

CMP	: INR 1,620
Reco	: BUY ↔
Target Price	: INR 1,825 ↓
Target Price Change	: -4%
Target FY27 P/E (x)	: 25
EPS Change FY26/ 27	: -6%/-3%

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Market data	
Sensex	: 82,253
Sector	: IT
Market Cap (INR bn)	: 4,395.6
Market Cap (USD bn)	: 51.120
O/S Shares (mn)	: 2,713.7
52-wk HI/LO (INR)	: 2005/1303
Avg. Daily Vol ('000)	: 2,442
Bloomberg	: HCLT IN

Source: Bloomberg

	FY25	FY26e	FY27e
EPS (INR)	63.3	64.2	72.4
P/E (x)	25.6	25.2	22.4
P/BV (x)	6.4	6.7	7.0
EV/EBITDA (x)	16.2	15.4	14.2
Dividend Yield (%)	3.7	4.0	4.2

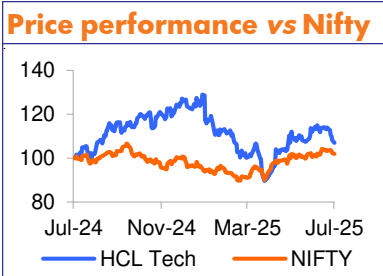
Source: Company, Antique

Returns (%)				
	1m	3m	6m	12m
Absolute	(4)	16	(10)	4
Relative	(6)	9	(16)	2

Source: Bloomberg

Shareholding pattern		
Promoters	:	61%
Public	:	39%
Others	:	0%

Source: Bloomberg



Source: Bloomberg, Indexed to 100

1QFY26 RESULT REVIEW

HCL Technologies

Margin guidance disappoints, but growth outlook intact

HCL Technologies (HCLT) reported a revenue decline of 0.8% QoQ in CC terms, in line with our estimate. However, margins came in much lower than expectations, impacted by lower utilization, GenAI investments, and client bankruptcy. The company expects the margins to remain subdued in 2QFY26 as well, as some of the restructuring cost will spill over into the next quarter. FY26 EBIT margin guidance was lowered to 17%-18% (earlier 18%-19%) to account for margin pressure faced in 1Q, upfront investments in GenAI, and planned restructuring expenses (estimated impact of ~30-40 bps). HCLT expects utilization to normalize by 3QFY26 and the margin to improve in 2H. On the positive side, the company raised the lower band of its FY26 guidance by 100 bps from 2%-5% to 3%-5% in CC terms for the company as a whole and the services business. This translates into a CQGR of 1.4%-2.7% for the overall business and 0.7%-2.0% for the services business. New deal wins totaled USD 1.8 bn against our expectation of USD 2.3 bn due to delayed signing of deals and a large vendor consolidation deal slipping into from 1Q to 2Q. Management acknowledged that the demand environment continues to remain challenging while they see healthy demand for efficiency-led deals. Management remains confident about strong demand in Financial Services and Tech verticals. Owing to a miss on margins and renewed margin guidance, we have reduced our FY26/ 27 EPS estimates by 6%/ 3%, leading to a cut in TP to INR 1,825 (from INR 1,900 earlier), in line with the EPS revision. However, we maintain BUY rating on the stock.

1QFY26 result highlights

HCLT reported a revenue of USD 3,545 mn, down 0.8% QoQ in CC terms, in line with our expectation. EBIT margin declined 160 bps sequentially to 16.3%, lower than our expectation of 17.1%, owing to higher S&M investment (30 bps), lower utilization (80 bps) from capacity built in March and automotive ramp down, client bankruptcy (30 bps), and a lower share of software in revenue mix (20 bps). Net new deal wins contracted were at USD 1.8 bn vs. an average of USD 2.4 bn for the past eight quarters. Among segments, IT Services remained flat QoQ in CC terms, while ER&D declined 0.5% QoQ, and Products declined 7.1% QoQ. Among verticals, Financial Services was up 3.7% QoQ in USD terms, Technology & Services (5.9%), Manufacturing (1.3%), Retail & CPG (1.3%) while Telecom declined 4.5% QoQ and Life Sciences and Public Services remained flattish during the quarter. Total headcount remained flat (-0.1% QoQ) to 223,151 (added 1,984 freshers), while attrition was down 20 bps QoQ to 12.8%.

Investment Summary

HCLT's topline decline was largely in line with our estimate, as the company actively passed productivity benefits to clients during 1Q. However, the margin miss was a bigger surprise as the company reported its lowest 1Q margin, impacted by a seasonal decline, GenAI investments, and restructuring costs. FY26 EBIT margin guidance was lowered to 17%-18% (earlier 18%-19%) to account for margin pressure faced in 1Q and the company expects it to remain subdued in 2QFY26 as well as some of the restructuring cost will spill over to the next quarter. Owing to a cut in margin guidance and our assumptions, we have reduced our FY26/ 27 EPS estimates by 6%/ 3%, leading to a cut in the target price to INR 1,825 (from INR 1,900 earlier), in line with the EPS revision. However, we maintain BUY rating on the stock.

Table 1: Financial summary

INR mn	1QFY26	4QFY25	QoQ	1QFY25	YoY	FY23	FY24	FY25	FY26e	FY27e
Revenues (USD mn)	3,545	3,498	1.3%	3,364	5.4%	12,586	13,270	13,840	14,716	15,683
Revenues	3,03,523	3,02,419	0.4%	2,80,541	8.2%	10,14,560	10,99,130	11,70,550	12,58,275	13,40,348
EBIT	49,488	54,196	-8.7%	47,955	3.2%	1,84,509	2,00,235	2,14,089	2,23,439	2,47,069
EBIT Margins	16.3%	17.9%	-162 bps	17.1%	-79 bps	18.2%	18.2%	18.3%	17.8%	18.4%
PBT	51,886	57,187	-9.3%	56,262	-7.8%	1,93,658	2,09,653	2,31,732	2,36,914	2,67,991
PAT	38,443	42,957	-10.5%	41,792	-8.0%	1,48,073	1,56,981	1,73,205	1,76,290	1,99,653
EPS	14.0	15.7	-10.6%	15.3	-8.4%	54.3	57.7	63.3	64.2	72.4

Source: Company, Antique

Table 2: Key metrics

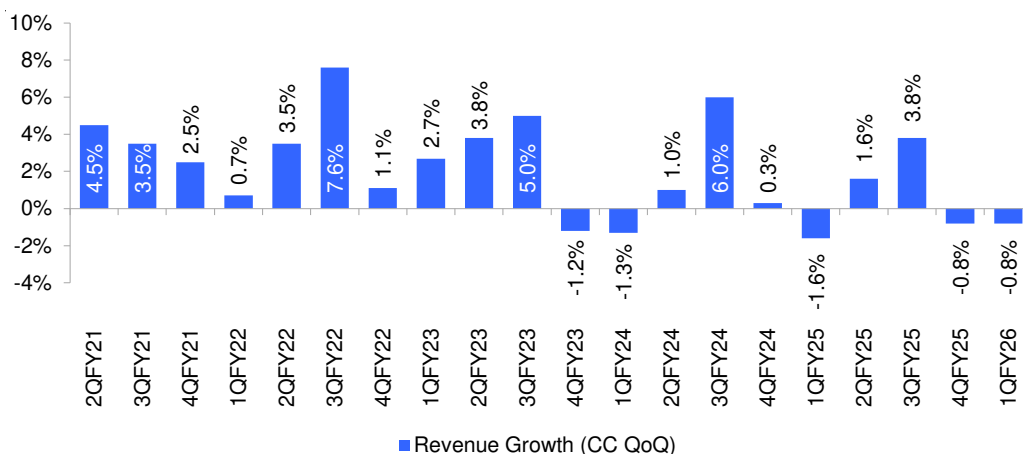
	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26e
Revenue (USD mn)	3,200	3,225	3,415	3,430	3,364	3,445	3,533	3,498	3,545
QoQ growth (%)	-1.1	0.8	5.9	0.4	-1.9	2.4	2.5	-1.0	1.3
CC QoQ growth (%)	-1.3	1.0	6.0	0.3	-1.6	1.6	3.8	-0.8	-0.8
YoY growth (%)	5.8	4.6	5.3	6.0	5.1	6.8	3.5	2.0	5.4
EBIT Margin (%)	17.0	18.5	19.8	17.6	17.1	18.6	19.5	17.9	16.3
Net Profit Margin (%)	13.4	14.4	15.2	14.0	14.9	14.7	15.4	14.2	12.7
Segment mix (%)									
IT and Business Services	74.7	74.6	71.7	74.4	74.5	74.6	73.0	73.3	74.0
Engineering and R&D Services	15.4	16.0	16.4	16.1	15.9	15.8	16.0	17.1	17.0
Products & Platforms	10.4	9.9	12.3	9.5	9.9	9.9	11.3	9.9	9.3
Revenue by Segment mix									
IT and Business Services	2,390.4	2,405.6	2,448.6	2,551.8	2,506.0	2,570.1	2,579.0	2,564.2	2,623.3
Engineering and R&D Services	492.8	516.0	560.1	552.2	534.8	544.3	565.3	598.2	602.7
Products & Platforms	332.8	319.2	420.0	325.8	333.0	341.1	399.2	346.3	329.7
Segment mix QoQ growth (%)									
IT and Business Services	0.1	0.6	1.8	4.2	(1.8)	2.6	0.3	(0.6)	2.3
Engineering and R&D Services	(5.4)	4.7	8.5	(1.4)	(3.1)	1.8	3.8	5.8	0.7
Products & Platforms	(2.9)	(4.1)	31.6	(22.4)	2.2	2.4	17.0	(13.2)	(4.8)
Vertical break up (%)									
Financial Services	22.6	22.6	21.7	21.6	21.0	20.5	20.3	21.1	21.6
Manufacturing	19.9	19.3	20.1	20.4	19.4	19.5	19.1	18.6	18.6
Technology & services	13.4	13.1	12.8	12.3	13.0	13.1	13.3	13.4	14.0
Telecom, Media, Publishing & Entertainment	7.6	8.0	9.7	11.5	12.2	12.1	12.3	13.9	13.1
Retail & CPG	9.1	9.6	9.6	9.1	9.4	9.6	10.6	9.7	9.7
Life sciences & Healthcare	17.5	17.5	16.4	16.3	15.9	16.0	15.5	14.7	14.5
Public services	10.0	9.9	9.7	8.8	9.1	9.2	8.9	8.6	8.5
Revenue by Vertical									
Financial Services	723.2	728.8	741.1	740.9	706.4	706.3	717.2	738.1	765.7
Manufacturing	636.8	622.4	686.4	699.7	652.6	671.8	674.8	650.7	659.4
Technology & services	428.8	422.4	437.1	421.9	437.3	451.3	469.9	468.8	496.3
Telecom, Media, Publishing & Entertainment	243.2	258.0	331.3	394.4	410.4	416.9	434.5	486.2	464.4
Retail & CPG	291.2	309.6	327.8	312.1	316.2	330.7	374.5	339.3	343.9
Life sciences & Healthcare	560.0	564.3	560.1	559.1	534.8	551.2	547.6	514.2	514.0
Public services	320.0	319.2	331.3	301.8	306.1	317.0	314.4	300.8	301.3
Vertical break up QoQ growth (%)									
Financial Services	5.5	0.8	1.7	(0.0)	(4.7)	(0.0)	1.5	2.9	3.7
Manufacturing	3.6	(2.3)	10.3	1.9	(6.7)	2.9	0.4	(3.6)	1.3
Technology & services	(8.0)	(1.5)	3.5	(3.5)	3.7	3.2	4.1	(0.2)	5.9
Telecom, Media, Publishing & Entertainment	(14.6)	6.1	28.4	19.1	4.0	1.6	4.2	11.9	(4.5)
Retail & CPG	0.0	6.3	5.9	(4.8)	1.3	4.6	13.2	(9.4)	1.3
Life sciences & Healthcare	(1.1)	0.8	(0.8)	(0.2)	(4.3)	3.1	(0.7)	(6.1)	(0.0)
Public services	(3.0)	(0.2)	3.8	(8.9)	1.4	3.5	(0.8)	(4.3)	0.2

Table 2: Key metrics (continue...)

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26e
Client composition (%)									
Top 5	9.8	9.8	9.8	10.4	11.4	12.1	12.6	12.7	12.6
Top 10	17.2	17.2	17.7	18.8	19.6	20.1	20.3	20.2	20.2
Top 20	27.2	27.3	28.0	29.0	30.1	30.8	30.9	30.4	29.9
Beyond Top 10	72.8	72.7	72.0	71.0	69.9	69.2	69.1	69.6	70.1
Client data									
More than 1 mn USD	947	971	958	951	404	952	952	948	956
More than 5 mn USD	390	402	401	395	404	402	398	399	402
More than 10 mn USD	237	243	250	254	256	251	248	251	255
More than 20 mn USD	127	132	132	137	133	137	136	138	144
More than 50 mn USD	48	49	49	46	48	52	53	52	54
More than 100 mn USD	20	20	20	22	22	22	22	22	22
Deal Wins (USD bn)									
TCV (New deal wins)	1.6	4.0	1.9	2.3	1.9	2.2	2.1	3.0	1.8
Employee Metrics									
Total employee count (nos.)	2,23,438	2,21,139	2,24,756	2,27,481	2,19,401	2,18,621	2,20,755	2,23,420	2,23,151
Net Additions	(2,506)	(2,299)	3,617	2,725	(8,080)	(780)	2,134	2,665	(269)
Attrition - IT Services (LTM) %	16.3	14.2	12.8	12.4	12.8	12.9	13.2	13.0	12.8

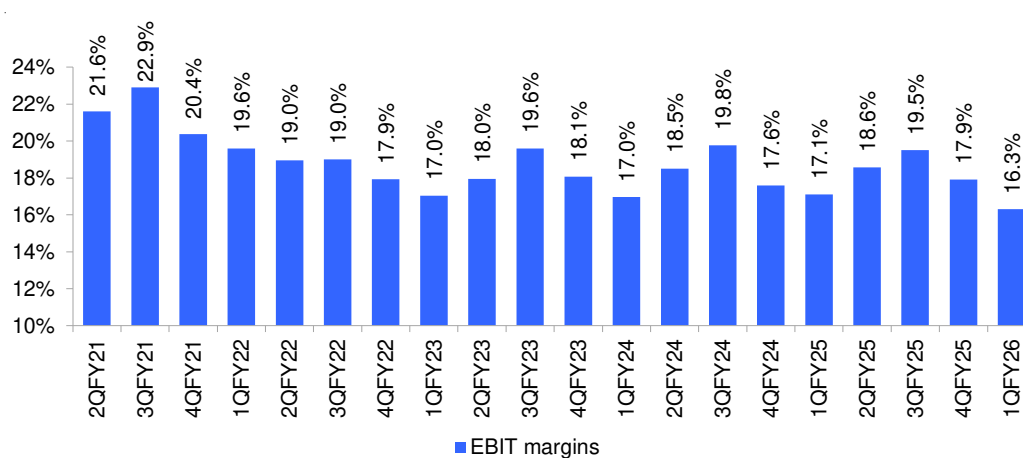
Source: Company, Antique

Exhibit 1: Revenue declined by -0.8%, in line with our expectation



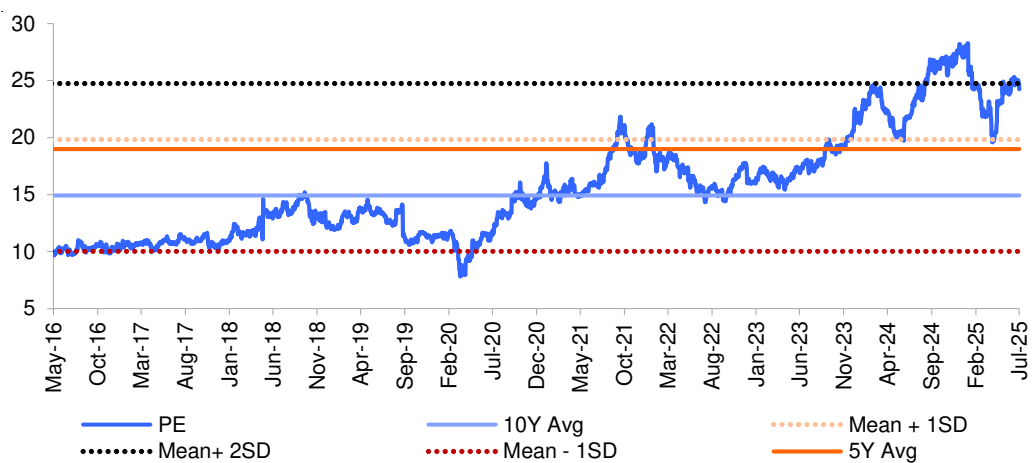
Source: Company, Antique

Exhibit 2: EBIT margin came in at 16.3%, below our expectation



Source: Company, Antique

Exhibit 3: HCLT is currently trading at 24x forward PE, near mean +2 SD levels



Source: Bloomberg, Antique

Table 3: Change in estimates

	Old		New		Change	
	FY26	FY27	FY26	FY27	FY26	FY27
Revenue	12,53,950	13,35,880	12,58,275	13,40,348	0.3%	0.3%
EBIT	2,35,852	2,56,576	2,23,439	2,47,069	-5.3%	-3.7%
PAT	1,86,716	2,06,736	1,76,290	1,99,653	-5.6%	-3.4%
EPS	68.0	75.0	64.2	72.5	-5.6%	-3.4%
EBIT Margins	18.8%	19.2%	17.8%	18.4%	-1.1%	-0.8%
PAT Margins	14.9%	15.5%	14.0%	14.9%	-0.9%	-0.6%

Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Net Revenue	10,14,560	10,99,130	11,70,550	12,58,275	13,40,348
Op. Expenses	7,88,585	8,57,190	9,15,619	9,90,461	10,46,367
EBITDA	2,25,975	2,41,940	2,54,931	2,67,814	2,93,981
Depreciation	41,466	41,705	40,842	44,375	46,912
EBIT	1,84,509	2,00,235	2,14,089	2,23,439	2,47,069
Other income	9,149	9,418	17,643	13,475	20,922
Reported PBT	1,93,658	2,09,653	2,31,732	2,36,914	2,67,991
Tax	46,488	52,548	58,629	60,624	68,338
Reported PAT	1,47,170	1,57,105	1,73,103	1,76,290	1,99,653
Net Profit	1,47,170	1,57,105	1,73,103	1,76,290	1,99,653
Adjusted PAT	1,48,073	1,56,981	1,73,205	1,76,290	1,99,653
Adjusted EPS (INR)	54.3	57.7	63.3	64.2	72.4

Balance sheet (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Networth	6,41,818	6,77,969	6,89,131	6,63,860	6,40,188
Debt	20,717	22,116	22,667	22,915	22,905
Minority Interest	(81)	83	169	171	171
Capital Employed	6,62,455	7,00,168	7,11,967	6,86,946	6,63,264
Net Fixed Assets	1,03,987	1,02,213	1,16,547	1,13,953	1,08,723
Goodwill	2,64,079	2,70,939	2,83,501	51,558	299,14
Investments	1,33,894	1,84,050	2,12,626	2,14,952	2,14,865
Current Investments	1,33,894	1,84,050	2,12,626	2,14,952	2,14,865
Current Assets, Loans & Adv.	3,91,685	4,05,125	4,01,824	4,28,913	4,59,280
Debtors	2,50,133	2,53,545	2,55,675	2,77,758	2,95,995
Cash & Bank balance	88,913	93,764	81,532	84,916	97,046
Loans & advances and others	52,638	57,816	64,617	65,324	65,297
Current Liabilities & Provisions	2,30,142	2,57,355	2,92,889	3,11,558	3,28,163
Liabilities	2,10,231	2,25,796	2,42,143	2,59,538	2,76,143
Provisions	19,911	31,558	50,746	51,301	51,281
Net Current Assets	1,61,543	1,47,770	1,08,935	1,17,355	1,31,117
Application of Funds	6,62,455	7,00,168	7,11,967	6,86,946	6,63,264

Per share data

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
No. of shares (mn)	2,711	2,722	2,733	2,744	2,755
Diluted no. of shares (mn)	2,713	2,724	2,735	2,746	2,757
BVPS (INR)	236.6	248.9	252.0	241.8	232.2
CEPS (INR)	69.5	73.0	78.2	80.4	89.4
DPS (INR)	48.0	52.0	60.0	64.0	68.0

Source: Company, Antique

Cash flow statement (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
PBT	1,93,658	2,09,653	2,31,732	2,36,914	2,67,991
Depreciation & amortization	41,466	41,664	40,851	44,375	46,912
(Inc)/Dec in working capital	(12,817)	23,193	20,383	(4,348)	(1,632)
Tax paid	(46,488)	(52,548)	(58,629)	(60,624)	(68,338)
CF from operating activities	1,79,761	2,24,554	2,22,606	2,29,511	2,55,516
Capital expenditure	(21,845)	(30,979)	(31,463)	(18,874)	(20,105)
Inc/(Dec) in investments	(22,490)	(44,232)	(34,592)	-	-
Others investing activities	4,595	7,952	16,915	-	-
CF from investing activities	(39,741)	(67,259)	(49,139)	(18,874)	(20,105)
Dividend Paid	(1,30,105)	(1,40,729)	(1,62,556)	(2,09,100)	(2,23,058)
CF from financing activities	(1,59,044)	(1,54,728)	(1,85,646)	(2,09,100)	(2,23,058)
Net cash flow	(19,024)	2,568	(12,179)	1,337	12,130
Opening balance	1,03,397	88,913	93,764	81,532	84,916
Closing balance	88,913	93,764	81,532	84,916	97,046

Growth indicators (%)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Revenue	18.5	8.3	6.5	7.5	6.5
EBITDA	12.9	7.1	5.4	5.1	9.8
Adj PAT	9.7	6.0	10.3	1.8	13.3
Adj EPS	11.3	6.3	9.7	1.4	12.8

Valuation (x)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
P/E (x)	29.9	28.1	25.6	25.2	22.4
P/BV (x)	6.8	6.5	6.4	6.7	7.0
EV/EBITDA (x)	18.6	17.1	16.2	15.4	14.2
EV/Sales (x)	4.1	3.8	3.5	3.4	3.2
Dividend Yield (%)	3.0	3.2	3.7	4.0	4.2

Financial ratios

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
RoE (%)	23.7	23.8	25.3	26.1	30.6
RoCE (%)	29.5	30.8	32.8	33.9	39.7
Asset/T.O (x)	3.8	4.3	4.9	5.5	5.7

Margins (%)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
EBITDA Margin (%)	22.3	22.0	21.8	21.3	21.9
EBIT Margin (%)	18.2	18.2	18.3	17.8	18.4
PAT Margin (%)	14.5	14.2	14.6	13.9	14.7

Source: Company Antique

Valuation Guide

Company	Reco	CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
AMC																							
Aditya Birla Sun Life AM	Buy	850	900	6	245.3	2.9	7.1	7.9	9.0	32.3	36.1	40.7	26.3	23.5	20.9	-	-	-	5.5	26.7	NA	11	22
HDFC Asset Management	Buy	5,092	6,000	18	1,089.1	12.7	20.4	23.7	27.8	115.2	132.6	154.2	44.2	38.4	33.0	-	-	-	12.0	33.0	NA	2	21
Nippon Life India AM	Buy	810	-	(100)	514.4	6.0	10.7	12.7	15.2	20.3	23.8	28.2	39.8	34.0	28.8	-	-	-	11.8	35.2	NA	10	21
UTI Asset Management	Buy	1,408	1,500	7	180.3	2.1	4.1	4.8	5.7	57.2	60.9	70.0	24.6	23.1	20.1	-	-	-	3.7	16.5	NA	14	34
AGROCHEM & FERTILIZERS																							
Bayer Cropscience	Hold	6,225	5,720	(8)	279.7	3.3	5.7	8.4	10.3	126.5	186.3	228.7	49.2	33.4	27.2	39.2	25.1	20.8	8.1	26.5	34.6	14	5
Coromandel Intl.	Buy	2,385	2,430	2	703.2	8.2	17.9	20.9	28.5	60.7	71.0	96.8	39.3	33.6	24.6	25.2	22.1	16.1	5.5	17.5	25.3	4	49
Dhanuka Agritech	Buy	1,615	1,850	15	72.8	0.8	3.0	3.3	3.8	65.9	73.7	83.8	24.5	21.9	19.3	17.3	14.5	12.5	4.4	21.8	29.0	3	6
Paradeep Phosphates	Buy	170	150	(12)	139.0	1.6	5.5	6.3	7.8	6.8	7.7	9.5	25.2	22.0	17.9	13.6	12.9	11.8	3.0	14.5	13.5	-1	92
PI Industries	Hold	4,050	3,870	(4)	614.5	7.1	16.6	17.3	19.6	109.2	113.8	128.9	37.1	35.6	31.4	26.5	25.1	21.8	5.3	15.9	20.6	2	5
Rallis India	Hold	354	210	(41)	68.8	0.8	1.3	1.8	2.3	6.4	9.3	11.7	55.5	38.1	30.2	22.5	18.4	15.1	3.4	9.2	12.9	13	2
Sharda Cropchem	Buy	781	870	11	70.5	0.8	3.0	3.5	4.4	33.7	38.7	48.6	23.2	20.2	16.1	10.8	8.6	7.1	2.5	13.2	16.6	4	57
Sumitomo Chemical India	Buy	542	570	5	270.8	3.1	5.1	6.1	7.1	10.1	12.3	14.2	53.6	44.1	38.2	42.0	34.8	30.2	7.9	19.4	25.8	10	8
UPL	Buy	660	710	8	536.6	6.2	13.1	23.9	35.3	16.4	30.1	44.3	40.2	21.9	14.9	8.7	7.3	6.2	1.6	7.8	10.7	4	22
BUILDING MATERIALS																							
Apollo Pipes	Buy	418	500	20	18.4	0.2	0.3	0.5	0.8	7.4	10.1	16.4	56.3	41.5	25.5	18.8	13.8	9.7	2.0	5.3	7.8	9	-33
Astral	Buy	1,495	1,800	20	401.6	4.7	5.2	6.8	8.1	195	25.1	30.0	76.8	59.6	49.8	42.0	33.9	28.8	9.5	17.2	22.5	2	34
Cera Sanitaryware	Buy	6,627	6,670	1	85.5	1.0	2.5	2.6	2.9	191.1	204.5	222.4	34.7	32.4	29.8	26.2	24.1	21.7	5.6	18.3	23.0	5	-27
Finolex Industries	Hold	205	240	17	127.1	1.5	3.8	5.7	6.7	6.2	9.3	10.8	33.1	22.1	19.0	22.4	18.8	15.7	2.0	9.2	11.0	8	-36
Greenlam Industries	Buy	241	270	12	61.6	0.7	0.7	1.1	2.3	2.7	4.3	9.0	88.3	56.2	26.8	26.0	18.9	13.8	5.0	9.3	10.6	0	-16
Greenpanel Industries	Buy	286	310	8	35.1	0.4	0.7	1.0	1.9	5.9	8.1	15.3	48.6	35.2	18.7	28.0	14.6	10.0	2.4	6.7	5.4	6	-11
Kajaria Ceramics	Buy	1,184	960	(19)	188.5	2.2	3.3	4.0	5.0	20.4	25.2	31.7	58.0	46.9	37.3	30.1	26.0	21.4	6.3	14.0	18.2	14	-14
Prince Pipes and Fittings	Buy	356	450	26	39.3	0.5	0.4	1.2	1.7	3.9	10.6	15.8	91.2	33.6	22.5	25.3	14.6	11.2	2.3	7.2	9.2	-2	-48
Somany Ceramics	Buy	563	620	10	23.1	0.3	0.6	0.8	1.3	15.1	20.7	30.5	37.2	27.2	18.4	11.4	8.7	6.5	2.7	10.5	14.2	-1	-28
Supreme Industries	Buy	4,112	4,030	(2)	522.3	6.1	9.6	11.6	12.8	75.6	91.0	100.7	54.4	45.2	40.8	35.8	30.0	27.1	8.4	19.5	22.7	5	-30
CEMENT																							
ACC	Buy	1,978	2,100	6	371.4	4.3	10.1	16.3	19.1	53.6	86.9	101.4	36.9	22.8	19.5	13.8	10.8	9.3	1.9	8.5	11.7	7	-27
Ambuja Cement	Buy	590	595	1	1,453.6	16.9	17.6	28.1	34.6	7.1	11.3	13.9	82.7	52.2	42.4	31.0	21.1	16.6	2.6	5.1	8.8	9	-14
Birla Corp	Buy	1,370	1,550	13	105.5	1.2	3.3	5.2	6.5	38.3	67.7	84.3	35.7	20.2	16.3	10.8	9.2	8.2	1.4	7.2	8.1	1	-13
Dalmia Bharat	Hold	2,159	2,050	(5)	405.0	4.7	8.0	12.2	14.7	42.3	65.0	78.0	51.0	33.2	27.7	17.1	14.1	12.6	2.2	6.8	7.7	3	12
Grasim Industries	Buy	2,784	2,875	3	1,894.8	22.0	3.8	3.2	8.6	5.5	4.7	12.6	503.6	588.5	220.9	172.3	130.6	81.4	3.5	0.6	1.9	5	-1
Heidelberg	Hold	215	195	(9)	48.8	0.6	1.1	2.0	2.4	4.7	8.7	10.8	45.7	24.7	20.0	18.6	12.2	10.1	3.4	14.0	18.1	11	4
JK Cement	Buy	6,511	5,800	(11)	503.1	5.8	7.6	11.0	13.6	111.4	142.7	175.5	58.4	45.6	37.1	26.5	21.0	17.8	7.1	16.8	15.0	7	50
JK Lakshmi Cement	Hold	972	935	(4)	114.4	1.3	3.0	4.5	5.4	25.4	35.9	43.3	38.2	27.1	22.4	14.8	11.9	10.8	3.2	12.2	12.4	17	9
Nuvoco Vistas	Hold	361	395	10	128.9	1.5	0.2	2.9	3.7	0.6	8.0	10.2	590.0	44.8	35.3	12.0	10.4	9.3	1.4	3.1	5.8	3	2
Orient Cement	Hold	237	320	35	48.7	0.6	0.9	2.9	4.0	4.4	13.9	19.4	53.3	17.1	12.2	16.0	9.5	7.8	2.3	14.7	15.8	-19	-23
Shree Cements	Buy	31,100	33,200	7	1,122.1	13.0	11.5	19.7	27.4	319.7	545.9	758.2	97.3	57.0	41.0	26.5	19.7	16.8	4.9	8.8	11.7	5	13
Star Cement	Buy	210	250	19	85.1	1.0	1.7	3.5	4.6	4.2	8.7	11.3	50.4	24.2	18.5	15.3	11.0	9.3	2.6	11.5	14.6	-2	2
Ramco Cement	Hold	1,134	1,000	(12)	267.9	3.1	0.7	6.2	8.7	11.4	26.3	36.8	99.4	43.1	30.8	25.3	15.8	13.4	3.3	8.0	9.3	7	43
UltraTech Cement	Buy	12,516	12,800	2	3,688.2	42.9	61.4	86.7	117.8	205.0	294.2	399.8	61.1	42.5	31.3	30.7	22.0	17.5	4.6	11.8	12.5	12	6
EMS																							
Avalon Technologies	Hold	878	933	6	58.4	0.7	0.6	0.9	1.2	9.6	13.2	18.7	91.6	66.4	47.1	51.2	37.0	27.9	8.3	13.4	16.9	6	64
Cyient DDM	Buy	474	567	19	37.6	0.4	0.7	1.0	1.5	8.6	12.3	18.9	55.3	38.7	25.1	27.1	18.9	14.1	3.6	9.7	13.6	4	37
Kaynes Technology India	Hold	6,023	5,970	(1)	403.3	4.7	2.9	4.3	5.9	45.8	66.6	91.8	131.5	90.4	65.6	97.8	62.9	44.9	11.8	14.0	15.6	10	49
Syrma SGS Technology	Buy	681	671	(2)	121.4	1.4	1.8	2.3	3.0	10.4	13.0	16.8	65.8	52.5	40.6	38.5	30.6	23.3	6.1	12.4	13.8	30	40
FMCG																							
Allied Blenders and Distillers	Buy	486	496	2	136.1	1.6	1.8	2.5	3.1	6.6	9.0	11.0	74.0	53.9	44.2	33.4	28.3	24.9	8.2	15.7	17.6	15	51
Asian Paints	Hold	2,402	2,293	(5)	2,303.6	26.8	40.3	44.3	48.9	42.0	46.2	51.0	57.2	51.9	47.1	38.6	34.0	30.5	10.6	21.6	25.6	8	-19
Bajaj Consumer Care	Buy	236	217	(8)	32.4	0.4	1.3	1.4	1.5	9.1	9.8	10.8	25.8	24.0	21.8	21.1	15.7	13.6	2.5	13.1	16.0	33	-14
Colgate Palmolive	Hold	2,378	2,380	0	646.8	7.5	13.8	14.6	16.2	50.7	53.8	59.5	46.9	44.2	40.0	32.5	30.6	27.6	34.0	82.0	137.3	0	-23
Dabur India	Hold	526	524	(0)	933.3	10.9	17.1	20.2	23.1	9.7	11.5	13.1	54.3	45.9	40.2	39.5	34.4	30.2	8.0	18.0	22.2	13	-17
Emami	Buy	585	741	27	257.0	3.0	8.9	9.7	10.8	20.4	22.1	24.7	28.7	26.5	23.7	24.5	21.8	19.1	8.2	33.3	41.9	2	-23
Godrej Consumer	Hold	1,267	1,328	5	1,295.7	15.1	19.2	25.6	30.2	18.7	25.1	29.5	67.6	50.6	42.9	43.2	35.6	30.8	9.9	20.5	22.7	7	-12
Hindustan Unilever	Hold	2,517	2,231	(11)	5,913.0	68.7	102.2	105.0	116.5	43.5	44.7	49.6	57.9	56.3	50.8	40.6	39.0	35.0	12.3	21.6	26.7	9	4
Honasa Consumer	Hold	289	240	(17)	94.1	1.1	0.7	0.8	1.3	2.2	2.6	4.0	129.5	112.6	72.4	69.0	42.9	27.7	7.4	6.8	16.6	6	-40
ITC	Buy	419	497	19																			

Valuation Guide

Company	Reco	CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
RETAIL																							
Aditya Birla Fashion & Retail	Hold	77	86	12	93.5	1.1	-7.9	-8.1	-6.6	-6.4	-6.6	-5.4	-11.9	-11.6	-14.2	12.4	11.3	8.4	1.6	-12.6	-7.3	4	-36
Arvind Fashions	Buy	453	672	49	60.5	0.7	0.8	1.5	2.3	6.3	11.3	17.0	71.5	40.0	26.6	10.4	8.2	6.4	5.1	12.7	19.5	5	-11
Avenue Supermarts	Hold	4,011	3,980	(1)	2,610.3	30.3	29.3	34.2	41.2	45.0	52.5	63.4	89.2	76.4	63.3	57.4	49.0	40.5	10.2	13.3	17.9	-1	-20
Devyani International	Hold	169	173	2	208.8	2.4	0.2	0.8	0.9	0.1	0.7	0.7	1,131.2	260.6	237.7	25.7	20.0	17.5	13.1	6.0	16.8	2	0
Jubilant Foodworks	Hold	680	653	(4)	448.6	5.2	2.4	4.0	6.6	3.7	6.0	10.0	184.6	112.8	67.7	29.4	23.7	19.2	19.8	18.2	27.7	0	17
Keval Kiran	Buy	550	669	22	33.9	0.4	1.4	1.4	1.7	22.4	23.0	26.8	24.6	23.8	20.5	16.9	14.8	12.6	3.7	15.6	14.9	8	-21
Restaurant Brands Asia	Buy	82	95	16	47.6	0.6	-0.9	-1.0	-0.6	-1.5	-1.7	-1.1	-54.3	-47.8	-76.3	13.0	10.6	8.7	2.2	-4.5	6.2	4	-27
Sapphire Foods India	Hold	331	327	(1)	106.3	1.2	0.3	0.4	0.8	1.1	1.1	2.4	304.8	295.4	136.1	21.9	17.6	14.1	7.3	2.5	13.2	3	6
Senco Gold	Buy	344	514	50	56.2	0.7	2.2	2.7	3.4	13.2	16.8	20.6	25.9	20.5	16.7	16.0	12.4	10.7	2.6	12.6	12.4	-1	-28
Shoppers Stop	Buy	528	767	45	58.1	0.7	0.1	0.3	1.0	0.6	2.3	9.0	861.8	231.0	58.5	8.7	7.5	6.1	15.9	6.9	9.1	5	-36
Titan Co Ltd	Buy	3,405	4,195	23	3,022.6	35.1	38.8	49.4	62.1	43.7	55.6	69.9	77.9	61.2	48.7	50.9	42.2	34.6	19.6	36.5	21.9	-1	6
Trent	Buy	5,315	6,054	14	1,889.2	22.0	15.8	20.4	26.0	44.6	57.5	73.3	119.2	92.5	72.5	68.5	53.9	41.9	23.8	25.7	34.0	5	6
Vedant Fashion	HOLD	790	746	(6)	192.0	2.2	3.9	4.1	4.6	16.0	17.1	18.8	49.4	46.3	42.0	28.8	26.3	23.5	9.2	21.4	28.7	1	-24
V-Mart Retail	Buy	766	1,283	67	60.8	0.7	0.2	0.5	1.1	10.9	6.5	13.8	70.3	117.1	55.5	16.4	12.7	10.0	7.0	6.2	15.5	-16	6
Westlife Foodworld	Hold	790	774	(2)	123.2	1.4	0.1	0.3	0.9	0.8	2.1	5.6	1,011.6	379.5	142.3	38.8	30.8	24.2	19.6	5.3	22.1	10	-7
INDUSTRIALS																							
ABB	Buy	5,648	7,040	25	1,196.8	13.9	18.7	20.6	24.9	88.5	97.1	117.3	63.8	58.2	48.1	49.5	45.7	37.7	14.3	26.6	36.3	6	-32
BHEL	Buy	257	300	16	896.1	10.4	6.3	26.5	40.1	1.8	7.6	11.5	141.9	33.8	22.3	81.0	23.0	16.2	3.4	10.3	25.1	1	-21
Cummins India	Buy	3,524	3,731	6	976.8	11.4	19.1	19.8	23.0	68.8	71.3	82.9	51.3	49.4	42.5	46.0	42.0	35.3	12.6	26.8	35.1	6	-9
Engineers India	Hold	249	242	(3)	140.0	1.6	3.3	3.9	4.9	5.3	6.2	7.7	47.2	40.1	32.4	46.0	31.8	24.2	4.9	14.3	16.3	11	-12
GE Vernova T&D	Buy	2,286	2,377	4	585.4	6.8	6.1	8.2	11.1	23.8	32.0	43.2	96.2	71.4	52.9	70.9	52.7	38.7	24.2	39.1	56.6	2	37
Hitachi Energy	Buy	18,500	16,180	(13)	824.6	9.6	3.8	7.0	12.0	86.1	157.6	269.7	214.9	117.4	68.6	132.0	78.0	47.3	17.5	15.8	22.6	4	53
Honeywell Automation	Buy	40,555	39,448	(3)	358.6	4.2	5.2	6.1	7.7	592.3	692.4	876.6	68.5	58.6	46.3	55.7	45.9	35.2	7.9	14.3	14.7	6	-28
KEC International	Hold	872	919	5	232.0	2.7	5.7	10.1	15.3	21.4	37.9	57.4	40.7	23.0	15.2	17.6	12.7	8.7	3.7	17.4	20.7	0	-2
Kirloskar Pneumatic	Buy	1,379	1,488	8	89.5	1.0	2.1	2.6	3.2	32.3	39.9	49.6	42.7	34.6	27.8	29.6	24.2	18.9	6.7	21.1	19.3	4	1
Kirloskar Oil Engines	Buy	921	1,292	40	133.8	1.6	4.1	4.9	5.9	28.0	33.8	41.0	32.9	27.3	22.5	20.1	17.3	14.0	4.0	15.6	20.3	5	-31
LMW	Hold	16,191	15,997	(1)	173.0	2.0	1.2	1.7	4.7	111.9	161.0	444.3	144.7	100.6	36.4	113.3	77.4	25.9	5.8	5.9	7.7	-2	2
Linde India	Hold	6,841	6,037	(12)	583.4	6.8	4.5	5.7	7.4	52.5	67.1	86.2	130.3	102.0	79.3	76.1	62.7	49.5	13.9	14.3	18.0	4	-21
Larsen & Toubro	Buy	3,496	4,000	14	4,808.1	55.9	145.6	204.2	258.7	104.0	145.8	184.7	33.6	24.0	18.9	22.2	16.5	13.2	4.1	18.9	13.8	-3	4
Siemens	Buy	3,153	4,201	33	1,122.7	13.1	19.1	23.1	26.8	53.7	64.9	75.2	58.7	48.6	41.9	51.1	41.0	34.6	8.1	17.6	24.5	-3	-17
Siemens Energy India	Buy	3,076	3,180	3	1,095.5	12.7	10.5	13.0	17.4	29.4	36.5	48.9	104.7	84.3	62.9	74.5	61.8	49.4	24.2	29.6	41.8		
Thermax	Hold	3,444	3,331	(3)	410.4	4.8	6.3	7.1	9.4	55.6	62.8	83.3	61.9	54.9	41.4	45.8	37.1	28.4	7.1	13.6	17.1	-3	-33
Transformers & Rectifiers India	Buy	508	723	42	152.5	1.8	2.1	3.7	5.1	6.8	11.7	16.1	74.9	43.3	31.6	46.9	26.9	19.3	10.1	26.0	32.8	2	35
DEFENCE																							
Bharat Dynamics	Buy	1,824	2,006	10	668.6	7.8	6.9	9.7	14.7	18.9	26.5	40.1	96.8	68.8	45.5	102.2	68.6	40.0	14.4	22.5	23.0	4	12
Bharat Electronics	Buy	407	422	4	2,977.3	34.6	52.9	57.9	68.6	7.2	7.9	9.4	56.3	51.4	43.4	42.2	37.3	31.1	12.9	27.0	27.8	3	23
BEML	Buy	4,595	5,144	12	191.4	2.2	2.9	4.1	6.1	70.4	98.4	147.0	65.2	46.7	31.3	38.2	28.8	20.2	5.9	13.5	14.0	7	-8
Cochin Shipyard	Sell	1,929	1,701	(12)	507.4	5.9	8.4	9.6	12.0	32.0	36.6	45.5	60.2	52.7	42.4	55.2	43.7	34.4	8.1	16.2	20.9	-11	-30
Garden Reach Shipbuilders	Hold	2,669	3,221	21	305.7	3.6	5.3	7.9	9.9	46.0	69.2	86.1	58.0	38.6	31.0	63.7	35.0	25.9	11.8	33.9	44.2	-13	7
Hindustan Aeronautics	Buy	4,886	6,536	34	3,267.8	38.0	83.1	92.7	109.3	124.3	138.6	163.4	39.3	35.2	29.9	30.1	25.3	21.4	8.0	24.5	25.6	-3	-11
Mazagon Dock Shipbuilders	Buy	3,114	3,858	24	1,256.0	14.6	23.2	25.3	35.8	57.6	62.8	88.8	54.0	49.6	35.1	53.1	45.8	29.4	14.0	31.4	44.9	-3	15
PTC Industries	Buy	14,487	19,639	36	217.1	2.5	0.8	1.7	5.0	52.5	112.0	334.8	276.2	129.3	43.3	174.8	71.9	29.3	13.9	11.3	14.5	5	2
CONSUMER DURABLES																							
Bajaj Elec.	Hold	667	719	8	76.9	0.9	1.1	2.0	2.8	9.7	17.3	24.0	68.6	38.6	27.8	24.6	19.5	15.1	4.2	11.2	14.2	1	-37
Blue Star	Hold	1,829	1,595	(13)	376.0	4.4	5.8	7.0	9.5	28.2	33.8	46.3	65.0	54.1	39.5	42.7	34.8	26.2	10.5	20.9	27.5	11	9
Crompton Consumer	Buy	339	441	30	218.0	2.5	5.6	6.6	8.3	8.8	10.3	13.0	38.6	32.8	26.1	24.5	20.9	16.5	5.8	18.6	21.4	-2	-22
Havells India	Buy	1,526	1,856	22	957.4	11.1	14.9	18.0	23.2	23.8	28.8	37.1	64.1	53.0	41.1	43.0	35.2	27.4	9.8	20.0	26.4	-1	-19
Voltas	Buy	1,377	1,598	16	455.6	5.3	8.3	9.9	13.2	25.2	29.8	39.9	54.6	46.2	34.5	41.0	34.9	25.9	6.3	14.4	19.7	8	-10
RAILWAYS																							
IRCON International	Hold	191	180	(6)	179.7	2.1	7.4	7.8	9.0	7.8	8.3	9.5	24.4	23.1	20.1	28.9	25.2	21.1	2.7	12.0	15.9	6	-43
Jupiter Wagons Ltd	Hold	369	431	17	156.6	1.8	3.8	4.6	5.6	9.2	11.2	13.5	40.0	32.8	27.4	27.0	22.0	18.3	4.8	15.6	19.6	6	-47
RITES	Hold	279	259	(7)	134.1	1.6	3.8	4.0	5.0	8.0	8.3	10.4	34.8	33.6	26.9	19.5	18.6	14.7	5.0	15.0	21.0	4	-27
Rail Vikas Nigam Ltd	Sell	382	216	(43)	797.1	9.3	12.8	13.9	14.8	6.1	6.7	7.1	62.2	57.4	53.7	72.2	66.1	60.6	7.6	13.8	14.1	6	-39
Titagarh Rail Systems	Buy	939	1,099	17	126.4	1.5	3.0	4.1	5.7	22.5	30.8	42.3	41.6	30.5	22.2	29.0	22.1</						

Valuation Guide

Company	Reco	CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
INFRASTRUCTURE																							
Ahluwalia Contracts	Hold	1,038	804	(23)	69.5	0.8	2.0	2.9	3.6	30.1	42.6	53.6	34.5	24.3	19.4	17.6	12.7	9.8	3.3	14.7	23.2	13	-28
Ashoka Buildcon	Hold	205	244	19	57.6	0.7	2.0	3.2	5.0	7.0	11.5	17.8	29.2	17.8	11.6	13.8	9.9	6.9	1.3	7.7	12.0	-1	-13
Dilip Buildcon	Hold	490	429	(12)	71.6	0.8	1.5	1.8	2.8	9.5	11.0	17.3	51.5	44.4	28.4	9.8	9.9	8.3	1.2	3.0	8.4	8	8
HG Infra Engineering	Buy	1,071	1,650	54	69.8	0.8	5.3	6.0	7.0	81.6	92.0	107.5	13.1	11.6	10.0	6.0	5.0	4.1	2.0	18.9	22.0	1	-38
IRB Infra	Buy	48	62	28	289.6	3.4	8.1	8.8	10.5	1.3	1.5	1.7	35.6	33.0	27.5	12.8	11.3	10.6	1.4	4.4	5.3	4	-30
KNR Constructions Ltd.	Hold	219	217	(1)	61.6	0.7	3.3	2.8	3.3	11.6	10.1	11.8	18.8	21.7	18.5	9.6	13.2	11.0	1.5	6.9	10.0	1	-39
NCC Ltd.	Buy	225	302	34	141.5	1.6	8.0	9.4	11.8	12.7	15.0	18.9	17.7	15.0	11.9	8.2	6.9	5.7	1.7	12.0	21.3	-1	-33
PNC Infratech	Buy	305	398	30	78.3	0.9	3.8	6.1	8.1	14.9	24.0	31.4	20.5	12.7	9.7	7.2	6.6	5.5	1.3	10.6	14.6	0	-42
PSP Projects	Buy	778	741	(5)	30.8	0.4	0.6	1.5	2.0	14.2	36.9	49.4	54.6	21.1	15.7	17.5	10.3	8.1	2.3	11.5	15.4	11	14
Welspun Ent.	Hold	521	539	4	72.0	0.8	3.1	3.7	4.4	22.5	27.0	32.3	23.1	19.3	16.1	18.3	14.7	11.9	2.4	13.0	18.7	1	4
IT																							
Cyient	Buy	1,294	1,675	29	143.7	1.7	6.2	7.4	8.7	55.8	67.1	79.2	23.2	19.3	16.3	11.0	9.1	7.3	2.3	12.5	17.1	-1	-30
Birlasoft	Hold	419	450	8	116.3	1.4	5.2	5.0	6.0	18.7	18.3	21.9	22.3	22.8	19.2	16.3	15.9	13.2	3.1	13.8	18.2	1	-43
FirstSource Sol.	Buy	349	415	19	243.0	2.8	5.9	7.4	9.2	8.4	10.5	13.0	41.4	33.1	26.8	22.4	18.1	15.1	5.5	17.4	12.6	8	38
HCL Tech	Buy	1,620	1,825	13	4,395.6	51.1	173.2	176.3	199.7	63.3	64.2	72.4	25.6	25.2	22.4	16.2	15.4	14.0	6.7	26.1	33.9	4	4
Infosys	Hold	1,570	1,750	11	6,523.5	75.8	267.5	279.4	301.6	64.5	67.4	72.8	24.3	23.3	21.6	16.0	14.7	13.2	6.2	27.9	37.5	-2	8
ITI Mindtree	Buy	5,158	5,725	11	1,528.6	17.8	46.0	49.9	56.5	155.5	168.7	190.8	33.2	30.6	27.0	23.2	20.9	17.8	6.0	20.7	27.8	5	6
L&T Technology Services	Hold	4,343	4,850	12	460.3	5.4	12.7	14.0	16.9	119.8	132.0	159.4	36.3	32.9	27.2	23.4	20.2	16.6	7.0	22.1	27.8	-2	-13
Mphasis	Buy	2,830	3,400	20	538.3	6.3	17.0	18.9	23.1	90.4	100.3	122.7	31.3	28.2	23.1	19.8	18.0	14.7	5.2	19.0	24.4	7	3
Coforge Ltd	Buy	1,875	2,100	12	627.0	7.3	9.5	14.5	18.3	24.0	43.6	55.0	78.0	43.0	34.1	32.0	23.3	19.9	14.5	27.1	27.3	5	58
Persistent Sys	Hold	5,605	5,575	(1)	876.6	10.2	14.0	18.0	22.7	91.2	116.4	146.7	61.5	48.2	38.2	42.0	32.7	26.5	12.6	27.3	36.3	5	17
Quesst Corp	Buy	305	360	18	45.5	0.5	2.1	2.2	2.7	14.1	14.8	17.8	21.6	20.6	17.1	15.6	14.0	11.7	3.9	19.6	18.9	2	1
TCS	Buy	3,223	3,725	16	11,660.0	135.6	485.5	510.7	560.1	134.2	141.2	154.8	24.0	22.8	20.8	16.7	16.3	14.7	10.9	49.9	60.6	6	-21
TeamLease	Buy	1,944	3,000	54	32.6	0.4	1.1	1.5	2.1	64.8	92.5	126.0	30.0	21.0	15.4	22.5	15.6	10.3	3.1	15.7	16.4	2	-32
Tech Mahindra	Hold	1,577	1,725	9	1,543.9	18.0	42.5	51.2	63.7	47.9	57.8	71.8	32.9	27.3	22.0	21.1	17.2	14.2	5.5	19.4	28.4	5	5
Wipro	Hold	254	275	8	2,665.2	31.0	131.0	133.7	140.0	12.5	13.0	13.7	20.3	19.6	18.5	12.7	12.3	11.6	3.0	15.7	18.9	-2	9
Zensar Technologies	Buy	809	900	11	183.7	2.1	6.5	7.5	8.4	28.4	32.7	37.0	28.4	24.7	21.9	20.1	17.0	14.0	4.0	17.1	23.0	-7	3
METALS & MINING																							
APL Apollo Tubes	Buy	1,693	1,826	8	469.7	5.5	7.6	12.3	16.9	27.3	44.5	60.9	62.0	38.1	27.8	39.2	25.4	19.1	8.9	26.1	31.3	8	9
Hindalco Industries	Buy	667	798	20	1,497.8	17.4	168.8	125.3	136.8	75.9	56.4	61.5	8.8	11.8	10.8	5.9	6.6	6.2	1.1	9.6	11.7	4	5
Hindustan Zinc	Hold	436	489	12	1,843.7	21.4	103.6	119.6	128.3	24.5	28.3	30.4	17.8	15.4	14.4	10.8	9.1	8.5	11.1	80.1	61.5	-15	-34
HI-Tech Pipes	Buy	96	129	35	19.4	0.2	0.7	1.1	1.5	3.6	5.5	7.6	26.7	17.6	12.6	12.1	10.3	8.0	1.4	8.5	11.6	5	-34
Indian Hume Pipe	Buy	439	544	24	23.1	0.3	0.9	1.1	1.4	17.1	20.8	26.2	25.6	21.1	16.8	12.5	12.4	10.5	1.6	7.7	10.8	2	2
Jindal Steel & Power	Buy	933	1,013	9	951.8	11.1	41.1	58.3	78.7	41.0	58.1	78.5	22.8	16.1	11.9	11.3	8.7	6.9	1.8	11.6	12.5	1	-7
JSW Steel	Hold	1,039	905	(13)	2,540.6	29.5	39.9	117.5	148.5	16.4	48.2	60.9	63.4	21.5	17.0	14.6	9.9	8.6	2.9	14.0	12.8	5	12
JTL Industries	Buy	82	89	8	33.2	0.4	1.0	1.3	2.1	2.5	3.4	5.2	32.8	24.6	15.7	27.0	18.2	12.6	2.4	10.3	13.6	6	-26
Kirloskar Ferrous	Buy	572	641	12	94.1	1.1	3.2	4.1	6.3	19.3	24.9	38.3	29.7	22.9	14.9	14.0	10.9	8.3	2.5	11.3	13.3	-1	-26
MOIL	Buy	366	434	19	74.5	0.9	3.8	5.1	7.6	18.8	25.0	37.3	19.5	14.6	9.8	12.3	8.3	5.5	2.5	18.1	24.7	4	-31
NALCO	Buy	189	265	40	348.0	4.0	53.2	37.1	43.2	29.0	20.2	23.5	6.5	9.4	8.1	3.8	5.1	4.2	1.7	19.3	25.2	2	5
NMDC	Buy	69	86	25	607.3	7.1	66.9	74.0	81.0	7.6	8.4	9.2	9.1	8.2	7.5	6.7	5.5	4.9	1.8	23.3	28.2	-2	-16
SAIL	Hold	134	132	(2)	554.2	6.4	26.8	39.0	52.3	6.5	9.4	12.7	20.6	14.2	10.6	8.6	7.5	6.5	0.9	6.4	7.2	4	-12
Tata Steel	Buy	160	165	3	2,002.9	23.3	42.8	109.7	148.7	3.4	8.8	11.9	46.8	18.3	13.5	11.2	7.8	6.6	2.0	11.4	13.0	5	4
Venus Pipes	Buy	1,620	1,785	10	33.0	0.4	0.9	1.4	1.8	45.5	66.6	89.2	35.6	24.3	18.2	20.7	15.1	12.0	5.0	22.8	26.2	16	-27
Vedanta	Hold	448	510	14	1,752.6	20.4	131.2	171.1	203.5	33.6	43.8	52.0	13.4	10.2	8.6	5.4	4.6	4.0	4.1	40.8	28.2	-2	-2
OIL & GAS																							
BPCL	Buy	344	446	29	1,494.2	17.4	146.1	155.5	156.7	33.7	35.8	36.1	10.2	9.6	9.5	6.7	6.5	6.8	1.7	18.1	17.3	10	12
GAIL	HOLD	184	185	1	1,207.5	14.0	94.8	81.3	80.3	14.4	12.4	12.2	12.7	14.9	15.0	9.6	10.2	9.6	1.6	11.1	12.0	4	-23
Gujarat Gas	Hold	463	440	(5)	318.8	3.7	11.5	11.2	13.9	16.6	16.3	20.2	27.8	28.4	23.0	16.8	16.6	13.8	3.5	12.8	15.5	-1	-28
HPCL	Buy	430	618	44	914.8	10.6	73.6	101.4	104.4	34.6	47.7	49.1	12.4	9.0	8.8	9.1	6.7	6.5	1.7	20.4	13.8	11	24
IGL	Sell	217	164	(25)	304.2	3.5	14.7	14.9	15.9	10.5	10.7	11.4	20.7	20.4	19.1	13.6	13.4	12.1	2.9	15.2	19.3	9	-19
Indian Oil Corp	Buy	150	200	33	2,119.6	24.6	117.3	226.3	251.1	8.3	16.0	17.8	18.1	9.4	8.4	10.4	6.7	6.1	1.1	12.2	11.2	7	-12
Mahanagar Gas	Hold	1,476	1,441	(2)	145.8	1.7	10.4	10.1	10.8	105.8	102.0	109.4	14.0	14.5	13.5	8.2	8.1	7.5	2.3	16.4	20.3	10	-15
Oil India	Buy	446	552	24	725.2	8.4	61.1	57.3	65.8	37.6	35.2	40.4	11.9	12.7	11.0	8.6	8.3	7.1	1.5	12.1	13.4	-7	-30
ONGC	Buy	244	300	23	3,072.4	35.7</																	

Valuation Guide

Company	Reco	CMP	TP	Return	M. Cap	M. Cap	Net profit (INR bn)			EPS (INR)			P/E (x)			EV/EBITDA (x)			P/BV (x)	RoE (%)	RoCE (%)	Absolute (%)	
		(INR)	(INR)	(%)	(INR bn)	(USD bn)	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY26	FY26	FY26	1m	12m
PHARMA & HEALTHCARE																							
Alkem	Hold	4,841	4,700	(3)	578.8	6.7	21.7	23.4	25.5	181.1	195.4	213.6	26.7	24.8	22.7	22.6	20.3	17.7	4.2	18.2	22.5	0	-10
Alembic Pharma	Buy	1,030	1,154	12	202.5	2.4	5.7	6.7	9.1	29.1	33.9	46.2	35.4	30.4	22.3	21.2	17.7	13.8	3.6	12.3	14.3	3	5
CIPLA	Buy	1,484	1,768	19	1,198.7	13.9	52.2	41.7	52.9	64.6	51.7	65.5	23.0	28.7	22.7	15.7	18.2	14.6	3.5	12.7	17.7	-1	-2
Concord Biotech	Buy	1,837	2,110	15	192.2	2.2	3.7	4.9	6.3	35.5	46.6	60.3	51.7	39.4	30.5	37.3	28.4	21.8	8.9	24.6	32.1	-13	7
Divi's Laboratories Ltd	Hold	6,779	6,575	(3)	1,799.5	20.9	21.9	27.3	33.9	82.5	103.0	127.6	82.1	65.8	53.1	59.4	46.9	37.4	10.8	17.3	22.3	2	48
Dr Reddys	Sell	1,251	1,025	(18)	1,043.7	12.1	57.8	37.0	42.1	69.3	44.4	50.5	18.1	28.2	24.8	11.7	15.9	13.7	2.9	10.6	13.4	8	8
IOL Chemicals	Buy	93	89	(4)	27.2	0.3	1.8	2.3	2.2	6.1	8.0	7.4	15.3	11.7	12.6	9.1	6.9	6.8	1.4	12.4	15.9	5	10
JB Chemicals	Hold	1,638	1,595	(3)	255.6	3.0	6.6	7.7	9.2	42.4	49.2	59.1	38.7	33.3	27.7	24.4	21.7	18.3	3.3	20.8	26.7	6	8
Laurus Labs	Hold	824	520	(37)	444.5	5.2	3.2	5.2	9.3	5.9	9.7	17.3	140.0	84.6	47.5	44.6	33.6	24.7	9.0	11.2	12.3	24	77
Lupin	Buy	1,926	2,395	24	879.7	10.2	32.8	37.9	43.7	71.9	83.0	95.8	26.8	23.2	20.1	17.0	14.6	13.0	4.3	20.1	21.5	4	5
Mankind Pharma	Buy	2,697	2,845	6	1,112.9	12.9	19.9	20.7	28.1	48.1	50.2	68.2	56.0	53.7	39.5	39.0	30.8	25.5	6.8	13.5	13.1	13	26
Shilpa Medicare	Buy	906	1,090	20	88.6	1.0	1.0	2.5	4.4	9.9	25.1	45.4	91.2	36.0	20.0	29.7	18.2	12.3	3.4	9.9	13.7	8	38
Solara Active Pharma	Sell	673	566	(16)	29.9	0.3	0.9	1.6	1.5	17.8	32.5	31.4	37.8	20.7	21.4	13.4	10.2	8.5	2.2	11.7	10.4	33	16
Torrent Pharma	Buy	3,405	3,963	16	1,152.3	13.4	20.3	25.6	25.3	59.9	75.8	68.6	56.8	44.9	49.6	31.6	26.2	19.4	12.1	30.0	30.6	5	15
Zydus Life Science	Hold	968	970	0	974.5	11.3	47.0	45.0	40.4	46.7	44.8	40.1	20.8	21.6	24.1	13.5	14.2	14.2	3.6	17.6	20.1	-1	-18
HOSPITALS & DIAGNOSTICS																							
Dr Lal Pathlabs	Sell	2,898	2,274	(22)	242.7	2.8	4.5	4.8	5.4	53.4	57.0	65.0	54.3	50.8	44.6	33.5	30.9	27.1	49.5	20.6	27.5	2	3
Metropolis Healthcare	Sell	1,880	1,400	(26)	97.4	1.1	1.6	1.7	2.1	31.0	32.6	40.0	60.7	57.7	47.0	30.3	25.3	21.4	6.6	12.0	15.7	11	9
Vijaya Diagnostic Centre	Hold	1,020	855	(16)	104.8	1.2	1.4	1.8	2.4	14.0	17.6	23.1	72.8	57.9	44.2	38.7	32.6	26.0	5.5	20.7	22.5	7	30
REALTY																							
Arvind SmartSpaces	Buy	657	958	46	30.1	0.4	1.1	0.7	0.9	26.0	17.3	20.2	25.3	38.0	32.5	19.2	18.6	14.8	4.2	11.6	14.2	6	5
Brigade Enterprise	Buy	1,085	1,346	24	265.2	3.1	6.9	8.1	11.9	29.8	35.2	51.9	36.4	30.8	20.9	20.1	15.6	12.0	20.6	13.4	13.1	8	-14
Aditya Birla Real Estate	Buy	2,232	3,061	37	249.3	2.9	-0.3	-0.6	0.3	-2.6	-5.0	3.1	-870.6	-450.2	729.9	963.5	130.4	95.0	6.7	-1.5	0.5	9	6
DLF	Buy	827	933	13	2,046.8	23.8	46.7	50.9	72.1	18.9	20.6	29.1	43.8	40.2	28.4	98.5	79.6	62.9	4.3	11.3	5.8	-3	-1
Godrej Properties	Buy	2,257	3,101	37	679.8	7.9	14.0	24.9	33.0	46.5	82.8	109.7	48.6	27.2	20.6	1,610.1	96.4	77.0	3.4	13.4	13.1	6	-32
Kolte Patil	Buy	458	569	24	34.8	0.4	1.0	0.6	0.8	13.3	7.9	11.2	34.3	58.0	41.0	23.4	15.1	11.5	4.0	7.1	9.9	0	13
Macrotech Developers	Buy	1,420	1,541	9	1,416.9	16.5	27.6	30.5	36.0	27.7	30.5	36.1	51.2	46.5	39.3	36.7	30.8	26.5	6.1	14.0	15.7	2	3
Nexus Select Trust	Buy	145	172	19	220.2	2.6	4.8	8.8	9.3	3.2	5.8	6.1	45.8	25.2	23.7	17.5	12.8	13.4	1.6	6.3	7.9	4	4
Oberoi Realty	Buy	1,804	2,180	21	656.0	7.6	22.3	31.0	35.6	61.2	85.2	98.0	29.5	21.2	18.4	21.2	16.0	13.7	3.5	17.9	19.9	5	5
Phoenix	Buy	1,511	2,000	32	540.2	6.3	9.7	11.2	12.1	27.2	31.4	33.9	55.6	48.1	44.6	26.5	23.3	21.9	4.9	10.4	10.3	5	-24
Prestige Estates	Buy	1,726	2,195	27	743.6	8.6	4.7	7.1	10.7	10.9	16.5	24.9	159.1	104.6	69.2	31.9	33.2	26.0	4.6	4.4	6.7	4	-2
Sobha	Buy	1,545	2,290	48	165.2	1.9	0.9	3.2	6.1	8.9	29.7	57.3	174.5	51.9	27.0	54.1	26.1	15.7	3.4	6.7	11.1	-1	-18
Sunteck Realty	Buy	440	503	14	64.4	0.7	1.5	2.8	2.4	10.3	19.4	16.6	42.9	22.7	26.5	35.7	18.2	21.7	1.9	8.4	10.6	2	-28
TELECOM																							
Bharti Airtel	Buy	1,921	2,100	9	11,521.0	134.0	280.9	324.3	435.6	46.9	54.2	72.8	40.9	35.5	26.4	14.5	11.0	8.8	8.4	25.9	19.4	4	34
TEXTILE																							
Arvind Ltd	Buy	339	470	39	88.7	1.0	3.5	5.1	6.5	13.5	19.4	24.7	25.1	17.5	13.7	11.9	9.3	7.7	2.1	12.6	14.3	4	9
KPR Mills	Hold	1,188	1,039	(13)	406.2	4.7	8.2	10.8	12.7	23.8	31.5	37.1	49.8	37.7	32.0	32.5	26.0	22.4	7.0	19.9	26.0	9	42
Welspun Living	Hold	138	167	21	132.6	1.5	6.4	7.9	10.7	6.7	8.2	11.1	20.8	16.9	12.4	11.9	9.4	7.5	2.5	15.1	14.9	3	-18
UTILITIES																							
CESC	Buy	180	200	11	238.7	2.8	14.1	16.0	17.3	10.6	12.0	13.0	17.0	15.0	13.9	9.5	8.8	8.4	1.8	12.8	11.0	9	-2
COAL India	Buy	384	477	24	2,365.6	27.5	345.0	345.7	368.4	56.0	56.1	59.8	6.9	6.8	6.4	4.5	4.2	3.8	2.0	31.9	39.7	2	-23
Indian Energy Exchange	Buy	207	254	23	184.7	2.1	4.1	4.8	5.7	4.7	5.4	6.4	44.5	38.2	32.6	37.8	31.1	25.7	14.5	40.8	53.5	11	16
JSW Energy	Hold	531	562	6	927.2	10.8	19.6	29.9	33.9	11.2	17.1	19.4	47.2	31.0	27.3	25.5	15.1	13.8	3.1	10.4	8.0	5	-26
NHPC	Hold	89	85	(5)	891.8	10.4	34.1	38.3	50.9	3.3	3.7	5.0	26.7	23.8	17.9	24.4	24.1	18.2	2.2	9.4	4.4	3	-23
NTPC	Buy	342	409	19	3,317.2	38.6	180.2	194.0	208.1	18.6	20.0	21.5	18.4	17.1	15.9	10.5	10.7	10.1	1.9	11.6	8.5	3	-11
Power Grid	Buy	298	353	18	2,773.4	32.2	155.2	165.6	182.4	16.7	17.8	19.6	17.9	16.7	15.2	10.2	9.5	8.9	2.8	17.1	13.1	4	-13
SJVN Ltd	Hold	98	95	(3)	386.3	4.5	9.2	11.1	14.0	2.3	2.8	3.6	42.1	34.7	27.5	28.0	23.6	19.6	2.7	7.8	4.6	0	-36
Torrent Power	Hold	1,404	1,150	(18)	707.2	8.2	24.1	26.4	30.4	50.1	54.9	63.2	28.0	25.6	22.2	15.6	14.3	12.8	4.4	18.2	14.1	-1	8
Tata Power	Buy	403	477	19	1,286.3	15.0	47.8	56.4	66.1	14.9	17.7	20.7	26.9	22.8	19.5	11.6	10.9	10.4	3.1	13.6	9.7	1	8
TRAVEL & LEISURE																							
Indian Hotels	Hold	729	750	3	1,037.9	12.1	16.0	20.1	22.5	11.3	14.1	15.8	64.8	51.6	46.2	37.5	31.6	27.0	8.1	16.8	17.4	-1	23
Chalet Hotels	Buy	868	1,150	33	189.6	2.2	1.4	4.9	6.8	6.5	22.6	30.9	132.8	38.3	28.0	28.9	22.0	17.3	5.1	14.2	12.7	-1	10
Yatra Online	Buy	85	136	60	13.3	0.2	0.4	0.6	0.9	2.3	3.8	5.7	36.4	22.4	15.0	-	-	-	1.6	7.3	7.9	8	-32
MIDCAP DIVERSIFIED																							
CCL Products	Buy	877	930	6	117.1	1.4	3.1	3.6	5.0	23.2	27.3	37.2	37.7	32.1	23.6	24.2	20.0	16.3	5.2	17.3	13.5	5	46
EPL Ltd.	Buy	237	290	22	75.9	0.9	3.6	4.3	5.1	11.3	13.4	15.9	21.0	17.8	14.9								

Valuation Guide

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M. Cap (INR bn)	M. Cap (USD bn)	Net profit (INR bn)			BVPS (INR)			P/BV (x)*			NNPA Ratio (%)			P/E(x)	RoE (%)	RoA (%)	Absolute (%)	
							FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27				FY26	FY26
FINANCIALS																							
Axis Bank	Buy	1,173	1,400	19	3,637.1	42.3	263.7	278.3	330.4	564.4	634.3	717.3	1.9	1.7	1.5	0.4	0.3	0.3	13.1	15.0	1.6	-3	-10
Bank of Baroda	Buy	241	290	20	1,245.9	14.5	195.8	172.9	199.2	238.0	264.7	295.5	1.0	0.9	0.8	0.6	0.5	0.5	7.2	13.3	0.9	1	-7
Canara Bank	Buy	114	135	19	1,031.1	12.0	170.3	157.6	186.1	103.0	116.9	133.3	1.1	1.0	0.9	0.7	0.6	0.6	6.5	15.8	0.9	2	-3
City Union Bank	Buy	214	245	15	158.5	1.8	11.2	12.7	14.8	127.8	142.3	159.3	1.7	1.5	1.3	1.3	0.9	0.9	12.5	12.7	1.5	9	32
DCB Bank	Buy	143	185	30	45.0	0.5	6.2	7.3	9.0	172.0	193.7	220.9	0.8	0.7	0.6	1.1	0.8	0.9	6.1	12.8	0.9	-1	4
Equitas SFB	Buy	63	93	46	72.3	0.8	1.5	1.5	8.0	53.3	54.6	61.6	1.2	1.2	1.0	1.0	0.8	0.9	46.6	2.5	0.3	-7	-31
Federal Bank	Buy	211	250	19	517.2	6.0	40.5	36.9	49.1	136.1	149.3	165.8	1.5	1.4	1.3	0.4	0.4	0.4	14.0	10.5	1.0	3	8
HDFC Bank	Buy	1,983	2,270	14	15,205.5	176.8	673.5	732.3	874.6	637.6	711.0	798.7	2.8	2.4	2.1	0.4	0.3	0.3	20.7	14.2	1.8	3	22
ICICI Bank	Buy	1,423	1,640	15	10,154.8	118.1	472.3	518.3	622.7	402.8	461.0	530.9	3.0	2.6	2.2	0.4	0.6	0.9	19.6	16.5	2.3	0	16
IndusInd Bank	Hold	868	975	12	675.9	7.9	26.4	31.6	54.6	824.0	858.8	918.2	1.1	1.0	0.9	1.0	1.0	0.9	21.4	4.8	0.6	6	-40
Karur Vysya Bank	Buy	270	310	15	215.8	2.5	19.4	20.2	23.6	148.2	170.3	196.2	1.8	1.6	1.4	0.2	0.2	0.2	10.8	15.7	1.6	9	35
Kotak Mahindra Bank	Buy	2,204	2,540	15	4,381.9	50.9	164.5	156.0	197.6	569.4	644.9	740.6	3.1	2.7	2.3	0.3	0.3	0.3	28.1	12.9	2.1	5	20
Punjab National Bank	Hold	111	110	(1)	1,272.5	14.8	166.3	156.6	170.1	103.6	114.5	126.3	1.1	1.0	0.9	0.4	0.3	0.2	8.1	12.5	0.8	4	8
State Bank of India	Buy	809	955	18	7,218.7	83.9	709.0	702.4	836.1	424.7	487.7	562.6	1.4	1.2	1.0	0.5	0.4	0.4	10.3	16.4	1.0	2	8
South Indian Bank	Hold	30	34	11	79.0	0.9	13.0	12.7	14.9	37.3	41.6	46.6	0.8	0.7	0.6	0.9	1.0	1.0	6.2	12.3	1.0	0	14
Ujjivan Small Bank	Buy	49	70	43	95.4	1.1	7.3	5.4	12.4	31.4	34.3	40.6	1.6	1.4	1.2	0.5	0.7	0.7	17.5	8.6	1.0	0	12
Union Bank of India	Buy	147	162	10	1,122.2	13.0	179.9	176.0	191.8	140.6	157.2	176.3	1.0	0.9	0.8	0.6	0.5	0.5	6.4	15.5	1.1	1	6

*Adjusted for subsidiaries

Company	Reco	CMP (INR)	TP (INR)	Return (%)	M. Cap (INR bn)	M. Cap (USD bn)	VNB (INR bn)			EVPS (INR)			P/EV (x)			P/VNB (x)			RoEV (%)	Absolute (%)		
							FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27		FY26	FY26	FY26
Insurance																						
HDFC Life Insurance	Buy	765	860	12	1,647.8	19.2	39.6	46.5	54.7	249.6	290.7	338.2	3.1	2.6	2.3	27.8	21.7	16.5	16.7	2	20	
ICICI Prudential Life Insurance	Buy	673	715	6	972.6	11.3	23.7	26.6	30.1	333.6	374.5	419.6	2.0	1.8	1.6	20.8	16.4	12.3	13.3	7	3	
IIC of India	Buy	916	1,050	15	5,796.2	67.4	100.1	104.2	111.2	1,228.3	1,345.0	1,470.9	0.7	0.7	0.6	NA	NA	NA	9.8	-2	-14	
Max Life Insurance*	Buy	1,579	1,725	9	544.8	6.3	21.1	24.9	29.4	730.0	867.1	1,026.7	3.4	2.8	2.4	28.6	22.3	17.0	18.0	3	52	
SBI Life Insurance	Buy	1,851	1,980	7	1,855.7	21.6	59.5	68.0	76.9	701.3	824.2	965.1	2.6	2.2	1.9	18.7	14.5	11.0	17.9	5	15	

*Valuations after factoring 20% holdco discount