

HSIE Results Daily

Contents

Results Reviews

- Indian Hotels:** IHCL's Q4FY26 performance was broadly in line with estimates, reflected in a healthy 14% YoY revenue growth. 10% YoY RevPAR growth at consolidated level was led by strong occupancy of ~78%. Though the performance was impacted by temporary geopolitical disruptions, lower inbound travel and weak occupancy trends in Dubai hotels, domestic demand remained resilient, supported by strong MICE activity and domestic tourism. Long-term prospects of the company remained healthy as hotel supply growth is estimated to remain tight at ~5% over FY25-27E at key business locations. The main growth drivers for FY27E include multiple large-scale MICE events, major sporting events, and a strong wedding calendar with 70+ auspicious dates. Due to a steep stock correction in the past few quarters, valuations have moderated. We upgrade to a BUY, maintaining our EBITDA CAGR estimates of 17% for FY26-28E. We value the stock at 25x FY28 EV/EBITDA for a TP of INR 801.
- MCX:** MCX delivered another strong quarter, with revenue/EBITDA rising 34/35% QoQ and 205/316% YoY, respectively, driven by a ~50/7% sequential increase in options premium and futures ADTV. Options volume growth was led by a sharp rise in crude and natural gas, while gold and silver moderated after peaking in Jan 2026. Crude remained the key driver, with notional ADTV up 21% QoQ in Q4 and premium ADTV surging 98% QoQ, supported by a higher P/N ratio amid war-led volatility. While bullion volumes corrected ~50% from Jan 2026 highs by Apr'26, this was largely offset by strong crude traction. A key structural driver has been the 64% YoY growth in traded options UCCs, significantly boosting participation through digital brokers and improved retail experience. This growth appears structural, supported by product innovation, improved expiry frameworks, focus on domestic price discovery, and rising hedging activity among SMEs and corporates. We expect momentum to sustain, with FY27E drivers including growth in traded UCCs, continued commodity volatility, new contract launches, and regulatory tailwinds such as institutional participation in non-cash settled contracts, which should further aid traction in index options (bullion and metals). We estimate FY27E options premium ADTV to be ~43% higher YoY vs FY26 but ~12% lower than Q4 exit levels and raise FY27/28E EPS estimates by ~5/10%, maintaining BUY with a TP of INR 3,750, based on 45x FY28E core PAT (vs 43x earlier) plus net cash ex-SGF.
- Oberoi Realty:** Oberoi Realty (ORL) registered presales of INR 16bn (+96%/+100% YoY/QoQ) for Q4FY26. Moreover, in this quarter, its uber-luxury project 360W managed to sell two units (vs 3/3 in Q4FY25/Q3FY26), reflecting gradual traction in the high-end segment. For FY27, ORL has a robust launch pipeline spanning across MMR (Carter Road, Malabar Hill, Mulund, and Alibaug) alongside a marquee entry into Gurugram with the ultra-luxury '360 North' project (5,000-8,000+ sqft units). Redevelopment at Adarsh Nagar is imminent, pending approvals. Worli mixed-use precinct combining retail, office, and hotel is expected to start in Q1FY27. In FY26, ORL secured strong BD, adding ~4msf. of development potential across MMR, along with 11 acres in Bandra East and ~2msf at Aram Nagar, Versova, alongside redevelopment agreements in prime South Bombay locations (Pedder Road, Malabar Hill, and Nepean Sea Road). With disciplined land

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acquisitions and a focus on timely execution, ORL is well-placed to capitalize on robust demand across residential and mixed-use segments, ensuring sustained growth. The developer is following an asset-based business strategy for the long term, with approvals in place for TOD. Given the expected robust cash flows from ready-to-move-in inventory in 360W, we remain constructive on ORL and maintain BUY, with NAV-based TP to INR 2,094/sh

- **Sonata Software:** Sonata reported muted growth in its IITS segment, with revenue rising 0.6% QoQ CC, while EBITDA margins expanded 70bps QoQ to 20.2% (a nine-quarter high), driven by operational efficiencies, cost optimization, and peak utilization of 91.8%. IITS' FY26 revenue stood at USD 328.5 mn, down 2.1% YoY. The appointment of new CEO Rajsekhar Datta Roy, a 30-year veteran and former CTO, is aimed at restoring growth through disciplined execution, with a strategy focused on sharpening vertical sub-segments, strengthening strategic client partnerships, and accelerating AI-led delivery transformation. Despite client-specific ramp-downs in BFSI and RMD impacting FY26 growth, the company has built a strong USD 280mn AI pipeline, with AI-led deals contributing 18% of the order book, alongside continued investments in AI capabilities such as the Harmony framework to capture emerging demand amid cannibalization of traditional spends. The DPS segment faced headwinds due to a large OEM partner shifting to a direct billing model, leading to a 4% YoY GC decline in FY26; however, management believes the worst is behind and expects growth ahead. We retain our earnings estimates and maintain BUY with a SoTP-based TP of INR 330, valuing IITS at 18x and DPS at 12x, implying a blended P/E of 16x based on Mar-28E EPS.
- **Birla Corporation:** In Q4FY26, Birla Corporation's (BCORP) volume rose 4/29% YoY/QoQ. Unit EBITDA expanded INR 269/MT to INR 971/MT on pricing gains and ~INR 73/MT additional incentive accruals QoQ, which more than offset the impact of higher input costs. We estimate BCORP will deliver only 2% volume CAGR over FY26-28E, impacted by expansion delays. We also factor in lower margin YoY in FY27E amid elevated competition and energy and packaging costs. We maintain ADD with an unchanged TP of INR 1,200/share (7.5x FY28E consolidated EBITDA).

Indian Hotels

Healthy finish to the year amid rampant headwinds

IHCL's Q4FY26 performance was broadly in line with estimates, reflected in a healthy 14% YoY revenue growth. 10% YoY RevPAR growth at consolidated level was led by strong occupancy of ~78%. Though the performance was impacted by temporary geopolitical disruptions, lower inbound travel and weak occupancy trends in Dubai hotels, domestic demand remained resilient, supported by strong MICE activity and domestic tourism. Long-term prospects of the company remained healthy as hotel supply growth is estimated to remain tight at ~5% over FY25-27E at key business locations. The main growth drivers for FY27E include multiple large-scale MICE events, major sporting events, and a strong wedding calendar with 70+ auspicious dates. Due to a steep stock correction in the past few quarters, valuations have moderated. We upgrade to a BUY, maintaining our EBITDA CAGR estimates of 17% for FY26-28E. We value the stock at 25x FY28 EV/EBITDA for a TP of INR 801.

- Q4FY26 highlights (consolidated):** IHCL's revenue grew 14% YoY to INR 27.6bn, while EBITDA rose 14% YoY to INR 9.7bn. Net profit proportionately rose by 15% YoY to INR 6bn. The air catering segment TajSATS reported 13% YoY topline growth to INR3.2bn. EBITDA margin of hotel segment was higher at ~35% vis-à-vis ~23% of the air catering segment.
- FY26 highlights (consolidated):** Revenue grew 16% YoY to INR 96.8bn, while EBITDA rose 15% YoY to INR31.9bn. Net profit increased by 15% YoY to INR 18.5bn. High single-digit RevPAR growth of 9% was led by ARR growth and strong occupancy of ~76%. Air catering segment TajSATS reported a strong 16% YoY topline growth to INR12.2bn. EBITDA margin of hotel segment was at ~33% vis-à-vis ~24% of the air catering segment. As a part of the asset-light growth strategy, managed hotel rooms grew to ~20,000 from 11,400 over FY23-26, implying a ~20% CAGR. Management fees rose by 22% YoY to INR 6.9bn. The company expects to continue capitalizing on its brand strength to grow its asset-light portfolio.
- Outlook:** IHCL opened 15 new hotels (819 keys) in Q4FY26. On a base of 33,091 keys (55% managed, 45% owned) across 375 operational hotels, the company is planning a strong expansion with a pipeline of ~31,300 keys (owned ~6,400 and managed~ 24,900) across 254 hotels. The upcoming robust development pipeline of owned projects include Taj Bandstand (450 Keys), Ranchi (~300 keys), Lakshadweep (~183 keys), Taj at Shiroda (~300 keys), Gateway at Aguada Plateau (~110 keys), Kaziranga (80 keys), and Agartala (~100 keys). We believe with disciplined execution, the company is on a trajectory to post ~17% EBITDA growth over FY26-28E.

Financial Summary

(INR mn, Mar YE)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY23A	FY24A	FY25A	FY26	FY27E	FY28E
Net Revenues	27,653	24,251	14%	28,420	-3%	58,099	67,430	83,345	96,892	1,08,933	1,21,787
EBITDA	9,727	8,568	14%	10,758	-10%	18,046	21,982	27,693	31,950	37,947	44,060
APAT	5,999	5,223	15%	6,774	-11%	10,003	12,380	19,076	20,844	23,965	26,550
Diluted Consol EPS (INR)	4.21	3.67	15%	6.35	-34%	7.0	8.7	13.4	14.6	16.8	18.7
P/E (x)						94.1	76.0	49.3	45.1	39.3	35.4
EV/EBITDA						59.3	48.7	38.6	33.5	27.2	23.4
RoE (%)						13.3%	14.4%	18.5%	17.2%	17.3%	16.7%

BUY

CMP (as on 11 May 2026)	INR 661
Target Price	INR 801
NIFTY	23,816

KEY CHANGES	OLD	NEW
Rating	ADD	BUY
Price Target	INR 801	INR 801
EPS Change %	FY27E 5%	FY28E 1%

KEY STOCK DATA

Bloomberg code	IH IN
No. of Shares (mn)	1,423
MCap (INR bn) / (\$ mn)	941/9,872
6m avg traded value (INR mn)	1,984
52 Week high / low	INR 812/565

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(6.5)	(5.2)	(8.0)
Relative (%)	3.2	4.1	(3.7)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	38.1	38.1
FIs & Local MFs	20.7	22.6
FPIs	25.1	23.2
Public & Others	16.1	16.1
Pledged Shares	-	-

Source : BSE

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MCX

Structural growth drivers

MCX delivered another strong quarter, with revenue/EBITDA rising 34/35% QoQ and 205/316% YoY, respectively, driven by a ~50/7% sequential increase in options premium and futures ADTV. Options volume growth was led by a sharp rise in crude and natural gas, while gold and silver moderated after peaking in Jan 2026. Crude remained the key driver, with notional ADTV up 21% QoQ in Q4 and premium ADTV surging 98% QoQ, supported by a higher P/N ratio amid war-led volatility. While bullion volumes corrected ~50% from Jan 2026 highs by Apr'26, this was largely offset by strong crude traction. A key structural driver has been the 64% YoY growth in traded options UCCs, significantly boosting participation through digital brokers and improved retail experience. This growth appears structural, supported by product innovation, improved expiry frameworks, focus on domestic price discovery, and rising hedging activity among SMEs and corporates. We expect momentum to sustain, with FY27E drivers including growth in traded UCCs, continued commodity volatility, new contract launches, and regulatory tailwinds such as institutional participation in non-cash settled contracts, which should further aid traction in index options (bullion and metals). We estimate FY27E options premium ADTV to be ~43% higher YoY vs FY26 but ~12% lower than Q4 exit levels and raise FY27/28E EPS estimates by ~5/10%, maintaining BUY with a TP of INR 3,750, based on 45x FY28E core PAT (vs 43x earlier) plus net cash ex-SGF.

- Q4FY26 highlights:** MCX revenue stood at INR 8.89bn, +33.6/+205.1% QoQ/YoY (vs our estimate of INR 8.87bn). Futures/options revenue stood at INR 2.43/5.67bn, 6.8/49.6% QoQ. Future ADTV was up 1.6% QoQ to INR 901.91bn, led by a 46.7% QoQ increase in the metals segment, followed by energy (19.8%) and bullion (1.6%). Options notional ADTV declined 13.6% QoQ, while premium increased by 49.6% QoQ. P/N saw a sharp increase from 1.07% to 1.85%, led by increase in volatility in crude (2.56% vs 1.56%), natural gas (3.66% vs 2.64%), and bullion (1.03% vs 0.67%); EBITDA margin expanded by 54/1995bps QoQ/YoY to 74.9%. Options notional/premium ADTV stood at INR 5,754/106.27bn and options contributed ~70.1% to transaction revenue. Crude/natural gas/bullion contributed 31/13/55% to options notional and 43/25/31% to premium.
- Outlook:** We expect +11/33% futures/premium CAGRs over FY26-28E, resulting in +25/29% revenue/APAT CAGRs over FY26-28E. The options notional assumptions are INR 6.7/8.4trn; premium is at INR 93.14/113.93bn, and P/N is at 1.39%/1.35% for FY27/28E. Futures ADTV is at INR 650/787bn for FY27/28E.

Quarterly financial summary

YE March (INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Revenues	8,889	2,913	205.1	6,656	33.6	6,836	11,127	23,020	29,676	36,194
EBITDA	6,661	1,602	315.9	4,952	34.5	643	6,653	16,466	21,480	26,861
APAT	5,298	1,355	291.1	4,011	32.1	831	5,600	13,316	17,895	22,107
Diluted EPS (Rs)	20.8	5.3	291.1	15.7	32.1	3.3	22.0	52.2	70.2	86.7
P/E (x)								61.0	45.4	36.8
EV / EBITDA (x)								46.8	36.0	28.6
RoE (%)						5.8	34.3	56.3	57.8	60.4

Source: Company, HSIE Research, Consolidated Financials

Change in estimates

INR mn	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue	28,686	29,676	3.5	33,391	36,194	8.4
EBITDA	20,964	21,480	2.5	24,720	26,861	8.7
EBITDA Margin (%)	73.1	72.4	-70bps	74.0	74.2	18bps
APAT	17,002	17,895	5.3	20,075	22,107	10.1
EPS (Rs)	66.7	70.2	5.3	78.7	86.7	10.1

Source: HSIE Research

BUY

CMP (as on 11 May 2026)	INR 3,188
Target Price	INR 3,750
NIFTY	23,816

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 3,230	INR 3,750
EPS %	FY27E +5.3%	FY28E +10.1%

KEY STOCK DATA

Bloomberg code	MCX IN
No. of Shares (mn)	255
MCap (INR bn) / (\$ mn)	813/8,525
6m avg traded value (INR mn)	8,728
52 Week high / low	INR 3,220/1,155

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	34.4	67.9	181.1
Relative (%)	44.1	77.2	185.4

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	0.00	0.00
FIs & Local MFs	59.16	54.35
FPIs	20.64	26.07
Public & Others	20.02	19.38
Pledged Shares	0.00	0.00

Source: BSE

Pledged shares as % of total shares

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Oberoi Realty

Steady show; launch-heavy year ahead

Oberoi Realty (ORL) registered presales of INR 16bn (+96%/+100% YoY/QoQ) for Q4FY26. Moreover, in this quarter, its uber-luxury project 360W managed to sell two units (vs 3/3 in Q4FY25/Q3FY26), reflecting gradual traction in the high-end segment. For FY27, ORL has a robust launch pipeline spanning across MMR (Carter Road, Malabar Hill, Mulund, and Alibaug) alongside a marquee entry into Gurugram with the ultra-luxury '360 North' project (5,000-8,000+ sqft units). Redevelopment at Adarsh Nagar is imminent, pending approvals. Worli mixed-use precinct combining retail, office, and hotel is expected to start in Q1FY27. In FY26, ORL secured strong BD, adding ~4msf. of development potential across MMR, along with 11 acres in Bandra East and ~2msf at Aram Nagar, Versova, alongside redevelopment agreements in prime South Bombay locations (Pedder Road, Malabar Hill, and Nepean Sea Road). With disciplined land acquisitions and a focus on timely execution, ORL is well-placed to capitalize on robust demand across residential and mixed-use segments, ensuring sustained growth. The developer is following an asset-based business strategy for the long term, with approvals in place for TOD. Given the expected robust cash flows from ready-to-move-in inventory in 360W, we remain constructive on ORL and maintain BUY, with NAV-based TP to INR 2,094/sh

- Q4FY26 Financial highlights:** Revenue: INR 17.4bn (+52.1%/+17.2% YoY/QoQ, a beat by 1.6%). EBITDA was INR 9.6bn (+55.4%/+12.0% YoY/QoQ, a miss by 2.7%). EBITDA margin was 54.9% (+114bps/-256bps YoY/QoQ) vs our estimate of 57%. RPAT was INR 7.0bn (+62.4%/+12.9%, YoY/QoQ, a beat by 19.7%). Average price realization (ASP) at INR 46.9k psf (-25%/+4% YoY/QoQ).
- Ready for a launch-heavy FY27:** ORL registered Q4FY26 presales of INR 16bn (+96%/+100% YoY/QoQ); they were largely led by Elysian final tower launch and sustenance sales. ORL is making its Gurugram debut with the ultra-luxury '360 North' project, which has already garnered strong market interest. The FY27 launch pipeline remains well-stocked with projects across key micro-markets, including 360 North, Carter Road (Oceanic), Malabar Hill, Forestville Tower D, Jardine Tower A, Mulund, Adarsh Nagar, and Alibaug (Q3). The developer is experiencing robust leasing momentum across its three office assets, with the potential to achieve full occupancy by the end of FY27.
- Balance sheet position comfortable:** The consolidated gross/net cash stood at INR 28.6/1.8bn vs. INR 28.8/2.75bn as of Dec'25. This improved debt position enhances ORL's ability to pursue new projects and growth opportunities while maintaining a stable risk profile.

Consolidated financial summary (INR mn)

YE Mar (INR mn)	4QFY26	4QFY25	YoY	3QFY26	QoQ	FY25	FY26	FY27E	FY28E
Net Sales	17,498	11,501	52.1	14,926	17.2	52,863	60,091	72,895	84,284
EBITDA	9,603	6,181	55.4	8,573	12.0	31,031	33,582	42,439	49,759
APAT	7,033	4,332	62.4	6,227	12.9	22,255	25,305	30,581	35,692
Diluted EPS (INR)	19.3	11.9	62.4	17.1	12.9	61.2	69.0	84.1	98.2
P/E (x)						24.9	22.1	18.1	15.5
EV / EBITDA (x)						17.9	16.5	12.9	10.7
RoE (%)						15.0	14.8	15.5	16.2

Source: Company, HSIE Research

Particulars	FY27E			FY28E		
	New	Old	% Chg.	New	Old	% Change
Revenue	72,895	66,623	9.4	84,284	69,648	21.0
EBITDA	42,439	39,060	8.7	49,759	40,742	22.1
EBITDA (%)	58.2	58.6	-40.8	59.0	58.5	54.1
APAT	30,581	27,331	11.9	35,692	28,193	26.6

BUY

CMP (as on 11 May 2026)	INR 1,635
Target Price	INR 2,094
NIFTY	23,816

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 2,094	INR 2,094
EPS Change (%)	FY26E 11.9	FY27E 26.6

KEY STOCK DATA

Bloomberg code	OBER IN
No. of Shares (mn)	364
MCap (INR bn) / (\$ mn)	594/6,233
6m avg traded value (INR mn)	909
52 Week high / low	INR 2,006/1,390

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	3.6	(7.3)	6.6
Relative (%)	13.4	2.1	10.9

SHAREHOLDING PATTERN (%)

	Sept-25	Mar-26
Promoters	67.71	67.71
FIs & Local MFs	16.58	15.42
FPIs	13.46	14.58
Public & Others	2.25	2.28
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Sonata Software

Change in guard; focus on reviving growth

Sonata reported muted growth in its IITS segment, with revenue rising 0.6% QoQ CC, while EBITDA margins expanded 70bps QoQ to 20.2% (a nine-quarter high), driven by operational efficiencies, cost optimization, and peak utilization of 91.8%. IITS' FY26 revenue stood at USD 328.5 mn, down 2.1% YoY. The appointment of new CEO Rajsekhar Datta Roy, a 30-year veteran and former CTO, is aimed at restoring growth through disciplined execution, with a strategy focused on sharpening vertical sub-segments, strengthening strategic client partnerships, and accelerating AI-led delivery transformation. Despite client-specific ramp-downs in BFSI and RMD impacting FY26 growth, the company has built a strong USD 280mn AI pipeline, with AI-led deals contributing 18% of the order book, alongside continued investments in AI capabilities such as the Harmony framework to capture emerging demand amid cannibalization of traditional spends. The DPS segment faced headwinds due to a large OEM partner shifting to a direct billing model, leading to a 4% YoY GC decline in FY26; however, management believes the worst is behind and expects growth ahead. We retain our earnings estimates and maintain BUY with a SoTP-based TP of INR 330, valuing IITS at 18x and DPS at 12x, implying a blended P/E of 16x based on Mar-28E EPS.

- Q4FY26 highlights:** (1) IITS revenue stood at USD 82.4mn, up +0.6% QoQ CC (HSIE: USD 82.5mn). (2) Among the verticals, with an uptick in spending from top clients, TMT grew 16.3% QoQ, while BFSI was flat (+0.1% QoQ). Healthcare/retail/emerging verticals were sequentially down -6.1/-8.2/-24.9% respectively. (3) IITS' EBITDA margin improved 70bps QoQ to 20.2% (HSIE 19.9%), driven by utilization and cost optimization. DPS EBITDA margin stood at 2.9% (+51bps QoQ) while GC declined 1% QoQ. (4) The company has won two large deals (both in the BFSI sector) and 37% of the large deals are with Fortune-500 clients in Q4. 43% of the active pipeline consists of large deals. AI wins stood at USD 16.9mn (18% of the order book) and AI-led pipeline at USD 280mn. (5) DSO improved to 64 days (71 days in Q3). (6) Closing cash balance was INR 6.06bn, with net cash at INR 310mn.
- Outlook:** We expect IITS revenue growth of 5.5/10% and DPS revenue growth of 12/8% for FY27/28E respectively. IITS margin is estimated at 18.4/18.8% for FY27/28E respectively. DPS margin is expected to remain stable at 2.6% over FY26-28E. IITS revenue/consolidated EPS CAGR for FY26-28E is expected to be +8/12%.

Quarterly financial summary

YE Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	82.4	81.3	1.4	82.3	0.1	323.6	335.6	328.5	346.5	381.1
Net Sales	25.36	26.17	(3.1)	30.81	(17.7)	86.13	101.57	107.01	118.55	129.04
EBIT	1.83	1.50	22.5	1.74	5.6	5.96	5.68	6.37	6.53	7.38
APAT	1.62	1.08	50.7	1.36	19.5	4.83	4.25	5.27	5.15	5.81
Diluted EPS (INR)	5.8	3.8	50.7	4.8	19.5	17.2	15.1	18.8	18.4	20.7
P/E (x)						17.4	19.7	15.9	16.3	14.4
EV / EBITDA (x)						12.8	13.1	12.0	11.0	9.6
RoE (%)						35.7	27.3	29.2	25.3	25.2

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

YE March (INR bn)	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue (USD mn)	346.4	346.5	0.0	381.1	381.1	0.0
Revenue	119.26	118.55	(0.6)	129.81	129.04	(0.6)
EBIT	6.59	6.53	(0.8)	7.44	7.38	(0.9)
EBIT margin (%)	5.5	5.5	-1bps	5.7	5.7	-2bps
APAT	5.13	5.15	0.4	5.81	5.81	0.1
EPS (INR)	18.3	18.4	0.4	20.7	20.7	0.1

Source: Company, HSIE Research

BUY

CMP (as on 11 May 2026)	INR 299
Target Price	INR 330
NIFTY	23,816

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 330	INR 330
EPS %	FY27E	FY28E
	+0.4	+0.1

KEY STOCK DATA

Bloomberg code	SSOF IN
No. of Shares (mn)	280
MCap (INR bn) / (\$ mn)	84/879
6m avg traded value (INR mn)	396
52 Week high / low	INR 453/207

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(5.1)	(19.6)	(18.3)
Relative (%)	4.7	(10.2)	(13.9)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	28.17	28.17
FIs & Local MFs	26.31	25.55
FPIs	8.79	8.74
Public & Others	36.73	37.54
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Birla Corporation

Healthy Q4 margin performance

In Q4FY26, Birla Corporation's (BCORP) volume rose 4/29% YoY/QoQ. Unit EBITDA expanded INR 269/MT to INR 971/MT on pricing gains and ~INR 73/MT additional incentive accruals QoQ, which more than offset the impact of higher input costs. We estimate BCORP will deliver only 2% volume CAGR over FY26-28E, impacted by expansion delays. We also factor in lower margin YoY in FY27E amid elevated competition and energy and packaging costs. We maintain ADD with an unchanged TP of INR 1,200/share (7.5x FY28E consolidated EBITDA).

- Q4FY26 performance:** Sales volume grew 4/29% YoY/QoQ to 5.45mn MT. Utilization shot up to 108% vs 105/87% YoY/QoQ. Trade sales rose to 79% vs 78/73% QoQ/YoY. The share of premium sales rose to 63% vs 63/59% QoQ/YoY. The share of blended cement stood at 87% vs 87/84% QoQ/YoY. NSR rebounded 4% QoQ, led by pricing uptick and higher incentives accrual (INR 92/MT vs INR 19/MT QoQ). Unit opex fell 2% QoQ as increase in input cost was fully offset by op-lev gains. The share of green power increased to 33% vs 31/25% QoQ/YoY. Thus, unit EBITDA expanded by INR 269/MT QoQ to INR 971/MT.
- In FY26,** sales volume rose 3% YoY. Trade sales improved to a four-year high of 78% (vs 71% YoY) and premium sales share at an all-time high of 61%. NSR remained flat on account of weak pricing. Unit opex fell 2% YoY on account of all-round cost reduction, thus leading to expansion in unit EBITDA by INR 100/MT YoY to INR 776/MT. While EBITDA rose 18% YoY to INR 14.5bn, OCF fell 43% YoY to INR 9.5bn on elevated higher fuel inventory and incentive accruals. Capex outgo remained flattish at INR 4.7bn (vs INR 4.4bn YoY). Thus, net debt fell to INR 20.8bn (vs INR 23.4bn).
- Con call KTAs and outlook:** BCORP expects to deliver mid-single digit volume growth with flattish margin YoY. The west Asia turmoil has resulted in opex increase by ~INR 150-175/MT QoQ in Q1FY27, which has been currently passed on through price hikes. It expects incentive accrual of ~INR 1.3bn in FY27 vs INR 1bn YoY. The planned 6mn MT expansion across the central/eastern regions is now delayed to FY29E. Factoring in capex delays, we have lowered our volume estimates, leading to a mere 2% volume CAGR estimate for FY26-28E. We estimate slight margin pressure in FY27E, owing to cost inflation and rising competitive intensity. We lower our capex outgo estimate for FY27-28E to INR 22bn vs INR 25bn earlier. We have also reduced our valuation multiple to 7.5x FY28E EBITDA (vs 8x earlier).

Quarterly/annual financial summary (consolidated)

YE Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26P	FY27E	FY28E
Sales Vol (mn MT)	5.45	5.25	3.7	4.23	28.8	17.65	18.11	18.72	19.09	19.47
NSR (INR/MT)	4,986	5,123	(2.7)	4,791	4.1	5,235	4,884	4,893	5,089	5,089
EBITDA(INR/MT)	971	1,014	(4.2)	702	38.3	802	676	776	728	740
Net Sales	28.36	28.15	0.8	21.59	31.4	96.56	92.14	96.56	102.62	104.84
EBITDA	5.10	5.34	(4.4)	2.93	74.4	14.38	12.17	14.54	14.06	14.70
APAT	2.95	2.57	14.9	0.53	458.7	4.15	3.24	5.55	4.77	5.56
AEPS (INR)	34.5	38.3	(9.9)	10.2	237.3	54.0	42.1	72.0	61.9	72.2
EV/EBITDA (x)						8.3	9.1	7.5	6.9	6.4
EV/MT (INR bn)						5.97	5.57	5.10	4.52	4.43
P/E (x)						21.8	28.0	16.3	17.2	14.8
RoE (%)						6.6	4.7	7.7	6.3	7.0

Source: Company, HSIE Research

ADD

CMP (as on 11 May 2026) INR 1,066

Target Price INR 1,200

NIFTY 23,816

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 1,200	INR 1,200
EBITDA revision %	FY27E 0.9	FY28E 1.0

KEY STOCK DATA

Bloomberg code	BCORP IN
No. of Shares (mn)	77
MCap (INR bn) / (\$ mn)	82/858
6m avg traded value (INR mn)	87
52 Week high / low	INR 1,537/770

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(3.3)	(9.2)	0.5
Relative (%)	6.5	0.1	4.8

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	62.90	62.90
FIs & Local MFs	15.49	16.72
FPIs	6.54	6.26
Public & Others	15.07	14.12
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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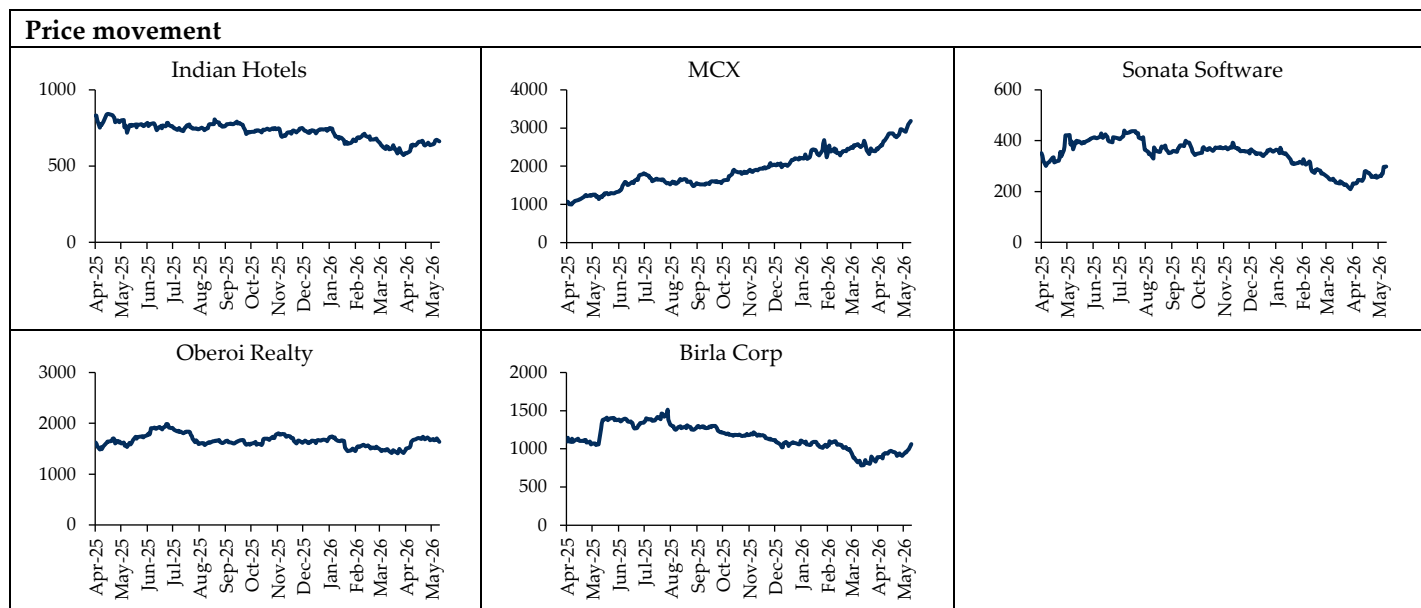
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Rating Criteria

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
Amit Kumar	Indian Hotels	CFA	NO
Aryan Singh Dalal	Indian Hotels	BCom	NO
Nikunj Khetan	Indian Hotels	PGDM	NO
Amit Chandra	MCX, Sonata Software	MBA	NO
Arjun Savla	MCX	CA	NO
Parikshit Kandpal	Oberoi Realty	CFA	NO
Jay Shah	Oberoi Realty	CA	NO
Aditya Sahu	Oberoi Realty	MBA	NO
Vinesh Vala	Sonata Software	MBA	NO
Maitreyee Vaishampayan	Sonata Software	MSc	NO
Rajesh Ravi	Birla Corporation	MBA	NO
Keshav Lahoti	Birla Corporation	CA, CFA	NO
Riddhi Shah	Birla Corporation	MBA	NO
Mahesh Nagda	Birla Corporation	CA	NO



Disclosure:

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