

# Investor's Eye

July 04, 2025

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**MIRAE ASSET** Sharekhan


**3R MATRIX**

	+	=	-
Right Sector (RS)	Green	Grey with check	Orange
Right Quality (RQ)	Green with check	Grey	Orange
Right Valuation (RV)	Green with check	Grey	Orange

+ Positive      = Neutral      - Negative

**What has changed in 3R MATRIX**

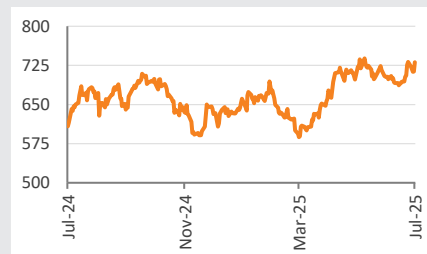
	Old		New
RS	Grey	↔	Grey
RQ	Green	↔	Green
RV	Green	↔	Green

**Company details**

Market cap:	Rs. 94,720 cr
52-week high/low:	Rs. 745 / 578
NSE volume: (No of shares)	21.1 lakh
BSE code:	531642
NSE code:	MARICO
Free float: (No of shares)	53.1 cr

**Shareholding (%)**

Promoters	59.1
FII	22.4
DII	14.2
Others	4.3

**Price chart**


Source: NSE India, Mirae Asset Sharekhan Research

**Price performance**

(%)	1m	3m	6m	12m
Absolute	4.0	8.0	10.6	20.2
Relative to Sensex	1.0	-2.8	5.3	16.0

Source: Mirae Asset Sharekhan Research, Bloomberg

**Marico Ltd**
**Good start to FY26**

Consumer Goods	Sharekhan code: MARICO		
<b>Reco/View: Buy</b>	↔	CMP: <b>Rs. 731</b>	Price Target: <b>Rs. 825</b> ↔
↑ Upgrade	↔ Maintain	↓ Downgrade	

**Summary**

- We retain a Buy rating on Marico with an unchanged PT of Rs. 825. The stock trades at 51x/44x its FY26E/FY27E EPS, respectively.
- During Q1FY26, volume growth was better q-o-q as rural demand continued to improve, while urban demand remained steady. The management expects gradual improvement in the quarters ahead, supported by easing inflation, a favourable monsoon season and policy stimulus.
- Consolidated revenue grew in low twenties aided by good growth in the domestic business and high-teen constant currency growth in the international business. This puts the company on track to deliver double-digit revenue growth in FY26.
- Despite input cost pressures and continued A&P investments, Marico has guided for modest y-o-y operating profit growth in Q1FY26. It expects gross margin pressure to ease from H2FY26.

Marico's Q1FY26 business update provides a glimpse of the company's operating performance and demand trends witnessed during the quarter. The sector exhibited consistent demand patterns in Q1, marked by improving trends in rural markets and steady urban sentiments. This aided the company to report sequential improvement in underlying volume growth in the India business, driven by positive trends in the core franchises and continuous scale-up of new businesses. The International business delivered high-teen constant currency growth, driven by broad-based growth across most markets. Overall, consolidated revenue grew in the low-twenties on y-o-y basis. The company expects gross margins to be under incremental pressure in Q1, on a high base of Q1FY25 and partly due to the pricing-led high denominator effect. However, despite input cost pressure and continued commitment toward A&P investments, the company expects to post modest operating profit growth y-o-y.

- Volume growth improved q-o-q; consolidated y-o-y revenue growth in low twenties:** During Q1FY26, rural demand improved, while urban demand remained steady, leading to sequential improvement in the volume growth. Overall, consolidated revenue grew in the low twenties aided by good growth in the domestic business and high-teen constant currency growth in the international business. However, with price hikes taken across the portfolio in the recent months, a large part of the revenue growth was mainly price-led. The management expects to see gradual improvement in demand trends (and volume growth) in the quarters ahead, supported by easing inflation, a favourable monsoon season and policy stimulus.
- Differentiated segmental performance:** Parachute Coconut Oil witnessed marginal volume decline owing to unprecedented hyperinflationary input cost and pricing conditions. Marico took another round of price hike in June 2025. However, after normalizing for ml-age changes, the brand maintained positive volume growth. Saffola Oils posted revenue growth in the high twenties, backed by mid-single digit volume growth. The brand has proactively passed on the benefit of the recent import duty reduction on vegetable oils to consumers. Value-added Hair Oils grew in low double digits on the back of sustained traction in the mid and premium segments of the portfolio. Foods and Premium Personal Care (including digital-first brands) maintained the accelerated scale-up and held profitability parameters steady.
- Margins stay stressed:** Among key inputs, 1) Copra prices continued to witness sequential inflation, which was heightened by unseasonal rainfall patterns, 2) Vegetable oil prices eased following the cut in import duty and 3) crude oil derivatives remained rangebound. Thus, gross margins are expected to be under incremental pressure in Q1, on a high base and partly due to the pricing-led high denominator effect. Despite the input cost pressure and continued commitment toward A&P investments, Marico has guided for modest y-o-y growth the operating profit. Going ahead, the company expects gross margin pressure to ease from H2FY26.

**Our Call**

**View – Retain Buy with an unchanged PT of Rs. 825:** Marico is eyeing double-digit earnings growth in the near to medium term with gradual improvement in volume growth of core portfolio, strong double-digit growth in new businesses, and a consistent improvement in profitability with an increase in salience of new higher-margin businesses. Portfolio diversification to premium foods and personal care products categories will improve revenue growth trajectory in the long run. The stock trades at 51x and 44x its FY26E and FY27E EPS, respectively. We retain a Buy rating on the stock with an unchanged PT of Rs. 825.

**Key Risks**

A sharp rise in key input prices from current levels, uncertainties living longer than expectation in Bangladesh or heightened competition in core categories would act as key risks to our earnings estimates.

**Valuation (Consolidated)**

Particulars	FY23	FY24	FY25	FY26E	FY27E
Revenue	9,764	9,653	10,831	12,075	13,473
OPM (%)	18.5	21.0	19.7	20.3	20.8
Adjusted PAT	1,322	1,502	1,658	1,848	2,130
% YoY growth	5.3	13.6	10.4	11.5	15.2
Adjusted EPS (Rs.)	10.2	11.6	12.8	14.3	16.5
P/E (x)	71.4	62.8	56.9	51.0	44.3
P/B (x)	24.8	24.6	23.7	19.4	15.7
EV/EBIDTA (x)	51.7	46.4	43.5	37.5	32.4
RoNW (%)	37.0	39.4	42.5	41.9	39.2
RoCE (%)	41.0	41.4	43.2	45.2	44.9

Source: Company; Mirae Asset Sharekhan estimates

## Outlook and Valuation

### ■ Sector Outlook – Volumes and margins to recover gradually

We expect gradual uptick in volume growth of consumer goods companies on low base from Q1/Q2FY26 driven by expectations of a good monsoon, moderation in urban inflation and government impetus to aid a volume recovery. With sustained input cost inflation, most companies have likely taken further price hikes in Q1FY26. Hence, we believe large improvement in volume growth could be seen in H2FY26 amid stable demand. On the margin front, margins are likely to remain lower in the coming quarters and if input prices stabilise in the coming months, we might see margin expansion from H2FY26.

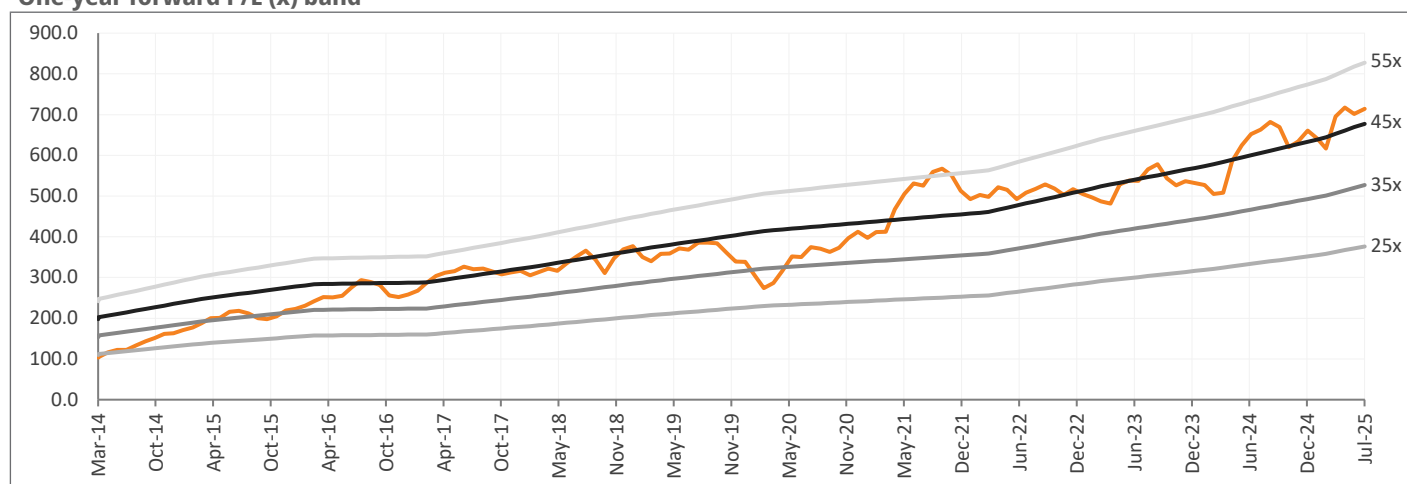
### ■ Company Outlook – Expects double-digit revenue growth trajectory to continue

FY25 consolidated revenues grew by 12.2% y-o-y (5% volume growth), OPM fell by 124 bps y-o-y to 19.7% and PAT rose 10.4% y-o-y. Despite input cost headwinds in the near term, Marico expects to sustain the double-digit revenue growth momentum and will strive to deliver double-digit operating profit growth in FY26. Consistent growth in the core portfolio, strong double-digit growth in the foods and premium personal care portfolio, and double-digit growth in the international business will help revenue to grow in double digits in the medium term. Increased contribution from high-margin products and cost efficiencies will drive consistent margin expansion in the medium term.

### ■ Valuation – Retain Buy with an unchanged PT of Rs. 825

Marico is eyeing double-digit earnings growth in the near to medium term with gradual improvement in volume growth of core portfolio, strong double-digit growth in new businesses, and a consistent improvement in profitability with an increase in salience of new higher-margin businesses. Portfolio diversification to premium foods and personal care products categories will improve revenue growth trajectory in the long run. The stock trades at 51x and 44x its FY26E and FY27E EPS, respectively. We retain a Buy rating on the stock with an unchanged PT of Rs. 825.

#### One-year forward P/E (x) band



Source: Company; Mirae Asset Sharekhan Research

#### Peer Comparison

Particulars	P/E (x)			EV/EBIDTA (x)			RoCE (%)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Dabur	50.4	44.9	39.9	38.2	34.3	30.6	19.5	20.7	22.0
Hindustan Unilever	53.7	50.8	46.1	37.9	35.6	32.3	26.9	29.0	32.8
Emami	28.0	25.4	22.6	23.1	20.3	17.9	37.6	36.8	35.5
Marico	56.9	51.0	44.3	43.5	37.5	32.4	43.2	45.2	44.9

Source: Company; Mirae Asset Sharekhan Research

## About company

Marico is one of India's leading consumer products companies in the domestic hair and wellness market with a turnover of over Rs. 10,500 crore. The company is present in the categories of hair care, skin care, edible oils, health foods, and male grooming, with a vast portfolio of brands such as Parachute, Saffola, Hair & Care, Nihar, Livon, Kaya Youth, and Coco Soul. The company is currently present in 25 countries across emerging markets of Asia and Africa, including Middle East, Bangladesh, Vietnam, Egypt, and South Africa, which constitute ~25% of the total revenue. The company has a retail reach of over 5 million outlets in the domestic market.

## Investment theme

Marico is a leading player in the domestic hair and wellness market with a leadership position in categories such as coconut oil (~63% market share), VAHO (~28% market share), and Parachute Rigid within coconut oil (~54% market share). Marico has a three-pronged strategy of driving growth through key categories, innovations/entrance into the niche category, and scaling up its presence in international geographies. In recent times, the company has entered into niche categories such as male grooming, premium hair nourishment, and healthy foods, which will not only improve the company's revenue growth trajectory but would also help boost margins in the long run due to their premium nature. Consistent innovations, a wide distribution network, and expansion in new-age channels like modern trade and e-commerce would be key platforms to achieve good growth in the near term.

## Key Risks

- ♦ A slowdown in key product categories would affect overall demand and revenue growth.
- ♦ A significant increase in prices of key raw materials such as copra (~40% of input costs) would affect profitability and earnings growth.
- ♦ Increased competition in highly penetrated categories such as VAHO and edible oils would threaten revenue growth.

## Additional Data

### Key management personnel

Name	Designation
Harsh Mariwala	Chairman
Saugata Gupta	Chief Executive Officer and Managing Director
Pawan Agrawal	Chief Financial Officer
Vinay M A	Company Secretary and Compliance Officer

Source: Company Website

### Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Life Insurance Corp of India	3.00
2	Blackrock Inc.	2.27
3	First Sentier Investors ICVC	2.21
4	HDFC Asset Management Co. Ltd.	1.84
5	Vanguard Group Inc.	1.69
6	Quant Money Managers Ltd.	1.39
7	Royal Bank of Canada	1.25
8	Norges Bank	1.03
9	SBI Pension Funds Pvt. Ltd.	1.01
10	Edelweiss Asset Management Ltd.	0.77

Source: Bloomberg

Mirae Asset Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

## IT

## Tepid Q1 weighed by unchanged demand trends

## Summary

- ♦ We expect revenue growth of -2.5% to 1.7% q-o-q for Tier-1 IT service companies and revenue growth of -3.1% to 6.3% q-o-q for Tier-2 IT companies in constant currency (CC) terms.
- ♦ EBIT margins across covered companies likely to be mixed with decent deal win TCV centered around cost takeout.
- ♦ Management commentaries on deal activity, demand trends and progress on Gen AI would be key monitorables.
- ♦ GenAI projects particularly those focused on productivity improvements, could rekindle client's interest and aid in picking up the momentum in the quarters ahead. We maintain Positive stance and advise investment in our preferred picks.

**We expect Tier-1 IT service companies to report a tepid Q1FY26 driven by softness in tariff-impacted verticals and unchanged demand trends. We expect q-o-q constant currency (CC) revenue growth of -2.5% to 1.7% for Tier-1 and -3.1% to 6.3% q-o-q revenue growth in CC terms for Tier-2 IT companies. Among Tier-1 IT companies, Infosys is expected to lead revenue growth of 1.7% q-o-q in CC terms aided by seasonality and weak base of Q4FY25. Coforge among Tier-2 companies is expected to report strong sequential revenue growth of 6.3% in CC terms aided by ramp up of the Sabre deal and contribution from acquisitions. EBIT margin is likely to be largely mixed across the covered IT companies. Deal wins TCV is likely to be decent and centered around cost takeout. Deal signing has been delayed and discretionary spend has taken a backseat due to increase in geopolitical event and US tariff uncertainty. However, GenAI projects, particularly those focused on productivity improvements, could rekindle client's interest and aid in picking up the momentum in the quarters ahead. We remain positive on the sector from a medium to long-term perspective and advise investment in our preferred picks.**

**Revenue growth:** Tier-1 IT service companies under coverage are expected to report tepid Q1FY26, with CC revenue growth of -2.5% to 1.7% q-o-q weighed by softness in tariff impacted verticals. Cross-currency tailwinds impact of ~60-260 bps is expected across covered companies owing to depreciation of USD against a basket of currencies. Infosys to lead revenue growth among Tier-1 companies, with revenue growth of 1.7% q-o-q in CC aided by seasonality and weak base of Q4FY25. TCS, TechM, HCL Tech and Wipro are expected to decline 0.4%/0.6%/0.7% and 2.5% q-o-q respectively in CC terms while LTIM is expected to deliver modest revenue growth of 1% q-o-q in CC terms. Tier 2 IT service companies are expected to show relatively better growth of -3.1% to 6.3% q-o-q in CC. Among Tier-2, firms, Coforge is expected to lead with 6.3% q-o-q growth in CC aided by ramp up of Sabre deal and contribution from acquisitions while Persistent, NIITMTS and Mastek are expected to grow 4%/3.5% and 1.5% q-o-q respectively in CC terms. However, LTTS and Birlasoft are expected to report a decline of 3.1%/1.8% q-o-q in CC terms.

**EBIT margin to be mixed:** IT services companies under our coverage are likely to report a mixed EBIT margin trend. EBIT margins for Tech M, LTIM, Infosys and TCS are expected to improve ~70/50/25/10 bps q-o-q while HCL Tech is expected to report a ~75 bps q-o-q contraction with Wipro expected to report flat margins. Among Tier-2 companies, Persistent/Coforge are expected to see margin improvement of ~30/20bps, respectively. EBIT margin for LTTS and Birlasoft is expected to decline ~30/60bps on weak revenues. NIITMTS is expected to see 190 bps q-o-q improvement in EBITDA margins aided by strong revenues.

**Demand environment and guidance:** We expect deal win TCV to be decent for IT service companies centered around cost takeouts, with a steady improvement in deal pipeline. For LTIM, the \$450 million deal win is likely to take order inflow above \$1.5 billion for Q1FY26. Infosys may raise the lower end of guidance from 0-3% to 1-3% while Wipro may guide for flatter revenues for Q2FY26.

## Valuations:

**Unchanged demand trends weighing Q1FY26:** The Nifty IT index (up 4%) is in-line with the Nifty (up 5%) over the past one year after having conceded the earlier outperformance following the escalation of US trade tariff war. With demand environment unchanged, near-term uncertainty persists. Deal signing has been delayed and discretionary spend has taken a backseat due to increase in geopolitical event and tariff uncertainty. However, GenAI projects, particularly those focused on productivity improvements, could rekindle clients interest and aid in picking up the momentum in the quarters ahead. We remain positive on the sector from a medium to long-term perspective and advise investment in our preferred picks.

## Key Risks:

**Leaders:** Coforge, Persistent, NIITMTS, Infosys

**Laggards:** Wipro, LTTS and Birlasoft

## Preferred picks:

**Large caps:** TCS, Infosys, HCL Tech, Tech Mahindra, LTIM.

**Mid-caps:** Persistent Systems, Coforge and Mastek



## Q1FY2026 Results Preview

Sector: IT

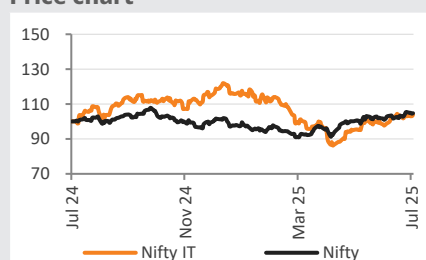
Sector View: Positive

## Coverage universe

Companies	CMP (Rs)	Reco.	PT (Rs)
TCS	3,421	Buy	4,050
Infosys	1,640	Buy	UR
HCL Tech	1,725	Buy	1,730
Wipro	270	Hold	UR
Tech Mahindra	1,655	Buy	1,950
LTIM	5,313	Buy	6,200
L&T Tech	4,384	Buy	4,850
Coforge	1,950	Buy	2,100
Persistent	5,895	Buy	7,000
Birlasoft	435	Buy	480
Mastek	2,545	Buy	3,030
Intellect Design	1,129	Hold	UR
NIITMTS	338	Buy	475

Source: Company, Mirae Asset Sharekhan Research;  
\*UR - Under Review

## Price chart



Source: NSE India, Mirae Asset Sharekhan Research

## Q1FY26 Result estimates

Rs cr

Particulars	Sales				OPM				Net Profit			
	Q1 FY26E	Q1 FY25	YoY (%)	QoQ (%)	Q1 FY26E	Q1 FY25	YoY (bps)	QoQ (bps)	Q1 FY26E	Q1 FY25	YoY (%)	QoQ (%)
TCS	64,949	62,613	3.7	0.7	26.5	26.6	-14	13	12,307	12,040	2.2	0.7
Infosys	41,937	39,315	6.7	2.5	24.4	24.0	40	27	6,940	6,368	9.0	-1.3
HCL Tech	30,332	28,057	8.1	0.3	20.7	20.7	6	-72	4,269	4,258	0.3	-0.9
Wipro	22,043	21,943	0.5	-2.1	20.7	20.0	74	-54	3,304	3,003	10.0	-7.5
Tech M	13,453	13,006	3.4	1.0	14.7	12.0	270	78	1,235	852	45.0	8.4
LTIM	9,861	9,143	7.9	0.9	17.1	17.6	-47	77	1,180	1,134	4.1	4.6
L&T Tech	2,911	2,462	18.3	-2.4	15.9	18.5	-263	-4	302	314	-3.8	-3.0
Coforge	3,767	2,401	56.9	10.5	17.3	17.0	27	43	358	229	56.8	24.7
Persistent	3,359	2,737	22.7	3.6	18.3	16.6	163	24	434	306	41.8	9.8
Birlasoft	1,290	1,327	-2.9	-2.1	13.3	14.7	-140	12	130	150	-13.6	6.3
Mastek Ltd	936	813	15.1	3.3	15.6	15.2	33	25	92	72	28.3	2.8
Intellect Design	729	605	20.5	0.2	21.9	20.0	193	-637	111	74	48.8	-18.1
NIITMTS	447	407	9.7	4.0	20.4	23.6	-318	175	60	63	-4.3	21.7

Source: Company; Mirae Asset Sharekhan Research

## Valuations

Company	Reco	Price Target (Rs)	CMP (Rs)	EPS				P/E			
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY26E	FY27E
TCS	Buy	4,050	3,421	134.2	141.7	159.0	25.5	24.1	21.5	23.1	20.8
Infosys	Buy	UR	1,640	64.5	67.4	73.2	25.4	24.3	22.4	21.7	19.7
HCL Tech	Buy	1,730	1,725	64.1	67.8	73.8	26.9	25.5	23.4	21.5	18.9
Wipro	Hold	UR	270	12.5	12.7	13.6	21.5	21.2	19.9	19.7	17.5
Tech Mahindra	Buy	1,950	1,655	49.3	60.1	72.9	33.6	27.5	22.7	22.5	18.2
LTIM	Buy	6,200	5,313	155.0	172.0	198.5	34.3	30.9	26.8	22.6	18.6
L&T Tech	Buy	4,850	4,384	119.4	135.2	161.3	36.7	32.4	27.2	30.2	25.5
Coforge	Buy	2,100	1,950	29.6	45.7	57.1	65.9	42.7	34.1	31.3	26.0
Persistent	Buy	7,000	5,895	90.6	115.1	137.8	65.1	51.2	42.8	42.1	34.8
Birlasoft Limited	Buy	480	435	18.3	20.4	24.3	23.7	21.4	17.9	17.5	14.4
Mastek Limited	Buy	3,030	2,545	118.1	129.2	152.1	21.5	19.7	16.7	17.7	14.4
Intellect Design	Hold	UR	1,129	48.0	34.5	25.8	23.5	32.7	43.8	23.2	17.2
NIITMTS	Buy	475	338	17.4	18.9	23.9	19.4	17.8	14.1	19.6	16.2

Source: Company; Mirae Asset Sharekhan Research; \*UR - Under Review

## Q1FY26E: USD revenue and EBIT estimates

Company	Revenue (USD mn)						EBIT Margin (%)				
	Q1 FY26E	Q1 FY25	YoY (%)	Q4 FY25	QoQ (%)	CC QoQ (%)	Q1 FY26E	Q1 FY25	YoY (bps)	Q4 FY25	QoQ (bps)
TCS	7,587	7,505	1.1	7,465	1.6	-0.4	24.3	24.7	-35	24.2	12
Infosys	4,899	4,714	3.9	4,730	3.6	1.7	21.2	21.1	12	21.0	25
HCL Tech	3,543	3,364	5.3	3,498	1.3	-0.7	17.3	17.1	17	18.0	-73
Wipro	2,566	2,626	-2.3	2,597	-1.2	-2.5	17.4	16.5	98	17.5	-5
Tech M	1,564	1,559	0.3	1,549	1.0	-0.6	11.2	8.5	275	10.5	73
LTIM	1,152	1,096	5.1	1,131	1.9	1.0	14.3	15.0	-69	13.8	53
L&T Tech	340	295	15.2	345	-1.4	-3.1	12.9	15.6	-266	13.2	-29
Coforge	438	291	50.3	404	8.6	6.3	13.4	13.6	-23	13.2	22
Persistent	392	328	19.6	375	4.6	4.0	15.9	14.0	183	15.6	28
Birlasoft Limited	151	159	-5.3	152	-1.0	-1.8	10.9	13.1	-223	11.5	-62
Mastek Limited	109	97	11.9	105	4.1	1.5	13.4	12.8	65	13.3	16

Source: Company; Mirae Asset Sharekhan Research

## Q1FY26 IT earnings preview

### Company-wise key expectations

Company	Comments
TCS	TCS is expected to report revenue growth of -0.4% in CC terms due to the ramp-down of BSNL deal. EBIT margin is likely to improve by ~10 bps q-o-q
Infosys	Infosys is expected to report a revenue growth of 1.7% in CC terms q-o-q led by Financial services and aided by MRE Consulting and Missing Link consolidation. EBIT margin is expected to improve sequentially by 25 bps.
HCL Technologies	HCL Tech is expected to report a sequential revenue growth of -0.7% in CC terms with cross-currency tailwinds of 200 bps. EBIT margin is expected to decline by ~70 bps q-o-q.
Wipro	Wipro is expected to report a sequential revenue growth of -2.5% q-o-q in CC terms, within its Q1 guided range, of -1.5% to -3.5%. EBIT margin is expected to be flat sequentially.
Tech Mahindra	Tech Mahindra is expected to report revenue growth of -0.6% q-o-q in CC terms with cross currency tailwind of 160 bps. EBIT margin is expected to improve sequentially by 70 bps led by operational efficiencies.
LTIM	LTIM is expected to report revenue growth of 1% in CC terms. EBIT margins are expected to improve by ~50 bps q-o-q driven by fit for future program
L&T Tech	LTTS is expected to report a sequential decline of 3.1% in CC terms while EBIT margin is expected to decline by ~30 bps q-o-q owing to weak revenues.
Coforge	Coforge is expected to report sequential revenue growth of 6.3% in CC terms aided by ramp up of Sabre deal and contributions from acquisitions. EBIT margin is likely to improve by ~20 bps q-o-q.
Persistent Systems	Persistent is expected to report strong sequential revenue growth of 4% in CC terms led by BFSI and Hi-tech verticals. EBIT margin is expected to improve by ~30 bps.
Birlasoft	Birlasoft is expected to report sequential revenue growth of -1.8% in CC terms. EBIT margin is expected to decline sequentially by ~60 bps q-o-q.
Mastek Limited	Mastek is expected to report sequential revenue growth of 1.5% in CC terms while EBIT margin is expected to improve by ~20 bps q-o-q.
Intellect Design	Intellect Design is expected to report flattish sequential revenue growth after a robust Q4FY25 while EBITDA margin is expected to improve by ~200 bps y-o-y.
NIITMTS	NIITMTS is expected to report strong sequential revenue growth of 4% in rupee terms with EBITDA margin expected to improve ~ 190 bps q-o-q aided by strong revenues.

Source: Company; Mirae Asset Sharekhan Research

Mirae Asset Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.



## Understanding the Mirae Asset Sharekhan 3R Matrix

Right Sector	
Positive	Strong industry fundamentals (favorable demand-supply scenario, consistent industry growth), increasing investments, higher entry barrier, and favorable government policies
Neutral	Stagnancy in the industry growth due to macro factors and lower incremental investments by Government/private companies
Negative	Unable to recover from low in the stable economic environment, adverse government policies affecting the business fundamentals and global challenges (currency headwinds and unfavorable policies implemented by global industrial institutions) and any significant increase in commodity prices affecting profitability.
Right Quality	
Positive	Sector leader, Strong management bandwidth, Strong financial track-record, Healthy Balance sheet/cash flows, differentiated product/service portfolio and Good corporate governance.
Neutral	Macro slowdown affecting near term growth profile, Untoward events such as natural calamities resulting in near term uncertainty, Company specific events such as factory shutdown, lack of positive triggers/events in near term, raw material price movement turning unfavourable
Negative	Weakening growth trend led by led by external/internal factors, reshuffling of key management personal, questionable corporate governance, high commodity prices/ weak realisation environment resulting in margin pressure and deteriorating balance sheet
Right Valuation	
Positive	Strong earnings growth expectation and improving return ratios but valuations are trading at discount to industry leaders/historical average multiples, Expansion in valuation multiple due to expected outperformance amongst its peers and Industry up-cycle with conducive business environment.
Neutral	Trading at par to historical valuations and having limited scope of expansion in valuation multiples.
Negative	Trading at premium valuations but earnings outlook are weak; Emergence of roadblocks such as corporate governance issue, adverse government policies and bleak global macro environment etc warranting for lower than historical valuation multiple.

Source: Mirae Asset Sharekhan Research



## Research Coverage/Universe (STOCKS UPDATES / VIEWPOINTS)

### AUTOMOBILES

1. Aicon Castalloy Ltd
2. Amara Raja Energy & Mobility Ltd
3. Apollo Tyres Ltd
4. Ashok Leyland Ltd
5. Bajaj Auto Ltd
6. Balkrishna Industries Ltd
7. Bosch Ltd
8. Eicher Motors Ltd
9. Exide Industries Ltd
10. Gabriel India Ltd
11. Hero Motocorp Ltd
12. Lumax Auto Technologies Ltd
13. Mahindra & Mahindra Ltd
14. Maruti Suzuki India Ltd
15. Ramkrishna Forgings Ltd
16. Schaeffler India Ltd
17. Sundram Fasteners Ltd
18. Suprajit Engineering Ltd
19. Tata Motors Ltd
20. TVS Motor Ltd
21. Bharat Forge Ltd
22. Ceat Ltd
23. Cie Automotive India Ltd
24. Endurance Technologies Ltd
25. Escorts Kubota Ltd
26. Jamna Auto Industries Ltd
27. Landmark Cars Ltd
28. Rolex Rings Ltd
29. Sterling Tools Ltd
30. Subros Ltd
31. V.S.T. Tillers Tractors Ltd

### BANKS & FINANCE

1. AU Small Finance Bank
2. Axis Bank Ltd
3. Bajaj Finance Ltd
4. Bajaj Finserv Ltd
5. Bajaj Holdings & Investment Ltd
6. Bank Of Baroda
7. Bank Of India
8. Can Fin Homes Ltd
9. Cholamandalam Investment And Finance Company Ltd
10. City Union Bank Ltd
11. Federal Bank Ltd
12. Hdfc Bank Ltd
13. Hdfc Life Insurance Co Ltd
14. Icici Bank Ltd
15. Icici Lombard General Insurance
16. Icici Prudential Life Insurance Company Ltd
17. Kotak Mahindra Bank Ltd
18. L&T Finance Holdings Ltd
19. Lic Housing Finance Ltd
20. Mahindra & Mahindra Financial Services Ltd
21. Max Financial Services Ltd
22. Nippon Life Asset Management Ltd
23. Punjab National Bank
24. State Bank Of India
25. Five Star Business Finance Ltd
26. PNB Housing Finance Ltd
27. Aditya Birla Capital Ltd
28. Satin Creditcare Network Ltd
29. SBFC Finance Ltd

### BUILDING MATERIALS

1. APL Apollo Tubes Ltd
2. Astral Ltd
3. Century Plyboards India Ltd
4. Dalmia Bharat Ltd
5. Grasim Industries Ltd
6. Greenlam Industries Ltd
7. JK Lakshmi Cement Ltd
8. Kajaria Ceramics Ltd
9. Pidilite Industries Ltd
10. Ramco Cements Ltd
11. Shree Cement Ltd
12. Supreme Industries Ltd
13. Ultratech Cement Ltd
14. Hindware Home Innovation Ltd
15. Hitech Pipes Ltd

### CAPITAL GOODS / POWER

1. Amber Enterprises Ltd
2. Bharat Electronics Ltd

3. Blue Star Ltd
4. Carborundum Universal Ltd
5. Cesc Ltd
6. Coal India Ltd
7. Cummins India Ltd
8. Dixon Technologies India Ltd
9. Finolex Cables Ltd
10. Honeywell Automation India Ltd
11. Kalpataru Projects International Ltd
12. Kec International Ltd
13. Kei Industries Ltd
14. Ntpc Ltd
15. Polycab India Ltd
16. Power Grid Corp Of India Ltd
17. Ratnamani Metals & Tubes Ltd
18. Tata Power Company Ltd
19. Thermax Ltd
20. Triveni Turbine Ltd
21. Va Tech Wabag Ltd
22. V-Guard Industries Ltd
23. Dee Development Engineers Ltd
24. Garware Hi-Tech Films Ltd
25. Hindustan Aeronautics Ltd
26. Inox Wind Ltd
27. Isgec Heavy Engineering Ltd
28. Kirloskar Oil Engines Ltd
29. KSB Ltd
30. Symphony Ltd

### CONSUMER GOODS

1. Asian Paints Ltd
2. Britannia Industries Ltd
3. Colgate Palmolive (India)
4. Dabur India Ltd
5. Emami Ltd
6. Godrej Consumer Products Ltd
7. Hindustan Unilever Ltd
8. Indigo Paints Ltd
9. ITC Ltd
10. Jyothy Laboratories Ltd
11. Marico Ltd
12. Nestle India Ltd
13. Radico Khaitan Ltd
14. Tata Consumer Products Ltd
15. Zydus Wellness Ltd
16. Mrs. Bectors Food Specialities Ltd
17. Varun Beverages Ltd

### DISCRETIONARY CONSUMPTION

1. Aditya Birla Fashion And Retail Ltd
2. Bata India Ltd
3. Devyani International Ltd
4. Gokaldas Exports
5. Indian Hotels Co Ltd
6. Jubilant Foodworks Ltd
7. KPR Mill Ltd
8. PVR Inox Ltd
9. Relaxo Footwears Ltd
10. Restaurant Brands Asia
11. Titan Co Ltd
12. Trent Ltd
13. Welspun Living Ltd
14. Wonderla Holidays Ltd
15. Allied Blenders & Distillers Ltd
16. BSE Ltd
17. Carylil Ltd
18. Chalet Hotels Ltd
19. Himatsingka Seide Ltd
20. Iris Clothings Ltd
21. Lemon Tree Hotels Ltd
22. S. P. Apparels Ltd
23. Samhi Hotels Ltd
24. Saregama India Ltd
25. V2Retail Ltd
26. Zee Entertainment Enterprises Ltd

### DIVERSIFIED / MISCELLANEOUS

1. Balrampur Chini Mills Ltd
2. Gateway Distriparks Ltd
3. JSW Steel Ltd
4. Mahindra Logistics Ltd
5. Moil Ltd
6. NMDC Ltd
7. Polyplex Corporation Ltd

8. Steel Authority Of India Ltd
9. TCI Express Ltd
10. Transport Corporation Of India Ltd
11. Triveni Engineering & Industries Ltd
12. Allcargo Gati Ltd
13. Welspun Corp Ltd

### INFRASTRUCTURE / REAL ESTATE

1. KNR Constructions Ltd
2. Larsen & Toubro Ltd
3. Mahindra Lifespace Developers Ltd
4. PNC Infratech Ltd
5. Arvind Smartspaces Ltd
6. DLF Ltd
7. Equinox India Developments Ltd
8. Housing And Urban Development Corporation Ltd
9. Hindustan Construction Company Ltd
10. Hubtown Ltd
11. Macrotech Developers Ltd
12. Oberoi Realty Ltd
13. Power Finance Corporation Ltd
14. Puravankara Ltd
15. REC Ltd
16. Sunteck Realty Ltd

### IT / IT SERVICES

1. Birlasoft Ltd
2. Coforge Ltd
3. HCL Technologies Ltd
4. Infosys Ltd
5. Intellect Design Arena Ltd
6. L&T Technology Services Ltd
7. LTIMindtree Ltd
8. Mastek Ltd
9. Niit Learning Systems Ltd
10. Persistent Systems Ltd
11. Tata Consultancy Services
12. Tech Mahindra Ltd
13. Wipro Ltd
14. Expleo Solutions Ltd

### OIL & GAS

1. Bharat Petroleum Corp Ltd
2. Castrol India Ltd
3. Gail India Ltd
4. Gujarat Gas Ltd
5. Gujarat State Petronet Ltd
6. Hindustan Petroleum Corp
7. Indian Oil Corp Ltd
8. Indraprastha Gas Ltd
9. Mahanagar Gas Ltd
10. Oil And Natural Gas Corporation Ltd
11. Oil India Ltd
12. Petronet Lng Ltd
13. Reliance Industries Ltd
14. Asian Oilfield Services Ltd

### PHARMACEUTICALS

1. Abbott India Ltd
2. Aurobindo Pharma Ltd
3. Biocon Ltd
4. Cipla Ltd
5. Divi's Laboratories Ltd
6. Dr. Reddy's Laboratories
7. Granules India Ltd
8. Ipca Laboratories Ltd
9. Laurus Labs Ltd
10. Lupin Ltd
11. Sanofi India Ltd
12. Strides Pharma Science
13. Sun Pharmaceutical Indus
14. Torrent Pharmaceuticals Ltd
15. Zydus Lifesciences Ltd
16. Artemis Medicare Services Ltd
17. Caplin Point Laboratories Ltd

### TELECOM & NEW MEDIA

1. Affle India Ltd
2. Bharti Airtel Ltd
3. Info Edge (India) Ltd

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