FIRST LIGHT

10 August 2026

RESEARCH

BLUE STAR | TARGET: Rs 1,700 | +12% | HOLD

Margin ceded to defend share; recovery guided ahead

PG ELECTROPLAST | TARGET: Rs 690 | +9% | HOLD

Volume recovery, input costs cap margins

FINOLEX INDUSTRIES | TARGET: Rs 180 | +9% | HOLD

Volume weakness weighs on earnings

TITAN COMPANY | TARGET: Rs 5,085 | +3% | HOLD

Q1FY27: Inventory gains drive earnings beat

HINDALCO INDUSTRIES | TARGET: Rs 1,158 | +9% | HOLD

Results beat expectation on better Al & Novelis performance

HERO MOTOCORP | TARGET: Rs 5,857 | +2% | HOLD

Robust Q1 show; diversified portfolio strategy to pay, HOLD

THE RAMCO CEMENTS | TARGET: Rs 798 | -15% | SELL

Weak in a challenging Q1; no major respite in sight, SELL

COHANCE LIFESCIENCES | TARGET: Rs 315 | -29% | SELL

Double-digit growth guided to begin from FY28

CERA SANITARYWARE | TARGET: Rs 7,000 | +15% | BUY

Margin miss on commodity pressure, maintains guidance

LUPIN | TARGET: Rs 3,095 | +31% | BUY

Quarterly pain, annual gain

BOBCAPS Research
research@bobcaps.in

SUMMARY

BLUE STAR

- Revenue grew 13% YoY, led by EMP, though primary RAC billings lagged healthy tertiary offtake through the quarter
- UCP EBIT margin fell 290bps YoY on unrecovered input costs and channel support; EMP down 110bps on mix, PEIS up 424bps
- Cut estimates; assign 45x Jun'28E EPS to arrive at TP of Rs 1,700. Downgrade to HOLD

Click here for the full report.

PG ELECTROPLAST

- Q1FY27 revenue grew 35% YoY to Rs 20.3bn, near our estimate as Products scaled 41% YoY on RAC and washing machine strength
- Profitability lagged the topline; EBITDA rose 22% YoY with margin at 7.3%, down 80bps YoY as pass-through remained incomplete
- Revise estimates, ascribe 40x multiple on Jun'28E to arrive at Jun'27 TP of Rs 690. Downgrade to HOLD on rich valuation

Click here for the full report.

FINOLEX INDUSTRIES

- Revenue declined 15% YoY as volumes fell 27%; stronger spreads supported margins
- Demand recovered after Apr'26; management retains ~15% EBITDA margin guidance; capex plans remain on track
- Cut estimates, ascribing unchanged multiple of 20x June'28E and arrive at TP of Rs 180. Downgrade to HOLD

Click here for the full report.

TITAN COMPANY

- Revenue grew 29% YoY, while inventory gains and operating leverage drove a sharp margin expansion
- Jewellery outperformed with 30% growth; management reiterates ~11% sustainable jewellery EBIT margin
- Maintain HOLD; strong growth largely priced in; TP Rs 5,085 at 60x Jun'28E P/E

Click here for the full report.

HINDALCO INDUSTRIES

- Revenue grew by 32%YoY driven by India revenue and Novelis business. All segments reported improvement in EBITDA
- Outlook positive, given the improved domestic demand and incremental volumes from expansion projects over FY28-FY29E
- Maintain HOLD, considering improved performance and rollover to June 28, raise TP to Rs1,158 from Rs1,134, based on June'28E EBITDA

Click here **for the full report.**

HERO MOTOCORP

- ~8% mix benefit coupled with ~23% YoY volume growth drive revenue up ~36% YoY, overall wholesale market share up ~30bps YoY to 29%
- EBITDA grew ~18% YoY, EBITDAM contracted ~114bps YoY to 13.3% as LEAP savings and pricing actions offset 4.5% commodity inflation
- FY28/FY29 EBITDA/PAT estimates revised up by 1%/2% each rollover to June 2028, value at 18x; TP revised to Rs 5,857 (vs 5,674). Retain HOLD

Click here **for the full report.**

THE RAMCO CEMENTS

- Volume chase (~12%) despite weak demand in key regions impacts realisations (2%) dragging overall performance in a cost inflicted Q1
- EBITDAM contracts sharply by 567bps YoY to 13.5% as higher energy cost and freight cost outweigh volume led- operating leverage
- Retain FY27E/FY28E/FY29E EBITDA but with a close watch on cost, assign 10x multiple and revise TP to Rs 798 (vs Rs760). Maintain SELL

Click here **for the full report.**

COHANCE LIFESCIENCES

- The company slipped into a loss of Rs 452 mn in 1QFY27 vs a profit of Rs 464 mn in 1QFY26. Adjusted EBITDA margin was at 2% in 1QFY27
- Management guided for double digit growth from FY28 in SpecChem and API++, implying FY27 to witness no to single digit growth
- On FY28E EPS, the stock trades at 56x; we continue to ascribe 40x due to low margins, arriving at a PT of Rs 315 (earlier Rs 341). Maintain Sell

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CERA SANITARYWARE

- Revenue beat, miss on margins, revenue grew 20% YoY, led by healthy volume growth, EBITDA margin contracted by 292bps YoY to 10.1%
- Management maintains 13.5-14.0% margin guidance; recovery expected as price hikes flow through; capex plans remain on track
- Cut estimates, ascribe 30x Jun-28EPS to arrive at Jun-27TP of Rs 7000; Maintain BUY

Click here **for the full report.**

LUPIN

- Sales/EBITDA/APAT were 6.6%/18%/-1.4% above our estimates, while EBITDA Margin was 286 bps above our estimate at 29.8%
- Quarterly US cc sales likely to slip to ~USD250mn; however, we expect sales to recover to USD300+ mn in FY28 due to new launches
- We continue to ascribe a PE of 26x and roll forward to Jun’28 EPS to arrive at a PT of Rs 3095, implying 31% upside; Maintain BUY

Click here **for the full report.**

HOLD
TP: Rs 1,700 | ⮝ 12%

BLUE STAR | Consumer Durables | 07 August 2026

Margin ceded to defend share; recovery guided ahead

- **Revenue grew 13% YoY, led by EMP, though primary RAC billings lagged healthy tertiary offtake through the quarter**
- **UCP EBIT margin fell 290bps YoY on unrecovered input costs and channel support; EMP down 110bps on mix, PEIS up 424bps**
- **Cut estimates; assign 45x Jun'28E EPS to arrive at TP of Rs 1,700. Downgrade to HOLD**

Vineet Shanker
Research Analyst
Amey Tupe
Research Associate
research@bobcaps.in

Growth intact, margin compresses sharply: Q1FY27 revenue grew 13% YoY to Rs 33.8bn, 9% below our estimate as delayed summer onset and a trade inventory overhang restricted primary Room AC billings. EBITDA declined 13% YoY to Rs 1.8bn, with margin contracting 153bps to 5.2%, 189bps below our estimate; the entire shortfall sat in Unitary Products. Adj. PAT fell 23% YoY to Rs 0.9bn, with Adj. PAT margin down 129bps to 2.8%.

Exit market share improved during the quarter: UCP revenue grew 13% YoY to Rs 16.9bn, but EBIT fell 43% to Rs 0.5bn as margin compressed 290bps YoY to 2.9%, a 750bps sequential reversal. Management chose market share over realisations: commodity and FX escalation could not be passed into market operating prices, while consumer finance, trade schemes and advertising were stepped up through May-June to help dealers liquidate. RAC revenue grew 21% YoY (+18% volume growth). Commercial refrigeration degrowth (-15% YoY), on muted deep-freezer offtake by OEMs, added to the drag.

EMP growth datacentre led; other verticals lag: EMP & Commercial AC revenue grew 15% YoY to Rs 16.3bn, though EBIT margin contracted 110bps YoY to 6.8% on an adverse project/product mix and input-cost escalation. Order inflow rose 24% YoY to Rs 24.4bn, driven by data centers, with commercial offices, factories and infrastructure sluggish as cost escalation deferred finalisation. The order book grew 13.5% YoY to Rs 77.6bn.

PEIS margin expands; scale still immaterial: PEIS revenue declined 10% YoY to Rs 0.6bn, with MedTech constrained by an unresolved regulatory framework. EBIT rose 26% YoY to Rs 96mn and margin expanded 424bps YoY to 15.1% on a richer product-and-service mix, aided by steady industrial solutions growth.

Cut estimates; downgrade to HOLD: We reduce FY27E/FY28E Adj. PAT by 11%/5% on a weaker UCP margin trajectory, unrecovered input-cost and FX pass-through, and higher selling-and-distribution intensity; revenue estimates are broadly unchanged. We assign 45x multiple to Jun-28E for a Jun-27 TP of Rs 1,700. HOLD.

Key changes

Target	Rating
▼	▼

Ticker/Price	BLSTR IN/Rs 1,514
Market cap	US$ 3.1bn
Free float	61%
3M ADV	US$ 8.2mn
52wk high/low	Rs 2,040/Rs 1,450
Promoter/FPI/DII	39%/11%/25%

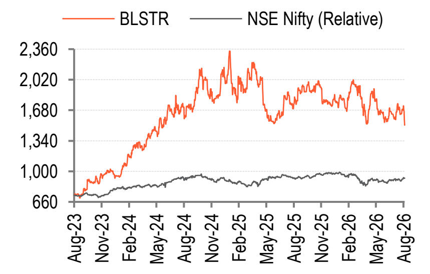
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	1,24,020	1,39,539	1,60,434
EBITDA (Rs mn)	9,304	9,206	11,740
Adj. net profit (Rs mn)	5,665	5,474	7,361
Adj. EPS (Rs)	27.6	26.6	35.8
Adj. ROAE (%)	17.4	15.1	18.0
Adj. P/E (x)	54.9	56.9	42.3
EV/EBITDA (x)	31.3	31.7	24.8
Adj. EPS growth (%)	(2.1)	(3.4)	34.5

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

HOLD
TP: Rs 690 | 9%

PG ELECTROPLAST | EMS | 07 August 2026

Volume recovery, input costs cap margins

- **Q1FY27 revenue grew 35% YoY to Rs 20.3bn, near our estimate as Products scaled 41% YoY on RAC and washing machine strength**
- **Profitability lagged the topline; EBITDA rose 22% YoY with margin at 7.3%, down 80bps YoY as pass-through remained incomplete**
- **Revise estimates, ascribe 40x multiple on Jun'28E to arrive at Jun'27 TP of Rs 690. Downgrade to HOLD on rich valuation**

Vineet Shanker
Research Analyst
Amey Tupe
Research Associate
research@bobcaps.in

Revenue rebounds off a disrupted base; margin remains under pressure: Q1FY27 revenue came in at Rs 20.3bn, up 35% YoY and 2% below our estimate of Rs 20.8bn, against a base quarter disrupted by supply-side and demand shocks. EBITDA rose 22% YoY to Rs 1.5bn, also 2% below our estimate, with margin at 7.3%, down 80bps YoY. Adjusted PAT grew 14% YoY to Rs 762mn with margin at 3.7% (-70bps YoY).

RAC drives products; washing machines scale on new capacity: Products revenue rose 41% YoY to Rs 16.3bn, at 80% of consolidated sales. RAC grew 38% YoY to Rs 14.0bn on a weak base, split between 20-22% volume growth and 10-12% ASP gains as commodity costs and rupee depreciation were passed through. Washing machines grew 67% YoY to Rs 2.1bn on the DMIC Greater Noida ramp, with fully automatic up 150% YoY. Coolers grew 3% YoY to Rs 189mn.

Electronics doubles off a low base: Electronics revenue rose 65% YoY to Rs 1.1bn at 5% of sales, though it fell 57% QoQ against an elevated March base. The 50:50 Goodworth TV JV reported revenue of Rs 1.8bn vs Rs 1.5bn a year ago, with EBITDA of Rs 63mn. Plastic & Others grew 5% YoY to Rs 2.9bn and 96% QoQ, recovering from a March quarter hit by weak discretionary moulding demand and a production transition, with facilities now consolidating into Salarpur.

Pass-through timing remains the swing factor: June-end channel and brand inventory stood near normal and below year-ago levels, with secondary sales ahead of primary. Management targets over 20% volume growth for FY27 and reiterated an aspiration, explicitly not guidance, of an 8% EBITDA margin, weighted towards H2 and Q4.

Revise estimates, Downgrade to HOLD: We raise our FY27E/FY28E/FY29E revenue by 3%/5%/8% factoring in a stronger volume recovery and the washing machine and refrigerator ramp-ups. We expect operating leverage to build through FY27 on normalised channel inventory. We ascribe 40x P/E to Jun'28E EPS to arrive at a Jun'27 TP of Rs 690.

Key changes

Target	Rating
▲	▼

Ticker/Price	PGEL IN/Rs 631
Market cap	US$ 1.9bn
Free float	39%
3M ADV	US$ 16.2mn
52wk high/low	Rs 747/Rs 437
Promoter/FPI/DII	49%/10%/16%

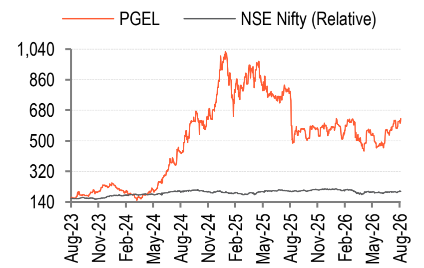
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	52,880	65,878	80,454
EBITDA (Rs mn)	3,870	5,493	7,200
Adj. net profit (Rs mn)	1,966	3,076	4,465
Adj. EPS (Rs)	6.9	10.8	15.6
Adj. ROAE (%)	6.7	9.6	12.5
Adj. P/E (x)	91.5	58.5	40.3
EV/EBITDA (x)	47.2	32.3	24.6
Adj. EPS growth (%)	(32.2)	56.5	45.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

HOLD
TP: Rs 180 | ⮝ 9%

FINOLEX INDUSTRIES | Building Materials | 10 August 2026

Volume weakness weighs on earnings

- **Revenue declined 15% YoY as volumes fell 27%; stronger spreads supported margins**
- **Demand recovered after Apr'26; management retains ~15% EBITDA margin guidance; capex plans remain on track**
- **Cut estimates, ascribing unchanged multiple of 20x June'28E and arrive at TP of Rs 180. Downgrade to HOLD**

Vineet Shanker
Research Analyst
Harshit Mundra
Research Associate
research@bobcaps.in

Volume weakness continues; EBITDA misses estimates: Finolex Industries (FNXP) reported a weak operational quarter, with revenue declining 15% YoY (25% below our est.) as volumes fell 27% YoY, reflecting severe channel destocking amid PVC price corrections. However, realisations increased 15% YoY. EBITDA increased 14% YoY (28% below our est.), while EBITDA margin expanded 309bps YoY to 12.1%, supported by stronger spreads (blended EBITDA/kg: Rs 15.7 vs Rs 10.2 in Q1FY26) and improved gross margins. Consequently, adjusted PAT grew 23% YoY, aided by higher other income.

Destocking disrupted Q1; policy measures support recovery: Management attributed the sharp volume decline primarily to Apr'26 channel destocking following the rapid correction in PVC prices, despite the seasonally strong pre-monsoon period. Demand recovered through May'26 and Jun'26, with Jul'26 witnessing a further pickup following the implementation of the Minimum Import Price (MIP) and withdrawal of the customs duty exemption on PVC resin. The company believes these measures should stabilise polymer prices, normalise channel inventories and support volume recovery over the coming quarters.

Outlook & KTAs: Management retained its ~15% EBITDA margin guidance for FY27, subject to stable polymer prices, while continuing to focus on strengthening its market position through distribution expansion and deeper penetration in underrepresented geographies. The company reiterated its FY27 capex plan of Rs 1.5-2.0bn towards debottlenecking and incremental capacity additions, with the existing 520kt installed capacity providing sufficient headroom to support medium-term growth. Net cash stood at Rs 26.4bn at the end of Q1FY27.

Cut estimates, downgrade to HOLD: We cut our FY27-29E revenue estimates by 10% and EBITDA estimates by 9-10% to factor in sustained volume weakness. We retain our unchanged 20x P/E multiple on June-28EPS to arrive at TP of Rs 180. Downgrade to HOLD.

Key changes

Target	Rating
▼	▼

Ticker/Price	FNXP IN/Rs 164
Market cap	US$ 1.1bn
Free float	48%
3M ADV	US$ 2.4mn
52wk high/low	Rs 223/Rs 148
Promoter/FPI/DII	52%/6%/12%

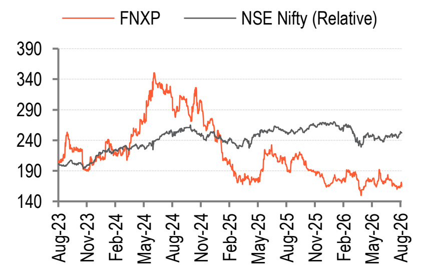
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	41,134	43,837	50,622
EBITDA (Rs mn)	6,789	5,356	6,063
Adj. net profit (Rs mn)	5,969	4,679	5,372
Adj. EPS (Rs)	9.7	7.6	8.7
Consensus EPS (Rs)	9.7	9.2	10.4
Adj. ROAE (%)	9.7	7.4	8.2
Adj. P/E (x)	17.0	21.7	18.9
EV/EBITDA (x)	12.0	15.0	13.1
Adj. EPS growth (%)	24.3	(21.6)	14.8

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

HOLD
TP: Rs 5,085 | ▲ 3%

TITAN COMPANY | Retail - Jewellery | 10 August 2026

Q1FY27: Inventory gains drive earnings beat

- **Revenue grew 29% YoY, while inventory gains and operating leverage drove a sharp margin expansion**
- **Jewellery outperformed with 30% growth; management reiterates ~11% sustainable jewellery EBIT margin**
- **Maintain HOLD; strong growth largely priced in; TP Rs 5,085 at 60x Jun’28E P/E**

Lavita Lasrado
Research Analyst
research@bobcaps.in

Strong jewellery-led growth continues; margins aided by inventory gains: Titan (TTAN) reported a strong Q1FY27, with consolidated revenue increasing 29% YoY, albeit 8% below our estimate, driven by 30% YoY growth in the jewellery business. EBITDA increased 58% YoY, beating our estimate by 25%, while EBITDA margin expanded 246bps YoY to 13.5%, supported by inventory gains following the increase in the effective customs duty on gold, favourable MTM gains and operating leverage. Consequently, adjusted PAT increased 63% YoY, exceeding our estimate by 27%.

Jewellery remains the key growth driver; profitability expands across segments: The jewellery business delivered 30% YoY revenue growth, with EBIT increasing 68% YoY and EBIT margin expanding 281bps YoY to 12.4%, supported by inventory gains and higher operating leverage. Watches and wearables continued their healthy momentum, with revenue increasing 21% YoY, although EBIT margin contracted 343bps YoY to 19.1% due to investments in premiumisation and marketing. Eyewear revenue increased 21% YoY, while the emerging businesses segment grew 36% YoY, with margin expanding 368bps YoY.

Concall KTAs: Management remains constructive on the long-term jewellery opportunity despite near-term gold-price volatility. It indicated that the increase in the effective customs duty from 6% to 15% resulted in a Rs 4.07bn inventory gain during the quarter, with an additional 75-80bps margin benefit from temporary MTM gains, both of which are expected to normalise over the coming quarters. Buyer growth remained healthy, supported by exchange contributing over 50% of jewellery sales.

Maintain HOLD; TP revised to Rs 5,085: We maintain our HOLD rating on Titan. We revise our FY27E-28E revenue/EBITDA/PAT estimates by 10-11%/6%/4%, respectively, reflecting stronger-than-expected Q1FY27 performance and sustained jewellery growth, while FY29E estimates are lowered by ~10%/~3%/~4%, respectively, as we factor in margin normalisation. We value the stock at 60x Jun'28E P/E and arrive at a TP of Rs 5,085, implying 3% upside from the current market price.

Key changes

Target	Rating
▲	◄ ►

Ticker/Price	TTAN IN/Rs 4,941
Market cap	US$ 46.3bn
Free float	47%
3M ADV	US$ 50.2mn
52wk high/low	Rs 5,005/Rs 3,303
Promoter/FPI/DII	53%/16%/14%

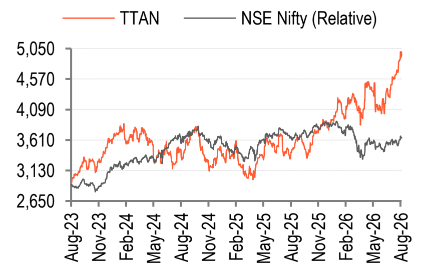
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	8,75,840	9,96,126	10,99,926
EBITDA (Rs mn)	83,550	1,01,882	1,16,042
Adj. net profit (Rs mn)	51,483	61,459	70,775
Adj. EPS (Rs)	57.8	69.1	79.5
Consensus EPS (Rs)	57.8	70.2	85.5
Adj. ROAE (%)	37.7	34.2	31.0
Adj. P/E (x)	85.4	71.6	62.1
EV/EBITDA (x)	54.9	45.2	39.4
Adj. EPS growth (%)	54.3	19.4	15.2

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

HOLD
TP: Rs 1,158 | ⮝ 9%

HINDALCO INDUSTRIES | Metals & Mining | 07 August 2026

Results beat expectation on better Al & Novelis performance

- **Revenue grew by 32%YoY driven by India revenue and Novelis business. All segments reported improvement in EBITDA**
- **Outlook positive, given the improved domestic demand and incremental volumes from expansion projects over FY28-FY29E**
- **Maintain HOLD, considering improved performance and rollover to June 28, raise TP to Rs1,158 from Rs1,134, based on June'28E EBITDA**

Sukhwinder Singh
Research Analyst
research@bobcaps.in

Results above expectations: Hindalco Industries (HNDL) reported revenue at Rs848bn, (+32.1%YoY, +8.6%QoQ) in Q1FY27 — 6.5% above our estimates. EBITDA came at Rs139bn (+76.2%YoY, +39.1%QoQ) and was 34.4% above our estimates. The outperformance came primarily on the back of higher-than-expected operational performance by Al upstream and Novelis. Novelis EBITDA/t was USD563 for the quarter — higher by 30.4%YoY.

Volumes performance: Aluminium upstream volumes stood at 335kt in Q1FY27 (+3.1% YoY, -1.2% QoQ), Aluminium downstream volumes came at 104kt (+3.0% YoY, -16.1% QoQ). Copper volumes declined 15.3% YoY & declined 18.0%QoQ to 105kt due to planned maintenance shutdown. Novelis shipments stood at 916kt in Q1FY27 (-4.9% YoY, +8.5% QoQ). It was estimated 33Kt lower than expected shipments due to Oswego fires.

Outlook on growth: Demand for Al is healthy in domestic market For Q1FY27, domestic demand is estimated at 3%YoY to 1,491kt; primarily led by a healthy demand in the automotive sector. In the domestic business, capex projects are focused on Al upstream & Copper upstream; whereas in the Novelis company, there is a brownfield 175Kt and greenfield 600kt project in Bay Minnete, Alabama, US. Domestic projects will result in incremental volumes in FY29E. Bay Minnete commissioning process is underway and expect to commence commercial shipments in Q1FY28.

Maintain HOLD; revise TP upwards: We maintain HOLD; considering improved performance and rollover to June 28, raise TP to Rs1,158 from Rs1,134, based on June'28E EBITDA, with India at 6.0x and Novelis at 6.5x June'28E EBITDA.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	HNDL IN/Rs 1,060
Market cap	US$ 25.1bn
Free float	65%
3M ADV	US$ 63.8mn
52wk high/low	Rs 1,176/Rs 658
Promoter/FPI/DII	35%/32%/24%

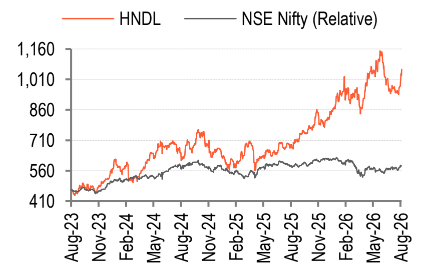
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	2,749,440	3,239,781	3,377,310
EBITDA (Rs mn)	348,840	443,221	464,587
Adj. net profit (Rs mn)	203,540	227,708	220,756
Adj. EPS (Rs)	29.0	102.6	99.4
Adj. ROAE (%)	4.9	15.5	13.1
Adj. P/E (x)	36.6	10.3	10.7
EV/EBITDA (x)	8.5	7.0	6.5
Adj. EPS growth (%)	(61.9)	254.2	(3.1)

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

HOLD
TP: Rs 5,857 | ▲ 2%

HERO MOTOCORP | Automobiles | 07 August 2026

Robust Q1 show; diversified portfolio strategy to pay, HOLD

- **~8% mix benefit coupled with ~23% YoY volume growth drive revenue up ~36% YoY, overall wholesale market share up ~30bps YoY to 29%**
- **EBITDA grew ~18% YoY, EBITDAM contracted ~114bps YoY to 13.3% as LEAP savings and pricing actions offset 4.5% commodity inflation**
- **FY28/FY29 EBITDA/PAT estimates revised up by 1%/2% each rollover to June 2028, value at 18x; TP revised to Rs 5,857 (vs 5,674). Retain HOLD**

Milind Raginwar
Research Analyst
Ayush Dugar
Research Associate
research@bobcaps.in

All around growth coupled with mix improvement: HMCL delivered a strong Q1FY27, with revenue at ~Rs130bn (+36% YoY) and volume at ~1.67mn units (23% YoY). Core ICE (+21% YoY), scooters (+87% YoY), EV (+151% YoY) and exports (+63% YoY) all drove growth, and there was an ~8% benefit from premiumisation and higher scooter/EV/exports. Overall, wholesale market share improved ~30bps YoY, with scooter share up ~230bps to ~7% and EV share up ~400bps YoY.

Margins contract despite mix improvement and cost savings: Gross margin softened ~475bps/300bps YoY/QoQ amid ~4.5% net commodity inflation. RM costs rose ~45% YoY, taking RM-to-sales to ~71.5% vs 66.7% YoY. Cost management, operating leverage and mix improvement helped contain the impact with EBITDA margin fall of ~115 basis points. HMCL hiked average ASP by ~4.5% in CY26.

Cost deferrals and timely price actions sustain profitability: EBITDA rose ~18.5% YoY to ~Rs17.2bn, EBITDA margin declined ~114bps YoY to 13.3%. ICE EBITDA margin remained relatively resilient at ~15.9%, other expenses declined ~14% QoQ as HMCL deferred non-critical spends and accelerated LEAP cost-saving initiatives. HMCL expects a marginal uptick in input costs in Q2FY27, which it aims to offset through mix improvement, cost savings and calibrated pricing.

Scooter and EV capacity ramp-up to support growth: Strong demand visibility has prompted accelerated capacity expansion, particularly in scooters and EVs. EV capacity has doubled and target to reach ~45k unit /month by FY27end, ICE scooters has increased by 1.5k units/day. Splendor capacity hiked to 50K/month.

Earnings revised, Retain HOLD: We revise our FY28/FY29 EBITDA and PAT estimates upwards by 1%/2% each. Our 3Y Revenue/EBITDA/PAT CAGR is 12%/11%/8%. HMCL is consolidating further (plus GST gains), with a strategy in the core 125cc segment that augurs well. Further, focus on EV segment, exports and non-2W revenues will help to diversify earnings risk. We assign 18x target P/E (10-year average) to core operations with Q1FY29 rollover earnings and revise SOTP based TP of Rs 5,857 (Rs 5,674), with Rs 130/sh other businesses value.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	HMCL IN/Rs 5,725
Market cap	US$ 12.0bn
Free float	65%
3M ADV	US$ 36.7mn
52wk high/low	Rs 6,389/Rs 4,539
Promoter/FPI/DII	35%/30%/24%

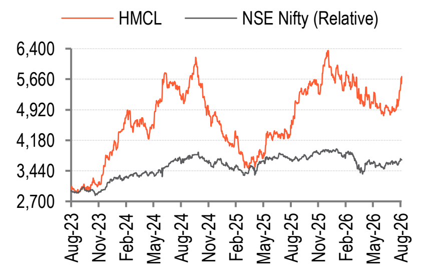
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	4,68,301	5,23,851	5,83,016
EBITDA (Rs mn)	68,707	73,636	80,679
Adj. net profit (Rs mn)	53,872	56,505	61,584
Adj. EPS (Rs)	269.8	283.0	308.4
Consensus EPS (Rs)	269.8	285.8	319.0
Adj. ROAE (%)	25.0	24.3	24.1
Adj. P/E (x)	21.2	20.2	18.6
EV/EBITDA (x)	16.7	15.6	14.3
Adj. EPS growth (%)	16.9	4.9	9.0

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

RESULT REVIEW

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

SELL
TP: Rs 798 | ∀ 15%

THE RAMCO CEMENTS | Cement | 08 August 2026

Weak in a challenging Q1; no major respite in sight, SELL

- **Volume chase (~12%) despite weak demand in key regions impacts realisations (2%) dragging overall performance in a cost inflicted Q1**
- **EBITDAM contracts sharply by 567bps YoY to 13.5% as higher energy cost and freight cost outweigh volume led- operating leverage**
- **Retain FY27E/FY28E/FY29E EBITDA but with a close watch on cost, assign 10x multiple and revise TP to Rs 798 (vs Rs760). Maintain SELL**

Milind Raginwar
Research Analyst
Ayush Dugar
Research Associate
research@bobcaps.in

Competitive intensity pushes volume growth despite weak prices: TRCL's cement volumes gained ~12% YoY to ~4.5mt in Q1FY27, reflecting intense competition to gain market share. This was despite demand disruptions from state elections in South and East. Revenue grew ~10% YoY to ~Rs22.7bn as average realisation weakened by 2% YoY (+5% QoQ) to ~Rs5,065/tn. Share of premium product lower in key southern markets. Competitive pressure is unlikely to recede.

Cost inflation led by energy, partly offset by higher green power: Operating cost/tn increased ~5% YoY to ~Rs4,379/tn. RM cost rose ~3% YoY to Rs926/tn, impacted by the TN mineral tax (~Rs390mn in Q1FY27/~Rs84/tn impact).Energy cost/tn inflated ~9% YoY to Rs1,367/tn, led by higher imported fuel (coal) costs and currency depreciation, partly offset by improved green power usage (37% vs 31% YoY). Freight cost rose ~2% YoY to Rs1,093/tn, with higher lead distance at 264km (vs 246km YoY), while rail coefficient improved marginally to 9% (vs 8% YoY).

EBITDA declines as cost inflation outweighs volume growth: EBITDA declined ~23%/18% YoY/QoQ to ~Rs3.1bn, with EBITDA margin contracting 567bps/77bps YoY/QoQ to 13.5%. EBITDA/tn fell ~32% YoY to Rs663/tn, as higher energy and freight costs more than offset volume-led operating leverage and QoQ improvement in realisations. Q1FY27 included ~Rs126mn gain from surplus land sale.

Expansion plans remain on track: Capex spent in Q1FY27 was at ~Rs1.8bn, with FY27 capex guidance at ~Rs8bn. TRCL remains on track to reach ~31mtpa capacity in FY27. Net debt increased to ~Rs40.1bn (vs Rs38.5bn in Q4FY26)

Retain estimates with keen watch on cost; Maintain SELL: We retain FY27/FY28 and FY29 EBITDA. This translates into penning EPS estimates of Rs26.1/Rs34.9 in FY28/FY29. Our Revenue/EBIDTA/PAT CAGR of 13%/19%/19% over FY25-29E. In FY27 net debt to EBITDA is likely to stay elevated at 3x, owing to aggressive capex, and unlikely to soften in the near term. Cost inflation is clearly a concern to EBITDA margins. We continue to assign a 10x target multiple Jun 2028E and revise our TP to Rs 798 (vs Rs 760) implying a replacement cost of Rs 8.1bn/mnt – a 10% premium. Maintain SELL.

Key changes

Target	Rating
▲	◄ ►

Ticker/Price	TRCL IN/Rs 934
Market cap	US$ 2.3bn
Free float	58%
3M ADV	US$ 2.0mn
52wk high/low	Rs 1,215/Rs 838
Promoter/FPI/DII	42%/7%/32%

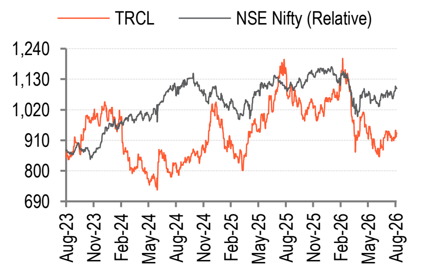
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	90,126	1,06,114	1,23,295
EBITDA (Rs mn)	14,382	16,231	20,768
Adj. net profit (Rs mn)	1,404	3,090	6,157
Adj. EPS (Rs)	5.9	13.1	26.1
Consensus EPS (Rs)	5.9	13.5	26.9
Adj. ROAE (%)	1.8	3.7	7.1
Adj. P/E (x)	157.2	71.4	35.8
EV/EBITDA (x)	12.8	11.1	8.8
Adj. EPS growth (%)	81.0	120.1	99.2

Source: Company, Bloomberg, BOBCAPS Research | P – Provisional

Stock performance



Source: NSE

BOBCAPS
TRUST | INNOVATION | EXCELLENCE

SELL
TP: Rs 315 | ∀ 29%

COHANCE LIFESCIENCES

| Pharmaceuticals | 10 August 2026

Double-digit growth guided to begin from FY28

- **The company slipped into a loss of Rs 452 mn in 1QFY27 vs a profit of Rs 464 mn in 1QFY26. Adjusted EBITDA margin was at 2% in 1QFY27**
- **Management guided for double digit growth from FY28 in SpecChem and API++, implying FY27 to witness no to single digit growth**
- **On FY28E EPS, the stock trades at 56x; we continue to ascribe 40x due to low margins, arriving at a PT of Rs 315 (earlier Rs 341). Maintain Sell**

Foram Parekh
Research Analyst
research@bobcaps.in

Too soft earnings – In 1QFY27, sales declined 23.1% YoY to Rs 4.2bn due to 39% YoY decline in Pharma CDMO sales to Rs 1.25bn, 35% YoY decline in Specialty Chemicals CDMO sales to Rs 330 mn, and 10% YoY decline in API+ sales to Rs 2.6bn. Lower product mix led to a 24.7% YoY decline in gross profit to Rs 3bn, with gross margin at 71.5%. EBITDA declined 99% YoY to Rs 12mn, while adjusted EBITDA declined 93% YoY to Rs 92mn. Reported EBITDA margin was at 0.3%, while adjusted EBITDA margin was at 2% in 1QFY27 vs 24% in 1QFY26. Higher depreciation and lower other income led to the company slipping into a loss of Rs 452 mn in 1QFY27 vs a profit of Rs 685 mn in 1QFY26

Pharma CDMO sales impacted by destocking of molecules - Sales from Pharma CDMO declined 39% YoY to Rs 1.2bn due to a 42% YoY decline in sales of niche technologies, which contributed 15% of sales in 1QFY27 vs 20% in 1QFY26, and destocking of 2 molecules in the standalone business. Going forward, the company has visibility on restocking of 1 molecule over a span of 2 years; scheduled commercial deliveries; an expectation of 5 molecules getting commercialized from the current 10 in phase 3; an integrated payload–linker–bioconjugation offering in the ADC segment; Sapala's nucleic-acid capabilities; and improved utilization.

Specialty Chemical sales lower as guided – In 1QFY27, Specialty Chemicals sales declined 35% YoY to Rs 330 mn, impacted by the phasing of molecules in AgChem. The company has guided for this segment to be in the qualification phase in FY27 and expects commercialization to resume from FY28, with a key active ingredient programme expected to become a more meaningful growth contributor from that year onward. Additional programmes with customers in Japan, Europe, and the United States are progressing through registration, sampling, and qualification. Management has guided for double-digit growth from FY28.

Valuation - We reduce our EPS by 30% in FY27, 15% in FY28, and 13% in FY29 due to soft earnings and commentary. Rolling forward to Jun'28 EPS, at CMP, the stock trades at a PE of 56x on EPS of Rs 7.9, and we continue to ascribe a PE of 40x to arrive at a PT of Rs 315 per share (Rs 341 earlier). Maintain Sell.

Key changes

Target	Rating
▼	◄ ►

Ticker/Price	COHANCE IN/Rs 446
Market cap	US$ 1.8bn
Free float	50%
3M ADV	US$ 7.6mn
52wk high/low	Rs 1,039/Rs 267
Promoter/FPI/DII	50%/11%/17%

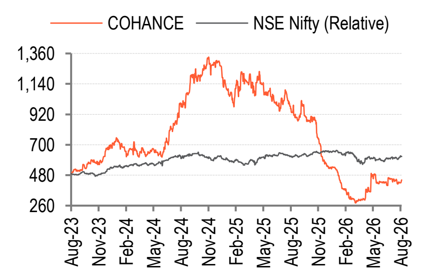
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	26,085	22,686	22,496
EBITDA (Rs mn)	7,971	4,270	4,049
Adj. net profit (Rs mn)	4,873	1,792	1,608
Adj. EPS (Rs)	11.5	4.7	4.2
Consensus EPS (Rs)	11.5	4.7	6.5
Adj. ROAE (%)	13.4	4.6	3.9
Adj. P/E (x)	38.6	95.2	106.0
EV/EBITDA (x)	21.4	40.0	42.2
Adj. EPS growth (%)	(23.3)	(59.4)	(10.3)

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

BUY
TP: Rs 7,000 | ⮝ 15%

CERA SANITARYWARE | Building Materials | 10 August 2026

Margin miss on commodity pressure, maintains guidance

- **Revenue beat, miss on margins, revenue grew 20% YoY, led by healthy volume growth, EBITDA margin contracted by 292bps YoY to 10.1%**
- **Management maintains 13.5-14.0% margin guidance; recovery expected as price hikes flow through; capex plans remain on track**
- **Cut estimates, ascribe 30x Jun-28EPS to arrive at Jun-27TP of Rs 7000; Maintain BUY**

Vineet Shanker
Research Analyst
Harshit Mundra
Research Associate
research@bobcaps.in

EBITDA misses estimates: Cera Sanitaryware (CRS) reported a healthy Q1FY27, with revenue increasing 20% YoY (2% above our estimate), driven by 14% growth in sanitaryware, 25% in faucetware and 22% in tiles on a YoY basis. However, EBITDA declined 7% YoY, (vs. 14% est.), while EBITDA margin contracted 292bps YoY to 10.1%, impacted by higher raw-material costs, delayed price pass-through and one-off operational factors. Consequently, APAT declined 3% YoY, but exceeded our estimate by 15%, aided by higher other income.

Core businesses deliver healthy volume growth; one-off factors weigh on margins: Sanitaryware growth was largely volume-led (10% volume, 2% pricing and 2% mix), while faucetware delivered stronger growth (18% volume, 4% pricing and 3% mix), reflecting healthy demand across both retail and project channels. Gross margin contracted 547bps YoY to 45.8% due to higher brass and other input costs, while EBITDA margin was further impacted by the retrospective wage settlement, lower sanitaryware utilisation (61%) during the temporary single-kiln operation, project mix and delayed price pass-through. Management expects margins to recover as both kilns operate at normal utilisation and revised pricing progressively flows through project orders.

Outlook: Management indicated that demand remains healthy and predominantly volume led, despite cumulative price hikes of 12% in sanitaryware and 16% in faucetware. It maintained its 13.5-14.0% EBITDA margin guidance, expecting margin recovery as price hikes flow through, while continuing with planned faucetware expansion and ending the quarter with Rs 9.43bn cash.

Cut estimates; maintain BUY: We maintain our BUY rating on CERA. We revise our FY27E-29E revenue/EBITDA/PAT estimates by 3-4%/-1% to -12%/-2% to -11%, respectively, factoring in near-term margin pressure from input cost inflation. We ascribe 30x Jun'28 PE to arrive at June-27 TP of Rs 7000.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	CRS IN/Rs 6,062
Market cap	US$ 823.4mn
Free float	46%
3M ADV	US$ 1.5mn
52wk high/low	Rs 6,740/Rs 4,461
Promoter/FPI/DII	54%/16%/14%

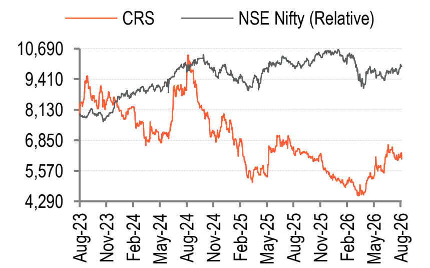
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	20,501	23,406	25,843
EBITDA (Rs mn)	2,692	2,806	3,745
Adj. net profit (Rs mn)	2,101	2,221	2,839
Adj. EPS (Rs)	162.9	172.2	220.1
Consensus EPS (Rs)	158.3	201.3	235.4
Adj. ROAE (%)	14.9	14.5	17.1
Adj. P/E (x)	37.2	35.2	27.5
EV/EBITDA (x)	26.2	25.0	18.8
Adj. EPS growth (%)	(15.2)	5.7	27.8

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

BUY

TP: Rs 3,095 | ⮝ 31%

LUPIN | Pharmaceuticals | 08 August 2026

Quarterly pain, annual gain

- **Sales/EBITDA/APAT were 6.6%/18%/-1.4% above our estimates, while EBITDA Margin was 286 bps above our estimate at 29.8%**
- **Quarterly US cc sales likely to slip to ~USD250mn; however, we expect sales to recover to USD300+ mn in FY28 due to new launches**
- **We continue to ascribe a PE of 26x and roll forward to Jun'28 EPS to arrive at a PT of Rs 3095, implying 31% upside; Maintain BUY**

Foram Parekh
Research Analyst
research@bobcaps.in

Healthy set of earnings – LPC reported strong earnings, with sales growing 32% YoY driven by 42% YoY growth in the US business, 48% YoY growth in Other Developed markets (aided by the integration of Visufarma), 52% YoY growth in EMs, and 14% YoY growth in the domestic region. Healthy product mix, improved profitability in the domestic business, and cost efficiencies over the quarters led to a 303 bps increase in gross margin to 74.8% and a 358 bps increase in EBITDA margin to 29.8%. Thus, EBITDA grew 50% YoY to Rs 24.6bn. However, a 51% YoY increase in depreciation (due to higher amortization from Visufarma) and a higher tax rate of 29.6% led to slower PAT growth of 16% YoY to Rs 14.2bn.

US growth remains higher amidst competition in the key product – On a higher sequential base, the US region declined by only 3% QoQ to USD 366 mn in 1QFY27 due to competition in Mirabegron, which was offset by growth in Tolvaptan and Tiotropium (35% market share). In INR terms, the region grew by 42.9% YoY to Rs 34.34bn due to higher volume in the base business and the benefit of currency depreciation. Going forward, competition is expected in key products like Tolvaptan (a four-player market expected) and Mirabegron, leading to lower US sales in H2FY27 (~USD 250–280mn quarterly run rate); however, due to a strong H1FY27, the exit rate for FY27 is expected to be ~USD 1.2bn (earlier guided for USD1bn) The company also has meaningful launches in H2FY27 like bPegfilgrastim and Saxenda among others and the full year impact of these sales would bring growth back in FY28 on the base of USD ~1.2bn sales in FY27. In INR terms, we expect the region to grow at a CAGR of 10% over FY27-29E to Rs 140bn while in cc terms, we expect a CAGR of 4% to USD 1.33bn in FY29E.

Valuation – As earnings were above our estimates, we have revised our EPS upwards. On rolling forward to Jun'28 EPS, the stock trades at a PE of 20x at CMP, and we continue to ascribe 26x to arrive at a PT of Rs 3,095 on the stock. We ascribe a higher multiple of 26x due to: 1) industry-high margins (guided at 25% in FY27) in the formulations space post Revlimid genericization, 2) 50 new launches in the US and 80 new launches in the domestic market, and 3) doubling of the complex generic portfolio in the US market, which is unique in the industry.

Key changes

Target	Rating
◀ ▶	◀ ▶

Ticker/Price	LPC IN/Rs 2,364
Market cap	US$ 11.3bn
Free float	53%
3M ADV	US$ 26.1mn
52wk high/low	Rs 2,530/Rs 1,875
Promoter/FPI/DII	46%/14%/29%

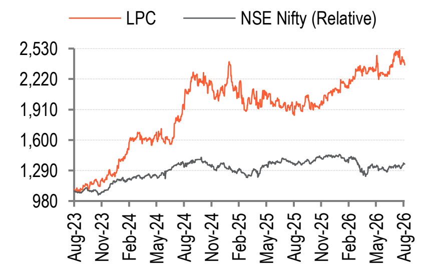
Source: NSE | Price as of 7 Aug 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	279,580	307,799	338,779
EBITDA (Rs mn)	81,595	77,374	88,430
Adj. net profit (Rs mn)	52,343	43,939	51,283
Adj. EPS (Rs)	115.7	96.4	112.5
Consensus EPS (Rs)	117.0	101.0	103.0
Adj. ROAE (%)	26.3	18.4	19.1
Adj. P/E (x)	20.4	24.5	21.0
EV/EBITDA (x)	13.3	14.5	13.1
Adj. EPS growth (%)	59.5	(16.6)	16.7

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

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Name of the Research Entity: **BOB Capital Markets Limited**
Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**
SEBI Research Analyst Registration No: **INH000000040 (Perpetual)**
SEBI Stock Broker Registration No: **INZ000159332**
SEBI Depository Participant Registration No: **IN-DP-728-2022**
SEBI Merchant Banker Registration No: **INM000009926**
Phone: +91-22-61389300
Name of the Compliance Officer: Mr. Sameer Khobrekar
Email ID: Compliance@bobcaps.in; Phone no.: +91-22-61389358
For any queries or grievances, you may contact the Grievance Officer.
Name of the Grievance Officer: Mr. Nilesh Mehta
Email ID: head-customercare@bobcaps.in; Phone no: 92288 60945

Brand Name: **BOBCAPS**
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