INSTITUTIONAL RESEARCH

HSIE Results Daily

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Results Reviews

- **Hero MotoCorp:** Business outlook remains favorable, as demand momentum continues post the festive season, and will be aided by continuing traction with recent launches, the upcoming marriage season, and expected conversion of the good Rabi sowing into a healthy harvest season. As the channel inventory remains low, we believe there is huge scope for channel filling, which should aid business operations in the near term. With the new CEO coming onboard, we are already sensing a focused strategy to grow underpenetrated segments of the company like: scooters, premium motorcycles, global business, EV and parts, accessories and merchandise (PAM). We value the company at 19x Dec-27 EPS, adding the value of its stakes in Hero FinCorp (INR 334) and Ather Energy (INR 424), arriving at a target price of INR 7,279. We maintain a BUY rating.

- **Siemens:** Siemens India's (SIL) revenue/EBITDA/APAT of INR 38.3/4.2/3.3bn was a miss on our estimates by 8/14.3/16.5% respectively. Revenue growth was driven by strong performance in the Mobility and Digital Industries businesses while these two segments reported disappointing EBIT at 4.3/1% respectively. Digital Industries saw higher material cost due to substantial Euro appreciation and forex loss impacted mobility business profitability. Smart infra grew 8.6% YoY and saw a temporary commodity gain. In this quarter, the worst seems to be behind for the digital industries as it saw strong order book growth and business showed recovery signs, indicating that the de-stocking phase is now largely over. SIL's order inflow (OI) stood at INR 48bn (+19% YoY) as of Dec'25, with order book (OB) standing at INR 430bn (+7% YoY). The strong order booking is driven by Digital Industries and Smart Infra segment. SIL has completed the sale of LVM business, amalgamation of rail business and demerger of its energy segment as of Dec'25. Additionally, SIL has changed its financial year from Oct-Sept to April-March. The current FY has been changed to cover the period from 1 Oct 2024 to 31 March 2026 (18m). Thereafter, the FY will follow the 1 April to 31 March cycle. SIL's segments are exposed to government capex, which is expected to grow 11% YoY in FY27, while private capex recovery is contingent on pick-up in consumption. We have lowered our estimates to factor in delayed capex recovery, commodity and forex impact. Given the robust order backlog and stable order inflows, we maintain BUY, with a reduced TP of INR 3,625 (rolled over to 55x Dec-27 EPS).

- **Max Healthcare Institute:** EBITDA^ grew 4% YoY, with 9% YoY sales growth (hospital sales up 9% and Max Labs up 12%). ARPOB grew 3% YoY, and occupancy was at 74% (vs. 75% YoY). Its brownfield expansion is on track (at Mohali, Nanavati, and Max Saket in Feb-26), though with delays in greenfield (Gurgaon 501 in H1FY27-end vs Q4FY26 earlier). It expects margin to be steady for brownfield hospitals (cost synergies) for the next couple of years. With focus on execution of new bed addition, it expects steady performance in near term. Institutional patient bed share at 35.8% (vs 30.1% YoY) was higher due to disruption of cashless services. It has reinstated cashless services (with a marginal rate increment) toward Q3-end and has a mechanism in place now for auto renewal at the end of contract cycle at pre-decided rates. Moreover, it expects the CGHS price revision benefits to start reflecting from Apr-26 (of ~INR 2 bn revenue). We believe the company is on

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track with its capex plan to add over 3,000 beds between FY26 and FY28 (~2,100 brownfield and 900 greenfield beds). The aggressive expansion plans underpin our revenue and EBITDA CAGRs of 20% and 21% over FY25-28E, with steady EBITDA margin at ~26.5% in FY28E (~26.7% in FY27). Factoring in Q3 performance and delay in commissioning timelines, we have cut EBITDA for FY26/27E by 5/3% and revised SoTP of INR 1,170 (30x Q3FY28E EV/EBITDA). ADD stays.

- **Kaynes Technology:** Kaynes' revenue grew 22% YoY to INR 8.04bn, driven by strong 44% growth in the automotive segment. However, overall growth was restricted by industrial and railways segment, which declined 4/19% YoY. EBITDAM expanded by 60bps YoY to 14.8%, leading 27/19% YoY growth in EBITDA/APAT. Management has lowered its FY26 revenue guidance to INR 41bn (INR 17bn implied for Q4), from the prior INR 44bn, due to delays in the railways segment orders, while keeping 16% EBITDAM guidance intact. It upholds the FY28 revenue target of USD 1bn, supported by robust order book visibility (INR 90bn as of Q3-end) and ramp up of OSAT & PCB facilities. OSAT facility has been started and ramping up, while PCB to start operations from FY27 start. While the working capital cycle has been further stretched sequentially to 139 days, management expects it will cool down to 70-85 days by FY26-end. OCF stayed negative through 9MFY26, though management is confident FY26 will be OCF positive. Considering Q3 performance, we cut our revenue estimates by 8% each, and APAT estimates by 10-12% for FY26-28E. We maintain REDUCE with a revised TP of INR 4,030/sh, based on DCF valuation.
- **Sai Life Sciences:** EBITDA (+57% YoY) was 26% ahead of consensus, led by strong sales growth (+27% YoY; CDMO was up 31% YoY and CRO grew 19% YoY), a sharp GM improvement (+448 bps YoY to 77.0%), leading to a strong EBITDA margin of 33.8% (+653 bps YoY). The company expects (1) to sustain revenue growth in FY27, led by visibility from strong traction in existing projects and scale-up in new modalities. Moreover, it has added seven molecules, of which three are in commercial stages and four in late development stages; it expects that their commercialization will lend incremental growth visibility. Also, the company has one Oligonucleotide product under validation, and it expects to start commercial quantities in the near term; (2) to focus on diversifying and widening the molecule coverage to de-risk from product concentration as well as the risk of de-stocking; (3) to progress in the peptide segment with both GLP-1 innovator pipeline projects and other non-GLP peptides. Its peptide process and pilot plants are expected to commission by Sep-26 and it will open up the peptide space from Discovery to Process and scale-up; (4) its CRO business will sustain growth momentum, supported by focus on increasing contributions from large pharma companies. It is also focusing on investing in technology with capacity addition, getting the right technology and chasing FTE contracts that help reduce global funding-related risks; (5) to sustain a ~74% GM and EBITDA margin (cost optimization) ~28+% in near term. For the mid-to-long term, the company retains its guidance for a sales CAGR of 15-20% over the next 3-5 years and EBITDA margins in the range of 28-30%. We see strong sales growth visibility (22% CAGR over FY25–28E), with improved profitability (EBITDA/PAT CAGR 31%/ 51%). Factoring in Q3 and outlook, we have raised the EBITDA by 7/4% for FY26/27E. We reiterate BUY with a TP to INR 1,160, based on 28x Q3FY28E EV/EBITDA (implying 49x PE).
- **Crompton Consumer:** Crompton Consumer's revenue grew 7% YoY to INR 18.9bn, led by 8% growth in electrical consumer durables segment. Lighting and Butterfly segments also contributed 7% growth each. EBITDAM contracted 30bps YoY to 10.3%, leading to EBITDA/APAT growth of 4/3%

YoY. The company has announced its entry into the residential wires segment, with an initial product launch scheduled for select markets by March-26. Management cited that rising commodity costs remain headwinds, while price hikes coupled with cost optimization program will support margins. It has implemented 1-1.5% price hike in fans and anticipates further hikes ahead. Management indicated that despite high channel inventory at Q3-end, the underlying fan demand remains good. We broadly maintain our estimates and retain BUY by valuing the stock at 32x Mar'28 EPS at an unchanged TP of INR 370/sh.

- **NCC:** NCC reported improved quarterly performance in Q3FY26, with revenue/EBITDA/APAT beat by 5.8/13.5/13.2% on the back of improved quarterly execution. JJM collection has improved with INR 5.6bn being received from UP in Jan-26 and receivables down from INR 37bn to INR 31.4bn. With Order Inflow (OI) of INR 124.3bn in Q3FY26 (9MFY26: 186.5bn), the consolidated Order Book (OB) as of Dec'25 stands at INR 795.7bn (~4.1x FY25 revenue; ex of L1: INR 20bn), while standalone OB stands at INR 727.5bn. NCC has also guided order inflows of INR 220-225bn for FY26 and expects a flattish Q4FY26 revenue , which implies 7-8% revenue de-growth for FY26. We believe that execution slowdown is largely reflective of delays in payments from clients albeit receipt of project approvals is in place. A few projects are impacted by client payment delays and NCC has slowed down their execution. Growth should pick up in ensuing quarters as entire OB moves into execution from Q4FY26. We have cut estimates to factor in weaker project starts; maintain BUY with a reduced TP of INR 256/sh (15x Dec-27E EPS).

- **Sonata Software:** Sonata Software delivered a muted performance with IITS revenue growth of +0.3% QoQ in CC terms, impacted by client-specific challenges, while margins surprised positively. IITS EBITDA margin expanded 220bps QoQ to 19.5%—its highest in eight quarters—driven by operational efficiencies and early AI adoption, partially offset by a 70bps impact from salary increments. Growth was affected by headwinds in three of the top ten clients, including budget constraints and reorganization at a major BFSI client, budget pressures in a large TMT account, and an unexpected ramp-down in a retail client. Management expects a rebound in BFSI from Q4 and a recovery in retail by Q1. The deal pipeline remains modernization-led, with Cloud and Data contributing 57% of total opportunities and AI-led wins forming 14% of the order book (vs. 10% in Q2). In the DPS business, which was impacted by a large client transitioning to a direct-billing model, focus areas include the SMC segment, expanding ISV partnerships with Oracle and IBM, and pursuing large system integration deals to revive growth. Given ongoing headwinds, we trim our FY27/28E revenue and EPS estimates by ~3–5% and maintain a BUY rating with a SoTP-based TP of INR 470, valuing IITS at 25x and DPS at 17x, implying a blended P/E of 22x on Mar-28E EPS.

- **J Kumar Infraprojects:** JKIL reported lower-than-expected revenue/EBITDA/ APAT of 13/1.9/0.9bn, a miss to our estimates by 14.8/15.2/14.3%, owing to extended monsoon, delay in site handovers, and low order intake FYTD of INR 5.2bn. As of Dec'25, the order book (OB) stands at INR 192.1bn (~3.4x FY25 revenue) ex of INR 17.3bn L1. Further, JKIL has guided an OI of INR 40bn (from earlier INR 50bn) for FY26, with the current bid pipeline at INR 130bn (earlier INR 200bn). Given muted 9MFY26 revenue growth of 1.9% YoY, the FY26 revenue growth guidance is now flat vs. INR 62bn (+11% YoY), while the EBITDA margin guidance is at 14-15%. JKIL is keen on bidding for large-scale projects in Maharashtra, including the Mumbai/Pune/Thane metro rail ones. We believe 9MFY26 was a period of consolidation, impacted by extended monsoons and elections while Q4FY26/FY27 is expected to be that of growth with a strong bid pipeline in Maharashtra of INR 1tn+. We have cut estimates to factor in muted results. We maintain ADD, with a reduced TP of INR 730 (11x-Dec 27E vs. 14x earlier, multiple cut factors in slower growth and weak ordering).

- **KNR Constructions:** KNR's reported revenue/EBITDA/APAT at INR 5.8/0.3/0.2bn was a beat/miss to our estimates by +16/-38/-29%. EBITDA margin was 5.2% vs. our estimate of 11%. Lower margin pipeline subcontracting revenue and repair cost funding for Kerala project impacted profitability. KNR's weak Q3FY26 performance reflects a challenging operational environment, exacerbated by delayed new project rollouts due to revised government bidding policies and weaker state ordering. Based on current OB, KNR guided for the FY26/27 revenue to be in the range of INR20/20bn+. FY26 EBITDA margin are impacted due to negative oplev and one time cost on Kerala project, and margins are expected to improve to 10/14% by FY27/28. KNR has booked INR 43bn of new orders FYTD26 and expects inflow (OI) of INR 100-120bn by Sep-26, once NHAI ordering picks pace, including other segments like irrigation from MP and Maharashtra, subcontracting from EPC/BOT projects won by peers, and urban infra projects in AP, Tamil Nadu, and Telangana. We have cut estimates to factor in weak order inflows; maintain BUY with reduced TP of INR 200/sh (15x Dec-27E EPS).
- **Kolte Patil Developers:** KPDL reported a weak quarter with presales 0.69msf (-16.5%/-19.8% YoY/QoQ), valued at INR 6.1bn (-11.0%/-9.7% YoY/QoQ), largely backed by sustenance sales with an average realization of INR 8,791psf (+4.4%/+12.5% YoY/QoQ). Q3FY26 margins were impacted by lower revenue recognition, led by CCM-based accounting that impacted margins sharply, though KPDL believes that the margin will improve toward mid-teens in FY27, driven by a new project mix. We expect Life Republic (LR) project to continue the sales momentum and strong cash flows, further improving the margins with better realization. Blackstone aimed at accelerating expansion and sector consolidation. KPDL's growth strategy is firmly supported by expanding and strategic land bank, now totalling a significant portfolio of ~37msf. The strategic partnership with Blackstone is expected to bolster financial flexibility and growth acceleration. KPDL aims to benefit from sector consolidation, infrastructure push, and urbanization in tier 2/3 cities, while maintaining a focus on capital efficiency and timely execution to drive long-term value. Overall, proactive management and expansion position the firm for sustained growth. With strong cash flows, KPDL is a net cash positive company and liquidity is comfortable. This may pave the way for accelerated BD activities. We maintain BUY with a TP of INR 480/sh.

Hero MotoCorp

Business outlook remains favorable

Business outlook remains favorable, as demand momentum continues post the festive season, and will be aided by continuing traction with recent launches, the upcoming marriage season, and expected conversion of the good Rabi sowing into a healthy harvest season. As the channel inventory remains low, we believe there is huge scope for channel filling, which should aid business operations in the near term. With the new CEO coming onboard, we are already sensing a focused strategy to grow underpenetrated segments of the company like: scooters, premium motorcycles, global business, EV and parts, accessories and merchandise (PAM). We value the company at 19x Dec-27 EPS, adding the value of its stakes in Hero FinCorp (INR 334) and Ather Energy (INR 424), arriving at a target price of INR 7,279. We maintain a BUY rating.

- **Quarterly performance:** EBITDA margin at 14.7% improved 22bps YoY but declined by 36bps QoQ, 25bps below our estimate and 10bps below the Bloomberg consensus estimate. EBITDA margin for the ICE segment (ex of EV) stood at 17%, up 100bps YoY but down 70bps QoQ, where YoY margin expansion was led by operating leverage, better mix, and improving cost efficiencies, while on a QoQ basis, it was impacted by higher RM costs.
- **RM costs rising:** It quantified a higher RM cost-related impact at 40-50bps in Q3 and expects a similar impact in Q4, mainly on account of higher prices of aluminum and precious metals, which has also been exacerbated by adverse forex. While it took a price hike of INR 300 at the start of Jan, it is monitoring spots for another price hike in Q4, as it believes that the market is conducive to absorb it with minimal impact on demand.
- **Growth outlook is favorable:** It expects the domestic 2W industry to grow in double digits in Q4FY26 and for the company to grow ahead of the industry. It expects this momentum to continue heading into FY27, though expects the growth rate to moderate in H2 due to the high base effect. It expects the industry to grow in high single digits in FY27. Both urban and rural markets are doing well, and while urban markets are also benefitting from the income tax cuts that have started accruing, rural markets will benefit from good Rabi sowing translating into good harvests, and the upcoming wedding season.
- **Portfolio enhancements working well:** It commented that there has been strong customer acceptance of recent new launches like HF Deluxe Pro, Glamour X, Destini 110, All New Destini 125, Vida VX2, and dual channel in Xtreme 125R. This has also been supported by marketing campaigns.
- **Exports levelling up:** It credited good performance in exports to expansion within existing geographies (especially their top 10 markets) and now having products designed to suit specific market conditions and customer requirements. It expects strong growth to continue over the medium term.

Quarterly/annual financial summary

YE Mar (INR mn)	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Net Sales	1,23,284	1,02,108	20.7	1,21,264	1.7	4,07,564	4,64,317	5,23,490	5,78,233
EBITDA	18,101	14,765	22.6	18,234	-0.7	58,677	68,233	79,260	90,580
EBITDA %	14.7	14.5	23bps	15.0	-36bps	14.4	14.7	15.1	15.7
APAT	14,319	12,028	19.0	13,928	2.8	46,100	53,195	62,019	70,813
EPS (INR)	71.6	60.1	19.0	69.6	2.8	230.6	266.1	310.2	354.2
P/E (x)						24.9	21.6	18.5	16.2
RoE (%)						23.3	24.9	26.6	27.4

Source: Company, HSIE Research

BUY

CMP *(as on 06 Feb 2026)*	INR 5,754
Target Price	INR 7,279
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 7,189	INR 7,279
EPS %	FY27E	FY28E
	+0.4%	+0.5%

KEY STOCK DATA	
Bloomberg code	HMCL IN
No. of Shares (mn)	200
MCap (INR bn) / ($ mn)	1,151/12,695
6m avg traded value (INR mn)	4,510
52 Week high / low	INR 6,390/3,323

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	8.0	28.6	36.0
Relative (%)	7.7	24.8	28.9

SHAREHOLDING PATTERN (%)	Sep-25	Dec-25
Promoters	34.73	34.73
FIs & Local MFs	26.39	26.36
FPIs	28.76	29.44
Public & Others	10.12	9.47
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Siemens

Muted financial performance; stable order booking

Siemens India's (SIL) revenue/EBITDA/APAT of INR 38.3/4.2/3.3bn was a miss on our estimates by 8/14.3/16.5% respectively. Revenue growth was driven by strong performance in the Mobility and Digital Industries businesses while these two segments reported disappointing EBIT at 4.3/1% respectively. Digital Industries saw higher material cost due to substantial Euro appreciation and forex loss impacted mobility business profitability. Smart infra grew 8.6% YoY and saw a temporary commodity gain. In this quarter, the worst seems to be behind for the digital industries as it saw strong order book growth and business showed recovery signs, indicating that the de-stocking phase is now largely over. SIL's order inflow (OI) stood at INR 48bn (+19% YoY) as of Dec'25, with order book (OB) standing at INR 430bn (+7% YoY). The strong order booking is driven by Digital Industries and Smart Infra segment. SIL has completed the sale of LVM business, amalgamation of rail business and demerger of its energy segment as of Dec'25. Additionally, SIL has changed its financial year from Oct-Sept to April-March. The current FY has been changed to cover the period from 1 Oct 2024 to 31 March 2026 (18m). Thereafter, the FY will follow the 1 April to 31 March cycle. SIL's segments are exposed to government capex, which is expected to grow 11% YoY in FY27, while private capex recovery is contingent on pick-up in consumption. We have lowered our estimates to factor in delayed capex recovery, commodity and forex impact. Given the robust order backlog and stable order inflows, we maintain BUY, with a reduced TP of INR 3,625 (rolled over to 55x Dec-27 EPS).

- **Q5FY25 financial snapshot:** Revenue stood at INR 38.3bn (+14/-21.8% YoY/QoQ, a 8% miss vs. our estimate). EBITDA stood at INR 4.2bn (+9.1/-30.8% YoY/QoQ, a 14.3% miss). Consequently, APAT came in at 3.3bn (-21.7/-30.8% YoY/QoQ, a miss of 16.5%).
- **Segment-wise performance:** Smart infrastructure (54.6% revenue contribution): revenue at INR 21.2bn (+8.6/-22.1% YoY/QoQ), EBIT margin at 14.4% (+243.7/+140.1bps YoY/QoQ); Mobility (21% revenue contribution): revenue at INR 8.2bn (-28.2/+21.6% YoY/QoQ), EBIT margin at 4.3% (-376.2/-684bps YoY/QoQ); Digital industries (23% revenue contribution): revenue at INR 9bn (+14.2/-15.3% YoY/QoQ), EBIT margin at 1% (-513.6/-606.5bps YoY/QoQ); and Others (1.2% revenue contribution): revenue at INR 451mn (+8837/-19.9% YoY/QoQ), EBIT margin at 7.3% (+271.5/+92.3bps YoY/QoQ).

Consolidated financial summary (INR mn)

Particulars	5QFY25	1QFY25	YoY (%)	4QFY25	QoQ (%)	FY25	FY26E	FY27E	FY28E
Revenue	38,307	33,601	14.0	49,004	(21.8)	173,642	252,272	201,432	239,529
EBITDA	4,219	3,866	9.1	6,094	(30.8)	20,070	29,270	24,540	29,966
APAT	4,264	6,146	(30.6)	4,854	(12.2)	16,888	28,364	20,147	24,580
EPS (INR)	12.0	17.3	(30.6)	13.6	(12.2)	47.4	79.6	56.6	69.0
P/E (x)						67.0	39.9	56.1	46.0
EV/EBIDTA (x)						53.0	36.3	42.4	34.0
RoE (%)						14.7	19.6	12.1	13.3

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY26E			FY27E			FY28E		
	New	Old	% Change	New	Old	% Change	New	Old	% Change
Revenue	252,271.7	268,624.2	(6.1)	201,431.8	215,421.2	(6.5)	239,528.7	247,745.4	(3.3)
EBITDA	29,270.0	32,814.7	(10.8)	24,540.4	26,868.7	(8.7)	29,965.9	31,575.1	(5.1)
EBITDA (%)	11.6	12.2	(61.3)	12.2	12.5	(29.0)	12.5	12.7	(23.5)
APAT	28,364.4	30,187.3	(6.0)	20,147.2	23,890.9	(15.7)	24,579.6	27,671.6	(11.2)

Source: HSIE Research

BUY

CMP (*as on 06 Feb 2026*)	INR 3,176
Target Price	INR 3,625
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 3,690	INR 3,625

EPS	FY26E	FY27E	FY28E
Change %	-6	-15.7	-11.2

KEY STOCK DATA	
Bloomberg code	SIEM IN
No. of Shares (mn)	356
MCap (INR bn) / ($ mn)	1,131/12,475
6m avg traded value (INR mn)	1,215
52 Week high / low	INR 3,412/2,270

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	3.0	3.0	13.3
Relative (%)	2.7	(0.8)	6.2

SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	75.00	75.00
FIs & Local MFs	8.04	8.04
FPIs	7.00	7.00
Public & Others	9.96	9.96
Pledged Shares	-	-

Source: BSE

Pledge shares as a % of total shares

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Max Healthcare Institute

Muted Q3; focus on execution and margin

EBITDA^ grew 4% YoY, with 9% YoY sales growth (hospital sales up 9% and Max Labs up 12%). ARPOB grew 3% YoY, and occupancy was at 74% (vs. 75% YoY). Its brownfield expansion is on track (at Mohali, Nanavati, and Max Saket in Feb-26), though with delays in greenfield (Gurgaon 501 in H1FY27-end vs Q4FY26 earlier). It expects margin to be steady for brownfield hospitals (cost synergies) for the next couple of years. With focus on execution of new bed addition, it expects steady performance in near term. Institutional patient bed share at 35.8% (vs 30.1% YoY) was higher due to disruption of cashless services. It has reinstated cashless services (with a marginal rate increment) toward Q3-end and has a mechanism in place now for auto renewal at the end of contract cycle at pre-decided rates. Moreover, it expects the CGHS price revision benefits to start reflecting from Apr-26 (of ~INR 2 bn revenue). We believe the company is on track with its capex plan to add over 3,000 beds between FY26 and FY28 (~2,100 brownfield and 900 greenfield beds). The aggressive expansion plans underpin our revenue and EBITDA CAGRs of 20% and 21% over FY25-28E, with steady EBITDA margin at ~26.5% in FY28E (~26.7% in FY27). Factoring in Q3 performance and delay in commissioning timelines, we have cut EBITDA for FY26/27E by 5/3% and revised SoTP of INR 1,170 (30x Q3FY28E EV/EBITDA). ADD stays.

- **Q3 highlights:** Sales were at INR 24.84bn (+9% YoY). Hospital sales were at INR 24.37bn (+9% YoY). Max Lab grew 12% YoY to INR 470mn. Excluding non-operating costs, EBITDA was at INR 6.48bn (+4% YoY) and the margin was at 26.1% (-118 bps YoY). PAT (ex-one-offs) was at INR 4.15bn (+6% YoY).
- **Operating metrics:** ARPOB grew 3% YoY at INR 77,900/day. Occupancy was 74% (vs 75% YoY). OPD/IP volume grew 9/2% YoY. ALOS was steady YoY at 4.2 days. International patient sales (~9% of the hospital sales) were up 14% YoY. EBITDA per bed declined 3% YoY to INR 7.1mn. Pre-tax RoCE was 20%.
- **Con call takeaways:** Revenue/EBITDA were impacted by weak seasonality of vector-borne diseases, cashless insurance disruption, and discontinuation of patented chemo drugs. The top five insurance companies contribute ~25% of payor. Bed addition brownfield: (1) **Mohali (160 beds)**: 53 beds commissioned (occupancy at 46 beds) and margin of ~39%; balance beds to be commissioned by Feb-26 end, (2) **Nanavati (280 beds)**: 63 beds commissioned (occupancy at 45 beds) and margin of ~31%; balance beds to be commissioned by Mar-26 end. (3) **Max Smart (400 beds)**: commissioning expected by Feb-26-end. **Max Dwarka**: occupancy at 70-80% with 20% margin, to add 200 beds by FY28-end. Jaypee hospitals: >30-35% YoY growth for sales and EBITDA. As of Dec-25, net debt was INR 21.66bn and capex for ongoing expansion and upgradation of facilities was INR 12.99bn, while dividend was INR 1.46bn.

Quarterly financial summary

(INR mn)	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Revenue	24,840	22,810	9	25,800	(4)	68,150	86,210	101,462	127,209	150,132
EBITDA	6,330	6,010	5	6,760	(6)	18,060	21,940	26,215	33,955	39,720
APAT	4,150	3,920	6	4,152	(0)	13,460	14,700	16,065	22,064	26,838
EPS (INR)	4.3	4.0	6	4.3	(0)	13.8	15.1	16.5	22.7	27.6
P/E (x)						75.1	68.8	62.9	45.8	37.7
EV/EBITDA (x)						56.1	47.0	39.3	30.3	25.6
RoCE (%)						16	15	15	18	20

Source: Company, HSIE Research, PAT adjusted for one-offs. ^ adjusted for non-operating costs

ADD

CMP *(as on 06 Feb 2026)*	**INR 1,040**
Target Price	**INR 1,170**
NIFTY	**25,694**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 1200	INR 1170
EBITDA %	FY26E (5.2)	FY27E (2.9)

KEY STOCK DATA	
Bloomberg code	MAXHEALT IN
No. of Shares (mn)	973
MCap (INR bn) / ($ mn)	1,012/11,158
6m avg traded value (INR mn)	3,592
52 Week high / low	INR 1,314/934

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(7.6)	(18.2)	(7.6)
Relative (%)	(7.9)	(22.0)	(14.7)

SHAREHOLDING PATTERN (%)	**Sep-25**	**Dec-25**
Promoters	23.74	23.72
FIs & Local MFs	20.03	21.2
FPIs	51.8	50.55
Public & Others	4.43	4.53
Pledged Shares	-	-

Source: BSE

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Kaynes Technology

Weak performance; working capital concerns persist

Kaynes' revenue grew 22% YoY to INR 8.04bn, driven by strong 44% growth in the automotive segment. However, overall growth was restricted by industrial and railways segment, which declined 4/19% YoY. EBITDAM expanded by 60bps YoY to 14.8%, leading 27/19% YoY growth in EBITDA/APAT. Management has lowered its FY26 revenue guidance to INR 41bn (INR 17bn implied for Q4), from the prior INR 44bn, due to delays in the railways segment orders, while keeping 16% EBITDAM guidance intact. It upholds the FY28 revenue target of USD 1bn, supported by robust order book visibility (INR 90bn as of Q3-end) and ramp up of OSAT & PCB facilities. OSAT facility has been started and ramping up, while PCB to start operations from FY27 start. While the working capital cycle has been further stretched sequentially to 139 days, management expects it will cool down to 70-85 days by FY26-end. OCF stayed negative through 9MFY26, though management is confident FY26 will be OCF positive. Considering Q3 performance, we cut our revenue estimates by 8% each, and APAT estimates by 10-12% for FY26-28E. We maintain REDUCE with a revised TP of INR 4,030/sh, based on DCF valuation.

- **Q3FY26 highlights:** Revenue grew 22% YoY (2-yr CAGR: 26%) to INR 8.04bn, driven by strong 44% growth in automotive segment (33% of revenue mix). However, overall growth was restricted by industrial and railways segment (44% and 4% revenue mix) which declined 4/19% YoY. Aerospace and defense segment (4% revenue mix) saw robust growth with revenue increasing to INR 319mn at a low base of INR 12mn YoY. Medical segment and IoT/IT, consumer (2% and 13% revenue mix) witnessed healthy 22/101% YoY growth. EBITDAM expanded by 60bps YoY to 14.8% (-150bps QoQ), led by higher gross margin, partially offset by higher employee cost (up 50% YoY) and other expenses (up 38% YoY). Consequently, EBITDA increased by 27% YoY. APAT grew 19% YoY driven by EBITDA, other income, and lower finance cost (down 8% YoY), partially offset by higher depreciation (up 88% YoY) and tax rate.
- **Earnings call takeaways and outlook:** Management has lowered its FY26 revenue guidance to INR 41bn (INR 17bn implied for Q4), from the prior INR 44bn, due to delays in the railways segment orders, while keeping 16% EBITDAM guidance intact. It upholds the FY28 revenue target of USD 1bn, supported by robust order book visibility (INR 90bn as of Q3-end) and ramp up of OSAT and PCB facilities. OSAT facility has been started and ramping up, while PCB will start operations from FY27. Working capital cycle has been further stretched sequentially to 139 days, management expects it will cool down to 70-85 days by FY26-end. OCF stayed negative through 9MFY26, though management is confident FY26 will be OCF positive. Considering Q3 performance, we cut our revenue estimates by 8% each, and APAT estimates by 10-12% for FY26-28E. We maintain REDUCE with a revised TP of INR 4,030/sh, based on DCF valuation.

Financial summary

(INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ(%)	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	8,040	6,612	21.6	9,062	(11.3)	18,046	27,218	38,649	56,238	74,561
EBITDA	1,193	940	26.9	1,480	(19.4)	2,542	4,107	6,184	9,111	12,377
APAT	792	665	19.1	1,214	(34.8)	1,833	2,934	4,243	5,623	7,000
EPS (INR)	11.8	10.4	13.8	18.1	(34.8)	28.7	45.8	63.4	84.0	104.5
P/E (x)						129.5	81.1	58.6	44.2	35.5
EV / EBITDA (x)						88.6	57.5	39.1	27.8	21.2
RoE (%)						17.9	23.2	17.4	15.1	16.1

Source: Company, HSIE Research

REDUCE

CMP *(as on 06 Feb 2026)*	INR 3,700
Target Price	INR 4,030
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 4,530	INR 4,030
EPS %	FY26E	FY27E
	-9.8	-12.1

KEY STOCK DATA	
Bloomberg code	KAYNES IN
No. of Shares (mn)	67
MCap (INR bn) / ($ mn)	248/2,735
6m avg traded value (INR mn)	7,311
52 Week high / low	INR 7,705/3,295

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(41.8)	(38.7)	(13.8)
Relative (%)	(42.1)	(42.4)	(20.8)

SHAREHOLDING PATTERN (%)	Sep-25	Dec-25
Promoters	53.46	53.46
FIs & Local MFs	23.66	16.73
FPIs	10.71	8.87
Public & Others	12.17	20.94
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Sai Life Sciences

Strong Q3; healthy growth visibility stays

EBITDA (+57% YoY) was 26% ahead of consensus, led by strong sales growth (+27% YoY; CDMO was up 31% YoY and CRO grew 19% YoY), a sharp GM improvement (+448 bps YoY to 77.0%), leading to a strong EBITDA margin of 33.8% (+653 bps YoY). The company expects (1) to sustain revenue growth in FY27, led by visibility from strong traction in existing projects and scale-up in new modalities. Moreover, it has added seven molecules, of which three are in commercial stages and four in late development stages; it expects that their commercialization will lend incremental growth visibility. Also, the company has one Oligonucleotide product under validation, and it expects to start commercial quantities in the near term; (2) to focus on diversifying and widening the molecule coverage to de-risk from product concentration as well as the risk of de-stocking; (3) to progress in the peptide segment with both GLP-1 innovator pipeline projects and other non-GLP peptides. Its peptide process and pilot plants are expected to commission by Sep-26 and it will open up the peptide space from Discovery to Process and scale-up; (4) its CRO business will sustain growth momentum, supported by focus on increasing contributions from large pharma companies. It is also focusing on investing in technology with capacity addition, getting the right technology and chasing FTE contracts that help reduce global funding-related risks; (5) to sustain a ~74% GM and EBITDA margin (cost optimization) ~28+% in near term. For the mid-to-long term, the company retains its guidance for a sales CAGR of 15-20% over the next 3-5 years and EBITDA margins in the range of 28-30%. We see strong sales growth visibility (22% CAGR over FY25–28E), with improved profitability (EBITDA/PAT CAGR 31%/ 51%). Factoring in Q3 and outlook, we have raised the EBITDA by 7/4% for FY26/27E. We reiterate BUY with a TP to INR 1,160, based on 28x Q3FY28E EV/EBITDA (implying 49x PE).

- **Q3 highlights:** Sales grew 27% YoY to INR 5.56bn as CDMO (65% of sales) grew 31% YoY to INR 3.61bn and CRO (35%) grew 19% YoY to INR 1.95bn. GM was higher at 77% (+448 bps YoY); higher staff (+30%) and muted SG&A (+2%) led to an EBITDA of INR 1.87bn (+57% YoY, +29% QoQ) and margin of 33.8% (+653bps). Lower other income (-8%) and interest (-58%) were offset by higher depreciation (+29%), leading to a PAT^ of INR 1.08bn (+102% YoY).
- **Con call takeaways: CDMO:** Overall capacity utilization as of Dec-25 was at ~60% and the company sees headroom for growth. Its planned capacity addition of ~450KL is on track (to reach a total capacity of ~1,150KL by FY27-end). Its phase I of animal health capacity expansion is expected to complete by Mar-27, with validation for a commercial launch in H1FY28; plans to invest INR 600mn for Phase I and INR 700-750mn for the next phase. Top customer contribution was ~10% of sales. The company is looking to invest in an AI-led process to strengthen automation over the next few years.

Quarterly financial summary

(INR mn)	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Revenue	5,565	4,398	27	5,375	4	14,652	16,946	22,215	25,987	31,096
EBITDA	1,879	1,198	57	1,458	29	2,855	4,057	6,309	7,458	9,111
APAT	1,087	539	102	838	30	682	1,511	3,560	4,153	5,260
EPS (INR)	5.2	2.6	102	4.0	30	3.2	7.2	17.0	19.8	25.1
P/E (x)						261.3	117.9	50.0	42.9	33.9
EV/EBITDA (x)						65.1	43.6	28.6	24.1	19.5
RoCE(%)						9	12	18	18	20

Source: Company, HSIE Research. ^Adjusted for one-offs related to New Labor code of INR 83mn

BUY

CMP *(as on 06 Feb 2026)*	**INR 849**
Target Price	**INR 1160**
NIFTY	**25,694**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	BUY
Price Target	INR 1160	INR 1160
	FY26E	FY27E
EBITDA %	7.3	4.0

KEY STOCK DATA	
Bloomberg code	SAILIFE IN
No. of Shares (mn)	211
MCap (INR bn) / ($ mn)	179/1,980
6m avg traded value (INR mn)	817
52 Week high / low	INR 984/635

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(7.9)	7.1	14.7
Relative (%)	(8.2)	3.4	7.6

SHAREHOLDING PATTERN (%)	**Sep-25**	**Dec-25**
Promoters	34.93	34.70
FIs & Local MFs	29.94	31.41
FPIs	22.49	21.41
Public & Others	12.64	12.48
Pledged Shares	-	-

Source: BSE

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Crompton Consumer

Decent quarter; announced foray into wires

Crompton Consumer's revenue grew 7% YoY to INR 18.9bn, led by 8% growth in electrical consumer durables segment. Lighting and Butterfly segments also contributed 7% growth each. EBITDAM contracted 30bps YoY to 10.3%, leading to EBITDA/APAT growth of 4/3% YoY. The company has announced its entry into the residential wires segment, with an initial product launch scheduled for select markets by March-26. Management cited that rising commodity costs remain headwinds, while price hikes coupled with cost optimization program will support margins. It has implemented 1-1.5% price hike in fans and anticipates further hikes ahead. Management indicated that despite high channel inventory at Q3-end, the underlying fan demand remains good. We broadly maintain our estimates and retain BUY by valuing the stock at 32x Mar'28 EPS at an unchanged TP of INR 370/sh.

- **Q3FY26 highlights:** Revenue grew 7% YoY to INR 18.9bn, led by 8% growth in electrical consumer durables segment (73% revenue mix). Lighting and butterfly segments (14% and 13% revenue mix) also contributed 7% growth each. Gross margins declined 110bps YoY to 32.2% (+60bps QoQ). ECD EBIT margin declined 220bps YoY (+240bps QoQ), while lighting/butterfly witnesses 130bps/40bps YoY margin expansion (-340/-190bps QoQ). So, EBITDAM contracted 30bps YoY to 10.3% (+170bps QoQ). Employee cost surged 14% YoY, while other expenses declined 2% YoY. Consequently, EBITDA/APAT grew 4/3% YoY.
- **Segmental highlights:** Fans showed sequential performance improvement, led by BLDC growth across channels, though the segment faced headwinds in TPW fans demand. The solar rooftop business maintains strong momentum with an ~INR 5bn order book secured to date, fully executable by FY27. Pumps achieved double-digit growth, boosted by 2x expansion in solar pumps and market share gains. Large domestic appliances posted double-digit YoY volume growth. Lighting delivered strong double-digit volume growth in both B2C and B2B segments. Butterfly margins improved due to higher premiumization and price hikes.
- **Earnings call takeaways and outlook:** The company has announced its entry into the residential wires segment, with an initial product launch scheduled for select markets by March-26. Management cited rising commodity costs remain headwinds, while price hikes coupled with cost optimization programme will support margins. It has implemented 1-1.5% price hike in fans, and anticipates further hikes ahead. Despite high channel inventory at Q3-end, underlying fan demand remains good. We broadly maintain our estimates and retain BUY by valuing the stock at 32x Mar'28 EPS and an unchanged TP of INR 370/sh.

Financial summary

(INR mn)	Q3 FY26	Q3 FY25	YoY (%)	Q2 FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	18,983	17,692	7.3	19,156	(0.9)	73,128	78,636	80,126	90,146	1,00,903
EBITDA	1,953	1,880	3.9	1,649	18.5	7,137	8,882	7,648	10,138	11,659
APAT	1,134	1,098	3.2	865	31.0	4,399	5,560	4,606	6,410	7,445
EPS (INR)	1.8	1.7	3.2	1.3	31.0	6.8	8.6	7.2	10.0	11.6
P/E (x)						35.5	28.1	34.0	24.4	21.0
EV / EBITDA (x)						21.4	16.7	19.3	14.2	11.9
RoE (%)						13.4	15.2	11.6	14.9	15.7

Source: Company, HSIE Research

BUY

CMP *(as on 06 Feb 2026)*	INR 245
Target Price	INR 370
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 370	INR 370
EPS %	FY26E	FY27E
	-0.6	-0.6

KEY STOCK DATA	
Bloomberg code	CROMPTON IN
No. of Shares (mn)	644
MCap (Rs bn) / ($ mn)	158/1,740
6m avg traded value (INR mn)	855
52 Week high / low	INR 369/217

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(12.0)	(23.2)	(32.4)
Relative (%)	(12.4)	(27.0)	(39.5)

SHAREHOLDING PATTERN (%)	Sep-25	Dec-25
Promoters	0.00	0.00
FIs & Local MFs	61.24	65.73
FPIs	25.56	20.55
Public & Others	13.20	13.72
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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NCC

Execution pick-up key for rerating

NCC reported improved quarterly performance in Q3FY26, with revenue/EBITDA/APAT beat by 5.8/13.5/13.2% on the back of improved quarterly execution. JJM collection has improved with INR 5.6bn being received from UP in Jan-26 and receivables down from INR 37bn to INR 31.4bn. With Order Inflow (OI) of INR 124.3bn in Q3FY26 (9MFY26: 186.5bn), the consolidated Order Book (OB) as of Dec'25 stands at INR 795.7bn (~4.1x FY25 revenue; ex of L1: INR 20bn), while standalone OB stands at INR 727.5bn. NCC has also guided order inflows of INR 220-225bn for FY26 and expects a flattish Q4FY26 revenue , which implies 7-8% revenue de-growth for FY26. We believe that execution slowdown is largely reflective of delays in payments from clients albeit receipt of project approvals is in place. A few projects are impacted by client payment delays and NCC has slowed down their execution. Growth should pick up in ensuing quarters as entire OB moves into execution from Q4FY26. We have cut estimates to factor in weaker project starts; maintain BUY with a reduced TP of INR 256/sh (15x Dec-27E EPS).

- **Q3FY26 financial highlights:** Revenue: INR 40.4bn (-13.4/+8.5% YoY/QoQ, a 5.8% beat). EBITDA: INR 3.3bn (-20.1/+18% YoY/QoQ, a 13.5% beat). EBITDA margin: 8.1% (-67/+65bps YoY/QoQ), vs. our estimate of 7.6%. APAT: INR 1.1bn (-42.4/+4.9% YoY/QoQ, a 13.2% beat).
- **Robust order backlog; supported by strong order inflow:** The consolidated OI of INR 124.3bn in Q3FY26 is spread across Mining/building/transportation/water & rail/Electrical (T&D) at 55/31/7/4/2% respectively. Business-wise, the consolidated OB is well-diversified into building/transportation/ electrical (T&D)/irrigation/water & rail/mining segments, each contributing 31/22/18/7/10/13%. Revenue in Q3FY26 is well-diversified into buildings/Electrical (T&D)/transportation/mining/water & rail/irrigation & others at 38/21/16/16/5/3% respectively. Capex outlay stands at INR 10.5bn for FY26 (FY27: ~INR 4bn; deployed in 9MFY26: INR2.7bn), largely to support capacity expansion, TBM and fulfilment of a sizable new order in the mining division.
- **Elevated debt due to delay in receivables amid weak execution due to extended monsoon:** Gross standalone debt increased to INR 29.8bn (Q2/Q1FY26: 21.1/18.5bn); expected to reduce to INR 24bn by Mar'26, increase in debt is due to slowdown in payments from clients including projects under JJM. JJM receivables as of Dec'25 stood at INR 37bn and pending order book is INR 69.2bn. NWC as of Dec'25 stood at 119 days.

Standalone Financial Summary (INR mn)

Particulars	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Revenue	40,429	46,710	(13.4)	37,264	8.5	192,053	176,849	215,756	248,119
EBITDA	3,273	4,095	(20.1)	2,774	18.0	17,456	14,908	19,267	22,579
APAT	1,069	1,854	(42.4)	1,018	4.9	7,611	6,208	9,090	11,273
EPS (INR)	1.8	3.0	(42.4)	1.67	4.9	12.1	9.9	14.5	18.0
P/E (x)						12.9	15.8	10.8	8.7
EV/EBITDA (x)						5.7	6.0	4.8	4.0
RoE (%)						10.7	8.1	10.9	12.3

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY26E			FY27E			FY28E		
	New	Old	% Chg.	New	Old	% Chg.	New	Old	% Chg.
Revenue	176,849	190,983	(7.4)	215,756	213,901	0.9	248,119	245,986	0.9
EBIDTA	14,908	16,749	(11.0)	19,267	19,529	(1.3)	22,579	22,705	(0.6)
EBIDTA (%)	8.4	8.8	(34.0)	8.9	9.1	(20.0)	9.1	9.2	(13.0)
APAT	6,208	7,841	(20.8)	9,090	9,286	(2.1)	11,273	11,478	(1.8)

Source: HSIE Research

BUY

CMP (*as on 06 Feb 2026*)	**INR 156**
Target Price	**INR 256**
NIFTY	**25,694**

KEY CHANGES		OLD	NEW
Rating		BUY	BUY
Price Target		INR 265	INR 256
EPS	FY26E	FY27E	FY28E
Change %	-20.8	-2.1	-1.8

KEY STOCK DATA	
Bloomberg code	NJCC IN
No. of Shares (mn)	628
MCap (INR bn) / ($ mn)	98/1,083
6m avg traded value (INR mn)	647
52 Week high / low	INR 242/139

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(20.0)	(27.2)	(34.1)
Relative (%)	(20.3)	(31.0)	(41.2)

SHAREHOLDING PATTERN (%)

	Sept-25	Dec-25
Promoters	22.11	22.25
FIs & Local MFs	16.65	15.30
FPIs	12.87	11.49
Public & Others	48.37	50.96
Pledged Shares	2.87	-

Source: BSE

Pledged shares as % of total shares

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Sonata Software

Near-term challenges; recovery underway

Sonata Software delivered a muted performance with IITS revenue growth of +0.3% QoQ in CC terms, impacted by client-specific challenges, while margins surprised positively. IITS EBITDA margin expanded 220bps QoQ to 19.5%—its highest in eight quarters—driven by operational efficiencies and early AI adoption, partially offset by a 70bps impact from salary increments. Growth was affected by headwinds in three of the top ten clients, including budget constraints and reorganization at a major BFSI client, budget pressures in a large TMT account, and an unexpected ramp-down in a retail client. Management expects a rebound in BFSI from Q4 and a recovery in retail by Q1. The deal pipeline remains modernization-led, with Cloud and Data contributing 57% of total opportunities and AI-led wins forming 14% of the order book (vs. 10% in Q2). In the DPS business, which was impacted by a large client transitioning to a direct-billing model, focus areas include the SMC segment, expanding ISV partnerships with Oracle and IBM, and pursuing large system integration deals to revive growth. Given ongoing headwinds, we trim our FY27/28E revenue and EPS estimates by ~3–5% and maintain a BUY rating with a SoTP-based TP of INR 470, valuing IITS at 25x and DPS at 17x, implying a blended P/E of 22x on Mar-28E EPS.

- **Q3FY26 highlights:** (1) IITS revenue stood at USD 82.3mn, +0.3% QoQ CC, in line with our estimate of USD 82.1mn. (2) Among the verticals, large deal wins announced earlier led to growth in healthcare (+14.7% QoQ) and TMT (+0.4% QoQ); which was offset by decline in BFSI (-31.3% QoQ). Ramp down in largest BFSI, TMT, and RMD clients impacted revenue growth in Q3. The impact of ramp down in a large retail client would be more evident in Q4FY26E. (3) IITS EBITDA margin improved 220bps QoQ to 19.5% (HSIE 17.5%), driven by operational improvement across SG&A, better delivery efficiency, and cost optimization. The annual compensation revision was rolled out in Q2 and Q3, and it impacted Q3 margins by 70bps. (4) DPS EBITDA margin stood at 2.4% (-95bps QoQ) but GC improved 11% QoQ. (5) The company has won two large deals (both in BFSI) and 37% of the large deals are with Fortune-500 clients in Q3. The pipeline continues to remain strong, with 40% of the active pipeline consisting of large deals.
- **Outlook:** We expect IITS growth of -1.9/8.3/12.3% and DPS growth of 10.6/8/8% for FY26/27/28E respectively. IITS margin is estimated at 18/18.1/18.6% for FY26/27/28E. DPS GC is expected to achieve YoY growth in 2-3 quarters. IITS revenue/consolidated EPS CAGR for FY25-28E is expected to be +6/12%.

Quarterly financial summary

YE Mar (INR bn)	Q3 FY26	Q3 FY25	YoY (%)	Q2 FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	82.3	87.0	*(5.4)*	82.0	*0.4*	323.6	335.6	329.2	356.5	400.2
Net Sales	30.81	28.43	*8.4*	21.19	*45.4*	86.13	101.57	110.24	119.46	130.78
EBIT	1.74	1.31	*32.3*	1.46	*18.6*	5.96	5.68	6.01	6.61	7.62
APAT	1.36	1.05	*29.2*	1.20	*12.9*	4.83	4.25	4.74	5.14	5.94
Diluted EPS (INR)	4.8	3.7	*29.2*	4.3	*12.9*	17.2	15.1	16.9	18.3	21.2
P/E (x)						17.8	20.2	18.1	16.7	14.4
EV / EBITDA (x)						13.1	13.4	12.5	11.1	9.5
RoE (%)						35.7	27.3	26.0	24.8	25.3

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

YE March (INR bn)	FY26E Old	FY26E Revised	Change %	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue (USD mn)	329.6	329.2	*(0.1)*	365.7	356.5	*(2.5)*	417.6	400.2	*(4.2)*
Revenue	105.82	110.24	*4.2*	115.57	119.46	*3.4*	127.26	130.78	*2.8*
EBIT	5.89	6.01	*2.0*	6.83	6.61	*(3.3)*	8.04	7.62	*(5.1)*
EBIT margin (%)	5.6	5.4	-12bps	5.9	5.5	-38bps	6.3	5.8	-48bps
APAT	4.55	4.74	*4.0*	5.31	5.14	*(3.1)*	6.25	5.94	*(4.9)*
EPS (INR)	16.2	16.9	*4.0*	18.9	18.3	*(3.1)*	22.3	21.2	*(4.9)*

Source: Company, HSIE Research

BUY

CMP *(as on 06 Feb 2026)*	INR 306
Target Price	INR 470
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 500	INR 470
EPS %	FY27E	FY28E
	-3.1	-4.9

KEY STOCK DATA	
Bloomberg code	SSOF IN
No. of Shares (mn)	280
MCap (INR bn) / ($ mn)	86/946
6m avg traded value (INR mn)	609
52 Week high / low	INR 569/286

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(16.4)	(11.9)	(44.5)
Relative (%)	(16.7)	(15.6)	(51.6)

SHAREHOLDING PATTERN (%)	Sep-25	Dec-25
Promoters	28.17	28.17
FIs & Local MFs	26.33	26.31
FPIs	8.85	8.79
Public & Others	37.50	36.73
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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J Kumar Infraprojects

Muted execution

JKIL reported lower-than-expected revenue/EBITDA/APAT of 13/1.9/0.9bn, a miss to our estimates by 14.8/15.2/14.3%, owing to extended monsoon, delay in site handovers, and low order intake FYTD of INR 5.2bn. As of Dec'25, the order book (OB) stands at INR 192.1bn (~3.4x FY25 revenue) ex of INR 17.3bn L1. Further, JKIL has guided an OI of INR 40bn (from earlier INR 50bn) for FY26, with the current bid pipeline at INR 130bn (earlier INR 200bn). Given muted 9MFY26 revenue growth of 1.9% YoY, the FY26 revenue growth guidance is now flat vs. INR 62bn (+11% YoY), while the EBITDA margin guidance is at 14-15%. JKIL is keen on bidding for large-scale projects in Maharashtra, including the Mumbai/Pune/Thane metro rail ones. We believe 9MFY26 was a period of consolidation, impacted by extended monsoons and elections while Q4FY26/FY27 is expected to be that of growth with a strong bid pipeline in Maharashtra of INR 1tn+. We have cut estimates to factor in muted results. We maintain ADD, with a reduced TP of INR 730 (11x-Dec 27E vs. 14x earlier, multiple cut factors in slower growth and weak ordering).

- **Q3FY26 financial performance:** JKIL generated revenue of INR 13.1bn (-11.8/-2.3% YoY/QoQ, a miss of 14.8%) with an EBITDA of INR 1.9bn (-14/-3.4% YoY/QoQ, a miss of -15.2%). JKIL's EBITDA margin stood at 14.3% (-37/-16bps YoY/QoQ, vs. our estimate of 14.4%), while RPAT/APAT came in at INR 0.9bn (-8.1/+1.4% YoY/QoQ, a miss of 14.3%). Major revenue contributors for Q3FY26 have been metro (UG)/metro (E)/elevated corridors/roads & tunnels/water/civil & others at 11/15/26/36/5/6% respectively. Geographically, Maharashtra, TN, and NCR lead revenue contributions at 68/8/17% respectively.
- **Robust and diversified order book:** Geographically, the OB is spread across Maharashtra/TN/NCR/UP/Gujarat/Karnataka at 63/19/15/2/1/<1% respectively. Segment-wise, it is spread across elevated corridors/roads & tunnels/civil/metro (E)/metro (UG)/water at 53/18/13/6/5/5% respectively.
- **Strong balance sheet to facilitate growth opportunities:** Gross debt stood at INR 6.6bn as of Dec'25 (Sep/June'25: INR 7.8/7.2bn), leading to a gross D/E of 0.2x (Net D/E: -0.08x). JKIL expects gross debt to peak at INR 6-7bn in FY26. Capex in 9MFY26 stood at INR 4.3bn (FY25: INR 2.4bn), while capex guidance for FY26/27 combined stands at INR 5.5/2.5bn. NWC days stood at 103 in Q3FY26 (Q2: 115 days), with 115-200 guided for FY26.
- **Continued focus on EPC/metro/elevated corridor:** Execution remains subdued in 9MFY26 extended monsoon and local elections; however, management has guided that JKIL's focus will remain on the EPC segment with significant tenders expected to be floated from the MMR region.

Consolidated Financial Summary (INR mn)

Particulars	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY25	FY26E	FY27	FY28E
Revenue	13,112	14,869	(11.8)	13,425	(2.3)	56,935	57,377	65,983	75,881
EBITDA	1,879	2,186	(14.0)	1,946	(3.4)	8,264	8,224	9,351	10,727
APAT	919	1,000	(8.1)	906	1.4	3,904	4,029	4,555	5,173
EPS (INR)	12.1	13.2	(8.1)	12.0	1.4	51.6	53.2	60.2	68.4
P/E (x)						11.1	10.7	9.5	8.4
EV/EBITDA (x)						6.0	5.5	4.4	3.0
RoE (%)						13.8	12.6	12.5	12.6

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY26E			FY27E			FY28E		
	New	Old	% Change	New	Old	% Change	New	Old	% Change
Revenue	57,377	62,059	(7.5)	65,983	71,368	(7.5)	75,881	82,073	(7.5)
EBITDA	8,224	8,855	(7.1)	9,351	10,036	(6.8)	10,727	11,467	(6.5)
EBITDA (%)	14.3	14.3	6.5	14.2	14.1	10.9	14.1	14.0	16.4
APAT	4,029	4,210	(4.3)	4,555	4,970	(8.3)	5,173	5,765	(10.3)

Source: HSIE Research

ADD

CMP (*as on 06 Feb 2026*)	INR 576
Target Price	INR 730
NIFTY	25,694

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 993	INR 730

EPS Change (%)	FY26E	FY27E	FY28E
	-4.3	-8.3	-10.3

KEY STOCK DATA	
Bloomberg code	JKIL IN
No. of Shares (mn)	76
MCap (INR bn) / ($ mn)	44/480
6m avg traded value (INR mn)	71
52 Week high / low	INR 777/529

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(12.1)	(18.9)	(25.0)
Relative (%)	(12.5)	(22.7)	(32.1)

SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	46.64	46.64
FIs & Local MFs	15.41	15.26
FPIs	12.85	12.73
Public & Others	25.09	25.37
Pledged Shares	10.57	10.57

Source: BSE

Pledge share as a % of total shares

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KNR Constructions

Weak performance owing to muted ordering

KNR's reported revenue/EBITDA/APAT at INR 5.8/0.3/0.2bn was a beat/miss to our estimates by +16/-38/-29%. EBITDA margin was 5.2% vs. our estimate of 11%. Lower margin pipeline subcontracting revenue and repair cost funding for Kerala project impacted profitability. KNR's weak Q3FY26 performance reflects a challenging operational environment, exacerbated by delayed new project rollouts due to revised government bidding policies and weaker state ordering. Based on current OB, KNR guided for the FY26/27 revenue to be in the range of INR20/20bn+. FY26 EBITDA margin are impacted due to negative oplev and one time cost on Kerala project, and margins are expected to improve to 10/14% by FY27/28. KNR has booked INR 43bn of new orders FYTD26 and expects inflow (OI) of INR 100-120bn by Sep-26, once NHAI ordering picks pace, including other segments like irrigation from MP and Maharashtra, subcontracting from EPC/BOT projects won by peers, and urban infra projects in AP, Tamil Nadu, and Telangana. We have cut estimates to factor in weak order inflows; maintain BUY with reduced TP of INR 200/sh (15x Dec-27E EPS).

- **Q3FY26 financial performance:** Revenue stood at INR 5.8bn (-17.4/+18.7% YoY/QoQ, a beat by 30%). EBITDA was INR 306mn (-73.9/-42.8% YoY/QoQ, a miss by 38.2%). EBITDA margin was 5.2% (-1,134/-563bps YoY/QoQ; vs. our estimate of 11.0%). APAT was INR 176mn (-83.2/-36.8% YoY/QoQ, a 29% miss).
- **Weak ordering impacted execution:** KNR's executable OB as of Dec-25 stood at INR 88.5bn (2.6x FY25 revenue). YTD OB to be executed over next 3-4 years. Captive (HAM project) works constitute 16% of the OB, and of the balance, state/central government/other orders constitute 80/2/2%. Business-wise, roads (HAM)/roads (non-HAM)/mining/irrigation/pipeline account for 16/13/40/19/12% of the OB, which is geographically concentrated in southern India, comprising Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, and Telangana. KNR needs both geographical and segment diversification to maintain the growth trajectory. Further, KNR's 74% ownership in Jharkhand's Banhardih Coal Mining Block valued at INR 48bn (GST excluded) strengthens the mining portfolio while diversifying beyond its core infrastructure business.
- **Strong balance sheet supported by healthy liquidity:** Standalone debt is nil with cash of INR 0.8bn. Further, NWC stood elevated at 97/144 days for Dec'25/Sep'25 respectively due to delay in irrigation receivables which stands at INR 14.3bn. KNR is diversifying into coal mining and metro/railway EPC to strengthen revenue streams.

Financial Summary (INR mn)

Particulars	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Revenue	5,851	7,079	(17.4)	4,930	18.7	32,344	20,572	24,264	30,384
EBITDA	306	1,173	(73.9)	536	(42.8)	5,084	1,708	2,621	4,269
APAT	176	1,048	(83.2)	279	(36.8)	3,285	996	1,597	2,733
EPS (INR)	0.6	3.7	(83.2)	1.0	(36.8)	11.68	3.54	5.68	9.72
P/E (x)						14.6	48.0	30.0	17.5
EV/EBITDA (x)						9.3	25.7	18.7	10.8
RoE (%)						9.2	2.6	4.4	6.8

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY26E			FY27E			FY28E		
	New	Old	Chg. (%)	New	Old	Chg. (%)	New	Old	Chg. (%)
Revenue	20,572	21,752	(5.4)	24,264	32,264	(24.8)	30,384	40,384	(24.8)
EBITDA	1,708	2,697	(36.7)	2,621	4,840	(45.9)	4,269	6,078	(29.8)
EBITDA (%)	8.3	12.4	(410.0)	10.8	15.0	(420.0)	14.1	15.1	(100.0)
APAT	996	1,813	(45.0)	1,597	3,316	(51.8)	2,733	4,133	(33.9)

Source: HSIE Research

BUY

CMP (*as on 06 Feb 2026*)	INR 152
Target Price	INR 200
NIFTY	25,694

KEY CHANGES	OLD		NEW
Rating	BUY		BUY
Price Target	INR 240		INR 200
EPS Change %	FY26E	FY27E	FY28E
	-45.0	-51.8	-33.9

KEY STOCK DATA	
Bloomberg code	KNRC IN
No. of Shares (mn)	281
MCap (INR bn) / ($ mn)	43/472
6m avg traded value (INR mn)	381
52 Week high / low	INR 301/130

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(15.4)	(24.1)	(44.7)
Relative (%)	(20.2)	(28.2)	(53.4)

SHAREHOLDING PATTERN (%)	Sep-25	Dec-25
Promoters	48.81	48.81
FIs & Local MFs	21.51	20.02
FPIs	7.52	7.38
Public & Others	22.17	23.79
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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Kolte Patil Developers

Weak show; need to pick up execution

KPDL reported a weak quarter with presales 0.69msf (-16.5%/-19.8% YoY/QoQ), valued at INR 6.1bn (-11.0%/-9.7% YoY/QoQ), largely backed by sustenance sales with an average realization of INR 8,791psf (+4.4%/+12.5% YoY/QoQ). Q3FY26 margins were impacted by lower revenue recognition, led by CCM-based accounting that impacted margins sharply, though KPDL believes that the margin will improve toward mid-teens in FY27, driven by a new project mix. We expect Life Republic (LR) project to continue the sales momentum and strong cash flows, further improving the margins with better realization. Blackstone aimed at accelerating expansion and sector consolidation. KPDL's growth strategy is firmly supported by expanding and strategic land bank, now totalling a significant portfolio of ~37msf. The strategic partnership with Blackstone is expected to bolster financial flexibility and growth acceleration. KPDL aims to benefit from sector consolidation, infrastructure push, and urbanization in tier 2/3 cities, while maintaining a focus on capital efficiency and timely execution to drive long-term value. Overall, proactive management and expansion position the firm for sustained growth. With strong cash flows, KPDL is a net cash positive company and liquidity is comfortable. This may pave the way for accelerated BD activities. We maintain BUY with a TP of INR 480/sh.

- **Q3FY26 financial performance:** KPDL reported a revenue of INR 2.6bn (-24.1% /+91.4% YoY/QoQ, miss by 57.9%). EBITDA came in at INR +81mn vs INR -256mn/-372mn Q3FY25/Q2FY26, vs INR 232mn est.). APAT was INR +45mn (INR +253mn/INR -104mn Q3FY25/Q2FY26) vs. the estimate of INR 328mn PAT. Margins were impacted by lower completion, led by CCM-based accounting, which impacted margins sharply. Margin improvement remains a priority, with EBITDA margins projected to reach mid-teens through cost optimization and operational efficiencies.
- **All eyes on launches to drive the presales momentum:** KPDL reported quarterly presales of 0.69msf (-14.8%/-19.8% YoY/QoQ), valued at INR 6.1bn (-11.0%/-9.7% YoY/QoQ), largely backed by sustenance sales with an average realization of INR 8,768psf. (+4.4%/+12.5% YoY/QoQ). Life republic contributed ~60% of total sales in Q3FY26. Collections stood at INR 7.0bn, making a +25.0%/+19.0% YoY/QoQ. KPDL is targeting 6-7msf of project launches across key markets in Pune (NIBM, Wadgaon, and Lakshmiratan) and Mumbai.
- **Strong balance sheet position:** Net cash stood at INR 6.0bn (INR 1.2mn net cash in Q2FY26). In Q3FY26, KPDL generated a net operating cash flow of INR 2.1bn.

Consolidated financial summary (INR mn)

Particulars	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Net Sales	2,653	3,497	(24.1)	1,387	91.4	17,174	18,818	21,677	24,928
EBITDA	81	256	(68.4)	(372)	(121.7)	1,759	752	2,669	3,782
APAT	45	253	(82.2)	(104)	(143.1)	1,066	551	1,777	2,670
EPS (INR)	0.6	3.3	(82.2)	(1.4)	(143.1)	14.1	7.3	23.5	35.2
P/E (x)						29.9	49.9	15.5	10.3
EV/EBITDA (x)						22.0	43.6	13.2	9.3
RoE (%)						14.1	7.8	17.3	21.6

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY26E			FY27E			FY28E		
	New	Old	Chg. (%)	New	Old	Chg. (%)	New	Old	Chg. (%)
Revenues	18,818	23,131	(18.6)	21,677	23,342	(7.1)	24,928	26,843	(7.1)
EBITDA	752	2,792	(73.1)	2,669	4,335	(38.4)	3,782	5,059	(25.2)
EBITDA (%)	4.0	12.1	(807.4)	12.3	18.6	(625.6)	15.2	18.8	(367.5)
APAT	551	1,542	(64.3)	1,777	2,603	(31.7)	2,670	3,085	(13.5)

Source: Company, HSIE Research

BUY

CMP *(as on 06 Feb 2026)*	**INR 366**
Target Price	**INR 480**
NIFTY	**25,694**

KEY CHANGES		**OLD**	**NEW**
Rating		BUY	BUY
Price Target		INR 480	INR 480
EPS Change %	FY26E	FY27E	FY28E
	-64.2	*-31.7*	*-13.5*

KEY STOCK DATA	
Bloomberg code	KPDL IN
No. of Shares (mn)	89
MCap (INR bn) / ($ mn)	32/358
6m avg traded value (INR mn)	37
52 Week high / low	INR 498/235

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(11.7)	(9.9)	19.5
Relative (%)	(12.0)	(13.7)	12.4

SHAREHOLDING PATTERN (%)	**Sept25**	**Dec-25**
Promoters	73.81	73.81
FIs & Local MFs	8.77	8.77
FPIs	3.70	3.76
Public & Others	13.71	13.65
Pledged Shares	0.0	0.0

Source: BSE

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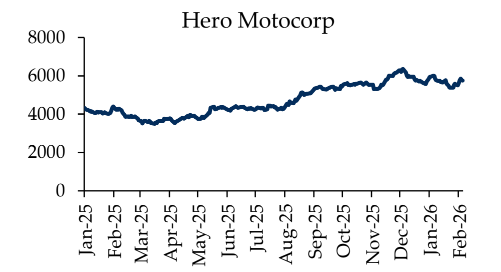
Rating Criteria

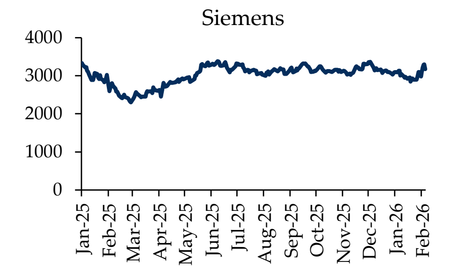
BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

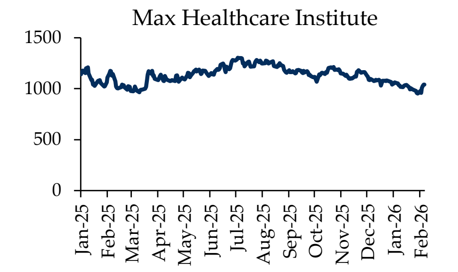
Disclosure:

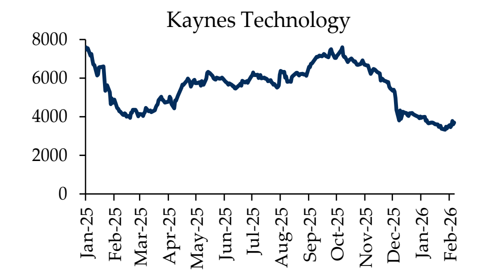
Analyst	Company Covered	Qualification	Any holding in the stock
Hitesh Thakurani	Hero MotoCorp	MBA	NO
Shubhangi Kejriwal	Hero MotoCorp	MSc	NO
Parikshit Kandpal	Siemens, NCC, J Kumar Infraprojects, KNR Constructions, Kolte Patil Developers	CFA	NO
Aditya Sahu	Siemens, NCC, J Kumar Infraprojects, KNR Constructions, Kolte Patil Developers	MBA	NO
Jay Shah	Siemens, NCC, J Kumar Infraprojects, KNR Constructions, Kolte Patil Developers	CA	NO
Mehul Sheth	Max Healthcare Institute, Sai Life Sciences	MBA	NO
Divyaxa Agnihotri	Max Healthcare Institute, Sai Life Sciences	MSc	NO
Keshav Lahoti	Kaynes Technology, Crompton Consumer	CA, CFA	NO
Rajesh Ravi	Kaynes Technology, Crompton Consumer	MBA	NO
Riddhi Shah	Kaynes Technology, Crompton Consumer	MBA	NO
Mahesh Nagda	Kaynes Technology, Crompton Consumer	CA	NO
Amit Chandra	Sonata Software	MBA	NO
Vinesh Vala	Sonata Software	MBA	NO
Maitreyee Vaishampayan	Sonata Software	MSc	NO

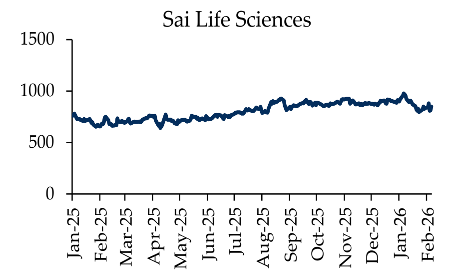
Price movement

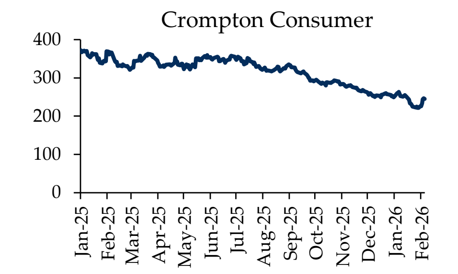


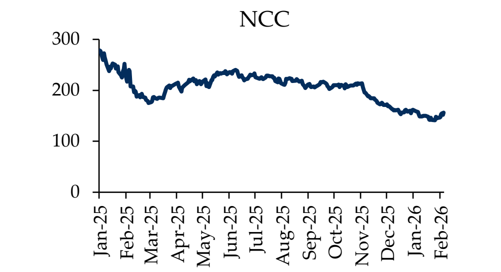


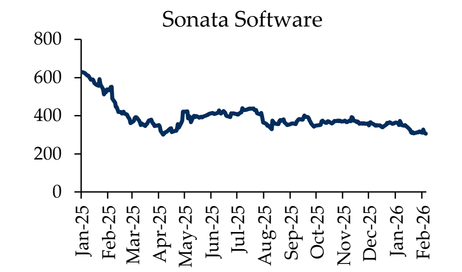


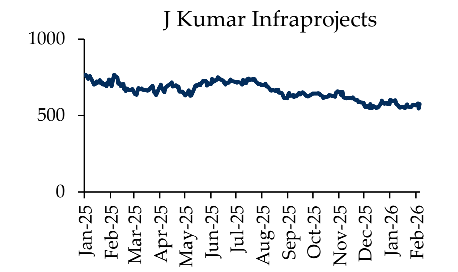


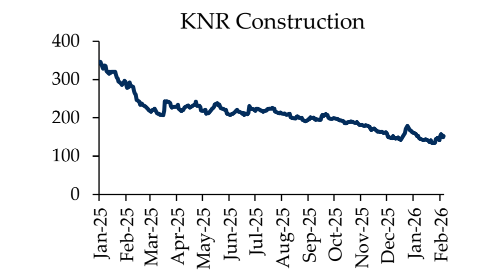


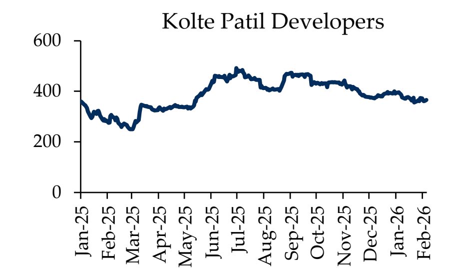












Disclosure:

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