

# PL Capital India Strategy



Headwinds likely to wane off soon

Amnish Aggarwal amnishaggarwal@plindia.com 91-22-6632 2233



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November 25, 2024



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## **Top Picks**

#### Large Cap

Ambuja Cement

**Bharat Electronics** 

Bharti Airtel

**Britannia Industries** 

ICICI Bank

Infosys

InterGlobe Aviation

Larsen & Toubro

Mahindra & Mahindra

Max Healthcare Institute

Polycab India

Reliance Industries

Siemens

Titan Company

#### Mid / Small Caps

Aster DM Healthcare

**Crompton Greaves Consumer Electricals** 

Cyient

Cyient DLM

**DOMS Industries** 

Jindal Stainless

Lemon Tree Hotels

Praj Industries

Exhibit 1: Model Portfolio v/s Nifty

Returns	Model Portfolio	Nifty	Perf.
Since Nov'18	141.9%	117.7%	24.2%
Since Last Report	-2.8%	-3.3%	0.5%
Since Apr'23	42.2%	32.3%	9.9%

Source: PL

#### **Amnish Aggarwal**

amnishaggarwal@plindia.com | 91-22-66322233

# Headwinds likely to wane off soon

NIFTY EPS has entered a downgrade cycle since 1QFY25 with successive cuts amounting to 7.5/6.1/2.1 on FY25/26/27. NIFTY has shown a decline of 3.5% since our last strategy report as the market is adjusting to the reality of slowdown in economy triggered by 1) decline in Govt capex during 1H25 2) tepid consumer demand triggered by prolonged rains and sharp spike in food inflation to 10.9% by Oct24 and 3) rising probability of cash dole outs and election freebies crowding out Govt capex and casting shadow on overall fiscal discipline in the country. Reduction of gap between 10-year G-sec and US treasury by 140bps has added to currency volatility with lower elbow room for RBI to cut interest rates aggressively.

With food inflation having peaked out at 10.9% in Oct and Govt trying to accelerate capex spending, we expect gradual economic recovery to set in. we are already witnessing uptick in ordering momentum in Railways, Defense, Power, Data centers etc. the execution of which will accelerate growth in FY26 and beyond.

We believe upcoming budget and Trump 2.0 hold key to market returns. While GOI might miss out on revenue collection, lower capex will help sustain fiscal discipline in FY25. We expect a growth-oriented budget with an attempt to pump prime the economy and incentivize the middle class to increase spending.

We believe India Capex story (Capital Goods, Infra, Ports, EMS, New Energy, Data centers, Railways, Defense), Healthcare (Hospitals, Pharma), Tourism (Aviation, Hotels, Accessories), Discretionary consumption (E-com, Jewellery, Food Services, Retail), Financialization (Capital market entities, Digital Public Infra) are some of the key themes to play for long term gains. We cut our base case NIFTY target to 27381 (27867 earlier) on Nifty EPS cut by 0.5/2.0/1.5 for FY25/26/27. We recommend selective buying on dips.

# 3Q25 - PL coverage shows 4% PBT growth, FY25/26 EPS cut by 3/1%, more cuts might follow

We estimate a growth of 2.8% in sales, 6% in EBIDTA and 4% in PBT of our coverage universe. Ex oil & Gas, we estimate 8.3% growth in EBIDTA and 6.6% in PBT. Auto, Capital Goods, Hospitals, AMC's, Pharma, Telecom, Durables and EMS will lead PBT growth. Cement, Metals, O&G and Building Materials will report a decline in PBT. Banks, Chemicals, HFC, Travel and Consumer will have single digit PBT growth.

- Above teens EBDTA growth will continue in Hospitals, Capital Goods, Durables, Travel, Telecom, Media and EMS. Auto, banks, chemicals, Logistics and Pharma will also show double-digit EBIDTA growth.
- Building Material, consumer, Cement and Metals will report a decline in EBIDTA margins while all other sectors will show an increase led by EMS, Hospitals, Durables and Pharma by 175, 121, 79, 95 bps.

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- Rural demand is showing a sustained recovery, although high inflation has impacted urban demand. The festival and wedding season has provided boost to demand for travel, Jewellery, watches, QSR, Footwear, apparel and durables. However, building materials and auto remain mixed.
- Consumer staples are expected to show broad based pressure in 3Q with hopes of gradual recovery in 4Q25 and beyond, as calibrated price hikes and cooling off in inflation revives urban demand.
- Retail is on the verge of big transformation as Quick commerce is changing the dynamics of not only grocery but also other discretionary segments. We believe extension of QC in discretionary segment and Food services can create near term disruptions in respective segments and impact profitability.
- Cement should show better growth and profitability led by revival of construction activity and expected price hikes. Steel industry fortunes depend upon import duty and trend in global prices.
- Banks are likely to see some pressure on credit growth and higher provisions, interest rate cut in Feb25, trend in unsecured loans and MFI NPA remain key monitorable.
- Capital goods and defense should see improved ordering momentum and execution in coming quarters. Budget will hold key to sustainability of capex given likely miss in target spending in FY25. However, Defense, Power, Data Centers, railways and energy transition remain a potent theme.
- NIFTY EEPS has seen a cut of 3/1/0.7% for FY25/26/27 with 14.1% CAGR over FY24-27 and EPS of Rs1157/1331/11512. Our EPS estimates are lower by 3.2/3.5/4.3% for FY25/26/27. NIFTY is currently trading at 18.2x 1-year forward EPS, which is at a discount of 4.2% to 15-year average of 19x.
- Base Case: We value NIFTY at 2.5% discount to 15-year average (19.0x) PE at 18.5% with Dec 26 EPS of 1467 and arrive at 12-month target of 227172 (27381 earlier). We are applying for a discount as we expect some EPS cut in 3Q25. Bull Case: We value NIFTY at PE of 20.1x and arrive at bull case target of 29263 (28750 earlier). Bear Case: Nifty can trade at 10% discount to LPA with a target of 25082 (24643 earlier).
- Model Portfolio: We are turning IT services to overweight and auto to equal weight. We are increasing weights in Capital goods (540bps overweight now), Healthcare, IT services and Oil and Gas (RIL). We are removing Hero Moto, Avenue Supermart and Nestle from model portfolio. We are increasing the allocation for L&T, Siemens, HDFC Bank, Maruti, Britannia, HUL, ITC, Max Healthcare, Infosys and Reliance Inds.
- High Conviction Picks: We are removing HDFC AMC, Safari Inds, Triveni Turbine and Lupin Labs from conviction picks. We believe HDFC AMC might see some earnings cut due to market volatility while safari has industry led headwinds in the near to medium term. Lupin Labs and Triveni Turbine looks good for long term; however, they offer limited upside at the current juncture. We are adding Britannia Inds, Siemens, Praj Inds, Infosys and Cyient DLM in high conviction picks.

# 2025: Relaying ground for smooth drive

India's economy in 2024 navigated significant challenges stemming from adverse weather conditions, election-driven fiscal delays, and external pressures.

- India had General elections where no single political party goy a majority after a decade, which added to an element of uncertainty. The political climate improved only after ruling dispensation has surprise victories in Haryana and Maharashtra assembly polls.
- Lok Sabha elections resulted in Model code of conduct and inordinate delay in Govt projects announcements and ordering. In addition, heatwaves and excessive rainfall impacted economic activity. Higher rains affected crops leading to a spike in food inflation to 10.9%.
- External Pressures: Persistent geopolitical tensions and a widening trade deficit, driven by elevated oil and gold imports, further strained the rupee and external sector stability.

As we enter and navigate through 2025, agriculture seems to be heading for a good Rabi crop and normal weather patterns should help cool down inflation 4.3%-4.7% in FY26. Higher crop output and increase in construction/factory activity and moderating inflation should bolster demand from fag end of 4QFY25. With limited elections (in West Bengal, Delhi, and Bihar), infrastructure spending is set to accelerate with big order announcements in Ports, Defense, power and Railways. GDP growth is forecast at ~6%, supported by better fiscal execution and a rebound in capex, though geopolitical risks and currency volatility remain key challenges.

#### Will headwinds of 2024 translate into tailwinds of 2025

Exhibit 2: India's Economic outlook in 2025

Category	2024	2025
Monsoon Disruptions	Intense heatwaves and delayed rainfall, La Niña led excessive rains damage crops and push up food prices	Reservoirs at 75% capacity (63% average) and better rainfall support a 2.3% rise in rabi output.
Capex and Infrastructure	Elections delayed execution and ordering; H1 FY25 capex fell 12.7% YoY.	Ordering picks up across segments like Railways, Power, Defence, Roads and Ports etc.
Inflation Trends	CPI inflation >6%; food inflation peaked at 10.9% in October.	CPI eases to 4.3%-4.7%; better rabi yields lower food prices.
Rupee and Trade	INR fell by 3% YTD on lower exports (-3%) and steady crude prices, gold imports surged.	Rupee to fall 2.5%; exports +1.4%, gold imports to stabilize.
FII Flows	Flows volatile; \$9.3B net Outflows driven by debt, equity outflows.	FII inflows stable; focus on tech, banking, consumer goods.
Geopolitics	Russia-Ukraine war and Middle East unrest hit energy markets.	2025 might see reduction in wars in Russia- Ukraine and Middle East, but tensions between China – Taiwan, Israel - Iran and Pakistan- Afghanistan might escalate.

Source: Company, PL



#### **Monsoon Disruptions and Agricultural Output**

■ Erratic monsoon disrupts Agriculture and spurs inflation: In 2024, India's agriculture faced severe disruptions due to pre-monsoon heatwaves (temperatures exceeding 45°C in Hindi heartland), combined with delayed and uneven monsoon rainfall. While the monsoon ended with 8% above-average rainfall, La Niña-driven excessive rains damaged standing crops, capping rabi production growth at just 0.5% and driving food inflation to 10.9% in October. As La Nina or El Nino is unlikely to play out in 2025, normal weather cycle should result in less hear waves and normal crop cycles.

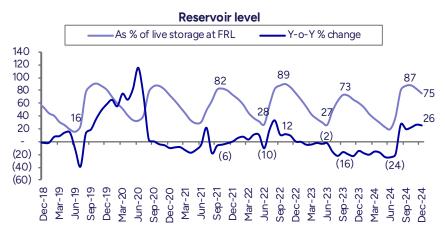
Exhibit 3: In 2024, India's South-west monsoon ends with 8% above average rainfall

Davied anding		%	Deviation from Normal		
Period ending	Country as a whole	Northwest India	Central India	South Peninsula	Northeast & East India
11-Jun-24	(1.0)	(49.0)	(1.0)	69.0	(31.0)
03-Jul-24	(4.0)	(21.0)	(7.0)	12.0	(3.0)
24-Jul-24	1.0	(16.0)	12.0	24.0	(14.0)
14-Aug-24	4.9	-	9.0	21.0	(12.0)
21-Aug-24	3.7	-	9.0	21.0	(12.0)
28-Aug-24	6.8	2.0	17.0	18.0	(11.0)
04-Sep-24	8	3	17	26	(13.0)
19-Sep-24	7	7	18	17	(14.0)
25-Sep-24	5	4	16	16	(17.0)
02-Oct-24	8	7	19	14	(14.0)

Source: IMD, PL

■ Rabi output growth projected at 6%: In 2025, India's agricultural outlook reflects cautious optimism. Kharif output in 2024 (June-Nov) increased by 5% on a below normal monsoon base. Rabi output is expected to increase by 6% to 164.5MT bolstered by higher soil moisture, improved water reservoir level at 75% in Dec24 (Average of 63%), increased availability and flat prices. However, on a high base, Kharif 2024-25 output growth is unlikely to increase.

Exhibit 4: Storage levels have increased since Aug-24



Source: CWWG, PL

(Lac Ha)	Till		
Rabi Crops	2023	2024	YoY %
Wheat	313.0	319.7	2.2%
Rice	13.6	14.4	5.6%
Pulses	136.1	136.1	0.1%
Coarse grains	47.8	48.6	1.6%
Oilseed	101.4	96.2	-5.1%
Total	611.8	614.9	0.5%

Source: Agriwelfare, PL

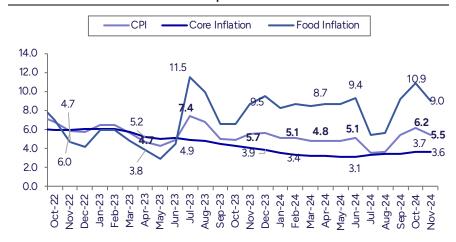
#### Ordering momentum picks up significantly

- Election driven delays stall Government capex in 2024: India's economic momentum in 2024 was curtailed by lower ordering and capex push due to the Model Code of Conduct during the Lok Sabha Elections and state polls in Maharashtra, Andhra Pradesh, Haryana, Odisha, Jharkhand, and Jammu & Kashmir. This resulted in a 12.7% YoY contraction in general government capex during H1 FY25. Central Govt. capex plummeted by 35% YoY in Q1 before recovering modestly to grow 10.3% YoY in Q2. States redirected focus to populist schemes also resulted in bigger hits on capex spends.
- Ordering momentum picks up across segments: With a reduced electoral calendar in 2025 (limited to West Bengal, Delhi, and Bihar), public capex is poised to rebound, supported by central Govt thrust on infrastructure projects. The ordering momentum has picked up in roads (+41.7% YoY in Q2 FY25) and ports (+17.8% YoY in Q2 FY25). 3Q25 has seen big order inflows in power (~Rs700bn), Defense (Rs~500bn), and Railways (Kavach Rs~70bn).

#### Prospects for Price Stability as Inflation peaks out

Surging Food Prices Created Inflationary Pressures in 2024: 2024 witnessed inflationary pressures peaking as food inflation surged due to extreme weather events, including heatwaves and erratic rainfall, which disrupted agricultural yields. CPI inflation breached 6% in October, with food inflation crossing double digit mark after 14 months mainly due to impact of higher import duty on edible oils and higher prices of vegetables (Onion, Tomato etc.) and cereals.

Exhibit 6: Food inflation at 10.9% has peaked out in Oct-24



Source: MOSPI, PL

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■ Inflation is likely to average around 4.3-4.7% in FY26, monetary policy easing likely: Food inflation seems to have peaked out and overall trend is likely to moderate in 2025, driven by easing food prices as agricultural production stabilizes and the impact of improved rabi yields comes into play. We believe any reduction in import duty on key products in the wake of rising global prices can also soothe the inflationary impact. Core inflation is forecast to remain stable, with CPI projected to average around 4.3%-4.7% for FY26. We expect a 25-bps rate reduction in FY25, followed by an additional 50 bps reduction in H1 FY26.

Exhibit 7: Reporate to be cut by 25bps in FY25 followed by 50bps in FY26



Source: RBI, PL

#### **Rupee Depreciation and Trade Balance Concerns**

Rupee Depreciation Highlighted External Vulnerabilities in 2024: In 2024, the Indian rupee depreciated by 2.84% against the USD, closing at an average of ₹85.6 per dollar, outperforming major EM currencies such as the Brazilian Real (-16.6%), Argentine Peso (-15.0%), and Turkish Lira (-6.7%). It also recorded the lowest volatility among EM peers at 0.4%. Despite pressures from a \$202.4 billion trade deficit, elevated crude oil prices averaging \$88 per barrel, and a 49% surge in gold imports, the rupee's performance was supported by robust macroeconomic fundamentals. 14.5% (Apr-Nov 2024 YTD) in growth in service exports (led by 23.1% CAGR of GCC exports from FY21 to FY25) cushioned the impact of a higher trade deficit. The CAD remained manageable at 1.2% of GDP, and forex reserves provided significant coverage at 99% of external debt, ensuring stability despite global headwinds.

Exhibit 8: INR/USD touches record low of 86 in 2024



Source: MOSPI, PL

Global factors might increase currency volatility: The rupee is projected to experience moderate depreciation of approximately 2.5% in 2025 amid volatile crude oil prices and ongoing global monetary policy normalization. Export growth is anticipated to recover gradually as Europe remains under pressure. We believe an increase in import duties by the USA can spike inflation and reduce the pace of monetary easing. Any further increase in bond yields in the USA can result in increased pressure on INR in the medium term.

#### FII outflows at USD2.3bn YTD, expect volatile trends to continue

- Volatile FII Flows highlighted 2024 Uncertainty: FII flows remained volatile in 2024. While there was a buying by FII post elections, however the selling picked pace as Indian economy received mild setbacks. Post the 2Q we saw a sharp increase in FII selling as inflation spiked, corporate and GDP growth slackened amidst Govt capex slowdown and rising geopolitical uncertainties. As against an inflow of USD23.9bn in April dec23, 2024 saw an out flow of USD2.3bn in the same period.
- The debt segment witnessed sustained inflows due to India's inclusion in global bond indices. Debt inflows during April—Dec24 increased to USD9.45bn (USD8.02bn in same period previous year).

Exhibit 9: FIIs outflows at USD2.3bn, Debt flows show positive momentum

Fiscal Year	FII flows	DII flows	MF flows	Debt flows
2016	-1,512	12,258	10,137	-81
2017	8,325	4,526	8,412	-1,217
2018	3,381	17,711	21,982	18,712
2019	1,543	10,254	12,556	-5,722
2020	-595	17,882	12,819	-7,539
2021	37,302	-18,199	-16,362	-6,121
2022	-17,093	29,481	22,942	20
2023	-5,971	32,168	21,776	-1,107
2024	25,267	25,298	24,113	15,155
9mFY24 (Apr-Dec23)	23,909	12,200	14,303	8,023
9mFY25 (Apr-Dec24)	-2,228	49,308	42,026	9,455

Source: RBI, PL

We expect FII flows to remain erratic in the near term given uncertainties around US interest rates, Import duties and policies. 2025-26 Budget will also play a critical role in defining the growth paradigm given moderate expectations in India. We expect FII flows to turn positive once there is more clarity on fiscal targets, capex plans and likely trend in consumer demand in the coming couple of months. India's robust growth outlook relative to other emerging markets, along with policy certainty post-state elections, could attract sustained inflows.

#### Geopolitics - Gain some, lose some

- Geopolitical Tensions Strain Trade: Persistent geopolitical tensions, including the Russia-Ukraine war, Red Sea shipping crisis, U.S. Presidential elections and Middle East unrest, disrupted energy markets and global trade due to the uncertainty. Crude oil prices averaged \$88 per barrel, driven by supply uncertainties, while India's trade deficit widened to \$202.4 billion as POL imports surged by 8.3% YoY. The uncertainty also constrained container availability and increased freight costs, disrupting India's export supply chains, particularly for engineering goods and textiles.
- Stabilization Amid Persistent Volatility in Global Trade: While a new U.S. presidency may recalibrate trade relations and geopolitical issues, resolving long standing conflicts in Middle East might remain a pipe dream. While there exists some possibility of relief in Russia- Ukraine war, more fronts might open in volatile regions in Middle east and southeast Asia.



## Has Urban Demand bottomed out?

Urban demand, which has traditionally fueled India's economic momentum, faces headwinds from high food inflation, elevated interest rates, and stress in lower and middle-class. Normal monsoons and benefits from various welfare schemes are improving growth outlook in rural demand. We believe that 1Q/2Q-25 trends had many one offs in terms of intense heat wave, excessive and prolonged rains, double digit food inflation from October and very weak marriage and festival season. 3Q trends are suggesting a seasonal uptick suggesting that we might be close to trough and witness some green shoots in urban demand by March 25.

#### **Key factors affecting Urban Demand**

- Muted personal income growth and employment: Real wage growth in urban sectors remains subdued at under 2% YoY throughout 2024, with IT hiring showing consistent contraction (-1% YoY in Q2 FY25). This has significantly constrained discretionary spending in metro regions.
- **K-Shaped recovery across consumer segments:** Urban consumption reflects a polarized recovery, with high-ticket and premium branded segments outperforming mass-market, low-ticket consumption.
- **High food inflation and interest rates:** Persistently high food inflation, which averaged over 8% in FY24 (10.9% in October), and elevated interest rates have eroded household purchasing power. Borrowing for big-ticket items, such as vehicles and homes, remains subdued despite monetary policy easing measures like the 50-bps CRR cut.
- Bottoming out of household financial savings: Household net financial savings as a percentage of GDP rebounded to 7% in Q4 FY24, after a historic low of 4% in Q3 FY23. While this signal easing financial stress, the savings rate remains below pre-pandemic levels, limiting the capacity for sustained spending recovery.

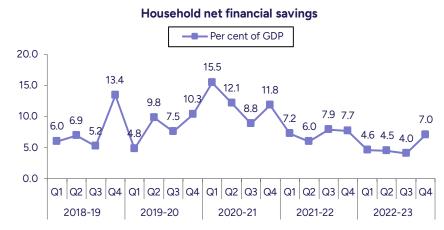
#### Structural Weakness persists, although recovery likely

The urban consumption slowdown has a mix of structural and cyclical factors. While from a macroeconomic perspective the combination of muted income growth, constrained household savings, and polarized recovery across consumer segments points to a long-term structural challenge in urban lower middle class. Affluent segments have continued to thrive and so have the consumption levels, leading to rising sales of premium goods.

Wage growth stabilization points to inflection in urban incomes: Inflation-adjusted wage growth for urban formal employees remained below 2% YoY throughout 2024, significantly lower than the 10-year average of 4.4%, curbing disposable incomes and dampening discretionary consumption. However, corporate wage costs improved to 1.9% YoY in Q3 FY25, up from 1.6% YoY in Q2 FY25, setting stage for a base in urban employment sectors.

■ Household savings took a hit post covid: Household net financial savings (HNFS) as a percentage of GDP declined from 15.5% during 1Q21 to as low as 4% in 3Q23. Erosion in savings during covid for lower middle class aided the decline. While urban affluent borrowed and spent ~70% of that on asset creation, lower middle class spent ~50% on consumption. Household savings rose to 7.0% in Q4FY23, marking the first significant sequential improvement since Q3 FY22, however they are still lower than recent peaks, indicating a potentially gradual recovery in consumer demand.

Exhibit 10: Household Net Financial Savings deteriorated post 1Q21



Source: RBI, PL

# Cyclical factors indicate a gradual recovery

High inflation and interest rates, while temporary, continue to weigh on big-ticket consumption. Monetary policy easing in FY25 and FY26, with a 25-bps and 50-bps rate cut respectively, could provide a cyclical boost, but the impact may be limited without wage growth recovery.

#### Inflation eroded purchasing power, but has peaked out

- Persistently elevated food inflation, averaging over 8% in FY24 (10.9% in October), squeezed urban household budgets.
- Inflation is projected to moderate to 4.3-4.7% in FY26, supported by easing food prices as agricultural output stabilizes with robust rabi crop yields in 2025. Core inflation is expected to remain stable, benefiting from contained global commodity prices.

#### Cut in interest rates likely to support demand

Post covid there were relaxations by RBI and banks on disbursing unsecured loans and MFI clients getting loans from multiple institutions. This has resulted in significant growth in unsecured loans which were used for consumption purposes, reaching a peak of 28.9% YoY in FY23. With the change in stance by RBI on unsecured books and MFI, the flow of credit to lower and lower middle class has got hampered, to 5.81% YTD FY 25 in the 8M period (Apr-Nov 24) from 13% in the corresponding period of FY24. This has been one of the reasons for the pressure on consumption.

- Gold Loans Surge 62% YTD in Nov '24, Highlighting Urban Financial Strain and Weak Spending Power: Within secured loans, loans against gold jewelry increased sharply by 62% YTD April-November 2024, compared to a modest growth of 9.3% in 2023. This surge reflects heightened financial stress among households, where access to quick liquidity has become a necessity amid subdued income growth and higher living costs. As highlighted in the RBI's Financial Stability Report, the demand for such collateral-backed credit often spikes during periods of constrained discretionary spending.
- High borrowing costs suppress demand for big-ticket items: The RBI's aggressive rate hikes have pushed borrowing costs by 250bps over FY21-23, discouraging urban middle class households from financing homes, vehicles, and durables. While the 50 bps CRR cut in December 2024 injected liquidity, its impact remains limited without complementary repo rate reductions.
- Monetary policy easing to provide relief: The anticipated moderation in inflation in FY26 creates room for monetary policy easing, with a 25-bps rate cut expected in Feb 25 and an additional 50-bps reduction in H1 FY26. Decline in interest rate will provide a tailwind for urban demand recovery.

#### New card issuances and spending slows down

- Credit card spending suggests urban demand has bottomed out: Credit card spending slowed to 13.6% YoY in the 3 month (Sept, Oct, Nov 2024) from 31.2% in the corresponding period a year ago. This correction needs to be juxtaposed with RBI's regulatory measures on unsecured lending announced last year, as well as a recent warning by the RBI Governor to NBFCs to curb aggressive lending practices, which could accelerate slowdown.
- Slowdown in credit card growth reflects tightened lending: New credit card issuance fell sharply to 350k in Nov '24, highlighting lenders' cautious approach following RBI's regulatory tightening on unsecured lending, mirroring lender caution amid RBI's regulatory tightening on unsecured lending and recent warnings to NBFCs against aggressive practices.



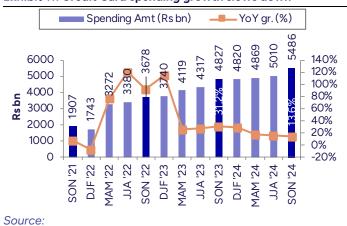
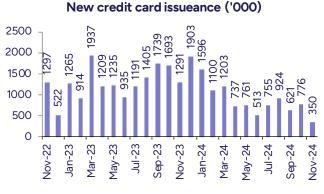


Exhibit 12: Credit Card stagnate (107Mn), new issuances down



Source:



# Urban demand close to trough, expect gradual recovery from 4Q25/1Q26

- Light sales see gradual recovery amid subdued urban demand: Light sales are estimated to grow 3% YoY in Q3FY25, marking a slight improvement from 2% YoY in Q2FY25. Government-led electrification initiatives and rural infrastructure projects have supported growth, partially offsetting urban weaknesses.
- Resilient ECD demand points to a gradual urban demand recovery: ECD sales are projected to grow 9% YoY, maintaining a strong trajectory compared to 10% YoY in Q2FY25. Increased sales of cooling appliances and air conditioners due to intense heatwaves have driven growth.
- Two-Wheeler demand recovers gradually: 2W sales for Q3FY25 are expected to grow by 3% YoY. This reflects a normalization of growth after the high base of FY24 and increased competitive intensity in the domestic market.
- PV sales contraction highlights urban demand struggles amid high borrowing costs: PV sales are projected to decline by 5% YoY from a contraction of 2% in Q2FY25. High financing costs, subdued real wage growth, and tight liquidity conditions continue to weigh on urban PV buyers.
- Staples volumes volatile, higher realisations improve sales growth: Staples sales showed stable growth at 6% YoY in Q3FY25, up from 5% in Q2 FY25. While volume growth remains jittery in most segments, calibrated price increase in segments like Detergents, Soaps, processed food and a sharp 15-20% increase in prices of edible oils have contributed to higher growth.
- QSR's show seasonal uptick as demand seems to have bottomed out: QSR sales grew 15% YoY in Q3 FY25 from 5% in Q2 FY25. 3Q25 is showing seasonal revival in demand in a stable pricing environment as most players have launched and focused on value priced options in QSR segment. Although some players are looking at calibrated price hikes. The demand scenario seems to have bottomed out.
- Jewellery demand bounces back in festival season: Jewellery sales grew 24% YoY in Q3 FY25 from 13% YoY in Q2 FY25. Sharp cut in import duty on Gold (from 12% to 5%) revived demand for the wedding and festival season.
- Retail sales bounce back in festival season: Retail sales grew at 18% YoY in Q4FY25 from 14% YoY in Q2FY25. Growth has seen a bounce back due to festival season and higher FMCG inflation despite some impact from hyper growth in quick commerce segment. Similarly, sales in segments like footwear, apparel, watches, eyewear have shown a smart double-digit growth in 3Q25.
- Naukri Jobs peak Index Improves in Q3 FY25, Indicating Gradual Recovery in Urban Hiring Sentiment: The Naukri Jobspeak Index shows early signs of stabilization, with growth improving sequentially from -4% in Q1 FY25 to 7% in Q3FY25, marking a decent recovery in job market activity. The improvement after a stress of 7 months indicates a possible bottoming out of hiring sentiment in urban-centric sectors



Exhibit 13: Early signs of recovery in Durables, Jewellery, QSR, Retail: Naukri Jobspeak index shows positive momentum

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25E
Light sales (Rs mn)	14,267	14,350	14,552	16,010	13,804	14,275	14,750	16,368	14,475	14,495	15,226
YoY gr.(%)	88%	4%	-3%	34%	-3%	-1%	1%	2%	5%	2%	3%
ECD sales (Rs mn)	35,883	32,683	35,804	36,138	37,401	34,050	36,708	39,436	43,132	37,520	39,867
YoY gr.(%)	43%	-2%	2%	-4%	4%	4%	3%	9%	15%	10%	9%
2W Sales ('000 nos)	3,725	4,674	3,859	3,605	4,141	4,598	4,731	4,504	4,986	5,179	4,865
YoY gr.(%)	54%	13%	6%	6%	11%	-2%	23%	25%	20%	13%	3%
PV Sales ('000 nos)	910	1,026	935	1,018	996	1,074	1,012	1,136	1,026	1,055	965
YoY gr.(%)	41%	38%	23%	11%	9%	5%	8%	12%	3%	-2%	-5%
Staples Sales (Rs mn)	605,091	610,025	611,907	605,065	621,078	628,735	628,012	617,090	643,994	661,172	665,739
YoY gr.(%)	29%	18%	7%	9%	3%	3%	3%	2%	4%	5%	6%
QSR (Rs mn)	21,151	22,272	22,979	21,736	23,463	24,130	24,008	23,327	25,464	25,770	27,688
YoY gr.(%)	64%	29%	18%	16%	11%	8%	4%	7%	9%	7%	15%
Jewellery (Rs mn)	89,610	87,300	108,750	97,040	111,450	116,600	130,520	112,570	120,530	132,150	162,497
YoY gr.(%)	176%	22%	14%	33%	24%	34%	20%	16%	8%	13%	24%
Retail (Rs mn)	105,461	111,146	121,678	111,382	124,479	131,801	142,080	133,096	146,452	150,300	167,183
YoY gr.(%)	98%	37%	25%	21%	18%	19%	17%	19%	18%	14%	18%
Naukri Jobspeak Index	2,868	3,034	2,817	2,916	2,786	2,691	2,435	2,631	2,675	2,727	2,605
YoY gr.(%)	33%	13%	28%	1%	-3%	-11%	-14%	-10%	-4%	1%	7%

Source: Company, PL

We are witnessing early signs of demand recovery during the festival and wedding season in segments like jewellery, watches, apparel, QSR etc. We have also seen strong retail sales by Maruti during the year-end discount cycle.

- Govt. capex order announcements have seen a sharp pick up across Railways, Defense, Power T&D, Data Centers, Urban Infra etc., the full impact and execution of which will be reflected in coming quarters. This will increase the economic activity and employment at all levels as evident in the Naukri Jobspeak index which has shown a decisive uptick after a gap of 7 months.
- Rural demand is steady amidst normal monsoons, expected increase of 5% and 6% in Kharif and Rabu output and steadily rising MSP and market linked crop prices. Higher subsidy allocations by GOI will also support farm income which will drive rural demand.
- We have seen a spate of welfare schemes in various states at the time of elections which will provide income support to lower segment of population, in addition to free and subsidized food grain scheme of central Govt. we note that such welfare cash payouts, although negative for state finances, will support consumption for basic goods by improving purchasing power of consumers.



# Budget 2025-26 - Need pump priming in a tough environment

India's Union Budget FY25-26 arrives at a critical juncture, with GDP growth slowing to 6.4% in FY25, the weakest in four years, amid global headwinds, muted domestic demand, and weaker private investments. Policymakers face the challenge of pump priming economy for fostering growth and maintaining fiscal consolidation, while navigating geopolitical uncertainties. These challenges demand strategic interventions in the upcoming budget to reignite growth while addressing structural vulnerabilities.

#### **Key Expectations:**

- Reviving the "Animal Spirit", GDP growth estimated at 6.5-6.8% in FY26: India's GDP growth is projected to slow to 6.4% in FY25, its weakest in four years, driven by subdued private investment, manufacturing deceleration, and global economic headwinds. However, the economy is expected to see a recovery in FY26 at 6.5%-6.8%, supported by government spending, monetary policy easing and improved consumer demand.
- Expect further rationalization in direct taxes: we expect GOVT to continue rationalization of direct taxes in a bid to support consumption and provide relief to middle class
  - The middle class will be given some relief by increasing standard deduction, reduction in tax rates and tinkering with tax slabs.
  - Some relief on taxation on income for senior citizens
- Capital Expenditure to remain a Growth Lever:
  - Capex shrinks 12.3% YTD (Apr-Nov FY25) due to election induced constraints: Capital expenditure contracted by 12.3% YTD (Apr-Nov FY25), highlighting execution challenges due to election induced restrictions in FY25. The capex-to-revenue expenditure ratio fell from 28% in FY24 to 23%. By November FY25, only 42% of the budgeted capital expenditure had been utilized, significantly lower than the 51% execution rate in the same period in FY24.
  - FY25 Capital Expenditure target will be missed: Although ordering momentum has significantly increased in Railways, Power, Defense, Ports and Data Centers etc., execution will be back ended. We estimate that GOI will miss the FY25 budget target of Rs11.1trln. However, on a reduced level, we expect a decent increase in capex allocation in FY26. Budget
  - FY26 may witness increased focus on infrastructure projects with timebound execution timelines, such as highways, renewable energy, Railways, Data centers, and logistics hubs, that can deliver high multiplier effects.
  - Recent trend of announcing populist welfare measures involving cash payouts in various state elections can add to fiscal pressures at the state level. This can impact the growth of projects which require matching grants from state Govts. We are already witnessing pressure on state finances in Karnataka, Punjab, Himachal Pradesh and Uttarakhand which can potentially impact state-level capex.

- Tax revenues driven by direct taxes: 8mFY25 revenue receipts are up by 8.7% as against annual target of 14.7%. Higher-than-expected collections, particularly in income tax (+23.5% YoY) offset weaker corporate tax (-0.5%), Excise duty (-0.6%) and GST growth (+9.9%).
- The Capex during 8m period contracted by 12.3% due to elections and prolonged rains, expect it to catch up in 2H, but it might still fall short of FY25 target.

Exhibit 14: Capital expenditure contracted 12.3% YoY (Apr-Nov FY25), reaching only 42% of the budget estimate

INDA		Apr-Nov		YTD YoY Gr.	Total	FY25 (BE)	
INR tn —	FY23	FY24	FY25	FY25	FY24 (A)	FY25(BE)	YoY gr.
Total Revenue	14.6	17.5	18.9	8.5%	27.9	32.1	15.0%
-Revenue receipt	14.2	17.2	18.7	8.7%	27.3	31.3	14.7%
Net tax revenue	12.2	14.4	14.4	0.5%	23.3	25.8	11.0%
Non-tax revenue	2.0	2.8	4.3	50.2%	4.0	5.5	35.8%
-Non debt capital receipt	0.4	0.3	0.2	-5.9%	0.6	0.8	29.0%
Total Expenditure	24.4	26.5	27.4	3.3%	44.4	48.2	8.5%
-Revenue Expenditure	20.0	20.7	22.3	7.8%	34.9	37.1	6.2%
Interest Payment	5.5	6.1	6.6	8.3%	10.6	11.6	9.3%
Revenue ex. Interest	14.5	14.6	15.7	7.6%	24.3	25.5	4.8%
-Capital exp.	4.5	5.9	5.1	-12.3%	9.5	11.1	17.1%
Capex/Revex (%)	22%	28%	23%		27%	30%	
Primary Deficit	4.3	3.0	1.9	-37.0%	5.9	4.5	-23.6%
Revenue deficit	5.7	3.5	3.6	3.1%	7.7	5.8	-24.2%
Fiscal Deficit	9.8	9.1	8.5	-6.6%	16.5	16.1	-2.4%
Nominal GDP					295.3	329.2	
FD as % of Nominal GDP					5.6%	4.90%	

Source: CGA, PL

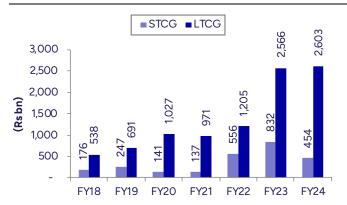
Exhibit 15: Robust Income Tax Growth (+23.5% YoY) Strengthens Revenue Outlook for FY26

(IND 4)		Apr-Nov		VTD V-V C** EV2E	Tot	:al	FY25 (BE) YoY gr.	
(INR t)	FY23	FY23 FY24 FY25		YTD YoY Gr. FY25	FY24 (A)	FY25(BE)	F125 (BE) 101 gr.	
Net Tax Revenue	12.2	14.4	14.4	0.5%	23.3	25.8	11.0%	
Direct Tax	8.7	10.8	12.1	12.1%	19.2	22.1	14.8%	
Corporate Tax	4.3	5.1	5.1	-0.5%	9.1	10.2	12.0%	
Income Tax	4.4	5.7	7.0	23.5%	10.1	11.9	17.4%	
Indirect Tax	9.1	9.6	10.5	9.2%	15.4	16.3	5.9%	
Goods & Services Tax (GST)	5.6	6.1	6.8	9.9%	9.6	10.6	11.0%	
Excise duties	1.9	1.8	1.8	-0.6%	3.1	3.2	4.5%	
Customs	1.4	1.4	1.5	8.7%	2.3	2.4	2.0%	
Less transfers to states, UTs, etc.	5.6	6.1	8.2	34.8%	11.4	12.6	10.4%	

Source: CGA, PL

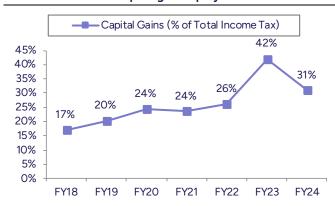
Corporate tax collections are flattish while income tax has shown robust growth of 23.5% during 8mFY25. We note that high growth in income tax numbers has been driven by 2.5-3x growth in collections under LTCG and STCG. The share of capital gains in total income tax collections has increased by 84% from 17% in 2018 to 31% in 2024. As the growth in the income tax collections is directly linked to capital gains in investments and property, volatility in the same can impact the overall tax collections in 2H25.

#### Exhibit 16: STCG and LTCG has been 3-2.5x since 2021



Source: PL \*Individuals and HUF are considered

#### Exhibit 17: Share of Capital gains up by 80% since 2018



Source: PL \*Individuals and HUF are considered

■ Fiscal Deficit likely to meet FY25 budget targets: Revenue collections in FY25 have been constrained by subdued GST performance, lower urban demand, and flat corporate tax collections, despite robust income tax growth of 23.5% during 8mFY25, driven by capital gains from investments and property. However, volatility in capital markets poses a risk to income tax collections in 2H25. Historical trends suggest revenue spending may exceed its full-year target, while weaker-than-expected nominal GDP growth and reduced capex execution align the fiscal deficit with the targeted 4.9% of GDP for FY25. Balancing Budget Realities and Economic Recovery in FY25-26

Exhibit 18: Balancing budget realities and economic recovery in FY25-26 is the heading for the table

Category	FY25 (Current Estimate)	FY26 (Outlook)	Key Implications
GDP Growth	6.40%	6.70%	Consumer demand recovery, public investment, and rural incomes to drive growth. Risks include global slowdown.
Nominal GDP Growth	9.7% (Revised, vs. 10.5% assumed in Budget)	~10.5%	Recovering consumer demand, fiscal expansion, and robust rural incomes, but faces risks from global demand slowdown, US trade barriers, and domestic manufacturing pressures.
Fiscal Deficit (% of GDP)	4.8-4.9% vs. 4.9% target)	4.6% (as targeted)	Subdued GST, flat corporate taxes, probability of lower income tax growth in 2H25, and reduced capex execution, despite potential overspending in revenue.
Net Tax Revenue Growth	Might be 3-4% shortfall against targets	Moderate (10-12% YoY growth)	Likely to be a shortfall in corporate and income tax due to slowdown in economy and likely hit in LTCG given volatility in markets.
Non-Tax Revenue	+50.2% YoY (One-off sources)	Lower (~flat growth)	Telecom auctions, RBI dividend and PSU dividends boosted FY25 and will cushion overall revenues. PSU disinvestment remains slow and there might be a push for doe the same next year.
Capital Expenditure	-12.3% YoY (Apr-Nov, 42% utilized)	+15-17% (Planned recovery)	FY25 budget estimate might be missed based on 8m FY25 numbers. We expect the momentum to remain strong in FY26 on a low base.
Interest Payments	37.3% of revenue receipts	High (similar proportion expected)	Rising interest payments crowd out growth-oriented spending. Structural fiscal reforms needed to reduce pressure.
Public Investment	Underutilized (FY25)	Significant recovery expected	Central and state governments likely to scale up spending in infrastructure and rural development. However, states investment might suffer due to focus on too many freebies during Vidhan Sabha elections.
Consumer Demand	Weak (FY25, inflation impact)	Moderate recovery	Supported by lower food inflation, pick up in Agri production and construction activity, overall demand should show green shoots by end of 4Q25. Potential cut in interest rates by RBI will also support demand growth from 1Q26.
Source: PL			

# **Sectoral Budget Expectations**

#### **Automobile**

- Allocation of funds by government towards replacement of older buses and vehicles with new EVs can benefit CV OEMs.
- Reduction in Hybrid vehicles taxes across states which is currently implemented in few states.
- Any changes in personal tax reforms in form of increasing exception limits or lowering tax rates can indirectly benefit automotive industry.
- Allocation/Incentives towards setting up of charging stations across country to address the overall low penetration rate.

#### **Aviation**

- Enhanced funding for the UDAN scheme to sustain and expand regional air connectivity.
- Introduction of new routes to connect remote areas like Northeast and island territories.

#### **Consumer Durables, Building Materials & EMS**

- Investment in Urban Housing through PM Awas Yojana to address the housing need of poor and middle-class families to drive demand for building materials.
- Increasing budgetary allocation to Infrastructure by State and Central government into power sector. Which will drive growth of W&C Segment
- Incentives for domestic manufacturing of White goods & EMS through PLI Scheme.

#### **Capital Goods:**

- **Defense:** MoD has announced 2025 as the 'year of reforms', with a focus on streamlining acquisition procedures, new age technologies, private participation, and R&D. We expect continued thrust on defense capex in the upcoming budget, with significant allocation towards electronics, vehicles, shipbuilding, and aircraft.
- Railways: The ministry has already spent ~76% of the FY25 budgetary allocation in 9MFY25 with heavy investment in capacity augmentation.
  - We expect continued investment in rolling stock capacity enhancement (Vande Bharat, non-AC coaches) and upgradation (converting 40,000 bogies to Vande Bharat standards).
  - Investments in Kavach will also be an important focus area with several tenders lined up as the government aims to cover 10,000km of rail network with Kavach ATCS systems over the next 2 years.

- Power transmission & distribution (T&D): The government finalized the latest national electricity plan (NEP) for 2023-32 with an envisaged outlay of Rs9.15trn to augment T&D capacity, primarily integration of renewable energy into the grid.
  - 1,052 GVA transformation capacity, 2.57 lakh ckm of transmission lines, and 9 HVDC lines of ~33GW will be added over the next 10 years.
  - Of the 335GW ISTS network required to connect 280GW of renewable energy, ~157GW is yet to be tendered out. Therefore, we expect significant thrust on T&D capex in FY26.
- Thermal Power: In FY25 so far, ~19GW of thermal projects have been awarded (to BHEL and L&T).
  - Another ~36GW are under various stages of planning, clearances, and bidding, as the government aims to tender out all thermal power projects by FY28 so that they can be added to capacity by FY32.
  - Therefore, we expect thermal power to remain a core focus area in the upcoming budget.

#### Cements

Higher allocation for infrastructure capex, "housing for all" scheme

#### **FMCG**

- There has been no change in the excise duty on cigarettes for the past 4-5 years, so a mid-single digit increase in the duty can't be ruled out.
- The government recently raised the import duty on edible oils from 5.5% to 27.5%, and there is a potential for a reduction in this duty.
- Some Govt intent on guidelines relating to Lab-Grown diamonds and Quick Commerce can be highlighted in the budget.

#### **Healthcare and Pharma**

- Increasing government spending towards healthcare as % of GDP: Expect substantial hike in healthcare spending to over 2.5% of GDP.
- Improving Healthcare Accessibility and Affordability: Expect further expansion of Ayushman Bharat Scheme to more sections of society. Currently, senior citizens aged 70 and above are included in the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana health insurance scheme.
- Reducing Healthcare Costs: Expect removal of customs duties and reduce GST to 5% on oncology radiation equipment, such as LINACs
  - To expand cancer treatment capacity in underserved regions to make healthcare more affordable.
  - Some hint on reduction in GST on diagnostic services (currently taxed between 12-18% for diagnostic kits, X-ray equipment and hospital furniture).

## Hospitality:

- Reduction in GST rate for budget accommodations and hostels to lower travel costs.
- Grant of infrastructure status is anticipated.

#### Logistics:

 Focus on development of multi-modal logistics parks to enhance connectivity and streamline operations is anticipated

#### **Metals**

- Measures to curb subsidized Chinese steel imports in India via countries having FTAs and increase basic custom duty. DGTR has recommended imposition of safeguard duty but awaiting FinMin approval.
- Incentives to use higher proportion of indigenous raw materials such as coking coal
- Incentives on capex required for steel decarbonization

#### Oil & Gas/ Specialty chemicals

- Thrust on asset monetization of PSUs
- Schemes for encouraging green energy investment
- PLI Scheme in Specialty chemicals

#### **Real Estate**

#### Affordable Housing:

- Price Cap Revision: Expect price revision in affordable housing segment to align with rising development costs as the current price cap of Rs 4.5mn is considered unrealistic in many metro cities.
- Re-introduction of Credit-Linked Subsidy Scheme (CLSS) under PMAY: The CLSS, which provided subsidies for affordable housing, has been discontinued. Expect its revival is a key demand to boost demand in this segment.

#### **Others**

- Home Loan Interest Deduction: Expect an increase in the tax deduction limit on home loan interest from current Rs. 0.2mn to make homeownership more affordable.
- Industry Status: Granting industry status to the real estate sector could unlock access to various benefits and boost investment.
- Focus on Infrastructure Development: Expect continued investment in infrastructure is crucial for long-term growth in the real estate market.
- **Simplification of Regulations:** Streamlining and simplifying regulations can reduce project timelines and improve ease of doing business.



# **Nifty Valuation**

	Weight- age (%)	FY24	FY25E	FY26E	FY27E		Weight- age (%)	FY24	FY25E	FY26E	FY27E
Banking & Fin.	34.0					Telecom	4.1				
PER (x)		18.8	17.7	16.2	14.0	PER (x)		71.4	51.8	35.4	30.0
PAT Growth (%)		22.2	6.5	9.0	15.8	PAT Growth (%)		61.4	37.9	46.2	18.1
Technology	14.2					Cement	1.2				
PER (x)	14.2	32.1	29.5	25.9	22.7	PER (x)	1.2	46.4	45.9	33.3	27.1
PAT Growth (%)		3.8	8.9	14.0	13.8	PAT Growth (%)		38.3	45.9	33.3 37.7	22.9
PAT GIOWIII (%)		3.0	0.5	14.0	13.0	PAT GIOWIII (%)		36.3	1.1	37.7	22.5
Oil & Gas	9.5					Others	1.4				
PER (x)		14.1	17.6	16.1	15.0	PER (x)		50.8	35.2	30.1	22.6
PAT Growth (%)		59.9	(20.1)	9.5	7.0	PAT Growth (%)		(4.6)	44.3	17.0	33.4
Consumer	11.7					Ports & Logistics	0.8				
PER (x)	11.7	48.4	49.6	43.6	39.0	PER (x)	0.0	30.2	22.8	19.5	17.3
PAT Growth (%)		14.3	(2.5)	13.8	11.9	PAT Growth (%)		52.8	32.0	17.0	12.9
PAT GIOWIII (%)		14.5	(2.5)	13.0	11.9	PAT GIOWIII (%)		52.6	32.0	17.0	12.5
Auto	7.7					Nifty as on Jan 10	23,432				
PER (x)		21.6	22.4	19.3	17.9	EPS (Rs) - Free Float - PL		1,018.4	1,157.3	1,331.2	1,512.0
PAT Growth (%)		154.0	(3.3)	16.1	7.4	Growth (%)		17.7	13.6	15.0	13.6
Eng. & Power	7.6					PER (x)		23.0	20.2	17.6	15.5
PER (x)	7.0	24.1	22.1	19.2	17.2	EPS (Rs) - Free Float - Nifty	Cons	1,018.4	1,196.1	1,379.2	1,580.0
PAT Growth (%)		16.9	9.2	15.2	11.4	Var. (PLe v/s Cons.) (%)	Cons.	0.0	(3.2)	(3.5)	(4.3)
FAT Olowal (%)		10.3	3.2	13.2	11.4	Vul. (FLE V/S COIS.) (76)		0.0	(3.2)	(3.3)	(4.3/
Pharma	4.1					Sensex as on Jan 10	77,379				
PER (x)		38.4	34.3	29.2	27.8	EPS (Rs) - Free Float - PL		3,012.3	3,575.9	4,141.4	4,751.3
PAT Growth (%)		21.5	11.9	17.5	5.3	Growth (%)		9.8	18.7	15.8	14.7
						PER (x)		25.7	21.6	18.7	16.3
Metals	3.4										
PER (x)		12.6	13.2	9.1	7.8	EPS (Rs) - Free Float - Sens	ex Cons.	3,012.3	3,700.2	4,290.0	4,908.7
PAT Growth (%)		8.6	(4.3)	45.4	16.2	Var. (PLe v/s Cons.) (%)		_	(3.4)	(3.5)	(3.2)

Source: Company Data, PL

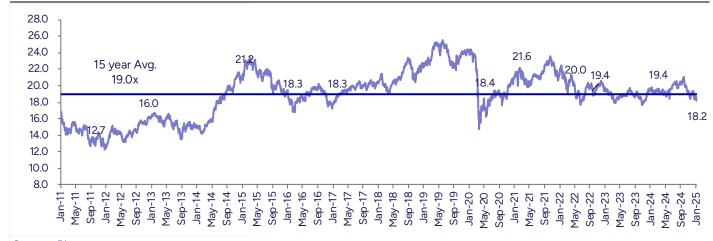
Note: Sector Weightages updated as on January 10, 2025

Exhibit 19: FY26: Cement, Metals, Telecom to see strong growth; BFSI and Oil and Gas to drag earnings

	NIF	Y Sectoral El	PS - PLe (Rs)	)		% G	r.		% Со	ntribution	to total E	PS
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Auto	88.8	94.8	109.7	117.7	142.6%	6.7%	15.6%	7.3%	8.7%	8.2%	8.2%	7.8%
BFSI	428.6	506.5	554.0	639.8	12.7%	18.2%	9.4%	15.5%	42.1%	43.8%	41.6%	42.3%
Cement	6.3	7.0	9.7	11.9	29.2%	12.5%	37.7%	22.9%	0.6%	0.6%	0.7%	0.8%
Cosnumer	62.1	68.1	77.8	86.9	6.2%	9.5%	14.3%	11.8%	6.1%	5.9%	5.8%	5.7%
Eng. & Power	69.8	86.1	101.2	114.1	10.3%	23.5%	17.5%	12.7%	6.8%	7.4%	7.6%	7.5%
Healthcare	26.8	33.1	38.7	39.5	15.1%	23.9%	16.9%	1.9%	2.6%	2.9%	2.9%	2.6%
Metals	57.8	65.0	99.3	116.9	-6.1%	12.4%	52.8%	17.8%	5.7%	5.6%	7.5%	7.7%
Oil & Gas	145.5	127.9	139.6	151.0	40.6%	-12.1%	9.1%	8.1%	14.3%	11.1%	10.5%	10.0%
Others	8.8	12.0	14.9	19.5	-17.5%	37.3%	24.0%	30.4%	0.9%	1.0%	1.1%	1.3%
Ports & Logistics	6.3	9.2	10.8	12.2	42.7%	46.9%	17.0%	12.9%	0.9%	1.0%	1.1%	1.3%
Technology	103.4	125.4	143.3	164.6	-5.2%	21.4%	14.3%	14.8%	0.6%	0.8%	0.8%	0.8%
Telecom	14.4	22.0	32.2	38.1	50.7%	53.5%	46.2%	18.1%	10.1%	10.8%	10.8%	10.9%
Nifty	1,018.4	1,157.3	1,331.2	1,512.0	17.7%	13.6%	15.0%	13.6%				

Source: PL



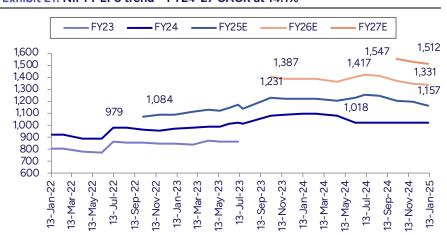


Source: PL

FY25/26/27 EPS has seen a cut of 3/1/0.6% while consensus EPS has seen a cut of 0.3/0.5/1.1%

PL estimates for FY25/26/27 are 3.2/3.5/4.3% lower then consensus.

Exhibit 21: NIFTY EPS trend - FY24-27 CAGR at 14.1%



Source: PL



## Exhibit 22: Model Portfolio v/s Nifty

Returns	Model Portfolio	Nifty	Perf.
Since Nov'18	141.9%	117.7%	24.2%
Since Last Report	-2.8%	-3.3%	0.5%
Since Apr'23	42.2%	32.3%	9.9%

Source: PL

# **Model Portfolio**

		Nifty	PL	
Sectors	Mcap	Weightage	Weightage	Weights
	(Rs bn)	(%)	(%)	
Automobiles		7.7	7.7	Equalweight
Mahindra & Mahindra	3,846	2.6	3.6	
Maruti Suzuki	3,657	1.5	2.6	
Tata Motors	3,245	1.6	1.5	
Banks		29.2	29.5	Overweight
Axis Bank	3,221	2.9	2.9	
HDFC Bank	12,671	12.0	12.0	
ICICI Bank	8,823	8.4	9.0	
Kotak Mahindra Bank	3,492	2.5	2.8	
State Bank Of India	6,633	2.8	2.8	
Cement		1.2	2.5	Overweight
Ambuja Cement	1,259		1.3	
UltraTech Cement	3,137	1.2	1.3	
Capital Goods & Engineering		7.6	13.0	Overweight
ABB	1,360		2.5	
Larsen & Toubro	4,863	3.9	4.5	
Siemens	2,174		3.5	
Bharat Electronics	1,981	1.0	1.3	
Polycab India	984		1.3	
Consumer		11.7	10.5	Underweight
Britannia Industries	1,190	0.6	2.5	ond or morgine
Hindustan Unilever	5,738	2.1	1.5	
Interglobe Aviation	1,634		2.0	
ITC	5,566	4.0	2.0	
Titan Company	3,054	1.4	2.5	
Healthcare		4.1	6.0	Overweight
Max Healthcare	1,117.85		3.5	
Sun Pharmaceutical Industries	4,282	1.9	2.5	
IT		14.2	14.5	Overweight
Infosys	8,167	6.5	6.5	
HCL Technologies	5,414	1.9	2.0	
LTI Mindtree	1,814.57		2.0	
Tata Consultancy Services	15,433	3.9	4.0	
Metals		3.4	1.0	Underweight
Hindalco Industries	1,291	0.8	1.0	
Diversified Financials		4.8	1.5	Underweight
HDFC AMC	822		1.5	
Oil & Gas		9.5	9.6	Overweight
Reliance Industries	16,806	8.1	9.6	
Telecom		4.1	4.2	Overweight
Bharti Airtel	9,674	4.1	4.2	
Others		2.5	-	Underweight
Cash			_	

PL Model Portfolio has outperformed NIFTY by 24.2% since Nov 2018, 9.9% since April 23 and 0.5% since last report.

- Automobiles: Equal weight: We change our stance from overweight to equal weight. We are removing Hero Moto from model portfolio given sustained loss of market share to Honda. We are slightly increasing weights on M&M and Maruti given strong growth prospects of M&M in both tractors and PV, Maruti seems well placed to gain from demand revival given rising share in SUV segment and potential revival in the entry level segment.
- Banks: overweight: Near term issues with regards to slowing loan growth, unsecured loans, MFI and credit card spending remains. The CD gap has been narrowing which will benefit most private banks, which have higher LDR. However, the sector lacks big triggers except for the expected interest rate cut in Feb25, prompting us to reduce weight by 50bps. However, within the sector we tinker with weights and are now equal weight on HDFC Bank (underweight earlier) and Axis Bank and SBI (Overweight earlier).
- Capital Goods Overweight: We are increasing overweight from 430bp to 540bps given strong growth prospects given expected pick up in Govt capex/ordering. We turn overweight on L&T given attractive valuations, expected pick up in IT subs and strong growth prospects in core business. We are also increasing weight on Siemens India given strong growth prospects, expected value unlocking from demerger.
- Consumer: Underweight: We turn underweight on consumer given near term headwinds in demand, although we expect the demand to start recovering by 4Q25. We are removing Avenue Supermart and Nestle India from model portfolio. We are increasing weights on Britania (50bps), HUL (20bps), ITC (20bps). We expect FY25 EPS to be cut in most of the consumer names.
- Healthcare: Overweight: We remain structurally positive on Hospitals led by Max healthcare, and we further increase weight by 50bps, given expected gains from recent acquisitions and brownfield expansion in Mumbai and NCR. We retain Sun Pharma in the model portfolio, as growing the specialty portfolio will enable strong growth in earnings in coming years.
- IT services: Overweight: IT services is showing initial signs of recovery in BFSI, telecom and manufacturing. Segments like EDS, Data Analytics, Digital, Artificial intelligence and supply chain etc. will drive growth in next cycle. We expect demand environment to change for better in Trump 2.0 which will provide a gradual tailwind to the sector. We are increasing weights behind Infosys on expected growth revival.
- Oil and Gas: Overweight; we turn overweight as we increase weight behind Reliance Inds by 80bps. We are banking on value unlocking in Jio Platforms, growth revival in retail and new energy segments to drive stock price.
- **Telecom:** we retain overweight on Bharti Airtel as a structural play on rising data usage in telecom. While recent tariff hikes have been absorbed, we expect more tariff hikes after a lag, which will further improve profitability.
- Cement Overweight: We remain positive on cement demand and industry consolidation. We expect an improvement in demand led by government capex and higher profitability in coming quarters.



# **Conviction Picks Changes**

**High Conviction Picks:** We are removing HDFC AMC, Safari Inds and Lupin Labs from conviction picks. We believe HDFC AMC might see some earnings cut due to market volatility while safari has industry led headwinds in the near to medium term. Lupin Labs and Triveni Turbine looks good for long term; however, they offer limited upside at the current juncture. We are adding Britannia Inds, Siemens, Praj Inds, Infosys and Cyient DLM in high conviction picks.

**Britannia Industries:** BRIT's business prospects continue to remain strong given 1) retained market leadership in core segments 2) little risk of disruption from B2C brands and 3) strong innovation pipeline and on track cost saving & GTM initiatives. Next couple of quarters may seem some moderation in volume growth (demand and price hikes) and margins (High base of 19.3-19.4%), broader performance should likely bottom out by the end of 3Q25. Margins should start recovery post 4Q25 which will provide 17% EPS growth over FY25-27. BRIT provides an attractive entry price for medium term gains, post its ~30% correction from recent high.

Cyient DLM: Cyient DLM (CYIENTDL) revenue is likely to grow by 44.7% YoY with continued addition of global clients and consolidation of Altek, which is expected to contribute ~17% to the topline. We expect sales to grow by 44.7% YoY. Aerospace/Defence to grow by 15%/35% YoY.Margin is expected to be contracted by ~67bps to 8.5% due to one-off effect related to Altek acquisition. PAT is expected to grow by 39.9%. We believe CYIENTDL is well positioned to capitalize on key opportunities supported by its 1) plans to tap into new geographic locations, 2) strategic entry into emerging industries like EVs, 3) recent strategic acquisitions, and 4) focus on strengthening its existing segments. We estimate revenue/EBITDA/PAT CAGR of 32.7%/41.1%/53.1% over FY24-27E. The company added 6 new clients in H1FY25. With long-term partnerships averaging over 11 years with major clients like Honeywell and Thales, and new additions, including a global semiconductor firm and a medtech company.

**Infosys:** Infosys reported steady USD revenue growth of 2.9% in H1FY25 and with the steady H1 performance it is on track to meet revenue guidance of 3.75-4.5% YoY CC growth in FY25. The large deal wins are also robust at USD 6.5 bn for H1FY25. The anticipated revival in discretionary spending in core segments of BFSI & Retail along with the easing macro environment places Infy well to capture large scale transformation projects compared to its large peers. We expect Infy to report USD & Earnings CAGR of 7.8% & 12.3% between FY24-27E.

**Praj Industries:** We remain positive on PRJ in the long run given 1) its leadership in domestic ethanol projects (50-55% market share), 2) healthy export outlook in Engineering driven by ETCA, 3) large pipeline in SAF in the US and domestic CBG, 4) focus on new technologies such as 2G ethanol and biopolymers, and 5) improving margins owing to growing share of exports & services. We expect PRJ to report revenue/adj. PAT CAGR of 21.2%/26.9% over FY24-27E.

**Siemens:** We remain positive on SIEM from a long-term perspective given 1) its strong and diversified presence across industries through focus on electrification, digitalization & automation, 2) product localization, 3) strong balance sheet, 4) healthy public & private capex and 5) value-unlocking from demerger for Energy business. We expect SIEM to report revenue/adj. PAT CAGR of 17.5%/19.5% over FY24-27E.



# **High Conviction Picks**

	O) (D (D )	TP		Мсар	Mcap	Rev	enue Gr.	(%)	Earr	nings Gr	. (%)		RoE (%)	)	R	oCE (%)	)*		PER (x)		F	P/BV (x)	*
	CMP (Rs.)	(Rs)	Upside	(Rs bn)	(Rs bn) (US\$ m) 2	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2026E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Large Cap																							
Ambuja Cement	511	707	38.3%	1,259.3	14,628	6.3	24.3	9.7	(25.0)	89.1	6.5	5.9	9.6	9.4	10.1	14.8	15.0	45.5	24.1	22.6	2.4	2.2	2.0
Bharat Electronics	271	341	25.7%	1,981.0	23,010	17.3	17.9	12.9	14.3	20.4	13.0	26.3	26.7	25.6	30.6	31.5	30.5	43.1	35.8	31.7	10.5	8.8	7.5
Bharti Airtel	1,616	1,783	10.3%	9,177.3	1,06,602	13.1	15.6	9.4	37.9	46.2	18.1	20.9	24.9	23.1	13.8	16.2	16.8	49.4	33.8	28.6	9.6	7.5	5.9
Britannia Industries	4,939	5,815	17.7%	1,189.9	13,821	5.7	9.1	10.5	(4.2)	16.5	17.5	51.5	55.3	56.1	45.6	52.7	56.0	58.1	49.9	42.5	29.6	25.8	22.1
ICICI Bank	1,250	1,640	31.2%	8,808.0	1,02,312	10.0	13.0	15.2	11.9	10.1	17.3	18.0	17.0	17.3	2.3	2.2	2.2	19.2	17.4	14.9	3.3	2.8	2.5
Infosys	1,967	2,270	15.4%	8.1	95	6.3	9.4	12.0	8.5	13.1	15.3	29.9	33.7	38.8	27.7	31.2	36.0	30.9	27.3	23.7	9.2	9.2	9.2
InterGlobe Aviation	4,229	4,919	16.3%	1,632.2	18,960	12.7	17.4	16.5	(5.5)	15.0	8.7	131.9	62.7	41.2	129.7	72.7	56.2	21.1	18.4	16.9	16.8	8.8	5.8
Larsen & Toubro	3,536	4,088	15.6%	4,862.2	56,478	15.5	12.1	12.9	20.9	28.7	18.6	16.7	18.3	18.4	11.6	13.3	14.2	31.0	24.1	20.3	4.8	4.1	3.5
Mahindra & Mahindra	3,093	3,541	14.5%	3,709.1	43,084	15.5	14.7	14.2	17.8	10.8	13.3	22.1	20.8	20.1	21.5	20.8	20.3	29.4	26.5	23.4	6.0	5.1	4.3
Max Healthcare Institute	1,150	1,200	4.4%	1,117.6	12,982	23.6	32.6	20.0	15.2	35.6	30.6	14.8	17.5	19.4	16.5	19.2	21.6	75.9	56.0	42.9	10.6	9.1	7.7
Polycab India	6,539	8,741	33.7%	982.6	11,413	20.3	17.4	14.8	7.0	24.7	15.3	21.2	21.9	21.0	29.5	30.2	29.0	51.5	41.3	35.8	10.0	8.3	6.9
Reliance Industries	1,242	1,453	17.0%	16,805.4	1,95,207	6.1	6.2	4.3	(15.4)	13.0	12.0	7.1	7.5	7.8	8.6	9.2	9.6	28.5	25.3	22.5	2.0	1.8	1.7
Siemens	6,105	7,716	26.4%	2,173.3	25,245	13.7	19.6	19.1	24.9	27.6	21.6	17.1	18.6	19.2	19.2	20.5	21.4	89.5	70.2	57.7	14.2	12.1	10.3
Titan Company	3,440	3,882	12.8%	3,061.8	35,565	16.4	19.0	14.2	5.2	30.9	18.4	23.8	26.3	25.6	21.5	23.2	23.8	83.2	63.6	53.7	18.6	15.2	12.5
Mid / Small Caps																							
Aster DM Healthcare	505	620	22.9%	252.3	2,930	14.1	17.1	17.6	77.0	59.3	27.0	8.0	13.4	15.3	11.4	16.0	18.6	75.7	47.5	37.4	6.7	6.1	5.5
Crompton Greaves Consumer Electric	360	536	49.0%	231.4	2,687	13.0	13.3	12.3	32.6	25.4	17.0	18.2	20.5	21.5	22.4	26.5	28.2	39.7	31.6	27.0	6.8	6.2	5.5
Cyient	1,741	2,120	21.8%	193.2	2,244	6.6	16.7	16.2	(1.1)	15.6	21.4	16.4	17.4	19.3	15.3	16.6	18.0	26.6	23.0	18.9	4.2	3.8	3.5
Cyient DLM	619	831	34.4%	49.1	570	37.9	41.8	19.6	60.6	74.1	28.4	10.2	15.4	16.8	14.9	20.6	22.4	49.9	28.7	22.3	4.8	4.1	3.5
DOMS Industries	2,626	3,337	27.1%	159.4	1,851	23.1	32.8	23.1	29.1	29.7	26.2	22.7	23.7	23.9	26.5	28.4	29.1	77.3	59.6	47.2	15.9	12.7	10.2
Jindal Stainless	626	739	18.2%	515.1	5,983	10.6	20.7	7.0	8.8	38.8	17.1	18.3	21.1	20.3	19.8	23.0	24.1	17.9	12.9	11.0	3.0	2.5	2.0
Lemon Tree Hotels	140	179	27.7%	111.1	1,291	19.2	14.2	8.7	40.8	37.5	21.0	19.6	22.2	22.0	17.8	21.8	24.6	53.1	38.7	31.9	9.5	7.8	6.4
Praj Industries	739	804	8.8%	135.8	1,577	6.9	34.0	24.2	9.9	39.5	33.1	22.5	26.3	28.8	24.0	28.3	32.2	43.6	31.3	23.5	9.1	7.5	6.1

<sup>\*</sup> For Banks P/BV = P/ABV & RoCE = RoAA

Added: Britannia Industries, Infosys, Siemens, Cyient DLM and Praj Industries

Removed: HDFC Asset Management Company, Lupin, Safari Industries (India) and Triveni Turbine



Exhibit 23: Current Valuations in ~52% (48% earlier) Nifty50 companies are lower than 2016-20 avg. levels

12 Month Forward Average PE	2009-11	2011-13	2013-16	2016-20	2022	2023	2024 <sub>Va</sub>	Current aluations*
Nifty Index	16.3	14.7	18.8	22.0	20.4	18.4	18.3	18.2
Adani Enterprises	3.0	2.8	4.2	13.4	114.0	112.1	61.3	37.1
Adani Ports & Special Economic Zone Ltd	28.8	18.5	18.3	18.1	31.2	25.4	20.6	20.4
Apollo Hospital Enterprises	24.5	29.9	58.6	81.2	66.5	71.8	64.6	55.1
Asian Paints Ltd	21.5	30.1	39.9	51.7	82.7	61.8	59.8	45.2
Axis Bank Ltd	13.1	9.9	14.0	72.8	20.2	15.0	12.1	11.4
Bajaj Auto Ltd	9.7	15.1	17.5	17.7	17.4	15.6	19.5	24.4
Bajaj Finance Ltd	10.2	10.8	15.5	11.4	10.5	7.2	8.8	10.7
Bajaj Finserv Ltd	5.5	6.6	9.9	26.9	43.2	32.4	26.9	22.3
Bharat Electronics Ltd	15.8	12.7	14.4	17.8	16.8	19.7	24.3	38.2
Bharat Petroleum Corp Ltd	15.6	13.7	8.6	11.0	15.3	7.5	4.8	8.5
Bharti Airtel Ltd	20.9	45.4	29.3	72.6	57.3	54.2	41.6	34.9
Britannia Industries Ltd	28.8	23.3	28.3	47.3	46.9	44.5	53.7	48.3
Cipla Ltd/India	23.5	19.3	34.3	29.8	28.3	24.1	21.6	23.6
Coal India Ltd	2.9	13.7	15.8	14.2	4.0	3.8	5.3	6.3
Dr Reddy's Laboratories Ltd	27.6	16.8	26.8	30.2	24.3	14.3	16.4	19.3
Eicher Motors Ltd	7.0	12.0	NA	34.7	31.9	24.8	22.9	28.2
Grasim Industries Ltd	6.0	8.2	19.1	20.0	14.5	17.1	30.4	42.1
HCL Technologies Ltd	13.3	9.0	14.1	12.9	21.3	18.4	21.3	28.1
HDFC Bank Ltd	20.7	18.5	18.0	21.5	19.9	17.3	17.0	16.1
HDFC Life Insurance Co. Ltd.	NA	NA	-	42.8	103.0	80.4	75.2	58.0
Hero MotoCorp Ltd	16.0	17.5	17.4	18.0	20.4	15.4	15.7	16.4
Hindalco Industries Ltd	9.9	9.0	17.2	9.9	8.6	9.4	8.8	9.1
Hindustan Unilever Ltd	24.3	25.2	37.1	50.1	60.2	58.1	57.4	49.9
ICICI Bank Ltd	19.5	13.6	15.0	30.5	17.7	16.0	15.8	17.9
IndusInd Bank Ltd	12.3	14.4	17.6	26.4	13.0	10.1	13.1	8.0
Infosys Ltd	20.5	16.0	16.5	16.4	29.9	25.2	22.7	27.2
ITC Ltd	19.4	22.9	30.5	24.2	16.1	19.0	25.0	24.6
JSW Steel Ltd	16.2	25.2	25.6	10.2	15.7	26.1	22.5	16.1
Kotak Mahindra Bank Ltd	17.6	18.6	25.9	29.1	27.1	21.8	19.9	19.1
Larsen & Toubro Ltd	20.9	18.0	26.2	19.8	24.7	22.6	27.8	26.3
Mahindra & Mahindra Ltd	12.0	13.5	22.6	34.4	17.5	16.5	16.1	27.7
Maruti Suzuki India Ltd	17.2	15.9	17.5	31.9	38.1	24.5	22.5	22.7
Nestle India Ltd	32.3	40.5	63.5	55.6	78.7	65.4	70.4	61.2
NTPC Ltd	17.9	11.9	10.8	10.7	7.2	8.3	11.2	13.2
Oil & Natural Gas Corp Ltd	10.8	9.2	17.1	10.7	4.3	4.3	5.2	6.8
Power Grid Corp of India Ltd	17.6	12.5	11.5	10.4	8.1	10.0	12.5	16.8
Reliance Industries Ltd	13.5	10.5	9.4	13.4	21.9	22.8	22.2	18.4
SBI Life Insurance Co.	NA	NA	9.4	32.4	68.3	66.2	64.5	58.4
State Bank of India	11.9	8.9	25.1	200.4	8.9	7.8	7.8	
Sun Pharmaceutical Industries Ltd	18.1	20.6	37.2	42.0	32.8	25.1	27.0	8.8 34.2
Tata Consultancy Services Ltd	16.3	16.9	20.1	20.7	32.0	27.5	26.9	26.9
Tata Motore Ltd	19.9	18.1	3.7	32.6	65.2	60.5	66.6	52.8
Tata Motors Ltd	5.3	6.5	11.6	-0.8	-13.5	14.7	9.8	11.3
Tata Steel Ltd	-6.7	NA	-13.6	7.5	7.2	-1.0	-3.9	12.4
Tech Mahindra Ltd	12.9	7.2	15.6	13.4	23.0	27.7	32.4	27.1
Titan Co Ltd	21.2	29.4	38.8	56.5	67.8	64.1	80.1	67.4
Trent Ltd	NA 12.7	-117.4	81.6	36.7	140.2	52.5	52.0	99.0
UltraTech Cement Ltd	13.7	16.1	28.4	35.4	33.5	31.7	35.9	36.0
UPL Ltd	5.9	6.7	13.3	33.9	48.6	34.7	30.3	23.3
Wipro Ltd	15.6	13.2	15.1	14.8	27.7	20.3	19.0	23.0
Source: DL * ac of January 0, 2025								

Source: PL \* as of January 9, 2025

# **Budget and Trump 2.0 hold key to returns**

- NIFTY EPS has entered a downgrade cycle since 1QFY25 with successive cuts amounting to 7.5/6.1/2.1 on FY25/26/27. NIFTY has shown a decline of 3.5% since our last strategy report as the market is adjusting to the reality of slowdown in economy triggered by 1) decline in Govt capex during 1H25 2) tepid consumer demand triggered by prolonged rains and sharp spike in food inflation to 10.9% by Oct24 and 3) rising probability of cash dole outs and election freebies crowding out Govt capex and casting shadow on overall fiscal discipline in the country.
- India is 3<sup>rd</sup> worst performers amongst major markets which shows the impact of domestic slowdown in addition to volatile geopolitical scenario. US 10-year yields have increased by 108bps from the bottom while G-Sec yields have dropped by 30bps. The gap between them has reduced from ~350bps to 210bps adding to the currency volatility. The possibility of lower rate cuts in the US and any uptick in inflation following higher import duty imposition by US, will reduce elbow room for RBI to cut interest rates aggressively.
- Demand conditions remain mixed with a steady uptick in rural demand given low base and normal monsoons. 3Q has also shown an uptick in festival/ weddings demand in a hyper inflationary environment. With food inflation having peaked out at 10.9% in Oct and Govt trying to accelerate capex spending, we expect gradual economic recovery to set in. we are already witnessing uptick in ordering momentum in Railways, Defense, Power, Data centers etc. the execution of which will accelerate growth in coming quarters.
- We believe upcoming budget and unfolding events in Trump 2.0 hold key to growth and market returns. While GOI might miss out on revenue collection, lower capex will help sustain fiscal discipline in FY25. We expect a growthoriented budget with an attempt to pump prime the economy and provide some incentive to middle class to increase disposable income to spend.
- We expect markets to remain volatile in the near term but stabilize towards the end of 4Q25, we believe budget and policies of Trump 2.0 will shape the flow of markets. We would recommend selective buying in current turbulent times for long term gains given reasonable valuations as long-term India growth story remains intact.

Exhibit 24: Nifty50 down 5.9% YTD amidst high volatility and FII selling

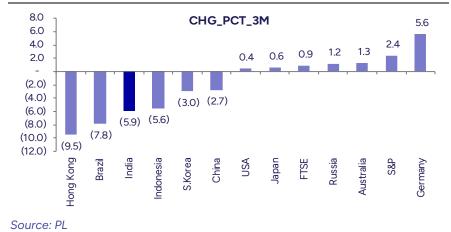
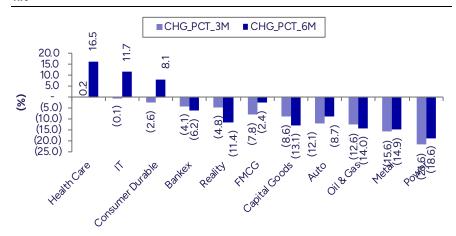
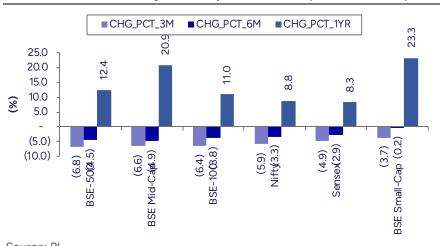


Exhibit 25: Healthcare, IT and Durables resilient; Metals, Power and O&G hard hit



Source: PL

Exhibit 26: All indices in negative, Nifty and Sensex outperform 70-190bps



FII Net Cash

28.1%

• % Nifty Change

2022 2021

23.8%

40.0%

30.0%

20.0%

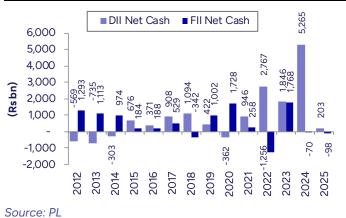
10.0%

0.0%

-10.0%

Source: PL

Exhibit 27: DII flows Rs631bn, FII inflows at Rs66bn (~6 weeks) Exhibit 28: NIFTY down 0.9% YTD amidst high volatility



-1,500 2019 2020

Source: PL

2,500

2,000

1,500

(**Rs bu)** 500

-500

-1,000

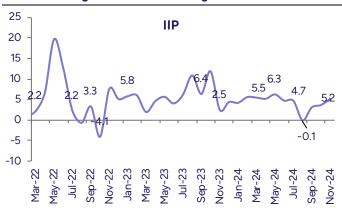
November 25, 2024 30



# **High Frequency indicators remain resilient**

Exhibit 29: IIP growth reaches 6M high at 5.2% YoY in Nov'24







Source: Ministry of commerce, PL

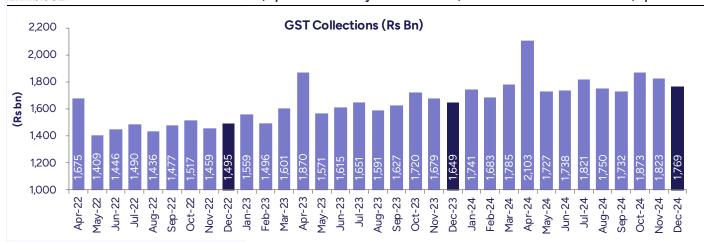
Source: Ministry of commerce, PL

Exhibit 31: IIP growth In Nov'24 led by Consumer durables (up 22.1%), while only non-durables registered -ve YoY gr. of 23.3%

	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
General	2.5	4.4	4.2	5.6	5.5	5.2	6.3	4.7	4.7	-0.1	3.1	3.7	5.2
Mining	7.0	5.2	6.0	8.1	1.3	6.8	6.6	10.3	3.8	-4.3	0.2	0.9	1.9
Manufacturing	1.3	4.6	3.6	4.9	5.9	4.2	5.1	3.2	4.4	1.1	3.9	4.4	5.8
Electricity	5.8	1.2	5.6	7.6	8.6	10.2	13.7	8.6	7.9	-3.7	0.5	2.0	4.4
Use-Based													
Basic goods	8.4	4.8	2.9	5.9	3.0	7.0	7.3	6.3	5.9	-2.6	1.8	2.5	2.7
Intermediate goods	3.4	3.7	5.3	8.6	6.1	3.8	3.5	3.0	6.4	3.0	3.6	4.6	5.0
Capital goods	-1.1	3.7	3.2	1.7	7.0	2.8	2.6	3.8	11.8	0.5	3.6	3.1	9.0
Infra/Construction Goods	1.5	5.5	5.5	8.3	7.4	8.5	7.6	7.1	4.6	2.2	3.2	4.8	10.0
Consumer Durables	-4.8	5.2	11.6	12.6	9.5	10.5	12.6	8.7	8.3	5.3	6.5	5.9	22.1
Consumer Non-durables	-3.4	3.0	0.3	-3.2	5.2	-2.5	2.8	-1.5	-4.3	-4.5	2.2	2.7	-23.3

Source: MOSPI, PL

Exhibit 32: Dec'24 GST Collection at Rs.1.77bn, up 7.3% YoY led by IGST collection; 9MFY25 collection at Rs16.3bn, up 9.1% YoY

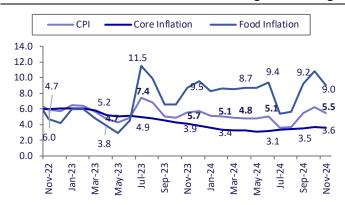


Source: GOI, PL

#### Exhibit 33: FEI-CCI gap increases to 27.9 in Nov'24



Exhibit 34: CPI at 5.5% in Nov vs 6.2% in Oct, gradual easing



Source: MOSPI, PL

Exhibit 35: Food Inflation peaked out and softens to 9%, while core inflation remains sticky at 3.6% YoY in Nov'24

0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Consumer Price Index (CPI) Weight	Weight	5.6	5.7	5.1	5.1	4.9	4.83	4.80	5.08	3.60	3.65	5.49	6.21	5.48
Food, Beverages and Tobacco	45.9	8.0	8.7	7.6	7.8	7.7	7.9	7.9	8.4	5.1	5.3	8.4	9.7	8.2
Pan Tobacco and Intoxicants	2.4	3.8	3.6	3.3	3.1	3.1	3.0	3.0	3.1	3.0	2.7	2.5	2.5	2.3
Clothing and Footwear	6.5	3.9	3.6	3.4	3.1	3.0	2.9	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Housing	10.1	3.6	3.6	3.2	2.9	2.7	2.7	2.6	2.7	2.7	2.7	2.7	2.8	2.9
Fuel and Light	6.8	-0.8	-1.0	-0.6	-0.8	-3.4	-4.0	-3.7	-3.6	-5.5	-5.3	-1.3	-1.7	-1.8
Miscellaneous	28.3	4.4	4.1	3.8	3.6	3.5	3.5	3.4	3.4	3.8	3.9	4.0	4.3	4.3
Consumer Food Price Index	39.1	8.7	9.5	8.3	8.7	8.5	8.7	8.7	9.4	5.4	5.7	9.2	10.9	9.0

Source: MOSPI, PL

Exhibit 36: India's Trade Deficit up by 49% YoY on strong gold imports and 5% decline in exports in Nov'24

Merchandise Trade (USD bn)	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Exports	33.7	38.4	37.3	41.4	41.7	35.3	39.6	35.2	33.9	34.7	34.6	39.2	32.0
YoY %	-3%	1%	4%	12%	-1%	2%	13%	2%	-2%	-9%	0%	17%	-5%
Imports	55.1	56.4	53.3	60.1	57.3	54.7	62.1	56.7	57.5	64.3	55.3	66.2	63.9
YoY %	-3%	-8%	1%	12%	-6%	10%	8%	7%	9%	3%	2%	4%	16%
- Oil	14.9	14.9	15.5	16.9	17.2	16.5	19.9	15.0	13.9	11.0	12.5	18.3	15.9
YoY %	-8%	-23%	-2%	0%	-4%	9%	28%	20%	18%	-32%	-11%	13%	7%
- Gold	3.4	3.0	1.9	6.1	1.5	3.1	3.3	3.1	3.1	10.1	4.4	7.1	9.8
YoY %	2%	156%	174%	134%	-54%	178%	-10%	-39%	-11%	104%	7%	-1%	186%
- Non Oil Non Gold	36.7	38.5	35.9	37.1	38.5	35.1	38.8	38.6	40.5	43.3	38.4	40.8	38.1
YoY %	-2%	-5%	-1%	9%	-3%	4%	2%	8%	7%	5%	6%	1%	4%
Trade Deficit	(21.3)	(18.1)	(16.0)	(18.7)	(15.6)	(19.4)	(22.5)	(21.5)	(23.6)	(29.6)	(20.7)	(27.0)	(31.8)
YoY %	-3%	-22%	-6%	13%	-18%	28%	0%	15%	28%	23%	3%	-11%	49%

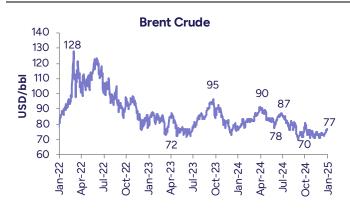
Source: Ministry of Commerce, PL

Exhibit 37: India's Service exports up 27% YoY and imports 29% in Nov, leads to rise in Services Balance to USD18bn, up 25%

Services	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Exports (Receipts)	28.1	27.9	32.8	32.2	28.5	29.6	30.2	30.3	28.4	30.7	30.6	34.0	35.7
YoY %	7%	-11%	2%	17%	-6%	15%	12%	9%	8%	7%	8%	21%	27%
Imports (Payments)	13.7	13.3	16.1	15.4	15.8	17.0	17.3	17.3	14.6	15.7	16.3	17.0	17.7
YoY %	2%	-16%	2%	3%	-7%	22%	9%	11%	6%	4%	12%	26%	29%
Services balance	14.4	14.6	16.8	16.8	12.7	12.6	12.9	13.0	13.9	15.0	14.3	17.0	18.0
YoY %	13%	-5%	2%	<b>35</b> %	-6%	7%	16%	<b>7</b> %	11%	10%	3%	17%	25%

Source: Ministry of Commerce, PL

Exhibit 38: A slight uptick in crude at \$77, up 5% since Nov



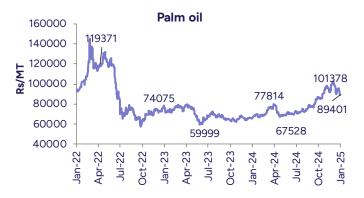
Source: PL

Exhibit 40: Steel prices witnessed an uptick in Jan'25



Source: Bigmint, PL

Exhibit 42: Palm oil prices down 5% from recent high



Source: PL

Exhibit 39: Coal prices remain steady around 100 USD/MT



Source: Bigmint, PL

Exhibit 41: Aluminium price down 3% from recent high of 2590



Source: PL

Exhibit 43: SMP prices wobbles around 255-265



Source: PL

Exhibit 44: Sugar prices up by 5% since recent low at 3920

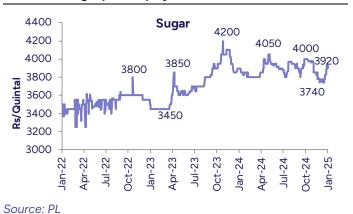
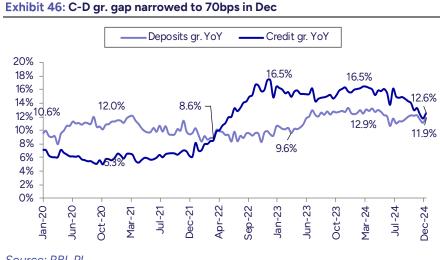


Exhibit 45: Wheat reached an all-time high of 3175 in Jan'25

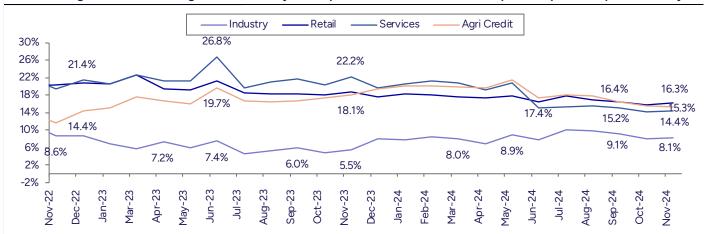


Source: PL



Source: RBI, PL

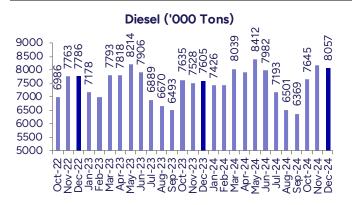
Exhibit 47: Agri and Retail credit growth softens by ~250bps in Nov'24, Industrial credit up ~250 bps as compared to last year



Source: RBI, PL

November 25, 2024 34

Exhibit 48: Diesel usage in Dec'24 is up 6% YoY at 8.1MMT



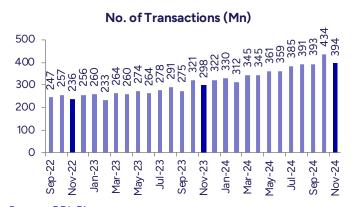
Source: PPAC, PL

Exhibit 50: Nov'24 Power demand remained flattish



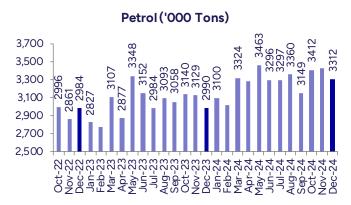
Source: CEA, PL Research

Exhibit 52: Nov'24 Credit Card transaction up 32%



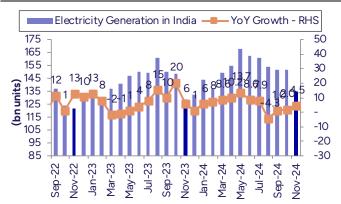
Source: RBI, PL

Exhibit 49: Dec'24 consumption rises 11%YoY to 3.3MMT



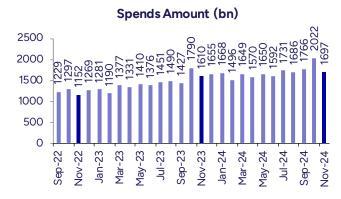
Source: PPAC, PL

Exhibit 51: Energy generation up 4.5%YoY in Nov'24



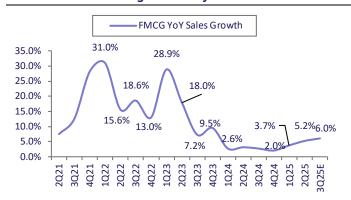
Source: CEA, PL

Exhibit 53: While Spending rose by only 5% YoY (post festive)



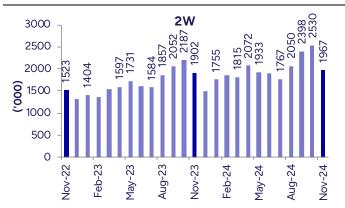
Source: RBI, PL

Exhibit 54: FMCG sales growth likely to come 6.0% YoY in 3Q



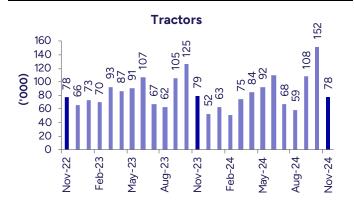
Source: Company, PL

Exhibit 56: Nov'24 2W Sales remains flattish at 1.97mn



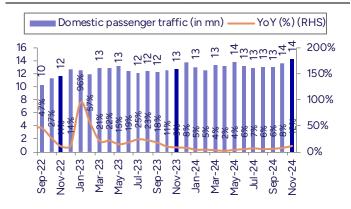
Source: SIAM, PL

Exhibit 58: Nov Tractor volumes declined by 0.9% at 78,263



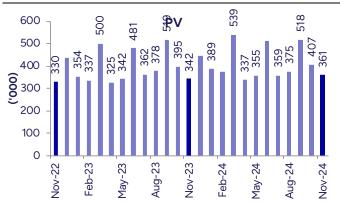
Source: SIAM, PL

Exhibit 55: Nov Air traffic rises by 12% YoY to 14mn



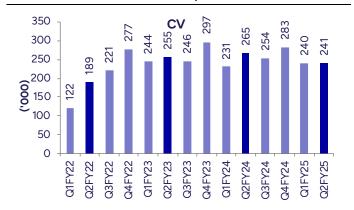
Source: DGCA, PL

Exhibit 57: PV sales are up by 5.6%YoY in Nov'24



Source: SIAM, PL (\*TATA motors only gives Quarterly numbers)

Exhibit 59: 2QFY25 CV volumes up to 241k, down 9.1% YoY



Source: SIAM, PL



# FY25/26 EPS cut by 3/1%, more might follow

We estimate a growth of 2.8% in sales, 6% in EBIDTA and 4% in PBT of our coverage universe. Ex oil & Gas, we estimate 8.3% growth in EBIDTA and 6.6% in PBT. Auto, Capital Goods, Hospitals, AMC's, Pharma, Telecom, Durables and EMS will lead PBT growth. Cement, Metals, O&G and Building Materials will report a decline in PBT. Banks, Chemicals, HFC, Travel and Consumer will have single digit PBT growth.

- Above teens EBDTA growth will continue in Hospitals, Capital Goods, Durables, Travel, Telecom, Media and EMS. Auto, banks, chemicals, Logistics and Pharma will also show double-digit EBIDTA growth.
- Building Material, consumer, Cement and Metals will report a decline in EBIDTA margins while all other sectors will show an increase led by EMS, Hospitals, Durables and Pharma by 175, 121, 79, 95 bps.
- Rural demand is showing a sustained recovery, although high inflation has impacted urban demand. The festival and wedding season has provided boost to demand for travel, Jewellery, watches, QSR, Footwear, apparel and durables. However, building materials and auto remain mixed.
- Consumer staples are expected to show broad based pressure in 3Q with hopes of gradual recovery in 4Q25 and beyond as calibrated price hikes and cooling off in inflation revives urban demand. Competitive intensity is likely to remain intense.
- Retail is on the verge of big transformation as Quick commerce is changing the dynamics of not only grocery but also other discretionary segments. We believe extension of QC in discretionary segment and Food services can create near term disruptions in respective segments and impact profitability.
- We believe Capital Goods (govt capex and PLI), Travel, Hospitals, Telecom and Pharma seem well placed for sustained growth in coming quarters.
- Cement should show better growth and profitability led by revival of construction activity and expected price hikes. Steel industry fortunes depend upon import duty and trend in global prices.
- Banks are likely to see some pressure on credit growth and higher provisions, interest rate cut in Feb25, trend in unsecured loans and MFI NPA remain key monitorable.
- Capital goods and defense should see improved ordering momentum and execution in coming quarters. Budget will hold key to sustainability of capex given likely miss in target spending in FY25. However, Defense, Power, Data Centers, railways and energy transition remain a potent theme.

While Ex- Oil and Gas sales growth has shown an uptick, EBIDTA and PAT growth has shown a declining trend. 2Q had shown EPS cut by 33 and 41 companies for FY25/26; we expect more earnings downgrade for FY25 and FY26 even as we cut FY25/26/27 EPS by 3/1/0.7% now.



Exhibit 60: PL Universe - Auto, Capital Goods, Hospitals, Durables lead growth; Cement, O&G, Media drag

3QFY25 Results	Revenue	e (%)	EBITDA Gro	owth (%)	EBITDA Mai	rgin (bps)	PBT Grov	vth (%)	PAT Gr	. (%)
3QF125 Results	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
AMC	36.0	2.8					43.2	(3.4)	2.3	(16.7)
Automobiles	9.1	9.0	12.9	20.7	48	140	22.0	14.2	9.2	25.5
Banks	8.3	2.4	11.6	(6.4)	207	(663)	3.6	(8.5)	1.0	(9.5)
Building Material	5.3	6.6	(2.2)	20.3	(103)	154	(3.5)	25.1	(4.4)	22.3
Capital Goods	17.6	6.6	18.7	3.7	10	(33)	20.1	1.0	20.3	1.5
Cement	1.1	12.6	(17.3)	45.7	(367)	373	(29.8)	94.2	(30.5)	79.2
Chemicals	9.6	1.3	10.8	4.4	18	51	6.9	3.9	0.4	3.3
Consumer Durables	13.6	3.4	24.0	11.0	79	64	26.6	11.0	35.7	11.9
Consumer Staples	10.6	5.5	3.6	7.1	(135)	29	1.2	7.3	(2.5)	7.1
Education	20.4	10.9	81.1	92.8	236	299	(317.0)	(1,699.7)	(307.6)	(763.7)
EMS	38.7	17.4	66.3	19.7	175	20	74.2	16.7	83.9	21.3
HFCs	(1.6)	1.9	(4.8)	(0.4)	(292)	(201)	7.0	(6.8)	6.9	(6.6)
Hospitals	14.7	(2.8)	22.5	(6.8)	121	(80)	17.9	(6.4)	17.9	(6.4)
IT	5.3	1.0	7.2	2.4	36	27	8.3	1.7	8.5	2.3
Logistics	8.6	5.4	11.1	42.3	12	141	63.0	132.9	234.3	271.5
Media	5.7	5.6	22.2	10.7	293	100	65.4	34.0	55.1	24.4
Metals	4.0	3.2	(11.3)	(6.9)	(206)	(129)	(24.9)	(19.9)	(29.4)	(33.3)
Oil & Gas	(5.8)	0.5	(0.9)	19.4	63	200	(4.5)	20.3	(5.3)	19.6
Pharma	9.4	(0.5)	13.5	(0.6)	95	(1)	15.9	(1.3)	14.3	(0.5)
Telecom	15.5	5.5	16.4	5.6	42	2	68.1	4.7	88.9	9.3
Travel	12.5	26.6	19.7	142.5	181	1,439	9.7	(1,155.8)	6.3	(564.0)
Total	2.8	3.2	6.0	6.5	59	59	4.0	4.5	1.8	4.6
Ex BFSI	2.4	3.3	4.3	11.7	29 bps	117 bps	4.2	10.6	2.0	11.5
Ex Oil and Gas	8.6	4.9	8.3	3.0	(5)bps	(45)bps	6.6	0.9	3.8	1.3

Source: PL

# 3QFY25 Results - Trading BUY & SELL Ideas



These are purely tactical trades and don't reflect our long term fundamental calls.



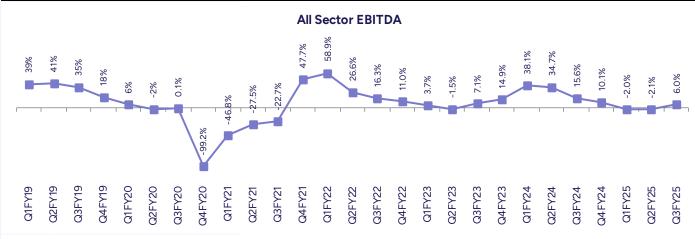
# 3Q shows impact of tepid demand and slow Govt capex

#### Exhibit 61: AMC, Hospitals, CG, Telecom boost sales



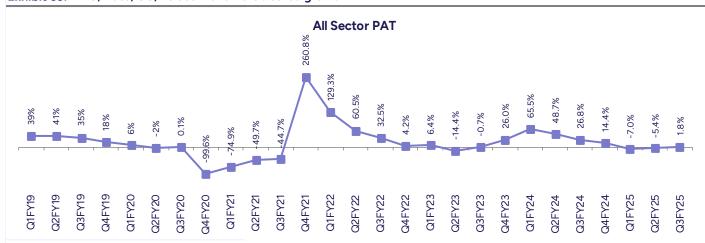
Source: Company, PL

Exhibit 62: CG, Hospitals, EMS and Durables lead



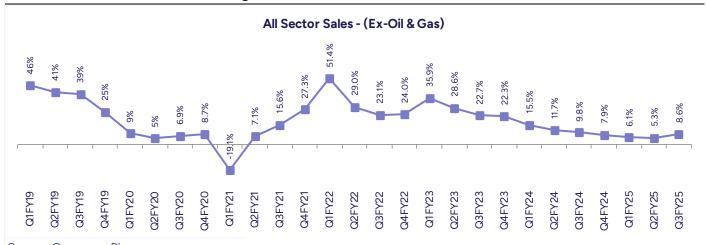
Source: Company, PL

Exhibit 63: AMC, Auto, CG, Telecom and Durables led growth



Source: Company, PL

Exhibit 64: Cement, Metals, IT services drag sales



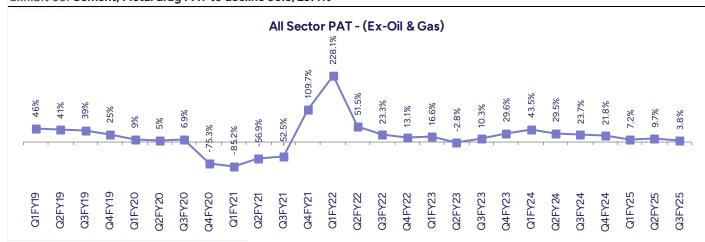
Source: Company, PL

Exhibit 65: Cement, Metals, Bld. Material and Consumer drag



Source: Company, PL

Exhibit 66: Cement, Metal drag PAT to decline 30.5/29.4%



Source: Company, PL



Exhibit 67: 1QFY25 Result Snapshot

			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
<u>Automobiles</u>																
Ashok Leyland	91,873	92,730	-0.9	87,688	4.8	11,117	11,139	-0.2	10,173	9.3	6,671	5,804	14.9	6,793	-1.8	
Bajaj Auto	1,30,844	1,21,135	8.0	1,31,275	-0.3	26,726	24,299	10.0	26,522	0.8	21,587	20,419	5.7	20,050	7.7	
Bharat Forge	43,768	38,664	13.2	36,885	18.7	7,659	6,979	9.8	6,473	18.3	3,148	2,443	28.8	2,436	29.2	
CEAT	32,595	29,631	10.0	33,045	-1.4	3,895	4,175	-6.7	3,623	7.5	1,494	1,815	-17.7	1,219	22.6	Q3FY25 saw robust growth in PV and tractor
Divgi Torqtransfer Systems	579	630	-8.2	540	7.3	107	129	-17.0	113	-5.6	81	94	-13.6	78	3.3	segments, driven by UVs, exports, and
Eicher Motors	50,879	41,788	21.8	42,631	19.3	13,229	10,903	21.3	10,877	21.6	11,964	9,960	20.1	11,003	8.7	improved rural sentiment. 2W domestic sales lagged due to high base and competition,
Endurance Technologies	29,453	25,611	15.0	29,127	1.1	3,991	2,990	33.5	3,820	4.5	2,139	1,523	40.5	2,030	5.4	while exports remained strong. Overall, OEM
Exide Industries	40,710	38,405	6.0	42,673	-4.6	4,580	4,399	4.1	4,836	-5.3	2,561	2,403	6.6	2,978	-14.0	revenues are expected to grow ~9% YoY with
Hero Motocorp	99,932	97,237	2.8	1,04,632	-4.5	14,090	13,621	3.4	15,159	-7.0	10,897	10,734	1.5	12,035	-9.5	modest ~50bps margin expansion. Auto ancillaries project ~11% revenue growth with
Mahindra & Mahindra	3,12,042	2,52,885	23.4	2,75,533	13.3	44,778	32,364	38.4	39,042	14.7	31,093	24,540	26.7	38,409	-19.0	stable margins. Top picks include Mahindra &
Maruti Suzuki	3,87,953	3,33,087	16.5	3,72,028	4.3	46,554	39,079	19.1	44,166	5.4	37,196	31,300	18.8	30,692	21.2	Mahindra, Bajaj Auto, and Maruti Suzuki.
Tata Motors	11,52,959	11,05,771	4.3	10,14,500	13.6	1,65,399	1,53,333	7.9	1,16,710	41.7	68,886	70,284	-2.0	28,560	141.2	
TVS Motors	91,861	82,450	11.4	92,282	-0.5	10,840	9,244	17.3	10,798	0.4	6,727	5,934	13.4	6,626	1.5	
Total	24,65,447	22,60,027	9.1	22,62,838	9.0	3,52,964	3,12,654	12.9	2,92,311	20.7	2,04,444	1,87,251	9.2	1,62,910	25.5	
<u>Banks</u>																
Axis Bank	1,39,059	1,25,322	11.0	1,34,832	3.1	1,03,818	91,412	13.6	1,07,125	-3.1	64,363	60,711	6.0	69,176	-7.0	Banks expected to witness a soft quarter as core earnings could fall by 2.9% QoQ to
Bank of Baroda	1,19,672	1,11,013	7.8	1,16,221	3.0	74,405	70,151	6.1	94,770	-21.5	37,526	45,793	-18.1	52,379	-28.4	Rs554bn (vs 3.1% QoQ in Q2FY25).
City Union Bank	5,719	5,159	10.8	5,825	-1.8	3,979	3,640	9.3	4,282	-7.1	2,585	2,530	2.2	2,852	-9.4	Loan/deposit growth is expected at
DCB Bank	5,421	4,740	14.4	5,092	6.5	2,442	2,115	15.5	2,551	-4.3	1,499	1,266	18.4	1,555	-3.6	+2.6%/+2.7% QoQ (+3.0%/+4.3% in Q2FY25). LDR is likely to be flat on a QoQ basis at
Federal Bank	24,489	21,234	15.3	23,672	3.5	15,048	14,373	4.7	15,654	-3.9	10,019	10,067	-0.5	10,567	-5.2	84.4%; PSU banks may report better NIM
HDFC Bank	3,05,849	2,84,713	7.4	3,01,139	1.6	2,45,563	2,36,473	3.8	2,47,057	-0.6	1,60,973	1,63,725	-1.7	1,68,210	-4.3	movement. Q4FY25 could see margin cushion of 2-4bps owing to CRR cut of
ICICI Bank	2,06,300	1,86,786	10.4	2,00,480	2.9	1,65,066	1,47,236	12.1	1,67,232	-1.3	1,11,800	1,02,715	8.8	1,17,459	-4.8	50bps in Dec'24. Fees might grow at 1.5%
IndusInd bank	53,212	52,956	0.5	53,473	-0.5	35,671	40,022	-10.9	35,918	-0.7	13,253	22,979	-42.3	13,255	-0.0	QoQ, to Rs368bn (vs +8.1% QoQ in Q2FY25),
Kotak Mahindra Bank	71,864	65,535	9.7	70,196	2.4	51,040	45,662	11.8	50,993	0.1	33,476	30,050	11.4	33,437	0.1	which would be more than offset by rise in opex to Rs846bn (+2.0% QoQ). Core PPoP
State Bank of India	4,27,952	3,98,157	7.5	4,16,195	2.8	2,56,273	2,03,360	26.0	2,92,937	-12.5	1,54,632	1,44,321	7.1	1,83,314	-15.6	may come in at Rs905bn (-0.5% QoQ). Banks'
Total	13,59,536	12,55,615	8.3	13,27,125	2.4	9,53,304	8,54,446	11.6	10,18,518	-6.4	5,90,125	5,84,158	1.0	6,52,203	-9.5	PAT is expected to decrease by 9.5% QoQ to Rs590bn due to lower treasury gains.



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Building Materials			(70)		(70)			(70)		(70)			(70)		(70)	
Astral Ltd.	14,649	13,702	6.9	13,704	6.9	2,168	2,161	0.3	2,101	3.2	1,227	1,243	-1.3	1,087	12.9	BM are expected to report moderate revenue
Century Plyboard (I)	10,724	9,374	14.4	11,836	-9.4	1,287	1,061	21.3	1,113	15.6	676	627	7.8	400	69.0	growth due to weak demand and higher base, along with contraction in margins due to
Cera Sanitaryware	4,771	4,389	8.7	4,926	-3.1	725	614	18.0	721	0.6	585	515	13.6	686	-14.7	higher overhead expenses in plastic pipe
Finolex Industries	9,916	10,197	-2.8	8,284	19.7	997	1,199	-16.8	106	843.2	870	954	-8.8	407	113.9	companies and higher timber prices in the
Greenpanel Industries	3,870	3,857	0.3	3,369	14.9	464	603	-23.0	299	55.5	227	346	-34.6	185	22.4	woodpanel segment. We anticipate moderate volume growth of 5.5% YoY in the
Kajaria Ceramics	11,763	11,518	2.1	11,793	-0.3	1,706	1,788	-4.6	1,589	7.3	1,005	1,045	-3.8	872	15.3	plastic pipe sector. Tiles and bathware
Supreme Industries	25,968	24,491	6.0	22,730	14.2	3,625	3,788	-4.3	3,192	13.6	2,384	2,562	-6.9	2,066	15.4	sectors are likely to experience moderate
Total	81,662	77,528	5.3	76,641	6.6	10,972	11,214	-2.2	9,121	20.3	6,974	7,292	-4.4	5,703	22.3	growth with demand anticipated to pick up in coming quarters.
Capital Goods																
ABB	32.385	27.575	17.4	29.122	11.2	6.101	4.172	46.2	5.402	12.9	4.805	3.452	39.2	4.405	9.1	
Apar Inds Ltd	48,030	40,085	19.8	46,445	3.4	3,794	4,050	-6.3	3,565	6.4	1,964	2,176	-9.8	1,939	1.3	
BEML	10,995	10,470	5.0	8,598	27.9	1,121	559	100.7	730	53.7	733	482	52.1	539	36.0	
Bharat Electronics	49,187	41,367	18.9	45,834	7.3	11,411	10,494	8.7	13,885	-17.8	9,188	8,933	2.9	10,913	-15.8	
BHEL	75,813	55,038	37.7	65,841	15.1	5,307	2,165	145.1	2,750	93.0	2,978	463	543.0	967	208.0	
Carborandum Universal	12,862	11,514	11.7	12,241	5.1	2,045	1,925	6.3	1,950	4.9	1,232	1,113	10.7	1,159	6.4	We expect our capital goods coverage
Engineers India	9,360	8,676	7.9	6,889	35.9	889	501	77.6	624	42.5	1,132	633	78.7	996	13.6	universe to report healthy performance in
GE Vernova T&D India	12,296	8,390	46.6	11,078	11.0	2,262	965	134.3	2,047	10.5	1,464	493	196.6	1,446	1.2	Q3FY25 owing to the 1) execution of robust
Grindwell Norton	7,179	6,599	8.8	6,939	3.5	1,350	1,278	5.6	1,292	4.4	943	925	1.9	962	-2.0	opening order books, 2) continued demand in the domestic market, and 3) traction in key
Harsha Engineering	3,557	3,245	9.6	3,526	0.9	443	398	11.5	418	5.9	297	297	0.0	290	2.5	export segments such T&D, energy transition
Hindustan Aeronautics	64,856	60,613	7.0	59,763	8.5	15,371	14,353	7.1	16,400	-6.3	13,588	12,614	7.7	15,061	-9.8	and turbines. Overall, we expect revenue/EBITDA growth of ~18%/19% YoY
KEC International	53,532	50,067	6.9	51,133	4.7	3,694	3,079	20.0	3,202	15.3	1,544	969	59.4	854	80.8	(~16%/21% YoY excl. L&T). Execution pace,
Cummins India	28,107	25,341	10.9	24,923	12.8	5,762	5,379	7.1	4,810	19.8	5,185	4,562	13.6	4,506	15.1	domestic capex momentum, and impact of
Kalpataru Power Transmission	46,940	41,470	13.2	41,361	13.5	3,849	3,440	11.9	3,485	10.5	1,518	1,440	5.4	1,323	14.7	Chinese dumping will be key monitorables.  Our top picks are Cummins India, Bharat
Larsen & Toubro	6,54,360	5,51,278	18.7	6,15,546	6.3	67,104	57,590	16.5	63,620	5.5	35,320	29,474	19.8	33,953	4.0	Electronics, Voltamp Transformers and
Praj Industries	10,038	8,286	21.1	8,162	23.0	1,255	965	30.1	941	33.3	915	704	29.9	538	70.0	Triveni Turbine.
Siemens	55,312	48,252	14.6	64,611	-14.4	7,522	5,961	26.2	9,381	-19.8	6,015	4,863	23.7	7,794	-22.8	
Thermax	26,624	23,244	14.5	25,456	4.6	2,290	1,874	22.2	2,120	8.0	1,612	1,437	12.2	1,479	9.0	
Triveni Turbine	5,652	4,317	30.9	5,011	12.8	1,226	837	46.5	1,114	10.1	1,003	682	47.1	909	10.3	
Voltamp Transformers	4,577	4,085	12.0	3,977	15.1	840	1,048	-19.9	750	12.0	762	946	-19.4	757	0.6	
Total	12,11,661	10,29,912	17.6	11,36,456	6.6	1,43,637	1,21,034	18.7	1,38,487	3.7	92,196	76,658	20.3	90,789	1.5	



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
<u>Cement</u>																
ACC	49,525	49,144	0.8	46,135	7.3	6,816	9,047	-24.7	4,364	56.2	3,906	5,376	-27.4	2,244	74.1	We expect cement companies in our coverage to report strong sequential EBITDA
Ambuja Cement	47,406	44,395	6.8	40,752	16.3	7,644	8,511	-10.2	5,425	40.9	5,342	5,137	4.0	3,965	34.7	performance led by 2.7% QoQ increase in pricing across regions; highest increase being observed in East (5%), West (4%), North (3%)
Dalmia Bharat	33,299	36,040	-7.6	30,870	7.9	5,444	7,790	-30.1	4,340	25.4	1,207	2,630	-54.1	460	162.3	followed by Central (2%). Volumes started picking up in second half of quarter although
Nuvoco Vistas Corporation	25,716	24,210	6.2	22,686	13.4	3,386	4,104	-17.5	2,188	54.8	-334	310	NA	-852	NA	Govt funded projects were delayed and we expect it to aid volumes in next few months.
Shree Cement	44,402	49,008	-9.4	37,270	19.1	8,865	12,337	-28.1	5,925	49.6	2,494	7,342	-66.0	931	167.8	Industry volume growth was 5-6% YoY with UTCEM and ACEM gaining market share & set
Ultratech Cement	1,67,747	1,61,342	4.0	1,49,052	12.5	28,415	31,488	-9.8	19,327	47.0	13,761	17,178	-19.9	7,969	72.7	to deliver double digit volume growth. Cement universe EBITDA/t to improve by
Total	3,68,095	3,64,139	1.1	3,26,766	12.6	60,570	73,277	-17.3	41,569	45.7	26,376	37,974	-30.5	14,717	79.2	Rs203 QoQ as pet coke too declined 7% QoQ.
Chemicals																
Aarti Industries	17,364	17,320	0.3	16,280	6.7	2,560	2,600	-1.6	1,960	30.6	839	1,240	-32.4	510	64.4	
Clean Science and Technology	2,312	1,947	18.7	2,381	-2.9	906	866	4.6	897	1.1	624	626	-0.3	587	6.3	Specialty chemical companies within our
Deepak Nlitrite	20,409	20,092	1.6	20,320	0.4	2,869	3,047	-5.8	2,975	-3.6	1,805	2,020	-10.6	1,942	-7.0	coverage are expected to report modest sequential marginal increase in revenue by
Fine Organic Industries	5,891	4,884	20.6	5,958	-1.1	1,457	1,182	23.2	1,506	-3.3	1,150	952	20.9	1,179	-2.4	1.3% and 9.6% YoY, while increase in margins
Gujarat Fluorochemicals	11,886	9,917	19.8	11,880	0.0	2,984	2,062	44.7	2,950	1.2	1,305	801	63.0	1,210	7.9	by 18bps YoY and 51bps QoQ. As per our channel checks, agrochemical-focused
Jubilant Ingrevia	10,505	9,664	8.7	10,452	0.5	1,279	956	33.8	1,246	2.6	614	385	59.3	590	4.0	companies are expected to remain under
Laxmi Organic Industries	7,505	6,936	8.2	7,713	-2.7	765	516	48.3	747	2.4	339	272	24.5	281	20.5	pressure for the rest of FY25. Companies with
Navin Fluorine International	5,679	5,018	13.2	5,186	9.5	1,184	757	56.4	1,074	10.3	669	780	-14.2	588	13.8	exposure to fluorination such as SRF, Navin Fluorine Internation and Gujarat
NOCIL	3,702	3,406	8.7	3,627	2.1	375	489	-23.2	378	-0.7	245	300	-18.4	421	-41.9	Fluorochemical are likely to benefit from
SRF	34,420	30,530	12.7	34,243	0.5	5,631	5,658	-0.5	5,380	4.7	2,200	2,534	-13.2	2,014	9.2	higher refrigerant prices. Other sectors such
Vinati Organics	5,478	4,480	22.3	5,533	-1.0	1,345	1,146	17.3	1,340	0.3	936	769	21.6	1,061	-11.8	as dyes, pigments and polymer additives may see some uptick.
Total	1,25,152	1,14,196	9.6	1,23,573	1.3	21,354	19,278	10.8	20,453	4.4	10,727	10,681	0.4	10,385	3.3	·



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Consumer Durables																
Bajaj Electicals	12,597	12,282	2.6	11,183	12.6	579	806	-28.1	516	12.3	329	374	-12.0	129	154.9	Consumer durables sector experienced
Crompton Greaves Consumer Electricals	18,089	16,927	6.9	18,960	-4.6	1,827	1,498	22.0	2,034	-10.2	1,151	860	33.8	1,249	-7.9	healthy demand in cables segment from private capex and govt projects outforming
Havells India	50,614	44,139	14.7	45,393	11.5	4,707	3,932	19.7	3,751	25.5	3,351	2,484	34.9	2,678	25.2	wires demand. FMEG has a subdued demand due to moderate consumer demand.RAC
KEI Inds	24,268	20,594	17.8	22,796	6.5	2,524	2,146	17.6	2,206	14.4	1,731	1,507	14.9	1,548	11.8	segment is expected to report 16.4% YoY
Polycab India	51,098	43,405	17.7	54,984	-7.1	6,622	5,695	16.3	6,316	4.9	4,508	4,129	9.2	4,398	2.5	growth for coverage companies during the
R R Kabel	18,660	16,335	14.2	18,101	3.1	1,120	1,126	-0.5	858	30.5	710	710	0.0	495	43.3	quarter. We expect our consumer durables universe to register sales/EBITDA/PAT
Voltas	29,056	26,257	10.7	26,191	10.9	1,831	284	544.1	1,622	12.9	1,465	-304	NA	1,340	9.4	growth of 13.6%/24.0%/35.7% YoY in
Total	2,04,382	1,79,939	13.6	1,97,610	3.4	19,210	15,486	24.0	17,302	11.0	13,246	9,758	35.7	11,837	11.9	3QFY25.
Consumer Staples																
Asian Paints	90,576	91,031	-0.5	80,275	12.8	16,938	20,561	-17.6	12,395	36.6	11,277	14,467	-22.0	9,111	23.8	We estimate our soverage universe to report
Britannia Industries	44,650	42,563	4.9	46,676	-4.3	7,278	8,211	-11.4	7,834	-7.1	4,967	5,586	-11.1	5,317	-6.6	We estimate our coverage universe to report Sales, EBIDTA growth of 10.6%/3.6% while
Colgate Palmolive	15,029	13,957	7.7	16,191	-7.2	4,606	4,684	-1.7	4,974	-7.4	3,214	3,301	-2.6	3,530	-9.0	PAT will decline by 2.5% on 135bps EBIDTA
Dabur India	33,527	32,551	3.0	30,286	10.7	6,705	6,678	0.4	5,526	21.4	5,076	5,064	0.2	4,175	21.6	margin contraction. Rural grew ahead of urban in staples while QSR, Jewellery,
Avenue Supermarts	1,59,748	1,35,725	17.7	1,44,445	10.6	13,019	11,199	16.3	10,938	19.0	8,059	6,906	16.7	6,596	22.2	Watches and Paints reported seasonal uptick
Emami	10,461	9,963	5.0	8,906	17.5	3,306	3,149	5.0	2,505	32.0	2,741	2,643	3.7	2,127	28.9	in growth. Staples universe will post a growth
Hindustan Unilever	1,57,196	1,51,880	3.5	1,55,080	1.4	36,469	35,400	3.0	36,470	-0.0	25,629	25,410	0.9	26,110	-1.8	of 6.9/2.2% in sales and EBIDTA while PBT will be flattish. 3Q will show the impact of input
ITC	1,82,964	1,64,833	11.0	1,93,277	-5.3	63,122	60,243	4.8	63,352	-0.4	52,403	55,776	-6.0	50,795	3.2	cost inflation in Edible oils, coffee, cocoa, and
Jubilant FoodWorks	16,112	13,551	18.9	14,669	9.8	3,303	2,827	16.8	2,842	16.2	778	610	27.7	521	49.5	other inputs. Demand has been improving in
Kansai Nerolac Paints	19,147	18,149	5.5	18,638	2.7	2,317	2,399	-3.4	2,150	7.8	1,516	1,576	-3.8	1,302	16.5	rural India while late onset of winter and high inflation has been a drag on urban demand
Metro Brands Asia	7,435	6,355	17.0	5,855	27.0	2,268	1,990	14.0	1,548	46.5	1,164	978	19.0	698	66.9	growth. Competitive intensity across
Marico	27,611	24,220	14.0	26,640	3.6	5,301	5,130	3.3	5,220	1.6	3,887	3,860	0.7	3,880	0.2	Detergents, Hair Oil, Skin, Deo, Instant Noodles, Juices, mass skin care etc. remains
Mold Tech Packaging	1,919	1,655	16.0	1,913	0.3	359	303	18.4	336	6.9	142	142	0.1	141	0.7	intense. Decline in food inflation and
Nestle India	48,074	46,004	4.5	51,040	-5.8	10,817	11,130	-2.8	11,677	-7.4	6,926	7,808	-11.3	7,595	-8.8	calibrated price might stem further erosion in
Pidilite Industries	34,586	31,300	10.5	32,349	6.9	8,785	7,425	18.3	7,688	14.3	6,187	5,109	21.1	5,403	14.5	margins. Demand across QSR, Footwear, Jewellery, Paints etc. showed a seasonal
Restaurant Brands Asia	5,033	4,454	13.0	4,922	2.3	785	708	11.0	701	12.0	-177	-64	NA	-165	NA	improvement led by wedding & festive
Titan Company	1,62,497	1,30,520	24.5	1,32,150	23.0	18,444	14,570	26.6	14,230	29.6	12,224	10,400	17.5	9,225	32.5	season.Although some QSR's remained
Westlife Development	6,543	6,003	9.0	6,180	5.9	864	920	-6.1	760	13.6	32	172	-81.4	4	792.6	impacted by geopolitical issues, there is a clear uptick in LTL sales of most players QoQ.
Total	10,23,109	9,24,711	10.6	9,69,492	5.5	2,04,685	1,97,526	3.6	1,91,145	7.1	1,46,045	1,49,744	-2.5	1,36,363	7.1	clour aption in ETE suice of most players dod.



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Educationv																
DOMS Industries	4,831	3,716	30.0	4,578	5.5	831	693	19.8	859	-3.3	504	388	29.8	537	-6.1	Education companies under our coverage universe are expected to report 20.4% YoY growth in top-line led by DOMS and S Chand. Consolidation of the diaper business will drive growth for DOMS, while S Chand is likely to
Navneet Education	2,667	2,588	3.1	2,718	-1.9	83	40	105.1	26	224.2	-12	-131	NA	-49	NA	benefit from the introduction of semester system (aids in volume and realization) for grades 11th and 12th by the state board in West Bengal. However, NELI's struggle for
S Chand & Co	1,012	763	32.6	374	170.2	-314	-403	NA	-574	NA	-302	-349	NA	-517	NA	growth is likely to continue amid increasing usage of second-hand books. On the operating performance front, S Chand's EBITDA loss is likely to be lower amid
Total	8,509	7,067	20.4	7,670	10.9	600	331	81.1	311	92.8	191	-92	NA	-29	NA	increasing contribution from state board supplementary books, while DOMS is likely to witness margin erosion due to consolidation of the personal hygiene business.
EMS																
Avalon Technologies	2,771	2,143	29.3	2,750	0.7	313	165	89.2	301	3.9	186	66	182.2	175	6.2	Electronics manufacturing services (EMS) companies continue to see healthy revenue growth despite a high base. In 3QFY25, we expect EMS coverage companies to see
Cyient DLM	4,646	3,210	44.7	3,895	19.3	395	294	34.2	316	24.8	258	184	39.9	155	66.9	strong revenue growth on account of (1) healthy order flow and execution, (2) customer addition, (3) diversification in
Kaynes Technology India	7,978	5,093	56.6	5,721	39.4	1,197	699	71.3	821	45.7	820	452	81.3	602	36.1	sector penetration, and 4) wide product portfolio. We expect our EMS universe to register sales/EBITDA/PAT growth of
Syrma SGS Technology	8,900	7,067	25.9	8,327	6.9	668	388	71.9	710	-5.9	312	155	102.2	368	-15.0	38.7%/66.3%/83.9% YoY, on the back of robust order execution and margin improvement led by cost rationalization and
Total	24,295	17,513	38.7	20,693	17.4	2,572	1,547	66.3	2,149	19.7	1,576	857	83.9	1,299	21.3	increased contribution from high margin segments. We continue our positive view on EMS companies with healthy growth.



	Revenue YoY ar.						EBITDA					PAT			
Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25		Remarks
		(**)		(1-1)			(,		(,			(1-2)		(**)	
54,625	48,506	12.6	55,893	-2.3	7,659	6,137	24.8	8,155	-6.1	3,421	2,453	39.5	3,788	-9.7	Historically, Q3 is typically a period of softer performance for hospital companies in India.
10,394	9,547	8.9	10,864	-4.3	1,923	1,517	26.8	2,227	-13.7	821	584	40.7	968	-15.2	The state of the s
18,644	16,797	11.0	19,884	-6.2	3,697	2,840	30.2	4,348	-15.0	1,779	1,347	32.1	1,765	0.8	lead to a decline in elective procedures and overall patient volumes, impacting
5,503	4,699	17.1	5,535	-0.6	978	786	24.4	1,023	-4.4	69	57	21.2	180	-61.6	occupancy rates sequentially. However, on YoY basis, both occupancy and ARPOB
3,256	2,726	19.4	3,226	0.9	744	619	20.3	750	-0.8	512	437	17.3	515	-0.6	should report healthy growth. Overall,
7,572	6,058	25.0	7,773	-2.6	2,018	1,471	37.1	2,181	-7.5	949	718	32.1	1,074	-11.6	hospital companies are expected to post 23% YoY growth (7% QoQ de[1]growth) in post-
21,392	16,890	26.7	21,250	0.7	5,733	4,720	21.5	5,660	1.3	3,610	3,450	4.7	3,490	3.5	IND AS EBITDA (~17% YoY EBITDA growth ex of Rs1.3bn loss in Apollo 24x7) in Q3. We
13,117	12,036	9.0	14,000	-6.3	2,823	2,790	1.2	3,084	-8.5	1,725	1,882	-8.3	1,990	-13.3	remain structurally positive on hospitals and expect momentum to continue in FY26 with
1,34,504	1,17,259	14.7	1,38,426	-2.8	25,575	20,879	22.5	27,428	-6.8	12,888	10,928	17.9	13,769	-6.4	1) improvement in occupancy, 2) better case mix and 3) new capacity additions.
															For our coverage HFCs, AuM could see 1.9%
2,572	2,208	16.5	2,418	6.4	1,913	1,577	21.3	1,948	-1.8	1,438	1,166	23.3	1,479	-2.8	QoQ growth to Rs3.6trn in Q3FY25 (vs 2.2% in Q2FY25) with flat disbursals sequentially,
															due to 1% QoQ reduction in credit flow for LICHF. Housing segment for banks may grow
															by 2.5-3.0% QoQ. Disbursal run-rate of LICHF is the key monitorable given weak credit
3,484	3,288	5.9	3,398	2.5	2,896	2,858	1.3	2,878	0.6	2,139	1,964	9.0	2,115	1.2	flows in the last few quarters. NIM of coverage HFCs could remain flat QoQ to
															3.03%. NII may inch up by 1.9% QoQ to
19,996	20,972	-4.7	19,739	1.3	17,344	18,845	-8.0	17,417	-0.4	12,195	11,629	4.9	13,289	-8.2	Rs26.1bn. Other income might fall by 21.3% QoQ to Rs1.4bn after a seasonal jump in off
															book income for AAVAS in Q2FY25. Opex could increase by 4.2% QoQ to Rs5.3bn led
															by AAVAS. Hence, PPoP could decline by 0.4% QoQ to Rs22.2bn. We see provisions
26,052	26,468	-1.6	25,554	1.9	22,154	23,280	-4.8	22,244	-0.4	15,772	14,759	6.9	16,883	-6.6	normalizing to 27bps (vs 11bps in Q2FY25) mainly due to LICHF. PAT might fall by 6.6% QoQ to Rs15.8bn.
	54,625 10,394 18,644 5,503 3,256 7,572 21,392 13,117 <b>1,34,504</b> 2,572 3,484	Q3FY25         Q3FY24           54,625         48,506           10,394         9,547           18,644         16,797           5,503         4,699           3,256         2,726           7,572         6,058           21,392         16,890           13,117         12,036           1,34,504         1,17,259           2,572         2,208           3,484         3,288           19,996         20,972	Q3FY25         Q3FY24         YoY gr. (%)           54,625         48,506         12.6           10,394         9,547         8.9           18,644         16,797         11.0           5,503         4,699         17.1           3,256         2,726         19.4           7,572         6,058         25.0           21,392         16,890         26.7           13,117         12,036         9.0           1,34,504         1,17,259         14.7           2,572         2,208         16.5           3,484         3,288         5.9           19,996         20,972         -4.7	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25           54,625         48,506         12.6         55,893           10,394         9,547         8.9         10,864           18,644         16,797         11.0         19,884           5,503         4,699         17.1         5,535           3,256         2,726         19.4         3,226           7,572         6,058         25.0         7,773           21,392         16,890         26.7         21,250           13,117         12,036         9.0         14,000           1,34,504         1,17,259         14.7         1,38,426           2,572         2,208         16.5         2,418           3,484         3,288         5.9         3,398           19,996         20,972         -4.7         19,739	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoQ gr. (%)           54,625         48,506         12.6         55,893         -2.3           10,394         9,547         8.9         10,864         -4.3           18,644         16,797         11.0         19,884         -6.2           5,503         4,699         17.1         5,535         -0.6           3,256         2,726         19.4         3,226         0.9           7,572         6,058         25.0         7,773         -2.6           21,392         16,890         26.7         21,250         0.7           13,117         12,036         9.0         14,000         -6.3           1,34,504         1,17,259         14.7         1,38,426         -2.8           2,572         2,208         16.5         2,418         6.4           3,484         3,288         5.9         3,398         2.5           19,996         20,972         -4.7         19,739         1.3	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoQ gr. (%)         Q3FY25           54,625         48,506         12.6         55,893         -2.3         7,659           10,394         9,547         8.9         10,864         -4.3         1,923           18,644         16,797         11.0         19,884         -6.2         3,697           5,503         4,699         17.1         5,535         -0.6         978           3,256         2,726         19.4         3,226         0.9         744           7,572         6,058         25.0         7,773         -2.6         2,018           21,392         16,890         26.7         21,250         0.7         5,733           13,117         12,036         9.0         14,000         -6.3         2,823           1,34,504         1,17,259         14.7         1,38,426         -2.8         25,575           2,572         2,208         16.5         2,418         6.4         1,913           3,484         3,288         5.9         3,398         2.5         2,896           19,996         20,972         -4.7         19,739         1.3         17,344     <	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25         Q3FY24           54,625         48,506         12.6         55,893         -2.3         7,659         6,137           10,394         9,547         8.9         10,864         -4.3         1,923         1,517           18,644         16,797         11.0         19,884         -6.2         3,697         2,840           5,503         4,699         17.1         5,535         -0.6         978         786           3,256         2,726         19.4         3,226         0.9         744         619           7,572         6,058         25.0         7,773         -2.6         2,018         1,471           21,392         16,890         26.7         21,250         0.7         5,733         4,720           13,117         12,036         9.0         14,000         -6.3         2,823         2,790           2,572         2,208         16.5         2,418         6.4         1,913         1,577           3,484         3,288         5.9         3,398         2.5         2,896         2,858           19,996         20,972 <td< td=""><td>Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q00 gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2           5,503         4,699         17.1         5,535         -0.6         978         786         24.4           3,256         2,726         19.4         3,226         0.9         744         619         20.3           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5           13,117         12,036         9.0         14,000         -6.3         2,823         2,790         12           2,572         2,208         16.5         2,418         6.4         1,913         1,577         21.3           <t< td=""><td>Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25         Q00 gr. (%)         Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660           13,117         12,036         9.0         14,000         -6.3         2,823         2,790         1.2         3,084</td><td>Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)         Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750         -0.8           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660         1.3           1,34,504         1,17,</td><td>O3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348         -15.0         1,779           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5         949           21,392         16,890         26.7         21,250         0.7         5,733</td></t<><td>Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3G gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY2</td><td>Q3FY25         Q3FY24         YoYgr, (%)         Q2FY25         Oo Q gr. (%)         Q3FY25         Q3FY26         Q3FY26         YoYgr, (%)         Q2FY25         Qoo Q gr. (%)         Q3FY25         Q3FY24         YoYgr, (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421         2,453         39.5           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821         584         40.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0         1,779         1,347         32.1           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69         57         21.2           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512         437         17.3           7,572         6,058         25.0         7,773         -2.6</td><td>  Castry 12   Castry 12   Castry 13   Castry 13   Castry 13   Castry 13   Castry 14   Castry 14   Castry 15   Cast</td><td>O3FY25         O3FY24         YoYgr. (%)         O2FY25         O3FY25         O3FY25         O3FY26         O3FY26         O3FY26         O3FY25         O2FY25         O3FY25         O3F</td></td></td<>	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q00 gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2           5,503         4,699         17.1         5,535         -0.6         978         786         24.4           3,256         2,726         19.4         3,226         0.9         744         619         20.3           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5           13,117         12,036         9.0         14,000         -6.3         2,823         2,790         12           2,572         2,208         16.5         2,418         6.4         1,913         1,577         21.3 <t< td=""><td>Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25         Q00 gr. (%)         Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660           13,117         12,036         9.0         14,000         -6.3         2,823         2,790         1.2         3,084</td><td>Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)         Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750         -0.8           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660         1.3           1,34,504         1,17,</td><td>O3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348         -15.0         1,779           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5         949           21,392         16,890         26.7         21,250         0.7         5,733</td></t<> <td>Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3G gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY2</td> <td>Q3FY25         Q3FY24         YoYgr, (%)         Q2FY25         Oo Q gr. (%)         Q3FY25         Q3FY26         Q3FY26         YoYgr, (%)         Q2FY25         Qoo Q gr. (%)         Q3FY25         Q3FY24         YoYgr, (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421         2,453         39.5           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821         584         40.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0         1,779         1,347         32.1           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69         57         21.2           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512         437         17.3           7,572         6,058         25.0         7,773         -2.6</td> <td>  Castry 12   Castry 12   Castry 13   Castry 13   Castry 13   Castry 13   Castry 14   Castry 14   Castry 15   Cast</td> <td>O3FY25         O3FY24         YoYgr. (%)         O2FY25         O3FY25         O3FY25         O3FY26         O3FY26         O3FY26         O3FY25         O2FY25         O3FY25         O3F</td>	Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25         Q00 gr. (%)         Q3FY25         Q3FY24         YoYgr. (%)         Q2FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660           13,117         12,036         9.0         14,000         -6.3         2,823         2,790         1.2         3,084	Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)         Q3FY25         Q3FY24         YOY gr. (%)         Q2FY25         QoQ gr. (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4           3,256         2,726         19.4         3,226         0.9         744         619         20.3         750         -0.8           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5           21,392         16,890         26.7         21,250         0.7         5,733         4,720         21.5         5,660         1.3           1,34,504         1,17,	O3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         QoO gr. (%)         Q3FY25           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821           18,644         16,797         11.0         19,884         -6.2         3,697         2,840         30.2         4,348         -15.0         1,779           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512           7,572         6,058         25.0         7,773         -2.6         2,018         1,471         37.1         2,181         -7.5         949           21,392         16,890         26.7         21,250         0.7         5,733	Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3G gr. (%)         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY25         Q3FY24         YoY gr. (%)         Q2FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY24         Q3FY25         Q3FY24         Q3FY24         Q3FY24         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY25         Q3FY2	Q3FY25         Q3FY24         YoYgr, (%)         Q2FY25         Oo Q gr. (%)         Q3FY25         Q3FY26         Q3FY26         YoYgr, (%)         Q2FY25         Qoo Q gr. (%)         Q3FY25         Q3FY24         YoYgr, (%)           54,625         48,506         12.6         55,893         -2.3         7,659         6,137         24.8         8,155         -6.1         3,421         2,453         39.5           10,394         9,547         8.9         10,864         -4.3         1,923         1,517         26.8         2,227         -13.7         821         584         40.7           18,644         16,797         11.0         19,884         -62         3,697         2,840         30.2         4,348         -15.0         1,779         1,347         32.1           5,503         4,699         17.1         5,535         -0.6         978         786         24.4         1,023         -4.4         69         57         21.2           3,256         2,726         19,4         3,226         0.9         744         619         20.3         750         -0.8         512         437         17.3           7,572         6,058         25.0         7,773         -2.6	Castry 12   Castry 12   Castry 13   Castry 13   Castry 13   Castry 13   Castry 14   Castry 14   Castry 15   Cast	O3FY25         O3FY24         YoYgr. (%)         O2FY25         O3FY25         O3FY25         O3FY26         O3FY26         O3FY26         O3FY25         O2FY25         O3FY25         O3F



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Information Technology																
Cyient	20	18	7.8	18	6.2	3	3	4.2	2	17.5	2	2	1.4	2	5.2	
HCL Technologies	302	284	6.2	289	4.6	58	56	3.3	54	8.2	45	44	3.9	42	6.8	We expect Q3FY25 results to be muted due
Infosys	412	388	6.1	410	0.5	87	80	9.9	86	1.2	68	61	11.2	65	4.2	3 1
LTIMindtree	96	90	6.2	94	1.5	13	14	-8.1	15	-12.6	11	12	-8.2	13	-14.3	median CC growth of 0.5% QoQ for our coverage companies but due to the cross-
Mphasis	36	30 25 20.5 29				5	5	8.2	5	-1.2	4	4	12.6	4	-0.6	currency headwinds impact reported USD
Persistent Systems	30	30 25 20.5 29 645 606 6.4 643				4	4	21.9	4	9.0	4	3	23.2	3	8.4	revenue growth will be flat. Also, with the
Tata Consultancy Services	645				0.3	160	152	5.5	155	3.4	125	117	6.4	119	4.8	muted revenue growth we anticipate margin movement within our coverage universe to
Tech Mahindra	134	131	1.9	133	0.3	14	9	52.4	13	8.5	11	7	53.0	13	-12.1	range from a decline of 220bps to an
Wipro	220	222	-0.7	223	-1.2	36	33	8.1	37	-4.4	30	27	12.7	32	-5.4	improvement of 80bps in Q3FY25.
Total	1,894	1,798	5.3	1,874	1.0	380	354	7.2	371	2.4	300	276	8.5	293	2.3	
<u>Logistics</u>																
Dallhiyamı	22.456	21.045	6.9	21 007	7.1	1,173	1.094	7.2	573	104.8	680	162	320.8	102	566.6	For our coverage universe, we expect revenue growth of 9% YoY led by Mahindra
Delhivery	23,456	21,945	0.9	21,897	7.1	1,1/3	1,094	7.2	5/3	104.8	080	102	320.8	102	300.0	Logistics amid improvement in auto volumes given the festive season. However, B2C
Mahindra Logistics	15,799	13,972	13.1	15,211	3.9	743	522	42.2	664	11.9	9	-197	NA	-107	NA	volumes for Delhivery are likely to remain flat amid increasing competition amongst 3PL
· · · · · · · · · · · · · · · · · · ·	,	,		,												players. Even TCI Express is likely to face volume growth challenges given the
TCI Express	3,140	3,119	0.7	3,115	0.8	386	456	-15.2	381	1.4	268	322	-16.6	263	2.0	slowdown in demand environment. On the
TOT Express	3,140	3,113	0.7	3,113	0.0	300	430	-13.2	301	1.4	200	JEE	-10.0	203	2.0	coverage universe is likely to increase 11%
																YoY led by Mahindra Logistics given the volume growth challenges faced by other
Total	42,395	39,036	8.6	40,223	5.4	2,302	2,072	11.1	1,617	42.3	958	286	234.3	258	271.5	two companies (negates operating leverage benefits).



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Media																
Imagicaaworld Entertaintment	992	676	46.8	400	148.1	438	252	73.9	-38	NA	146	98	49.1	-69	NA	Media: Industry-wide BO collections increased by 31.7% YoY to ~Rs33.7bn in 3QFY25E driven by movies like Pushpa 2, Bhool Bhulaiyaa 3, and Singham Again, coupled with strong performances from
Nazara Technologies	4,066	3,204	26.9	3,189	27.5	481	377	27.7	252	91.3	371	254	46.2	238	55.8	Amaran, Vettaiyan, and Mufasa-The Lion King. Though industry-wide collections were at par with 2QFY24 (best-ever quarter post COVID), PVR-Inox's BO market share is expected to be lower this time around given
PVR Inox	16,773	15,459	8.5	16,221	3.4	5,247	4,724	11.1	4,793	9.5	240	128	87.3	-118	NA	the dominance of regional content. As for broadcasting, ZEEL's performance is likely to be impacted by weakness in the advertising environment.
Zee Entertainment	20,215	20,457	-1.2	20,007	1.0	2,931	2,092	40.1	3,210	-8.7	1,750	1,137	54.0	1,964	-10.9	Entertainment: While headwinds in Kiddopia, Real Money Gaming & Ad-Tech businesses persist, consolidation of Freaks 4U, Fusebox, and Space & Time is likely to drive the growth trajectory for Nazara. For Imagicaaworld
Total	42,046	39,795	5.7	39,817	5.6	9,097	7,444	22.2	8,217	10.7	2,507	1,617	55.1	2,015	24.4	Entertainment (Imagicaa), we expect healthy performance as this is a seasonally strong quarter for theme parks.
Metals & Mining																
Hindalco Industries	598	528	13.3	582	2.8	63	59	7.5	79	-20.0	28	23	19.7	49	-43.5	
Jindal Stainless	103	91	13.0	98	5.5	13	12	2.1	12	7.2	7	7	-2.6	6	10.3	to report 5-8% YoY volume growth affected by weak domestic & export markets. NSR is
Jindal Steel & Power	122	117	4.2	111	9.5	22	28	-24.0	21	1.6	8	19	-59.7	9	-9.8	expected to decline 2-4% QoQ affected
JSW Steel	408	419	-2.6	397	2.9	51	72	-28.6	54	-5.7	8	24	-65.2	7	16.6	falling HRC, lower priced OEM contracts.
National Aluminium Co.	47	33	40.9	40	17.8	19	8	147.2	15	23.5	13	5	165.0	11	21.9	Long product prices were up 5% QoQ in anticipation of strong infra demand; which
NMDC	62	54	14.8	49	26.3	25	20	22.9	14	78.0	20	17	18.1	12	63.7	would aid JSP/SAIL. EBITDA/t to decline
Steel Authority of India	225	233	-3.8	230	-2.5	12	21	-41.9	13	-1.9	-5	3	NA	8	NA	depending upon product mix by Rs1000- 1400/t QoQ. Aluminium companies to deliver
Tata Steel	546	553	-1.3	539	1.3	46	63	-26.1	61	-24.6	-5	6	NA	8	NA	strong EBITDA growth led by sharp 35%
Total	2,112	2,030	4.0	2,047	3.2	251	283	-11.3	270	-6.9	74	104	-29.4	110	-33.3	uptick in alumina pricing; although Novelis to get impacted by raising scrap prices.



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
Travel & Tourism			(**)		(**)			()		()			(**)		()	
Chalet Hotels	4,658	3,737	24.7	3,771	23.5	2,105	1,660	26.8	1,495	40.8	1,035	706	46.6	-1,385	NA	Typically, 3Q is a seasonally strong quarter for travel. Evidently, the all-India average
InterGlobe Aviation	2,18,835	1,94,521	12.5	1,69,696	29.0	66,312	54,484	21.7	23,947	176.9	31,889	29,981	6.4	-9,867	NA	RevPAR was at its peak at Rs6,417-6,745 in Nov'24. Even occupancy levels surged to 69-
Indian Railway Catering and Tourism Corporation	12,380	11,183	10.7	10,640	16.4	4,085	3,940	3.7	3,728	9.6	3,240	3,145	3.0	3,079	5.2	71% in Nov/24, reflecting robust demand within the hospitality sector. The aviation
Lemon Tree Hotels	3,518	2,887	21.9	2,844	23.7	1,870	1,397	33.8	1,307	43.0	626	354	76.9	296	111.3	sector also witnessed strong tailwinds during the quarter, with Nov'24 registering the
Safari Industries (India)	4,465	3,883	15.0	4,578	-2.5	505	682	-26.0	479	5.4	303	429	-29.5	297	2.0	highest ever monthly traffic of 14.3mn (up 11.9% YoY) in the history of Indian market. As
V.I.P. Industries	5,492	5,464	0.5	5,443	0.9	154	523	-70.6	-22	NA	-220	72	NA	-366	NA	for the luggage sector, price war persists, driven by aggressive discounting from a
Total	2,49,349	2,21,675	12.5	1,96,971	26.6	75,030	62,686	19.7	30,935	142.5	36,873	34,687	6.3	-7,947	NA	leading player, leading to continued margin pressure.
01100																
Oil & Gas  Bharat Petroleum Corporation	999.4	1.154.9	-13.5	1.027.9	-2.8	83.0	62.3	33.4	45.5	82.6	48.6	34.0	43.2	24.0	1029	Given the rise in Singapore GRM to USD5/bbl,
GAIL (India)	327.1	342.5	-4.5	329.3	-0.7	34.2	38.2	-10.6	37.4	-8.8	21.7	28.4	-23.7	26.7	-18.8	the refining margins of OMCs are expected to improve sequentially. Marketing margins will
Gujarat Gas	40.3	39.3	2.5	37.8	6.5	3.6	4.0	-9.4	5.1	-29.4	1.9	2.2	-13.8	3.1	-38.1	continue to remain strong in Q3 as well with
Gujarat State Petronet	2.7	4.6	-40.5	2.4	13.8	1.9	3.8	-48.9	1.9	0.6	1.3	2.6	-50.3	3.9	-66.6	GMM on petrol/diesel at Rs13.2/9.4/ltr.
Hindustan Petroleum Corporation	874.6	1,041.7	-16.0	916.4	-4.6	54.1	21.6	149.9	27.2	98.4	26.5	5.3	400.2	6.3	319.3	For upstream companies, while ONGC's production is expected to decline QoQ, we
Indraprastha Gas	34.3	35.5	-3.5	37.0	-7.3	3.5	5.6	-37.2	5.4	-34.5	2.1	3.9	-45.6	4.3	-50.4	anticipate Oil India's oil production to fall 2%
Indian Oil Corporation	1,684.4	1,991.0	-15.4	1,738.5	-3.1	96.1	154.9	-38.0	37.7	154.7	36.1	80.6	-55.2	-9.8	NA	QoQ and gas production to rise 2% QoQ.
Mahanagar Gas	14.9	15.7	-4.9	17.1	-12.8	3.0	4.5	-33.8	4.0	-25.5	2.0	3.2	-36.7	2.8	-29.1	Post the APM de-allocation, CGDs are likely
Manglore Refinery Petrochemicals	208.8	246.7	-15.3	249.7	-16.4	4.1	11.8	-65.0	-4.7	NA	-1.1	3.9	NA	-6.8	NA	to face margin pressures with volume growth of 4-8% YoY for IGL and MGL and flat YoY
Oil India	53.4	58.2	-8.1	55.2	-3.2	20.5	21.1	-2.5	21.8	-6.0	14.6	15.8	-8.0	18.3	-20.6	growth for Gujarat Gas
Oil & Natural Gas Corporation	317.4	347.9	-8.8	338.8	-6.3	181.3	171.6	5.6	182.4	-0.6	98.0	98.9	-0.9	119.8	-18.2	Reliance's standalone segment will improve
Petronet LNG	135.6	147.5	-8.0	130.2	4.1	11.4	17.1	-33.4	12.0	-5.4	7.5	11.9	-36.6	8.5	-11.0	amid rising refining margins although petchem spreads will remain under pressure.
Reliance Industries	2,537.0	2,250.9	12.7	2,315.4	9.6	418.1	406.6	2.8	390.6	7.0	179.5	172.7	4.0	165.6	8.4	Jio's EBITDA to increase 6% QoQ amid tariff
Total	7,229.9	7,676.3	-5.8	7,195.6	0.5	914.8	923.1	-0.9	766.3	19.4	438.7	463.4	-5.3	366.8	19.6	hikes undertaken while Retail to continue its steady performance



			Revenue					EBITDA					PAT			
(Rs mn)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Q3FY25	Q3FY24	YoY gr. (%)	Q2FY25	QoQ gr. (%)	Remarks
<u>Pharma</u> v																
Aurobindo Pharma	77,016	73,518	4.8	77,960	-1.2	16,525	16,013	3.2	15,661	5.5	9,103	9,400	-3.2	8,169	11.4	
Cipla	69,203	66,038	4.8	70,510	-1.9	17,371	17,475	-0.6	18,800	-7.6	11,976	10,559	13.4	13,029	-8.1	
Divis Lab	22,340	18,550	20.4	23,380	-4.4	6,714	4,890	37.3	7,160	-6.2	4,596	3,580	28.4	5,100	-9.9	Pharmaceutical companies are expected to
Dr. Reddy's Laboratories	80,262	72,148	11.2	80,162	0.1	22,678	20,180	12.4	21,466	5.6	14,846	13,789	7.7	13,415	10.7	report strong Q3 results with 14% YoY EBIDTA growth, driven by niche US launches,
Eris Lifesciences	7,292	4,863	50.0	7,412	-1.6	2,571	1,755	46.5	2,646	-2.8	892	1,027	-13.2	916	-2.7	consistent domestic sales, and favorable
Indoco Remedies	4,142	4,594	-9.8	4,327	-4.3	394	629	-37.3	403	-2.1	-55	238	NA	-104	NA	currency impacts. Despite high freight costs,
IPCA Labs	22,587	20,529	10.0	23,549	-4.1	4,188	3,310	26.5	4,498	-6.9	2,080	1,119	86.0	2,462	-15.5	healthy margins are supported by stable raw material prices and improved product mix.
JB Chem & Pharma	9,854	8,445	16.7	10,006	-1.5	2,568	2,231	15.1	2,705	-5.1	1,637	1,336	22.6	1,746	-6.2	The domestic formulations business is poised
Lupin	57,498	51,974	10.6	56,727	1.4	13,317	10,219	30.3	13,083	1.8	8,474	6,131	38.2	8,526	-0.6	for growth, driven by steady performance in
Sun Pharmaceutical Industries	1,32,703	1,23,807	7.2	1,32,914	-0.2	37,638	33,523	12.3	38,109	-1.2	28,821	25,238	14.2	30,402	-5.2	the chronic portfolio and a recovery in key acute segments, supporting overall growth
Torrent Pharma	29,940	27,320	9.6	28,890	3.6	9,785	8,690	12.6	9,390	4.2	5,165	4,430	16.6	4,530	14.0	for the quarter.
Zydus Lifesciences	52,386	45,052	16.3	52,370	0.0	13,501	10,818	24.8	14,160	-4.7	8,837	7,472	18.3	8,655	2.1	
Total	5,65,223	5,16,838	9.4	5,68,207	-0.5	1,47,249	1,29,733	13.5	1,48,079	-0.6	96,372	84,318	14.3	96,845	-0.5	
Telecom																
Bharti Airtel	4,37,649	3,78,995	15.5	4,14,733	5.5	2,30,641	1,98,148	16.4	2,18,462	5.6	48,583	25,724	88.9	44,469	9.3	
Total	4,37,649	3,78,995	15.5	4,14,733	5.5	2,30,641	1,98,148	16.4	2,18,462	5.6	48,583	25,724	88.9	44,469	9.3	
Total (Rs bn)	19,562	19,036	2.8	18,949	3.2	3,826	3,610	6.0	3,594	6.4	2,117	2,080	1.8	2,023	4.7	

Source: Company, PL

# **PL Valuation**

Sector / Company Name	Rating	Price TP	Upside (%)	M cap (Rs bn)		venues (		0275		PAT (Rs		17E -		ITDA (R		27E		EPS (R		027E	2024	BVPS		20275		RoE (%)	0275		RoCE (9		E 2024	PER		0.27E 2	P/B		F 0275			DA (x)	
Auto & Auto Ancillary		(,																																							
Ashok Leyland Bharat Forge	Acc Acc	211 243 1,210 1,435	15.2 18.6	618.3 563.3	383.7 156.8	383.7 168.5	416.6 192.8	446.3 215.8	26.8 8.8	29.0 14.3		36.3 24.4	46.1 25.6	45.7 30.0	517 38.2	55.8 43.8	9.1 18.9	9.9 30.7	11.3 43.3	12.4 52.3	30.0 154.0	34.8 181.2	40.2 217.7	46.2 261.2		30.5 30 18.3 21				3.9 33. 8.4 <b>1</b> 9.			18.7 27.9			6.1 5. 6.7 5.	i.2 4.6 i.6 4.6			11.4 10 15.7 13	
Bajaj Auto	BUY	8,764 10,116	15.4	2,446.7	446.9	526.1	593.8	656.7	74.8	88.5	103.9	116.0	88.2	107.0	122.8	136.5	267.9		372.3	415.4	890.5	1,042.4	1,229.7	1,435.1	29.7	32.8 32.	312		36.9 3	6.5 34.	.8 32.7	27.6	23.5		9.8	8.4 7	7.1 6.	3.1 25.2	20.8	17.9 15	
CEAT Divgi Torqtransfer Systems	HOLD HOLD	3,084 3,244 600 637	5.2 6.1	124.8 18.3	119.4 2.5	130.4	157.0 2.7	179.9 3.3	6.9 0.4	5.5 0.3	7.3 0.5	9.2 0.6	16.5 0.5	15.4 0.4	19.6 0.6	23.5 0.8	169.4 13.0	135.4	181.6 15.6	227.9 18.4	999.4 189.8	1,102.4 196.9	1,252.0	1,444.9	18.3 7.0	12.9 15. 5.2 7.		19.8 6.1		7.6 18. 6.1 7.			17.0 38.4			2.8 2			9.6 36.5	7.7 6 26.8 20	
Eicher Motors	HOLD	5,058 5,332	5.4	1,385.0	165.4		207.9	229.8	40.0	46.1		58.5	43.3	48.8	55.2	611	146.1	168.5	1912	213.6	659.1	767.6				23.6 23.				0.7 19.			26.5			6.6 5				22.3 19	
Endurance Technologies	BUY	2,097 2,698	28.7	295.0	102.4	119.7	141.9	165.9	6.8	8.8	11.4	14.3	13.3	16.2	20.1	24.5	48.4	62.6	80.8 17.1	101.5	353.9	404.4	469.2	550.8		16.5 18.				0.9 22			26.0				1.5 3.1			14.2 1	ι5
Exide Industries Hero Motocorp	HOLD Acc	389 437 4,122 4,662	12.3 13.1	330.7 823.8	160.3 374.6	168.9 410.4	194.5 442.7	212.2 471.2	10.5 40.9	11.1 46.1	14.5 49.1	15.1 53.2	18.7 52.6	19.2 59.5	24.1 63.5	25.3 69.0	12.4 204.6	13.1	17.1 245.5	17.8 266.0	154.6 900.0	164.2 975.7	177.2 1.056.2	190.0 1,137.2		8.2 10. 24.6 24.				2.7 <b>1</b> 2. 7.1 27.			22.8 16.8			2.4 2 4.2 3				13.5 12	
Mahindra & Mahindra	BUY	3,093 3,541	14.5	3,709.1		1,140.4		1,493.3	107.2	126.3	140.0		126.7	165.4	1910	2210	89.4	105.3	116.7	132.3	435.9	516.2	606.9	712.2	22.4	22.1 20.	3 20.1	18.0	215 2	0.8 20.	.3 34.6	29.4	26.5	23.4	7.1	6.0 5	5.1 4.3	.3 28.4	217	18.8 16	
Maruti Suzuki Tata Motors	BUY HOLD	11,631 14,129 775 784	215 12	3,656.8 2,968.8				1,826.8 5.186.8	132.1 324.0	150.5 237.7		193.4 287.0	164.0 595.6			237.8 797.0	420.1 84.5	478.8 62.0	559.1 74.6	615.3 74.9	2,6712 2216	3,010.0 279.7	3,409.1	3,844.3 415.1		16.9 17. 24.7 23.				7.5 16. 0.1 18.			20.8 10.4			3.9 3. 2.8 2				13.4 11	
TVS Motor Company	HOLD	2,283 2,650	16.0	1,084.8				456.6	20.8	26.2		36.4				57.5	43.8	55.2	66.3	76.5	162.7	208.9	264.2			29.7 28.				0.8 29						10.9 8				219 1	
Banks																																									
Axis Bank Bank of Baroda	BUY	1,041 1,530 225 315	47.0 39.8	3,212.2 1167.0	498.9 447.2	552.4 476.9	608.0 522.7	690.1 582.9	248.6 177.9			336.2 198.3	371.2 309.7			540.6 3713	80.5 34.4	84.0 34.2	92.4 34.1	108.7	489.4 207.1	577.0 246.8	668.2 274.1	775.5 305.6	18.0 17.8	15.8 14. 15.1 13		18 12	17	17 1	L7 12.9		11.3 6.6	9.6 5.9	2.1	1.8 1	1.6 1. 1.8 0.1	13 -	- 5		
City Union Bank	BUY	165 190	15.0	122.4	212	23.0	25.8	29.3	10.2	10.8	11.7	13.0	15.2	16.2	17.5	19.5	13.7	14.6	15.8	17.6	113.4	126.1	139.6	155.0	12.8	12.2 11	11.9	15	15	14 1	14 12.	1 11.3	10.5	9.4	1.5	1.3 1	1.2 1	11 -	-		
DCB Bank	BUY	114 155 189 220	36.0 16.3	36.0 460.5	19.3 82.9	21.3 96.5	25.0	29.4	5.4	6.1 415	6.6 47.1	8.1 56.2	8.6 517	9.8 62.0	116 715	14.0 85.4	16.9 15.3	19.4	210	25.7	151.2 119.4	1712 135.9	192.2	217.9	11.8 14.7	12.0 11		0.9		0.8 0.	.8 6.7 12 12.4		5.4	4.4 8.3	0.8		).6 0.9 12 1		-		
Federal Bank HDFC Bank	BUY BUY	1,657 2,000	20.7	12.586.2	1.137.1		112.5 1.383.0	1576.9	37.2 639.2	675.0						238.3	84.1	16.9 88.5	19.2 94.6	105.8	579.5	643.5	153.2 716.9	798.9	15.6	13.3 13. 14.5 13.		1.3			17 19.7		9.8 17.5			2.6 2		2.1			
ICICI Bank	BUY	1,250 1,640	312	8,778.2	743.1			1,064.2	408.9							868.2	58.2	65.1	717	84.1	335.0	3911	450.7	520.5		18.0 17.		2.4		2.2 2.			17.4			3.2 2			-		
IndusInd Bank Kotak Mahindra Bank	BUY BUY	938 1,500 1756 2,230	60.0 27.0	729.8 3.4912	206.2	218.2 285.3	2517 323.1	288.7 370.2	89.5 137.8	66.0 137.9		114.7		152.0 208.4		214.5	115.0 69.3	84.7 69.3	119.9 76.6	147.2 87.6	803.0 486.5	868.2 589.8	972.5 664.1	1,104.1 749.2	15.3 15.3	10.1 13. 12.9 12.		18 2.5			16 8.2 2.1 25.3			6.4	1.2 3.6	11 1	1.0 0.1			1 1	
State Bank of India	BUY	743 1,025	37.9	6,633.2			1,863.1									202.3	74.3	75.2	74.4	83.9	3918	468.0	529.0	599.5		17.5 14.		11		0.9 0.			10.0	8.9			1.4 1.		-		
Buidling Materials																																									
Astral Ltd. Century Plyboard (I)	BUY HOLD	1,564 1,883 791 811	20.4 2.6	420.8 176.0	56.4 38.9	61.3 45.0	75.4 515	89.0 59.4	5.5 3.4	5.9 2.5	8.1 3.9	10.1 5.2	9.2 5.3	9.9 5.1	12.4 7.1	15.1 8.7	20.3 15.2	218 112	30.0 17.6	37.4 23.2	121.5 99.4	1410 109.6	168.7 125.3	203.9		16.6 19. 10.7 15.				6.1 27. 16.1 18.		1 718 1 70.8				11.1 9. 7.2 6.				32.5 26	
Cera Sanitaryware	HOLD	6,887 7,712	12.0	89.6	18.8	19.6	22.0	25.5	2.4	2.5	2.8	3.3	3.0	2.9	3.4	4.1	184.3	191.0	2119	253.7	1034.8	1,083.0	1,258.2	1,484.1	19.0	18.0 18.			23.0 2	4.4 24.			32.5		6.7	6.4 5	5.5 4.6	.6 26.9	27.8		9.1
Fino lex Industries	Acc	220 270	23.0	135.9	43.2	43.5	50.2	57.8	4.7	4.2	5.9	6.8	5.8	5.1	6.8	7.9	7.7	6.9	9.5	11.0	91.1	100.4	105.0	110.4		7.2 9.				8.3 9.						2.2 2				16.6 14	
Greenpanel Industries Kaiaria Ceramics	BUY	351 427 1071 1545	216 442	43.1 170.7	15.7 45.8	15.4 47.9	19.8 53.2	23.2 59.6	1.4	10	1.9 5.1	2.6 6.2	2.5 7.0	1.8 6.9	3.3 8.2	4.2 9.6	11.6 26.5	8.3 25.1	15.8 318	21.0 38.6	107.4	112.7 182.7	125.5 206.1	143.5 234.5	11.4 17.1	7.5 13. 14.5 16		13.2		5.6 18. 16 23						3.1 2 5.9 5	2.8 2.			12.9 9	
Supreme Industries	BUY	4,545 5,721	25.9	577.4	1013	110.7	127.6	147.2	10.7	11.4	13.8	16.1	15.5	16.5	19.9	22.9	84.2	89.7	108.2	127.1	402.1	464.8	543.0			20.7 21				6.2 26								7.1 36.6		28.1 23	
HFCs																																									
AAVAS Financiers Can Fin Homes	Acc BUY	1,668 1,900 679 1,000	13.9 47.2	197.9 90.5	9.1 12.6	10.2	12.0 14.8	14.1 16.8	4.9 7.5	5.8 8.5	6.9 9.0	8.1 10.2	6.5 10.8	7.7 116	9.2 12.4	10.9	62.0 56.4	73.0 63.7	87.0 67.5	102.9 76.5	476.8 326.2	545.4 386.1	627.2 449.5	724.0 521.5		14.3 14. 17.9 16				3.3 3. 2.0 2.	.3 26.9 .0 12.1		19.2 10.1			3.1 2 18 1			- 1	1 1	
LIC Housing Finance	HOLD	555 675	216	458.1	86.5	80.1	83.5	87.9	47.7	50.3	49.8	52.1	77.0	69.9	72.8	76.7	86.6	914	90.5	94.7	570.4	645.3	724.9	808.2		15.0 13.					1.5 6.4				1.0	0.9 0			-		
Capital Goods																																									
ABB India Apar Industries	Acc Acc	6,416 8,133 10,596 10,160	26.8 (4.1)	1,359.5 425.6	104.5 161.5		145.4 226.2	174.3 264.1	12.5 8.3	18.2 8.5	21.0 10.6	24.9 12.5	14.9 15.2	22.6 16.1	25.9 19.4	30.8 22.5	58.9 205.4	86.0 211.1	99.3 264.8	117.6 311.2	280.5 965.0	332.1 1.112.8	395.7 1298.2	472.5 1.516.1		28.1 27. 20.3 22.		25.0 40.4		1.5 31 3.7 34.			64.6 40.0	54.6 2 34.0		19.3 16. 9.5 8.				50.1 41 218 18	
BEM L	Acc	3,702 4,332	17.0	154.2	40.5	45.2	56.6	69.0	2.8	3.5	5.2	6.8	4.4	5.4	7.6	9.9	67.7	83.8	124.4	164.4	640.7	703.0	804.4	935.7	11.1	12.5 16.				5.7 34. 6.3 18.						5.3 4				20.8 16	
Bharat Electronics	BUY	271 341	25.7	1,981.0	2017		279.0	315.0	40.2	45.9		62.5	50.0	57.9	69.9	79.2	5.5	6.3	7.6	8.6	22.0	25.9	30.7	36.1		26.3 26.				15 30.			35.8			10.5 8				26.5 23	3.1
BHEL Carborundum Universal	Acc	204 260 1252 1583	27.3 26.4	712.0 238.2	238.9 47.0	324.0 513	419.5 58.5	487.1 66.6	2.6	10.4 5.0	36.3 6.6	49.1 8.0	6.1 7.4	19.4	55.4 10.2	716 12.0	0.7 24.2	3.0 26.4	10.4 34.9	14.1 419	71.4 164.2	74.1 186.1	84.2 213.7	97.3 246.2	1.0 15.5	4.1 13. 15.1 17		11		4.5 17. 9.9 21			19.6 35.9			2.8 2 6.7 5				12.9 9 22.6 18	.8 a
Engineers India	BUY	173 247	42.5	97.3	32.8	34.3	44.5	50.7	4.0	4.7	6.5	7.6	3.0	3.6	5.6	7.0	7.2	8.4	11.5	13.5	40.1	43.7	49.3	55.3	19.1	19.9 24.	25.8	12.3	13.4 1	9.8 22.	.0 24.	1 20.7	15.0	12.8	4.3	4.0 3	3.5 3.	3.1 28.2	23.2	14.4 1	15
GE Vernova T&D India	Acc	1,984 1,962	(11)	508.1	317	45.4	616	76.9	1.8	5.7	7.9	10.3	3.2	8.3	11.5	15.0	7.1	22.3	310	40.4	48.5	64.1	85.8	114.1		39.6 41					.9 280.6		64.0			30.9 23				43.8 33	
Grindwell Norton Harsha Engineers International	BUY Acc	1,870 2,511 472 561	34.3 18.9	207.0 43.0	27.0 13.9	29.5 14.7	34.3 17.1	40.2 19.3	4.0 1.1	4.2 14	5.1 19	6.1 2.3	5.4 1.7	5.8 2.1	6.9 2.7	8.2 3.3	36.3 12.2	37.5 15.4	45.6 210	54.7 25.8	185.6 129.1	206.1 143.5	233.0 162.4	264.9 185.6	20.8 9.9	19.1 20. 11.3 13.		23.4 11.5		3.7 25. 6.0 17.			410 22.5			9.1 8 3.3 2				28.9 24 14.8 1	
Hindustan Aeronautics	Acc	4,001 4,692	17.3	2,675.4	298.3		375.0	425.4	72.1	65.2		84.9	91.9	85.2	100.2	114.6	107.8	97.5	112.1	127.0	435.7	509.0	588.9	679.3	27.4	20.6 20.	20.0	19.9	15.1 1	5.7 16.	.0 37.	1 410	35.7	31.5	9.2	7.9 6	5.8 5.1	.9 26.2	28.1	23.6 20	0.5
KEC International Cummins India	HOLD Acc	976 997 2.999 4.139	2.2 38.0	259.8 8314	199.1 89.6	219.0 102.6	262.7 118.0	298.3	3.5 16.6	6.8 18.8	13.3	16.5	12.1 17.6	16.0	24.8	29.7	13.0 60.0	25.6 67.7	50.0 77.0	62.0 88.5	153.9 222.3	209.0	253.8	305.9 338.6	8.8 28.8	14.1 21 27.5 26		11.0 26.7		7.6 18. 6.6 27			19.5 38.9			4.7 3				11.9 9 34.3 29	
Kalpataru Projects International	Acc	1,204 1,306	8.5	205.6	167.6			290.2	5.6	6.5	10.2	14.0	13.7	15.7	215	28.0	32.7	38.0	60.0	82.0	336.7	425.7	478.0	548.1		10.0 13.		11.5		5.0 27. 5.2 18.			20.1			2.8 2				10.4 8	
Larsen & Toubro	BUY	3,536 4,088	15.6	4,862.2				3,234.5	129.7							397.6	94.3	114.0	146.7	174.0	628.1	733.6	868.7	1,021.0		16.7 18.		9.7			2 37.5		24.1				4.1 3.5			15.8 13	
Praj Industries Siemens	BUY	739 804 6.105 7.716	8.8 26.4	135.8	34.7 195.5	37.1 222.4	49.7 266.0	617 316.8	2.8	3.1 24.3	4.3 310	5.8 37.6	3.7 24.9	4.6 310	6.0 38.1	7.8 46.2	15.4 54.6	16.9 68.2	23.6 87.0	31.5 105.7	69.3 367.6	814 4314	98.3 506.3	120.3 594.7		22.5 26. 17.1 18.				8.3 32. 0.5 21			313 70.2			9.1 7. 14.2 12				215 16 54.4 44	
Thermax	Reduce	3,767 4,275	13.5	448.9	93.2	104.7	123.1	137.7	5.9	6.3	8.1	9.2	8.0	8.7	11.2	13.2	49.5	53.2	68.3	76.9	372.6	417.9	470.2	526.7		13.5 15.		12.5		2.3 11			55.2			9.0 8.				39.8 34	
Triveni Turbine Voltamo Transformers	BUY	710 800 8.726 12.531	12.7 43.6	225.6 88.3	16.5 16.2	21.5 18.2	27.8 20.1	36.8 24.4	2.6 3.1	3.8	5.1 3.4	6.7 3.9	3.1	4.7 3.3	6.1 3.7	8.2 4.4	8.2 303.8	12.0 311.2	16.0 333.7	212 382.4	30.2 1337.9	38.0 1559.1	48.4 1799.5			35.3 37. 21.5 19.				2.8 45. 0.9 21						18.7 14. 5.6 4.		4 69.6 2 27.2		35.0 25 23.1 19	
Cement																																									
ACC	BUY	1,931 3,251	68.4	363.0	199.6			236.0	24.3	18.3		24.6	30.6	28.2	35.0	39.3	129.3	97.4	119.1	131.0	868.6		1,060.0	1,176.4		10.7 11.		14.1		2.9 13.			16.2				1.8 1.0			9.5 8	
Ambuja Cement	BUY	511 707	38.3	1,123.6	3316 146.9	352.4 151.1	438.2	480.5 200.0	32.9	27.7 7.3	52.3 12.4	55.7 14.1	64.0	68.0 25.8	105.0	118.1	15.0	11.2	212	22.6	188.6 874.4	2110	229.8 960.2	249.8 1024.4	9.0	5.9 9.		13.0		4.8 15. 8.1 9			24.1				18 1			9.9 8	
Dalmia Bharat Nuvoco Vistas Corporation	Acc HOLD	1,728 2,017 347 372	16.8 7.4	323.9 123.8	107.3	151.1	174.5 121.0	127.7	7.7 1.3	0.7	3.5	14.1 5.2	26.4 16.2	25.8 14.3	34.2 18.5	39.2 20.5	41.1 3.6	38.8 1.8	65.9 9.8	75.2 14.6	874.4 251.5	904.2 253.4	960.2 263.1	1,024.4	4.8 1.4	4.4 7 0.7 3.		5.6 5.3			.0 42.0 .0 96.6		26.2 35.5				1.8 1.7 1.3 1.7			10.2 8 8.2 6	
Shree Cement	HOLD	25,559 24,838	(2.8)	922.2	202.5	195.8	220.8	246.6	24.0	16.6	22.5	24.0	42.4	36.6	45.1	53.8	664.0	460.5	623.0	664.8	5,738.1	6,088.5	6,596.6	7,141.3	12.2	7.8 9.	9.7	10.8	6.8	9.3 11	1.0 38.5	55.5	410	38.4	4.5	4.2 3	3.9 3.6	.6 20.8	24.1	19.3 16	6.0
Ultratech Cement	Acc	10,865 12,145	118	3,136.7	709.1	747.1	888.7	1,031.8	70.1	69.8	106.9	132.2	129.7	140.2	187.2	223.9	242.6	2418	370.2	457.8	2,086.2	2,2510	2,536.5	2,901.2	12.2	11.2 15.	16.8	14.6	14.5 1	9.0 21	1.0 44.8	44.9	29.4	23.7	5.2	4.8 4	1.3 3.	.7 24.5	22.7	16.8 13	.8
Chemicals Aarti Industries	Reduce	422 381	(9.6)	152.7	63.7	69.5	77.9	89.0	4.2	3.4	4.4	6.2	9.8	10.2	12.7	15.4	11.5	9.3	12.1	17.2	146.1	154.7	166.3	182.6	8.1	6.2 7.	9.9	7.4	6.2	7.1 8.	.6 36.7	45.6	34.8	24.5	2.9	2.7 2	2.5 2.3	.3 18.8	19.0	15.5 12	2 0
Clean Science and Technology	HOLD	1,410 1,471	4.3	149.8	7.9	9.2	11.0	12.4	2.4	2.5	3.2	3.6	3.3	3.6	4.6	5.2	23.0	23.5	30.2	33.7	113.2	1316	155.3	181.6	22.1	19.2 21	1 20.0	25.9	22.4 2	4.5 23.	2 614	60.0	46.6	41.8	12.5	10.7 9	9.1 7.1	.8 45.1	412	32.6 28	3.7
Deepak Nitrite	Reduce	2,419 2,295	(5.1)	329.9	76.8	81.6	912	97.8	8.1	7.2	9.1	9.8	11.2	11.5	14.4	15.9	59.4	52.9	66.9	71.7	3517	397.9	456.4	519.0	18.2	14.1 15.		20.9		8.6 17.			36.2			6.1 5.				23.3 21	
Fine Organic Industries Guiarat Fluorochemicals	BUY Reduce	4,458 5,765 3,796 3,724	29.3 (19)	136.7 417.0	212 42.8	23.6 47.5	25.8 52.6	28.3 59.6	4.1 4.3	4.6 5.3	5.2 5.8	5.6 6.8	5.3 9.5	5.8 11.9	6.6 13.1	7.3 15.2	135.2 39.6	150.1 48.1	168.0 52.4	181.4 62.2	626.6 540.4	764.0 586.1	918.0 635.9	1,084.3 695.0	23.9 7.6	21.6 20. 8.5 8.		27.4 9.0		2.7 20. 0.3 1			26.5 72.4			5.8 4 6.5 6				18.3 16 33.1 28	
Jubilant Ingrevia	Reduce	733 731	(0.2)	115.8	414	42.0	45.2	47.7	1.8	2.5	2.8	2.9	4.2	5.1	5.9	6.4	11.6	15.4	17.5	18.1	173.3	190.0	204.4	219.4	6.8	8.5 8.	8.6	8.7	9.4	9.3 8.	.8 63.3	47.5	419	40.4	4.2	3.9 3	3.6 3.1	.3 29.0	24.0	213 20	
Laxmi Organic Industries	Reduce	226 213	(5.6)	62.2	28.7	30.0	34.3	37.1	1.2	14	19	2.1	2.6	3.1	3.9	4.3	4.4	4.8	6.6	7.5	65.2	66.0	713	78.1	7.5	7.4 9.		8.0		11.0 11			34.2			3.4 3				15.4 13	.8
Navin Fluorine International NOCIL	Acc Reduce	3,631 3,672 236 226	11 (4.4)	179.9 39.4	20.7	22.7 14.8	27.9 15.9	32.8 17.4	2.2 1.3	2.7 10	3.3 12	3.9 1.4	4.0 2.0	4.7 1.5	5.8 19	6.8 2.1	44.1 8.0	54.0 5.9	65.8 7.3	79.7 8.3	480.9 101.9	523.0 100.7	574.4 105.0	636.5 110.3	9.6 8.2	10.8 12. 5.8 7		8.9 8.8		10.1 11 7.4 8.	1.1 82.4 .3 29.6					6.9 6. 2.3 2				34.0 28 19.3 16	
SRF	Reduce	2,601 2,018	(22.4)	7710	1314	137.7	152.4	167.5	13.4	8.8	12.0	15.4	25.8	22.5	27.6	33.2	45.1	29.7	40.5	51.9	387.3	413.2	448.7	494.1	12.3	7.4 9.	11.0	12.3	8.5 1	0.2 11	L8 57.7	87.6	64.2	50.1	6.7	6.3 5	5.8 5.3	.3 314	36.2	29.7 24	4.6
Vinati Organics	Acc	1,697 1,925	13.4	176.0	19.0	21.9	24.7	27.2	3.2	3.7	4.3	4.7	4.7	5.4	6.3	7.0	312	36.1	418	45.7	237.7	265.7	298.1	333.6	13.8	14.3 14.3	3 14.5	16.8	16.1 1	5.7 15	54.4	47.0	40.6	37.1	7.1	6.4 5	5.7 5.	5.1 37.4	33.3	28.4 25	7



Sector/		Price	TD /	Incido	M cap Revenues (Rs bn)				PAT (Rs bn)				EBITDA (Rs bn)				EPS (Rs)				BVPS (Rs)					RoE (%)	RoCE (%)				PER (x)				P/BV (x)			EV/EBI	TDA (v)			
Company Name	Rating						024 2025E 2026E 20					25E 2026E 2027E				25E 2026E 2027E					027E				2027E			027E				2024			027E 2			6E 02		24 025E		
Consumer Durables Bajaj Electricals	Reduce	760	676	(110)	87.6	46.4	47.7	52.6	58.8	1.4	12	19	2.2	2.6	2.6	3.7	4.2	11.8	10.5	16.7	19.3	125.1	185.3	107.0	210.4	0.1	6.8 8	7 05	14.1	12.2	uo 16	2 646	72.2	46.6	20.2	6.1	4.1	2.0	26 22	.6 30.9	22.1	10.2
Crompton Greaves Consumer	BUY	360	536	49.0		-10.4	41.1	02.0	00.0		-			2.0	2.0	0.7		6.8	9.1	11.4	13.3	46.6	52.8	58.2	65.6		18.2 20				6.5 28								5.5 32			17.5
Electricals	Acc		2,036	27.3	2314 1,002.9	73.1 185.9	82.6 217.6		105.1	4.4	5.8 15.6	7.3 19.8	8.6 23.5	7.1	9.0 21.9	10.8 28.1	12.4 33.1	20.3	24.9	317	37.6	118.8	137.7	159.9	186.4		19.4 21							50.6	42.6	13.5			8.6 52			28.6
Havells India KEI Industries	BUY		5,265	26.0	376.9	810	217.6 95.5	252.4 111.7	290.9 132.0	12.7 5.8	7.2	8.4	10.6	18.4 8.4	10.5	12.4	15.5	64.4	80.1	93.6	117.0	348.9	419.2	505.2	614.7		19.4 21				9.0 29.								6.8 44		34.1	
Polycab India	BUY	6,539	8,741	33.7	982.6	180.4	217.1		292.4	17.8	19.1	23.8	27.5	24.9	28.0	34.6	40.0	118.7	127.0	158.5	182.7	544.9	656.5	792.4	947.2		21.2 21		32.7	29.5	0.2 29.				35.8	12.0			6.9 38		26.9	
R R Kabel Voltas	BUY Acc	1,361 1,664	2,151 1,980	58.1 19.0	153.5 550.2	65.9 124.8	75.9 158.0	98.6 181.2	119.2 206.9	3.0 2.5	3.3 8.7	5.8 11.4	6.9 13.9	4.6 4.7	5.1 11.1	8.3 14.1	10.1 17.0	26.4 7.6	29.5 26.2	511 34.5	61.5 42.1	162.1 176.0	1915 189.1	242.6 216.6	304.1 251.7		16.7 23 14.4 17				0.7 30.			26.7 48.3	22.1 39.5				4.5 33 6.6 114			14.7 31.8
voitas	Acc	1,664	1,980	19.0	550.2	124.8	158.0	1812	206.9	2.5	8.7	11.4	13.9	4.7	11.1	14.1	17.0	7.6	26.2	34.5	42.1	1/6.0	189.1	216.6	251.7	4.5	14.4 1/	0 18.0	10.8	20.2 2	22.0 22.	.8 218.3	63.5	48.3	39.5	9.5	8.8	1.1	6.6 19	.6 49.3	38.5	318
Consumer Staples																																										
Asian Paints Britannia Industries	Reduce BUY	2,321 4.939	2,230 5.815	(3.9) 17.7	2,226.1 1,189.9	354.9 167.7	351.1 177.3		399.9 213.8	54.7 21.4	42.4 20.5	43.1 23.9	47.4 28.0	75.8 31.7	63.2 29.7	68.7 34.3	77.2 39.4	57.0 88.7	44.2 85.0	45.0 99.0	49.4 116.3	195.2 163.6	207.6 166.7	227.8 1914	250.2 223.4		22.0 20 51.5 55				5.9 25 2.7 56			516 49.9					9.3 28 22.1 37			28.4
Colgate Palmolive	HOLD		2,973	5.0	769.9	56.8	62.7		73.2	13.4	14.7	16.2	17.5	19.0	20.5	22.8	24.6	49.4	54.1	59.6	64.4	68.9	60.9	65.3	67.5		83.3 94				2.4 125.			47.5					419 39			30.6
Dabur India	HOLD	518	561	8.4	917.6	122.5	127.3	141.5	156.2	16.9	18.6	215	23.7	22.4	24.0	27.8	30.7	9.5	10.5	12.1	13.4	55.7	612	66.5	72.5		18.0 19		17.3		18.5 19.			42.7	38.8				7.1 40			29.5
Avenue Supermarts Emami	HOLD HOLD	3,686 589	4,300 761	16.6 29.1	2,398.8	507.9 35.8	595.2 38.5	712.2 42.0	848.4 45.9	25.4 7.4	29.4 9.0	35.3 9.9	42.2 11.2	41.0 9.5	47.7 10.7	57.2 116	68.5 12.8	39.0 16.9	45.3 20.5	54.2 22.8	64.9 25.8	287.3	332.6 64.8	386.8	446.7 90.5		14.6 15 34.0 32		19.4 31.2		0.3 2°			68.0 25.9		12.8 10.5			8.3 58 6.5 26			34.9 18.6
Hindustan Unilever	Acc		2,807	14.9	5,738.8	604.7	624.7		734.1	102.0	104.6	113.5	124.5	141.9	147.6	1616	178.6	43.4	44.5	48.3	53.0	216.9	217.1	219.2	222.9		20.5 22				8.7 31			50.5	46.1				110 39			315
ITC	Acc	445	536	20.5	5,554.4	654.4			852.8	204.3	204.1	230.3	2511	244.8	255.3	289.1	314.3	16.4	16.3	18.4	20.1	57.9	57.5	610	65.1		28.3 3				6.4 37.								6.8 22		18.5	17.0
Jubilant FoodWorks Kansai Nerolac Paints	HOLD Reduce	737 254	719 274	(2.5) 7.8	486.3 205.2	53.4 73.9	61.0 76.4	72.5 813	84.5 86.8	2.5 7.0	2.4 6.7	4.2 7.8	6.1 8.3	10.9 10.4	12.1	15.3 11.4	18.4 12.2	3.7 8.7	3.7 8.2	6.4 9.6	9.2	33.5 69.9	38.0 812	42.7 88.1	49.6 95.4		10.3 15				6.8 31 13.1 13			115.8 26.3					14.9 44 27 19			25.7 15.0
Marico	Acc	674	675	0.1	869.3	96.5			130.9	14.8	15.7	18.2	18.9	20.3	216	25.1	26.3	11.5	12.1	14.1	29.3	29.7	313	34.0	71.8		39.8 43				0.5 49.								9.4 42			32.4
Metro Brands	HOLD	1,259	1,208	(4.1)	342.4	23.6			35.4	4.1	3.7	4.3	5.0	7.0	7.6	8.7	10.1	15.2	13.5	15.7	18.6	68.5	76.8	86.0	97.1		18.5 19				6.2 27								13.0 47			32.1
Mold-tek Packaging Nestle India	Acc Acc	610 2.248	709 2.689	16.2 19.6	20.3	7.0 243.9	7.9 205.1		11.0 250.5	0.7 39.5	0.6 314	0.8 34.8	11 37.7	1.3 58.5	1.5 47.9	18 53.3	2.2 59.0	20.0 410	18.9 32.6	23.7 36.1	39.6 39.1	178.9 34.7	194.7 40.1	212.4	286.1 47.7		10.1 11 87.2 85		14.2 181.2		14.6 17. 17.3 89.	8 30.5 4 54.8		25.8 62.3	15.4 57.5				2.1 16 47.2 36		12.4 40.7	9.9 36.8
Pidilite Industries	Acc		3,355	15.6	1,474.8	123.8	132.9		164.6	18.3	22.4	25.3	27.5	27.1	32.1	35.7	38.4	36.1	44.1	49.8	54.1	165.4	192.5	224.0	257.8		24.6 23				9.6 27.								11.3 53			36.8
Restaurant Brands Asia	HOLD	76	100	30.9	37.9	17.6			29.9	-0.7	-0.8	-0.3	0.1	2.4	2.9	4.0	5.1	-14	-16	-0.5	0.2	37.3	35.2	34.6	34.8	-3.7	-4.5 -1		14	2.0	6.0 9.	.3 (54.9	(46.4)		395.1	2.0			2.2 15			7.9
Titan Company Westlife Foodworld	BUY HOLD	3,440 790	3,882 817	12.8 3.5	3,0618 123.2	4718 23.9	549.1 25.5		746.7 34.1	35.0 0.7	36.8 0.2	48.1 0.7	57.0 1.0	49.8 3.7	58.1 3.5	73.0 4.5	85.3 5.3	39.3 4.5	413 14	54.1 4.6	64.0 6.6	162.4 37.7	185.1 38.7	226.2 414	274.2 45.0		23.8 26 3.7 11		22.5		3.2 23. 5.8 30.	.8 87.6 .5 176.7							12.5 62 17.5 33		43.2 27.5	36.8
Westille I Oddworld	HOLD	730	011	3.5	23.2	23.5	20.0	20.4	34.1	0.7	0.2	0.7		3.7	3.5	4.5	5.5	4.5	1.44	4.0	0.0	37.7	30.7	4.04	45.0	2.1	3.7	5 5.5	23.4	11.0 2	.5.0 50.	J 1/0./	302.0	11 10	16.5	20.5	20.4	10.1	17.5	35.7	21.5	20.0
Education										16	21		3.4									134.2	165.5	206.4															10.2 57	8 458	35.6	
DOMS Industries Navneet Education	BUY HOLD	2,626 137	139	27.1 17	159.4 30.9	15.4 17.5	18.9 17.9		30.9 22.2	1.6	2.1 17	2.7	2.4	2.7 3.0	3.4	4.4 3.6	5.4 4.1	26.3 8.1	34.0 7.8	44.1 9.3	55.6 10.8	134.2 57.2	165.5 86.2	206.4 93.0	258.3 101.2	27.7 15.0	22.7 23 10.8 10	7 23.9 4 11.1	319 16.3		8.4 29 13.5 14.	1.1 99.8 2 16.9					15.9			.8 45.8 13 10.6		28.6 7.8
S Chand and Company	BUY	211	322	52.7	7.4	6.6			9.5	0.6	0.7	0.9	10	11	13	16	18	16.1	19.7	25.8	27.5	267.2	283.9	306.7	3312		7.1 8		5.1		8.2 8			8.2					0.6		3.8	3.1
EMS																																										
Avalon Technologies	HOLD	914	899	(16)	60.0	87	10.6	13.8	17.3	0.3	0.5	0.9	13	0.6	10	15	21	43	7.9	14.0	19.8	83.3	90.7	104.7	124.5	5.2	90 14	3 173	7.0	11.9	18.2 21	9 214.6	116.4	65.5	46.1	110	10.1	8.7	7.3 95	8 629	40.0	29.1
Cylent DLM	BUY	619	831	34.4	49.1	11.9			27.9	0.6	10	17	2.2	1.1	1.6	2.5	3.1	7.7	12.4	216	27.7	114.6	129.3	150.9	178.6		10.2 15		15.0		0.6 22			28.7	22.3				3.5 40		18.1	14.0
Kaynes Technology India	HOLD		6,085	(8.8)	426.5	18.0	30.4		62.6 77.6	1.8	3.0 15	3.8	5.9	2.5	4.5 3.1	6.8	10.1	28.7	46.8	59.4	92.3	389.1 90.9	459.7 97.5	519.2 107.3	611.4		11.0 12		14.7			.0 232.7							10.9 163 4.7 50			43.1 19.6
Syrma SGS Technology	HOLD	568	629	10.8	100.7	315	44.2	59.4	77.6	1.1	15	2.0	2.8	2.0	3.1	4.1	5.4	6.0	8.3	11.3	15.5	90.9	97.5	107.3	121.4	6.8	8.8 11	0 13.6	10.1	11.7	13.4 15.	.4 93.9	68.3	50.4	36.5	6.2	5.8	5.3	4.7 53	3.1 34.2	25.5	19.6
Hospitals																																										
Apollo Hospitals Enterprise Aster DM Healthcare	BUY	7,037 505	8,000 620	13.7 22.9	1,011.9 252.3	190.6 37.0			288.4 58.1	9.0 19	14.5 3.3	20.8 5.3	27.0 6.7	23.9 5.9	31.6 7.9	40.6 9.9	49.2 11.9	62.5 3.8	101.0 6.7	145.0 10.6	188.1	482.3 91.2	567.6 75.2	695.6 83.0	864.1 92.4		19.2 23 8.0 13		17.9 9.8		28.1 30. 16.0 18.	.4 112.6 6 134.0			37.4 37.4				8.1 43 5.5 43			20.0
Fortis Healthcare	BUY	687	710	3.3	518.8	68.9	76.6		97.1	5.8	7.6	9.6	11.9	12.7	15.7	18.9	22.1	7.7	10.1	12.7	15.8	101.5	109.2	118.5	129.5		9.6 11		11.2		13.6 15.			53.9	43.6				5.3 43		28.5	
HealthCare Global Enterprises	BUY	469	535	14.1	65.3	19.1	22.3			0.5	0.7	13	2.0	3.3	4.2	5.2	6.0	3.5	4.8	9.2	14.7	59.3	64.1	73.3	88.0		7.8 13		11.3		18.0 19.			50.9					5.3 20		13.5	11.7
Jupiter Life Line Hospitals Krishna Institute of Medical Sciences	BUY	1,551 649	1,660 675	7.0 4.0	101.7 259.7	10.7 25.0	12.5 30.3		17.8 45.2	1.8 3.1	2.0 3.8	2.6	2.9 5.7	2.4 6.4	2.9 8.1	3.6 9.3	4.2 11.5	26.9 7.8	30.8 9.5	39.5 10.8	44.8	178.3 45.7	207.3 54.1	244.5 62.6	286.5 73.4		16.0 17 19.1 18		19.5 19.5		0.5 19. 18.4 21								5.4 4° 8.8 4°			23.0
Max Healthcare Institute	BUY	1,150	1,200	4.4	1,117.6	68.5				12.8	14.7	20.0	26.1	19.1	22.7	29.4	36.8	13.1	15.2	20.5	26.8	95.6	108.5	126.3	149.8		14.8 17		16.9		19.2 21								7.7 58			
Narayana Hrudayalaya	BUY	1,312	1,420	8.2	268.2	50.2	56.7		715	7.9	7.8	9.5	11.6	11.5	12.0	14.5	17.1	38.6	38.0	46.5	56.5	141.1	174.4	215.1	265.8		24.1 23				212 22								4.9 24			16.0
Information Technology																																										
Cylent	BUY	1,741	2,120	218	193.2	715	76.2	88.9	103.3	7.3	7.3	8.4	10.2	13.0	12.9	15.3	18.0	66.2	65.5	75.7	92.0	383.6	416.4	454.2	500.2	19.0	16.4 17	4 19.3	17.4	15.3	16.6 18.	.0 26.3	26.6	23.0	18.9	4.5	4.2	3.8	3.5 14	.7 14.3	12.0	10.0
HCL Technologies	Acc		2,120	6.3	5,402.4	1,099.1	1,176.2			157.0	173.6	195.8	224.8	258.5	274.6	312.0	354.7	58.0	64.0	72.2	82.9	252.1	258.1		273.7		25.1 27				25.5 28.			27.6					7.3 19			14.5
Infosys LTIM indtree	BUY BUY	1,967 6,124	2,270 7,130	15.4 16.4	8,140.4 1,812.8	1,536.7 355.2	1,633.9		2,000.6 480.4	242.6 45.9	263.4 47.6	298.0 56.2	343.5 65.2	364.3 63.9	3914 66.1	437.3 78.6	503.3 917	58.6 155.0	63.6 160.9	72.0 189.8	82.9 220.4	212.9 676.3	213.2 769.6	213.7 879.8	214.3 1,007.7		29.9 33 22.3 23		27.7 23.1		312 36. 20.7 21			27.3 32.3	23.7 27.8				9.2 2		17.9 21.0	15.6 17.6
M phasis	HOLD		3,020	3.6	550.9	132.8	142.1		184.3	15.5	17.0	20.1	23.4	24.2	25.9	29.7	34.5	82.3	89.9	106.1	123.7	465.3	500.9	543.3	592.8		22.3 23 18.6 20		16.4		18.6 20			27.5	23.6				4.9 22		17.4	14.7
Persistent Systems	HOLD	6,320	6,060	(4.1)	973.2	98.2			170.6	11.4	13.7	17.2	216	17.2	20.2	25.0	312	74.2	88.4	111.0	139.7	3219	364.2	419.7	489.6		25.8 28	3 30.7			6.7 29.		715	56.9		19.6			12.9 55			
Tata Consultancy Services Tech Mahindra	BUY Acc	4,266 1,706	4,810 1,790	12.8 4.9	15,587.9 15112	2,408.9 520.0		2,768.6 568.7	3,027.2 618.4	465.9 36.2	4912 42.6	560.0 55.8	628.1 72.0	643.0 57.7	682.3 69.7	769.3 87.8	856.1 110.3	127.5 40.9	135.8 48.1	154.8 63.0	173.6 81.3	253.4 314.9	269.5 312.9	285.0 319.7	275.8 328.3	50.9 12.7	51.7 55 15.3 19	8 619 9 25.1	48.1 10.7	49.5 5 12.8	2.8 58. 16.9 21	3 33.5 7 41.7	31.4 35.5	27.6 27.1	24.6 21.0	16.8 5.4	15.8 5.5	15.0 1 5.3	15.5 23 5.2 25	.6 22.1 .2 20.7	19.5 16.2	17.6 12.9
Wipro	Acc	301	310	3.1	3,179.3	895.8				110.0	124.5	134.1	148.3	169.8	180.2	194.5	216.0	10.4	11.9	12.8	14.2	70.9	70.3	716	73.2		16.8 18				13.9 15.			23.4					4.1 17			13.1
Logistics Delhivery	HOLD	334	361	8.2	246.0	814	91.5	102.4	117.0	-2.3	18	3.4	5.9	13	3.7	6.3	9.5	-3.1	2.4	4.7	8.0	124.1	126.5	131.1	139.2	-2.5	19 3	6 5.9	-6.4	-16	0.1 2.	.6 ###	137.4	716	415	2.7	2.6	2.5	2.4 178	.0 60.9	36.0	23.5
Mahindra Logistics	UR	365	NA.	NA	26.3	55.1				-0.6	0.3	0.9	16	2.3	3.0	3.8	4.7	-8.6	4.3	12.5	21.8	68.3	70.2	80.1	99.4		6.2 16		2.2			.0 (42.2								.6 9.0		4.6
TCI Express	BUY	790	1,027	30.0	30.3	12.5	12.5	14.1	16.0	1.3	1.1	1.4	1.8	1.9	1.5	2.1	2.7	34.3	27.4	36.7	48.0	183.6	203.0	2317	271.7	20.3	14.2 16	9 19.1	25.8		21.4 24.	.4 23.0	28.8	215	16.5	4.3	3.9	3.4	2.9 15	.6 19.0	14.2	10.8
M edia																																										
Imagicaaworld Entertainment	BUY	67	108	610	32.4	2.6	4.4			0.3	0.8	0.9	12	1.0	1.9	2.3	2.7	0.7	1.5	1.7	2.2	16.5	20.1	219	24.0		8.3 8		16			.8 101.9				4.1			2.8 35			
Nazara Technologies	BUY	959	1,201	25.2	73.4	11.4	15.2		218	0.7	16	19	2.1	1.3	2.1	2.8	3.4	9.3	17.6	20.8	23.4	261.1	377.3	398.1	4215		5.9 5	4 5.7	2.1	5.1	5.6 6.			46.1					2.3 46			17.8
PVR Inox Zee Entertainment Enterprises	HOLD	1,136 125	1,319	16.2 10.2	111.2 120.3	611 86.4	62.1 85.7		77.9 101.2	-0.3 4.7	-0.9 7.8	2.7 10.9	5.0 13.2	18.1 9.1	18.3 12.9	23.1 16.9	26.5 19.9	-3.3 4.9	-9.4 8.1	27.0 11.3	50.7 13.8	748.1 113.2	738.7 119.4	764.3 127.9	813.1 138.2		-1.3 3 7.0 9		3.9 5.4		6.6 8. 11.3 12.			42.0 11.1	22.4 9.1	1.5 1.1				.5 10.5 2.1 8.0	8.2 6.0	7.0 4.9
	.1025	2.0	20	~-	20.0	00.4	55.7	552	~					0.1	2.0	0.0		4.0	0				110.4	2	1002			_ 0.0	0.4	5.0	2	2074	2.79		0.1				2.0	0.0	0.0	*
M etals & M ining																																										
Hindalco Industries Jindal Stainless	BUY Acc	574 626	682 739	18.7 18.2	1,275.3 515.1	2,159.6 385.6		2,506.7 515.1		101.4 26.4	139.7 28.7	143.4 39.8	158.6 46.6	242.5 47.0	292.2 51.9	304.1 64.7	329.5 71.1	45.7 32.1	62.9 34.9	64.6 48.4	71.4 56.6	478.1 174.4	537.6 206.2	598.0 2516	664.4 305.3		12.4 11 18.3 21		11.4 22.1		13.4 14. 13.0 24			8.9 12.9	8.0	1.2 3.6			0.9 6 2.0 1		5.4 8.4	4.6 6.9
Jindal Steel & Power	Acc	918	997	8.7	919.9	500.3	420.7	6518	789.6	59.4	43.6	86.9	112.4	102.0	101.3	159.5	194.3	59.2	43.5	86.7	112.1	442.1	483.9	567.5	674.6		9.4 16		13.5		19.7 22.			10.6	8.2	2.1		1.6		0.1 10.2	6.3	4.8
JSW Steel	HOLD	900	872	(3.1)	2,175.7	1,750.1		2,198.0	2,480.1	82.2	40.6	134.5	178.9	282.4	227.4	366.2	438.8	34.0	16.6	55.0	73.1	3213	327.0	374.0	438.2	11.5	5.2 15	7 18.0	13.0		16.1 19			16.4	12.3				2.1 10		8.0	6.3
National Aluminium Co. NMDC	Reduce Acc	202 63	211 80	4.4 26.6	3715 184.8	1315 213.1			187.2 269.0	20.6 57.7	419 68.8	417 718	49.4 811	28.7 72.9	60.6 87.1	60.5 92.6	70.5 106.6	11.2 19.7	22.8 7.8	22.7 8.2	26.9 9.2	79.3 87.6	97.7 34.0	115.3 38.5	136.7 43.4		25.8 21 24.7 22				8.4 28. 9.8 30.			8.9 7.7	7.5 6.8					.0 5.5 11 0.8	5.4 0.7	4.3 0.9
Steel Authority of India	Reduce	106	110	3.5	438.0	1,027.5	964.0	1,052.4	1,154.8	14.1	4.9	34.5	43.8	85.1	79.9	118.1	134.0	3.4	12	8.4	10.6	131.0	132.6	139.0	147.6	2.7	0.9 6	2 7.4	4.9	3.9	7.9 9.	.0 311	89.0	12.7	10.0	0.8	0.8	0.8		.7 10.2	6.6	5.3
Tata Steel	Acc	127	141	10.4	1,589.6	2,2917		2,688.1		29.9	37.3		223.4	223.1			455.6	2.4	3.0	13.6	17.9	73.8	73.7	83.4	97.4		4.1 17		7.0								1.7		13 10			5.2



Sector/		Price	Price TP Upside M.c			M cap Revenues (Rs bn)					AT (Rs	bn)	_	EBITDA (Rs bn)					EPS (	Rs)			(Rs)			RoE (%		_	RoCE (%) PER ()						P/BV (	()		EV/	(x)		
Company Name	Rating		(Rs)	(%)	(Rsbn)				027F				027F				2027F	2024 3			027F	2024 3			2027F	2024 0			2024			2024		026E 027				027F			
Oil & Gas		(113)	(14.5)	( /0)	(ICS DII)	2024	ZUZJE Z	020L 2	021L	2024 20	/2JL 20	ZUL Z	021L	2024	LUZJE A	.U2UL /	2027L	2024 2	ZUZJL A	2020L 2	UZIL	2024 2	LUZJE .	2020L 2	2027L	2024 0	23L 020	L 02/L	2024	/2JL U2	UL .UZ/1	2024	UZJL (	J20L 021	L 202.	OZJL	UZUL I	02/L	2024 02	JL 0201	UZIL
Bharat Petroleum Corporation	HOLD	278	301	8.4	1204.6	4 480 8	4.085.3	37234	3.762.0	2713	128.9	100.3	104.4	440.8	2415	196.9	200.3	62.5	29.7	23.1	24.1	174.3	195.3	208.2	2219	42.0	16.1	115 112	317	13.5	9.2 8	7 44	9.3	12.0	15 16	14	13	13	3.6	68 8	5 85
GAIL (India)	HOLD	180		13.0	1.180.8	1306.4			1386.0	88.0	910	917	93.4	132.7	143.6	144.8	148.9	13.4	13.8	13.9	14.2	97.6	105.8	114.0	122.4	14.7		2.7 12.0			11.8 11		13.0		6 18	3 17	16	15	10.1	93 9	3 91
Guiarat Gas	SELL	486	362	(25.5)	334.6	156.9	166.0	180.8	196.2	11.0	112	12.1	12.9	18.8	19.0	20.2	217	16.0	16.2	17.5	18.7	111.7	122.4	133.9	146.3	15.0		37 133			17.4 17	0 304	29.9	27.8 2	0 44	4.0	3.6	3.3	17.3	16.9 15	7 14.5
Guiarat State Petronet	HOLD	346	351	16	194.7	17.6	11.1	13.4	14.5	12.8	8.6	8.7	9.3	15.0	8.8	10.9	11.9	22.8	15.3	15.5	16.4	182.2	192.9	203.8	215.3	13.1	8.2	7.8 7.8	13.4	6.3	7.7 7	9 15.2	22.6	22.3 2	1.0 1.9	1.8	1.7	16	12.6	21.0 16.	.9 15.5
Hindustan Petroleum Corporation	HOLD	388		0.5	826.6	4,338.6	4,119.5	3,829.3	3,918.2	160.1	67.1	94.7	95.5	249.3	139.8	173.0	176.6	75.3	315	44.5	44.9	220.5	248.7	283.0	317.8	40.4	13.4	6.7 14.9	18.5	6.6	8.6 8	.1 5.2	12.3	8.7	3.7 1.8	1.6	1.4	12	5.8	10.5 8.	.7 8.7
Indraprastha Gas	SELL	413	315	(23.8)	289.0	140.0	136.5	148.2	158.2	18.6	12.9	15.6	16.7	23.7	18.7	23.1	24.5	26.6	18.4	22.3	23.9	122.2	133.2	146.5	160.7	23.8	14.5	5.9 15.6	25.0	15.7	18.8 18	4 15.5	22.4	18.5 1	7.3 3.4	3.1	2.8	2.6	11.3	14.3 11.	.5 10.8
Indian Oil Corporation	HOLD	130	152	16.9	1,794.2	7,763.5	7,381.4	8,198.0	7,468.3	431.6	112.5	199.0	217.6	755.9	369.2	466.6	495.2	313	8.2	14.4	15.8	133.2	138.3	147.6	157.1	26.7	6.0	10.1 10.4	20.4	6.3	8.3 8	.0 4.2	15.9	9.0	3.2 1.0	0.9	0.9	0.8	4.0	8.4 6.	.5 6.0
Mahanagar Gas	SELL	1,286	984	(23.5)	127.0	62.4	58.8	62.2	66.9	12.9	9.8	10.5	11.1	18.4	14.2	15.3	16.1	130.5	98.9	106.0	112.6	520.6	580.0	643.6	711.1	27.8	18.0 1	7.3 16.6	33.7	20.6	19.9 19	.1 9.9	13.0	12.1 1	1.4 2.5	2.2	2.0	18	6.7	8.7 8	.1 7.6
Mangalore Refinery & Petrochemicals	Acc	141	168	19.6	246.7	904.1	901.5	834.3	8410	36.0	-3.9	22.9	22.9	77.0	16.0	56.2	56.2	20.5	-2.2	13.1	13.1	75.6	73.4	83.4	93.4	31.2	-3.0 1	6.7 14.8	24.6	0.8	14.7 14	5 6.9	(62.9)	10.8 1	0.8 1.9	1.9	1.7	15	4.8 2	3.0 6	.1 5.7
Oil India	BUY	456	691	516	7415	2213	226.7	248.3	267.4	79.1	67.3	94.9	103.2	92.6	92.1	133.6	149.1	48.7	413	58.3	63.5	2713	3015	339.4	380.6	20.2	14.4	8.2 17.6	14.8	12.6	17.4 17	.7 9.4	11.0	7.8	7.2 1.7	1.5	1.3	12	8.9	9.0 5.	.9 5.0
Oil & Natural Gas Corporation	Acc	263		12.3	3,375.5				6,566.4	559.9		570.5	580.5	1,086.5	990.4	1,114.6	1,146.9	43.6	39.2	44.5	45.2	262.6	286.0	312.5	339.2	18.1		4.9 13.9		13.6	15.1 14		6.7	5.9	5.8 1.0	0.9	0.8	0.8	3.9	4.2 3.	.4 3.1
Petronet LNG	Sell	320		(16.4)	480.5	557.7	529.8	517.4	520.1	35.4	33.1	40.2	413	52.1	48.0	58.1	59.5	23.6	22.0	26.8	27.5	113.1	125.7	141.0	156.9	22.2		0.1 18.5			24.7 22		14.5		1.6 2.8		2.3	2.0			.7 6.3
Reliance Industries	Acc	1,242	1,453	17.0	16,805.4	9,010.6	9,559.1	10,152.6	0,589.2	696.2	588.9	665.2	745.3	1,622.3	1,537.8	1,717.5	1,855.0	514	43.5	49.2	55.1	586.4	632.6	679.2	731.4	9.2	7.1	7.5 7.8	10.2	8.6	9.2 9	.6 24.1	28.5	25.3 2	2.5 2.1	1 2.0	1.8	17	11.9	12.2 10.	.7 9.5
Pharma																																									
Aurobindo Pharma	Acc	1200	1475	23.0	702.8	289.7	313.4	347.1	374.4	35.2	35.2	43.4	49.6	58.1	65.0	74.9	816	60.1	60.6	74.7	836	509.3	554.9	6213	696.6	124	113 1	27 127	126	13.2	14.5 14	6 200	19.8	16.1 1	14 24	22	19	17	12.1	10.9 9	3 83
Cipla	BUY	1,469		17.8	1.185.8	257.7	270.1		317.6	41.2	45.9	513	512	62.9	66.6	73.9	72.9	511	56.9	63.6	63.4	330.8	370.2	414.0	454.1	16.5		6.2 14.6			19.5 17		25.8	23.1 2				3.2			5 154
Divi's Laboratories	Acc		6.000	4.0	1529.4	78.5	93.5	109.4	125.8	16.0	20.3	25.9	316	22.1	28.5	35.9	43.7	60.4	76.7	97.9	119.4	512.1	556.7	6216	708.0	12.1		66 180			19.9 21		75.3		33 113			8.2			5 34.0
Dr. Reddy's Laboratories	Reduce	1354		(14)	1129.6	279.2	327.7	360.1	357.2	55.7	56.0	619	44.6	78.4	89.9	95.1	712	66.8	67.2	74.2	53.4	336.4	392.1	452.4	492.1	218	18.4	76 113	23.3	22.5	20.3 12		20.2	18.3 2	4 40	3.5	3.0	28	13.6	12.4 11	3 14.6
Eris Lifesciences	BUY	1295		9.7	176.1	20.1	30.1	33.7	38.0	3.9	3.8	5.4	7.4	6.7	10.6	12.2	14.0	28.8	28.0	39.9	54.7	190.2	218.2	2511	298.8	16.4	13.7	7.0 19.9	11.8		16.9 20			32.5 2		5.9	5.2	4.3	28.1	18.8 15.	.8 13.2
Indo co Remedies	Acc	328		(2.4)	30.2	18.2	18.3	20.7	23.2	0.9	0.3	1.1	18	2.4	2.2	3.3	4.2	9.3	3.4	12.5	19.6	120.4	1219	132.2	149.7	8.0	2.8	9.8 13.9	9.8	5.7	10.4 13	8 35.3	95.4	26.3 1	3.7 2.7	2.7	2.5	2.2	14.9	17.6 11.	.6 8.9
lpca Laboratories	Acc	1,632	1,700	4.1	414.1	77.1	90.3	102.8	115.9	6.6	8.4	11.0	13.6	12.9	17.1	213	25.3	25.8	33.2	43.6	53.5	249.6	279.0	318.1	367.4	10.8	12.6	4.6 15.6	12.4	16.4	19.8 21	9 63.2	49.2	37.5 3	0.5 6.5	5.9	5.1	4.4	32.6 2	4.3 19.	.3 16.0
J.B. Chemicals & Pharmaceuticals	BUY	1,823	2,250	23.4	282.9	34.8	40.4	45.7	518	5.5	7.0	8.7	10.4	9.0	10.8	12.8	15.1	35.6	45.0	56.0	67.1	188.4	218.4	259.3	311.4	20.5	22.1 2	3.4 23.5	24.0	27.0	29.2 29	5 512	40.5	32.6 2	2 9.7	8.3	7.0	5.9	314 2	5.7 21	11 17.5
Lupin	BUY	2,191	2,420	10.4	998.5	198.1	226.2	250.8	272.8	19.0	32.0	38.0	43.3	35.9	51.1	58.4	64.5	417	70.2	83.5	95.0	313.6	376.5	453.0	541.0	14.2	20.4 2	0.1 19.	1 15.4	22.4	22.7 22	.0 52.6	312	26.2 2	3.1 7.0	5.8	4.8	4.1	28.2	19.5 16.	.5 14.4
Sun Pharmaceutical Industries	BUY	1,785	2,100	17.7	4,282.3	485.0	523.9	585.4	650.5	95.8	109.2	131.1	156.3	129.9	143.3	167.4	196.9	418	45.5	54.6	65.1	265.4	294.5	332.8	380.3	16.0	16.3	7.4 18.3	16.2	16.9	18.4 19	8 42.7	39.2	32.7 2	7.4 6.7	6.1	5.4	4.7	32.4 2	9.2 24.	.6 20.4
Torrent Pharmaceuticals	Acc	3,274	3,600	9.9	1,106.8	107.3	118.2	133.6	150.3	16.6	20.0	26.2	32.4	33.7	38.3	44.6	519	46.4	59.2	77.6	95.9	202.8	226.3	268.8	317.9	24.0	27.6	113 32.7	23.0	28.2	34.4 39	5 70.6	55.3	42.2 3	1.2 16.	1 14.5	12.2	10.3	33.7 2	9.4 24.	.9 21.1
Zydus Lifesciences	Acc	1,004	1,050	4.5	1,010.4	195.5	228.2	243.2	249.0	38.4	45.7	47.5	42.0	53.0	67.9	67.1	58.8	38.1	45.4	47.2	41.7	197.1	236.7	277.9	313.7	20.5	20.9	8.3 14.	1 23.1	26.3	22.0 16	.4 26.3	22.1	213 2	4.1 5.1	1 4.2	3.6	3.2	19.0	14.5 14.	.2 15.8
Real Estate																																									
Sunteck Realty	BUY	481	670	39.4	70.4	5.6	13.0	19.6	24.6	0.7	14	47	58	12	19	6.0	7.5	4.8	9.8	32.3	39.4	213.3	2216	2518	289.2	24	45 1	36 146	3.1	5.0	15.3 16	9 99.2	49.0	14.9 1	2.2 2.3	3 2.2	19	17	62.3 3	18.3 11	7 92
our rouny	501	401	0.0	00.4	10.4	0.0	2.0	5.0	24.0	0.1		4.1	0.0		20	0.0	1.5	4.0	0.0	02.0	00.4	2.0.0	22.10	2010	2002	2	4.0	0.0	0.1	0.0			40.0			,		.,	02.0		
Travel & Tourism																																									
Chalet Hotels	Acc	884		217	181.6	14.2	17.1	20.6	23.4	2.4	3.6	4.8	5.8	5.8	7.5	9.4	10.6	11.6	16.4	22.0	26.4	90.1	137.9	157.7	181.4	14.1		4.9 15.6			14.5 15		53.8	40.2 3			5.6	4.9			.5 19.0
InterGlobe A viation	Acc	4,229	4,919	16.3	1,632.2	689.0	776.3	911.2	1,061.6	81.7	77.3	88.9	96.6	173.9	200.9	212.4	249.4	211.7	200.2	230.3	250.2	517	2519	482.1	732.3	###	1319 6	2.7 412	###	129.7	72.7 56	2 20.0	21.1	18.4 1	6.9 81.8	16.8	8.8	5.8	7.6	5.7 5	.1 3.8
Indian Railway Catering and Tourism	HOLD	779	835	7.2														14.6	16.1	17.6	18.9	40.4	49.6	59.5	70.1	410	35.9 3	2.2 29.2	49.4	42.8	38.8 35	5 53.3	48.3	44.3 4	12 19.3	157	13.1	11.1	410 3	67 32	.9 29.8
Corporation					623.3	42.7	47.6	52.2	56.2	11.7	12.9	14.1	15.1	14.7	16.2	17.9	19.5							23.0																	
Lemon Tree Hotels	BUY	140		27.7	111.1	10.7	12.8	14.6	15.9	1.5	2.1	2.9	3.5	5.2	6.5	7.6	8.3	19	2.6	3.6	4.4	12.2	14.7	18.0	21.9	16.3		2.2 22.0				6 74.8			1.9 11.5		7.8	6.4			.8 13.9
Safari Industries (India)	BUY HOLD		2,939	17.4 6.5	122.0 64.4	15.5	18.1 22.9	22.4	27.0 27.9	1.8	14 -0.5	2.5	3.2	2.8	2.3	3.7	4.7	36.1 2.0	28.9 -3.7	50.6 13.3	65.3	168.9 47.8	194.8	242.2 53.6	304.1 67.7	28.1		3.2 23.9 7.7 26.6			24.0 25		86.6	49.4 3				8.2			.5 24.8
V.I.P. Industries	HOLD	454	483	6.5	64.4	22.4	22.9	25.2	27.9	0.3	-0.5	19	2.3	1.9	1.1	3.9	4.5	2.0	-3.7	13.3	16.1	47.8	42.3	53.6	67.7	4.3	-8.3 2	7.7 26.6	7.4	-0.5	20.3 22	.9 225.9	(122.1)	34.1 2	3.2 9.5	10.7	8.5	6.7	37.5 6	6.2 17.	.6 15.3
Telecom																																									
Bharti Airtel	Acc	1,616	1.783	10.3	9.177.3	1499.8	1696.2	19615	2.145.7	134.7	185.8	2716	320.9	782.9	887.9	1.039.6	1.137.2	23.7	32.7	47.8	56.5	144.4	168.1	216.0	272.5	16.9	20.9 2	4.9 23.	1 12.9	13.8	16.2 16	.8 68.1	49.4	33.8 2	3.6 11.2	9.6	7.5	5.9	14.3	12.2 10.	4 9.3
									, ,								,																								

Source: Company, PL



# Notes



## PL's Recommendation Nomenclature

 Buy
 : > 15%

 Accumulate
 : 5% to 15%

 Hold
 : +5% to -5%

 Reduce
 : -5% to -15%

 Sell
 : < -15%</td>

Not Rated (NR) : No specific call on the stock
Under Review (UR) : Rating likely to change shortly



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## Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

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