and add 80-100 new branches in FY26 to strengthen its logistics network.
- Factoring in better-than-expected margins with sustainable cost optimization measures, we increase our near-term FY25 EBITDA/APAT estimates by ~9%/14% while largely retaining EPS estimates for FY26/FY27. **We expect VRLL to clock a CAGR of 6%/10%/19%/36% in volume/revenue/EBITDA/PAT over FY24-27. We reiterate our BUY rating with a TP of INR670 (based on 28x Sep'26 EPS).**

Highlights from the management commentary

- VRLL achieved its highest-ever EBITDA margin of 20.2% in 3Q, primarily driven by lower fuel costs due to increased bulk fuel purchases from refineries, lower fuel prices, and enhanced vehicle turnaround times. Lower fuel cost was despite higher fuel consumption during the quarter, which increased by 3.4% YoY in 3Q and 4.9% in 9MFY25. The share of bulk fuel purchases from refineries rose from ~22% to 39.9% in 3Q and from 27.9% to 36.3% for 9MFY25.

- The company incurred a capex of INR2.8b in 3QFY25 and INR3.95b in 9MFY25, with major investments in property acquisitions in Bengaluru, Mysuru, and Mangaluru. Due to these investments, net debt increased from INR2.6b in Mar'24 to INR4.7b in Dec'24.
- In FY26, VRL anticipates overall revenue growth of 12-13%, with a more balanced volume growth pattern likely to emerge after 1QFY26. Beyond 1QFY26, volume growth is expected to return to 8-10%.
- Management expects to sustain EBITDA margins at around 18% in FY26, along with projected revenue growth of 12-13%. VRL will also continue to focus on bulk fuel purchases, which currently provide a cost advantage of INR5-6 per liter.

Valuation and view

- VRL's 3QFY25 performance was robust, driven by price hikes, while volumes remained muted. Looking ahead, the company expects its focus on branch expansion to continue, which should drive its volume growth through market share gains. Sustaining the margin profile would be a key monitorable ahead.
- **We expect VRL to clock a CAGR of 6%/10%/15%/37% in volume/revenue/EBITDA/PAT over FY24-27. We reiterate our BUY rating with a revised TP of INR670 (based on 28x Sep'26 EPS).**

Quarterly performance

Y/E March (INR m)	INR m											
	FY24				FY25E				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE	vs Est	
Net Sales	6,742	7,093	7,367	7,684	7,272	7,995	8,252	8,530	28,886	32,049	8,182	1
YoY Change (%)	9.7	8.4	8.1	10.1	7.9	12.7	12.0	11.0	9.1	11.0	11.1	
EBITDA	1,019	918	944	1,053	869	1,331	1,664	1,518	3,935	5,382	1,325	26
Margins (%)	15.1	12.9	12.8	13.7	11.9	16.6	20.2	17.8	13.6	16.8	16.2	
YoY Change (%)	11.7	-1.3	-8.6	-7.7	-14.7	44.9	76.3	44.1	-2.0	36.8	40.4	
Depreciation	489	522	568	583	615	638	646	694	2,162	2,593	640	
Interest	163	185	213	218	226	224	241	237	779	928	205	
Other Income	89	60	24	38	148	25	57	87	211	316	80	
PBT before EO expense	456	271	187	291	176	493	835	674	1,205	2,178	560	
Extra-Ord expense	0	-3	0	0	0	0	0	0	-3	0	0	
PBT	456	274	187	291	176	493	835	674	1,208	2,178	560	
Tax	117	77	50	76	42	135	240	169	319	586	141	
Rate (%)	25.6	28.0	26.9	26.0	23.6	27.3	28.8	25.1	26.4	26.9	25.2	
Reported PAT	339	197	137	215	134	358	594	505	889	1,592	419	
Adj PAT	339	194	137	215	134	358	594	505	886	1,592	419	42
YoY Change (%)	-7.5	-36.7	-63.7	-64.7	-60.4	84.4	333.9	134.3	-46.7	79.7	205.8	
Margins (%)	5.0	2.7	1.9	2.8	1.8	4.5	7.2	5.9	3.1	5.0	5.1	



TCI Express

ESTIMATE CHANGE

TP change

Rating change



Stock Info

Bloomberg	TCIEXP IN
Equity Shares (m)	38
M.Cap.(INRb)/(USDb)	30.6 / 0.3
52-Week Range (INR)	1363 / 721
1, 6, 12 Rel. Per (%)	-2/-28/-48
12M Avg Val (INR m)	67

Financials Snapshot (INR b)

Y/E March	2025E	2026E	2027E
Net Sales	12.1	13.3	15.0
EBITDA	1.3	1.8	2.1
Adj. PAT	0.9	1.2	1.5
EBITDA Margin (%)	10.7	13.2	14.2
Adj. EPS (INR)	22.8	31.7	38.3
EPS Gr. (%)	-33.6	38.9	20.9
BV/Sh. (INR)	199	222	253

Ratios

Net D/E (x)	0.0	0.0	0.0
RoE (%)	11.9	15.1	16.1
RoCE (%)	11.8	14.9	15.9
Payout (%)	35.0	25.2	20.9

Valuations

P/E (x)	35.0	25.2	20.9
P/BV (x)	4.0	3.6	3.2
EV/EBITDA (x)	23.5	17.3	14.3
Div. Yield (%)	1.0	1.0	1.0
FCF Yield (%)	0.5	0.8	1.1

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	69.5	69.5	69.6
DII	9.7	10.1	8.4
FII	0.9	1.7	2.9
Others	19.8	18.6	19.1

FII includes depository receipts

CMP: INR798

TP: INR785 (-2%)

Neutral

Weak volumes, especially from SME customers, continue to hurt margin and profitability

- TCI Express (TCIE)'s 3QFY25 revenue decreased 5% YoY to ~INR3b (10% below our estimate), while volumes declined 3% YoY. Volumes were hit by slower growth in the manufacturing, automobiles, and consumer durables sectors. The quarter also saw several challenges, including higher costs from multimodal enhancements and the impact of high inflation on customers.
- Volumes stood at 0.24m tons (-3% YoY), while realization was INR12,226 per ton (down 2% YoY). EBITDA came in at INR289m, with a margin of 9.8% (vs. our estimate of 12.1%). TCIE faced cost pressures in its Air Express division along with slower growth in key sectors, thereby adversely impacting the business. In line with weak operating performance, TCIE's APAT dipped 40% YoY to INR192m (our est. at INR268m).
- During 9MFY25, revenue stood at INR9b (-4% YoY), EBITDA at INR 984m (-31% YoY), EBITDA margin came in at 10.9%, and APAT was INR667m (-33% YoY).
- The company expanded its Rail Express services and automated sorting centers to improve efficiency. Despite industry challenges, Jan'25 witnessed a volume recovery. TCIE plans to expand its branch network and invest INR5b in automation and infrastructure by FY27. The multimodal express segment is expected to contribute 20-22% of revenue, with long-term growth outpacing real GDP.
- Weak volume growth, particularly from MSME customers, coupled with higher costs, contributed to a weak performance in 3Q. Near-term challenges include slow volume growth and the inability to pass on price hikes to SME customers. We cut our EBITDA/PAT estimates for FY25 by 14% each to incorporate the weak 9M FY25 performance. We also reduce our EBITDA/PAT estimates for FY26 by 17% each and for FY27 by 14% each, given the industry headwinds. We expect TCIE to clock a 4% volume CAGR and 6%/4% revenue/EBITDA CAGR over FY24-27. **We reiterate our Neutral stance on the stock with a revised TP of INR785 (based on 22x Sep-26E EPS).**

Highlights from the management commentary

- Volumes in 3QFY25 stood at 0.24m tons (down 3% YoY). Lower-than-expected demand in key sectors such as automobiles and consumer goods contributed to softer volumes. The rise in transportation costs, driven by increased expenses for labor, tolls, insurance, and driver shortages, further impacted profitability.
- While branch network expansion has been relatively moderate due to subdued SME demand, TCIE plans to add 50-75 branches in FY26 and 75-100 new branches in FY27 to support future growth. The company's overall service contribution currently stands at 17-18% from new services, while Surface Express remains the primary revenue driver.
- The multimodal express segment is expected to contribute 20-22% of total revenue over the next 2-3 years, enhancing the company's overall competitiveness.

Valuation and view

- Volume growth has been muted in 9MFY25 due to slower growth in the manufacturing, automobiles, and consumer durables sectors. Management remains cautious on future growth owing to the industry-level weakness.
- We expect TCIE to clock a 4% volume CAGR and 6%/4% revenue/EBITDA CAGR over FY24-27. **TCIE has struggled to generate volumes, which has adversely affected growth and margins. Volume growth is likely to remain muted in the near to medium term. We reiterate the stock to Neutral with a revised TP of INR785 (based on 22x Sep-26 EPS).**

Quarterly snapshot

	FY24				FY25E				FY24	FY25E	FY25	INR m
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Var. vs Est
Net Sales	3,049	3,200	3,119	3,171	2,930	3,115	2,965	3,099	12,538	12,109	3,292	(10)
YoY Change (%)	5.0	3.3	-0.8	-2.8	-3.9	-2.6	-4.9	-2.3	1.0	-3.4	5.6	
EBITDA	464	505	456	448	327	368	289	313	1,872	1,297	398	(27)
Margins (%)	15.2	15.8	14.6	14.1	11.2	11.8	9.8	10.1	14.9	10.7	12.1	
YoY Change (%)	8.4	-2.0	-1.1	-17.2	-29.4	-27.1	-36.6	-30.2	-3.7	-30.7	-12.6	
Depreciation	46	47	48	49	51	51	53	58	190	213	55	
Interest	4	4	3	4	3	3	3	3	15	12	4	
Other Income	15	18	20	19	23	25	26	23	72	97	19	
PBT before EO expense	429	472	424	415	297	338	259	275	1,740	1,169	359	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	429	472	424	415	297	338	259	275	1,740	1,169	359	
Tax	105	116	103	99	74	87	67	67	423	294	91	
Rate (%)	24.6	24.5	24.2	23.9	24.8	25.6	26.0	24.3	24.3	25.2	25.2	
Reported PAT	323	356	322	316	223	252	192	208	1,317	875	268	(28)
Adj PAT	323	356	322	316	223	252	192	208	1,317	875	268	(28)
YoY Change (%)	4.3	-5.8	0.5	-17.8	-31.0	-29.3	-40.4	-34.1	-5.4	-33.6	-16.7	
Margins (%)	10.6	11.1	10.3	10.0	7.6	8.1	6.5	6.7	10.5	7.2	8.1	



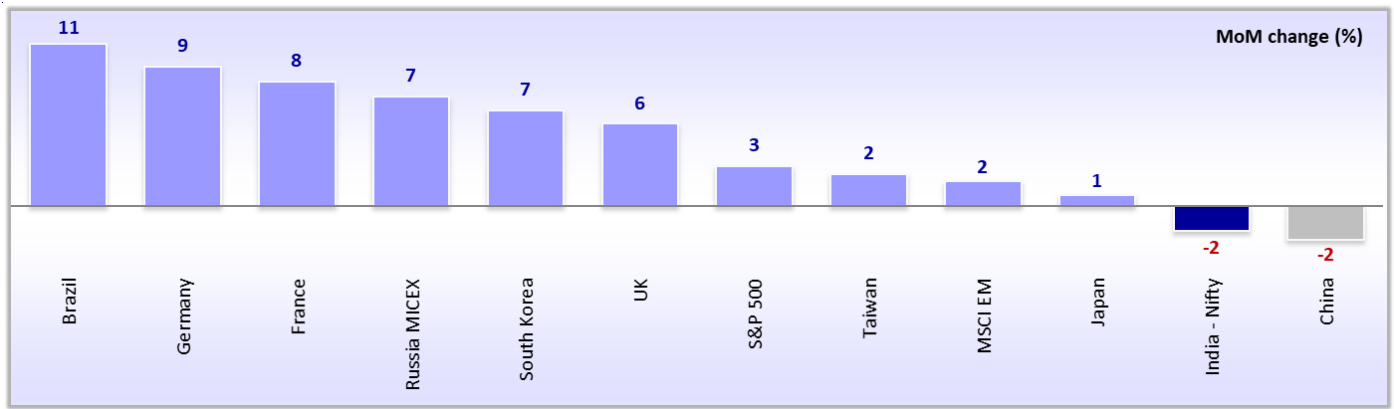
Strategy

INDIA STRATEGY – Feb’25 (The Eagle Eye): Indian markets lag peers amid weak earnings and FII selling

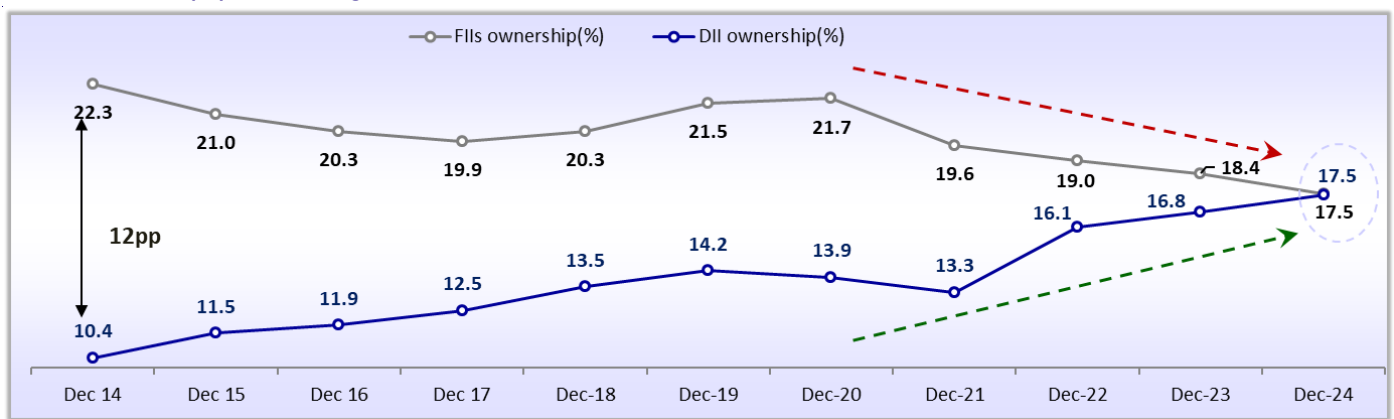
The key highlights of the 'The Eagle Eye' are as follows:

- India and China underperform global equity markets in Jan’25; b) MSCI India underperforms global indices and remains nearly flat in the past one year; c) India market had a weak start to CY25 with most sectoral indices reporting a decline MoM; d) Sharp decline in SMIDs; e) About 70% of the Nifty-50 and Nifty-500 companies ended in red since Jul’24 Budget, f) SMIDs’ valuations have expanded materially; g) DII inflows during CY21-25YTD touch USD140b, while FII flows remain flat; h) DII vs. FII ownership spread converged to an all-time low; i) The fiscal kicker to weak consumption; j) FY25/FY26 earnings estimates cut by 9%/7% for MOFSL Universe.
- Notable Published reports in Jan’25: a) Union Budget 2025-26: Focus shifts from capex to consumption and savings; b) Interim review: In line with modest expectations; c) A decadal Budget precap| 10-year holistic view: Balancing prudence, growth, and populism; d) Top ideas of CY25.

CY25YTD performance of global equity indices in USD terms (%)



DII vs. FII ownership spread converged as of Dec’24



Bharti Airtel

BSE SENSEX
78,058S&P CNX
23,603

CMP: INR1,620

Buy

Conference Call Details

Date: 07th Feb 2025

Time: 14:30 hours IST

Financial Valuations (INR b)

INRb	FY24	FY25E	FY26E
Net Sales	1,500	1,747	2,060
EBITDA	783	985	1,183
Adj. PAT	113	224	280
EBITDA Margin (%)	52.2	56.4	57.4
Adj. EPS (INR)	19.7	38.9	46.3
EPS Gr. (%)	37	98	19
BV/Sh. (INR)	147	167	218

Ratios

Net D:E	2.4	1.8	0.9
RoE (%)	14.2	25.5	26.0
RoCE (%)	9.6	14.3	15.6
Div. Payout (%)	61.6	38.8	54.0

Valuations

EV/EBITDA (x)	14.6	11.2	9.3
P/E (x)	82	42	35
P/BV (x)	11.0	9.7	7.4

Strong 3Q with continued market share gains in the India Wireless business

- Overall Bharti reported another strong quarter with further ~6%/9% QoQ increase in India wireless revenue and EBITDA driven by residual flow through of recent tariff hikes and ~90% incremental margins.
- Similar to 2Q, Bharti continued to be the biggest beneficiary of the tariff hikes. We note Bharti's India wireless EBITDA is now largely similar to RJio's reported EBITDA, which also includes the contribution from Home Broadband business.
- Consolidated revenue at INR451b (+9% QoQ, +19% YoY) was 1% above our estimates, due to slightly better performance in the India Wireless and Africa businesses.
- India revenue (excluding Indus) at INR331b (+5% QoQ, 19% YoY) was ~1% above our estimate driven by the continued benefits of tariff hikes in India Wireless.
- Consolidated EBITDA at INR246b (13% QoQ, 24% YoY) was largely in line with our estimate, as better incremental margins in the India Wireless business were offset by a lower-than-estimated net contribution from Indus.
- India EBITDA (excluding Indus) at INR186b (+8% QoQ, +24% YoY) was ~2% above our estimate, primarily due to better-than-expected margin expansion in the India Wireless business.
- Reported EBITDA margin expanded ~180bp QoQ to 54.5% (+220bp YoY) but was ~70bp below our estimate, primarily due to Indus' accounting.
- Reported PBT (before the share of JVs) at INR77b (+35% QoQ, 2.17x YoY) was in line with our estimate as higher D&A (~1% ahead) was offset by lower net finance cost (~1% lower).
- Reported attributable PAT at INR148b was significantly above our estimate on account of exceptional gains on Indus consolidation.
- Adjusted for many exceptional items, PAT at INR55b (+41% QoQ, +2.2x YoY) was 11% higher than our estimate of ~INR49.5b.
- Bharti's 3QFY25 consolidated financials are not strictly comparable on a QoQ and YoY basis, as Bharti consolidated Indus Towers (Indus) from mid-November 2024.*

Leverage moderates sharply with Indus consolidation; FCF generation (excl. spectrum prepayments) improves further

- Consolidated capex rose ~19% QoQ to INR92b (-1% YoY) on account of the Indus consolidation and a pick-up in capex in the India Wireless and Homes businesses. India capex (ex-Indus) was up ~10% QoQ (-12% YoY) and ~9% below our estimate.
- Bharti's consolidated free cash flow (after leases and interest payments, but excluding INR36b spectrum prepayments) improved further to INR126b (vs. INR98b QoQ) on account of improvement in operational cash flows (INR29b) from the Indus consolidation and tariff hikes in India Wireless.

- The company's consolidated net debt (ex-leases) declined ~INR74b QoQ to INR1.341t (by INR110b QoQ on a like-for-like basis). Including the impact of leases, Bharti's consolidated net debt declined by a sharp ~INR236b QoQ to INR1.97t (declined INR90b QoQ on a like for like basis), driven by the consolidation of Indus Towers.
- Bharti's consolidated net debt (including leases) to EBITDA (annualized) declined sharply to 1.7x (vs. 2.56x QoQ and 2x on a like for like basis). India SA's net debt-to-EBITDA moderated sharply to 1.58x (vs. 2.56x QoQ and 1.95x on a like for like basis).

India Wireless continues to outperform RJio on most metrics

- Driven by the residual benefits of tariff hikes, Bharti's India Wireless ARPU at INR245 (+18% YoY) improved ~5% QoQ (vs. +4% QoQ for RJio) and was broadly in line with our estimate of INR244.
- Bharti reported 4.9m paying net adds (vs. 2.9m declines QoQ, ~1.3m wireless net adds for RJio), which was better than our estimate of ~2.8m net adds.
- The subscriber mix continued to improve with 0.6m postpaid net adds (+2% QoQ, 13% YoY). Additionally, Bharti's 4G/5G net adds improved to ~6.5m (vs. ~4.2m 4G net adds QoQ).
- Bharti's India Wireless revenue was up 6% QoQ (vs. 3.4% QoQ for RJio, including FTTH) to INR261b (+21% YoY, 1% beat).
- India Wireless' EBITDA was up 9% QoQ (vs. 3% QoQ for RJio, including FTTH) to INR151b (30% YoY) and was ~2% ahead of our estimates.
- Reported wireless EBITDA margin was up ~180bp QoQ to 58.8% (+375bp YoY, vs. ~25bp QoQ decline for RJio at 52.8%) and was 90bp ahead of our estimate.
- Incremental margin came in at ~90% (vs. 71% in 2QFY25 and ~46% for RJio).
- India Wireless capex was up ~9% QoQ to INR43.5b (still -34% YoY) and was ~13% below our estimate.

Homes: Robust subscriber additions offset by continued ARPU declines

- Bharti's Homes BB net adds remained robust at ~555k net adds (vs. 580k QoQ, but lower than our estimate of ~800k net adds), reaching ~9.2m subs (27% YoY), likely driven by the ramp-up of FWA services.
- Reported ARPU further declined ~2% QoQ to INR554/month (-5% YoY, 1% below).
- Homes revenue was up 5% QoQ to INR15.8b (+19% YoY), but was ~5% below our estimate. Homes EBITDA at INR7.5b (+4% QoQ, 17% YoY) was also ~5% below our estimate.
- EBITDA margins contracted ~85bp QoQ to 49.5% (-75 bp YoY) and were ~15bp below our estimate.
- Capex in the Homes Business increased ~21% QoQ to INR11.4b (+46% YoY, though 7% lower than our estimate), likely due to the ramp-up of FWA offerings.

Other businesses: Strong growth in Africa; better show from DTH; Enterprise growth moderates

- Airtel Business (Enterprise) revenue at INR57b (9% YoY, flat QoQ) was in line with our estimate, while EBITDA at INR19.8b (-4% YoY, -2% QoQ) was ~1% above our estimate. EBITDA margins moderated further by ~60bp QoQ to 35.2% (vs.

our estimate of 34.7% and 39.7% YoY) due to the rising share of lower margin adjacencies. Capex for the Airtel business was up 6% YoY to INR9b (+1% QoQ, inline).

- Airtel DTH's revenue at INR7.6b (flat QoQ, -3% YoY) was 2% above our estimate, largely due to a better ARPU at INR160 (+1% QoQ, -2% YoY, our estimate of INR158). Subscriber trends slightly improved with 29k net adds (vs. our estimate of 50k decline and 546k net declines in 2QFY25). DTH EBITDA at INR4.4b (+4% QoQ, +3% YoY) was ~9% above, as margins expanded ~225bp QoQ to 58.2% (~340bp better vs. our estimate).
- Airtel Africa (AAF) continued to report strong double-digit YoY constant currency growth. Its reported revenue (in rupee terms) was up ~5% QoQ (4% above), while EBITDA was up ~6% QoQ (and was ~4% above our estimate).

Other highlights: Customer engagement remains healthy

- Data volume for the India Wireless business was up 2% QoQ (vs. 3% QoQ in 2QFY25, +3% QoQ for RJio including FTTH), while data usage per sub improved to 24.5GB/month (vs. 23.9GB QoQ, 32.3GB/month reported by RJio, including FTTH).
- Voice usage on the network in India Wireless was up 3% QoQ (vs. flat QoQ in 2QFY25 and +3% QoQ for RJio), with Minute of Usage (MoU) per subscriber improving to 1,160 mins (vs. 1,133 mins in 2QFY25 and 1,013 mins for RJio).
- Bharti added further ~5.2k towers QoQ (vs. 5k in 2QFY25), bringing the total tower count to ~335k. Driven by tariff hikes, revenue per site improved further by ~4% QoQ to INR262k/month (+10% YoY).

Consolidated results

	3QFY24	2QFY25	3QFY25	YoY	QoQ	3QFY25E	vs est
Revenues	3,78,995	4,14,733	4,51,293	19.1	8.8	4,45,159	1.4
Access charges	18,568	18,211	19,636	5.8	7.8	18,570	5.7
License and spectrum fee	30,205	34,658	35,698	18.2	3.0	35,713	(0.0)
Network operating costs	75,926	80,115	86,267	13.6	7.7	80,833	6.7
Employee costs	13,230	14,966	16,082	21.6	7.5	15,100	6.5
SG&A expenses	42,918	48,321	47,644	11.0	(1.4)	49,273	(3.3)
Total costs	1,80,847	1,96,271	2,05,327	13.5	4.6	1,99,488	2.9
EBITDA	1,98,148	2,18,462	2,45,966	24.1	12.6	2,45,671	0.1
EBITDA margin (%)	52.3	52.7	54.5	222 bps	183 bps	55.2	(68)bps
Depreciation and amortization	1,00,743	1,10,000	1,17,042	16.2	6.4	1,16,050	0.9
EBIT	97,405	1,08,462	1,28,924	32.4	18.9	1,29,621	(0.5)
EBIT margin (%)	25.7	26.2	28.6	287 bps	242 bps	29.1	(55)bps
Net finance cost	62,051	51,690	52,058	(16.1)	0.7	52,822	(1.4)
PBT	35,354	56,772	76,866	117.4	35.4	76,799	0.1
Tax provision	12,320	17,440	7,573	(38.5)	(56.6)	22,272	(66.0)
PAT before minority interest	23,034	39,332	69,293	200.8	76.2	54,528	27.1
Share of associates / JVs	7,032	10,739	16,597	136.0	54.5	3,641	355.9
Minority interest	4,342	5,602	13,534	211.7	141.6	8,668	56.1
Extraordinary items	1,302	8,537	(75,456)			-	
Reported net income	24,422	35,932	1,47,812	505.2	311.4	49,501	198.6
Adjusted net income	24,917	39,115	55,142	121.3	41.0	49,501	11.4
Reported EPS (Rs)	4.3	6.2	25.5	495.2	311.3	8.6	198.6
Adjusted EPS (Rs)	4.4	6.8	9.5	117.6	41.0	8.6	11.4

Net debt trends

	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Debt and cash trends								
Reported gross debt	1,655	1,660	1,578	1,588	1,520	1,415	1,465	1,418
LT debt	401	395	333	332	276	195	197	208
ST debt (inc. current maturities)	135	128	162	161	204	253	291	265
Deferred payment liabilities	1,119	1,138	1,084	1,095	1,040	968	977	944
Cash and Cash Equivalents	128	172	103	164	110	64	54	81
Net Debt excluding Lease Obligations	1,527	1,488	1,475	1,424	1,410	1,351	1,410	1,337
Lease obligation	605	589	596	597	637	675	792	629
Net Debt including Lease Obligations	2,131	2,077	2,070	2,021	2,046	2,026	2,202	1,966
Net debt (including leases) to EBITDA	2.83	2.63	2.63	2.52	2.61	2.54	2.50	1.69

FCF (post interest and leases) trends

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	9MFY25	FY2024	FY2023	FY2022
Cashflow from operations	208	191	214	175	218	249	257	725	789	653	550
Lease payments	(20)	(21)	(20)	(18)	(18)	(20)	(16)	(54)	(79)	(76)	(76)
Capex in tangible assets	(91)	(97)	(99)	(94)	(99)	(96)	(84)	(278)	(381)	(260)	(251)
Capex in intangible assets	(13)	(44)	(4)	(80)	(71)	(57)	(35)	(162)	(140)	(129)	(183)
Paid finance cost	(23)	(55)	(23)	(39)	(42)	(64)	(33)	(138)	(140)	(67)	(132)
FCF, post lease and interest payment	62	(25)	69	(56)	(12)	14	90	92	49	122	(92)
Spectrum prepayments	-	80	-	83	79	85	36	200	163	88	243
Adjusted FCF post leases and interest	62	55	69	27	68	98	126	292	213	210	152

Segment result

	3QFY24	2QFY25	3QFY25	YoY	QoQ	3QFY25E	vs est
Segmental revenue (INR b)							
India	278	316	331	18.9	4.8	329	0.7
Wireless	216	248	263	21.4	5.8	261	0.8
Homes	12.7	14.3	15.1	18.7	5.4	15.8	(4.7)
DTH	7.8	7.6	7.6	(2.9)	0.3	7.4	2.2
Airtel Business	52	57	56	8.7	(0.2)	57	(0.3)
Passive Infra			75			16	
Africa	103	102	107	3.9	5.3	103	4.0
Consolidated	379	415	451	19.1	8.8	445	1.4
Eliminations	(14)	(14)	(73)			(14)	
Segmental EBITDA (INR b)							
India	150	173	186	23.9	7.5	182	2.1
Wireless	119	142	155	29.6	9.1	151	2.4
Homes	6.4	7.2	7.5	16.9	3.6	7.9	(5.0)
DTH	4.3	4.2	4.4	3.3	4.3	4.1	8.6
Airtel Business	21	20	20	(3.8)	(1.8)	20	1.1
Passive Infra			71			17	
Africa	51	47	50	(0.6)	6.4	48	4.5
Consolidated	198	218	246	24.1	12.6	246	0.1
Eliminations	(3)	(2)	(61)			(2)	
Segmental EBITDA margin (%)							
India	53.9	54.8	56.2	226.3	140.1	55.4	77.5
Wireless	55.1	57.1	58.8	373.6	178.5	57.9	89.5
Homes	50.2	50.3	49.5	(72.9)	(83.3)	49.6	(13.0)
DTH	54.7	55.9	58.2	349.4	223.8	54.7	342.3
Airtel Business	39.7	35.7	35.2	(455.3)	(58.1)	34.7	47.3
Passive Infra			93.8			102.9	
Africa	49.1	46.5	47.0	(214.0)	49.0	46.8	22.6
Consolidated	52.3	52.7	54.5	222.0	182.7	55.2	(68.5)
Segmental capex (INR b)							
India	78	63	69	(11.5)	9.6	75	(9.0)
Wireless	57	40	44	(24.3)	9.1	50	(13.0)
Homes	7.8	9.5	11.4	45.9	20.5	12.3	(7.0)
DTH	3.7	4.3	4.6	24.5	8.8	4.1	13.0
Airtel Business	9	9	9	6.2	0.8	9	0.3
Passive Infra			12			10	
Africa	15	14	12	(22.0)	(16.5)	15	(20.6)
Consolidated	93	77	92	(1.2)	19.4	101	(9.0)

Key performance indicators

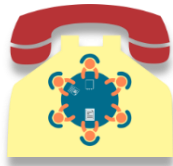
	3QFY24	2QFY25	3QFY25	YoY	QoQ	3QFY25E	vs est.
Operating metrics							
India wireless							
Wireless ARPU	208	233	245	18.0	5.3	244	0.5
EoP reported subs (m)	345.6	351.6	356.6	3.2	1.4	354.4	0.6
Net adds (m)	3.3	(2.9)	4.9			2.8	
EoP prepaid subs	323.2	327.0	331.3	2.5	1.3	329.0	0.7
EoP post paid subs	22.3	24.7	25.3	13.1	2.4	25.4	(0.6)
EoP data subs (m)	253.2	271.2	277.6	9.7	2.4	277	0.34
Data net adds (m)	7.3	4.0	6.4			5.5	
Data subs proportion (%)	73.3	77.1	77.8	459 bps	73 bps	78.1	(22)bps
EoP 4G subs (m)	244.9	263.6	270.2	10.3	2.5	270	0.01
4G net adds (m)	7.4	4.2	6.5			6.5	
Data volume (b MBs)	16,770	19,775	20,659	23.2	4.5	20,543	0.6
Data usage per data sub (GB/month)	22.0	23.9	24.5	11.6	2.5	24.4	0.4
Average data realization (Rs/GB)	13.1	12.8	12.9	(1.2)	1.4	12.9	0.4
Voice usage on network (b mins)	1,161	1,200	1,233	6.2	2.8	1,213	1.7
Minute of usage per sub (min/month)	1,125	1,133	1,161	3.2	2.5	1,145	1.4
Network towers ('000)	307.7	329.5	334.8	8.8	1.6	335.5	(0.2)
MBB sites ('000)	905.6	962.6	978.8	8.1	1.7	974.6	0.4
Revenue per tower (Rs/month)	2,36,817	2,51,029	2,61,698	10.5	4.2	2,59,015	1.0
Homes							
Cities covered (#)	1,267	1,345	1,427	12.6	6.1		
Reported ARPU (Rs/month)	583	566	554	(4.9)	(2.1)	560	(1.0)
Calculated ARPU (Rs/month)	596	578	566	(5.1)	(2.1)	572	(1.1)
EoP reported subs (m)	7.3	8.6	9.2	26.6	7.9	8.8	5.4
Net adds ('000)	359	583	674			200	
DTH*							
ARPU (Rs/month)	163	158	160	(2.1)	1.1	157	1.4
EoP active DTH subs (m)	16.1	15.8	15.8	(1.9)	0.2	15.7	0.5
Net adds ('000)	387.7	(546.3)	28.6			(50.0)	
Airtel Business							
M2M subs (m)	25.9	28.4	30.1	16.0	5.8		
Net adds ('000)	3,500	155	1,655				
Airtel Africa							
Reported ARPU (US\$)	2.6	2.3	2.4	(7.3)	1.9	2.6	(7.0)
EoP subscriber base (m)	151.2	156.6	163.1	7.9	4.1	159.1	2.5
Net adds (m)	3.5	1.2	6.5			2.5	
EoP data subscriber base (m)	62.7	66.0	71.4	13.8	8.2		
Net adds (m)	2.9	1.6	5.4				
Data subs proportion (%)	41.5	42.1	43.8	229 bps	164 bps		
EoP mobile money subs base (m)	37.5	41.5	44.3	18.3	6.9		
Net adds (m)	0.9	2.0	2.9				

Britannia Industries

BSE SENSEX 78,058
S&P CNX 23,603

CMP: INR4,969

Conference Call Details



Date: 7nd February

2025

Time: 12:00 PM

Dial-in details:

+91 22 6280 1313 /

+91 22 7115 8214

[Diamond Pass](#)

Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	179.0	196.5	216.1
Sales Gr. (%)	6.7	9.8	9.9
EBITDA	31.5	35.8	39.8
EBITDA mrg. (%)	17.6	18.2	18.4
Adj. PAT	22.0	25.3	28.5
Adj. EPS (INR)	91.3	105.0	118.3
EPS Gr. (%)	2.9	15.0	12.7
BV/Sh.(INR)	179.1	206.2	244.7
Ratios			
RoE (%)	53.3	54.5	52.5
RoCE (%)	35.1	38.3	39.0
Payout (%)	82.7	73.8	67.2
Valuation			
P/E (x)	54.4	47.3	42.0
P/BV (x)	27.7	24.1	20.3
EV/EBITDA (x)	37.5	32.9	29.3
Div. Yield (%)	1.5	1.6	1.6

In-line revenue; sharp cut in employee expenses drives EBITDA beat

- BRIT's consolidated net sales (excluding other operating income) rose 6.5% YoY to INR44.6b (est. INR44.6b) in 3QFY25.
- Other operating income jumped 100% YoY to INR1.3b. Consolidated revenue rose 8% YoY to INR45.9b (est. INR45.5b).
- The company delivered ~6% volume growth in 3Q (est. 5%, 8% in 2QFY25).
- Consolidated gross margin contracted by 510bp YoY and 280bp QoQ to 38.7% (est. 42%) due to a rise in commodity prices.
- Employee expenses declined sharply by 47% YoY and other expenses declined 2% YoY.
- EBITDA margin contracted 90bp YoY to 18.4% (est. of 17.7%).
- EBITDA rose 3% YoY to INR8.4b (est. INR8.1b).
- APAT grew 4% YoY to INR5.8b (est. INR5.6b).
- In 9MFY25, net sales rose 6% YoY, EBITDA was flat YoY, and APAT was up 3% YoY.

Other key highlights

- Key commodities, such as wheat, palm, and cocoa, saw high inflation.
- BRIT navigated rising input cost inflation through strategic price adjustments, targeted brand investments, and fixed-cost efficiencies, ensuring stable operating margins while maintaining competitiveness.
- Its distribution network expanded to 2.9m direct outlets, with focus states achieving 2.6x growth, supported by 31,000 rural distributors.
- Portfolio innovations, including Dual Flavoured Layer Cake and Triple Chocolate Croissants, enhanced consumer offerings, while existing products delivered strong revenues.
- Adjacencies such as Dairy Drinks, Croissants, and Wafers recorded double-digit growth, driving BRIT's vision of becoming a "Total Global Foods Company."

Consol. Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25 3QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Base business volume growth (%)	0.0	0.0	5.5	6.0	8.0	8.0	6.0	5.5	2.9	6.9	5.0	
Total Revenue	40,107	44,329	42,563	40,694	42,503	46,676	45,926	43,853	1,67,693	1,78,958	45,543	0.8
YoY change (%)	8.4	1.2	1.4	1.1	6.0	5.3	7.9	7.8	2.9	6.7	7.0	
Gross Profit	16,820	19,011	18,673	18,269	18,449	19,381	17,784	20,443	72,772	76,057	19,128	(7.0)
Margins (%)	41.9	42.9	43.9	44.9	43.4	41.5	38.7	46.6	43.4	42.5	42.0	
EBITDA	6,889	8,724	8,211	7,874	7,537	7,834	8,449	7,714	31,698	31,533	8,061	4.8
Margins (%)	17.2	19.7	19.3	19.4	17.7	16.8	18.4	17.6	18.9	17.6	17.7	
YoY growth (%)	37.6	22.6	0.4	-1.7	9.4	-10.2	2.9	-2.0	12.0	-0.5	-1.8	
Depreciation	708	717	781	799	739	761	824	727	3,005	3,050	765	
Interest	531	534	311	264	290	346	446	190	1,640	1,271	325	
Other Income	539	524	506	573	556	460	625	671	2,142	2,311	575	
PBT	6,190	7,997	7,625	7,384	7,064	7,187	7,804	7,468	29,196	29,523	7,546	3.4
Tax	1,665	2,121	2,026	1,980	1,762	1,836	1,961	1,969	7,793	7,528	1,924	
Rate (%)	26.9	26.5	26.6	26.8	24.9	25.5	25.1	26.4	26.7	25.5	25.5	
Adjusted PAT	4,555	5,865	5,586	5,366	5,295	5,317	5,823	5,478	21,371	21,913	5,588	4.2
YoY change (%)	35.7	19.5	0.3	-3.8	16.3	-9.3	4.3	2.1	10.1	2.5	0.0	

E: MOFSL Estimates

Rural Electrification Corp

BSE SENSEX
78,058S&P CNX
23,603

CMP: INR435

Buy

Conference Call Details

Date: 07th Feb 2025

Time: 09:00 AM IST

Dial-in details:

[Link for the call](#)

Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	198	224	261
PPP	198	225	262
PAT	161	184	209
EPS (INR)	61.0	69.8	79.4
EPS Gr. (%)	15	14	14
BV/Shr (INR)	306	358	417
ABV/Shr (INR)	302	355	414
RoAA (%)	2.7	2.7	2.6
RoE (%)	21.5	21.0	20.5
Div. Payout (%)	29.5	29.4	29.6
Valuation			
P/E (x)	7.1	6.2	5.5
P/BV (x)	1.4	1.2	1.0
Div. Yield (%)	4.1	4.7	5.4

Earnings in line; minor weakness in AUM growth due to higher rundown

Improvement in asset quality; reported NIM stable QoQ

- RECL's 3QFY25 PAT grew ~23% YoY to INR40.3b. NII grew ~20% YoY to ~INR51.3b. Other income rose ~260% YoY to ~INR2b.
- Opex rose ~78% YoY/~63% QoQ to ~INR3.1b and the cost-income ratio stood at ~5% (PQ: 3.1% and PY: ~4.7%). The sequential jump in opex was primarily due to higher CSR expenses during the quarter. PPop grew ~20% YoY to INR50.2b.
- Yields (calc.) rose ~3bp QoQ to ~10.01% while CoB increased ~4bp QoQ to ~7.32%, resulting in spreads remaining largely stable QoQ at ~2.7%.
- GS3 improved ~60bp QoQ to ~1.95% while NS3 improved ~15bp QoQ to ~0.75%. PCR on Stage 3 declined ~3pp QoQ to ~62%. Improvement in asset quality was driven by the complete resolution of Lanco Amarkantak.
- Provision write-backs stood at INR890m. This translated into annualized credit costs of -2bp (PY: 1bp and PQ: -3bp).
- REC declared its third interim dividend of ~INR4.3/share.

Disbursement grows ~18% YoY; healthy sanction pipeline

- AUM stood at INR5.66t and grew 14% YoY/4% QoQ. Disbursements grew ~18% YoY to INR547b. The share of renewable and infrastructure in the disbursement mix was ~12% and ~6%, respectively.
- Sanctions stood at ~INR848b. The share of renewable in the sanction mix was ~24% and the share of infrastructure in the sanction mix was ~26%.

Improvement in asset quality; GS3 improves ~60bp QoQ

- GS3 improved ~60bp QoQ to ~1.95% while NS3 improved ~15bp QoQ to ~0.75%. PCR on Stage 3 declined ~325bp QoQ to ~62%. Improvement in asset quality was driven by the complete resolution of Lanco Amarkantak
- The company has ~14 projects that are classified as NPA. Resolutions in ~13 NPA projects (PCR: 68%) are being pursued under NCLT, while the remaining ~1 NPA project (PCR: 50%) outside NCLT.
- CRAR stood at ~25.3% as of Dec'24.

Valuation and view

RECL reported a decent quarter, marked by healthy disbursement growth, though AUM expansion saw a slight slowdown due to higher repayments during the quarter. Asset quality continues to improve, supported by the resolution of stressed assets, while NIMs remained largely stable sequentially.

The key monitorables are: 1) management's outlook on loan growth, 2) progress in the resolutions of assets that are in advanced stages, 3) the NIM trajectory, given the product mix and competitive intensity, and 4) the proportion of sanctions for infrastructure and private players.

We will revisit our estimates after the earnings call on 07th Feb'25.

Quarterly Performance

INR m

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25Ev/s Est.	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	1,06,895	1,13,930	1,19,440	1,23,836	1,26,904	1,34,744	1,39,704	1,41,795	4,64,101	5,43,146	1,38,112	1
Interest Expenses	70,498	73,500	76,533	78,961	80,212	85,065	88,373	91,649	2,99,493	3,45,300	88,468	0
Net Interest Income	36,397	40,430	42,907	44,875	46,692	49,678	51,331	50,146	1,64,608	1,97,847	49,644	3
YoY Gr (%)	-8.9	2.1	17.7	28.3	28.3	22.9	19.6	11.7	9	20	15.7	
Other Operational Income	195	546	531	924	469	483	757	0	7,198	8,638	0	
Net Operational Income	36,592	40,976	43,438	45,799	47,161	50,161	52,088	50,146	1,70,141	2,04,584	49,644	5
YoY Gr (%)	-9.7	2.6	17.2	26.1	28.9	22.4	19.9	9.5	19	20	14.3	
Other Income	2,553	1,425	29	1,674	2,998	731	1,266	4,491	679	848	3,000	-58
Total Net Income	39,144	42,401	43,467	47,473	50,159	50,892	53,354	54,637	1,70,819	2,05,433	52,644	1
YoY Gr (%)	-4.3	0.5	21.5	30.9	28.1	20.0	22.7	15.1	19	20	21.1	
Operating Expenses	1,445	1,938	1,766	3,114	2,175	1,936	3,147	2,239	6,597	7,598	2,566	23
YoY Gr (%)	-77.7	-65.8	-43.3	130.6	50.6	-0.1	78.2	-28.1	21	15	45.3	
% to Income	3.7	4.6	4.1	6.6	4.3	3.8	5.9	4.1	4	4	4.9	
Operating Profit	37,700	40,463	41,701	44,359	47,984	48,955	50,206	52,398	1,64,223	1,97,834	50,079	0
YoY Gr %	9.5	10.8	27.7	27.0	27.3	21.0	20.4	18.1	19	20	20.1	
Provisions	580	-7,604	559	-7,119	4,726	-1,441	-890	-6,865	(13,584)	(4,471)	-1,500	-41
PBT	37,120	48,067	41,143	51,478	43,258	50,396	51,097	59,263	1,77,806	2,02,305	51,579	-1
YoY Gr (%)	26.3	40.2	15.6	35.1	16.5	4.8	24.2	15.1	29	14	25.4	
Tax	7,512	10,338	8,449	11,315	8,834	10,342	10,806	11,694	37,614	41,675	10,419	4
Tax Rate (%)	20.2	21.5	20.5	22.0	17.6	20.5	21.1	19.7	21	21	20.2	
PAT	29,607	37,729	32,693	40,163	34,425	40,055	40,291	47,569	1,40,192	1,60,630	41,160	-2
YoY Gr (%)	21.0	38.3	13.6	33.8	16.3	6.2	23.2	18.4	26.8	14.6	25.9	
Key Parameters (Calc., %)												
Yield on loans	9.7	9.9	9.9	9.9	9.8	9.99	10.01	9.7				
Cost of funds	7.3	7.2	7.2	7.3	7.2	7.28	7.32	7.3				
Spread	2.4	2.7	2.7	2.6	2.7	2.7	2.69	2.4				
NIM	3.2	3.4	3.6	3.5	3.5	3.7	3.7	3.4				
C/I ratio	2.6	2.8	4.7	5.6	3.4	3.1	5.0	3.9				
Credit cost	0.0	-0.2	0.0	(0.1)	0.1	0.0	0.0	-0.1				
Balance Sheet Parameters												
Disbursements (INR b)	341	416	464	394	437	473	547	594				
Growth (%)	174.3	133.3	56.4	6.6	27.9	13.7	18.0	50.9				
AUM (INR b)	4,544	4,743	4,975	5,094	5,297	5,461	5,656	5,947				
Growth (%)	17.1	20.2	21.0	17.1	16.6	15.1	13.7	16.8				
Asset Quality Parameters												
GS 3 (INR B)	148.9	148.9	138.1	138	138.1	138.2	110.5	0.0				
GS 3 (%)	3.3	3.1	2.8	2.7	2.6	2.5	2.0	0.0				
NS 3 (INR B)	41.1	45.6	40.9	44	43.5	48.2	42.1	0.0				
NS 3 (%)	1.0	1.0	0.8	0.9	0.8	0.9	0.7	0.0				
PCR (%)	72.4	69.4	70.4	68.5	68.5	65.1	61.9	324.6				

E: MOFSL Estimates

Hero Motocorp

BSE SENSEX
78,058

S&P CNX
23,603

CMP:INR4,230

Buy

Conference Call Details



Date: 07th Feb 2025

Time: 10:30 AM

Concall registration- [\[Link\]](#)

Financials & valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	407.0	439.5	475.1
EBITDA	58.0	61.6	66.3
Adj. PAT	45.6	48.1	52.1
Adj. EPS (INR)	227.6	240.3	260.3
EPS Gr. (%)	11.3	5.6	8.3
BV/Sh. (INR)	961	1,026	1,097
Ratios			
RoE (%)	24.5	24.2	24.5
RoCE (%)	24.0	23.7	24.1
Payout (%)	72.5	72.8	73.0
Valuations			
P/E (x)	18.6	17.6	16.3
P/BV (x)	4.4	4.1	3.9
Div. Yield (%)	3.9	4.1	4.5
FCF Yield (%)	4.7	5.3	5.8

Operationally in line; PAT beat driven by higher other income

- Net realizations declined 1% YoY/ -4% QoQ to INR66.1k (est. INR69.2k). Volumes grew 6% YoY and 2% QoQ.
- Net revenues grew ~5% YoY to INR102.1b (est. INR101.3b).
- Gross margins expanded 160bp YoY (+ 90bp QoQ) to 34.2% (est. 33.4%), owing to lower commodity costs and a favorable mix.
- This resulted in a better EBITDA margin at 14.5% (+50bp YoY/ flat QoQ, est. 14%). EBITDA grew 8% YoY to INR14.8b (est. INR14.2b).
- Further, higher other income boosted adj. PAT growth, which grew 12% YoY to INR12b (est. INR11.1b).

From the PR

- The company reported a market share of 29.6% in 3QFY25, up from 29% in 2QFY25 (30.5% in 3QFY24).
- Inventory level in 3QFY25 stood at six weeks (vs 10-11 weeks in 2QFY25 and 5-6 weeks in 3QFY24).
- EVs: Market share rose 1.5% YoY to 4.7% in Q3FY25; highest-ever retails of ~7k recorded in Oct and Nov.
- Valuation:** The stock trades at 17.6x/16.3x FY26E/FY27E EPS.

Quarterly Performance (S/A)

Y/E March	FY24				FY25				FY24	FY25E	3Q	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Total Volumes ('000 nos)	1,353	1,417	1,460	1,392	1,535	1,520	1,464	1,430	5,621	5,949	1,464	0.0
Growth YoY (%)	-2.7	-0.8	17.8	9.6	13.5	7.3	0.3	2.7	5.5	5.8	0.3	
Net Realization	64,819	66,680	66,604	68,373	66,076	68,851	69,755	69,096	66,632	68,416	69,195	0.8
Growth YoY (%)	7.4	4.9	2.8	4.6	1.9	3.3	4.7	1.1	5.0	2.7	3.9	
Net Op Revenues	87.7	94.5	97.2	95.2	101.4	104.6	102.1	98.8	374.6	407.0	101.3	0.8
Growth YoY (%)	4.5	4.1	21.1	14.6	15.7	10.8	5.0	3.8	10.8	8.7	4.2	
RM Cost (% sales)	69.4	68.6	67.3	66.4	67.7	66.7	65.8	67.5	67.9	66.9	66.6	-80bp
Staff Cost (% sales)	6.6	6.1	6.2	6.8	6.0	6.2	6.5	6.4	6.4	6.3	6.4	10bp
Other Exp (% sales)	10.3	11.2	12.5	12.5	11.9	12.6	13.3	12.5	11.7	12.6	13.0	30bp
EBITDA	12.1	13.3	13.6	13.6	14.6	15.2	14.8	13.4	52.6	58.0	14.2	3.8
Growth YoY (%)	28.2	27.9	47.4	25.5	21.0	14.1	8.4	-1.2	0.0	0.0	-3.1	
EBITDA Margins (%)	13.8	14.1	14.0	14.3	14.4	14.5	14.5	13.6	14.0	14.2	14.0	40bp
Other Income	2.2	2.5	2.4	1.8	2.3	2.8	3.2	1.8	8.9	10.1	2.5	
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.2	0.2	0.1	
Depreciation	1.7	1.7	1.8	1.9	1.9	1.9	2.0	1.9	7.1	7.8	2.0	
PBT before EO Exp/(Inc)	12.5	14.0	14.2	13.5	14.9	16.0	15.9	13.2	54.2	60.1	14.7	
Effective Tax Rate (%)	24.7	24.6	24.3	24.7	24.8	24.8	24.4	22.4	24.5	24.2	24.3	
Adj. PAT	9.5	10.5	10.7	10.2	11.2	12.0	12.0	10.3	40.9	45.6	11.1	7.9
Growth (%)	51.4	47.2	51.0	18.3	18.7	14.2	12.1	1.2	40.5	11.5	-5.5	

Aurobindo

BSE SENSEX
78,058S&P CNX
23,603

CMP: INR1191

Conference Call Details

Date: 7th Feb 2024

Time: 8:30 am IST

Dial-in details:

Zoom [Link](#)

Financials & Valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	302.3	332.0	368.4
EBITDA	66.3	74.4	83.3
Adj. PAT	36.1	41.5	47.5
EBIT Margin (%)	16.7	17.0	17.5
Cons. Adj. EPS (INR)	61.7	70.8	81.1
EPS Gr. (%)	10.0	14.8	14.5
BV/Sh. (INR)	567.3	634.1	711.2
Ratios			
Net D:E	-0.1	-0.1	-0.2
RoE (%)	11.5	11.8	12.1
RoCE (%)	10.5	11.1	11.6
Payout (%)	6.5	5.6	4.9
Valuations			
P/E (x)	19.3	16.8	14.7
EV/EBITDA (x)	10.8	9.4	8.1
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	4.9	2.0	3.5
EV/Sales (x)	2.4	2.1	1.8

In-line with estimates

- Aurobindo's (ARBP) 3QFY25 sales grew 8.5% YoY to INR79.8b (our estimate: INR76.1b).
- Overall formulation sales grew 10.8% YoY to INR69.7b.
- US formulation revenue declined 2.3% YoY to INR36.7b (CC: -3.5% YoY to USD435m; 46% of sales), due to lower transient product sales.
- Europe formulation sales grew 30.4% YoY to INR21.2b (27% of sales).
- Growth Markets sales grew 12.5% YoY to INR8.7b (11% of sales).
- ARV revenue grew 71.5% YoY to INR3.1b (2% of sales).
- API sales contracted 1.6% YoY basis to INR10.1b (13% of sales).
- Gross margin (GM) expanded 130bp YoY to 58.4%.
- EBITDA margin, however, contracted 140bp YoY to 20.4% (our estimate: 21.4%), due to an increase in employee costs/other expenses (+70bp/+170bp YoY as % of sales).
- EBITDA was up 20.4% YoY at INR16.3b (in line with estimates).
- PAT declined 2.8% YoY to INR8.8b (our est: INR9b), led by a higher tax outgo.
- For 9MFY25, revenue/EBITDA/PAT grew 9%/17.6%/14.2% YoY to INR233.4b/INR48.9b/INR26b.

Other highlights

- ARBP filed four ANDAs with USFDA, received final approval for eight ANDAs, and launched seven products during the quarter.
- R&D spend was INR4.5b and formed 5.6% of sales for the quarter.
- Net capex of USD106m was primarily for capacity enhancement.
- Specialty & Injectables revenue in the US stood at ~USD76m (18% of total US revenue). Global Specialty & Injectables revenue on a proforma basis was ~USD121m.
- Net debt, including investments, stood at ~US84m as of Dec'24.

Quarterly performance (Consolidated)

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	vs Est
Net Sales	68.5	72.2	73.5	75.8	75.7	78.0	79.8	68.8	290.0	302.3	76.1	4.8%
YoY Change (%)	9.9	25.8	14.7	17.1	10.5	8.0	8.5	-9.2	16.7	4.2	3.5	
EBITDA	11.5	14.0	16.0	16.9	16.9	15.7	16.3	17.5	58.4	66.3	16.3	-0.1%
YoY Change (%)	12.4	33.4	67.8	68.3	47.2	11.6	1.7	3.5	44.9	13.6	1.7	
Margins (%)	16.8	19.4	21.8	22.3	22.4	20.1	20.4	25.4	20.1	22.0	21.4	
Depreciation	3.3	4.2	4.2	3.5	4.0	3.8	4.2	3.9	15.2	15.9	4.0	
EBIT	8.2	9.9	11.8	13.3	12.9	11.8	12.1	13.6	43.2	50.4	12.3	
YoY Change (%)	10.7	30.7	86.1	103.0	56.5	20.1	2.6	1.9	54.9	16.7	4.7	
Interest	0.6	0.7	0.8	0.9	1.1	1.1	1.2	0.9	2.9	4.3	1.1	
Other Income	0.8	1.9	1.2	1.4	1.2	1.4	1.6	1.4	5.2	5.5	1.4	
PBT before EO expense	8.5	11.0	12.2	13.8	13.0	12.1	12.5	14.1	45.5	51.6	12.7	-1.8%
Forex loss/(gain)	-0.4	0.3	-0.5	0.1	0.0	0.0	0.5	-0.5	-0.4	0.0	0.0	
Exceptional (expenses)/income	-0.7	0.0	0.0	-1.2	0.2	0.0	0.0	0.0	-1.9	0.2	0.0	
PBT	8.1	10.7	12.7	12.4	13.3	12.1	12.0	14.6	44.0	51.9	12.7	-5.7%
Tax	2.4	3.2	3.2	3.2	4.1	3.9	3.5	4.0	12.1	15.5	3.7	
Rate (%)	29.7	30.1	25.5	26.0	30.6	32.3	29.6	27.1	27.5	29.8	29.0	
Minority Interest	0.0	-0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.0	
Reported PAT	5.7	7.6	9.4	9.1	9.2	8.2	8.4	10.5	31.7	36.3	9.0	-6.7%
Adj PAT	5.9	7.8	9.0	10.1	9.0	8.2	8.8	10.2	32.8	36.1	9.0	-2.9%
YoY Change (%)	0.9	17.2	87.4	96.3	51.9	5.1	-2.8	0.8	46.1	10.0	0.0	
Margins (%)	8.7	10.8	12.3	13.3	11.9	10.5	11.0	14.8	11.3	12.0	11.9	
EPS	10.1	13.3	15.4	17.3	15.4	14.0	15.0	17.4	56.0	61.7	14.1	

Pi Industries

BSE SENSEX
78,058

S&P CNX
23,603

CMP: INR3,639

Buy

Conference Call Details



Date: 7th Feb 2025

Time: 4:00pm IST

Dial-in details:

[Click Here](#)

Earnings below estimate due to a contraction in margin

- Consolidated revenue stood at INR19b (est. INR19.5), flat YoY.
- EBITDA stood at INR5.1b (est. INR5.5b), down 8% YoY.
- EBITDA margin expanded 220bp YoY to 26.9% (est. 28.0%); gross margin stood at 52.7% (up 90bp YoY); employee expenses were up 30bp YoY to 10%; other expenses rose 110bp YoY to 15.7% of sales.
- Adj. PAT was down 17% YoY to INR3.7b (est. INR4.1b).
- Revenue/EBITDA/PAT for 9MFY25 grew 4%/10%/1% YoY to INR61.9b/INR17.2b/INR13.3b.

Quarterly Earnings Model

(INRm)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Sales	19,104	21,169	18,975	17,410	20,689	22,210	19,008	19,480	76,658	81,387	19,506	-3
YoY Change (%)	23.8	19.6	17.6	11.2	8.3	4.9	0.2	11.9	18.1	6.2	2.8	
Total Expenditure	14,426	15,655	13,439	12,992	14,857	15,928	13,888	14,370	56,512	59,043	14,044	
EBITDA	4,678	5,514	5,536	4,418	5,832	6,282	5,120	5,110	20,146	22,344	5,462	-6
Margins (%)	24.5	26.0	29.2	25.4	28.2	28.3	26.9	26.2	26.3	27.5	28.0	
Depreciation	697	803	783	799	834	798	991	950	3,082	3,573	850	
Interest	43	78	70	109	83	85	83	55	300	306	60	
Other Income	469	469	561	579	727	1,222	759	720	2,078	3,428	700	
PBT before EO expense	4,407	5,102	5,244	4,089	5,642	6,621	4,805	4,825	18,842	21,893	5,252	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	4,407	5,102	5,244	4,089	5,642	6,621	4,805	4,825	18,842	21,893	5,252	
Tax	625	317	772	418	1,175	1,546	1,080	1,110	2,132	4,911	1,208	
Rate (%)	14.2	6.2	14.7	10.2	20.8	23.3	22.5	23.0	11.3	22.4	23.0	
MI & P/L of Asso. Cos.	-47	-20	-14	-24	-21	-7	-2	-31	-105	-61	-24	
Reported PAT	3,829	4,805	4,486	3,695	4,488	5,082	3,727	3,746	16,815	17,043	4,068	
Adj PAT	3,829	4,805	4,486	3,695	4,488	5,082	3,727	3,746	16,815	17,043	4,068	-8
YoY Change (%)	45.9	43.5	27.5	31.7	17.2	5.8	-16.9	1.4	36.8	1.4	-9.3	
Margins (%)	20.0	22.7	23.6	21.2	21.7	22.9	19.6	19.2	21.9	20.9	20.9	

BSE SENSEX 78,058
S&P CNX 23,603

CMP: INR65

Buy

Conference Call Details



Date: 10 February 2025
Time: 1:00 pm IST
Registration:
[Diamond Pass](#)
Dial in:
+91 22 6280 1116
+91 22 7115 8017

In-line performance; strong volume, healthy NSR drive earnings

- Revenue grew 21% YoY (33% QoQ) to INR66b in 3QFY25, in line with our estimate. Revenue growth was primarily driven by strong volumes and NSR growth.
- Iron ore production stood at 13.3mt (+9% YoY/+61% QoQ), while sales stood at 12.5mt (+10% YoY/+26% QoQ) during the quarter.
- ASP for the quarter stood at INR5,250/t (YoY/QoQ: +11%/+6%) and was in-line with our estimate.
- EBITDA stood at INR23.7b (+18% YoY/+71% QoQ), in line with our estimate of INR22.4b. NMDC reported EBITDA/t of INR1,896/t (+8% YoY/+36% QoQ).
- APAT was INR19b (+13% YoY/+59% QoQ) against our estimate of INR18b.
- For 9MFY25, the company reported revenue of INR169b (+14% YoY), EBITDA of INR61b (+17% YoY) and adj. PAT of INR51b (+16% YoY).
- For 9MFY25, iron ore production stood at 30.8mt (-3% YoY) and sales volume at 32.5mt (+2% YoY).
- For 9MFY25, average blended NSR stood at INR5,196/t, up 12% YoY. EBITDA/t grew 15% YoY to INR1875/t.

Consolidated Quarterly Performance (INR b)

Y/E March	FY24				FY25E			FY24	FY25E	FY25 3QE	vs Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q				
Iron ore Production (mt)	10.7	8.9	12.2	13.2	9.2	8.3	13.3	45.0	46.8	13.3	-
Iron ore Sales (mt)	11.0	9.6	11.4	12.5	10.1	9.9	12.5	44.5	46.8	12.5	-
Avg NSR (INR/t)	4,915	4,194	4,748	5,174	5,375	4,948	5,250	4,623	5,287	5,298	(0.9)
Net Sales	53.9	40.1	54.1	64.9	54.1	49.2	65.7	213.1	247.4	66.3	(0.9)
Change (YoY %)	13.2	20.6	45.4	10.9	0.4	22.5	21.4	20.6	16.1		
Change (QoQ %)	-7.8	-25.6	34.8	20.0	-16.6	-9.1	33.5				
EBITDA	19.9	11.9	20.1	21.0	23.4	13.9	23.7	72.9	90.4	22.4	6.0
Change (YoY %)	5.0	39.9	76.0	-2.8	17.4	16.4	18.2	20.5	24.0		
Change (QoQ %)	-7.8	-40.3	68.6	4.7	11.3	-40.8	71.2				
EBITDA per ton (INR/t)	1,816	1,244	1,762	1,676	2,323	1,394	1,896	1,640	1,932	1,788	6.0
Interest	0.1	0.2	0.3	0.2	0.2	0.3	0.6	0.8	1.1		
Depreciation	0.7	0.9	0.8	1.1	0.7	1.0	1.0	3.5	3.8		
Other Income	2.9	3.2	3.4	4.2	3.6	3.6	3.8	13.7	14.1		
PBT (before EO Item)	22.1	14.0	22.3	23.9	26.1	16.1	25.8	82.3	99.6	24.5	5.5
Extra-ordinary item	0.0	0.0	-2.5	-0.3	0.0	0.0	0.0	-2.8	0.0		
PBT (after EO Item)	22.1	14.0	19.8	23.6	26.1	16.1	25.8	79.5	99.6		
Total Tax	5.5	3.8	5.1	9.4	6.4	4.2	6.9	23.8	25.9		
% Tax	24.9	27.0	25.7	40.0	24.7	25.9	26.6	29.9	26.0		
PAT before MI and Sh. of Asso.	16.6	10.3	14.7	14.2	19.6	12.0	19.0	55.7	73.7		
Adjusted PAT	16.5	10.3	16.8	14.3	19.6	12.0	19.0	57.8	73.7	18.0	5.4
Change (YoY %)	14.3	5.6	83.6	-9.0	18.8	16.5	13.2	18.0	27.4		
Change (QoQ %)	5.1	-37.9	63.2	-14.6	37.2	-39.1	58.6				

Source: MOSL

Apollo Tyres

BSE SENSEX
78,058S&P CNX
23,603

CMP: INR416

Buy

Conference Call Details

Date: 7th Feb 2025

Time: 3.30PM IST

Dial-in details: [Zoom meet link](#)

Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	259.5	281.2	305.0
EBITDA	36.4	43.0	48.2
Adj. PAT	13.7	19.3	23.5
EPS (Rs)	21.6	30.3	37.1
EPS Growth (%)	-26.4	40.8	22.1
BV/Share (Rs)	293.1	322.2	357.9
Ratios			
RoE (%)	9.5	12.3	13.6
RoCE (%)	12.2	15.4	17.3
Payout (%)	23.8	23.1	22.9
P/E (x)	19.3	13.7	11.2
P/BV (x)	1.4	1.3	1.2
Div. Yield (%)	1.2	1.7	2.0
FCF Yield (%)	8.3	9.3	10.5

Weak quarter impacted by standalone business drag

- Consol revenue grew 5% YoY to INR69.3b (est. INR67.7b) in 3QFY25.
- However, due to higher RM costs, gross margin contracted 510bp YoY/330bp QoQ to 41.5% (est. 44.9%).
- High RM costs were partially offset by lower operating expenses. As a result, EBITDA declined ~22% YoY to INR9.5b (in line).
- EBITDA margin contracted 460bp YoY (+10bp QoQ) to 13.7% (est. 14.6%).
- The company and a subsidiary incurred expenses of INR42.37m in 3QFY25 for an employee reorganization scheme, reported as an exceptional item.
- This, coupled with lower other income, led to a PAT miss at INR3.4b (-33% YoY, est. INR4.1b).
- Standalone business remains weak: Revenue for India business grew 5% YoY, whereas EBITDA/PAT declined ~36%/59% YoY. EBITDA margin declined to 11.1% (vs. 18.1% in 3QFY24 and 12.1% in 2QFY25, est. 11.5%).
- European operations better off: Derived revenue/EBITDA grew ~6%/5% YoY in 3Q. EBITDA margin improved to 18.6% (vs. 17% in 3QFY24 and 17.2% in 2QFY25).
- **Valuation:** The stock trades at 13.7x FY26E/11.2x FY27E consolidated EPS.

Cons - Qty Earning Model

Y/E March	FY24				FY25E				FY24	FY25E	3QE	(INR M) VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Net Revenues	62,446	62,796	65,954	62,582	63,349	64,370	69,280	62,506	2,53,777	2,59,505	67,712	2
YoY Change (%)	5.1	5.4	2.7	0.2	1.4	2.5	5.0	-0.1	3.3	2.3	2.7	
EBITDA	10,515	11,598	12,081	10,794	9,093	8,779	9,470	9,062	44,987	36,404	9,900	-4
Margins (%)	16.8	18.5	18.3	17.2	14.4	13.6	13.7	14.5	17.7	14.0	14.6	
Depreciation	3,620	3,603	3,676	3,880	3,695	3,759	3,759	3,843	14,778	15,056	3,785	
Interest	1,355	1,328	1,230	1,146	1,070	1,197	1,105	1,007	5,059	4,379	1,068	
Other Income	355	253	184	743	308	217	81	935	1,536	1,540	360	
PBT before EO expense	5,896	6,921	7,358	6,511	4,636	4,040	4,686	5,147	26,685	18,508	5,407	
Extra-Ord expense	132	122	151	1,381	404	52	42	0	1,786	498	0	
PBT	5,764	6,799	7,207	5,130	4,232	3,988	4,644	5,147	24,899	18,010	5,407	
Tax Rate (%)	31.1	30.3	31.1	31.0	28.6	25.4	27.4	23.4	30.9	26.1	25.0	
Minority Interest & Profit/Loss of Asso. Cos.	0	-2	-1	-1	0	-1	-2	0	-3	-4	0	
Reported PAT	3,969	4,743	4,966	3,541	3,020	2,975	3,372	3,943	17,219	13,310	4,055	
Adj PAT	4,060	4,827	5,071	4,649	3,319	3,013	3,404	3,943	18,607	13,678	4,055	-16
YoY Change (%)	112.9	169.1	81.9	18.1	-18.3	-37.6	-32.9	-15.2	80.8	-26.5	-20.0	
Margins (%)	6.5	7.7	7.7	7.4	5.2	4.7	4.9	6.3	7.3	5.3	6.0	

E: MOFSL Estimates

Standalone (India)

Net Revenues	44,133	44,067	43,319	43,874	45,916	44,617	45,398	45,524	1,75,393	1,81,455	45,485	0
YoY Change (%)	-0.5	3.6	2.0	0.5	4.0	1.2	4.8	3.8	1.4	3.5	5.0	
EBITDA	7,867	8,414	7,840	7,358	6,331	5,389	5,035	5,657	31,480	22,413	5,231	-4
Margins (%)	17.8	19.1	18.1	16.8	13.8	12.1	11.1	12.4	17.9	12.4	11.5	
Adj PAT	3,111	3,511	3,064	2,681	2,275	1,675	1,252	1,871	12,367	7,472	1,597	-22
YoY Change (%)	198.1	434.1	146.6	12.2	-26.9	-52.3	-59.2	-30.2	113.7	-39.6	-47.9	

BSE Sensex
78,058S&P CNX
23,603

Conference Call Details



Date: 07 February 2025

Time: 16:30 IST

Dial-in details:

Diamond pass [link](#)

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	42.0	50.3	58.1
EBITDA	5.8	10.9	12.8
EBITDA (%)	13.8	21.6	22.0
PAT	3.1	6.8	8.4
EPS (INR)	30.3	67.2	83.2
EPS Gr. (%)	485.9	121.4	23.9
BV/Sh. (INR)	374.2	438.4	518.6

Ratios

Net D/E	(0.3)	(0.2)	(0.0)
RoE (%)	9.7	16.5	17.4
RoCE (%)	8.8	13.9	15.2
Payout (%)	9.9	4.5	3.6

Valuations

P/E (x)	43	20	16
P/BV (x)	4	3	3
EV/EBITDA (x)	21	12	10
Div Yield (%)	0.2	0.2	0.2

CMP: INR1,311

Buy

Lesser launches drag pre-sales; a strong launch pipeline provides visibility

Operational performance

- SOBHA reported bookings of INR14b (37% below estimate) and -29%/+18% YoY/QoQ. SOBHA's share of sales stood at INR12.5b, -28%/+27% YoY/QoQ. However, its share in total bookings rose to 90% due to high contributions from its 'own' projects of Sobha Neopolis and Sobha Ayana in Bangalore.
- In 3QFY25, the sales were mostly driven by Bangalore projects, which were 72% of the company's total bookings. The newly launched luxury project - 'Sobha Ayana' - in Bangalore contributed to ~50% of Bangalore sales. In 9M, the company launched six new projects with a total area of ~4.7msf.
- Total sales volume for the quarter stood at ~1.02msf, -39%/+9% YoY/QoQ. However, realization was up 16%/8% YoY/QoQ to INR13,663. In 9MFY25, total sales volume stood at ~3.1msf, down 34% YoY. Realization was up 31% YoY due to INR14,226 due to an increase in the prices of ongoing projects and higher realization from the new launches.
- The company's project pipeline has increased to ~30msf (v/s 24msf in 4QFY24) including 22msf of new projects with ~11msf in Bengaluru.
- Collections increased 2%/3% YoY/QoQ to INR13.2b. Total cash inflows (incl. contractual business) stood at INR14.8b, down 1% YoY.
- Operating cash flows (before interest and taxes) dipped 23% YoY to INR2b.
- In line with the growth-focused strategy, SOBHA increased land-related investments for the quarter to ~INR3.1b, up 5x YoY. During the quarter, the company generated cash of INR1.8b.
- Net debt stood at INR4.59b or 0.13x of equity (vs. INR2.8b or 0.08x in 2QFY25). The cost of borrowing increased to 9.44% (from 9.4% in 2QFY25).
- SOBHA has an unsold 8.9msf of inventory across completed and ongoing projects, while it has 19.29msf of potential saleable area in the upcoming projects.

Financial performance

- In 3QFY25, revenue increased 79%/31% YoY/QoQ to INR12.2b (4% above estimate). The real estate revenue rose 104%/36% YoY/QoQ to INR10.6b.
- EBITDA declined 9%/13% YoY/QoQ to INR0.7b (62% below estimate) with a margin of 5.5%, down 533bp/277bp YoY/QoQ. The margin in the real estate business was 12%, -838bp/+101bp YoY/QoQ.
- Adj. PAT stood at INR217m, +44%/-17% YoY/QoQ (76% below estimate). Pat margin was at 1.8%, down 43bp/102bp YoY/QoQ.
- During 9MFY25, revenue increased 20% YoY to INR28b. Real Estate's revenue was up 28% YoY to INR23b.
- EBITDA declined 7% YoY to INR2b with a margin of 7%, down 205bp YoY. The margin in the real estate business was 12%, down 676bp YoY.
- For 9MFY25, Adj. PAT stood at INR538m, up 28% YoY. Pat margin was at 1.9%, up 12bp YoY.

Quarterly Performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	9,079	7,412	6,849	7,629	6,404	9,336	12,241	14,011	30,969	41,991	11,758	4%
YoY Change (%)	60.8	11.1	-21.1	-36.9	-29.5	25.9	78.7	83.7				71.7
Total Expenditure	8,425	6,658	6,108	7,008	5,845	8,565	11,569	10,218	28,199	36,196	9,994	
EBITDA	654	754	741	621	559	771	672	3,792	2,770	5,795	1,764	-62%
Margins (%)	7.2	10.2	10.8	8.1	8.7	8.3	5.5	27.1	8.9	13.8	15.0	-951bp
Depreciation	183	193	201	205	204	232	233	198	782	867	243	
Interest	611	639	614	590	539	494	473	436	2,455	1,942	469	
Other Income	313	324	288	284	295	317	328	700	1,209	1,640	331	
PBT before EO expense	173	247	214	109	111	362	295	3,858	742	4,626	1,383	-79%
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	173	247	214	109	111	362	295	3,858	742	4,626	1,383	-79%
Tax	52	97	63	39	50	101	78	1,336	251	1,565	468	
Rate (%)	30.2	39.4	29.4	35.5	45.4	28.0	26.4	34.6	33.8	33.8	33.8	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	121	149	151	70	61	261	217	2,523	491	3,061	915	-76%
Adj PAT	121	149	151	70	61	261	217	2,523	491	3,061	915	-76%
YoY Change (%)	168.3	-22.2	-52.6	-85.5	-49.8	74.6	43.8	3,488.1	-52.9	523.2	507.0	
Margins (%)	1.3	2.0	2.2	0.9	0.9	2.8	1.8	18.0	1.6	7.3	7.8	
Key metrics												
Sale Volume (msf)	1.4	1.7	1.7	1.3	1.2	0.9	1.0	4.0	5.5	7.1	1.8	-42%
Sale Value (INRb)	14.6	17.2	19.5	15.0	18.7	11.8	13.9	40.8	66.4	85.2	22.0	-37%
Collections (INRb)	11.5	12.6	12.9	13.3	13.9	12.8	13.2	26.5	50.3	66.4	17.0	
Realization (INR/sft)	10,537	10,224	11,735	11,230	15,879	12,673	13,662	10,186	12,128	11,948	12,500	9%

Source: MOFSL, Company

JK Lakshmi Cement

BSE Sensex
78,058S&P CNX
23,603

CMP: INR848

Buy

Conference Call Details

Date: 7th February 2025

Time: 16:00 IST

Dial-in details:

+ 91 22 6280 1143

+ 91 22 7115 8044

[Link for the call](#)

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	60.6	68.7	76.9
EBITDA	7.9	11.1	13.2
Adj. PAT	2.6	4.7	4.6
EBITDA Margin (%)	13.1	16.2	17.1
Adj. EPS (INR)	22.1	39.5	39.2
EPS Gr. (%)	-44.2	78.9	-0.8
BV/Sh. (INR)	287	320	354
Ratios			
Net D:E	0.6	0.6	0.8
RoE (%)	7.9	13.0	11.6
RoCE (%)	6.3	9.1	9.0
Payout (%)	22.1	17.0	17.2
Valuations			
P/E (x)	38.4	21.4	21.6
P/BV (x)	3.0	2.6	2.4
EV/EBITDA(x)	14.5	11.3	9.8
EV/ton (USD)	76	74	67
Div. Yield (%)	0.7	0.7	0.7
FCF Yield (%)	-3.2	1.0	-9.5

Higher volume and lower costs drive beat

- JKLC's 3QFY25 EBITDA was above our estimate, led by higher volumes (~4% beat) and lower opex/t compared to our projections. Consol. EBITDA declined ~33% YoY to INR2.0b (~7% beat) and EBITDA/t declined ~35% YoY to INR666 (vs. our est. of INR651, as cost benefits were partly offset by lower realization/t). OPM contracted 4.3pp YoY to ~13%. Adj PAT declined ~57% YoY to INR594m (18% above estimates, led by lower ETR).
- The company is expanding the Surat GU capacity by 1.35mtpa and further increasing capacity in the East region. It is expanding clinker capacity at the Durg plant in Chhattisgarh by 2.3mtpa and setting up four cement GUs (incl. three split GUs in the East and Central regions) with an aggregate capacity of 4.6mtpa. Project costs for these capacity expansions, estimated at INR27.3b, will be funded through a mix of debt and internal accruals.
- We have a **BUY** rating on the stock and will review our assumptions after the concall.

Sales volume increases 2% YoY; realization/t declines 14% YoY

- Consolidated revenue/EBITDA/Adj PAT stood at INR15.0b/INR2.0b/594m (down 12%/33%/57% YoY and up 1%/7%/18% vs. our estimate). Sales volume increased 2% YoY to 3.03mt. Realization was down 14% YoY/1% QoQ at INR4,940/t (-3% vs. our estimate).
- Opex/t declined ~10% YoY, driven by an 18% YoY decrease in variable costs per tonne. Freight costs/other expenses per tonne declined 1% YoY (each). OPM contracted 4.3pp YoY to ~13% and EBITDA/t declined 35% YoY to INR666 in 3QFY25. Depreciation/finance costs increased 16% YoY (each). Other income was down 46% YoY.
- 9MFY25 consol. revenue/EBITDA/PAT stood at INR43.0b/INR5.1b/INR1.2b (declined 14%/28%/63% YoY). Volume/realization declined 2%/12% YoY. EBITDA/t declined 27% YoY to INR601 and OPM contracted 2.3pp YoY to ~12%.

Highlights from the management commentary

- The share of green power stood at ~48% in 3QFY25 vs. 39%/47% in FY24/2QFY25. The company is implementing a project to increase the TSR share to 16% from 4% at its Sirohi plant in a phased manner.
- With the government's continued focus on infrastructure development, increased budget allocation, and initiatives for housing and road projects, the outlook for the cement sector remains positive for the coming year.

Valuation and view

- JKLC's operating performance was above estimates, driven by higher volumes and cost control. However, realization was below estimates (down 1% QoQ, despite price hikes in Dec'24). During the concall, we will seek clarification on the sequential drop in realization and the status of various ongoing expansion plans. We have a **BUY** rating on the stock. However, we will review our assumptions after the concall on 7th Feb'25 ([Concall Link](#)).

Quarterly performance (consolidated)

(INR b)

Y/E March	FY24				FY25				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Sales Volumes (mt)	3.04	2.73	2.96	3.26	3.04	2.48	3.03	3.33	11.99	11.87	2.91	4
YoY Change (%)	1.2	12.3	7.6	0.9	0.0	(9.3)	2.4	1.9	5.0	(1.0)	(1.7)	
Net Sales	17.3	15.7	17.0	17.8	15.6	12.3	15.0	17.6	67.9	60.6	14.8	1
YoY Change (%)	4.6	14.6	9.0	(4.4)	(9.6)	(21.6)	(12.1)	(0.9)	5.2	(10.7)	(13.1)	
EBITDA	2.0	2.2	3.0	3.4	2.2	0.9	2.0	2.8	10.5	7.9	1.9	7
YoY Change (%)	(23.6)	32.5	63.1	44.6	13.3	(58.9)	(33.2)	(16.7)	25.4	(24.6)		
Margin (%)	11.3	13.8	17.7	18.9	14.2	7.2	13.5	15.9	15.5	13.1	12.8	68
Depreciation	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	2.5	3.0	0.7	2
Interest	0.3	0.3	0.4	0.4	0.5	0.4	0.5	0.5	1.5	1.8	0.4	2
Other Income	0.1	0.1	0.2	0.3	0.1	0.1	0.1	0.2	0.7	0.5	0.1	(35)
PBT before EO expense	1.2	1.4	2.1	2.5	1.2	(0.2)	0.9	1.8	7.2	3.7	0.8	6
Extra-Ord. expense	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	
PBT	1.2	1.4	2.2	2.5	1.2	(0.2)	0.9	1.8	7.3	3.7	0.8	6
Tax	0.4	0.5	0.7	0.9	0.5	(0.1)	0.3	0.6	2.4	1.3	0.4	
Prior period tax adj.	-	-	-	-	-	-	-	-	-	-	-	
Rate (%)	32.7	32.0	32.7	35.1	43.6	46.2	29.7	32.5	33.4	34.6	46.2	
Reported PAT	0.8	1.0	1.5	1.6	0.7	(0.1)	0.6	1.2	4.9	2.4	0.5	39
Minority Interest	0.0	0.0	0.1	0.1	(0.1)	0.0	0.0	(0.2)	0.2	(0.2)	(0.1)	
Adj. PAT	0.8	0.9	1.4	1.6	0.7	(0.1)	0.6	1.4	4.7	2.6	0.5	18
YoY Change (%)	(29.4)	51.9	80.1	42.7	(10.4)	(115.1)	NA	(8.0)	29.9	(44.1)	NA	
Per ton analysis (INR)												
Net realization	5,699	5,763	5,753	5,459	5,149	4,983	4,940	5,306	5,662	5,105	5,083	(3)
RM Cost	1,385	1,255	1,018	1,140	1,269	987	907	1,095	1,198	1,069	1,020	(11)
Employee Expenses	357	382	370	292	334	444	377	329	348	366	386	(2)
Power, Oil, and Fuel	1,508	1,574	1,492	1,273	1,127	1,295	1,157	1,371	1,455	1,238	1,280	(10)
Freight and Handling Outward	1,131	1,094	1,160	1,064	1,038	1,137	1,147	1,018	1,112	1,081	1,096	5
Other Expenses	672	663	692	658	650	760	686	650	671	682	651	5
Total Expenses	5,053	4,968	4,732	4,428	4,417	4,623	4,274	4,463	4,784	4,436	4,432	(4)
EBITDA	646	795	1,021	1,032	732	360	666	843	878	669	651	2

BSE SENSEX 78,058 S&P CNX 24,339

CMP: INR237

Neutral

Conference Call Details



Date: 7th February 2025

Time: 1130 hours IST

Dial-in details:

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Miss across the board; EBITDAM dips for the fourth straight quarter

- Revenue came in at 3.2b (est. of INR3.5b, -7% YoY). Gross margin was at 44.4% (v/s 46.3% in 3QFY24).
- EBITDA stood at INR238m (est. of INR351m, -50% YoY). **EBITDAM came in at 7.5% (v/s 14% in 3QFY24).**
- PAT was INR185m (est. of INR239m, -38% YoY).
- **For 9MFY25**, revenue was INR10.5b (-3% YoY), EBITDA stood at INR1b (-31% YoY), and PAT was INR872m (-3% YoY). EBITDAM stood at 9.6% (-390bp YoY).

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25				Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	3QAct			
Gross Sales	3,967	3,509	3,406	3,565	3,722	3,627	3,529	3,181	-10%	-7%	-12%
YoY Change (%)	-22.1	-9.9	4.6	-9.2	-6.2	3.4	3.6	-6.6			
Gross Margin (%)	42.7%	43.4%	46.3%	42.1%	41.7%	43.3%	44.4%	44.4%	0.0%	-1.9%	1.2%
EBITDA	547	445	477	434	398	371	351	238	-32%	-50%	-36%
Margin (%)	13.8	12.7	14.0	12.2	10.7	10.2	9.9	7.5	-2.5	-6.5	-2.8
Depreciation	126	127	132	130	128	130	136	132			
Interest	4	3	5	4	5	5	5	4			
Other Income	44	45	61	249	100	88	110	148			
PBT	461	360	402	549	364	324	320	249	-22%	-38%	-23%
Tax	125	91	104	138	92	-91	81	64			
Rate (%)	27.2	25.3	25.9	25.1	25.3	-28.0	25.2	25.7			
Reported PAT	336	269	298	411	272	415	239	185	-23%	-38%	-55%
Adj PAT	336	269	298	411	272	415	239	185	-23%	-38%	-55%
YoY Change (%)	-48.8	-25.2	58.7	44.9	-18.9	54.3	-19.6	-37.8			
Margin (%)	8.5	7.7	8.7	11.5	7.3	11.4	6.8	5.8	-1.0	-2.9	-5.6



Swiggy : Q4 will see good growth in store Additions & Revenue for Quick Commerce; Rahul Bothra, CFO

- Will grow 18-22% in food GOV Sustainably
- Portfolio Contribution margin improved by 30Bps led by Food Delivery
- Quick Commerce biz growth improved QoQ, Added 86 dark stores in January
- Food Delivery Biz Delivered Rs184crs of positive cash in Q3
- Q4 will see good growth in store Additions & Revenue for Quick Commerce

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Sula Vineyards: Telangana is 10% of overall sales for company; Rajiv Samant, CEO

- Maharashtra & Karnataka's contribution to co have been declining
- Imported wines aren't plaguing our market share
- FY26 will be much better than FY25
- 250Bps margin impact was on account VAT Subsidy in Maharashtra
- Telangana is 10% of overall sales for company

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IKS: In Q4 we will see cross – selling opportunities which will help drive growth; Sachin K Gupta, CEO

- Q3 has been better than expected
- we expect to grow at 15-16% for the next few years
- We have been able to transform Acquity's Margin
- In Q4 we will see cross – selling opportunities which will help drive growth
- Technology is a big tailwind for the company, We are deploying agentic AI

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Kansai Nerolac : 'Industrial growth momentum will continue December was good; Anuj Jain, Managing Director and CEO

- Demand in Decorative segment impact due to higher inflation
- Gradual recovery in demand is seen and automotive growth was better than market
- Endeavour is to maintain EBITDA Margin around 13%
- Industrial growth momentum will continue December was good

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Thangamayil Jewellery: Confident Of Maintaining EBITDA Margin At 6%+ Levels Going Ahead; SM Lakshmanan, VP-Finance & Accounts

- Wil End FY25 Better performance Vs 9MFY25, Revenue growth will be around 24% for the year
- Have Increased hedging policy form 65-70% Pre covid to 85-90%
- Confident Of Maintaining EBITDA Margin At 6%+ Levels Going Ahead

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Automobiles																
Amara Raja Ener.	Neutral	1087	1305	20	54.6	59.6	67.0	10.3	9.1	12.5	19.9	18.3	2.6	2.3	13.9	13.5
Apollo Tyres	Buy	416	-		21.5	30.3	37.1	-26.5	40.9	22.1	19.3	13.7	1.4	1.3	9.5	12.3
Ashok Ley.	Buy	210	257	23	9.3	11.3	13.5	1.7	21.5	19.5	22.6	18.6	6.1	5.3	28.9	30.6
Bajaj Auto	Neutral	8852	8770	-1	287.3	329.0	377.6	4.0	14.5	14.8	30.8	26.9	9.0	8.1	30.7	31.7
Balkrishna Inds	Neutral	2763	2630	-5	88.4	102.8	125.0	15.5	16.3	21.7	31.3	26.9	5.2	4.6	18.0	18.2
Bharat Forge	Neutral	1139	1386	22	28.0	39.5	48.4	41.7	41.2	22.7	40.7	28.8	6.7	5.9	17.3	21.8
Bosch	Neutral	28157	30810	9	694.6	784.7	912.1	11.9	13.0	16.2	40.5	35.9	6.3	5.8	16.2	16.8
CEAT	Buy	2925	3515	20	119.5	170.3	218.9	-29.5	42.4	28.6	24.5	17.2	2.7	2.4	11.4	14.7
Craftsman Auto	Neutral	4145	4275	3	81.5	153.8	220.1	-43.5	88.8	43.1	50.9	26.9	3.3	3.0	8.3	11.6
Eicher Mot.	Sell	5343	4139	-23	160.2	175.8	195.1	9.5	9.7	11.0	33.4	30.4	7.0	6.1	22.5	21.5
Endurance Tech.	Buy	2002	2825	41	60.2	75.4	90.6	27.2	25.4	20.1	33.3	26.5	5.0	4.3	15.9	17.4
Escorts Kubota	Neutral	3277	3560	9	102.0	113.8	140.6	7.4	11.6	23.6	32.1	28.8	3.9	3.5	12.9	13.0
Exide Ind	Neutral	378	360	-5	13.1	14.2	15.5	6.2	7.9	9.2	28.8	26.6	2.3	2.1	8.0	8.0
Happy Forgings	Buy	1018	1195	17	28.7	36.4	44.6	11.4	26.7	22.6	35.4	28.0	5.2	4.5	15.7	17.3
Hero Moto	Buy	4231	-		227.6	240.3	260.3	11.3	5.6	8.3	18.6	17.6	4.4	4.1	24.5	24.2
Hyundai Motor	Buy	1829	1975	8	65.3	68.9	78.4	-12.4	5.4	13.8	28.0	26.5	10.1	8.0	41.9	33.7
M&M	Buy	3139	3515	12	101.3	120.6	141.2	14.1	19.2	17.0	31.0	26.0	6.1	5.2	21.3	21.5
CIE Automotive	Buy	475	587	24	22.0	24.3	28.0	4.1	10.5	15.1	21.6	19.6	2.7	2.5	13.2	13.2
Maruti Suzuki	Buy	13077	14500	11	462.3	512.4	573.4	10.0	10.9	11.9	28.3	25.5	4.4	3.9	14.8	15.3
MRF	Sell	114038	95500	-16	4,082.0	4,533.0	5,191.0	-18.2	11.0	14.5	27.9	25.2	2.6	2.4	9.9	10.1
Samvardh. Motherson	Buy	137	195	43	5.1	7.0	8.6	36.9	37.0	23.1	26.9	19.7	2.8	2.5	11.8	13.4
Motherson Wiring	Buy	56	65	16	1.4	1.6	2.0	0.3	10.5	25.0	41.0	34.2	12.8	10.7	33.5	34.1
Sona BLW Precis.	Neutral	534	580	9	9.7	10.7	12.5	8.0	10.8	17.0	55.3	49.9	6.0	5.6	14.3	11.5
Tata Motors	Neutral	710	755	6	65.6	61.9	60.4	11.7	-5.5	-2.5	10.8	11.5	2.4	2.0	25.1	19.3
TVS Motor	Neutral	2593	2570	-1	52.5	64.4	77.0	19.8	22.7	19.5	49.4	40.2	12.6	10.0	28.5	27.7
Tube Investments	Buy	2968	3690	24	44.4	58.7	69.6	29.1	32.2	18.7	66.9	50.6	9.8	8.3	15.6	17.7
Aggregate								7.7	10.8	12.0	25.8	23.3	4.8	4.2	18.5	17.9
Banks - Private																
AU Small Finance	Buy	587	730	24	29.7	37.4	48.5	29.3	26	29.5	19.8	15.7	2.7	2.3	14.5	15.7
Axis Bank	Neutral	1021	1175	15	84.6	89.8	104.2	4.8	6.2	16.1	12.1	11.4	1.8	1.6	16.0	14.6
Bandhan Bank	Neutral	152	170	12	20.4	21.9	25.7	47.2	7	17.7	7.5	7.0	1.0	0.9	14.4	14.0
DCB Bank	Buy	123	160	30	19.1	24.1	30.6	11.7	25.9	26.9	6.4	5.1	0.7	0.6	11.9	13.4
Equitas Small Fin.	Buy	71	80	12	2.6	6.4	9.8	-63.2	144.0	53.5	27.3	11.2	1.3	1.2	4.9	11.4
Federal Bank	Buy	184	225	22	16.7	19.0	23.7	2.0	14.1	24.2	11.0	9.7	1.4	1.2	13.1	13.3
HDFC Bank	Buy	1745	2050	17	88.7	95.4	109.4	10.7	7.6	14.7	19.7	18.3	2.7	2.4	14.4	13.9
ICICI Bank	Buy	1273	1550	22	66.3	71.7	82.0	13.6	8.2	14.4	19.2	17.7	3.2	2.8	18.3	17.0
IDFC First Bk	Neutral	64	70	10	2.2	4.4	6.7	-49.0	99.8	52.3	28.9	14.5	1.2	1.1	4.5	8.1
IndusInd	Buy	1065	1200	13	82.1	110.4	136.5	-28.9	34.4	23.6	13.0	9.7	1.2	1.1	9.8	12.0
Kotak Mah. Bk	Buy	1916	2100	10	96.0	109.8	131.4	4.8	14.3	19.7	19.9	17.5	2.6	2.2	13.8	13.5
RBL Bank	Neutral	168	170	1	11.8	20.5	32.1	-38.7	73.4	56.7	14.2	8.2	0.7	0.6	4.8	7.9
Aggregate								6.9	11.1	17.3	17.9	16.1	2.5	2.2	14.1	13.9
Banks - PSU																
BOB	Neutral	220	250	14	37.1	37.7	42.2	7.9	1.6	11.9	5.9	5.8	0.9	0.8	16.7	15.0
Canara Bank	Buy	95	115	21	17.7	18.8	20.7	10.2	6.4	9.9	5.4	5.0	0.9	0.8	19.0	17.7
Indian Bank	Buy	548	670	22	79.3	84.0	92.3	27.4	6.0	9.9	6.9	6.5	1.2	1.0	18.8	17.3
Punjab Natl.Bank	Buy	100	125	25	14.9	16.6	18.7	98.3	11.6	12.6	6.7	6.0	0.9	0.8	15.3	14.9
SBI	Buy	752	925	23	89.2	97.3	112.9	18.6	9.1	16.0	8.4	9.5	1.4	1.2	18.8	17.2
Union Bank (I)	Buy	119	135	13	22.4	22.8	24.4	18.7	2	6.9	5.3	5.2	0.8	0.7	17.4	15.5
Aggregate								23.1	8	14	7	6.7	1.2	1.1	16.4	15.8
NBFCs																
AAVAS Financiers	Neutral	1724	1800	4	73.5	88.9	108.8	18.5	21.0	22.3	23.5	19.4	3.1	2.7	14.3	14.9
Aditya Birla Cap	Buy	169	240	42	12.9	15.2	19.4	27.2	18.2	27.6	13.1	11.1	1.5	1.3	11.8	12.5
Bajaj Fin.	Neutral	8508	8300	-2	270.9	343.7	435.6	15.9	26.9	26.7	31.4	24.8	5.4	4.5	19.2	19.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Can Fin Homes	Neutral	667	775	16	64.0	68.8	78.9	13.6	7.4	14.8	10.4	9.7	1.7	1.5	18.0	16.6
Cholaman.Inv.&Fn	Buy	1382	1475	7	50.2	66.8	88.0	23.2	33.0	31.8	27.5	20.7	4.9	3.8	19.5	20.9
CreditAccess	Buy	1077	1070	-1	36.9	90.2	129.5	-59.3	144.7	43.5	29.2	11.9	2.5	2.0	8.7	18.6
Fusion Finance	Neutral	192	165	-14	-65.4	30.7	51.7	-230.2	LP	68.5	NM	6.3	0.9	0.8	-26.1	13.2
Five-Star Business	Buy	762	930	22	36.9	42.1	49.0	29.0	14.1	16.4	20.7	18.1	3.6	3.0	18.8	17.9
Home First Fin.	Buy	1015	1280	26	43.0	52.5	64.0	24.4	22.2	21.9	23.6	19.3	3.6	3.1	16.6	17.4
IIFL Finance	Buy	360	510	42	13.3	46.7	58.4	-71.3	252.0	25.1	27.1	7.7	1.2	1.1	4.9	15.1
IndoStar	Buy	270	325	20	5.9	9.3	18.6	-30.8	58.2	99.9	45.8	29.0	1.1	1.1	2.4	3.9
L&T Finance	Buy	151	180	19	10.7	13.0	17.9	14.5	21.6	37.8	14.1	11.6	1.5	1.3	10.9	12.1
LIC Hsg Fin	Buy	576	690	20	96.7	95.1	107.7	11.6	-1.6	13.2	6.0	6.1	0.9	0.8	15.9	13.9
Manappuram Fin.	Neutral	206	205	0	25.6	28.8	35.9	-1.4	12.5	24.7	8.0	7.2	1.3	1.1	17.4	16.9
MAS Financial	Buy	258	330	28	17.0	21.7	26.4	12.8	27.2	21.9	15.1	11.9	1.9	1.6	14.6	14.7
M&M Fin.	Buy	297	335	13	19.9	24.5	30.8	39.7	23.0	25.8	14.9	12.1	1.8	1.6	12.3	13.9
Muthoot Fin	Neutral	2232	2060	-8	127.6	152.4	171.0	26.5	19.5	12.2	17.5	14.6	3.2	2.7	19.5	19.9
Piramal Enterp.	Neutral	1042	1025	-2	22.7	49.5	66.0	-130.3	117.6	33.5	45.8	21.1	0.9	0.8	1.9	4.1
PNB Housing	Buy	906	1160	28	72.7	88.9	107.6	25.3	22.2	21.0	12.5	10.2	1.4	1.2	11.9	12.9
Poonawalla Fincorp	Buy	319	360	13	0.2	14.1	21.2	-98.4	6,295.4	50.6	1,449.4	22.7	3.1	2.7	0.2	12.7
PFC	Buy	406	560	38	49.7	56.6	62.0	14.2	13.8	9.5	8.2	7.2	1.5	1.3	19.3	19.2
REC	Buy	435	-		61.0	69.8	79.4	14.6	14.5	13.7	7.1	6.2	1.4	1.2	21.5	21.0
Repco Home Fin	Neutral	397	480	21	70.3	69.9	77.9	11.4	-0.6	11.5	5.7	5.7	0.8	0.7	14.2	12.4
Spandana Sphoorty	Buy	346	395	14	-130.8	11.9	47.0	-286.3	LP	296.3	NM	29.2	0.9	0.9	-29.4	3.1
Shriram Finance	Buy	566	700	24	44.2	52.6	63.6	15.5	19.0	21.0	12.8	10.8	1.8	1.6	15.6	15.8
Aggregate								10.6	24.9	20.7	16.3	13.0	2.4	2.0	14.5	15.7
NBFC-Non Lending																
360 ONE WAM	Buy	1010	1350	34	26.4	32.9	39.0	18.0	24.3	18.7	38.2	30.7	6.2	5.7	21.0	19.4
Aditya Birla AMC	Buy	703	850	21	32.7	37.1	42.0	20.7	13.3	13.3	21.5	19.0	5.7	5.1	28.1	28.5
Anand Rathi Wealth	Neutral	3770	4200	11	73.0	95.2	114.8	35.0	30.3	20.6	51.6	39.6	22.3	15.7	44.8	46.3
Angel One	Buy	2440	3200	31	148.5	160.7	214.6	9.3	8.2	33.5	16.4	15.2	3.6	3.1	28.6	22.2
BSE	Buy	5568	6900	24	88.5	137.9	167.7	55.2	55.8	21.6	62.9	40.4	20.6	17.9	32.7	44.2
Cams Services	Buy	3663	4600	26	97.9	110.6	131.7	36.7	12.9	19.1	37.4	33.1	16.6	14.1	48.0	46.0
CDSL	Neutral	1328	1500	13	27.0	34.2	42.4	34.6	26.7	24.0	49.2	38.8	15.8	13.8	35.1	38.0
HDFC AMC	Buy	3934	5200	32	117.0	139.4	158.7	28.6	19.2	13.8	33.6	28.2	10.9	9.9	33.8	36.9
KFin Technologies	Neutral	1170	1300	11	20.1	25.6	32.4	38.0	27.6	26.2	58.2	45.6	16.5	13.8	30.4	33.0
MCX	Neutral	6027	6100	1	114.5	143.7	177.6	602.6	25.5	23.6	52.6	41.9	20.6	18.7	40.6	46.7
Nippon Life AMC	Buy	605	850	40	20.7	25.6	30.1	17.7	23.6	17.9	29.3	23.7	9.4	9.2	32.4	39.4
Nuvama Wealth	Buy	5903	6800	15	273.7	305.9	341.1	62.6	11.7	11.5	21.6	19.3	6.3	5.6	31.4	31.0
Prudent Corp.	Neutral	2482	2200	-11	47.0	60.4	76.2	40.3	28.5	26.2	52.8	41.1	78.2	58.2	34.2	32.5
UTI AMC	Buy	1055	1300	23	70.9	78.7	89.3	12.5	11.1	13.4	14.9	13.4	2.6	2.4	17.7	18.6
Aggregate								36.0	17.5	19.1	34.8	29.6	9.6	8.6	27.6	29.1
Insurance																
HDFC Life Insur.	Buy	632	800	27	7.5	9.7	11.1	3.2	29.2	14.6	83.9	64.9	2.5	2.1	16.8	16.5
ICICI Lombard	Buy	1827	2300	26	53.5	60.8	69.9	37.3	13.7	14.9	34.2	30.0	6.5	5.6	20.5	20.1
ICICI Pru Life	Buy	600	780	30	8.1	10.2	13.4	36.4	25.8	32.3	74.3	59.1	1.7	1.4	19.1	19.5
Life Insurance Corp.	Buy	829	1200	45	67.2	71.4	77.1	4.4	6.3	8.1	12.3	11.6	0.6	0.6	15.5	11.1
Max Financial	Neutral	1108	1180	7	11.9	16.9	22.8	57.6	42.0	34.8	93.0	65.5	2.1	1.7	19.0	19.4
SBI Life Insurance	Buy	1465	1900	30	21.2	24.4	27.4	12.0	15.0	12.5	69.1	60.1	2.1	1.7	21.2	19.6
Star Health Insu	Buy	436	560	29	13.1	18.4	25.4	-9.0	40.0	38.3	33.1	23.7	3.4	3.0	11.0	13.6
Chemicals																
Alkyl Amines	Neutral	1816	1900	5	36.2	51.4	67.3	24.3	42.1	31.0	50.2	35.3	6.7	6.0	13.9	17.8
Atul	Buy	6179	8455	37	164.2	210.6	251.8	49.2	28.3	19.6	37.6	29.3	3.3	3.0	9.1	10.8
Clean Science	Neutral	1459	1450	-1	24.0	35.1	43.6	4.3	46.4	24.3	60.9	41.6	10.9	8.9	19.4	23.5
Deepak Nitrite	Neutral	2379	2555	7	61.5	78.0	87.5	11.5	26.9	12.2	38.7	30.5	5.9	5.0	16.2	17.7



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Fine Organic	Sell	4311	3570	-17	132.6	118.1	119.3	10.5	-10.9	1.1	32.5	36.5	5.9	5.2	19.9	15.1
Galaxy Surfact.	Buy	2449	3350	37	95.6	118.3	139.3	12.4	23.7	17.8	25.6	20.7	3.6	3.2	14.7	16.2
Navin Fluorine	Neutral	4247	3715	-13	59.4	81.0	92.9	28.8	36.4	14.7	71.5	52.4	8.1	7.3	11.8	14.6
NOCIL	Neutral	238	-		7.8	8.7	12.9	-1.1	11.1	48.7	30.6	27.5	2.2	2.1	7.5	8.0
PI Inds.	Buy	3641	-		114.4	126.5	144.8	3.4	10.6	14.4	31.8	28.8	5.4	4.6	18.3	17.2
SRF	Buy	2894	3540	22	42.7	72.0	100.4	-10.1	68.5	39.5	67.8	40.2	7.0	6.2	10.7	16.4
Tata Chemicals	Neutral	936	1030	10	17.7	41.3	56.6	-51.0	133.1	37.0	52.8	22.7	1.1	1.0	2.0	4.7
Vinati Organics	Buy	1741	2600	49	38.9	50.3	60.3	24.6	29.3	20.0	44.8	34.7	6.5	5.7	15.4	17.5
Aggregate								17.3	24.4	17.3	41.8	33.6	5.4	4.7	12.8	14.1
Capital Goods																
ABB India	Buy	5682	7200	27	88.7	102.5	119.3	50.5	15.6	16.3	64.1	55.4	15.7	12.5	27.6	25.1
Bharat Electronics	Buy	280	360	29	6.7	7.8	9.4	21.7	16.5	21.0	41.8	35.9	10.1	8.1	24.1	22.6
Cummins India	Buy	2964	4100	38	71.1	86.2	101.5	18.6	21.2	17.7	41.7	34.4	11.9	10.5	30.1	32.3
Hitachi Energy	Sell	12259	10500	-14	75.5	143.3	218.1	95.4	89.9	52.2	162.4	85.5	30.0	22.2	18.5	26.0
Kalpataru Proj.	Buy	1053	1360	29	44.3	61.6	81.5	41.8	39.2	32.2	23.8	17.1	2.4	2.2	11.5	13.4
KEC International	Neutral	815	900	10	20.4	34.7	43.0	57.0	69.9	23.7	39.8	23.5	4.1	3.6	11.5	16.3
Kirloskar Oil	Buy	840	1340	59	32.7	42.9	55.9	30.7	31.4	30.3	25.7	19.6	4.1	3.6	16.9	19.4
Larsen & Toubro	Buy	3353	4100	22	106.2	135.4	156.5	12.4	27.4	15.6	31.6	24.8	4.7	4.1	15.9	17.8
Siemens	Neutral	5644	6300	12	76.3	82.2	102.6	38.5	7.8	24.8	73.9	68.6	13.1	11.5	19.1	17.8
Thermax	Sell	3317	3500	6	63.1	79.1	95.2	20.9	25.4	20.4	52.6	41.9	7.5	6.5	15.1	16.6
Triveni Turbine	Buy	569	780	37	11.7	14.0	17.8	37.8	20.3	26.9	48.7	40.5	14.7	11.7	33.9	32.2
Zen Technologies	Buy	1643	2400	46	31.7	49.0	68.1	125.7	54.6	39.0	51.8	33.5	8.5	6.8	26.1	22.6
Aggregate								21.7	24.6	19.4	42.4	34.0	7.2	6.2	17.0	18.2
Cement																
Ambuja Cem.	Buy	514	600	17	7.9	10.6	15.2	-43.0	33.4	44.0	64.9	48.6	2.3	2.2	4.0	4.6
ACC	Buy	1995	2400	20	62.2	91.6	123.4	-37.4	47.3	34.7	32.1	21.8	2.1	1.9	6.9	9.2
Birla Corp.	Buy	1188	1470	24	18.2	51.3	73.8	-66.3	181.6	44.0	65.3	23.2	1.4	1.3	2.1	5.7
Dalmia Bhar.	Buy	1868	2100	12	34.9	51.0	65.8	-14.3	46.0	29.1	53.5	36.6	2.1	2.0	4.0	5.6
Grasim Inds.	Buy	2501	3210	28	79.5	100.6	119.3	-16.9	26.6	18.5	31.5	24.9	3.1	3.0	-1.5	1.9
India Cem	Sell	282	310	10	-23.8	-3.5	4.1	214.7	Loss	LP	NM	NM	1.9	1.9	-14.7	-2.4
J K Cements	Buy	4901	5630	15	90.4	128.1	169.6	-12.0	41.7	32.4	54.2	38.3	6.4	5.7	11.6	15.7
JK Lakshmi Ce	Buy	848	-		22.1	39.5	39.2	-44.2	78.9	-0.8	38.4	21.4	3.0	2.6	7.9	13.0
Ramco Cem	Neutral	890	870	-2	8.3	18.4	25.5	-50.3	121.7	38.6	107.0	48.5	2.8	2.7	2.7	5.6
Shree Cem	Neutral	27812	26640	-4	288.7	301.0	388.7	-57.8	4.2	29.2	96.3	92.4	4.8	4.6	5.0	5.1
Ultratech	Buy	11475	13800	20	222.0	298.6	380.3	-9.2	34.5	27.3	51.7	38.4	5.1	4.3	10.2	12.3
Aggregate								-26.7	40.7	28.7	51.2	36.4	3.4	3.1	6.6	8.6
Consumer																
Asian Paints	Neutral	2263	2550	13	44.6	50.3	57.4	-23.0	12.7	14.2	50.7	45.0	11.4	11.0	22.7	24.9
Britannia	Neutral	4959	-		91.3	105.0	118.3	2.9	15.0	12.7	54.3	47.2	27.7	24.1	53.3	54.5
Colgate	Neutral	2667	2850	7	53.1	58.4	63.6	7.8	10.2	8.8	50.3	45.6	34.6	31.2	72.7	72.0
Dabur	Buy	526	650	24	10.5	11.9	13.5	-0.8	12.9	13.5	50.1	44.4	8.8	8.2	18.2	19.2
Emami	Buy	576	750	30	20.2	22.0	23.9	12.0	9.1	8.4	28.5	26.1	9.1	8.1	33.9	32.8
Godrej Cons.	Buy	1119	1400	25	19.3	23.9	27.8	-0.1	23.9	15.9	57.9	46.8	8.5	7.8	15.1	17.4
HUL	Buy	2374	2850	20	44.1	49.3	54.1	0.8	11.9	9.8	53.9	48.2	10.9	10.7	20.2	22.4
ITC	Buy	441	550	25	16.1	17.4	18.7	-1.8	8.1	7.5	27.6	25.5	7.2	7.0	26.5	27.8
Indigo Paints	Buy	1274	1650	30	29.8	35.4	41.6	-3.7	18.7	17.5	42.7	36.0	6.0	5.3	14.8	15.5
Jyothy Lab	Neutral	400	450	13	10.4	11.7	13.0	5.5	13.5	10.3	38.6	34.0	7.8	7.1	20.6	21.7
L T Foods	Buy	401	460	15	17.5	23.8	28.5	2.7	35.9	19.7	22.9	16.8	3.6	3.1	16.8	19.6
Marico	Buy	661	775	17	12.6	14.1	15.5	10.1	12.1	9.9	52.5	46.8	21.5	20.5	41.8	44.8
Nestle	Neutral	2244	2400	7	32.7	36.7	41.1	-20.2	12.2	11.8	68.5	61.1	52.8	45.0	84.9	79.6
Page Inds	Buy	43987	57500	31	613.6	709.4	841.0	20.2	15.6	18.5	71.7	62.0	28.0	24.1	39.0	38.8
Pidilite Ind.	Neutral	2900	3200	10	42.1	48.9	55.7	17.4	16.3	13.8	68.9	59.3	15.5	13.9	23.9	24.7
P&G Hygiene	Neutral	14414	15500	8	251.7	281.5	317.2	14.3	11.9	12.7	57.3	51.2	49.9	41.7	95.5	88.8
Tata Consumer	Buy	1022	1130	11	14.5	17.7	20.1	1.2	22.0	13.3	70.4	57.7	4.4	3.9	7.3	7.4
United Brew	Neutral	2074	2200	6	21.5	31.4	38.9	38.2	46.0	24.2	96.6	66.1	12.2	11.1	13.1	17.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
United Spirits	Neutral	1415	1650	17	19.2	21.6	24.1	22.0	12.9	11.2	73.8	65.3	12.2	10.2	16.6	15.7
Varun Beverages	Buy	568	750	32	7.7	10.4	12.5	27.3	34.0	20.7	73.4	54.8	11.7	9.8	22.5	19.5
Aggregate								0.8	13.4	11.5	47.2	41.6	10.8	10.1	22.8	24.2
Consumer Durables																
Havells India	Neutral	1602	1740	9	22.0	26.9	33.1	8.7	22.1	23.0	72.7	59.6	12.0	10.6	16.5	17.9
KEI Industries	Buy	3921	4780	22	68.2	82.4	100.7	6.0	20.7	22.3	57.5	47.6	6.5	5.8	14.6	12.8
Polycab India	Buy	5860	8380	43	125.0	148.0	174.3	5.3	18.4	17.7	46.9	39.6	9.2	7.8	19.5	19.7
R R Kabel	Buy	1218	1600	31	22.3	33.2	44.3	-15.8	49.2	33.5	54.7	36.7	6.9	6.0	13.1	17.5
Voltas	Buy	1351	1640	21	25.1	30.4	38.0	247.1	20.9	25.1	53.8	44.5	6.8	6.1	12.6	13.6
Aggregate								19.5	21.7	22.0	57.8	47.5	8.9	7.8	15.5	16.5
EMS																
Amber Enterp.	Buy	6953	7800	12	70.8	109.5	168.7	79.6	54.7	54.0	98.2	63.5	10.2	8.8	10.9	14.8
Avalon Tech	Buy	733	1000	36	9.5	16.8	25.0	123.1	76.8	48.8	77.0	43.7	7.9	6.7	10.8	16.6
Cyient DLM	Buy	458	700	53	9.6	16.3	22.4	25.0	69.3	37.0	47.4	28.0	3.7	3.3	8.1	12.4
Data Pattern	Neutral	1966	2180	11	36.1	48.6	62.2	11.3	34.6	28.0	54.4	40.5	7.2	6.2	14.2	16.4
Dixon Tech.	Buy	14642	20500	40	130.8	174.2	250.6	112.8	33.1	43.9	111.9	84.1	35.6	25.1	37.7	35.1
Kaynes Tech	Buy	4292	6500	51	47.4	85.4	136.1	65.2	80.2	59.3	90.6	50.2	9.8	8.2	11.5	17.8
Syrma SGS Tech.	Buy	537	650	21	9.6	15.3	21.4	56.6	59.4	39.9	56.0	35.2	5.4	4.8	10.1	14.5
Aggregate								71.7	50.5	46.5	93.5	62.1	13.8	11.3	14.7	18.2
Healthcare																
Alembic Phar	Neutral	894	970	8	27.6	36.0	45.4	-12.1	30.2	26.3	32.4	24.9	3.3	3.0	10.7	12.6
Alkem Lab	Neutral	5257	5630	7	183.8	204.8	231.2	15.1	11.4	12.9	28.6	25.7	5.2	4.5	19.7	18.9
Ajanta Pharma	Buy	2699	3220	19	71.4	80.8	95.8	14.6	13.2	18.6	37.8	33.4	8.1	6.9	23.2	22.2
Apollo Hospitals	Buy	6871	8660	26	97.4	126.3	164.5	56.0	29.7	30.2	70.6	54.4	11.6	9.6	18.4	19.9
Aurobindo	Neutral	1192	-		61.7	70.8	81.1	10.0	14.8	14.5	19.3	16.8	2.1	1.9	11.5	11.8
Biocon	Buy	397	420	6	0.4	4.1	9.3	-80.1	1,037.1	127.9	1,105.8	97.2	2.3	2.3	0.2	2.4
Cipla	Neutral	1472	1530	4	61.7	61.2	68.2	17.5	-0.8	11.4	23.9	24.1	3.8	3.3	15.9	13.8
Divis Lab	Neutral	6117	6200	1	75.4	96.0	118.0	25.7	27.3	22.9	81.1	63.7	10.8	9.7	14.0	16.1
Dr Reddy's	Neutral	1236	1330	8	64.7	74.4	68.2	2.0	15.0	-8.3	19.1	16.6	3.1	2.7	17.6	17.3
ERIS Lifescience	Neutral	1460	1270	-13	27.4	40.1	55.2	-6.2	46.2	37.6	53.2	36.4	7.0	6.0	13.8	17.6
Gland Pharma	Buy	1519	1840	21	44.3	56.9	68.4	-7.0	28.5	20.3	34.3	26.7	2.6	2.4	8.0	9.4
Glenmark	Buy	1498	1900	27	47.3	60.7	70.6	1,805.6	28.2	16.3	31.6	24.7	4.6	3.9	15.7	17.0
GSK Pharma	Neutral	2266	2420	7	50.2	56.2	64.6	15.9	12.1	14.9	45.2	40.3	17.7	14.5	39.3	36.0
Global Health	Buy	1169	1410	21	19.6	24.9	30.9	10.0	27.3	23.9	59.7	46.9	9.4	8.1	16.8	18.5
Granules India	Buy	579	665	15	19.5	26.5	33.4	12.5	35.7	26.0	29.6	21.8	3.8	3.3	13.7	16.2
IPCA Labs	Buy	1516	1970	30	33.1	44.3	55.5	59.4	33.8	25.1	45.7	34.2	5.5	4.8	12.6	14.9
Laurus Labs	Buy	636	720	13	5.1	10.7	14.9	68.7	110.2	39.5	125.0	59.5	7.9	7.1	6.5	12.5
Lupin	Neutral	2186	2290	5	68.9	75.7	83.9	66.0	9.8	10.9	31.7	28.9	5.8	4.8	19.8	18.2
Mankind Pharma	Buy	2479	3050	23	50.1	55.0	72.1	4.8	9.9	31.1	49.5	45.1	7.4	6.5	17.8	15.4
Max Healthcare	Buy	1125	1300	16	15.4	20.8	24.7	12.4	34.9	18.4	72.9	54.0	10.2	8.6	15.0	17.3
Piramal Pharma	Buy	230	300	31	0.8	2.2	4.0	80.8	189.7	81.7	300.1	103.6	3.4	3.3	1.3	3.6
Sun Pharma	Buy	1743	2160	24	49.2	59.5	66.6	18.7	21.0	11.9	35.4	29.3	5.7	4.8	17.2	17.9
Torrent Pharma	Neutral	3161	3410	8	57.3	75.3	94.3	21.6	31.4	25.3	55.2	42.0	6.6	5.5	26.0	28.7
Zydus Lifesciences	Neutral	1008	1000	-1	44.5	48.9	43.1	18.3	9.8	-11.8	22.6	20.6	4.0	3.4	19.8	17.9
Aggregate								20.0	18.9	13.4	37.2	31.3	5.3	4.6	14.2	14.8
Infrastructure																
G R Infraproject	Buy	1199	1410	18	71.0	80.0	102.2	-2.6	12.6	27.8	16.9	15.0	1.5	1.3	9.1	9.4
IRB Infra	Neutral	54	63	17	1.4	2.4	2.8	38.9	71.0	17.1	38.7	22.7	1.6	1.5	5.0	6.9
KNR Constructions	Buy	293	400	37	14.9	17.1	21.8	-2.5	15.0	27.7	19.7	17.1	2.1	1.9	11.8	11.7
Aggregate											26.9	19.4	1.6	1.5	6.1	7.8
Logistics																
Adani Ports	Buy	1164	1400	20	47.7	58.5	70.0	15.5	22.7	19.8	24.4	19.9	4.1	3.5	17.9	18.8
Blue Dart Express	Buy	6527	8100	24	116.9	208.5	259.7	-3.9	78.3	24.6	55.8	31.3	9.8	8.0	18.4	28.3
Concor	Buy	731	950	30	22.4	28.6	34.5	11.8	27.4	20.5	32.6	25.6	3.5	3.3	11.2	13.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
JSW Infra	Buy	258	350	36	6.7	7.7	9.8	15.3	15.5	26.5	38.7	33.5	6.0	5.3	16.4	16.7
Mahindra Logistics	Neutral	370	330	-11	-3.7	14.8	26.8	-55.4	LP	81.7	NM	25.0	5.9	4.9	-5.4	21.0
Transport Corp.	Buy	1095	1370	25	53.0	63.1	73.9	15.7	19.0	17.1	20.7	17.4	3.5	3.0	18.3	18.4
TCI Express	Neutral	797	785	-2	22.8	31.7	38.3	-33.7	39.0	20.8	35.0	25.2	2.5	2.3	11.9	15.1
VRL Logistics	Buy	520	670	29	18.2	22.4	25.8	79.7	23.1	15.2	28.6	23.2	4.5	4.1	16.2	18.5
Aggregate											27.2	21.8	4.2	3.7	15.6	16.8
Media																
PVR Inox	Neutral	1122	1250	11	-20.8	10.0	25.0	-278.3	LP	150.0	NM	111.8	1.5	1.5	-2.8	1.4
Sun TV	Neutral	639	625	-2	46.1	48.9	52.8	-3.1	6.0	8.2	13.9	13.1	2.2	2.0	16.0	15.5
Zee Ent.	Neutral	108	130	20	8.1	9.6	10.8	78.8	18.4	13.1	13.4	11.3	0.9	0.9	7.0	7.8
Aggregate								-0.2	26.0	16.7	19.3	15.3	1.6	1.5	8.1	9.5
Metals																
Coal India	Buy	380	480	26	56.8	67.4	70.5	-6.4	18.6	4.7	6.7	5.6	2.3	1.9	35.1	34.6
Hindalco	Buy	595	780	31	68.9	63.1	74.0	51.0	-8.4	17.3	8.6	9.4	1.4	1.2	17.6	14.0
Hind. Zinc	Neutral	443	460	4	24.0	31.2	32.0	30.7	29.9	2.8	18.5	14.2	14.8	9.0	72.8	78.8
JSPL	Buy	810	960	19	44.1	75.7	96.7	-24.6	71.8	27.7	18.4	10.7	1.7	1.5	9.6	14.8
JSW Steel	Buy	948	1100	16	17.0	61.7	82.8	-53.8	263.2	34.1	55.8	15.4	2.9	2.4	5.2	17.2
Nalco	Neutral	197	225	14	18.6	13.9	16.2	104.6	-25.1	16.5	10.6	14.1	2.1	1.9	21.7	14.1
NMDC	Buy	65	-		8.2	9.1	9.8	24.5	10.7	8.4	8.0	7.2	1.8	1.6	25.3	23.5
SAIL	Neutral	108	120	11	0.8	10.4	14.8	-70.6	1,250	43.0	140.7	10.4	0.8	0.7	0.5	7.2
Tata Steel	Neutral	133	140	6	3.4	11.2	16.0	24.3	232	43.6	39.4	11.9	2.0	1.9	4.9	16.1
Vedanta	Neutral	444	500	13	35.8	42.1	48.6	170.0	18	15.6	12.4	10.5	5.4	4.3	43.2	45.1
Aggregate								12.8	39.2	17.3	13.9	10.0	2.3	2.0	16.7	20.3
Oil & Gas																
Aegis Logistics	Neutral	811	795	-2	16.8	21.0	23.3	3.4	25.0	11.3	48.4	38.7	6.7	6.0	14.4	16.3
BPCL	Neutral	262	310	18	26.9	26.3	26.6	-57.6	-2.0	1.1	9.8	10.0	1.4	1.3	14.6	13.4
Castrol India	Buy	211	260	23	9.4	9.5	10.1	7.3	1.8	6.0	22.5	22.1	9.2	8.5	42.1	39.8
GAIL	Buy	179	255	43	13.6	18.1	19.7	-1.2	33.8	8.8	13.2	9.8	1.6	1.4	9.5	15.8
Gujarat Gas	Buy	471	580	23	15.5	17.5	19.0	-2.9	12.4	8.9	30.3	26.9	3.9	3.5	13.3	13.7
Gujarat St. Pet.	Neutral	336	388	16	15.5	11.0	11.0	-31.8	-29.2	-0.1	21.6	30.5	1.7	1.7	8.3	5.6
HPCL	Buy	343	490	43	31.0	45.1	46.4	-58.9	45.6	3.0	11.1	7.6	1.4	1.2	13.3	17.3
IOC	Buy	126	145	15	6.0	10.4	9.0	-79.5	71.7	-13.6	20.9	12.2	0.9	0.9	4.4	7.3
IGL	Neutral	202	218	8	10.1	11.7	12.9	-19.4	15.9	10.7	20.1	17.3	3.0	2.7	15.6	16.2
Mahanagar Gas	Buy	1342	1850	38	104.7	110.3	117.6	-20.9	5.4	6.6	12.8	12.2	2.3	2.1	19.0	17.9
MRPL	Sell	126	120	-5	-0.8	10.4	12.1	-103.9	LP	17.1	NM	12.1	1.7	1.5	-1.1	13.1
Oil India	Buy	425	600	41	38.3	47.6	51.3	-21.3	24.2	7.9	11.1	8.9	1.4	1.3	13.5	15.1
ONGC	Buy	256	305	19	36.8	44.4	45.7	-20.5	20.4	3.0	7.0	5.8	0.9	0.8	13.1	14.4
PLNG	Neutral	311	330	6	24.3	29.2	31.3	3.1	20.3	7.0	12.8	10.6	2.5	2.2	20.3	21.8
Reliance Ind.	Buy	1282	1605	25	50.6	61.0	67.9	-1.6	20.5	11.4	25.3	21.0	2.0	1.9	8.3	9.3
Aggregate								-31.8	24.1	6.0	17.0	13.7	1.6	1.5	9.5	10.8
Real Estate																
Anant Raj	Buy	597	1085	82	13.1	17.5	18.6	68.5	33.4	6.3	45.5	34.1	5.0	4.4	11.0	12.8
Brigade Enterpr.	Buy	1155	1540	33	37.8	44.1	63.1	71.0	16.6	43.1	30.6	26.2	4.0	3.5	16.2	14.3
DLF	Buy	764	954	25	6.0	17.5	13.0	-45.5	191.7	-25.4	127.4	43.7	3.3	3.0	3.7	10.0
Godrej Propert.	Buy	2250	3435	53	51.3	64.4	64.8	90.9	25.5	0.6	43.9	35.0	3.6	3.3	10.4	9.8
Kolte Patil Dev.	Buy	306	525	71	15.1	44.0	39.5	-265.1	190.9	-10.0	20.3	7.0	2.8	2.1	14.8	34.4
Oberoi Realty	Neutral	1797	2056	14	66.7	82.8	96.6	26.0	24.0	16.7	26.9	21.7	4.1	3.5	16.3	17.4
Macrotech Devel.	Buy	1198	1568	31	22.6	34.1	36.8	33.5	50.9	8.0	53.0	35.2	5.9	5.1	11.7	15.5
Mahindra Lifespace	Neutral	397	458	15	5.5	6.0	21.4	-13.5	9.9	257.2	72.7	66.2	3.2	3.1	4.5	4.8
SignatureGlobal	Buy	1257	2000	59	19.1	58.6	120.5	1,522.4	207.1	105.7	65.9	21.5	19.7	10.3	35.2	63.0
Sunteck Realty	Buy	495	746	51	11.7	31.3	10.1	142.2	166.6	-67.6	42.2	15.8	2.2	2.0	5.4	13.1
Sobha	Buy	1310	-		30.3	67.2	83.2	485.9	121.4	23.9	43.2	19.5	3.5	3.0	9.7	16.5
Prestige Estates	Buy	1363	2040	50	21.7	22.2	26.5	14.4	2.4	19.5	62.9	61.4	3.0	2.9	5.7	4.8
Phoenix Mills	Neutral	1614	1810	12	30.1	41.3	55.7	-2.2	37.2	34.9	53.6	39.1	5.5	4.9	10.8	13.3



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Aggregate								19.0	60.8	9.2	57.6	35.8	4.7	4.2	8.1	11.7
Retail																
Avenue Supermarts	Buy	3749	4450	19	42.1	50.1	59.8	8.0	19.0	19.5	89.1	74.9	11.4	9.9	13.6	14.1
Aditya Birla Fashion	Neutral	279	300	8	-7.3	-6.2	-5.9	3.9	Loss	Loss	NM	NM	7.1	8.5	-17.8	-18.0
Bata India	Neutral	1356	1260	-7	22.6	26.0	30.9	-0.8	15.1	18.9	60.0	52.1	9.9	9.0	17.7	18.1
Barbeque-Nation	Neutral	308	350	14	-2.1	0.0	1.4	-27.3	Loss	LP	NM	NM	3.1	3.1	-2.1	0.0
Campus Activewe.	Buy	274	380	39	4.1	5.5	7.5	42.1	33.2	35.1	66.0	49.6	10.8	8.8	16.3	17.9
Devyani Intl.	Buy	181	215	19	0.4	1.7	2.2	-41.8	270.4	30.9	403.1	108.8	32.8	36.7	6.3	31.8
Jubilant Food.	Neutral	694	800	15	5.5	8.1	10.4	38.2	47.9	28.7	127.3	86.0	20.4	19.5	16.0	22.7
Kalyan Jewellers	Buy	542	625	15	8.0	10.4	12.9	38.0	30.3	23.4	67.7	52.0	11.9	10.3	18.6	21.2
Metro Brands	Buy	1273	1525	20	13.7	17.1	21.8	7.2	25.5	27.2	93.2	74.3	15.8	13.4	18.5	19.9
P N Gadgil Jewellers	Buy	564	950	69	17.1	23.2	29.4	30.6	35.9	26.8	33.0	24.3	4.7	4.0	21.6	17.8
Raymond Lifestyle	Buy	1337	1900	42	38.7	61.0	76.0	-51.8	57.7	24.6	34.6	21.9	0.8	0.8	5.1	7.7
Relaxo Footwear	Sell	536	425	-21	6.9	7.9	9.4	-14.9	15.6	18.4	78.2	67.6	6.3	5.9	8.3	9.0
Sapphire Foods	Buy	318	415	31	1.4	3.5	5.1	-14.2	150.0	45.7	220.1	91.9	7.4	6.8	3.4	7.7
Shoppers Stop	Neutral	598	700	17	0.8	0.6	4.7	-85.6	-21.5	660.8	755.3	962.0	15.0	14.7	2.7	2.0
Senco Gold	Buy	502	725	44	16.2	19.6	22.7	39.5	20.4	16.1	30.9	25.7	5.0	4.2	17.3	17.9
Titan Company	Buy	3411	4000	17	42.8	53.4	63.8	9.0	24.7	19.5	79.7	63.9	25.2	19.7	35.5	34.6
Trent	Buy	5275	7350	39	44.5	60.2	77.1	52.3	35.3	28.1	118.6	87.7	29.1	21.5	30.2	30.1
V-Mart Retail	Neutral	3548	3850	9	1.2	26.8	60.9	-102.5	2,058.3	126.9	2,853.6	132.2	8.6	8.0	0.3	6.8
Vedant Fashions	Neutral	959	1065	11	16.7	20.0	23.6	-2.0	19.8	18.0	57.3	47.9	13.3	11.7	23.8	23.7
Westlife Foodworld	Neutral	869	800	-8	0.7	5.3	9.2	-83.9	641.1	73.6	1,215.8	164.0	18.4	19.0	1.7	11.4
Aggregate								22.0	32.7	26.4	98.9	75.6	14.1	12.4	14.2	16.4
Technology																
Cyient	Sell	1496	1350	-10	58.4	79.7	90.2	-12.7	36.5	13.1	25.6	18.8	3.7	3.5	14.1	18.5
HCL Tech.	Buy	1724	2400	39	63.8	72.7	80.7	10.2	14.0	11.0	27.0	23.7	7.0	7.0	25.6	29.6
Infosys	Buy	1916	2200	15	63.4	70.0	77.5	0.1	10.4	10.8	30.2	27.4	9.0	9.0	29.8	32.8
LTI Mindtree	Buy	5946	7700	30	158.8	187.0	217.7	2.6	17.8	16.4	37.4	31.8	7.7	6.8	22.0	22.7
L&T Technology	Buy	5536	5500	-1	125.4	150.0	174.4	1.9	19.7	16.2	44.2	36.9	9.8	8.4	23.5	24.1
Mphasis	Neutral	2825	3200	13	90.1	101.8	113.1	10.2	13.1	11.1	31.4	27.7	5.6	5.2	18.8	19.7
Coforge	Buy	8518	12000	41	133.9	227.1	282.3	4.1	69.7	24.3	63.6	37.5	13.4	11.5	22.2	32.8
Persistent Sys	Buy	6228	7600	22	90.7	113.5	138.0	20.8	25.2	21.5	68.7	54.9	16.5	14.0	25.9	27.6
TCS	Buy	4083	5000	22	138.0	152.0	166.2	9.3	10.1	9.3	29.6	26.9	15.5	14.5	53.7	55.8
Tech Mah	Neutral	1670	1850	11	45.2	63.2	74.0	10.0	39.8	17.1	37.0	26.4	5.4	5.3	14.9	20.2
Wipro	Neutral	318	290	-9	12.0	12.3	13.0	18.0	2.3	6.0	26.4	25.8	4.5	4.4	17.1	17.4
Zensar Tech	Neutral	920	850	-8	28.4	32.4	36.6	-2.5	14.3	12.7	32.4	28.3	5.2	4.6	17.1	17.3
Aggregate								9.3	11.9	10.6	30.4	27.1	9.1	8.7	29.9	32.2
Telecom																
Bharti Airtel	Buy	1620	-		34.8	41.1	57.2	76.9	18.2	39.2	46.6	39.4	9.9	7.8	23.1	23.9
Indus Towers	Neutral	356	400	12	22.8	24.1	26.1	2.0	5.6	8.2	15.6	14.8	2.8	2.7	19.6	18.2
Vodafone Idea	Neutral	9	8	-14	-9.7	-9.6	-8.8	-12.7	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1586	1850	17	35.3	54.8	73.7	-16.5	55.4	34.4	44.9	28.9	18.8	12.7	48.0	53
Aggregate								Loss	LP	243.1	-1,350	227	67.8	39.8	-5.0	17.5
Utilities																
Acme Solar	Buy	242	330	36	2.2	5.7	10.4	-7.2	159.8	82.5	110.3	42.5	3.3	3.0	3.7	7.4
Indian Energy Exchange	Neutral	183	193	6	4.4	5.4	6.3	16.0	20.4	17.2	41.1	34.1	14.2	11.8	37.8	37.7
JSW Energy	Buy	494	770	56	13.7	17.2	18.2	30.3	26.0	5.7	36.1	28.6	3.8	3.4	11.0	12.5
NTPC	Neutral	313	366	17	20.4	25.4	27.6	-4.9	24.5	8.5	15.3	12.3	1.8	1.6	11.9	13.7
Power Grid Corpn	Buy	281	375	33	17.9	18.9	19.9	6.8	5.7	5.5	15.7	14.9	2.8	2.6	18.4	18.1
Tata Power Co.	Buy	365	490	34	12.3	16.4	17.3	11.7	34.1	5.2	29.8	22.2	3.2	2.8	11.4	13
Aggregate								2.8	18.6	7.5	19	16	2.4	2.2	13.1	14.2



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Others																
APL Apollo Tubes	Buy	1421	1920	35	25.4	42.5	55.3	-3.7	67.2	30.0	55.8	33.4	9.5	7.6	18.2	25.4
Cello World	Buy	655	930	42	16.8	21.7	26.7	8.0	28.6	23.5	38.9	30.3	9.3	7.2	24.0	23.8
Coromandel Intl	Buy	1858	2270	22	59.9	76.0	89.8	7.4	26.9	18.2	31.0	24.4	5.1	4.3	17.5	19.1
Dreamfolks Services	Buy	360	450	25	13.0	18.8	22.4	4.0	44.6	18.8	27.6	19.1	6.2	4.6	26.2	28.7
EPL	Buy	239	320	34	10.9	14.7	17.3	34.3	34.9	17.9	22.0	16.3	3.3	2.9	15.9	19.2
Gravita India	Buy	2051	2800	37	42.8	59.8	79.1	23.4	39.9	32.2	48.0	34.3	7.1	5.9	21.2	18.7
Godrej Agrovet	Buy	765	940	23	24.5	33.7	40.4	30.8	37.6	19.9	31.2	22.7	5.3	4.5	17.7	21.5
Indian Hotels	Buy	790	960	21	11.8	15.3	18.1	33.7	29.0	18.6	66.7	51.7	10.0	8.4	16.2	17.7
Indiamart Inter.	Buy	2179	2600	19	77.5	79.3	92.5	40.4	2.4	16.6	28.1	27.5	6.2	5.3	24.1	20.8
Info Edge	Neutral	8054	7100	-12	60.8	91.3	111.0	-5.5	50.1	21.6	132.5	88.2	4.0	3.8	2.9	4.4
Interglobe	Neutral	4394	4535	3	160.3	248.9	238.8	-24.3	55	-4	27.4	18	20.8	9.5	123.1	74.3
Kajaria Ceramics	Buy	973	1120	15	22.9	26.0	30.0	-15.8	13.6	15.2	42.5	37.4	5.6	5.4	13.1	14.2
Lemon Tree Hotel	Buy	146	190	30	2.3	3.9	4.6	21.0	69.6	17.1	61.1	35.4	9.4	7.4	16.7	23.5
MTAR Tech	Buy	1573	2100	34	26.1	45.3	70.2	43.1	73.5	55.0	60.2	34.7	6.4	5.4	11.2	16.9
One 97	Neutral	798	950	19	-2.4	-3.4	13.0	-89.4	Loss	LP	NM	NM	3.9	4.0	-1.1	-1.7
Qness Corp	Neutral	654	670	3	26.2	32.7	38.8	28.1	25.1	18.4	25.0	20.0	2.5	2.3	13.6	16.0
SBI Cards	Neutral	811	800	-1	20.7	30.1	39.7	-18.6	45.9	31.8	39.2	26.9	5.6	4.7	15.2	18.9
SIS	Buy	345	420	22	24.8	31.8	38.3	91.2	28.2	20.5	13.9	10.8	0.8	0.7	13.9	15.4
Swiggy	Neutral	389	460	18	-12.6	-10.5	-6.5	18.1	Loss	Loss	NM	NM	9.7	13.1	-34.3	-29.9
Team Lease Serv.	Buy	2319	3200	38	66.6	118.8	136.5	2.8	78.4	14.9	34.8	19.5	4.3	3.5	12.7	19.5
UPL	Neutral	645	610	-5	27.8	45.9	67.1	660.9	64.8	46.2	23.2	14.1	1.3	1.2	8.5	13.3
Updater Services	Buy	356	460	29	16.7	20.9	27.2	47.2	25.0	30.4	21.3	17.0	2.4	2.1	12.3	13.4
Zomato	Buy	229	270	18	0.8	2.6	5.5	101.0	221.6	108.7	279.5	86.9	9.3	8.4	3.4	10.2



Index	1 Day (%)	1M (%)	12M (%)
Sensex	-0.3	0.1	8.1
Nifty-50	-0.4	-0.1	7.6
Nifty Next 50	-0.7	-5.2	12.5
Nifty 100	-0.5	-1.0	8.3
Nifty 200	-0.6	-1.7	8.5
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-0.9	-0.8	17.1
Amara Raja Ener.	-0.8	-5.3	22.5
Apollo Tyres	-0.9	-16.8	-24.7
Ashok Leyland	-0.6	-7.2	16.6
Bajaj Auto	-0.9	0.3	14.6
Balkrishna Inds	-2.2	1.4	16.0
Bharat Forge	-1.6	-9.8	-11.5
Bosch	-0.7	-15.9	13.1
CEAT	-1.8	-4.9	7.0
Craftsman Auto	-4.3	-20.7	0.4
Eicher Motors	-1.4	1.8	35.4
Endurance Tech.	2.7	-3.8	-5.3
Escorts Kubota	-1.5	-1.8	11.1
Exide Inds.	-1.7	-7.5	8.5
Happy Forgings	-0.1	1.5	5.5
Hero Motocorp	-0.9	0.6	-11.6
Hyundai Motor	-0.8	1.4	
M & M	-1.2	1.1	81.7
CIE Automotive	0.6	0.6	-3.7
Maruti Suzuki	-0.1	11.2	20.6
MRF	-1.0	-7.3	-20.6
Sona BLW Precis.	3.5	-8.3	-15.5
Motherson Sumi	-0.1	-11.4	15.1
Motherson Wiring	-0.6	-3.3	-23.0
Tata Motors	-1.0	-8.6	-24.5
TVS Motor Co.	-1.0	7.4	26.6
Tube Investments	-0.5	-15.0	-17.6
Banks-Private	0.3	1.7	6.9
AU Small Fin. Bank	-1.6	4.6	-4.9
Axis Bank	0.7	-4.0	-2.8
Bandhan Bank	-1.1	0.4	-30.3
DCB Bank	3.5	4.9	-9.3
Equitas Sma. Fin	-1.6	-16.5	14.4
Federal Bank	-0.1	-7.0	25.0
HDFC Bank	0.3	1.9	20.8
ICICI Bank	0.4	0.7	24.0
IDFC First Bank	0.6	1.8	-23.2
Indusind Bank	0.4	9.8	-29.5
Kotak Mah. Bank	0.2	7.7	7.2
RBL Bank	-1.5	0.9	-36.5
SBI Cards	-1.3	11.0	14.4
Banks-PSU	-0.7	-1.1	-4.2
BOB	-0.1	-3.6	-12.2
Canara Bank	-1.0	-2.5	-9.0
Indian Bank	1.4	7.5	1.0
Punjab Natl.Bank	-0.5	-2.0	-18.2
St Bk of India	-1.8	-3.1	15.7

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-0.5	-2.5	8.2
Nifty Midcap 100	-1.3	-5.1	9.2
Nifty Smallcap 100	-0.3	-7.4	3.7
Nifty Midcap 150	-1.0	-5.2	9.5
Nifty Smallcap 250	0.0	-7.8	5.2
Union Bank (I)	0.1	4.1	-17.6
NBFCs	0.0	1.5	16.2
Aditya Birla Capital Ltd	-1.0	-4.4	-18.5
Bajaj Fin.	0.7	18.0	-33.6
Cholaman.Inv.&Fn	1.5	-2.0	4.8
Can Fin Homes	9.6	10.9	-67.2
CreditAcc. Gram.	-0.7	-11.1	-37.8
Fusion Microfin.	-2.0	3.1	43.1
Five-Star Bus.Fi	-1.4	8.9	-11.5
Home First Finan	0.4	-3.0	-11.1
Indostar Capital	0.2	15.0	10.4
IIFL Finance	-0.5	9.6	1.8
L&T Finance	1.4	0.2	-22.9
LIC Housing Fin.	-1.4	2.2	60.6
MCX	0.6	-5.9	-20.5
M & M Fin. Serv.	0.7	1.1	12.5
Muthoot Finance	-1.4	-15.3	-13.7
Manappuram Fin.	0.5	1.7	-34.8
MAS Financial Serv.	-1.7	-9.2	-10.7
PNB Housing	0.5	-4.1	-12.2
Power Fin.Corp.	6.4	4.2	-64.1
REC Ltd	-1.9	-19.7	60.7
Repc Home Fin	-0.2	-11.6	43.9
Shriram Finance	-1.0	-2.3	10.9
Spandana Sphoort	-2.4	-11.4	-22.2
Nippon Life Ind.	-1.5	-23.3	43.5
UTI AMC	-1.4	-4.1	8.6
Nuvama Wealth	1.9	-18.5	83.0
Prudent Corp.	-1.2	3.6	58.1
NBFC-Non Lending			
360 One	-1.5	-4.0	-6.1
Aditya AMC	-2.3	-24.5	24.5
Anand Rathi Wea.	-4.0	-17.1	20.0
Angel One	-0.4	6.8	19.4
BSE	0.3	5.2	-10.2
C D S L	-1.5	-13.2	83.1
Cams Services	2.6	2.5	-2.4
HDFC AMC	-4.6	9.4	125.5
KFin Technolog.	0.0	15.8	28.9
MCX	0.6	-5.9	-20.5
Nippon Life Ind.	-1.5	-23.3	43.5
Nuvama Wealth	1.9	-18.5	83.0
Prudent Corp.	-1.2	3.6	58.1
UTI AMC	-1.4	-4.1	8.6
Insurance			
HDFC Life Insur.	0.7	4.3	6.6
ICICI Pru Life	-0.9	-9.4	14.1
ICICI Lombard	-1.4	0.8	14.9



Company	1 Day (%)	1M (%)	12M (%)
Life Insurance	-1.6	-5.4	-19.2
Max Financial	-0.9	1.4	21.4
SBI Life Insuran	-0.3	2.1	0.1
Star Health Insu	-0.9	-9.1	-24.0
Chemicals			
Alkyl Amines	1.7	5.0	-19.6
Atul	-0.3	-9.2	-2.9
Clean Science	-2.1	1.1	4.0
Deepak Nitrite	1.2	-1.7	5.8
Fine Organic	-0.8	-2.4	-4.0
Galaxy Surfact.	0.7	0.2	-8.2
Navin Fluor.Intl.	-0.1	26.9	30.2
NOCIL	-0.2	-0.1	-11.8
P I Inds.	1.2	1.1	9.9
SRF	-2.2	27.1	26.7
Tata Chemicals	0.3	-5.6	-5.6
Vinati Organics	-1.3	1.9	4.1
Capital Goods	1.6	-11.7	-39.0
A B B	-1.1	-14.2	29.0
Bharat Electron	-3.2	-0.9	52.8
Cummins India	1.5	-6.6	23.5
Hitachi Energy	3.0	-16.8	99.8
K E C Intl.	-3.6	-31.9	23.6
Kalpataru Proj.	1.1	-15.1	19.3
Kirloskar Oil	-1.6	-16.5	14.4
Larsen & Toubro	-0.9	-7.0	-2.1
Siemens	1.1	-12.9	33.8
Thermax	-0.9	-20.2	2.3
Triveni Turbine	-1.5	-24.4	33.9
Zen Technologies	-2.0	-33.2	98.3
Cement			
Ambuja Cem.	-1.5	-3.0	-9.3
ACC	-2.6	0.5	-21.1
Birla Corp.	2.5	-1.2	-21.7
Dalmia Bhar.	-1.0	6.4	-14.7
Grasim Inds.	0.4	1.6	21.0
India Cem	0.2	-25.0	16.8
J K Cements	-0.7	4.2	12.9
JK Lakshmi Cem.	7.1	5.3	-8.8
The Ramco Cement	-1.1	-6.5	-10.0
Shree Cement	-2.0	7.4	0.9
UltraTech Cem.	-0.9	-0.2	14.2
Consumer	-1.0	-1.5	2.3
Asian Paints	-0.5	-0.2	-22.8
Britannia Inds.	0.5	3.4	-1.0
Colgate-Palm.	-1.4	-3.2	3.9
Dabur India	-1.0	4.2	-1.2
Emami	-1.7	-1.5	14.6
Godrej Consumer	0.1	-1.9	-9.5
Hind. Unilever	-0.8	-0.1	-2.2
ITC	-1.6	-0.4	8.1
Indigo Paints	0.4	-4.9	-9.4
Jyothy Lab.	-4.3	2.8	-19.8

Company	1 Day (%)	1M (%)	12M (%)
L T Foods	1.7	-1.4	120.7
Marico	-1.1	2.0	27.0
Nestle India	-0.4	2.5	-8.8
Page Industries	-4.0	-8.4	20.9
Pidilite Inds.	0.4	0.2	10.9
P & G Hygiene	-0.6	-1.3	-13.7
Tata Consumer	0.8	8.1	-11.0
United Breweries	0.7	-0.1	15.3
United Spirits	-1.9	-13.8	32.0
Varun Beverages	-2.6	-9.8	5.5
Consumer Durables	-2.0	-10.5	18.0
Polycab India	-0.3	-2.6	19.2
R R Kabel	0.7	-7.8	20.3
Havells	-3.0	-15.7	33.3
Voltas	-0.8	-11.7	-18.6
KEI Industries	-3.1	-23.9	31.4
EMS			
Amber Enterp.	0.7	-9.3	54.8
Avalon Tech	5.0	-20.4	54.2
Cyient DLM	-2.5	-29.5	-35.3
Data Pattern	-3.1	-16.2	4.0
Dixon Technolog.	-2.9	-18.7	130.5
Kaynes Tech	-2.6	-40.1	51.3
Syrma SGS Tech.	2.4	-9.7	-5.8
Healthcare	0.6	-4.6	19.0
Alembic Pharma	0.7	-16.0	-9.2
Alkem Lab	2.7	-4.9	3.8
Apollo Hospitals	-1.0	-7.5	10.9
Ajanta Pharma	-3.1	-8.4	19.0
Aurobindo	0.0	-9.2	17.5
Biocon	1.7	10.8	33.0
Zydus Lifesci.	3.2	4.9	26.4
Cipla	2.4	-1.3	3.2
Divis Lab	-0.1	3.9	64.2
Dr Reddy's	0.7	-8.4	0.3
ERIS Lifescience	4.6	14.1	64.4
Gland Pharma	1.3	-19.8	-29.1
Glenmark	1.4	9.2	-5.4
Global Health	-0.7	-4.8	35.2
Granules	13.1	2.7	-8.4
GSK Pharma	0.4	-7.6	69.5
IPCA Labs	1.6	-11.9	26.3
Laurus Labs	0.9	6.2	59.7
Lupin	0.0	-7.4	38.3
Mankind Pharma	-3.8	-2.4	37.1
Max Healthcare	-0.1	-14.0	18.3
Piramal Pharma	-0.3	-7.2	63.1
Sun Pharma	-0.6	-5.7	18.1
Torrent Pharma	1.5	-6.0	21.1
Infrastructure	-0.8	-1.7	3.3
G R Infraproject	0.1	-13.8	-10.4
IRB Infra.Devl.	-0.9	-5.8	-23.0
KNR Construct.	4.3	-11.0	2.0



Company	1 Day (%)	1M (%)	12M (%)
Logistics			
Adani Ports	1.7	0.1	-8.6
Blue Dart Exp.	0.4	-4.1	6.1
Container Corpn.	-1.4	-4.4	-22.0
JSW Infrast	-0.9	-18.2	17.7
Mahindra Logis.	1.6	-1.3	-9.5
Transport Corp.	3.5	-2.5	9.6
TCL Express	1.9	-2.5	-40.6
VRL Logistics	11.4	3.3	-24.5
Media			
PVR INOX	-1.0	-10.3	-20.3
Sun TV	0.5	-4.4	-0.4
Zee Ent.	-1.3	-11.5	-38.3
Metals			
Hindalco	-0.9	3.7	1.8
Hind. Zinc	-5.3	-0.9	40.2
JSPL	-1.2	-13.8	3.6
JSW Steel	-0.2	5.3	15.8
Nalco	-1.4	-1.6	21.0
NMDC	0.0	0.4	-19.8
SAIL	-0.8	-2.2	-25.8
Tata Steel	-1.4	0.3	-8.4
Vedanta	-0.2	0.3	56.8
Oil & Gas			
Aegis Logistics	5.2	-5.7	85.0
BPCL	-3.2	-17.9	14.2
Castrol India	2.1	-4.1	109.5
GAIL	0.5	-7.8	-13.8
Gujarat Gas	-0.6	-3.4	-1.7
Gujarat St. Pet.	8.3	7.8	3.8
HPCL	-1.7	-7.6	-23.6
IOCL	-2.2	-6.4	-11.6
IGL	0.1	-11.8	-3.9
Mahanagar Gas	-0.3	-5.2	-31.7
MRPL	-1.2	-4.6	-10.8
Oil India	-0.9	-12.5	-35.1
ONGC	-0.6	5.1	-12.6
PLNG	-1.5	-7.1	32.5
Reliance Ind.	-2.1	0.7	-5.9
Real Estate			
Anant Raj	2.0	-30.4	82.2
Brigade Enterpr.	-0.3	-7.9	8.8
DLF	0.1	-5.2	-4.2
Godrej Propert.	-2.2	-14.0	-2.2
Kolte Patil Dev.	1.6	-11.7	-39.0
Mahindra Life.	-1.4	-13.6	-33.7
Macrotech Devel.	-5.5	-11.0	7.9
Oberoi Realty Ltd	-1.7	-18.6	36.4
SignatureGlobal	-3.7	-6.7	3.2
Sobha	-1.0	-11.4	-6.6
Sunteck Realty	3.2	3.0	3.7
Phoenix Mills	-5.0	4.4	21.8
Prestige Estates	-0.9	-14.3	11.7

Company	1 Day (%)	1M (%)	12M (%)
Retail			
Aditya Bir. Fas.	-1.8	4.9	9.4
Avenue Super.	-3.0	-4.7	0.6
Bata India	-0.9	-4.7	-5.9
Campus Activewe.	-1.5	-8.9	6.5
Barbeque-Nation	4.3	-27.0	-51.2
Devyani Intl.	-0.6	-8.7	14.2
Jubilant Food	-4.3	-9.5	44.6
Kalyan Jewellers	-4.5	-27.2	64.4
Metro Brands	-3.5	2.2	22.2
P N Gadgil Jewe.	0.1	-15.6	
Raymond Lifestyl	-2.6	-33.4	
Relaxo Footwear	0.6	-13.1	-37.4
Sapphire Foods	-0.2	-10.3	12.8
Senco Gold	-4.4	-8.7	25.6
Shoppers St.	-2.4	3.1	-20.6
Titan Co.	-2.3	-1.7	-4.2
Trent	-8.2	-24.6	73.9
V-Mart Retail	1.0	-2.1	69.1
Vedant Fashions	0.0	-22.0	-0.8
Westlife Food	1.5	8.2	4.8
Technology			
Cyient	-0.7	-14.2	-31.9
HCL Tech.	0.6	-11.8	6.1
Infosys	1.0	-1.1	10.8
LTIMindtree	-1.3	3.7	8.7
L&T Technology	-1.5	16.1	-0.9
Mphasis	-0.6	-2.5	9.6
Coforge	0.2	-11.5	29.9
Persistent Sys	0.6	-1.3	44.1
TCS	-0.2	-0.3	-1.3
Tech Mah	0.5	-1.0	23.6
Wipro	0.3	8.0	27.3
Zensar Tech	2.7	19.2	55.3
Telecom			
Bharti Airtel	-2.5	2.0	42.8
Indus Towers	-0.5	8.0	61.1
Idea Cellular	-2.8	17.6	-34.9
Tata Comm	-1.1	-6.2	-6.9
Utilites			
ACME Solar Hold.	6.2	5.9	
Coal India	-0.8	0.2	-15.4
Indian Energy Ex	1.8	5.3	19.6
JSW Energy	0.1	-17.8	0.5
NTPC	-2.1	-4.5	-6.4
Power Grid Corpn	-1.4	-8.1	2.5
Tata Power Co.	-0.2	-3.5	-7.0



Others			
APL Apollo Tubes	-2.2	-5.5	6.9
Cello World	-0.5	-10.8	1.3
Coromandel Intl	-0.8	6.3	17.3
Dreamfolks Servi	-0.2	-11.6	43.9
EPL Ltd	1.9	-9.6	2.8
Gravita India	-2.2	3.3	42.2
Godrej Agrovet	4.5	-4.2	25.1
Havells	-3.0	-15.7	33.3
Indian Hotels	-0.7	0.3	-16.1
Indiamart Inter.	-1.5	-23.3	43.5
Info Edge	1.9	-18.5	83.0
Interglobe	1.4	-8.7	50.3
Kajaria Ceramics	-0.5	3.0	40.1
Lemon Tree Hotel	4.4	-9.3	116.6
MTAR Technologie	-1.4	-2.7	2.2
One 97	-0.6	-17.6	76.9
Piramal Enterp.	-0.6	-0.3	15.7
Qess Corp	1.2	0.8	31.8
SIS	3.4	-2.6	-29.6
Swiggy	-7.0	-26.9	
Team Lease Serv.	-1.4	-21.4	-24.1
UPL	-0.1	23.7	39.5
Updater Services	-1.6	-3.5	2.5
Voltas	-0.8	-11.7	-18.6
Zomato Ltd	-0.9	-13.5	63.7

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SELL	< - 10%
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