

HSIE Results Daily

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Results Reviews

- LTIMindtree:** LTIMindtree (LTIM) reported a solid Q3 performance, with revenue growth of +2.4% QoQ CC (ahead of estimates) and EBIT margins of 16.1% (+26bps QoQ, in line), supported by robust momentum in manufacturing (+9.4% QoQ) and healthcare (+9.9% QoQ). The company secured a strong TCV of USD 1.7 bn (+6.4% QoQ), driven by a USD 155 mn, five-year deal with a leading US insurer and a strategic selection as one of five key service partners for a global financial institution. The BFSI segment declined 0.7% QoQ, impacted by seasonality and proactive AI-led productivity initiatives within top clients, which management expects to bottom out in Q4. The deal pipeline remains steady, underpinned by clients' increasing investments in agentic AI to autonomously manage complex operations. LTIM targets a near double-digit YoY exit in Q4FY26E, marking a key recovery milestone after 12 quarters, led by order inflows, stabilization in top clients, and new BFSI wins, including prime supplier status with seven major global banks. LTIM continues to position itself as an AI-ready organization, embedding AI across offerings and internal operations to evolve from a technology-centric to a business-creativity partner, with over 50% of its workforce already upskilled in AI. Despite planned Q4 wage hikes for 50% of employees (100bps impact) and seasonal headwinds, LTIM remains focused on operational efficiency through structured programs. We maintain our estimates and reiterate BUY with a TP of INR 7,470, based on 28x Mar'28E EPS.
- Tata Capital:** Tata Capital's (TATACAP) Q3FY26 earnings were largely in line with estimates, driven by NIM reflation, moderation in credit costs, and improving operating efficiency. TATACAP's portfolio (ex-TMFL) continued to grow at a robust pace (+26% YoY), led by healthy contribution from all segments. TMFL portfolio (10.2% of AUM) turnaround remains WIP, with realignment of credit policies and organizational structure, shift in product mix, and increasing share of non-captive business and is expected to break even by FY27. As highlighted in our initiating coverage report, TATACAP's conservative underwriting strategy augurs well for pristine asset quality. However, current valuations (2.9x Sep-27 ABVPS) provide limited margin of safety. We revise our FY26/FY27E/FY28E earnings estimates for marginally higher loan growth and maintain ADD with a revised RI-based TP of INR 355 (implying 2.8x Sep-27 ABVPS).
- Havells India:** Revenue grew 14% YoY to INR 55.73bn, primarily due to robust 33% YoY growth in cables and wire segment. Consumer durables, switchgear, and other segments' topline grew 4/8/33% YoY, while lighting and Lloyds drag revenue growth was down 4/7% YoY. EBITDAM expanded 60bps YoY, driven by lower fixed costs as a percentage of sales. This propelled 21% YoY EBITDA growth, translating to 22% YoY APAT expansion. The company noted that channel inventories in wires and cables are building up, with sustained price hikes made in Q3 with similar expectations for Q4. Channel inventory for summer products is declining and is expected to normalize by Q4 as demand picks up. The management anticipates a 5-10% price hike in RAC, bringing prices nearly back to pre-GST-cut levels. Factoring in-line Q3 performance, we have maintained our revenue, EBITDA,

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and APAT estimates. We maintain BUY and value the company at 50x Mar-28E EPS to arrive at an unchanged TP of INR 1,765/sh.

- **L&T Finance:** L&T Finance's (LTF) Q3FY26 earnings were lower than our estimates, largely due to higher-than-expected credit costs (2.7%). Loan growth witnessed a strong uptick (+20% YoY), driven by a surge in disbursements (+49% YoY). While moderation in credit costs has been slightly protracted, management expects credit costs to normalize to 2-2.2% by Q4FY27, due to improving macro environment and impact of tech transformation (Project Cyclops, Nostradamus etc.). LTF is poised to deliver strong AUM growth (~21% CAGR) during FY26-28E, driven by existing products as well as new products (gold loans, micro-LAP etc.). We revise our FY26-FY28E earnings estimates to factor in higher loan growth, offset by higher credit costs and maintain ADD with a revised RI-based TP of INR 295 (implying 2.3x Sep-27 ABVPS). While LTF is poised to deliver RoA/RoE of ~2.7%/15% by FY28E, current valuations provide limited upside.
- **JK Cement:** We maintain our BUY rating on JK Cement with an unchanged TP of INR 6,495/sh (15x Mar-28E consolidated EBITDA). Our positive stance is led by JKCE's continued solid volume growth along with a healthy margin. It continues to expand capacity at a fast pace without stretching its balance sheet. All these culminate into JKCE's industry leadership in both volume growth and return ratios. In Q3FY26, JKCE delivered a whopping 22% YoY volume growth, led by strong growth across both grey and white/putty sales. Blended margin, however, fell ~INR 74/MT YoY to INR 931/MT on account of decline in cement prices, ramp-up expenses of recent expansions and lower incentives accrual. We estimate JKCE to deliver robust 13/23% volume/EBITDA CAGRs over FY25-28E. We expect blended margin to expand to INR 1,305/MT in FY28E from INR 1,006/MT in FY25. Despite its aggressive capex, JKCE's net debt to EBITDA should remain under 2x, in our view.
- **Can Fin Homes:** Can Fin Homes (CANF) reported a strong set of P&L outcomes (NII/PPoP/PAT growth of 22%/21%/25% YoY), largely driven by strong NIMs (4.14%) and low credit costs (10bps). Further, disbursements witnessed an uptick (+45% YoY, 7% QoQ) albeit on a lower base, led by an uptick in the states of Karnataka and Telangana. CANF remains upbeat about loan growth prospects (15%+ in FY27), led by branch additions (~25 annually), product and customer diversification (LAP, SENP segment, etc.), increase in share of direct sourcing and ongoing tech transformation. However, tepid loan growth (+9.5% YoY) amidst moderation in housing demand, elevated competitive intensity, and protracted impact of growth initiatives remains a key monitorable. We revise our FY26/FY27E/FY28E earnings estimates for higher NIMs, offset by higher opex, and maintain BUY with a revised RI-based TP of INR 950 (implying 1.8x Sep-27 ABVPS).

LTIMindtree

Accelerating growth, led by robust deal wins

LTIMindtree (LTIM) reported a solid Q3 performance, with revenue growth of +2.4% QoQ CC (ahead of estimates) and EBIT margins of 16.1% (+26bps QoQ, in line), supported by robust momentum in manufacturing (+9.4% QoQ) and healthcare (+9.9% QoQ). The company secured a strong TCV of USD 1.7 bn (+6.4% QoQ), driven by a USD 155 mn, five-year deal with a leading US insurer and a strategic selection as one of five key service partners for a global financial institution. The BFSI segment declined 0.7% QoQ, impacted by seasonality and proactive AI-led productivity initiatives within top clients, which management expects to bottom out in Q4. The deal pipeline remains steady, underpinned by clients' increasing investments in agentic AI to autonomously manage complex operations. LTIM targets a near double-digit YoY exit in Q4FY26E, marking a key recovery milestone after 12 quarters, led by order inflows, stabilization in top clients, and new BFSI wins, including prime supplier status with seven major global banks. LTIM continues to position itself as an AI-ready organization, embedding AI across offerings and internal operations to evolve from a technology-centric to a business-creativity partner, with over 50% of its workforce already upskilled in AI. Despite planned Q4 wage hikes for 50% of employees (100bps impact) and seasonal headwinds, LTIM remains focused on operational efficiency through structured programs. We maintain our estimates and reiterate BUY with a TP of INR 7,470, based on 28x Mar'28E EPS.

- **Q3FY26 highlights:** (1) LTIM's Q3 revenue at USD 1,208 mn (vs HSIE USD 1,203 mn) grew +2.4/5.2% QoQ/YoY CC. (2) Among the verticals, healthcare led the growth (+9.9% QoQ), followed by manufacturing, which grew +9.4% QoQ. Consumer business grew 1.2% QoQ, while tech remained flat and BFSI declined -0.7% QoQ. The BFSI vertical is expected to bottom out in Q4FY26E. (3) TCV grew 6.3% QoQ to USD 1.69bn. (4) LTIM's EBITM at 16.1% (vs our estimate of 16.2%) expanded 26bps QoQ, supported by 'Fit for Future' initiatives, and forex tailwinds, which were partially offset by lower working days. (5) LTIM has announced staggered wage hikes, with the first tranche effective 1st January, for ~50% of its employees. There would be ~100bps impact of wage hikes on the profitability in each of Q4FY26E and Q1FY27E, which is expected to be offset by benefits from its 'Fit for Future' program.
- **Outlook:** We have factored in LTIM's revenue growth at 6.5/12.6/12.9% and EBITM at 15.7/16.6/17.3% for FY26/27/28E respectively, translating into an EPS CAGR of ~20% over FY25-28E.

Quarterly Financial summary

YE Mar (INR bn)	Q3 FY26	Q3 FY25	YoY (%)	Q2 FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Revenue (USD mn)	1,208	1,139	6.1	1,180	2.4	4,287	4,493	4,786	5,390	6,085
Net Sales	107.81	96.61	11.6	103.94	3.7	355.17	380.08	421.60	482.43	550.67
EBIT	17.37	13.29	30.7	16.48	5.4	55.69	55.03	66.23	80.20	95.08
APAT	13.94	10.87	28.3	13.81	0.9	45.85	46.02	55.77	67.34	78.94
Diluted EPS (INR)	47.1	36.7	28.3	46.7	0.9	155.0	155.6	188.5	227.7	266.9
P/E (x)						41.3	41.2	34.0	28.1	24.0
EV / EBITDA (x)						28.2	27.5	22.9	18.5	15.3
RoE (%)						25.0	21.5	23.0	24.2	24.5

Source: Company, HSIE Research, Consolidated Financials

Change in Estimates

YE March (INR bn)	FY26E Old	FY26E Revised	Change %	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue (USD mn)	4,787	4,786	(0.0)	5,416	5,390	(0.5)	6,120	6,085	(0.6)
Revenue	421.50	421.60	0.0	484.74	482.43	(0.5)	553.82	550.67	(0.6)
EBIT	66.03	66.23	0.3	80.71	80.20	(0.6)	96.10	95.08	(1.1)
EBIT margin (%)	15.7	15.7	4bps	16.7	16.6	-3bps	17.4	17.3	-9bps
APAT	56.13	55.77	(0.6)	67.47	67.34	(0.2)	79.38	78.94	(0.6)
EPS (INR)	189.8	188.5	(0.6)	228.1	227.7	(0.2)	268.4	266.9	(0.6)

Source: Company, HSIE Research

BUY

CMP (as on 19 Jan 2026)	INR 6,407
Target Price	INR 7,470
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 7,500	INR 7,470
EPS %	FY27E	FY28E
	-0.2	-0.6

KEY STOCK DATA

Bloomberg code	LTIM IN
No. of Shares (mn)	296
MCap (INR bn) / (\$ mn)	1,900/20,894
6m avg traded value (INR mn)	1,568
52 Week high / low	INR 6,430/3,802

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	14.3	25.0	8.8
Relative (%)	15.1	23.2	0.1

SHAREHOLDING PATTERN (%)

	Jun-25	Sep-25
Promoters	68.57	68.54
FIs & Local MFs	16.20	16.68
FPIs	6.62	6.40
Public & Others	8.61	8.38
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Tata Capital

Steady quarter; priced to perfection

Tata Capital's (TATACAP) Q3FY26 earnings were largely in line with estimates, driven by NIM reflation, moderation in credit costs, and improving operating efficiency. TATACAP's portfolio (ex-TMFL) continued to grow at a robust pace (+26% YoY), led by healthy contribution from all segments. TMFL portfolio (10.2% of AUM) turnaround remains WIP, with realignment of credit policies and organizational structure, shift in product mix, and increasing share of non-captive business and is expected to break even by FY27. As highlighted in our [initiating coverage](#) report, TATACAP's conservative underwriting strategy augurs well for pristine asset quality. However, current valuations (2.9x Sep-27 ABVPS) provide limited margin of safety. We revise our FY26/FY27E/FY28E earnings estimates for marginally higher loan growth and maintain ADD with a revised RI-based TP of INR 355 (implying 2.8x Sep-27 ABVPS).

- **Steady P&L outcomes; robust loan growth (ex TMFL):** TATACAP's NIMs (calculated) reflat by ~28bps to 5.1%, largely driven by lower cost of funds. Operating efficiency improved sequentially (C/I at 38.4%), driven by improving productivity and rationalization in TMFL's distribution. AUM growth (+7% QoQ) was led by LAP (+8% QoQ), SME (+10% QoQ), and corporate (+20% QoQ), while TMFL portfolio de-grew by 6% QoQ. Unsecured retail (10.4% of AUM) witnessed a healthy uptick and is expected to sustain going ahead, driving NIM reflation.
- **Improving asset quality:** GS III/NS III improved marginally to 2.2%/1.0% (Q2FY26: 2.2%/1.1%) with GS-II at 1.6% (Q2FY26: 1.9%). Management has indicated reduction in slippages in unsecured retail, while increased focus on collections and recoveries in the TMFL portfolio is likely to improve credit costs further in Q4FY26 and FY27.
- **Tracking well on near-term guidance; priced to perfection:** TATACAP seems on track to achieve the guidance for FY26 across most metrics. However, execution remains a key monitorable to achieve the medium-term guidance (FY28) of strong growth (AUM CAGR of 23-25%) and superior profitability (RoE of 17-18%), amidst elevated competitive intensity. To that extent, current valuation provides limited margin of safety. Maintain ADD.

Financial summary (Consolidated)

Y/E Mar (INR bn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
NII	33.1	27.5	20.5	30.0	10.3	106.9	126.5	154.6	185.2
PPOP	25.0	19.3	29.7	22.8	9.7	77.3	97.2	122.4	146.3
PAT	12.6	10.5	20.4	11.2	13.0	36.6	49.4	65.6	82.6
EPS (INR)	3.0	2.5	20.7	2.7	8.8	9.7	11.7	15.6	19.6
ROAE (%)						12.9	12.5	13.3	14.7
ROAA (%)						1.7	1.9	2.1	2.2
ABVPS (INR)						85	103	117	134
P/ABV (x)						4.2	3.5	3.1	2.7
P/E (x)						37.0	30.7	23.1	18.4

Change in estimates

INR bn	FY26E			FY27E			FY28E		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
AUM	2,691	2,691	0.0%	3,234	3,242	0.3%	3,885	3,905	0.5%
NIM (%)	4.8	4.8	0 bps	5.0	5.0	-3 bps	5.0	4.9	-1 bps
NII	126.5	126.5	0.0%	155.6	154.6	-0.6%	185.6	185.2	-0.2%
PPOP	97.7	97.2	-0.5%	123.5	122.4	-0.9%	146.9	146.3	-0.4%
PAT	49.6	49.4	-0.3%	65.6	65.6	0.0%	82.8	82.6	-0.2%
ABVPS (INR)	102.0	102.9	0.8%	116.4	116.9	0.4%	134.0	134.3	0.2%

Source: Company, HSIE Research

ADD

CMP (as on 19 Jan 2026)	INR 360
Target Price	INR 355
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 344	INR 355
	FY26E	FY27E
EPS %	-0.3%	0.0%

KEY STOCK DATA

Bloomberg code	TATACAP IN
No. of Shares (mn)	4,245
MCap (INR bn) / (\$ mn)	1,529/16,820
6m avg traded value (INR mn)	-
52 Week high / low	INR 365/315

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	8.9	-	-
Relative (%)	9.8	-	-

SHAREHOLDING PATTERN (%)

	Oct-25
Promoters	85.4
FIs & Local MFs	3.1
FPIs	3.3
Public & Others	8.2
Pledged Shares	-

Source: BSE

Pledged shares as % of total shares

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Havells India

Performance in line; summer category drag eased

Revenue grew 14% YoY to INR 55.73bn, primarily due to robust 33% YoY growth in cables and wire segment. Consumer durables, switchgear, and other segments' topline grew 4/8/33% YoY, while lighting and Lloyds drag revenue growth was down 4/7% YoY. EBITDAM expanded 60bps YoY, driven by lower fixed costs as a percentage of sales. This propelled 21% YoY EBITDA growth, translating to 22% YoY APAT expansion. The company noted that channel inventories in wires and cables are building up, with sustained price hikes made in Q3 with similar expectations for Q4. Channel inventory for summer products is declining and is expected to normalize by Q4 as demand picks up. The management anticipates a 5-10% price hike in RAC, bringing prices nearly back to pre-GST-cut levels. Factoring in-line Q3 performance, we have maintained our revenue, EBITDA, and APAT estimates. We maintain BUY and value the company at 50x Mar-28E EPS to arrive at an unchanged TP of INR 1,765/sh.

- **Q3FY26 highlights:** Revenue stood at INR 55.73bn, up 14% YoY, primarily due to robust growth in cables and wire segment. Gross margin declined 140bps YoY (-190bps QoQ) due to change in product mix. EBITDAM expanded by 60bps YoY (10bps QoQ) owing to decline in other expenses/employee cost, down by 120/70bps YoY (-90/-110bps QoQ). Consequently, EBITDA grew 21% YoY. APAT grew 22% YoY, led by higher EBITDA, and lower tax rate, partially offset by decreased other income (down 33% YoY).
- **Segmental highlights:** Cables accelerated with volume gains and price hikes from commodity inflation; revenue +33% YoY, EBIT margin +80bps YoY (-190bps QoQ) at 11.8%. Switchgear posted 8% YoY growth with margins up 380bps to 22%. ECD delivered healthy growth in heating products on winter demand, with revenue up 4% YoY and margins improving 150bps to 10.1%. Lloyd saw subdued performance due to ongoing weak summer impact, with revenue down 7% YoY and margins falling 430bps YoY (+1,220bps) to -9%. Lighting revenue suffered from festive demand shifting to prior period, down 4% YoY, with 290bps YoY margin drop to 12%. Other segments grew 33% YoY, led by solar product demand, with margins rising 110bps YoY to -1%.
- **Earnings call takeaways and outlook:** The company noted that channel inventories in wires and cables are building up, with sustained price hikes made in Q3 and similar expectations for Q4. Channel inventory for summer products is declining and is expected to normalize by Q4 as demand picks up. However, management highlighted that new BEE norms effective from Jan 2026, along with rising commodity costs, will drive higher costs in RAC and fans. It anticipates a 5-10% price hike in RAC, bringing prices nearly back to pre-GST-cut levels. The company has budgeted INR14/10bn capex for FY26/27E, respectively. Factoring in-line Q3 performance, we have maintained our revenue, EBITDA, and APAT estimates. We maintain BUY and value the company at 50x Mar-28E EPS to arrive at an unchanged TP of INR 1,765/sh.

Financial summary

(INR mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ(%)	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	55,734	48,825	14.2	47,666	16.9	1,85,499	2,17,458	2,29,342	2,61,675	2,98,115
EBITDA	5,240	4,316	21.4	4,418	18.6	18,453	21,486	23,176	28,112	32,304
APAT	3,464	2,828	22.5	3,175	9.1	12,732	14,888	15,694	18,940	22,144
EPS (INR)	5.5	4.5	22.5	5.1	9.1	20.3	23.7	25.0	30.2	35.3
P/E (x)						70.7	60.5	57.4	47.5	40.7
EV/EBITDA(x)						47.1	40.3	37.7	31.0	26.8
RoE (%)						18.1	18.9	17.9	19.5	20.6

Source: Company, HSIE Research

BUY

CMP (as on 19 Jan 2026)	INR 1,447
Target Price	INR 1,765
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1,765	INR 1,765
EPS revision %	FY26E	FY27E
	-	-

KEY STOCK DATA

Bloomberg code	HAVL IN
No. of Shares (mn)	627
MCap (INR bn) / (\$ mn)	908/9,984
6m avg traded value (INR mn)	1,270
52 Week high / low	INR 1,713/1,360

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(3.0)	(4.7)	(8.1)
Relative (%)	(2.1)	(6.5)	(16.7)

SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	59.38	59.38
FIs & Local MFs	15.52	17.96
FPIs	19.28	16.53
Public & Others	5.82	6.13
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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L&T Finance

A mixed bag

L&T Finance's (LTF) Q3FY26 earnings were lower than our estimates, largely due to higher-than-expected credit costs (2.7%). Loan growth witnessed a strong uptick (+20% YoY), driven by a surge in disbursements (+49% YoY). While moderation in credit costs has been slightly protracted, management expects credit costs to normalize to 2-2.2% by Q4FY27, due to improving macro environment and impact of tech transformation (Project Cyclops, Nostradamus etc.). LTF is poised to deliver strong AUM growth (~21% CAGR) during FY26-28E, driven by existing products as well as new products (gold loans, micro-LAP etc.). We revise our FY26-FY28E earnings estimates to factor in higher loan growth, offset by higher credit costs and maintain ADD with a revised RI-based TP of INR 295 (implying 2.3x Sep-27 ABVPS). While LTF is poised to deliver RoA/RoE of ~2.7%/15% by FY28E, current valuations provide limited upside.

- **Disbursements growth accelerates further:** LTF reported strong disbursements growth of +49% YoY, driven by personal loans (+118% YoY), MFI (+47% YoY), two-wheelers (+33% YoY), and gold loans (6% of disbursements). We expect the loan growth momentum to sustain, led by tech transformation across products, increasing partnerships in personal loans and rebound in MFI segment. NIMs reflat by 16bps QoQ due to lower cost of funds and marginal deflation in asset yields.
- **Marginal dip in credit costs; expect gradual improvement ahead:** GS-III/NS-III improved QoQ to 3.19%/0.92% (Q2FY26: 3.29%/1%). Credit costs (adjusted for macro prudential provisions) declined by 22bps QoQ to 2.7% vs. 3%/3.7% in Q2FY26/Q1FY26. With improving collection efficiency in MFI segment and overall collections environment along with positive outcomes from tech initiatives, we expect credit costs to normalize further in FY27.
- **Enroute to a strong RoA; cyclicity a key monitorable:** LTF is gradually pivoting toward a steadily growing diversified franchise, along with improving profitability (2.3% in Q3). Improving asset quality in MFI and other segments is likely to drive improving profitability over FY26-FY28E. However, high exposure to cyclical segments such as MFI, tractors, and two-wheelers (~52%) and the increasing share of personal loans remains a concern on overall profitability during downcycles.

Financial summary (consolidated)

Y/E Mar (INR bn)	Q3FY26	Q3FY25	YoY(%)	Q2FY26	QoQ(%)	FY25	FY26E	FY27E	FY28E
NII	25.4	22.4	13.4	24.0	5.6	86.7	98.7	118.5	140.7
PPOP	17.3	14.8	17.2	16.3	6.0	59.6	67.1	82.3	99.7
PAT	7.4	6.3	18.0	7.3	0.4	26.4	29.6	38.9	49.0
EPS (INR)	2.9	2.5	17.6	2.9	0.3	10.6	11.9	15.6	19.6
ROAE (%)						10.8	11.1	13.2	14.9
ROAA (%)						2.4	2.3	2.5	2.7
ABVPS (INR)						99	107	118	133
P/ABV (x)						3.0	2.8	2.5	2.3
P/E (x)						28.3	25.2	19.2	15.3

Change in estimates

INR bn	FY26E			FY27E			FY28E		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
AUM	1,156	1,192	3.1%	1,386	1,431	3.3%	1,663	1,713	3.0%
NIM (%)	7.8	7.6	-29 bps	8.0	7.7	-28 bps	8.0	7.7	-32 bps
NII	100.9	98.7	-2.2%	119.1	118.5	-0.5%	141.9	140.7	-0.9%
PPOP	67.7	67.1	-1.0%	81.6	82.3	0.8%	100.0	99.7	-0.2%
PAT	31.0	29.6	-4.4%	38.8	38.9	0.3%	50.9	49.0	-3.8%
ABVPS (INR)	107.2	106.7	-0.5%	119.3	118.5	-0.7%	134.6	132.9	-1.2%

Source: Company, HSIE Research

ADD

CMP (as on 19 Jan 2026)	INR 300
Target Price	INR 295
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR280	INR295
EPS %	FY26E	FY27E
	-4.4%	0.3%

KEY STOCK DATA

Bloomberg code	LTF IN
No. of Shares (mn)	2,503
MCap (INR bn) / (\$ mn)	751/8,260
6m avg traded value (INR mn)	2,022
52 Week high / low	INR 329/131

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	12.7	47.7	109.8
Relative (%)	13.5	45.9	101.1

SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	66.1	66.0
FIs & Local MFs	14.3	15.3
FPIs	6.4	6.7
Public & Others	13.2	12.0

Pledged Shares

Source: BSE

Pledged shares as % of total shares

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JK Cement

Stellar, all-round performance continues

We maintain our BUY rating on JK Cement with an unchanged TP of INR 6,495/sh (15x Mar-28E consolidated EBITDA). Our positive stance is led by JKCE's continued solid volume growth along with a healthy margin. It continues to expand capacity at a fast pace without stretching its balance sheet. All these culminate into JKCE's industry leadership in both volume growth and return ratios. In Q3FY26, JKCE delivered a whopping 22% YoY volume growth, led by strong growth across both grey and white/putty sales. Blended margin, however, fell ~INR 74/MT YoY to INR 931/MT on account of decline in cement prices, ramp-up expenses of recent expansions and lower incentives accrual. We estimate JKCE to deliver robust 13/23% volume/EBITDA CAGRs over FY25-28E. We expect blended margin to expand to INR 1,305/MT in FY28E from INR 1,006/MT in FY25. Despite its aggressive capex, JKCE's net debt to EBITDA should remain under 2x, in our view.

- **Solid volume performance continues in Q3FY26:** Consolidated volume rose 22% YoY in Q2, led by 23/14% YoY growth across grey cement/white putty segments, further bolstering its market share gains. It also pushed volumes in non-trade, the sales share of which rose to 40% (four-year high). Premium sales share grew further to 17% vs 15/16% QoQ/YoY. Grey NSR dipped 3% QoQ on weak pricing, lower GST incentive and higher non-trade sales. Unit opex fell 5% QoQ on oplev gain and lower fuel cost while freight cost went up due to change in road mix and withdrawal of railway discount. Thus, unit EBITDA expanded by INR 31/MT QoQ to INR 852/MT, in our view. White cement segment delivered ~12% YoY EBITDA rise (our estimate) on healthy 14% volume growth. Paint revenue ramped up 20/5% YoY/QoQ to INR 1bn.
- **Outlook:** JKCE noted cement demand has firmed up Dec-25 onwards and non-trade prices have recovered by ~INR 15-20/bag in Jan-25. Despite a rise in pet coke prices, JKCE expects its fuel cost to remain stable QoQ, owing to inventory and higher usage of domestic coal in the central region. JKCE's target to reduce opex by ~INR 50-60/MT annually during FY25-27E is on track, driven by rising share of green power, lead distance reduction, and other efficiencies. The ongoing expansion in the central/east regions (6mn MT) and 0.7mnMT in Karnataka by Mar-26E, will expand its consolidated capacity to 35mn MT. In north, JKCE will further add 0.6mn MT putty capacity by Q2FY27 and the 7mn MT greenfield cement capacity by Q2FY28. It guided cumulative capex of ~INR 25-28/35/12bn during FY26/27/28E toward these.

Consolidated quarterly/annual financial summary

YE Mar (INR bn)	Q3 FY26	Q3 FY25	YoY (%)	Q2 FY26	QoQ (%)	FY24	FY25	FY26E	FY27E	FY28E
Sales (mn MT)	6.0	4.9	22.2	5.0	19.9	19.0	20.1	23.0	25.6	28.7
NSR (INR/MT)	5,785	5,984	(3.3)	6,048	(4.3)	6,087	5,897	5,878	5,956	5,983
EBITDA (INR/MT)	931	1,005	(7.3)	895	4.1	1,085	1,006	1,060	1,211	1,305
Net Sales	34.63	29.30	18.2	30.19	14.7	115.56	118.79	134.93	152.65	171.99
EBITDA	5.58	4.92	13.3	4.47	24.8	20.60	20.27	24.33	31.03	37.53
APAT	2.10	1.90	11.0	1.61	31.1	7.95	7.84	10.17	14.11	16.25
AEPS (INR)	24.8	6.3	267.2	33.0	(24.7)	102.9	101.5	131.7	182.6	210.3
EV/EBITDA(x)						18.0	18.1	20.0	15.8	13.5
EV/MT (INR bn)						13.3	12.0	12.8	12.5	11.0
P/E (x)						42.7	43.3	44.0	31.7	27.5
RoE (%)						16.0	13.8	15.7	18.8	18.5

Source: Company, HSIE Research; Operating trends are on a blended basis (grey cement+ white/putty)

BUY

CMP (as on 19 Jan 2026)	INR 5,789
Target Price	INR 6,495
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 6,495	INR 6,495
EBITDA revision %	FY26E 1.1	FY27E -

KEY STOCK DATA

Bloomberg code	JKCE IN
No. of Shares (mn)	77
MCap (INR bn) / (\$ mn)	447/4,921
6m avg traded value (INR mn)	714
52 Week high / low	INR 7,566/4,219

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(10.8)	(10.9)	27.5
Relative (%)	(9.9)	(12.7)	18.9

SHAREHOLDING PATTERN (%)

	Jun-25	Sep-25
Promoters	45.66	45.66
FIs & Local MFs	23.06	21.74
FPIs	17.56	18.57
Public & Others	13.72	14.03
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Can Fin Homes

A good quarter; need for sustainability

Can Fin Homes (CANF) reported a strong set of P&L outcomes (NII/PPoP/PAT growth of 22%/21%/25% YoY), largely driven by strong NIMs (4.14%) and low credit costs (10bps). Further, disbursements witnessed an uptick (+45% YoY, 7% QoQ) albeit on a lower base, led by an uptick in the states of Karnataka and Telangana. CANF remains upbeat about loan growth prospects (15%+ in FY27), led by branch additions (~25 annually), product and customer diversification (LAP, SENP segment, etc.), increase in share of direct sourcing and ongoing tech transformation. However, tepid loan growth (+9.5% YoY) amidst moderation in housing demand, elevated competitive intensity, and protracted impact of growth initiatives remains a key monitorable. We revise our FY26/FY27E/FY28E earnings estimates for higher NIMs, offset by higher opex, and maintain BUY with a revised RI-based TP of INR 950 (implying 1.8x Sep-27 ABVPS).

- **Strong NIMs; marginal moderation ahead:** CANF reported NIM of 4.14% (+12bps QoQ), driven by lower cost of funds, leading to strong profitability (RoA/RoE of 2.6%/18.8%). However, CANF has reduced its benchmarking lending rate by 25bps during Dec'25-Jan'26, which is likely to drive NIMs lower, although at a slower pace, given ~54% of loans are currently at annual reset. Opex ratios were elevated (C/I at 18.5%; opex to AUM at 0.8%) and are likely to increase further (C/I at ~19%) with the ongoing tech transformation.
- **Healthy asset quality:** GNPA/NNPA improved marginally to 0.92%/0.49% (Q2FY26: 0.94%/0.49%); with SMA1-2 at 5% (Q2FY26: 5.2%). With declining pool of overall delinquencies, management expects limited provisioning during Q4 and sub-15bps credit costs during FY27-FY28E.
- **Growth initiatives impact getting protracted:** CANF's loan growth remained subdued in Q3 (+9.5% YoY) partly due to higher BT-outs. CANF has been taking multiple measures such as distribution expansion (30 branches added during FY25-FY26; ~25 to be added annually), creating direct sourcing channel (90 marketing executives), product diversification and ongoing tech transformation in FY26 (likely to spill over to FY27) to drive loan growth. However, the impact of these initiatives has been slower than expectations and remains a key monitorable for any significant rerating.

Financial summary

Y/E Mar (INR bn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
NII	4.2	3.4	22.1	4.0	4.0	13.5	16.1	17.8	20.0
PPOP	3.5	2.9	20.5	3.3	4.9	11.5	13.4	14.8	16.6
PAT	2.6	2.1	24.8	2.5	5.3	8.6	10.0	11.0	12.3
EPS (INR)	19.9	15.9	24.9	18.9	5.3	64.4	75.2	82.7	92.1
ROAE (%)						18.2	18.2	17.3	16.7
ROAA (%)						2.2	2.3	2.3	2.2
ABVPS (INR)						367.5	427.9	493.9	567.7
P/ABV (x)						2.6	2.2	1.9	1.7
P/E (x)						14.6	12.5	11.3	10.2

Change in estimates

INR bn	FY26E			FY27E			FY28E		
	Old	New	Chg	Old	New	Chg	Old	New	Chg
AUM	427	424	-0.8%	488	484	-0.8%	562	557	-0.9%
NIM (%)	3.6	3.7	15 bps	3.6	3.7	11 bps	3.6	3.6	1 bps
NII	15.5	16.1	3.7%	17.4	17.8	2.4%	19.9	20.0	0.1%
PPOP	13.1	13.4	2.5%	14.5	14.8	2.0%	16.7	16.6	-0.4%
PAT	9.7	10.0	3.7%	10.7	11.0	2.7%	12.3	12.3	0.1%
ABVPS (INR)	425.2	427.9	0.6%	489.0	493.9	1.0%	562.4	567.7	0.9%

Source: Company, HSIE Research

BUY

CMP (as on 19 Jan 2026)	INR 939
Target Price	INR 950
NIFTY	25,586

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 915	INR 950
EPS %	FY26E	FY27E
	3.7%	2.7%

KEY STOCK DATA

Bloomberg code	CANF IN
No. of Shares (mn)	133
MCap (INR bn) / (\$ mn)	125/1,375
6m avg traded value (INR mn)	219
52 Week high / low	INR 972/559

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	17.2	15.0	35.8
Relative (%)	18.1	13.1	27.2

SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	30.0	30.0
FIs & Local MFs	23.9	24.7
FPIs	12.5	13.2
Public & Others	33.6	32.1

Pledged Shares - -

Source: BSE

Pledged shares as % of total shares

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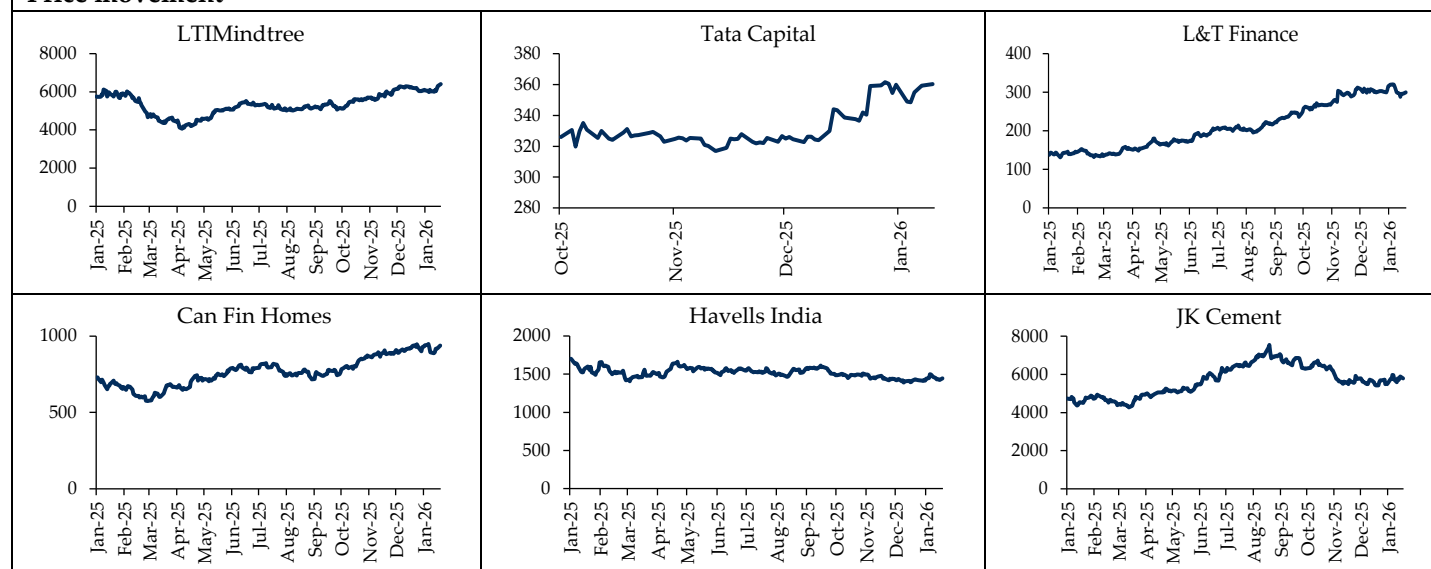
Rating Criteria

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

Disclosure:

Analyst	Company Covered	Qualification	Any holding in the stock
Amit Chandra	LTIMindtree	MBA	NO
Vinesh Vala	LTIMindtree	MBA	NO
Maitreyee Vaishampayan	LTIMindtree	MSc	NO
Deepak Shinde	Tata Capital, L&T Finance, Can Fin Homes	PGDM	NO
Krishnan ASV	Tata Capital, L&T Finance, Can Fin Homes	PGDM	NO
Ayush Pandit	Tata Capital, L&T Finance, Can Fin Homes	PGDM	NO
Keshav Lahoti	Havells India, JK Cement	CA, CFA	NO
Rajesh Ravi	Havells India, JK Cement	MBA	NO
Riddhi Shah	Havells India, JK Cement	MBA	NO
Mahesh Nagda	Havells India, JK Cement	CA	NO

Price movement



Disclosure:

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