

**Market snapshot**



Equities - India	Close	Chg .%	CYTD.%
Sensex	76,139	0.0	-2.6
Nifty-50	23,031	-0.1	-2.6
Nifty-M 100	50,881	0.2	-11.0
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	6,115	1.0	4.0
Nasdaq	19,946	1.5	3.3
FTSE 100	8,765	-0.5	7.2
DAX	22,612	2.1	13.6
Hang Seng	8,003	-0.7	9.8
Nikkei 225	39,461	1.3	-1.1
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	75	-1.0	1.4
Gold (\$/OZ)	2,928	0.8	11.6
Cu (US\$/MT)	9,435	1.0	9.0
Almn (US\$/MT)	2,617	-0.5	3.6
Currency	Close	Chg .%	CYTD.%
USD/INR	86.9	0.0	1.5
USD/EUR	1.0	0.8	1.1
USD/JPY	152.8	-1.0	-2.8
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.7	0.01	0.0
10 Yrs AAA Corp	7.3	0.02	0.1
Flows (USD b)	13-Feb	MTD	CYTD
FII	-0.3	-2.51	-10.6
DII	0.34	4.35	12.5
Volumes (INRb)	13-Feb	MTD*	YTD*
Cash	891	988	1009
F&O	4,50,246	1,95,609	1,93,089

Note: Flows, MTD includes provisional numbers.

\*Average



**Today's top research idea**

**HCL Technologies: Short-term uncertainty, long-term value**

- ❖ We met with Mr. Shiv Walia, the CFO of HCL Technologies (HCLT), and left with a positive view on the company's growth quality despite the near-term uncertainties. Management highlighted that deal durations are shortening, with larger deals being broken into smaller chunks, though the pipeline remains strong, and deal momentum is improving.
- ❖ While we have tempered growth expectations due to a slower exit in 3Q and 4Q, HCLT's differentiated positioning in hi-tech and semiconductors, along with its low reliance on pass-through revenues, bodes well for the medium term. The HP CTG acquisition reinforces its telecom presence, diversifying exposure beyond North America and enhancing its capabilities in network solutions.
- ❖ On margins, Project Ascend is driving efficiencies, helping to offset cost pressures, and while shorter deal durations may affect predictability, HCLT remains focused on reinvesting in growth. We now value HCLT at 28x FY27E EPS (vs. 30x earlier) owing to a slower-than-expected discretionary pick-up across the industry. We reiterate our BUY rating with a TP of INR2,200.



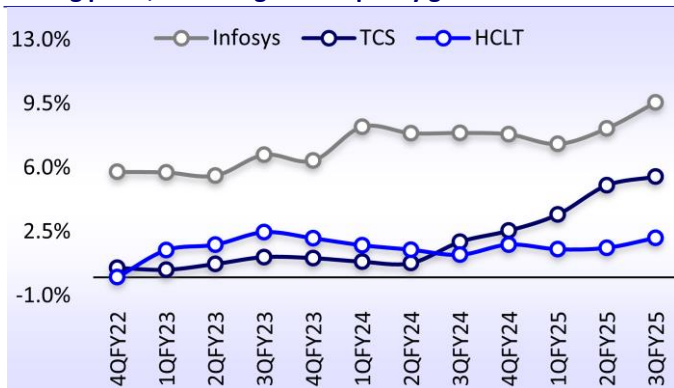
**Research covered**

Cos/Sector	Key Highlights
HCL Technologies	Short-term uncertainty, long-term value
Ipsa Laboratories	India and Unichem fuel profitable growth
Endurance Technologies	Healthy performance despite tough macro
Other Updates	Manappuram Finance   IIFL Finance   Cello World   P N Gadgil Jewellers   Repco Home Finance   Fusion Microfinance   Healthcare Monthly   EcoScope   Hindalco   United Breweries   Deepak Nitrite   Kalpataru Projects   Senco Gold   KNR Construction



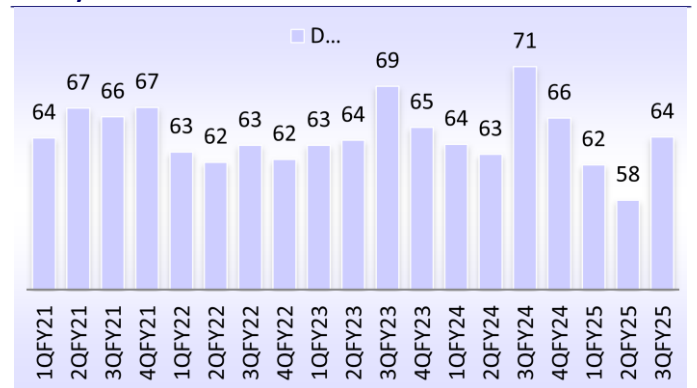
**Chart of the Day: HCL Technologies (Short-term uncertainty, long-term value)**

HCLT's pass-through revenue contribution is the lowest among peers, indicating better-quality growth



Source: Company, MOFSL

DSO days remain steady within the historical average of ~64-65 days



Source: Bloomberg, 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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

### RBI moves to fine companies for availing foreign guarantee

RBI has told at least two state-owned banks to penalize corporate clients for breaching foreign exchange laws by obtaining guarantees from overseas banks. While such guarantees are barred under FEMA, RBI's 2019 master direction allows them.

2

### NBFCs seek easier terms for financing to tide over crunch

NBFCs urged the RBI governor to increase the ECB limit, ease regulations on alternative vehicle financing, and accelerate eKYC permissions. They also requested the ability to utilize SARFAESI for loans below ₹20 lakh and flagged issues affecting MFIs and green financing policies.

3

### Makhana prices surge 32% post-budget amid rising global & domestic demand

Makhana prices have surged by nearly 32% driven by strong interest from domestic and global buyers. Prices rose from ₹950 per kg to ₹1,250 per kg in January. Demand increased following the finance minister's budget emphasis on makhana. Enquiries and orders from international

4

### NHPC's FY26 capex to be lower at ₹8,000 crore

NHPC Ltd plans a capital expenditure of over ₹8,000 crore in FY26, focusing on adding 1,620 MW hydro and 1,490 MW solar projects. The company's current projects total around 9,314 MW under construction, with plans also in place for 20 GW of pumped hydro storage project developments.

5

### Adani Green pulls out of \$1 billion Sri Lanka power project

Adani Green Energy has decided to withdraw its \$1 billion wind farms project in Sri Lanka, citing controversy over tariffs and environmental concerns. This follows a prior setback with a canceled deal in Kenya. Despite past approval and substantial investment in predevelopment, the project faced ongoing regulatory challenges, leading to Adani's respectful withdrawal.

6

### KKR set to buy cancer chain HCG

KKR is set to acquire a 51% stake in Healthcare Global Enterprises from CVC Capital Partners. The \$3,128 crore deal includes an open offer for an additional 26%. HCG's founding family will retain 10.87%, while the company's growth trajectory and expanded capabilities are expected post-acquisition.

7

### Truck makers partner with Amazon, Amul & others to develop electric commercial vehicles for last-mile deliveries

India's major truck manufacturers such as Tata Motors and Eicher Motors, along with startups like EKA Mobility, are collaborating with companies like Amazon, Bisleri, and Amul to develop electric small...



# HCL Technologies

BSE SENSEX 76,139 S&P CNX 23,031

**CMP: INR1,703 TP: INR2,200 (+29%) Buy**

## HCLTech

### Stock Info

Bloomberg	HCLT IN
Equity Shares (m)	2714
M.Cap.(INRb)/(USD\$b)	4621.6 / 53.2
52-Week Range (INR)	2005 / 1231
1, 6, 12 Rel. Per (%)	-14/12/-4
12M Avg Val (INR M)	5247
Free float (%)	39.2

### Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	1,173	1,267	1,369
EBIT Margin (%)	18.2	18.6	18.8
PAT	173	190	211
EPS (INR)	63.7	70.0	77.7
EPS Gr. (%)	10.0	9.8	11.0
BV/Sh. (INR)	248	245	241

### Ratios

RoE (%)	25.6	28.5	32.0
RoCE (%)	22.7	25.5	28.3
Payout (%)	90.0	90.0	90.0

### Valuations

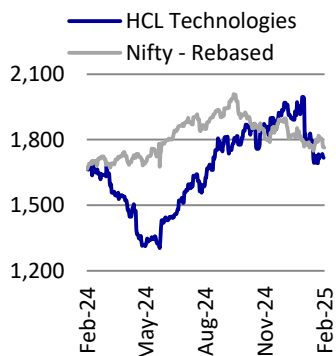
P/E (x)	26.7	24.3	21.9
P/BV (x)	6.9	6.9	7.1
EV/EBITDA (x)	18.0	16.1	14.8
Div Yield (%)	3.4	3.7	4.1

### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	60.8	60.8	60.8
DII	15.2	15.8	15.2
FII	19.5	18.9	19.6
Others	4.4	4.5	4.4

FII Includes depository receipts

### Stock performance (one-year)



## Short-term uncertainty, long-term value

We met with Mr. Shiv Walia, the CFO of HCL Technologies (HCLT), and left with a positive view on the company's growth quality despite the near-term uncertainties.

Management highlighted that deal durations are shortening, with larger deals being broken into smaller chunks, though the pipeline remains strong, and deal momentum is improving. While we have tempered growth expectations due to a slower exit in 3Q and 4Q, HCLT's differentiated positioning in hi-tech and semiconductors, along with its low reliance on pass-through revenues, bodes well for the medium term. The HP CTG acquisition reinforces its telecom presence, diversifying exposure beyond North America and enhancing its capabilities in network solutions. On margins, Project Ascend is driving efficiencies, helping to offset cost pressures, and while shorter deal durations may affect predictability, HCLT remains focused on reinvesting in growth. We now value HCLT at 28x FY27E EPS (vs. 30x earlier) owing to a slower-than-expected discretionary pick-up across the industry. We reiterate our BUY rating with a TP of INR2,200.

### Key highlights from our discussion

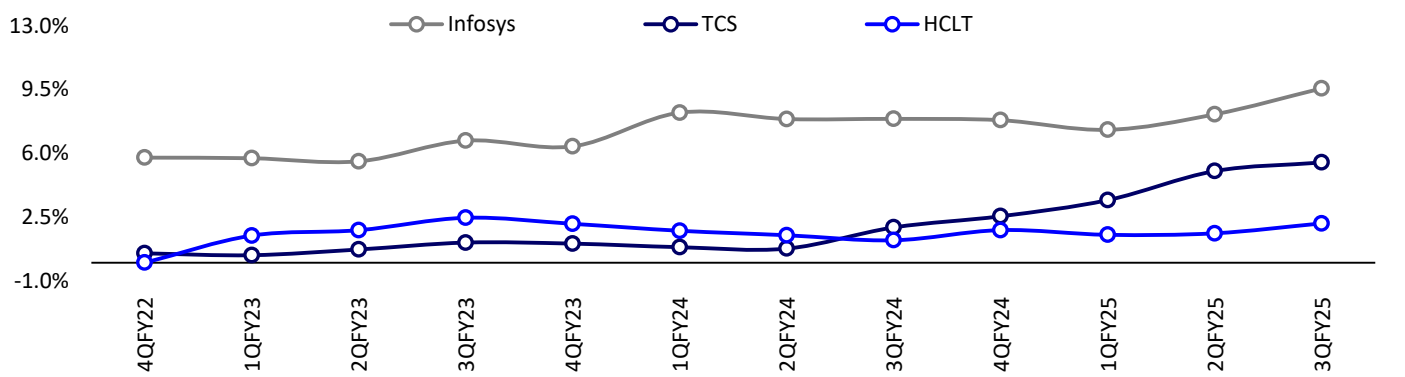
- **Deal trends:** Management reiterated that deal durations are shortening, with larger deals being split into smaller chunks. The deal pipeline is near all-time highs, and if conversions materialize, Total Contract Value (TCV) could rise from USD 2b to USD 2.3-2.5b. The Annual Contract Value (ACV) grew 23% YoY in 3QFY25, reflecting this trend.
- **Growth outlook:** While near-term uncertainty remains, HCLT's growth quality is strong. We estimate ~6.5% YoY growth in constant currency for FY26e; a softer 3Q and 4Q exit has tempered expectations. A stronger discretionary spending environment could present an upside risk to these numbers.
- **Growth quality vs. peers:** HCLT has the lowest pass-through revenue contribution among peers, signaling higher-quality growth. While pass-through revenues are necessary for cost-takeout deals and GCC setups, HCLT's control over these low-margin revenues is commendable.
- **Hi-Tech exposure favorable to industry tailwinds:** HCLT works with 8 of the top 10 R&D spenders in the hi-tech space. In the semiconductor space, HCLT has one of the most diversified service offerings, spanning chip design, assembly, testing, validation, and platform solutions. Hi-tech, along with the US BFSI, should be one of the fastest-growing verticals in FY26E, in our view, and HCLT's differentiated offerings in this space position its hi-tech vertical well for the next 12-18 months.
- **HP CTG acquisition could unlock new geographies but hurt margins:** The HP CTG acquisition expands HCLT's telecom footprint; HP CTG works with 25 of the top 30 global communication service providers (CSPs), helping HCLT diversify away from North America and expanding its footprint in Europe and Japan, providing deeper access to high-value telecom engineering and network transformation projects. We note, however, that the acquisition is dilutive to margins and could present near-term risks to its profitability.

- The TMT vertical, after a torrid couple of years, could begin to turn around in FY26E, and the company expects the vertical to do well in the coming year.
- **Margins & FY26 outlook:** Project Ascend is driving efficiency gains, offsetting wage hikes. Shorter-duration deals may reduce margin predictability, but FY26 is expected to be a stable margin environment. HCLT may reinvest gains, yet margins could still improve by 30bp, per our estimates.

**Valuations and View**

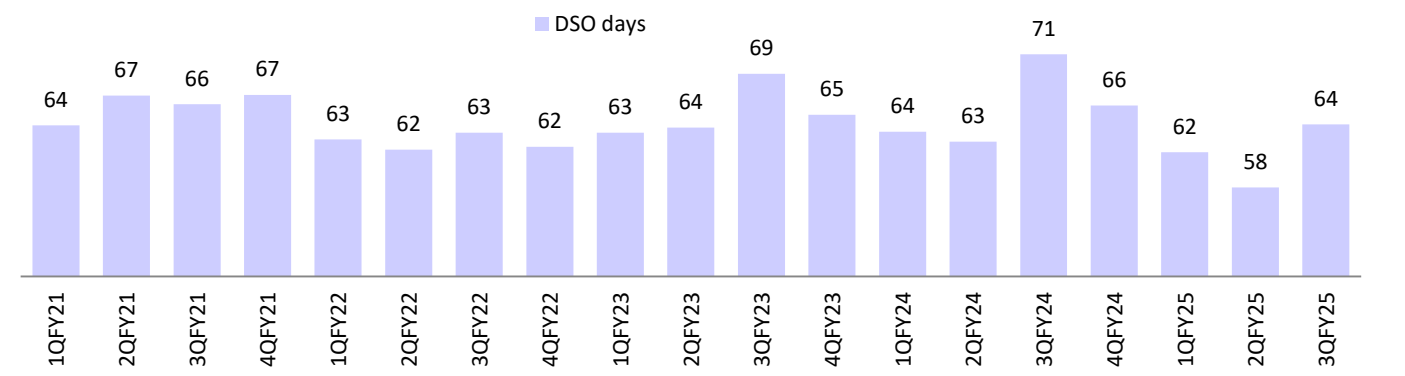
- We expect HCLT to deliver an 18.2% EBIT margin in FY25, which should recover to 18.6% in FY26 as growth improves. We expect HCLT to deliver a CAGR of 6.2%/10.3% in USD revenue/INR PAT over FY25-27E. **We now value HCLT at 28x FY27E EPS (vs. 30x earlier) owing to a slower-than-expected discretionary pick-up across the industry. We reiterate our BUY rating with a TP of INR2,200.**

**HCLT's pass-through revenue contribution is the lowest among peers, indicating better-quality growth**



Source: Company, MOFSL

**DSO days remain steady within the historical average of ~64-65 days**



Source: Bloomberg, MOFSL



# Ipca Laboratories

Estimate change	↑
TP change	↑
Rating change	↔

**CMP: INR1,491      TP: INR1,940 (+30%)      Buy**

Bloomberg	IPCA IN
Equity Shares (m)	254
M.Cap.(INRb)/(USDb)	378.2 / 4.4
52-Week Range (INR)	1758 / 1052
1, 6, 12 Rel. Per (%)	-5/11/23
12M Avg Val (INR M)	704

### Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	89.1	100.8	117.0
EBITDA	17.1	20.9	24.7
Adjusted PAT	8.7	11.6	14.3
EBIT Margin (%)	14.7	16.7	17.6
Cons. Adj EPS (INR)	34.3	45.8	56.5
EPS Gr. (%)	65.1	33.4	23.4
BV/Sh. (INR)	278.8	317.7	365.7

### Ratios

Net D-E	0.1	0.0	-0.1
RoE (%)	13.0	15.4	16.5
RoCE (%)	12.4	14.2	15.4
Payout (%)	21.3	16.8	19.0

### Valuation

P/E (x)	43.4	32.6	26.4
EV/EBITDA (x)	22.2	18.2	15.4
Div. Yield (%)	0.5	0.5	0.7
FCF Yield (%)	2.1	2.0	2.7
EV/Sales (x)	4.3	3.8	3.2

### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	44.7	46.3	46.3
DII	35.7	34.2	34.5
FII	11.1	10.8	10.3
Others	8.5	8.6	8.9

FII Includes depository receipts

## India and Unichem fuel profitable growth

### Efforts in progress to improve business prospects across segments

- Ipca Laboratories (IPCA) delivered a better-than-expected performance in 3QFY25. It has consistently outperformed the industry in the domestic formulation (DF) market. However, this was partly offset by muted business in the South African market. The API prices have been stable, and inventories are moving towards normalized quantum at the industry level.
- We raise our earnings estimates by 4%/3%/2% for FY25/FY26/FY27 factoring in: 1) the increased share of higher-margin products, 2) better operating leverage for the US business of both IPCA and Unichem, and 3) a revival in the South African business. We value IPCA at 36x 12M forward earnings to arrive at our TP of INR1,940 on a 12M forward earnings basis.
- IPCA remains on track to: a) revive the US business from its own site as well as integrate/scale Unichem operations, b) increase offerings/enhance reach/gain market share in the DF segment, c) drive improvement in operating leverage. We model a 28% earnings CAGR over FY25-27. **Reiterate BUY.**

### Better segmental mix partly offset by higher opex on a YoY basis

- IPCA's 3QFY25 sales grew 9.4% YoY to INR22.5b (our est: INR22.9b). DF sales grew 12.5% YoY to INR8.8b (39% of total sales). Exports formulation sales increased 5.8% YoY to INR4.6b (20% of total sales). Exports-branded sales rose 52.7% YoY to INR1.6b. Exports-generics sales dipped 11% YoY to INR2.2b. Exports-institutional sales declined 3.1% YoY to INR741m. API sales grew 11.6% YoY to INR3.2b (14% of sales).
- Revenue from subsidiaries grew 2% YoY to INR5.8b (23% of sales). The revenue growth is largely due to Unichem.
- Gross margin (GM) expanded 420bp YoY to 70.2%, due to superior product mix/lower RM costs.
- In line with gross margin, EBITDA margin expanded 450bp YoY to 20.6% (our est: 17.8%), as lower employee expenses (70bp YoY as a % of sales) were partly offset by higher other expenses (+40bp YoY as a % of sales).
- EBITDA rose 40% YoY to INR4.6b (our est: INR4.1b).
- Adj. PAT for the company grew 122.5% YoY to INR2.5b (our est: INR2.0b).
- Revenue/EBITDA/PAT grew 17.9%/31.7%/54.4% YoY in 9MFY25.

### Highlights from the management commentary

- IPCA guided a standalone EBITDA margin of 23-24% and a consolidated EBITDA margin of 19.0-19.5% for FY25.
- GM for 3QFY25 was high due to a reduction in material costs. While the pricing was stable, a better product mix led to better GM. The chronic portfolio has done well, driving better GM.
- The Generics business was hit mainly by lower off-take for the South African market (INR1.2b to INR400m sales on an annualized basis). This was largely due to the loss of tender. Significant improvement is likely in FY26.
- IPCA reported volume growth of 6-7% and the price hike was 5-6% YoY for the quarter.



Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	% Chg
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Revenues (Core)</b>	<b>15,876</b>	<b>20,340</b>	<b>20,529</b>	<b>20,330</b>	<b>20,926</b>	<b>23,549</b>	<b>22,454</b>	<b>22,187</b>	<b>77,074</b>	<b>89,116</b>	<b>22,929</b>	<b>-2.1</b>
YoY Change (%)	0.1	27.0	32.8	34.5	31.8	15.8	9.4	9.1	23.2	15.6	11.7	
<b>EBITDA</b>	<b>2,941</b>	<b>3,606</b>	<b>3,310</b>	<b>3,219</b>	<b>3,927</b>	<b>4,425</b>	<b>4,631</b>	<b>4,128</b>	<b>13,076</b>	<b>17,110</b>	<b>4,081</b>	<b>13.5</b>
YoY Change (%)	3.8	32.4	42.7	77.9	33.5	22.7	39.9	28.2	33.3	30.9	23.3	
Margins (%)	18.5	17.7	16.1	15.8	18.8	18.8	20.6	18.6	17.0	19.2	17.8	
Depreciation	693	903	995	981	989	1,004	985	990	3,572	3,967	995	
<b>EBIT</b>	<b>2,249</b>	<b>2,702</b>	<b>2,315</b>	<b>2,238</b>	<b>2,938</b>	<b>3,421</b>	<b>3,646</b>	<b>3,137</b>	<b>9,503</b>	<b>13,143</b>	<b>3,086</b>	<b>18.1</b>
YoY Change (%)	1.4	29.6	40.0	100.7	30.7	26.6	57.5	40.2	32.0	38.3	33.3	
Margins (%)	14.2	13.3	11.3	11.0	14.0	14.5	16.2	14.1	12.3	14.7	13.5	
Interest	314	441	334	294	241	226	168	147	1,383	781	230	
Other Income	449	386	225	16	206	263	201	230	1,075	900	235	
<b>PBT before EO Expense</b>	<b>2,383</b>	<b>2,647</b>	<b>2,205</b>	<b>1,960</b>	<b>2,904</b>	<b>3,458</b>	<b>3,679</b>	<b>3,220</b>	<b>9,195</b>	<b>13,261</b>	<b>3,091</b>	
One-off (gain)/ Expense	-135	393	-684	1,194	0	0	0	0	769	0	0	
<b>PBT after EO Expense</b>	<b>2,518</b>	<b>2,254</b>	<b>2,889</b>	<b>766</b>	<b>2,904</b>	<b>3,458</b>	<b>3,679</b>	<b>3,220</b>	<b>8,426</b>	<b>13,261</b>	<b>3,091</b>	
Tax	856	879	662	737	914	994	906	1,098	3,135	3,912	927	
Rate (%)	34.0	39.0	22.9	96.2	31.5	28.7	24.6	34.1	34.1	29.5	30.0	
<b>Reported PAT</b>	<b>1,662</b>	<b>1,374</b>	<b>2,227</b>	<b>29</b>	<b>1,990</b>	<b>2,464</b>	<b>2,773</b>	<b>2,122</b>	<b>5,292</b>	<b>9,349</b>	<b>2,164</b>	<b>28.2</b>
Minority Interest	-34	76	-428	-598	-67	-160	-292	-123	-984	-642	-180	
<b>Adj PAT after Minority Int</b>	<b>1,539</b>	<b>1,690</b>	<b>1,115</b>	<b>930</b>	<b>1,922</b>	<b>2,305</b>	<b>2,481</b>	<b>1,999</b>	<b>5,274</b>	<b>8,707</b>	<b>1,984</b>	<b>25.1</b>
YoY Change (%)	0.9	-9.2	-6.1	32.7	24.9	36.4	122.5	114.9	0.0	65.1	77.9	
Margins (%)	9.7	8.3	5.4	4.6	9.2	9.8	11.1	9.0	6.8	9.8	8.7	

Key performance Indicators

Y/E March	FY24				FY25E				FY24	FY25E	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
<b>INR m</b>											
Domestic formulations	7,827	8,450	7,796	6,898	8,734	9,405	8,772	7,623	30,972	34,533	8,677
YoY Change (%)	14.3	10.4	11.0	13.5	11.6	11.3	12.5	10.5	12.2	11.5	11.3
Exports formulations	3,979	4,707	4,331	4,737	3,954	5,415	4,582	5,370	17,753	19,320	5,378
YoY Change (%)	-1.0	16.4	8.2	9.5	-0.6	15.0	5.8	13.4	8.3	8.8	24.2
API sales	2,951	3,349	2,850	3,343	2,880	3,186	3,179	3,285	12,493	12,530	3,212
YoY Change (%)	-21.3	9.0	-11.6	-3.6	-2.4	-4.9	11.6	-1.7	-9.3	0.3	12.7
<b>Cost Break-up</b>											
RM Cost (% of Sales)	32.5	33.3	34.0	33.7	30.8	32.2	29.8	30.4	33.4	30.8	33.0
Staff Cost (% of Sales)	22.5	20.9	22.4	22.9	23.3	21.7	21.6	22.3	22.2	22.2	22.2
Other Cost (% of Sales)	26.5	28.0	27.6	27.5	27.2	27.4	28.0	28.6	27.5	27.8	27.0
Gross Margin (%)	67.5	66.7	66.0	66.3	69.2	67.8	70.2	69.6	66.6	69.2	67.0
EBITDA Margin (%)	18.5	17.7	16.1	15.8	18.8	18.8	20.6	18.6	17.0	19.2	17.8
EBIT Margin (%)	14.2	13.3	11.3	11.0	14.0	14.5	16.2	14.1	12.3	14.7	13.5

E: MOFSL Estimates



# Endurance Technologies

Estimate changes

TP change

Rating change



**CMP: INR1,914**

**TP: INR2,400 (+25%)**

**Buy**

Bloomberg	ENDU IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	269.2 / 3.1
52-Week Range (INR)	3061 / 1716
1, 6, 12 Rel. Per (%)	-4/-20/0
12M Avg Val (INR M)	334

## Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	116.8	132.5	148.8
EBITDA	15.6	17.7	20.0
Adj. PAT	8.2	10.0	11.7
EPS (INR)	58.5	71.0	82.8
EPS Growth (%)	23.7	21.4	16.6
BV/Share (INR)	401.4	458.4	524.2

## Ratios

Net Debt/Equity	-0.2	-0.2	-0.3
RoE (%)	15.5	16.5	16.9
RoCE (%)	14.2	15.3	15.9
Payout (%)	18.8	19.7	20.5

## Valuations

P/E (x)	32.5	26.8	23.0
P/BV (x)	4.7	4.2	3.6
Div. Yield (%)	17.3	15.2	13.6
FCF Yield (%)	0.6	0.7	0.9

## Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	75.0	75.0	75.0
DII	11.7	13.6	15.4
FII	11.5	9.5	7.8
Others	1.8	1.9	1.8

FII includes depository receipts

## Healthy performance despite tough macro

### Healthy order wins to continue to drive outperformance

- Endurance Technologies (ENDU) delivered an in-line operational performance in 3QFY25, with better results from EU operations offsetting weaker-than-anticipated India performance. However, its strong order book and continued expansion across product categories, both organically and inorganically, position ENDU well for stable growth in both regions.
- We remain optimistic about ENDU's strategic push into the 4W segment, targeting 45% of sales by FY30. A steady recovery in 2W demand, an expanding presence in PVs, and a robust EU order backlog serve as key growth drivers. We cut our FY25E/FY26E EPS by 3%/6% to reflect lower other income. Reiterate **BUY** with a TP of INR2,400 (30x Dec'26E EPS). **Endurance is our top pick in the auto ancillary space.**

### Commendable operating performance despite tough macro

- 3QFY25 consolidated revenue/EBITDA/PAT grew ~12%/25%/21% YoY to INR28.6b/INR3.7b/INR1.8b (est. INR29.3b/INR3.9b/INR2.1b). 9MFY25 revenue/EBITDA/PAT grew 14%/20%/26% YoY.
- Growth was driven by ~9% YoY growth in standalone (India) business (vs. 2W industry sales growth of 7%) and ~20% YoY growth in subsidiaries.
- Europe business revenue grew ~22% YoY in INR terms and ~21% in EUR terms (vs. new car registration growth of 1.3%) on the back of its strong order wins. Maxwell reported revenue growth of 37% YoY to INR260m in 3QFY25. Aftermarket sales in India stood at INR3.5m vs. INR3.3m YoY.
- Gross margin expanded 300bp YoY/70bp QoQ to 42.9% (est. 42.4%). EBITDA grew ~25% YoY to INR3.7b (est. INR3.9b), while EBITDA margin expanded 130bp YoY (-10bp QoQ) to 13% (est. 13.3%).
- Standalone EBITDA expanded 90bp YoY to 12.5% (est. 13%). EBITDA margin for EU business improved 70bp YoY to 16.2%. The same for Maxwell business improved ~110bp YoY to 13.7% in 3QFY25.
- While operating performance was in line, lower other income and higher tax led to a PAT miss at INR1.8b (+21% YoY, est. INR2.1b).

### India

- Cumulative order book stood at INR42.73b, with order wins of INR7.8b in 9MFY25. EV order value as of 9MFY25 stood at INR3.9b, translating into 49% of total order value in 9MFY25 (vs. 8% in FY24). It has cumulative orders of INR9.6b in India EV space, including orders from Bajaj Auto.

### Europe

- Cumulative orders in EU stood at EUR244m, with order wins of EUR36m in 9MFY25. It has large orders in the hybrid segment from VW and BMW.
- Out of EUR244mn of cumulative orders won in the last five years, orders worth EUR94m (39%) are for EV applications and EUR109m (45%) for Hybrid Applications. ICE end-use, currently at ~50% of ENDU's Europe revenue, is expected to reduce to 25% in FY28.

### Highlights from the management commentary

- **New Orders:** ENDU secured new orders worth INR7.8b, with 50% for EVs and 40% for 4Ws. Key OEMs include HMCL, HMSI, Kawasaki, and TVS. AI die castings orders stood at INR3.8b in FY25, brake orders stood at INR1.71b, transmission at INR524m, and drive shafts at INR450m, mainly from Mahindra.
- **Expansion plans:** The Auric Shendra 4W casting plant infrastructure will be ready by Feb'25, with SOP planned for Jun'25. The plant has secured a machine casting order from Valeo, with peak annual sales of INR730m, and an INR1.5b export order from a premium global OEM. The AURIC Bidkin 2W alloy wheel plant is on schedule, and will help ENDU expand its OEM customer base.
- **Tie-ups to enhance presence in 4Ws:** ENDU is entering the 4W suspension segment via a tech tie-up with a leading Korean firm, initially as a second source but aiming for the primary supplier status in new platforms. Strong OEM interest is driving ongoing discussions, with a planned greenfield facility. In 4Ws, ENDU also plans to enter the braking business through a technology tie-up with BWI and targets commercialization from 4QFY25.
- **Stoferle acquisition in Germany** enhances its presence among German OEMs in transmission components, with its in-house machine building capabilities and automation expertise. After this acquisition, ENDU will be the sole supplier for 80% of products. This company also has sound financials: EUR80m in revenue with 18-20% EBITDA margin, and it is a net cash company.

### Valuation and view

- ENDU is now focusing on increasing the 4W revenue contribution to 45% by FY30 from 25%, and this will remain a key growth driver in the coming years. A sustained recovery in underlying 2W demand, a strong focus on ramping up its presence in the PV segment, and a strong order backlog in EU in FY25 are the potential catalysts for the stock.
- The stock trades at 27x FY26E/23x FY27E consolidated EPS and does not reflect its strong order book across businesses, consistent outperformance and superior financials. **We reiterate our BUY rating with a TP of INR2,400 (based on 30x Dec'26E consolidated EPS).** ENDU is our top pick in the auto ancillary space.

### Consolidated - Quarterly

Y/E March	FY24				FY25E				FY24	FY25E	3QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Sales</b>	<b>24,500</b>	<b>25,450</b>	<b>25,611</b>	<b>26,648</b>	<b>28,255</b>	<b>29,127</b>	<b>28,592</b>	<b>30,813</b>	<b>1,02,209</b>	<b>1,16,787</b>	<b>29,333</b>	<b>-2.5</b>
YoY Change (%)	15.9	7.8	22.2	19.3	15.3	14.4	11.6	15.6	16.1	14.3	14.5	
<b>EBITDA</b>	<b>3,213</b>	<b>3,183</b>	<b>2,990</b>	<b>3,694</b>	<b>3,741</b>	<b>3,820</b>	<b>3,725</b>	<b>4,358</b>	<b>13,080</b>	<b>15,644</b>	<b>3,891</b>	<b>-4.3</b>
Margins (%)	13.1	12.5	11.7	13.9	13.2	13.1	13.0	14.1	12.8	13.4	13.3	
Depreciation	1,129	1,184	1,144	1,282	1,288	1,311	1,364	1,401	4,740	5,364	1,328	
Interest	90	98	109	129	112	116	115	119	427	462	109	
Other Income	166	155	270	265	339	265	219	248	856	1,072	300	
<b>PBT before EO expense</b>	<b>2,159</b>	<b>2,056</b>	<b>2,006</b>	<b>2,548</b>	<b>2,680</b>	<b>2,658</b>	<b>2,466</b>	<b>3,086</b>	<b>8,769</b>	<b>10,889</b>	<b>2,754</b>	
Exceptional Item	0	0	0	-200	0	0	0	0	-200	0	0	
<b>PBT after EO</b>	<b>2,159</b>	<b>2,056</b>	<b>2,006</b>	<b>2,748</b>	<b>2,680</b>	<b>2,658</b>	<b>2,466</b>	<b>3,086</b>	<b>8,969</b>	<b>10,889</b>	<b>2,754</b>	
Eff. Tax Rate (%)	24.3	24.8	24.1	23.5	23.9	23.6	25.2	24.9	75.9	24.4	23.8	
<b>Adj. PAT</b>	<b>1,635</b>	<b>1,546</b>	<b>1,523</b>	<b>1,950</b>	<b>2,039</b>	<b>2,030</b>	<b>1,844</b>	<b>2,319</b>	<b>6,653</b>	<b>8,231</b>	<b>2,099</b>	<b>-12.1</b>
YoY Change (%)	47.0	17.5	40.7	42.9	24.7	31.3	21.1	18.9	36.5	23.7	37.8	





# Manappuram Finance

Estimate change	↓
TP change	↔
Rating change	↔

**CMP: INR194      TP: INR215 (+11%)      NEUTRAL**

## Operationally weak quarter; MFI stress keeps credit costs high

### Earnings miss; gold loan AUM largely flat QoQ

- Manappuram Finance's (MGFL) consol. PAT in 3QFY25 declined ~52% YoY and ~51% QoQ to ~INR2.8b (~44% miss). NII grew ~10% YoY to ~INR15.9b (in line) and PPop was flat YoY at ~INR9.3b (~9% miss).
- Consol. credit costs stood at ~INR5.5b (vs. MOFSLe of ~INR3.5b). Annualized credit costs for the quarter rose ~260bp QoQ to 4.9% (vs. PQ: ~2.3%). Higher credit costs were primarily attributable to the MFI business.
- Gold AUM was largely flat QoQ and grew ~18% YoY to ~INR245b.** Net yields on gold loans remained stable at ~22.7%. Net yields on the standalone business rose ~20bp QoQ to 22.2% and standalone CoB rose by ~10bp QoQ to 9.2%, resulting in a ~10bp increase in spreads.
- Standalone (Gold + Vehicle + On-lending + MSME) GNPA/NNPA ratios rose ~10bp/20bp QoQ to ~2.5%/~2.3%. Asset quality deteriorated across non-gold segments, with GS3 increasing in vehicle finance (~5.2% vs. ~4.2% in 2Q) and housing finance (~3.9% vs ~3.3% in 2Q).
- Management said that GNPA in vehicle finance rose due to macroeconomic challenges, with higher delinquencies in the 2W and farm equipment segments. However, improvements in vehicle finance have been evident since Jan'25.
- MGFL plans to expand its secured lending portfolio, prioritizing secured lending in MSME and vehicle finance within its non-gold business segments. However, capital allocation will be limited to ~10% of net worth.
- We cut our FY25/FY26/FY27 PAT estimates by ~15%/5%/3% to factor in lower loan growth and higher credit costs. Over FY24-27, we estimate a CAGR of 15%/13% in gold/consolidated AUM and ~10% in consolidated PAT, with consolidated RoA/RoE of ~4.7%/18% in FY27. **Reiterate our Neutral rating on the stock with a TP of INR215 (based on 1.1x Sep'26E consolidated BVPS).**

Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USDb)	164.3 / 1.9
52-Week Range (INR)	230 / 138
1, 6, 12 Rel. Per (%)	13/-2/3
12M Avg Val (INR M)	1836

### Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	63.7	70.4	80.4
PPP	39.7	43.2	49.4
PAT	18.4	23.2	29.6
EPS (INR)	21.7	27.4	34.9
EPS Gr. (%)	-16.3	25.9	27.7
BV/Sh.(INR)	155	178	208

### Ratios

NIM (%)	14.8	13.6	14.5
C/I ratio (%)	41.5	42.3	42.1
RoA (%)	3.8	4.2	4.7
RoE (%)	14.9	16.4	18.1
Payout (%)	15.5	15.2	14.0

### Valuations

P/E (x)	8.9	7.1	5.6
P/BV (x)	1.3	1.1	0.9
Div. Yld. (%)	1.7	2.1	2.5

### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	35.3	35.3	35.2
DII	7.9	11.0	12.2
FII	27.0	30.4	29.0
Others	29.9	23.4	23.7

FII Includes depository receipts

### Gold AUM largely flat QoQ; gold tonnage declines sequentially

- Gold AUM was largely flat QoQ and grew ~18% YoY to ~INR245b. Gold tonnage declined ~4% QoQ to ~57.3 tons. Within gold loans, LTV rose ~2pp QoQ to ~60%, while the average ticket size (ATS) in gold loans rose to INR64.3k (PQ: INR62.5k). Gold loan customer base declined to ~2.6m (PQ: 2.66m).
- Management shared that gold loan growth in 3QFY25 was sluggish because of festive seasonality. Management guided for gold loan growth of ~15-20%. The decline in gold tonnage was because of higher gold prices.

**Asirvad MFI: Credit costs elevated; GS3 up ~150bp QoQ**

- Asirvad's GNPA rose ~150bp QoQ to 5.8% and NNPA rose ~50bp QoQ to ~2.5%. Credit costs stood at ~INR4.7b (PQ: ~INR2b), translating into annualized credit costs of ~17% (PQ: ~7%). Technical write-offs stood at INR4b during the quarter (vs. INR400m in 2QFY25).
- Asirvad AUM declined ~13% YoY and ~18% QoQ to ~INR100b. Asirvad reported 3QFY25 loss of INR1.9b (vs. PAT of INR750m in 2QFY25).
- Management guided for MFI loan growth of ~10%-12% over the next 2-3 years. The company expects collection efficiency to go up to ~99%, driven by tighter underwriting norms, and expects its MFI operations to normalize within the next two-three quarters.

**Highlights from the management commentary**

- **Regulatory changes:** MGFL will be strictly monitoring the LTV ratio at the time of disbursement, ensuring it remains strictly below 75%, while also closely tracking interest accruals. In case of a minor deviation of 5%, an SME notification will be issued. If the LTV reaches ~85%, the company will send a letter, and at ~90%, an auction notice will be sent.
- **MFI:** The company has tightened its underwriting processes and it is giving MFI loans only to its customers who have a good credit track record.
- A corporate borrower default resulted in elevated credit costs; otherwise, credit costs would have remained at 0.5–0.6%.

**Valuation and view**

- MGFL reported a weak quarter, with sequentially flat gold loan growth. Additionally, asset quality deteriorated across all segments, with a more pronounced impact on the MFI portfolio due to customer overleveraging and macroeconomic stress. Asirvad Microfinance reported a net loss for the quarter, driven by elevated credit costs, while AUM declined sequentially. The RBI in Dec'24 revoked the ban on operations of Asirvad MFI. Resumption of MFI operations will support better collections.
- MGFL trades at 0.9x FY27E P/BV, and we believe that there could be a near-term impact on profitability and growth due to the stress in the MFI sector and overall weakness in macroeconomic activity. **We reiterate our Neutral rating on the stock with a TP of INR215 (based on 1.1x Sep'26E consolidated BVPS).**

**MGFL - Quarterly Performance (Consolidated)**

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Interest Income	19,363	20,438	22,011	22,734	23,861	25,411	25,163	24,978	84,546	99,413	25,207	0
Interest Expenses	6,484	6,894	7,487	7,792	8,483	9,057	9,253	8,912	28,657	35,706	8,921	4
<b>Net Interest Income</b>	<b>12,879</b>	<b>13,543</b>	<b>14,524</b>	<b>14,943</b>	<b>15,378</b>	<b>16,354</b>	<b>15,909</b>	<b>16,066</b>	<b>55,889</b>	<b>63,707</b>	<b>16,286</b>	<b>-2</b>
YoY Growth (%)	34.6	25.5	33.0	32.8	19.4	20.8	9.54	7.5	31.4	14.0	12.1	
Other income	1,209	1,303	1,256	888	1,259	961	464	1,410	4,655	4,093	1,168	-60
<b>Net Income</b>	<b>14,088</b>	<b>14,846</b>	<b>15,780</b>	<b>15,831</b>	<b>16,636</b>	<b>17,314</b>	<b>16,373</b>	<b>17,476</b>	<b>60,544</b>	<b>67,800</b>	<b>17,454</b>	<b>-6</b>
Operating Expenses	6,068	6,182	6,419	6,497	6,823	6,984	7,066	7,261	25,165	28,133	7,190	-2
<b>Operating Profits</b>	<b>8,020</b>	<b>8,664</b>	<b>9,361</b>	<b>9,333</b>	<b>9,814</b>	<b>10,331</b>	<b>9,307</b>	<b>10,215</b>	<b>35,379</b>	<b>39,667</b>	<b>10,265</b>	<b>-9</b>
YoY Growth (%)	57.5	36.8	58.1	52.0	22.4	19.2	-0.6	9.5	50.7	12.1	9.7	
Provisions	1,212	1,197	1,496	1,878	2,286	2,604	5,546	4,379	5,783	14,815	3,517	58
<b>PBT</b>	<b>6,808</b>	<b>7,467</b>	<b>7,864</b>	<b>7,455</b>	<b>7,528</b>	<b>7,727</b>	<b>3,761</b>	<b>5,836</b>	<b>29,595</b>	<b>24,852</b>	<b>6,748</b>	<b>-44</b>
Tax Provisions	1,828	1,861	2,111	1,820	1,963	2,006	976	1,517	7,621	6,461	1,754	-44
<b>PAT</b>	<b>4,980</b>	<b>5,607</b>	<b>5,753</b>	<b>5,635</b>	<b>5,565</b>	<b>5,721</b>	<b>2,785</b>	<b>4,320</b>	<b>21,974</b>	<b>18,390</b>	<b>4,993</b>	<b>-44</b>
YoY Growth (%)	77	37	46	36	12	2	-52	-23	46	-16	-13	
<b>Key Ratios (%)</b>												
Yield on loans	22.3	22.6	23.2	22.8	22.5	22.9	22.8					
Cost of funds (Cal)	9.1	9.1	9.3	9.5	9.4	9.4	9.8					
Spreads (Cal)	13.2	13.5	13.9	13.3	13.1	13.5	13.0					
NIMs (Cal)	14.8	15.0	15.3	15.0	14.5	14.8	14.4					
C/I ratio	43.1	41.6	40.7	41.0	41.0	40.3	43.2					
Credit Cost	1.3	1.3	1.5	1.8	2.1	2.3	4.9					
Tax Rate	26.9	24.9	26.8	24.4	26.1	26.0	26.0					
<b>Balance Sheet Parameters</b>												
<b>Consol. AUM (INR b)</b>	<b>371</b>	<b>390</b>	<b>404</b>	<b>421</b>	<b>449</b>	<b>457</b>	<b>442</b>					
Change YoY (%)	20.6	27.0	26.7	18.7	21.2	17.4	9.5					
<b>Gold loans (INR b)</b>	<b>206</b>	<b>208</b>	<b>208</b>	<b>215</b>	<b>236</b>	<b>244</b>	<b>245</b>					
Change YoY (%)	0.6	8.4	11.5	8.9	14.8	17.1	18.0					
Gold stock (tonnes)	59	59	58	59	60	60	57					
Gold loans/branch (INR m)	51	51	51	53	58	60	61					
<b>Consol. Borrowings (INR b)</b>	<b>285</b>	<b>322</b>	<b>319</b>	<b>337</b>	<b>385</b>	<b>385</b>	<b>370</b>					
Change YoY (%)	19.0	20.5	18.2	18.2	34.8	19.4	15.9					
<b>Borrowings Mix (%)</b>												
Debentures	20.3	18.2	18.5	14.4	12.3	12.1	11.3					
CPs	0.0	2.0	0.1	2.5	2.3	1.5	0.8					
WC/CC	27.0	27.5	25.7	22.7	20.5	19.1	20.6					
TL	49.5	50.2	52.9	56.5	54.3	47.7	53.5					
ECB	3.3	0.6	1.6	2.8	10.0	19.0	13.4					
Others	0.0	1.4	1.3	1.2	0.6	0.7	0.4					
Debt/Equity (x)	1.4	1.5	1.4	0.7	1.6							
<b>Asset Quality Parameters (%)</b>												
GNPL ratio (Standalone)	1.4	1.6	2.0	1.9	2.0	2.4	2.5					
NNPL ratio (Standalone)	1.2	1.4	1.8	1.7	1.7	2.1	2.3					
<b>Return Ratios (%)</b>												
RoA (Rep)	5.0	5.3	5.2	4.9	4.8	4.4	2.2					
RoE (Rep)	20.1	21.6	21.2	19.9	16.7	18.6	8.9					

E: MOFSL estimates



# IIFL Finance

Estimate changes



TP change



Rating change



	IIFL IN
Bloomberg	424
Equity Shares (m)	140.7 / 1.6
M.Cap.(INRb)/(USDb)	616 / 304
52-Week Range (INR)	-15/-14/-47
1, 6, 12 Rel. Per (%)	1171
12M Avg Val (INR M)	

## Financials Snapshot (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	51.8	63.8	75.1
Total Income	57.6	76.1	90.0
PPoP	27.7	43.0	51.4
PAT (pre-NCI)	4.8	22.9	28.8
PAT (post-NCI)	2.1	19.7	25.0
EPS (INR)	4.9	46.5	59.0
EPS Gr. (%)	-89	851	27
BV (INR)	280	322	376

## Ratios (%)

NIM	6.5	7.3	7.2
C/I ratio	52.0	43.5	42.8
Credit cost	3.1	2.2	2.0
RoA	0.8	3.2	3.4
RoE	1.8	15.4	16.9

## Valuations

P/E (x)	67.7	7.1	5.6
P/BV (x)	1.2	1.0	0.9

## Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	24.9	24.9	24.8
DII	4.5	6.3	8.3
FII	27.8	29.6	31.3
Others	42.8	39.2	35.7

FII Includes depository receipts

**CMP: INR331**

**TP: INR415 (+25%)**

**Buy**

## Earnings miss; asset quality weakness in unsecured and micro-LAP

- **Healthy ~40% QoQ growth in gold loans; calc. NIM dips ~70bp QoQ**
- IIFL Finance (IIFL)'s 3QFY25 PAT declined ~85% YoY to INR817m. NII declined 22% YoY and ~8% QoQ to ~INR12.4b (~7% miss). Other income stood at ~INR1.1b (PY: INR1.1b). This was lower than our estimates because of lower assignment income and lower gain on fair value changes.
- Opex grew 3% YoY to INR7.5b (in line) with the cost-income ratio at 56% (PY: 43%). PPop declined ~38% YoY (~28% miss) to INR6b for the quarter.
- Credit costs rose to ~4.2% (PQ: ~3.6% and PY: ~2.1%) primarily because of higher stress in MFI and MSME segments. The company witnessed asset quality stress in its MFI, unsecured personal/business loans, and small-ticket LAP during the quarter, which was reflective of weak macro trends.

## Consol. AUM declines ~8% YoY; Gold loan AUM rises ~40% QoQ

- Consol. AUM declined 8% YoY while it grew ~7% QoQ to INR714b. On-book loans grew ~5% YoY. Off-book formed ~30% of the AUM mix, including co-lending forming ~13% of the AUM mix.
- IIFL's YoY AUM dip was led by Wholesale CRE book (-69%) and Microfinance (-14%). Home loans rose ~19% YoY, and MSME loans grew ~31% YoY.
- Gold loan AUM stood at ~INR150b and rose ~39% QoQ. The management shared that while the gold loan volume growth will remain strong; it is likely to scale up its gold loan AUM to INR220-230b by Mar'25. The company expects gold loan growth to come at the expense of yields but expects to recoup the yield in the following financial year.

## MFI stress keeps credit costs elevated; credit cost guidance at 8.0-8.5%

- Management shared that MFI in the AUM mix will decline below ~10% within the next two years, and it aims to reduce its unsecured loan portfolio to below 15% of the total portfolio.
- The microfinance sector is facing challenging conditions amid concerns over over-leveraging. However, inflows into the zero bucket have been gradually declining since late Nov'24 and Dec'24, with improvements sustaining in Jan'25 as well. The company guided MFI credit costs at 8.0-8.5% in FY25.
- We estimate consolidated AUM to grow ~1% YoY in FY25 and ~20% YoY in FY26, resulting in consol. AUM CAGR of ~13% over FY24-27E.

## NIM contracts ~70bp QoQ due to a ~70bp QoQ decline in yields

- Consolidated yields and CoB declined ~70bp and 25bp QoQ to ~12.9% and ~9.5%, respectively. Calculated NIM contracted ~70bp QoQ.
- The gold loan portfolio yields remained under pressure as IIFL was working to regain customers.

## Minor deterioration in asset quality; credit costs elevated

- GS3 rose ~2bp QoQ to ~2.42%, while NS3 declined ~5bp QoQ to ~1%, driven by a ~330bp increase in S3 PCR to 59%. The company posted a deterioration in its MFI asset quality, with MFI GS3 increasing to 5.1% (PQ: 3.4%).

- The stock trades at 0.9x FY27E P/BV and ~6x P/E for a PAT CAGR of ~13% over FY24-FY27E. We estimate RoA/RoE to decline to 0.8%/2% in FY25 but recover to 3.4%/17% in FY27. **We have a BUY rating on the stock** and a TP of INR415 (based on SoTP valuation; refer to the table below).
- Credit costs rose to ~4.2% (PQ: ~3.6% and PY: ~2.1%), primarily because of the stress in the MFI and MSME segments.
- We expect consolidated credit costs to increase to ~3.1% in FY25 and then gradually decline to ~2.2%/2.0% in FY26/FY27.

#### Update on IT raids across offices of IIFL and group companies

- There were Income Tax (IT) raids on all the office premises of IIFL and its group companies and also at the residence of a few key employees, including Mr. Nirmal Jain.
- IT raids were conducted under Section 132. Under this, the IT team checked documents and took data and statements from various employees. The IT team was trying to investigate undisclosed income and unreported profits.
- The company cooperated with the IT team and shared all data and statements that were asked for. IIFL continues to uphold the highest standards of governance.
- The IT raid started on 28th Jan'25 and concluded on 3rd Feb'25. The IT team will make an appraisal report (which can take three months), which will then go to the assessing officer. Subsequently, IIFL will be required to reply to the observations/demands made in the appraisal report.

#### Highlights from the management commentary

- Within the MSME segment, secured loans are expected to grow at a faster pace. The company has already discontinued personal loans offered through partnerships.
- Home loans and gold loans will each constitute 1/3<sup>rd</sup> of the total portfolio, while MSME loans will account for 20-25%, with a composition of 70% secured and 30% unsecured loans.

#### Valuation and view

- IIFL reported a weak quarter, marked by elevated credit costs and a slight deterioration in asset quality due to a cyclical slowdown in the economy. While consolidated AUM declined YoY, the company resumed strong growth in its gold loan portfolio, which grew by ~40% QoQ.
- IIFL's management shared that with the embargo on the gold lending business now lifted, the company is well-positioned for the next phase of high-quality growth in secured products like gold loans and LAP.

#### IIFL: SoTP – Sep'26

Particulars	Stake	Value (INR b)	Value (USD b)	INR per share	% To Total	Target Multiple(x)	Basis
IIFL Finance (Standalone)	100	74	0.9	176	43	1.0	PBV
IIFL Home Finance (HFC)	80	91	1.1	215	52	1.5	PBV
IIFL Samasta Finance (MFI)	100	10	0.1	23	5	0.5	PBV
<b>Target Value</b>		<b>175</b>	<b>2.1</b>	<b>415</b>	<b>100</b>		
Current market cap.		140	1.7	331			
<b>Upside (%)</b>		<b>25</b>	<b>25</b>	<b>25</b>			



**IIFL (Consolidated): Quarterly Performance (INR m)**

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	21,989	23,576	25,630	27,200	24,721	23,181	22,308	22,517	98,386	92,727	23,413	-5
Interest Expenses	8,878	9,321	9,885	10,744	10,340	9,788	9,957	10,822	38,829	40,906	10,081	-1
<b>Net Interest Income</b>	<b>13,111</b>	<b>14,255</b>	<b>15,745</b>	<b>16,456</b>	<b>14,381</b>	<b>13,394</b>	<b>12,352</b>	<b>11,694</b>	<b>59,557</b>	<b>51,821</b>	<b>13,332</b>	<b>-7</b>
YoY Growth (%)	48.9	44.7	44.7	38.9	9.7	-6.0	-21.6	-28.9	43.6	-13.0	-15.3	
Other Income	1,306	1,878	1,120	-873	-43	2,467	1,051	2,334	3,342	5,808	2,352	-55
<b>Total Income</b>	<b>14,417</b>	<b>16,134</b>	<b>16,865</b>	<b>15,584</b>	<b>14,338</b>	<b>15,861</b>	<b>13,402</b>	<b>14,028</b>	<b>62,899</b>	<b>57,629</b>	<b>15,683</b>	<b>-15</b>
YoY Growth (%)	20	26	26	10	-1	-2	-21	-10	20.4	-8.4	-7.0	
Operating Expenses	6,332	6,772	7,272	7,691	7,461	7,329	7,478	7,705	28,067	29,972	7,679	-3
<b>Operating Profit</b>	<b>8,085</b>	<b>9,361</b>	<b>9,593</b>	<b>7,893</b>	<b>6,877</b>	<b>8,532</b>	<b>5,925</b>	<b>6,322</b>	<b>34,832</b>	<b>27,657</b>	<b>8,209</b>	<b>-28</b>
YoY Growth (%)	18.4	29.0	24.9	-1.6	-14.9	-8.9	-38.2	-19.9	16.9	-20.6	-14.4	
Provisions & Loan Losses	1,901	2,526	2,430	2,356	2,516	4,063	4,914	4,344	9,113	15,837	4,673	5
<b>Profit before Tax</b>	<b>6,184</b>	<b>6,835</b>	<b>7,163</b>	<b>5,537</b>	<b>4,362</b>	<b>4,468</b>	<b>1,011</b>	<b>1,978</b>	<b>25,719</b>	<b>5,955</b>	<b>3,537</b>	<b>-71</b>
Exceptional items		0					-5,865					
Tax Provisions	1,455	1,580	1,711	1,231	980	-466	193	474	5,977	1,181	813	-76
<b>PAT (Pre NCI)</b>	<b>4,729</b>	<b>5,255</b>	<b>5,452</b>	<b>4,306</b>	<b>3,382</b>	<b>-931</b>	<b>818</b>	<b>1,504</b>	<b>19,742</b>	<b>4,773</b>	<b>2,723</b>	<b>-70</b>
NCI	475	513	548	572	501	646	410	1,143	2,107	2,700	711	-42
<b>PAT (Post NCI)</b>	<b>4,254</b>	<b>4,743</b>	<b>4,904</b>	<b>3,734</b>	<b>2,881</b>	<b>-1,577</b>	<b>408</b>	<b>361</b>	<b>17,635</b>	<b>2,073</b>	<b>2,013</b>	<b>-80</b>
YoY Growth (%)	29	25	30	-10	-32	-133	-92	-90	18	-88	-59	
<b>Key Parameters (%)</b>												
Yield on AUM	13.2	13.4	13.62	13.9	13.31	13.6	12.90					
Cost of funds	9.1	9.5	9.49	9.7	9.46	9.7	9.45					
Spread	4.1	3.9	4.1	4.3	3.8	3.9	3.4					
NIM (on AUM)	7.9	8.1	8.4	8.4	7.7	7.8	7.1					
Credit cost	1.9	2.4	2.1	1.9	2.1	3.6	4.2					
Cost to Income Ratio (%)	43.9	42.0	43.1	49.4	52.0	46.2	55.8					
Tax Rate (%)	23.5	23.1	23.9	22.2	22.5	-10.4	19.1					
<b>Balance Sheet Parameters</b>				2.0	-11.8	-3.8						
<b>Consol. AUM (INR B)</b>	<b>682</b>	<b>731</b>	<b>774</b>	<b>790</b>	<b>696</b>	<b>670</b>	<b>714</b>					
Change YoY (%)	29	32	34	22	2	-8	-8					
<b>Disbursements - Core (INR B)</b>	<b>150</b>	<b>159</b>	<b>166</b>	<b>163</b>	<b>43</b>	<b>73</b>	<b>143</b>					
Change YoY (%)	30	32	27	-15	-71	-54	-14					
<b>Borrowings (INR B)</b>	<b>385</b>	<b>404</b>	<b>430</b>	<b>460</b>	<b>414</b>	<b>391</b>	<b>451</b>					
Change YoY (%)	11	16	19	16	8	-3	5					
Borrowings/AUM (%)	56.4	55.3	55.5	58.2	59.5	58.4	63.2					
Debt/Equity (x)	4.1	4.1	4.1	4.4	3.4	3.3	3.8					
<b>Asset Quality (%)</b>												
<b>GS 3 (INR M)</b>	<b>7,639</b>	<b>7,931</b>	<b>8,026</b>	<b>11,692</b>	<b>10,231</b>	<b>10,687</b>	<b>12,028</b>					
G3 %	1.8	1.8	1.70	2.30	2.25	2.40	2.42					
<b>NS 3 (INR M)</b>	<b>4,400</b>	<b>4,402</b>	<b>4,045</b>	<b>5,951</b>	<b>4,982</b>	<b>4,756</b>	<b>4,956</b>					
NS3 %	1.1	1.0	0.86	1.18	1.11	1.1	1.01					
<b>PCR (%)</b>	<b>42.4</b>	<b>44.5</b>	<b>49.6</b>	<b>49.1</b>	<b>51.3</b>	<b>55.5</b>	<b>58.8</b>					
ECL (%)	2.9	2.9	2.6	2.4	2.9	3.2	2.8					
<b>Return Ratios - YTD (%)</b>												
ROA (Rep)	3.6	3.9	3.8	3.4	2.3	0.8	0.8					
ROE (Rep)	19.1	20.1	19.7	18.4	10.3	2.3	2.0					

E: MOFSL Estimates



# Cello World

Estimate change	↓
TP change	↓
Rating change	↔

**CMP: INR617      TP: INR800 (+30%)      Buy**

## Muted Q3 performance; consumption-led rebound on the horizon

Bloomberg	CELLO IN
Equity Shares (m)	221
M.Cap.(INRb)/(USDb)	135.6 / 1.6
52-Week Range (INR)	1025 / 596
1, 6, 12 Rel. Per (%)	-12/-26/-31
12M Avg Val (INR M)	212

### Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	21	24.6	29.3
EBITDA	5	5.7	7.5
Adj. PAT	3.4	3.7	5
EBITDA Margin (%)	23.8	23.2	25.6
Cons. Adj. EPS (INR)	15.8	17.5	23.7
EPS Gr. (%)	1.3	10.8	35.4
BV/Sh. (INR)	69.2	86	108.9

### Ratios

Net D:E	-0.1	-0.3	-0.4
RoE (%)	23	20	24
RoCE (%)	24	24	26

### Valuations

P/E (x)	39	35	26
EV/EBITDA (x)	26	23	17

### Shareholding Pattern (%)

As on	Dec-24	Sep-24	Dec-23
Promoter	75.0	75.0	78.1
DII	13.5	13.6	12.8
FII	7.5	7.7	3.0
Others	4.0	3.7	6.2

Note: FII includes depository receipts

### Earnings below estimates

- CELLO reported ~5% revenue growth in 3QFY25, driven by festive demand in the first half of the quarter. However, this was offset by a slowdown in consumption and discretionary spending later in the quarter.
- Growth in Consumerware (up 9% YoY) and Moulded Furniture & Allied products (up 7% YoY) was partially impacted by a decline in the Writing Instrument segment (down 11% YoY), despite export markets showing sequential recovery.
- Despite short-term headwinds, the company anticipates a rebound in consumption-driven demand due to the revised income tax policies in the new budget and untapped growth potential in quick commerce (currently ~1.5%-2.0% of e-commerce sales)
- Factoring in the weak 3Q performance, we cut our FY25/FY26/FY27 EPS estimates by 6%/19%/11% due to a delay in the ramp-up of Glassware, along with low revenue and margin for Writing Instrument caused by subdued export demand. We reiterate our Buy rating with a TP of INR800 (premised on 34x FY27E EPS)

### Higher RM and discounting continue to hurt operating performance

- Consol. revenue grew ~5.7% /13.6% YoY/QoQ at INR5.6b (est. INR5.7b). EBITDA declined 3.6% YoY, while it grew 7% QoQ to INR1.3b (est. INR1.4b).
- EBITDA margins contracted 220bp YoY/130bp QoQ to 22.9% (est. 25.1%) as gross margins contracted 180bp YoY/190bp QoQ to 49.7%, led by discounting in the competitive market along with a rise in raw material costs.
- Adj. PAT grew 1.8%/6% YoY/QoQ to INR864m (est. INR939m).
- Consumerware segment's revenue (69% of total revenue in 3QFY25) grew 9% YoY/13% QoQ to INR3.9b.
- Writing Instrument segment's revenue (~14% revenue mix) declined 11% YoY, while revenue grew 11% QoQ to INR773m. On the other hand, the revenue of Moulded Furniture and Allied products (~17% revenue mix) grew 7% YoY/19% QoQ to INR931m.
- In 9MFY25, revenue/EBITDA/adj. PAT increased 4%/1%/3% to INR15.5b/ INR3.7b/INR2.5b.

### Highlights from the management commentary

- **Guidance:** The company expects 12-14% revenue growth in FY26, with an upside to 15-17% if demand improves. EBITDA margins for FY26 are expected to remain stable, despite short-term pressures, primarily due to the ramp-up of Glassware (maximum impact likely to be ~100bp).
- **Glassware Expansion:** The newly commissioned glassware plant is currently at 50% capacity utilization and is expected to reach 75-80% in six months. It is expected to generate INR1.5b in FY26, scaling to INR2.5b in FY27 at peak capacity utilization.

- **Demand Outlook:** While exports remain challenging, early signs of recovery are visible. E-commerce and quick commerce are growing at 15-20%, driving revenue growth. New product launches contribute 15% of revenue, with further expansion in Writing Instruments and Premium Consumer Houseware. Additionally, higher e-commerce penetration and a capacity ramp-up in Glassware and Opalware are expected to support growth and margin recovery.

#### Valuation and view

- We expect the Writing Instrument segment to witness muted growth on a YoY basis in 4QFY25, followed by a recovery starting 1QFY26, led by a recovery in the export business. The Glassware facility began commercial production in Feb'25, and we anticipate a ramp-up in commercial production from 1QFY26 onwards.
- The inventory levels in consumer houseware have normalized, as festive demand helped clear excess stock. As a result, we expect healthy growth in the segment.
- Factoring in the weak 3Q performance, we cut our FY25/FY26/FY27 EPS estimates by 6%/19%/11% due to a delay in the ramp-up of Glassware and lowering revenue and margin for Writing Instrument caused by subdued export demand. **We reiterate our Buy rating with a TP of INR800 (premised on 34x FY27E EPS).**

#### Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Gross Sales</b>	<b>4,718</b>	<b>4,890</b>	<b>5,271</b>	<b>5,125</b>	<b>5,007</b>	<b>4,901</b>	<b>5,568</b>	<b>5,555</b>	<b>20,003</b>	<b>21,031</b>	<b>5,695</b>	<b>-2%</b>
YoY Change (%)	NA	NA	NA	5.0	6.1	0.2	5.7	8.4	11.3	5.1	16.5	
Total Expenditure	3,526	3,687	3,949	3,792	3,714	3,715	4,296	4,269	14,954	15,993	4,263	
<b>EBITDA</b>	<b>1,192</b>	<b>1,203</b>	<b>1,321</b>	<b>1,333</b>	<b>1,293</b>	<b>1,186</b>	<b>1,273</b>	<b>1,286</b>	<b>5,049</b>	<b>5,037</b>	<b>1,432</b>	<b>-11%</b>
Margins (%)	25.3	24.6	25.1	26.0	25.8	24.2	22.9	23.1	25.2	24.0	25.1	
Depreciation	118	127	147	175	141	148	151	160	567	600	150	
Interest	6	7	5	8	6	3	3	3	26	14	3	
Other Income	81	107	45	66	60	133	124	125	299	442	65	
<b>PBT before EO expense</b>	<b>1,149</b>	<b>1,176</b>	<b>1,214</b>	<b>1,215</b>	<b>1,206</b>	<b>1,168</b>	<b>1,243</b>	<b>1,248</b>	<b>4,755</b>	<b>4,865</b>	<b>1,344</b>	
<b>PBT</b>	<b>1,149</b>	<b>1,176</b>	<b>1,214</b>	<b>1,215</b>	<b>1,206</b>	<b>1,168</b>	<b>1,243</b>	<b>1,248</b>	<b>4,755</b>	<b>4,865</b>	<b>1,344</b>	
Tax	321	310	307	250	311	300	318	313	1,188	1,242	339	
Rate (%)	27.9	26.4	25.3	20.6	25.8	25.7	25.6	25.1	25.0	25.5	25.2	
Mlt & Profit/Loss of Asso. Cos.	54	66	58	77	69	51	61	88	256	269	66	
<b>Reported PAT</b>	<b>774</b>	<b>800</b>	<b>849</b>	<b>888</b>	<b>826</b>	<b>816</b>	<b>864</b>	<b>847</b>	<b>3,311</b>	<b>3,353</b>	<b>939</b>	
<b>Adj PAT</b>	<b>774</b>	<b>800</b>	<b>849</b>	<b>888</b>	<b>826</b>	<b>816</b>	<b>864</b>	<b>847</b>	<b>3,311</b>	<b>3,353</b>	<b>939</b>	<b>-8%</b>
YoY Change (%)	NA	NA	NA	-81.8	6.6	2.1	1.8	-4.6	24.4	1.3	17.4	
Margins (%)	16.4	16.4	16.1	17.3	16.5	16.7	15.5	15.2	16.6	15.9	16.5	



# P N Gadgil Jewellers

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR621 TP: INR950 (+53%) Buy**

## Robust revenue growth; focus on store expansion

Bloomberg	PNGJL IN
Equity Shares (m)	136
M.Cap.(INRb)/(USD)	84.2 / 1
52-Week Range (INR)	848 / 495
1, 6, 12 Rel. Per (%)	2/-/-
12M Avg Val (INR M)	773

### Financials & Valuations (INR b)

Y/E March (INR b)	FY25E	FY26E	FY27E
Sales	77.6	96.0	116.7
Sales Growth (%)	27.1	23.6	21.6
EBITDA	3.6	4.9	6.2
Margins (%)	4.6	5.1	5.3
Adj. PAT	2.4	3.1	3.9
Adj. EPS (INR)	17.4	22.6	29.0
EPS Growth (%)	33.2	29.8	28.4
BV/Sh.(INR)	119.4	142.0	171.1

### Ratios

Debt/Equity	0.1	0.2	0.4
RoE (%)	21.9	17.3	18.5
RoIC (%)	21.0	19.3	19.0

### Valuations

P/E (x)	35.7	27.5	21.4
EV/EBITDA(x)	21.7	15.8	12.7

### Shareholding Pattern (%)

As On	Dec-24	Sep-24
Promoter	83.1	83.1
DII	5.3	5.8
FII	1.9	3.8
Others	9.6	7.3

FII includes depository receipts

- PN Gadgil Jewellers (PNG) delivered consolidated revenue growth of 24% YoY to INR24.4b (est. INR23.4b) in 3QFY25, led by strong festive demand during Navratri and Diwali. Retail revenue surged ~42% YoY, while E-commerce and Franchisee revenues grew by 97% and 87% YoY, respectively. The Average Transaction Value (ATV) increased by a strong 22% to INR86,000. Lower bullion sales impacted reported revenue.
- PNG expanded its network footprint with nine new store openings in 3Q, bringing the total to 48 (37 COCO, 11 FOCO) across 25 cities. The company targets to reach a count of 53 stores by the end of 4QFY25 (two already opened in Jan'25, three planned for Mar'25). Additionally, it plans to add 25 more stores in FY26, with eight COCO stores, seven FOCO stores, and 10 stores under the 'LifeStyle by PNG' brand (small-size stores with a focus on youth/modern design).
- Gross margin expanded by 130bp YoY to 9.8% (est. 10.3%), supported by a 39% YoY growth in studded jewelry, which led to an 80bp improvement in the stud mix to 7.4%. There was no inventory loss impact from customs duty in 3Q, as the ~INR185m loss was fully absorbed in 2Q. EBITDA margin expanded 40bp YoY to 5% (est. 5.1%). The company is focusing on increasing the studded jewelry ratio to 12-13% over the next three years, as well as expanding LiteStyle stores, which offer gross margins of 15-16%. We model an EBITDA margin of ~5% for FY26 and FY27.
- We model a CAGR of 23% in sales, 31% in EBITDA, and 29% in APAT over FY25E-27E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR950 at 35x Dec'26 EPS.

## In-line operating performance; store expansion on track

- **Robust sales growth:** PNG's consolidated sales rose 24% YoY to INR24.4b (est. INR23.3b) in 3QFY25, led by strong demand during Navratri and Diwali. Retail revenue increased by 42% YoY to INR18.8b, the E-commerce segment grew by 97% YoY to INR666m, and Franchise revenue grew by 87% YoY to INR2264m. On account of lower bullion sales, reported numbers appear lower than the underlying performance. The company has added nine stores during the quarter, bringing the total count to 48 stores in 25 cities, and plans to reach 53 stores by the end of 4QFY25.
- **Expansion in margins:** Gross margin expanded by 130bp YoY to 9.8% (est. 10.3%). Employee expenses were up 46% YoY and other expenses were up 56% YoY. Other expenses increased due to higher marketing spending, hedging costs, and discounting schemes launched during Diwali and Navratri. EBITDA margin was up 40bp YoY to 5% (est. 5.1%). Stud ratio improved 80bp YoY to 7.4% in 3QFY25 vs 6.6% in 3QFY24.

- **Strong >30% EBITDA growth:** EBITDA grew by 33% YoY to INR1.2b (est. INR1.2b). Other income increased to INR70m in 3QFY25 vs INR24m in 3QFY24, due to an insurance cover of INR50m received from the US store theft. PAT grew by 49% YoY to INR860m (est. INR860m). PAT margin stood at 3.5% vs 2.9% in 3QFY25.
- In 9MFY25, net sales, EBITDA, and APAT grew by 33%, 42% and 71%. SSSG grew by 25.7% in 9MFY25.

#### Key takeaways from the management commentary

- Despite price increases, footfall remained stable in 4Q. Rising gold prices have led to an increase in old gold exchanges.
- The company has seen no demand for LGD as it primarily sells 11-12 cent diamonds, whereas LGD demand is in the 30-40 cent range, thus facing no competition in this segment.
- In FY26, the company plans to add 25 stores, including a mix of COCO, FOCO, and Lifestyle by PNG formats. The expansion plan includes eight COCO stores, seven FOCO stores, and 10 'LifeStyle by PNG' stores (split equally between COCO and FOCO), along with two stores in the US.
- The Lifestyle by PNG format requires a lower capex of INR50-70m per store, with a size of 1,000-1,100sq ft. These stores target younger customers seeking stylish jewelry.

#### Valuation and view

- There is no material change in our FY25 and FY26 EPS estimates.
- With a more favorable product mix, operating leverage (as the initial expansion is focused on core markets, eliminating the need for additional corporate overhead), and improved sourcing, the company is well-positioned to expand its operating margin. We model an EBITDA margin of ~5% for FY27 and FY27.
- The company has strengthened its balance sheet by reducing debt, having repaid INR3b from IPO proceeds. It has also implemented a robust hedging strategy through Gold Metal Loans (GML), with 84% hedged by Dec'24 and now fully covered. This will lower interest costs and further boost profitability.
- We model a CAGR of 23% in sales, 31% in EBITDA, and 29% in APAT over FY24-27. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR950 at 35x Dec'26 EPS.



Consol. Quarterly Performance

(INR m)

Y/E March	FY24				FY25				FY24	FY25	FY25 3QFY25	Variance (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Net Sales</b>	<b>12,568</b>	<b>13,715</b>	<b>19,722</b>	<b>15,120</b>	<b>16,682</b>	<b>20,013</b>	<b>24,358</b>	<b>16,588</b>	<b>61,109</b>	<b>77,640</b>	<b>23,358</b>	<b>4%</b>
YoY change (%)	N/A	N/A	N/A	N/A	32.7	45.9	23.5	9.7	35.6	27.1	18.5	
<b>Gross Profit</b>	<b>919</b>	<b>966</b>	<b>1,681</b>	<b>1,578</b>	<b>1,386</b>	<b>1,531</b>	<b>2,391</b>	<b>1,847</b>	<b>5,128</b>	<b>7,155</b>	<b>2,406</b>	<b>-1%</b>
Margins (%)	7.3	7.0	8.5	10.4	8.3	7.6	9.8	11.1	8.4	9.2	10.3	
<b>EBITDA</b>	<b>446</b>	<b>452</b>	<b>921</b>	<b>890</b>	<b>643</b>	<b>721</b>	<b>1,228</b>	<b>1,005</b>	<b>2,693</b>	<b>3,597</b>	<b>1,199</b>	<b>2%</b>
Margins (%)	3.5	3.3	4.7	5.9	3.9	3.6	5.0	6.1	4.4	4.6	5.1	
YoY growth (%)	N/A	N/A	N/A	N/A	44.2	59.4	33.3	13.0	119.4	33.6	32.5	
Depreciation	56	61	60	55	63	72	84	86	232	304	80	5%
Finance Cost	97	109	112	123	123	129	63	99	459	414	110	-42%
Other Income	10	23	24	22	19	118	70	8	82	215	15	367%
<b>PBT</b>	<b>303</b>	<b>304</b>	<b>774</b>	<b>734</b>	<b>477</b>	<b>638</b>	<b>1,150</b>	<b>828</b>	<b>2,084</b>	<b>3,094</b>	<b>1,024</b>	<b>12%</b>
YoY growth (%)	N/A	N/A	N/A	N/A	57.3	110.2	48.6	12.8	76.5	48.5	37.9	
<b>PAT</b>	<b>222</b>	<b>219</b>	<b>576</b>	<b>549</b>	<b>353</b>	<b>529</b>	<b>860</b>	<b>621</b>	<b>1,543</b>	<b>2,364</b>	<b>768</b>	<b>12%</b>
Margins (%)	1.8	1.6	2.9	3.6	2.1	2.6	3.5	3.7	2.5	3.0	3.3	
YoY change (%)	N/A	N/A	N/A	N/A	59.5	141.1	49.4	13.1	64.7	53.2	38.9	

E: MOFSL estimates



# Repco Home Finance

Estimate change	↔
TP change	↓
Rating change	↔

**CMP: INR359      TP: INR400 (+12%)      Neutral**

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USDb)	22.4 / 0.3
52-Week Range (INR)	595 / 348
1, 6, 12 Rel. Per (%)	-10/-20/-27
12M Avg Val (INR M)	115
Free float (%)	62.9

## Loan growth and disbursements remain weak; asset quality improves

### Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
NII	6.9	7.4	8.2
PPP	5.7	6.1	6.8
PAT	4.4	4.4	4.8
EPS (INR)	70.3	70.1	76.9
EPS Gr. (%)	11	0	10
BV/Sh. (INR)	530	596	669
<b>Ratios</b>			
NIM (%)	5.1	5.0	5.0
C/I ratio (%)	26.7	26.6	25.7
RoAA (%)	3.1	2.8	2.8
RoE (%)	14.2	12.4	12.1
Payout (%)	4.7	5.0	4.9
<b>Valuation</b>			
P/E (x)	5.1	5.1	4.6
P/BV (x)	0.7	0.6	0.5
P/ABV (x)	0.7	0.6	0.6
Div. Yield (%)	0.9	1.0	1.1

### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	37.1	37.1	37.1
DII	20.6	19.9	19.1
FII	12.5	12.9	13.8
Others	29.8	30.1	30.0

FII Includes depository receipts

### Earnings in line; reported NIMs rose ~40bp QoQ

- Repco's 3QFY25 PAT grew 7% YoY to INR1.1b (in line). NII grew ~9% YoY to ~INR1.8b (~5% beat). Other income grew 35% YoY to INR196m. Opex rose ~31% YoY to INR535m (~12% higher than MOFSLe).
- Provisions for the quarter stood at ~INR3m, translating into annualized credit costs of ~1bp (PY: 9bp and PQ: -45bp). GNPA declined ~10bp QoQ to ~3.85%, while NNPA declined ~10bp QoQ to ~1.5%. The company increased the PCR on S3 loans by ~110bp QoQ to ~62%.
- Home loans grew ~4% YoY, while other mortgage loans (including top-ups, CRE, and LAP) rose ~17% YoY. Management guided for disbursements of ~INR9.5b-10b in 4QFY25, and its loan book is expected to grow to ~INR146b by Mar'25.
- Valuations at ~0.5x FY27E P/BV are indeed attractive, but we believe that the company will continue to under-deliver on its loan growth guidance because of: 1) its inability to scale up loan growth in core home loans, and 2) too much focus on improving asset quality and profitability, which is detrimental to loan growth.
- We keep our FY26/FY27 EPS estimates largely unchanged. We model a loan/PAT CAGR of ~9%/7% over FY24-FY27E. For RoA/RoE of 2.8%/12.1% in FY27E, **we maintain our Neutral rating** on the stock with our revised TP of INR400 (based on 0.6x Sep'26E BVPS).

### Loan growth remains subdued; repayment rates higher

- Disbursements in 3QFY25 were flat YoY at INR7.6b. Loan book grew ~7% YoY to ~INR142b. Run-offs were higher, with repayment rates increasing ~100bp YoY to ~16.3%. Disbursements were subdued during the quarter, impacted by disruptions in Karnataka and some changes in the underwriting standards.
- The proportion of non-salaried customers remained broadly stable at ~52%. The proportion of non-mortgage loans was largely stable at ~26%.
- The company is prioritizing housing loans and aims to expand this segment more aggressively than non-housing loans. We estimate a loan growth of 9%/10% in FY26/FY27.

### Reported NIMs rose ~40bp QoQ; yields rose ~50bp sequentially

- Reported yields rose ~50bp QoQ to ~12.6%, and reported CoF also increased ~10bp QoQ to ~8.9%, leading to spreads increasing ~30bp QoQ to ~3.7%. Reported NIM rose ~40bp QoQ to 5.5%.
- The company implemented an MLR increase in Nov'24 and Dec'24, leading to an improvement in NIMs and spreads in the current quarter.
- The cost-to-income ratio (CIR) declined ~40bp QoQ to ~27%. (PY: ~23% and PQ: ~27.4%).

- The company will prioritize portfolio quality, with a greater focus on housing loans, which may exert some pressure on yields. We model NIMs of 5.0% each for FY26/FY27 (vs. 5.1% in FY25E), primarily due to a moderation in its yields because of higher competitive intensity.

#### Key highlights from the management commentary

- Repco is planning to do two mega auctions in the quarter, where the company will auction around 300 properties.
- The company has secured a sanction of INR1.5b from NHB after a three-year gap and plans to utilize those funds over the next three-six months.
- The company does not anticipate any additional credit costs in FY25. Based on the current trend, it expects no major impact on credit costs in FY26 either.

#### Valuation and view

- Repco's performance for the quarter was impacted by subdued loan growth and disbursements. However, asset quality continued to improve as the company remained committed to building a high-quality portfolio. Further, reported NIMs and spreads rose sequentially, supported by the PLR hike during the quarter.
- We will continue to focus on the management's ability to deliver on the guided metrics of asset quality and loan growth. Like last fiscal year, we expect credit costs to remain benign and model net provision write-backs in FY25.
- We believe that REPCO should utilize the levers on its NIM for stronger loan growth in FY26-FY27. Although the risk-reward appears favorable at the current valuation of ~0.5x FY27E P/BV, we believe that the company will have to start delivering stronger loan growth in its core home loan product to command higher valuations. We reiterate our **Neutral rating with a TP of INR400 (based on 0.6x Sep'26E BVPS)**.

Quarterly performance

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	3QFY25E	Act v/s est(%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	3,572	3,770	3,787	3,831	4,007	4,051	4,258	4,306	14,960	16,622	4,140	3
Interest Expenses	2,026	2,075	2,153	2,203	2,330	2,396	2,475	2,481	8,456	9,682	2,448	1
<b>Net Income</b>	<b>1,546</b>	<b>1,695</b>	<b>1,635</b>	<b>1,628</b>	<b>1,677</b>	<b>1,656</b>	<b>1,783</b>	<b>1,824</b>	<b>6,504</b>	<b>6,940</b>	<b>1,692</b>	<b>5</b>
YoY Growth (%)	16.5	23.6	17.8	10.5	8.5	-2.3	9.0	12.1	17.0	6.7	3.5	
Other income	93	69	145	141	155	229	196	218	448	798	170	15
<b>Total Income</b>	<b>1,639</b>	<b>1,765</b>	<b>1,779</b>	<b>1,769</b>	<b>1,833</b>	<b>1,884</b>	<b>1,978</b>	<b>2,043</b>	<b>6,952</b>	<b>7,738</b>	<b>1,862</b>	<b>6</b>
YoY Growth (%)	15.7	18.9	18.7	11.9	11.8	6.8	11.2	15.5	16.2	11.3	4.6	
Operating Expenses	392	426	410	483	452	517	535	559	1,710	2,063	475	12
YoY Growth (%)	15.7	24.4	2.9	27.6	15.4	21.2	30.55	15.9	17.3	20.6	16.1	
<b>Operating Profits</b>	<b>1,247</b>	<b>1,338</b>	<b>1,370</b>	<b>1,287</b>	<b>1,380</b>	<b>1,367</b>	<b>1,443</b>	<b>1,483</b>	<b>5,242</b>	<b>5,675</b>	<b>1,386</b>	<b>4</b>
YoY Growth (%)	15.7	17.3	24.5	6.9	10.7	2.2	5.4	15.3	15.9	8.3	1.2	
Provisions	50	16	29	-100	14	-160	3	-48	-5	-190	-88	-
<b>Profit before Tax</b>	<b>1,198</b>	<b>1,322</b>	<b>1,341</b>	<b>1,387</b>	<b>1,366</b>	<b>1,528</b>	<b>1,440</b>	<b>1,531</b>	<b>5,247</b>	<b>5,865</b>	<b>1,475</b>	<b>-2</b>
Tax Provisions	307	341	346	306	312	403	375	377	1,300	1,466	383	-2
<b>Profit after tax</b>	<b>891</b>	<b>981</b>	<b>994</b>	<b>1,081</b>	<b>1,054</b>	<b>1,125</b>	<b>1,066</b>	<b>1,154</b>	<b>3,947</b>	<b>4,399</b>	<b>1,091</b>	<b>-2</b>
YoY Growth (%)	43.5	37.9	23.1	31.6	18.4	14.7	7.2	6.7	33.3	11.4	9.7	
Loan growth (%)	6.7	7.1	8.1	8.5	8.3	8.1	7.4	7.3	9.0	8.7	7.9	
Cost to Income Ratio (%)	23.9	24.2	23.0	27.3	24.7	27.4	27.0	27.4	24.6	26.7	25.5	
Tax Rate (%)	25.6	25.8	25.8	22.1	22.8	26.3	26.0	24.7	24.8	25.0	26.0	
<b>Key Parameters (%)</b>												
Yield on loans (Cal)	11.4	11.8	11.6	11.5	11.8	11.7	12.1		12.0	12.2		
Cost of funds (Cal)	8.2	8.3	8.4	8.4	8.6	8.6	8.8		8.2	8.7		
Spreads (Cal)	3.2	3.5	3.2	3.1	3.2	3.1	3.3		3.8	3.5		
NIMs (Reported)	5.1	5.4	5.3	5.1	5.1	5.1	5.5		5.2	5.1		
Credit Cost	0.16	0.05	0.09	-0.30	0.04	-0.46	0.01		0.0	-0.1		
Cost to Income Ratio	23.9	24.2	23.0	27.3	24.7	27.4	27.0		24.6	26.7		
Tax Rate	25.6	25.8	25.8	22.1	22.8	26.3	26.0		24.8	25.0		
<b>Balance Sheet</b>												
AUM (INR B)	126.6	129.2	131.9	135.1	137.0	139.6	141.6		135.1	145.0		
Change YoY (%)	6.7	7.1	8.1	8.5	8.3	8.1	7.4		8.5	7.3		
AUM Mix (%)												
Non-Salaried	51.8	51.0	51.3	51.4	51.6	51.8	52.1		51.8	51.0		
Salaried	48.2	49.0	48.7	48.6	48.4	48.2	47.9		48.2	49.0		
AUM Mix (%)												
Home loans	76.9	76.2	75.6	74.7	74.3	73.8	74.0		74.7	73.0		
LAP	23.1	23.8	24.4	25.3	25.7	26.2	26.0		25.3	27.0		
Disbursements (INR B)	6.8	8.0	7.6	8.9	6.8	8.7	7.6		31.3	32.7		
Change YoY (%)	6.6	6.9	9.0	7.1	-0.6	8.8	0.3		7.4	4.3		
Borrowings (INR B)	99.1	100.5	103.6	107.0	109.1	114.6	110.8		107.0	115.2		
Change YoY (%)	6.4	4.3	7.9	7.9	10.2	14.1	6.9		7.9	7.6		
Loans/Borrowings (%)	127.8	128.6	127.3	126.3	125.5	121.8	127.8		126.3	125.9		
Borrowings Mix (%)												
Banks	74.1	75.6	77.7	79.2	79.8	81.4	82.2		74.1	75.6		
NHB	14.9	13.1	12.0	10.8	10.6	9.5	8.5		14.9	13.1		
Repc Bank	11.0	11.4	10.3	10.0	9.6	9.1	9.3		11.0	11.4		
NCD	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		
CP	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0		
<b>Asset Quality</b>												
GS 3 (INR B)	6.9	6.4	6.2	5.5	5.8	5.5	5.5		5.5	5.3		
Gross Stage 3 (% on Assets)	5.5	4.9	4.7	4.1	4.3	3.96	3.86		4.1	3.7		
NS 3 (INR B)	3.4	2.72	2.47	1.9	2.23	2.17	2.09		1.9	2.0		
Net Stage 3 (% on Assets)	2.8	2.2	1.9	1.5	1.7	1.61	1.53		1.5	1.4		
PCR (%)	51.4	57.4	60.1	65.2	61.8	60.7	61.8		65.2	63.0		
<b>Return Ratios (%)</b>												
ROA (Rep)	2.8	3.1	3.1	3.2	3.1	3.3	3.1		3.0	3.1		
ROE (Rep)	15.8	16.1	15.8	16.5	16.3	16.0	14.6		14.6	14.2		

E: MOFSL Estimates



# Fusion Microfinance

Estimate change	↓
TP change	↓
Rating change	↔

**CMP: INR169      TP: INR175 (+4%)      Neutral**

## Weak performance; front-loading stress for a cleaner FY26

**Annualized credit costs at ~23%; reported NIM contracts ~260bp QoQ**

Bloomberg	FUSION IN
Equity Shares (m)	101
M.Cap.(INRb)/(USD\$)	17 / 0.2
52-Week Range (INR)	572 / 150
1, 6, 12 Rel. Per (%)	-2/-40/-76
12M Avg Val (INR M)	139

### Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Total Income	15.4	14.3	17.5
PPP	7.4	5.4	7.7
PAT	-12.0	2.1	3.6
EPS (INR)	-96	16	29
EPS Gr. (%)	-	-	76
BV (INR)	163	179	208

### Valuations

NIM (%)	13.8	12.6	13.5
C/I ratio (%)	51.7	62.5	56.2
RoAA (%)	-11.5	2.1	3.2
RoE (%)	-49.2	9.6	14.9

### Valuations

P/E (x)	-	10.4	5.9
P/BV (x)	1.0	0.9	0.8

### Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	57.7	57.7	57.7
DII	18.1	19.2	22.8
FII/FI/FII	0.9	3.2	7.2
Others	23.2	19.9	12.3

FII includes depository receipts

- Fusion reported a net loss of ~INR7.2b in 3QFY25 (vs. MOFSLe loss of INR2b), as NIM contracted due to interest income reversals and the reversal of all net Deferred Tax Assets (DTA) to date. At the normalized tax rate, Fusion would have reported a lower loss of ~INR3.8b.
- NII declined ~34% YoY to ~INR2.2b (~39% miss), while PPop declined ~75% YoY to ~INR648b. The cost-to-income ratio was elevated at ~76% (PQ: ~40% and PY: ~37%).
- Net credit costs stood at ~INR5.7b. Annualized credit costs in 3QFY25 stood at ~23% (PQ: ~26%).
- Disbursements declined ~57% QoQ to ~INR11.7b. AUM declined ~9% QoQ to ~INR106b. We cut our FY26/FY27 EPS estimates by ~33%/30% to factor in lower AUM growth and NIM contraction. We estimate an AUM CAGR of ~3% and a PAT CAGR of ~-11% over FY24-FY27, along with an RoA/RoE of ~3.2%/15% in FY27.
- Fusion has obtained covenant waivers for ~80% of its borrowings. Further, the company is in discussions with other lenders and is confident that there will be no demand for immediate repayments from them.
- **Regarding its announced Rights Issue**, Fusion has received approval from BSE/NSE and is now awaiting SEBI's clearance. SEBI has raised a few queries, but the company expects to receive approval soon. The Rights Issue is pending final regulatory approval.
- We will keenly monitor the asset quality stress unfolding in the sector. Fusion is seeing early green shoots of recovery and remains highly focused on collections. The company will wait another 1-2 quarters before pursuing growth, as certain regions like TN and Odisha have not yet completely recovered.
- While the improvement in collections indicates early signs of recovery, we need to monitor trends over the next 3-4 months before confidently concluding that this is indeed a trend reversal. With no other near-term catalysts, we reiterate our **Neutral rating with a revised TP of INR175 (based on 0.9x Sep'26E P/BV)**.

## Sharp deterioration in asset quality; annualized credit costs at 23%

- GS3 rose ~320bp to ~12.6%, while NS3 declined ~70bp QoQ to 1.8%. Stage 2 rose ~35bp QoQ to 4.2%. The company increased the PCR across all Stage 1, 2, and 3 loans, resulting in ECL/EAD (incl. management overlay of ~INR595m) of ~16.4% (PQ: ~11%).
- Fusion + >=4 borrowers declined to 8.8% (vs. ~9.7% in 2QFY25). Fusion has built a superior quality portfolio since Aug'24 and has seen meaningful de-leveraging within its customer segment.
- Write-offs for the quarter stood at ~INR1.6b (PQ: INR2b). The collection efficiency of the current portfolio stood at ~97.7% in Dec'24 (higher than ~96.1% in 2QFY25). Annualized credit costs in 3QFY25 stood at ~23% (PY: ~4% and PQ: ~26%). We model credit costs of 21%/3.0%/2.9% for FY25/FY26/FY27, respectively.



**Yields decline ~6pp QoQ; reported NIMs contract ~260bp QoQ**

- Yields (calc.) declined ~6pp QoQ to ~17.7%, while CoF (calc.) rose ~50bp QoQ to ~10.7%. This led to a ~640bp QoQ decline in spreads to ~7%.
- Reported NIMs contracted ~260bp QoQ to 8.9%, driven by the reversal of interest income from written-off loans and the non-recognition of interest income on Stage 3 assets.
- Marginal CoB rose ~120bp QoQ at ~11.3%. We model NIMs of 12.6%/13.5% in FY26/FY27.

**Active borrower base declines; branch expansion continues**

- The borrower base declined to 3.65m as of Dec'24 (down from 3.85m as of Sep'24). Fusion added 43 branches in the quarter and now has a presence across 22 states (including three UTs) with a total branch count of 1,506.
- Capital adequacy stood at ~22.2% as of Dec'24 (vs. 24.4% as of Sep'24).

**Highlights from the management commentary**

- Fusion has built a superior quality portfolio since Aug'24 and has seen meaningful de-leveraging within its customer segment. **While there are still flows into 0+ dpd, they have declined.**
- **Karnataka Ordinance:** The ordinance explicitly states that it will not be applicable to lending institutions registered with the RBI. However, there are still elements attempting to exploit the situation and disrupt operations, even for registered entities.

**Valuation and view**

- The macroeconomic environment has intensified asset quality stress in the MFI sector in 3QFY25. While we are closely monitoring the situation, we believe that the situation is not merely transitory and that recovery is still distant ([refer to our detailed sector note](#)). Over-leveraging of customer cohorts typically manifests itself in asset quality stress over longer periods. We expect it will take another two quarters for the company to resume loan growth and stabilize elevated credit costs at relatively lower levels (than what they are today).
- Fusion, in our view, can deliver an AUM CAGR of ~3% and PAT CAGR of ~-11% over FY24-FY27E. We estimate an RoA/RoE of ~3.2%/15% in FY27. **We reiterate our Neutral rating on the stock with a revised TP of INR175 (based on 0.9x Sep'26E P/BV).**

Fusion: Quarterly Performance

(INR M)

Y/E March	FY24				FY25				FY24	FY25E	3QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	4,790	4,968	5,400	5,761	6,213	6,261	4,382	4,471	20,919	21,327	5,854	-25
Interest Expenses	1,835	1,910	2,015	2,149	2,234	2,274	2,137	1,901	7,908	8,546	2,146	0
<b>Net Interest Income</b>	<b>2,955</b>	<b>3,058</b>	<b>3,386</b>	<b>3,612</b>	<b>3,979</b>	<b>3,987</b>	<b>2,245</b>	<b>2,570</b>	<b>13,011</b>	<b>12,781</b>	<b>3,708</b>	<b>-39</b>
YoY Growth (%)	58.7	26.1	34.2	30.6	34.6	30.4	-33.7	-28.8	35.9	-1.8	10	
Other Income	738	745	732	991	854	776	443	570	3,205	2,643	808	-45
<b>Total Income</b>	<b>3,693</b>	<b>3,803</b>	<b>4,118</b>	<b>4,603</b>	<b>4,833</b>	<b>4,764</b>	<b>2,688</b>	<b>3,140</b>	<b>16,216</b>	<b>15,425</b>	<b>4,516</b>	<b>-40</b>
YoY Growth (%)	70.0	28.9	38.0	32.8	30.9	25.3	-34.7	-31.8	40.1	-4.9	10	
Operating Expenses	1,339	1,385	1,515	1,696	1,855	1,925	2,041	2,154	5,935	7,975	1,979	3
<b>Operating Profit</b>	<b>2,354</b>	<b>2,418</b>	<b>2,603</b>	<b>2,907</b>	<b>2,978</b>	<b>2,838</b>	<b>648</b>	<b>986</b>	<b>10,281</b>	<b>7,450</b>	<b>2,537</b>	<b>-74</b>
YoY Growth (%)	95.8	29.1	41.6	31.5	26.5	17.4	-75.1	-66.1	44.3	-27.5	-3	
Provisions & Loan Losses	759	762	938	1,190	3,485	6,941	5,723	2,985	3,649	19,133	5,275	8
<b>Profit before Tax</b>	<b>1,595</b>	<b>1,656</b>	<b>1,665</b>	<b>1,717</b>	<b>-507</b>	<b>-4,102</b>	<b>-5,075</b>	<b>-1,999</b>	<b>6,633</b>	<b>-11,683</b>	<b>-2,738</b>	<b>85</b>
Tax Provisions	390	399	401	390	-151	-1,052	2,118	-553	1,580	362	-687	-408
<b>Net Profit</b>	<b>1,205</b>	<b>1,257</b>	<b>1,265</b>	<b>1,327</b>	<b>-356</b>	<b>-3,050</b>	<b>-7,193</b>	<b>-1,445</b>	<b>5,053</b>	<b>-12,045</b>	<b>-2,050</b>	<b>-</b>
YoY Growth (%)	60	32	23	16	-130	-343	-669	-209	31	-338.4	-262	
<b>Key Parameters (%)</b>												
Yield on loans	21.5	21.7	21.9	21.8	21.7	21.5	20.9					
Cost of funds	10.6	10.6	10.4	10.2	10.1	10.1	10.3					
Spread	10.9	11.1	11.5	11.6	11.6	11.4	10.6					
NIM	10.9	11.1	11.5	11.6	11.6	11.5	8.9					
Credit cost	0.8	0.79	1.00	1.2	3.28	6.55	5.70					
Cost to Income Ratio (%)	36.3	36.4	36.8	36.8	38.4	40.4	75.9					
Tax Rate (%)	24.5	24.1	24.1	22.7	29.8	25.6	-41.7					
<b>Performance ratios (%)</b>												
Avg o/s per borrower (INR '000)	26	26	27	29	30	29	27					
AUM/ RO (INR m)	14.0	14.0	13.0	13.0	1.2	1.1	1.1					
AUM/ Branch (INR m)	91	88	9	9	9	8	7					
Borrower/ Branch (INR m)	3,513	3,381	3,260	3,204	3,017	2,805	2,590					
<b>Balance Sheet Parameters</b>												
<b>AUM (INR B)</b>	<b>97.1</b>	<b>100.3</b>	<b>106.9</b>	<b>114.8</b>	<b>121.9</b>	<b>115.7</b>	<b>106.0</b>					
Change YoY (%)	31.4	24.6	23.6	23.5	25.5	15.4	-0.9					
<b>Disbursements (INR B)</b>	<b>22.8</b>	<b>23.4</b>	<b>27.1</b>	<b>29.5</b>	<b>29.9</b>	<b>16.6</b>	<b>11.7</b>					
Change YoY (%)	15.2	14.2	24.0	24.4	30.7	-29.1	-56.9					
<b>Borrowings (INR B)</b>	<b>71.9</b>	<b>75.3</b>	<b>80.2</b>	<b>86.2</b>	<b>91.2</b>	<b>86.4</b>	<b>73.1</b>					
Change YoY (%)	19.6	15.0	22.7	27.1	26.9	14.8	-8.9					
Borrowings/Loans (%)	85.5	86.6	85.8	86.6	89.0	94.6	92.3					
Debt/Equity (x)	2.9	2.9	3.0	3.0	3.2	3.4	4.0					
<b>Asset Quality (%)</b>												
<b>GS 3 (INR M)</b>	<b>2,790</b>	<b>2,411</b>	<b>2,939</b>	<b>2,973</b>	<b>5,952</b>	<b>9,672</b>	<b>11,920</b>					
G3 %	3.2	2.7	3.0	2.9	5.5	9.4	12.6					
NS 3 (INR M)	664	569	730	603	1,301	2,302	1,450					
NS3 %	0.8	0.65	0.78	0.61	1.27	2.52	1.83					
<b>PCR (%)</b>	<b>76.2</b>	<b>76.4</b>	<b>75.2</b>	<b>79.7</b>	<b>78.1</b>	<b>76.2</b>	<b>87.8</b>					
ECL (%)	3.8	3.3	3.2	3.4	5.9	11.1	16.4					
<b>Return Ratios - YTD (%)</b>												
ROA (Rep)	5.0	4.9	4.7	4.6	-1.2	-10.3	-27.6					
ROE (Rep)	20.2	20.0	19.1	19.1	-5.0	-45.7	-132.9					

E: MOFSL Estimates



**Performance of top companies in Jan'25**

Company	MAT growth (%)	Jan'25 (%)
IPM	7.7	8.4
Abbott*	9.0	11.1
Ajanta	10.8	9.3
Alembic	0.4	-2.2
Alkem*	4.6	5.6
Cipla	6.6	7.0
Dr Reddys	9.7	9.0
Emcure*	4.8	5.3
Eris	5.6	4.8
Glaxo	1.2	1.3
Glenmark	11.7	9.0
Intas	11.1	10.2
Ipca	13.6	15.4
Jb Chemical*	11.6	12.6
Lupin	7.6	6.1
Macleods	5.8	4.2
Mankind	7.7	5.0
Sanofi	4.9	3.6
Sun*	9.9	12.3
Torrent	8.4	8.0
Zydus*	8.0	9.8

**Slight uptick in acute/steady chronic therapies drives IPM growth for Jan'25**

- The India Pharma Market (IPM) grew 8.4% YoY in Jan'25 (vs. 6.6% in Dec'24 and 7.9% in Dec'23).
- Acute therapy growth stood at 8% in Jan'25 (vs. 6% in Dec'24 and Jan'24 each) owing to the seasonality benefit.
- The growth was driven by strong outperformance in Cardiac/Gastro/Urology. These therapies outperformed IPM by 230bp/170bp/460bp, respectively.
- For the 12 months ending in Jan'25, IPM grew 7.7% YoY, led by price/new launches/volume growth of 4.3%/2.3%/1.1% YoY.
- Out of the top 10 brands, Electral/Duolin clocked a growth of 38%/22% YoY to INR730m/INR620m each in Jan'25.
- In Jan'25, Mixtard and Foracort witness a decline of 5%/1%, respectively, to INR680m/INR820m.
- Out of the top 40 brands, Alburel/Rybelsus/Electral grew more than 25% in Jan'25.

**IPCA/JB Chemicals/Sun outperform in Jan'25**

- In Jan'25, among the top 20 pharma companies, IPCA (up 15% YoY), JB Chem (up 12.6% YoY), and Sun (up 12.3% YoY) recorded higher growth rates vs IPM.
- Eris and Alembic were the major laggards during Jan'25, which reported a growth of 4.8%/-2.2%.
- IPCA outperformed IPM, led by strong double-digit growth across key therapies, like Neuro/Antineoplast/Gastro.
- JB Chemical outperformed IPM, marking strong growth of 34.1% YoY in ophthal therapy, supported by 16.1% YoY growth in cardiac therapy.
- Sun outperformed IPM, led by double-digit growth in Anti-diabetic/Pain/Gastro.
- IPCA reported industry-leading volume growth of 5.7% YoY on a MAT basis. Torrent reported the highest price growth of 7.0% YoY on a MAT basis. Eris posted the highest growth in new launches (up 4.0% YoY).

**Cardiac/Derma/Gastro lead to YoY growth on MAT basis**

- On a MAT basis, the industry reported a 7.7% growth YoY.
- Chronic therapies witnessed 9% YoY growth, while Acute therapies displayed 8% YoY growth in Jan'25.
- Cardiac/Gastro/VMN grew 10.7%/10.1%/10% YoY. Respiratory/Anti-infectives/Anti-diabetic underperformed IPM by 500bp/410bp/50bp.
- The acute segment's share in overall IPM stood at 61% for MAT Jan'25, with a YoY growth of 6.3%. The chronic segment (39% of IPM) grew 10% YoY.

**MNC outperforms domestic companies in Jan'25**

- As of Jan'25, Indian pharma companies held a majority share of 84% in IPM, while the remaining was held by multi-national pharma companies.
- In Jan'25, Indian companies grew to 8.1%, while MNCs grew 10.2% YoY.
- In MNCs, Pfizer registered the highest growth of 12% YoY, while Sanofi registered a slow growth of 4% in Jan'25.



## India's fiscal deficit likely to reach ~3.5% of GDP by FY31

### Contractionary impulse of fiscal spending may continue post-FY27

- Finance Minister, Nirmala Sitharaman, has set the course for fiscal consolidation in her Union Budget 2025-26, announcing a fiscal deficit of 4.8% of GDP for FY25, revised downward from the earlier estimate of 4.9%. Further, the FY26 deficit target has been set at 4.4% of GDP (vs. a broad market expectation of 4.5%), signaling a more aggressive approach towards debt reduction and macroeconomic stability (*Exhibit 1*).
- The Finance Minister has announced a new fiscal consolidation roadmap for the next six years, with the debt-to-GDP ratio as the fiscal anchor, moving away from the current practice of targeting fiscal deficit. Since the debt-to-GDP ratio is a function of fiscal deficit (i.e., interest payments and primary deficit) and nominal GDP growth, we discuss the likely fiscal deficit path of the central government based on its debt-to-GDP projections. This will also help us understand the likely growth in fiscal spending, and thus, its support to GDP growth over the next six years.
- The COVID-19 pandemic pushed the Center's total outstanding debt to a 14-year high GDP of 60.7% in FY21, from 48.1% GDP in FY19. Since then, it has slowly moderated to 57.1% GDP in FY25RE and is budgeted to ease further to 56.1% in FY26BE (*Exhibit 2*). In the Union Budget 2025-26, the Government provides three possible cases – mild, moderate, and high – with three different nominal GDP growth rates – 10%, 10.5%, and 11% – over the next six years.
- What are the Government's intentions? "...*Sans any major macro-economic disruptive exogenous shock(s), and while keeping in mind potential growth trends and emergent development needs, the Government would endeavour to keep fiscal deficit in each year (from FY 2026-27 till FY 2030-31) such that the Central Government debt is on a declining path to attain a debt-to-GDP level of about 50±1 percent by 31st March 2031 (the last year of the 16th Finance Commission cycle)...*", stated the Union Budget 2025-26 (under the Statements of fiscal policy under the FRBM Act, 2003).
- Ideally, the incremental debt (difference between the debts over two periods) during the financial year should be equivalent to the fiscal deficit during the respective year. Nevertheless, because of off-budget transactions and some other adjustments, the Reported Fiscal Deficit (RFD) – used in the Budget documents – may be different from the debt accumulation during the year. Such differences, however, have reduced to almost negligible since FY21, when the Gov cleared its fiscal accounts and stopped off-budget spending through the Food Corporation of India (FCI), etc. (*Exhibit 3*). It also shows that the actual fiscal deficit in FY25 suggested by the incremental debt is likely much lower than RFD.
- Considering these recent improvements and better transparency in fiscal math since FY21, debt accumulation during the year is similar to the RFD in the Budget since FY21. Accordingly, we can use the roadmap for reducing the debt-to-GDP ratio of the central government – with different nominal GDP growth projections – to estimate the likely fiscal deficit over the next six years.
- What are the likely trajectories for the fiscal deficit? Under the moderate scenario, which we believe to be the base case for the Government, the fiscal deficit is projected to narrow to 3.5% of GDP by the end of FY31, compared to 4.4% of GDP in FY26BE, lower than the pre-COVID level (*adjusted for FCI subsidies; Exhibit 4*). This implies a cumulative reduction of 0.9 percentage point (pp) of GDP or about 0.2pp of GDP every year for the next five years from FY27. If the nominal GDP growth averages 10% during this period, the debt-to-GDP ratio will be 50.6% at the end of the period (*Exhibit 5*). At a higher average GDP growth of 10.5% and 11%, the debt-to-GDP ratio at the end of the period will be 49.7% and 48.8% of GDP, respectively.
- Under the mild scenario, the fiscal deficit trajectory will show slower progress. At 4% of GDP by the end of FY31, the Center's debt-to-GDP ratio will be 50%/51%/52%, with average nominal GDP growth of 11%/10.5%/10%. Similarly, under the high scenario, lower debt-to-GDP ratio of 47.5%/48.4%/49.3% will yield a fiscal deficit of 3.1% of GDP in FY31 (*Exhibits 6 and 7*).
- Extending this analysis until FY40, we find that if the fiscal deficit-to-GDP ratio falls further to 3% of GDP by FY38 and stays there till FY40, the debt-to-GDP ratio of the central government can fall to ~40% of the GDP by FY40, assuming a nominal GDP growth rate of 10.5% over the next decade.

- **What would be the corresponding support of fiscal spending to GDP growth?** We believe that the new debt reduction target is achievable with the GoI's commitment to fiscal prudence. However, a key risk of fiscal consolidation is slower fiscal spending growth, and thus, a drag on GDP growth. Based on the different trajectories of the debt-to-GDP ratio, fiscal deficit, nominal GDP growth, and tax buoyancy, one can derive the corresponding level of aggregate spending by the central government. We can also project the likely trajectory of primary spending over the next six years after excluding interest payments from total spending.
- Total spending by the Government grew at a CAGR of 10.7% during the post-COVID six-year period (FY20-FY26BE), slightly faster than the CAGR of 10% in the pre-COVID period (FY14-FY20, adjusted for the FCI subsidy). Assuming the moderate scenario of debt-to-GDP projections, with nominal GDP growth of 10.5% from FY27 and tax buoyancy of 1.1x (the same as in the past four years, FY23-FY26BE, but higher than 0.9x in the pre-COVID period), total spending growth could average 9.6% between FY27 and FY31. With an expected fiscal consolidation of only about 0.2pp of GDP from FY27, total spending is expected to grow between 8% and 10% during the five years from FY27. Assuming an average growth of 10% in interest payments per annum, it implies an average growth of 9.4% in primary spending over the next five years (up to FY31), slower than 10.3% in the pre-COVID period (*Exhibit 8*).
- It also suggests that while the majority of the sharp consolidation in fiscal deficit led by the pandemic will be over by FY26, government spending may fail to contribute significantly to GDP growth over the next few years. Total spending of the Government is likely to continue declining—albeit slowly—to 13.6% of GDP by FY30, compared to 14.2% of GDP in FY26BE. It will still be higher than ~13% of GDP in the pre-COVID years but lower than its post-liberalization peak of 16.4% of GDP in FY21. Similar trends will be seen in primary spending, which is projected to fall to 10% of GDP, lower than 10.6% of GDP in FY26BE but similar to pre-COVID levels (*Exhibit 9*).
- In contrast, if tax buoyancy improves further to 1.2x from FY27, spending growth could be similar to that in the pre-COVID years.
- Overall, the central government's goal to reduce the debt-to-GDP ratio to ~50% by FY31 (+/-1%) from 56.1% in FY26BE would likely require a cumulative reduction of 90bp in fiscal deficit during FY27-FY31, assuming an average nominal growth of 10.5% over the next six years. This roughly implies an annual reduction in fiscal deficit by 0.2pp of GDP between FY27 and FY31. Moreover, although the Government shifts to the debt-to-GDP ratio as its primary target, it retains the flexibility to record lower or higher debt ratio—and thus—fiscal deficit, based on GDP growth, as shown by the three different scenarios.
- Further, assuming tax buoyancy of 1.1x since FY27, the same as in the past few years (and much better than the pre-COVID years), the contractionary impulse of a narrowing fiscal deficit will continue, limiting the Government's ability to support GDP growth. However, better tax buoyancy (or the high-case scenario with a higher debt-to-GDP) may drive higher spending growth.



BSE SENSEX  
76,139S&P CNX  
23,031

CMP: INR602

BUY

## Conference Call Details

**Date:** 13 February 2025**Time:** 4:00 pm IST**Registration:**[Diamond Pass](#)**Dial in:**

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**In-line performance; muted Novelis performance offset by strong India business****Highlights of the consolidated result**

- 3QFY25 consolidated net sales stood at INR584b (+11 YoY/flat QoQ), in line with our est. of INR595b, aided by better realization.
- Consolidated EBITDA stood at INR76b (+29% YoY/-4% QoQ), in line with our est. of INR77b, driven by lower costs and operating efficiencies.
- APAT stood at INR38b (+61% YoY/-12% QoQ), in line with our estimate.
- For 9MFY25, revenue stood at INR1736b (+9% YoY), EBITDA came in at INR230b (+34% YoY), and APAT was INR113b (+63% YoY).
- The net debt-to-EBITDA ratio rose to 1.33x in 3QFY25 from 1.19x in 2QFY25.
- Hindalco secured Meenakshi coal mines of 12mtpa, which will boost raw material securitization. The 25Kt copper inner grooved tubes (IGT) plant will be commissioned in 4QFY25. Aditya FRP project is expected to be commissioned in FY26, taking its total downstream capacity to 600Kt.

**Aluminum (India)**

- Upstream revenue stood at INR99.9b in 3QFY25 (+25% YoY), led by higher average aluminum prices.
- Aluminum upstream EBITDA stood at INR42.2b (+73% YoY; USD1,480/t), driven by lower input costs. EBITDA margins stood at 42% (vs. 31% in 3QFY24).
- Downstream revenue stood at INR32b (+25% YoY) on account of higher volume. Downstream aluminum sales stood at 99KT in 3QFY25 (+10% YoY) on account of market recovery.
- Downstream EBITDA stood at INR1.5b (+36% YoY) on account of a favorable product mix. EBITDA/t stood at USD179 (flat QoQ) in 3QFY25 as compared to USD146 in 3QFY24.

**Copper business**

- Copper business revenue stood at INR137b (+15% YoY) on account of higher average copper prices.
- EBITDA for the copper business was at INR7.8b, up +18% YoY.
- Copper metal sales were at 120KT (+1% YoY) in 3QFY25 and CCR sales were at 95KT (+1% YoY).

**Novelis' 3QFY25 performance**

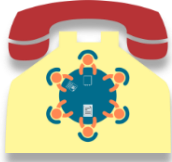
- Shipment volume stood at 904kt (-1% YoY/-4% QoQ) vs. our estimate of 910kt. The weakness in volume was primarily due to lower VAP and automotive shipments.
- Revenue stood at USD4.1b (+4% YoY/-5% QoQ), largely in line with our estimate of USD4.2b. Revenue was supported by higher aluminum prices.
- Adjusted EBITDA stood at USD367m (-19% YoY/-21% QoQ), below our estimate of USD428mn. This was primarily driven by higher aluminum scrap prices and an unfavorable product mix. EBITDA/t came in at USD406/t (vs. our est. of USD470/t) in 3QFY25.
- APAT stood at USD125m (-36% YoY/-38% QoQ) vs. our est. of USD154m.
- The current net debt-to-adj. EBITDA ratio stands at 2.9x vs. 2.5x in 2QFY25.

Consolidated performance											INR b
Y/E March	FY24				FY25			FY24	FY25E	FY25E	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q			3QE	(%)
<b>Net Sales</b>	<b>529.9</b>	<b>541.7</b>	<b>528.1</b>	<b>559.9</b>	<b>570.1</b>	<b>582.0</b>	<b>583.9</b>	<b>2,159.6</b>	<b>2,381.6</b>	<b>595.4</b>	<b>-1.9</b>
Change (YoY %)	(8.7)	(3.6)	(0.6)	0.2	7.6	7.4	10.6	(3.2)	10.3		
Change (QoQ %)	(5.1)	2.2	(2.5)	6.0	1.8	2.1	0.3	-	-		
Total Expenditure	472.8	485.6	469.4	493.1	495.1	503.2	508.1	1,920.9	2,074.2		
<b>EBITDA</b>	<b>57.1</b>	<b>56.1</b>	<b>58.7</b>	<b>66.8</b>	<b>75.0</b>	<b>78.8</b>	<b>75.8</b>	<b>238.7</b>	<b>307.4</b>	<b>76.7</b>	<b>-1.1</b>
Change (YoY %)	(32.2)	4.7	65.3	25.4	31.3	40.5	29.3	5.3	28.8		
Change (QoQ %)	7.3	(1.8)	4.5	13.9	12.3	5.1	(3.8)	-	-		
As % of Net Sales	10.8	10.4	11.1	11.9	13.2	13.5	13.0	11.1	12.9		
Interest	9.9	10.3	9.4	8.9	8.6	8.7	8.2	38.6	32.6		
Depreciation	17.9	18.4	18.7	20.2	18.9	19.3	19.4	75.2	73.9		
Other Income	3.9	4.6	2.8	3.6	4.2	10.8	5.1	15.0	23.0		
<b>PBT (before EO item)</b>	<b>33.3</b>	<b>32.0</b>	<b>33.3</b>	<b>41.4</b>	<b>51.8</b>	<b>61.6</b>	<b>53.4</b>	<b>139.9</b>	<b>223.9</b>		
Extra-ordinary Income	(0.1)	0.3	-	-	(3.3)	(5.1)	(0.4)	0.2	(8.9)		
<b>PBT (after EO item)</b>	<b>33.2</b>	<b>32.3</b>	<b>33.3</b>	<b>41.4</b>	<b>48.5</b>	<b>56.4</b>	<b>53.0</b>	<b>140.1</b>	<b>215.1</b>		
Total Tax	8.6	10.4	10.0	9.6	17.7	17.3	15.6	38.6	68.1		
% Tax	26.0	32.0	30.0	23.3	36.6	30.7	29.5	27.5	31.7		
<b>PAT before MI and Associate</b>	<b>24.5</b>	<b>22.0</b>	<b>23.3</b>	<b>31.8</b>	<b>30.7</b>	<b>39.1</b>	<b>37.3</b>	<b>101.5</b>	<b>147.0</b>		
<b>Adjusted PAT</b>	<b>24.7</b>	<b>21.6</b>	<b>23.3</b>	<b>31.7</b>	<b>33.1</b>	<b>42.7</b>	<b>37.6</b>	<b>101.3</b>	<b>155.9</b>	<b>37.7</b>	<b>-0.1</b>
Change (YoY %)	(39.5)	(1.9)	71.1	31.6	34.0	97.3	61.5	-	-		
Change (QoQ %)	2.3	(12.3)	7.7	36.2	4.1	29.2	(11.8)				

# United Breweries

**BSE SENSEX** 76,139  
**S&P CNX** 23,031

## Conference Call Details



**Date:** 14 Feb 2025

**Time:** 3:00 PM

**Dial-in details:**

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[Click here](#)

### Financials & Valuations (INR b)

Y/E MAR	FY25E	FY26E	FY27E
Net Sales	90.0	101.9	114.4
Sales Gr. (%)	10.8	13.3	12.3
EBITDA	9.3	12.7	15.5
Margin (%)	10.3	12.5	13.5
Adj. PAT	5.7	8.3	10.3
Adj. EPS (INR)	21.5	31.3	38.9
EPS Gr. (%)	38.1	46.0	24.2
BV/Sh. (INR)	169.5	186.3	207.2
<b>Ratios</b>			
RoE (%)	13.1	17.6	19.8
RoCE (%)	13.3	17.8	19.9
<b>Valuations</b>			
P/E (x)	94.6	64.8	52.2
P/BV (x)	12.0	10.9	9.8
EV/EBITDA (x)	56.7	42.0	34.0

**CMP: INR2,030**

## Healthy revenue growth; weak operating margins

- UBBL's standalone net sales grew 10% YoY to INR20.0b (est. INR20.4b).
- Volume growth was 8% YoY (est. 6%), with premium segment volume growing strongly by 33% YoY.
- North/West/East/South regions posted 16%/4%/3%/8% volume growth.
- Gross margin declined 90bp YoY and 70bp QoQ to 43.1% (est. 43.8%, 43.8% in 2QFY25).
- Employee expenses grew 6% YoY, while other expenses rose 11% YoY, led by investments in supply chain ahead of the peak season.
- EBITDA margin contracted 90bp YoY to 7.1% (est. 9.1%, 10.7% in 2QFY25).
- EBITDA declined by 3% YoY to INR1.4b (est. INR1.9b).
- Higher depreciation (+18%) and lower other income (-58%) resulted in a 25% YoY fall in PBT.
- There was an exceptional item of INR258m on account of severance pay to employees on separation.
- APAT fell 24% YoY to INR640m (est. INR1,124b). Reported PAT declined 55% YoY to INR383m.
- In 9MFY25, net sales/EBITDA/APAT grew by 10%/18%/13%.

### Other key highlights

- UBBL is investing INR7.5b in a greenfield brewery in UP, set to produce both mainstream and premium brands, including Heineken, in cans and bottles. The facility will add 1.0–2.0 MHL capacity, expected by 4QFY27.
- Net sales were driven by volume growth, price increases and positive mix.
  - Volume growth was mainly driven by Telangana, Andhra Pradesh, Uttar Pradesh, and Rajasthan, partially offset by Tamil Nadu and West Bengal.
  - Positive price mix was driven by price increases in multiple states and mix from premiumization, partially offset by growth in the economy segment and negative state mix.

**Standalone Quarterly Performance**

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Volume growth (%)</b>	-12	7	8	11	5	5	8	8	2	7	6	
<b>Net Sales</b>	<b>22,732</b>	<b>18,880</b>	<b>18,227</b>	<b>21,315</b>	<b>24,730</b>	<b>21,147</b>	<b>19,984</b>	<b>24,107</b>	<b>81,227</b>	<b>89,967</b>	<b>20,414</b>	-2.1%
YoY Change (%)	-6.7	12.4	13.1	20.8	8.8	12.0	9.6	13.1	8.3	10.8	12.0	
<b>Gross Profit</b>	<b>9,221</b>	<b>8,408</b>	<b>8,018</b>	<b>8,894</b>	<b>10,642</b>	<b>9,272</b>	<b>8,619</b>	<b>10,423</b>	<b>34,703</b>	<b>38,956</b>	8,941	-3.6%
Margin (%)	40.6	44.5	44.0	41.7	43.0	43.8	43.1	43.2	42.7	43.3	43.8	
<b>EBITDA</b>	<b>2,228</b>	<b>1,846</b>	<b>1,456</b>	<b>1,420</b>	<b>2,847</b>	<b>2,268</b>	<b>1,411</b>	<b>2,774</b>	<b>6,962</b>	<b>9,302</b>	1,851	-23.7%
YoY Change (%)	-15.9	-15.8	89.9	165.6	27.8	22.9	-3.0	95.4	13.0	33.6	27.1	
Margins (%)	9.8	9.8	8.0	6.7	11.5	10.7	7.1	11.5	8.6	10.3	9.1	
Depreciation	513	508	518	577	577	571	613	549	2,119	2,310	575	
Interest	17	14	21	18	16	22	32	19	69	88	22	
Other Income	103	122	241	263	73	105	101	466	737	745	235	
<b>PBT</b>	<b>1,801</b>	<b>1,446</b>	<b>1,158</b>	<b>1,088</b>	<b>2,327</b>	<b>1,781</b>	<b>610</b>	<b>2,673</b>	<b>5,511</b>	<b>7,648</b>	1,489	-59.0%
Tax	440	369	310	280	595	458	227	573	1,403	1,973	365	
Rate (%)	24.5	25.5	26.7	25.7	25.5	25.7	26.2	21.5	25.5	25.8	24.5	
<b>Reported PAT</b>	<b>1,361</b>	<b>1,076</b>	<b>849</b>	<b>808</b>	<b>1,733</b>	<b>1,322</b>	<b>383</b>	<b>2,099</b>	<b>4,109</b>	<b>5,675</b>	<b>1,124</b>	-66.0%
<b>Adj PAT</b>	<b>1,361</b>	<b>1,076</b>	<b>849</b>	<b>808</b>	<b>1,733</b>	<b>1,322</b>	<b>640</b>	<b>2,099</b>	<b>4,109</b>	<b>5,675</b>	1,124	-43.0%
YoY Change (%)	-15.8	-19.8	274.9	730.8	27.3	22.9	-24.5	159.7	24.7	38.1	32.5	
Margins (%)	6.0	5.7	4.7	3.8	7.0	6.3	3.2	8.7	5.1	6.3	5.5	

E: MOFSL Estimates

# Deepak Nitrite

BSE SENSEX  
76,139

S&P CNX  
23,031

**CMP: INR2,238**

**Neutral**

## Conference Call Details



**Date:** 17<sup>th</sup> February 2025

**Time:** 1200hours IST

**Dial-in details:**

+91 22 6280 1259

+91 22 7115 8160

## Miss across board; worst performance since 1QFY21

- Revenue was at INR19b (our est. INR18.6b, down 5% YoY).
- EBITDA was at INR1.7b (our est. of INR2.4b, down 45% YoY). Gross margin was at 26.8% (down 490bp YoY), while EBITDAM stood at 8.9% (vs. 15.2% in 3QFY24).
- Reported PAT stood at INR981m (our est. of INR1.5b, down 51% YoY).
- In **9MFY25**, revenue was at INR61b (+10% YoY), EBITDA at INR7.8b (-5% YoY), PAT at INR4.9b (-11% YoY), and EBITDAM at 12.7% (-200bp YoY).

## Segmental EBIT details

- Phenolics EBIT margin stood at 8.9%, with EBIT at INR1.2b. Advanced Intermediates (AI) EBIT margin was at 3.1%, with EBIT at INR169m.
- Revenue mix of Phenolics stood at 71% in 3QFY25, with Advanced Intermediates' share at 29%. EBIT mix for AI was at 12% (vs. 34% in 3QFY24). Contribution from Phenolics was at 88% (vs. 66% in 3QFY24).
- In **9MFY25**, AI revenue was at INR18.7b (-9% YoY) and DPL revenue was at INR42.3b (+21% YoY). AI EBIT was at INR1.3b (-58% YoY) and DPL EBIT was at INR5.4b (+24% YoY). AI EBIT margin was at 7% (-820bp YoY) and DPL EBIT margin was at 12.7% (+30bp YoY).

## Consolidated - Quarterly Snapshot

Y/E March	FY24				FY25				(INR m)		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	3QAct	Var. (%)	YoY (%)	QoQ (%)
<b>Gross Sales</b>	<b>17,683</b>	<b>17,781</b>	<b>20,092</b>	<b>21,262</b>	<b>21,668</b>	<b>20,320</b>	<b>18,577</b>	<b>19,034</b>	<b>2%</b>	<b>-5%</b>	<b>-6%</b>
YoY Change (%)	-14.1	-9.4	0.9	8.4	22.5	14.3	-7.5	-5.3			
<b>Gross Margin (%)</b>	<b>30.8%</b>	<b>34.4%</b>	<b>31.7%</b>	<b>30.7%</b>	<b>30.8%</b>	<b>32.0%</b>	<b>30.7%</b>	<b>26.8%</b>	<b>-3.9%</b>	<b>-4.9%</b>	<b>-5.2%</b>
<b>EBITDA</b>	<b>2,098</b>	<b>3,023</b>	<b>3,047</b>	<b>3,011</b>	<b>3,092</b>	<b>2,975</b>	<b>2,350</b>	<b>1,685</b>	<b>-28%</b>	<b>-45%</b>	<b>-43%</b>
Margin (%)	11.9	17.0	15.2	14.2	14.3	14.6	12.6	8.9	-3.8	-6.3	-5.8
Depreciation	381	394	417	465	475	485	492	482			
Interest	18	27	29	44	58	63	66	61			
Other Income	319	170	136	191	188	213	181	210			
<b>PBT before EO expense</b>	<b>2,017</b>	<b>2,772</b>	<b>2,736</b>	<b>2,694</b>	<b>2,748</b>	<b>2,640</b>	<b>1,972</b>	<b>1,352</b>	<b>-31%</b>	<b>-51%</b>	<b>-49%</b>
Extra-Ord expense	0	0	0	-798	0	0	0	0			
<b>PBT</b>	<b>2,017</b>	<b>2,772</b>	<b>2,736</b>	<b>3,492</b>	<b>2,748</b>	<b>2,640</b>	<b>1,972</b>	<b>1,352</b>	<b>-31%</b>	<b>-51%</b>	<b>-49%</b>
Tax	518	721	715	953	723	698	521	371			
Rate (%)	25.7	26.0	26.1	27.3	26.3	26.4	26.4	27.4			
<b>Reported PAT</b>	<b>1,499</b>	<b>2,051</b>	<b>2,020</b>	<b>2,538</b>	<b>2,025</b>	<b>1,942</b>	<b>1,451</b>	<b>981</b>	<b>-32%</b>	<b>-51%</b>	<b>-49%</b>
<b>Adj PAT</b>	<b>1,499</b>	<b>2,051</b>	<b>2,020</b>	<b>1,958</b>	<b>2,025</b>	<b>1,942</b>	<b>1,451</b>	<b>981</b>	<b>-32%</b>	<b>-51%</b>	<b>-49%</b>
YoY Change (%)	-36.1	17.5	-3.4	-16.3	35.1	-5.3	-28.2	-51.4			
Margin (%)	8.5	11.5	10.1	9.2	9.3	9.6	7.8	5.2	-2.7	-4.9	-4.4
<b>Segmental Revenue (INR m)</b>											
Advanced Intermediates	7,083	6,702	6,743	6,711	7,157	6,060	6,374	5,517	-13%	-18%	-9%
Phenolic	10,679	11,201	13,493	14,661	14,636	14,435	12,317	13,657	11%	1%	-5%
<b>Segmental EBIT (INR m)</b>											
Advanced Intermediates	1,149	1,034	937	1,339	665	475	531	169	-68%	-82%	-64%
Phenolic	876	1,704	1,798	2,061	2,076	2,149	1,617	1,212	-25%	-33%	-44%
<b>Segmental EBIT Margin (%)</b>											
Advanced Intermediates	16.2%	15.4%	13.9%	20.0%	9.3%	7.8%	8.3%	3.1%	-5.3%	-10.8%	-4.8%
Phenolics	8.2%	15.2%	13.3%	14.1%	14.2%	14.9%	13.1%	8.9%	-4.3%	-4.4%	-6.0%

# Kalpataru Projects

BSE SENSEX  
76,139

S&P CNX  
23,031

**CMP: INR983**

**Buy**

## Conference Call Details



**Date:** 14<sup>th</sup> February 2025

**Time:** 09:00am IST

**Dial-in details:**

[Diamond Pass](#)

### Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	191.8	233.4	282.0
EBITDA	16.4	20.9	26.1
Adj. PAT	7.6	10.5	13.9
Adj. EPS (INR)	44.3	61.6	81.5
EPS Gr. (%)	41.8	39.2	32.2
BV/Sh.(INR)	432.6	487.2	561.7
<b>Ratios</b>			
RoE (%)	11.5	13.4	15.5
RoCE (%)	10.4	11.8	13.5
<b>Valuations</b>			
P/E (x)	22.2	16.0	12.1
P/BV (x)	2.3	2.0	1.8
EV/EBITDA (x)	11.1	8.9	7.1
Div. Yield (%)	0.7	0.7	0.7

### High interest expense leads to PAT miss

- 3QFY25 revenue came largely in line at INR48.2b (+16% YoY), primarily led by robust execution in T&D/B&F segments (up 42%/26%). Water and Railways declined 42% and 18% YoY, respectively.
- EBITDA margin was flat YoY (down 10bp QoQ) at 8.4%, slightly below our estimate of 8.5%. EBITDA at INR4b grew 17% YoY/15% QoQ.
- PAT grew 9% YoY to INR1.6b, below our estimate of INR1.9b, due to higher-than-expected interest cost (+29% YoY), lower other income (-31% YoY), and a higher effective tax rate (27.7% vs. 25.8% YoY).
- Order inflows at INR83.2b grew 41% YoY. The order book stood at INR614.3b (+19% YoY).
- NWC was flat YoY at 112 days (118 days in 2QFY25). Management aims to bring it below 100 days by FY25 end.
- Net debt came down to INR18.2b from INR27.9b in 2QFY25 and INR26b in 3QFY24.
- For 9MFY25, revenue/EBITDA/PAT grew 9%/10%/6% to INR126.8b/INR10.6b/INR4.1b.

### Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Net Sales</b>	<b>36,220</b>	<b>38,440</b>	<b>41,470</b>	<b>51,470</b>	<b>37,220</b>	<b>41,361</b>	<b>48,257</b>	<b>64,973</b>	<b>1,67,600</b>	<b>1,91,811</b>	<b>49,405</b>	<b>-2</b>
YoY Change (%)	15.4	16.7	18.2	17.1	2.8	7.6	16.4	26.2	16.9	14.4	19.1	
Total Expenditure	33,080	35,360	38,030	47,470	34,080	37,877	44,239	59,216	1,53,940	1,75,411	45,205	
<b>EBITDA</b>	<b>3,140</b>	<b>3,080</b>	<b>3,440</b>	<b>4,000</b>	<b>3,140</b>	<b>3,485</b>	<b>4,019</b>	<b>5,757</b>	<b>13,660</b>	<b>16,401</b>	<b>4,199</b>	<b>-4</b>
Margins (%)	8.7	8.0	8.3	7.8	8.4	8.4	8.3	8.9	8.2	8.6	8.5	
Depreciation	930	880	940	930	930	914	956	1,085	3,680	3,886	971	-2
Interest	750	850	830	940	860	998	1,071	566	3,370	3,494	874	23
Other Income	290	250	270	320	290	264	185	397	1,130	1,137	275	-33
<b>PBT before EO expense</b>	<b>1,750</b>	<b>1,600</b>	<b>1,940</b>	<b>2,450</b>	<b>1,640</b>	<b>1,836</b>	<b>2,177</b>	<b>4,504</b>	<b>7,740</b>	<b>10,157</b>	<b>2,629</b>	<b>-17</b>
Extra-Ord expense	0	0	0	350	0	0	0	0	350	0	0	
<b>PBT</b>	<b>1,750</b>	<b>1,600</b>	<b>1,940</b>	<b>2,100</b>	<b>1,640</b>	<b>1,836</b>	<b>2,177</b>	<b>4,504</b>	<b>7,390</b>	<b>10,157</b>	<b>2,629</b>	<b>-17</b>
Tax	490	470	500	600	470	513	604	1,014	2,060	2,600	673	
Rate (%)	28.0	29.4	25.8	28.6	28.7	27.9	27.7	22.5	27.9	25.6	25.6	
<b>Reported PAT</b>	<b>1,260</b>	<b>1,130</b>	<b>1,440</b>	<b>1,500</b>	<b>1,170</b>	<b>1,323</b>	<b>1,574</b>	<b>3,490</b>	<b>5,330</b>	<b>7,557</b>	<b>1,956</b>	<b>-20</b>
<b>Adj PAT</b>	<b>1,260</b>	<b>1,130</b>	<b>1,440</b>	<b>1,750</b>	<b>1,170</b>	<b>1,323</b>	<b>1,574</b>	<b>3,490</b>	<b>5,582</b>	<b>7,557</b>	<b>1,956</b>	<b>-20</b>
YoY Change (%)	-23.2	8.7	29.7	52.6	-7.1	17.1	9.3	99.4	19.1	35.4	35.8	
Margins (%)	3.5	2.9	3.5	3.4	3.1	3.2	3.3	5.4	3.3	3.9	4.0	



## Senco Gold

BSE SENSEX  
76,139S&P CNX  
23,031

## Conference Call Details

Date: 14<sup>th</sup> Feb 2025

Time: 8:00 AM

Dial-in details:

+91 22 6280 1325 /

+91 22 7115 8226

Diamond Pass

## Financials &amp; Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	63.1	74.5	86.0
Sales Gr. (%)	20.4	18.0	15.4
EBITDA	5.0	5.8	6.6
EBITDA mrg. (%)	7.9	7.8	7.7
Adj. PAT	2.5	3.0	3.5
Adj. EPS (INR)	16.2	19.6	22.7
EPS Gr. (%)	39.5	20.4	16.1
BV/Sh.(INR)	100.6	118.5	138.9
<b>Ratios</b>			
Debt/Equity	0.7	0.7	0.6
RoE (%)	17.2	17.9	17.7
RoIC (%)	12.7	12.8	12.9
<b>Valuation</b>			
P/E (x)	27.7	23.0	19.8
EV/EBITDA (x)	7.2	6.2	5.3

## CMP: INR450

## In-line sales; a sharp miss on profitability

## Consolidated results

- Senco's consolidated revenue grew 27% YoY to INR21.0b (est. INR20.7b).
- The company presentation has not yet been released. However, management previously reported an inventory loss of ~INR500m due to customs duty. Adjusting for the INR298m inventory loss in 2Q, we consider the INR200m inventory loss in 3Q to understand the underlying margin.
- After adjusting the inventory effect, the consolidated gross margin contracted by a sharp 770bp YoY to 10.9%. (vs. 13.2% in 2QFY25; est. 17.7%).
- Employee expenses were up 11% YoY, while other expenses remained flat YoY.
- EBITDA margin (ex-custom duty impact) contracted 620bp YoY to 4.8% (vs. 5.4% in 2QFY25; est. 10.3%).
- EBITDA declined (ex-custom duty impact) 45% YoY to INR1,000m (est. INR2,129m).
- APAT (ex-custom duty impact) contracted 56% YoY to INR485m (est. INR1,304m).
- Reported PAT was down 69% YoY to INR335m.
- In 9MFY25, net sales/EBITDA grew 22%/1%, while APAT dipped 10% YoY.

## Consolidated Quarterly Performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
<b>Stores</b>	<b>142</b>	<b>145</b>	<b>155</b>	<b>159</b>	<b>165</b>	<b>166</b>	<b>170</b>	<b>177</b>	<b>159</b>	<b>177</b>	<b>170</b>	
<b>Net Sales</b>	<b>13,054</b>	<b>11,466</b>	<b>16,522</b>	<b>11,373</b>	<b>14,039</b>	<b>15,005</b>	<b>21,025</b>	<b>13,035</b>	<b>52,414</b>	<b>63,104</b>	<b>20,653</b>	<b>1.8</b>
Change (%)	29.6	25.8	23.3	39.7	7.5	30.9	27.3	14.6	28.5	20.4	25.0	
<b>Gross Profit</b>	<b>1,632</b>	<b>1,354</b>	<b>3,083</b>	<b>1,944</b>	<b>2,428</b>	<b>1,976</b>	<b>2,297</b>	<b>3,716</b>	<b>8,014</b>	<b>10,417</b>	<b>3,655</b>	<b>(37.2)</b>
Gross Margin (%)	12.5	11.8	18.7	17.1	17.3	13.2	10.9	28.5	15.3	16.5	17.7	
Operating Expenses	960	960	1,272	1,067	1,341	1,159	1,297	1,630	4,259	5,427	1,527	
% of Sales	7.4	8.4	7.7	9.4	9.5	7.7	6.2	12.5	8.1	8.6	7.4	
<b>EBITDA</b>	<b>672</b>	<b>395</b>	<b>1,811</b>	<b>877</b>	<b>1,087</b>	<b>818</b>	<b>1,000</b>	<b>2,086</b>	<b>3,755</b>	<b>4,990</b>	<b>2,129</b>	<b>(53.0)</b>
Margin (%)	5.1	3.4	11.0	7.7	7.7	5.4	4.8	16.0	7.2	7.9	10.3	
Change (%)	22.1	21.2	11.3	31.5	61.8	107.1	-44.8	137.7	18.6	32.9	17.5	
Interest	266	234	283	298	322	326	339	350	1,081	1,338	325	
Depreciation	126	133	158	184	181	178	131	258	601	748	185	
Other Income	94	110	89	128	123	149	127	108	422	507	122	
<b>PBT</b>	<b>375</b>	<b>139</b>	<b>1,459</b>	<b>524</b>	<b>708</b>	<b>462</b>	<b>656</b>	<b>1,586</b>	<b>2,495</b>	<b>3,412</b>	<b>1,741</b>	<b>(62.3)</b>
Tax	98	20	366	202	195	117	171	403	685	887	437	
Effective Tax Rate (%)	26.1	14.1	25.1	38.6	27.6	25.3	26.1	25.4	27.5	26.0	25.1	
<b>Adjusted PAT</b>	<b>277</b>	<b>119</b>	<b>1,093</b>	<b>322</b>	<b>513</b>	<b>345</b>	<b>485</b>	<b>1,182</b>	<b>1,810</b>	<b>2,525</b>	<b>1,304</b>	<b>(62.8)</b>
Change (%)	24.2	37.3	6.0	24.7	85.3	188.7	-55.6	267.5	14.2	39.5	19.3	
<b>PAT</b>	<b>277</b>	<b>119</b>	<b>1,093</b>	<b>322</b>	<b>513</b>	<b>121</b>	<b>335</b>	<b>1,182</b>	<b>1,810</b>	<b>2,151</b>	<b>1,116</b>	

E: MOFSL Estimates

# KNR Construction

BSE SENSEX 76,139  
S&P CNX 23,031

**CMP: INR260**

**Buy**

## Conference Call Details



**Date:** 14<sup>th</sup> Feb 2025

**Time:** 11:30 AM IST

**Dial-in details:**

[Link](#)

## Financials & Valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	36.6	41.6	51.5
EBITDA	6.1	7.6	9.5
Adj. PAT	4.2	4.8	6.1
EBITDA Margin (%)	16.7	18.3	18.5
Adj. EPS (INR)	14.9	17.1	21.8
EPS Gr. (%)	-2.5	15.0	27.7
BV/Sh. (INR)	137.6	154.2	175.5
<b>Ratios</b>			
Net D:E	-0.2	-0.2	-0.1
RoE (%)	11.8	11.7	13.2
RoCE (%)	13.3	12.2	13.7
Payout (%)	2.1	2.9	2.3
<b>Valuations</b>			
P/E (x)	17.5	15.2	11.9
P/BV (x)	1.9	1.7	1.5
EV/EBITDA(x)	10.8	8.7	7.1
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	11.3	2.0	1.0

## Miss in execution

### Earnings snapshot: 3QFY25

- During 3QFY25, KNR received certain one-time adjustments and arbitration claims. For a like-to-like comparison, we have adjusted these items in revenue, other income, other expenses, and total taxes for 3QFY25 and showed them as exceptional items. The arbitration claims were relating to the following:
  - In Patel KNR Heavy Infrastructures Ltd, the company received claims worth INR355m (included in revenue) and interest of INR1b on such claims (included in other income). Expenses of INR12.9m related to such claims were included in other expenses and INR347m was included in the current tax.
  - Revenue declined 22% YoY to ~INR7.1b in 3QFY25 (20% below our estimate).
  - EBITDA margin increased 30bp YoY to 16.6% (vs. our estimate of 16.5%) in 3QFY25.
  - EBITDA declined 20% YoY to INR1.2b (against our estimate of INR1.5b).
  - The impact of weak execution was offset by higher other income, lower depreciation and interest expenses, which resulted in APAT of INR903m (in line).
  - The order book currently stands at ~INR50b.

## Quarterly performance -Standalone

Y/E March	FY24			FY25			FY24	FY25E	MOSL 3QE	Var. (%)	
	1Q	2Q	3Q	4Q	1Q	2Q					3Q
<b>Net Sales</b>	9,296	9,415	9,054	11,793	8,193	8,561	7,079	39,558	36,563	8,848	-20
YoY Change (%)	4.4	11.1	9.1	0.3	-11.9	-9.1	-21.8	5.7	-7.6	-2.3	
<b>EBITDA</b>	1,733	1,663	1,473	2,033	1,356	1,380	1,173	6,902	6,106	1,460	-20
Margins (%)	18.6	17.7	16.3	17.2	16.6	16.1	16.6	17.4	16.7	16.5	
Depreciation	283	311	325	326	225	226	229	1,245	1,045	250	
Interest	50	58	72	113	41	20	31	293	146	40	
Other Income	71	50	60	147	51	575	130	328	731	55	
<b>PBT before EO expense</b>	1,470	1,344	1,136	1,741	1,141	1,709	1,044	5,692	5,646	1,225	
Extra-Ord expense	0	0	0	654	531	1,867	919	654	2,398	0	
Tax	367	346	281	414	334	344	253	1,407	1,469	343	
Rate (%)	25.0	25.7	24.7	23.8	29.2	20.1	24.3	24.7	26.0	28.0	
<b>Reported PAT</b>	1,103	999	855	1,982	1,339	3,344	1,822	4,938	6,800	882	
<b>Adj PAT</b>	1,103	999	855	1,328	807	1,477	903	4,284	4,402	882	2
YoY Change (%)	9.4	-7.2	10.1	3.2	-26.8	47.9	5.6	3.3	2.7	3.1	
Margins (%)	11.9	10.6	9.4	11.3	9.9	17.3	12.8	10.8	12.0	10.0	



### **Ashok Leyland :Medium-Term Goal Is To Exceed A 35% Market Share In The M&HCV Segment; Shenu Agarwal, MD & CEO**

- Q3 profit up 31.3% to ₹7.63 billion, beating estimates.
- Margins rose 100 bps YoY due to pricing, cost cuts, and service expansion.
- Exports grew 33%, targeting 25,000 units in 2-3 years.
- ₹500 cr invested in EV unit for growth.

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### **Crompton :Seeing Strong Growth In The Table, Pedestal & Wall Fans Segment; Kaleeswaran Arunachalam, Group CFO & Head of Strategy**

- Q3 profit met expectations, margins exceeded estimates despite subdued revenue growth.
- Premium fans' share rose from 18% to 25%, targeting 40% with new product launches.
- Butterfly's turnaround: revenue stabilized, margins improving towards 9-10%.
- Solar pumps: ₹200 crore executed, aiming higher growth with strong order book.
- Budget tax cuts may boost demand, benefits expected by festive season FY26.

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### **Muthoot Finance :Net Interest Margin Will Stay Within The 11-11.5% Range; Alexander George Muthoot, Joint MD**

- Gold loan AUM grew 37% YoY, driven by new customer acquisitions and operational efficiencies.
- Cost of funds at ~9%; expected to decline post rate cuts, NIMs stable at ~11-11.5%.
- Affordable housing focus; PAT impacted by higher borrowing costs, but growth remains strong.
- Microfinance pain to persist for ~2 quarters, with recovery expected in FY26.

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### **Electronics Mart : Store Launches Got Delayed, But Will Add 5-6 Stores In This Quarter; Premchand Devarakonda, CFO**

- FY25 revenue growth revised to 12%, with FY26 expected at 15%.
- PAT margins for FY25 at 2.5% and FY26 at 2.8%, with EBITDA improving by 30 bps.
- Weak SSSG in Hyderabad, but AC sales showing improvement.
- Store count reaching 200 in FY25, with 30 more planned for FY26.
- Focus on reducing cashbacks and optimizing product mix to enhance profitability.

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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
<b>Automobiles</b>																
Amara Raja Ener.	Neutral	983	1120	14	51.4	55.4	64.4	3.8	7.7	16.4	19.1	17.8	2.4	2.1	13.5	13.5
Apollo Tyres	Buy	421	520	24	20.7	27.7	31.5	-29.3	33.8	13.5	20.3	15.2	1.4	1.3	9.1	11.3
Ashok Ley.	Buy	217	255	17	9.9	11.7	13.5	8.6	18.0	15.6	21.9	18.5	6.2	5.3	30.6	31.0
Bajaj Auto	Neutral	8696	8770	1	287.3	329.0	377.6	4.0	14.5	14.8	30.3	26.4	8.8	8.0	30.7	31.7
Balkrishna Inds	Neutral	2632	2630	0	88.4	102.8	125.0	15.5	16.3	21.7	29.8	25.6	5.0	4.3	18.0	18.2
Bharat Forge	Neutral	1076	1155	7	21.0	32.6	44.2	6.4	55.3	35.6	51.3	33.0	5.5	5.1	12.0	16.0
Bosch	Neutral	27350	30810	13	694.6	784.7	912.1	11.9	13.0	16.2	39.4	34.9	6.1	5.6	16.2	16.8
CEAT	Buy	2635	3515	33	119.5	170.3	218.9	-29.5	42.4	28.6	22.0	15.5	2.4	2.1	11.4	14.7
Craftsman Auto	Neutral	3990	4275	7	81.5	153.8	220.1	-43.5	88.8	43.1	49.0	25.9	3.2	2.9	8.3	11.6
Eicher Mot.	Sell	4818	4305	-11	162.3	177.8	204.9	10.9	9.6	15.3	29.7	27.1	6.3	5.5	22.8	21.6
Endurance Tech.	Buy	1914	2400	25	58.5	71.0	82.8	23.7	21.4	16.6	32.5	26.8	4.7	4.2	15.5	16.5
Escorts Kubota	Neutral	3023	3295	9	86.6	102.7	122.6	-8.8	18.6	19.3	34.9	29.4	3.2	2.9	10.2	10.3
Exide Ind	Neutral	367	360	-2	13.1	14.2	15.5	6.2	7.9	9.2	27.9	25.9	2.2	2.1	8.0	8.0
Happy Forgings	Buy	926	1140	23	27.9	35.3	42.4	8.2	26.3	20.3	33.2	26.3	4.8	4.1	15.3	16.9
Hero Moto	Buy	3954	5000	26	230.2	245.8	267.7	12.5	6.8	8.9	17.2	16.1	4.1	3.8	24.7	24.6
Hyundai Motor	Buy	1798	1975	10	65.3	68.9	78.4	-12.4	5.4	13.8	27.5	26.1	10.0	7.9	41.9	33.7
M&M	Buy	2978	3675	23	99.3	124.6	145.1	11.9	25.4	16.4	30.0	23.9	5.8	4.9	21.0	22.2
CIE Automotive	Buy	427	587	37	22.0	24.3	28.0	4.1	10.5	15.1	19.4	17.6	2.4	2.2	13.2	13.2
Maruti Suzuki	Buy	12668	14500	14	462.3	512.4	573.4	10.0	10.9	11.9	27.4	24.7	4.2	3.8	14.8	15.3
MRF	Sell	109703	95500	-13	4,082.5	4,532.7	5,190.8	-18.2	11.0	14.5	26.9	24.2	2.5	2.3	9.9	10.1
Samvardh. Motherson	Buy	130	195	50	5.1	7.0	8.6	36.9	37.0	23.1	25.6	18.7	2.6	2.4	11.8	13.4
Motherson Wiring	Buy	51	65	27	1.4	1.6	2.0	-5.4	19.7	20.1	37.5	31.4	11.8	9.8	33.5	34.1
Sona BLW Precis.	Neutral	515	580	13	9.7	10.7	12.5	8.0	10.8	17.0	53.3	48.1	5.7	5.4	14.3	11.5
Tata Motors	Neutral	684	755	10	65.6	61.9	60.4	11.7	-5.5	-2.5	10.4	11.0	2.3	2.0	25.1	19.3
TVS Motor	Neutral	2475	2570	4	52.5	64.4	77.0	19.8	22.7	19.5	47.1	38.4	12.0	9.5	28.5	27.7
Tube Investments	Buy	2710	3690	36	44.4	58.7	69.6	29.1	32.2	18.7	61.1	46.2	8.9	7.6	15.6	17.7
<b>Aggregate</b>								<b>6.9</b>	<b>11.5</b>	<b>12.0</b>	<b>24.8</b>	<b>22.2</b>	<b>4.5</b>	<b>3.9</b>	<b>18.3</b>	<b>17.8</b>
<b>Banks - Private</b>																
AU Small Finance	Buy	553	730	32	29.7	37.4	48.5	29.3	26	29.5	18.6	14.8	2.5	2.2	14.5	15.7
Axis Bank	Neutral	1008	1175	17	84.6	89.8	104.2	4.8	6.2	16.1	11.9	11.2	1.8	1.5	16.0	14.6
Bandhan Bank	Neutral	140	170	21	20.4	21.9	25.7	47.2	7	17.7	6.9	6.4	0.9	0.9	14.4	14.0
DCB Bank	Buy	113	160	41	19.1	24.1	30.6	11.7	25.9	26.9	5.9	4.7	0.7	0.6	11.9	13.4
Equitas Small Fin.	Buy	64	80	26	2.6	6.4	9.8	-63.2	144.0	53.5	24.3	9.9	1.2	1.1	4.9	11.4
Federal Bank	Buy	182	225	24	16.7	19.0	23.7	2.0	14.1	24.2	10.9	9.5	1.3	1.2	13.1	13.3
HDFC Bank	Buy	1698	2050	21	88.7	95.4	109.4	10.7	7.6	14.7	19.2	17.8	2.6	2.3	14.4	13.9
ICICI Bank	Buy	1249	1550	24	66.3	71.7	82.0	13.6	8.2	14.4	18.8	17.4	3.2	2.7	18.3	17.0
IDFC First Bk	Neutral	61	70	14	2.2	4.4	6.7	-49.0	99.8	52.3	27.9	14.0	1.2	1.1	4.5	8.1
IndusInd	Buy	1047	1200	15	82.1	110.4	136.5	-28.9	34.4	23.6	12.7	9.5	1.2	1.1	9.8	12.0
Kotak Mah. Bk	Buy	1972	2200	12	96.0	109.8	131.4	4.8	14.3	19.7	20.5	18.0	2.6	2.3	13.8	13.5
RBL Bank	Neutral	165	170	3	11.8	20.5	32.1	-38.7	73.4	56.7	13.9	8.0	0.7	0.6	4.8	7.9
<b>Aggregate</b>								<b>6.9</b>	<b>11.1</b>	<b>17.3</b>	<b>17.6</b>	<b>15.9</b>	<b>2.5</b>	<b>2.2</b>	<b>14.1</b>	<b>13.9</b>
<b>Banks - PSU</b>																
BOB	Neutral	211	250	19	37.1	37.7	42.2	7.9	1.6	11.9	5.7	5.6	0.9	0.8	16.7	15.0
Canara Bank	Buy	89	115	30	17.7	18.8	20.7	10.2	6.4	9.9	5.0	4.7	0.9	0.8	19.0	17.7
Indian Bank	Buy	520	670	29	79.3	84.0	92.3	27.4	6.0	9.9	6.6	6.2	1.1	1.0	18.8	17.3
Punjab Natl. Bank	Buy	95	125	32	14.9	16.6	18.7	98.3	11.6	12.6	6.4	5.7	0.9	0.8	15.3	14.9
SBI	Buy	727	925	27	89.2	97.3	112.6	18.7	9	15.8	8.2	7.5	1.4	1.2	18.8	17.2
Union Bank (I)	Buy	113	135	19	22.4	22.8	24.4	18.7	2	6.9	5.0	5.0	0.8	0.7	17.4	15.5
<b>Aggregate</b>								<b>23.1</b>	<b>7</b>	<b>13</b>	<b>7</b>	<b>6.5</b>	<b>1.2</b>	<b>1.0</b>	<b>16.5</b>	<b>15.7</b>
<b>NBFCs</b>																
AAVAS Financiers	Neutral	1698	1800	6	73.5	88.9	108.8	18.5	21.0	22.3	23.1	19.1	3.1	2.7	14.3	14.9
Aditya Birla Cap	Buy	159	240	51	12.9	15.2	19.4	27.2	18.2	27.6	12.4	10.5	1.4	1.2	11.8	12.5
Bajaj Fin.	Neutral	8406	8380	0	270.9	343.7	435.6	15.9	26.9	26.7	31.0	24.5	5.3	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	611	670	10	64.0	68.8	78.9	13.6	7.4	14.8	9.5	8.9	1.6	1.4	18.0	16.6
Cholaman.Inv.&Fn	Buy	1390	1600	15	50.2	66.8	88.0	23.2	33.0	31.8	27.7	20.8	4.9	3.8	19.5	20.9
CreditAccess	Buy	1048	1190	14	36.9	90.2	129.5	-59.3	144.7	43.5	28.4	11.6	2.4	2.0	8.7	18.6
Fusion Finance	Neutral	170	175	3	-96.0	16.0	29.0	-291.2	LP	81.3	NM	10.4	1.0	0.9	-49.2	9.6
Five-Star Business	Buy	722	930	29	36.9	42.1	49.0	29.0	14.1	16.4	19.6	17.1	3.4	2.8	18.8	17.9
Home First Fin.	Buy	970	1280	32	43.0	52.5	64.0	24.4	22.2	21.9	22.6	18.5	3.5	3.0	16.6	17.4
IIFL Finance	Buy	331	415	25	5.0	47.0	59.0	-89.2	840.0	25.5	67.7	7.1	1.2	1.0	1.8	15.4
IndoStar	Buy	245	325	33	5.9	9.3	18.6	-30.8	58.2	99.9	41.6	26.3	1.0	1.0	2.4	3.9
L&T Finance	Buy	140	180	28	10.7	13.0	17.9	14.5	21.6	37.8	13.2	10.8	1.4	1.2	10.9	12.1
LIC Hsg Fin	Buy	551	690	25	96.7	95.1	107.7	11.6	-1.6	13.2	5.7	5.8	0.9	0.8	15.9	13.9
Manappuram Fin.	Neutral	194	215	11	21.7	27.4	34.9	-16.4	26.3	27.4	8.9	7.1	1.3	1.1	14.9	16.4
MAS Financial	Buy	246	330	34	17.0	21.7	26.4	12.8	27.2	21.9	14.5	11.4	1.8	1.6	14.6	14.7
M&M Fin.	Buy	283	355	26	19.9	24.5	30.8	39.7	23.0	25.8	14.2	11.5	1.7	1.5	12.3	13.9
Muthoot Fin	Neutral	2319	2300	-1	130.1	163.0	182.3	29.0	25.3	11.8	17.8	14.2	3.3	2.8	19.8	21.1
Piramal Enterp.	Neutral	965	1025	6	22.7	49.5	66.0	-130.3	117.6	33.5	42.4	19.5	0.8	0.8	1.9	4.1
PNB Housing	Buy	807	1160	44	72.7	88.9	107.6	25.3	22.2	21.0	11.1	9.1	1.2	1.1	11.9	12.9
Poonawalla Fincorp	Buy	299	360	21	0.2	14.1	21.2	-98.4	6,295.4	50.6	1,357.3	21.2	2.9	2.5	0.2	12.7
PFC	Buy	385	475	24	50.8	56.3	60.7	16.6	10.9	7.7	7.6	6.8	1.4	1.2	19.7	19.1
REC	Buy	410	550	34	60.9	71.5	78.1	14.4	17.4	9.1	6.7	5.7	1.3	1.1	21.5	21.5
Repco Home Fin	Neutral	357	400	12	70.3	70.1	76.9	11.4	-0.3	9.7	5.1	5.1	0.7	0.6	14.2	12.4
Spandana Sphoorty	Buy	309	395	28	-130.8	11.9	47.0	-286.3	LP	296.3	NM	26.0	0.8	0.8	-29.4	3.1
Shriram Finance	Buy	548	700	28	44.2	52.6	63.6	15.5	19.0	21.0	12.4	10.4	1.8	1.5	15.6	15.8
<b>Aggregate</b>								<b>11.1</b>	<b>25.2</b>	<b>19.6</b>	<b>15.4</b>	<b>12.3</b>	<b>2.2</b>	<b>1.9</b>	<b>14.5</b>	<b>15.7</b>
<b>NBFC-Non Lending</b>																
360 ONE WAM	Buy	952	1350	42	26.4	32.9	39.0	18.0	24.3	18.7	36.0	28.9	5.8	5.4	21.0	19.4
Aditya Birla AMC	Buy	661	850	29	32.7	37.1	42.0	20.7	13.3	13.3	20.2	17.8	5.4	4.8	28.1	28.5
Anand Rathi Wealth	Neutral	3623	4200	16	73.0	95.2	114.8	35.0	30.3	20.6	49.6	38.1	21.4	15.1	44.8	46.3
Angel One	Buy	2311	3200	38	148.5	160.7	214.6	9.3	8.2	33.5	15.6	14.4	3.4	3.0	28.6	22.2
BSE	Buy	5255	6900	31	88.5	137.9	167.7	55.2	55.8	21.6	59.4	38.1	19.4	16.8	32.7	44.2
Cams Services	Buy	3409	4600	35	97.9	110.6	131.7	36.7	12.9	19.1	34.8	30.8	15.4	13.1	48.0	46.0
CDSL	Neutral	1227	1500	22	27.0	34.2	42.4	34.6	26.7	24.0	45.4	35.9	14.6	12.7	35.1	38.0
HDFC AMC	Buy	3758	5200	38	117.0	139.4	158.7	28.6	19.2	13.8	32.1	27.0	10.4	9.5	33.8	36.9
KFin Technologies	Neutral	999	1300	30	20.1	25.6	32.4	38.0	27.6	26.2	49.7	39.0	14.1	11.8	30.4	33.0
MCX	Neutral	5610	6100	9	114.5	143.7	177.6	602.6	25.5	23.6	49.0	39.0	19.1	17.4	40.6	46.7
Nippon Life AMC	Buy	551	850	54	20.7	25.6	30.1	17.7	23.6	17.9	26.6	21.6	8.6	8.4	32.4	39.4
Nuvama Wealth	Buy	5499	7200	31	273.7	309.7	349.2	62.6	13.1	12.8	20.1	17.8	5.9	5.2	31.4	31.3
Prudent Corp.	Neutral	2148	2200	2	47.0	60.4	76.2	40.3	28.5	26.2	45.7	35.6	67.7	50.4	34.2	32.5
UTI AMC	Buy	991	1300	31	70.9	78.7	89.3	12.5	11.1	13.4	14.0	12.6	2.4	2.3	17.7	18.6
<b>Aggregate</b>								<b>34.5</b>	<b>19.9</b>	<b>19.1</b>	<b>32.3</b>	<b>26.9</b>	<b>8.8</b>	<b>7.9</b>	<b>27.3</b>	<b>29.4</b>
<b>Insurance</b>																
HDFC Life Insur.	Buy	629	800	27	7.5	9.7	11.1	3.2	29.2	14.6	83.6	64.7	2.4	2.1	16.8	16.5
ICICI Lombard	Buy	1779	2300	29	53.5	60.8	69.9	37.3	13.7	14.9	33.3	29.3	6.4	5.5	20.5	20.1
ICICI Pru Life	Buy	591	780	32	8.1	10.2	13.4	36.4	25.8	32.3	73.3	58.2	1.7	1.4	19.1	19.5
Life Insurance Corp.	Buy	785	1085	38	69.7	77.9	86.5	8.3	11.8	11.1	11.3	10.1	0.6	0.5	15.4	11.0
Max Financial	Neutral	1079	1180	9	11.9	16.9	22.8	57.6	42.0	34.8	90.6	63.8	2.0	1.7	19.0	19.4
SBI Life Insurance	Buy	1470	1900	29	21.2	24.4	27.4	12.0	15.0	12.5	69.3	60.3	2.1	1.7	21.2	19.6
Star Health Insu	Buy	397	560	41	13.1	18.4	25.4	-9.0	40.0	38.3	30.2	21.6	3.1	2.7	11.0	13.6
<b>Chemicals</b>																
Alkyl Amines	Neutral	1723	1900	10	36.2	51.4	67.3	24.3	42.1	31.0	47.6	33.5	6.3	5.6	13.9	17.8
Atul	Buy	5589	8455	51	164.2	210.6	251.8	49.2	28.3	19.6	34.0	26.5	3.0	2.7	9.1	10.8
Clean Science	Neutral	1320	1450	10	24.0	35.1	43.6	4.3	46.4	24.3	55.1	37.6	9.8	8.0	19.4	23.5
Deepak Nitrite	Neutral	2237	-		61.5	78.0	87.5	11.5	26.9	12.2	36.4	28.7	5.5	4.7	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	3988	3570	-10	132.6	118.1	119.3	10.5	-10.9	1.1	30.1	33.8	5.5	4.8	19.9	15.1
Galaxy Surfact.	Buy	2316	2825	22	83.7	95.5	113.0	-1.6	14.0	18.4	27.7	24.3	3.4	3.1	13.0	13.4
Navin Fluorine	Neutral	4105	3715	-9	59.4	81.0	92.9	28.8	36.4	14.7	69.1	50.7	7.8	7.0	11.8	14.6
NOCIL	Neutral	205	210	2	6.8	7.6	11.5	-13.8	12.5	50.4	30.1	26.8	1.9	1.9	6.6	7.1
PI Inds.	Buy	3228	4100	27	109.9	117.9	135.4	-0.6	7.3	14.9	29.4	27.4	4.8	4.1	17.6	16.2
SRF	Buy	2841	3540	25	42.7	72.0	100.4	-10.1	68.5	39.5	66.5	39.5	6.9	6.1	10.7	16.4
Tata Chemicals	Neutral	868	1030	19	17.7	41.3	56.6	-51.0	133.1	37.0	49.0	21.0	1.0	1.0	2.0	4.7
Vinati Organics	Buy	1643	2600	58	38.9	50.3	60.3	24.6	29.3	20.0	42.3	32.7	6.1	5.4	15.4	17.5
<b>Aggregate</b>								<b>15.0</b>	<b>23.6</b>	<b>17.3</b>	<b>39.8</b>	<b>32.2</b>	<b>5.0</b>	<b>4.4</b>	<b>12.6</b>	<b>13.8</b>
<b>Capital Goods</b>																
ABB India	Buy	5439	7200	32	88.7	102.5	119.3	50.5	15.6	16.3	61.3	53.1	15.0	11.9	27.6	25.1
Bharat Electronics	Buy	262	360	38	6.7	7.8	9.4	21.7	16.5	21.0	39.1	33.5	9.4	7.6	24.1	22.6
Cummins India	Buy	2799	4100	46	71.5	85.8	100.9	19.2	20.0	17.6	39.2	32.6	11.2	9.9	30.3	32.2
Hitachi Energy	Sell	11739	10500	-11	75.5	143.3	218.1	95.4	89.9	52.2	155.6	81.9	28.7	21.3	18.5	26.0
Kalpataru Proj.	Buy	983	-		44.3	61.6	81.5	41.8	39.2	32.2	22.2	16.0	2.3	2.0	11.5	13.4
KEC International	Neutral	776	900	16	20.4	34.7	43.0	57.0	69.9	23.7	38.0	22.3	3.9	3.5	11.5	16.3
Kirloskar Oil	Buy	717	1200	67	28.9	35.4	44.3	15.6	22.7	25.1	24.8	20.2	3.5	3.1	15.1	16.5
Larsen & Toubro	Buy	3269	4100	25	106.2	135.4	156.5	12.4	27.4	15.6	30.8	24.1	4.6	4.0	15.9	17.8
Siemens	Neutral	5107	5750	13	76.3	76.9	94.9	38.5	0.8	23.4	66.9	66.4	11.8	10.5	19.1	16.7
Thermax	Sell	3175	3350	6	57.3	68.9	82.4	9.9	20.2	19.6	55.4	46.1	7.3	6.5	13.8	14.8
Triveni Turbine	Buy	567	780	38	11.7	14.0	17.8	37.8	20.3	26.9	48.6	40.4	14.7	11.6	33.9	32.2
Zen Technologies	Buy	1451	2400	65	31.7	49.0	68.1	125.7	54.6	39.0	45.8	29.6	7.5	6.0	26.1	22.6
<b>Aggregate</b>								<b>21.2</b>	<b>23.6</b>	<b>19.1</b>	<b>40.3</b>	<b>32.6</b>	<b>6.8</b>	<b>5.9</b>	<b>17.0</b>	<b>18.1</b>
<b>Cement</b>																
Ambuja Cem.	Buy	503	600	19	7.9	10.6	15.2	-43.0	33.4	44.0	63.5	47.6	2.2	2.2	4.0	4.6
ACC	Buy	1915	2400	25	62.2	91.6	123.4	-37.4	47.3	34.7	30.8	20.9	2.0	1.9	6.9	9.2
Birla Corp.	Buy	1027	1470	43	18.2	51.3	73.8	-66.3	181.6	44.0	56.4	20.0	1.2	1.1	2.1	5.7
Dalmia Bhar.	Buy	1797	2100	17	34.9	51.0	65.8	-14.3	46.0	29.1	51.5	35.3	2.0	1.9	4.0	5.6
Grasim Inds.	Buy	2489	2920	17	75.1	97.2	116.0	-21.5	29.4	19.4	33.2	25.6	3.1	3.0	-3.6	1.1
India Cem	Sell	281	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	4789	5630	18	90.4	128.1	169.6	-12.0	41.7	32.4	53.0	37.4	6.2	5.5	11.6	15.7
JK Lakshmi Ce	Buy	755	970	29	22.5	38.1	39.7	-43.1	69.1	4.2	33.5	19.8	2.6	2.4	8.1	12.6
Ramco Cem	Neutral	861	870	1	8.3	18.4	25.5	-50.2	120.8	39.0	103.5	46.9	2.7	2.6	2.7	5.6
Shree Cem	Neutral	28200	26640	-6	288.7	301.0	388.7	-57.8	4.2	29.2	97.7	93.7	4.8	4.7	5.0	5.1
Ultratech	Buy	11543	13800	20	222.0	298.6	380.3	-9.2	34.5	27.3	52.0	38.7	5.1	4.3	10.2	12.3
<b>Aggregate</b>								<b>-28.3</b>	<b>41.8</b>	<b>29.1</b>	<b>51.5</b>	<b>36.3</b>	<b>3.3</b>	<b>3.1</b>	<b>6.5</b>	<b>8.5</b>
<b>Consumer</b>																
Asian Paints	Neutral	2236	2550	14	44.6	50.3	57.4	-23.0	12.7	14.2	50.1	44.5	11.3	10.8	22.7	24.9
Britannia	Neutral	4897	5200	6	90.5	103.8	117.2	2.0	14.8	12.8	54.1	47.2	27.5	24.0	52.9	54.3
Colgate	Neutral	2477	2850	15	53.1	58.4	63.6	7.8	10.2	8.8	46.7	42.4	32.2	29.0	72.7	72.0
Dabur	Buy	520	650	25	10.5	11.9	13.5	-0.8	12.9	13.5	49.5	43.8	8.7	8.1	18.2	19.2
Emami	Buy	540	750	39	20.2	22.0	23.9	12.0	9.1	8.4	26.7	24.5	8.5	7.6	33.9	32.8
Godrej Cons.	Buy	1052	1400	33	19.3	23.9	27.8	-0.1	23.9	15.9	54.5	44.0	8.0	7.3	15.1	17.4
HUL	Buy	2324	2850	23	44.1	49.3	54.1	0.8	11.9	9.8	52.7	47.1	10.6	10.5	20.2	22.4
ITC	Buy	410	550	34	16.1	17.4	18.7	-2.0	8.1	7.9	25.5	23.6	6.7	6.5	26.5	27.8
Indigo Paints	Buy	1103	1500	36	28.3	33.6	38.8	-8.7	18.9	15.4	39.0	32.8	5.2	4.6	14.1	14.9
Jyothy Lab	Neutral	363	450	24	10.4	11.7	13.0	5.5	13.5	10.3	35.0	30.9	7.1	6.4	20.6	21.7
L T Foods	Buy	393	460	17	17.5	23.8	28.5	2.7	35.9	19.7	22.4	16.5	3.5	3.0	16.8	19.6
Marico	Buy	635	775	22	12.6	14.1	15.5	10.1	12.1	9.9	50.4	45.0	20.7	19.6	41.8	44.8
Nestle	Neutral	2177	2400	10	32.7	36.7	41.1	-20.2	12.2	11.8	66.5	59.3	51.3	43.7	84.9	79.6
Page Inds	Buy	41688	57500	38	613.6	709.4	841.0	20.2	15.6	18.5	67.9	58.8	26.5	22.8	39.0	38.8
Pidilite Ind.	Neutral	2815	3200	14	42.1	48.9	55.7	17.4	16.3	13.8	66.9	57.5	15.0	13.5	23.9	24.7
P&G Hygiene	Neutral	13943	15500	11	251.2	278.9	309.3	14.0	11.0	10.9	55.5	50.0	48.2	40.4	95.3	88.1
Tata Consumer	Buy	1023	1130	10	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	2030	-		21.5	31.4	38.9	38.2	46.0	24.2	94.5	64.8	12.0	10.9	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	1396	1650	18	19.2	21.6	24.1	22.0	12.9	11.2	72.8	64.5	12.1	10.1	16.6	15.7
Varun Beverages	Buy	513	680	33	7.7	10.1	12.4	26.2	31.6	23.0	66.9	50.8	10.4	9.0	22.0	19.1
<b>Aggregate</b>								<b>-0.7</b>	<b>13.1</b>	<b>11.4</b>	<b>45.9</b>	<b>40.6</b>	<b>10.3</b>	<b>9.7</b>	<b>22.5</b>	<b>24.0</b>
<b>Consumer Durables</b>																
Havells India	Neutral	1521	1740	14	22.0	26.9	33.1	8.7	22.1	23.0	69.0	56.5	11.4	10.1	16.5	17.9
KEI Industries	Buy	3406	4780	40	68.2	82.4	100.7	6.0	20.7	22.3	49.9	41.3	5.6	5.0	14.6	12.8
Polycab India	Buy	5550	8380	51	125.0	148.0	174.3	5.3	18.4	17.7	44.4	37.5	8.7	7.4	19.5	19.7
R R Kabel	Buy	1141	1600	40	22.3	33.2	44.3	-15.8	49.2	33.5	51.3	34.4	6.4	5.7	13.1	17.5
Voltas	Buy	1249	1640	31	25.1	30.4	38.0	247.1	20.9	25.1	49.7	41.1	6.3	5.6	12.6	13.6
<b>Aggregate</b>								<b>19.5</b>	<b>21.7</b>	<b>22.0</b>	<b>54.0</b>	<b>44.4</b>	<b>8.3</b>	<b>7.3</b>	<b>15.5</b>	<b>16.5</b>
<b>EMS</b>																
Amber Enterp.	Buy	6141	7800	27	70.8	109.5	168.7	79.6	54.7	54.0	86.7	56.1	9.0	7.7	10.9	14.8
Avalon Tech	Buy	669	1000	49	9.5	16.8	25.0	123.4	76.2	49.2	70.3	39.9	7.2	6.1	10.8	16.6
Cyient DLM	Buy	430	700	63	9.6	16.3	22.4	25.0	69.3	37.0	44.6	26.3	3.5	3.1	8.1	12.4
Data Pattern	Neutral	1686	2180	29	36.1	48.6	62.2	11.4	34.4	28.0	46.7	34.7	6.2	5.3	14.2	16.4
Dixon Tech.	Buy	14704	20500	39	130.8	174.2	250.6	112.8	33.1	43.9	112.4	84.4	35.8	25.2	37.7	35.1
Kaynes Tech	Buy	4137	6500	57	47.4	85.4	136.1	65.2	80.2	59.3	87.3	48.4	9.5	7.9	11.5	17.8
Syrma SGS Tech.	Buy	467	650	39	9.6	15.3	21.4	56.6	59.4	39.9	48.7	30.6	4.7	4.1	10.1	14.5
<b>Aggregate</b>								<b>72.6</b>	<b>49.2</b>	<b>46.3</b>	<b>87.9</b>	<b>58.9</b>	<b>13.0</b>	<b>10.7</b>	<b>14.8</b>	<b>18.1</b>
<b>Healthcare</b>																
Alembic Phar	Neutral	826	970	17	27.6	36.0	45.4	-12.1	30.2	26.3	29.9	23.0	3.1	2.8	10.7	12.6
Alkem Lab	Neutral	4722	5400	14	188.8	199.1	224.9	18.3	5.4	13.0	25.0	23.7	4.7	4.1	20.2	18.3
Ajanta Pharma	Buy	2493	3220	29	71.4	80.8	95.8	14.6	13.2	18.6	34.9	30.9	7.5	6.3	23.2	22.2
Apollo Hospitals	Buy	6375	7880	24	100.3	121.0	156.8	60.8	20.5	29.6	63.5	52.7	10.7	8.9	18.9	19.1
Aurobindo	Neutral	1180	1310	11	61.2	70.1	82.3	9.2	14.5	17.4	19.3	16.8	2.1	1.9	11.4	11.7
Biocon	Buy	359	420	17	0.4	4.1	9.3	-80.1	1,037.1	127.9	1,001.5	88.1	2.1	2.1	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	6010	6200	3	75.4	96.0	118.0	25.7	27.3	22.9	79.7	62.6	10.7	9.5	14.0	16.1
Dr Reddy's	Neutral	1223	1330	9	64.7	74.4	68.2	2.0	15.0	-8.3	18.9	16.4	3.1	2.6	17.6	17.3
ERIS Lifescience	Neutral	1265	1270	0	27.4	40.1	55.2	-6.2	46.2	37.6	46.1	31.5	6.0	5.2	13.8	17.6
Gland Pharma	Buy	1481	1840	24	44.3	56.9	68.4	-7.0	28.5	20.3	33.5	26.0	2.6	2.3	8.0	9.4
Glenmark	Buy	1410	1900	35	47.3	60.7	70.6	1,805.6	28.2	16.3	29.8	23.2	4.3	3.6	15.7	17.0
GSK Pharma	Neutral	1996	2420	21	50.2	56.2	64.6	15.9	12.1	14.9	39.8	35.5	15.6	12.8	39.3	36.0
Global Health	Buy	1123	1410	26	19.6	24.9	30.9	10.0	27.3	23.9	57.3	45.0	9.0	7.7	16.8	18.5
Granules India	Buy	543	665	23	19.5	26.5	33.4	12.5	35.7	26.0	27.8	20.5	3.6	3.1	13.7	16.2
IPCA Labs	Buy	1492	1940	30	34.3	45.8	56.5	65.0	33.5	23.4	43.4	32.6	5.3	4.7	13.0	15.4
Laurus Labs	Buy	601	720	20	5.1	10.7	14.9	68.7	110.2	39.5	118.1	56.2	7.4	6.7	6.5	12.5
Lupin	Neutral	2056	2150	5	72.1	78.2	84.5	73.6	8.4	8.1	28.5	26.3	5.4	4.5	20.7	18.6
Mankind Pharma	Buy	2498	3050	22	50.1	55.0	72.1	4.8	9.9	31.1	49.9	45.4	7.4	6.6	17.8	15.4
Max Healthcare	Buy	1001	1300	30	15.4	20.8	24.7	12.4	34.9	18.4	64.8	48.0	9.1	7.6	15.0	17.3
Piramal Pharma	Buy	201	300	49	0.8	2.2	4.0	80.8	189.7	81.7	262.4	90.6	3.0	2.9	1.3	3.6
Sun Pharma	Buy	1747	2160	24	49.2	59.5	66.6	18.7	21.0	11.9	35.5	29.4	5.7	4.9	17.2	17.9
Torrent Pharma	Neutral	3075	3410	11	57.3	75.3	94.3	21.6	31.4	25.3	53.7	40.8	6.4	5.4	26.0	28.7
Zydus Lifesciences	Neutral	942	1000	6	44.5	48.9	43.1	18.3	9.8	-11.8	21.2	19.3	3.7	3.2	19.8	17.9
<b>Aggregate</b>								<b>20.5</b>	<b>18.3</b>	<b>13.4</b>	<b>35.4</b>	<b>29.9</b>	<b>5.1</b>	<b>4.4</b>	<b>14.3</b>	<b>14.7</b>
<b>Infrastructure</b>																
G R Infraproject	Buy	1074	1410	31	71.0	80.0	102.2	-2.6	12.6	27.8	15.1	13.4	1.3	1.2	9.1	9.4
IRB Infra	Neutral	49	63	27	1.4	2.4	2.8	38.9	71.0	17.1	35.5	20.8	1.5	1.4	5.0	6.9
KNR Constructions	Buy	260	-		14.9	17.1	21.8	-2.5	15.0	27.7	17.5	15.2	1.9	1.7	11.8	11.7
<b>Aggregate</b>											<b>24.7</b>	<b>17.8</b>	<b>1.5</b>	<b>1.4</b>	<b>6.1</b>	<b>7.8</b>
<b>Logistics</b>																
Adani Ports	Buy	1109	1400	26	47.7	58.5	70.0	15.5	22.7	19.8	23.3	19.0	3.9	3.3	17.9	18.8
Blue Dart Express	Buy	6057	8100	34	116.9	208.5	259.7	-3.9	78.3	24.6	51.8	29.1	9.1	7.5	18.4	28.3
Concor	Buy	694	950	37	22.4	28.6	34.5	11.8	27.4	20.5	30.9	24.3	3.4	3.1	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	240	350	46	6.7	7.7	9.8	15.3	15.5	26.5	36.0	31.2	5.6	4.9	16.4	16.7
Mahindra Logistics	Neutral	336	330	-2	-3.7	14.8	26.8	-55.4	LP	81.7	NM	22.7	5.4	4.5	-5.4	21.0
Transport Corp.	Buy	1037	1370	32	53.0	63.1	73.9	15.7	19.0	17.1	19.6	16.4	3.4	2.8	18.3	18.4
TCI Express	Neutral	729	785	8	22.8	31.7	38.3	-33.6	38.9	20.9	31.9	23.0	3.7	3.3	11.9	15.1
VRL Logistics	Buy	483	670	39	18.2	22.4	25.8	79.7	23.2	14.9	26.5	21.5	4.2	3.8	16.2	18.5
<b>Aggregate</b>											<b>26.3</b>	<b>21.2</b>	<b>4.1</b>	<b>3.5</b>	<b>15.6</b>	<b>16.8</b>
<b>Media</b>																
PVR Inox	Neutral	1060	1250	18	-20.8	10.0	25.0	-278.1	LP	149.2	NM	105.6	1.5	1.4	-2.8	1.4
Sun TV	Neutral	598	650	9	42.8	45.9	49.3	-10.1	7.3	7.3	14.0	13.0	2.1	1.9	14.8	14.6
Zee Ent.	Neutral	100	130	30	8.1	9.6	10.8	78.8	18.4	13.1	12.4	10.4	0.8	0.8	7.0	7.8
<b>Aggregate</b>								<b>-6.8</b>	<b>25.1</b>	<b>14.1</b>	<b>19.4</b>	<b>15.5</b>	<b>1.5</b>	<b>1.4</b>	<b>7.6</b>	<b>8.9</b>
<b>Metals</b>																
Coal India	Buy	362	480	33	56.8	67.4	70.5	-6.4	18.6	4.7	6.4	5.4	2.2	1.9	35.1	34.6
Hindalco	Buy	602	-		69.1	63.1	74.0	51.3	-8.6	17.3	8.7	9.5	1.4	1.3	17.7	14.0
Hind. Zinc	Neutral	412	460	12	24.0	31.2	32.0	30.7	29.9	2.8	17.2	13.2	13.8	8.4	72.8	78.8
JSPL	Buy	841	960	14	44.1	75.7	96.7	-24.6	71.8	27.7	19.1	11.1	1.8	1.5	9.6	14.8
JSW Steel	Buy	970	1100	13	17.0	61.7	82.8	-53.8	263.2	34.1	57.1	15.7	2.9	2.5	5.2	17.2
Nalco	Neutral	191	200	4	24.4	14.0	16.5	168.3	-42.6	17.6	7.9	13.7	1.9	1.7	27.5	13.4
NMDC	Buy	63	80	27	8.1	9.1	9.9	23.3	12.5	8.3	7.8	6.9	1.8	1.5	25.1	23.7
SAIL	Neutral	109	115	5	0.9	6.7	13.5	-65.3	640	101.4	120.9	16.3	0.8	0.8	0.6	4.7
Tata Steel	Neutral	136	140	3	3.4	11.2	16.0	24.3	232	43.6	40.5	12.2	2.0	1.9	4.9	16.1
Vedanta	Neutral	424	500	18	35.8	42.1	48.6	170.0	18	15.6	11.9	10.1	5.1	4.1	43.2	45.1
<b>Aggregate</b>								<b>14.1</b>	<b>36.2</b>	<b>18.2</b>	<b>13.2</b>	<b>9.7</b>	<b>2.2</b>	<b>1.9</b>	<b>16.8</b>	<b>20.0</b>
<b>Oil &amp; Gas</b>																
Aegis Logistics	Neutral	736	795	8	22.0	21.0	23.3	36.0	-5.0	11.3	33.4	35.1	5.9	5.3	18.7	15.9
BPCL	Neutral	255	310	21	26.9	26.3	26.6	-57.6	-2.0	1.1	9.5	9.7	1.3	1.3	14.6	13.4
Castrol India	Buy	207	260	26	9.4	9.5	10.1	7.3	1.8	6.0	22.0	21.7	9.0	8.3	42.1	39.8
GAIL	Buy	162	255	57	13.6	18.1	19.7	-1.2	33.8	8.8	12.0	9.0	1.4	1.3	9.5	15.8
Gujarat Gas	Buy	403	535	33	15.2	17.2	19.0	-5.2	13.6	10.3	26.6	23.4	3.3	3.0	13.0	13.5
Gujarat St. Pet.	Neutral	294	355	21	15.6	10.5	10.4	-31.7	-32.8	-0.1	18.9	28.1	1.5	1.5	8.3	5.3
HPCL	Buy	320	490	53	31.0	45.1	46.4	-58.9	45.6	3.0	10.3	7.1	1.3	1.2	13.3	17.3
IOC	Buy	120	145	21	6.0	10.4	9.0	-79.5	71.7	-13.6	19.9	11.6	0.9	0.9	4.4	7.3
IGL	Neutral	191	218	14	10.1	11.7	12.9	-19.4	15.9	10.7	19.0	16.4	2.8	2.5	15.6	16.2
Mahanagar Gas	Buy	1296	1850	43	104.7	110.3	117.6	-20.9	5.4	6.6	12.4	11.7	2.2	2.0	19.0	17.9
MRPL	Sell	116	120	4	-0.8	10.4	12.1	-103.9	LP	17.1	NM	11.1	1.5	1.4	-1.1	13.1
Oil India	Buy	412	585	42	36.9	45.9	49.6	-24.1	24.3	7.9	11.2	9.0	1.4	1.3	13.0	14.7
ONGC	Buy	235	305	30	36.8	44.4	45.7	-20.5	20.4	3.0	6.4	5.3	0.8	0.7	13.1	14.4
PLNG	Neutral	297	330	11	24.3	29.2	31.3	3.1	20.3	7.0	12.2	10.2	2.4	2.1	20.3	21.8
Reliance Ind.	Buy	1216	1605	32	50.6	61.0	67.9	-1.6	20.5	11.4	24.0	19.9	1.9	1.8	8.3	9.3
<b>Aggregate</b>								<b>-31.8</b>	<b>24.0</b>	<b>6.0</b>	<b>16.1</b>	<b>12.9</b>	<b>1.5</b>	<b>1.4</b>	<b>9.5</b>	<b>10.8</b>
<b>Real Estate</b>																
Anant Raj	Buy	598	1085	82	13.1	17.5	18.6	68.5	33.4	6.3	45.6	34.2	5.0	4.4	11.0	12.8
Brigade Enterpr.	Buy	1026	1540	50	37.8	44.1	63.1	71.0	16.6	43.1	27.1	23.3	3.6	3.1	16.2	14.3
DLF	Buy	681	954	40	6.0	17.5	13.0	-45.5	191.7	-25.4	113.5	38.9	2.9	2.7	3.7	10.0
Godrej Propert.	Buy	2026	3435	70	51.3	64.4	64.8	90.9	25.5	0.6	39.5	31.5	3.2	2.9	10.4	9.8
Kolte Patil Dev.	Buy	291	450	55	15.1	41.5	36.4	-265.1	174.4	-12.3	19.3	7.0	2.7	2.0	14.8	32.7
Oberoi Realty	Neutral	1628	2056	26	66.7	82.8	96.6	26.0	24.0	16.7	24.4	19.7	3.7	3.2	16.3	17.4
Macrotech Devel.	Buy	1174	1568	34	22.6	34.1	36.8	33.5	50.9	8.0	51.9	34.4	5.8	5.0	11.7	15.5
Mahindra Lifespace	Neutral	359	458	28	5.5	6.0	21.4	-13.5	9.9	257.2	65.8	59.8	2.9	2.8	4.5	4.8
SignatureGlobal	Buy	1224	2000	63	19.1	58.6	120.5	1,522.4	207.1	105.7	64.2	20.9	19.2	10.0	35.2	63.0
Sunteck Realty	Buy	442	746	69	11.7	31.3	10.1	142.2	166.6	-67.6	37.6	14.1	2.0	1.7	5.4	13.1
Sobha	Buy	1153	2058	78	11.6	48.9	81.2	124.3	320.7	66.2	99.3	23.6	3.2	2.9	3.8	12.9
Prestige Estates	Buy	1238	2040	65	21.7	22.2	26.5	14.4	2.4	19.5	57.1	55.8	2.7	2.6	5.7	4.8
Phoenix Mills	Neutral	1599	1810	13	30.1	41.3	55.7	-2.2	37.2	34.9	53.1	38.7	5.5	4.8	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
<b>Aggregate</b>								<b>17.1</b>	<b>61.7</b>	<b>10.1</b>	<b>52.8</b>	<b>32.7</b>	<b>4.2</b>	<b>3.8</b>	<b>8.0</b>	<b>11.6</b>
<b>Retail</b>																
Avenue Supermarts	Buy	3697	4450	20	42.1	50.1	59.8	8.0	19.0	19.5	87.8	73.8	11.2	9.7	13.6	14.1
Aditya Birla Fashion	Neutral	259	300	16	-7.3	-6.2	-5.9	3.9	Loss	Loss	NM	NM	6.6	7.9	-17.8	-18.0
Bata India	Neutral	1334	1225	-8	22.1	25.0	30.4	-3.2	13.2	21.8	60.5	53.4	9.8	9.0	17.3	17.5
Barbeque-Nation	Neutral	294	350	19	-2.1	0.0	1.4	-27.3	Loss	LP	NM	NM	3.0	3.0	-2.1	0.0
Campus Activewe.	Buy	290	330	14	4.1	5.2	6.6	41.3	27.2	26.0	70.3	55.3	11.4	9.5	16.2	17.1
Devyani Intl.	Buy	161	215	34	0.3	1.7	2.2	-66.0	530.0	34.6	613.2	97.3	31.1	36.2	3.8	34.4
Jubilant Food.	Neutral	662	715	8	4.6	6.6	9.1	16.8	43.4	37.5	143.5	100.1	20.0	20.0	13.9	19.9
Kalyan Jewellers	Buy	526	625	19	8.0	10.4	12.9	38.0	30.3	23.4	65.8	50.5	11.6	10.0	18.6	21.2
Metro Brands	Buy	1146	1525	33	13.7	17.1	21.8	7.2	25.5	27.2	84.0	66.9	14.2	12.0	18.5	19.9
P N Gadgil Jewellers	Buy	621	950	53	17.4	22.6	29.0	33.0	29.9	28.3	35.7	27.5	5.2	4.4	21.9	17.3
Raymond Lifestyle	Buy	1195	1900	59	38.7	61.0	76.0	-51.8	57.7	24.6	30.9	19.6	0.7	0.7	5.1	7.7
Relaxo Footwear	Sell	492	425	-14	6.9	7.9	9.4	-14.9	15.6	18.4	71.9	62.2	5.8	5.4	8.3	9.0
Sapphire Foods	Buy	297	415	40	1.4	3.5	5.1	-11.4	139.6	47.3	205.6	85.8	6.9	6.4	3.4	7.7
Shoppers Stop	Neutral	546	700	28	0.8	0.6	4.7	-85.6	-21.5	660.8	689.3	877.9	13.7	13.4	2.7	2.0
Senco Gold	Buy	447	-		16.2	19.6	22.7	39.5	20.4	16.1	27.5	22.8	4.5	3.8	17.3	17.9
Titan Company	Buy	3234	4000	24	42.8	53.4	63.8	9.0	24.7	19.5	75.5	60.6	23.9	18.7	35.5	34.6
Trent	Buy	5259	7350	40	45.0	61.4	78.2	54.0	36.5	27.4	116.9	85.7	30.8	22.3	32.9	32.3
V-Mart Retail	Neutral	3249	3850	19	1.2	26.8	60.9	-102.5	2,058.3	126.9	2,612.7	121.1	7.8	7.3	0.3	6.8
Vedant Fashions	Neutral	895	1065	19	16.7	20.0	23.6	-2.0	19.8	18.0	53.5	44.7	12.4	10.9	23.8	23.7
Westlife Foodworld	Neutral	745	800	7	0.7	5.3	9.2	-83.9	641.1	73.6	1,041.7	140.6	15.7	16.3	1.7	11.4
<b>Aggregate</b>								<b>20.3</b>	<b>32.3</b>	<b>24.7</b>	<b>93.0</b>	<b>71.3</b>	<b>13.1</b>	<b>11.6</b>	<b>14.0</b>	<b>16.2</b>
<b>Technology</b>																
Cyient	Sell	1450	1350	-7	58.4	79.7	90.2	-12.7	36.5	13.1	24.8	18.2	3.6	3.4	14.1	18.5
HCL Tech.	Buy	1702	2200	29	63.7	70.0	77.7	10.0	9.9	11.0	26.7	24.3	6.9	6.9	25.6	28.5
Infosys	Buy	1843	2200	19	63.4	70.0	77.5	0.1	10.4	10.8	29.1	26.3	8.6	8.6	29.8	32.8
LTI Mindtree	Buy	5601	7700	37	158.8	187.0	217.7	2.6	17.8	16.4	35.3	30.0	7.3	6.4	22.0	22.7
L&T Technology	Buy	5023	5500	10	125.4	150.0	174.4	1.9	19.7	16.2	40.1	33.5	8.9	7.6	23.5	24.1
Mphasis	Neutral	2599	3200	23	90.1	101.8	113.1	10.2	13.1	11.1	28.9	25.5	5.2	4.8	18.8	19.7
Coforge	Buy	7874	12000	52	133.9	227.1	282.3	4.1	69.7	24.3	58.8	34.7	12.4	10.6	22.2	32.8
Persistent Sys	Buy	5666	7600	34	90.7	113.5	138.0	20.8	25.2	21.5	62.5	49.9	15.0	12.7	25.9	27.6
TCS	Buy	3909	5000	28	138.0	152.0	166.2	9.3	10.1	9.3	28.3	25.7	14.9	13.9	53.7	55.8
Tech Mah	Neutral	1676	1850	10	45.2	63.2	74.0	10.0	39.8	17.1	37.1	26.5	5.4	5.3	14.9	20.2
Wipro	Neutral	309	290	-6	12.0	12.3	13.0	18.0	2.3	6.0	25.6	25.1	4.4	4.3	17.1	17.4
Zensar Tech	Neutral	865	850	-2	28.4	32.4	36.6	-2.5	14.3	12.7	30.5	26.6	4.9	4.3	17.1	17.3
<b>Aggregate</b>								<b>9.3</b>	<b>11.9</b>	<b>10.6</b>	<b>29.6</b>	<b>26.4</b>	<b>8.8</b>	<b>8.5</b>	<b>29.9</b>	<b>32.2</b>
<b>Telecom</b>																
Bharti Airtel	Buy	1714	1990	16	36.9	44.9	62.0	87.8	21.6	38.2	46.4	38.2	9.7	7.6	23.5	24.2
Indus Towers	Neutral	349	400	15	22.8	24.1	26.1	2.0	5.6	8.2	15.3	14.4	2.7	2.6	19.6	18.2
Vodafone Idea	Sell	9	5	-42	-3.8	-3.7	-3.0	-39.9	Loss	Loss	NM	NM	-0.3	-0.2	NM	NM
Tata Comm	Neutral	1522	1850	22	35.3	54.8	73.7	-16.5	55.4	34.4	43.1	27.8	18.1	12.2	48.0	53
<b>Aggregate</b>								<b>LP</b>	<b>361.2</b>	<b>310.9</b>	<b>1,414</b>	<b>307</b>	<b>43.7</b>	<b>31.3</b>	<b>3.1</b>	<b>10.2</b>
<b>Utilities</b>																
Acme Solar	Buy	185	330	78	2.2	5.7	10.4	-7.2	159.8	82.5	84.5	32.5	2.5	2.3	3.7	7.4
Indian Energy Exchange	Neutral	170	193	14	4.4	5.4	6.3	16.0	20.4	17.2	38.1	31.7	13.2	10.9	37.8	37.7
JSW Energy	Buy	468	770	65	13.7	17.2	18.2	30.3	26.0	5.7	34.2	27.1	3.6	3.2	11.0	12.5
NTPC	Neutral	307	366	19	20.4	25.4	27.6	-4.9	24.5	8.5	15.0	12.1	1.7	1.6	11.9	13.7
Power Grid Corpn	Buy	259	375	45	17.9	18.9	19.9	6.8	5.7	5.5	14.5	13.7	2.6	2.4	18.4	18.1
Tata Power Co.	Buy	348	490	41	12.3	16.4	17.3	11.7	34.1	5.2	28.4	21.2	3.1	2.7	11.4	13
<b>Aggregate</b>								<b>2.8</b>	<b>18.6</b>	<b>7.5</b>	<b>17</b>	<b>15</b>	<b>2.3</b>	<b>2.1</b>	<b>13.1</b>	<b>14.2</b>



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
<b>Others</b>																
APL Apollo Tubes	Buy	1374	1920	40	25.4	42.5	55.3	-3.7	67.2	30.0	54.0	32.3	9.2	7.4	18.2	25.4
Cello World	Buy	618	800	30	15.8	17.5	23.7	1.3	10.8	35.4	39.1	35.3	8.9	7.2	22.8	20.4
Coromandel Intl	Buy	1850	2270	23	59.9	76.0	89.8	7.4	26.9	18.2	30.9	24.3	5.1	4.3	17.5	19.1
Dreamfolks Services	Buy	279	430	54	12.6	18.2	21.9	0.6	44.3	20.1	22.1	15.3	4.8	3.6	25.4	28.0
EPL	Buy	248	300	21	10.6	14.1	16.6	30.6	32.8	18.2	23.3	17.6	3.5	3.1	15.5	18.6
Gravita India	Buy	1770	2800	58	42.8	59.8	79.1	23.4	39.9	32.2	41.4	29.6	6.1	5.1	21.2	18.7
Godrej Agrovet	Buy	737	940	28	24.5	33.7	40.4	30.8	37.6	19.9	30.1	21.9	5.1	4.4	17.7	21.5
Indian Hotels	Buy	737	960	30	11.8	15.3	18.1	33.7	29.0	18.6	62.2	48.2	9.3	7.9	16.2	17.7
Indiamart Inter.	Buy	2196	2600	18	77.5	79.3	92.5	40.4	2.4	16.6	28.3	27.7	6.2	5.3	24.1	20.8
Info Edge	Neutral	7622	7100	-7	60.8	91.3	111.0	-5.5	50.1	21.6	125.4	83.5	3.7	3.6	2.9	4.4
Interglobe	Neutral	4366	4535	4	160.3	248.9	238.8	-24.3	55	-4	27.2	18	20.7	9.5	123.1	74.3
Kajaria Ceramics	Buy	930	1120	20	22.9	26.0	30.0	-15.8	13.6	15.2	40.6	35.7	5.4	5.1	13.1	14.2
Lemon Tree Hotel	Buy	134	190	42	2.3	3.9	4.6	18.8	72.6	18.0	59.4	34.4	9.2	7.2	16.7	23.5
MTAR Tech	Buy	1415	2100	48	24.5	43.3	70.3	34.4	76.5	62.5	57.7	32.7	5.8	4.9	10.6	16.3
One 97	Neutral	756	950	26	-2.4	-3.4	13.0	-89.4	Loss	LP	NM	NM	3.7	3.8	-1.1	-1.7
Qess Corp	Neutral	612	670	10	26.2	32.7	38.8	28.1	25.1	18.4	23.4	18.7	2.4	2.2	13.6	16.0
SBI Cards	Neutral	859	800	-7	20.7	30.1	39.7	-18.6	45.9	31.8	41.6	28.5	5.9	5.0	15.2	18.9
SIS	Buy	314	420	34	24.8	31.8	38.3	91.2	28.2	20.5	12.7	9.9	0.8	0.7	13.9	15.4
Swiggy	Neutral	365	460	26	-12.6	-10.5	-6.5	18.1	Loss	Loss	NM	NM	9.1	12.3	-34.3	-29.9
Team Lease Serv.	Buy	2099	3200	52	66.6	118.8	136.5	2.8	78.4	14.9	31.5	17.7	3.9	3.2	12.7	19.5
UPL	Neutral	630	610	-3	27.8	45.9	67.1	660.9	64.8	46.2	22.6	13.7	1.3	1.2	8.5	13.3
Updater Services	Buy	320	460	44	16.7	20.9	27.2	47.2	25.0	30.4	19.1	15.3	2.2	1.9	12.3	13.4
Zomato	Buy	218	270	24	0.8	2.6	5.5	101.0	221.6	108.7	265.7	82.6	8.9	8.0	3.4	10.2



Index	1 Day (%)	1M (%)	12M (%)
<b>Sensex</b>	<b>0.0</b>	<b>-0.3</b>	<b>6.4</b>
<b>Nifty-50</b>	<b>-0.1</b>	<b>-0.2</b>	<b>5.9</b>
<b>Nifty Next 50</b>	<b>0.2</b>	<b>-0.9</b>	<b>7.1</b>
<b>Nifty 100</b>	<b>0.0</b>	<b>-0.3</b>	<b>6.0</b>
<b>Nifty 200</b>	<b>0.0</b>	<b>-0.8</b>	<b>6.0</b>
Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>	<b>-0.3</b>	<b>-0.2</b>	<b>15.0</b>
Amara Raja Ener.	-1.6	-5.1	16.4
Apollo Tyres	1.9	-5.1	-17.6
Ashok Leyland	-1.0	7.2	25.5
Bajaj Auto	-0.2	1.1	9.8
Balkrishna Inds	-0.3	1.4	13.6
Bharat Forge	-2.6	-8.0	-1.5
Bosch	-0.1	-11.7	4.0
CEAT	-0.5	-14.5	-4.6
Craftsman Auto	0.5	-19.1	-4.0
Eicher Motors	-0.6	-2.4	25.1
Endurance Tech.	2.4	-4.6	5.9
Escorts Kubota	0.0	-8.4	8.5
Exide Inds.	0.3	-1.5	11.0
Happy Forgings	-1.3	-4.7	-2.9
Hero Motocorp	-1.5	-2.2	-16.6
Hyundai Motor	-0.3	1.8	
M & M	-0.3	-0.7	80.8
CIE Automotive	-1.0	-6.6	-10.1
Maruti Suzuki	0.1	10.2	17.4
MRF	0.4	-2.8	-24.1
Sona BLW Precis.	0.5	-8.5	-11.9
Motherson Sumi	0.9	-7.1	12.4
Motherson Wiring	1.6	-6.9	-23.9
Tata Motors	-0.1	-8.9	-24.6
TVS Motor Co.	-0.9	13.5	20.9
Tube Investments	1.1	-16.0	-22.3
<b>Banks-Private</b>	<b>0.2</b>	<b>4.0</b>	<b>7.9</b>
AU Small Fin. Bank	-0.2	-1.3	-6.9
Axis Bank	0.1	-3.9	-5.8
Bandhan Bank	-1.5	1.9	-29.5
DCB Bank	-0.7	3.6	-10.9
Equitas Sma. Fin	-4.4	-20.1	-12.4
Federal Bank	-1.2	-3.2	23.1
HDFC Bank	-0.5	4.1	21.7
ICICI Bank	-0.2	1.6	22.5
IDFC First Bank	-1.1	3.6	-23.6
Indusind Bank	0.7	11.2	-28.5
Kotak Mah. Bank	1.5	13.5	13.6
RBL Bank	2.6	10.1	-34.4
SBI Cards	5.3	20.5	19.3
<b>Banks-PSU</b>	<b>-0.9</b>	<b>1.7</b>	<b>-10.7</b>
BOB	-0.8	-3.2	-18.8
Canara Bank	-2.0	0.2	-19.7
Indian Bank	0.3	9.3	5.1
Punjab Natl.Bank	-1.1	-0.8	-22.5
St Bk of India	-0.8	-0.3	2.0

Index	1 Day (%)	1M (%)	12M (%)
<b>Nifty 500</b>	<b>0.0</b>	<b>-1.6</b>	<b>5.7</b>
<b>Nifty Midcap 100</b>	<b>0.2</b>	<b>-2.9</b>	<b>6.4</b>
<b>Nifty Smallcap 100</b>	<b>-0.4</b>	<b>-5.6</b>	<b>2.1</b>
<b>Nifty Midcap 150</b>	<b>0.2</b>	<b>-3.4</b>	<b>6.7</b>
<b>Nifty Smallcap 250</b>	<b>-0.4</b>	<b>-7.2</b>	<b>2.4</b>
Union Bank (I)	-1.7	11.6	-17.0
<b>NBFCs</b>	<b>0.3</b>	<b>3.9</b>	<b>15.3</b>
Aditya Birla Capital Ltd	-0.8	-6.2	-23.3
Bajaj Fin.	5.0	14.6	-35.7
Cholaman.Inv.&Fn	3.2	-4.8	1.6
Can Fin Homes	-2.0	-2.6	-69.9
CreditAcc. Gram.	-1.2	-15.6	-40.7
Fusion Microfin.	0.3	1.2	36.7
Five-Star Bus.Fi	-0.3	7.2	-17.7
Home First Finan	1.5	3.3	-12.6
Indostar Capital	1.4	13.2	9.3
IIFL Finance	2.4	7.4	-1.4
L&T Finance	1.4	0.0	-23.6
LIC Housing Fin.	6.2	10.6	69.5
MCX	-0.5	-10.3	-26.1
M & M Fin. Serv.	-1.5	-0.4	3.7
Muthoot Finance	0.4	-8.3	-11.8
Manappuram Fin.	2.2	-1.4	-38.4
MAS Financial Serv.	2.8	-1.2	-8.6
PNB Housing	-3.2	-10.1	-21.4
Power Fin.Corp.	-1.7	-17.5	-67.8
REC Ltd	-0.1	-13.5	37.8
Repco Home Fin	-0.7	-9.3	41.6
Shriram Finance	0.2	-9.7	7.6
Spandana Sphoort	-1.5	-5.5	-29.1
Nippon Life Ind.	-0.7	-19.8	30.2
UTI AMC	1.4	-2.1	-0.2
Nuvama Wealth	0.2	-20.3	61.0
Prudent Corp.	1.1	0.8	64.1
<b>NBFC-Non Lending</b>			
360 One	0.4	-6.2	-11.6
Aditya AMC	-3.3	-20.4	20.7
Anand Rathi Wea.	-0.3	-13.3	16.0
Angel One	2.9	13.8	21.8
BSE	0.0	-1.9	-17.0
C D S L	1.6	-9.9	61.3
Cams Services	3.1	10.8	-4.9
HDFC AMC	-1.9	1.9	124.4
KFin Technolog.	2.4	17.6	27.3
MCX	-0.5	-10.3	-26.1
Nippon Life Ind.	-0.7	-19.8	30.2
Nuvama Wealth	0.2	-20.3	61.0
Prudent Corp.	1.1	0.8	64.1
UTI AMC	1.4	-2.1	-0.2
<b>Insurance</b>			
HDFC Life Insur.	0.1	5.0	6.8
ICICI Pru Life	2.0	-7.1	15.5
ICICI Lombard	0.5	-3.4	8.8



Company	1 Day (%)	1M (%)	12M (%)
Life Insurance	0.3	-3.0	-22.4
Max Financial	-1.0	1.0	10.3
SBI Life Insuran	1.3	0.2	0.2
Star Health Insu	1.5	-14.4	-27.9
<b>Chemicals</b>			
Alkyl Amines	-0.9	-0.5	-22.1
Atul	-1.4	-15.5	-12.6
Clean Science	0.0	-3.7	-5.1
Deepak Nitrite	1.6	-3.8	0.3
Fine Organic	-1.2	-8.5	-6.8
Galaxy Surfact.	-1.2	-4.5	-11.2
Navin Fluor.Intl.	0.2	13.6	32.4
NOCIL	-0.4	-11.5	-20.7
P I Inds.	-3.9	-5.1	-5.7
SRF	0.5	12.9	22.3
Tata Chemicals	-1.2	-8.6	-9.4
Vinati Organics	-1.6	-1.1	2.5
<b>Capital Goods</b>	<b>-1.6</b>	<b>-3.0</b>	<b>-39.4</b>
A B B	-0.1	-10.9	21.9
Bharat Electron	0.9	0.8	48.1
Cummins India	-0.3	-2.5	10.2
Hitachi Energy	0.3	-7.6	97.5
K E C Intl.	0.7	-17.4	15.4
Kalpataru Proj.	1.8	-16.1	9.1
Kirloskar Oil	-4.4	-20.1	-12.4
Larsen & Toubro	-0.8	-5.8	-1.7
Siemens	-1.8	-12.0	18.4
Thermax	-0.1	-12.6	-4.4
Triveni Turbine	-1.6	-16.1	27.1
Zen Technologies	0.2	-36.0	74.4
<b>Cement</b>			
Ambuja Cem.	0.3	1.9	-11.6
ACC	-0.8	2.9	-26.8
Birla Corp.	0.1	-12.7	-37.8
Dalmia Bhar.	-0.2	5.6	-12.9
Grasim Inds.	0.2	8.8	20.6
India Cem	0.8	-25.2	21.2
J K Cements	1.0	9.9	13.3
JK Lakshmi Cem.	-4.3	-0.9	-14.7
The Ramco Cement	-1.0	-2.7	-1.2
Shree Cement	-0.2	13.3	3.4
UltraTech Cem.	0.6	8.8	17.2
<b>Consumer</b>	<b>-0.8</b>	<b>-5.5</b>	<b>-0.2</b>
Asian Paints	0.4	-0.7	-24.7
Britannia Inds.	-0.6	-0.8	-1.9
Colgate-Palm.	-2.1	-10.1	-3.0
Dabur India	-1.1	1.8	-3.5
Emami	-3.4	-4.5	14.8
Godrej Consumer	-1.9	-9.2	-12.1
Hind. Unilever	-0.5	-5.3	-3.0
ITC	0.0	-6.7	6.5
Indigo Paints	-2.7	-11.7	-25.1
Jyothy Lab.	-1.2	-5.9	-15.9

Company	1 Day (%)	1M (%)	12M (%)
L T Foods	0.6	1.9	119.3
Marico	0.4	-5.1	20.8
Nestle India	-0.7	-2.7	-11.4
Page Industries	-2.4	-9.2	15.7
Pidilite Inds.	-0.4	0.8	5.5
P & G Hygiene	0.7	-5.5	-15.2
Tata Consumer	-0.7	5.9	-9.0
United Breweries	-1.3	4.4	16.8
United Spirits	0.0	-5.8	25.5
Varun Beverages	-3.9	-10.7	-8.0
<b>Consumer Durables</b>	<b>-0.4</b>	<b>-6.4</b>	<b>12.8</b>
Polycab India	-0.4	-0.6	11.7
R R Kabel	-2.2	-14.8	3.0
Havells	-1.6	-11.2	28.2
Voltas	-0.9	-13.0	-19.8
KEI Industries	-3.9	-21.6	13.5
<b>EMS</b>			
Amber Enterp.	2.7	-13.2	70.5
Avalon Tech	-3.1	-20.9	41.4
Cyient DLM	-1.8	-27.2	-44.7
Data Pattern	-2.1	-19.4	-6.1
Dixon Technolog.	-0.4	-7.1	133.5
Kaynes Tech	-1.1	-32.7	42.4
Syrma SGS Tech.	-2.1	-11.8	-8.5
<b>Healthcare</b>	<b>1.3</b>	<b>-2.2</b>	<b>14.3</b>
Alembic Pharma	-2.3	-17.6	-16.9
Alkem Lab	0.2	-9.7	-10.8
Apollo Hospitals	0.0	-6.8	-5.2
Ajanta Pharma	-0.8	-10.1	15.7
Aurobindo	3.1	1.6	15.0
Biocon	0.9	-1.6	34.5
Zydus Lifesci.	0.9	-3.3	9.9
Cipla	1.6	2.3	1.0
Divis Lab	0.7	4.8	62.4
Dr Reddy's	0.6	-8.4	-3.4
ERIS Lifescience	-2.8	1.3	37.0
Gland Pharma	1.8	-11.2	-23.9
Glenmark	3.5	9.9	-16.4
Global Health	0.8	-4.5	26.3
Granules	-2.2	-5.1	-8.9
GSK Pharma	0.4	-5.7	69.6
IPCA Labs	5.0	-5.6	28.5
Laurus Labs	0.0	7.5	53.2
Lupin	1.5	-4.6	27.8
Mankind Pharma	-0.3	-7.5	11.4
Max Healthcare	3.2	-3.7	14.9
Piramal Pharma	0.2	-13.8	48.8
Sun Pharma	3.1	0.0	13.2
Torrent Pharma	0.5	-5.0	17.3
<b>Infrastructure</b>	<b>-0.1</b>	<b>-0.5</b>	<b>1.3</b>
G R Infraproject	-2.9	-16.2	-11.0
IRB Infra.Devl.	-0.3	-0.7	-18.4
KNR Construct.	-1.3	-17.4	0.2





Company	1 Day (%)	1M (%)	12M (%)
<b>Logistics</b>			
Adani Ports	-1.5	4.2	-12.1
Blue Dart Exp.	-1.9	-3.2	-0.1
Container Corpn.	0.5	-4.6	-24.9
JSW Infrast	1.8	-16.4	11.1
Mahindra Logis.	-0.7	-4.9	-11.4
Transport Corp.	-0.6	3.6	17.9
TCL Express	-1.3	-6.5	-40.5
VRL Logistics	-3.5	0.7	-20.9
<b>Media</b>	<b>0.5</b>	<b>-7.2</b>	<b>-26.2</b>
PVR INOX	0.5	-1.7	-22.3
Sun TV	-1.6	-7.3	-2.5
Zee Ent.	0.2	-16.2	-47.0
<b>Metals</b>	<b>0.8</b>	<b>4.8</b>	<b>7.7</b>
Hindalco	0.6	6.9	18.1
Hind. Zinc	-2.0	-1.8	33.5
JSPL	1.3	-4.1	14.1
JSW Steel	1.4	9.7	19.3
Nalco	0.9	-0.1	34.9
NMDC	0.4	5.3	-16.4
SAIL	3.4	9.2	-7.2
Tata Steel	3.0	10.8	-1.2
Vedanta	0.6	2.6	57.5
<b>Oil &amp; Gas</b>	<b>-0.3</b>	<b>-5.4</b>	<b>-13.3</b>
Aegis Logistics	-0.2	-19.6	71.1
BPCL	-1.3	-16.3	8.6
Castrol India	-7.2	-9.6	84.7
GAIL	0.1	-3.6	-12.5
Gujarat Gas	1.6	-5.7	-4.7
Gujarat St. Pet.	-0.2	15.1	8.3
HPCL	-0.6	-14.5	-28.3
IOCL	-2.1	-13.0	-16.7
IGL	-1.2	-12.1	-4.3
Mahanagar Gas	-0.3	-1.6	-31.2
MRPL	0.2	-5.9	-12.2
Oil India	0.2	-13.9	-36.8
ONGC	-0.3	5.7	-12.1
PLNG	-1.2	-8.8	31.7
Reliance Ind.	-1.0	-8.1	-9.5
<b>Real Estate</b>	<b>0.8</b>	<b>-6.1</b>	<b>-0.5</b>
Anant Raj	3.0	-27.6	78.3
Brigade Enterpr.	0.0	-3.5	7.8
DLF	0.1	-4.2	-17.9
Godrej Propert.	5.0	-9.9	-11.1
Kolte Patil Dev.	-1.6	-3.0	-39.4
Mahindra Life.	-2.8	-11.8	-36.3
Macrotech Devel.	0.0	0.7	12.5
Oberoi Realty Ltd	-0.7	-19.1	23.6
SignatureGlobal	-2.7	2.9	-8.9
Sobha	1.0	-9.4	-12.7
Sunteck Realty	1.1	-1.5	-2.6
Phoenix Mills	-0.4	4.2	24.2
Prestige Estates	1.5	-13.2	8.3

Company	1 Day (%)	1M (%)	12M (%)
<b>Retail</b>			
Aditya Bir. Fas.	0.3	-0.6	7.6
Avenue Super.	0.2	5.4	-0.2
Bata India	-1.5	-2.2	-5.4
Campus Activewe.	3.1	7.1	18.7
Barbeque-Nation	6.4	-25.9	-53.4
Devyani Intl.	-3.3	-9.6	6.4
Jubilant Food	3.3	-6.3	40.3
Kalyan Jewellers	2.7	-8.1	43.6
Metro Brands	0.3	-3.5	3.9
P N Gadgil Jewe.	10.0	2.2	
Raymond Lifestyl	-6.3	-33.6	
Relaxo Footwear	-2.4	-15.4	-43.3
Sapphire Foods	-0.2	-7.8	8.6
Senco Gold	2.3	-11.1	20.6
Shoppers St.	-2.5	-9.1	-24.7
Titan Co.	-0.7	-4.5	-9.2
Trent	0.4	-15.5	36.5
V-Mart Retail	-0.3	0.3	54.7
Vedant Fashions	0.3	-24.5	-6.5
Westlife Food	-0.4	0.5	-7.0
<b>Technology</b>	<b>-1.0</b>	<b>-6.1</b>	<b>8.1</b>
Cyient	1.1	-13.9	-32.0
HCL Tech.	-0.8	-14.4	2.3
Infosys	-1.1	-6.1	9.4
LTIMindtree	-1.8	-7.1	0.8
L&T Technology	-1.7	3.5	-10.5
Mphasis	-2.4	-6.3	-1.0
Coforge	-1.6	-9.5	18.2
Persistent Sys	-0.7	-5.7	30.2
TCS	-1.0	-8.9	-5.8
Tech Mah	-0.3	0.9	26.1
Wipro	-0.5	5.7	20.6
Zensar Tech	0.4	15.7	64.7
<b>Telecom</b>	<b>0.3</b>	<b>0.9</b>	<b>17.2</b>
Bharti Airtel	0.2	7.4	53.4
Indus Towers	0.4	8.8	66.5
Idea Cellular	3.0	11.6	-41.2
Tata Comm	0.1	-6.7	-12.8
<b>Utilites</b>	<b>0.2</b>	<b>-2.7</b>	<b>-5.2</b>
ACME Solar Hold.	-5.1	-16.7	
Coal India	0.4	-0.3	-20.1
Indian Energy Ex	-1.3	5.4	17.4
JSW Energy	0.0	-9.7	-4.0
NTPC	0.1	2.9	-4.6
Power Grid Corpn	0.8	-9.9	-4.1
Tata Power Co.	-0.1	2.3	-4.7
<b>Others</b>			
APL Apollo Tubes	-1.4	-5.7	11.7
Cello World	2.6	-3.5	3.0
Coromandel Intl	-2.9	2.4	3.1
Dreamfolks Servi	-0.7	-9.3	41.6
EPL Ltd	-2.8	-9.0	-3.2



<b>Others</b>			
APL Apollo Tubes	-1.4	-5.7	11.7
Cello World	2.6	-3.5	3.0
Coromandel Intl	-2.9	2.4	3.1
Dreamfolks Servi	-0.7	-9.3	41.6
EPL Ltd	-2.8	-9.0	-3.2
Gravita India	-2.3	4.3	41.7
Godrej Agrovet	-3.6	7.9	28.5
Havells	-1.6	-11.2	28.2
Indian Hotels	1.2	-1.9	-18.5
Indiamart Inter.	-0.7	-19.8	30.2
Info Edge	0.2	-20.3	61.0
Interglobe	0.4	4.9	42.5
Kajaria Ceramics	0.6	9.1	43.5
Lemon Tree Hotel	3.3	-12.9	148.3
MTAR Technologie	2.7	-1.8	4.2
One 97	1.3	-4.3	98.7
Piramal Enterp.	-1.5	1.7	12.3
Qess Corp	-1.5	1.3	27.6
SIS	-0.4	-6.2	-29.5
Swiggy	7.1	-21.1	
Team Lease Serv.	-1.5	-21.7	-30.7
UPL	1.5	18.0	37.0
Updater Services	-0.7	-1.0	-8.8
Voltas	-0.9	-13.0	-19.8
Zomato Ltd	1.5	-4.1	40.8

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

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