

HSIE Results Daily

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Results Reviews

- Sun Pharmaceutical Industries:** EBITDA grew 3% YoY despite 13% sales growth (US: -4% QoQ; global specialty: +20% YoY; India: +15% YoY) and higher gross margin (+118 bps), which was offset by higher costs (staff/SG&A/R&D, up +19/20/23%). The company provided guidance of high-single-digit revenue growth in FY27 and R&D to remain at 6-7% of sales. It expects sustained growth momentum in the specialty business, led by traction in key products (led by Ilumya, Cequa, and Winlevi), scale-up of Leqselvi (deuruxolitinib), and Unloxcyt (launched in Jan-26; focus on onboarding new patients, improving market access, and overall market formation). The company is hopeful on its innovative pipeline: (1) Ilumya: ANDA filed for psoriasis arthritis indication (goal date in Oct-26) and launched in newer markets, (2) GL0034 (Type 2 diabetics): Phase 2b trials are expected to complete in 12-18 months and topline data expected in H3CY27, (3) Fibromun: Phase 3 started for soft tissue sarcoma, and (4) MM-II: Looking to enter partnership for commercialization in advanced markets and it will be launch in EMs Sun's own network. It expects to see steady growth in the India formulation business and its launch of Semaglutide (GLP-1) to see gradual scale-up over the next few quarters; oral solid form completed clinical studies and waiting for approval in India. US generics business recovery depends on its key plant clearance (Halol, Baska, and Mohali). The progress on Organon acquisition is largely on track and expected to get complete by Q4FY27.. Factoring in FY26 performance and FY27 guidance, we have tweaked FY26/27E EPS. We retain BUY and TP of INR 2,120 (32x FY28E EPS). We expect the scale-up in specialty (traction in Ilumya, Winlevi, Cequa, and Leqselvi) and the India business (new launches, in-licensing) to offset the soft US generics business.
- LG Electronics India:** LG's revenue grew by 8% YoY to INR 80.5bn. Home appliances division (81% revenue mix) grew 6% YoY, while home entertainment division grew strongly by 20% YoY (19% revenue mix), led by heightened demand for televisions during the World Cup. EBITDA margin declined 230bps YoY to 11.7% (up 670bps QoQ), leading to EBITDA/APAT decline of 10/8% YoY. For FY27, the company is targeting mid-teen revenue growth with early double-digit EBITDA margin. Management expects margin expansion to be driven by greater supply chain localization, a growing export contribution, and a higher premium product mix. Demand trends in April and May have been encouraging. The company continues to maintain leadership across key product categories and has implemented calibrated price increases across product categories to offset increased input costs. Factoring in the in-line Q4 performance, we broadly maintain our revenue estimates. However, considering the inflationary cost environment, we cut our APAT estimates by 6/2% for FY27/28E. We retain ADD but with a lower target price of INR 1,455/share, based on 38x Mar'28E EPS.
- Max Healthcare Institute:** EBITDA[^] grew 8% YoY, with 9% YoY sales growth (hospital sales up 9% and Max Labs up 13%). ARPOB grew 1% YoY, and occupancy was at 75% (vs. 75% YoY). The planned bed capacity expansion is largely on track, and it expects growth to improve with break-even over the next 12-18 months. It expects margin to be steady for brownfield hospitals (cost synergies) for the next couple of years. With focus on execution of new

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bed addition, it expects steady performance in the near term. The company had an impact of ~INR 2bn due to reimbursement restriction for high-valued chemotherapy-related drugs (like Keytruda; CGHS's 30% MRP discount mandate) for the institutional patient (IPD Oncology share came down by ~500 bps to 21% from 26%). Moreover, it expects the CGHS price revision benefits to start reflecting from Q4FY26 (of ~INR 2 bn revenue). We believe the company is on track with its capex plan to add over 3,000 beds between FY26 and FY28 (~2,100 brownfield and 900 greenfield beds). The aggressive expansion plans underpin our revenue and EBITDA CAGRs of 21% and 23% over FY26-28E, with steady EBITDA margin at ~26.5% in FY28E (~26.7% in FY27). Factoring in FY26 performance and integration of Kalinga Hospital, we have cut our EBITDA for FY27/28E by 3/2% and revised SoTP of INR 1,140 (29x FY28E EV/EBITDA). ADD stays.

- **Aurobindo Pharma:** EBITDA declined 5% YoY, which was in line of our/consensus estimates, as sales increased 6% YoY (US -8 QoQ; EU up 30% YoY) and GM improved by 154bps YoY, though this was offset by a 18/21% YoY rise in staff costs/SG&A. Excluding gRevlimid, sales grew 9.5% YoY in FY26 and 15.3% YoY in Q4. ARBP indicates (1) base business in the US will sustain momentum in the coming years by sustaining quarter sales run rate at ~USD 400mn, with steady US OSD business (at USD 1bn) through new launches, improvements in injectables, and normalization of Eugia-3 plant supplies; its mid-term aspiration is to reach USD 2bn on sales (including Lanette), (2) strong growth in the EU, led by geographical/product expansion and support from scale-up in China plant, with improved EBITDA (at ~20% and to inch-up in FY27/28E); (3) ramp-up in its Pen-G/ 6-APA plant helped to improve supply chain efficiencies – the company targets 10k MT in FY27 to support the margin (captive) and external sales (from 6-APA; support from MIP); (4) to sustain EBITDA margins at ~21% in FY27, with operating leverage and backward integration supporting margins in subsequent years; (5) scaling up the biosimilar business, with four launches in the EU and stronger traction expected from FY27 and inflection point in FY29 (meaningful contribution); (6) Lannett acquisition will complement the US OSD business growth; we have not factored in our estimated as transaction is expected to complete in the near term; and (7) CDMO business: Unit 1 with capacity of ~60KL to be commissioned by FY27-end; validation batches will be in CY27 and it expects stock-piling in CY28; additionally, greenfield plant to be commissioned in CY29 and commercial supplies from CY31. Factoring in the FY27 outlook, M&As, and buy back, we have raised FY27/28E EPS by 3/5% and revised the TP to INR 1,570 (18x FY28E). ADD stays, led by improvements in the US base business, steady EU growth, ramp-up in Pen-G/ China/US plants, and biosimilar scale-up, all likely to drive steady mid-to-long-term growth.
- **Prestige Estates:** Prestige Estates (PEPL) registered quarterly presales; by value INR 76.9bn presales (+10.6%/+84.0% YoY/QoQ) and by volume at 5.3msf (+18.9%/+78.6% YoY/QoQ). For FY27, PEPL has guided for 15-20% growth in presales and collections, backed by a INR 580bn launch pipeline across 24 projects, while maintaining a conservative stance despite visible upside potential. In Q4FY26, PEPL added a GDV of INR 108.5bn, taking the FY26 new BD GDV to INR 514bn across Bengaluru, Hyderabad, Mumbai, and Chennai, which marks its full-year BD guidance. The massive step-up in commercial exit rentals between FY27 (INR 10,374 mn) and FY28 (INR 34bn) is largely attributable to the commissioning of Prestige 101 BKC (X & Y blocks, combined ~4.77 msf PEPL share) in FY28, which alone would represent the single largest addition to the commercial annuity portfolio. We believe PEPL has superior growth prospects for the residential portfolio and multi-fold annuity growth; hence, we maintain BUY, with TP of INR 1,775/sh.

- **The Ramco Cements:** We retain SELL on The Ramco Cements (TRCL) with a lower TP of INR 830/share (12x FY28E consolidated EBITDA). In Q4FY26, TRCL reported subdued ~5% YoY. Unit EBITDA too remained weak at INR 667/MT (+64/58 per MT YoY/QoQ). The slow pace of capex and continued non-core asset monetization (INR 11bn in FY25-26) aided reduction of net debt to EBITDA ratio to 2.54x in Mar-26 (vs 3.6x YoY). We expect consolidated volume/EBITDA to grow at 7/14% CAGR over FY26-28E and expect capex to accelerate FY28E onwards as TRCL focusses on greenfield expansion in Karnataka.
- **TTK Prestige:** TTK Prestige's (TTKPT) revenue grew by 12% YoY to INR 7.3bn, primarily led by strong performance in appliances, which grew 20% YoY (45% revenue mix). Appliances delivered strong performance, driven by a shift toward induction and electric cooking appliances amid LPG supply constraints. Cookers and cookware registered 7% and 5% YoY growth (28% and 15% revenue mix). EBITDAM expanded 130bps YoY to 9.2% leading EBITDA/APAT growth of 30/27% YoY. Management highlighted that rising commodity prices remain a key headwind, although calibrated price hikes have been undertaken to mitigate the impact. It also noted that the strong momentum seen in Q4FY26 has continued into the current year. The company aims to maintain growth while keeping margins stable. Factoring in the Q4 performance, we broadly maintain our revenue estimates. However, considering commodity inflation, we cut our APAT estimates by 5-6% for FY27/28E. We maintain REDUCE with a lower TP of INR 540/sh by valuing the company at 30x Mar-28 EPS.
- **Ashoka Buildcon:** Ashoka Buildcon's (ASBL) standalone revenue/EBITDA/APAT came in at INR 17.7/1.2/0.6bn, a miss of 16.9/35.7/32.8% vs. our estimates on account of muted execution. ASBL guides for 20% revenue growth and 9.5-10.5% EBITDA margin in FY27. The OB as of Mar'26 stood at INR 153bn (~2.63x FY26 revenue). Further, ASBL guided OI of INR 80-100bn for FY27 (earlier: INR 110-120bn), with a bid pipeline of INR 400bn. Business-wise, the revenue is well-diversified with HAM (roads)/EPC (roads)/power T&D/railways and others comprising 10/50/18/8/10% respectively. Additionally, ASBL has already invested INR 6.1bn in the current HAM portfolio; the balance equity requirement in its existing NHAI HAM assets is INR 3.25bn as of Mar'26 (INR 1,750/750/750mn to be invested by FY27/28/29). Given the diversification to power T&D, improved balance sheet on the back of deleveraging through HAM monetization (10 assets in FY26), and stable OB, we maintain BUY with a reduced TP of INR 183/sh (11x Mar-28E EPS). We have cut estimates to factor in the ordering delay and margins.
- **Repc Home Finance:** REPCO's Q4FY26 earnings were ahead of our estimates, largely due to muted credit costs (-29bps) and lower tax rate. Disbursements continued to grow at a strong pace for fourth consecutive quarter (+22% YoY; 26% YoY for FY26), with ~21% growth guidance for FY27 by management. New initiatives such as customer sourcing diversification, revamped employee incentives and tech transformation have aided disbursements growth, which had remained subdued in the past. However, AUM growth continues to be sub-10% due to higher run-off rates and remains a key monitorable for meaningful re-rating. We revise our FY27E/FY28E earnings estimates to factor in lower credit costs offset by lower other income; maintain ADD with a revised RI-based TP of INR580 (implying 0.8x Mar-28 ABVPS).

Sun Pharmaceutical Industries

Innovative medicine; India continues to deliver

EBITDA grew 3% YoY despite 13% sales growth (US: -4% QoQ; global specialty: +20% YoY; India: +15% YoY) and higher gross margin (+118 bps), which was offset by higher costs (staff/SG&A/R&D, up +19/20/23%). The company provided guidance of high-single-digit revenue growth in FY27 and R&D to remain at 6-7% of sales. It expects sustained growth momentum in the specialty business, led by traction in key products (led by Ilumya, Cequa, and Winlevi), scale-up of Leqselvi (deuruxolitinib), and Unloxyt (launched in Jan-26; focus on onboarding new patients, improving market access, and overall market formation). The company is hopeful on its innovative pipeline: (1) Ilumya: ANDA filed for psoriasis arthritis indication (goal date in Oct-26) and launched in newer markets, (2) GL0034 (Type 2 diabetics): Phase 2b trails are expected to complete in 12-18 months and topline data expected in H3CY27, (3) Fibromun: Phase 3 started for soft tissue sarcoma, and (4) MM-II: Looking to enter partnership for commercialization in advanced markets and it will be launch in EMS Sun's own network. It expects to see steady growth in the India formulation business and its launch of Semaglutide (GLP-1) to see gradual scale-up over the next few quarters; oral solid form completed clinical studies and waiting for approval in India. US generics business recovery depends on its key plant clearance (Halol, Baska, and Mohali). The progress on Organon acquisition is largely on track and expected to get complete by Q4FY27.. Factoring in FY26 performance and FY27 guidance, we have tweaked FY26/27E EPS. We retain BUY and TP of INR 2,120 (32x FY28E EPS). We expect the scale-up in specialty (traction in Ilumya, Winlevi, Cequa, and Leqselvi) and the India business (new launches, in-licensing) to offset the soft US generics business.

- Q3 highlights:** Sales grew 13% YoY to INR 146.1bn; the US declined 4% QoQ to USD 459mn (-1% YoY). India sales grew 15% YoY. Global Innovative Medicines sales grew 20% YoY to USD 354mn (-4% QoQ; ex-USD 55 mn milestone income). GM stood at 80.8% (+118 bps YoY). Higher costs (staff/SG&A/R&D, up 19/ 20/ 23 YoY; R&D at 6.7% of sales) led to an EBITDA of INR 35.27n (+3% YoY); margin at 24.1% (-226 bps YoY). Adjusted for forex gain and one-offs, PAT stood at INR 22.83 bn (-12% YoY).
- Key con call takeaways:** US generics (ex-specialty/ ex-Revlimid) saw decline due to competitive intensity; gRevlimid sales were negligible. The company has received positive response from doctors; its differentiated pathway of preservation PD-L2 is getting encouraging feedback. Focus to improve access at formularies and market formation is ongoing. Other expenses growth was largely led by spends related to new launched in specialty business. In FY26, its flagship brand Ilumya recorded sales of USD 796 mn (+17% YoY. Specialty R&D was at ~37% of total R&D. The company sustained strong cash position with net cash at USD 3.2 bn.

Quarterly financial summary

(INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	146,118	129,588	13	155,205	(6)	484,969	525,784	584,620	648,028	726,007
EBJTDA	35,275	34,249	3	47,946	(26)	129,870	150,862	164,912	189,872	216,350
APAT	22,837	25,978	(12)	28,927	(21)	98,310	117,988	110,058	137,022	158,960
EPS (INR)	9.5	10.8	(12)	12.1	(21)	41.0	49.2	45.9	57.1	66.3
P/E (x)						45.0	37.5	40.2	32.3	27.9
EV/EBJTDA (x)						33.1	27.9	25.2	21.4	18.4
RoCE (%)						17	20	19	19	20

Source: Company, HSIE Research

BUY

CMP (as on 22 May 2026)	INR 1,845
Target Price	INR 2,120
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 2000	INR 2120
EPS %	FY27E (0.6)	FY28E 3.2

KEY STOCK DATA

Bloomberg code	SUNP IN
No. of Shares (mn)	2,399
MCap (INR bn) / (\$ mn)	4,426/46,243
6m avg traded value (INR mn)	5,603
52 Week high / low	INR 1,917/1,547

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	7.0	3.6	7.3
Relative (%)	15.9	15.2	14.2

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	54.48	54.48
FIs & Local MFs	20.72	21
FPIs	16.12	15.94
Public & Others	8.66	8.66
Pledged Shares	0.97	1.42

Source: BSE

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LG Electronics India

Decent performance; recovery underway

LG's revenue grew by 8% YoY to INR 80.5bn. Home appliances division (81% revenue mix) grew 6% YoY, while home entertainment division grew strongly by 20% YoY (19% revenue mix), led by heightened demand for televisions during the World Cup. EBITDA margin declined 230bps YoY to 11.7% (up 670bps QoQ), leading to EBITDA/APAT decline of 10/8% YoY. For FY27, the company is targeting mid-teen revenue growth with early double-digit EBITDA margin. Management expects margin expansion to be driven by greater supply chain localization, a growing export contribution, and a higher premium product mix. Demand trends in April and May have been encouraging. The company continues to maintain leadership across key product categories and has implemented calibrated price increases across product categories to offset increased input costs. Factoring in the in-line Q4 performance, we broadly maintain our revenue estimates. However, considering the inflationary cost environment, we cut our APAT estimates by 6/2% for FY27/28E. We retain ADD but with a lower target price of INR 1,455/share, based on 38x Mar'28E EPS.

- Q4FY26 highlights:** Revenue grew by 8% YoY to INR 80.5bn. Home appliances division (81% revenue mix) grew 6% YoY, while home entertainment division grew strongly by 20% YoY (19% revenue mix), driven by heightened demand for televisions during the World Cup. EBITDA margin declined 230bps YoY to 11.7% (up 670bps QoQ). Other expenses surged by 16% YoY, while employee cost declined 6% YoY. So, EBITDA declined 10% YoY. Home appliances and air solutions segment witnessed EBIT margin decline of 252bps YoY to 11.9% (+792bps QoQ), whereas home entertainment segment witnessed margin erosion of 283bps YoY to 13.4% (+384bps QoQ). APAT declined 8% YoY, owing to lower EBITDA and higher depreciation (up 60% YoY), partially offset by increased other income.
- Con call KTA and valuation:** For FY27, the company is targeting mid-teen revenue growth with early double-digit EBITDA margins. Demand trends in April and May have been encouraging. Management expects margin expansion to be led by greater supply chain localization, a growing export contribution, and a higher premium product mix. The company also noted strong market acceptance of its new essential series. Additionally, the Sri City plant remains on track, with compressor production expected to commence in Q3FY27, followed by RAC manufacturing in Q4FY27, supporting growth and backward integration. Factoring in the in-line Q4 performance, we broadly maintain our revenue estimates. However, considering the inflationary cost environment, we cut our APAT estimates by 6/2% for FY27/28E. We retain ADD but with a lower target price of INR 1,455/share, based on 38x Mar'28E EPS.

Financial summary

(INR mn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Sales	80,536	74,484	8.1	41,144	95.7	2,13,520	2,43,666	2,46,049	2,77,977	3,06,529
EBITDA	9,454	10,482	-10	2,086	353.2	22,249	31,101	24,208	31,349	37,391
EBITDAM	11.7	14.1		5.1		10.4	12.8	9.8	11.3	12.2
APAT	6,927	7,545	-8.2	1,170	492.1	15,111	22,033	17,124	22,131	25,967
EPS (INR)	10.2	11.1	-	1.7	492.1	22.3	32.5	25.2	32.6	38.3
EV/EBITDA (x)						44.4	31.3	39.8	30.2	25.0
P/E (x)						66.6	45.7	58.8	45.5	38.8
RoE (%)						37.2	45.2	25.1	25.2	23.7

Source: Company, HSIE Research

ADD

CMP (as on 22 May 2026) INR 1,490

Target Price INR 1,455

NIFTY 23,719

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 1,485	INR 1,455
	FY27E	FY28E
EPS %	-6.1	-2.0

KEY STOCK DATA

Bloomberg code	LGEL IN
No. of Shares (mn)	679
MCap (INR bn) / (\$ mn)	1,011/10,566
6m avg traded value (INR mn)	1,380
52 Week high / low	INR 1,749/1,300

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(3.8)	(9.3)	-
Relative (%)	5.1	2.2	-

SHAREHOLDING PATTERN (%)

	Dec-25	Ma-26
Promoters	85.00	85.00
FIs & Local MFs	7.15	8.03
FPIs	3.00	2.73
Public & Others	4.85	4.24
Pledged Shares	0.0	0.0

Source : BSE

Pledged shares as % of total shares

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Max Healthcare Institute

Execution is key to recovering growth and margin

EBITDA[^] grew 8% YoY, with 9% YoY sales growth (hospital sales up 9% and Max Labs up 13%). ARPOB grew 1% YoY, and occupancy was at 75% (vs. 75% YoY). The planned bed capacity expansion is largely on track, and it expects growth to improve with break-even over the next 12-18 months. It expects margin to be steady for brownfield hospitals (cost synergies) for the next couple of years. With focus on execution of new bed addition, it expects steady performance in the near term. The company had an impact of ~INR 2bn due to reimbursement restriction for high-valued chemotherapy-related drugs (like Keytruda; CGHS's 30% MRP discount mandate) for the institutional patient (IPD Oncology share came down by ~500 bps to 21% from 26%). Moreover, it expects the CGHS price revision benefits to start reflecting from Q4FY26 (of ~INR 2 bn revenue). We believe the company is on track with its capex plan to add over 3,000 beds between FY26 and FY28 (~2,100 brownfield and 900 greenfield beds). The aggressive expansion plans underpin our revenue and EBITDA CAGRs of 21% and 23% over FY26-28E, with steady EBITDA margin at ~26.5% in FY28E (~26.7% in FY27). Factoring in FY26 performance and integration of Kalinga Hospital, we have cut our EBITDA for FY27/28E by 3/2% and revised SoTP of INR 1,140 (29x FY28E EV/EBITDA). ADD stays.

- Q4 highlights:** Sales were at INR 25.41bn (+9% YoY). Hospital sales were at INR 24.89bn (+9% YoY). Max Lab grew 13% YoY to INR 520mn. Excluding non-operating costs, EBITDA came in at INR 6.82bn (+8% YoY) and margin was 26.8% (-33 bps YoY). PAT (ex-one-offs) was INR 3.7bn (-6% YoY).
- Operating metrics:** ARPOB grew 1% YoY at INR 77,900/day. Occupancy was 75% (vs 75% YoY). OPD/IP volume grew 8/4% YoY. ALOS was up YoY at 4.2 days. International patient sales (~9% of the hospital sales) were up 12% YoY. EBITDA per bed was down 1% YoY to INR 7.3mn. Pre-tax RoCE was 21%.
- Con call takeaways:** Q4FY26 revenue/EBITDA were largely impacted by ~INR 2 bn impact from discontinuation of patented chemo drugs which flows to EBITDA as well; the company make ~16% margin on this drug. This affects OBD by ~6% as these patients tend to have a surgical procedure. In Q4FY26, insurance share has normalized to ~35%. Bed addition brownfield: (1) **Mohali (160 beds):** completely operational (vs 53 beds in Q3FY26), (2) **Nanavati (280 beds):** 116 beds operationalized (vs 63 beds); balance beds to be commissioned H2FY27; phase II expansion to commence construction in Jul-26 end. (3) **Max Smart (400 beds):** operational bed count at 156 in Apr-26 and balance beds to commission in Q2FY27. (4) **Gurgaon:** plans to add ~10% capacity in FY27 end. As of Mar-26, net debt was INR 19.08bn. ALOS was temporarily higher by 9% YoY, reflecting the impact of significant capacity augmentation in Q4FY26. Institutional patient bed share stood at 35.5% in Q4FY26 (33.2% in Q4FY25 and 35.8% in Q3FY26).

Quarterly financial summary

(INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Net Revenue	25,410	23,260	9	24,840	2	68,150	86,210	100,280	123,558	145,757
EBITDA	6,980	6,130	14	6,330	10	18,060	21,940	25,630	33,006	38,842
APAT	3,710	3,950	(6)	4,150	(11)	13,460	14,700	15,806	20,554	24,881
EPS (INR)	3.8	4.1	(6)	4.3	(11)	13.8	15.1	16.2	21.1	25.6
P/E (x)						74.0	67.7	63.0	48.4	40.0
EV/EBITDA (x)						55.2	46.3	39.8	30.9	26.0
RoCE (%)						16	15	14	16	17

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

ADD

CMP (as on 22 May 2026)	INR 1,023
Target Price	INR 1,140
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 1170	INR 1140
EBITDA %	FY27E (2.8)	FY28E (2.2)

KEY STOCK DATA

Bloomberg code	MAXHEALT IN
No. of Shares (mn)	973
MCap (INR bn) / (\$ mn)	996/10,406
6m avg traded value (INR mn)	3,007
52 Week high / low	INR 1,314/903

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(5.9)	(13.4)	(10.9)
Relative (%)	3.0	(1.8)	(4.0)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	23.72	23.71
FIs & Local MFs	21.2	26.32
FPIs	50.55	45.39
Public & Others	4.53	4.58
Pledged Shares	-	-

Source: BSE

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Aurobindo Pharma

Muted Q4; US recovery, margin improvement key

EBITDA declined 5% YoY, which was in line of our/consensus estimates, as sales increased 6% YoY (US -8 QoQ; EU up 30% YoY) and GM improved by 154bps YoY, though this was offset by a 18/21% YoY rise in staff costs/SG&A. Excluding gRevlimid, sales grew 9.5% YoY in FY26 and 15.3% YoY in Q4. ARBP indicates (1) base business in the US will sustain momentum in the coming years by sustaining quarter sales run rate at ~USD 400mn, with steady US OSD business (at USD 1bn) through new launches, improvements in injectables, and normalization of Eugia-3 plant supplies; its mid-term aspiration is to reach USD 2bn on sales (including Lanette), (2) strong growth in the EU, led by geographical/product expansion and support from scale-up in China plant, with improved EBITDA (at ~20% and to inch-up in FY27/28E); (3) ramp-up in its Pen-G/ 6-APA plant helped to improve supply chain efficiencies – the company targets 10k MT in FY27 to support the margin (captive) and external sales (from 6-APA; support from MIP); (4) to sustain EBITDA margins at ~21% in FY27, with operating leverage and backward integration supporting margins in subsequent years; (5) scaling up the biosimilar business, with four launches in the EU and stronger traction expected from FY27 and inflection point in FY29 (meaningful contribution); (6) Lannett acquisition will complement the US OSD business growth; we have not factored in our estimated as transaction is expected to complete in the near term; and (7) CDMO business: Unit 1 with capacity of ~60KL to be commissioned by FY27-end; validation batches will be in CY27 and it expects stock-piling in CY28; additionally, greenfield plant to be commissioned in CY29 and commercial supplies from CY31. Factoring in the FY27 outlook, M&As, and buy back, we have raised FY27/28E EPS by 3/5% and revised the TP to INR 1,570 (18x FY28E). ADD stays, led by improvements in the US base business, steady EU growth, ramp-up in Pen-G/ China/US plants, and biosimilar scale-up, all likely to drive steady mid-to-long-term growth.

- Q4 highlights:** Sales grew 6% YoY to INR 88.5bn as the US (40% of sales), declined 8% QoQ to USD 387mn (-18% YoY); EU sales (32%) grew 30% YoY, RoW (10%) grew 24% YoY, ARV sales (4%) grew 6% YoY, and API (14%) was up 13% YoY. Higher GM of 61.3% (+154 bps YoY), higher staff/SG&A (+18/21%), and lower R&D (-5%) led to an EBITDA of INR 18bn (-5% YoY) and margin of 20.3% (-229 bps). Lower other income (-5%) and interest (-15%) and higher depreciation (+8%) resulted in a PAT[^] of INR 9.55bn (-1% YoY).
- Con call takeaways: Biosimilars:** (1) Omalizumab: Successfully met all primary endpoints (for chronic spontaneous urticaria) enabling planned EMA and USFDA filings by the end of Q2FY26. (2) Denosuma: filing as planned by Q2FY26, with EMA followed by filing with the USFDA. (3) Bevacizumab filed with EMA and to file with USFDA in the near term.

Quarterly financial summary

(INR mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Revenue	88,533	83,821	6	86,459	2	290,019	317,237	336,531	383,064	413,882
EBITDA	18,009	18,969	-5	17,733	2	58,430	67,331	68,659	80,443	88,571
APAT	9,556	9,666	-1	9,319	3	32,837	35,558	35,564	43,991	50,197
EPS (INR)	16.5	16.6	-1	16.0	3	56.5	61.2	61.2	76.5	87.2
P/E (x)						25.9	23.9	23.9	19.2	16.8
EV/EBITDA (x)						14.6	12.6	12.0	9.9	8.6
RoCE (%)						14	14	13	14	15

Source: Company, HSIE Research, ^Adjusted for forex loss of INR 482 mn

ADD

CMP (as on 22 May 2026)	INR 1,465
Target Price	INR 1,570
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 1280	INR 1570
	FY27E	FY28E
EPS %	2.9	5.3

KEY STOCK DATA

Bloomberg code	ARBP IN
No. of Shares (mn)	581
MCap (INR bn) / (\$ mn)	850/8,882
6m avg traded value (INR mn)	1,834
52 Week high / low	INR 1,550/1,016

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	26.3	21.4	23.2
Relative (%)	35.2	32.9	30.0

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	51.82	51.82
FIs & Local MFs	27.66	25.82
FPIs	13.95	15.24
Public & Others	6.57	7.12
Pledged Shares	17.5	23.6

Source: BSE

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Prestige Estates

Closing the year on a high; launches key monitorable

Prestige Estates (PEPL) registered quarterly presales; by value INR 76.9bn presales (+10.6%/+84.0% YoY/QoQ) and by volume at 5.3msf (+18.9%/+78.6% YoY/QoQ). For FY27, PEPL has guided for 15-20% growth in presales and collections, backed by a INR 580bn launch pipeline across 24 projects, while maintaining a conservative stance despite visible upside potential. In Q4FY26, PEPL added a GDV of INR 108.5bn, taking the FY26 new BD GDV to INR 514bn across Bengaluru, Hyderabad, Mumbai, and Chennai, which marks its full-year BD guidance. The massive step-up in commercial exit rentals between FY27 (INR 10,374 mn) and FY28 (INR 34bn) is largely attributable to the commissioning of Prestige 101 BKC (X & Y blocks, combined ~4.77 msf PEPL share) in FY28, which alone would represent the single largest addition to the commercial annuity portfolio. We believe PEPL has superior growth prospects for the residential portfolio and multi-fold annuity growth; hence, we maintain BUY, with TP of INR 1,775/sh.

- Q4FY26 financial highlights:** Reported revenue was INR 40.7bn (+166.5%/+5.2% YoY/QoQ, beat by 15.6%). EBITDA was INR 10.4bn (+93.2%/+21.6% YoY/QoQ, a 10.8% miss). EBITDA margin was 25.7% (-974/+346bps YoY/QoQ, vs. our estimate of 33.2%). APAT was INR 2.9bn (+10.6x/+19.2% YoY/QoQ, a miss by 18.5%), margins were impacted by legacy projects being executed. Total collections stood at INR 52.3bn (+65.8/+15.0% YoY/QoQ).
- Strong presales on the back of new project launches:** Q4FY26 reported INR 76.9bn presales (+10.6%/+84.0% YoY/QoQ) with volume at 5.3msf (+18.9%/+78.6% YoY/QoQ). On a blended basis, realizations stood at INR 14,414psf (-7.0%/+3% YoY/QoQ). For FY27 launches, PEPL outlined a total planned launch GDV of INR 580bn across 24 projects spanning Hyderabad, Bengaluru, Mumbai, Chennai, NCR and Goa. Prestige Golden Grove in Hyderabad at an INR 95bn is already launched. Near-term Q1FY27 launches are expected to include Gardenia Phase 2 (Bengaluru), Palm Courts (Chennai), and Forest Hills Phase 2 (Mumbai), together contributing ~INR 50bn in GDV.
- Stable balance sheet position with debt under control:** Net debt increased to INR 109bn (+INR 22.3bn QoQ), from INR 87.7bn in Dec-25. Net D/E is at 0.65x (0.53x in Dec-25). The increase in debt is attributable to rise in land capex for its ongoing projects. PEPL need to incur a capex of ~INR 102/48bn on the ongoing and upcoming commercial and retail segments.

Consolidated Financial Summary

(INR in mn)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Net Sales	40,738	15,284	166.5	38,726	5.2	73,494	1,26,854	1,44,847	1,74,329
EBITDA	10,455	5,411	93.2	8,600	21.6	25,588	37,091	46,408	61,746
APAT	2,918	250	1,067.2	2,447	19.2	4,675	11,955	17,272	26,598
EPS (INR)	6.8	0.6	1,067.2	5.7	19.2	10.9	27.8	40.1	61.8
P/E (x)						139.5	54.5	37.8	24.5
EV/EBITDA (x)						28.7	19.9	16.3	11.2
RoE (%)						3.5	7.5	10.0	13.7

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E		
	New	Old	Chg (%)	New	Old	Chg (%)
Revenues	1,44,847	1,35,281	7.1	1,74,329	1,57,598	10.6
EBITDA	46,408	44,260	4.9	61,746	55,077	12.1
EBITDA (%)	32.0	32.7	(68)	35.4	34.9	47
APAT	17,272	15,278	13.1	26,598	21,159	25.7

Source: Company, HSIE Research

BUY

CMP (as on 22 May 2026) INR 1,389

Target Price INR 1,775

NIFTY 23,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1,775	INR 1,775
EPS Change %	FY27E 13.1	FY28E 25.7

KEY STOCK DATA

Bloomberg code	PEPL IN
No. of Shares (mn)	431
MCap (INR bn) / (\$ mn)	598/6,249
6m avg traded value (INR mn)	1,215
52 Week high / low	INR 1,814/1,090

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(6.6)	(17.8)	(2.2)
Relative (%)	2.3	(6.2)	4.6

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	60.95	60.95
FIs & Local MFs	15.72	14.2
FPIs	20.96	22.60
Public & Others	2.37	2.26
Pledged Shares	-	-

Source: BSE

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The Ramco Cements

Subdued performance continues

We retain SELL on The Ramco Cements (TRCL) with a lower TP of INR 830/share (12x FY28E consolidated EBITDA). In Q4FY26, TRCL reported subdued ~5% YoY. Unit EBITDA too remained weak at INR 667/MT (+64/58 per MT YoY/QoQ). The slow pace of capex and continued non-core asset monetization (INR 11bn in FY25-26) aided reduction of net debt to EBITDA ratio to 2.54x in Mar-26 (vs 3.6x YoY). We expect consolidated volume/EBITDA to grow at 7/14% CAGR over FY26-28E and expect capex to accelerate FY28E onwards as TRCL focusses on greenfield expansion in Karnataka.

- Q4FY26 performance:** TRCL's reported EBITDA came 12/12% below ours and consensus estimates. Sales volume grew 5/21% YoY to 5.55mn MT. Cement sales in South/ East grew 4/4% YoY while construction chemical continues to grow at fast pace. Trade share stood at 67% vs 65/67% YoY/QoQ. Premium cement sales share stood at 26% vs 26/28% YoY/QoQ. NSR grew 2% QoQ on pricing uptick mainly in non-trade. Unit opex rose 1% QoQ on higher freight cost impact was moderated by op-lev gain. Fuel cost rate increased to 1.62/mnCal vs INR 1.57/mnCal QoQ. Thus, unit EBITDA recovered by INR 58/MT QoQ to INR 667/MT. The company spent INR 1.74bn in Q4FY27.
- FY26 performance:** Total sales volume grew 2% YoY to 18.79mn MT on rising sale of construction chemicals while cement sales remained flat. NSR rose 4% YoY, which more than offset 3% opex increase leading to unit EBITDA rise by INR 98/MT YoY to INR 764/MT. Consolidated EBITDA grew by 17% YoY to INR 14bn. OCF rose 15% YoY to INR 16bn, supported by working capital reduction. TRCL spent INR 9.97bn in capex. It also monetized ~INR 6.4bn worth non-core assets. Thus, net debt reduced to INR 36bn vs INR 44bn YoY.
- Other updates and outlook:** TRCL guided for lower capex INR 8bn capex outgo in FY27, mainly towards ongoing expansions in south and 15MW WHRS, leading to cement capacity of 31mn MT by Mar-27. The company aims for 31mn MT including debottlenecking of existing IU and 3mn MT brownfield expansion at Kolimigundla during FY27. It would also monetize INR 1.5bn worth non-core assets in FY27. The progress on greenfield expansion in Karnataka remains slow. Factoring in continued disappointing performance, and elevated opex pressure in FY27. we cut our FY27/28E EBITDA estimates by 9/5% and model in consolidated volume/EBITDA CAGRs of 7/14% respectively for FY26-28E. We expect capex outgo to shoot up FY28E onward as TRCL focusses on greenfield expansion in Karnataka. We estimate net debt to EBITDA will further reduce to 2x in Mar'28E, from 2.5x in Mar-26.

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)	5.55	5.29	5.0	4.59	21.1	18.40	18.50	18.79	19.73	21.70
NSR (INR/MT)	4,701	4,533	3.7	4,591	2.4	5,095	4,605	4,806	4,950	5,034
EBITDA(INR/MT)	667	604	10.6	610	9.4	850	666	764	720	859
Net Sales	26.10	23.97	8.9	21.06	24.0	93.76	85.18	90.29	97.65	109.24
EBITDA	3.71	3.19	16.1	2.80	32.5	15.65	12.33	14.36	14.20	18.63
APAT	0.88	0.17	432.4	(0.70)		3.60	0.73	1.81	2.35	5.87
AEPS (INR)	3.7	0.7	432.4	(3.0)		15.2	3.1	7.6	9.9	24.8
EV/EBITDA (x)						15.6	19.5	19.4	17.7	13.2
EV/MT (INR bn)						10.5	9.8	10.2	8.1	7.9
P/E (x)						56.4	277.2	136.7	91.9	36.8
RoE (%)						5.1	1.0	2.3	2.9	6.9

Source: Company, HSIE Research

SELL

CMP (as on 22 May 2026)	INR 913
Target Price	INR 830
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	SELL	SELL
Price Target	INR 870	INR 830
EBITDA revision %	FY27E (9.4)	FY28E (4.8)

KEY STOCK DATA

Bloomberg code	TRCL IN
No. of Shares (mn)	236
MCap (INR bn) / (\$ mn)	216/2,258
6m avg traded value (INR mn)	303
52 Week high / low	INR 1,215/860

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(17.9)	(9.5)	(7.4)
Relative (%)	(8.9)	2.0	(0.6)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	42.55	42.55
FIs & Local MFs	28.15	28.92
FPIs	7.98	8.04
Public & Others	21.32	20.49
Pledged Shares	3.42	3.43

Source : BSE

Pledged shares as % of total shares

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TTK Prestige

Double-digit growth momentum continues

TTK Prestige's (TTKPT) revenue grew by 12% YoY to INR 7.3bn, primarily led by strong performance in appliances, which grew 20% YoY (45% revenue mix). Appliances delivered strong performance, driven by a shift toward induction and electric cooking appliances amid LPG supply constraints. Cookers and cookware registered 7% and 5% YoY growth (28% and 15% revenue mix). EBITDAM expanded 130bps YoY to 9.2% leading EBITDA/APAT growth of 30/27% YoY. Management highlighted that rising commodity prices remain a key headwind, although calibrated price hikes have been undertaken to mitigate the impact. It also noted that the strong momentum seen in Q4FY26 has continued into the current year. The company aims to maintain growth while keeping margins stable. Factoring in the Q4 performance, we broadly maintain our revenue estimates. However, considering commodity inflation, we cut our APAT estimates by 5-6% for FY27/28E. We maintain REDUCE with a lower TP of INR 540/sh by valuing the company at 30x Mar-28 EPS.

- Q4FY26 highlights:** Revenue grew by 12% YoY (2-year CAGR: +8%) to INR 7.3bn, primarily led by strong performance in appliances, which grew 20% YoY (45% revenue mix). Appliances delivered strong Q4 performance, driven by a shift toward induction and electric cooking appliances amid LPG supply issues. Cookers and cookware registered 7% and 5% YoY growth (28% and 15% revenue mix). Other segment grew 15% YoY. Horwood UK subsidiary grew 7% YoY, while Ultrafresh registered 4% YoY growth. Gross margins rose by 290bps YoY to 44.6% (+200bps QoQ). EBITDAM expanded 130bps YoY to 9.2% (+20bps QoQ) owing to increased gross margins. Employee cost and other expenses surged 10% and 21% YoY. Consequently, EBITDA grew 30% YoY. The company has incurred higher operational expense of 3.3% of sales for business excellence, amounting to INR 242mn, in Q4 (PY: INR 164mn, 2.5% of sales). Adjusting for this spends, other expenses growth was 18% YoY. APAT grew 27%, driven by EBITDA growth, partially offset by higher depreciation and tax rate.
- Con call takeaways and outlook:** Management highlighted that rising commodity prices remain a key headwind, although calibrated price hikes have been undertaken to mitigate the impact. It also noted that the strong momentum seen in Q4FY26 has continued into the current year, and with a sustained focus on efficiency, innovation, and disciplined execution, the company aims to maintain growth while keeping margins stable. Factoring in the Q4 performance, we broadly maintain our revenue estimates. However, considering commodity inflation, we cut our APAT estimates by 5-6% for FY27/28E. We maintain REDUCE with a lower TP of INR 540/sh by valuing the company at 30x Mar-28 EPS.

Financial summary

(INR mn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Net Sales	7,292	6,496	12.3	8,014	(9.0)	26,781	27,148	29,736	32,423	35,349
EBITDA	669	514	30.4	719	(6.9)	3,037	2,577	2,757	3,113	3,712
APAT	391	308	27.2	584	(33.0)	2,285	1,839	1,884	2,068	2,462
EPS (INR)	2.9	2.2	27.2	4.3	(33.0)	16.5	13.4	13.8	15.1	18.0
P/E (x)						32.5	39.9	38.9	35.5	29.8
EV / EBITDA (x)						21.3	25.5	23.7	20.8	17.3
RoE (%)						11.3	9.3	9.8	10.2	11.5

Source: Company, HSIE Research

REDUCE

CMP (as on 22 May 2026)	INR 536
Target Price	INR 540
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 570	INR 540
	FY27E	FY28E
EPS %	-6.1	-5.3

KEY STOCK DATA

Bloomberg code	TTKPT IN
No. of Shares (mn)	137
MCap (INR bn) / (\$ mn)	73/767
6m avg traded value (INR mn)	177
52 Week high / low	INR 773/423

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	0.3	(18.8)	(22.2)
Relative (%)	9.2	(7.2)	(15.4)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	70.52	70.52
FIs & Local MFs	15.15	14.48
FPIs	7.71	7.84
Public & Others	6.62	7.15
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Ashoka Buildcon

Muted execution; power T&D EPC to drive growth

Ashoka Buildcon's (ASBL) standalone revenue/EBITDA/APAT came in at INR 17.7/1.2/0.6bn, a miss of 16.9/35.7/32.8% vs. our estimates on account of muted execution. ASBL guides for 20% revenue growth and 9.5-10.5% EBITDA margin in FY27. The OB as of Mar'26 stood at INR 153bn (~2.63x FY26 revenue). Further, ASBL guided OI of INR 80-100bn for FY27 (earlier: INR 110-120bn), with a bid pipeline of INR 400bn. Business-wise, the revenue is well-diversified with HAM (roads)/EPC (roads)/power T&D/railways and others comprising 10/50/18/8/10% respectively. Additionally, ASBL has already invested INR 6.1bn in the current HAM portfolio; the balance equity requirement in its existing NHAI HAM assets is INR 3.25bn as of Mar'26 (INR 1,750/750/750mn to be invested by FY27/28/29). Given the diversification to power T&D, improved balance sheet on the back of deleveraging through HAM monetization (10 assets in FY26), and stable OB, we maintain BUY with a reduced TP of INR 183/sh (11x Mar-28E EPS). We have cut estimates to factor in the ordering delay and margins.

- Q4FY26 financial highlights:** Revenue: INR 17.7bn (-10.3/+21.1% YoY/QoQ, a miss by 16.9%). EBITDA: INR 1.2bn (-15.2/-5.5% YoY/QoQ, a 35.7% miss). EBITDA margin: 6.9% (-39/-193bps YoY/QoQ, vs. our estimate of 8.9%). APAT: INR 564mn (-5.3/-9.4% YoY/QoQ, a miss of 32.8%).
- Robust order pipeline provides revenue visibility:** ASBL's OI in FY26 stood at INR66bn. Segment-wise, the OB is spread across road (EPC)/road (HAM)/building EPC/railways/power T&D at 46.3/10.6/3.7/9.3/30.2%. Region-wise, OB is spread across at 0.5/6.9/12.2/67.3/3.7/0.1/9.3% for North/South/East/West/Central/ Northeast and Overseas. Client-wise, Central/State/HAM/Private and overseas contributed 13.2/63.2/10.6/3.7/9.3% to the OB. The standalone gross debt and D/E as of Mar'26 stood at INR 11.3bn (Dec'25/Sep'25: 10.5/13.6bn) and 0.49x (Dec/Sep'25: 0.56x) respectively.
- Asset monetization:** The BOT portfolio (Ashoka Highways - Bhandara, Ashoka Highways - Durg, Ashoka Belgaum Dharwad Tollway, Ashoka Sambalpur Baragarh Tollway, and Ashoka Dhankuni Kharagpur Tollway) and HAM portfolio (Kharar-Ludhiana, Ranastalam-Anandpuram, Ankleshwar-Manubar Expressway, and Khairatunda-Barwa Adda Road), comprising five assets each were monetized by ASBL in FY26. The balance six HAM assets in its portfolio (one HAM FC pending) are expected to be monetized in 4/2 asset format yielding INR 7.2/4bn by Jun'26/Dec'26 (earlier Mar'26/Jun'26; postponement due to delay in receipt of PCOD from NHAI) respectively, as guided by management.

Standalone Financial Summary (INR mn)

Particulars	4Q		YoY (%)	3Q		FY25		FY28E	
	FY26	FY25		FY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Revenue	17,719	19,748	(10.3)	14,630	21.1	70,614	58,117	63,928	73,517
EBITDA	1,215	1,432	(15.2)	1,286	(5.5)	5,469	4,956	6,073	7,352
APAT	564	596	(5.3)	623	(9.4)	1,969	1,966	2,009	3,245
Diluted EPS (INR)	2.0	2.1	(5.3)	2.2	(9.4)	7.0	7.0	7.2	11.6
P/E (x)						17.5	17.6	17.2	10.6
EV / EBITDA (x)						9.8	10.2	5.7	4.9
RoE (%)						5.0	4.7	4.5	6.9

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E		
	New	Old	% Change	New	Old	% Change
Revenue	63,928	70,983	(9.9)	73,517	81,630	(9.9)
EBITDA	6,073	6,743	(9.9)	7,352	8,081	(9.0)
EBITDA (%)	9.5	9.5	-	10.0	9.9	10.0
APAT	2,009	2,243	(10.5)	3,245	3,524	(7.9)

Source: HSIE Research

BUY

CMP (as on 22 May 2026) INR 123

Target Price INR 183

NIFTY 23,719

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target (INR)	INR 233	INR 183
EPS Change (%)	FY27E	FY28E
	-10.5	-7.5

KEY STOCK DATA

Bloomberg code	ASBL IN
No. of Shares (mn)	281
MCap (INR bn) / (\$ mn)	35/362
6m avg traded value (INR mn)	193
52 Week high / low	INR 231/101

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(13.6)	(30.9)	(39.2)
Relative (%)	(4.7)	(19.3)	(32.3)

SHAREHOLDING PATTERN (%)

	Dec-25	May-26
Promoters	54.47	54.47
FIs & Local MFs	14.45	14.39
FPIs	7.46	5.90
Public & Others	23.62	25.22
Pledged Shares	-	-

Source: BSE

Pledge shares as a % of total shares

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Repc Home Finance

Disbursements growth yet to translate into strong loan growth

REPCO's Q4FY26 earnings were ahead of our estimates, largely due to muted credit costs (-29bps) and lower tax rate. Disbursements continued to grow at a strong pace for fourth consecutive quarter (+22% YoY; 26% YoY for FY26), with ~21% growth guidance for FY27 by management. New initiatives such as customer sourcing diversification, revamped employee incentives and tech transformation have aided disbursements growth, which had remained subdued in the past. However, AUM growth continues to be sub-10% due to higher run-off rates and remains a key monitorable for meaningful re-rating. We revise our FY27E/FY28E earnings estimates to factor in lower credit costs offset by lower other income; maintain ADD with a revised RI-based TP of INR580 (implying 0.8x Mar-28 ABVPS).

- **Lower tax rate offsets muted P&L outcomes:** NIM declined by 10bps QoQ to 5.5%, driven by 30bps QoQ compression in yields, partly offset by 10bps reduction in cost of funds. Opex ratios were elevated at 1.8% of AUM (C/I at 34%) due to impact of new labour codes, increased CSR expenditure and investments in distribution. Reversal of DTL on special reserve led to lower tax rate (~13%) in Q4. Subsequently, profitability improved sequentially, with RoA/RoE at 3.4%/14.9% respectively.
- **Steadily improving asset quality:** GS-III/NS-III improved sequentially to 2.6%/1.2% (Q3FY26: 2.9%/1.4%), with GS-II at 7%. Credit costs remained negative at -29bps, driven by NPA recoveries during the quarter. Strong collections and recovery efforts is likely to drive further improvement in GS-II to ~5% by Mar-27, as per management.
- **Healthy uptick in loan growth key for re-rating:** REPCO's disbursements have witnessed strong traction in FY26 (+26% YoY) driven by multiple initiatives during FY25-FY26. However, high run-off rates due to elevated competitive intensity from PSBs, organic prepayments/foreclosures have led to muted AUM growth (9.6% YoY). While management has indicated AUM of INR 250bn by FY29 (~16% CAGR), uptick in loan growth amidst elevated competitive intensity and moderate housing demand remain the key monitorable. Further, profitability is likely to remain under pressure amidst credit costs normalization, higher opex structure and NIMs moderation in order to sustain the strong disbursement growth.

Financial summary

Y/E Mar (INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY27E	FY28E
NII	2.0	1.7	15.5	2.0	0.5	7.7	8.4	9.4
PPOP	1.4	1.3	4.7	1.3	2.7	5.5	6.3	7.1
PAT	1.3	1.1	11.3	1.1	17.5	4.5	4.5	5.0
EPS (INR)	20.6	18.4	12.4	17.4	18.7	72.4	72.0	80.6
ROAE (%)						12.5	11.0	11.1
ROAA (%)						2.9	2.6	2.6
ABVPS (INR)						595	658	729
P/ABV (x)						0.7	0.6	0.5
P/E (x)						5.4	5.4	4.8

Change in estimates

INR bn	FY27E			FY28E		
	Old	New	Old	New	Old	New
AUM	181	179	-0.9%	207	204	-1.2%
NIM (%)	4.7	4.8	12 bps	4.7	4.8	8 bps
NII	8.3	8.4	1.4%	9.4	9.4	0.3%
PPOP	6.3	6.3	-0.8%	7.3	7.1	-2.6%
PAT	4.4	4.5	2.0%	5.0	5.0	0.2%
ABVPS (INR)	624	658	5.4%	695	729	4.8%

Source: Company, HSIE Research

ADD

CMP (as on 22 May 2026)	INR 389
Target Price	INR 580
NIFTY	23,719

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 571	INR 580
EPS %	FY27E	FY28E
	2.0%	0.2%

KEY STOCK DATA

Bloomberg code	REPCO IN
No. of Shares (mn)	63
MCap (INR bn) / (\$ mn)	24/254
6m avg traded value (INR mn)	55
52 Week high / low	INR 464/334

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(0.5)	(5.6)	(2.9)
Relative (%)	8.4	5.9	3.9

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	37.1	37.1
FIs & Local MFs	23.8	24.3
FPIs	12.7	13.4
Public & Others	26.4	25.2

Pledged Shares 0.0 0.0

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
Mehul Sheth	Sun Pharmaceutical Industries, Max Healthcare Institute, Aurobindo Pharma	MBA	NO
Keshav Lahoti	LG Electronics India, The Ramco Cements, TTK Prestige	CA, CFA	NO
Rajesh Ravi	LG Electronics India, The Ramco Cements, TTK Prestige	MBA	NO
Mahesh Nagda	LG Electronics India, The Ramco Cements, TTK Prestige	CA	NO
Riddhi Shah	LG Electronics India, The Ramco Cements, TTK Prestige	MBA	NO
Parikshit Kandpal	Prestige Estates, Ashoka Buildcon	CFA	NO
Aditya Sahu	Prestige Estates, Ashoka Buildcon	MBA	NO
Jay Shah	Prestige Estates, Ashoka Buildcon	CA	NO
Deepak Shinde	Repco Home Finance	PGDM	NO
Krishnan ASV	Repco Home Finance	PGDM	NO
Ayush Pandit	Repco Home Finance	CA	NO

Price movement



Disclosure:

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