

## Market snapshot



Equities - India	Close	Chg .%	CYTD.%
Sensex	79,454	-1.1	1.7
Nifty-50	24,008	-1.1	1.5
Nifty-M 100	53,223	0.0	-7.0
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	5,660	1.0	-3.8
Nasdaq	17,929	1.2	-7.2
FTSE 100	8,555	0.7	4.7
DAX	23,499	4.5	18.0
Hang Seng	8,309	2.9	14.0
Nikkei 225	37,503	2.9	-6.0
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	63	3.1	-14.4
Gold (\$/OZ)	3,325	2.6	26.7
Cu (US\$/MT)	9,495	2.8	9.7
Almn (US\$/MT)	2,408	0.5	-4.7
Currency	Close	Chg .%	CYTD.%
USD/INR	85.4	-0.4	-0.3
USD/EUR	1.1	0.2	8.7
USD/JPY	145.4	-0.4	-7.5
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.4	-0.02	-0.4
10 Yrs AAA Corp	7.0	-0.02	-0.2
Flows (USD b)	9-May	MTD	CYTD
FII's	-0.4	1.21	-10.6
DII's	0.85	1.69	25.9
Volumes (INRb)	9-May	MTD*	YTD*
Cash	1,009	1031	1023
F&O	99,116	1,92,512	2,05,427

Note: Flows, MTD includes provisional numbers.

\*Average



## Today's top research idea

### Aurobindo Pharma: Diversification and differentiation backed by capacity; Upgrade to Buy

- ❖ Aurobindo Pharma is investing across multiple potential segments to drive sustained growth over the next 3-5 years. ARBP's PEN-G project is scaling up, effectively curbing operational losses, and is expected to contribute materially to profitability in FY26 and FY27.
- ❖ In the US generics market, ARBP continues to strengthen its position by adding niche products. The company is expanding into peptides and biosimilars as well. We raise our earnings estimate by 4%/3% to factor in: a) a faster scale-up in PEN-G, b) niche launches, and c) improved operating leverage. We value ARBP at 16x 12M forward earnings to arrive at a TP of INR1,360.
- ❖ ARBP stands out for having the most diversified US generics portfolio, demonstrating resilience against pricing pressure despite a robust USD2.1b revenue base. We project a 17% earnings CAGR over FY25-27. The current valuations appear attractive. Upgrade the stock to BUY



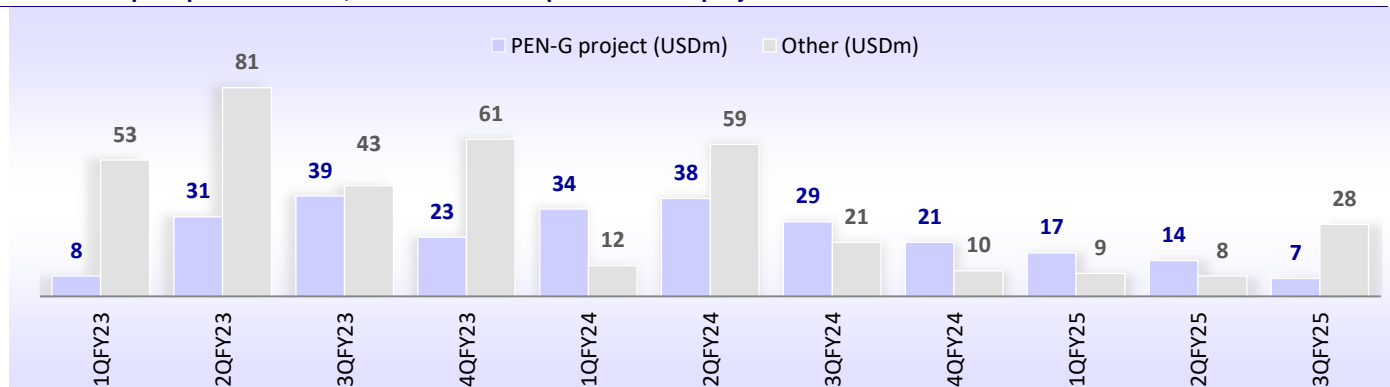
## Research covered

Cos/Sector	Key Highlights
Aurobindo Pharma	Diversification and differentiation backed by capacity; Upgrade to Buy
Pidilite Industries	Sustaining volume growth; rich valuations limit upside
Dr Reddy's Labs	FY25 ends with a modest YoY earnings growth
Union Bank of India	Healthy other income and low tax rate drive PAT beat
Other Updates	Swiggy   Biocon   MCX   Motherson Wiring   Navin Fluorine International   Manappuram Finance   IIFL Finance   Craftsman Automation   VRL Logistics   Telecom   Financials   ABB India   Thermax   Triveni Turbine   Relaxo Footwears   Alkyl Amines Chemicals   Birla Corporation



## Chart of the Day: Aurobindo Pharma (Diversification and differentiation backed by capacity; Upgrade to Buy)

USD260m capex spent on PEN-G, while USD385m spent on other projects



Source: MOFSL, Company

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

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



Kindly click on textbox for the detailed news link

1

**Zee plans to allocate 40% of free cash flows for 'core' biz projects**

Zee Entertainment will invest in regional content, digital platforms, and international growth. A significant portion of free cash flow is allocated for this purpose.

2

**Residential mortgage securities may reshape realty market**

Residential mortgage-backed securities (RMBS) have been listed on the NSE for the first time in India, potentially raising over ₹10,000 crore this financial year.

3

**Mahindra Lifespaces aims to treble sales to Rs 10,000 cr by FY30**

Mahindra Lifespaces targets Rs 10,000 crore sales by FY30, shifting focus to premium housing and expanding in key urban markets.

4

**Tata Consumer to accelerate beverage, food business expansion**

Tata Consumer plans to expand its food and beverage business with new product launches and acquisitions. With a focus on functional drinks, premium foods, and selective market entry, the FMCG firm targets urban growth and evolving consumer needs to drive future revenue.

5

**Canara Bank to grant Rs 50,000 crore corporate loans**

Canara Bank is set to disburse ₹50,000-55,000 crore in corporate loans, aiming for a 10% increase in its corporate lending portfolio.

6

**NCLT admits L&T Finance plea against Tikona Infinet over unpaid dues**

The Mumbai bench of the NCLT has admitted L&T Finance's insolvency plea against Tikona Infinet over a ₹116.01 crore default on coupon payments for convertible debentures.

7

**IPO, buyback hurdles hit Airtel Africa**

Airtel Africa's mobile money IPO is delayed to H1 2026, raising concerns despite strong Q4FY25 earnings driven by tariff adjustments and easing currency headwinds.

# Aurobindo Pharma

**BSE SENSEX** 79,454  
**S&P CNX** 24,008



## Stock Info

Bloomberg	ARBP IN
Equity Shares (m)	581
M.Cap.(INRb)/(USDb)	676.3 / 7.9
52-Week Range (INR)	1593 / 994
1, 6, 12 Rel. Per (%)	3/-12/-5
12M Avg Val (INR M)	1670
Free float (%)	48.2

## Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	315.4	343.3	381.4
EBITDA	67.0	76.2	86.2
Adj. PAT	36.2	42.8	49.6
EBIT Margin (%)	16.1	17.0	17.7
Cons. Adj. EPS (INR)	61.8	73.0	84.7
EPS Gr. (%)	10.2	18.2	15.9
BV/Sh. (INR)	566.8	635.9	716.6

## Ratios

Net D:E	-0.1	-0.1	-0.2
RoE (%)	11.5	12.1	12.5
RoCE (%)	10.6	11.4	12.0
Payout (%)	6.6	5.5	4.7

## Valuations

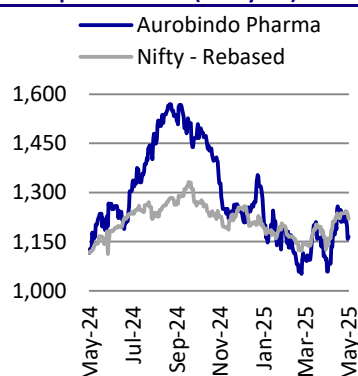
P/E (x)	18.7	15.8	13.7
EV/EBITDA (x)	9.7	8.3	6.8
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	4.7	2.5	6.6
EV/Sales (x)	2.1	1.8	1.5

## Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	51.8	51.8	51.8
DII	26.2	25.2	23.3
FII	15.3	16.3	18.0
Others	6.6	6.7	6.9

FII Includes depository receipts

## Stock performance (one-year)



**CMP: INR1,164 TP: INR1,360 (+17%) Upgrade to Buy**

## Diversification and differentiation backed by capacity

- Aurobindo Pharma (ARBP) is actively investing across multiple high-potential segments to drive sustained growth over the next 3-5 years.
- The company's Penicillin G (PEN-G) project is scaling up meaningfully, effectively curbing operational losses, and is expected to contribute materially to profitability in FY26 and FY27.
- In the US generics market, ARBP continues to strengthen its position by consistently adding limited competition products to its portfolio.
- Beyond generics, the company is expanding into peptides and biosimilars, while simultaneously building the necessary manufacturing capacities to support long-term growth.
- We raise our earnings estimate by 4%/3% to factor in: a) a faster scale-up in PEN-G, b) niche launches, and c) improved operating leverage. We value ARBP at 16x 12M forward earnings to arrive at a TP of INR1,360.
- ARBP stands out for having the most diversified US generics portfolio, demonstrating resilience against pricing pressure despite a robust USD2.1b revenue base. Additionally, its investments in differentiated capabilities and facilities for regulated markets position the company well for continued momentum.
- We project a 17% earnings CAGR over FY25-27. With the stock correcting 12-13% over the past six months, current valuations appear attractive. We upgrade the stock to BUY.

## PEN-G: From operational loss in FY25 to EBITDA contributor going forward

- Following an investment of ~INR30b, ARBP is implementing efforts to improve the yield of the manufacturing process.
- ARBP has worked comprehensively on this project, from raw material sourcing to establishing a manufacturing presence, at both the KSM and bulk drug levels. The company's formulation capacity has strengthened its presence across the entire value chain.
- In addition to building an uninterrupted power supply, ARBP has also addressed the significant water requirement for this project.
- Considering the global demand of 65-70k tons per annum, the company aims to establish a dominant position with a planned capacity of 15k tons per annum. With economies of scale and government support under the PLI scheme, we expect this project to contribute INR1.7b to EBITDA in FY26. Over the past 12M, it has dragged EBITDA by INR2b. Further, as production scales up, ARBP will become eligible for PLI incentive income.

## Generics: Work-in-progress on differentiated offerings

- ARBP is set to have the highest number of ANDA filings in the US generics market (853). Interestingly, it will have a diversified portfolio with minimal price erosion (low single digit).

- While limited competition products (g-Xarelto/g- Sprycel) are expected to drive near-term earnings, ARBP is actively advancing in the fields of biosimilars, peptides, and oligonucleotides to enhance its offerings.
- The company is specifically working on 14 products in the biosimilar segment for the US/EU market.
- Given its biologics manufacturing capabilities, the company has secured a CMO order from Merck to manufacture Drug Substance (DS)/Drug Product (DP). Accordingly, it is also working on doubling the bioreactor capacity to 60KL/annum.

#### Valuation and view: Upgrade to BUY

- After a strong FY24, ARBP is expected to post a moderate 10% YoY earnings growth in FY25, partly due to: a) operational losses from the PEN-G product and b) disrupted production at Eugia III caused by regulatory issues.
- With the above issues largely behind, we expect ARBP to witness an uptrend in earnings growth, led by a) better profitability from backward integration in antibiotic products through the PEN-G project, b) the launch of niche products, and c) scale-up in injectable production.
- We estimate 10%/13%/17% revenue/EBITDA/PAT CAGR over FY25-27.
- We value ARBP at 16x 12M forward earnings to arrive at a TP of INR1,360.
- Considering the earnings upside potential and recent correction in the stock price, we upgrade to BUY.
- **Key Risks:** Any adverse policies with respect to US tariffs on imports could impact our estimates. Additionally, delays in key approvals may keep earnings growth under check.

#### Valuation snapshot

Company	Reco	MCap (USD B)	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			ROE (%)		
			FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Ajanta Pharma	Buy	3.7	74.1	80.9	96.0	18.9	9.3	18.6	33.7	30.9	26.0	24.2	21.5	18.6	25.5	24.3	24.3
Alembic Pharma	Neutral	2.1	29.1	36.5	44.0	-7.4	25.2	20.5	30.8	24.6	20.4	18.6	15.3	12.9	11.5	12.9	13.9
Alkem Lab	Neutral	7.1	186.0	198.7	224.6	16.5	6.8	13.1	27.1	25.3	22.4	24.4	21.6	19.3	19.9	18.3	18.0
Apollo Hospitals	Buy	11.8	99.6	120.3	155.9	59.6	20.8	29.5	70.1	58.0	44.8	33.1	28.8	23.3	18.8	19.0	20.4
<b>Aurobindo Pharma</b>	<b>Buy</b>	<b>8.3</b>	<b>61.8</b>	<b>68.9</b>	<b>79.1</b>	<b>10.2</b>	<b>11.4</b>	<b>14.8</b>	<b>19.4</b>	<b>17.4</b>	<b>15.1</b>	<b>10.0</b>	<b>9.0</b>	<b>7.5</b>	<b>11.5</b>	<b>11.5</b>	<b>11.8</b>
Biocon	Buy	4.9	0.3	3.9	9.0	-80.9	1,044.6	128.5	1,005.3	87.8	38.4	18.2	15.1	12.3	0.2	2.3	5.1
Blue Jet Healthcare	Buy	1.5	17.4	20.6	24.7	76.0	18.5	20.3	42.6	35.9	29.8	34.3	27.0	21.9	30.7	28.0	26.4
Cipla	Neutral	14.4	62.2	61.2	68.2	18.5	-1.6	11.4	24.3	24.7	22.1	15.8	15.4	13.5	16.0	13.8	13.5
Divi's Lab.	Neutral	19.2	76.3	96.0	118.0	27.2	25.8	22.9	80.5	64.0	52.1	55.9	45.4	37.4	14.2	16.1	17.6
Dr Agarwal's Hea	Buy	1.3	2.9	4.0	5.3	9.7	37.2	32.2	123.4	89.9	68.0	23.8	19.7	15.9	5.3	5.8	7.1
Dr Reddy's Labs	Neutral	11.4	63.0	69.1	65.6	-0.6	9.6	-5.0	18.4	16.8	17.7	9.8	9.0	8.7	17.2	16.2	13.4
ERIS Lifescience	Neutral	2.4	26.9	39.6	54.5	-7.9	46.8	37.9	54.4	37.0	26.9	21.4	18.4	15.1	13.6	17.5	20.3
Gland Pharma	Buy	2.7	42.5	55.1	66.4	-10.8	29.7	20.6	33.0	25.5	21.1	17.7	14.6	12.4	7.7	9.2	10.1
Glenmark Pharma.	Buy	4.8	49.7	60.7	71.1	1,902.5	22	17.1	28.9	23.7	20.2	16.9	13.7	11.6	16.5	17.1	16.9
Glaxosmit Pharma	Neutral	5.7	51.3	59.0	69.0	18.4	15.1	16.9	55.5	48.2	41.3	41.6	35.7	30.6	39.8	36.8	34.2
Global Health	Buy	3.8	19.8	24.9	30.9	11.0	26.2	23.9	61.3	48.6	39.2	36.3	29.2	23.8	17.1	18.7	19.7
Granules India	Buy	1.3	19.5	26.5	33.4	12.5	35.7	26.0	23.2	17.1	13.6	12.3	10.4	8.5	13.7	16.2	17.3
Ipca Labs.	Buy	4.1	34.4	45.5	56.1	38.5	32.2	23.3	39.6	30.0	24.3	20.6	16.7	13.8	13.0	15.3	16.4
Laurus Labs	Buy	3.9	5.8	10.5	14.3	92.4	80.6	36.2	105.2	58.2	42.7	33.4	25.1	21.2	7.2	11.7	14.2
Lupin	Neutral	11.1	71.9	79.1	85.6	73.1	10.1	8.1	28.8	26.2	24.2	17.8	16.0	14.2	20.7	18.9	17.2
Mankind Pharma	Buy	11.8	49.0	54.3	71.3	2.6	10.9	31.3	49.6	44.7	34.1	32.0	25.1	21.0	17.4	15.2	17.6
Max Healthcare	Buy	13.2	15.4	22.2	26.1	11.8	44.6	17.3	75.0	51.8	44.2	48.4	35.7	30.7	14.9	18.3	17.9
Piramal Pharma	Buy	3.3	0.7	2.2	4.0	66.5	215	81.7	303.0	96.3	53.0	23.1	17.0	13.9	1.2	3.6	6.2
Sun Pharma	Buy	50.4	49.2	59.5	66.6	18.7	21.0	11.9	36.2	29.9	26.8	28.2	24.1	21.0	17.2	17.9	17.1
Torrent Pharma.	Neutral	13.1	56.9	74.9	93.8	20.8	31.5	25.4	57.8	43.9	35.1	30.3	24.9	21.0	25.8	28.5	29.7
Zydus Lifesciences	Neutral	10.5	44.3	48.7	43.0	17.7	10.0	-11.7	20.0	18.2	20.6	12.8	10.9	11.6	19.7	17.8	13.8

Source: MOFSL, Company

# Pidilite Industries

Estimate changes	↔
TP change	↔
Rating change	↔

Bloomberg	PIDI IN
Equity Shares (m)	509
M.Cap.(INRb)/(USD\$)	1515.8 / 17.8
52-Week Range (INR)	3415 / 2620
1, 6, 12 Rel. Per (%)	-6/-4/-4
12M Avg Val (INR M)	1142

## Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	131.4	146.1	165.6
Sales Gr. (%)	6.1	11.1	13.4
EBITDA	30.1	33.4	37.7
EBITDA Margin (%)	22.9	22.9	22.8
Adj. PAT	21.0	23.7	27.2
Adj. EPS (INR)	41.3	46.7	53.5
EPS Gr. (%)	16.7	13.0	14.7
BV/Sh.(INR)	191.8	215.2	242.2

## Ratios

RoE (%)	23.1	22.9	23.4
RoCE (%)	21.5	21.4	21.9
Payout (%)	48.4	49.8	49.6

## Valuations

P/E (x)	72.1	63.9	55.7
P/BV (x)	15.5	13.8	12.3
EV/EBITDA (x)	49.1	44.4	38.7
Div. Yield (%)	0.7	0.8	0.9

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	69.5	69.6	69.8
DII	9.4	9.2	8.9
FII	11.6	11.8	11.3
Others	9.5	9.5	10.0

FII includes depository receipts

**CMP: INR2,980 TP: INR3,000 (+1%) Neutral**

## Sustaining volume growth; rich valuations limit upside

- Pidilite Industries (PIDI) reported consolidated revenue growth of 8% YoY in 4QFY25. Standalone revenue grew 10% YoY, with underlying volume growth (UVG) of 10% (est. 10%). Consumer business witnessed value/volume growth of 9%/8% YoY. B2B business reported value/volume growth of 14%/16%. The impact of price cuts has been minimal, and the value-volume gap has now neutralized. Management aims to drive revenue growth primarily through volume expansion going forward.
- Urban demand improved in 4Q; however, rural demand growth continued to outpace urban demand growth. We estimate a CAGR of 12% each in revenue/EBITDA over FY25-27.
- GM expanded 160bp YoY to an 18-quarter high of 55%, driven by benign raw material prices. VAM dipped to ~USD880/t in 4QFY25 from USD925/t in 4QFY24. PIDI remains focused on reinvesting in branding and customer acquisition. EBITDA margin was up 30bp YoY to 20.1%. EBITDA grew 10%.
- Consolidated EBIT growth for the consumer business stood at 13% YoY (10% in FY25) and B2B business EBIT growth stood at 69% (53% in FY25).
- PIDI's volume growth trajectory is inspiring, particularly in the current challenging environment. Operating margins are high (~23% EBITDA margin in FY25), and it will be crucial to monitor whether the company can sustain such high levels. Given rich valuations, we reiterate our **Neutral** rating on the stock with a **TP of INR3,000 (55x Mar'27E EPS)**.

## In-line performance; volume-led growth sustains

- **Strong volume growth sustains:** Consolidated sales grew 8% YoY to INR31.4b (est. INR31.4b). UVG remained strong at 9.8% (est. 9.7% in 3QFY25). UVG was 8% for C&B businesses and 16.4% for B2B businesses.
- **Healthy growth in C&B:** The C&B segment's revenue rose 7% YoY to INR23.9b (est. INR26.6b), EBIT grew 13% YoY to INR6.2b (est. INR6.8b), and EBIT margin expanded 150bp YoY to 25.8%.
- **B2B outperformance continues:** The B2B segment's revenue grew 14% YoY to INR8.1b (est. INR5.3b), EBIT rose 69% YoY to INR1.4b (est. INR0.5b), and EBIT margin expanded 570bp YoY to 17.5%.
- **Double-digit growth in profitability:** Gross margin expanded ~160bp YoY to 55% (53.2% est), led by moderate RM prices. Employee expenses increased 22% YoY and other expenses rose 7% YoY. EBITDA margin improved 20bp YoY to 20.1% (in line). EBITDA grew 10% YoY to INR6.3b (est. INR6.3b). PBT grew 20% YoY to INR6b (est. INR5.7b). Adj. PAT increased 20% YoY to INR4.5b (est. INR4.4b).
- In FY25, net sales, EBITDA, and APAT grew 6%, 11%, and 17%, respectively.
- **Subsidiary performance:** Domestic subsidiaries posted double-digit revenue and EBITDA growth YoY. Sales of international subsidiaries (excluding Pidilite USA and Pulvitec Brazil) were flat YoY.



### Highlights from the management commentary

- PIDI remains cautiously optimistic about improved demand from a good monsoon, increase in government spends and increased construction activity.
- Haisha Paint is making steady progress in the paints segment and is currently present in five southern states—Telangana, Andhra Pradesh, Odisha, Karnataka, and Tamil Nadu.
- ‘Pidilite Ki Duniya’—the company’s rural outreach initiative—expanded its reach to around 16,500 villages in FY25, strengthening brand connect and category awareness in underserved markets.
- The company typically maintains 60-75 days of raw material inventory, with total days increasing modestly when including finished goods.
- Management is open to exploring opportunities in the EV and semiconductor sectors, given their high growth potential.

### Valuations and view

- We broadly maintain our EPS estimates for FY26 and FY27.
- PIDI’s core categories still enjoy GDP multiplier; the advantage of penetration and distribution can help PIDI deliver healthy volume-led growth in the medium term. EBITDA margin is already high (23% in FY25). We do not model much expansion as growth drivers (consumer acquisition, distribution expansion, and brand investments) will require high opex. We build in a CAGR of 12%/12%/14% in revenue/EBITDA/PAT during FY25-27E.
- PIDI stands out for its market-leading position in the adhesives market, along with a strong brand and a solid balance sheet. However, we believe the current valuation limits the upside potential. We **reiterate our Neutral rating** on the stock with a **TP of INR3,000 (premised on 55x Mar’27E EPS)**.

### Consolidated - Quarterly Earning Model

Y/E March	FY24				FY25				FY24	FY25	FY25	(INR m) Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
<b>Volume growth (%)</b>	<b>7.9</b>	<b>8.2</b>	<b>10.4</b>	<b>15.2</b>	<b>9.6</b>	<b>8.0</b>	<b>9.7</b>	<b>9.8</b>	<b>10.4</b>	<b>9.3</b>	<b>9.7</b>	
<b>Net Sales</b>	<b>32,751</b>	<b>30,760</b>	<b>31,300</b>	<b>29,019</b>	<b>33,954</b>	<b>32,349</b>	<b>33,689</b>	<b>31,411</b>	<b>1,23,830</b>	<b>1,31,403</b>	<b>31,392</b>	<b>0.1</b>
YoY change (%)	5.6	2.2	4.4	7.9	3.7	5.2	7.6	8.2	4.9	6.1	8.2	
<b>Gross Profit</b>	<b>16,054</b>	<b>15,783</b>	<b>16,551</b>	<b>15,503</b>	<b>18,268</b>	<b>17,583</b>	<b>18,301</b>	<b>17,288</b>	<b>63,890</b>	<b>71,440</b>	<b>16,711</b>	<b>3.5</b>
Margin (%)	49.0	51.3	52.9	53.4	53.8	54.4	54.3	55.0	51.6	54.4	53.2	
Total Expenditure	25,682	23,963	23,875	23,249	25,826	24,661	25,705	25,086	36,817	41,315	25,082	
<b>EBITDA</b>	<b>7,070</b>	<b>6,797</b>	<b>7,425</b>	<b>5,769</b>	<b>8,127</b>	<b>7,688</b>	<b>7,984</b>	<b>6,326</b>	<b>27,073</b>	<b>30,125</b>	<b>6,310</b>	<b>0.3</b>
YoY change (%)	33.5	36.0	49.7	25.6	15.0	13.1	7.5	9.6	36.4	11.3	9.4	
Margins (%)	21.6	22.1	23.7	19.9	23.9	23.8	23.7	20.1	21.9	22.9	20.1	
Depreciation	734	752	795	1,125	844	879	895	967	3,407	3,585	934	
Interest	119	131	128	134	118	117	125	144	512	504	143	
Other Income	234	316	370	489	539	571	558	804	1,397	2,472	449	
<b>PBT</b>	<b>6,451</b>	<b>6,230</b>	<b>6,872</b>	<b>4,998</b>	<b>7,704</b>	<b>7,263</b>	<b>7,522</b>	<b>6,019</b>	<b>24,551</b>	<b>28,509</b>	<b>5,682</b>	<b>5.9</b>
Tax	1,704	1,631	1,765	1,219	1,984	1,848	1,947	1,487	6,319	7,265	1,265	
Rate (%)	26.4	26.2	25.7	28.5	25.7	25.4	25.9	24.7	26.5	25.7	22.3	
<b>Reported PAT</b>	<b>4,682</b>	<b>4,502</b>	<b>5,105</b>	<b>3,006</b>	<b>5,669</b>	<b>5,346</b>	<b>5,524</b>	<b>4,223</b>	<b>17,294</b>	<b>20,762</b>	<b>4,369</b>	<b>-3.3</b>
<b>Adj PAT</b>	<b>4,682</b>	<b>4,502</b>	<b>5,105</b>	<b>3,722</b>	<b>5,669</b>	<b>5,346</b>	<b>5,524</b>	<b>4,473</b>	<b>18,011</b>	<b>21,012</b>	<b>4,369</b>	<b>2.4</b>
YoY change (%)	32.2	34.5	66.7	29.6	21.1	18.7	8.2	20.2	40.5	16.7	17.4	
Margins (%)	14.3	14.6	16.3	12.8	16.7	16.5	16.4	14.2	14.5	16.0	13.9	

E: MOFSL Estimates

# Dr Reddy's Labs

Estimate change	↑
TP change	↑
Rating change	↔

**CMP: INR1,156 TP: INR1,220 (+6%) Neutral**

## FY25 ends with a modest YoY earnings growth

### Work in progress to add growth levers

- Dr Reddy's Labs (DRRD) delivered in-line sales, while a slight miss on EBITDA for 4QFY25. The company posted healthy growth in revenue across the segments, partly aided by the addition of acquired businesses. In addition, pharmaceutical services and active ingredients saw a healthy revival in FY25 performance vs. the muted show in FY23/FY24.
- We broadly retain our earnings estimates for FY25/FY27. We value DRRD at 18x 12M forward earnings to arrive at our TP of INR1,220.
- After three years of a strong 30% earnings CAGR over FY21-24E, the company ended FY25 with a moderate 6% earnings growth. DRRD is implementing a plan to expand product offerings across markets and add/ build capacity to cater to the respective markets. Having said this, the intensified competitive pressures in the base portfolio would keep earnings growth in check.
- Accordingly, we model stable earnings over FY25-27. **Reiterate Neutral.**

### Inferior product mix offset by lower opex

- DRRD's 4QFY25 sales rose 20% YoY to INR85b (vs. est. of INR83b).
- The US sales increased 9% YoY to INR36b (~USD416m; 42% of sales), largely due to a rise in volumes of the base business and new launches, partly offset by price erosion. Europe sales surged 2.4x YoY to INR12.7b (15% of sales). India sales rose 16% YoY to INR13b (15% of sales). Emerging markets' sales improved 16% YoY to INR14b (16% of sales).
- Pharmaceutical Services and Active Ingredients (PSAI) segment's revenue grew 16% YoY to INR9.5b (11% of sales).
- Gross margin (GM) contracted 300bp YoY to 55.6%, mainly due to lower margins in the global generics business (down 270bp YoY). This was partly offset by a higher gross margin in the PSAI segment.
- EBITDA margin dipped 80bp YoY to 24% (our est: 26.5%) as lower GM was offset by lower expenses (R&D/SGA down 100bp/110bp YoY as % of sales).
- EBITDA was up 16% YoY to INR20.5b (vs. est. of INR21.9b).
- PAT grew at a higher rate of 26.7% YoY to INR15.4b, supported further by higher other income.
- During FY25, revenue/EBITDA/PAT grew 16%/9%/6% YoY to INR324b/INR85.5b/INR56b.

### Highlights from the management commentary

- Management guided a double-digit YoY revenue growth and will maintain the EBITDA margin at FY25 levels in FY26.
- A certain one-time cost hurt gross margin by 80bp for the quarter.
- DRRD launched 7/18 products in NA in 4QFY25/FY25.

Bloomberg	DRRD IN
Equity Shares (m)	834
M.Cap.(INRb)/(USDb)	964.5 / 11.3
52-Week Range (INR)	1421 / 1020
1, 6, 12 Rel. Per (%)	-2/-9/-11
12M Avg Val (INR M)	2884

### Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Sales	324.3	347.0	350.1
EBITDA	85.5	89.5	85.8
Adj. PAT	56.1	58.5	54.6
EBITDA Margin (%)	26.4	25.8	24.5
Adj. EPS (INR)	67.3	70.3	65.6
EPS Gr. (%)	6.1	4.4	-6.7
BV/Sh. (INR)	405	470	531

### Ratios

Net D:E	-0.1	-0.3	-0.6
RoE (%)	18.2	16.1	13.1
RoCE (%)	14.7	12.1	10.4
Payout (%)	7.7	7.1	7.6

### Valuations

P/E (x)	17.2	16.5	17.7
EV/EBITDA (x)	11.0	10.1	9.6
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	1.4	3.8	8.2
EV/Sales (x)	2.9	2.6	2.4

### Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	26.6	26.6	26.7
DII	25.6	22.9	18.3
FII	37.6	40.2	44.7
Others	10.2	10.2	10.4

FII includes depository receipts

## Quarterly Performance - IFRS

(INRb)

Y/E March	FY24				FY25E				FY24E	FY25E	Estimates	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	% Var
<b>Sales</b>	<b>67.4</b>	<b>68.8</b>	<b>72.1</b>	<b>70.8</b>	<b>76.7</b>	<b>80.2</b>	<b>82.3</b>	<b>85.1</b>	<b>279.2</b>	<b>324.3</b>	<b>82.8</b>	<b>2.8</b>
YoY Change (%)	35.2	9.1	6.6	17.4	13.9	16.5	14.1	20.1	15.9	16.2	16.9	
<b>EBITDA</b>	<b>20.5</b>	<b>20.0</b>	<b>20.3</b>	<b>17.7</b>	<b>21.3</b>	<b>22.0</b>	<b>21.7</b>	<b>20.5</b>	<b>78.4</b>	<b>85.5</b>	<b>21.9</b>	<b>-6.4</b>
YoY Change (%)	97.8	10.7	-1.3	34.0	4.0	10.3	7.1	16.1	26.2	9.1	24.0	
Margins (%)	30.3	29.0	28.1	24.9	27.7	27.5	26.4	24.1	28.1	26.4	26.5	
Amortization	3.6	3.8	3.9	3.5	3.8	4.0	4.7	4.6	14.8	17.1	4.9	
<b>EBIT</b>	<b>16.9</b>	<b>16.1</b>	<b>16.4</b>	<b>14.1</b>	<b>17.5</b>	<b>18.1</b>	<b>17.0</b>	<b>16.0</b>	<b>63.5</b>	<b>68.5</b>	<b>17.0</b>	
Other Income	1.1	1.6	2.0	1.7	1.4	2.6	0.5	3.4	6.4	7.8	0.7	
<b>PBT before EO expenses</b>	<b>18.0</b>	<b>17.7</b>	<b>18.4</b>	<b>15.8</b>	<b>18.8</b>	<b>20.7</b>	<b>17.5</b>	<b>19.3</b>	<b>69.9</b>	<b>76.3</b>	<b>17.7</b>	<b>9.0</b>
One-off income/(expense)	0.5	1.4	-0.1	0.2	0.0	-1.5	1.3	0.7	2.0	0.5	0.0	
<b>Profit before Tax</b>	<b>18.5</b>	<b>19.1</b>	<b>18.3</b>	<b>16.0</b>	<b>18.8</b>	<b>19.2</b>	<b>18.7</b>	<b>20.1</b>	<b>71.9</b>	<b>76.8</b>	<b>17.7</b>	<b>13.1</b>
Tax	4.4	4.3	4.5	2.9	4.9	5.8	4.7	4.2	16.2	19.5	4.0	
Rate (%)	24.0	22.7	24.5	18.4	26.0	30.0	25.1	20.8	22.5	25.4	22.6	
<b>PAT</b>	<b>14.0</b>	<b>14.8</b>	<b>13.8</b>	<b>13.1</b>	<b>13.9</b>	<b>13.4</b>	<b>14.0</b>	<b>15.9</b>	<b>55.7</b>	<b>57.2</b>	<b>13.7</b>	<b>15.6</b>
<b>Adjusted PAT</b>	<b>13.7</b>	<b>13.3</b>	<b>13.8</b>	<b>12.1</b>	<b>13.9</b>	<b>13.6</b>	<b>13.2</b>	<b>15.4</b>	<b>52.8</b>	<b>56.1</b>	<b>11.8</b>	<b>30.0</b>
YoY Change (%)	66.6	16.5	5.1	50.1	2.0	2.4	-4.3	26.7	29.6	6.1	-2.5	
Margins (%)	20.3	19.3	19.1	17.1	18.1	17.0	16.0	18.1	18.9	17.3	14.3	
<b>EPS</b>	<b>16.4</b>	<b>15.9</b>	<b>16.5</b>	<b>14.5</b>	<b>16.7</b>	<b>16.3</b>	<b>15.8</b>	<b>18.4</b>	<b>63.4</b>	<b>67.3</b>	<b>14.3</b>	<b>10.7</b>

## Key performance Indicators (Consolidated)

(INRb)

Y/E March	FY24				FY25				FY24	FY25	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
<b>INRm</b>											
North America	32.0	31.7	33.5	32.6	38.5	37.3	33.8	35.6	129.9	144.1	34.5
YoY Change (%)	79.5	13.2	9.6	28.8	20.3	17.6	1.0	9.1	27.7	10.9	5.8
Europe	5.1	5.3	5.0	5.2	5.3	5.8	12.1	12.8	20.5	35.0	11.9
YoY Change (%)	22.5	25.9	15.5	5.0	3.8	9.2	143.4	144.8	16.5	70.6	127.8
India	11.5	11.9	11.8	11.3	13.3	14.0	13.5	13.0	46.4	53.1	12.4
YoY Change (%)	3.9	3.1	4.7	10.5	15.4	17.8	14.1	15.8	5.4	14.5	10.5
Russia & Others CIS	7.6	8.0	8.2	7.2	7.4	9.0	9.4	8.9	30.9	35.7	9.9
YoY Change (%)	49.8	-1.2	-9.9	-4.0	-2.6	12.5	14.6	23.6	3.8	15.4	37.0
Others	4.0	4.2	4.6	4.9	3.7	5.6	5.0	5.1	17.7	19.7	5.4
YoY Change (%)	-0.1	2.2	15.9	34.3	-5.3	32.1	7.0	3.9	12.8	10.9	10.0
PSAI	6.7	7.0	7.8	8.2	7.7	8.4	8.2	9.6	29.8	32.5	8.2
YoY Change (%)	-5.4	9.3	1.0	5.5	14.1	19.5	4.8	16.4	2.5	8.9	-0.5
<b>Cost Break-up</b>											
COGS (% of Sales)	41.3	41.3	41.5	41.4	39.6	40.4	42.0	44.4	41.4	40.8	41.1
SG&A (% of Sales)	21.0	21.7	22.7	23.9	24.6	23.0	23.6	22.9	22.3	23.7	23.6
R&D Expenses(% of Sales)	7.4	7.9	7.7	9.7	8.1	9.1	8.1	8.5	8.2	8.5	8.8
Gross Margin (%)	58.7	58.7	58.5	58.6	60.4	59.6	58.0	55.6	58.6	59.2	58.9
EBITDA Margin (%)	30.3	29.0	28.1	24.9	27.7	27.5	26.4	24.1	28.1	27.0	26.5
EBIT Margin (%)	25.0	23.4	22.7	19.9	22.8	22.5	20.7	18.8	22.8	21.6	20.6



# Union Bank of India

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	UNBK IN
Equity Shares (m)	7634
M.Cap.(INRb)/(USDb)	938.2 / 11
52-Week Range (INR)	173 / 101
1, 6, 12 Rel. Per (%)	-2/5/-23
12M Avg Val (INR M)	1750

## Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	372.1	385.5	427.0
OP	310.9	331.5	367.0
NP	179.9	184.9	197.4
NIM (%)	2.7	2.6	2.6
EPS (INR)	23.6	24.2	25.9
EPS Gr. (%)	24.9	2.8	6.7
BV/Sh. (INR)	144	162	184
ABV/Sh. (INR)	136	154	175
RoA (%)	1.2	1.2	1.1
RoE (%)	18.1	16.2	15.2

## Valuations

P/E(X)	5.3	5.2	4.8
P/BV (X)	0.9	0.8	0.7
P/ABV (X)	0.9	0.8	0.7

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	74.8	74.8	74.8
DII	11.6	11.9	12.6
FII	7.1	6.5	6.8
Others	6.5	6.9	5.9

**CMP: INR123 TP: INR145 (+18%) Buy**

## Healthy other income and low tax rate drive PAT beat

### Business growth recovers a bit in a busy 4Q

- Union Bank of India (UNBK) reported 4QFY25 PAT of INR49.8b (50.6% YoY, 8% beat), led by better other income and a lower tax rate.
- NII grew 0.8% YoY to INR95.1b (up 3.0% QoQ, in line). NIMs declined by 4bp QoQ to 2.87% as yields declined and CoF pressure persisted.
- Loan book grew 9.5% YoY/3.6% QoQ to INR9.5t, while deposits grew 7.2% YoY/7.7% QoQ. Thus, CD ratio declined by 284bp QoQ to 72.8%.
- Fresh slippages increased by 30% QoQ to INR25.7b from INR19.7b in 3QFY25 amid higher slippages from the agri and SME segments, while healthy recoveries and upgrades led to improvement in GNPA/NNPA ratios by 25bp/19bp QoQ to 3.6%/0.63%. PCR ratio increased to 83.1%.
- We largely maintain our earnings estimates for FY26/FY27, and expect the bank to deliver RoA/RoE of 1.1%/15.2% by FY27E. **Reiterate BUY with a TP of INR145 (based on 0.9x FY'27E ABV).**

### Asset quality improves; CD ratio falls to 72.8%

- UNBK reported 4QFY25 PAT of INR49.8b (50.6% YoY, 8.4% beat), led by better other income and a lower tax rate, offset by higher opex and in-line NII. In FY25, earnings grew 31.8% YoY to INR179.8b. We estimate FY26E earnings to grow to INR185b.
- NII inched up 0.8% YoY to INR95.1b (up 3.0% QoQ, in line). NIMs declined by 4bp QoQ to 2.87%, as yields declined and CoF pressure persisted.
- Other income grew 18.1% YoY/25.9% QoQ to INR55.6b (18% higher than MOFSLe), aided by SR provision write-back of INR7.87b, a trend seen across all PSU banks.
- Opex increased by 19.6% QoQ (down 3.1% YoY, 13% higher than MOFSLe), as employee expenses rose due to recognition of PLI provisions. As a result, overall C/I ratio increased by 377bp QoQ to 48.9%. PPop, thus, grew by 17.9% YoY/2.8% QoQ to INR77b (in line).
- Business growth has seen some revival, with advances growth of 9.5% YoY/3.6% QoQ to INR9.5t. Retail grew at a healthy 22.1% YoY/7.4% QoQ, while MSME grew by 4.6% QoQ and large corporate grew 4.8% QoQ. Agri book declined by 3.7% QoQ.
- Deposits grew by 7.2% YoY/7.7% QoQ to INR13.1t, led by healthy seasonal flows in CA deposits. As a result, CASA ratio improved 9bp QoQ to 33.5%. Overall CD ratio thus declined by 284bp QoQ to 72.8%.
- Fresh slippages increased by 30% QoQ to INR25.7b from INR19.7b in 3QFY25, while healthy recoveries and upgrades led to improvement in GNPA/NNPA ratios by 25bp/19bp QoQ to 3.6%/0.63%. PCR ratio increased to 83.1%. SMA pool declined to 0.42%.

### Highlights from the management commentary

- With a 50bp cut in the repo rate, the bank—having 28% of its book linked to the repo rate—expects a delay in deposit repricing. It is actively managing deposit costs to mitigate margin pressure.
- For FY26, the bank aims to align its credit growth with GDP growth of around 6% and inflation at 4%, forming the basis of its credit expansion strategy.
- The bank reported a reversal of SR amounting to INR7.87b.
- Slippages rose in the MSME and agriculture segments. For large restructured agricultural accounts, the bank has taken necessary actions. Additionally, automation in asset classification has led to increased recognition of slippages in MSMEs.

### Valuation and view

UNBK reported a steady quarter, driven by healthy other income and a lower tax rate, leading to earnings beat. Margins moderated due to cost pressures, while yields slid as policy rates declined. Business growth in FY25 was tepid as the bank adopted a conservative approach with a focus on pricing. Deposit growth was muted and below the stated guidance for FY25; however, CASA improved amid healthy CA flows in 4Q. Management expects NIMs to have a negative bias in 1HFY26 due to the decline in policy rates and expects them to recover in 2HFY26. Slippages inched up QoQ, although due to a technical reason, while healthy recoveries and upgrades led to a decline in asset quality ratios. Credit costs have been under control, and with healthy asset quality, they are expected to remain benign. We largely maintain our earnings estimates for FY26/FY27, and expect the bank to deliver RoA/RoE of 1.1%/15.2% by FY27E. **Reiterate BUY with a TP of INR145 (based on 0.9x FY'27E ABV).**

### Quarterly performance

	(INR b)											
	FY24				FY25E				FY25	FY26E	FY25E	V/S our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Est
<b>Net Interest Income</b>	<b>88.4</b>	<b>91.3</b>	<b>91.7</b>	<b>94.4</b>	<b>94.1</b>	<b>90.5</b>	<b>92.4</b>	<b>95.1</b>	<b>372.1</b>	<b>385.5</b>	<b>94.5</b>	<b>1%</b>
% Change (YoY)	16.6	9.9	6.3	14.4	6.5	-0.9	0.8	0.8	1.8	3.6	0.2	
Other Income	39.0	37.0	37.7	47.1	45.1	53.3	44.2	55.6	198.1	217.9	47.2	18%
<b>Total Income</b>	<b>127.4</b>	<b>128.2</b>	<b>129.4</b>	<b>141.4</b>	<b>139.2</b>	<b>143.8</b>	<b>136.6</b>	<b>150.7</b>	<b>570.3</b>	<b>603.4</b>	<b>141.7</b>	<b>6%</b>
Operating Expenses	55.6	56.0	56.6	76.1	61.4	62.6	61.7	73.7	259.4	271.9	65.2	13%
<b>Operating Profit</b>	<b>71.8</b>	<b>72.2</b>	<b>72.8</b>	<b>65.3</b>	<b>77.9</b>	<b>81.1</b>	<b>74.9</b>	<b>77.0</b>	<b>310.9</b>	<b>331.5</b>	<b>76.6</b>	<b>1%</b>
% Change (YoY)	31.8	9.8	9.9	-4.3	8.4	12.4	2.9	17.9	10.2	6.6	17.2	
Provisions	20.1	17.7	17.5	12.6	27.6	17.1	16.0	15.4	76.1	84.3	15.4	0%
<b>Profit before Tax</b>	<b>51.7</b>	<b>54.5</b>	<b>55.3</b>	<b>52.7</b>	<b>50.3</b>	<b>64.0</b>	<b>58.9</b>	<b>61.6</b>	<b>234.8</b>	<b>247.3</b>	<b>61.1</b>	<b>1%</b>
Tax	19.4	19.4	19.4	19.6	13.5	16.8	12.9	11.7	54.9	62.3	15.2	-23%
<b>Net Profit</b>	<b>32.4</b>	<b>35.1</b>	<b>35.9</b>	<b>33.1</b>	<b>36.8</b>	<b>47.2</b>	<b>46.0</b>	<b>49.8</b>	<b>179.9</b>	<b>184.9</b>	<b>46.0</b>	<b>8%</b>
% Change (YoY)	107.7	90.0	59.9	19.0	13.7	34.4	28.2	50.6	31.8	2.8	38.9	
<b>Operating Parameters</b>												
Deposit (INR b)	11,281	11,376	11,725	12,215	12,242	12,419	12,166	13,097	13,097	14,237	13,098	
Loan (INR b)	7,705	8,036	8,621	8,708	8,787	8,971	9,202	9,535	9,535	10,498	9,543	
Deposit Growth (%)	13.6	9.0	10.1	9.3	8.5	9.2	3.8	7.2	7.2	8.7	7.2	
Loan Growth (%)	13.9	10.5	14.0	14.3	14.0	11.6	6.7	9.5	9.5	10.1	9.6	
<b>Asset Quality</b>												
Gross NPA (%)	7.3	6.4	4.8	4.8	4.5	4.4	3.9	3.6	3.6	3.2	3.7	
Net NPA (%)	1.6	1.3	1.1	1.0	0.9	1.0	0.8	0.6	0.6	0.6	0.8	
PCR (%)	79.8	80.7	78.4	79.1	80.9	78.4	79.3	83.1	83.1	81.3	79.0	

Estimate change



TP change



Rating change



Bloomberg	SWIGGY IN
Equity Shares (m)	2290
M.Cap.(INRb)/(USDb)	717 / 8.4
52-Week Range (INR)	617 / 303
1, 6, 12 Rel. Per (%)	-15/-/-
12M Avg Val (INR M)	6672

## Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
GOV	287.8	341.3	410.8
Net Sales	152.3	220.5	298.3
Change (%)	35.4	44.8	35.3
EBITDA	-27.9	-38.3	-23.7
EBITDA margin (%)	-18.3	-17.4	-7.9
Adj. PAT	-31.1	-41.6	-29.7
PAT margin (%)	-20.5	-18.9	-10.0
RoE (%)	-34.58	-51.16	-65.09
RoCE (%)	-33.91	-48.27	-57.21
EPS	-13.63	-18.21	-13.01
EV/ Sales	4.6	3.4	2.6
Price/ Book	7.0	11.8	23.2

## Shareholding Pattern (%)

As On	Mar-25	Dec-24
Promoter	0.0	0.0
DII	9.3	7.8
FII	4.9	6.2
Others	85.8	86.1

FII includes depository receipts

**CMP: INR313**
**TP: INR340 (+9%)**
**Neutral**

## Q-commerce continues to burn cash

### But management indicates peak burn behind

- Swiggy delivered a revenue of INR44.1b in 4QFY25 (up 10.4% QoQ) vs. our est. of INR42.2b. The food delivery (FD) business's GOV grew 17.6% YoY, whereas the contribution margin (CM) expanded 40bp QoQ to 7.8%. FD's adjusted EBITDA as a % of GOV margin improved 40bp QoQ to 2.9% vs. our est. of 2.7%.
- Instamart's GOV was INR46.7b (up 101% YoY) vs. our estimate of INR 45.5b. The contribution margin dipped 100bp QoQ to -5.6%. Adjusted EBITDA as a % of GOV was -18.0% (-14.8% in 3Q), missing our estimate of -16.6%.
- Overall, Swiggy posted a net loss of INR10.8b, marking a growth of 94.9% YoY.
- For FY25, revenue/adj. EBITDA loss grew 35.4%/4.0% YoY vs. FY24. For 1QFY26, we expect revenue/adj. EBITDA loss to increase 11.3%/13.7% QoQ. **Our DCF-based valuation of INR340 suggests a 9% potential upside. We reiterate our Neutral rating on the stock.**

### Our view: we remain on the sidelines

- EBITDA losses in quick commerce could have peaked, but we remain on the sidelines:** Management indicated that it plans to sequentially improve CM from here, as CM drag is led by underutilisation of network and elevated customer incentives; further, a huge part of the CM costs are currently around marketing-related and could be pulled back. Accordingly, management indicated that CM will sequentially improve from here. Cash burn still makes staying on the sidelines, though. Irrational competition and cash burn intensity currently remain too high, and we remain on the sidelines.
- The 10-minute food delivery a clear differentiator:** Zomato's decision to exit the 10-minute food delivery gives Swiggy a clear field to innovate and gain market share in the quick-food delivery market. It looks like the unit economics are favorable, and this could be a key differentiator for Swiggy. The company mentioned that Bolt now contributes 12% of the total FD orders and could be a meaningful weapon to gain market share.
- We will continue to monitor the megapod strategy:** While Swiggy is admittedly behind competitors when it comes to the 20k+ SKU game, its megapod strategy has the potential to breach the e-commerce territory and could provide a meaningful push to AOV. We have argued earlier ("[Quick commerce, delayed gratification](#)", page 27) that take rates and AOVs for Swiggy need to improve if CM is to improve meaningfully, and this is a step in the right direction.

### Valuation and view

- We believe FD remains a stable duopoly; however, increased competition and aggressive dark store expansion have rebased profitability expectations for the QC sector in the near term. **Despite this, our implied EV/GMV FY27e multiple for QC is at 0.4x, which we do not consider to be overly demanding, especially after the recent correction (the stock is down 47% from its peak). An acceleration in AOV and take rates in the medium term could prompt us to turn constructive on the stock.**
- We expect food delivery orders to rise 11.7% annually with an AOV growth of ~1.0%, leading to a GOV growth of 12.6% over FY25-37 (18.5% GOV CAGR over FY25-29). QC is likely to grow faster, with orders increasing at 26.2% annually, AOV growth at 2.7%, and GOV growth at 29.5% (67% GOV CAGR over FY25-29).
- Swiggy is likely to report a PAT margin of -18.9%/-10.0% in FY26/FY27. Our profitability estimates for FY26/FY27 have been hit by intensive competition and dark store expansion. Our DCF-based valuation of INR340 suggests a 9% potential upside from CMP. **We reiterate our Neutral rating on the stock.**

### FD GOV in line; Instamart's adj. EBITDA misses our estimate

- Swiggy reported a 4QFY25 net revenue of INR44.1b (+10.4%/44.8% QoQ/YoY) vs. our estimate of INR 42.2b.
- FD GOV stood at INR73.4b (-1.2% QoQ and +17.6% YoY) vs. our estimate of INR 73.2b. The company maintains annual growth guidance of 18-22% over the medium term.
- Instamart's GOV came in at INR46.7b (up 101% YoY) vs. our estimate of INR 45.5b. Dark store expansion accelerated with 316 new active dark stores added in 4Q alone (greater than the cumulative addition in the last eight quarters).
- For food delivery, adjusted EBITDA as a % of GOV margin improved 40bp QoQ at 2.9% vs. our estimate of 2.7%.
- Instamart's adjusted EBITDA as a % of GOV was -18% (-14.8% in 3Q) vs. our estimate of -16.6%.
- Consol. Adj. EBITDA came in at negative INR7.3b due to growth investments in QC.
- Instamart delivered a contribution margin of -5.6% (-4.6% in 3Q) vs. our est. of -5.2% due to growth investments in quick commerce for customer acquisition.
- Swiggy posted a net loss of INR10.8b (est. INR10.3b), an increase of 94.9% YoY.

### Key highlights from the management commentary

- **FD:** 4Q is a seasonally weak quarter coming after the festive season, though it does benefit late in the quarter due to a popular sporting event in India. Bolt is for speed; a lot of work is happening in value. Swiggy One is for differentiation. It retains an annual growth guidance of 18-22% over the medium term. Currently, over 12% of FD platform orders are through Bolt. New users acquired through Bolt have shown 4-6% higher monthly retention than the platform average.
- **Instamart** The Quick-commerce industry is going through a phase of heightened consumer awareness and store rollouts. Mature cohorts do not need incentives. Incentives are for trials and value propositions, and these are ensuring customer stickiness. Over multiple quarters, retention has gone up. There shall be some gradation in the store addition. The decision to open a store and go live in 60 days.
- Maxxsaver will be a key value driver of the AOV expansion pathway, alongside megapods driving selection. Maxxsaver offers an additional discount for larger order values.

- Expect to reach a contribution break-even in 3-5 quarters from now for Instamart. The corporate adj. EBITDA breakeven timeline continues to remain in sync with the contribution breakeven for Quick-commerce (earlier guided for 3QFY26).

#### Valuation and view

- We expect food delivery orders to grow at 11.7% annually with an AOV growth of ~1.0%, leading to a GOV growth of 12.6% over FY25-37 (18.5% GOV CAGR over FY24-29). QC is likely to grow faster, with orders increasing at 26.2% annually, AOV growth at 2.7%, and GOV growth at 29.5% (67% GOV CAGR over FY25-29). Swiggy is likely to report a PAT margin of -18.9%/-10.0% in FY26/FY27. Our profitability estimates for FY26/FY27 have been hit by intensive competition and dark store expansion. Our DCF-based valuation of INR340 suggests a 9% potential upside from CMP. **We reiterate our Neutral rating on the stock.**

#### Consolidated - Quarterly Earnings Model

Y/E march	FY24				FY25				FY24	FY25	Estimate	(INR M)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QFY25	Var. (% / bp)
<b>Revenue (net of delivery)</b>	<b>23,898</b>	<b>27,633</b>	<b>30,487</b>	<b>30,455</b>	<b>32,222</b>	<b>36,015</b>	<b>39,931</b>	<b>44,100</b>	<b>1,12,474</b>	<b>1,52,268</b>	<b>42,268</b>	<b>4.3</b>
YoY Change (%)	NA	NA	NA	NA	34.8	30.3	31.0	44.8	36.1	35.4	18.7	2610bp
Inventory of traded goods	9,100	11,446	13,332	12,163	11,954	13,874	15,650	18,538	46,042	60,015	17,354	6.8
Employee Expenses	4,858	5,367	4,367	5,530	5,892	6,073	6,568	6,956	20,122	25,489	7,180	-3.1
Delivery expenses	7,490	8,263	8,647	9,111	10,460	10,949	11,269	11,614	33,511	44,292	14,473	-19.8
<b>Gross Profit</b>	<b>2,450</b>	<b>2,558</b>	<b>4,140</b>	<b>3,652</b>	<b>3,916</b>	<b>5,119</b>	<b>6,444</b>	<b>6,992</b>	<b>12,800</b>	<b>22,472</b>	<b>3,261</b>	<b>114.4</b>
Margins (%)	10.3	9.3	13.6	12.0	12.2	14.2	16.1	15.9	11.4	14.8	8	810bp
Advertisement and sales promotion	4,871	4,939	4,545	4,152	4,454	5,371	7,515	9,777	18,508	27,117	7,016	39.4
Others	3,319	3,851	4,848	4,353	4,905	5,290	6,185	6,833	16,372	23,213	6,078	12.4
<b>EBITDA</b>	<b>-5,740</b>	<b>-6,232</b>	<b>-5,254</b>	<b>-4,854</b>	<b>-5,442</b>	<b>-5,542</b>	<b>-7,257</b>	<b>-9,618</b>	<b>-22,080</b>	<b>-27,858</b>	<b>-9,832</b>	<b>-2.2</b>
Margins (%)	-24.0	-22.6	-17.2	-15.9	-16.9	-15.4	-18.2	-21.8	-19.6	-18.3	-23.3	150bp
Depreciation	913	1,046	1,081	1,166	1,217	1,309	1,540	2,057	4,206	6,123	1,479	39.1
Interest	174	155	181	205	198	231	256	322	714	1,006	200	60.8
Other Income	1,198	872	822	977	879	848	1,028	1,207	3,870	3,962	1,200	0.6
<b>PBT before EO expense</b>	<b>-5,629</b>	<b>-6,561</b>	<b>-5,693</b>	<b>-5,248</b>	<b>-5,978</b>	<b>-6,233</b>	<b>-8,024</b>	<b>-10,790</b>	<b>-23,130</b>	<b>-31,025</b>	<b>-10,311</b>	<b>4.6</b>
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA	0.0	0bp
<b>Adj PAT</b>	<b>-5,629</b>	<b>-6,561</b>	<b>-5,693</b>	<b>-5,248</b>	<b>-5,978</b>	<b>-6,233</b>	<b>-8,024</b>	<b>-10,790</b>	<b>-23,130</b>	<b>-31,025</b>	<b>-10,311</b>	<b>4.6</b>
Extra-Ord expense	-7	-3	-46	-250	-132	-21	35	0	-306	-118	0	
Minority Interest & Profit/Loss of Asso. Cos.	5	6	5	50	1	1	1	22	66	26	0	
<b>Reported PAT</b>	<b>-5,641</b>	<b>-6,570</b>	<b>-5,744</b>	<b>-5,548</b>	<b>-6,111</b>	<b>-6,255</b>	<b>-7,991</b>	<b>-10,812</b>	<b>-23,502</b>	<b>-31,169</b>	<b>-10,311</b>	<b>4.9</b>
YoY Change (%)	NA	NA	NA	NA	8%	-5%	39%	95%	-44%	33%	NA	NA
Margins (%)	-23.6	-23.8	-18.8	-18.2	-19.0	-17.4	-20.0	-24.5	-20.9	-20.5	-24.4	-10bp

#### Key performance indicators – FD business

Particulars	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Avg MTU (m)	12.9	14.0	14.7	14.9	15.1
Avg. MT Restaurant Partners (m)	0.22	0.22	0.23	0.24	0.25
GOV (INR m)	62,460	68,080	71,910	74,360	73,470
GOV/MTU	4,842	4,863	4,892	4,991	4,866

Source: Company, MOFSL

#### Key performance indicators – QC business

Particulars	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Orders (m)	50	56	68	73	89
AOV	465	487	499	534	527
Avg. MTU (m)	4.7	5.2	6.2	7.0	9.8
Active Dark Stores	523	557	609	705	1021
Orders/Dark store/Day	1050	1103	1210	1151	964
Active Dark Store Area ( m Sq ft)	1.52	1.66	1.95	2.45	3.97

Source: Company, MOFSL



Estimate change



TP change



Rating change



Bloomberg	BIOS IN
Equity Shares (m)	1201
M.Cap.(INRb)/(USDb)	396.1 / 4.6
52-Week Range (INR)	405 / 270
1, 6, 12 Rel. Per (%)	1/3/1
12M Avg Val (INR M)	1728

## Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	153	178	203
EBITDA	32	37	43
Adjusted PAT	2	5	11
EBIT Margin (%)	9.7	10.5	11.8
Cons. Adj EPS (INR)	2.0	4.5	9.2
EPS Gro. (%)	13.2	119.9	104.5
BV/Sh. (INR)	180.4	184.6	193.3

## Ratios

Net D-E	0.6	0.7	0.7
RoE (%)	1.2	2.5	4.9
RoCE (%)	2.7	3.0	4.0
Payout (%)	22.7	5.6	5.6

## Valuations

P/E (x)	164.0	74.6	36.5
EV/EBITDA (x)	1.9	1.8	1.7
Div. Yield (%)	15.6	13.2	11.4
FCF Yield (%)	0.1	0.1	0.2
EV/Sales (x)	4.3	-0.3	-0.8

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	60.6	60.6	60.6
DII	15.7	15.4	13.7
FII	5.9	5.9	6.0
Others	17.8	18.1	19.7

FII includes depository receipts

**CMP: INR330**
**TP: INR400 (+21%)**
**Buy**

## Generics drives earnings; Biosimilars progressing steadily

### Product pipeline remains promising for the next 12-24M

- Biocon (BIOS) delivered a beat on 4QFY25 estimates, driven by strong execution in the Generics segment and steady progress in the Biosimilars segment. Syngene continued to improve its revenue run rate for 4QFY25, crossing the INR10b mark.
- We raise our earnings estimate for FY26 by 10%, factoring in: a) niche launches in the Generics and Biologics segments and b) better operating leverage. We value BIOS on an SOTP basis (20x 12M forward EV/EBITDA for 73% stake in Biocon Biologics, 53% stake in Syngene, and 14x EV/EBITDA for the Generics business) to arrive at a TP of INR400.
- FY25 was a mixed bag for BIOS. The company achieved successful compliance at its Malaysia and Biocon Park sites, while gradually recovering from challenges in biotech funding that had constrained business prospects for research services.
- We expect improved traction from niche launches in the Biosimilars and Generics segments to drive strong earnings growth over the next 2-3 years. Accordingly, we project a PAT of INR11b in FY27 vs INR2.5b in FY25. Reiterate BUY.

### Generics/Research Services drive margins YoY

- 4QFY25 revenue grew 12.8% YoY to INR44.2b (est. INR41b).
- Generics sales were up 46% YoY to INR10.5b (23% of sales). Research services (23% of sales) were up 11% YoY to INR10.2b. Biosimilars (54% of sales) were up 5% YoY to INR24.5b.
- Gross Margin (GM) expanded 70bp YoY to 64.5%, driven by its product mix.
- EBITDA margin expanded 100bp YoY to 24.4% (est: 20.8%) due to lower R&D/other expenses (-100bp/-300bp YoY as a % of sales), though offset by higher employee costs (+370bp YoY as % of sales).
- The EBITDA margin for Biocon Biologics was 21.9% in 4QFY25 (down 210bp YoY/up 70bp QoQ). Meanwhile, the EBITDA margin for Syngene stood at 35.7% (up 110bp YoY/560bp QoQ). The Generics business registered an EBITDA margin of 23.2% vs 4.6% YoY (2.8% QoQ).
- EBITDA grew 18% YoY to INR10.8b (est: INR8.5b) for the quarter.
- Adj. PAT grew 128% YoY to INR3.3b, supported by better operational performance and lower tax rate for the quarter.
- During FY25, Revenue/EBITDA/PAT grew 6%/7.6%/13.2% YoY to INR152b/INR32b/INR2.4b.

### Highlights from the management commentary

- BIOS has a Target Action Date (TAD) for g-Copaxone in the next few months and for Insulin Aspart in about a month. The TAD for Liraglutide is set for 2HCY25.
- BIOS is scaling up production of Bevacizumab and is expected to launch it soon.
- BIOS indicated that a large part of g-Revlimid is being supplied under a settlement agreement with the innovator, which is expected to be lumpy in nature going forward.




### Quarterly Performance (Consolidated)

(INRb)

Y/E March	FY24				FY25				FY24	FY25	FY25	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	vs Est
<b>Net Sales</b>	<b>34.2</b>	<b>34.6</b>	<b>36.0</b>	<b>39.2</b>	<b>34.3</b>	<b>35.9</b>	<b>38.2</b>	<b>44.2</b>	<b>144.1</b>	<b>152.6</b>	<b>40.8</b>	<b>8.3%</b>
YoY Change (%)	57.9	49.2	22.5	7.4	0.3	3.7	6.0	12.8	30.0	5.9	4.1	
Total Expenditure	27.1	27.2	30.3	30.0	28.1	29.0	30.4	33.4	114.6	120.9	32.3	
<b>EBITDA</b>	<b>7.1</b>	<b>7.4</b>	<b>5.8</b>	<b>9.2</b>	<b>6.2</b>	<b>6.9</b>	<b>7.9</b>	<b>10.8</b>	<b>29.5</b>	<b>31.7</b>	<b>8.5</b>	<b>27.1%</b>
YoY Change (%)	53.5	57.4	-16.3	5.1	-12.9	-7.4	36.2	17.7	18.1	7.6	-7.4	
Margins (%)	20.8	21.4	16.0	23.4	18.1	19.1	20.6	24.4	20.5	20.8	20.8	
Depreciation	3.6	3.9	4.2	4.1	4.1	4.2	4.3	4.4	15.7	16.9	4.2	
<b>EBIT</b>	<b>3.6</b>	<b>3.5</b>	<b>1.6</b>	<b>5.1</b>	<b>2.2</b>	<b>2.7</b>	<b>3.6</b>	<b>6.4</b>	<b>13.8</b>	<b>14.9</b>	<b>4.3</b>	
Interest	2.3	2.5	2.7	2.3	2.4	2.3	2.2	2.1	9.8	9.0	2.1	
Other Income	0.9	1.6	1.1	0.5	0.8	0.3	0.4	0.4	4.1	1.8	0.5	
Extraordinary Income	0.0	-0.2	8.3	-0.1	10.9	0.3	-0.2	0.2	7.9	11.2	0.0	
Share of Profit/Loss from Associates	-0.3	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	-0.8	0.0	0.0	
<b>PBT</b>	<b>1.8</b>	<b>2.1</b>	<b>8.1</b>	<b>3.2</b>	<b>11.5</b>	<b>1.0</b>	<b>1.6</b>	<b>4.9</b>	<b>15.2</b>	<b>18.9</b>	<b>2.7</b>	<b>82.7%</b>
Tax	0.4	0.4	0.6	1.0	2.8	0.7	0.8	0.3	2.3	4.6	1.0	
Rate (%)	19.1	19.6	6.8	30.1	24.8	71.4	47.9	5.7	15.0	24.2	38.9	
Minority Interest	0.5	0.5	0.9	0.9	2.0	0.4	0.6	1.2	2.8	4.2	0.4	
<b>PAT</b>	<b>1.0</b>	<b>1.3</b>	<b>6.6</b>	<b>1.4</b>	<b>6.6</b>	<b>-0.1</b>	<b>0.3</b>	<b>3.5</b>	<b>10.2</b>	<b>10.1</b>	<b>1.2</b>	<b>184.3%</b>
<b>Adj PAT</b>	<b>1.0</b>	<b>1.4</b>	<b>-1.7</b>	<b>1.4</b>	<b>-1.6</b>	<b>0.4</b>	<b>0.4</b>	<b>3.3</b>	<b>2.2</b>	<b>2.5</b>	<b>1.2</b>	<b>168.0%</b>
YoY Change (%)	-51.1	-16.2	-176.5	-4.9	-260.4	-74.7	-125.8	128.4	-71.1	13.2	-14.7	
Margins (%)	2.9	3.6	18.3	3.5	19.2	-0.4	0.7	7.8	7.1	6.6	3.0	

### Key Performance Indicators (Consolidated)

Y/E March	FY24				FY25				FY24	FY25	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3QE
<b>Cost Break-up</b>											
RM Cost (% of Sales)	38.7	35.4	36.6	36.2	37.2	35.6	38.0	35.5	36.7	37.2	35.9
Staff Cost (% of Sales)	15.2	15.3	15.4	13.6	20.4	20.8	19.1	17.3	14.8	19.6	20.2
R&D Expenses(% of Sales)	9.2	7.6	9.1	6.3	6.6	5.6	5.2	5.2	8.0	5.7	6.3
Other Cost (% of Sales)	16.1	20.2	22.8	20.6	17.7	18.9	17.1	17.6	20.0	17.8	18.1
Gross Margins (%)	61.3	64.6	63.4	63.8	62.8	64.4	62.0	64.5	63.3	62.8	64.1
EBITDA Margins (%)	20.8	21.4	16.0	23.4	18.1	19.1	20.6	24.4	20.5	19.7	19.5
EBIT Margins (%)	10.4	10.2	4.5	13.0	6.3	7.4	9.4	14.5	9.6	9.7	8.3

Estimate change   
TP change   
Rating change 

**CMP: INR5,671 TP: INR6,000 (+6%) Neutral**

## Earnings miss; product pipeline holds re-rating potential

- MCX posted a 61% YoY (in-line) growth in operating revenue, reaching INR2.9b. For FY25, operating revenue grew 63% YoY to INR11.1b.
- Total expenses rose 66% YoY/21% QoQ to INR1.3b (15% higher than estimates), driven by 75%/51% YoY increase in other expenses and staff costs. EBITDA stood at INR1.6b (57% YoY/down 17% QoQ) in 4QFY25, with EBITDA margins at 55% vs 56.3% in 4QFY24. For FY25, EBITDA stood at INR6.7b.
- The company reported a PAT of INR1.4b, up 54% YoY but down 15% QoQ (13% miss primarily due to higher costs). For FY25, PAT was INR5.6b.
- The quarter reported healthy volumes with an overall jump of 101% YoY (futures volumes grew 38% YoY and options volumes surged 115% YoY). This momentum is expected to sustain, driven by new product launches and increasing participation.
- We have raised our estimates for expenses based on 4Q results. The impact has been offset by an increase in volume growth estimates for the futures segment. Resultantly, our earnings estimates for FY26/27 are broadly unchanged. We reiterate a **Neutral rating on the stock with a one-year TP of INR6,000 (premised on 33x FY27E EPS)**.

## Surge in options volumes boosts revenue growth

- The transaction fee for 4QFY25 stood at ~INR2.5b, up 56% YoY, comprising options and futures in the ratio of 71:29 (vs. 3QFY25 at INR2.7b in the ratio of 72:28).
- Options ADT surged 96% YoY to INR2.3t, largely supported by 339% YoY growth in bullion contracts and 64% YoY growth in energy contracts. Futures ADT rose 56% YoY to INR283b, fueled by 45%/74%/66% YoY growth in bullion/energy contracts/base metals.
- Other income stood at INR292m, growing 59% YoY and 27% QoQ (21% higher than our estimates).
- Total expenses (incl. SGF contribution) rose 66% YoY and 21% sequentially at INR1.3b, driven by higher tech and staff costs.
- Staff costs increased 51% YoY/39% QoQ to INR463m (38% above est.). Sequentially, the cost rose INR130m, 75% of which is attributed to a one-time performance-related expense. Other expenses were up 75% YoY/13% QoQ to INR849m (5% above est.) due to: 1) higher tech costs (up 56% QoQ) and 2) SGF contribution of INR177m vs INR30m in 4QFY24.
- Management indicated that expenses as a percentage of sales are expected to remain stable going forward.
- Client participation increased 39% YoY, with 1.3m traded clients—1.07m in options and 0.48m in futures—reflecting growth across all participant categories.

Bloomberg	MCX IN
Equity Shares (m)	51
M.Cap.(INRb)/(USD\$)	289.2 / 3.4
52-Week Range (INR)	7049 / 2917
1, 6, 12 Rel. Per (%)	1/-11/42
12M Avg Val (INR M)	2629
Free float (%)	100.0

### Financials & Valuations (INR b)

Y/E Mar	2025	2026E	2027E
Sales	11.1	14.1	17.1
EBIT Margin (%)	54.1	57.8	60.3
PAT	5.6	7.2	9.1
EPS (INR)	110.1	142.2	178.0
EPS Gr. (%)	573.8	29.1	25.2
BV/Sh. (INR)	370.4	398.9	434.5

### Ratios

RoE (%)	34.3	37.0	42.7
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### Valuations

P/E (x)	51.5	39.9	31.8
P/BV (x)	15.3	14.2	13.1
Div Yield (%)	0.5	0.6	0.6

### Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	0.0	0.0	0.0
DII	58.1	56.3	56.9
FII	22.0	23.3	23.4
Others	19.9	20.4	19.7

FII includes depository receipts

- Around 140 FPIs have been onboarded onto the platform, contributing to the overall Average Daily Turnover (ADT) growth. FPI's contribution for 4QFY25 was INR165b in options and INR6b in futures, accounting for 7% of total turnover. While FPIs are currently permitted to trade only in cash-settled commodities (crude and natural gas), their contribution is expected to increase as new products become available.
- With respect to new launches, MCX is set to launch monthly silver options in 30kg, 5kg, and 1kg variants, following the successful rollout of a 10-gram gold options contract in Apr'25. The Exchange is actively working on introducing electricity contracts, index and weekly index contracts, as well as carbon credit contracts.

#### Key takeaways from the management commentary

- SGF's contribution was at 7% of transaction income (with 1% each allocated to ISF and IPF), which increased INR149m YoY due to higher trading volumes and market volatility. Management expects this contribution level to persist.
- Capital expenditure is projected to continue, driven by regulatory changes and the need to expand network capacity to support higher trading volumes from clients.
- MCX retained the top spot in the Futures Industry Association (FIA) exchange rankings for crude and natural gas segments, and ranked second in the gold and silver segments.

#### Valuation and view

We expect MCX to register a Revenue/EBITDA/PAT CAGR of 24%/29%/27% over FY25-27E. MCX's key growth drivers include: 1) new product launches; 2) continued volatility in key commodity prices (gold, crude oil, and natural gas) amid global uncertainties; and 3) sustained growth momentum in retail participation in the options market. We have raised our estimates for expenses based on 4Q results. The impact is offset by an increase in volume growth estimates for the futures segment. Resultantly, our earnings estimates for FY26/27 are broadly unchanged. We reiterate a **Neutral rating on the stock with a one-year TP of INR6,000 (premised on 33x FY27E EPS)**.

## Quarterly Performance

INRm

	FY24				FY25				FY24	FY25	Est.	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QFY25	(%/bp)	(%)	(%)
<b>Sales</b>	<b>1,458</b>	<b>1,651</b>	<b>1,915</b>	<b>1,811</b>	<b>2,344</b>	<b>2,856</b>	<b>3,014</b>	<b>2,913</b>	<b>6,835</b>	<b>11,127</b>	<b>2,970</b>	<b>(1.9)</b>	<b>60.9</b>	<b>(3.3)</b>
YoY Gr. (%)	34.0	29.6	33.4	35.4	60.8	73.0	57.4	60.9	33.1	62.8	64.0			
Staff Costs	253	274	290	307	321	327	332	463	1,123	1,443	334	38.4	50.7	39.2
Other expenses	1,098	1,664	1,822	484	697	735	750	849	5,069	3,031	807	5.2	75.3	13.2
<b>EBITDA</b>	<b>107</b>	<b>-287</b>	<b>-197</b>	<b>1,020</b>	<b>1,326</b>	<b>1,794</b>	<b>1,931</b>	<b>1,602</b>	<b>643</b>	<b>6,653</b>	<b>1,829</b>	<b>(12.4)</b>	<b>57.1</b>	<b>(17.1)</b>
Margins (%)	7.3	-17.4	-10.3	56.3	56.6	62.8	64.1	55.0	9.4	59.8	61.6			
Depreciation	43	66	113	138	134	140	146	217	359	638	148	46.4	57.4	48.6
<b>EBIT</b>	<b>64</b>	<b>-353</b>	<b>-310</b>	<b>882</b>	<b>1,191</b>	<b>1,654</b>	<b>1,785</b>	<b>1,385</b>	<b>283</b>	<b>6,016</b>	<b>1,681</b>	<b>(17.6)</b>	<b>57.0</b>	<b>(22.4)</b>
Interest Costs	1	1	1	1	1	1	2	1	3	5	1	62.5	116.7	(23.5)
Other Income	204	189	177	183	188	252	230	292	754	962	240	21.4	59.3	26.9
<b>PBT bef. Exceptional items</b>	<b>267</b>	<b>-164</b>	<b>-133</b>	<b>1,065</b>	<b>1,379</b>	<b>1,906</b>	<b>2,013</b>	<b>1,675</b>	<b>1,035</b>	<b>6,973</b>	<b>1,920</b>	<b>(12.8)</b>	<b>57.4</b>	<b>(16.8)</b>
Tax	58	16	-91	205	273	374	418	328	189	1,394	378	(13.2)	60.0	(21.5)
Rate (%)	21.6	-9.9	68.3	19.3	19.8	19.6	20.8	19.6	18.2	20.0	19.7			
Profit from associate	-13	-10	-11	19	4	4	5	8	-15	21	5.7			
<b>PAT</b>	<b>197</b>	<b>-191</b>	<b>-54</b>	<b>878</b>	<b>1,109</b>	<b>1,536</b>	<b>1,600</b>	<b>1,355</b>	<b>831</b>	<b>5,600</b>	<b>1,548</b>	<b>(12.5)</b>	<b>54.2</b>	<b>(15.4)</b>
Y-o-Y Gr. (%)	NA	NA	-114	NA	NA	NA	NA	NA	NA	NA	NA			
<b>EPS (INR)</b>	<b>3.9</b>	<b>-3.7</b>	<b>-1.1</b>	<b>17.3</b>	<b>21.8</b>	<b>30.2</b>	<b>31.5</b>	<b>26.6</b>	<b>16.3</b>	<b>109.8</b>	<b>30.4</b>	<b>(12.5)</b>	<b>54.2</b>	<b>(15.4)</b>
<b>Total volumes (INR t)</b>	<b>51.8</b>	<b>67.0</b>	<b>73.6</b>	<b>82.7</b>	<b>112.3</b>	<b>143.2</b>	<b>148.4</b>	<b>160.2</b>	<b>275.0</b>	<b>564.0</b>	<b>162.5</b>	<b>(1.4)</b>	<b>93.8</b>	<b>8.0</b>
Q-o-Q Gr. (%)	23.4	29.3	9.9	12.4	35.8	27.5	3.6	8.0			9.5			
Y-o-Y Gr. (%)	80.7	86.3	80.6	97.1	116.8	113.8	101.7	93.8	86.7	105.1	96.6			

## Change in Estimates

INRm	New estimates			Old estimates			Change		
Year End	2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Sales	11.1	14.1	17.1	11.18	14.0	16.7	-1%	1%	2%
EBIT margin (%)	54.1	57.8	60.3	56.44	60.2	62.5	-237bp	-236bp	-221bp
PAT	5.6	7.2	9.1	5.794	7.4	9.2	-3%	-3%	-2%
EPS (INR)	110.1	142.2	178.0	113.9	146.2	180.8	-3%	-3%	-2%
EPS Gr. (%)	573.8	29.1	25.2	597.1	28.4	23.7			
BV/Sh. (INR)	370.4	398.9	434.5	293.7	323.0	359.2			
<b>Ratio</b>									
RoE (%)	34.3	37.0	42.7	40.33	47.4	53.0			



# Motherson Wiring

Estimate change



TP change



Rating change



Bloomberg	MSUMI IN
Equity Shares (m)	4421
M.Cap.(INRb)/(USDb)	251.9 / 3
52-Week Range (INR)	80 / 46
1, 6, 12 Rel. Per (%)	4/-10/-26
12M Avg Val (INR M)	447

## Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	93.2	105.3	121.1
EBITDA	10.0	11.8	14.3
Adj. PAT	6.1	7.3	8.9
EPS (Rs)	1.4	1.6	2.0
EPS Growth (%)	-5.1	19.9	22.4
BV/Share (Rs)	3.8	4.6	5.6
<b>Ratios</b>			
Net D:E	0.0	0.0	0.0
RoE (%)	35.9	38.8	39.1
RoCE (%)	41.4	44.7	46.1
Payout (%)	62.0	60.8	62.1
<b>Valuations</b>			
P/E (x)	41.8	34.8	28.5
P/BV (x)	14.9	12.3	10.1
Div. Yield (%)	1.5	1.7	2.2
FCF Yield (%)	0.8	2.6	3.2

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	61.7	61.7	61.7
DII	16.2	16.7	16.2
FII	10.2	9.9	11.0
Others	11.9	11.7	11.1

FII includes depository receipts

CMP:INR57

TP: INR68 (+19%)

Buy

## Outperformance to core drives earnings beat

### Well-placed to outperform industry growth

- Motherson Wiring's (MSUMI) Q4 earnings were ahead of estimates, primarily driven by better-than-expected revenue growth. Its three new greenfields are well on track and expected to help MSUMI outperform industry growth in the next couple of years.
- Given the better-than-expected performance in Q4 and steady ramp-up at its greenfields, we have raised our estimates by 3%/5% for FY26E/FY27E. We believe MSUMI deserves rich valuations, given its strong competitive positioning, top-decile capital efficiency, and benefits of EVs and other mega-trends in autos. **Reiterate BUY with a TP of INR68 (premised on 34x FY27E EPS).**

### Earnings beat largely driven by better-than-expected revenue growth

- MSUMI's Q4 earnings were ahead of estimates, primarily driven by better-than-expected revenue growth.
- Revenue grew 12% YoY to INR25.1b vs our estimate of INR23.5b. This compares to the PV industry's growth of just 5% YoY. The revenue growth was likely supported by copper inflation, which rose 15% YoY.
- EBITDA margins contracted 220bp YoY to 10.8% (+50bp QoQ and ahead of our estimate of 10.5%), largely due to the impact of start-up costs of its three new greenfields. Adjusted for the same, its margins would have been 12.4%.
- Overall, PAT declined 14% YoY to INR1.65b (ahead of our estimate of INR1.5b). Adjusted for the impact of start-up costs, PAT would have been flat YoY at INR1.9b.
- For FY25, MSUMI posted 12% revenue growth to INR93b. This compares to the PV industry growth of 3% posted this year.
- Revenue mix for FY25: PVs: 61%, CV: 10%, 2Ws: 13%, off road: 7%, and others: 9%.
- EBITDA margin contracted 150bp YoY to 10.7% due to the impact of start-up costs. Adjusted for this, margins would have been flat YoY at 12.3%.
- Overall, reported PAT declined 5% YoY to INR6.1b. Adjusted PAT stood at INR7.1b, up 11% YoY.
- RoCE for FY25 remained healthy at 41.4%.
- MSUMI delivered FCF of INR1.9b in FY25.

### Highlights from the management commentary

- MSUMI is progressing through various stages of completion for three new greenfields: 1) Pune plant – SOP for EV + ICE plant commenced in Q2FY25, while the EV-only plant began operations in 4QFY25; 2) Navagam (Gujarat) plant – SOP for the EV-only plant is expected by 1QFY26, followed by the EV + ICE plant by Q2FY26; 3) SOP for the Karkhoda plant is scheduled for Q2FY26.

- These are sizeable plants with a peak combined revenue potential of INR21b, i.e. ~25% of MSUMI's FY24 revenues. The company has secured business from large Indian OEMs, including MSIL, M&M, and TTMT, for its upcoming new model launches in the coming years. Management has also indicated that MSUMI remains the preferred supplier for new-age vehicles by MSIL, MM, and TTMT.
- The EV mix of total revenues stood at 4% for Q4FY25.
- Capex guidance for FY26 stands at INR2b. The company has invested about INR400-600m in each plant, excluding the cost of land and buildings that are leased from SAMIL.
- MSUMI is a supplier for nine out of the top 10 selling PV models in FY25.

#### Valuation and view

- We expect EBITDA margin to expand in FY26, led by a better product mix, ramp-up of new greenfield plants, and localization efforts.
- We believe MSUMI deserves rich valuations, given its strong competitive positioning, top-decile capital efficiency, and benefits of EVs and other mega-trends in Autos. The stock trades at 34.8x/28.5x FY26E/FY27E EPS. **Reiterate our BUY rating with a TP of INR68 (premised on 34x FY27E EPS).**

#### MSUMI: Quarterly performance

Y/E March	FY24				FY25				FY24	FY25	4QE	Var. (INR M)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				(%)
<b>Net Sales</b>	<b>18,718</b>	<b>21,046</b>	<b>21,145</b>	<b>22,327</b>	<b>21,848</b>	<b>23,256</b>	<b>23,003</b>	<b>25,095</b>	<b>83,283</b>	<b>93,203</b>	<b>23,503.2</b>	<b>7</b>
YoY Change (%)	12.0	14.7	25.4	16.7	16.7	10.5	8.8	14.9	17.8	11.9	7.6	
RM Cost (% of sales)	65.2	66.2	65.5	65.1	65.1	64.9	64.9	65.7	65.5	65.2	64.7	
Staff Cost (% of sales)	17.5	16.3	16.1	15.4	17.2	17.3	17.9	16.5	16.3	17.2	17.9	
Other Expenses (% of sales)	6.2	5.7	6.0	6.4	6.7	7.1	6.8	7.0	6.1	6.9	6.9	
<b>EBITDA</b>	<b>2,072</b>	<b>2,481</b>	<b>2,620</b>	<b>2,913</b>	<b>2,388</b>	<b>2,496</b>	<b>2,376</b>	<b>2,712</b>	<b>10,132</b>	<b>9,971</b>	<b>2,460.5</b>	<b>10</b>
Margins (%)	11.1	11.8	12.4	10.9	10.9	10.7	10.3	10.8	12.2	10.7	10.5	
Depreciation	338	364	377	394	399	444	470	476	1,473	1,789	478	
Interest	77	74	64	58	55	72	66	55	273	248	60	
Other Income	5	56	11	43	50	48	6	16	69	119	42	
<b>PBT before EO expense</b>	<b>1,661</b>	<b>2,100</b>	<b>2,190</b>	<b>1,984</b>	<b>1,984</b>	<b>2,027</b>	<b>1,846</b>	<b>2,197</b>	<b>8,455</b>	<b>8,054</b>	<b>1,965</b>	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT after EO Expense</b>	<b>1,661</b>	<b>2,100</b>	<b>2,190</b>	<b>2,505</b>	<b>1,984</b>	<b>2,027</b>	<b>1,846</b>	<b>2,197</b>	<b>8,455</b>	<b>8,054</b>	<b>1,965.0</b>	<b>12</b>
Tax Rate (%)	26	26	23	25	25	25	24	25	25	25	25.0	
<b>Reported PAT</b>	<b>1,231</b>	<b>1,559</b>	<b>1,679</b>	<b>1,914</b>	<b>1,489</b>	<b>1,521</b>	<b>1,400</b>	<b>1,649</b>	<b>6,383</b>	<b>6,059</b>	<b>1,473</b>	
<b>Adj PAT</b>	<b>1,231</b>	<b>1,559</b>	<b>1,679</b>	<b>1,914</b>	<b>1,489</b>	<b>1,521</b>	<b>1,400</b>	<b>1,649</b>	<b>6,383</b>	<b>6,059</b>	<b>1,473</b>	<b>12</b>
YoY Change (%)	-2.2	33.9	58.1	7.5	20.9	-2.4	-16.6	10.8	31.1	-5.1	-1.1	

E: MOFSL Estimates

# Navin Fluorine International

Estimate change

TP change

Rating change



Bloomberg	NFIL IN
Equity Shares (m)	50
M.Cap.(INRb)/(USDb)	227.9 / 2.7
52-Week Range (INR)	4726 / 2876
1, 6, 12 Rel. Per (%)	8/30/33
12M Avg Val (INR M)	848

## Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	23.5	30.8	36.2
EBITDA	5.3	7.5	9.0
PAT	2.9	4.4	5.6
EPS (INR)	58.2	89.4	112.4
EPS Gr. (%)	26.2	53.6	25.8
BV/Sh.(INR)	529.5	600.5	689.8

## Ratios

Net D:E	0.5	0.4	0.2
RoE (%)	11.5	15.8	17.4
RoCE (%)	8.8	11.8	13.6
Payout (%)	20.6	20.6	20.6

## Valuations

P/E (x)	78.7	51.3	40.7
P/BV (x)	8.7	7.6	6.6
EV/EBITDA (x)	45.2	32.0	26.1
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	0.0	1.7	2.3

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	28.4	28.4	28.8
DII	30.0	28.5	28.6
FII	20.2	18.6	15.6
Others	21.4	24.6	27.0

FII includes depository receipts

**CMP: INR4,595**
**TP: INR5,060 (+10%)**
**Neutral**

## CDMO performance strong; order book visibility in FY26

- Navin Fluorine International's (NFIL) EBITDA in 4QFY25 came in line with our estimates, with strong YoY performance in the CDMO segment. Gross margin stood at 54.2%, while EBITDA margin expanded 720bp YoY to 25.5%. Earnings grew 35% YoY to INR950m in 4QFY25. There was stable momentum in all business segments as multiple strategic levers drove 4Q performance.
- HPP revenue was driven by higher volumes and improved realizations in 4Q. NFIL has signed a strategic agreement with Chemours for initial capacity deployment of their proprietary product. It has also entered into a technology tie-up with Buss ChemTech AG for high-purity N5 grade HF for solar applications, with NFIL branding, with no capex announced yet for the HF tie-up.
- In Spec Chem, both Dahej and Surat plants operated at optimum capacity with strong order visibility for FY26; two new fluoro intermediates are being introduced for a validated agrochem customer. While Fluorospecialty plant utilization is expected at ~50-55% in FY26, pricing pressure is likely to persist despite volume-led growth in the segment, with expected ATR at ~1.3-1.5x.
- In CDMO, orders are secured for CY25 under a European MSA, with new molecule orders and confirmed supply orders from major EU and US customers lined up for FY26. The guidance remains intact for the aspirational ~USD100m revenue by FY27—split equally among new MSA, Fermion contract, and the base CDMO business. The expected ATR of the segment is ~2x.
- With new agreements and strong visibility of existing contracts, we increase our revenue/EBITDA/PAT by 7%/6%/7% for FY26 and by 12%/14%/17% for FY27. The stock is trading at ~41x FY27E EPS of INR112.4 and ~26x FY27E EV/EBITDA. We value the company at 45x FY27E EPS to arrive at our TP of INR5,060. Valuations remain expensive, thus **we maintain our Neutral rating.**

## EBITDA in line; higher-than-expected interest cost leads to earnings miss

- NFIL reported revenue at INR7b (+16% YoY) and GM at 54.2% (+420bp YoY). EBITDAM came in at 25.5% (+720bp YoY), with EBITDA at INR1.8b (est. of INR1.8b, +62% YoY). PAT stood at INR950m (est. of INR1b, +35% YoY).
- For FY25**, revenue stood at INR240b (+16% YoY), EBITDA at INR5.3b (+32% YoY) and adjusted PAT at INR2.8b (+22% YoY). EBITDAM was at 21.9% in FY25 (+260bp YoY).
- NFIL declared a final dividend of INR7/share (interim dividend of INR5/ share in 3QFY25, taking the total FY25 dividend to INR12/share).

## Valuation and view

- The CDMO business is expected to drive robust growth (clocking a 53% CAGR over FY25-27) due to the increasing use of fluorine in the Pharma and Agro space, battery chemicals, and performance materials (Solar grid HF, Semiconductor grade HF, etc.).

- The company has already identified opportunities in its segments, such as: 1) a capability capex in Spec Chem with INR360m in peak revenue (first dispatch in Feb'25); 2) Fermion contract with a value of USD30m over three years; and, 3) a strategic agreement with Chemours to set up an initial commercial capacity for manufacturing of an innovative liquid cooling product (expected commissioning in 1QFY27), among others.
- We expect a CAGR of 24%/30%/39% in revenue/EBITDA/adj. PAT over FY25-27. The stock is trading at ~41x FY27E EPS of INR112.4 and ~26x FY27E EV/EBITDA. We value the company at 45x FY27E EPS to arrive at our TP of INR5,060. Valuations remain expensive, thus **we maintain our Neutral rating.**

### Consolidated - Quarterly Snapshot

	(INR m)											
Y/E March	FY24				FY25				FY24	FY25	FY25	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
<b>Gross Sales</b>	<b>4,912</b>	<b>4,718</b>	<b>5,001</b>	<b>6,020</b>	<b>5,237</b>	<b>5,186</b>	<b>6,062</b>	<b>7,009</b>	<b>20,650</b>	<b>23,494</b>	<b>6,963</b>	<b>1%</b>
YoY Change (%)	23.6	12.5	-11.3	-13.6	6.6	9.9	21.2	16.4	-0.6	13.8	15.7	
Gross Margin (%)	58.7%	57.2%	54.1%	50.0%	56.0%	56.8%	56.6%	54.2%	54.7%	55.8%	59.6%	-5.4%
<b>EBITDA</b>	<b>1,142</b>	<b>983</b>	<b>757</b>	<b>1,101</b>	<b>1,004</b>	<b>1,074</b>	<b>1,473</b>	<b>1,787</b>	<b>3,983</b>	<b>5,337</b>	<b>1,839</b>	<b>-3%</b>
Margin (%)	23.3	20.8	15.1	18.3	19.2	20.7	24.3	25.5	19.3	22.7	26.4	-0.9
Depreciation	213	243	249	257	267	279	296	353	962	1,194	317	
Interest	194	200	177	174	156	139	202	283	746	779	247	
Other Income	83	231	119	125	103	112	105	118	559	437	109	
<b>PBT before EO expense</b>	<b>818</b>	<b>772</b>	<b>450</b>	<b>794</b>	<b>683</b>	<b>768</b>	<b>1,080</b>	<b>1,270</b>	<b>2,834</b>	<b>3,801</b>	<b>1,385</b>	<b>-8%</b>
Extra-Ord. expense	0	0	521	0	0	0	0	0	521	0	0	
<b>PBT</b>	<b>818</b>	<b>772</b>	<b>972</b>	<b>794</b>	<b>683</b>	<b>768</b>	<b>1,080</b>	<b>1,270</b>	<b>3,355</b>	<b>3,801</b>	<b>1,385</b>	<b>-8%</b>
Tax	202	166	191	90	171	179	244	320	650	915	349	
Rate (%)	24.8	21.5	19.7	11.4	25.0	23.4	22.6	25.2	19.4	24.1	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>615</b>	<b>606</b>	<b>780</b>	<b>704</b>	<b>512</b>	<b>588</b>	<b>836</b>	<b>950</b>	<b>2,705</b>	<b>2,886</b>	<b>1,035</b>	<b>-8%</b>
<b>Adj. PAT</b>	<b>615</b>	<b>606</b>	<b>362</b>	<b>704</b>	<b>512</b>	<b>588</b>	<b>836</b>	<b>950</b>	<b>2,285</b>	<b>2,886</b>	<b>1,035</b>	<b>-8%</b>
YoY Change (%)	-17.4	4.8	-66.1	-48.4	-16.8	-2.9	131.2	35.0	-39.1	26.3	47.1	
Margin (%)	12.5	12.8	7.2	11.7	9.8	11.3	13.8	13.6	11.1	12.3	14.9	-1.3
<b>Segmental Revenue (INR m)</b>												
High Performance Products (HPP)	1,690	2,381	2,510	2,970	2,810	2,930	3,060	3,260	9,551	12,060	3,339	-2%
Specialty Chemicals	2,300	1,855	1,750	2,570	1,620	1,580	2,210	2,590	8,475	8,000	2,686	-4%
CDMO	920	482	730	480	810	680	790	1,150	2,612	3,430	933	23%

# Manappuram Finance

**CMP: INR229      TP: INR230 (+1%)      Neutral**

## Operationally weak; asset quality deteriorates across segments

### Gold loan AUM grew ~4% QoQ; appointment of new CEO

- MGFL has appointed Mr. Deepak Reddy as the new CEO (effective Aug'25). He will report to Mr. VP Nandakumar, who will be re-designated as the Managing Director (MD) of the company. Mr. Reddy previously served as President – Rural Lending, Gold Loans, and Insurance Businesses at Bajaj Finance. He has also held diverse roles across HR, Mortgages, Business Loans, Personal Loans, and Vendor Financing at Bajaj Finance and Bajaj Finserv.
- MGFL reported consol. loss of INR2b in 4QFY25 (vs. MOFSLe PAT of INR2.1b). FY25 consol. PAT declined ~45% YoY to INR12b. NII in 4QFY25 declined ~3% YoY to ~INR14.4b (~9% miss). PPOP declined ~27% YoY to ~INR6.8b, driven by elevated operating expenses in the MFI business.
- Consol. credit costs stood at ~INR9.2b (vs MOFSLe of ~INR6.8b). Annualized credit costs in 4QFY25 rose ~350bp QoQ to 8.4% (vs PQ: ~4.9%). Higher credit costs were attributed to the MFI, Vehicle Finance, and MSME segments.
- **Gold AUM grew ~4% QoQ and ~19% YoY to ~INR256b.** Net yields on gold loans stood at ~22.35% in FY25 (vs ~22.7% in 9MFY25). Net yields on the standalone business declined ~50bp QoQ to 21.7%, while standalone CoB was stable QoQ at 9.2%, resulting in a ~50bp decline in spreads.
- Standalone (Gold + Vehicle + Onlending + MSME) GNPA/NNPA increased ~30bp/20bp QoQ to ~2.8%/~2.5%, respectively. Asset quality deteriorated across non-gold segments, with GS3 increasing in vehicle finance (~6.7% vs. ~5.2% in 3Q) and MSME (~5.1% vs ~4.1% in 3Q).
- Management shared that the rise in GNPA in Vehicle Finance was driven by higher delinquencies in the 2W and farm equipment segments. In response, the company has tightened its credit underwriting policies for these categories, with disbursements resuming under the revised norms.
- MGFL is confident that the draft gold lending guidelines will not disrupt the industry and provide a level playing field for all players. Management has guided for gold AUM growth of >20%, but we conservatively estimate gold AUM growth of ~15% in FY26.
- We cut our FY26/FY27 PAT estimates by ~12%/13% to factor in a lower loan growth and NIM contraction. Over FY25-27, we estimate a CAGR of 15% each in gold/consolidated AUM and ~50% in consolidated PAT, with consolidated RoA/RoE of ~4.6%/14% in FY27 (after factoring in the expected equity infusion from Bain Capital). **Reiterate our Neutral rating on the stock with a TP of INR230 (based on 1.1x Mar'27E consolidated BVPS).**

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USDb)	193.5 / 2.3
52-Week Range (INR)	248 / 138
1, 6, 12 Rel. Per (%)	-6/53/29
12M Avg Val (INR M)	2256

### Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	62.2	66.7	77.0
PPP	36.3	37.9	44.4
PAT	12.0	20.2	26.8
EPS (INR)	14.2	21.5	26.0
EPS Gr. (%)	-45.2	51.0	20.9
BV/Sh.(INR)	147	179	201

### Ratios

NIM (%)	15.0	14.8	15.0
C/I ratio (%)	44.2	45.6	44.6
RoA (%)	2.5	3.9	4.6
RoE (%)	10.0	13.8	14.2
Payout (%)	24.6	16.5	15.5

### Valuations

P/E (x)	16.1	10.7	8.8
P/BV (x)	1.6	1.3	1.1
Div. Yld. (%)	1.5	1.5	1.8

### Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	35.3	35.3	35.2
DII	8.0	7.9	9.5
FII	28.4	27.0	32.0
Others	28.3	29.9	23.3

FII Includes depository receipts



### Gold AUM grew ~4% QoQ; sequential decline in gold tonnage and LTV

- Gold AUM grew ~4% QoQ and ~19% YoY to ~INR256b. Gold tonnage declined ~2% QoQ to ~56.4 tons. Within gold loans, LTV declined ~3pp QoQ to ~57%, while the Average Ticket Size (ATS) in gold loans rose to INR67.8K (PQ: INR64.3K). Gold loan customer base declined to ~2.58m (PQ: 2.6m).
- Management expects robust growth in gold loans to continue in the coming quarters, driven by a significant shift in customer preference from the unorganized to the organized sector.
- MGFL is targeting higher ticket sizes in gold lending, with a slight reduction in yields. After a successful pilot in 3Q across select branches, the initiative was expanded to more branches in Feb'25. While the customer base has remained broadly stable, the ATS has increased, with loans above INR500k now comprising 16% of the loan mix, up from 14%.

### Asirvad MFI: Credit costs elevated; GS3 rose ~270bp QoQ

- Asirvad's GNPA rose ~270bp QoQ to 8.5%, while NNPA was stable QoQ at ~2.5%. Credit costs stood at ~INR8.5b (PQ: ~INR4.7b), translating into annualized credit costs of ~37% (PQ: ~17%).
- Asirvad's AUM declined ~31% YoY and ~18% QoQ to ~INR82b. It reported a loss of INR6.3b in 4QFY25 (vs. loss of INR1.9b in 3QFY25).
- MGFL acknowledged that while 4QFY25 was the most difficult quarter, it has started seeing early signs of improvement in its MFI business. To strengthen its collection efforts, the company has increased collection incentives to improve customer retention and is expanding its collections team. The company expects MFI credit costs to decline in the subsequent quarters.

### Highlights from the management commentary

- Banks have started reducing the MCLR, which has led to some benefits from Apr'25. CPs are also being raised at slightly lower rates, and the company expects to see further improvements in its cost of borrowings in 1QFY26.
- MGFL anticipates a decline in gold loan yields in the coming quarters due to increased competitive pressure. However, the company also expects its cost of borrowings to decline. Even with potential contraction in RoA, MGFL plans to leverage its capital to maintain a healthy RoE.

### Valuation and view

- MGFL reported a weak operational performance for the quarter, primarily due to elevated credit costs and a deterioration in asset quality across its non-gold segments. Although the gold loan portfolio registered healthy growth, both the MFI and vehicle finance segments saw a sequential decline in AUM. Asirvad Microfinance posted a net loss for the second consecutive quarter, impacted by significantly elevated credit costs.
- MGFL trades at 1.1x FY27E P/BV, and we believe that there could be a near-term impact on profitability and growth due to stress in the MFI and other non-gold product segments. **We reiterate our Neutral rating on the stock with a TP of INR230 (based on 1.1x Mar'27E consolidated BVPS).**

**MGFL - Quarterly Performance (Consolidated)**

(InR m)

Y/E March	FY24				FY25				FY24	FY25	4QFY25E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	19,363	20,438	22,011	22,734	23,861	25,411	25,163	23,393	84,546	97,997	24,698	-5
Interest Expenses	6,484	6,894	7,487	7,792	8,483	9,057	9,253	8,954	28,657	35,747	8,816	2
<b>Net Interest Income</b>	<b>12,879</b>	<b>13,543</b>	<b>14,524</b>	<b>14,943</b>	<b>15,378</b>	<b>16,354</b>	<b>15,909</b>	<b>14,439</b>	<b>55,889</b>	<b>62,250</b>	<b>15,882</b>	<b>-9</b>
YoY Growth (%)	34.6	25.5	33.0	32.83	19.4	20.8	9.5	-3.37	31.4	11.4	6.3	
Other income	1,209	1,303	1,256	888	1,259	961	464	240	4,655	2,752	925	-74
<b>Net Income</b>	<b>14,088</b>	<b>14,846</b>	<b>15,780</b>	<b>15,831</b>	<b>16,636</b>	<b>17,314</b>	<b>16,373</b>	<b>14,679</b>	<b>60,544</b>	<b>65,002</b>	<b>16,807</b>	<b>-13</b>
Operating Expenses	6,068	6,182	6,419	6,497	6,823	6,984	7,066	7,845	25,165	28,718	7,212	9
<b>Operating Profits</b>	<b>8,020</b>	<b>8,664</b>	<b>9,361</b>	<b>9,333</b>	<b>9,814</b>	<b>10,331</b>	<b>9,307</b>	<b>6,833</b>	<b>35,379</b>	<b>36,285</b>	<b>9,595</b>	<b>-29</b>
YoY Growth (%)	57.5	36.8	58.1	52.0	22.4	19.2	-0.6	-26.8	50.7	2.6	2.8	
Provisions	1,212	1,197	1,496	1,878	2,286	2,604	5,546	9,192	5,783	19,628	6,764	36
<b>PBT</b>	<b>6,808</b>	<b>7,467</b>	<b>7,864</b>	<b>7,455</b>	<b>7,528</b>	<b>7,727</b>	<b>3,761</b>	<b>-2,359</b>	<b>29,595</b>	<b>16,656</b>	<b>2,832</b>	-
Tax Provisions	1,828	1,861	2,111	1,820	1,963	2,006	976	-327	7,621	4,618	735	-144
<b>PAT</b>	<b>4,980</b>	<b>5,607</b>	<b>5,753</b>	<b>5,635</b>	<b>5,565</b>	<b>5,721</b>	<b>2,785</b>	<b>-2,032</b>	<b>21,974</b>	<b>12,039</b>	<b>2,096</b>	-
YoY Growth (%)	77	37	46	36	12	2	-52	-136	46	-45	-63	
<b>Key Ratios (%)</b>												
Yield on loans	22.3	22.6	23.2	22.8	22.5	22.9	22.8	21.8	22.5	23.6		
Cost of funds (Cal)	9.1	9.1	9.3	9.5	9.4	9.4	9.8	9.9	9.2	10.4		
Spreads (Cal)	13.2	13.5	13.9	13.3	13.1	13.5	13.0	11.9	13.3	13.2		
NIMs (Cal)	14.8	15.0	15.3	15.0	14.5	14.8	14.4	13.5	14.9	15.0		
C/I ratio	43.1	41.6	40.7	41.0	41.0	40.3	43.2	53.4	41.6	44.2		
Credit Cost	1.3	1.3	1.5	1.8	2.1	2.3	4.9	8.4	1.5	4.7		
Tax Rate	26.9	24.9	26.8	24.4	26.1	26.0	26.0	13.9	25.8	27.7		
<b>Balance Sheet Parameters</b>												
<b>Consol. AUM (INR b)</b>	<b>371</b>	<b>390</b>	<b>404</b>	<b>421</b>	<b>449</b>	<b>457</b>	<b>442</b>	<b>430</b>				
Change YoY (%)	20.6	27.0	26.7	18.7	21.2	17.4	9.5	2.3				
<b>Gold loans (INR b)</b>	<b>206</b>	<b>208</b>	<b>208</b>	<b>215</b>	<b>236</b>	<b>244</b>	<b>245</b>	<b>256</b>				
Change YoY (%)	0.6	8.4	11.5	8.9	14.8	17.1	18.0	19.0				
Gold stock (tonnes)	59	59	58	59	60	60	57	56				
Gold loans/branch (INR m)	51	51	51	53	58	60	61	63				
<b>Consol. Borrowings (INR b)</b>	<b>285</b>	<b>322</b>	<b>319</b>	<b>337</b>	<b>385</b>	<b>385</b>	<b>370</b>	<b>354</b>				
Change YoY (%)	19.0	20.5	18.2	18.2	34.8	19.4	15.9	5.2				
<b>Borrowings Mix (%)</b>												
Debentures	20.3	18.2	18.5	14.4	12.3	12.1	11.3	10.6				
CPs	0.0	2.0	0.1	2.5	2.3	1.5	0.8	0.8				
WC/CC	27.0	27.5	25.7	22.7	20.5	19.1	20.6	20.5				
TL	49.5	50.2	52.9	56.5	54.3	47.7	53.5	52.7				
ECB	3.3	0.6	1.6	2.8	10.0	19.0	13.4	14.8				
Others	0.0	1.4	1.3	1.2	0.6	0.7	0.4	0.5				
Debt/Equity (x)	1.4	1.5	1.4	0.5	1.6							
<b>Asset Quality Parameters (%)</b>												
GNPL ratio (Standalone)	1.4	1.6	2.0	1.9	2.0	2.4	2.5	2.8				
NNPL ratio (Standalone)	1.2	1.4	1.8	1.7	1.7	2.1	2.3	2.5				
<b>Return Ratios (%)</b>												
RoA (Rep)	5.0	5.3	5.2	4.9	4.8	4.4	2.2	-1.6				
RoE (Rep)	20.1	21.6	21.2	19.9	16.7	18.6	8.9	-6.4				

E: MOFSL estimates

# IIFL Finance

Estimate changes

TP change

Rating change



Bloomberg	IIFL IN
Equity Shares (m)	425
M.Cap.(INRb)/(USDb)	158.3 / 1.9
52-Week Range (INR)	561 / 280
1, 6, 12 Rel. Per (%)	7/-15/-10
12M Avg Val (INR M)	1101

## Financials Snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	53.3	56.2	66.4
Total Income	57.5	68.6	80.4
PPoP	27.9	36.1	42.5
PAT (pre-NCI)	5.8	18.0	23.2
PAT (post-NCI)	3.8	16.0	21.0
EPS (INR)	8.9	37.8	49.5
EPS Gr. (%)	-81	323	31
BV (INR)	292	326	371

## Ratios (%)

NIM	6.8	6.6	6.6
C/I ratio	51.5	47.3	47.2
Credit cost	2.8	2.1	1.8
RoA	0.9	2.5	2.8
RoE	3.3	12.2	14.2

## Valuations

P/E (x)	41.7	9.8	7.5
P/BV (x)	1.3	1.1	1.0

## Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	24.9	24.9	24.8
DII	5.5	4.5	8.6
FII	28.0	27.8	29.1
Others	41.5	42.8	37.5

FII Includes depository receipts

**CMP: INR373**
**TP: INR450 (+21%)**
**Buy**

## Strong growth in gold loans; overall credit costs moderate

- **Calc. NIM contracts ~10bp QoQ; GNPA improves ~20bp sequentially**
- IIFL Finance's (IIFL) 4QFY25 NII was down 20% YoY, but it rose ~6% QoQ to ~INR13.1b (~6% beat). Other income stood at ~INR810m (PQ: INR1.1b).
- Net total income declined ~10% YoY to ~INR14b. Opex dipped ~4% YoY to INR7.4b (in line), with the cost-to-income ratio declining to ~53% (PQ: 56% and PY: 49%). PPoP stood at INR6.6b and declined ~17% YoY.
- Credit costs were lower than estimated and stood at ~2.7% (PQ: ~4.2% and PY: ~1.9%). The decline in credit costs was primarily because of lower credit costs in the MFI business.
- Consol. PAT (post-NCI) declined ~44% YoY to INR2.1b in 4QFY25, and it dipped ~79% YoY to INR3.8b in FY25.

## Consol. AUM up ~10% QoQ; strong growth in Gold loan AUM

- Consol. AUM declined 1% YoY but grew ~10% QoQ to INR783b. On-book loans grew ~8% YoY. Off-book formed ~30% of the AUM mix, with co-lending forming ~14% of the AUM mix.
- Gold loan AUM stood at ~INR210b and rose ~40% QoQ. Sequential growth in Consol AUM was driven by gold loans (+40%), home loans (+4%), and MSME loans (+2%). Microfinance declined ~5% QoQ. Home loans rose ~15% YoY, and MSME loans grew ~18% YoY.
- The company has witnessed strong momentum in gold loan disbursements and expects the same to sustain through FY26. Management guided for gold loan growth of ~25-30% in FY26.
- In the previous quarter, gold loan growth came with a trade-off in yields, but in 4QFY25, the company reported an improvement in gold loan yields (up ~25bp QoQ) and expects some more yield improvement going forward.
- We estimate gold loans and consolidated AUM to grow ~25%/~18% YoY in FY26, resulting in a consol. AUM CAGR of ~18% over FY25-27E.

## MFI credit costs moderate; no disruption visible in TN as yet

- Overall credit costs moderate in 4Q, primarily driven by a sharp reduction in credit costs within the MFI segment. Management attributed the decline in MFI credit costs to 1) selling a portion of its stressed MFI portfolio to an ARC, resulting in write-backs of ~INR500-600m; 2) reduction in PCR for Stage 2 and Stage 3 assets. Stage 3 PCR declined from ~88% to 71%, while Stage 2 PCR dropped from ~28% to 19% during the quarter; and 3) release of management overlay of INR1.25b, further easing the credit cost burden. These factors led to a reduction of ~INR2.4-2.5b in MFI credit costs in 4QFY25. **Management guided MFI credit costs of ~5% in FY26.**
- Additionally, the IIFL Samasta management highlighted that the company is not seeing any disruptions in Tamil Nadu from the recent TN Bill and that collection efficiencies in the state continue to remain at normal levels.

### NIM dips ~10bp QoQ; calc. yields rise ~35bp QoQ

- Consol. yields/CoB rose ~35bp/30bp QoQ to ~13.3%/~9.7%.
- Calculated NIM dipped ~10bp QoQ.
- 

### Asset quality improves; PCR declines ~5pp QoQ

- GS3 (consol.) declined ~20bp QoQ to ~2.23%, while NS3 rose ~5bp QoQ to ~1.05%. PCR declined ~5pp QoQ to ~54%.
- Management shared that there was some spillover of stress from the unsecured segment in micro-LAP business but highlighted that, excluding the micro-LAP portfolio, asset quality within the housing business improved during the quarter.
- Management guided consolidated credit costs of ~2.5-2.7% (as a % of avg. loan book) in FY26 (vs. ~3.1% in FY25).

### Highlights from the management commentary

- IIFL intends to grow faster in the secured portfolio, while growth in the unsecured portfolio will largely be driven through bank partnerships. The company intends to grow at a slower pace in the unsecured portfolio.
- The MFI and unsecured MSME portfolios are expected to witness elevated credit costs in the current year. However, the company plans to gradually pivot the MSME product mix towards a higher proportion of secured lending. As a result, it expects credit costs to normalize to historical levels by FY27.
- Management expects DA and co-lending to pick up in FY26. It targets to increase the off-book (co-lending and assignments) to ~40% by Mar'26.

### Valuation and view

- IIFL delivered a healthy performance during the quarter, driven by strong sequential growth in both gold loans and overall AUM. The rebound in gold loan disbursements reflects the company's renewed focus on regaining market share and recapturing previously lost business in this segment. On the asset quality front, credit costs moderated on a sequential basis, primarily driven by a decline in MFI credit costs.
- We cut our FY26 and FY27 EPS estimates by ~8%/18% to factor in the lower loan growth and NIM compression. The stock trades at 1x FY27E P/BV and ~8x P/E for a PAT CAGR of ~136% over FY25-FY27E. We estimate RoA/RoE of 2.8%/14% in FY27. **We have a BUY rating on the stock with a TP of INR450 (based on SoTP valuation; refer to the table below).**

#### IIFL: SoTP – Mar'27

Particulars	Stake	Value (INR b)	Value (USD b)	INR per share	% To Total	Target Multiple(x)	Basis
IIFL Finance (Standalone)	100	89	1.1	211	47	1.2	PBV
IIFL Home Finance (HFC)	80	91	1.1	214	48	1.5	PBV
IIFL Samasta Finance (MFI)	100	11	0.1	25	6	0.5	PBV
<b>Target Value</b>		<b>191</b>	<b>2.3</b>	<b>450</b>	<b>100</b>		
Current market cap.		158	1.9	372			
<b>Upside (%)</b>		<b>21</b>	<b>21</b>	<b>21</b>			

**IIFL Finance (Consolidated): Quarterly Performance**
**(INR M)**

Y/E March	FY24				FY25				FY24	FY25	4QFY25E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	21,989	23,576	25,630	27,200	24,721	23,181	22,308	24,833	98,386	95,043	23,363	6
Interest Expenses	8,878	9,321	9,885	10,744	10,340	9,788	9,957	11,694	38,829	41,695	10,921	7
<b>Net Interest Income</b>	<b>13,111</b>	<b>14,255</b>	<b>15,745</b>	<b>16,456</b>	<b>14,381</b>	<b>13,394</b>	<b>12,352</b>	<b>13,139</b>	<b>59,557</b>	<b>53,348</b>	<b>12,442</b>	<b>6</b>
YoY Growth (%)	48.9	44.7	44.7	38.9	9.7	-6.0	-21.6	-20.2	43.6	-10.4	-24.4	
Other Income	1,306	1,878	1,120	-873	-43	2,467	1,051	810	3,342	4,202	3,388	-76
<b>Total Income</b>	<b>14,417</b>	<b>16,134</b>	<b>16,865</b>	<b>15,584</b>	<b>14,338</b>	<b>15,861</b>	<b>13,402</b>	<b>13,949</b>	<b>62,899</b>	<b>57,550</b>	<b>15,830</b>	<b>-12</b>
YoY Growth (%)	20	26	26	10	-1	-2	-21	-10	20.4	-8.5	1.6	
Operating Expenses	6,332	6,772	7,272	7,691	7,461	7,329	7,478	7,367	28,067	29,634	7,520	-2
<b>Operating Profit</b>	<b>8,085</b>	<b>9,361</b>	<b>9,593</b>	<b>7,893</b>	<b>6,877</b>	<b>8,532</b>	<b>5,925</b>	<b>6,582</b>	<b>34,832</b>	<b>27,916</b>	<b>8,309</b>	<b>-21</b>
YoY Growth (%)	18.4	29.0	24.9	-1.6	-14.9	-8.9	-38.2	-16.6	16.9	-19.9	5.3	
Provisions & Loan Losses	1,901	2,526	2,430	2,356	2,516	4,063	4,914	3,487	9,113	14,980	4,621	-25
<b>Profit before Tax</b>	<b>6,184</b>	<b>6,835</b>	<b>7,163</b>	<b>5,537</b>	<b>4,362</b>	<b>4,468</b>	<b>1,011</b>	<b>3,095</b>	<b>25,719</b>	<b>7,070</b>	<b>3,688</b>	<b>-16</b>
Exceptional items		0				-5,865						
Tax Provisions	1,455	1,580	1,711	1,231	980	-466	193	581	5,977	1,289	1,018	-43
<b>PAT (Pre NCI)</b>	<b>4,729</b>	<b>5,255</b>	<b>5,452</b>	<b>4,306</b>	<b>3,382</b>	<b>-931</b>	<b>818</b>	<b>2,514</b>	<b>19,742</b>	<b>5,782</b>	<b>2,670</b>	<b>-6</b>
NCI	475	513	548	572	501	646	410	437	2,107	1,994	443	-1
<b>PAT (Post NCI)</b>	<b>4,254</b>	<b>4,743</b>	<b>4,904</b>	<b>3,734</b>	<b>2,881</b>	<b>-1,577</b>	<b>408</b>	<b>2,077</b>	<b>17,635</b>	<b>3,788</b>	<b>2,227</b>	<b>-7</b>
YoY Growth (%)	29	25	30	-10	-32	-133	-92	-44	18	-79	-40	
<b>Key Parameters (%)</b>												
Yield on AUM	13.2	13.4	13.6	13.91	13.31	13.6	12.9	13.27				
Cost of funds	9.1	9.5	9.5	9.66	9.46	9.7	9.5	9.74				
Spread	4.1	3.9	4.1	4.3	3.8	3.9	3.4	3.5				
NIM (on AUM)	7.9	8.1	8.4	8.4	7.7	7.8	7.1	7.0				
Credit cost	1.9	2.4	2.1	1.9	2.1	3.6	4.2	2.7				
Cost to Income Ratio (%)	43.9	42.0	43.1	49.4	52.0	46.2	55.8	52.8				
Tax Rate (%)	23.5	23.1	23.9	22.2	22.5	-10.4	19.1	18.8				
<b>Balance Sheet Parameters</b>												
<b>Consol. AUM (INR B)</b>	<b>682</b>	<b>731</b>	<b>774</b>	<b>790</b>	<b>696</b>	<b>670</b>	<b>714</b>	<b>783</b>				
Change YoY (%)	29	32	34	22	2	-8	-8	-1				
<b>Disbursements - Core (INR B)</b>	<b>150</b>	<b>159</b>	<b>166</b>	<b>163</b>	<b>43</b>	<b>73</b>	<b>176</b>	<b>197</b>				
Change YoY (%)	30	32	27	-15	-71	-54	6	21				
<b>Borrowings (INR B)</b>	<b>385</b>	<b>404</b>	<b>430</b>	<b>460</b>	<b>414</b>	<b>391</b>	<b>451</b>	<b>509</b>				
Change YoY (%)	11	16	19	16	8	-3	5	11				
Borrowings/AUM (%)	56.4	55.3	55.5	58.2	59.5	58.4	63.2	65.0				
Debt/Equity (x)	4.1	4.1	4.1	4.4	3.4	3.3	3.7	4.1				
<b>Asset Quality (%)</b>												
<b>GS 3 (INR M)</b>	<b>7,639</b>	<b>7,931</b>	<b>8,026</b>	<b>11,692</b>	<b>10,231</b>	<b>10,687</b>	<b>12,028</b>	<b>12,253</b>				
G3 %	1.8	1.8	1.70	2.30	2.25	2.40	2.42	2.23				
<b>NS 3 (INR M)</b>	<b>4,400</b>	<b>4,402</b>	<b>4,045</b>	<b>5,951</b>	<b>4,982</b>	<b>4,756</b>	<b>4,956</b>	<b>5,685</b>				
NS3 %	1.1	1.0	0.9	1.18	1.11	1.1	1.0	1.05				
<b>PCR (%)</b>	<b>42.4</b>	<b>44.5</b>	<b>49.6</b>	<b>49.1</b>	<b>51.3</b>	<b>55.5</b>	<b>58.8</b>	<b>53.6</b>				
ECL (%)	2.9	2.9	2.6	2.4	2.9	3.2	2.8	2.1				
<b>Return Ratios - YTD (%)</b>												
ROA (Rep)	3.6	3.9	3.8	3.4	2.3	0.8	0.8	0.9				
ROE (Rep)	19.1	20.1	19.7	18.4	10.3	2.3	2.0	3.4				

E: MOFSL Estimates



# Craftsman Automation

Estimate changes

TP change

Rating change



Bloomberg	CRAFTSMA IN
Equity Shares (m)	24
M.Cap.(INRb)/(USDb)	116.1 / 1.4
52-Week Range (INR)	7121 / 3700
1, 6, 12 Rel. Per (%)	6/-2/4
12M Avg Val (INR M)	392

## Consol. Financials & Valuations (INR b)

INR b	FY25	FY26E	FY27E
Sales	56.9	72.7	81.4
EBITDA	8.3	11.1	13.4
Adj. PAT	2.2	3.6	5.3
EPS (INR)	92.1	150.7	221.0
EPS Gr. (%)	-36.1	63.5	46.7
BV/Sh. (INR)	1,197	1,338	1,544
<b>Ratios</b>			
RoE (%)	9.7	11.9	15.3
RoCE (%)	8.6	9.7	11.7
Payout (%)	5.4	6.6	6.8
<b>Valuations</b>			
P/E (x)	52.9	32.4	22.1
P/BV (x)	4.1	3.6	3.2
Div. Yield (%)	0.1	0.2	0.3
FCF Yield (%)	-6.1	-0.2	4.9

## Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	48.7	48.7	55.0
DII	22.7	21.0	16.0
FII	15.6	17.0	12.6
Others	13.0	13.3	16.5

FII Includes depository receipts

**CMP: INR4,868**
**TP: INR4,641 (-5%)**
**Neutral**

## Strong end to the fiscal

### Maintains FY26 guidance

- Craftsman Automation (CRAFTSMA)'s 4QFY25 performance was sharply ahead of our estimates, led by improved performance across all its segments.
- Given the better-than-expected performance in 4Q and an improved outlook, we raise our earnings estimates by 7%/6% for FY26/FY27. The key monitorables from here on include 1) the turnaround at Sunbeam and 2) stabilization of the greenfields. While these strategic initiatives appear to be in the right direction for the long run, they are likely to hurt returns for at least the next 12-15 months. The stock at 32x FY26E and 22x FY27E appears fairly valued. **We reiterate our Neutral rating with a TP of INR4,641 (valued at 21x FY27E EPS).**

### Earnings beat led by improved performance across the board

- CRAFTSMA's 4QFY25 revenue grew 40% YoY to INR11.5b, ahead of our estimate of INR9.4b. The revenue beat was driven by improved traction in all its key segments.
- YoY comparison is not meaningful given the Sunbeam acquisition.
- The powertrain business posted 11% QoQ growth, the aluminum segment rose 10% QoQ, and the Industrial segment posted 17% QoQ growth.
- Given an improved pick up, the EBIT margin for the powertrain segment was up 220bp QoQ to 13.2%, was up 100bp QoQ to 8.8% for the aluminum segment, and expanded 550bp to 5.6% for the Industrial segment.
- As a result, consolidated margin improved 160bp QoQ to 14% (ahead of our estimate of 13%).
- Given the strong operational performance, PAT came in well ahead of estimates at INR275m (est of INR84m).
- For FY25, Craftsman posted 28% YoY growth in revenues to INR56.9b. Growth was boosted by acquisitions of Sunbeam and Frongberg.
- Organic growth for FY25 stood at 12% YoY. This was largely driven by 14% growth each in the Aluminium and Industrial segments and 8% growth in the powertrain segment.
- For FY25, the EBITDA margin sharply contracted by 510bp to 14.6% due to a weak demand environment, start-up costs of new facilities, and the acquisition of new companies highlighted above.
- As a result, PAT declined 28% YoY to INR2.2b for FY25.
- Management has incurred significant capex in the last two years worth almost INR16b, which has led to a negative FCF of INR8.2b in this period.

### Highlights from the management interaction

- Management has maintained its guidance given in 3Q: revenue at INR70b for FY26E, EBITDA at INR11b, and EBIT at INR6.5-7b.
- The traditional powertrain business is likely to post double-digit growth in FY26 and expects margins to be better than even 4Q levels for FY26E.
- Sunbeam is likely to clock INR12b revenues in FY26E with margins of 8-10%.
- Standalone AI business is likely to clock a 20% revenue CAGR, driven by the ramp-up of plants at Bhiwadi and Hosur.
- Management has indicated that DRA can post double-digit growth going forward, viz., 8-10% for FY26 and higher in FY27.
- The storage solutions business is expected to grow in the high teens going forward.

### Valuation and view

- Given the better-than-expected performance in 4Q and an improved outlook, we raise our earnings estimates by 7%/6% for FY26E/FY27E.
- Management is currently integrating multiple projects simultaneously, which include: 1) integration and restructuring of Sunbeam 2) ramp-up of new plants in Bhiwadi, Kothavadi, and Hosur, and 3) integration of Frongberg. While these strategic initiatives appear to be in the right direction for the long run, they are likely to hurt returns for at least the next 12-15 months, by which time we hope to expect: 1) a turnaround at Sunbeam, and 2) stabilization of the greenfields. If any of these timelines are not met, it will lead to further downside risk to our earnings. **The stock at 32x FY26E and at 22x FY27E appears fairly valued. We reiterate our Neutral rating with a TP of INR4,641 (valued at 21x FY27E EPS).**

### Quarterly (Consol)

	FY24				FY25				FY24	FY25	4QE	Variance (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Net operating income</b>	<b>10,376</b>	<b>11,791</b>	<b>11,297</b>	<b>11,053</b>	<b>11,512</b>	<b>12,140</b>	<b>15,761</b>	<b>17,493</b>	<b>44,517</b>	<b>56,905</b>	<b>16,245</b>	<b>7.7</b>
Change (%)	53.5	52.9	50.8	12.7	10.9	3.0	39.5	58.3	39.9	27.8	47.0	
RM/Sales (%)	52.5	53.2	53.2	54.1	56.3	55.6	52.7	54.2	53.3	54.5	58.4	-430bp
Staff Cost (% of Sales)	6.5	6.1	6.8	6.6	6.4	6.9	8.5	8.3	6.5	7.7	8.6	-20bp
Other Exp. (% of Sales)	20.4	20.6	20.6	20.5	20.1	21.6	26.2	23.6	20.5	23.2	19.5	410bp
<b>EBITDA</b>	<b>2,142</b>	<b>2,375</b>	<b>2,202</b>	<b>2,069</b>	<b>1,973</b>	<b>1,928</b>	<b>1,990</b>	<b>2,436</b>	<b>8,788</b>	<b>8,327</b>	<b>2,189</b>	<b>11.3</b>
EBITDA Margins (%)	20.6	20.1	19.5	18.7	17.1	15.9	12.6	13.9	19.7	14.6	13.5	50bp
Non-Operating Income	37	47	35	53	48	64	86	52	172	251	51	
Interest	424	416	442	464	492	413	583	679	1745	2166	581	
Depreciation	683	668	703	723	725	762	1035	949	2777	3470	1065	
MI/Share of Profit	62	97	82	79	61	-4	-2	-2	320	-10	-2	
<b>PBT after EO items</b>	<b>1,011</b>	<b>1,241</b>	<b>1,010</b>	<b>856</b>	<b>744</b>	<b>821</b>	<b>313</b>	<b>755</b>	<b>4,118</b>	<b>2,951</b>	<b>596</b>	<b>26.7</b>
Eff. Tax Rate (%)	26.3	23.8	27.6	27.2	28.5	24.9	58.6	11.6	26.1	23.3	31.7	
<b>Rep. PAT</b>	<b>745</b>	<b>945</b>	<b>731</b>	<b>623</b>	<b>532</b>	<b>617</b>	<b>129</b>	<b>668</b>	<b>3,045</b>	<b>2,263</b>	<b>407</b>	<b>64.0</b>
Change (%)	34.0	56.0	41.7	-22.3	-28.6	-34.7	-82.3	7.1	22.6	-25.7	-34.7	
<b>Adj. PAT</b>	<b>745</b>	<b>945</b>	<b>731</b>	<b>623</b>	<b>532</b>	<b>617</b>	<b>242</b>	<b>750</b>	<b>3,045</b>	<b>2,263</b>	<b>407</b>	<b>84.2</b>
Change (%)	34.0	56.0	41.7	-22.3	-28.6	-34.7	-66.9	20.3	22.6	-25.7	-34.7	

E: MOFSL Estimates

# VRL Logistics

BSE SENSEX

79,454

S&P CNX

24,008



## Stock Info

Bloomberg	VRLL IN
Equity Shares (m)	87
M.Cap.(INRb)/(USDb)	41.2 / 0.5
52-Week Range (INR)	625 / 432
1, 6, 12 Rel. Per (%)	-6/-17/-23
12M Avg Val (INR M)	84
Free float (%)	39.8

## Financials Snapshot (INR b)

Y/E March	2025E	2026E	2027E
Net Sales	31.8	34.0	37.8
EBITDA	5.4	5.8	6.5
Adj. PAT	1.6	1.8	2.2
EBITDA Margin (%)	16.9	16.9	17.2
Adj. EPS (INR)	18.5	20.5	25.0
EPS Gr. (%)	82.2	11.1	22.2
BV/Sh. (INR)	116.6	125.1	136.1

## Ratios

Net D/E (x)	0.4	0.2	0.0
RoE (%)	16.4	17.0	19.2
RoCE (%)	15.5	15.3	18.1
Payout (%)	54.2	58.6	55.9

## Valuations

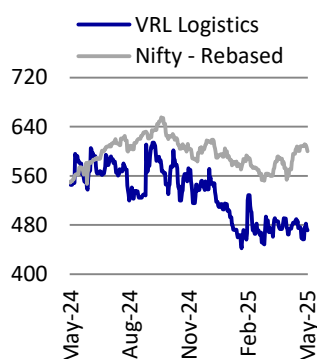
P/E (x)	25.7	23.2	19.0
P/BV (x)	4.1	3.8	3.5
EV/EBITDA (x)	8.4	7.6	6.4
Div. Yield (%)	2.1	2.5	2.9
FCF Yield (%)	0.2	7.9	8.2

## Shareholding Pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	60.2	60.2	60.2
DII	25.3	25.6	26.6
FII	3.6	3.6	3.3
Others	10.8	10.6	9.9

FII includes depository receipts

## Stock Performance (1-year)



**CMP: INR471**

**TP: INR600 (+27%)**

**Buy**

## Price hike to support margins despite tepid volumes; branch expansion to drive volume growth

- VRL Logistics' (VRLL) management implemented a price hike of 8-10% in Jun'24, which was rolled out across customer segments. The price hike's impact on revenue became visible from 2QFY25 and is expected to sustain through 1QFY26. This, coupled with cost optimization measures—such as increasing the share of refinery-sourced fuel to ~40% in 3QFY25 (~22% in 3QFY24)—resulted in record-high margins of ~20% in 3QFY25. Management expects EBITDA margins to remain healthy at around 18% in FY26.
- Given the muted volume environment in the industry, we anticipate VRLL to achieve 5% volume growth and ~2% realization growth in FY26, resulting in a 7% growth in revenues (management expects 8-10% revenue growth in FY26). Following the recent price hike, margins are expected to remain at elevated levels.
- The company incurred a total capex of INR4b in 9MFY25, which includes property purchases in Bengaluru, Mysore, and Mangalore. Further, it plans to spend INR1.5b on vehicle capex in FY26 and FY27.
- The company is focused on expanding its branch network, targeting 80-100 new branches annually, particularly in untapped regions such as the Northeast, North, and East of India. Over the past two years, these new branches have contributed 8-10% of total tonnage.
- In the current environment, we expect volume growth to remain muted until there is a remarkable improvement in consumption demand. VRLL margins are expected to remain elevated following the recent price hike, thus supporting earnings. **We expect VRLL to clock a volume/revenue/EBITDA/PAT CAGR of 5%/9%/18%/35% over FY24-27. We reiterate our BUY rating with a TP of INR600 (based on 24x FY27 EPS).**

## Price hike across customers and regions; continuous branch/hub expansion to drive volume growth and cost savings

- With price hikes now in place, VRLL is focused on generating higher volumes through existing and new branch networks.
- The company has significantly expanded its branch network, adding 82 new locations over the past year. Expansion efforts are focused on the eastern and northeastern regions, where the company currently has less exposure. As of Dec'24, VRLL's network included 1,248 branches.
- Further, the company has acquired a property in Bengaluru worth INR2.3b, funded by INR1.9b debt. The property will help reduce rental costs by ~INR150m and generate third-party rental income of INR15m annually. Management highlighted that interest costs on the newly acquired hub are lower than rental expenses previously incurred for the same location. VRLL has also purchased a property in Mysore for ~INR210m.

### One of the largest asset owners with in-house repair and maintenance infra

- VRLL is currently one of the largest fleet owners of commercial vehicles in the country (with 6,101 trucks having a total capacity of 85,950 tons as of Dec'24). This enables the company to seamlessly handle LTL cargo across India through its hub-and-spoke model.
- Further, the company has an in-house fleet maintenance facility with a tie-up for spare parts and an in-house scrapyards for disposing of the old fleet, which helps in controlling overhead costs.
- Going forward, VRLL plans to add fleets in line with volume growth. However, if volume growth falls short, it will take a conservative stance on capex.

### Valuation and view

- VRLL stands out among its peers, with margins returning to normalized levels following the price hike, despite subdued volumes amid ongoing industry challenges. Volume growth is expected to pick up from 2QFY26 as economic conditions improve. Additionally, the price hike has been fully absorbed by the market, and management has guided for a sustainable EBITDA margin of around 18%.
- **We expect VRLL to clock a volume/revenue/EBITDA/PAT CAGR of 5%/9%/18%/35% over FY24-27. We reiterate our BUY rating with a TP of INR600 (based on 24x FY27 EPS).**

### Investment in the Bengaluru hub to result in cost-saving



Property Details	
Total Land Area (sq mtr)	112401.36
Total Building Area (sq mtr)	48221.78
Land Value	17819.53
Building Value	5292.25
<b>Total Investment (₹ in lakhs)</b>	<b>23111.78</b>
Funded through Debt (₹ in lakhs)	18500.00
Funded Through Internal Accruals (₹ in lakhs)	4611.78

Financial Benefits (₹ in lakhs)	
Reduction in Annual Rent expenses (incl GST)	1571.43
Third party Rental Income	148.65
Realisation of Rent Deposit	900.00
Due recovery of our investments made over the years in useful amenities such as internal Road work, Fuel station, Weigh bridge, Solar installation, STP etc	330.58
Reduction in ROU (IND AS-116)	2744.46
Reduction in Lease Liability (IND AS-116)	2902.64
Land value which is Non depreciable	17819.53
Low Cost Debt @ 8.6% p.a	

Source: Company, MOFSL



# Telecom

## Bharti has been gaining consumer postpaid subs

Consumer postpaid subs (m)	Jun 24	Sep 24	Dec 24	Change vs. Jun'24
Bharti	23.9	24.7	25.3	1.4
Vi	9.6	9.7	9.7	0.1
RJio / others	5.3	5.3	3.4	(1.9)
<b>Industry</b>	<b>38.8</b>	<b>39.6</b>	<b>38.4</b>	<b>(0.4)</b>

## Bharti's market share in consumer postpaid rising

Consumer postpaid SMS (%)	Jun-24	Sep-24	Dec-24	change vs. Jun'24
<b>Bharti</b>	<b>61.6</b>	<b>62.3</b>	<b>65.8</b>	<b>4.2</b>
Vi	24.7	24.4	25.3	0.6
RJio / others	13.7	13.3	8.8	(4.8)

## Decoding the industry's consumer postpaid subscribers

Based on the TRAI's disclosures on machine-to-machine (M2M) subs and overall postpaid subs, we infer that: 1) the industry's consumer postpaid (retail + corporate) account for a modest ~38m subs (~3.3% of overall subs), but their share in industry revenue is likely higher at ~INR51b (~8%); 2) Bharti accounts for the lion's share of industry's consumer postpaid base (~66% in Dec'25), followed by Vi at ~25%; 3) over 60% of Vi's reported postpaid subs are typically lower-paying M2M subs; 4) RJio's share in industry's consumer postpaid subs is likely below 10% (vs. 42% share in the overall wireless subs, ex-M2M); 5) implied consumer postpaid ARPU stood at INR434/month, which is at a significant premium to ~INR181/month ARPU for prepaid subs); and 6) the tariff hike benefits for postpaid subs have been lower at ~5% in the first two quarters after the tariff hike (vs. ~17% rise in ARPU for prepaid subs).

## Consumer postpaid subs account for ~3% of the industry's subscriber base...

- According to TRAI, the industry's overall postpaid subs base stood at ~98m in Dec'24. Further, we note that M2M subscribers, who are treated as postpaid subs, stood at ~55m in Dec'24.
- This implies that the pureplay consumer postpaid (retail + corporate) subscriber base stood at ~38.5m in Dec'24 (or ~3.3% of overall industry subscribers).
- Driven by the tariff hikes, the industry's wireless subs base (ex-M2M devices) declined ~27m, since Jun'24. However, we note that the industry's consumer postpaid base has been more resilient and has been largely stable at ~38m.

## ...but a higher ~8% share in the industry revenue

- As per TRAI, the industry's access revenue stood at INR628b in Dec'24. Out of which, postpaid subs (incl. M2M subs) accounted for ~INR55b revenue.
- Adjusting for the revenue from M2M subs, we estimate that the industry's consumer postpaid subs accounted for ~INR51b revenue in Dec'24.
- Compared to a modest ~3.3% share in the industry's subscriber base, consumer postpaid subs accounted for ~8% of the industry's revenue as of Dec'24 (though significantly below the ~19% revenue contribution before RJio launch).

## Consumer postpaid subs' ARPU at INR434/month is ~2.4x of prepaid subs

- According to TRAI, the industry's postpaid ARPU stood at INR192/month (vs. INR181/month ARPU for prepaid subs).
- However, we note that TRAI's postpaid ARPU reporting has been impacted by the rising share of M2M subs in the postpaid subs category.
- On our estimates, the ARPU for consumer postpaid subs stood at INR434/month in Dec'24, which is almost 2.4x of the prepaid subs ARPU, though significantly below ~6x gap between prepaid and postpaid ARPU in Mar'17 (RJio started charging tariffs).
- Further, we note that compared to ~17% increase in prepaid ARPU over Jun'24-Dec'24, the postpaid ARPU has inched up by a lower ~5%.
- We believe the relatively lower uptick in industry's postpaid ARPU from the Jul'24 tariff hike (10-17% on entry-level postpaid plans) is likely driven by the delays in effective implementation of the tariff hike for postpaid subs, and we believe consumer postpaid subs ARPU has further room to grow.



### **Bharti remains the industry leader in consumer postpaid with ~66% share**

- Bharti's postpaid base (incl. M2M subs) stood at ~55m as of Dec'24, accounting for ~57% share in the industry's overall postpaid subs base.
- Excluding M2M subs, Bharti's pureplay postpaid subscriber base stood at ~25m, which implies that its share in the higher-value consumer postpaid subscriber base is significantly higher at ~66% in Dec'24.
- Further, we note that Bharti has gained ~420bp market share among consumer postpaid subs over the last two quarters, which is likely one of the drivers for its superior ARPU vs. peers.
- We note that Vi includes M2M subs in its quarterly reporting of postpaid subscribers. Excluding the M2M subs, we estimate Vi's consumer postpaid subscriber base at 9.7m (~40% of its reported postpaid subs).
- Compared to the persistent decline in Vi's subscriber base, we note that Vi's consumer postpaid subs have been stickier, with modest ~0.6m additions from Jun'24 to Dec'24 (vs. ~11m decline in wireless subs).
- Despite multiple interventions to boost its consumer postpaid base, we estimate that consumer postpaid subscribers account for a modest ~1% of RJio's overall subscriber base (vs. ~5%/7% for Vi/Bharti).
- The quality of the postpaid subscriber base (or their ARPU profile) could be significantly different, given a difference in 1) the entry-level pricing for postpaid plans, 2) mix between retail and corporate subs, and 3) the mix between individual and family plans in the retail postpaid subs.
- However, if we assume postpaid ARPUs to be similar for the three telcos, we estimate that postpaid subs account for ~12-13% of Bharti and Vi's revenue in 3QFY25, but a modest ~2% of revenue for RJio.

### **Valuation and View**

- Given telcos' preference to increase their postpaid base, the pricing gap between prepaid and postpaid has shrunk significantly in recent years (almost at parity for family postpaid plans). However, we believe there is a potential for telcos to increase the premium for postpaid (vs. prepaid) and thereby improve revenue contribution from postpaid subs.
- Further, we believe the postpaid subscriber base is stickier (with significantly lower churn), can pay a premium vs. prepaid subs (given more flexibility on data usage, content bundling, converged offerings, etc.), and likely deliver better margins for the telco.
- Bharti's focus on premiumization of its subscriber mix has led to its industry-leading ARPUs and sharper improvement in profitability. We continue to like Bharti's execution on its premiumization agenda.
- **We continue to prefer Bharti (BUY, TP INR1,990) and RJio (RIL, BUY, TP INR1,515) in the telecom space.**

# Financials

	Post-tax gains as a % of RWA (bp)
Bandhan Bank	11.6
SBI	11.4
Federal Bank	7.7
Kotak Bank	4.2
IDFC First Bank	3.6
ICICI Bank	2.8
HDFC Bank	2.3
Axis Bank	1.9

	Post-tax gains as a % of NW (bp)
SBI	94.3
Bandhan Bank	63.0
IDFC First Bank	53.3
Federal Bank	50.1
Kotak Bank	22.8
ICICI Bank	18.1
Axis Bank	12.4
HDFC Bank	12.1

## Yes Bank sale to augment capital position of banks

### SBI remains the biggest beneficiary with capital gains of INR41.7b (post tax)

Eight major Indian banks—SBI, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Axis Bank, IDFC First Bank, Federal Bank, and Bandhan Bank—have announced a combined sale of their 20% stake in Yes Bank to Japan's Sumitomo Mitsui Banking Corporation (SMBC) for INR134.83b at INR21.5 per share. This deal will reduce the collective stake of these banks from 33.71% to 13.71%, with SBI divesting 13.19% and the other seven banks collectively selling the balance 6.81%. All these banks originally acquired Yes Bank shares at INR10 per share during a 2020 bailout package led by SBI to rescue Yes Bank from financial distress caused by distressed loans and capital shortfalls.

### Post-tax gains to be highest for SBI at INR41.7b

The stake sale in Yes Bank is expected to unlock capital and generate substantial post-tax gains for participating banks. SBI stands to benefit the most, with an anticipated post-tax gain of INR41.6b—equivalent to 94bp of its FY25 net worth and an 11bp improvement in its capital-to-RWA ratio. Bandhan Bank is also set to realize significant gains, amounting to 63bp of its FY25 net worth and 11.6bp of capital as a % of RWA. Meanwhile, Federal Bank and IDFC First Bank are projected to see gains of about 50bp of their net worth. Other banks are expected to report more modest post-tax gains, ranging between 10-20bp of their net worth.

## Transaction to improve liquidity position of banks

The Yes Bank stake sale comes amid the broader trends in the Indian banking sector, characterized by moderating credit growth (~11%), elevated LDR of ~80%, macro-geopolitical uncertainties and potential rise in provisioning expenses across most banks. This unlocking, though small, helps to improve liquidity position and provides a favorable environment for banks to leverage their enhanced CET-1 capital for strategic lending. The transaction also highlights the attractiveness of India's banking sector to foreign investors, with SMBC's investment further boosting confidence in the country's growth potential. CET-1 gains thus position the seller banks to navigate through the sectoral challenges while pursuing growth without putting pressure on capital ratios.

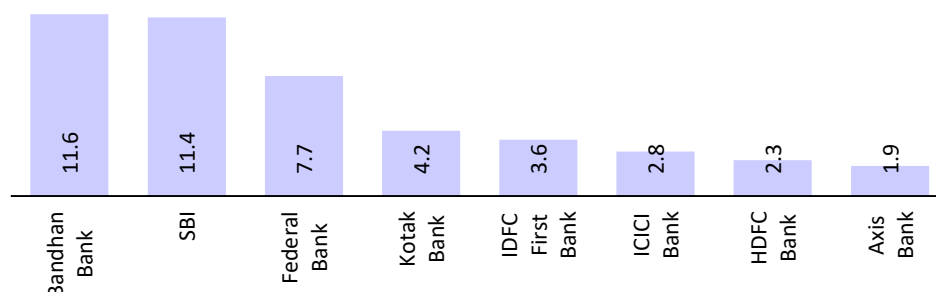
### Yes Bank stake sale to yield 16.5% CAGR return for investor banks

Initially perceived by the banking sector as an enforced investment, the sale of a 20% stake in Yes Bank to SMBC has yielded a 16.5% CAGR for the eight banks. At the transaction price of INR21.5 per share against an acquisition cost of INR 10, SBI will realize INR41.6b in capital gains (post-tax), while the value of the residual stake will also amount to INR72.7b (inc. cost). The deal, enhancing CET-1 ratios by 2-11bp for underlying banks, has turned a perceived risk into a strategic win and will strengthen the overall financial resilience of the banking system.

## Story in Charts

### SBI and Bandhan to have healthy gains of ~11-12bp of RWA

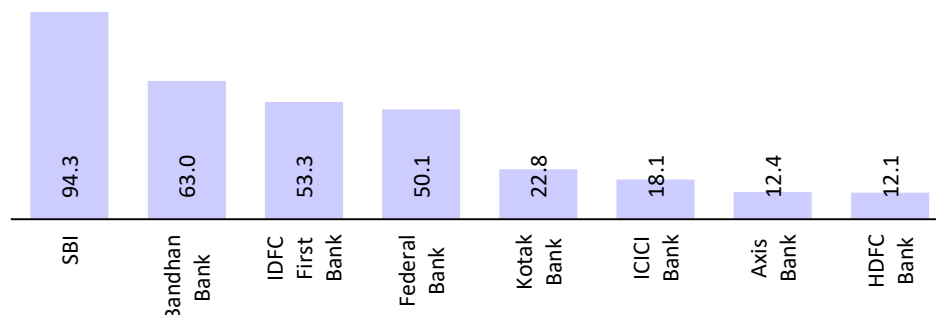
Post-tax gains as a % of RWA (bp)



Source: MOFSL, Company

### SBI's post-tax gain highest at ~94bp of NW

Post tax gains as a % of NW (bp)



Source: MOFSL, company

**SBI to witness post-tax gains of INR41.6b from the monetization of Yes Bank stake; collectively all eight banks to report total gains of INR63b**

	No. of Shares Held (Pre-Stake sale) (mn)	% stake Holding (Pre-stake sale)	No. of Shares Sold (mn)	% of share sold	% of stake (Post-stake sale)	Selling price per share (INR)	Acquisition Price per share (INR)	LTCG (INR mn)	Post Tax Gains (INR mn)	Post tax gains as a % of NW (bp)	Post tax gains as a % of RWA (bp)
SBI	7,516.7	23.97%	4,134.4	13.2%	10.78%	21.5	10	47,546	41,602	94.3	11.4
HDFC Bank	862.0	2.75%	602.9	1.92%	0.83%	21.5	10	6,933	6,066	12.1	2.3
ICICI Bank	750.1	2.39%	523.9	1.67%	0.72%	21.5	10	6,025	5,272	18.1	3.3
Kotak Bank	380.0	1.21%	265.3	0.85%	0.36%	21.5	10	3,050	2,669	22.8	4.2
Axis Bank	315.6	1.01%	221.4	0.71%	0.30%	21.5	10	2,546	2,228	12.4	1.9
IDFC First Bank	288.5	0.92%	201.7	0.64%	0.28%	21.5	10	2,319	2,029	53.3	7.3
Federal Bank	238.3	0.76%	166.3	0.53%	0.23%	21.5	10	1,912	1,673	50.1	8.0
Bandhan Bank	219.5	0.70%	153.9	0.49%	0.21%	21.5	10	1,770	1,549	63.0	11.6
<b>Total of 8 Banks</b>	<b>10,570.5</b>	<b>33.71%</b>	<b>6,269.7</b>	<b>20.00%</b>	<b>13.71%</b>			<b>72,102</b>	<b>63,089</b>		
<b>Total Shares</b>	<b>31,354.1</b>										

Assumption – It is assumed that banks have divested 70% of their existing stake in Yes Bank, based on disclosures made by Federal Bank and Bandhan Bank, Source: MOFSL, company

# ABB India

**BSE SENSEX**  
79,454

**S&P CNX**  
24,008

**CMP: INR5,441**

**Buy**

## Conference Call Details



**Date:** 12<sup>th</sup> May 2025

**Time:** 10:00am IST

**Dial-in details:**

[Diamond pass](#)

### Financials & Valuations (INR b)

Y/E March	2025E	2026E	2027E
Sales	137.9	159.7	184.4
EBITDA	25.2	28.2	31.5
Adj. PAT	20.5	23.0	25.5
Adj. EPS (INR)	96.9	108.5	120.6
EPS Gr. (%)	9.5	12.0	11.1
BV/Sh.(INR)	383.8	435.8	488.7
<b>Ratios</b>			
RoE (%)	27.0	26.5	26.1
RoCE (%)	27.1	26.6	26.2
<b>Valuations</b>			
P/E (x)	58.6	52.3	47.1
P/BV (x)	14.8	13.0	11.6
EV/EBITDA (x)	46.9	41.6	37.0
Div. Yield (%)	0.7	0.8	1.0

## Weaker-than-expected performance

- ABB India's 1QCY25 performance was weaker than our expectations; Order inflow growth came as a positive surprise.
- EBITDA margin stood at 18.4% vs. our estimate of 18.6%. Gross margin during the quarter declined 200bp QoQ and 170bp YoY.
- The revenue miss was primarily led by a decline in revenue from process automation segment, which saw a 19% YoY decline in revenue. Motion/electrification segment revenue grew 8%/5% YoY. Robotics and discrete automation revenue grew by 37% YoY. Motion and Robotics both put together grew by 11% YoY.
- PBIT margin remained strong in Electrification segment (at 24.7% in 1QCY25 vs. 23.7% in 1QCY24) and Motion segment (21.9% in 1QCY25 vs. 21.4% in 1QCY24). Process automation PBIT margin declined sequentially to 16.4% in 1QCY25 from 19.2% in 4QCY24 and remained flat YoY vs. 16.3% in 1QCY24. PBIT margin also declined in robotics and discrete automation to 13.2% in 1QCY25 from 15.4% in 1QCY24. Motion and Robotics both put together had PBIT margin of 20.8% in 1QCY25.
- Order inflows were strong during the quarter at INR37.5b, up 4% YoY and 39% QoQ and were driven by orders from railways, data centre, electronics, energy, tyres and water treatment. Base orders formed INR35.5b and large orders contributed INR2b to overall order inflow. This resulted in order book moving up to INR99.5b. ABB has mentioned that the long-term levers and outlook remain more positive. The government's focus on emerging segments of renewable energy, green hydrogen, electronics, nuclear energy, battery storage and AI infrastructure augurs well for ABB India's multi-segment portfolio.
- The company's cash position remains robust at INR57.5b at the end of 1QCY25.

**ABB India**
**Standalone - Quarterly Earning Model**
**(INR m)**

Y/E December	CY24				CY25E				CY24	CY25E	CY25E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
<b>Net Sales</b>	<b>30,804</b>	<b>28,309</b>	<b>29,122</b>	<b>33,649</b>	<b>31,596</b>	<b>32,710</b>	<b>33,108</b>	<b>40,488</b>	<b>121,883</b>	<b>137,901</b>	<b>33,733</b>	<b>(6)</b>
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	15.5	13.7	20.3	16.7	13.1	9.5	
Total Expenditure	25,152	22,884	23,719	27,076	25,773	26,800	27,102	33,010	98,831	112,685	27,457	
<b>EBITDA</b>	<b>5,652</b>	<b>5,425</b>	<b>5,402</b>	<b>6,573</b>	<b>5,823</b>	<b>5,910</b>	<b>6,005</b>	<b>7,478</b>	<b>23,052</b>	<b>25,216</b>	<b>6,276</b>	<b>(7)</b>
Margins (%)	18.3	19.2	18.6	19.5	18.4	18.1	18.1	18.5	18.9	18.3	18.6	
Depreciation	314	310	328	337	338	341	341	345	1,289	1,365	341	
Interest	38	45	30	51	47	36	36	25	165	145	36	
Other Income	871	868	929	866	923	937	937	950	3,534	3,747	937	
<b>PBT before EO expense</b>	<b>6,171</b>	<b>5,938</b>	<b>5,973</b>	<b>7,051</b>	<b>6,361</b>	<b>6,469</b>	<b>6,565</b>	<b>8,058</b>	<b>25,133</b>	<b>27,453</b>	<b>6,835</b>	<b>(7)</b>
Extra-Ord expense												
<b>PBT</b>	<b>6,171</b>	<b>5,938</b>	<b>5,973</b>	<b>7,051</b>	<b>6,361</b>	<b>6,469</b>	<b>6,565</b>	<b>8,058</b>	<b>25,133</b>	<b>27,453</b>	<b>6,835</b>	<b>(7)</b>
Tax	1,575	1,511	1,568	1,732	1,620	1,630	1,654	2,014	6,387	6,918	1,722	
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.2	25.2	25.0	25.4	25.2	25.2	
<b>Reported PAT</b>	<b>4,596</b>	<b>4,426</b>	<b>4,405</b>	<b>5,319</b>	<b>4,741</b>	<b>4,839</b>	<b>4,910</b>	<b>6,045</b>	<b>18,746</b>	<b>20,535</b>	<b>5,112</b>	<b>(7)</b>
<b>Adj PAT</b>	<b>4,596</b>	<b>4,426</b>	<b>4,405</b>	<b>5,319</b>	<b>4,741</b>	<b>4,839</b>	<b>4,910</b>	<b>6,045</b>	<b>18,746</b>	<b>20,535</b>	<b>5,112</b>	<b>(7)</b>
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	9.3	11.5	13.6	50.2	9.5	11.2	
Margins (%)	14.9	15.6	15.1	15.8	15.0	14.8	14.8	14.9	15.4	14.9	15.2	

	CY24				CY25E				CY24	CY25E	CY24E	Est
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			4QE	Var (%)
<b>Segmental revenue</b>												
Robotics & Motion	11,219	11,601	11,908	12,590	12,454	12,761	13,337	14,013	47,318	52,565	12,229	2
YoY Change (%)	7.9	11.6	8.3	23.2	11.0	10.0	12.0	11.3	12.6	11.1	9.0	
Electrification Products	12,963	11,214	11,540	15,028	13,577	14,129	14,309	20,000	50,744	62,015	15,296	(11)
YoY Change (%)	29.7	11.5	10.7	33.0	4.7	26.0	24.0	33.1	21.5	22.2	18.0	
Process Automation	7,263	6,327	5,963	6,277	5,865	6,137	5,784	6,904	25,830	24,690	6,537	(10)
YoY Change (%)	72.9	24.2	-11.7	-0.5	-19.3	-3.0	-3.0	10.0	15.5	-4.4	-10.0	
Unallocated and others (incl. excise duty)	26	44	47	60	51	12	12	(26)	176	49	12	313
Less: inter-segmental	(667)	(877)	(335)	(306)	(351)	(330)	(334)	(403)	(2,185)	(1,419)	(341)	
<b>Total revenues</b>	<b>30,804</b>	<b>28,309</b>	<b>29,122</b>	<b>33,649</b>	<b>31,596</b>	<b>32,710</b>	<b>33,108</b>	<b>40,488</b>	<b>121,883</b>	<b>137,901</b>	<b>33,733</b>	<b>(6)</b>
<b>Segmental EBIT</b>												
Robotics & Motion	2,332	2,613	2,659	2,485	2,596	2,552	2,667	3,019	10,089	10,834	2,446	6
Margin (%)	20.8	22.5	22.3	19.7	20.8	20.0	20.0	21.5	21.3	20.6	20.0	84 bp
Electrification Products	3,078	2,594	2,397	3,548	3,356	3,179	3,220	3,889	11,618	13,643	3,518	(5)
Margin (%)	23.7	23.1	20.8	23.6	24.7	22.5	22.5	19.4	22.9	22.0	23.0	172 bp
Process Automation	1,181	1,023	1,145	1,221	962	1,043	983	1,208	4,570	4,197	1,177	(18)
Margin (%)	16.3	16.2	19.2	19.4	16.4	17.0	17.0	17.5	17.7	17.0	18.0	-159 bp
<b>Total</b>	<b>6,590</b>	<b>6,230</b>	<b>6,202</b>	<b>7,254</b>	<b>6,914</b>	<b>6,775</b>	<b>6,870</b>	<b>8,116</b>	<b>26,276</b>	<b>28,675</b>	<b>7,140</b>	<b>(3)</b>



# Thermax

**BSE SENSEX**  
79,454

**S&P CNX**  
24,008

**CMP: INR3,289**
**Sell**

## Conference Call Details


**Date:** 12<sup>th</sup> May 2025

**Time:** 11:15am IST

**Dial-in details:**
[Diamond pass](#)

### Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	103.9	115.1	131.5
EBITDA	9.1	11.5	13.7
Adj. PAT	6.5	7.3	8.7
Adj. EPS (INR)	57.4	64.5	77.3
EPS Gr. (%)	10.1	12.3	19.9
BV/Sh.(INR)	438.4	487.9	550.2

### Ratios

RoE (%)	13.8	13.9	14.9
RoCE (%)	11.9	11.9	12.8
Payout (%)	16.0	23.3	19.4

### Valuations

P/E (x)	57.3	51.0	42.6
P/BV (x)	7.5	6.7	6.0
EV/EBITDA (x)	41.4	32.5	27.1
Div. Yield (%)	0.3	0.5	0.5

## A miss versus our estimate

- Thermax 4QFY25 revenue/EBITDA/PAT grew by 11.6%/10%/5% YoY. Revenue and EBITDA growth was slightly better than our estimates, while a higher-than-expected tax rate resulted in a miss at PAT level.
- Thermax's revenue of INR30.8b (+11.6% YoY) (MOFSL est. INR29.1b) was led by 18%/4%/4%/36% YoY growth in Industrial Products/Industrial Infra/Green Solutions/Chemical segments.
- EBITDA margin stood at 9.7% for 4QFY25 and 8.7% for full year FY25. Gross margin contracted ~85bp QoQ and expanded ~40bp YoY to 43.4%, owing to an adverse mix in Industrial Infra and Chemical segments. This, coupled with operating de-leverage, led to an EBITDA margin contraction of ~20bp YoY to 9.7%, while EBITDA at INR2.9b beat our estimate by 5%.
- With a neutral operational performance and higher other income (up 39% YoY), adj. PAT at INR2.05b increased 5.3% YoY but 8% below our estimates due to a higher tax rate.
- Among segments, Industrial Product and Chemical segment revenue grew by 18%/36% YoY, while growth remained weak in industrial infra and green solutions segment.
- EBIT margin performance was strong only in Industrial Product and Chemical segments. EBIT margin improved to 14.4% for Industrial Product segment (vs 11.7% in 4QFY24). Margins in industrial infra segment remained weak at 2.8% in 4QFY25 vs. 6.1% in 4QFY24. Another negative surprise came from negative EBIT margin in Green solutions segment as this segment's results were affected by the recognition of higher technology intervention costs amounting to INR660m in Bio-CNG projects under the Industrial Infra segment. Chemical segment EBIT margins remained strong at 16.6%.
- Order inflow for the quarter stood at INR21b, down 8% YoY, and the total order book stood at INR106.9b, up 6% YoY.

## Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25				FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var (%)
<b>Net Sales</b>	<b>19,330</b>	<b>23,025</b>	<b>23,244</b>	<b>27,637</b>	<b>21,844</b>	<b>26,116</b>	<b>25,078</b>	<b>30,849</b>	<b>93,235</b>	<b>103,887</b>	<b>29,092</b>	<b>6</b>
YoY Change (%)	16.8	10.9	13.4	19.6	13.0	13.4	7.9	11.6	15.2	11.4	5.3	
Total Expenditure	18,008	20,978	21,369	24,905	20,433	23,336	23,188	27,853	85,261	94,809	26,249	
<b>EBITDA</b>	<b>1,322</b>	<b>2,046</b>	<b>1,874</b>	<b>2,732</b>	<b>1,412</b>	<b>2,780</b>	<b>1,890</b>	<b>2,997</b>	<b>7,974</b>	<b>9,078</b>	<b>2,844</b>	<b>5</b>
Margins (%)	6.8	8.9	8.1	9.9	6.5	10.6	7.5	9.7	8.6	8.7	9.8	
Depreciation	294	330	358	499	360	421	351	453	1,481	1,585	363	
Interest	134	198	266	278	275	294	287	313	876	1,168	269	
Other Income	531	659	584	553	841	598	315	769	2,326	2,522	578	
<b>PBT before EO expense</b>	<b>1,425</b>	<b>2,177</b>	<b>1,834</b>	<b>2,507</b>	<b>1,617</b>	<b>2,663</b>	<b>1,568</b>	<b>3,000</b>	<b>7,943</b>	<b>8,847</b>	<b>2,790</b>	<b>8</b>
Extra-Ord expense	506	-	-1,261						-755			
<b>PBT</b>	<b>919</b>	<b>2,177</b>	<b>3,095</b>	<b>2,507</b>	<b>1,617</b>	<b>2,663</b>	<b>1,568</b>	<b>3,000</b>	<b>8,698</b>	<b>8,847</b>	<b>2,790</b>	<b>8</b>
Tax	315	589	721	633	519	683	425	951	2,258	2,578	559	
Rate (%)	34.3	27.0	23.3	25.2	32.1	25.6	27.1	31.7	26.0	29.1	20.0	
<b>Reported PAT</b>	<b>600</b>	<b>1,586</b>	<b>2,371</b>	<b>1,876</b>	<b>1,094</b>	<b>1,980</b>	<b>1,137</b>	<b>2,056</b>	<b>6,432</b>	<b>6,268</b>	<b>2,241</b>	<b>-8</b>
<b>Adj PAT</b>	<b>932</b>	<b>1,586</b>	<b>1,403</b>	<b>1,952</b>	<b>1,094</b>	<b>1,980</b>	<b>1,137</b>	<b>2,056</b>	<b>5,873</b>	<b>6,268</b>	<b>2,241</b>	<b>-8</b>
YoY Change (%)	58.1	45.3	11.0	24.9	17.4	24.9	-19.0	5.3	42.7	6.7	14.8	
Margins (%)	4.8	6.9	6.0	7.1	5.0	7.6	4.5	6.7	6.3	6.0	7.7	

INR m	FY24				FY25				FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
<b>Segmental revenue</b>										
Industrial Products	8,359	9,894	10,226	12,074	9,608	10,576	10,801	14,304	40,552	45,290
Industrial Infra	9,162	10,851	10,974	13,565	9,251	12,426	11,317	14,152	44,552	47,146
Green Solutions	1,132	1,246	1,235	1,458	1,737	1,751	1,892	1,519	5,071	6,899
Chemical	1,608	1,879	1,606	1,541	1,708	1,903	1,916	2,101	6,634	7,628
Less: Intersegmental	-931	-845	-797	-1,001	-691	-541	-849	-1,226	-3,574	-3,076
<b>Total revenues</b>	<b>19,330</b>	<b>23,025</b>	<b>23,244</b>	<b>27,637</b>	<b>21,613</b>	<b>26,116</b>	<b>25,078</b>	<b>30,849</b>	<b>93,235</b>	<b>103,887</b>
<b>Segmental EBIT</b>										
Industrial Products	560	988	1,015	1,407	867	1,145	1,215	2,063	3,970	5,290
Margin (%)	6.7	10.0	9.9	11.7	9.0	10.8	11.3	14.4	9.8	11.7
Industrial Infra	303	573	389	825	-184	882	13	389	2,089	1,101
Margin (%)	3.3	5.3	3.5	6.1	-2.0	7.1	0.1	2.8	4.7	2.3
Green Solutions	100	80	133	137	230	216	180	-81	449	-9
Margin (%)	8.8	6.4	10.8	9.4	13.2	12.3	9.5	-5.3	8.9	-0.1
Chemical	265	345	331	296	304	306	264	349	1,238	1,223
Margin (%)	16.5	18.4	20.6	19.2	17.8	16.1	13.8	16.6	18.7	16.0

# Triveni Turbine

**BSE SENSEX**  
79,454

**S&P CNX**  
24,008

**CMP: INR516**
**Buy**

## Conference Call Details


**Date:** 12<sup>th</sup> May 2025

**Time:** 12:30pm IST

**Dial-in details:**
[Diamond pass](#)

## Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
Sales	20.1	25.9	32.6
EBITDA	4.4	5.4	6.8
Adj. PAT	3.6	5.0	6.7
Adj. EPS (INR)	11.3	15.6	21.0
EPS Gr. (%)	33.2	38.7	34.2
BV/Sh.(INR)	38.3	49.5	64.7

### Ratios

RoE (%)	33.0	35.6	36.8
RoCE (%)	33.2	35.9	37.0
Payout (%)	17.7	28.0	28.0

### Valuations

P/E (x)	45.7	33.0	24.6
P/BV (x)	13.5	10.4	8.0
EV/EBITDA (x)	36.8	28.3	22.0
Div. Yield (%)	0.4	0.8	1.1

## In-line results

- Triveni Turbine's results were largely in line with our expectations.
  - Revenue came in line with our estimate at INR5b (up 17.5% YoY) on the back of robust execution of the opening order book of INR18.1b. Domestic/export revenue grew by 17%/26% YoY. Exports as % of sales increased to 52% in 4QFY25 vs. 48% in 4QFY24.
  - EBITDA at INR1.2b grew by 22% YoY on the back of operating leverage benefits as gross margin was down 40bp YoY at 50.1%. EBITDA margin expanded ~280bp YoY to 22.4%.
  - PAT at INR946m (4% below estimates) grew 26% YoY, aided by higher other income (+16% YoY).
  - As of Mar'25, the company recorded an outstanding carry-forward order book of INR19.09b, up 23% YoY.
  - The export outstanding order book stood at a record INR10.9b as of 31st Mar'25, up 36% YoY and contributing to 57% of the closing order book.
  - Order booking for the year reached INR23.63b, up 26% YoY, supported by increased product-led demand. This is despite downward adjustments of ~INR1.4b in order booking due to slow moving orders while having customer advances.
  - Product order booking was driven by finalization of orders in the renewable energy sector, industrial clients, power producers and API turbines. Domestically, product order booking was also supported by the company's strategic foray into CO<sub>2</sub> energy storage solutions. In the API segment, the enquiry base expanded geographically, resulting in order finalizations for both drive and power turbines across the Middle East, Southeast Asia, Central & South America and Europe
  - The Aftermarket segment witnessed a notable increase in new, repeat, and referral orders.
  - As of Mar'25, the closing order book stood at a record INR19.1b, an increase of 23% YoY. A robust closing order book ensures healthy visibility for the medium term, positioning the company well for continued momentum.
  - Outlook on enquiry pipeline: The enquiry pipelines in both Product and Aftermarket segments remain robust and globally diversified. In FY25, the international enquiry pipeline grew by ~30%, while the domestic enquiry growth was even more impressive at ~120%, providing strong visibility for the coming year. By diversifying across various geographies and product/aftermarket segments, the company also aims to mitigate the risks associated with market volatility.
- The board has approved a dividend of INR2/share for FY25.

# Consolidated - Quarterly Earning

(INR m)

Y/E March	FY24				FY25				FY24	FY25	FY25 4QE	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Net Sales</b>	<b>3,764</b>	<b>3,878</b>	<b>4,317</b>	<b>4,581</b>	<b>4,633</b>	<b>5,011</b>	<b>5,034</b>	<b>5,380</b>	<b>16,539</b>	<b>20,058</b>	<b>5,482</b>	<b>-2</b>
YoY Change (%)	45.3	32.4	32.5	23.9	23.1	29.2	16.6	17.5	32.6	21.3	19.7	
Total Expenditure	3,055	3,134	3,480	3,682	3,677	3,897	3,941	4,176	13,351	15,691	4,320	
<b>EBITDA</b>	<b>709</b>	<b>744</b>	<b>837</b>	<b>898</b>	<b>956</b>	<b>1,114</b>	<b>1,093</b>	<b>1,204</b>	<b>3,188</b>	<b>4,367</b>	<b>1,161</b>	<b>4</b>
Margins (%)	18.8	19.2	19.4	19.6	20.6	22.2	21.7	22.4	19.3	21.8	21.2	
Depreciation	49	51	55	53	62	61	65	75	208	263	61	23
Interest	7	6	6	7	10	8	4	7	27	29	8	-13
Other Income	134	146	172	171	194	196	222	199	622	810	189	5
<b>PBT before EO expense</b>	<b>786</b>	<b>832</b>	<b>949</b>	<b>1,009</b>	<b>1,078</b>	<b>1,241</b>	<b>1,246</b>	<b>1,321</b>	<b>3,576</b>	<b>4,885</b>	<b>1,281</b>	<b>3</b>
<b>PBT</b>	<b>786</b>	<b>832</b>	<b>949</b>	<b>1,009</b>	<b>1,078</b>	<b>1,241</b>	<b>1,246</b>	<b>1,321</b>	<b>3,576</b>	<b>4,885</b>	<b>1,281</b>	<b>3</b>
Tax	177	190	264	252	274	331	320	375	883	1,300	293	
Rate (%)	22.4	22.8	27.8	25.0	25.4	26.7	25.7	28.4	24.7	26.6	22.9	
<b>Reported PAT</b>	<b>610</b>	<b>644</b>	<b>686</b>	<b>751</b>	<b>804</b>	<b>910</b>	<b>926</b>	<b>946</b>	<b>2,691</b>	<b>3,585</b>	<b>988</b>	<b>-4</b>
<b>Adj PAT</b>	<b>610</b>	<b>644</b>	<b>686</b>	<b>751</b>	<b>804</b>	<b>910</b>	<b>926</b>	<b>946</b>	<b>2,691</b>	<b>3,585</b>	<b>988</b>	<b>-4</b>
YoY Change (%)	59.2	39.0	30.4	35.1	31.8	41.4	35.0	25.9	39.5	33.0	31.5	
Margins (%)	16.2	16.6	15.9	16.4	17.4	18.2	18.4	17.6	16.3	17.9	18	

# Relaxo Footwears

BSE SENSEX  
79,454

S&P CNX  
24,008

## Conference Call Details



**Date:** 12 May 2025

**Time:** 04:00PM IST

### Financials & Valuations (INR b)

INRb	FY25	FY26E	FY27E
Net Sales	27.9	30.0	32.8
Gross Profit	16.4	18.1	19.9
EBITDA	3.8	4.3	4.9
Adj. PAT	1.7	2.0	2.2
Gross Margin (%)	58.8	60.4	60.7
EBITDA Margin (%)	13.7	14.2	14.8
Adj. EPS (INR)	6.8	8.2	9.0
EPS Gr. (%)	-15.0	19.6	10.1
BV/Sh. (INR)	84.3	90.4	97.2
<b>Ratios</b>			
Net D:E	0.0	-0.1	-0.2
RoE (%)	8.3	9.4	9.6
RoCE (%)	8.1	8.6	8.9
RoIC (%)	8.5	10.4	12.4
<b>Valuations</b>			
P/E (x)	58.7	49.1	44.6
EV/EBITDA (x)	25.9	22.8	19.8
EV/Sales (X)	3.6	3.2	2.9
Div. Yield (%)	0.7	0.5	0.6

**CMP: INR410**

**Sell**

## Volume decline continues to drag performance; EBITDA decline 7% YoY (6% miss)

- Revenue declined 7% YoY to INR6.9b (7% miss), due to muted demand in mid-range footwear and declining volumes on account of internal restructuring of the distribution model.
- Volume **declined 10% YoY** to 4.5m pairs, while **ASP was up 3% YoY** to INR153/pair.
- Gross profit **declined 15% YoY** to INR3.8b (**15% miss**), with gross margins contracting 535bp YoY to 54.9% (~515bp miss).
- Employee expenses and other expenses declined sharply by 11%/21% YoY, with Opex as a % of sales declining to 39% (vs 44% YoY).
- EBITDA at INR1.1b **declined 7% YoY (6% miss)** due to weaker revenue growth.
- EBITDA margin was stable YoY at 16.1% (~15bp ahead) as lower GM was offset by lower opex.
- PBT at INR754m declined 8% YoY (3% miss) as lower EBITDA was partly offset by lower depreciation (down 2% QoQ) and higher other income (up 60% YoY).
- Reported PAT at INR562m was down 8% YoY (3% miss), with margins at 8.1%.

## FY25 performance: A subdued year

- Revenues at INR28b **declined 4% YoY**, due to the muted overall consumption scenario and heightened competition from the unorganized sector.
- Volume **declined 9% YoY** to 17.8m pairs, while **ASP was up 5% YoY** to INR156/pair.
- Gross profit declined ~3% YoY to INR16.4b, as margins expanded ~70bp YoY to 58.8%, largely due to price hikes implemented in open footwear.
- Nevertheless, operating deleverage led to ~6% YoY decline in EBITDA to INR3.8b, with margins contracting ~25bp YoY to 13.7%.
- Interest/depreciation rose 7%/11%, respectively, while other income declined 7%.
- As a result, PAT at **INR1.7b declined 15% YoY**.
- Inventory days declined slightly to 177 (from 179 YoY), receivable days moderated to 41 (from 45 YoY), while payable days declined sharply to 63 (from 176 YoY).
- However, OCF (incl. lease payments) almost doubled YoY to INR3.4b, largely led by the working capital release of INR0.8b (vs (-) INR1.2b YoY). FCF generation stood at INR2.3b (vs. outflow of INR0.7b in FY24).
- Relaxo paid dividend of INR747m and repaid borrowings of INR185m. Overall net cash position improved ~INR1.2b YoY to ~INR1b.

## Product-wise performance:

- **Hawaii:** Volume declined ~14% YoY, while ASP grew ~3% YoY to INR80/pair, leading to ~12% YoY decline in revenue and ~200bp decline in revenue contribution to 23%.



- **Flite:** Revenue declined ~4% YoY as volume declined ~6% YoY, while ASP increased ~2% YoY to INR149/pair. Revenue contribution was stable YoY at 37%
- **Sparx:** Sparx was the only bright spot for Relaxo in FY25, with ~1% YoY revenue growth, as 4% YoY volume growth was partly offset by 3% ASP decline. Sparx's revenue contribution was up ~200bp YoY to 40%.
- **Channel-wise performance:** Relaxo witnessed ~4-5.5% YoY decline in general trade, modern trade, and exports, while retail business grew 6% YoY as the company added ~13 net retail outlets in FY25.
- **Region-wise performance:** Relaxo's performance was significantly impacted in East (-28% YoY) and South (-14% YoY), while it was stable YoY in West. North was the lone bright spot, marking 7% YoY growth, with contribution of North in Relaxo's mix rising to 51% (from 45% YoY).

#### Management commentary:

- During FY25, Relaxo underwent a strategic consolidation phase marked by subdued top-line performance due to weak demand in the mid-range segment and a deliberate internal restructuring of its distribution model to strengthen long-term agility.
- **Management believes that FY25 was the bottom and expects a growth recovery** going forward. It believes the effect of restructuring and other **investments** should start reflecting in results from 2HFY26.
- The company is **prioritizing profitable growth in FY26**. Management **expects top-line to remain steady** with a potential upward bias. However, it **expects improvement in EBITDA**, led by operational efficiencies, digital **initiatives**, and a sharper product focus.

INRM	4QFY24	3QFY25	4QFY25	YoY%	QoQ%	4QFY25E	v/s Est (%)
Net sales	7,472	6,669	6,952	-7.0	4.2	7,452	-6.7
Raw Material cost	2,968	2,861	3,134	5.6	9.5	2,975	5.3
<b>Gross Profit</b>	<b>4,504</b>	<b>3,808</b>	<b>3,818</b>	<b>-15.2</b>	<b>0.3</b>	<b>4,478</b>	<b>-14.7</b>
<b>Gross margin (%)</b>	<b>60.3</b>	<b>57.1</b>	<b>54.9</b>	<b>-535</b>	<b>-218</b>	<b>60.1</b>	<b>-516</b>
Employee Costs	999	960	888	-11.1	-7.5	1,000	-11.2
SGA Expenses	2,301	2,014	1,810	-21.4	-10.2	2,287	-20.9
<b>Total Opex</b>	<b>6,269</b>	<b>5,835</b>	<b>5,831</b>	<b>-7.0</b>	<b>-0.1</b>	<b>6,261</b>	<b>-6.9</b>
<b>EBITDA</b>	<b>1,204</b>	<b>834</b>	<b>1,121</b>	<b>-6.9</b>	<b>34.4</b>	<b>1,191</b>	<b>-5.9</b>
<b>EBITDA margin (%)</b>	<b>16.1</b>	<b>12.5</b>	<b>16.1</b>	<b>1</b>	<b>361</b>	<b>16.0</b>	<b>14</b>
Depreciation and amortization	385	402	394	2.4	-2.1	424	-7.2
EBIT	819	432	727	-11.2	68.3	767	-5.2
EBIT margin (%)	11.0	6.5	10.5	-50	398	10.3	17
Finance Costs	47	54	54	16.1	0.6	54	-0.2
Other income	51	68	81	59.9	19.0	65	24.9
<b>Profit before Tax</b>	<b>823</b>	<b>446</b>	<b>754</b>	<b>-8.4</b>	<b>68.9</b>	<b>777</b>	<b>-3.0</b>
Tax	209	116	192	-8.4	65.1	196	-2.4
Tax rate (%)	2539.8	26.0	25.4			25.3	
<b>Profit after Tax</b>	<b>614</b>	<b>330</b>	<b>562</b>	<b>-8.4</b>	<b>70.3</b>	<b>581</b>	<b>-3.2</b>
<b>Adj Profit after Tax</b>	<b>614</b>	<b>330</b>	<b>562</b>	<b>-8.4</b>	<b>70.3</b>	<b>581</b>	<b>-3.2</b>
PAT margin (%)	8.2	4.9	8.1	-13	314	7.8	29

# Alkyl Amines Chemicals

BSE SENSEX  
79,454

S&P CNX  
24,008

**CMP: INR1,632**
**Neutral**

## Conference Call Details


**Date:** 12<sup>th</sup> May, 2025

**Time:** 1500hours IST

**Dial-in details:**

+91 22 6280 1148

+91 22 7115 8059

### Miss on operating performance; margin contracts

- 4QFY25 revenue stood at INR3.9b (1% below our est., +8% YoY). **Gross margin contracted by 330bp YoY to 45.9%, with EBITDAM was at 17.6% (-170bp YoY).**
- EBITDA came in at INR678m (est. of INR820m, -2% YoY). PAT stood at INR460m (est. of INR522m, +20% YoY).
- **For FY25**, revenue stood at INR15.7b (+9% YoY), EBITDA came in at INR2.9b (+16% YoY), and PAT was at INR1.9b (+25% YoY). EBITDAM was at 18.6% (+110bp YoY).
- The company has declared a final dividend of INR10/- per equity share for FY25.

### Alkyl Amines Chemicals

#### Standalone - Quarterly Snapshot

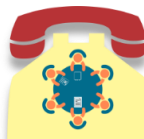
Y/E March	FY24				FY25				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	4QAct	Var. (%)	YoY (%)	QoQ (%)
<b>Gross Sales</b>	<b>4,098</b>	<b>3,522</b>	<b>3,221</b>	<b>3,566</b>	<b>3,997</b>	<b>4,149</b>	<b>3,712</b>	<b>3,917</b>	<b>3,861</b>	<b>-1%</b>	<b>8%</b>	<b>4%</b>
YoY Change (%)	-13.5	-13.9	-17.1	-13.5	-2.5	17.8	15.3	9.8	8.3			
<b>Gross Margin (%)</b>	<b>44.7%</b>	<b>45.7%</b>	<b>47.6%</b>	<b>49.2%</b>	<b>47.0%</b>	<b>45.4%</b>	<b>48.4%</b>	<b>49.4%</b>	<b>45.9%</b>	<b>-3.5%</b>	<b>-3.3%</b>	<b>-2.5%</b>
<b>EBITDA</b>	<b>740</b>	<b>483</b>	<b>596</b>	<b>689</b>	<b>791</b>	<b>735</b>	<b>712</b>	<b>820</b>	<b>678</b>	<b>-17%</b>	<b>-2%</b>	<b>-5%</b>
Margin (%)	18.1	13.7	18.5	19.3	19.8	17.7	19.2	20.9	17.6	-3.4	-1.7	-1.6
Depreciation	122	125	168	174	177	180	179	193	176			
Interest	9	17	11	7	2	4	9	5	2			
Other Income	55	24	46	26	47	92	66	81	93			
<b>PBT before EO expense</b>	<b>664</b>	<b>364</b>	<b>463</b>	<b>533</b>	<b>659</b>	<b>643</b>	<b>591</b>	<b>703</b>	<b>594</b>	<b>-16%</b>	<b>11%</b>	<b>1%</b>
<b>PBT</b>	<b>664</b>	<b>364</b>	<b>463</b>	<b>533</b>	<b>659</b>	<b>643</b>	<b>591</b>	<b>703</b>	<b>594</b>	<b>-16%</b>	<b>11%</b>	<b>1%</b>
Tax	166	92	129	149	170	169	153	180	133			
Rate (%)	25.0	25.2	27.8	27.9	25.9	26.2	25.9	25.7	22.5			
<b>Reported PAT</b>	<b>498</b>	<b>272</b>	<b>334</b>	<b>385</b>	<b>489</b>	<b>475</b>	<b>438</b>	<b>522</b>	<b>460</b>	<b>-12%</b>	<b>20%</b>	<b>5%</b>
<b>Adj PAT</b>	<b>498</b>	<b>272</b>	<b>334</b>	<b>385</b>	<b>489</b>	<b>475</b>	<b>438</b>	<b>522</b>	<b>460</b>	<b>-12%</b>	<b>20%</b>	<b>5%</b>
YoY Change (%)	-39.2	-48.0	-26.8	-20.9	-1.8	74.2	30.9	35.9	19.7			
Margin (%)	12.1	7.7	10.4	10.8	12.2	11.4	11.8	13.3	11.9	-1.4	1.1	0.1

# Birla Corporation

BSE Sensex  
79,454

S&P CNX  
24,008

## Conference Call Details


**Date:** 12 May 2025

**Time:** 14:00 IST

**Dial-in details:**

+91 22 6280 1458,

+91 22 7115 8846

[Link for the call](#)

### Financials & Valuations (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	92.1	99.3	106.9
EBITDA	12.2	15.0	17.3
Adj. PAT	3.3	5.7	7.6
EBITDA Margin (%)	13.2	15.1	16.2
Adj. EPS (INR)	42.2	74.0	98.3
EPS Gr. (%)	-21.8	75.2	32.9
BV/Sh. (INR)	911	973	1,059
<b>Ratios</b>			
Net D:E	0.4	0.3	0.2
RoE (%)	4.8	7.9	9.7
RoCE (%)	5.1	6.8	8.1
Payout (%)	31	16	12
<b>Valuations</b>			
P/E (x)	25.9	14.8	11.1
P/BV (x)	1.2	1.1	1.0
EV/EBITDA(x)	7.9	6.3	5.1
EV/ton (USD)	56	52	48
Div. Yield (%)	1.1	1.1	1.1

**CMP: INR1,059**
**Buy**

### Beat estimates; EBITDA/t at INR1,027 (est. INR721)

- BCORP reported 4QFY25 EBITDA above our estimate, led by higher-than-estimated sales volume (+5% beat) and realization (+6% beat). Realization growth at ~8% QoQ was a major surprise, which management needs to clarify; this may include higher incentive income. 4Q EBITDA grew ~13% YoY to INR5.3b (~50% beat). OPM rose 1.2pp YoY to ~19% (est. ~14%). EBITDA/t grew 5% YoY to INR1,027 (est. INR721). PAT (adjusted for exceptional of INR384m, impairment of mining rights) rose ~52% YoY to INR2.9b (~175% above estimate, aided by higher other income, lower interest cost and ETR).
- The company announced capacity expansion plans - 1) 3.7mtpa brownfield clinker capacity at Maihar, Madhya Pradesh (to be commissioned by 3QFY28) and three Greenfield grinding units with a combined capacity of 6.2mtpa in central India (3.4mtpa) and Bihar (2.8mtpa) to be commissioned in phased manner during FY28-29. Total estimated capex is INR43.4b (implying capex cost/t of USD82).

### Volumes rise 7% YoY; opex/t declines 3% YoY

- Consol. revenue/EBITDA/Adj. PAT stood at INR28.1b/INR5.3b/INR2.9b (up 6%/13%/52% YoY and +11%/+50%/+175% vs. our estimates) in 4QFY25. Sales volumes increased 7% YoY to 5.2mt (+5% vs. our estimate). Cement realization was flat YoY and up 8% QoQ at INR5,177 (+6% vs. estimate).
- Opex/t declined ~3% YoY (in line with estimate), due to a 6% decline in variable costs (+2% vs. our estimate). Employee cost/other expense per ton declined ~7%/2% YoY, whereas freight cost increased ~4% YoY. OPM increased 1.2pp YoY to ~19% and EBITDA/t increased 5% YoY to INR1,027. Depreciation/Interest costs dipped 5%/11% YoY, whereas 'Other income' increased 88% YoY. ETR stood at ~22% vs. 29% in 4QFY24.
- In FY25, consol. rev/EBITDA/adj PAT declined ~5%/15%/22% YoY. Sales volume increased 2% YoY and realization fell ~7% YoY. OPM contracted 1.7pp to ~13%. OCP stood at INR16.7b vs. INR16.2b in FY24. Capex stood at INR4.5b vs. INR5.3b in FY24. FCF stood at INR12.2b vs. INR10.9b in FY24.

### Highlights from management commentary

- Increase in demand and prices during the quarter led to improved realizations and capacity utilization for the company.
- The blended cement share declined to 82% from 84% in 4QFY24, whereas trade volume increased to 73% from 71% in 4QFY24. Premium cement share (as % of trade volume) increased to 59% vs. 55% in 4QFY24.
- BCORP achieved 11% YoY volume growth in premium product sales in FY24-25, led by its flagship brand, Perfect Plus. Premium products formed 60% of trade channel sales, up from 54% in FY23-24. Perfect Plus grew 15% and now commands a price premium in its core Uttar Pradesh market.

### Valuation and View

- BCORP's 4QFY25 operating performance was above our estimates due to higher-than-estimated sales volume and realization. Management is optimistic about the improvement in operations and profitability.
- We have a **BUY** rating on the stock. We will review our assumptions after the concall on 12<sup>th</sup> May'25 at 14:00 IST ([Link for the Call](#)).

## Consolidated performance

(INR b)

Y/E March	FY24				FY25				FY25	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	4QE	
Cement Sales (MT)	4.4	4.2	4.2	4.9	4.4	4.0	4.5	5.2	5.0	5
YoY Change (%)	12.2	14.8	12.9	9.2	(0.7)	(5.0)	7.1	7.2	2.1	
Cement Realization	5,229	5,211	5,316	5,218	4,843	4,722	4,790	5,177	4,903	6
YoY Change (%)	(2.2)	1.2	2.7	(1.2)	(7.4)	(9.4)	(9.9)	(0.8)	(6.0)	
QoQ Change (%)	(0.9)	(0.3)	2.0	(1.8)	(7.2)	(2.5)	1.4	8.1	2.3	
<b>Net Sales</b>	<b>24.1</b>	<b>22.9</b>	<b>23.1</b>	<b>26.6</b>	<b>21.9</b>	<b>19.5</b>	<b>22.6</b>	<b>28.1</b>	<b>25.3</b>	<b>11</b>
YoY Change (%)	9.3	14.3	14.7	7.9	(9.1)	(14.6)	(2.4)	6.0	(4.8)	
Total Expenditure	21.1	20.0	19.3	21.8	19.3	17.8	20.1	22.8	21.7	5
<b>EBITDA</b>	<b>3.0</b>	<b>2.9</b>	<b>3.8</b>	<b>4.7</b>	<b>2.6</b>	<b>1.8</b>	<b>2.5</b>	<b>5.3</b>	<b>3.6</b>	<b>50</b>
Margin (%)	12.4	12.6	16.4	17.8	11.8	9.1	11.0	19.0	14.1	485
YoY Change (%)	14.9	207.4	162.1	72.2	-13.3	-38.7	-34.5	13.0	-24.5	
Depreciation	1.4	1.4	1.4	1.5	1.5	1.5	1.4	1.4	1.4	(0)
Interest	1.0	1.0	1.0	0.8	0.9	0.9	0.8	0.7	0.9	(17)
Other Income	0.2	0.3	0.2	0.3	0.2	0.2	0.2	0.5	0.2	202
<b>Profit before Tax</b>	<b>0.8</b>	<b>0.8</b>	<b>1.5</b>	<b>2.7</b>	<b>0.4</b>	<b>-0.4</b>	<b>0.4</b>	<b>3.7</b>	<b>1.4</b>	<b>158</b>
EO (Income)/Expense	-	0.0	-	(0.1)	-	-	-	0.4	-	
<b>Profit before Tax after EO</b>	<b>0.8</b>	<b>0.8</b>	<b>1.5</b>	<b>2.7</b>	<b>0.4</b>	<b>-0.4</b>	<b>0.4</b>	<b>3.3</b>	<b>1.4</b>	<b>131</b>
Tax	0.2	0.2	0.4	0.8	0.1	-0.1	0.1	0.7	0.4	
Rate (%)	21.7	24.3	28.9	29.2	25.9	29.4	24.6	21.8	26.6	
<b>Reported PAT</b>	<b>0.6</b>	<b>0.6</b>	<b>1.1</b>	<b>1.9</b>	<b>0.3</b>	<b>-0.3</b>	<b>0.3</b>	<b>2.6</b>	<b>1.0</b>	<b>146</b>
<b>Adj. PAT</b>	<b>0.6</b>	<b>0.6</b>	<b>1.1</b>	<b>1.9</b>	<b>0.3</b>	<b>-0.3</b>	<b>0.3</b>	<b>2.9</b>	<b>1.0</b>	<b>175</b>
Margin (%)	2.5	2.6	4.7	7.1	1.5	-1.3	1.4	10.2	4.1	
YoY Change (%)	(16.2)	NM	NM	164.6	(45.4)	NM	(71.4)	52.2	(44.7)	
<b>Per ton analysis (INR)</b>										
<b>Blended Realization</b>	<b>5,461</b>	<b>5,468</b>	<b>5,505</b>	<b>5,477</b>	<b>5,001</b>	<b>4,918</b>	<b>5,015</b>	<b>5,413</b>	<b>5,107</b>	<b>6</b>
YoY Change (%)	(2.6)	(0.5)	1.6	(1.2)	(8.4)	(10.1)	(8.9)	(1.2)	(6.8)	
Raw Material	958	917	782	921	666	719	749	905	746	21
Staff Cost	317	341	336	274	337	354	320	254	296	(14)
Power and Fuel	1,153	1,183	1,094	1,000	1,004	1,025	1,025	892	1,008	(12)
Transport and Forwarding	1,321	1,240	1,325	1,284	1,322	1,249	1,319	1,337	1,322	1
Other Exp.	1,038	1,096	1,066	1,024	1,082	1,126	1,051	999	1,014	(1)
<b>Total Expenditure</b>	<b>4,786</b>	<b>4,777</b>	<b>4,604</b>	<b>4,503</b>	<b>4,411</b>	<b>4,472</b>	<b>4,464</b>	<b>4,387</b>	<b>4,386</b>	<b>0</b>
<b>EBITDA</b>	<b>675</b>	<b>691</b>	<b>901</b>	<b>974</b>	<b>590</b>	<b>446</b>	<b>551</b>	<b>1,027</b>	<b>721</b>	<b>42</b>

Source: Company, MOFSL Estimates



### **Titan Company: Watches Are Likely To Grow In The Range Of 18-20% In FY26; Ashok Sonthalia, CFO**

- FY26 revenue growth is expected at 15–20%, with stable margins of 11–11.5%, despite fluctuating gold prices.
- Studded jewelry share is anticipated to rise as demand for adornment increases post-price adjustments.
- CaratLane's growth is expected to normalize at 25%.
- Watches business will grow 18–20%, Eyewear in the mid-teens, with Tanera showing gradual improvement.
- International business targets \$300M, with expansion in North America on hold due to tariff uncertainty, and break-even expected in FY26.

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### **United Breweries: Karnataka Has Seen A Decline Of 12% In The Beer Industry Due To Excise Hikes**

- United Breweries reported a 20% profit increase and 9% revenue growth for Q4.
- Despite challenges in Karnataka, the company remains optimistic about the summer season and volume growth.
- Premiumization continues to be a key strategy with 34% growth in premium volumes.
- The company anticipates double-digit revenue growth and margin improvement for FY26.
- Strong performance in Uttar Pradesh and Maharashtra, with plans to expand distribution further.

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### **Asian Paints: There Might Be Some Disruption In Overall Margin For The Industry; Amit Syngle, MD & CEO**

- Asian Paints' Q4FY25 profit fell 45% YoY due to weak decorative demand and losses from Indonesia exit.
- Revenue declined 4.3%, with only 1.8% volume growth.
- FY26 targets high single-digit growth, 18–20% margins.
- Remains confident, focusing on services, industrial paints, premium housing, and cost efficiencies to offset competition.

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### **Pidilite: Seeing Clear Signs Of Improvement In Urban Demand; Sudhanshu Vats, MD**

- Pidilite posted near double-digit volume growth, led by urban demand and construction.
- Ad spends rose to support category expansion and branding.
- B2B segment sustained mid-teen growth.
- Paint rollout remains limited; steady progress continues

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		CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
Company	Reco	(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Automobiles																
Amara Raja Ener.	Neutral	954	1094	15	50.9	54.3	60.7	2.8	6.6	11.9	18.8	17.6	2.3	2.1	13.4	13.5
Apollo Tyres	Buy	467	510	9	19.6	26.8	29.9	-33.0	36.7	11.5	23.8	17.4	1.6	1.5	8.7	11.0
Ashok Ley.	Buy	222	255	15	10.3	11.5	13.0	12.8	11.5	13.0	21.5	19.3	6.3	5.4	31.6	30.2
Bajaj Auto	Neutral	7684	7990	4	284.6	320.5	363.2	3.1	12.6	13.3	27.0	24.0	7.8	7.1	30.4	31.1
Balkrishna Inds	Neutral	2742	2744	0	89.8	103.9	126.4	17.3	15.7	21.6	30.5	26.4	5.2	4.5	18.2	18.3
Bharat Forge	Neutral	1166	1090	-7	21.4	29.4	38.9	8.5	37.4	32.4	54.5	39.6	6.0	5.4	12.3	14.4
Bosch	Neutral	30008	29028	-3	690.7	780.3	907.1	11.3	13.0	16.3	43.4	38.5	6.7	6.1	16.2	16.7
CEAT	Buy	3762	3818	1	122.1	168.8	212.1	-27.9	38.2	25.7	30.8	22.3	3.5	3.1	11.7	14.7
Craftsman Auto	Neutral	4894	4641	-5	92.1	150.7	221.0	-36.1	63.6	46.6	52.9	32.4	4.1	3.6	9.7	11.9
Eicher Mot.	Sell	5325	4435	-17	170.1	179.7	204.3	16.3	5.6	13.7	31.3	29.6	6.9	6.0	23.7	21.6
Endurance Tech.	Buy	2066	2465	19	56.0	70.4	82.2	18.4	25.7	16.7	36.9	29.3	5.2	4.5	14.9	16.5
Escorts Kubota	Neutral	3131	3227	3	100.6	101.0	115.2	17.9	0.4	14.1	31.1	31.0	3.4	3.4	11.4	11.4
Exide Ind	Neutral	361	368	2	12.7	14.3	15.6	2.3	13.1	8.7	28.5	25.2	2.1	2.0	7.5	7.9
Happy Forgings	Buy	789	990	26	27.8	32.5	38.0	7.9	16.9	17.0	28.3	24.2	4.1	3.6	15.2	15.7
Hero Moto	Buy	3854	4500	17	228.6	239.8	259.6	11.8	4.9	8.3	16.9	16.1	4.0	3.8	24.6	24.1
Hyundai Motor	Buy	1735	1990	15	65.8	66.5	76.5	-11.7	1.0	15.0	26.4	26.1	9.6	7.6	42.2	32.6
M&M	Buy	2983	3482	17	98.7	121.5	137.8	11.3	23.0	13.4	30.2	24.6	5.8	4.9	20.8	21.7
CIE Automotive	Buy	400	463	16	21.7	20.1	22.0	2.8	-7.3	9.6	18.4	19.9	2.3	2.1	13.1	11.1
Maruti Suzuki	Buy	12252	13985	14	443.9	483.5	538.5	5.6	8.9	11.4	27.6	25.3	4.1	3.7	14.8	14.5
MRF	Sell	137737	105295	-24	4,408.7	4,679.8	5,264.8	-11.7	6.1	12.5	31.2	29.4	3.2	2.9	10.6	10.2
Samvardh. Motherson	Buy	138	165	20	5.1	5.8	6.9	37.4	14.7	18.3	27.1	23.6	2.8	2.6	11.8	11.4
Motherson Wiring	Buy	57	68	19	1.4	1.6	2.0	-3.0	13.8	25.5	41.8	34.8	14.9	12.3	35.9	38.8
Sona BLW Precis.	Neutral	500	490	-2	9.9	9.8	11.0	10.5	-1.1	12.3	50.7	51.2	5.5	5.2	14.5	10.5
Tata Motors	Neutral	709	725	2	61.8	57.5	54.9	5.3	-6.8	-4.7	11.5	12.3	2.5	2.1	23.8	18.3
TVS Motor	Neutral	2667	2720	2	57.1	66.3	78.4	30.1	16.3	18.1	46.7	40.2	12.8	10.1	30.7	28.1
Tube Investments	Buy	2854	3385	19	44.4	57.6	68.4	29.2	29.7	18.7	64.3	49.5	9.4	8.0	15.6	17.4
Aggregate								5.5	8.4	10.3	25.6	23.6	4.6	4.0	18.0	17.2
Banks - Private																
AU Small Finance	Buy	687	775	13	29.8	36.9	49.7	29.7	24	34.6	23.1	18.6	3.0	2.7	14.3	15.2
Axis Bank	Neutral	1153	1300	13	85.4	90.9	107.1	5.9	6.4	17.8	13.5	12.7	2.0	1.7	15.9	14.6
Bandhan Bank	Neutral	157	170	8	17.0	19.8	23.9	23.1	16	20.8	9.2	7.9	1.0	1.0	11.9	12.7
DCB Bank	Buy	133	165	24	19.6	24.2	31.0	14.3	23.6	28.3	6.8	5.5	0.8	0.7	12.1	13.3
Equitas Small Fin.	Buy	60	77	27	1.3	4.0	8.9	-81.8	209.1	123.1	46.7	15.1	1.1	1.1	2.4	7.4
Federal Bank	Buy	188	230	23	16.6	18.0	22.5	1.8	8.4	24.9	11.3	10.4	1.4	1.2	13.0	12.5
HDFC Bank	Buy	1889	2200	16	88.7	96.7	112.6	10.7	9.1	16.4	21.3	19.5	2.9	2.6	14.3	14.0
ICICI Bank	Buy	1389	1650	19	66.8	72.9	85.5	14.4	9.2	17.3	20.8	19.0	3.4	3.1	18.0	17.1
IDFC First Bk	Neutral	66	72	9	2.1	3.5	5.8	-50.9	64.7	66.1	31.2	19.0	1.3	1.2	4.4	6.5
IndusInd	Neutral	818	850	4	61.2	81.3	104.0	-47.0	32.9	27.9	13.4	10.1	0.9	0.9	7.3	9.1
Kotak Mah. Bk	Buy	2104	2500	19	110.4	108.9	129.1	20.5	-1.3	18.6	19.1	19.3	2.8	2.4	12.8	12.6
RBL Bank	Buy	197	220	12	11.5	22.6	35.6	-40.5	96.4	57.8	17.1	8.7	0.8	0.7	4.6	8.6
Aggregate								7.7	9.8	19.4	19.6	17.9	2.7	2.5	13.9	13.8
Banks - PSU																
BOB	Neutral	220	250	14	37.8	39.4	43.6	10.1	4.3	10.5	5.8	5.6	0.8	0.8	16.4	15.1
Canara Bank	Buy	98	115	18	18.8	19.7	21.8	17.0	4.9	10.6	5.2	5.0	0.9	0.8	20.2	18.3
Indian Bank	Buy	553	670	21	81.1	84.4	94.3	30.3	4.1	11.7	6.8	6.5	1.1	1.0	18.9	17.0
Punjab Natl.Bank	Buy	92	125	36	14.8	16.9	19.4	97.4	14.5	14.9	6.2	5.4	0.9	0.8	15.3	15.3
SBI	Buy	779	915	17	88.9	93.5	108.0	18.2	5	15.6	8.8	8.3	1.5	1.3	18.6	16.3
Union Bank (I)	Buy	123	145	18	23.6	24.2	25.9	25.1	3	7.0	5.3	5.2	0.9	0.8	18.1	16.2
Aggregate								24.6	6	13	7	6.8	1.2	1.1	16.3	15.6
NBFCs																
AAVAS Financiers	Neutral	1719	2070	20	72.5	86.6	102.7	17.0	19.4	18.6	23.7	19.9	3.1	2.7	14.1	14.6
Aditya Birla Cap	Buy	193	240	24	12.9	15.2	19.4	27.2	18.2	27.6	15.0	12.7	1.7	1.5	11.8	12.5
Bajaj Fin.	Neutral	8640	10000	16	270.0	338.8	424.8	15.5	25.5	25.4	32.0	25.5	5.5	4.7	19.3	19.9



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Can Fin Homes	Neutral	708	770	9	64.4	70.4	79.9	14.2	9.3	13.5	11.0	10.1	1.9	1.6	18.2	17.2
Cholaman.Inv.&Fn	Buy	1513	1770	17	50.6	65.2	83.6	24.3	28.8	28.3	29.9	23.2	5.4	4.2	19.7	20.5
CreditAccess	Buy	1130	1150	2	34.8	75.6	114.6	-61.6	117.1	51.6	32.5	15.0	2.6	2.2	8.2	15.9
Fusion Finance	Neutral	153	155	1	-119.0	10.6	20.7	-337.1	LP	95.4	NM	14.5	0.9	1.1	-53.3	7.2
Five-Star Business	Buy	673	840	25	36.4	40.4	47.0	27.4	11.0	16.2	18.5	16.6	3.1	2.7	18.7	17.3
IIFL Finance	Buy	372	450	21	8.9	37.8	49.5	-80.7	323.6	31.0	41.7	9.8	1.3	1.1	3.3	12.2
Home First Finan	Buy	1147	1500	31	42.4	51.4	62.8	22.8	21.2	22.2	27.0	22.3	4.1	2.8	16.5	15.6
IndoStar	Buy	284	360	27	3.9	8.0	13.5	-26.6	107.3	68.3	73.5	35.5	1.1	0.9	1.6	2.9
L&T Finance	Buy	161	200	24	10.6	12.4	16.0	13.8	16.9	29.6	15.2	13.0	1.6	1.4	10.8	11.5
LIC Hsg Fin	Buy	575	670	17	97.0	94.8	107.1	12.0	-2.2	13.0	5.9	6.1	0.9	0.8	15.9	13.8
Manappuram Fin.	Neutral	229	230	1	14.2	21.5	26.0	-45.3	51.4	20.9	16.1	10.7	1.6	1.3	10.0	13.8
MAS Financial	Buy	259	320	23	16.9	21.0	25.9	11.6	24.8	23.0	15.4	12.3	1.9	1.6	14.4	14.1
M&M Fin.	Buy	244	335	37	19.0	23.3	29.3	33.2	22.8	25.8	12.9	10.5	1.5	1.4	12.4	13.8
Muthoot Fin	Neutral	2229	2400	8	129.7	173.7	194.5	28.6	33.9	12.0	17.2	12.8	3.2	2.6	19.8	22.4
Piramal Enterp.	Neutral	1013	1085	7	21.5	58.8	68.2	-306.2	173.2	16.1	47.1	17.2	0.8	0.8	1.8	4.8
PNB Housing	Buy	1031	1230	19	74.5	88.9	104.6	28.3	19.4	17.7	13.8	11.6	1.6	1.4	12.2	12.9
Poonawalla Fincorp	Buy	372	440	18	-1.3	12.6	22.7	-109.5	LP	80.4	NM	29.5	3.5	3.2	-1.2	11.3
PFC	Buy	386	505	31	50.4	56.5	61.3	15.7	12.2	8.5	7.7	6.8	1.4	1.2	19.6	19.2
REC	Buy	385	530	38	59.7	71.5	74.4	12.2	19.7	4.1	6.4	5.4	1.3	1.1	21.5	22.2
Repco Home Fin	Neutral	372	380	2	70.3	70.1	76.6	11.5	-0.3	9.3	5.3	5.3	0.7	0.6	14.2	12.5
Spandana Sphoorty	Buy	260	285	10	-142.4	5.4	28.4	-302.7	LP	427.3	NM	48.3	0.7	0.7	-32.4	1.4
Shriram Finance	Buy	602	790	31	44.0	52.9	62.7	14.9	20.2	18.6	13.7	11.4	2.0	1.7	15.8	16.4
<b>Aggregate</b>								<b>3.7</b>	<b>31.1</b>	<b>18.2</b>	<b>17.5</b>	<b>13.3</b>	<b>2.4</b>	<b>2.1</b>	<b>13.9</b>	<b>15.7</b>
<b>NBFC-Non Lending</b>																
360 ONE WAM	Buy	916	1300	42	25.8	32.8	37.3	15.3	26.9	13.9	35.5	28.0	5.1	4.8	19.3	17.6
Aditya Birla AMC	Buy	644	780	21	32.3	35.2	40.1	19.3	9.0	13.8	19.9	18.3	5.0	4.5	27.0	25.7
Anand Rathi Wealth	Neutral	1680	1900	13	36.2	44.3	51.8	33.7	22.4	17.1	46.4	37.9	20.7	14.6	45.5	45.0
Angel One	Buy	2329	2800	20	129.8	106.6	150.6	-3.1	-17.9	41.2	17.9	21.8	3.4	3.1	27.1	16.2
BSE	Buy	6572	7600	16	97.3	144.6	169.3	67.2	48.6	17.1	67.5	45.4	20.1	17.8	29.8	39.1
Cams Services	Buy	3481	4300	24	94.8	103.5	120.2	32.4	9.2	16.1	36.7	33.6	15.2	12.9	45.7	41.6
CDSL	Neutral	1219	1150	-6	25.1	25.7	32.1	24.8	2.5	24.9	48.6	47.5	14.5	12.5	32.5	28.3
HDFC AMC	Buy	4271	5000	17	115.2	131.3	149.0	26.6	14.0	13.4	37.1	32.5	11.2	10.3	32.4	33.1
KFin Technologies	Neutral	1066	1150	8	19.5	22.6	28.5	33.9	15.8	26.2	54.7	47.2	13.9	12.5	28.3	27.9
MCX	Neutral	5672	6000	6	110.1	142.2	178.0	573.8	29.2	25.2	51.5	39.9	15.3	14.2	34.3	37.0
Nippon Life AMC	Buy	625	750	20	20.4	22.6	25.5	16.2	10.6	12.9	30.6	27.7	9.3	9.2	31.4	33.5
Nuvama Wealth	Buy	5944	7600	28	267.7	305.5	344.7	59.0	14.1	12.8	22.2	19.5	6.4	5.7	30.8	31.1
Prudent Corp.	Neutral	2226	2400	8	45.5	58.6	74.9	35.7	28.9	27.9	49.0	38.0	70.8	53.0	33.2	31.9
UTI AMC	Buy	982	1250	27	63.9	70.8	81.4	1.4	10.9	14.9	15.4	13.9	2.4	2.3	16.0	17.0
<b>Aggregate</b>								<b>30.9</b>	<b>15.4</b>	<b>17.6</b>	<b>36.2</b>	<b>31.4</b>	<b>9.1</b>	<b>8.3</b>	<b>25.1</b>	<b>26.4</b>
<b>Insurance</b>																
HDFC Life Insur.	Buy	714	850	19	8.4	10.2	11.5	14.9	21.2	13.3	85.2	70.3	2.8	2.4	16.7	16.9
ICICI Lombard	Buy	1781	2200	24	50.9	57.9	67.0	30.7	13.7	15.8	35.0	30.8	6.1	5.4	19.1	18.6
ICICI Pru Life	Buy	581	680	17	8.2	10.3	12.3	39.0	25.5	19.4	70.6	56.3	1.8	1.5	13.3	13.0
Life Insurance Corp.	Buy	787	1050	33	69.4	77.7	86.4	8.4	11.8	11.2	11.3	10.1	0.6	0.5	15.4	10.9
Max Financial	Neutral	1268	1200	-5	12.4	16.4	21.5	63.5	33.0	30.9	102.6	77.2	2.4	2.0	18.8	19.1
Niva Bupa Health	Buy	87	100	15	1.2	0.8	1.6	142.7	-33.9	112.4	74.2	112.3	5.2	4.0	7.9	4.0
SBI Life Insurance	Buy	1699	2000	18	24.1	28.5	33.8	27.4	18.0	18.9	70.4	59.7	2.4	2.0	20.6	19.3
Star Health Insu	Buy	360	460	28	11.0	13.6	18.4	-23.9	24.1	35.1	32.7	26.4	3.0	2.7	9.5	10.8
<b>Chemicals</b>																
Alkyl Amines	Neutral	1632	1610	-1	37.6	46.0	53.7	29.2	22.3	16.8	43.4	35.5	6.0	5.4	14.5	16.0
Atul	Buy	6781	8450	25	169.3	222.1	241.4	53.9	31.2	8.7	40.0	30.5	3.6	3.2	9.3	11.1
Clean Science	Neutral	1189	1290	8	24.8	35.1	43.0	7.8	41.7	22.6	48.0	33.9	8.8	7.2	20.0	23.4



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Deepak Nitrite	Neutral	1909	1850	-3	44.3	66.8	74.0	-19.6	50.7	10.9	43.1	28.6	4.9	4.3	11.9	15.9
Fine Organic	Sell	4048	3565	-12	138.6	117.6	118.8	15.5	-15.2	1.0	29.2	34.4	5.5	4.8	20.7	14.9
Galaxy Surfact.	Buy	2077	2535	22	74.5	85.3	101.3	-12.3	14.4	18.8	27.9	24.4	3.1	2.8	11.6	12.2
Navin Fluorine	Neutral	4590	5060	10	58.2	89.4	112.4	26.2	53.6	25.7	78.7	51.3	8.7	7.6	11.5	15.8
NOCIL	Neutral	180	185	3	7.1	8.2	12.2	-9.4	15.0	48.8	25.2	21.9	1.7	1.6	6.9	7.6
PI Inds.	Buy	3640	4100	13	107.8	118.5	136.9	-2.5	9.9	15.6	33.8	30.7	5.4	4.7	17.3	16.4
SRF	Buy	3008	3520	17	42.7	71.6	100.1	-10.2	68.0	39.7	70.5	42.0	7.3	6.5	10.7	16.3
Tata Chemicals	Neutral	817	870	6	11.6	35.1	54.6	-67.9	202.4	55.7	70.4	23.3	0.9	0.9	1.3	4.0
Vinati Organics	Buy	1623	2125	31	39.8	50.6	60.8	27.5	27.3	20.0	40.8	32.0	6.0	5.3	15.7	17.6
<b>Aggregate</b>								<b>6.6</b>	<b>27.1</b>	<b>13.8</b>	<b>42.3</b>	<b>33.3</b>	<b>5.0</b>	<b>4.4</b>	<b>11.7</b>	<b>13.3</b>
<b>Capital Goods</b>																
ABB India	Buy	5443	6700	23	96.9	108.5	120.6	64.5	12.0	11.2	58.6	52.3	14.8	13.0	27.0	26.5
Bharat Electronics	Buy	316	360	14	6.7	7.8	9.4	21.7	16.5	21.0	47.2	40.5	11.4	9.2	24.1	22.6
Cummins India	Buy	2737	4100	50	72.0	85.2	100.2	20.1	18.3	17.5	38.0	32.1	10.9	9.7	30.5	31.9
Hind.Aeronautics	Buy	4501	5100	13	93.5	126.5	155.7	3.6	35.2	23.1	48.1	35.6	9.1	7.8	18.9	21.8
Hitachi Energy	Sell	15093	10500	-30	75.5	143.3	218.1	95.4	89.9	52.2	200.0	105.3	37.0	27.4	18.5	26.0
Kalpataru Proj.	Buy	922	1200	30	37.4	54.5	72.6	19.8	45.6	33.3	24.6	16.9	2.2	1.9	9.8	12.1
KEC International	Neutral	695	900	30	20.4	34.7	43.0	57.0	69.9	23.7	34.0	20.0	3.5	3.1	11.5	16.3
Kirloskar Oil	Buy	670	1150	72	28.1	34.0	41.8	12.5	20.8	23.2	23.8	19.7	3.3	3.0	14.7	15.9
Larsen & Toubro	Buy	3446	3950	15	105.9	127.3	156.7	12.3	20.2	23.0	32.5	27.1	4.9	4.3	15.8	16.9
Siemens	Neutral	2858	5750	101	76.3	76.9	94.9	38.5	0.8	23.4	37.4	37.2	6.6	5.9	19.1	16.7
Thermax	Sell	3235	3350	4	57.4	64.5	77.3	10.1	20.2	19.6	57.3	51.0	7.5	6.7	13.8	13.9
Triveni Turbine	Buy	516	780	51	11.3	15.6	21.0	33.5	38.1	34.6	45.7	33.0	13.5	10.4	33.0	35.6
Zen Technologies	Buy	1406	1600	14	27.9	36.5	53.3	98.5	30.9	46.1	50.4	38.5	7.4	6.2	23.3	17.6
<b>Aggregate</b>								<b>17.1</b>	<b>22.1</b>	<b>22.8</b>	<b>40.5</b>	<b>33.2</b>	<b>7.0</b>	<b>6.1</b>	<b>17.3</b>	<b>18.4</b>
<b>Cement</b>																
Ambuja Cem.	Buy	528	620	17	8.0	10.6	15.0	-42.6	33.3	40.9	66.2	49.7	2.4	2.4	4.1	4.8
ACC	Buy	1813	2400	32	71.2	89.1	120.9	-28.3	25.2	35.6	25.5	20.3	1.9	1.7	7.8	8.8
Birla Corp.	Buy	1059	1320	25	42.2	74.0	98.3	-21.8	75.4	32.8	25.9	14.8	1.2	1.1	4.8	7.9
Dalmia Bhar.	Buy	1919	2300	20	37.1	59.5	69.2	-9.0	60.6	16.2	51.8	32.2	2.1	2.0	4.1	6.3
Grasim Inds.	Buy	2634	3120	18	74.5	96.2	115.0	-22.1	29.1	19.6	35.4	27.4	3.3	3.2	-3.8	0.8
India Cem	Sell	308	240	-22	-24.0	-3.9	3.0	216.9	Loss	LP	NM	NM	1.0	1.0	-9.9	-1.3
J K Cements	Buy	5104	6000	18	95.7	126.9	164.2	-6.8	32.6	29.3	53.3	40.2	6.6	5.9	12.6	15.4
JK Lakshmi Ce	Buy	772	970	26	22.1	37.7	40.2	-44.2	70.5	6.7	34.9	20.5	2.7	2.4	7.9	12.4
Ramco Cem	Neutral	939	1030	10	7.9	21.3	29.5	-52.8	169.2	38.6	118.9	44.2	3.1	2.9	2.6	6.7
Shree Cem	Neutral	29287	28000	-4	297.3	314.2	454.7	-56.5	5.7	44.7	98.5	93.2	5.0	4.8	5.2	5.3
Ultratech	Buy	11374	13900	22	207.6	295.8	372.1	-15.1	42.5	25.8	54.8	38.4	4.7	4.4	9.3	11.8
<b>Aggregate</b>								<b>-28.6</b>	<b>42.6</b>	<b>28.3</b>	<b>54.2</b>	<b>38.0</b>	<b>3.4</b>	<b>3.2</b>	<b>6.3</b>	<b>8.4</b>
<b>Consumer</b>																
Asian Paints	Neutral	2300	2500	9	42.5	47.7	56.7	-26.7	12.3	18.8	54.2	48.2	11.4	11.1	21.4	23.3
Britannia	Neutral	5425	5200	-4	91.9	102.5	115.3	3.6	11.6	12.5	59.0	52.9	30.1	26.4	53.5	53.2
Colgate	Neutral	2551	2650	4	52.8	57.2	61.7	7.3	8.4	7.8	48.3	44.6	33.3	30.4	72.5	71.3
Dabur	Buy	463	575	24	10.2	11.3	12.4	-4.0	10.8	10.4	45.6	41.1	7.6	7.0	17.4	17.8
Emami	Buy	631	750	19	20.2	21.9	23.7	11.8	8.4	8.4	31.3	28.9	10.0	8.9	33.8	32.6
Godrej Cons.	Buy	1241	1450	17	18.5	23.7	27.1	-4.3	27.9	14.3	67.0	52.4	10.6	9.9	15.4	19.6
HUL	Buy	2334	2850	22	44.3	47.8	52.3	1.4	7.8	9.5	52.7	48.9	11.1	10.8	20.7	22.4
ITC	Buy	424	525	24	15.9	17.0	18.4	-2.9	6.9	8.0	26.6	24.9	6.9	6.7	26.3	27.4
Indigo Paints	Buy	951	1350	42	28.1	33.1	38.2	-9.4	18.1	15.4	33.9	28.7	4.5	4.0	14.0	14.7
Jyothy Lab	Neutral	366	375	2	10.4	11.5	12.6	5.5	11.4	9.6	35.4	31.7	7.1	6.5	20.6	21.4
L T Foods	Buy	359	460	28	17.3	22.7	27.2	1.5	31.0	19.9	20.7	15.8	3.2	2.8	16.6	18.8
Marico	Buy	723	800	11	12.4	14.3	15.4	7.9	15.2	7.9	58.4	50.7	23.5	22.2	40.9	45.0
Nestle	Neutral	2324	2400	3	32.0	36.8	41.0	-22.1	15.2	11.3	72.7	63.1	55.9	47.5	83.9	81.4
Page Inds	Buy	45478	57500	26	616.9	708.4	839.8	20.9	14.8	18.5	73.7	64.2	28.9	24.9	39.2	38.7
Pidilite Ind.	Neutral	2977	3000	1	41.3	46.7	53.5	16.7	13.0	14.6	72.1	63.9	15.5	13.8	23.1	22.9
P&G Hygiene	Neutral	13936	15000	8	251.2	278.9	309.3	14.0	11.0	10.9	55.5	50.0	48.2	40.4	95.3	88.1



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Tata Consumer	Buy	1114	1360	22	14.0	17.0	20.0	-2.4	21.7	17.4	79.6	65.4	5.5	4.9	7.7	8.2
United Brew	Neutral	2177	2000	-8	17.7	27.2	36.5	13.6	53.8	34.4	123.3	80.1	13.2	12.1	10.9	15.8
United Spirits	Neutral	1532	1550	1	19.2	21.5	24.0	22.1	12.2	11.2	79.8	71.1	13.2	11.1	16.6	15.6
Varun Beverages	Buy	496	665	34	7.7	10.4	12.2	26.2	35.4	17.1	64.7	47.8	10.1	8.7	22.0	19.6
<b>Aggregate</b>								<b>-2.0</b>	<b>12.1</b>	<b>11.4</b>	<b>48.2</b>	<b>43.0</b>	<b>11.0</b>	<b>10.3</b>	<b>22.8</b>	<b>24.0</b>
<b>Consumer</b>																
<b>Durables</b>																
Havells India	Neutral	1548	1710	10	23.5	27.6	34.2	15.7	17.9	23.8	66.0	56.0	11.6	10.2	17.6	18.3
KEI Industries	Neutral	3233	3400	5	72.9	84.0	97.6	13.2	15.3	16.2	44.4	38.5	5.3	4.7	15.6	13.0
Polycab India	Buy	5767	7250	26	134.3	153.1	181.8	13.1	14.0	18.7	42.9	37.7	8.8	7.5	20.6	19.9
R R Kabel	Neutral	1237	1230	-1	27.6	34.4	40.9	4.5	24.7	19.0	44.9	36.0	6.5	5.7	15.7	16.9
Voltas	Buy	1236	1600	29	25.4	31.0	38.9	251.5	22.0	25.6	48.6	39.8	6.3	5.6	12.9	14.0
<b>Aggregate</b>								<b>27.9</b>	<b>17.1</b>	<b>20.9</b>	<b>50.2</b>	<b>42.9</b>	<b>8.2</b>	<b>7.2</b>	<b>16.4</b>	<b>16.7</b>
<b>EMS</b>																
Amber Enterp.	Buy	5793	7800	35	76.2	114.0	173.6	93.2	49.6	52.3	76.0	50.8	8.4	7.2	11.7	15.3
Avalon Tech	Buy	791	1030	30	9.6	16.1	23.8	125.2	67.4	48.3	82.5	49.3	8.6	7.3	10.9	16.0
Cyient DLM	Buy	427	600	41	9.3	15.2	22.0	20.8	63.6	44.5	45.8	28.0	3.6	3.2	8.0	12.0
Data Pattern	Neutral	2295	1870	-19	36.1	48.6	62.2	11.4	34.4	28.0	63.5	47.3	8.5	7.2	14.2	16.4
Dixon Tech.	Buy	15189	20500	35	124.1	168.2	242.4	101.9	35.5	44.1	122.4	90.3	37.5	26.7	36.1	34.5
Kaynes Tech	Buy	5668	6400	13	46.4	83.6	134.0	61.8	80.0	60.3	122.1	67.8	13.0	10.9	11.3	17.5
Syrma SGS Tech.	Buy	478	600	26	9.6	15.3	21.4	56.6	59.4	39.9	49.8	31.3	4.8	4.2	10.1	14.5
<b>Aggregate</b>								<b>69.8</b>	<b>49.2</b>	<b>46.6</b>	<b>99.3</b>	<b>66.6</b>	<b>14.5</b>	<b>12.0</b>	<b>14.6</b>	<b>18.0</b>
<b>Healthcare</b>																
Alembic Phar	Neutral	902	930	3	29.1	36.5	44.0	-7.4	25.2	20.5	31.0	24.7	3.4	3.1	11.5	12.9
Alkem Lab	Neutral	4950	5240	6	186.0	198.7	224.6	16.5	6.8	13.1	26.6	24.9	4.9	4.3	19.9	18.3
Ajanta Pharma	Buy	2540	3260	28	74.1	80.9	96.0	18.9	9.3	18.6	34.3	31.4	8.5	7.1	25.5	24.3
Apollo Hospitals	Buy	6719	8050	20	99.6	120.3	155.9	59.6	20.8	29.5	67.5	55.8	11.3	9.4	18.8	19.0
Aurobindo	Buy	1164	1360	17	61.8	73.0	84.7	10.2	18.1	16.0	18.7	15.8	2.0	1.8	11.5	12.1
Biocon	Buy	330	400	21	-0.1	3.9	9.0	-105.5	LP	130.8	NM	92.2	2.1	2.1	1.2	2.5
Blue Jet Health	Buy	726	865	19	17.4	20.6	24.7	76.0	18.5	20.3	41.8	35.3	11.3	8.8	30.7	28.0
Cipla	Neutral	1479	1530	3	62.2	61.2	68.2	18.5	-1.6	11.4	23.8	24.2	3.8	3.3	16.0	13.8
Divis Lab	Neutral	6001	5980	0	76.3	96.0	118.0	27.2	25.8	22.9	78.6	62.5	10.6	9.5	14.2	16.1
Dr Reddy's	Neutral	1156	1220	5	67.3	70.3	65.6	6.1	4.5	-6.7	17.2	16.5	2.9	2.5	18.2	16.1
Dr Agarwal's Hea	Buy	356	510	43	2.9	4.0	5.3	9.7	37.2	32.2	122.4	89.2	5.3	5.0	5.3	5.8
ERIS Lifescience	Neutral	1457	1320	-9	26.9	39.6	54.5	-7.9	46.8	37.9	54.1	36.8	7.0	6.0	13.6	17.5
Gland Pharma	Buy	1426	1830	28	42.5	55.1	66.4	-10.8	29.7	20.6	33.6	25.9	2.5	2.3	7.7	9.2
Glenmark	Buy	1395	1690	21	49.7	60.7	71.1	1,902.5	22.0	17.1	28.0	23.0	4.3	3.6	16.5	17.1
GSK Pharma	Neutral	2758	3030	10	51.3	59.0	69.0	18.4	15.1	16.9	53.8	46.7	21.4	17.2	39.8	36.8
Global Health	Buy	1171	1410	20	19.8	24.9	30.9	11.0	26.2	23.9	59.3	47.0	9.5	8.1	17.1	18.7
Granules India	Buy	441	560	27	19.5	26.5	33.4	12.5	35.7	26.0	22.6	16.7	2.9	2.5	13.7	16.2
IPCA Labs	Buy	1356	1820	34	34.4	45.5	56.1	38.5	32.2	23.3	39.4	29.8	4.9	4.3	13.0	15.3
Laurus Labs	Buy	589	750	27	5.8	10.5	14.3	92.4	80.6	36.2	101.5	56.2	6.9	6.2	7.2	11.7
Lupin	Neutral	2038	2150	6	71.9	79.1	85.6	73.1	10.1	8.1	28.3	25.8	5.3	4.5	20.7	18.9
Mankind Pharma	Buy	2413	2930	21	49.0	54.3	71.3	2.6	10.9	31.3	49.3	44.4	7.2	6.4	17.4	15.2
Max Healthcare	Buy	1127	1301	15	15.4	22.2	26.1	11.8	44.6	17.3	73.4	50.7	10.2	8.5	14.9	18.3
Piramal Pharma	Buy	208	280	35	0.7	2.2	4.0	66.5	214.6	81.7	294.8	93.7	3.1	3.0	1.2	3.6
Sun Pharma	Buy	1745	2000	15	49.2	59.5	66.6	18.7	21.0	11.9	35.5	29.3	5.7	4.9	17.2	17.9
Torrent Pharma	Neutral	3138	3390	8	56.9	74.9	93.8	20.8	31.5	25.4	55.1	41.9	6.6	5.5	25.8	28.5
Zydus Lifesciences	Neutral	878	930	6	44.3	48.7	43.0	17.7	10.0	-11.7	19.8	18.0	3.5	3.0	19.7	17.8
<b>Aggregate</b>								<b>20.9</b>	<b>17.2</b>	<b>13.6</b>	<b>35.5</b>	<b>30.3</b>	<b>5.1</b>	<b>4.4</b>	<b>14.3</b>	<b>14.6</b>
<b>Infrastructure</b>																
G R Infraproject	Buy	1048	1330	27	70.3	76.3	93.3	-3.7	8.5	22.4	14.9	13.7	1.3	1.2	9.0	9.0
IRB Infra	Neutral	45	50	11	1.1	2.4	2.8	9.2	116.7	17.2	41.2	19.0	1.4	1.3	3.9	7.0
KNR Constructions	Buy	214	290	36	14.9	15.2	20.0	-1.9	1.8	31.2	14.3	14.0	1.5	1.4	11.7	10.3
<b>Aggregate</b>											<b>24.6</b>	<b>16.7</b>	<b>1.4</b>	<b>1.3</b>	<b>5.5</b>	<b>7.6</b>



Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)				
		(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E			
Logistics																			
Adani Ports	Buy	1307	1550	19	50.2	61.2	73.3	21.6	21.9	19.9	26.1	21.4	4.5	3.8	18.8	19.4			
Blue Dart Express	Buy	6671	7500	12	115.5	181.4	234.1	-5.0	57.0	29.1	57.7	36.8	10.1	8.5	18.2	25.1			
Concor	Buy	648	840	30	22.6	28.1	33.4	12.6	24.2	18.8	28.7	23.1	3.1	2.9	11.3	13.1			
JSW Infra	Buy	287	370	29	7.0	7.5	9.4	20.5	7.8	25.3	41.1	38.1	6.1	5.5	16.3	15.4			
Mahindra Logistics	Neutral	288	300	4	-5.0	14.2	26.7	-38.8	LP	87.7	NM	20.2	4.7	3.9	-7.5	20.6			
Transport Corp.	Buy	1081	1330	23	53.3	63.1	73.9	16.4	18.3	17.1	20.3	17.1	3.5	2.9	18.4	18.3			
TCI Express	Neutral	655	680	4	22.8	29.9	34.2	-33.8	31.2	14.4	28.8	21.9	3.3	3.0	11.9	14.3			
VRL Logistics	Buy	472	600	27	18.5	20.5	25.0	82.2	11.1	22.2	25.7	23.2	4.1	3.8	16.4	17.0			
Aggregate											28.8	23.5	4.6	4.0	16.0	16.9			
Media																			
PVR Inox	Neutral	920	1075	17	-18.1	9.4	23.2	-255.5	LP	147.9	NM	98.4	1.3	1.2	-2.5	1.3			
Sun TV	Neutral	599	630	5	42.2	45.1	48.5	-11.4	7.1	7.4	14.2	13.3	2.1	1.9	14.6	14.4			
Zee Ent.	Neutral	116	125	8	8.2	9.2	10.4	80.8	12.0	13.7	14.2	12.6	1.0	0.9	7.0	7.4			
Aggregate											-6.4	21.2	14.1	19.1	15.7	1.4	1.4	7.6	8.7
Metals																			
Coal India	Buy	383	480	25	57.4	60.4	69.1	-5.5	5.3	14.4	6.7	6.3	2.4	2.0	35.7	31.8			
Hindalco	Buy	627	770	23	70.3	65.8	70.7	54.1	-6.5	7.6	8.9	9.5	1.5	1.3	18.0	14.6			
Hind. Zinc	Neutral	408	460	13	24.7	31.2	32.0	34.5	26.3	2.7	16.5	13.1	12.9	8.0	73.2	75.8			
JSPL	Buy	856	1050	23	41.4	59.2	93.1	-29.1	43.0	57.3	20.7	14.5	1.8	1.6	9.1	12.0			
JSW Steel	Buy	957	1220	28	16.4	54.0	82.9	-55.6	230.3	53.5	58.5	17.7	2.9	2.5	5.0	15.2			
Nalco	Neutral	157	185	18	24.4	14.0	16.5	168.3	-42.6	17.6	6.4	11.2	1.6	1.4	27.5	13.4			
NMDC	Buy	64	80	24	8.0	8.5	9.3	21.6	5.7	9.9	8.0	7.6	1.8	1.6	24.8	22.2			
SAIL	Neutral	109	125	15	2.1	17.5	15.9	-20.5	743	-9.1	52.5	6.2	0.8	0.7	1.5	11.9			
Tata Steel	Neutral	143	140	-2	2.5	10.7	15.5	-6.6	322	45.5	56.5	13.4	2.2	2.0	3.7	15.6			
Vedanta	Neutral	408	470	15	34.8	41.8	47.6	162.2	20	13.8	11.7	9.8	3.9	3.2	37.0	36.2			
Aggregate											13.4	32.8	20.0	13.5	10.2	2.2	2.0	16.5	19.3
Oil & Gas																			
Aegis Logistics	Neutral	797	715	-10	14.8	20.0	20.4	-9.0	35.3	2.1	54.0	39.9	6.6	6.0	12.7	15.7			
BPCL	Neutral	307	300	-2	31.8	27.8	28.3	-49.7	-12.8	2.0	9.6	11.1	1.6	1.5	17.3	13.9			
Castrol India	Buy	200	250	25	9.4	9.5	10.0	7.3	1.7	4.8	21.3	20.9	8.7	8.0	42.1	39.8			
GAIL	Buy	182	214	18	13.4	16.9	18.3	-2.3	26.1	8.5	13.6	10.8	1.6	1.5	16.5	14.8			
Gujarat Gas	Buy	451	475	5	15.8	17.2	19.0	-1.1	8.9	10.3	28.5	26.2	3.7	3.4	13.5	13.5			
Gujarat St. Pet.	Neutral	322	315	-2	15.5	10.3	10.3	-31.9	-33.3	-0.7	20.8	31.2	1.7	1.6	8.3	5.3			
HPCL	Buy	386	455	18	31.6	44.0	44.2	-57.9	39.0	0.5	12.2	8.8	1.6	1.4	13.7	17.3			
IOC	Buy	140	165	18	7.8	10.3	10.9	-73.6	32.5	6.0	18.0	13.6	1.0	1.0	5.8	7.4			
IGL	Buy	200	225	13	10.5	10.9	12.4	-16.0	4.4	13.6	19.1	18.2	3.0	2.7	16.5	15.7			
Mahanagar Gas	Buy	1363	1760	29	105.8	111.5	121.0	-18.9	5.4	8.5	12.9	12.2	2.3	2.1	18.9	17.7			
MRPL	Sell	125	105	-16	0.3	11.4	11.5	-98.6	3,840.0	1.2	434.4	11.0	1.7	1.5	0.4	14.5			
Oil India	Buy	403	485	20	36.2	42.7	47.2	-25.5	17.8	10.5	11.1	9.4	1.4	1.2	12.8	13.7			
ONGC	Buy	235	290	24	35.8	37.4	39.7	-22.8	4.4	6.3	6.6	6.3	0.8	0.8	12.8	12.2			
PLNG	Neutral	308	330	7	24.2	29.3	31.3	2.8	20.7	7.1	12.7	10.5	2.4	2.2	20.3	21.8			
Reliance Ind.	Buy	1378	1515	10	51.5	59.5	66.5	0.0	15.6	11.7	26.8	23.2	4.4	2.0	8.5	9.2			
Aggregate											-30.0	13.8	8.3	17.6	15.5	1.7	1.6	9.8	10.3
Real Estate																			
Anant Raj	Buy	429	1085	153	12.4	17.9	20.8	59.4	44.6	15.8	34.6	23.9	3.5	3.1	10.2	12.9			
Brigade Enterpr.	Buy	1016	1415	39	37.8	44.1	63.1	71.0	16.6	43.1	26.9	23.0	3.5	3.1	16.2	14.3			
DLF	Buy	632	960	52	11.1	17.5	13.0	0.6	58.1	-25.4	57.1	36.1	2.6	2.4	6.7	9.8			
Godrej Propert.	Buy	2000	2755	38	50.0	89.2	86.7	86.0	78.4	-2.8	40.0	22.4	3.2	2.8	10.2	13.4			
Kolte Patil Dev.	Buy	332	394	19	15.1	41.5	36.4	-265.1	174.4	-12.3	22.0	8.0	3.1	2.3	14.8	32.7			
Oberoi Realty	Neutral	1531	1726	13	61.2	79.2	96.7	15.5	29.5	22.1	25.0	19.3	3.5	3.0	15.1	16.9			
Macrotech Devel.	Buy	1236	1625	31	28.7	36.6	36.7	70.4	27.7	0.4	43.1	33.8	5.9	5.1	14.6	16.2			
Mahindra Lifespace	Neutral	306	382	25	4.0	3.3	16.8	-37.7	-17.6	417.3	77.5	94.0	2.5	2.5	3.3	2.7			
SignatureGlobal	Buy	1149	1815	58	19.1	58.6	120.5	1,522.4	207.1	105.7	60.2	19.6	18.0	9.4	35.2	63.0			





Company	Reco	CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
		(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Sunteck Realty	Buy	378	540	43	10.3	12.2	26.1	111.9	18.4	114.8	36.9	31.1	1.7	1.6	4.7	5.3
Sobha	Buy	1226	1714	40	11.6	48.9	81.2	124.3	320.7	66.2	105.6	25.1	3.4	3.1	3.8	12.9
Prestige Estates	Buy	1282	1725	35	21.7	22.2	26.5	14.4	2.4	19.5	59.2	57.8	2.8	2.7	5.7	4.8
Phoenix Mills	Neutral	1480	1672	13	27.5	43.8	59.0	-10.6	58.9	34.7	53.8	33.8	5.1	4.4	9.9	14.0
<b>Aggregate</b>								<b>32.0</b>	<b>48.1</b>	<b>11.8</b>	<b>46.7</b>	<b>31.5</b>	<b>4.2</b>	<b>3.7</b>	<b>8.9</b>	<b>11.8</b>
<b>Retail</b>																
Aditya Birla Fashion	Neutral	254	285	12	-4.7	-0.6	-0.6	-22.8	Loss	Loss	NM	NM	3.1	3.1	-8.8	-0.9
Avenue Supermarts	Buy	3973	4350	9	41.6	46.8	55.0	6.7	12.5	17.4	95.5	84.9	12.1	10.6	13.5	13.3
Barbeque-Nation	Neutral	315	325	3	-2.3	-1.0	0.4	-20.2	Loss	LP	NM	NM	3.2	3.2	-2.3	-1.0
Bata India	Neutral	1196	1185	-1	20.7	24.4	29.6	-9.2	18.2	21.2	57.8	49.0	8.8	8.1	16.3	17.3
Campus Activewe.	Buy	240	300	25	4.0	5.3	6.6	37.5	30.8	26.0	59.8	45.7	9.5	7.9	15.9	17.2
Devyani Intl.	Buy	177	200	13	0.2	1.5	2.1	-78.0	799.8	39.1	1,047.9	116.5	35.0	42.1	2.4	32.8
Jubilant Food.	Neutral	670	715	7	4.3	6.6	8.5	9.0	53.6	29.3	155.9	101.5	20.2	20.1	13.0	19.8
Kalyan Jewellers	Buy	519	625	20	7.8	10.7	13.0	34.9	37.2	21.6	66.4	48.4	11.2	9.5	17.9	21.2
Metro Brands	Buy	1059	1350	27	13.6	16.3	20.8	6.8	19.9	27.7	77.8	64.9	13.1	11.2	18.5	19.1
P N Gadgil Jewellers	Buy	520	825	59	16.8	21.9	27.9	28.2	30.7	27.1	31.0	23.7	4.4	3.7	21.2	16.9
Raymond Lifestyle	Buy	958	1600	67	21.6	56.0	73.1	-73.1	159.2	30.5	44.3	17.1	0.6	0.6	2.9	7.2
Restaurant Brand	Buy	77	135	75	-4.2	-2.5	-0.4	-2.2	Loss	Loss	NM	NM	4.7	5.5	-30.0	-16.7
Relaxo Footwear	Sell	402	370	-8	6.8	8.2	9.0	-15.6	20.6	9.8	58.7	49.7	4.7	4.4	8.3	9.4
Sapphire Foods	Buy	300	400	33	1.0	2.5	4.2	-38.9	154.5	64.0	301.3	118.4	6.9	6.5	2.3	5.7
Senco Gold	Neutral	336	350	4	11.2	14.0	17.1	-3.5	24.7	21.8	29.9	24.0	2.8	2.6	11.1	11.3
Shoppers Stop	Neutral	489	500	2	0.6	-0.8	-3.2	-88.9	PL	Loss	798.9	NM	15.8	12.3	2.0	-2.6
Titan Company	Buy	3511	4000	14	42.3	53.5	63.3	7.6	26.7	18.2	83.1	65.6	26.9	20.9	35.8	35.9
Trent	Buy	5114	6900	35	43.2	55.5	68.3	47.7	28.5	23.2	118.5	92.2	31.1	22.9	32.2	30.6
Vedant Fashions	Neutral	723	775	7	16.0	17.5	19.5	-6.2	9.6	11.1	45.2	41.2	10.1	9.0	22.9	21.1
V-Mart Retail	Neutral	3413	3600	5	10.4	64.4	92.8	-121.3	518.8	44.1	327.8	53.0	7.6	6.6	2.6	14.6
Westlife Foodworld	Neutral	669	800	20	0.3	4.3	8.0	-93.0	1,278.2	87.4	2,147.7	155.8	14.3	15.1	0.7	9.4
<b>Aggregate</b>								<b>15.3</b>	<b>36.6</b>	<b>22.3</b>	<b>98.9</b>	<b>73.7</b>	<b>12.5</b>	<b>11.2</b>	<b>12.6</b>	<b>15.2</b>
<b>Technology</b>																
Cyient	Sell	1180	1120	-5	55.4	74.6	83.2	-17.2	34.6	11.6	21.3	15.8	2.5	2.3	12.1	14.0
HCL Tech.	Buy	1570	1800	15	63.9	68.8	75.0	10.3	7.7	9.1	24.6	22.8	6.1	6.2	25.2	27.1
Infosys	Neutral	1507	1600	6	63.8	66.9	71.9	0.8	4.8	7.5	23.6	22.5	6.5	6.5	28.8	29.0
LTI Mindtree	Buy	4620	5150	11	155.3	172.4	193.6	0.3	11.0	12.3	29.7	26.8	6.0	5.3	23.3	21.1
L&T Technology	Neutral	4111	4400	7	119.0	140.6	162.3	-3.2	18.1	15.4	34.5	29.2	7.2	6.2	22.0	22.6
Mphasis	Neutral	2386	2700	13	89.3	98.0	108.5	9.2	9.8	10.7	26.7	24.3	4.7	4.4	18.5	18.7
Coforge	Buy	7687	11000	43	126.2	231.6	290.5	-4.2	83.6	25.4	60.9	33.2	7.9	7.2	13.9	18.0
Persistent Sys	Buy	5445	6450	18	90.2	114.0	141.2	20.2	26.4	23.9	60.3	47.7	13.2	11.4	24.8	25.9
TCS	Buy	3442	3850	12	134.2	142.5	153.1	6.3	6.2	7.5	25.7	24.2	13.1	12.6	52.4	53.3
Tech Mah	Buy	1493	1950	31	47.9	60.9	77.0	17.1	27.0	26.5	31.1	24.5	4.8	4.7	15.7	19.5
Wipro	Sell	242	215	-11	12.5	12.1	12.6	22.8	-3.7	4.3	19.3	20.1	3.1	3.0	16.6	15.1
Zensar Tech	Neutral	702	740	5	28.4	31.9	35.2	-2.5	12.3	10.5	24.7	22.0	3.9	3.6	17.0	17.2
<b>Aggregate</b>								<b>8.6</b>	<b>7.0</b>	<b>8.9</b>	<b>25.5</b>	<b>23.9</b>	<b>7.2</b>	<b>7.0</b>	<b>28.1</b>	<b>29.3</b>
<b>Telecom</b>																
Bharti Airtel	Buy	1848	1990	8	36.5	44.7	62.1	85.6	22.5	38.9	50.7	41.4	10.1	7.6	22.8	22.8
Bharti Hexacom	Buy	1719	1625	-5	23.3	38.4	56.2	44.2	64.9	46.5	73.8	44.8	14.8	12.0	22.3	29.6
Indus Towers	Neutral	388	395	2	18.4	25.6	29.8	-18.0	39.4	16.4	21.1	15.2	3.2	2.7	16.3	18.8
Vodafone Idea	Sell	7	7	-3	-3.9	-2.8	-2.6	-39.5	Loss	Loss	NM	NM	-0.2	-0.2	NM	NM
Tata Comm	Neutral	1517	1660	9	28.7	52.6	69.7	-32.0	82.9	32.5	52.8	28.8	14.3	11.5	34.1	44
<b>Aggregate</b>								<b>LP</b>	<b>2,935.6</b>	<b>216.7</b>	<b>6,231</b>	<b>205</b>	<b>39.2</b>	<b>16.7</b>	<b>0.6</b>	<b>8.1</b>
<b>Utilities</b>																
Acme Solar	Buy	212	290	37	3.3	5.7	10.4	38.6	75.2	82.2	64.9	37.0	2.8	2.6	5.5	7.3
Indian Energy	Neutral	189	209	10	4.7	5.1	5.9	21.4	10.5	14.7	40.6	36.8	15.4	13.2	40.5	38.5



		CMP	TP	% Upside	EPS (INR)			EPS Gr. YoY (%)			P/E (x)		P/B (x)		ROE (%)	
Company	Reco	(INR)	(INR)	Downside	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Exchange																
JSW Energy	Buy	460	674	46	10.1	15.2	19.5	-3.8	50.2	28.7	45.6	30.3	3.6	3.3	8.2	11.3
NTPC	Neutral	335	368	10	20.8	25.4	27.6	-3.2	22.4	8.5	16.1	13.2	1.9	1.7	12.1	13.7
Power Grid Corpn	Buy	300	381	27	17.9	19.3	20.4	7.0	7.8	5.4	16.7	15.5	3.0	2.8	18.4	18.4
Suzlon Energy	Buy	53	75	43	1.0	1.6	2.4	81.3	70.7	47.5	55.4	32.4	13.8	9.7	28.4	35.0
Tata Power Co.	Buy	371	482	30	12.3	16.2	17.5	12.6	31.4	7.8	30.1	22.9	3.3	2.9	11.5	13
Aggregate								3.8	20.4	10.5	21	17	2.7	2.5	13.2	14.5
Others																
APL Apollo Tubes	Buy	1659	1920	16	27.3	43.4	56.2	3.4	59.0	29.4	60.8	38.2	10.9	8.8	19.4	25.5
Cello World	Buy	535	700	31	16.0	17.8	23.4	2.8	11.0	31.4	33.4	30.1	7.7	6.2	23.1	20.6
Coromandel Intl	Buy	2345	2600	11	61.3	78.0	92.8	9.8	27.3	19.0	38.3	30.1	6.2	5.3	17.6	19.1
Dreamfolks Services	Buy	224	300	34	12.3	17.2	20.5	-1.6	39.7	19.1	18.1	13.0	3.9	2.9	24.9	26.8
EPL	Buy	208	270	30	11.3	14.1	16.7	39.9	24.3	18.5	18.4	14.8	2.8	2.5	16.3	18.0
Eternal	Buy	227	260	15	0.6	1.0	3.2	44.2	78.2	201.4	385.9	216.6	6.7	6.5	2.1	3.1
Godrej Agrovet	Buy	704	840	19	22.4	29.5	37.6	19.5	31.6	27.6	31.5	23.9	5.7	7.4	17.5	27.0
Gravita India	Buy	1806	2300	27	42.3	55.4	74.1	22.2	30.9	33.7	42.7	32.6	6.4	5.4	21.5	18.0
Indiamart Inter.	Buy	2257	2650	17	91.7	81.7	94.6	66.1	-10.9	15.7	24.6	27.6	6.2	5.2	28.1	20.5
Indian Hotels	Buy	719	940	31	11.8	14.7	17.5	33.4	24.0	19.2	60.9	49.1	9.2	7.8	16.3	17.1
Info Edge	Neutral	1372	1400	2	12.3	18.2	22.4	-4.6	48.3	22.8	111.8	75.4	3.4	3.3	2.9	4.4
Interglobe	Buy	5100	6550	28	142.8	257.9	272.0	-32.6	80.6	5.5	35.7	19.8	26.3	11.3	117.6	80.1
Kajaria Ceramics	Buy	855	950	11	21.8	23.4	27.4	-21.9	7.4	16.8	39.2	36.5	5.0	4.7	12.8	13.0
Lemon Tree Hotel	Buy	130	190	47	2.2	3.9	4.6	18.2	73.5	17.7	57.6	33.2	8.9	7.0	16.6	23.5
MTAR Tech	Buy	1435	1900	32	23.5	43.3	69.8	28.8	84.3	61.2	61.1	33.1	5.9	5.0	10.1	16.3
One 97	Neutral	833	870	4	-3.6	2.9	15.7	-83.9	LP	435.7	NM	283.8	4.1	4.1	-1.7	1.5
Qess Corp	Neutral	329	720	119	25.9	31.7	37.7	26.8	22.5	18.7	12.7	10.4	1.3	1.2	13.5	15.5
SBI Cards	Neutral	875	975	11	20.2	32.9	45.1	-20.5	63.2	36.9	43.3	26.5	6.0	5.0	14.8	20.6
SIS	Buy	326	400	23	21.5	32.2	38.0	65.6	49.7	18.0	15.2	10.1	0.9	0.8	13.2	17.6
Swiggy	Neutral	313	340	9	-13.6	-18.2	-13.1	27.1	Loss	Loss	NM	NM	7.0	11.8	-34.6	-51.2
Team Lease Serv.	Buy	1889	2200	16	64.9	109.1	126.5	0.1	68.2	15.9	29.1	17.3	3.5	2.9	12.4	18.1
Updater Services	Buy	282	370	31	16.8	20.8	25.6	47.7	24.0	23.0	16.8	13.6	1.9	1.7	12.3	13.3
UPL	Neutral	676	670	-1	27.8	45.9	67.1	660.9	64.8	46.2	24.3	14.7	1.4	1.2	8.5	13.3



Index	1 Day (%)	1M (%)	12M (%)
<b>Sensex</b>	-1.1	7.6	9.7
<b>Nifty-50</b>	-1.1	7.2	9.3
<b>Nifty Next 50</b>	-0.4	3.1	-1.4
<b>Nifty 100</b>	-1.0	6.5	7.2
<b>Nifty 200</b>	-0.8	6.6	7.4
Company	1 Day (%)	1M (%)	12M (%)
<b>Automobiles</b>	-0.2	12.4	0.0
Amara Raja Ener.	-1.0	-1.5	-12.7
Apollo Tyres	-3.7	14.4	-2.5
Ashok Leyland	0.6	8.3	13.9
Bajaj Auto	-0.5	1.5	-13.2
Balkrishna Inds	-0.2	20.2	12.3
Bharat Forge	4.7	20.2	-17.5
Bosch	0.0	14.6	0.4
CEAT	2.5	40.7	64.5
Craftsman Auto	6.3	13.4	13.1
Eicher Motors	-0.9	1.2	16.5
Endurance Tech.	0.2	11.6	5.6
Escorts Kubota	-2.0	0.1	-9.1
Exide Inds.	0.0	-0.9	-19.6
Happy Forgings	0.3	4.2	-17.0
Hero Motocorp	1.4	6.7	-19.1
Hyundai Motor	0.1	8.9	
M & M	-1.7	18.2	34.8
CIE Automotive	-1.7	4.1	-16.4
Maruti Suzuki	-1.1	6.9	-2.0
MRF	-0.8	21.7	9.1
Sona BLW Precis.	-1.5	22.8	-17.3
Motherson Sumi	-2.6	22.0	9.8
Motherson Wiring	1.3	11.1	-16.9
Tata Motors	3.8	21.5	-31.2
TVS Motor Co.	-1.2	7.6	29.1
Tube Investments	-0.7	14.4	-27.6
<b>Banks-Private</b>	-1.3	7.2	14.0
AU Small Fin. Bank	-0.3	23.9	9.4
Axis Bank	-1.8	8.4	3.2
Bandhan Bank	-0.6	6.4	-14.5
DCB Bank	0.4	15.4	3.7
Equitas Sma. Fin	-3.6	-4.5	-36.5
Federal Bank	0.3	-1.4	19.3
HDFC Bank	-2.0	7.1	30.5
ICICI Bank	-3.2	6.8	24.5
IDFC First Bank	-0.3	11.7	-12.7
Indusind Bank	-1.0	20.6	-41.6
Kotak Mah. Bank	-0.4	2.5	28.0
RBL Bank	0.2	16.7	-18.0
SBI Cards	-1.8	3.3	23.1
<b>Banks-PSU</b>	1.6	2.9	-11.7
BOB	1.3	-4.4	-16.2
Canara Bank	2.4	10.4	-10.5
Indian Bank	-0.3	4.8	6.7
Punjab Natl.Bank	0.7	-4.0	-24.7
St Bk of India	1.3	5.0	-4.9

Index	1 Day (%)	1M (%)	12M (%)
<b>Nifty 500</b>	-0.8	6.5	6.5
<b>Nifty Midcap 100</b>	0.0	7.3	8.4
<b>Nifty Smallcap 100</b>	-0.6	5.4	0.6
<b>Nifty Midcap 150</b>	0.0	7.2	7.4
<b>Nifty Smallcap 250</b>	-0.7	5.1	0.5
Union Bank (I)	6.3	5.3	-13.5
<b>NBFCs</b>	-1.8	5.7	20.9
Aditya Birla Capital Ltd	-0.7	7.7	-1.7
Bajaj Fin.	-1.1	10.7	-20.7
Cholaman.Inv.&Fn	-1.2	9.4	35.1
Can Fin Homes	-1.5	12.9	-66.4
CreditAcc. Gram.	3.2	14.6	-1.0
Fusion Microfin.	1.4	8.7	26.8
Five-Star Bus.Fi	-1.2	5.3	2.9
Home First Finan	-0.4	3.3	-7.3
Indostar Capital	0.3	1.6	37.9
IIFL Finance	-4.2	-5.2	-3.4
L&T Finance	-2.1	1.4	-11.2
LIC Housing Fin.	0.3	4.2	39.5
MCX	2.8	11.1	-19.9
M & M Fin. Serv.	0.7	11.7	36.4
Muthoot Finance	-2.1	-1.3	-24.8
Manappuram Fin.	0.2	5.6	-17.7
MAS Financial Serv.	-1.1	-2.0	-7.7
PNB Housing	-1.4	6.7	-23.0
Power Fin.Corp.	-1.3	11.1	-66.7
REC Ltd	0.3	13.3	25.3
Repco Home Fin	-0.2	3.8	18.7
Shriram Finance	1.3	-3.7	-12.6
Spandana Sphoort	-0.2	4.4	-3.9
Nippon Life Ind.	-1.7	6.3	17.6
UTI AMC	-0.4	12.4	18.1
Nuvama Wealth	0.0	3.8	42.3
Prudent Corp.	-5.6	8.6	50.8
<b>NBFC-Non Lending</b>			
360 One	-0.7	6.2	-7.8
Aditya AMC	-2.5	-3.1	12.4
Anand Rath Wea.	-2.4	18.5	8.5
Angel One	-1.2	5.8	23.8
BSE	-2.1	16.2	-1.2
C D S L	1.0	10.2	17.8
Cams Services	-1.0	-3.6	-6.2
HDFC AMC	-1.8	18.4	142.5
KFin Technolog.	-2.2	-1.1	30.8
MCX	2.8	11.1	-19.9
Nippon Life Ind.	-1.7	6.3	17.6
Nuvama Wealth	0.0	3.8	42.3
Prudent Corp.	-5.6	8.6	50.8
UTI AMC	-0.4	12.4	18.1
<b>Insurance</b>			
HDFC Life Insur.	-1.3	4.2	32.3
ICICI Pru Life	-0.2	2.2	0.5
ICICI Lombard	-0.5	-0.2	7.9



Company	1 Day (%)	1M (%)	12M (%)
Life Insurance	0.7	2.5	-12.8
Max Financial	-0.2	8.9	31.7
Niva Bupa Health	-0.7	18.0	
SBI Life Insuran	-1.8	14.7	19.5
Star Health Insu	1.3	0.4	-33.1
<b>Chemicals</b>			
Alkyl Amines	-2.7	-2.7	-18.4
Atul	-0.9	30.3	16.0
Clean Science	-0.2	3.9	-7.8
Deepak Nitrite	0.2	5.6	-21.7
Fine Organic	-0.8	3.6	-4.1
Galaxy Surfact.	0.4	-0.4	-15.4
Navin Fluor.Intl.	1.0	15.5	42.6
NOCIL	0.4	5.7	-30.0
P I Inds.	0.8	10.5	3.5
SRF	1.7	9.5	31.1
Tata Chemicals	1.1	0.7	-21.7
Vinati Organics	0.2	12.0	2.2
<b>Capital Goods</b>	<b>-3.3</b>	<b>7.2</b>	<b>-49.1</b>
A B B	2.9	8.0	-22.1
Bharat Electron	2.8	12.7	39.6
Cummins India	-1.2	-1.6	-19.5
Hind.Aeronautics	1.8	11.7	17.0
Hitachi Energy	2.8	32.8	68.4
K E C Intl.	-0.8	5.6	-5.6
Kalpataru Proj.	-2.9	3.6	-22.6
Kirloskar Oil	-3.6	-4.5	-36.5
Larsen & Toubro	3.6	12.8	5.1
Siemens	0.7	5.2	-6.2
Thermax	2.6	5.4	-27.8
Triveni Turbine	-2.0	8.0	-6.4
Zen Technologies	5.0	-2.9	58.1
<b>Cement</b>			
Ambuja Cem.	0.6	-3.7	-8.2
ACC	0.1	-8.8	-25.0
Birla Corp.	-0.1	-3.1	-28.7
Dalmia Bhar.	-2.4	5.0	10.9
Grasim Inds.	-2.4	3.0	11.9
India Cem	-0.8	12.6	52.1
J K Cements	0.9	4.6	32.2
JK Lakshmi Cem.	0.1	-3.1	-0.1
The Ramco Cement	-1.2	-0.2	25.5
Shree Cement	-0.6	-3.8	14.6
UltraTech Cem.	-2.3	-0.3	20.3
<b>Consumer</b>	<b>-0.7</b>	<b>0.7</b>	<b>1.8</b>
Asian Paints	-0.1	-4.6	-15.1
Britannia Inds.	0.8	1.8	7.2
Colgate-Palm.	0.0	1.7	-7.8
Dabur India	-1.3	-0.5	-16.3
Emami	1.7	5.1	19.8
Godrej Consumer	0.1	0.0	-6.7
Hind. Unilever	-0.9	-0.7	0.3
ITC	-1.6	1.7	5.3
Indigo Paints	-1.7	-3.3	-30.9

Company	1 Day (%)	1M (%)	12M (%)
Jyothy Lab.	-0.9	-3.4	-19.8
L T Foods	3.1	11.9	67.0
Marico	0.5	4.3	24.4
Nestle India	-0.7	-0.8	-7.5
Page Industries	0.7	6.4	32.3
Pidilite Inds.	0.8	1.4	5.0
P & G Hygiene	-0.7	1.0	-11.2
Tata Consumer	-0.2	2.2	3.9
United Breweries	0.2	8.6	13.8
United Spirits	-0.4	5.5	28.2
Varun Beverages	1.5	-8.1	-14.1
<b>Consumer Durables</b>	<b>1.3</b>	<b>6.2</b>	<b>10.1</b>
Polycab India	0.7	5.3	-7.5
R R Kabel	-0.9	24.3	-15.9
Havells	0.0	15.2	-0.6
Voltas	2.0	38.4	-22.9
KEI Industries	1.0	-3.3	-3.2
<b>EMS</b>			
Amber Enterp.	-3.9	-5.9	49.5
Avalon Tech	-2.5	4.5	53.7
Cyient DLM	-0.4	-0.1	-36.4
Data Pattern	4.2	41.0	-19.4
Dixon Technolog.	-2.8	14.4	83.7
Kaynes Tech	0.0	17.2	131.3
Syrma SGS Tech.	0.1	10.4	3.2
<b>Healthcare</b>	<b>-0.2</b>	<b>5.5</b>	<b>14.3</b>
Ajanta Pharma	0.7	2.7	5.3
Alembic Pharma	-0.2	7.2	-10.0
Alkem Lab	0.1	2.2	-2.4
Apollo Hospitals	-1.9	-1.6	15.8
Aurobindo	0.6	10.1	4.4
Biocon	-1.4	7.7	10.5
Blue Jet Health	0.3	15.9	91.0
Cipla	-0.5	4.5	8.9
Divis Lab	1.1	11.9	59.0
Dr Agarwals Health	-1.4	-15.9	
Dr Reddy's	0.7	5.7	-1.7
ERIS Lifescience	-0.6	7.1	71.7
Gland Pharma	0.7	2.4	-15.8
Glenmark	-1.4	-4.7	-16.3
Global Health	-0.4	2.3	12.4
Granules	0.6	3.2	39.7
GSK Pharma	-1.5	1.6	39.9
IPCA Labs	0.9	5.2	6.0
Laurus Labs	0.3	4.4	37.8
Lupin	1.1	6.1	28.6
Mankind Pharma	1.4	0.4	41.6
Max Healthcare	-1.3	4.1	10.9
Piramal Pharma	0.9	-0.3	40.4
Sun Pharma	-1.3	5.6	16.7
Torrent Pharma	-1.4	0.5	24.4
Zydus Lifesci.	0.6	4.1	-9.2
<b>Infrastructure</b>	<b>-0.8</b>	<b>7.1</b>	<b>5.6</b>
G R Infraproject	-1.6	0.7	-20.2



Company	1 Day (%)	1M (%)	12M (%)
IRB Infra.Devl.	0.7	-0.9	-31.1
KNR Construct.	1.0	-3.0	-13.8
<b>Logistics</b>			
Adani Ports	-2.0	15.4	5.0
Blue Dart Exp.	-0.3	9.9	-5.8
Container Corpn.	-1.3	-5.3	-34.5
JSW Infrast	-1.2	-2.4	16.3
Mahindra Logis.	-0.7	8.2	-33.1
Transport Corp.	1.1	1.6	25.6
TCI Express	-2.7	5.0	-39.8
VRL Logistics	-0.9	1.5	-14.1
<b>Media</b>			
PVR INOX	-1.2	6.0	-29.1
Sun TV	0.6	-7.6	-8.8
Zee Ent.	4.2	11.3	-12.4
<b>Metals</b>			
Hindalco	1.1	11.2	1.3
Hind. Zinc	-0.2	1.9	-10.5
JSPL	0.5	8.7	-7.2
JSW Steel	0.4	1.2	14.7
Nalco	1.8	9.3	-8.1
NMDC	0.8	4.9	-23.8
SAIL	-0.2	3.8	-28.8
Tata Steel	-0.6	12.3	-11.8
Vedanta	0.2	10.1	3.4
<b>Oil &amp; Gas</b>			
Aegis Logistics	0.9	7.8	43.8
BPCL	-1.2	-1.9	9.3
Castrol India	-0.3	3.1	37.5
GAIL	-0.4	6.6	3.6
Gujarat Gas	-1.4	7.5	-6.1
Gujarat St. Pet.	0.4	1.9	6.7
HPCL	0.9	11.9	-15.0
IOCL	2.2	9.2	10.6
IGL	-0.5	1.8	15.6
Mahanagar Gas	-0.7	6.4	-10.6
MRPL	0.2	14.2	-9.2
Oil India	0.2	-5.2	-41.5
ONGC	-0.5	9.5	2.5
PLNG	1.1	15.3	-2.0
Reliance Ind.	0.7	5.9	-11.4
<b>Real Estate</b>			
Anant Raj	-2.2	3.2	17.2
Brigade Enterpr.	1.4	11.8	-3.4
DLF	-3.6	3.1	-24.5
Godrej Propert.	-1.5	1.4	-27.4
Kolte Patil Dev.	-1.3	1.3	-32.8
Mahindra Life.	-3.3	7.2	-49.1
Macrotech Devel.	-4.2	11.1	9.8
Oberoi Realty Ltd	-1.3	2.7	5.2
SignatureGlobal	1.5	7.6	-7.4
Sobha	-1.9	10.4	-28.4
Sunteck Realty	-1.4	6.6	-8.7

Company	1 Day (%)	1M (%)	12M (%)
Phoenix Mills	-1.2	-1.1	4.7
Prestige Estates	-2.6	18.7	-13.9
<b>Retail</b>			
Aditya Bir. Fas.	-1.7	3.1	2.7
Avenue Super.	0.0	-4.0	-17.2
Bata India	-0.6	-2.6	-7.9
Campus Activewe.	-1.8	2.1	-5.0
Barbeque-Nation	1.8	23.1	-38.5
Devyani Intl.	2.4	20.2	9.5
Jubilant Food	-0.2	-2.2	47.2
Kalyan Jewellers	1.3	5.1	30.7
Metro Brands	-0.9	1.4	2.9
P N Gadgil Jewe.	-3.9	-0.7	
Raymond Lifestyl	1.5	-6.5	
Restaurant Brand	-1.2	11.2	-21.9
Relaxo Footwear	-0.6	-0.8	-52.3
Sapphire Foods	0.1	2.4	9.6
Senco Gold	-0.2	5.1	-24.0
Shoppers St.	-0.3	0.5	-32.2
Titan Co.	4.2	10.6	8.2
Trent	-2.2	10.7	16.0
V-Mart Retail	1.7	11.5	61.5
Vedant Fashions	0.0	-8.1	-24.5
Westlife Food	-0.9	-2.9	-21.2
<b>Technology</b>			
Cyient	0.0	2.6	-32.8
HCL Tech.	-0.7	13.7	18.9
Infosys	-0.3	7.4	4.7
LTIMindtree	0.5	12.5	-0.8
L&T Technology	0.6	0.5	-6.6
Mphasis	0.5	12.7	6.1
Coforge	-0.9	21.5	78.6
Persistent Sys	-0.5	23.6	62.1
TCS	-0.2	6.0	-13.1
Tech Mah	-0.6	17.4	17.7
Wipro	0.2	2.3	6.2
Zensar Tech	-2.4	12.1	21.2
<b>Telecom</b>			
Bharti Airtel	-1.4	7.7	44.9
Indus Towers	0.9	4.7	18.4
Idea Cellular	0.1	-5.5	-47.0
Tata Comm	0.6	-2.0	-12.2
<b>Utilites</b>			
ACME Solar Hold.	-1.3	8.7	
Coal India	-0.8	2.1	-13.8
Indian Energy Ex	-0.3	6.8	32.6
JSW Energy	-0.8	-4.7	-13.4
NTPC	-1.5	-4.2	-3.3
Power Grid Corpn	-2.9	2.0	1.1
Suzlon Energy	-0.9	2.9	33.0
Tata Power Co.	0.2	3.6	-10.3



Others			
APL Apollo Tubes	0.9	7.4	4.1
Cello World	-0.5	12.3	6.9
Coromandel Intl	-2.4	-0.9	4.3
Dreamfolks Servi	1.3	-3.7	-12.6
EPL Ltd	0.9	8.8	-17.3
Eternal Ltd	-1.2	7.5	16.3
Godrej Agrovat	4.6	14.7	9.0
Gravita India	3.1	-5.3	26.7
Havells	0.0	15.2	-0.6
Indiamart Inter.	0.0	3.8	42.3
Indian Hotels	-1.6	13.1	-14.7
Info Edge	-0.4	12.4	18.1
Interglobe	1.4	7.3	15.5
Kajaria Ceramics	-0.9	-1.8	26.1
Lemon Tree Hotel	1.6	22.2	281.6
MTAR Technologie	-2.9	-5.2	-10.8
One 97	-0.3	2.6	150.0
Piramal Enterp.	0.0	6.8	24.0
Quess Corp	-1.7	14.9	7.2
SIS	1.0	-2.8	-20.8
Swiggy	-0.7	-7.8	
Team Lease Serv.	0.7	5.0	-42.4
Updater Services	0.8	1.7	-5.0
UPL	2.8	9.8	50.8
Voltas	2.0	38.4	-22.9

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## NOTES

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

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

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