

HSIE Results Daily

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Results Reviews

- UltraTech Cement:** We maintain BUY on UltraTech Cement (UTCEM), with an unchanged target price of INR 13,700 (17x FY28E consolidated EBITDA). In Q4FY26, UTCEM delivered 9% consolidated volume growth, continuing its market share gains. Driven by cement price recovery and lower input costs, unit EBITDA rose to a 19-quarter high of INR 1,253/MT. For FY26, volumes grew faster than the industry (total +14%; like-to-like +8%), and unit EBITDA rebounded to INR 1,103/MT (a four-year high). The company added 8mn MT of capacity in FY26 and plans a further 46mn MT over the next two years, with an annual capex run rate of ~INR 100bn. We remain bullish on UTCEM, supported by robust volume growth and continued cost savings from efficiency initiatives and green energy ramp-up. We estimate UTCEM to deliver volume and EBITDA CAGRs of 9% and 20%, respectively, over FY26–28E.
- Lodha Developers:** Lodha Developers Ltd recorded Q4FY26 presales of INR 58.9bn (+22.5/+4.8% YoY/QoQ), inching towards >50bn quarterly run rate. In terms of BD, Lodha has surpassed its annual guidance by 2.4x, clocking INR 601bn. Lodha has set an ambitious FY27 presales target of INR 240bn (+17% YoY growth, without Gurgaon), underpinned by an EBITDA margin guidance of 32-34%, with NCR expansion via two Gurgaon JVs (INR 33bn GDV) adding a new growth vector (FY27 launch may add to presales guidance). In the medium term, Lodha is targeting 20% CAGR in PAT, aiming for INR 85+ bn by FY31, alongside a 10x scale-up in annuity income to INR 30bn (including INR 20bn data centre EBIDTA). Notably, footfall-to-sales conversion remains elongated in the INR 50crore+ ticket size segment, reflecting continued caution among ultra-HNI/NRI buyers due to global uncertainties. Improving connectivity infrastructure around Palava via Mulund-Airoli-Palava freeway should act as a long-term demand catalyst. Given robust growth visibility, better-than-expected GDV addition and an uptick in land prices (Palava may see price and volume increase as new infra projects get commissioned), we have revised our TP of INR 998/sh vs INR 915/sh and maintain our ADD rating.
- AU Small Finance Bank:** AUBANK's Q4FY26 earnings were ahead of our estimates as healthy growth on both sides of the balance sheet coupled with better funding costs (-12bps QoQ) aided core earnings, while stress in the portfolio (GNPA at 2%) trended sharply lower. Growth in gross advances (+25% YoY) was led by secured retail assets, while unsecured segments inched up marginally. Deposit growth (~23% YoY) was healthy, led by strong traction in CA balances, even as CASA ratio stayed at 28.4% (-20bps QoQ). Asset quality improved even as the management guided for a credit cost of 90bps of GLP, during FY27E. With the loan-deposit ratio stubborn at 88% and the loan mix reflecting a higher share of secured loans, we expect margins (FY26: 5.6%) to trend upwards at a slower pace. We maintain REDUCE with a revised TP of INR850 (2.4x Mar-28 ABVPS).
- L&T Finance:** L&T Finance's (LTF) Q4FY26 earnings were higher than our estimates, largely due to strong loan growth (+24.5% YoY) and marginal NIM deflation. Credit costs moderation remained protracted, and management expects credit costs to normalize to 2-2.2% by Q4FY27 due to the impact of tech initiatives (Project Cyclops, Nostradamus etc.) and strong collections in

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MFI segment. LTF has unveiled "Lakshay 2031" goal - aiming for RoA/RoE of 3-3.2%/16-18%, credit costs of sub-2% and loan growth of 20%+ CAGR by FY31. While commendable, these goals seem ambitious, given high exposure to volatile segments (MFI, 2W etc.) and limited tailwind on operating leverage so far. We revise our FY27-FY28E earnings estimates to factor in higher loan growth and maintain ADD with a revised RI-based TP of INR 300 (implying 2.2x Mar-28 ABVPS).

- **SBI Cards and Payment Services:** SBI Cards' (SBICARD) Q4FY26 earnings were marginally lower than our estimates due to muted receivables growth, partly offset by lower credit costs. Credit costs moderated sequentially by 66bps to 7.7%, indicating gradual credit costs normalization. However, new card acquisitions/CIF growth remained subdued (-17%/+6% YoY/QoQ) due to calibrated approach in sourcing new customers, which along with lower instalment/revolving portfolio led to receivables growth of 2% YoY. We reiterate sustained headwinds to the profit pool (Company update) and structurally lower RoE compared to pre-pandemic levels. We reduce our FY27/FY28E earnings estimates to factor in lower loan growth and maintain REDUCE with a revised RI-based TP of INR 625 (implying 2.9x Mar-28 ABVPS; 17x FY28E EPS).
- **Supreme Industries:** Supreme Industries (SIL) reported consolidated revenue growth of 17% YoY, driven by 16% YoY increase in volumes, while NSR remained broadly flat YoY. EBITDA margin expanded sharply by 390bps YoY (up 600bps QoQ) to 17.7%, aided by improved gross margin, supported by inventory gains, resulting in strong EBITDA and APAT growth of 50% and 48% YoY, respectively. Management has guided for consolidated volume growth of 12-13% in FY27, with plastic piping volumes expected to grow faster at 15-17%; however, we believe the company may fall short of these volume targets. The EBITDA margin guidance for FY27 stands at 14-14.5%. Management expects PVC prices to trend upwards from current levels. In our view, Q1FY27 is likely to be a weak quarter, led by rationalization of channel inventories from elevated levels. Also, margins are expected to be impacted by inventory losses, following the sharp correction in resin prices in Apr-26. Factoring in the Q4 performance, we broadly maintain our estimates for FY27/28E. We maintain ADD, with an unchanged TP of INR 3,870/sh.
- **Piramal Finance:** Piramal Finance (PFL) reported yet another quarter of steadily improving operating performance sans one-offs from legacy portfolio. AUM/disbursements growth remained strong at 25.5%/39% YoY, driven by retail and wholesale 2.0 portfolio. PFL has utilized the one-off gains during Q4FY26 for incremental provisioning toward the legacy book (INR28bn; 2.8% of AUM), ensuring steady credit costs, going ahead. While cost of funds are likely to improve gradually, along with operating efficiency, sub-par leverage (D/E at 2.8x) is likely to keep RoEs under check, limiting further rerating from current levels. We revise our earnings estimates to factor in higher loan growth and operating efficiency and maintain ADD with a revised RI-based TP of INR1,765 (implying 1.3x Mar-28 ABVPS).
- **City Union Bank:** City Union Bank's (CUBK) Q4FY26 earnings beat estimates on the back of very strong growth on both sides of the balance sheet coupled with healthy operating performance, partly offset by higher provisioning. Strong loan growth (+26% YoY; 8% QoQ) was led by the gold loan and retail segments while MSME growth moderated marginally. Deposit growth (23% YoY; 11% QoQ) was healthy with CASA ratio improving to 27.6% (+36bps QoQ). Margins remained stable at 3.9%, as CUBK continues to command better pricing power to compared to peers. Management continues to shore up its provisioning buffer with surplus gains. We believe CUBK is likely to maintain its growth trajectory, with sustained traction in the MSME book and

a notable expansion in secured retail portfolios, even as we built in upward normalization of credit costs, factoring in an uncertain macro environment. We raise our FY27E/FY28E estimates by 11-12%, factoring in stronger growth and better margin trajectory, partly offset by higher provisioning. We maintain BUY with a revised TP of INR310 (1.7x Mar-28 ABVPS).

- **Can Fin Homes:** Can Fin Homes (CANF) reported a strong set of P&L outcomes, largely driven by higher NIM (4.19%) and muted credit costs (1bps). CANF reported second consecutive quarter of strong disbursements growth (+32% YoY), driven by a sustained uptick in Karnataka and Telangana (~46% of AUM). CANF remains upbeat about loan growth prospects (~14% in FY27), led by branch additions (~25 annually), product and customer diversification (LAP, SENP segment, etc.), increase in share of direct sourcing, and ongoing tech transformation. However, sustained healthy uptick in loan growth (+10.4% YoY) amidst elevated competitive intensity and moderation in housing demand remains a key monitorable. We revise our FY27E/FY28E earnings estimates for higher NIM, offset by higher opex and maintain BUY with a revised RI-based TP of INR 1,040 (implying 1.8x Mar-28 ABVPS).
- **Tanla Platforms:** Tanla reported better-than-expected Q4 with revenue growth of +5% QoQ and +15% YoY, driven by a strong recovery in the enterprise segment (+15.5% YoY) while the platform grew +9.8% YoY. The enterprise segment growth was powered by robust OTT growth (+22% YoY) and a volume pick-up in enterprise excluding OTT (+12.4% YoY, marking positive YoY growth after seven quarters). Key domestic growth drivers include rising volumes from regulator-mandated banking channels, potential price hike, and continued traction in the OTT channel—particularly WhatsApp and RCS—fueled by rapid adoption and innovative use cases that have boosted wallet share with major e-commerce and banking clients. While the enterprise business saw volume growth, it faced pricing pressure from a shift toward low-margin regulatory volumes, which has now bottomed out. Potential regulatory changes affecting SMS notification requirement is a risk but the volume from this channel is low. The OTT channel (~31% of revenue) is poised for mid-teen growth, following its 2.7x expansion over the last two years. The platform recovery is hinged on the Indosat deal and ramp-up of ATP deals, including a third major ATP deal with a large private bank. We do not anticipate margin expansion but increase estimates by ~3-6% due to domestic volume recovery and continued growth in OTT channel. We reiterate BUY with a TP of INR 720, based on 15x FY28E EPS. The stock is trading at 13.7/12.2x FY27/28E EPS, RoE of 21% for FY26, a net cash position at 14% of market cap, and an FCF yield of 6%.

UltraTech Cement

The undisputed leader; margins at a multi-year high

We maintain BUY on UltraTech Cement (UTCEM), with an unchanged target price of INR 13,700 (17x FY28E consolidated EBITDA). In Q4FY26, UTCEM delivered 9% consolidated volume growth, continuing its market share gains. Driven by cement price recovery and lower input costs, unit EBITDA rose to a 19-quarter high of INR 1,253/MT. For FY26, volumes grew faster than the industry (total +14%; like-to-like +8%), and unit EBITDA rebounded to INR 1,103/MT (a four-year high). The company added 8mn MT of capacity in FY26 and plans a further 46mn MT over the next two years, with an annual capex run rate of ~INR 100bn. We remain bullish on UTCEM, supported by robust volume growth and continued cost savings from efficiency initiatives and green energy ramp-up. We estimate UTCEM to deliver volume and EBITDA CAGRs of 9% and 20%, respectively, over FY26–28E.

- Q4FY26 performance:** Consolidated volumes grew 9% YoY to 44.7mn MT, continuing market share gains as industry growth was pegged at 6–7% YoY. NSR improved 3% QoQ, led by a pricing uptick in the non-trade segment, while trade prices remained flattish. Trade sales share increased to 66% from 64% QoQ. Unit opex declined 2% QoQ on lower input costs (fly ash, fuel and power) and operating leverage (volumes up 14% QoQ), resulting in unit EBITDA rising to a 19-quarter high of INR 1,253/MT.
- FY26 performance:** Consolidated volumes rose 14% YoY (like-to-like ~8%). Unit EBITDA increased by INR 179/MT YoY to INR 1,103/MT (five-year high), driving a 36% YoY increase in EBITDA. Non-cash working capital improved by INR 6bn YoY to (INR 13.6bn), supporting strong operating cash flow growth (+44% YoY) to INR 153bn. With lower capex outgo of INR 89.5bn (added 8mn MT of capacity), net debt declined by INR 10bn YoY to INR 160bn in FY26. UTCEM declared a high dividend of INR 240/share for FY26.
- Expansion and outlook:** UTCEM plans to add 46mn MT of capacity over the next two years and has guided toward an annual capex run rate of ~INR 100bn over the next five years. The company expects opex savings of over INR 120/MT in the next two years through ongoing cost rationalization. Owing to long-term fuel contracts, fuel inflation over the next two quarters is expected to be materially lower than peers. Management reiterated its ambition to deliver double-digit volume growth in FY27E. We have marginally increased our FY27E/FY28E EBITDA estimates by ~1% each, factoring in the strong Q4FY26 performance. However, the increase is offset by higher dividend payout assumptions, leaving the target price unchanged.

Consolidated quarterly/annual financial summary

YE Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26P	FY27E	FY28E
Sales (mn MT)	44.7	41.0	9.0	38.9	15.0	119.1	135.8	154.3	167.3	182.2
NSR (INR/MT)	5,770	5,622	2.6	5,616	2.7	5,954	5,592	5,738	5,882	5,999
EBITDA (INR/MT)	1,253	1,126	11.3	1,007	24.4	1,089	925	1,103	1,221	1,337
Net Sales	258.0	230.6	11.9	218.3	18.2	709.1	759.6	885.1	983.8	1,093.2
EBITDA	56.0	46.2	21.3	39.2	43.0	129.7	125.6	170.2	204.3	243.6
APAT	29.9	24.9	20.2	17.9	66.9	70.6	61.1	82.7	104.4	130.2
AEPS (INR)	101.5	84.5	20.2	60.8	66.9	244.5	207.4	280.6	354.2	441.8
EV/EBITDA (x)						24.6	26.7	21.7	18.1	15.2
EV/MT (INR bn)						21.50	17.59	18.61	16.86	15.75
P/E (x)						45.1	52.1	42.8	33.9	27.2
RoE (%)						12.3	9.1	10.7	12.4	14.3

Source: Company, HSIE Research

BUY

CMP (as on 27 Apr 2026)	INR 12,010
Target Price	INR 13,700
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 13,700	INR 13,700
EBITDA change %	FY27E 0.6	FY28E 0.7

KEY STOCK DATA

Bloomberg code	UTCEM IN
No. of Shares (mn)	295
MCap (INR bn) / (\$ mn)	3,539/37,572
6m avg traded value (INR mn)	3,416
52 Week high / low	INR 13,110/10,325

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(2.9)	(2.7)	0.4
Relative (%)	3.2	5.7	3.3

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	59.28	59.33
FIs & Local MFs	17.45	18.42
FPIs	14.44	13.61
Public & Others	8.83	8.64
Pledged Shares	-	-

Source : BSE

Pledged shares as % of total shares

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Lodha Developers

Batting for growth amidst uncertainties

Lodha Developers Ltd recorded Q4FY26 presales of INR 58.9bn (+22.5/+4.8% YoY/QoQ), inching towards >50bn quarterly run rate. In terms of BD, Lodha has surpassed its annual guidance by 2.4x, clocking INR 601bn. Lodha has set an ambitious FY27 presales target of INR 240bn (+17% YoY growth, without Gurgaon), underpinned by an EBITDA margin guidance of 32-34%, with NCR expansion via two Gurgaon JVs (INR 33bn GDV) adding a new growth vector (FY27 launch may add to presales guidance). In the medium term, Lodha is targeting 20% CAGR in PAT, aiming for INR 85+ bn by FY31, alongside a 10x scale-up in annuity income to INR 30bn (including INR 20bn data centre EBIDTA). Notably, footfall-to-sales conversion remains elongated in the INR 50crore+ ticket size segment, reflecting continued caution among ultra-HNI/NRI buyers due to global uncertainties. Improving connectivity infrastructure around Palava via Mulund-Airoli-Palava freeway should act as a long-term demand catalyst. Given robust growth visibility, better-than-expected GDV addition and an uptick in land prices (Palava may see price and volume increase as new infra projects get commissioned), we have revised our TP of INR 998/sh vs INR 915/sh and maintain our ADD rating.

- Q4FY26 financial highlights:** Revenue: INR 47.1bn (+12.2/+1.0% YoY/QoQ, miss by 9.1%). EBITDA: INR 14.1bn (+16.4/-0.2% YoY/QoQ, beat by 6%). EBITDA margin: 30% (+107/-32bps YoY/QoQ, vs. estimate of 26.9%). RPAT: INR 10.1bn (+9.2%/+5.3% YoY/QoQ, beat by 29.3%).
- Strong presales momentum; conversion headwinds at the premium end:** Lodha recorded a robust presale of INR 58.9bn (+22.5/+4.8% YoY/QoQ), surpassing its quarterly run rate of >INR 40bn. Notably, footfall-to-sales conversion remains elongated in the INR 50crore+ ticket size segment, reflecting continued caution among ultra-HNI/NRI buyers due to global uncertainties. Expect Q1/Q2FY27 presales to be INR 48/53bn as premium segment remains muted.
- Strong balance sheet, net debt well within guidance:** Net debt decreased by INR 7.8bn to INR 53.8bn on the back of strong collections. Net D/E came at 0.23x, which is well within the guidance of 0.5x or net debt/OCF of 1x. In terms of BD, Lodha has achieved its BD guidance, having added INR 601bn worth of projects in FY26.

Consolidated financial summary (INR mn)

YE March (Rs mn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY25	FY26	FY27E	FY28E
Net Sales	47,135	42,243	12	46,725	1	1,37,795	1,66,762	1,88,781	2,24,028
EBITDA	14,126	12,207	16	14,151	(0)	39,880	49,209	59,129	72,125
APAT	10,081	9,228	9	9,577	5	27,666	34,332	39,636	49,621
Diluted EPS (Rs)	10.1	9.3	9.2	9.6	5.3	27.7	34.4	39.7	49.7
P/E (x)						30.6	24.7	21.4	17.1
EV / EBITDA (x)						22.6	18.5	13.5	8.6
RoE (%)						14.7	15.7	15.6	15.9

Source: Company, HSIE Research

Change in Estimates (INR mn)

	FY27E			FY28E		
	New	Old	% Cha.	New	Old	% Cha.
Revenue	1,88,781	1,84,286	2.4	2,24,028	2,05,359	9.1
EBITDA	59,129	57,952	2.0	72,125	66,156	9.0
EBITDA Margin	31.3	31.4	(12.5)	32.2	32.2	(2.0)
APAT	39,636	38,794	2.2	49,621	44,976	10.3

Source: Company, HSIE Research

ADD

CMP (as on 27 Apr 2026)	INR 880
Target Price	INR 998
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 915	INR 998
EPS Change %	FY27E 2.2	FY28E 10.3

KEY STOCK DATA

Bloomberg code	LODHA IN
No. of Shares (mn)	999
MCap (INR bn) / (\$ mn)	879/9,327
6m avg traded value (INR mn)	2,026
52 Week high / low	INR 1,534/651

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(7.0)	(25.8)	(33.0)
Relative (%)	(0.9)	(17.3)	(30.2)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	71.87	72.27
FIs & Local MFs	3.17	4.62
FPIs	23.49	21.24
Public & Others	1.48	1.85

Pledged Shares - -

Source : BSE

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AU Small Finance Bank

Lower-than-anticipated credit costs save the day

AUBANK's Q4FY26 earnings were ahead of our estimates as healthy growth on both sides of the balance sheet coupled with better funding costs (-12bps QoQ) aided core earnings, while stress in the portfolio (GNPA at 2%) trended sharply lower. Growth in gross advances (+25% YoY) was led by secured retail assets, while unsecured segments inched up marginally. Deposit growth (~23% YoY) was healthy, led by strong traction in CA balances, even as CASA ratio stayed at 28.4% (-20bps QoQ). Asset quality improved even as the management guided for a credit cost of 90bps of GLP, during FY27E. With the loan-deposit ratio stubborn at 88% and the loan mix reflecting a higher share of secured loans, we expect margins (FY26: 5.6%) to trend upwards at a slower pace. We maintain REDUCE with a revised TP of INR850 (2.4x Mar-28 ABVPS).

- **Healthy growth coupled with stable margins:** Loan growth was dominated by wheels (+27% YoY), MBL (+24% YoY), and commercial segments (+84% YoY), offset by calibrated growth in unsecured businesses (MFI, CC, and PL). We build in ~23% loan CAGR over FY26-28E, lower end of the management guidance (2-2.5x of nominal GDP). NIMs, at 5.96%, improved 21bps QoQ, as stress moderated and cost of funds improved by 12bps sequentially.
- **Moderation of stress in unsecured segments:** Gross slippages moderated sharply and came in lower at 2% (Q3FY26: 2.6%), led by lower credit costs in the unsecured (MFI and CC) portfolios. AUBANK expects stress to reduce across portfolios even as growth picks up in unsecured segments. Our FY27E credit cost forecast (1.2% of average assets) is 30bps higher than guidance.
- **Productivity gains remain key monitorable:** While AUBANK has invested in AI-based underwriting, we believe that productivity gains from the tech remain a key monitorable. We believe that replicating AUBANK's strengths from its classical markets into newer geographies shall pose a challenge in the medium-term. We build in a steady-state 1.6% RoA for FY27E/FY28E against the management guidance of 1.8% RoA.

Financial summary

(INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26A	FY27E	FY28E
NII	25.8	20.9	23.3%	23.4	10.3%	91.1	116.3	140.3
PPOP	13.5	12.9	4.6%	12.2	11.2%	50.9	64.9	79.4
PAT	8.3	5.0	65.2%	6.7	24.6%	26.4	33.3	41.8
EPS (INR)	11.0	6.8	62.6%	8.9	23.2%	35.5	44.7	56.2
ROAE (%)						14.2	15.4	16.5
ROAA (%)						1.5	1.6	1.6
ABVPS (INR)						255.0	296.2	347.2
P/ABV (x)						4.1	3.5	3.0
P/E (x)						29.4	23.3	18.6

Change in estimates

(INR bn)	FY27E			FY27E		
	New	Old	Δ	New	Old	Δ
Net advances	1,665	1,606	3.7%	2,029	1,900	6.8%
NIM (%)	5.8	6.1	-36 bps	5.7	6.1	-39 bps
NII	116.3	121.4	-4.2%	140.3	142.7	-1.7%
PPOP	64.9	69.5	-6.6%	79.4	80.6	-1.5%
PAT	33.3	31.7	5.0%	41.8	38.7	8.0%
Adj. BVPS (INR)	296.2	281.2	5.3%	347.2	334.1	3.9%

Source: Company, HSIE Research

REDUCE

CMP (as on 27 Apr 2026) INR 1,043

Target Price INR 850

NIFTY 24,093

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR780	INR850
	FY27E	FY28E
EPS %	+5.0%	+8.0%

KEY STOCK DATA

Bloomberg code	AUBANK IN
No. of Shares (mn)	748
MCap (INR bn) / (\$ mn)	780/8,285
6m avg traded value (INR mn)	2,576
52 Week high / low	INR 1,054/611

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	4.2	21.1	69.9
Relative (%)	10.3	29.5	72.8

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	22.8	22.8
FIs & Local MFs	31.3	31.3
FPIs	36.5	37.3
Public & Others	9.5	8.7
Pledged Shares	0.0	0.0

Source : BSE

Pledged shares as % of total shares

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L&T Finance

Steady quarter; ambitious "Lakshay 2031" goals

L&T Finance's (LTF) Q4FY26 earnings were higher than our estimates, largely due to strong loan growth (+24.5% YoY) and marginal NIM reflation. Credit costs moderation remained protracted, and management expects credit costs to normalize to 2-2.2% by Q4FY27 due to the impact of tech initiatives (Project Cyclops, Nostradamus etc.) and strong collections in MFI segment. LTF has unveiled "Lakshay 2031" goal - aiming for RoA/RoE of 3-3.2%/16-18%, credit costs of sub-2% and loan growth of 20%+ CAGR by FY31. While commendable, these goals seem ambitious, given high exposure to volatile segments (MFI, 2W etc.) and limited tailwind on operating leverage so far. We revise our FY27-FY28E earnings estimates to factor in higher loan growth and maintain ADD with a revised RI-based TP of INR 300 (implying 2.2x Mar-28 ABVPS).

- Loan growth acceleration drives strong P&L outcomes:** LTF reported strong disbursements growth of +63% YoY, driven by personal loans (+98% YoY), MFI (+45% YoY), two-wheelers (+58% YoY), and gold loans (12% of disbursements). While LTF is seeking to sustain the growth momentum, driven by tech transformation across products and expansion in distribution (branches, partnerships etc.), global uncertainties could provide near-term headwinds to growth and asset quality. NIMs reflat by 20bps QoQ due to lower cost of funds and asset yields reflation due to favorable product mix toward higher-yielding loans.
- Marginal dip in credit costs; expect gradual improvement ahead:** GS-III/NS-III improved QoQ to 2.88%/0.96% (Q3FY26: 3.19%/0.92%). Credit costs declined by 17bps QoQ to 2.54% vs. 2.71%/3.04% in Q3FY26/Q2FY26 (adjusted for macro-prudential provisions). With normalization in MFI segment along with positive outcomes from tech initiatives, we expect credit costs to normalize in FY27.
- RoE reflation ahead; Lakshay 2031 goal ambitious:** LTF is gradually pivoting toward a steadily growing diversified franchise, along with improving profitability (~15% RoE by FY28E). Lower credit costs and NIM reflation are likely to drive RoA/RoE reflation during FY27-FY28E as opex ratios could remain elevated. However, high exposure to cyclical segments such as MFI, tractors, and two-wheelers (~51%), along with limited visibility on operating leverage are likely to remain a major drag toward RoA/RoE of 3-3.2%/16-18% by FY31E. Maintain ADD.

Financial summary (consolidated)

Y/E Mar (INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY27E	FY28E
NII	26.8	21.5	24.5	25.4	5.5	99.0	120.6	145.1
PPOP	18.2	14.2	28.0	17.4	4.5	67.4	83.3	102.8
PAT	8.1	6.4	26.8	7.4	9.2	29.8	38.2	50.0
EPS (INR)	3.2	2.5	26.4	2.9	9.2	11.9	15.3	20.0
ROAE (%)						11.1	12.9	15.1
ROAA (%)						2.3	2.4	2.6
ABVPS (INR)						107	118	133
P/ABV (x)						2.7	2.4	2.2
P/E (x)						24.2	18.9	14.4

Change in estimates

INR bn	FY27E			FY28E		
	Old	New	Chg	Old	New	Chg
AUM	1,442	1,472	2.1%	1,720	1,755	2.1%
NIM (%)	7.7	7.8	11 bps	7.6	7.8	21 bps
NII	118.8	120.6	1.6%	139.9	145.1	3.7%
PPOP	82.3	83.3	1.3%	99.5	102.8	3.3%
PAT	36.9	38.2	3.6%	47.0	50.0	6.5%
ABVPS (INR)	117	118	0.8%	131	133	1.4%

Source: Company, HSIE Research

ADD

CMP (as on 27 Apr 2026)	INR 288
Target Price	INR 300
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR298	INR300
EPS %	FY27E	FY28E
	3.2%	6.1%

KEY STOCK DATA

Bloomberg code	LTF IN
No. of Shares (mn)	2,505
MCap (INR bn) / (\$ mn)	721/7,653
6m avg traded value (INR mn)	2,235
52 Week high / low	INR 329/156

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	0.2	7.4	66.0
Relative (%)	6.2	15.9	68.9

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	66.0	66.0
FIs & Local MFs	15.3	14.9
FPIs	6.7	7.6
Public & Others	12.0	11.5

Pledged Shares	-	-
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Source: BSE

Pledged shares as % of total shares

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SBI Cards and Payment Services

Improving at margin; muted growth outlook

SBI Cards' (SBICARD) Q4FY26 earnings were marginally lower than our estimates due to muted receivables growth, partly offset by lower credit costs. Credit costs moderated sequentially by 66bps to 7.7%, indicating gradual credit costs normalization. However, new card acquisitions/CIF growth remained subdued (-17%/+6% YoY/QoQ) due to calibrated approach in sourcing new customers, which along with lower instalment/revolving portfolio led to receivables growth of 2% YoY. We reiterate sustained headwinds to the profit pool ([Company update](#)) and structurally lower RoE compared to pre-pandemic levels. We reduce our FY27/FY28E earnings estimates to factor in lower loan growth and maintain REDUCE with a revised RI-based TP of INR 625 (implying 2.9x Mar-28 ABVPS; 17x FY28E EPS).

- High spends growth; yet muted receivables growth:** Receivables/CIF growth reduced further to 1.9%/6.1% YoY, due to decline in new card acquisitions (-17% YoY). Card spends was strong at 31% YoY, driven by corporate spends (+195% YoY; 22% of total spends), while retail unit spends remained steady (+5.4% YoY). NIM (reported) improved QoQ by 10bps to 11.1% despite adverse loan portfolio mix (revolve: 22%; instalment loans: 32%). Other income included one-time benefit of INR 0.8bn due to GST liability write-back, while operating expenses were lower by INR 0.4bn due to PIDF. Cost to income ratio is expected to be in the range of 55-58%, with the revival in corporate spends, while fee income remains under pressure.
- Asset quality – signs of improvement:** Gross credit costs declined to 7.7% vs. 8.4% in Q3FY26 and 8.9% in Q2FY26, with write-offs at 8%. With GS-III at 2.41% and tightened gating criteria over the past several quarters, credit costs are likely to improve further gradually, as per management. SBICARD has created a management overlay of INR 2.2bn in H2FY26.
- Search for earnings stability; subdued growth outlook a concern:** SBICARD's profitability remains below par (RoA/RoE of 3.6%/15.6%) in Q4 vs. historical trends. The profitability has been adversely impacted by multiple headwinds like subdued revolving mix, regulatory headwinds on fee income, and high delinquencies. While credit costs are gradually improving, limited visibility of steady-state credit costs along with structural issues around several profit pools are likely to keep profitability lower compared to pre-pandemic levels (RoA of 4-4.5%). Further, subdued growth outlook (CIF/receivables) remains a concern.

Financial summary

Y/E Mar (INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY27E	FY28E
NII	16.7	16.2	3.0	17.5	(4.7)	68.3	71.8	81.0
PPOP	19.1	19.6	(2.6)	19.7	(3.0)	78.8	82.1	93.5
PAT	6.1	5.3	14.1	5.6	9.5	21.7	28.7	34.8
EPS (INR)	6.4	5.6	14.1	5.9	9.4	22.8	30.2	36.6
ROAE (%)						14.7%	16.9%	17.5%
ROAA (%)						3.3%	4.2%	4.5%
ABVPS (INR)						159.2	187.1	218.2
P/ABV (x)						4.2	3.6	3.1
P/E (x)						29.5	22.2	18.3

Change in estimates

INR bn	FY27E			FY28E		
	Old	New	Old	New	Old	New
AUM	662	634	-4.2%	757	727	-4.0%
NIM (%)	10.3	10.5	16 bps	10.5	10.5	4 bps
NII	74.1	71.8	-3.2%	85.1	81.0	-4.9%
PPOP	86.2	82.1	-4.7%	97.4	93.5	-4.0%
PAT	29.5	28.7	-2.8%	36.5	34.8	-4.7%
ABVPS (INR)	186.5	187.1	0.3%	217.5	218.2	0.3%

Source: Company, HSIE Research

REDUCE

CMP (as on 27 Apr 2026)	INR 671
Target Price	INR 625
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 634	INR 625
	FY27E	FY28E
EPS %	-2.8%	-4.7%

KEY STOCK DATA

Bloomberg code	SBICARD IN
No. of Shares (mn)	952
MCap (INR bn) / (\$ mn)	638/6,776
6m avg traded value (INR mn)	1,087
52 Week high / low	INR 1,027/615

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(15.0)	(28.4)	(26.8)
Relative (%)	(8.9)	(20.0)	(23.9)

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	68.6	68.9
FIs & Local MFs	17.9	18.1
FPIs	10.2	9.5
Public & Others	3.4	3.4
Pledged Shares	-	-

Source: BSE

Pledged shares as % of total shares

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Supreme Industries

Healthy Q4; weak Q1 likely

Supreme Industries (SIL) reported consolidated revenue growth of 17% YoY, driven by 16% YoY increase in volumes, while NSR remained broadly flat YoY. EBITDA margin expanded sharply by 390bps YoY (up 600bps QoQ) to 17.7%, aided by improved gross margin, supported by inventory gains, resulting in strong EBITDA and APAT growth of 50% and 48% YoY, respectively. Management has guided for consolidated volume growth of 12-13% in FY27, with plastic piping volumes expected to grow faster at 15-17%; however, we believe the company may fall short of these volume targets. The EBITDA margin guidance for FY27 stands at 14-14.5%. Management expects PVC prices to trend upwards from current levels. In our view, Q1FY27 is likely to be a weak quarter, led by rationalization of channel inventories from elevated levels. Also, margins are expected to be impacted by inventory losses, following the sharp correction in resin prices in Apr-26. Factoring in the Q4 performance, we broadly maintain our estimates for FY27/28E. We maintain ADD, with an unchanged TP of INR 3,870/sh.

- Q4FY26 performance:** Consolidated revenue was up 17% YoY, driven by 16% YoY volume growth, while NSR remain broadly flat YoY. EBITDAM expanded by 390bps YoY (up 600bps QoQ) to 17.7%, led by improved gross margins (supported by inventory gain). In Q4FY26, the company recorded an inventory gain of ~INR 0.7-0.8bn (~2% of sales), which implies an inventory loss of ~INR 0.4bn for FY26. Employee costs surged 19% YoY, while other expenses increased 13% YoY. Consequently, EBITDA grew 50% YoY. APAT grew 48% YoY, owing to higher EBITDA and associate profit.
- Outlook:** Management has guided for consolidated volume growth of 12-13% in FY27, with plastic piping volumes expected to grow faster at 15-17%. However, we believe the company may fall short of these volume targets. The EBITDA margin guidance for FY27 stands at 14-14.5%. With the ramp-up completed in Feb-26, Wavin India is expected to contribute 48-49K MT of volumes in FY27, following sales of ~10K MT in Q4FY26. Management anticipates an upward trend in PVC prices from current levels. The company plans INR 10bn capex for FY27. Consolidated capacity stood at 1,243K MT at FY26-end and the company plans to increase it to 1,350K MT by FY27-end. In our view, QFY27 is likely to be a weak quarter, driven by rationalization of channel inventories from elevated levels. Additionally, margins are expected to be impacted by inventory losses, following the sharp correction in resin prices in Apr-26. We broadly maintain our estimates for FY27/28E. We maintain ADD, with an unchanged TP of INR 3,870/sh.

Consolidated quarterly/annual financial summary

YE Mar (INR mn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Sales (K MT)	231.9	199.9	16.0	183.8	26.2	639.7	674.5	753.9	806.6	917.6
NSR (INR/Kg)	152.1	151.5	0.4	146.2	4.1	158.4	154.9	148.8	155.5	153.3
EBITDA (INR/Kg)	26.9	20.8	29.0	17.1	57.4	24.2	21.2	20.6	22.2	22.6
Net Sales	35,277	30,271	16.5	26,869	31.3	1,01,342	1,04,463	1,12,177	1,25,405	1,41,707
EBITDA	6,231	4,163	49.7	3,138	98.6	15,473	14,317	15,532	17,936	20,709
EBITDAM (%)	17.7	13.8		11.7		15.3	13.7	13.8	14.3	14.6
APAT	4,336	2,939	47.5	1,534	182.7	10,697	9,609	9,540	11,162	12,968
AEPS (INR)	34.1	23.1	47.5	12.1	182.7	84.2	75.6	75.1	87.9	102.1
EV/EBITDA (x)						29.5	32.1	29.8	25.8	22.4
P/E (x)						43.8	48.7	49.1	41.9	36.1
RoE (%)						22.5	17.8	16.1	17.3	18.5

Source: Company, HSIE Research

ADD

CMP (as on 27 Apr 2026)	INR 3,692
Target Price	INR 3,870
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 3,870	INR 3,870
EPS change %	FY27E	FY28E
	-0.9	-0.1

KEY STOCK DATA

Bloomberg code	SI IN
No. of Shares (mn)	127
MCap (INR bn) / (\$ mn)	469/4,979
6m avg traded value (INR mn)	1,206
52 Week high / low	INR 4,740/3,182

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	5.9	(11.9)	4.8
Relative (%)	11.9	(3.4)	7.7

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	48.96	48.96
FIs & Local MFs	17.21	19.23
FPIs	19.23	17.12
Public & Others	14.70	14.69
Pledged Shares	Nil	Nil

Source : BSE

Pledged shares as % of total shares

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Piramal Finance

Steady operating performance sans one-offs

Piramal Finance (PFL) reported yet another quarter of steadily improving operating performance sans one-offs from legacy portfolio. AUM/disbursements growth remained strong at 25.5%/39% YoY, driven by retail and wholesale 2.0 portfolio. PFL has utilized the one-off gains during Q4FY26 for incremental provisioning toward the legacy book (INR28bn; 2.8% of AUM), ensuring steady credit costs, going ahead. While cost of funds are likely to improve gradually, along with operating efficiency, sub-par leverage (D/E at 2.8x) is likely to keep RoEs under check, limiting further rerating from current levels. We revise our earnings estimates to factor in higher loan growth and operating efficiency and maintain ADD with a revised RI-based TP of INR1,765 (implying 1.3x Mar-28 ABVPS).

- Healthy loan growth; one-offs distort P&L outcomes:** PFL reported strong NII growth of 46% YoY, driven by healthy loan growth (+25.5% YoY), reflation in asset yields, and lower cost of funds. NIMs are likely to reflate further due to a decline in cost of funds with credit rating upgrade and increasing share of unsecured retail loans. Operating efficiency continued to improve (opex to AUM at 3.5%, adjusted for one-offs), led by improving productivity levels. There was a one-time impact of INR 5.9bn due to impairment of investment property, while other income included INR 2.6bn from the stake sale in Shriram Life Insurance. Further, there was an exceptional gain of INR 13.3bn from the imaging business in Q4.
- Steady asset quality; legacy drag diminishing:** GS-III/NS-III improved to 2.2%/1.6% (Q3FY26: 2.5%/1.8%) with GS II at 1.7% (Q3FY26: 2%). Wholesale 1.0 book declined to 2.8% of AUM with PCR at 10.5%, with limited expected incremental provisioning. Growth portfolio credit costs remained steady at 1.5% of AUM.
- Improving profitability; sub-par RoE remains a concern:** PFL is poised to deliver improving RoA during FY27-FY28E on the back of shift in portfolio mix, improving productivity in growth portfolio driving operating efficiency gains, and declining cost of funds. However, low leverage (D/E at 2.8x) is likely to keep the RoE subdued at sub-~11% until FY28E, limiting further rerating from current levels (Mar-28 ABVPS at 1.3x). Maintain ADD.

Financial summary (consolidated)

Y/E Mar (INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY27E	FY28E
NII	12.4	8.5	46.5	10.8	14.5	42.4	55.4	66.6
PPOP	3.4	8.3	(59.3)	5.0	(32.9)	16.6	37.5	44.2
PAT	5.0	1.0	389.0	4.0	24.9	15.0	24.6	30.6
EPS (INR)	22.0	4.5	389.1	17.5	25.8	66.5	108.9	135.2
ROAE (%)						5.4	8.4	9.6
ROAA (%)						1.5	2.0	2.0
ABVPS (INR)						1,178	1,275	1,383
P/ABV (x)						1.6	1.4	1.3
P/E (x)						27.7	16.9	13.6

Change in estimates

INR bn	FY27E			FY28E		
	Old	New	Chg	Old	New	Chg
AUM	1,232	1,243	0.9%	1,491	1,509	1.2%
NIM (%)	4.7	4.7	2 bps	4.7	4.6	-7 bps
NII	55.4	55.4	-0.1%	66.5	66.6	0.2%
PPOP	36.7	37.5	2.1%	42.9	44.2	3.1%
PAT	23.9	24.6	2.8%	29.2	30.6	4.7%
ABVPS (INR)	1,275.8	1,274.7	-0.1%	1,374.3	1,382.6	0.6%

Source: Company, HSIE Research

ADD

CMP (as on 27 Apr 2026) INR 1,843

Target Price INR 1,765

NIFTY 24,093

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR1690	INR1765
EPS %	FY27E	FY28E
	2.5%	4.4%

KEY STOCK DATA

Bloomberg code	PIRAMALF IN
No. of Shares (mn)	227
MCap (INR bn) / (\$ mn)	418/4,435
6m avg traded value (INR mn)	-
52 Week high / low	INR 1,955/1,235

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	1.2	-	-
Relative (%)	7.2	-	-

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	46.2	46.2
FIs & Local MFs	16.3	18.8
FPIs	15.6	14.6
Public & Others	21.9	20.4

Pledged Shares - -

Source: BSE

Pledged shares as % of total shares

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City Union Bank

Sustainable growth and profitability trajectory

City Union Bank's (CUBK) Q4FY26 earnings beat estimates on the back of very strong growth on both sides of the balance sheet coupled with healthy operating performance, partly offset by higher provisioning. Strong loan growth (+26% YoY; 8% QoQ) was led by the gold loan and retail segments while MSME growth moderated marginally. Deposit growth (23% YoY; 11% QoQ) was healthy with CASA ratio improving to 27.6% (+36bps QoQ). Margins remained stable at 3.9%, as CUBK continues to command better pricing power to compared to peers. Management continues to shore up its provisioning buffer with surplus gains. We believe CUBK is likely to maintain its growth trajectory, with sustained traction in the MSME book and a notable expansion in secured retail portfolios, even as we built in upward normalization of credit costs, factoring in an uncertain macro environment. We raise our FY27E/FY28E estimates by 11-12%, factoring in stronger growth and better margin trajectory, partly offset by higher provisioning. We maintain BUY with a revised TP of INR310 (1.7x Mar-28 ABVPS).

- Strong growth momentum coupled with healthy operating performance:** Loan growth was strong (26% YoY), driven by gold loans and scaling of the retail portfolio, while growth in MSME moderated a bit. We build in ~19% loan CAGR over FY26-FY28E, led by MSME, gold loans, and secured retail book. NIMs remained stable at 3.9%, with strong traction in core fee income (17% YoY) translating to superior operating profits.
- Stable asset quality; continues to create provisioning buffer:** While gross slippages remained flattish at ~1.3%, net slippages continued to be minimal (0.3%). CUBK as a prudent measure continues to make higher standard provisions 9MFY26(INR5.9bn). We built in an average credit cost of ~60 bps (FY26:45bps), factoring in elevated stress in the core MSME segment.
- Sustained loan growth and strong margins to drive earnings:** We believe that CUBK shall keep monetizing its investments in digital lending and secured retail segments to deliver better throughput. Sustained growth in the core MSME and retail portfolios coupled with better pricing power is likely to drive improved return ratios.

Financial summary

(INR bn)	Q4FY26	Q4FY25	YoY(%)	Q3FY26	QoQ(%)	FY26A	FY27E	FY28E
NII	7.9	6.0	30.9%	7.5	4.5%	28.3	35.7	42.3
PPOP	5.8	4.4	31.4%	5.1	12.9%	20.1	25.5	29.8
PAT	3.6	2.9	24.9%	3.3	8.3%	13.3	16.3	19.3
EPS (INR)	4.8	3.9	25.4%	4.5	8.5%	17.9	22.0	26.0
ROAE (%)						13.2	14.4	14.8
ROAA (%)						1.5	1.6	1.6
ABVPS (INR)						136.5	155.6	179.5
P/ABV (x)						2.0	1.7	1.5
P/E (x)						15.2	12.3	10.4

Source: Company, HSIE Research

Change in estimates

(INR bn)	FY27E			FY28E		
	New	Old	Δ	New	Old	Δ
Net advances	777	741	4.8%	927	881	5.2%
NIM (%)	3.7	3.7	-2 bps	3.7	3.7	0 bps
NII	35.7	34.2	4.5%	42.3	39.9	5.9%
PPOP	25.5	23.7	7.3%	29.8	26.8	11.2%
PAT	16.3	14.7	10.5%	19.3	17.2	12.2%
Adj. BVPS (INR)	155.0	153.2	1.2%	178.8	174.2	2.6%

Source: Company, HSIE Research

BUY

CMP (as on 27 Apr 2026)	INR 271
Target Price	INR 310
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR280	INR310
	FY27E	FY28E
EPS %	+10.5%	+12.2%

KEY STOCK DATA

Bloomberg code	CUBK IN
No. of Shares (mn)	743
MCap (INR bn) / (\$ mn)	202/2,141
6m avg traded value (INR mn)	878
52 Week high / low	INR 324/172

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(4.2)	20.0	47.8
Relative (%)	1.9	28.4	50.7

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	0.0	0.0
FIs & Local MFs	40.2	40.7
FPIs	23.5	23.4
Public & Others	36.3	35.9
Pledged Shares	0	0

Source : BSE

Pledged shares as % of total shares

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Can Fin Homes

Disbursements growth sustainability key monitorable

Can Fin Homes (CANF) reported a strong set of P&L outcomes, largely driven by higher NIM (4.19%) and muted credit costs (1bps). CANF reported second consecutive quarter of strong disbursements growth (+32% YoY), driven by a sustained uptick in Karnataka and Telangana (~46% of AUM). CANF remains upbeat about loan growth prospects (~14% in FY27), led by branch additions (~25 annually), product and customer diversification (LAP, SENP segment, etc.), increase in share of direct sourcing, and ongoing tech transformation. However, sustained healthy uptick in loan growth (+10.4% YoY) amidst elevated competitive intensity and moderation in housing demand remains a key monitorable. We revise our FY27E/FY28E earnings estimates for higher NIM, offset by higher opex and maintain BUY with a revised RI-based TP of INR 1,040 (implying 1.8x Mar-28 ABVPS).

- Improving NIM; a few headwinds ahead:** CANF reported NIM of 4.19% (+5bps QoQ), driven by lower cost of funds (-7bps QoQ), which along with muted credit costs and lower tax rate (2.1%) led to strong profitability (RoA/RoE of 3.3%/23%). However, CANF has migrated ~86% of AUM to quarterly reset from annual reset, leading to a one-time impact of ~11bps on core spreads. Opex ratios were elevated (C/I at 19.8%; opex to AUM at 0.84%) due to ongoing tech transformation (LOS, LMS expected to be implemented in Q1FY27) and C/I is expected to remain elevated during FY27-FY28E.
- Healthy asset quality:** GNPA/NNPA improved marginally to 0.85%/0.37% (Q3FY26: 0.92%/0.49%); with SMA1-2 at 4.5% (Q3FY26: 5.0%; Q4FY25: 5.5%). With declining pool of overall delinquencies, along with total provisions at 1.2%, management expects sub-15bps credit costs during FY27-FY28E.
- Growth initiatives impact remains protracted:** CANF's loan growth remained sub-par in Q4 (+10.4% YoY) despite strong disbursements growth during H2FY26 due to higher BT-outs. CANF has taken multiple measures such as distribution expansion (30 branches added during FY25-FY26; ~25 to be added annually), creating direct sourcing channel, product diversification and ongoing tech transformation to drive loan growth. However, the impact of these initiatives has been slower than expectations due to varied reasons and remains a key monitorable for any significant re-rating.

Financial summary

Y/E Mar (INR bn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY27E	FY28E
NII	4.2	3.5	21.2	4.2	0.3	16.1	17.6	20.4
PPOP	3.5	2.9	20.0	3.5	0.7	13.4	14.5	16.8
PAT	3.5	2.3	47.8	2.6	30.6	10.9	10.8	12.5
EPS (INR)	26.0	17.6	47.8	19.9	30.5	81.5	80.8	93.7
ROAE (%)						19.7	16.8	16.9
ROAA (%)						2.5	2.3	2.3
ABVPS (INR)						438.1	500.1	575.5
P/ABV (x)						2.1	1.8	1.6
P/E (x)						11.2	11.3	9.8

Change in estimates

INR bn	FY27E			FY28E		
	Old	New	Chg	Old	New	Chg
AUM	481	480	-0.4%	551	548	-0.6%
NIM (%)	3.6	3.7	9 bps	3.6	3.7	15 bps
NII	17.4	17.6	1.5%	19.8	20.4	3.0%
PPOP	14.4	14.5	0.6%	16.5	16.8	2.2%
PAT	10.7	10.8	0.6%	12.2	12.5	2.7%
ABVPS (INR)	492	500	1.7%	565	576	1.8%

Source: Company, HSIE Research

BUY

CMP (as on 27 Apr 2026) INR 915

Target Price INR 1,040

NIFTY 24,093

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 1000	INR 1040
	FY27E	FY28E
EPS %	0.6%	2.7%

KEY STOCK DATA

Bloomberg code	CANF IN
No. of Shares (mn)	133
MCap (INR bn) / (\$ mn)	122/1,294
6m avg traded value (INR mn)	212
52 Week high / low	INR 972/692

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	0.3	8.4	23.7
Relative (%)	6.4	16.9	26.6

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	30.0	30.0
FIs & Local MFs	24.7	24.6
FPIs	13.2	13.4
Public & Others	32.1	32.0

Pledged Shares - -

Source: BSE

Pledged shares as % of total shares

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Tanla Platforms

Poised for growth; valuation comfort

Tanla reported better-than-expected Q4 with revenue growth of +5% QoQ and +15% YoY, driven by a strong recovery in the enterprise segment (+15.5% YoY) while the platform grew +9.8% YoY. The enterprise segment growth was powered by robust OTT growth (+22% YoY) and a volume pick-up in enterprise excluding OTT (+12.4% YoY, marking positive YoY growth after seven quarters). Key domestic growth drivers include rising volumes from regulator-mandated banking channels, potential price hike, and continued traction in the OTT channel – particularly WhatsApp and RCS – fueled by rapid adoption and innovative use cases that have boosted wallet share with major e-commerce and banking clients. While the enterprise business saw volume growth, it faced pricing pressure from a shift toward low-margin regulatory volumes, which has now bottomed out. Potential regulatory changes affecting SMS notification requirement is a risk but the volume from this channel is low. The OTT channel (~31% of revenue) is poised for mid-teen growth, following its 2.7x expansion over the last two years. The platform recovery is hinged on the Indosat deal and ramp-up of ATP deals, including a third major ATP deal with a large private bank. We do not anticipate margin expansion but increase estimates by ~3-6% due to domestic volume recovery and continued growth in OTT channel. We reiterate BUY with a TP of INR 720, based on 15x FY28E EPS. The stock is trading at 13.7/12.2x FY27/28E EPS, RoE of 21% for FY26, a net cash position at 14% of market cap, and an FCF yield of 6%.

- Q4FY26 highlights:** The enterprise revenue increased by +5.4/15.5% QoQ/YoY to INR 10.75bn; however, total gross margin decreased 60bps QoQ to 27.0%. Excluding OTT, the enterprise segment increased 5.6% QoQ and OTT revenue stood at INR 3.65bn, up 5/22% QoQ/YoY. In Q4FY26, 74 new customers were added. Platform revenue stood at INR 1bn, +1.4%/9.8%, QoQ/YoY and gross margin was 98.3%, down 8bps sequentially. The EBITDA margin at 16.3% was down 71bps QoQ and APAT stood at INR 1.34bn, up 2.2/14.5% QoQ/YoY. The >INR500mn and INR 100-500mn revenue bucket saw an increase of 5.0/13.5% QoQ. However, the INR 10-100mn bucket revenue decreased by 8.6% QoQ. Net cash stands at INR 11.4bn, ~14% of the market cap.
- Outlook:** We estimate a 10% revenue CAGR over FY26-28E, led by CAGRs of +10/8/15% from the platform/Enterprise (ex-OTT)/OTT segment. We estimate 11.5% EPS CAGR over FY26-28E.

Quarterly financial summary

YE March (INR bn)	4Q FY26	4Q FY25	YoY (%)	3Q FY26	QoQ (%)	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Revenues	11.78	10.24	15.0	11.21	5.0	33.54	39.28	40.28	44.18	48.98	53.92
Gross Profit	3.18	2.59	22.8	3.09	2.8	8.36	10.56	10.51	11.75	13.32	14.77
EBITDA	1.92	1.63	17.3	1.91	0.7	5.88	7.32	6.91	7.24	8.05	8.92
APAT	1.34	1.17	14.5	1.31	2.2	4.48	5.48	5.07	5.09	5.65	6.32
DEPS (INR)	10.0	8.7	14.3	9.9	0.7	33.0	40.7	37.7	38.4	42.6	47.7
P/E (x)						17.6	14.3	15.5	15.2	13.7	12.2
EV/EBITDA (x)						12.4	9.9	10.0	9.2	7.9	6.8
ROE (%)						31.2	31.7	24.1	21.4	21.1	20.5

Source: Company, HSIE Research, Consolidated Financials

Change in estimates

INR bn	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue	48.06	48.98	1.9	52.08	53.92	3.5
EBITDA	7.83	8.05	2.9	8.61	8.92	3.6
EBITDA (%)	16.3	16.4	15bps	16.5	16.5	1bps
APAT	5.43	5.65	4.2	5.99	6.32	5.6
EPS (INR)	40.9	42.6	4.2	45.2	47.7	5.6

Source: HSIE Research

BUY

CMP (as on 27 Apr 2026)	INR 583
Target Price	INR 720
NIFTY	24,093

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 680	INR 720
EPS %	FY27E 4.2%	FY28E 5.6%

KEY STOCK DATA

Bloomberg code	TANLA IN
No. of Shares (mn)	133
MCap (INR bn) / (\$ mn)	77/821
6m avg traded value (INR mn)	353
52 Week high / low	INR 766/366

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	30.0	(8.6)	18.9
Relative (%)	36.1	(0.1)	21.8

SHAREHOLDING PATTERN (%)

	Dec-25	Mar-26
Promoters	46.17	46.17
FIs & Local MFs	0.30	0.28
FPIs	8.34	7.60
Public & Others	44.72	45.48
Pledged Shares	0.00	0.00

Source : BSE

Pledged shares as % of total shares

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Arjun Savla

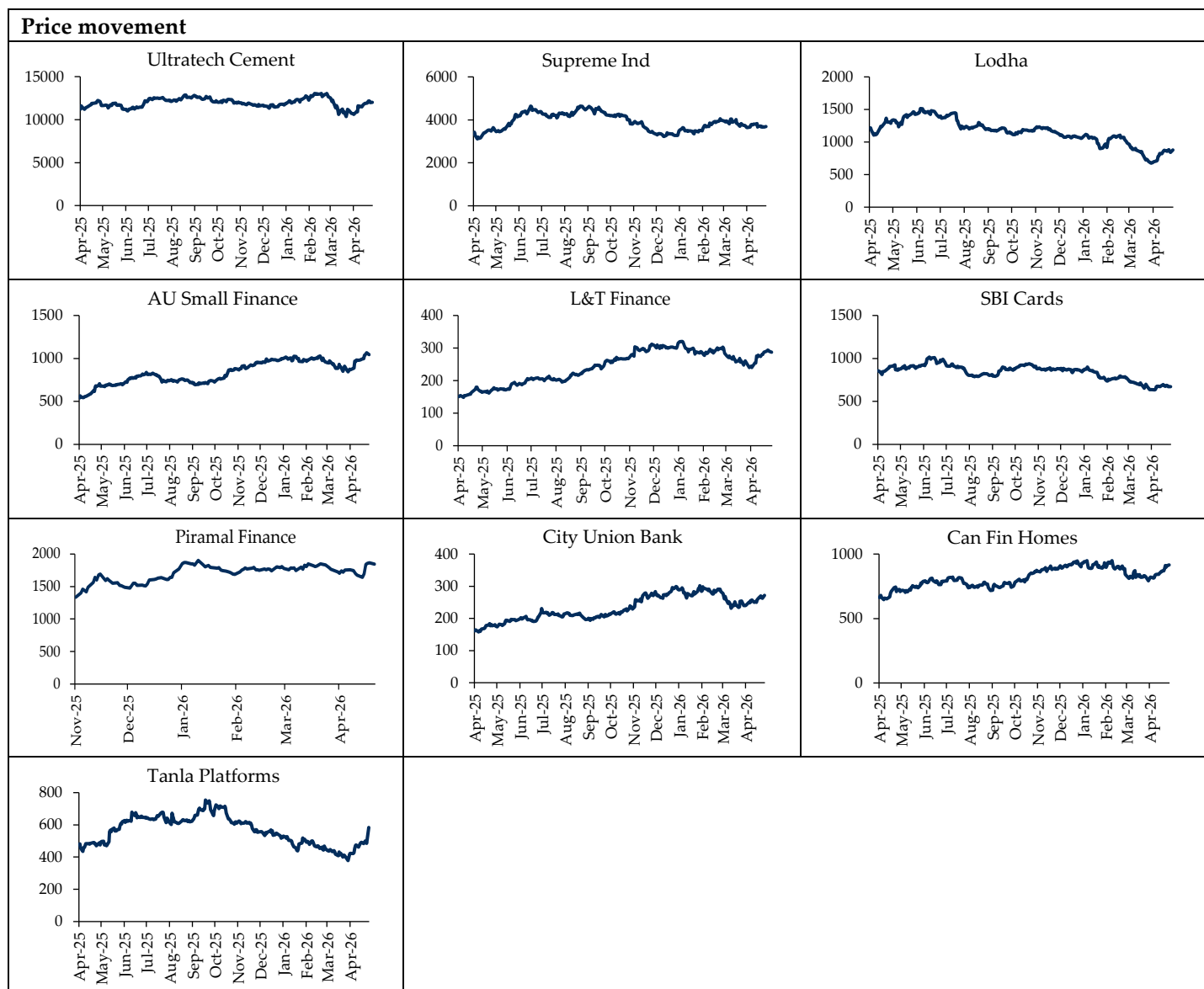
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Rating Criteria

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

Disclosure:

Analyst	Company Covered	Qualification	Any holding in the stock
Rajesh Ravi	UltraTech Cement, Supreme Industries	MBA	NO
Keshav Lahoti	UltraTech Cement, Supreme Industries	CA, CFA	NO
Riddhi Shah	UltraTech Cement, Supreme Industries	MBA	NO
Mahesh Nagda	UltraTech Cement, Supreme Industries	CA	NO
Parikshit Kandpal	Lodha Developers	CFA	NO
Aditya Sahu	Lodha Developers	MBA	NO
Jay Shah	Lodha Developers	CA	NO
Krishnan ASV	AU Small Finance Bank, L&T Finance, SBI Cards and Payment Services, Piramal Finance, City Union Bank, Can Fin Homes	PGDM	NO
Akshay Badlani	AU Small Finance Bank, City Union Bank	CA	NO
Deepak Shinde	L&T Finance, SBI Cards and Payment Services, Piramal Finance, Can Fin Homes	PGDM	NO
Ayush Pandit	L&T Finance, SBI Cards and Payment Services, Piramal Finance, Can Fin Homes	CA	NO
Amit Chandra	Tanla Platforms	MBA	NO
Arjun Savla	Tanla Platforms	CA	NO



Disclosure:

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