

India Morning Roundup

October 15, 2026

Contents

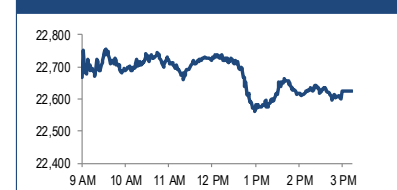
• Leela Palaces Hotels & Resorts Ltd. - Hospitality | 2QFY27 Result Update - Stellar show!:

Key Points

- THELEELA's 2QFY27 operating performance was an all-round beat versus our estimates and consensus expectations (~10% EBITDA beat vs overall expectations). RevPAR growth of ~30% YoY was entirely driven by ARR, whereas Occupancy remained healthy at ~70%. The management sounded upbeat on the overall environment and hence increased the guidance for FY27 despite considering the strong base in 2HFY26. EBITDA growth is expected to be in high teens in 2HFY27 aided by strong RevPAR, greater visibility for the upcoming season and market share gains.
- While BRICS Summit in Delhi disproportionately benefitted THELEELA during 2QFY27, growth excluding this event also came in high double digits, per management. We believe improvement in Suites occupancy (up 700bps YoY at ~45%) despite relatively lower international tourists suggests strong demand tailwinds in the domestic market for luxury segment.
- Structural Demand-Supply mismatch in the luxury hospitality segment continues to benefit THELEELA. We believe this segment is more resilient to any external shocks such as travel ban, inflation etc. and hence will continue to outperform. The driver of recovery in international travelers (business as well as Leisure) is yet to unfold. We are building in Revenue/EBITDA/APAT CAGR of 21%/19%/22% over FY26-29E. After earnings revision, maintain Buy with a revised TP of Rs680 (earlier Rs592) based on 20x EV/EBITDA Sept'28E.

- **Corporate/Global/Local News**
- **Valuation Of Companies In Our Coverage Universe**

Local Indices				
(Chg %)	Close	Daily	YTD	
BSE Sensex	72,782	(0.3)	(14.6)	
NSE Nifty	22,623	(0.4)	(13.4)	
Sectoral Indices				
(Chg %)	Close	Daily	YTD	
CNX Mid-Cap	59,409	(0.1)	(1.8)	
CNX Bank Nifty Index	55,316	(0.3)	(7.2)	
CNX Metal Index	12,007	(0.7)	7.5	
CNX FMCG Index	45,272	1.2	(18.4)	
CNX Infrastructure Index	8,580	0.0	(10.8)	
CNX Auto Index	25,157	(0.9)	(10.8)	
CNX Pharma Index	25,737	(1.3)	13.3	
CNX Energy Index	36,504	1.5	3.3	
CNX IT Index	30,171	1.1	(20.4)	
World Indices				
Dow Jones	51,621	(0.1)	7.4	
S & P 500	7,719	(1.1)	12.8	
FTSE 100	10,725	0.7	8.0	
Nasdaq	26,693	(1.9)	14.8	
Hang Seng	24,056	(1.1)	(6.1)	
Shanghai Comp	3,705	(1.6)	(6.6)	
Net Investment				
	15-Oct	1M	3M	
Fills (US\$m)	209.0	(102.1)	(263.1)	
MFs (US\$m)	930.3	115.6	139.3	
DII turnover (Rsmn)	2,439.2	1,968.2	2,927.7	
Volume				
	15-Oct	US\$bn	Chg%	
Cash (NSE + BSE)	5.6	5.6	12.0	
F&O (net)	29.1	29.1	0.3	
Forex/Money Markets				
	15-Oct	1 D	1 M	3M
Rs/US\$	95.2	95.3	95.6	96.2
Rs/EUR	106.5	106.5	110.8	109.7
Rs/GBP	126.2	126.1	128.9	128.7
10 yr G-Sec	7.4	7.4	7.0	6.8
Call Money	5.2	5.2	4.7	4.9
Commodities & others				
	15-Oct	1 D	1 M	3 M
Gold (US\$/ounce)	4,145	4,105	4,292	4,061
Brent Crude (US\$)	104	106	103	81
Aluminium (US\$)	2,988	3,039	3,245	3,177
Copper (US\$/mt)	14,491	14,578	14,001	13,643



Please refer to the disclaimer towards the end of the document.

- **HDB Financial Services (HDBFS) - NBFC | 2QFY27 Result Update - Growth concerns loom:**

Key Points

- HDBFS reported its 2QFY27 numbers, with total income, PPOP, and PAT below consensus estimates by 2%, 1.9%, and 3.4%, respectively.
- Disbursement growth came in strong at 18.7% YoY, while AUM grew by a mere 11.6%. NIMs remain best in class at 8.2%, facing slight compression due to moderate decline in yields and rise in cost of funds.
- Management expects growth to pick up from 4QFY27, while NIMs should remain stable amid the rate hike environment.
- We downgrade HDBFS to HOLD with a revised TP of Rs650 (previously Rs750). The stock is currently trading at 1.9x its Sep-28E P/BV.

- **Tata Technologies Ltd. (TATATECH) - Information Technology | 2QFY27 Result Update - Chasing the Margin North Star:**

Key Points

- Tata Technologies reported **revenue of US\$178mn**, which was 0.4% above NBIE estimates and 0.8% above consensus estimates. Revenue grew **1.9% QoQ and 22.2% YoY in CC terms**. Revenue growth was broad-based across automotive and non-automotive services, supported by ramp-up of strategic programs and continued strength in the services business. However, **weakness in Germany and a sequential decline in Technology Solutions** partly offset growth.
- **EBIT margin at 12.9%** was 130bps below NBIE estimates and 65bps below consensus, impacted by higher subcontracting costs, with **outsourcing and consultancy charges** rising QoQ to Rs1.86bn and **increasing to 11.0% of revenue from 8.9%** in Q1FY27. **Despite an estimated ~100bps headwind from annual wage hikes, operating EBITDA margin was maintained at 16.1% QoQ**. Higher depreciation and lease-related interest costs, driven by investments in a new Pune office, further weighed on profitability. Management expects large client programs to ramp up more meaningfully in H2FY27, with the new capacity costs increasingly absorbed as revenue scales over the medium term. Management described 18–20% EBITDA margin as the company's 'North Star', but did not explicitly reaffirm the earlier 18% Q4 exit target.
- Tata Technologies secured a **US\$138mn turnkey full-vehicle engineering program** from a premium **European luxury automotive OEM, covering two vehicle programs over an initial duration of around 2.5 years**. The deal reinforces its positioning as a strategic product-realisation partner, with revenue contribution expected to commence from H2FY27.

Corporate News

- Lemon Tree Hotels has signed a Franchise Agreement viz. Keys Select by Lemon Tree Hotels, Bareilly, Uttar Pradesh.
- Adani Enterprises and Jabil Inc., a global engineering, supply chain and manufacturing company, have signed a non-binding Memorandum of Understanding (MoU) setting out the framework for a proposed 50:50 joint venture to manufacture and assemble artificial intelligence (AI) and data centre equipment in India.
- Ceigall India has received the Completion Certificate from the Authority's Engineer for a key stretch of the Delhi–Saharanpur Highway in Uttar Pradesh, executed jointly with Gayatri Projects.
- Aurionpro Solutions has been selected by Matkahuolto, Finland's long-standing provider of parcel and digital transport services, as the device vendor for Matkahuolto's contactless EMV (cEMV) project following a competitive RFP process.
- Gujarat State Fertilizers & Chemicals has received approval for the setting up of the Phosphoric Acid (PA) and Sulphuric Acid (SA) Plant at its Sikka Unit, Jamnagar, Gujarat.
- Tata Consultancy Services (TCS) partnered with ManageEngine, the enterprise IT management division of Zoho Corporation, to support the adoption of AI-enabled sovereign cloud services in India.
- Swan Corp's real estate arm -- Swan Realty has launched luxury project 'Bodhi' in Jayanagar, Bengaluru, offering a rare combination of privacy, nature, and refined living.
- Sigma Advanced Systems has signed an exclusive Memorandum of Understanding (MoU) with Munitions India (MIL) for the integration, indigenous manufacturing and supply of its well-established 155 mm artillery course correction fuzes (CCF), along with associated components, subsystems and technologies.
- C.E. Info Systems (MapmyIndia Mappls) has signed a Memorandum of Understanding (MoU) with Mumbai Metro Rail Corporation (MMRCL) to integrate Mumbai Metro data into the Mappls App.
- Adani Power has secured a Letter of Award (LoA) from Uttarakhand Power Corporation (UPCL) for 1,234 MW ex-bus net supply (1,320 MW installed capacity) of Thermal Power under a long-term Power Supply Agreement (PSA).
- RailTel Corporation of India has secured a purchase order worth around Rs 1971.8mn (Excluding Tax) from State Bank of India.
- Oil India's wholly owned subsidiary (WoS) company- OIL Green Energy (OGEL) has incorporated a joint venture (JV) company namely 'HIND OIL BIOFUELS'.

Global/Local News

- Venezuela is hoping to publish a debt sustainability analysis "very soon", but the process has been more challenging than expected, top economic adviser Calixto Ortega told a panel during the IMF-World Bank meetings on Wednesday.
- New bank lending in China rose more than expected in September, rebounding sharply from a weak August as policymakers stepped up targeted monetary support for the slowing economy.
- US existing home sales unexpectedly increased in September as rising inventory offered buyers more choice, but the trend remained subdued against the backdrop of higher mortgage rates.

Leela Palaces Hotels & Resorts Ltd.

Hospitality | 2QFY27 Result Update

BUY

CMP: Rs590 | Target Price (TP): Rs680 | Upside: 15%

October 15, 2026

Stellar show!

Key Points

- THELEELA's 2QFY27 operating performance was an all-round beat versus our estimates and consensus expectations (~10% EBITDA beat vs overall expectations). RevPAR growth of ~30% YoY was entirely driven by ARR, whereas Occupancy remained healthy at ~70%. The management sounded upbeat on the overall environment and hence increased the guidance for FY27 despite considering the strong base in 2HFY26. EBITDA growth is expected to be in high teens in 2HFY27 aided by strong RevPAR, greater visibility for the upcoming season and market share gains.
- While BRICS Summit in Delhi disproportionately benefitted THELEELA during 2QFY27, growth excluding this event also came in high double digits, per management. We believe improvement in Suites occupancy (up 700bps YoY at ~45%) despite relatively lower international tourists suggests strong demand tailwinds in the domestic market for luxury segment.
- Structural Demand-Supply mismatch in the luxury hospitality segment continues to benefit THELEELA. We believe this segment is more resilient to any external shocks such as travel ban, inflation etc. and hence will continue to outperform. The driver of recovery in international travelers (business as well as Leisure) is yet to unfold. We are building in Revenue/EBITDA/APAT CAGR of 21%/19%/22% over FY26-29E. After earnings revision, maintain Buy with a revised TP of Rs680 (earlier Rs592) based on 20x EV/EBITDA Sept'28E.

2QFY27 performance update: THELEELA's consolidated revenue grew by ~33% YoY, driven by ~30% RevPAR growth. Room revenue grew by 39% whereas F&B and HMA fees grew by 21%/76% YoY. Outlets contributed to ~56% of the F&B revenue whereas the rest came from Banquets during the quarter. Operating EBITDA margin expanded by 118bps YoY. Elevated staff costs was on account of ESOP expenses and additional hiring. Demand-supply mismatch in the Luxury leisure segment continues to benefit THELEELA; on top of which successful conversion of corporate static contracts to dynamic pricing (>60% share) would ensure strong rate growth in corporate segment as well, in our view.

Region/Category wise update: THELEELA delivered strong H1FY27 operating performance, with city-hotels RevPAR growing 26% YoY and occupancy reaching a record 74% vs 69% in H1FY26. Resort RevPAR increased by 18% and like-to-like occupancy stood at 60%. Performance remained broad-based, with high double-digit RevPAR growth across Bengaluru, New Delhi, Jaipur, Udaipur and Chennai, while corporate FIT revenue increased 20% YoY. Weekend revenue visibility at city palaces was significantly higher during 2QFY27 supported by affluent domestic travellers, while Jaipur achieved >60% occupancy during the lean summer and monsoon months through wellness and experiential packages. Coorg property nearly doubled its ARR vs pre-acquisition and achieved EBITDA breakeven.

Pipeline capex update: THELEELA's five contracted owned pipeline assets entail committed capex of Rs14.3bn of which Rs4.5bn/Rs6bn is expected to be incurred in FY27/FY28. During 1HFY27, THELEELA has incurred growth capex to the tune of Rs 1.5bn. The Mumbai BKC mixed-use project (ECOD CY30), a 50:50 JV with Brookfield, would require a total capex of Rs8bn (funded equally via Equity and Debt) where the long-term plan remains to divest stake in the office property and retain 50% stake in the hotel asset.

Dubai Project update: The management indicated that Dubai Palm Jumeirah achieved EBITDA breakeven in 1QFY27. Despite ongoing geopolitical issues, the management remains confident in terms of the renovation timelines and overall outlook for the Dubai market. THELEELA will assume management of the 546-key Palm Jumeirah resort in early CY27, followed by a 12 month renovation and rebranding. The management expects the rebranded property to drive long-term value through HMA fees, residential sales royalties, and exposure to Dubai's resilient luxury hospitality market.

Est Change	Upward
TP Change	Upward
Rating Change	No Change

Company Data and Valuation Summary

Reuters	LEEA.BO
Bloomberg	THELEELA IN Equity
Market Cap (Rsbn / US\$bn)	197.5 / 2.0
52 Wk H / L (Rs)	616 / 385
ADTV-3M (mn) (Rs / US\$)	333.4 / 3.5
Stock performance (%) 1M/6M/1yr	9.0 / 37.6 / 34.7
Nifty 50 performance (%) 1M/6M/1yr	(3.5) / (7.0) / (10.7)

Shareholding	3QFY26	4QFY26	1QFY27
Promoters	75.9	75.9	75.9
DII's	10.6	10.5	11.5
FII's	9.0	8.6	7.9
Others	4.5	5.0	4.7
Pro pledge	0.0	0.0	73.7

Financial and Valuation Summary

Particulars (Rsmn)	FY26	FY27E	FY28E	FY29E
Net Sales	15,273	18,874	21,832	26,796
Growth YoY %	17%	24%	16%	23%
EBITDA	7,429	9,204	10,426	12,666
EBITDA margin %	49%	49%	48%	47%
APAT	4,121	5,333	5,810	7,414
Growth YoY %	761%	29%	9%	28%
EPS (Rs)	12.34	15.97	17.40	22.20
RoCE	6.7%	7.5%	7.4%	8.5%
RoE	8.0%	7.7%	8.0%	9.3%
RoIC	6.8%	7.6%	7.7%	9.0%
P/E	48.9	38.1	33.9	22.0
EV/EBITDA	28.6	23.0	20.3	13.7
P/BV	3.1	2.8	2.6	2.0

Source: Company, Bloomberg, Nirmal Bang Institutional Equities Research

Please refer to the disclaimer towards the end of the document.

Abhishek Navalgund

Deputy Head of Research & Research Analyst

abhishek.navalgund@nirmalbang.com

+91-22-6273-8089

Exhibit 1: Quarterly consolidated performance

Particulars (Rsmn)	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27E	4Q27E
Net Sales	2,748	3,106	4,574	4,844	3,520	4,119	5,123	6,112
YoY Change	20%	12%	23%	14%	28%	33%	12%	26%
Consumption of food & bev.	196	240	312	307	274	297.93	359	391
Staff costs	730	727	784	815	865	950	973	989
Other expenses	808	760	1,100	1,066	947	993	1,178	1,453
Total expenses	1,734	1,727	2,196	2,188	2,086	2,241	2,510	2,833
EBITDA	1,014	1,379	2,378	2,657	1,434	1,877	2,613	3,280
YoY Change	53%	20%	27%	17%	41%	36%	10%	23%
Margin	36.9%	44.4%	52.0%	54.8%	40.7%	45.6%	51.0%	53.7%
Depreciation	264	270	294	299	327	336	343	388
EBIT	751	1,109	2,084	2,358	1,107	1,541	2,270	2,892
Interest	860	381	394	399	393	384	359	337
Other income	265	228	134	77	85	62	79	104
Expectional Item			-64	-				-
PBT bei	156	957	1,824	2,036	800	1,219	1,990	2,658
PBT	157	932	1,735	2,058	643	1,104	1,990	2,773
Tax	70	185	256	340	156	158	438	582
PAT	87	747	1,479	1,717	488	946	1,552	2,191
Adj. PAT	86	771	1,568	1,696	644	1,061	1,552	2,077
YoY Change	NA	NA	177%	45%	647%	38%	-1%	22%

Source: Company, Nirmal Bang Institutional Equities Research

Margins (%)	2QFY26	1QFY27	2QFY27	YoY	QoQ	FY25	FY26	YoY
EBITDA margin	44.4%	40.7%	45.6%	118bps	484bps	45.7%	48.6%	294bps
EBIT margin	35.7%	31.5%	37.4%	171bps	596bps	34.9%	41.3%	632bps
PBT margin	30.0%	18.3%	26.8%	-322bps	852bps	7.8%	32.0%	2412bps
APAT margin	24.8%	18.3%	25.8%	93bps	746bps	3.7%	27.0%	2330bps

Common Size	2QFY26	1QFY27	2QFY27	YoY	QoQ	FY25	FY26	YoY
Foods, Beverages Consumed	7.7%	7.8%	7.2%	-49bps	-55bps	7.3%	6.9%	-38bps
Staff costs	23.4%	24.6%	23.1%	-34bps	-151bps	21.0%	20.0%	-100bps
Other expenses	24.5%	26.9%	24.1%	-35bps	-278bps	26.0%	24.4%	-156bps
Depreciation	8.7%	9.3%	8.2%	-53bps	-112bps	10.8%	7.4%	-339bps
Interest	12.3%	11.2%	9.3%	-293bps	-184bps	35.2%	13.3%	-2191bps
Other Income	7.3%	2.4%	1.5%	-584bps	-93bps	8.1%	4.6%	-353bps

Exhibit 2: Room rates and occupancy – quarterly trend

Operating Metrics	Units	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Occupancy	%	64.9%	69.4%	77.6%	63.6%	68.7%	71.0%	71.4%	67.5%	68.8%
YoY (bps)	bps	290	30	-40	390	380	160	-620	390	10
QoQ (bps)	bps	520	450	820	-1400	510	230	40	-390	130
ADR	Rs	18,042	25,827	27,918	18,817	19,290	30,337	32,012	20,722	25,046
YOY%	%	-5%	11%	16%	13%	7%	17%	15%	10%	30%
QoQ%	%	8%	43%	8%	-33%	3%	57%	6%	-35%	21%
RevPAR	Rs	11,712	17,912	21,678	11,963	13,262	21,551	22,862	13,982	17,225
YOY%	%	-1%	12%	15%	20%	13%	20%	5%	17%	30%
QoQ%	%	17%	53%	21%	-45%	11%	63%	6%	-39%	23%
RevPAR Premium (vs India Luxury segment)	x	1.3x	1.4x	1.5x	1.3x	1.5x	1.6x	1.6x	1.4x	1.5x

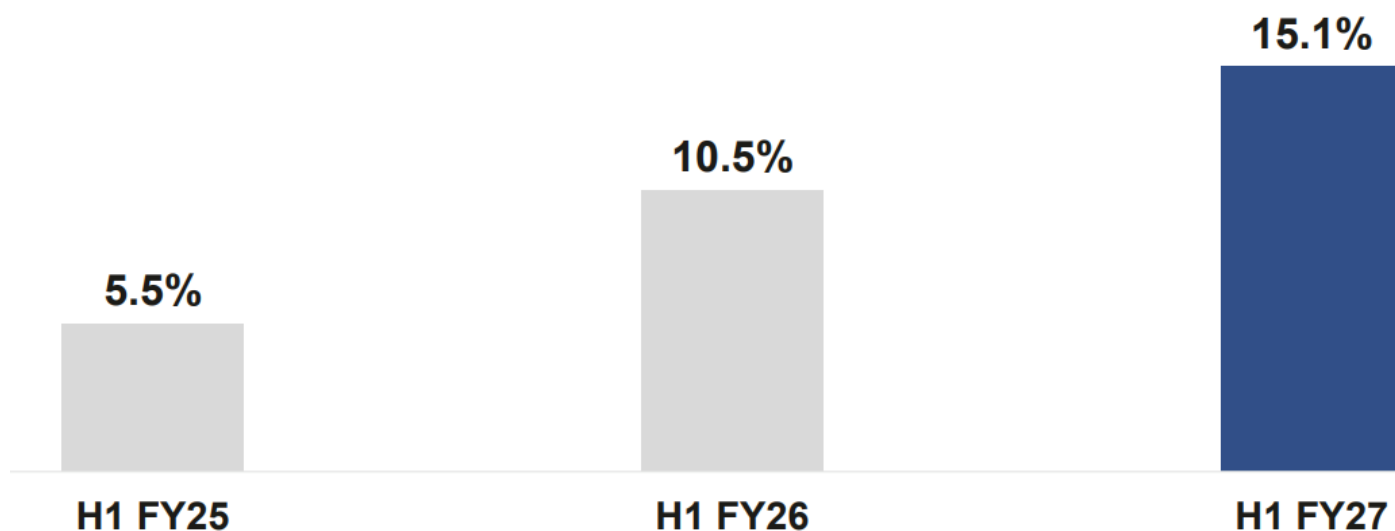
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: The Leela: Growing Footprint, in an Attractive Market

	FY 20 ²	FY 26	FY 30
Total Properties Keys	8 2,498	15 4,162 (1.9x 1.7x)	25 5,257 ³ + New Deals (Acq. + HMA) under evaluation
Owned Properties Keys	4 1,007	7 1,834 (1.8x 1.8x)	14 2,646 ³
RevPAR¹ (INR)	7,584	17,460 (2.3x over FY20)	• 10 Openings, expanding into 8 New Locations spanning multiple segments
RevPAR premium¹ (Vs India Luxury)	1.2x	1.5x	• New verticals, including Luxury Residences and Clubs
EBITDA (INR Mn)	1,930	8,133 (4.2x over FY20)	
EBITDA Margin	34%	51%	

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Brand Website Contribution to Room Revenue



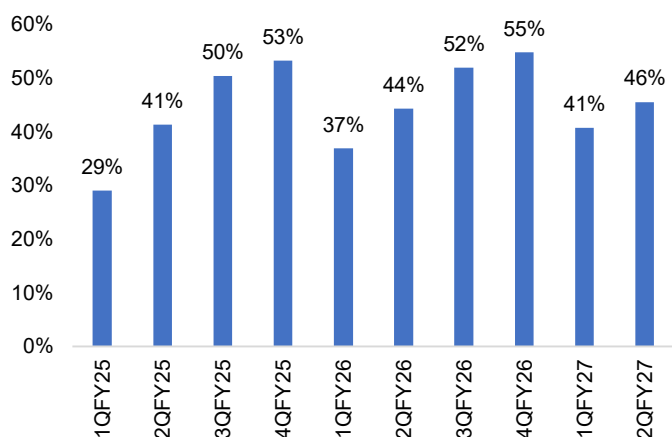
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: India's Growing Events provides a Structural tailwind to ADRs



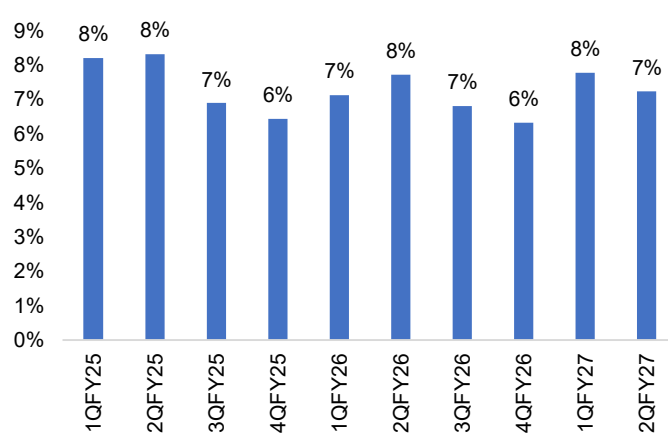
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: EBITDA margin quarterly trend



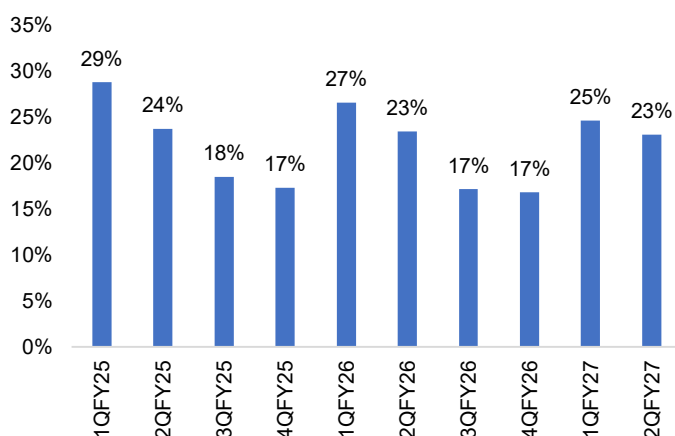
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 7: F&B cons. as % of sales quarterly trend



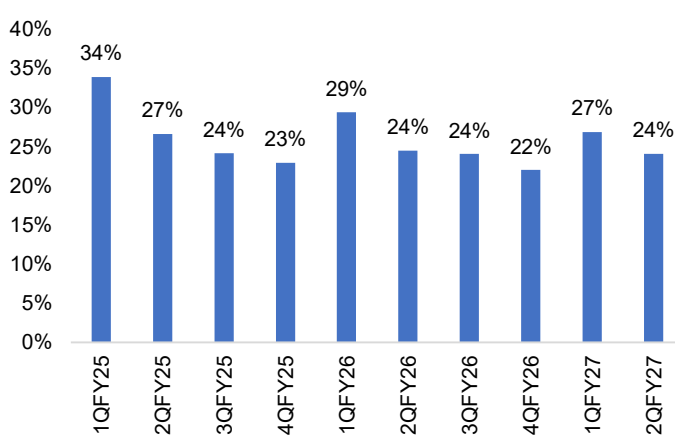
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: Staff cost as % of sales quarterly trend



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Other exp. as % of sales quarterly trend



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: On track for 1,000+ key additions

Hotels	Keys	Timeline	Status
Jaisalmer	80	CY26	Public area works advancing as planned
Mumbai (Waterstones)	63	CY26	Interior fit-outs have advanced significantly and are in the final stages of execution
Srinagar	170	CY27	Guest Room civil work in progress
Bandhavgarh	30	CY27	Villa construction advancing steadily, with structural work progressing as planned
Sikkim	140	CY28	Main block and villa civil works underway
Ayodhya	100	CY28	Project has advanced to the Shell & Core
Agra	99	CY28	Piling works completed. Excavation, Shell & Core to start
Ranthambore	76	CY28	Fort wall stabilization in progress
Tadoba	30	CY30	Survey work in progress. Appointment of Architect/Consultant in progress
Mumbai (BKC)	250	CY30	Lease premium paid and Lease Agreement executed. Design finalization and site preparation in progress
Total	1,038		

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Actual performance vs NBIE and consensus estimates

Consolidated (Rsmn)	2QFY27	2QFY27E (NBIE)	Variance	2QFY27E (Consensus)	Variance
Revenue	4,119	3,747	10%	3,747	10%
EBITDA	1,877	1,705	10%	1,692	11%
EBITDA margin	45.6%	45.5%	8bps	45.2%	42bps
APAT	1,061	815	30%	796	33%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: Change in earnings estimates

Particulars	Old estimates		New Estimates		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	18,232	21,220	18,874	21,832	3.5%	2.9%
EBITDA	8,478	9,897	9,204	10,426	8.6%	5.3%
EBITDA margin	46.5%	46.6%	48.8%	47.8%	2bps	1bps
APAT	4,456	5,402	5,333	5,810	19.7%	7.6%

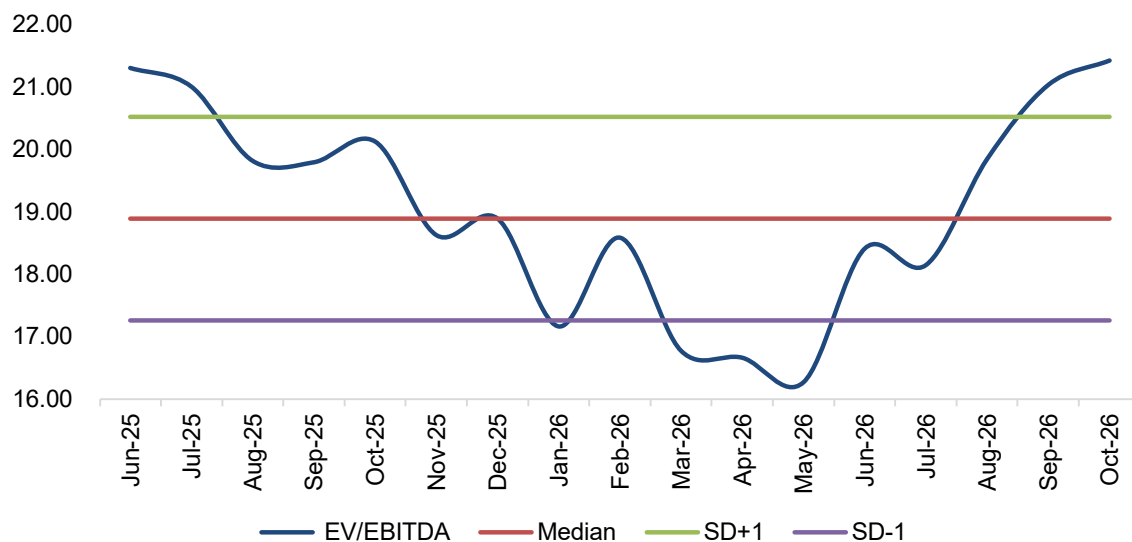
Source: Nirmal Bang Institutional Equities Research

Exhibit 13: Valuation methodology

Particulars	EBITDA	EV/EBITDA	Value
Sep'28E EBITDA (Rs mn)	11,546	20	230,917
Palm Jumeirah (Dubai) 25% Stake			5,878
Debt (Rs mn)			18,217
Cash (Rs mn)			8,120
Equity Value (Rs mn)			226,698
No of Share(mn)			334
Target Price (Rs)			680
CMP			590
Upside			15%

Source: Nirmal Bang Institutional Equities Research

Exhibit 14: One-year forward EV/EBITDA



Source: Nirmal Bang Institutional Equities Research

Financials

Exhibit 15: Income statement

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
Net Sales	13,006	15,273	18,874	21,832	26,796
Growth YoY %	11%	17%	24%	16%	23%
F&B Consumed	947	1,054	1,321	1,562	1,929
% of sales	7%	7%	7%	7%	7%
Staff costs	2,732	3,056	3,778	4,498	5,664
% of sales	21%	20%	20%	21%	21%
Other expenses	3,382	3,734	4,571	5,346	6,537
% of sales	26%	24%	24%	24%	24%
EBITDA	5,944	7,429	9,204	10,426	12,666
Growth YoY %	9%	25%	24%	13%	21%
EBITDA margin %	46%	49%	49%	48%	47%
Depreciation	1,399	1,126	1,394	1,529	1,652
EBIT	4,544	6,302	7,810	8,897	11,014
Interest	4,582	2,034	1,473	1,554	1,725
Other income	1,060	705	330	412	607
PBT	1,021	4,882	6,511	7,755	9,896
ETR	53%	17%	20%	25%	25%
PAT	477	4,030	5,177	5,810	7,414
Adj PAT	478	4,121	5,333	5,810	7,414
Growth YoY %	NA	761%	29%	9%	28%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 16: Balance sheet

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
Share Capital	2,765	3,340	3,340	3,340	3,340
Reserves & Surplus	33,285	61,187	66,520	72,354	79,800
Net worth	35,569	64,036	69,369	75,203	82,650
Long term debt	35,857	13,153	14,100	15,100	17,100
Short term debt	3,230	2,415	2,267	2,167	2,067
Total debt	39,087	15,568	16,367	17,267	19,167
Net debt	36,208	12,712	12,747	11,791	8,402
Other non-current liabilities	5,499	6,101	6,101	6,101	6,101
Total Equity & Liabilities	82,662	89,237	95,607	102,495	112,095
Gross block	56,777	67,660	73,758	80,608	86,865
Accumulated depreciation	3,424	4,551	5,945	7,474	9,125
Net Block	53,352	63,110	67,813	73,134	77,740
CWIP	1,309	2,289	2,862	2,281	1,544
Intangible and others	5,116	6,287	6,287	6,287	6,287
Other non-current assets	17,471	11,806	11,847	11,892	11,942
Investments	0	180	180	180	180
Trade receivables	887	791	1,073	1,269	1,573
Inventories	272	322	329	382	469
Cash & Cash equivalents	2,880	2,856	3,620	5,475	10,765
Other current assets	1,374	1,595	1,595	1,595	1,595
Total current assets	5,412	5,564	6,618	8,721	14,402
Trade payables	607	747	985	1,139	1,392
Other current liabilities	1,419	2,295	2,295	2,295	2,295
Total current liabilities	5,255	5,456	5,547	5,601	5,754
Total Assets	82,662	89,237	95,607	102,495	112,095

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 17: Cash flow

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
PBT	1,021	4,882	6,667	7,779	9,928
Depreciation	1,399	1,126	1,394	1,529	1,652
Interest	4,582	2,034	1,473	1,554	1,725
Other adjustments	-807	-569	-330	-412	-607
Change in Working capital	-561	737	-50	-94	-139
Tax paid	-105	-444	-1,333	-1,945	-2,482
Operating cash flow	5,529	7,767	7,820	8,411	10,077
Capex	-2,077	-3,940	-6,098	-6,850	-6,257
Free cash flow	3,452	3,827	1,722	1,561	3,820
Other investing activities	-55,220	-2,434	-283	948	1,294
Investing cash flow	-57,297	-6,374	-6,381	-5,902	-4,963
Issuance of share capital	73	25,000	-	-	-
Movement of Debt	-3,176	-27,191	-37	-	-
Dividend paid (incl DDT)	-	-	-	-	-
Other financing activities	55,461	490	-638	-654	175
Financing cash flow	52,359	-1,701	-674	-654	175
Net change in cash flow	590	-308	765	1,855	5,289
Opening C&CE	710	1,300	996	1,761	3,617
Closing C&CE	1,300	996	1,761	3,617	8,906

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 18: Key ratios

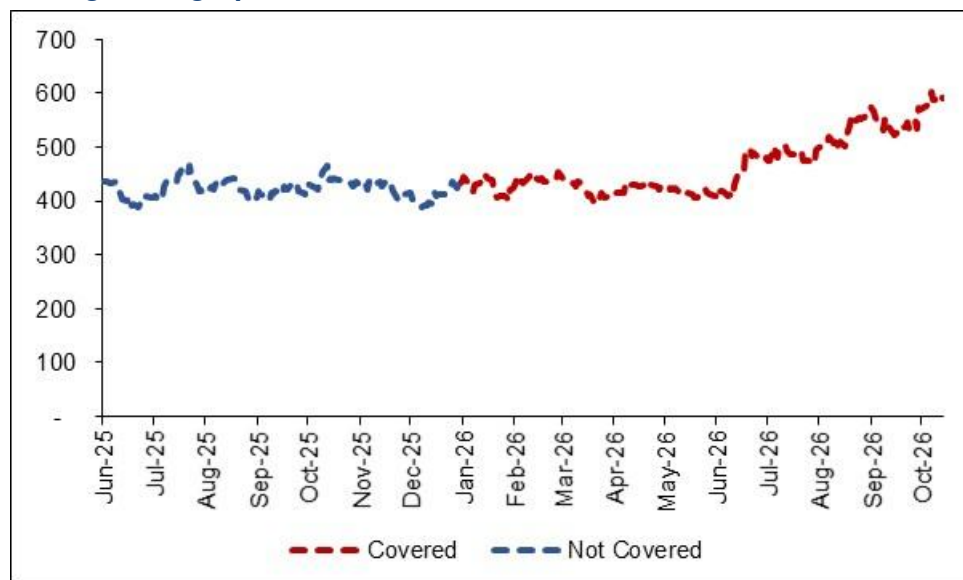
Y/E March	FY25	FY26	FY27E	FY28E	FY29E
Per share (Rs)					
Adj EPS	1.7	12.3	16.0	17.4	22.2
Book value	130.4	193.2	209.2	226.7	249.0
Valuation (x)					
P/Sales	18.1	13.9	11.2	9.7	6.5
EV/EBITDA	39.6	28.6	23.0	20.3	13.7
P/E	413.4	48.9	38.1	33.9	22.0
P/BV	5.5	3.1	2.8	2.6	2.0
EV/Room	192.2	173.3	163.8	154.9	104.9
Return ratios (%)					
ROCE	4.8%	6.7%	7.5%	7.4%	8.5%
RoCE (pre-tax)	10.2%	8.1%	9.4%	9.9%	11.3%
RoIC	4.9%	6.8%	7.6%	7.7%	9.0%
RoE	12.2%	8.0%	7.7%	8.0%	9.3%
Profitability ratios (%)					
EBITDA margin	45.7%	48.6%	48.8%	47.8%	47.3%
EBIT margin	34.9%	41.3%	41.4%	40.7%	41.1%
PAT margin	3.7%	26.4%	27.4%	26.6%	27.7%
Liquidity ratios (x)					
Current ratio	1.0	1.0	1.2	1.6	2.5
Quick ratio	1.0	1.0	1.1	1.5	2.4
Solvency ratio (x)					
Net Debt to Equity ratio	1.1	0.2	0.2	0.2	0.2
Turnover ratios					
Fixed asset turnover ratio (x)	0.2	0.2	0.3	0.3	0.3
Debtor days	23	20	18	20	19
Inventory days	17	16	17	18	17
Creditor days	8	7	6	6	6
Net Working capital days	14	11	8	8	8

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
6 January 2026	Buy	419	529
16 January 2026	Buy	441	539
29 April 2026	Buy	420	525
2 August 2026	Buy	497	592
14 October 2026	Buy	590	680

Rating track graph



HDB Financial Services (HDBFS)

NBFC | 2QFY27 Result Update

HOLD

CMP: Rs583 | Target Price (TP): Rs650 | Upside: 11%

October 15, 2026

Growth concerns loom

Key Points

- HDBFS reported its 2QFY27 numbers, with total income, PPOP, and PAT below consensus estimates by 2%, 1.9%, and 3.4%, respectively.
- Disbursement growth came in strong at 18.7% YoY, while AUM grew by a mere 11.6%. NIMs remain best in class at 8.2%, facing slight compression due to moderate decline in yields and rise in cost of funds.
- Management expects growth to pick up from 4QFY27, while NIMs should remain stable amid the rate hike environment.
- We downgrade HDBFS to HOLD with a revised TP of Rs650 (previously Rs750). The stock is currently trading at 1.9x its Sep-28E P/BV.

What we like: HDBFS reported its 2QFY27 numbers, with disbursement being a silver lining in terms of growth offshoots. Disbursements grew 18.7% YoY to Rs185bn. Disbursement expansion was supported by increasing customer franchise at 24.8mn customers. Operational performance continues to be stable as NII/PPOP/PAT grew 15.6%/17%/34%. Cost-to-income ratio continues to follow a downward trajectory and currently stands at 39.3% for the core lending business. Return metrics remained solid, with annualised ROA/ROE at 2.42%/14.2%. Liquidity coverage and provision coverage continues to be healthy at 164% and 55%. Asset quality improved as GS3 came in at 2.43%, improving by 38bps YoY. Furthermore, the company maintained a comfortable capitalization profile with a total Capital to Risk-Weighted Assets Ratio (CRAR) of 21.37%.

What we did not like: AUM growth continues to disappoint with a muted 11.6% growth YoY. Slowdown in AUM growth is attributed to higher run-rate of repayment relative to disbursements. While NII increased by ~15.6% YoY, NIMs moderated slightly to 8.23%. While the management aims to maintain 8.2% NIM in the near term, the risk of further increase in interest rates persists. Credit costs witnessed a slight uptick amid the seasonality effect in 2Q. PAT experienced a minor sequential contraction of 0.6%, dropping from Rs7.85bn in Q1FY27 to Rs7.80bn in Q2FY27. Asset quality in terms of vehicle finance witnessed some delinquencies.

We downgrade HDBFS and lower our TP to Rs650: HDBFS continues to deliver a strong set of operating metrics amid a challenging macro environment. While the operating metrics remain stable, the asset quality has improved. AUM growth of 11.6% YoY in 2QFY27 follows 10.7% in FY26 and sits well below the company's 3-year AUM CAGR of 19.2% and 10-year CAGR of 16.4%. This makes FY27 a second year of growth below its long-term trend. The loan book grew 11.7% even as disbursements rose 18.7%, as 42.5% of disbursements went to short-tenor consumer loans while asset finance disbursements grew only about 3%. Half the book (LAP, gold, auto, consumer durables, and relationship PL) is growing at about 21% and the other half at about 5%. Therefore, a return to 15% growth depends on used CV, which the management attributes mainly to market weakness and expects to improve only from 4QFY27, with no commitment for FY28. Management is confident of holding NIM above 8% despite the 25bps repo hike, helped by monthly repricing of the floating-rate LAP book. With new NCDs pricing at 8.2-8.25%, against an average borrowing cost of 7.04%, we see little room for NIM to expand from 8.23%. We downgrade HDBFS to HOLD with a revised TP of Rs650 (previously Rs750). The stock is currently trading at 1.9x its Sep-28E P/BV.

Est Change	Maintain
TP Change	Downwards
Rating Change	Downgrade

Company Data and Valuation Summary

Reuters	HDBF.BO
Bloomberg	HDBFS IN Equity
Market Cap (Rsbn / US\$bn)	485.0 / 5.0
52 Wk H / L (Rs)	797 / 555
ADTV-3M (mn) (Rs / US\$)	406.7 / 4.3
Stock performance (%) 1M/6M/1yr	(12.8) / (5.1) / (21.1)
Nifty 50 performance (%) 1M/6M/1yr	(3.5) / (7.0) / (10.7)

Shareholding	4QFY26	1QFY27	2QFY27
Promoters	74.1	74.1	74.2
DII's	12.3	12.1	5.2
FII's	3.0	3.6	4.1
Others	10.6	10.2	16.2
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY26A	FY27E	FY28E	FY29E
AUM	11,83,745	13,32,745	15,32,657	17,62,556
% growth	11	13	15	15
Net Interest Income	89,681	1,01,241	1,16,973	1,33,823
% growth	20.4	12.9	15.5	14.4
Net Interest Margin %	8.0	8.0	8.1	8.1
Cost/Income Ratio	46.6	43.8	42.0	42.0
Operating Profit	62,017	72,236	86,671	1,00,427
% growth	23.0	16.5	20.0	15.9
Adjusted PAT	25,443	32,153	39,965	46,526
% growth	17	26	24	16
BVPS (Rs)	249	287	335	391
P/BV	2.3	2.1	1.8	1.5
RoA (%)	2.2	2.4	2.7	2.7
RoE (%)	13.9	14.5	15.5	15.4

Key Links- [Investor Presentation](#)

Please refer to the disclaimer towards the end of the document

Exhibit 1: Quarterly performance

Particulars (Rsmn)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	YoY (%)	QoQ (%)
Gross Loan Book	1,114,090	1,145,770	1,184,930	1,218,460	1,244,690	11.7	2.2
Interest income	38,870	39,890	40,810	42,620	43,510	11.9	2.1
Finance cost	16,940	17,040	16,820	17,530	18,170	7.3	3.7
Net Interest Income	21,920	22,850	23,990	25,090	25,340	15.6	1.0
Non-Interest Income	3,390	3,780	3,710	3,630	3,570	5.3	-1.7
Net Income	25,310	26,630	27,690	28,720	28,910	14.2	0.7
Employee cost	6,790	7,500	7,090	7,590	7,470	10.0	-1.6
Other Operating Expenses	3,500	3,590	3,850	3,860	3,890	11.1	0.8
Total expenses	10,290	11,090	10,940	11,460	11,350	10.3	-1.0
Pre-Provisioning Operating Profit	15,020	15,550	16,750	17,260	17,560	16.9	1.7
Credit Cost	7,480	7,120	6,850	6,970	7,300	-2.4	4.7
Profit Before Tax – Lending	7,530	8,420	9,910	10,290	10,260	36.3	-0.3
BPO Income (Net)	290	180	210	260	180	-37.9	-30.8
Tax Expense	2,010	2,160	2,610	2,700	2,630	30.8	-2.6
Profit After Tax	5,810	6,440	7,510	7,850	7,800	34.3	-0.6
Asset Quality Metrics							
GS-3 (%)	2.81	2.81	2.44	2.34	2.43	-38bps	9bps
NS-3 (%)	1.27	1.25	1.09	1.04	1.09	-18bps	5bps
Particulars (%)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	YoY	QoQ
Yield	14.1	14.1	14.0	14.2	14.13	5bps	-6bps
Cost of Funds	6.1	6.0	5.8	5.8	5.90	-24bps	6bps
NIM	7.9	8.1	8.2	8.4	8.23	28bps	-12bps
Credit Costs	2.7	2.5	2.4	2.3	2.37	-34bps	5bps

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Change in our estimates

Earnings revision	Revised Estimate			Earlier Estimate			% Revision		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Net interest income (Rsmn)	1,01,241	1,16,973	1,33,823	1,01,671	1,15,156	1,30,668	-0.4	1.6	2.4
Operating profit (Rsmn)	72,236	86,671	1,00,427	73,738	87,207	1,00,554	-2.0	-0.6	-0.1
PAT (Rsmn)	32,153	39,965	46,526	33,359	40,292	46,536	-3.6	-0.8	0.0
ABVPS (Rs)	281	335	391	284	338	394	-0.9	-0.9	-0.8

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: Change in valuation methodology

Particulars	New	Old	% Change
Ratings	HOLD	BUY	
New target price	650	750	
Cost of equity (%)	10.8	10.8	0.0
Phase 1 (FY27-31)			
Book value growth (%)	12.9%	13.1%	-20bps
Average ROE (%)	18.1%	18.7%	-60bps
Phase 2 (FY32-41)			
Book value growth (%)	13.3%	14.2%	-80bps
Average ROE (%)	14.8%	15.8%	-90bps
Terminal growth rate (%)	5.0%	5.0%	0bps
Terminal ROE	14.3%	15.7%	-140bps
New target price	650	750	
RI Fair-Value P/B (x) Sep-28E	2.1		

Source: Company, Nirmal Bang Institutional Equities Research

2QFY27 concall key takeaways

Guidance: Management did not give a hard AUM growth number. It expects growth to pick up, with Q3 usually stronger than Q2 and Q4 stronger than Q3; the management hopes that Q4FY27 is when the move back to industry-median growth (roughly 17-18%) starts to show. The NIM target is to stay above 8.2% in the near term and above 8% over the long term. Credit cost should stay around 2.3%, give or take, on an annual basis, and the medium-term ROA goal is 2.5% or more. Management said the network, people, and systems needed for faster growth are already in place. It expects the festive season, a pickup in construction after the monsoon, and steady fleet use to support a strong H2.

AUM growth: Q2FY27 disbursements were Rs185.2bn, up 18.7% YoY. The gross loan book was Rs1,244.7bn, up 11.7% YoY and 2.2% QoQ, and secured loans made up 7% of it. Book growth is still held back by high repayments because FY26 disbursement growth was only 3%. Management expects stronger FY27 disbursements to lift book growth from here. The customer base grew 18.4% YoY to 24.8mn, adding about 2mn in six months. Retailer and dealer touch points rose about 10% to 165,000. Enterprise lending disbursements grew 25.5% YoY. Within that, LAP/enterprise mortgages disbursements rose 30% YoY and the book grew about 3.5% QoQ, gold loans disbursements rose over 60% YoY and the book is growing at 7-10%. In unsecured business loans the book grew sequentially (+0.2% QoQ) for the first time after six quarters of decline. Consumer finance disbursements grew over 25% YoY and the book grew 22% YoY. Consumer durables and digital products grew 49%, auto loans 22%, and relationship PL 16%. Asset finance is still the weak spot, with the CV book up 8% YoY and CE up 8.3% YoY. Management said new CV is on budget. Used CV has been slow because of internal issues and a broader market problem, and it expects corrective steps to show results between Q3 and Q4. LAP average ticket size is Rs4.6mn and enterprise business loans average is Rs1.4mn. The company does not do micro-LAP.

Profitability: PAT was Rs7.8bn, up 34% YoY. NII was Rs25.3bn, up 15.6% YoY. NIM was 8.23%, compared with 7.95% in Q2FY26 and 8.35% in Q1FY27. Management called the QoQ drop as normal seasonality, since Q1 usually runs 10-12bps higher, and said the result was in line with expectations. PPOP was Rs17.6bn, up 16.9% YoY and 1.7% QoQ. Cost-to-income for the lending business improved to 39.3% from 40.7% YoY and 39.9% QoQ; the opex ratio fell about 10bps QoQ. Management linked the lower headcount to productivity gains from automation and simpler workflows. It also said spending on AI will not be allowed to push costs up.

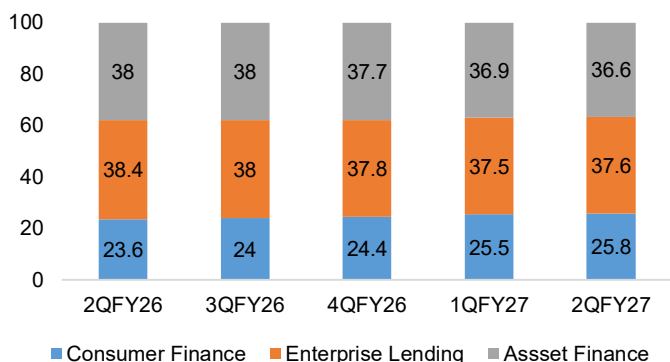
Margins: Average borrowing cost was 7.04%. New NCDs are pricing at about 8.2–8.25%, while some shorter-term instruments are still available below or around 7%. Bank borrowings are about 43% of the total. About 55–60% of those are linked to the repo rate, with almost nothing on MCLR, and they reset monthly or quarterly, so the 25bps repo hike will pass through. To protect margins: LAP repricing: the LAP book is floating-rate. Its floating reference rate resets on the 16th of each month after a review by the asset-liability committee, and a LAP rate increase is expected soon. For other products, repricing elsewhere will be gradual and depend on how borrowing costs move. Some fixed-rate products may not need it if funding costs hold. In product mix, the management expects the mix to help a little in Q3. The borrowing mix is diversified, with a positive cumulative mismatch in every maturity bucket up to five years. Management expects only a minor NIM impact in Q3 and said it would reassess if repo rises a further 50-75bps. It noted that some consumer products may not absorb increases that large.

Asset quality: GS3 was 2.43%, compared with 2.81% a year earlier and 2.34% in Q1FY27. PCR was 55%. Credit cost was 2.37%, against 2.32% in Q1. Net slippages fell during the quarter, but Stage 2 rose more QoQ than in Q2 of FY25 or FY26. Management said this came mainly from seasonal stress in CV and some in CE, and expects it to return to Q1 levels next quarter. It said this quarter's GS3 rise of 9bps was the smallest Q1-to-Q2 move in six years, though the slower-growing book made the ratio look about 7bps worse than otherwise. Older delinquent loans in asset finance are still a challenge, and the management hopes to report a turnaround in Q3. Enterprise lending and consumer finance quality is stable. Exposure to drought-hit districts, which are in parts of Maharashtra, is small and mostly in tractors, and the company does not do crop loans. Management sees food inflation as the main macro risk to watch.

Return ratios and capital: Annualized ROA was 2.42% and ROE 14.4%. EPS for the quarter was Rs9.4 and book value per share was Rs266.7. The company is well capitalized, with capital adequacy of 21.37%. The board declared an interim dividend of Rs2 per share, with a record date of 23-Oct-26. Management repeated its aim of a consistent annual ROA of 2.5% or more, driven by better growth, a steady NIM, and productivity gains.

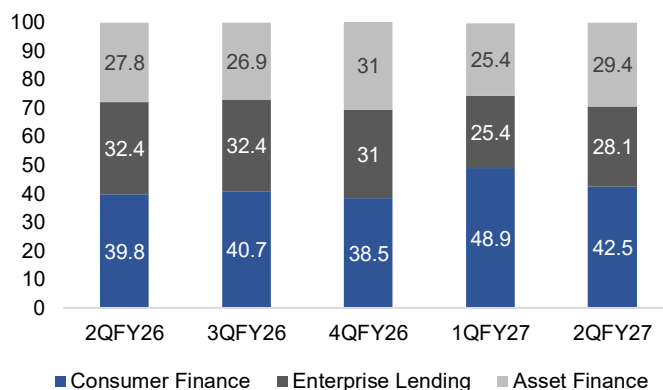
Regulatory risk to fee income: An IRDAI consultation paper on insurance commissions could reduce fee income from FY28. Last year this income was about Rs4.6bn, or roughly 30bps of ROA. The company is presenting its case through the FIDC, the NBFC industry body, and said it has mitigation plans that it will share once the rules are final.

Exhibit 4: Share of consumer financing continues to inch up sequentially (%)



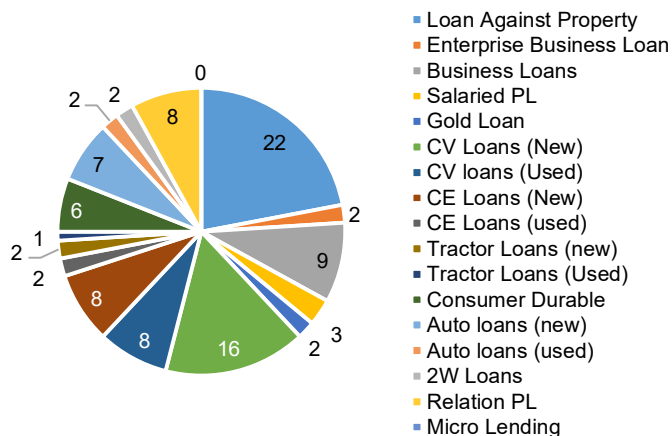
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Disbursement trends remain strong (%)



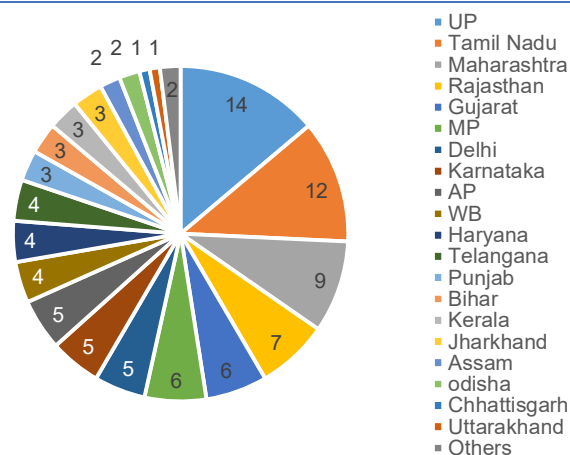
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: LAP continues to dominate the loan book while gold loans continue to scale up



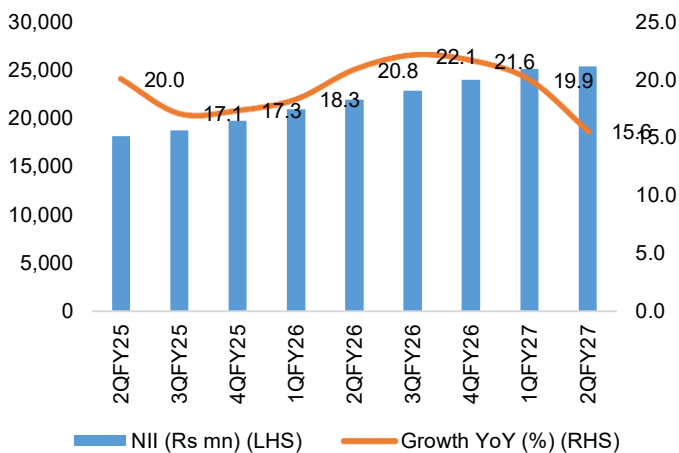
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 7: Well diversified geographical distribution enabling a strong customer base



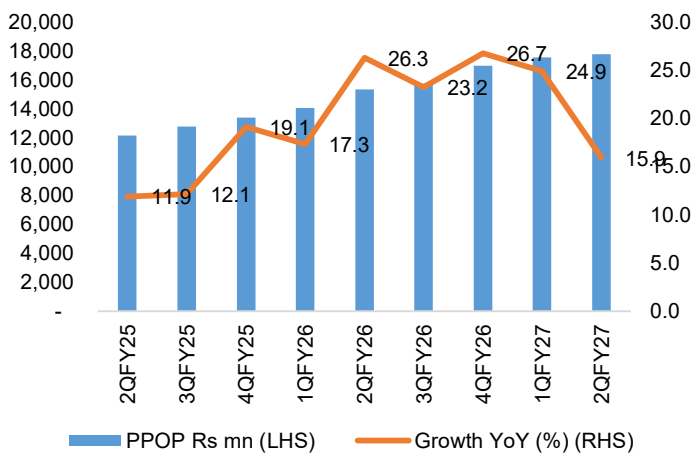
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: NII rose 15.6% YoY

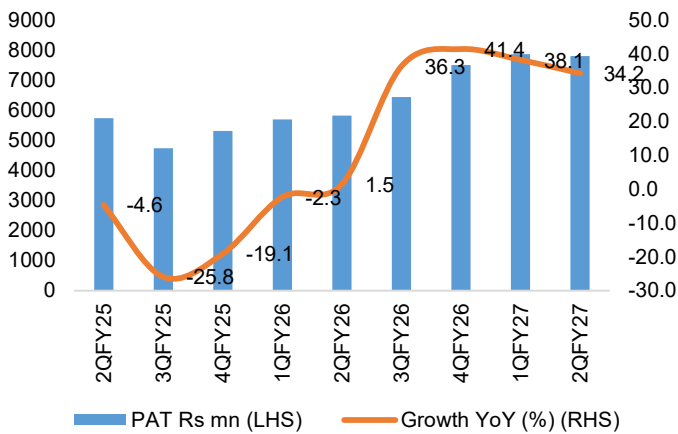


Source: Company, Nirmal Bang Institutional Equities Research

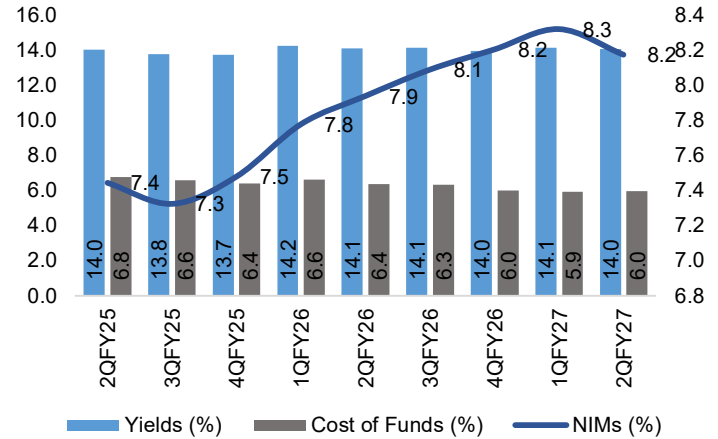
Exhibit 9: PPOP grew 15.9% YoY



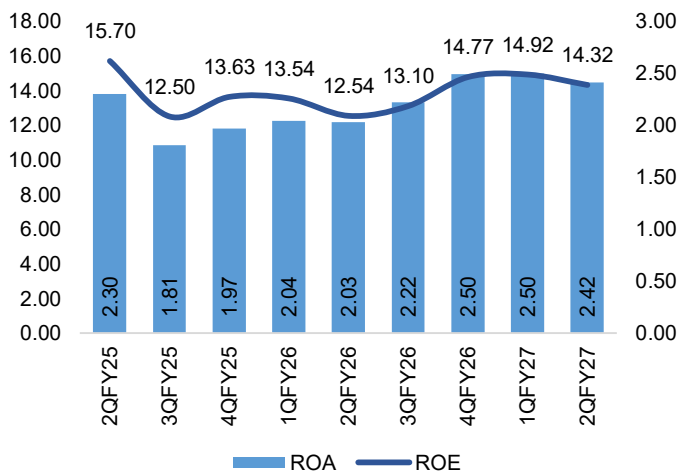
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: PAT growth trends


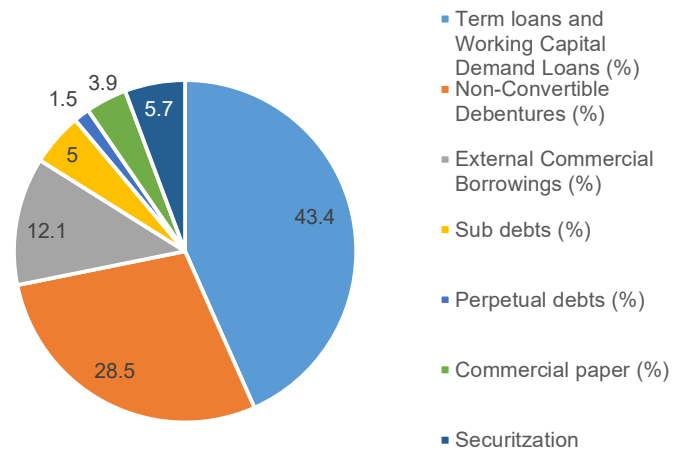
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Margin profile compresses amid contracting spreads


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: Return ratio trends improve on strong profitability


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 13: Cost of borrowings rose to 7.04% from 6.97%


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 14: Segment-wise AUM mix

Particulars (Rsmn)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Consumer Finance	242,613	256,954	262,925	274,985	289,230	3,10,950	3,21,130
Enterprise Lending	420,031	423,154	427,811	435,393	447,841	4,57,420	4,68,003
Asset Finance	406,136	413,313	423,354	435,393	447,290	4,50,090	4,55,557
Total Loan book	1,068,780	1,093,420	1,114,090	1,145,770	1,184,930	12,18,460	12,44,690

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 15: Actual performance vs estimates

(Rsmn)	Q2FY27	Q1FY27	Q2FY26	YoY (%)	QoQ (%)	Bloomberg Consensus	Devi (%)
Total Income	31,882	31,846	28,514	11.8	0.1	32,526	-2.0
Pre-provisioning Operating Profit	17,736	17,522	15,305	15.9	1.2	18,082	-1.9
PAT	7,802	7,852	5,814	34.2	-0.6	8,080	-3.4

Source: Company, Nirmal Bang Institutional Equities Research

Financials

Exhibit 16: Income statement

Y/E March (Rs mn)	FY26A	FY27E	FY28E	FY29E
Interest Income	1,57,883	1,81,387	2,16,024	2,46,403
Interest Expended	68,202	80,146	99,052	1,12,580
Net Interest Income	89,681	1,01,241	1,16,973	1,33,823
Other Operating Income	14,182	14,769	16,975	19,777
Other Income	12,239	12,591	15,485	19,549
Net Income	1,16,102	1,28,601	1,49,432	1,73,150
Operating Expenses	54,085	56,365	62,761	72,723
Operating Profits	62,017	72,236	86,671	1,00,427
Provisions	28,148	29,249	33,385	38,392
PBT	33,869	42,987	53,286	62,034
Tax	8,426	10,834	13,322	15,509
<i>Tax Rate (%)</i>	24.9	25.2	25.0	25.0
PAT	25,443	32,153	39,965	46,526

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 18: Balance sheet

Y/E March (Rs mn)	FY26A	FY27E	FY28E	FY29E
Equity Share Capital	8,303	8,303	8,303	8,303
Reserves & Surplus (Ex OCI)	1,98,337	2,29,723	2,69,687	3,16,213
Net Worth	2,06,640	2,38,026	2,77,990	3,24,516
OCI	3	4	4	4
Net Worth	2,06,643	2,38,030	2,77,994	3,24,520
Borrowings	9,22,542	10,62,712	12,25,525	14,14,796
Other liabilities	1,07,333	94,982	89,210	79,676
Total Liabilities	12,36,515	13,95,720	15,92,725	18,18,988
Cash	16,736	18,196	19,791	21,534
Investments	37,476	38,600	39,758	40,951
Loans and Advances	11,46,895	1,291,531	1,485,260	1,708,049
Other assets	35,408	47,394	47,915	48,453
Total Assets	12,36,515	13,95,720	15,92,725	18,18,988

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 17: Key ratios

Y/E March	FY26A	FY27E	FY28E	FY29E
Spreads Analysis (%)				
Yield on Portfolio	14.4	15.0	14.9	14.4
Cost of Borrowings	6.0	6.1	6.1	6.0
Interest Spread	8.4	8.9	8.8	8.4
Net Interest Margin	8.0	8.0	8.1	8.1
Credit Costs	2.3	2.3	2.3	2.3
Profitability Ratios (%)				
Cost/Income	46.6	43.8	42.0	42.0
RoE	13.9	14.5	15.5	15.4
RoA	2.2	2.4	2.7	2.7
Asset Quality (%)				
GNPA	2.4	2.1	2.0	2.0
NNPA	1.1	0.9	0.9	0.9
PCR	55.5	57.1	57.5	57.5
Capital Adequacy (%)				
CAR	21.4	20.5	20.5	20.5
Tier I	16.0	16.0	16.0	16.0
Tier II	4.6	4.6	4.6	4.6

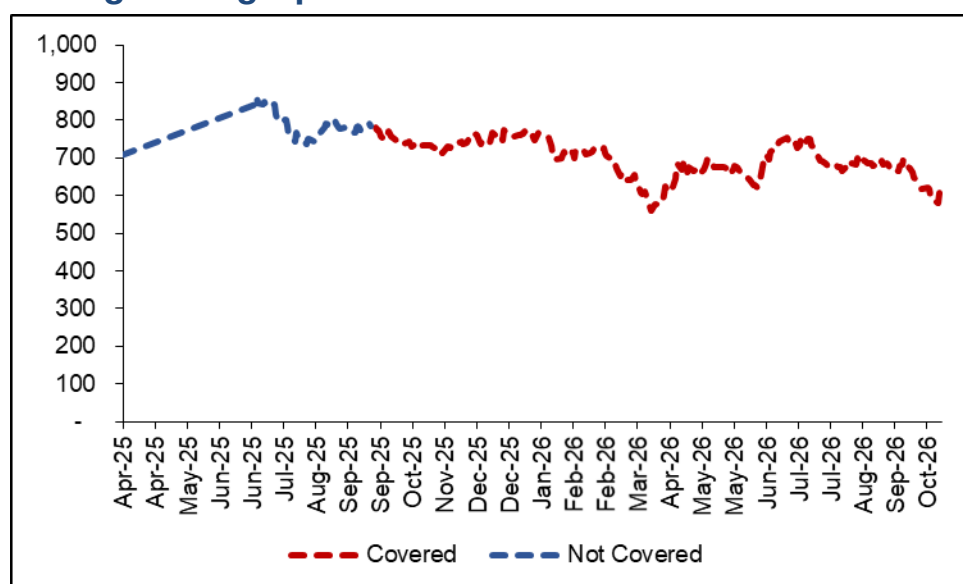
Valuation	FY26A	FY27E	FY28E	FY29E
BVPS (Rs)	248.9	286.7	334.8	390.8
BV Growth (%)	25.2	15.2	16.8	16.7
Price-BV (x)	2.3	2.1	1.8	1.5
Adjusted BV (Rs)	242.7	280.9	328.5	383.6
Price-ABV (x)	2.4	2.6	2.2	1.9
EPS (Rs)	30.6	38.7	45.9	56
Price-Earnings (x)	19.1	15.1	12.1	10.4

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
22 September 2025	Buy	783	915
16 October 2025	Buy	743	910
15 January 2026	Buy	764	878
12 February 2026	Buy	715	878
10 March 2026	Buy	651	880
8 April 2026	Buy	626	780
16 April 2026	Buy	644	780
8 July 2026	Buy	734	870
16 July 2026	Buy	752	890
29 August 2026	Buy	680	890
6 October 2026	Buy	623	750
15 October 2026	Hold	584	650

Rating track graph



Tata Technologies Ltd. (TATATECH)

Information Technology | 2QFY27 Result Update

HOLD

CMP: Rs746 | Target Price (TP): Rs725 | Downside: -2.8%

October 15, 2026

Chasing the Margin North Star

Key Points

- Tata Technologies reported **revenue of US\$178mn**, which was 0.4% above NBIE estimates and 0.8% above consensus estimates. Revenue grew **1.9% QoQ and 22.2% YoY in CC terms**. Revenue growth was broad-based across automotive and non-automotive services, supported by ramp-up of strategic programs and continued strength in the services business. However, **weakness in Germany and a sequential decline in Technology Solutions** partly offset growth.
- **EBIT margin at 12.9%** was 130bps below NBIE estimates and 65bps below consensus, impacted by higher subcontracting costs, with **outsourcing and consultancy charges** rising QoQ to Rs1.86bn and **increasing to 11.0% of revenue from 8.9%** in Q1FY27. **Despite an estimated ~100bps headwind from annual wage hikes, operating EBITDA margin was maintained at 16.1% QoQ**. Higher depreciation and lease-related interest costs, driven by investments in a new Pune office, further weighed on profitability. Management expects large client programs to ramp up more meaningfully in H2FY27, with the new capacity costs increasingly absorbed as revenue scales over the medium term. Management described 18–20% EBITDA margin as the company's 'North Star', but did not explicitly reaffirm the earlier 18% Q4 exit target.
- Tata Technologies secured a **US\$138mn turnkey full-vehicle engineering program** from a premium **European luxury automotive OEM, covering two vehicle programs over an initial duration of around 2.5 years**. The deal reinforces its positioning as a strategic product-realisation partner, with revenue contribution expected to commence from H2FY27.

Aerospace – an emerging growth engine: Management highlighted aerospace as an **emerging second growth engine, supported by rising commercial aircraft demand and capacity constraints across the industry**. The commercial aircraft fleet is expected to expand from ~25,000 aircraft currently to over 40,000, while Airbus and Boeing are struggling to ramp up production sufficiently to meet demand. Tata Technologies' established relationship with Airbus positions it to participate in the OEM's next-generation single-aisle aircraft program, alongside **opportunities across manufacturing engineering, propulsion, MRO, and digital transformation**. Management expects existing aerospace engagements to scale meaningfully over time, although the near-term revenue contribution remains unquantified.

Valuation and outlook: Tata Technologies' full-vehicle engineering capabilities, recent deal wins, and aerospace opportunities provide avenues for growth. However, continued softness in Germany, uncertainty around achieving the earlier 18% Q4 EBITDA margin target, and execution risks associated with scaling large programs limit near-term visibility. While the management continues to guide for double-digit revenue growth, **margin improvement remains a key monitorable**. Accordingly, we **reiterate our 'HOLD' rating on Tata Technologies**, with valuation **multiple unchanged at 33x blended EPS of ~Rs22**, translating into an unchanged target price of **Rs725**.

Est Change	Downwards
TP Change	Maintain
Rating Change	Maintain

Company Data and Valuation Summary

Reuters	TATE.BO
Bloomberg	TATATECH IN Equity
Market Cap (Rsbn / US\$bn)	302.7 / 3.1
52 Wk H / L (Rs)	891 / 507
ADTV-3M (mn) (Rs / US\$)	1,262.0 / 13.2
Stock performance (%) 1M/6M/1yr	(2.2) / 33.1 / 8.4
Nifty 50 performance (%) 1M/6M/1yr	(3.5) / (7.0) / (10.7)

Shareholding	4QFY26	1QFY27	2QFY27
Promoters	55.2	55.2	55.4
DII's	3.3	4.4	2.5
FII's	5.8	6.3	2.0
Others	35.7	34.2	40.1
Pro pledge	0.0	0.0	0.0

Financial and Valuation Summary

Particulars (Rsmn)	FY26	FY27E	FY28E	FY29E
Revenue	55,055	68,371	77,116	86,905
YoY Growth %	6.5%	24.2%	12.8%	12.7%
Gross Margin	25.0%	25.4%	26.2%	26.8%
EBIT	7,079	9,104	10,768	12,868
% of Sales	12.9%	13.3%	14.0%	14.8%
Adj. PAT	4,343	7,178	8,285	9,928
PAT Margin	7.9%	10.5%	10.7%	11.4%
YoY Growth %	-35.8%	65.3%	15.4%	19.8%
FDEPS (Rs)	13.5	17.7	20.4	24.5
ROE (%)	11.6	18.8	21.3	23.1
Post Tax ROCE (%)	11.3	14.1	16.9	18.6
Post Tax ROIC (%)	19.1	19.1	23.3	29.1
P/E (x)	55.4	42.2	36.5	30.5
EV/EBITDA	34.5	26.7	22.4	18.7
P/BV (x)	7.7	8.2	7.5	6.6

Source: Company, Bloomberg, Nirmal Bang Institutional Equities Research

Key Links:

Latest result update: [1QFY27-Result-Update](#)

Please refer to the disclaimer towards the end of the document

Exhibit 1: Quarterly performance

Particulars (Rsmn)	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27E	4Q27E	FY26	FY27E	2Q27E	Var (%)
Net Sales (US\$mn)	145	151	153	171	175	178	181	185	620	719	177	0.4
QoQ Change (%)	-2.0	3.9	1.2	11.9	2.7	1.4	1.5	2.5			1	
Net Sales	12,443	13,233	13,657	15,722	16,646	16,988	17,154	17,583	55,055	68,371	16,830	0.9
YoY Change (%)	-1.9	2.1	3.7	22.3	33.8	28.4	25.6	11.8	6.5	24.2	27.2	
Software Expenses	2,185	2,431	2,353	2,704	2,883	2,646	12,728	13,011	27,374	16,384	12,370	(78.6)
% of Sales	17.6	18.4	17.2	17.2	17.3	15.6	74.2	74.0	49.7	24.0	73.5	
Gross Profit	10,258	10,803	11,304	13,018	13,764	14,342	4,426	4,572	27,681	51,987	4,460	221.6
Margin (%)	82.4	81.6	82.8	82.8	82.7	84.4	25.8	26.0	50.3	76.0	26.5	
Operating Expenses	1,107	1,291	1,333	1,497	1,450	1,512	1,578	1,618	5,228	6,158	1,599	(5.4)
% of Sales	8.9	9.8	9.8	9.5	8.7	8.9	9.2	9.2	9.5	9.0	9.5	
EBIT	1,688	1,769	1,568	2,054	2,207	2,190	2,316	2,391	7,079	9,104	2,389	(8.3)
YoY Change (%)	-16.2	-14.0	-23.0	1.5	30.7	23.8	47.7	16.4	-12.9	28.6	35.0	
Margin (%)	13.6	13.4	11.5	13.1	13.3	12.9	13.5	13.6	12.9	13.3	14.2	
Finance cost	46	45.7	91.1	158.1	155	198.5	198.5	198.5	341	750	154.7	
Exceptional Items	-	-	1,638.6	561.3	-	-	-	-	2,200	-	-	
Other Income	636	482	318	310	369	312	312	312	1,746	1,304	369	
PBT	2,278	2,205	157	2,767	2,421	2,303	2,429	2,504	6,284	9,657	2,603	(11.5)
Tax	623	604	163	792	710	703	741	764	2,181	2,918	763	(7.9)
ETR (%)	27.3	27.4	104.2	28.6	29.3	30.5	30.5	30.5	34.7	30.2	29.3	
Reported PAT	1,703	1,655	66	2,042	1,807	1,714	1,802	1,854	4,343	7,178	1,936	(11.4)
Adj. PAT	1,655	1,602	-7	1,975	1,712	1,600	1,688	1,740	4,102	6,740	1,840	(13.1)
YoY Change (%)	5.1	5.1	-96.1	8.1	6.1	3.6	2,626.0	-9.2	-35.8	65.3	17.0	
Adj. EPS (Rs)	4.2	4.1	0.2	5.0	4.5	4.2	4.4	4.6	13.5	17.7	4.8	(11.4)

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Change in our estimates

Change in estimates	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue (Rsmn)	68,371	77,116	86,905	67,811	76,570	86,905	0.82	0.71	-
EBIT (Rsmn)	9,104	10,768	12,868	9,572	11,560	12,868	(4.89)	(6.85)	-
EBIT Margin (%)	13.3	14.0	14.8	14.1	15.1	14.8	-80bps	-110bps	0bps
FDEPS (Rs)	18	20	24	19	22	24	(7.44)	(7.17)	-
Revenues (US\$mn)	719	803	896	714	806	896	0.70	(0.33)	-
Revenue growth (US\$, %)	16.0	11.7	11.5	15.2	12.9	11.5	80bps	-120bps	0bps

Source: Bloomberg, Nirmal Bang Institutional Equities Research

Exhibit 3: NBIE vs consensus estimates

	Consensus			NBIE			NBIE/Consensus		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue (US\$mn)	717	796	882	719	803	896	100.2%	100.9%	101.6%
Revenue (Rsmn)	69,106	76,746	84,973	68,371	77,116	86,905	98.9%	100.5%	102.3%
EBIT (Rsmn)	9,674	11,330	12,788	9,104	10,768	12,868	94.1%	95.0%	100.6%
PAT (Rsmn)	8,067	9,452	10,668	7,178	8,285	9,928	89.0%	87.7%	93.1%
EPS (Rs)	19.9	23.4	26.2	17.7	20.4	24.5	88.9%	87.4%	93.2%
EBIT Margin (%)	14.0	14.8	15.0	13.3	14.0	14.8	-70bps	-80bps	-20bps

Source: Company, Nirmal Bang Institutional Equities Research; Note: We have assumed USD/INR rate of Rs95, Rs96, and Rs97 for FY27E, FY28E, and FY29E

Highlights from the 2QFY27 analyst call

Revenue growth and margin

- Revenue from operations grew 22.2% YoY in CC terms to US\$178mn, while increasing 2.1% QoQ in INR terms. Services revenue grew 4.3% QoQ and 26.2% YoY in CC terms to Rs13.56bn, contributing ~80% of total revenue.
- Management reiterated its expectation of double-digit consolidated revenue growth for FY27, supported by the ramp-up of strategic programs and continued pipeline conversion. More meaningful contributions from recently secured large programs are expected in H2FY27.
- Operating EBITDA margin remained at 16.1% despite an estimated ~100bps headwind from annual salary increments. Management expects sequential margin improvement in Q3 and Q4; however, the earlier 18% Q4 exit margin target was not explicitly reaffirmed, with 18% and 20% described as the company's 'North Star'.

Segments and services

- Automotive services excluding ES-Tec grew 7.6% QoQ and ~16% YoY, while non-automotive services grew 7.5% sequentially in USD terms. Services revenue grew 22.1% YoY in CC terms excluding ES-Tec, indicating continued growth beyond the acquired German business.
- Technology solutions revenue declined 6.6% sequentially to Rs3.43bn, primarily due to the education project execution timing and a change in accounting treatment for certain OEM-hosted SaaS licences, which reduced quarterly revenue by Rs126mn. Management expects the products business to recover seasonally in Q3, although the education segment remains exposed to near-term execution delays.
- BMW TechWorks India contributed Rs114mn through Tata Technologies' share of JV profit, which was up 20% QoQ and 115% YoY. Including the Rs83mn of deferred income, the total contribution to reported EBIT was Rs197mn.
- Aerospace is emerging as a second growth engine, with the management highlighting rising commercial aircraft demand and engineering capacity constraints at OEMs. Aerospace programs typically span 8–10 years, providing greater revenue visibility. Tata Technologies' Airbus relationship also positions it to participate in the next-generation single-aisle aircraft program, although the near-term revenue contribution remains unquantified.

Demand environment

- Management sees a structural shift among Western OEMs towards leaner operating models and greater outsourcing of engineering and product development. Tata Technologies is positioning itself as a product-realisation partner capable of managing programs from concept through vehicle launch, rather than only providing individual engineering services.
- Demand in Germany remains subdued amid customer restructuring and cost-optimisation measures, with further softness expected in Q3. Management expects conditions to stabilise in 2027 and believes the ongoing shift towards globalising OEM research and development could create opportunities over the medium term.
- AI remains a key part of the company's strategy, with nearly 1,000 associates developing and deploying AI agents across engineering and business processes. Management expects AI-enabled capabilities to improve engineering productivity, development speed, and scalability, while supporting its positioning in increasingly complex product-development programs.
- Management also sees opportunities in alternative propulsion systems and software-defined vehicles. As OEMs reassess pure-BEV strategies and incorporate different propulsion options, Tata Technologies believes its experience across propulsion technologies and vehicle engineering can help customers address varying market requirements.

Order inflow looks strong

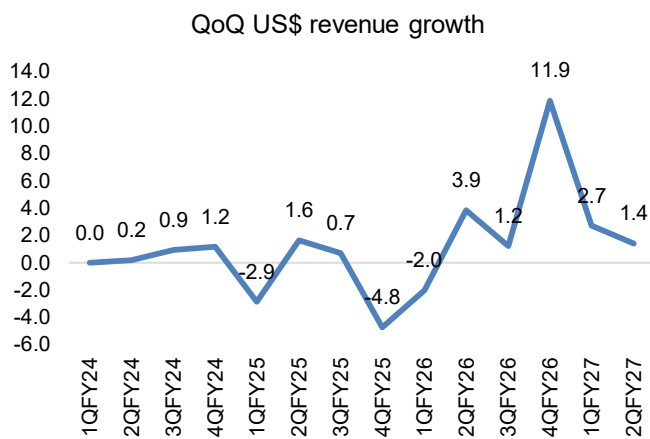
- Tata Technologies secured five large deals during Q2FY27. The key win was a US\$138mn turnkey full-vehicle engineering program with a premium European luxury automotive OEM, covering two vehicle programs over an initial duration of approximately 2.5 years. Ramp-up has begun, with contributions expected in H2FY27 and the program also supporting the order book over the following years.
- The company also secured an engagement with a leading North American commercial vehicle manufacturer to lead end-to-end development of a new vehicle platform, including the associated digital and software-defined vehicle infrastructure.
- Management indicated that the pipeline continues to expand in both scale and strategic importance, with recent wins reflecting increasing customer willingness to entrust Tata Technologies with larger, outcome-oriented engineering programs. Further deal announcements are expected over the coming quarters.

Employee headcount increases

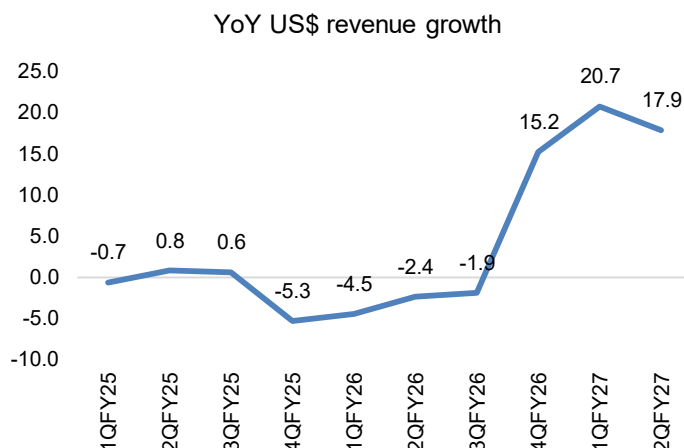
- Headcount increased by 316 employees QoQ to 12,895, primarily driven by ramp-ups of large programs secured over recent quarters. Management continues to align capacity expansion with client demand and execution requirements.
- Trailing twelve-month voluntary attrition moderated to 15.6%. Management also highlighted continued investment in technical capabilities across embedded software, software-defined vehicles, AI, cybersecurity, digital engineering, and advanced manufacturing.
- During the quarter, the company delivered over 27,000 learning hours and trained more than 5,000 associates across technical and professional skills. AI-readiness initiatives covered over 1,000 employees.

Miscellaneous

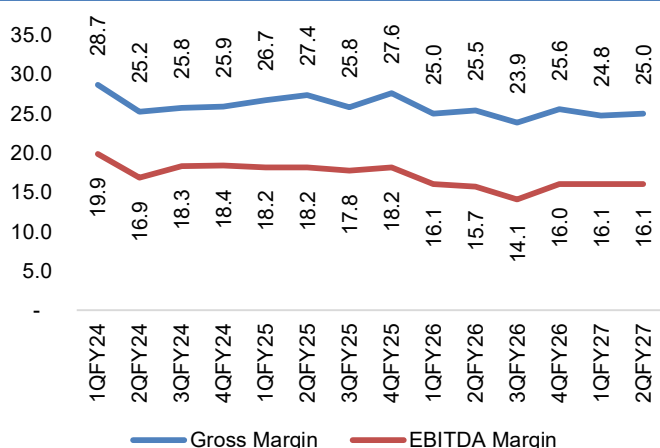
- Net cash stood at approximately Rs3.3bn at the end of Q2FY27, compared with Rs8.8bn at the end of Q1FY27. The reduction was primarily attributable to the dividend payout of nearly Rs4.75bn during the quarter.
- DSO increased to 102 days from 97 days in Q1FY27. Billed DSO improved to 63 days from 65 days, while unbilled DSO increased to 39 days from 32 days. Management attributed the increase in unbilled DSO largely to timing, while stating that collections remained healthy.
- Other income declined 35% YoY to Rs310mn, driven by non-cash items including foreign-exchange movements. Management indicated that, after adjusting for these items, underlying PBT growth was 16.4% YoY and adjusted PAT growth was 13% YoY.

Exhibit 4: US\$ revenue growth declines QoQ and YoY (%)


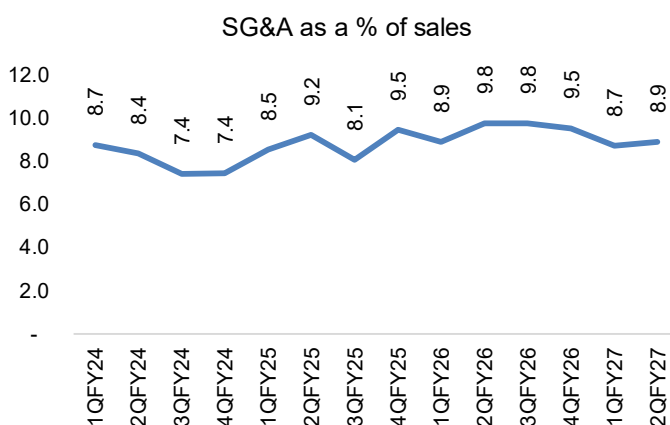
Source: Company, Nirmal Bang Institutional Equities Research



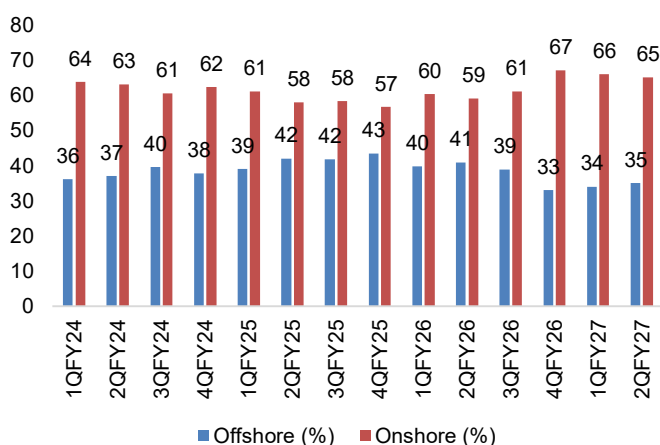
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Gross and EBITDA margins declined YoY


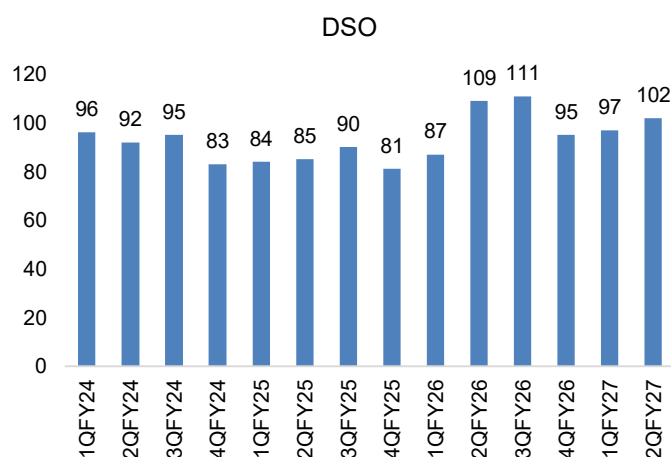
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: SG&A as a % of sales declined


Source: Company, Nirmal Bang Institutional Equities Research

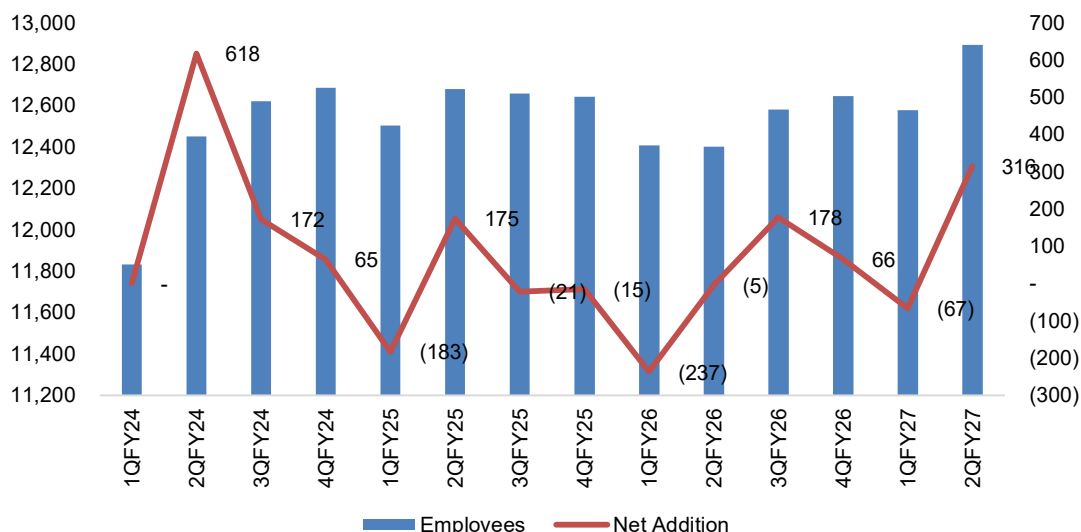
Exhibit 7: Effort mix


Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: DSO weakens QoQ


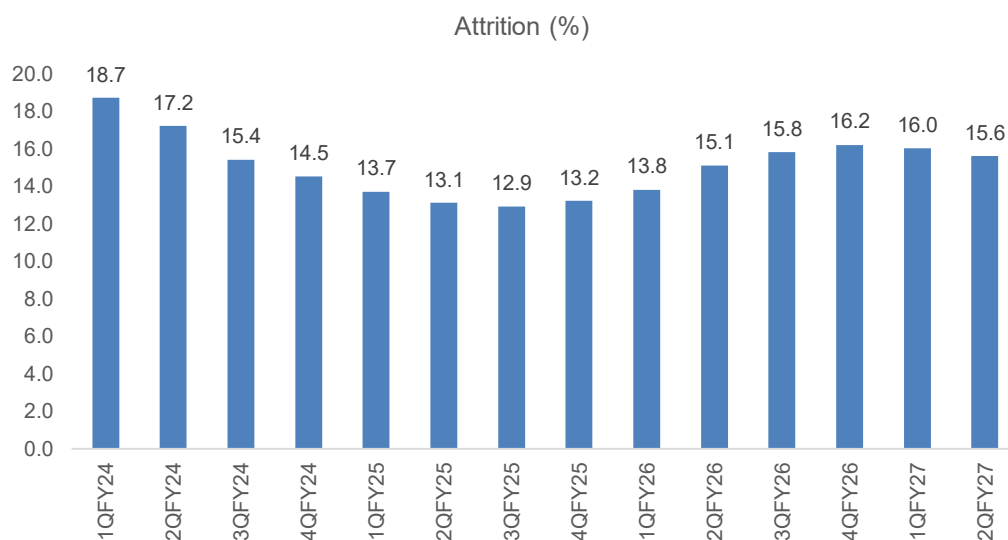
Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Quarter of net addition



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: Attrition rate



Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 11: Key metrics

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
P and L (Rsmn)										
Revenue	12,690	12,965	13,174	12,857	12,443	13,233	13,657	15,722	16,646	16,988
EBITDA	2,311	2,356	2,340	2,334	2,001	2,078	1,928	2,521	2,674	2,733
PAT	1,620	1,575	1,685	1,889	1,703	1,655	66	2,042	1,807	1,714
Revenue by Segment (%)										
Service Segment	77.7	77.5	76.9	79.7	77.4	76.5	77.6	77.6	77.9	79.8
Technology Solutions Segment	22.3	22.5	23.1	20.3	22.6	23.5	22.4	22.4	22.1	20.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Revenue within Services (%)										
Automotive	85.0	85.0	84.0	83.0	83.0	81.0	80.0	81.0	81.0	80.0
Non-automotive	15.0	15.0	16.0	17.0	17.0	19.0	20.0	19.0	19.0	20.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Revenue by Delivery (%)										
Offshore	39.0	42.0	41.7	43.4	39.7	40.9	38.9	33.0	34.0	35.0
Onshore	61.0	58.0	58.3	56.6	60.3	59.1	61.1	67.0	66.0	65.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Client metrics										
US\$1-5mn	29	30	29	29	32	33	32	33	34	37
US\$5-10mn	3	4	7	10	8	8	8	6	7	7
US\$10-50mn	6	6	5	3	3	3	4	5	5	6
US\$50mn+	2	2	2	2	2	2	2	3	3	2
Employee metrics										
Total headcount	12,505	12,680	12,659	12,644	12,407	12,402	12,580	12,646	12,579	12,895
Net Addition	-183	175	-21	-15	-237	-5	178	66	-67	316
Attrition (%)	13.7	13.1	12.9	13.2	13.8	15.1	15.8	16.2	16	15.6
DSO	84	85	90	81	87	109	111	95	97	102

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 12: QoQ and YoY growth on various parameters for Tata Technologies

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
QoQ Growth (% , US\$)	-2.9%	1.6%	0.7%	-4.8%	-2.0%	3.9%	1.2%	11.9%	2.7%	1.4%
By Segment										
Service Segment	-1.0%	2.0%	0.8%	1.1%	-5.9%	5.1%	4.7%	15.0%	6.3%	4.5%
Technology Solutions Segment	-7.4%	2.8%	4.6%	-14.1%	7.3%	10.6%	-1.6%	15.4%	4.3%	-6.7%
By Services segment										
Automotive	-4.0%	1.6%	-0.5%	-5.9%	-2.0%	1.4%	-0.1%	13.3%	2.7%	0.2%
Non-automotive	4.1%	1.6%	7.4%	1.2%	-2.0%	16.1%	6.5%	6.3%	2.7%	6.8%
By Delivery										
Offshore	0.5%	9.5%	0.0%	-0.9%	-10.4%	7.0%	-3.8%	-5.1%	5.8%	4.4%
Onshore	-4.9%	-3.4%	1.2%	-7.5%	4.4%	1.8%	4.6%	22.7%	1.2%	-0.1%
YoY Growth (US\$)	-0.7%	0.8%	0.6%	-5.3%	-4.5%	-2.4%	-1.9%	15.2%	20.7%	17.9%
By Geography										
Service Segment	7.0%	14.4%	6.2%	9.0%	-2.8%	-4.9%	-8.5%	-12.4%	3.4%	0.9%
Technology Solutions Segment	-5.0%	-7.2%	-3.1%	-14.0%	-5.6%	-0.5%	2.8%	36.3%	32.1%	29.7%
By Services segment										
Automotive	-0.6%	1.0%	1.2%	2.9%	-2.2%	0.8%	4.7%	19.1%	34.6%	33.9%
Non-automotive	6.4%	6.4%	5.7%	-14.5%	-1.0%	6.6%	0.3%	34.8%	31.0%	10.5%
By Delivery										
Offshore	-5.1%	-0.4%	-1.8%	-8.6%	-6.7%	-7.0%	-6.6%	12.4%	17.8%	16.4%
Onshore	35.5%	8.0%	15.0%	15.0%	8.3%	23.6%	22.6%	28.7%	34.9%	24.1%

Source: Company, Nirmal Bang Institutional Equities Research

Financials

Exhibit 13: Income statement

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
Average INR/USD	84.6	88.7	95.1	96.0	96.3
Net sales (US\$mn)	611	620	719	803	896
-Growth (%)	-1.2%	1.5%	16.0%	11.7%	11.5%
Net Sales	51,685	55,055	68,371	77,116	86,905
-Growth (%)	1.0%	6.5%	24.2%	12.8%	12.7%
Direct cost	37,791	41,298	51,005	56,944	63,652
Gross Profit	13,894	13,757	17,366	20,172	23,253
Gross Margin	26.9%	25.0%	25.4%	26.2%	26.8%
SGA Expenses	4553	5228	6158	7015	7821
% of sales	8.8%	9.5%	9.0%	9.1%	9.0%
EBITDA	9,341	8,529	11,208	13,157	15,431
% of sales	18.1%	15.5%	16.4%	17.1%	17.8%
Depreciation & Amortization	(1,212)	(1,450)	(2,104)	(2,389)	(2,564)
% of sales	-2.3%	-2.6%	-3.1%	-3.1%	-2.9%
EBIT	8129	7079	9104	10768	12868
% of sales	15.7%	12.9%	13.3%	14.0%	14.8%
Other income (net)	1,240	1,746	1,304	812	812
Finance cost	197	341	750	794	794
Exceptional Items	0	2,200	0	0	0
PBT	9,172	6,284	9,657	10,786	12,886
-PBT margin (%)	17.7%	11.4%	14.1%	14.0%	14.8%
Provision for tax	2,445	2,181	2,918	2,958	3,415
Effective tax rate (%)	26.7%	34.7%	30.2%	27.4%	26.5%
Net profit	6,728	4,102	6,740	7,828	9,471
MI & share of profit/(loss) of associate	(41)	(240)	(438)	(457)	(457)
Net reported profit	6,769	4,343	7,178	8,285	9,928
-Growth (%)	-0.4%	-35.8%	65.3%	15.4%	19.8%
-Net profit margin (%)	13.1%	7.9%	10.5%	10.7%	11.4%

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 15: Balance sheet

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	811	812	812	812	812
Reserves	34,983	38,422	36,298	39,711	44,767
Net worth	35,794	39,234	37,110	40,523	45,579
Long term debt	0	5,890	5,319	5,319	5,319
Short term debt	0	766	1,814	2,314	2,814
Total debt	0	6,656	7,133	7,633	8,133
Net debt	(15,143)	(8,474)	(3,016)	(7,641)	(13,465)
Other non-current liabilities	2,161	10,431	9,860	9,860	9,860
Total Equity & Liabilities	66,642	89,535	90,100	98,025	1,06,954
Net Block	1,001	999	1,502	1,702	1,802
Right to use assets	1,607	1,969	3,199	3,199	3,199
Intangible and others	8,694	17,734	17,560	17,660	17,910
Other non-current assets	8,612	10,756	13,512	13,962	14,362
Investments	6,117	7,978	6,141	6,641	7,141
Trade receivables	10,056	11,869	14,712	16,962	18,917
Cash & Cash Equivalents	9,026	7,152	4,008	8,633	14,457
Other current assets	21,025	28,061	27,585	27,585	27,585
Total current assets	46,728	58,077	54,327	61,502	69,681
Total current liabilities	26,830	37,907	41,167	45,678	49,551
Total Assets	66,642	89,535	90,100	98,025	1,06,954

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 14: Cash flow

Y/E March (Rsmn)	FY25	FY26	FY27E	FY28E	FY29E
PBT	9,213	6,524	10,096	11,243	13,343
Depreciation	(1,212)	(1,450)	(2,104)	(2,389)	(2,564)
Interest	-	-	-	-	-
Other adjustments	(1,240)	(1,746)	(1,304)	(812)	(812)
Change in Working capital	2,990	4,879	892	2,262	1,917
Tax paid	(2,445)	(2,181)	(2,918)	(2,958)	(3,415)
Operating cash flow	6,993	7,757	4,662	7,346	8,470
Capex	(315)	(336)	(3,664)	(2,689)	(2,914)
Free cash flow	6,678	7,421	998	4,657	5,557
Other investing activities	(571)	(8,373)	385	(138)	(88)
Investing cash flow	(885)	(8,709)	(3,279)	(2,827)	(3,002)
Issuance of share capital	-	-	(4,430)	-	-
Movement of Debt	-	5,890	(571)	-	-
Dividend paid (incl DDT)	(4,165)	(4,766)	(4,872)	(4,872)	(4,872)
Other financing activities	(699)	(967)	-	-	-
Financing cash flow	(4,864)	156	(9,872)	(4,872)	(4,872)
Net change in cash flow	1,243	(796)	(8,489)	(353)	597
Opening C&CE	9,134	9,026	7,152	4,008	8,633
Closing C&CE	10,610	9,174	1,337	3,655	9,230

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 16: Key ratios

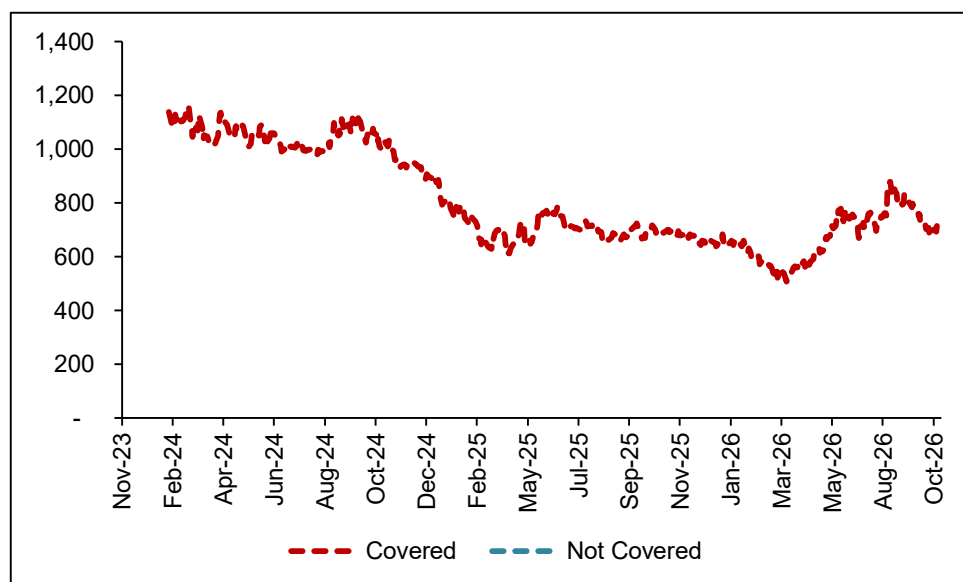
Y/E March	FY25	FY26	FY27E	FY28E	FY29E
Per Share (Rsmn)					
FDEPS	16.7	13.5	17.7	20.4	24.5
Dividend Per Share	11.7	11.7	23.7	12.0	48.0
Book Value	88	97	91	100	112
Valuation ratios (x)					
P/Sales	5.9	5.5	4.4	3.9	3.5
EV/EBITDA	30.8	34.5	26.7	22.4	18.7
PER	44.7	55.4	42.2	36.5	30.5
P/BV	8.4	7.7	8.2	7.5	6.6
Return ratios (%)					
RoE	19.9	11.6	18.8	21.3	23.1
Post Tax RoCE	17.5	11.3	14.1	16.9	18.6
Pre Tax RoCE	23.9	17.3	20.2	23.3	25.3
Post Tax ROIC	26.9	19.1	19.1	23.3	29.1
Profitability ratios (%)					
Gross Margin	26.9	25.0	25.4	26.2	26.8
EBITDA Margin	18.1	15.5	16.4	17.1	17.8
PAT Margin	13.1	7.9	10.5	10.7	11.4
Liquidity ratios (%)					
Current Ratio	1.7	1.5	1.3	1.3	1.4
Quick Ratio	1.7	1.5	1.3	1.3	1.4
Solvency ratio (%)					
Net Debt/Equity	-0.4	-0.2	-0.1	-0.2	-0.3
Turnover Ratios					
Asset Turnover Ratio	0.8	0.6	0.8	0.8	0.8
Debtor Days	71	81	87	85	84

Source: Company, Nirmal Bang Institutional Equities Research

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
24 May 2025	Hold	760	775
02 July 2025	Hold	711	796
15 July 2025	Hold	717	797
19 October 2025	Hold	685	717
19 January 2026	Hold	651	729
05 May 2026	Hold	591	665
6 July 2026	Hold	721	665
21 July 2026	Hold	749	725
15 October 2026	Hold	746	725

Rating track graph



Yash Agrawal (yash.agrawal@nirmaabang.com)
Operational Metrics

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	Net sales (R\$m)	EBITDA (R\$m)	PAT (R\$m)	EPS (Rs)	Sales	EBITDA	PAT
					FY26	FY27E	FY28E	FY26	FY26	FY27E	FY28E

Valuation Metrics									
Market Cap	Enterprise Value	Revenue	EBITDA	Operating Income	Net Income	EPS	P/E Ratio	EV/EBITDA	EV/Operating Income

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			PIBV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E

Auto - Ancillary

Yash Agrawal (yash.agrawal@nirmalbang.com)

Company	CMF	TP (Rs)	Current Ratio.	M-cap	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
(Rs)					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT

Valuation Metrics									
-------------------	--	--	--	--	--	--	--	--	--

[illegible]

Large Cap (M-cap >US\$5bn)																			
Balkrishna Industries	2,000	2,609	Buy	4,065	28.1	24.3	20.5	20.3	16.0	13.6	3.5	3.2	2.8	12.5	13.0	13.7	11.4	13.4	14.7

Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Apollo Tyres	400	502	Hold	2,668	10.6	15.9	11.7	6.5	6.6	5.5	1.5	1.4	1.3	14.4	8.9	10.9	13.5	11.6	14.0

Small Cap (M-cap <US\$1.5bn)																			
Ceat	3,358	3,927	Hold	1,426	19.5	23.7	14.5	8.0	8.6	7.1	2.7	2.5	2.2	14.5	10.5	15.8	16.8	11.7	14.7

Sansera Engineering	4,194	3,712	Hold	2,752	77.7	67.1	50.6	41.5	32.9	26.0	8.5	7.5	6.5	11.5	11.9	13.8	14.3	14.7	21.2
Suprajit Engineering	454	667	Buy	654	32.7	20.6	16.8	16.8	11.8	10.2	4.3	3.8	3.2	13.3	18.3	19.1	16.3	19.8	17.1

Banking																			
Akshat Agrawal (akshat.agrawal@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	NII	PPOP	PAT
Large Cap (M-cap >US\$5bn)																			
Axis Bank	1,265	1,490	Hold	41,397	5,60,480	6,50,025	7,91,248	4,28,168	5,22,116	6,38,739	2,44,567	3,18,979	3,95,642	78.8	102.6	127.2	18.8	22.1	27.2
Bandhan Bank	169	200	Hold	2,855	1,08,297	1,20,452	1,41,244	58,649	60,109	72,226	12,236	24,412	30,877	7.6	15.2	19.2	14.2	11.0	58.9
Bank of Baroda	229	325	Buy	12,450	4,76,825	5,42,694	6,36,744	3,22,590	3,57,955	4,32,835	2,00,211	1,92,526	2,53,082	38.7	37.2	48.9	15.6	15.8	12.4
HDFC Bank	711	1,020	Buy	1,15,200	12,86,860	14,67,101	17,40,206	11,85,583	12,36,661	14,90,509	7,46,713	8,20,684	9,96,976	48.6	53.3	64.7	16.3	12.1	15.5
ICICI Bank	1,339	1,820	Buy	1,01,037	8,80,752	10,36,137	12,33,286	7,15,989	8,39,628	10,09,826	5,01,466	5,94,767	7,08,593	70.2	83.0	98.8	18.3	18.8	18.9
IndusInd Bank	866	1,050	Hold	7,093	1,79,823	1,90,874	2,30,866	92,022	1,05,008	1,40,977	9,333	43,239	66,494	12.0	55.5	85.4	13.3	23.8	166.9
Kotak Mahindra Bank	438	475	Buy	45,811	3,00,101	3,35,671	3,95,240	2,20,669	2,55,265	3,02,317	1,40,077	1,67,997	1,92,533	14.1	16.9	19.4	14.8	17.0	17.2
Punjab National Bank	119	115	Hold	14,318	4,19,598	4,73,868	5,43,553	2,92,896	3,04,108	3,50,608	1,69,040	1,95,221	2,12,037	14.7	17.0	18.4	13.8	9.4	12.0
State Bank of India	955	1,275	Buy	92,565	17,31,205	20,03,183	23,14,726	11,84,220	13,91,164	16,14,253	8,00,320	8,78,973	10,21,042	87.6	95.2	110.6	15.6	16.8	13.0
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
AU Small Finance Bank	1,000	1,130	Hold	7,887	91,127	1,17,763	1,44,620	50,888	66,408	82,246	26,413	37,510	46,615	35.4	50.1	62.2	26.0	27.1	32.8
City Union Bank	226	255	Hold	2,352	28,298	34,683	41,512	20,142	24,344	29,408	13,262	16,641	19,905	13.4	16.8	20.1	21.1	20.8	22.5
Federal Bank	330	375	Hold	8,575	1,06,574	1,27,004	1,48,958	72,062	85,682	1,04,911	41,173	53,143	65,782	16.7	21.5	25.2	18.2	20.7	26.4
RBL Bank	386	386	Hold	6,299	63,595	75,233	90,541	32,992	44,576	59,618	8,224	18,522	28,512	13.4	13.7	18.4	19.3	34.4	86.2
Small Cap (M-cap <US\$1.5bn)																			
DCB Bank	211	230	Buy	714	24,565	30,279	36,542	12,958	15,638	19,405	7,316	9,212	11,334	23.0	28.6	35.2	22.0	22.4	24.5
Equitas Small Finance Bank	70	85	Buy	835	33,912	43,751	52,394	12,650	17,922	22,232	1,031	8,304	10,667	0.9	7.3	9.3	24.3	32.6	221.7
South Indian Bank	50	62	Buy	1,369	34,374	43,493	50,226	23,734	27,184	33,152	14,551	17,550	20,847	5.6	6.7	8.0	20.9	18.2	19.7

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics											
					PIE (X)			PIBV (X)			RoE (%)			RoA (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																
Axis Bank	1,265	1,490	Hold	41,397	16.0	12.3	9.9	1.9	1.7	1.4	12.7	14.4	15.4	1.4	1.6	1.6
Bandhan Bank	169	200	Hold	2,855	22.2	11.1	8.8	1.1	1.0	0.9	4.9	9.2	10.6	0.6	1.1	1.2
Bank of Baroda	229	325	Buy	12,450	5.9	6.2	4.7	0.8	0.7	0.6	13.8	12.0	14.2	1.1	0.9	1.0
HDFC Bank	711	1,020	Buy	1,15,200	14.6	13.3	11.0	1.9	1.8	1.6	14.0	13.8	15.1	1.8	1.8	1.9
ICICI Bank	1,339	1,820	Buy	1,01,037	19.1	16.1	13.6	2.8	2.5	2.2	15.9	16.4	17.0	2.2	2.3	2.4
IndusInd Bank	866	1,050	Hold	7,093	72.3	15.6	10.1	1.0	1.0	0.9	1.4	6.4	9.2	0.2	0.7	1.0
Kotak Mahindra Bank	438	475	Buy	45,811	31.1	25.9	22.6	3.2	2.9	2.6	11.1	11.7	12.0	1.9	2.0	2.0
Punjab National Bank	119	115	Hold	14,318	8.1	7.0	6.4	1.0	0.9	0.8	12.5	13.0	12.7	0.9	0.9	0.9
State Bank of India	955	1,275	Buy	92,565	10.9	10.0	8.6	1.6	1.4	1.3	16.2	15.2	15.6	1.1	1.1	1.1
Mid Cap (M-cap between US\$1.5bn to 5bn)																
AU Small Finance Bank	1,000	1,130	Hold	7,887	28.2	19.9	16.1	3.7	3.2	2.7	14.2	17.2	18.0	1.5	1.8	1.8
City Union Bank	226	255	Hold	2,352	16.8	13.4	11.2	2.1	1.9	1.6	13.2	14.7	15.4	1.5	1.6	1.6
Federal Bank	330	375	Hold	8,575	19.7	15.3	13.1	2.1	1.9	1.7	11.4	12.9	13.4	1.1	1.3	1.4
RBL Bank	386	386	Hold	6,299	28.8	28.1	21.0	1.4	1.3	1.3	5.1	6.1	6.2	0.5	1.0	1.3
Small Cap (M-cap <US\$1.5bn)																
DCB Bank	211	230	Buy	714	9.2	7.4	6.0	1.0	0.9	0.8	12.0	13.2	14.3	0.9	1.0	1.0
Equitas Small Finance Bank	70	85	Buy	835	76.9	9.5	7.4	1.3	1.1	1.0	1.7	12.7	14.2	0.2	1.2	1.3
South Indian Bank	50	62	Buy	1,369	8.9	7.4	6.2	1.1	1.0	0.9	13.5	14.4	14.9	1.1	1.2	1.2

NBFC																			
Akshat Agrawal (akshat.agrawal@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	NII	PPOP	PAT
Large Cap (M-cap >US\$5bn)																			
Housing & Urban Development Corp	164	239	Buy	3,459	41,656	54,733	67,769	39,665	52,539	65,170	40,344	41,421	51,030	20.2	20.7	25.5	27.5	28.2	12.5
Muthoot Finance	2,580	3,000	Hold	10,877	1,71,255	1,90,226	2,21,757	1,41,153	1,51,262	1,76,948	1,01,341	1,08,128	1,26,277	252.4	269.3	314.5	13.8	12.0	11.6
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Manappuram Finance	324	375	Hold	3,196	45,945	62,220	75,541	25,745	39,323	48,979	15,247	25,603	32,850	18.0	26.0	31.8	28.2	37.9	46.8
Aavas Financiers	1,213	1,714	Hold	1,010	11,849	14,257	15,302	8,742	10,626	11,302	6,549	8,020	8,334	82.6	101.1	105.1	13.6	13.7	12.8
LIC Housing Finance	535	574	Hold	3,090	84,277	89,878	1,00,561	76,693	78,731	88,702	55,951	58,629	64,422	101.7	107.0	117.0	9.2	7.5	7.3
PNB Housing Finance	1,200	1,216	Hold	3,290	30,270	35,235	41,487	26,176	30,156	36,419	23,279	24,123	26,991	89.3	92.6	103.6	17.1	18.0	7.7
Small Cap (M-cap <US\$1.5bn)																			
Can Fin Homes	735	995	Buy	1,029	16,106	17,712	20,425	13,432	14,614	17,029	1,08,576	1,11,522	1,30,122	81.5	83.7	97.7	12.6	12.6	9.5
Home First Finance	1,107	1,506	Buy	1,216	8,717	9,943	12,534	7,646	8,737	10,313	5,404	6,168	7,234	52.0	59.3	69.6	19.9	16.1	15.7
Repco Home Finance	331	442	Buy	218	7,644	8,520	9,548	5,550	5,999	6,604	4,528	4,282	4,744	72.4	68.5	75.8	11.8	9.1	2.4

Valuation Metrics

NBFC																			
Vinod Rajamani (vinod.rajamani@nirmalbang.com)																			
Company	Operational Metrics																		
	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	NII	PPOP	PAT
Large Cap (M-cap >US\$5bn)																			
Bajaj Finance	957	1,200	Buy	62,638	4,41,101	5,89,381	7,40,462	3,55,473	4,75,430	5,52,239	1,93,324	2,86,236	3,31,676	233.8	294.3	384.7	29.6	24.6	31.0
HDB Financial	585	750	Buy	5,100	89,681	1,03,170	1,19,671	62,017	74,749	89,826	25,443	33,791	41,263	31.0	27.3	30.6	15.5	20.3	27.3
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Poonawalla Fincorp	437	470	Hold	4,049	33,742	52,512	68,401	18,278	30,096	38,667	5,419	10,736	13,448	13.2	13.4	15.4	42.4	45.4	57.5

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics											
					PIE (X)			P/ABV (X)			RoE (%)			RoA (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																
Bajaj Finance	957	1,200	Buy	62,638	4.1	3.3	2.5	5.1	4.3	3.5	17.9	22.3	21.6	3.8	4.6	4.5
HDB Financial	585	750	Buy	5,100	18.8	21.4	19.1	2.3	2.0	1.7	13.9	15.1	15.8	2.2	2.5	2.6
Mid Cap (M-cap between US\$1.5bn to 5bn)																
Poonawalla Fincorp	437	480	Hold	4,049	33.1	32.7	28.5	3.4	2.7	2.6	5.9	9.1	10.0	1.1	1.5	1.4

Insurance																		
Vinod Rajamani (vinod.rajamani@nirmalbang.com)																		
Operational Metrics																		
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	APE (Rsmn)			NBV (Rsmn)			APE/NBV Margin (%)			EVPS (Rs)			CAGR FY26-FY28E	
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	APE	NBV
Large Cap (M-cap >US\$5bn)																		
HDFC Life Insurance	544	700	Buy	12,426	1,66,410	1,88,093	2,13,568	40,340	46,173	54,993	24.2	24.5	25.7	288.0	331.5	380.8	13.3	16.8
ICICI Pru Life Insurance	445	660	Buy	6,789	1,06,420	1,19,719	1,34,199	26,290	29,636	33,906	24.7	24.8	25.3	366.6	416.4	469.0	12.3	13.6
SBI Life Insurance	1,650	2,360	Buy	17,405	2,42,600	2,72,051	3,06,447	66,700	75,497	86,675	27.5	27.8	28.3	806.1	946.5	1,109.7	12.4	14.0
Mid Cap (M-cap between US\$1.5bn to 5bn)																		
Canara HSBC Life Insurance	135	205	Buy	1,350	27,987	32,854	38,247	6,273	7,254	8,534	22.4	22.1	22.3	76.1	89.8	105.8	16.9	16.6
Max Financial Services	1,284	1,980	Buy	4,654	1,05,030	1,21,182	1,41,754	26,470	30,673	35,832	25.2	25.3	25.3	669.2	794.9	942.7	16.2	16.3

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics											
					PIEV (X)			P/BV (X)			RoE (%)			RoEV (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																
HDFC Life Insurance	544	700	Buy	12,426	1.9	1.6	1.4	6.6	5.8	5.3	11.3	10.9	10.3	12.1	15.9	14.9
ICICI Pru Life Insurance	445	660	Buy	6,789	1.2	1.1	0.9	4.7	4.2	3.7	12.6	12.7	11.9	10.5	13.6	12.6
SBI Life Insurance	1,650	2,360	Buy	17,405	2.0	1.7	1.5	8.7	7.6	6.6	13.7	15.0	15.0	15.0	17.4	17.2
Mid Cap (M-cap between US\$1.5bn to 5bn)																
Canara HSBC Life Insurance	135	205	Buy	1,350	1.8	1.5	1.3	8.0	7.6	7.1	8.1	8.0	8.4	18.4	17.9	17.9
Max Financial Services	1,284	1,980	Buy	4,654	1.9	1.6	1.4	7.1	6.7	6.2	4.4	5.8	7.1	14.6	18.8	18.6

Auto NBFC																			
Vinod Rajamani (vinod.rajamani@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net Interest Income (Rsmn)			Op Profit (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	NII	PPOP	PAT
Large Cap (M-cap >US\$5bn)																			
Cholamandalam Investment and Finance	1,563	1,800	Hold	14,025	1,39,984	1,73,326	1,99,731	1,04,965	1,30,724	1,52,135	52,196	72,189	87,000	41.6	56.2	79.0	19.4	20.4	29.1
Shriram Finance	950	1,190	Buy	23,501	2,51,236	3,14,310	3,78,715	1,86,313	2,30,274	2,62,233	99,981	1,29,283	1,58,251	192.0	236.4	281.7	22.8	18.6	25.8
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Mahindra & Mahindra Financial	319	390	Hold	4,662	88,196	1,00,189	1,16,214	62,312	73,520	91,025	27,823	36,602	49,637	14.3	18.5	26.2	14.8	20.9	33.6
Sundaram Finance	4,258	4,650	Hold	4,974	29,300	33,269	40,025	29,011	30,726	36,077	18,342	19,331	24,314	118.8	125.0	143.7	16.9	11.5	15.1

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics											
					PIE (X)			P/BV (X)			RoE (%)			RoA (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																
Cholamandalam Investment and Finance	1,563	1,800	Hold	14,025	37.6	27.8	19.8	4.3	3.5	2.9	19.3	21.3	21.0	2.3	2.7	2.8
Shriram Finance	950	1,190	Buy	23,501	4.9	4.0	3.4	13.5	8.8	7.9	16.4	13.2	11.5	3.3	3.4	3.3
Mid Cap (M-cap between US\$1.5bn to 5bn)																
Mahindra & Mahindra Financial	319	390	Hold	4,662	22.4	17.2	12.2	1.8	1.6	1.4	12.5	13.8	16.2	2.0	2.2	2.4
Sundaram Finance	4,258	4,650	Hold	4,974	35.8	34.1	29.6	3.7	3.2	2.7	15.4	14.0	15.1	2.9	2.7	2.9

Consumer Durables & Consumer Electricals																			
Rabindra Nath Nayak (rabindranath.nayak@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (R\$mn)			EBITDA (R\$mn)			PAT (R\$mn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Havells India	1,120	1,305	Buy	7,388	2,25,278	2,58,457	2,89,425	21,997	23,727	27,981	16,310	15,481	18,732	26.0	24.7	29.8	13.3	12.8	7.2
Polycab India	8,335	9,004	Hold	13,191	2,88,838	3,82,626	4,52,511	40,057	51,442	61,758	26,720	35,107	43,269	177.5	233.2	287.4	25.2	24.2	27.3
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bajaj Electricals	306	386	Hold	371	44,622	49,093	53,649	1,513	2,676	3,327	(637)	1,292	1,739	(5.5)	11.2	15.1	9.6	48.3	#NUM!
Blue Star	1,614	1,834	Buy	3,489	1,24,020	1,31,842	1,60,930	9,304	9,233	11,487	5,665	5,731	7,604	27.6	27.9	37.0	13.9	11.1	15.9
Crompton Greaves Consumer Electricals	216	365	Buy	1,461	80,955	91,857	1,05,419	8,274	10,143	12,578	5,143	6,245	7,472	8.0	9.7	11.6	14.1	23.3	20.5
Dixon Technologies India	12,820	14,671	Hold	8,244	4,88,728	7,48,507	9,84,402	18,665	24,706	38,192	8,446	11,854	19,243	138.2	194.0	314.9	41.9	43.0	50.9
V-Guard Industries	295	404	Buy	1,354	59,658	68,435	78,974	5,268	6,863	8,229	3,526	4,286	5,495	8.1	9.8	12.6	15.1	25.0	24.8
Voltas	1,040	1,096	Hold	3,617	1,42,445	1,64,096	1,93,902	6,469	9,588	13,665	4,024	6,284	10,248	12.2	19.0	31.0	16.7	45.3	59.6
Whirlpool of India	847	802	Hold	1,129	80,342	91,357	99,901	4,811	3,746	5,694	2,938	2,339	3,566	23.2	18.4	28.1	11.5	8.8	10.2
PG Electroplast Ltd	523	600	Hold	1,575	52,880	68,315	1,02,175	3,870	5,207	8,484	1,966	2,519	4,020	6.9	8.8	14.1	39.0	48.1	43.0
Small Cap (M-cap <US\$1.5bn)																			
Amber Enterprises India	6,645	8,376	Buy	2,461	1,21,865	1,47,844	2,79,618	9,523	12,352	16,714	3,068	4,736	6,988	87.0	134.3	198.1	51.5	32.5	50.9
IFB Industries	1,193	1,618	Buy	508	54,433	62,714	71,853	3,014	3,400	4,100	1,333	1,726	2,217	32.3	41.8	53.7	14.9	16.6	28.9
Orient Electric	174	255	Buy	390	33,264	38,253	43,728	2,291	2,831	3,496	1,060	1,491	1,717	5.0	7.0	8.0	6.3	23.5	27.3
Stove Kraft	852	821	Hold	296	16,074	19,069	21,621	1,661	2,098	2,443	420	619	874	12.7	18.7	26.4	18.2	21.3	44.3
EPACK Durables	178	244	Hold	180	18,945	29,024	38,788	1,139	1,942	2,980	33	235	667	0.3	2.5	7.0	4.7	61.7	352.5

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics														
					PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Havells India	1,120	1,305	Buy	7,388	43.1	45.4	37.5	31.4	29.1	24.7	7.4	7.2	6.4	18.7	16.1	18.0	16.8	16.8	18.8
Polycab India	8,335	9,004	Hold	13,191	47.0	35.7	29.0	31.2	24.3	20.2	10.4	8.7	7.1	22.3	24.3	24.4	29.4	31.9	31.3
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bajaj Electricals	306	386	Hold	371	(55.5)	27.4	20.3	21.7	12.3	9.9	2.2	2.1	1.9	(5.7)	7.9	9.3	0.6	8.2	8.8
Blue Star	1,614	1,834	Buy	3,489	58.6	57.9	43.6	35.9	36.2	29.1	9.7	6.2	5.7	16.2	13.2	13.5	20.5	15.7	16.4
Crompton Greaves Consumer Electricals	216	365	Buy	1,461	27.0	22.3	18.6	16.6	13.5	10.9	4.7	4.3	3.7	16.5	20.7	22.4	17.3	23.0	25.3
Dixon Technologies India	12,820	14,671	Hold	8,244	92.7	66.1	40.7	41.8	31.5	20.4	16.7	14.2	10.6	18.1	21.6	26.2	24.7	30.9	38.8
V-Guard Industries	295	404	Buy	1,354	36.5	30.0	23.4	24.4	18.7	15.6	5.4	5.1	4.3	13.8	17.5	20.0	18.0	22.0	24.3
Voltas	1,040	1,096	Hold	3,617	85.5	54.7	33.6	53.5	36.1	25.3	5.4	5.2	4.7	5.8	9.7	14.7	7.6	11.7	16.2
Whirlpool of India	847	802	Hold	1,129	36.6	45.9	30.1	17.0	21.9	14.4	2.6	2.5	2.3	7.2	5.5	8.0	6.7	3.5	6.4
PG Electroplast Ltd	523	600	Hold	1,575	75.9	59.2	37.1	39.0	29.0	17.8	4.9	4.5	4.0	6.7	7.9	11.5	6.9	8.2	12.1
Small Cap (M-cap <US\$1.5bn)																			
Amber Enterprises India	6,645	8,376	Buy	2,461	76.4	49.5	33.5	26.5	20.5	15.1	5.4	5.0	4.3	5.3	7.6	13.8	9.8	8.8	10.9
IFB Industries	1,193	1,618	Buy	508	36.9	28.5	22.2	15.8	14.0	11.6	5.0	4.2	3.5	14.4	16.0	17.4	18.3	19.7	21.8
Orient Electric	174	255	Buy	390	35.0	24.9	21.6	16.2	13.1	10.6	4.9	4.5	4.0	13.2	16.4	19.7	21.4	27.1	27.7
Stove Kraft	852	821	Hold	296	67.2	45.6	32.3	16.8	13.3	11.4	5.6	5.1	4.5	8.6	11.7	14.7	15.1	18.2	18.4
EPACK Durables	178	244	Hold	180	521.9	72.4	25.5	21.1	12.4	8.1	1.8	1.7	1.6	0.3	2.4	6.6	2.6	5.3	7.8

Capital Goods																			
Rabindra Nath Nayak (rabindranath.nayak@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Small Cap (M-cap <US\$1.5bn)																			
Jyoti CNC Automation	1,011	1,153	Buy	2,417	20,931	29,344	37,920	5,268	7,453	9,648	3,360	4,421	6,127	14.8	19.4	26.9	34.6	35.3	35.0
Sterilite Technologies	922	1,340	Buy	4,977	47,450	96,256	1,29,008	5,860	22,128	30,960	560	12,784	16,731	1.1	22.8	33.1	64.9	129.9	446.6
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Small Cap (M-cap <US\$1.5bn)																			
Jyoti CNC Automation	1,011	1,153	Buy	2,417	68.4	52.0	37.5	45.0	31.8	24.6	11.5	9.4	7.5	18.2	19.9	22.3	13.6	16.1	18.6
Sterilite Technologies	922	1,340	Buy	4,977	808.8	40.5	27.9	83.5	22.1	15.8	19.9	19.9	19.9	2.5	23.1	23.2	3.5	20.9	23.3

Cement																			
Girija Shankar Ray (girijashankar.ray@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Ambuja Cements	349	556	Buy	9,117	4,06,557	4,46,947	4,92,368	65,389	77,246	92,791	45,028	25,636	34,788	18.2	10.4	14.1	10.0	19.1	(12.1)
Dalmia Bharat	1,618	2,083	Buy	3,190	1,48,040	1,55,908	1,82,230	30,830	32,341	39,016	11,585	11,195	13,960	61.8	59.7	74.4	10.9	12.5	9.8
Shree Cement	22,185	28,758	Hold	8,415	1,93,105	2,16,005	2,37,741	41,912	46,636	54,182	17,063	17,045	20,334	472.9	472.4	563.6	11.0	13.7	9.2
UltraTech Cement	10,795	13,662	Buy	33,406	8,85,115	9,74,662	10,61,038	1,70,202	1,92,988	2,22,570	82,696	98,201	1,16,598	281.1	333.9	396.4	9.5	14.4	18.7
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
JK Cement	4,909	6,120	Hold	3,988	1,37,223	1,55,513	1,73,327	23,743	27,818	31,996	10,252	12,899	14,805	132.7	166.9	191.6	12.4	16.1	20.2
The Ramco Cements	803	1,084	Buy	1,995	90,126	96,709	1,14,150	14,382	16,216	19,905	2,787	3,872	6,901	11.8	16.4	29.2	12.5	17.6	57.4
Nuvoco Vistas Corp	319	451	Buy	1,199	1,13,383	1,21,525	1,37,721	18,569	18,178	22,160	3,959	3,360	5,838	11.1	9.4	16.3	10.2	9.2	21.4
Small Cap (M-cap <US\$1.5bn)																			
Birla Corp	795	1,234	Buy	644	96,556	1,07,129	1,10,548	14,544	15,261	17,609	5,625	6,024	7,452	73.0	78.2	96.8	7.0	10.0	15.1
JK Lakshmi Cement	468	693	Buy	611	67,626	72,236	75,035	10,107	10,986	12,930	4,261	4,286	4,458	34.3	34.5	35.9	5.3	13.1	2.3
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Ambuja Cements	349	556	Buy	9,117	19.2	33.7	24.8	13.2	11.2	9.3	1.2	1.2	1.1	6.6	3.5	4.5	8.0	2.9	3.9
Dalmia Bharat	1,618	2,083	Buy	3,190	26.2	27.1	21.7	10.5	10.0	8.3	1.7	1.6	1.5	6.5	6.0	7.1	5.9	5.3	5.9
Shree Cement	22,185	28,758	Hold	8,415	46.9	47.0	39.4	17.6	15.8	13.6	3.6	3.4	3.2	7.8	7.4	8.3	9.6	9.3	10.1
UltraTech Cement	10,795	13,662	Buy	33,406	38.4	32.3	27.2	19.6	17.3	15.0	3.9	3.8	3.6	10.7	12.0	13.6	13.1	14.4	16.5
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
JK Cement	4,909	6,120	Hold	3,988	37.0	29.4	25.6	18.4	15.7	13.6	5.3	4.6	4.0	15.6	16.8	16.7	9.7	10.8	10.7
The Ramco Cements	803	1,084	Buy	1,995	68.1	49.0	27.5	15.7	13.9	11.4	2.3	2.2	2.1	3.6	4.6	7.8	6.1	7.1	9.8
Nuvoco Vistas Corp	319	451	Buy	1,199	28.8	33.9	19.5	8.7	8.9	7.3	1.1	1.1	1.0	3.7	2.5	4.6	4.8	4.5	6.0
Small Cap (M-cap <US\$1.5bn)																			
Birla Corp	795	1,234	Buy	644	10.9	10.2	8.2	5.6	5.4	4.7	0.8	0.8	0.7	7.8	7.9	9.1	6.4	6.6	7.5
JK Lakshmi Cement	468	693	Buy	611	13.6	13.6	13.0	7.1	6.5	5.5	1.5	1.4	1.3	11.1	10.6	10.2	8.6	8.2	7.8

Construction																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY25-FY27E		
					FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	Sales	EBITDA	PAT
Small Cap (M-cap <US\$1.5bn)																			
Ashoka Buildcon	106	109	Hold	314	70,614	60,679	66,308	5,469	5,781	6,204	1,970	2,045	2,954	7.0	13.2	10.5	(3.1)	6.5	22.4
KNR Constructions	113	101	Sell	333	33,586	20,806	22,794	6,259	2,020	2,345	7,407	1,270	1,420	25.8	4.5	5.0	(17.6)	(38.8)	(56.2)
PNC Infratech	149	214	Hold	401	55,131	46,335	55,664	10,489	5,829	6,845	7,056	3,396	3,694	27.5	13.4	14.4	0.5	(19.2)	(27.6)
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E
Small Cap (M-cap <US\$1.5bn)																			
Ashoka Buildcon	106	109	Hold	314	15.2	8.1	10.1	8.8	8.3	7.7	0.7	0.6	0.6	5.1	7.7	5.7	5.8	5.7	5.7
KNR Constructions	113	101	Sell	333	4.4	25.0	22.4	4.8	15.0	12.9	0.8	0.6	0.6	19.2	2.8	2.8	20.8	3.1	2.9
PNC Infratech	149	214	Hold	401	5.4	11.1	10.3	3.4	6.1	5.2	0.7	0.7	0.6	13.6	6.0	6.0	12.2	6.0	6.7
Defence																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY25-FY27E		
					FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Bharat Electronics	382	497	Buy	29,382	2,37,688	2,76,101	3,27,648	68,337	80,493	92,731	53,214	60,620	71,131	7.3	8.3	9.7	17.4	16.5	15.6
Hindustan Aeronautics	4,933	5,432	Buy	34,683	3,09,810	3,30,888	3,96,671	96,081	97,698	1,17,843	83,582	91,185	1,03,222	125.0	136.3	154.3	13.2	10.7	11.1
Mazagon Dock Shipbuilders	2,124	3,158	Buy	9,009	1,14,319	1,30,063	1,40,468	20,600	24,262	27,182	24,135	27,556	30,272	59.8	68.3	75.0	10.8	14.9	12.0
Solar Industries India	20,170	19,995	Buy	19,167	75,502	98,377	1,38,305	19,604	26,218	37,995	10,098	16,776	26,813	111.6	185.4	296.3	35.3	39.2	62.9
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bharat Dynamics	1,129	1,434	Buy	4,351	33,451	39,422	50,619	4,724	4,801	7,184	5,496	6,019	7,895	15.0	16.4	21.5	23.0	23.3	19.8
Bharat Earth Movers	1,985	2,000	Buy	1,736	40,222	44,237	51,990	5,057	4,466	6,490	2,925	2,541	3,980	35.1	30.5	47.8	13.7	13.3	16.6
Data Patterns	4,132	4,156	Hold	2,429	7,084	9,248	12,100	2,850	3,740	4,737	2,218	2,744	3,386	39.6	49.0	60.5	30.7	28.9	23.6
Small Cap (M-cap <US\$1.5bn)																			
Astra Microwave Products	1,680	1,139	Buy	1,677	10,512	11,558	13,700	2,690	3,081	3,625	1,535	1,710	1,957	16.2	18.0	20.6	14.2	16.1	12.9
Paras Defence and Space Technologies	1,285	863	Hold	1,087	3,647	4,766	6,203	972	1,205	1,658	635	854	1,111	7.9	10.6	13.8	30.4	30.6	32.3
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	P/E (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E	FY25	FY26	FY27E
Large Cap (M-cap >US\$5bn)																			
Bharat Electronics	382	497	Buy	29,382	52.5	46.1	39.3	39.5	33.5	29.1	14.0	11.6	9.9	29.3	27.6	27.2	33.0	32.3	31.7
Hindustan Aeronautics	4,933	5,432	Buy	34,683	39.5	36.2	32.0	30.4	29.9	24.8	9.4	8.0	6.9	26.1	24.0	23.2	15.9	11.2	10.7
Mazagon Dock Shipbuilders	2,124	3,158	Buy	9,009	35.5	31.1	28.3	33.8	28.7	25.6	10.8	8.6	6.7	34.0	30.7	26.6	27.4	25.4	21.9
Solar Industries India	20,170	19,995	Buy	19,167	180.8	108.8	68.1	93.2	69.7	48.1	41.6	29.1	21.0	26.3	31.5	35.8	36.3	35.3	37.8
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bharat Dynamics	1,129	1,434	Buy	4,351	75.3	68.8	52.4	78.7	77.5	51.8	10.3	9.7	8.6	14.4	14.6	17.4	5.5	5.4	8.1
Bharat Earth Movers	1,985	2,000	Buy	1,736	56.5	65.1	41.5	33.1	37.5	25.8	5.7	5.3	4.8	10.5	8.5	12.1	14.8	11.2	16.1
Data Patterns	4,132	4,156	Hold	2,429	104.3	84.3	68.3	80.7	61.5	48.6	15.3	13.3	11.5	15.7	16.9	18.1	19.1	21.6	23.8
Small Cap (M-cap <US\$1.5bn)																			
Astra Microwave Products	1,680	1,139	Buy	1,677	104.0	93.4	81.5	60.5	52.8	44.9	14.5	12.8	11.3	14.9	14.6	14.7	20.8	20.6	21.7
Paras Defence and Space Technologies	1,285	863	Hold	1,087	163.1	121.3	93.2	105.6	85.2	61.9	16.3	14.3	12.4	11.8	12.5	14.2	14.6	14.7	18.1

Consumer Staples																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Britannia Industries	4,928	6,630	Buy	12,479	1,91,516	2,08,956	2,35,068	35,444	37,983	44,588	25,335	26,646	31,618	105.2	110.6	131.3	10.8	12.2	11.7
Colgate-Palmolive India	1,826	2,200	Hold	5,217	60,350	64,836	69,215	18,697	20,419	21,991	13,503	15,069	16,155	49.6	55.4	59.4	7.1	8.5	9.4
Dabur India	388	475	Hold	7,236	1,31,926	1,38,649	1,47,841	24,518	25,099	27,806	18,855	18,872	21,108	10.6	10.6	11.9	5.9	6.5	5.8
Godrej Consumer Products	871	1,175	Hold	9,365	1,51,779	1,65,425	1,79,677	31,562	33,418	38,882	20,946	22,125	26,402	20.5	21.6	25.8	8.8	11.0	12.3
Hindustan Unilever	1,896	2,250	Hold	46,820	6,44,680	6,85,013	7,33,015	1,50,540	1,56,756	1,72,007	1,09,020	1,09,609	1,19,937	46.4	46.6	51.0	6.6	6.9	4.9
ITC	262	320	Hold	34,448	7,19,838	7,50,469	7,93,199	3,60,131	2,85,751	2,91,208	3,13,013	2,01,881	2,05,627	25.0	16.1	16.4	5.0	(10.1)	(18.9)
Marico	790	895	Hold	10,787	1,36,110	1,50,323	1,64,144	23,280	27,650	32,998	17,620	20,297	24,316	13.6	15.6	17.7	9.8	19.1	17.5
Nestle India	1,383	1,540	Hold	28,010	2,31,546	2,61,649	3,01,711	53,061	60,354	74,055	34,238	38,600	48,000	17.8	20.0	24.9	14.2	18.1	18.4
P&G Hygiene & Health Care	7,130	11,630	Buy	2,431	42,904	47,195	52,386	11,241	11,563	12,625	8,565	8,651	9,449	263.5	266.2	290.8	10.5	6.0	5.0
Tata Consumer Products	988	1,310	Buy	10,268	2,02,904	2,32,144	2,64,255	27,918	33,752	40,916	15,624	19,768	25,580	15.8	20.0	25.8	14.1	21.1	28.0
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Emami	378	445	Hold	1,732	37,795	40,268	42,937	9,637	11,602	11,862	8,536	9,661	9,460	19.6	22.1	21.5	6.6	10.9	5.3
Gillette India	7,018	9,170	Buy	2,404	30,995	34,620	36,900	9,431	10,190	10,946	6,542	7,094	7,597	200.7	193.8	215.2	9.1	7.7	7.8
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Britannia Industries	4,928	6,630	Buy	12,479	46.9	44.6	37.5	33.3	31.1	26.5	23.2	21.1	19.1	54.3	49.7	53.4	40.9	38.0	41.5
Colgate-Palmolive India	1,826	2,200	Hold	5,217	36.8	33.0	30.8	25.8	23.6	21.9	31.4	31.4	31.4	83.1	95.1	102.0	84.4	97.4	104.4
Dabur India	388	475	Hold	7,236	36.5	36.5	32.6	26.5	25.9	23.4	6.1	5.8	5.7	17.0	16.3	17.6	15.9	15.2	16.5
Godrej Consumer Products	871	1,175	Hold	9,365	42.6	40.3	33.8	28.7	27.1	23.3	7.0	7.0	7.0	17.0	17.1	19.1	13.1	14.5	16.3
Hindustan Unilever	1,896	2,250	Hold	46,820	40.9	40.6	37.1	29.1	27.9	25.5	9.1	9.1	9.1	22.1	22.4	24.6	21.6	21.8	24.0
ITC	262	320	Hold	34,448	10.5	16.2	15.9	8.5	10.7	10.5	4.1	4.0	4.0	42.3	25.0	25.2	38.7	25.1	25.3
Marico	790	895	Hold	10,787	58.3	50.6	42.2	43.2	36.4	30.5	24.4	21.6	19.2	43.1	45.3	48.1	26.8	27.2	30.3
Nestle India	1,383	1,540	Hold	28,010	77.9	69.1	55.6	50.0	44.0	35.8	50.1	42.4	35.0	72.6	66.5	69.1	69.4	68.5	70.8
P&G Hygiene & Health Care	7,130	11,889	Buy	2,431	27.1	26.8	24.5	19.7	19.1	17.5	30.7	27.6	24.8	114.9	108.6	106.5	124.4	122.1	119.7
Tata Consumer Products	988	1,310	Buy	10,268	62.6	49.5	38.2	34.2	28.3	23.4	4.5	4.3	4.1	7.5	8.9	11.0	6.2	7.3	8.8
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Emami	378	445	Hold	1,732	19.3	17.1	17.6	16.3	13.5	13.3	5.6	4.4	4.0	30.4	29.0	24.3	37.4	34.4	28.4
Gillette India	7,018	9,170	Buy	2,404	35.0	36.2	32.6	24.0	22.2	20.6	24.2	21.1	15.6	66.4	69.8	59.6	67.3	70.9	60.6
Consumer Discretionary																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Asian Paints	2,345	2,825	Hold	23,618	3,55,835	3,86,100	4,14,650	66,959	75,356	84,632	44,830	50,449	57,299	46.7	52.6	62.7	7.9	12.4	13.1
Berger Paints India	474	570	Hold	5,804	1,18,803	1,27,831	1,37,802	18,333	20,149	22,134	11,802	12,975	14,355	10.1	11.1	12.3	7.7	9.9	10.3
Jubilant Foodworks	426	510	Hold	2,953	95,125	1,05,960	1,18,192	18,878	20,871	23,578	3,387	5,083	6,044	5.1	7.7	9.2	11.5	11.8	33.6
United Breweries	1,209	1,595	Hold	3,361	92,399	1,00,900	1,11,999	8,055	8,032	12,317	3,722	3,687	6,886	14.1	13.9	26.0	10.1	23.7	36.0
United Spirits	1,382	1,676	Buy	10,553	1,24,480	1,36,578	1,52,547	22,960	25,198	29,396	19,210	18,953	22,333	26.5	26.1	30.8	10.7	13.2	7.8
Small Cap (M-cap <US\$1.5bn)																			
Restaurant Brands Asia	94	77	Hold	700	28,226	31,163	35,451	3,283	4,019	5,142	(2,019)	(1,475)	(692)	(3.5)	(2.5)	(1.2)	12.1	25.2	(41.5)
Westlife Foodworld	586	585	Buy	961	26,256	29,144	32,495	3,368	3,701	5,034	(28)	(163)	713	(0)	(1.0)	4.6	11.2	22.2	#NUM!
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Asian Paints	2,345	2,825	Hold	23,618	50.2	44.6	37.4	32.8	29.1	25.9	10.5	9.8	9.4	22.0	22.8	24.4	17.8	21.4	22.7
Berger Paints India	474	570	Hold	5,804	46.8	42.6	38.5	29.7	27.0	24.6	6.7	6.0	5.4	18.1	17.8	17.7	15.7	15.4	16.8
Jubilant Foodworks	426	510	Hold	2,953	82.9	55.3	46.5	15.6	14.1	12.5	12.3	10.5	14.3	14.8	19.0	30.7	10.5	19.6	22.2
United Breweries	1,209	1,595	Hold	3,361	85.9	86.7	46.4	40.6	40.7	26.5	7.1	6.8	6.5	8.4	8.0	14.3	8.1	7.2	12.2
United Spirits	1,382	1,676	Buy	10,553	52.1	52.8	44.9	42.9	39.1	33.5	11.5	10.2	9.1	22.0	19.2	20.3	24.0	20.8	21.8
Small Cap (M-cap <US\$1.5bn)																			
Restaurant Brands Asia	94	77	Hold	700	(27.0)	(37.0)	(78.9)	21.0	17.1	13.4	7.6	9.5	10.8	(24.8)	(22.8)	(12.8)	(1.1)	5.7	15.1
Westlife Foodworld	586	585	Buy	961	(3,254.4)	(559.0)	128.1	27.6	25.1	18.5	14.8	15.2	13.6	(0.5)	(2.7)	11.2	9.9	10.0	19.1
Please note: FY25 for PGHH and Gillette is a 9 month period as the company is transitioning from a June year-end company to March year-end																			

Information Technology																			
Shubham Dalia (shubham.dalia@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
HCL Technologies	1,327	949	Sell	37,857	13,01,440	14,05,823	14,55,565	2,23,970	2,46,543	2,48,020	1,73,710	1,89,838	1,87,253	61.5	70.0	69.1	5.8	5.2	3.8
Infosys	1,088	984	Sell	46,418	17,86,500	19,55,043	19,99,605	3,62,540	3,86,798	3,97,235	2,94,740	2,93,959	3,01,688	72.8	72.5	74.4	5.8	4.7	1.2
LTMindtree	4,226	3,235	Sell	13,164	4,23,076	4,65,550	4,98,514	65,011	72,476	79,578	49,827	59,346	64,511	168.4	200.0	217.4	8.5	10.6	13.8
Tata Consultancy Services	2,305	1,724	Sell	87,670	26,70,210	28,05,209	27,45,916	6,68,380	6,79,155	6,65,895	4,92,170	5,20,943	5,09,158	136.0	145.4	140.7	1.4	(0.2)	1.7
Tech Mahindra	1,575	1,187	Sell	16,215	5,68,154	6,42,524	6,79,431	71,525	92,549	1,02,747	48,109	67,654	78,446	54.3	76.3	88.5	9.4	19.9	27.7
Wipro	171	151	Sell	17,798	9,26,240	9,68,116	9,82,265	1,49,398	1,51,738	1,54,689	1,32,655	1,30,559	1,31,133	12.6	13.2	13.3	3.0	1.8	(0.6)
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Birlasoft	299	327	Hold	878	53,099	56,854	61,243	7,450	8,095	8,613	5,183	6,239	6,533	18.6	22.3	23.4	7.4	7.5	12.3
Coforge	1,928	1,971	Hold	8,980	1,63,128	2,49,110	2,90,395	23,373	38,170	45,486	16,740	24,961	31,076	46.1	58.0	72.5	33.4	39.5	36.2
Mphasis	2,435	2,375	Hold	4,883	1,58,797	1,81,370	2,01,049	24,282	27,110	30,157	18,628	21,167	23,722	97.8	110.9	124.3	12.5	11.4	12.8
Persistent Systems	5,898	5,734	Hold	9,806	1,47,485	1,83,062	2,14,130	23,035	29,490	35,211	18,651	23,732	28,539	119.1	151.8	182.6	20.5	23.6	23.7
Zensar Technologies	490	553	Hold	1,173	56,874	61,928	66,331	8,249	8,371	9,173	7,746	7,855	8,942	34.4	34.9	39.5	8.0	5.4	7.4
KPIT Technologies	524	672	Hold	1,510	64,549	68,324	76,795	9,573	8,632	10,716	6,374	5,498	7,658	23.4	20.2	28.0	9.1	5.8	9.6
Tata Elxsi	3,623	3,857	Hold	2,371	37,575	42,437	46,947	7,531	9,166	10,816	7,242	8,000	9,597	116.2	128.4	154.1	11.8	19.8	15.1
Tata Technologies	747	725	Hold	3,186	55,055	67,811	76,570	7,079	9,572	11,560	4,343	7,755	8,925	13.5	19.1	22.0	17.9	27.8	43.4
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
HCL Technologies	1,327	949	Sell	37,857	21.6	18.9	19.2	14.7	13.4	13.3	4.8	4.8	4.7	24.0	25.4	25.0	22.9	24.6	24.6
Infosys	1,088	984	Sell	46,418	15.0	15.0	14.6	11.5	10.7	10.5	1.2	1.2	1.1	31.1	32.1	32.2	25.8	27.2	27.6
LTMindtree	4,226	3,235	Sell	13,164	25.1	21.1	19.4	17.3	15.5	14.1	5.2	4.7	4.0	21.3	23.2	22.2	19.4	19.7	19.2
Tata Consultancy Services	2,305	1,724	Sell	87,670	16.9	15.9	16.4	11.8	11.6	11.8	7.6	7.0	6.3	47.7	45.8	40.5	48.9	44.7	39.7
Tech Mahindra	1,575	1,187	Sell	16,215	29.0	20.6	17.8	20.4	15.8	14.2	2.8	2.7	2.5	16.6	21.7	23.0	17.9	21.6	22.0
Wipro	171	151	Sell	17,798	13.6	13.0	12.9	8.8	8.7	8.5	2.0	2.0	1.8	15.4	15.0	14.8	11.2	11.3	11.0
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Birlasoft	299	327	Hold	878	16.1	13.4	12.8	10.6	9.8	9.2	2.0	1.8	1.7	13.7	14.4	13.6	12.7	13.3	12.8
Coforge	1,928	1,971	Hold	8,980	41.9	33.3	26.6	36.3	22.2	18.6	6.8	3.5	3.2	16.5	14.8	12.5	20.8	17.0	13.7
Mphasis	2,435	2,375	Hold	4,883	24.9	22.0	19.6	18.7	16.8	15.1	2.6	2.4	2.3	18.3	18.8	19.2	15.6	15.5	16.0
Persistent Systems	5,898	5,734	Hold	9,806	49.5	38.8	32.3	39.6	30.9	25.9	11.8	9.5	7.7	26.3	27.1	26.4	25.0	23.1	20.6
Zensar Technologies	490	553	Hold	1,173	14.2	14.0	12.4	10.9	10.7	9.8	2.3	2.1	1.9	17.6	15.8	16.3	13.0	11.6	11.7
KPIT Technologies	524	672	Hold	1,510	22.4	26.0	18.7	14.0	15.6	12.5	4.0	3.7	3.2	19.7	14.8	18.4	20.0	15.0	16.7
Tata Elxsi	3,623	3,857	Hold	2,371	31.2	28.2	23.5	35.2	28.9	24.5	7.4	6.8	6.0	23.8	23.9	25.4	18.9	20.4	21.7
Tata Technologies	747	725	Hold	3,186	55.5	39.1	34.0	41.7	30.8	25.5	7.7	8.1	7.3	11.6	20.2	22.7	11.3	15.1	18.3
Power																			
Shibangi Choudhury (shibangi.choudhury@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Small Cap (M-cap <US\$1.5bn)																			
Insolation Energy	76	141	Buy	177	21,460	33,076	52,927	2,871	4,817	11,289	2,006	2,855	5,915	9.0	13.0	25.0	57.0	98.3	71.7
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Small Cap (M-cap <US\$1.5bn)																			
Insolation Energy	76	141	Buy	177	8.5	5.9	3.1	8.9	5.3	2.3	2.1	1.6	1.0	25.0	27.0	34.0	12.0	8.0	13.0

Others																			
Abhishek Navalgund (abhishek.navalgund@nirmalbang.com)																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Operational Metrics														
					Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Small Cap (M-cap <US\$1.5bn)																			
CCL Products India	1,101	1,400	Buy	1,543	44,574	47,699	54,721	7,329	8,476	9,615	3,881	5,065	6,072	29.2	38.1	45.6	10.8	14.5	25.1
LA Opala RG	156	230	Buy	182	3,091	3,555	4,148	1,157	1,283	1,497	941	1,121	1,325	8.5	10.1	11.9	15.8	13.7	18.7
Mold-Tek Packaging	325	900	Buy	227	8,866	10,142	11,637	1,724	2,037	2,388	723	881	1,124	21.9	26.7	34.0	14.6	17.7	24.7

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics														
					PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Small Cap (M-cap <US\$1.5bn)																			
CCL Products India	1,101	1,400	Buy	1,543	37.7	28.9	24.1	21.5	18.6	16.4	6.2	5.4	4.7	18.0	20.1	20.9	13.2	15.3	16.4
LA Opala RG	156	230	Buy	182	18.4	15.5	13.1	10.5	9.5	8.2	2.1	1.9	1.7	11.4	13.0	14.0	8.8	8.9	9.7
Mold-Tek Packaging*	325	450	Buy	227	14.9	12.2	9.6	13.8	11.7	9.9	1.6	1.4	1.3	10.9	12.1	14.0	9.8	10.9	12.3

Hotels																			
Abhishek Navalgund (abhishek.navalgund@nirmalbang.com)																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Operational Metrics														
					Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Indian Hotels Co	725	850	Buy	10,855	96,892	1,11,628	1,23,242	31,947	38,036	42,826	18,765	24,191	28,957	14.7	17.0	20.4	12.8	15.8	24.2
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
EH Ltd	294	348	Buy	1,927	29,396	33,290	37,538	10,238	11,082	12,447	7,604	7,995	8,991	12.2	12.8	14.4	13.0	10.3	8.7
Chalet Hotels	819	950	Buy	1,884	27,698	27,401	28,934	11,874	12,699	13,723	6,460	6,552	7,125	29.4	29.8	32.5	2.2	7.5	5.0
Leela Palaces Hotels & Resorts Ltd	591	592	Buy	2,076	15,273	18,099	21,022	7,429	8,974	10,356	4,121	4,828	5,754	12.3	14.5	17.2	17.3	18.1	18.2
Small Cap (M-cap <US\$1.5bn)																			
Lemon Tree Hotels	112	126	Hold	928	14,445	16,608	18,412	6,912	8,099	9,250	2,538	3,277	4,213	3.2	4.1	5.3	12.9	15.7	28.8

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics														
					PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Indian Hotels Co	725	850	Buy	10,855	49.4	42.6	35.6	31.0	26.0	23.1	7.9	6.6	5.5	15.5	16.9	16.8	16.0	17.2	16.6
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
EH Ltd	294	348	Buy	1,927	24.1	23.0	20.4	16.8	15.6	13.9	3.5	3.1	2.7	15.4	14.2	14.0	12.4	12.5	12.6
Chalet Hotels	819	950	Buy	1,884	27.9	27.4	25.2	16.8	15.7	14.5	4.9	4.1	3.6	19.2	16.3	15.1	13.0	11.9	11.6
Leela Palaces Hotels & Resorts Ltd	591	592	Buy	2,076	47.9	40.9	34.3	28.3	23.4	20.3	3.1	2.8	2.6	8.0	7.0	8.0	6.7	6.8	7.4
Small Cap (M-cap <US\$1.5bn)																			
Lemon Tree Hotels	112	126	Hold	928	34.8	27.0	21.0	14.7	12.6	11.0	4.3	3.6	3.0	19.9	21.1	21.8	15.4	16.9	18.1

Specialty Chemicals																			
Abhishek Navalgund (abhishek.navalgund@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
SRF	2,494	3,000	Buy	7,773	1,57,865	1,82,448	2,09,248	34,096	45,346	49,801	19,029	24,705	26,906	64.2	83.3	90.7	15.1	20.9	18.9
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Aarti Industries	498	570	Hold	1,897	82,860	1,06,179	1,26,728	11,670	15,918	18,997	4,110	6,344	8,136	11.3	17.5	22.4	23.7	27.6	40.7
Fine Organic Industries	5,506	6,300	Buy	1,773	23,658	28,095	32,782	4,830	6,080	6,469	4,117	4,861	5,157	134.3	158.5	168.2	17.7	15.7	11.9
Navin Fluorine International	8,459	10,000	Buy	4,563	33,139	42,044	50,299	10,817	14,051	17,229	6,687	9,583	11,946	130.7	187.3	233.5	23.2	26.2	33.7
Vinali Organics	1,143	1,550	Buy	1,244	22,269	27,918	33,095	6,539	7,315	8,836	4,437	4,589	5,718	42.8	44.2	55.1	21.9	16.2	13.5
Small Cap (M-cap <US\$1.5bn)																			
Advanced Enzyme Technologies	269	360	Buy	316	7,458	8,700	10,148	2,291	2,405	2,802	1,602	1,651	1,952	14.3	14.8	17.5	16.7	10.6	10.4
Camlin Fine Sciences	90	106	Hold	181	17,233	19,412	23,070	1,069	1,594	2,317	126	517	902	0.7	2.7	4.7	15.7	47.2	167.1
Clean Science & Technology	821	980	Buy	916	9,565	12,532	16,817	3,550	4,324	5,768	2,297	2,911	3,961	21.6	27.4	37.3	32.6	27.5	31.3
Galaxy Surfactants	2,610	3,200	Hold	972	52,483	65,132	72,682	4,753	6,842	7,213	2,770	4,151	4,337	78.1	117.1	122.3	17.7	23.2	25.1
Rossari Biotech	432	660	Buy	252	23,964	27,503	31,125	2,859	3,493	3,953	1,492	1,726	1,934	26.9	31.2	34.9	14.0	17.6	13.9

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Valuation Metrics														
					PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
SRF	2,494	3,000	Buy	7,773	38.9	29.9	27.5	22.8	17.1	15.6	5.3	4.6	4.1	14.3	16.4	15.8	14.1	17.4	17.4
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Aarti Industries	498	570	Hold	1,897	43.9	28.5	22.2	19.2	14.1	11.8	3.0	2.9	2.7	7.1	10.3	12.4	6.8	10.1	11.9
Fine Organic Industries	5,506	6,300	Buy	1,773	41.0	34.7	32.7	32.0	25.5	23.9	6.3	5.4	4.6	16.6	15.1	13.1	13.9	12.5	
Navin Fluorine International	8,459	10,000	Buy	4,563	64.7	45.2	36.2	40.1	30.9	25.2	10.9	9.4	8.0	20.3	22.3	23.8	20.1	22.4	24.7
Vinati Organics	1,143	1,550	Buy	1,244	26.7	25.8	20.7	17.8	15.9	13.2	3.7	3.4	3.0	18.3	14.2	16.0	18.0	18.1	19.7
Small Cap (M-cap <US\$1.5bn)																			
Advanced Enzyme Technologies	269	360	Buy	316	18.8	18.2	15.4	10.2	9.7	8.3	1.8	1.7	1.6	10.5	9.8	10.9	12.2	11.4	12.4
Camlin Fine Sciences	90	106	Hold	181	136.5	33.4	19.1	21.0	14.0	9.7	1.7	1.6	1.5	1.3	4.8	7.9	2.2	4.4	7.9
Clean Science & Technology	821	980	Buy	916	38.0	30.0	22.0	23.5	19.3	14.5	5.5	4.8	4.1	15.3	17.1	20.1	18.5	20.7	24.7
Galaxy Surfactants	2,610	3,200	Hold	972	33.4	22.3	21.3	18.2	12.7	12.0	3.4	3.0	2.7	10.8	14.3	13.3	13.0	17.5	16.3
Rossari Biotech	432	660	Buy	252	16.0	13.9	12.4	9.4	7.7	6.8	1.8	1.6	1.4	11.8	12.2	12.1	13.3	13.5	14.5

Pharmaceuticals																			
Niharika Agarwal (niharika.agarwal@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Aikem Laboratories	5,201	5,952	Hold	6,530	1,47,123	1,63,647	1,78,911	30,052	34,662	38,832	24,469	23,453	26,553	204.6	196.1	222.0	10.3	13.7	4.2
Cipla India	1,315	1,615	Buy	11,165	2,81,626	3,16,033	3,42,058	59,249	59,479	73,826	40,836	39,783	50,288	50.6	49.2	62.3	10.2	11.6	11.0
Dr Reddy's Laboratories	1,216	1,098	Sell	10,670	3,35,933	3,10,679	3,50,394	63,531	55,695	71,132	42,849	33,317	43,619	51.4	39.9	52.3	2.1	5.8	0.9
Gland Pharma	3,049	2,885	Hold	5,288	64,307	70,913	80,774	16,295	18,867	22,314	10,273	13,897	17,923	63.4	84.4	108.8	12.1	17.0	32.1
Lupin	1,953	2,669	Hold	9,380	2,79,580	2,96,264	3,18,897	81,595	69,017	75,523	52,544	37,757	44,602	115.0	87.6	97.6	6.8	(3.8)	(7.9)
Mankind Pharma	2,335	2,864	Hold	10,128	1,42,776	1,59,681	1,77,480	36,174	40,833	46,170	19,128	25,568	31,230	46.3	61.9	75.7	11.5	13.0	27.8
Sun Pharmaceutical Industries	1,746	2,437	Buy	44,051	5,84,620	6,44,772	7,02,801	1,64,912	1,87,891	2,12,949	1,24,600	1,36,606	1,72,094	51.9	56.9	71.7	9.6	13.6	17.5
Torrent Pharmaceuticals	4,580	4,904	Hold	18,314	1,39,797	1,90,215	2,15,714	45,585	62,363	71,938	22,294	20,602	24,855	65.9	60.9	73.4	24.2	25.6	5.6
Zydus Lifesciences	1,125	1,274	Hold	11,782	2,71,484	2,99,858	3,34,752	71,946	71,822	85,499	44,468	32,538	58,039	44.2	32.3	57.7	11.0	9.0	14.2
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Ajanta Pharma	3,330	3,282	Hold	4,375	54,529	62,276	69,486	13,948	15,863	18,643	10,560	11,024	13,012	84.0	87.7	103.5	12.9	15.6	11.0
Alembic Pharmaceuticals	794	959	Buy	1,639	73,449	82,287	87,940	11,185	13,668	14,764	7,395	8,024	8,732	37.6	40.8	44.4	9.4	14.9	8.7
Natco Pharma	783	809	Sell	1,478	40,783	33,750	38,204	14,365	8,984	10,354	14,185	8,158	8,601	79.2	45.6	48.0	(3.2)	(15.1)	(22.1)
Pfizer India	3,923	5,212	Hold	1,887	25,197	26,967	28,722	9,041	9,667	10,293	7,588	7,871	8,402	165.9	172.0	183.7	6.8	6.7	5.2
Small Cap (M-cap <US\$1.5bn)																			
Eris Lifesciences	1,153	1,722	Buy	1,681	31,294	36,303	40,414	11,201	13,455	15,313	6,369	6,636	7,757	46.0	47.9	56.0	13.6	16.9	10.4
Indoco Remedies	233	243	Hold	226	18,453	21,445	23,911	1,418	2,251	3,158	(952)	1,218	1,057	(10.3)	13.2	11.5	13.8	49.2	NA
Jubilant Pharmova	933	1,261	Buy	1,562	82,796	94,628	1,06,808	12,598	15,397	18,447	4,368	5,808	7,541	27.6	36.8	47.7	13.6	21.0	31.4
Sanofi India	2,982	3,954	Buy	721	18,374	19,476	20,450	4,913	5,446	4,981	3,468	3,944	3,596	150.8	171.5	156.3	5.5	0.7	1.8
Zota Health Care	1,420	1,679	Buy	517	5,387	9,083	13,739	185	644	1,779	(668)	(307)	624	(19.4)	(8.9)	18.1	59.7	209.8	-

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	Valuation Metrics														
					PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Alkem Laboratories	5,201	5,952	Hold	6,530	25.4	26.5	23.4	20.4	17.7	15.8	4.3	3.8	3.4	18.3	15.3	15.3	15.6	13.2	13.2
Cipla India	1,315	1,615	Buy	11,165	26.0	26.7	21.1	16.5	16.4	13.2	3.1	2.8	2.5	12.4	11.1	12.7	10.3	9.3	10.8
Dr Reddy's Laboratories	1,216	1,098	Sell	10,670	23.7	30.4	23.3	15.7	17.9	14.0	2.7	2.5	2.3	11.9	11.2	12.3	7.6	5.7	7.7
Gland Pharma	3,049	2,885	Hold	5,288	48.1	36.1	28.0	29.0	25.0	21.1	4.8	4.3	3.7	10.5	12.6	14.2	8.4	10.2	10.9
Lupin	1,953	2,669	Hold	9,380	17.0	23.6	20.0	10.6	12.5	11.4	4.0	3.5	3.0	26.4	15.7	16.2	28.4	16.6	17.4
Mankind Pharma	2,335	2,864	Hold	10,128	50.4	37.7	30.9	27.8	24.6	21.8	5.8	5.0	4.3	12.5	14.6	15.3	9.8	11.6	12.9
Sun Pharmaceutical Industries	1,746	2,437	Buy	44,051	33.6	30.7	24.3	23.7	20.8	18.4	5.0	4.4	3.8	15.9	15.3	16.9	13.2	14.3	15.4
Torrent Pharmaceuticals	4,580	4,904	Hold	18,314	69.5	75.2	62.4	41.2	30.1	26.1	18.5	16.0	13.7	27.9	22.8	23.6	9.8	7.6	8.8
Zydus Lifesciences	1,125	1,274	Hold	11,782	25.5	34.8	19.5	16.2	16.3	13.7	3.8	3.5	3.0	15.9	10.5	16.7	16.9	14.4	23.1
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Ajanta Pharma	3,330	3,282	Hold	4,375	39.6	38.0	32.2	29.5	26.0	22.1	9.2	7.7	6.4	25.4	22.1	21.6	23.8	20.6	20.6
Alembic Pharmaceuticals	794	959	Buy	1,639	21.1	19.4	17.9	15.3	12.5	11.6	2.7	2.5	2.3	13.6	13.4	13.2	11.9	11.5	11.5
Natco Pharma	783	809	Sell	1,478	9.9	17.2	16.3	8.5	13.6	11.8	1.5	1.4	1.3	15.4	8.9	8.1	19.3	11.2	10.4
Pfizer India	3,923	5,212	Hold	1,887	23.7	22.8	21.4	16.5	15.4	14.5	4.3	3.8	3.4	18.0	17.7	16.9	17.6	17.3	16.6
Small Cap (M-cap <US\$1.5bn)																			
Eris Lifesciences	1,153	1,722	Buy	1,681	25.1	24.1	20.6	16.3	13.6	11.9	4.1	3.6	3.2	18.9	15.9	16.4	12.8	12.0	12.6
Indoco Remedies	233	243	Hold	226	(22.6)	17.6	20.3	22.3	14.0	10.0	2.3	2.1	1.9	(9.7)	12.3	9.7	0.8	3.9	9.0
Jubilant Pharmova	933	1,261	Buy	1,562	33.7	25.4	19.5	13.7	11.2	9.3	2.1	2.0	1.8	6.5	7.9	9.6	4.8	5.5	6.4
Sanofi India	2,982	3,954	Buy	721	19.8	17.4	19.1	13.5	12.1	13.3	9.2	7.6	6.6	43.1	47.9	37.2	42.2	47.0	36.6
Zota Health Care	1,420	1,679	Buy	517	(73.3)	(159.4)	78.5	260.5	74.9	27.1	7.0	7.4	6.7	(14.5)	(4.5)	9.0	(7.5)	(0.5)	8.4

Multiplex Rahul Kundnani (rahul.kundnani@nirmalbang.com)																			
Operational Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
					Small Cap (M-cap <US\$1.5bn)														
PVR INOX	1,381	1,400	Buy	1,426	67,192	72,133	80,485	8,571	10,619	13,593	3,866	3,667	5,625	5.8	5.1	7.0	9.4	25.9	20.6
Valuation Metrics																			
Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	PIE (X)			EV/EBITDA (X)			P/BV (X)			RoE (%)			RoCE (%)		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
					Small Cap (M-cap <US\$1.5bn)														
PVR INOX	1,381	1,400	Buy	1,426	240.0	271.7	197.6	16.0	12.9	10.1	1.8	1.7	1.6	5.4	4.8	7.0	4.8	6.2	8.7

Stationery

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Operational Metrics												CAGR FY25-FY28E		
					Net sales (R\$mn)			EBITDA (R\$mn)			PAT (R\$mn)			EPS (Rs)					
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
DOMS Industries	2,095	2,920	Buy	1,337	23,264	28,261	34,524	4,026	4,176	6,058	2,396	2,372	3,615	39.5	39.1	59.6	21.8	22.7	22.8
Small Cap (M-cap <US\$1.5bn)																			
Flair Writing Industries	236	364	Buy	261	12,501	14,189	16,175	2,245	2,453	2,871	1,413	1,461	1,768	13.4	13.9	16.8	13.7	13.1	11.8
Linc	85	116	Buy	53	5,430	5,674	5,958	595	582	797	367	322	502	5.5	4.8	7.8	4.7	15.8	17.0
Kokuyo Camlin	73	76	Sell	77	8,060	8,584	9,442	581	550	793	248	237	360	2.5	2.4	3.6	8.2	16.9	20.6

Valuation Metrics									
Market Capitalization	\$1.2B	\$1.5B	\$1.8B	\$2.1B	\$2.4B	\$2.7B	\$3.0B	\$3.3B	\$3.6B
Enterprise Value	\$950M	\$1.2B	\$1.5B	\$1.8B	\$2.1B	\$2.4B	\$2.7B	\$3.0B	\$3.3B
EV/EBITDA	12.5x	13.2x	14.0x	14.8x	15.5x	16.2x	17.0x	17.8x	18.5x
EV/Revenue	8.2x	8.5x	8.8x	9.1x	9.4x	9.7x	10.0x	10.3x	10.6x
EV/Operating Income	15.1x	15.5x	16.0x	16.4x	16.8x	17.2x	17.6x	18.0x	18.4x
EV/Adjusted EBITDA	11.8x	12.2x	12.6x	13.0x	13.4x	13.8x	14.2x	14.6x	15.0x
EV/Free Cash Flow	18.3x	18.8x	19.3x	19.8x	20.3x	20.8x	21.3x	21.8x	22.3x
EV/Net Income	22.4x	23.0x	23.6x	24.2x	24.8x	25.4x	26.0x	26.6x	27.2x
EV/Book Value	3.5x	3.6x	3.7x	3.8x	3.9x	4.0x	4.1x	4.2x	4.3x
EV/Shareholders' Equity	4.1x	4.2x	4.3x	4.4x	4.5x	4.6x	4.7x	4.8x	4.9x
EV/Total Assets	2.8x	2.9x	3.0x	3.1x	3.2x	3.3x	3.4x	3.5x	3.6x
EV/Total Liabilities	1.5x	1.5x	1.5x	1.5x	1.5x	1.5x	1.5x	1.5x	1.5x
EV/Net Debt	1.2x	1.2x	1.2x	1.2x	1.2x	1.2x	1.2x	1.2x	1.2x
EV/Net Equity	1.8x	1.8x	1.8x	1.8x	1.8x	1.8x	1.8x	1.8x	1.8x
EV/Net Capital	2.5x	2.5x	2.5x	2.5x	2.5x	2.5x	2.5x	2.5x	2.5x
EV/Net Assets	3.2x	3.2x	3.2x	3.2x	3.2x	3.2x	3.2x	3.2x	3.2x
EV/Net Liabilities	4.0x	4.0x	4.0x	4.0x	4.0x	4.0x	4.0x	4.0x	4.0x
EV/Net Debt & Equity	5.0x	5.0x	5.0x	5.0x	5.0x	5.0x	5.0x	5.0x	5.0x
EV/Net Capital & Assets	6.0x	6.0x	6.0x	6.0x	6.0x	6.0x	6.0x	6.0x	6.0x
EV/Net Liabilities & Assets	7.0x	7.0x	7.0x	7.0x	7.0x	7.0x	7.0x	7.0x	7.0x
EV/Net Debt & Liabilities	8.0x	8.0x	8.0x	8.0x	8.0x	8.0x	8.0x	8.0x	8.0x
EV/Net Equity & Assets	9.0x	9.0x	9.0x	9.0x	9.0x	9.0x	9.0x	9.0x	9.0x
EV/Net Capital & Liabilities	10.0x	10.0x	10.0x	10.0x	10.0x	10.0x	10.0x	10.0x	10.0x
EV/Net Assets & Liabilities	11.0x	11.0x	11.0x	11.0x	11.0x	11.0x	11.0x	11.0x	11.0x
EV/Net Debt & Capital	12.0x	12.0x	12.0x	12.0x	12.0x	12.0x	12.0x	12.0x	12.0x
EV/Net Equity & Liabilities	13.0x	13.0x	13.0x	13.0x	13.0x	13.0x	13.0x	13.0x	13.0x
EV/Net Capital & Assets	14.0x	14.0x	14.0x	14.0x	14.0x	14.0x	14.0x	14.0x	14.0x
EV/Net Liabilities & Capital	15.0x	15.0x	15.0x	15.0x	15.0x	15.0x	15.0x	15.0x	15.0x
EV/Net Debt & Assets	16.0x	16.0x	16.0x	16.0x	16.0x	16.0x	16.0x	16.0x	16.0x
EV/Net Equity & Liabilities	17.0x	17.0x	17.0x	17.0x	17.0x	17.0x	17.0x	17.0x	17.0x
EV/Net Capital & Liabilities	18.0x	18.0x	18.0x	18.0x	18.0x	18.0x	18.0x	18.0x	18.0x
EV/Net Assets & Capital	19.0x	19.0x	19.0x	19.0x	19.0x	19.0x	19.0x	19.0x	19.0x
EV/Net Liabilities & Assets	20.0x	20.0x	20.0x	20.0x	20.0x	20.0x	20.0x	20.0x	20.0x
EV/Net Debt & Liabilities	21.0x	21.0x	21.0x	21.0x	21.0x	21.0x	21.0x	21.0x	21.0x
EV/Net Equity & Capital	22.0x	22.0x	22.0x	22.0x	22.0x	22.0x	22.0x	22.0x	22.0x
EV/Net Capital & Assets	23.0x	23.0x	23.0x	23.0x	2				

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)	EV/EBITDA (X)	P/BV (X)	RoE (%)	RoCE (%)
---------	-----	---------	---------	-------	---------	---------------	----------	---------	----------

	(Rs)		Rating	(US\$m)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
DOMS Industries	2,095	2,920	Buy	1,337	53.1	53.6	35.2	31.8	30.6	21.1	10.4	8.9	7.2	20.1	16.7	21.0	22.6	19.0	23.7
Small Cap (M-cap <US\$1.5bn)																			
Flair Writing Industries	236	364	Buy	261	17.6	17.0	14.0	11.3	10.3	8.8	2.2	1.9	1.7	13.1	12.0	12.9	14.5	13.9	14.8
Linc	85	116	Buy	53	15.5	17.9	10.9	8.7	8.9	6.5	2.0	1.7	1.5	13.3	10.3	14.9	16.7	14.3	18.5
Kokuyo Camlin	73	76	Sell	77	29.7	31.0	20.4	13.1	13.8	9.6	2.3	2.1	1.9	7.9	7.1	10.0	10.3	8.8	12.5

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Operational Metrics														
					Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Large Cap (M-cap >US\$5bn)																			
Eternal	316	364	Buy	32,076	5,43,640	10,22,529	14,35,531	12,080	39,613	65,120	3,660	22,412	39,672	0.4	2.3	4.1	62.5	132.2	229.2
Swiggy	231	355	Buy	6,695	2,30,530	2,76,924	3,38,698	(32,310)	(8,526)	9,770	(41,540)	(17,150)	(2,658)	(15.0)	(6.2)	(0.9)	21.2	-	(74.7)

Valuation Metrics	
-------------------	--

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)	P/S (X)	P/BV (X)	RoE (%)	RoCE (%)
---------	-----	---------	---------	-------	---------	---------	----------	---------	----------

	(Rs)		Rating	(US\$mn)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Large Cap (M-cap >US\$5bn)																			
Eternal	316	364	Buy	32,076	833.2	136.1	76.9	5.6	3.0	2.2	9.8	8.5	7.2	1.2	6.2	9.3	(0.7)	4.2	7.4
Swiggy	231	355	Buy	6,695	(15.4)	(37.3)	(245.6)	2.8	2.3	1.9	3.7	3.6	(22.7)	(10.0)	(1.5)	(21.3)	(10.7)	(2.6)	

Flex Workspace

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$m)	Operational Metrics														
					Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Small Cap (M-cap <US\$1.5bn)																			
Wework India Management	675	983	Buy	986	24,402	30,172	36,719	4,772	6,031	7,518	792	1,218	1,886	6	9	14	22.7	25.5	54.3
Smartworks Coworking Spaces	474	630	Buy	569	17,958	22,982	29,112	3,144	4,438	5,677	105	957	2,914	0.9	8.4	25.5	27.3	34.4	426.1
Indube Spaces	184	235	Buy	410	14,508	18,960	23,783	2,533	3,396	4,448	(1,063)	(961)	549	(5.0)	(4.5)	2.6	28.0	32.5	-
Awfis Space Solutions	251	364	Buy	189	14,940	18,385	22,615	2,130	2,821	3,560	713	1,314	1,834	10.0	18.4	25.6	23.0	29.3	60

[illegible]

Company	CMP	TP (Rs)	Current	M-cap	PIE (X)	EV/EBITDA (X)	P/BV (X)	RoE (%)	RoCE (%)
---------	-----	---------	---------	-------	---------	---------------	----------	---------	----------

	(Rs)		Rating	(US\$m)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Small Cap (M-cap <US\$1.5bn)																			
Wework India Management	675	983	Buy	986	115.4	75.0	48.5	20.2	16.0	12.8	2.3	1.6	1.1	30.8	34.5	37.1	38.3	41.1	43.4
Smartworks Coworking Spaces	474	630	Buy	569	514.4	56.6	18.6	17.2	12.2	9.5	10.2	8.6	5.9	3.3	16.5	37.7	19.0	26.4	28.7
Indigube Spaces	184	235	Buy	410	(36.7)	(40.7)	71.1	15.0	11.2	8.6	7.6	9.3	8.2	(41.6)	(20.6)	12.3	17.3	24.0	26.0
Awfis Space Solutions	251	364	Buy	189	25.2	13.7	9.1	8.3	6.2	4.9	3.2	2.6	2.1	14.1	21.3	23.6	15.2	25.2	26.2

	Retail
Revenue	\$100M
Cost of Goods Sold	\$60M
Gross Profit	\$40M
Selling Expenses	\$10M
Administrative Expenses	\$8M
Depreciation & Amortization	\$5M
Interest Expense	\$2M
Taxes	\$3M
Net Income	\$12M

Company	CMP (Rs)	TP (Rs)	Current Rating	M-cap (US\$mn)	Operational Metrics														
					Net sales (Rsmn)			EBITDA (Rsmn)			PAT (Rsmn)			EPS (Rs)			CAGR FY26-FY28E		
					FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	Sales	EBITDA	PAT
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bata India	618	772	Hold	834	35,155	37,699	41,469	7,065	7,646	8,737	1,659	2,155	2,827	12.9	16.8	22.0	8.6	11.2	30.5
Small Cap (M-cap <US\$1.5bn)																			
V-Mart Retail	823	830	Buy	688	37,894	45,584	53,419	5,135	6,305	8,053	1,240	1,398	1,586	15.6	17.6	20.0	18.7	25.2	13.1

Valuation Metrics					

Company	CMP	TP (Rs)	Current	M-cap	P/E (X)	EV/EBITDA (X)	P/BV (X)	RoE (%)	RoCE (%)
---------	-----	---------	---------	-------	---------	---------------	----------	---------	----------

	(Rs)		Rating	(US\$m)	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
Mid Cap (M-cap between US\$1.5bn to 5bn)																			
Bata India	618	772	Hold	834	47.9	36.8	28.1	12.0	11.1	9.7	5.0	5.0	4.9	10.5	13.6	17.7	8.0	9.5	12.4
Small Cap (M-cap <US\$1.5bn)																			
V-Mart Retail	823	830	Buy	688	52.7	46.8	41.2	14.6	11.9	9.3	6.9	6.0	5.2	14.1	13.7	13.5	17.2	16.4	17.4

DISCLOSURES

This Report is published by Nirmal Bang Equities Private Limited (hereinafter referred to as "NBEPL") for private circulation. NBEPL is a registered Research Analyst under SEBI (Research Analyst) Regulations, 2014 having Registration no. INH000001436. NBEPL is also a registered Stock Broker with National Stock Exchange of India Limited and BSE Limited in cash and derivatives segments.

NBEPL has other business divisions with independent research teams separated by Chinese walls, and therefore may, at times, have different or contrary views on stocks and markets.

NBEPL or its associates have not been debarred / suspended by SEBI or any other regulatory authority for accessing / dealing in securities Market. NBEPL, its associates or analyst or his relatives do not hold any financial interest in the subject company. NBEPL or its associates or Analyst do not have any conflict or material conflict of interest at the time of publication of the research report with the subject company. NBEPL or its associates or Analyst or his relatives do not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

NBEPL or its associates / analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. NBEPL or its associates have not received any compensation or other benefits from the company covered by Analyst or third party in connection with the research report. Analyst has not served as an officer, director or employee of Subject Company and NBEPL / analyst has not been engaged in market making activity of the subject company.

Analyst Certification: I/We, Abhishek Navalgund, Vinod Rajamani, NBIE research analyst and Jay Betai Research Associate, the author of this report, hereby certify that the views expressed in this research report accurately reflects my/our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s) principally responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Disclaimer

Stock Ratings Absolute Returns

BUY > 15%

HOLD -5% to 14%

SELL < -5%

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. NBEPL is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. In preparing this research, we did not take into account the investment objectives, financial situation and particular needs of the reader.

This research has been prepared for the general use of the clients of NBEPL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NBEPL will not treat recipients as customers by virtue of their receiving this report. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NBEPL & its group companies to registration or licensing requirements within such jurisdictions.

The report is based on the information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. We accept no obligation to correct or update the information or opinions in it. NBEPL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NBEPL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This information is subject to change without any prior notice. NBEPL reserves its absolute discretion and right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, NBEPL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Before making an investment decision on the basis of this research, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Opinions expressed are subject to change without any notice. Neither the company nor the director or the employees of NBEPL accept any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Here it may be noted that neither NBEPL, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profit that may arise from or in connection with the use of the information contained in this report.

Copyright of this document vests exclusively with NBEPL.

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

Our reports are also available on our website www.nirmalbang.com

Access all our reports on Bloomberg, Thomson Reuters and Factset.

Team Details:

Name	Email Id	Direct Line
Anand Gulani	CEO & Head of Equities	anand.gulani@nirmalbang.com
		+91 22 6273 8098/99

Research Team Details:

Research Analyst	Designation	Sector	Email Id	Direct Line
Teresa John	Head of Research & Economist	Economy & Strategy	teresa.john@nirmalbang.com	022 6273 8114
Abhishek Navalgund	Deputy Head of Research & Research Analyst	Chemicals, Hotels & Mid-caps	abhishek.nalgund@nirmalbang.com	022 6273 8089
Akshat Agrawal	Research Analyst	BFSI	akshat.agrawal@nirmalbang.com	022 6273 8210
Vinod Rajamani	Research Analyst	Insurance and NBFC	vinod.rajamani@nirmalbang.com	022 6273 8033
Yash Agrawal	Research Analyst	Auto - OEM, Auto - Ancillary	yash.agrawal@nirmalbang.com	022 6273 8017
Niharika Agarwal	Research Analyst	Pharma	niharika.agarwal@nirmalbang.com	
Rahul Kundnani	Research Analyst	Midcaps, Stationery	rahul.kundnani@nirmalbang.com	022 6273 8174
Girija Shankar Ray	Research Analyst	Cement	girijashankar.ray@nirmalbang.com	022 6273 8171
Rabindra Nath Nayak	Research Analyst	Consumer Durables & Capital Goods	rabindranath.nayak@nirmalbang.com	022 62738092
Yash Nandwani	Research Analyst	Oil & Gas and Mid-caps	Yash.nandwani@nirmalbang.com	022 62738065
Shibangi Choudhury	Research Analyst	Midcaps	shibangi.choudhury@nirmalbang.com	022 6273 8145
Vaibhav Vidwani	Lead Associate	Housing Finance	vaibhav.vidwani@nirmalbang.com	022 6273 8176

Dealing

Vijay Singh Gussain	Head of Dealing & Sales trading	vijaysingh.gussain@nirmalbang.com	-
Michael Pillai	Dealing Desk	michael.pillai@nirmalbang.com	+91 22 6273 8102/03, +91 22 6636 8830

Nirmal Bang Equities Pvt. Ltd.

Correspondence Address

B-2, 301/302, Marathon Innova, Nr. Peninsula Corporate Park, Lower Parel (W), Mumbai-400013.

Board No. : 91 22 6273 8000/1; Fax. : 022 6273 8010