

Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	75,318	0.2	-11.6
Nifty-50	23,659	0.2	-9.5
Nifty-M 100	61,323	0.5	1.4
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	7,433	1.1	8.6
Nasdaq	26,270	1.5	13.0
FTSE 100	10,432	1.0	5.0
DAX	24,737	1.4	1.0
Hang Seng	8,605	-0.4	-3.5
Nikkei 225	59,804	-1.2	18.8
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	110	-4.3	75.8
Gold (\$/OZ)	4,544	1.4	5.2
Cu (US\$/MT)	13,596	2.0	9.2
Almn (US\$/MT)	3,677	0.7	23.9
Currency	Close	Chg .%	CYTD.%
USD/INR	96.8	0.3	7.7
USD/EUR	1.2	0.2	-1.0
USD/JPY	158.9	-0.1	1.4
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	7.1	-0.03	0.5
Flows (USD b)	20-May	MTD	CYTD
FII	-0.16	-2.08	-22.9
DII	0.20	5.28	37.8
Volumes (INRb)	20-May	MTD*	YTD*
Cash	1,236	1480	1346
F&O	85,480	2,71,803	2,75,618

Note: Flows, MTD includes provisional numbers.

*Average



Today's top research idea

Bharat Electronics: Decent performance

- ❖ Bharat Electronics' (BHE) 4QFY26 revenue/EBITDA/PAT came in line with our estimates, driven by strong execution and better-than-expected margins. Its order inflows for FY26 stood at INR300b, ahead of its own guidance. Margin performance for the year remained strong at 29%; however, NWC increased on lower customer advances and higher receivables. Going ahead, the company expects QRSAM order to be awarded by Jun-Jul'26.
- ❖ BHE remains a key beneficiary of large platform orders across Army, Navy, and Airforce, and with a strong addressable market, BHE can sustain revenue growth of 15%+ over the next few years. With improved indigenization levels and operating leverage benefits, we expect BHE's strong margin performance to continue.
- ❖ We marginally tweak our estimates and expect a CAGR of 17%/17% in revenue/PAT over FY26-28. Maintain BUY with a revised TP of INR510 based on 45x Mar'28E EPS (INR520 earlier).



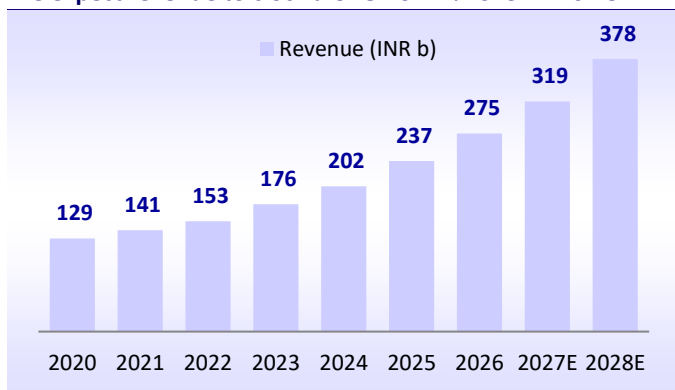
Research covered

Cos/Sector	Key Highlights
Bharat Electron	Decent performance
Grasim Inds	Execution-led growth in paints; VSF margin expanded
Samvardh. Mothe.	Strong performance amid a tough macro environment
Others update	B P C L Mankind Pharma Lenskart Solut. Havells India Jindal Stainless P I Industries Astral Jubilant Food. ERIS Lifescience Prince Pipes United Foodbrands IT Update Apollo Hospitals Bosch Metro Brands IRB Infra.Devl. JK Lakshmi Cem.



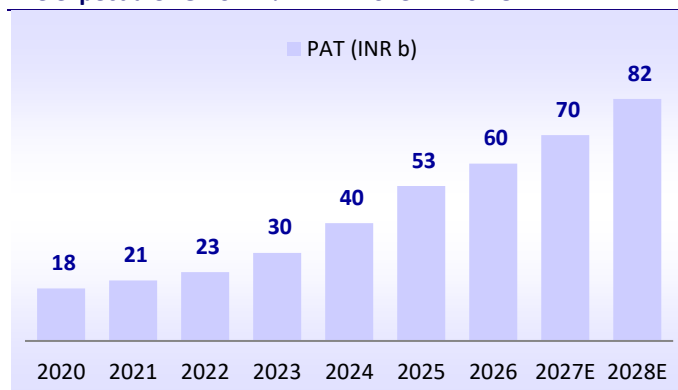
Chart of the Day: Bharat Electron (Decent performance)

We expect revenue to clock a CAGR of 17% over FY26-28E



Source: MOFSL, Company

We expect a CAGR of 17% in PAT over FY26-28E



Source: MOFSL, Company

Research Team

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

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



In the news today



Kindly click on textbox for the detailed news link

1

Q-comm sales for FMCG giants double this year

Quick commerce now represents 6% of FMCG sales, doubling from FY25, with Dabur and Britannia leading at 9% of total sales. This channel drives a significant majority of online sales for these companies, accounting for 75% and 70% respectively.

2

RPSG, Inox, Hexa bid for Enel's renewable energy projects in India

The three firms submitted their bids last week in the ₹3,000 crore enterprise value range for Enel's India business comprising renewable energy generation projects with a potential capacity of 2.5 gigawatts, the people said.

3

India's peak power demand hits record 265.4 GW amid heatwave conditions

The latest peak surpassed Tuesday's all-time high of 260.5 GW recorded during solar hours. The latest demand levels have already crossed last summer's record peak of 243 GW, and even those recorded during the evening.

4

Adani, Reliance, Lodha, JSW bid for 206-acre Mumbai redevelopment projects

Leading real estate firms are vying to redevelop three large housing colonies in Mumbai. These projects span prime areas like Worli, Bandra Reclamation, and Andheri West. The Maharashtra Housing and Area Development Authority is overseeing the process.

5

Cloudnine to acquire Apollo's maternity chain Cradle

Cloudnine Hospitals is set to acquire Apollo Cradle and Apollo Fertility. This strategic move will create India's largest maternity and children's healthcare network. Apollo Health and Lifestyle Limited will hold a significant stake in the combined entity. The deal aims to enhance specialized healthcare access across India.

6

BHIM Payments App sees 300% growth in FY26 driven by cashbacks and user trust




BHIM Payments App saw a significant 300% growth in FY26. Monthly transactions surged to 21.6 crore in March 2026. Cashback offers are a key growth driver. The app aims to expand to feature phones.

7

CCI approves stake purchase in Burger King India operator by Lenexis consortium

The Competition Commission of India has given its approval for a partial ownership acquisition in Restaurant Brands Asia Limited. This deal involves a consortium led by Lenexis Foodworks Private Limited.

Bharat Electronics

Estimate change 
 TP change 
 Rating change 

CMP: INR413 TP: INR510 (+23%) Buy

Decent performance

Bharat Electronics' (BHE) 4QFY26 revenue/EBITDA/PAT came in line with our estimates, driven by strong execution and better-than-expected margins. Its order inflows for FY26 stood at INR300b, ahead of its own guidance. Margin performance for the year remained strong at 29%; however, NWC increased on lower customer advances and higher receivables. Going ahead, the company expects QRSAM order to be awarded by Jun-Jul'26. BHE remains a key beneficiary of large platform orders across Army, Navy, and Airforce, and with a strong addressable market, BHE can sustain revenue growth of 15%+ over the next few years. With improved indigenization levels and operating leverage benefits, we expect BHE's strong margin performance to continue. We marginally tweak our estimates and expect a CAGR of 17%/17% in revenue/PAT over FY26-28. Maintain BUY with a revised TP of INR510 based on 45x Mar'28E EPS (INR520 earlier).

Decent set of results, in line with our estimates

BHE reported a decent set of results in 4QFY26, broadly in line with our estimates. Revenue grew 12% YoY to INR102b, supported by a strong opening order book of INR730b. Gross margin expanded 40bp YoY to 48.2% (170bp higher than our estimates). Absolute EBITDA increased 6% YoY to INR29.6b (vs. our est. of INR28.4b), while margin contracted 150bp YoY to 29.1% (vs. our estimate of 27.4%), mainly due to higher other expenses. PAT rose 5% YoY on a high base to INR22b, in line with our estimates. Order book as of FY26-end stood at INR739b, with an order inflow of ~INR300b during the year. For FY26, revenue/EBITDA/PAT grew 16%/18%/14% YoY, while margin expanded 60bp YoY to 29.2%. OCF increased 211% YoY to INR14.9b, while the company reported FCF inflow of INR5b in FY26 vs. FCF outflow of INR5b in FY25.

Current order book composition

BHE's order book stood at INR739b as of Mar'26, providing strong multi-year execution visibility. Major projects include electronic fuses (INR43b executable over seven years), LRSAM orders (INR35b), LCA Mk1A-related systems (INR32b), BMP-2 upgrades (INR28b), Ashwini radar (INR24.6b), Mi-17V5 EW suites (INR22b) and spare/services contracts (INR25b). Most programs are executable over the next 1-3 years, while select long-gestation projects such as electronic fuses extend over a longer horizon.

Pipeline remains strong with large orders expected in near term

BHE's near-term order pipeline remains strong across missile systems, naval electronics, EW systems and strategic defense programs. The company expects order inflows exceeding INR550b in FY27 (including QRSAM). Beyond QRSAM, key opportunities include order from projects such as Next-Generation Corvette (NGC), Shatrughat and Samaghat EW systems, P75I submarine, Hammer, Shakti Phase-4 and naval multi-function radar (MFR). The company also highlighted large opportunities emerging in indigenous data center solutions, where initial opportunities could range around INR10b-50b, while broader fully indigenous data center projects may eventually scale up toward INR100b.

Bloomberg	BHE IN
Equity Shares (m)	7310
M.Cap.(INRb)/(USDb)	3021.1 / 31.2
52-Week Range (INR)	473 / 359
1, 6, 12 Rel. Per (%)	-7/7/18
12M Avg Val (INR M)	7934

Financials Snapshot (INR b)

Y/E March	2026	2027E	2028E
Sales	274.8	319.2	378.2
Sales Gr. (%)	16.2	16.2	18.5
EBITDA	80.2	92.9	108.2
EBITDA Margin	29.2	29.1	28.6
Adj. PAT	60.5	70.2	82.5
Adj. EPS (INR)	8.3	9.6	11.3
EPS Gr. (%)	14.4	16.1	17.4
BV/Sh.(INR)	32.5	41.5	52.0

Ratios

RoE (%)	25.5	23.2	21.7
RoCE (%)	27.8	26.0	24.2
Payout (%)	6.6	6.6	6.6

Valuations

P/E (x)	50.0	43.0	36.6
P/BV (x)	12.7	10.0	7.9
EV/EBITDA (x)	36.7	31.0	26.1
Div. Yield (%)	0.1	0.2	0.2

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	51.1	51.1	51.1
DII	20.0	20.5	20.9
FII	19.5	18.5	17.6
Others	9.4	9.9	10.4

FII Includes depository receipts

Update on QRSAM, AMCA and P-75I order

BHE expects the **QRSAM** contract to be finalized by Jun-Jul'26. The company has already initiated preparatory activities ahead of formal ordering and expects to deliver the first production model within 18 months of contract signing, after which bulk execution will commence. On the **AMCA program**, pre-RFP discussions have been completed, while the formal RFP is expected over the next 15-45 days. Detailed infrastructure and investment plans are already being prepared, with larger capex commitments likely once the consortium is selected as the successful bidder. For the **P75I submarine program**, BHE is expected to supply six key electronic subsystems, including communication, combat management, navigation and fire control systems. Defense electronics could account for nearly 25-30% of total submarine costs, with BHE likely addressing 50-60% of the electronics scope, while the balance would be supplied by the foreign partner.

Exports witnessing traction

BHE continues to see improving traction in exports, with the export order book currently at around USD96m. The company is witnessing strong interest in software-defined radios (SDRs), satellite communication systems and customized C4I solutions following recent geopolitical developments. While exports currently contribute around 4-5% of revenue, BHE aims to scale this up to over 10% in the next four to five years. Export execution remains subject to geopolitical approvals and procurement cycles, though repeat orders from existing customers continue to provide stability.

Investing into next-generation defense technologies

BHE is significantly increasing investments toward next-generation defense and strategic technologies, including drones, quantum communication, AI-led systems, cyber security, directed energy weapons (DEWs), etc. The company has already invested over INR1b in the last two years in AI and high-performance computing infrastructure, with an additional INR1b-2b of investments currently under approval. Dedicated infrastructure is being built across Bangalore, Ghaziabad, Palasamudram and other strategic centers. The company also highlighted investments of over INR2b each in 8-10 advanced technology programs aimed at strengthening long-term leadership in indigenous defense electronics.

Supply chain remains manageable

The supply chain disruptions remain manageable despite geopolitical tensions in the Middle East. Certain subcomponents for programs such as LRSAM witnessed delays of 1-1.5 months. However, the company does not foresee any material impact on annual execution targets. Semiconductor dependency remains largely import-driven, with semiconductors accounting for nearly 17-19% of material costs. Most semiconductor sourcing currently comes from Europe, the US and Taiwan, while exposure to the Middle East remains limited to select high-end detectors and niche components. The company continues to mitigate risks through deeper indigenization, and local vendor development.

Management guidance for FY27

BHE retained a strong FY27 outlook with revenue growth guidance of over 15% and EBITDA margins above 28%. Order inflow guidance for FY27 stands at over INR550b, supported by QRSAM and other large defense programs. The company plans to increase R&D investments to around INR22b, while capex is expected to exceed INR12b. Defense-to-non-defense revenue mix is expected to remain around 90:10 in the near term, although BHE continues to target a gradual scale-up in non-defense and export businesses over the medium term.

Financial outlook and valuation

We marginally trim our estimates by 1% each for FY27/FY28 and expect a CAGR of 17%/16%/17% in sales/ EBITDA/PAT over FY26-28. We expect OCF/FCF to remain strong, led by control over working capital. BHE is currently trading at 43.0x/36.6x on FY27E/FY28E EPS. We arrive at a **revised TP of INR510, based on 45x two-year forward earnings. Maintain BUY.**

Key risks and concerns

A slowdown in order inflows from the defense and non-defense segments, intensified competition, further delays in the finalization of large tenders, a sharp rise in commodity prices, and delays in payments from the MoD can adversely impact our estimates on revenue, margins, and cash flows.

Standalone Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26E 4QE	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	41,988	45,834	57,561	91,197	44,168	57,637	71,220	1,01,772	2,36,580	2,74,796	1,03,713	-2
Change (%)	19.6	14.8	39.1	6.9	5.2	25.8	23.7	11.6	17.3	16.2	13.7	
EBITDA	9,367	13,885	16,533	27,890	12,399	16,953	21,176	29,624	67,676	80,153	28,375	4
Change (%)	41.0	38.2	57.5	22.3	32.4	22.1	28.1	6.2	35.4	18.4	1.7	
As of % Sales	22.3	30.3	28.7	30.6	28.1	29.4	29.7	29.1	28.6	29.2	27.4	
Depreciation	997	1,032	1,029	1,298	1,129	1,185	1,275	1,651	4,356	5,239	1,380	20
Interest	12	13	13	58	14	17	20	16	96	67	45	-64
Other Income	2,015	1,668	2,051	1,942	1,636	1,591	1,595	1,082	7,676	5,904	1,969	-45
PBT	10,373	14,509	17,542	28,476	12,892	17,343	21,477	29,038	70,900	80,750	28,919	0
Tax	2,612	3,596	4,381	7,428	3,201	4,482	5,576	7,007	18,017	20,266	7,231	
Effective Tax Rate (%)	25.2	24.8	25.0	26.1	24.8	25.8	26.0	24.1	25.4	25.1	25.0	
Reported PAT	7,761	10,913	13,161	21,048	9,691	12,861	15,901	22,032	52,883	60,485	21,688	2
Change (%)	46.2	34.3	47.3	18.0	24.9	17.9	20.8	4.7	31.5	14.4	3.0	
Adj PAT	7,761	10,913	13,161	21,048	9,691	12,861	15,901	22,032	52,883	60,485	21,688	2
Change (%)	46.2	34.3	47.3	18.0	24.9	17.9	20.8	4.7	31.5	14.4	3.0	

Estimate change	↑
TP change	↔
Rating change	↔

CMP: INR2,972 TP: INR3,440 (+16%) Buy

Execution-led growth in paints; VSF margin expanded

Paint scale-up continues; multi-engine growth story intact

Bloomberg	GRASIM IN
Equity Shares (m)	681
M.Cap.(INRb)/(USD\$b)	2021.9 / 20.9
52-Week Range (INR)	3007 / 2503
1, 6, 12 Rel. Per (%)	11/18/13
12M Avg Val (INR M)	2040

Financial Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	410.4	458.6	512.7
EBITDA	17.7	24.5	32.5
Adj. PAT	4.2	28.1	18.8
EBITDA Margin (%)	4.3	5.3	6.3
S/A Adj. EPS (INR)	6.2	41.3	27.6
S/A EPS Gr. (%)	29.8	563.0	(33.2)
Consol EPS (INR)	82.7	119.2	112.4
BV/Sh. (INR)	812.2	843.5	861.1

Ratios

Net D:E	0.1	0.1	0.1
RoE (%)	-5.0	-7.1	-0.5
RoCE (%)	0.4	2.0	4.3

Valuations

P/E (x)	183.3	22.7	34.0
EV/EBITDA (x)	32.3	23.8	17.5
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	0.4	(0.4)	0.7

Shareholding Pattern (%)

As of	Mar-26	Dec-25	Mar-25
Promoter	43.7	43.2	43.1
DII	16.4	17.0	18.5
FII	17.5	17.2	15.9
Others	22.4	22.6	22.6

FII includes depository receipts

- GRASIM's 4QFY26 operating performance was above our estimates, led by a beat across key segments. EBITDA jumped 2.5x YoY to INR5.4b (~22% beat). OPM surged 2.1pp YoY (flat QoQ) to 4.6% (est. 4.3%). Adj. loss was INR1.2b (est. 1.6b) vs. a loss of INR2.1b in 4QFY25.
- Management indicated that Birla Opus revenue market share expanded by 3.7pp to cross 10% in Mar'26. Growth is being driven by rapid distribution scale-up (50,000+ dealers, 11,500 towns) and improving dealer throughput. It sees significant headroom for expansion through deepening product penetration across its portfolio. Dealers with over 18 months of association are already achieving 25-50% share in their outlets, with throughput levels comparable to incumbents. It estimates the paint industry to transition from single-digit growth in FY26 to double-digit growth in FY27.
- We raise our FY27 EPS estimate by 2.6x on account of high dividend income from UTCEM (pre-tax cash inflow of ~INR40b), while we maintain our FY28 EPS estimate. **We reiterate our BUY rating** with a TP of INR3,440 (based SoTP).

VSF margin expands 5.5pp YoY; chemical margin dips 50bp YoY

- GRASIM's standalone revenue/EBITDA stood at INR117.7b/INR5.4b (up 32%/2.5x YoY and up 14%/22% vs. our estimates) in 4QFY26. Loss stood at INR1.2b vs. loss of INR2.1b in 4QFY25.
- VSF segment:** Sales volume/realization grew ~11%/2% YoY. EBITDA surged 2x YoY (+20% QoQ) to INR5.9b. OPM expanded 5.5pp YoY (1.3pp QoQ) to ~13%. EBITDA/kg was INR24 vs. INR13/INR21 in 4QFY25/3QFY26. **Chemical segment:** volume grew ~11% YoY, while realization declined ~4% YoY. EBITDA rose ~3% YoY to INR3.0b. Its OPM contracted 50bp YoY to ~12%. **Paint** revenue grew ~52% YoY to INR14.0b, and **B2B revenue** surged 2.3x YoY to INR28.5b. Losses in these high-growth businesses stood at INR3.0b vs. losses of INR3.1b in 4QFY25/3QFY26 (each).
- In FY26, revenue/EBITDA/adj. PAT stood at INR410.4b/INR17.7b/INR4.2b (+30%/+55%/+30% YoY). OPM increased 70bp YoY to 4.3%. VSF/chemical margin increased 70bp YoY (each) to ~10%/15%. OCF stood at INR26.8b vs. cash outflow at INR254m in FY25. Capex stood at INR20.9b vs. INR38.3b in FY25. Net cash inflow stood at INR5.9b vs. net cash outflow at INR38.6b.

Highlights from the management commentary

- In paints, it implemented a calibrated price hike of ~2-6% earlier in the year, followed by additional hikes in Apr'26 to offset rising raw material costs. Demand has remained resilient despite these increases.
- It reiterated its goal of building an INR100b profitable revenue franchise in paints by the third year of full-scale operations (FY28). Losses are expected to reduce going forward.
- Birla Pivot delivers across more than 5,000 pin codes and over 400 cities, with a network of >5,000 retail touchpoints. The objective is to position Birla Pivot as a one-stop destination for building materials procurement in India.

Valuation and view

- GRASIM reported strong results, supported by strong execution in paints and B2B e-commerce, margin expansion in VSF and strong volume growth in chemicals. Brand investments, contractor ecosystem expansion, and premium product mix (~65% of revenue) continue to strengthen its position in the paint business. While cost pressure remains a near-term headwind, it expects margin improvement through operating leverage, procurement efficiencies, and scale benefits. It targets to build an INR100b profitable franchise by FY28. Further, there has been improvement in VSF prices, which should continue to drive healthy margin in the coming quarters.
- **We reiterate our BUY rating with a TP of INR3,440** as we value its: 1) holding in listed subsidiaries by assigning a discount of 35% on our TP for coverage companies, 2) standalone business at 6x FY28E EV/EBITDA, 3) paint business at 2x of investments, 4) B2B e-commerce at 1.5x of FY28E revenue, and 5) renewable business at 10x EV/EBITDA.

Quarterly Performance (S/A)

Y/E March	FY25				FY26				FY25	FY26	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	68.9	76.2	81.2	89.3	92.2	96.1	104.3	117.7	315.6	410.4	103.1	14
YoY Change (%)	10.5	18.3	26.9	31.9	33.8	26.1	28.5	31.9	22.1	30.0	15.5	
EBITDA	3.3	3.3	2.7	2.2	3.8	3.7	4.8	5.4	11.4	17.7	4.4	22
YoY Change (%)	(51.7)	(45.2)	(48.2)	(58.1)	18.3	12.6	77.1	145.1	(50.7)	18.3	145.1	
Margins (%)	4.7	4.3	3.3	2.5	4.2	3.8	4.6	4.6	3.6	4.3	4.3	29
Depreciation	3.5	4.1	4.2	5.0	4.8	5.0	5.4	5.7	16.8	20.9	5.4	5
Interest	1.4	1.6	1.8	2.0	2.1	2.0	2.4	2.5	6.8	8.9	2.4	2
Other Income	0.9	12.9	1.0	2.3	1.4	14.2	1.1	1.2	17.2	17.9	1.3	(7)
PBT before EO Items	-0.7	10.5	-2.3	-2.5	-1.6	10.8	-1.9	-1.6	5.0	5.7	-2.1	NM
Extraordinary Inc/(Exp)	-	(0.5)	-	(1.1)	-	-	(0.5)	(0.8)	(1.6)	(1.3)	-	
PBT after EO Items	-0.7	10.0	-2.3	-3.7	-1.6	10.8	-2.4	-2.4	3.3	4.4	-2.1	NM
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.8	-0.7	-0.8	1.2	1.0	-0.5	
Rate (%)	25.8	28.0	26.8	21.8	24.4	25.6	27.5	31.7	36.2	21.6	22.3	
Reported PAT	-0.5	7.2	-1.7	-2.9	-1.2	8.0	-1.7	-1.6	2.1	3.5	-1.6	NM
Prior period tax/DTL reversal	-	-	-	-	-	-	-	(0.2)	-	(0.2)	-	
Adj. PAT	-0.5	7.6	-1.7	-2.1	-1.2	8.0	-1.4	-1.2	3.3	4.2	-1.6	NM
Margins (%)	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	-1.1	1.0	1.0	-1.6	
YoY Change (%)	(114.7)	(4.7)	(171.4)	(191.6)	NM	6.2	NM	NM	(79.8)	29.8	NM	

Segmental performance

Y/E March	FY25				FY26				FY25	FY26	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
VSF Segment												
Sales Volume (ton)	222	230	216	218	219	220	230	243	886	913	229	6
YoY Change (%)	12.8	4.1	0.5	(0.3)	(1.1)	(4.2)	6.5	11.5	4.1	3.0	4.8	
Blended realization (INR/kg)	171	179	182	186	185	188	187	190	179	187	184	3
Net Sales (INR m)	37.9	41.3	39.3	40.5	40.4	41.5	43.0	46.1	159.0	171.0	42.1	10
YoY Change (%)	5.7	6.1	5.9	7.7	6.8	0.6	9.2	13.9	6.3	7.6	3.9	
EBITDA (INR m)	4.0	4.9	3.3	2.9	3.2	3.5	4.9	5.9	15.2	17.5	5.4	9
EBITDA (%)	10.7	12.0	8.4	7.2	8.0	8.4	11.4	12.7	9.6	10.2	12.8	(3)
EBITDA/kg (INR)	18.3	21.5	15.3	13.4	14.7	15.9	21.3	24.2	17.2	19.2	23.5	3
Chemical Segment												
Sales Volume (ton)	282	295	303	290	303	294	313	321	1,170	1,231	284	13
YoY Change (%)	(3.4)	(3.6)	1.3	(5.8)	7.4	(0.3)	3.3	10.7	(2.9)	5.2	(2.0)	
Blended realization (INR/kg)	73	70	73	79	79	82	75	77	74	78	74	4
Net Sales (INR m)	20.7	20.5	22.3	23.0	23.9	24.0	23.5	24.6	86.5	95.9	21.0	17
YoY Change (%)	(3.7)	3.3	11.5	10.5	15.7	16.8	5.3	6.8	5.3	10.9	(8.9)	
EBITDA (INR m)	3.1	2.7	3.3	3.0	4.2	3.7	3.2	3.0	12.1	14.1	2.5	24
EBITDA (%)	15.0	13.3	14.8	12.8	17.7	15.2	13.4	12.4	14.0	14.7	11.7	64

Samvardhana Motherson

Estimate changes

TP change

Rating change



CMP: INR132

TP: INR160 (+21%)

Buy

Strong performance amid a tough macro environment

Emerging business segment set to scale up rapidly from here on

- Samvardhana Motherson's (SAMIL) 4QFY26 adjusted PAT at INR16.3b was above our estimate of INR13b, up 55% YoY. EBITDA margin grew 200bp YoY to 11% and ahead of our estimate of 10.1%. Margin beat was driven by Emerging business (+240bp YoY to 14.5%), and Integrated Assemblies (+500bp YoY to 15.6%).
- Given the better-than-expected performance in 4Q, we raise our earnings estimates by 8% each for FY27/FY28. Management alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. Given the long-term growth opportunities, **we reiterate our BUY rating on the stock** with a revised TP of INR160, based on 24x FY28E EPS.

Strong operating performance

- Consolidated revenue grew 17% YoY to INR343b (in line with our estimate of INR328b), aided by organic growth, favorable forex rates, and integration of Atsumitec.
- EBITDA margin expanded 200bp YoY and 130bp QoQ to 11%, above our estimate of 10.1%. This was led by a better-than-expected performance in wiring harness, integrated assembly, and emerging business segments.
- Wiring harness revenues grew 19% YoY to INR102b (7.5% above est) and managed to expand margins by ~170bp QoQ to 11.4% vs est of 10.9%, despite 16% QoQ rise in copper prices.
- Integrated assemblies' revenue grew 20% YoY to INR28.7b (16% above est.), and margin improved 500bp YoY to 15.6% vs. our est. of 12.8%, fueled by strong operating leverage, continued execution of the existing order book, and cost control measures.
- Emerging business revenues grew 60% YoY to INR51.5b (11% above est.), and margins also expanded 240bp YoY to 14.5% vs. our est. of 9.7% due to better performance from Lighting & Electronics and Aerospace businesses.
- Vision systems was the only laggard, with revenue 4% below and margin 70bp below our estimate at 11.2%.
- Overall, EBITDA grew 43% YoY to INR37.9b, ahead of our est. of INR33.1b.
- The company incurred an extraordinary expense of INR2b in respect of phased operational restructuring at certain units primarily located in Europe. Adjusted for this expense, PAT beat our estimates, growing 55% YoY to INR16.3b (ahead of our estimate of INR13b).
- FY26 performance:** Revenue/EBITDA/PAT grew 11%/13%/9% to INR1.2t/INR119b/INR41.5b. The OCF/FCF stood at INR113b/INR54b.

	MOTHERSO IN
Bloomberg Equity Shares (m)	10554
M.Cap.(INRb)/(USD)	1394.9 / 14.4
52-Week Range (INR)	136 / 90
1, 6, 12 Rel. Per (%)	10/28/40
12M Avg Val (INR M)	2199

MOTHERSO: Financials & Valuations

INR Billion	2026	2027E	2028E
Sales	1,261	1,497	1,678
EBITDA	119.0	139.1	166.5
Adj. PAT	41.5	54.1	70.8
EPS (Rs)	3.9	5.1	6.7
EPS Growth (%)	9.1	30.3	31.0
BV/Share (Rs)	38.8	42.9	48.2

Ratios

Net D:E	0.0	-0.1	-0.2
RoE (%)	10.9	12.5	14.7
RoCE (%)	9.3	10.7	12.6
Payout (%)	16.4	20.0	22.0

Valuations

P/E (x)	33.7	25.8	19.7
P/BV (x)	3.4	3.1	2.7
Div. Yield (%)	0.5	0.8	1.1
FCF Yield (%)	3.8	5.5	6.1

Shareholding pattern (%)

As Of	Mar-26	Dec-25	Mar-25
Promoter	48.6	48.6	58.1
DII	21.1	21.6	21.0
FII	12.7	11.9	12.4
Others	17.6	17.9	8.4

FII includes depository receipts

Key highlights from the management commentary

- Total booked business was USD96b, providing strong visibility for future growth.
- SAMIL currently has 16 greenfield projects at various stages of completion spread across India, Poland, the UAE, Hungary, and Morocco, 13 of which are expected to come on stream during FY27.
- SAMIL is on track to complete the Yutaka Giken acquisition by 1HFY27. The proposed acquisition of Nexan's automotive wiring harness business is expected to close by Jun'26.
- **Consumer electronics** scaled rapidly, growing 46% QoQ in 4QFY26 and 7.5x YoY in FY26, driven by the ramp-up of the second facility. The segment achieved EBITDA profitability in FY26. The third facility is on track for Q3FY27 commissioning, with added upstream integration capabilities, and is expected to drive significant growth and improved margins.
- **Aerospace** business grew 40% YoY in FY26, with order book growth of 20% YoY to USD1.6b, providing strong growth visibility. The two existing facilities will cater to the existing order book, which is expected to be executed over 5–8 years, while the management expects larger order wins in the segment in FY27.
- Effective net debt fell to ~INR98b (vs. INR120b QoQ). The leverage ratio was 0.8x, as guided by the management, and it was the lowest after many quarters.
- Capex for FY26 stood at INR59.1b (in line with guidance of INR60b), and capex guidance for FY27 is at INR60b +/- 10%, 50% of which would be for growth capex and 50% for maintenance capex. Of the 50% growth capex, 60% would be used for the non-auto business, especially consumer electronics.

Valuation and view

Given the better-than-expected performance in 4Q despite adverse global macro, we raise our earnings estimates by 8% each for FY27/FY28. Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. Further, the current adverse global macro is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating on the stock** with a revised TP of INR160, based on 24x FY28E EPS.

Quarterly performance (Consol.)
(INR m)

Y/E March	FY25				FY26				FY25	FY26	4QE	var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	2,88,680	2,78,119	2,76,659	2,93,168	3,02,120	3,01,730	3,14,094	3,43,093	11,36,626	12,61,037	3,28,898	4.3
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	13.5	17.0	15.4	10.9	12.2	
EBITDA	27,753	24,479	26,858	26,429	24,583	26,107	30,431	37,908	1,05,519	1,19,029	33,132	14.4
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	9.7	11.0	9.3	9.4	10.1	
YoY Change (%)	44.2	23.1	16.0	-1.0	-11.4	6.6	13.3	43.4	17.0	12.8	25.4	
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	13,208	13,654	44,934	51,339	13,850	
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,411	4,718	18,824	16,244	3,739	
Other income	709	862	1,112	1,164	805	1,212	514	575	5,577	3,105	924	
PBT before EO expense	13,371	8,852	12,185	11,200	8,841	11,275	14,325	20,111	47,338	54,552	16,467	22.1
Extra-Ord expense	0	-1,730	0	0	1,365	362	465	1,944	0	4,135	0	
PBT after EO Expense	13,371	10,582	12,185	11,200	7,476	10,914	13,861	18,167	47,338	50,417	16,467	
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	31.7	21.3	23.6	28.2	27.2	
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-920	-1,084	-1,848	-3,573	-1,085	
Reported PAT	9,942	8,797	8,786	10,505	5,118	8,270	10,237	14,971	38,030	38,597	13,077	
Adj PAT	9,942	7,470	8,790	10,505	6,067	8,521	10,560	16,322	38,030	41,470	13,077	24.8
YoY Change (%)	65.5	65.7	62.2	14.6	-39.0	14.1	20.1	55.4	51.5	9.0	30.4	

Key Performance Indicators
(INR m)

Y/E March	FY25				FY26				FY25	FY26	4QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Business Wise Revenues (INRm)											
Wiring harness	83,260	81,110	78,290	85,940	86,400	85,496	90,826	1,02,356	3,28,610	3,65,080	95,181
Modules & Polymer products	1,51,930	1,46,400	1,46,140	1,53,590	1,50,080	1,53,738	1,57,753	1,67,367	5,98,060	6,28,941	1,66,359
Vision system	49,970	48,070	47,290	49,720	51,370	50,838	52,471	55,330	1,95,060	2,10,008	57,541
Integrated assemblies	25,230	25,280	26,600	23,980	28,190	25,801	27,587	28,773	1,01,090	1,10,350	24,898
Emerging businesses	25,910	29,050	26,930	32,280	37,020	40,013	42,182	51,505	1,14,180	1,70,716	46,428
Less: Inter-segment	12,330	12,070	9,910	13,200	12,030	12,099	12,525	15,566	47,550	52,218	13,803
Less: Revenues of Associates/JVs	35,290	39,720	38,680	39,140	38,910	42,058	44,200	46,671	1,52,830	1,71,841	47,706
Net Revenues	2,88,680	2,78,120	2,76,660	2,93,170	3,02,120	3,01,730	3,14,094	3,43,093	11,36,620	12,61,037	3,28,898
Business Wise EBITDA (INRm)											
Wiring harness	9,750	9,080	9,240	10,670	9,830	8,937	8,810	11,703	38,730	39,283	10,404
Modules & Polymer products	13,170	10,900	11,700	10,020	9,580	11,377	14,792	15,450	45,800	51,201	15,516
Vision system	4,740	4,440	4,360	5,970	4,730	4,692	4,827	6,178	19,500	20,425	6,850
Integrated assemblies	2,560	3,010	3,530	2,540	3,210	3,152	4,194	4,478	11,650	15,039	3,179
Emerging businesses	3,170	3,870	3,600	3,900	3,090	3,798	3,909	7,455	14,520	18,253	4,498
Less: Inter-segment	550	-110	-160	650	580	-227	24	-234	-830	-517	1,136
Less: EBITDA of Associates/JVs	5,087	6,931	5,732	6,021	5,277	6,076	6,077	7,590	22,260	24,390	6,178
Consol EBITDA	27,753	24,479	26,858	26,429	24,583	26,107	30,431	37,908	1,08,770	1,20,326	33,132
Business Wise PBITDA Margins (%)											
Wiring harness	11.7	11.2	11.8	12.4	11.4	10.5	9.7	11.4	11.8	10.8	10.9
Modules & Polymer products	8.7	7.4	8.0	6.5	6.4	7.4	9.4	9.2	7.7	8.1	9.3
Vision system	9.5	9.2	9.2	12.0	9.2	9.2	9.2	11.2	10.0	9.7	11.9
Integrated assemblies	10.1	11.9	13.3	10.6	11.4	12.2	15.2	15.6	11.5	13.6	12.8
Emerging businesses	12.2	13.3	13.4	12.1	8.3	9.5	9.3	14.5	12.7	10.7	9.7
Consol EBITDA Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	9.7	11.0	9.6	9.5	10.1

Note: Segmental EBITDA margins include part of other income; E: MOFSL Estimates

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR294 TP: INR265 (-10%) Neutral

Weak near-term earnings outlook; capex intensity rising

Bloomberg	BPCL IN
Equity Shares (m)	4339
M.Cap.(INRb)/(USDb)	1274.4 / 13.2
52-Week Range (INR)	392 / 267
1, 6, 12 Rel. Per (%)	-4/-10/-2
12M Avg Val (INR M)	2915

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	4,552	4,159	3,812
EBITDA	428	186	270
Adj. PAT	261	100	157
EPS (INR)	61	23	37
EPS Gr.%	92.1	-61.9	57.9
BV/Sh. (INR)	234	250	274

Ratios

Net D:E	0.3	0.4	0.4
RoE (%)	28.8	9.6	14.0
RoCE (%)	20.3	6.9	9.8
Payout (%)	28.9	32.7	34.1

Valuation

P/E (x)	4.8	12.6	8.0
P/BV (x)	1.3	1.2	1.1
EV/EBITDA (x)	2.9	6.8	4.7
Div. yield (%)	6.0	2.6	4.3
FCF yield (%)	22.7	-6.4	-2.0

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	53.0	53.0	53.0
DII	19.0	20.0	23.2
FII	19.6	18.5	14.6
Others	8.5	8.6	9.3

FII Includes depository receipts

- **Strong 4Q performance driven by marketing:** BPCL's reported GRM came in line with our est. at ~USD17.9/bbl (our est. USD18/bbl) in 4QFY26. Marketing margin (including inv.) stood at INR5.6/lit (est.: INR1.3/lit). Both refining throughput/marketing volumes came in line with our estimates at 10.4mmt/13.9mmt. Consequently, standalone EBITDA/APAT came in 34%/31% above our estimate at INR110.0b/INR64.5b. Clean PAT, adjusted for forex loss, marketing inventory gain and impairment loss, stood 25% above our est. at INR62b.
- **Key things we liked about the result:** 1) BPCL posted a strong marketing performance, fueled by inventory gains (INR0.8/lit), with a blended gross marketing margin of INR5.6/lit (est. INR1.3/lit). 2) BPCL aims to achieve 6.5-7mmtpa of crude production capacity (group level). INR22.5b equity shall be infused in Bharat PetroResources (BPRL) in FY27. 3) The company continues to diversify its crude basket, with Russian crude share rising to 31% in 4QFY26 from 25% in 3QFY26 (current: 40%-45%). Crude supply till Jul'26 has already been secured.
- **Key monitorables:** 1) Domestic LPG losses have widened sharply recently to ~INR670/cylinder in May'26 (vs. ~INR170/cylinder in Apr'26 and ~INR80+/cylinder in 4QFY26). 2) After the INR4/lit petrol/diesel retail price hike, gross auto-fuel marketing losses are still in the range of INR10-20/lit. We see the possibility of another INR2-3/lit MS/HSD retail price hike if the situation continues. 3) With OMCs making huge marketing losses, we believe that some form of government compensation/support is possible. 4) Bina petrochemical and refinery expansion project has achieved 23% progress vs. 32% planned. Delays are primarily due to geopolitical developments and supply-chain disruptions.
- **Key assumption:** In FY27, we model consol. EBITDA/APAT of INR103b/INR98b (declining 71%/62% YoY), as we assume: 1) gross MS and HSD marketing margin losses of INR5/INR2.5 per lit in 1QFY27/2QFY27 (normalizing to INR4.5/lit in 2HFY27-FY28). 2) LPG under-recovery per cylinder of INR200/100 in 1QFY27/2QFY27. 3) GRM of USD15/14 per bbl in 1QFY27/2QFY27 (normalizing to USD7-8/bbl in 2HFY27-FY28).
- **Valuation and view:** BPCL currently trades at 1.2x 1yr. fwd. P/B vs. 10-year average of 1.8x. We reiterate our Neutral rating with an SoTP-based valuation of INR265/share.

Beat driven by higher-than-expected blended gross marketing margin

- BPCL's reported GRM came in line with our est. at ~USD17.9/bbl (our est. USD18/bbl) in 4QFY26. Marketing margin (including inv.) stood at INR5.6/lit (est.: INR1.3/lit).
- Standalone EBITDA at INR110b beat our estimate by 34%.
- Forex loss stood at INR9.4b and marketing inventory gain was INR12.8b.
- Clean PAT, adjusted for forex loss, marketing inventory gain and impairment loss, stood 25% above our est. at INR62b.
- LPG under-recovery amounted to INR13.4b (INR4.7b in 3Q).

- BPCL's investment in its wholly owned upstream subsidiary BPRL with a gross carrying value of INR154.3b has been impaired due to changed block prospects. BPCL, therefore, recognized an impairment loss of INR43.5b.
- Resulting standalone PAT, adjusted for impairment loss, came in 31% above our estimate at INR64.5b.
- Other income and interest costs came in above our estimates.
- The MoP&NG, through letters dated 3rd/24th Oct'25, approved a compensation of INR75.9b to the company for under-recoveries on the sale of domestic LPG up to 31st Mar'25, and those expected up to 31st Mar'26. The amount would be released in 12 equal monthly instalments, with accruals recognized on a monthly basis starting Nov'25. Accordingly, three equal monthly instalments, totaling INR19b have been recognized in 4Q.
- **Operational details:**
 - Refining throughput came in line with our estimate at 10.4mmt (-2% YoY).
 - Marketing volumes, excluding exports, were in line with our est. at 13.9mmt (+3% YoY).
 - As of Mar'26, BPCL had a cumulative negative net buffer of INR123.2b due to the under-recovery on LPG cylinders (INR128.8b as of Dec'25).
 - BPCL (standalone) has become net cash positive with a cash & bank surplus of INR64b over its total borrowings.

Valuation and view

- BPCL's GRMs have been at a premium to SG GRMs because of the continuous optimization of refinery production, product distribution, and crude procurement. The use of advanced processing capabilities of Bina and Kochi refineries allows BPCL to process 100% of high-sulfur crude and 50% of Russian crude.
- While valuation appears reasonable, weak near-term marketing outlook and the commencement of a new capex cycle emerge as key concerns.
- BPCL currently trades at 1.3x 1yr. fwd. P/B vs. 10-year average of 1.8x. We reiterate our Neutral rating with an SoTP-based valuation of INR265/share.

SoTP-based valuation

Particulars	Amount/Particulars	Multiple	Amount
Dec'27E EBITDA (INR m)	2,45,532	5.5	13,62,457
FY28E CGD EBITDA (INR m)	3,245	14.0	45,427
(-) Dec'27E Net Debt (INR m)			4,87,534
Core business value (INR m)			9,20,349
(/) shares outstanding			4,273
Core business value (INR/share)			215
Add: Investments (INR/share)			
Listed investment (IGL, PLNG & OINL)	@25% discount to CMP		20
Mozambique Upstream Area 1	@40% discount to transaction value		15
Other upstream investments	Reserve based valuation @USD7/boe		6
Unlisted CGD entities	@12x FY24 P/E		9
Target price (INR/share)			265
CMP			294
Upside / (Downside) (%)			-10%

Valuation of Mozambique Upstream Area 1

Particulars	Unit	Amount
Total Energy acquired 26.5% stake in Sep'19	USD m	3,900.0
(x) Exchange rate	INR/USD	71.0
Total Energy acquired 26.5% stake in Sep'19	INR m	276,900.0
Total Energy's stake (%)		26.5
BPRL's stake (%)		10.0
Transaction value for BPRL	INR m	104,490.6
Transaction value for BPRL	INR/share	24.5
Discount	%	0.4
Discounted transaction value for BPRL	INR/share	14.7

Standalone - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Net Sales	1,131.0	1,027.6	1,131.4	1,111.8	1,125.1	1,049.1	1,190.0	1,186.5	4,401.7	4,550.8	1,125.4	5%
YoY Change (%)	0.1	-0.2	-2.0	-4.6	-0.5	2.1	5.2	6.7	-1.8	3.4	1.2	
EBITDA	56.5	45.1	75.8	78.1	96.6	103.4	118.4	110.0	255.6	428.4	81.9	34%
Margins (%)	5.0	4.4	6.7	7.0	8.6	9.9	10.0	9.3	5.8	9.4	7.3	
Forex loss	-0.2	0.4	2.7	0.5	-0.2	5.6	1.7	9.4	3.3	16.4	0.0	
Depreciation	16.8	17.7	18.0	19.7	18.8	19.5	19.7	20.4	72.3	78.4	21.4	
Interest	4.4	4.7	4.3	5.5	3.7	4.2	3.6	4.8	18.9	16.3	4.4	
Other Income	4.8	9.6	11.0	7.9	7.3	11.9	7.5	10.6	33.4	37.3	9.9	
PBT before EO expense	40.3	31.9	61.8	60.4	81.6	86.0	100.9	86.1	194.4	354.5	66.0	30%
Extra-Ord expense	0.0	0.0	0.0	17.7	0.0	0.0	0.0	43.5	17.7	43.5	0.0	
PBT	40.3	31.9	61.8	42.6	81.6	86.0	100.9	42.6	176.6	311.0	66.0	-35%
Tax Rate (%)	25.2	24.9	24.7	24.6	24.9	25.0	25.2	25.0	24.8	25.1	25.2	
Reported PAT	30.1	24.0	46.5	32.1	61.2	64.4	75.5	31.9	132.8	233.0	49.4	53%
Adj PAT	30.1	24.0	46.5	45.5	61.2	64.4	75.5	64.5	146.1	265.6	49.4	31%
YoY Change (%)	-71.4	-71.8	36.9	-18.3	103.1	168.7	62.3	41.7	-47.8	81.8	8.5	
Key Assumptions												
Refining throughput (mmt)	10.1	10.3	9.5	10.6	10.4	9.8	10.5	10.4	40.5	41.2	10.4	0%
Reported GRM (USD/bbl)	7.9	4.4	5.6	9.2	4.9	10.8	13.4	17.9	6.8	11.7	18.0	-1%
Marketing sales volume excld exports (mmt)	13.2	12.4	13.4	13.4	13.6	12.7	14.1	13.9	52.4	54.2	14.0	-1%
Marketing GM incld inv (INR/litre)	4.8	5.8	7.4	6.0	8.3	7.2	6.2	5.6	6.0	6.8	1.3	335%

Key assumptions

Y End: March 31	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.8	84.6	88.3	91.0	94.0
Crude cost (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	78.6	69.7	75.0	65.0
Domestic Market Sales (mmt)	43.1	43.1	38.7	42.5	48.9	51.0	52.4	54.2	56.3	58.6
YoY (%)	5%	0%	-10%	10%	15%	4%	3%	3%	4%	4%
Reported GRM (USD/bbl)	4.6	2.5	4.1	9.5	20.3	14.1	6.8	11.7	11.2	7.0
Singapore GRM (USD/bbl)	4.9	3.2	0.5	5.0	10.7	6.6	3.8	6.3	7.5	6.0
Prem/(disc) (USD/bbl)	(0.3)	(0.7)	3.6	4.5	9.6	7.6	3.0	5.4	3.7	1.0
Refinery throughput (mmt)	31.0	31.9	26.4	34.1	38.5	39.9	40.5	41.2	40.8	40.8
YoY (%)	9%	3%	-17%	29%	13%	4%	1%	2%	-1%	0%
Marketing Margin (INR/ltr)										
Blended gross marketing margin incld inventory	4.8	4.7	6.9	5.0	(1.4)	6.1	6.0	6.8	2.0	5.0
Consolidated EPS	20.0	11.7	31.0	25.5	4.6	63.3	31.8	61.2	23.3	36.8

Mankind Pharma

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR2,584 **TP: INR2,980 (+15%)** **Buy**

Margin beat on operational discipline

Post two years of earnings consolidation, growth levers align for a sustained re-acceleration

Bloomberg	MANKIND IN
Equity Shares (m)	413
M.Cap.(INRb)/(USD\$b)	1066.7 / 11
52-Week Range (INR)	2727 / 1910
1, 6, 12 Rel. Per (%)	23/25/6
12M Avg Val (INR M)	1223

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	142.8	161.0	182.0
EBITDA	36.2	43.9	49.8
Adj. PAT	20.2	25.9	29.8
EBITDA Margin (%)	25.4	27.3	27.3
Cons. Adj. EPS (INR)	49.0	62.8	72.3
EPS Gr. (%)	5.4	28.2	15.1
BV/Sh. (INR)	395.1	443.5	499.2

Ratios

Net D:E	0.2	0.1	0.0
RoE (%)	13.2	15.0	15.3
RoCE (%)	11.6	13.6	14.8
Payout (%)	18.9	20.0	20.0

Valuations

P/E (x)	52.7	41.1	35.7
EV/EBITDA (x)	31.6	25.6	22.1
Div. Yield (%)	0.4	0.5	0.6
FCF Yield (%)	3.4	5.8	4.9
EV/Sales (x)	8.0	7.0	6.0

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	72.7	72.7	72.7
DII	14.5	13.3	11.5
FII	10.2	11.3	12.9
Others	2.6	2.8	2.9

FII Includes depository receipts

- Mankind Pharma's (MANKIND) reported revenue was in line with expectations for 4QFY26. It delivered better-than-expected EBITDA/PAT for the quarter, driven by controlled operational costs, higher other income, and a lower tax rate.
- After almost three quarters of subdued growth in the prescription business (Ex-BSV and Consumer Health), MANKIND revived YoY growth in 4QFY26, led by superior execution across chronic therapies.
- The company also improved YoY growth in BSV's domestic portfolio, supported by enhanced marketing and promotional efforts.
- Notably, MANKIND has achieved greater efficiency and higher MR productivity, with industry outperformance in select therapies.
- Overall growth was offset to some extent due to moderate growth in exports. Specifically, reduced business in LATAM and leadership changes in the Philippines affected exports for the quarter.
- We largely maintain our earnings estimate for FY27/FY28, with an upward revision in the operating profit largely being offset by a step-up in the effective tax rate. We value MANKIND at 40x 12M forward earnings to arrive at TP of INR2,980.
- After two years of stable earnings, we expect 21% earnings CAGR over FY26-28, led by: a) sustained outperformance in chronic therapies, b) normalization of the acute portfolio, c) increasing share of the specialty portfolio, d) better prospects in exports, and e) improving operating leverage. Overall growth remains broad-based at therapy and product levels. Reiterate BUY.

Cost optimization drives margin expansion and earnings growth

- Sales grew 11.8% YoY to INR34.4b for the quarter (vs est. INR34.3b).
- Gross margin expanded 60bp to 72.2%.
- EBITDA margin expanded 400bp YoY to 27% (vs est. 24.3%), driven by lower employee costs (down 140bp YoY as % of sales) and other expenses (down 200bp YoY as % of sales).
- Accordingly, EBITDA grew at 31.3% YoY to INR9.3b (vs our estimates of INR8.3b).
- Adj. PAT grew 80% YoY to INR5.8b (our est: INR4.4b) due to a significant decline in interest costs.
- Revenue/EBITDA/PAT grew ~17%/18%/5% YoY to ~INR143b/INR36b/INR20b for FY26.

Strong domestic momentum offsets export headwinds

- Domestic business (84% of sales) grew 13.4% YoY to INR28.9b for the quarter, driven by strong growth in the BSV specialty business.
- Prescription business (Rx) (93% of domestic sales) grew 12.9% YoY to INR26.7b, driven by strong performance in chronic therapies.

- Consumer business (7% of domestic sales) grew 19.8% YoY to INR2.1b, driven by growth in Manforce, Prega News, Gasofast, and Nimulid.
- Export (16% of sales) grew 4.2% YoY to INR5.6b., impacted by geopolitical headwinds.

Highlights from the management commentary

- Management guided for improved performance in FY27, aspiring to deliver double-digit revenue growth, outperform IPM growth, and EBITDA margin guidance of 25.5-26.5%.
- The EBITDA margin guidance has been provided considering the current headwinds on raw material prices and logistics costs.
- The Consumer Health business is expected to return to double-digit growth in FY27. This would be largely driven by brand extensions and increased share of modern trade and e-commerce in the overall revenue of this segment.
- Management expects the international business to deliver high-teen growth of 20% over the medium term, driven by expansion in women's health and IVF products across RoW markets, particularly in the Philippines, Malaysia, and Africa.
- Management indicated that debt repayment remains on track, with acquisition-related debt to be fully repaid by FY28.
- PCPM productivity improved to INR0.72m/month in FY26 from INR0.65m/month in FY25.

Consolidated - Quarterly Earning

Y/E March (INR m)	FY25				FY26				FY25	FY26	FY26	Var %
	1Q	2Q	3Q	4Q	1QE	2Q	3Q	4Q				
Gross Sales	28,934	30,765	31,988	30,794	35,704	36,972	35,672	34,429	1,22,481	1,42,776	34,334	0.3
YoY Change (%)	12.2	13.6	22.7	26.1	23.4	20.2	11.5	11.8	18.5	16.6	11.5	
Total Expenditure	21,697	22,265	23,828	23,712	27,236	27,758	26,442	25,131	91,698	1,06,567	25,991	
EBITDA	7,238	8,500	8,160	7,082	8,468	9,213	9,230	9,299	30,783	36,210	8,343	11.5
YoY growth %	10.5	24.5	34.5	19.8	17.0	8.4	13.1	31.3	21.4	17.6	17.8	
Margins (%)	25.0	27.6	25.5	23.0	23.7	24.9	25.9	27.0	25.1	25.4	24.3	
Depreciation	1,077	1,056	1,872	2,309	2,187	2,218	2,226	2,231	6,212	8,862	2,318	
Interest	109	71	2,209	1,905	1,707	1,697	1,572	1,418	4,294	6,393	1,350	
Other Income	1,006	1,094	770	1,013	799	919	728	1,143	5,368	3,588	797	
PBT before EO expense	7,057	8,468	4,849	3,881	5,373	6,217	6,160	6,793	25,645	24,543	5,472	24.1
Extra-Ord expense	420	0	0	-1,250	0	0	1,066	232	-830	1,298	0	
PBT	6,637	8,468	4,849	5,131	5,373	6,217	5,094	6,562	26,475	23,246	5,472	
Tax	1,246	1,904	1,105	864	958	1,038	951	998	5,097	3,946	974	
Rate (%)	18.8	22.5	22.8	16.8	17.8	16.7	18.7	15.2	19.3	17.0	17.8	
Minority Interest & P/L of Asso. Cos.	26.7	28.4	8.5	15.6	94.7	109.9	-32.1	-29.9	79.2	142.6	46.6	
Reported PAT	5,365	6,535	3,736	4,251	4,320	5,069	4,175	5,594	21,298	19,158	4,451	
Adj PAT	5,706	6,535	3,736	3,212	4,320	5,069	5,042	5,791	19,188	20,221	4,451	30.1
YoY Change (%)	17.2	30.4	-17.7	-31.8	-24.3	-22.4	35.0	80.3	0.3	5.4	38.6	
Margins (%)	19.7	21.2	11.7	10.4	12.1	13.7	14.1	16.8	15.7	14.2	13.0	
EPS	14.2	16.3	9.3	8.0	10.8	12.7	12.6	14.5	46.5	49.0	11.1	

E: MOFSL Estimates

Estimate change	↑
TP change	↕
Rating change	↔

CMP: INR487 TP: INR650 (+34%) Buy

Stellar growth and margin expansion drive big beat

Bloomberg	LENSKART IN
Equity Shares (m)	1735
M.Cap.(INRb)/(USDb)	845.4 / 8.7
52-Week Range (INR)	560 / 356
1, 6, 12 Rel. Per (%)	-6/27/-
12M Avg Val (INR M)	2588

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	90.0	114.1	140.4
EBITDA	17.9	25.0	31.9
Adj. Net Profit	5.3	8.1	11.1
EBITDA Margin (%)	19.9	21.9	22.8
Adj. EPS (INR)	3.0	4.6	6.4
BV/Sh. (INR)	51.0	55.8	62.2

Ratios

Net D:E	-0.1	-0.2	-0.3
RoE (%)	7.1	8.7	10.9
RoCE (%)	5.3	6.7	8.1

Valuations

P/E (x)	157.7	104.2	75.6
EV/EBITDA (x)	48.1	34.8	27.1
EV/Sales (x)	9.6	7.6	6.2

Shareholding pattern (%)

As On	Mar-26	Dec-25
Promoter	17.6	17.6
DII	15.5	15.9
FII	4.7	4.3
Others	62.3	62.3

FII Includes depository receipts

- Lenskart delivered a stellar 4QFY26, with consol. revenue rising ~41% YoY, (11% beat) driven by 25% YoY volume growth and ~12% YoY ASP increase (premiumization benefits, further aided by a low base in 4QFY25).
- 4QFY26 pre-IND AS EBITDA doubled YoY (34% beat), as margin expanded ~380bp YoY (+140bp QoQ) and came in ~220bp ahead of our estimate, driven by operating leverage benefits both in India and International.
- FY26 consolidated revenue grew ~32% YoY (vs. 23% YoY in FY25), led by volume growth (+30% YoY), acceleration in store additions (+22% YoY) and modest ~2% YoY ASP uptick. India/International grew 34%/30% YoY.
- FY26 pre-IND AS EBITDA grew 96% YoY to INR10.1b, as margin expanded ~370bp YoY, aided by 25bp product margin expansion and operating leverage on employee costs (140bp), other expenses (125bp) and rentals (~75bp). India/International witnessed 460bp/335bp margin expansion.
- Management believes Lenskart has entered a structural compounding phase, with incremental revenue translating into significantly higher EBITDA and PAT growth, aided by operating leverage across stores, supply chain and tech investments. The long-term margin target is ~25%.
- We raise our FY27E/FY28E revenue by 5%/6%, pre-IND AS EBITDA by ~15%/10% and PAT by ~12%/7%, driven by upgrades in India and International growth and margin assumptions.
- We now model a CAGR of 25%/42%/44% in revenue/pre-IND AS EBITDA/PAT over FY26-28E, driven by 26%/23% revenue growth and 275bp/350bp margin expansion in India/International.
- We reiterate our **BUY rating on Lenskart with a revised TP of INR650**, premised on unchanged 55x FY28E pre-IND AS EBITDA.

Strong 4Q with 40%+ growth and sharp ~375bp YoY margin expansion

- 4Q pro forma consolidated revenue growth accelerated to ~41% YoY (vs. ~37% YoY in 3Q) to INR25.2b (+9% QoQ, 11% beat).
- Volume grew ~25% YoY to 9.7m (vs. ~30% YoY in 3Q), while implied ASP rose ~12% YoY to INR2,586 (vs. ~6% YoY in 3Q), aided by a lower base YoY.
- The company added 183 net new stores (India: 170, International:13) in 4Q, bringing the total store count to 3,327 (up ~22% YoY). It added 604 net stores in FY26 (vs. 334 in FY25).
- Gross profit rose 40% YoY to INR17.5b (+10% QoQ, 12% beat) as product margin contracted ~20bp YoY to 69.6% (+70bp YoY, 60bp beat) due to higher growth in relatively lower gross margin India business.
- Pro forma reported EBITDA jumped 62% YoY to INR5.4b (+16% QoQ, 20% beat), with margin expanding ~280bp YoY to 21.4% (up ~130bp QoQ, 160bp beat).
- Lease rentals grew 27% YoY (vs. 41% YoY growth in revenue), leading to YoY doubling of pre-IND AS EBITDA to INR3.2b (+22% QoQ, 34% beat). Margins expanded ~380bp YoY to 12.9% (+140bp QoQ, +220bp beat).

- The company had a one-off boost worth ~INR1.75b pertaining to a deferred consideration of Owndays in 4QFY25; adjusted for the same, PAT surged 2.3x YoY to INR2b (+48% QoQ, 60% beat).
- Consolidated FY26 pro forma revenue grew 32% YoY to INR90b, driven by ~30%/2% YoY growth in volume/ASP.
- Consolidated FY26 pre-IND AS EBITDA surged almost 2x YoY to INR10.1b, with margin expanding ~370bp YoY to 11.3%, driven by product margin expansion (+25bp) and operating leverage on employee costs (+140bp), other expenses (+125bp) and rentals (+75bp).
- Sharp improvement in profitability, along with healthy WC discipline, led to a strong pre-IND AS OCF of INR8.9b (vs. INR6.4b in FY25).
- Capex almost doubled YoY to INR8.2b owing to accelerated store expansion and Hyderabad facility investment, leading to modest FCF generation of INR640m (vs. INR2.1b YoY).

India: 4Q growth accelerates to ~44% YoY; margin expands ~455bp in FY26

- Pro forma 4Q revenue stood at INR14.8b, with growth acceleration to ~44% YoY (vs. ~40% YoY in 3Q) and coming in ~11% ahead of our estimates.
- Volume grew ~24% YoY to 7.9m (+32% YoY in 3Q), while implied ASP rose ~16% YoY to INR1,867 (+7% YoY in 3Q, 6%), driven by premiumization and lower ASP in the base quarter due to the commencement of the lens replacement scheme.
- The company added 170 net stores during 4Q to reach 2,609 stores (up 26% YoY). It added 542 net stores in FY26 (vs. 282 YoY), with tier 2 cities accounting for 254 net additions (vs. 89 YoY).
- Gross profit grew 44% YoY to INR9.5b (+7% QoQ, 11% beat) as product margin was stable YoY at 64% (+30bp QoQ) despite headwinds from INR depreciation.
- Pro forma reported EBITDA doubled YoY to INR3.1b (+9% QoQ, 14% beat) as margin expanded ~575bp YoY to 21.2% (+40bp QoQ, ~70bp beat).
- Lease rentals grew ~30% YoY, resulting in pre-INDAS EBITDA growth of ~2.5x YoY to INR2.26b (21% beat), with margin expanding ~640bp YoY to 15.3% (+40bp QoQ, 135bp ahead of our estimate).
- India pro forma FY26 revenue grew ~34% YoY (vs. ~27% YoY in FY25), driven by 26%/6% YoY growth in volume/ASP.
- FY26 pre-IND AS EBITDA surged 96% YoY to INR7.6b as margins expanded 455bp YoY to 14.3%, driven by operating leverage on marketing spends (190bp), employee costs (110bp), other expenses (125bp) and rentals (~20bp).

International: 25% 4Q cc revenue growth; margin expands ~335bp in FY26

- Revenue at INR10.5b (+13% QoQ, 12% beat) grew ~35% YoY, with constant currency (cc) growth robust at ~25% YoY (vs. ~24% YoY in 3Q) .
- Growth was largely volume led with 29% YoY increase in volume to 1.8m (vs. 21% YoY in 3Q), while implied ASP rose ~5% YoY to INR5,833 (down 9% QoQ).
- The company added 13 new stores during 4Q to reach 718 stores (up 9% YoY). It added 61 net stores in FY26 (vs.53 in FY25).
- Gross profit grew 38% YoY to INR8.1b (+14% QoQ, 13% beat) as product margin expanded 145bp YoY to 76.6% (+85bp QoQ, 100bp ahead).
- Pro forma reported EBITDA rose 34% YoY to INR2.3b (28% QoQ, 29% beat), despite margin contracting ~20bp YoY to 21.5% (+255bp QoQ, 285bp beat).

- Lease rentals grew ~23% YoY, resulting in pre-INDAS EBITDA of INR1b (up 52% YoY, 86% ahead), with margin expanding ~100bp YoY to 9.4% (+285bp QoQ, 375bp beat).
- International pro forma FY26 revenue grew ~30% YoY (~20% YoY in cc), driven by 20%/8% YoY growth in volume/ASP.
- FY26 pre-IND AS EBITDA surged ~2.5x YoY to INR2.7b as margins expanded ~335bp YoY to 7%, driven by product margins expansion (130bp), operating leverage on employee costs (170bp), rentals (130bp) and other expenses (25bp) offset by an increase in marketing spends (~120bp YoY).

Key highlights from the management commentary

- **Demand momentum** remained strong across India and International markets, reinforcing that eyewear remains a structurally underpenetrated category with significant headroom for organized penetration. The business has entered a structural compounding phase, with incremental revenue translating into disproportionate EBITDA and PAT growth through operating leverage across stores, supply chain and technology. LT margin ambition remains ~25%.
- **FY27 priorities** focus on AI-led operating transformation, accelerated customer acquisition, deeper store penetration (guidance of opening as many stores as in FY26 at least) and long-term ecosystem investments such as smart glasses, building global consumer brand and supply-chain integration.
- **India Business:** India growth was primarily volume-led, with eyewear units growing 24.3% YoY to 7.9m. Gold active members increased 29.5% YoY to 8.8m. Same-store sales growth (SSSG) stood at 24% and same-pincode growth was 31%, with broad-based growth across metros, Tier 1 and Tier 2 markets.
- **International business** is evolving into a scaled growth engine, with Japan delivering record revenue and SSSG despite being seen as a mature market. Margins continue to improve through structural reduction in average cost price (ACP), aided by supply-chain integration and sourcing efficiencies, and are tracking materially ahead of India's historical trajectory at comparable scale.

Valuation and view

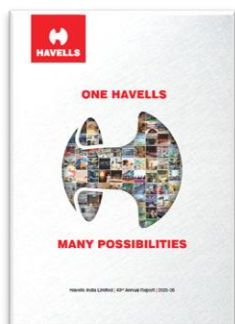
- Lenskart has built strong moats in a difficult-to-scale category through - i) a centralized, highly automated manufacturing facility and logistics network; ii) strong backward integration, which provides significant cost advantage; iii) large omnichannel presence; iv) leveraging technology to ease constraints in scaling up; and v) house-of-brands architecture spanning mass to premium eyewear, to achieve its goal of making quality eyewear accessible and affordable. Please refer our [IC for detailed thesis](#) on Lenskart.
- We raise our FY27E/FY28E revenue by 5%/6%, pre-IND AS EBITDA by ~15%/10% and PAT by ~12%/7%, driven by upgrades in India and International growth and margin assumptions.
- We now model a CAGR of 25%/42%/44% in revenue/pre-IND AS EBITDA/PAT over FY26-28E, driven by ~26%/23% revenue growth and ~275bp/350bp margin expansion in India/International.
- We reiterate our **BUY rating on Lenskart with a revised TP of INR650**, premised on unchanged 55x FY28E pre-IND AS EBITDA.

Consolidated – Quarterly earnings

	FY25				FY26				FY25	FY26	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	Var (%)
Revenue	16,015	17,326	16,791	17,899	20,322	21,466	23,077	25,157	68,030	90,023	22,658	11.0
YoY Change (%)					26.9	23.9	37.4	40.6	23.0	32.3	26.6	
Gross Profit	11,099	11,807	11,453	12,498	13,961	14,851	15,907	17,512	46,857	62,232	15,642	12.0
Gross margin	69.3	68.1	68.2	69.8	68.7	69.2	68.9	69.6	68.9	69.1	69.0	58
Total Expenditure	8,488	8,638	9,010	9,167	10,318	10,582	11,266	12,128	35,303	44,294	11,152	8.8
EBITDA	2,611	3,169	2,443	3,331	3,643	4,269	4,641	5,384	11,554	17,938	4,490	19.9
EBITDA margins (%)	16.3	18.3	14.5	18.6	17.9	19.9	20.1	21.4	17.0	19.9	19.8	159
Depreciation	2,094	2,185	2,195	2,166	2,381	2,539	2,703	2,875	8,640	10,499	2,805	2.5
Interest	410	292	373	500	416	446	487	435	1,575	1,785	396	10.1
Other Income	441	704	334	446	517	334	404	490	1,925	1,745	413	18.8
PBT before EO expense	548	1,396	209	1,112	1,363	1,618	1,855	2,564	3,264	7,398	1,703	50.6
JV Share	-7	-3	-16	-4	-38	-11	-17	-22	-92	-165	-9	153.1
Extra-Ord expense	0	0	0	-1,553	-104	0	-53	0	1,553	-157	0	
PBT	541	1,393	192	2,661	1,221	1,607	1,784	2,542	4,725	7,077	1,694	50.0
Tax	319	636	-200	221	459	476	457	506	975	1,898	431	17.4
Rate (%)	59.0	45.7	-104.2	8.3	37.6	29.6	25.6	19.9	20.6	26.8	25.4	
Reported PAT	222	757	393	2,440	762	1,131	1,327	2,036	3,750	5,178	1,264	61.1
Adj PAT	222	757	393	887	866	1,131	1,380	2,036	2,197	5,336	1,263	61.2
YoY Change (%)					290	49	251	130		143		

BSE SENSEX 75,318 S&P CNX 23,659

CMP: INR1,208 TP: INR1,340 (+11%) Neutral



Expanding product range amid a mixed demand environment

Havells India (HAVL)'s FY26 Annual Report underscores the company's transformation journey into a comprehensive, mass-premium 'home solutions' franchise, with a presence across 24 product categories spanning everyday consumer needs as well as B2B applications. The company continues to deepen its integration into modern households through a wide portfolio—ranging from cables and switchgears to appliances and lighting—while expanding into emerging areas like rooftop solar and EV charging. In FY26, the electrical equipment industry experienced a mixed demand environment. Consumer-facing segments saw intermittent softness, mainly due to the subdued summer season, while infrastructure and industrial segments sustained relatively stronger momentum. It also witnessed encouraging traction in its renewable energy initiatives, particularly rooftop solar. Here are the key highlights:

	HAVL IN
Bloomberg Equity Shares (m)	627
M.Cap.(INRb)/(USDb)	757.6 / 7.8
52-Week Range (INR)	1623 / 1143
1, 6, 12 Rel. Per (%)	-4/-7/-18
12M Avg Val (INR M)	1376
Free float (%)	40.6

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	225.3	255.8	292.3
EBITDA	22.0	25.3	31.0
Adj. PAT	15.2	16.6	21.0
EBITA Margin (%)	9.8	9.9	10.6
Cons. Adj. EPS (INR)	24.3	26.4	33.4
EPS Gr. (%)	3.6	8.6	26.6
BV/Sh. (INR)	150.7	167.9	189.6

Ratios

Net D:E	(0.2)	(0.3)	(0.3)
RoE (%)	16.1	15.7	17.6
RoCE (%)	14.9	15.4	17.3
Payout (%)	41.1	35.0	35.0

Valuations

P/E (x)	49.7	45.7	36.1
P/BV (x)	8.0	7.2	6.4
EV/EBITDA (x)	33.4	28.8	23.3
Div Yield (%)	0.8	0.8	1.0
FCF Yield (%)	0.2	1.1	1.5

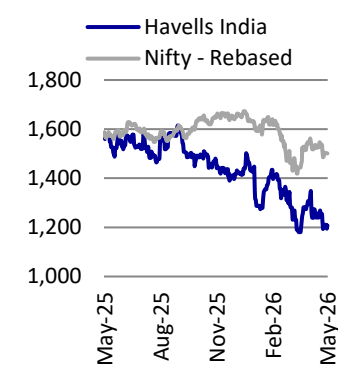
Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	59.4	59.4	59.4
DII	17.7	16.7	12.8
FII	16.9	18.0	22.3
Others	6.0	6.0	5.5

FII includes depository receipts

- Subdued consumer demand weighs on FY26 performance:** HAVL posted subdued growth in FY26 due to softness in consumer demand. With nearly one-third of the company's revenue accruing from cooling products such as air conditioners, fans, air coolers, and refrigerators, the overall performance was significantly affected by the subdued summer season. However, industrial and infrastructure-led demand remained strong and drove revenue growth YoY. The latter part of the year was marked by geopolitical uncertainties in West Asia, which drove commodity inflation, logistics cost escalation, and currency-related input cost pressures.
- FY26 performance highlights: 1) P&L highlights:** Revenue grew ~3% YoY to INR225.3b, with ex-Lloyd revenue rising ~11% YoY. However, Lloyd's revenue declined ~23% YoY. EBITDA grew ~3% YoY to INR22.0b, as EBITDA margin largely remained flat YoY at 9.8% in FY26. Adj. PAT was up ~4% YoY to INR15.2b; **b) cash flow and balance sheet highlights:** OCF stood at INR15.7b vs. INR15.1b in FY25. The OCF/EBITDA ratio remained stable YoY at ~71%. Capex stood at INR14.2b vs. INR7.2b in FY25. FCF stood at INR1.5b in FY26 vs. INR7.9b in FY25. Net cash balance declined to INR23.6b (vs. INR33.8b in FY25); **c) working capital and return ratios:** net operating working capital was largely stable YoY, as higher inventory days due to elevated RAC inventory amid weak demand were offset by lower trade receivable days. Return ratios declined due to lower asset turnover (RoE/RoCE at ~16%/15% in FY26 vs. ~18%/17% in FY25).
- The 'ONE Havells' initiative aims to drive consistency and reach:** A key strategic initiative during the year was the rollout of the 'ONE Havells' framework, aimed at simplifying channel engagement, enhancing consistency, and strengthening the distribution ecosystem. Its evolution into a "house of brands" with six distinct offerings enables it to cater across price segments, strengthening both reach and positioning. It maintained focus on innovation, distribution expansion, and in-house manufacturing capabilities, while navigating near-term headwinds and positioning itself for gradual, long-term value creation. The company's strategy continues to be anchored in five priorities – brand, omnichannel, innovation, digitization, and talent.

Stock performance (one-year)



■ **Positioning for high-value segments with a cautious near-term view:**

Rising demand from solar, pickup in EV charging infrastructure, and increasing awareness around electrical safety continue to open up growth opportunities in the switchgear segment. In the power cables segment, the company continued to expand its capacity. The company has strategically prioritized entry into high-value, technically advanced product segments. This includes extra high voltage (EHV) cables and other specialized cable categories that cater to large-scale power transmission infrastructure and renewable energy projects. While India’s medium-term outlook continues to remain constructive, supported by policy reforms and domestic stability, near-term conditions are tempered by elevated inflation driven by rising commodity prices and a weakening rupee, which weighed on household disposable incomes despite supportive measures such as tax relief and monetary easing.

■ **Valuation and view:** HAVL’s Lighting/ECD segments, which contribute over 25%

of the company’s revenue, have seen subdued CAGR in the range of ~5-6% over FY22-26 due to weak consumer demand, higher competitive intensity, and price deflation (mainly in lighting). The switchgears/cables/others segments posted a healthy CAGR of ~10%/17%/23 over FY22-26, led by strong underlying demand drivers (in cables/switchgears) and entry into new emerging businesses such as solar rooftop (in others). Lloyd has posted ~15% CAGR, led by increasing traction in RAC and other products (washing machines/refrigerators). Overall revenue CAGR was ~13% over FY22-26. However, the EBITDA/PAT CAGR was ~6% (each) over FY22-26 due to lower margins, as it has seen margin contraction across segments, barring cables and wires, where margin improved.

■ We expect HAVL to report a revenue/EBITDA/PAT CAGR of 14%/19%/17% over FY26-28, albeit on a low base. We estimate a CAGR of ~15-20% in C&W/ECD/Lloyd (each), ~10% in others (mainly driven by the solar business), and ~6-8% in switchgear and lighting segments. Its RoE is likely to improve to ~18% in FY28 vs. ~16% in FY26. The stock is trading fairly at 46x/36x FY27/28E EPS. **We reiterate our Neutral rating with a TP of INR1,340, based on 40x FY28E EPS.**

Jindal Stainless

BSE SENSEX

75,318

S&P CNX

23,659



Stock Info

Bloomberg	JDSL IN
Equity Shares (m)	824
M.Cap.(INRb)/(USD b)	607.6 / 6.3
52-Week Range (INR)	884 / 633
1, 6, 12 Rel. Per (%)	-4/6/19
12M Avg Val (INR M)	629
Free float (%)	37.9

Financials Snapshot (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	429.5	493.7	561.2
EBITDA	55.6	59.4	70.3
Adj. PAT	32.5	33.8	41.0
EBITDA (%)	12.9	12.0	12.5
Adj. EPS (INR)	39.5	41.1	49.8
BV/Sh. (INR)	240	277	323

Ratios

Net D:E	0.2	0.1	0.0
RoE (%)	16.4	14.8	15.4
RoCE (%)	12.7	12.5	13.3
Payout (%)	10.3	9.7	8.0

Valuations

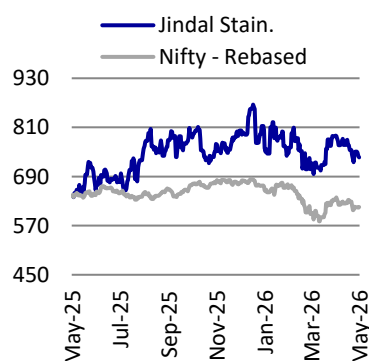
P/E (x)	19.4	18.0	14.8
P/BV (x)	3.1	2.7	2.3
EV/EBITDA(x)	11.9	10.7	8.8
Div. Yield (%)	0.5	0.5	0.5

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	62.1	61.2	60.9
DII	7.2	7.2	6.9
FII	20.9	21.6	21.4
Others	9.9	9.9	10.8

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR737

TP: INR920 (+25%)

Buy

Expansion to strengthen long-term growth visibility

We recently hosted Jindal Stainless (JDSL) for investor meetings in Singapore.

Following are the key takeaways:

- JDSL is witnessing strong demand for stainless steel across key end-use sectors and newer applications. The company is targeting sustainable long-term growth through: 1) capacity expansion, 2) raw material security, 3) product diversification and value addition, and 4) maintaining a healthy balance sheet.
- **Demand outlook:** The company expects demand to remain resilient, supported by key end-use sectors such as automotive, pipes and tubes, railways, metro, elevators, and white goods, which continue to drive steady consumption. It expects industry to grow at 8-10% annually.
- **Increased melt capacity:** JDSL commissioned a 1.2 mtpa stainless steel melt shop in Indonesia, securing access to nickel. It plans to import slabs from Indonesia and process them in India, retaining value-added margins domestically.
- **Downstream expansion:** The company is expanding its downstream capacity through a 1.1 mtpa HRP line and 0.17mtpa CRP line at Jajpur. It is also augmenting cold rolling capacity at Hisar and Kharagpur, taking cold rolling capacity to 2.67mtpa by FY28. This expansion is expected to enhance product mix and profitability, while supporting total annual sales volumes of 3.5mt by FY29.
- **Cold-rolled portfolio:** The company has acquired Chromeni Steels (0.6mtpa), bringing total CR capacity to ~2.1mtpa, with a potential to reach 4mtpa.
- **Long-term growth plans in place:** JDSL has signed an MoU with Maharashtra for a 4mtpa greenfield project, to be developed in a phased manner of 1mtpa each over 15 years.

Superior product mix to improve NSR and mitigate import threats

- JDSL has steadily improved its product mix by increasing the share of higher-value 300/400 series grades, reducing exposure to cheap Chinese/Indonesian imports, and improving realizations.
- The company's strategic moves of Indonesia JVs (NPI + 1.2mtpa SMS) and downstream acquisitions (CSPL, JUSL, RSSL, RVPL) are expected to strengthen raw material security, support incremental melt capacity, and drive its cold-rolled share toward the 75% target (vs. 45% earlier).
- While JDSL has historically been concentrated in flat products with low infra exposure (3-5%), the RSSL and RVPL acquisitions have expanded its presence into the infra segment, which accounts for ~20% of India's SS demand. With a rising VAP portfolio and a richer product/series mix, JDSL is well-positioned to sustain strong profitability, with an anticipated EBITDA/t of INR20,500-22,000/t over FY27-28, backed by better NSR, cost efficiency, raw material stability, and ongoing capacity ramp-up.

Focus on ensuring seamless RM supplies

- JDSL is de-risking its scrap-dependent model by securing stable raw material supplies through a JV in Indonesia. The raw materials form ~75% of stainless-steel production costs, with nickel alone contributing 40-45%, making margins highly sensitive to nickel price swings.
- India's nickel deficit and unreliable domestic SS scrap have led to heavy reliance on imports (ferronickel, SS scraps, and semis). To address this, JDSL has acquired a 49% stake in a JV with New Yaking (Tsingshan Group) to operate a 200kt NPI smelter (14% Ni) in Indonesia for USD157m.
- With a 3mtpa melt capacity, JDSL's estimated nickel requirement is ~130kt. The company has secured ~20% of this requirement through the NPI route (~28kt Ni), reducing dependence on scrap and ferronickel and ensuring long-term nickel supply stability.

Resilient demand to support earnings; regulatory support to drive growth

- Management expects domestic demand to remain resilient at an 8-10% CAGR in the near-to-medium term, supported by strong traction from automotive and railways (Vande Bharat, Amrit Bharat, and metro projects), along with growing processing industry, white goods, and pipe & tube segments.
- DGTR is currently investigating anti-dumping duties, particularly on the 300/400 series, which together formed ~75% of imports in 1HFY26 (vs 58% in FY24). Domestic SS prices have recently strengthened, supported by expectations of Anti-Dumping Duties (ADD) and Quality Control Order (QCO) enforcement.
- While near-term EBITDA/t could be hampered by increased input costs owing to the West Asia war, the longer-term EBITDA guidance of >INR21,000/t remains intact. This would be driven by better volumes, improving VAP, and lower costs.

Valuation and view

- The SS industry is set for strong growth as India's SS consumption is expected to reach 7.3mt by FY31 and 12.5-20mt by 2047, backed by rising adaptability across sectors like infrastructure, manufacturing, automotive, consumer durables, and growing new-age sectors. We believe JDSL is well-placed to capitalize on this robust demand outlook, with a higher VAP portfolio supporting margins.
- From being solely a flat SS producer to a diversified long SS player, JDSL has expanded into rebar, wire rods, and others, unlocking significant infrastructure opportunities. Additionally, its focus on value-added CR SS has strengthened its position in both domestic and export markets.
- **At CMP, the stock trades at 8.8x EV/EBITDA and 2.3x P/BV on FY28E. We reiterate our BUY rating with a TP of INR920 (premised on 11x EV/EBITDA FY27 estimate).**

PI Industries

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR2,901 **TP: INR3,500 (+21%)** **Buy**

Weak CSM volume offtake weighs on performance

Operating performance misses our estimate

Bloomberg	PI IN
Equity Shares (m)	152
M.Cap.(INRb)/(USD\$)	440.2 / 4.5
52-Week Range (INR)	4330 / 2700
1, 6, 12 Rel. Per (%)	-2/-6/-18
12M Avg Val (INR M)	864

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	67.1	74.8	85.9
EBITDA	17.0	19.1	22.8
PAT	12.4	13.7	16.3
EBITDA (%)	25.3	25.6	26.5
EPS (INR)	81.8	89.9	107.1
EPS Gr. (%)	(25.1)	9.9	19.2
BV/Sh. (INR)	739	813	904

Ratios

Net D/E	(0.3)	(0.3)	(0.4)
RoE (%)	11.6	11.6	12.5
RoCE (%)	11.5	11.4	12.3
Payout (%)	18.4	17.8	14.9

Valuations

P/E (x)	35.5	32.3	27.1
EV/EBITDA (x)	24.8	21.6	17.8
Div Yield (%)	0.6	0.6	0.6
FCF Yield (%)	(1.1)	2.7	2.8

Shareholding Pattern (%)

As on	Mar-26	Dec-25	Mar-25
Promoter	46.1	46.1	46.1
DII	31.3	31.1	27.6
FII	15.9	16.0	18.1
Others	6.7	6.9	8.3

Note: FII includes depository receipts

- PI Industries (PI) reported a weak quarter as revenue declined 12% YoY, primarily due to a 15% YoY dip in the CSM business, attributed to the global slowdown and cautious customer scheduling (volume declined 14% YoY). Domestic Agri also reported a revenue decline of 9% YoY, while the Pharma business grew 23% YoY. Gross margins expanded 280bp YoY due to a better product mix and operational efficiency, while lower volumes led to adverse operating leverage, thereby resulting in an overall EBITDA margin contraction of 400bp YoY.
- Going forward, we remain cautiously optimistic on FY27, supported by a strong order book, committed customer offtake plans, and the planned launch of over 5+ new molecules in the CSM business, which should accelerate growth in 2HFY27. In addition, the Biologicals pipeline and potential inorganic opportunities continue to strengthen the growth outlook.
- We largely maintain our FY27/FY28 earnings estimates and **reiterate our BUY rating with a TP of INR3,500 (based on 33x FY28E EPS, i.e. a discount of ~10% to the company's six-year historical P/E at 37x).**

Adverse operating leverage contracts margins

- Revenue stood at INR15.7b (est. in line), declining 12% YoY. Agrochemicals business revenue declined 14% YoY to INR14.6b, and the Pharma business revenue rose 23% YoY to INR1b.
- EBITDA stood at INR3.4b (est. INR3.8b), declining 26% YoY. EBITDA margins contracted 400bp YoY to 21.5% (est. 24.1%); gross margins stood at 58% (up 280bp YoY); employee expenses rose 350bp YoY to 14.5%; other expenses rose 330bp YoY to 21.8% of sales.
- For FY26, Agrochemicals business revenue declined 17% to INR64b, while Pharma business revenue grew 40% to INR3b.
- EBIT margins for the Agrochemical business stood at 22.8% (down 660bp), and the Pharma business reported an operating loss of INR486m vs an operating loss of INR821m in 4QFY25. Adj. PAT declined 39% YoY to INR2.0b (est. INR2.7b).
- For FY26, EBIT margins for the agrochemical business stood at 28.0% (down 280bp), and the pharma business reported an operating loss of INR2.7b vs an operating loss of INR3b in FY25.
- For FY26, Revenue/EBITDA/Adj PAT declined 16%/22%/25% to INR67b/INR17b/INR12b.
- Gross debt stood at INR2.4b vs INR1.1b as of Mar'25. CFO stood at INR4.7b vs INR14.1b as of Mar'25.
- PAT was adjusted for a one-time labor code adjustment of INR20m.

Highlights from the management commentary

- **Electronic Chemicals:** The business is currently in the ramp-up phase, focusing on niche and differentiated applications, with strong investments being made to scale the segment. With several products under development, management expects better visibility on the revenue potential over the next 4–5 years, with the segment expected to contribute INR100m in revenue.
- **Pharma:** Revenue growth was driven by the addition of new customers, including strategic accounts and large pharma clients, providing strong medium- to long-term growth visibility. Margins remained under pressure due to one-off processing costs, unfavorable product mix, and higher overheads related to capability building, talent addition, and process enhancement initiatives. Although the business may take a couple of years to achieve positive EBITDA, management is targeting CDMO revenue of INR5-6b over the next 2-3 years.
- **Biologics:** The company has introduced a first-of-its-kind foliar application-based biological nematode product, differentiated from the predominantly soil-applied alternatives in the market. The product has been launched in Brazil and Mexico, with the US emerging as another key market, and management expects sales to more than triple this year, driven by strong farmer feedback and competitive performance versus synthetic chemistry products.

Valuation and view

- The company's CSM business witnessed a sharp slowdown in FY26 due to weak industry demand, elevated channel inventories globally, and customers adopting a cautious just-in-time procurement strategy, resulting in a volume decline.
- Going forward, we believe growth recovery will be led by: 1) improving growth prospects in the CSM business due to faster growth in new molecules (commercialization of 20+ molecules over the last few years), ramp up of new molecules (18-20% share), strong pipeline of 90+ molecules (>60% in advanced stages of development); 2) robust pipeline of biological products across various development stages; and 3) the ramp-up of its pharma business with profitable growth.
- We expect a CAGR of 13%/16%/14% in revenue/EBITDA/adj. PAT over FY26-28. **We reiterate our BUY rating with a TP of INR3,500 (based on 33x FY28E EPS, i.e. a discount of ~10% to the company's six-year historical P/E at 37x).**




Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26				FY25	FY26	FY26E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4Q		
Net Sales	20,689	22,210	19,008	17,871	19,005	18,723	13,757	15,652	79,778	67,137	15,574	0
YoY Change (%)	8.3	4.9	0.2	2.6	-8.1	-15.7	-27.6	-12.4	4.1	-15.8	-12.9	
Total Expenditure	14,857	15,928	13,888	13,315	13,814	13,310	10,734	12,283	57,988	50,141	11,818	
EBITDA	5,832	6,282	5,120	4,556	5,191	5,413	3,023	3,369	21,790	16,996	3,756	-10
Margins (%)	28.2	28.3	26.9	25.5	27.3	28.9	22.0	21.5	27.3	25.3	24.1	
Depreciation	834	798	991	902	965	980	1,054	1,067	3,525	4,066	1,090	
Interest	83	85	83	79	39	26	62	37	330	164	50	
Other Income	727	1,222	759	734	859	825	667	756	3,442	3,107	850	
PBT before EO expense	5,642	6,621	4,805	4,309	5,046	5,232	2,574	3,021	21,377	15,873	3,466	
Extra-Ord expense	0	0	0	0	0	0	-1,051	20	0	-1,031	0	
PBT	5,642	6,621	4,805	4,309	5,046	5,232	3,625	3,001	21,377	16,904	3,466	
Tax	1,175	1,546	1,080	1,017	1,074	1,160	516	1,003	4,818	3,753	797	
Rate (%)	20.8	23.3	22.5	23.6	21.3	22.2	14.2	33.4	22.5	22.2	23.0	
MI & Profit/Loss of Asso. Cos.	-21	-7	-2	-13	-28	-21	-4	-4	-43	-57	-15	
Reported PAT	4,488	5,082	3,727	3,305	4,000	4,093	3,113	2,002	16,602	13,208	2,684	
Adj PAT	4,488	5,082	3,727	3,305	4,000	4,093	2,325	2,017	16,602	12,435	2,684	-25
YoY Change (%)	17.2	5.8	-16.9	-10.6	-10.9	-19.5	-37.6	-39.0	-1.3	-25.1	-19	
Margins (%)	21.7	22.9	19.6	18.5	21.0	21.9	16.9	12.9	20.8	18.5	17.2	

Key Performance Indicators

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Particulars										
CSM Revenue (INRm)	17,241	17,199	15,565	13,638	14,897	14,105	10,574	11,537	63,643	51,113
% Change	13.5	10.2	3.5	-2.5	-13.6	-18.0	-32.1	-15.4	6.4	-19.7
Domestic Formulation (INRm)	3,195	4,600	2,806	3,383	3,385	3,984	2,584	3,067	13,984	13,020
% Change	-8.0	-5.0	5.3	24.9	5.9	-13.4	-7.9	-9.3	2.2	-6.9
Pharma	253	411	637	850	723	634	599	1,048	2,151	3,004
% Change	-42.9	-42.8	-50.0	18.9	185.8	54.3	-6.0	23.3	-31.7	39.7
Cost Break-up										
RM Cost (% of sales)	48.2	48.2	47.3	44.9	42.6	42.7	41.0	42.2	47.3	42.2
Staff Cost (% of sales)	9.7	8.8	10.0	11.0	12.2	11.8	16.6	14.5	9.8	13.5
Other Cost (% of sales)	13.9	14.7	15.7	18.5	17.9	16.6	20.5	21.8	15.6	19.0
Gross Margins (%)	51.8	51.8	52.7	55.1	57.4	57.3	59.0	57.8	52.7	57.8
EBITDA Margins (%)	28.2	28.3	26.9	25.5	27.3	28.9	22.0	21.5	27.3	25.3
EBIT Margins (%)	24.2	24.7	21.7	20.4	22.2	23.7	14.3	14.7	22.9	19.3

Estimate change	
TP change	
Rating change	

CMP: INR1,444 TP: INR1,950 (+35%) Buy

Robust volume growth drives performance

Operating performance below our estimate

- Astral Ltd (ASTRA) reported a strong quarter with volume growth of ~24% YoY (among the highest in the industry) to 84k MT, with EBITDA growth of 27% YoY. This was led by the plumbing business with EBITDA growth of 41% YoY, while the Adhesives business dipped 20% due to raw material price pressure.
- The company highlighted its growth strategy during the analyst meet, focusing on key revenue drivers such as the CPVC resin plant for backward integration, new product launches, a higher share of value-added products, scaling up the bathware business, and decentralization of plants to improve efficiency. The company remains focused on gaining market share and driving volume growth, while backward integration and an improved product mix are expected to support margin expansion.
- We raise our FY27/FY28 EBITDA estimates by 5% each to factor in volume-led better operating leverage, raw material pricing stability, and improved product mix. **Reiterate BUY with an SoTP-based TP of INR1,950.**

Margins remained resilient despite volatile PVC prices

- Consolidated revenue was up 24%/35% YoY/QoQ at INR20.9b in 4Q (est. INR23.8b). EBITDA grew 27% YoY/67% QoQ to INR3.8b (est. INR4.6b). EBITDA margin expanded 40bp YoY/300bp QoQ to 18.3% (est. 19.2%), led by a 150bp YoY increase in gross margin. Adj. PAT grew 21% YoY/ 81% QoQ to INR2.2b (est. INR2.9b).
- Plumbing business revenue stood at INR15.3b (+25% YoY, +43% QoQ), EBIT was INR2.9b (+46% YoY, +2.1x QoQ), and EBIT margin came in at 19.1% (+280bp, +610bp QoQ). Volume grew 24%/36% YoY/QoQ to 84kMT, while EBIT/kg grew 18%/55% YoY/QoQ at INR34.8.
- Paint and adhesive business revenue stood at INR5.5b (+22% YoY, +18% QoQ), EBIT stood at INR228m (-45% YoY, -23% QoQ), and EBIT margin was 4.1% (-500bp, -220bp QoQ).
- In FY26, volume/revenue/EBITDA/Adj. PAT grew 16%/13%/12%/6% YoY to 263kMT/ INR65.7b/INR10.6b/INR5.5b.
- Gross debt stood at INR1.5b as of FY26 vs. INR1.4b in FY25. CFO grew 77% to INR11.2b in FY26, with a CFO/EBITDA ratio of 105%.

Highlights from the management commentary

- **Guidance and outlook:** ASTRA expects FY27 to remain strong with ~10-15% plumbing volume growth (higher value growth due to higher polymer prices YoY), ~25-30% EBITDA growth, and 16-18% plumbing EBITDA margins. Adhesive's growth is targeted at ~15-20%, paints at ~25-30% with positive EBITDA in FY27, while bathware is also expected to sustain ~25% growth, backed by distribution expansion and improving project pipeline.

	ASTRA IN
Bloomberg	ASTRA IN
Equity Shares (m)	269
M.Cap.(INRb)/(USD\$)	387.9 / 4
52-Week Range (INR)	1769 / 1263
1, 6, 12 Rel. Per (%)	-6/8/10
12M Avg Val (INR M)	1194

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	65.7	79.5	91.5
EBITDA	10.6	13.5	16.5
PAT	5.5	8.1	10.4
EBITDA (%)	16.2	17.0	18.1
EPS (INR)	20.6	30.1	38.6
EPS Gr. (%)	5.7	46.2	28.4
BV/Sh. (INR)	202	236	281

Ratios

Net D/E	-0.2	-0.3	-0.4
RoE (%)	14.4	18.4	20.0
RoCE (%)	15.0	18.3	20.0
Payout (%)	20.1	16.6	12.9

Valuations

P/E (x)	70.1	48.0	37.3
EV/EBITDA (x)	35.8	27.7	22.1
Div Yield (%)	0.3	0.3	0.3
FCF Yield (%)	1.7	1.7	2.4

Shareholding Pattern (%)

As on	Mar-26	Dec-25	Mar-25
Promoter	54.2	54.2	54.1
DII	21.3	19.5	14.8
FII	14.5	15.2	20.2
Others	10.0	11.0	11.0

Note: FII includes depository receipts

- **CPVC resin:** The plant is expected to start trial production targeted by Dec'26. This will cater to ~50-60% of ASTRA's CPVC resin requirement when fully operational with ~200bp margin expansion post-stabilization. The phase-2 expansion from 40kMT to 100kMT can be completed at a lower cost of ~INR500m as basic infra is already ready.
- **Plumbing:** ASTRA continues to strengthen its plumbing franchise through expansion into fire protection, electrofusion (pipes and fittings), infra piping, PP drainage, and PEX-based systems. During FY26, it has increased its SKU count from 6,939 to 8,103 and also doubled the exports. Management remains bullish on the long-term shift toward polyolefin-based systems such as PEX and PP drainage in high-rise buildings, concealed plumbing, with EF Drain and PEX-AL products seen as key future growth opportunities for the company.
- **Adhesives and paints:** The distribution reach is targeted to expand from ~13,000 to 20,000 towns. Management also highlighted improving profitability trends in the UK business, their strong focus on rural penetration under the "New Bharat" initiative, and a ~INR1b revenue opportunity in construction chemicals through the Trubuild waterproofing platform.

Valuation and view

- ASTRA continues to strengthen its industry leadership through innovation, backward integration (CPVC resin), and capacity decentralization. Its investments in CPVC and new product categories underscore a long-term vision to reduce dependence on imports and enhance value addition. With consistent double-digit growth guidance (volume 10-15% with value to growth at a higher rate) and robust execution history, ASTRA remains one of the most agile players in India's plastic pipes industry.
- We expect ASTRA to deliver a CAGR of 18%/25%/37% in revenue/EBITDA/PAT over FY26-28. **We reiterate our BUY rating on the stock with an SoTP-based TP of INR1,950 (premised on 50x FY28E EPS).**

Consolidated - Quarterly Earnings

Y/E March	(INR m)											
	FY25				FY26				FY25	FY26	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	%
Gross Sales	13,836	13,704	13,970	16,814	13,612	15,774	15,415	20,885	58,324	65,686	23,845	-12
YoY Change (%)	7.8	0.5	2.0	3.5	-1.6	15.1	10.3	24.2	3.4	12.6	41.8	
Total Expenditure	11,692	11,603	11,775	13,795	11,763	13,206	13,042	17,056	48,865	55,067	19,255	
EBITDA	2,144	2,101	2,195	3,019	1,849	2,568	2,373	3,829	9,459	10,619	4,590	-17
Margins (%)	15.5	15.3	15.7	18.0	13.6	16.3	15.4	18.3	16.2	16.2	19.2	
Depreciation	556	599	631	648	719	723	734	740	2,434	2,916	750	
Interest	76	102	139	96	123	160	126	235	413	644	105	
Other Income	119	88	118	88	91	114	95	173	413	473	100	
PBT before EO expense	1,631	1,488	1,543	2,363	1,098	1,799	1,608	3,027	7,025	7,532	3,835	
Extra-Ord expense	0	0	0	163	0	0	165	61	0	226	0	
PBT	1,631	1,488	1,543	2,200	1,098	1,799	1,443	2,966	7,025	7,306	3,835	
Tax	436	401	416	583	306	451	366	836	1,836	1,959	959	
Rate (%)	26.7	26.9	27.0	26.5	27.9	25.1	25.4	28.2	26.1	26.8	25.0	
MI & Profit/Loss of Asso. Cos.	-9	-13	-14	-13	-19	0	0	0	-49	-19	0	
Reported PAT	1,204	1,100	1,141	1,630	811	1,348	1,077	2,130	5,238	5,366	2,875	
Adj PAT	1,204	1,100	1,141	1,793	811	1,348	1,201	2,191	5,238	5,536	2,875	-24
YoY Change (%)	0.5	-16.2	0.5	-1.3	-32.6	22.5	5.2	22.2	-4.3	6	60	
Margins (%)	8.7	8.0	8.2	10.7	6.0	8.5	7.8	10.5	9.0	8.4	12.1	

Jubilant FoodWorks

Estimate changes 

TP change 

Rating change 

CMP: INR473

TP: INR500 (+6%)

Neutral

Bloomberg	JUBI IN
Equity Shares (m)	660
M.Cap.(INRb)/(USDb)	311.8 / 3.2
52-Week Range (INR)	720 / 409
1, 6, 12 Rel. Per (%)	6/-10/-26
12M Avg Val (INR M)	1180

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	95.1	106.5	120.0
Sales Gr. (%)	17.4	12.0	12.6
EBITDA	18.9	21.3	24.5
EBITDA Margin (%)	19.8	20.0	20.4
Adj. PAT	4.1	4.8	6.1
Adj. EPS (INR)	6.2	7.3	9.2
EPS Gr. (%)	66.2	18.1	25.1
BV/Sh.(INR)	34.7	33.0	34.5

Ratios

RoE (%)	17.9	22.2	26.6
RoCE (%)	10.1	11.3	12.9

Valuation

P/E (x)	76.6	64.9	51.8
P/BV (x)	13.7	14.4	13.8
EV/EBITDA (x)	37.6	20.5	17.6
EV/Sales (x)	3.4	3.0	2.6

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	40.3	40.3	41.9
DII	36.6	35.0	31.2
FII	17.6	18.9	20.9
Others	5.5	5.8	6.0

FII includes depository receipts

Weak exit to FY26; near-term stress on margins

- Jubilant FoodWorks (JUBI) reported 6% YoY standalone revenue growth in 4QFY26, quite soft as compared to 13% growth in FY26. Domino's LFL growth was flat YoY due to a high base (12%) and the shift of Navratri to 4Q from 1Q in the base. Further, the temporary shortage of LPG impacted 30-40bp LFL; the issue has now normalized. Delivery revenue grew 10% YoY, with the delivery mix rising to 76%. Management highlighted strong delivery order trends in 1QFY27 and expects improvement in LFL growth.
- Standalone GM expanded 100bp YoY to 75.5% (supported by a better product mix and lower wastage). EBITDA margin (Pre-Ind AS) was flat YoY at 12.1%. EBITDA inched up 5% YoY, quite slow as compared to 16% growth in FY26. Cost inflation in food, packaging, and employee costs is expected to sustain pressure in the near term. The company plans to offset this through calibrated price hikes (a 1% hike so far) and tighter cost controls.
- Domino's Turkey posted LFL growth of 9%, while Coffy's LFL declined 9.7% (inflation-adjusted). The PAT margin stood at 7.5% (vs. 4.8% in the base). JUBI stated that DPEU's finance cost reduced on account of the refinancing of debt from Turkish lira to euro. Domino's Sri Lanka and Bangladesh reported strong revenue growth of 61% and 29% YoY, respectively.
- While management remains confident on medium-term growth (5-7% LFL), near-term demand trends remain monitorable amid weak dine-in traction. Higher commodity costs, along with LPG shortages and labor costs, are expected to weigh on near-term margins. We estimate standalone revenue CAGR of 13% over FY26-28 and pre-Ind-AS EBITDA margin of 12.5%-13% over FY26-28E. **We reiterate our Neutral rating with a TP of INR500.**

Lackluster performance; margins below our estimate

- Flat LFL growth:** JUBI reported sales growth of 6% YoY to INR17.0b (est. INR17.6b). Domino's LFL was flat YoY as compared to our estimates of 4%. However, the LFL miss was recognized after the pre-quarter update. Dunkin was discontinued, and it was classified under discontinued operations. Reported numbers are adjusted for 4QFY26, 3QFY26, and 4QFY25.
- Pace of store additions robust:** In India, JUBI added 61 net stores, taking the total count to 2,562. Domino's opened 59 new Domino's Pizza stores (total 2,455 stores). Popeyes opened five new stores, taking the count to 78 stores. Hong's Kitchen closed three stores, taking the count to 29. JUBI plans to add 300 stores annually, with slightly higher expansion for Popeyes.
- Miss on margins:** Gross profit grew 8% YoY to INR12.7b (est. INR13.1b). Gross margin expanded 100bp YoY to 75.5% (est. 74.6%). EBITDA grew 11% YoY to INR3.4b (est. INR3.5b). Margins improved 90bp YoY to 20.5% (est. 19.9%). EBITDA margin (Pre-Ind AS) was flat at 12% (est. 12.5%) after clocking consistent margin expansion in previous quarters. High wage inflation, energy costs, and weak revenue performance led to a miss on margins.

- **Dip in profitability:** PBT (before exceptional items) was down 8% YoY to INR693m (est. INR852m). Adj. PAT dipped 3% YoY to INR537m (est. INR634m)

International business

- Domino's Sri Lanka revenue was up by 60% YoY to INR367m. No stores were opened in Sri Lanka.
- Domino's Bangladesh revenue grew 29% YoY to INR209m. No store has been opened in Bangladesh.
- Both Sri Lanka and Bangladesh turned EBITDA positive in FY26.

DPEU supported by currency

- DPEU sales grew 59% YoY to INR7.6b. supported by Turkey's inflation and currency movement. Turkey's inflation of 30% YoY in 4Q and 23% favorable movement in currency led the growth. Post-Ind-AS 29, DPEU delivered 6% revenue growth.
- Domino's Turkey LFL growth was 9%, while COFFY LFL was down 10%.
- PAT jumped 150% YoY to INR576m (vs. INR230m in 4QFY25), while PAT margin stood at 7.5% (vs. 4.8% in the base).
- In DPEU, it opened eight stores in 4Q, taking the total count to 981.

Highlights from the management commentary

- In 1QFY27, the LPG supply has largely normalized, and the business operations have normalized to pre-disruption levels. To mitigate LPG costs and availability issues, the company is rapidly converting stores to electric ovens and PNG.
- Management is maintaining a long-term annual SSSG guidance of 5% to 7%.
- Customized late-night menu addition with Cheese BOWL-CANO at INR149, available 11:00 PM to 3:00 AM. Launched the Big Cheese Burst Pizza at INR999.
- Despite short-term pressures, the management reiterated its guidance of 200bp EBITDA margin expansion (over FY24) over the next two years.

Valuation and view

- There are no material changes to our EBITDA estimates for FY27 and FY28.
- JUBI is benefiting from strong delivery-led traffic growth, driving near-term outperformance versus peers. On the international front, DPEU's interest costs are fully funded by the Turkey business with no cash outflow from India.
- JUBI's focus on customer acquisition and order frequency has been driving strong delivery growth. For dine-in, the company continues to take various steps, such as value offerings and product innovations, to drive channel growth.
- While management remains confident on medium-term growth (5-7% LFL), near-term demand trends remain monitorable amid weak dine-in traction. Higher commodity costs, along with LPG shortages and labor costs, are expected to weigh on near-term margins. We estimate standalone revenue CAGR of 13% over FY26-28 and pre-Ind-AS EBITDA margin of 12.5%-13.0% over FY26-28E. We value the India business at 25x EV/EBITDA (pre-IND AS) and the international business at 10x EV/EBITDA on Mar'28E. **We reiterate our Neutral rating with a TP of INR500.**

Quarterly Standalone Perf.
(INR m)

Y/E March	FY25				FY26				FY25	FY26	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
No of stores (Dominos)	2,029	2,079	2,139	2,179	2,240	2,321	2,396	2,455	2,179	2,455	2,429	
LFL growth (%)	3.0	2.8	12.5	12.1	11.6	9.1	5.0	0.2	7.6	6.5	4.0	
Net Sales	14,396	14,669	16,111	15,790	17,016	16,987	17,935	16,797	60,965	68,734	17,649	-4.8%
YoY change (%)	9.9	9.1	18.9	18.6	18.2	15.8	11.3	6.4	14.1	12.7	11.2	
Gross Profit	10,955	11,157	12,092	11,773	12,610	12,634	13,434	12,687	45,977	51,364	13,166	-3.6%
Gross margin (%)	76.1	76.1	75.1	74.6	74.1	74.4	74.9	75.5	75.4	74.7	74.6	
EBITDA (Pre Ind AS)	1,670	1,716	1,998	1,917	2,046	2,055	2,420	2,024	7,434	8,612	2,202	-8.1%
EBITDA growth %	-4.8	-4.0	14.3	32.1	22.5	19.8	21.1	5.6	10.3	15.8	17.6	
Margins (%)	11.6	11.7	12.4	12.1	12.0	12.1	13.5	12.1	12.2	12.5	12.5	
EBITDA	2,782	2,842	3,128	3,089	3,233	3,294	3,709	3,444	11,840	13,680	3,517	-2.1%
EBITDA growth %	0.6	1.3	10.6	21.5	16.2	15.9	18.6	11.5	8.2	15.5	15.1	
Margins (%)	19.3	19.4	19.4	19.6	19.0	19.4	20.7	20.5	19.4	19.9	19.9	
Depreciation	1,552	1,654	1,741	1,737	1,817	1,840	1,988	2,077	6,684	7,722	2,044	
Interest	619	640	682	662	657	672	692	745	2,604	2,765	721	
Other Income	73	150	83	65	125	73	83	71	371	351	99	
PBT	683	698	788	755	883	856	1,112	693	2,924	3,543	852	-18.6%
YoY Change (%)	-32.6	-27.5	-3.8	48.6	29.2	22.6	41.1	-8.2	-11.5	21.2	25.8	
Tax	168	177	192	202	216	216	296	156	739	884	217	
Rate (%)	24.6	25.4	24.3	26.8	24.5	25.3	26.7	22.4	25.3	25.0	25.5	
Adjusted PAT	515	521	596	553	667	639	815	537	2,185	2,659	634	-15.3%
YoY change (%)	-31.5	-27.8	-2.2	60.2	29.5	22.8	36.8	-2.8	-10.0	21.7	28.3	

E: MOFSL Estimates

Eris Lifesciences

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,458 **TP: INR1,435 (-2%)** **Neutral**

Below-par delivery; Semaglutide market share gain offers comfort

Regulatory resolution and Semaglutide ramp up key monitorables

Bloomberg	ERIS IN
Equity Shares (m)	136
M.Cap.(INRb)/(USDb)	202.1 / 2.1
52-Week Range (INR)	1910 / 1200
1, 6, 12 Rel. Per (%)	5/-3/3
12M Avg Val (INR M)	252

Financials & valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	31.3	36.0	40.2
EBITDA	11.2	13.1	14.7
Adj. PAT	4.8	6.6	7.9
EBIT Margin (%)	26.9	28.8	29.1
Cons. Adj. EPS (INR)	34.6	48.1	57.6
EPS Gr. (%)	35.1	39.0	19.6
BV/Sh. (INR)	283.8	325.5	376.5

Ratios

Net D:E	0.6	0.4	0.2
RoE (%)	14.1	15.8	16.4
RoCE (%)	15.0	13.2	14.6
Payout (%)	14.4	13.5	11.3

Valuations

P/E (x)	42.2	30.3	25.4
EV/EBITDA (x)	19.9	16.8	14.4
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	1.2	3.7	5.0
EV/Sales (x)	7.1	6.1	5.3

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	53.9	54.9	54.9
DII	20.4	20.3	18.1
FII	6.4	6.9	8.4
Others	19.3	18.0	18.7

FII includes depository receipts

- Eris Lifesciences (ERIS) posted lower-than-expected revenue/EBITDA (9%/5% miss) in 4QFY26. Regulatory delay for product approvals and reduced business outlook for certain products impacted the performance in 4QFY26.

- Having said this, Eris has gained considerable market share in terms of value/units/prescriptions (Rx) for Semaglutide post its launch in Mar'26. Management has further plans to launch a Pen version as well as an obesity SKU to have a comprehensive offering. This would be further supported by in-house manufacturing.

- International business prospects have been affected to some extent due to observations from the EU regulatory agency and supply chain disruption due to political turmoil.

- We largely maintain our estimates for FY27/FY28. We value ERIS at 25x 12M forward earnings to arrive at our TP of INR1,435.

- ERIS is implementing efforts to outperform India pharma market by enhanced marketing efforts towards newer introductions. The base business growth, particularly in the oral anti-diabetes category, remains under check. ERIS also continues to build the CDMO orderbook in oral as well as injectable dosages. It is working to resolve the issues highlighted by the regulatory agency at the earliest. On the overall basis, we build 13%/15%/29% revenue/EBITDA/PAT CAGR over FY26-28. The current valuation adequately factors the earnings upside. **Reiterate Neutral.**

Product mix impact offset by better operating leverage

- ERIS 4QFY26 revenues grew 7.3% YoY to INR7.6b (vs our est: INR8.3b).
- Domestic Branded Formulation revenue grew 12% YoY to INR6.7b.
- International business revenue decline 8% YoY to INR860m.
- Gross margin contracted 40bp YoY to 75.5%.
- However, EBITDA margin expanded 40bps YoY to ~36.2% (our est. 34.7%).
- EBITDA increased by 8.4% YoY to INR2.7b (vs our estimate: INR2.9b)
- Adj. PAT increased by 34.4% YoY to INR1.3b (vs our estimate: INR1.2b).
- For FY26, Revenue/EBITDA/PAT grew 8.1%/10.1%/35.1% YoY.

Highlights from the management commentary

- Management guided for FY27 DBF (domestic branded formulations) growth at ~1.3x CVM growth, while maintaining EBITDA margin at ~37%, with 2H margins expected to be better than 1H.
- Management indicated that the covered market is expected to continue delivering double-digit growth in FY27.

- International business is likely to deliver 18-20% revenue growth in FY27 with a stable EBITDA margin.
- On a consolidated basis, management expects mid-teen revenue growth in FY27, with 36-37% margins.
- Semaglutide brand “Sundae” achieved ~22% Rx/share by sale units in injectable Gx Sema during Apr/May’26, reflecting a strong initial ramp-up.
- Apr’26 Semaglutide sales stood at ~INR40m, and management expects ~20% sequential growth in May’26 (~INR50m secondary sales).

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26				FY25	FY26	Estimate	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Gross Sales	7,197	7,412	7,275	7,053	7,730	7,924	8,075	7,566	28,936	31,294	8,327	-9.1
YoY Change (%)	54.2	46.7	49.6	28.0	7.4	6.9	11.0	7.3	44.0	8.1	18.1	
Total Expenditure	4,697	4,767	4,771	4,529	4,963	5,042	5,258	4,830	18,764	20,093	5,437	
EBITDA	2,500	2,645	2,503	2,524	2,767	2,882	2,816	2,736	10,172	11,201	2,889	-5.3
Margins (%)	34.7	35.7	34.4	35.8	35.8	36.4	34.9	36.2	35.2	35.8	34.7	
Depreciation	759	805	812	773	705	691	703	696	3,149	2,795	735	
Interest	604	595	572	543	487	496	488	456	2,313	1,927	508	
Other Income	16	46	42	80	27	28	0	22	184	78	33	
PBT before EO expense	1,153	1,291	1,162	1,288	1,602	1,724	1,625	1,606	4,894	6,557	1,680	
Extra-Ord expense	0	0	0	-1	-9	-3	172	0	-1	161	0	
PBT	1,153	1,291	1,162	1,289	1,611	1,727	1,452	1,606	4,895	6,396	1,680	
Tax	259	328	292	265	360	382	365	-1,197	1,144	-90	388	
Rate (%)	22.5	25.4	25.2	20.6	22.3	22.1	25.1	-74.5	23.4	-1.4	23.1	
Minority Interest & P/L of Asso. Cos.	62	48	33	85	71	143	90	-24	228	280	129	
Reported PAT	832	916	836	938	1,180	1,202	997	2,827	3,522	6,206	1,163	
Adj PAT	832	916	836	938	1,173	1,200	1,126	1,261	3,522	4,759	1,163	8.4
YoY Change (%)	-12.3	-25.8	-18.6	15.0	41.0	31.0	34.7	34.4	-12.4	35.1	24.0	
Margins (%)	11.6	12.4	11.5	13.3	15.2	15.1	13.9	16.7	12.2	15.2	14.0	

E: MOFSL Estimates

Prince Pipes and Fittings

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR265 **TP: INR330 (+24%)** **Buy**

Volume-led strong operating performance

Earnings miss estimates

Bloomberg	PRINCIPI IN
Equity Shares (m)	111
M.Cap.(INRb)/(USDb)	29.3 / 0.3
52-Week Range (INR)	388 / 205
1, 6, 12 Rel. Per (%)	6/-1/-3
12M Avg Val (INR M)	101

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	26.0	31.1	36.4
EBITDA	2.3	3.3	4.1
PAT	0.7	1.5	2.1
EBITDA (%)	8.9	10.5	11.2
EPS (INR)	6.8	13.7	18.7
EPS Gr. (%)	73.2	101.6	36.3
BV/Sh. (INR)	365.4	396.4	439.6

Ratios

Net D/E	-0.1	-0.1	-0.1
RoE (%)	4.6	8.8	10.9
RoCE (%)	4.5	8.4	10.5
Payout (%)	15.1	7.3	5.4

Valuations

P/E (x)	39.0	19.4	14.2
EV/EBITDA (x)	12.0	8.5	6.5
Div Yield (%)	0.4	0.4	0.4
FCF Yield (%)	10.6	-0.3	5.1

Shareholding Pattern (%)

As on	Mar-26	Dec-25	Mar-25
Promoter	61.0	60.9	60.9
DII	15.5	15.6	15.0
FII	3.5	3.5	6.2
Others	20.0	19.9	17.9

Note: FII includes depository receipts

- Prince Pipes and Fittings (PRINCIPI) posted a robust quarter, driven by strong volume growth of 23% YoY, leading to operating leverage-led margin expansion of 530bp YoY. Inventory gains during the quarter were entirely passed on to distributors and channel partners to support faster inventory movement (helped reduce working capital days) and foster better relations with them, aiding market share gains (reflected in volume growth).
- With volatility persisting due to the West Asia conflict, Apr'26 witnessed inventory destocking, leading to lower volumes, while May'26 saw strong primary volume growth. FY26 witnessed healthy improvement in working capital days and liquidity, which management expects to improve further in FY27.
- Despite a miss in our 4Q estimates, we largely maintain our FY27/FY28 earnings estimate on the back of healthy volume growth (12-15%) and margin guidance (11-13%) for FY27. We value the stock at 18x FY28E EPS to arrive at our TP of INR330. **Reiterate BUY.**

Operating leverage and better product mix improve margins

- Consolidated revenue grew 18% YoY/48% QoQ to INR85b (est INR9.9b), while volumes increased 23%/46% YoY/QoQ to 62.2KMT. Realization declined 4% YoY, while improving 2% QoQ to INR136.7/kg, with the entire inventory gain passed on.
- Consolidated EBITDA surged 2x YoY to INR1.1b (est. INR1.4b), with an EBITDA margin of 12.9% (est. 13.7%). EBITDA/kg stood at INR17.6/kg (up 62% YoY and 2.7X QoQ). Adj. PAT (after tax) was INR561m vs. INR242m YoY (est. INR771m).
- Net working capital days improved to 45 as of Mar'26 vs. 98 as of Mar'25. This was largely led by lower inventory (down 18 days), lower receivables (down 10 days), and higher payable days (up 25 days).
- For FY26, revenue, EBITDA, and PAT grew 3%, 44%, and 73% to INR26b, INR2.3b, and INR747m, respectively. Meanwhile, volume and EBITDA/kg grew 8% and 33% to 191.2k MT and INR12.1, respectively.

Highlights from the management commentary

- **Market share:** The industry is witnessing strong consolidation, with both small and large players under pressure. PRINCIPI continues to gain market share through new product launches and the expansion of its distributor network, despite aggressive pricing by large players driving volume growth.
- **Guidance and outlook:** For FY27, management has guided for volume growth of 12-15%; EBITDA margins of 11-13%; inventory days to sustain at 65-75days; and receivable days to decline by 10-15 days.

- **Capacity:** The Begusarai plant currently operates at ~60% utilization, while southern capacities are being ramped to gain more market share. Management indicated that optimal asset turnover of ~2.5x gross block can be achieved at overall utilization levels of 60-65%. FY26 utilization stands at ~52%, with a target to reach 58-60% by FY27, supported by volume growth guidance. Planned FY27 capex is ~INR2-2.1b, mainly towards maintenance, debottlenecking across 2-3 plants, and the completion of the Aqueel plant.

Valuation and view

- FY26 ended on a strong footing, with volume-led growth improving market share. FY27 is expected to be better, supported by healthy volume growth on the back of improving demand, the ramp-up of the new Begusarai (Bihar) plant, and expansion of the bathware segment into the Southern and Eastern markets. Additionally, improving product mix and operating leverage are likely to lead to better margins for FY27.
- We expect PRINCEPI to clock an 18%/33%/66% CAGR in revenue/EBITDA/PAT over FY26-28. We value the stock at 18x FY28 EPS to arrive at our TP of INR330. **Reiterate BUY.**

Consolidated - Quarterly Earning Model

Y/E March	(INR m)											
	FY25				FY26				FY25	FY26	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	%
Gross Sales	6,045	6,221	5,777	7,197	5,804	5,946	5,733	8,501	25,239	25,983	9,931	-14
YoY Change (%)	9.2	-5.2	-6.6	-2.8	-4.0	-4.4	-0.8	18.1	-1.7	2.9	38.0	
Total Expenditure	5,462	5,764	5,748	6,648	5,408	5,395	5,454	7,405	23,621	23,661	8,574	
EBITDA	583	457	30	548	396	551	279	1,096	1,618	2,322	1,357	-19
Margins (%)	9.6	7.3	0.5	7.6	6.8	9.3	4.9	12.9	6.4	8.9	13.7	
Depreciation	257	276	264	273	307	325	336	343	1,070	1,311	340	
Interest	14	16	32	33	52	45	-38	43	97	102	35	
Other Income	26	39	15	57	27	16	19	46	137	109	30	
PBT before EO expense	337	204	-252	299	64	198	0	756	588	1,018	1,013	
Extra-Ord expense	0	0	0	0	0	0	20	0	0	20	0	
PBT	337	204	-252	299	64	198	-20	756	588	997	1,013	
Tax	90	57	-48	58	15	51	4	195	157	266	242	
Rate (%)	26.7	28.0	18.9	19.2	24.2	26.0	-18.2	25.8	26.7	26.6	23.9	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	247	147	-204	242	48	146	-24	561	431	732	771	
Adj PAT	247	147	-204	242	48	146	-8	561	431	747	771	-27
YoY Change (%)	25.8	-72.1	-154.3	-55.8	-80.5	-0.5	-95.9	132.1	-73.8	73	219	
Margins (%)	4.1	2.4	-3.5	3.4	0.8	2.5	-0.1	6.6	1.7	2.9	7.8	

United Foodbrands

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	UFBL IN
Equity Shares (m)	39
M.Cap.(INRb)/(USD\$b)	15.7 / 0.2
52-Week Range (INR)	405 / 171
1, 6, 12 Rel. Per (%)	29/130/24
12M Avg Val (INR M)	37

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	13.4	15.2	16.3
Sales Gr. (%)	8.6	13.7	7.1
EBITDA	2.1	2.6	2.8
Margins (%)	15.4	16.8	17.1
Adj. PAT	-0.5	-0.3	-0.3
Adj. EPS (INR)	-12.4	-7.9	-7.2
EPS Gr. (%)	N/M	N/M	N/M
BV/Sh. (INR)	79.4	71.5	64.3

Ratios

RoE (%)	-15.6	-11.0	-11.2
RoCE (%)	2.4	5.5	6.0

Valuation

P/E (x)	N/M	N/M	N/M
EV/EBITDA (x)	8.1	6.4	5.7
Pre-IND AS EV/EBITDA (x)	22.9	15.3	13.0

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	34.6	34.6	33.7
DII	16.7	16.8	21.5
FII	9.7	9.3	10.5
Others	39.0	39.3	34.3

FII includes depository receipts

CMP: INR401 TP: INR425 (+6%) Neutral

Strong SSSG recovery; margin guidance appears aggressive

- United Foodbrands (UFBL) reported consolidated revenue growth of 23% YoY to INR3.6b in 4QFY26 (beat), led by 14% SSSG (est. 8.4%, 8% in 3Q). Dine-in revenue registered 21% YoY growth (+43% volume), and delivery revenue rose 32% YoY. BBQ India's revenue rose 22% YoY to INR2.8b, driven by a 16.7% SSSG and 8% YoY store expansion. BBQ India added 8 stores to 207 stores in 4Q.
- BBQ International's revenue grew 27% YoY to INR336m with a 5.5% SSSG, while Premium CDR revenue increased 23% YoY to INR489m, supported by 40% YoY store additions and 7% SSSG.
- Gross margin contracted 410bp YoY to 62.8% due to lower realizations from new stores and value offerings. RoM Pre-Ind AS margin expanded 150bp YoY to 11.6% on operating leverage. RoM expanded 40% YoY.
- Consolidated GM contracted 300bp YoY to 65.5%, as India GM witnessed a 400bp dip to 62.8%, driven by lower realizations from new stores and value offering. RoM for India was at 11.6% (up 150bp YoY), supported by healthy topline growth. Consolidated EBITDA margin (Pre-Ind AS) contracted 100bp YoY to 5.5% due to higher investments in backend capabilities and digital infrastructure.
- Management expects 100-200bp GM recovery in FY27 despite rising cost inflation. Moreover, it has guided for a 9-10% EBITDA Pre-Ind AS margin vs. 5.4% in FY26 and 7.4% in FY27. Given the overall cost inflation and value offering by the company, we consider such margin guidance aggressive. We model EBITDA Pre Ind AS margin of 7% for FY27 and 7.5% for FY28. The growth achieved over the last 2 quarters came after a slight margin hit, and achieving both growth and margin expansion in this environment could be a challenge for the company. Given the volatile execution in the past, we reiterate our Neutral rating with a TP of INR425.

SSSG up 14%; operationally in-line performance

- Strong revenue delivery:** Consolidated sales grew 23% YoY to INR3.6b (est. INR 3.4b) in 4QFY26. Same store sales rose 14.4% in 4QFY26 (est. 8.4), led by transaction growth. Dine-in channel (82% of sales) grew 21% YoY to INR3.0b. Delivery channel (18% of sales) rose 32% YoY to INR0.6b.
- Digital KPIs:** Cumulative app downloads stood at 9.1m in 4QFY26 vs 7.4m in 4QFY25. Own digital asset contribution was at 60.9% vs. 33.6% in 4QFY25.
- Store addition continues; plans to achieve 300 stores by FY27:** The company has added 13 stores, leading to a total store count of 262. Of this, BBQN has 207 stores, international BBQN has 13 stores, and Toscano and Salt has 42 stores. Total metro and tier-1 accounted for 207 stores and tier 2/3 accounted for 55 stores in 4QFY26. The company plans to achieve 300 stores by FY27.
- Contraction in margins:** Consolidated GM contracted 300bp YoY to 65.5%. (est. 67%) . EBITDA rose 2% YoY to INR544m (est. INR568m). EBITDA margin contracted 310bp YoY to 15.1% (est. 16.6%). EBITDA (Pre-Ind AS) increased 5% YoY to INR199m in 4QFY26, and margin contracted 100bp YoY to 5.5%. RoM Pre-Ind As rose 23% YoY, and margin remained flat YoY at 12.6%.

- In FY26, net sales grew 9%, while SSSG stood at 5%. EBITDA Pre-Ind As declined 20% YoY. EBITDA Post-Ind AS dipped 2% YoY.

Highlights from the management commentary

- The company delivered 14% SSSG in 4QFY26. Growth was driven by volume, with no price hikes undertaken during the quarter.
- Management aims to deliver high single-digit to double-digit SSSG during FY27.
- Management expects gross margins to recover by 100-200bp during FY27 through procurement efficiencies, scale benefits, and selective pricing actions.
- The company expects mature store margins to expand further to around 17-18% over the near term. New store drag is expected to remain ~1.5%. Therefore, RoM would be in the range of 15.5-16.5%. The company targets EBITDA pre-Ind AS margins of 9-10% during FY27.
- Management has planned capex of ~INR1,400m for FY27. The company will utilize ~INR1,200m on store additions and the remaining on maintenance.

Valuation and view

- We raise our EBITDA estimates by 12% for FY27 and 7% for FY28 on better delivery of revenue in 4QFY26.
- Management expects 100-200bp GM recovery in FY27 despite rising cost inflation. Moreover, it has guided for a 9-10% EBITDA Pre-Ind AS margin vs. 5.4% in FY26 and 7.4% in FY27. Given the overall cost inflation and value offering by the company, we consider such margin guidance aggressive. We model EBITDA Pre-Ind AS margin of 7% for FY27 and 7.5% for FY28. The growth achieved over the last two quarters came after a slight margin hit, and achieving both growth and margin expansion in this environment could be a challenge for the company. Given the volatile execution in the past, we reiterate our Neutral rating with a TP of INR425 (15x Mar'28E Pre-Ind AS EV/EBITDA).

Cons. Quarterly Performance

Y/E March	(INR m)											
	FY25				FY26				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
SSSG (%)	-7.4	-2.5	-2.0	-2.0	-3.4	-2.2	8.2	14.4	-3.8	4.7	8.4	
No. of stores	219	222	226	230	236	241	249	262	230	262	260	
Net Sales	3,057	3,057	3,289	2,928	2,970	3,048	3,766	3,604	12,330	13,387	3,427	5.2
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	-0.3	14.5	23.1	-1.7	8.6	17.0	
Gross Profit	2,081	2,081	2,244	2,006	2,010	2,019	2,499	2,361	8,412	8,889	2,296	2.8
Margin (%)	68.1	68.1	68.2	68.5	67.7	66.2	66.4	65.5	68.2	66.4	67.0	
EBITDA	509	456	615	533	460	377	682	544	2,113	2,064	568	-4.2
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	-17.2	10.9	2.1	-0.4	-2.3	6.5	
Margin (%)	16.6	14.9	18.7	18.2	15.5	12.4	18.1	15.1	17.1	15.4	16.6	
Depreciation	405	409	428	523	449	483	482	486	1,765	1,900	488	
Interest	186	189	195	209	200	207	227	226	779	860	232	
Other Income	27	43	55	34	19	81	17	31	158	148	33	
PBT	-55	-100	47	-165	-170	-232	-10	-138	-272	-549	-120	
Tax	-11	-28	-3	42	-3	-7	-67	13	-1	-64	-2	
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	2.8	692.6	-9.6	0.5	11.6	2.0	
Adjusted PAT	-43	-71	51	-207	-167	-225	57	-151	-271	-485	-117	
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	13.4	N/M	N/M	N/M	N/M	

E: MOFSL Estimates

Technology



IT Services: More questions than answers

The 4QFY26 earnings for IT services results did little to allay fears of disruption in the sector. **40% of companies missed revenue estimates (40% in line, 20% beat)**, while 66% met or beat margin estimates. Questions around structural demand drivers remained unanswered.

On deflation, AI seems to have found its product-market fit in software engineering and coding. Successive model releases will most likely shift the boundary of what is automatable; we believe that quantifying "deflatable" books is fraught with error, and we need a business model reset.

On the other hand, **we believe the AI implementation opportunity will surely materialize, but it may not accrue to the traditional vendors** as it did in the past, and a new, platformized, AI-native vendor template will emerge. **OpenAI's DeployCo (and Anthropic's services company as well) is the first credible blueprint for the next-gen system integrator.** We will look for vendors who can replicate this (still developing) blueprint; the next 12-18 months could be a period of notable M&A activity in this regard.

Until clarity emerges around these questions, we continue to prefer bottom-up plays with deal and earnings visibility in IT: TECHM in large-caps and COFORGE and KPIT in mid-tier. We also like HCLT; despite a short-term miss on growth guidance, we believe it is preparing for the next phase of growth (we are encouraged by news reports of HCLT leading a USD300m round in Sarvam, a sovereign LLM model start-up). Our observations regarding the quarter are detailed below.

AI-led productivity gains starting to weigh on growth

- AI is increasingly deflationary, with **productivity gains being passed on to clients, compressing growth in the existing book. This quarter, more companies began acknowledging that GenAI-led deflation is translating into commercial pressure.**
- HCLT called out a 2–3% deflationary impact from GenAI on its book of business, while Infosys' FY27 guidance (below estimates) suggests this pressure will continue as productivity gains are passed on. **Exhibit 1 showcases organic YoY constant currency growth rate for the quarter.**

DeployCo: our thoughts on OpenAI and Anthropic's foray into AI implementation

- On AI implementation, our conversations (see our note dated 4th May, 2026: [Thoughts from the disruptors](#)) lead us to believe that AI implementation is a huge opportunity, and **enterprises will need the help of managed service providers (MSPs) for this. However, it is also most likely that these implementation gains will not go to the traditional vendors – new-age MSPs will be platform-heavy and will be agentified.**
- OpenAI has launched a USD4b consulting and implementation business to help enterprises deploy AI into their day-to-day operations.** We believe OpenAI's DeployCo is the first credible blueprint of the MSP of tomorrow.
- While this was taken negatively by the market, we believe tech services are not a winner-take-all market; it generally has multiple winners but little pricing power.

- The question then is not whether DeployCo (or any other similar new-age system integrator) displaces IT services, but which company can replicate this model fastest. **M&A could be a key difference between winners and losers in the next 24-36 months.**

FY27 guidance resets growth expectations for the sector

- **Growth expectations for FY27e, which were at 3-5% for large caps before Q4, have now been reset to 1-3%.** Infosys' FY27 guidance of 1.5–3.5% YoY CC (below expectations at the top end) signals increasing pressure on the existing portfolio from AI-led pricing compression and competitive intensity.
- HCL Tech's soft FY27 guidance (1–4% YoY CC) reflects client-specific headwinds and **early-stage AI deflation (2–3% impact)**, with the interplay between the two a key monitorable. **Tech Mahindra** continues to execute well on margins with its ~15% EBIT margin target for FY27 largely intact and less dependent on growth.
- **Wipro's 1QFY27 guidance of -2% to 0% QoQ CC (midpoint -1%) suggests another soft quarter** despite partial contribution (1.5 months' impact in 1QFY27) from two large deals.

Currency supported margins this quarter, but pressures remain ahead

- Margins broadly met or beat expectations this quarter, largely aided by favorable currency movement, pyramid rationalization, SG&A efficiencies, and improving productivity. INR depreciation against the USD provided a sharp translation benefit across the board (refer to Exhibit 12). **Of the 16 companies reported so far, ten reported a QoQ improvement in EBIT margins.**
- However, FY27 may see renewed pressure as wage hikes kick in, and AI investments and large-deal ramp-ups play out. **Pricing pressures in a muted demand environment and ongoing deflationary trends could further weigh** on profitability. In addition, we believe the GenAI curve remains margin-dilutive in the near term as investments are ramping up, but monetization is yet to follow.
- If USD/INR stabilizes near current levels, incremental margin expansion could prove difficult. **We expect margins to remain largely flat over the next 18–24 months across the industry.**
- **In our view, any company that expands margins meaningfully from here will do so through workforce productivity, not revenue growth.**

Outlook: Valuations very cheap, but returns may be capped until clarity emerges

- **As seen in Exhibits 14–19, stocks are now inexpensive, with Tier-I valuations ~20%/31% below their 10-year/5-year averages.** TCS and Infosys are trading around -1 SD P/E levels and ~40%/26% below their 10-year averages, while HCLT and TECHM are trading closer to their 10-year averages. Until deflationary pressures ease and new AI-led implementation use cases emerge, returns are likely to remain capped.
- **We continue to prefer bottom-up plays with deal and earnings visibility in IT: TECHM in large-caps and COFORGE and KPIT in mid-tier.** We also like HCLT; despite a short-term miss on growth guidance, we believe it is preparing for the next phase of growth (we are encouraged by news reports of HCLT leading a USD300m round in Sarvam, a sovereign LLM model start-up). Our observations regarding the quarter are detailed below.

Organic YoY CC growth for IT companies under our coverage

	Organic YoY CC growth (%)							
	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
TCS	4.4	5.5	4.5	2.5	-3.1	-3.3	-2.7	-1.1
INFO	2.5	2.7	5.4	4.1	2.8	2.4	1.3	3.7
HCLT	4.1	5.2	3.9	1.8	2.5	3.5	3.9	2.4
WPRO	-4.9	2.3	-0.7	-1.4	-2.5	2.4	0.2	-3.9
TECHM	-1.2	1.2	1.3	0.3	-1.0	0.3	1.3	2.4
LTM	3.7	4.4	5.6	6.3	4.4	4.4	5.2	7.0
MPHL	-0.8	1.7	3.6	5.3	6.4	5.0	7.4	7.1
LTTS	5.4	6.3	8.7	6.0	4.3	2.2	-4.1	0.1
HEXT*	0.0	0.0	17.9	11.8	7.5	3.6	0.7	-0.2
PSYS	16.0	18.0	19.4	20.5	18.0	17.2	16.9	15.5
COFORGE	7.8	11.4	19.0	22.1	27.4	23.3	19.2	26.7
CYL^	-3.6	-3.3	-1.9	-3.4	0.0	-0.6	-0.7	-1.5
ZENT	3.7	3.0	7.4	6.3	3.8	3.4	1.3	-1.5
KPIT	22.9	18.4	17.4	15.0	4.9	-2.2	-5.4	-3.4
TTL	-0.2	0.5	0.3	-3.3	-5.3	-1.9	-2.5	7.2
TELX	8.4	5.1	2.0	7.2	-9.0	-8.3	-5.5	1.0

Source: MOFSL; Note: *HEXT follows CY. ^Figures are for DET business.

EBIT margin for companies under our coverage

	EBIT Margin (%)							
	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
TCS	24.7	24.1	24.5	24.2	24.5	25.2	25.2	25.3
INFO	21.1	21.1	21.3	21.0	20.8	21.0	21.2	21.0
HCLT	17.1	18.6	19.5	18.0	16.3	17.4	18.6	16.5
WPRO	16.4	16.7	17.5	17.4	16.1	16.7	16.5	17.2
TECHM	8.5	9.6	10.2	10.5	11.1	12.1	13.1	13.8
LTM	15.0	15.5	13.8	13.8	14.3	15.9	16.1	15.1
MPHL	15.0	15.4	15.3	15.3	15.3	15.3	15.2	15.4
LTTS	15.6	15.1	15.9	13.3	13.3	13.4	14.8	15.2
HEXT*	12.3	13.3	13.1	14.2	15.1	14.7	12.3	13.3
PSYS	14.0	14.0	14.9	15.6	15.5	16.3	16.7	16.3
COFORGE	15.0	11.7	11.9	13.5	12.8	14.0	14.2	16.6
CYL6	11.3	14.2	13.5	12.6	12.0	12.1	12.4	12.3
ZENT	13.3	13.1	13.8	13.9	13.5	13.7	16.0	14.7
KPIT	17.3	16.7	17.2	17.3	17.0	16.4	15.6	15.9
TTL	15.9	15.9	15.5	15.7	13.6	13.4	11.5	13.1
TELX	24.3	25.1	23.5	20.1	18.2	18.5	20.9	22.3

Source: MOFSL; Note: *HEXT follows CY. ^Figures are for DET business.

Apollo Hospital

BSE SENSEX
75,318

S&P CNX
23,659

CMP: INR8,079

Conference Call Details



Date: 21st May 2026

Time: 3:00 pm IST

Dial-in details:

Zoom [Link](#)

Financials & Valuations (INRb)

Y/E MARCH	FY26	FY27E	FY28E
Sales	252.3	290.6	331.6
EBITDA	37.7	42.7	46.4
Adj. PAT	19.6	22.1	25.0
EBIT Margin (%)	14.9	14.7	14.0
Cons. Adj. EPS (INR)	136.0	153.5	174.0
EPS Gr. (%)	35.3	12.8	13.4
BV/Sh. (INR)	681.4	834.0	1,007.8
Ratios			
Net D:E	0.2	0.0	-0.2
RoE (%)	22.1	20.9	19.5
RoCE (%)	16.1	16.1	16.1
Payout (%)	4.3	3.8	3.4
Valuations			
P/E (x)	59.5	52.8	46.5
EV/EBITDA (x)	32.1	27.7	24.9
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	0.8	2.4	2.6
EV/Sales (x)	4.8	4.1	3.5

Better than expected performance

- Apollo Hospitals (APHS) 4QFY26 revenues grew 18.1% YoY to INR66.1b (our est: INR63.8b).
- Healthcare services revenue grew 15.8% YoY to INR32.7b, driven by growth in both inpatient volume (+7%), price (+4%) and case mix (5%).
- Healthco revenue grew 20% YoY to INR28.5b.
- AHLL revenue grew 24.1% YoY to 4.9b, primarily driven by growth in diagnostics.
- EBITDA margin expanded by 155bp YoY to 15.3%.
- EBITDA grew 31.3% YoY to INR10.1b (our est: INR9.2b).
- Adj. PAT grew 36% YoY to INR5.3b (our est: INR4.7b).
- Revenue/EBITDA/PAT grew 16%/25%/35% YoY in FY26 to INR252b/37.7b/19.6b.
- Revenue/EBITDA/PAT beat BBG estimates by 1.8%/5.4%/6.1%YoY for 4QFY26.

Other key highlights

- **Hospital segment:**
 - Hospital EBITDA grew 14% YoY to INR7.8b for 4QFY26.
 - Occupancy for 4QFY26 is 68% vs 67% in 4QFY25.
 - Average revenue per in-patient increased by 9% YoY to INR187,208 in 4QFY26.
 - Inpatient ALOS decreased by 3% to 3.19 days in 4QFY26.
 - Inpatient volume increased by 7%YoY in 4QFY26.
- **HealthCo:**
 - Healthco achieved a superior EBITDA of INR1.6b for 4QFY26 vs INR360m YoY and INR1.3b QoQ. EBITDA margins stood at 5.5% in 4QFY26.
 - Platform GMV grew 20% YoY to INR5.3b.
 - 176 new stores opened in 4QFY26, taking total to 7,289 stores.
 - Average run rate increased by 10% YoY to 69K/day order across pharma and diagnostics consultations (including IP/OP referrals) in 4QFY26
- **AHLL:**
 - EBITDA grew by 59% YoY in 4QFY26 to INR750m.
 - Revenue/EBITDA of primary care grew by 13%/16.7% YoY to INR1.3b/INR217m in 4QFY26.
 - Revenue/EBITDA of specialty care grew by 11%/18.3% YoY to INR19b/INR346m in 4QFY26.
 - Revenue/EBITDA of diagnostics grew by 52%/14.1% to INR1.9b/INR273m in 4QFY26.

Quarterly Performance

Y/E March (INRm)	FY25				FY26				FY25	FY26	FY26E vs Est	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
Gross Sales	50,856	55,893	55,269	55,922	58,421	63,035	64,774	66,055	217,940	252,285	63,823	3.5%
YoY Change (%)	15.1	15.3	13.9	13.1	14.9	12.8	17.2	18.1	14.3	15.8	14.1	
Total Expenditure	44,105	47,738	47,654	48,225	49,902	53,624	55,121	55,945	187,722	214,592	54,633	
EBITDA	6,751	8,155	7,615	7,697	8,519	9,411	9,653	10,110	30,218	37,693	9,191	10.0%
YoY Change (%)	32.6	30.0	24.1	20.2	26.2	15.4	26.8	31.3	26.4	24.7	19.4	
Margins (%)	13.3	14.6	13.8	13.8	14.6	14.9	14.9	15.3	13.9	14.9	14.4	
Depreciation	1,774	1,845	1,846	2,110	2,147	2,178	2,192	2,244	7,575	8,761	2,176	
Interest	1,164	1,175	1,098	1,148	1,083	1,096	1,126	1,191	4,585	4,496	1,161	
Other Income	372	382	638	611	402	547	528	439	2,003	1,916	523	
PBT before EO expense	4,185	5,517	5,309	5,050	5,691	6,684	6,863	7,114	20,061	26,352	6,377	
Extra-Ord expense/(Income)	0	0	0	0	0	0	192	0	0	192	0	
PBT	4,185	5,517	5,309	5,050	5,691	6,684	6,671	7,114	20,061	26,160	6,377	
Tax	1,145	1,617	1,568	1,010	1,417	1,807	1,657	1,702	5,340	6,583	1,626	
Rate (%)	27.4	29.3	29.5	20.0	24.9	27.0	24.8	23.9	26.6	25.2	25.5	
MI & Profit/Loss of Asso. Cos.	-12	112	18	144	-54	105	-9	119	262	161	71	
Reported PAT	3,052	3,788	3,723	3,896	4,328	4,772	5,023	5,293	14,459	19,416	4,680	
Adj PAT	3,052	3,788	3,723	3,896	4,328	4,772	5,167	5,293	14,459	19,560	4,680	13.1%
YoY Change (%)	83.2	63.5	51.8	53.5	41.8	26.0	38.8	35.9	61.1	35.3	20.1	
Margins (%)	6.0	6.8	6.7	7.0	7.4	7.6	8.0	8.0	6.6	7.8	7.3	

BSE SENSEX
75,318

S&P CNX
23,659

CMP:INR36,821

Neutral

Conference Call Details



Date: 21st May 2026

Time: 9.30am IST

Dial-in details:

[\[Webex link\]](#)

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
Sales	200.3	268.1	290.2
EBITDA	26.5	37.1	40.7
Adj. PAT	23.5	26.0	29.1
EPS (INR)	796.0	881.5	987.1
EPS Gr. (%)	16.7	10.7	12.0
BV/Sh. (INR)	5,034	5,848	6,130
Ratios			
RoE (%)	16.4	16.2	16.5
RoCE (%)	21.5	21.4	21.8
Payout (%)	33.9	71.5	71.4
Valuations			
P/E (x)	46.3	41.8	37.3
P/BV (x)	7.3	6.3	6.0
Div. Yield (%)	0.7	1.7	1.9
FCF Yield (%)	1.7	4.4	2.2

Margins beat expectations while PAT misses

- Net revenue in 4QFY26 came broadly in line with our estimate, growing ~13.3% YoY to INR55.7b (est. ~INR54b), led by strong performance in the automotive segment, particularly in Power Solutions and 2Ws.
- Mobility business grew 23.3% YoY, driven by 27.4% growth in Power Solutions and a strong 63.4% YoY growth in the 2W segment. The Consumer Goods segment underperformed, growing 14.3% YoY.
- Gross margins contracted ~280bp YoY (down 200bp QoQ) to 34.8%, below our estimate of 36.5%.
- EBITDA margin came in at 14% (+80bp YoY and +100bp QoQ), ahead of our estimate of 13.2%. Margin beat was driven by much lower other expenses, which came as a surprise. Other expenses declined 10% QoQ when revenue rose 14% QoQ. We await clarity on the same from management.
- As a result, EBITDA beat our estimates, rising ~21% YoY to INR7.8b.
- However, due to higher-than-expected depreciation and lower other income, PAT missed our estimates and was up 2.7% YoY at ~INR5.7b (est. INR6.2b).
- For FY26, revenue/EBITDA/adj. PAT grew by 10.8%/14.8%/16.5% to INR200.3b/INR26.5b/INR23.4b.
- CFO for the year stood at INR21.8b, with FCF of INR18.6b.
- **Update on JV announcement:**
 - Bosch, Brakes India and Wheels India announced a joint venture to drive growth in the CV segment. The partnership is aimed at unlocking growth opportunities in e-enabled air systems.
 - The joint venture will be a 50:50 partnership between Bosch and TSF Group companies (represented by Brakes India and Wheels India), aiming to commence operations by 2026 end.
 - Bosch is expected to bring in expertise in Electronics, Software, Application Engineering and Vehicle integration. The TSF Group is expected to bring in expertise in pneumatics/hydraulics and mechanical components for the air system.
 - Products: Electronic and air processing module, high voltage air compressor, electronic air suspension axle module, electronic air parking brake module.
- **Valuation and view:** The stock trades at ~42x/~37x FY27E/FY28E EPS.

Quarterly performance (S/A)

(INR M)

Y/E March	FY25				FY26				FY25	FY26	4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	43,168	43,943	44,657	49,106	47,886	47,948	48,856	55,657	180,874	200,347	53,756	3.5
YoY Change (%)	3.8	6.4	6.2	16.0	10.9	9.1	9.4	13.3	8.1	10.8	9.5	
RM Cost (% of sales)	64.6	65.1	61.6	62.4	62.3	64.6	63.2	65.2	63.4	63.9	63.5	180bps
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	7.1	7.6	7.7	8.0	8.3	7.7	7.5	50bps
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	17.2	14.9	16.1	12.7	15.6	15.2	15.8	-300bps
EBITDA	5,197	5,605	5,826	6,469	6,393	6,171	6,330	7,816	23,097	26,504	7,103	10.0
Change (%)	11.1	14.1	0.7	16.1	23.0	10.1	8.7	20.8	10.3	14.8	10	
Margins (%)	12.0	12.8	13.0	13.2	13.4	12.9	13.0	14.0	12.8	13.2	13.2	80bps
Depreciation	856	900	1,008	992	850	925	987	1,158	3,756	3,920	995	
Interest	26	22	62	61	45	42	43	138	171	267	45	
Other Income	1,793	2,089	1,891	2,369	2,881	2,099	1,999	1,564	8,142	8,543	2,488	
PBT before EO expense	6,108	6,772	6,647	7,785	8,379	7,303	7,299	8,084	27,312	30,860	8,551	-5.5
Extra-Ord expense	0	-485	471	0	5,560	0	206	0	0	5,354	0	
PBT after EO Expense	6,108	7,257	6,176	7,785	13,939	7,303	7,093	8,084	27,312	36,214	8,551	-5.5
Tax	1,453	1,898	1,594	2,248	2,785	1,761	1,772	2,399	7,193	8,717	2,350	
Tax Rate (%)	23.8	26.2	25.8	28.9	20.0	24.1	25.0	29.7	26.3	24.1	27.5	220bps
Reported PAT	4,655	5,359	4,582	5,537	11,154	5,542	5,321	5,685	20,119	27,497	6,201	-8.3
Adj PAT	4,655	5,002	4,929	5,537	6,932	5,542	5,477	5,685	20,119	23,432	6,201	-8.3
YoY Change (%)	13.8	30.2	4.4	-1.9	48.9	10.8	11.1	2.7	11.4	16.5	12.0	

E: MOSL Estimates

Segmental Mix (INR m)

	FY25				FY26			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Auto	37,418	37,594	38,929	41,548	42,463	42,704	44,157	48,751
Growth (%)	3.3	5.3	6.6	18.3	13.5	13.6	13.4	17.3
PBIT margin (%)	13.8	13.9	14.6	15.3	14.5	14.9	12.7	15.2
Contribution (%)	86.7	85.6	87.2	84.6	88.7	89.1	90.4	87.6
Non-Auto	5,814	6,420	5,937	7,566	5,454	5,342	4,896	6,951
Growth (%)	7.2	14.0	3.0	4.3	(6.2)	(16.8)	(17.5)	(8.1)
PBIT margin (%)	7.9	11.1	9.0	9.4	12.0	6.5	13.7	9.8
Contribution (%)	13.5	14.6	13.3	15.4	11.4	11.1	10.0	12.5
a) Consumer goods	3,939	4,290	3,617	5,405	4,308	4,368	3,505	6,178
Growth (%)	4.9	10.1	8.4	3.2	9.4	1.8	(3.1)	14.3
PBIT margin (%)	3.1	9.3	4.7	8.1	8.5	2.9	6.3	8.1
b) Others	1,875	2,130	2,320	2,161	1,146	974	1,391	773
Growth (%)	12.3	22.6	(4.4)	7.0	(38.9)	(54.3)	(40.0)	(64.2)
PBIT margin (%)	18.0	14.7	15.8	12.8	24.9	22.5	32.4	23.9
Total Revenue (post inter segment)	43,168	43,943	44,657	49,106	47,886	47,948	48,856	55,656
Growth (%)	3.8	6.4	6.2	16.0	10.9	9.1	9.4	13.3

E: MOSL Estimates

BSE SENSEX
75,318

S&P CNX
23,659

CMP: INR1,043

Buy

Conference Call Details



Date: 21st May 2026

Time: 03:30PM IST

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	28.4	32.9	37.7
EBITDA	8.6	10.1	11.6
Adj. PAT	4.0	4.5	5.1
EBITDA Margin (%)	30.5	30.7	30.8
Adj. EPS (INR)	14.8	16.8	18.8
EPS Gr. (%)	5.9	13.8	12.0
BV/Sh. (INR)	74.0	85.1	97.5
Ratios			
Net D:E	0.4	0.3	0.3
RoE (%)	21.9	21.6	21.1
RoCE (%)	14.8	14.0	13.6
Payout (%)	36.1	34.8	34.8
Valuations			
P/E (x)	70.6	62.1	55.5
EV/EBITDA (x)	34.4	29.4	25.6
EV/Sales (X)	10.5	9.0	7.9
Div. Yield (%)	0.5	0.6	0.6

Revenue surges 20% YoY as store additions and e-com sales ramp up

- Consolidated revenue grew ~20% YoY to INR7.8b (vs. our est. of 16% YoY) driven by festive/wedding season demand and reduction in GST for footwear priced up to INR2.5k
- In-store sales growth also accelerated to ~16% YoY (vs. ~11% YoY in 3Q), driven largely by 16% YoY store additions.
- Revenue per sqft (on closing area) was stable YoY at INR4,750 (down 5% YoY to INR17.3k for FY26).
- Store expansion accelerated to 47 new stores and closed five stores, taking the count to 1,032 stores.
- Format-wise, MBL added 12 stores each in Metro/Walkway, nine stores in Mochi, seven stores in Crocs, and FILA EBOs.
- E-commerce & omnichannel continued robust traction with ~53% YoY growth to reach INR920m revenue, with share in revenue rising to 12.2% (vs. 9.5% YoY).
- Gross profit rose 21% YoY to INR4.5b (vs. our est. INR4.3b) as margins expanded ~30bp YoY to 57.8% (~25bp beat), likely led by lower discounting during EoSS and improvement in product mix.
- Employee costs rose 18% YoY, and other expenses jumped 23% YoY (7% ahead)
- As a result, EBITDA at INR2.4b grew 21% YoY (vs. our est. INR2.3b).
- EBITDA margin expanded by a modest 10bp YoY to 30.8% (~35bp miss).
- Depreciation (+20% YoY) and finance costs (+19% YoY) grew in line with the store expansion. Other income grew 36% YoY (32% above our est.).
- Resultantly, reported PAT at INR1.2b grew 24% YoY (15% beat).

FY26 performance summary: Growth rebounds as store additions accelerate, e-commerce gains traction

- Revenue at INR28.7b grew ~14% YoY, driven by ~16% YoY area addition and ~39% YoY growth in e-commerce and omni revenue (12.9% contribution, +230bp YoY).
- Metro added 124 net stores (147 gross) to reach 1,032 stores.
- In-store sales grew ~10% YoY, driven largely by area additions.
- Gross margin expanded ~20bp YoY to 57.9%, leading to ~15% YoY growth in gross profit.
- Reported EBITDA also grew ~15% YoY to INR8.7b as margin expanded ~5bp YoY to 30.3%
- Pre-IND AS EBITDA grew ~11% YoY to INR5.7b, as margin contracted ~65bp YoY to 20% due to the opening of larger Foot Locker stores.

Store acceleration leads to higher WC and capex, thereby impacting cash generation

- Net working capital days increased to ~86 days (vs. 73 days in FY25), driven by a spike in inventory days to 108 (from 92 YoY) on the back of strong store expansion in 2HFY26. Absolute CWC stands at INR6.8b (up 35% YoY).

- Cash flow from operations (post leases) declined to INR1.8 (vs. INR4.6b in FY25), largely driven by adverse working capital changes (build-up of ~INR2.9b vs. release of INR0.6b YoY).
- As a result of higher WC intensity, and uptick in capex (INR1.4b up 59% YoY, driven by acceleration in store additions to 124 vs. 69 YoY), Metro's FCF moderated to ~INR410m (vs. generation of INR3.7b YoY).

Update on new business formats

- **Foot Locker:** No store additions during 4QFY26 (total at 6), owing to ongoing BIS implementation challenges faced by select external brands.
- **Fila:** To counter BIS-related challenges, local manufacturing of FILA products has commenced. FILA's repositioning is progressing as per plans, and the company opened two new EBOs for FILA in 4QFY26.
- **The Clarks partnership:** MBL introduced Clark's Cloudstepper ladies' range in ~300 MBOs and has also started with a limited men's range in Apr'26. Plans to get a supply of a complete assortment by 2QFY27 and open Clarks EBO in 3QFY27.

Consol P&L (INR m)	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Total Revenue	6,428	8,113	7,730	20	-5	7,447	4
Raw Material cost	2,734	3,319	3,264	19	-2	3,163	3
Gross Profit	3,694	4,794	4,466	21	-7	4,284	4
Gross margin (%)	57.5	59.1	57.8	32	-131	57.5	26
Employee Costs	626	736	736	18	0	708	4
SGA Expenses	1,096	1,374	1,352	23	-2	1,258	7
EBITDA	1,972	2,684	2,379	21	-11	2,318	3
EBITDA margin (%)	30.7	33.1	30.8	9	-231	31.1	-34.7
Depreciation and amortization	701	799	838	20	5	862	-3
EBIT	1,271	1,885	1,541	21	-18	1,455	6
EBIT margin (%)	19.8	23.2	19.9	16	-330	19.5	39
Finance Costs	244	288	290	19	1	295	-2
Other income	231	161	314	36	95	238	32
Exceptional item	0	35	0	NM	NM	0	NM
Profit before Tax	1,258	1,758	1,564	24	-11	1,399	12
Tax	309	423	389	26	-8	377	3
Tax rate (%)	24.5	24.1	24.9	31	76	26.9	NM
Profit after Tax	949	1,334	1,175	24	-12	1,022	15
Adj Profit after Tax	947	1,318	1,166	23	-12	1,030	13
PAT margin (%)	14.7	16.2	15.1	34	-116	13.8	126

Consol P&L (INR m)	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
Total Stores	908	990	1,032	14	4	1,008	2
Net store adds	13	24	42			18	133

BSE SENSEX 75,318 **S&P CNX** 23,659

CMP: INR21

Buy

Conference Call Details



Date: 21 May 2026

Time: 11:00 AM IST

[Link](#)

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	76.5	94.8	130.2
EBITDA	39.8	50.7	66.6
Adj. PAT	8.8	12.3	23.5
EBITDA Margin (%)	52.1	53.4	51.2
Adj. EPS (INR)	0.7	1.0	1.9
EPS Gr. (%)	30.4	39.7	90.4
BV/Sh. (INR)	17.3	18.2	19.9

Ratios

Net D:E	0.9	0.7	0.6
RoE (%)	4.3	5.7	10.2
RoCE (%)	6.0	7.1	9.7
Payout (%)	14.9	17.7	9.3

Valuations

P/E (x)	28.7	20.6	10.8
P/BV (x)	1.2	1.2	1.1
EV/EBITDA(x)	10.9	7.9	5.9
Div. Yield (%)	0.4	0.7	0.7
FCF Yield (%)	11.2	23.4	10.6

Largely in-line performance

Earnings snapshot: 4QFY26

- IRB's revenue declined ~10% YoY to INR19.3b during 4QFY26 (in line with our estimate). Its revenue included: a) Gains on InvITs & Related Assets as per the fair value measurement, and b) Dividend/interest income from InvITs & Related Assets.
- EBITDA margins came in at 56.2% (vs our estimate of 53.5%) in 4QFY26 (+980bp YoY and +160bp QoQ). EBITDA grew ~9% YoY to INR10.8b (in line with our estimate).
- APAT grew 38% YoY to INR2.9b (13% above our estimate), supported by lower finance charges and lower tax outgo.
- Construction revenue stood at INR8.1b (-32% YoY); BOT revenue stood at INR7.1b (+11% YoY); and InvIT & Related Assets revenue stood at INR4b.
- In FY26, revenue was flat YoY, while EBITDA and APAT grew 10% YoY and 30% YoY.
- IRB declared an interim dividend of INR0.05 per equity share.
- Order book stood at ~INR354b (excl. GST) by the end of Mar'26.

Quarterly performance

Y/E March	FY25				FY26				FY25	FY26	FY26 Var	(INR m)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	18,529	15,858	20,254	21,492	20,990	17,510	18,712	19,270	76,135	76,482	20,174	(4)
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.3	10.4	(7.6)	(10.3)	2.8	0.5	(6.1)	
EBITDA	8,570	7,667	9,842	9,979	9,520	9,246	10,224	10,828	36,059	39,818	10,800	0
Margins (%)	46.3	48.3	48.6	46.4	45.4	52.8	54.6	56.2	47.4	52.1	53.5	
Depreciation	2,550	2,312	2,651	2,863	2,692	2,621	2,894	3,213	10,376	11,420	2,911	
Interest	4,387	4,342	4,614	4,576	4,620	4,510	4,364	4,058	17,919	17,551	4,562	
Other Income	1,187	1,658	649	686	656	493	411	499	4,181	2,058	447	
PBT before EO expense	2,820	2,671	3,227	3,225	2,864	2,608	3,377	4,056	11,944	12,905	3,774	
Extra-Ord expense	-	-	58,041	-	-	-	(427)	-	58,041	(427)	-	
PBT	2,820	2,671	61,268	3,225	2,864	2,608	2,950	4,056	69,985	12,478	3,774	
Tax	887	835	1,008	1,078	839	1,200	842	1,094	3,808	3,975	1,158	
Rate (%)	31.4	31.3	1.6	33.4	29.3	46.0	28.5	27.0	5.4	31.9	30.7	
Share of profit in Associates	(534)	(837)	-	-	-	-	-	-	(1,371)	-	-	
Reported PAT	1,400	999	60,261	2,147	2,025	1,408	2,108	2,963	64,806	8,504	2,616	
Adj PAT	1,400	999	2,219	2,147	2,025	1,408	2,428	2,963	6,765	8,823	2,616	13
YoY Change (%)	4.6	4.3	18.4	13.7	44.6	41.0	9.4	38.0	11.7	30.4	21.8	
Margins (%)	7.6	6.3	11.0	10.0	9.6	8.0	13.0	15.4	8.9	11.5	13.0	

JK Lakshmi Cement

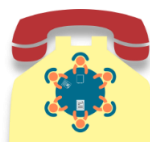
BSE Sensex
75,318

S&P CNX
23,659

CMP: INR636

Buy

Conference Call Details



Date: 21st May 2026

Time: 16:00 IST

Dial-in details:

+ 91 22 6280 1143

+ 91 22 7115 8044

[Link for the call](#)

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	67.6	71.7	79.0
EBITDA	10.1	10.5	12.0
Adj. PAT	4.3	4.5	4.6
EBITDA Margin (%)	14.9	14.6	15.1
Adj. EPS (INR)	34.3	36.0	36.9
EPS Gr. (%)	34.4	5.0	2.3
BV/Sh. (INR)	308	338	369
Ratios			
Net D:E	0.5	0.6	0.6
RoE (%)	11.7	11.2	10.4
RoCE (%)	9.5	8.7	8.3
Payout (%)	18.8	17.0	18.1
Valuations			
P/E (x)	17.2	16.3	16.0
P/BV (x)	1.9	1.7	1.6
EV/EBITDA(x)	8.9	9.8	8.3
EV/ton (USD)	53	53	46
Div. Yield (%)	1.0	1.0	1.0
FCF Yield (%)	-0.1	-1.9	-1.0

Earnings above estimate; EBITDA/t at INR734 (est. INR683)

- JK Lakshmi Cement's (JKLC) operating performance was above our estimate due to lower-than-estimated opex/t. EBITDA stood at INR2.9b (-19% YoY; +10% vs estimates), and OPM stood at 15% in 4QFY26 (-3.5pp YoY; +1.4pp above estimates). Sales volume grew 8% YoY (in line). EBITDA/t declined ~25% YoY to INR734 (est. of INR683). Adj. Profit (after MI) declined 29% YoY to INR1.2b (+9% vs estimates).
- The first phase of the railway siding project at the Durg plant, involving a capex of INR3.25b, has been completed. The Durg expansion project, comprising 2.3mtpa clinker capacity and 1.2mtpa integrated cement grinding capacity, along with three split GU's aggregating 3.4mtpa capacity, is being implemented at a total capex of INR30b and is expected to be completed in phases by Mar'28. Further, the company aims to reach 30mtpa by 2030.
- We have a **BUY rating** on the stock. We will review our assumptions following the conference call with the management.

Sales volume rises 8% YoY; realization/t declines 7% YoY

- Consolidated revenue/EBITDA/adj. PAT stood at INR19.0b/INR2.9b/INR1.2b (flat/-19%/-29% YoY and in line/+10%/+9% vs. estimates). Sales volume increased 8% YoY to 3.9mt (in line). Realization/t declined 7% YoY (up ~1% QoQ) at INR4,881/t (~3% below estimates).
- Opex/t declined ~4% YoY, led by a dip in employee/freight/other expenses per ton by ~9%/8%/6% YoY. Variable cost/t increased ~1% YoY. OPM contracted 3.5pp YoY to ~15%, and EBITDA/t declined ~25% YoY to INR734 in 4QFY26. Depreciation/finance costs rose ~9%/20% YoY. Other income increased 2.4x YoY.
- In FY26, revenue/EBITDA/Adj. PAT stood at INR67.6b/INR10.1b/INR4.3b (+9/+17%/+37% YoY). OPM expanded 1.0pp YoY to ~15%. Realization/t stood at INR5,067 (down ~1% YoY), while EBITDA/t stood at INR757 (up ~6% YoY).

Highlights from the management commentary

- The share of green power stood at ~46% in 4QFY26 vs. 48% in 3QFY26. The company is undertaking a phased project at its Sirohi plant to increase TSR substitution rates from 4% to 16%.
- The company indicated that geopolitical headwinds in West Asia, rupee depreciation, and supply chain disruptions could moderate government capex activity, resulting in cement demand growth of ~6-7% in FY27.

Valuation and view

- The company's performance was above our estimate due to lower opex/t. We further seek management's clarity on the decline in realizations YoY. We have a **BUY rating** on the stock. However, we will review our assumptions after the conference call on 21st May'26 ([Concall Link](#)).

Quarterly performance (consolidated)
(INR b)

Y/E March	FY25				FY26E				FY25	FY26	FY25 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Sales Volumes (mt)	3.02	2.48	3.03	3.60	3.33	2.84	3.28	3.90	12.13	13.35	3.80	3
YoY Change (%)	(0.4)	(9.3)	2.4	10.3	10.0	14.8	8.3	8.3	1.2	10.0	5.6	
Net Sales	15.6	12.3	15.0	19.0	17.4	15.3	15.9	19.0	61.9	67.6	19.0	(0)
YoY Change (%)	(9.6)	(21.6)	(12.1)	6.6	11.3	24.1	6.1	0.2	(8.8)	9.2	0.4	
EBITDA	2.2	0.9	2.0	3.5	3.1	2.1	2.1	2.9	8.6	10.1	2.6	10
YoY Change (%)	13.3	(58.9)	(33.2)	4.4	39.9	133.3	1.7	(18.5)	(17.8)	16.9	(18.5)	
Margin (%)	14.2	7.2	13.5	18.5	17.9	13.6	12.9	15.0	14.0	14.9	13.6	142
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.9	0.8	3.0	3.2	0.8	3
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.5	1.8	2.1	0.5	(2)
Other Income	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.4	0.5	1.1	0.3	28
PBT before EO expense	1.2	(0.2)	0.9	2.5	2.0	1.0	0.9	1.9	4.3	5.9	1.5	22
Extra-Ord. expense	0.4	-	-	-	-	-	0.2	-	0.4	0.2	-	
PBT	0.8	(0.2)	0.9	2.5	2.0	1.0	0.8	1.9	3.9	5.7	1.5	22
Tax	0.3	0.0	0.1	0.8	0.5	0.2	0.2	0.5	1.2	1.5	0.4	
Prior period tax adj.	-	-	-	-	-	-	-	-	-	-	-	
Rate (%)	32.3	(10.6)	13.8	31.7	26.5	21.5	24.2	27.6	30.0	25.7	25.7	
Reported PAT	0.5	(0.2)	0.8	1.7	1.5	0.8	0.6	1.4	2.8	4.2	1.1	19
Minority Interest	(0.0)	0.1	0.0	(0.1)	(0.0)	(0.0)	0.0	0.1	(0.0)	0.1	0.0	
Adj. PAT	0.9	(0.3)	0.7	1.8	1.5	0.8	0.7	1.2	3.1	4.3	1.1	9
YoY Change (%)	17.7	(133.1)	NA	11.9	62.6	NM	(4.7)	(29.4)	(33.0)	36.6	(35.2)	
Per ton analysis (INR)												
Net realization	5,172	4,983	4,940	5,274	5,234	5,388	4,841	4,881	5,106	5,067	5,012	(3)
RM Cost	1,274	987	907	971	922	942	952	1,000	1,018	956	1,005	(0)
Employee Expenses	335	444	377	316	374	457	352	286	362	361	301	(5)
Power, Oil, and Fuel	1,132	1,295	1,157	1,086	1,137	1,295	1,131	1,077	1,158	1,152	1,173	(8)
Freight and Handling Outward	1,042	1,137	1,147	1,222	1,194	1,235	1,119	1,122	1,155	1,163	1,138	(1)
Other Expenses	653	759	686	703	672	725	662	661	699	678	712	(7)
Total Expenses	4,436	4,623	4,274	4,298	4,299	4,655	4,216	4,146	4,393	4,310	4,329	(4)
EBITDA	735	360	666	976	936	733	625	734	713	757	683	7



Mankind Pharma: Guiding for an expanded 25.5–26.5% EBITDA margin in FY27; Rajeev Juneja, VC & MD

- Aspiring to beat the wider Indian Pharmaceutical Market benchmark with a targeted double-digit revenue growth trajectory.
- Prioritizing stickier chronic drug sales, which successfully scaled up to comprise 39% of total FY26 revenue.
- Newly integrated BSV is hitting high double-digit growth, while complex, higher-margin formulations drive the 14% export mix.

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NephroCare Health: NephroPlus India Platform Continues To Be The Key Growth Driver; Prashant Goenka, Group CFO

- Q4 margins dipped to 20.2% on a one-time ₹10 crore ECL provisioning exercise; normal core operational margins stood at 25%
- Full-year consolidated EBITDA margins climbed 100 bps to 23.9%, with a guided 15–20% revenue CAGR over 3–4 years
- International revenue surged from 32% to 42% of the mix, driven by plans to enter one new foreign market annually.
- Operating at a peak structural utilization rate of 75%, capped by fully booked morning and afternoon shifts

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Zydus Wellness: International Business Growth At 31-32%; Tarun Arora, CEO

- Unseasonal rains hit the Glucon-D portfolio in Q4, but the current intense heatwave sets up a strong H1 FY27 rebound
- While overall India numbers flatlined, the non-seasonal domestic segment grew 16–17% on underlying steady demand
- The Comfort Click acquisition propelled international business growth by 31–32%, aided by a 27% constant-currency increase
- Re-financed a ₹2,800 crore acquisition loan from pounds into a cheaper Euro-denominated loan, naturally hedging foreign currency risks

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Orkla India: Will continue to deliver double-digit growth going forward; Sanjay Sharma, MD & CEO

- Recovering from deflation with 5.9% volume growth and a 6.5% price hike to target double-digit revenue
- Mitigated West Asia bottlenecks (lead times spiked to 21–45 days) to deliver an 11.8% GCC revenue surge
- Restructuring legacy distribution to focus on regional modern trade and establish a convenience food vertical
- Executing "Project Bolt" with external consultants to rapidly scale up digital commerce capabilities.

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UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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