



Scan this QR code to  
explore our research

Paras Defence to  
invest INR 5bn in  
chip plant



Page 6

#### New Releases

**Diet Report:** Oberoi Realty: Blip in launches, demand trends strong

#### Result Update

Persistent Systems: Margin led by one-off benefit

SRF: Refrigerants deliver, specialty drags

AU Small Finance Bank: Stronger undertones, valuations rich

ITC Hotels: In-line operational performance

#### Page

8

9

16

22

30

#### SECTOR

Life insurance: 37% payouts from early exit

Hospitality and travel sees surge in institutional capital

Sugar production rises 22% to 15.9mn tonne by mid-Jan

#### POLITICS & POLICY

Govt may give USD 1bn relief to footwear industry

CommerceMin pushing for major tweaks in SEZ norms

PowerMin to oversee civil nuclear energy development

Centre likely to amend Sarfaesi Act

India's oil bill plunges 8.5% in December

#### INTERNATIONAL

Zydu Lifesciences eyes US' Ardelyx Acquisition

#### Page 2

#### Page 2

#### Page 3

Walmart-backed PhonePe gets Sebi approval for IPO

AM Group to invest USD 25bn in computing hub in UP

Skoda to expand car portfolio in India

Apple Pay likely to enter India market this year

UAE agrees to establish food cluster in AP

India, Namibia to cooperate in defence, critical minerals

Americans pay the bulk of tariffs on Indian exports

#### ECONOMY

Macro and Market update

FICCI's Manufacturing Index reaches all-time high in Q3

Gold prices hit INR 150,000/10 gm on MCX

#### Page 5

#### CORPORATE

Tata Motors eyes bid for 6,000 e-buses

Royal Enfield 650 cc motorcycles get costlier

Adani Power plans up to INR 75bn NCD raise

Nuvoco hikes cement prices amid demand revival

Hitachi India bets big on rail, energy, payments sectors

IndiGo assures DGCA of no flight cancellations from 10 Feb

Lodha Developers to invest in 2.5GW data centre park

Suzlon bets on hybrid renewables

City Union Bank bags six accolades

Apollo Micro Systems to invest in Telangana

#### Page 6

## TCS, Infosys retain top positions in global IT brand value rankings

India's information technology behemoths continue to dominate the global landscape, with Tata Consultancy Services (TCS) and Infosys maintaining their positions as the world's second and third most valuable IT services brands, respectively, according to the latest IT Services 25 (2026)' report by Brand Finance, as per Business Standard. India

stood toe-to-toe with the US in the global IT rankings, with both nations fielding eight firms each in the top 25 list. The report, which tracks the brand value and strength of the world's leading IT firms, highlighted that Accenture (USD 42.2bn brand value) has retained its position as the world's most valuable IT services brand for the eighth consecutive year.

According to the report, TCS the world's second most valuable IT Services brand for the fifth year in a row holds a brand value of USD 21.2bn in 2026. Infosys, with a brand value of USD 16.4bn, was termed as the fastest growing IT Services brand over the past 6 years, with a brand value CAGR of 15%.

## SECTOR

### Banks go slow on low-yield lending

Private sector banks like Federal Bank, South Indian Bank and Yes Bank are looking to reduce exposure to low-yielding loans in the quest to protect margins, which are expected to be under pressure in the fourth quarter, as per ET. Net interest margin, a key profitability gauge, is facing pressure amid the softer interest rate cycle. Chief executives of these lenders are expecting the full impact of the policy rate cut in December

to play out in the fourth quarter and therefore, are taking steps to realign their business strategy to offset it. Federal and Yes Bank have slowed retail lending, especially low-yielding housing loans, as well as lending to large corporations which seek fine rates.

### Compressed biogas emerges as pillar of India's energy mix

Few industries within the energy sector have witnessed the kind of growth registered by the compressed biogas (CBG) sector, as per Business Standard.

From an industry failing to rise above the survival threshold for years to the rapid expansion of CBG plants over the past two years, growth of this clean energy alternative technology, with huge collateral benefits for the agriculture economy and the fight against pollution, has been transformative. The value chain of CBG begins with the collection and segregation of raw materials, followed by processing in CBG plants where the anaerobic digestion of the raw material—including municipal solid

## Market Monitor

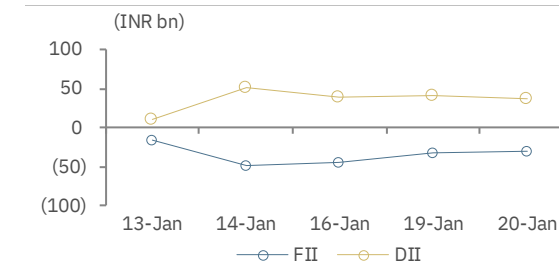
### Global Indices

	Value	% change	PE
Sensex	82,180	(1.3)	23.3
Nifty	25,233	(1.4)	22.9
S&P 500	6,797	(2.1)	25.2
FTSE 100	10,127	(0.7)	15.0
HangSeng	26,527	0.2	12.9
Nikkei 225	52,701	(0.5)	21.5

21 January 2026 8:10 AM

Source: Bloomberg

### FII & DII activities



Source: NSE

### Currency/Commodities/Metals (USD)

	Value	Change	% change
USD-INR	90.978	0.061	(0.067)
Oil (NYMEX)	59.710	(0.650)	(1.077)
Gold	4,836.020	72.598	1.524
Natural Gas	3.886	(0.021)	(0.537)

Source: Bloomberg

## SECTOR

waste (MSW), agricultural products, animal or industrial waste—leads to biogas production, which is compressed and transported to end consumers (CNG and PNG sectors) via pipelines and cascades. India's compressed biogas sector has expanded rapidly in recent years, aided by policy support, blending mandates and investment, though challenges around feedstock and scale persist.

### Life insurance: 37% payouts from early exit

Life insurance policyholders often surrender their policies before they reach maturity for various reasons. Sometimes the returns fall short of what was promised. Other times, the premiums become too expensive, and frequently, policies are sold without fully explaining how they work, as per ET. India's insurance regulator has been flagging this problem for years. The latest annual report by the Insurance Regulatory and Development Authority of India (IRDAI) reiterates that mis-selling under the life insurance sector continues to be a major concern, where insurance products

are being sold without proper disclosure of terms, conditions or suitability. But beyond mis-selling, new regulator data points to a deeper, more structural problem. The Financial Stability Report 2025, released by the RBI, contains some unsettling insights and data that show how India's insurance system operates and who truly benefits from it.

### Hospitality and travel sees surge in institutional capital

The Indian travel and hospitality sector is seeing a fresh wave of institutional capital flows, underlining the robust momentum that the sector is witnessing, as per Business Standard. Earlier this month, Lemon Tree Hotels announced that American multinational private equity (PE) firm Warburg Pincus will invest ~INR 9.6bn for the growth of its subsidiary Fleur Hotels while buying out 41.09% stake in Fleur from Dutch pension fund APG. "Overall, we view the transaction positively as it reintroduces Warburg Pincus to

the capital table — this time via Fleur. Their presence de-risks future large-scale capital expenditure such as Aurika Nehru Place and ensures a seamless path to Fleur's listing," analysts say.

### Sugar production rises 22% to 15.9mn tonne by mid-Jan

India's sugar production rises 22% to 15.9mn tonne by mid-January India's sugar production rose 22% to 15.9mn tonne by January 15 in the 2025-26 season from a year earlier, supported by higher cane supplies and better yields, industry body ISMA said, as per Business Line. Output stood at 13mn tonne in the same period last year, the Indian Sugar & Bio-Energy Manufacturers Association (ISMA) said in a statement. Around 518 mills were operational as of Jan 15, compared with 500 a year ago. The sugar season runs from October to September.

## POLITICS & POLICY

### Govt may give USD 1bn relief to footwear industry

The Centre is preparing a USD 1bn package to boost India's footwear manufacturing, as the sector reels under the impact of the 50% US tariff on Indian exports, reported TOI, as per ET. Earlier, the Department for Promotion of Industry and Internal Trade had proposed a production-linked incentive for footwear, but the plan was shelved following a revamp of government policy. Since then, officials have designed a comprehensive package that targets the entire

value chain, from raw materials and components to finished products, offering incentives to investors in this labor-intensive industry. While the plan is yet to be officially finalized, discussions are reportedly at an advanced stage, with an announcement expected soon, according to the TOI report.

### CommerceMin pushing for major tweaks in SEZ norms

The commerce department is pushing for major changes to the Special Economic Zones (SEZ) norms to cushion the

impact of the steep 50% tariff imposed by the United States (US) on several Indian imports, according to three people aware of the matter, as per Business Standard. If implemented, the changes could make it easier for SEZ units to sell goods in the domestic market, receive payments for domestic services in Indian currency, and simplify compliance norms, among other things. An overhaul of the existing two-decade-old law governing SEZ has been under discussion for almost four years. But, the latest push comes at a time when tariffs have adversely affected these units since August.

## POLITICS & POLICY

### PowerMin to oversee civil nuclear energy development

The Power Ministry has proposed that the development of nuclear projects be brought under its ambit. It has sent the proposal to the cabinet secretariat for amendment in allocation of Business Rules of the Ministry of Power for the same, said people familiar with the development, as per ET. The ministry had proposed to include development of nuclear power projects with reactors under the International Atomic Energy Agency safeguards in its business list. This move, aimed at streamlining nuclear power development, follows discussions prior to the Shanti Act's promulgation, which allows limited private participation in the sector.

### Centre likely to amend Sarfaesi Act

The Union government is considering a set of amendments to the Sarfaesi Act, 2002 to remove legal ambiguities, strengthen oversight of the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (Cersai), and improve ease of doing business, according to sources familiar with the matter, as per Business Standard. The Sarfaesi (Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest) Act provides an enabling legal framework for banks and financial institutions to recover dues exceeding ~100,000 by enforcing security interests against the borrower's or guarantor's secured assets without court or tribunal intervention. Cersai is a central online database created by the Indian government to record security

interests (mortgages-/charges) over properties, preventing fraudulent multiple lending on the same asset by storing details of loans against immovable, movable, and intangible assets, increasing transparency in lending, and ensuring lenders can verify prior encumbrances.

### India's oil bill plunges 8.5% in December

India's crude oil import bill continued to fall in December despite growing fuel appetite of the country due to sliding crude oil prices in the global market, as per Business Standard. Oil import bill fell 8.5% in December, according to fresh data sourced from the oil ministry's Petroleum Planning and Analysis Cell (PPAC). India spent USD 9.7bn in December to buy 20.8mn tonne of crude oil, lower than USD 10.6bn it spent to buy 20.2mn tonnes in the same period last year.

## INTERNATIONAL

### Zydu Lifesciences eyes US' Ardelyx Acquisition

Zydu Lifesciences plans to acquire a majority stake in Ardelyx for USD 2.2-2.5bn, funding the deal through a INR 50bn equity raise. This acquisition aligns with Zydu's strategy to expand into innovative medicines amid growing competition, as per LiveMint. Zydu may acquire a controlling stake or buy key molecules. The company is considering raising funds through a qualified institutional placement (QIP) to partly fund the deal. Ardelyx currently has a market capitalization of USD 1.6bn.

### Walmart-backed PhonePe gets Sebi approval for IPO

Payments major PhonePe has received regulatory clearance from the Securities and Exchange Board of India (Sebi) for its proposed initial public offering (IPO), Reuters reported, citing sources, as per Business Standard. The report added that Walmart, Microsoft and Tiger Global are expected to partially divest their holdings in the offering. Some other investors in the company include General Atlantic, Ribbit Capital, TVS Capital, Tencent, Qatar Investment Authority, according to Tracxn data. The approval comes months after PhonePe filed its draft papers with Sebi via the confidential

pre-filing route, aiming to raise up to INR 120bn, according to a Business Standard report from September 2025.

### AM Group to invest USD 25bn in computing hub in UP

AM Group, backed by the founders of Greenko, Anil Chalamalasetty and Mahesh Kolli have announced the signing of a Memorandum of Understanding (MoU) with Invest UP, government of Uttar Pradesh to establish a 1 gigawatt (GW) high performance compute hub to serve global AI workloads, as per ET. The project with an estimated investment of around \$25 billion plans to set up data centre infrastructure with approximately ~500,000 latest high-performance chipsets and will be one of the

## INTERNATIONAL

largest investments in country to-date aligned with the Indian Government's Viksit Bharat 2047 vision to accelerate the expansion of AI-driven services. It is expected to be developed in a phased manner with the first capacity coming up in 2028 and full 1 GW capacity targeted to come up by 2030.

### Skoda to expand car portfolio in India

Skoda Auto India, which witnessed its best-ever annual sales performance in the country in CY25, is planning 10 launches, including mid-cycle facelifts, variant additions, and the introduction of performance-oriented RS and global models, this year, as per Moneycontrol.com. While the carmaker showcased the facelifted version of the Kushaq mid-size SUV today, it will add two new variants to the Kylaq compact SUV line-up in the current quarter. In Q2CY26, it will introduce the RS version of the premium Kodiaq SUV and update an existing model. In the following quarter, another variant will be added to the Kylaq portfolio along with the launch of what Skoda described as an "action model". In the last quarter, the carmaker will bring RS version of the Octavia premium sedan, a facelifted version of the Slavia mid-size sedan and a global model, which the company did not reveal.

### Apple Pay likely to enter India market this year

Apple Pay, the digital payment service of the Cupertino-headquartered tech giant, is preparing to launch in India

this year, according to sources. The service, that's already available across 89 markets in the world, is expected to make its India foray towards the end of 2026, as per Business Standard. The Tim Cook-led company, which has been trying to enter the India market for sometime, still needs a series of regulatory approvals. In India, Apple Pay is likely to offer the 'tap to pay' feature, like in 50 other markets. An email sent to Apple did not elicit a response till press time.

### UAE agrees to establish food cluster in AP

UAE Minister of Economy and Tourism Abdulla bin Touq Al Marri has agreed during a meeting with Chief Minister N Chandrababu Naidu to set up a food cluster in Andhra Pradesh, as per ET. The meeting took place during the annual meet of the World Economic Forum (WEF) in Davos, Switzerland. The UAE minister also assured to enable 40 companies to set up shop in the southern state.

### India, Namibia to cooperate in defence, critical minerals

India and Namibia held the fifth round of Foreign Office Consultations (FOC) and agreed to deepen collaboration in key sectors, including health, Digital Public Infrastructure (DPI), agriculture, defence, and critical minerals, as per Business Standard. According to a release by the Ministry of External Affairs, the meeting was held on January 19 and January 20 and was co-chaired by Janesh Kain, Joint Secretary (East & Southern Africa), Ministry of External

Affairs and Ambassador Charles Josob, Acting Head of Department for Bilateral Relations and Cooperation, Ministry of International Relations and Trade, Namibia. During the consultations, both sides reviewed the full spectrum of India-Namibia relations, covering trade, investment, health and pharmaceuticals, education, capacity building, agriculture, infrastructure development, consular matters, and people-to-people and cultural exchanges.

### Americans pay the bulk of tariffs on Indian exports

Against the backdrop of the tariff imposition of 50% on India by the United States (US), exporters in India have not reduced the prices of their shipments to America. Instead, they have cut volume of exports by 18-24% relative to other destinations. As a result, it is the Americans who must bear the bulk of the increase in tariffs, according to a latest research paper released by the Kiel Institute of World Economy, based in Germany. Indian exporters did not cut prices after the US imposed 50% tariffs, instead reducing volumes, leaving American consumers to bear most of the tariff burden, a Kiel study finds.

## ECONOMY

### Macro and Market update

#### Greenland is emerging as a strategically critical but largely untapped resource frontier

The island holds an estimated 1.5mn tonnes of rare earth reserves, ranking it as the world's 8th-largest holder. A 2023 survey found 25 of 34 minerals classified as "critical raw materials" by the European Commission are present there. Yet despite an estimated USD 5tn in total natural resources—roughly 20% of US GDP—Greenland recorded virtually zero rare earth production in 2025, constrained by funding shortages and weak infrastructure. Hence Greenland is incredibly valuable.

#### Strategic minerals move to the center of US foreign engagement

The Democratic Republic of Congo has submitted a shortlist of state-owned assets including manganese, copper-cobalt, gold and lithium projects to Washington for potential US investment. This push follows a US-brokered pact easing tensions between Congo and Rwanda, prompting American agencies to accelerate efforts to secure critical metals.

#### Policy uncertainty in the US remains elevated

The US Supreme Court declined to issue a ruling on the legality of President Donald Trump's tariff regime,

extending the wait for clarity on a cornerstone of the White House's economic agenda. The absence of a decision added to market unease, particularly as expectations had built around a potential ruling this week.

#### Washington has stepped up enforcement actions in energy markets

The US military confirmed the seizure of a Venezuela-linked oil tanker in the Caribbean—the seventh such interception since Trump launched a month-long campaign aimed at tightening control over Venezuela's oil flows.

#### Monetary policy leadership nearing a critical juncture

US Treasury Secretary Scott Bessent said President Trump could announce the next chair of the Federal Reserve as early as next week, with the candidate pool narrowed from eleven to four after months of deliberations.

#### In Europe, growth concerns are resurfacing

Germany is set to lower 2026 GDP growth forecast to 1.0% from 1.3%, reflecting heightened uncertainty around global trade. The downgrade is expected to be formalized in the Economy Ministry's annual report later this month.

#### India's reliance on Russian oil evolving as new traders linked to the UAE step in

This is after Rosneft cut shipments by 75%. Indian buyers are increasingly avoiding sanctioned entities, with firms such as Reliance Industries choosing to abstain from Russian crude altogether.

#### India's core sector performance strengthens

Output rose to its highest level of FY26 in December, while YoY growth improved to a four-month high of 3.7%, up from a revised 2.1% in November. Electricity and cement led the expansion with gains of 18.44% and 12%, respectively, followed by coal at 9.3% and refinery products at 7.65%, underscoring resilient industrial momentum despite global uncertainty.

#### Asia markets

Asian markets opened on 21 January followed by the US markets as Trump's threat to slap fresh tariffs on a host of EU countries over his desire to control Greenland continues to triggered a wave of uncertainty, causing a sharp uptick in volatility. Brent is at USD 64.0/bbl, DXY at 98.55, US10Y at 4.28%, and GIFTNIFTY down 0.05%.

*Source: Garima Kapoor, Economist, Elara Securities Research*

### FICCI's Manufacturing Index reaches all-time high in Q3

The Federation of Indian Chambers of Commerce & Industry's Manufacturing Index reached an all-time high in Elara Securities (India) Private Limited

Q3FY25–26, reflecting sustained growth in the sector, as per ET. "For the third quarter of 2025-26, the index has touched all-time high with 91% of respondents reported either higher or same production levels as compared to 87% for Q2FY25-

26. This optimism is also evident in domestic demand, as 86% of respondents anticipated higher or same orders in Q3FY26 compared to the previous quarter and more so after the latest GST rate cuts announced," the FICCI Survey said.



## ECONOMY

### Gold prices hit INR 150,000/10 gm on MCX

Gold prices smashed the INR 150,000 mark in the afternoon on Tuesday to extend gains from the previous session after US President Donald Trump announced tariff threats linked to Greenland on European countries, reigniting trade war

concerns. The escalation in tensions has driven investors toward safe-haven assets and boosting demand for the yellow metal, as per ET. On the Multi Commodity Exchange, MCX Gold futures due February 5, 2026, rose INR 5,931 or 4% to INR 151,470 per 10 grams. In the international market,

gold prices crossed USD 4,700-per-ounce mark for the first time on 20 January, while silver hovered close to record highs. Spot gold rose over 1% to touch an all-time high of USD 4,721.91. Meanwhile, US gold futures for February delivery surged 2.8% to USD 4,722.70 per ounce.

## CORPORATE

### Tata Motors eyes bid for 6,000 e-buses

Tata Motors is preparing to bid for a government tender of as many as 6,000 electric buses, as it seeks to claw back market share without joining the steep discounting that has defined recent auctions, its top official said, as per ET. India's largest commercial vehicle maker has already supplied about 3,600 battery-powered buses across Indian cities over the past seven years, CEO Girish Wagh said in an interview. That experience, he said, has pushed Tata toward more disciplined pricing as it weighs the full operating and financial risks embedded in India's bus-procurement model. The upcoming tender will require operators to run and maintain buses for 12 years, a structure that shifts long-term performance and safety risks, among others, onto suppliers.

### Royal Enfield 650 cc motorcycles get costlier

Royal Enfield has increased the pricing of its entire range of 650 cc motorcycles. The price revision comes following similar move from other automakers in India, which have announced price hikes for their respective vehicles in the country, effective from January 2026, as per LiveMint. The latest price hike from Royal Enfield comes owing to the increased production costs, due to the rising prices of raw materials and surging inflation. However, Royal Enfield is

hopeful this price hike will not make a significant difference in the buying decision of consumers. With this price hike, the entire range of 650 cc models of the company has become slightly costlier. The current 650 cc lineup of the company include models like Classic 650, Bear 650, Super Meteor 650, Interceptor 650, Continental GT 650, and Shotgun 650.

### Adani Power plans up to INR 75bn NCD raise

Adani Power is looking to raise INR 75bn from institutional investors through the issuance of non-convertible debentures (NCD), people familiar with the matter told ET. The thermal power giant is tapping the bond market at a time when investor demand for corporate bonds is strong. The fundraising is expected to be launched over the next three to four days and will have tenors of 2,3,4 and 5 years, the people said. Axis Bank, ICICI Bank and Trust Group are acting as arrangers. Proceeds are likely to be used for refinancing existing borrowings and general corporate purposes.

### Paras Defence to invest INR 5bn in chip plant

An Indian defence company is investing INR 5bn to set up a new semiconductor production facility to tap into the

domestic and export market, with production slated to start by the end of next year, as per ET. Paras Defence and Space Technologies, which is already a leading player in defence optical and optronic systems, is looking to create a domestic hub for chiplet integration and advanced system-in-package technologies. India currently relies only on imports for such technologies, with Israel being the leading supplier, followed by Europe. Paras Defence sees an annual domestic requirement of Rs 2,500 crore for sensors and chipsets as India is focused on an indigenization drive, along with a major scaling up in the requirement of weapon systems.

### Nuvoco hikes cement prices amid demand revival

Nuvoco Vistas Corporation — the cement arm of Gujarat-based Nirma Group — has raised cement prices across key markets amid improving demand conditions and expects a sustained uptick in volumes going into the fourth quarter of FY26, even as it prepares to operationalize the recently acquired Vadraj cement facilities in Gujarat in a phased manner from FY27, as per Business Line. "December was a good month for us and in January I see the demand sustaining. That is why we have gone ahead and made the changes in pricing," said Jayakumar Krishnaswamy, MD of Nuvoco Vistas. "Around January 10–12, we have taken a

## CORPORATE

price rise in non-trade across the geographies where we operate, and also in the trade channel we have attempted price increases in the East and North India. We will have to wait for a week or so to see whether the increase sustains, but as of now things look positive," he told investors recently.

### Hitachi India bets big on rail, energy, payments sectors

Davos, Lauding the government for speeding up the implementation process for large projects, Hitachi India Chairman Bharat Kaushal said Japanese investment commitments are being utilized much faster now, as per ET. This is also leading to deal sizes getting much bigger now between India and Japan, while deals are no longer limited to the two governments, with a lot of private sector deals happening across equity, debt and partnerships, Kaushal said during the World Economic Forum Annual Meeting. Crediting the Indian government, he said implementation is one area that has really transformed in the past decade, whether it is the modernisation and expansion of Indian railways or metro urban mobility solutions.

### IndiGo assures DGCA of no flight cancellations from 10 Feb

IndiGo has informed the country's civil aviation regulator that it will have adequate crew to fully comply with pilot rest norms by 10 February, as it seeks to put behind the December disruption that crippled India's air travel, as per LiveMint. In a weekly meeting with the Directorate General of Civil Aviation (DGCA), India's largest airline said it is

prepared to operate without the two Flight Duty Time Limitation (FDTL) exemptions that were earlier granted. IndiGo's assurance to the DGCA comes after the regulator imposed a INR 223mn fine on the airline and warned three senior executives for poor planning in complying with the new pilot duty rules introduced late last year. The lapses had led to more than 4,500 flight cancellations, prompting the DGCA to order a 10% cut in IndiGo's daily flight operations.

### Lodha Developers to invest in 2.5GW data centre park

Lodha Developers said it will invest an additional INR 1tn (USD 11bn) to build a 2.5-gigawatt data centre park in the state of Maharashtra, expanding on an earlier commitment of INR 300bn, as per Business Line. India's data center market has been booming, with real estate developers, investors and tech giants such as Alphabet's Google and Meta investing billions across states including Maharashtra and Andhra Pradesh. Lodha made its initial commitment to the Maharashtra government last September.

### Suzlon bets on hybrid renewables

Wind energy major Suzlon Energy is revamping its business model to move beyond wind turbines and offer end-to-end renewable energy solutions, as customers look for faster project execution and lower risk, as per ET. Vice Chairman Girish Tanti said the shift—called Suzlon 2.0—will combine a reset of the wind business with a push into hybrid projects that integrate wind, solar and battery storage to offer end-to-end solutions—from project

development and EPC to lifetime servicing—while keeping wind as the core optimisation lever in an exclusive interview.

### City Union Bank bags six accolades

City Union Bank has been awarded with 6 accolades at the IBA Technology Awards, presented during the 21st Annual Technology Conference, Expo & Citations 2024–2025, held on 9 January 2026 in Mumbai, as per Business Line. The award was presented to the bank's MD&CEO N. Kamakodi by T Rabi Sankar, Deputy Governor of the Reserve Bank of India. IBA recognises and reward banks whose ideas, initiatives, risk leadership qualities, and implementation of various technology initiatives have kept them ahead of their competitors.

### Apollo Micro Systems to invest in Telangana

Apollo Micro Systems (AMSL) said it will invest INR 3bn to set up a manufacturing facility in Telangana, as per ET. The company has also acquired a land parcel of 22,988 sqm at TSIIC, Hardware Park Phase II in Hyderabad, it said in an exchange filing. AMSL said it would invest INR 3bn in a new electronics and electro-mechanical manufacturing facility. "The company proposes to undertake the capital expenditure for the development of the aforesaid site into an integrated facility for the manufacturing, assembly, integration and testing of weapon system platforms such as grad rockets, anti-submarine warfare rockets, anti-tank mines, artillery munitions and other similar products," the filing said.

## Blip in launches, demand trends strong

20 January 2026

**Oberoi Realty** (OBER IN) reported Q3FY26 presales of INR 8.4bn (estimate: INR 10bn) that saw quarterly run-rate sustaining for most micro markets. Residential collections at INR 9.7bn were 17% above presales. Profitability metrics continue to ride high, with residential EBITDA margin at 55% (9MFY26: 53%). Also, improving trends in profitability and operational parameters were evident in both the rental portfolio and the hospitality segment. Guidance for launches suggests a QoQ build-up of presales in Q4FY26 / Q1FY27. Also, the developer is looking to close three large business developments in the near-term, thus, lending support to NAV. Overall, OBER remains a play on superior profitability and growth, aided by a diversified, high-margin pipeline. The upcoming tower launch at Borivali is a key monitorable and catalyst for the stock.

**Key positives:** 1) sustained momentum at 360 West – three units were sold, 2) pick-up in Thane projects – Jardin presales up 64% QoQ, accounting for ~45% of project sales in 9MFY26, 3) full OC for the Mulund tower (Eternia) aiding project sales in the micro market sustaining (at >INR 2bn/quarter; 9MFY26 presales at Mulund stands at >INR 6bn), 4) pricing at SkyCity was INR 55k/sf (up ~10% QoQ) likely implies strong demand at +INR 50k/sf for the upcoming tower launch, 5) addition of a new micro market to the residential pipeline – INR 18-20bn GDV at Nepean Sea Road, 6) improving occupancies in commercial assets – Commerz 2 achieved full occupancy (+4ppt QoQ) and Commerz 3 occupancy was 90% (up 3ppt QoQ).

**Key negatives:** procedural led delays in launches planned for Q4FY26 – Gurugram and Peddar Road projects may spill over to Q1FY27.

**Reiterate Buy with a TP of INR 2,500:** We view OBER as a low risk compounder, given: 1) its prudent underwriting through cycles – land cost at <5% of GDV, 2) deep micro market presence – 25% / 15% / 10% volume market share at Goregaon / Borivali / Mulund micro markets, respectively, in FY21-25, and 3) convergence to a multi-regional play with its entry into Gurugram. The stock is trading at an attractive 15% discount to March 2026E NAV. **Key downside risks** include delays in project launches and regulatory setbacks.

### Quarterly financials – Break-down

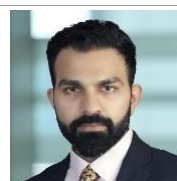
(INR mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	QoQ (%)	YoY (%)
<b>Total pre-sales</b>	<b>14,425</b>	<b>19,183</b>	<b>8,533</b>	<b>16,387</b>	<b>12,991</b>	<b>8,364</b>	<b>(35.6)</b>	<b>(56.4)</b>
O/w 360 West	6,626	1,517	5,332	2,137	4,455	2,698	(39.5)	77.8
Pre-sales (ex- 360 West)	7,799	17,665	3,201	14,250	8,536	5,666	(33.6)	(67.9)
<b>Units sold in 360 West</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>3</b>		
<b>Total collections</b>	<b>12,112</b>	<b>13,950</b>	<b>7,653</b>	<b>9,971</b>	<b>13,528</b>	<b>9,748</b>	<b>(27.9)</b>	<b>(30.1)</b>
O/w 360 West	6,496	5,620	2,513	832	4,179	2,792		
Other projects	5,616	8,329	5,140	9,139	9,349	6,956	(25.6)	(16.5)
<b>Occupancy in rental assets</b>								
Commerz 1	84.0	96.0	96.0	96.0	96.0	96.0	0.0	0.0
Commerz 2	93.0	97.0	96.0	96.0	96.0	100.0	4.0	3.0
Commerz 3	65.0	77.0	81.0	83.0	87.0	90.0	3.0	13.0
Oberoi Mall	98.0	99.0	99.0	99.0	99.0	99.0	0.0	0.0
Sky City Mall	-	-	-	50.0	53.0	56.0		
<b>Segment-wise EBITDA margin (%)</b>	<b>61.7</b>	<b>60.7</b>	<b>61.6</b>	<b>57.3</b>	<b>60.2</b>	<b>61.0</b>	<b>0.7</b>	<b>0.3</b>
Residential	58.1	56.6	54.3	45.0	55.5	54.6	(0.9)	(2.0)
Rental	92.3	91.6	90.2	92.3	92.9	93.4	0.6	1.9
Hospitality	36.1	42.5	45.4	37.8	39.2	42.6	3.4	0.1
<b>Net debt</b>	<b>2,353</b>	<b>824</b>	<b>2,231</b>	<b>999</b>	<b>(2,578)</b>	<b>(2,175)</b>	<b>(15.6)</b>	<b>(364.1)</b>
Net debt / Equity (%)	1.6	0.5	1.4	0.6	(1.5)	(1.3)	0.3	(1.8)

Source: Company, Elara Securities Research

**Rahul Jain, CFA**  
Real Estate

+91 22 6164 0000  
rahul.jain@elaracapital.com

Associate  
Taran Gupta  
taran.gupta@elaracapital.com





# Persistent Systems

India | IT Services | Result Update



21 January 2026

## Margin led by one-off benefit

Persistent Systems' (PSYS IN) Q3 revenue was better, led by recovery in the healthcare vertical, while margin performance was helped by a one-time license fee. PSYS continues to maintain its annualized revenue guidance of USD 2bn by Q4FY27. Per our calculation, the ask rate to reach that target is 3.5% CQGR, which seems feasible considering recovery in healthcare and strong performance in BFSI and Hi-tech. PSYS maintains its aspiration to reach USD 5bn revenues by FY31, for which the growth rate needs to accelerate further. PSYS earlier seeks to improve margins aggressively over 2 years but now looking to balance revenue growth and margin expansion. We revise PSYS to SELL from Reduce with a higher TP of INR 5,630 (on an unchanged multiple).

**Broad-based growth across verticals:** PSYS reported a growth of 4.1% QoQ in CC terms and 4.0% in USD terms in Q3. In INR terms, growth was 5.5% QoQ and 23.4% YoY. In Q3, growth was led by North America and RoW, as revenue from these markets rose 6.2% QoQ and 34.6% QoQ, respectively. India and Europe markets were a drag on growth, declining 11.8% QoQ and 4.9% QoQ respectively. Vertical-wise, growth was led by healthcare, up 4.8% QoQ. BFSI grew 4.6% QoQ in USD terms, followed by Hi-Tech, up 3.0% QoQ. Total contract value (TCV) came in at USD 675mn, up 10.7% QoQ/13.5% YoY in Q3. Annual contract value (TCV) outpaced TCV growth, up 12.1% QoQ/17.2% YoY to USD 502mn. LTM attrition was down 30bps QoQ to 13.5%, while PSYS reported a net addition of 487 employees in Q3. The Board declared an interim dividend of INR 22 per share, with payout ratio of 78.7%.

**Margin expansion led by one-off benefit:** Q3 EBIT margin was up 40bps to 16.7%, led by a 30bps gain from favorable currency, 20bps from lower sub con costs, and 40bps from higher utilization, onsite pyramid rationalization and SG&A optimization. A one-time license fee contributed a further 150bps to margin improvement, though offset by 180bps of wage-hike impact, effective 1 October 2025, and 20bps impact from furloughs. PSYS recorded INR 890mn charge related to new Labor-Code provisioning, which hit PAT margins by 180bps. PSYS noted that it is not targeting aggressive margin expansion, preferring to reinvest gains to sustain growth.

**Revise to Sell from Reduce; TP raised to INR 5,630:** PSYS continues to report a strong broad-based growth across all customer segments. Top 5/10/20 customers, which forms 33%to 54% of its revenue mix, reported 18-20% CAGR in FY22-25, while CQGR growth in past few quarters was around 5%. TCV, on the other hand, has been growing strong as well, now crossing USD 675mn in the quarter. This is likely to help maintain growth momentum.

We raise our revenue estimates by 1-3% for FY27E/FY28E, in line with Q4FY27 guidance. We also revise our earnings estimates upwards by 6-8% as we continue to build margin expansion in the next two years. Accordingly, we raise our TP to INR 5,630 (from INR 5,250), while we revise PSYS to Sell from Reduce given expensive valuation (the stock is trading at 52x and 44x on FY26E/FY27E).

### Key Financials

YE March (INRmn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	98,216	119,387	145,838	169,773	191,043
YoY (%)	17.6	21.6	22.2	16.4	12.5
EBITDA (INR mn)	17,242	20,580	27,271	32,064	36,843
EBITDA margin (%)	17.6	17.2	18.7	18.9	19.3
Adj PAT (INR mn)	11,302	14,001	18,895	22,676	26,367
YoY (%)	17.7	28.0	30.2	24.4	16.3
Fully DEPS (INR)	73.5	90.2	120.1	144.2	167.6
RoE (%)	25.3	24.8	27.1	27.4	27.0
RoCE (%)	29.6	30.5	33.5	33.6	33.3
P/E (x)	84.7	69.5	52.4	43.7	37.6
EV/EBITDA (x)	57.2	47.9	36.2	30.8	26.8

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

Rating: Sell

Target Price: INR 5,630

Downside: 11%

CMP: INR 6,343

As on 20 January 2026

#### Key data

Bloomberg	PSYS IN
Reuters Code	PERS.NS
Shares outstanding (mn)	158
Market cap (INR bn/USD mn)	1,001/10,998
EV (INR bn/USD mn)	986/10,840
ADTV 3M (INR mn/USD mn)	2,358/26
52 week high/low	6,599/4,149
Free float (%)	69

Note: as on 20 January 2026; Source: Bloomberg

#### Price chart



Source: Bloomberg

	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
Shareholding (%)				
Promoter	30.7	30.6	30.6	30.3
% Pledge	0.0	0.0	0.0	0.0
FII	24.9	24.2	21.2	22.8
DII	26.8	27.8	30.6	29.8
Others	17.6	17.5	17.6	17.1

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(2.4)	1.1	8.1
Persistent Systems	8.5	14.3	4.1
NSE Mid-cap	(2.6)	(0.9)	6.1
NSE Small-cap	(9.2)	(12.9)	(7.4)

Source: Bloomberg

Sameer Pardikar

IT Services

+91 22 4204 8692  
sameer.pardikar@elaracapital.com

Associates  
Yash Kudale  
yash.kudale@elaracapital.com



## Financials (YE March)

<b>Income Statement (INRm)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Total Revenue	98,216	119,387	145,838	169,773	191,043
Gross Profit	32,985	40,647	51,221	59,450	66,891
EBITDA	17,242	20,580	27,271	32,064	36,843
EBIT	14,149	17,511	23,323	27,818	32,442
Interest expense	467	671	610	465	724
Other income	813	710	1,304	1,823	2,252
Exceptional/ Extra-ordinary items	(486)	-	(890)	-	-
PBT	14,475	18,221	23,736	29,641	34,693
Tax	3,541	4,222	5,509	6,966	8,326
Minority interest/Associates income	-	-	-	-	-
Reported PAT	10,935	14,001	18,227	22,676	26,367
Adjusted PAT	11,302	14,001	18,895	22,676	26,367
<b>Balance Sheet (INRm)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Shareholders' Equity	49,577	63,191	76,010	89,615	105,435
Trade Payables	8,139	8,886	10,829	11,669	13,126
Provisions & Other Current Liabilities	13,703	12,442	14,518	16,261	17,810
Total Borrowings	2,073	-	-	-	-
Other long term liabilities	244	2,848	2,848	2,848	2,848
<b>Total liabilities &amp; equity</b>	<b>73,736</b>	<b>87,366</b>	<b>104,205</b>	<b>120,393</b>	<b>139,220</b>
Net Fixed Assets	11,302	13,073	11,125	8,879	6,478
Goodwill	10,913	12,338	12,338	12,338	12,338
Intangible assets	-	-	-	-	-
Business Investments / other NC assets	10,290	11,695	11,696	11,696	11,696
Cash, Bank Balances & treasury investments	10,229	10,255	19,079	29,870	44,304
Sundry Debtors	16,761	18,478	23,973	27,908	31,404
Other Current Assets	14,242	21,527	25,993	29,703	33,000
<b>Total Assets</b>	<b>73,736</b>	<b>87,366</b>	<b>104,205</b>	<b>120,393</b>	<b>139,220</b>
<b>Cash Flow Statement (INRm)</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
<b>Cashflow from Operations</b>	<b>12,213</b>	<b>11,569</b>	<b>16,232</b>	<b>21,861</b>	<b>26,981</b>
Capital expenditure	(2,839)	(2,367)	(2,000)	(2,000)	(2,000)
Acquisitions / divestitures	-	-	-	-	-
Other Business cashflow	(1,856)	(1,977)	-	-	-
<b>Free Cash Flow</b>	<b>9,374</b>	<b>9,202</b>	<b>14,232</b>	<b>19,861</b>	<b>24,981</b>
Cashflow from Financing	(5,937)	(6,282)	(5,408)	(9,070)	(10,547)
Net Change in Cash / treasury investments	1,196	26	8,825	10,790	14,434
<b>Key assumptions &amp; Ratios</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Dividend per share (INR)	26.0	35.0	34.4	57.7	67.1
Book value per share (INR)	322.2	407.3	483.3	569.8	670.3
RoCE (Pre-tax) (%)	29.6	30.5	33.5	33.6	33.3
ROIC (Pre-tax) (%)	37.1	37.1	42.5	47.7	53.7
ROE (%)	25.3	24.8	27.1	27.4	27.0
Asset Turnover (x)	7.1	9.8	12.1	17.0	24.9
Net Debt to Equity (x)	(0.2)	(0.2)	(0.3)	(0.3)	(0.4)
Net Debt to EBITDA (x)	(0.5)	(0.5)	(0.7)	(0.9)	(1.2)
Interest cover (x) (EBITDA/ int exp)	36.9	30.7	44.7	69.0	50.9
Total Working capital days (WC/rev)	18.0	16.9	20.4	23.0	22.7
<b>Valuation</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
P/E (x)	84.7	69.5	52.4	43.7	37.6
P/Sales (x)	10.2	8.4	6.9	5.9	5.2
EV/ EBITDA (x)	57.2	47.9	36.2	30.8	26.8
EV/ OCF (x)	80.7	85.2	60.8	45.1	36.6
FCF Yield	1.0	0.9	1.4	2.0	2.5
Price to BV (x)	19.7	15.6	13.1	11.1	9.5
Dividend yield (%)	0.4	0.6	0.5	0.9	1.1

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

## Exhibit 1: Quarterly financials

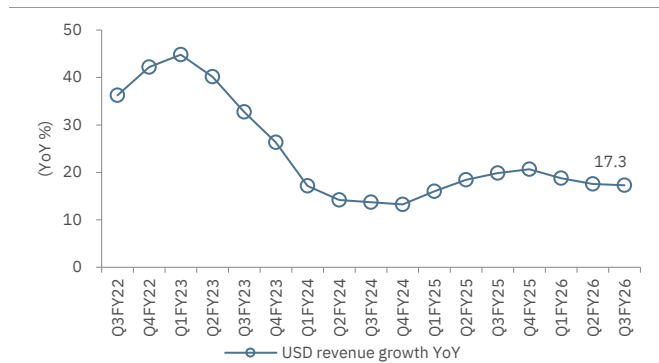
(INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Variance (%)
Revenue (USD mn)	423	360	17.3	406	4.0	419	1.0
Revenue (INR mn)	37,782	30,623	23.4	35,807	5.5	37,245	1.4
Operating expenditure	30,451	25,244	20.6	28,976	5.1	30,682	(0.8)
Employee benefit costs	20,409	17,639	15.7	19,461	4.9	21,018	(2.9)
Sub con costs	5,597	4,331	29.2	5,375	4.1	5,482	2.1
EBITDA	7,331	5,378	36.3	6,831	7.3	6,563	11.7
Depreciation	1,006	821	22.5	1,000	0.5	993	1.3
EBIT	6,325	4,557	38.8	5,830	8.5	5,570	13.6
Other income, net	215	263		338		361	(40.4)
Exceptional items	890						
PBT	5,650	4,820	17.2	6,168	(8.4)	5,931	(4.7)
Total tax	1,255	1,091	15.1	1,454	(13.6)	1,394	(9.9)
Reported PAT	4,395	3,730	17.8	4,715	(6.8)	4,537	(3.1)
Reported EPS (INR)	27.9	24.0	16.5	30.2	(7.3)	29.0	(3.7)

Source: Company, Elara Securities Estimate

## Conference call highlights

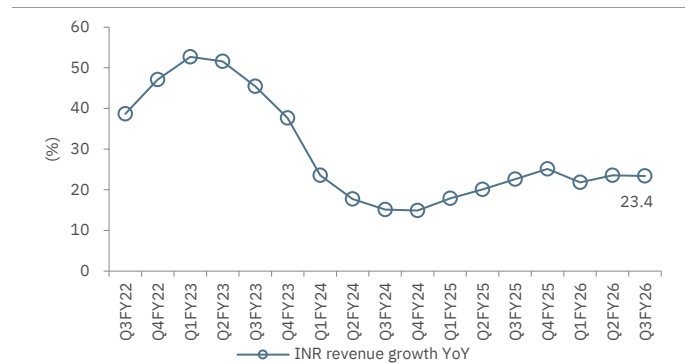
- ▶ **Macro environment stable but selective**, with enterprises prioritizing transformation-led spend over discretionary programs, particularly in application and data modernization, AI-driven productivity and cost-efficiency initiatives. Demand traction has strengthened across BFSI, Healthcare & Life Sciences, Hi-Tech and private-equity-owned businesses. Management expects growth to sustain and reaffirmed its strategic aspiration to reach USD 2bn in revenue by FY27 and progressing toward a USD 5bn revenue milestone by FY31, supported by AI-led platforms, disciplined execution and capability-driven acquisitions.
- ▶ **Deal wins improving**: In Q3FY26, PSYS secured several strategic, large-scale transformation wins across core verticals, including a USD 100mn TCV deal with a tier-1 US bank, including 25% new TCV, focused on data platform modernization, cybersecurity and governance automation. In Healthcare & Life Sciences, the company signed a USD 50mn+, five-year engagement with a US client. While decision cycles remain measured in some pockets, client confidence around AI ROI is improving, supporting larger, multi-year engagements.
- ▶ **Vertical-wise broad-based growth**: Growth was led by BFSI, supported by strong demand for data modernization, AI-led productivity and cybersecurity programs, followed by Software & Hi-Tech and Emerging Industries, driven by AI adoption in product engineering and cloud platform modernization. Healthcare & Life Sciences growth reflected steady transformation spend, particularly in data platforms, IT modernization and AI-enabled research productivity.
- ▶ **Software license** growth was driven by a mix of pass-through third-party licenses embedded in managed services deals and commercialization of PSYS's own AI platforms such as SASVA, iAURA, and GenAI Hub. Management clarified that these licenses are not sold as standalone products but are integrated with services and outcome-based engagements, with revenue recognition depending on deal structure and customer preference. Over time, PSYS expects the distinction between license and services revenue to progressively blur, as IP, platforms, and delivery are increasingly bundled into a single integrated commercial construct.
- ▶ **Platform-led AI strategy**: The AI strategy is anchored in a platform-led, agentic AI operating model that spans both internal transformation and scalable client offerings, with core platforms including AssistX for enterprise workflows, SASVA for engineering hyper-productivity, and data platforms like iAURA. Internally, AssistX enables autonomous, responsible AI-driven execution across sales, HR, IT, finance, legal and delivery, while externally, the company is monetizing AI through outcome-based, tool-and-people blended commercial models. With 200+ AI agents deployed, 105 patents filed and deep partnerships across hyperscalers and leading AI ecosystems, PSYS highlighted that AI has moved from pilots to production at scale and AI is becoming a structural growth and margin lever embedded across service portfolio.

**Exhibit 2: YoY USD revenue growth healthy**



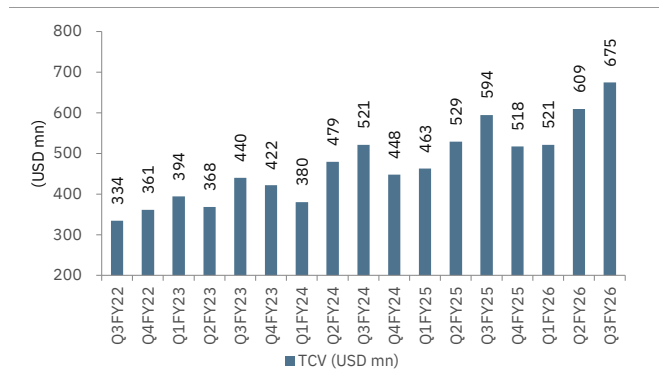
Source: Company, Elara Securities Research

**Exhibit 3: YoY INR growth supported by INR depreciation**



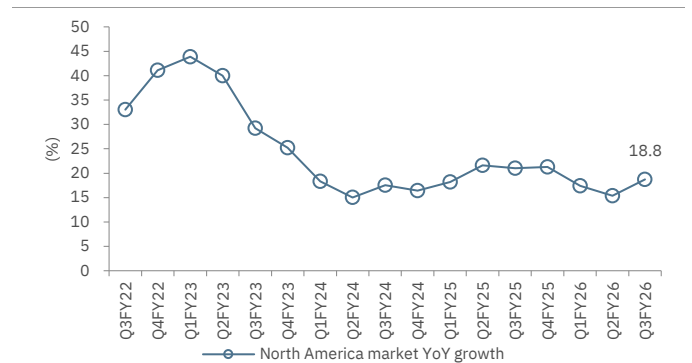
Source: Company, Elara Securities Research

**Exhibit 4: TCV booking up, driven by increase in renewals**



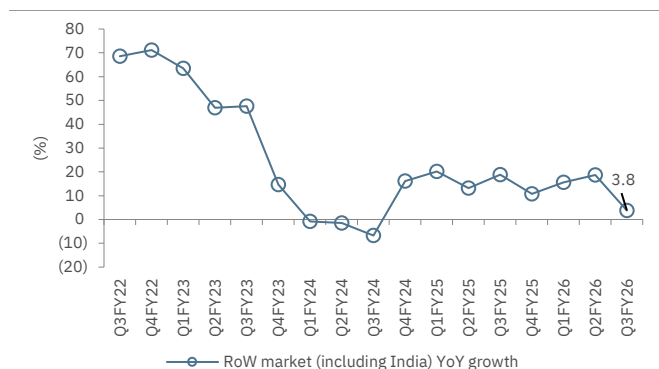
Source: Company, Elara Securities Research

**Exhibit 5: North America – Growth accelerated in Q3**



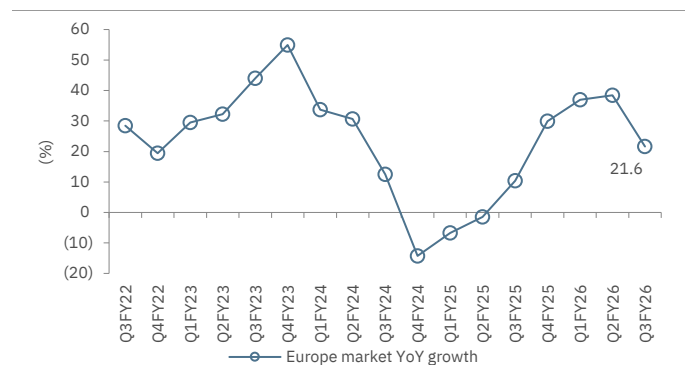
Source: Company, Elara Securities Research

**Exhibit 6: RoW – India was a drag on growth**



Source: Company, Elara Securities Research

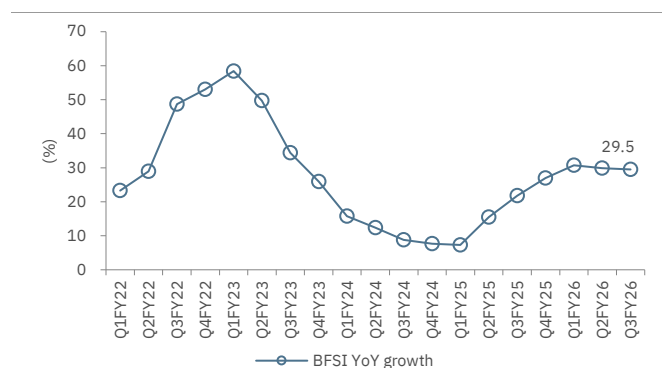
**Exhibit 7: Europe market – Growth softer in Q3**



Source: Company, Elara Securities Research

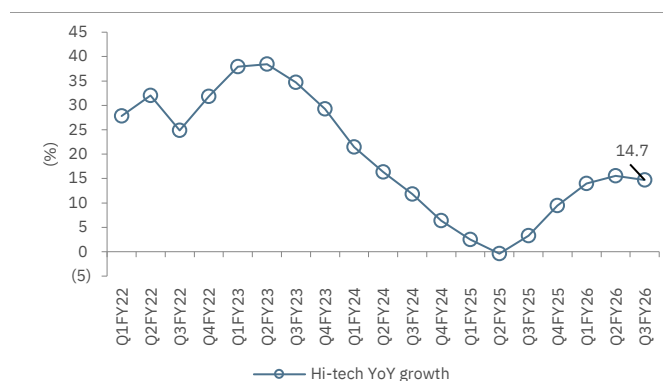


**Exhibit 8: BFSI growth strong, supported by deal wins**



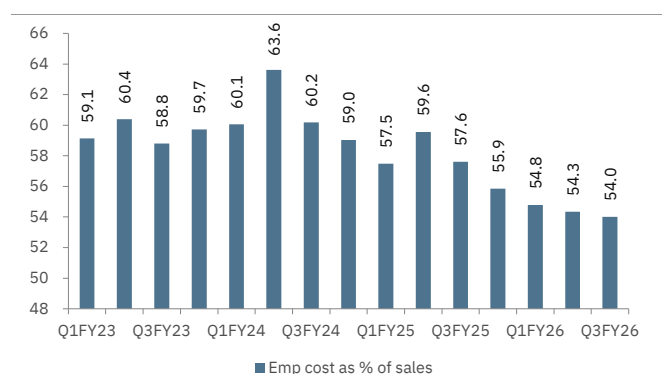
Source: Company, Elara Securities Research

**Exhibit 9: Hi-tech growth led by increasing AI adoption**



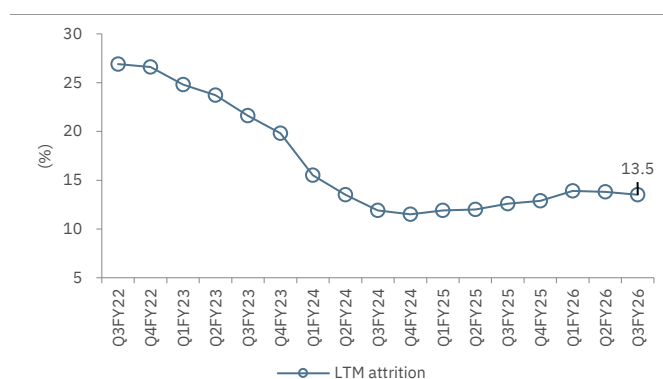
Source: Company, Elara Securities Research

**Exhibit 10: Employee cost trending downward**



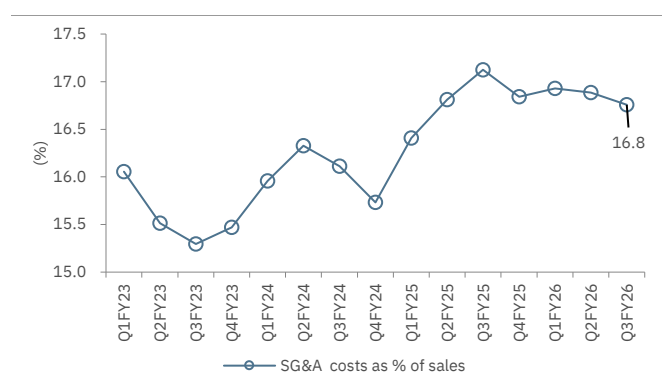
Source: Company, Elara Securities Research

**Exhibit 11: LTM attrition down 30bps sequentially**



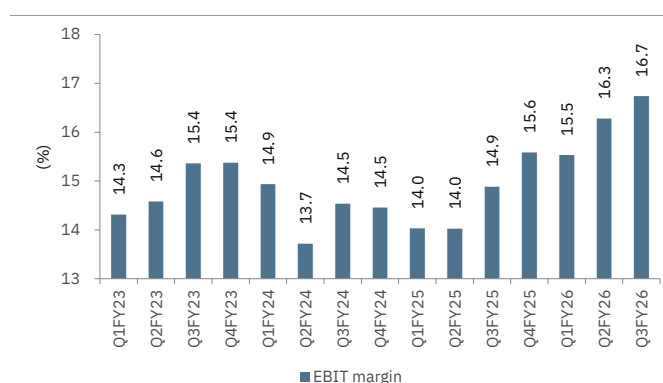
Source: Company, Elara Securities Research

**Exhibit 12: SG&A cost optimization underway**



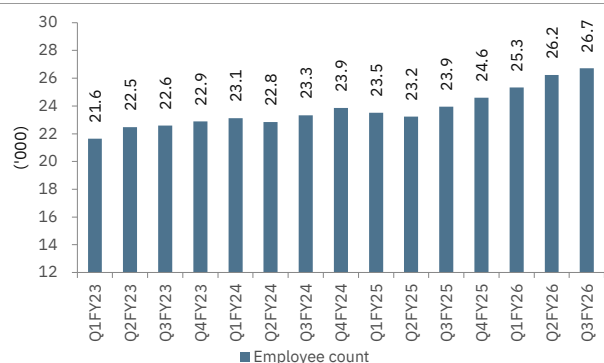
Source: Company, Elara Securities Research

**Exhibit 13: EBIT margin expanded 40bps sequentially**



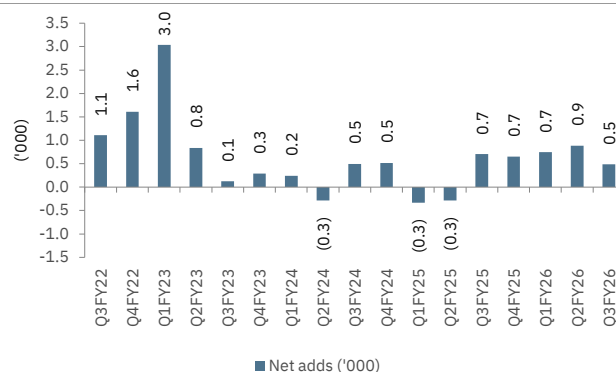
Source: Company, Elara Securities Research

**Exhibit 14: Employee base continued to see an uptick...**



Source: Company, Elara Securities Research

**Exhibit 15: ... with five quarters of positive net adds**



Source: Company, Elara Securities Research

**Exhibit 16: Valuation**

(INR)

Current trailing 12 months (TTM) EPS	111
Current market price (CMP)	6,343
Target EPS	144
Target EPS period	FY27E
Target multiple (x)	39
Target price (per share)	5,630
Downside (%)	11

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

**Exhibit 17: PSYS trading at 46.4x, +1SD above its 10 year mean**



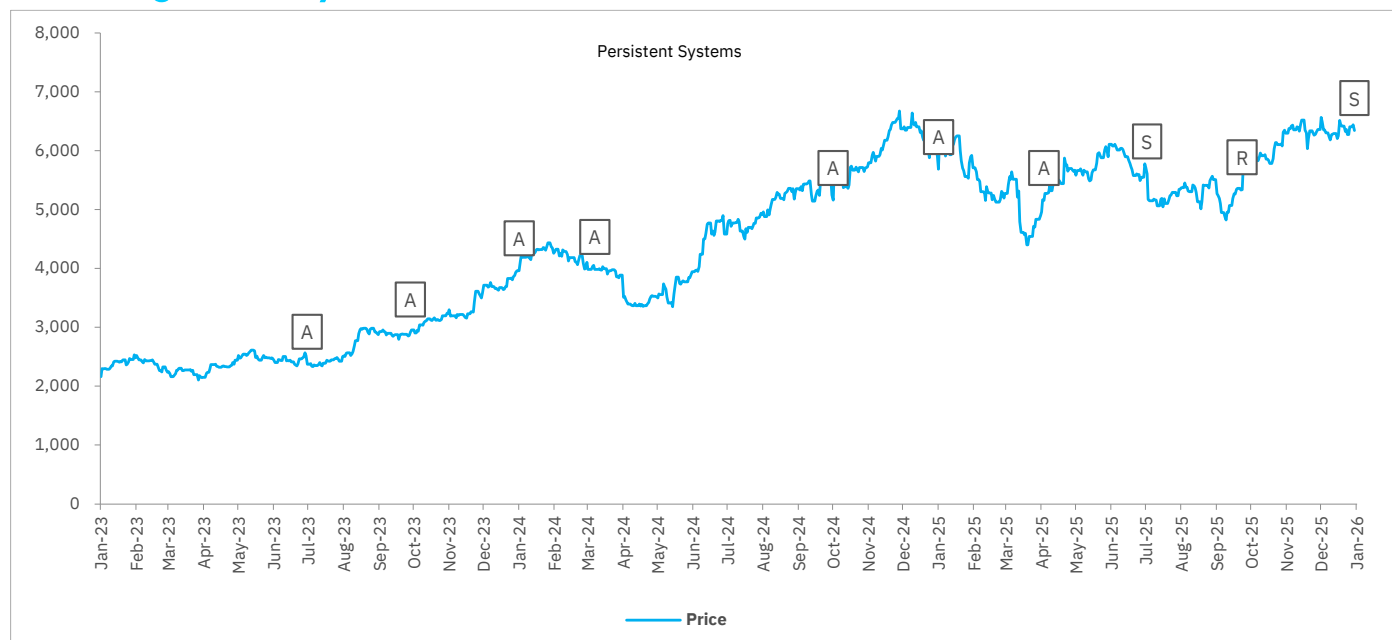
Note: Pricing as on 20 January 2026; Source: NSE, Elara Securities Estimate

**Exhibit 18: Change in estimates**

(INR mn)	Earlier estimates			Revised estimates			% change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Revenue in USD	1,641	1,852	2,125	1,656	1,908	2,147	0.9	3.0	1.0
Revenue in INR	1,41,784	1,59,272	1,82,718	1,45,838	1,69,773	1,91,043	2.9	6.6	4.6
EBIT	22,176	25,601	30,551	23,323	27,818	32,442	5.2	8.7	6.2
EBIT margin (%)	15.6	16.1	16.7	16.0	16.4	17.0	40 bps	30 bps	30 bps
PAT	18,041	20,952	24,908	18,227	22,676	26,367	1.0	8.2	5.9
EPS (INR)	116	135	160	116	144	168	1.0	8.2	5.9
<b>TP (INR)</b>			<b>5,250</b>			<b>5,630</b>			<b>7.2</b>
<b>Rating</b>			<b>Reduce</b>			<b>Sell</b>			

Source: Elara Securities Estimate

## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
21-Jul-2023	Accumulate	5,290	4,750
19-Oct-2023	Accumulate	6,180	5,849
22-Jan-2024	Accumulate	8,300	7,922
28-Mar-2024	Accumulate	4,150	3,985
22-Oct-2024	Accumulate	5,880	5,182
22-Jan-2025	Accumulate	6,090	5,683
24-Apr-2025	Accumulate	5,620	5,157
23-Jul-2025	Sell	5,050	5,606
14-Oct-2025	Reduce	5,250	5,338
20-Jan-2026	Sell	5,630	6,343

## Guide to Research Rating

<b>BUY (B)</b>	Absolute Return >+20%
<b>ACCUMULATE (A)</b>	Absolute Return +5% to +20%
<b>REDUCE (R)</b>	Absolute Return -5% to +5%
<b>SELL (S)</b>	Absolute Return < -5%

20 January 2026

## Refrigerants deliver, specialty drags

SRF (SRF IN) has corrected 9% in the past three months, and underperformed the benchmark Nifty Index (down 2%) due to overall weakness in the chemicals sector amid trade war, continued Chinese oversupply, and demand softness in the EU. Fluorochemicals delivered a record quarter, despite a seasonally weak period due to strong global refrigerant prices (especially R32) given China's quota-led supply restrictions and domestic refrigerant demand recovering after weak H1.

However, Specialty Chemicals (SC) was muted due to aggressive Chinese pricing and deferred offtake by agro majors. So, SRF chose to defend volume and market share, accepting near-term margin strain. However, agrochemical demand is showing early signs of revival, and Q4 may benefit from deferred orders. China's anti-involution policy (discouraging uneconomic overproduction) reportedly mandated ~20% capacity curtailment, which would aid margin of Performance Films & Foils (PFF) over time. Based on weak demand environment for SC in 9MFY26, we cut EBITDA for FY26E by 14%, for FY27E by 13% and FY28E by 10%. So, we lower our DCF-TP to INR 3,258 (from INR 3,423). We reiterate **Accumulate**.

**Fluorochemicals offset weak PFF and Technical Textiles:** EBITDA was INR 7.8bn in Q3 (Elara estimates: INR 8.5bn), up 26% YoY (up 1% QoQ). The YoY growth came from Chemicals (mainly refrigerants). So, adjusted PAT was up 50% YoY (up 5% QoQ) to INR 4.1bn (Elara estimates: INR 4.4bn). SRF reported exceptional loss of INR 732mn from new labour code, offset by INR 991mn exceptional gain from write-back of tax provisions.

**Refrigerants drive Fluorochemicals growth:** Revenue from the Fluorochemicals segment (comprising 49% of revenue and 76% of EBIT) grew 22% YoY (up 9% QoQ) to INR 18.2bn due to strong refrigerant volume led by higher R32 prices. SC saw pricing pressure due to Chinese competition. Segmental EBIT margin was at 27.2% (24.3% in Q3FY25; 28.9% in Q2FY26).

**PFF – Domestic volume hit:** EBIT margin for Packaging Films & Foil (comprising 36% of revenue and 15% of EBIT) expanded by 54bps YoY (down 139bps QoQ) to 7.1%. However, the company saw some disruption post GST rate cut, while packaging films prices in China have seen some recovery post capacity rationalization in the country.

**Capex guidance intact:** FY26-27 capex is planned at INR 20-23bn. Moreover, Odisha site Phase-1 for next-generation refrigerants would cost INR 15-20bn. New pharma intermediates plant at Dahej would cost INR 1.8bn, with commissioning in eight months. SRF would continue to invest in specialty intermediates and complex chemistry CDMO.

**Reiterate Accumulate; TP cut to INR 3,258:** Based on weak demand environment for SC segment in 9MFY26, we cut EBITDA for FY26E by 14%, for FY27E by 13% and for FY28E by 10%. So, we lower our DCF-TP to INR 3,258 (from INR 3,423). We reiterate **Accumulate** due to resilient refrigerant demand. We value SRF on DCF, assuming a 5.0% terminal growth rate (unchanged), a 9.8% WACC (unchanged), and average EBITDA margin of 23.5% (from 23.7%) in FY26E-28E.

### Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	131,385	146,931	150,690	172,486	194,456
YoY (%)	(11.6)	11.8	2.6	14.5	12.7
EBITDA (INR mn)	25,841	27,184	32,351	41,642	48,580
EBITDA margin (%)	19.7	18.5	21.5	24.1	25.0
Adj PAT (INR mn)	13,357	12,508	16,839	23,331	27,648
YoY (%)	(38.2)	(6.4)	34.6	38.6	18.5
Fully DEPS (INR)	45.1	42.2	56.8	78.8	93.3
RoE (%)	12.3	10.4	12.6	15.4	15.9
RoCE (%)	12.2	11.5	13.2	16.6	18.7
P/E (x)	63.9	68.3	50.7	36.6	30.9
EV/EBITDA (x)	34.6	32.9	27.6	21.5	18.4

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

Rating: **Accumulate**

Target Price: **INR 3,258**

Upside/Downside: **13%**

CMP: **INR 2,883**

As on 20 January 2026

#### Key data

Bloomberg	SRF IN
Reuters Code	SRFLNS
Shares outstanding (mn)	296
Market cap (INR bn/USD mn)	855/9,394
EV (INR bn/USD mn)	894/9,831
ADTV 3M (INR mn/USD mn)	1,416/16
52 week high/low	3,325/2,487
Free float (%)	49

Note: as on 20 January 2026; Source: Bloomberg

#### Price chart



Source: Bloomberg

	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Shareholding (%)				
Promoter	50.3	50.3	50.3	50.3
% Pledge	0.0	0.0	0.0	0.0
FII	18.3	18.2	18.2	18.0
DII	18.0	18.6	18.9	19.5
Others	13.4	12.9	12.7	12.2

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(2.4)	1.1	8.1
SRF	(9.3)	(9.5)	10.4
NSE Mid-cap	(2.6)	(0.9)	6.1
NSE Small-cap	(9.2)	(12.9)	(7.4)

Source: Bloomberg

#### Gagan Dixit

Aviation, Chemicals, Oil & Gas

+91 22 6164 8504  
gagan.dixit@elaracapital.com

Associates  
Amogh Deshpande  
amogh.deshpande@elaracapital.com

Kartik Bhandari  
kartik.bhandari@elaracapital.com





## Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	131,385	146,931	150,690	172,486	194,456
Gross Profit	64,297	69,939	76,262	91,261	104,464
EBITDA	25,841	27,184	32,351	41,642	48,580
EBIT	19,115	19,469	23,816	31,974	37,825
Interest expense	3,023	3,760	2,990	3,113	3,489
Other income	830	1,327	1,100	1,517	1,664
Exceptional/ Extra-ordinary items	-	-	-	-	-
PBT	16,922	17,037	21,926	30,379	36,000
Tax	3,565	4,529	5,087	7,048	8,352
Minority interest/Associates income	-	-	-	-	-
Reported PAT	13,357	12,508	16,839	23,331	27,648
Adjusted PAT	13,357	12,508	16,839	23,331	27,648

Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	114,790	126,262	140,749	161,611	186,667
Minority Interest	-	-	-	-	-
Trade Payables	21,978	23,316	23,912	27,371	30,857
Provisions & Other Current Liabilities	5,864	4,097	4,507	4,957	5,453
Total Borrowings	50,305	47,260	45,660	38,060	18,060
Other long term liabilities	11,882	14,636	14,636	14,636	14,636
<b>Total liabilities &amp; equity</b>	<b>204,819</b>	<b>215,571</b>	<b>229,465</b>	<b>246,636</b>	<b>255,674</b>
Net Fixed Assets	140,470	145,308	158,773	170,205	171,550
Goodwill	-	-	-	-	-
Intangible assets	-	-	-	-	-
Business Investments / other NC assets	7,857	8,968	8,968	8,968	8,968
Cash, Bank Balances & treasury investments	4,075	3,538	3,233	2,669	4,208
Inventories	23,265	23,490	23,672	26,617	29,467
Sundry Debtors	19,428	21,695	21,831	24,510	27,091
Other Current Assets	9,725	12,574	12,989	13,668	14,390
<b>Total Assets</b>	<b>204,819</b>	<b>215,571</b>	<b>229,465</b>	<b>246,636</b>	<b>255,674</b>

Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
<b>Cashflow from Operations</b>	<b>20,939</b>	<b>24,875</b>	<b>27,537</b>	<b>32,201</b>	<b>38,056</b>
Capital expenditure	(22,169)	(12,315)	(22,000)	(21,100)	(12,100)
Acquisitions / divestitures	-	-	-	-	-
Other Business cashflow	(104)	(2,525)	1,100	1,517	1,664
<b>Free Cash Flow</b>	<b>(1,335)</b>	<b>10,035</b>	<b>6,636</b>	<b>12,619</b>	<b>27,621</b>
Cashflow from Financing	(755)	(10,573)	(6,941)	(13,182)	(26,082)
Net Change in Cash / treasury investments	(2,089)	(538)	(305)	(563)	1,539

Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Dividend per share (INR)	7.2	7.6	7.9	8.3	8.8
Book value per share (INR)	387.5	426.2	475.1	545.6	630.1
RoCE (Pre-tax) (%)	12.2	11.5	13.2	16.6	18.7
ROIC (Pre-tax) (%)	12.6	11.8	13.5	16.8	19.0
ROE (%)	12.3	10.4	12.6	15.4	15.9
Asset Turnover (x)	1.0	1.0	1.0	1.0	1.1
Net Debt to Equity (x)	0.4	0.3	0.3	0.2	0.1
Net Debt to EBITDA (x)	1.8	1.6	1.3	0.8	0.3
Interest cover (x) (EBITDA/ int exp)	8.5	7.2	10.8	13.4	13.9
Total Working capital days (WC/rev)	74.7	88.9	81.7	79.4	77.3

Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	63.9	68.3	50.7	36.6	30.9
P/Sales (x)	6.5	5.8	5.7	5.0	4.4
EV/ EBITDA (x)	34.6	32.9	27.6	21.5	18.4
EV/ OCF (x)	42.7	36.0	32.5	27.8	23.5
FCF Yield	(0.1)	1.1	0.7	1.4	3.1
Price to BV (x)	7.4	6.8	6.1	5.3	4.6
Dividend yield (%)	0.2	0.3	0.3	0.3	0.3

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

**Exhibit 1: Quarterly financials**

Consolidated (INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Variance (%)
<b>Revenue</b>	<b>37,125</b>	<b>34,913</b>	<b>6.3</b>	<b>36,402</b>	<b>2.0</b>	<b>36,866</b>	<b>0.7</b>
<b>EBITDA</b>	<b>7,800</b>	<b>6,196</b>	<b>25.9</b>	<b>7,742</b>	<b>0.8</b>	<b>8,531</b>	<b>(8.6)</b>
Depr	(2,169)	(1,943)	11.6	(2,121)	2.2	(2,164)	0.2
Interest cost	(655)	(963)	(31.9)	(707)	(7.3)	(668)	(1.9)
Other income	273	396	(31.1)	257	6.3	206	32.6
<b>PBT</b>	<b>5,508</b>	<b>3,687</b>	<b>49.4</b>	<b>5,171</b>	<b>6.5</b>	<b>5,906</b>	<b>(6.7)</b>
Tax	(1,181)	(976)	21.0	(1,289)	(8.3)	(1,512)	(21.9)
Effective tax rate (%)	21%	26%		25%		26%	
<b>Adj. PAT</b>	<b>4,068</b>	<b>2,711</b>	<b>50.1</b>	<b>3,882</b>	<b>4.8</b>	<b>4,394</b>	<b>(7.4)</b>
EPS (INR)	13.7	9.2	50.1	13.1	4.8	14.8	(7.4)

Source: Company, Elara Securities Estimate

**Exhibit 2: Segment-wise quarterly performance**

Segment revenue (INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Technical textiles	4,536	5,098	(11.0)	4,743	(4.4)
Fluorochemicals	18,248	14,957	22.0	16,669	9.5
Performance Films & Foil	13,423	13,848	(3.1)	14,081	(4.7)
Other	919	1,011	(9.1)	908	1.2

Segment profit (INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Technical textiles	449	589	(23.7)	423	6.2
Fluorochemicals	4,960	3,638	36.4	4,813	3.1
Performance Films & Foil	948	904	4.9	1,190	(20.3)
Other	170	157	8.3	75	126.3

Segment margins (%)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Technical textiles	9.9	11.6	(165)	8.9	99
Fluorochemicals	27.2	24.3	286	28.9	(169)
Performance Films & Foil	7.1	6.5	54	8.4	(139)
Other	18.5	15.5	297	8.3	1,020

Source: Company, Elara Securities Research

**Earnings call highlights**
**Chemicals**

- ▶ Higher realization from refrigerants volume has driven segmental growth. Per management, operational efficiency in both fluorochemicals and specialty chemicals segments improved

**Specialty chemicals**

- ▶ Amid aggressive pricing by China, SRF decided to protect its market share and volume.
- ▶ Low prices are unviable in the long term, but it is difficult to predict the price recovery timeline.
- ▶ SRF will set up a pharma intermediate plant in eight months at INR 1.8bn cost.
- ▶ Deferred volumes from Q2 and Q3 are to be delivered in Q4, and SC performance in Q4 is likely to be significantly better QoQ. But pricing pressure from China may remain.
- ▶ The crop protection sub-segment is seeing a revival in agrochemicals.
- ▶ Revenue from the Pharma segment forms ~10% of total SC revenue and the company wants to increase it to 20%.

- ▶ Registration for one advanced intermediate has already happened and the launch is expected in FY27.

#### **Fluorochemicals**

- ▶ Refrigerants performance was led by firm R32 prices, supply restrictions by China and global demand. The domestic refrigerant market is witnessing recovery post prolonged monsoon.
- ▶ Refrigerant capacity utilization is at optimal level.
- ▶ Anti-dumping duty (ADD) on R134A refrigerant by India does not impact SRF as international prices are above the threshold.
- ▶ SRF is likely to invest INR 15-20bn in the first phase of next generation refrigerants project at its Odisha site.
- ▶ SRF said R134A refrigerant does not fall under US tariff ambit and the company has long-term contracts with the customers for the same. However, R32 refrigerant falls under US tariff ambit.
- ▶ Domestic demand for R32 refrigerant is in the range of 17,000-18,000 tonnes and domestic capacity is substantially more than that.
- ▶ Anti-dumping duty (ADD) on R32 has been there for past three years and it will be difficult to justify ADD during the review, going forward.
- ▶ It is difficult to state the exact capacity of R32 refrigerant in China as much of the capacity is fungible between R134A and R32 as well as between R125 and R134A.
- ▶ Import of R32 from China into India has been negligible in Q3.
- ▶ The high-end fluoropolymers plant is likely to be completed in CY26.
- ▶ Export of refrigerant gases to Europe is nil.

#### **Performance films**

- ▶ Lower BOPET and BOPP volume in the domestic market affected the performance in Q3 but recovery was seen from December 2025.
- ▶ China BOPET price has improved in recent weeks, which will benefit SRF.
- ▶ The performance of Thailand and Hungary plants was affected by cheap imports.
- ▶ In BOPET, Chinese producers have reduced capacity by 20% in December, which has resulted in higher pricing. Chinese companies are also mandated to cut further capacity after Lunar holidays.
- ▶ Per management, EU carbon tax implementation may have potential impact on aluminium foil business but it does not see it as a risk due to manufacturing cost in Europe

#### **Others**

- ▶ Coated fabrics may see subdued demand and in laminated fabrics, margin is likely to be lower due to pricing pressure
- ▶ Forex hedging position saw negative impact from INR depreciation.

**Exhibit 3: Valuation**

<b>(INR/share)</b>	
WACC	9.8%
Terminal growth rate	5.0%
Present value of FCF (FY27-47E)	1,755
PV of terminal value	1,606
<b>Enterprise value</b>	<b>3,361</b>
Net debt/(cash)	103
<b>Equity value</b>	<b>3,258</b>

Source: Elara Securities Estimate

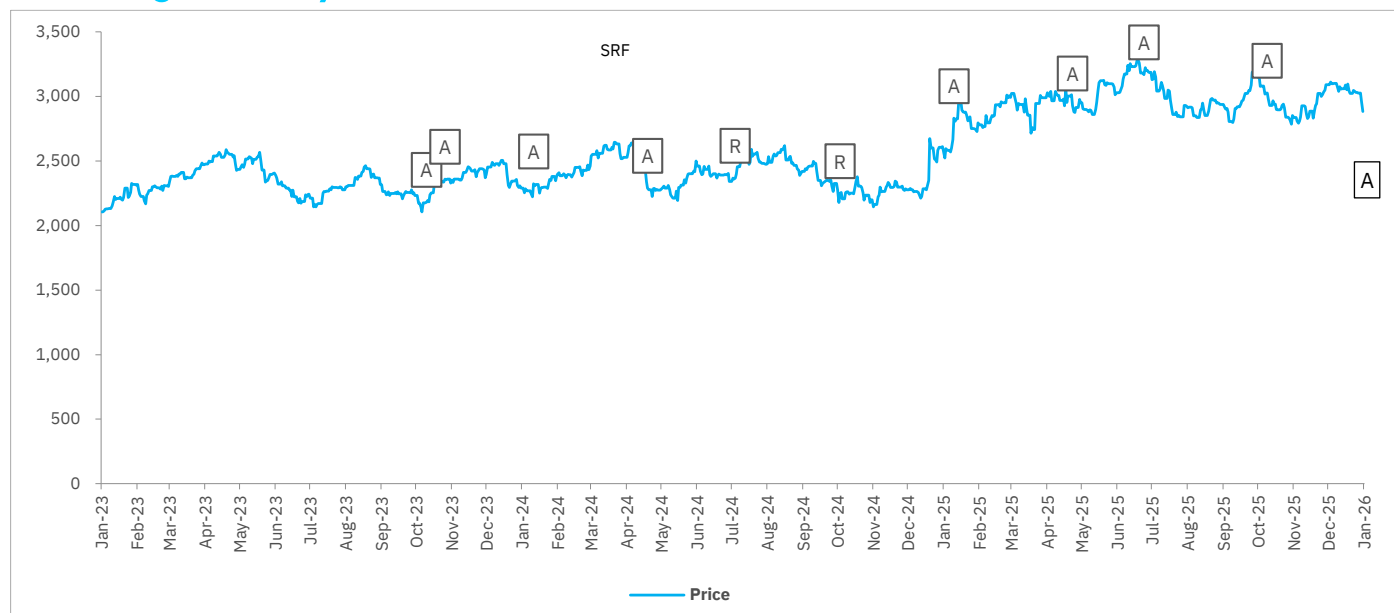
**Exhibit 4: Change in estimate**

<b>(INR mn)</b>	<b>Earlier</b>			<b>Revised</b>			<b>% Change</b>		
	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY26E</b>	<b>FY27E</b>	<b>FY28E</b>
Revenue	164,886	197,382	223,640	150,690	172,486	194,456	(8.6)	(12.6)	(13.0)
EBITDA	37,432	48,045	53,928	32,351	41,642	48,580	(13.6)	(13.3)	(9.9)
EBITDA margin (%)	22.7	24.3	24.1	21.5	24.1	25.0	(123)	(20)	87
PAT	21,289	29,194	33,893	16,839	23,331	27,648	(20.9)	(20.1)	(18.4)
EPS (INR)	71.9	98.6	114.4	56.8	78.8	93.3	(20.9)	(20.1)	(18.4)
<b>TP (INR)</b>			<b>3,423</b>			<b>3,258</b>			<b>(5)</b>

Source: Elara Securities Estimate



## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
30-Oct-2023	Accumulate	2,282	2,164
15-Nov-2023	Accumulate	2,672	2,361
31-Jan-2024	Accumulate	2,538	2,325
09-May-2024	Accumulate	2,473	2,291
24-Jul-2024	Reduce	2,349	2,368
23-Oct-2024	Reduce	2,232	2,248
30-Jan-2025	Accumulate	3,071	2,831
13-May-2025	Accumulate	3,461	2,928
14-Jul-2025	Accumulate	3,620	3,169
29-Oct-2025	Accumulate	3,423	3,028
20-Jan-2026	Accumulate	3,258	2,883

## Guide to Research Rating

<b>BUY (B)</b>	Absolute Return >+20%
<b>ACCUMULATE (A)</b>	Absolute Return +5% to +20%
<b>REDUCE (R)</b>	Absolute Return -5% to +5%
<b>SELL (S)</b>	Absolute Return < -5%

# AU Small Finance Bank

India | Banking & Financials | Result Update



21 January 2026

## Stronger undertones, valuations rich

AU Small Finance Bank (AUBANK IN) posted a strong Q3FY26, driven by better revenue momentum (NII beat) and curtailed credit cost. Q3 was characterized by: a) better NIM outcomes (lower funding costs), b) better loan growth and thus, improved NII growth (up 9% QoQ), c) higher opex (up 12% QoQ, as AUBANK continued to invest) feeding into flat core PPOp and d) better asset quality outcomes, with slippages restricted to ~2.6% (3.1% QoQ) and lower credit cost at sub-20bps (Q2FY26 at 30bps). AUBANK sounded confident of sustaining momentum directionally, hinting at better FY27.

We believe Q3 performance had stronger undertones, and sustained momentum will be crucial to drive further re-rating. Given better-than-expected growth, we raise our target multiple to 2.7x (from 2.3x), which with roll forward to December '27E leads to raised TP of INR 955 (from INR 786). That said, the stock has rallied sharply (15% in past three months), suggesting most positives to be priced in and limited/no room for disappointment. Thus, **we maintain Reduce**.

**Growth strong, NIMs better:** NIMs improved 25bps QoQ to ~5.7% (higher than our estimates), given funding cost benefits and CRR benefits. AUBANK has further taken deposit rate actions, which essentially would cushion NIM impact and it is likely to have bottomed out (*sans* any rate cuts). Loan growth outcomes were stronger, and with the unsecured segment likely to see traction hereon (QoQ growth has already picked up), AUBANK anticipates better growth momentum with focus on the retail segment. Opex growth was higher (~12% QoQ), and we shall monitor this, especially as AUBANK transitions towards a universal bank license. Overall, AUBANK generated stated RoA (annualized) of 1.6%, and maintained 1.8% FY27 RoA target, with most of the benefit coming in credit cost, which, we believe, will remain volatile in the immediate term (await some more quarters for trends to be established).

**Asset quality outcomes better than anticipated, durability key:** Slippages were curtailed at INR 7.9bn, at ~2.6%, down ~13% QoQ, led by lower slippage trends across most segments. AUBANK sounded confident of sustaining momentum, with further improvement in the unsecured segment, hinting at lower credit cost outcomes for the full year FY26 and sustained improvement in FY27. While a strong quarter, volatility in the past few quarters keeps us guarded and we await further datapoints to call this a trend.

**Maintain Reduce with raised TP of INR 955:** Q3FY26 was a better quarter with stronger undercurrents. Given better-than-expected growth, we raise our target multiple to 2.7x (from 2.3x), and increase our TP to INR 955 (from INR 786) as we roll forward to December '27E.. The discussions may be hinged on growth outcome, durability of asset quality outcome and transition to a universal bank license. AUBANK has a reasonable step-down from earlier cycle RoA delivery and faces some headwinds as it grows into the big league, which will take time. The stock has recently rallied sharply, which renders risk-reward unfavorable as AUBANK wades through challenges given limited scope for maneuverability. **Maintain Reduce**.

### Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
PPoP (INR mn)	25,150	45,807	51,607	63,130	75,797
YoY (%)	24.5	82.1	12.7	22.3	20.1
NP (INR mn)	15,347	21,059	25,636	33,438	41,785
YoY (%)	7.5	37.2	21.7	30.4	25.0
EPS (INR)	22.9	28.3	34.4	44.9	56.1
YoY (%)	6.9	23.3	21.7	32.0	24.5
P/PPoP (x)	29.8	16.3	14.4	12.0	10.0
RoAE (%)	13.0	14.2	13.9	15.7	16.7
RoAA (%)	1.7	1.6	1.5	1.7	1.7
P/E (x)	43.7	35.4	29.1	22.3	17.8
P/ABV (x)	5.5	4.5	3.9	3.4	2.9

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

Rating: **Reduce**

Target Price: **INR 955**

Upside/Downside: **-5%**

CMP: **INR 1,001**

As on 20 January 2026

#### Key data

Bloomberg	AUBANK IN
Reuters Code	AUFI.NS
Shares outstanding (mn)	747
Market cap (INR bn/USD mn)	748/8,223
EV (INR bn/USD mn)	0/0
ADTV 3M (INR mn/USD mn)	2,510/28
52 week high/low	1,030/478
Free float (%)	75

Note: as on 20 January 2026; Source: Bloomberg

#### Price chart



Source: Bloomberg

	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26
Shareholding (%)				
Promoter	22.9	22.9	22.8	22.8
% Pledge	0.0	0.0	0.0	0.0
FII	39.2	37.7	34.5	36.5
DII	27.4	28.9	31.9	31.3
Others	10.5	10.6	10.8	9.5

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(2.4)	1.1	8.1
AU Small Finance Bank	15.7	26.0	65.2
NSE Mid-cap	(2.6)	(0.9)	6.1
NSE Small-cap	(9.2)	(12.9)	(7.4)

Source: Bloomberg

#### Prakhar Agarwal

Banking & Financials

+91 22 6164 8502  
prakhar.agarwal@elaracapital.com

Associates  
Kartik Solanki  
kartik.solanki@elaracapital.com

Palak Shah  
palak.shah@elaracapital.com



## Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
<b>Net interest income</b>	<b>51,571</b>	<b>80,116</b>	<b>90,525</b>	<b>110,979</b>	<b>133,201</b>
Fee income	11,723	14,888	18,163	22,613	27,407
Trading profits	520	2,350	5,000	5,000	5,000
Non-interest income	17,459	25,263	31,269	34,908	40,577
Net operating revenue	69,030	105,379	121,794	145,887	173,779
Operating expenses	43,880	59,572	70,188	82,757	97,982
<b>Pre-provisioning operating profit</b>	<b>25,150</b>	<b>45,807</b>	<b>51,607</b>	<b>63,130</b>	<b>75,797</b>
Total provisions	4,387	17,926	17,667	18,861	20,477
Profit before tax	20,762	27,881	33,940	44,269	55,320
Tax	4,647	6,821	8,304	10,831	13,535
Minorities/exceptionals	768	-	-	-	-
<b>Profit after tax</b>	<b>15,347</b>	<b>21,059</b>	<b>25,636</b>	<b>33,438</b>	<b>41,785</b>
Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Customer loans	731,627	1,070,925	1,296,890	1,575,721	1,906,623
Investments	271,334	378,475	422,921	501,713	592,961
Cash & bank balances	63,763	94,664	75,151	91,548	111,064
Fixed assets	8,516	9,125	13,535	13,960	13,628
Other assets	19,017	25,268	27,334	29,308	35,533
<b>Total Assets</b>	<b>1,094,257</b>	<b>1,578,457</b>	<b>1,835,830</b>	<b>2,212,250</b>	<b>2,659,809</b>
Net worth	125,595	171,663	196,434	229,006	269,926
Deposits	871,821	1,242,686	1,472,582	1,796,550	2,182,809
Borrowings	54,794	116,599	124,216	138,174	151,521
Other liabilities	42,047	47,509	42,598	48,519	55,554
<b>Total Liabilities</b>	<b>1,094,257</b>	<b>1,578,457</b>	<b>1,835,830</b>	<b>2,212,250</b>	<b>2,659,809</b>
Key operating ratios (%)	FY24	FY25	FY26E	FY27E	FY28E
Lending yield	12.8	14.8	13.1	13.1	12.9
Cost of Funds	6.1	6.8	6.2	6.1	6.0
Spreads	4.7	5.5	4.9	5.1	5.1
Net interest margin	5.3	6.1	5.4	5.6	5.6
CASA Ratio	33.4	29.2	29.1	31.2	33.0
Non-interest income / operating income	25.3	24.0	25.7	23.9	23.4
Cost/income	63.6	56.5	57.6	56.7	56.4
Operating expense/avg assets	(4.5)	(4.6)	(4.2)	(4.2)	(4.1)
Credit costs / avg loans	(0.5)	(1.4)	(1.1)	(1.0)	(0.9)
Effective tax rate	22.4	24.5	24.5	24.5	24.5
Loan deposit ratio	83.9	86.2	88.1	87.7	87.3
ROA decomposition (%)	FY24	FY25	FY26E	FY27E	FY28E
NII /Assets	5.3	6.1	5.4	5.6	5.6
Fees/Assets	1.2	1.1	1.1	1.1	1.1
Invst profits/Assets	0.1	0.2	0.3	0.3	0.2
Net revenues/Assets	7.0	7.9	7.0	7.1	7.1
Opex /Assets	(4.5)	(4.6)	(4.2)	(4.2)	(4.1)
Provisions/Assets	(0.5)	(1.4)	(1.1)	(1.0)	(0.9)
Taxes/Assets	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)
Total costs/Assets	(5.4)	(6.5)	(5.8)	(5.7)	(5.5)
ROA	1.7	1.6	1.5	1.7	1.7
Equity/Assets	12.1	11.4	11.0	10.7	10.4
ROAE	13.7	14.2	13.9	15.7	16.7
Key financial ratios (%)	FY24	FY25	FY26E	FY27E	FY28E
Tier I Capital adequacy	18.8	18.0	18.2	17.6	17.2
Gross NPL	1.7	2.3	2.3	2.1	2.1
Net NPL	0.5	0.7	0.8	0.7	0.7
Slippage ratio	2.3	4.2	3.3	2.1	2.2
Per share data (INR)					
EPS	23	28	34	45	56
BVPS	188	231	264	308	363
Adj- BVPS	183	223	254	297	349
Valuation (x)					
P/BV	5.3	4.3	3.8	3.3	2.8
P/ABV	5.5	4.5	3.9	3.4	2.9
P/E	43.7	35.4	29.1	22.3	17.8

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

## Conference call highlights

- ▶ System level growth has strengthened to 14.4% YoY, driven by robust auto sales, healthy MSME demand and a pick-up in commercial and corporate activity.
- ▶ Deposits were extremely competitive in Q3 with tight liquidity.
- ▶ India enters 2026 on a stronger footing than a year ago, supported by a normal monsoon, accommodative regulatory environment, prudent fiscal discipline and policies streamlined through GST cuts, labor reforms and monetary easing. This favorable macro setup combined with low inflation augurs well for credit demand despite global uncertainties.

### Business momentum

#### Deposits

- ▶ Deposits grew 23% YoY and loan portfolio grew 19.3% YoY.
- ▶ CASA deposits grew 16% YoY and CASA ratio remained stable at 29%.
- ▶ New CASA acquisition grew 30% YoY.
- ▶ CD Ratio expanded to 89% in Q3FY26 from 87% in Q2FY26, while without refinance, it stood at 82%.

#### Assets

- ▶ AUBANK aims to grow the loan book to 2.25-2.5x of nominal GDP even in FY27.
- ▶ In the next 2-3 years, business model of the bank would continue to remain the same and so would the asset mix.
- ▶ Retail secured assets stood at INR 830bn, forming 68% of the total loan portfolio, up grew 21% YoY. AUBANK will be the main beneficiary of expanded distribution in Southern markets.
  - ▶ **Wheels business** forms ~35% of GLP at INR 430bn. This segment grew 54.5% YoY. This growth was led by GST cuts and new car sales leading to growth of 27% YoY to reach INR 437bn. AUBANK expects that growth of 25% YoY would continue in this segment.
  - ▶ **Mortgages:** This portfolio stood at INR 410bn (growing 13% YoY). AUBANK is working to increase the growth rate in this segment through distribution, expansion and improvement in productivity in the southern markets. MBL will grow 15-16% YoY in FY26 and 17-18% YoY in FY27 and in the longer run, the growth would be 20% YoY.
  - ▶ **Gold loans:** Gold loan business grew strongly by 52% YoY from a low base to reach INR 30bn. There is minimal overlap between gold loans and MFI customer base.
- ▶ **Commercial banking:** This segment forms 21% of GLP with stable asset quality. This book is largely self-funded with 8% contribution to deposits and 7% to overall CASA. The business banking segment provides a yield of 10%+.
- ▶ **Unsecured lending trends :** This segment is nearing the end of credit cycle.
  - ▶ MFI has started to turnaround by growing 2% QoQ. The SMA pool reduced to 1.9% from 2.9% in Q2FY26 and 83% of the book is covered under CGFMU scheme and by Mar '26, 95% would be covered. Green shoots are visible in this segment as collecting efficiency has improved.
  - ▶ Credit cards & personal loans declined 27% YoY and 4% QoQ. AUBANK is optimistic as credit cost continues to optimise. Expect the book to return to growth in next FY27. AUBANK endeavours to take one more year to settle down the credit card business before the segment starts growing, while PL book's share would increase in the portfolio in the next year.
- ▶ Southern markets are overcrowded as of now. AUBANK is addressing this concern it and would take 12-18months for this to settle



#### Asset quality

- ▶ Improvement in slippages was led by normalization in the unsecured businesses and seasonal recovery in secured assets.
- ▶ The decline in credit cost is due to normalization in the unsecured business, enhancing CGFMU coverage and strengthening recovery secured assets
- ▶ Management reiterated its guidance on credit cost for FY26 at 1%.
- ▶ MFI is 100% provided by 180DPD.

#### Changes in governance

- ▶ AUBANK inducted three new non-executive Independent Directors – Mr. N. S. Venkatesh, Mr. Satyajit Dwivedi and Mr. Phani Shankar

#### ▶ Succession planning

- ▶ Mr. Uttam Tibrewal, ED and Deputy CEO will continue in his capacity of Deputy CEO and remains responsible for leading key business verticals, including Retail Assets and Liabilities.
- ▶ Mr. Vivek Tripathi, Chief Credit Officer will be appointed as WTD (Executive Director) with effect from 19 April 2026 and will continue to provide enterprise-wide stewardship of AUBANK's credit architecture, unifying Credit, Policy & Underwriting, Portfolio Management, Collections, Legal, Vigilance, and Fraud Control under a single governance framework
- ▶ AUBANK received approval from the government of India to increase foreign investment limit in the paid-up capital of the bank from 49% to maximum permissible limit of 74%.

#### Cost, margins, and other highlights

- ▶ Margins expanded to 5.7% (up 25bps QoQ) led by sharp decline in COF (down by 22bps), CRR cut and lower surplus liquidity, which was partially offset by declining yield on assets.
- ▶ SA rate was cut in Oct '25 and a further rate cut was undertaken on 12 January 2026.
- ▶ Term deposit repricing would take two more quarters to reflect the entire transmission.
- ▶ Impact of Dec '25 repo rate cut will reflect in yield on assets in Q4FY26.
- ▶ AUBANK launched a new offering – Exclusive banking program for CA in partnership with ICAI, M-Circle for women.
- ▶ AUBANK added 100 new touchpoints, including 27 new deposit branches to take the total touchpoints to 2,726.
- ▶ The bank has added 66 new fully fledged liability branches this year and is on track to take new branch addition tally to 80 for the year, mostly in urban areas.
- ▶ Wealth and forex are gaining traction, with wealth management business catering to 25mn customers with an AUM of INR 19bn.
- ▶ AD-1 business continues to scale well, with steady growth in volumes and transactions.
- ▶ Opex/avg assets dropped to 4.1% YTD versus 4.4% in last year.
- ▶ Over the past eight years, AUBANK has invested 8-10% of its opex in technology.
- ▶ Opex increase was led by a rise in headcount, touchpoints, volume-led growth and labour code.
- ▶ C/I would remain in the range of 56-57% in FY27.
- ▶ Regarding capital adequacy, there was change in the calculation methodology, thus the increase in RWA is a technical adjust.
- ▶ For FY28, RoA guidance would be 1.8%.

## Exhibit 1: AUBANK reported PAT of ~INR 6.7bn (up 19% QoQ), led by better NII growth

(INR mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
NII	13,249	13,370	19,206	19,743	20,227	20,939	20,447	21,444	23,413
Other income	4,497	5,556	5,093	6,380	6,184	7,607	8,106	7,126	7,238
Net revenue	17,746	18,926	24,299	26,123	26,411	28,546	28,553	28,570	30,650
Opex	11,175	12,285	14,781	14,806	14,362	15,623	15,431	16,473	18,498
PPoP	6,571	6,642	9,517	11,317	12,049	12,923	13,122	12,097	12,153
Provisions	1,589	1,325	2,828	3,730	5,017	6,351	5,333	4,808	3,311
PAT	3,752	3,707	5,026	5,711	5,284	5,037	6,255	5,609	6,676
<b>YoY (%)</b>									
NII	14.9	10.2	54.1	58.1	52.7	56.6	6.5	8.6	15.7
Other Income	52.5	66.8	61.6	49.9	37.5	36.9	59.2	11.7	17.0
Net revenue	22.6	22.4	55.6	56.0	48.8	50.8	17.5	9.4	16.1
Opex	25.3	26.0	45.6	44.2	28.5	27.2	4.4	11.3	28.8
PPoP	18.2	16.3	74.3	74.7	83.4	94.6	37.9	6.9	0.9
Provisions	387.0	224.2	757.6	226.3	215.6	379.3	88.5	28.9	(34.0)
PAT	(4.5)	(12.7)	29.9	42.1	40.8	35.9	24.5	(1.8)	26.3
<b>QoQ (%)</b>									
NII	6.1	0.9	43.6	2.8	2.5	3.5	(2.4)	4.9	9.2
Other Income	5.7	23.6	(8.3)	25.3	(3.1)	23.0	6.6	(12.1)	1.6
Net revenue	6.0	6.7	28.4	7.5	1.1	8.1	0.0	0.1	7.3
Opex	8.8	9.9	20.3	0.2	(3.0)	8.8	(1.2)	6.8	12.3
PPoP	1.4	1.1	43.3	18.9	6.5	7.2	1.5	(7.8)	0.5
Provisions	39.0	(16.6)	113.5	31.9	34.5	26.6	(16.0)	(9.8)	(31.1)
PAT	(6.6)	(1.2)	35.6	13.6	(7.5)	(4.7)	24.2	(10.3)	19.0

Source: Company, Elara Securities Research

## Exhibit 2: Commercial banking and retail secured assets led loan momentum

Particulars (INR mn)	INR mn			Growth		% Share		
	Q3FY26	Q2FY26	Q3FY25	YoY (%)	QoQ (%)	Q3FY26	Q2FY26	Q3FY25
Retail Assets	972,090	921,000	838,710	15.9	5.5	74.8	75.0	77.0
<b>Secured</b>	<b>877,730</b>	<b>827,350</b>	<b>725,340</b>	<b>21.0</b>	<b>6.1</b>	<b>67.6</b>	<b>67.3</b>	<b>66.6</b>
Wheels	437,000	406,000	343,000	27.4	7.6	33.6	33.0	31.5
Mortgage Backed Loans	411,000	398,000	362,000	13.5	3.3	31.6	32.4	33.2
MBL	334,000	322,000	290,000	15.2	3.7	25.7	26.2	26.6
HL	77,000	76,000	72,000	6.9	1.3	5.9	6.2	6.6
Gold loans	30,000	23,000	20,000	50.0	30.4	2.3	1.9	1.8
<b>Unsecured loans</b>	<b>94,360</b>	<b>93,650</b>	<b>113,370</b>	<b>(16.8)</b>	<b>0.8</b>	<b>7.3</b>	<b>7.6</b>	<b>10.4</b>
MFI	66,060	64,580	74,260	(11.0)	2.3	5.1	5.3	6.8
Credit Cards	22,000	22,580	29,850	(26.3)	(2.6)	1.7	1.8	2.7
Personal loans	6,300	6,490	9,260	(32.0)	(2.9)	0.5	0.5	0.9
<b>Commercial banking</b>	<b>277,430</b>	<b>254,460</b>	<b>221,080</b>	<b>25.5</b>	<b>9.0</b>	<b>21.4</b>	<b>20.7</b>	<b>20.3</b>
Business Banking	111,000	103,000	89,000	24.7	7.8	8.5	8.4	8.2
Agri Banking	77,000	73,000	66,000	16.7	5.5	5.9	5.9	6.1
EEFI	56,000	49,000	43,000	30.2	14.3	4.3	4.0	3.9
REG	42,000	38,000	26,000	61.5	10.5	3.2	3.1	2.4
<b>Others</b>	<b>49,400</b>	<b>53,310</b>	<b>29,420</b>	<b>67.9</b>	<b>(7.3)</b>	<b>3.8</b>	<b>4.3</b>	<b>2.7</b>
<b>Gross advances</b>	<b>1,298,920</b>	<b>1,228,770</b>	<b>1,089,210</b>	<b>19.3</b>	<b>5.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Company, Elara Securities Research

## Exhibit 3: Deposits grew by 23.3% YoY and 4.5% QoQ; CASA ratio declined by ~50bps to 28.9%

(In mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Deposits	801,200	871,821	972,900	1,096,931	1,122,600	1,242,685	1,276,960	1,325,092	1,384,150
-YoY (%)	31.1	25.7	40.4	44.8	40.1	42.5	31.3	20.8	23.3
-QoQ (%)	5.8	8.8	11.6	12.7	2.3	10.7	2.8	3.8	4.5
CA	38,310	53,380	47,360	59,810	56,440	69,970	63,000	76,000	74,000
-YoY (%)	35.9	45.1	46.2	29.0	47.3	31.1	33.0	27.1	31.1
-QoQ (%)	(17.4)	39.3	(11.3)	26.3	(5.6)	24.0	(10.0)	20.6	(2.6)
SA	226,150	237,880	272,990	295,400	287,580	292,560	309,000	314,000	325,400
-YoY (%)	10	4	30	40	27	23	13	6	13
-QoQ (%)	7.5	5.2	14.8	8.2	(2.6)	1.7	5.6	1.6	3.6
CASA ratio	33.0	33.4	32.9	32.4	30.6	29.2	29.2	29.4	28.9

Source: Company, Elara Securities Research

## Exhibit 4: NIM improved ~25bps QoQ, led by improvement in cost of funds

(%) - Reported	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Yield on advances	13.20	13.20	14.40	14.40	14.40	14.40	14.10	13.90	13.80
Cost of funds	6.90	7.00	7.00	7.00	7.00	7.10	7.08	6.80	6.61
Spreads	6.30	6.20	7.40	7.40	7.40	7.30	7.02	7.10	7.19
NIM	5.50	5.10	6.00	6.10	5.90	5.80	5.40	5.50	5.70

Source: Company, Elara Securities Research

## Exhibit 5: Slippages moderated with improvement in collections; credit cost declined sharply

INR mn	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Opening GNPA	12,450	13,400	14,370	16,130	19,020	23,360	24,780	27,520	28,360
Additions	4,030	2,960	5,430	7,360	9,560	8,940	10,270	9,080	7,910
Reductions	3,080	3,990	3,670	4,470	5,220	7,520	7,530	8,240	7,460
Closing GNPA	13,400	12,370	16,130	19,020	23,360	24,780	27,520	28,360	28,810
GNPL (%)	2.0	1.7	1.8	2.0	2.3	2.3	2.5	2.4	2.3
NNPL (%)	0.7	0.6	0.6	0.8	0.9	0.7	0.9	0.9	0.9
PCR (%)	66.0	67.6	65.1	62.8	61.2	68.1	64.7	64.2	62.1
Slippages as % of lagged loans	2.5	1.8	2.9	3.0	4.0	3.5	3.8	3.3	2.7
Credit cost (%)	1.0	0.8	1.5	1.7	2.1	2.6	2.0	1.8	1.1

Source: Company, Elara Securities Research

## Exhibit 6: Coverage on stress loans at ~58%

INR mn	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
GNPA	13,397	12,374	16,132	19,017	23,355	24,770	27,513	28,353	28,805
Restructured loans	5,332	4,931	4,314	4,201	3,268	3,471	3,529	2,458	2,598
<b>Total stress book (INR mn)</b>	<b>18,729</b>	<b>17,305</b>	<b>20,446</b>	<b>23,218</b>	<b>26,623</b>	<b>28,241</b>	<b>31,042</b>	<b>30,811</b>	<b>31,403</b>
GNPA (%)	2.0	1.7	1.8	2.0	2.3	2.3	2.5	2.4	2.3
Restructured loans (%)	0.7	0.6	0.4	0.4	0.3	0.3	0.3	0.2	0.2
<b>Total stress book (%)</b>	<b>2.7</b>	<b>2.3</b>	<b>2.2</b>	<b>2.4</b>	<b>2.6</b>	<b>2.6</b>	<b>2.8</b>	<b>2.6</b>	<b>2.5</b>
<b>Provisions (INR mn)</b>									
Std. restructuring provision	4,680	700	640	600	550	510	470	430	410
NPA provision	13,400	7,950	10,100	11,540	13,890	16,450	17,390	17,790	17,480
Contingency provision	0	0	170	170	170	170	170	170	170
Floating Provisions	0	410	410	410	410	410	410	410	410
Standard Assets	0	2,380	2,910	3,100	3,210	3,490	3,580	3,770	4,070
<b>Total Provisions</b>	<b>18,080</b>	<b>11,440</b>	<b>14,230</b>	<b>15,820</b>	<b>18,230</b>	<b>21,030</b>	<b>22,020</b>	<b>22,570</b>	<b>22,540</b>
<b>Coverage on stress loans (%)</b>	<b>96.5</b>	<b>50.0</b>	<b>53.4</b>	<b>53.0</b>	<b>54.9</b>	<b>60.7</b>	<b>58.1</b>	<b>59.7</b>	<b>57.5</b>

Source: Company, Elara Securities Research

**Exhibit 7: Q3FY26 results highlights**

INR mn	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Interest income	47,275	41,135	14.9	45,113	4.8
Interest expenses	23,862	20,908	14.1	23,669	0.8
Net interest income	23,413	20,227	15.7	21,444	9.2
Other income	7,238	6,184	17.0	7,126	1.6
Operating expenses	18,498	14,362	28.8	16,473	12.3
Staff expense	10,190	7,547	35.0	9,187	10.9
Other opex	8,307	6,815	21.9	7,286	14.0
Pre prov op profit (PPP)	12,153	12,049	0.9	12,097	0.5
Provisions	3,311	5,017	(34.0)	4,808	(31.1)
Profit before tax	8,842	7,032	25.7	7,289	21.3
Provision for tax	2,165	1,748	23.9	1,680	28.9
Profit after tax	6,676	5,284	26.3	5,609	19.0
EPS (INR)	8.9	8.9	8.9	8.9	8.9
<b>Ratios (%)</b>					
NII / GII	76.4	76.6		75.1	
Cost - income	8.9	7.1		7.5	
Provisions / PPOP	27.2	41.6		39.7	
Tax rate	0.1	0.1		0.1	
<b>Balance sheet</b>					
Advances	1,234	996	24.0	1,157	6.7
Deposits	1,384	1,123	23.3	1,325	4.5
CD ratio (%)	89.2	88.7		87.3	
<b>Asset quality</b>					
Gross NPA	28,805	23,355	23	28,353	2
Gross NPAs (%)	2.3	2.3	-1bps	2.4	-11bps
Net NPA	10,915	9,056	21	10,157	7
Net NPA(%)	0.9	0.9	-3bps	0.9	0bps
Provision coverage (%)	62.1	61.2	88bps	64.2	-207bps

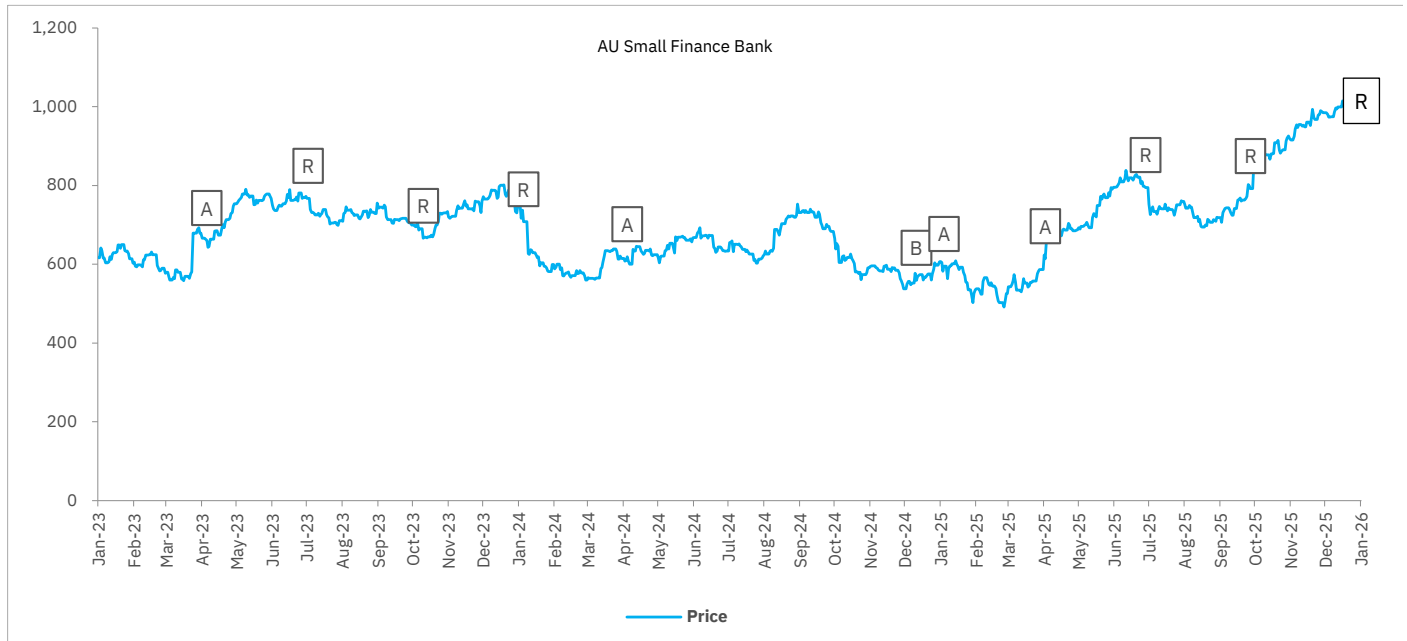
Source: Company, Elara Securities Research

**Exhibit 8: Change in estimates**

INR mn	Revised estimates			Old estimates			% Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net interest income	90,525	110,979	133,201	89,618	111,834	134,162	1.0	(0.8)	(0.7)
Operating profit	51,607	63,130	75,797	52,130	62,320	74,609	(1.0)	1.3	1.6
Net profit	25,636	33,438	41,785	25,623	33,817	42,088	0.0	(1.1)	(0.7)
<b>TP (INR)</b>	<b>955</b>			<b>786</b>			<b>21</b>		

Source: Elara Securities Estimate

## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
25-Apr-2023	Accumulate	695	660
22-Jul-2023	Reduce	730	767
30-Oct-2023	Reduce	645	666
25-Jan-2024	Reduce	680	708
24-Apr-2024	Accumulate	680	619
31-Dec-2024	Buy	650	559
24-Jan-2025	Accumulate	650	595
22-Apr-2025	Accumulate	680	614
18-Jul-2025	Reduce	756	795
17-Oct-2025	Reduce	786	792
20-Jan-2026	Reduce	955	1001

## Guide to Research Rating

<b>BUY (B)</b>	Absolute Return >+20%
<b>ACCUMULATE (A)</b>	Absolute Return +5% to +20%
<b>REDUCE (R)</b>	Absolute Return -5% to +5%
<b>SELL (S)</b>	Absolute Return < -5%

20 January 2026

## In-line operational performance

ITC Hotels (ITCHOTEL IN) reported largely in-line Q3. Growth in the Hotel business was led by both occupancy (up 200bps YoY) and ARR (up 8.6%). ITCHOTEL recorded real estate sales revenue of INR 815mn and EBIT of INR 265mn. It created a provision of INR 525mn due to change in gratuity-related laws. Growth in ITCHOTEL's owned portfolio will start from FY28E. Managed portfolio will continue to grow at a healthy pace with +1,000 key additions FY27E onwards. Revenue from real estate is expected to scale up as deliveries pick up pace. A 20% correction in ITCHOTELS in the past three months seems overdone and a rebound is overdue. Maintain Buy with a revised SoTP-TP of INR 253.

**Managed portfolio – Healthy growth:** In Q3FY26, ITCHOTEL expanded its footprint with six new openings: Storii Naina Tikkar (42 keys), Storii Castle Kanota, Jaipur (52 keys), WelcomHotel Bodh Gaya Hotel & Convention Centre (98 keys), Fortune Select Siliguri (70 keys), WelcomHeritage Rishikesh (25 keys), and WelcomHeritage Akashganga Heritage Hills (41 keys). In CY25, the company signed 28 new hotels with ~2,790 keys, up 26% YoY, taking its managed hotel pipeline to 59 properties (~5,700 keys). ITCHOTEL plans to open one hotel per month in the next 24 months as it has a high salience of brownfield assets in the pipeline.

**Sapphire Residences supporting revenue visibility:** ITCHOTEL has started the handover of apartments at Sapphire Residences, contributing INR 820mn in revenue and INR 260mn in PBT. Handover of apartments should pick up pace in the ensuing quarters, providing phased revenue recognition and enhancing cash flow visibility from the residential segment. ITC Ratnadipa continued to scale up in Q3FY26, with occupancy ramping up and the hotel maintaining its RevPAR leadership in Colombo (1.4x Q3FY26). The property has turned EBITDA positive on YTD basis, reflecting operational traction and strong premium positioning. We expect the hotel to continue driving growth in FY26-27, supported by steady demand and an established market presence. However, near-term ARR outlook is soft as the recently-opened 800-key twin hotel complex (687 keys opened) – the Cinnamon Life at City of Dreams, located within walking distance of ITC Ratnadipa – has a large inventory for the micro market to absorb, which may cap pricing upside despite healthy demand.

**Maintain Buy with a lower TP of INR 253:** Through FY26-27, growth in the hotel business will be driven by a scale-up in occupancy at ITC Ratnadipa (operations have started in April 2024), and sale of branded residences at Sapphire Residences, as well as at the recently operationalized hotels (15% inventory operating at <75% occupancy). We lower our estimates for EBITDA and APAT by 14% each for FY26E, by 9% and 5% for FY27E and by 12% and 8% for FY28E respectively as we reduce our growth assumptions for the hotel business and profitability estimates for the real estate business. We maintain Buy with a revised TP of INR 253 (INR 266 earlier) as we roll forward valuations to Q3FY28E. Our TP is based on SOTP, valuing the hotel business at 28x (unchanged) Q3FY28E EV/EBITDA and Sapphire Residences at 1x (unchanged) NAV.

### Key Financials

YE March (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR mn)	30,340	35,598	42,381	50,394	55,936
YoY (%)	15.4	17.3	19.1	18.9	11.0
EBITDA (INR mn)	10,040	12,109	14,849	17,665	19,879
EBITDA margin (%)	33.1	34.0	35.0	35.1	35.5
Adj PAT (INR mn)	7,449	6,346	9,425	11,940	13,934
YoY (%)	35.7	(14.8)	48.5	26.7	16.7
Fully DEPS (INR)	-	3.0	4.5	5.7	6.7
RoE (%)	8.7	6.6	8.4	9.7	10.3
RoCE (%)	8.3	8.4	9.5	10.7	11.2
P/E (x)	-	58.9	39.7	31.3	26.8
EV/EBITDA (x)	35.5	29.5	24.0	20.2	17.9

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

Rating: Buy

Target Price: INR 253

Upside/Downside: 41%

CMP: INR 180

As on 20 January 2026

#### Key data

Bloomberg	ITCHOTEL IN
Reuters Code	ITCT.NS
Shares outstanding (mn)	2,083
Market cap (INR bn/USD mn)	374/4,112
EV (INR bn/USD mn)	357/3,922
ADTV 3M (INR mn/USD mn)	549/6
52 week high/low	262/155
Free float (%)	45

Note: as on 20 January 2026; Source: Bloomberg

#### Price chart



Source: Bloomberg

	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
Shareholding (%)				
Promoter	39.9	39.9	39.9	39.9
% Pledge	0.0	0.0	0.0	0.0
FII	24.4	25.4	25.4	25.5
DII	26.7	21.6	20.6	20.2
Others	9.0	13.1	14.2	14.5

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(2.4)	1.1	8.1
ITC Hotels	(18.1)	(29.5)	0.0
NSE Mid-cap	(2.6)	(0.9)	6.1
NSE Small-cap	(9.2)	(12.9)	(7.4)

Source: Bloomberg

#### Prashant Biyani

Fertilizers & Agricultural Chemicals, Hotels, Sugar  
+91 22 6164 8581  
prashant.biyani@elaracapital.com

Associates  
Yashi Jain  
yashi.jain@elaracapital.com





## Financials (YE March)

Income Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	30,340	35,598	42,381	50,394	55,936
Gross Profit	27,380	31,967	38,444	46,072	51,065
EBITDA	10,040	12,109	14,849	17,665	19,879
EBIT	7,060	8,085	10,649	13,104	15,094
Interest expense	70	66	66	70	75
Other income	350	663	1,870	2,234	2,911
Exceptional/ Extra-ordinary items	-	-	-	-	-
PBT	7,340	8,682	12,453	15,269	17,930
Tax	-	2,464	3,138	3,430	4,101
Minority interest/Associates income	109	128	110	102	105
Reported PAT	7,449	6,346	9,425	11,940	13,934
Adjusted PAT	7,449	6,346	9,425	11,940	13,934

Balance Sheet (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
Shareholders' Equity	84,979	106,922	116,198	127,973	141,726
Minority Interest	333	363	403	466	542
Trade Payables	4,333	4,214	3,483	4,142	4,598
Provisions & Other Current Liabilities	5,488	7,393	7,516	8,423	8,798
Total Borrowings	-	-	-	-	-
Other long term liabilities	6,786	5,871	7,618	8,274	8,797
<b>Total liabilities &amp; equity</b>	<b>101,918</b>	<b>124,763</b>	<b>135,218</b>	<b>149,278</b>	<b>164,461</b>
Net Fixed Assets	60,457	77,917	78,695	77,809	77,910
Goodwill	170	170	170	170	170
Intangible assets	146	142	142	142	142
Business Investments / other NC assets	25,677	11,965	13,376	15,752	17,803
Cash, Bank Balances & treasury investments	1,975	16,536	26,629	37,706	51,281
Inventories	10,366	12,412	10,450	10,355	9,195
Sundry Debtors	1,445	2,018	2,322	3,590	3,985
Other Current Assets	1,682	3,605	3,434	3,755	3,976
<b>Total Assets</b>	<b>101,918</b>	<b>124,763</b>	<b>135,218</b>	<b>149,278</b>	<b>164,461</b>

Cash Flow Statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
<b>Cashflow from Operations</b>	<b>-</b>	<b>8,032</b>	<b>14,800</b>	<b>16,542</b>	<b>20,063</b>
Capital expenditure	-	(3,818)	(4,147)	(4,415)	(5,736)
Acquisitions / divestitures	-	-	-	-	-
Other Business cashflow	-	(18,240)	(2,060)	(1,442)	(998)
<b>Free Cash Flow</b>	<b>-</b>	<b>(14,026)</b>	<b>8,593</b>	<b>10,684</b>	<b>13,329</b>
Cashflow from Financing	1,975	28,587	1,500	393	245
Net Change in Cash / treasury investments	1,975	14,561	10,093	11,077	13,574

Key assumptions & Ratios	FY24	FY25	FY26E	FY27E	FY28E
Dividend per share (INR)	-	-	-	-	-
Book value per share (INR)	-	51.4	55.8	61.4	68.0
RoCE (Pre-tax) (%)	8.3	8.4	9.5	10.7	11.2
ROIC (Pre-tax) (%)	8.4	9.3	11.8	14.5	16.6
ROE (%)	8.7	6.6	8.4	9.7	10.3
Asset Turnover (x)	0.5	0.5	0.5	0.6	0.7
Net Debt to Equity (x)	0.0	(0.2)	(0.2)	(0.3)	(0.4)
Net Debt to EBITDA (x)	(0.2)	(1.4)	(1.8)	(2.1)	(2.6)
Interest cover (x) (EBITDA/ int exp)	143.4	182.4	225.0	252.4	265.1
Total Working capital days (WC/rev)	72.8	254.2	298.0	337.1	377.9

Valuation	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	-	58.9	39.7	31.3	26.8
P/Sales (x)	12.3	10.5	8.8	7.4	6.7
EV/ EBITDA (x)	35.5	29.5	24.0	20.2	17.9
EV/ OCF (x)	-	44.4	24.1	21.6	17.8
FCF Yield	-	0.0	0.0	0.0	0.0
Price to BV (x)	-	3.5	3.2	2.9	2.6
Dividend yield (%)	-	-	-	-	-

Note: Pricing as on 20 January 2026; Source: Company, Elara Securities Estimate

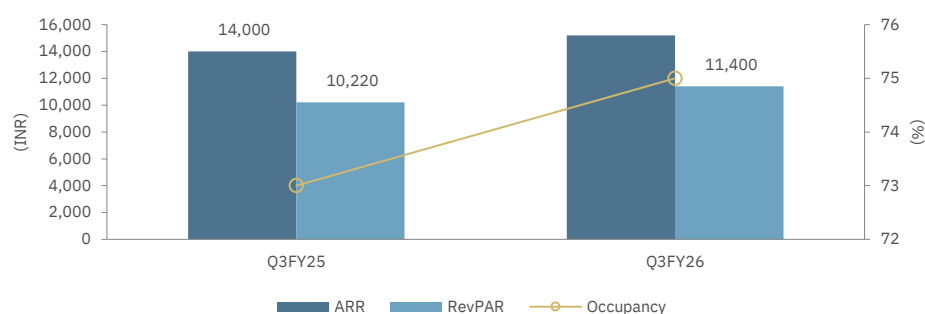
**Exhibit 1: Quarterly financials**

Consolidated financials (INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	Q3FY26E	Variance (%)	9MFY26	9MFY25	YoY (%)
<b>Cons net sales</b>	<b>12,307</b>	<b>10,154</b>	<b>21.2</b>	<b>8,395</b>	<b>46.6</b>	<b>11,811</b>	<b>4.2</b>	<b>28,857</b>	<b>24,992</b>	<b>15.5</b>
Food & Beverages consumed	1,080	1,063	1.6	865	24.9	1,131	(4.5)	2,761	2,685	2.8
Employee cost	2,037	1,787	14.0	1,866	9.1	2,201	(7.5)	5,803	5,105	13.7
Other Expenses	4,519	3,499	29.2	3,206	41.0	3,983	13.5	10,719	9,215	16.3
Total Expenditure	7,636	6,348	20.3	5,937	28.6	7316	4.4	19,282	17,006	13.4
<b>EBITDA</b>	<b>4,671</b>	<b>3,806</b>	<b>22.7</b>	<b>2,458</b>	<b>90.1</b>	<b>4,496</b>	<b>3.9</b>	<b>9,575</b>	<b>7,986</b>	<b>19.9</b>
Margin (%)	38.0	37.5	47bp	29.3	868bp	38.1	-11bp	33.2	32.0	123bp
Depreciation	1,042	1,040	0.3	1,041	0.1	1,042	-	<b>3,107</b>	<b>3,026</b>	2.7
EBIT	3,629	2,766	31.2	1,417	156.1	3,453	5.1	6,468	4,960	30.4
Interest	22	17	32.7	19	14.7	18	21.7	58	50	16.1
Other Income	496	155	220.8	454	9.2	460	7.8	1,392	281	395.2
Exceptional Items	(840)	-	NA	-	NA	-	NA	(840)	-	NA
<b>PBT</b>	<b>3,263</b>	<b>2,905</b>	<b>12.3</b>	<b>1,852</b>	<b>76.2</b>	<b>3,895</b>	<b>(16.2)</b>	<b>6,962</b>	<b>5,192</b>	<b>34.1</b>
Tax	903	780	15.8	554	63.0	982	(8.0)	2,008	1,508	NA
Tax Rate (%)	27.7	26.8	83bp	29.9	-224bp	25.2	248bp	28.8	29.0	-19bp
<b>RPAT</b>	<b>2,360</b>	<b>2,125</b>	<b>11.1</b>	<b>1,298</b>	<b>81.8</b>	<b>2,914</b>	<b>(19.0)</b>	<b>4,954</b>	<b>3,684</b>	<b>34.5</b>
Share of profit/ (loss) of JV	9	35	(75.4)	35	(75.3)	40	(78.3)	84	114	(25.6)
<b>APAT</b>	<b>3,198</b>	<b>2,160</b>	<b>48.0</b>	<b>1,328</b>	<b>140.8</b>	<b>2,949</b>	<b>8.4</b>	<b>5,856</b>	<b>3,793</b>	<b>54.4</b>
Adj EPS	1.5	2.6	(41.0)	0.6	140.8	1.42	8.4	2.8	4.6	(38.5)

Source: Company, Elara Securities Estimate

**Yashobhoomi allotment strengthens ITC HOTEL's MICE positioning**

ITC HOTEL has been allotted a 3,648 sqm (0.9 acre) leasehold land parcel at Yashobhoomi, Dwarka by IICC to develop a premium hotel, with development expected by FY30, securing long-term presence at India's and Asia's largest convention and exhibition destination. The project allows a permissible FAR of ~0.28 Mn sqft, supporting a sizeable hotel with significant room (~250 keys) and banqueting inventory. Yashobhoomi has hosted over 210 events from April 2024 to Dec 2025 (~1.9Mn visitors), creating strong demand for hotel and F&B operations. The site is also expected to house large residential apartments, and its proximity to Aerocity and Delhi airports further supports sustained convention- and exhibition-driven demand.

**Exhibit 2: RevPar grew 12% YoY, driven by 200bps expansion in occupancy and 8.6% ARR**


Source: Company, Elara Securities Research

**Exhibit 3: Twenty-eight hotels (~2,790 keys) signed in CY25**

Brands	Segment	Operational		Pipeline		Total	
		Hotels	Keys	Hotels	Keys	Hotels	Keys
ITC Hotels	Luxury	16	4,789	1	140	17	4,929
Mementos By ITC Hotels	Luxury	2	181	2	420	4	601
EpiQ Collection	Upper-Upscale	-	-	3	469	3	469
Welcom Hotel	Upper-Upscale	29	3,252	17	2,360	46	5,612
Stori by ITC Hotels	Boutique-premium	10	374	12	713	22	1,087
Fortune	Mid-Market to upscale	59	4,409	25	2,017	84	6,426
Welcom Heritage	Heritage	36	1,065	1	33	37	1,098
<b>Total</b>		<b>152</b>	<b>14,070</b>	<b>61</b>	<b>6,152</b>	<b>213</b>	<b>20,222</b>

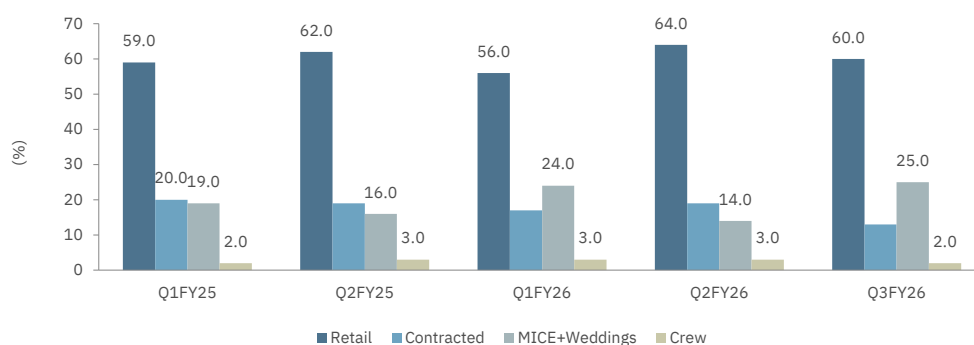
Source: Company, Elara Securities Research

**Exhibit 4: Hotel segment – Revenue grew ~14% YoY**

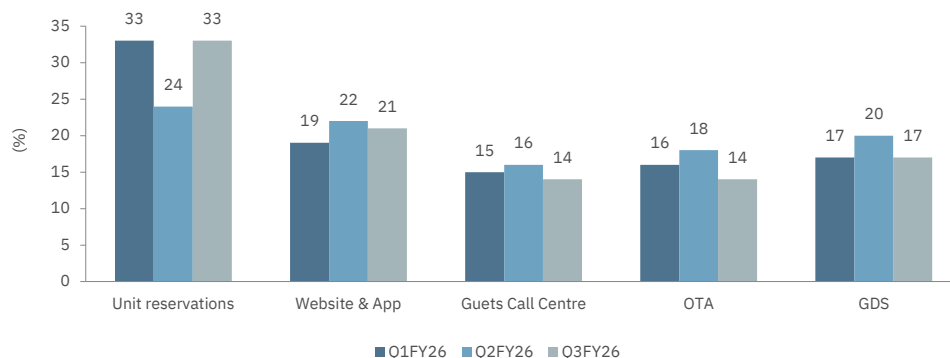
Particulars (INR mn)	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26
<b>Revenue</b>						
Hotels	7,635	9,955	10,428	8,006	8,228	11,325
Real Estate	-	-	-	-	-	815
<b>EBIT</b>						
Revenue	1,051	2,739	3,130	1,437	1,406	3,368
Hotels	-15	-18	-22	-3	-4	265
<b>EBIT Margin (%)</b>						
Hotels	13.8	27.5	30.0	17.9	17.1	29.7
Real Estate	NA	NA	NA	NA	NA	32.5
<b>Assets</b>						
Hotels	87,505	90,154	87,070	86,592	86,465	85,978
Real Estate	12,112	13,020	13,405	13,332	14,145	13,439
<b>Liabilities</b>						
Hotels	10,563	10,320	11,179	10,138	10,158	11,449
Real Estate	508	1,612	1,441	1,976	2,357	1,709
<b>Capital Employed</b>						
Hotels	98,068	100,474	98,249	96,730	96,623	97,427
Real Estate	12,620	14,632	14,845	15,308	16,501	15,148
Trailing ROCE (%)	7.5	7.3	8.2	8.6	9.0	9.6

Source: Company, Elara Securities Research

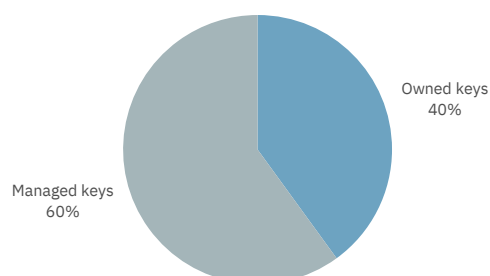
**Exhibit 5: Higher contribution from Retail segment (~60%) driven by curated offerings**



Source: Company, Elara Securities Research

**Exhibit 6: Unit reservations account for ~33% of total channel distribution**


Source: Company, Elara Securities Research

**Exhibit 7: About 60% keys are managed**


Note: Q3FY26; Source: Company, Elara Securities Research

**Exhibit 8: Six hotels (~328 keys) opened in Q3FY26**

Hotels	Nos. of keys
Storii Naina Tikkar	42
Storii Castle Kanota, Jaipur	52
Welcomhotel Bodh Gaya Hotel & Convention Centre	98
Fortune Select Siliguri	70
WelcomHeritage Rishikesh	25
WelcomHeritage Akashganga Heritage Hills	41

Source: Company, Elara Securities Research

**Exhibit 9: Valuation**

Particulars	
Hotel 9MFY28E EBITDA (INR mn)	17,257
EV/EBITDA multiple (x)	28
Total segment EV (INR mn)	474,748
Sapphire Residences NAV	4,934
Total EV	479,682
Q1FY28E net debt (INR mn)	(47,887)
Target M. Cap (INR mn)	527,569
O/S shares (mn)	2,083
Target price (INR)	253
Upside (%)	41
Implied P/E (x)	44.2

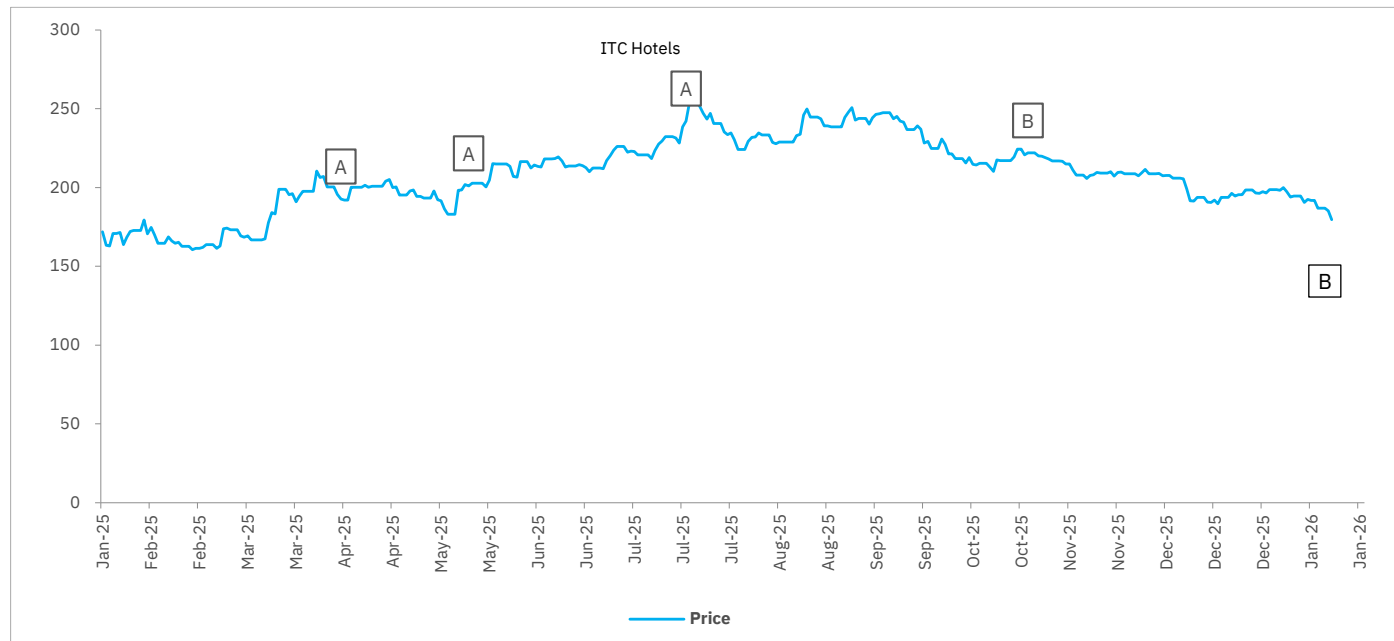
Source: Elara Securities Estimate

**Exhibit 10: Changes in estimates**

INR mn	Old estimates			New estimates			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Net sales	46,150	51,334	57,792	42,381	50,394	55,936	(8.2)	(1.8)	(3.2)
EBITDA	17,302	19,597	22,479	14,849	17,665	19,879	(14.2)	(9.9)	(11.6)
EBITDA margin (%)	37.5	38.2	38.9	35.0	35.1	35.5	-245bp	-312bp	-336bp
Adjusted PAT	10,918	12,587	15,199	9,425	11,940	13,934	(13.7)	(5.1)	(8.3)
EPS (INR)	5.2	6.0	7.3	4.5	5.7	6.7	(13.7)	(5.1)	(8.3)
<b>Target Price (INR)</b>	<b>266</b>			<b>253</b>			<b>(4.8)</b>		

Source: Elara Securities Estimate

## Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
08-Apr-2025	Accumulate	203	193
15-May-2025	Accumulate	225	201
17-Jul-2025	Accumulate	256	242
24-Oct-2025	Buy	266	222
20-Jan-2026	Buy	253	180

## Guide to Research Rating

<b>BUY (B)</b>	Absolute Return >+20%
<b>ACCUMULATE (A)</b>	Absolute Return +5% to +20%
<b>REDUCE (R)</b>	Absolute Return -5% to +5%
<b>SELL (S)</b>	Absolute Return < -5%



## Event Calendar: January - February 2026

Monday		Tuesday		Wednesday		Thursday		Friday	
19	CEAT, Havells India, LTIMindtree, Oberoi Realty, Punjab National Bank	20	AU Small Finance Bank, CreditAccess Grameen, Gujarat Gas, ITC Hotels, Persistent Systems, Rallis India, SRF, United Spirits	21	<b>UK CPI</b> for Dec (3.2% YoY) Bajaj Consumer Care, Dalmia Bharat, Dr. Reddy's, ETERNAL, Hindustan Petroleum, Jindal Stainless, KEI Industries, Supreme Industries, UTI AMC, Vardhman Textiles	22	<b>US:</b> Initial Jobless Claims Adani Energy Solutions, Aditya Birla Sun Life AMC, APL Apollo Tubes, Bandhan Bank, CAMS, Coforge, DLF, Gujarat State Petronet, Home First Finance , Indian Bank, InterGlobe Aviation, Mphasis, Radico Khaitan, Ujjivan Small Finance Bank, Zee Entertainment	23	Atul, Bharat Petroleum, Cipla, DCB Bank, Godrej Consumer, India Cements, IndusInd Bank, JSW Energy, JSW Steel, MCX, Shriram Finance, Sona BLW Precision Forgings  Chennai Petroleum, Kotak Mahindra Bank, UltraTech Cement (24 Jan)
26	<b>India Market Closed</b> Axis Bank	27	Asian Paints, Mahindra Logistics, Marico, Metro Brands, Sumitomo Chemical, Vishal Mega Mart	28	<b>India IIP</b> for Dec ACC, Bharat Electronics, Garden Reach Shipbuilders, Gland Pharma , Larsen & Toubro, M&M Financial Serv, Maruti Suzuki, SBI Cards and Payment Services, SBI Life Insurance, Somany Ceramics, Star Health & Allied , Thyrocare Technologies, TVS Motors, V-Guard Industries	29	<b>US:</b> Initial Jobless Claims ACME Solar Holdings, Balaji Amines, Canara Bank, Colgate Palmolive, Container Corporation of India, Dabur India, Equitas Small Finance Bank, ITC, KPIT Technologies, Nippon Life India AMC, One 97 Communications, Orient Cement, Prestige Estates Projects, REC, Swiggy , Tata Motors	30	<b>India Fiscal Deficit</b> Aadhar Housing Finance, Ajanta Pharma, Ambuja Cements, Bajaj Auto, Bank of Baroda, Blue Dart Express, Brigade Enterprises, Choramandalam Investment, Dr Lal PathLabs, Exide Industries, Insecticides India, Jindal Steel, LIC Housing Finance, Motherson Sumi Wiring India, Nestle, PSP Projects, Relaxo Footwears, Steel Authority of India  IDFC First Bank, Sun Pharmaceuticals (31 Jan)
2	Mahindra Lifespace Developers, Thermax	3	Adani Ports & SEZ, Alkyl Amines, Bajaj Finance, Kansai Nerolac	4	Aptus Value Housing , Cummins, Emami, NHPC, Tata Power, Trent , Westlife Foodworld	5	Aavas Financiers, Berger Paints, FSN E-Commerce Ventures, Godrej Properties, Indian Oil Corporation, NCC, Page Industries, Tata Motors PV	6	Crompton Greaves Consumer, Shree Cement

Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Fertilizers & Agricultural Chemicals																									
UPL	Buy	610	723	980	35.5	466.4	503.6	548.7	598.1	76.0	94.2	115.2	134.6	13.1	29.6	48.4	63.2	405	383	412	447	3.7	7.9	12.6	15.0
PI Industries	Accumulate	480	3,165	4,023	27.1	79.8	84.5	91.2	98.5	21.8	23.2	25.8	28.3	16.6	17.8	19.8	22.1	668	739	853	981	17.6	16.6	16.4	15.8
Bayer CropScience	Accumulate	197	4,385	5,167	17.8	54.7	58.0	62.7	67.7	6.9	8.1	8.9	9.8	5.7	6.3	6.9	7.6	634	644	671	724	19.9	21.8	23.4	24.3
Coromandel International	Buy	670	2,271	2,601	14.5	240.9	321.4	331.7	357.7	26.3	33.6	41.7	45.5	17.2	22.9	28.9	32.4	376	413	492	582	16.6	19.4	21.4	20.2
Rallis India	Accumulate	45	230	313	36.0	26.6	28.6	31.2	34.0	2.9	3.5	4.4	5.2	1.2	2.0	2.6	3.3	100	107	116	130	6.6	10.0	12.4	14.2
Dhanuka Agritech	Accumulate	47	1,052	1,628	54.8	20.4	21.0	25.0	29.7	4.2	4.4	5.3	6.6	3.0	3.0	3.8	4.8	311	362	424	504	22.3	20.1	21.6	23.0
Insecticides India	Accumulate	18	628	726	15.7	20.0	21.2	24.4	26.8	2.2	2.4	3.0	3.2	1.4	1.5	1.9	2.0	366	422	459	520	13.5	13.2	14.5	13.9
Chambal Fertilisers	Accumulate	173	432	544	26.0	166.5	167.0	176.0	180.6	24.8	27.9	31.2	27.1	16.5	20.0	22.6	19.8	218	246	292	331	20.7	21.6	21.0	15.9
Sumitomo Chemical	Buy	212	424	633	49.4	31.5	34.3	39.0	43.1	6.3	7.2	8.5	9.7	5.1	5.8	7.0	8.1	58	66	78	91	18.9	18.7	19.4	19.1
Paradeep Phosphates	Buy	137	132	238	80.8	138.2	219.3	224.5	230.1	12.6	25.6	23.5	26.7	5.5	14.8	13.2	15.8	50	68	85	105	14.4	26.4	16.6	16.1
Automobiles																									
Maruti Suzuki	Accumulate	4,992	15,879	19,560	23.2	1,519.0	1,878.5	2,161.6	2,396.5	176.5	218.0	274.4	308.8	139.6	167.7	196.5	219.6	2,991	3,365	3,802	4,291	15.7	16.8	17.4	17.3
Bajaj Auto	Accumulate	2,566	9,180	10,657	16.1	500.1	577.0	649.9	710.7	101.0	117.3	133.1	146.9	81.5	96.7	108.3	119.0	1151	1255	1371	1499	28.6	28.8	29.9	30.3
Eicher Motors	Buy	1,968	7,174	9,000	25.5	188.7	237.1	278.3	313.5	47.1	58.3	69.6	79.0	47.3	55.4	64.1	71.6	777	898	1,038	1,195	24.1	24.1	24.1	23.4
Mahindra & Mahindra	Buy	4,424	3,558	4,747	33.4	1,164.8	1,454.6	1,614.7	1,746.1	171.2	213.5	243.8	268.9	118.6	157.8	176.5	191.3	513	605	708	820	20.8	23.5	22.4	20.9
Hero Motocorp	Accumulate	1,117	5,581	6,355	13.9	407.6	453.5	495.2	540.6	58.7	68.0	75.8	84.8	46.1	53.2	58.7	65.1	992	1,072	1,160	1,258	24.4	25.8	26.4	27.0
Tata Motors	Accumulate	1,592	432	493	14.0	694.2	784.2	855.0	903.5	80.1	101.3	117.1	125.6	59.4	69.1	77.8	84.2	-	42	57	73	-	53.3	38.4	32.1
Tata Motors PV	Reduce	1,244	338	363	7.4	3,660.9	3,362.7	3,982.5	4,214.7	480.8	217.0	424.8	528.1	195.9	12.4	141.4	203.8	304	301	333	383	-	1.9	10.9	13.9
TVS Motors	Accumulate	1,718	3,616	4,486	24.1	362.5	463.5	535.6	612.0	44.5	59.8	74.4	88.1	27.1	37.6	48.3	57.9	209	273	354	451	30.7	31.2	31.7	29.5
Ashok Leyland	Sell	1,062	181	171	(5.4)	387.5	438.8	470.3	499.9	49.3	57.9	63.0	68.5	32.0	39.0	42.7	46.6	39	23	28	33	31.5	31.0	28.7	26.4
Auto Ancillaries																									
Samvardhana Motherson	Sell	1,139	108	90	(16.6)	1136.6	1219.0	1253.1	1287.4	105.5	110.9	125.6	130.1	36.2	36.8	51.0	53.2	33	37	42	47	11.1	9.3	11.5	10.7
MRF	Sell	607	143,200	118,582	(17.2)	276.7	299.7	320.0	340.0	39.6	47.4	52.2	54.7	18.2	23.7	26.8	28.3	42,856	48,186	54,209	60,585	10.5	12.3	12.4	11.6
Exide Industries	Accumulate	281	331	400	21.0	172.4	185.0	197.9	210.3	18.0	20.7	23.4	25.2	8.0	10.4	12.1	13.1	164	173	184	195	6.0	7.2	8.0	8.1
Amara Raja Energy & Mot	Accumulate	156	854	1,078	26.2	128.5	138.3	150.4	162.2	16.2	16.7	18.9	20.9	8.3	8.7	10.1	11.2	404	444	491	543	11.8	11.2	11.8	11.9
Apollo Tyres	Reduce	322	507	496	(2.1)	261.2	275.7	289.8	300.0	35.7	41.2	44.2	46.1	12.9	17.2	20.9	23.0	233	253	278	305	9.0	11.1	12.4	12.5
CEAT	Reduce	150	3,712	3,522	(5.1)	131.7	142.4	152.6	161.2	14.9	18.1	20.0	21.8	5.1	7.2	8.4	9.4	1,060	1,203	1,370	1,558	12.4	15.8	16.1	15.9
UNO Minda	Accumulate	647	1,120	1,405	25.4	167.7	193.7	224.3	253.8	18.7	21.9	26.0	30.5	9.3	11.8	15.1	18.8	100	117	140	168	16.4	17.8	19.2	20.0
Endurance Technologies	Accumulate	348	2,474	2,945	19.0	115.6	131.7	144.1	157.4	15.5	18.3	19.8	21.8	8.2	10.3	11.1	12.5	407	471	541	619	15.4	16.7	15.7	15.4
Bharat Forge	Sell	667	1,394	1,172	(15.9)	151.2	157.3	175.9	194.2	26.9	27.9	31.1	34.6	11.0	12.0	14.7	17.7	194	214	238	268	13.4	12.4	13.7	14.7
Minda Corporation	Buy	128	536	746	39.1	50.6	58.7	66.3	74.1	5.7	6.8	8.1	9.2	2.6	3.2	4.6	5.5	92	104	135	156	12.2	13.6	15.7	15.3
Motherson Sumi Wiring I	Sell	289	44	38	(12.7)	93.2	107.0	122.1	132.4	10.0	11.1	14.3	16.2	6.1	6.8	9.0	10.3	3	3	4	4	35.9	36.9	41.8	40.7
Sona BLW Precision Forg	Buy	277	446	565	26.7	35.5	44.0	51.0	59.4	9.8	10.8	12.7	15.1	6.2	6.4	7.6	9.2	88	96	104	114	14.7	10.8	11.9	13.2
Gabriel India	Buy	127	885	1,470	66.1	40.6	47.3	55.1	60.4	3.9	4.5	5.5	6.5	2.5	2.8	3.4	4.1	82	96	112	132	22.4	21.7	22.6	23.2
SJS Enterprises	Buy	50	1,579	2,090	32.4	7.6	9.2	10.9	12.7	2.0	2.5	3.0	3.5	1.2	1.6	1.9	2.3	220	261	318	384	19	20.6	21	20.7
Aviation																									
InterGlobe Aviation	Buy	1,852	4,790	6,020	25.7	808.0	854.6	960.3	1,098.8	196.8	216.9	243.5	276.2	88.8	91.5	99.4	112.4	243	330	556	812	156.2	82.8	58.2	42.6
SpiceJet	Accumulate	34	24	39	62.0	52.8	54.5	93.7	111.8	(3.5)	(2.1)	10.9	13.6	1.7	(11.4)	0.6	2.0	5	(3)	(3)	(1)	(18.2)	(983.1)	(13.4)	(66.8)
Banking																									
Net interest income										Pre-provisioning operating profit				Profit after tax								ROAE			
HDFC Bank	Buy	14,325	931	1,147	23.2	1,226.7	1,289.6	1,465.7	1,673.3	1,001.3	1,188.9	1,304.6	1,496.1	673.5	740.4	825.4	915.1	655	359	399	443	14.3	14.1	14.2	14.2
Federal Bank	Accumulate	673	273	290	6.1	94.7	101.7	116.7	134.0	61.0	65.9	74.9	86.8	40.5	39.7	44.9	51.2	136	152	169	189	13.0	11.2	11.4	11.6
AU Small Finance Bank	Reduce	748	1,001	786	(21.5)	80.1	89.6	111.8	134.2	45.8	52.1	62.3	74.6	21.1	25.6	33.8	42.1	231	264	308	363	14.2	13.9	15.9	16.8
IndusInd Bank	Sell	705	905	720	(20.5)	190.3	181.5	196.9	226.1	106.4	91.2	100.1	120.6	26.4	14.4	40.4	56.0	814	827	870	931	4.2	2.3	6.1	8.0
Axis Bank	Accumulate	4,017	1,294	1,365	5.5	543.5	557.3	621.1	713.7	421.0	433.4	499.6	591.3	263.7	239.8	295.6	354.5	580	657	751	864	15.9	12.5	13.6	14.2
ICICI Bank	Buy	9,840	1,376	1,783	29.6	811.6	878.2	974.4	1,101.4	673.0	717.9	807.1	917.2	472.3	485.9	533.9	586.4	406	461	523	593	18.0	15.7	15.2	14.8
Kotak Mahindra Bank	Accumulate	4,215	424	2,481	485.4	283.4	307.8	355.4	409.2	210.1	227.7	266.2	309.0	164.5	142.0	168.0	195.4	590	660	743	840	12.1	11.4	12.1	12.4
Bandhan Bank	Accumulate	225	139	186	33.4	114.9	114.2	122.0	137.3	73.9	61.5	61.2	68.0	27.5	15.3	26.4	35.2	153	161	176	196	11.9	6.0	9.7	11.7
Punjab National Bank	Accumulate	1,445	126	135	7.3	427.8	429.7	505.9	571.7	268.3	284.52														

Coverage  
Universe



Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Ujjivan Small Finance Bank	Buy	112	58	60	3.6	36.4	38.6	46.8	55.6	16.9	17.2	20.8	24.2	7.3	6.6	9.5	11.6	31	35	39	43	12.4	10.3	13.4	14.6
Canara Bank	Reduce	1,394	154	130	(15.4)	370.7	365.8	414.6	460.7	313.9	313.5	322.4	347.2	170.3	168.4	167.6	177.9	100	114	127	142	20.2	17.4	15.4	14.6
Indian Bank	Reduce	1,140	847	730	(13.8)	251.8	262.6	288.9	321.1	190.0	197.0	217.6	239.1	109.2	111.2	120.5	124.1	470	533	603	676	18.9	16.5	15.8	14.4
One 97 Communications	Accumulate	830	1,297	1,282	(1.1)	47.8	59.6	73.8	88.7	-15.1	5.4	11.1	18.5	-6.6	7.0	11.9	19.1	236	258	292	296	(4.7)	4.4	6.8	10.2
BSE	Accumulate	1,082	2,653	2,202	(17.0)	32.4	41.4	50.9	59.1	15.9	22.6	29.2	34.3	13.3	19.0	24.2	28.5	81	109	133	160	34.2	38.6	40.8	40.3
MCX	Buy	605	2,373	1,952	(17.7)	12.1	17.7	22.0	24.9	7.6	11.8	14.8	16.8	5.6	8.7	11.1	12.6	370	454	563	686	34.3	41.3	42.6	39.4
Chemicals																									
Deepak Nitrite	Accumulate	219	1,603	1,853	15.6	82.8	75.7	85.0	95.8	10.9	8.7	11.4	13.5	7.0	5.1	7.0	8.2	398	431	477	530	13.6	9	11.2	11.9
Vinati Organics	Accumulate	160	1,540	1,997	29.7	22.5	25.6	30.1	34.1	5.8	6.5	7.7	9.2	4.1	4.3	5.1	6.2	269	298	333	374	15.4	14.8	15.7	16.9
Alkyl Amines	Reduce	79	1,547	1,825	18.0	15.7	16.8	18.4	20.3	2.9	3.3	3.8	4.3	1.9	2.2	2.5	2.9	275	307	346	393	13.9	14.6	15.0	15.4
Balaji Amines	Accumulate	39	1,212	1,568	29.4	14.0	15.4	18.0	21.1	2.3	2.9	3.7	4.7	1.6	2.0	2.6	3.3	569	625	696	788	8.1	9.5	11.1	12.8
Sudarshan Chemicals	Accumulate	70	890	1,275	43.3	33.5	105.2	112.1	119.6	3.8	6.3	8.5	11.3	1.6	658.0	2.5	4.3	514	527	558	608	6.1	1.6	5.9	9.4
SRF	Accumulate	855	2,883	3,423	18.7	146.9	164.9	197.4	223.6	27.2	37.4	48.0	53.9	12.5	21.3	29.2	33.9	426	490	580	686	10.4	15.7	18.4	18.1
Gujarat Fluorochemicals	Buy	358	3,260	5,083	55.9	47.4	60.4	76.7	96.8	11.6	15.9	21.9	28.8	5.5	8.1	12.1	17.0	664	699	804	951	8.3	10.8	14.6	17.7
Aarti Industries	Accumulate	125	346	438	26.7	72.7	81.2	89.9	99.4	10.0	10.9	12.9	15.1	3.3	3.2	4.0	5.0	155	163	173	181	6.0	5.6	6.6	7.8
Atul	Accumulate	167	5,665	7,026	24.0	55.8	64.1	71.6	79.9	9.1	11.0	12.0	13.1	4.8	6.2	7.0	7.8	1,902	2,071	2,261	2,473	8.9	10.5	10.8	11.0
Navin Fluorine International	Buy	304	5,930	6,340	6.9	23.5	32.4	37.8	43.3	5.3	9.9	11.7	13.7	2.9	6.1	7.2	8.5	530	628	745	882	11.5	21.2	21.2	21.1
Consumer Discretionary																									
United Spirits	Reduce	959	1,319	1,450	10.0	115.7	125.4	138.2	153.7	20.6	21.9	24.3	27.1	16.2	16.0	17.9	19.9	108	126	147	169	21.9	18.7	18.0	17.3
United Breweries	Reduce	385	1,455	1,800	23.7	89.1	97.3	108.3	120.5	8.4	9.2	12.3	14.5	4.7	5.3	7.8	9.2	165	175	194	219	10.9	11.8	16.0	16.9
Radico Khaitan	Accumulate	369	2,754	3,350	21.7	48.5	61.8	70.6	81.0	6.7	9.5	11.7	14.2	3.5	5.7	7.3	9.3	206	245	295	361	13.3	19.0	20.2	21.3
Sapphire Foods	Accumulate	66	205	330	60.9	28.8	30.5	34.6	38.8	4.8	4.6	5.6	6.6	0.3	0.1	0.4	0.8	44	44	45	47	2.3	0.5	2.6	5.7
Jubilant FoodWorks	Buy	334	507	780	53.9	61.0	70.7	79.3	88.7	11.8	13.8	16.0	18.8	2.2	3.2	4.2	5.4	34	38	43	50	9.8	13.5	15.8	17.7
Westlife Foodworld	Accumulate	76	488	640	31.0	24.9	27.3	30.1	33.2	3.2	3.4	3.9	4.5	0.1	0.0	0.4	0.8	39	39	39	41	2.0	0.6	7.2	12.6
FSN E-Commerce Ventures	Accumulate	694	242	260	7.3	79.5	101.7	130.9	167.0	4.7	7.0	11.1	15.0	0.7	2.4	5.5	8.2	5	5	7	10	5.5	16.1	29.6	32.3
Page Industries	Buy	368	32,970	49,482	50.1	49.3	52.4	57.4	64.0	10.6	11.6	12.8	13.5	7.3	8.0	8.6	9.1	1,262	1,526	1,801	2,069	48.5	51.3	46.6	42.3
Vedant Fashions	Buy	120	495	871	75.9	13.9	15.0	16.9	19.2	6.4	6.8	7.8	8.9	3.9	4.0	4.5	5.3	74	86	100	116	22.9	20.5	20.1	20.2
Go Fashion	Accumulate	21	386	722	87.1	8.5	9.3	10.5	12.0	2.7	2.8	3.2	3.8	0.9	0.9	1.0	1.3	129	146	165	189	14.4	12.1	12.5	13.6
Dollar Industries	Buy	18	318	565	77.8	17.1	19.3	21.8	25.2	1.8	2.4	2.7	3.2	0.9	1.3	1.6	2.0	151	169	191	218	11.2	14.5	16.1	17.1
Trent	Accumulate	1,364	3,836	5,500	43.4	171.3	206.1	249.5	303.6	27.6	33.2	40.5	49.9	15.3	18.4	23.6	30.3	154	200	251	316	31.7	28.8	29.1	29.7
Vishal Mega Mart	Buy	579	124	192	55.0	107.2	130.3	156.4	184.7	15.3	19.3	23.5	27.9	6.3	8.7	11.0	13.6	14	16	19	22	10.5	12.5	13.8	14.7
Titan Company	Buy	3,618	4,076	4,540	11.4	604.6	752.9	910.0	1,068.9	56.9	79.0	96.8	114.9	33.4	47.8	58.1	70.4	131	170	217	274	31.8	34.7	32.3	31.1
Safari Industries	Buy	96	1,970	3,111	58.0	17.7	20.7	24.1	27.8	2.3	3.0	3.5	4.2	1.4	1.9	2.3	2.8	195	231	275	327	16.1	18.2	18.8	18.9
VIP Industries	Buy	50	352	430	22.2	21.8	19.6	21.8	24.7	0.8	(1.0)	1.5	2.5	(0.8)	(2.5)	(0.2)	0.6	43	26	25	28	(11.8)	(51.7)	(4.4)	16.5
Diversified Financials																									
						Net interest income				Pre-provisioning operating profit				Profit after tax											
M&M Financial Services	Accumulate	489	352	334	(5.1)	73.9	91.9	98.1	110.2	40.4	62.7	68.2	78.9	16.2	25.1	29.9	35.6	160	175	191	210	8.5	12.1	13.2	14.4
Cholamandalam Investments	Reduce	1,392	1,650	1,608	(2.5)	132.6	166.1	205.7	249.4	82.3	102.7	125.7	152.6	42.6	51.7	64.3	79.3	281	321	397	491	21.5	21.1	21.3	21.2
LIC Housing Finance	Accumulate	288	523	677	29.5	81.3	88.7	93.2	98.7	71.4	79.6	83.3	87.5	54.3	52.4	55.7	59.5	659	736	724	712	16.0	13.7	13.9	15.1
Bajaj Finance	Accumulate	5,807	933	1,129	21.0	331.1	408.9	514.3	651.3	270.1	343.1	410.5	482.9	166.6	185.6	236.3	284.8	142	172	210	256	20.8	19.1	20.0	19.7
Manappuram Finance	Accumulate	255	302	288	(4.6)	64.2	57.4	65.1	75.8	36.3	29.8	37.2	42.0	12.2	15.3	21.8	23.9	147	153	176	211	10.1	12.0	14.3	14.6
Muthoot Finance	Accumulate	1,578	3,930	2,916	(25.8)	104.5	124.5	140.3	162.7	78.4	94.4	108.3	129.8	52.0	65.5	75.0	90.7	708	832	988	1,175	18.3	19.0	18.3	18.4
Shriram Finance	Accumulate	1,858	988	801	(18.9)	228.4	268.6	312.6	362.1	162.6	189.8	219.7	253.1	97.6	96.7	114.3	133.1	299	349	399	458	18.6	15.9	16.3	16.5
SBI Cards and Payment Services	Accumulate	772	812	1,006	23.9	61.7	68.6	72.9	92.9	74.5	82.9	94.8	114.2	19.2	23.2	31.6	42.7	145	166	196	239	14.8	15.7	18.3	20.6
Aavas Financiers	Accumulate	110	1,385	1,832	32.3	12.2	14.5	17.5	20.7	7.6	9.1	10.8	12.9	5.7	6.7	8.0	9.5	551	636	736	857	14.1	14.4	14.7	15.1
L&T Finance	Buy	735	294	330	12.3	86.7	96.8	111.3	137.6	56.8	62.0	76.4	96.9	26.4	31.0	38.8	51.4	102	119	134	155	10.8	11.2	12.3	14.3
CreditAccess Grameen	Accumulate	199	1,243	1,590	28.0	36.0	37.9	45.1	51.1	26.4	27.9	35.1	38.5	5.3	8.2	15.5	18.7	436	487	584	701	7.9	11.2	18.1	18.2
Power Finance Corporation	Buy	1,190	361	508	40.9	193.4	223.8	244.0	275.7	216.3	238.1	267.1	295.3	173.5	184.8	196.7	216.7	276	332						

Coverage  
Universe



Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Building Materials																									
Astral	Accumulate	374	1,392	1,650	18.5	58.3	66.8	77.9	89.1	9.5	11.0	13.1	15.3	5.2	6.1	7.7	9.2	135	148	168	194	15.0	15.7	17.8	18.6
Supreme Industries	Accumulate	428	3,373	4,260	26.3	104.5	112.6	128.9	146.7	14.3	15.2	19.3	22.7	9.6	9.9	12.3	14.7	446	492	551	620	17.8	16.6	18.6	19.8
Century Plyboards	Buy	161	726	980	35.0	45.3	54.2	61.6	69.8	4.9	6.7	8.7	10.5	2.0	3.1	4.7	6.1	106	119	138	162	8.7	12.5	16.5	18.3
Kajaria Ceramics	Accumulate	155	972	1,380	42.0	46.4	48.7	53.4	58.3	6.3	8.5	9.2	10.1	3.4	5.0	5.5	6.0	173	203	225	251	12.5	16.4	15.8	15.6
Somany Ceramics	Accumulate	16	397	737	85.4	26.3	28.7	31.7		2.4	2.9	3.4		1.0	1.3	1.6		186	209	238		12.6	14.8	16.3	
Capital Goods																									
Siemens	Accumulate	1,014	2,849	3,550	24.6	173.6	195.5	229.1	277.0	20.1	25.6	30.9	37.8	16.9	21.3	25.3	30.5	372	512	563	624	11.8	13.5	13.2	14.4
ABB India (CY)	Reduce	994	4,692	5,030	7.2	130.8	149.4	171.7		19.4	22.4	26.1		15.7	18.0	21.0		376	428	494		22.3	22.4	22.6	
Cummins	Accumulate	1,115	4,021	4,780	18.9	103.4	122.5	144.2	169.3	20.7	26.3	30.6	35.7	19.1	24.1	27.9	32.3	257	322	400	493	28.5	30.0	27.9	26.1
Voltas	Accumulate	438	1,324	1,440	8.7	154.1	151.6	184.0	205.2	11.2	7.6	13.1	15.9	8.3	6.1	11.4	14.3	197	208	236	272	13.5	9.1	15.5	17.0
Thermax	Reduce	348	2,922	3,220	10.2	103.9	108.6	126.7	154.8	11.7	9.8	12.5	15.7	8.9	6.7	8.9	11.6	414	454	512	590	18.9	13	15.5	17.6
KEC International	Buy	176	660	930	40.8	218.5	248.7	287.3	324.1	15.0	18.5	25.4	29.3	5.7	8.5	13.8	17.1	201	227	274	332	12.1	14.9	20.7	21.2
RITES	Buy	106	221	320	44.8	22.2	24.4	33.1	49.9	5.2	5.7	6.8	10.1	3.8	4.4	5.1	7.3	53	55	55	56	15.1	17.0	19.7	27.5
BEML	Buy	143	1,716	2,700	57.4	40.2	44.5	54.6	68.7	5.1	5.8	7.7	9.8	2.9	3.7	4.9	6.5	691	349	364	399	10.5	12.6	16.3	20.5
KEI Industries	Accumulate	389	4,070	4,425	8.7	97.4	119.5	149.2	183.2	9.9	12.8	16.9	21.3	7.0	9.2	12.0	15.2	606	698	819	974	15.6	14.7	16.6	17.8
Bharat Electronics	Accumulate	2,992	409	470	14.8	237.7	286.6	347.0	406.6	68.3	80.6	96.8	112.7	52.5	61.7	75.0	87.2	27	32	40	48	28.9	28.2	28.5	27.3
Hindustan Aeronautics	Buy	2,913	4,355	5,680	30.4	309.8	332.0	386.1	449.9	104.5	91.8	107.8	124.0	88.7	81.8	93.9	106.0	523	579	671	782	27.7	22.2	22.5	21.8
Bharat Dynamics	Accumulate	533	1,453	1,625	11.8	33.5	46.1	64.3	90.5	6.1	8.1	12.4	18.4	6.9	8.7	12.3	17.4	109	123	151	192	18.1	20.3	24.5	27.7
Garden Reach Shipbuilders	Sell	261	2,279	2,200	(3.5)	50.8	68.6	78.8	73.8	4.2	7.7	9.8	8.8	5.3	8.5	10.9	9.5	182	245	327	397	28.1	34.8	33.2	22.8
Zen Technologies	Buy	118	1,304	2,120	62.5	9.7	7.9	15.0	19.9	3.7	2.9	5.2	6.9	3.0	2.6	4.4	5.7	189	218	266	329	27.9	14.4	20.0	21.3
Consumer Electricals																									
Havells India	Accumulate	844	1,346	1,620	20.3	217.8	237.8	277.2	320.8	21.3	24.6	30.9	37.7	14.7	16.9	21.3	26.5	133	143	159	183	18.6	19.5	22.5	24.7
Crompton Greaves Consumer Electricals	Buy	150	234	410	75.5	78.6	83.1	95.1	110.1	8.9	8.4	10.3	12.3	5.6	5.7	7.4	9.0	53	66	73	82	30.0	24.4	31.3	34.3
V-Guard Industries	Accumulate	135	310	430	38.6	55.8	60.0	68.2	75.5	5.1	5.5	6.9	8.1	3.1	3.3	4.5	5.3	48	59	68	72	17.1	17.1	19.2	19.3
Eureka Forbes	Buy	104	537	770	43.4	24.4	27.8	32.8	37.9	5.6	3.6	4.7	5.6	4.6	2.4	3.3	4.0	227	239	256	277	3.7	5.3	6.8	7.8
Polycab India	Accumulate	1,065	7,075	8,180	15.6	224.1	291.3	341.9	392.8	29.6	40.6	48.0	55.1	20.5	28.0	33.3	38.4	653	816	1,009	1,236	22.7	25.4	24.4	22.8
Consumer Electronics																									
Amber Enterprises	Buy	212	6,033	8,460	40.2	99.7	117.6	141.1	164.4	7.6	8.4	11.7	14.5	2.8	2.7	4.3	6.2	68	102	115	135	11.5	9.9	12.3	15.4
Dixon Technologies	Accumulate	648	10,682	18,300	71.3	388.6	555.2	694.5	808.6	15.1	21.1	25.7	32.3	7.2	11.9	14.5	19.0	514	734	1,009	1,365	27.9	28.9	26.1	25.7
Keynes Technology	Buy	233	3,482	5,365	54.1	27.2	42.6	62.2	85.7	4.1	6.8	10.2	14.9	2.9	4.8	6.7	9.7	443	905	1,036	1,186	11.0	11.0	10.7	13.6
Cement																									
UltraTech Cement	Accumulate	3,554	12,059	14,088	16.8	759.6	901.5	1,021.8	1,140.6	125.6	154.8	207.7	250.4	61.1	72.0	110.7	141.8	2,399	3,008	3,337	3,776	9.1	8.7	11.5	13.2
Shree Cement	Buy	982	27,225	35,695	31.1	193.3	214.0	236.6	259.8	39.6	48.2	57.6	64.1	11.5	19.5	24.1	28.5	5,969	6,161	6,652	7,254	5.4	8.9	10.4	11.3
Ambuja Cements	Accumulate	1,326	536	647	20.6	342.2	411.7	452.3	484.9	51.4	77.9	103.5	123.8	20.9	27.3	39.5	51.8	217	200	211	225	3.6	4.4	6.4	7.8
ACC	Accumulate	319	1,697	2,115	24.6	210.3	241.1	261.2	276.8	23.8	29.0	33.2	38.1	13.4	16.3	18.9	22.1	972	1,051	1,143	1,252	7.8	8.6	9.2	9.8
JK Cement	Accumulate	455	5,892	6,249	6.1	118.8	137.5	155.7	171.9	20.3	24.2	29.9	33.3	7.9	10.5	13.1	14.3	788	907	1061	1231	13.9	16.1	17.3	16.1
Prism Johnson	Accumulate	63	124	159	27.7	73.1	80.3	87.3	93.7	4.2	6.8	8.0	8.7	(1.6)	0.0	1.3	2.1	29	29	32	36	(9.5)	0.2	7.3	10.6
Star Cement	Buy	85	211	302	43.1	31.6	36.7	39.4	44.6	5.8	8.5	8.8	10.3	1.7	3.6	3.4	4.3	71	80	89	99	6.0	11.8	10.0	11.2
Birla Corporation	Accumulate	83	1,081	1,394	28.9	92.1	99.5	106.4	113.1	12.2	14.6	16.2	17.1	3.2	5.5	6.4	6.8	911	972	1,045	1,123	4.7	7.5	8.3	8.2
HeidelbergCement	Reduce	38	166	207	24.5	21.5	23.7	26.3	28.6	2.4	3.3	4.4	5.0	1.1	1.8	2.7	3.2	62	62	68	75	7.5	12.6	18.4	19.6
JK Lakshmi Cement	Accumulate	98	793	1,008	27.1	61.9	71.1	81.2	93.5	8.6	10.3	13.0	16.0	3.0	4.3	5.9	7.9	302	332	376	435	8.8	11.7	14.2	16.6
India Cements	Sell	142	459	333	(27.5)	41.5	47.2	53.8	61.0	(3.8)	4.7	8.6	12.4	-5.3	3.0	4.0	6.8	329	334	348	370	(6.7)	3.0	3.8	6.1
Orient Cement	Reduce	34	164	218	32.6	27.1	24.3	25.3	26.6	3.0	4.9	5.3	5.8	0.9	2.3	2.8	3.1	88	103	113	126	5.1	11.8	12.5	12.8
The Ramco Cements	Reduce	252	1,068	1,064	(0.4)	85.0	94.9	106.5	115.6	12.3	16.8	19.8	21.6	1.5	3.9	5.7	7.1	317	331	351	377	2.0	5.2	7.1	8.3
Nuvoco Vistas Corporation	Buy	124	347	438	26.2	103.6	113.7	126.8	141.2	13.7	17.4	20.1	22.5	0.2	3.1	4.3	4.9	252	261	273	287	0.2	3.4	4.5	4.9
Dalmia Bharat	Reduce	411	2,191	2,328	6.2	139.8	151.5	167.6	184.5	24.1	30.7	33.9	37.1	6.9	11.6	11.9	14.1	926	983	1,036	1,100	4.0	6.4	6.3	7.0
FMCG																									
Hindustan Unilever	Accumulate	5,590	2,379	2,780	16.9	631.2	662.7	709.1	758.8	148.5	153.1	168.6	181.8	103.4	105.9	117.8	127.6	210	212	214	216	20.5	21.3	23.4	25.1
Nestle	Reduce	2,499	1,296	1,262	(2.6)	200.8	219.6	240.4	262.6	46.5	49.0	55.8	61.5	30.2	31.6	36.5	40.6	43	24	28	34	81.1	71.9	72.2	67.5
Britannia Industries	Accumulate	1,417	5,884	6,975	18.5	179.4	198.7	218.7	237.6	31.9	37.2	40.7	44.5	22.0	25.8	28.4	31.3	181	246	318	397	52.8	50.0	41.6	36.1
Godrej Consumer Products																									

Coverage  
Universe



Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Jyothy Labs	Buy	91	247	390	57.6	28.5	29.1	31.3	33.6	5.0	4.8	5.3	5.8	3.7	3.7	4.0	4.4	56	62	68	76	19.4	17.1	16.8	16.7
Bajaj Consumer Care	Accumulate	34	261	313	20.1	9.6	10.8	11.6	12.5	1.3	1.9	2.1	2.3	1.2	1.7	1.9	2.1	57	67	76	85	15.8	20.5	19.9	19.5
ITC	UR	4,088	326	UR	NA	693.2	725.6	785.0	851.7	240.2	252.6	276.0	302.9	195.6	204.3	222.4	243.3	54	53	52	54	27.9	30.6	33.9	36.6
Tata Consumer Products	Accumulate	1,173	1,185	1,260	6.3	176.2	198.2	219.0	243.5	24.8	28.0	33.4	37.4	12.8	16.6	20.9	23.9	202	270	285	302	6.6	6.7	7.3	7.9
Mrs Bectors Food Specialities	Buy	66	216	314	45.6	18.7	20.7	24.1	28.0	2.5	2.6	3.4	4.1	1.4	1.4	1.9	2.4	38	43	49	56	15.7	11.4	13.4	14.6
Varun Beverages	Accumulate	1,654	489	587	20.0	200.1	215.7	246.7	276.5	47.1	50.8	58.0	65.1	25.9	31.1	36.1	41.6	49	53	58	64	21.8	17.9	19.2	20.1
Footwear																									
Relaxo Footwears	Reduce	91	365	423	15.9	27.9	26.2	28.0	30.6	3.8	3.7	4.1	4.6	1.7	1.8	2.0	2.3	84	81	82	84	8.3	8.6	9.8	11.3
Metro Brands	Buy	276	1,014	1,510	48.9	25.1	28.3	32.7	37.9	7.6	8.6	10.0	11.6	3.5	4.1	4.8	5.5	63	74	87	102	19.4	21.7	21.4	21.1
Bata India	Accumulate	114	888	1,158	30.4	34.9	35.7	38.0	40.8	7.4	7.4	8.4	9.2	2.1	1.9	2.6	3.2	123	121	123	127	13.4	12.1	16.4	19.7
Campus Activewear	Buy	76	250	353	41.5	15.9	17.9	20.2	22.4	2.4	2.8	3.4	3.9	1.2	1.4	1.7	2.0	25	28	33	38	17.2	17.1	18.1	18.2
Healthcare																									
Apollo Hospitals	Accumulate	994	6,913	8,395	21.4	217.9	247.7	282.6	320.2	30.2	35.9	40.0	47.0	14.5	17.8	19.2	23.8	557	658	767	906	18.1	18.8	17.2	18.4
Aster DM Healthcare	Accumulate	286	552	733	32.9	41.4	45.6	51.0	58.3	7.6	8.9	9.8	11.1	3.6	3.9	4.5	4.8	69	67	68	69	8.2	10.4	11.6	12.1
Fortis Healthcare	Accumulate	647	856	927	8.2	77.8	90.8	103.0	114.3	15.9	20.8	24.2	27.3	8.6	10.6	13.3	15.8	118	131	148	151	8.7	11.0	12.3	13.7
Shalby	Accumulate	19	171	219	27.8	10.9	12.0	13.6	15.5	1.3	1.6	1.9	2.3	0.0	0.5	0.9	1.2	92	96	105	115	0.2	4.8	8.0	9.7
Dr Lal PathLabs	Accumulate	231	1,377	1861	35.1	24.6	27.4	30.6	34.1	7.0	7.7	8.7	9.8	4.9	5.1	5.8	6.5	260	296	337	383	23.8	21.7	21.4	21.1
Thyrocare Technologies	Buy	75	474	625	31.8	6.9	8.1	9.3	10.6	2.1	2.7	3.2	3.6	1.1	1.8	2.0	2.3	102	112	126	146	20.9	31.0	32.0	32.0
Hotels																									
Indian Hotels Company	Buy	919	646	896	38.8	83.3	96.6	112.1	125.4	27.7	33.4	40.3	46.4	16.0	18.5	23.8	28.7	78	85	100	118	14.2	14.0	15.6	16.1
Chalet Hotels	Accumulate	185	847	1,081	27.7	17.2	21.2	23.9	26.9	7.4	9.3	10.5	12.0	1.4	3.6	4.5	5.9	139	167	201	236	5.8	10.6	11.3	12.4
Lemon Tree Hotels	Accumulate	106	134	157	16.9	12.9	14.3	16.1	17.6	6.3	6.9	8.1	9.2	2.0	2.3	3.2	4.0	15	19	24	30	11.8	11.8	13.4	13.7
Juniper Hotels	Buy	52	235	346	47.4	9.4	10.8	12.5	13.9	3.4	4.1	4.8	5.5	0.7	1.5	2.1	2.8	123	129	139	151	2.6	5.5	6.9	8.7
Samhi Hotels	Buy	40	180	291	61.5	11.2	12.9	14.0	15.8	4.1	4.8	5.3	6.4	1.1	1.7	2.2	3.3	52	88	101	119	10.3	10.8	10.0	13.1
ITC Hotels	Buy	374	180	266	48.1	35.6	46.2	51.3	57.8	12.1	17.3	19.6	22.5	6.3	10.9	12.6	15.2	51	57	62	70	6.6	9.7	10.1	11.0
Leela Palaces Hotels & Resorts	Buy	140	419	620	48.0	13.0	15.4	17.3	21.7	5.9	7.4	8.1	10.3	0.5	3.9	4.9	5.9	129	193	208	226	12.2	7.8	7.3	8.1
IT Services																									
Tata Consultancy Services	Accumulate	11,224	3,102	3,600	16.0	2,553.2	2,584.6	2,650.0	2,732.4	674.1	700.7	708.9	749.1	485.5	501.4	505.0	532.8	262	323	351	381	51.9	46.9	41.1	39.9
HCL Technologies	Sell	4,579	1,687	1,500	(11.1)	1,170.6	1,296.6	1,388.7	1,470.5	255.1	269.6	287.7	301.4	173.9	157.9	190.1	196.7	257	263	270	278	25.2	22.4	26.3	26.5
Infosys	Accumulate	6,887	1,658	1,770	6.8	1,629.9	1,772.0	1,911.1	2,041.5	408.9	411.4	454.9	490.3	283.6	291.5	331.9	353.6	232	206	226	252	30.7	32.1	37.1	35.8
Wipro	Sell	2,516	240	220	(8.3)	890.9	922.4	985.3	1,054.4	180.8	179.4	185.9	194.2	131.4	133.6	136.0	141.4	79	85	92	98	16.6	15.5	14.6	14.1
LTIMindtree	Accumulate	1,772	5,977	6,740	12.8	380.1	420.3	470.6	521.4	64.9	75.2	85.7	99.3	46.0	54.7	64.4	74.8	765	857	977	1,116	20.2	19.7	22.2	22.6
Tech Mahindra	Accumulate	1,644	1,679	1,840	9.6	529.9	563.8	617.8	671.4	69.9	87.7	109.2	121.5	42.5	51.5	74.3	79.8	308	311	315	333	15.5	18.4	26.3	27.3
Persistent Systems	Reduce	1,001	6,343	5,250	(17.2)	119.4	141.8	159.3	182.7	20.6	25.8	29.3	34.4	14.0	18.0	21.0	24.9	407	496	577	672	24.8	25.6	25.0	25.5
Coforge	Reduce	567	1,694	1,720	1.6	120.5	161.2	185.6	207.0	20.0	27.8	32.2	35.5	9.8	14.7	17.1	20.3	192	209	234	264	16.2	16.7	17.6	18.8
Mphasis	Buy	537	2,816	3,340	18.6	142.3	156.6	171.6	187.6	26.5	29.4	33.2	35.2	17.0	19.3	22.8	24.1	505	570	641	717	18.5	18.8	19.7	18.5
KPIT Technologies	Sell	310	1,131	995	(12.0)	58.4	63.9	70.8	79.3	12.3	12.7	14.4	16.7	8.4	7.7	9.3	10.9	107	117	149	175	28.8	22.4	22.9	22.7
Tata Elxsi	Sell	336	5,387	4,520	(16.1)	37.3	37.4	41.9	47.4	9.7	8.4	10.3	12.2	7.8	5.0	8.0	9.4	459	497	549	609	27.4	19.1	23.5	24.7
Tata Technologies	Sell	263	647	490	(24.3)	51.7	53.8	60.2	65.8	9.3	8.3	9.9	11.5	6.8	6.3	7.4	8.9	88	92	97	104	18.9	13.8	18.7	21.1
Genesys International	Buy	14	325	940	189.4	3.1	4.4	5.9	8.3	1.4	1.9	2.6	3.6	0.6	0.7	1.0	1.9	140	184	207	251	10.7	10.4	12.6	20.5
CE Info Systems	Buy	75	1,367	2,551	86.6	4.6	5.7	7.3	9.2	1.8	2.2	3.1	4.0	1.5	2.0	2.6	3.4	144	175	217	274	20.8	22.3	24.1	25.6
Industrials																									
Praj Industries	Sell	53	291	320	10.1	32.3	32.1	34.7	36.4	3.1	2.2	3.3	3.5	1.9	1.3	2.1	2.3	75	76	82	88	14.4	9.2	14.4	14.6
Internet																									
Affle 3i	Buy	233	1,656	2,300	38.9	22.7	27.3	33.3	40.4	4.8	6.2	7.7	9.5	3.8	5.0	6.3	7.9	210	246	291	345	14.0	15.7	16.8	17.7
ETERNAL	Buy	2,602	270	415	53.9	202.4	507.6	1,058.5	1,918.0	6.4	8.4	28.6	47.6	5.3	8.0	22.8	34.8	33	34	37	41	2.1	2.6	7.1	9.9
Devyani International	Accumulate	154	125	185	48.2	49.5	57.0	62.6	68.8	8.1	8.9	10.7	12.3	(0.1)	0.6	1.7	2.6	12	12	13	15	(0.5)	4.3	11.2	14.7
Restaurant Brands Asia	Buy	37	64	100	57.0	25.5	28.6	32.1	35.4	2.7	3.4	4.2	4.8	(2.3)	(1.6)	(1.6)	(1.6)	15	13	10	7	(30.6)	(20.0)	(24.8)	(32.1)
Swiggy	Accumulate	900	326	490	50.3	152.3	211.3	284.1	379.3	(27.9)	(28.7)	(3.3)	13.5	(31.1)	(32.7)	(9.9)	4.5	45	31	29	32	(34.5)	(36.4)	(13.1)	5.9
CarTrade Tech	Buy	121	2,525	3,840	52.1	6.4	8.4	10.6	13.1	1.5	2.3	3.2	4.2	1.5	1.9	2.5	3.1	468	507	559	624	6.5	7.6	9.3	10.5
Infrastructure																									
Larsen & Toubro	Accumulate	5,242	3,811	4,487	17.8	2,557.3	2,910.6	3,309.2	3,724.8	264.3	286.8	333.0	379.1	145.6	167.3	198.2	228.4	710	794	893	1,008	13.4	14.0	15.3	15.8
PNC Infratech	Buy	58	227	330	45.2	55.1	56.5	65.0	79																

Coverage  
Universe

Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
HG Infra Engineering	Buy	43	667	1,330	99.3	60.5	68.9	78.8	90.5	9.5	10.9	12.1	14.4	5.2	6.2	7.0	8.8	443	537	643	777	20.0	19.5	18.2	19.1
HCC	Buy	50	19	35	83.6	48.0	48.1	50.3	55.0	9.3	6.6	6.9	7.6	0.8	1.9	2.5	3.4	11	11	12	14	6.0	9.8	11.9	14.1
Afcons Infrastructure	Buy	129	350	567	62.1	125.5	138.9	160.7	179.1	13.6	16.0	19.0	21.7	4.9	6.1	7.7	9.0	143	160	181	205	11.0	11.0	12.3	12.6
NBCC India	Buy	264	98	165	68.7	120.4	152.7	186.8	227.9	6.2	7.9	10.1	13.8	6.4	7.4	8.9	11.8	9	12	14	17	25.1	24.6	24.1	26.4
GMR Airports	Buy	1,013	96	123	28.2	104.1	160.8	188.9	215.3	37.7	55.5	64.0	76.1	(10.0)	2.3	5.7	13.9	(2)	(2)	(2)	(0)	6.1	11.2	14.0	17.6
Insurance (*)						APE*				VNB*				Operating EV Earnings*				Embedded Vale (EV)*				Operating RoEV (%)*			
HDFC Life Insurance	Buy	1,580	732	890	21.6	154.8	170.9	196.2	222.8	39.6	41.6	49.4	57.5	79.2	84.0	99.9	115.9	554	631	730	847	16.7	15.2	15.8	15.9
ICICI Pru Life Insurance	Accumulate	944	652	730	12.0	104.1	105.9	117.6	130.9	23.7	26.0	29.4	33.5	55.3	62.5	72.1	81.6	480	539	608	686	13.1	13.0	13.4	13.4
Max Financial Services	Buy	561	1,625	1,350	(16.9)	93.5	108.2	124.6		20.8	25.9	30.4		36.5	44.3	52.3		236	281	333		18.7	18.8	18.6	
SBI Life Insurance	Buy	2,055	2,049	2,150	4.9	214.2	235.1	260.6	290.9	59.5	66.6	73.8	82.0	117.8	131.2	150.1	171.7	702	829	975	1,140	20.2	18.7	18.1	17.6
Life Insurance Corporati	Buy	5,118	809	1,200	48.3	568.3	625.2	681.9	745.4	100.1	112.4	124.7	140.4	826.2	810.3	874.0	966.0	7,769	8,579	9,453	10,419	11.4	10.4	10.2	10.2
General Insurance#						Gross Direct Premium Income (GDPI)#				Operating Profit #				PAT#				EPS (INR)#				ROE (%)#			
ICICI Lombard GIC	Buy	927	1,862	2,250	20.9	268.3	279.7	312.0	350.0	24.2	27.1	32.8	37.4	25.1	29.6	34.5	39.6	51	60	70	80	19.1	19.0	18.9	18.6
Star Health & Allied	Sell	256	435	380	(12.6)	167.8	187.0	214.3	245.6	9.0	11.9	14.3	16.1	6.5	8.5	10.4	11.7	11	14	17	20	9.7	11.5	12.4	12.3
Media & Entertainment																									
Zee Entertainment	Buy	81	84	150	78.9	82.9	82.7	86.6	90.6	12.0	9.1	11.7	13.2	7.7	5.8	7.9	9.2	120	126	134	144	6.9	4.9	6.3	6.9
Sun TV Network	Buy	217	551	730	32.4	38.8	41.3	41.2	42.7	20.9	22.2	22.4	23.4	17.3	15.9	16.9	17.8	290	309	327	347	15.9	13.5	13.4	13.4
PVR Inox	Accumulate	94	962	1,225	27.4	57.8	69.8	72.9	77.6	15.4	19.3	20.8	22.3	(2.8)	0.6	1.0	1.4	719	725	736	750	(3.9)	0.9	1.4	2.0
Entertainment Network I	Buy	5	114	220	93.1	5.3	5.6	6.0	6.2	0.7	0.8	0.9	1.1	0.1	0.2	0.3	0.5	162	165	170	178	1.5	2.8	4.1	5.9
TV Today Network	Accumulate	8	127	160	26.4	9.9	8.8	9.3	9.6	1.0	0.4	0.7	0.8	0.8	0.4	0.4	0.5	149	155	160	167	9.4	4.4	4	4.8
DB Corp	Accumulate	45	251	280	11.5	23.4	23.8	24.9	25.9	5.4	5.1	5.6	6.0	3.7	3.6	4.0	4.4	125	140	158	177	16.7	15.3	15.1	14.7
Metals & Minnings																									
Hindalco Industries	Accumulate	2,061	928	868	(6.5)	2,385.0	2,537.0	2,719.9	2,865.7	318.1	314.7	352.7	375.3	166.2	152.5	172.5	182.7	557	621	695	773	14.5	11.7	11.8	11.2
Ferrous Metals																									
NMDC	Accumulate	693	79	80	1.5	236.7	288.0	316.5	337.6	82.6	92.2	104.6	111.9	66.9	75.3	84.9	90.4	34	39	46	54	24.3	23.6	22.7	20.5
JSW Steel	Sell	2,837	1,160	994	(14.3)	1,688.2	1,828.4	2,045.9	2,278.5	229.0	297.8	348.3	385.7	38.5	79.8	115.8	139.9	326	395	450	515	4.8	8.8	11.0	11.6
Tata Steel	Accumulate	2,292	184	187	1.9	2,185.4	2,328.6	2,469.5	2,601.0	253.0	349.6	431.0	491.3	40.6	124.2	192.7	249.1	73	79	91	107	4.4	13.1	18.3	20.2
Jindal Steel	Accumulate	1,061	1,040	1,123	8.0	497.7	543.6	664.7	739.3	68.0	82.4	129.4	149.4	37.9	52.9	89.0	103.1	466	517	603	704	8.2	10.6	15.6	15.5
Steel Authority of India	Sell	601	145	129	(11.3)	1,024.8	1,068.7	1,147.9	1,236.8	106.3	118.6	130.6	140.7	23.7	35.4	42.8	47.9	135	141	148	155	4.3	6.2	7.2	7.6
Jindal Stainless	Accumulate	626	760	836	10.1	393.1	430.4	484.6	544.9	46.7	55.5	62.6	71.1	25.1	33.7	42.3	49.6	203	248	280	324	16.2	18.1	19.4	19.9
Non-Lending Financials						Total Income				PBT				PAT											
HDFC AMC	Buy	1,082	2,527	3,100	22.7	40.6	48.4	55.1	62.2	32.9	39.2	44.6	50.2	24.6	29.4	33.5	37.6	190	214	237	262	32.4	34.0	34.7	35.2
Nippon Life India AMC	Accumulate	543	852	930	9.1	25.2	29.6	33.5	38.2	16.9	20.2	23.1	26.8	12.9	14.8	17.2	20.0	67	67	69	70	31.4	34.8	39.7	45.2
Aditya Birla Sun Life AMC	Accumulate	227	787	940	19.5	19.9	22.3	23.9	26.4	12.4	14.1	14.9	16.4	9.3	10.5	11.2	12.3	129	136	144	153	27.1	27.5	27.6	28.8
UTI AMC	Accumulate	138	1,073	1,490	38.9	18.6	20.9	22.3	23.8	10.5	12.2	13.0	14.1	7.3	8.8	9.5	10.3	404	416	431	447	14.4	16.8	17.5	18.3
						Revenue				EBIDTA				Adj PAT											
KFIN Technologies	Buy	174	1,008	1,280	27.0	10.9	13.0	16.0	18.6	4.8	5.3	6.7	8.1	3.3	3.7	4.7	5.8	82	95	114	136	26.1	23.9	26.0	26.8
CAMS	Accumulate	176	710	880	23.9	14.2	15.5	17.9	20.7	6.5	6.8	7.9	9.2	4.7	4.8	5.6	6.4	226	254	286	323	46.2	40.6	41.3	42.2
Oil & Gas																									
Reliance Industries	Accumulate	18,865	1,394	1,717	23.2	9,646.9	9,643.6	10,396.0	11,252.9	1,654.4	1,855.9	2,056.3	2,262.7	696.5	800.7	964.2	1,092.0	623	685	753	831	7.2	7.6	8.5	8.8
ONGC	Buy	3,024	240	304	26.5	6,295.4	6,196.4	6,804.0	6,864.7	988.6	1,171.0	1,259.4	1,298.4	363.8	511.6	562.2	583.3	273	297	324	353	9.8	13.0	12.9	12.1
Indian Oil Corporation	Buy	2,237	158	202	27.5	7,581.1	7,420.9	7,884.5	8,204.3	359.9	664.4	727.2	730.0	117.6	309.6	347.8	344.7	132	148	167	185	6.2	15.3	15.3	13.6
Bharat Petroleum	Buy	1,541	355	457	28.7	4,402.7	4,415.4	4,466.7	4,588.1	254.0	424.0	367.9	387.9	123.9	249.8	207.2	216.1	188	226	258	292	15.8	27.9	19.7	18.1
GAIL	Accumulate	1,060	161	210	30.3	1,450.9	1,492.2	1,588.5	1,660.7	143.3	135.9	168.3	178.8	94.8	90.2	114.3	122.7	107	116	127	139	14.1	12.3	14.3	14.0
Hindustan Petroleum	Buy	933	439	627	43.0	4,337.3	4,365.5	4,855.7	4,865.1	166.1	340.9	359.5	363.3	73.6	204.4	215.5	218.5	216	280	347	415	16.9	38.8	32.3	27.0
Petronet LNG	Reduce	411	274	293	7.0	509.8	465.2	508.9	533.9	58.2	59.3	65.6	71.5	41.5	41.2	46.6	51.0	129	144	162	181	22.8	20.1	20.3	19.8
Indraprastha Gas	Accumulate	247	177	232	31.4	148.1	164.1	189.6	208.1	18.6	21.4	29.8	32.9	13.8	15.0	20.8	23.2	66	73	83	95	15.5	15.3	19	18.6
Oil India	Buy	698	429	536	24.9	361.6	421.6	540.4	719.9	112.2	119.9	151.1	190.3	70.4	72.7	97.0	127.5	306	329	369	421	13.1	12.8	15.5	18
Gujarat State Petronet	Accumulate	167	296	325	9.8	11.1	11.6	13.1	15.1	8.1	7.9	9.1	10.7	8.1	7.5	8.6	10.0	191	199	210	222	7.7	6.8	7.5	8.2
Gujarat Gas	Reduce	272	395	409	3.7	164.9	157.5	178.7	199.4	18.8	17.8	19.7	21.5	11.5	10.6	11.9	13.1	123	133	145	157	14.2	12	12.4	12.6
MRPL																									



Company	Rating	Mkt Cap (INR bn)	CMP (INR)	TP (INR)	Upside/ Downside (%)	Net Sales (INR bn)				EBIDTA (INR bn)				Adj PAT (INR bn)				BVPS (INR)				ROE (%)			
						FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Pharmaceuticals																									
Sun Pharmaceuticals	Accumulate	3,872	1,614	1,968	21.9	525.8	569.4	622.8	681.1	150.9	158.7	177.1	196.4	119.8	113.4	126.1	140.4	301	329	365	408	17.2	14.9	15.1	15.1
Dr. Reddy's	Buy	974	1,167	1,588	36.1	325.5	343.1	363.1	398.6	86.2	77.9	76.6	87.3	57.5	49.2	46.5	54.2	397	450	498	555	18.6	13.7	11.6	12.2
Cipla	Accumulate	1,113	1,378	1,670	21.2	275.5	287.7	308.4	350.2	71.3	68.0	68.6	89.9	52.7	48.0	48.6	64.1	386	429	476	541	18.2	14.5	13.2	15.5
Torrent Pharma	Accumulate	1,346	3,977	4,137	4.0	115.2	130.4	191.5	210.8	37.2	42.7	60.6	66.9	19.4	24.1	25.3	30.1	224	264	274	322	26.8	29.2	26.3	26.7
Zydus Lifescience	Buy	879	873	1,311	50.1	232.4	264.4	278.4	330.6	69.0	70.4	65.2	75.3	47.5	47.5	43.6	51.0	238	273	303	339	19.6	16.9	13.8	14.6
Aurobindo Pharma	Buy	663	1,142	1,568	37.3	317.2	336.0	392.1	413.1	66.1	68.3	73.9	77.8	34.9	36.4	42.3	46.3	562	625	692	766	11.2	10.6	11.1	10.9
Lupin	Accumulate	990	2,168	2,239	3.3	227.1	263.2	265.2	276.7	52.8	68.9	60.2	59.8	32.8	45.6	41.0	40.2	376	463	543	621	20.7	23.6	17.7	15.0
Ajanta Pharma	Buy	337	2,695	3,115	15.6	46.5	53.0	58.8	65.1	12.7	14.4	16.1	17.8	9.2	10.0	11.1	12.3	303	353	409	471	25.0	24.3	23.3	22.3
JB Chemicals & Pharmaco	Accumulate	295	1,884	1,784	(5.3)	39.2	43.0	47.5	52.5	10.3	11.6	13.1	14.8	6.6	7.4	8.5	9.8	219	250	290	335	20.8	20.0	20.1	20.0
Gland Pharma	Accumulate	274	1,662	2,225	33.9	56.2	63.4	73.7	82.0	12.7	15.4	19.8	22.8	7.0	9.1	12.7	15.2	555	591	646	716	7.8	9.6	12.4	13.5
Divi's Laboratories	Sell	1,596	6,013	4,486	(25.4)	93.6	106.9	123.8	145.2	29.7	34.9	41.8	51.1	21.9	26.0	30.1	36.4	564	632	713	816	15.4	16.4	16.8	18.0
Pipes																									
APL Apollo Tubes	Accumulate	529	1,906	1,938	1.7	206.9	224.8	276.4	323.7	12.0	17.7	23.0	27.2	7.6	12.1	16.3	19.6	152	189	242	307	19.4	25.5	27.2	25.8
Ratnamani Metals & Tubes	Buy	143	2,045	3,420	67.2	51.9	56.5	67.0	80.6	8.2	9.8	11.4	13.6	5.4	6.9	8.6	10.6	519	606	716	856	15.8	17.3	18.3	18.9
Ports & Logistics																									
Adani Ports & SEZ	Buy	2,954	1,368	1,700	24.3	310.8	361.0	409.3	464.4	190.2	220.0	248.8	279.7	116.2	137.1	157.2	182.7	289	333	397	473	19.4	19.7	19.3	18.9
Container Corporation of India	Accumulate	379	498	631	26.7	88.6	99.8	112.2	125.8	19.0	20.4	22.5	27.1	13.1	13.6	14.6	17.5	162	175	187	201	10.8	10.6	10.6	11.8
Mahindra Logistics	Sell	28	280	325	16.3	61.0	70.6	80.5	92.0	2.8	3.6	4.4	5.1	(0.4)	0.2	1.0	1.4	61	124	132	145	(7.5)	2.9	7.6	10.1
VRL Logistics	Buy	43	248	366	47.6	31.6	32.4	35.0	38.2	5.7	5.6	5.9	6.4	1.8	1.7	2.0	2.3	62	75	85	97	18.0	14.0	14.1	14.4
Blue Dart Express	Accumulate	127	5,345	6,683	25.0	57.2	61.5	71.0	81.9	5.0	6.0	7.0	8.1	2.4	3.3	4.1	4.9	684	773	883	1,014	16.0	19.3	20.8	21.7
Allcargo GATI	Accumulate	NA	NA	110	NA	17.9	22.9	25.2		0.8	1.2	1.4		0.0	0.3	0.4		50	54	59		0.6	4.5	5.2	
Delhivery	Buy	288	385	593	54.1	89.3	105.6	119.1	134.5	3.8	6.8	9.2	11.9	1.7	4.3	5.6	7.6	127	133	140	151	1.8	4.5	5.5	7.0
JSW Infrastructure	Buy	563	268	393	46.7	44.8	54.5	67.1	96.6	22.6	24.7	29.7	48.6	15.0	13.5	15.3	27.3	47	53	59	72	16.1	12.1	12.2	18.8
Real Estate																									
Godrej Properties	Buy	510	1,695	3,700	118.3	49.2	98.4	129.9	187.0	0.4	28.1	42.0	67.3	14.0	28.4	38.9	58.7	575	669	799	994	10.3	15.2	17.6	21.8
DLF	Buy	1,517	613	1,050	71.3	79.9	119.8	157.1	179.6	21.1	45.9	61.2	70.6	46.7	59.7	73.6	81.7	159	172	188	208	11.4	13.4	15.0	15.1
Oberoi Realty	Buy	554	1,524	2,500	64.1	52.9	68.3	79.1	105.9	31.0	38.7	44.7	58.0	22.3	27.7	34.5	47.3	432	498	583	703	15.1	16.4	17.6	20.2
Prestige Estates Projects	Buy	614	1,425	2,300	61.4	73.5	161.1	214.5	257.7	25.6	55.7	82.6	103.7	4.7	21.3	35.1	44.7	358	406	486	589	3.5	13.0	18.3	19.3
Sobha	Buy	146	1,365	2,500	83.2	40.4	47.0	55.1	68.8	2.9	7.2	9.8	13.1	0.9	5.4	7.3	8.9	43	471	527	598	2.7	11.2	13.7	14.8
Brigade Enterprises	Accumulate	194	792	1,200	51.5	57.4	72.9	83.4		15.9	24.1	29.3		5.5	10.4	13.9		230	271	326		11.9	17.0	19.0	
Mahindra Lifespace Developers	Accumulate	74	348	585	68.3	10.5	18.8	23.3		(0.5)	2.8	5.7		0.7	3.5	6.4		123	143	181		3.5	17.0	25.3	
Lodha Developers	Accumulate	978	979	1,400	43.0	137.8	202.9	210.1	249.3	39.9	69.6	70.2	84.3	27.6	47.3	48.5	60.2	202	243	284	335	14.7	21.3	18.5	19.5
Sugar																									
Balrampur Chini Mills	Buy	83	411	584	42.1	54.2	59.9	70.0	82.3	7.0	8.5	9.4	16.0	4.4	4.8	4.6	9.4	188	215	236	273	12.1	11.8	10.1	18.3
Textile																									
Arvind	Buy	77	293	538	83.8	83.3	93.0	104.4	115.7	8.5	8.7	11.8	13.5	3.5	3.3	5.3	6.4	145	152	168	186	9.4	8.2	12.3	13.5
KPR Mill	Reduce	278	813	1,086	33.6	63.9	68.4	72.6	76.4	12.5	13.0	14.2	16.1	8.2	8.7	9.5	11.0	146	167	189	215	17.4	16.3	15.7	15.9
Vardhman Textiles	Accumulate	116	403	491	21.9	97.8	101.3	108.8	115.5	12.6	14.0	16.8	18.4	8.8	8.6	10.4	11.6	348	373	402	436	9.2	8.3	9.3	9.7
Utilities																									
NTPC	Buy	3,285	339	462	36.4	1,700.4	1,740.2	1,770.9	1,801.2	453.7	471.5	478.6	485.0	196.5	205.3	209.2	213.3	167	179	191	204	12.6	12.3	11.7	11.1
NHPC	Buy	779	78	105	35.4	89.9	103.8	118.3	123.9	45.5	58.5	72.1	76.8	30.8	34.5	39.4	42.2	38	40	41	43	8.2	8.8	9.7	10.0
Power Grid Corporation of India	Buy	2,363	254	356	40.1	457.9	496.5	536.0	553.4	390.7	433.8	472.0	488.0	155.2	152.9	173.2	175.1	100	105	110	116	17.3	16.1	17.4	16.7
PTC India	Buy	45	153	210	37.3	156.1	164.8	172.7	181.1	5.3	5.3	5.5	5.7	3.3	3.9	4.0	4.2	161	161	167	171	7.5	8.1	8.2	8.4
Tata Power	Buy	1,128	353	504	42.8	654.8	661.9	786.2	849.3	139.3	147.1	169.7	194.0	49.0	55.6	61.1	64.8	112	124	137	152	12.1	12.3	12.2	11.6
Torrent Power	Reduce	666	1,322	1,313	(0.6)	291.7	312.9	350.2	376.6	53.1	62.4	79.7	84.4	23.5	26.4	28.9	29.0	350	382	417	452	15.3	13.9	13.9	12.8
JSW Energy	Buy	837	479	648	35.3	117.5	219.3	254.3	278.6	52.2	112.0	138.7	157.2	19.8	27.3	36.7	46.0	157	168	185	207	7.9	9.1	11.3	12.8
CESC	Buy	195	147	228	54.9	170.0	185.7	193.9	207.1	26.9	32.2	34.6	41.4	15.0	16.7	18.0	21.2	90	97	104	112	12.2	12.8	12.8	14.0
Coal India	Accumulate	2,559	415	432	4.0	1,433.7	1,422.3	1,493.2	1,567.6	470.6	404.3	421.7	438.5	353.0	284.5	290.8	295.8	161	180	198	217	38.5	26.9	24.8	23.0
Indian Energy Exchange	Reduce	116	130	138	5.9	5.4	6.2	4.5	4.8	4.5	5.2	3.4	3.5	4.3	4.6	3.0	3.1	13	16	18	21	40.7	35.3	19.2	17.9
SJVN	Buy	282	72	131	82.4	30.7	33.5	57.8	60.2	22.2	25.6	46.1	47.6	8.2	9.4	21.8	22.4	36	38	42	46	5.8			

**Stinger Disclaimer**

This document is provided for assistance and is not intended to be and must not alone be taken as the basis for an investment decision. Nothing in this document should be construed as investment or financial advice, and nothing in this document should be construed as an advice to buy or sell the securities of companies referred to in this document. The intent of this document is not in recommendatory nature. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent valuation of an investment. The investment discussed or views expressed may not be suitable for all investors. **Elara Securities (India) Private Limited** has not independently verified all the information given in this document. Accordingly, no representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. This information is subject to change without prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. **Elara Securities (India) Private Limited**, its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information, which is already in publicly accessible media or developed through analysis of **Elara Securities (India) Private Limited**. The views expressed are those of analysts and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Neither the Firm, nor its directors, employees, agent or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

**Research Reports Disclaimer****Disclosures & Confidentiality for non U.S. Investors**

The Note is based on our estimates and is being provided to you (herein referred to as the “Recipient”) only for information purposes. The sole purpose of this Note is to provide preliminary information on the business activities of the company and the projected financial statements in order to assist the recipient in understanding / evaluating the Proposal. Nothing in this document should be construed as an advice to buy or sell or solicitation to buy or sell the securities of companies referred to in this document. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. Nevertheless, Elara Securities (India) Private Limited or any of its affiliates is committed to provide independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Elara Securities (India) Private Limited or any of its affiliates have not independently verified all the information given in this Note and expressly disclaim all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this Note. The user assumes the entire risk of any use made of this information. Elara Securities (India) Private Limited or any of its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for or solicit investment banking or other business from any company referred to in this Note. Each of these entities functions as a separate, distinct and independent of each other. This Note is strictly confidential and is being furnished to you solely for your information. This Note should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This Note is not directed 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, regulation or which would subject Elara Securities (India) Private Limited or any of its affiliates to any registration or licensing requirements within such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law, and persons in whose possession this document comes, should inform themselves about and observe, any such restrictions. Upon request, the Recipient will promptly return all material received from the company and/or the Advisors without retaining any copies thereof. The Information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This Information is subject to change without any prior notice. Elara Securities (India) Private Limited or any of its affiliates reserves the right to make modifications and alterations to this statement as may be required from time to time. However, Elara Securities (India) Private Limited is under no obligation to update or keep the information current. Neither Elara Securities (India) Private Limited nor any of its affiliates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. This Note should not be deemed an indication of the state of affairs of the company nor shall it constitute an indication that there has been no change in the business or state of affairs of the company since the date of publication of this Note. The disclosures of interest statements incorporated in this document are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. Elara Securities (India) Private Limited generally prohibits its analysts, persons reporting to analysts and their family members from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Any clarifications / queries on the proposal as well as any future communication regarding the proposal should be addressed to Elara Securities (India) Private Limited. It is important to note that any dispute with respect to this research report, would not have access to stock exchange investor redressal forum or arbitration mechanism.

Elara Securities (India) Private Limited was incorporated in July 2007 as a subsidiary of Elara Capital (India) Private Limited.

Elara Securities (India) Private Limited is a SEBI registered Stock Broker in the Capital Market and Futures & Options Segments of National Stock Exchange of India Limited [NSE] and BSE Limited [BSE] and a Depository Participant registered with Central Depository Services (India) Limited [CDSL].

Elara Securities (India) Private Limited's business, amongst other things, is to undertake all associated activities relating to its broking business.

The activities of Elara Securities (India) Private Limited were neither suspended nor has it defaulted with any stock exchange authority with whom it is registered in last five years. However, during the routine course of inspection and based on observations, the exchanges have issued advise letters or levied minor penalties on Elara Securities (India) Private Limited for minor operational deviations in certain cases. Elara Securities (India) Private Limited has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has the certificate of registration been cancelled by SEBI at any point of time.

Elara Securities (India) Private Limited offers research services primarily to institutional investors and their employees, directors, fund managers, advisors who are registered or proposed to be registered.

Details of Associates of Elara Securities (India) Private Limited are available on group company website [www.elaracapital.com](http://www.elaracapital.com)

Elara Securities (India) Private Limited is maintaining arms-length relationship with its associate entities.

Research Analyst or his/her relative(s) may have financial interest in the subject company. Elara Securities (India) Private Limited does not have any financial interest in the subject company, whereas its associate entities may have financial interest. Research Analyst or his/her relative does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Elara Securities (India) Private Limited does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Associate entities of Elara Securities (India) Private Limited may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Research Analyst or his/her relative or Elara Securities (India) Private Limited or its associate entities does not have any other material conflict of interest at the time of publication of the Research Report.

Artificial Intelligence (AI) tools may have been used only for compilation or collating publicly available research data or internally generated research data during the information gathering and/or summarizing the final report.

Research Analyst or his/her relative(s) has not served as an officer, director or employee of the subject company.

Research analyst or Elara Securities (India) Private Limited have not received any compensation from the subject company in the past twelve months. Associate entities of Elara Securities (India) Private Limited may have received compensation from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities have not managed or co-managed public offering of securities for the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associates have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months. Research analyst or Elara Securities (India) Private Limited or its associate entities may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company or third party in connection with the Research Report in the past twelve months.

### Disclaimer & Standard warning

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

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

### Disclaimer for non U.S. Investors

The information contained in this note is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

### Disclosures for U.S. Investors

**Rule 15a6 Disclosure:** This research report ("**Report**") was prepared, approved, published, and distributed by Elara Securities (India) Private Limited a company located outside of the United States (the "**Foreign Counterparty**"). Avior Capital Markets US LLC ("**Avior US**"), a US registered broker-dealer, distributes this Report in the US on behalf of the Foreign Counterparty. Only major U.S. institutional investors (as defined in Rule 15a-6 under the US Securities Exchange Act of 1934 (the "**Exchange Act**") may receive this Report under the exemption in Rule 15a-6. A US institutional investor must effect any transaction in the securities described in this Report through Avior US.

Neither the Report nor any analyst who prepared or approved the Report is subject to US legal requirements or the Financial Industry Regulatory Authority, Inc. ("**FINRA**") or other US regulatory requirements concerning research reports or research analysts. The Foreign Counterparty is not a registered broker-dealer under the Exchange Act nor is it a member of the Financial Industry Regulatory Authority, Inc., or any other US self-regulatory organisation.

**Disclosures on Subject Companies:** Analysts of the Foreign Counterparty produced this material solely for informational purposes and the use of the intended recipient. No person may reproduce, this Report under any circumstances. No person may copy or make this Report available to any other person other than the intended recipient.

Avior US distributes this Report in the United States of America. The Foreign Counterparty distributes this Report elsewhere in the world. This document is not an offer, or invitation by or on behalf of Avior US, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security.

Avior US and the Foreign Counterparty and their affiliates obtained the information contained herein from published information and other sources, which Avior US and the Foreign Counterparty and their affiliates reasonably consider to be reliable.

Avior US and the Foreign Counterparty accept no liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are valid as of the date of this document. Avior US assumes responsibility for the Report content with regards to research distributed in the US.

Neither Avior US nor the Foreign Counterparty has managed or co-managed a public offering of securities for the subject company in the past 12 months, have not received compensation for investment banking services from the subject company in the past 12 months and do not expect to receive and does not intend to seek compensation for investment banking services from the subject company in the next three months. Avior US and the Foreign Counterparty have not owned any class of equity securities of the subject company. There are no other actual, material conflicts of interest of Avior US and the Foreign Counterparty at the time of the publication of this Report. As of the publication of this Report, Avior US nor the Foreign Counterparty makes a market in the subject securities.

Avior US and its affiliates, to the fullest extent permissible by law, accept no liability of any nature whatsoever for any claims, damages or losses arising from, or in connection with, the contents of this Report or the use, reliance, publication, distribution, dissemination, disclosure, alteration or reproduction of this Report, or any views or recommendations recorded therein.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Subject to the applicable laws, all transactions should be executed through Avior US. Aside from within this Report, important conflict disclosures can also be found at <https://aviorcapital.us/us-regulatory-disclosures/> and Investors are strongly encouraged to review this information before investing.

### Additional Disclaimer for UK Investors

Note that Elara Securities (India) Private Limited ("**Foreign Counterparty**") has concluded a MiFID II research intermediary agreement with Avior Capital Markets International Limited ("Avior UK"), regulated by the Financial Conduct Authority (FRN: 191074), pursuant to which Avior UK distributes the Foreign Counterparty's research in the UK, in return for which the Foreign Counterparty pays Avior UK a percentage of the income received in relation to such research. This research report including any recommendations recorded therein ("**Report**") have been prepared by the Foreign Counterparty, and not by Avior UK.

The Report: (a) has been objectively prepared from public sources which are believed to be reliable and therefore constitutes independent investment research and is presented as such; and (b) may only be distributed to, and relied on by, qualifying investors, who are permitted to receive same in the UK.

Securities, money market instruments, strategies, financial or investment instruments mentioned in this Report may not be suitable for all investors. The information and opinions provided in this Report do not constitute a personal recommendation/investment advice and take no account of the investor's individual circumstances. Investors should consider this Report as only a single factor in making any investment decisions and, if appropriate, should seek advice from an investment advisor. This Report is not an offer, or invitation by or on behalf of Avior UK, the Foreign Counterparty, their affiliates, or any other person, to buy or sell any security.

Save as disclosed otherwise, the Foreign Counterparty's relationship with Avior UK is not reasonably expected to impair the objective presentation of the recommendations in the Report, including any interests or conflicts of interest concerning any financial instruments or the issuers to which the recommendations, directly or indirectly, relate. The Report is deemed to be first disseminated at the date and time recorded on the relevant distribution platform, data network or email (as applicable), and which information is available on request. A list of the Foreign Counterparty's research reports disseminated in the UK over the past 12 months is also available on request.

Avior UK does not assume any responsibility or liability of any nature whatsoever arising from or in connection with the content, use, reliance or dissemination of the Report or any recommendation in respect thereof and disclaims any such liability.

### Certification by Each of the Authors of this Report

The analyst(s) (singular includes plural) ("Analyst") certifies that the views expressed in this Report are an accurate representation of the Analyst's personal opinions on the stock or sector as covered and reported on by the Analyst hereinabove. The Analyst furthermore certifies that no part of the Analyst's compensation was, is, or will be related, directly or indirectly, to the specific recommendations or views as expressed in this document. The Analyst is principally responsible for the preparation of this Report and does not have any material conflict of interest at the time of publication of this Report. The Analyst(s) has not served as an officer, director or employee of the subject company in the last 12-month period ending on the last day of the month immediately preceding the date of publication of the Report.

**Analyst Certification:** In connection with the companies or securities that; each analyst identified in this Report certifies that: The views expressed on the subject companies and securities in this Report reflect their personal views. No part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this Report.

Note that:

- i. The Foreign Counterparty is the employer of the research analyst(s) responsible for the content of this Report, and
- ii. Research analysts preparing this Report are resident outside the United States and are not associated persons of any US regulated broker-dealer. Therefore, the analyst(s) are not subject to supervision by a US broker-dealer and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

**Avior Capital Markets US, LLC** is a FINRA registered broker-dealer (CRD # 172595) formed for that purpose in the State of Delaware with its principal office at 45 Rockefeller Plaza, Suite 2335, New York, New York 10111.

**Avior Capital Markets International Limited** is regulated by the Financial Conduct Authority (FRN: 191074), with its principal office at 10 South Street, Elgin, Scotland IV30 1LE.

**Elara Securities (India) Private Limited** is a SEBI-registered Research Analyst (Regn. No.: INH000000933), Stock Broker (Regn. No.: INZ000238236) and Depository Participant (Regn. No.: IN-DP-370-2018). Its registered address is One International Center, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road (West) Mumbai – 400 013, India


**Managing Director**
**Harendra Kumar** | harendra.kumar@elaracapital.com | +91 22 6164 8571

**Head of Research**
**Dr Bino Pathiparampil** | bino.pathiparampil@elaracapital.com | +91 22 6164 8572

**Sales Team**

**India**
**Hitesh Danak** - hitesh.danak@elaracapital.com - +91 22 6164 8543  
**Ashok Agarwal** - ashok.agarwal@elaracapital.com - +91 22 6164 8558  
**Himani Sanghavi** - himani.sanghavi@elaracapital.com - +91 22 6164 8586

**India, APAC & Australia**
**Sudhanshu Rajpal** - sudhanshu.rajpal@elaracapital.com - +91 22 6164 8508  
**Joshua Saldanha** - joshua.saldanha@elaracapital.com - +91 22 6164 8541  
**Shraddha Shrikhande** - shraddha.shrikhande@elaracapital.com - +91 22 6164 8567  
**Suyash Maheshwari** - suyash.maheshwari@elaracapital.com - +91 22 4204 8698

**India & UK**
**Prashin Lalvani** - prashin.lalvani@elaracapital.com - +91 22 6164 8544

**India & US**
**Karan Rathod** - karan.rathod@elaracapital.com - +91 22 6164 8570

**Corporate Access, Conference & Events**
**Anita Nazareth** - anita.nazareth@elaracapital.com - +91 22 6164 8520  
**Tina D'souza** - tina.dsouza@elaracapital.com - +91 22 6164 8595

**India**
**Elara Securities (India) Pvt. Ltd.**  
**One International Center, Tower 3, 21st Floor,**  
**Senapati Bapat Marg,**  
**Elphinstone Road (West)**  
**Mumbai – 400 013, India**  
**Tel : +91 22 6164 8500**
**USA**
**Elara Securities Inc.**  
 230 Park Avenue, Suite 2415,  
 New York, NY 10169, USA  
 Tel: +1 212 430 5870  
 Fax: +1 212 208 2501

**Europe**
**Elara Capital Plc**  
 6th Floor, The Grove,  
 248A Marylebone Road,  
 London, NW1 6JZ  
 United Kingdom  
 Tel : +44 20 7486 9733

**Asia / Pacific**
**Elara Capital (Asia) Pte.Ltd.**  
 One Marina Boulevard,  
 Level 20, Singapore 018989  
 Tel : +65 6692 0174

 Access our reports on Bloomberg: Type **RESP ESEC <GO>**  
 Also available on **Thomson & Reuters**
**Elara Securities (India) Private Limited**

 Registered Office Address: One International Center, Tower 3,  
 21st Floor, Senapati Bapat Marg,  
 Elphinstone Road (West) Mumbai – 400 013, India Tel : +91 22  
 6164 8500

 CIN: U74992MH2007PTC172297 | SEBI Research Analyst  
 Registration No.: INH000000933

 Member of BSE Limited and National Stock Exchange of India  
 Limited | SEBI REGN. NO.: INZ000238236

 Member of Central Depository Services (India) Limited | SEBI  
 REGN. NO.: IN-DP-370-2018

Investor Grievance Email ID:

[investor.grievances@elaracapital.com](mailto:investor.grievances@elaracapital.com) -

Tel. +91 22 6164 8509

Compliance Officer: Mr. Anand Rao -

 Email ID: [anand.rao@elaracapital.com](mailto:anand.rao@elaracapital.com) - Tel. +91 22 6164 8509