Choice Institutional Equities

Q2FY26 Result Update

# Shree Cement Ltd.: Strong Fundamentals, Priced In!

**October 29, 2025 CMP: INR 28,594 | Target Price: INR 26,900**

**Expected Share Price Return: -5.9% I Dividend Yield: 0.4% I Potential Upside: -5.5%**

**SELL**

**Sector View: Positive**

| | |
|---|---|
| Change in Estimates | ✗ |
| Target Price Change | ✓ |
| Recommendation | ✗ |

| **Company Info** | |
|---|---|
| BB Code | SRCM IN EQUITY |
| Face Value (INR) | 10.0 |
| 52 W High/Low (INR) | 32,508.2/23,500.2 |
| Mkt Cap (Bn) | INR 1,028.3/ USD 11.6 |
| Shares o/s ( Mn) | 36.1 |
| 3M Avg. Daily Volume | 29,926 |

**Change in Estimates**

| | FY26E | | | FY27E | | |
|---|---|---|---|---|---|---|
| **INR Bn** | **New** | **Old** | **Dev. (%)** | **New** | **Old** | **Dev. (%)** |
| Revenue | 202.7 | 202.7 | - | 216.9 | 216.9 | - |
| EBITDA | 48.7 | 48.7 | - | 53.1 | 53.1 | - |
| EBITDAM % | 24.0 | 24.0 | - | 24.5 | 24.5 | - |
| PAT | 15.2 | 15.2 | - | 16.4 | 16.4 | - |
| EPS | 420.7 | 420.7 | - | 455.6 | 455.6 | - |

**Actual vs CIE Estimates**

| INR Bn | Q2FY26A | CIE Estimates | Dev.% |
|---|---|---|---|
| Revenue | 43.0 | 42.4 | 1.5 |
| EBITDA | 8.5 | 8.9 | (4.2) |
| EBITDAM % | 19.8 | 21.0 | (119) bps |
| PAT | 2.8 | 3.1 | (11.1) |

**Key Financials**

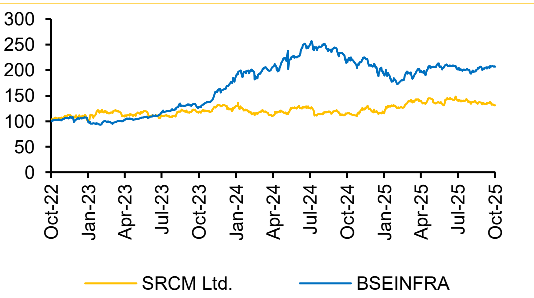
| INR Bn | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Revenue | 194.8 | 180.4 | 202.7 | 217.0 | 232.3 |
| YoY (%) | 15.7 | (7.4) | 12.4 | 7.1 | 7.1 |
| EBITDA | 43.6 | 38.4 | 48.7 | 53.1 | 58.8 |
| EBITDAM % | 22.4 | 21.3 | 24.0 | 24.5 | 25.3 |
| Adj PAT | 24.7 | 12.0 | 15.2 | 16.4 | 19.4 |
| EPS | 684.2 | 331.5 | 420.7 | 455.6 | 536.5 |
| ROE % | 12.1 | 5.6 | 6.7 | 6.7 | 7.4 |
| ROCE % | 15.5 | 7.2 | 9.3 | 9.4 | 10.2 |
| PE(x) | 37.5 | 93.1 | 67.8 | 62.6 | 53.2 |
| EV/EBITDA | 19.1 | 26.2 | 18.8 | 17.2 | 15.5 |
| EV/IC | 4.5 | 5.5 | 4.8 | 4.5 | 4.2 |

**Shareholding Pattern (%)**

| | Sep-25 | Jun-25 | Mar-25 |
|---|---|---|---|
| Promoters | 62.56 | 62.56 | 62.56 |
| FIIs | 10.34 | 10.07 | 9.70 |
| DIIs | 14.40 | 14.65 | 15.07 |
| Public | 12.70 | 12.72 | 12.67 |

**Relative Performance (%)**

| YTD | 3Y | 2Y | 1Y |
|---|---|---|---|
| BSE Infra | 106.7 | 61.6 | (4.2) |
| SRCM Ltd. | 31.4 | 12.0 | 14.0 |




**Prashanth Kumar Kota, CFA**
Email: prashanth.kota@choiceindia.com
Ph: +91 22 6707 9887

**Ashutosh Murarka**
Email: ashutosh.murarka@choiceindia.com
Ph: +91 22 6707 9887

## No scope for share price performance

We **maintain** our SELL rating on Shree Cement Ltd (SRCM) with a TP of INR 26,900 (INR 27,600/sh earlier). SRCM trades at FY28E EV/EBITDA & EV/CE multiples of 15.5x/3.3x, making it amongst the **richest valued** cement stocks under our coverage. At 6.7%/9.3% (FY26E), SRCM's ROE/ROCE does not cover its cost of equity and cost of capital at ~12.5%, even under optimistic assumptions. SRCM's capital structure is sub-optimal with **cash & equivalents on books at ~INR 118 Bn** (forming ~11.5% of current market cap); we believe this high level of **cash is an overhang.**

That apart, there is limited scope for SRCM's best-in-class management to improve its ROCE by **cost take-out initiatives**, which its other **less-efficient peers** are implementing. SRCM's cost structure is already amongst the most efficient in the industry. This is owing to high levels of renewable/green power penetration (~60%) and limited scope to save on logistics, raw materials and other aspects. In our view, there is hardly any **low-hanging fruit** that the management can capitalise on so as to improve its return profile.

Despite such **high levels of cash** on books, SRCM does not have a commensurate capacity growth pipeline. Also, SRCM does not intend to grow its **capacity beyond 80 Mnt by FY28/29E**. Cash will continue to remain elevated at INR 127 Bn by FY28E. SRCM is amongst the best-in-class companies in terms of governance, management quality, brand equity, cost excellence and EBITDA/t. It is just that things are too good to get better, at a time when its valuation is demanding.

We forecast SRCM's **EBITDA** to expand at a **CAGR of 15.3%** over FY25**–**28E based on our volume growth assumptions of 6%/6%/6% and realisation growth of 6.0%/1.0%/1.0% in FY26E/27E/28E, respectively.

We incorporate a robust EV to CE (Enterprise Value to Capital Employed) - based valuation framework (Exhibit 3), which allows us a rational basis to assign the right valuation multiple to value SRCM. We arrive at a 1-year forward TP of INR 26,900/share for SRCM. We value SRCM on our EV/CE framework, generously assign an **EV/CE multiple of 3.3x/3.3x for FY27E/28E**. Although SRCM's ROCE is expected to expand from 7.2% in FY25 to 10.2% in FY28E, it does not cover capital cost even in FY28E. We do a sanity check of our EV/CE TP using the implied EV/EBITDA multiple. On our **TP of INR 26,900**, **FY28E implied EV/EBITDA multiple is 15.1x**, which is quite high given its return profile. Risk to our **SELL** rating includes stronger-than-expected sector tailwinds and investor apathy towards its valuation multiple.

## Q2FY26 Results: Overall result weaker than expectations

SRCM reported Q2FY26 revenue and EBITDA of INR 43,032 Mn (+15.5% YoY, -13.0% QoQ) and INR 8,513 Mn (+43.7% YoY, -30.7% QoQ) vs Choice Institutional Equities (CIE) estimate of INR 42,400 Mn and INR 8,891 Mn, respectively. Total volume for Q2 stood at 8.1 Mnt (vs CIE est. 7.9 Mnt), (+6.8% YoY/-9.3% QoQ.)

Realisation/t, which came in at INR 5,300/t (+8.1% YoY and -4.1% QoQ), is weaker than CIE's est. of INR 5,390/t. Total cost/t came in at INR 4,251/t (+3.1% YoY and +2.3% QoQ). As a result, EBITDA/t came in at INR 1,048/t, (+34.5% YoY and -23.7% QoQ), which is strong but lower than CIE est. of INR 1,130/t.

## Management Call – Highlights

*SRCM is continuously exploring opportunities to achieve its target of **+80 MTPA cement capacity**.*

*At Present, rail accounts for 11% of its outbound logistics, with a target to increase this to 20%. This is expected to yield cost savings of around INR 100 per tonne as compared to road transport.*

- **Premiumisation:** Sales of premium products jumped significantly, accounting for **21.1% of total trade volume** as compared to 14.9% in the corresponding previous quarter.
- **Commissioning:** SRCM commissioned a clinkerisation line of **3.65 MTPA capacity** at its integrated project plant in Jaitaran, Rajasthan.
- **Near-term Completion:** The cement mill of **3.0 MTPA** at the Jaitaran site is expected to be commissioned shortly. The integrated project at Kodla, Karnataka (3.0 MTPA cement capacity) is also in the final stage of completion.
- **Strategic Goal:** SRCM is continuously exploring opportunities to achieve its target of **+80 MTPA cement capacity**.
- **Green Electricity:** SRCM share of **green electricity** in total electricity consumption stood at **63.15% in H1FY26** on a standalone basis, positioning it as one of the highest in India's cement industry.
- **Green Power Capacity:** SRCM is consistently ramping up its green power generation capacity, which reached **592.4 MW** at the end of H1FY26. Following the commissioning of a **20-MW solar plant** at Chitrakoot, Uttar Pradesh, the group's total green power generation capacity in India now stands at **612.5 MW**.
- **Expansion:** The RMC portfolio has expanded to **24 operational plants.** During the quarter, SRCM entered the Eastern India market by establishing an RMC plant in Raipur, Chhattisgarh.
- **GST Rationalisation:** SRCM passed on the **full benefit of the GST rate rationalisation** to its customers, effective September 22, 2025.
- SRCM aims to enhance rail transportation to lower its logistics cost and is expanding rail connectivity through new sidings at Purulia, Kodla and ITA.
- At Present, rail accounts for 11% of its outbound logistics, with a target to increase this to 20%. This is expected to yield cost savings of around INR 100 per tonne as compared to road transport.
- Average lead distance declined from 451 km in Q1 to 441 km in Q2.
- **Economic Forecast:** High-frequency indicators suggest a pickup in real GDP growth in the second half of FY26, supported by strong consumption, sustained investment activity, above-normal monsoon and steady employment. These factors are expected to accelerate infrastructure development and housing sector growth, benefiting near-term cement demand.

### Exhibit 1: Overall result weaker than expectations

| SRCM | Q2FY26 | Q2FY25 | YoY (%) | Q1FY26 | QoQ (%) |
|---|---|---|---|---|---|
| Volumes | 8.1 | 7.6 | 6.8 | 9.0 | (9.3) |
| Revenues (INR Mn) | 43,032 | 37,270 | 15.5 | 49,480 | (13.0) |
| COGS | 5,398 | 4,100 | 31.7 | 5,599 | (3.6) |
| Power and Fuel Cost | 10,397 | 10,012 | 3.8 | 11,461 | (9.3) |
| Freight Exp. | 9,424 | 8,918 | 5.7 | 10,840 | (13.1) |
| Employee Cost | 2,570 | 2,495 | 3.0 | 2,545 | 1.0 |
| Other Expenses | 6,730 | 5,820 | 15.6 | 6,744 | (0.2) |
| EBITDA (INR Mn) | 8,513 | 5,925 | 43.7 | 12,291 | (30.7) |
| EBITDA Margin (%) | 19.8 | 15.9 | 389bps | 24.8 | (506)bps |
| Depreciation | 5,549 | 6,687 | (17.0) | 5,524 | 0.4 |
| EBIT (INR Mn) | 2,965 | (762) | NA | 6,767 | (56.2) |
| EBIT Margin (%) | 6.9 | (2.0) | NA | 13.7 | (679)bps |
| Other Income | 1,570 | 1,776 | (11.6) | 2,011 | (21.9) |
| Interest | 507 | 567 | (10.5) | 446 | 13.8 |
| PBT | 4,027 | 447 | 801.2 | 8,331 | (51.7) |
| Tax | 1,256 | (484) | NA | 2,146 | (41.5) |
| PAT (INR Mn) | 2,771 | 931 | 197.8 | 6,185 | (55.2) |
| Basic EPS (INR) | 76.8 | 25.8 | 197.8 | 171.4 | (55.2) |

*Source: SRCM, Choice Institutional Equities*

## Exhibit 2: Volume & Realisation Growth to drive EBITDA higher (Standalone in INR/t)

| Particular | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|
| Volume (in Mnt) | 31.9 | 35.5 | 35.9 | 38.1 | 40.3 | 42.8 |
| YoY (%) | 15.1 | 11.5 | 1.0 | 6.0 | 6.0 | 6.0 |
| Realisation/t | 5,285 | 5,482 | 5,024 | 5,326 | 5,379 | 5,433 |
| YoY (%) | 2.3 | 3.7 | (8.3) | 6.0 | 1.0 | 1.0 |
| COGS/t | 380 | 619 | 563 | 596 | 602 | 608 |
| Employee Cost/t | 272 | 264 | 276 | 293 | 296 | 299 |
| Power & Fuel Cost/t | 1,740 | 1,569 | 1,246 | 1,196 | 1,148 | 1,102 |
| Freight Expenses/t | 1,299 | 1,135 | 1,157 | 1,204 | 1,252 | 1,277 |
| Other Expenses/t | 672 | 667 | 714 | 756 | 764 | 771 |
| Total Cost/t | 4,363 | 4,254 | 3,956 | 4,045 | 4,062 | 4,058 |
| EBITDA/t | 922 | 1,228 | 1,069 | 1,280 | 1,317 | 1,375 |
| YoY (%) | (30.0) | 33.2 | (13.0) | 19.8 | 2.9 | 4.4 |
| Revenue (in INR Mn) | 1,68,375 | 1,94,767 | 1,80,373 | 2,02,667 | 2,16,976 | 2,32,294 |
| YoY (%) | 17.7 | 15.7 | (7.4) | 12.4 | 7.1 | 7.1 |
| EBITDA (in INR Mn) | 29,366 | 43,636 | 38,368 | 48,727 | 53,123 | 58,793 |
| YoY (%) | (19.4) | 48.6 | (12.1) | 27.0 | 9.0 | 10.7 |
| PAT (IN INR Mn) | 13,281 | 24,685 | 11,962 | 15,179 | 16,438 | 19,356 |
| YoY (%) | (44.1) | 85.9 | (51.5) | 26.9 | 8.3 | 17.8 |

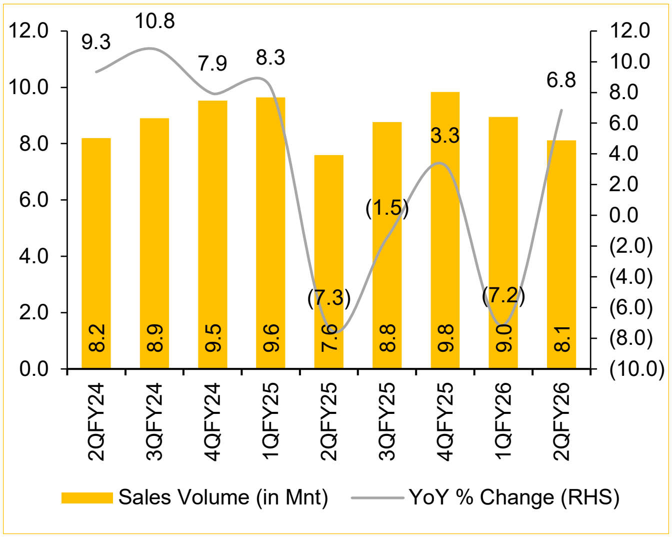
*Source: SRCM, Choice Institutional Equities*

## Exhibit 3: EV/CE Valuation Framework

| Particulars (INR Mn) | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|---|---|
| ROCE | 17.3 | 9.9 | 15.5 | 7.2 | 9.3 | 9.4 | 10.2 |
| WACC | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 |
| **ROCE less WACC %** | 4.8 | (2.6) | 3.0 | (5.3) | (3.2) | (3.1) | (2.3) |
| **EV** | 7,87,578 | 8,42,645 | 8,31,619 | 10,03,537 | 7,65,850 | 8,20,898 | 8,87,054 |
| **Capital Employed** | 1,81,872 | 1,85,534 | 2,14,069 | 2,22,504 | 2,35,683 | 2,52,621 | 2,72,977 |
| **EV/CE** | **4.3** | **4.5** | **3.9** | **4.5** | **3.2** | **3.2** | **3.2** |
| | | | | | | | |
| **Target EV/CE** | | | | | **3.3** | **3.3** | **3.3** |
| **Target EV** | | | | | **7,65,971** | **8,21,019** | **8,87,176** |
| Gross Debt | | | | | 6,164 | 6,664 | 7,664 |
| Cash & Equivalents | | | | | 1,20,959 | 1,23,709 | 1,27,653 |
| **Net Debt** | | | | | **(1,14,794)** | **(1,17,045)** | **(1,19,989)** |
| LT Provision | | | | | 122 | 122 | 122 |
| **Equity value** | | | | | **8,80,644** | **9,37,943** | **10,07,043** |
| **Equity value per share** | | | | | **24,408** | **25,996** | **27,911** |
| **1-yr forward TP (INR/sh)** | | | | | | | **26,900** |
| **Implied Multiples** | | | | | | | |
| EV/EBITDA | | | | | 15.7 | 15.5 | 15.1 |
| P/BV | | | | | 3.9 | 3.8 | 3.8 |
| P/E | | | | | 58.0 | 57.1 | 52.0 |

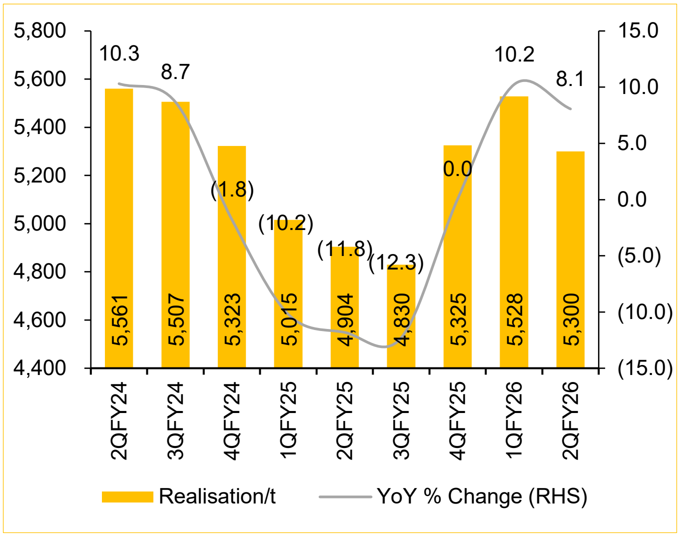
*Source: SRCM, Choice Institutional Equities*

**Sales Volume came in better than expectations**



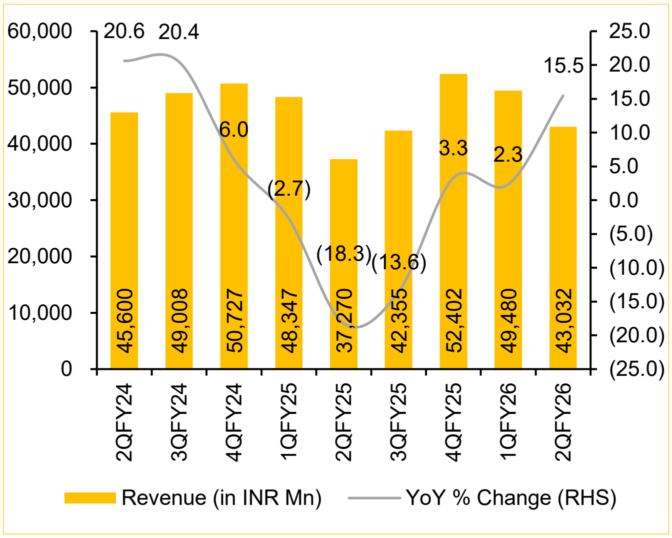

*Source: SRCM, Choice Institutional Equities*

**Realisation softens on QoQ basis**



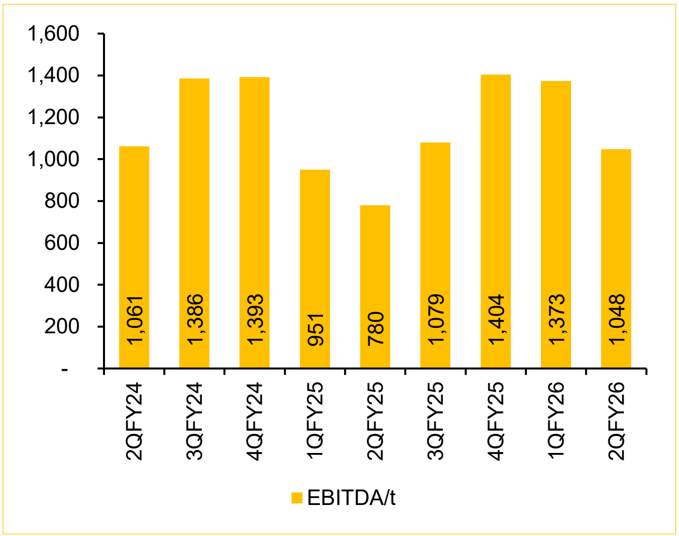

*Source: SRCM, Choice Institutional Equities*

**Robust revenue growth in Q2 on a YoY basis**



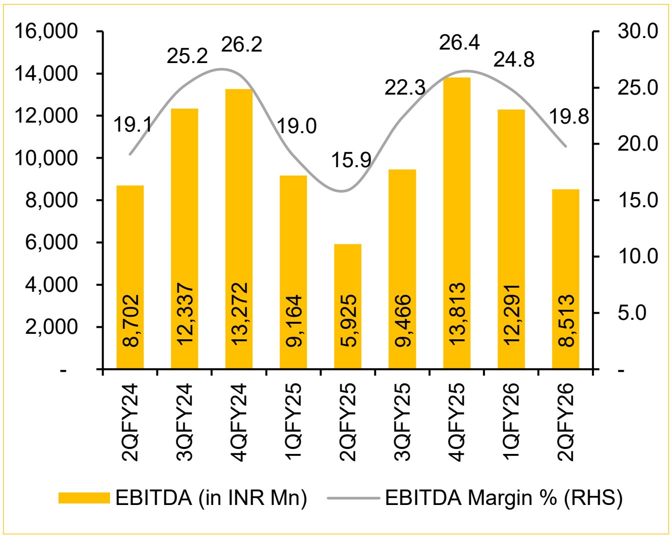

*Source: SRCM, Choice Institutional Equities*

**Weak realisation drags EBITDA/t by 325/t on QoQ basis**



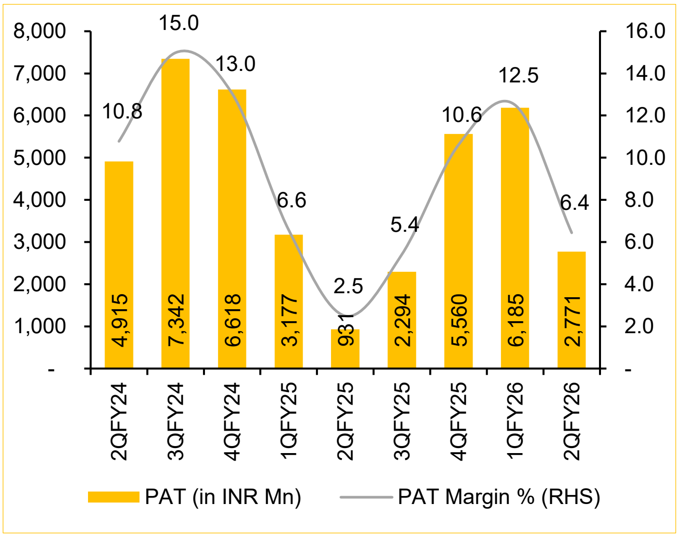

*Source: SRCM, Choice Institutional Equities*

**EBITDA margin expanded by 389 bps on a YoY basis**




*Source: SRCM, Choice Institutional Equities*

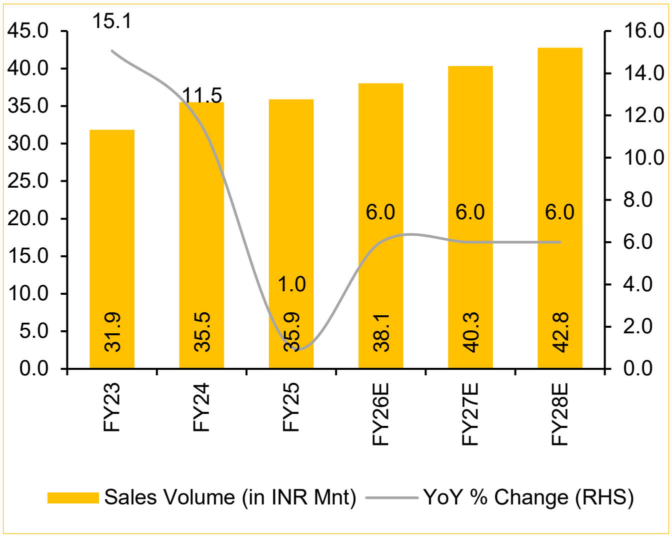
**Robust PAT growth on a YoY basis**




*Source: SRCM, Choice Institutional Equities*

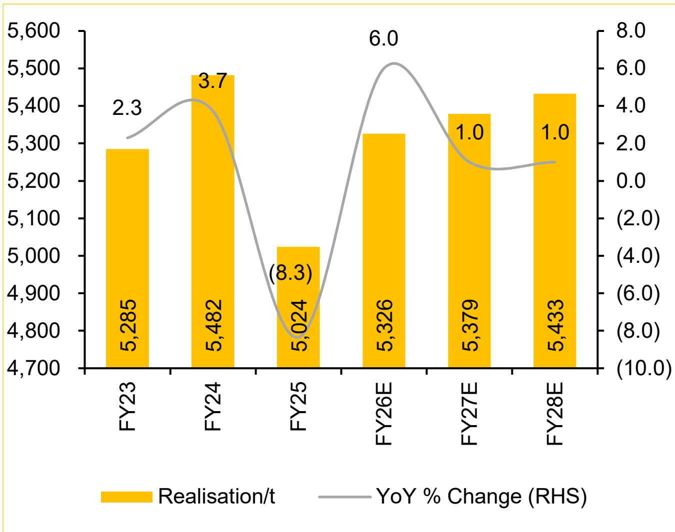
**All figures are in INR Million*

**Volume is expected to reach at 42.8 Mnt by FY28E**



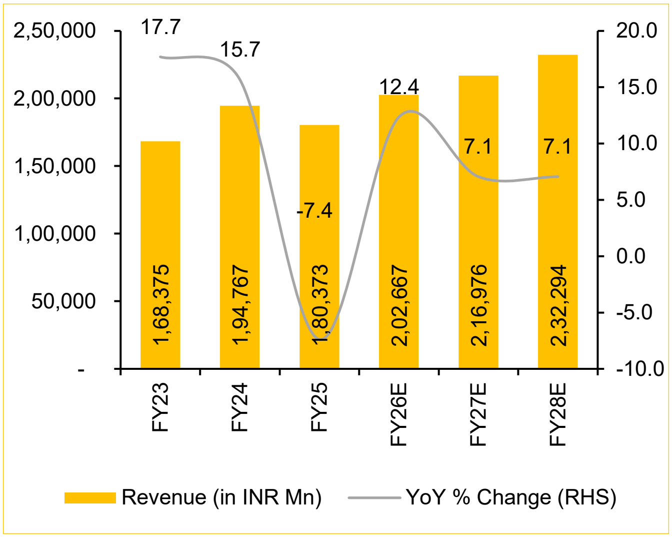

*Source: SRCM, Choice Institutional Equities*

**Realisation/t expected to be strong**



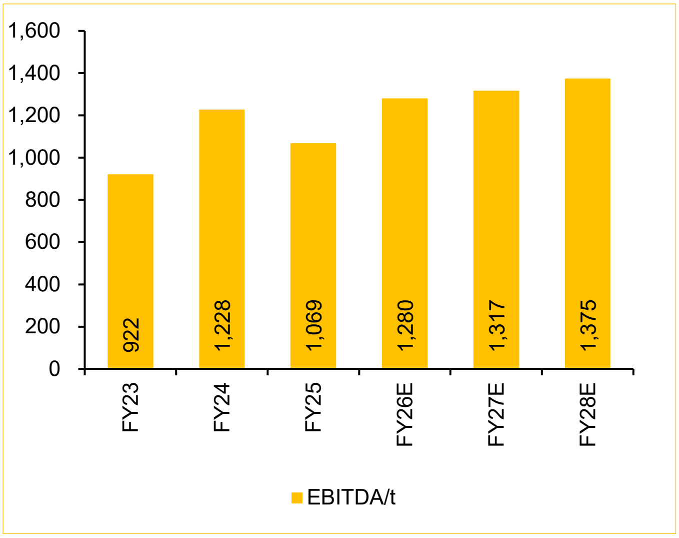

*Source: SRCM, Choice Institutional Equities*

**Revenue growth slower than peers**



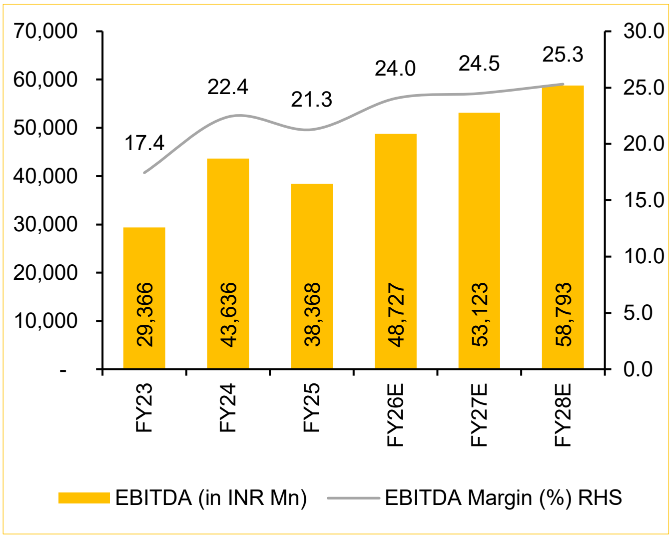

*Source: SRCM, Choice Institutional Equities*

**Gradual uptick in EBITDA/t**



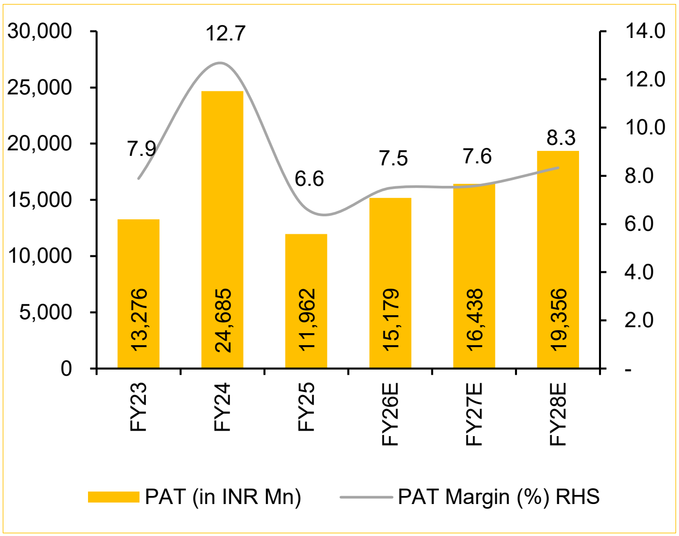

*Source: SRCM, Choice Institutional Equities*

**EBITDA projected to expand at a CAGR of 15.3% over FY25–28**




*Source: SRCM, Choice Institutional Equities*

**Steady improvement in PAT**




*Source: SRCM, Choice Institutional Equities*

## Income Statement (Standalone in INR Mn)

| Particulars | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Revenue | 1,94,767 | 1,80,373 | 2,02,667 | 2,16,976 | 2,32,294 |
| Gross Profit | 1,72,774 | 1,60,166 | 1,79,969 | 1,92,674 | 2,06,277 |
| EBITDA | 43,636 | 38,368 | 48,727 | 53,123 | 58,793 |
| Depreciation | 16,147 | 28,080 | 31,932 | 34,876 | 37,470 |
| EBIT | 27,490 | 10,288 | 16,794 | 18,247 | 21,323 |
| Other Income | 5,611 | 5,772 | 5,067 | 5,424 | 6,504 |
| Interest Expense | 2,643 | 2,086 | 1,541 | 1,666 | 1,916 |
| PBT | 30,457 | 13,974 | 20,320 | 22,005 | 25,912 |
| Reported PAT | 24,685 | 11,962 | 15,179 | 16,438 | 19,356 |
| EPS | 684.2 | 331.5 | 420.7 | 455.6 | 536.5 |

*Source: SRCM, Choice Institutional Equities*

| Ratio Analysis | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Growth Ratios** | | | | | |
| Revenues | 15.7 | (7.4) | 12.4 | 7.1 | 7.1 |
| EBITDA | 48.6 | (12.1) | 27.0 | 9.0 | 10.7 |
| PAT | 85.9 | (51.5) | 26.9 | 8.3 | 17.8 |
| **Margins** | | | | | |
| Gross Profit Margin | 88.7 | 88.8 | 88.8 | 88.8 | 88.8 |
| EBITDA Margin | 22.4 | 21.3 | 24.0 | 24.5 | 25.3 |
| Tax Rate | 19.0 | 14.4 | 25.3 | 25.3 | 25.3 |
| PAT Margin | 12.7 | 6.6 | 7.5 | 7.6 | 8.3 |
| **Profitability** | | | | | |
| Return on Equity (ROE) | 12.1 | 5.6 | 6.7 | 6.7 | 7.4 |
| Return on Invested Capital (ROIC) | 11.6 | 4.5 | 6.1 | 6.2 | 6.8 |
| Return on Capital Employed (ROCE) | 15.5 | 7.2 | 9.3 | 9.4 | 10.2 |
| **Financial Leverage** | | | | | |
| OCF/EBITDA (x) | 0.8 | 1.3 | 0.8 | 0.9 | 0.9 |
| OCF / IC (%) | 17.7 | 27.7 | 21.7 | 24.1 | 25.1 |
| EV/EBITDA (x) | 19.1 | 26.2 | 18.8 | 17.2 | 15.5 |
| **Earnings** | | | | | |
| EPS | 684.2 | 331.5 | 420.7 | 455.6 | 536.5 |
| Shares Outstanding | 36 | 36 | 36 | 36 | 36 |
| **Working Capital** | | | | | |
| Inventory Days (x) | 59 | 42 | 45 | 48 | 50 |
| Receivable Days (x) | 17 | 16 | 18 | 19 | 20 |
| Creditor Days (x) | 20 | 25 | 20 | 20 | 20 |
| Working Capital Days | 56 | 33 | 43 | 47 | 50 |

*Source: SRCM, Choice Institutional Equities*

## Balance Sheet (Standalone in INR Mn)

| Particulars | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Net Worth | 2,03,845 | 2,12,114 | 2,27,293 | 2,43,731 | 2,63,087 |
| Borrowings | 14,737 | 8,164 | 6,164 | 6,664 | 7,664 |
| Deferred Tax | 1,359 | 1,274 | 1,274 | 1,274 | 1,274 |
| Other Liabilities & Provisions | 43,611 | 43,899 | 43,899 | 43,899 | 43,899 |
| **Total Net Worth & Liabilities** | **2,63,551** | **2,65,451** | **2,78,630** | **2,95,568** | **3,15,924** |
| Net Block | 70,987 | 68,980 | 72,047 | 82,171 | 94,701 |
| Capital WIP | 18,328 | 31,115 | 31,115 | 31,115 | 31,115 |
| Goodwill & Intangible Assets | | | | | |
| Investments | 1,06,753 | 1,15,962 | 1,15,962 | 1,15,962 | 1,15,962 |
| Cash & Cash Equivalents | 2,971 | 2,310 | 4,996 | 7,747 | 11,691 |
| Loans & Other Assets | 34,392 | 30,633 | 30,633 | 30,633 | 30,633 |
| Net Working Capital | 30,120 | 16,451 | 23,876 | 27,939 | 31,821 |
| **Total Assets** | **2,63,551** | **2,65,451** | **2,78,630** | **2,95,568** | **3,15,924** |

*Source: SRCM, Choice Institutional Equities*

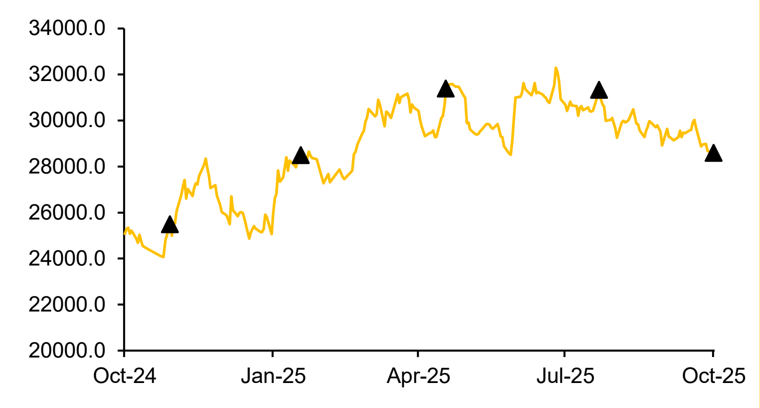
| Cash Flows (INR Mn) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Cash Flows from Operations | 33,036 | 50,630 | 41,227 | 48,917 | 54,860 |
| Cash Flows from Investing | (13,503) | (36,379) | (35,000) | (45,000) | (50,000) |
| Cash Flows from Financing | (17,937) | (14,632) | (3,541) | (1,166) | (916) |

*Source: SRCM, Choice Institutional Equities*

| DuPont Analysis | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Tax Burden (%) | 81.0 | 85.6 | 74.7 | 74.7 | 74.7 |
| Interest Burden (%) | 110.8 | 135.8 | 121.0 | 120.6 | 121.5 |
| EBIT Margin (%) | 14.1 | 5.7 | 8.3 | 8.4 | 9.2 |
| Asset Turnover (x) | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| Equity Multiplier (x) | 1.3 | 1.3 | 1.2 | 1.2 | 1.2 |
| **ROE (%)** | **12.1** | **5.6** | **6.7** | **6.7** | **7.4** |

*Source: SRCM, Choice Institutional Equities*

## Historical share price chart: Shree Cement Limited




| Date | Rating | Target Price |
|---|---|---|
| February 01, 2024 | ADD | 30,920 |
| May 15, 2024 | REDUCE | 27,055 |
| August 08, 2024 | SELL | 24,765 |
| November 12, 2024 | HOLD | 26,186 |
| February 01, 2025 | HOLD | 29,760 |
| May 15, 2025 | SELL | 27,000 |
| August 05, 2025 | SELL | 27,600 |
| October 29, 2025 | SELL | 26,900 |

| Institutional Research Team | | | |
|---|---|---|---|
| Utsav Verma, CFA | Head of Institutional Research | utsav.verma@choiceindia.com | +91 22 6707 9440 |
| Prashanth Kumar Kota, CFA | Analyst – Basic Materials | prashanth.kota@choiceindia.com | +91 22 6707 9521 |
| Dhanshree Jadhav | Analyst – Technology | dhanshree.jadhav@choiceindia.com | +91 22 6707 9535 |
| Karan Kamdar | Analyst – Small and Midcaps | karan.kamdar@choiceindia.com | +91 22 6707 9451 |
| Deepika Murarka | Analyst – Healthcare | deepika.murarka@choiceindia.com | +91 22 6707 9513 |
| Putta Ravi Kumar | Analyst – Defence | ravi.putta@choiceindia.com | +91 22 6707 9908 |
| Maitri Sheth | Analyst – Pharmaceuticals | maitri.sheth@choiceindia.com | +91 22 6707 9511 |
| Ashutosh Murarka | Analyst – Cement & Infrastructure | ashutosh.murarka@choiceindia.com | +91 22 6707 9887 |
| Dhaval Popat | Analyst – Energy | dhaval.popat@choiceindia.com | +91 22 6707 9949 |
| Aayush Saboo | Sr. Associate– Real Estate | aayush.saboo@choiceindia.com | +91 22 6707 9512 |
| Bharat Kumar Kudikyala | Sr. Associate – Building Materials and Mining | bharat.kudikyala@choiceindia.com | +91 22 6707 9521 |
| Avi Jhaveri | Sr. Associate – Technology | avi.jhaveri@choiceindia.com | +91 22 6707 9901 |
| Kunal Bajaj | Sr. Associate – Technology | kunal.bajaj@choiceindia.com | +91 22 6707 9901 |
| Abhinav Kapadia | Sr. Associate – Capital Goods | abhinav.kapadia@choiceindia.com | +91 22 6707 9707 |
| Subhash Gate | Sr. Associate – Auto | subhash.gate@choiceindia.com | +91 22 6707 9233 |
| Vikrant Shah, CFA (ICFAI) | Sr. Associate – Banks | vikrant.shah@choiceindia.com | +91 22 6707 9887 |
| Vinay Rawal | Associate – Small and Midcaps | vinay.rawal@choiceindia.com | +91 22 6707 9433 |
| Heer Gogri | Associate – Small and Midcaps | heer.gogri@choiceindia.com | +91 22 6707 9433 |
| Heet Chheda | Associate – Auto | heet.chheda@choiceindia.com | +91 22 6707 9233 |
| Rushil Katiyar | Associate – Technology | rushil.katiyar@choiceindia.com | +91 22 6707 9535 |
| Stuti Bagadia | Associate – Pharmaceuticals | stuti.bagadia@choiceindia.com | +91 22 6707 9511 |

| CHOICE RATING DISTRIBUTION & METHODOLOGY | |
|---|---|
| **Large Cap*** | |
| BUY | The security is expected to generate upside of 15% or more over the next 12 months |
| ADD | The security is expected to show upside returns from 5% to less than 15% over the next 12 months |
| REDUCE | The security is expected to show upside or downside returns by 5% to -5% over the next 12 months |
| SELL | The security is expected to show downside of 5% or more over the next 12 months |
| **Mid & Small Cap*** | |
| BUY | The security is expected to generate upside of 20% or more over the next 12 months |
| ADD | The security is expected to show upside returns from 5% to less than 20% over the next 12 months |
| REDUCE | The security is expected to show upside or downside returns by 5% to -10% over the next 12 months |
| SELL | The security is expected to show downside of 10% or more over the next 12 months |
| **Other Ratings** | |
| NOT RATED (NR) | The stock has no recommendation from the Analyst |
| UNDER REVIEW (UR) | The stock is under review by the Analyst and rating may change |
| **Sector View** | |
| POSITIVE (P) | Fundamentals of the sector look attractive over the next 12 months |
| NEUTRAL (N) | Fundamentals of the sector are expected to be in statis  over the next 12 months |
| CAUTIOUS (C) | Fundamentals of the sector are expected to be challenging over the next 12 months |

***Large Cap: More Than INR 20,000Cr Market Cap**
***Mid & Small Cap: Less Than INR 20,000Cr Market Cap**

## Disclaimer

**Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014**

**Choice Equity Broking Private Limited-Research Analyst** - INH000000222. (CIN. NO.: U65999MH2010PTC198714). Reg. Add.: Sunil Patodia Tower, J B Nagar, Andheri(East), Mumbai 400099. Tel. No. 022-6707 9999

Compliance Officer--Prashant Salian, Email Id – Prashant.salain@choiceindia.com Contact no. 022- 67079999- Ext-2310

Grievance officer-Deepika Singhvi Tel.022-67079999- Ext-834. Email- ig@choiceindia.com

Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

This Research Report (hereinafter referred as "Report") has been prepared by Choice Equity Broking Private Limited as a Research Entity (hereinafter referred as "CEBPL RE" Limited. The Research Analysts, strategists are principally responsible for the preparation of "CEBPL RE" research. The research analysts have received compensation based upon various factors, which may include quality of research, investor client feedback, stock picking, competitive factors and firm revenues etc.

Whilst CEBPL has taken all reasonable steps to ensure that this information is correct, CEBPL does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report to undertake trading does so entirely at his or her own risk and CEBPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication of future performance.

**General Disclaimer:** This 'Report' is strictly meant for use by the recipient and is not for circulation. This Report does not take into account particular investment objectives, financial situations or specific needs of individual clients nor does it constitute a personal recommendation. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through CEBPL nor any solicitation or offering of any investment/trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein.

These information / opinions / views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this "Report" should rely on information/data arising out of their own Study/investigations. It is advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This 'Report' has been prepared on the basis of publicly available information, internally developed data and other sources believed by CEBPL to be reliable. CEBPL or its directors, employees, affiliates or representatives shall not be responsible for, or warrant for the accuracy, completeness, adequacy and reliability of such information / opinions / views. Though due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of CEBPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this report.

The price and value of the investments referred to in this Report and the income from them may tend to go down as well as up, and investors may incur losses on any investments. Past performance shall not be a guide for future performance. CEBPL does not provide tax advice to its clients, and all investors are strongly advised to take advice of their tax advisers regarding taxation aspects of any potential investment. Opinions are based on the current scenario as of the date appearing on this 'Report' only. CEBPL does not undertake to advise you as to any change of our views expressed in this "Report' may differ on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold CEBPL, its employees and associates responsible for any losses, damages of any type whatsoever.

**Disclaimers in respect of jurisdiction:** This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject "CEBPL RE" to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by "CEBPL RE" in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this 'Report' shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. "CEBPL" requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to "CEBPL". Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in Mumbai (India).

Statements on ownership and material conflicts of interest, compensation - CEBPL and Associates reciprocates to the best of the knowledge and belief of CEBPL/ its Associates/ research Analyst who is preparing this report.

**Disclosures of Interest (Additional):**

1. "CEBPL", its research Analyst(s), or its associates or relatives of the Research Analyst does not have any financial interest in the company(ies) covered in this report.
2. "CEBPL" its research Analyst, or its associates or relatives of the research analyst affiliates collectively do not hold more than 1 of the securities of the company(ies) covered in this report as of the end of the month immediately preceding the distribution of the research report.
3. "CEBPL", its research analyst, his/her associate, his/her relative, do not have any other material conflict of interest at the time of publication of this research report.
4. "CEBPL", its research analyst, and its associates have not received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in this report, in the past twelve months.
5. "CEBPL", its research analyst, or its associates have not managed or co-managed in the previous twelve months, a private or public offering of securities for the company (ies) covered in this report.
7. "CEBPL, or its associates have not received compensation or other benefits from the company(ies) covered in this report or from any third party, in connection with the research report.
8. CEBPL research analyst has not served as an Officer, Director, or employee of the company (ies) covered in the Research report.
9. "CEBPL", its research analyst has not been engaged in market making activity for the company(ies) covered in the Research report.

Details of Associates of CEBPL and Brief History of Disciplinary action by regulatory authorities are available on our

website i.e. https://choiceindia.com/research-listing

| Sr. No. | Particulars | Yes / No |
|---|---|---|
| 1. | Whether compensation has been received from the company(ies) covered in the Research report in the past 12 months for investment banking transaction by CEBPL | No |
| 2 | Whether Research Analyst, CEBPL or its associates or relatives of the Research Analyst affiliates collectively hold more than 1 of the company(ies) covered in the Research report | No |
| 3. | Whether compensation has been received by CEBPL or its associates from the company(ies) covered in the Research report | No |
| 4. | CEBPL or its affiliates have managed or co-managed in the previous twelve months a private or public offering of securities for the company(ies) covered in the Research report | No |
| 5. | CEBPL, its research analyst, his associate, or its associates have received compensation for investment banking or merchant banking or brokerage services or for any other products or services from the company(ies) covered in the Research report, in the last twelve months | No |



This "Report" is for distribution only under such circumstances as may be permitted by applicable law. This "Report" has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient, even if sent only to a single recipient. This "Report" is not guaranteed to be a complete statement or summary of any securities, markets, reports or developments referred to in this research report. Neither CEBPL nor any of its directors, officers, employees or agents shall have any liability, however arising, for any error, inaccuracy or incompleteness of fact or opinion in this "report" or lack of care in this report's preparation or publication, or any losses or damages which may arise from the use of this research report.

Information barriers may be relied upon by CEBPL, such as "Chinese Walls" to control the flow of information within the areas, units, divisions, groups, or affiliates of CEBPL.

Investing in any non-U.S. securities or related financial instruments (including ADINR) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the United States. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by CEBPL with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior written consent of CEBPL and CEBPL accepts no liability whatsoever for the actions of third parties in this respect.

The details of CEBPL, its research analyst and its associates pertaining to the companies covered in the Research report are given above.

PRASHANTH KP KOTA

Digitally signed by PRASHANTH KP KOTA
Date: 2025.10.29 06:37:18 +05'30'