AMP

ANTIQUE'S MORNING PRESENTATION

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THE INVESTMENT TRUST OF INDIA

ANTIQUE

23 January 2025

FROM THE RESEARCH DESK

QUARTERLY RESULTS REVIEW

Hindustan Unilever
Demand remains tepid; maintain HOLD

Persistent Systems
Another strong quarter

Dalmia Bharat
Volume/ profitability under-performance to continue

Aditya Birla Real Estate
Strong real estate performance

Zensar Technologies
A decent quarter; better growth expected in 4Q

Nuvoco Vistas Corporation
Volatile pricing, Vadraj acquisition to keep leverage elevated

SECTOR UPDATE

Building Material
Export-import logbook for Nov'24

Global News

- The Dow closed up 130.92 points or 0.3 percent, at 44,156.73. The S&P 500 gained 37.13 points or 0.61 percent, settling at 6,086.37, while the Nasdaq climbed 252.56 points or 1.28 percent, to 20,009.34.
- The Nikkei 225 Index jumped 1.58% to close at 39,646, while the broader Topix Index gained 0.87% to 2,737 on Wednesday, reaching their highest levels in nearly two weeks and tracking gains on Wall Street overnight. The rally came as US President Donald Trump chose not to impose his tariff threats, offering relief to global markets.

Sector & Corporate News

- **Royal Orchid Hotels (ROHL)** is ramping up the room inventory of Regenta Suites Gurgaon, the leading hospitality brand's one of the oldest hotels in Gurugram, in the Indian state of Haryana. Driven by the influx of new industries and businesses and ongoing demand for quality and functional accommodations in this business district, the property plans to add additional 48 suites to the existing property taking the total room count to 115. The existing property, located near the Golf Course Extension and Good Earth City Mall, is among the first all-suite full service hotels in Gurgaon. The hotel's close proximity to industrial corridors and Delhi-NCR makes it an ideal destination to cater to diverse segments of corporates. The property boasts a rooftop pool and a unique all day dining restaurant. The pillarless banquet hall of the hotel can host between 200 to 300 people making convenient for local corporates and social events alike.
- **Rossell Techsys** is considering raising funds in accordance with applicable laws and regulations, as part of its growth and expansion strategies. The proposed fundraise will support plans to enhance research and development efforts and expand manufacturing capabilities within the aerospace and defence supply chain. Additionally, the company is formulating its strategic goals and business prospects.

Market Snapshot

Global Indices	Closing	% Chg	% YTD
Dow Jones	44,157	0.3	3.8
NASDAQ	20,009	1.3	3.6
FTSE	8,545	(0.0)	4.6
CAC	7,837	0.9	6.2
DAX	21,254	1.0	6.8
Bovespa	1,22,972	(0.3)	2.2
Nikkei	39,646	1.6	(0.6)
Hang Seng	19,779	(1.6)	(1.4)
Shanghai Composite	3,214	(0.9)	(4.1)

Indian Indices	Closing	% Chg	% YTD
Sensex	76,405	0.7	(2.2)
Nifty	23,155	0.6	(2.1)
MSCI India	978	0.4	(4.6)
CNX Midcap	53,114	(1.3)	(7.1)
BSE Smallcap	50,907	(1.6)	(7.7)

Flows (USD mn)	Prev. Day	MTD
FII	(430)	(731)

Provisional flows	(USD mn)
FIIs	(465)
Locals	421

Volumes	USD bn	% Chg
Cash (NSE + BSE)	12.2	9.0
F&O (net)	1,882.5	57.6

FII F&O	Stock Fut	Index Fut
Net ($ mn)	206	(112.4)
OI (%)	1.3	1.4

ADR/GDR Gainers	Last	% Chg
Wipro	3.7	4.0
HDFC	60.7	3.1
Infosys	21.6	2.2
Dr Reddy	15.1	2.0

ADR/GDR Losers	Last	% Chg
SBI	86.5	(1.4)
ICICI Bank	27.6	(0.3)
Reliance	58.9	(0.2)

Sectoral indices

	Closing	% Chg	% MTD	% YTD
BSE Auto	50,263	(0.2)	(2.7)	(2.7)
BSE Bank	55,166	0.3	(4.5)	(4.5)
BSE Cap Goods	63,215	(1.8)	(6.7)	(6.7)
BSE Cons dur	58,000	(0.8)	(10.0)	(10.0)
BSE FMCG	20,250	(0.0)	(2.5)	(2.5)
BSE IT	42,114	1.9	(2.5)	(2.5)
BSE Health	42,600	0.1	(5.9)	(5.9)
BSE Metal	28,491	(0.7)	(1.4)	(1.4)
BSE Oil	25,898	(0.8)	(0.6)	(0.6)
BSE Power	6,509	(1.6)	(6.6)	(6.6)
BSE PSU	18,110	(1.4)	(4.0)	(4.0)
BSE Realty	6,802	(4.5)	(17.4)	(17.4)
BSE TECK	19,186	1.6	(1.5)	(1.5)

Nifty Outperformers

	Price	% Chg	% MTD	% YTD
Infosys Ltd	1,856	3.1	(1.3)	(1.3)
Tata Consultancy Svcs Ltd	4,157	3.0	3.1	3.1
Tech Mahindra Ltd	1,684	2.6	(1.3)	(1.3)
Sun Pharmaceutical Indus	1,799	2.1	(4.6)	(4.6)
Ltimindtree Ltd	5,850	1.6	4.7	4.7
Bajaj Finserv Ltd	1,743	1.5	11.2	11.2

Nifty Underperformers

	Price	% Chg	% MTD	% YTD
Tata Motors Ltd	743	(2.4)	0.4	0.4
Power Grid Corp Of India Ltd	298	(1.6)	(3.6)	(3.6)
Axis Bank Ltd	959	(1.1)	(9.9)	(9.9)
Hdfc Life Insurance Co Ltd	618	(0.9)	0.2	0.2
Bharat Petroleum Corp Ltd	278	(0.9)	(5.1)	(5.1)
Jsw Steel Ltd	919	(0.8)	2.0	2.0
State Bank Of India	753	(0.7)	(5.2)	(5.2)

Delivery Spike

Company	Volume	Spike (%)	Chg (%)
DLF Ltd	30,04,604	268%	-3.27%
REC Ltd	60,66,758	201%	-3.02%
Samvardhana Motherson International Ltd	75,14,569	173%	-2.17%
Bosch Ltd	9,783	136%	-0.09%
Lupin Ltd	3,86,723	133%	1.66%
Maruti Suzuki India Ltd	2,40,676	131%	1.15%
Bank of Baroda	47,01,890	120%	-0.54%
Punjab National Bank	1,23,62,305	118%	-2.11%
Colgate-Palmolive India Ltd	4,11,277	115%	1.45%
Jindal Steel & Power Ltd	6,69,471	114%	-2.41%

Derivatives Update

Long Build Up

Company	Last	% Chg	% Chg OI	OI (in 000)
COROMANDEL	1,775.85	3.94	9.78	3,205
DIXON	14,705.45	2.41	8.72	1,957
IGL	388.55	1.88	5.00	22,210
CDSL	1,505.65	1.43	3.58	6,244
SRF	2,531.30	2.01	2.91	5,146

Short Build Up

Company	Last	% Chg	% Chg OI	OI (in 000)
MCX	5,728.20	(3.89)	6.63	1,839
BHARATFORG	1,224.70	(1.90)	5.19	12,243
INFY	1,856.70	(2.78)	3.78	37,836
TCS	4,156.05	(2.63)	3.49	12,796
CHAMBLFERT	497.00	(0.76)	3.49	8,494

Short Covering

Company	Last	% Chg	% Chg OI	OI (in 000)
KEI	4,112.75	(2.62)	(28.79)	1,047
DALBHARAT	1,805.55	(1.86)	(26.63)	3,922
BALKRISIND	2,698.95	(0.49)	(9.69)	1,945
PAGEIND	45,973.15	(0.64)	(4.43)	212
MARUTI	11,978.05	(0.83)	(3.89)	3,362

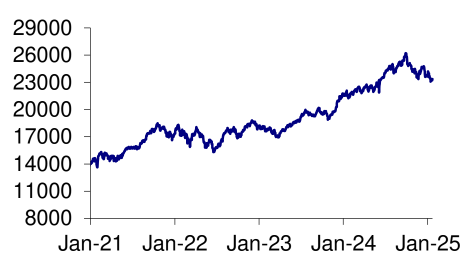
Long Unwinding

Company	Last	% Chg	% Chg OI	OI (in 000)
INDIAMART	2,129.45	4.29	(28.45)	2,247
POLICYBZR	1,616.10	2.10	(19.44)	4,235
POLYCAB	6,150.95	6.97	(18.80)	2,609
LODHA	1,080.75	6.53	(15.61)	6,349
PRESTIGE	1,324.65	5.16	(13.99)	3,571

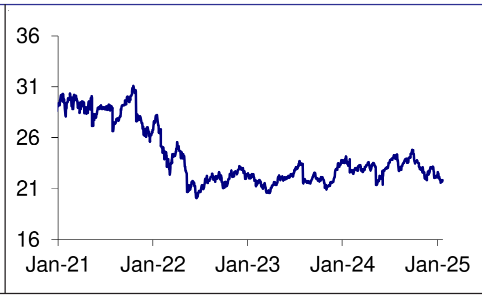
Bulk Deals

Security Name	Client Name	Buy/Sell	Qty	Price	Value (mn)
RIKHAV	Vinod Kumar	Buy	5,00,800	171.27	86
SHANGAR	Avenue Business Center Private Limited	Sell	1,24,86,263	5.48	68
SHANGAR	Logihaze Solutions Private Limited	Buy	75,00,000	5.56	42
RRETAIL	Vedankit Traders Private Limited	Sell	20,50,000	16.27	33
PSPLATINA	Sunrise Gilts And Securities Pvt Ltd	Buy	30	1043500.00	31

Nifty



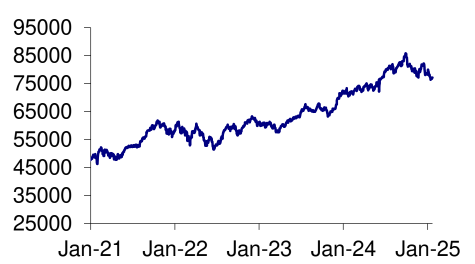
Nifty P/E



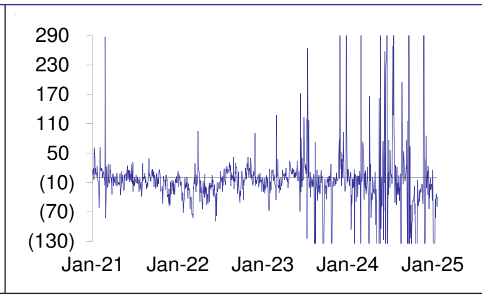
Nifty P/B

Source: Bloomberg

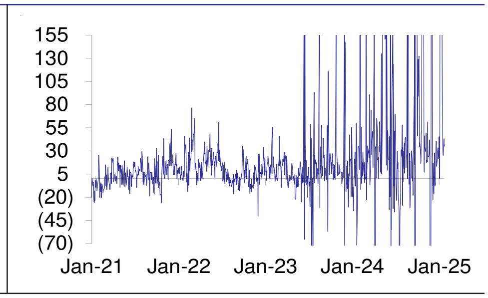
Sensex



FII Provisional Flows (INR bn)



DII Provisional Flows (INR bn)



Source: Bloomberg

Economy, Money & Banking

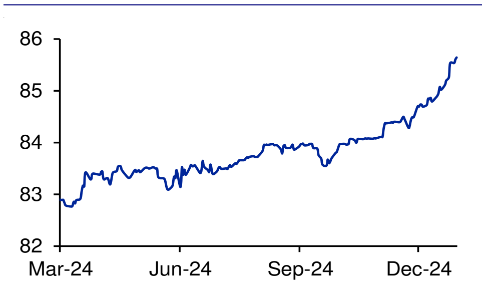
Forex Rate	Last	% Chg	% MTD	% YTD
INR~USD	86.3	0.3	(0.8)	(0.8)
INR~EUR	90.2	(0.6)	(1.1)	(1.1)
INR~GBP	106.7	(0.6)	0.7	0.7

Bond Market	Last	Chg (bps)	MTD (bps)	YTD (bps)
10 Year Bond	6.7	(1)	(4)	(4)
Interbank call	6.2	(42)	20	20

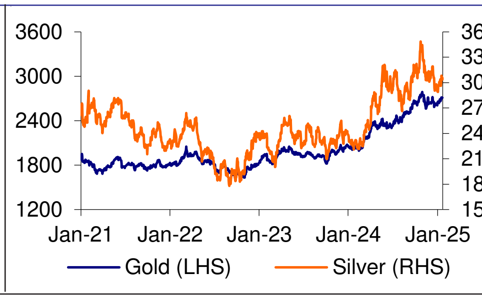
Commodities Update

Commodities	Last	% Chg	% MTD	% YTD
Gold ($/Ounce)	2,755	(0.1)	5.0	5.0
Crude Oil ($/Bl)	75	(0.3)	5.6	5.6
Aluminium ($/t)	2,628	(2.0)	4.0	4.0
Copper ($/t)	9,169	0.1	6.0	6.0
Zinc ($/t)	2,870	(1.8)	(2.9)	(2.9)
Lead ($/t)	1,936	(0.8)	0.6	0.6
Nickel ($/t)	15,853	(0.2)	4.9	4.9

INR/USD



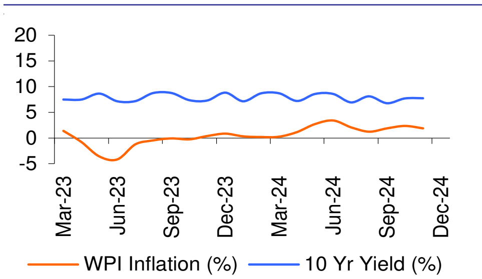
Gold and silver prices (USD/Tr.Oz)



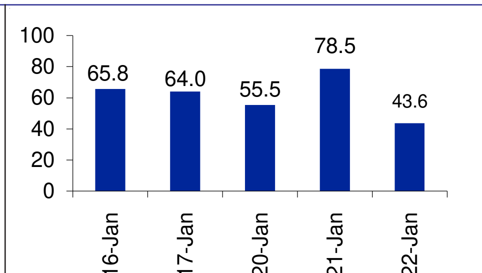
Crude prices (USD/barrel)

Source: Bloomberg

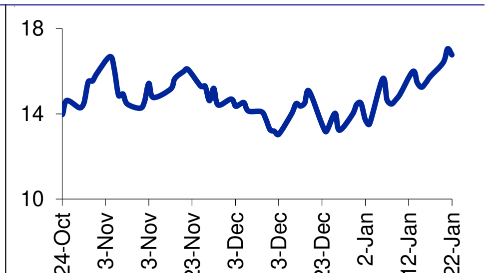
Inflation vs 10 year yield



Nifty premium/discount



NSE volatility index (%)



Source: Bloomberg

CMP	: INR 2,343
Reco	: HOLD ⇔
Target Price	: INR 2,300 ↓
Target Price Change	: 14%
Target FY27 P/E (x)	: 45
EPS Change FY25/ 26/ 27	: -2%/ -4%/ -4%

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Market data

Sensex	:	76,405
Sector	:	FMCG
Market Cap (INR bn)	:	5,505.0
Market Cap (USD bn)	:	63.764
O/S Shares (mn)	:	2,349.6
52-wk HI/LO (INR)	:	3023/2162
Avg. Daily Vol ('000)	:	1,801
Bloomberg	:	HUVR IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	43.5	47.1	51.1
P/E (x)	53.9	49.7	45.8
P/BV (x)	10.9	11.0	11.2
EV/EBITDA (x)	34.4	31.5	28.8
Dividend Yield (%)	1.9	2.1	2.3

Source: Company, Antique

Returns (%)

	1m	3m	6m	12m
Absolute	0	(12)	(14)	(5)
Relative	3	(8)	(9)	(11)

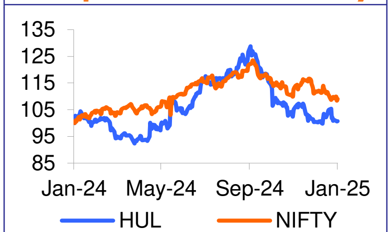
Source: Bloomberg

Shareholding pattern

Promoters	:	62%
Public	:	38%
Others	:	0%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg, Indexed to 100

3QFY25 RESULT REVIEW

Hindustan Unilever

Demand remains tepid; maintain HOLD

Hindustan Unilever's (HUL) 3QFY25 operating performance was below our expectations with flat volume and 2% revenue growth, while profitability was protected by a cut in A&P spends. Home care drove the overall performance with revenue/ EBIT growth of 5%/ 9% driven by high-single digit volume growth. Notably, Beauty & wellbeing performance was impacted by the delayed winter. Personal care revenue performance was impacted by weakness in the skin cleansing portfolio, however, profitability improved on pricing action. We believe the heightened competitive intensity in Beauty & wellbeing and Personal care segments could continue to impact near term performance. In our view, acquisition of the Minimalist brand is a positive move and could add to the growth levers. In the near term, profitability could be restricted due to commodity price inflation and higher investment on brands to gain market share and drive volume growth. Post the 3QFY25 performance and factoring a weak demand environment, we cut our earnings estimate by 2%-4% for FY25-27E and target multiple to 45x—10-year average PER (previously 50x). We maintain HOLD rating, as we await a visible improvement in performance, with a revised TP of INR 2,300 (previously INR 2,666) based on 45x PER on FY27E EPS.

Revenue grew 1.4%, underlying volume remained flat

HUL's revenue grew by 1.4% YoY with flat underlying volume. The performance was supported by a sustained and gradual recovery in rural markets, partially offset by moderation in urban markets. The Home care segment reported 6% revenue growth, driven by high single-digit volume growth in the fabric care and household care categories. The liquid portfolio continued its strong performance with a double-digit growth trajectory. The Beauty & wellbeing segment recorded 1% sales growth, with volumes witnessing a low single-digit decline due to muted performance in the winter skin and color cosmetic categories. The Personal care segment's revenue declined by 4%, with mid-single digit volume decline, primarily due to a drop in the hygiene segment of skin cleansing. The Food & beverages segment posted flat USG, with mid-single digit price growth offset by a decline in volume. HUL has acquired 90.5% of Uprising Science Private Limited (Minimalist brand) for a cash consideration of INR 26.7 bn at a pre-money EV of INR 29.55 bn. In our view, it is a positive move and could help HUL gain market share in the competitive online beauty channel.

Inflation impact largely offset by lower A&P spends

Gross margin contracted by 83 bps YoY to 50.7% during the quarter. Management indicated that if commodity prices remain at current levels, low single-digit price hikes can be expected during the year. EBITDA margin saw a marginal contraction of 14 bps YoY to 23.2% as the gross margin contraction was partially offset by lower A&P spends as a percentage of sales. A&P spends declined by 8% YoY to 9.5% of sales (compared to 10.5% in the previous year). Home care margin, Personal care, and Food & refreshment segment profitability improved by 62 bps, 186 bps, and 111 bps YoY respectively, while Beauty & wellbeing contracted by 292 bps YoY. In the near term, margin is expected to remain at the lower end of the guidance of 23%-24%.

Investment Summary

Post the 3QFY25 performance and factoring a weak demand environment, we cut our earnings estimates by 2%/ 4%/ 4% for FY25/ 26/ 27 and cut our target multiple to 45x—in line with the 10-year average PER. We expect HUL to deliver sales/ earnings CAGR of 6% over FY24-27E. With the rise in commodity price inflation, we expect maintenance of operating margin on the back of cost saving initiatives and driving higher growth in the premium portfolio. We maintain HOLD recommendation with a revised target price of INR 2,300, based on 45x FY27 EPS.

Conference Call Highlights

- Overall volume growth in the last six months has slowed down, reflecting a weak demand environment. Rural markets have witnessed a gradual recovery while the urban markets have witnessed moderation in demand.
- The preference towards small packs is more evident in discretionary products.
- Volume growth is getting impacted due to mix change and higher growth in small pack units.
- Small packs grew faster than large packs, although the ongoing trend of premiumization partially offset this shift. However, this is more transitory in nature and LUP contribution should increase with recovery in the urban market.
- The company announced to acquire 90.5% stake in Minimalist, an actives-led premium beauty brand, through secondary buyouts at a pre-money enterprise value of INR 29.55 bn.
- Minimalist is a digital-first brand with an annual revenue run rate now exceeding INR 5 bn and profitability since inception. Positioned at the intersection of beauty and actives-led science, it offers masstige pricing and has a strong e-commerce presence.
- The balance 9.5% stake in Minimalist will be acquired in the next two years.
- Tea and crude palm oil prices remained inflated YoY, whereas crude oil prices continued to decline. Commodity price inflation and rupee depreciation are impacting margins. The company has taken pricing actions and would continue to take calibrated price hikes to mitigate inflation.
- If commodity prices remain at current levels then the company expects low single-digit price growth in the near term. In the near term, the margin is expected to remain at the lower end of the guidance range of 23%-24%.
- The company is moving to turnover weighted market share to measure competitiveness.
- Fabric wash delivered broad-based growth across formats, with the liquid portfolio maintaining double-digit growth. The quarter saw the re-launch of Rin bar with improved technology and a comprehensive re-launch of Comfort.
- Household care achieved high single-digit UVG, driven by strong performance in the dish washing segment. Introduced “Sun”, a new liquid dish washing brand targeting the mass market.
- Hair care posted mid-single digit volume growth led by brands such as Dove, Tresemme, and Clinic Plus, with performance spanning sachets and advanced formats.
- The winter skin care portfolio faced challenges due to a delayed winter.
- Strategic actions resulted in market share gains in skin cleansing.
- Within foods, while there was subdued consumption of nutritional drinks during the quarter, premium tea brands and coffee witnessed growth.
- Ice-cream revenue remained flat YoY. The ice-cream business has significant growth potential and the demerger’s share entitlement ratio stands at 1:1.

Table 1: Quarterly financials

(INR mn)	3QFY25	3QFY24	YoY, %	2QFY25	QoQ, %	9MFY25	9MFY24	% Chg
Net Sales	**1,51,950**	**1,49,280**	**1.8**	**1,53,190**	**(0.8)**	**4,56,800**	**4,48,860**	**1.8**
Other operating income	2,130	2,600	(18.1)	1,890	12.7	5,750	7,260	(20.8)
Total Income	**1,54,080**	**1,51,880**	**1.4**	**1,55,080**	**(0.6)**	**4,62,550**	**4,56,120**	**1.4**
Cost of revenues	76,010	73,670	3.2	75,930	0.1	2,26,420	2,21,760	2.1
Gross Profit	78,070	78,210	(0.2)	79,150	(1.4)	2,36,130	2,34,360	0.8
Gross Margin %	50.7	51.5	-83 bps	51.0	-37 bps	51.0	51.4	-33 bps
Employee Expenses	6,840	6,490	5.4	7,650	(10.6)	20,510	20,080	2.1
% of net sales	4.4	4.3	17 bps	4.9	-49 bps	4.4	4.4	3 bps
Advertisement exp	14,660	15,930	(8.0)	14,640	0.1	45,740	47,940	(4.6)
% of net sales	9.5	10.5	-97 bps	9.4	7 bps	9.9	10.5	-62 bps
Other Expenses	20,870	20,390	2.4	20,390	2.4	61,650	58,790	4.9
% of net sales	13.5	13.4	12 bps	13.1	40 bps	13.3	12.9	44 bps
Total Expenditure	1,18,380	1,16,480	1.6	1,18,610	(0.2)	3,54,320	3,48,570	1.6
EBIDTA	**35,700**	**35,400**	**0.8**	**36,470**	**(2.1)**	**1,08,230**	**1,07,550**	**0.6**
EBIDTA margin %	**23.2**	**23.3**	**-14 bps**	**23.5**	**-35 bps**	**23.4**	**23.6**	**-18 bps**
Other Income	3,120	2,850	9.5	3,090	1.0	8,780	7,530	16.6
Interest	1,050	810	29.6	990	6.1	2,890	2,000	44.5
Depreciation	3,080	2,820	9.2	3,050	1.0	9,110	8,080	12.7
PBT	**34,690**	**34,620**	**0.2**	**35,520**	**(2.3)**	**1,05,010**	**1,05,000**	**0.0**
Tax	9,290	9,210	0.9	9,400	(1.2)	27,790	27,910	(0.4)
Effective tax rate %	26.8	26.6	18 bps	26.5	32 bps	26.5	26.6	-12 bps
Adjusted PAT	**25,400**	**25,410**	**(0.0)**	**26,120**	**(2.8)**	**77,220**	**77,090**	**0.2**
Exceptional Items	4,610	(220)		–		4,290.0	(10.0)	
Reported PAT	**30,010**	**25,190**	**19.1**	**26,120**	**14.9**	**81,510**	**77,080**	**5.7**
Adj Profit margin	16.5	16.7	-25 bps	16.8	-36 bps	17.6	16.9	72 bps
EPS	**10.8**	**10.8**	**(0.0)**	**11.1**	**(2.8)**	**32.9**	**32.8**	**0.2**

Source: Company, Antique

Table 2: Segment performance

Revenues (INR mn)	3QFY25	3QFY24	YoY, %	2QFY25	QoQ, %	9MFY25	9MFY24	% Chg
Home care	57,420	54,480	5.4	57,370	0.1	1,71,540	1,61,850	6.0
- Beauty & Welbeing	34,380	33,900	1.4	33,230	3.5	99,600	97,670	2.0
- Personal Care	22,460	23,150	(3.0)	24,120	-6.9	70,440	73,480	(4.1)
Beauty and Personal care	56,840	57,050	(0.4)	57,350	-0.9	1,70,040	1,71,150	(0.6)
Foods and refreshments	37,450	37,330	0.3	38,500	-2.7	1,14,450	1,13,810	0.6
Others	2,370	3,020	(21.5)	2,330	1.7	6,990	9,310	(24.9)
Total revenue	**1,54,080**	**1,51,880**	**1.4**	**1,55,550**	**(1)**	**4,63,020**	**4,56,120**	**1.5**

PBIT (INR mn)	3QFY25	3QFY24	YoY, %	2QFY25	QoQ, %	9MFY25	9MFY24	% Chg
Home Care	10,540	9,660	9.1	10,870	-3.0	32,500	29,520	10.1
- Beauty & Welbeing	10,120	10,970	(7.7)	11,210	-9.7	31,390	32,480	(3.4)
- Personal Care	3,950	3,640	8.5	4,010	-1.5	12,140	12,660	(4.1)
Beauty & Personal Care	14,070	14,610	(3.7)	15,220	-7.6	43,530	45,140	(3.6)
Food & Refreshments	7,550	7,110	6.2	7,360	2.6	22,270	21,120	5.4
Others	460	1,200	(61.7)	430	7.0	1,280	3,690	(65.3)
Total PBIT	**32,620**	**32,580**	**0.1**	**49,100**	**(34)**	**1,43,110**	**1,44,610**	**(1.0)**

PBIT margin %	3QFY25	3QFY24	YoY	2QFY25	QoQ	9MFY25	9MFY24	Chg
Home Care	18.4	17.7	62 bps	18.9	-59 bps	18.9	18.2	71 bps
- Beauty & Welbeing	29.4	32.4	-292 bps	33.7	-430 bps	31.5	33.3	-174 bps
- Personal Care	17.6	15.7	186 bps	16.6	96 bps	17.2	17.2	1 bps
Beauty & Personal Care	24.8	25.6	-86 bps	26.5	-179 bps	25.6	26.4	-77 bps
Food & Refreshments	20.2	19.0	111 bps	19.1	104 bps	19.5	18.6	90 bps
Others	19.4	39.7	-2033 bps	18.5	95 bps	18.3	39.6	-2132 bps
Total	**21.2**	**21.5**	**-28 bps**	**31.6**	**-1039 bps**	**30.9**	**31.7**	**-80 bps**

Source: Company, Antique

Table 3: Actual vs. estimates

	Actual	Antique est.	Var (%)	Consensus	Var (%)
Revenue	1,54,080	1,57,560	(2.2)	1,57,173	(2.0)
Gross Margin	50.7	51.0	-33 bps	51	-30 bps
EBITDA	35,700	35,794	(0.3)	36,515	(2.2)
EBITDA Margin	23.2	22.7	45 bps	23.2	-6 bps
Adj. Net profit	25,400	25,891	(1.9)	26,199	(3.0)
Adj. NPM	16.5	16.4	5 bps	16.7	-18 bps

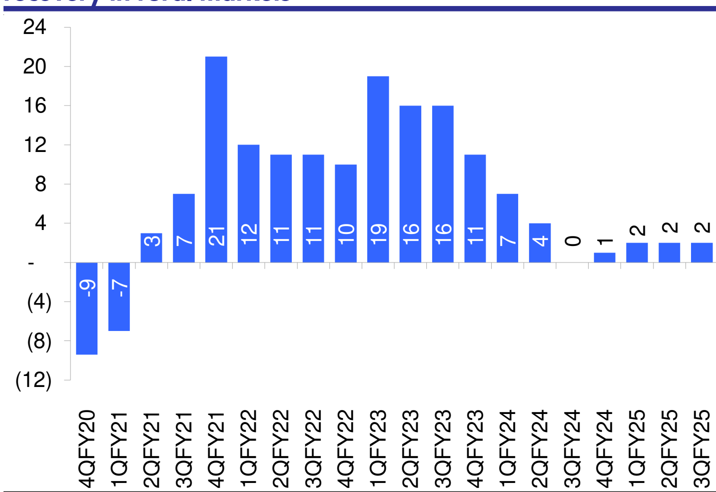
Source - Company, Antique

Table 4: Change in estimates

	FY25			FY26			FY27		
INR mn	New	Old	Chg (%)	New	Old	Chg (%)	New	Old	Chg (%)
Revenue	6,19,363	6,31,682	(2.0)	6,64,107	6,85,049	(3.1)	7,21,013	7,47,114	(3.5)
EBITDA	1,44,148	1,48,742	(3.1)	1,57,452	1,64,128	(4.1)	1,71,718	1,79,820	(4.5)
EBITDA Margin	23.3	23.5	-27 bps	23.7	24.0	-25 bps	23.8	24.1	-25 bps
PAT	1,02,132	1,04,532	(2.3)	1,10,722	1,14,836	(3.6)	1,20,099	1,25,285	(4.1)
PAT Margin	16.5	16.5	-6 bps	16.7	16.8	-9 bps	16.7	16.8	-11 bps
EPS	43.5	44.5	(2.3)	47.1	48.9	(3.6)	51.1	53.3	(4.1)

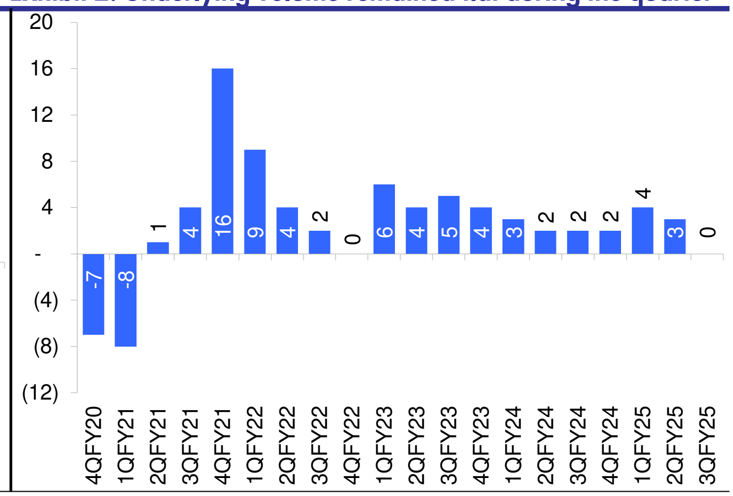
Source: Company, Antique

Exhibit 1: Underlying sales grew 2% owing to gradual recovery in rural markets



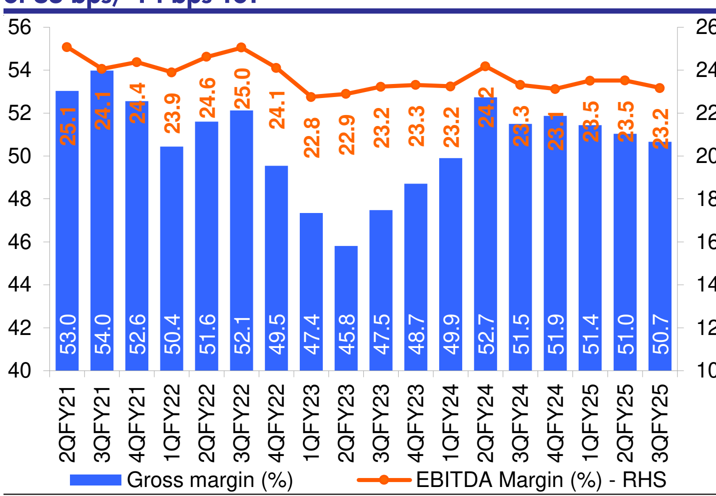
Source: Company, Antique

Exhibit 2: Underlying volume remained flat during the quarter



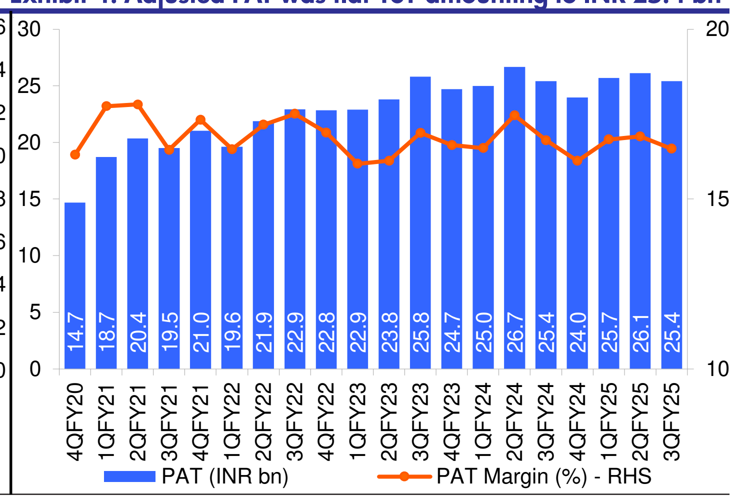
Source: Company, Antique

Exhibit 3: Gross/ EBITDA margin witnessed contraction of 83 bps/ 14 bps YoY



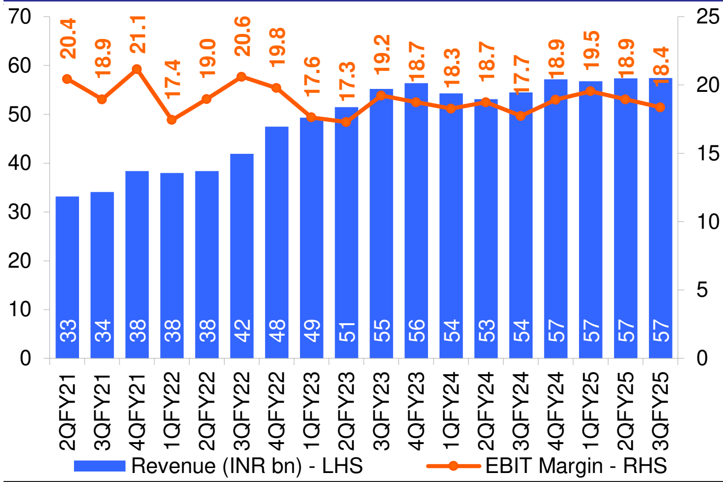
Source: Company, Antique

Exhibit 4: Adjusted PAT was flat YoY amounting to INR 25.4 bn



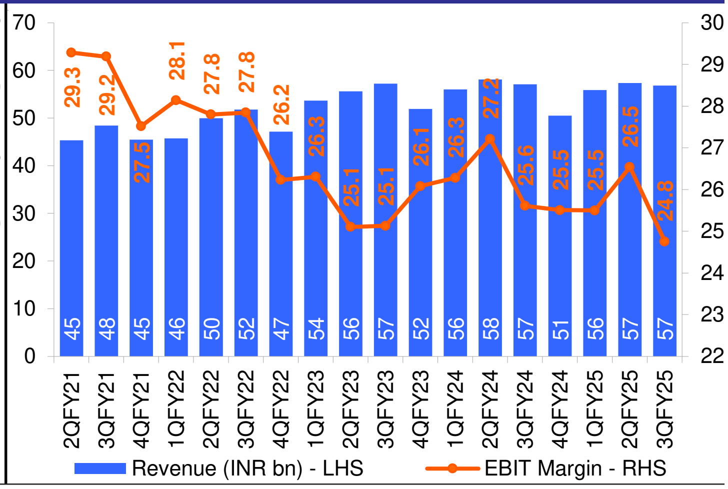
Source: Company, Antique

Exhibit 5: Home care business grew 5.4%, with margin expansion of 62 bps YoY to 18.4%



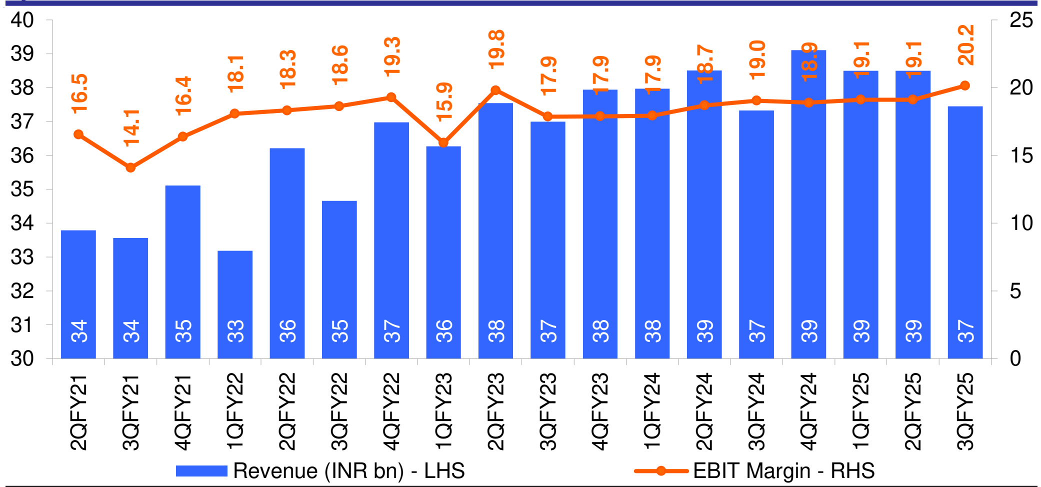
Source: Company, Antique

Exhibit 6: Total BPC revenue declined 0.4%, with EBIT margin contraction of 86 bps YoY



Source: Company, Antique

Exhibit 7: Food & refreshment revenue remained flat, with EBIT margin expansion of 111 bps YoY



Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**5,91,440**	**6,04,690**	**6,19,363**	**6,64,107**	**7,21,013**
Gross Profit	2,80,000	3,11,420	3,17,114	3,42,015	3,72,764
Op. Expenses	(4,55,120)	(4,62,790)	(4,75,215)	(5,06,654)	(5,49,295)
EBITDA	**1,36,320**	**1,41,900**	**1,44,148**	**1,57,452**	**1,71,718**
Depreciation	(10,300)	(10,970)	(12,316)	(13,828)	(15,144)
EBIT	**1,26,020**	**1,30,930**	**1,31,832**	**1,43,624**	**1,56,574**
Other income	6,400	9,730	10,898	11,170	11,393
Interest Exp.	(1,010)	(3,020)	(3,775)	(4,153)	(4,568)
Extra Ordinary Items -gain/(loss)	(620)	(890)	-	-	-
Reported PBT	**1,30,790**	**1,36,750**	**1,38,955**	**1,50,642**	**1,63,400**
Tax	(31,170)	(35,610)	(36,823)	(39,920)	(43,301)
Reported PAT	**99,620**	**1,01,140**	**1,02,132**	**1,10,722**	**1,20,099**
Net Profit	**99,620**	**1,01,140**	**1,02,132**	**1,10,722**	**1,20,099**
Adjusted PAT	**97,200**	**1,01,050**	**1,02,132**	**1,10,722**	**1,20,099**
Adjusted EPS (INR)	**41.4**	**43.0**	**43.5**	**47.1**	**51.1**

Balance sheet (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	2,350	2,350	2,350	2,350	2,350
Reserves & Surplus	4,99,860	5,07,380	5,03,762	4,96,983	4,87,832
Networth	**5,02,210**	**5,09,730**	**5,06,112**	**4,99,333**	**4,90,182**
Net deferred Tax liabilities	63,250	64,540	64,540	64,540	64,540
Capital Employed	**5,65,460**	**5,74,270**	**5,70,652**	**5,63,873**	**5,54,722**
Gross Fixed Assets	1,05,200	1,20,470	1,33,470	1,46,470	1,59,470
Accumulated Depreciation	(43,310)	(48,690)	(61,006)	(74,834)	(89,978)
Capital work in progress	10,200	9,150	9,150	9,150	9,150
Net Fixed Assets	**72,090**	**80,930**	**81,614**	**80,786**	**78,642**
Goodwill	2,79,000	2,78,850	2,78,850	2,78,850	2,78,850
Intangible Assets	1,73,160	1,73,160	1,73,160	1,73,160	1,73,160
Investments	37,940	54,930	54,930	54,930	54,930
Non Current Investments	9,830	9,830	9,830	9,830	9,830
Current Investments	28,110	45,100	45,100	45,100	45,100
Current Assets, Loans & Adv.	**1,56,060**	**1,82,890**	**1,88,843**	**2,00,042**	**2,13,474**
Inventory	40,310	38,120	44,119	47,306	51,360
Debtors	27,350	26,900	27,553	29,543	32,075
Cash & Bank balance	44,220	72,160	68,697	71,600	74,746
Loans & advances and others	44,180	45,710	48,475	51,592	55,294
Current Liabilities & Prov.	**1,52,790**	**1,96,490**	**2,06,746**	**2,23,894**	**2,44,334**
Liabilities	1,35,650	1,77,690	1,86,315	2,01,513	2,19,767
Provisions	17,140	18,800	20,431	22,380	24,567
Net Current Assets	**3,270**	**(13,600)**	**(17,902)**	**(23,852)**	**(30,859)**
Application of Funds	**5,65,460**	**5,74,270**	**5,70,652**	**5,63,873**	**5,54,722**

Per share data

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	2,350	2,350	2,350	2,350	2,350
Diluted no. of shares (mn)	2,350	2,350	2,350	2,350	2,350
BVPS (INR)	213.7	216.9	215.4	212.5	208.6
CEPS (INR)	46.8	47.7	48.7	53.0	57.6
DPS (INR)	39.0	42.0	45.0	50.0	55.0

Margins (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin (%)	23.0	23.5	23.3	23.7	23.8
EBIT Margin(%)	21.3	21.7	21.3	21.6	21.7
PAT Margin (%)	16.3	16.4	16.2	16.4	16.4

Source: Company, Antique

Key assumptions

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Gross margin (%)	47.3	51.5	51.2	51.5	51.7
Employee expenses(%)	4.5	4.6	4.6	4.7	4.6
Ad-spends (% of sales)	8.2	10.6	10.4	10.4	10.5

Cash flow statement (INRm)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
PBT	**1,30,790**	**1,36,750**	**1,38,955**	**1,50,642**	**1,63,400**
Depreciation & amortization	10,300	10,970	12,316	13,828	15,144
Interest expense	1,010	3,020	3,775	4,153	4,568
(Inc)/Dec in working capital	9,960	44,680	1,973	10,021	11,668
Tax paid	(31,170)	(35,610)	(36,823)	(39,920)	(43,301)
Less: Interest/Div. Income Recd.	(6,400)	(9,730)	(10,898)	(11,170)	(11,393)
CF from operating activities	**1,14,490**	**1,50,080**	**1,09,298**	**1,27,553**	**1,40,086**
Capital expenditure	(8,370)	(15,270)	(13,000)	(13,000)	(13,000)
Inc/(Dec) in investments	3,280	(16,990)	-	-	-
Add: Interest/Div. Income Recd.	6,400	9,730	10,898	11,170	11,393
CF from investing activities	**1,310**	**(22,530)**	**(2,102)**	**(1,830)**	**(1,607)**
Dividend Paid	(91,650)	(98,700)	(1,05,750)	(1,17,500)	(1,29,250)
Others	(16,110)	(910)	(4,909)	(5,320)	(6,084)
CF from financing activities	**(1,07,760)**	**(99,610)**	**(1,10,659)**	**(1,22,820)**	**(1,35,334)**
Net cash flow	**8,040**	**27,940**	**(3,463)**	**2,903**	**3,145**
Opening balance	36,180	44,220	72,160	68,697	71,600
Closing balance	**44,220**	**72,160**	**68,697**	**71,600**	**74,746**

Growth indicators (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Revenue(%)	15.5	2.2	2.4	7.2	8.6
EBITDA(%)	9.0	4.1	1.6	9.2	9.1
Adj PAT(%)	11.4	4.0	1.1	8.4	8.5
Adj EPS(%)	11.4	4.0	1.1	8.4	8.5

Valuation (x)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	56.6	54.5	53.9	49.7	45.8
P/BV (x)	11.0	10.8	10.9	11.0	11.2
EV/EBITDA (x)	36.7	34.9	34.4	31.5	28.8
EV/Sales (x)	8.4	8.2	8.0	7.5	6.9
Dividend Yield (%)	1.7	1.8	1.9	2.1	2.3

Financial ratios

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	19.6	20.0	20.1	22.0	24.3
RoCE (%)	23.8	24.7	24.9	27.3	30.0
Asset/T.O (x)	9.0	8.5	9.5	11.0	13.8
Net Debt/Equity (x)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)
EBIT/Interest (x)	(131.1)	(46.6)	(37.8)	(37.3)	(36.8)

Source: Company Antique

CMP	:	INR 5,685
Reco	:	HOLD ↔
Target Price	:	INR 5,450 ↑
Target Price Change	:	11%
Target FY27 P/E (x)	:	38
EPS Change FY25/ 26/ 27	:	3%/ 2%/ 2%

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Market data

Sensex	:	76,405
Sector	:	IT
Market Cap (INR bn)	:	885.7
Market Cap (USD bn)	:	10.259
O/S Shares (mn)	:	155.9
52-wk HI/LO (INR)	:	6789/3232
Avg. Daily Vol ('000)	:	542
Bloomberg	:	PSYS IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	91.8	119.1	143.4
P/E (x)	61.9	47.7	39.6
P/BV (x)	15.8	14.3	12.4
EV/EBITDA (x)	42.0	33.4	27.0
Dividend Yield (%)	1.1	1.1	1.1

Source: Bloomberg

Returns (%)

	1m	3m	6m	12m
Absolute	(11)	10	19	43
Relative	(9)	16	26	34

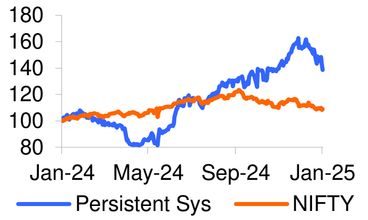
Source: Bloomberg

Shareholding pattern

Promoters	:	31%
Public	:	68%
Others	:	1%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg, Indexed to 100

3QFY25 RESULT REVIEW

Persistent Systems

Another strong quarter

Persistent Systems (PSYS) reported a revenue growth of 4.6% QoQ in CC terms ahead of our estimate. Growth was broad-based across all verticals and geographies, despite the 100 bps impact of furloughs during the quarter. Management noted that the demand environment remains largely unchanged, but sees early signs of recovery in discretionary spending. They expect the business continuing as usual in the near term, while the medium to long term outlook is expected to improve. The company reiterated its aim to achieve a revenue target of USD 2 bn by FY27 and has developed a strategic roadmap to achieve USD 5 bn by FY31. They plan to focus on scaling core verticals and sub-verticals, improving contribution of the top 100 customers that account for approximately 80% of the company's revenue. Deal momentum remains steady with total trailing 12-month TCV (new) at USD 333.6 mn vs. an average of USD 320 mn for the last four quarters. EBIT margin increased 90 bps QoQ to 14.9%, which was ahead of our estimate despite the impact of furloughs and lower earnout largely led by operational efficiency. Management expects to improve margins going ahead through non-linear revenue and optimizing SGA costs. Post the decent quarter, we maintain HOLD rating but increase the TP to INR 5,450 (from INR 4,900) as we increase our EPS estimates for FY26/ 27 by 2% and increase our target P/E multiple to 38x (from 35x) due to strong medium-term growth outlook.

3QFY25 result highlights

Persistent reported a revenue of USD 360.2 mn, up 4.6% QoQ in CC terms and better than our expectation of 4%, led by broad-based growth across verticals and geographies. EBIT margin increased 90 bps QoQ to 14.9%, which was ahead of our estimate despite the impact of furloughs (-60 bps) and a lower quantum of earn out (-100 bps). This was offset by a 140 bps improvement in utilization, cost rationalization with a large healthcare customer, and operational efficiency initiatives along with a 50 bps cross-currency tailwind, a 40 bps boost from lower resale revenue and improved pricing, and a 20 bps reduction in ESOPs. Deal momentum remains strong with total trailing 12-month TCV (new) at USD 333.6 mn vs. an average of USD 320 mn for the last four quarters. Headcount addition was strong and increased to 23,942, up 3% QoQ. Attrition increased by 60 bps QoQ to 12.6% and utilization increased by 260 bps to 87.4% vs. 84.8% in 2Q.

Growth broad-based across all verticals and geographies

Among verticals, growth was led by BFSI which was up 5% QoQ in USD terms, Healthcare grew by 4.3% QoQ, and Hi-tech was up 3.8% QoQ. Among geographies, North America grew by 3.3% QoQ, Europe was up 8.3% QoQ, India was up 6.6% QoQ, and RoW was up 23.9% QoQ. The company aspires to achieve USD 2 bn in revenue by the end of FY27 and USD 5 bn by FY31 through a strategic roadmap, including focusing on scaling its core verticals, improving contribution mix for the top 100 clients, enhancing capabilities, and through the use of AI.

Investment Summary

We continue to expect that Persistent's revenue growth will be industry-leading in FY26/ 27E, driven by market share gains and a strong platform-driven service strategy. Post the decent quarter, we maintain HOLD rating but increase the TP to INR 5,450 (from INR 4,900) as we increase our FY26/ 27 EPS estimates by 2% and our target P/E multiple to 38x (from 35x) due to strong medium-term growth outlook. Our HOLD rating is largely based on relatively expensive valuation compared to peers, as the stock is trading at a 40%/ 80% forward P/E premium to Coforge and LTIM.

Table 1: Financial summary

INR mn	Q3FY25	Q2FY25	QoQ (%)	Q3FY24	YoY (%)	FY23	FY24	FY25e	FY26e	FY27e
Revenues (US$ mn)	360.2	345.5	4.3	300.6	19.8	1,036	1,186	1,410	1,646	1,907
Revenues	30,623	28,972	5.7	24,982	22.6	83,506	98,216	1,18,967	1,39,967	1,62,167
Gross Profit	10,622	9,678	9.8	8,443	25.8	28,191	32,985	39,990	48,515	57,679
EBIIT	4,557	4,062	12.2	3,631	25.5	12,472	14,149	17,221	21,679	26,840
EBIT Margin	14.9%	14.0%		14.5%		14.9%	14.4%	14.5%	15.5%	16.6%
PAT after minority Interest	3,730	3,250	14.8	2,861	30.3	9,211	11,421	13,883	18,012	21,697
EPS	24.7	21.5	14.6	18.9	30.3	30.5	72.3	91.8	119.1	143.4

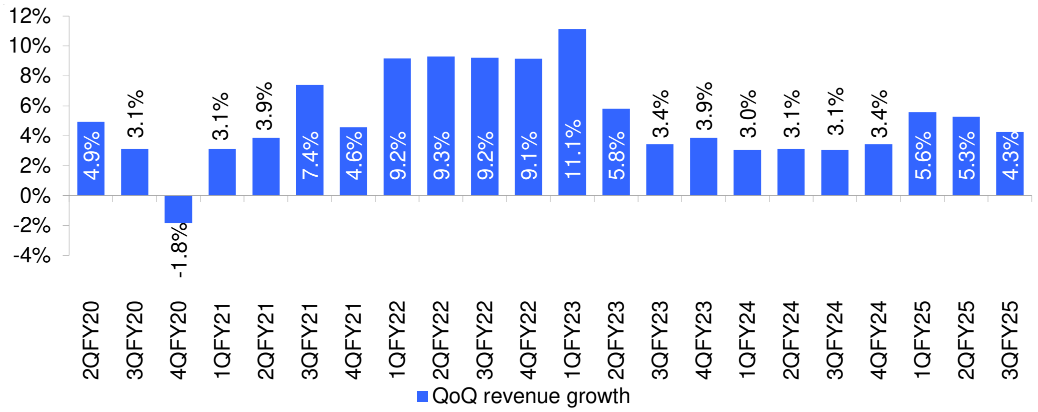
Source: Company, Antique

Table 2: Key metrics

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Revenue (USD mn)	**241.5**	**255.6**	**264.4**	**274.6**	**282.9**	**291.7**	**300.6**	**310.9**	**328.2**	**345.5**	**360.2**
QoQ growth (%)	11.1	5.8	3.4	3.9	3.0	3.1	3.1	3.4	5.6	5.3	4.3
CC QoQ growth (%)	12.2	6.6	3.5	3.5	3.0	3.1	3.1	3.4	5.6	5.1	4.6
YoY growth (%)	44.8	40.2	32.8	26.3	17.1	14.1	13.7	13.2	16.0	18.4	19.8
Geography-wise (%)											
America	78.4	78.6	77.1	77.9	79.2	79.2	79.7	80.1	80.7	81.3	80.5
Europe	8.5	8.3	9.0	10.3	9.7	9.5	8.9	7.8	7.8	7.9	8.2
APAC	13.1	13.1	13.9	11.8	11.1	11.3	11.4	12.1	11.5	10.8	11.3
Geography-wise QoQ growth (%)											
America	10.9	6.1	1.5	4.9	4.8	3.1	3.7	3.9	6.4	6.1	3.2
Europe	12.5	3.3	12.2	18.9	-3.0	1.0	-3.5	-9.4	5.6	6.6	8.2
APAC	12.0	5.8	9.8	-11.8	-3.1	5.0	4.0	9.8	0.3	-1.1	9.1
Vertical-wise (%)											
BFSI	33.7	32.8	32.6	32.3	33.3	32.3	31.2	30.7	30.8	31.5	31.7
Healthcare & Life Science	19.9	19.7	19.6	19.7	18.6	19.3	21.8	24.2	26.7	27.8	27.8
Tech. Cos. & Emerging Verticals	46.4	47.5	47.8	48.0	48.1	48.4	47.0	45.1	42.5	40.7	40.5
Vertical-wise QoQ growth (%)											
BFSI	15.6	3.0	2.8	2.9	6.2	0.0	(0.5)	1.8	5.9	7.7	4.9
Healthcare & Life Science	6.8	4.7	2.9	4.4	(2.7)	7.0	16.4	14.8	16.5	9.6	4.3
Tech. Cos. & Emerging Verticals	10.0	8.3	4.1	4.3	3.3	3.8	0.1	(0.8)	(0.5)	0.8	3.7
Client composition (%)											
Top	11.7	8.7	7.4	9.3	10.2	10.2	9.3	8.0	n/a	n/a	n/a
Top 5	30.8	26.9	24.7	26.5	27.9	28.3	28.0	29.2	30.7	31.4	30.8
Top 10	40.7	36.7	35.0	37.4	39.6	39.5	39.3	40.0	41.5	41.5	40.0
Deal wins											
TCV (USD mn)	394	368	440	422	380	479	521	448	463	529	594
Utilization (%)											
Utilization (%)	79.5	79.9	77.6	77.3	78.3	80.6	81.5	80.0	82.1	84.8	87.4
Headcount Metrics											
Total Employees	**21,638**	**22,476**	**22,598**	**22,889**	**23,130**	**22,842**	**23,336**	**23,850**	**23,519**	**23,237**	**23,942**
Net Additions	3,039	838	122	291	241	(288)	494	514	(331)	(282)	705
Attrition (%)	24.8	23.7	21.6	19.8	15.5	13.5	11.9	11.5	11.9	12.0	12.6

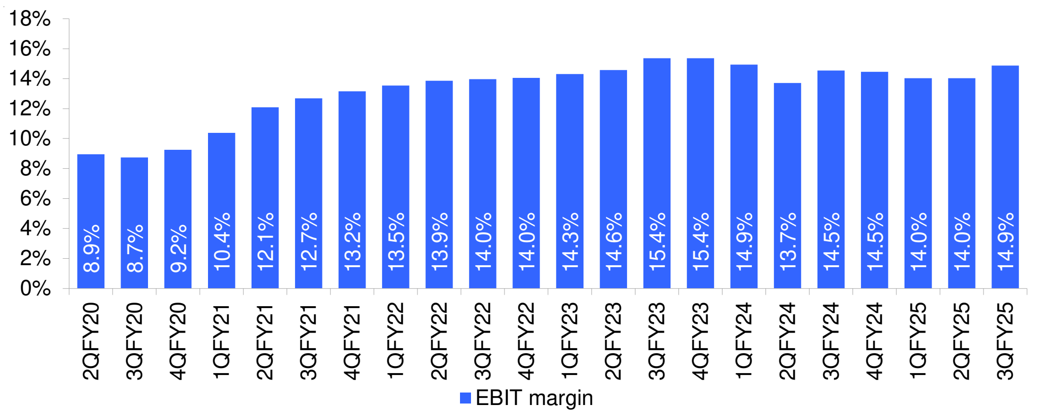
Source: Company, Antique

Exhibit 1: Revenue grew 4.3% QoQ, better than our expectation



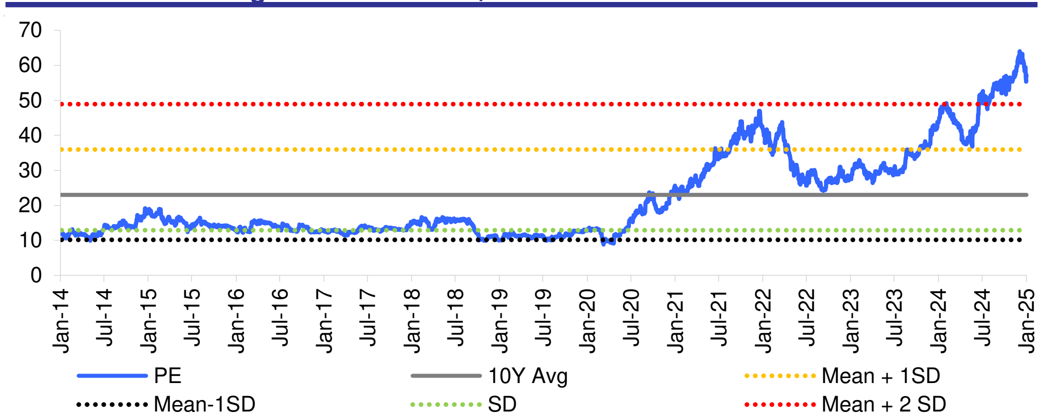
Source: Company, Antique

Exhibit 2: EBIT margin improved to 14.9%, better than our expectation



Source: Company, Antique

Exhibit 3: PSYS trading at 57x forward PE, above mean +2 SD



Source: Bloomberg; Antique

Table 3: Change in estimates

	Old			New			Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	1,18,012	1,37,185	1,58,944	1,18,967	1,39,967	1,62,167	0.8%	2.0%	2.0%
EBIT	16,698	21,167	26,028	17,221	21,679	26,840	3.1%	2.4%	3.1%
PAT	13,501	17,569	21,288	13,883	18,012	21,697	2.8%	2.5%	1.9%
EPS	89.4	116.4	141.0	91.8	119.1	143.4	2.6%	2.3%	1.7%
EBIT Margin	14.1%	15.4%	16.4%	14.5%	15.5%	16.6%	0.3%	0.1%	0.2%
PAT Margin	11.4%	12.8%	13.4%	11.7%	12.9%	13.4%	0.2%	0.1%	0.0%

Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**83,506**	**98,216**	**1,18,967**	**1,39,967**	**1,62,167**
Op. Expenses	68,315	80,973	98,603	1,14,509	1,30,949
EBITDA	**15,191**	**17,243**	**20,363**	**25,458**	**31,219**
Depreciation	2,719	3,094	3,142	3,779	4,379
EBIT	**12,472**	**14,149**	**17,221**	**21,679**	**26,840**
Other income	(64)	813	911	1,600	1,200
Reported PBT	**12,409**	**14,962**	**18,132**	**23,279**	**28,040**
Tax	3,198	3,541	4,250	5,266	6,344
Reported PAT	**9,211**	**11,421**	**13,883**	**18,012**	**21,697**
Net Profit	**9,211**	**11,421**	**13,883**	**18,012**	**21,697**
Adjusted PAT	**9,211**	**11,421**	**13,883**	**18,012**	**21,697**
Adjusted EPS (INR)	**61.0**	**75.5**	**91.8**	**119.1**	**143.4**

Balance sheet (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	764	770	770	770	770
Reserves & Surplus	38,887	48,807	53,613	59,236	68,543
Networth	**39,651**	**49,577**	**54,383**	**60,006**	**69,313**
Debt	4,285	2,073	99	99	99
Minority Interest	2	2	2	2	2
Net deferred Tax liabilities	(1,129)	(1,360)	(1,360)	(1,360)	(1,360)
Capital Employed	**42,809**	**50,293**	**53,125**	**58,748**	**68,055**
Capital work in progress	161	335	335	335	335
Net Fixed Assets	**14,193**	**11,637**	**11,334**	**10,394**	**8,855**
Goodwill	7,184	10,913	10,913	10,913	10,913
Investments	6,396	8,266	8,266	8,266	8,266
Non Current Investments	4,516	5,539	5,539	5,539	5,539
Current Investments	1,880	2,727	2,727	2,727	2,727
Current Assets, Loans & Adv.	**37,956**	**41,853**	**41,064**	**50,195**	**63,741**
Debtors	15,705	16,761	21,294	26,219	31,729
Cash & Bank balance	5,336	6,918	1,596	5,801	13,838
Loans & advances and others	16,915	18,175	18,175	18,175	18,175
Current Liabilities & Provisions	**22,256**	**22,086**	**19,704**	**22,272**	**24,972**
Liabilities	5,689	8,139	9,858	11,598	13,438
Provisions	16,566	13,947	9,846	10,674	11,534
Net Current Assets	**15,701**	**19,767**	**21,360**	**27,923**	**38,769**
Application of Funds	**42,809**	**50,293**	**53,125**	**58,748**	**68,055**

Per share data

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	151	151	151	151	151
Diluted no. of shares (mn)	151	151	151	151	151
BVPS (INR)	262.6	327.7	359.5	396.7	458.2
CEPS (INR)	79.0	95.9	112.5	144.1	172.4
DPS (INR)	50	42	60	60	60

Source: Company Antique

Cash flow statement (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
PBT	**12,409**	**14,962**	**18,132**	**23,279**	**28,040**
Depreciation & amortization	2,719	3,094	3,142	3,779	4,379
(Inc)/Dec in working capital	(4,377)	(2,052)	(7,157)	(2,602)	(3,054)
Tax paid	(3,405)	(3,414)	(4,250)	(5,266)	(6,344)
Less: Interest/Div. Income Recd.	(39)	(95)	(911)	(1,600)	(1,200)
Other operating Cash Flow	2,251	(282)	243	244	244
CF from operating activities	**9,558**	**12,213**	**9,200**	**17,834**	**22,065**
Capital expenditure	(8,632)	(2,791)	(2,839)	(2,839)	(2,839)
Inc/(Dec) in investments	3,879	(2,502)	-	-	-
Add: Interest/Div. Income Recd.	539	597	911	1,600	1,200
CF from investing activities	**(4,213)**	**(4,695)**	**(1,928)**	**(1,239)**	**(1,639)**
Inc/(Dec) in share capital	-	1,608	-	-	-
Inc/(Dec) in debt	(40)	(2,234)	(1,974)	-	-
Dividend Paid	(2,981)	(4,084)	(10,620)	(12,390)	(12,390)
Others	(1,019)	(1,227)	-	-	-
CF from financing activities	**(4,039)**	**(5,937)**	**(12,594)**	**(12,390)**	**(12,390)**
Net cash flow	**1,305**	**1,581**	**(5,322)**	**4,205**	**8,037**
Opening balance	4,031	5,336	6,918	1,596	5,801
Closing balance	**5,336**	**6,918**	**1,596**	**5,801**	**13,838**

Growth indicators (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Revenue	46.2	17.6	21.1	17.7	15.9
EBITDA	58.5	13.5	18.1	25.0	22.6
Adj PAT	33.4	24.0	21.6	29.7	20.5
Adj EPS	35.0	23.8	21.6	29.7	20.5

Valuation (x)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	93.2	75.3	61.9	47.7	39.6
P/BV (x)	21.7	17.3	15.8	14.3	12.4
EV/EBITDA (x)	56.3	49.4	42.0	33.4	27.0
EV/Sales (x)	10.2	8.7	7.2	6.1	5.2
Dividend Yield (%)	0.9	0.7	1.1	1.1	1.1

Financial ratios

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	25.1	25.6	26.7	31.5	33.6
RoCE (%)	31.1	32.1	35.1	41.6	44.2
Asset/T.O (x)	2.9	3.2	3.7	3.9	3.8
Net Debt/Equity (x)	(0.1)	(0.2)	(0.1)	(0.1)	(0.2)

Margins (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin (%)	18.2	17.6	17.1	18.2	19.3
EBIT Margin (%)	14.9	14.4	14.5	15.5	16.6
PAT Margin (%)	11.0	11.5	11.6	12.7	13.3

Source: Company Antique

CMP	:	INR 1,799
Reco	:	HOLD ↔
Target Price	:	INR 1,970 ↑
Target Price Change	:	2%
Target FY27 EV/EBITDA (x)	:	12
EBITDA Change FY25/26/27	:	-3%/-5%/-4%

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Market data

Sensex	:	76,405
Sector	:	Cement
Market Cap (INR bn)	:	337.4
Market Cap (USD bn)	:	3.909
O/S Shares (mn)	:	187.6
52-wk HI/LO (INR)	:	2320/1651
Avg. Daily Vol ('000)	:	436
Bloomberg	:	DALBHARA IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	36.2	55.4	64.0
P/E (x)	49.8	32.5	28.1
P/BV (x)	1.9	1.8	1.7
EV/EBITDA (x)	14.3	12.1	11.0
Dividend Yield (%)	0.6	0.6	0.7

Source: Company, Antique

Returns (%)

	1m	3m	6m	12m
Absolute	(0)	(0)	2	(19)
Relative	2	5	7	(24)

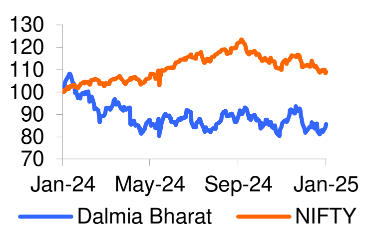
Source: Bloomberg

Shareholding pattern

Promoters	:	56%
Public	:	44%
Others	:	0%

Source: Bloomberg

Price performance vs Nifty



Source: Bloomberg Indexed to 100

3QFY25 RESULT REVIEW

Dalmia Bharat

Volume/ profitability under-performance to continue

Dalmia Bharat's (DALBHARA) 3Q EBITDA at INR 5.1 bn was 7%-8% lower than our/ consensus estimates, largely led by lower volumes which surprisingly declined 2% YoY vs. likely industry growth of 7%-8% YoY. Reported realization rose 3.2% QoQ (still sharply down 10% YoY) also aided by higher incentives QoQ and was broadly in line with our expectation. Total cost/ton declined 4% YoY and rose 1% QoQ (in-line). Accordingly, EBITDA/ton declined sharply 33% YoY/ rose 18% QoQ to INR 765/ton (Antique: INR 783/ton). Given the elevated 4Q volume base and delay in expansion, the company may underperform industry growth in the near to medium term, in our view. Also, net debt is likely to rise from the current level of INR 12 bn to >INR 40 bn by FY27, as the company starts its next phase of expansion. Factoring lower volumes, we cut our FY25-27E EBITDA by 3%-5%; while we raise our target multiple to 12x (from 11x earlier)—in line with its historical average and considering bottom-of-the-cycle earnings. Accordingly, we raise our target price to INR 1,970 (earlier INR 1,930) based on 12x FY27E EV/EBITDA. Maintain HOLD, as the company may underperform larger peers in terms of volume/ profitability due to delay in organic expansion amidst its adverse market mix and rising net debt.

Blended realization rose ~3% QoQ

Revenue declined 12% YoY to INR 31.8 bn (consensus/ Antique est.: INR 33-34 bn) led by 10% YoY fall in realization, although it rose 3% QoQ partially aided by higher incentives. As per management, current cement prices are ~2% higher vs. the 3Q average. Management expect prices to remain largely stable in 4Q at current levels due to increasing competitive intensity, especially in the South. A higher share of trade at 66% against 63% QoQ also led to higher than expected realization.

Volume growth disappointed; may continue to underperform

Volumes declined 2% YoY and remained flat QoQ at 6.7MT largely led by market share loss in the East and the Central region, in our view. Excluding JPA tolling volume of 0.37MT, it grew 3.7% YoY. While DALBHARA expects 6%-7% industry volume growth for 4Q, the company is likely to underperform industry growth given elevated 4Q base which includes JPA's tolling volume. Management aspires for 1.5x industry volume growth for the medium term, which would be tall ask, in our view, given delays in the announcement of the next phase of expansion (now expected in Jul'25 vs. the earlier Apr'25) and volatile prices in its key markets.

EBITDA/ton declined 33% YoY to INR765/ton

Overall blended cost of INR 3,997 declined 3.6% YoY and rose 0.8% QoQ (in-line). RM + P&F cost/ton rose marginally QoQ. Freight cost at INR 1,120/ton rose 2%-3% QoQ and YoY owing to sales in the Central region from its own plant in the East, as the company has discontinued tolling arrangement with JPA from Jul'24. Fuel consumption cost stood at INR 1.31/kcal in 3QFY25 (vs. INR 1.36/kcal in 2QFY25) and management expects fuel cost to marginally decline going ahead owing to a higher share of WHRS.

Net debt to rise to >INR40bn by FY27E with increase in capex

Net debt (excl. IEX investments) further increased by INR 3 bn QoQ to INR 36.5 bn. Net debt/EBITDA increased QoQ to 0.55x. Management has guided for a capex of INR 30 bn for FY25 (incurred INR 20 bn in 9MFY25) and INR 25-30 bn (excluding any fresh growth capex) for FY26 with peak net debt/EBITDA of 2x. We expect net debt (including IEX investments) to rise from the current INR 12 bn to INR 42 bn in FY27E after factoring a capex of INR 100 bn over FY24-27E.

Investment Summary

We factor 7% volume CAGR over FY24–27E and expect EBITDA/ton to improve from ~INR 913/ton in FY24 to INR 925/ton in FY26E and INR 967 in FY27E led by lower fuel costs and better cost efficiencies. The stock currently trades at a reasonable valuation of 10.8x FY27E EV/EBITDA and ~USD 92 EV/ton leaving limited upside from the current levels.

Conference Call Highlights

Targeting cost reduction of INR 150-200/ton over the next three years

- Management has guided for INR 150-200/ton cost reduction (excl. fuel price changes) in the next three years led by improvement in green energy mix, share of captive coal, reduction in logistic cost (INR 50-100/ton), and higher direct dispatches. It plans to commission Brinda/ Mandla coal mines by FY25/ 26. Green energy share stood at 33% and targets to reach to 45%/ 50% by FY25/ 26.

Higher incentives in 3Q

- In 3Q, DALBHARA accrued an incentive income INR 1.02 bn, including one-off of INR 140 mn pertaining to 1HFY25 vs. INR 610 mn in 2Q. Incentives outstanding amounted to INR 7.6 bn. For FY25-26, the company expects incentive accrual and a collection of INR 3.3 bn each.

Other details

- Share of premium products stood at 24% vs. 22%; CC ratio stood at 1.7 vs. 1.64 QoQ.
- Share of blended cement stood at 85% vs. 83% QoQ; lead distance stood at 280 kms; share of rail stood at 15%.
- Expect clinker commissioning for the Northeast by Sep'26.

Quarterly performance

Table 1: Actual vs estimated performance

(INR mn)	Actual	Estimated	% Variance	Consensus	% Variance
Net sales	31,810	33,014	(3.6)	33,950	(6.3)
EBITDA	**5,110**	**5,490**	**(6.9)**	**5,545**	**(7.8)**
EBITDA margin (%)	**16.1**	**16.6**	**-57bps**	**16.3**	**-27bps**
Adj net income	621	1,261	(50.7)	1,312	(52.7)
FDEPS (INR)	3.3	6.7	(50.7)	7.0	(52.7)

Source: Company, Antique

Table 2: Quarterly financials

(INR mn)	3QFY25	3QFY24	YoY(%)	2QFY25	QoQ(%)	9MFY25	9MFY24	YoY (%)
Sales	**31,810**	**36,000**	**(11.6)**	**30,870**	**3.0**	**98,890**	**1,03,730**	**(4.7)**
Cost of Material Consumed	19,260	20,950	(8.1)	18,880	2.0	60,060	62,340	(3.7)
% of sales	60.5	58.2	235bps	61.2	-61bps	60.7	63.0	-231bps
Employee cost	2,230	2,210	0.9	2,190	1.8	6,700	6,690	0.1
% of sales	7.0	6.1	87bps	7.1	0.0	6.8	6.8	1bps
Other expenses	5,210	5,090	2.4	5,460	(4.6)	15,990	14,960	6.9
% of sales	16.4	14.1	224bps	17.7	-131bps	16.2	15.1	104bps
Total Exp	26,700	28,250	(5.5)	26,530	0.6	82,750	83,990	(1.5)
EBIDTA	**5,110**	**7,750**	**(34.1)**	**4,340**	**17.7**	**16,140**	**19,740**	**(18.2)**
Margin %	**16.1**	**21.5**	**-546bps**	**14.1**	**201bps**	**16.3**	**20.0**	**-364bps**
Other income	370	800	(53.8)	730	(49.3)	1,600	2,220	(27.9)
Depreciation	3,640	3,700	(1.6)	3,360	8.3	10,170	11,700	(13.1)
Interest expenses	1,010	1,080	(6.5)	980	3.1	2,940	2,920	0.7
Profit Before Tax	**830**	**3,770**	**(78.0)**	**730**	**13.7**	**4,630**	**7,340**	**(36.9)**
PBT after exceptional	**830**	**3,770**	**(78.0)**	**730**	**13.7**	**4,630**	**7,340**	**(36.9)**
Tax	170	950	NA	240	(29.2)	900	1,840	(51.1)
Tax Rate %	20.5	25.2	NA	32.9	NA	20.5	25.2	
Minority Interest	39.0	30.0	30.0	30.0	30.0	39.0	30.0	30.0
Reported Net Profit	**621**	**2,790**	**(77.7)**	**460**	**35.0**	**3,691**	**5,470**	**(32.5)**
Adjusted Net Profit	**621**	**2,790**	**(77.7)**	**460**	**35.0**	**3,691**	**5,470**	**(32.5)**
EPS (INR)	**3.3**	**14.8**	**(77.7)**	**2.4**	**35.0**	**19.6**	**29.1**	**(32.5)**

Source: Company, Antique

Table 3: Per ton analysis

(INR/ton)	3QFY25	3QFY24	YoY(%)	2QFY25	QoQ(%)
Volumes (mn ton)	**6.68**	**6.81**	**-1.9%**	**6.69**	**-0.1%**
Raw material costs	766	919	-153	665	101
Power & Fuel Cost	997	1,066	-69	1,057	-60
Freight Cost	1,120	1,091	29	1,100	20
Staff Cost	334	325	9	327	6
Other Cost	780	747	33	816	-36
Total Cost/ton	3,997	4,148	-3.6%	3,966	0.8%
Realization/ton	**4,762**	**5,286**	**-9.9%**	**4,614**	**3.2%**
EBITDA/ton	**765**	**1,138**	**-373**	**649**	**116**

Source: Company, Antique

Table 4: We have reduced FY25-27 EBITDA by 3%-5%

	FY25E			FY26E			FY27E		
Change in estimates	**Old**	**New**	**% Chg**	**Old**	**New**	**% Chg**	**Old**	**New**	**% Chg**
Revenue (INR mn)	1,46,653	1,41,527	(3.5)	1,59,811	1,57,081	(1.7)	1,74,494	1,72,759	(1.0)
EBITDA (INR mn)	**25,414**	**24,539**	**(3.4)**	**31,678**	**30,167**	**(4.8)**	**35,982**	**34,392**	**(4.4)**
EBITDA margin (%)	**17.3**	**17.3**	**1bps**	**19.8**	**19.2**	**-62bps**	**20.6**	**19.9**	**-71bps**
Net profit (INR mn)	8,123	6,797	(16.3)	12,407	10,411	(16.1)	14,067	12,034	(14.5)
EPS (INR)	43.2	36.2	(16.3)	66.0	55.4	(16.1)	74.8	64.0	(14.5)

Source: Company, Antique

Table 5: Our FY25-27 EBITDA is 6%-7% below consensus

	Consensus			Antique			Variance		
INR mn	**FY25E**	**FY26E**	**FY27E**	**FY25E**	**FY26E**	**FY27E**	**FY25E**	**FY26E**	**FY27E**
Revenue	1,49,031	1,65,351	1,81,531	1,41,527	1,57,081	1,72,759	(5)	(5)	(5)
EBITDA	**26,286**	**32,149**	**36,766**	**24,539**	**30,167**	**34,392**	**(7)**	**(6)**	**(6)**
APAT	7,752	10,748	13,691	6,797	10,411	12,034	(12)	(3)	(12)

Source: Company, Antique

Table 6: Key assumptions

	FY19	**FY20**	**FY21**	**FY22**	**FY23**	**FY24**	**FY25e**	**FY26e**	**FY27e**
Capacity (MTPA)	24.9	25.8	34.0	36.6	37.9	46.6	47.1	49.5	49.5
utilization (%)	75.0	74.9	60.9	60.7	68.0	61.8	62.9	65.9	71.8
Volume (mn ton)	**18.7**	**19.3**	**20.7**	**22.2**	**25.8**	**28.8**	**29.6**	**32.6**	**35.5**
Volume growth (%)	10.1	3.3	7.2	7.3	16.1	11.7	3.0	10.0	9.0
Realization/ton (INR)	**5,077**	**4,967**	**5,088**	**5,056**	**5,256**	**5,100**	**4,773**	**4,816**	**4,860**
YoY realization (%)	0.4	(2.2)	2.4	(0.6)	4.0	(3.0)	(6.4)	0.9	0.9
Cost/ton (INR)	**4,033**	**3,875**	**3,742**	**3,994**	**4,357**	**4,187**	**3,946**	**3,891**	**3,892**
RM Cost/ton (INR)	956	857	861	664	769	939	776	774	774
Employee Cost/ton (INR)	347	350	345	339	299	303	300	291	283
Power Cost/ton (INR)	940	901	809	1,155	1,428	1,083	986	956	966
Freight Cost/ton (INR)	979	982	1,009	1,061	1,088	1,113	1,119	1,114	1,114
Other Cost/ton (INR)	811	785	719	775	773	750	764	757	757
EBITDA/ton (INR)	**1,044**	**1,092**	**1,346**	**1,062**	**899**	**913**	**828**	**925**	**967**
Capex (INR bn)	9.3	13.5	16.0	17.9	36.7	27.1	30.0	35.0	40.0
Net Debt (INR bn)	**31.4**	**28.6**	**9.4**	**(11.3)**	**6.7**	**4.8**	**12.5**	**26.2**	**41.8**

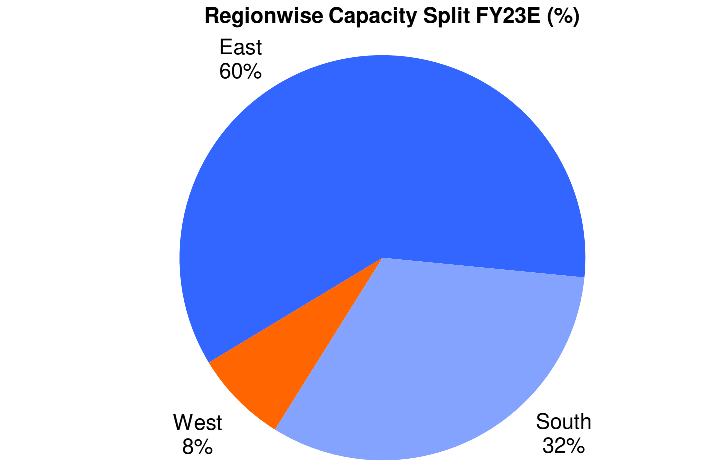
Source: Company, Antique

Table 7: Retain HOLD with target price of INR 1,970

EV/E method	**Mar-27E**
Mar'27E EBITDA (INR bn)	34.4
EV/E multiple (x)	12.0
EV (INR bn)	**413**
Net debt (Mar'27E)	42
Equity value	**371**
No. of shares (mn)	188
Mar'27 Target Price (INR)	**1,970**

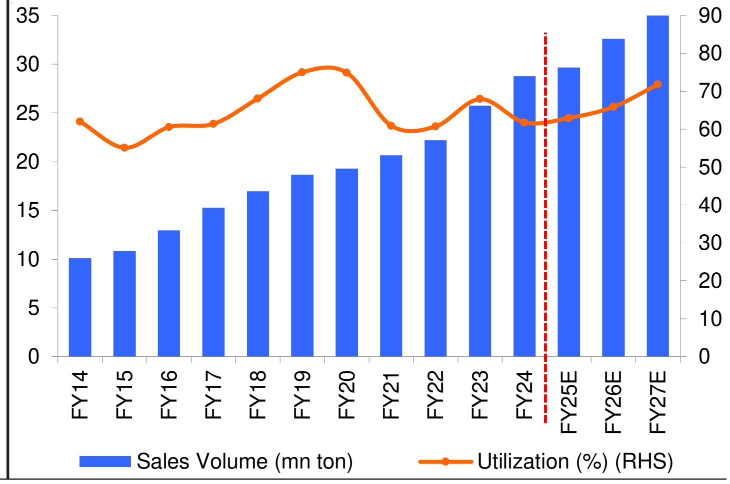
Source: Company, Antique

Exhibit 1: Capacity to grow at 2% CAGR over FY24-27E



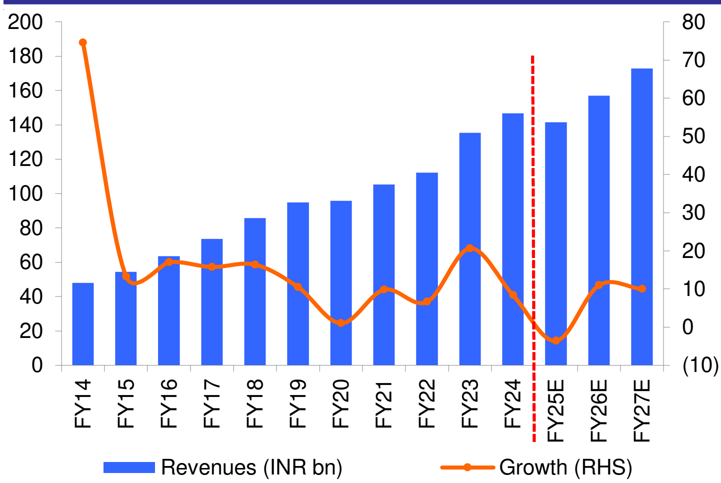
Source: Company, Antique

Exhibit 2: Volume to grow at 7% CAGR over FY24-27E



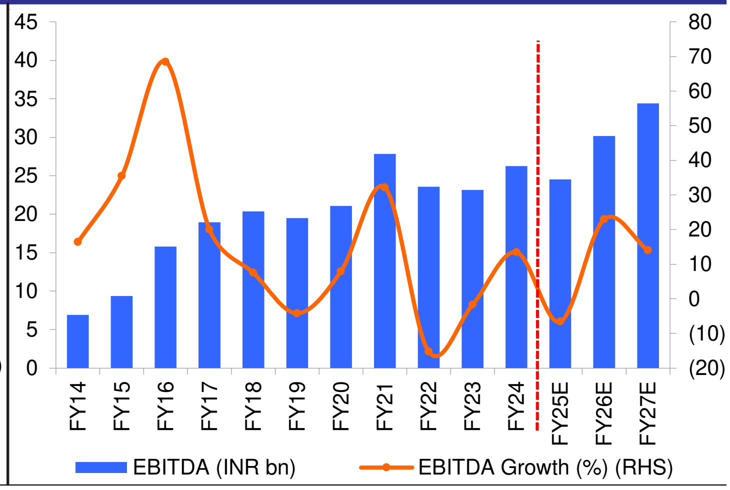
Source: Company, Antique

Exhibit 3: Revenue to grow at 5% CAGR over FY24-27E



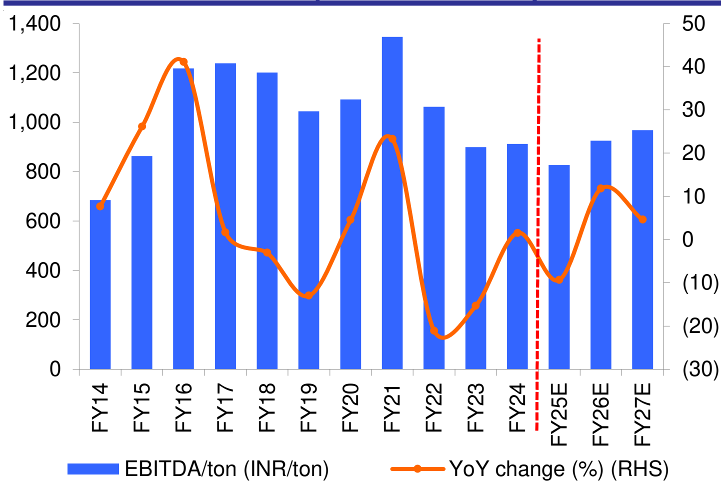
Source: Company, Antique

Exhibit 4: EBITDA to grow at 9% CAGR over FY24-27E



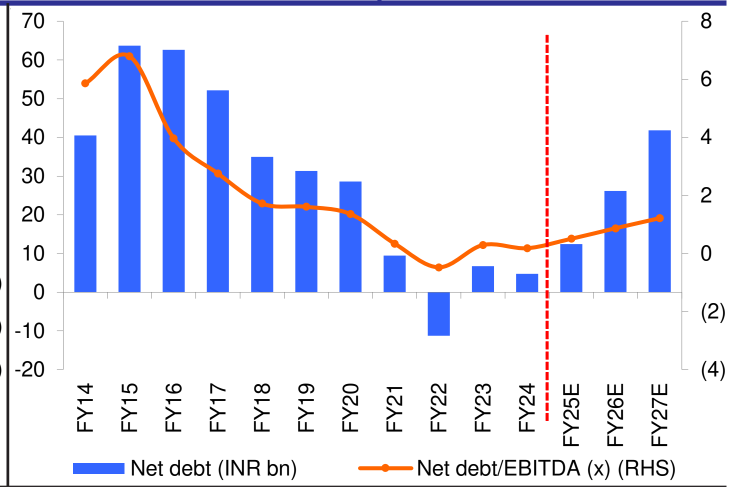
Source: Company, Antique

Exhibit 5: EBITDA/ton to improve to INR 967 by FY27E



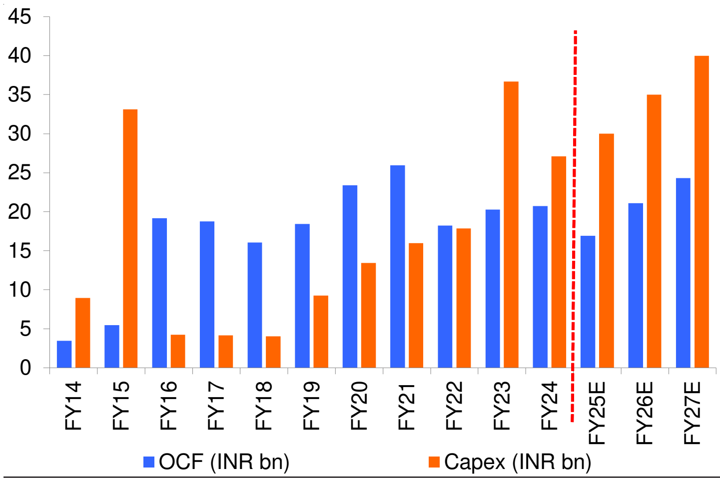
Source: Company, Antique

Exhibit 6: Net debt to increase by ~INR 37 bn over FY24-27E



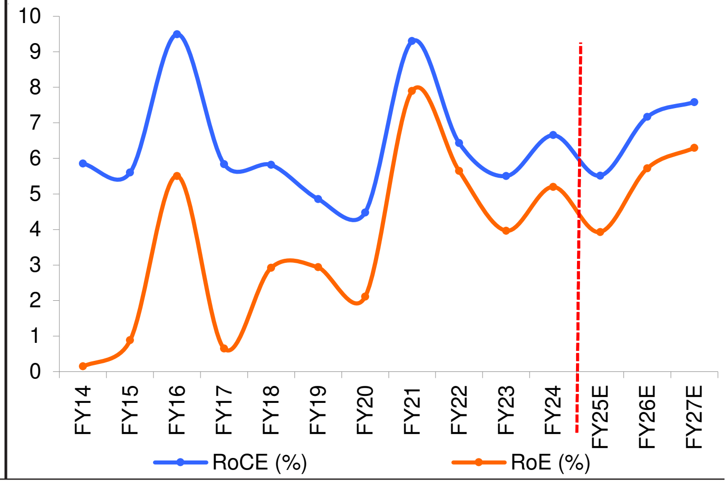
Source: Company, Antique

Exhibit 7: Capex of INR 105 bn over FY25-27E



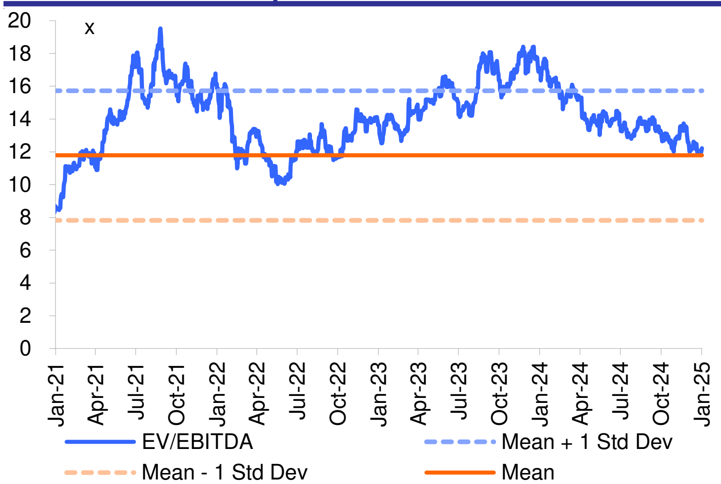
Source: Company, Antique

Exhibit 8: RoCE/ RoE to improve to high single digits by FY27E



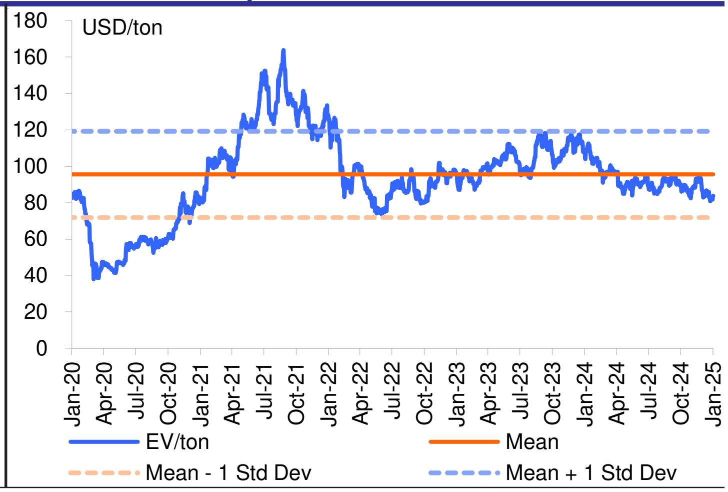
Source: Company, Antique

Exhibit 9: EV/EBITDA 1-yr. forward



Source: Company, Antique

Exhibit 10: EV/ton 1-yr. forward



Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**1,35,400**	**1,46,800**	**1,41,527**	**1,57,081**	**1,72,759**
Op. Expenses	1,12,240	1,20,520	1,16,987	1,26,914	1,38,367
EBITDA	**23,160**	**26,280**	**24,539**	**30,167**	**34,392**
Depreciation	13,050	14,980	13,337	13,646	14,984
EBIT	**10,110**	**11,300**	**11,203**	**16,521**	**19,407**
Other income	1,360	3,420	2,080	2,080	2,080
Interest Exp.	2,320	3,860	3,970	4,439	5,121
Extra Ordinary Items -gain/(loss)	7,030	-	-	-	-
Reported PBT	**16,180**	**10,860**	**9,312**	**14,161**	**16,367**
Tax	2,420	2,160	2,352	3,559	4,122
Reported PAT	**13,760**	**8,700**	**6,961**	**10,602**	**12,244**
Minority Int./Profit (loss) From Asso.	(440)	(270)	(164)	(191)	(211)
Net Profit	**13,320**	**8,430**	**6,797**	**10,411**	**12,034**
Adjusted PAT	**6,290**	**8,430**	**6,797**	**10,411**	**12,034**
Adjusted EPS (INR)	**34.0**	**44.8**	**36.2**	**55.4**	**64.0**

Balance sheet (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	370	376	376	376	376
Reserves & Surplus	1,55,910	1,67,590	1,77,511	1,85,858	1,95,641
Networth	**1,56,280**	**1,67,966**	**1,77,887**	**1,86,234**	**1,96,017**
Debt	38,950	49,310	55,310	68,310	84,310
Minority Interest	1,160	1,100	1,264	1,455	1,666
Net deferred Tax liabilities	16,340	17,950	17,973	17,992	18,023
Capital Employed	**2,09,750**	**2,32,656**	**2,48,764**	**2,70,322**	**2,96,346**
Gross Fixed Assets	2,28,480	2,51,320	2,77,320	3,03,320	3,29,320
Accumulated Depreciation	78,930	93,910	1,07,247	1,20,893	1,35,877
Capital work in progress	18,590	22,840	26,840	35,840	49,840
Net Fixed Assets	**1,68,140**	**1,80,250**	**1,96,913**	**2,18,267**	**2,43,283**
Goodwill	7,300	5,270	5,270	5,270	5,270
Investments	35,250	44,630	36,630	34,630	32,630
Non Current Investments	5,890	5,900	5,900	5,900	5,900
Current Investments	29,360	38,730	30,730	28,730	26,730
Current Assets, Loans & Adv.	**39,170**	**44,890**	**50,605**	**55,447**	**62,213**
Inventory	13,160	12,180	11,245	12,911	14,199
Debtors	7,000	8,360	8,530	9,468	10,413
Cash & Bank balance	2,850	5,820	12,115	13,417	15,788
Loans & advances and others	16,160	18,530	18,715	19,651	21,813
Current Liabilities & Provisions	**40,110**	**42,384**	**40,654**	**43,292**	**47,050**
Liabilities	36,910	38,934	36,859	39,117	42,458
Provisions	3,200	3,450	3,795	4,175	4,592
Net Current Assets	**(940)**	**2,506**	**9,951**	**12,155**	**15,163**
Application of Funds	**2,09,750**	**2,32,656**	**2,48,764**	**2,70,322**	**2,96,346**

Per share data

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	185	188	188	188	188
Diluted no. of shares (mn)	185	188	188	188	188
BVPS (INR)	844.8	893.4	946.2	990.6	1,042.6
CEPS (INR)	144.9	126.0	108.0	129.0	144.8
DPS (INR)	6.8	9.0	10.0	11.0	12.0

Source: Company, Antique

Cashflow statement (INR mn)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
PBT	**16,180**	**10,860**	**9,312**	**14,161**	**16,367**
Depreciation & amortization	13,050	14,980	13,337	13,646	14,984
Interest expense	2,320	3,860	3,970	4,439	5,121
(Inc)/Dec in working capital	(770)	(1,126)	(1,495)	(1,281)	(1,055)
Tax paid	(2,420)	(2,160)	(2,352)	(3,559)	(4,122)
Less: Interest/Div. Income Recd.	(1,360)	(3,420)	(2,080)	(2,080)	(2,080)
Other operating Cash Flow	(6,740)	(2,270)	(3,766)	(4,232)	(4,883)
CF from operating activities	**20,260**	**20,724**	**16,927**	**21,094**	**24,332**
Capital expenditure	(36,690)	(27,090)	(30,000)	(35,000)	(40,000)
Inc/(Dec) in investments	21,800	(9,380)	8,000	2,000	2,000
Add: Interest/Div. Income Recd.	1,360	3,420	2,080	2,080	2,080
CF from investing activities	**(13,530)**	**(33,050)**	**(19,920)**	**(30,920)**	**(35,920)**
Inc/(Dec) in share capital	-	6	-	-	-
Inc/(Dec) in debt	4,610	10,360	6,000	13,000	16,000
Dividend Paid	(1,258)	(1,690)	(1,876)	(2,064)	(2,251)
Others	(8,832)	6,620	5,164	191	211
CF from financing activities	**(5,480)**	**15,296**	**9,288**	**11,128**	**13,959**
Net cash flow	**1,250**	**2,970**	**6,295**	**1,302**	**2,371**
Opening balance	1,600	2,850	5,820	12,115	13,417
Closing balance	**2,850**	**5,820**	**12,115**	**13,417**	**15,788**

Growth indicators (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
Revenue(%)	20.7	8.4	(3.6)	11.0	10.0
EBITDA(%)	(1.7)	13.5	(6.6)	22.9	14.0
Adj PAT(%)	(22.8)	34.0	(19.4)	53.2	15.6
Adj EPS(%)	(22.8)	31.9	(19.4)	53.2	15.6

Valuation (x)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	53.8	40.1	49.8	32.5	28.1
P/BV (x)	2.1	2.0	1.9	1.8	1.7
EV/EBITDA (x)	14.9	13.1	14.3	12.1	11.0
EV/Sales (x)	2.5	2.3	2.5	2.3	2.2
Dividend Yield (%)	0.4	0.5	0.6	0.6	0.7

Financial ratios

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	4.0	5.2	3.9	5.7	6.3
RoCE (%)	5.5	6.7	5.5	7.2	7.6
Asset/T.O (x)	0.9	0.8	0.7	0.7	0.7
Net Debt/Equity (x)	0.0	0.0	0.1	0.1	0.2
EBIT/Interest (x)	4.9	3.8	3.3	4.2	4.2

Margins (%)

Year-ended March 31	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin(%)	17.1	17.9	17.3	19.2	19.9
EBIT Margin(%)	7.5	7.7	7.9	10.5	11.2
PAT Margin(%)	4.6	5.6	4.7	6.5	6.9

Source: Company Antique

CMP	: INR 1,845
Reco	: BUY ↔
Target Price	: INR 3,448 ↔
Target Price Change	: No Change
Target FY27 embedded EV/EBITDA (x)	: 12
Sales booking change FY25/ 26/ 27	: No Change

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Market data

Sensex	:	76,405
Sector	:	Textiles
Market Cap (INR bn)	:	206.2
Market Cap (USD bn)	:	2.388
O/S Shares (mn)	:	111.7
52-wk HI/LO (INR)	:	3142/1284
Avg. Daily Vol ('000)	:	232
Bloomberg	:	ABREL IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	25.5	37.6	41.5
P/E (x)	72.3	49.1	44.4
P/BV (x)	4.9	4.5	4.2
EV/EBITDA (x)	25.8	20.6	18.7
Dividend Yield (%)	0.3	0.4	0.4

Source: Bloomberg

Returns (%)

	1m	3m	6m	12m
Absolute	(30)	(33)	(16)	33
Relative	(28)	(29)	(11)	24

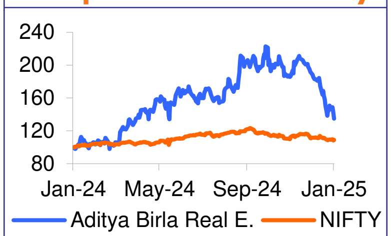
Source: Bloomberg

Shareholding pattern

Promoters	:	50%
Public	:	49%
Others	:	1%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg Indexed to 100

3QFY25 RESULT REVIEW

Aditya Birla Real Estate

Strong real estate performance

Aditya Birla Real Estate's (ABREL) 3QFY25 quarter highlights are the healthy sustenance sales in Niyaara, which contributed 55% of sales booking. During the quarter, the company recorded sales booking of INR 6.76 bn (257% YoY) driven entirely by sustenance sales, particularly from Niyaara Worli and Ojasvi Bengaluru. It is poised for a strong 4QFY25 with an estimated launch pipeline of INR 80.0 bn across key markets of Gurugram, Pune, and Bengaluru. With 9MFY25 sales booking of INR 23.5 bn, ABREL needs to launch all of its planned projects in 4QFY25 to meet its sales booking guidance of ~INR 70-80 bn for FY25. We expect the business development momentum to continue. With the inventory absorption rate continuing to be strong in the top seven markets (13 months of inventory overhang) and ABREL having a strong pipeline in 4QFY25, we expect the company to easily surpass its guidance of INR 70-80 bn in FY25. We keep our FY25/ 26/ 27 sales booking estimates at INR 68 bn/ INR 94 bn/ INR 118 bn. We maintain BUY rating with a TP of INR 3,448 on 12x FY27E EV/embedded EBITDA. Aditya Birla Real Estate is our top pick followed by Oberoi Realty and Prestige Estates (recent addition).

3QFY25 in a nutshell

Real estate: ABREL's sales booking was INR 6.76 bn (-52%/ 257% QoQ/ YoY) vs. our estimate of INR 3.5 bn. Sales booking was primarily driven by sustenance sales from Niyaara and Ojasvi, contributing 84% of total sales in the quarter. Collections were at INR 5.01 bn (-22%/ 175% QoQ/ YoY). During the quarter, acquired a 70-acre project in Boisar (est. GDV of INR 6 bn). Thus, in 9MFY25, acquired projects with total GDV of INR 235 bn (excluding NOIDA). Paper: Continues to see challenges. Sales in 3QFY25 was INR 7.4 bn (-13%/-16% QoQ/ YoY) and EBITDA was INR 0.28 bn (-52%/ -78% QoQ/ YoY) due to poor performance across segments-paper, board, and tissue. Net debt: INR 43.2 bn (up INR 4.4 bn QoQ).

4QFY25 (February and March 2025) to be eventful

In 4QFY25, ABREL intends to launch five projects with GDV of INR 80 bn. In Feb'25, Trimaya phase 3, Bengaluru with GDV of INR 8 bn; Sector 31, Gurugram with GDV of INR 30 bn; and Sangamwadi Pune phase 1 with GDV of INR 4 bn are expected to be launched. In Mar'25, entire Sarjapur, Bengaluru projects with GDV of INR 30 bn and the final phase of Navya, Gurugram with GDV of INR 10 bn are expected to be launched. Although ABREL has to do INR 45 bn+ of sales booking in 4QFY25 to meet its FY25 guidance, we are positive that the company would be able to launch all of its planned projects in 4QFY25 and will easily surpass its guidance for FY25.

Business development on a strong footing and momentum to continue

Last year, the company did BD with GDV of >INR 160 bn. In FY25 YTD, ABREL has already done five business development deals with total GDV of INR 235 bn (excluding NOIDA). Business development targets (GDV of INR 150-200 bn) for FY25 have already exceeded with additional acquisitions under consideration.

Investment Summary

We continue to remain structurally positive on ABREL's growth prospects in the medium to long term. **ABREL is our top pick and we reiterate BUY with a TP of INR 3,448**. Key monitorable are launches in 4QFY25.

Valuation using embedded EBITDA

ABREL surpassed its sales booking guidance for FY24 and clocked INR 39.9 bn in FY24. Aided by robust launch pipeline and aggressive business development velocity, we expect ABREL to surpass INR 65 bn in FY25, INR 90 bn in FY26 and INR 118 bn in FY27.

Table 1: SoTP valuation

Embedded EV/EBITDA method	FY27E
Sales booking (INR bn)	118
Embedded EBITDA margin	27%
Embedded EBITDA (INR bn)	32
EV/EBITDAx	12
EV of residential (INR bn)	379
Commercial portfolio at cap rate of 7.5% INR bn)	17
Paper business at 5x EV/EBITDA	32
less: net debt (INR bn)	-43
Equity value (INR bn)	385
O/S shares (# mn)	112
TP	**3,448**

Source: Company, Antique

Table 2: NAV methodology

	INR mn
Commercial Leasing - Operational	17,333
Completed	2,838
Ongoing	31,471
Upcoming (includes NOIDA)	174,362
Paper	32,417
Land Bank	4,533
Total EV (INR mn)	**262,954**
Less: net Debt	(43,170)
NAV (INR mn)	**219,784**
no. of share (mn)	112
per share value (INR)	**1,962**

	INR/share	Premium to NAV
NAV	**1,962**	**0%**
CMP	**1,845**	**-6%**
TP	**3,448**	**76%**

Source: Company, Antique

Table 3: Quarterly snapshot - 3QFY25

Operational - real estate

INR mn	3QFY25	2QFY25	1QFY25	QoQ %	3QFY24	YoY %	9MFY25	9MFY24	YoY%
Sales booking	6,750	14,120	2,620	-52.20	1,890	257.14	23,490	11,040	113
Collection	5,010	6,440	4,880	-22.20	1,820	175.27	16,330	8,020	104
Leasing income	340	290	290	17.24	270	25.93	920	890	3

Financial

P&L

Year ended	Dec-2024	Sep-2024	Dec-2023	QoQ %	YoY %
Net Revenue	9,567	11,276	10,703	-15.15	-10.61
Op. Expenses	2,177	10,396	8,729		
EBITDA	**128**	**880**	**1,974**	**-85.49**	**-93.53**
Depreciation	557	551	533		
EBIT	**(430)**	**329**	**1,440**		
Other income	46	105	257		
Interest Exp.	96	170	77		
Extra Ordinary Items -gain/(loss)					
Reported PBT	**(480)**	**265**	**1,620**	**na**	**-129.62**
Tax	(110)	140	534		
Minority Int./Profit (loss) From Asso.	(18)	2	28		
Net Profit	**(406)**	**26**	**833**		
Adjusted PAT	**(352)**	**122**	**1,059**	**na**	**-133.22**

Source: Company, Antique

Conference Call Highlights

Real estate segment:

- **Real estate trend**: Premium and luxury housing segments continue to outperform, with premiumization being the key trend.
- **Guidance**: Confident of achieving its FY25 guidance of INR 70-80 bn.
- **Launches in 4QFY25**: GDV of INR 80 bn expected to be launched in 4QFY25.
  - Trimaya phase 3, Bengaluru with GDV of INR 8 bn + Sector 31, Gurugram with GDV of INR 30 bn + Sangamwadi Pune phase 1 with GDV of INR 4 bn in February 2025.
  - Entire Sarjapur, Bengaluru project with GDV of INR 30 bn and final phase of Navya, Gurugram with GDV of INR 10 bn in March 2025.
- **Niyaara, Worli**: Niyaara 1st tower sold 400 out of 414 units and 2nd tower sold 86 out of 148 units. Tower 3 expected to be launched in FY26.
- **Margins**: Birla Vanya, Kalyan revenue and profit to be delivered and recognized in 4QFY25. Projects handed over doing 25%-30% whereas ongoing projects have 30%-35% margin.
- **Business development**:
  - Acquired a 71-acre land parcel in Boisar for plotted development with a potential GDV of INR 5 bn, likely to launch in FY26.
  - Till date did business development of INR 630 bn (excluding NOIDA).
  - Business development targets for FY25 have already been exceeded, with additional acquisitions under consideration.
- **Supreme Court judgment on workers colony land (Worli West land) in Worli (10-acre parcel)**:
  - The SC judgment is on 6.3-acre leasehold portion (0.95 msf), impacted by the Supreme Court's order; booking potential of ~INR 50 bn.
  - This parcel was not expected to launch within the next 4-5 years, so it does not affect long-term growth plans.
  - The remaining 3.5-acre freehold land owned by the company and has no dispute.
  - The workers colony land parcel is separate from the 30-acre land parcel (Worli East) in Worli, where the two phases of Birla Niyaara project is under development.
- **The India Hume Pipe** land parcel in NCR is expected to be launched after the Delhi elections.
- **NOIDA** land is still work in progress; approvals yet to be obtained by the partner.
- **Century Bhavan** is in planning stage with expected GDV of INR 40 bn.

Paper segment

- The paper segment faced soft demand in 3QFY25, but prices have started recovering and realizations are expected to improve in 4QFY25.
- The board segment was impacted by price declines in 3QFY25 and outlook for the segment in 4QFY25 remains subdued due to price corrections and competitive pressure from low-cost imports, affecting both volume and pricing.

The tissue segment too is expected to see challenges in 4QFY25 due to new market entrants and an unfavorable demand-supply balance.

Table 4: Project portfolio

Completed	GDV (INR bn)	Sold (INR bn)	Receivables (INR bn)
Alokya	3.9	3.9	0.0
Vanya	10.7	9.0	2.1
Sub total	**14.6**	**13.0**	**2.2**

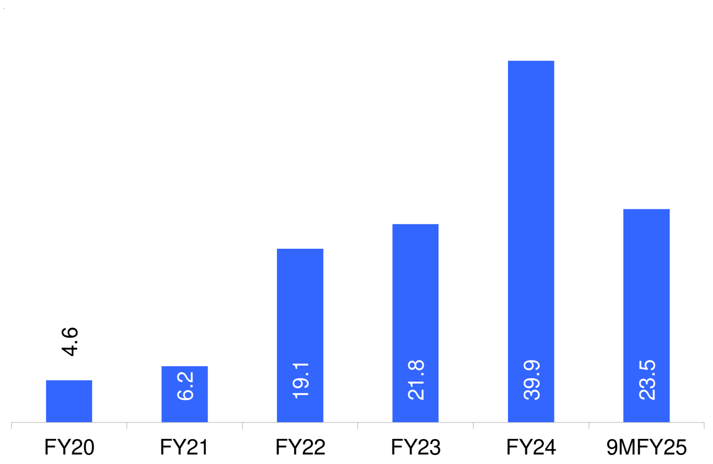
Ongoing	GDV (INR bn)	Sold (INR bn)	Receivables (INR bn)
Navya	16.0	15.8	6.5
Niyaara and Silas (Worli ph 1&2)	87.1	60.1	43.7
Trimaya (ph 1 +2)	11.1	11.1	8.9
Tisya	6.3	6.3	2.1
Birla Anayu	5.4	1.1	1.0
Birla Ojasvi	10.5	7.5	6.8
Sub total	**136.2**	**102.2**	**68.9**

Upcoming	GDV (INR bn)		
Navya last phase	10.2		
Pune	24.2		
Sarjapur	30.0		
India Humes Pipes Delhi	27.2		
Trimaya	16.3		
Worli (remaining phases)			
+ Century Bhavan (0.4 mn sq. ft.)	403.0		
Barmalt	50.4		
Hindalco	76.5		
Manjri Pune	25.6		
Sector 71- Gurugram	14.0		
Boisar	6.0		
NOIDA sector 150	NA		
Sub total	**677.4**	**-**	**-**
Total	**828.2**	**115.2**	**71.1**

Source: Company, Antique

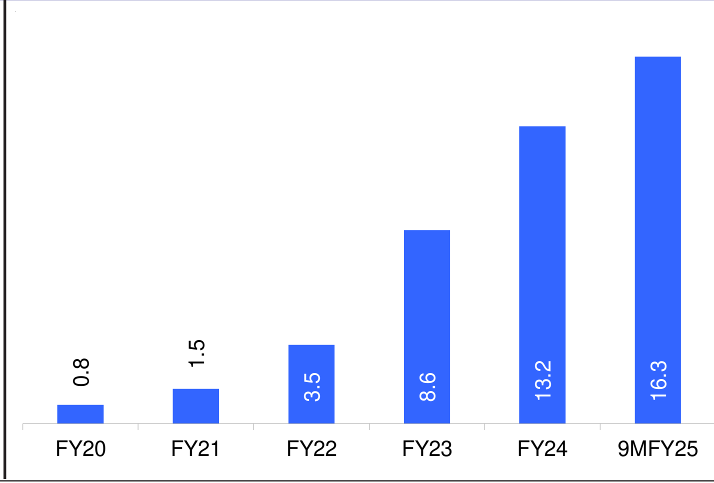
Story in Charts

Exhibit 1: Booking value (INR bn)



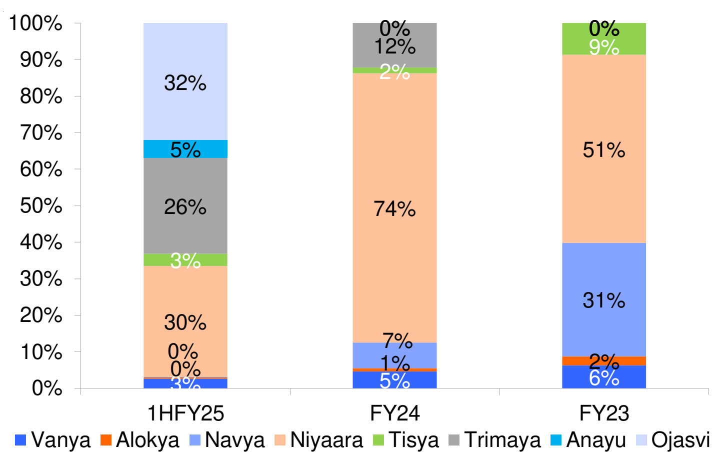
Source: Company, Antique

Exhibit 2: Collection (INR bn)



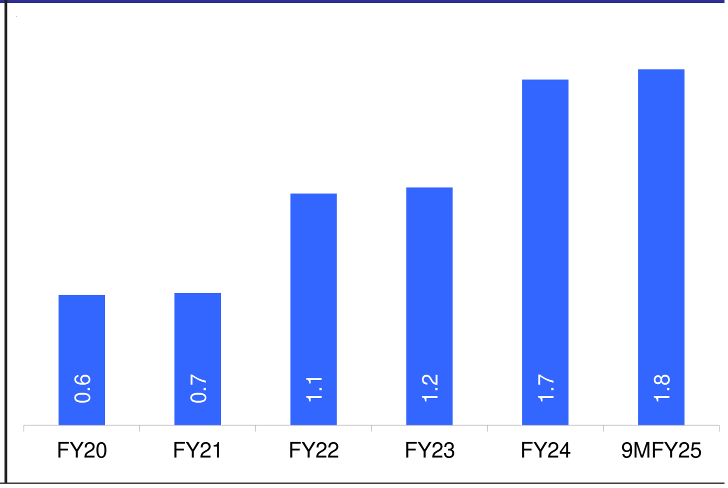
Source: Company, Antique

Exhibit 3: New projects and Niyaara key contributors in 9MFY25



Source: Company, Antique

Exhibit 4: Area sold (mn sq. ft.)



Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**38,318**	**45,135**	**53,103**	**53,110**	**58,421**
Op. Expenses	(32,631)	(38,523)	(44,430)	(41,957)	(46,152)
EBITDA	**5,687**	**6,612**	**8,673**	**11,153**	**12,268**
Depreciation	(1,959)	(2,099)	(2,067)	(2,142)	(2,210)
EBIT	**3,728**	**4,513**	**6,605**	**9,011**	**10,058**
Other income	246	565	346	346	381
Interest Exp.	(342)	(355)	(2,661)	(3,273)	(3,742)
Extra Ordinary Items -gain/(loss)	762	(2,445)	-	-	-
Reported PBT	**4,393**	**2,278**	**4,291**	**6,085**	**6,697**
Tax	(1,729)	(1,450)	(1,103)	(1,531)	(1,685)
Reported PAT	**2,664**	**828**	**3,188**	**4,554**	**5,012**
Minority Int./Profit (loss) From Asso.	55	(323)	(339)	(356)	(373)
Net Profit	2,719	505	2,850	4,198	4,639
Adjusted PAT	**1,957**	**2,950**	**2,850**	**4,198**	**4,639**
Adjusted EPS (INR)	**17.5**	**26.4**	**25.5**	**37.6**	**41.5**

Balance sheet (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	1,117	1,117	1,117	1,117	1,117
Reserves & Surplus	37,751	38,674	40,818	44,239	48,023
Networth	**38,868**	**39,791**	**41,934**	**45,356**	**49,140**
Debt	10,377	24,815	36,003	41,004	47,049
Minority Interest	1,521	1,156	1,156	1,156	1,156
Net deferred Tax liabilities	406	116	116	116	116
Capital Employed	**51,173**	**65,879**	**79,209**	**87,632**	**97,460**
Gross Fixed Assets	86,201	88,701	92,201	95,201	98,201
Accumulated Depreciation	(55,008)	(59,390)	(61,458)	(63,599)	(65,809)
Capital work in progress	1,897	581	581	581	581
Net Fixed Assets	**33,090**	**29,892**	**31,324**	**32,183**	**32,972**
Investments	10,608	14,944	14,944	14,944	14,944
Non Current Investments	10,578	12,118	12,118	12,118	12,118
Current Investments	30	2,827	2,827	2,827	2,827
Current Assets, Loans & Adv.	**40,819**	**60,266**	**59,432**	**66,140**	**77,204**
Inventory	32,561	47,258	36,372	43,652	48,017
Debtors	1,564	1,656	1,455	1,455	1,601
Cash & Bank balance	1,511	4,015	15,573	15,001	21,239
Loans & advances and others	5,182	7,337	6,032	6,032	6,347
Current Liabilities & Provisions	**33,343**	**39,223**	**26,491**	**25,636**	**27,661**
Liabilities	25,577	31,960	18,789	17,933	19,727
Provisions	7,766	7,263	7,702	7,702	7,934
Net Current Assets	**7,475**	**21,043**	**32,940**	**40,504**	**49,543**
Application of Funds	**51,173**	**65,879**	**79,209**	**87,632**	**97,460**

Per share data

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	112	112	112	112	112
Diluted no. of shares (mn)	112	112	112	112	112
BVPS (INR)	348	356	375	406	440
CEPS (INR)	41	26	47	60	65
DPS (INR)	5.0	5.8	6.3	7.0	7.7

Source: Company, Antique

Cash flow statement (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
PBT	**4,063**	**4,723**	**4,291**	**6,085**	**6,697**
Depreciation & amortization	2,271	2,099	2,067	2,142	2,210
Interest expense	539	355	2,661	3,273	3,742
(Inc)/Dec in working capital	(2,073)	(9,231)	(339)	(8,136)	(2,800)
Tax paid	(747)	(1,450)	(1,103)	(1,531)	(1,685)
Less: Interest/Div. Income Recd.	(104)	(565)	(346)	(346)	(381)
Other operating Cash Flow	(1,239)	917	-	-	-
CF from operating activities	**2,710**	**(3,153)**	**7,231**	**1,486**	**7,783**
Capital expenditure	(1,180)	(1,184)	(3,500)	(3,000)	(3,000)
Inc/(Dec) in investments	1,211	(4,863)	-	-	-
Add: Interest/Div. Income Recd.	1,354	806	346	346	381
CF from investing activities	**1,385**	**(5,241)**	**(3,154)**	**(2,654)**	**(2,619)**
Inc/(Dec) in debt	(4,356)	14,438	11,187	5,001	6,045
Dividend Paid	(447)	(642)	(706)	(777)	(855)
Others	(732)	(1,074)	(2,999)	(3,628)	(4,116)
CF from financing activities	**(5,535)**	**12,722**	**7,481**	**596**	**1,074**
Net cash flow	**(1,440)**	**4,327**	**11,558**	**(572)**	**6,238**
Opening balance	237	(1,204)	4,015	15,573	15,001
Closing balance	(1,204)	3,124	15,573	15,001	21,239
cash credit facilities	**1,689**	**891**			
Bank balance	**1,026**				
Cash & Bank balance	**1,511**	**4,015**	**15,573**	**15,001**	**21,239**

Growth indicators (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Revenue	(7.2)	17.8	17.7	0.0	10.0
EBITDA	27.9	16.3	31.2	28.6	10.0
Adj PAT	23.1	50.7	(3.4)	47.3	10.5
Adj EPS	23.1	50.7	(3.4)	47.3	10.5

Valuation (x)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	105.3	69.9	72.3	49.1	44.4
P/BV (x)	5.3	5.2	4.9	4.5	4.2
EV/EBITDA (x)	37.8	33.9	25.8	20.6	18.7
EV/Sales (x)	5.6	5.0	4.2	4.3	3.9
Dividend Yield (%)	0.3	0.3	0.3	0.4	0.4

Financial ratios

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	5.1	7.5	7.0	9.6	9.8
RoCE (%)	7.7	8.7	9.6	11.2	11.3
Asset/T.O (x)	1.0	1.0	0.9	0.8	0.8
Net Debt/Equity (x)	0.2	0.5	0.4	0.5	0.5
EBIT/Interest (x)	(11.6)	(14.3)	(2.6)	(2.9)	(2.8)

Margins (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin (%)	14.8	14.6	16.3	21.0	21.0
EBIT Margin (%)	9.7	10.0	12.4	17.0	17.2
PAT Margin (%)	5.1	6.5	5.3	7.9	7.9

Source: Company Antique

CMP	: INR 750
Reco	: BUY ↔
Target Price	: INR 850 ↑
Target Price Change	: 4%
Target FY27 P/E (x)	: 22
EPS Change FY25/ 26/ 27	: 1%/ 2%/ 2%

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Market data

Sensex	:	76,405
Sector	:	IT
Market Cap (INR bn)	:	170.2
Market Cap (USD bn)	:	1.972
O/S Shares (mn)	:	227.0
52-wk HI/LO (INR)	:	840/513
Avg. Daily Vol ('000)	:	369
Bloomberg	:	ZENT IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	29.4	34.7	39.0
P/E (x)	25.5	21.6	19.2
P/BV (x)	4.1	3.6	3.1
EV/EBITDA (x)	17.3	14.1	12.3
Dividend Yield (%)	0.8	0.9	1.1

Source: Bloomberg

Returns (%)

	1m	3m	6m	12m
Absolute	(2)	14	0	34
Relative	0	20	5	23

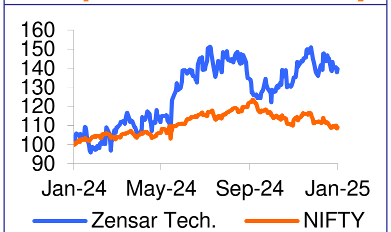
Source: Bloomberg

Shareholding pattern

Promoters	:	49%
Public	:	51%
Others	:	0%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg Indexed to 100

3QFY25 RESULT REVIEW

Zensar Technologies

A decent quarter; better growth expected in 4Q

Zensar Tech reported 3QFY25 revenue of USD 157 mn, up 0.7% in CC terms, in line with our expectation. The revenue growth was led by MCS and HLS verticals, up 6.5% and 3.2% QoQ in CC terms, while TMT and BFSI were down 3.5% and 1.3%. Management anticipates the TMT vertical growing in 4Q, though its revenue share is expected to decrease as reliance on top customers continue to decline. While the HLS vertical is seeing muted demand due to uncertainties in the US. Management commentary also suggest the macro environment continues to remain uncertain, while there are early signs of improvement in discretionary spends. They are optimistic about AI being a strong demand driver for discretionary spending in the future, however, it is still in early stages. Deal win TCV was strong and broad-based and stood at USD 205 mn vs. an average of USD 170 mn for the last eight quarters. Management mentioned that they remain focused on winning large deals to create revenue growth visibility for the near to medium term. They are cautiously optimistic about FY26 and aspire to achieve double-digit growth led by a strong deal momentum and strong execution. EBIT margin improved by 70 bps QoQ to 13.8%, better than our expectation of 13.2%, led by higher leave utilization, operational efficiencies, and foreign exchange fluctuation. Post the results, we maintain BUY rating on the stock and increase the TP to INR 850 (from INR 820), as we marginally increase our EPS estimates.

3QFY25 result highlights

Zensar Tech reported 3QFY25 revenue of USD 157 mn, up 0.7% QoQ in CC terms, in line with our expectation, despite a seasonally weak quarter. EBITDA margin came in at 15.6%, up 20 bps QoQ, which is within its guided range of mid-teens, despite seasonal furloughs. However, gross margin expanded by 200 bps QoQ to 30.1% led by exchange impact (+10 bps), volume and utilization (+10bps), higher leave utilization (+90 bps), and operational efficiencies (+80 bps). EBIT margin came in at 13.8%, up 70 bps QoQ, ahead of our expectation of 13.1%. Deal win TCV was strong and broad-based and stood at USD 205 mn (1.3x book-to-bill) vs. an average of USD 170 mn for the last eight quarters. LTM attrition moderated further to 10%, down 10 bps QoQ, while headcount increased 2.7% QoQ to 10,517. Top 5/ 10 clients' contribution declined by 60/ 100 bps QoQ. Utilization increased 10 bps QoQ, despite it being seasonally low owing to extended furloughs. The company reported net cash of USD 269 mn, registering a sequential growth of 5.5%. Management highlighted that their innovative AI offerings have provided significant value to clients through four key AI solution stacks and they are continuously enhancing capabilities and upskilling employees to deliver differentiated value.

Investment Summary

Zensar reported a decent quarter with revenue in line and margin ahead of our expectation. Further, the deal momentum continued to remain strong and management seeing early signs of recovery in discretionary spending, leading to improved growth visibility in the near term. We maintain BUY rating and increase the TP to INR 850 (from INR 820) as we increase our EPS estimates marginally. We continue to value the Zensar stock at 22x on FY27 EPS, which is at 25% discount compared to the average multiple for other large-caps mid-cap peers in its league.

Table 1: Financial summary

	3QFY25	2QFY25	QoQ (%)	3QFY24	YoY (%)	FY23	FY24	FY25E	FY26E	FY27E
Revenues (USD mn)	157.0	156.2	0.5	144.7	8.5	604.3	592.3	629.3	691.6	763.4
Revenues	13,256	13,080	1.3	12,041	10.1	48,483	49,018	53,059	59,201	65,343
EBIT	1,833	1,713	7.0	1,764	3.9	3,694	7,378	7,420	8,901	9,825
EBIT margin	13.8%	13.1%		14.6%		7.6%	15.1%	14.0%	15.0%	15.0%
PAT	1,598	1,557	2.6	1,617	(1.2)	3,277	6,651	6,645	7,843	8,813
NPM	12.1%	11.9%		13.4%		6.8%	13.6%	12.5%	13.2%	13.5%
EPS	7.1	6.9	2.6	7.2	(1.2)	14.5	29.4	29.4	34.7	39.0

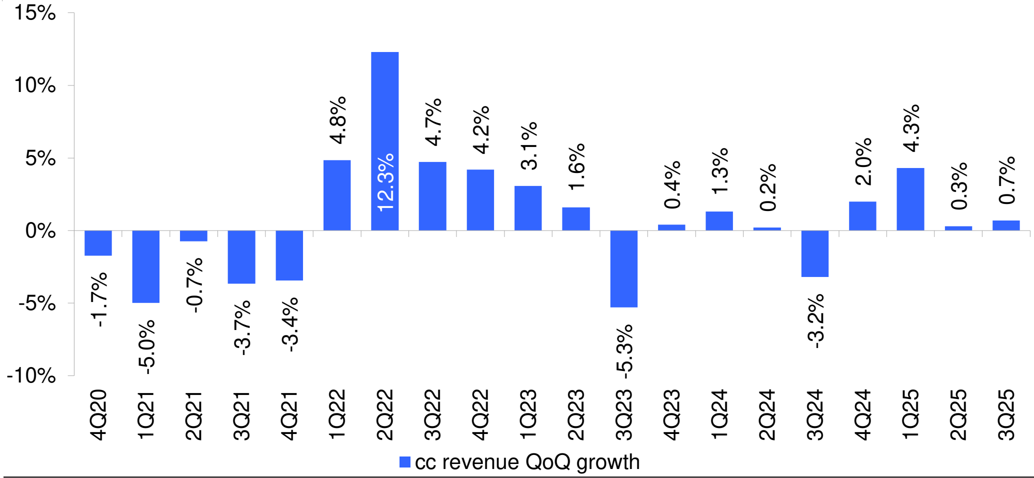
Source: Company; Antique

Table 2: Key metrics

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Revenue (USD mn)	**156**	**155**	**146**	**148**	**149**	**150**	**145**	**148**	**154**	**156**	**157**
QoQ growth (%)	1.8	(0.6)	(5.9)	1.1	1.2	0.6	(3.7)	2.3	4.3	1.2	0.5
cc QoQ growth (%)	3.1	1.6	(5.3)	0.4	1.3	0.2	(3.2)	2.0	4.3	0.3	0.7
YoY growth (%)	22.6	9.3	(0.8)	(3.7)	(4.2)	(3.1)	(0.8)	0.4	3.4	4.0	8.5
Geography-wise (%)											
US	70.9	71.6	70.0	70.3	69.4	66.1	66.0	67.2	68.7	67.6	67.3
Europe	18.1	17.4	18.7	18.1	19.2	21.6	21.4	20.8	19.8	21.1	21.2
Africa	11.0	11.0	11.3	11.6	11.4	12.3	12.5	12.0	11.5	11.3	11.5
Geography-wise QoQ growth (%)											
US	23.8	11.1	(2.1)	(3.9)	(6.3)	(10.6)	(6.5)	(4.0)	2.4	6.4	10.6
Europe	25.9	8.1	3.1	(8.3)	1.6	20.4	13.5	15.5	6.6	1.6	7.5
Africa	10.8	0.3	0.7	4.4	(0.8)	8.2	9.7	3.5	4.3	(4.5)	(0.2)
Vertical break-up (%)											
Telecommunication, Media and Technology	31.1	31.8	29.4	30.7	29.7	27.2	25.9	25.5	24.7	22.4	21.4
Manufacturing and Consumer Services	26.9	24.7	24.5	23.4	24.2	25.9	26.1	26.3	25.8	26.2	27.7
Banking and financial Services	32.7	33.7	35.0	35.8	36.3	37.3	38.6	38.7	39.7	40.9	40.1
Healthcare and Lifesciences	9.3	9.8	11.1	10.1	9.8	9.6	9.4	9.5	9.8	10.5	10.8
Vertical break-up QoQ growth (%)											
Telecommunication, Media and Technology	n/a	1.6	(12.9)	5.3	(2.1)	(7.9)	(8.2)	0.8	1.1	(8.3)	(4.0)
Manufacturing and Consumer Services	n/a	(8.5)	(6.8)	(3.2)	4.6	7.4	(2.8)	3.0	2.4	2.7	6.3
Banking and financial Services	n/a	2.4	(2.4)	3.6	2.5	3.5	(0.4)	2.7	6.8	4.2	(1.5)
Healthcare and Lifesciences	n/a	4.7	7.1	(8.4)	(1.2)	(1.4)	(5.7)	3.3	7.4	8.4	3.4
Client composition (%)											
Top 5	33.3	34.6	31.9	34.3	34.0	31.5	29.2	28.3	28.3	28.1	27.5
Top 10	45.2	45.5	44.7	46.1	45.2	42.2	40.6	40.8	42.1	42.0	41.0
Top 20	61.2	60.7	61.3	61.4	61.7	58.3	57.5	57.2	58.7	58.4	56.8
Beyond top 20	38.8	39.3	38.7	38.6	38.3	41.7	42.5	42.8	41.3	41.6	43.2
Client data											
Number of Active Clients	147	146	148	148	147	148	147	148	148	158	147
More than 1 mn USD	86	87	87	84	87	84	84	85	86	86	87
More than 5 mn USD	26	28	28	29	29	29	32	31	31	32	34
More than 1 0mn USD	13	13	15	14	14	14	14	14	14	15	14
More than 20mn USD	4	3	4	4	4	4	4	4	4	4	5
Deal wins											
Orderbook (USD mn)	125.0	141.8	130.5	175.0	154.2	194.8	167.5	181.5	154.0	201.0	205.3
Utilization											
Excluding Trainees	80.7	80.7	77.6	81.4	82.5	83.1	80.7	83.7	83.9	82.8	82.9
Employee Statistics											
Total Headcount	11,559	11,250	10,845	10,563	10,540	10,330	10,225	10,349	10,396	10,240	10,517
Net Addition	-280	-309	-405	-282	-23	-210	-105	124	47	-156	277
Attrition % (LTM)	28.1	26.3	22.8	19.8	15.9	13.1	12.0	10.9	10.6	10.1	10.0

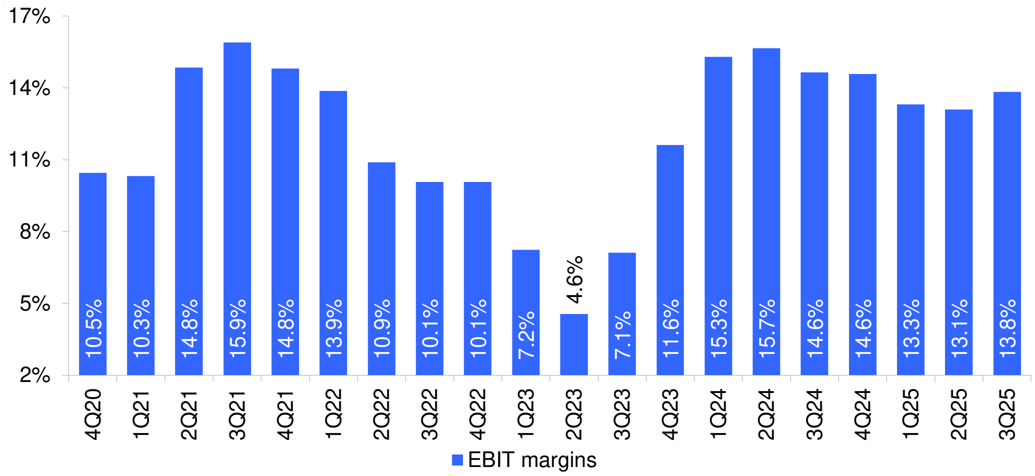
Source: Company; Antique;
Note - Mfg merged with Consumer services and Insurance merged into BFSI in Q124

Exhibit 1: Revenue grew 0.7% QoQ in CC terms, in line with our expectation



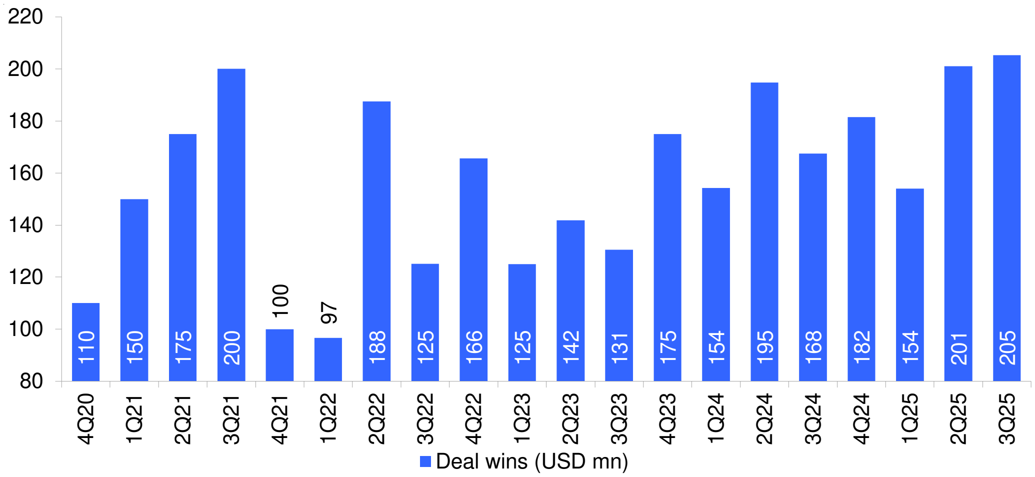
Source: Company; Antique

Exhibit 2: EBIT margin improved to 13.8%, better than our expectation



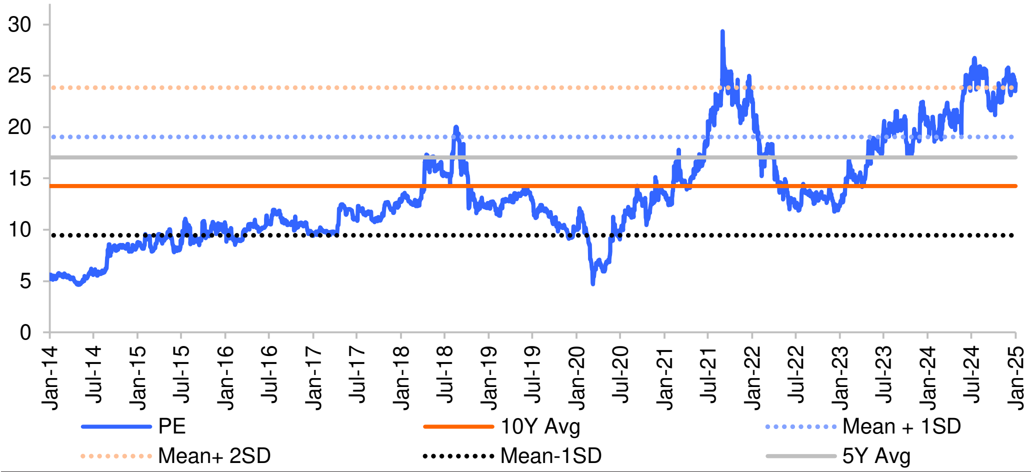
Source: Company; Antique

Exhibit 3: Deal wins of USD 205 mn vs. last 8-quarter average of USD 170 mn



Source: Company; Antique

Exhibit 4: Zensar trading at 24x forward PE, near mean +2 SD level



Source: Antique, Bloomberg

Table 3: Change in estimates

	Old			New			Change		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
Revenue	52,932	58,619	64,701	53,059	59,201	65,343	0.2%	1.0%	1.0%
EBIT	7,284	8,697	9,599	7,420	8,901	9,825	1.9%	2.4%	2.4%
PAT	6,587	7,688	8,642	6,645	7,843	8,813	0.9%	2.0%	2.0%
EPS	29.1	34.0	38.2	29.4	34.7	39.0	0.9%	2.0%	2.0%
EBIT Margins	13.8%	14.8%	14.8%	14.0%	15.0%	15.0%	0.2%	0.2%	0.2%
PAT Margins	12.4%	13.1%	13.4%	12.5%	13.2%	13.5%	0.1%	0.1%	0.1%

Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**48,483**	**49,018**	**53,059**	**59,201**	**65,343**
Op. Expenses	42,960	40,302	44,609	49,234	54,342
EBITDA	**5,524**	**8,716**	**8,451**	**9,967**	**11,001**
Depreciation	1,830	1,338	1,030	1,066	1,176
EBIT	**3,694**	**7,378**	**7,420**	**8,901**	**9,825**
Other income	1,028	1,589	1,553	1,644	2,000
Interest Exp.	278	209	174	200	200
Reported PBT	**4,443**	**8,758**	**8,799**	**10,345**	**11,625**
Tax	1,166	2,107	2,155	2,503	2,812
Reported PAT	**3,277**	**6,651**	**6,645**	**7,843**	**8,813**
Net Profit	**3,277**	**6,651**	**6,645**	**7,843**	**8,813**
Adjusted PAT	**3,277**	**6,651**	**6,645**	**7,843**	**8,813**
Adjusted EPS (INR)	**14.5**	**29.4**	**29.4**	**34.7**	**39.0**

Balance sheet (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	453	453	453	453	453
Reserves & Surplus	29,309	35,166	40,454	46,713	53,717
Networth	**29,762**	**35,619**	**40,907**	**47,166**	**54,170**
Capital Employed	**29,762**	**35,619**	**40,907**	**47,166**	**54,170**
Gross Fixed Assets	2,141	1,351	1,913	2,623	3,407
Capital work in progress	-	52	52	52	52
Net Fixed Assets	**2,141**	**1,403**	**1,965**	**2,675**	**3,459**
Goodwill	7,454	7,563	7,563	7,563	7,563
Investments	12,940	18,077	18,077	18,077	18,077
Non Current Investments	3,954	3,994	3,994	3,994	3,994
Current Investments	8,986	14,083	14,083	14,083	14,083
Current Assets, Loans & Adv.	**18,675**	**19,435**	**24,555**	**30,724**	**37,599**
Debtors	7,298	7,320	7,924	8,841	9,758
Cash & Bank balance	4,744	4,432	8,948	14,200	20,158
Loans & advances and others	6,633	7,683	7,683	7,683	7,683
Current Liabilities & Prov.	**11,448**	**10,859**	**11,253**	**11,873**	**12,529**
Liabilities	11,406	10,811	11,205	11,825	12,481
Provisions	42	48	48	48	48
Net Current Assets	**7,227**	**8,576**	**13,302**	**18,851**	**25,070**
Application of Funds	**29,762**	**35,619**	**40,907**	**47,166**	**54,170**

Per share data

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	225	226	226	226	226
Diluted no. of shares (mn)	225	226	226	226	226
BVPS (INR)	132.0	157.5	180.9	208.5	239.5
CEPS (INR)	22.7	35.3	33.9	39.4	44.2
DPS (INR)	5.0	9.0	6.0	7.0	8.0

Source: Company, Antique

Cash flow statement (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
PBT	**4,443**	**8,758**	**8,799**	**10,345**	**11,625**
Depreciation & amortization	1,830	1,338	1,030	1,066	1,176
Interest expense	(147)	(712)	-	-	-
Tax paid	(925)	(2,327)	(2,155)	(2,503)	(2,812)
Other operating Cash Flow	1,942	(636)	(210)	(297)	(262)
CF from operating activities	**7,143**	**6,421**	**7,465**	**8,611**	**9,727**
Capital expenditure	(368)	(164)	(1,592)	(1,776)	(1,960)
Other Investing Cash flow	(4,907)	(4,587)	-	-	-
CF from investing activities	**(5,275)**	**(4,751)**	**(1,592)**	**(1,776)**	**(1,960)**
Dividend Paid	(1,132)	(1,246)	(1,357)	(1,583)	(1,809)
Other Financial Cash flow	(1,054)	(725)	-	-	-
CF from financing activities	**(2,186)**	**(1,971)**	**(1,357)**	**(1,583)**	**(1,809)**
Net cash flow	**(318)**	**(301)**	**4,516**	**5,252**	**5,957**
Opening balance	5,054	4,744	4,432	8,948	14,200
Closing balance	**4,744**	**4,432**	**8,948**	**14,200**	**20,158**

Growth indicators (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Revenue	14.2	1.1	8.2	11.6	10.4
EBITDA	(15.9)	57.8	(3.0)	17.9	10.4
Adj PAT	(21.2)	102.9	(0.1)	18.0	12.4
Adj EPS	(21.2)	102.3	(0.1)	18.0	12.4

Valuation (x)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	51.6	25.5	25.5	21.6	19.2
P/BV (x)	5.7	4.8	4.1	3.6	3.1
EV/EBITDA (x)	28.1	17.3	17.3	14.1	12.3
EV/Sales (x)	3.2	3.1	2.8	2.4	2.1
Dividend Yield (%)	0.7	1.2	0.8	0.9	1.1

Financial ratios

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	11.6	20.3	17.4	17.8	17.4
RoCE (%)	16.7	27.4	23.5	23.9	23.3
Asset/T.O (x)	4.5	5.1	4.2	3.2	2.6
Net Debt/Equity (x)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)

Margins (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin (%)	11.4	17.8	15.9	16.8	16.8
EBIT Margin (%)	7.6	15.1	14.0	15.0	15.0
PAT Margin (%)	6.6	13.1	12.2	12.9	13.1

Source: Company Antique

CMP	:	INR 353
Reco	:	HOLD ↔
Target Price	:	INR 395 ↑
Target Price Change	:	7%
Target FY27 EV/EBITDA (x)	:	10
EBITDA Change FY25/26/27	:	-1%/ 0%/ 2%

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Market data

Sensex	:	76,405
Sector	:	Cement
Market Cap (INR bn)	:	126.0
Market Cap (USD bn)	:	1.459
O/S Shares (mn)	:	357.2
52-wk HI/LO (INR)	:	386/291
Avg. Daily Vol ('000)	:	105
Bloomberg	:	NUVOCO IN

Source: Bloomberg

Valuation

	FY25e	FY26e	FY27e
EPS (INR)	0.8	5.6	8.3
P/E (x)	457.6	62.9	42.8
P/BV (x)	1.4	1.4	1.3
EV/EBITDA (x)	11.7	10.5	9.2
EV/Sales (x)	1.6	1.6	1.5

Source: Bloomberg

Returns (%)

	1m	3m	6m	12m
Absolute	(0)	5	3	3
Relative	2	10	9	(4)

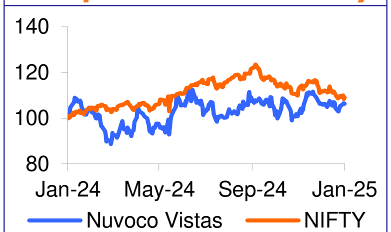
Source: Bloomberg

Shareholding pattern

Promoters	:	72%
Public	:	28%
Others	:	0%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg Indexed to 100

3QFY25 RESULT REVIEW

Nuvoco Vistas Corporation

Volatile pricing, Vadraj acquisition to keep leverage elevated

Nuvoco Vistas' (NUVOCO) 3Q EBITDA at INR 2.6 bn (down 37% YoY) was ~20% below our and consensus estimates, mainly due to lower realization which declined 3% QoQ and 15% YoY. Volume grew 16% YoY/ 10% QoQ on a low base to 4.67 MT (in line with estimates) owing to better demand in its key markets and likely market share gains. Recent announcement to acquire Vadraj Cement at INR 27-30 bn coupled with the volatile pricing scenario in key markets of the East, due to higher competitive intensity, may keep debt elevated, in our view. Net debt is likely to rise to >INR 50 bn by FY27E from the current ~INR 43.5 bn, while net debt to EBITDA may inch close to ~3x in FY27. We marginally tweak our FY25-27E EBITDA estimates by 1%-2% while raising our target multiple to 10x (from 9x earlier) considering bottom-of-the-cycle earnings and to factor CWIP/ increasing scale. Accordingly, we raise our target price to INR 395 (earlier INR 370) based on 10x FY27E EV/EBITDA. Maintain HOLD. Key risks remain better demand/ pricing in the East.

3Q volume rose ~16% YoY; realization declined 3% QoQ

Consolidated revenue was flat YoY at INR 24.1 bn (Antique est.: INR 25.6 bn). Cement realization declined 3.4% QoQ and 14.6% YoY to a multi-year low of INR 4,677 as average prices declined in the East and marginally rose QoQ in the North. Management suggested Dec'24 exit prices to be 5%-6% higher than the 3Q average, as most of the price hike was effective mid-Dec'24. Volume grew 16% YoY and 10% QoQ to 4.67 MT (in-line) on a low base, mainly led by better demand in its key markets of the East and likely market share gains.

EBITDA/ton at INR 553, down 47% YoY and up 7% QoQ

3Q consolidated EBITDA came in at INR 2.6 bn, down 37% YoY and up 18% QoQ (Antique est.: INR 3.3 bn). Overall costs/ton declined 8% YoY and 5% QoQ. PF + RM cost declined 9% QoQ and 10% QOQ owing to lower fuel and slag cost. Fuel consumption cost stood at INR 1.45/kcal in 3QFY25 (vs. INR 1.54/kcal in 2QFY25). Freight cost/ton decreased by ~4% QoQ and 9% YoY owing to operational efficiency in logistics. On an absolute basis, employee costs were flat YoY, while other expenses rose 21% YoY and 14% QoQ to INR 3.8 bn. NUVOCO achieved ~INR 30/ton cost savings in FY24 through Project BRIDGE 1.0 and is expected to generate cost savings of ~INR 50/ton in FY25 through Project BRIDGE 2.0.

Vadraj acquisition to keep debt elevated

NUVOCO has been recently declared the successful bidder for Vadraj Cement in a corporate insolvency resolution process (CIRP). Estimated total cost of acquisition (INR 18 bn) and refurbishment cost (INR 9-12 bn) works out to <USD 60/ton, as per management. Vadraj has huge reserves of limestone mines, 3.5 mnte clinker at Kutch, 6 mnte grinding unit at Surat, and a jetty. The transaction is still awaiting NCLT approval and the plant is likely to be operational by Dec'26. Net debt rose by ~INR 2.1 bn QoQ to INR 43.5 bn as of Dec'24. Management has guided for a total capex of INR 40 bn over FY25-27E, including cost of acquisition of Vadraj Cement. Accordingly, net debt is likely to rise to >INR 50 bn by FY27E from the current ~INR 43.5 bn, while net debt to EBITDA may inch close to ~3x in FY27.

Investment Summary

We factor ~4% volume CAGR over FY24-27E and expect blended EBITDA/ton to decline from INR 866/ton in FY24 to INR729 in FY25 and INR829 in FY26 before improving to INR 906 in FY27E led by lower fuel costs and better cost efficiencies. We maintain HOLD rating on the stock with a revised target price of INR 395 based on 10x FY27E EV/EBITDA. The stock currently trades at 9.2x FY27E EV/EBITDA and ~USD 66 EV/ton.

Quarterly performance

Table 1: Actual vs. estimated performance

(INR mn)	Actual	Estimated	% Variance	Consensus	% Variance
Net sales	24,093	25,562	(5.7)	25,248	(4.6)
EBITDA	**2,582**	**3,314**	**(22.1)**	**3,187**	**(19.0)**
EBITDA margin (%)	**10.7**	**13.0**	**-225bps**	**12.6**	**-191bps**
Adj net income	(614)	(64)	857.8	(148)	314.1

Source: Company, Antique

Table 2: Quarterly financials

(INR mn)	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
Sales	**24,093**	**24,210**	**(0.5)**	**22,686**	**6.2**	**73,144**	**77,994**	**(6.2)**
Cost of Material Consumed	15,913	15,151	5.0	15,433	3.1	48,846	50,999	(4.2)
% of sales	66.0	62.6	347bps	68.0	-198bps	66.8	65.4	139bps
Employee cost	1,724	1,742	(1.0)	1,655	4.2	5,141	5,204	(1.2)
% of sales	7.2	7.2	-4bps	7.3	0.0	7.0	6.7	36bps
Other expenses	3,874	3,213	20.6	3,410	13.6	10,954	10,463	4.7
% of sales	16.1	13.3	281bps	15.0	105bps	15.0	13.4	156bps
Total Exp	21,511	20,106	7.0	20,498	4.9	64,940	66,666	(2.6)
EBIDTA	**2,582**	**4,104**	**(37.1)**	**2,188**	**18.0**	**8,203**	**11,329**	**(27.6)**
Margin %	**10.7**	**17.0**	**-624bps**	**9.6**	**107bps**	**11.2**	**14.5**	**-331bps**
Other income	2	109	(98.5)	104	(98.5)	151	263	(42.6)
Depreciation	2,174	2,313	(6.0)	2,153	1.0	6,489	7,006	(7.4)
Interest expenses	1,257	1,332	(5.6)	1,315	(4.4)	3,839	4,077	(5.8)
Profit Before Tax	**(847)**	**568**	**NA**	**(1,176)**	**NA**	**(1,973)**	**509**	**NA**
Exceptional item	-	-	NA	-	NA	-	-	
PBT after exceptional	**(847)**	**568**	**NA**	**(1,176)**	**NA**	**(1,973)**	**509**	**NA**
Tax	(233)	258	NA	(325)	NA	(536)	39	NA
Tax Rate %	27.5	45.4	NA	27.6	NA	27.1	7.7	254.3
Reported Net Profit	**(614)**	**310**	**NA**	**(852)**	**NA**	**(1,437)**	**470**	**NA**
Adjusted Net Profit	**(614)**	**310**	**NA**	**(852)**	**NA**	**(1,437)**	**470**	**NA**
EPS (INR)	**(1.7)**	**0.9**	**NA**	**(2.4)**	**NA**	**(4.0)**	**1.3**	**NA**

Source: Company, Antique

Table 3: Quarterly per ton analysis

(INR/ton)	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)
Volumes (mn ton)	**4.67**	**4.02**	**16.2%**	**4.23**	**10.4%**
Raw material costs	900	1,101	-201	1,113	-213
Power & Fuel Cost	1,093	1,118	-25	1,070	23
Freight Cost	1,414	1,550	-135	1,465	-51
Staff Cost	369	433	-64	391	-22
Other Cost	830	799	30	806	23
Total Cost/ton	**4,606**	**5,001**	**-7.9%**	**4,846**	**-4.9%**
Realization/ton	**5,159**	**6,022**	**-14.3%**	**5,363**	**-3.8%**
EBITDA/ton	**553**	**1,021**	**-468**	**517**	**36**

Source: Company, Antique

Table 4: We marginally tweak our FY25-27E EBITDA by 1%-2%

	FY25E			FY26E			FY27E		
Change in estimates	**Old**	**New**	**% Chg**	**Old**	**New**	**% Chg**	**Old**	**New**	**% Chg**
Revenue (INR mn)	1,04,125	1,03,542	-1	1,10,735	1,10,165	-1	1,17,423	1,17,566	0
EBITDA (INR mn)	**14,091**	**13,989**	**-1**	**16,753**	**16,749**	**0**	**18,960**	**19,287**	**2**
EBITDA margin (%)	**13.5**	**13.5**	**-2bps**	**15.1**	**15.2**	**8bps**	**16.1**	**16.4**	**26bps**
Net profit (INR mn)	303	275	-9	2,339	2,005	-14	3,748	2,948	-21
EPS (INR)	0.8	0.8	-9	6.5	5.6	-14	10.5	8.3	-21

Source: Company, Antique

Table 5: Our FY27 EBITDA estimate is 6% below consensus

	Consensus			Antique			Variance		
INR Mn	**FY25E**	**FY26E**	**FY27E**	**FY25E**	**FY26E**	**FY26E**	**FY25E**	**FY26E**	**FY27E**
Revenue	1,09,794	1,19,503	1,27,987	1,03,542	1,10,165	1,17,566	(6)	(8)	(8)
EBITDA	**16,627**	**19,231**	**20,599**	**13,989**	**16,749**	**19,287**	**(16)**	**(13)**	**(6)**
APAT	2,121	4,196	5,331	275	2,005	2,948	(87)	(52)	(45)

Source: Company, Antique

Table 6: Key assumptions

	FY19	FY20	FY21	FY22	FY23	FY24	FY25e	FY26e	FY27e
Capacity (MTPA)	14.0	14.0	22.4	23.8	23.8	23.8	25.0	25.0	31.0
utilization (%)	87.3	87.3	71.4	78.8	79.0	78.8	76.8	80.8	68.7
Volume (mn ton)	**12.2**	**12.2**	**16.0**	**18.8**	**18.8**	**18.8**	**19.2**	**20.2**	**21.3**
Volume growth (%)	(2.5)	(2.5)	30.5	(0.2)	5.8	(0.2)	2.3	5.2	5.4
Realization/ton (INR)	**4,867**	**4,867**	**4,689**	**5,721**	**5,631**	**5,721**	**5,393**	**5,454**	**5,520**
YoY realization (%)	(12.3)	(12.3)	(3.6)	1.6	7.4	1.6	(5.7)	1.1	1.2
Cost/ton (INR)	**4,490**	**4,490**	**3,775**	**4,856**	**4,987**	**4,856**	**4,664**	**4,625**	**4,614**
RM Cost/ton (INR)	1,005	1,005	756	1,041	950	1,041	1,021	1,021	1,021
Employee Cost/ton (INR)	331	331	302	363	322	363	360	360	360
Power Cost/ton (INR)	1,001	1,001	849	1,141	1,485	1,141	1,084	1,051	1,041
Freight Cost/ton (INR)	1,451	1,451	1,271	1,561	1,499	1,561	1,436	1,429	1,429
Other Cost/ton (INR)	702	702	597	749	731	749	764	764	764
EBITDA/ton (INR)	**938**	**938**	**915**	**866**	**644**	**866**	**729**	**829**	**906**
Capex (INR bn)	5.7	5.7	5.5	5.8	4.9	5.8	5.1	21.3	14.3
Net Debt (INR bn)	**39.5**	**39.5**	**67.3**	**40.3**	**44.1**	**40.3**	**38.0**	**49.1**	**51.9**

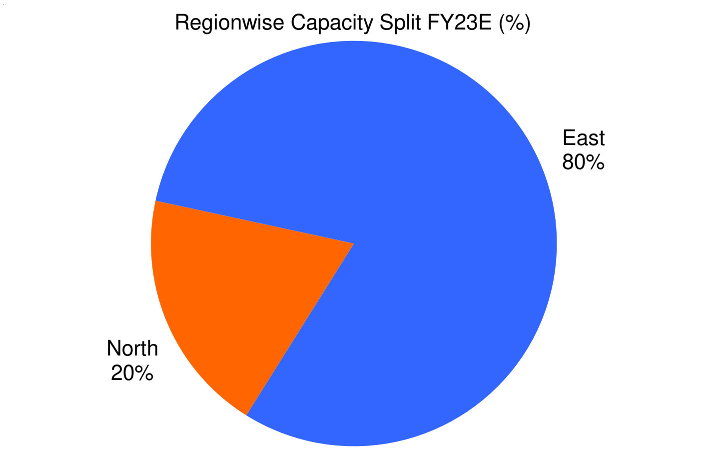
Source: Company, Antique

Table 7: Maintain HOLD with a target price of INR 395

EV/E method	**Mar-27E**
Mar'27E EBITDA (INR bn)	**19.3**
EV/E multiple (x)	10.0
EV (INR bn)	**193**
Net debt (Mar'27E)	52
Equity value	**141**
No. of shares (mn)	357
Mar'27 Target Price (INR)	**395**

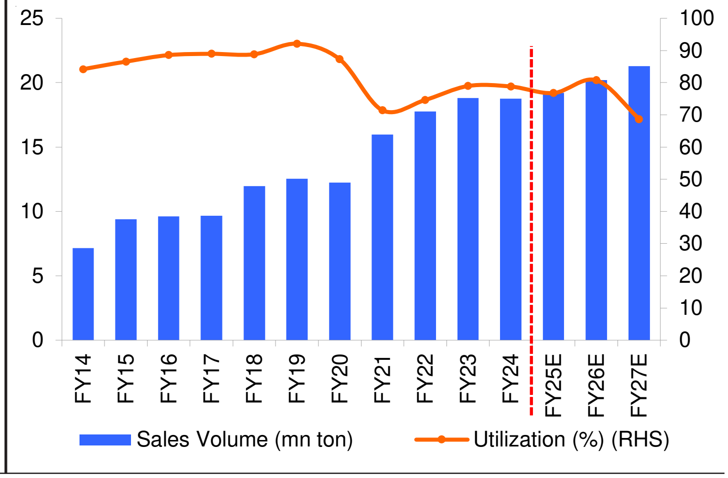
Source: Company, Antique

Exhibit 1: Capacity expected to grow at 6% CAGR over FY24-27E



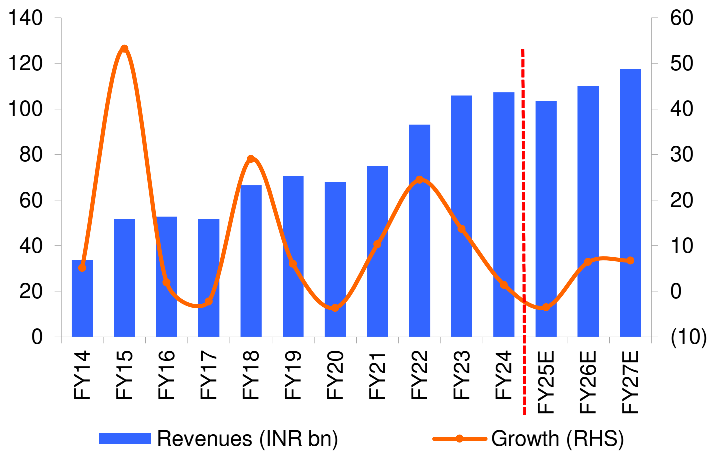
Source: Company, Antique

Exhibit 2: Volume to grow at 4% CAGR over FY24-27E



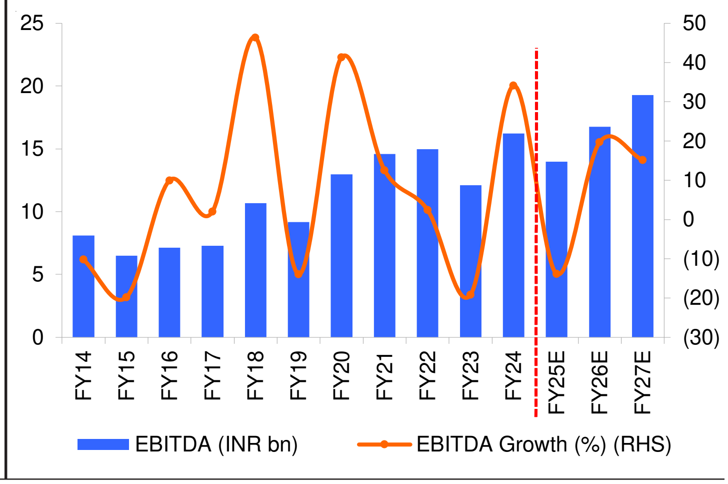
Source: Company, Antique

Exhibit 3: Revenue to grow at 3% CAGR over FY24-27E



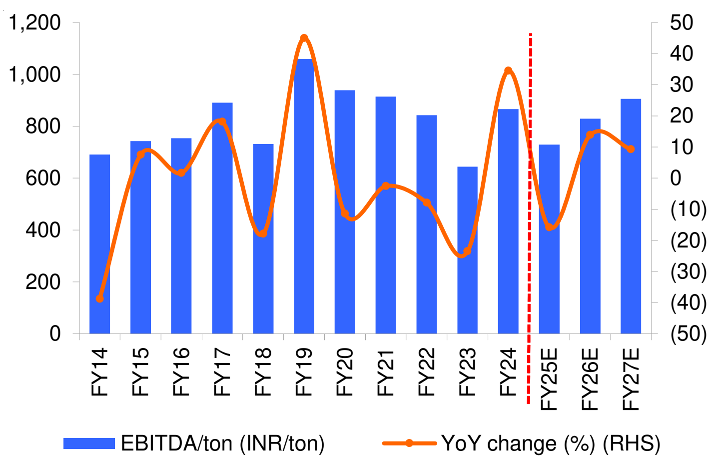
Source: Company, Antique

Exhibit 4: EBITDA to grow at 6% CAGR over FY24-27E



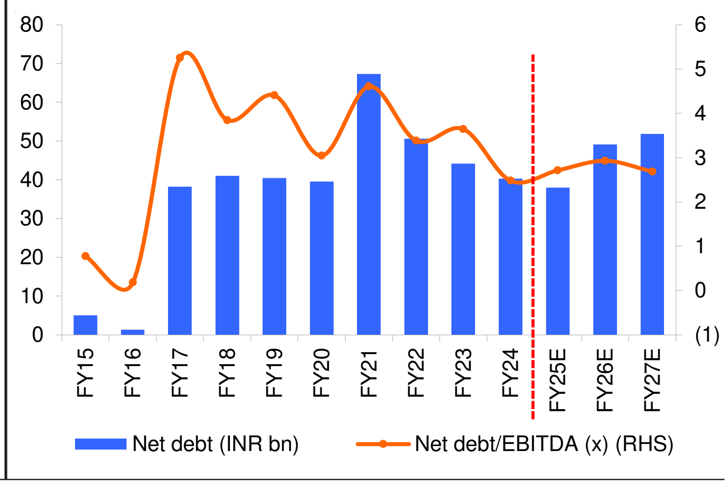
Source: Company, Antique

Exhibit 5: EBITDA/ton to improve to INR 906 by FY27E



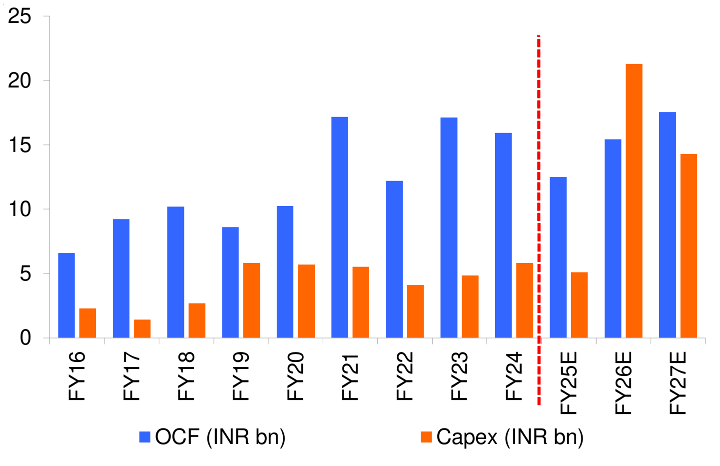
Source: Company, Antique

Exhibit 6: Net debt to rise by ~INR 12 bn over FY24-27E



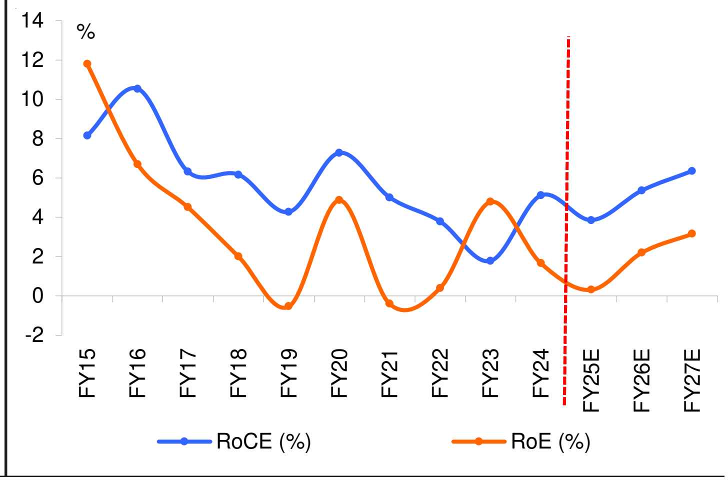
Source: Company, Antique

Exhibit 7: Capex of INR 41 bn over FY24-27E



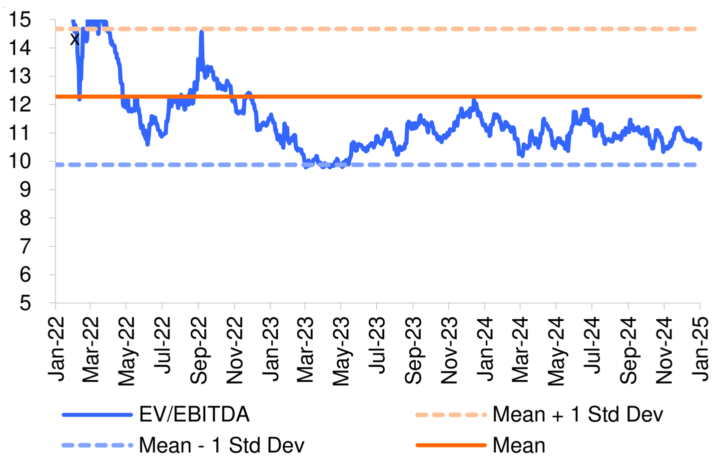
Source: Company, Antique

Exhibit 8: RoE, RoCE to improve to mid-single digits



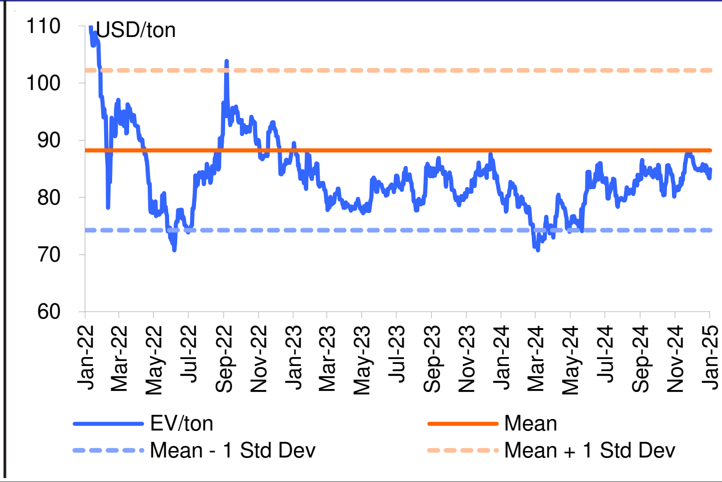
Source: Company, Antique

Exhibit 9: EV/EBITDA 1-yr. forward



Source: Company, Antique

Exhibit 10: EV/ton 1-yr. forward



Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Net Revenue	**1,05,861**	**1,07,329**	**1,03,542**	**1,10,165**	**1,17,566**
Op. Expenses	93,757	91,092	89,553	93,416	98,279
EBITDA	**12,104**	**16,237**	**13,989**	**16,749**	**19,287**
Depreciation	9,511	9,186	8,677	8,989	9,474
EBIT	**2,593**	**7,051**	**5,311**	**7,760**	**9,813**
Other income	132	335	170	178	187
Interest Exp.	5,119	5,326	5,109	5,229	6,017
Extra Ordinary Items -gain/(loss)	4,058	-	-	-	-
Reported PBT	**(2,394)**	**2,059**	**372**	**2,709**	**3,984**
Tax	(6,611)	586	97	704	1,036
Reported PAT	**159**	**1,474**	**275**	**2,005**	**2,948**
Net Profit	**159**	**1,474**	**275**	**2,005**	**2,948**
Adjusted PAT	**4,217**	**1,474**	**275**	**2,005**	**2,948**
Adjusted EPS (INR)	**11.8**	**4.1**	**0.8**	**5.6**	**8.3**

Balance sheet (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Share Capital	3,572	3,572	3,572	3,572	3,572
Reserves & Surplus	84,818	86,264	86,539	88,544	91,492
Networth	**88,390**	**89,835**	**90,111**	**92,116**	**95,063**
Debt	46,176	41,370	40,370	50,570	54,070
Net deferred Tax liabilities	11,899	11,736	11,736	11,736	11,736
Capital Employed	**1,46,465**	**1,42,942**	**1,42,217**	**1,54,422**	**1,60,870**
Gross Fixed Assets	2,22,185	2,33,621	2,36,421	2,55,421	2,67,421
Accumulated Depreciation	72,550	83,182	91,859	1,00,848	1,10,322
Capital work in progress	5,940	4,708	7,008	9,308	11,608
Net Fixed Assets	**1,49,635**	**1,50,439**	**1,44,562**	**1,54,573**	**1,57,099**
Investments	-	8	8	8	8
Current Investments	-	8	8	8	8
Current Assets, Loans & Adv.	**34,296**	**31,943**	**34,206**	**34,403**	**36,452**
Inventory	10,500	9,467	9,685	9,687	9,777
Debtors	6,011	5,907	5,674	6,036	6,442
Cash & Bank balance	2,031	1,070	2,368	1,467	2,205
Loans & advances and others	15,754	15,500	16,479	17,213	18,029
Current Liabilities & Provisions	**43,405**	**44,158**	**43,566**	**43,870**	**44,297**
Liabilities	36,113	37,771	36,988	37,094	37,318
Provisions	7,292	6,387	6,578	6,776	6,979
Net Current Assets	**(9,109)**	**(12,214)**	**(9,361)**	**(9,467)**	**(7,845)**
Application of Funds	**1,46,465**	**1,42,942**	**1,42,217**	**1,54,422**	**1,60,870**

Per share data

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
No. of shares (mn)	357	357	357	357	357
Diluted no. of shares (mn)	357	357	357	357	357
BVPS (INR)	247.5	251.5	252.3	257.9	266.2
CEPS (INR)	27.1	29.8	25.1	30.8	34.8

Source: Company, Antique

Cash flow statement (INR mn)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
PBT	**(6,452)**	**2,059**	**372**	**2,709**	**3,984**
Depreciation & amortization	9,511	9,186	8,677	8,989	9,474
Interest expense	5,119	5,326	5,109	5,229	6,017
(Inc)/Dec in working capital	4,778	(164)	(1,555)	(795)	(885)
Tax paid	(161)	(403)	(97)	(704)	(1,036)
Less: Interest/Div. Income Recd.	(53)	(159)	-	-	-
Other operating Cash Flow	4,373	80	-	-	-
CF from operating activities	**17,115**	**15,925**	**12,507**	**15,428**	**17,554**
Capital expenditure	(4,863)	(5,814)	(5,100)	(21,300)	(14,300)
Inc/(Dec) in investments	2,329	140	-	-	-
Add: Interest/Div. Income Recd.	35	33	-	-	-
CF from investing activities	**(2,499)**	**(5,642)**	**(5,100)**	**(21,300)**	**(14,300)**
Inc/(Dec) in debt	(7,725)	(4,656)	(1,000)	10,200	3,500
Others	(5,894)	(6,585)	(5,109)	(5,229)	(6,017)
CF from financing activities	**(13,619)**	**(11,241)**	**(6,109)**	**4,971**	**(2,517)**
Net cash flow	**997**	**(957)**	**1,298**	**(901)**	**738**
Opening balance	1,034	2,031	1,070	2,368	1,467
Closing balance	**2,031**	**1,070**	**2,368**	**1,467**	**2,204**

Growth indicators (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
Revenue	13.6	1.4	(3.5)	6.4	6.7
EBITDA	(19.1)	34.1	(13.8)	19.7	15.2
Adj PAT	1214.5	(65.1)	(81.3)	627.8	47.0
Adj EPS	1214.5	(65.1)	(81.3)	627.8	47.0

Valuation (x)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
P/E (x)	29.9	85.6	457.6	62.9	42.8
P/BV (x)	1.4	1.4	1.4	1.4	1.3
EV/EBITDA (x)	14.1	10.2	11.7	10.5	9.2
EV/Sales (x)	1.6	1.6	1.6	1.6	1.5

Financial ratios

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
RoE (%)	4.8	1.7	0.3	2.2	3.1
RoCE (%)	1.8	5.1	3.8	5.4	6.3
Asset/T.O (x)	0.7	0.8	0.8	0.8	0.8
Net Debt/Equity (x)	1.9	1.9	1.8	1.9	1.9
EBIT/Interest (x)	0.5	1.4	1.1	1.5	1.7

Margins (%)

Year ended 31 Mar	FY23	FY24	FY25e	FY26e	FY27e
EBITDA Margin (%)	11.4	15.1	13.5	15.2	16.4
EBIT Margin (%)	2.4	6.6	5.1	7.0	8.3
PAT Margin (%)	4.0	1.4	0.3	1.8	2.5

Source: Company Antique

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SECTOR UPDATE

Building Material

Export-import logbook for Nov'24

On MoM basis, import of S-PVC, CPVC as well as export of tiles have declined, while MDF imports continued to gain pace during Nov'24. Key highlights are 1) Tiles: Average monthly export for YTDFY25 (Apr'24-Oct'24) declined to INR 15 bn (-16% YoY). Export value/ volume declined 14%/ 12% MoM; exports to the USA continue to decline on account of preliminary anti-dumping duties imposed from May'24 and high ocean freight rates. On YTDFY25 basis, the USA continues to be the largest market in value terms, but the UAE takes the lead in terms of volume. 2) Pipes: S-PVC imports from China, Taiwan and CPVC imports from Thailand and Japan witnessed a sharp increase on YoY basis. S-PVC imports from Bangladesh and CPVC imports from Belgium are on the rise. 3) MDF: BIS implementation is delayed to Feb'25; average monthly import volume witnessed a sharp pick-up—16 mn kg (+12%/ -43% MoM/ YoY). During Nov'24, MDF imports from Vietnam, Malaysia, and Thailand increased significantly MoM. MDF imports from Malaysia, Indonesia, and New Zealand grew 100%–157% YoY for Nov'24. Astral, Supreme Industries, and Greenpanel are our top picks within the sector.

Tiles: Exports remain weak for Nov'24; average monthly volume run rate down 17% YoY

Based on industry estimates, the Indian tile industry size is pegged at ~INR 622 bn (INR 202 bn/ INR 420 bn, export/ domestic) in FY24. For YTDFY25, exports stood at INR 116 bn/ 336 msm (-16%/ -17% YoY). Exports maintained an average monthly run rate of INR 15 bn/ 42 msm. Export value/ volume delivered 22%/ 15% CAGR over FY19 to FY24. For Nov'24, export value declined 13% YoY/ 14% MoM and volume declined by 12% each on YoY and MoM basis. In Nov'24, volumes across the top 10 export destinations declined 15% YoY driven by 32%/ 44%/ 60% YoY decline in USA/ Russia/ Mexico export volume. Decline in exports to the USA is driven by: 1) Preliminary anti-dumping duties imposed from May'24 by the International Trade Commission, USA; 2) High ocean freight rate and container availability issue. We are factoring in 8%–11% volume CAGR over FY24–27 for tile companies under our coverage.

S-PVC/ CPVC imports grow on YoY basis

For YTDFY25, suspension grade PVC (S-PVC) imports stood at INR 123 bn/ 1,784 mn kg (+16%/ +19% YoY) and have maintained an average monthly run rate of INR 15 bn/ 223 mn kg. For Nov'24, the import value increased 30% YoY/ -16% MoM and volume grew 37% YoY/ -14% MoM. Import value/ volume have delivered 19% CAGR each over FY20 to FY24. China, Japan, Taiwan, Korea, and the USA remain the top countries exporting to India. S-PVC import realization stood at INR 69/ INR 67 per kg each (-2%/ -5% YoY) for YTDFY25/ Nov'24. Domestic realization for Reliance S-PVC averaged/ closed at INR 82/ INR 83 per kg (+4%/ +5% YoY) during Nov'24 and is trading at INR 83/kg currently.

For YTDFY25, CPVC imports stood at INR 15 bn/ 91 mn kg (+16%/ +13% YoY) and have maintained an average monthly run rate of INR 2 bn/ 11 mn kg. For Nov'24, imports grew +59% YoY/ -7% MoM in value and +48% YoY/ -3% MoM in volume. The MoM decline can be attributed to decrease in imports from Thailand (-53% MoM). Import value/ volume have grown at 13%/ 8% CAGR during FY21 to FY24. Thailand, Japan, Belgium, Netherlands, and the USA remain the top countries exporting to India. CPVC import realization stood at INR 167/ 166 per kg (+2%/ +7% YoY) for YTDFY25/ Nov'24.

We are factoring in 10%–24% volume CAGR over FY24–27 for pipe companies under our coverage.

MDF: Vietnam, Thailand, and Malaysia imports increase for the third consecutive month; realizations continue to dip on MoM basis

For YTDFY25, MDF imports stood at INR 4.7 bn/ 131 mn kg (-34%/ -43% YoY) and have maintained an average monthly run rate of INR 593 mn/ 16 mn kg. For Nov'24, imports have grown +5%/ +45% YoY/ MoM in value and +1%/ +63% YoY/ MoM in volume, respectively. The monthly growth in import volume was driven by increased imports from Thailand, Vietnam, and Malaysia. Import value/ volume have grown at +5%/ +3% CAGR over FY19 to FY24. Vietnam, Thailand, China, Malaysia, and Indonesia remain the top countries exporting to India. MDF import realization stood at INR 36/ INR 33 per kg (+16%/ +4% YoY) for YTDFY25/ Nov'24.

Company	Reco	CMP (INR)	TP (INR)
Building Materials - Pipes			
Apollo Pipes	Buy	422	600
Astral	Buy	1,444	2,140
Finolex Industries	Hold	206	240
Prince Pipes	Buy	387	470
Supreme Industries	Buy	3,872	4,840
Building Materials - Sanitaryware			
Cera Sanitaryware	Buy	6,695	8,820
Building Materials - Tiles			
Kajaria Ceramics	Buy	1,023	1,500
Somany Ceramics	Buy	550	900
Building Materials - Wood panels			
Greenlam Industries	Buy	583	800
Greenpanel Industries	Buy	332	550

Source: Antique

INDEX

Key trends in each segment

1. **Tiles:** Export to the USA continues to decline on MoM basis. On YTD basis, UAE takes the top spot in terms of export volumes contributing to 7% of total YTD export volumes followed by the USA contributing 6%. The USA continues to be the largest export market value wise (on YTD basis) contributing to 8% of the export value followed by UAE contributing 7%.
2. **S-PVC:** Import volumes from China and Taiwan remains strong. The two countries form 55% of the total YTD import volumes. Imports from Bangladesh are on a sharp rise since Oct'24. Import volumes from Bangladesh grew 700% YoY for Nov'24 and 227% YoY for YTDFY25.
3. **CPVC:** After imposition of ADD on China and certain companies in Korea, the imports have significantly reduced. Imports from Belgium is on a rise. Thailand remains the largest supplier to India, contributing 35% of total India imports as on YTDFY25.
4. **MDF:** Import volumes grew 63%/ flat on MoM/ YoY basis. Strong MoM import volume growth witnessed from Thailand, Vietnam, Malaysia and Indonesia. The imports from these countries rise for the third consecutive month. Overall realizations continue to decline on MoM basis.

Table 1: Segment-wise summary of import-export data

Particulars	Nov-24	Nov-23	YoY	Oct-24	MoM	YTDFY25	YTDFY24	YoY
Tiles								
Export volume (msm)	39.9	45.4	-12%	45.5	-12%	335.8	404.2	-17%
Export value (INR mn)	13,267	15,188	-13%	15,488	-14%	1,16,408	1,38,226	-16%
Export Realization (INR/sqm)	332	334	-1%	340	-2%	347	342	1%
S-PVC								
Import volume (mn kg)	224.2	163.1	37%	260.9	-14%	1,784.0	1,498.2	19%
Import value (INR mn)	15,042	11,557	30%	17,888	-16%	1,23,191	1,05,929	16%
Import Realization (INR/kg)	67	71	-5%	69	-2%	69	71	-2%
CPVC								
Import volume (mn kg)	12.1	8.2	48%	12.5	-3%	90.8	80.3	13%
Import value (INR mn)	2,008	1,263	59%	2,152	-7%	15,173	13,113	16%
Import Realization (INR/kg)	166	154	7%	172	-4%	167	163	2%
MDF								
Import volume (mn kg)	28.2	27.9	1%	17.3	63%	130.7	230.8	-43%
Import value (INR mn)	919	872	5%	633	45%	4,747	7,223	-34%
Import Realization (INR/kg)	33	31	4%	37	-11%	36	31	16%

Source: Industry, Antique

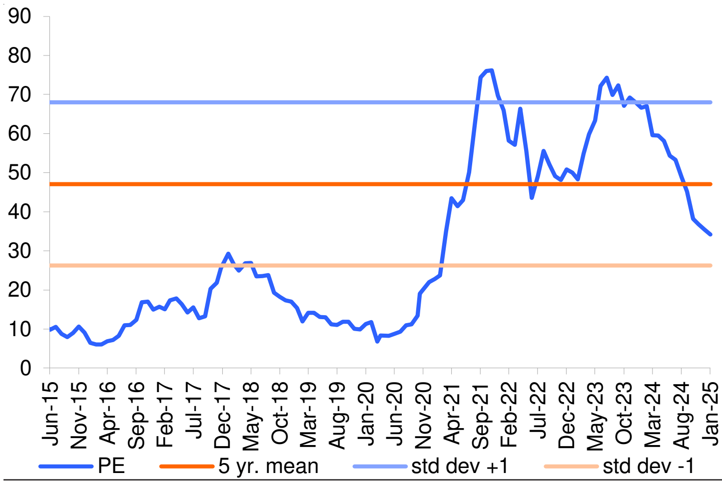
Table 2: Valuation summary

Company	Rating	CMP (INR)	Target Price (INR)	Up-side (%)	Target Multiple FY27 EPS	Mcap (INR bn)	EPS (INR) FY25E	EPS (INR) FY26E	EPS (INR) FY27E	EPS CAGR (FY24-27E) (%)	P/ E (x) FY25E	P/ E (x) FY26E	P/ E (x) FY27E	EV/ EBITDA (x) FY25E	EV/ EBITDA (x) FY26E	EV/ EBITDA (x) FY27E	RoE (%) FY25E	RoE (%) FY26E	RoE (%) FY27E	P/ B (x) FY25E	P/ B (x) FY26E	P/ B (x) FY27E
Building Materials - Pipes																						
Apollo Pipes	Buy	422	600	42.0	30x	19	9.1	12.2	19.7	22.1	46.5	34.6	21.4	17.3	13.0	9.0	5.8	6.5	9.8	2.3	2.2	2.0
Astral	Buy	1,444	2,140	48.3	60x	388	23.1	28.8	35.6	20.6	62.5	50.2	40.6	36.1	29.4	24.0	17.9	18.9	19.7	10.4	8.8	7.3
Finolex Industries	Hold	206	240	16.5	20x	128	10.0	10.7	11.7	15.2	20.7	19.3	17.6	16.4	15.0	13.6	10.3	10.1	10.4	2.0	1.9	1.8
Prince Pipes	Buy	387	470	21.3	28x	43	8.9	13.2	16.6	2.7	43.7	29.3	23.4	19.2	14.3	11.7	6.2	8.6	9.9	2.6	2.4	2.2
Supreme Industries	Buy	3,872	4,840	25.0	45x	492	78.1	93.9	107.5	8.5	49.6	41.2	36.0	32.5	27.3	23.9	18.4	19.8	20.1	8.7	7.7	6.8
Building Materials - Sanitaryware																						
Cera Sanitaryware	Buy	6,695	8,820	31.7	35x	86	191.9	217.8	251.9	11.1	34.9	30.7	26.6	26.7	22.4	18.7	18.4	19.6	20.0	6.4	5.7	5.0
Building Materials - Tiles																						
Kajaria Ceramics	Buy	1,023	1,500	46.6	35x	163	27.0	34.3	42.7	17.3	37.8	29.8	23.9	21.6	17.4	14.0	15.5	17.2	18.4	5.5	4.8	4.1
Somany Ceramics	Buy	550	900	63.6	20x	23	24.5	33.0	45.0	23.3	22.4	16.7	12.2	9.5	7.7	6.0	13.2	15.6	18.3	2.8	2.4	2.1
Building Materials - Wood panels																						
Greenlam Industries	Buy	583	800	37.2	32x	74	10.3	16.6	24.8	31.7	56.7	35.1	23.5	24.8	16.8	13.5	11.6	16.7	21.2	6.3	5.5	4.6
Greenpanel Industries	Buy	332	550	65.6	25x	41	7.0	12.5	21.9	23.5	47.2	26.6	15.1	23.7	13.0	8.6	6.1	9.9	15.0	2.9	2.6	2.3

Source: Antique

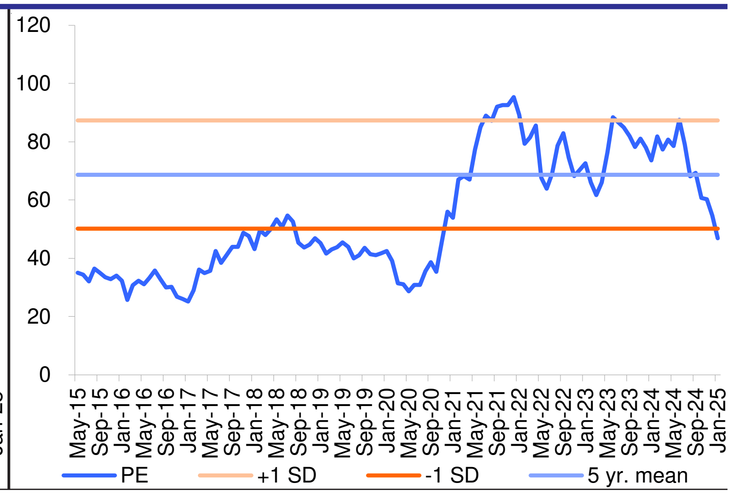
One year forward P/ E band chart

Exhibit 1: Apollo Pipes



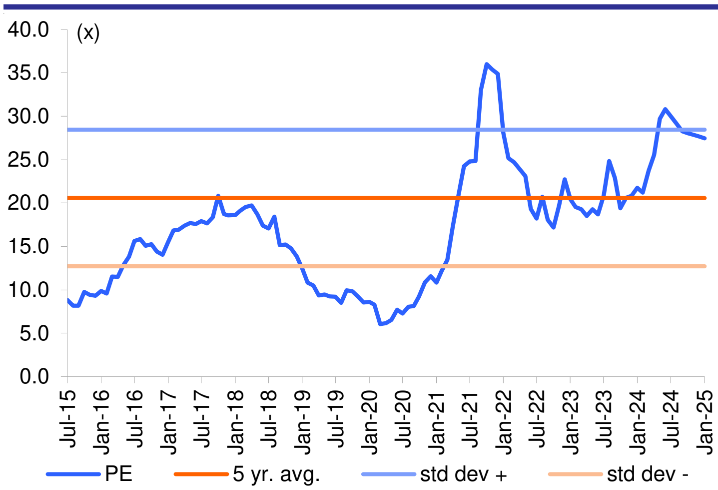
Source: Bloomberg, Antique

Exhibit 2: Astral



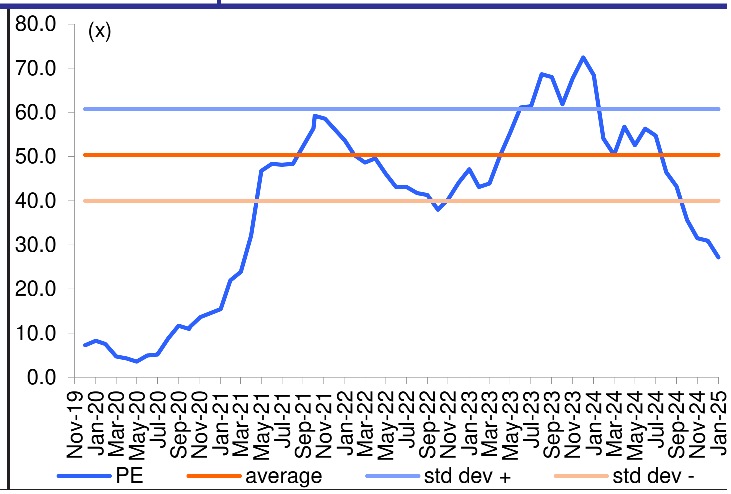
Source: Bloomberg, Antique

Exhibit 3: Finolex Industries



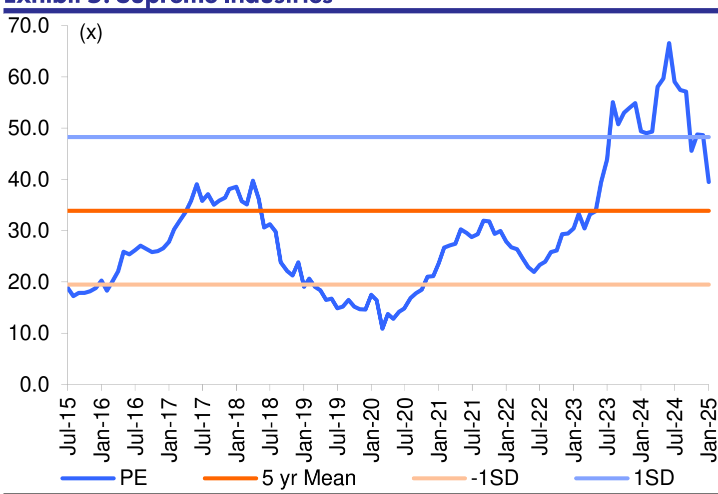
Source: Bloomberg, Antique

Exhibit 4: Prince Pipes



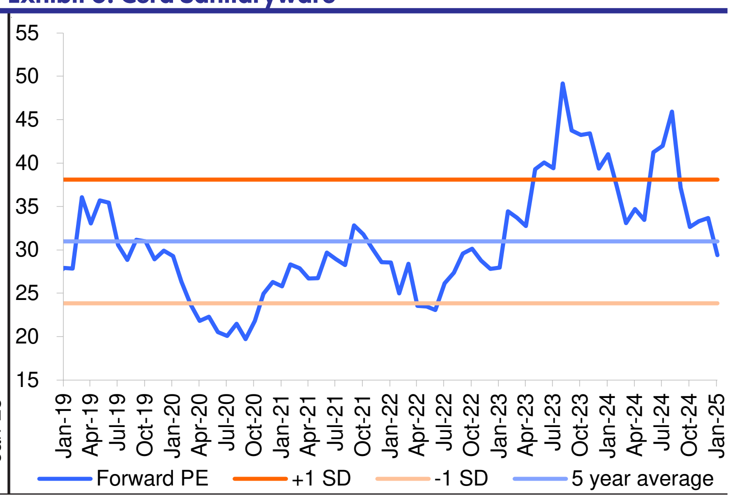
Source: Bloomberg, Antique

Exhibit 5: Supreme Industries



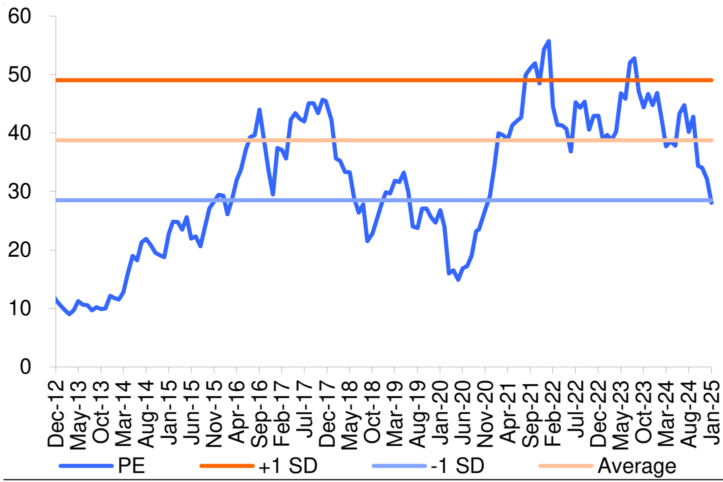
Source: Bloomberg, Antique

Exhibit 6: Cera Sanitaryware



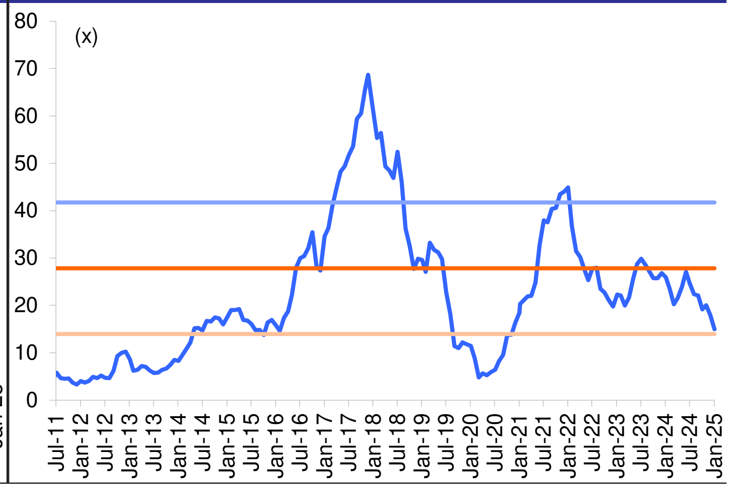
Source: Bloomberg, Antique

Exhibit 7: Kajaria Ceramics



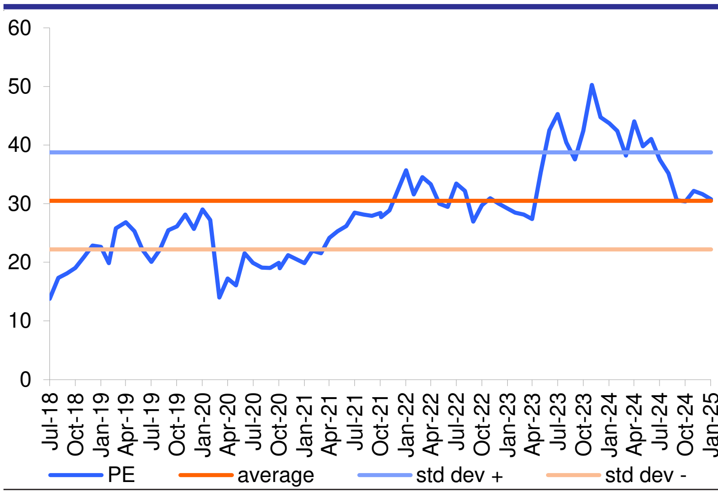
Source: Bloomberg, Antique

Exhibit 8: Somany Ceramics



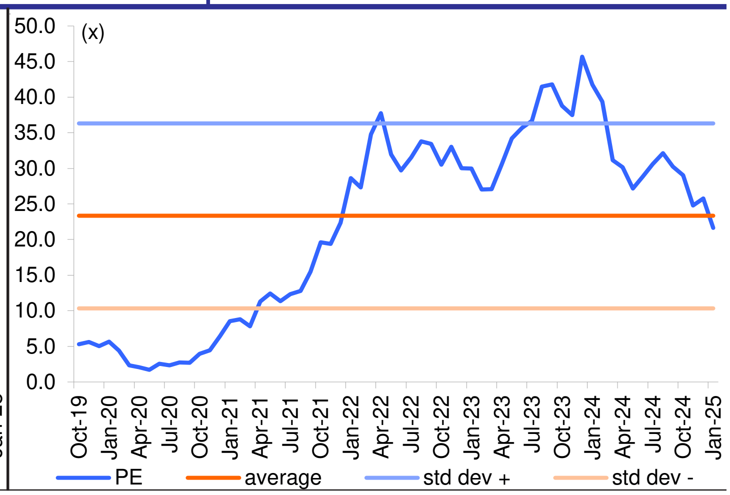
Source: Bloomberg, Antique

Exhibit 9: Greenlam Industries



Source: Bloomberg, Antique

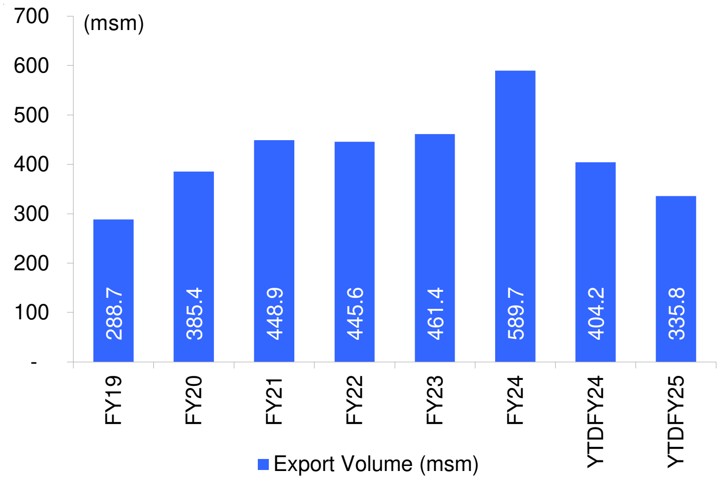
Exhibit 10: Greenpanel Industries



Source: Bloomberg, Antique

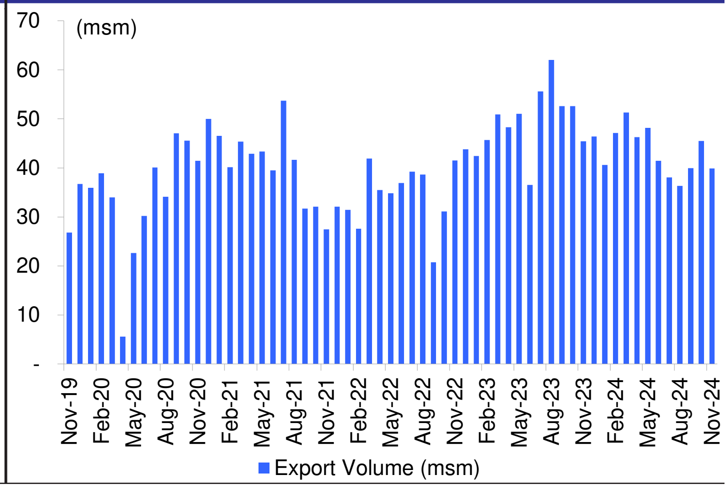
Tiles

Exhibit 11: Annual export volume



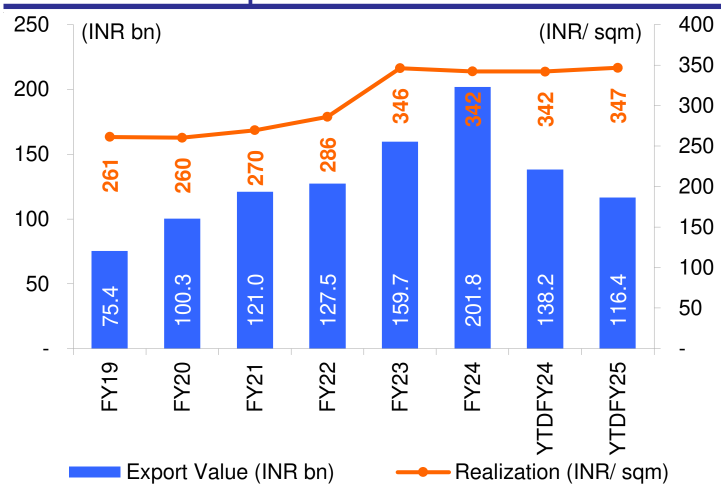
Source: Industry, Antique

Exhibit 12: Monthly export volume



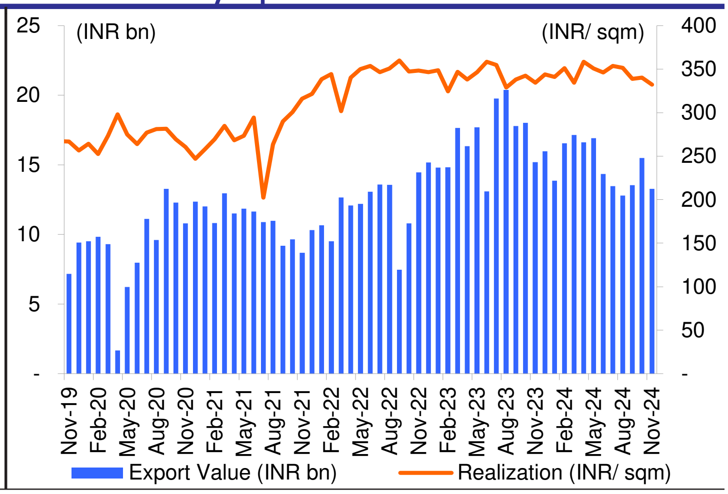
Source: Industry, Antique

Exhibit 13: Annual export value and realization



Source: Industry, Antique

Exhibit 14: Monthly export value and realization



Source: Industry, Antique

Table 3: Top 10 export locations as of Nov-24 (value-wise)

Country (INR bn)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
USA	0.8	1.0	1.0	0.9	0.7	1.2	1.2	-33%	9.0	10.8	-17%	16.3	11.7	39%
UAE	1.0	1.3	1.0	1.0	1.1	1.0	1.0	-1%	8.2	7.1	15%	11.4	9.4	21%
Russia	0.7	1.2	0.7	1.0	1.0	1.3	0.9	-29%	8.1	7.6	7%	10.8	4.9	118%
Iraq	0.8	1.2	0.9	0.6	0.8	0.8	0.9	-9%	6.7	7.8	-14%	10.9	8.5	28%
Mexico	0.4	0.4	0.8	0.5	0.9	0.4	1.0	-61%	5.3	6.7	-21%	11.0	5.3	107%
U K	0.4	0.5	0.4	0.5	0.6	0.9	0.4	2%	5.2	6.2	-16%	9.4	5.1	82%
Kuwait	0.7	0.7	0.5	0.4	0.4	0.5	0.5	39%	4.3	4.9	-13%	7.6	6.9	9%
Vietnam	0.5	0.6	0.6	0.6	0.4	0.4	0.3	78%	3.8	2.8	35%	3.6	3.8	-5%
Poland	0.4	0.4	0.5	0.4	0.3	0.5	0.3	5%	3.7	3.6	5%	5.5	4.2	31%
Israel	0.6	0.4	0.5	0.4	0.6	0.3	0.3	116%	3.6	5.4	-33%	6.8	5.2	31%
Total - top 10 countries	**6.3**	**7.7**	**6.9**	**6.4**	**6.9**	**7.2**	**6.9**	**-9%**	**57.8**	**62.9**	**-8%**	**93.3**	**65.2**	**43%**
Total Exports value	**13.3**	**15.5**	**13.5**	**12.8**	**13.5**	**14.3**	**15.2**	**-13%**	**116.4**	**138.2**	**-16%**	**201.8**	**159.7**	**26%**
Top 10 as a % of total exports	**47%**	**50%**	**51%**	**50%**	**51%**	**50%**	**45%**	**209 bps**	**50%**	**45%**	**414 bps**	**46%**	**41%**	**540 bps**
YTD monthly average	14.6	14.7	14.6	14.8	15.3	16.0	17.3	-16%	14.6	17.3	-16%	16.8	13.3	26%

Source: Industry, Antique

Table 4: Top 10 export locations as of Nov-24 (volume-wise)

Country (msm)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
UAE	2.8	3.9	2.9	2.7	3.3	3.1	3.0	-8%	23.6	22.0	7%	34.9	28.6	22%
USA	1.9	2.3	2.4	2.2	1.7	2.9	2.8	-32%	21.4	25.1	-15%	38.2	27.8	38%
Iraq	2.6	3.8	2.7	1.8	2.5	2.6	2.8	-7%	20.3	23.8	-15%	33.3	26.2	27%
Russia	1.7	2.8	1.5	2.5	2.4	3.2	3.0	-44%	19.5	18.9	4%	25.8	11.7	121%
Kuwait	2.6	2.4	2.4	1.2	1.4	1.7	1.6	59%	15.2	15.9	-4%	25.8	22.4	15%
Mexico	1.1	1.2	2.0	1.5	2.4	1.1	2.7	-60%	14.6	18.7	-22%	31.5	14.3	120%
Oman	1.5	1.3	1.2	1.4	1.3	1.3	1.7	-16%	10.6	14.8	-28%	22.3	18.1	23%
Thailand	0.9	1.6	1.3	1.2	1.4	1.2	1.2	-27%	10.4	12.1	-14%	17.3	15.4	13%
Israel	1.6	0.9	1.4	1.0	1.7	0.9	0.7	113%	9.2	15.7	-41%	18.8	13.3	41%
Poland	0.9	0.9	1.0	0.9	0.7	1.2	0.8	6%	8.6	8.5	2%	13.1	10.3	27%
Total - top 10 countries	**17.5**	**21.0**	**18.8**	**16.4**	**18.7**	**19.1**	**20.6**	**-15%**	**153.7**	**175.5**	**-12%**	**261.1**	**188.1**	**39%**
Total Exports volume	**39.9**	**45.5**	**40.0**	**36.4**	**38.1**	**41.4**	**45.4**	**-12%**	**335.8**	**404.2**	**-17%**	**589.7**	**461.4**	**28%**
Top 10 as a % of total exports	**44%**	**46%**	**47%**	**45%**	**49%**	**46%**	**45%**	**-159 bps**	**46%**	**43%**	**233 bps**	**44%**	**41%**	**350 bps**
YTD monthly average	42.0	42.3	41.7	42.1	43.5	45.3	50.5	-17%	42.0	50.5	-17%	49.1	38.5	28%

Source: Industry, Antique

Table 5: Average realization trend

Particulars (INR/ sqm)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Top 10 countries	361	368	365	390	371	378	335	8%	376	358	5%	357	347	3%
YTD monthly average	347	349	350	352	352	352	342	1%	347	342	1%	342	346	-1%
Total exports	332	340	339	352	354	346	334	-1%	347	342	1%	342	346	-1%

Source: Industry, Antique

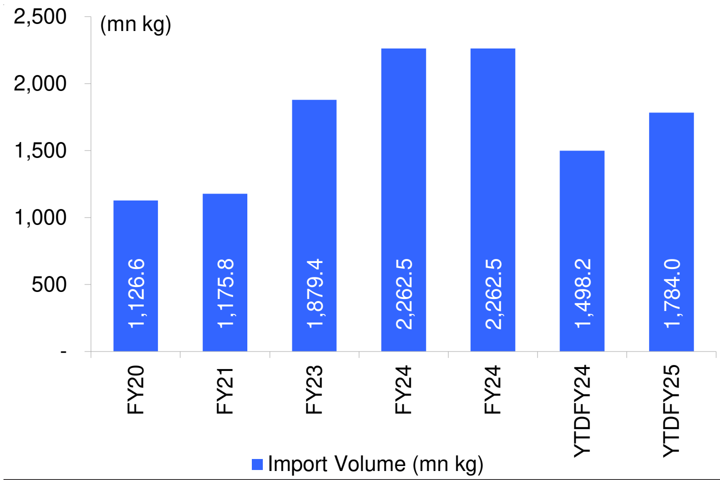
Table 6: 2QFY25 exports and listed companies performance

Particulars	2QFY25	2QFY24	YoY	1QFY25	QoQ	1HFY25	1HFY24	YoY	FY24	FY23	YoY
Tile sale volumes (msm)											
Kajaria Ceramics	28.7	26.5	8%	27.0	6%	55.7	51.5	8%	108.1	101.7	6%
Somany Ceramics	17.8	17.3	3%	15.6	15%	33.4	33.0	1%	67.0	63.9	5%
H & R Johnson	14.0	14.1	-1%	13.0	8%	27.0	27.4	-1%	57.6	55.8	3%
Orient Bell	NA	5.7	NA	5.2	NA	NA	10.7	NA	24.0	24.5	-2%
Exports	114.4	170.3	-33%	135.9	-16%	250.4	306.2	-18%	589.7	461.4	28%
Tile sale revenue (INR mn)											
Kajaria Ceramics	10,535	9,998	5%	9,895	6%	20,430	19,564	4%	40,609	39,515	3%
Somany Ceramics	5,681	5,714	-1%	4,972	14%	10,653	10,835	-2%	21,984	21,483	2%
H & R Johnson	5,750	5,810	-1%	5,390	7%	11,140	11,290	-1%	23,056	22,896	1%
Orient Bell	1,593	1,587	0%	1,472	8%	3,066	3,019	2%	6,694	6,996	-4%
Exports	39,798	57,916	-31%	47,855	-17%	87,653	1,05,023	-17%	2,01,752	1,59,668	26%
Tile realizations (INR/sqm)											
Kajaria Ceramics	367	378	-3%	367	0%	367	380	-3%	376	389	-3%
Somany Ceramics	319	330	-3%	320	0%	319	328	-3%	328	336	-2%
H & R Johnson	411	412	0%	415	-1%	413	412	0%	400	410	-2%
Orient Bell	NA	277	NA	285	NA	NA	282	NA	279	286	-2%
Exports	348	340	2%	352	-1%	350	343	2%	342	346	-1%

Source: Companies, Industry, Antique

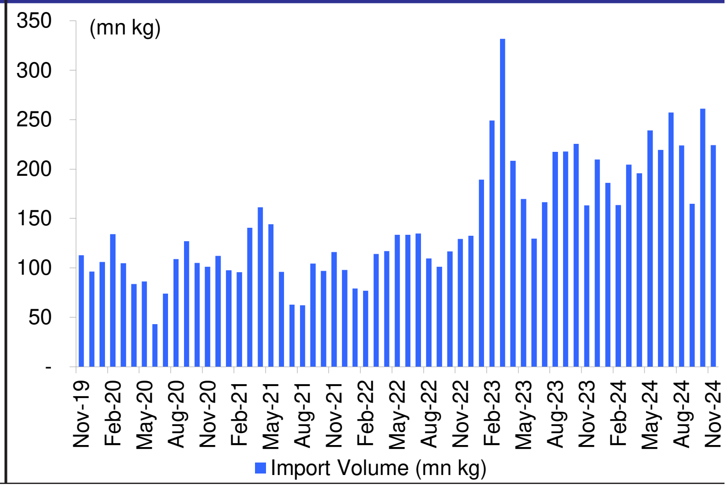
S-PVC

Exhibit 15: Annual import volume



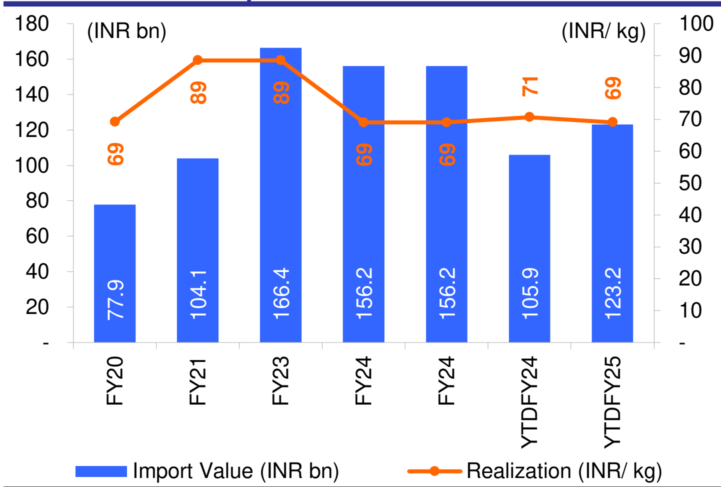
Source: Industry, Antique

Exhibit 16: Monthly import volume



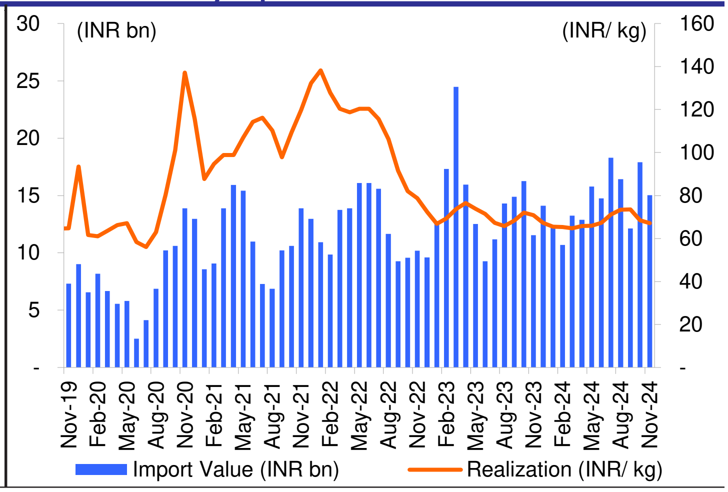
Source: Industry, Antique

Exhibit 17: Annual import value and realization



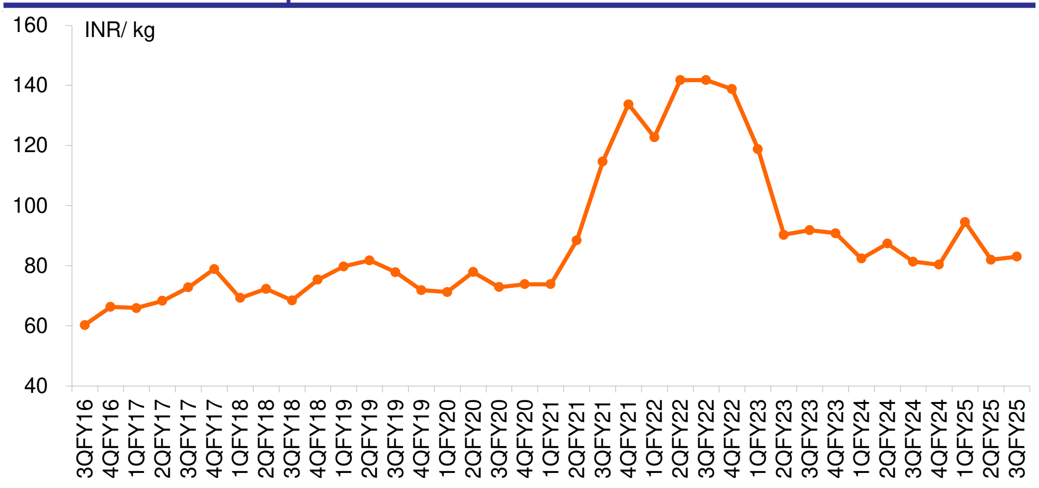
Source: Industry, Antique

Exhibit 18: Monthly import value and realization



Source: Industry, Antique

Exhibit 19: Reliance PVC price



Source: Industry, Antique

Table 7: Top 10 sourcing locations as of Nov-24 (value-wise)

Country (INR bn)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
China	5.3	7.3	3.6	4.8	7.7	6.1	2.5	114%	49.4	34.0	45%	48.1	59.7	-19%
Taiwan	2.2	2.6	1.8	3.1	3.0	2.1	1.5	52%	17.3	16.3	6%	24.0	29.8	-19%
Japan	2.6	2.5	2.0	2.4	1.7	1.8	2.8	-6%	16.9	20.4	-17%	30.4	31.3	-3%
Korea	1.8	1.7	1.2	1.8	2.4	2.0	1.6	11%	14.4	12.8	12%	19.4	14.7	32%
USA	1.6	1.3	1.6	1.9	0.3	0.9	1.7	-3%	9.7	8.8	11%	16.4	11.0	49%
Indonesia	0.3	0.5	0.5	0.1	0.6	0.8	0.4	-28%	3.8	5.9	-35%	7.9	5.0	57%
Singapore	0.1	0.2	0.2	0.3	0.5	0.2	0.0	269%	2.1	0.2	1072%	0.5	0.1	596%
Thailand	0.2	0.3	0.1	0.3	0.4	0.4	0.2	-12%	1.9	1.7	13%	2.1	2.3	-12%
Mexico	0.1	0.4	0.2	0.1	0.7	-	0.5	-79%	1.7	1.4	22%	1.8	3.7	-52%
Bangladesh	0.3	0.3	0.2	0.1	0.2	0.2	0.0	673%	1.5	0.5	240%	0.8	1.0	-19%
Total - top 10 countries	**14.7**	**17.2**	**11.5**	**15.0**	**17.5**	**14.4**	**11.3**	**30%**	**118.8**	**101.9**	**17%**	**151.3**	**158.6**	**-5%**
Total import value	**15.0**	**17.9**	**12.1**	**16.4**	**18.3**	**14.8**	**11.6**	**30%**	**123.2**	**105.9**	**16%**	**156.2**	**166.4**	**-6%**
Top 10 as a % of total imports	**98%**	**96%**	**95%**	**91%**	**95%**	**97%**	**98%**	**-10 bps**	**96%**	**96%**	**27 bps**	**97%**	**95%**	**154 bps**
YTD monthly average	15.4	15.4	15.0	15.6	15.4	14.5	13.2	16%	15.4	13.2	16%	13.0	13.9	-6%

Source: Industry, Antique

Table 8: Top 10 sourcing locations as of Nov-24 (volume-wise)

Country (mn kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
China	85.1	112.7	52.9	65.3	108.2	92.6	36.4	134%	744.2	493.9	51%	710.7	653.8	9%
Taiwan	32.3	36.0	22.4	40.1	41.3	29.5	20.3	59%	237.7	229.0	4%	345.2	334.4	3%
Japan	35.8	33.5	23.9	31.2	23.8	24.6	36.7	-2%	226.8	268.2	-15%	415.2	315.3	32%
Korea	26.5	25.1	16.4	26.8	34.0	30.1	23.5	13%	209.4	182.0	15%	284.2	167.4	70%
USA	23.4	19.3	23.4	27.9	4.9	13.8	24.3	-4%	145.6	128.5	13%	247.9	157.2	58%
Indonesia	4.4	7.2	6.9	1.3	8.8	11.7	5.9	-26%	55.6	84.5	-34%	114.6	57.9	98%
Singapore	2.2	3.8	3.1	4.5	6.8	3.3	0.6	299%	31.9	2.6	1151%	7.2	0.9	735%
Thailand	2.9	3.9	1.0	4.1	5.2	5.5	3.2	-7%	26.9	23.7	14%	28.8	27.7	4%
Mexico	1.6	4.9	3.3	1.9	10.5	-	7.7	-80%	24.8	20.4	22%	26.1	51.1	-49%
Bangladesh	4.8	4.5	2.9	1.0	2.0	2.5	0.6	700%	20.4	6.2	227%	11.4	12.2	-7%
Total - top 10 countries	**219.0**	**251.0**	**156.3**	**204.1**	**245.6**	**213.5**	**159.2**	**38%**	**1,723.3**	**1,438.9**	**20%**	**2,191.3**	**1,778.0**	**23%**
Total import volume	**224.2**	**260.9**	**164.9**	**223.9**	**257.1**	**219.3**	**163.1**	**37%**	**1,784.0**	**1,498.2**	**19%**	**2,262.5**	**1,879.4**	**20%**
Top 10 as a % of total imports	**98%**	**96%**	**95%**	**91%**	**96%**	**97%**	**98%**	**6 bps**	**97%**	**96%**	**55 bps**	**97%**	**95%**	**225 bps**
YTD monthly average	223.2	223.0	216.7	227.1	227.9	218.1	187.3	19%	223.2	187.3	19%	188.5	156.6	20%

Source: Industry, Antique

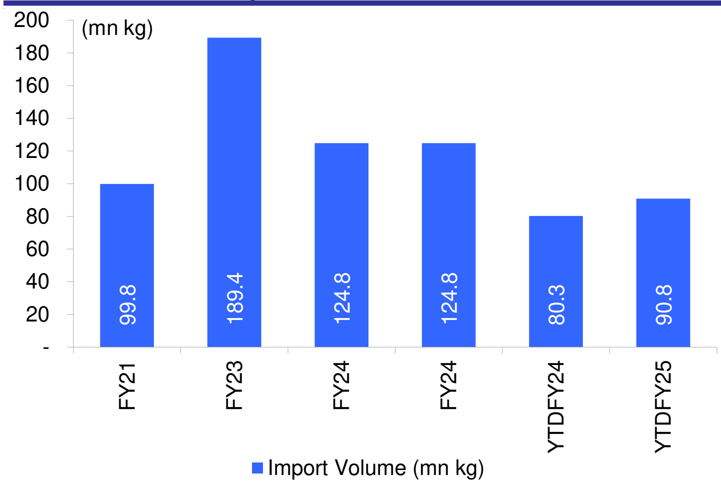
Table 9: Average realization trend

Particulars (INR/kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Top 10 countries	67	68	74	74	71	67	71	-5%	69	71	-3%	69	89	-23%
YTD monthly average	69	69	69	69	68	66	71	-2%	69	71	-2%	69	89	-22%
Total imports	67	69	73	73	71	67	71	-5%	69	71	-2%	69	89	-22%

Source: Industry, Antique

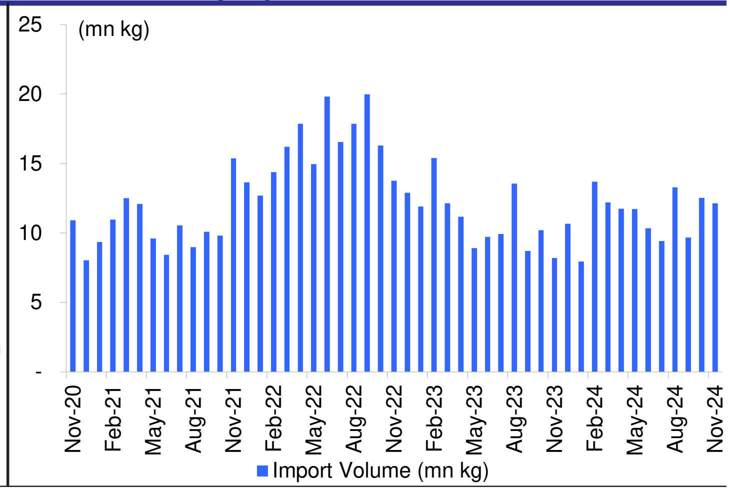
CPVC

Exhibit 20: Annual import volume



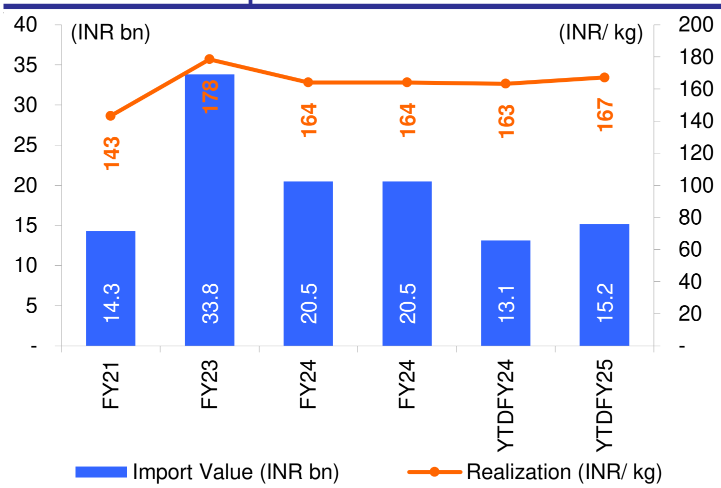
Source: Industry, Antique

Exhibit 21: Monthly import volume



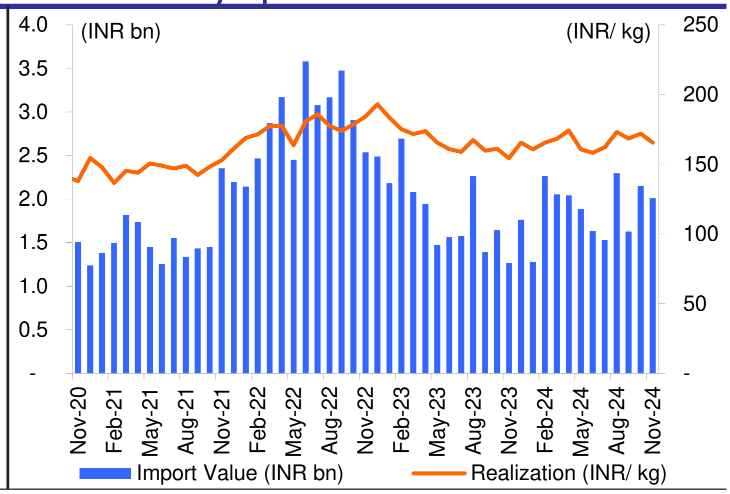
Source: Industry, Antique

Exhibit 22: Annual import value and realization



Source: Industry, Antique

Exhibit 23: Monthly import value and realization



Source: Industry, Antique

Table 10: Top 10 sourcing locations as of Nov-24 (value-wise)

Country (INR bn)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Thailand	0.6	1.2	0.5	1.0	0.6	0.5	0.4	54%	5.3	4.5	17%	6.4	7.0	-8%
Japan	0.6	0.3	0.4	0.5	0.4	0.4	0.3	82%	3.3	3.3	0%	4.9	4.9	-2%
Belgium	0.4	0.2	0.3	0.4	0.1	0.2	0.0	7085%	2.0	0.8	163%	1.6	2.0	-21%
USA	0.1	0.2	0.2	0.3	0.1	0.1	0.1	83%	2.0	0.6	207%	1.2	3.8	-67%
Netherland	0.2	0.1	0.3	0.1	0.1	0.3	0.1	23%	1.3	1.3	-5%	2.0	1.9	5%
China	-	0.0	0.0	0.1	0.1	0.1	0.2	-100%	0.7	1.7	-60%	2.9	10.4	-72%
Korea	0.0	-	-	-	0.0	0.1	0.1	-50%	0.5	0.7	-22%	1.1	3.2	-67%
France	0.0	0.0	0.0	0.0	0.0	-	0.0	-52%	0.1	0.1	-4%	0.2	0.3	-40%
UAE	0.0	-	0.0	-	0.0	-	-	-	0.0	0.0	188%	0.0	0.0	-1%
Hong Kong	-	-	-	-	-	-	-	-	0.0	-	-	0.0	-	-
Total - top 10 countries	**2.0**	**2.1**	**1.6**	**2.3**	**1.5**	**1.6**	**1.3**	**59%**	**15.2**	**13.0**	**17%**	**20.3**	**33.5**	**-39%**
Total import value	**2.0**	**2.2**	**1.6**	**2.3**	**1.5**	**1.6**	**1.3**	**59%**	**15.2**	**13.1**	**16%**	**20.5**	**33.8**	**-39%**
Top 10 as a % of total imports	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**-15 bps**	**100%**	**99%**	**83 bps**	**99%**	**99%**	**15 bps**
YTD monthly average	1.9	1.9	1.8	1.9	1.8	1.9	1.6	16%	1.9	1.6	16%	1.7	2.8	-39%

Source: Industry, Antique

Table 11: Top 10 sourcing locations as of Nov-24 (volume-wise)

Country (mn kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Thailand	3.4	7.2	2.8	6.0	3.8	3.2	2.5	36%	32.1	28.3	14%	40.7	42.0	-3%
Japan	3.6	2.0	2.2	2.6	2.6	2.4	2.0	80%	18.8	18.9	0%	28.0	29.1	-4%
Belgium	2.5	1.2	1.6	2.4	0.7	0.9	0.0	5709%	11.5	3.6	214%	8.0	8.9	-10%
USA	0.7	1.0	0.9	1.4	0.7	0.4	0.3	113%	9.6	2.9	230%	5.8	17.7	-67%
Netherland	1.3	0.7	1.9	0.4	0.9	2.2	1.2	13%	9.4	9.2	2%	14.7	10.9	35%
China	-	0.2	0.0	0.3	0.3	0.9	1.6	-100%	4.3	11.1	-61%	18.5	59.8	-69%
Korea	0.4	-	-	-	0.3	0.4	0.4	3%	3.6	4.4	-18%	6.8	18.3	-63%
France	0.1	0.2	0.1	0.2	0.1	-	0.1	-50%	0.9	0.8	7%	1.0	1.4	-30%
UAE	0.0	-	0.0	-	0.0	-	-	-	0.3	0.1	253%	0.3	0.2	13%
Hong Kong	-	-	-	-	-	-	-	-	0.1	-	-	0.1	-	-
Total - top 10 countries	**12.1**	**12.5**	**9.7**	**13.3**	**9.4**	**10.3**	**8.2**	**48%**	**90.6**	**79.4**	**14%**	**123.9**	**188.2**	**-34%**
Total import volume	**12.1**	**12.5**	**9.7**	**13.3**	**9.4**	**10.3**	**8.2**	**48%**	**90.8**	**80.3**	**13%**	**124.8**	**189.4**	**-34%**
Top 10 as a % of total imports	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**-45 bps**	**100%**	**99%**	**93 bps**	**99%**	**99%**	**-12 bps**
YTD monthly average	11.3	11.2	11.0	11.3	10.8	11.3	10.0	13%	11.3	10.0	13%	10.4	15.8	-34%

Source: Industry, Antique

Table 12: Average realization trend

Particulars (INR/kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Top 10 countries	166	172	168	173	163	158	154	8%	167	164	2%	164	178	-8%
YTD monthly average	167	167	166	166	164	165	163	2%	167	163	2%	164	178	-8%
Total imports	166	172	168	173	162	158	154	7%	167	163	2%	164	178	-8%

Source: Industry, Antique

Table 13: 2QFY25 realization comparison of imports and listed companies

Sales volume (MT)	2QFY25	2QFY24	YoY	1QFY25	QoQ	1HFY25	1HFY24	YoY	FY24	FY23	YoY
Astral	50,754	52,079	-2.5%	55,810	-9.1%	1,06,564	1,00,029	6.5%	2,19,590	1,77,628	23.6%
Supreme Industries*	1,02,238	1,02,929	-0.7%	1,40,153	-27.1%	2,42,391	2,20,203	10.1%	5,01,001	3,75,046	33.6%
Finolex Industries*	69,341	62,914	10.2%	90,620	-23.5%	1,59,961	1,55,095	3.1%	3,36,578	3,03,027	11.1%
Prince Pipes	43,301	41,529	4.3%	42,180	2.7%	85,481	78,684	8.6%	1,72,793	1,57,718	9.6%
Apollo Pipes	20,152	19,803	1.8%	26,562	-24.1%	46,714	41,022	13.9%	81,235	66,567	22.0%

Realizations (INR/ kg)	2QFY25	2QFY24	YoY	1QFY25	QoQ	1HFY25	1HFY24	YoY	FY24	FY23	YoY\
Astral	185	185	-0.1%	177	4.4%	167	189	-11.7%	178	212	-16.0%
Supreme Industries*	141	147	-4.1%	133	6.1%	136	142	-4.5%	138	161	-14.1%
Finolex Industries*	118	136	-13.2%	124	-4.7%	121	130	-6.3%	124	136	-8.4%
Prince Pipes	144	158	-9.1%	143	0.2%	143	154	-6.7%	149	172	-13.5%
Apollo Pipes	124	126	-1.3%	116	7.0%	120	124	-3.7%	121	137	-11.6%
Average Reliance PVC prices	89	86	3.6%	87	1.5%	88	84	4.3%	82	102	-20.0%
S-PVC import price	73	67	8.3%	66	9.5%	70	71	-1.4%	69	89	-22.0%
CPVC import price	168	162	3.7%	164	2.2%	166	164	1.1%	164	178	-8.1%

Source: Companies, Industry, Antique; *Note: Data for pipes segment only

Table 14: Import of S-PVC and CPVC gives a broad trend regarding pipe sales volume with a lag of a quarter

Particulars	2QFY25	1QFY25	4QFY24	3QFY24	2QFY24	1QFY24	4QFY23	3QFY23	2QFY23	YoY	2 year CAGR
Total SPVC and CPVC imports (mt)	6,78,238	6,88,115	5,88,207	6,27,694	6,34,014	5,37,364	8,09,848	4,21,730	4,00,235	7.0%	30.2%
Imports as a % of industry demand (assumed)	60%	60%	60%	60%	60%	60%	60%	60%	60%	0 bps	0 bps
Total industry resin requirement (mt)	11,30,396	11,46,859	9,80,345	10,46,157	10,56,690	8,95,606	13,49,747	7,02,884	6,67,058	7.0%	30.2%
Resin to finished product throughput (assumed)	95%	95%	95%	95%	95%	95%	95%	95%	95%	0 bps	0 bps
Total resin required to produce pipes (mt)	11,89,891	12,07,220	10,31,942	11,01,218	11,12,305	9,42,744	14,20,786	7,39,878	7,02,166	7.0%	30.2%
PVC component in pipes (assumed)	70%	70%	70%	70%	70%	70%	70%	70%	70%	0 bps	0 bps

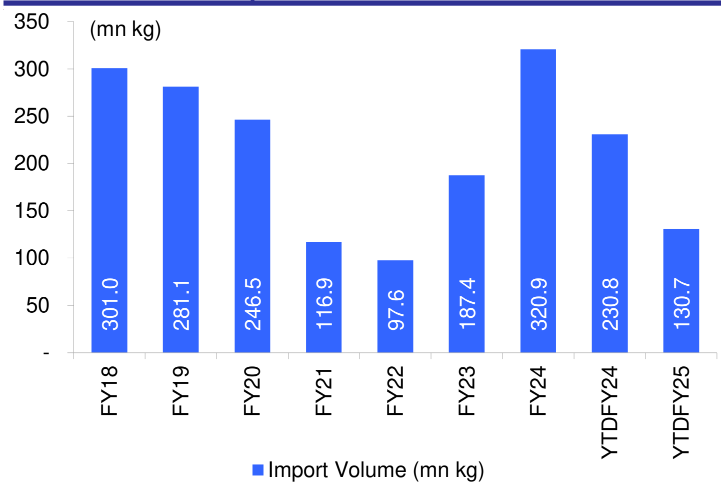
Sales volume (mt)	3QFY25E	2QFY25	1QFY25	4QFY24	3QFY24	2QFY24	1QFY24	2QFY23	3QFY23	YoY	2yearCAGR
Astral	55,371	50,754	55,810	66,827	52,734	52,079	47,950	54,438	45,859	5.0%	9.9%
Supreme Industries*#	1,26,515	1,02,238	1,40,153	1,58,795	1,22,003	1,02,929	1,17,274	1,12,293	1,04,109	3.7%	10.2%
Finolex Industries*	83,751	69,341	90,620	1,00,171	81,312	62,914	92,181	81,452	90,396	3.0%	-3.7%
Prince Pipes	40,958	43,301	42,180	51,444	42,665	41,529	37,155	44,317	43,693	-4.0%	-3.2%
Apollo Pipes	22,568	20,152	26,562	21,345	18,868	19,803	21,219	18,685	18,011	19.6%	11.9%

70% of the forward sale volume as a % of import volume	3QFY25E	2QFY25	1QFY25	4QFY24	3QFY24	2QFY24	1QFY24	2QFY23	3QFY23	YoY	2yearCAGR
Astral	6%	5%	7%	7%	6%	7%	4%	9%	8%	-11 bps	-231 bps
Supreme Industries*	13%	10%	17%	18%	13%	13%	10%	19%	18%	-41 bps	-515 bps
Finolex Industries*	9%	7%	11%	11%	9%	8%	8%	14%	16%	-33 bps	-717 bps
Prince Pipes	4%	4%	5%	6%	5%	5%	3%	7%	8%	-48 bps	-341 bps
Apollo Pipes	2%	2%	3%	2%	2%	3%	2%	3%	3%	25 bps	-82 bps

Source: Companies, Industry, Antique *data for pipes segment only #reported volumes

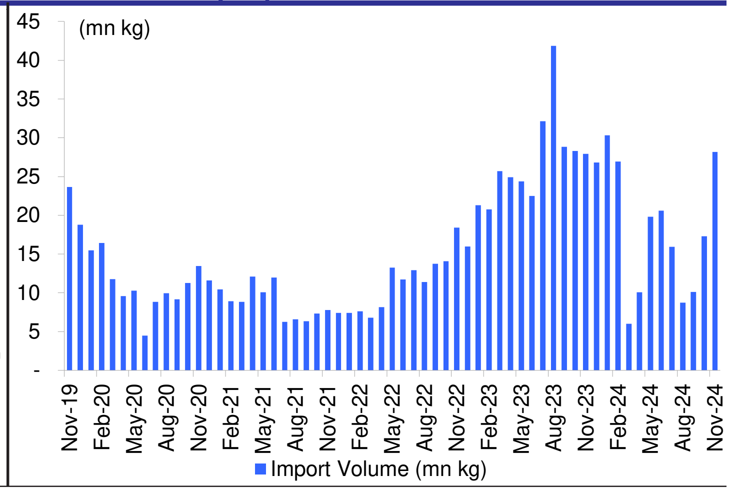
MDF

Exhibit 24: Annual import volume



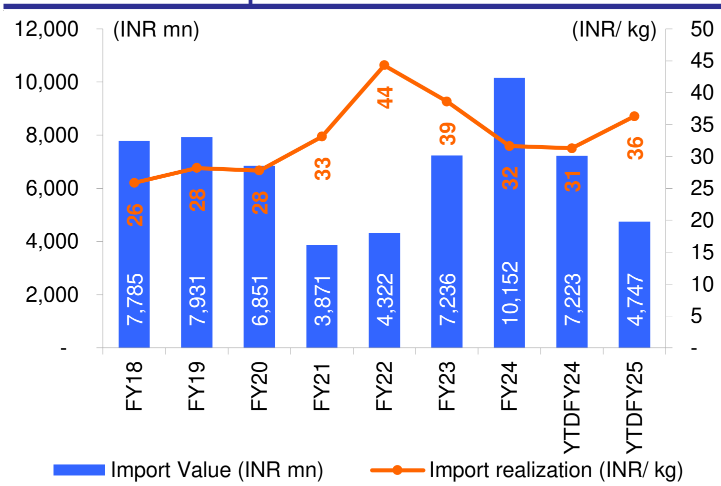
Source: Industry, Antique

Exhibit 25: Monthly import volume



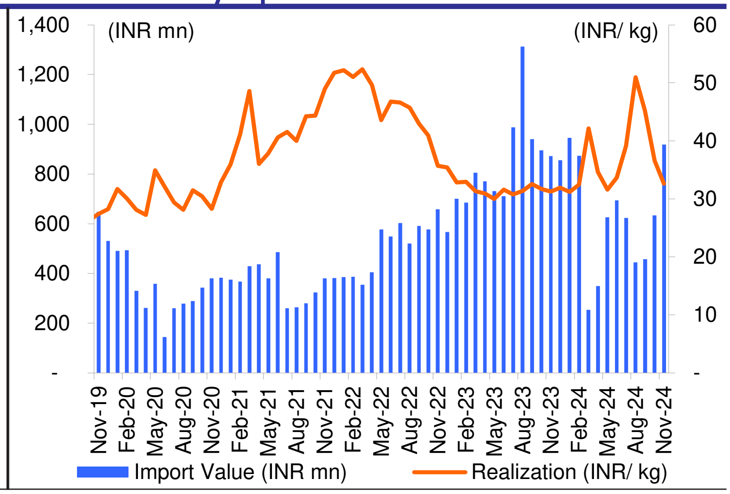
Source: Industry, Antique

Exhibit 26: Annual import value and realization



Source: Industry, Antique

Exhibit 27: Monthly import value and realization



Source: Industry, Antique

Table 15: Top 10 sourcing locations as of Nov-24 (value-wise)

Country (INR mn)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Thailand	316	167	107	92	145	198	301	5%	1,274	1,984	-36%	2,868	1,595	80%
China	141	174	122	128	157	137	123	15%	1,055	1,043	1%	1,552	1,183	31%
Vietnam	163	91	33	46	103	167	284	-42%	887	2,407	-63%	3,280	1,169	181%
Malaysia	117	64	51	43	77	85	70	67%	554	797	-30%	1,035	1,530	-32%
Indonesia	65	51	26	21	36	51	26	153%	274	223	23%	325	287	13%
New Zealand	41	12	52	36	34	6	13	206%	189	164	15%	206	234	-12%
Germany	26	20	22	30	10	12	32	-20%	137	162	-16%	222	221	0%
Belgium	10	-	8	9	9	8	7	50%	56	64	-12%	80	165	-51%
Turkey	7	11	2	3	23	2	3	168%	55	72	-23%	86	142	-39%
Brazil	15	16	6	3	12	-	-	-	54	24	125%	28	150	-81%
Total - top 10 countries	**900**	**607**	**429**	**412**	**606**	**665**	**858**	**5%**	**4,534**	**6,941**	**-35%**	**9,683**	**6,676**	**45%**
Total import value	**919**	**633**	**457**	**445**	**623**	**694**	**872**	**5%**	**4,747**	**7,223**	**-34%**	**10,152**	**7,236**	**40%**
Top 10 as a % of total imports	**98%**	**96%**	**94%**	**93%**	**97%**	**96%**	**98%**	**-40 bps**	**96%**	**96%**	**-57 bps**	**95%**	**92%**	**312 bps**
YTD monthly average	593	547	532	547	573	556	903	-34%	593	903	-34%	846	603	40%

Source: Industry, Antique

Table 16: Top 10 sourcing locations as of Nov-24 (volume-wise)

Country (mn kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Thailand	10.9	5.4	2.7	2.2	4.4	7.1	10.9	0%	42.2	71.8	-41%	103.9	49.4	110%
Vietnam	5.9	3.5	0.9	1.2	3.4	6.0	10.6	-44%	31.8	92.7	-66%	125.7	41.2	205%
China	2.6	3.3	2.0	1.8	2.2	2.5	2.4	6%	18.1	19.7	-8%	29.3	19.9	47%
Malaysia	3.9	1.9	1.4	1.0	2.5	2.2	2.0	100%	16.5	24.8	-33%	31.9	42.9	-26%
Indonesia	2.5	1.7	0.8	0.6	1.4	2.0	1.0	153%	9.9	8.5	16%	12.4	9.5	30%
New Zealand	1.1	0.3	1.4	0.9	0.9	0.2	0.4	157%	4.8	4.4	10%	5.3	4.8	11%
Germany	0.3	0.3	0.3	0.4	0.1	0.2	0.3	-5%	1.8	1.8	-3%	2.6	2.6	-2%
Brazil	0.5	0.4	0.2	0.1	0.4	-	-	-	1.6	0.7	123%	0.8	3.4	-75%
Italy	0.0	0.0	0.0	0.3	0.1	0.1	0.1	-72%	0.7	1.6	-57%	2.3	2.0	17%
Turkey	0.1	0.1	0.0	0.0	0.2	0.0	0.0	94%	0.5	0.7	-26%	0.9	1.6	-44%
Total - top 10 countries	27.8	17.1	9.7	8.5	15.6	20.2	27.7	0%	128.0	226.7	-44%	315.0	177.2	78%
Total import volume	28.2	17.3	10.1	8.7	15.9	20.6	27.9	1%	130.7	230.8	-43%	320.9	187.4	71%
Top 10 as a % of total imports	98%	99%	96%	97%	98%	98%	99%	-81 bps	98%	98%	-32 bps	98%	95%	363 bps
YTD monthly average	16.3	14.7	14.2	15.0	16.6	16.8	28.9	-43%	16.3	28.9	-43%	26.7	15.6	71%

Source: Industry, Antique

Table 17: Average realization trend

Particulars (INR/kg)	Nov-24	Oct-24	Sep-24	Aug-24	Jul-24	Jun-24	Nov-23	YoY	YTDFY25	YTDFY24	YoY	FY24	FY23	YoY
Top 10 countries	32	36	44	49	39	33	31	5%	35	31	16%	31	38	-18%
YTD monthly average	36	37	37	36	35	33	31	16%	36	31	16%	32	39	-18%
Total imports	33	37	45	51	39	34	31	4%	36	31	16%	32	39	-18%

Source: Industry, Antique

Table 18: 2QFY25 performance of imports and listed companies

Particulars	2QFY25	2QFY24	YoY	1QFY25	QoQ	1HFY25	1HFY24	YoY	FY24	FY23	YoY
MDF sale volumes (cbm)											
Greenpanel	**1,01,546**	**1,23,615**	**-18%**	**1,19,071**	**-15%**	**2,20,617**	**2,39,413**	**-8%**	**4,84,953**	**5,06,795**	**-4%**
- Greenpanel domestic	86,472	90,407	-4%	97,400	-11%	1,83,872	1,78,775	3%	3,91,883	3,84,999	2%
- Greenpanel exports	15,074	33,208	-55%	21,671	-30%	36,745	60,638	-39%	93,070	1,21,796	-24%
Century Plyboards (India)	62,555	53,724	16%	61,917	1%	1,24,472	1,01,712	22%	2,19,973	1,85,318	19%
Rushil Décor	**72,013**	**60,413**	**19%**	**74,079**	**-3%**	**1,46,092**	**1,19,503**	**22%**	**2,60,380**	**2,36,579**	**10%**
- Rushil Décor domestic	53,290	45,914	16%	54,818	-3%	1,08,108	89,627	21%	1,98,664	1,98,269	0%
- Rushil Décor exports	18,723	14,499	29%	19,261	-3%	37,984	29,876	27%	61,716	38,310	61%
Greenply	40,553	31,019	31%	42,724	-5%	83,277	37,081	NM	1,24,772	NA	NM
Imports (mn kg)	34.8	102.8	-66%	50.5	-31%	85.3	174.6	-51%	320.9	187.4	71%
MDF sale revenue (INR mn)											
Greenpanel	**3,000**	**3,555**	**-16%**	**3,326**	**-10%**	**6,326**	**6,967**	**-9%**	**14,017**	**15,346**	**-9%**
- Greenpanel domestic	2,629	2,963	-11%	2,883	-9%	5,512	5,872	-6%	12,310	12,874	-4%
- Greenpanel exports	329	582	-44%	435	-24%	763	1,075	-29%	1,707	2,472	-31%
Century Plyboards (India)	1,914	1,967	-3%	1,895	1%	3,809	3,636	5%	7,483	6,401	17%
Rushil Décor	**1,717**	**1,497**	**15%**	**1,692**	**1%**	**3,409**	**2,964**	**15%**	**6,308**	**6,207**	**2%**
- Rushil Décor domestic	1,322	1,198	10%	1,303	1%	2,625	2,371	11%	5,091	5,407	-6%
- Rushil Décor exports	395	299	32%	389	1%	784	593	32%	1,218	801	52%
Greenply	1,260	885	42%	1,317	-4%	2,581	1,058	144%	3,650	NA	NM
Imports	1,525	3,241	-53%	1,669	-9%	3,194	5,455	-41%	10,152	7,236	40%
MDF realization (INR/cbm)											
Greenpanel	**29,545**	**28,761**	**3%**	**27,932**	**6%**	**28,674**	**29,102**	**-1%**	**28,904**	**30,280**	**-5%**
- Greenpanel domestic	30,404	32,771	-7%	29,603	3%	29,980	32,847	-9%	31,412	33,438	-6%
- Greenpanel exports	21,819	17,538	24%	20,050	9%	20,776	17,722	17%	18,346	20,295	-10%
Century Plyboards (India)	30,589	36,607	-16%	30,607	0%	30,598	35,743	-14%	34,018	34,543	-2%
Rushil Décor	**23,843**	**24,779**	**-4%**	**22,840**	**4%**	**23,335**	**24,803**	**-6%**	**24,227**	**26,237**	**-8%**
- Rushil Décor domestic	24,810	26,084	-5%	23,766	4%	24,281	26,456	-8%	25,624	27,270	-6%
- Rushil Décor exports	21,092	20,650	2%	20,205	4%	20,642	19,842	4%	19,731	20,895	-6%
Greenply	31,070	28,531	9%	30,826	1%	30,993	28,532	9%	29,253	NA	NM
Imports (INR/kg)	44	32	39%	33	33%	37	31	20%	32	39	-18%

Source: Companies, Industry, Antique

Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	Net profit (INR bn) FY25	FY26	FY27	EPS (INR) FY25	FY26	FY27	P/E (x) FY25	FY26	FY27	EV/EBITDA (x) FY25	FY26	FY27	P/BV (x) FY26	RoE (%) FY26	RoCE (%) FY26	Absolute (%) 1m	12m
AGROCHEM & FERTILIZERS																							
Bayer Cropscience	Hold	4,943	5,540	12	222.1	2.6	7.8	9.4	10.5	173.2	208.4	234.2	28.5	23.7	21.1	21.3	17.7	15.7	7.2	30.9	39.8	-14	-15
Coromandel Intl.	Buy	1,777	2,170	22	523.5	6.1	17.4	19.9	25.8	57.1	66.3	86.7	31.1	26.8	20.5	19.2	16.9	13.0	4.3	17.4	24.7	-5	58
Dhanuka Agritech	Buy	1,395	2,090	50	62.9	0.7	2.8	3.1	3.8	62.4	69.8	83.3	22.4	20.0	16.7	15.4	13.6	11.2	3.7	19.9	26.8	-7	19
Paradeep Phosphates	Buy	126	140	11	103.0	1.2	4.5	6.0	7.3	5.5	7.3	9.0	23.1	17.3	14.1	12.0	10.0	8.8	2.3	14.3	14.4	16	63
PI Industries	Buy	3,501	4,770	36	531.1	6.1	16.7	19.2	22.2	109.6	126.5	145.8	32.0	27.7	24.0	21.1	17.9	15.2	4.5	17.5	23.2	-8	7
Rallis India	Sell	251	310	24	48.7	0.6	1.8	2.4	3.0	9.1	12.4	15.7	27.6	20.2	16.0	12.3	9.9	7.9	2.3	11.7	16.3	-14	-1
Sharda Cropchem	Buy	620	830	34	55.9	0.6	2.6	3.3	4.2	28.5	37.0	46.3	21.8	16.8	13.4	8.9	7.0	5.5	2.0	12.7	16.3	-20	46
Sumitomo Chemical India	Buy	478	630	32	238.7	2.8	5.4	6.5	7.8	10.8	13.1	15.7	44.3	36.5	30.5	34.3	28.2	23.5	6.8	20.4	27.2	-7	22
UPL	Buy	543	740	36	431.7	5.0	10.3	25.3	37.0	13.7	33.8	49.3	39.6	16.1	11.0	8.1	6.7	5.5	1.5	9.9	11.9	7	6
BUILDING MATERIALS																							
Apollo Pipes	Buy	431	600	39	17.8	0.2	0.4	0.5	0.9	9.1	12.2	19.7	47.4	35.3	21.9	16.6	12.4	8.6	2.2	6.5	9.5	-10	-39
Astral	Buy	1,455	2,140	47	391.0	4.5	6.2	7.7	9.6	23.1	28.8	35.6	63.1	50.6	40.9	36.3	29.6	24.2	8.8	18.9	24.8	-15	-18
Cera Sanitaryware	Buy	6,717	8,820	31	86.6	1.0	2.5	2.8	3.2	191.9	217.8	251.9	35.0	30.8	26.7	26.7	22.5	18.7	5.7	19.6	25.4	-8	-18
Finolex Industries	Hold	207	240	16	128.4	1.5	6.2	6.6	7.2	10.0	10.7	11.7	20.8	19.4	17.7	16.5	15.1	13.7	1.9	10.1	12.1	-14	-8
Greenlam Industries	Buy	592	800	35	75.5	0.9	1.3	2.1	3.2	10.3	16.6	24.8	57.5	35.6	23.9	25.2	17.0	13.6	5.6	16.7	16.1	8	15
Greenpanel Industries	Buy	332	550	66	40.7	0.5	0.9	1.5	2.7	7.0	12.5	21.9	47.2	26.6	15.1	23.7	13.0	8.6	2.6	9.9	8.1	-8	-15
Kajaria Ceramics	Buy	1,032	1,500	45	164.3	1.9	4.3	5.5	6.8	27.0	34.3	42.7	38.2	30.1	24.1	21.8	17.5	14.1	4.8	17.2	22.4	-9	-23
Prince Pipes and Fittings	Buy	393	470	19	43.5	0.5	1.0	1.5	1.8	8.9	13.2	16.6	44.3	29.7	23.7	19.5	14.5	11.8	2.5	8.6	11.2	-3	-42
Somany Ceramics	Buy	544	900	66	22.3	0.3	1.0	1.4	1.8	24.5	33.0	45.0	22.2	16.5	12.1	9.4	7.6	5.9	2.4	15.6	17.5	-16	-21
Supreme Industries	Buy	3,884	4,840	25	493.4	5.7	9.9	11.9	13.6	78.1	93.9	107.5	49.8	41.4	36.1	32.6	27.3	24.0	7.7	19.8	23.1	-19	-7
CEMENT																							
ACC	Buy	2,001	2,600	30	375.7	4.3	16.0	21.2	25.8	85.1	112.7	137.2	23.5	17.8	14.6	11.4	8.9	7.4	1.9	11.3	15.6	-5	-9
Ambuja Cement	Buy	537	680	27	1,321.8	15.3	27.2	29.9	41.2	11.1	12.1	16.7	48.5	44.3	32.1	24.2	17.9	14.1	2.4	5.6	9.8	-3	2
Birla Corp	Buy	1,150	1,500	30	88.5	1.0	2.0	4.0	4.9	26.3	52.0	64.2	43.7	22.1	17.9	10.4	8.4	7.4	1.2	5.5	7.2	-8	-17
Dalmia Bharat	Hold	1,799	1,930	7	337.4	3.9	8.1	12.4	14.0	43.1	65.9	74.7	41.7	27.3	24.1	13.5	11.3	10.3	1.7	6.6	8.1	2	-15
Grasim Industries	Buy	2,388	2,875	20	1,585.8	18.3	5.5	11.5	16.6	8.3	17.3	25.0	286.4	137.7	95.4	113.3	74.8	55.9	2.8	2.0	3.0	-5	17
Heidelberg	Hold	211	190	(10)	47.8	0.6	1.7	2.2	2.6	7.4	9.6	11.3	28.7	21.9	18.6	13.4	10.7	9.1	3.4	15.3	18.3	1	-3
JK Cement	Buy	4,638	5,000	8	358.4	4.1	7.1	9.0	11.2	91.6	117.1	145.1	50.7	39.6	32.0	19.7	16.5	14.0	5.3	14.3	14.0	1	18
JK Lakshmi Cement	Hold	782	850	9	92.0	1.1	2.4	3.9	5.1	20.8	31.3	40.8	37.6	25.0	19.2	13.2	10.3	9.0	2.9	12.0	12.8	-6	-10
Nuvoco Vistas	Hold	353	370	5	126.0	1.5	0.3	2.3	3.7	0.8	6.5	10.5	416.3	53.8	33.6	11.6	9.8	8.7	1.4	2.6	5.6	0	6
Orient Cement	Hold	335	315	(6)	68.7	0.8	1.2	2.8	3.8	5.8	13.8	18.5	57.4	24.4	18.1	19.5	13.1	10.6	3.3	14.3	15.5	0	31
Shree Cements	Buy	25,293	28,800	14	912.6	10.5	14.3	20.3	25.5	396.4	563.2	707.2	63.8	44.9	35.8	20.8	16.4	13.9	3.9	9.0	11.7	-7	-8
Star Cement	Buy	230	225	(2)	92.9	1.1	1.7	3.5	4.6	4.3	8.7	11.3	53.6	26.5	20.3	17.7	12.9	10.3	2.9	11.4	14.5	-3	31
Ramco Cement	Hold	869	920	6	205.3	2.4	2.1	5.2	7.2	8.9	22.0	30.4	97.9	39.5	28.6	17.3	13.5	11.5	2.6	6.8	8.8	-13	-8
UltraTech Cement	Buy	10,694	12,800	20	3,087.3	35.7	68.0	89.3	116.0	230.6	303.0	393.8	46.4	35.3	27.2	24.3	18.4	14.7	4.4	13.2	16.6	-7	9
FMCG																							
Allied Blenders and Distillers	Buy	393	405	3	109.9	1.3	1.5	2.2	2.7	5.3	7.7	9.6	73.5	51.1	40.8	31.0	25.6	22.0	7.3	14.9	17.3	-3	
Asian Paints	Hold	2,262	2,527	12	2,169.8	25.1	43.7	48.3	53.9	45.6	50.3	56.2	49.6	45.0	40.3	34.9	30.9	27.2	9.4	22.1	25.8	-1	-26
Bajaj Consumer Care	Buy	186	284	53	25.6	0.3	1.6	1.8	2.0	11.1	12.6	14.2	16.7	14.8	13.1	10.0	8.2	6.5	1.9	13.3	16.2	-9	-13
Colgate Palmolive	Hold	2,772	3,054	10	753.8	8.7	14.7	16.7	18.5	54.0	61.6	67.9	51.3	45.0	40.8	35.2	31.1	28.0	28.6	69.5	105.5	2	14
Dabur India	Buy	521	710	36	922.5	10.7	19.2	22.0	25.1	10.9	12.5	14.2	48.0	41.8	36.7	36.0	31.4	27.5	7.9	19.7	23.2	2	-1
Emami	Buy	560	884	58	245.8	2.8	8.8	9.8	11.0	20.2	22.4	25.3	27.7	24.9	22.2	22.4	19.9	17.3	7.7	32.9	39.7	-1	12
Godrej Consumer	Buy	1,153	1,512	31	1,179.5	13.6	20.5	26.3	30.9	20.0	25.8	30.2	57.5	44.8	38.1	37.2	31.5	27.1	8.2	19.0	24.8	7	2
Hindustan Unilever	Hold	2,343	2,666	14	5,505.0	63.6	104.5	114.8	125.3	44.5	48.9	53.3	52.7	47.9	43.9	36.2	32.8	29.9	10.9	22.6	27.9	0	-1
Honasa Consumer	Hold	248	390	58	80.4	0.9	0.7	1.5	2.1	2.3	4.8	6.5	108.9	52.1	38.1	34.1	23.8	15.8	6.1	12.4	24.4	-2	-49
ITC	Buy	437	563	29	5,467.6	63.2	209.2	241.8	273.3	16.8	19.4	21.9	26.1	22.6	20.0	20.7	17.9	15.7	6.6	30.7	39.5	-3	1
Jyothy Labs	Buy	375	561	50	137.7	1.6	4.1	4.5	5.2	11.2	12.4	14.0	33.5	30.3	26.7	25.2	22.3	19.1	6.0	20.9	27.4	1	-29
Kansai Nerolac	Buy	242	370	52	195.9	2.3	7.2	8.4	10.0	8.9	10.3	12.3	27.3	23.4	19.7	16.0	13.6	11.3	3.1	13.5	18.6	-9	-28
Marico	Buy	665	823	24	861.8	10.0	15.8	18.2	21.2	12.2	14.1	16.5	54.4	47.1	40.4	38.7	33.0	28.3	17.2	39.3	45.2	5	28
Nestle	Hold	2,208	2,563	16	2,128.7	24.6	32.7	36.3	41.2	33.9	37.6	42.7	65.2	58.7	51.7	43.7	39.4	34.8	36.7	69.0	94.6	3	-10
Patanjali Foods	Buy	1,865	2,100	13	675.0	7.8	14.4	21.7	25.3	39.8	59.9	70.0	46.8	31.1	26.6	33.7	21.9	18.1	5.0	17.5	21.9	7	21
Radico Khaitan	Buy	2,211	2,500	13	295.8	3.4	4.1	5.4	6.7	30.4	40.4	50.0	72.6	54.8	44.2	42.6	34.6	28.7	9.3	18.3	20.8	-10	37
United Spirits	Buy	1,459	1,703	17	1,061.0	12.3	15.1	17.9	20.6	20.8	24.6	28.4	70.3	59.3	51.4	50.3	42.7	36.6	11.6	21.0	34.7	-6	32
RETAIL																							
Aditya Birla Fashion & Retail	Hold	279	325	16	298.9	3.5	-2.2	1.6	4.5	-2.2	1.6	4.4	-128.4	174.2	62.7	17.2	13.3	10.9	7.1	4.2	8.3	-1	25
Arvind Fashions	Buy	509	700	38	67.9	0.8	1.1	1.8	2.6	7.9	13.4	19.6	64.1	37.9	25.9	11.5	9.0	7.0	4.7	12.4	19.8	-4	9
Avenue Supermarts	Hold	3,562	3,978	12	2,317.7	26.8	30.8	34.9	41.3	47.3	53.6	63.4	75.4	66.5	56.2	49.0	42.7	35.9	9.0	13.5	18.3	3	-3
Devyani International	Buy	182	205	13	219.6	2.5	0.8	1.5	2.0	0.7	1.3	1.7	264.7	143.7	108.8	25.6	20.0	17.0	17.0	12.6	22.0	3	3
Jubilant Foodworks	Hold	665	584	(12)	438.6	5.1	3.2	4.9	6.4	4.9	7.5	9.7	136.9	89.2	68.3	28.4	23.5	20.3	17.0	20.0	29.0	-4	28
Kewal Kiran	Buy	526	1,040	98	32.4	0.4	1.6	1.9	2.1	26.6	31.3	34.7	19.8	16.8	15.2	14.3	12.5	10.8	3.5	20.7	23.6	-12	-29
Restaurant Brands Asia	Buy	77	133	71	38.6	0.4	-0.8	-0.8	-0.4	-1.6	-1.6	-0.7	-48.8	-48.6	-108.4	11.1	8.7	6.8	2.3	-4.6	9.3	-2	-37
Sapphire Foods India	Buy	310	416	34	99.5	1.2	0.4	0.9	1.9	1.4	3.0	5.9	223.7	104.8	52.2	18.9	13.8	10.1	6.7	6.6	18.8	-3	9
Senco Gold	Buy	936	1,709	83	76.5	0.9	2.3	2.6	3.3	29.4	34.0	42.7	31.9	27.5	21.9	19.7	17.0	14.4	4.1	15.0	13.6	-13	22
Shoppers Stop	Buy	609	1,016	67	67.0	0.8	0.2	1.4	2.8	1.5	12.6	25.8	410.5	48.4	23.6	9.7	7.7	5.9	14.0	28.9	14.5	-2	-14
Titan Co Ltd	Buy	3,356	4,598	37	2,979.8	34.4	37.9	55.2	68.0	42.7	62.2	76.6	78.7	54.0	43.8	51.7	37.9	31.4	18.1	38.6	24.3	-1	-10
Trent	Buy	5,626	7,642	36	2,000.1	23.1	17.6	24.6	33.6	49.5	69.1	94.5	113.7	81.4	59.5	66.7	47.8	35.1	23.2	28.5	39.5	-19	78
Vedant Fashion	Buy	1,145	1,490	30	278.2	3.2	4.3	5.1	6.2	17.7	20.9	25.6	64.8	54.7	44.7	38.5	32.4	26.5	12.1	24.2	31.3	-10	8
V-Mart Retail	Buy	2,979	5,101	71	59.0	0.7	-0.2	0.7	1.3	-11.3	35.3	67.3	-264.5	84.4	44.2	18.1	12.5	9.9	7.4	9.2	11.9	-23	45
Westlife Foodworld	Hold	750	878	17	117.0	1.4	0.6	1.0	1.4	3.6	6.6	9.3	211.0	114.0	80.9	30.5	24.4	20.3	16.5	15.3	32.9	-9	-9

Valuation Guide

Company	Reco	CMP	TP	Return	M.Cap	M.Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
INDUSTRIALS																							
ABB	Buy	6,280	8,616	37	1,330.7	15.4	17.9	20.8	26.1	84.4	98.2	123.1	74.4	63.9	51.0	58.2	49.9	39.5	15.6	26.5	36.1	-10	32
BHEL	Buy	205	364	77	715.4	8.3	17.8	34.3	42.3	5.1	9.8	12.1	40.2	20.9	16.9	27.0	14.8	12.1	2.6	12.8	15.3	-15	1
Cummins India	Buy	2,884	4,301	49	799.4	9.2	17.3	20.3	24.8	62.6	73.2	89.6	46.1	39.4	32.2	39.2	32.7	26.0	10.6	28.3	37.1	-14	37
Engineers India	Buy	173	238	38	97.4	1.1	3.3	4.3	5.4	5.2	6.9	8.6	33.4	25.2	20.3	27.4	18.3	13.6	3.5	16.5	19.0	-6	-22
GE T&D	Buy	1,748	2,180	25	447.5	5.2	5.6	7.4	10.1	21.9	29.0	39.6	79.8	60.2	44.1	55.9	42.3	30.8	17.6	34.2	48.9	-17	178
Hitachi Energy	Buy	12,110	17,315	43	513.3	5.9	3.6	7.7	12.2	84.0	183.0	288.6	144.1	66.2	42.0	84.1	45.1	29.3	23.8	41.2	56.6	-11	109
Honeywell Automation	Buy	40,496	56,499	40	358.0	4.1	5.3	7.0	9.6	600.9	787.4	1,086.5	67.4	51.4	37.3	51.7	37.6	26.3	7.6	15.8	16.1	0	7
KEC International	Buy	889	1,075	21	236.7	2.7	7.5	12.0	17.3	29.1	46.7	67.2	30.5	19.0	13.2	15.7	11.8	8.3	3.9	22.8	24.1	-27	44
Kirloskar Pneumatic	Buy	1,230	1,747	42	79.8	0.9	2.2	2.6	3.1	34.6	40.9	48.5	35.5	30.1	25.3	24.1	19.9	16.3	5.8	21.1	19.5	-24	98
Kirloskar Oil Engines	Buy	930	1,550	67	135.0	1.6	4.4	5.8	7.2	30.5	39.8	49.6	30.5	23.4	18.7	19.0	14.6	11.5	4.0	18.4	23.4	-8	37
Lakshmi Machine Works	Hold	16,065	15,996	(0)	171.6	2.0	2.0	3.6	5.7	182.9	335.3	533.2	87.8	47.9	30.1	69.2	35.6	21.4	5.6	12.2	16.1	-7	20
Linde India	Hold	5,733	7,201	26	488.9	5.7	4.8	6.6	9.4	55.8	77.5	110.8	102.7	74.0	51.7	62.7	46.3	32.8	11.5	16.5	20.6	-8	2
Larsen & Toubro	Buy	3,518	4,204	19	4,838.0	55.9	162.2	226.2	276.7	115.8	161.5	197.6	30.4	21.8	17.8	20.2	15.6	12.7	4.0	19.8	14.8	-3	-1
Siemens	Buy	5,856	8,856	51	2,085.6	24.1	30.9	39.0	51.1	86.6	109.5	143.5	67.6	53.5	40.8	52.1	40.9	30.8	11.4	22.8	31.5	-14	43
Thermax	Hold	3,742	5,300	42	445.9	5.2	6.2	9.5	13.3	54.7	84.1	117.8	68.4	44.5	31.8	50.1	33.2	23.6	7.3	17.7	21.5	-18	25
Transformers & Rectifiers India	Buy	1,013	1,424	40	152.1	1.8	1.9	3.6	5.0	12.4	22.7	31.6	81.6	44.6	32.0	49.9	26.9	19.4	10.3	25.8	33.5	-6	267
DEFENCE																							
Bharat Dynamics	Buy	1,217	1,357	12	446.1	5.2	6.1	8.6	12.4	16.6	23.3	33.9	73.3	52.2	35.9	80.3	47.8	29.3	9.8	20.1	20.5	0	46
Bharat Electronics	Buy	270	361	34	1,976.2	22.8	44.3	51.5	66.0	6.1	7.0	9.0	44.6	38.3	29.9	32.6	27.7	21.1	9.1	25.5	26.3	-8	44
BEML	Buy	3,614	5,185	43	150.5	1.7	3.4	4.8	7.2	82.1	116.0	172.8	44.0	31.1	20.9	28.2	20.5	14.1	4.4	15.2	15.8	-11	19
Cochin Shipyard	Hold	1,462	1,627	11	384.6	4.4	7.6	8.5	10.4	28.9	32.4	39.7	50.6	45.1	36.9	31.8	28.5	23.4	6.4	14.8	19.3	0	72
Garden Reach Shipbuilders	Buy	1,543	1,783	16	176.7	2.0	4.4	5.3	5.4	38.3	46.0	47.0	40.3	33.6	32.8	33.9	26.1	24.1	7.2	23.2	31.8	-1	72
Hindustan Aeronautics	Buy	3,903	5,902	51	2,610.5	30.2	67.3	86.7	98.7	100.7	129.6	147.5	38.8	30.1	26.5	27.0	20.0	16.6	6.7	24.0	25.1	-8	35
Mazagon Dock Shipbuilders	Buy	2,288	2,757	20	922.8	10.7	28.6	30.1	38.5	70.8	74.7	95.4	32.3	30.6	24.0	29.0	25.1	16.7	8.7	31.6	43.9	-2	101
PTC Industries	Buy	14,906	19,639	32	223.4	2.6	0.8	1.7	5.0	52.5	112.0	334.8	284.1	133.0	44.5	180.0	74.0	30.2	14.3	11.3	14.5	19	116
CONSUMER DURABLES																							
Bajaj Elec.	Hold	657	901	37	75.8	0.9	1.0	2.1	3.0	8.5	18.0	25.7	77.1	36.5	25.5	27.3	17.6	13.4	4.6	13.2	16.7	-14	-36
Blue Star	Hold	1,879	1,946	4	386.4	4.5	6.4	8.9	11.3	31.3	43.1	55.0	60.1	43.6	34.2	40.1	29.4	23.1	9.9	25.2	32.3	-6	76
Crompton Consumer	Buy	347	496	43	223.4	2.6	5.4	7.1	9.1	8.5	11.0	14.2	41.0	31.6	24.5	25.0	19.6	15.2	6.0	20.1	23.2	-11	16
Havells India	Buy	1,554	1,933	24	974.0	11.3	14.9	19.0	24.2	23.9	30.3	38.7	65.0	51.2	40.2	43.9	34.5	27.0	9.8	20.6	27.0	-6	18
Voltas	Hold	1,487	1,901	28	492.0	5.7	9.5	12.0	16.3	28.6	36.2	49.2	51.9	41.0	30.3	39.5	30.7	22.4	6.7	17.4	23.4	-12	48
RAILWAYS																							
IRCON International	Hold	210	205	(3)	197.6	2.3	7.8	8.4	9.5	8.3	8.9	10.1	25.2	23.5	20.9	24.6	22.8	19.9	2.9	12.9	16.5	-1	-9
Jupiter Wagons Ltd	Hold	474	507	7	201.0	2.3	4.4	5.6	6.5	10.7	13.6	15.8	44.3	34.9	29.9	28.7	22.8	19.4	5.8	18.1	23.7	-10	19
RITES	Hold	264	325	23	126.9	1.5	3.4	4.0	5.2	7.0	8.4	10.8	37.6	31.4	24.4	19.4	16.2	12.6	4.8	15.3	21.6	-6	-6
Rail Vikas Nigam Ltd	Sell	408	251	(38)	850.7	9.8	14.8	16.3	17.8	7.1	7.8	8.6	57.3	52.2	47.7	70.8	63.0	55.3	7.8	15.8	16.2	-5	41
Titagarh Rail Systems	Buy	1,001	1,580	58	134.8	1.6	3.9	5.2	6.7	30.5	40.5	52.7	32.8	24.7	19.0	23.4	17.8	13.6	4.1	18.1	26.2	-20	-7
INFRASTRUCTURE																							
Ahluwalia Contracts	Hold	799	989	24	53.6	0.6	2.2	3.0	3.7	32.7	44.6	54.9	24.4	17.9	14.6	11.7	8.5	6.7	2.5	15.2	23.3	-24	0
Ashoka Buildcon	Hold	271	253	(7)	76.0	0.9	2.5	3.6	4.8	8.8	12.7	17.3	30.8	21.2	15.7	14.8	11.9	9.6	1.7	8.4	13.2	-3	68
Dilip Buildcon	Buy	415	559	35	60.7	0.7	2.9	4.5	6.3	18.0	27.8	38.5	23.0	14.9	10.8	6.8	5.7	4.8	1.1	7.7	14.1	-11	13
HG Infra Engineering	Buy	1,291	1,792	39	84.1	1.0	5.1	5.9	6.9	78.1	90.0	106.0	16.5	14.3	12.2	9.9	8.7	7.4	2.5	18.9	22.8	-12	38
IRB Infra	Buy	52	76	45	316.0	3.7	8.6	11.5	13.8	1.4	1.9	2.3	36.9	27.5	22.8	14.4	12.1	10.6	2.0	7.6	7.7	-5	9
KNR Constructions Ltd.	Hold	305	286	(6)	85.9	1.0	3.5	3.6	4.1	12.3	12.9	14.6	24.8	23.7	21.0	13.5	12.7	11.1	2.2	9.7	13.9	-4	17
NCC Ltd.	Buy	243	395	63	152.6	1.8	9.3	11.9	15.5	14.9	19.0	24.7	16.4	12.8	9.8	7.5	6.2	4.9	1.8	14.9	25.5	-14	26
PNC Infratech	Buy	311	389	25	79.8	0.9	5.2	6.4	7.8	20.4	25.1	30.3	15.2	12.4	10.3	9.0	7.6	6.3	1.3	11.5	15.4	1	-19
PSP Projects	Buy	654	909	39	25.9	0.3	1.5	1.9	2.4	38.8	49.1	60.6	16.9	13.3	10.8	8.8	7.2	5.9	1.8	14.1	17.8	-4	-13
Welspun Ent.	Hold	599	553	(8)	82.9	1.0	3.2	3.8	4.5	23.1	27.7	33.2	25.9	21.7	18.0	19.1	15.5	12.5	2.7	13.2	18.7	5	85
IT																							
Cyient	Buy	1,709	2,300	35	189.7	2.2	8.2	9.6	10.7	66.5	87.0	97.6	25.7	19.6	17.5	13.5	11.4	9.9	3.6	18.9	23.2	-10	-19
FirstSource Sol.	Buy	351	410	17	244.5	2.8	6.3	8.8	10.0	8.9	12.5	14.2	39.3	28.1	24.8	21.1	16.6	14.3	5.5	20.8	18.1	-1	84
HCL Tech	Buy	1,828	2,125	16	4,959.8	57.3	176.8	196.5	219.3	64.6	71.6	79.6	28.3	25.5	23.0	18.1	15.6	13.8	7.5	29.3	37.8	-4	20
Infosys	Hold	1,856	2,025	9	7,708.5	89.1	267.8	308.4	336.0	64.6	74.4	81.1	28.7	24.9	22.9	18.8	16.6	14.8	7.5	31.3	41.3	-4	14
LTI Mindtree	Hold	5,850	6,400	9	1,733.2	20.0	48.6	55.2	63.4	164.3	186.5	214.1	35.6	31.4	27.3	24.7	20.6	17.7	6.7	22.6	30.3	2	4
L&T Technology Services	Hold	5,383	5,650	5	569.9	6.6	13.2	15.4	17.9	124.8	145.2	169.2	43.1	37.1	31.8	27.7	22.6	19.2	9.1	25.8	33.0	13	0
Mphasis	Buy	2,809	3,800	35	532.7	6.2	16.9	19.3	21.8	89.5	102.5	115.9	31.4	27.4	24.2	19.9	17.3	15.2	5.2	19.6	24.1	-6	11
Coforge Ltd	Buy	8,228	8,900	8	550.1	6.4	9.8	14.6	16.9	146.5	218.4	253.9	56.2	37.7	32.4	27.8	22.4	19.3	11.6	33.4	42.6	-13	33
Persistent Sys	Hold	5,683	4,900	(14)	885.7	10.2	13.7	17.6	21.3	90.9	116.4	141.0	62.6	48.8	40.3	43.4	34.7	28.2	14.4	30.9	41.3	-11	38
Quess Corp	Buy	619	1,000	62	92.0	1.1	4.2	5.3	6.3	27.7	34.8	41.6	22.3	17.8	14.9	11.0	8.7	7.1	2.7	16.3	14.7	-7	25
TCS	Hold	4,157	4,450	7	15,038.9	173.9	495.7	553.3	603.2	137.0	153.0	166.7	30.3	27.2	24.9	21.4	19.3	17.6	12.9	51.3	64.0	2	9
TeamLease	Buy	2,612	4,100	57	43.8	0.5	1.1	1.7	2.3	63.8	99.0	137.3	40.9	26.4	19.0	28.3	20.0	13.3	4.1	16.8	17.8	-10	-14
Tech Mahindra	Buy	1,684	1,975	17	1,648.2	19.1	42.7	57.1	70.1	48.3	64.4	79.1	34.9	26.1	21.3	22.3	17.1	14.1	6.1	22.8	31.7	-2	23
Wipro	Hold	309	315	2	3,236.2	37.4	125.1	133.4	146.2	12.2	13.1	14.3	25.4	23.7	21.6	15.7	13.9	12.5	3.8	16.3	19.9	0	32
Zensar Technologies	Buy	750	820	9	170.2	2.0	6.6	7.6	8.5	29.0	33.6	37.8	25.8	22.3	19.8	17.6	14.6	12.7	3.6	17.3	23.3	1	38

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Valuation Guide

Company	Reco	CMP	TP	Return	M.Cap	M.Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
METALS & MINING																							
APL Apollo Tubes	Buy	1,560	1,718	10	432.8	5.0	7.1	11.3	17.0	25.6	40.7	61.4	60.9	38.4	25.4	36.9	25.5	17.9	8.4	24.3	27.4	1	4
Hindalco Industries	Buy	613	794	29	1,378.6	15.9	131.6	122.7	128.1	59.2	55.2	57.6	10.4	11.1	10.7	6.1	6.3	6.1	1.0	9.7	11.6	-3	13
Hindustan Zinc	Hold	469	451	(4)	1,983.2	22.9	107.3	122.4	130.7	25.4	29.0	30.9	18.5	16.2	15.2	11.0	9.7	9.1	11.3	78.5	63.4	1	51
HI-Tech Pipes	Buy	129	225	74	26.2	0.3	0.8	1.4	2.1	4.1	7.0	10.2	31.2	18.5	12.6	14.1	10.1	7.7	1.8	10.5	13.3	-16	-11
Indian Hume Pipe	Buy	322	492	53	17.0	0.2	0.8	0.7	0.9	15.5	13.1	16.8	20.8	24.7	19.2	12.1	14.0	12.0	1.8	7.4	10.4	-16	30
Jindal Steel & Power	Buy	897	1,183	32	914.8	10.6	64.3	90.0	102.4	64.2	89.8	102.2	14.0	10.0	8.8	7.8	6.0	5.2	1.5	15.9	17.5	-5	29
JSW Steel	Hold	919	909	(1)	2,248.4	26.0	89.6	135.8	157.3	36.8	55.7	64.6	25.0	16.5	14.2	10.7	8.6	7.7	2.4	15.5	13.7	-2	16
JTL Industries	Buy	107	131	22	42.2	0.5	1.4	1.8	2.6	3.6	4.7	6.6	29.5	22.8	16.3	22.7	16.8	12.2	2.9	13.4	17.8	16	-14
Kirloskar Ferrous	Buy	606	797	32	99.7	1.2	4.0	5.8	8.7	24.5	35.4	52.8	24.8	17.1	11.5	12.0	9.4	6.9	2.5	15.3	17.3	-2	8
MOIL	Buy	335	451	35	68.1	0.8	4.4	6.2	8.3	21.8	30.7	40.9	15.4	10.9	8.2	8.5	5.9	4.2	2.1	20.8	28.1	4	6
NALCO	Buy	203	265	30	373.6	4.3	35.7	35.1	41.6	19.4	19.1	22.6	10.5	10.7	9.0	6.2	6.1	5.0	1.9	19.3	24.8	-6	61
NMDC	Buy	66	98	49	577.5	6.7	68.4	83.7	91.7	23.4	28.6	31.3	2.8	2.3	2.1	5.5	4.3	3.7	0.6	26.0	33.7	-8	-3
SAIL	Hold	107	130	21	442.3	5.1	38.3	45.8	50.3	9.3	11.1	12.2	11.6	9.7	8.8	6.8	6.1	5.6	0.7	7.5	8.2	-12	-2
Tata Steel	Buy	129	175	36	1,609.4	18.6	88.1	146.8	171.6	7.1	11.8	13.8	18.3	11.0	9.4	8.0	6.1	5.4	1.4	13.7	14.0	-9	-1
Venus Pipes	Hold	1,328	2,062	55	27.0	0.3	1.1	1.7	1.9	54.5	81.6	93.8	24.4	16.3	14.2	15.1	10.9	9.6	3.9	27.1	29.7	-15	-4
Vedanta	Hold	452	475	5	1,765.5	20.4	155.6	195.8	217.5	39.8	50.0	55.6	11.4	9.0	8.1	5.2	4.5	4.1	3.8	43.6	28.4	-5	79
OIL & GAS																							
BPCL	Buy	278	415	49	1,204.4	13.9	140.5	143.3	147.3	32.4	33.0	33.9	8.6	8.4	8.2	5.6	5.7	6.1	1.3	16.4	16.6	-4	20
GAIL	Sell	176	189	7	1,160.2	13.4	94.5	80.6	93.5	14.4	12.3	14.2	12.3	14.4	12.4	9.1	10.1	8.6	1.6	11.2	11.5	-9	12
Gujarat Gas	Hold	495	521	5	340.8	3.9	11.3	15.2	16.7	16.4	22.1	24.2	30.2	22.4	20.4	17.4	13.2	12.0	3.6	17.1	20.5	-1	-11
HPCL	Buy	370	569	54	787.5	9.1	84.2	95.4	97.2	39.6	44.8	45.7	9.4	8.3	8.1	7.3	6.5	6.4	1.6	20.5	13.4	-8	26
IGL	Sell	388	350	(10)	271.3	3.1	15.5	14.8	16.1	22.2	21.2	23.0	17.4	18.3	16.8	10.9	11.1	10.0	2.5	14.6	18.7	-1	-11
Indian Oil Corp	Buy	131	208	59	1,843.1	21.3	237.4	247.3	293.7	17.2	18.0	21.3	7.6	7.3	6.1	6.2	5.8	4.8	0.9	12.6	11.3	-5	-6
Mahanagar Gas	Hold	1,280	1,317	3	126.5	1.5	9.6	9.4	10.2	96.9	95.2	103.6	13.2	13.4	12.4	6.8	6.7	6.0	2.1	16.0	20.8	4	-2
Oil India	Buy	454	668	47	739.0	8.5	66.7	77.8	84.3	41.0	47.8	51.8	11.1	9.5	8.8	7.7	6.4	5.5	1.4	15.4	17.5	8	72
ONGC	Buy	264	368	39	3,321.8	38.4	373.1	463.3	430.7	29.7	36.8	34.2	8.9	7.2	7.7	4.5	3.6	3.4	0.9	13.6	16.2	10	15
Petronet LNG	Hold	323	363	12	484.1	5.6	37.9	42.4	43.2	25.3	28.3	28.8	12.8	11.4	11.2	8.6	8.3	8.3	2.4	22.2	23.6	-5	24
Reliance Industries	Buy	1,277	1,456	14	17,282.7	199.8	711.4	824.7	872.3	52.6	60.9	64.5	24.3	21.0	19.8	11.1	9.8	8.6	2.0	9.6	9.7	4	-4
PHARMA & HEALTHCARE																							
Alkem	Hold	5,151	4,670	(9)	615.9	7.1	23.2	24.9	25.4	194.2	208.0	212.3	26.5	24.8	24.3	20.9	19.0	16.6	4.5	19.4	23.3	-6	7
Alembic Pharma	Buy	1,019	1,411	38	200.3	2.3	6.2	7.8	11.1	31.5	39.9	56.4	32.4	25.6	18.1	18.6	15.1	11.3	3.4	13.9	17.3	-3	8
CIPLA	Sell	1,439	1,204	(16)	1,162.5	13.4	32.6	36.6	40.4	40.4	45.4	50.2	35.6	31.7	28.7	22.0	19.2	16.9	3.6	11.8	16.5	-2	2
Concord Biotech	Buy	2,121	2,187	3	221.8	2.6	3.7	4.9	6.5	35.1	46.7	62.5	60.5	45.4	33.9	43.4	32.3	23.9	10.4	25.0	32.6	-1	52
Divi's Laboratories Ltd	Sell	5,813	4,150	(29)	1,543.0	17.8	21.2	26.3	29.7	79.8	99.2	112.0	72.8	58.6	51.9	50.8	40.1	35.2	9.4	16.9	22.1	-1	61
Dr Reddys	Sell	1,296	1,190	(8)	1,081.6	12.5	32.1	41.7	47.8	38.5	50.0	57.3	33.6	25.9	22.6	18.8	14.5	12.9	3.8	14.7	18.3	-3	14
IOL Chemicals	Buy	383	443	16	22.5	0.3	1.8	2.3	2.2	30.3	39.8	36.9	12.6	9.6	10.4	7.4	5.6	5.4	1.1	12.4	15.9	-7	-12
JB Chemicals	Hold	1,804	1,679	(7)	280.6	3.2	7.5	8.5	9.7	48.1	54.7	62.2	37.5	33.0	29.0	23.2	20.3	17.6	3.5	22.7	28.0	-3	9
Laurus Labs	Hold	571	398	(30)	307.8	3.6	4.2	6.9	8.6	7.8	12.7	15.9	73.2	44.9	35.9	27.7	20.7	17.4	6.1	14.3	15.2	1	43
Lupin	Buy	2,139	2,259	6	976.0	11.3	31.3	38.9	43.4	68.7	85.4	95.3	31.1	25.0	22.4	18.8	15.6	13.6	4.8	20.9	26.1	-1	49
Mankind Pharma	Buy	2,516	2,827	12	1,038.2	12.0	22.2	25.8	31.5	55.3	64.3	78.5	45.5	39.1	32.0	35.4	25.7	22.3	7.4	20.6	18.3	-16	17
Shilpa Medicare	Buy	801	1,525	90	78.3	0.9	1.3	3.6	6.2	13.7	37.3	63.6	58.4	21.5	12.6	21.9	12.1	8.0	2.8	13.9	18.1	3	148
Solara Active Pharma	Sell	659	566	(14)	28.4	0.3	0.9	1.6	1.5	17.8	32.5	31.4	37.0	20.3	21.0	12.8	9.8	8.1	2.1	11.7	10.4	0	86
Torrent Pharma	Buy	3,167	3,589	13	1,071.8	12.4	20.3	27.0	32.8	59.9	79.9	97.0	52.9	39.6	32.6	28.4	23.6	20.0	12.2	32.9	37.0	-7	27
Zydus Life Science	Hold	979	1,033	6	984.6	11.4	37.0	40.3	42.7	36.8	40.0	42.5	26.6	24.4	23.0	17.7	15.7	14.2	3.7	16.3	19.9	1	34
HOSPITALS & DIAGNOSTICS																							
Dr Lal Pathlabs	Sell	2,843	2,461	(13)	237.6	2.7	4.4	5.1	5.9	52.4	61.2	70.3	54.3	46.5	40.4	33.0	28.4	24.7	49.1	22.5	29.5	-4	20
Metropolis Healthcare	Sell	1,850	1,758	(5)	94.8	1.1	1.7	2.1	2.6	33.4	41.4	50.2	55.4	44.6	36.8	27.0	22.5	18.8	6.7	16.1	20.5	-9	17
Vijaya Diagnostic Centre	Hold	1,020	930	(9)	104.6	1.2	1.6	2.1	2.6	15.6	20.2	25.3	65.6	50.4	40.2	35.5	28.1	22.5	5.3	23.1	26.0	-3	60
REALTY																							
Arvind SmartSpaces	Buy	755	1,159	53	34.4	0.4	0.7	1.1	1.5	17.1	26.8	36.2	44.2	28.2	20.8	27.0	18.0	14.1	4.7	18.2	24.2	-15	61
Brigade Enterprise	Buy	1,070	1,666	56	261.3	3.0	7.8	9.3	11.8	34.0	40.6	51.4	31.5	26.4	20.8	18.3	16.3	13.8	4.9	19.1	16.3	-15	16
Aditya Birla Real Estate	Buy	1,846	3,448	87	206.2	2.4	2.8	4.2	4.6	25.5	37.6	41.5	72.3	49.1	44.4	25.8	20.6	18.7	4.5	9.6	11.2	-29	34
DLF	Buy	714	1,014	42	1,766.9	20.4	37.4	44.4	56.5	15.1	17.9	22.8	47.2	39.8	31.3	68.5	56.8	53.9	3.7	9.8	7.0	-15	-3
Godrej Properties	Buy	2,241	3,826	71	674.8	7.8	13.2	30.5	39.6	47.3	109.6	142.5	47.4	20.4	15.7	109.6	59.0	47.4	4.3	23.7	19.2	-22	-1
Kolte Patil	Buy	323	618	91	24.5	0.3	1.4	1.5	1.9	18.0	20.0	25.1	17.9	16.2	12.9	5.6	5.2	4.8	2.6	16.8	17.7	-9	-36
Macrotech Developers	Buy	1,077	1,851	72	1,073.9	12.4	29.3	33.8	39.5	29.5	34.0	39.8	36.5	31.7	27.1	26.2	23.2	19.8	4.5	15.3	16.1	-25	0
Nexus Select Trust	Buy	140	172	23	212.4	2.5	6.6	7.5	8.8	4.3	4.9	5.8	32.3	28.4	24.2	15.7	14.2	13.5	1.5	5.3	7.2	-2	8
Oberoi Realty	Buy	1,763	2,593	47	641.1	7.4	27.3	32.6	37.1	75.1	89.8	102.2	23.5	19.6	17.3	18.9	15.6	13.3	3.2	17.9	20.9	-22	29
Phoenix	Hold	1,458	1,633	12	521.2	6.0	10.3	12.1	13.0	57.6	67.8	72.8	25.3	21.5	20.0	25.0	22.4	21.0	2.3	11.2	10.8	-12	22
Prestige Estates	Buy	1,319	2,311	75	568.3	6.6	14.5	15.6	17.2	33.6	36.3	39.9	39.2	36.4	33.1	23.7	21.1	18.7	3.7	10.9	11.0	-25	16
Sobha	Buy	1,221	2,904	138	123.2	1.4	3.1	5.6	7.8	29.3	52.1	72.6	41.7	23.5	16.8	20.6	13.6	10.1	3.4	17.9	21.2	-23	-8
Sunteck Realty	Buy	463	786	70	67.8	0.8	3.1	2.8	2.4	21.4	19.4	16.7	21.6	23.8	27.7	17.1	19.1	22.7	1.9	8.2	10.4	-9	5
TELECOM																							
Bharti Airtel	Buy	1,632	1,822	12	9,769.1	112.9	212.0	297.2	394.9	37.0	51.9	68.9	44.1	31.4	23.7	13.0	10.9	9.0	7.6	26.7	19.3	3	41

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Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	Net profit (INR bn) FY25	FY26	FY27	EPS (INR) FY25	FY26	FY27	P/E (x) FY25	FY26	FY27	EV/EBITDA (x) FY25	FY26	FY27	P/BV (x) FY26	RoE (%) FY26	RoCE (%) FY26	Absolute (%) 1m	12m
TEXTILE																							
Arvind Ltd	Buy	379	529	40	99.1	1.1	3.8	5.8	7.2	14.4	22.1	27.6	26.3	17.2	13.7	12.0	9.1	7.6	2.2	13.7	16.1	-9	31
KPR Mills	Hold	955	926	(3)	326.4	3.8	9.4	11.0	12.7	27.6	32.1	37.0	34.5	29.7	25.8	23.8	20.7	18.1	5.5	20.0	24.4	-11	29
Welspun Living	Buy	149	216	44	143.2	1.7	9.0	11.0	13.1	9.2	11.3	13.5	16.2	13.2	11.1	9.2	7.7	6.3	2.3	18.6	19.0	-7	5
UTILITIES																							
CESC	Buy	142	214	50	188.9	2.2	14.2	14.7	16.5	10.7	11.1	12.4	13.3	12.9	11.5	7.6	7.8	7.3	1.4	11.6	11.5	-23	9
COAL India	Buy	379	539	42	2,336.9	27.0	365.8	391.7	417.8	59.4	63.6	67.8	6.4	6.0	5.6	4.2	3.6	3.1	1.8	34.0	18.7	-1	1
Indian Energy Exchange	Buy	168	282	68	150.0	1.7	4.0	4.8	5.6	4.5	5.4	6.3	37.3	31.4	26.8	31.7	26.3	21.9	11.7	40.1	42.3	-5	23
JSW Energy	Hold	550	630	15	961.3	11.1	22.1	25.3	28.3	12.7	14.5	16.2	43.3	38.0	33.9	18.6	16.7	15.4	3.2	8.7	8.1	-17	13
NHPC	Hold	78	92	18	781.1	9.0	37.1	44.4	55.3	3.6	4.3	5.4	21.5	18.0	14.4	23.8	20.2	16.0	1.8	10.4	4.9	-5	2
NTPC	Buy	322	477	48	3,126.2	36.1	179.4	206.1	237.4	18.5	21.3	24.5	17.4	15.2	13.2	10.9	9.9	8.9	1.8	12.5	9.8	-3	7
Power Grid	Hold	298	333	12	2,767.4	32.0	153.0	162.9	174.4	16.4	17.5	18.8	18.1	17.0	15.9	9.8	9.4	9.1	2.8	17.2	13.4	-6	25
SJVN Ltd	Hold	96	118	23	376.2	4.3	8.1	9.2	11.6	2.1	2.3	3.0	46.2	40.8	32.4	28.6	24.3	20.0	2.5	6.3	4.1	-13	-8
Torrent Power	Hold	1,390	1,150	(17)	700.4	8.1	24.1	26.4	30.4	50.1	54.9	63.2	27.7	25.3	22.0	15.4	14.2	12.7	4.4	18.2	14.1	-10	41
Tata Power	Buy	359	513	43	1,146.6	13.3	49.1	59.5	71.0	15.4	18.6	22.2	23.3	19.3	16.1	12.9	11.6	10.6	2.8	14.7	8.2	-10	4
TRAVEL & LEISURE																							
Indian Hotels	Hold	773	750	(3)	1,100.0	12.7	16.8	21.0	24.2	11.8	14.8	17.0	65.3	52.3	45.4	39.2	33.0	28.2	8.7	17.8	19.5	-10	64
Chalet Hotels	Buy	780	1,150	47	170.5	2.0	3.8	4.8	6.4	17.6	22.1	29.4	44.4	35.4	26.5	23.3	19.7	15.5	4.2	12.6	13.3	-19	4
Yatra Online	Buy	103	166	62	16.1	0.2	0.5	0.9	1.1	2.9	5.8	6.9	35.2	17.7	14.8	21.0	11.5	9.2	1.8	10.9	12.8	-9	-40
MIDCAP DIVERSIFIED																							
CCL Products	Buy	639	850	33	85.3	1.0	2.6	3.7	5.3	19.9	27.8	40.0	32.1	23.0	16.0	19.9	15.6	11.9	4.0	18.4	12.4	-14	1
EPL Ltd.	Buy	224	360	61	71.4	0.8	3.5	4.7	5.6	11.0	14.8	17.5	20.3	15.1	12.8	8.5	7.1	6.1	2.7	19.4	23.2	-15	14
Ganesha Ecosphere	Buy	1,631	2,770	70	41.4	0.5	1.2	1.7	2.1	45.1	61.9	79.1	36.2	26.4	20.6	19.1	15.5	12.0	3.1	12.4	13.7	-22	66
Gravita India	BUY	2,169	3,300	52	160.1	1.9	3.2	4.4	5.4	44.0	60.0	73.0	49.3	36.2	29.7	38.4	28.8	23.3	6.4	19.1	21.2	-7	124
Mold-Tek Packaging	Buy	556	1,000	80	18.5	0.2	0.7	0.8	1.1	19.8	25.4	32.7	28.0	21.9	17.0	13.7	11.3	9.2	2.6	12.3	11.2	-15	-34
Solar Industries	Hold	9,301	10,670	15	841.6	9.7	13.2	16.3	19.3	145.3	179.8	213.4	64.0	51.7	43.6	41.0	33.0	27.8	14.0	30.9	37.0	-4	36
Varun Beverages	Buy	535	710	33	1,807.8	20.9	27.0	39.7	48.0	8.0	11.7	14.2	67.1	45.5	37.7	36.4	28.0	23.2	9.0	21.5	28.3	-15	5

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	Net profit (INR bn) FY25	FY26	FY27	BVPS (INR) FY25	FY26	FY27	P/BV (x)* FY25	FY26	FY27	NNPA Ratio (%) FY25	FY26	FY27	P/E (x) FY26	RoE (%) FY26	RoA (%) FY26	Absolute (%) 1m	12m
FINANCIALS																							
Axis Bank	Buy	959	1,380	44	2,969.3	34.3	262.7	289.6	335.9	547.8	620.8	705.4	1.6	1.4	1.2	0.5	0.5	0.5	10.2	16.0	1.6	-11	-12
Bank of Baroda	Buy	228	315	38	1,181.0	13.7	193.8	212.8	234.5	228.8	261.7	297.9	1.0	0.9	0.8	0.7	0.7	0.8	5.6	16.8	1.1	-7	3
Canara Bank	Buy	98	135	38	887.3	10.3	158.7	176.4	194.5	101.3	116.9	134.0	1.0	0.8	0.7	1.0	0.9	0.9	5.0	17.8	1.0	-3	7
City Union Bank	Buy	172	200	16	127.5	1.5	11.2	12.2	13.4	126.9	141.7	158.2	1.4	1.2	1.1	1.2	0.9	0.9	10.4	12.3	1.5	-1	24
DCB Bank	Buy	115	165	43	36.2	0.4	5.3	7.6	9.4	167.9	190.5	218.7	0.7	0.6	0.5	1.9	2.3	2.3	4.7	13.6	1.0	-6	-19
Equitas SFB	Buy	71	95	33	81.3	0.9	3.8	8.5	11.4	55.1	60.9	68.6	1.3	1.2	1.0	-0.1	0.0	0.2	9.5	12.9	1.5	9	-34
Federal Bank	Buy	190	240	26	466.5	5.4	42.7	50.5	57.4	135.6	152.7	170.7	1.4	1.2	1.1	0.6	0.6	0.7	9.2	14.4	1.3	-4	36
HDFC Bank	Buy	1,666	2,050	23	12,742.5	147.3	669.8	767.4	896.1	629.3	706.8	797.3	2.3	2.1	1.8	0.4	0.4	0.4	16.5	15.1	1.8	-7	17
ICICI Bank	Buy	1,200	1,460	22	8,475.3	98.0	458.6	496.6	574.8	385.2	441.8	507.3	2.6	2.2	1.8	0.5	0.8	0.9	17.0	16.9	2.2	-7	17
IndusInd Bank	Buy	971	1,350	39	756.4	8.7	67.2	85.3	103.4	876.2	967.7	1,077.2	1.1	1.0	0.9	0.6	0.6	0.5	8.9	11.9	1.4	3	-33
Karur Vysya Bank	Buy	224	270	21	178.9	2.1	19.1	20.1	23.0	145.5	167.1	192.0	1.5	1.3	1.2	0.3	0.4	0.4	9.0	16.0	1.5	3	23
Kotak Mahindra Bank	Buy	1,918	2,100	10	3,812.3	44.1	164.7	151.5	182.0	563.2	636.6	724.8	2.7	2.4	2.0	0.5	0.5	0.6	25.2	12.7	2.1	10	7
L&T Finance	Buy	139	220	58	347.6	4.0	30.8	37.9	45.0	103.5	114.9	128.5	1.3	1.2	1.1	0.6	0.6	0.6	9.2	14.0	2.9	2	-13
Punjab National Bank	Hold	98	115	17	1,128.6	13.0	156.8	173.6	190.8	102.5	114.3	127.3	1.0	0.9	0.8	0.7	0.8	0.9	6.2	14.5	0.9	-3	-1
Shriram Finance	Buy	519	700	35	975.2	11.3	85.0	99.7	116.1	294.7	337.8	389.6	1.8	1.5	1.3	2.8	2.8	2.9	9.8	16.8	3.3	-10	14
State Bank of India	Buy	753	980	30	6,724.3	77.7	675.8	700.3	806.5	416.3	479.1	551.4	1.4	1.1	1.0	0.5	0.6	0.7	9.6	16.6	1.0	-8	25
South Indian Bank	Hold	27	30	12	70.1	0.8	11.0	11.7	13.8	36.1	40.1	44.7	0.7	0.7	0.6	1.4	1.4	1.4	6.0	11.8	0.8	7	-5
Ujjivan Small Bank	Buy	34	45	31	66.6	0.8	9.0	9.5	12.3	33.5	38.5	44.8	1.0	0.9	0.8	0.4	0.4	0.4	7.0	13.7	1.9	2	-40
Union Bank of India	Buy	110	160	46	839.7	9.7	162.0	161.5	177.5	134.9	150.1	166.8	0.8	0.7	0.7	0.9	0.9	0.9	5.2	14.8	1.0	-8	-21

**Adjusted for subsidiaries*

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M.Cap (INR bn)	M.Cap (USD bn)	VNB (INR bn) FY25	FY26	FY27	EVPS (INR) FY25	FY26	FY27	P/EV (x) FY25	FY26	FY27	P/VNB (x) FY25	FY26	FY27	RoEV (%) FY26	Absolute (%) 1m	12m
Insurance																					
HDFC Life Insurance	Buy	618	830	34	1,330.9	15.4	40.5	48.0	56.7	258.5	299.1	345.9	2.4	2.1	1.8	17.6	13.0	9.2	16.7	-1	5
ICICI Prudential Life Insurance	Buy	598	810	35	864.3	10.0	25.2	29.7	34.7	342.4	388.4	440.3	1.7	1.5	1.4	16.7	12.0	8.1	14.3	-8	25
LIC of India	Buy	829	1,260	52	5,240.6	60.6	111.5	121.8	130.9	1,330.1	1,460.1	1,597.7	0.6	0.6	0.5	NA	NA	NA	10.8	-8	-5
Max Life Insurance*	Buy	1,039	1,540	48	358.5	4.1	22.3	26.9	32.1	741.2	874.7	1,031.5	2.2	1.9	1.6	18.0	13.2	9.4	18.5	-6	20
SBI Life Insurance	Hold	1,460	1,730	18	1,463.1	16.9	59.8	67.8	76.4	693.5	813.5	950.5	2.1	1.8	1.5	14.2	10.7	7.7	17.7	4	6

**Valuations after factoring 20% holdco discount*

Events Calendar

January/February 2025

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sun
20 Jan	**21 Jan**	**22 Jan**	**23 Jan**	**24 Jan**	**25 Jan**	**26 Jan**
	Aditya Birla Real Estate Dalmia Bharat	Coforge Gravita India HDFC Bank Hindustan Unilever Nuvoco Vistas Persistent Systems Zensar Technologies	Cyient Dr Reddys HPCL Indian Energy Exchan. Mankind Pharma Mphasis Ujjivan SFB UltraTech Cement United Spirits	DLF Godrej Consumer JSW Steel Lakshmi Machine Works Laurus Lab Sharda Cropchem Solara active Pharma Torrent Pharma	ICICI Bank JK Cement	
27 Jan	**28 Jan**	**29 Jan**	**30 Jan**	**31 Jan**	**1 Feb**	**2 Feb**
Coal India Emami Petronet LNG Sumitomo Chemical	BHEL CIPLA IOL Chemicals RITES	Blue Star Radico Khaitan TeamLease Services	Bharat Electronics Dabur Larsen & Toubro Shree Cement	Jyothy Labs Marico ONGC Nestle		
3 Feb	**4 Feb**	**5 Feb**	**6 Feb**	**7 Feb**	**8 Feb**	**9 Feb**
	Tata Power Thermax Titan	Cummins India Kansai Nerolac	SBI Trent			
10 Feb	**11 Feb**	**12 Feb**	**13 Feb**	**14 Feb**	**15 Feb**	**16 Feb**
			Hindalco Industries			
17 Feb	**18 Feb**	**19 Feb**	**20 Feb**	**21 Feb**	**22 Feb**	**23 Feb**
	ABB					

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