## Market snapshot

| Equities - India | Close | Chg .% | CYTD.% |
|---|---|---|---|
| Sensex | 73,138 | -3.0 | -6.4 |
| Nifty-50 | 22,162 | -3.2 | -6.3 |
| Nifty-M 100 | 48,809 | -3.6 | -14.7 |
| **Equities-Global** | **Close** | **Chg .%** | **CYTD.%** |
| S&P 500 | 5,062 | -0.2 | -13.9 |
| Nasdaq | 15,603 | 0.1 | -19.2 |
| FTSE 100 | 7,702 | -4.4 | -5.8 |
| DAX | 19,790 | -4.1 | -0.6 |
| Hang Seng | 7,263 | -13.7 | -0.4 |
| Nikkei 225 | 31,137 | -7.8 | -22.0 |
| **Commodities** | **Close** | **Chg .%** | **CYTD.%** |
| Brent (US$/Bbl) | 67 | -1.9 | -10.0 |
| Gold ($/OZ) | 2,983 | -1.8 | 13.7 |
| Cu (US$/MT) | 8,694 | -0.3 | 0.5 |
| Almn (US$/MT) | 2,329 | -0.7 | -7.8 |
| **Currency** | **Close** | **Chg .%** | **CYTD.%** |
| USD/INR | 85.8 | 0.7 | 0.3 |
| USD/EUR | 1.1 | -0.4 | 5.4 |
| USD/JPY | 147.8 | 0.6 | -6.0 |
| **YIELD (%)** | **Close** | **1MChg** | **CYTD chg** |
| 10 Yrs G-Sec | 6.5 | 0.02 | -0.3 |
| 10 Yrs AAA Corp | 7.1 | 0.00 | -0.1 |
| **Flows (USD b)** | **7-Apr** | **MTD** | **CYTD** |
| FIIs | -1.1 | -1.89 | -14.4 |
| DIIs | 1.41 | 5.74 | 22.5 |
| **Volumes (INRb)** | **7-Apr** | **MTD*** | **YTD*** |
| Cash | 1,328 | 1024 | 1010 |
| F&O | 1,45,942 | 1,95,938 | 1,99,019 |

Note: Flows, MTD includes provisional numbers.
*Average

## Today's top research theme

### India Strategy - 4QFY25 Preview: Trump'ed and Tariff'ied'!

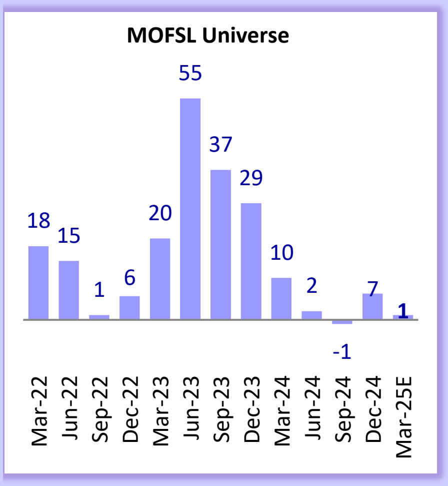
- We estimate the MOFSL Universe/Nifty-50 earnings to grow 1%/2% YoY in 4QFY25. Ex- Financials, we expect the earnings to grow 1%/4% YoY, whereas ex-Metals and O&G, we project the earnings to grow 5%/4% YoY during the quarter.
- The overall modest earnings growth is expected to be anchored by the Metals, Telecom, Healthcare, Technology, and Financial sectors. In contrast, earnings growth is likely to be weakened by O&G, Real Estate, and Cement, while Autos and Consumer are anticipated to post a muted quarter.
- The EBITDA margin (ex-Financials) is likely to expand by 20bp/50bp for the MOFSL Universe/Nifty-50, reaching 17.1%/21.3% in 4QFY25.
- Further, we expect FY25 earnings to grow 2% YoY and 5% YoY for the MOFSL Universe and Nifty-50, respectively.
- We cut our FY25E/FY26E Nifty EPS by 2.9%/3.8% and expect it to grow to INR1,017/INR1,157. O&G, Metals, Auto, and BFSI have led ~99%/95% cut in FY25E/FY26E Nifty earnings.

## Research covered

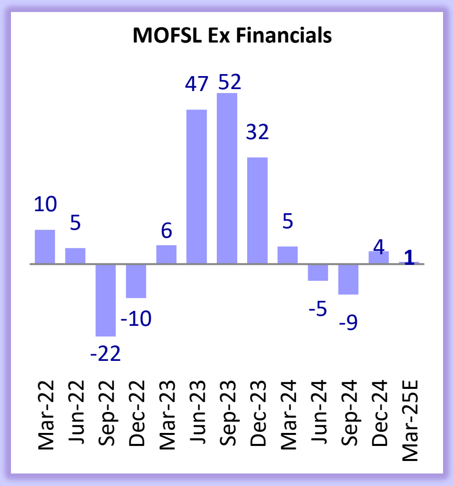
| Cos/Sector | Key Highlights |
|---|---|
| India Strategy | 4QFY25 Preview: Trump'ed and Tariff'ied'! |
| Expert Speak | Impact of US tariffs on the Indian textile industry |
| Oil & Gas | Central government focuses on ensuring sustainable returns for OMCs |
| Titan Company | Strong growth led by surging gold prices |
| Kalyan Jewellers | Strong double-digit SSSG growth |
| PN Gadgil | Strong double-digit SSSG; store expansion on track |

## Chart of the Day: India Strategy - 4QFY25 Preview (Trump'ed and Tariff'ied'!)

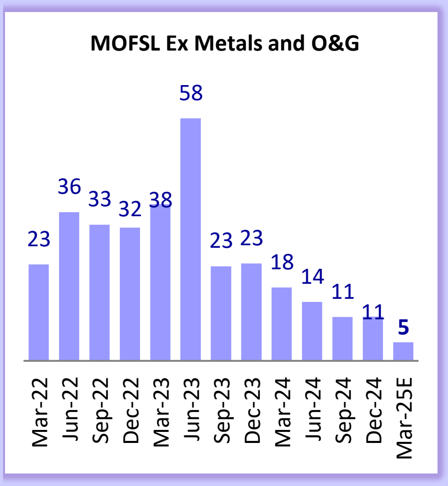
**PAT expected to grow 1% YoY for the MOFSL Universe**




**PAT likely to rise 1% YoY for the MOFSL Universe, excluding Financials**




**PAT to grow 5% YoY for the MOFSL Universe, sans Metals and O&G**




Research Team (Gautam.Duggad@MotilalOswal.com)

motilal oswal Financial Services | MORNING INDIA

# In the news today

Kindly click on textbox for the detailed news link

1

### JSW Steel, Tata Steel log record Q4 FY25 output on capacity boost

Top steelmakers — Tata Steel and JSW Steel — reported higher production in India operations during Q4FY25 on a year-on-year (Y-o-Y) basis on the back of capacity addition.

2

### Blackstone & Warburg Pincus may join other early-stage suitors as Ontario Teachers launches sale of Sahyadri Hospitals

Private equity majors Blackstone and Warburg Pincus may join other early-stage suitors and express preliminary interest in acquiring Pune -based Sahyadri Hospitals which is owned by top Canadian pension fund OTPP

3

### NCLAT rejects IDBI Bank's insolvency plea against Zee over Rs 150 cr dues

The National Company Law Appellate Tribunal (NCLAT) on Monday dismissed the insolvency plea filed by IDBI Bank against Zee Entertainment Enterprises Limited over unpaid dues of around Rs 150 crore.

4

### VVIP Infratech gets new government contracts worth Rs 414 crore

The contracts include a Rs 175 crore sewerage network project in Rishikesh under the Ganga Rejuvenation Mission, funded by German Development Bank (GIZ), and a Rs 238 crore power distribution initiative across key Uttar Pradesh districts

5

### Metropolis Healthcare expands footprint in North with Dapic acquisition

Mumbai-headquartered Metropolis Healthcare said on Monday that it is set to acquire Dehradun’s leading diagnostic chain Dr Ahuja’s Pathology and Imaging Centre (Dapic) in an all-cash deal valued at ₹35 crore.

6

### Adani Ports begins operations at Colombo West International Terminal

Adani Ports and Special Economic Zone (APSEZ), India’s largest private port operator, has announced the commencement of operations at the Colombo West International Terminal (CWIT), located at the Port of Colombo.

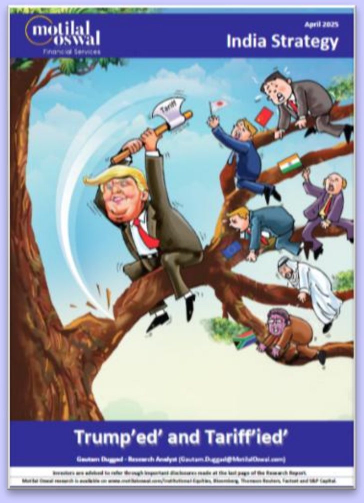
7

### Ola's February sales added e-motorbikes which haven't even hit the road yet

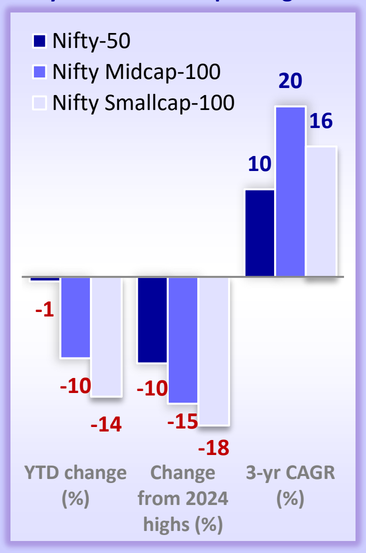
Ola Electric Mobility Ltd. counted its yet-to-be launched electric motorcycles and e-scooter bookings in its February sales number, making its market share look larger as it struggles to win back investor confidence.

# India Strategy

**BSE Sensex: 73,138** | **Nifty 50: 22,162**




**Mid- and small-caps underperform Nifty-50 since the Sep'24 highs**




## Trump'ed and Tariff'ied'!

As we reflect on 4QFY25 earnings estimates in this note, the world stands in the most uncertain economic environment of this decade. The 2020s began with the shock of Covid-19, but the market weathered it rather well after a sharp but short-lived correction, laying the foundation for one of the most significant equity market upswings. Midway through the decade, the tariff war unleashed by the US can have a material bearing on the global economy, corporate earnings, and equity markets. It would be premature to make a definitive assessment of the tariff war's effects, as it may have many more developments to unfold.

### A fluid situation fraught with multiple possibilities

Our team has prepared the current estimates without factoring in the implications of the tariff war, and the evolving situation needs to be monitored keenly. From a top-down perspective, the government's follow-on responses will influence the fortunes of sectors and individual companies. In the event of a full-blown trade war across nations, it is unlikely that any sector will be immune to the impact– whether direct or indirect. The situation remains highly fluid. Opportunities may arise for certain sectors that stand to benefit from favorable tariff differentials. However, there is also a potential for earnings contraction if overall demand in the US shrinks due to higher prices, or if exporters are forced to absorb the impact of tariffs.

### Given the uncertainty, conciliatory moves will be welcome

The reactions of Central banks over the next 3-6 months may remain indeterminate, as they must remain flexible in their responses to the evolving situation. The manner in which the tariff war is unfolding could significantly affect global trade, liquidity, and currency movements. In a very short period, the S&P and NASDAQ have corrected 17%/23% since Dec highs, while the US 10Y yield has been down ~90bp over past 3 months and crude prices have fallen 18% since Jan highs. Such pronounced price movements can have a cascading effect on key market and economic variables. Therefore, we hope that in the coming days and weeks, the governments – particularly the US – will offer more conciliatory alternatives to resolve this tangled situation.

### India "relatively" less affected than peers

While India itself has been subjected to a 26% reciprocal tariff, the reactions over the coming weeks are likely to be influenced by global trade imbalances, as few competing Asian peers face higher levels of tariffs – such as China: 54%, Vietnam: 46%, Sri Lanka: 44%, Bangladesh: 37%, Thailand: 36%, Taiwan: 32%, et al. Further, India may negotiate a bilateral trade agreement (BTA) with the US, which could lead to milder tariff incidence. However, the evolving situation regarding global liquidity and FII flows – (past six-month FII outflows of ~USD26b) – will be an important determinant of stock market returns. India could be an incremental beneficiary of any reversal in FII flows if global investors grow increasingly concerned about a potential US economic recession in the coming quarters. Domestic flows, especially from the SIP book, have held up well, with the last six months clocking inflows of USD45b, which have helped cushion the impact of FII

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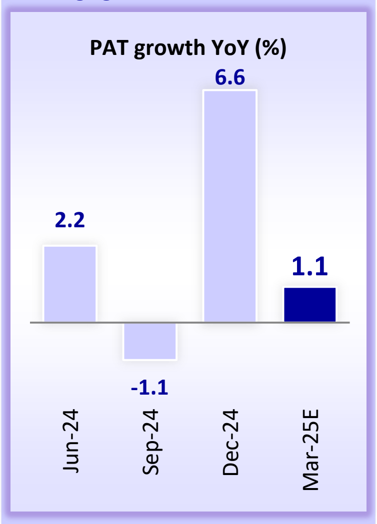
MOFSL Universe to clock ~1% earnings growth in 4QFY25E




outflows. We expect long-term trends in DII flows to remain favorable. In the upcoming earnings season, management commentaries on the impact of the global tariff war and the company's resilience plans will be critical components influencing individual stock performance.

## Earnings context in 4QFY25 was unchanged from earlier quarters

The context for 4QFY25 earnings remained essentially unchanged from previous quarters, with MOFSL/Nifty earnings growth expected at 1%/2% YoY. The fourth quarter will round off a disappointing year for Indian corporate earnings, with FY25 PAT growth now projected at 2%/5% YoY for MOFSL/Nifty, resulting in a weak equity market performance in FY25. However, there was a notable recovery (of 6% in Mar'25)**,** following one of the sharpest peak-to-trough declines in Nifty in the past decade. The Nifty P/E has declined 3% below the long-period average (LPA), while the Earnings yield/Bond yield ratio reached multi-quarter highs, making valuations more palatable, especially for large-cap index. In contrast, broader market indices, such as mid- and small-caps, continue to trade meaningfully above their respective LPAs.

## Indian policymakers have taken stimulative steps in 4QFY25

The domestic macroeconomic environment is improving at the margin. The Indian policymakers, taking cognizance of weak consumption growth, have taken multiple measures to revive aggregate demand. In the FY26 Union Budget, the Indian Finance Minister shifted the focus of fiscal policy towards consumption from a predominantly capex orientation, with INR1t of personal income tax stimulus for taxpayers. The RBI has endeavored to ease both the cost and quantity of money through multiple tools, including a CRR cut of 50bp, repo cut of 25bp, and several liquidity-enhancing measures such as a series of open market operations (OMOs; INR2.9t) and FX swaps. All these fiscal and monetary measures should start to yield results over the next few quarters, creating buying opportunities in select domestic-focused companies. The political landscape of India has also improved, as the ruling BJP's position has become stronger after its emphatic victory in the Delhi state elections, building on a strong performance in the Maharashtra and Haryana elections last year. This has diffused concerns over its political bargaining power in a coalition government. A more sure-footed government is much better placed to address critical issues of the economy.

## Stimulative policy responses and better macros provide optimism

India's inflationary pressures appear to be abating, and our economist now anticipates a lower CPI print at 4.7% YoY for FY25 (vs. 5.1% earlier). He further forecasts a benign 3.8% CPI for FY26. This outlook should enable the RBI to implement additional cuts to its policy rate in the upcoming meeting. While 4QFY25 is likely to be another weak quarter in terms of earnings, we believe the market will begin to factor in growth for FY26, which may benefit from the depressed base of FY25. A bottom-up aggregation of our analysts' estimates suggests an FY26 earnings growth of 18%/14% for MOFSL/Nifty-50 respectively – although this is highly amenable to revisions due to the ongoing tariff-war induced uncertainties. Rural demand has been healthy, supported by strong agricultural output. The monsoon forecasts will be closely monitored over the next month for indications of sustained strength in rural demand, while urban demand is likely to benefit from tax stimulus. However, all of the above views carry the caveat of the uncertain impact of the tariff war situation globally.

## Medium- to long-term outlook stays better owing domestic factors

While near-term challenges such as global macros, trade wars, and a weak 4QFY25 will keep the market volatile, we believe that the medium- to long-term growth narrative for India remains intact. The domestic SIP flows into equities remain strong. The political calendar for CY25 is relatively light, which may allow the government to implement appropriate policy actions. A reorientation and proper direction of government spending towards the much-needed boost in urban consumption, a gradual recovery in corporate earnings, and a base of weak market performance provide a safety net for Indian equities. However, the biggest risk remains the exaggerated impact of global tariff wars, which is currently in a state of flux.
In this context, we discuss our expectations for 4QFY25 earnings in detail below.

## Earnings softness persists in 4Q; Nifty EPS cut 2.9%/3.8% for FY25E/FY26E

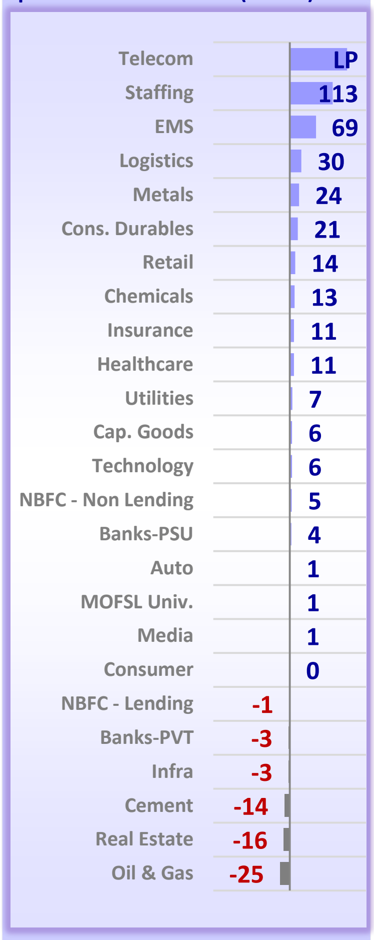
We estimate the MOFSL Universe/Nifty-50 earnings to grow 1%/2% YoY **in 4QFY25**. Ex- Financials, we expect the earnings to grow 1%/4% YoY, whereas ex-Metals and O&G, we project the earnings to grow 5%/4% YoY during the quarter.
The EBITDA margin (ex-Financials) is likely to expand moderately by 20bp (flat QoQ) for the MOFSL Universe, reaching 17.1% in 4QFY25, primarily aided by Metals, Telecom, and Healthcare but dragged down by O&G and Cement sectors. Meanwhile, the margin is projected to expand 50bp for the Nifty-50 (ex-Financials) at 21.3%. The overall modest earnings growth is expected to be anchored by the Metals (+24% YoY), Telecom (loss to profit), Healthcare (+11% YoY), Technology (+6% YoY), and BFSI (+2% YoY) sectors. In contrast, earnings growth is likely to be weakened by O&G (-25% YoY), Real Estate (-16% YoY), and Cement (-14% YoY), while Autos (+1% YoY) and Consumer (flat YoY) are anticipated to post a muted quarter. Meanwhile, among smaller sectors, EMS (69% YoY), Logistics (+30% YoY), Consumer Durables (+21% YoY), and Retail (+14% YoY) are projected to deliver strong growth. The Chemicals (+13% YoY) sector is likely to report the first quarter of earnings growth after seven quarters of YoY decline.

Further, we expect FY25 earnings to grow 2% YoY and 5% YoY for the MOFSL Universe and Nifty-50, respectively. FY25 earnings, ex-Financials, are projected to decline 3% YoY but grow 2% YoY. Ex- Metals and O&G, FY25 earnings are likely to increase 11% and 9% YoY, respectively, for the MOFSL Universe/Nifty-50. We cut our FY25E/FY26E Nifty EPS by 2.9%/3.8% and expect it to grow to INR1,017/INR1,157. O&G, Metals, Auto, and BFSI have led ~99%/95% cut in FY25E/FY26E Nifty earnings.

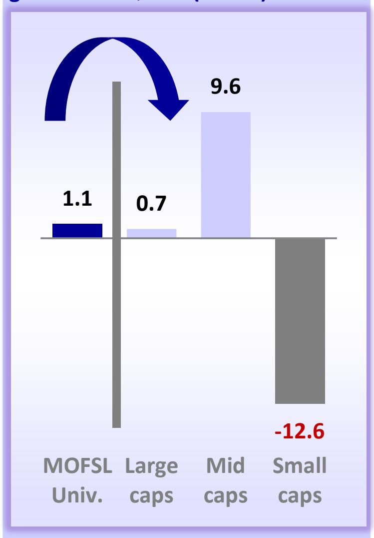
## Earnings highlights – 4QFY25E | Metals, Telecom, BFSI, Technology and Healthcare to drive earnings; O&G continue to drag

- We expect the **MOFSL earnings to grow by a modest 1% YoY, while those of Nifty would also grow 2% YoY in 4QFY25**. Excluding financials, the earnings are expected to grow 1% YoY and 4% YoY, whereas, excluding global commodities (i.e., Metals and O&G), the MOFSL Universe and Nifty are likely to report 5% and 4% YoY earnings growth, respectively, for the quarter.
- The earnings growth during the quarter is likely to be driven by Metals (+24% YoY), Telecom (loss to profit) and Healthcare (+11% YoY), with modest earnings contributions from BFSI (+2% YoY), and Technology (+6% YoY). The earnings growth of Private Banks, PSU Banks, and NBFC-lending is expected to moderate to

Sectoral PAT growth for the quarter-ended Mar'25 (YoY %)




MOFSL Large-Mid-Small-cap PAT growth in 4QFY25 (YoY %)




-3%, 4%, and -1% YoY, respectively. The Pvt. Banks sector is projected to report the first quarter of earnings decline since Mar'20, while the PSU Banks sector is likely to report moderate earnings growth, the lowest in 19 quarters. NBFC-lending and NBFC-non-lending are also set to post weak earnings growth of -1%/ 5% YoY, the lowest in 15/11 quarters.

- Sales and EBITDA of the MOFSL Universe are likely to grow 4% YoY each, while for the Nifty, we expect sales and EBITDA to improve 6% YoY and 5% YoY, respectively. Ex-Commodities, EBITDA of the MOFSL Universe/Nifty is likely to grow 7%/5% YoY.
- The **Metals** universe is projected to report a strong 24% YoY earnings growth on a low 4QFY24 base and the strongest in four quarters.
- The **Telecom** universe is likely to post the second quarter of profit of INR7b in 4QFY25 (vs INR12b in 3QFY25), mainly led by improved margins in Bharti Airtel.
- The **Healthcare** universe is likely to report 11% YoY earnings growth, moderating after posting seven consecutive quarters of 15%+ earnings growth.
- The **Technology** sector is likely to deliver earnings growth of 6% YoY in 4QFY25, the lowest in four quarters over a weak base of 4QFY24.
- The **Capital Goods** sector is projected to report a moderate earnings growth of 6% YoY, after posting seven consecutive quarters of 20%+ earnings growth.
- The **Auto** sector is likely to report a muted 1% YoY increase in earnings (vs. a 2% YoY decline in 3QY25).
- The **Chemicals** sector is likely to report a 13% YoY earnings growth, the first quarter of earnings growth after declining for seven consecutive quarters.
- The **O&G** Universe is expected to report a 25% YoY earnings decline, dragged down by OMCs.
- The **Cement** universe is expected to report a 14% YoY earnings decline. The sector is likely to clock the fourth consecutive quarter of sharp earnings decline driven by low pricing and a high base of margins YoY.
- After a strong performance of eight quarters, the **Real Estate** universe is likely to deliver a weak quarter with earnings declining 16% YoY (the lowest growth since Dec'20).
- We expect the EBITDA margin (ex-Financials) to expand 20bp for the MOFSL Universe to 17.1%. Conversely, for the Nifty-50, the margin is likely to expand 50bp YoY to 21.3% (ex-Financials) during the quarter.
- In 4QFY25, the MOFSL large-cap/mid-cap universe is likely to register a PAT growth of 1%/10%, while the small-cap universe is projected to report a 13% YoY PAT decline during the quarter. Moreover, sales for large-/mid-/small-caps are likely to grow 4%/2%/5% YoY, and their EBITDA would clock 4%/7%/-2% YoY growth for the quarter.
- **Sales/EBITDA/PAT of the MOFSL Universe** are expected to report a two-year CAGR of 6%/8%/6% over Mar'23- Mar'25.
- **FY25E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/ PAT growth of 5%/5%/2% YoY. The Financials, Telecom, Metals, Technology, Healthcare, and Capital Goods sectors are likely to be the key earning drivers with 12%, LP, 12%, 8%, 20%, and 20% YoY growth, respectively. These six sectors are projected to contribute 341% of the incremental earnings for the MOFSL Universe in FY25.

- **Nifty EPS cut for FY25E/26E:** We reduce our FY25E/FY26E Nifty EPS by 2.9%/ 3.8% and expect it to grow 1%/14% YoY to INR1,017/INR1,157. The O&G, Metals, Auto, BFSI, and Technology sectors have led ~99%/95% cut in FY25E/FY26E Nifty earnings.
- **MOFSL TOP IDEAS: Large-caps -Reliance Industries, Bharti Airtel, ICICI Bank, HUL, L&T, Kotak Mahindra Bank, M&M, Titan, Trent, and TCS; Midcaps and Smallcaps -Indian Hotels, HDFC AMC, Dixon Tech, JSW Infra, BSE, Coforge, Page Industries, IPCA Labs, Suzlon and SRF.**


## Model portfolio: Key changes

**Our Model portfolio stance remains unchanged, with a distinct bias towards large-caps and domestic plays, given the current volatile backdrop. We discuss the key changes to our model portfolio below:**

- We are OW on **BFSI, IT, Industrials, Healthcare, and Telecom**, while we are UW on **Oil & Gas, Cement, Automobiles, Real Estate, and Metals**. We have also made several additions from a bottom-up viewpoint across sectors.
- **FINANCIALS:** We are adding further weights to **HDFC Bank and Kotak Mahindra Bank** while maintaining our weights and allocations in NBFC and NBFC-Non Lending sectors. We slightly increase the weight of HDFC Bank in our model portfolio as the bank remains on track to deliver improved loan growth over FY26-27E, while further moderation in the rate environment will enable a reduction in funding costs and aid margin recovery. We are also increasing the weight in Kotak Mahindra Bank as it remains well positioned to deliver >15% loan CAGR backed by a healthy liability franchise, controlled CD ratio, and solid capitalization levels. The recent lifting of the RBI ban will support growth in high-yielding consumer assets and help limit the margin pressures as the central bank further eases the repo rate.
- **TECHNOLOGY**: We maintain our OW stance but moderate our weights in IT given the prevailing uncertainty and risk to the near-term earnings. We also introduce **TCS** and **Tech Mahindra** in our model portfolio. TechM's bottom-up transformation appears relatively independent of discretionary spending. With the potential for telecom recovery and improved operational efficiency, we see room for sustained margin improvement going forward. We are adding TCS to our model portfolio, as its growth trajectory—ex-BSNL—remains in line with other large-caps at 4–5% YoY CC for FY26. With valuations now ~20% below the five-year average, we believe the risk-reward is favorable. Additionally, the ramp-down of BSNL offers margin tailwinds and a buffer for profitability improvement in FY26.
- **CONSUMPTION:** We continue to remain OW in Discretionary and UW in Staples and maintain our weights in **Titan, Trent, Indian Hotels, and PAGE**. HUL continues to be our sole choice in the Consumer Staples space.
- **AUTOMOBILES:** We maintain our UW stance on Automobiles and continue to reiterate M&M and TVS Motors as our preferred ideas.
- **INDUSTRIALS:** We maintain our OW stance and weights in the sector with allocation towards L&T, ABB, and Dixon Technologies. We also add KAYNES to the model portfolio. **Kaynes** stands out in the EMS sector as a high-growth, well-diversified, and backward-integrated player, with a strong emphasis on value addition. Its robust earnings outlook is underpinned by strong order flows and margin expansion driven by high-margin segments and operational efficiencies.

- **HEALTHCARE:** We maintain our OW stance on Healthcare and continue to hold IPCA. We are adding **Dr. Agarwals Health Care** (DAHL) to our model portfolio given the robust demand tailwinds. DAHL is suitably placed as it uses the hub-and-spoke, asset-light, and ophthalmology-focused models to deliver superior execution. Additionally, DAHL benefits from a highly experienced management team with a proven track record. We expect 24%/35% EBITDA/ earnings CAGR over FY25-27.
- **UTILITY:** We are adding **Suzlon** to our model portfolio. With a 5.6GW order book, execution is set to scale from 710MW in FY24 to 1.4GW in FY25 (977MW done in 9MFY25) and 2.5GW/3.4GW in FY26/FY27, leading to an estimated revenue/EBITDA/Adj. PAT CAGR of 53%/54%/66% over FY24-27. Suzlon has moved to a net cash position in FY24, which we anticipate to strengthen further by FY27.
- **CEMENT & OTHERS:** We are adding UltraTech to our model portfolio because of continuous market share gains, capacity additions through organic and inorganic routes, market leadership position, and cost-saving strategies (reduction in lead distance, focus on green energy, etc.). We are also adding SRF to the model portfolio. We like SRF as a recovery play in its core segments, i.e., the Chemicals business (Fluorochemicals and Specialty Chemicals) with improving margins, while the Packaging and Technical Textiles segments are set to maintain steady momentum. A strategic focus on value-added products along with operational efficiencies is expected to drive sustained profitability.

**Note: Exhibit data is sourced from Bloomberg, Companies, and MOFSL research database**

# Expert Speak

## Impact of US tariffs on the Indian textile industry

**We hosted an expert session to understand the impact of US tariffs on the Indian textile industry and to gauge the resulting business shift across geographies and potential benefits for India. The session highlighted the following:**

- **India enjoys a favorable position due to tariff advantages, cost competitiveness, and rising interest from international buyers, supported by a low tariff base of 26% compared to its peers.**
- **The current environment offers a strong opportunity for India (comprising ~9-10% of total textile exports to the US) to expand its share in US textile and garment exports, especially in value-added segments.**
- **However, several structural challenges threaten to limit the sector's growth potential. Key challenges include limited manufacturing capacity, a lack of innovation, policy delays, rising competition from countries like Turkey, and difficulties faced by MSMEs in accessing government incentives.**
- **Addressing these challenges will be crucial to sustaining momentum and unlocking long-term gains for the industry**

**Following are the key takeaways from the expert session:**

### Favorable winds for Indian textiles in a shifting global market

- Tariffs imposed by the US have hurt the global economy. However, this could prove to be a ray of hope for the Indian textile industry. **For the first time since CY05, India has a strong opportunity to attract business, driven by its lower tariff base of 26%.**
- With India's current share of total textile exports to the US at 9-10%, the Indian textile industry holds a significant opportunity to attract business from peers facing higher tariff charges. This scenario presents a renewed opportunity for India to capture orders that had previously shifted to Bangladesh and Vietnam due to capacity limitations.
- Uncertainty in geopolitical conditions in Bangladesh and China could work in India's favor by redirecting global orders its way.
- Several companies have initiated expansion projects, while states like Madhya Pradesh and Orissa are offering subsidies to attract large-scale investments.
- **The slowdown in Bangladesh and Vietnam may lead to a shift in India's yarn exports toward domestic manufacturing of value-added products, thereby supporting the local market and meeting the rising demand for these products.**

### Expert Background

**Vijay Kumar Agarwal** is the Founder, Promoter, and Chairman of the Creative Group. He began manufacturing and exporting ready-made garments in 1974. For the past 20 years, he has been an active member of the Executive Committee of M/s. Apparel Export Promotion Council (AEPC). He has served as the Chairman of several Committees within the organization, including Finance and Quota Advisory Committees, and has held the position of Chairman of AEPC during 2006-2007.

**Dr. Siddhartha Rajagopal** has vast experience of over three decades in international trade related to textile and clothing. Throughout his career in the textile and clothing sector, Mr. Rajagopal has been a member of several Indian delegations/negotiating groups sent by the Government of India to the US, European Union, and the WTO. He has actively contributed to discussions on various aspects of bilateral and multilateral trade in textiles and clothing under the MFA and ATC regimes.

## Key hurdles that could hinder India's textile growth

- While favorable tariffs could benefit the Indian textile industry, limited capacity remains a major bottleneck for India to fully capitalize on global opportunities. To overcome this, the industry will require substantial government support through key policy reforms, such as labor law amendments, effective implementation of the Production Linked Incentive (PLI) scheme, and acceleration of the Technology Upgradation Fund (TUF).
- **While both central and state governments are exploring capital expenditure subsidies**, the industry's MSME-driven structure limits the accessibility and utilization of such incentives.
- There are concerns that China may dump low-cost fabrics into Bangladesh, which could be re-exported to India. This has prompted experts to call for stricter enforcement of country-of-origin labeling.
- The textile sector may face near-term headwinds similar to those in Bangladesh and Vietnam, led by demand uncertainty from buyers like Walmart and reduced consumer spending amid inflated prices. **A slowdown in Bangladesh and Vietnam could negatively impact India's domestic yarn exports, as both countries are major customers of India's yarn exports.**
- Vietnam is currently negotiating tariff reductions with the US, which could erode India's relative advantage.
- Turkey also poses a competitive threat due to its lower tariff exposure, with only a 10% tariff levied on its exports to the US. Since Turkey holds ~2-2.5% share in the global textile industry, it stands to benefit from a potential shift in revenue away from major peers.

## Industry dynamics

- India remains a cost-effective manufacturing destination compared to the US, making it unlikely for Indian companies to shift their manufacturing bases to the US as a safeguard against tariffs.
- **Following a surge in pre-tariff exports in March, the industry may see a temporary slowdown in April as global buyers adjust to the tariffs.**
- Rising prices are likely to become the norm; while retailers may initially push for discounts from suppliers, **the cost burden will ultimately shift to end consumers, particularly in the US**.
- Over 50% of India's textile exports are cotton products, reflecting the industry's heavy reliance on cotton. However, with increasing demand for Manmade Fibers (MMF), India will need to build capabilities in the MMF category.

## Central government focuses on ensuring sustainable returns for OMCs

- **The central government on 7th Apr'25 increased 1) excise duty on petrol (MS) and diesel (HSD) by INR2/lit, and 2) the price of domestic LPG cylinders by INR50. The increase in excise duty will affect OMCs' marketing margins, though we do not expect any impact on our earnings estimates as the current marketing margins, averaging above ~INR10/lit, are significantly above our assumption of INR3.3/lit for both MS/HSD. Additionally, the price increase of INR50 per domestic LPG cylinder will bring down LPG under-recovery from ~INR189/cyl to ~INR144/cyl, given stable propane prices. Further, propane prices are expected to soften from Apr'25 as heating demand wanes. We believe that this balanced approach highlights the government's focus on sustainable returns for OMCs.**
- **At 1.1x FY27E P/B, HPCL remains our preferred pick among OMCs. Additionally, the start of its Bottom Upgrade Unit at Visakhapatnam should cushion the impact of deteriorating GRM fundamentals in FY26.**

### Government hikes excise duty on petrol and diesel by INR2/lit

- As per media reports, the central government has increased excise duty on both MS and HSD by INR2/lit. According to the article, the increase in excise duty is unlikely to affect Indian consumers and is expected to be absorbed by OMCs.
- In May'20, excise duty on MS/HSD was increased by INR10/INR13 per liter (link). However, later in Nov'21 and May'22, the central government reduced excise duty on MS/HSD cumulatively by INR13/INR16 per liter (link).
- While the current marketing margins remain robust, averaging above INR7.5/lit for both MS/HSD in 4QFY25, we are modelling INR3.3/lit margins for both MS/HSD. Hence, we do not foresee any earnings impact from this excise duty hike for us. Further, upside risks to OMC earnings remain even after this excise duty hike.

### Central government increases LPG cylinder price by INR50

- According to a media article, w.e.f. 8th Apr'25, the price of LPG cylinders has been hiked by INR50 for both subsidized and non-subsidized users.
- The current LPG under-recovery of ~INR189 per cylinder will decline to ~INR144 per cylinder, given stable propane prices. Additionally, propane prices are expected to come off after Apr'25 as heating demand wanes.
- As of 31st Dec'24, HPCL/BPCL/IOCL had a cumulative negative net buffer on account of LPG losses amounting to ~INR76b/INR72b/INR143b.

7 April 2025

Update | Sector: Retail

# Titan Company

| BSE SENSEX | S&P CNX |
|---|---|
| 73,138 | 22,162 |

**Stock Info**

| | |
|---|---|
| Bloomberg | TTAN IN |
| Equity Shares (m) | 888 |
| M.Cap.(INRb)/(USDb) | 2683.1 / 31.3 |
| 52-Week Range (INR) | 3867 / 2925 |
| 1, 6, 12 Rel. Per (%) | 0/-5/-18 |
| 12M Avg Val (INR M) | 4385 |
| Free float (%) | 47.1 |

**Financials Snapshot (INR b)**

| Y/E Mar | 2025E | 2026E | 2027E |
|---|---|---|---|
| Sales | 597.5 | 698.0 | 813.9 |
| Sales Gr. (%) | 17.0 | 16.8 | 16.6 |
| EBITDA | 61.1 | 73.6 | 85.6 |
| EBITDA Margin. % | 10.2 | 10.5 | 10.5 |
| Adj. PAT | 38.1 | 47.3 | 56.3 |
| Adj. EPS (INR) | 42.8 | 53.1 | 63.2 |
| EPS Gr. (%) | 9.0 | 24.1 | 19.1 |
| BV/Sh.(INR) | 135.5 | 172.7 | 216.9 |
| **Ratios** | | | |
| RoE (%) | 35.5 | 34.5 | 32.5 |
| RoCE (%) | 16.9 | 17.5 | 18.1 |
| Payout (%) | 30.0 | 30.0 | 30.0 |
| **Valuation** | | | |
| P/E (x) | 70.3 | 56.7 | 47.6 |
| P/BV (x) | 22.2 | 17.4 | 13.9 |
| EV/EBITDA (x) | 44.2 | 36.6 | 31.3 |
| Div. Yield (%) | 0.4 | 0.5 | 0.6 |

## CMP: INR3,022 TP: INR3,800(+26%) BUY

## Strong growth led by surging gold prices

**TTAN released its pre-quarterly update for 4QFY25. Here are the key highlights:**

TTAN added 72 stores during the quarter, and its total retail presence (including CaratLane) stood at 3,312 stores at the end of 4QFY25.

### Jewelry division

- Standalone jewelry sales (excl. bullion) grew 24% YoY in 4QFY25, boosted by the surge in gold prices (vs. our estimates of 18% growth in 4QFY25 and 26% in 3QFY25/19% in 4QFY24).
- Growth was led by both plain gold jewelry (up ~27% YoY) and gold coins (~65% YoY), reflecting high consumer preference for gold.
- Elevated gold prices resulted in sluggish consumer demand at lower price points, leading to buyer growth in single digits. Demand at higher price bands remained stable, resulting in high double-digit growth in ticket sizes.
- Studded jewelry registered low double-digit value (YoY) growth for the quarter. Solitaire segment saw a turnaround and registered growth in buyer and value in this period.
- Overall like-to-like (L2L) sales (secondary) stood at ~15% YoY.
- Tanishq expanded its international network to the new markets of Sharjah in UAE and Atlanta and Seattle in USA.
- Of the 16 new store additions (net) in India, four stores were added in Tanishq and 12 in Mia.

### Watches & Wearables division

- The watches and wearable segment's domestic business grew 20% YoY.
- Titan, Fastrack and Sonata propelled analog watches growth to ~18% YoY.
- All the key retail channels of Helios, Titan World and Fastrack grew in healthy double digits, with Helios channel registering the highest growth (relatively), reflecting consumer preference for premium products.
- The division added 41 new stores in the quarter, comprising 20 stores in Titan World, 10 in Helios, and 11 in Fastrack.

### Eyecare division

- The division's domestic business grew 18% YoY.
- Titan Eyeplus, with its multibrand approach, registered healthy double-digit growth, driven by international brands.
- E-commerce is a new growth driver for the division and is favored by consumers for affordable fashion purchases like sunglasses.
- Titan Eye+ added two new stores in the UAE region, one each in Sharjah and Dubai. However, it closed 11 stores (net) in India during the quarter.

## Emerging businesses (Fragrances & Fashion Accessories and Indian Dress Wear)

- Taneira's sales declined 4% YoY.
- 'IRTH' opened four new stores in Hyderabad, Pune, Noida and Mumbai. Taneira closed one store in this period.
- Fragrances business revenue grew ~26% YoY, while Fashion Accessories revenue grew 12% YoY.

## Caratlane

- The business grew ~22% YoY in 4QFY25, aided by strong growth in the studded portfolio.
- The corresponding buyer growth was in mid-single digits and L2L growth was ~11 % for this period.
- A total of 17 domestic stores (net) were added by Caratlane during the quarter, taking the total India presence to 323 stores.

**Consolidated Quarterly Performance** (INR m)

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4QE | | |
| **Net Sales** | **1,18,970** | **1,25,290** | **1,41,640** | **1,24,940** | **1,32,660** | **1,45,340** | **1,77,400** | **1,42,078** | **5,10,840** | **5,97,478** |
| YoY change (%) | 26.0 | 36.7 | 22.0 | 20.6 | 11.5 | 16.0 | 25.2 | 13.7 | 25.9 | 17.0 |
| **Gross Profit** | **26,420** | **29,300** | **32,940** | **27,860** | **29,300** | **33,020** | **39,100** | **31,818** | **1,16,520** | **1,33,238** |
| Margin (%) | 22.2 | 23.4 | 23.3 | 22.3 | 22.1 | 22.7 | 22.0 | 22.4 | 22.8 | 22.3 |
| Total Exp | 1,07,720 | 1,11,180 | 1,25,990 | 1,13,030 | 1,20,190 | 1,30,080 | 1,58,130 | 1,27,996 | 4,57,920 | 5,36,396 |
| **EBITDA** | **11,250** | **14,110** | **15,650** | **11,910** | **12,470** | **15,260** | **19,270** | **14,083** | **52,920** | **61,083** |
| EBITDA growth % | -5.9 | 13.2 | 16.2 | 9.4 | 10.8 | 8.2 | 23.1 | 18.2 | 8.5 | 15.4 |
| Margin (%) | 9.5 | 11.3 | 11.0 | 9.5 | 9.4 | 10.5 | 10.9 | 9.9 | 10.4 | 10.2 |
| Depreciation | 1,280 | 1,440 | 1,540 | 1,580 | 1,640 | 1,710 | 1,750 | 1,744 | 5,840 | 6,844 |
| Interest | 1,090 | 1,400 | 1,690 | 2,010 | 2,300 | 2,400 | 2,310 | 2,484 | 6,190 | 9,494 |
| Other Income | 1,140 | 1,240 | 1,360 | 1,590 | 1,200 | 1,220 | 1,280 | 1,523 | 5,330 | 5,223 |
| **PBT** | **10,020** | **12,510** | **13,780** | **9,910** | **9,730** | **12,370** | **16,490** | **11,378** | **46,220** | **49,968** |
| Tax | 2,460 | 3,360 | 3,250 | 2,200 | 2,580 | 3,064 | 4,034 | 2,206 | 11,270 | 11,883 |
| Rate (%) | 24.6 | 26.9 | 23.6 | 22.2 | 26.5 | 24.8 | 24.5 | 19.4 | 24.4 | 23.8 |
| **Adjusted PAT** | **7,560** | **9,150** | **10,530** | **7,710** | **7,150** | **9,307** | **12,456** | **9,172** | **34,950** | **38,085** |
| YoY change (%) | -4.3 | 9.6 | 15.5 | 4.8 | -5.4 | 1.7 | 18.3 | 19.0 | 6.8 | 9.0 |
| Extraordinary Income | 0 | 0 | 0 | 0 | 0 | 2,277 | 1,986 | 0 | | 4,263 |
| **Reported PAT** | 7,560 | 9,150 | 10,530 | 7,710 | 7,150 | 7,030 | 10,470 | 9,172 | 34,950 | 33,822 |

E: MOFSL Estimates

# Kalyan Jewellers

| BSE SENSEX | S&P CNX |
|---|---|
| 73,138 | 22,162 |

**Stock Info**

| | |
|---|---|
| Bloomberg | KALYANKJ IN |
| Equity Shares (m) | 1031 |
| M.Cap.(INRb)/(USDb) | 501.6 / 5.8 |
| 52-Week Range (INR) | 795 / 336 |
| 1, 6, 12 Rel. Per (%) | 14/-20/15 |
| 12M Avg Val (INR M) | 5127 |
| Free float (%) | 37.2 |

**Financials Snapshot (INR b)**

| Y/E March | 2025E | 2026E | 2027E |
|---|---|---|---|
| Sales | 250.8 | 314.7 | 384.6 |
| EBITDA | 16.7 | 20.0 | 23.5 |
| EBITDA Margin (%) | 6.7 | 6.4 | 6.1 |
| Adj. PAT | 8.3 | 10.7 | 13.0 |
| Cons. Adj. EPS (INR) | 8.0 | 10.4 | 12.6 |
| EPS Gr. (%) | 38.5 | 29.7 | 21.4 |
| BV/Sh. (INR) | 45.6 | 52.8 | 61.3 |
| **Ratios** | | | |
| RoE (%) | 18.6 | 21.2 | 22.2 |
| RoIC (%) | 12.9 | 13.9 | 14.7 |
| **Valuations** | | | |
| P/E (x) | 60.5 | 46.7 | 38.4 |
| P/BV | 10.7 | 9.2 | 7.9 |
| EV/Sales | 2.0 | 1.6 | 1.3 |
| EV/EBITDA (x) | 30.5 | 24.9 | 21.3 |

**CMP: INR486 TP: INR625(+29%) BUY**

## Strong double-digit SSSG growth

**Kalyan Jewellers (KALYAN) released its pre-quarterly update for 4QFY25. Here are the key takeaways:**

### Company level

- KALYAN reported consolidated sales growth of ~37% YoY (est. 36% in 4QFY25, 40% in 3QFY25, and 34% in 4QFY24), primarily driven by robust wedding demand.
- On 31st Mar'25, the total number of stores stood at 388, comprising 278 Kalyan India stores, 73 Candere stores, one store in the US, and 36 Kalyan Middle East stores.
- KALYAN is witnessing encouraging trends in advance collections for both Akshaya Tritiya and wedding-related purchases for the festive/wedding season. The company also opened three new showrooms in the first week of Apr'25.
- In FY26, KALYAN plans to open 170 showrooms across its Kalyan and Candere formats. This includes 75 Kalyan showrooms (all FOCO) in non-South India, including five larger-format flagship Kalyan showrooms; 15 Kalyan showrooms (all FOCO) across South India and international markets; and 80 Candere showrooms across India.
- The company has completed the signing of LOIs for its FOCO showrooms planned for FY26 across both Indian and international markets.

### India division

- The Indian business grew ~39% YoY (est. 39%) during the quarter, compared to 42% YoY growth in 3QFY25 and 38% YoY growth in 4QFY24.
- **The quarter recorded healthy same store sales growth of ~21% vs 24% in 3QFY25 and 17% in 4QFY24.**
- The company added 25 new Kalyan showrooms in India during the quarter.

### The Middle East

- Revenue grew ~24% YoY in 4QFY25.
- The Middle East contributed 12% to consol. revenue of 4QFY25.

### Candere

- Candere recorded a revenue decline of ~22% YoY in 4QFY25.
- The company opened 14 Candere showrooms during the quarter.

## Consolidated Quarterly Performance (INR m)

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4QE | | |
| **Stores** | **194** | **209** | **235** | **253** | **277** | **303** | **349** | **383** | **253** | **383** |
| **Net Sales** | **43,757** | **44,145** | **52,231** | **45,349** | **55,355** | **60,655** | **72,869** | **61,876** | **1,85,483** | **2,50,754** |
| Change (%) | 31.3 | 27.1 | 34.5 | 34.1 | 26.5 | 37.4 | 39.5 | 36.4 | 31.8 | 35.2 |
| Raw Material/PM | 37,153 | 37,840 | 44,616 | 38,737 | 47,419 | 52,313 | 63,323 | 53,713 | 1,58,346 | 2,16,769 |
| **Gross Profit** | **6,604** | **6,306** | **7,615** | **6,612** | **7,935** | **8,342** | **9,546** | **8,162** | **27,137** | **33,985** |
| Gross Margin (%) | 15.1 | 14.3 | 14.6 | 14.6 | 14.3 | 13.8 | 13.1 | 13.2 | 14.6 | 13.6 |
| Operating Expenses | 3,375 | 3,169 | 3,916 | 3,550 | 4,175 | 4,379 | 4,609 | 4,140 | 14,010 | 17,304 |
| % of Sales | 7.7 | 7.2 | 7.5 | 7.8 | 7.5 | 7.2 | 6.3 | 6.7 | 7.6 | 6.9 |
| **EBITDA** | **3,229** | **3,137** | **3,698** | **3,062** | **3,760** | **3,962** | **4,936** | **4,022** | **13,127** | **16,681** |
| Margin (%) | 7.4 | 7.1 | 7.1 | 6.8 | 6.8 | 6.5 | 6.8 | 6.5 | 7.1 | 6.7 |
| Change (%) | 22.2 | 17.9 | 13.1 | 19.3 | 16.4 | 26.3 | 33.5 | 31.3 | 17.8 | 27.1 |
| Interest | 821 | 817 | 817 | 778 | 852 | 903 | 876 | 855 | 3,232 | 3,487 |
| Depreciation | 641 | 669 | 697 | 736 | 755 | 850 | 890 | 856 | 2,743 | 3,350 |
| Other Income | 116 | 131 | 201 | 288 | 222 | 260 | 313 | 390 | 737 | 1,185 |
| **PBT** | **1,885** | **1,781** | **2,386** | **1,837** | **2,375** | **2,469** | **3,484** | **2,701** | **7,888** | **11,029** |
| Tax | 449 | 433 | 582 | 462 | 599 | 649 | 886 | 623 | 1,925 | 2,757 |
| Effective Tax Rate (%) | 23.8 | 24.3 | 24.4 | 25.1 | 25.2 | 26.3 | 25.4 | 23.1 | 24.4 | 25.0 |
| **Adjusted PAT** | **1,439** | **1,352** | **1,806** | **1,376** | **1,776** | **1,821** | **2,598** | **2,077** | **5,973** | **8,272** |
| Change (%) | 33.3 | 27.1 | 21.5 | 96.3 | 23.4 | 34.6 | 43.8 | 51.0 | 28.1 | 38.5 |
| **Reported PAT** | **1,439** | **1,352** | **1,806** | **1,376** | **1,776** | **1,303** | **2,187** | **2,077** | **5,973** | **7,343** |

E: MOFSL Estimates

# PN Gadgil

| BSE SENSEX | S&P CNX |
|---|---|
| 73,138 | 22,162 |

**Stock Info**

| | |
|---|---|
| Bloomberg | PNGJL IN |
| Equity Shares (m) | 136 |
| M.Cap.(INRb)/(USDb) | 69.1 / 0.8 |
| 52-Week Range (INR) | 848 / 474 |
| 1, 6, 12 Rel. Per (%) | -4/-18/- |
| 12M Avg Val (INR M) | 641 |
| Free float (%) | 16.9 |

**Financials Snapshot (INR b)**

| Y/E March | 2025E | 2026E | 2027E |
|---|---|---|---|
| Sales | 77.6 | 96.0 | 116.7 |
| Sales growth (%) | 27.1 | 23.6 | 21.6 |
| EBITDA | 3.5 | 4.7 | 6.0 |
| EBITDA Margin (%) | 4.5 | 4.9 | 5.1 |
| Adj. PAT | 2.3 | 3.0 | 3.8 |
| Cons. Adj. EPS (INR) | 16.8 | 21.9 | 27.9 |
| EPS Gr. (%) | 28.2 | 30.7 | 27.1 |
| BV/Sh. (INR) | 118.8 | 140.7 | 168.6 |
| **Ratios** | | | |
| Debt/Equity | 0.1 | 0.2 | 0.4 |
| RoE (%) | 21.2 | 16.9 | 18.0 |
| RoIC (%) | 20.3 | 18.8 | 18.3 |
| **Valuations** | | | |
| P/E (x) | 30.5 | 23.3 | 18.3 |
| EV/EBITDA (x) | 18.2 | 13.1 | 10.7 |

**CMP: INR511 TP: INR825(+61%) BUY**

## Strong double-digit SSSG; store expansion on track

**PN Gadgil (PNG) released its pre-quarterly update for 4QFY25. Here are the key takeaways:**

### Revenue

- PNG saw ~5% YoY consol. revenue growth (est. 10% in 4QFY25, 24% in 3QFY25) during the quarter.
- The company discontinued HO Bullion accounting from 3QFY25, resulting in reported numbers being lower than the underlying performance.
- **PNG's SSSG stood at 26.3% during the quarter.**
- The Retail segment saw ~50% YoY revenue growth in 4QFY25, contributing ~82% of total revenue.
- The Franchise segment saw 37% YoY revenue growth, contributing 12% of total revenue.
- The E-commerce segment saw 244% YoY revenue growth, contributing 6% of total revenue.
- The Diamond (Studded) segment saw 31% YoY revenue growth, reaching 7.4%.
- On Gudi Padwa, the company recorded 40% sales growth YoY, reaching INR1235m.

### Stores

- The company has opened five stores—four COCO and one FOCO—bringing the total store count to 53.
- It plans to launch 20-25 new stores in FY26 to sustain its growth momentum, with a focus on Uttar Pradesh and other key regions.
- This strategy underscores management's confidence in the market potential and its commitment to enhancing physical presence.
- The new stores are expected to boost accessibility, deepen brand penetration, and reinforce value delivery.

### Outlook

- The company anticipates strong performance in FY26, driven by robust demand beginning with Akshaya Tritiya and an extended wedding season, which is expected to boost sales in 1QFY26.
- The company expects continued growth, supported by the rising consumer purchasing power.
- Additionally, a shift in consumer preferences is anticipated to drive sustained momentum.

**Consol. Quarterly Performance** **(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25 |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4QE | | |
| **Net Sales** | **12,568** | **13,715** | **19,722** | **15,120** | **16,682** | **20,013** | **24,358** | **16,588** | **61,109** | **77,640** |
| YoY change (%) | N/A | N/A | N/A | N/A | 32.7 | 45.9 | 23.5 | 9.7 | 35.6 | 27.1 |
| **Gross Profit** | **919** | **966** | **1,681** | **1,578** | **1,386** | **1,531** | **2,391** | **1,716** | **5,128** | **7,023** |
| Margins (%) | 7.3 | 7.0 | 8.5 | 10.4 | 8.3 | 7.6 | 9.8 | 10.3 | 8.4 | 9.0 |
| **EBITDA** | **446** | **452** | **921** | **890** | **643** | **721** | **1,228** | **887** | **2,693** | **3,479** |
| Margins (%) | 3.5 | 3.3 | 4.7 | 5.9 | 3.9 | 3.6 | 5.0 | 5.3 | 4.4 | 4.5 |
| YoY growth (%) | N/A | N/A | N/A | N/A | 44.2 | 59.4 | 33.3 | -0.3 | 119.4 | 29.2 |
| Depreciation | 56 | 61 | 60 | 55 | 63 | 72 | 84 | 86 | 232 | 304 |
| Finance Cost | 97 | 109 | 112 | 123 | 123 | 129 | 63 | 99 | 459 | 414 |
| Other Income | 10 | 23 | 24 | 22 | 19 | 118 | 70 | 8 | 82 | 215 |
| PBT | **303** | **304** | **774** | **734** | **477** | **638** | **1,150** | **710** | **2,084** | **2,975** |
| YoY growth (%) | N/A | N/A | N/A | N/A | 57.3 | 110.2 | 48.6 | -3.3 | 76.5 | 42.8 |
| **PAT** | **222** | **219** | **576** | **549** | **353** | **529** | **860** | **532** | **1,543** | **2,275** |
| Margins (%) | 1.8 | 1.6 | 2.9 | 3.6 | 2.1 | 2.6 | 3.5 | 3.2 | 2.5 | 2.9 |
| YoY change (%) | N/A | N/A | N/A | N/A | 59.5 | 141.1 | 49.4 | -3.1 | 64.7 | 47.4 |

E: MOFSL estimates

## Dixon Tech: Indian electronics industry will be at an advantage given the higher tariffs on China; Saurabh Gupta, CFO

- Our revenue exposure to the US is 5% of total revenue
- Our Anchor customer in the US have asked US to expand capacities
- India is the 3rd largest exported after China & Vietnam
- Indian electronics industry will be at an advantage given the higher tariffs on China

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## Metropolis Healthcare: Growth has been a little lower than co's expectations; Ameera Shah, Promoter

- H2 has been weaker than expected which is an anomaly in Industry
- 3 recent acquisitions will play out in FY26 for the company
- Have partnered with Pathology Labs in the northern region
- TrueHealth continued to do well & grow @19-20% in 4Q

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## Jupiter Wagons: Integrated facility in Odisha will add 1 Lk wheelsets capacity at invst of ₹2,500 cr; Vivek Lohia, MD

- Wagon production delayed due to unavailability of wheelsets
- We have capacity in Aurangabad
- Will raise INR1,400 Cr. Of debt, balance via internal accruals
- Have done a QIP of INR800 Cr., will also raise debt

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## FADA: Some of India's auto component suppliers will be hit by trump tariffs; CS Vigneshwar, President

- Tariff imposed on other countries are worse than us
- Our exposure in terms of exports for OEMs are limited
- Some of our components suppliers will be affected as they have decent exposure
- Inventories are hovering around 50-55 days, in fact it has gone up

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| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | > - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

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