

Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	81,868	0.2	13.3
Nifty-50	25,011	0.2	15.1
Nifty-M 100	58,490	-0.8	26.7
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,447	-1.4	14.2
Nasdaq	17,194	-2.3	14.5
FTSE 100	8,283	-1.0	7.1
DAX	18,083	-2.3	7.9
Hang Seng	6,086	-0.3	5.5
Nikkei 225	38,126	-2.5	13.9
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	82	0.3	5.4
Gold (\$/OZ)	2,446	-0.1	18.6
Cu (US\$/MT)	8,924	-2.0	5.4
Almn (US\$/MT)	2,238	0.4	-4.6
Currency	Close	Chg .%	CYTD.%
USD/INR	83.7	0.0	0.6
USD/EUR	1.1	-0.3	-2.2
USD/JPY	149.4	-0.4	5.9
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.9	-0.01	-0.3
10 Yrs AAA Corp	7.5	-0.01	-0.3
Flows (USD b)	1-Aug	MTD	CYTD
FII	0.2	3.60	3.7
DII	-0.04	2.77	31.3
Volumes (INRb)	1-Aug	MTD*	YTD*
Cash	1,450	1450	1294
F&O	4,31,710	4,31,710	3,79,357

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

Zomato: Blinkit continues to defy gravity

- ❖ Zomato delivered another strong quarter with 1QFY25 revenues of INR42.06b (up 18.1% QoQ), ahead of our estimates of 6.9% QoQ growth. Growth was led by Hyperpure/Blinkit (up 27.4%/22.5% QoQ), while food delivery also performed well with revenue growth of +11.7% QoQ on the back of healthy order volume.
- ❖ **Food delivery is now steady, with steady GOV growth and predictable profitability:** We believe Zomato's food delivery business now is on a firm footing. GOV growth CAGR of 25% YoY would continue for the next 2-3 years, largely driven by increasing ordering frequency from its more mature cohort, as well as a steady conversion of its monthly "active" users to monthly transacting users.
- ❖ **Blinkit however, notoriously defies any attempts to value the stock fairly,** due to its feisty growth and the disruptive and evolving nature of quick commerce. Its GOV has surged 100%+ YoY, and we believe Blinkit GOV is the most important factor driving variation in DCF-based price targets. With GOV growth assumed at 75% CAGR over FY24-FY28, the target price is INR 300 (Blinkit contributing INR 171). If GOV growth moderates to 50%, the target drops to INR 180 (Blinkit contributing INR100, in this case). We expect adj. EBITDA margins expansion trajectory could be slower, as the management continues to expand dark stores (2000 dark stores by FY26 vs ~600 currently)



Research covered

Cos/Sector	Key Highlights
Zomato	Blinkit continues to defy gravity
ITC	Resilient cigarette, but muted FMCG performance
Other Updates	TATA Motors Sun Pharma Adani Ports & SEZ Tata Steel Dabur Prestige Estates Projects Phoenix Mills Kalyan Jewellers Aditya Birla Capital Escorts Kubota Emami Five Star Business Finance Fine Organic Industries JK Lakshmi Cement Indostar Capital Finance Max Healthcare Tube Investments Thermax G R Infraprojects Godrej Agrovet Alkyl Amines Repco Home Finance Automobiles EcoScope



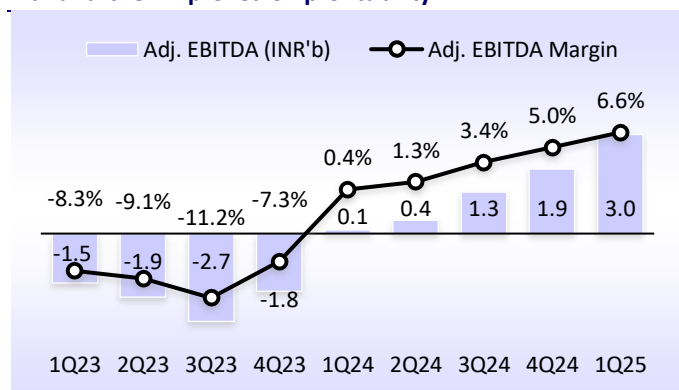
Chart of the Day: Zomato (Blinkit continues to defy gravity)

GOV saw strong 22% sequential growth...



Source: MOFSL, Company

...and further improved on profitability



Source: MOFSL, Company

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

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



Kindly click on textbox for the detailed news link

1

Infosys doesn't have to pay additional GST! Karnataka GST department withdraws evasion notice

On Wednesday, Infosys responded to reports and clarified that it was under investigation for alleged evasion of Integrated Goods and Service Tax (IGST) amounting to Rs 32,403 crore.

2

Adani Power plans capacity expansion via inorganic route

Adani Power Ltd. (APL) is ramping up its capacity expansion efforts, targeting an increase of 4,800 MW through both inorganic acquisitions and brownfield projects, as outlined by CEO Shersingh B Khyalia.

3

Jindal Power, Vedanta & 4 others in race for Athena

The race to acquire Athena Demwe Power, which owns the crucial 1,750-MW Lower Demwe hydroelectric project in Arunachal Pradesh, is heating up with six major companies in contention. Vedanta, Jindal Power, a JSW Energy arm, Greenko Energies, THDC India, and Orissa Metaliks are vying for the asset through the insolvency resolution process.

4

DoT allocates airwaves to all three telecom companies

The Department of Telecommunications (DoT) has allocated spectrum to all three private telecom operators who purchased airwaves in the June auction. The companies had made the upfront payments on July 26, allowing DoT to garner over ₹1,000 crore from the spectrum sale.

5

Sony, Tata Play spar over removal of TV channels from DTH packs

Sony Pictures Networks India (SPNI) and Tata Play were in conflict over the removal of SPNI channels from consumer packs. Tata Play cited declining popularity and cost savings for customers as reasons.

6

'We are expecting 10-12% revenue growth this year': JSW Infra MD & CEO

Arun Maheshwari, joint managing director and CEO, JSW Infrastructure, speaks to Raghavendra Kamath about the company's strategy and outlook for the business.

7

Cognizant beats estimates, raises revenue guidance for 2024

The company also raised its annual revenue guidance on both ends of the spectrum, indicating improved visibility of revenue growth.



Zomato

Estimate change	
TP change	
Rating change	

CMP: INR234 **TP: INR300 (+28%)** **Buy**

Blinkit continues to defy gravity

Food delivery business stable & medium-term visibility strong

Bloomberg	ZOMATO IN
Equity Shares (m)	8820
M.Cap.(INRb)/(USDb)	2066.3 / 24.7
52-Week Range (INR)	232 / 81
1, 6, 12 Rel. Per (%)	11/51/149
12M Avg Val (INR M)	9254

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
GOV	322.0	404.2	505.2
Net Sales	121.1	202.0	315.7
Change (%)	71.1	66.7	56.3
EBITA	0.4	7.1	32.7
EBITA margin (%)	0.3	3.5	10.4
Adj. PAT	3.5	8.1	27.5
PAT margin (%)	2.9	4.0	8.7
RoE (%)	1.76	3.90	12.18
RoCE (%)	-2.82	-0.82	8.70
EPS	0.41	0.94	3.20
EV/ Sales	16.9	10.1	6.3
Price/ Book	10.0	9.6	8.5

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	0.0	0.0	0.0
DII	15.8	15.3	9.9
FII	55.6	56.7	56.5
Others	28.7	28.0	33.6

FII Includes depository receipts

- Zomato delivered another strong quarter as 1QFY25 revenues of INR42.06b grew 18.1% [QoQ, ahead of our estimate of 6.9% QoQ growth. Growth was led by Hyperpure/Blinkit (up 27.4%/22.5% QoQ). Food delivery also performed well with revenue growth of +11.7% QoQ on the back of healthy order volume. Adj. EBITDA margin of 6.6% missed our estimate of 7.4%. PAT came in at INR2.5b (est. INR2.1b) vs. INR1.7b in 4QFY24.
- **Food delivery is now stable, with steady GOV growth and predictable profitability:** We believe Zomato’s food delivery business is now on a firm footing. GOV CAGR of 25% YoY would continue for the next 2-3 years, largely driven by increasing ordering frequency from its more mature cohort, as well as a steady conversion of its monthly “active” users to monthly transacting users. Its contribution margin of ~7.5% should improve only moderately from hereon. Its profit levers are now well balanced, but largely juiced out, whereas platform fees could eventually reach a ceiling in a price-sensitive market such as India, after all.
- **Blinkit, however, notoriously defies any attempts to value the stock fairly,** due to its feisty growth and the disruptive and evolving nature of quick commerce. Its gross order value (GOV) surged 100%+ YoY, and we believe Blinkit GOV is the most important factor driving variation for a DCF-based price target. With GOV growth assumed at 75% CAGR over FY24-FY28E, the target price is INR300 (Blinkit contribution INR171). If GOV growth moderates to 50%, the TP drops to INR180 (Blinkit contribution INR100, in this case). However, there may be upside risk to these GOV estimates, potentially unlocking more value. We expect adjusted EBITDA margin expansion could be slower, as the management continues to expand dark stores (2,000 dark stores by FY26 vs. ~600 dark stores currently).
- Zomato should report PAT margin of 4.0%/8.7% in FY25/FY26. Zomato’s food delivery business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery and e-commerce. Our DCF-based valuation of INR300 suggests a 25% upside from the current price. We **reiterate our BUY** rating on the stock.

Strong revenue beat driven by Blinkit

- Zomato reported 1QFY25 net revenue of INR42.06b (+18% QoQ/74% YoY), above our estimate of +6.9% QoQ. Excluding Blinkit, net revenue grew 17% QoQ /61% YoY.
- Consol. reported EBITDA came in at INR1,770m (4.2% reported EBITDA margin vs. 2.4% in 4Q), 120bp below our expectation. Adjusted EBITDA as % of GOV margin was up 90bp QoQ at 3.2%.
- Blinkit reported contribution margin of 4.0% (3.9% in 4Q). Adj EBITDA margin was -0.1% vs. our expectation of -0.2%.
- Food delivery revenue grew 12% QoQ/42% YoY, above MOFSLe of 2.0% QoQ.

- GOV (food) of INR92.6b grew 9.8% QoQ (est. 5.0% QoQ growth). Take rate expanded by 40bp QoQ to 21%.
- Contribution margin declined slightly to 7.3% (7.5% in 4Q).
- PAT was INR2.5b (est. INR2.1b) vs. INR1.7b in 4QFY24.
- YoY adj. revenue growth was steady at 62% and continued to trend above the stated outlook of 40%+.

Key highlights from the management commentary

- Food delivery business: Growth of 25% YoY is expected to continue. Margin has been expanding over time. In a few quarters, it will reach the range of 5% EBITDA. GOV growth is largely a function of order value growth with some contribution from AOV. The Gold Subscribers Program is largely mature.
- Blinkit: Sticking to the idea of delivery in 10 minutes and assortment efficiency. Modern retail stores cater to the premium end of customers. Capex is a combination of Blinkit store scale-up and increased warehousing capability. The company is taking upfront costs of capex and not from partners as Zomato is able to qualify capex.
- The dining-out business is now operating at a run rate of USD500m+ annualized GOV and is already profitable.
- The company has maintained the same philosophy for the use of cash: retaining cash and not looking for any M&A currently. There is big value in having a strong balance sheet and cash. There are no plans to distribute the cash.

Valuation and view

- Zomato's food delivery business is stable, and Blinkit offers a generational opportunity to participate in the disruption of industries such as retail, grocery and e-commerce. Our DCF-based valuation of INR300 suggests a 25% upside from the current price. We reiterate our BUY rating on the stock.
- We value the business using a DCF methodology, assuming 12.5% cost of capital. **We maintain our BUY rating with a TP of INR300**, implying 25% potential upside.

Consolidated quarterly performance

Y/E march	(INR m)											
	FY24				FY25				FY24	FY25	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QFY25	(% / bp)
Revenue (net of delivery)	24,160	28,480	32,880	35,620	42,060	47,374	53,249	59,274	1,21,140	2,01,956	38,063	10.5
YoY Change (%)	70.9	71.4	68.8	73.2	74.1	66.3	61.9	66.4	71.1	66.7	57.5	1650bp
Inventory of traded goods	5,620	6,740	7,820	8,640	10,990	13,241	15,227	17,511	28,820	56,970	9,938	10.6
Employee Expenses	3,380	4,170	4,230	4,810	5,290	5,026	4,774	4,536	16,590	19,625	4,570	15.8
Delivery expenses	8,100	9,190	10,680	11,180	13,280	10,464	11,092	11,369	39,150	46,205	7,931	67.5
Gross Profit	7,060	8,380	10,150	10,990	12,500	18,643	22,155	25,858	36,580	79,156	15,625	-20.0
Margins (%)	29.2	29.4	30.9	30.9	29.7	39.4	41.6	43.6	30.2	39.2	41	-1130bp
Advertisement and sales promotion	3,140	3,550	3,740	3,890	3,960	4,156	4,339	4,439	14,320	16,895	4,032	-1.8
Others	4,400	5,300	5,900	6,240	6,770	13,371	15,986	19,039	21,840	55,165	9,519	-28.9
EBITDA	-480	-470	510	860	1,770	1,116	1,830	2,380	420	7,096	2,074	NA
Margins (%)	-2.0	-1.7	1.6	2.4	4.2	2.4	3.4	4.0	0.3	3.5	5.4	-120bp
Depreciation	1,300	1,280	1,280	1,400	1,490	2,132	2,396	2,667	5,260	8,685	1,713	-13.0
Interest	180	160	180	200	250	332	373	415	720	1,369	266	-6.2
Other Income	1,810	2,120	2,190	2,350	2,360	2,369	2,662	2,964	8,470	10,355	1,903	24.0
PBT before EO expense	-150	210	1,240	1,610	2,390	1,021	1,724	2,261	2,910	7,396	1,998	NA
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	-150	210	1,240	1,610	2,390	1,021	1,724	2,261	2,910	7,396	1,998	NA
Tax	-170	-150	-140	-140	-140	-200	-200	-200	-600	-740	-200	-30.0
Rate (%)	113.3	-71.4	-11.3	-8.7	-5.9	-19.6	-11.6	-8.8	NA	NA	-10.0	420bp
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	20	360	1,380	1,750	2,530	1,221	1,924	2,461	3,510	8,136	2,198	15.1
Adj PAT	20	360	1,380	1,750	2,530	1,221	1,924	2,461	3,510	8,136	2,198	15.1
YoY Change (%)	-101.1	-114.4	-139.8	-193.0	12,550	239.3	39.4	40.6	-136.1	131.8	10,890.0	NA
Margins (%)	0.1	1.3	4.2	4.9	6.0	2.6	3.6	4.2	2.9	4.0	5.8	NA



Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR494 **TP: INR575 (+16%)** **Buy**

Resilient cigarette, but muted FMCG performance

Bloomberg	ITC IN
Equity Shares (m)	12485
M.Cap.(INRb)/(USD\$b)	6169.2 / 73.7
52-Week Range (INR)	511 / 399
1, 6, 12 Rel. Per (%)	11/-4/-21
12M Avg Val (INR M)	7262

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	708.8	769.5	833.6
Sales Gr. (%)	-0.1	8.6	8.3
EBITDA	262.5	283.7	308.8
EBITDA Mrg. %	37.0	36.9	37.0
Adj. PAT	204.6	215.8	234.6
Adj. EPS (INR)	16.4	17.3	18.8
EPS Gr. (%)	9.0	5.5	8.7
BV/Sh.(INR)	59.7	62.7	66.3
Ratios			
RoE (%)	28.5	28.2	29.1
RoCE (%)	28.2	27.9	28.9
Payout (%)	83.9	80.0	80.0
Valuations			
P/E (x)	30.1	28.5	26.2
P/BV (x)	8.3	7.9	7.4
EV/EBITDA (x)	18.4	16.8	15.3
Div. Yield (%)	2.8	3.0	3.2

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	0.0	0.0	0.0
DII	44.0	43.8	38.8
FII	40.5	41.0	46.8
Others	15.5	15.2	14.4

FII Includes depository receipts

- ITC delivered a consolidated revenue growth of 8% YoY (in line) in 1QFY25. Gross cigarette revenue grew 6% YoY led by volume growth of ~3% YoY (in line), mix improvement, and price hikes. The premium cigarette segment continued to outperform; while the value segment sustained weakness.
- FMCG segments delivered 6% revenue growth, adversely impacted by the severe heat waves and slow packaged food growth. The margins were slightly hurt by rising competitive pressure (from local and regional players), increased commodity prices, and weak demand. EBIT margin stood at 8.7% (est. 9.0%) in 1QFY25.
- The paper business continued to face challenges from demand issues, competition from China, lower pulp prices, and higher input costs, resulting in weak revenue and margins. Recovery is anticipated with improvements in domestic demand and a reduction in wood prices following the arrival of new crops. The agri business exhibited improvement during the quarter; however, stock limits on wheat and restrictions on exports continued to hurt the business. Hotels sustained healthy performance, though margins were hit by operating deleverage.
- **We reiterate our BUY rating on ITC with an SOTP-based TP of INR575 (premised on 30x Jun'26E P/E).**

Cigarette in line; other segments below expectations

- **Consol. performance:** ITC's 1QFY25 net revenue grew 8% YoY to INR184.6b (est. INR183.6b). Consol. gross margin contracted ~130bp YoY to 60.5% (est. 62.5%) and EBITDA margin dipped 230bp YoY to 36.6% (est. 38.5%).
- **Flat growth:** EBITDA inched up 1% YoY to INR67.5b (est. INR70.7). PBT/Adj PAT remained flat YoY at INR69.3b (est. INR73.5b)/INR51.0b (est. INR54.3b).
- **Cigarette volumes up ~3% YoY:** Gross cigarette sales grew 6% YoY to INR88.4b (in line). Cigarette volume growth was expected to be ~3% (in line). EBIT rose 6% YoY to INR52.6b (in line). Cigarette EBIT margin expanded 30bp YoY to 59.4%.
- **FMCG-Others** sales grew 6% YoY (est. 8%) to INR55b; heat waves also hit part of the portfolio (more for beverage portfolio). EBIT grew 10% YoY to INR4.8b in 1QFY25. EBIT margin expanded 30bp to 8.7% (est. 9.0%).
- **Hotels business** sales rose 14% YoY to INR7.1b. The segmental EBIT declined 9% YoY to INR1.2b and the EBIT margin contracted 440bp YoY to 17.1%.
- **The agri business** exhibited improvement, and sales increased 22% YoY to INR70b. However, the segment reported a 2% YoY decline in EBIT to INR3.4b. EBIT margin contracted 120bp YoY to 4.9%.
- **The paperboards** business continued to experience contraction and clocked a 7% YoY decline in revenue to INR20.0b. EBIT declined 46% YoY to INR2.6b and EBIT margin contracted 930bp YoY to 13%.

Key management takeaways

- Cigarette volume growth stood at ~3% in 1QFY25.
- The pressure on tobacco costs, which was not reflected in 1Q, is expected to impact margins from 2Q.
- Competitive intensity remained high in categories such as Biscuits, Snacks, Noodles, Popular Soaps, and Education & Stationery Products, including competition from local and regional players.
- Commodity prices were largely stable during the quarter compared to the base period. However, commodities such as sugar, potatoes, choco cream, and edible oil experienced a sequential uptick in prices.
- The Paper business experienced stress due to Chinese market dumping, resulting in higher pulp and wood costs. Subdued realizations and increased domestic wood costs impacted margins. However, green shoots of recovery in domestic demand were also visible ahead of the festive season.
- In the paperboard business, improvement is anticipated as wood costs decrease with the harvesting of new crops, leading to ~20% margins in the business.
- Hotel business added 32 properties to its portfolio in the last 24 months (Jul'22-Jun'24) and plans to add 28 managed hotels in the next 24 months (Jul'24-Jun'26).

Valuation and view

- There are no material changes to our EPS estimates for FY25 and FY26.
- ITC's core businesses of cigarettes and FMCG are witnessing steady growth. FMCG continues to enjoy industry leading growth over peers due to ITC's category presence (large unorganized mix, under-penetrated, etc.). Consistent margin improvement further provides confidence in growth without compromising profitability.
- After the demerger of its asset-heavy hotels business, ITC's return profile will also improve. Margin improvements in the other FMCG business will further enhance return ratios and valuation multiples.
- Capital efficiency will further improve operating cash flow, leading to a healthy, sustainable dividend yield (3-4%).
- With a stable tax on cigarettes, we anticipate sustainable growth in the business. We value the cigarette business at 20x Jun'26 EV/EBITDA (earlier 17x EV/EBITDA). **We reiterate our BUY rating with an SOTP-based TP of INR575 (implied 30x Jun'26E EPS).**

Consol. Quarterly Performance

Y/E March	FY24				FY25				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Est. cigarette vol. gr. (%)	8.0	5.0	-1.0	2.0	3.0	3.0	4.5	3.5	3.0	3.5	2.5	
Net Sales	171.6	177.7	180.2	179.2	184.6	192.2	194.8	197.9	708.8	769.5	183.6	0.5%
YoY change (%)	-7.2	3.9	1.8	1.6	7.5	8.1	8.1	10.4	-0.1	8.6	7.0	
Gross Profit	106.1	107.1	109.8	113.4	111.7	119.2	120.8	123.9	436.3	475.5	114.8	
Margin (%)	61.8	60.2	60.9	63.2	60.5	62.0	62.0	62.6	61.6	61.8	62.5	
EBITDA	66.7	64.5	65.0	66.3	67.5	69.3	72.4	74.5	262.5	283.7	70.7	-4.5%
Growth (%)	9.8	3.1	-3.0	0.0	1.2	7.4	11.3	12.5	2.3	8.1	5.9	
Margins (%)	38.9	36.3	36.1	37.0	36.6	36.1	37.2	37.7	37.0	36.9	38.5	
Depreciation	4.4	4.5	4.6	4.6	5.0	5.0	5.0	4.9	18.2	19.8	4.7	
Interest	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5	0.1	
Other Income	7.2	6.6	6.6	6.8	6.9	7.2	7.4	7.7	27.3	29.2	7.7	
PBT	69.4	66.6	66.9	68.4	69.3	71.4	74.6	77.1	271.2	292.5	73.5	-5.7%
Tax	17.6	17.0	12.8	16.5	17.6	17.9	18.7	19.5	63.9	73.6	18.5	
Rate (%)	25.4	25.5	19.2	24.1	25.4	25.0	25.0	25.3	23.6	25.2	25.2	
Adj PAT	51.0	49.0	53.4	51.2	50.9	52.8	55.2	56.8	204.6	215.8	54.3	-6.1%
YoY change (%)	16.3	6.0	6.7	0.0	-0.2	7.8	3.4	11.0	6.9	5.5	6.3	

E: MOFSL estimate;



TATA Motors

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,144 TP: INR1,025 (-10%) Neutral

Multiple headwinds ahead

JLR supplier constraint may pose near term challenges

Bloomberg	TTMT IN
Equity Shares (m)	3324
M.Cap.(INRb)/(USD\$)	4203.2 / 50.2
52-Week Range (INR)	1179 / 591
1, 6, 12 Rel. Per (%)	11/15/51
12M Avg Val (INR M)	10232

■ Tata Motors (TTMT) reported a strong consolidated performance in 1QFY25, with margins expanding ~110bp YoY to 14.4% (est. 13.3%), driven by JLR and strong India CV business margins even as India PV margin missed estimates. Margins were also supported by higher capitalization rate (1Q at 6.2% of revenues v/s 4.6% YoY). However, apart from the risks from subdued global demand and margin headwinds at JLR, recent supplier based constraint may pose as an incremental headwind in the near-term. This, coupled with demand moderation in its India CV and PV businesses, raises concerns about TTMT's ability to sustain the current-level of profitability going forward.

■ We raise our EPS estimates by 3%/4% for FY25/FY26. The stock trades at 19.1x/16.4x FY25E/FY26E consol. EPS and 7x/5.7x EV/EBITDA. Reiterate Neutral with Jun'26E SOTP-based TP of INR1,025.

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Net Sales	4,379	4,495	5,092
EBITDA	596.1	618.5	712.9
Adj. PAT	224.9	220.0	257.0
Adj. EPS (INR)	58.7	59.8	69.9
EPS Gr. (%)	-	2	17
BV/Sh. (INR)	221.6	286.6	352.3

Ratios

Net D/E (x)	0.2	0.0	-0.2
RoE (%)	34.5	23.1	21.9
RoCE (%)	18.7	14.9	15.5
Payout (%)	10.3	7.0	6.0

Valuations

P/E (x)	19.5	19.1	16.4
P/BV (x)	5.2	4.0	3.2
EV/EBITDA (x)	7.9	7.0	5.7
Div. Yield (%)	0.5	0.4	0.4
FCF Yield (%)	8.7	3.6	7.3

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	46.4	46.4	46.4
DII	16.1	16.1	17.5
FII	18.2	19.2	19.1
Others	19.4	18.3	17.0

FII Includes depository receipts

Net debt grew INR26b due to dividend payments and seasonality

■ **Consolidated business:** 1QFY25 consol. revenue/EBITDA/PAT grew ~6%/14%/46% YoY to INR1080.5b/INR155.1b/INR55.3b (est. INR1033.6b/INR137.6b/INR41.1b). It reported EBITDA margin of 14.4%, up 110bp YoY (est. 13.3%). Consol FCF stood at INR12b (vs. INR25b in 1QFY24). Net auto debt increased by INR26b in 1QFY25 to INR186b due to dividend payments and seasonality impact.

■ **JLR:** Volumes (incl. JV) grew 4% YoY to 110.5k units (est. 109.7k). Net realizations improved 0.5% YoY/4.3% QoQ to GBP74.4k/unit (est. GBP70.9k). EBITDA margins contracted 50bpYoY/QoQ at 15.8% (est. 15.4%) despite a favorable product mix due to rising VME / FME expenses. However, EBIT margin improved 30bp YoY to 8.9%, (est. 7.5%) due to lower depreciation.

■ **TTMT CV business:** Revenue grew ~5% YoY to INR178.5b (est. INR179.8b), led by volume growth of ~6% YoY. ASP declined 0.8% YoY/ 1.7% QoQ to INR1.91m (est. INR1.92m). ASP decline was due to lower salience of MHCV and as there was a shift from multi-axle vehicles to tractor trailers. EBITDA margins expanded 220bp YoY (-30bp QoQ) to 11.6%, led by material cost savings.

■ **TTMT PV business:** Revenue declined 8% YoY to INR118.9b (est. INR128.6b), led by 1% YoY decline in volumes and 7% YoY decline in realizations at INR856.8k/unit (est. INR927k). EBITDA margins expanded 60bp YoY (-150bp QoQ) to 5.8% (est. 7%), led by material cost reductions. However, margin miss relative to estimates have been due to rising discounts.

Highlights from the management commentary

■ **JLR demand outlook-** Some of the markets, such as EU and China, are under pressure. North America is improving and demand in the UK is recovering. The current order book stands at ~104k units vs. ~133k units in 4QFY24 and 150k units in 3QFY24.

- **EBIT margin guidance maintained:** VME and FME (variable and fixed market expenses) are likely to increase as the company plans to invest in demand generation. Further, JLR is expected to face incremental production constraints in 2Q and 3Q due to floods at a key aluminum supplier. Management hopes to minimise the impact by sourcing from alternate suppliers. Overall, it has maintained stable margin guidance for FY25E and retains its FY26 EBIT margin guidance of 10%.
- **CVs:** While CV demand till July has been weak, it is expected to bounce back in 2HFY25 as structural demand drivers remain intact. We expect TTMT's India CV business to see a 4% CAGR (FY24-26E).
- **PVs:** Channel inventory for TTMT stood at 35-40 days (vs 30 days normally). EBITDA margin for ICE stood at 8.5% in 1QFY25 vs 8.6% in 1QFY24.

Valuation and view

- We expect JLR margins to see limited expansion over FY24-26, given: 1) rising cost pressure as it invests in demand generation, 2) normalizing mix, and 3) EV ramp-up, which is likely to be margin dilutive. It's recent supplier based constraint may pose as an incremental headwind in the near-term. Even in India business, both CV and PV businesses are seeing moderation in demand.
- While there is no doubt that TTMT delivered an extremely robust performance across its key segments in FY24, there are clear headwinds ahead that could hurt its performance. We raise our EPS estimates by 3%/4% for FY25/FY26. The stock trades at 19.1x/16.4x FY25E/FY26E consol EPS and 7.0x/5.7x EV/EBITDA. Reiterate Neutral with Jun'26E SOTP-based TP of INR1,025.

Quarterly Performance [Consol]

INR b	FY24				FY25E				FY24		FY25E		Var (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	1Q	1QE	1QE		
JLR Volumes (incl JV; '000 units)	106.3	109.1	113.9	120.6	110.5	107.5	113.6	117.6	450.0	449.1	109.7	0.7	
JLR Realizations (GBP/unit)	74,024	70,824	72,989	71,331	74,400	72,912	72,912	74,474	72,252	73,697	70,975		
JLR EBITDA Margins (%)	16.3	14.9	16.2	16.3	15.8	15.0	15.4	15.6	15.9	15.5	15.4		
India CV Volumes ('000 units)	88.6	106.8	98.8	111.3	93.7	96.2	106.2	116.3	405.5	412.3	93.4	0.3	
India CV Realizations (INR '000/unit)	1925.4	1887.2	2042.9	1943.9	1910.1	1967.4	1987.1	2001.1	1949.5	1969.0	1,924		
India CV EBITDA Margins (%)	9.4	10.4	11.1	11.9	11.6	11.8	12.1	13.0	10.8	12.2	10.5		
India PV Volumes ('000 units)	140.4	139.0	138.6	155.6	138.8	140.5	144.1	147.2	573.6	570.6	138.7	0.1	
India PV Realizations (INR '000/unit)	921.8	880.9	938.1	931.7	856.8	869.6	874.0	888.8	918.7	872.7	927		
India PV EBITDA Margins (%)	5.2	6.4	6.5	7.3	5.8	6.2	6.3	6.6	6.4	6.2	7.0		
Net Consol. Op Income	1022.4	1051.3	1105.8	1199.9	1080.5	1047.4	1111.0	1256.5	4379.3	4495.3	1033.6	4.5	
Growth (%)	42.1	32.1	25.0	13.3	5.7	-0.4	0.5	4.7	26.6	2.7	1.1		
Consol. EBITDA	135.6	137.2	153.3	169.9	155.1	134.3	147.8	181.3	596.1	618.5	137.6	12.7	
EBITDA Margins (%)	13.3	13.1	13.9	14.2	14.4	12.8	13.3	14.4	13.6	13.8	13.3		
Depreciation	66.3	66.4	68.5	71.5	65.7	72.0	74.0	78.4	272.7	290.1	70.0	-6.1	
Other Income	13.6	16.3	15.0	14.6	15.8	15.5	15.2	13.7	59.5	60.1	14.2	10.9	
Interest Expenses	26.2	27.0	24.8	22.3	20.9	25.0	24.0	21.3	100.3	91.1	23.0	-9.2	
PBT before EO	53.3	61.1	75.8	92.1	87.0	52.8	65.0	92.6	282.3	297.4	54.7	59.2	
EO Exp/(Inc)	6.8	1.2	0.9	-87.0	-0.4	0.0	0.0	0.0	-78.12	-0.43	0.00		
PBT after EO Exp	46.5	59.9	74.9	179.1	87.4	52.8	65.0	92.6	360.4	297.8	54.7	59.9	
Tax rate (%)	33.6	36.8	7.2	3.5	36.4	26.9	26.9	18.0	13.7	26.9	26.3		
PAT	30.9	37.8	69.5	172.8	55.6	38.6	47.5	75.9	311.1	217.7	40.3	38.1	
Minority Interest	-1.0	-0.7	-1.2	-1.2	-1.3	-0.7	-0.8	-1.7	-4.1	-4.5	-1.0	26.0	
Share in profit of Associate	2.1	0.5	1.9	2.5	1.3	1.5	1.8	2.6	7.0	7.2	1.8	-28.3	
Reported PAT	32.0	37.6	70.3	174.1	55.7	39.4	48.5	76.7	314.0	220.3	41.1	35.5	
Adj PAT	37.9	38.7	71.0	77.3	55.3	39.4	48.5	76.7	224.9	220.0	41.1	34.7	
Growth (%)	-158.3	-407.9	140.1	37.4	46.1	1.9	-31.7	-0.7	2629.7	-2.2	8.5		

E: MOFSL Estimates



Sun Pharma

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR1,715 TP: INR1,980 (+15%) Buy

Specialty/DF drive earnings

Leqselvi faces injunction hurdle

- Sun Pharma (SUNP) delivered better-than-expected 1QFY25 earnings, led by an improved segmental mix and lower RM costs. Lower-than-expected R&D spending led to margin improvement in 1Q. The performance was affected partly by a muted show in ROW sales.
- We raise our earnings estimates by 2% each in FY25/FY26, factoring in a) superior execution in domestic formulation (DF) segment, b) reduced R&D spending, and c) a higher tax rate. We value SUNP at 31x 12M forward earnings to arrive at a TP of INR1,980.
- We remain positive on SUNP on the back of a) a rising contribution from specialty products through commercial traction, b) progress on development pipeline, and c) outperformance vs. the industry in branded generics. Maintain BUY.

Product mix benefit, lower R&D spending drive margin

- Sales grew 6.3% YoY to INR125b (est. INR132b). DF sales grew 16.4% YoY to INR41.4b (33% of sales). US sales were flat YoY at INR38.9b (USD466m, down 1% in CC terms; 31% of sales). EM sales grew 10% YoY to INR23.7b (19% of sales). ROW sales declined 1% YoY to INR15.8b (13% of sales).
- Gross margin expanded 200bp YoY to 78.6% for the quarter.
- EBITDA margin expanded 130bp to 28.2% (est. 24.8%) as better GM was offset by higher other expenses (up 160bp as % of sales). Employee expenses were down 80bp as % of sales.
- Accordingly, EBITDA grew 11.2% YoY to INR35.3b (est. INR32.7).
- After adjusting the forex loss of INR505m, adj. PAT grew 26.1% YoY to INR28.8b (est. INR26.5b) for the quarter.

Highlights from the management commentary

- A motion seeking a preliminary injunction has been filed in a US court to prevent the launch of Leqselvi (Deuruxotinib). SUNP intends to rigorously oppose the motion and action.
- Except Levulan, all specialty products posted growth for the quarter.
- Nidlegly is filed with EMA (EU) for treatment of locally advanced, fully resectable melanoma in the neoadjuvant setting.
- For GL0034, SUNP has completed phase-I clinical trials and would start phase-II in 2HCY24.
- SCD-044 topline data readout would be 1HCY25 compared to 2HCY24.
- R&D spending would step up in subsequent quarters, with products progressing in clinical development.

Bloomberg	SUNP IN
Equity Shares (m)	2399
M.Cap.(INRb)/(USD\$b)	4115.2 / 49.1
52-Week Range (INR)	1731 / 1068
1, 6, 12 Rel. Per (%)	9/7/23
12M Avg Val (INR M)	3302

Financials & valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	477.6	530.6	592.4
EBITDA	122.5	143.2	164.7
Adj. PAT	99.7	118.7	140.6
EBIT Margin (%)	20.3	22.1	23.3
Cons. Adj. EPS (INR)	41.4	49.3	58.4
EPS Gr. (%)	15.8	19.1	18.4
BV/Sh. (INR)	264.6	307.0	358.7

Ratios

Net D:E	-0.12	-0.16	-0.25
RoE (%)	16.7	17.3	17.6
RoCE (%)	12.5	13.5	13.5
Payout (%)	14.0	13.6	11.5

Valuations

P/E (x)	41.5	34.8	29.4
EV/EBITDA (x)	32.5	27.5	23.4
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	2.8	1.5	2.8
EV/Sales (x)	8.3	7.4	6.5

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	54.5	54.5	54.5
DII	19.3	18.8	19.8
FII	17.2	17.7	16.5
Others	9.0	9.0	9.3

FII Includes depository receipts

Quarterly Performance (Consolidated)

(INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E 1QE	Var. %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Revenues	117.9	120.0	121.6	118.1	125.2	129.5	134.9	140.9	477.6	530.6	131.8	-5.0
YoY Change (%)	10.7	11.0	10.5	10.7	6.3	7.9	11.0	19.3	10.8	11.1	11.9	
Total Expenditure	86.1	89.8	90.3	88.9	89.9	94.5	98.9	104.0	355.1	387.4	99.1	
EBITDA	31.7	30.2	31.3	29.2	35.3	35.0	36.0	36.9	122.5	143.2	32.7	8.0
YoY Change (%)	21.1	-1.0	13.2	13.8	11.2	15.6	15.1	26.3	11.3	16.9	3.0	
Margins (%)	26.9	25.2	25.7	24.7	28.2	27.0	26.7	26.2	25.6	27.0	24.8	
Depreciation	6.5	6.3	6.2	6.5	6.6	6.6	6.7	5.9	25.6	25.7	6.6	
EBIT	25.2	23.9	25.1	22.7	28.7	28.4	29.3	31.0	96.9	117.5	26.1	
YoY Change (%)	24.1	-2.2	19.2	19.8	14.0	18.6	17.1	36.7	14.3	21.2	3.6	
Interest	0.8	0.5	0.3	0.7	0.6	0.6	0.6	0.4	2.4	2.2	0.6	
Net Other Income	3.6	4.8	4.7	7.8	6.6	6.0	6.4	7.1	20.9	26.0	5.3	
PBT before EO Exp	28.0	28.2	29.5	29.7	34.7	33.7	35.1	37.8	115.5	141.2	30.8	12.8
Less: EO Exp/(Inc)	3.2	0.3	-0.5	1.6	0.5	0.0	0.0	0.0	4.6	0.5	0.0	
PBT	24.8	27.9	30.0	28.2	34.2	33.7	35.1	37.8	110.9	140.7	30.8	
Tax	4.7	3.9	4.3	1.5	5.5	4.7	5.1	5.9	14.4	21.2	4.6	
Rate (%)	16.7	13.8	14.7	5.0	15.9	14.0	14.5	15.5	12.5	15.0	15.0	
PAT (pre Minority Interest)	20.1	24.0	25.7	26.7	28.7	28.9	30.0	31.9	96.5	119.6	26.2	
Minority Interest	-0.1	0.3	0.4	0.1	0.4	0.3	0.3	0.4	0.7	1.3	-0.3	
Reported PAT	20.2	23.8	25.2	26.5	28.4	28.7	29.7	31.5	95.8	118.3	26.5	7.1
Adj Net Profit*	22.8	24.0	24.8	28.0	28.8	28.7	29.7	31.5	99.7	118.7	26.5	8.7
YoY Change (%)	18.5	-3.4	19.2	32.7	26.1	19.3	20.1	12.4	15.8	19.1	16.0	
Margins (%)	19.4	20.0	20.4	23.7	23.0	22.2	22.1	22.4	20.1	22.3	20.1	

Key performance Indicators (Consolidated)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E 1QE
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			
Domestic formulations (INRb)	35.6	38.4	37.8	37.1	41.4	43.2	42.3	42.8	148.9	169.7	40.0
YoY Change (%)	5.1	11.1	11.4	10.2	16.4	12.4	11.9	15.5	9.5	14.0	12.4
US sales (INRb)	38.7	35.5	39.7	39.5	38.9	39.2	43.7	46.7	153.5	168.6	43.0
YoY Change (%)	19.3	7.9	14.6	11.9	0.5	10.5	10.1	18.2	13.4	9.8	11.0
ROW (INRb)	37.5	40.4	38.7	36.6	39.5	41.2	42.8	43.6	153.3	167.1	42.3
YoY Change (%)	11.6	15.1	5.5	7.9	5.4	1.7	10.5	19.0	10.0	9.0	12.7
APIs (INRb)	5.4	5.0	4.7	4.2	4.9	5.6	5.7	7.5	19.2	23.7	6.2
YoY Change (%)	-9.9	5.1	-9.6	7.9	-8.3	12.0	22.0	80.0	-2.7	23.4	15.0
Cost Break-up											
RM Cost (% of Sales)	23.4	23.2	22.5	20.2	21.4	21.8	22.0	22.4	22.3	21.9	22.0
Staff Cost (% of Sales)	20.4	19.7	19.4	19.5	19.6	19.5	19.2	18.8	19.7	19.3	20.3
R&D Expenses(% of Sales)	5.8	6.4	6.8	7.6	6.3	7.5	8.1	8.7	6.7	7.7	7.9
Other Cost (% of Sales)	23.5	25.4	25.5	28.0	24.5	24.2	24.0	23.9	25.6	24.1	25.0
Gross Margins (%)	76.6	76.8	77.5	79.8	78.6	78.2	78.0	77.6	77.7	78.1	78.0
EBITDA Margins (%)	26.9	25.2	25.7	24.7	28.2	27.0	26.7	26.2	25.6	27.0	24.8
EBIT Margins (%)	21.4	19.9	20.6	19.2	23.0	21.9	21.8	22.0	20.3	22.1	19.8



Adani Ports & SEZ

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,590 TP: INR1,850 (+16%) Buy

In-line performance; outlook remains bright

Bloomberg	ADSEZ IN
Equity Shares (m)	2160
M.Cap.(INRb)/(USDb)	3434.9 / 41
52-Week Range (INR)	1621 / 752
1, 6, 12 Rel. Per (%)	4/15/81
12M Avg Val (INR M)	6861

Financial Snapshot (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	267.1	307.7	349.9
EBITDA	158.6	182.5	210.9
Adj. PAT	89.1	110.7	132.0
EBITDA Margin (%)	59.4	59.3	60.3
Adj. EPS (INR)	41.3	51.2	61.1
EPS Gr. (%)	16.5	24.2	19.2
BV/Sh. (INR)	245.1	290.5	342.4

Ratios

Net D:E	0.6	0.6	0.4
RoE (%)	18.1	19.1	19.3
RoCE (%)	11.1	12.4	13.1
Payout (%)	14.5	15.6	13.1

Valuations

P/E (x)	38.5	31.0	26.0
P/BV (x)	6.5	5.5	4.6
EV/EBITDA(x)	23.7	20.8	17.9
Div. Yield (%)	0.4	0.5	0.5
FCF Yield (%)	2.2	2.2	2.4

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	65.9	65.9	62.9
DII	12.5	11.8	12.4
FII	15.2	15.0	17.0
Others	6.4	7.3	7.7

FII Includes depository receipts

- Adani Ports & SEZ (APSEZ) reported a revenue growth of 11% YoY to INR69.6b in 1QFY25 (in line). Cargo volumes grew 8% YoY to 109mmt. Volumes at Gangavaram port were affected by a worker strike in Apr-May'24; however, the operations returned to normalcy in Jun'24.
- EBITDA margin came in at 61% (est. 58.7%), up 90bp YoY/240bp QoQ. EBITDA grew 13% YoY to INR42.4b (in line).
- APAT rose 29% YoY to INR26.3b (13% beat), aided by a lower tax outgo.
- Port revenues grew 13% YoY to INR55.4b and EBITDA margins stood at 72% (flat YoY). Logistics revenues grew 13% YoY to INR5.6b and EBITDA margins stood at 25% (vs. 28% in 1QFY24).
- In 1Q FY25, APSEZ managed ~27% of the country's total cargo and ~46% of container cargo. APSEZ's domestic cargo volumes grew by 9% YoY, compared to 4% YoY growth in India's overall cargo volumes.
- The 1Q performance was largely in line with our estimates. APSEZ is expected to record 2-3x of India's cargo volume growth, driven by a balanced port mix on the western and eastern coastlines of India. Further, the logistics business will serve as a value addition to the domestic port business, with a focus on enhancing last-mile connectivity. We largely retain our estimates for FY25/FY26. We expect APSEZ to report 11% growth in cargo volumes over FY24-26. This would drive a CAGR of 14%/15%/22% in revenue/ EBITDA/PAT over FY24-26. We reiterate our BUY rating with a revised TP of INR1,850 (based on 20x FY26E EV/EBITDA).**

APSEZ delivers in-line performance led by growth across ports; volumes grow 2x of industry

- During the quarter, APSEZ clocked cargo volume of 109mmt (up 8% YoY), primarily driven by Containers (up 18% YoY) and Liquids & Gas (up 11% YoY). APSEZ recorded a volume loss of 5.7mmt at the Gangavaram Port due to a worker strike in Apr-May'24, which returned to normalcy in Jun'24.
- APSEZ's domestic cargo volumes grew by 9% YoY compared to 4% YoY growth in India's overall cargo volumes. The proportion of non-Mundra domestic ports in the overall cargo distribution increased to 47% in 1QFY25 from 41% in 1QFY24.
- The company has secured two new port concessions and a port O&M contract in 1Q. It targets cargo volumes of 460-480mmt in FY25.

Last-mile connectivity to bolster growth in the Logistics business

- In 1QFY25, Adani Logistics (ALL) posted ~13% YoY growth in revenue and EBITDA margins of 25% (28% in 1QFY24).
- ALL recorded its highest-ever quarterly rail cargo volumes in 1Q, with container volumes reaching 0.16m TEUs (up 19% YoY) and bulk cargo exceeding 5.56mmt (up 28% YoY).
- ALL expanded its services to cover container train operations, container handling in logistic parks, and warehouses offering storage and trucking solutions. With 12 multi-modal logistics parks, 131 trains, 2.9m sq. ft. of warehousing space, and 1.2mmt of grain silos, ALL aims to establish a nationwide presence by further developing logistic parks and warehouses.

Highlights from the management commentary

- The proportion of non-Mundra domestic ports in the overall cargo distribution increased to 47% in 1QFY25 from 41% in 1Q FY24.
- Gopalpur Port will start contributing to volumes in 2QFY25. Vizhinjam Port will start contributing in Oct'24, with full capacity utilization expected only from FY26 onward.
- A concession agreement was signed in Tanzania. The company has been operating there for 1.5 years, with plans to continue long-term terminal operations without requiring incremental capex.
- Tension in the Middle East and its impact on Haifa: APSEZ teams are highly engaged, and ports are running 24/7. The challenges at Haifa Port are due to geopolitical sanctions on Israel. Some countries have stopped cargo shipments to Haifa, but car imports into Israel have increased significantly, allowing the company to capture car cargo volumes.
- As per the management, cargo volumes are expected to range from 460mmt to 480mmt in FY25, with revenue projected to be ~INR300b.

Valuation and view

- APSEZ is anticipated to outpace India's overall growth, driven by a balanced port mix along India's western and eastern coastlines and a diversified cargo mix. The company continues to invest heavily in the ports and logistics business to drive growth. The commencement of operations at Gopalpur and Vizhinjam Ports will enable the company to further boost volumes.
- **We expect APSEZ to report 11% growth in cargo volumes over FY24-26. This would drive a CAGR of 14%/15%/22% in revenue/EBITDA/PAT over FY24-26. We reiterate our BUY rating with a revised TP of INR1,850 (premised on 20x FY26E EV/EBITDA)**

Quarterly Snapshot - Consolidated

Y/E March	FY24				FY25E				FY24	FY25E	FY25 1QE	Var. vs Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	62,476	66,464	69,201	68,965	69,563	76,265	79,956	81,962	2,67,106	3,07,745	71,624	-3
YoY Change (%)	23.5	27.6	44.6	19.0	11.3	14.7	15.5	18.8	28.1	15.2	14.6	
EBITDA	37,537	38,805	41,860	40,439	42,445	44,996	47,094	47,978	1,58,639	1,82,513	42,043	1
Margins (%)	60.1	58.4	60.5	58.6	61.0	59.0	58.9	58.5	59.4	59.3	58.7	
Depreciation	9,496	9,745	9,853	9,791	10,119	10,300	10,700	11,238	38,885	42,357	9,800	
Interest	7,061	7,153	6,864	6,766	6,554	6,600	6,700	6,820	27,844	26,674	6,800	
Other Income	3,837	3,055	5,069	3,034	4,946	4,200	4,300	4,547	14,994	17,993	3,700	
PBT before EO expense	24,816	24,962	30,211	26,916	30,718	32,296	33,994	34,467	1,06,905	1,31,475	29,143	5
Extra-Ord expense	-844	213	1,822	3,159	-5,980	0	0	0	4,351	-5,980	0	
PBT	25,660	24,749	28,389	23,757	36,698	32,296	33,994	34,467	1,02,554	1,37,455	29,143	
Tax	3,714	7,591	5,331	3,262	4,854	5,490	5,779	5,869	19,897	21,993	5,829	
Rate (%)	14.5	30.7	18.8	13.7	13.2	17.0	17.0	17.0	19.4	16.0	20.0	
MI and Associates	799	-320	973	99	716	-250	-250	-248	1,550	-33	10	
Reported PAT	21,147	17,479	22,084	20,397	31,128	27,056	28,465	28,846	81,106	1,15,495	23,305	
Adj PAT	20,472	22,200	23,542	22,924	26,344	27,056	28,465	28,846	89,138	1,10,711	23,305	13
YoY Change (%)	-2.6	15.2	51.0	11.0	28.7	21.9	20.9	25.8	16.5	24.2	13.8	

Note: During 1Q FY25, Adani Ports concluded divestment of 49% equity stake of Adani Ennore Container Terminal Private Limited, a subsidiary of the Company. It recorded a one-time gain of INR6b in the profit and loss. We have adjusted the same in Extra-ordinary item for like-to-like comparison.



Tata Steel

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR163 TP: INR180 (+10%) Neutral

Revenue in line; marginal beat on earnings driven by lower costs

Bloomberg	TATA IN
Equity Shares (m)	12484
M.Cap.(INRb)/(USDb)	2035.6 / 24.3
52-Week Range (INR)	185 / 114
1, 6, 12 Rel. Per (%)	-10/6/6
12M Avg Val (INR M)	6601
Free float (%)	66.8

Standalone performance

- Tata Steel (TATA)'s revenue stood at INR330b (-7% YoY/-10% QoQ), largely in line with our estimate of INR340. Lower volumes and weak realization led to the QoQ decline. ASP stood at INR66,720/t (-10% YoY/-1% QoQ) vs. our estimate of INR68,815/t.
- EBITDA was INR68b (+2% YoY/-16% QoQ), marginally better than our estimate of INR66b, thanks to lower input costs.
- EBITDA/t came in at INR13,711/t (-2% YoY/-8% QoQ) vs. our estimate of INR13,416/t.
- APAT stood at INR36b (-23% YoY/-24% QoQ), in line with our estimate.
- Steel production stood at 5.01mt (+4% YoY/-4% QoQ). Deliveries stood at 4.94mt (+3% YoY/-9% QoQ), led by a 4% rise in domestic deliveries.

Financials & Valuations (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	2,292	2,387	2,601
EBITDA	223	338	403
Adj. PAT	34	123	171
EBITDA Margin (%)	9.7	14.2	15.5
Adj. EPS (INR)	2.7	9.9	13.7
EPS Gr. (%)	-61.8	263.9	39.4
BV/Sh. (INR)	69	74	81

Ratios

Net D:E	0.9	0.8	0.8
RoE (%)	3.6	13.8	17.7
RoCE (%)	7.3	13.5	16.2
Payout (%)	133.0	50.8	51.0

Valuations

P/E (x)	60.2	16.6	11.9
P/BV (x)	2.4	2.2	2.0
EV/EBITDA(x)	12.6	8.3	6.9
Div. Yield (%)	2.2	3.1	4.3
FCF Yield (%)	1.0	5.8	7.8

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	33.2	33.2	33.9
DII	23.5	23.7	21.1
FII	20.3	20.3	21.0
Others	23.0	22.9	24.0

FII Includes depository receipts

Consolidated performance

- Sales volume stood at 7.39mt (+3% YoY/-7% QoQ), 5% below our estimate.
- Revenue came in at INR548b (-8% YoY/-7% QoQ), 6% below our estimate of INR580b. The decline in revenue was attributed to lower volume QoQ.
- Blended ASP stood at INR74,116/t (-10% YoY/+1% QoQ), as expected.
- EBITDA stood at INR67b (+29% YoY/+1% QoQ) vs. our estimate of INR60b, on account of lower than expected costs.
- EBITDA/t was INR9,059/t vs. our estimate of INR7,639/t.
- APAT came in at INR13b (+112% YoY/+9% QoQ) vs. our estimate of INR11b, which was mainly driven by better operating performance.

European operations

- Consolidated crude steel production stood at 2.37mt (+32% YoY/+11% QoQ), and sales came in at 2.15mt (+8% YoY/+1% QoQ) during the quarter.
- Revenue stood at INR209b (-2% YoY/+1% QoQ) vs. our estimate of INR226b. The miss on revenue was due to lower than expected volume and NSR.
- ASP stood at USD1,171/t (-10% YoY/+1% QoQ) vs. our estimate of USD1,234/t for 1QFY25.
- EBITDA loss declined to INR5b, in line with our estimates. EBITDA loss per ton stood at USD28/t in 1QFY25 vs. USD38/t in 4QFY24.

Highlights from the management commentary

- TATA expects the NSR for domestic operations to decline INR1,500/t in 2QFY25 sequentially.
- The ASP for the UK operation will remain flat QoQ, whereas the Netherlands could see GBP60/t QoQ reduction during 2QFY25.
- Coal costs (on a consumption basis) for India operations are likely to be USD15/t lower QoQ, and in the Netherlands, the coal costs are anticipated to decline USD26/t QoQ in 2QFY25.

- In terms of iron ore, the UK could experience USD7/t QoQ decline, while the Netherlands could see about USD10/t QoQ increase in 2QFY25.
- Management guided that Sep'24 will be the last month of operating losses for UK business. From 2HFY25 onwards, the UK business is most likely to report breakeven or marginal operating profit.

Valuation and view

- The India business has posted a decent performance, and domestic demand is expected to continue its momentum, while TATA's European operating losses have been reducing. Management guided its UK operations to start reporting positive EBITDA from 3QFY25, turning the overall Europe operation EBITDA positive. This would be mainly due to better volumes and muted input costs.
- TATA has laid out the road map to scale domestic operations further, under the Phase-III expansion and will take the total capacity to 40mt.
- **While there are near term challenges related to high imports and lower realizations, the long term outlook remains strong. We have largely retained our estimates for FY25 and FY26. TATA is trading at 7x FY26E EV/EBITDA and 2.0x FY26E P/B. Reiterate Neutral with an SOTP-based TP of INR180.**

Standalone quarterly performance (INR b)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	vs Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Sales Vol (kt)	4,790	4,820	4,880	5,420	4,940	5,254	5,368	5,608	19,910	21,170	4,934	0
Change (YoY %)	17.7	-1.8	6.3	5.2	3.1	9.0	10.0	3.5	8.4	6.3		
Change (QoQ %)	-7.0	0.6	1.2	11.1	-8.9	6.4	2.2	4.5				
ASP (INR/t)	74,083	70,924	71,069	67,592	66,720	65,825	71,810	78,250	70,812	70,843	68,815	-3
Abs Change (QoQ)	203	-3,159	146	-3,478	-872	-895	5,985	6,440	-7,002	31		
Change (YoY %)	-16.9	0.5	-3.9	-8.5	-9.9	-7.2	1.0	15.8	-9.0	0.0		
Net Sales	355	342	347	366	330	346	385	439	1,410	1,500	340	-3
Change (YoY %)	-2.2	-1.3	2.2	-3.7	-7.1	1.2	11.1	19.8	-1.3	6.4		
Change (QoQ %)	-6.7	-3.7	1.5	5.6	-10.0	4.9	11.5	13.8				
Total Expenditure	288	273	264	286	262	272	300	344	1,112	1,178		
As a % of net sales	81.2	79.9	76.2	78.0	79.4	78.7	77.9	78.3	78.8	78.5		
EBITDA	67	69	82	80	68	74	85	95	298	322	66	2
Change (YoY %)	-32.0	47.2	60.6	-7.0	1.6	7.1	3.4	18.4	5.5	7.9		
Change (QoQ %)	-22.9	3.0	20.1	-2.5	-15.8	8.6	15.9	11.7				
(% of Net Sales)	18.8	20.1	23.8	22.0	20.6	21.3	22.1	21.7	21.2	21.5		
EBITDA(INR/t)	13,924	14,248	16,905	14,846	13,711	14,004	15,890	16,988	14,984	15,205	13,416	2.2
Interest	10	11	11	9	9	11	12	9	42	41		
Depreciation	15	15	15	15	15	17	18	14	60	63		
Other Income	15	8	3	5	4	8	9	11	31	32		
PBT (before EO Inc.)	56	51	60	61	47	54	64	84	228	250		
EO Income(exp)	0	-130	0	-6	-2			2	-136			
PBT (after EO Inc.)	56	-79	60	54	45	54	64	87	92	250		
Current Tax	12	8	17	13	11	13	16	17	50	57		
Current Tax Rate%	21	-10	28	23	24	24	25	20	54	23		
Deferred Tax	-2	-2	-3	1	1	1	1	2	-6	5		
Total Tax	10	6	14	14	11	14	17	20	44	62		
% Tax	18.1	-7.7	22.7	25.2	25.4	26.0	27.2	22.5	47.6	25.0		
Reported PAT	46	-85	47	41	33	40	47	67	48	187	36	-8
Adjusted PAT	46	45	46	47	36	40	47	65	184	187	36	-1
Change (YoY %)	-22.7	100.5	95.8	-3.7	-23.0	-10.5	0.5	38.0	19.3	1.5		
Change (QoQ %)	-5.0	-3.2	3.7	1.1	-24.0	12.4	16.4	38.8				

Source: MOFSL, Company



Estimate changes	↔
TP change	↑
Rating change	↔

CMP: INR644 TP: INR750 (+17%) Buy

Steady performance; expects further growth pickup

Bloomberg	DABUR IN
Equity Shares (m)	1772
M.Cap.(INRb)/(USDb)	1140.5 / 13.6
52-Week Range (INR)	662 / 489
1, 6, 12 Rel. Per (%)	2/1/-14
12M Avg Val (INR M)	1453

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	124.0	135.6	149.1
Sales Gr. (%)	7.5	9.3	9.9
EBITDA	24.0	27.1	30.5
EBITDA mrg. (%)	19.4	20.0	20.5
Adj. PAT	18.8	21.0	23.4
Adj. EPS (INR)	10.6	11.8	13.2
EPS Gr. (%)	9.2	11.8	11.8
BV/Sh.(INR)	55.7	60.3	64.8

Ratios

RoE (%)	19.9	20.4	21.1
RoCE (%)	17.3	18.3	19.5
Payout (%)	63.3	69.3	73.3

Valuation

P/E (x)	60.8	54.4	48.7
P/BV (x)	11.6	10.7	9.9
EV/EBITDA (x)	44.9	39.2	34.6
Div. Yield (%)	1.0	1.3	1.5

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	66.3	66.3	66.2
DII	13.6	12.6	8.9
FII	15.0	15.8	19.4
Others	5.2	5.4	5.5

FII Includes depository receipts

- Dabur’s 1QFY25 performance was largely in line with our estimates. Consolidated revenue increased 7% YoY (in line), while constant currency (cc) growth was 10%. India volume grew by 5% YoY, with most categories seeing a pickup in QoQ growth, except the beverage portfolio (affected by heatwaves). International business grew 18% YoY in cc.
- GM improved 120bp YoY to 47.8% (in line). Conversely, high A&P spending (up 15% YoY) restricted EBITDA margin expansion at 25bp YoY to 19.6% (est. 19.6%). EBITDA growth was 8% YoY.
- Besides demand improvement, Dabur’s own initiatives for distribution, new launches, and marketing spending will further boost growth. Operating margin also has scope for improvement in the medium term, as it has been hovering around the ~20% band for the last eight to nine years, while peers have enjoyed expansion. **We value Dabur at 55x Jun’26E EPS (earlier 50x) to arrive at our TP of INR750. We reiterate our BUY rating on the stock.**

In-line performance; volume up 5%

- **Dabur reported 7% YoY growth:** Consolidated sales grew 7% (in line) to INR33.5b (est. INR33.7b), up 10% in CC. EBITDA/PBT/adj. PAT each grew by 8% YoY to INR6.6b/INR6.4b/INR5.1b (est. INR6.6b/INR6.5b/INR4.9b). Domestic volume growth (including Badshah) was 5.2%.
- **HPC business sustained healthy growth of 8% YoY:** Oral care clocked 11% growth. Dabur Red and Miswak saw 12%/18% growth. Dabur Red Toothpaste continued to gain market share. Hair Oil, Home Care, Shampoo, and Skin Care posted 3%, 8%, 14%, and 6% YoY growth, respectively.
- **F&B reported slow 4% YoY growth:** Food business delivered 21% growth, while beverages posted muted 3% YoY growth. Beverages were hit by heat waves as consumers preferred other thirst-quenching products. Badshah revenue was up 15% YoY. Healthcare portfolio grew 7%, driven by an 11% increase in digestives. Health supplements rose 8% YoY. Dabur Glucose surged over 30% due to a harsh summer (gained 70bp market share).
- **Improvement in margin:** Gross margin expanded 120bp YoY to 47.8% (est. 47.6%). As a percentage of sales, ad spending was up 50bp YoY at 7%, other expenses rose 30bp YoY to 12%, and staff costs grew 15bp YoY to 10%. EBITDA margin expanded by 25bp to 19.6% (est. 19.6%).
- **International business delivered double-digit growth:** In CC terms, international business grew 18.4%. Egypt business grew 63.7%, while Turkey business was up 19% and the MENA markets posted 13% growth. The Sub-Saharan Africa business rose 9.2%.

Highlights from the management commentary

- The FMCG industry has been seeing a gradual pickup in rural markets for the past two quarters.
- Volume growth has been increasing sequentially, with a 5.2% increase in 1Q and no slowdown in volume growth in Jul’24.

- In rural areas, consumption is recovering thanks to decreasing inflation, increasing elasticity of demand, good harvest, normal monsoon, and government initiatives.
- The shampoo segment grew by 14%, driven by the strong performance of the Vatika brand. The hair oil category grew by 3.3%, with coconut oil posting a strong 20% growth. The oral care portfolio recorded a growth of 11.4%, with Dabur Red growing at 12% and Miswak growing by 18%.
- E-commerce and modern trade posted robust double-digit growth and now contribute ~20% to India business.

Valuation and view

- There are no material changes to our FY25/FY26 estimates.
- Unlike other FMCG companies, Dabur has consistently witnessed higher rural growth compared to urban regions. With an improving volume trajectory and no price-cut impact on revenue (unlike peers), we expect revenue growth outperformance to sustain in the near term. operating margin also has scope for improvement in the medium term as it has been hovering around the ~20% band for the last eight to nine years (unlike peers that enjoyed expansion). **We value Dabur at 55x Jun'26E EPS (earlier 50x) to arrive at our TP of INR750. We reiterate our BUY rating on the stock.**

Quarterly Performance (Consolidated)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Domestic FMCG vol. growth (%)	3.0	3.0	4.0	3.0	5.2	6.0	7.0	7.0	3.3	5.5	6.0	
Net sales	31,305	32,038	32,551	28,146	33,491	34,965	35,920	31,251	1,24,040	1,35,627	33,653	-0.5%
YoY change (%)	10.9	7.3	6.7	5.1	7.0	9.1	10.4	11.0	7.5	9.3	7.5	
Gross profit	14,588	15,482	15,823	13,679	16,005	16,958	17,529	15,288	59,571	65,779	16,019	-0.1%
Margin (%)	46.6	48.3	48.6	48.6	47.8	48.5	48.8	48.9	48.0	48.5	47.6	
EBITDA	6,047	6,609	6,678	4,668	6,550	7,482	7,723	5,377	24,002	27,132	6,596	-0.7%
Margins (%)	19.3	20.6	20.5	16.6	19.6	21.4	21.5	17.2	19.4	20.0	19.6	
YoY growth (%)	11.2	10.0	8.1	13.9	8.3	13.2	15.6	15.2	10.5	13.0	9.1	
Depreciation	966	983	969	1,074	1,091	1,085	1,085	1,082	3,992	4,343	1,001	
Interest	243	281	365	352	327	300	200	123	1,242	950	300	
Other income	1,098	1,164	1,274	1,289	1,294	1,350	1,450	1,451	4,824	5,545	1,208	
PBT	5,936	6,508	6,618	4,531	6,427	7,447	7,888	5,622	23,593	27,384	6,503	-1.2%
Tax	1,368	1,443	1,550	1,114	1,481	1,787	1,893	1,274	5,474	6,436	1,561	
Rate (%)	23.0	22.2	23.4	24.6	23.0	24.0	24.0	22.7	23.2	23.5	24.0	
Adjusted PAT	4,721	5,233	5,225	3,578	5,084	5,800	6,135	3,959	18,757	20,978	4,942	2.9%
YoY change (%)	7.2	6.7	7.8	10.8	7.7	10.8	17.4	10.7	9.3	11.8	4.7	
Reported PAT	4,639	5,151	5,142	3,495	5,001	5,718	6,052	3,876	18,427	20,651	4,859	2.9%

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY24				FY25
	1Q	2Q	3Q	4Q	1Q
Realization Gr %	7.9	4.3	2.7	2.1	1.8
2Y average growth %					
Volumes	4.0	2.0	0.5	2.0	4.1
Sales	9.5	6.6	5.1	5.7	8.9
EBITDA	4.9	3.4	2.7	2.1	9.8
PAT	4.0	2.0	1.4	0.5	5.4
% sales					
COGS	53.4	51.7	51.4	51.4	52.2
Other expenditure	27.3	27.7	28.1	32.0	28.2
Depreciation	3.1	3.1	3.0	3.8	3.3
YoY change %					
COGS	9.4	1.5	0.9	-0.3	4.6
Other expenditure	13.8	17.6	18.0	10.3	10.7
Other income	9.2	-5.6	26.3	6.7	17.9
EBIT	16.2	17.6	17.5	12.8	16.3



Prestige Estates Projects

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,755 TP: 2,100 (+20%) Buy

Muted performance on account of lower launches

Pre-sales down 20%+ YoY; net debt inches up

Bloomberg	PEPL IN
Equity Shares (m)	401
M.Cap.(INRb)/(USDb)	703.7 / 8.4
52-Week Range (INR)	2075 / 543
1, 6, 12 Rel. Per (%)	-8/26/175
12M Avg Val (INR M)	1387

- Prestige Estates Projects (PEPL) reported bookings of INR30b, which was down 23% YoY and 36% QoQ (13% below estimate) on account of muted launches and lower inventory.
- PEPL launched 1.9msf vs. 3.1msf in 1QFY24 and 0.8msf in 4QFY24. Further, the company began the quarter with an inventory of INR13b (vs. INR16b at beginning of 4QFY24), indicating just seven months of overhang.
- Sales volume also dipped 25% YoY/30% QoQ to 2.9msf, while realizations were up 4% YoY to INR10,600/sf. In terms of value, contribution from Bengaluru was down to 43% vs. 53% in FY24, as the contributions from Hyderabad and Mumbai scaled up to 32% and 23%, respectively.
- Total collections increased 6% YoY, but they were down 16% QoQ to INR29b, which led to an OCF of INR11.8b. However, higher spending on land/capex (INR23b) led to a rise in net debt by INR12b to INR82b or 0.7x of equity.
- **P&L performance:** Revenue was up 11% YoY to INR18.6b (4% below est.); however, EBITDA jumped 51% YoY to INR8.0b (68% above est.) aided by ~12pp expansion in EBITDA margin to 43%. PAT (post-minority) declined 13% YoY to INR2.3b due to higher interest costs and a lower other income.

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	78.8	104.2	114.3
EBITDA	25.0	27.9	31.8
EBITDA (%)	31.7	26.8	27.8
Adj. PAT	7.1	7.5	9.8
EPS (INR)	19.0	19.9	26.2
EPS Gr. (%)	86.2	42.5	120.3
BV/Sh. (INR)	301.0	319.3	344.0

Ratios

Net D/E	0.6	0.7	0.6
RoE (%)	6.7	6.4	7.9
RoCE (%)	9.3	7.5	8.1
Payout (%)	4.4	8.1	6.1

Valuations

P/E (x)	92.6	88.2	66.8
P/BV (x)	5.8	5.5	5.1
EV/EBITDA (x)	31.7	28.0	24.7
Div Yield (%)	0.1	0.1	0.1

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	65.5	65.5	65.5
DII	14.4	15.0	11.3
FII	16.8	16.1	20.7
Others	3.3	3.5	2.6

A spike in the upcoming pipeline for retail and hospitality segments

- PEPL's upcoming residential pipeline declined by 2msf to 73msf, in line with the launches; however, its project pipeline in Bengaluru was down by 10msf (2msf on account of launches). This was offset by the increase in pipeline in Hyderabad (5msf), NCR (1msf) and Goa (2msf).
- In its commercial segment, the ongoing and upcoming office projects sustained at 23msf and 8msf, respectively. However, the retail portfolio reported a sharp jump, with the upcoming pipeline rising to 11msf from 6msf, as PEPL aims to build new malls in Worli (Mumbai), Hyderabad, and Goa.
- PEPL has also enhanced its hospitality portfolio with the addition of ~1,270 keys in the upcoming portfolio. Once delivered, this will create of total portfolio of ~4,450 keys. PEPL is aiming to monetize this portfolio in the next one year.

Key highlights from the management commentary

- **Demand and guidance:** PEPL had a very minimal inventory to sell as the new launches were hit by regulatory delays, and hence, bookings look muted in 1QFY25. Demand continues to remain strong, and the company has enough pipeline to capitalize on it. Management is confident of meeting the 20-25% growth guidance in bookings and can even exceed it if launches occur on time.
- **Cash flow and QIP:** The funds will be utilized for growth as well as debt repayments. The residential business has INR50b debt due to the land acquisitions in NCR, Mumbai, Bengaluru, and Goa. In the next six quarters, the segment should have surplus cash, as these projects will be launched and the annuity business enjoys a comfortable debt level. PEPL generated an OCF of INR12b and incurred INR8b on capex along with INR15b on BD. The net outflow for the quarter was INR13b and hence, debt rose to INR82b (v/s INR70b in 4QFY25).

- **EBITDA margin:** PEPL usually generates 22-24% EBITDA margin, which would expand to 27-28% due to price hikes. It booked an MTM gain of INR0.9b in Nexus REIT, and a higher proportion of better-margin projects led to a higher margin in 1Q.
- **Office and mall:** The office segment is also doing extremely well, with most of the assets having 90%+ occupancy, except for a few recently completed assets. Additionally, operational retail malls are 95-97% occupied.

Valuation and view

- While the company reported a muted operating performance in 1QFY25, its growth outlook remains intact with a strong launch pipeline. PEPL reiterated its 25-30% growth guidance and believes that it can be surpassed, if the launch pipeline materializes as expected.
- PEPL also reported a sharp jump in leverage, but the INR50b of planned capital raise and intended monetization of the hospitality portfolio will allay concerns on leverage and ensure improvement in balance sheet position over the course of the year.
- We retain our pre-sales and cash flow estimates as we await clarity on launches. As the company progresses with its growth trajectory in both the residential and commercial segments, and unlocks value from its hospitality segment, we believe the stock will further re-rate. **Reiterate BUY** with a TP of INR2,100, indicating a 20% upside potential.

Quarterly performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	(INR m)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1Q	Var.	(%/bp)
Net Sales	16,809	22,364	17,958	21,640	18,621	22,919	26,044	36,593	78,771	1,04,178	19,330	-4	
YoY Change (%)	-13.3	56.6	-22.5	-17.8	10.8	2.5	45.0	69.1	-5.3	32.3	15.0		
Total Expenditure	11,542	16,439	12,443	13,363	10,658	17,215	19,065	29,321	53,787	76,258	14,398		
EBITDA	5,267	5,925	5,515	8,277	7,963	5,704	6,980	7,272	24,984	27,920	4,932	61	
Margins (%)	31.3	26.5	30.7	38.2	42.8	24.9	26.8	19.9	31.7	26.8	25.5		
Depreciation	1,655	1,741	1,797	1,972	1,905	2,000	2,060	2,765	7,165	8,731	2,031		
Interest	2,382	2,639	2,932	4,238	3,461	3,288	3,124	1,840	12,191	11,712	2,978		
Other Income	2,854	1,684	1,747	685	1,624	917	1,042	585	6,970	4,167	773		
PBT before EO expense	4,084	3,229	2,533	2,752	4,221	1,333	2,838	3,252	12,598	11,644	697	506	
Extra-Ord expense	0	8,512	0	0	0	0	0	0	8,512	0	0		
PBT	4,084	11,741	2,533	2,752	4,221	1,333	2,838	3,252	21,110	11,644	697	506	
Tax	863	2,564	723	786	1,023	333	709	845	4,936	2,911	174		
Rate (%)	21.1	21.8	28.5	28.6	24.2	25.0	25.0	26.0	23.4	25.0	25.0		
Minority Interest & Profit/Loss of Asso. Cos.	552	668	647	566	872	280	318	382	2,433	1,047	293		
Reported PAT	2,669	8,509	1,163	1,400	2,326	720	1,810	2,025	13,741	7,686	230		
Adj PAT	2,669	1,856	1,163	1,400	2,326	720	1,810	2,025	13,969	14,699	230	913	
YoY Change (%)	174.0	397.2	-9.0	-69.5	-12.9	-61.2	55.6	44.6	93.6	5.2	-91.4		
Margins (%)	15.9	8.3	6.5	6.5	12.5	3.1	7.0	5.5	17.7	14.1	1.2		
Key metrics													
Sale Volume (msf)	3.8	6.8	5.5	4.1	2.9	5.0	6.0	6.4	20.2	19.3	4	-22	
Sale Value (INRb)	39.1	70.9	53.3	47.1	30.3	50.0	60.0	70.1	210.4	259.8	35	-13	
Collections - PEPL share (INRb)	25	24	29	33	25	24	29	31	110.5	0.0	25	0	
Realization (INR/sft)	10,221	10,369	9,755	11,452	10,593	10,000	10,000	10,989	10,395	13,480	9,500	12	



Phoenix Mills

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR3,607 TP: 3,220 (-11%) Neutral

Healthy performance fueled by the ramp-up of new assets

Revenue/EBITDA in line; marginal beat on PAT due to higher JV income

Bloomberg	PHNX IN
Equity Shares (m)	179
M.Cap.(INRb)/(USDb)	644.7 / 7.7
52-Week Range (INR)	4137 / 1652
1, 6, 12 Rel. Per (%)	-3/38/82
12M Avg Val (INR M)	1349

- Phoenix Mills (PHNX) posted 1QFY25 revenue of INR9b, up 12% YoY (in line). EBITDA stood at INR5.3b, up 8% YoY (in line) as margin contracted 200bp YoY. PAT was flat YoY at INR2.4b (7% above est.), with a margin of ~26%.
- PHNX generated an OCF (post-interest) of INR4.3b (down 5% YoY) and incurred INR6.5b on capex. It also received INR2.7b from JV partners, and hence, the consolidated net debt declined INR1b sequentially to INR20b.

Financials & Valuations (INR b)

Y/E Mar	FY24	FY25E	FY26E
Sales	39.8	40.1	46.7
EBITDA	21.8	23.7	28.9
EBITDA (%)	54.7	59.2	61.9
PAT	11.0	10.9	14.8
EPS (INR)	61.6	60.8	83.0
EPS Gr. (%)	50.6	-1.3	36.5
BV/Sh. (INR)	529.8	587.6	667.6

New malls drive strong consumption and rental growth

Ratios

Net D/E	0.4	0.3	0.1
RoE (%)	12.3	10.9	13.2
RoCE (%)	12.3	11.3	13.5
Payout (%)	4.4	4.9	3.6

Valuations

P/E (x)	58.2	58.9	43.2
P/BV (x)	6.8	6.1	5.4
EV/EBITDA (x)	31.2	28.1	22.5
Div Yield (%)	0.1	0.1	0.1

- Total consumption stood at ~INR32b, up 25% YoY, driven by a healthy ramp-up in new malls at Bengaluru, Pune, and Ahmedabad. Among the mature assets, PMC Mumbai delivered 12% YoY growth aided by upgradation measures implemented in the last few years.
- On an LfL basis (excluding the contribution from new malls), consumption rose 7% YoY. Among the key categories, Jewelry/hypermarkets outperformed with 22%/19% YoY growth, while electronics stood flat. The entertainment and multiplex segment declined 6% YoY in 1QFY25.
- Retail income growth (of 31% YoY) was above consumption growth. The rental income was INR4.9b and EBITDA came in at INR5.2b (up 31% YoY), with a margin of 72% (down 300bp YoY).
- The trading occupancy stood at 90% at Jun'24, while the leased occupancy was 97%. PHNX expects to achieve a trading occupancy of >95% by end-FY25, which will drive 16% growth in retail rental income in FY25.

Shareholding pattern (%)

As on	Jun-24	Mar-24	Jun-23
Promoter (%)	47.3	47.3	47.3
DII (%)	13.3	15.8	19.9
FII (%)	35.4	32.8	28.6
Others (%)	4.0	4.1	4.2

Steady show in hospitality; office rentals to scale-up from FY26E

- Hospitality:** Occupancy improved YoY to 85% for St. Regis (vs. 82% in 1QFY24) but declined to 63% at Marriott Agra (vs. 72% in 1QFY24). St. Regis reported an ARR of INR16,425, flat YoY. Marriott Agra's ARR declined 5% YoY to INR4,166. The total income was down 4% YoY at INR1.2b. EBITDA stood at INR0.5b, flat YoY.
- Commercial performance:** The occupancy in office assets was steady at 71% and rental income rose 20% YoY to INR500m. EBITDA came in at INR320m, up 33% YoY.
- PHNX is expected to deliver 1.6msf of office assets across Bengaluru, Pune, and Chennai over the next 9-12 months. Bengaluru's office asset will become operational in 4QFY25 and can reach 80-90% occupancy in FY26. We expect its office rental income to post a 39% CAGR over FY24-FY27.

Highlights from the management commentary

- LfL consumption growth:** The consumption in mature malls was hit by the elections, infra development in the vicinity, and harsh summer. Management is not seeing any structural reason for the slowdown and is undertaking various asset upgradation initiatives, which would enhance the experience and attract footfalls. The result of such measures is already visible in the improved performance of the Kurla mall.

- **Business development:** All the assets within the current pipeline will be delivered by FY27, and it is currently evaluating opportunities that can support growth beyond FY27. It is at an advanced stage of closing a deal in South India and intends to build a large 1msf project in the first phase of this asset.
- **Status of key upcoming assets:** Thane and Bengaluru lands are under the designing stage, and the development mix is not yet finalized. Management intends to launch the residential project in Kolkata in 1-2 quarters. The excavation is complete for the Surat Mall, and construction is underway, which would take three years to complete.

Valuation and view

- While new malls continue to ramp up very well, PHNX is taking measures to accelerate consumption at mature malls. These initiatives, along with a further increase in the trading occupancy, will help in sustaining healthy traction in consumption. However, in the absence of completion of any major new mall, we expect the growth to decelerate in FY26-27.
- That said, we remain confident in the long-term consumption growth trend, which can sustain at least ~7-8%. We value the mature malls at 20x EV/EBITDA and the new malls at 25x EV/EBITDA. **Reiterate Neutral with a TP of INR3,220.**

Financial Performance

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var. %
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Gross Sales	8,106	8,750	9,861	13,059	9,041	9,213	10,415	11,388	39,777	40,057	9,145	-1%
YoY Change (%)	41.1	34.4	44.2	79.1	11.5	5.3	5.6	-12.8	50.8	0.7	12.8	
Total Expenditure	3,183	3,691	4,343	6,792	3,731	3,731	4,254	4,645	18,009	16,362	3,964	
EBITDA	4,923	5,060	5,518	6,267	5,310	5,482	6,161	6,742	21,768	23,695	5,181	2%
Margins (%)	60.7	57.8	56.0	48.0	58.7	59.5	59.2	59.2	54.7	59.2	56.7	208bps
Depreciation	630	659	656	757	775	849	960	1,108	2,702	3,692	886	
Interest	957	965	1,042	995	1,031	980	970	642	3,959	3,622	946	
Other Income	290	316	343	372	383	296	335	275	1,322	1,289	309	
PBT before EO expense	3,627	3,752	4,163	4,886	3,887	3,949	4,566	5,267	16,429	17,669	3,659	
Extra-Ord expense	0	0	0	0	-5	0	0	0	0	0	0	
PBT	3,627	3,752	4,163	4,886	3,882	3,949	4,566	5,267	16,429	17,669	3,659	6%
Tax	730	714	724	998	747	992	1,147	1,552	3,166	4,439	919	
Rate (%)	20.1	19.0	17.4	20.4	19.2	25.1	25.1	29.5	19.3	25.1	25.1	
MI & P/L of Asso. Cos.	492	512	646	621	809	547	618	404	2,270	2,378	571	42%
Reported PAT	2,405	2,526	2,793	3,267	2,326	2,410	2,801	3,311	10,993	10,853	2,169	7%
Adj PAT	2,405	2,526	2,793	3,267	2,331	2,410	2,801	3,311	10,993	10,853	2,169	7%
YoY Change (%)	48.5	35.9	58.3	58.9	-3.1	-4.6	0.3	1.3	1,880.3	1,987.6	-9.8	
Margins (%)	29.7	28.9	28.3	25.0	25.8	26.2	26.9	29.1	27.6	27.1	23.7	

Source: Company, MOFSL



Kalyan Jewellers

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR565 TP: INR650 (+15%) Buy

Outperforming peers; growth trend to sustain

Bloomberg	KALYANKJ IN
Equity Shares (m)	1031
M.Cap.(INRb)/(USDb)	582 / 7
52-Week Range (INR)	634 / 163
1, 6, 12 Rel. Per (%)	10/54/201
12M Avg Val (INR M)	1181

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	185.5	246.7	315.3
EBITDA	13.1	16.6	20.6
Margins (%)	7.1	6.7	6.5
Adj. PAT	6.0	8.7	11.6
Adj. EPS (INR)	5.8	8.4	11.3
EPS Growth (%)	29.9	45.4	34.1
BV/Sh.(INR)	40.7	46.9	55.0

Ratios

RoE (%)	15.3	19.3	22.2
RoCE (%)	11.6	13.7	15.5

Valuations

P/E (x)	97.4	67.0	50.0
P/BV (x)	13.9	12.0	10.3
EV/Sales (x)	3.1	2.4	1.8
EV/EBITDA(x)	44.4	35.0	28.0

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	60.6	60.6	60.6
DII	11.8	11.0	5.2
FII	21.2	21.1	27.1
Others	6.5	7.3	7.2

FII Includes depository receipts

- Kalyan’s consolidated revenue grew 27% YoY to INR55.3b (in line) in 1QFY25. India business posted 29% YoY revenue growth, driven by store additions and 12% same-store sales growth (SSSG). Despite higher gold inflation impacting many jewelry brands and leading to weaker growth metrics, Kalyan delivered strong SSSG. This success was supported by a continued focus on new customer acquisition (35% share of new customers in 1Q) and improvement in studded jewelry share (to 30% from 29% in 1QFY24).
- India gross margin contracted by 90bp YoY and 20bp QoQ to 14.1%, due to higher contributions from franchised stores; this trend is expected to continue. EBITDA margin decreased to 6.7%, hit by a 20% rise in A&P expenses in new markets and a 34% rise in other expenditures.
- The company added 24 stores (13 Kalyan and 11 Candere), taking the total count to 241 stores in India. It plans to open 35 Kalyan and 20 Candere stores before Diwali to capitalize on the festival season this year.
- Kalyan has delivered stellar returns (35%) since our initiation in Jun’24 ([Jewelry Thematic Report](#)), in which we highlighted that the successful scale-up in its new franchise businesses and stable success in non-southern markets would help the company evolve as a leading brand in the industry. With industry-leading growth, we expect rich valuations will sustain. We reiterate BUY rating with a TP of INR650 (based on 55x Jun’26 P/E).

Growth metrics remain strong; India PAT up 29%

- **Healthy revenue growth with double-digit SSSG:** Consolidated revenue grew 27% YoY to INR55.3b (in line). India/ME revenue 29%/18% YoY. SSSG stood at 12% YoY, significantly ahead vs. peers. South region SSSG was 13%, while non-south SSSG was 11%. Non-south markets saw promising growth, with their revenue share rising from 44% to 49% YoY.
- **Studded ratio further improved:** The studded jewelry segment displayed notable growth, with its share rising from 30.4% to 29.1% YoY 4QFY24, particularly when industry demand was sluggish and studded growth was slower than gold jewelry growth (as per Titan).
- **Contraction in margin:** Consolidated gross margin contracted 75bp YoY/ 25bp QoQ to 14.3%. (est. 13.7%). As a percentage of sales, lower staff costs (down 15bp YoY) and A&P spending (down 15bp YoY) limited EBITDA margin contraction at 60bp to 6.8% (est. 6.7%). However, other expenses rose 10bpYoY. Operating margin is expected to contract as Kalyan has moved from company-owned to franchise-led store expansion.
- **Strong operating performance:** EBITDA/PBT/adj. PAT grew 16%/26%/23% YoY to INR3.8b/INR2.4b/INR1.8b (est. INR3.7b/INR2.5b/ INR1.9b). India revenue/EBITDA/PAT rose 29%/17%/28% YoY.

- **Rapid store expansion:** The company opened 24 stores in India (13 Kalyan and 11 Candere), taking the total count to 277. The store count remains unchanged in the Middle East at 36. It is on track to open 35 Kalyan and 20 Candere showrooms and one US showroom before Diwali. The aggregate retail space for showrooms in India is 729,000 sqft, and it is 44,000 sqft in the Middle East. My Kalyan Grassroots stores reached 1,011 in 1QFY25, contributing ~15% to revenue from operations in India and over 33% to enrolment in advance purchase schemes in India.

Key takeaways from the management commentary

- Despite ongoing gold price volatility and general elections across the country, demand was healthy in Q1FY25. The company has also witnessed strong demand in Jul'24 after the recent reduction in customs duty.
- India SSSG is expected to be strong in 2Q compared to 1Q (12%). Customer additions continue to stay healthy; share of new customers was over 35% in 1QFY25.
- The studded share improved and reached 30% vs. 29% in 1QFY24.
- In India, the company opened 13 Kalyan showrooms and reached 217 stores in 1Q. In Jul'24, it opened 5 Kalyan showrooms. Eleven new Candere showrooms were opened in 1Q and 2 in Jul'24. It plans to open 50 Candere stores in FY25. It is on track to open 35 Kalyan and 20 Candere showrooms before Diwali.

Valuation and view

- We maintain our FY25 and FY26 EPS estimates.
- Kalyan is one of the largest jewelry retail chains in India, with a strong network of over 217 Kalyan stores across the country. At first, Kalyan focused more on company-owned stores to establish its brand name, even in new markets. After achieving success, Kalyan has implemented the franchise model since 2023 and expanded to 76 stores by FY24.
- The company is further leveraging its brand by extensively expanding across Indian markets, with 80 new stores to be opened in FY25 through the franchise route. The asset-light expansion will generate the necessary cash flows to repay its debt in India (~INR6.0b) over the next two years. The studded ratio of 28% in FY24 was best-in-class and reflected the company's understanding of evolving consumer trends, such as youth-led and non-traditional preferences. The Middle East business (INR26b; 36 stores) was steady in FY24.
- Kalyan aims to reduce its overall debt levels by ~INR7.0b over the next two years. We estimate a CAGR of 30%/25%/40% in revenue/EBITDA/PAT over FY24-26.
- **With industry-leading growth, we expect rich valuations to sustain. We reiterate BUY with a TP of INR650 (based on 55x Jun'26 P/E, earlier 50x).**

Consolidated Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Stores	192	206	228	253	277	282	311	378	253	378	277	
Net Sales	43,757	44,145	52,231	45,349	55,355	58,051	70,250	63,015	1,85,483	2,46,671	55,791	-0.8%
Change (%)	31.3	27.1	34.5	34.1	26.5	31.5	34.5	39.0	31.8	33.0	27.5	
Raw Material/PM	37,153	37,840	44,616	38,737	47,419	50,330	60,696	54,492	1,58,346	2,12,938	48,147	
Gross Profit	6,604	6,306	7,615	6,612	7,935	7,721	9,554	8,523	27,137	33,733	7,643	3.8%
Gross Margin (%)	15.1	14.3	14.6	14.6	14.3	13.3	13.6	13.5	14.6	13.7	13.7	
Operating Expenses	3,375	3,169	3,916	3,550	4,175	3,849	4,738	4,372	14,010	17,134	3,889	
% of Sales	7.7	7.2	7.5	7.8	7.5	6.6	6.7	6.9	7.6	6.9	7.0	
EBITDA	3,229	3,137	3,698	3,062	3,760	3,872	4,816	4,151	13,127	16,600	3,754	0.2%
Margin (%)	7.4	7.1	7.1	6.8	6.8	6.7	6.9	6.6	7.1	6.7	6.7	
Change (%)	22.2	17.9	13.1	19.3	16.4	23.4	30.2	35.6	17.8	26.5	16.2	
Interest	821	817	817	778	852	817	800	728	3,232	3,197	804	
Depreciation	641	669	697	736	755	790	823	813	2,743	3,180	782	
Other Income	116	131	201	288	222	330	380	394	737	1,326	314	
PBT	1,885	1,781	2,386	1,837	2,375	2,595	3,573	3,005	7,888	11,548	2,483	-4.3%
Tax	449	433	582	462	599	644	886	735	1,925	2,864	616	
Effective Tax Rate (%)	23.8	24.3	24.4	25.1	25.2	24.8	24.8	24.5	24.4	24.8	24.8	
Adjusted PAT	1,439	1,352	1,806	1,376	1,776	1,951	2,687	2,270	5,973	8,684	1,867	-4.9%
Change (%)	33.3	27.1	21.5	96.3	23.4	44.3	48.8	65.0	28.1	45.4	29.8	

E: MOFSL Estimates

Key Performance Indicators

Particulars (INR b)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25
Kalyan (India)									
Revenue	27	28	32	28	36	38	45	39	47
YoY growth (%)	113	13	12	17	34	32	40	38	29
SSSG (%)	N/A	N/A	N/A	N/A	15	10	11	17	12
Stores	127	132	137	149	161	175	201	217	241
Store addition		5	5	12	12	14	26	16	24
Kalyan Stores	127	131	136	147	159	172	194	204	217
Addition		4	5	11	12	13	22	10	13
-Candere	0	1	1	2	2	3	7	13	24
Stud ratio (%)	24	26	27	28	29	29	27	29	30
Gross profits	4	4	5	4	5	5	7	6	7
GM (%)	15.5	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1
EBITDA	2.2	2.2	2.8	2.2	2.7	2.7	3.2	2.6	3.1
EBITDA Growth		10.8	9.0	15.5	23.4	20.2	14.8	21.0	17.1
EBITDA margin (%)	8.0	7.8	8.6	7.7	7.4	7.1	7.0	6.8	6.7
South share (%)	65	67	57	56	56	54	46	51	51
Non-South share (%)	34.7	33.3	42.8	43.9	44.1	45.6	54.0	49.2	48.7
PAT	1.0	1.0	1.3	1.0	1.3	1.3	1.7	1.3	1.7
PAT Growth		39.9	12.4	41.0	35.1	31.9	26.4	32.1	28.1
PAT margin (%)	3.5	3.3	4.1	3.5	3.5	3.3	3.7	3.4	3.5
Revenue/ Store (INR m)	214	215	235	188	226	215	224	179	195
EBITDA/ Store (INR m)	17	17	20	15	17	15	16	12	13



Aditya Birla Capital

Bloomberg	ABCAP IN
Equity Shares (m)	2600
M.Cap.(INRb)/(USDb)	572.7 / 6.8
52-Week Range (INR)	247 / 155
1, 6, 12 Rel. Per (%)	-12/17/-15
12M Avg Val (INR M)	1297

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
PBT Break-up			
NBFC	29.9	38.9	49.1
Housing	3.8	4.3	5.2
AMC	10.1	12.2	13.8
Life Insurance	2.0	2.2	2.5
Other businesses	1.4	2.5	2.6
Consol PBT	39.7	54.0	69.2
Consol PAT Post MI	26.3	34.4	44.5
Growth (%)	-	3.0	29.5
RoE (%)	11.2	12.1	13.9
Con PE	21.7	16.6	12.8
Cons. PBV	2.1	1.9	1.7

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	68.9	69.0	69.1
DII	8.1	7.5	7.8
FII	11.0	11.8	11.3
Others	12.0	11.7	11.8

FII Includes depository receipts

CMP: INR220

TP: INR270 (+23%)

Buy

Continued calibration in the P&C book; asset quality stable

Consolidated PAT growth at ~15% YoY in 1QFY25

- Aditya Birla Capital (ABCAP)'s 1QFY25 consolidated revenue grew 26% YoY to ~INR102b, and consolidated PAT rose 15% YoY to ~INR7.5b. The company added ~31 branches in 1QFY25 for a total branch count of 1,505.

NBFC: AUM growth healthy; asset quality continues to improve

- The NBFC loan book grew ~25% YoY to ~INR1.07t. ABCAP's 1QFY25 disbursements grew only ~2% YoY to ~INR134b. Loans to the Retail, SME, and HNI customers constituted 66% of the total loan portfolio for 1Q.
- Asset quality continued to improve, with GS2 + GS3 assets declining ~5bp QoQ to ~4.45%. ABCAP calibrated growth in the small-ticket unsecured loans, where the risk-weights had gone up and the RBI had also expressed concerns. AUM of both the Personal and Consumer (P&C) segment as well as the unsecured business segment declined sequentially.
- Calibration in the unsecured loans also led to a moderation in yields, which resulted in a ~30bp QoQ NIM compression. Management guided NIM to remain around the current levels of ~6.9% for the next few quarters.
- However, management continues to be bullish on the P&C segment, where the focus will be on acquiring customers directly rather than through the digital partnerships.

Housing Finance: Strong AUM growth; asset quality continues to improve

- ABCAP reported a broad-based growth in 1QFY25 across customer segments, with ~89% YoY growth in disbursements to ~INR30.7b. The loan book grew ~41% YoY to ~INR204b.
- NIM contracted ~15bp QoQ /90bp YoY to ~4.25%. The RoA/RoE stood at 1.4%/11% in 1QFY25.
- Asset quality improved, with GS2 + GS3 assets declining ~25bp QoQ to ~2.65%.

Asset Management: Healthy SIP inflows; QAAUM grows ~19% YoY

- The Quarterly Average AUM (QAAUM) rose 19% YoY to ~INR3.52t in 1QFY25 on the back of an uptick in equity performance. Individual monthly average AUM grew 24% YoY to INR1.86t in Jun'24.
- The domestic equity mix stood at ~46% (PQ: ~45.8%). The monthly SIP inflows increased 39% YoY to ~INR13.7b in Jun'24.

Life Insurance: VNB margin guidance at 18-20%; stable 13th month persistency

- Individual FYP grew 19% YoY to ~INR6.4b in 1QFY25, while renewal premium grew 17% YoY to INR16.8b in 1QFY25.
- The net VNB margin was 6.5% in 1QFY25. The company guided for a net VNB margin of ~18%-20% in FY25. 13M persistency was stable at ~88% in Jun'24.
- Axis Bank has commenced sourcing in the month of Jul'24. As the other Banca relationships, like the one with IDFC First Bank, ramps up, ABCAP expects stronger growth from the Banca channels.

Health Insurance: Market share among SAHIs improves

- GWP in the health insurance segment grew 35% YoY to ~INR10.4b, with Retail contributing 51% to total GWP. Health insurance continued to build scale, with focus on expenses. The combined ratio improved to 112% (1QFY24: 118%).
- Market share among standalone health insurers (SAHIs) rose from 11.6% in the previous year to 12.5% in Jun'24.

Highlights from the management commentary

- Management continued to guide ~35% AUM CAGR. The RoA in the NBFC business to improve to ~3% over the next 2-3 years. It will be looking to grow both P&C as well as the unsecured businesses.
- The company has built a direct sourcing channel for open market acquisitions and the ABCD app will help it grow its personal and consumer (P&C) business.

Valuation and View

- ABCAP continued to exhibit an improvement in operational metrics in 1QFY25. The remaining quarters of FY25 will see an uptick in growth, lower credit costs, and better return ratios.
- We expect a consolidated PAT CAGR of ~31% over FY24-26E. The thrust on cross-selling, investments in digital, and leveraging 'One ABC' will lead to healthy return ratios, even as we build in a consolidated RoE of ~14% in FY26.

Reiterate BUY with a revised SoTP (Mar'26E)-based TP of INR270.

ABCAP: SOTP – Mar'26E

	Stake	Value (INR B)	Value (USD B)	INR per share	% To Total	Rationale
NBFC	100	368	4.4	142	53	1.7x PBV
HFC	100	44	0.5	17	6	1.5x PBV
AMC	50	124	1.5	48	18	24x Earnings
LI	51	123	1.5	47	18	1.5x EV
Health Ins	46	35	0.4	13	5	1.3x GWP
Others		5	0.1	2	1	
Target Value		700	8.4	270	100	

Quarterly Performance

(INR M)

Y/E March	FY24				FY25E	FY24	FY25E
	1Q	2Q	3Q	4Q	1Q		
ABFSL - NBFC arm							
Net Income	14,337	15,200	16,488	16,926	17,089	62,951	65,703
Opex	4,370	4,370	5,320	5,500	5,080	19,560	20,270
Cost to Income Ratio (%)	30.5	28.7	32.3	32.5	29.7	31.1	30.9
Operating Profits	9,967	10,830	11,168	11,426	12,009	43,391	45,433
Provisions	3,060	3,470	3,500	3,490	3,680	13,520	14,140
Profit Before Tax	6,907	7,360	7,668	7,936	8,329	29,871	31,293
Change YoY (%)	50.6	50.9	42.1	31.4	20.6	42.9	4.8
Consolidated Earnings							
Cons PBT Before JV Interest	10,258	11,141	11,366	18,234	12,437	51,000	53,179
Growth YoY %	45.8	31.8	33.6	93.5	21.2	52.6	4.3
Lending	7,752	8,330	8,669	8,885	9,177	33,635	35,061
NBFC	6,907	7,360	7,668	7,936	8,329	29,871	31,293
HFC	845	969	1,002	949	848	3,765	3,767
AMC	2,403	2,368	2,635	2,676	3,045	10,082	10,724
Life Insurance	200	424	521	831	215	1,976	1,991
Health Insurance	-625	-795	-1,313	863	-540	-1,870	-1,785
Others*	528	815	854	4,980	540	7,177	7,189
Taxes	2,460	2,840	2,890	2,710	2,930	10,900	11,370
Tax rate %	24.0	25.5	25.4	14.9	23.6	21.4	21.4
Profit After Tax	6,660	7,250	7,600	8,550	7,650	30,060	31,050
MI and Others	170	200	250	430	200	1,050	1,080
PAT	6,490	7,050	7,350	8,120	7,450	29,010	29,970
Growth YoY %	50.9	44.5	38.7	33.3	14.8	57.5	3.3
Details on lending business							
Loans (INR B)	1004	1090	1151	1241	1277		
Change YoY (%)	43.7	40.7	33.9	31.5	27.2		
NBFC	859	935	986	1056	1073		
Change YoY (%)	48.5	43.9	35.1	31.1	24.9		
HFC	145	154	165	184	204		
Change YoY (%)	20.4	24.0	27.3	33.4	40.6		
Net Interest Margins							
NBFC	6.98	6.87	6.88	6.86	6.56		
HFC	5.11	4.88	4.63	4.39	4.24		
GNPA %							
NBFC	2.80	2.64	2.59	2.50	2.51		
HFC	2.67	2.63	2.18	1.82	1.60		
Details on Other business							
AMC Business							
QAAUM (INR B)	3,084	3,235	3,247	3,458	3,676		
Change YoY (%)	5.4	10.1	10.8	20.8	19.2		
Life Ins - 13th Mt persistency	88.0	87.0	87.0	88.0	88.0		



Escorts Kubota

Estimate changes	↓
TP change	↔
Rating change	↔

CMP: INR4,150 TP: INR3,725 (-10%) Neutral

Bloomberg	ESCORTS IN
Equity Shares (m)	110
M.Cap.(INRb)/(USDb)	458.6 / 5.5
52-Week Range (INR)	4410 / 2470
1, 6, 12 Rel. Per (%)	-3/29/35
12M Avg Val (INR M)	1171

Financials & Valuations (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	88.5	95.3	112.1
EBITDA	11.7	13.0	16.1
EBITDA Margin (%)	11.3	11.8	12.7
Adj. PAT	10.5	11.9	15.2
EPS (INR)	94.9	97.2	124.1
EPS Gr. (%)	85.0	2.3	27.7
BV/Sh. (INR)	830	828	930

Ratios

RoE (%)	12.1	12.3	14.1
RoCE (%)	16.1	16.4	18.8
Payout (%)	19.0	19.6	17.7

Valuations

P/E (x)	43.7	42.7	33.4
P/BV (x)	5.0	5.0	4.5
EV/EBITDA (x)	42.3	37.8	30.6
Div. Yield (%)	0.4	0.5	0.5
FCF yield (%)	1.9	2.6	2.3

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	67.7	67.7	67.7
DII	10.4	9.8	9.9
FII	8.1	7.7	7.6
Others	13.8	14.9	14.9

FII Includes depository receipts

Stable operating performance

Tractor industry's growth guidance maintained

- Escorts Kubota (ESCORTS)'s 1QFY25 result was largely in line with our estimate. While the Agri and Railway segment margins were slightly down YoY, the Construction Equipment segment posted healthy margin expansion in 1QFY25.
- We cut our FY25E EPS by 5% to factor in lower monthly tractor volumes, while maintaining our FY26E EPS. However, we believe the current valuation of ~43x/33x FY25/26E EPS already reflects the synergy benefits arising due to the partnership with Kubota. **We reiterate our Neutral rating on the stock with a TP of INR3,725, based on ~28x Jun'26E EPS.**

Margins in line

- ESCORTS's 1QFY25 standalone revenue declined 1.5% YoY to INR22.9b (est. INR23.8b). EBITDA remained flat YoY at INR3.3b (est. INR3.5b). Adj. PAT grew 2% YoY to INR2.9b (est. INR3.0b).
- Gross margin improved ~170bp YoY/flat QoQ to 31.9% (est. 31.7%) due to stable commodity costs. This was offset by slightly higher other operating expenses, resulting in flattish EBITDA YoY at INR3.3b (est. INR3.5b). EBITDA margin expanded ~30bp YoY to 14.3% (+150bp QoQ vs. est. 14.5%) during the quarter.
- Adj. PAT grew ~2% YoY to INR2.9b (est. INR3b).
- Agri Machinery segment (~73% of revenue):** Revenue from the agri machinery segment inched up 1% YoY to INR16.8b, despite a 3% YoY decline in volumes. It was led by a 4% improvement in realizations. EBIT margin dipped 20bp YoY to 13.2% (est. 13.5%).
- Railways business (~11% of revenue):** Revenue declined ~18% YoY to INR2.45b. EBIT margin contracted 40bp YoY over a high base to 20.5%.
- Construction Equipment business (~16% of revenue):** Revenue grew 3% YoY to INR3.7b. EBIT margin expanded ~280bp YoY to 10.4%. Better realizations aided margin expansion for 1QFY25.

Highlights from the management commentary

- Domestic tractor demand outlook:** Management reiterated its guidance of mid-single digit growth (5-6%) in FY25E. There is a positive rural sentiment with Kharif sowing up 7% YoY. The govt. has also increased the MSP of Kharif crops, which is expected to drive positive rural sentiment.
- Outlook on input costs:** There was no input cost pressure in 1Q, but costs have started rising in 2Q, mainly on the rubber/steel side. There were price hikes taken in May'24 (~0.5-0.6%), which should offset the rise in commodity costs in 2QFY25.

- For the construction equipment segment, demand is expected to improve in the coming quarters, given the government’s continuous focus on infrastructure. Margins are likely to improve from hereon, with a pick-up in demand.
- In the Railway Equipment Division, it is expecting to grow in double digits due to a shift from the LHB rolling stock to Vande Bharat coaches. ESCORTS’s order book stood at INR8.8b.

Valuation and view

- While tractor volumes have remained flat in 1Q, the outlook is promising for the remaining fiscal given: 1) a good progress of monsoon pan-India, 2) an increase in MSP of kharif crops, 3) favorable terms of trade for farmers. We factor in a ~5% volume CAGR for tractors over FY24-26E.
- We cut our FY25E EPS by 5% to factor in lower monthly tractor volumes, while maintaining our FY26E EPS. While there are significant synergies at play between Escorts and Kubota, these are likely to reflect in numbers over the medium to long term. The stock trades at ~43x/33x consol. FY25E/26E EPS, representing a premium to its 10-year average of ~17x, largely driven by the Kubota partnership. **We reiterate our Neutral rating with a TP of INR3,725, based on ~28x Jun’26E EPS.**

Standalone Quarterly Performance

											(INR m)	
Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	23,277	20,462	23,204	20,825	22,925	22,518	25,987	23,895	88,496	95,326	23,839	-3.8
YoY Change (%)	15.5	8.6	2.5	-4.6	-1.5	10.0	12.0	14.7	6.0	7.7	2.4	
Total Expenditure	20,008	17,829	20,077	18,166	19,654	19,546	22,323	20,762	76,829	82,285	20,383	
EBITDA	3,269	2,633	3,127	2,659	3,271	2,972	3,664	3,133	11,667	13,041	3,457	-5.4
Margins (%)	14.0	12.9	13.5	12.8	14.3	13.2	14.1	13.1	13.2	13.7	14.5	-0.2
Depreciation	402	407	415	441	433	445	450	458	1,669	1,786	435	-1.7
Interest	27	24	24	35	16	20	25	30	137	90	26	-10.4
Other Income	945	950	1,035	1,053	1,058	1,100	1,150	1,242	3,986	4,550	1,010	48.3
PBT	3,786	3,152	3,723	3,237	3,881	3,607	4,339	3,887	13,847	15,714	4,006	-3.1
Rate (%)	25.3	25.4	25.5	25.2	25.4	25.2	25.2	25.0	25.4	25.2	25.2	
Adj. PAT	2,828	2,350	2,773	2,421	2,896	2,698	3,246	2,915	10,327	11,754	2,996	-3.4
YoY Change (%)	91.8	64.9	48.7	18.7	2.4	14.8	17.1	20.4	51.8	13.8	5.9	
Margins (%)	12.1	11.5	11.9	11.6	12.6	12.0	12.5	12.2	11.7	12.3	12.6	

E: MOFSL Estimates



Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR824 TP: INR950 (+15%) Buy

Operationally in line; volume improvement continues

Bloomberg	HMN IN
Equity Shares (m)	437
M.Cap.(INRb)/(USDb)	361.8 / 4.3
52-Week Range (INR)	845 / 417
1, 6, 12 Rel. Per (%)	11/50/52
12M Avg Val (INR M)	575

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	35.8	39.1	42.2
Sales Gr. (%)	5.1	9.4	7.9
EBITDA	9.5	10.8	12.0
EBIT Margin (%)	26.5	27.6	28.5
Adj. PAT	7.9	9.2	10.2
Adj. EPS (INR)	18.0	21.0	23.4
EPS Gr. (%)	17.0	16.3	11.7
BV/Sh.(INR)	56.1	64.1	73.4

Ratios

RoE (%)	33.2	34.9	34.1
RoCE (%)	36.0	37.3	36.6
Payout (%)	52.6	52.4	53.3

Valuation

P/E (x)	40.3	34.7	31.0
P/BV (x)	13.0	11.3	9.9
EV/EBITDA (x)	32.8	28.5	25.3
Div. Yield (%)	1.3	1.5	1.7

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	54.8	54.8	54.5
DII	21.6	22.1	26.2
FII	14.0	13.5	11.5
Others	9.5	9.6	7.8

FII Includes depository receipts

- Emami reported 10% YoY sales growth in 1QFY25 (est. 8%). The domestic business grew 10% YoY, led by 9% volume growth. There was a sequential improvement in demand in the rural market.
- Harsh summer translated into strong demand for cooling products. The Navratna & Dermicool products posted robust 27% YoY growth. The healthcare segment reported 11% YoY growth led by new launches and strong traction on digital platform. 7 Oils in One, BoroPlus, and D2C portfolio reported 9%, 4%, and 23% YoY growth. Conversely, the severe summer hurt the pain management range (-7% YoY). Kesh King and male grooming dipped 15% and 5% YoY, respectively.
- The GM trajectory remained strong, with 230bp YoY expansion to 67.7% (est. 66.5%). Due to reinvestment in the business and higher ad spends which rose 21% YoY (up 188bp), EBITDA margin saw limited 90bp YoY expansion to 23.9% (in line). MT grew 25% YoY, and e-commerce rose 29% YoY. Both contributed 22% of revenue. The GT segment also improved.
- With improving rural recovery and Emami’s own initiatives on distribution, new launches, and marketing spends, it is expected to sustain the revenue growth acceleration in FY25. **We reiterate our BUY rating on the stock with a TP of INR950 (premised on 40x P/E on Jun’26 EPS).**

Sustaining growth acceleration; overall, in-line performance

- **Strong domestic sales growth:** Consolidated net sales grew 10% YoY to INR9,061m (est. INR8,914m). Domestic business rose 10% YoY, with volume growth of 8.7% YoY (est. 7%, vs. 6.4% in 4QFY24). Major brands, such as Navratna and Dermicool range, BoroPlus, the Healthcare range, 7 Oils in One, The Man Company, and Brillare, performed well during the quarter.
- **Brand performance:** Navratna/Pain Management/Healthcare/Boroplus/Kesh King/Male Grooming segments were +27%/-7%/+11%/+4%/-15%/-5% YoY in 1QFY25.
- **Margin expansion:** Gross margin expanded 230bp YoY to 67.7%. (est. 66.5%). As a % of sales, ad spending increased 190bp YoY to 20%, while other expenses dipped 50bp YoY to 11%. Employee expenses remained flat at 11%. EBITDA margin expanded 90bp YoY to 23.9% (est. 23.9%).
- **Double-digit growth:** EBITDA grew 14% YoY to INR2,165m (est. INR2,135m). PBT grew 20% YoY to INR1,805m (est. INR1,762m). Absolute ad spending increased 21% YoY to INR1,837m. Reported PAT grew 10% YoY to INR1,506m (est. INR1,563m).
- **Healthy international performance:** International business posted 10% YoY growth and 11% growth in CC terms, driven by double-digit growth in MENA and SAARC regions.

Highlights from the management commentary

- In 1QFY25, demand improved sequentially, with an uptick seen in rural markets. Due to the severe summer, healthy performance was witnessed for the summer products, while sales of non-summer products and out-of-home consumption were hit during the quarter.
- GP margin expanded due to benign raw material prices and price action taken by the company.
- Emami introduced five new digital-first products: Dia-BTS tonic, DiaBTS tablets, Zandu Neelibhringar Hair Oil, Zandu Ashwagandha 66 (KSM-66) and Zandu Shilajit Gold Plus Resin capsules on the Zanducare portal.
- The tax rate was higher in 1QFY25, but will moderate in the subsequent quarters of FY25. Management maintained an effective tax rate guidance of ~10-11% for the next two years.

Valuation and view

- We broadly maintain our FY25/FY26 EPS estimates.
- Emami's core categories are niche, and they have been witnessing slow user addition over the last five years. Although it commands a high market share in core categories, the share gain is no longer a catalyst for volume growth.
- The management has initiated several steps (e.g., team additions, new launches, hiring consultants, marketing spending, etc.) over the last three to four years to revive volume growth; the results have started showing in numbers. We continue to expect volume growth acceleration in FY25, driven by rural pickup, seasonal tailwinds, aggressive marketing spends, and new launches.
- Emami is currently trading at 35x and 31x on FY25E and FY26E EPS. With a likely reduction in the promoters' pledge and consistent earnings growth going forward, we expect a re-rating in valuation. **We reiterate our BUY rating** with a revised TP of INR950, based on 40x Jun'26E EPS (earlier 35x P/E multiple).

Consol. Quarterly performance

Y/E MARCH	(INR m)											
	FY24				FY25E				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Domestic volume growth (%)	3.0	2.0	-1.0	6.4	8.7	7.0	8.0	8.0	2.6	7.9	7.0	
Net Sales	8,257	8,649	9,963	8,912	9,061	9,348	10,978	9,744	35,781	39,132	8,914	1.6%
YoY change (%)	6.8	6.3	1.4	6.6	9.7	8.1	10.2	9.3	5.1	9.4	8.0	
Gross Profit	5,401	6,061	6,851	5,863	6,131	6,590	7,630	6,454	24,176	26,805	5,928	3.4%
Gross margin (%)	65.4	70.1	68.8	65.8	67.7	70.5	69.5	66.2	67.6	68.5	66.5	
EBITDA	1,900	2,337	3,149	2,110	2,165	2,630	3,606	2,389	9,495	10,790	2,135	1.4%
Margins (%)	23.0	27.0	31.6	23.7	23.9	28.1	32.8	24.5	26.5	27.6	23.9	
YoY change	9.6	19.6	7.0	5.6	13.9	12.6	14.5	13.2	10.1	13.6	12.4	
Depreciation	460	461	458	480	444	430	445	469	1,859	1,888	483	
Interest	21	23	27	29	21	25	25	29	100	100	25	
Other Income	83	111	167	107	105	125	150	124	468	503	135	
PBT	1,502	1,964	2,831	1,708	1,805	2,300	3,286	2,014	8,005	9,306	1,762	2.4%
Tax	129	158	155	225	278	207	296	150	667	931	194	
Rate (%)	8.6	8.1	5.5	13.2	15.4	9.0	9.0	7.4	8.3	10.0	11.0	
Adj. PAT	1,413	1,967	2,828	1,669	1,702	2,269	3,162	2,034	7,876	9,160	1,770	-3.8%
YoY change (%)	36.9	12.5	11.0	13.0	20.5	15.3	11.8	21.9	15.7	16.3	25.3	
Reported PAT	1,368	1,800	2,607	1,468	1,506	2,087	2,980	1,849	7,241	8,322	1,563	-3.7%
YoY change (%)	88.1	-0.1	11.9	3.6	10.1	15.9	14.3	26.0	15.4	14.9	14.3	

E: MOFSL Estimates



Five Star Business Finance

Estimate changes

TP change

Rating change

CMP: INR764

TP: INR950 (+24%)

Buy

Strong loan growth with stable asset quality; earnings in line

NIM contracts ~45bp QoQ due to an increase in leverage

- Five Star Business Finance (FIVESTAR)'s 1QFY25 PAT grew 37% YoY to ~INR2.5b (in line). NII grew ~31% YoY to INR4.8b (in line), and PPOp rose ~36% YoY to INR3.55b (in line).
- Other income grew 43% YoY to INR283m, aided by higher gains on fair value changes. Opex grew ~24% YoY to INR1.57b (in line). Credit costs at INR185m translated into annualized credit costs of ~70bp (PY: ~90bp).
- Management shared that the company will be passing on the benefits of its cost of borrowings to its customers through a lending rate cut of ~50-75bp (on incremental disbursements) over the next nine months. These rate cuts will be introduced as early as in Aug'24. This will result in gradual moderation in portfolio yields over the course of this and the next fiscal year.
- The company has developed strengths and capabilities in its business model, which are difficult for peers to replicate. We anticipate that the company will maintain its best-in-class growth and profitability, with a CAGR of ~33%/~26% in AUM/PAT over FY24-FY26E. FIVESTAR is expected to command premium valuations relative to its NBFC/HFC peers due to its ability to deliver strong RoA/RoE of 7.5%/19% by FY26E. **Reiterate BUY with a TP of INR950 (based on 3.7x FY26E BV).**

Spreads stable QoQ; NIM contracts due to an increase in leverage

- Reported yield was flat QoQ at 24.2% and CoB was also stable QoQ at 9.6%. Spreads stood at ~14.6%. NIM declined ~45bp QoQ to ~16.7%.
- Incremental CoB declined ~10bp QoQ to ~9.5%. Incremental CoB will inch up to ~9.60-9.65%, once some ongoing discussions on capital market borrowings (i.e., NCDs from Mutual Funds) materialize.
- On the liability front, ~65% of its borrowings are floating, and ~35% are fixed rate in nature. Within its bank loans, ~70% of the loans are linked to MCLR (most are one-year and six-month MCLR-linked), and ~30% are EBLR-linked (within this, ~75% are linked to Repo). The CoB will gradually benefit from any cut in repo rates in 2HFY25. We model NIM of ~19%/18% in FY25E/FY26E.

Asset quality largely stable; cash component in collections declines

- GS3 and NS3 remained broadly stable QoQ at 1.4% and 0.7%, respectively. The Stage 3 PCR declined ~220bp QoQ to ~52%.
- The current portfolio declined to 86.7% (PQ: 87.4%). Stage 2 rose ~20bp QoQ to ~6.7%. 30+ dpd increased ~25bp QoQ to 8.1% and 1+dpd increased ~70bp QoQ to 13.3%. The cash proportion in collections declined to ~35% (PQ: ~47% and PY: ~58%), because of strong efforts made by the company to reduce cash collections.
- The overall collection efficiency (CE) stood at 98.5% (PQ: 99.5%). Unique loan collections (due one, collect one) stood at 97.2% (PQ: 97.8%).

Bloomberg	FIVESTAR IN
Equity Shares (m)	292
M.Cap.(INRb)/(USDb)	223.6 / 2.7
52-Week Range (INR)	877 / 600
1, 6, 12 Rel. Per (%)	-11/-14/-21
12M Avg Val (INR M)	547

Financials Snapshot (INR b)

Y/E March	FY24	FY25E	FY26E
NII	16.5	21.4	26.5
PPoP	11.7	15.3	18.8
PAT	8.4	10.9	13.2
EPS (INR)	29	37	45
EPS Gr. (%)	38	30	21
BV/Sh. (INR)	178	215	259

Ratios

NIM (%)	19.9	19	18
C/I ratio (%)	32.2	31.4	32.3
Credit costs	0.7	0.7	0.8
RoAA (%)	8.2	8.1	7.5
RoAE (%)	17.5	19.0	19.0
Dividend payout	0.0	2.7	4.4

Valuations

P/E (x)	26.7	20.5	16.9
P/BV (x)	4.3	3.6	2.9
Div. yield (%)	0.0	0.1	0.3

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	26.5	26.5	34.4
DII	6.1	7.0	4.7
FII	57.5	56.1	8.7
Others	10.0	10.5	52.2

FII Includes depository receipts

Disbursement rises ~16% YoY; AUM grows ~36% YoY

- Disbursements grew ~16% YoY (flat QoQ) to ~INR13.2b. Loans grew 36% YoY/7% QoQ to ~INR103.4b.
- RoA/RoE stood at 8.2%/19%. Capital adequacy was healthy at ~48%.

Highlights from the management commentary

- Management guided a disbursement growth of 25-27%, growth in loan accounts of ~20-22%, and a cost-to-income (incl. credit costs) ratio of ~35-36% in FY25.
- Management acknowledged that the disbursement growth will decelerate, being mindful of how the regulator wants lending institutions to approach loan growth.
- The UPI Auto-pay sign-up is mandatory for the customer effective May'24. The company has made it a pre-condition, prior to disbursements.

Valuation and view

- FIVESTAR reported decent business momentum in 1QFY25 despite the impact of elections during the quarter. We expect business momentum to improve in the subsequent quarters as the company remains on track to deliver ~35% AUM growth in FY25. Margin compression is along expected lines, driven by improvement in balance sheet leverage. A minor increase in Stage 2 was due to the seasonality in asset quality in 1QFY25.
- The stock currently trades at 2.9x FY26E P/BV. We believe that FIVESTAR's premium valuations will remain intact, given its niche market position, strong growth potential, superior underwriting practices, resilient asset quality, and high return metrics.
- We estimate FIVESTAR to deliver a ~33% AUM CAGR over FY24-FY26, along with NIM (as a % of average loans) of 19%/18% in FY25/FY26.
- FIVESTAR's asset quality is likely to strengthen, and credit costs are expected to remain benign over FY25-FY26, as the company prioritizes digital collections, thus driving improvement in asset quality. **We reiterate our BUY rating on the stock with a TP of INR950 (premised on 3.7x Mar'26E BVPS).**

FIVESTAR's business: Quarterly Performance

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	1QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Interest Income	4,637	5,041	5,495	5,992	6,411	6,892	7,388	7,890	21,166	28,581	6,370	1
Interest Expenses	962	1,059	1,287	1,377	1,582	1,716	1,866	2,019	4,685	7,183	1,543	3
Net Interest Income	3,676	3,982	4,208	4,615	4,829	5,175	5,522	5,872	16,481	21,398	4,827	0
YoY Growth (%)	35.9	34.3	31.6	33.4	31.4	30.0	31.2	27.2	33.7	29.8	31.3	
Other Income	198	183	205	199	283	213	245	242	785	982	226	25
Total Income	3,874	4,165	4,413	4,814	5,112	5,388	5,767	6,113	17,266	22,380	5,053	1
YoY Growth (%)	41.3	38.4	35.5	33.0	32.0	29.4	30.7	27.0	36.7	29.6	30.4	
Operating Expenses	1,263	1,389	1,412	1,488	1,565	1,685	1,795	1,987	5,553	7,031	1,496	5
Operating Profit	2,611	2,775	3,001	3,326	3,547	3,703	3,972	4,126	11,713	15,349	3,557	0
YoY Growth (%)	40.5	37.9	45.5	43.6	35.9	33.4	32.4	24.1	42.0	31.0	36.2	-1
Provisions & Loan Losses	152	106	102	194	185	167	213	257	554	823	233	-20
Profit before Tax	2,459	2,670	2,899	3,132	3,362	3,536	3,758	3,869	11,160	14,526	3,324	1
Tax Provisions	622	676	731	771	846	895	951	940	2,800	3,631	841	1
Net Profit	1,837	1,994	2,168	2,361	2,516	2,642	2,807	2,930	8,359	10,894	2,483	1
YoY Growth (%)	32	38	44	40	37	32	30	24	38.5	30.3	35.1	
Key Parameters (%)												
Yield on loans	25.6	25.4	25.6	25.8	25.7							
Cost of funds	9.0	9.3	9.7	9.1	9.7							
Spread	16.6	16.2	15.9	16.7	16.0							
NIM	20.3	20.1	19.6	19.9	19.3							
Credit cost	0.9	0.5	0.5	0.8	0.7							
Cost to Income Ratio (%)	32.6	33.4	32.0	30.9	30.6							
Tax Rate (%)	25.3	25.3	25.2	24.6	25.2							
Performance ratios (%)												
AUM/Branch (INR m)	196.5	181.2	186.1	185.4	189.1							
Balance Sheet Parameters												
AUM (INR B)	75.8	82.6	89.3	96.4	103.4							
Change YoY (%)	43.2	44.2	43.1	39.4	36.4							
Disbursements (INR B)	11.3	12.0	12.1	13.4	13.2							
Change YoY (%)	99.1	50.0	32.8	20.4	16.5							
Borrowings (INR B)	43.2	48.2	57.9	63.2	67.2							
Change YoY (%)	71.3	91.0	82.2	48.7	55.8							
Borrowings/Loans (%)	56.9	58.3	64.8	65.5	65.0							
Debt/Equity (x)	1.0	1.0	1.2	1.2	1.1							
Asset Quality (%)												
GS 3 (INR M)	1,072	1,118	1,251	1,328	1,454							
G3 %	1.4	1.4	1.4	1.4	1.4							
NS 3 (INR M)	598	557	572	607	697							
NS3 %	0.8	0.7	0.7	0.6	0.7							
PCR (%)	44.2	50.2	54.3	54.3	52.1							
ECL (%)	1.6	1.6	1.6	1.6	1.6							
Return Ratios - YTD (%)												
ROA (Rep)	8.4	8.5	8.3	8.4	8.2							
ROE (Rep)	16.6	17.1	17.7	18.7	19.0							

E: MOFSL Estimates



Fine Organic Industries

Estimate changes	↔
TP change	↔
Rating change	↔

CMP: INR5,583

TP: INR4,095 (-27%)

Sell

Earnings decline continues; expensive valuations

Bloomberg	FINEORG IN
Equity Shares (m)	31
M.Cap.(INRb)/(USDb)	171.2 / 2
52-Week Range (INR)	5959 / 4005
1, 6, 12 Rel. Per (%)	5/2/-3
12M Avg Val (INR M)	193

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	19.5	21.5	22.5
EBITDA	4.8	4.8	4.7
PAT	3.7	3.7	3.6
EPS (INR)	120.0	119.2	116.9
EPS Gr. (%)	-37.7	-0.7	-1.9
BV/Sh.(INR)	607.1	716.3	823.5

Ratios

Net D:E	-0.5	-0.6	-0.6
RoE (%)	21.8	18.0	15.2
RoCE (%)	21.7	18.1	15.3
Payout (%)	8.3	8.3	8.3

Valuations

P/E (x)	46.6	47.0	47.8
P/BV (x)	9.2	7.8	6.8
EV/EBITDA (x)	33.7	33.3	33.0
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	3.2	1.9	2.1

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	75.0	75.0	75.0
DII	11.1	10.8	12.3
FII	4.9	4.5	3.8
Others	8.9	9.8	9.0

FII Includes depository receipts

- Fine Organic Industries (FINEORG) reported EBITDA in line with our estimate at INR1.2b (down 20% YoY) in 1QFY25. EBITDAM contracted 460bp YoY to 24%, while gross margin contracted 60bp YoY to 42.2%. PAT declined 13% YoY to INR990m (our est. INR941m).

- All plants are currently running at optimal capacity, except Patalganga-II, where there is still some headroom for capacity ramp-up. FINEORG is currently awaiting approval from JNPA to execute the land deed, for which it has already paid the full amount (~30 acres). FINEORG has already incorporated a WOS, Fine Organic Industries (SEZ) Private Limited. This would primarily cater to export markets.

- It would take six months for environment clearance (EC) and another 18-24 months to set up new capacities. Although the greenfield capacity is expected to take care of growth for the next 10 years, we do not expect the growth to start until FY27. Exports account for 55% of the total revenue for FINEORG as of 1QFY25. The Thailand JV has started production trials and is in the process of product standardization.

- The management highlighted that domestic demand remains quite strong, with some uptick seen in the US market, while the European market is still experiencing weakness. Prices of some vegetable oils have risen and the company expects volatility to continue due to the weather impact on the crops. The overall lead time and freight costs are also high due to the container availability issues because of the Red Sea crisis.

- We have not made any changes to our estimate after the in-line performance in 1Q. FINEORG is currently trading at ~48x FY26E EPS and 33x FY26E EV/EBITDA. Valuations are expensive for a company that is going to have a YoY earnings decline for the next two years (-1%/-2% in FY25/FY26). **We maintain our SELL rating on the stock.**

Operating performance in line; PAT marginally above est. due to higher OI and lower Depn.

- Revenue stood at INR5.1b (5% below our est., down 4% YoY). **Gross margin contracted by 60bp YoY to 42.2%, with EBITDAM at 24% (-460bp YoY).**
- EBITDA was INR1.2b (est. INR1.2b, -20% YoY). PAT stood at INR990m (est. INR941m, -13% YoY).

Valuation and view

- The long-term prospects remain robust for FINEORG as the company is in the Oleochemical industry and is primarily driven by R&D innovations over the years. However, we believe that the performance would be hit in the near to medium term due to: 1) longer-than-expected delays in the commissioning of new capacities for further expansion, 2) existing plants running at optimum utilization with no further scope of debottlenecking, and 3) further delays in the commercial supplies starting from the Thailand JV.

■ We estimate a compounded EBITDA/PAT decline of 1% each over FY24-26, with margin in the range of 21-22% during the same period. FINEORG is currently trading at ~48x FY26E EPS and ~33x FY26E EV/EBITDA. Valuations are expensive for a company that is going to have a YoY earnings decline for the next two years (-1%/-2% in FY25/26). **We maintain our SELL rating on the stock.**

Standalone - Quarterly Snapshot

Y/E March	FY24				FY25				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Gross Sales	5,321	4,717	4,258	5,215	5,083	5,258	5,446	5,675	19,511	21,463	5,339	-5%
YoY Change (%)	-29.3	-43.0	-43.2	-25.3	-4.5	11.5	27.9	8.8	-35.6	10.0	0.3	
Gross Margin (%)	42.9%	41.9%	41.8%	43.6%	42.2%	41.2%	40.0%	39.1%	42.6%	40.6%	41.8%	0.4%
EBITDA	1,519	1,044	924	1,322	1,218	1,215	1,208	1,132	4,809	4,772	1,246	-2%
Margin (%)	28.5	22.1	21.7	25.4	24.0	23.1	22.2	20.0	24.6	22.2	23.3	0.6
Depreciation	117	144	147	153	117	159	162	204	561	642	157	
Interest	6	7	5	5	4	6	6	8	23	24	5	
Other Income	145	172	174	226	241	190	194	151	717	776	175	
PBT before EO expense	1,540	1,064	946	1,391	1,338	1,240	1,233	1,071	4,941	4,882	1,258	6%
Extra-Ord expense	0	0	0	6	0	0	0	0	6	0	0	
PBT	1,540	1,064	946	1,385	1,338	1,240	1,233	1,071	4,935	4,882	1,258	6%
Tax	397	270	249	342	348	312	310	259	1,259	1,229	316	
Rate (%)	25.8	25.4	26.4	24.7	26.0	25.1	25.2	24.1	25.5	25.2	25.2	
Reported PAT	1,142	794	697	1,043	990	928	923	812	3,676	3,654	941	5%
Adj PAT	1,142	794	697	1,047	990	928	923	812	3,680	3,654	941	5%
YoY Change (%)	-27.4	-51.6	-46.9	-24.2	-13.3	16.9	32.5	-22.4	-37.7	-0.7	-17.6	
Margin (%)	21.5	16.8	16.4	20.1	19.5	17.7	17.0	14.3	18.9	17.0	17.6	1.8



JK Lakshmi Cement

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR862 TP: INR1,080 (+25%) Buy

Weak realization: a near-term challenge

Announces merger of UCWL and two more subsidiaries into JKLC

Bloomberg	JKLC IN
Equity Shares (m)	118
M.Cap.(INRb)/(USDb)	101.4 / 1.2
52-Week Range (INR)	1000 / 607
1, 6, 12 Rel. Per (%)	-8/-23/12
12M Avg Val (INR M)	254

- JK Lakshmi Cement (JKLC)'s 1QFY25 operating performance was below our estimate due to lower-than-estimated realization and volume, which was partly offset by lower-than-expected opex/t. Consol. EBITDA was INR2.2b (11% miss) and EBITDA/t was INR732 (est. INR802). PAT dipped 10% YoY to INR703m (est. INR1.0b) during the quarter.
- Management highlighted that lower volume and weak realization impacted overall performance. However, the company has implemented various efficiency measures since the last one year, which helped to reduce costs. It is expecting further cost savings of INR50-75/t in the coming years. The merger of UCWL and other wholly owned subsidiaries will drive synergies, simplify corporate structure, and strengthen the balance sheet and cash flows for enabling faster growth.
- We cut our EBITDA/EPS by 10%/18% for FY25E to factor in pricing pressure and 1Q underperformance. We, however, retain our FY26E/FY27E earnings. We value JKLC at 10x Jun'26E EV/EBITDA to arrive at our TP of INR1,080. **Reiterate BUY.**

Financial Snapshot (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	67.4	78.5	91.2
EBITDA	10.6	14.1	16.9
Adj. PAT	4.1	5.4	6.2
EBITDA Margin (%)	15.8	17.9	18.6
Adj. EPS (INR)	34.5	45.9	52.9
EPS Gr. (%)	-12.9	33.3	15.3
BV/Sh. (INR)	299	339	386

Ratios

Net D:E	0.5	0.6	0.7
RoE (%)	12.1	14.4	14.6
RoCE (%)	10.0	12.0	12.2
Payout (%)	16.4	14.0	12.3

Valuations

P/E (x)	25.0	18.8	16.3
P/BV (x)	2.9	2.5	2.2
EV/EBITDA(x)	10.9	8.5	7.8
EV/ton (USD)	78	71	66
Div. Yield (%)	0.7	0.7	0.7
FCF Yield (%)	-1.5	-3.2	-1.9

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	46.3	46.3	46.3
DII	25.4	25.8	28.3
FII	11.3	11.3	11.5
Others	17.0	16.5	13.9

FII Includes depository receipts

Consolidated volume flat YoY, while realization dips 10% YoY

- JKLC 's consolidated revenue/EBITDA/PAT stood at INR15.6b/INR2.2b/ INR703m (down 10%/up 13%/down 10% YoY and down 6%/11%/30% vs. our estimate) in 1QFY25. Sales volume was flat YoY at 3.04mt (-2% vs. our est.). Realization dipped 10% YoY/6% QoQ to INR5,149/t (-4% vs. our est.).
- Opex/t declined 13% YoY (-3% vs. our estimate), led by a decline in variable/ freight/other expenses by 17%/8%/3%. OPM improved 2.9pp YoY at ~14% and EBITDA/t rose 13% YoY to INR732 in 1QFY25.
- Depreciation/finance costs increased 29%/46% YoY. Other income was up 18% YoY. PAT was down 10% YoY at INR703m.

Highlights from the management commentary

- Cement demand growth is now expected at 6-7% in FY25 vs. the earlier estimate of 7-8%. Further, the price declined INR5-7/bag in Jul'24.
- Focus on geo-mix optimization, supply chain efficiency, an increase in AFR and green power led to cost reduction. Green power share stood at ~48%.
- It expects cost savings of INR50-70/t through initiatives in manufacturing cost rationalization and product mix optimization.

Valuation and view

- JKLC's 1QFY25 performance was below our estimates due to higher decline in realizations. However, its cost-efficiency measures, geo-mix optimization, increasing green energy, AFR share, digitization, and automation helped it to reduce overall cost/t. It is expanding its market footprint and aims to raise the grinding capacity to 30mtpa by 2030 from its current capacity of 16.4mtpa.

■ Given the accelerated capex plans, we estimate JKLC’s net debt to mount to INR30b from INR16.4b as of Jun’24. However, its net debt-to-EBITDA ratio is likely to be comfortable at <2.0x by FY27E. The stock trades at 8.5x FY26E EV/EBITDA (consolidated). We value JKLC at 10x Jun’26E EV/EBITDA to arrive at our TP of INR1,080. **We reiterate our BUY rating on the stock.**

Quarterly performance (consolidated)

Y/E March	FY24				FY25				FY24	FY25E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Sales Volumes (mt)	3.04	2.73	2.96	3.26	3.04	2.92	3.26	3.74	11.99	12.95	3.10	(2)
YoY Change (%)	1.2	12.3	7.6	0.9	0.0	6.8	10.1	14.6	5.0	8.0	2.1	
Net Sales	17.3	15.7	17.0	17.8	15.6	14.9	17.1	19.8	67.9	67.4	16.7	(6)
YoY Change (%)	4.6	14.6	9.0	(4.4)	(9.6)	(5.7)	0.3	11.1	5.2	(0.8)	(3.6)	
EBITDA	2.0	2.2	3.0	3.4	2.2	1.8	2.7	4.0	10.5	10.6	2.5	(11)
Margin (%)	11.3	13.8	17.7	18.9	14.2	12.1	15.5	20.1	15.5	15.8	14.9	
Depreciation	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	2.5	2.9	0.7	0
Interest	0.3	0.3	0.4	0.4	0.5	0.5	0.5	0.5	1.5	2.0	0.5	3
Other Income	0.1	0.1	0.2	0.3	0.1	0.2	0.2	0.3	0.7	0.8	0.2	(28)
PBT before EO expense	1.2	1.4	2.1	2.5	1.2	0.8	1.6	3.0	7.2	6.5	1.5	(22)
Extra-Ord. expense	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	
PBT	1.2	1.4	2.2	2.5	1.2	0.8	1.6	3.0	7.3	6.5	1.5	(22)
Tax	0.4	0.5	0.7	0.9	0.5	0.3	0.6	0.9	2.4	2.2	0.5	
Prior period tax adj.	-	-	-	-	-	-	-	-	-	-	-	
Rate (%)	32.7	32.0	32.7	35.1	43.6	34.3	34.3	30.7	33.4	34.3	32.6	
Reported PAT	0.8	1.0	1.5	1.6	0.7	0.5	1.1	2.0	4.9	4.3	1.0	(35)
Minority Interest	0.0	0.0	0.1	0.1	(0.1)	0.1	0.1	0.1	0.2	0.2	-	
Adj. PAT	0.8	0.9	1.4	1.6	0.7	0.4	0.9	2.0	4.7	4.1	1.0	(30)
YoY Change (%)	(29.4)	51.9	80.1	42.7	(10.4)	(54.5)	(31.5)	26.6	29.9	(12.9)	27.5	
Per ton analysis (INR)												
Net realization	5,699	5,763	5,753	5,459	5,149	5,089	5,239	5,296	5,662	5,201	5,379	(4)
RM Cost	1,385	1,255	1,066	1,140	1,269	1,269	1,204	427	1,210	1,010	1,140	11
Employee Expenses	357	382	370	292	334	381	348	317	348	343	341	(2)
Power, Oil, and Fuel	1,508	1,574	1,492	1,273	1,127	1,107	1,167	1,822	1,455	1,333	1,333	(15)
Freight and Handling Outward	1,131	1,094	1,117	1,064	1,038	1,028	1,038	1,065	1,101	1,044	1,074	(3)
Other Expenses	672	663	687	658	650	690	670	600	670	650	688	(6)
Total Expenses	5,053	4,968	4,732	4,428	4,417	4,474	4,426	4,233	4,784	4,379	4,577	(3)
EBITDA	646	795	1,021	1,032	732	615	813	1,064	878	822	802	(9)

Source: Company, MOFSL



Indostar Capital Finance

CMP: INR243

TP: INR290 (+19%)

Buy

Business momentum healthy; earnings down QoQ

Minor seasonal deterioration in asset quality

Indostar Capital Finance (Indostar) reported healthy business momentum in 1QFY25. Key highlights: 1) Disbursements grew ~46% YoY to ~INR16.3b and Retail AUM grew ~34% YoY to ~INR92b; 2) It added 579 employees in 1Q, taking the total count to ~4,578; 3) The CV segment contributed ~87% to the retail disbursement mix; and 4) Minor seasonal deterioration in asset quality with GS3 increasing ~10bp QoQ to ~4.2%.

Financial highlights:

- Indostar reported a PAT of INR249m, down 29% QoQ due to a one-off in other income in 4QFY24. NII grew ~17% YoY to INR1.4b.
- Opex jumped ~21% YoY to INR1.4b. The company is in an expansion phase and will add 80-100 branches in FY25. It is also ramping up manpower, which will keep opex elevated in the near term.
- PPOP grew ~77% YoY to INR 526m. Provisions stood at INR230m, translating into annualized credit costs of ~1% in 1QFY25.
- Total consol. AUM stood at ~INR95.6b, up ~19% YoY and ~9% QoQ. Core AUM (VF + HFC) grew ~54% YoY and 11% QoQ.
- Asset quality deteriorated, with GNPA/NNPA increasing ~10bp/30bp QoQ to 4.2%/2.1%. Generally, 1Q is a dull quarter for CV financiers in terms of loan growth and asset quality. This was further compounded by elections. The company has assured that asset quality will recover after monsoons and will be normal by the end of the year.
- With better visibility on disbursement momentum, we estimate a CAGR of 41%/52% in AUM/PAT CAGR over FY24-26, aided by a healthy improvement in NIM to 6.7%/7.0% in FY25/FY26E. **Reiterate BUY with a TP of INR290 (premised on 1.1x FY26E BVPS).**

Healthy disbursement momentum in vehicle finance

- Disbursements in vehicle finance (VF) remained steady QoQ, which is positive. VF disbursements stood at INR14.1b (PQ: INR14.2b).
- The management shared that it is working on its business model to restart the SME segment, wherein it will offer micro-LAP products with a ticket size of INR300k-700k in Tier 3-4 cities. SME will be an ancillary business for the next two years and yields will be above ~20%.

Key highlights from the management commentary

- Market is likely to remain stable and growth in used CVs will sustain. The company plans to launch ancillary products for the trucking industry.
- Indostar raised ~INR7.3b of borrowings in 1QFY25; some of those came from PSU banks and even long-term WCDL from banks. The company is also looking at raising funds from a public issue of NCDs.
- The management guided for credit costs of ~1.5%-2%.

Bloomberg	INDOSTAR IN
Equity Shares (m)	136
M.Cap.(INRb)/(USDb)	30.1 / 0.4
52-Week Range (INR)	280 / 156
1, 6, 12 Rel. Per (%)	-8/11/15
12M Avg Val (INR m)	35

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	4.6	6.4	8.8
PPP	2.2	3.1	5.2
PAT	1.2	1.7	2.7
EPS (INR)	8.5	12.5	18.5
EPS Gr. (%)	-49	47	48
BV (INR)	238	250	264

Ratios

NIM (%)	6.4	6.7	7.0
C/I ratio (%)	69.3	66.1	57.2
RoA (%)	1.1	1.3	1.7
RoE (%)	3.7	5.1	7.5
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	28.5	19.4	13.1
P/BV (x)	1.0	1.0	0.9
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	73.6	75.0	75.0
DII	1.8	1.8	1.9
FII	2.1	1.5	1.3
Others	22.5	21.7	21.8

FII Includes depository receipts

Valuation and view

- Indostar has strategically prioritized the expansion of its loan book in the used CV and affordable housing finance segments. It anticipates that a reinforced management team, enhanced processes, and a favorable economic climate will serve as catalysts for growth in these segments.
- Corporate and SME segments now contribute only ~9% of the total AUM mix. It has made conservative provisions on stressed loans, and we expect credit costs to remain benign in the near future. The risk-reward is favorable at 0.9x FY26E P/BV. We have a **BUY** rating on the stock with a TP of INR290 (based on 1.1x FY26E BVPS).

Quarterly Performance

Y/E March	FY24				FY25	(INR M)	
	1Q	2Q	3Q	4Q	1Q	FY24	FY25
Interest Income	2,723	2,732	2,855	3,143	3,411	11,453	15,746
Interest Expenses	1,544	1,652	1,724	1,954	2,031	6,873	9,332
Net Interest Income	1,179	1,081	1,131	1,189	1,380	4,580	6,414
YoY Growth (%)	-8.6	-5.6	-11.1	10.6	17.0	-4.2	40.0
Other Income	271	402	214	1,636	533	2,522	2,775
Total Income	1,450	1,482	1,345	2,825	1,913	7,102	9,189
YoY Growth (%)	-12.7	0.1	-8.1	103.5	31.9	18.5	29.4
Operating Expenses	1,153	1,185	1,192	1,392	1,387	4,922	6,070
Operating Profit	297	297	153	1,433	526	2,180	3,119
YoY Growth (%)	-53.6	-17.7	-40.0	97.3	76.8	10.0	43.1
Provisions & Loan Losses	-119	1	-38	1,041	229	884	1,112
Profit before Tax	416	297	191	392	297	1,296	2,007
Tax Provisions	27	49	22	40	48	138	301
Net Profit	389	248	169	353	249	1,158	1,706
YoY Growth (%)	-36	-52	-54	-54	-35.96	-48.5	47.3
Key Operating Parameters (%)							
Yield on loans (Cal)	16.3	16.2	16.7	17.0	16.6		
Cost of funds (Cal)	10.7	11.5	11.2	11.0	10.6		
Spreads (Cal)	5.6	4.7	5.6	6.0	6.0		
NIMs (Cal)	5.9	5.5	5.7	5.7	6.0		
Credit Cost (Cal)	-0.6	0.0	-0.2	5.0	1.0		
Cost to Income Ratio	79.5	79.9	88.7	49.3	72.5		
Tax Rate	6.5	16.6	11.6	10.1	16.1		
Balance Sheet Parameters							
AUM (INR B)	80.6	77.3	80.4	87.6	95.7		
Change YoY (%)	-2.2	-2.3	4.8	12.2	18.6		
AUM Mix (%)							
Vehicle	48.7	56.7	60.3	63.8	66.1		
Housing	21.6	24.5	25.5	25.9	25.0		
SME & Others	14.6	13.7	9.1	5.5	4.7		
Corporate	14.8	4.7	4.7	4.4	3.9		
Disbursements (INR B)	11.2	12.7	13.5	17.7	16.3		
Change YoY (%)	224.4	279.9	157.7	96.8	45.8		
Asset Quality Parameters (%)							
GS 3 (INR B)	4.9	4.7	3.9	0.0	0.0		
Gross Stage 3 (% on Assets)	6.6	6.7	5.3	4.1	4.2		
Net Stage 3 (% on Assets)	3.1	3.3	2.4	1.8	2.1		
PCR (%)	53.6	51.5	56.9	0.0	0.0		

E: MOFSL estimates

Max Healthcare

BSE SENSEX
81,868S&P CNX
25,011

CMP: INR924

Conference Call Details

Date: 2nd Aug 2024

Time: 11:00 am IST

Dial-in details:

Call details: [Link](#)

Financials & Valuations (INR b)

Y/E MARCH	FY24	FY25E	FY26E
Sales	68.2	83.7	100.3
EBITDA	18.7	23.4	28.5
Adj. PAT	13.3	17.4	21.1
EBIT Margin (%)	23.3	23.8	24.6
Cons. Adj. EPS (INR)	13.7	18.0	21.8
EPS Gr. (%)	18.6	30.8	21.3
BV/Sh. (INR)	95.9	113.9	135.7

Ratios

Net D:E	(0.0)	(0.0)	(0.2)
RoE (%)	15.3	17.1	17.5
RoCE (%)	13.5	15.1	15.9
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	61.0	46.6	38.4
EV/EBITDA (x)	43.3	34.6	27.8
EV/Sales (x)	11.9	9.7	7.9
FCF Yield (%)	0.9	(0.2)	2.3

Performance in line with estimate

- For 1QFY25, Max network's revenue (including the Trust business) grew 19% YoY to INR19.3b (our est. INR19.0b).
- EBITDA margin contracted 87bp YoY to 25.6% (our est. 27.1%).
- EBITDA grew 15.2% YoY to INR4.9b (our est. INR5.1b).
- Adjusted PAT grew marginally by 1% YoY to INR3.1b (our est. INR3.5b) due to high interest expenses for 1QFY25 (vs. interest income in 1QFY24), higher depreciation, and tax burden.
- EBITDA per bed (annualized) stood at INR7.5m (+6% YoY and -5% QoQ).

Other highlights:

- For the hospitals business, ARPOB stood at INR77.1K in 1QFY25 (+3% YoY/-1% QoQ). ARPOB growth was driven by:
 - ARPOB in the existing units, which grew (+7% YoY/+3% QoQ) to INR80.1k, while ARPOB at new units was INR45.3k.
 - Growth in Oncology & General Surgery segments along with price revisions from self-pay, insurance, and the institutional segments.
- Occupancy came in at 77% in 1QFY25 (vs. 74% in 1QFY24 and 75% in 4QFY24). The payor mix improved considerably, with the international revenue share declining 60bp YoY to ~8.3%.
 - Moreover, the TPA and Corporate segment's revenue share increased 30bp YoY to 39%.
 - However, the Institutional revenue share declined to 17.9% YoY due to price revisions in the institutional segment
 - Cash segment's revenue share rose 80bp YoY/+100bp QoQ to 34.9%.
- Max Lab's gross revenue was INR410m for 1QFY25 (+24% YoY/+7% QoQ).
- Max@Home's gross revenue was INR490m (+23% YoY, +6.5% QoQ) for 1Q.
- Commenced operations of the 303-bedded super specialty hospital in Dwarka (Max Dwarka)
- The company executed an agreement to lease a 250-bed hospital at Zirakpur (Mohali), to be developed by FY28E.

Case mix Snapshot for the quarter

(INRm)	% revenue	1QFY25	1QFY24	YoY growth (%)	4QFY24	QoQ growth (%)
Oncology	25.2	4,022	3,313	21.4	3,569	12.7
Cardiac sciences	10.8	1,724	1,624	6.2	1,918	-10.1
Neuro sciences	9.2	1,468	1,201	22.2	1,413	3.9
Orthopedics	12	1,915	1,531	25.1	1,398	37.0
Renal sciences	9.2	1,468	1,122	30.9	1,323	10.9
Liver and biliary sciences	3.4	543	502	8.2	565	-4.0
Internal medicine	6.7	1,069	845	26.6	1,115	-4.1
OBGY and pediatrics	5.4	862	686	25.6	758	13.6
MAS and general surgery	5.7	910	700	30.0	729	24.9
Pulmonology	3.2	511	449	13.8	729	-29.9
Others	9.2	1,468	1,228	19.6	1,353	8.5
Total IP revenue	100	15,960	13,200	20.9	14,870	7.3

Payor mix Snapshot for the quarter

(INRm)	% revenue	1QFY25	1QFY24	YoY growth (%)	4QFY24	QoQ growth (%)
Self-Pay	42	6,739	5,531	21.8	6,071	11.0
TPA and Corporates	47	7,512	6,261	20.0	7,074	6.2
International	10	1,603	1,444	11.0	1,594	0.5
Institutional	22	3,456	2,984	15.8	3,170	9.0

Consolidated - Quarterly Earning Model

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	% var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Gross Sales	16,220	17,190	16,820	17,910	19,310	20,181	20,100	20,394	68,150	79,985	18,977	1.8
YoY Change (%)	16.7	16.8	14.9	15.6	19.1	17.4	19.5	13.9	16.0	17.4	17.0	
Total Expenditure	11,930	12,350	12,170	12,970	14,370	14,571	14,492	14,317	49,420	57,749	13,835	
EBITDA	4,290	4,840	4,650	4,940	4,940	5,610	5,608	6,078	18,730	22,236	5,143	-3.9
Margins (%)	26.4	28.2	27.6	27.6	25.6	27.8	27.9	29.8	27.5	27.8	27.1	
Depreciation	640	660	700	840	900	990	1,080	1,147	2,840	4,117	940	
Interest	-30	-170	-140	-40	80	-110	-130	-325	-380	-485	-120	
Other Income	70	130	60	90	40	155	130	235	350	560	120	
PBT before EO expense	3,750	4,480	4,150	4,230	4,000	4,885	4,788	5,491	16,620	19,164	4,443	
Extra-Ord expense	190	190	40	250	190	0	0	-190	670	0	0	
PBT	3,560	4,290	4,110	3,980	3,810	4,885	4,788	5,681	15,950	19,164	4,443	
Tax	660	910	730	870	870	918	814	847	3,160	3,449	906	
Rate (%)	18.5	21.2	17.8	21.9	22.8	18.8	17.0	14.9	19.8	18.0	20.4	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	2,900	3,380	3,380	3,110	2,940	3,967	3,974	4,833	12,790	15,714	3,537	
Adj PAT	3,055	3,530	3,413	3,327	3,087	3,967	3,974	4,672	13,324	15,714	3,537	-12.7
YoY Change (%)	28.3	24.5	20.3	4.9	1.0	12.4	16.4	40.4	18.7	17.9	15.8	
Margins (%)	18.8	20.5	20.3	18.6	16.0	19.7	19.8	22.9	19.6	19.6	18.6	

E: MOFSL Estimates

Tube Investments

BSE SENSEX
81,868S&P CNX
25,011

CMP:INR4090

Buy

Conference Call Details



Date: 02nd Aug 2024

Time: 10am IST

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

+91 22 6280 1259

+91 22 7115 8160

Financials & Valuations (INR b)

INR b	FY24	FY25E	FY26E
Sales	168.9	194.9	223.7
EBITDA	19.5	25.1	30.5
Adj. PAT	6.7	12.3	15.4
EPS (INR)	34.4	63.7	79.6
EPS Gr. (%)	-15.1	85.2	24.8
BV/Sh. (INR)	264	323	397
Ratios			
RoE (%)	14.7	21.7	22.1
RoCE (%)	32.8	35.3	37.0
Payout (%)	10.2	7.1	6.8
Valuations			
P/E (x)	119.4	64.5	51.7
P/BV (x)	15.6	12.7	10.4
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	-0.2	1.4	1.9

Operationally in line

Engineering division performance largely in line; metal formed business misses estimates

- 1QFY25 revenue grew ~10% YoY to INR19.6b (est. INR20.3b). All the business divisions reported YoY growth, except the mobility segment, which declined ~3% YoY.
- Gross margin expanded 90bp YoY (50bp QoQ) to 36.8%. As a result, EBITDA rose ~11% YoY to INR2.4b (in line). EBITDA margin expanded ~10bp YoY to 12.2% (est. 11.6%).
- While the operating performance was in line, it was offset by lower other income, resulting in a lower-than-estimated adj. PAT of INR1.55b, up 5% YoY (est. INR1.65b).
- Revenue for engineering/metal formed businesses grew ~11%/5%/39% YoY to INR12.7b/INR3.6b/INR2.5b (est. INR13b/INR4.1b/INR2.1b). Revenue for the mobility division declined ~3% YoY to INR1.8b (est. INR1.9b).
- Mobility business reported a positive PBIT margin of 0.9% (1.1%/-5.7% in 1Q/4QFY24, vs. our est. of -4%), after reporting PBIT losses for the last three quarters.
- Engineering business reported PBIT margin expansion of ~60bp YoY (-10bp QoQ) to 12.4% (est. 12.6%).
- Metal formed division reported PBIT margin contraction of 280bp YoY/100bp QoQ to 10% (est. 11.5%).
- PBIT margin for other businesses expanded 260bp YoY/90bp QoQ to 12.6% (est. 10.5%).
- FCF during 1QFY25 stood at INR420m (vs. INR970m in 1QFY24).
- **Valuation view:** The stock trades at 64.5x/52x FY24E/FY25E EPS.

Quarterly performance (S/A)

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Net Sales	17,801	19,696	18,983	19,624	19,603	21,416	21,457	22,481	76,105	84,957	20,321	-3.5
YoY Change (%)	-9.0	3.3	11.0	18.0	10.1	8.7	13.0	14.6	5.2	11.6	14.2	
EBITDA	2,160	2,514	2,395	2,171	2,400	2,613	2,715	2,698	9,239	10,426	2,349	2.1
Margins (%)	12.1	12.8	12.6	11.1	12.2	12.2	12.7	12.0	12.1	12.3	11.6	70bp
Depreciation	331	346	361	370	386	360	370	300	1,408	1,416	350	
Interest	70	77	74	75	72	42	37	-7	295	144	45	
Other Income	219	358	137	1,451	137	350	400	1,892	2,211	2,778	250	
PBT before EO expense	1,979	2,448	2,096	3,178	2,079	2,561	2,708	4,297	9,747	11,645	2,204	-5.7
Tax	502	634	521	699	534	645	683	1,076	2,359	2,938	555	
Tax Rate (%)	25.4	25.9	24.9	22.0	25.7	25.2	25.2	25.1	24.2	25.2	25.2	50bp
Adj PAT	1,477	1,814	1,575	2,479	1,545	1,915	2,026	3,220	7,391	8,706	1,649	-6.3
YoY Change (%)	10.0	13.2	14.4	-9.2	4.6	5.6	28.6	29.9	3.9	17.8	11.6	

E: MOSL Estimates

Segmental Mix

(INR m)

	FY24				FY25E				FY24	FY25E	FY25E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE		
Mobility business	1,867	1,766	1,473	1,539	1,807	1,801	1,768	1,980	6,645	7,356	1,941	-6.9
Growth (%)	(24.0)	(21.9)	(15.2)	(0.4)	(3.2)	2.0	20.0	28.6	(16.9)	10.7	4.0	
PBIT margin (%)	1.1	(1.7)	(5.6)	(5.7)	0.9	(3.0)	(1.0)	(5.0)	(2.7)	(2.1)	(4.0)	
Contribution (%)	10.5	9.0	7.8	7.8	9.2	8.4	8.2	8.8	8.7	8.7	9.6	
Engineering business	11,416	12,741	12,289	12,759	12,652	13,760	13,764	14,302	49,205	54,478	13,014	-2.8
Growth (%)	(8.2)	6.9	13.7	22.2	10.8	8.0	12.0	12.1	7.9	10.7	14.0	
PBIT margin (%)	11.8	13.3	12.4	12.5	12.4	13.0	13.2	12.3	12.5	12.7	12.6	
Contribution (%)	64.1	64.7	64.7	65.0	64.5	64.3	64.1	63.6	64.7	64.1	64.0	
Metal formed business	3,419	3,996	3,917	3,859	3,576	4,395	4,387	5,111	15,191	17,470	4,103	-12.8
Growth (%)	2.1	7.7	5.7	11.2	4.6	10.0	12.0	32.4	6.7	15.0	20.0	
PBIT margin (%)	12.8	13.4	12.1	11.0	10.0	12.5	13.0	15.0	12.3	12.8	11.5	
Contribution (%)	19.2	20.3	20.6	19.7	18.2	20.5	20.4	22.7	20.0	20.6	20.2	
Other business	1,776	2,068	2,195	2,302	2,469	2,378	2,458	2,132	8,340	9,437	2,131	15.9
Growth (%)	(20.2)	10.1	32.1	20.5	39.1	15.0	12.0	(7.4)	8.6	13.2	20.0	
PBIT margin (%)	9.0	8.4	6.3	7.5	6.1	7.8	8.2	13.7	7.8	8.8	7.4	
Contribution (%)	10.0	10.5	11.6	11.7	12.6	11.1	11.5	9.5	11.0	11.1	10.5	
Total Revenue (post inter segment)	17,801	19,696	18,983	19,624	19,603	21,416	21,457	22,481	76,105	84,957	20,321	
Growth (%)	(9.0)	3.3	11.0	18.0	10.1	8.7	13.0	14.6	5.2	11.6	14.2	

E:MOFSL Estimates

BSE SENSEX
81,868S&P CNX
25,011

CMP: INR5,180

Neutral

Conference Call Details

Date: 2nd August 2024

Time: 11:15am IST

Dial-in details:

[Diamond pass](#)

Financials & Valuations (INR b)

Y/E March	2024	2025E	2026E
Sales	93.2	110.5	129.4
EBITDA	8.0	10.7	13.4
Adj. PAT	5.9	7.6	9.4
Adj. EPS (INR)	52.2	67.1	83.1
EPS Gr. (%)	30.3	28.6	23.9
BV/Sh.(INR)	394.3	447.4	515.5

Ratios

RoE (%)	14.1	15.9	17.3
RoCE (%)	12.6	13.8	14.7

Valuations

P/E (x)	99.2	77.2	62.3
P/BV (x)	13.1	11.6	10.0
EV/EBITDA (x)	73.4	54.7	43.4
Div. Yield (%)	0.2	0.3	0.3

Lackluster quarter; order inflows on a weak footing

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

Thermax

Quarterly Earning Model - Consolidated

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1Q		Var (%)
Net Sales	19,330	23,025	23,244	27,637	21,844	26,589	28,172	33,868	93,235	1,10,474	22,010	-1
YoY Change (%)	16.8	10.9	13.4	19.6	13.0	15.5	21.2	22.5	15.2	18.5	13.9	
Total Expenditure	18,008	20,978	21,369	24,905	20,433	23,986	25,404	30,320	85,261	99,769	19,884	
EBITDA	1,322	2,046	1,874	2,732	1,412	2,603	2,769	3,549	7,974	10,705	2,125	-34
Margins (%)	6.8	8.9	8.1	9.9	6.5	9.8	9.8	10.5	8.6	9.7	9.7	
Depreciation	294	330	358	499	360	395	405	500	1,481	1,660	386	-7
Interest	134	198	266	278	275	301	309	381	876	1,265	294	-7
Other Income	531	659	584	553	841	555	569	367	2,326	2,332	542	55
PBT before EO expense	1,425	2,177	1,834	2,507	1,617	2,462	2,624	3,035	7,943	10,111	1,987	-19
Extra-Ord expense	506	0	-1,261						-755	0		
PBT	919	2,177	3,095	2,507	1,617	2,462	2,624	3,035	8,698	10,111	1,987	-19
Tax	315	589	721	633	519	623	664	863	2,258	2,558	503	
Rate (%)	34.3	27.0	23.3	25.2	32.1	25.3	25.3	28.4	26.0	25.3	25.3	
Minority Interest & Profit/Loss of Asso. Cos.	4	3	3	-2	4	0	0	0	8		0	
Reported PAT	600	1,586	2,371	1,876	1,094	1,839	1,960	2,172	6,432	7,553	1,484	-26
Adj PAT	932	1,586	1,403	1,876	1,094	1,839	1,960	2,172	5,873	7,553	1,484	-26
YoY Change (%)	58.1	45.3	11.0	20.1	17.4	15.9	39.7	15.8	42.7	17.4	59.3	
Margins (%)	4.8	6.9	6.0	6.8	5.0	6.9	7.0	6.4	6.3	6.8	6.7	

INR m	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Segmental revenue										
Industrial Products	8,359	9,894	10,226	12,074	9,608	11,853	12,841	15,086	40,552	49,388
Industrial Infra	9,162	10,851	10,974	13,565	9,251	11,828	12,321	15,884	44,552	49,283
Green Solutions	1,132	1,246	1,235	1,458	1,737	1,742	1,815	1,964	5,071	7,259
Chemical	1,608	1,879	1,606	1,541	1,708	2,017	2,097	2,244	6,634	8,066
Less: Intersegmental	(931)	(845)	(797)	(1,001)	(691)	(851)	(901)	(1,079)	(3,574)	(3,522)
Total revenues	19,330	23,025	23,244	27,637	21,613	26,589	28,172	34,099	93,235	1,10,474
Segmental EBIT										
Industrial Products	560	988	1,015	1,407	867	1,185	1,284	1,603	3,970	4,939
Margin (%)	6.7	10.0	9.9	11.7	9.0	10.0	10.0	10.6	9.8	10.0
Industrial Infra	303	573	389	825	(184)	591	641	1,416	2,089	2,464
Margin (%)	3.3	5.3	3.5	6.1	(2.0)	5.0	5.2	8.9	4.7	5.0
Green Solutions	100	80	133	137	230	157	163	93	449	643
Margin (%)	8.8	6.4	10.8	9.4	13.2	9.0	9.0	4.8	8.9	8.9
Chemical	265	345	331	296	304	373	388	440	1,238	1,505
Margin (%)	16.5	18.4	20.6	19.2	17.8	18.5	18.5	19.6	18.7	18.7

G R Infraprojects

BSE SENSEX 81,868 S&P CNX 25,011

CMP: INR1,770

Buy

Conference Call Details



Date: 5th Aug 2024
Time: 03:00 pm IST
Conference call details:
[Link](#)

Financials & Valuations (INR b)

Y/E MARCH	2024	2025E	2026E
Sales	76.9	78.2	91.8
EBITDA	10.4	10.7	13.5
Adj. PAT	7.1	7.6	9.8
EBITDA Margin (%)	13.5	13.7	14.8
Adj. EPS (INR)	73.0	78.7	101.3
EPS Gr. (%)	-17.2	7.9	28.7
BV/Sh. (INR)	744.2	822.9	924.2
Ratios			
Net D:E	0.0	0.0	0.0
RoE (%)	11.4	10.0	11.6
RoCE (%)	7.8	10.0	11.4
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	24.2	24.0	17.7
P/BV (x)	2.4	2.2	1.9
EV/EBITDA(x)	16.8	16.3	12.9
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	4.3	3.9	4.4

Operating performance marginally below estimates

Earnings summary

- Revenue declined 12% YoY to ~INR18.9b during 1QFY25 (in line).
- EBITDA margin stood at 13% in 1QFY25 (-160bp YoY) vs. our estimate of 13.7%. EBITDA declined 22% YoY to INR2.5b and was 8% below our estimate.
- Higher other income offset the weak operating performance, as APAT dipped 3% YoY to ~INR2b (9% above our estimates).
- The current order book stands at ~INR160b (based on orders announced after 4QFY24 and adjusted for 1Q execution).
- During 1QFY25, Bharat Highways InVIT claimed a sum of INR494m for the loss incurred to one of its subsidiaries, and GRINFRA had to compensate for the loss. GRINFRA recorded the loss as an exceptional item in the standalone financial results.

Quarterly Performance (Standalone)

(INR m)

Y/E March (INR m)	FY24				FY25	FY24	FY25E	FY25	Variance
	1Q	2Q	3Q	4Q	1Q			1QE	
Net Sales	21,524	15,738	18,064	21,554	18,965	76,880	78,169	19,542	-3%
YoY Change (%)	(13.1)	(11.4)	(4.9)	8.0	(11.9)	(5.6)	1.7	(9.2)	
EBITDA	3,147	1,937	2,280	2,990	2,466	10,354	10,709	2,677	-8%
Margins (%)	14.6	12.3	12.6	13.9	13.0	13.5	13.7	13.7	
Depreciation	602	617	610	612	632	2,442	2,497	620	
Interest	266	277	245	250	281	1,038	883	240	
Other Income	511	614	578	550	1,081	2,253	2,842	650	
PBT before EO expense	2,790	1,656	2,003	2,678	2,634	9,127	10,171	2,467	
Extra-Ord expense	-	-	83	14,720	(494)	14,803	(494)	-	
PBT	2,790	1,656	2,086	17,398	2,140	23,930	9,677	2,467	
Tax	710	423	532	2,490	621	4,155	2,560	622	
Rate (%)	25.4	25.6	25.5	14.3	29.0	17.4	26.5	25.2	
Reported PAT	2,080	1,233	1,554	14,908	1,520	19,774	7,117	1,846	
Adj PAT	2,080	1,233	1,492	2,249	2,014	7,054	7,542	1,846	9%
YoY Change (%)	(35.2)	(25.0)	(14.4)	17.0	(3.2)	(17.2)	6.9	(11.3)	
Margins (%)	9.7	7.8	8.3	10.4	10.6	9.2	9.6	9.4	

Godrej Agrovet

BSE SENSEX 81,868
S&P CNX 25,011

CMP: INR818

Neutral

Conference Call Details



Date: 6th Aug24

Time: 3:00pm IST

Dial-in details:

[click here](#)

Operating performance in line

Performance in 1QFY25

- Godrej Agrovet's consolidated revenue declined 6% YoY to INR23.5b (est. INR27b). EBITDA margin expanded 190bp YoY to 9.6% (est. 8.3%) led by 260bp YoY expansion in gross margin to 26.8%. EBITDA stood at INR2.3b, up 17% YoY (est. in line). Adj. PAT grew 28% YoY to INR1.4b (est. in line).

1QFY25 segmental performance

- Animal feed (AF) business revenue declined ~10% YoY to INR11.6b. EBIT margin expanded 260bp YoY to 6.8%. EBIT stood at INR781m, up 45% YoY.
- Palm oil business revenue grew 12% YoY to INR2.6b. EBIT margin contracted 290bp YoY to 9.2%. EBIT stood at INR241m, down 14% YoY.
- Crop protection (CP) business revenue declined ~5% YoY to INR3.6b. EBIT margin expanded 290bp YoY to 23.8%. EBIT stood at INR868m, up 8.5x YoY.
- Dairy business revenue inched up ~1% YoY to INR4.3b. Operating profit stood at INR185m in 1QFY25 v/s operating loss of INR25m in 1QFY24.
- Poultry and processed food business declined ~25% YoY to INR2.3b. EBIT margin contracted 50bp YoY to 8.2%. EBIT stood at INR193m, down 28% YoY

Consolidated - Quarterly Earnings Model

Y/E March	FY24				FY25				FY24	FY25E	FY25E	(INR m)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	1QE	Var (%)
Gross Sales	25,102	25,709	23,452	21,343	23,508	28,358	26,274	24,436	95,606	1,02,574	27,030	-13
YoY Change (%)	0.0	5.1	0.9	1.9	-6.4	10.3	12.0	14.5	2.0	7.3	7.7	
Total Expenditure	23,173	23,694	21,861	19,863	21,246	25,833	24,329	22,652	88,591	94,059	24,796	
EBITDA	1,929	2,014	1,591	1,480	2,261	2,525	1,945	1,784	7,015	8,515	2,234	1
Margins (%)	7.7	7.8	6.8	6.9	9.6	8.9	7.4	7.3	7.3	8.3	8.3	
Depreciation	528	529	530	556	546	579	598	619	2,143	2,342	551	
Interest	295	279	251	254	302	254	268	288	1,079	1,112	243	
Other Income	115	112	84	102	92	112	98	149	413	452	107	
PBT before EO expense	1,222	1,318	894	772	1,506	1,804	1,177	1,026	4,206	5,513	1,547	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	1,222	1,318	894	772	1,506	1,804	1,177	1,026	4,206	5,513	1,547	
Tax	353	369	191	220	345	454	296	258	1,133	1,353	389	
Rate (%)	28.9	28.0	21.3	28.5	22.9	25.2	25.2	25.2	26.9	24.5	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	-185	-104	-215	-19	-190	-156	-138	-118	-523	-602	-137	
Reported PAT	1,053	1,053	918	571	1,352	1,506	1,019	886	3,596	4,762	1,295	
Adj PAT	1,053	1,053	918	571	1,352	1,506	1,019	886	3,596	4,762	1,295	4
YoY Change (%)	27.3	46.7	43.5	84.2	28.3	43.0	10.9	55.0	44.1	32.4	22.9	
Margins (%)	4.2	4.1	3.9	2.7	5.7	5.3	3.9	3.6	3.8	4.6	4.8	

Alkyl Amines

BSE SENSEX
81,868

S&P CNX
25,011

CMP: INR2,109

Neutral

Earnings above estimate; margin expands

- AACL's revenue was INR4b (est. of INR3.8b, -2% YoY).
- **Gross margin stood at 47%**, with EBITDAM at 19.8% (v/s ~18.1% in 1QFY24).
- EBITDA came in at INR791m (est. of INR699m, +7% YoY). PAT stood at INR489m (est. of INR407m, -2% YoY).
- The Board has approved the reappointments of Mr. Yogesh Kothari, Mr. Kirat Patel, and Mr. Suneet Kothari for a further term of five years at their respective positions in AACL.

Standalone - Quarterly Snapshot

Y/E March	FY24				FY25		Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1QE	1Q Act			
Gross Sales	4,098	3,522	3,221	3,566	3,760	3,997	6%	-2%	12%
<i>YoY Change (%)</i>	-13.5	-13.9	-17.1	-13.5	-8.2	-2.5			
Gross Margin (%)	44.7%	45.7%	47.6%	49.2%	49.2%	47.0%	-2.2%	2.3%	-2.2%
EBITDA	740	483	596	689	699	791	13%	7%	15%
<i>Margin (%)</i>	18.1	13.7	18.5	19.3	18.6	19.8	1.2	1.7	0.5
Depreciation	122	125	168	174	182	177			
Interest	9	17	11	7	8	2			
Other Income	55	24	46	26	36	47			
PBT before EO expense	664	364	463	533	544	659	21%	-1%	24%
PBT	664	364	463	533	544	659	21%	-1%	24%
Tax	166	92	129	149	137	170			
<i>Rate (%)</i>	25.0	25.2	27.8	27.9	25.2	25.9			
Reported PAT	498	272	334	385	407	489	20%	-2%	27%
Adj PAT	498	272	334	385	407	489	20%	-2%	27%
<i>YoY Change (%)</i>	-39.2	-48.0	-26.8	-20.9	-18.2	-1.8			
<i>Margin (%)</i>	12.1	7.7	10.4	10.8	10.8	12.2	1.4	0.1	1.4

Repco Home Finance

Conference Call Details

**Date:** 02ND Aug 2024**Time:** 17:00 HRS IST**Dial-in details:**

+91 22 6280 1315

[Link](#)

Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY26E
NII	6.5	6.8	7.6
PPP	5.2	5.4	6.1
PAT	3.9	4.1	4.5
EPS (INR)	63.1	66.0	72.0
EPS Gr. (%)	33	5	9
BV/Sh. (INR)	463	525	594
Ratios			
NIM (%)	5.2	4.9	4.9
C/I ratio (%)	24.6	26.2	25.8
RoAA (%)	3.0	2.8	2.8
RoE (%)	14.6	13.4	12.9
Payout (%)	4.8	4.7	4.7
Valuation			
P/E (x)	8.6	8.2	7.5
P/BV (x)	1.2	1.0	0.9
P/ABV (x)	1.2	1.1	0.9
Div. Yield (%)	0.6	0.6	0.6

CMP: INR543

Neutral

Earnings beat aided by improvement in spreads; NIM stable QoQ

Business momentum muted; seasonal deterioration in asset quality

- Repco's 1QFY25 PAT grew 18% YoY to INR1,054m (10% beat). NII grew ~8% YoY to ~INR1.7b (in line). Other income grew 67% YoY to INR155m. Opex grew ~15% YoY to INR452m (in line).
- PPOP grew ~11% YoY to INR1.4b (5% beat). Provisions stood at ~INR14m, translating into annualized credit costs of ~4bp (PY: ~16bp).
- GNPA rose ~20bp QoQ to 4.3% and NNPA rose ~20bp QoQ to ~1.7%. The company reduced PCR on S3 loans by ~3pp QoQ to ~62%.

Disbursements and loan growth muted; lower repayment rates

- Disbursements declined ~1% YoY to INR6.8b in 1QFY25.
- Loan book grew ~8% YoY to ~INR137b. Home loans grew 5% YoY. LAP book grew 20% YoY. The run-offs were lower with repayment rates declining ~80bp YoY to ~14.6% (PY: ~15.4%).
- Contribution of self-employed customers remained largely stable at ~52%.

Improvement in spreads driven by increase in yields

- Reported yields rose ~30bp QoQ to ~12.0% and reported CoF increased by ~30bp to ~8.6%, leading to a ~10bp QoQ rise in spreads to ~3.4%. Reported NIM was stable QoQ at 5.1%.
- CIR declined ~260bp QoQ to ~24.7%.

Other details

- Repco reported RoA/RoE of 3.1%/16.3%.
- CRAR was healthy at ~34%.

Valuation and view

- While there was a seasonal deterioration in asset quality, it will be interesting to hear from the management about growth momentum, asset quality improvements, and credit cost expectations in FY25.
- Repco trades at 0.9x FY26E P/BV. We will look forward to the management's commentary on the demand environment and its strategies for increasing disbursements. We may review our estimates after the earnings conference call on 2nd Aug'24.

Quarterly performance

(INR M)

Y/E March	FY24				FY25E				FY24	FY25E	1QFY25E	Act v/s est(%)
	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25A	2QFY25	3QFY25	4QFY25				
Interest Income	3,572	3,770	3,787	3,831	4,007	4,144	4,227	3,818	14,960	16,196	3,916	2
Interest Expenses	2,026	2,075	2,153	2,203	2,330	2,400	2,448	2,195	8,456	9,372	2,269	3
Net Income	1,546	1,695	1,635	1,628	1,677	1,744	1,779	1,623	6,504	6,824	1,648	2
YoY Growth (%)	16.5	23.6	17.8	10.5	8.5	2.9	8.8	-0.3	17.0	4.9	6.6	
Other income	93	69	145	141	155	100	150	110	448	515	120	30
Total Income	1,639	1,765	1,779	1,769	1,833	1,844	1,929	1,733	6,952	7,340	1,768	4
YoY Growth (%)	15.7	18.9	18.7	11.9	11.8	4.5	8.4	-2.0	16.2	5.6	7.8	
Operating Expenses	392	426	410	483	452	466	480	528	1,710	1,926	458	-1
YoY Growth (%)	15.7	24.4	2.9	27.6	15.4	9.3	17.2	9.4	17.3	12.6	17.0	
Operating Profits	1,247	1,338	1,370	1,287	1,380	1,379	1,449	1,205	5,242	5,414	1,309	5
YoY Growth (%)	15.7	17.3	24.5	6.9	10.7	3.0	5.8	-6.3	15.9	3.3	5.0	
Provisions	50	16	29	-100	14	17	36	-170	-5	-102	7	111
Profit before Tax	1,198	1,322	1,341	1,387	1,366	1,361	1,414	1,375	5,247	5,516	1,302	5
Tax Provisions	307	341	346	306	312	358	372	349	1,300	1,390	343	-9
Profit after tax	891	981	994	1,081	1,054	1,003	1,042	1,026	3,947	4,126	960	10
YoY Growth (%)	43.5	37.9	23.1	31.6	18.4	2.3	4.8	-5.0	33.3	4.5	7.7	
Loan growth (%)	6.7	7.1	8.1	8.5	8.3				9.0	11.5	8.5	
Cost to Income Ratio (%)	23.9	24.2	23.0	27.3	24.7				24.6	26.2	25.9	
Tax Rate (%)	25.6	25.8	25.8	22.1	22.8				24.8	25.2	26.3	
Key Parameters (%)												
Yield on loans (Cal)	11.4	11.8	11.6	11.5	11.8				12.0	11.8		
Cost of funds (Cal)	8.2	8.3	8.4	8.4	8.6				8.2	8.3		
Spreads (Cal)	3.2	3.5	3.2	3.1	3.2				3.8	3.4		
NIMs (Reported)	5.1	5.4	5.3	5.1	5.1				5.2	4.9		
Credit Cost	0.16	0.05	0.09	-0.30	0.04				0.0	-0.1		
Cost to Income Ratio	23.9	24.2	23.0	27.3	24.7				24.6	26.2		
Tax Rate	25.6	25.8	25.8	22.1	22.8				24.8	25.2		
Balance Sheet												
AUM (INR B)	126.6	129.2	131.9	135.1	137.0				135.1	148.7		
Change YoY (%)	6.7	7.1	8.1	8.5	8.3				8.5	10.0		
AUM Mix (%)												
Non-Salaried	51.8	51.0	51.3	51.4	51.6				51.8	51.0		
Salaried	48.2	49.0	48.7	48.6	48.4				48.2	49.0		
AUM Mix (%)												
Home loans	76.9	76.2	75.6	74.7	74.3				74.7	74.0		
LAP	23.1	23.8	24.4	25.3	25.7				25.3	26.0		
Disbursements (INR B)	6.8	8.0	7.6	8.9	6.8				31.3	35.7		
Change YoY (%)	6.6	6.9	9.0	7.1	-0.6				7.4	14.0		
Borrowings (INR B)	99.1	100.5	103.6	107.0	109.1				107.0	118.3		
Change YoY (%)	6.4	4.3	7.9	7.9	10.2				7.9	10.5		
Loans/Borrowings (%)	127.8	128.6	127.3	126.3	125.5				126.3	125.7		
Borrowings Mix (%)												
Banks	74.1	75.6	77.7	79.2	79.8				74.1	75.6		
NHB	14.9	13.1	12.0	10.8	10.6				14.9	13.1		
Repc Bank	11.0	11.4	10.3	10.0	9.6				11.0	11.4		
NCD	0.0	0.0	0.0	0.0	0.0				0.0	0.0		
CP	0.0	0.0	0.0	0.0	0.0				0.0	0.0		
Asset Quality												
GS 3 (INR B)	6.9	6.4	6.2	5.5	5.8				5.5	5.0		
Gross Stage 3 (% on Assets)	5.5	4.9	4.7	4.1	4.3				4.1	3.4		
NS 3 (INR B)	3.4	2.7	2.5	1.9	2.2				1.9	1.6		
Net Stage 3 (% on Assets)	2.8	2.2	1.9	1.5	1.7				1.5	1.1		
PCR (%)	51.4	57.4	60.1	65.2	61.8				65.2	68.0		
Return Ratios (%)												
ROA (Rep)	2.8	3.1	3.1	3.2	3.1				3.0	2.8		
ROE (Rep)	15.8	16.1	15.8	16.5	16.3				14.6	13.4		

E: MOFSL Estimates

Automobiles

Jul'24 wholesales remain lower than estimates for 2Ws/CVs

In 2Ws, while BJAUT/TVSL numbers were in line, HMCL/RE disappointed. In PVs, dispatches of MSIL/MM were in line, but TTMT disappointed. In CVs, both TTMT/AL wholesales were below est., while VECV was in line. CV industry demand should see pick up after facing headwinds in 1Q and on the back of continued infra push by the Government. In tractors, MM/ESC sales were in line and the management indicated that tractor outlook remains upbeat given positive rural sentiment, which has been driven by healthy monsoon pan India, so far. We expect 2Ws to outperform other segments in FY25E.

- 2Ws (below est.):** Wholesale dispatches for BJAUT/TVSL (both in line) grew 11%/9% YoY to 297.5k/339.7k units. Export dispatches for BJAUT/TVSL grew 1.5%/8% YoY. Dispatches for HMCL/RE (both below est.) declined 5%/8% YoY to 370.3k/67.3k units. HMCL indicated that it has rationalized domestic dispatches since it plans to increase dispatches in the next few months due to the festival season. It experienced supply-chain constraints and logistics disruptions that impacted dispatches during the month. VIDA posted its highest-ever monthly dispatches for the second consecutive month and crossed the 5,000-mark in retail sales.
- PVs (in line with est.):** MSIL's volumes for Jul'24 came in at 175k units (declined 4% YoY), in line with est. For MSIL, domestic volumes declined 5% YoY to 151.1k units (in line), but exports grew 8% YoY. MM UV volumes (including PikUp) were up 2% YoY at 59.7k units due to strong growth of 15% YoY for UVs. TTMT PV volumes declined 6% YoY to 44.9k units (in line).
- CVs (below est.):** MHCVs/LCVs declined 8% YoY overall. CV sales for TTMT declined 18% YoY (MHCVs down 14% YoY and LCVs down 21% YoY) in Jul'24 to 27k units. AL wholesales decreased 8% YoY to 13.9k units (below est.). VECV's CV sales grew 13% YoY to 6.6k units (above est.).
- Tractors (in line):** MM tractor volumes grew 8% YoY to 27.2k units. As per MM, South-West monsoon has progressed very well in Jul'24, with surplus rainfall in Central, Western and Southern states. Bihar, Haryana, Punjab and parts of Eastern UP and Jharkhand are seeing rainfall deficit. Kharif sowing has progressed considerably across India, lifting farmer sentiment. Higher crop prices for wheat and potato and an increase in MSP for all major kharif crops have further elevated farmer sentiment. Rainfall progress remains a key monitorable for the coming months. With budget allocations supporting agri and rural economy and favorable terms of trade for farmers, the upcoming festive season is looking very promising for tractor. For Escorts, tractor sales grew 4% YoY at 5.8k units.

In line (Variance %)	Disappointment (Variance %)
MM UVs (-4%)	HMCL (-15%)
MSIL (-3%)	AL (-7%)
TVSL (-1%)	EIM RE (-10%)
ESC (+1%)	TTMT CVs (-9%)
BJAUT (+1%)	
MM Tractors (+3%)	
TTMT PVs (-2%)	
EIM VECV (+2%)	

■ **Valuation and view:** It is now an established fact that the majority of easy gains in auto OEM stocks are now behind us, as we have witnessed significant volume growth across segments over the last two years. Moreover, input costs also appear to have bottomed out. Hence, one will have to make selective micro strategies to outperform from hereon. In this backdrop, MSIL is our top pick in auto OEMs along with MM. Among auto ancillaries, our top picks are CRAFTSMA, MOTHERSO, and HAPPYFORG.

Snapshot of volumes for Jul'24 (incl Exports) *

Company Sales	YoY			MoM		FY25YTD	FY24YTD	(% chg)	FY25E	Gr (%)
	Jul-24	Jul-23	YoY (%) chg	Jun-24	MoM (%) chg					
2W	10,74,756	10,45,574	2.8	12,02,403	-10.6	48,43,200	44,33,666	9.2	1,56,49,504	11.9
Cars	1,17,182	1,18,235	-0.9	1,27,387	-8.0	4,76,151	4,91,991	-3.2	15,13,607	24.0
Uvs + MPVs	1,59,637	1,67,173	-4.5	1,52,646	4.6	6,37,966	5,87,061	8.7	20,70,922	9.3
PVs	2,76,819	2,85,408	-3.0	2,80,033	-1.1	11,14,117	10,79,052	3.2	35,84,529	15.0
3Ws	74,685	71,058	5.1	72,493	3.0	2,74,304	2,61,677	4.8	9,39,953	11.0
M&HCVs	26,948	29,278	-8.0	32,167	-16.2	1,16,509	1,11,591	4.4	4,18,555	6.9
LCVs	26,671	28,945	-7.9	28,209	-5.5	1,09,061	1,06,521	2.4	3,66,032	8.5
CVs	53,619	58,223	-7.9	60,376	-11.2	2,25,570	2,18,112	3.4	7,84,587	7.6
Tractors	32,978	30,745	7.3	56,912	-42.1	1,80,165	1,72,336	4.5	5,01,740	5.8

* 2W: HMCL, TVSL, EIM BJAUTO; PVs: MSIL, MM & TTMT; 3Ws: TVSL, MM & BJAUTO; CVs: TTMT, AL, MM, EIM; Tractors: MM, ESC

Snapshot of volumes for Jul-24

Company Sales	YoY			MoM		FY25YTD	FY24YTD	(% chg)	FY25E	Gr. (%)	Residual Gr. (%)	Residual Monthly Run rate	FY25 YTD Monthly Run rate Jul-24	YoY Jul-24
	Jul-24	Jul-23	YoY (%) chg	Jun-24	MoM (%) chg									
Maruti Suzuki	1,75,041	1,81,630	-3.6	1,79,228	-2.3	6,96,909	6,79,660	2.5	21,99,154	3.0	3.2	1,87,781	1,74,227	1,80,125
LCVs	2,891	2,559	13.0	2,758	4.8	10,837	10,638	1.9	35,114	4.0	5.0	3,035	2,709	2,559
Vans	11,916	12,037	-1.0	10,771	10.6	45,707	44,713	2.2	1,43,996	5.0	6.3	12,286	11,427	11,435
Mini Segment	9,960	9,590	3.9	9,395	6.0	40,776	49,990	-18.4	1,27,885	-10.0	-5.4	10,889	10,194	9,111
Compact (incl Dzire Tour)	69,384	71,848	-3.4	72,326	-4.1	2,82,840	2,95,351	-4.2	8,80,802	-0.7	1.1	74,745	70,710	74,003
Mid-Size - CIAZ	603	1,348	-55.3	572	5.4	2,772	5,101	-45.7	8,270	-20.0	5.0	687	693	539
UVs	56,302	62,049	-9.3	52,373	7.5	2,19,432	1,88,450	16.4	6,94,846	8.2	4.8	59,427	54,858	58,947
Domestic	1,51,056	1,59,431	-5.3	1,48,195	1.9	6,02,364	5,94,243	1.4	18,90,912	20.7	32.5	1,61,068	1,50,591	1,56,594
Export	23,985	22,199	8.0	31,033	-22.7	94,545	85,417	10.7	3,08,242	8.9	8.1	26,712	23,636	23,531
Mahindra & Mahindra	93,653	92,079	1.7	1,16,716	-19.8	4,26,670	3,93,226	8.5	13,49,283	12.3	14.1	1,15,327	1,06,668	97,738
UV (incl. pick-ups)	59,715	58,648	1.8	59,939	-0.4	2,44,409	2,21,891	10.1	8,35,321	15.0	17.1	73,864	61,102	62,167
LCV & M&HCV	3,136	1,775	76.7	3,274	-4.2	12,337	6,890	79.1	30,629	59.6	48.7	2,287	3,084	2,786
Three-Wheelers	3,593	6,481	-44.6	6,184	-41.9	21,248	24,261	-12.4	82,244	6.0	14.4	7,625	5,312	6,351
Tractors	27,209	25,175	8.1	47,319	-42.5	1,48,676	1,40,184	6.1	4,01,089	6.0	6.0	31,552	37,169	26,434
Tata Motors	71,996	80,633	-10.7	75,604	-4.8	3,01,887	3,06,878	-1.6	10,02,925	3.5	5.8	87,630	75,472	75,767
HCV's	11,886	13,830	-14.1	15,224	-21.9	53,860	50,407	6.9	1,91,741	5.9	5.5	17,235	13,465	13,553
LCV's	15,156	19,114	-20.7	16,756	-9.5	64,391	68,332	-5.8	2,26,017	5.3	10.4	20,203	16,098	16,247
CV's	27,042	32,944	-17.9	31,980	-15.4	1,18,251	1,18,739	-0.4	4,17,757	5.5	8.1	37,438	29,563	29,800
PVs	44,954	47,689	-5.7	43,624	3.0	1,83,636	1,88,139	-2.4	5,85,168	6.0	10.3	50,192	45,909	45,967
Hero MotoCorp	3,70,274	3,91,310	-5.4	5,03,448	-26.5	19,05,430	17,43,884	9.3	62,08,917	10.5	11.0	5,37,936	4,76,358	4,38,267
Bajaj Auto	3,54,169	3,19,747	10.8	3,58,477	-1.2	14,56,225	13,47,154	8.1	46,08,035	9.1	9.6	3,93,976	3,64,056	3,49,063
Two-Wheelers	2,97,541	2,68,840	10.7	3,03,646	-2.0	12,48,458	11,58,170	7.8	39,22,724	9.0	9.6	3,34,283	3,12,115	2,94,247
Three-Wheelers	56,628	50,907	11.2	54,831	3.3	2,07,767	1,88,984	9.9	6,85,311	10.0	10.0	59,693	51,942	54,816
Domestic	2,10,997	1,79,263	17.7	2,16,451	-2.5	9,01,618	8,20,819	9.8	28,22,977	9.2	8.9	2,40,170	2,25,405	2,05,265
Exports	1,43,172	1,40,484	1.9	1,42,026	0.8	5,54,607	5,26,335	5.4	17,85,058	9.1	10.9	1,53,806	1,38,652	1,43,798
Ashok Leyland	13,928	15,068	-7.6	14,940	-6.8	57,821	56,397	2.5	2,08,799	7.3	9.2	18,872	14,455	15,027
M&HCV	8,440	9,571	-11.8	9,519	-11.3	36,325	35,736	1.6	1,34,526	7.7	10.2	12,275	9,081	9,475
LCV	5,488	5,497	-0.2	5,421	1.2	21,496	20,661	4	74,273	6.4	7.4	6,597	5,374	5,552
TVS Motor	3,54,140	3,25,977	8.6	3,33,646	6.1	14,41,315	12,79,221	12.7	46,80,799	11.7	11.3	4,04,936	3,60,329	3,59,184

Snapshot of volumes for Jul-24

Company Sales	YoY			MoM							Residual Gr. (%)	Residual Monthly Run rate	FY25 YTD Monthly Run rate Jul-24	YoY Jul-24
	Jul-24	Jul-23	YoY (%) chg	Jun-24	MoM (%) chg	FY25YTD	FY24YTD	(%) chg	FY25E	Gr. (%)				
Motorcycles	1,61,074	1,53,942	4.6	1,52,701	5.5	6,75,512	6,16,763	9.5	22,10,725	10.9	11.5	1,91,902	1,68,878	1,66,257
Scooters	1,61,437	1,35,247	19.4	1,28,986	25.2	5,79,854	4,85,263	19.5	17,87,555	14.1	11.6	1,50,963	1,44,964	1,43,362
Mopeds	17,165	23,118	-25.8	40,481	-57.6	1,40,660	1,28,763	9.2	5,10,122	5.3	3.8	46,183	35,165	36,989
Three-Wheelers	14,464	13,670	5.8	11,478	26.0	45,289	48,432	-6.5	1,72,397	17.9	30.1	15,889	11,322	12,576
Domestic	2,56,551	2,36,764	8.4	2,57,572	-0.4	10,90,178	9,62,594	13.3	35,13,983	10.6	9.4	3,02,976	2,72,545	2,73,540
Exports	97,589	89,213	9.4	76,074	28.3	3,51,137	3,16,627	10.9	11,66,816	15.2	17.1	1,01,960	87,784	85,644
Eicher Motors														
Royal Enfield	67,265	73,117	-8.0	73,141	-8.0	2,93,286	3,00,823	-2.5	10,09,461	10.6	17.0	89,522	73,322	74,579
VECV	6,622	5,877	12.7	7,424	-10.8	26,324	25,448	3.4	92,288	7.9	9.7	8,245	6,581	6,507
Domestic LMD	3,156	2,759	14.4	3,101	1.8	11,330	11,500	-1.5	42,993	6.0	9.0	3,958	2,833	2,842
Domestic HD	1,502	1,369	9.7	1,791	-16.1	6,191	6,031	2.7	22,821	6.0	7.3	2,079	1,548	1,479
Domestic Buses	1,386	1,183	17.2	2,001	-30.7	6,618	6,025	9.8	19,352	12.0	13.2	1,592	1,655	1,656
VTI	178	141	26.2	110	61.8	593	710	-16.5	2,843	15.0	27.7	281	148	127
Domestic	6,222	5,452	14.1	7,003	-11.2	24,732	24,266	1.9	88,009	7.5	9.9	7,910	6,183	6,103
Exports	400	425	-5.9	421	-5.0	1,592	1,182	34.7	4,279	15.0	5.8	336	398	404
Escorts Kubota	5,769	5,570	3.6	9,593	-39.9	31,489	32,152	-2.1	1,00,651	5.0	8.6	8,645	7,872	5,717
Domestic	5,346	5,161	3.6	9,359	-42.9	30,105	30,387	-0.9	95,413	5.7	9.1	8,163	7,526	5,367
Exports	423	409	3.4	234	80.8	1,384	1,765	-22	5,238	-7	0.0	482	346	350
Construction Equipment	450	465	-3.2	440	2.3	1,775	1,838	-3	7,203	10	15.2	678	444	450

Comparative valuations

	Rating	CMP (INR)	P/E (x)		EV/EBITDA (x)		PB (x)		FY25 Yield (%)		EPS CAGR (%) FY24-26E
			FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	Div	FCF	
Auto OEM's											
Bajaj Auto	Neutral	9,734	30.8	25.6	24.0	19.7	9.8	9.1	2.1	2.3	17.5
Hero MotoCorp	Buy	5,370	21.0	17.7	14.4	12.2	5.5	5.0	3.4	3.9	21.9
TVS Motor	Neutral	2,585	46.8	39.5	28.5	24.6	12.3	9.7	0.3	1.4	22.1
Eicher Motors	Sell	4,968	30.2	27.9	27.9	25.3	6.5	5.6	1.1	4.1	10.4
Maruti Suzuki	Buy	13,349	27.7	23.8	18.2	15.5	4.4	3.9	1.1	1.6	14.8
M&M	Buy	2,829	26.6	22.7	19.5	16.7	2.7	2.3	0.8	3.1	18.5
Tata Motors	Neutral	1,145	20.5	16.1	7.2	5.5	4.0	3.3	0.4	3.0	10.1
Ashok Leyland	Buy	250	21.1	17.1	13.6	11.0	7.0	5.8	2.4	3.8	26.3
Escorts	Neutral	4,146	42.7	33.4	29.5	26.4	5.0	4.5	0.5	2.9	14.3
Auto Ancillaries											
Bharat Forge	Neutral	1,717	47.7	35.4	26.6	21.1	9.6	8.0	0.7	0.7	53.4
Exide Industries	Neutral	513	36.3	28.4	21.1	17.2	3.1	2.9	0.6	1.4	20.7
Amara Raja	Neutral	1,601	27.2	24.1	15.5	13.7	3.8	3.4	0.6	3.9	15.9
BOSCH	Neutral	34,360	42.8	36.6	37.3	31.4	7.6	6.8	1.1	1.5	23.0
Endurance Tech	Buy	2,569	39.2	30.0	22.2	18.2	6.3	5.4	0.4	1.6	34.6
SAMIL	Buy	196	30.3	23.0	12.3	10.1	4.5	4.0	1.0	1.2	51.7
CIE Automotive	Buy	589	24.8	20.4	14.9	12.2	3.3	3.0	0.8	2.0	17.1
CEAT	Buy	2,632	17.2	13.7	8.0	6.9	2.3	2.1	1.1	3.0	6.6
Balkrishna Ind	Neutral	3,347	38.1	29.5	23.4	18.9	6.6	5.7	1.0	2.1	21.8
MRF	Sell	1,40,220	30.6	27.4	13.9	12.6	3.2	2.9	0.4	2.1	1.2
Apollo Tyres	Buy	551	19.0	15.8	8.2	6.9	1.8	1.6	1.2	13.9	9.7
Sona BLW	Neutral	672	63.3	50.5	37.0	30.1	12.3	10.6	0.5	0.9	22.0
Tube Investments	Buy	4,088	64.1	51.4	30.9	24.9	12.7	10.3	0.1	1.4	52.1
MSUMI	Buy	73	41.3	32.9	26.4	21.1	15.4	12.4	1.5	1.5	24.2
CRAFTSMAN	Buy	5,542	39.0	25.4	14.2	11.0	3.9	3.4	0.3	0.3	23.1
Happy Forgings	Buy	1,262	34.6	26.7	22.7	18.3	6.0	5.1	0.5	1.3	32.0



EcoSCOPE

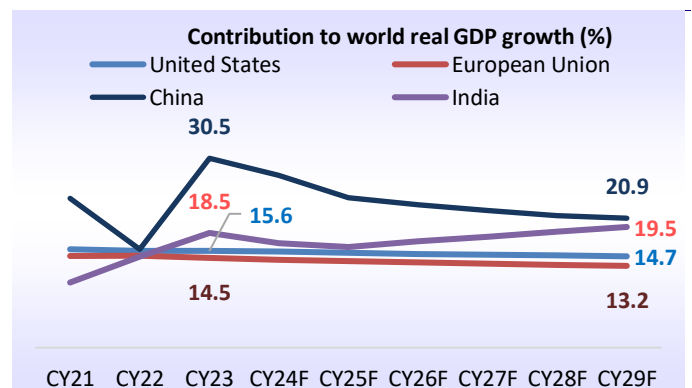
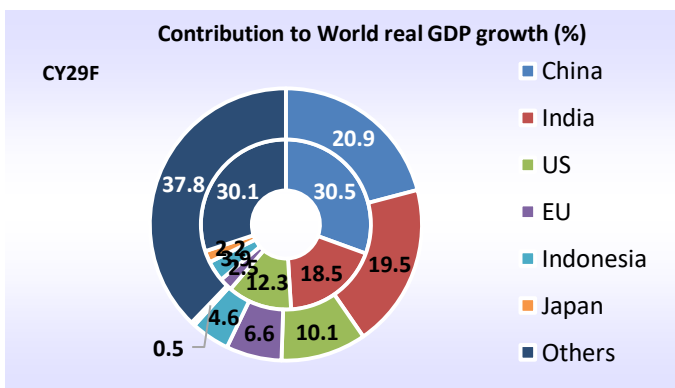
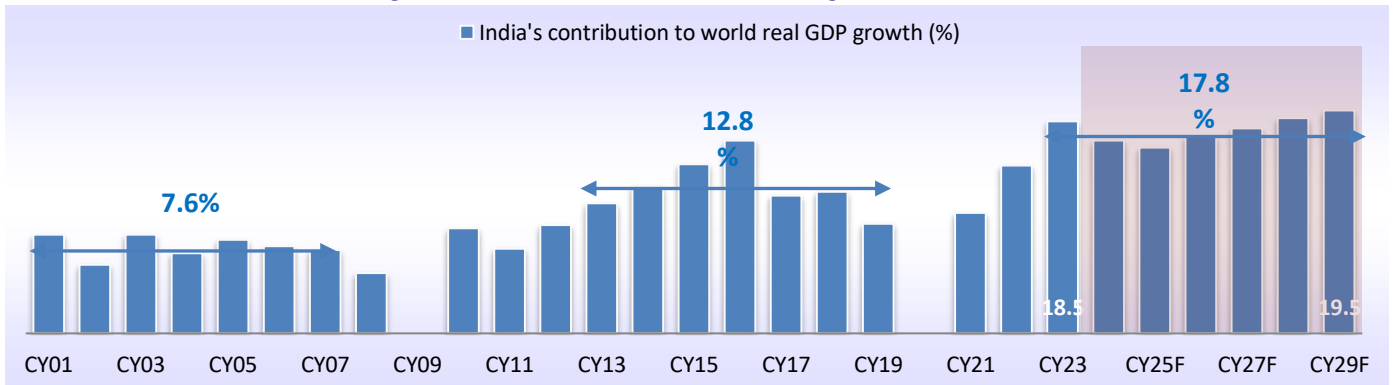
The Economy Observer

GLOBAL ECONOMY | 2QCY24: A one-stop guide to the key macro/financial indicators

- To offer investors a unique advantage, we present a comprehensive overview of the global economy, covering as many as 40 nations that collectively accounted for over 85% of the global GDP in CY20. This is the 12th update in the series with data up to 2QCY24.
- Our intent to work on this comprehensive and extremely detailed data-oriented presentation is to provide a one-stop shop to all our readers. Through this presentation, we hope to provide a broad perspective on the evolution of the global economy.
- We have attempted to cover the most important macroeconomic indicators to offer our readers an idea of various themes, such as a) consumption vs. investments, b) linkages between monetary variables and inflation, c) key trends in global debt, d) government finances, e) monetary economics, f) international trade developments, g) the global housing market condition, and h) the labor market situation in developed nations.
- This presentation is usually released in the first month of every quarter, covering all published data as of the recently concluded quarter.

India expected to contribute much more to world GDP growth

India's contribution to world real GDP growth rate stood at 18.5% in 2023/FY24, highest since 1980



Source:



Tata Steel : Guiding for 1.4mt additional volume in FY25 From Indian operations; TV Narendran, CEO

- Expect steel price to bottom out and recover hereon
- UK EBITDA Should move towards neutral to positive in H2 FY24
- Chinese companies are making a lots of \$40-50/t at current prices
- Guiding for 1.4mt additional volume in FY25 From Indian operations

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Maruti Suzuki : Demand has been muted right from the start of the year; Rahul Bharti, ED

- SIAM has guided for low single digit growth this year
- Rural has been performing better than urban for us for a long time
- No one- offs in margin in Q1, no major challenge seen in terms of margin
- SUV segment contribution up from 50% to 52% for domestic market

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Prestige Group : Q1 was weaker as approvals could not come in time due to elections; Ifran Razack, MD

- Strong pipeline for rest of the year and sees growth
- Reached a stage where more price hike will not be good for markets
- Believes changes in tax rates on long term gains on property is a good move
- Q1 was weaker as approvals could not come in time due to elections

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Birla Soft : Q1 was disappointing quarter even for us; Angan Guha, CEO

- Confident that Q2 will be better than Q1
- FY25 to be better than FY24 in terms of order booking
- Revenue growth to come back in Q2, margins may improve
- Seeing some greenshoots in demand, will watch out for the US elections

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M&M : Seeing Greenshoots in the tractor segment; Anish Shah, MD & CEO

- Think there are enough incentives available for EV 4-wheelers
- Tech Mahindra is on a good path of recovery
- Auto business growth of 15% for next 3 years seems reasonable
- Seeing Greenshoots in the tractor segment

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Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Automobiles																
Amara Raja Ener.	Neutral	1601	1475	-8	49.5	59.0	66.5	10.4	19.1	12.7	27.2	24.1	3.8	3.4	14.9	14.8
Apollo Tyres	Buy	552	620	12	29.0	29.8	35.8	79.0	2.9	20.0	18.5	15.4	1.8	1.6	12.9	14.0
Ashok Ley.	Buy	250	285	14	9.1	11.8	14.6	102.5	29.5	23.3	21.1	17.1	7.0	5.8	35.9	36.8
Bajaj Auto	Neutral	9734	8695	-11	276.1	316.4	380.9	28.9	14.6	20.4	30.8	25.6	9.8	9.1	33.5	36.9
Balkrishna Inds	Neutral	3347	2825	-16	76.5	87.8	113.4	39.6	14.7	29.2	38.1	29.5	6.6	5.7	18.1	20.6
Bharat Forge	Neutral	1717	1525	-11	20.6	36.0	48.5	69.0	74.8	34.6	47.7	35.4	9.6	8.0	21.7	24.7
Bosch	Neutral	34360	31290	-9	620.5	802.2	938.9	28.5	29.3	17.0	42.8	36.6	7.6	6.8	18.7	19.7
CEAT	Buy	2632	3090	17	169.4	153.0	192.6	226.6	-9.7	25.9	17.2	13.7	2.3	2.1	14.4	16.0
Craftsman Auto	Buy	5542	5965	8	144.2	142.2	218.5	22.6	-1.4	53.7	39.0	25.4	4.2	3.6	14.1	15.4
Eicher Mot.	Sell	4968	4045	-19	146.3	164.3	178.2	37.3	12.3	8.4	30.2	27.9	6.5	5.6	23.0	21.6
Endurance Tech.	Buy	2569	3100	21	47.3	65.5	85.6	36.5	38.6	30.7	39.2	30.0	6.3	5.4	17.2	19.3
Escorts Kubota	Neutral	4146	3725	-10	94.9	97.2	124.1	85.0	2.4	27.7	42.7	33.4	5.0	4.5	12.3	14.1
Exide Ind	Neutral	513	480	-6	12.4	14.1	18.0	16.5	14.1	27.7	36.3	28.4	3.1	2.9	8.5	10.1
Happy Forgings	Buy	1262	1420	12	25.8	34.7	45.2	10.6	34.7	30.1	36.3	27.9	6.3	5.3	18.7	20.7
Hero Moto	Buy	5370	6375	19	204.6	255.4	304.2	40.5	24.9	19.1	21.0	17.7	5.5	5.0	27.3	29.6
M&M	Buy	2829	3310	17	88.7	106.4	124.7	34.0	19.9	17.1	26.6	22.7	5.5	4.6	22.3	21.9
CIE Automotive	Buy	589	675	15	21.1	23.7	28.9	16.8	12.5	21.9	24.8	20.4	3.3	3.0	14.2	15.5
Maruti Suzuki	Buy	13349	15160	14	429.0	486.0	565.2	56.8	13.3	16.3	27.5	23.6	4.4	3.9	15.9	16.3
MRF	Sell	140220	99700	-29	4,990.2	4,582.8	5,113.5	175.2	-8.2	11.6	30.6	27.4	3.2	2.9	11.1	11.2
Samvardh. Motherson	Buy	196	230	17	3.7	6.5	8.5	63.6	74.7	31.7	30.3	23.0	4.5	4.0	15.8	18.5
Motherson Wiring	Buy	73	84	15	1.4	1.8	2.1	31.1	21.5	17.8	41.8	35.5	15.4	12.7	41.1	39.3
Sona BLW Precis.	Neutral	672	620	-8	8.9	10.6	13.3	31.6	18.7	25.3	63.3	50.5	12.3	10.6	20.7	22.5
Tata Motors	Neutral	1145	1025	-10	58.7	59.8	69.9	2,628.0	1.9	16.9	19.1	16.4	4.0	3.2	23.1	21.9
TVS Motor	Neutral	2585	2095	-19	43.8	55.3	65.4	44.4	26.1	18.3	46.8	39.5	12.3	9.7	29.7	27.5
Tube Investments	Buy	4088	-		34.4	63.7	79.6	-15.1	85.1	25.0	64.5	51.7	12.7	10.4	21.7	22.1
Aggregate								94.6	13.7	18.7	31.8	28.0	6.2	5.3	19.4	19.0
Banks - Private																
AU Small Finance	Buy	645	735	14	23.0	30.8	38.9	4.3	34	26.1	20.9	16.6	2.8	2.4	14.6	15.5
Axis Bank	Neutral	1172	1175	0	80.7	85.6	98.3	14.9	6.1	14.8	13.7	11.9	2.1	1.8	16.3	16.2
Bandhan Bank	Neutral	214	220	3	13.8	26.3	30.3	1.6	90	15.2	8.1	7.1	1.4	1.2	18.6	18.9
DCB Bank	Buy	125	175	40	17.1	19.5	24.0	14.6	13.5	23.3	6.4	5.2	0.7	0.6	12.1	13.3
Equitas Small Fin.	Buy	80	110	37	7.1	6.3	10.0	46.6	-12.0	60.0	12.8	8.0	1.4	1.2	11.4	16.3
Federal Bank	Buy	201	230	15	16.3	17.4	20.7	14.5	6.7	18.9	11.5	9.7	1.5	1.3	13.7	14.5
HDFC Bank	Buy	1640	1850	13	80.0	90.7	104.5	1.0	13.3	15.2	18.1	15.7	2.5	2.2	14.7	15.1
ICICI Bank	Buy	1211	1400	16	58.4	64.1	73.2	27.5	9.8	14.2	18.9	16.5	3.1	2.7	17.7	17.3
IDFC First Bk	Neutral	75	83	10	4.3	4.5	6.4	13.8	3.9	42.5	16.8	11.8	1.5	1.3	9.4	12.0
IndusInd	Buy	1420	1700	20	115.5	122.4	151.1	20.3	5.9	23.5	11.6	9.4	1.5	1.4	14.2	15.4
Kotak Mah. Bk	Neutral	1793	1800	0	91.6	97.4	113.5	21.9	6.3	16.6	18.4	15.8	2.4	2.1	14.2	14.3
RBL Bank	Neutral	231	270	17	19.3	23.6	31.3	31.1	22.2	32.5	9.8	7.4	0.9	0.8	9.3	11.5
SBI Cards	Neutral	720	770	7	25.4	28.0	37.7	6.2	10.5	34.4	25.7	19.1	4.7	3.9	20.1	22.2
Aggregate								27.0	11.4	16.8	18.8	16.9	2.8	2.5	15.1	14.7
Banks - PSU																
BOB	Buy	251	290	15	34.4	37.5	42.6	26.1	9.2	13.6	6.7	5.9	1.0	0.9	16.9	16.8
Canara Bank	Buy	113	133	18	16.0	18.2	20.8	37.3	13.4	14.6	6.2	5.4	1.1	0.9	19.5	19.3
Indian Bank	Buy	594	670	13	62.2	75.6	85.5	46.7	21.5	13.1	7.9	7.0	1.3	1.1	18.0	17.7
Punjab Natl. Bank	Neutral	123	135	10	7.5	12.8	15.4	228.8	71.0	20.0	9.6	8.0	1.2	1.1	13.6	14.5
SBI	Buy	863	1015	18	75.2	88.5	104.1	20.6	18	17.6	9.7	8.3	1.7	1.4	18.6	18.4
Union Bank (I)	Buy	135	165	22	18.9	20.7	23.4	52.9	10	13.1	6.5	5.8	1.0	0.9	16.2	16.1
Aggregate								34.0	20	16	10	8.6	1.6	1.4	15.4	16.2
NBFCs																
AAVAS Financiers	Neutral	1666	1800	8	62.0	74.4	94.1	14.0	20.1	26.4	22.4	17.7	3.0	2.6	14.5	15.7
Aditya Birla Cap	Buy	220	270	23	10.1	12.2	13.8	19.0	20.6	13.1	16.6	12.8	1.9	1.7	12.1	13.9
Angel One	Buy	2237	3300	48	135.9	179.9	205.8	26.4	32.4	14.4	12.4	10.9	3.1	2.6	32.9	26.1



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Bajaj Fin.	Neutral	6773	7500	11	233.7	275.5	359.2	22.8	17.9	30.4	24.6	18.9	4.5	3.8	20.2	21.8
BSE	Neutral	2643	3000	13	57.0	86.3	112.5	275.5	51.4	30.3	30.6	23.5	9.8	8.7	32.0	37.0
Cams Services	Buy	4413	4310	-2	71.6	88.9	106.6	23.3	24.1	19.9	49.6	41.4	20.3	17.3	43.9	45.1
Can Fin Homes	Neutral	834	890	7	56.4	64.8	72.9	20.8	14.9	12.5	12.9	11.4	2.2	1.8	18.2	17.4
Cholaman.Inv.&Fn	Buy	1391	1675	20	40.7	54.6	72.2	25.6	34.1	32.2	25.5	19.3	4.9	3.7	21.1	22.1
CreditAccess	Buy	1323	1520	15	90.7	104.5	124.0	74.5	15.2	18.7	12.7	10.7	2.6	2.1	22.7	21.8
Fusion Micro	Buy	438	550	26	50.2	63.4	78.0	30.2	26.3	23.0	6.9	5.6	1.3	1.0	20.1	20.2
Five-Star Business	Buy	764	950	24	28.6	37.3	45.3	38.0	30.4	21.5	20.5	16.9	3.6	2.9	19.0	19.1
HDFC Life Insur.	Buy	713	750	5	7.3	7.7	9.6	15.4	6.0	24.6	92.3	74.0	2.8	2.4	16.7	16.5
Home First Fin.	Buy	1023	1215	19	34.5	43.0	55.1	33.2	24.5	28.1	23.8	18.6	3.7	3.1	16.6	18.2
ICICI Pru Life	Buy	735	740	1	5.9	6.5	7.6	5.0	10.3	16.6	112.6	96.6	2.1	1.7	19.8	20.1
ICICI Lombard	Buy	2003	2200	10	38.9	51.1	64.5	11.0	31.2	26.3	39.2	31.0	7.2	6.1	19.6	21.4
IIFL Finance	Buy	458	605	32	46.2	37.4	55.8	17.2	-19.1	49.3	12.2	8.2	1.5	1.3	13.3	16.5
360 ONE WAM	Buy	1098	1300	18	22.4	29.8	35.6	21.3	33.2	19.3	36.8	30.8	10.8	10.1	30.1	33.7
IndoStar	Buy	243	290	19	8.5	12.5	18.5	-48.5	46.8	48.0	19.4	13.1	1.0	0.9	5.1	7.5
L&T Finance	Buy	177	230	30	9.3	11.7	15.2	42.4	26.0	29.2	15.0	11.6	1.7	1.5	11.9	13.9
Life Insurance Corp.	Buy	1179	1270	8	64.3	68.3	73.6	11.8	6.2	7.7	17.3	16.0	0.9	0.8	11.6	11.4
LIC Hsg Fin	Buy	757	930	23	86.6	90.5	93.0	64.8	4.5	2.8	8.4	8.1	1.2	1.1	14.9	13.7
MCX	Buy	4386	4850	11	16.3	93.9	121.3	-44.2	476.3	29.2	46.7	36.2	15.2	14.0	33.6	40.3
Manappuram Fin.	Buy	214	245	15	26.0	30.0	35.3	46.5	15.4	17.8	7.1	6.1	1.3	1.1	20.1	19.8
MAS Financial	Buy	292	360	23	15.1	17.2	22.2	23.3	14.0	28.7	17.0	13.2	2.1	1.9	14.8	15.0
Max Financial	Neutral	1103	1030	-7	17.2	24.2	30.1	87.1	40.8	24.1	45.5	36.7	2.0	1.7	19.5	19.2
M&M Fin.	Buy	306	350	14	14.3	22.6	28.1	-11.4	58.5	24.4	13.6	10.9	1.8	1.6	13.9	15.5
Muthoot Fin	Neutral	1867	1630	-13	100.9	124.8	141.0	16.6	23.7	13.0	15.0	13.2	2.7	2.3	19.1	18.6
Piramal Enterp.	Neutral	1023	925	-10	-75.0	30.9	65.8	-200.1	LP	112.7	33.1	15.6	0.9	0.8	2.6	5.3
PNB Housing	Buy	810	1015	25	58.1	69.8	88.8	-6.3	20.3	27.1	11.6	9.1	1.3	1.1	11.4	13.0
Poonawalla Fincorp	Buy	360	465	29	13.4	17.2	22.2	73.3	28.2	29.0	20.9	16.2	3.0	2.6	15.1	17.0
Repco Home Fin	Neutral	543	-		63.1	66.0	72.0	33.3	4.5	9.2	8.2	7.5	1.0	0.9	13.4	12.9
Spandana Sphoorty	Buy	671	830	24	70.2	79.1	104.2	3,922.1	12.6	31.8	8.5	6.4	1.1	1.0	14.4	16.2
Shriram Finance	Buy	2989	3400	14	191.3	226.5	279.2	19.8	18.4	23.3	13.2	10.7	2.0	1.8	16.4	17.6
SBI Life Insurance	Buy	1766	1900	8	18.9	19.9	23.2	10.0	5.3	16.5	88.7	76.1	2.5	2.1	21.9	20.5
Star Health Insu	Buy	602	730	21	14.4	18.4	24.6	35.8	27.6	33.4	32.7	24.5	4.6	3.9	15.0	17.1
Aggregate								-2.0	24.0	25.4	22.1	17.8	3.1	2.7	14.0	14.9
Chemicals																
Alkyl Amines	Neutral	2109	-		29.1	41.5	55.8	-34.9	42.7	34.5	50.8	37.8	7.7	6.8	15.9	19.0
Atul	Buy	7844	9100	16	103.4	160.8	214.4	-38.8	55.5	33.3	48.8	36.6	4.2	3.8	8.9	10.9
Clean Science	Neutral	1563	1375	-12	23.0	30.4	34.4	-17.3	32.3	13.1	51.4	45.5	11.2	9.2	24.0	22.2
Deepak Nitrite	Neutral	3087	2705	-12	55.1	69.2	77.3	-11.7	25.5	11.7	44.6	39.9	7.5	6.4	18.1	17.3
Fine Organic	Sell	5531	4095	-26	120.0	119.2	116.9	-37.7	-0.7	-1.9	47.0	47.8	7.8	6.8	18.0	15.2
Galaxy Surfact.	Buy	2887	3450	20	85.0	97.7	115.0	-20.9	14.9	17.7	29.5	25.1	4.2	3.7	15.0	15.8
Navin Fluorine	Neutral	3685	3450	-6	46.1	60.3	86.2	-39.1	30.8	43.0	61.1	42.7	7.0	6.3	12.0	15.5
NOCIL	Neutral	324	260	-20	7.9	10.2	13.0	-11.7	29.5	27.4	31.8	24.9	3.0	2.8	9.8	11.7
PI Inds.	Buy	4421	4400	0	110.6	111.9	131.9	36.8	1.2	17.8	39.5	33.5	6.6	5.6	17.9	17.9
SRF	Neutral	2625	2130	-19	47.5	52.6	74.0	-37.7	10.7	40.7	49.9	35.5	6.2	5.5	13.0	16.4
Tata Chemicals	Neutral	1104	1000	-9	36.1	33.5	51.3	-60.5	-7.3	53.1	32.9	21.5	1.2	1.2	3.8	5.6
Vinati Organics	Buy	2176	2340	8	31.2	42.7	52.0	-22.8	36.8	21.8	51.0	41.8	8.0	7.0	16.8	17.9
Aggregate								-26.4	26.4	19.6	58.8	46.5	7.1	6.3	12.1	13.6
Capital Goods																
ABB India	Buy	7767	9500	22	58.9	90.5	111.9	81.9	53.7	23.5	85.8	69.4	21.3	16.6	28.1	26.9
Bharat Electronics	Buy	311	360	16	5.5	6.7	8.2	33.7	21.0	22.7	46.8	38.1	11.2	9.0	24.0	23.5
Cummins India	Buy	3814	4300	13	60.0	74.2	89.0	33.4	23.7	19.9	51.4	42.9	15.2	13.3	31.3	33.1
Hitachi Energy	Neutral	12400	12000	-3	38.6	75.4	149.9	74.4	95.3	98.7	164.4	82.7	31.3	22.7	19.0	27.5



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Kalpataru Proj.	Buy	1364	1500	10	32.6	49.3	69.6	8.3	51.3	41.1	27.6	19.6	3.5	3.0	13.2	16.4
KEC International	Neutral	907	830	-8	13.5	24.5	39.6	97.0	81.6	61.6	37.0	22.9	5.1	4.4	14.6	20.8
Kirloskar Oil	Buy	1199	1500	25	25.0	34.4	44.1	33.8	37.9	28.1	34.8	27.2	5.8	5.0	17.8	19.8
Larsen & Toubro	Buy	3776	4150	10	94.5	105.8	136.0	24.5	12.0	28.5	35.7	27.8	5.3	4.6	15.8	17.8
Siemens	Buy	7029	8700	24	55.1	81.0	97.0	55.5	47.1	19.7	86.7	72.4	16.4	14.1	20.4	20.9
Thermax	Neutral	5176	-		52.2	67.1	83.1	30.3	28.6	23.9	77.2	62.3	11.6	10.0	15.9	17.3
Triveni Turbine	Buy	605	720	19	8.5	11.0	14.8	39.8	29.8	35.1	55.0	40.8	15.9	12.4	32.2	34.2
Zen Technologies	Buy	1699	1820	7	15.1	28.4	40.7	218.8	88.4	43.0	59.8	41.8	20.6	13.8	41.7	39.6
Aggregate								32.3	23.1	27.7	61.2	49.8	10.1	8.7	16.5	17.5
Cement																
Ambuja Cem.	Buy	664	800	20	13.9	12.6	18.2	-2.2	-9.1	44.0	52.6	36.5	3.0	2.8	6.4	7.8
ACC	Buy	2488	3300	33	99.3	110.5	134.3	88.7	11.2	21.6	22.5	18.5	2.6	2.3	12.2	13.2
Birla Corp.	Buy	1552	1970	27	54.0	66.8	87.2	1,052.2	23.7	30.5	23.2	17.8	1.7	1.6	7.5	9.1
Dalmia Bhar.	Buy	1812	2300	27	40.8	52.4	69.7	11.5	28.6	32.9	34.6	26.0	2.0	1.9	5.9	7.4
Grasim Inds.	Buy	2767	3150	14	95.6	97.2	108.9	-2.9	1.7	12.0	28.5	25.4	3.4	3.2	1.7	2.5
India Cem	Sell	364	180	-50	-7.6	-1.8	6.0	-49.9	Loss	LP	NM	61.1	2.1	2.0	-1.0	3.4
J K Cements	Buy	4425	5150	16	102.7	112.0	150.1	86.2	9.0	34.0	39.5	29.5	5.7	4.9	15.2	17.8
JK Lakshmi Ce	Buy	862	1080	25	39.6	34.5	45.9	29.9	-12.8	33.0	25.0	18.8	2.9	2.5	12.1	14.4
Ramco Cem	Neutral	825	890	8	16.7	18.4	28.2	15.0	10.0	53.4	44.9	29.2	2.6	2.4	5.9	8.6
Shree Cem	Neutral	27754	30300	9	684.2	626.4	624.3	110.3	-8.4	-0.3	44.3	44.5	4.5	4.2	10.6	9.8
Ultratech	Buy	11985	13000	8	244.5	261.3	336.6	39.4	6.9	28.8	45.9	35.6	5.2	4.4	11.9	13.5
Aggregate								30.3	5.5	25.4	40.5	38.4	4.0	3.6	10.0	9.4
Consumer																
Asian Paints	Neutral	3097	3150	2	57.9	58.0	65.7	30.9	0.1	13.3	53.4	47.1	14.7	13.2	28.5	29.5
Britannia	Neutral	5729	5400	-6	88.7	102.6	115.0	10.1	15.6	12.1	55.9	49.8	30.1	25.2	58.0	55.2
Colgate	Neutral	3374	3150	-7	49.2	57.7	62.2	26.8	17.4	7.8	58.4	54.2	41.3	35.9	76.7	70.9
Dabur	Buy	643	750	17	10.6	11.8	13.2	9.2	11.5	11.9	54.4	48.7	10.7	9.9	20.4	21.1
Emami	Buy	823	950	15	18.0	21.0	23.4	17.0	16.4	11.4	34.7	31.0	11.3	9.9	34.9	34.1
Godrej Cons.	Buy	1469	1600	9	19.3	22.5	26.7	13.2	16.4	18.6	65.3	55.1	10.7	9.5	17.2	18.2
HUL	Buy	2716	3250	20	43.7	47.9	53.6	0.7	9.6	11.9	56.7	50.6	12.2	11.8	21.8	23.7
ITC	Buy	494	575	16	16.4	17.3	18.8	9.0	5.6	8.7	28.2	29.1	7.9	7.4	28.2	29.1
Indigo Paints	Buy	1501	1650	10	31.3	34.8	38.0	28.8	11.3	9.0	43.1	39.5	6.9	6.0	17.1	16.3
Jyothy Lab	Neutral	521	565	8	9.8	11.1	12.4	54.8	12.8	12.3	47.1	41.9	10.0	9.0	21.8	22.6
Marico	Buy	675	700	4	11.5	12.7	14.1	13.7	11.0	10.6	52.9	47.9	21.8	20.7	42.0	44.4
Nestle	Neutral	2484	2500	1	41.0	36.8	40.8	62.5	-10.2	10.7	67.4	60.9	59.5	50.0	96.4	89.3
Page Inds	Neutral	42001	37500	-11	510.3	597.6	722.8	-0.4	17.1	20.9	70.3	58.1	25.1	21.4	35.7	36.8
Pidilite Ind.	Neutral	3123	2850	-9	35.9	42.5	48.6	42.2	18.6	14.2	73.4	64.3	16.6	15.0	24.1	24.5
P&G Hygiene	Neutral	16778	17000	1	250.6	284.7	314.7	31.0	13.6	10.5	58.9	53.3	46.1	39.3	85.0	79.7
Tata Consumer	Buy	1208	1380	14	14.6	16.6	20.2	28.7	13.1	22.1	72.9	59.7	5.4	5.1	9.0	9.5
United Brew	Sell	2001	1800	-10	15.5	25.7	34.2	24.7	65.3	33.2	77.9	58.5	11.6	10.5	15.6	18.9
United Spirits	Neutral	1414	1400	-1	18.1	19.3	22.0	42.7	6.3	14.1	73.4	64.4	12.3	10.3	16.7	16.0
Varun Beverages	Buy	1576	1850	17	15.8	20.7	25.9	37.3	30.5	25.4	76.3	60.8	22.0	16.6	33.1	31.1
Aggregate								15.3	8.0	11.5	52.1	48.2	13.2	12.2	25.4	25.3
Consumer Durables																
Havells India	Neutral	1836	1820	-1	20.3	25.8	31.4	18.5	27.4	21.4	71.1	58.6	13.5	11.8	19.0	20.1
KEI Industries	Buy	4329	5230	21	64.4	80.0	99.1	21.7	24.2	23.9	54.1	43.7	10.2	8.4	18.9	19.2
Polycab India	Buy	6772	8200	21	118.8	130.1	156.6	40.0	9.6	20.4	52.0	43.2	10.5	8.8	20.2	20.4
R R Kabel	Buy	1740	2140	23	26.4	34.2	50.1	57.0	29.5	46.6	50.9	34.7	9.2	7.6	19.5	23.9
Voltas	Buy	1537	1670	9	7.2	21.0	31.8	-36.8	190.6	51.3	73.1	48.3	7.9	6.9	10.8	14.4
Aggregate								23.2	28.8	27.0	78.8	61.2	12.4	10.7	15.8	17.6
EMS																
Avalon Tech	Buy	524	640	22	4.3	9.3	15.9	-53.0	118.3	71.0	56.4	33.0	5.7	4.8	10.6	15.8
Cyient DLM	Buy	801	880	10	7.7	14.5	21.9	92.9	88.0	51.1	55.2	36.5	6.2	5.3	11.9	15.6
Data Pattern	Neutral	3167	2900	-8	32.4	39.9	53.1	46.6	23.1	32.9	79.3	59.6	11.5	9.7	15.6	17.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Kaynes Tech	Buy	4379	5000	14	28.7	54.3	90.6	75.3	89.1	67.0	80.7	48.3	9.9	8.2	13.0	18.5
Syrma SGS Tech.	Buy	500	565	13	6.1	9.7	15.3	-9.3	58.9	56.8	51.4	32.8	5.0	4.4	10.2	14.4
Aggregate								33.2	63.3	55.1	110.5	67.7	9.0	8.0	8.2	11.8
Healthcare																
Alembic Phar	Neutral	1216	930	-23	31.5	37.9	42.1	43.9	20.6	11.0	32.0	28.9	4.4	3.9	14.4	14.1
Alkem Lab	Neutral	5268	5430	3	159.7	169.1	195.2	50.6	5.9	15.4	31.1	27.0	5.3	4.6	18.2	18.3
Ajanta Pharma	Buy	2792	2935	5	62.3	75.8	88.1	26.6	21.7	16.2	36.8	31.7	8.3	6.9	24.5	23.8
Apollo Hospitals	Buy	6702	7070	5	62.4	88.5	125.9	29.6	41.8	42.3	75.7	53.2	11.5	9.5	16.9	20.1
Aurobindo	Neutral	1432	1320	-8	56.0	67.0	75.7	46.1	19.6	13.0	21.4	18.9	2.5	2.2	12.4	12.5
Biocon	Neutral	355	340	-4	2.2	6.2	12.1	-65.1	183.8	96.7	57.4	29.2	2.1	2.0	3.7	7.0
Cipla	Buy	1546	1830	18	52.5	58.7	65.6	39.0	11.9	11.7	26.3	23.6	4.0	3.5	15.4	14.9
Divis Lab	Neutral	4922	4300	-13	60.0	79.3	96.5	-7.5	32.2	21.6	62.1	51.0	8.7	7.8	14.7	16.1
Dr Reddy's	Neutral	6894	7100	3	317.1	353.8	389.0	29.6	11.6	9.9	19.5	17.7	3.4	2.9	19.1	17.7
ERIS Lifescience	Neutral	1119	980	-12	29.2	30.9	42.5	5.2	5.6	37.6	36.2	26.3	5.2	4.5	15.4	18.3
Gland Pharma	Buy	2122	2110	-1	47.6	59.4	69.4	-5.6	24.7	16.9	35.8	30.6	3.6	3.2	10.6	11.1
Glenmark	Neutral	1438	1200	-17	2.5	42.7	50.5	-88.0	1,619.7	18.3	33.7	28.5	4.5	3.9	14.4	14.8
GSK Pharma	Neutral	2756	2380	-14	43.3	45.8	50.8	20.5	5.7	10.9	60.2	54.3	22.4	18.8	37.2	34.7
Global Health	Buy	1224	1490	22	17.8	19.6	25.2	46.7	9.9	28.9	62.5	48.5	9.8	8.4	16.8	18.7
Granules India	Buy	631	680	8	17.4	24.0	31.9	-19.5	38.5	32.5	26.3	19.8	4.1	3.4	16.6	18.6
IPCA Labs	Neutral	1305	1150	-12	20.8	30.5	40.6	0.0	46.5	33.3	42.8	32.1	4.7	4.2	11.6	13.9
Laurus Labs	Buy	452	505	12	3.0	7.2	12.9	-79.6	139.9	78.2	62.4	35.0	5.5	4.8	9.1	14.7
Lupin	Neutral	1954	1590	-19	41.5	50.7	59.6	382.6	22.0	17.6	38.6	32.8	5.4	4.7	15.0	15.3
Mankind Pharma	Buy	2005	2650	32	47.8	54.5	62.4	38.5	14.1	14.6	36.8	32.1	7.3	6.2	21.4	20.9
Max Healthcare	Buy	924	-		13.7	18.0	21.8	18.6	31.0	21.1	46.6	38.4	8.2	7.0	17.1	17.5
Piramal Pharma	Buy	173	195	13	0.4	2.5	5.1	-170.2	497.1	103.1	68.5	33.7	2.5	2.3	4.1	7.9
Sun Pharma	Buy	1716	1980	15	41.4	49.3	58.4	15.8	19.0	18.5	34.8	29.4	5.1	4.4	16.5	17.4
Torrent Pharma	Neutral	3215	3340	4	47.1	63.4	82.0	26.7	34.6	29.3	50.7	39.2	6.6	5.4	28.5	30.5
Zydus Lifesciences	Neutral	1242	1030	-17	37.6	39.0	41.4	68.0	3.6	6.1	31.8	30.0	5.0	4.4	17.6	15.7
Aggregate								24.9	21.2	19.2	43.7	36.1	6.0	5.2	13.8	14.5
Infrastructure																
G R Infraproject	Buy	1769	-		73.0	78.7	101.3	-17.2	7.9	28.7	24.0	17.7	2.2	1.9	10.0	11.4
IRB Infra	Neutral	65	61	-7	1.0	1.6	2.1	-15.9	61.2	27.6	40.3	31.6	2.7	2.5	6.9	8.3
KNR Constructions	Buy	392	400	2	15.2	15.3	20.1	3.3	0.2	31.5	25.7	19.5	3.0	2.6	12.5	14.4
Aggregate											39.5	31.7	2.8	2.6	7.2	8.3
Logistics																
Adani Ports	Buy	1589	1850	16	41.3	51.2	61.1	16.5	24.1	19.3	31.0	26.0	5.5	4.6	19.1	19.3
Blue Dart Express	Buy	8217	9500	16	121.6	137.1	223.5	-21.2	12.7	63.0	59.9	36.8	12.0	9.7	21.3	29.2
Concor	Buy	1040	1220	17	20.3	25.8	33.9	5.8	27.0	31.3	40.3	30.7	5.0	4.6	12.8	15.6
JSW Infra	Buy	332	390	18	5.8	6.5	9.3	6.8	11.7	44.3	51.3	35.6	7.7	6.6	15.9	20.0
Mahindra Logistics	Neutral	510	510	0	-8.2	6.6	19.2	-322.8	LP	190.3	76.9	26.5	7.0	5.7	9.1	23.2
Transport Corp.	Buy	1023	1160	13	45.8	52.6	64.5	10.1	14.8	22.6	19.5	15.9	3.3	2.8	18.2	18.8
TCI Express	Buy	1212	1450	20	34.4	38.3	44.6	-5.4	11.5	16.5	31.6	27.2	5.7	4.8	19.3	19.2
VRL Logistics	Buy	575	670	16	10.1	15.4	23.1	-46.1	51.7	50.4	37.5	24.9	5.1	4.6	13.9	19.4
Aggregate											42.2	35.6	6.5	5.7	15.5	16.0
Media																
PVR Inox	Neutral	1491	1400	-6	11.7	2.2	27.1	-152.3	-81.3	1,141.8	682.7	55.0	2.0	1.9	0.3	3.6
Sun TV	Buy	890	900	1	47.6	51.3	52.5	12.0	7.7	2.4	17.4	17.0	3.1	2.9	17.9	16.9
Zee Ent.	Neutral	142	155	9	4.5	7.1	10.2	-4.9	56.9	43.4	20.0	13.9	1.2	1.1	6.1	8.3
Aggregate								16.7	12.3	21.7	26.6	23.7	2.3	2.2	8.5	9.1
Metals																
Coal India	Buy	540	600	11	60.7	61.9	68.1	17.8	2.0	10.0	8.7	7.9	3.3	2.7	37.7	34.5
Hindalco	Buy	674	800	19	45.6	61.2	63.6	0.8	34.1	3.9	11.0	10.6	1.6	1.4	15.8	14.3
Hind. Zinc	Neutral	648	610	-6	18.4	23.0	29.9	-26.2	25.5	29.9	28.1	21.6	13.8	10.0	55.6	53.5
JSPL	Buy	983	1200	22	58.4	63.6	95.7	60.4	8.9	50.4	15.5	10.3	2.0	1.7	13.5	17.6
JSW Steel	Buy	934	1030	10	36.7	55.9	78.0	149.9	52.3	39.5	16.7	12.0	2.5	2.2	16.3	19.6



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Nalco	Neutral	193	185	-4	9.1	12.3	14.1	16.3	35.1	15.0	15.7	13.6	2.2	2.0	14.8	15.3
NMDC	Buy	243	300	24	19.7	25.5	28.5	18.0	29.4	11.5	9.5	8.5	2.3	1.9	26.5	24.7
SAIL	Neutral	150	160	7	2.6	9.8	12.7	-43.8	277	29.1	15.3	11.8	1.0	1.0	7.0	8.6
Tata Steel	Neutral	163	180	10	2.7	9.9	13.7	-61.8	266	38.4	16.6	11.9	2.2	2.0	13.8	17.7
Vedanta	Neutral	448	520	16	13.3	33.9	44.7	-53.1	155	32.1	13.2	10.0	4.8	3.8	38.4	42.6
Aggregate								0.1	39.6	22.9	18.5	13.3	3.0	2.6	15.9	19.6
Oil & Gas																
Aegis Logistics	Neutral	769	760	-1	16.2	17.5	21.7	10.8	7.9	24.2	43.9	35.4	6.3	5.6	15.0	16.8
BPCL	Neutral	349	320	-8	63.3	29.0	35.4	1,271.9	-54.2	22.1	12.0	9.9	1.8	1.7	15.7	17.7
Castrol India	Buy	256	310	21	8.7	9.8	11.0	6.0	12.6	11.9	26.0	23.2	11.2	10.5	44.4	46.6
GAIL	Buy	239	275	15	13.7	15.3	17.0	70.1	11.5	10.9	15.6	14.1	2.2	2.0	15.0	15.2
Gujarat Gas	Buy	657	755	15	16.0	21.0	23.6	-27.8	31.3	12.2	31.3	27.9	5.2	4.7	17.7	17.7
Gujarat St. Pet.	Buy	340	405	19	22.8	11.6	12.1	35.9	-48.9	4.1	29.2	28.1	1.8	1.7	6.3	6.2
HPCL	Buy	391	460	18	75.2	26.7	47.0	-329.4	-64.5	75.8	14.6	8.3	1.6	1.4	11.6	18.3
IOC	Buy	180	215	20	29.5	9.5	13.3	344.7	-67.8	40.5	19.0	13.5	1.3	1.3	6.9	9.3
IGL	Sell	541	475	-12	25.0	23.4	30.8	21.0	-6.5	31.7	23.2	17.6	3.9	3.4	17.9	20.6
Mahanagar Gas	Buy	1824	2200	21	132.3	129.4	136.9	65.4	-2.2	5.9	14.1	13.3	3.0	2.7	23.1	21.4
MRPL	Sell	221	170	-23	20.5	9.4	15.4	36.6	-54.2	63.1	23.5	14.4	2.7	2.3	11.9	17.2
Oil India	Buy	599	560	-7	48.7	46.8	51.7	16.2	-3.9	10.5	12.8	11.6	2.0	1.8	16.3	16.1
ONGC	Buy	342	330	-3	46.3	50.3	56.0	44.9	8.6	11.3	6.8	6.1	1.1	1.0	17.6	17.2
PLNG	Neutral	367	380	3	23.6	30.9	31.3	9.1	30.9	1.5	11.9	11.7	2.8	2.5	25.4	22.7
Reliance Ind.	Buy	3032	3435	13	102.9	113.9	144.8	4.4	10.7	27.1	26.6	20.9	2.3	2.0	9.3	10.7
Aggregate								80.0	-16.8	22.0	14.3	17.2	2.1	2.0	15.0	11.4
Real Estate																
Brigade Enterpr.	Buy	1258	1525	21	22.1	37.1	42.0	82.6	67.9	13.2	33.9	29.9	5.9	5.0	18.9	18.0
DLF	Neutral	874	850	-3	11.0	16.6	17.0	-3.5	50.5	2.4	52.8	51.5	3.6	3.4	10.0	9.4
Godrej Propert.	Buy	3128	3725	19	26.9	52.0	34.4	20.3	93.4	-33.8	60.2	90.9	7.6	7.0	13.5	8.0
Kolte Patil Dev.	Buy	386	700	82	-9.2	13.3	42.7	-167.7	LP	221.3	29.0	9.0	3.6	2.7	13.1	34.0
Oberoi Realty	Neutral	1839	1560	-15	53.0	50.5	70.8	1.2	-4.6	40.0	36.4	26.0	4.3	3.8	12.6	15.6
Macrotech Devel.	Buy	1273	1770	39	16.9	23.4	35.3	6.0	38.3	51.0	54.4	36.0	6.2	5.4	12.1	16.0
Mahindra Lifespace	Neutral	608	600	-1	6.3	6.3	5.7	111.6	0.5	-9.8	95.9	106.3	4.9	4.7	5.2	4.5
Sunteck Realty	Buy	592	640	8	4.8	16.2	23.2	4,699.7	234.8	43.1	36.5	25.5	2.6	2.4	7.4	9.7
Sobha	Buy	1787	2250	26	5.1	35.2	74.2	-52.9	591.2	110.5	50.7	24.1	6.1	4.9	12.7	22.6
Prestige Estates	Buy	1754	2100	20	19.0	19.9	26.2	-1.5	5.0	31.9	88.2	66.8	5.5	5.1	6.4	7.9
Phoenix Mills	Neutral	3608	3220	-11	61.6	60.8	83.0	50.6	-1.3	36.5	58.9	43.2	6.1	5.4	10.9	13.2
Aggregate								17.2	37.8	22.5	75.3	54.7	6.3	5.7	8.3	10.4
Retail																
Avenue Supermarts	Buy	4995	5500	10	39.0	49.8	66.4	6.2	27.9	33.2	100.2	75.2	14.8	12.4	16.0	17.9
Aditya Birla Fashion	Neutral	337	335	-1	-7.4	-7.1	-6.4	955.4	Loss	Loss	NM	NM	8.5	10.2	-16.4	-17.7
Bata India	Neutral	1619	1400	-14	22.8	29.2	40.1	-9.2	27.9	37.3	55.5	40.4	10.9	8.6	21.9	23.8
Barbeque-Nation	Neutral	565	625	11	-2.9	-0.7	1.7	-172.8	Loss	LP	NM	331.1	5.7	5.6	-0.7	1.7
Campus Activewe.	Buy	317	335	6	2.9	4.2	5.6	-23.6	42.3	33.8	76.3	57.0	12.5	10.2	16.3	17.9
Devyani Intl.	Buy	174	200	15	0.8	1.2	2.1	-66.5	55.5	74.0	145.4	83.5	27.5	28.0	15.9	33.2
Jubilant Food.	Neutral	601	525	-13	3.9	5.5	8.2	-32.9	39.5	48.3	109.1	73.6	17.2	16.3	15.8	22.1
Kalyan Jewellers	Buy	565	650	15	5.8	8.4	11.3	29.9	44.8	34.5	67.0	50.0	12.0	10.3	19.3	22.2
Metro Brands	Buy	1357	1420	5	12.7	15.3	19.0	-5.2	20.2	23.9	88.6	71.5	16.3	13.7	20.5	21.3
Raymond	Buy	1995	3755	88	104.1	119.2	151.6	10.2	14.5	27.2	16.7	13.2	2.5	2.1	15.9	17.2
Relaxo Footwear	Neutral	848	790	-7	8.1	9.8	12.3	29.8	22.1	24.9	86.2	69.0	9.7	8.7	11.7	13.3
Restaurant Brands	Buy	111	140	26	-4.8	-2.3	-0.2	-2.5	Loss	Loss	NM	NM	10.7	10.9	-19.9	-2.0
Sapphire Foods	Buy	1697	1850	9	8.2	13.0	23.8	-52.5	59.5	82.7	130.4	71.4	7.6	6.9	6.0	10.1
Shoppers Stop	Neutral	757	780	3	5.5	6.9	10.0	-50.2	24.8	45.5	110.3	75.8	15.8	12.4	20.9	24.2
Senco Gold	Buy	984	1350	37	23.3	30.3	37.1	1.6	30.0	22.6	32.5	26.5	4.8	4.1	15.9	16.8



Company	Reco	CMP (INR)	TP (INR)	% Upside Downside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
					FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Titan Company	Buy	3469	4000	15	39.3	47.1	57.9	6.8	19.9	22.8	73.6	59.9	25.0	19.4	38.6	36.4
Trent	Buy	5770	6080	5	29.2	49.4	62.7	162.5	69.0	27.0	116.9	92.0	32.9	23.8	35.5	32.1
V-Mart Retail	Neutral	3431	2880	-16	-53.5	-23.3	15.1	1,132.9	Loss	LP	NM	227.1	8.8	8.5	NM	3.8
Vedant Fashions	Neutral	1150	1050	-9	17.1	18.8	23.3	-3.5	10.5	23.6	61.0	49.4	15.3	13.0	26.3	25.5
Westlife Foodworld	Neutral	813	775	-5	4.4	6.2	10.5	-38.0	40.5	69.2	130.3	77.0	15.3	14.4	13.7	19.3
Aggregate								-0.7	35.2	33.6	125.9	93.1	19.0	16.3	15.1	17.5
Technology																
Cyient	Buy	1769	2070	17	66.9	71.4	89.7	27.7	6.8	25.6	24.8	19.7	4.3	3.9	16.8	19.6
HCL Tech.	Buy	1640	1850	13	57.9	62.5	68.5	5.6	7.9	9.7	26.3	23.9	6.7	6.8	25.4	28.2
Infosys	Buy	1852	2000	8	63.3	65.4	78.1	10.0	3.3	19.4	28.3	23.7	8.7	8.7	30.8	36.6
LTI Mindtree	Buy	5680	7000	23	154.8	166.8	198.8	2.0	7.7	19.2	34.0	28.6	7.4	6.4	23.0	23.9
L&T Technology	Buy	5120	5950	16	123.0	129.2	156.1	11.3	5.1	20.8	39.6	32.8	9.0	7.9	24.2	25.7
Mphasis	Neutral	2855	2800	-2	81.8	91.2	103.4	-6.0	11.5	13.4	31.3	27.6	5.7	5.3	19.0	19.9
Coforge	Neutral	6287	6100	-3	133.2	150.3	202.8	2.0	12.8	34.9	41.8	31.0	9.8	8.5	24.3	28.8
Persistent Sys	Buy	4794	5700	19	75.1	88.9	114.0	20.1	18.4	28.3	53.9	42.0	13.0	11.2	25.8	28.9
TCS	Buy	4396	4660	6	126.3	143.5	155.4	9.5	13.7	8.3	30.6	28.3	18.3	18.8	58.3	64.9
Tech Mah	Neutral	1543	1470	-5	41.1	44.5	63.6	-28.2	8.3	42.9	34.7	24.3	5.0	4.8	14.6	20.3
Wipro	Neutral	522	500	-4	20.4	22.0	24.5	-1.5	7.9	11.5	23.7	21.3	3.7	3.6	15.7	17.3
Zensar Tech	Neutral	777	750	-3	29.1	28.2	32.8	102.7	-3.3	16.3	27.6	23.7	4.4	3.9	17.0	17.4
Aggregate								3.8	10.4	13.5	33.5	30.3	9.4	9.3	28.0	30.8
Telecom																
Bharti Airtel	Buy	1505	1654	10	19.7	35.3	52.6	36.7	79.6	49.1	42.6	28.6	6.8	5.5	19.8	21.9
Indus Towers	Neutral	429	395	-8	22.4	23.7	25.5	151.1	5.9	7.7	18.1	16.8	3.5	2.9	21.2	18.7
Vodafone Idea		16			-11.1	-10.9	-10.4	9.3	Loss	Loss	NM	NM	-0.4	-0.4	NM	NM
Tata Comm	Neutral	1971	1950	-1	42.3	44.3	77.5	-30.0	4.9	74.8	44.4	25.4	20.7	12.2	56.1	60
Aggregate								Loss	Loss	LP	-77	-296	154.6	23.6	-201.4	-8.0
Others																
APL Apollo Tubes	Buy	1476	1850	25	26.4	37.9	55.7	14.1	43.7	46.7	38.9	26.5	9.1	7.0	26.0	29.8
Cello World	Buy	933	1090	17	15.6	19.0	24.0	24.4	22.1	26.0	49.0	38.9	12.9	9.8	26.3	25.1
Coromandel Intl	Buy	1633	1810	11	55.8	63.0	71.3	-18.5	12.9	13.3	25.9	22.9	4.4	3.8	18.3	17.9
EPL	Buy	219	260	19	8.2	10.1	14.1	13.5	23.7	39.5	21.7	15.5	3.1	2.7	14.7	18.6
Godrej Agrovet	Neutral	817	-		18.7	24.5	31.3	44.1	30.8	27.6	33.4	26.1	5.6	4.9	17.7	20.1
Indian Hotels	Buy	632	665	5	8.9	10.5	12.9	25.9	18.5	22.6	60.2	49.1	8.3	7.2	14.7	15.6
Interglobe	Neutral	4408	4420	0	211.8	200.3	204.0	-2,678.8	-5	2	22.0	22	17.5	9.7	133.3	57.9
Kajaria Ceramics	Buy	1468	1670	14	27.2	30.7	38.0	27.2	13.0	23.6	47.8	38.7	8.1	7.3	17.4	19.5
Lemon Tree Hotel	Buy	147	175	19	1.9	2.7	4.0	25.7	42.8	48.9	54.0	36.2	9.7	7.7	19.8	23.6
MTAR Tech	Buy	1887	2310	22	18.2	32.1	57.2	-45.7	75.8	78.2	58.8	33.0	7.5	6.1	13.6	20.4
One 97	Neutral	497	500	1	-22.4	-33.2	-13.8	-20.2	Loss	Loss	NM	NM	2.6	2.8	-16.8	-7.6
Qess Corp	Neutral	706	680	-4	20.4	28.1	33.7	78.3	37.5	19.9	25.1	21.0	2.7	2.5	14.6	16.3
SIS	Buy	442	540	22	13.0	29.2	38.4	-44.2	125.4	31.4	15.1	11.5	1.1	0.9	16.7	18.2
Team Lease Serv.	Buy	3274	4120	26	64.8	89.7	137.4	-0.5	38.4	53.2	36.5	23.8	5.9	4.8	15.9	20.3
UPL	Neutral	560	540	-4	3.7	27.3	45.9	-93.7	646.4	68.0	20.5	12.2	1.1	1.0	8.3	13.0
Updater Services	Buy	319	-		11.4	17.9	23.6	67.8	57.7	31.6	17.8	13.5	2.2	1.9	11.5	13.4
Zomato	Buy	234	300	28	0.4	0.9	3.2	-134.2	130.5	240.4	249.0	73.2	9.6	8.5	3.9	12.2



Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.2	3.0	23.2
Nifty-50	0.2	3.6	26.7
Nifty Next 50	-0.7	2.9	64.1
Nifty 100	0.1	3.6	32.5
Nifty 200	0.0	3.6	35.7
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-0.7	4.6	68.8
Amara Raja Ener.	-1.3	-6.4	150.2
Apollo Tyres	-0.7	1.0	29.1
Ashok Leyland	-2.7	4.8	35.8
Bajaj Auto	0.7	2.1	97.6
Balkrishna Inds	0.7	4.9	32.6
Bharat Forge	-0.9	3.1	84.0
Bosch	-1.7	0.4	80.9
CEAT	-2.3	-7.4	7.2
Craftsman Auto	-0.8	-0.6	19.3
Eicher Motors	0.1	7.2	45.5
Endurance Tech.	-1.2	-5.0	50.1
Escorts Kubota	-0.6	0.2	61.9
Exide Inds.	-2.0	-9.9	94.9
Happy Forgings	0.2	1.1	
Hero Motocorp	-2.1	-4.1	73.2
M & M	-2.7	-1.6	89.4
CIE Automotive	0.3	0.6	18.5
Maruti Suzuki	1.9	10.3	37.5
MRF	-1.4	8.2	35.8
Sona BLW Precis.	-1.0	0.4	18.6
Motherson Sumi	-0.1	-0.2	98.5
Motherson Wiring	-0.8	-1.2	23.1
Tata Motors	-1.1	14.2	77.8
TVS Motor Co.	2.1	9.8	88.7
Tube Investments	-1.2	-3.4	33.7
Banks-Private	0.0	-1.9	9.8
AU Small Fin. Bank	-0.2	-4.3	-10.7
Axis Bank	0.5	-7.1	22.1
Bandhan Bank	-2.0	3.8	-6.2
DCB Bank	-1.3	-10.9	1.8
Equitas Sma. Fin	-0.6	16.6	116.5
Federal Bank	-0.3	12.9	48.6
HDFC Bank	1.4	-3.9	-1.4
ICICI Bank	-0.4	-0.1	21.7
IDFC First Bank	-0.8	-7.1	-14.8
IndusInd Bank	-0.6	-2.5	1.8
Kotak Mah. Bank	-0.8	-0.9	-3.1
RBL Bank	-1.7	-12.7	2.9
SBI Cards	-0.9	-0.4	-18.3
Banks-PSU	-1.0	0.2	59.3
BOB	-0.9	-7.7	24.9
Canara Bank	-1.8	-4.8	65.4
Indian Bank	-2.2	9.3	71.5
Punjab Natl.Bank	-0.8	0.4	100.4
St Bk of India	-1.1	2.5	41.0
Union Bank (I)	0.3	-0.1	50.7

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-0.1	3.4	37.9
Nifty Midcap 100	-0.8	3.9	55.0
Nifty Smallcap 100	-1.0	1.9	60.8
Nifty Midcap 150	-0.7	3.2	53.4
Nifty Smallcap 250	-0.7	2.6	56.7
NBFCs	0.1	-0.8	15.3
Aditya Birla Capital Ltd	-3.0	-8.4	12.2
Angel One	3.3	-13.2	47.6
Bajaj Fin.	-0.5	-6.9	-6.9
BSE	3.4	2.7	213.9
Cholaman.Inv.&Fn	-1.8	-3.1	23.0
Can Fin Homes	-1.6	-9.6	13.1
Cams Services	-2.6	20.8	86.2
CreditAcc. Gram.	-0.4	-3.8	-10.8
Fusion Microfin.	1.4	-3.4	-34.7
Five-Star Bus.Fi	1.0	-7.1	5.9
Home First Finan	-1.4	-9.0	22.3
Indostar Capital	-6.6	-4.2	41.5
IIFL Finance	3.3	-10.6	-24.1
L&T Finance	-1.9	-7.2	33.1
LIC Housing Fin.	-1.3	-7.2	81.2
MCX	2.1	12.3	167.9
M & M Fin. Serv.	1.1	0.0	3.6
Muthoot Finance	1.4	4.2	38.4
Manappuram Fin.	-0.1	0.9	57.3
MAS Financial Serv.	1.3	-1.0	11.4
360 One	-2.9	13.0	112.0
PNB Housing	0.5	1.2	28.6
Repco Home Fin	-2.6	-3.0	60.9
Shriram Finance	2.0	2.2	61.3
Spandana Sphoort	-0.1	-8.3	-19.9
Insurance			
HDFC Life Insur.	-0.3	18.8	11.0
ICICI Pru Life	-0.2	19.1	27.8
ICICI Lombard	-0.2	10.9	47.1
Life Insurance	0.3	18.3	82.2
Max Financial	-0.8	10.8	36.1
SBI Life Insuran	0.8	17.7	38.1
Star Health Insu	-0.6	5.1	-6.2
Chemicals			
Alkyl Amines	-0.7	-2.5	-13.5
Atul	-1.5	19.1	8.8
Clean Science	-3.7	5.7	20.1
Deepak Nitrite	-0.1	18.1	51.0
Fine Organic	0.9	9.1	23.9
Galaxy Surfact.	-2.7	3.7	6.4
Navin Fluo.Intl.	-3.0	1.8	-19.1
NOCIL	-1.9	14.4	42.3
P I Inds.	-0.4	15.6	20.6
SRF	-0.8	6.6	16.6
Tata Chemicals	-1.4	-0.3	2.9
Vinati Organics	-1.5	14.4	15.0



Company	1 Day (%)	1M (%)	12M (%)
Capital Goods	0.5	0.8	21.2
A B B	-1.6	-9.5	71.9
Bharat Electron	-1.6	1.1	138.5
Cummins India	-1.0	-4.3	98.0
Hitachi Energy	6.8	-4.8	212.6
K E C Intl.	-2.0	2.6	45.0
Kalpataru Proj.	-0.6	16.6	116.5
Kirloskar Oil	-2.8	-15.5	167.9
Larsen & Toubro	-0.9	7.2	41.7
Siemens	-1.5	-10.7	80.6
Thermax	2.1	-2.2	105.9
Triveni Turbine	1.6	-0.9	53.6
Zen Technologies	-0.3	31.7	169.9
Cement			
Ambuja Cem.	-2.3	-4.5	43.9
ACC	-4.0	-9.5	23.7
Birla Corp.	1.5	-3.3	24.7
Dalmia Bhar.	-2.0	-2.0	-8.7
Grasim Inds.	-0.4	1.5	51.2
India Cem	-0.3	28.4	66.0
J K Cements	0.1	-1.1	35.7
JK Lakshmi Cem.	-2.9	-4.0	38.4
The Ramco Cement	-0.1	-3.8	-6.6
Shree Cement	0.3	-1.9	15.4
UltraTech Cem.	0.8	0.7	44.7
Consumer	0.1	8.8	18.4
Asian Paints	0.5	5.9	-7.3
Britannia Inds.	-0.9	4.6	18.9
Colgate-Palm.	-1.1	17.9	68.2
Dabur India	1.2	5.3	13.1
Emami	0.9	14.3	78.3
Godrej Consumer	2.0	5.2	44.1
Hind. Unilever	0.4	8.4	6.4
ITC	-0.3	15.1	6.2
Indigo Paints	0.3	7.3	-4.9
Jyothy Lab.	-1.0	15.5	70.9
Marico	0.1	8.8	21.0
Nestle India	1.1	-3.3	9.9
Page Industries	-0.9	7.6	8.5
Pidilite Inds.	-2.0	0.0	18.5
P & G Hygiene	-0.2	0.8	8.3
Tata Consumer	1.6	11.8	42.8
United Breweries	-0.7	-0.4	25.8
United Spirits	0.0	11.5	38.9
Varun Beverages	-0.1	-2.0	96.8
Consumer Durables	-0.5	2.1	41.9
Polycab India	-1.2	0.6	46.3
R R Kabel	-3.1	-1.2	
Havells	-0.6	0.8	39.1
Voltas	-0.1	6.4	92.7
KEI Industries	0.1	-3.3	90.9
EMS			
Kaynes Tech	-1.4	10.2	152.3

Company	1 Day (%)	1M (%)	12M (%)
Avalon Tech	0.2	-4.1	-12.1
Syrma SGS Tech.	1.3	2.0	0.4
Cyient DLM	-0.8	6.8	56.0
Data Pattern	-0.7	4.1	57.5
Healthcare	0.1	10.3	45.3
Alembic Pharma	2.8	31.3	56.4
Alkem Lab	-0.7	6.3	32.3
Apollo Hospitals	1.4	9.2	33.3
Ajanta Pharma	3.6	23.8	65.7
Aurobindo	-0.1	18.2	75.1
Biocon	-2.1	-0.8	38.7
Zyodus Lifesci.	-0.5	16.3	95.8
Cipla	0.1	4.5	31.2
Divis Lab	-0.1	6.9	35.1
Dr Reddy's	2.0	8.4	21.5
ERIS Lifescience	-1.2	6.6	40.6
Gland Pharma	-0.8	16.8	62.9
Glenmark	-2.1	13.4	82.4
Global Health	-1.6	-3.8	79.8
Granules	0.2	27.7	93.6
GSK Pharma	1.0	5.9	96.3
IPCA Labs	-0.2	14.9	44.6
Laurus Labs	-2.6	4.9	26.1
Lupin	2.2	20.9	97.7
Mankind Pharma	-1.2	-7.2	13.2
Max Healthcare	0.2	-3.3	61.5
Piramal Pharma	-1.6	9.4	66.7
Sun Pharma	-0.2	12.8	50.0
Torrent Pharma	1.0	15.2	61.6
Infrastructure	0.3	4.4	56.9
G R Infraproject	-0.5	2.8	36.0
IRB Infra.Devl.	-1.7	0.5	158.0
KNR Construct.	-3.2	13.5	59.9
Logistics			
Adani Ports	1.3	7.8	107.8
Blue Dart Exp.	0.5	1.0	24.3
Container Corpn.	-0.2	0.2	49.7
JSW Infrast	-2.1	-6.1	
Mahindra Logis.	-0.9	-5.3	40.2
Transport Corp.	0.7	10.6	34.4
TCI Express	0.5	-2.5	-22.1
VRL Logistics	-0.1	1.1	-21.6
Media	-1.9	3.4	2.5
PVR INOX	-0.7	-0.5	-4.8
Sun TV	-1.2	14.4	66.8
Zee Ent.	-4.6	-7.3	-40.2
Metals	-0.1	-3.1	41.4
Hindalco	0.6	-2.4	45.1
Hind. Zinc	0.1	-1.4	101.0
JSPL	-0.5	-7.2	46.4
JSW Steel	0.7	-1.0	13.8
Nalco	-0.7	0.8	101.6
NMDC	0.5	-3.5	107.7



Company	1 Day (%)	1M (%)	12M (%)
SAIL	-2.0	0.7	56.9
Tata Steel	-1.4	-6.3	32.4
Vedanta	-0.6	-3.6	61.8
Oil & Gas	0.6	10.9	68.9
Aegis Logistics	-7.4	-10.1	103.2
BPCL	-0.3	14.6	85.0
Castrol India	-2.5	17.8	77.1
GAIL	-0.8	7.4	98.6
Gujarat Gas	-3.2	1.6	36.0
Gujarat St. Pet.	0.3	12.2	17.5
HPCL	-0.2	18.1	106.0
IOCL	-1.1	7.2	91.2
IGL	-1.2	3.2	17.7
Mahanagar Gas	-2.4	4.5	62.8
MRPL	0.3	2.5	164.3
Oil India	3.7	25.9	227.5
ONGC	2.3	25.2	93.4
PLNG	-0.2	10.2	57.5
Reliance Ind.	0.7	-2.9	20.6
Real Estate	-1.7	-2.4	93.1
Brigade Enterpr.	0.0	-7.0	114.5
DLF	-1.7	5.9	74.9
Godrej Propert.	-2.9	-1.1	84.8
Kolte Patil Dev.	-0.3	-9.7	-11.5
Mahindra Life.	0.5	0.8	21.2
Macrotech Devel.	-2.7	-16.3	67.4
Oberoi Realty Ltd	-1.2	3.6	66.0
Sobha	-0.7	-6.3	204.1
Sunteck Realty	-1.5	5.0	60.9
Phoenix Mills	0.3	1.0	108.4
Prestige Estates	-3.3	-4.6	202.2
Retail			
Aditya Bir. Fas.	-1.8	4.6	52.2
Avenue Super.	1.2	5.4	33.5
Bata India	1.5	8.3	-8.0
Campus Activewe.	1.0	7.7	4.7
Barbeque-Nation	-0.8	-2.9	-19.0
Devyani Intl.	-2.9	4.3	-10.2
Jubilant Food	0.3	4.4	22.5
Kalyan Jewellers			
Metro Brands	0.1	9.3	29.9
Raymond	1.4	6.2	71.4
Relaxo Footwear	-2.4	1.7	-8.9
Restaurant Brand	2.6	7.9	-3.9
Sapphire Foods	2.6	7.9	24.9
Senco Gold	1.5	-12.6	142.2
Shoppers St.	-3.2	-0.7	-6.7
Titan Co.	0.3	1.1	15.5
Trent	-1.2	4.6	237.9
V-Mart Retail	-0.1	14.4	49.4
Vedant Fashions	0.0	5.6	-11.3
Westlife Food	-1.8	-1.5	-13.6

Company	1 Day (%)	1M (%)	12M (%)
Technology	-0.3	10.4	34.4
Cyient	0.5	-4.2	20.7
HCL Tech.	-0.1	11.7	44.1
Infosys	-0.8	16.5	35.7
LTIMindtree	0.4	4.2	14.1
L&T Technology	-1.8	1.6	23.0
Mphasis	-1.3	14.4	24.4
Coforge	-0.3	13.9	29.7
Persistent Sys	-0.7	6.7	99.5
TCS	0.3	10.5	27.4
Tech Mah	-0.6	4.9	35.1
Wipro	-0.1	-1.1	28.2
Zensar Tech	-2.1	2.9	58.2
Telecom	-0.7	2.9	71.2
Bharti Airtel	0.9	3.5	68.8
Indus Towers	-1.0	10.0	146.8
Idea Cellular	-1.7	-9.3	93.8
Tata Comm	-1.0	6.2	11.8
Utilities	0.9	7.4	95.0
Coal India	3.5	13.8	124.8
NTPC	1.8	14.5	88.1
Power Grid Corpn	3.7	9.6	91.2
Others			
APL Apollo Tubes	-0.6	-8.5	-7.0
Cello World	-1.9	4.9	
Coromandel Intl	-1.7	2.3	56.6
EPL Ltd	-2.8	8.5	-3.4
Godrej Agrovet	-3.9	9.0	67.7
Havells	-0.6	0.8	39.1
Indian Hotels	-1.5	2.8	59.5
Interglobe	-1.5	4.3	71.3
Kajaria Ceramics	-0.9	-1.9	2.0
Lemon Tree Hotel	-2.7	1.1	51.6
MTAR Technologie	-0.9	2.5	-11.2
One 97	0.5	20.6	-36.9
Piramal Enterpr.	-1.8	10.9	2.0
Quess Corp	-1.9	10.5	64.2
SIS	3.5	-2.6	0.3
Team Lease Serv.	-6.9	9.2	41.4
UPL	-2.0	-2.3	-10.4
Updater Services	0.9	6.9	
Voltas	-0.1	6.4	92.7
Zomato Ltd	2.0	14.8	176.2

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

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

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