INSTITUTIONAL RESEARCH

HSIE Results Daily

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Results Reviews

- **Tata Steel:** We maintain BUY on Tata Steel with an unchanged TP of INR 250/share (7.5x its FY28E consolidated EBITDA). In Q1FY27, Tata Steel's consolidated margin further expanded to a 16-quarter high (INR 11.3k/MT, +1.5k QoQ), driven by robust pricing gains, which more than offset cost increase (fuel, maintenance shutdowns, operational snags, and op-lev loss). Domestic sales remained strong: +9% YoY which offset 11% fall in the EU region. Within India, Tata recorded 30/20/15% YoY volume growth across retail/autos/energy & engineering segments. While steel prices have corrected in Q2, management remained confident of higher EBITDA QoQ, led by production ramp-up and cost stabilization. Further, the cost takeouts are expected to accelerate in H2FY27E.
- **Divis Laboratories:** EBITDA (+73% YoY) was ahead our/consensus estimates, as strong sales growth of 28% YoY (CS grew 45% YoY, generic API +6% and Nutraceutical +19%) and higher gross margin (+766 bps YoY) of 68% were partly offset by higher costs. This led to +11 pp YoY expansion in EBITDA margin at 41%. Divi's expects to sustain double-digit revenue growth, GM to normalize (will not sustain at 68%), and higher EBITDA margin in FY27. Its three-capex programs (combined capex of INR 20bn) are nearing completion and validation is ongoing; commercialization visibility is over FY27/28. Peptides to stay as a strategic area of investment; customer programs progressing across multiple stages of development; qualification and validation activities for several peptide fragments are expected to advance over the coming quarters, alongside capacity expansion in both solid-phase and liquid-phase peptide synthesis by adding few more 3KL SPPS capacities. Unit 3 (Kakinada) is effectively used for KSM (backward integration for Unit 1 and 2) and transfer of more KSMs is under progress, which will help in freeing up capacity at its cGMP approved Unit 1 and 2. It continues to see pricing pressure in generic API business, which it expects would be offset by volume growth; it expects to sustain base business growth and incremental growth from new launches. In contrast media business, the company is in process to sign long-term contracts with two of the customers for iodine-based contrast media (it will be long-term contracts), with expected scale-up in iodine-based products; it expects Gadolinium-based products that are in phase III to commercialize upon approval in the near term. We see strong sales growth visibility (20% CAGR over FY26–29E), with improved profitability (EBITDA/PAT CAGR ~26%), supported by multiple growth levers like GLP-1 supply opportunity, scale-up in contrast media, ramp-up at Kakinada plant, commercialization of capex plans, gradual pick-up in generic API, and steady nutraceutical business. Factoring strong beat in Q1, we have raised EBITDA by ~10/11% for FY27/28E; reiterate BUY with a TP of INR 9,230, based on 39x Q1FY29 EV/EBITDA (implying 56.5x PE).
- **Indian Oil Corporation:** We maintain BUY on India Oil Corporation (IOCL) with a price target of INR156. More than 24% refinery capacity addition, coupled with strong product cracks, will drive the company's growth in FY27 and FY28. The strong performance of refining business shall continue in FY27, owing to strong product cracks. Challenges in marketing division shall continue in near term for OMCs. We believe that the government will compensate OMCs for the LPG under-recovery. Due to a sharp rise in crude

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oil prices and suppressed marketing margins for petroleum products, EBITDA was down 84% YoY and 91% QoQ to INR20.15bn while the company has reported PAT loss of INR27bn.

- **Muthoot Finance:** Muthoot Finance (MUTHOOT) reported significant deceleration in earnings (-17% QoQ), driven primarily by sharp yields compression (-283 bps QoQ) post strong operating performance in FY26. AUM growth (+43% YoY; 6% QoQ) remained strong despite moderation from peak in Q3FY26, with improving customer acquisition, uptick in tonnage and higher LTV. Opex ratios remain best-in-class (opex to AUM at 2.3%), driven by superior productivity metrics, driving strong profitability (RoA/RoE of 5.5%/27%) despite pressure on NIMs. As highlighted in our Sector Thematic, rising competitive intensity, coupled with consolidation in gold prices, is likely to drive moderation in loan growth and pressure on yields. Further, MUTHOOT's near-complete dependence on GL exposes it to vagaries of gold cycle with expected moderation in loan growth over FY27-FY28E. We maintain ADD with an unchanged SoTP-based TP of INR 3,020 (standalone entity at implied 2.2x Mar-28 ABVPS).
- **Aditya Birla Capital:** ABCAP reported strong headline growth across lending (NBFC AUM up by 28% YoY; HFC AUM up by 50% YoY) and non-lending businesses (ABSLI individual FYP up by 20% YoY; ABHI GWP up by 50% YoY) except ABSLAMC (MF QAAUM up by 6% YoY). NBFC business reported steady P&L outcomes, with health uptick in retail/MSME unsecured segments (+46% YoY). ABHFL has indicated strong AUM growth aspiration (INR 1trn by FY28E) post equity infusion, although reflation in subdued RoE (~12%) remains a key monitorable. ABSLI reported strong VNB margin, driven by a favorable product mix, while ABHI's CoR continues to remain elevated (106% under IND AS). We maintain ADD with a revised SOTP-based TP of INR390 (standalone entity at 2.3x Mar-28 ABVPS; ABSLI at 1.5x Mar-28 IEV; ABHFL at 1.8x Mar-28 ABVPS).
- **Shree Cement:** We maintain ADD on Shree Cement (SRCM) with an unchanged target price of INR 27,000/share (SOTP: 16.5x FY28E standalone EBITDA, UAE subsidiary at 2x BV). In Q1FY27, SRCM's India sales remained strong, up to +17% YoY, led by sharp 54% growth in non-trade. Trade sales/blended cement production share fell to multi-quarter lows of 62/60%. While cement NSR rose 4% QoQ, higher fuel/packaging costs pulled unit EBITDA by INR 137/MT QoQ to INR 1,024/MT. Consolidated volume rose 15% YoY and unit EBITDA contracted INR 227/49 per MT YoY/QoQ to INR 1,111/MT. We estimate SRCM will deliver 9/9% standalone volume/EBITDA CAGRs during FY26-28E.
- **Dixon Technologies:** Dixon reported revenue growth of 21% YoY to INR155bn. Gross margins declined sharply by 170bps YoY to 5.8%, while EBITDAM declined 80/90bps YoY/QoQ to 4%, impacted by discontinuance of PLI 1.0 scheme. Adjusted for the gain on investment in Aditya InfoTech, APAT declined 3% YoY. Q2 volumes are guided to be ~9mn units, supported by projected QoQ revenue growth of 20–25%. As per company, mobile volumes for FY27 (ex VIVO) are expected to remain flat at ~33mn units. The JV with Vivo is expected to become operational from Q3FY27. Ongoing backward-integration initiatives, commencement of display manufacturing from Q4FY27, capacity expansion in camera modules, and scaling up manufacturing of IT-hardware components such as SSDs should support future growth. Given higher smartphone ASPs and potential benefit from PLI-2 scheme announced recently, we raise our revenue estimates by 12/8/7% and APAT estimates by 1/6/4% for FY27/28/29E. We maintain REDUCE, with a revised target price of INR 12,660/share, based on DCF valuation (WACC: 12%, terminal growth: 5%), implying ~47x P/E on Sep-28E EPS.

- **Aptus Value Housing Finance India:** APTUS reported a mixed set of results with uptick in disbursements growth (+36% YoY) offset by higher delinquencies (credit costs at 69bps). Disbursements witnessed strong momentum in Q1 (+35.9% YoY), although sustainability remains a key monitorable. APTUS continues to take multiple strategic initiatives to drive loan growth including customer diversification (floor of INR 0.7mn ticket size) and geographical diversification (6% of branches in non-core states). Further, APTUS is looking to launch a new loan product in the NBFC subsidiary, while LIG, self-employed, and rural-based customers remain the core customer segment. However, sustainability of profitability metrics while scaling up in non-core geographies, customers, and products remains a key monitorable. We maintain ADD with an unchanged RI-based TP of INR305 (implying 2.3x Mar-28 ABVPS).
- **Clean Science and Technology:** We maintain REDUCE on Clean Science and Technology (CSTL) with a price target of INR 755, owing to (1) pricing pressure in the high-margin MEHQ value chain from Chinese competitors; (2) slower-than-expected ramp in performance chemical-1 plant; and (3) further delay in commissioning of performance chemical-2 plant. We expect revenue/EBITDA/APAT CAGR of 20/14/14% over FY26-FY29E and RoE to improve from 15.3% in FY26 to 15.9% in FY29. Stock is trading at 35.4/29.8/25.5x FY27/28/29E, which we believe is contextually high. Q1 EBITDA/APAT was 17/39% above our estimates, owing to lower-than-expected raw material cost and operating cost while higher than estimated other income.

Tata Steel

Margin expands further; strong outlook

BUY

We maintain BUY on Tata Steel with an unchanged TP of INR 250/share (7.5x its FY28E consolidated EBITDA). In Q1FY27, Tata Steel's consolidated margin further expanded to a 16-quarter high (INR 11.3k/MT, +1.5k QoQ), driven by robust pricing gains, which more than offset cost increase (fuel, maintenance shutdowns, operational snags, and op-lev loss). Domestic sales remained strong: +9% YoY which offset 11% fall in the EU region. Within India, Tata recorded 30/20/15% YoY volume growth across retail/autos/energy & engineering segments. While steel prices have corrected in Q2, management remained confident of higher EBITDA QoQ, led by production ramp-up and cost stabilization. Further, the cost takeouts are expected to accelerate in H2FY27E.

- **Q1FY27 performance**: Consolidated volume grew 2% YoY, led by 9% YoY growth in domestic sales, while Europe sales fell by 11% YoY. Tata's India sales volume to retail/autos/energy & engineering segments soared ~30/20/15% YoY, bolstering its volume growth. Domestic/blended NSR rose 15/15% QoQ on account of robust pricing mainly in flats. Opex too rose 16% QoQ on op-lev loss (-17% QoQ volume), higher coal costs, maintenance shutdowns, and operational snags (now resolved). This slowed margin expansion. Nonetheless, unit EBITDA expanded ~INR 1.5k/MT QoQ to INR 12.7k/MT (16-quarter high). India operations' margin expanded INR 3.3k/MT QoQ to a solid 19.2k/MT (multi-quarter high). Even its Thailand entity reported an EBITDA uptick. However, European entities reported EBITDA loss (INR 3.4bn), pulling down blended margin. Tata spent INR 36bn in capex toward ongoing expansions, which led to net debt increase by ~INR 40bn (5%) QoQ.
- **Con call KTAs and outlook**: Tata maintained its earlier guidance of ~6% consolidated sales volume growth in FY27, driven by full ramp-up of Kalinganagar plant and contribution from the EAF plant at Ludhiana. It expects its India NSR to fall by ~INR 1.5k/MT QoQ due to recent pullback in steel prices, coking coal to further rise by ~$5/10 per MT QoQ in India/Netherlands. Steel prices in the EU are expected to firm up benefiting from recent safeguard measures. Tata expects most of its targeted cost savings (INR 71bn in FY27) to accrue in H2FY27. The board approved the 4.8mn MT expansions at NINL (capex INR 338bn) to be commissioned by Q2FY31. Tata also noted it will continue to focus on cost optimization and value-added product offerings to offset potential margin impact beyond 2030, even if it has to let go some of its captive mines and resort to merchant iron ore. We maintain our EBITDA estimates for FY27/28E, target price and BUY rating.

Quarterly/annual financial summary (consolidated)

YE Mar	Q1 FY27	Q1 FY26	YoY (%)	Q4 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Sales (mn MT)	7.3	7.1	*2.1*	8.7	*(16.6)*	29.4	31.0	32.0	33.9	35.6
NSR (INR/MT)	83,624	74,688	*12.0*	72,557	*15.3*	77,976	70,589	72,612	75,516	75,516
EBITDA(INR/MT)	12,743	10,432	*22.2*	11,271	*13.1*	7,590	8,171	10,745	12,339	13,346
Net Sales	607.9	531.8	*14.3*	632.7	*(3.9)*	2,291.7	2,185.4	2,321.4	2,559.1	2,687.1
EBITDA	92.6	74.3	*24.7*	98.3	*(5.7)*	223.1	253.0	343.5	418.1	474.9
APAT	20.7	21.8	*(4.8)*	31.8	*(34.8)*	14.2	40.6	115.7	133.5	175.0
AEPS (INR)	1.7	1.7	*(4.8)*	2.5	*(34.8)*	1.1	3.3	9.3	10.7	14.0
EV/EBITDA (x)						12.2	10.8	8.2	7.1	5.9
P/E (x)						149.2	52.3	18.4	17.7	13.5
RoCE (%) pretax						*6.8*	*8.0*	*11.0*	*12.8*	*14.8*
RoE (%)						*1.4*	*4.4*	*11.9*	*12.4*	*14.9*

Source: Company, HSIE Research

CMP *(as on 31 Jul 2026)*	**INR 190**
Target Price	**INR 250**
NIFTY	**24,384**

KEY CHANGES	**OLD**	**NEW**
Rating	BUY	BUY
Price Target	INR 250	INR 250
EBITDA Change %	FY27E *0*	FY28E *0*

KEY STOCK DATA	
Bloomberg code	TATA IN
No. of Shares (mn)	12,484
MCap (INR bn) / ($ mn)	2,368/24,824
6m avg traded value (INR mn)	6,580
52 Week high / low	INR 224/153

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	(10.3)	(1.8)	20.1
Relative (%)	(11.8)	3.3	23.9

SHAREHOLDING PATTERN (%)	**Mar-26**	**Jun-26**
Promoters	33.19	32.94
FIs & Local MFs	26.67	26.44
FPIs	18.58	18.90
Public & Others	21.56	21.72
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Divis Laboratories

Strong Q1; growth to stay, margin to normalize

BUY

CMP *(as on 31 Jul 2026)*	INR 8,057
Target Price	INR 9,230
NIFTY	24,384

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 7870	INR 9230
EBITDA %	FY27E	FY28E
	10.3	11.4

KEY STOCK DATA	
Bloomberg code	DIVI IN
No. of Shares (mn)	265
MCap (INR bn) / ($ mn)	2,139/22,419
6m avg traded value (INR mn)	2,574
52 Week high / low	INR 8,090/5,637

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	23.9	33.1	22.1
Relative (%)	22.4	38.2	26.0

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	51.88	51.88
FIs & Local MFs	19.13	19.38
FPIs	20.29	20.20
Public & Others	8.70	8.54
Pledged Shares	-	-

Source: BSE

EBITDA (+73% YoY) was ahead our/consensus estimates, as strong sales growth of 28% YoY (CS grew 45% YoY, generic API +6% and Nutraceutical +19%) and higher gross margin (+766 bps YoY) of 68% were partly offset by higher costs. This led to +11 pp YoY expansion in EBITDA margin at 41%. Divi's expects to sustain double-digit revenue growth, GM to normalize (will not sustain at 68%), and higher EBITDA margin in FY27. Its three-capex programs (combined capex of INR 20bn) are nearing completion and validation is ongoing; commercialization visibility is over FY27/28. Peptides to stay as a strategic area of investment; customer programs progressing across multiple stages of development; qualification and validation activities for several peptide fragments are expected to advance over the coming quarters, alongside capacity expansion in both solid-phase and liquid-phase peptide synthesis by adding few more 3KL SPPS capacities. Unit 3 (Kakinada) is effectively used for KSM (backward integration for Unit 1 and 2) and transfer of more KSMs is under progress, which will help in freeing up capacity at its cGMP approved Unit 1 and 2. It continues to see pricing pressure in generic API business, which it expects would be offset by volume growth; it expects to sustain base business growth and incremental growth from new launches. In contrast media business, the company is in process to sign long-term contracts with two of the customers for iodine-based contrast media (it will be long-term contracts), with expected scale-up in iodine-based products; it expects Gadolinium-based products that are in phase III to commercialize upon approval in the near term. We see strong sales growth visibility (20% CAGR over FY26–29E), with improved profitability (EBITDA/PAT CAGR ~26%), supported by multiple growth levers like GLP-1 supply opportunity, scale-up in contrast media, ramp-up at Kakinada plant, commercialization of capex plans, gradual pick-up in generic API, and steady nutraceutical business. Factoring strong beat in Q1, we have raised EBITDA by ~10/11% for FY27/28E; reiterate BUY with a TP of INR 9,230, based on 39x Q1FY29 EV/EBITDA (implying 56.5x PE).

- **Q1 highlights:** Sales grew 28% YoY to INR 30.8bn. Custom synthesis (60% of sales) grew by 45% YoY to INR 18.48bn, generic API (30%) was up 6% YoY to INR 9.34bn, and nutraceutical (10%) grew 19% YoY to INR 2.98bn. Higher GM at 68% (+766 bps YoY) was partly offset by higher staff (+20%) and SG&A (+12%), leading to an EBITDA of INR 12.62bn (+73% YoY) and margin of 41% (+11 pp). Adjusted for one-offs, PAT^ was at INR 9.07bn (+76% YoY).
- **Con call takeaways:** In Q1FY27 – (1) cc terms growth was at 10%, (2) exports were 90% of sales (+31% YoY) and exports to the US/EU were 75% of sales (+33% YoY), (3) capitalized assets of INR 4.51bn, CWIP was at INR 20.34bn, cash/equivalent was INR 36.11bn, receivables were INR 30.56bn, and inventory was at INR 44.13bn.

Quarterly financial summary

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY28E
Net Revenue	30,800	24,100	28	28,310	9	93,600	105,600	128,819	155,132	181,766
EBITDA	12,620	7,290	73	9,340	35	29,680	34,410	47,148	58,174	68,707
APAT	9,074	5,160	76	6,808	33	21,549	24,642	33,378	41,292	48,920
EPS (INR)	34.2	19.4	76	25.6	33	81.2	92.8	125.7	155.6	184.3
P/E (x)						99.2	86.8	64.1	51.8	43.7
EV/EBITDA (x)						70.8	61.2	44.2	35.5	29.7
RoCE(%)						19	20	23	25	25

Source: Company, HSIE Research. ^Adjusted for forex loss of INR 70mn

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Indian Oil Corporation

Weak performance in marketing business

We maintain BUY on India Oil Corporation (IOCL) with a price target of INR156. More than 24% refinery capacity addition, coupled with strong product cracks, will drive the company's growth in FY27 and FY28. The strong performance of refining business shall continue in FY27, owing to strong product cracks. Challenges in marketing division shall continue in near term for OMCs. We believe that the government will compensate OMCs for the LPG under-recovery. Due to a sharp rise in crude oil prices and suppressed marketing margins for petroleum products, EBITDA was down 84% YoY and 91% QoQ to INR20.15bn while the company has reported PAT loss of INR27bn.

- **Concall takeaway:** (1) FY27 capex will be INR327bn, which will be largely spent on refinery expansion projects. Major portion of refinery segment capex will get over in FY27. However, IOCL will continue to maintain annual capex outgo of INR300-400bn run rate. (2) In the next phase of the capex cycle, the focus will be on expansion in petrochemical business. Over FY27-32, the company will invest ~INR1,000bn on various projects in petrochemicals, renewables, biofuels, etc. (3) The company has set a target to save INR25bn under the SPRINT initiative in FY27. (4) LPG under-recovery per cylinder was INR665/cylinder in June, which has decreased to INR475/cylinder in July. (5) Crude oil supply disruption has resulted in increase in landed crude oil price by USD10-12/bbl, which includes logistics, insurance and other charges. (6) The company has diversified crude oil procurement source to countries like Russia, the US, and Venezuela. Share of Russian crude increased to 50-54%. (7) Non availability of long term contracted crude oil from the Middle East has forced company to increase share of spot purchase to ~85% from 50%. (8) GRM excluding the SAED was ~USD36/bbl. (9) Refinery crude oil throughput is expected to be 77/85mmtpa in FY27/28. (10) The major refining and petrochemical expansions project across Barauni, Gujarat, and Panipat are in the advanced stages of execution and are targeted for completion in Aug-26, Nov-26, and Dec-26. The refinery expansion costs for the addition of 3mmtpa, 4.3mmtpa and 10mmtpa of refining capacity at Baruni, Gujarat, and Panipat are INR180bn, INR190bn, and INR380bn respectively.
- **Valuation and change in estimates:** We tweaked FY27 and FY28 EPS estimates by +5.4/+6.3% for FY27 and FY28 to INR24.1/30.9 per share, owing to increase in refining crude throughput estimates. Our SOTP target price of INR156 is based on 4x Sep-27E EV/EBITDA for standalone refining, marketing, pet chem, and pipeline business and INR36/sh for other investments.

Financial summary

YE March (INR bn)	1Q FY27	4Q FY26	QoQ (%)	1Q FY26	YoY (%)	FY24	FY25	FY26P	FY27E	FY28E
Revenue	2,624	2,079	*26.2*	1,930	*36.0*	7,764	7,581	7,844	9,075	8,973
EBITDA	20	226	*(91.1)*	126	*(84.0)*	759	362	782	725	726
APAT	(27)	114	*(123.4)*	57	*(146.8)*	419	86	407	332	425
AEPS (INR)	(1.9)	8.3	*(123.4)*	4.1	*(146.8)*	30.4	6.3	29.6	24.1	30.9
P/E (x)						4.6	22.4	4.7	5.8	4.5
EV / EBITDA (x)						3.9	9.2	4.0	4.0	3.7
RoE (%)						26.0	5.5	20.7	14.9	16.8

Source: Company, HSIE Research | *Consolidated

Changes in estimates

YE March	FY27E			FY28E		
	Old	New	(%)	Old	New	(%)
EBITDA (INR bn)	704	725	3.1	694	726	4.6
EPS	22.8	24.1	5.4	29.0	30.9	6.3

Source: HSIE Research

BUY

CMP *(as on 31 Jul 2026)*	INR 140
Target Price	INR 156
NIFTY	24,384

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR147	INR156
EPS change	**FY27E**	**FY28E**
	+5.4%	+6.3%

KEY STOCK DATA	
Bloomberg code	IOCL IN
No. of Shares (mn)	14,121
MCap (INR bn) / ($ mn)	1,979/20,750
6m avg traded value (INR mn)	2,782
52 Week high / low	INR 189/130

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(1.5)	(14.1)	(3.7)
Relative (%)	(3.0)	(9.1)	0.1

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	51.50	51.50
FIs & Local MFs	9.21	9.62
FPIs	9.85	9.08
Government	19.47	19.48
Public & Others	9.97	10.32
Pledged Shares	0.00	0.00

Source : BSE

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Muthoot Finance

Headwinds to sustain

Muthoot Finance (MUTHOOT) reported significant deceleration in earnings (-17% QoQ), driven primarily by sharp yields compression (-283 bps QoQ) post strong operating performance in FY26. AUM growth (+43% YoY; 6% QoQ) remained strong despite moderation from peak in Q3FY26, with improving customer acquisition, uptick in tonnage and higher LTV. Opex ratios remain best-in-class (opex to AUM at 2.3%), driven by superior productivity metrics, driving strong profitability (RoA/RoE of 5.5%/27%) despite pressure on NIMs. As highlighted in our Sector Thematic, rising competitive intensity, coupled with consolidation in gold prices, is likely to drive moderation in loan growth and pressure on yields. Further, MUTHOOT's near-complete dependence on GL exposes it to vagaries of gold cycle with expected moderation in loan growth over FY27-FY28E. We maintain ADD with an unchanged SoTP-based TP of INR 3,020 (standalone entity at implied 2.2x Mar-28 ABVPS).

- **NIM compression, partly offset by operating efficiency**: MUTHOOT's NIMs (calculated) declined by 261bps QoQ to 9.5%, due to a sharp drop in yields (-283bps QoQ) due to higher recoveries from NPAs and loan rollovers in Q4 and lower incremental GL yields in Q1. While management has indicated yields will stabilize at 18-18.5%, rising competitive intensity is likely to exert pressure on yields. Opex ratios remained best-in-class, driven by superior productivity metrics (tonnage and AUM per branch/employee).
- **Business momentum sustains:** AUM growth remained strong at 43% YoY. Tonnage increased marginally to 197 tonnes as average gold prices declined QoQ (-4%). MUTHOOT remains focused on growing its GL portfolio amidst rising competitive intensity and RBI's new regulations effective from Apr-26 through branch expansion, multiple schemes for consumption loans (bullet-payment, EMI etc.), and income generation loans (to be launched soon). MUTHOOT added 61 GL branches in Q1 (200 branches expected in FY27E) and calibrated loan pricing. Further, customer acquisitions gained traction with new customer growth at 6.7% YoY and uptick in average customer exposure (+4% QoQ).
- **Mixed performance from subsidiaries**: Muthoot Money continue to report strong loan growth (+111% YoY) and profitability (RoE of 28%), driven by gold loans. BELSTAR's loan growth remained muted (+2% YoY) with sequential decline in profitability. HFC subsidiary's AUM growth moderated to 13% YoY with subdued profitability (RoE of ~2%).
- **Best-in-class franchise with near-term headwinds; remains a mono-line play:** MUTHOOT remains best-in-class GL franchise with superior profitability and market leadership across cycles. While MUTHOOT is likely to remain a dominant GL franchise, near-term headwinds from rising competitive intensity and consolidation in gold prices are likely to exert pressure on loan growth and profitability over FY27-FY28E. Further, it is likely to remain a mono-line play (GL at 91% of consolidated AUM).

Financial summary (Standalone)

Y/E Mar (INR bn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	FY26	FY27E	FY28E
NII	43.6	34.7	*25.5*	51.9	*(16.0)*	171.3	203.1	234.2
PPOP	34.7	27.9	*24.6*	44.1	*(21.2)*	141.2	162.9	186.1
PAT	25.5	20.5	*24.6*	30.9	*(17.4)*	101.3	116.9	133.2
EPS (INR)	63.5	51.0	*24.6*	76.9	*(17.4)*	252.4	291.1	331.8
ROAE (%)						30.6	26.9	24.1
ROAA (%)						6.7	5.9	5.8
ABVPS (INR)						771	1,006	1,295
P/ABV (x)						3.8	2.9	2.3
P/E (x)						11.6	10.0	8.8

Source: Company, HSIE Research

ADD

CMP *(as on 31 Jul 2026)*	**INR 3,120**
Target Price	**INR 3,020**
NIFTY	**24,384**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 3020	INR 3020
EPS %	FY27E	FY28E
	0.0%	0.0%

KEY STOCK DATA	
Bloomberg code	MUTH IN
No. of Shares (mn)	401
MCap (INR bn) / ($ mn)	1,252/13,129
6m avg traded value (INR mn)	3,387
52 Week high / low	INR 4,150/2,477

STOCK PERFORMANCE (%)

	3M	**6M**	**12M**
Absolute (%)	(8.9)	(18.5)	19.4
Relative (%)	(10.4)	(13.5)	23.2

SHAREHOLDING PATTERN (%)

	Mar-26	**Jun-26**
Promoters	73.4	73.4
FIs & Local MFs	10.4	10.8
FPIs	12.3	11.6
Public & Others	3.9	4.3
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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Aditya Birla Capital

Strong growth across businesses

ABCAP reported strong headline growth across lending (NBFC AUM up by 28% YoY; HFC AUM up by 50% YoY) and non-lending businesses (ABSLI individual FYP up by 20% YoY; ABHI GWP up by 50% YoY) except ABSLAMC (MF QAAUM up by 6% YoY). NBFC business reported steady P&L outcomes, with health uptick in retail/MSME unsecured segments (+46% YoY). ABHFL has indicated strong AUM growth aspiration (INR 1trn by FY28E) post equity infusion, although reflation in subdued RoE (~12%) remains a key monitorable. ABSLI reported strong VNB margin, driven by a favorable product mix, while ABHI's CoR continues to remain elevated (106% under IND AS). We maintain ADD with a revised SOTP-based TP of INR390 (standalone entity at 2.3x Mar-28 ABVPS; ABSLI at 1.5x Mar-28 IEV; ABHFL at 1.8x Mar-28 ABVPS).

- **Flagship NBFC - Strong growth; steady profitability:** AUM growth (+27.6% YoY) was driven by personal & consumer (+41.5% YoY) and unsecured (+52% YoY) segments, now contributing to ~25% of AUM and is expected to increase further. Asset quality improved sequentially with GS-II/GS-III at 1.1%/1.30% (Q4FY26: 1.1%/1.33%) and credit costs were at 1%. Core profitability stayed steady with RoA at 2.39%. ABCAP is launching gold loans in Q2FY27 to add growth levers, targeting addition of ~1K branches over the next three years.
- **HFC - strong growth aspirations; RoE key monitorable:** ABHFL continued to report strong AUM/disbursements growth of 50%/39% YoY. Operating efficiency was steady with opex to AUM at 2.0% and it is likely to inch up with distribution expansion. With equity capital in place, ABHFL is aspiring for an AUM of INR1trn (Q1FY27: 518bn) by FY28E. However, RoE reflation to ~15% remains a key monitorable, amidst elevated competitive intensity, downward pressure on NIMs and portfolio seasoning.
- **Insurance businesses - different journeys:** ABSLI's VNB margin surprised positively at 15.1% (+756bps), driven by a favourable product mix - non-PAR and annuity business (58% share of APE). ABHI, the group's health insurance business, continued its growth momentum (GWP: +50% YoY), driving market share gains (16.2% among SAHIs). However, the profitability journey remains soft with CoR at 106% (Q1FY26: 107%) as per IFRS.
- **AMC business - market share erosion continues:** ABSLAMC reported muted equity QAAUM growth (+10% YoY) at INR1.99trn as the mix of equity MF within QAAUM rose to 46.5% (+181bps YoY). However, we draw attention to the fact that the equity market share (within QAAUM) has remained low at sub-4% (-22bps YoY), signalling continued market share erosion.

Financial summary (Standalone)

Y/E Mar (INR bn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	FY26	FY27E	FY28E
NII	19.9	16.2	*22.6*	18.9	*5.0*	70.4	86.7	106.7
PPOP	15.8	13.1	*20.6*	14.1	*11.7*	57.4	73.1	88.7
PAT	8.9	6.8	*32.2*	7.8	*14.9*	31.1	39.5	48.1
EPS (INR)	3.4	2.6	*30.7*	2.9	*14.3*	11.9	15.1	18.4
ROAE (%)						11.5%	12.9%	13.8%
ROAA (%)						2.0%	2.1%	2.1%
ABVPS (INR)						71.1	84.0	99.1
P/ABV (x)						2.5	2.1	1.8
P/E (x)						16.3	12.9	10.5

Source: Company, HSIE Research

ADD

CMP ***(as on 31 Jul 2026)***	**INR 404**
Target Price	**INR 390**
NIFTY	**24,384**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR365	INR 390
	FY27E	FY28E
EPS %	+0.8%	+1.7%

KEY STOCK DATA	
Bloomberg code	ABCAP IN
No. of Shares (mn)	2,736
MCap (INR bn) / ($ mn)	1,106/11,597
6m avg traded value (INR mn)	2,044
52 Week high / low	INR 413/243

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	17.0	19.0	57.5
Relative (%)	15.5	24.1	61.3

SHAREHOLDING PATTERN (%)	**Mar-26**	**Jun-26**
Promoters	68.5	68.8
FIs & Local MFs	13.8	13.5
FPIs	7.7	8.6
Public & Others	10.0	9.1
Pledged Shares	0.0	0.0

Source: BSE

Pledged shares as % of total shares

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Shree Cement

Robust volume offtake; cost spike pulls down margin

We maintain ADD on Shree Cement (SRCM) with an unchanged target price of INR 27,000/share (SOTP: 16.5x FY28E standalone EBITDA, UAE subsidiary at 2x BV). In Q1FY27, SRCM's India sales remained strong, up to +17% YoY, led by sharp 54% growth in non-trade. Trade sales/blended cement production share fell to multi-quarter lows of 62/60%. While cement NSR rose 4% QoQ, higher fuel/packaging costs pulled unit EBITDA by INR 137/MT QoQ to INR 1,024/MT. Consolidated volume rose 15% YoY and unit EBITDA contracted INR 227/49 per MT YoY/QoQ to INR 1,111/MT. We estimate SRCM will deliver 9/9% standalone volume/EBITDA CAGRs during FY26-28E.

- **Q1FY27 performance:** Standalone sales volume growth remained strong for second consecutive quarter: +17% YoY (modest 3% fall QoQ), picking up to 10% YoY, its highest growth in the past nine quarters. Non-trade volume rose 54% YoY while trade volume rose a modest 3% YoY. Both trade sales/blended cement production share fell to multi-quarter low of 62/60% respectively. Blended/cement NSR rose 2/4% QoQ, led by improvement in grey cement pricing. Opex rose 6% QoQ, mainly on higher fuel cost (INR 1.95/mnCal vs INR 1.6 QoQ) and packaging costs. Thus, blended unit EBITDA declined INR 137/MT QoQ to INR 1,024/MT. On a YoY basis, despite 4% higher cement NSR, blended opex fell INR 350/MT on lower other operating income, higher fuel/packaging costs. On a consolidated basis, total volume grew +15/-4% YoY/QoQ. Unit EBITDA contracted INR 227/49 per MT YoY/QoQ to INR 1,111/MT. SRCM is also gradually increasing its RMC business: number of plants increased to 33 vs 21/26 YoY/QoQ. Revenue rose to INR 1.1bn from 0.4/0.9bn QoQ/YoY. SRCM spent INR 4.56bn in capex, mainly toward the ongoing north-east greenfield plant.
- **Con call KTAs and outlook**: SRCM expects to deliver >10% volume growth in FY27 (vs flattish growth in FY24-26). It also expects to recover its trade sales share in subsequent quarters. It maintained FY27E capex guidance at ~INR 15bn (lowest in six years) and will add only 1mn MT greenfield IU in Assam by the end of FY28E. We broadly maintain our estimates and target price. We estimate standalone volume/EBITDA CAGRs at 9/9% respectively.

Quarterly/annual financial summary (standalone)

YE Mar (INR bn)	Q1 FY27	Q1 FY26	YoY (%)	Q4 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Sales (mn MT)	10.5	8.9	*17.2*	10.8	*(2.6)*	35.5	35.6	36.4	39.8	43.0
NSR (INR/MT)	5,360	5,530	*(3.1)*	5,240	*2.3*	5,391	5,050	5,309	5,469	5,534
EBITDA(INR/MT)	1,024	1,374	*(25.4)*	1,161	*(11.8)*	1,228	1,086	1,174	1,104	1,182
Net Sales	56.23	49.48	*13.6*	56.43	*(0.4)*	191.61	179.77	193.11	217.79	238.04
EBITDA	10.74	12.29	*(12.6)*	12.50	*(14.1)*	43.64	38.67	42.71	43.97	50.83
APAT	4.38	6.19	*(29.2)*	5.32	*(17.7)*	24.69	12.19	17.66	16.77	25.52
AEPS (INR)	125.7	171.4	*(26.7)*	147.4	*(14.7)*	684.2	337.9	489.5	464.9	707.2
EV/EBITDA (x)						19.5	21.6	19.1	18.2	15.8
EV/MT (INR bn)						15.7	14.6	11.6	11.4	11.3
P/E (x)						38.1	77.1	53.2	56.0	36.8
RoE (%)						12.8	*5.9*	*8.1*	*7.3*	*10.4*

Source: Company, HSIE Research, EBITDA (INR/MT) is blended and includes merchant power

ADD

CMP ***(as on 31 Jul 2026)***	**INR 26,055**
Target Price	**INR 27,000**
NIFTY	**24,384**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 27,000	INR 27,000
EBITDA Change %	FY27E *0.1*	FY28E *(0.4)*

KEY STOCK DATA	
Bloomberg code	SRCM IN
No. of Shares (mn)	36
MCap (INR bn) / ($ mn)	940/9,855
6m avg traded value (INR mn)	773
52 Week high / low	INR 31,920/22,550

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	7.7	(3.4)	(15.4)
Relative (%)	6.2	1.6	(11.6)

SHAREHOLDING PATTERN (%)	**Mar-26**	**Jun-26**
Promoters	62.56	62.56
FIs & Local MFs	15.79	16.42
FPIs	8.94	8.21
Public & Others	12.71	12.81
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Dixon Technologies

Surge in ASP drives topline; PLI expiry hits margin

Dixon reported revenue growth of 21% YoY to INR155bn. Gross margins declined sharply by 170bps YoY to 5.8%, while EBITDAM declined 80/90bps YoY/QoQ to 4%, impacted by discontinuance of PLI 1.0 scheme. Adjusted for the gain on investment in Aditya InfoTech, APAT declined 3% YoY. Q2 volumes are guided to be ~9mn units, supported by projected QoQ revenue growth of 20–25%. As per company, mobile volumes for FY27 (ex VIVO) are expected to remain flat at ~33mn units. The JV with Vivo is expected to become operational from Q3FY27. Ongoing backward-integration initiatives, commencement of display manufacturing from Q4FY27, capacity expansion in camera modules, and scaling up manufacturing of IT-hardware components such as SSDs should support future growth. Given higher smartphone ASPs and potential benefit from PLI-2 scheme announced recently, we raise our revenue estimates by 12/8/7% and APAT estimates by 1/6/4% for FY27/28/29E. We maintain REDUCE, with a revised target price of INR 12,660/share, based on DCF valuation (WACC: 12%, terminal growth: 5%), implying ~47x P/E on Sep-28E EPS.

- **Q1FY27 highlights**: Revenue grew 21% YoY (2-yr CAGR: 54%) to INR 155bn. Gross margins declined sharply 170bps both YoY/QoQ to 5.8%. EBITDAM declined 80/90bps YoY/QoQ to 4%, impacted by discontinuance of PLI 1.0 scheme. PAT grew 195% YoY, owing to ~INR5.2bn revaluation gain on investments in Aditya Infotech included in other income. Adjusted for this, APAT declined 3% YoY. OCF has declined to negative 3.4bn in Q1, owing to higher working capital (higher inventory and lower payable days). Capex for the Q1 stood INR 3.4bn.
- **Con call highlights and outlook:** Management indicated that the mobile phone industry demand contracted by 10-12% in Q1, impacted by rising memory prices that led to increase in smartphone price. Q2 volumes are guided to be ~9mn units, supported by projected QoQ revenue growth of 20–25%. As per company, mobile volumes for FY27 (ex-VIVO) are expected to remain flat at ~33mn units. As per management, over the next few years, the mobile export business is targeted to scale to INR 180-200bn in annual revenue, underpinned by two anchor clients contributing 15-20mn mobile volume supported by PLI 2.0. The JV with Vivo is expected to become operational from Q3FY27. Ongoing backward-integration initiatives, commencement of display manufacturing from Q4FY27, capacity expansion in camera modules, and scaling up manufacturing of IT-hardware components such as SSDs should support future growth. Given higher smartphone ASPs and potential benefit from PLI 2.0 scheme announced recently, we raise our revenue estimates by 12/8/7% and APAT estimates by 1/6/4% for FY27/28/29E. We maintain REDUCE, with a revised target price of INR 12,660/share, based on DCF valuation (WACC: 12%, terminal growth: 5%), implying ~47x P/E on Sep-28E EPS.

Financial summary

(INR mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ(%)	FY25	FY26	FY27E	FY28E	FY29E
Net Sales	1,55,477	1,28,357	21.1	1,05,105	47.9	3,88,601	4,88,728	7,53,140	10,46,619	12,12,187
EBITDA	4,631	4,824	(4.0)	4,084	13.4	15,076	18,665	23,003	35,406	44,021
APAT	2,186	2,250	(2.8)	1,908	14.6	7,046	8,323	9,694	14,442	18,320
EPS (INR)	36.0	37.3	(3.5)	31.4	14.6	116.9	136.9	159.4	237.5	301.3
P/E (x)						117.6	100.5	86.2	57.9	45.6
EV / EBITDA (x)						54.9	44.0	36.5	23.5	18.5
RoE (%)						29.9	21.7	18.9	23.1	23.5

Source: Company, HSIE Research

REDUCE

CMP *(as on 31 Jul 2026)*	INR14,049
Target Price	INR12,660
NIFTY	24,384

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 11,780	INR 12,660
EPS %	FY27E	FY28E
	1.1	5.9

KEY STOCK DATA	
Bloomberg code	DIXON IN
No. of Shares (mn)	61
MCap (INR bn) / ($ mn)	859/9,005
6m avg traded value (INR mn)	8,631
52 Week high / low	INR 18,472/9,600

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	25.8	34.5	(16.6)
Relative (%)	24.3	39.6	(12.8)

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	28.69	28.55
FIs & Local MFs	28.14	28.38
FPIs	18.30	17.87
Public & Others	23.87	25.20
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Aptus Value Housing Finance India

A mixed quarter

APTUS reported a mixed set of results with uptick in disbursements growth (+36% YoY) offset by higher delinquencies (credit costs at 69bps). Disbursements witnessed strong momentum in Q1 (+35.9% YoY), although sustainability remains a key monitorable. APTUS continues to take multiple strategic initiatives to drive loan growth including customer diversification (floor of INR 0.7mn ticket size) and geographical diversification (6% of branches in non-core states). Further, APTUS is looking to launch a new loan product in the NBFC subsidiary, while LIG, self-employed, and rural-based customers remain the core customer segment. However, sustainability of profitability metrics while scaling up in non-core geographies, customers, and products remains a key monitorable. We maintain ADD with an unchanged RI-based TP of INR305 (implying 2.3x Mar-28 ABVPS).

- **NIM moderation offset by assignment income:** NIM (calculated) declined by 30bps QoQ to 10.8%. Yields moderated due to calibrated loan pricing, moderation in loan growth of NBFC subsidiary, and shift in customer mix toward >0.7mn ticket size, partly offset by tailwinds on cost of funds, driven by credit rating upgrade. Other income grew by 34% YoY due to assignment of portfolio (7% of AUM). Operating efficiency improved marginally with opex-to-AUM at 2.7% and C/I at 20.5% despite branch additions (33 added in Q1). However, opex ratios remain superior to peers, driven by fully optimized cost structure and astronomical NIMs.
- **Marginal uptick in loan growth**: AUM grew by 21% YoY (FY26: 20.6% YoY), primarily led by quasi home loans (+36% YoY), while small business loans (NBFC subsidiary) growth moderated to 24% YoY vs. 74% YoY in Q1FY26. Loan growth is likely to be driven by higher ticket size, distribution expansion (60-70 branches in FY27), and uptick in home loans (which has been muted), as per management.
- **Deterioration in asset quality**: Asset quality deteriorated in Q1 with GS-II/GS-III clocking in at 5.2%/1.7% (Q4FY26: 4.7%/1.5%) and inch-up in early delinquencies as well (30+ dpd at 6.87% vs. 6.21% in Q4FY26) driving higher credit costs of ~69bps (FY26: 54bps). As per management, uptick in delinquencies was largely driven by NBFC subsidiary (credit costs of 1.4%), with healthy trends in the HFC business.
- **Multiple initiatives to revive growth; execution key monitorable**: APTUS's profitability metrics remained strong in Q1 (RoA/RoE of 7.8%/20.4%). Further, APTUS remains focused on reviving loan growth through multiple initiatives at play – focus on higher ticket sizes, distribution expansion in core and non-core states, moderation in lending rates and launching a new loan product (in pipeline). However, sustaining strong profitability metrics amidst execution of these initiatives remains a key monitorable.

Financial summary (consolidated)

Y/E Mar (INR bn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	FY26	FY27E	FY28E
NII	3.6	3.1	*16.3*	3.5	*2.0*	13.0	15.3	18.0
PPOP	3.5	3.0	*18.4*	3.4	*2.1*	12.7	14.2	16.4
PAT	2.6	2.2	*19.0*	2.6	*-0.0*	9.4	10.3	11.8
EPS (INR)	5.2	4.4	*18.9*	5.2	*0.0*	18.8	20.5	23.5
ROAE (%)						20.1	18.8	18.7
ROAA (%)						7.8	7.2	6.9
ABVPS (INR)						98	114	131
P/ABV (x)						2.7	2.3	2.0
P/E (x)						13.9	12.8	11.1

Source: Company, HSIE Research

ADD

CMP *(as on 31 Jul 2026)*	**INR 261**
Target Price	**INR 305**
NIFTY	**24,384**

KEY CHANGES	**OLD**	**NEW**
Rating	ADD	ADD
Price Target	INR 305	INR 305
EPS %	FY27E	FY28E
	0.0%	0.0%

KEY STOCK DATA	
Bloomberg code	APTUS IN
No. of Shares (mn)	501
MCap (INR bn) / ($ mn)	131/1,371
6m avg traded value (INR mn)	489
52 Week high / low	INR 365/193

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	0.4	(5.2)	(20.3)
Relative (%)	(1.1)	(0.1)	(16.5)

SHAREHOLDING PATTERN (%)	**Mar-26**	**Jun-26**
Promoters	23.9	23.9
FIs & Local MFs	29.4	29.9
FPIs	30.3	30.0
Public & Others	16.4	16.3
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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Clean Science and Technology

Ramp-up of HALS, PC is key monitorable

We maintain REDUCE on Clean Science and Technology (CSTL) with a price target of INR 755, owing to (1) pricing pressure in the high-margin MEHQ value chain from Chinese competitors; (2) slower-than-expected ramp in performance chemical-1 plant; and (3) further delay in commissioning of performance chemical-2 plant. We expect revenue/EBITDA/APAT CAGR of 20/14/14% over FY26-FY29E and RoE to improve from 15.3% in FY26 to 15.9% in FY29. Stock is trading at 35.4/29.8/25.5x FY27/28/29E, which we believe is contextually high. Q1 EBITDA/APAT was 17/39% above our estimates, owing to lower-than-expected raw material cost and operating cost while higher than estimated other income.

- **Financial performance:** Revenue changed by +10.5/+7.7% YoY/QoQ to INR 2,684 mn. Sequential improvement is largely led by increased realizations across key products. Revenue growth was moderate on a YoY basis, owing to decreased sales volumes caused by supply-side headwinds. EBITDA changed by -3.4/+0.7% YoY/QoQ to INR 964mn due to elevated raw material prices and export delays due to non-availability of vessel. EBITDA margin changed by -519/-250 bps YoY/QoQ to 35.9%.
- **Concall takeaways: (1) Partnership with Geneus Chem AG:** CSTL's collaboration with Geneus Chem opens entry into advanced, patented NOR-grade HALS, a premium niche where global players dominate, while leveraging CSTL's own RM for strong integration benefits. Cumulative revenue potential is INR3bn in four years. CSTL is the exclusive global contract manufacturer. **(2)** CSTL has signed a five-year strategic supply alliance with Kemin, the world's largest buyer of its food-and-feed antioxidants, ensuring guaranteed volumes and 20–40% immediate offtake growth across BHA, BHT, TBHQ and AP. CSTL will act as Kemin's primary/exclusive global supplier, supported by incremental capacity expansion over the next few months. **(3) HALS:** HALS contributed 22% in CSTL's revenue with 1,000 tonnes production in Q1. Higher realizations and a premium product mix driving ~50% export share. CSTL targets 3,000 tonne volumes and INR 3bn revenue in FY27. **(4) Capex:** The company is set for major near-term scale-up, with the PC2 plant commissioning in Q3FY27 (revenue from Q1FY28). PC-1 plant now stabilized, and strategic capacity additions— including the INR 0.25bn advanced HALS plant and Kemin-linked expansions — all consolidated under CFCL for future growth.
- **Change in estimates:** We tweak our FY27/28/29E EPS estimates by +7.6/+4.9/+4.0% to INR 23.3/27.7/32.3 considering the ramp-up in the HALS business.

Financial summary (consolidated)

Year Ending March (INR mn)	1Q FY27	4Q FY26	QoQ (%)	1Q FY26	YoY (%)	FY25	FY26P	FY27E	FY28E	FY29E
Net Sales	2,684	2,493	7.7	2,429	10.5	9,666	9,565	11,550	13,729	16,334
EBITDA	964	958	0.7	999	(3.4)	3,876	3,550	3,834	4,533	5,268
APAT	734	583	25.9	701	4.7	2,644	2,297	2,475	2,940	3,434
Diluted EPS (Rs)	6.9	5.5	25.9	6.6	4.7	24.9	21.6	23.3	27.7	32.3
P/E (x)						33.1	38.2	35.4	29.8	25.5
EV / EBITDA (x)						22.6	24.6	22.1	18.3	15.4
RoE (%)						20.2	15.3	14.7	15.4	15.9

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY27E Old	FY27E New	%	FY28E Old	FY28E New	%	FY29E Old	FY29E New	%
EBITDA (INR mn)	3,597	3,834	6.6	4,348	4,533	4.2	5,091	5,268	3.5
Adj. EPS (INR/sh)	21.6	23.3	7.6	26.4	27.7	4.9	31.1	32.3	4.0

Source: Company, HSIE Research

REDUCE

CMP *(as on 31 Jul 2026)*	INR 734
Target Price	INR 755
NIFTY	24,384

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 752	INR 755
EPS %	FY27E	FY28E
	+7.6%	+4.9%

KEY STOCK DATA	
Bloomberg code	CLEAN IN
No. of Shares (mn)	106
MCap (INR bn) / ($ mn)	78/818
6m avg traded value (INR mn)	335
52 Week high / low	INR 1,257/652

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(10.4)	(14.7)	(39.9)
Relative (%)	(11.9)	(9.7)	(36.1)

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	51.29	51.29
FIs & Local MFs	17.14	16.23
FPIs	13.39	13.37
Public & Others	18.18	19.11
Pledged Shares	0.64	0.00

Source: BSE

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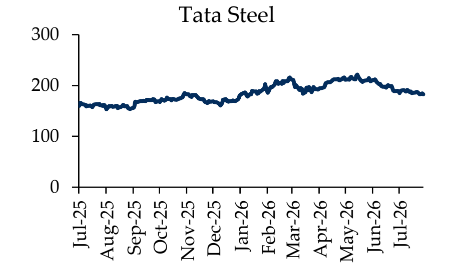
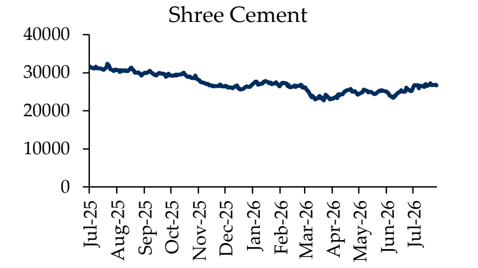
Rating Criteria
BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

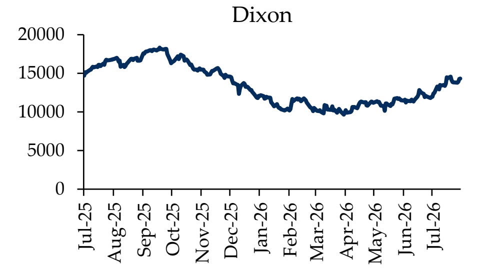
Disclosure:

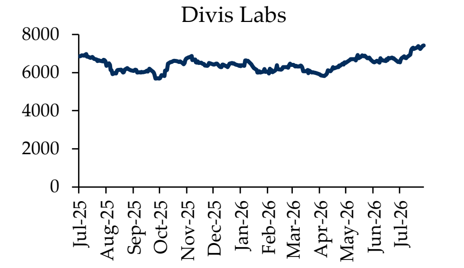
Analyst	Company Covered	Qualification	Any holding in the stock
Rajesh Ravi	Tata Steel, Shree Cement, Dixon Technologies	MBA	NO
Kehav Lahoti	Tata Steel, Shree Cement, Dixon Technologies	CA, CFA	NO
Mahesh Nagda	Tata Steel, Shree Cement, Dixon Technologies	CA	NO
Kartikey	Tata Steel, Shree Cement, Dixon Technologies	CA	NO
Mehul Sheth	Divis Laboratories	MBA	NO
Nilesh Ghuge	Indian Oil Corporation, Clean Science and Technology	MMS	NO
Aditya Iyer	Indian Oil Corporation, Clean Science and Technology	PGDM	NO
Deepak Shinde	Muthoot Finance, Aditya Birla Capital, Aptus Value Housing Finance India	PGDM	NO
Krishnan ASV	Muthoot Finance, Aditya Birla Capital, Aptus Value Housing Finance India	PGDM	NO
Ayush Pandit	Muthoot Finance, Aditya Birla Capital, Aptus Value Housing Finance India	CA	NO

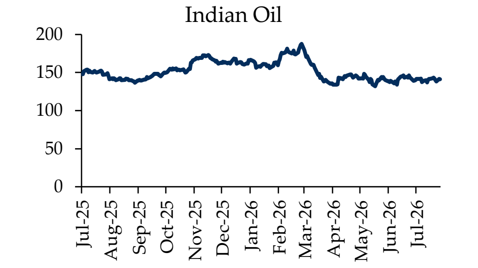
Price movement

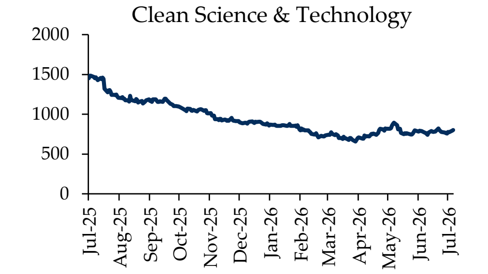


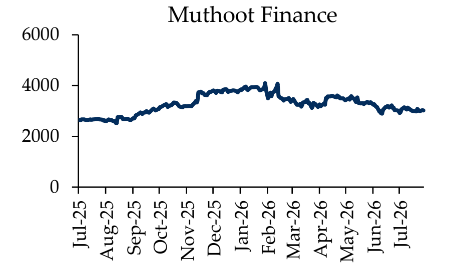


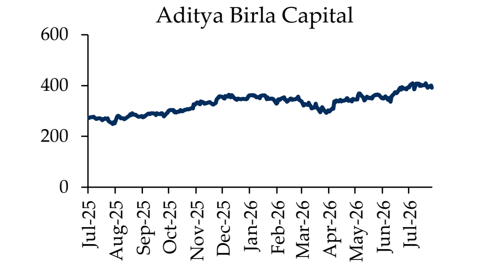


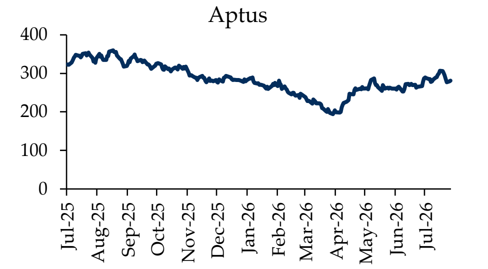












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