INSTITUTIONAL RESEARCH

HSIE Results Daily

Contents

Results Reviews

- **ABB India:** ABB India's (ABB) revenue/EBITDA/APAT was a miss by -6.7/-23.1/-19.8% vs. our estimates due to disruptions on account of ongoing conflict, elevated input costs amid forex volatility & higher commodity inflation, and slower project execution. OI momentum has witnessed uptick, driven by growth in Data Center, Energy, Metals, Railways and Building sectors. ABB's Q1CY26 order inflow (OI) stood at INR 42.8bn (+25/+21% YoY/QoQ) and the backlog (OB) stood at INR 110.9bn (+17/+14% YoY/QoQ) as of Mar'26 (0.84x CY25 revenue). ABB anticipates margin pressure for the next 2-3 quarters, led by a combination of rising costs, increased competitive pressure, foreign exchange volatility, and logistical disruptions. Further clouding the outlook, geopolitical tensions and the deferral of large project awards present tangible risks to both overall demand and pricing power. We have revised our earnings downward. Data center (DC) demand seems to be picking up and now contributes 12-16% of OB. Given strong order pipeline in DC, we have revised our valuation multiple from 54x to 60x PE multiple and maintain ADD with TP of INR 6,996/sh.
- **Lupin:** EBITDA grew 68% YoY, given 32% YoY sales growth (US: +6% QoQ, India grew 12% YoY) and GM expansion (+498 bps YoY at 75.2%), partly offset by higher costs. LPC expects: (1) in FY27, single-digit revenue growth, margin at ~25% (factoring competition Tolvaptan and Mirabegron and visible cost headwinds across RMs/ logistics), R&D at 8% of sales, and higher ETR at 25-26% (vs. ~22% in FY26); (2) the US to sustain base business at USD 1+ bn revenues in FY27, led by traction in key products (Tolvaptan, gSpiriva, gMyrbetriq) and incremental sales from new launches (Revicti, Saxenda, two FTFs include Rivaroxaban and plans to file 15+ ANDA in FY27); it targets 100+ launches and ~65% share from complex products in the US by FY31; and (3) India to beat IPM growth by 1.2-1.3x in the near term, led by new launches (plans for 20+ launches in FY27), in-licensing (including Bofanglutide, a novel GLP-1), scale-up in Semaglutide, traction in focused therapies, increasing MR productivity, and expansion in hospital channels. The company is focusing on (a) Respiratory: Pipeline of 20+ inhalation products like Dulera, Spiriva Respimat, Symbicort, Advair HFA, Ellipta franchise, and green propellant; (b) Biosimilars: Plans to launch 5+ biosimilar by FY31 in the US including Pegfilgrastim launch in CY26 partnered with Valorum Biologics as front-end in the US, Ranibizumab in FY27, Aflibercept – filing in FY27 and launch in FY28/29, Pegfilgrastim Onpro and Etanercept in CY29/ FY30; and (c) Injectables: 45+ product pipeline; expects to generate sales of USD 100mn in the next 2-3 years. Lupin aims to scale up its specialty portfolio (Xopenex, NaMuscla, Zaxine, etc.) over the next 3-5 years and exploring M&As/ partnerships to grow specialty portfolio. With strong cash position (net cash at INR 46.35 bn), the company is looking for inorganic opportunity with priority for specialty assets and India region. Factoring in guidance and VISUfarma acquisition, we have raised EPS estimates by 5% for FY27/28E and revised the TP to INR 2,530 (25x FY28E EPS). ADD stays.
- **Thermax:** Thermax Ltd (TMX) reported revenue/EBITDA/APAT of INR 34.2/3.6/2.4bn, a beat/miss by +0.5/+9.5/+6.1%. Order inflow stood robust in Q4FY26 witnessing a 112% uptick YoY at INR 44.9bn, taking the OB as of Mar'26 to INR 136bn (+27%YoY). The performance in Industrial Products

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segment is lower due to product mix. Profitability in the Industrial Infrastructure segment is higher this year on account of increased operational efficiency and lower losses in some of its entities compared to last year. Chemicals segment profitability has impacted significantly due to higher input costs in account of disruptions in the Middle East (since inventory lead times are shorter) and change in product mix. New growth drivers continue to emerge in the form of Data Centre solutions (with visible OI for cooling and boiler solutions), medium MW power projects, utility power projects, ramp-up of the chemical business, and increased traction in products launched over the past few years. Profitability continues to improve with changes in mix toward profitable industrial products and completion of lower-margin order backlog; however disruptions in Middle East are expected to show impact in Q1FY27. Ramping up of new product portfolio, impetus on cleaner air and water, and focus on bio-CNG will be add-ons. We have increased estimates, given strong performance of industrial infra and robust OI while expecting impact of disruptions in FY27. We maintain BUY on TMX, with a TP of INR 5,300 (52x Jun-28E EPS, multiple increase from 45x to 52x to factor in increasing data centre export TAM).

- **Niva Bupa Health Insurance:** NIVABUPA reported mixed P&L outcomes, largely on the back of its continued migration to 1/n accounting, adversely impacting its reported topline and loss ratios. NEP was marginally ahead of our estimates, owing to strong growth in the quarter although loss ratio was higher than our estimates on account of group business and 1/n accounting partly offset by better control on expense and commission ratios. Notwithstanding the noise around accounting distortions, we believe that NIVABUPA continues to enjoy competitive moats around its use of analytics for risk selection and product pricing, and an affluent customer base (premium per life insured ~10% higher than peers), translating into best-in-class loss ratios (favorable ULR) and superior profitability. We have increased our NEP/PAT CAGR estimates to 28/76% for FY26-FY28E, with COR likely to improve to 99.8% by FY28E (FY26: 103.4%). We maintain BUY with an unchanged DCF-based TP of INR95 (42x Mar-28 EPS), as the 1/n accounting is likely to continue distorting the reported P&L outcomes until FY27E.

- **Orient Electric:** Orient Electric’s (OEL) revenue grew 10% YoY to INR 9.5bn, driven by strong 16% YoY growth in lighting and switchgear segment. ECD segment reported 8% YoY growth. EBITDAM expanded 40bps YoY to 8.2%. EBITDA and APAT grew 16% and 34% YoY, respectively. Fans delivered high single-digit growth, outperforming the industry growth. Consumer lighting achieved double-digit growth. Management indicated that Q4 performance was constrained by a delayed onset of summer and elevated inventory levels. Looking ahead, the company anticipates a recovery in demand for cooling products in Q1, aided by expectations of a hotter and more prolonged summer season. Although rising commodity prices continue to present a challenge, the company has introduced calibrated price increases to partially mitigate cost pressures, with additional hikes likely if input costs remain elevated. We value the company at 30x Mar’28 EPS and maintain BUY, with an unchanged TP of INR 235/sh.

- **NOCIL:** We are maintaining our REDUCE recommendation on NOCIL with a target price of INR 186, which is premised on (1) potential impact on margins due to the West Asia crisis and (2) aggressive dumping in key products by Chinese players. Q4 EBITDA was 33% below our estimates, owing to lower-than-expected revenue and higher-than-expected raw material cost. APAT was 7% above our estimates due to higher-than-expected other income and lower-than-expected tax provision.

ABB India

Orders surge; margins squeeze

ABB India's (ABB) revenue/EBITDA/APAT was a miss by -6.7/-23.1/-19.8% vs. our estimates due to disruptions on account of ongoing conflict, elevated input costs amid forex volatility & higher commodity inflation, and slower project execution. OI momentum has witnessed uptick, driven by growth in Data Center, Energy, Metals, Railways and Building sectors. ABB's Q1CY26 order inflow (OI) stood at INR 42.8bn (+25/+21% YoY/QoQ) and the backlog (OB) stood at INR 110.9bn (+17/+14% YoY/QoQ) as of Mar'26 (0.84x CY25 revenue). ABB anticipates margin pressure for the next 2-3 quarters, led by a combination of rising costs, increased competitive pressure, foreign exchange volatility, and logistical disruptions. Further clouding the outlook, geopolitical tensions and the deferral of large project awards present tangible risks to both overall demand and pricing power. We have revised our earnings downward. Data center (DC) demand seems to be picking up and now contributes 12-16% of OB. Given strong order pipeline in DC, we have revised our valuation multiple from 54x to 60x PE multiple and maintain ADD with TP of INR 6,996/sh.

- **Q1CY26 financial highlights**: Revenue stood at INR 31.8bn (+0.8/-10.5% YoY/QoQ, a 6.8% miss). EBITDA came in at INR 4.1bn (-29.9/-25.8% YoY/QoQ, a miss by 23.1%). EBITDA margin was at 12.8% (-560.2/-264.2bps YoY/QoQ, vs. our estimate of 15.6%). APAT stood at INR 3.4bn (-27.9/-19% YoY/QoQ, a 19.8% miss). However, profitability faces near-term pressure due to the external risks including forex volatility, commodity price swings, geopolitical uncertainties, and competitive pricing dynamics. Segment-wise, revenue for MO/EL/PA grew +5.9/+15.2/-14.7% YoY and -3.4/-2.1/-23.3% QoQ respectively. Product offerings continue to dominate at 81% (Q1CY25: 78%) and the balance from services (12%; Q1CY25: 14%) and projects (7%; Q1CY25: 8%). Geographically, revenue is spread across Domestic/International in Q1CY26 at 89/11% (Q1CY25: 93/7%) respectively.
- **Robust order growth across all segments:** OI growth is supported by demand uptick for distribution solutions and smart power offerings, steady demand for drive products and IEC LV motors, and flat order growth in measurement analytics and energy industries and dip in orders from process industries. Key wins included projects in data centers, railways, energy, and power distribution.
- **Long-term growth drivers intact, near-term headwinds key challenge**: ABB is strategically positioning itself to capitalize on high-growth sectors like data centers, renewables, and electronics, supported by a resilient operational model that spans 23 market segments. However, risks include softer demand growth, global trade barriers, geopolitical tensions, and commodity price volatility.

Standalone Financial Summary (INR mn)

Particulars	1QCY26	1QCY25	YoY (%)	4QCY25	QoQ (%)	CY25	CY26E	CY27E	CY28E
Revenue	31,841	31,596	0.8	35,570	(10.5)	125,038	135,423	159,393	193,564
EBITDA	4,084	5,823	(29.9)	5,502	(25.8)	19,738	20,417	26,048	34,744
APAT	3,419	4,741	(27.9)	4,218	(19.0)	16,183	17,192	21,481	27,935
Diluted EPS (INR)	16.1	22.4	(27.9)	19.9	(19.0)	76.4	81.1	101.4	131.8
P/E (x)						73.2	68.9	55.2	42.4
EV / EBITDA (x)						56.8	55.1	42.5	31.9
RoE (%)						21.7	20.0	20.8	22.2

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	CY26E			CY27E		
	New	Old	New	Old	New	Chg. (%)
Revenue	135,423	148,381	(8.7)	159,393	171,888	(7.3)
EBITDA	20,417	24,234	(15.7)	26,048	28,664	(9.1)
EBITDA (%)	15.1	16.3	(125.5)	16.3	16.7	(33.4)
APAT	17,192	19,982	(14.0)	21,481	23,348	(8.0)

Source: Company, HSIE Research

ADD

CMP *(as on 08 May 2026)*	INR 7,013
Target Price	INR 6,996
NIFTY	24,176

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 5,505	INR 6,996
EPS change %	CY26E	CY27E
	-14	*-8*

KEY STOCK DATA	
Bloomberg code	ABB IN
No. of Shares (mn)	212
MCap (INR bn) / ($ mn)	1,486/15,728
6m avg traded value (INR mn)	2,211
52 Week high / low	INR 7,825/4,638

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	20.6	39.8	32.6
Relative (%)	28.1	46.9	36.4

SHAREHOLDING PATTERN (%)	Dec-25	May-25
Promoters	75.00	75.00
FIs & Local MFs	9.15	9.28
FPIs	7.64	8.19
Public & Others	8.20	7.50
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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Lupin

Strong Q4/FY26; growth and margin to normalize

ADD

CMP *(as on 8 May 2026)*	INR 2,378
Target Price	INR 2,530
NIFTY	24,176

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 2400	INR 2530
EPS %	FY27E	FY28E
	4.8	5.2

KEY STOCK DATA	
Bloomberg code	LPC IN
No. of Shares (mn)	457
MCap (INR bn) / ($ mn)	1,088/11,514
6m avg traded value (INR mn)	2,289
52 Week high / low	INR 2,494/1,837

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	9.5	20.7	18.1
Relative (%)	16.9	27.8	21.8

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	46.89	46.85
FIs & Local MFs	25.58	25.32
FPIs	21.5	21.7
Public & Others	6.03	6.13
Pledged Shares	-	-

Source: BSE

EBITDA grew 68% YoY, given 32% YoY sales growth (US: +6% QoQ, India grew 12% YoY) and GM expansion (+498 bps YoY at 75.2%), partly offset by higher costs. LPC expects: (1) in FY27, single-digit revenue growth, margin at ~25% (factoring competition Tolvaptan and Mirabegron and visible cost headwinds across RMs/ logistics), R&D at 8% of sales, and higher ETR at 25-26% (vs. ~22% in FY26); (2) the US to sustain base business at USD 1+ bn revenues in FY27, led by traction in key products (Tolvaptan, gSpiriva, gMyrbetriq) and incremental sales from new launches (Revicti, Saxenda, two FTFs include Rivaroxaban and plans to file 15+ ANDA in FY27); it targets 100+ launches and ~65% share from complex products in the US by FY31; and (3) India to beat IPM growth by 1.2-1.3x in the near term, led by new launches (plans for 20+ launches in FY27), in-licensing (including Bofanglutide, a novel GLP-1), scale-up in Semaglutide, traction in focused therapies, increasing MR productivity, and expansion in hospital channels. The company is focusing on (a) Respiratory: Pipeline of 20+ inhalation products like Dulera, Spiriva Respimat, Symbicort, Advair HFA, Ellipta franchise, and green propellant; (b) Biosimilars: Plans to launch 5+ biosimilar by FY31 in the US including Pegfilgrastim launch in CY26 partnered with Valorum Biologics as front-end in the US, Ranibizumab in FY27, Aflibercept – filing in FY27 and launch in FY28/29, Pegfilgrastim Onpro and Etanercept in CY29/ FY30; and (c) Injectables: 45+ product pipeline; expects to generate sales of USD 100mn in the next 2-3 years. Lupin aims to scale up its specialty portfolio (Xopenex, NaMuscla, Zaxine, etc.) over the next 3-5 years and exploring M&As/ partnerships to grow specialty portfolio. With strong cash position (net cash at INR 46.35 bn), the company is looking for inorganic opportunity with priority for specialty assets and India region. Factoring in guidance and VISUfarma acquisition, we have raised EPS estimates by 5% for FY27/28E and revised the TP to INR 2,530 (25x FY28E EPS). ADD stays.

- **Q4 highlights**: Sales grew 32% YoY to INR 74.7bn, as US sales (46% of sales) grew 6% QoQ to USD 371mn (+48% YoY), led by traction in Tolvaptan and Mirabegron in the base business. India (26%) at INR 19.08 bn (+12% YoY). Higher GM at 75.2% (+498 bps) and higher staff/R&D/SG&A (+24%/10%/40%) led to an EBITDA of INR 21.71bn (+68%) and a margin of 29% (+625 bps). Adjusted^ for one-offs, PAT was at INR 13.87bn (+64% YoY).
- **Key takeaways from con call: gSpiriva**: market share at 37%; no visible competition. **gMyrbetriq and gJynarque**: it expects generic competition in FY27. **gRisperdal Consta**: to see scale-up in next few quarters. **Albuterol**: market share at 16%. **Arfomoterol (Rx+Gx)**: market share was at 12%. **India business**: Field force at ~11,400 (MRs at ~8,900); in-licensing portfolio contribution at 6% of sales.

Quarterly financial summary

(INR mn)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	74,747	56,671	32	71,675	4	200,108	227,079	279,580	296,365	304,025
EBITDA	21,711	12,921	68	22,095	(2)	38,000	54,718	81,595	74,091	73,878
APAT	13,878	8,463	64	14,172	(2)	20,669	35,364	53,441	45,622	46,263
EPS (INR)	30.4	18.5	64	31.0	(2)	45.2	77.3	116.9	99.8	101.2
P/E (x)						52.6	30.7	20.3	23.8	23.5
EV/EBITDA (x)						28.9	20.1	13.0	14.2	13.7
RoCE (%)						16	22	27	20	18

Source: Company, HSIE Research, ^ for forex gain of INR 3.14 bn and exceptional items of INR 4.26bn

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Thermax

Robust execution and OI; ME disruptions monitorable

Thermax Ltd (TMX) reported revenue/EBITDA/APAT of INR 34.2/3.6/2.4bn, a beat/miss by +0.5/+9.5/+6.1%. Order inflow stood robust in Q4FY26 witnessing a 112% uptick YoY at INR 44.9bn, taking the OB as of Mar'26 to INR 136bn (+27%YoY). The performance in Industrial Products segment is lower due to product mix. Profitability in the Industrial Infrastructure segment is higher this year on account of increased operational efficiency and lower losses in some of its entities compared to last year. Chemicals segment profitability has impacted significantly due to higher input costs in account of disruptions in the Middle East (since inventory lead times are shorter) and change in product mix. New growth drivers continue to emerge in the form of Data Centre solutions (with visible OI for cooling and boiler solutions), medium MW power projects, utility power projects, ramp-up of the chemical business, and increased traction in products launched over the past few years. Profitability continues to improve with changes in mix toward profitable industrial products and completion of lower-margin order backlog; however disruptions in Middle East are expected to show impact in Q1FY27. Ramping up of new product portfolio, impetus on cleaner air and water, and focus on bio-CNG will be add-ons. We have increased estimates, given strong performance of industrial infra and robust OI while expecting impact of disruptions in FY27. We maintain BUY on TMX, with a TP of INR 5,300 (52x Jun-28E EPS, multiple increase from 45x to 52x to factor in increasing data centre export TAM).

- **Q4FY26 financial highlights:** Revenue: INR 34.2bn (+10.7/+29.6% YoY/QoQ, a 0.5% beat); industrial products/industrial infra/green sol./chemicals posted growth/decline of +16/+4/+34/-8% YoY respectively. EBITDA: INR 3.6bn (20.8/42% YoY/QoQ, a beat by 9.5%), with EBITDA margin of 10.6% (+88.3/+92.5bps YoY/QoQ, vs our estimates of 9.7%). APAT stood at INR 2.4bn (+18/+50.1% YoY/QoQ, a 6.1% beat).
- **Middle East disruptions could hamper margins:** Order booking is improved on the back of improved performance in exports, including data centre infrastructure solutions, utility boilers, and cooling solutions. Q4FY26 witnessed high volatility in input commodity prices amid geopolitical instability, with steel prices rising ~20–25%, significantly increasing input costs. Crude oil fluctuations drove similar volatility in copper, aluminium and nickel, further impacted by USD appreciation against the INR. Bought-out equipment prices also rose by ~3–5% QoQ. Thermax OB is near fixed price and may see margin dilution if commodity inflation persists.

Consolidated financial summary

Particulars	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Revenue	34,157	30,849	10.7	26,347	29.6	106,744	124,964	151,099	176,625
EBITDA	3,620	2,997	20.8	2,548	42.0	9,557	11,794	16,145	19,781
APAT	2,426	2,056	18.0	1,616	50.1	6,170	8,382	11,562	14,415
Diluted EPS (INR)	21.5	18.3	18.0	14.3	50.1	54.8	74.4	102.7	128.0
P/E (x)						85.4	62.8	45.6	36.5
EV/EBITDA (x)						54.4	44.1	31.9	25.7
RoE (%)						11.8	14.3	17.3	18.5

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E		
	New	Old	% Chg.	New	Old	% Change
Revenue	124,964	120,942	3.3	151,099	143,536	5.3
EBITDA	11,794	12,319	(4.3)	16,145	15,589	3.6
EBITDA (%)	9.4	10.2	(74.8)	10.7	10.9	(17.5)
APAT	8,382	8,351	0.4	11,562	10,784	7.2

Source: Company, HSIE Research

BUY

CMP *(as on 08 May 2026)*	INR 4,678
Target Price	INR 5,300
NIFTY	24,176

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 4,175	INR 5,300
	FY27E	FY28E
EPS change %	+0.4	+7.2

KEY STOCK DATA	
Bloomberg code	TMX IN
No. of Shares (mn)	119
MCap (INR bn) / ($ mn)	557/5,899
6m avg traded value (INR mn)	541
52 Week high / low	INR 4,759/2,743

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	62.8	46.6	48.2
Relative (%)	70.3	53.7	51.9

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	61.99	61.99
FIs & Local MFs	14.84	15.49
FPIs	12.36	11.25
Public & Others	10.81	11.28
Pledged Shares	-	-

Source: BSE

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Niva Bupa Health Insurance

Accounting noise persists; fundamentals strong

NIVABUPA reported mixed P&L outcomes, largely on the back of its continued migration to 1/n accounting, adversely impacting its reported topline and loss ratios. NEP was marginally ahead of our estimates, owing to strong growth in the quarter although loss ratio was higher than our estimates on account of group business and 1/n accounting partly offset by better control on expense and commission ratios. Notwithstanding the noise around accounting distortions, we believe that NIVABUPA continues to enjoy competitive moats around its use of analytics for risk selection and product pricing, and an affluent customer base (premium per life insured ~10% higher than peers), translating into best-in-class loss ratios (favorable ULR) and superior profitability. We have increased our NEP/PAT CAGR estimates to 28/76% for FY26-FY28E, with COR likely to improve to 99.8% by FY28E (FY26: 103.4%). We maintain BUY with an unchanged DCF-based TP of INR95 (42x Mar-28 EPS), as the 1/n accounting is likely to continue distorting the reported P&L outcomes until FY27E.

- **1/n distorting P&L outcomes:** Loss ratios for FY26 rose sharply to ~68.1% (FY25: 61.2%), led by transition to 1/n accounting (~5.9% impact), which is likely to normalize by FY28E. Accordingly, we have revised our loss ratio assumptions for FY27E/28E to ~66.8%/65.8%. Encouragingly, both expense and commission ratios have improved to 35.3% in FY26 (down 470bps YoY). Management guided for closer to 99% CISR, with loss ratio to inch up slightly, which will be offset by lower expense ratio with a mid to high teen RoE on a steady state basis.
- **Strong operating indicators**: Topline growth for NIVABUPA on retail business was 30%, predominantly led by growth in number of lives, which grew by >20%. In H2FY26, ATS was 14% higher than that was in H1FY26 resulting in higher PPL and, hence, likely to result in lower loss cost and loss ratios. On a full-year basis, NIVABUPA also complied with the IRDAI EOM guidelines with EOM at 33.7%. We believe NIVABUPA is likely to maintain GDPI CAGR of 28% during FY26-FY28E.
- **Quality customer franchise**: Our analysis suggests that NIVABUPA caters to a relatively more affluent customer base, as reflected in the higher sum assured compared to its peers (~88% of fresh policies have a sum assured > INR 1mn). Further, our analysis suggests that NIVABUPA has a superior premium per life insured (PPL), backed by consistent growth in the number of lives, efficient claims management, and lowest loss cost among peers, driving sustainably lower loss ratios.

Financial summary

Y/E Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Net earned premium (NEP)	19.7	15.3	29.1	14.5	35.7	48.9	60.7	78.1	99.6
Underwriting profits	1.8	0.6	206.8	-2.3	NM	-2.5	-4.7	-4.7	-3.8
PAT	3.5	2.1	67.5	-0.9	NM	2.1	1.3	2.1	4.1
EPS	1.9	1.1	65.5	-0.5	NM	1.2	0.7	1.2	2.2
CoR (%)						101.2	103.4	101.5	99.8
P/B (x)						3.9	3.9	3.7	3.4
P/E (x)						69.6	114.3	69.8	36.5
RoE (%)						6.3	3.5	5.5	9.7

Change in estimates

(INR bn)	FY27E			FY28E		
	New	Old	Change (%)	New	Old	Change (%)
Net earned premiums	78.1	77.9	0.1	99.6	100.0	(0.4)
Underwriting profit	-4.6	-5.3	-12.4	(3.7)	(3.7)	2.2
APAT	2.1	2.3	-8.6	4.1	4.3	(4.8)
COR(%)	101.5	101.9	-46bps	99.8	99.5	27bps
RoE (%)	5.5	5.8	-28bps	9.7	9.8	-8bps

Source: Company, HSIE Research

BUY

CMP *(as on 08 May 2026)*	INR 81
Target Price	INR 95
NIFTY	24,176

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR95	INR95
EPS %	FY27E	FY28E
	-9%	-5%

KEY STOCK DATA	
Bloomberg code	NIVABUPA IN
No. of Shares (mn)	1,847
MCap (INR bn) / ($ mn)	150/1,589
6m avg traded value (INR mn)	113
52 Week high / low	INR 95/68

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	4.6	6.9	(6.9)
Relative (%)	12.1	14.0	(3.1)

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	55.4	55.4
FIs & Local MFs	16.0	16.5
FPIs	10.3	10.6
Public & Others	18.3	17.6
Pledged Shares	*Nil*	Nil

Source : BSE

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Orient Electric

Decent quarter; cost inflation remains a challenge

Orient Electric's (OEL) revenue grew 10% YoY to INR 9.5bn, driven by strong 16% YoY growth in lighting and switchgear segment. ECD segment reported 8% YoY growth. EBITDAM expanded 40bps YoY to 8.2%. EBITDA and APAT grew 16% and 34% YoY, respectively. Fans delivered high single-digit growth, outperforming the industry growth. Consumer lighting achieved double-digit growth. Management indicated that Q4 performance was constrained by a delayed onset of summer and elevated inventory levels. Looking ahead, the company anticipates a recovery in demand for cooling products in Q1, aided by expectations of a hotter and more prolonged summer season. Although rising commodity prices continue to present a challenge, the company has introduced calibrated price increases to partially mitigate cost pressures, with additional hikes likely if input costs remain elevated. We value the company at 30x Mar'28 EPS and maintain BUY, with an unchanged TP of INR 235/sh.

- **Q4FY26 performance:** Revenue grew 10% YoY to INR 9.5bn, driven by strong 16% YoY growth in lighting and switchgear segment (30% revenue mix). ECD segment (70% revenue mix) reported 8% YoY growth. ECD's EBIT margin expanded 40/-40bps YoY/QoQ to 11%, while lighting & switchgear's EBIT margin expanded 160/450bps YoY/QoQ to 31%. EBITDAM expanded 40bps YoY at 8.2% (up 70bps QoQ). Employee cost and other expenses surged 4% and 7% YoY in absolute terms while decreased 50bps and 40bps YoY in relative terms. Consequently, EBITDA grew 16% YoY. APAT grew 34% YoY, led by EBITDA and supported by lower depreciation (down 10% YoY).
- **Segmental highlights:** Fans delivered high single-digit growth, outperforming the industry growth. The company implemented a calibrated 4% price increase for fan in Q4FY26 to partly offset input cost inflation and the impact of star rating changes. Consumer lighting achieved double-digit growth. Wires saw a twofold increase on low base, while switchgear and switches continue to post double-digit growth.
- **Earnings call takeaways and outlook:** Management indicated that Q4 performance was constrained by a delayed onset of summer and elevated inventory levels across channels. Looking ahead, it anticipates a recovery in demand for cooling products in Q1, aided by expectations of a hotter and more prolonged summer season. Although rising commodity prices continue to present a challenge, the company has introduced calibrated price increases of around 4-5% across key segments to partially mitigate cost pressures, with additional hikes likely if input costs remain elevated. Considering the healthy Q4 topline and ongoing commodity cost inflation, we have raised our FY27/28E revenue estimates by 2% each. However, we have cut our FY27 APAT estimates by 8%, as the industry continues to struggle with passing on cost inflation. For FY28E, we maintain our APAT estimates. We value the company at 30x Mar'28 EPS and maintain BUY, with an unchanged TP of INR 235/sh.

Financial summary

(INR mn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Sales	9,483	8,619	10.0	9,065	4.6	28,121	30,937	33,264	37,233	40,956
EBITDA	774	668	15.8	677	14.3	1,443	2,037	2,291	2,676	3,201
APAT	418	313	33.7	346	20.7	566	832	1,060	1,329	1,670
EPS (INR)	2.0	1.5	33.7	1.6	20.7	2.7	3.9	5.0	6.2	7.8
P/E (x)						70.9	48.2	37.8	30.2	24.0
EV / EBITDA (x)						27.2	19.4	17.2	14.1	11.5
RoE (%)						9.3	12.5	14.6	16.5	18.4

Source: Company, HSIE Research

BUY

CMP *(as on 08 May 2026)*	**INR 188**
Target Price	**INR 235**
NIFTY	**24,176**

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 235	INR 235
EPS Change %	FY27E	FY28E
	-7.8	0.0

KEY STOCK DATA	
Bloomberg code	ORIENTEL IN
No. of Shares (mn)	213
MCap (INR bn) / ($ mn)	40/425
6m avg traded value (INR mn)	155
52 Week high / low	INR 255/149

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	9.8	(11.1)	(20.1)
Relative (%)	17.3	(4.1)	(16.3)

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	38.31	38.31
FIs & Local MFs	31.90	32.52
FPIs	3.60	3.42
Public & Others	26.19	25.75
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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NOCIL

Realization offsets volume-driven growth

We are maintaining our REDUCE recommendation on NOCIL with a target price of INR 186, which is premised on (1) potential impact on margins due to the West Asia crisis and (2) aggressive dumping in key products by Chinese players. Q4 EBITDA was 33% below our estimates, owing to lower-than-expected revenue and higher-than-expected raw material cost. APAT was 7% above our estimates due to higher-than-expected other income and lower-than-expected tax provision.

- **Financial performance:** Revenue changed by -2.75/+4.59% YoY/QoQ to INR 3,304 mn while volumes changed by +13.64/+7.14% YoY/QoQ. A sharp correction in product realization due to aggressive dumping by Chinese players has offset the quarter's volume growth. EBITDA/kg changed by -47.87/-27.66% YoY/QoQ to INR 13.97/kg while EBITDA changed by -40.76/-22.49% YoY/QoQ to INR 203mn. It is impacted adversely by rising input material prices and production cuts taken due to high energy prices.
- **Key con call takeaways**: (1) The company has grown volumes consistently every quarter over the past five quarters and are guiding for a double-digit volume growth for the coming years. (2) The company has filed anti-dumping petitions against China, the EU, the US, Korea, and Thailand, with investigation outcomes expected in the next 2–3 months. (3) INR 2.5bn, Dahej expansion project has been commissioned, adding 20% to the overall capacity, trial runs have started and the company will send samples for customer approvals. Additional volume is largely for merchant sales. (4) NOCIL has announced INR 1.3bn brownfield capex for a comprehensive integrated specialty rubber chemicals facility, which is expected to come online by H1FY28. A large part of the capex will be spent on molecules, which will be consumed captively. (5) NOCIL will be undertaking various initiatives such as improving product mix, geographical expansion, and improving working capital management with an aim to expand margin.
- **Change in estimates:** We tweak our FY27/28E EPS estimates by +0.42/-0.79% to INR 3.53/4.21, owing to the challenges that the company will face in the short to medium term.
- **DCF-based valuation:** Our price target is INR 186. The stock is trading at 51.6/43.2x FY27/28E EPS.

Financial summary (consolidated)

INR mn	4QFY26	3QFY26	QoQ (%)	4QFY25	YoY (%)	FY25	FY26P	FY27E	FY28E	FY29E
Net Sales	3,304	3,158	*4.59*	3,397	*(2.75)*	13,927	13,030	14,127	15,901	17,937
EBITDA	203	261	*(22.49)*	342	*(40.76)*	1,346	969	877	1,108	1,385
APAT	180	122	*47.93*	208	*(13.19)*	1,076	690	588	701	894
AEPS (INR)	1.08	0.73	*47.93*	1.25	*(13.19)*	6.46	4.14	3.53	4.21	5.37
P/E (x)						28.3	43.9	51.6	43.2	33.9
EV/EBITDA(x)						20.7	27.8	31.4	25.2	19.7
RoE (%)						6.2	3.9	3.3	3.8	4.8

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY27EOld	FY27ENew	%Ch	FY28EOld	FY28ENew	%Ch
EBITDA (INR mn)	972	877	(9.77)	1,138	1,108	(2.65)
Adj. EPS (INR/sh)	3.51	3.53	0.42	4.24	4.21	(0.79)

Source: Company, HSIE Research

REDUCE

CMP *(as on 08 May 2026)*	INR 182
Target Price	INR 186
NIFTY	24,176

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 194	INR 186
EPS %	FY27E	FY28E
	0.42%	-0.79%

KEY STOCK DATA	
Bloomberg code	NOCIL IN
No. of Shares (mn)	167
MCap (Rs bn) / ($ mn)	30/323
6m avg traded value (Rs mn)	374
52 Week high / low	Rs 211/125

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	26.6	3.9	1.9
Relative (%)	34.1	11.0	5.7

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	33.76	33.76
FIs & Local MFs	6.49	7.91
FPIs	4.43	4.55
Public & Others	55.27	53.78
Pledged Shares	18.66	22.64

Source: BSE

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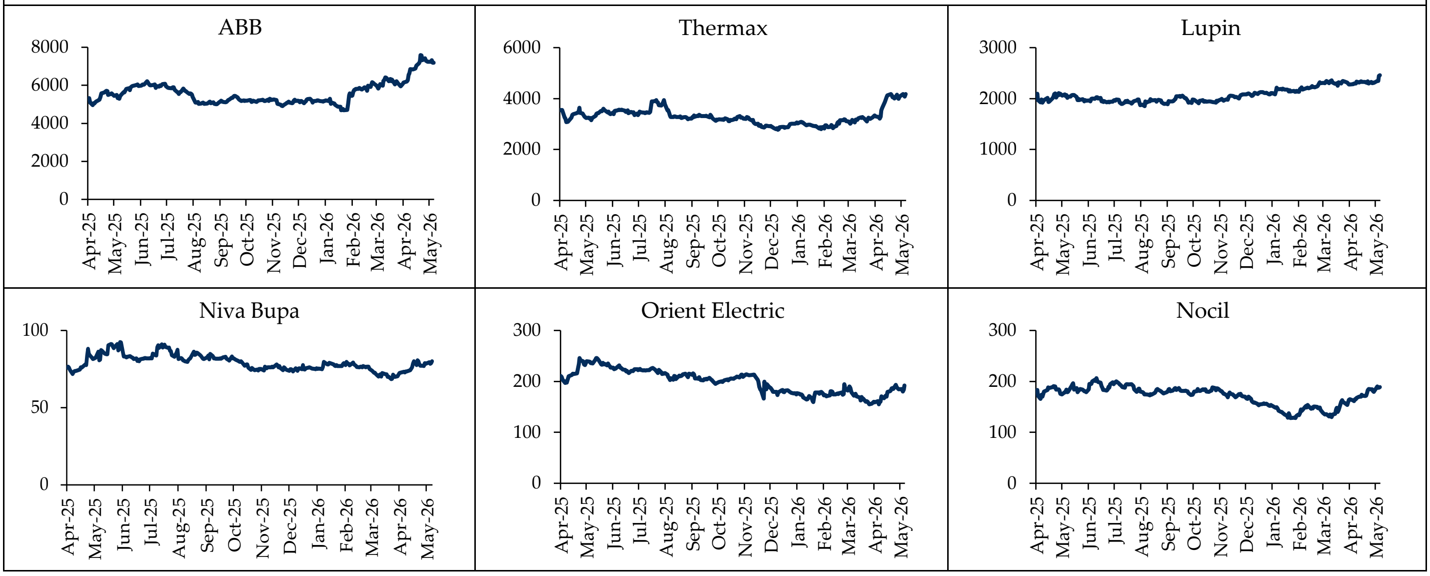
Rating Criteria

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
Parikshit Kandpal	ABB India, Thermax	CFA	NO
Aditya Sahu	ABB India, Thermax	MBA	NO
Jay Shah	ABB India, Thermax	CA	NO
Mehul Sheth	Lupin	MBA	NO
Divyaxa Agnihotri	Lupin	MSc	NO
Krishnan ASV	Niva Bupa Health Insurance	PGDM	NO
Shobhit Sharma	Niva Bupa Health Insurance	CA	NO
Keshav Lahoti	Orient Electric	CA, CFA	NO
Rajesh Ravi	Orient Electric	MBA	NO
Mahesh Nagda	Orient Electric	CA	NO
Riddhi Shah	Orient Electric	MBA	NO
Nilesh Ghuge	NOCIL	MMS	NO
Aditya Iyer	NOCIL	PGDM	NO

Price movement



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