INSTITUTIONAL RESEARCH

HSIE Results Daily

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Results Reviews

- **Life Insurance Corporation of India:** Life Insurance Corporation of India (LICI) printed APE growth (+18% YoY), led by a strong rebound in Individual segment (FY26:13%, FY25:-1%). VNB grew much stronger by +42% YoY as VNB margins clocked in at 21.2% (+360bps YoY), ahead of expectations, driven by improved product mix and retail growth rebound. Traditionally focused on the mass customer segment, LICI has engineered a shift in its product strategy toward a higher sum-assured, non-PAR policies over the past couple of years (FY26:35%, FY25: 28% of Ind APE). LICI derives its moats from a large agency network while undergoing a strategic shift in its individual product proposition to align itself to the new surrender guidelines (implemented from Oct-24). We build in APE/VoNB CAGR to 6/9% over FY26-FY28E and expect VNB margin expansion to continue on the back of improvement in product profiles to 22.5% by FY28E. We revise RoEV estimates to ~10.5% during FY26-28E, primarily on account of the unwinding, higher dividend payout ratio and VNB and maintain our ADD rating and with a revised TP of INR1,110 (0.7x Mar-28E EV).
- **Apollo Hospitals Enterprise:** EBITDA (+31% YoY) was ahead of our/consensus estimates, led by 18% YoY sales growth. The hospital business grew 16% YoY (ARPP +9% YoY), HealthCo grew 20% YoY (offline/online sales up 21%/13%), and AHLL grew 24% YoY. Hospital EBITDA grew 14% YoY (margin at 23.9%; -43 bps; existing network margin at 25.5%) and lower Apollo 24/7 spend (-36% YoY) led to a better HealthCo margin. APHS expects (1) existing hospitals: to see mid-teen growth with improving occupancy and ARPP growth (focus on CONGO-T); margin to see 100bps expansion; (2) expansion over FY26-27 is on track as Pune, Delhi Defense Colony, Kolkata, and Hyderabad commissioned in FY26 (~185 beds commissioned in FY26 and balance 670 will get commissioned in FY27E), and plans to add 800+ beds in FY27/28 across Sarjapur, Gurgaon and brownfield expansion; new hospitals added over FY26/27 are expected to achieve break-even in FY28; (3) HealthCo: to sustain growth momentum and cost controls on Apollo 24/7 spend to help margin expansion, it sees strong GMV growth in FY27; on track for digital cash break-even in FY27, and (4) AHLL: strong growth and margin improvement. We see growth visibility across – Hospitals: improving occupancy, ARPOB growth, and capacity expansion; HealthCo: steady growth in offline and scale-up in Apollo 24/7; and AHLL: steady growth and margin expansion. Factoring in outlook, we have tweaked EBITDA for FY27/28E at a revised TP to INR 9,680 (26x FY28E EV/EBITDA). BUY stays.
- **FSN E-commerce Ventures (Nykaa):** Nykaa's Q4 topline grew 28.4% YoY to INR26.5bn (in-line), driven by sustained customer acquisition (BPC/fashion AUTC grew 24.7/34.4% YoY) and continued momentum in its owned BPC brands. BPC revenue grew 27.2% YoY to INR24.1bn, while fashion delivered a robust 39.8% YoY revenue growth to INR2.25bn, aided by category/brand additions. In FY26, while overall marketing spends were stable at 14.9%, allocation decisively moved toward BPC (from fashion). In Q4, GM expanded by 135bps YoY to 45.4% (HSIE: 43.8%), driven by higher salience of owned brands. Consequently, EBITDAM expanded 195bps YoY to 8.4% (HSIE: 7.5%). BPC EBITDAM (as % of NSV) expanded by ~70bps YoY to 10.3%, while fashion business achieved EBITDA breakeven in Q4 (at 0.3% vs -10.2% in

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Q4FY25), led by better marketing efficiency and operating leverage. We largely maintain our FY27/28 EBITDA estimates and our SELL rating (given heady valuations; ~77x FY28 EV/EBITDA), with a DCF-based TP of INR 210/sh, implying 59x FY28 EV/EBITDA.

- **Metro Brands:** MBL reported topline growth of 20.3% YoY to INR 7.73bn (HSIE: INR 7.44bn) in Q4. The growth was driven by festive/wedding demand, further supported by GST rate rationalization. Sales density was up 2.7% YoY to INR19.9k in Q4FY26 (vs INR19.4k/sq. ft. in Q4FY25). E-commerce sales (including omni-channel) grew 53% YoY (contributing 12.2% to sales in Q4FY26 vs 9.5% in Q4FY25). MBL added 42/124 stores (net) in Q4/FY26 (total store count: 1,032). Ongoing BIS-related supply chain challenges continue to impact the expansion timeline for Footlocker. Management's mid-to-long term guidance of 15% revenue CAGR stays. GM/EBITDAM expanded by 32/9bps YoY to 57.8/30.8% (HSIE: in-line/31%). Pre-Ind AS EBITDAM contracted by ~50bps YoY to 20.2% in FY26 (vs. 20.7% in FY25). EBITDA/APAT grew 20.6/16.1% YoY to INR 2.38/1.11bn (HSIE: INR 2.31/1.07bn). We have toned down our EPS estimates by 3.7/2.5% in FY27/28 respectively to account for inflationary pressures. Following over 20% rally since our upgrade in Mar-26, valuations appear full. Hence we downgrade MBL to ADD with a DCF-based TP of INR1,060/sh, implying ~45x FY28 EPS.

- **IRB Infra:** IRB Infrastructure Developers (IRB) reported revenue/EBITDA/APAT of INR 15.3/6.8/2.96bn, a beat/(miss) of 4.6/6.6/23.8% to our estimates; APAT growth reflects resilient operating performance and disciplined cost management. The order book (OB) as of Mar'26 stood at INR 449bn (~7.09x FY26 revenue; executable in next one year INR 33bn), while EPC and O&M contributed ~5%/95% of the overall OB. IRB's margin guidance was O&M at 20%, while also becoming net-debt-free balance sheet by FY30, driven by disciplined capital allocation and calibrated asset monetization. Improved capital efficiency can support cash RoE targeted by IRB to expand from ~8% to 14%+ by FY32. Its access to two InvIT platforms (IRB InvIT Fund and IRBIT) has facilitated capital unlocking through asset monetization and will continue to unlock value with future asset transfer. It is also planning to pursue further opportunities in the TOT segment. Distribution received from both InvITs stood at ~INR 2.97bn for FY26. Given weak ordering, we have cut our estimates on EPC. We maintain ADD, with a SOTP target price of INR 54/sh.

- **Sansera Engineering:** The company continues to impress with improving traction in the non-auto space, especially the aerospace and semiconductor segments. Expansion of the customer base and product portfolio to also include more complex parts which increases the business potential over the next few years at least. It is also benefiting from the continuing trend of outsourcing of crankshaft manufacturing by domestic 2W OEMs and expects to gain further traction in this regard. Considering the improving mix of the higher growth, higher margin and less cyclical non-auto segment, as well as rising overall business potential over medium term, we increase our multiple and value the company at 33x Mar-28 EPS (from 28x earlier) for a TP of INR3,266 and maintain a BUY rating. It continues to be one of our top picks.

- **Fine Organic Industries:** We maintain SELL on Fine Organics with a TP of INR3,721. The company is incurring a capex of INR 7.5bn for setting up a plant at Navi Mumbai SEZ. The capex will be spread over FY27 and FY28. It will shift the export operations to the SEZ plant once it becomes operational. Additionally, it is setting up the plant in the US for localization of exports in the US market from India. It has acquired land in the US and is currently in the process of finalizing an investment plan. In FY27, we expect the Patalganga site to reach full utilization. All other facilities are already running at full utilization, which limits volume growth until there is further capacity addition. The ongoing expansion in India is expected to be completed by the end of FY28. In the absence of further capacity addition, volume growth will be muted. We expect 9% EPS CAGR over FY26-28E and 390bps decline in RoE from 16.6% in FY26 to 12.7% in FY28. Q4 EBITDA/APAT was 5/15% higher than our estimates. The stock is currently trading at 29.0x in FY28E EPS, which we find contextually high.

- **Medplus Health Services:** EBITDA^ grew 24% YoY, driven by 24% sales growth (pharmacy +23% YoY, diagnostics +24% YoY) and steady gross margin (-9 bps YoY; private label share was at 21.9%), which offset higher costs. OPM* came in at 5.8% (+45 bps YoY), with pharmacy margin at 5.6% (+40 bps YoY) and diagnostic margin at 15.3%. Medplus guides to add 800 stores in FY27E (618 added in FY26), including expansion in tier 2/3 cities through the franchisee model (added ~300 franchisee in FY26). The company indicates after stabilizing private label share at 21-22% over the last few quarters, it expects to improve the share (it will be gradual for pharma and faster for non-pharma) over the next couple of years (on GMV every 1% increase, implying 0.5% on net sales), aiding steady GM expansion. The pick-up in growth from matured stores was largely led by better product availability (operationalization of new warehouses) and change in incentive structure (focus on both branded and private label); it expects matured stores to sustain at 9-10% in FY27. It expects margins to remain steady (at ~5.7%) with private label share increase to be offset by new store additions. We see a pick-up in sales growth, led by a balanced approach to matured store growth, new store additions, and private label expansion. Moreover, margins are expected to see remain steady in FY27E and gradually improve from FY28E, led by a better mix, steady growth in matured stores (2+ years; ~10–11% margin), increased private label share, and supply chain efficiencies. Factoring guidance, we have raised EBITDA for FY27/28E by 1/4% and revise TP to INR 1,100 (17x FY28E EV/EBITDA, implying 25x pre-INDAS EV/EBITDA). BUY stays.
- **JK Lakshmi Cement:** We retain BUY on JK Lakshmi (JKLC), with a lower TP of INR 780/share (9x FY28E consolidated EBITDA). In Q4FY26, JKLC maintained healthy volume growth momentum (+8/19% YoY/QoQ), and its margin recovered by INR 109/MT QoQ to INR 734/MT. We estimate JKLC will deliver 5/11% consolidated volume/EBITDA CAGRs during FY26-28E. We also expect the expansions in the eastern region and UP would get commissioned during FY28-29E. While capex outflow is likely to accelerate, it should remain below management guidance. We estimate net debt to EBITDA to double to 2.3x in Mar-28E vs 1.2x in Mar-26.

Life Insurance Corporation of India

Beat across all metrics

Life Insurance Corporation of India (LICI) printed APE growth (+18% YoY), led by a strong rebound in Individual segment (FY26:13%, FY25:-1%). VNB grew much stronger by +42% YoY as VNB margins clocked in at 21.2% (+360bps YoY), ahead of expectations, driven by improved product mix and retail growth rebound. Traditionally focused on the mass customer segment, LICI has engineered a shift in its product strategy toward a higher sum-assured, non-PAR policies over the past couple of years (FY26:35%, FY25: 28% of Ind APE). LICI derives its moats from a large agency network while undergoing a strategic shift in its individual product proposition to align itself to the new surrender guidelines (implemented from Oct-24). We build in APE/VoNB CAGR to 6/9% over FY26-FY28E and expect VNB margin expansion to continue on the back of improvement in product profiles to 22.5% by FY28E. We revise RoEV estimates to ~10.5% during FY26-28E, primarily on account of the unwinding, higher dividend payout ratio and VNB and maintain our ADD rating and with a revised TP of INR1,110 (0.7x Mar-28E EV).

- **Revival in NOP growth:** LICI witnessed strong growth of 13% in APE in individual business segment; however, the IRNB has grown by 5%, implying higher share of monthly mode policies. IRNB growth was led by growth in number of policies (+4% YoY). Growth in FY26 was underpinned by strong performance across segments' NPAR segment>44%, with a strong growth of 34% in retail protection segment (Q4FY26: +62% YoY; 9MFY26: +18% YoY).
- **Revamped product construct:** LICI has revised its product construct through higher policy premium (PAR), lower IRR (NPAR), lower commission for non-club agents, and introduction of club-wise commission structure for agents. LICI has shifted its product strategy toward higher sum-assured, non-PAR, policies over the past couple of years (FY26: 35%; FY25: 28% of new APE). We believe the shift in product mix will now be more gradual toward NPAR.
- **Increasing dividend payout ratio to improve operating RoEV:** We believe LICI has been able to execute multiple changes to its historic business efficiently. LICI lowered the share of PAR in the product mix over the last couple of years and reduced its dependence on the agency channel (FY26:92%, FY25:96%). LICI increased the dividend payout ratio to ~22% (FY25:16%). We believe consistent increase in the dividend payout ratio would improve the RoEV to early teens.

Financial summary

INR bn	FY26	FY25	%Change	9M FY26	FY27E	FY28E
NB	2,606.1	2,267.9	14.9	1,775.6	2,784.4	2,974.8
APE	669.6	568.3	17.8	440.1	709.9	754.1
VNB	141.8	100.1	41.6	82.9	157.1	169.9
VNB Margin	21.2%	17.6%	356bps	18.8%	22.1%	22.5%
EV	7,891.9	7,768.8	1.58		9,371.3	10,261.9
P/EV(X)	0.6	0.7			0.5	0.5
P/VNB(X)	35.9	50.9			32.4	30.0
ROEV%	11.9	11.4			10.5	10.3

Change in estimates

(INR bn)	FY27E			FY28E		
	New	Old	Δ	New	Old	Δ
APE	709.9	690.7	3%	754.1	728.8	3%
VNB	157.1	138.0	13.8%	169.9	149.8	13.4%
VNB Margin (%)	22.1%	20.0%	215bps	22.5%	20.5%	198bps
EV	9,371.3	9,370.7	0.0%	10,261.9	10,288.8	-0.3%

Source: Company, HSIE Research

ADD

CMP *(as on 21 May 2026)*	**INR 800**
Target Price	**INR 1,110**
NIFTY	**23,655**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 1,090	INR 1,110
VNB %	FY27E	FY28E
	+13.8%	+13.4%

KEY STOCK DATA	
Bloomberg code	LICI IN
No. of Shares (mn)	6,325
MCap (INR bn) / ($ mn)	5,061/52,610
6m avg traded value (INR mn)	1,208
52 Week high / low	INR 980/722

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(8.4)	(11.3)	(6.3)
Relative (%)	0.8	0.5	1.6

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	96.5	96.5
FIs & Local MFs	1.3	1.3
FPIs	0.2	0.3
Public & Others	2.0	1.9
Pledged Shares	Nil	Nil

Source : BSE

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Apollo Hospitals Enterprise

Strong Q4; growth and margin visibility intact

EBITDA (+31% YoY) was ahead of our/consensus estimates, led by 18% YoY sales growth. The hospital business grew 16% YoY (ARPP +9% YoY), HealthCo grew 20% YoY (offline/online sales up 21%/13%), and AHLL grew 24% YoY. Hospital EBITDA grew 14% YoY (margin at 23.9%; -43 bps; existing network margin at 25.5%) and lower Apollo 24/7 spend (-36% YoY) led to a better HealthCo margin. APHS expects (1) existing hospitals: to see mid-teen growth with improving occupancy and ARPP growth (focus on CONGO-T); margin to see 100bps expansion; (2) expansion over FY26-27 is on track as Pune, Delhi Defense Colony, Kolkata, and Hyderabad commissioned in FY26 (~185 beds commissioned in FY26 and balance 670 will get commissioned in FY27E), and plans to add 800+ beds in FY27/28 across Sarjapur, Gurgaon and brownfield expansion; new hospitals added over FY26/27 are expected to achieve break-even in FY28; (3) HealthCo: to sustain growth momentum and cost controls on Apollo 24/7 spend to help margin expansion, it sees strong GMV growth in FY27; on track for digital cash break-even in FY27, and (4) AHLL: strong growth and margin improvement. We see growth visibility across – Hospitals: improving occupancy, ARPOB growth, and capacity expansion; HealthCo: steady growth in offline and scale-up in Apollo 24/7; and AHLL: steady growth and margin expansion. Factoring in outlook, we have tweaked EBITDA for FY27/28E at a revised TP to INR 9,680 (26x FY28E EV/EBITDA). BUY stays.

- **Q4 highlights:** Sales grew 18% YoY to INR 66.05bn, with hospitals growing by 16% (ARPP +9%), HealthCo by 20% and AHLL by 24%. Steady staff (+9%) and higher SG&A (+21%; Apollo 24/7 spend at INR 732 mn -36% YoY) led to an EBITDA of INR 10.1bn (+31% YoY) and 15.3% margin (+154 bps YoY). **EBITDA**: (1) Hospital: +16% YoY, margin at 23.9% (-43 bps). (2) HealthCo: EBITDA at INR 1.5 bn; Offline: +20% YoY and margin at 7.7%. (3) AHLL: +58% YoY and margin at 15.3% (+328 bps). PAT was at INR 5.29bn (+36% YoY).
- **Operating metrics: Hospital**: ARPP was at INR 187,208 (+9% YoY) and occupancy at 68% (67% YoY). IP volume grew by 7% YoY. ALOS improved to 3.19 days. **Healthco**: GMV at INR 5.28bn (+20% YoY) added 176 stores (7,289 as of Mar-26) and private share was at ~15.3% of pharmacy sales.
- **Con call takeaways:** CONGO specialties saw 7% YoY volume and 18% revenue growth. Hospitals' growth break-up: 7% volume growth, 5% case mix and 4% price increases. The company divested Cradle and fertility clinic business to Couldnine (EV of INR 15.5 bn, implies EV/ EBITDA of 35x) and it will become strategic partner with 9.9% stake; transaction to be completed by Q2FY27. The consideration of ~INR 7.65bn from this transaction will be utilized for network expansion across diagnostics and clinics. HealthCo demerger on track; received CCI approval and NCLT hearing is expected in Jun-26; listing timeline of NewCo stays in Q4FY27.

Quarterly financial summary

(INR mn)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	66,055	55,922	18	64,774	2	190,592	217,940	252,285	299,098	350,068
EBITDA	10,110	7,697	31	9,653	5	23,907	30,219	37,693	45,563	55,192
APAT	5,293	3,896	36	5,167	2	9,054	14,312	19,561	24,766	31,306
EPS (INR)	36.8	27.1	36	35.9	2	63.0	99.5	136.0	172.2	217.7
P/E (x)						132.0	83.5	61.1	48.3	38.2
EV/EBITDA (x)						51.7	41.4	33.5	27.5	22.4
RoCE (%)						15	16	17	19	22

Source: Company, HSIE Research

BUY

CMP *(as on 21 May 2026)*	INR 8,313
Target Price	INR 9,680
NIFTY	23,655

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 9,200	INR 9,680
EBITDA %	FY27E	FY28E
	0.1	1.1

KEY STOCK DATA	
Bloomberg code	APHS IN
No. of Shares (mn)	144
MCap (INR bn) / ($ mn)	1,195/12,418
6m avg traded value (INR mn)	3,147
52 Week high / low	INR 8,388/6,690

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	9.1	12.4	19.0
Relative (%)	18.3	24.2	26.8

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	28.02	28.02
FIs & Local MFs	21.5	22.76
FPIs	43.54	42.62
Public & Others	6.94	6.6
Pledged Shares	2.49	2.49

Source: BSE

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FSN E-commerce Ventures (Nykaa)

Growth momentum continues; fashion hits breakeven

Nykaa's Q4 topline grew 28.4% YoY to INR26.5bn (in-line), driven by sustained customer acquisition (BPC/fashion AUTC grew 24.7/34.4% YoY) and continued momentum in its owned BPC brands. BPC revenue grew 27.2% YoY to INR24.1bn, while fashion delivered a robust 39.8% YoY revenue growth to INR2.25bn, aided by category/brand additions. In FY26, while overall marketing spends were stable at 14.9%, allocation decisively moved toward BPC (from fashion). In Q4, GM expanded by 135bps YoY to 45.4% (HSIE: 43.8%), driven by higher salience of owned brands. Consequently, EBITDAM expanded 195bps YoY to 8.4% (HSIE: 7.5%). BPC EBITDAM (as % of NSV) expanded by ~70bps YoY to 10.3%, while fashion business achieved EBITDA breakeven in Q4 (at 0.3% vs -10.2% in Q4FY25), led by better marketing efficiency and operating leverage. We largely maintain our FY27/28 EBITDA estimates and our SELL rating (given heady valuations; ~77x FY28 EV/EBITDA), with a DCF-based TP of INR 210/sh, implying 59x FY28 EV/EBITDA.

- **Q4FY26 highlights**: Revenue grew 28.4% YoY to INR26.5bn, led by robust customer acquisition and strong performance across portfolios. BPC/fashion revenue grew 27.2/39.8% to INR24.1/2.25bn respectively. BPC AUTC/orders grew 24.7/23.2% YoY in Q4 to 19.7/17.5mn respectively. Fashion AUTC/orders grew 34.4/28.6% YoY to 4.3/2.7mn respectively. Nykaa's owned brands' GMV surged ~54% YoY in BPC to INR 8.08bn, while fashion GMV declined 14% to INR 0.96bn. Retail presence expanded to 313 beauty stores (+27% retail space YoY) with double-digit SSSG in FY26. GM expanded by 135bps YoY to 45.4% (HSIE: 43.8%), driven by higher salience of owned brands. Consequently, EBITDAM expanded 195bps YoY to 8.4% (HSIE: 7.5%) despite ~20/35% YoY increase in marketing/fulfillment expense, as aided by higher GM and better operating leverage. Note: BPC EBITDAM (as % of NSV) expanded by ~70bps YoY to 10.3%, while for the fashion business, EBITDA breakeven was achieved in Q4. EBITDA/APAT grew 67.2/313.4% YoY to INR2.23bn/788mn (HSIE: 1.96bn/649mn). WC days improved from 47 days in FY25 to 44 days in FY26, while net debt reduced from INR7.4bn in FY25 to INR4.3bn in FY26.
- **Outlook**: Nykaa's step-up in customer acquisition (especially in BPC at a time when peers have stepped back) is certainly encouraging. However, how much of it is sustainable remains to be seen in the medium term. We largely maintain our FY27/28 EBITDA estimates and our SELL rating (given heady valuations; ~77x FY28 EV/EBITDA), with a DCF-based TP of INR 210/sh, implying 59x FY28 EV/EBITDA.

Quarterly financial summary

(INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	26,482	20,618	28.4	28,733	(7.8)	63,856	79,498	1,00,224	1,23,357	1,50,223
EBITDA	2,229	1,334	67.2	2,298	(3.0)	3,462	4,739	7,523	10,695	14,359
Pre-IND-AS EBITDA						1,658	2,517	4,721	7,247	10,175
APAT	788	191	313.4	841	(6.4)	397	721	2,039	4,240	6,466
EPS (Rs)	0.3	0.1	312.8	0.2	16.2	0.1	0.3	0.7	1.5	2.3
P/E (x)						1,975.9	1,091.0	386.1	185.7	121.8
EV/EBITDA (x)						476.3	315.4	167.7	109.0	77.1
Core RoCE(%)						2.4	4.0	10.5	19.9	25.1

Source: Company, HSIE Research, Consolidated Financials

Change in estimates

(INR mn)	FY27E			FY28E		
	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,23,357	1,23,840	*(0.4)*	1,50,223	1,50,128	*0.1*
Gross Profit	55,276	54,948	*0.6*	67,044	66,318	*1.1*
Gross Profit Margin (%)	44.8	44.4	***44 bps***	44.6	44.2	***46 bps***
Reported EBITDA	10,695	10,571	*1.2*	14,359	14,296	*0.4*
Reported EBITDA margin (%)	8.7	8.5	***13 bps***	9.6	9.5	***4 bps***
Pre-IND AS EBITDA	7,247	7,109	*1.9*	10,175	10,114	*0.6*
EBITDA margin (%)	5.9	5.7	***13 bps***	6.8	6.7	***4 bps***

Source: Company, HSIE Research, Note: EBITDAM are on Pre-IND-AS 116 basis

SELL

CMP *(as on 21 May 2026)*	**INR 274**
Target Price	**INR 210**
NIFTY	**23,655**

KEY CHANGES	**OLD**	**NEW**
Rating	SELL	SELL
Price Target	INR 205	INR 210
	FY27E	FY28E
EBITDA%	+1.9	+0.6

KEY STOCK DATA	
Bloomberg code	NYKAA IN
No. of Shares (mn)	2,864
MCap (INR bn) / ($ mn)	786/8,170
6m avg traded value (INR mn)	1,501
52 Week high / low	INR 286/191

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	3.4	2.2	36.9
Relative (%)	12.6	14.0	44.8

SHAREHOLDING PATTERN (%)	**Dec-25**	**Mar-26**
Promoters	52.10	52.09
FIs & Local MFs	25.35	25.35
FPIs	12.14	12.40
Public & Others	10.41	10.16
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Metro Brands

Strong print; fully priced though

MBL reported topline growth of 20.3% YoY to INR 7.73bn (HSIE: INR 7.44bn) in Q4. The growth was driven by festive/wedding demand, further supported by GST rate rationalization. Sales density was up 2.7% YoY to INR19.9k in Q4FY26 (vs INR19.4k/sq. ft. in Q4FY25). E-commerce sales (including omni-channel) grew 53% YoY (contributing 12.2% to sales in Q4FY26 vs 9.5% in Q4FY25). MBL added 42/124 stores (net) in Q4/FY26 (total store count: 1,032). Ongoing BIS-related supply chain challenges continue to impact the expansion timeline for Footlocker. Management's mid-to-long term guidance of 15% revenue CAGR stays. GM/EBITDAM expanded by 32/9bps YoY to 57.8/30.8% (HSIE: in-line/31%). Pre-Ind AS EBITDAM contracted by ~50bps YoY to 20.2% in FY26 (vs. 20.7% in FY25). EBITDA/APAT grew 20.6/16.1% YoY to INR 2.38/1.11bn (HSIE: INR 2.31/1.07bn). We have toned down our EPS estimates by 3.7/2.5% in FY27/28 respectively to account for inflationary pressures. Following over 20% rally since our upgrade in Mar-26, valuations appear full. Hence we downgrade MBL to ADD with a DCF-based TP of INR1,060/sh, implying ~45x FY28 EPS.

- **Q4FY26 highlights:** MBL's topline grew 20.3% YoY to INR 7.73bn (HSIE: INR 7.44bn), driven by festive/wedding demand, supported by reduction in GST rates. Revenue/sq. ft. was up 2.7% YoY to INR19.9k (vs INR19.4k/sq. ft. in Q4FY25). On channel mix, in-store/online+omni/others contributed 85/13/2% in FY26 (vs. 88/11/1% in FY25). E-commerce sales (including omni-channel) grew by a robust 53% YoY in Q4. In Q4, MBL added net 42 stores (store count: 1,032; retail area: 1.43mn sq. ft.). Management opened two Fila stores in Q4FY26, while Footlocker expansion continued to remain constrained due to BIS-related supply challenges. Management expects the Clarks supply chain to stabilize by Q2FY27, with EBO launches in Q3FY27. GM/EBITDAM expanded by 32/9bps YoY to 57.8/30.8% (HSIE: in-line/31%). Pre-Ind AS EBITDAM contracted by ~50bps YoY to 20.2% in FY26 (vs. 20.7% in FY25). Management maintains mid-to-long term revenue CAGR guidance of 15%, led by mid-to-high single-digit SSSG. EBITDA/APAT grew 20.6/16.1% YoY to INR 2.38/1.11bn (HSIE: INR 2.31/1.07bn). Pre IND-AS PAT margin stood at 15.6% in Q4FY26 (vs 15.9% in Q4FY25). The core cash conversion cycle increased from 73 in FY25 to 86 days in FY26 due to front-loading of inventory in anticipation of potential price increases. Capex for FY26 stood at INR1.4bn.
- **Valuation and outlook:** MBL remains among the more disciplined footwear retailers with an in-sync product market fit. However, following over 20% rally since our last upgrade, valuations appear full. Hence we downgrade MBL to ADD with a DCF-based TP of INR1,060/sh, implying ~45x FY28 EPS.

Quarterly financial summary

(INR mn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	7,730	6,428	20.3	8,113	(4.7)	21,271	23,567	25,074	28,636	34,606	41,244
EBITDA	2,379	1,972	20.6	2,683	(11.3)	5,078	4,899	5,186	5,780	7,054	8,489
APAT	1,107	953	16.1	1,338	(17.2)	3,654	3,367	3,545	4,159	4,928	6,409
EPS (Rs)	4.3	3.5	23.3	4.8	(9.8)	13.4	12.4	13.0	15.3	18.1	23.5
P/E (x)						82.6	72.7	85.3	73.4	61.4	47.2
EV/EBITDA (x)						58.1	59.8	57.1	51.2	41.2	33.5
Core RoCE(%)						51.0	38.6	28.2	31.2	29.5	33.6

Source: Company, HSIE Research, Consolidated Financials

Change in estimates

(INR mn)	FY27E			FY28E		
	New	Old	Change (%)	New	Old	Change (%)
Revenue	34,606	34,068	*1.6*	41,244	40,617	*1.5*
Gross Profit	20,043	19,698	*1.7*	23,887	23,444	*1.9*
Gross Profit Margin (%)	57.9	57.8	***10 bps***	57.9	57.7	***20 bps***
EBITDA	7,054	7,140	*(1.2)*	8,489	8,544	*(0.6)*
EBITDA margin (%)	20.4	21.0	***(57 bps)***	20.6	21.0	***(45 bps)***
APAT	4,928	5,113	*(3.6)*	6,409	6,566	*(2.4)*
APAT margin (%)	14.2	15.0	***(77 bps)***	15.5	16.2	***(62 bps)***
EPS	18.1	18.8	*(3.7)*	23.5	24.1	*(2.5)*

Source: Company, HSIE Research, Consolidated Financials

ADD

CMP *(as on 21 May 2026)*	INR 1,108
Target Price	INR 1,060
NIFTY	23,655

KEY CHANGES	OLD	NEW
Rating	BUY	ADD
Price Target	INR 1,080	INR 1,060
EPS %	FY27E	FY28E
	-3.7	-2.5

KEY STOCK DATA	
Bloomberg code	METROBRA IN
No. of Shares (mn)	273
MCap (INR bn) / ($ mn)	302/3,139
6m avg traded value (INR mn)	91
52 Week high / low	INR 1,340/883

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	6.9	(3.2)	(6.2)
Relative (%)	16.2	8.6	1.7

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	71.83	71.80
FIs & Local MFs	7.51	7.58
FPIs	3.82	3.77
Public & Others	16.84	16.85
Pledged Shares	0	0

Source : BSE

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IRB Infra

Toll revenue drives performance

IRB Infrastructure Developers (IRB) reported revenue/EBITDA/APAT of INR 15.3/6.8/2.96bn, a beat/(miss) of 4.6/6.6/23.8% to our estimates; APAT growth reflects resilient operating performance and disciplined cost management. The order book (OB) as of Mar'26 stood at INR 449bn (~7.09x FY26 revenue; executable in next one year INR 33bn), while **EPC and O&M contributed ~5%/95% of the overall OB. IRB's margin guidance was O&M at 20%, while also becoming net-debt-free balance sheet by FY30, driven by disciplined capital allocation and calibrated asset monetization. Improved capital efficiency can support cash RoE targeted by IRB to expand from ~8% to 14%+ by FY32. Its access to two InvIT platforms (IRB InvIT Fund and IRBIT) has facilitated capital unlocking through asset monetization and will continue to unlock value with future asset transfer. It is also planning to pursue further opportunities in the TOT segment. Distribution received from both InvITs stood at ~INR 2.97bn for FY26. Given weak ordering, we have cut our estimates on EPC. We maintain ADD, with a SOTP target price of INR 54/sh.**

- **Q4FY26 financial highlights:** Revenue stood at INR 15.3bn (-17.2/+2.5% YoY/QoQ, a beat of 4.6%) while EBITDA came in at INR 6.8bn (-13+6.4% YoY/QoQ, a beat of 6.6%). EBITDA margin stood at 44.7% (+718/+166bps YoY/QoQ vs. our estimate of 43.9%). APAT stood at INR 2.96bn (+38/+22.1% YoY/QoQ, a beat of 23.8%, driven by reflecting resilient operating performance QoQ and disciplined cost management). Net debt stood at INR 111bn in Q4FY26 (Q3/Q2/Q1FY26: INR 84125/120bn; FY25: INR 117bn), with a net debt to equity ratio of 0.54x in Q4FY26 (Q3/Q2/Q1FY26: 0.41/0.61/0.86x; FY25: 0.59x).
- **Q4FY26 business vertical highlights:** The average daily toll collection for wholly-owned concessions (four assets; one TOT, one BOT and two HAM (under-construction)) came in at INR 75mn in FY26 (FY25/24: INR 69/66mn); for Private InvIT, toll collection stood at INR 136mn (FY25/24: INR105/85mn). In Q4FY26, revenues from construction, BOT/TOT, and InvITs/other segments contributed 42.3/36.9/20.8% respectively (compared to Q3FY26: 41.9/37.8/20.4%). Toll revenue grew ~13% YoY in FY26 for IRB and Private InvIT Projects.
- **Order wins provide revenue visibility:** Order inflows (OI) include TOT-17/TOT-18 wins (FC completed; tolling commenced from 1 April 2026) worth INR 93/40bn. Management continues to expect total projects worth INR 100-120bn under TOT and few under BOT that should be awarded in the near term.

Consolidated Financial summary (INR mn)

Particulars	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Revenue	15,264	18,426	(17.2)	14,898	2.5	70,620	63,298	60,133	63,140
EBITDA	6,822	6,913	(1.3)	6,411	6.4	30,544	26,635	25,376	27,024
APAT	2,963	2,147	38.0	2,427	22.1	2,585	6,765	7,171	8,163
Diluted EPS (INR)	0.49	0.36	38.0	0.4	22.1	0.4	1.1	1.2	1.4
P/E (x)						50.0	19.1	18.0	15.8
EV / EBITDA (x)						9.8	11.6	10.4	9.5
RoE (%)						1.5	3.3	3.4	3.7

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E		
	New	Old	Change (%)	New	Old	Change (%)
Revenue	60,133	55,931	7.5	63,140	61,524	2.6
EBIDTA	25,376	23,603	7.5	27,024	26,332	2.6
EBIDTA (%)	42.2	42.2	(0.0)	42.8	42.8	0.0
APAT	7,171	5,888	21.8	8,163	8,168	(0.1)

Source: HSIE Research

ADD

CMP (*as on 21 May 2026*)	INR 23
Target Price	INR 27
NIFTY	23,655

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 27	INR 27
EPS change %	FY27E	FY28E
	+21.8	-0.1

KEY STOCK DATA	
Bloomberg code	IRB IN
No. of Shares (mn)	12,078
MCap (INR bn) / ($ mn)	276/2,867
6m avg traded value (INR mn)	377
52 Week high / low	INR 27/19

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	12.3	4.6	(11.0)
Relative (%)	21.5	16.4	(3.2)

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	30.42	30.79
FIs & Local MFs	9.97	10.02
FPIs	43.32	43.84
Public & Others	16.30	15.34
Pledged Shares	0.01	0.01

Source: BSE

Pledge shares as a % of total shares

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Sansera Engineering

Holds huge business potential in medium to long term

The company continues to impress with improving traction in the non-auto space, especially the aerospace and semiconductor segments. Expansion of the customer base and product portfolio to also include more complex parts which increases the business potential over the next few years at least. It is also benefiting from the continuing trend of outsourcing of crankshaft manufacturing by domestic 2W OEMs and expects to gain further traction in this regard. Considering the improving mix of the higher growth, higher margin and less cyclical non-auto segment, as well as rising overall business potential over medium term, we increase our multiple and value the company at 33x Mar-28 EPS (from 28x earlier) for a TP of INR3,266 and maintain a BUY rating. It continues to be one of our top picks.

- **Quarterly performance:** Consolidated EBITDA margin at 19.3% was up 306bps YoY and 126bps QoQ, big beat to ours and Bloomberg consensus estimates of 17.5% and 17.7% respectively. This was led by better operating leverage and mix from continuing traction in the ADS (Aerospace Defense Semiconductor) segment, with the segment forming 11.7% of the revenue mix in Q4FY26 (vs 13.9% in Q3FY26 and 5.9% in Q4FY25).
- **ADS segment at an inflection point:** Revenue for the segment stood at ~INR 1.1bn in Q4FY26, registering a growth of 153% YoY. The current order book stands at INR 44.6bn, up from 38.7bn as at the end of Q3, with good visibility over the next five years. It has one major customer in the semiconductor segment while it is also in active dialogue with others. In the aerospace segment too, the company has gained strong traction, moving into a wider range of parts to include more complex ones. It highlighted increasing wallet share on the largest platforms of the customers (A350 and 737).
- **Good visibility till the end of the decade at least:** Management mentioned that based on the order book and business potential considering expansion of the product portfolio and customer base, there is good visibility of revenues reaching INR 80-82bn by the end of the decade. What adds to the visibility is the large capex undertaken by domestic auto OEMs, historically high global aerospace order book, and pick-up in AI, which is largely driving the robust demand for semiconductors. It is on track to get the non-auto, auto tech agnostic and xEV portion to 40% of the mix (reached 32% in Q4FY26).
- **Cost pressures in FY27:** It has alerted on inflationary pressures from steel, aluminium, energy, tooling, consumables, and freight. While it is proceeding in FY27 with caution, it remains confident of sustaining a similar growth trajectory in FY27 while maintaining healthy profitability. It indicated that H1 is likely to be better than H2 due to the base effect. It also expects better uptake from exports considering new programs of global OEMs.

Quarterly/annual financial summary

YE Mar (INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY26	FY27E	FY28E
Net Sales	9,987	7,817	27.8	9,077	10.0	34,979	40,785	52,253
EBITDA	1,929	1,271	51.9	1,639	17.7	6,321	7,505	10,608
EBITDA Margin (%)	19.3	16.3	307bps	18.1	126bps	18.1	18.4	20.3
APAT	1,214	593	104.8	687	76.7	3,410	4,030	6,169
Diluted EPS (INR)	19.6	9.6	104.8	11.1	76.7	54.7	64.7	99.0
P/E (x)						52.2	44.2	28.8

Source: Company, HSIE Research

BUY

CMP *(as on 21 May 2026)*	**INR 2,855**
Target Price	**INR 3,266**
NIFTY	**23,655**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	BUY
Price Target	INR 2,588	INR 3,266
EPS %	FY27E	FY28E
	-0.4%	+7.8%

KEY STOCK DATA	
Bloomberg code	SANSERA IN
No. of a Shares (mn)	62
MCap (INR bn) / ($ mn)	178/1,849
6m avg traded value (INR mn)	486
52 Week high / low	INR 2,898/1,193

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	24.9	77.7	133.4
Relative (%)	34.1	89.5	141.3

SHAREHOLDING PATTERN (%)

	Dec-25	**Mar-26**
Promoters	30.18	30.18
FIs & Local MFs	36.31	35.39
FPIs	19.36	18.79
Public & Others	14.15	15.64
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Fine Organic Industries

Muted growth in absence of capacity addition

We maintain SELL on Fine Organics with a TP of INR3,721. The company is incurring a capex of INR 7.5bn for setting up a plant at Navi Mumbai SEZ. The capex will be spread over FY27 and FY28. It will shift the export operations to the SEZ plant once it becomes operational. Additionally, it is setting up the plant in the US for localization of exports in the US market from India. It has acquired land in the US and is currently in the process of finalizing an investment plan. In FY27, we expect the Patalganga site to reach full utilization. All other facilities are already running at full utilization, which limits volume growth until there is further capacity addition. The ongoing expansion in India is expected to be completed by the end of FY28. In the absence of further capacity addition, volume growth will be muted. We expect 9% EPS CAGR over FY26-28E and 390bps decline in RoE from 16.6% in FY26 to 12.7% in FY28. Q4 EBITDA/APAT was 5/15% higher than our estimates. The stock is currently trading at 29.0x in FY28E EPS, which we find contextually high.

- **Financial performance:** Revenue came in at INR 6,253mn (+3.1/+12.7% YoY/QoQ), driven by steady demand in export markets and improved demand in the domestic market. Exports contributed ~55% of total revenue in FY26. International demand remains uneven, while domestic performance has shown improvement.
- **Key takeaways**: **(1) US Operations:** Invested USD 1.12 mn (~INR 96mn) via its WOS, Fine Organics Americas LLC, to acquire ~160 acres of land in Jonesville, Union County, South Carolina. The company has received all approvals and is in advanced discussions with contractors. Management intends to build a "world-scale" plant but will start with a conservative capacity in the first phase to manage the initial learning curve of operating in the US market. **(2) Capital Infusion:** The company plans to infuse capital in their subsidiary in GCC and Thailand JV for growing the business. They have infused INR 61.7mn into their Thailand JV. **(3) JNPA SEZ plant:** The company has invested ~INR 1.92bn for this project out of the total plan of INR 7.5 bn. **(4) Acquisition:** The board has approved the proposal to acquire up to 80% shares of Oleofine Organics Sdn. Bhd. (OFM). It is into palm oil-based food additives. The consideration is ~INR 830mn funded purely by cash. The deal is expected to close within three months. **(5) RM availability:** Raw material prices increased in FY26, and management anticipates continued upward pressure on palm oil prices due to increased biodiesel mandates in Indonesia (50%) and Malaysia (15%), which will reduce global availability.
- **Change in estimates**: We tweak our FY27/FY28E EPS estimates by -3.5/-16.0% to INR 156.3/159.3, owing to muted growth guidance by the management over next two years.

Financial summary

Year Ending March (Rs mn)	4Q FY26	3Q FY26	QoQ (%)	4Q FY25	YoY (%)	FY24	FY25	FY26P	FY27E	FY28E
Net Sales	6,253	5,548	12.7	6,068	3.1	21,230	22,691	23,658	25,956	27,748
EBITDA	1,298	944	37.6	1,196	8.6	5,340	5,129	4,830	5,771	5,837
APAT	1,175	739	58.9	971	21.0	4,125	4,105	4,117	4,793	4,883
Diluted EPS (Rs)	38.3	24.1	58.9	31.7	21.0	134.5	133.9	134.3	156.3	159.3
P/E (x)						34.3	34.5	34.4	29.5	29.0
EV/EBITDA(x)						24.5	25.7	26.4	21.1	19.9
RoE (%)						23.8	19.5	16.6	15.8	12.7

Source: Company, HSIE Research

Change in estimates

Y/E Mar	FY27E Old	FY27E New	% Ch	FY28E Old	FY28E New	% Ch
EBITDA (INR mn)	5,853	5,771	-1.4%	6,853	5,837	-14.8%
Adj. EPS (INR/sh)	162.0	156.3	-3.5%	189.6	159.3	-16.0%

SELL

CMP *(as on 21 May 2026)*	INR 4,607
Target Price	INR 3,721
NIFTY	23,655

KEY CHANGES	OLD	NEW
Rating	SELL	SELL
Price Target	INR 3,759	INR 3,721
EPS %	FY27E	FY28E
	-3.5%	-16.0%

KEY STOCK DATA	
Bloomberg code	FINEORG IN
No. of Shares (mn)	31
MCap (INR bn) / ($ mn)	141/1,468
6m avg traded value (INR mn)	75
52 Week high / low	INR 5,494/3,856

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	3.1	1.5	0.0
Relative (%)	12.3	13.3	7.9

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	75.00	75.00
FIs & Local MFs	11.80	11.65
FPIs	4.43	4.40
Public & Others	8.77	8.95
Pledged Shares	0.00	0.00

Source : BSE

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Medplus Health Services

Focus on growth, private label, and store addition

EBITDA^ grew 24% YoY, driven by 24% sales growth (pharmacy +23% YoY, diagnostics +24% YoY) and steady gross margin (-9 bps YoY; private label share was at 21.9%), which offset higher costs. OPM* came in at 5.8% (+45 bps YoY), with pharmacy margin at 5.6% (+40 bps YoY) and diagnostic margin at 15.3%. Medplus guides to add 800 stores in FY27E (618 added in FY26), including expansion in tier 2/3 cities through the franchisee model (added ~300 franchisee in FY26). The company indicates after stabilizing private label share at 21-22% over the last few quarters, it expects to improve the share (it will be gradual for pharma and faster for non-pharma) over the next couple of years (on GMV every 1% increase, implying 0.5% on net sales), aiding steady GM expansion. The pick-up in growth from matured stores was largely led by better product availability (operationalization of new warehouses) and change in incentive structure (focus on both branded and private label); it expects matured stores to sustain at 9-10% in FY27. It expects margins to remain steady (at ~5.7%) with private label share increase to be offset by new store additions. We see a pick-up in sales growth, led by a balanced approach to matured store growth, new store additions, and private label expansion. Moreover, margins are expected to see remain steady in FY27E and gradually improve from FY28E, led by a better mix, steady growth in matured stores (2+ years; ~10–11% margin), increased private label share, and supply chain efficiencies. Factoring guidance, we have raised EBITDA for FY27/28E by 1/4% and revise TP to INR 1,100 (17x FY28E EV/EBITDA, implying 25x pre-INDAS EV/EBITDA). BUY stays.

- **Q4 highlights:** Sales grew 24% YoY to INR 18.64bn, with 23% growth in retail pharmacy (~INR 18.26 bn), and 24% growth in diagnostics (INR 348mn). Marginal dip in GM to 26.5% (-9 bps YoY) and higher costs (staff/ SG&A +23/22%) led to EBITDA^ of INR 1.69 bn (+24% YoY). Operating profit was at INR 1.07bn (+34% YoY) and OPM at 5.8% (+45 bps). Pharmacy margin was 5.6% (+40 bps), diagnostic margin 15.3%, and PAT INR 640mn (+25%).
- **Q4 operating metrics:** A net 218 stores were added (gross addition of 262), taking the total to 5,330, as of Mar-26. Matured store growth was at 17.8% YoY (vs. -0.9% in Q4FY25), with operating margin at 13.1% (vs. 11.5% YoY) and RoCE at 80% (vs. 59.2%). Private label sales as a % of total sales were steady at 21.9% (vs. 23.3% in Q4FY25). Overall RoCE was ~26.3% (up from 19.3%). In Q4FY26, OCF was INR 917mn and FCF was negative INR 280mn.
- **Key takeaways from con call:** Gross margin in franchisee model: Medplus supplies products to franchisees at 9-10% gross margin; the franchisee sells the products at ~15% gross margin, and the net gross margin from franchisees for the Medplus comes to 24-25%. As of Mar-26, diagnostics had 0.2mn active plans and renewal rate of 21%. No dividend payout plan; cash generation to be reinvested for growth.

Quarterly financial summary

(INR mn)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	18,644	15,096	24	18,061	3	56,249	61,361	68,925	78,347	89,805
EBITDA	1,692	1,364	24	1,657	2	3,541	4,871	6,144	7,144	8,395
APAT	640	513	25	648	(1)	621	1,504	2,267	2,636	3,135
EPS (INR)	5.3	4.3	25	5.4	(1)	5.2	12.5	18.9	22.0	26.1
P/E (x)						183.7	75.9	50.3	43.3	36.4
EV/EBITDA (x)						34.7	25.0	20.1	17.4	14.9
RoCE (%)						7	10	13	13	14

Source: Company, HSIE Research, ^ post-INDAS, adj for INR 71 mn labor code impact *pre-INDAS.

BUY

CMP *(as on 21 May 2026)*	INR 954
Target Price	INR 1,100
NIFTY	23,655

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1060	INR 1100
EBITDA %	FY27E	FY28E
	1.4	4.1

KEY STOCK DATA	
Bloomberg code	MEDPLUS IN
No. of Shares (mn)	120
MCap (INR bn) / ($ mn)	114/1,190
6m avg traded value (INR mn)	127
52 Week high / low	INR 1,052/732

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	15.0	24.3	7.0
Relative (%)	24.3	36.1	14.8

SHAREHOLDING PATTERN (%)	Dec-25	Mar-26
Promoters	40.29	40.22
FIs & Local MFs	26.58	27.82
FPIs	16.83	15.53
Public & Others	16.3	16.43
Pledged Shares	60.7	60.7

Source: BSE

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JK Lakshmi Cement

Healthy offtake in Q4; cost pressure to rise in FY27E

We retain BUY on JK Lakshmi (JKLC), with a lower TP of INR 780/share (9x FY28E consolidated EBITDA). In Q4FY26, JKLC maintained healthy volume growth momentum (+8/19% YoY/QoQ), and its margin recovered by INR 109/MT QoQ to INR 734/MT. We estimate JKLC will deliver 5/11% consolidated volume/EBITDA CAGRs during FY26-28E. We also expect the expansions in the eastern region and UP would get commissioned during FY28-29E. While capex outflow is likely to accelerate, it should remain below management guidance. We estimate net debt to EBITDA to double to 2.3x in Mar-28E vs 1.2x in Mar-26.

- **Q4FY26 performance**: JKLC's volume rose 8/19% YoY/QoQ. Trade sales mix improved to 58% vs 49% QoQ while the share of premium cement declined to 24% vs 26% QoQ. NSR rose 1% QoQ but fell 8% YoY. Unit opex fell 2% QoQ on stable input/logistics costs and op-lev gains. Green power share stood at 46% vs 48% QoQ. Fuel cost rate fell to INR 1.54/mnCal vs INR 1.56 QoQ. Lead distance remained flattish QoQ. Thus, unit EBITDA recovered by INR109/MT QoQ to INR 734/MT. JKLC spent ~INR 3.5bn in capex in Q4FY26.
- **FY26 performance**: Total volume grew 10% YoY to 13.35mn MT. NSR fell 1% YoY on account of weak pricing. However, the cool-off in unit opex drove expansion in unit EBITDA by INR 45/MT YoY to INR 757/MT. EBITDA grew by 17% YoY to INR 10.1bn. Even OCF grew 38% YoY to INR 11bn on working capital release. The company spent INR 6.8bn in capex in FY26, which includes INR 5bn towards ongoing expansions in the eastern/central regions.
- **Con call KTAs and outlook**: JKLC noted the eastern expansions are delayed and should get operational by end of FY28E, followed by commissioning of its greenfield north-east plant. It expects volume to grow in-line with industry. While demand has been volatile in Q1FY27, opex is on a rise, driven by the West Asia crisis, and cautioned that recent cement price hikes haven't fully offset higher energy and freight costs. Factoring in cost pressures, and delayed expansions, we lower our consolidated FY27/28E EBITDA estimates by 13/5% respectively. We also factor in slower capex outgo, thus restricting net debt spike to INR 29bn by Mar-28E (net debt to EBITDA at 2.3x vs 1.2x in Mar-26). Subsequently, we taper down our target valuation multiple to 9x FY28E EBITDA (from 10x earlier).

Quarterly/annual financial summary (consolidated)

YE Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26P	FY27E	FY28E
Sales (mn MT)	3.90	3.60	*8.3*	3.28	*18.7*	11.99	12.13	13.35	14.15	14.71
NSR (INR/MT)	4,881	5,274	*(7.5)*	4,841	*0.8*	5,662	5,106	5,067	5,092	5,169
EBITDA(INR/MT)	734	976	*(24.8)*	625	*17.4*	878	713	757	711	849
Net Sales	19.02	18.98	*0.2*	15.88	*19.7*	67.88	61.93	67.63	72.04	76.05
EBITDA	2.86	3.51	*(18.5)*	2.05	*39.4*	10.52	8.65	10.11	10.07	12.50
APAT	1.24	1.76	*(29.4)*	0.57	*118.0*	4.82	3.05	4.47	3.98	5.62
AEPS (INR)	10.0	14.9	*(33.1)*	5.7	*74.1*	40.9	25.9	36.0	32.1	45.3
EV/EBITDA (x)						8.6	10.5	8.8	9.1	8.4
EV/MT (INR bn)						5.51	5.52	4.92	5.09	5.17
P/E (x)						15.9	25.1	17.1	19.2	13.6
RoE (%)						*15.7*	*8.9*	*12.0*	*9.9*	*12.7*

Source: Company, HSIE Research

BUY

CMP *(as on 21 May 2026)*	**INR 620**
Target Price	**INR 780**
NIFTY	**23,655**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	INR 850	INR 780
EBITDA	FY27E	FY28E
Change %	*(12.5)*	*(5.3)*

KEY STOCK DATA	
Bloomberg code	JKLC IN
No. of Shares (mn)	124
MCap (INR bn) / ($ mn)	77/800
6m avg traded value (INR mn)	114
52 Week high / low	INR 1,021/550

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(13.0)	(22.0)	(27.3)
Relative (%)	(3.8)	(10.2)	(19.5)

SHAREHOLDING PATTERN (%)	**Dec-25**	**Mar-26**
Promoters	45.12	45.12
FIs & Local MFs	23.17	23.00
FPIs	12.35	11.96
Public & Others	19.36	19.92
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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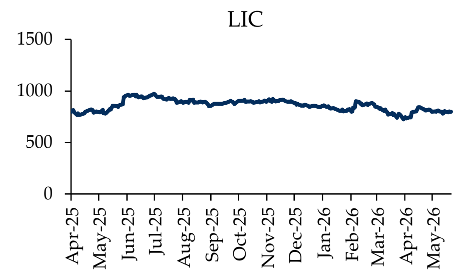
Rating Criteria

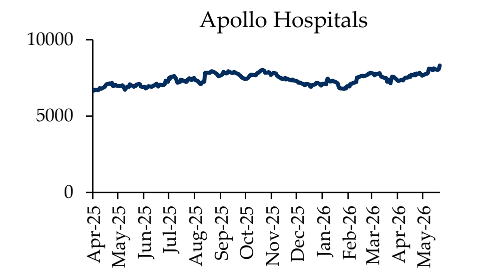
BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

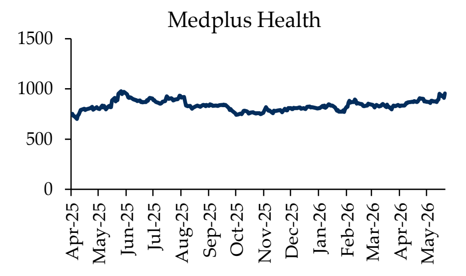
Disclosure:

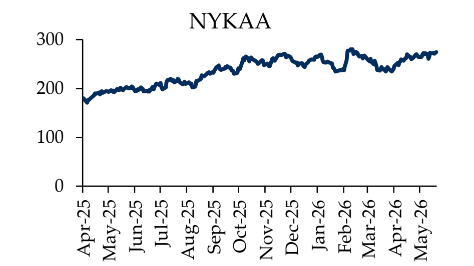
Analyst	Company Covered	Qualification	Any holding in the stock
Krishnan ASV	Life Insurance Corporation of India	PGDM	NO
Shobhit Sharma	Life Insurance Corporation of India	CA	NO
Mehul Sheth	Apollo Hospitals Enterprise, Medplus Health Services	MBA	NO
Jay Gandhi	FSN E-commerce Ventures (Nykaa), Metro Brands	MBA	NO
Vedant Mulik	FSN E-commerce Ventures (Nykaa), Metro Brands	CA	NO
Parikshit Kandpal	IRB Infra	CFA	NO
Aditya Sahu	IRB Infra	MBA	NO
Jay Shah	IRB Infra	CA	NO
Hitesh Thakurani	Sansera Engineering	MBA	NO
Shubhangi Kejriwal	Sansera Engineering	MSc	NO
Nilesh Ghuge	Fine Organic Industries	MMS	NO
Aditya Iyer	Fine Organic Industries	PGDM	NO
Rajesh Ravi	JK Lakshmi Cement	MBA	NO
Keshav Lahoti	JK Lakshmi Cement	CA, CFA	NO
Riddhi Shah	JK Lakshmi Cement	MBA	NO
Mahesh Nagda	JK Lakshmi Cement	CA	NO

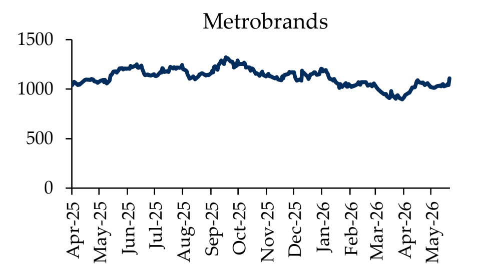
Price movement

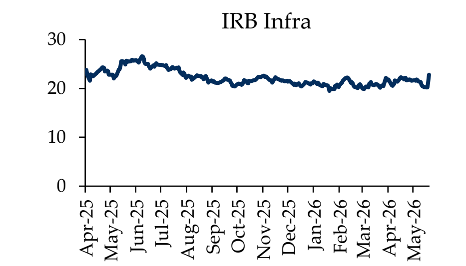


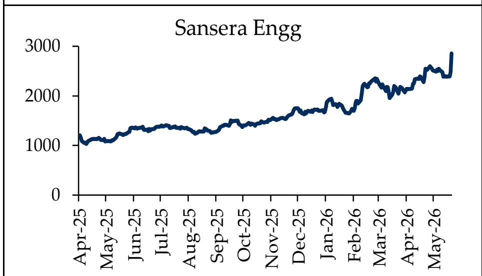


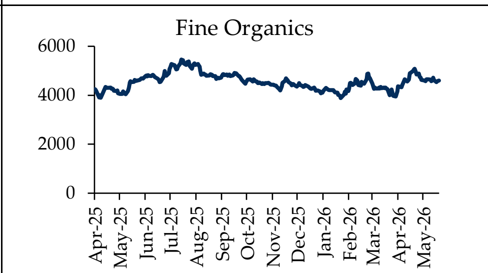


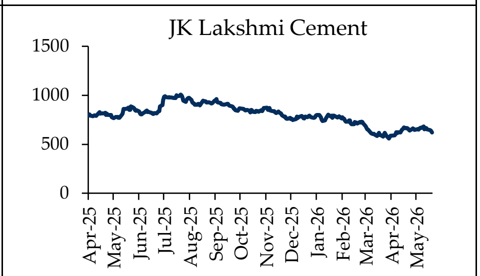












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