INSTITUTIONAL RESEARCH

HSIE Results Daily

Contents

Results Reviews

- **LG Electronics India:** Revenue grew 15% YoY to INR 72.3bn, driven by both volume and value-led growth. However, the two-year CAGR remains a modest 6% despite pricing actions. Home appliances division (77% revenue mix) grew 14% YoY, while home entertainment division grew 22% YoY (23% revenue mix). EBITDA margin expanded by 110bps YoY to 12.5% (up 80bps QoQ). Export growth stood at 30% in Q1 and is expected to remain strong, going forward. Consequently, EBITDA/APAT grew 26/27% YoY. Following healthy Q1 performance, the company remains confident of outperforming its FY27 targets of mid-teen revenue growth and an early double-digit EBITDA margin. For Q2, management indicated that demand trends remain favorable, supported by monsoon-driven momentum in washing machines and the onset of festive-season stocking. Pricing has remained resilient, with the industry effectively absorbing higher input costs through price increases. Factoring in-line performance, we broadly maintain estimates. Considering the stock's post-result rally, we downgrade to REDUCE from Add, while retaining our target price of INR 1,525 per share based on 38x Sep'28E EPS.
- **Ashok Leyland:** While demand continues to hold for now, we remain cautious due to building up of cost pressures and the potential demand impact from continuing geopolitical tensions. The new launches as well as the continuing demand momentum in the non-CV business augur well. We value the company's core business at 12.0x Jun-28 EV/EBITDA, and add the value of Hinduja Leyland Finance (INR 15) for a TP of INR 184, maintaining an ADD rating.
- **Max Healthcare Institute:** EBITDA^ grew 13% YoY on 15% YoY sales growth (hospital revenue +15%, Max Labs +21%). ARPOB rose 5% YoY, while occupancy dipped slightly to 75% (vs. 76% in the year-ago quarter). Bed capacity expansion remains largely on track, with management guiding toward improving growth and break-even at new facilities over the next 12–18 months. Margins at brownfield hospitals should stay steady near term on cost synergies, while the Gurgaon greenfield hospital's margin impact is expected only from Q4FY27. We believe the company remains on track with its capex plan to add 2,000+ beds over FY26–29. The oncology business drag is expected to persist through Q3FY27, normalizing from Q4FY27. Management flagged a CGHS benefit of ~INR 1.4bn, effective from Jun-26. Kalinga hospital should see improvement from FY28, with room to lift both occupancy and ARPOB. On the parliamentary panel's suggestions around price controls, management noted it isn't directly engaged with stakeholders on the matter but cautioned that such controls could weigh on future expansion plans. We expect the aggressive capacity build-out to underpin an 18%/19% revenue/EBITDA CAGR over FY26–29E, with EBITDA margin steady at ~26% in FY28/29E (new hospitals and M&A to remain a drag). Factoring in Q1, we cut FY27/28E EBITDA by 2% and revise our SoTP to INR 1,110 (28x Q1FY29E EV/EBITDA). Maintain ADD.
- **Alkem Laboratories:** EBITDA grew 4% YoY on 11% YoY sales growth (India +10% YoY, US -7% QoQ, ex-US exports +35% YoY) and higher gross margin (+262bps YoY to 67.9%), offset by elevated costs (staff/R&D/SG&A up 17%/27%/25% YoY). Management's guidance: (1) India business to grow ~12% in FY27, led by rising chronic mix (~22% in FY26), GLP-1 franchise scale-up,

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traction in key therapies, and new launches. MR additions (~14,500 in FY26) will stay strategic with a chronic-business focus, while the trade generics business should recover over the next few quarters; (2) Gross margin to be sustained at 66.5–67% in FY27, though elevated material costs are expected to weigh on margins later in the year; (3) US business to deliver mid-to-high-single-digit growth, led by new launches (Dolutegravir in Q2FY27, Tolvaptan in H2FY27E), partly offset by limited volume growth in the base business; (4) International export formulations to see high-teens growth; (5) ETR at 30–32%. The company completed the Occlutech transaction to enter the medtech space, with a focus on orthopedics and the cardiac impact market; it expects ~INR 4bn in sales with EBITDA break-even by end-FY27. The US-CDMO business is expected to scale up over the next 1–2 years, with EBITDA break-even targeted by end-FY28 on a revenue base of USD 25–30mn. Management indicated no major M&As are planned in the medtech business, with net cash at INR 57.64bn as of Jun-26. Factoring in the Q1 performance, Occlutech integration, and higher ETR, we cut EPS by 8%/6% for FY27/28E and revise our TP to INR 6,000 (28x Q1FY29E EPS). ADD stays, as we expect steady India business growth (~11% CAGR over FY26–29E), a stable US franchise, scale-up in US-CDMO and Occlutech, and gradual margin improvement.

- **Bharat Dynamics:** BDL recorded a stellar Q1FY27 performance, reflected through 131% revenue growth YoY to INR 5.7bn and APAT growth of 6.5x to INR 1.2bn, led by postponement of Akash project revenue booking from Q4FY26 to this quarter. Absolute EBITDA stood at INR 831mn in this quarter (Q1FY26: INR -454mn), helped by operating leverage kicking in through lower other expense and stable employee cost YoY. EBITDA margin for the quarter stood at 14.5%, which is expected to improve in the remaining quarters on account of accelerated execution (FY27E estimate: 19%). Due to the company's dependence on imports for key components (viz. seekers, etc.) and other supply chain partners, there could be pressure on revenue booking timelines and profitability. We estimate Q1FY27-end order book at INR 270bn and an estimated order inflow of INR 13.5bn. Order inflow comprises Helina launchers and LRUS from HAL, deliverable over 24-60 months. The company expects an order inflow of INR 150bn in FY27E, consisting majorly of QRSAM (~INR 10bn), repeat astra missile orders, Akash NG and a few base orders. We pencil in a 53% revenue CAGR over FY26-FY28E, led by Akash weapon deliveries, scaling up of Astra missile project from Q2FY27, current order book, and future order inflows. Revenue growth is optically high due to a subdued FY26 revenue base (FY25 to FY28 revenue CAGR 19.5%). We maintain our PAT estimates at 64.5% CAGR over FY26-FY28E, bolstered by revenue bounce-back and rising other income. We expect the remaining quarters of FY27E to witness robust revenue booking on account of accelerated execution of Astra missiles project. We see this as a key monitorable for meeting our estimates. Supported by strong execution in Q1FY27, we maintain our earnings estimates. However, due to steep valuations, we maintain REDUCE with a TP of INR 1,080 (35x FY28E EPS).

- **IPCA Laboratories:** EBITDA grew 50% YoY, led by 21% YoY sales growth (India +13%, export formulations +34%, API +30%, Unichem +20%), higher gross margin (+135bps YoY to 71.4%), and controlled costs (staff/SG&A +11%/+9% YoY). This drove margin expansion to 22.9% (+449bps YoY). IPCA raised its FY27E guidance — overall business growth to 14–16% (from 12–13% earlier) and consolidated margin to 23% (from 22%). India business is expected to outperform IPM growth at 12–13% in FY27E, led by sustained momentum in key therapies (pain, CVS, anti-diabetics, CNS, derma) and new launches. Export formulations should improve on EU/UK traction, US business scale-up (3–4 product launches each from the IPCA and Unichem portfolios), and momentum in other EMs — together driving 15–17% growth in the generics business. API business is expected to see strong growth. Q1FY27's institutional sales growth was an aberration, inflated by INR 400mn of delayed Q4FY26 supplies; management expects this to normalize to annual sales of INR 2.6–3bn. Unichem guidance is retained at ~10% YoY growth with ~13% margin in FY27E. The company aspires to a standalone EBITDA margin of ~30% and consolidated margin of 25–26% over the next 2–3 years. Capex plans for FY27 stand at INR 7–8bn, including ~INR 1bn for a biologics plant, alongside capacity expansion across Silvassa, Ratlam, Dewas, and Wardha. Biosimilar revenues are expected to start from FY29/30. We believe IPCA is well-positioned for ~13% revenue CAGR over FY26–29E, driven by steady India growth (new launches, focused therapy momentum, chronic category scale-up) and export ramp-up (Unichem integration, new US/EU/RoW launches), alongside margin improvement (~19%/20% EBITDA/PAT CAGR over FY26–29E). Factoring in the Q1 beat, we raise EPS by 7%/5% for FY27/28E and revise our TP to INR 2,010 (28x Q1FY29E EPS). Maintain BUY.

- **Voltas:** Voltas revenue grew 19% YoY to INR 46.7bn, driven by 33% YoY growth in UCP segment (82% revenue mix) and EPS segment (3% revenue mix) grew 17% YoY. However, overall growth was dragged by EMPS (15% revenue mix) which declined 27% YoY. EBITDAM expanded higher by 110/120bps YoY/QoQ leading to EBITDA/APAT growth of 49/52% YoY. The company reported industry-leading 17.3% secondary market share in RACs in Q1FY27, with RAC volumes rising 45% YoY. Voltbek continued its robust growth trajectory, significantly outperforming the industry and delivering the highest-ever quarterly sales in both value and volume, although the business remains loss-making. The company has also signed a binding term sheet with Atomberg to establish a 50:50 JV in India for RAC-compressor manufacturing, targeting a capacity of 2.8mn units to commence production by Q4FY28. We maintain ADD with a revised target price of INR 1,375/share.
- **Endurance Technologies:** While the growth trajectory in the standalone business remains intact, the European business is facing challenges from higher energy costs, uncertainty around policies regarding electrification and localization, and increasing presence of Chinese OEMs. While there could be some RM cost relief due to softer aluminium alloy prices, it is yet to pass on the higher costs on account of energy, cutting tools, and manpower. However, increasing focus on the four wheeler and non-auto segments augurs well for margins and diversification. We value the company at 27x Jun-28 EPS for a TP of INR 2,913; maintain ADD.
- **Amber Enterprises:** Amber's Q1FY27 revenue grew 13% YoY to INR 38.9bn. Consumer durables (71% revenue mix) grew by 8% YoY, electronics segment (25% revenue mix) grew by 29% YoY, and railways subsystem segment (4% revenue mix) grew by 17% YoY. EBITDAM expanded by 60bps YoY to 8% (-60bps QoQ). Accordingly, EBITDA grew by 22% YoY. Management expects the RAC industry to grow ~13–15% in FY27, with the company projected to grow in line with the industry. It has retained its guidance of ~40% growth for the electronics division and 30–35% growth for the railways division. The mobile-manufacturing business is progressing well, with trial production expected to begin in Q4FY27 and commercial production from Q1FY28 start. Upcoming PCB facilities remain on track. We maintain REDUCE with a lower TP of INR 8,060/share, based on a DCF valuation (WACC: 12%, terminal growth: 5%), implying ~40x Sep-28E EPS.
- **Indraprastha Gas:** We maintain BUY on Indraprastha Gas (IGL) with a TP of INR 209, given (1) volume growth at a CAGR of ~5.5% over FY26-29E, (2) margins supported by higher gas allocation from high-pressure, high-temperature (HPHT) fields to the priority sector, and (3) a strong portfolio of new geographical areas (GAs) ensuring volume growth visibility. Q1FY27

EBITDA stood at INR 3.0bn (-42.3% YoY, -30.1% QoQ) and APAT was at INR 1.9bn (-47.7% YoY, -32.8% QoQ), both below our estimates owing to higher-than-expected gas costs.

- **Brigade Enterprises:** Brigade Enterprises's (BEL) sales volume was 0.74msf (-22.1%/-62.1% YoY/QoQ), valued at INR 10.6bn (-5.1%/-57.9% YoY/QoQ) with average realization of INR 14,338psf (+21.8%/+10.9% YoY/QoQ. BEL's FY27 presales guidance centres on launch pipeline over the next four quarters at 16.4msf, 12.4msf residential (9.36msf within FY27 with INR 100bn GDV, 3msf spilling into Q1FY28) plus 4msf commercial with an estimated residential GDV of INR 134bn. Key launches are planned across Bengaluru, Hyderabad, Chennai and Mysore, alongside hospitality expansion of ~1,700 keys. Presales are targeted at a 20% growth over FY26 at INR 90bn. On the business development side, the company added INR 24bn of GDV across 2.7msf of residential projects in Q1FY27, primarily in Hyderabad, reflecting sustained business development momentum despite the quarter's muted launch activity. The commercial pipeline stands at ~10msf of land already secured, slated for launch across FY27-28, backed by INR 60bn of capex over four years (~INR 12-17bn p.a). To support expansion, including a Hyderabad office/mall and a hotel portfolio targeting 1,700 keys, capex is projected at INR 8bn for FY27 resp. Moreover, the recognition of premium projects is anticipated to help maintain residential EBIDTA margin at 20%+. We reiterate BUY, with TP of INR 940/sh to account for (1) inclusion of new projects in Hyderabad, Bengaluru, and Chennai, (2) expansion in the office/hospitality segment, and (3) presales sales growth of 20%. BEL needs to look for newer markets to drive growth as geographic and premium mix changes have reduced sales velocity.

- **Aditya Birla Real Estate:** Aditya Birla Real Estate's (ABREL) reported presales for Q1FY27 stood at INR 3.29bn (-22.1%/-92.3% YoY/QoQ), with a booking area of 0.4msf (+33.3%/-86.7% YoY/QoQ). The company has a launch pipeline with an estimated GDV of INR 96bn across 3.3msf of saleable area, comprising six projects: Birla Niyaara Tower C, Birla Taranya phase 2 Khar redevelopment, Birla Navya golf course extension, Birla Punya, and Birla Evam. On BD, ABREL has identified building the BD pipeline as the primary strategic focus for FY27, with INR 600bn (50% of which shall be in MMR) under active discussion, of which ABREL has guided BD of INR 100-150bn in GDV for FY27. Of this, it recently signed a redevelopment project with a GDV of INR 26bn in Vashi (1msf saleable area). The long-term presales target of INR 150bn has been guided for FY29 (pushed back from FY28), with management acknowledging that timing of BD closures and launch readiness will be the key variables. Growth will be led through capital-efficient SPV-level partnerships with Mitsubishi Estate and IFC. Key risks include potential regulatory delays on Niyaara Tower C (possible Q3FY27), input cost inflation, and softness in affordable/mid-income housing though the luxury and premium segments remain a strong demand buffer. The full divestment from pulp & paper further sharpens capital allocation toward real estate, giving the balance sheet added flexibility to fund this pipeline. We reiterate BUY on ABREL with a TP of INR 1,910/sh, premised on GDV addition, robust launch pipeline, strong balance sheet, and stable cash flows.

- **Galaxy Surfactants:** We downgrade our recommendation on GALSURF to REDUCE with a price target of INR 2,601 based on (1) resilient volume growth; (2) improving traction for specialty care in the US; and (3) medium-term margin expansion roadmap, supported by specialty mix improvement, operating leverage, and monetization of capex. We expect revenue/EBITDA/APAT CAGR of 10/11/16% over FY26-29E. Q1 EBITDA/APAT were above our estimates, led by higher-than-expected volume growth and improved realizations.

- **Sudarshan Chemicals:** We maintain REDUCE on Sudarshan Chemical (SCIL), with a price target of INR 911. SCIL has completed the acquisition of the Heubach Group. Heubach's expansive global production and service network uniquely position the company to serve a worldwide customer base. Operational optimization and cost reduction programme undertaken by SCIL will improve efficiency. The company is in the process of integrating the acquired entity under one entity, streamlining the supply chain to meet customer requirements. We expect revenue/EBITDA/APAT CAGR of 8/18/89% over FY26-29E and RoE of 8.7% in FY29. The stock is trading at 59.1/51.6/27.4x in FY27/28/29E, which we believe is contextually high. Q1 EBITDA/APAT were above our estimates, owing to lower-than-expected raw material cost.
- **KNR Constructions:** KNR's reported revenue/EBITDA/APAT at INR 3.6/0.2/0.08bn were a miss to our estimates by 16/40/56%. Subdued tendering, lower margin pipeline subcontracting revenue, and weaker execution impacted profitability. Based on current OB, KNR guided for the FY27/28 revenue to be in the range of INR23/30bn and margins are expected to improve to 9/12% by FY27/28. KNR has booked ~INR 3.6bn of new orders in Q1FY27, taking the overall OB to INR 86.7bn as of June'26 (4.2x FY26 revenue, ex of INR 32.3bn orders where AD is awaited). KNR expects an inflow (OI) of INR 80-100bn in FY27, once NHAI ordering picks pace, including other segments like irrigation from MP and Maharashtra, subcontracting from EPC/BOT projects won by peers, and urban infra projects in AP, Tamil Nadu, and Telangana. Irrigation receivables stand at INR 14.5bn, of which KNR expected to realize INR 6-7bn in FY27 on monthly payment of INR 1bn over the next 6-7months as agreed with the Telangana government. Balance payment of INR 7-8bn will follow from revised budget estimates. We have cut estimates to factor in weak order inflows and margins; maintain BUY with a TP of INR 155/sh (13x Jun-28E EPS and HAM valued at 1.5x of equity invested).
- **HG Infra:** HG Infra (HG) reported Q41FY27 revenue/EBITDA/APAT of INR 9.1/0.8/0.06bn, a -14.4/-40.7/-84.2% miss vs. our estimates. Disruption in execution in some solar projects, due to local issues, resulted in shifting of transmission lines. This increased the overall project cost and impacted margins. Further, increase in commodity prices (metal – transmission execution and bitumen – roads execution) also impacted EBITDA margins. Delay on settlement of operational claims continues to persist with partial receipt of INR 0.4bn in Q1, and INR 1bn each expected by Q2 and H2FY27 respectively. HG's order book (OB) as of Jun'26 stood at INR 145bn (~2.6x FY26 revenue). HG has revised revenue guidance at INR 60-65bn (earlier INR 65-70bn) and EBITDA margin of 13-13.5% (earlier 14-15%) for FY27. Moderation in guidance factors in underwhelming Q1FY27 performance. HG has embarked upon diversification strategy into new business segments, as is evident from its OB, which now includes roads, rails, solar, T&D, and BESS, thus reducing segmental concentration risk, particularly in light of muted awards and intense competition in the road infrastructure sector. We have cut our estimates to factor in the delay in project awards and lowered our margins assumption. Given stable OB, likely pick-up in execution, and a healthy balance sheet, we maintain BUY on HG, with a reduced TP of INR 852 (9x Jun-28E EPS).

LG Electronics India

Healthy quarter; strong performance in home entertainment

Revenue grew 15% YoY to INR 72.3bn, driven by both volume and value-led growth. However, the two-year CAGR remains a modest 6% despite pricing actions. Home appliances division (77% revenue mix) grew 14% YoY, while home entertainment division grew 22% YoY (23% revenue mix). EBITDA margin expanded by 110bps YoY to 12.5% (up 80bps QoQ). Export growth stood at 30% in Q1 and is expected to remain strong, going forward. Consequently, EBITDA/APAT grew 26/27% YoY. Following healthy Q1 performance, the company remains confident of outperforming its FY27 targets of mid-teen revenue growth and an early double-digit EBITDA margin. For Q2, management indicated that demand trends remain favorable, supported by monsoon-driven momentum in washing machines and the onset of festive-season stocking. Pricing has remained resilient, with the industry effectively absorbing higher input costs through price increases. Factoring in-line performance, we broadly maintain estimates. Considering the stock's post-result rally, we downgrade to REDUCE from Add, while retaining our target price of INR 1,525 per share based on 38x Sep'28E EPS.

- **Q1FY27 highlights:** Revenue grew 15% YoY to INR 72.3bn, driven by volume and value-led growth. However, the two-year CAGR remains a modest 6% despite pricing actions. Further exports delivered growth complementing domestic demand, supported by growing consumer shift toward feature-rich, higher value and energy efficient products. Home appliances division (77% revenue mix) grew 14% YoY, while home entertainment division grew 22% YoY (23% revenue mix). EBITDA margin expanded 110bps YoY to 12.5% (up 80bps QoQ). Other expenses surged by 8% YoY, while employee cost was up 10% YoY. Consequently, EBITDA/APAT grew 26/27% YoY.
- **Con call KTA and valuation**: The company remains confident of outperforming its FY27 targets of mid-teen revenue growth and guides early double-digit EBITDA margin. For Q2, management indicated that demand trends remain favorable in the home appliances division, supported by monsoon-driven momentum in washing machines and the onset of festive-season stocking. Pricing has remained resilient, with the industry effectively absorbing higher input costs through calibrated price increases. In the home-entertainment division, the festive season is expected to be the key demand catalyst for televisions, with strong sell-out trends and early channel stocking already underway. Construction at the Sri City plant remains on track. Factoring in-line performance, we broadly maintain our estimates. Considering the stock's post-result rally, we downgrade the rating to REDUCE from Add, while retaining our target price of INR 1,525 per share based on 38x Sep'28E EPS.

Financial summary

(INR mn)	Q1 FY27	Q1 FY26	YoY (%)	Q4 FY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Sales	72,334	62,629	15.5	80,536	(10.2)	2,43,666	2,46,049	2,78,662	3,07,082	3,41,127
EBITDA	9,043	7,163	26	9,454	-4.3	31,101	24,208	31,428	37,460	41,681
EBITDAM	12.5	11.4		11.7		12.8	9.8	11.3	12.2	12.2
APAT	6,529	5,133	27.2	6,927	-5.8	22,033	17,124	22,190	26,018	28,516
EPS (INR)	9.6	7.6	-	10.2	-5.8	32.5	25.2	32.7	38.3	42.0
EV/EBITDA (x)						33.0	42.1	31.9	26.4	23.4
P/E (x)						48.2	62.0	47.8	40.8	37.2
RoE (%)						45.2	25.1	25.3	23.8	21.7

Source: Company, HSIE Research

REDUCE

CMP *(as on 14 Aug 2026)*	INR 1,730
Target Price	INR 1,525
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	REDUCE
Price Target	INR 1,525	INR 1,525
	FY27E	FY28E
EPS %	0.3	0.2

KEY STOCK DATA	
Bloomberg code	LGEL IN
No. of Shares (mn)	679
MCap (INR bn) / ($ mn)	1,174/12,302
6m avg traded value (INR mn)	1,166
52 Week high / low	INR 1,749/1,300

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	10.5	14.5	-
Relative (%)	7.0	20.0	-

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	85.00	85.00
FIs & Local MFs	8.03	7.84
FPIs	2.73	3.13
Public & Others	4.24	4.03
Pledged Shares	0.0	0.0

Source : BSE

Pledged shares as % of total shares

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Ashok Leyland

Demand holds for now although cost pressures build up

While demand continues to hold for now, we remain cautious due to building up of cost pressures and the potential demand impact from continuing geopolitical tensions. The new launches as well as the continuing demand momentum in the non-CV business augur well. We value the company's core business at 12.0x Jun-28 EV/EBITDA, and add the value of Hinduja Leyland Finance (INR 15) for a TP of INR 184, maintaining an ADD rating.

- **Quarterly performance:** EBITDA margin, at 10.1%, declined 105bps YoY and 452bps QoQ, above our estimate of 10% and Bloomberg consensus estimate of 9.6%. The compression in the EBITDA margin QoQ was on account of lower operating leverage, as gross margin largely remained stable at 28.5%, down only 18bps QoQ despite commodity headwinds. Management credited the stable gross margin to initiatives like improving price realization, improving product and revenue mix, cost reduction, and opportunity-based inventory build-up. Another factor benefiting the company is the continuing YoY growth in the non-CV business: 12.7% in domestic aftermarket, 51% in power solutions, 64% in defence. The defence order book remains strong.
- **Demand outlook:** Management expects the industry volumes in FY27 to grow in high single digit for MHCV, with a slightly better outlook for LCV. Some factors for this are good growth in H1 (supported by a low base too), better economics of BSVI trucks vs ageing trucks especially post the GST rate cut last year, infrastructure development and availability of retail financing.
- **Margin pressure in the near term:** Gross margin was more stable QoQ despite raw material cost increase as the company consumed inventory from an earlier period, focused on cost savings, focused on improving the mix, and took pricing actions (price hike of 1.2-1.25% in Q1). However, it expects Q2 gross margin to be impacted by higher raw material cost. It has taken a price hike in July (more than 1% in MHCV and more than 2% in LCV), and expects to take more calibrated price hikes throughout the year. Cumulatively, since the start of FY27, it has taken price hikes totalling more than 2-2.5% for MHCV and more than 3.5% for LCV. In terms of employee costs too, there would be a marginal increase as the increment cycle starts from 1 July.
- **Other key highlights:** (1) On the exports front, the volumes in SAARC and Africa have grown substantially, negating the loss in volume in GCC. (2) However, production issues in the UAE, where it assembles the products for the GCC markets, is easing, with the facility already operating at peak production currently. (3) The impact on bus volumes is because it decided not to take on unprofitable tenders for the larger buses.

Quarterly/annual financial summary

YE Mar (INR mn)	1Q FY27	1Q FY26	YoY (%)	4Q FY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Net Sales	96,344	87,245	10.4	1,41,605	(32.0)	4,40,070	4,77,901	5,49,154	6,17,445
EBITDA	9,695	9,696	(0.0)	20,655	(53.1)	57,323	59,738	74,397	85,026
EBITDA %	10.1	11.1	-105bps	14.6	-453bps	13.0	12.5	13.5	13.8
APAT	6,091	5,937	2.6	14,047	(56.6)	39,140	40,410	51,100	58,738
EPS(INR)	1.04	1.01	2.6	2.39	(56.6)	6.7	6.9	8.7	10.0
P/E (x)						25.8	24.9	19.7	17.2
EV / EBITDA (x)						16.7	16.1	12.8	11.1

Source: Company, HSIE Research

ADD

CMP *(as on 14 Aug 2026)*	INR 172
Target Price	INR 184
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 186	INR 184
EPS %	FY27E	FY28E
	-0.3%	-0.8%

KEY STOCK DATA	
Bloomberg code	AL IN
No. of Shares (mn)	5,874
MCap (INR bn) / ($ mn)	1,008/10,564
6m avg traded value (INR mn)	4,207
52 Week high / low	INR 215/119

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	11.2	(16.1)	40.7
Relative (%)	7.7	(10.5)	43.9

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	51.51	51.51
FIs & Local MFs	13.06	15.76
FPIs	24.57	20.68
Public & Others	10.86	12.05
Pledged Shares	20.49	20.49

Source : BSE

Pledged shares as % of total shares

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Max Healthcare Institute

Steady Q1; expansion-led growth, steady margin

EBITDA^ grew 13% YoY on 15% YoY sales growth (hospital revenue +15%, Max Labs +21%). ARPOB rose 5% YoY, while occupancy dipped slightly to 75% (vs. 76% in the year-ago quarter). Bed capacity expansion remains largely on track, with management guiding toward improving growth and break-even at new facilities over the next 12–18 months. Margins at brownfield hospitals should stay steady near term on cost synergies, while the Gurgaon greenfield hospital's margin impact is expected only from Q4FY27. We believe the company remains on track with its capex plan to add 2,000+ beds over FY26–29. The oncology business drag is expected to persist through Q3FY27, normalizing from Q4FY27. Management flagged a CGHS benefit of ~INR 1.4bn, effective from Jun-26. Kalinga hospital should see improvement from FY28, with room to lift both occupancy and ARPOB. On the parliamentary panel's suggestions around price controls, management noted it isn't directly engaged with stakeholders on the matter but cautioned that such controls could weigh on future expansion plans. We expect the aggressive capacity build-out to underpin an 18%/19% revenue/EBITDA CAGR over FY26–29E, with EBITDA margin steady at ~26% in FY28/29E (new hospitals and M&A to remain a drag). Factoring in Q1, we cut FY27/28E EBITDA by 2% and revise our SoTP to INR 1,110 (28x Q1FY29E EV/EBITDA). Maintain ADD.

- **Q1 highlights:** Sales were at INR 28.35bn (+15% YoY). Hospital sales were at INR 27.77bn (+15% YoY). Max Lab grew 21% YoY to INR 580mn. Excluding non-operating costs, EBITDA came in at INR 7.05bn (+13% YoY) and margin was 24.9% (-58 bps YoY). PAT (ex-one-offs) was INR 3.79bn (flat YoY).
- **Operating metrics:** ARPOB grew 5% YoY at INR 81,900/day. Occupancy was 75% (vs 76% YoY). OPD/IP volume grew 12/10% YoY. ALOS was up YoY at 4.1 days. International patient sales (8.8% of the hospital sales) grew 18% YoY. EBITDA per bed was up 4% YoY to INR 7.1mn. Pre-tax RoCE was 20%.
- **Con call takeaways:** The board has approved a strategic foray into medical education, with plans to set up a medical college — following the National Medical Commission's recent notification permitting for-profit companies to establish medical colleges. Management's back-of-envelope estimates peg the capex for a 150-bed medical college at the Lucknow campus at INR 3bn, with expected RoCE of 25–30%. A few insurance empanelments are up for renewal in Sep/Oct-26, for which the company expects a price increase; it has already agreed a 6% price revision with insurers. Kalinga Hospital: sales stood at INR 190mn with EBITDA of INR 20mn, occupancy at 50%, and ARPOB at INR 35,000/day. Renovation of the existing facility is expected to be completed within 12 months. Max Smart (brownfield): Operationalized 202 beds as of Jun-26 and it expects to operationalized balance 198 beds over Q2FY27. As of Jun-26, net debt was INR 23.84bn. Institutional patient bed share stood at 32.3% in Q1FY27 (34.1% in Q1FY26 and 35.5% in Q4FY26).

Quarterly financial summary

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Revenue	28,350	24,600	15	25,410	12	86,210	100,280	126,788	146,854	163,914
EBITDA	6,830	6,040	13	6,980	(2)	21,940	25,630	32,386	38,203	43,004
APAT	3,790	3,790	-	3,710	2	14,700	15,806	19,032	22,936	26,374
EPS (INR)	3.9	3.9	(0)	3.8	2	15.1	16.2	19.6	23.6	27.1
P/E (x)						66.9	62.2	51.6	42.9	37.3
EV/EBITDA (x)						45.8	39.3	31.1	26.4	23.2
RoCE (%)						15	14	16	17	17

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

ADD

CMP *(as on 14 Aug 2026)*	INR 1,010
Target Price	INR 1,110
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 1140	INR 1110
EBITDA %	FY27E (1.9)	FY28E (1.6)

KEY STOCK DATA	
Bloomberg code	MAXHEALT IN
No. of Shares (mn)	973
MCap (INR bn) / ($ mn)	982/10,286
6m avg traded value (INR mn)	2,949
52 Week high / low	INR 1,279/903

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(3.9)	(4.3)	(17.4)
Relative (%)	(7.4)	1.3	(14.2)

SHAREHOLDING PATTERN (%)

	Mar-26	Jun-26
Promoters	23.71	23.71
FIs & Local MFs	26.32	29.96
FPIs	45.39	41.78
Public & Others	4.58	4.55
Pledged Shares	-	-

Source: BSE

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Alkem Laboratories

Muted Q1; margin pressure to offset India growth

ADD

EBITDA grew 4% YoY on 11% YoY sales growth (India +10% YoY, US -7% QoQ, ex-US exports +35% YoY) and higher gross margin (+262bps YoY to 67.9%), offset by elevated costs (staff/R&D/SG&A up 17%/27%/25% YoY). Management's guidance: (1) India business to grow ~12% in FY27, led by rising chronic mix (~22% in FY26), GLP-1 franchise scale-up, traction in key therapies, and new launches. MR additions (~14,500 in FY26) will stay strategic with a chronic-business focus, while the trade generics business should recover over the next few quarters; (2) Gross margin to be sustained at 66.5–67% in FY27, though elevated material costs are expected to weigh on margins later in the year; (3) US business to deliver mid-to-high-single-digit growth, led by new launches (Dolutegravir in Q2FY27, Tolvaptan in H2FY27E), partly offset by limited volume growth in the base business; (4) International export formulations to see high-teens growth; (5) ETR at 30–32%. The company completed the Occlutech transaction to enter the medtech space, with a focus on orthopedics and the cardiac impact market; it expects ~INR 4bn in sales with EBITDA break-even by end-FY27. The US-CDMO business is expected to scale up over the next 1–2 years, with EBITDA break-even targeted by end-FY28 on a revenue base of USD 25–30mn. Management indicated no major M&As are planned in the medtech business, with net cash at INR 57.64bn as of Jun-26. Factoring in the Q1 performance, Occlutech integration, and higher ETR, we cut EPS by 8%/6% for FY27/28E and revise our TP to INR 6,000 (28x Q1FY29E EPS). ADD stays, as we expect steady India business growth (~11% CAGR over FY26–29E), a stable US franchise, scale-up in US-CDMO and Occlutech, and gradual margin improvement.

- **Q1 highlights**: Sales grew 11% YoY to INR 37.4bn as India (67% of sales) grew 10% YoY to INR 24.97bn, with growth in anti-infectives, gastro, VMN, pain, anti-diabetics, and derma offset by muted trade generics. The US (20%) was down 7% QoQ to USD 79mn (-4% YoY), and international sales (13%) grew 25% YoY. Strong GM at 67.9% (+262 bps YoY) and higher staff (+17%), R&D (+27% YoY), and SG&A (+25%) costs led to INR 7.66bn EBITDA (+4% YoY) and a 20.5% margin (-144 bps YoY). Higher interest (+57% YoY), other income (+12% YoY), depreciation (+14% YoY), and higher tax outgo (at 32% vs 13.3% in Q1FY26) led to reported PAT of INR 5.2bn (-20% YoY).
- **Key con call takeaways:** The US-CDMO business focuses on development through clinical supplies for mAbs, with plans to scale up to commercial supplies in the near term. In Q1FY27, the business saw a ~INR 600mn opex impact, which the company expects to sustain in the near term. While the company anticipates some delay in US approval for its denosumab (Prolia) biosimilar, it has a partnership with Thermax for the EU market — though this is expected to be a competitive landscape. India biosimilar sales stood at ~INR 1.5bn, coming from seven launched products.

Quarterly financial summary

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Revenue	37,402	33,711	11	36,033	4	129,645	147,123	167,463	188,214	208,347
EBITDA	7,661	7,391	4	5,174	48	25,122	30,052	33,995	39,148	44,169
APAT	5,200	6,531	(20)	3,167	64	21,275	23,917	22,037	24,926	27,688
EPS (INR)	43.5	54.6	(20)	26.5	64	178.0	200.1	184.3	208.5	231.6
P/E (x)						30.3	27.0	29.3	25.9	23.3
EV/EBITDA (x)						25.4	21.5	19.2	16.5	14.4
RoCE (%)						20	20	19	20	20

Source: Company, HSIE Research

CMP *(as on 14 Aug 2026)*	INR 5,368
Target Price	INR 6,000
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 6230	INR 6000
EPS %	FY27E	FY28E
	(8.1)	(6.3)

KEY STOCK DATA	
Bloomberg code	ALKEM IN
No. of Shares (mn)	120
MCap (INR bn) / ($ mn)	642/6,725
6m avg traded value (INR mn)	871
52 Week high / low	INR 5,934/5,075

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(3.7)	(0.6)	0.4
Relative (%)	(7.2)	4.9	3.6

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	51.2	49.7
FIs & Local MFs	21.39	22.63
FPIs	10.15	10.42
Public & Others	17.26	17.25
Pledged Shares	-	-

Source: BSE

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Bharat Dynamics

Strong bounce-back post a subdued FY26

BDL recorded a stellar Q1FY27 performance, reflected through 131% revenue growth YoY to INR 5.7bn and APAT growth of 6.5x to INR 1.2bn, led by postponement of Akash project revenue booking from Q4FY26 to this quarter. Absolute EBITDA stood at INR 831mn in this quarter (Q1FY26: INR -454mn), helped by operating leverage kicking in through lower other expense and stable employee cost YoY. EBITDA margin for the quarter stood at 14.5%, which is expected to improve in the remaining quarters on account of accelerated execution (FY27E estimate: 19%). Due to the company's dependence on imports for key components (viz. seekers, etc.) and other supply chain partners, there could be pressure on revenue booking timelines and profitability. We estimate Q1FY27-end order book at INR 270bn and an estimated order inflow of INR 13.5bn. Order inflow comprises Helina launchers and LRUS from HAL, deliverable over 24-60 months. The company expects an order inflow of INR 150bn in FY27E, consisting majorly of QRSAM (~INR 10bn), repeat astra missile orders, Akash NG and a few base orders. We pencil in a 53% revenue CAGR over FY26-FY28E, led by Akash weapon deliveries, scaling up of Astra missile project from Q2FY27, current order book, and future order inflows. Revenue growth is optically high due to a subdued FY26 revenue base (FY25 to FY28 revenue CAGR 19.5%). We maintain our PAT estimates at 64.5% CAGR over FY26-FY28E, bolstered by revenue bounce-back and rising other income. We expect the remaining quarters of FY27E to witness robust revenue booking on account of accelerated execution of Astra missiles project. We see this as a key monitorable for meeting our estimates. Supported by strong execution in Q1FY27, we maintain our earnings estimates. However, due to steep valuations, we maintain REDUCE with a TP of INR 1,080 (35x FY28E EPS).

- **Q1FY27 highlights:** The revenue stood at INR 5.7bn (+131% YoY), led by postponement of Akash project revenue booking to Q1FY27. Absolute EBITDA was at INR 831mn in Q1FY27 against a negative EBITDA of INR 454mn in Q1FY26, helped by operating leverage kicking through lower other expense and similar employee costs. APAT was at INR 1,188mn (+547% YoY).
- **Strong order book and pipeline:** We estimate the order book for the company at INR 270bn as of Q1FY27-end, with an estimated order inflow of INR 13.5bn for the quarter. The company expects an order inflow of INR 150bn in FY27, consisting mainly of QRSAM (~INR 10bn), repeat order for Astra missiles, Akash NG and MIGM (INR 20bn), providing multi-year revenue visibility.
- **Revenue from capex to kick in from FY27:** BDL inaugurated their INR 5bn naval systems manufacturing facility in Andhra Pradesh on May 2026, to meet the rising requirements of underwater weapons. BDL is also establishing two more facilities to help the company diversify its portfolio and liquidate the orderbook. One of the facilities will have 8 assembly lines to manufacture new weapon systems and will also include testing facilities. The other facility will manufacture propellants, grad rockets and in-house R&D of new energetics. We expect revenue from these facilities to kick in from Q4FY27.

Financial Summary

(INR bn)	Q1FY27	Q1FY26	*YoY*	Q4FY26	*QoQ*	FY25	FY26	FY27E	FY28E
Net Revenues	5.7	2.5	*131%*	4.8	*19%*	33.5	24.4	39.3	57.1
EBITDA	0.8	-0.5	*-283%*	0.6	*50%*	4.7	2.2	7.5	10.8
APAT	1.2	0.2	*547%*	1.1	*5%*	5.5	4.2	8.4	11.4
Diluted Consol EPS (INR)	3.2	0.5	*548%*	3.1	*5%*	15.0	11.5	23.0	31.0
P/E (x)						93.3	121.9	60.7	45.1
EV/EBITDA						100	208	59	42
RoE (%)						14.4%	10.2%	18.6%	21.6%

Source: Company, HSIE Research

REDUCE

CMP *(as on 14 Aug 2026)*	**INR 1,398**
Target Price	**INR 1,080**
NIFTY	**24,366**

KEY CHANGES	**OLD**	**NEW**
Rating	REDUCE	REDUCE
Price Target	INR 1,080	INR 1,080
	FY27E	FY28E
EPS Change %	*0.0%*	*0.0%*

KEY STOCK DATA	
Bloomberg code	BDL IN
No. of Shares (mn)	367
MCap (INR bn) / ($ mn)	512/5,370
6m avg traded value (INR mn)	2,009
52 Week high / low	INR 1,654/1,086

STOCK PERFORMANCE (%)	**3M**	**6M**	**12M**
Absolute (%)	3.3	12.4	(11.4)
Relative (%)	(0.1)	18.0	(8.2)

SHAREHOLDING PATTERN (%)	**Mar-26**	**Jun-25**
Promoters	74.93	74.93
FIs & Local MFs	10.97	11.53
FPIs	2.02	1.69
Public & Others	12.10	11.85
Pledged Shares	-	-

Source: BSE

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IPCA Laboratories

Strong Q1; growth, margin visibility improving

EBITDA grew 50% YoY, led by 21% YoY sales growth (India +13%, export formulations +34%, API +30%, Unichem +20%), higher gross margin (+135bps YoY to 71.4%), and controlled costs (staff/SG&A +11%/+9% YoY). This drove margin expansion to 22.9% (+449bps YoY). IPCA raised its FY27E guidance — overall business growth to 14–16% (from 12–13% earlier) and consolidated margin to 23% (from 22%). India business is expected to outperform IPM growth at 12–13% in FY27E, led by sustained momentum in key therapies (pain, CVS, anti-diabetics, CNS, derma) and new launches. Export formulations should improve on EU/UK traction, US business scale-up (3–4 product launches each from the IPCA and Unichem portfolios), and momentum in other EMs — together driving 15–17% growth in the generics business. API business is expected to see strong growth. Q1FY27's institutional sales growth was an aberration, inflated by INR 400mn of delayed Q4FY26 supplies; management expects this to normalize to annual sales of INR 2.6–3bn. Unichem guidance is retained at ~10% YoY growth with ~13% margin in FY27E. The company aspires to a standalone EBITDA margin of ~30% and consolidated margin of 25–26% over the next 2–3 years. Capex plans for FY27 stand at INR 7–8bn, including ~INR 1bn for a biologics plant, alongside capacity expansion across Silvassa, Ratlam, Dewas, and Wardha. Biosimilar revenues are expected to start from FY29/30. We believe IPCA is well-positioned for ~13% revenue CAGR over FY26–29E, driven by steady India growth (new launches, focused therapy momentum, chronic category scale-up) and export ramp-up (Unichem integration, new US/EU/RoW launches), alongside margin improvement (~19%/20% EBITDA/PAT CAGR over FY26–29E). Factoring in the Q1 beat, we raise EPS by 7%/5% for FY27/28E and revise our TP to INR 2,010 (28x Q1FY29E EPS). Maintain BUY.

- **Q1 highlights**: Sales grew 21% YoY to INR 27.88bn. India (39% of sales) grew 13% YoY, branded generics grew 16%, generics exports grew 27%, and institutional was up 107%, API grew 30% YoY (India/export +20%/+33%) and Unichem (24%) was up 20% YoY. Higher GM at 71.4% (+135 bps YoY) and moderate costs (staff/SG&A +11%/+9% YoY) led to EBITDA^ of INR 6.37bn (+50% YoY) with a margin of 22.9% (+449 bps). Lower other income (-23% YoY), moderate depreciation (+11%), and lower interest (-36%) led to reported PAT of INR 4.01bn. Adjusted for one-offs^, PAT was at INR 3.7bn (+53% YoY).
- **Key takeaways from con call:** In Q1FY27, IPCA's chronic segment grew ~17.2% YoY while the acute segment grew ~8.9% YoY. Unichem's US business (including products sold from IPCA's portfolio) grew ~27% YoY, while Unichem's own portfolio grew ~9% YoY in Q1FY27. The company plans to add ~200 medical representatives (MRs) in FY27. Management flagged near term uncertainties, including raw material price fluctuations, shipment delays, container non-availability, and rising logistics costs — the latter expected to increase further from Jul-26 to Aug-26.

Quarterly financial summary

(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Revenue	27,881	23,089	21	23,885	17	89,396	96,463	110,722	123,817	138,645
EBITDA	6,379	4,246	50	4,902	30	16,931	19,990	25,466	29,097	33,275
APAT	3,703	2,414	53	2,912	27	8,884	11,766	15,244	17,512	20,307
EPS (INR)	14.6	9.5	53	11.5	27	35.0	46.4	60.1	69.0	80.0
P/E (x)						49.5	37.4	28.9	25.1	21.7
EV/EBITDA (x)						27.0	22.5	17.5	15.1	12.8
RoCE (%)						14	16	20	20	20

Source: Company, HSIE Research, ^Adjusted for forex gain INR 316mn

BUY

CMP *(as on 14 Aug 2026)*	INR 1,734
Target Price	INR 2,010
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1770	INR 2010
EPS %	FY27E	FY28E
	7.1	5.3

KEY STOCK DATA	
Bloomberg code	IPCA IN
No. of Shares (mn)	254
MCap (INR bn) / ($ mn)	440/4,609
6m avg traded value (INR mn)	514
52 Week high / low	INR 1,495/1,252

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	9.5	16.7	27.0
Relative (%)	6.0	22.3	30.2

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	44.72	44.72
FIs & Local MFs	37.13	37.37
FPIs	10.63	10.73
Public & Others	7.52	7.18
Pledged Shares	-	-

Source: BSE

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Voltas

Decent performance but missed expectations

Voltas revenue grew 19% YoY to INR 46.7bn, driven by 33% YoY growth in UCP segment (82% revenue mix) and EPS segment (3% revenue mix) grew 17% YoY. However, overall growth was dragged by EMPS (15% revenue mix) which declined 27% YoY. EBITDAM expanded higher by 110/120bps YoY/QoQ leading to EBITDA/APAT growth of 49/52% YoY. The company reported industry-leading 17.3% secondary market share in RACs in Q1FY27, with RAC volumes rising 45% YoY. Voltbek continued its robust growth trajectory, significantly outperforming the industry and delivering the highest-ever quarterly sales in both value and volume, although the business remains loss-making. The company has also signed a binding term sheet with Atomberg to establish a 50:50 JV in India for RAC-compressor manufacturing, targeting a capacity of 2.8mn units to commence production by Q4FY28. We maintain ADD with a revised target price of INR 1,375/share.

- **Q1FY27 performance:** Revenue grew 19% YoY to 46.7bn, driven by 33% YoY growth in UCP segment (82% revenue mix) and EPS segment (3% revenue mix) grew 17% YoY. However, overall growth was dragged by EMPS (15% revenue mix) which declined 27% YoY. Gross margins expanded 10/130bps YoY to 21.9%. EBITDAM expanded higher by 110/120bps YoY/QoQ to 5.7%, owing to 30bps and 70bps decrease in employee cost and other expenses, in relative terms. In absolute terms, employee cost and other expenses surged by 12% and 11%. Consequently, EBITDA increased 49% YoY. APAT grew 52% YoY, led by EBITDA and lower finance cost (down 6% YoY). UCP segment EBIT margin expanded 170/30bps YoY/QoQ to 5.3%, EMPS EBIT margin expanded 30bps YoY to 5.6% (-70bps QoQ), while EPS EBIT margin contracted 370bps YoY (+360bps QoQ) to 25.9%.
- **Con call takeaways and outlook:** The company reported industry leading 17.3% secondary market share in RACs in Q1FY27, with RAC volumes rising 45% YoY. Voltbek continued its robust growth trajectory, significantly outperforming the industry and delivering the highest-ever quarterly sales in both value and volume, although the business remains loss-making. The domestic projects division is performing well, with the EMPS order book at INR 63.4bn as of Jun-26, while the international projects business faced headwinds due to the Middle East conflict. The company has also signed a binding term sheet with Atomberg to establish a 50:50 JV in India for RAC-compressor manufacturing, targeting a capacity of 2.8mn units to start production from Q4FY28. Considering the Q1 performance miss and continued losses in Voltbek, we cut our revenue estimates by 4/2/1% and APAT by 8/3/2% for FY27/28/29E. We maintain ADD ith a revised target price of INR 1,375/share, based on SOTP valuation—valuing the UPC/EMPS/EPS segments at 40/18/18x EPS, respectively, and the Voltas Beko JV at 2x P/S.

Financial summary

(INR mn)	Q1 FY27	Q1 FY26	YoY (%)	Q4 FY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Sales	46,735	39,386	18.7	48,878	(4.4)	1,54,128	1,42,445	1,55,475	1,81,103	2,07,046
EBITDA	2,655	1,785	48.7	2,207	20.3	11,162	6,469	10,478	13,870	16,395
APAT	2,138	1,405	52.2	1,162	84.0	8,414	4,024	7,175	10,345	12,444
EPS (INR)	6.5	4.2	52.2	3.5	84.0	25.4	12.2	21.7	31.3	37.6
P/E (x)						52.0	108.7	60.9	42.3	35.1
EV / EBITDA (x)						39.0	67.5	41.5	31.5	26.4
RoE (%)						13.6	6.2	10.7	14.2	15.5

Source: Company, HSIE Research

ADD

CMP *(as on 14 Aug 2026)*	INR 1,320
Target Price	INR 1,375
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR1,390	INR 1,375
EPS %	FY27E	FY28E
	-8.3	-3.2

KEY STOCK DATA	
Bloomberg code	VOLT IN
No. of Shares (mn)	331
MCap (INR bn) / ($ mn)	437/4,578
6m avg traded value (INR mn)	1,510
52 Week high / low	INR 1,583/1,187

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	2.1	(13.4)	3.6
Relative (%)	(1.4)	(7.8)	6.8

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	30.30	30.30
FIs & Local MFs	38.28	38.93
FPIs	18.44	16.94
Public & Others	12.88	13.73
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Endurance Technologies

Focus on diversifying away from motorcycles

While the growth trajectory in the standalone business remains intact, the European business is facing challenges from higher energy costs, uncertainty around policies regarding electrification and localization, and increasing presence of Chinese OEMs. While there could be some RM cost relief due to softer aluminium alloy prices, it is yet to pass on the higher costs on account of energy, cutting tools, and manpower. However, increasing focus on the four wheeler and non-auto segments augurs well for margins and diversification. We value the company at 27x Jun-28 EPS for a TP of INR 2,913; maintain ADD.

- **Quarterly performance:** Consolidated EBITDA margin at 12.4% declined 96bps YoY and 148bps QoQ, 34bps and 49bps below ours and Bloomberg consensus estimate. Standalone EBITDA margin at 10.9% declined 152bps YoY and 108bps QoQ, impacted by higher RM cost.
- **Challenging business environment in Europe:** Management highlighted that the operating environment in Europe has become even more challenging due to sharp increase in energy costs, uncertainty around policies regarding electrification and localization, duties imposed by the US, softer aftermarket growth, and the rising presence of Chinese OEMs. However, this environment has also created M&A opportunities as there are now good companies available at good prices.
- **RM cost pressure to ease, at least temporarily:** It mentioned that while it is likely to get the RM pass-through from all OEMs in Q2, negotiations on fuel, gas, cutting tools, manpower and other costs are still ongoing. However, since aluminium alloys form a major part of the total raw material cost, the company is expecting to benefit from the softening of the alloy prices.
- **Moving toward better-margin businesses:** It will focus more on four wheeler casting and non-auto casting, in a bid to diversify and improve the revenue mix. While the four wheeler mix in revenue in Q1 was 6% (largely for casting), further traction is expected when the SOP for leading global OEMs starts next month from AURIC. In the solar damper segment, the SOP for a Spanish client started earlier in the month, while validations have been completed for a US client for which the SOP is expected in H2FY27. SOP for the supply of solar actuators is expected in Q4FY27.
- **Other key updates:** (1) It has reduced the capacity addition for ABS to 0.9mn units p.a. from 1.2mn units p.a. planned earlier, which will take the total capacity to 1.54mn units p.a., citing increased demand in brake assembly system business due to which it had to shift certain machines away from the ABS lines. (2) In the standalone business, of the INR 3,916mn of orders won in Q1, INR 3,360mn was from HMSI, within which a large order was for a suspension product that has better margins.

Quarterly/annual financial summary

YE Mar (INR mn)	1Q FY27	1Q FY26	YoY (%)	4Q FY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Net Sales	43,149	33,189	30.0	40,860	5.6	1,45,959	1,64,800	1,90,876	2,19,249
EBITDA	5,358	4,439	20.7	5,678	(5.6)	19,656	20,787	27,023	31,710
EBITDA %	12.4	13.4	-96bps	13.9	-148bps	13.5	12.6	14.2	14.5
APAT	2,445	2,263	8.0	2,764	(11.6)	9,727	10,147	14,396	17,506
EPS (INR)	17.4	16.1	8.0	19.7	(11.6)	69.1	72.1	102.3	124.5
P/E (x)						41.9	40.2	28.3	23.3

Source: Company, HSIE Research

ADD

CMP *(as on 14 Aug 2026)*	INR 2,899
Target Price	INR 2,913
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 2,727	INR 2,913
	FY27E	FY28E
EPS %	+0.6%	+3.4%

KEY STOCK DATA	
Bloomberg code	ENDU IN
No. of Shares (mn)	141
MCap (INR bn) / ($ mn)	408/4,273
6m avg traded value (INR mn)	359
52 Week high / low	INR 3,080/2,143

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	10.7	16.7	11.4
Relative (%)	7.2	22.3	14.6

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	75.00	75.00
FIs & Local MFs	9.78	10.06
FPIs	13.14	12.70
Public & Others	2.08	2.24
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Amber Enterprises

Growth momentum slows

Amber's Q1FY27 revenue grew 13% YoY to INR 38.9bn. Consumer durables (71% revenue mix) grew by 8% YoY, electronics segment (25% revenue mix) grew by 29% YoY, and railways subsystem segment (4% revenue mix) grew by 17% YoY. EBITDAM expanded by 60bps YoY to 8% (-60bps QoQ). Accordingly, EBITDA grew by 22% YoY. Management expects the RAC industry to grow ~13–15% in FY27, with the company projected to grow in line with the industry. It has retained its guidance of ~40% growth for the electronics division and 30–35% growth for the railways division. The mobile-manufacturing business is progressing well, with trial production expected to begin in Q4FY27 and commercial production from Q1FY28 start. Upcoming PCB facilities remain on track. We maintain REDUCE with a lower TP of INR 8,060/share, based on a DCF valuation (WACC: 12%, terminal growth: 5%), implying ~40x Sep-28E EPS.

- **Q1FY27 highlights:** Revenue grew 13% YoY to INR 38.9bn. Consumer durables (71% revenue mix) grew by 8% YoY, electronics segment (25% revenue mix) grew by 29% YoY, and railways subsystem segment (4% revenue mix) grew by 17% YoY. Gross margins improved 310bps YoY to 18.8% (flat QoQ). Employee cost and other expenses surged 72% and 35% YoY, respectively. Consequently, EBITDAM expanded by 60bps YoY to 8% (-60bps QoQ). Accordingly, EBITDA grew by 22% YoY, missed our/consensus estimates by 9/1%. Other income grew 60% YoY, depreciation increased 75% YoY, while finance cost increased 34% YoY. PBT increased a modest 3% YoY, while APAT grew 40% YoY, supported by lower JV losses and a reduced minority-interest charge because exceptional losses were allocated to minority interest. Management did not provide an adjusted minority-interest breakdown on the con call, noting it wasn't readily available. Adjusting for this, APAT growth would be substantially lower, in our view.
- **Earnings call takeaways:** Management expects the RAC industry to grow ~13–15% in FY27, with the company projected to grow in line with the industry. It has retained its guidance of ~40% growth for the electronics division and 30–35% growth for the railways division. The mobile-manufacturing business is progressing well, with trial production expected to begin in Q4FY27 and commercial from Q1FY28 start. Upcoming PCB facilities remain on track. The Sidwal greenfield facility is now operational, and the JV with Yujin is complete and ready to commence production. Management highlighted that commodity inflation—particularly in PCBs and copper-clad laminates, has weighed on PCB margins and expects this pressure to persist in Q2, with normalization anticipated from Q3 onward. Given Q1 performance and higher working capital led to increase in finance cost, we cut our APAT estimates by 10/11/4% for FY27/28/29E, while broadly maintain our revenue estimates. Accordingly, we revise our target price downward to INR 8,060/share, based on a DCF valuation (WACC: 12%, terminal growth: 5%), implying ~40x Sep-28E EPS. We maintain REDUCE.

Financial summary

(INR mn)	Q1 FY27	Q1 FY26	YoY (%)	Q4 FY26	QoQ (%)	FY25	FY26	FY27E	FY28E	FY29E
Net Sales	38,877	34,491	12.7	41,475	(6.3)	99,730	1,21,865	1,54,536	2,73,441	3,95,776
EBITDA	3,121	2,567	21.6	3,582	(12.9)	7,634	9,523	12,104	16,502	21,684
APAT	1,449	1,039	39.5	1,339	8.2	2,696	2,988	3,594	5,803	8,529
EPS (INR)	41.3	30.7	34.5	38.2	8.2	79.7	84.9	102.1	164.9	242.4
P/E (x)						90.6	85.1	70.7	43.8	29.8
EV / EBITDA (x)						33.4	28.6	22.3	16.3	12.3
RoE (%)						12.4	9.0	7.9	11.6	14.9

Source: Company, HSIE Research

REDUCE

CMP *(as on 14 Aug 2026)*	INR 7,222
Target Price	INR 8,060
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 8,250	INR 8,060
EPS %	FY27E	FY28E
	-10.3	-11.4

KEY STOCK DATA	
Bloomberg code	AMBER IN
No. of Shares (mn)	35
MCap (INR bn) / ($ mn)	255/2,669
6m avg traded value (INR mn)	2,892
52 Week high / low	INR 8,974/5,401

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(12.9)	(6.6)	4.7
Relative (%)	(16.3)	(1.0)	8.0

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	38.17	38.09
FIs & Local MFs	27.92	30.54
FPIs	23.96	20.47
Public & Others	9.95	9.90
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Indraprastha Gas

Higher gas costs dent profitability

We maintain BUY on Indraprastha Gas (IGL) with a TP of INR 209, given (1) volume growth at a CAGR of ~5.5% over FY26-29E, (2) margins supported by higher gas allocation from high-pressure, high-temperature (HPHT) fields to the priority sector, and (3) a strong portfolio of new geographical areas (GAs) ensuring volume growth visibility. Q1FY27 EBITDA stood at INR 3.0bn (-42.3% YoY, -30.1% QoQ) and APAT was at INR 1.9bn (-47.7% YoY, -32.8% QoQ), both below our estimates owing to higher-than-expected gas costs.

- **Volume growth driven by the CNG segment:** IGL's total volumes reached 9.6 mmscmd (+5.6% YoY, -0.4% QoQ), anchored by CNG volume growth to 7.2 mmscmd (+6.4% YoY, +2.0% QoQ). Regionally, CNG sales grew by +9% in Delhi (ex-DTC) and surged +27% in outside geographical areas. Passenger cars led to the CNG mix (~48%–50%), followed by commercial vehicles (~19%), taxis (~14%), buses (~12%), and three-wheelers (~7%–8%). Meanwhile, PNG volumes stood at 2.4 mmscmd (+4.1% YoY, -6.9% QoQ), aided by domestic PNG volume of 0.8 mmscmd (+6.9% YoY, -8.2% QoQ) and industrial/commercial stood at 1.2 mmscmd (+4.1%YoY, -8.8% QoQ).
- **1QFY27 performance (MNGL/CUGL):** a) MNGL: Volume grew by +18.0% YoY to 2.2 mmscmd, driven by +13.0% increase in CNG volume and +29% rise in PNG volume, aided by the new Samruddhi pipeline in Nashik. b) CUGL: Sales volume grew +6.0% YoY to 0.4mmscmd, led by CNG growth.
- **Margins squeezed by higher gas costs:** Higher average gas costs (at INR 43.3/scm) squeezed IGL's unit margins, dropping gross unit margin to INR 8.8/scm from INR 10.9/scm in Q4. EBITDA per unit was INR 3.4/scm, down from INR 4.8/scm in Q4. Gas sourcing was split between domestic sources (~48.0% total; APM ~2.6mmscmd, New Well Gas~1.3 mmscmd, HPHT ~0.7 mmscmd) and imports (~52.0%), which primarily comprised long-term contracts (3.9–4.0 mmscmd), pooled gas (~0.6–0.7 mmscmd), and spot gas (~3.0%; 0.25–0.30 mmscmd). Amid West Asia tensions, spot LNG prices spiked to USD 17–22/mmbtu, prompting IGL to adopt Henry Hub for hedging to curb volatility. Meanwhile, IGL is witnessing a strong CNG vehicle adoption, averaging ~27,300 monthly additions (vs. 18,000 YoY). **Delhi EV policy impact:** Minimal volume loss expected (less than ~1.0% by 2027; 2.0%–3.0% by 2030), offset by growth in passenger cars. Long-term EBITDA target maintained at INR 7–8/scm despite near-term gas price volatility and geopolitical headwinds. **Capex guidance:** Targeted at INR 18–20bn for FY27E (INR 12.0–15.0 bn for PNG/CNG expansion; balance for diversification and business development).
- **DCF-based valuation:** We maintain BUY with a revised TP of INR 209/sh (previously INR 255/sh; WACC 10.5%, terminal growth rate 1.5%). The stock is trading at 13.6x Mar-28E EPS.

Standalone financial summary

Year Ending March (Rs bn)	1Q FY27	4Q FY26	QoQ (%)	1Q FY26	YoY (%)	FY25	FY26	FY27E	FY28E	FY29E
Revenues	45.8	41.6	10.1	39.1	17.1	149.3	161.7	196.4	209.4	222.8
EBITDA	3.0	4.2	-30.1	5.1	-42.3	19.7	18.4	18.9	22.9	24.5
APAT	1.9	2.8	-32.8	3.6	-47.7	13.5	12.4	13.0	15.6	16.9
AEPS (Rs)	2.7	4.0	-32.8	5.1	-47.7	12.2	11.7	12.4	14.7	15.9
P/E (x)						12.4	13.0	12.2	10.4	9.6
EV/EBITDA (x)						9.6	10.5	10.0	8.0	7.0
RoE (%)						16.9	14.3	13.5	14.4	14.0

Source: Company, HSIE Research

Changes in estimates

YE March	FY27E Old	FY27E New	FY27E (%)	FY28E Old	FY28E New	FY28E (%)
EBITDA (INR bn)	22.1	18.9	-14.6	25.3	22.9	-9.8
EPS	14.4	12.4	-13.6	16.3	14.7	**-9.8**

Source: HSIE Research

BUY

CMP *(as on 14 Aug 2026)*	INR 152
Target Price	INR 209
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 255	INR 209
EPS change	FY27E	FY28E
	-	-

KEY STOCK DATA	
Bloomberg code	IGL IN
No. of Shares (mn)	1,400
MCap (INR bn) / ($ mn)	212/2,225
6m avg traded value (INR mn)	627
52 Week high / low	INR 224/142

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(2.6)	(8.9)	(25.7)
Relative (%)	(6.0)	(3.3)	(22.5)

SHAREHOLDING PATTERN (%)

	Mar-26	Jun-26
Promoters	45.0	45.0
FIs & Local MFs	23.3	30.0
FPIs	17.1	10.2
Public & Others	5.0	5.0
Pledged Shares	0.00	0.00

Source: BSE

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Brigade Enterprises

Muted performance; launches key for rerating

BUY

CMP *(as on 14 Aug 2026)*	INR 592
Target Price	INR 940
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 940	INR 940
EPS Change %	FY27E	FY28E
	-	-

KEY STOCK DATA	
Bloomberg code	BRGD IN
No. of Shares (mn)	326
MCap (INR bn) / ($ mn)	193/2,022
6m avg traded value (INR mn)	528
52 Week high / low	INR 802/451

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	12.6	3.4	(15.9)
Relative (%)	9.1	9.0	(12.7)

SHAREHOLDING PATTERN (%)	Mar26	Jun-26
Promoters	41.11	41.10
FIs & Local MFs	24.74	25.46
FPIs	16.75	15.63
Public & Others	17.40	17.80
Pledged Shares*	-	-

Source: BSE

**Pledged shares as % of total shares*

Brigade Enterprises's (BEL) sales volume was 0.74msf (-22.1%/-62.1% YoY/QoQ), valued at INR 10.6bn (-5.1%/-57.9% YoY/QoQ) with average realization of INR 14,338psf (+21.8%/+10.9% YoY/QoQ. BEL's FY27 presales guidance centres on launch pipeline over the next four quarters at 16.4msf, 12.4msf residential (9.36msf within FY27 with INR 100bn GDV, 3msf spilling into Q1FY28) plus 4msf commercial with an estimated residential GDV of INR 134bn. Key launches are planned across Bengaluru, Hyderabad, Chennai and Mysore, alongside hospitality expansion of ~1,700 keys. Presales are targeted at a 20% growth over FY26 at INR 90bn. On the business development side, the company added INR 24bn of GDV across 2.7msf of residential projects in Q1FY27, primarily in Hyderabad, reflecting sustained business development momentum despite the quarter's muted launch activity. The commercial pipeline stands at ~10msf of land already secured, slated for launch across FY27-28, backed by INR 60bn of capex over four years (~INR 12-17bn p.a). To support expansion, including a Hyderabad office/mall and a hotel portfolio targeting 1,700 keys, capex is projected at INR 8bn for FY27 resp. Moreover, the recognition of premium projects is anticipated to help maintain residential EBIDTA margin at 20%+. We reiterate BUY, with TP of INR 940/sh to account for (1) inclusion of new projects in Hyderabad, Bengaluru, and Chennai, (2) expansion in the office/hospitality segment, and (3) presales sales growth of 20%. BEL needs to look for newer markets to drive growth as geographic and premium mix changes have reduced sales velocity.

- **Q1FY27 financial highlights:** Revenue came in at INR 11.2bn (-12.9%/-23.5% YoY/QoQ, a miss by 20.8%); revenue from real estate at INR 7.1bn (-31.1%/-21.2% YoY/QoQ), hospitality at INR 3.2bn (+105.1%/+133.1% YoY/QoQ) and leasing at INR 1.4bn (-57.1%/-52.1%YoY/QoQ). EBITDA: INR 3.6bn (+11.7%/-0.9% YoY/QoQ, a beat by 4.5%). EBITDA margin: 32.4% (+714bps/+738bps YoY/QoQ). RPAT/APAT: 1.6bn (+12.3%/+18.9% YoY/QoQ, beat by 16.2%).
- **FY27 launches shall boost presales momentum:** For Q1FY27, sales volume was 0.74msf (-22.1%/-62.1% YoY/QoQ), valued at INR 10.6bn (-5.1%/-57.9% YoY/QoQ) with average realization of INR 14,338psf (+21.8%/+10.9% YoY/QoQ). Presales was largely on the back sustenance sales, absence of launches in the quarter, partly due to the exclusion of Brigade Morgan Heights following revocation of its environmental clearance. Further, BEL has maintained presales growth guidance of 20% with INR 90bn.
- **Balance sheet comfortable:** The consolidated gross/net debt stood at INR 53.1/22.0bn (INR 52.1/25.0bn as of Mar-26). The net debt/equity stood at 0.26x (vs. 0.27x as of Mar-26). The total collection was INR 18.6bn (-6.5% QoQ). Capex commitments total INR 48bn. Management flagged macro risks from the Middle East conflict plus broader AI-related uncertainty, while reiterating that core growth drivers remain intact.

Consolidated Financial Summary (INR mn)

YE Mar(INR mn)	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Net Sales	11,156	12,811	(12.9)	14,576	(23.5)	50,742	56,972	62,387	69,732
EBITDA	3,614	3,237	11.7	3,647	(0.9)	14,142	14,273	17,499	20,355
APAT	1,683	1,499	12.3	1,415	18.9	6,858	6,444	8,439	10,658
EPS (INR)	6.9	6.1	12.3	5.8	18.9	28.1	26.4	34.5	43.6
P/E (x)						27	28	22	17
EV/EBITDA (x)						14	14	11	9
RoE (%)						14.8	10.9	12.9	14.4

Source: Company, HSIE Research

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Aditya Birla Real Estate

Launches and BD key monitorables

Aditya Birla Real Estate's (ABREL) reported presales for Q1FY27 stood at INR 3.29bn (-22.1%/-92.3% YoY/QoQ), with a booking area of 0.4msf (+33.3%/-86.7% YoY/QoQ). The company has a launch pipeline with an estimated GDV of INR 96bn across 3.3msf of saleable area, comprising six projects: Birla Niyaara Tower C, Birla Taranya phase 2 Khar redevelopment, Birla Navya golf course extension, Birla Punya, and Birla Evam. On BD, ABREL has identified building the BD pipeline as the primary strategic focus for FY27, with INR 600bn (50% of which shall be in MMR) under active discussion, of which ABREL has guided BD of INR 100-150bn in GDV for FY27. Of this, it recently signed a redevelopment project with a GDV of INR 26bn in Vashi (1msf saleable area). The long-term presales target of INR 150bn has been guided for FY29 (pushed back from FY28), with management acknowledging that timing of BD closures and launch readiness will be the key variables. Growth will be led through capital-efficient SPV-level partnerships with Mitsubishi Estate and IFC. Key risks include potential regulatory delays on Niyaara Tower C (possible Q3FY27), input cost inflation, and softness in affordable/mid-income housing though the luxury and premium segments remain a strong demand buffer. The full divestment from pulp & paper further sharpens capital allocation toward real estate, giving the balance sheet added flexibility to fund this pipeline. We reiterate BUY on ABREL with a TP of INR 1,910/sh, premised on GDV addition, robust launch pipeline, strong balance sheet, and stable cash flows.

- **Q1FY27 financial highlights:** Revenue came in at INR 1.8bn (+30.4%/+129.3 YoY/QoQ, a beat by 27.8%). EBITDA: INR -561mn (vs INR -413mn/-1.6bn Q1FY27/Q4FY26) against an estimated EBIDTA of INR -538mn. Adj loss: INR 346mn (INR -271mn/+72mn Q1FY27/Q4FY26 against estimated loss of INR234mn.
- **Presales driven by sustenance:** Net/gross presales for Q1FY27 stood at INR 3.3bn (-22.1%/-92.3% YoY/QoQ)/7bn+, with a booking area of 0.4msf (+33.3%/-86.7% YoY/QoQ). This was largely driven by sustenance sales. Whilst gross sales were higher, cancellations in Niyaraa and Arika resulted in net sales of INR 3.3bn. ABREL has largely rebooked these at higher realization in Q2FY27.
- **BD closure key monitorable:** ABREL net debt increased to INR 34bn (vs INR 32.0bn QoQ) and net D/E to 0.34x vs 0.33x QoQ. ABREL has a plan to add multiple projects with a GDV of INR 100-150bn in FY27, of which it recently signed a redevelopment project with GDV of INR 26bn in Vashi. With closure of pulp and paper sale to ITC on 1 Aug 2026, ABREL has achieved near-net-zero status.

Consolidated financial summary (INR mn)

YE March	1Q FY27	1Q FY26	YoY (%)	4Q FY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Net Sales	1,881	1,442	30.4	820	129.3	12,189	4,072	8,747	39,991
EBITDA	(561)	(413)	36.0	(1,607)	(65.7)	296	-3,592	-2,043	9,901
APAT	(346)	(271)	27.7	72	(577.8)	-1,574	-1,148	-1,700	6,466
Diluted EPS (Rs)	(3.1)	(2.4)	27.7	0.6	(577.8)	-14.1	-10.3	-15.2	57.9
P/E (x)						44.2	52.3	43.3	35.3
EV / EBITDA (x)						91.3	89.3	57.4	43.3
RoE (%)						10.7	8.4	9.5	10.9

Source: Company, HSIE Research

BUY

CMP *(as on 14 Aug 2026)*	INR 1,400
Target Price	INR 1,910
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1,910	INR 1,910
EPS Change %	FY27E	FY28E
	-	-

KEY STOCK DATA	
Bloomberg code	ABREL IN
No. of Shares (mn)	112
MCap (INR bn) / ($ mn)	156/1,638
6m avg traded value (INR mn)	356
52 Week high / low	INR 1,975/1,080

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	7.1	1.0	(21.1)
Relative (%)	3.7	6.5	(17.9)

SHAREHOLDING PATTERN (%)

	Mar-26	Jun-26
Promoters	50.21	50.21
FIs & Local MFs	16.40	16.63
FPIs	9.04	9.26
Public & Others	24.34	23.14
Pledged Shares	-	-

Source: BSE

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Galaxy Surfactants

Positive revision in guidance

We downgrade our recommendation on GALSURF to REDUCE with a price target of INR 2,601 based on (1) resilient volume growth; (2) improving traction for specialty care in the US; and (3) medium-term margin expansion roadmap, supported by specialty mix improvement, operating leverage, and monetization of capex. We expect revenue/EBITDA/APAT CAGR of 10/11/16% over FY26-29E. Q1 EBITDA/APAT were above our estimates, led by higher-than-expected volume growth and improved realizations.

- **Financial performance:** Q1 revenue changed by +39.4/+35.5% YoY/QoQ to INR 17.82bn, while volumes changed by +26.2/+4.4% YoY/QoQ to ~71,206 tonnes. EBITDA per kg changed by +91.3/+73.7% YoY/QoQ to INR 35/kg driven by a one-off opportunity arising during the quarter, favourable business mix, and robust inventory risk management despite a volatile raw material environment. The management noted that the current EBITDA/kg was an outlier due to specific favorable conditions, the underlying structural EBITDA/kg (excluding inventory spikes and one-offs) would have been around INR 20-21/kg in Q1 compared to INR 18.3/kg in Q1FY26 and INR 20.2/kg in Q4FY26.
- **Post result con call takeaways: (1) Business:** The company reported mid-single digit volume growth across both Performance Surfactants and Specialty Care, supported by strong India demand and a richer specialty product mix. The price of LAB-based surfactants remained elevated, owing to costlier raw material. It resulted in pushing up demand for oleochemical-based surfactants. The demand for oleochemical-based surfactants is expected to remain strong in ensuing quarters as well. Premium specialties like Tri-K continued to outperform, aided by tariff clarity in the US. Multiple new innovations were launched, including SimpliX and Galaxy Hearth Biosurf, with a target for new products to exceed 5% of revenue by 2030. The Mexico EPC project remains on track, while BASF's India plant shutdown may create incremental demand opportunities for Galaxy. **(2) Capex:** The company plans around INR 1.5bn this year, primarily for premium specialties and debottlenecking, with annual spending expected to remain in the INR 1.5-2bn range. The company is also exploring M&A opportunities to accelerate its Beauty & Wellness growth, prioritizing strategic fit over speed. **(3) Guidance:** The company maintained its FY27 volume growth outlook at 6-8% and raised its full-year EBITDA/kg guidance to INR 24-25/kg from INR 19.5-21.5/kg. EBITDA/MT for upcoming quarters is expected to normalize to INR 21-22/kg.
- **Change in estimates:** We tweak our FY27/28E EPS estimates by +37.9/+1.6% to INR 117.8/102.1, owing to the upward revision in per unit EBITDA margin guidance and strong performance in Q1.

Financial summary (consolidated)

(Rs mn)	Q1FY27	Q4FY26	QoQ (%)	Q1FY26	YoY (%)	FY25	FY26	FY27E	FY28E	FY29E
Revenues	17,819	13,147	35.5	12,779	39.4	42,237	52,483	59,508	65,010	70,413
EBITDA	2,492	1,216	104.9	1,239	101.2	4,842	4,753	6,207	5,988	6,484
APAT	1,659	624	165.8	795	108.7	3,049	2,674	4,177	3,620	4,219
AEPS (Rs)	46.8	17.6	165.8	22.4	108.7	57.0	75.4	117.8	102.1	119.0
P/E (x)						44.0	33.3	21.3	24.6	21.1
EV/EBITDA(x)						18.1	18.9	14.2	14.2	13.2
RoE (%)						13.4	10.5	14.6	11.7	12.6

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY27E OLD	FY27E NEW	%	FY28E OLD	FY28E NEW	%
EBITDA (INR bn)	5.06	6.21	22.7	5.92	5.99	1.2
Adj. EPS (INR/sh)	85.4	117.8	37.9	100.5	102.1	1.6

Source: HSIE Research

REDUCE

CMP *(as on 14 Aug 2026)*	INR 2,508
Target Price	INR 2,601
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	REDUCE
Price Target	INR 2,598	INR 2,601
	FY27E	FY28E
EPS % chg	+37.9%	+1.6%

KEY STOCK DATA	
Bloomberg code	GALSURF IN
No. of Shares (mn)	35
MCap (INR bn) / ($ mn)	89/932
6m avg traded value (INR mn)	34
52 Week high / low	INR 2,508/1,510

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	25.5	(3.0)	16.5
Relative (%)	4.8	4.9	16.9

SHAREHOLDING PATTERN (%)

	Mar-26	Jun-26
Promoters	70.91	70.90
FIs & Local MFs	13.10	13.52
FPIs	3.99	3.82
Public & Others	12.00	11.76
Pledged Shares	0.02	0.03

Source: BSE

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Sudarshan Chemicals

Monetization of low-cost inventory boosts earnings

We maintain REDUCE on Sudarshan Chemical (SCIL), with a price target of INR 911. SCIL has completed the acquisition of the Heubach Group. Heubach's expansive global production and service network uniquely position the company to serve a worldwide customer base. Operational optimization and cost reduction programme undertaken by SCIL will improve efficiency. The company is in the process of integrating the acquired entity under one entity, streamlining the supply chain to meet customer requirements. We expect revenue/EBITDA/APAT CAGR of 8/18/89% over FY26-29E and RoE of 8.7% in FY29. The stock is trading at 59.1/51.6/27.4x in FY27/28/29E, which we believe is contextually high. Q1 EBITDA/APAT were above our estimates, owing to lower-than-expected raw material cost.

- **Financial performance:** Revenue declined by 5.3% QoQ to INR 26.42bn. EBITDA increased by 13.8% QoQ to INR 2.59bn. EBITDA margin improved by 164bps QoQ to 9.8%. Sudarshan legacy business revenue was INR 7.68bn while EBITDA margin was 15.3%. Acquired business revenue was INR 19.73bn while EBITDA margin was 6.5%.
- **Con call takeaways: (1)** One of the subsidiaries of the group has entered into an agreement with relevant employee representative body for the implementation of the employee restructuring programme. The Group will assess the consequential impact of the same in the consolidated financial results of the subsequent period. **(2)** The business posted revenue of INR 26.04bn and a revived acquired portfolio achieving INR 1.46bn EBITDA, reinforced by a strategic mix shift toward higher-value pigments and dispersions. With 55–60% of assets in Asia, competitiveness remains strong. RIECO saw a dip due to execution delays but is projected to recover before year-end. **(3)** FY27 revenue and EBITDA guidance remains unchanged at INR 98-102bn and INR 8bn. By FY29, Sudarshan targets INR 120-140bn revenue, INR 14-15bn EBITDA, and aims to be debt-free, supported by strong volume ambitions and sufficient existing capacity. Their guidance does not include the financial impact of the employee restructuring programme undertaken by the subsidiary of the company.
- **Change in estimates**: We have tweaked our EPS estimates of FY27/28E by +206.2/-1.2% to INR 19.0/21.8 owing to the strong performance in Q1 and management guidance.

Financial summary (consolidated)

INR mn	1Q FY27	4Q FY26	QoQ (%)	1Q FY26	YoY (%)	FY25	FY26P	FY27E	FY28E	FY29E
Net Sales	26,421	27,899	(5.3)	25,069	5.4	33,456	97,872	1,09,184	1,16,256	1,23,172
EBITDA	2,588	2,274	13.8	1,924	34.5	3,810	5,899	6,838	7,403	9,635
APAT	1,034	743	39.1	550	88.0	1,436	486	1,514	1,733	3,260
AEPS (INR)	13.0	9.4	37.7	7.9	63.7	18.1	6.1	19.0	21.8	41.0
P/E (x)						62.3	184.1	59.1	51.6	27.4
EV/EBITDA(x)						25.0	16.9	14.8	13.9	10.2
RoE (%)						6.3	1.4	4.3	4.8	8.7

Source: Company, HSIE Research

Change in estimates (consolidated)

Y/E Mar	FY27E Old	FY27E New	Change (%)	FY28E Old	FY28E New	Change (%)
EBITDA (INR mn)	5,375	6,838	27.2	7,403	7,403	-
Adj. EPS (INR/sh)	6.2	19.0	206.2	22.1	21.8	(1.2)

Source: Company, HSIE Research

REDUCE

CMP *(as on 14 Aug 2026)*	INR 1,118
Target Price	INR 911
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 923	INR 911
EPS %	FY27E	FY28E
	+206.2%	-1.2%

KEY STOCK DATA	
Bloomberg code	SCHI IN
No. of Shares (mn)	80
MCap (INR bn) / ($ mn)	89/933
6m avg traded value (INR mn)	279
52 Week high / low	INR 1,604/726

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	26.2	20.9	(22.7)
Relative (%)	22.7	26.5	(19.4)

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	8.19	8.19
FIs & Local MFs	24.90	26.42
FPIs	7.96	8.47
Public & Others	58.95	56.92
Pledged Shares	0.00	0.00

Source: BSE
**Reclassified some promoter and promoter group to public category*

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KNR Constructions

Weak performance, owing to muted ordering

KNR's reported revenue/EBITDA/APAT at INR 3.6/0.2/0.08bn were a miss to our estimates by 16/40/56%. Subdued tendering, lower margin pipeline subcontracting revenue, and weaker execution impacted profitability. Based on current OB, KNR guided for the FY27/28 revenue to be in the range of INR23/30bn and margins are expected to improve to 9/12% by FY27/28. KNR has booked ~INR 3.6bn of new orders in Q1FY27, taking the overall OB to INR 86.7bn as of June'26 (4.2x FY26 revenue, ex of INR 32.3bn orders where AD is awaited). KNR expects an inflow (OI) of INR 80-100bn in FY27, once NHAI ordering picks pace, including other segments like irrigation from MP and Maharashtra, subcontracting from EPC/BOT projects won by peers, and urban infra projects in AP, Tamil Nadu, and Telangana. Irrigation receivables stand at INR 14.5bn, of which KNR expected to realize INR 6-7bn in FY27 on monthly payment of INR 1bn over the next 6-7months as agreed with the Telangana government. Balance payment of INR 7-8bn will follow from revised budget estimates. We have cut estimates to factor in weak order inflows and margins; maintain BUY with a TP of INR 155/sh (13x Jun-28E EPS and HAM valued at 1.5x of equity invested).

- **Q1FY27 financial performance:** Adjusted for INR 0.76bn claim, revenue stood at INR 3.6bn (-25/-29% YoY/QoQ, a miss of 16%). Adjusted EBITDA was INR 195mn (-68/+2209% YoY/QoQ, a miss of 40%). EBITDA margin was 5.4% (-748/+524bps YoY/QoQ; vs. our estimate of 7.6%). APAT was at INR 86mn (-81%YoY, a 56% miss). RPAT stood INR 2.85bn (+450.4/+1368% YoY/QoQ).
- **Weak ordering impacted execution:** Captive (HAM project) works constitute 14% of the OB, and of the balance, state/central government/other orders constitute 42/42/2%. Business-wise, roads (HAM)/roads (non-HAM)/ irrigation/pipeline/mining account for 14/16/19/10/41% of the OB, which is geographically split between south/east at 59/41%. Additionally, KNR has also won three projects worth INR 65.7bn (excluding June'26 OB).
- **Strong balance sheet supported by healthy liquidity:** Standalone debt is nil with cash of INR 3.1bn. Further, NWC days increased to 133 in Q1FY27 (Q4FY26: 78), primarily due to a delay in irrigation receivables, which stand at INR 14.5bn, from the Telangana government. KNR is diversifying into coal mining and metro/railway EPC to strengthen revenue streams. Furthermore, of the four assets planned for diversification by KNR to Indus Infra Trust, KPIPL (consideration: INR 2bn) was divested in Q4FY26, two more assets (KPIL & KRIPL) were divested in Q1FY27 for a combined consideration of INR 5.2bn.

Standalone Financial Summary (INR mn)

Particulars	1Q FY27	1Q FY26	YoY (%)	4Q FY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Revenue	4,367	4,792	(8.9)	5,079	(14.0)	20,651	22,264	29,884	35,055
EBITDA	655	617	6.1	8	7,656.1	1,468	1,982	3,571	4,960
APAT	431	453	(4.9)	(14)	(3,264.7)	1,161	1,166	2,254	2,795
EPS (INR)	1.5	1.6	(4.9)	(0.0)	(3,264.7)	4.13	4.15	8.02	9.94
P/E (x)						32.1	31.9	16.5	13.3
EV/EBITDA (x)						24.9	19.3	10.0	7.0
RoE (%)						3.1	3.4	5.8	6.2

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E			FY29E		
	New	Old	Chg. (%) / Bps.	New	Old	Chg. (%) / Bps.	New	Old	Chg. (%) / Bps.
Revenue	22,264	22,264	-	29,884	29,884	-	35,055	36,055	(2.8)
EBITDA	1,982	2,516	(21.2)	3,571	3,452	3.5	4,960	5,282	(6.1)
EBITDA (%)	8.9	11.3	(240.0)	12.0	11.6	40.0	14.2	14.7	(50.0)
APAT	1,166	1,566	(25.5)	2,254	2,165	4.1	2,795	3,032	(7.8)

Source: HSIE Research

BUY

CMP (*as on 14 Aug 2026*)	INR 132
Target Price	INR 155
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 154	INR 155
EPS Change %	FY27E	FY28E
	-25.5	+4.1

KEY STOCK DATA	
Bloomberg code	KNRC IN
No. of Shares (mn)	281
MCap (INR bn) / ($ mn)	37/390
6m avg traded value (INR mn)	387
52 Week high / low	INR 220/109

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	1.8	(6.3)	(33.3)
Relative (%)	(1.6)	(0.7)	(30.1)

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	48.81	48.81
FIs & Local MFs	19.32	17.30
FPIs	6.30	5.43
Public & Others	25.58	28.46
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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HG Infra

Muted performance

HG Infra (HG) reported Q41FY27 revenue/EBITDA/APAT of INR 9.1/0.8/0.06bn, a -14.4/-40.7/-84.2% miss vs. our estimates. Disruption in execution in some solar projects, due to local issues, resulted in shifting of transmission lines. This increased the overall project cost and impacted margins. Further, increase in commodity prices (metal – transmission execution and bitumen – roads execution) also impacted EBITDA margins. Delay on settlement of operational claims continues to persist with partial receipt of INR 0.4bn in Q1, and INR 1bn each expected by Q2 and H2FY27 respectively. HG's order book (OB) as of Jun'26 stood at INR 145bn (~2.6x FY26 revenue). HG has revised revenue guidance at INR 60-65bn (earlier INR 65-70bn) and EBITDA margin of 13-13.5% (earlier 14-15%) for FY27. Moderation in guidance factors in underwhelming Q1FY27 performance. HG has embarked upon diversification strategy into new business segments, as is evident from its OB, which now includes roads, rails, solar, T&D, and BESS, thus reducing segmental concentration risk, particularly in light of muted awards and intense competition in the road infrastructure sector. We have cut our estimates to factor in the delay in project awards and lowered our margins assumption. Given stable OB, likely pick-up in execution, and a healthy balance sheet, we maintain BUY on HG, with a reduced TP of INR 852 (9x Jun-28E EPS).

- **Q1FY27 financial highlights:** Revenue of INR 9.1bn (-46.9/-33% YoY/QoQ, a miss by 14.1%). EBITDA: INR 0.8bn (-67.3/-39.3% YoY/QoQ, a miss by 40.7%). EBITDA margin came in at 8.5% (-530/-88bps YoY/QoQ, vs. our estimate of 12.3%). Margins were impacted by local issues and shifting of solar plants to a new location and, hence, a hit was taken on account of this in P&L. APAT: INR 57mn (-95.5/-87.7% YoY/QoQ, a miss by 84.2%).
- **Well-diversified OB:** Sector-wise, the OB is spread across BESS. Highway, railway, solar, transmission at 3/65/21/1/10% respectively. Segment-wise OB is spread across EPC and HAM at 69/31% respectively. HG continues to guide OI of INR 110-120bn for FY27 with OI as on YTDFY27 at INR 55bn.
- **Balance sheet:** The standalone gross debt as of Jun'26 stood at INR 18.3bn (Mar'26/Dec'25/Mar'25 stood at INR 16.2/19/10.7bn). The total pending equity requirement is INR 13.5bn (total equity investment: INR 30.2bn) with INR 5/6.3/1.5bn expected to be infused in 9MFY27/28/29. HG's plans to monetize five assets are in progress with receipt of INR 2bn till date and the balance INR 9.4bn expected by FY27, resulting in standalone debt reduction from INR 18.3bn as of Jun'26 to INR 8-9bn by FY28 (earlier H1FY27).

Standalone Financial Summary (INR mn)

Particulars	1QFY27	1QFY26	YoY (%)	4QFY26	QoQ (%)	FY26	FY27E	FY28E	FY29E
Revenue	9,072	17,092	(46.9)	13,539	(33.0)	56,667	60,067	67,875	77,378
EBITDA	770	2,357	(67.3)	1,269	(39.3)	7,334	7,628	8,824	10,446
APAT	57	1,255	(95.5)	461	(87.7)	3,891	4,096	5,000	5,965
EPS (INR)	0.9	19.3	(95.5)	7.1	(87.7)	59.7	62.9	76.7	91.5
P/E (x)						8.8	8.3	6.8	5.7
EV/EBITDA (x)						6.8	5.4	4.7	4.0
RoE (%)						12.7	12.3	14.8	17.7

Source: Company, HSIE Research

Change in Estimates (INR mn)

Particulars	FY27E			FY28E			FY29E		
	New	Old	% Chg. / Bps	New	Old	% Chg. / Bps	New	Old	% Chg. / Bps
Revenue	60,067	63,467	(5.4)	67,875	72,987	(7.0)	77,378	83,935	(7.8)
EBIDTA	7,628	9,012	(15.4)	8,824	10,145	(13.0)	10,446	11,667	(10.5)
EBIDTA (%)	12.7	14.2	(150.0)	13.0	13.9	(90.0)	13.5	13.9	(40.0)
APAT	4,096	5,025	(18.5)	5,000	5,845	(14.5)	5,965	6,358	(6.2)

Source: HSIE Research

BUY

CMP (*as on 14 Aug 2026*)	INR 524
Target Price	INR 852
NIFTY	24,366

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 907	INR 852
	FY27E	FY28E
EPS Change %	-18.5	-14.5

KEY STOCK DATA	
Bloomberg code	HGINFRA IN
No. of Shares (mn)	65
MCap (INR bn) / ($ mn)	34/358
6m avg traded value (INR mn)	218
52 Week high / low	INR 1,050/430

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(14.5)	(21.4)	(45.6)
Relative (%)	(18.0)	(15.8)	(42.4)

SHAREHOLDING PATTERN (%)	Mar-26	Jun-26
Promoters	71.78	71.78
FIs & Local MFs	10.65	10.11
FPIs	1.39	1.37
Public & Others	15.16	16.74
Pledged Shares	-	-

Source: BSE

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Rating Criteria

BUY: >+15% return potential

ADD: +5% to +15% return potential

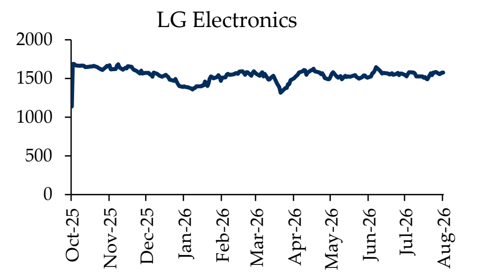
REDUCE: -10% to +5% return potential

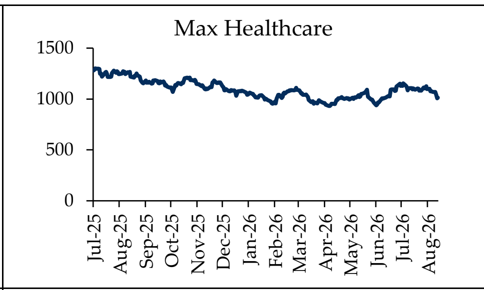
SELL: > 10% Downside return potential

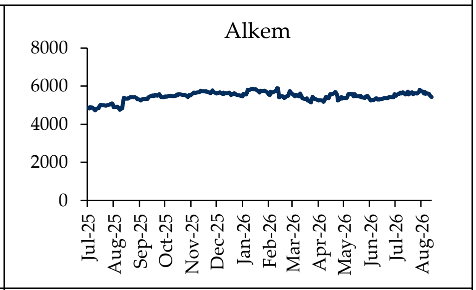
Disclosure:

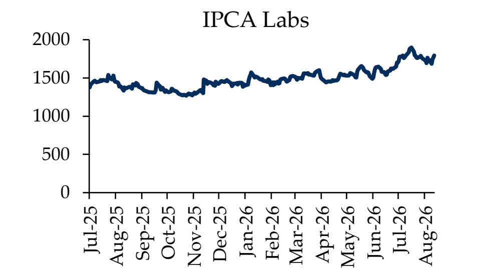
Analyst	Company Covered	Qualification	Any holding in the stock
Keshav Lahoti	LG Electronics India, Voltas, Amber Enterprises	CA, CFA	NO
Rajesh Ravi	LG Electronics India, Voltas, Amber Enterprises	MBA	NO
Mahesh Nagda	LG Electronics India, Voltas, Amber Enterprises	CA	NO
Kartikey	LG Electronics India, Voltas, Amber Enterprises	CA	NO
Hitesh Thakurani	Ashok Leyland, Endurance Technologies	MBA	NO
Mehul Sheth	Max Healthcare Institute, Alkem Laboratories, IPCA Laboratories	MBA	NO
Amit Kumar	Bharat Dynamics	CFA	NO
Nikunj Khetan	Bharat Dynamics	PGDM	NO
Aryan Singh Dalal	Bharat Dynamics	BCom	NO
Nilesh Ghuge	Indraprastha Gas, Galaxy Surfactants, Sudarshan Chemicals	MMS	NO
Aditya Iyer	Indraprastha Gas, Galaxy Surfactants, Sudarshan Chemicals	PGDM	NO
Parikshit Kandpal	Brigade Enterprises, Aditya Birla Real Estate, KNR Constructions, HG Infra	CFA	NO
Aditya Sahu	Brigade Enterprises, Aditya Birla Real Estate, KNR Constructions, HG Infra	MBA	NO
Jay Shah	Brigade Enterprises, Aditya Birla Real Estate, KNR Constructions, HG Infra	CA	NO

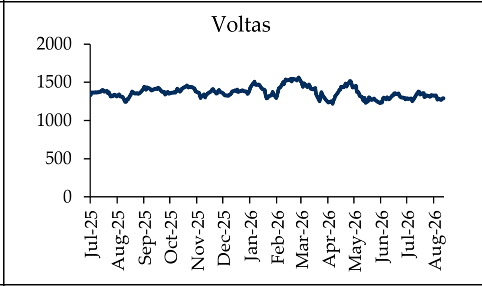
Price movement

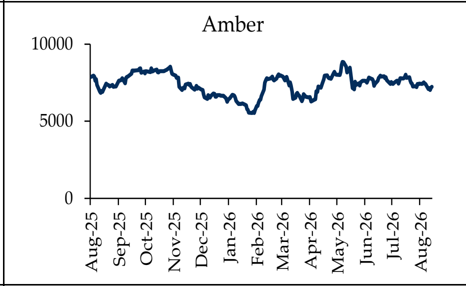


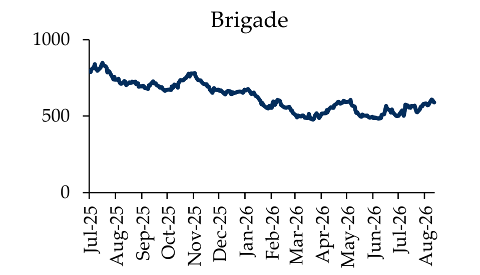


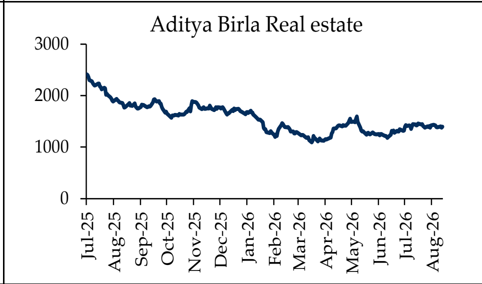


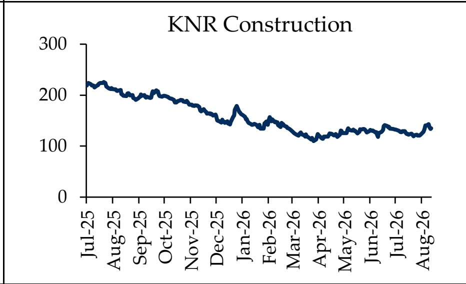


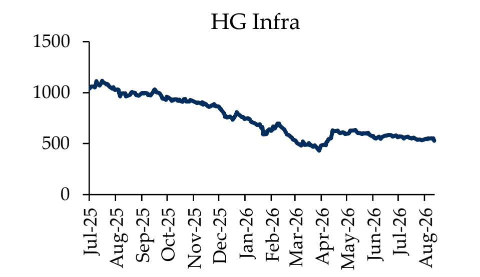


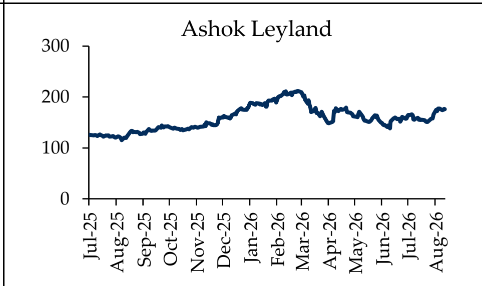


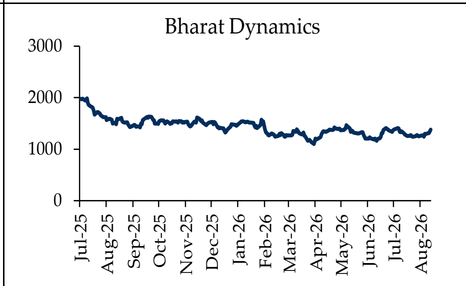


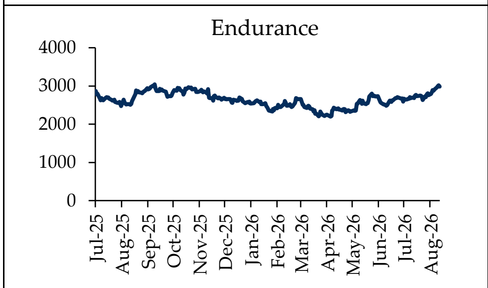


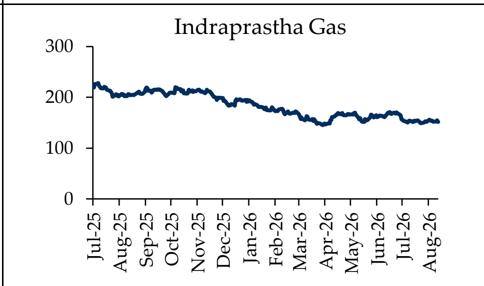


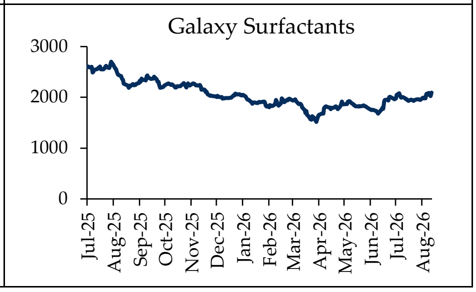


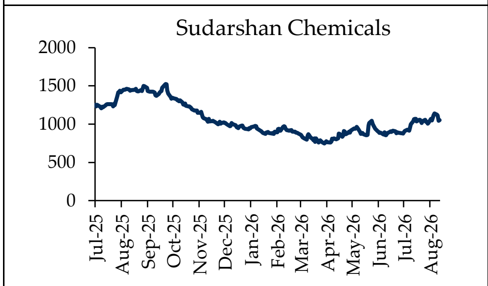












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