WEEKLY WRAP-UP

10TH AUGUST - 14TH AUGUST 2026

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

DOMESTIC:

- Glenmark settles Humana antitrust lawsuit for USD15.28mn
- HG Infra Engineering wins Rs241cr work order from Rajasthan Government for ITI cluster O&M
- BEML bags Rs184cr order from HAL
- Zydus Lifesciences subsidiary Sentynl Therapeutics and Mereo Biopharma announce option and license agreement
- Himadri plans Rs1,300cr FY27 capex, steps up battery materials investments
- Vi hopes to secure funding deal with SBI-led consortium
- JSW Energy adds 1,166MW renewable capacity since April, total capacity hits 14.9GW
- Zen Technologies bags Rs295cr order from Defence Ministry for simulators
- BEL secured Rs541cr in new defense orders
- HDFC Bank cuts MCLR by 5bps, BOB raises 3month rate by 10bps
- Airtel business, ITI partner jointly provide digital solutions to enterprises
- Dilip Buildcon sells power projects of Rs8400cr to Alpha Alternatives
- Raymond Realty doubles down on Mumbai redevelopment
- Hyundai eyes 1 mn connected-car sales by 2027 amid rising tech adoption
- NHPC targets Rs15k-cr capex in FY27 amid expansion of hydro project pipeline
- RITES, HPCL signs an MoU for Rail Infrastructure Consultancy across petroleum facilities
- Emcure Pharma receives USFDA Establishment Inspection Report for Sanand facility
- Vedanta Aluminium arm BALCO emerges preferred bidder for Odisha bauxite block
- Maruti Suzuki to launch 7 SUVs, expects Indian car market to reach 6.1-6.3 million units
- Hero MotoCorp sales volume may stay in fast lane despite cost pressures
- Signature Global eyes low-rise, large-format projects beyond NCR market
- KPIT to build resilience, agility to cope with disruptions
- Titan sees positive momentum in July; on track to beat FY30 growth targets: MD
- Godrej Properties to generate Rs20,000cr operating cash flow by Mar'28, will invest for growth: Chairman
- Reliance Brands signs pact to launch Fabletics activewear brand in India
- Bank of America invests around Rs18,268cr for 49.9% stake in Jio Credit
- Tata Motors eyes supply chain debottlenecking, new markets to boost Q2 demand
- Vascon Engineers gets Rs126cr LoI for hospital project in Wardha

ECONOMY:

- Net direct tax collections jump 23% to Rs8.11trn till 10th August
- RBI Governor flagged banks' margin stress, and banks see it continuing
- India’s July inflation quickens to 4.45% from 4.38% in June, stays above RBI target

INDUSTRY:

- Electric two-wheeler subsidies extended till March 2028
- Railways urged to tap autos, FMCG, e-commerce to diversify freight basket
- India meets record 270.8GW peak power demand amid El Niño heat, but grid bottlenecks cause gaps

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INITIATING TECHNICAL PICK:

Karnataka Bank Ltd:

Reco Price-Rs306 | Target Price-Rs357 & 408 | Industry-Pvt. Sector Bank

Vardhman Special Steels Ltd:

Reco Price-Rs342 | Target Price-Rs411 & 480 | Industry-Iron Steel Product

Ambika Cotton Mills Ltd:

Reco Price-Rs1904 | Target Price-Rs2561 & 3218 | Industry-Other Textile Product

COVERAGE NEWS:

Texmaco Rail & Engineering Ltd: (i) The company has executed an MoU with The Signalling Company NV, Belgium to establish a strategic collaboration regarding ETCS solution including but not limited to the purpose of the contemplated Kavach development for the Indian market, (ii) The company has received an order worth Rs777.6mn from IVC Logistics Ltd to supply 3 rakes of ACT1 wagons along with 1 BVCM wagon with each rake. The order is to be executed on or before 31st March, 2027.

RSWM Ltd: The company has entered into a JV with Noize Design Studio (NDS9) in Spain to establish a state-of-the-art green garment manufacturing facility in India for a total installed production capacity to 1.5 million garments per month in 2 phases. The initial investment for phase 1 is estimated at approx. Rs1860mn.

Manorama Industries Ltd: The company has voluntarily paid the entire differential customs duty, together with applicable IGST, interest and penalty (wherever applicable), aggregating to ~Rs206.4mn to resolve the inquiry initiated by the Special Intelligence & Investigation Branch, Customs related to imports of palm mid fraction (a specialty fat used as an raw material).

Fineotex Chemical Ltd: The Board on 17th Aug'26 would consider the proposal of raising funds by issue of equity shares and/or other equity linked securities, through permissible mode (s) including but not limited to a private placement, preferential issue, QIP, further public offer, etc., or any combination thereof, subject to shareholders' approval and regulatory and other approvals as may be required.

Aurobindo Pharma Ltd: Eugia Pharma Specialities (WoS) Unit-I has received a warning letter from the USFDA (subsequent to an OAI received earlier). The company doesn't anticipate any impact on the existing supplies to the US markets.

The Week That Went By:

Barring 1s trading day, the Index kept on compounding its losses and eventually concluded the week at 24,366, with a loss of 204.65 points. A mixed performance was seen among the sectors, where Media and Capital Market segments were the top performers, whereas Metal and FMCG declined the most. A divergence trend was seen in the Broader markets as Midcaps ended in green, while Smallcaps fell by 0.65%.

Nifty50=24,366.00 **Sensex30=78,009.25** **Nifty Midcap 100=63,782.15** **Nifty Smallcap100=19,738.55**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

Result Synopsis	
Company	**Result This Week**
Gland Pharma Ltd **CMP: Rs2969** **Target: Rs3000**	The total revenue for the quarter grew by 19.6% to Rs18.00bn as compared to Rs15.06bn in the same quarter last year. The Ebitda margin for the quarter under review stood at 27.2% as against 24.4% in Q1FY26. The company reported a net profit of Rs3.17bn as against Rs2.15bn in the comparative quarter. The EPS for the quarter under review stood at Rs19.23 as against Rs13.08 in Q1FY26. **<u>Outlook and Recommendations:</u>** The company has reported revenue growth of 19.6% y-o-y, driven by CDMO and B2B businesses with strong contributions from US and EU markets. Growth was driven by recent product launches from the CDMO portfolio, volume gains across the existing products and strong customer demand for diversified product mix. The core or ex-Cenexi business grew ~24% in reported terms; Management indicated the constant currency (cc) growth of around 19-20%. The Ebitda margins stood at 27.2% for the quarter; however, the adj. Ebitda margins improved to 28% from 25% a year earlier, reflecting better operating leverage. This led to overall growth of 47% y-o-y on the profitability front. **CDMO** business remained a key growth driver, with revenue rising 20% y-o-y to Rs8,915mn, while also registering an 11% q-o-q increase, supported by recent product launches. Meanwhile, the **B2B** business revenue grew 19% y-o-y to Rs9,088mn, although it declined 3% q-o-q. On the market-wise performance, **US** remained the largest contributor, with revenue rising 32% y-o-y to Rs9,810mn, broadly flat sequentially. The recent launches Multi-Vitamin and Dalbavancin were encouraging and continued ramping broadly in line with Management's expectations. While MVI benefits from CGT exclusivity, Dalbavancin faced competition, but existing customer contracts should support the product's performance over the next few quarters. The recent launches should remain important growth contributors through FY27E and beyond, alongside continued volume growth in established products. Revenue from **Europe** increased 20% y-o-y to Rs3,954mn and 4% q-o-q. The company is strengthening its EU position through differentiated products, wider customer relationships and improved commercial execution. **Cenexi** has now been fully integrated into the broader CDMO business, with its contribution increasingly embedded in consolidated performance. The European heatwave primarily delayed quality releases rather than materially changing Cenexi's underlying profitability trajectory. Management has reaffirmed the previous revenue guidance of FY27E for Cenexi of ~EUR200mn with a high-single-digit full-year margin. **India's** revenue rose 12% y-o-y to Rs666mn but declined marginally by 1% sequentially. The India manufacturing network will remain central to new CDMO programs, including the recently announced global sterile-injectables portfolio transfer. **RoW** markets reported growth of 2% y-o-y. Management intends to maintain a balanced CDMO and B2B mix, with both businesses likely remaining close to 50:50 over the next two years; but from CY29, CDMO could become larger than B2B as the newly signed strategic programs begin production. The Management continues to view approx. 15% cc revenue growth as clearly achievable in FY27E. Its previous medium-term expectation was ~15% CAGR over 4-5 years; following new strategic contract and ongoing discussions with other partners, Management sees potential for ~20% growth over the next 4 years. Near-term consolidated adj. Ebitda margin is targeted at ~30%, compared with 28% in Q1FY27 with longer-term aspiration of ~35% as new CDMO contracts commercialize and Cenexi profitability improves. Timely bag-line approval, ophthal capacity availability and potential GLP-1 commercialization in Canada could provide upside to FY27E growth outlook. **We have achieved our earlier target and recommend accumulate for a revised target of Rs3000.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

Result Synopsis	
Company	**Result This Week**
Standard Engineering Technology Ltd **CMP: Rs299** **Target: Rs350**	The net sales for the quarter reported a growth of 43.1% to Rs2477mn as compared to Rs1731mn in the same quarter last year. The Ebitda margins for the quarter under review stood at 16.0% as compared to 17.1% in the comparative quarter last year. The company reported profit of Rs267mn as compared to Rs211mn in the same quarter last year. The EPS for the quarter stood at Rs1.32 as compared to Rs1.05 in the corresponding period of last year. **Outlook and Recommendations:** SETL continues to report good performance for the quarter under review which was led by the growth seen in the core business driven by pharma and chemical engineering. The rise in the revenue was also attributed to higher execution, expanded product portfolio and healthy demand. The gross margins have reduced marginally for the quarter under review; the increase in labour charge on a y-o-y basis has led to slight contraction on the Ebitda margins as well which stood at 16% for the quarter under review. The overall profitability has more or less reported a consistent growth over the last couple of quarters. With the **recent investments** made into GScale (entry into AI data center) and GL Hakko (further strengthening the existing partnership) offers a strategic advantage to SETL while retaining its focus on the core business verticals. While the core business is expected to sustain and grow, the Management of SETL also intends to work on other verticals of oil & gas, nuclear, and renewable sectors. The current **order book** position of ~Rs14bn provides a good revenue visibility over the medium term. Out of the total order book, ~50% is contributed via the CDMO sector and the Management is witnessing a strong traction from this industry vertical. The Management expects the **core business** to report a growth of ~40-50% in FY27E whereas GScale is expected to add incremental revenues of Rs2500mn in the current FY itself. SETL expects to maintain the Ebitda margin at ~17-18% in the future as well, whereas once the GScale operations are commercialised these developments would contribute higher margins of ~23-25%. In terms of diversification into a totally new domain of AI data center as these require similar high precision engineering, component cooling systems, HEs which SETL already manufactures the same can be leveraged via GScale. In terms of margins from both these investments, the Management expects the same to enhance further from the current levels on a blended level. The initial focus of GScale would be towards the Indian markets whereas the company has already established teams for Middle East and SouthEast Asia. SETL's continued technological collaboration with the Japanese players strengthens the overall positioning of the company. Overall, the company is more focused on the engineering opportunities and SETL is well positioned to capitalise on the same. A strong brand equity, good order book position, synergistic benefits from the recent alliances and partnerships, gradually enhancing the export percentage of the overall business; all these triggers are slated to augurs well for the future growth of SETL. The company has been demonstrating exponential growth in the core business and the new initiatives are yet to unfold and add to the already existing growth. **The stock has already breached our earlier target price of Rs188 and we upgrade the same to Rs350 from a long-term perspective.**

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Result Synopsis	
Company	**Result This Week**
Thirumalai Chemicals Ltd **CMP: Rs159** **Target: Rs200**	The net sales for the quarter reported a growth of 21.5% to Rs5,467mn as compared to Rs4,501mn in Q1FY26. The Ebitda margins for the quarter under review stood at 6.0% as compared to (5.9%) in Q1FY26. The company reported net loss of Rs437mn as compared to a loss of Rs600mn in the same quarter last year. The EPS for the quarter stood at Rs(3.62) as compared to Rs(5.86) in the corresponding period of last year. **Outlook and Recommendations:** The company has shown a strong recovery after continuous compressed topline reported over the past couple of quarters. The overall sales grew by 21.5% y-o-y during the quarter under review; sequentially also improved, majorly driven by volume recovery despite the challenging global demand and pricing environment for petchem products. Even though the PAN prices fluctuated sharply on account of the volatility seen in the crude prices which kept the PAN-OX spreads volatile through the quarter; the company achieved better business margins due to various market factors, reflecting better performance compared to the previous quarters. Many small projects were taken up which resulted in significant cost savings. All of this led to sharp improvement in the gross margins (25.7%) and a positive Ebitda margin (5.9%) reported in the quarter under review. The overall losses too have shown a shrinkage when compared on a y-o-y basis. With regard to project specific details, the PAN business at **Dahej site**, was particularly impacted by raw material shortages where working capital constraints affected the raw material procurement that led to lower production. As far as the **US project** is concerned, the project was affected on account of dynamic global events that led to delay in contractors' schedules that affected the financial closure and funding timelines as well. All of this raised the estimated project cost which has been revised to approx. USD340mn (inclusive of working capital and ramp-up costs) primarily due to **higher financing costs** during the extended timeline, contractor-driven construction cost increases, productivity impacts and debt raising expenses; this is also visible via the increase in the overall interest cost reported in Q1FY27 (towards the recognition of expense at TCL LLC, USA). On the positive side, despite these headwinds the company is observing strong interest from the customers (LOIs have been booked already), market outlook remains positive, supported by healthy demand across all three products and expanding applications for MAN, particularly in sustainable and biodegradable polymer solutions. The derivatives plant at **OOSB, Malaysia** continues to operate (even though contributing to a smaller extent to the overall sales) and the company would continue to evaluate the divestment options for this entity as and when appropriate. Apart from the already incurred capex for Dahej and the US plant, the company doesn't intend to incur any additional investments until these projects mature and generate returns for the overall business. The Management has indicated that the **recent improvement** seen in Q1FY27 is expected to be extended even in the upcoming quarter and both the projects provide a positive prospect from a medium to long-term perspective. The chemical and petrochemical sector continues to face oversupply headwinds and cheap imports from the Far East, which keeps margins depressed. However, Thirumalai's volume growth indicates that domestic demand remains robust. If spreads improve over the next two quarters, operational leverage could turn the company profitable. At the industry level, PAN stayed under structural pressure from Chinese overcapacity above 3.0 million tonnes; but the DGTR's May'26 sunset review recommended extending **anti-dumping duties (ADD)** on Chinese and Korean imports for a further five years; this is expected to support the company in a much decent way and provide a stable and competitive domestic market. The recent fund-raising proposal is yet to be finalised and approved and the main intent of the company would be to try and reduce the debt levels as much as possible. The company is seeing gradual improvement in terms of recovery and is expected to see the long-term benefits from the US project once the commercial operations commence. **We continue to maintain a hold on the stock for a revised target of Rs200.**

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Result Synopsis	
Company	**Result This Week**
Azad Engineering Ltd **CMP: Rs2718** **Target: Rs2650**	The net sales for the quarter reported growth of 25.9% to Rs1,726mn as compared to Rs1,371mn in Q1FY26. The Ebitda margins for the quarter stood at 37.3% as compared to 35.9% in the comparative quarter last year. The company reported profit of Rs352mn as compared to Rs294mn in the same quarter last year. The EPS for the quarter stood at Rs5.53 as compared to Rs4.56 in the corresponding period of last year. **Outlook and Recommendations:** FY27 has started on a strong note with Q1 revenue growth of 25.9% y-o-y aided by strong execution and steady delivery schedule. The Ebitda margins stood at 37.3% for the quarter, reflecting sustained operating efficiencies. The other income was moderate due to the foreign currency volatility (foreign currency gains) witnessed in the prior quarter, which declined from Rs119.13mn in Q4FY26 to Rs5.06mn in Q1FY27; translating into PAT growth of 19.5% y-o-y. The **Energy** segment alongwith Oil & Gas contributed 81.2% of the total revenues and reported growth of 26.7% y-o-y. The **Aerospace** and **defence** segment reported growth of 24.7% y-o-y. FY26 was a year of expansion for Azad, but almost 80% of the initiatives are completed as of Q1 with most of the closures expected by Q3 and thereafter revenue contribution to kick in from Q4 onwards. The plant is moving through the stabilization curve and investment is expected to now transform into scalable revenues. The company has successfully inaugurated **4 dedicated facilities** (for the clients: Siemens Energy, GE Vernova and MHI, Baker Hughes) of the total 8 chalked; of which two were started in FY26 and one in last month (for Baker Hughes). The remaining 4 are expected to be done in FY27E. The facility which AEL is building is massive as its 10x their current production capacity. The **turbo jet engine** is a major breakthrough for Azad which is currently under testing and should get on weapons in the next 4-6 weeks, followed by certification and then production. The company has been guided to prepare for **massive production** on these engines. This has been a market position upgrade for AEL, up in the global value chain, and out of the traditional supplier tier into expanded addressable market. AEL manufactures precision-engineered, complex and life-critical components for sectors like A&D, energy and O&G. The supplies to A&D segment hold immense opportunities going forward. It is also deepening its penetration into the O&G segment evident through the performance. By strategically shifting the business mix across verticals, it is not only reinforcing existing verticals, but also seizing new opportunities. The dynamics of the industry have the OEMs reluctant to switch suppliers as there are high switching costs (unless the current suppliers are unable to meet the requirements on quality, cost or delivery) and other than high quality requirement; the vendor selection decision is primarily driven by the potential for cost savings. There is a preference of OEMs for suppliers which are capable of scaling over time and hence, aim for consolidation in the supplier base with a reasonable share diverted towards each supplier; AEL is one of the preferred ones. AEL focusses on systematically ramping up the new facilities to effectively serve the expansive order book. The Management is highly optimistic in terms of the unprecedented high growth cycle across sectors, setting a positive trend globally. There has been a global cycle upgrade in the energy segment with the security push and transition to gas turbines. Defence also has seen optimism in the structural supply chain, demand and dependency on self-reliance. Collectively, it is a structural multi decade growth shift and AEL is at the epicentre of this mega trend with LT scale enhancement and OB expansion. AEL's transition from an energy-focused precision supplier into an integrated propulsion systems player is proceeding in lockstep with its financial performance. The solid start to FY27E provides a reliable baseline for sustained operational expansion over the coming quarters. The company has been working on facilities, robust order book and overall organisational structure. The company has guided for 25%+ revenue growth for FY27E, and for the medium term as well. With regard to the margins the guidance is maintained at 33-35%+. **We had recommended booking 20% profits on 23rd Apr'26, and further maintain Hold on the stock for a revised target of Rs2650.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

Result Synopsis	
Company	**Result This Week**
Shilpa Medicare Ltd **CMP: Rs822** **Target: Rs850**	The net sales for the quarter reported growth of 44.9% to Rs4,658mn as compared to Rs3,215mn in Q1FY26. The Ebitda margins for the quarter under review stood at 29.3% as compared to 28.5% in Q1FY26. The company reported profit of Rs1,009mn as compared to Rs469mn in the same quarter last year. The EPS for the quarter stood at Rs5.16 as compared to Rs2.40 in the corresponding period of last year. **Outlook and Recommendations:** The company has been growing consistently over the past couple of quarters and has reported the highest ever quarterly sales along with Ebitda in Q1FY27. The overall topline growth of ~44.9% was led by the **FDF** business segment which surged by ~100% when compared on a y-o-y basis. Ex-licensing income too, the revenues in the FDF business have reported a growth of ~112% on a y-o-y basis. Within the FDF business, the **US market** has registered strong growth both on a y-o-y as well as on a sequential basis with revenues for the quarter standing at Rs450mn; led by the niche 505(b)(2) portfolio that gained meaningful commercial traction. The **EU market** revenues came in at Rs570mn; growth of ~84% on a y-o-y basis led by continued portfolio expansion and market penetration. The Management indicated that there is no major dip in the EU as this market is generally driven by tender supplies and thus are subject to quarterly variations. The **domestic** formulations revenue reported a growth of ~179% driven by strong order book visibility and healthy commercial traction following the NorUDCA launch. The order book visibility continues to remain strong for FY27E and the Management targets additional markets of EU and RoW. The **RoW markets** were largely driven by new product approvals and tender wins. The company has 2 important launches i.e. Abraxane and Enzalutamide formulations which continue to remain on track for FY28E. The **API business** reported growth of 15% on a y-o-y basis inclusive of captive sales; ex-captive portfolio grew by ~15.5% driven by specialty CDMO business. The captive business continues to show consistent growth which is due to the internal demand from the FDF vertical. The company has atleast 25 NCE program under its main API business segment of which many are in the early stages of phase 1 or 2 trials and some in late phase 3 trials. The Management expects this business to continue to report steady growth in FY27E and observes additional room for capacity led developments as and when needed. The onco sub-vertical within the API business is on track for 15 launches slated for FY27E. The **Biologics** business is slowly and gradually scaling up its overall revenue base for the entire operations of Shilpa; the revenues reported a growth of ~41% on a y-o-y basis. The contribution from this vertical now stands at ~11%. The Management anticipates this business segment to drive growth going forward considering a smaller base alongwith the future product pipeline. A larger growth momentum is expected from the international markets. The expected launch horizon for some of the biosimilar portfolio is on track for FY27E whereas others are scheduled for FY28/29E. The Management doesn't foresee any major capex for this business vertical. The **CDMO** business continues to gain traction with 20+ customers and 25+ NCE programs; 3 are at advanced stages and are expected to commercialise in FY28E. With regard to **US tariffs,** the company has more of complex products which largely mitigates the impact. In terms of setting up a manufacturing base in the US, the Management would wait and watch and evaluate the conditions at the industry levels and take a decision accordingly. On the financial side, gross margins saw a slight dip when compared on a y-o-y basis on account of rise in the prices of raw materials and geo-issues; but the major driving factors for a decent gross margin levels are attributed to the complex products coupled with the existing and future pipeline. Ebitda margins are anticipated to be at ~30% in FY27E, wherein the Management has indicated it to be conservative. The overall profitability was boosted on account of adopting to a new tax regime which led to a reversal in the DTL that came in at ~Rs268mn; going ahead the Management expects the ETR to be at ~25%. Going forward, the next future and strong drivers for growth would be FDF, specialty CDMO, biologics (expected to generate better business and higher yields) and oncology portfolio. We had already recommended to book 20% profits on 11th June for a target of Rs670; our last target has been achieved and **we thus continue to maintain a hold on the stock and revise our target to Rs850.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

Result Synopsis	
Company	**Result This Week**
RSWM Ltd **CMP: Rs198** **Target: Rs275**	The net sales for the quarter reported a marginal de-growth of 0.8% to Rs11612mn as compared to Rs11703mn in the same quarter last year. The Ebitda margins for the quarter under review stood at 7.7% as compared to 6.2% in the comparative quarter last year. The company reported profit of Rs196mn as compared to a profit of Rs84mn in the same quarter last year. The EPS for the quarter stood at Rs4.17 as compared to Rs1.78 in the corresponding period of last year. **Outlook and Recommendations:** The company has witnessed an encouraging turnaround in the performance during the quarter under review which has been possible owing to the continued emphasis on innovation, sustainability and a differentiated portfolio of value-added products. As the industry gradually regains momentum, the company has reported stable financial performance with improved profitability despite a dynamic global environment. RSWM remains committed to driving profitable growth, improving operational efficiencies, expand the presence in high-value segments, and deepening customer partnerships. These strategic priorities are expected to sustain growth momentum, reinforce RSWM's position as a leading integrated textile manufacturer and create long-term stakeholder value. India is emerging as a preferred global sourcing destination which is expected to support the medium-term growth of textile exports. This is anticipated to be supported by improving export enquiries, stable cotton prices and gradual normalization in international demand. The Management continues to remain focused on a number of initiatives including profitable growth via value added products, operational efficiency, knitting expansion, GreenPET commercialization and disciplined capital allocation. The RSWM 2.0 transformation strategy aims to focus on value-added products, manufacturing excellence, disciplined capital allocation and sustainability initiatives to improve profitability and strengthen the company's competitive positioning. As per the Management commentary, the export-exposed businesses continue to face uncertainty from geopolitical developments, longer transit periods and higher freight costs. They expect the business to be positive with the subsequent quarters to be similar to or better than the first quarter. The company is expanding its focus on new markets and customer categories to reduce dependence and or concentration risk. RSWM continues to work on improving operational efficiency across the manufacturing facilities via productivity improvement initiatives and better working capital management. We feel this is going to be a gradual process, but sooner or later the return ratios will tend to improve. The stock has recently breached our target price of Rs230; considering the gradual improvement in utilization levels, focus on sustainable products, renewable energy integration and recovery in export demand, we expect the margins and profitability to improve further. **We have revised our estimates and increased the target price to Rs275.**
EMS Ltd	We had initiated a Buy call on EMS Ltd on 19th June, 2024 at Rs517 with a target price of Rs610. There have been multiple target revisions and the stock made a high of Rs1016 in Dec'24 where profit booking was indicated. Over the past couple of quarters delay in order book execution and slower payment from the government bodies has stretched the working capital; coupled with weak financials due to reduction in project billings. Certain shortfalls were led by factors which were more of macro based that dragged the earnings further. There has been lack of clarity from the Management as well and has not been able to meet the quarterly commentaries/expectations. We thereby close the call but would keep a soft coverage on the same. **Outlook and Recommendations:** We close the call on the stock.

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Result Synopsis	
Company	**Result This Week**
HBL Engineering Ltd **CMP: Rs679** **Target: Rs900**	The company has reported net sales of Rs6380mn as compared to Rs6018mn in the same quarter last year. The Ebitda margin for the quarter under review stood at 23.0% as compared to 31.8% in Q1FY26. The net profit came in at Rs1091mn as against Rs1434mn in the same quarter last year. EPS for the quarter under review stood at Rs3.95 as compared to Rs5.17 in the corresponding period last year. **Outlook and Recommendations:** The company has reported a decent quarter with an overall topline growth of ~6.0%; mainly due to the segmental mix. On the segmental front, industrial batteries grew by 7.3% while the defence & aviation batteries de-grew by 48.5% on a y-o-y basis. Electronics sales for the quarter came in at Rs2273mn. A marginal uptick on the topline led to a reduction both at the gross and Ebitda margins for the quarter under review which came in at ~51.5% and ~23.0% respectively; however, the Ebitda margins have seen a sequential improvement of ~1060bps. The profits de-grew by ~23.9% on a y-o-y basis. Recently, the company received an (i) order worth Rs240mn from Integral Coach Factory (ICF), Chennai for supply, installation, testing and commissioning of on-board Kavach loco equipment (Ver 4.0), (ii) received an LoA from Chittaranjan Locomotive Works worth Rs17.14bn for supply, installation, testing and commissioning of on-board Kavach loco equipment (Ver.4.0). This essentially highlights that the Kavach related opportunities are translating into order wins/contracts for the company which is also supported by the continuous focus laid by the Indian Railways (IR) towards faster implementation and deployment of Kavach equipments; this further solidifies and positions the company to achieve benefits from the same from a medium to long term perspective. In May 2026, the IR sanctioned projects worth Rs3620mn to expand the Kavach safety systems across the Northern railway. The IR has spent almost Rs38.75bn on Kavach related developments upto June 2026. As of 31st Jul'26, Kavach 4.0 was commissioned across 2633 rkm inclusive of 1423 rkm (Delhi-Mumbai) and 1210 rkm (Delhi-Howrah). There are developmental works under progress for Kavach 5.0 which would function as an advanced train safety and signalling system designed for high density local train services. The IR would continue to expand the Kavach coverage while investing in track maintenance, signalling upgrades and advanced surveillance systems which can benefit HBL as and when these are rolled out and converted into orders (as the business is totally dependent on government orders). During the quarter under review, the company made an investment of Rs63.7mn in Xalten Systems (the proposal to invest in this start-up was indicated in Q3FY26) towards equity shares and Compulsorily Convertible Preference Shares (CCPS), resulting in 9.84% shareholding on a fully diluted basis and Xalten Systems is classified as an associate company. With respect to the earlier proposal to form a JV with Cochin Shipyard Ltd; the JV was formalised on 11th Jun'26 under the name Green Maritime Propulsion Pvt. Ltd with HBL considered as a 60% shareholder (the JV's initial capital would be to the tune of Rs90mn). The JV will consider to develop electric mobility technology and energy storage solutions in the maritime space to cater to both domestic and global markets. HBL has been consistently investing in R&D and some of these high-tech and higher margin businesses are anticipated to become substantial sources of sales and profits in a few years. The company has always been ahead of the curve in terms of developing and offering world class products for the nation. In terms of Kavach 4.0 and other developing versions, there is a bigger possibility of a number of competitors trying to gain market share which could come at a cost of margins. In such a competitive market, HBL might find it difficult to maintain the topline growth as well as the high margin profile which they enjoyed earlier. The Management themselves had been candid in sharing the same guidance in a presentation/press release nearly 3 quarters ago. Considering these factors we have toned down our estimates as well as the target price. **We have scaled the target price down to Rs900 from earlier Rs1200.**

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Result Synopsis	
Company	**Result This Week**
Hirect Ltd **CMP: Rs1259** **Target: Rs1350**	The consolidated net sales for the quarter grew by 20.3% to Rs2,584mn as compared to Rs2,148mn in Q1FY26. The Ebitda margins for the quarter under review stood at 5.1% as against 11.3% in Q1FY26. The company reported net profit of Rs65mn as compared to Rs128mn in the same quarter last year. The EPS for the quarter under review stood at Rs1.71 as against Rs3.72 in Q1FY26. **Outlook and Recommendations:** The consolidated revenues reported growth of 20.3% y-o-y reflecting healthy underlying business momentum. The margins came in at 5.11% for the quarter impacted by higher employee and other operating costs following the consolidation and scale-up of Elventive France (reported a net loss after tax of Rs85.91mn for the quarter). The near-term pressure on consolidated margins is expected to remain as Elventive moves towards breakeven; accordingly, consolidated Ebitda is expected to remain moderated over the next 3-5 quarters, followed by gradual improvement as the entity reaches a breakeven stage. The PAT came in lower by 49% to Rs65mn in Q1FY27; which was boosted by the exceptional gain of Rs35.28mn; barring which the PAT drop would have been even higher (76.7% y-o-y). However, q-o-q there has been a turnaround from a loss of Rs16mn in Q4FY26. On the standalone business, revenues reported growth of 10.1% y-o-y while PAT grew by 17.8% y-o-y. The company has started reporting segmental performance with CTCI PICC/EPICC (high growth industrial copper conductor segment) reporting revenues of Rs395mn. Engineering products clocked growth of 9.4% while EMS revenues came in at Rs220.56mn. Growth is chalked through adjacent verticals of defence, mining, power management besides Railways through selective and organic moves. Part of the long-term vision, the company is undertaking **rebranding** of the company, with rectifiers as a contributor to revenues being marginal; hence rebranded as **HIRECT**. Q1FY27 was particularly important from a strategic perspective, as the company made meaningful progress in its evolution from a component supplier to an integrated systems and solutions company. The recent entry into next-generation trainsets through **first MEMU development order** from Modern Coach Factory and **first Vande Metro** development order from Rail Coach Factory marks an important milestone in this journey. These programmes bring together multiple technologies across propulsion systems, traction transformers, power electronics and other equipment, enabling HIRECT to address a larger share of the value chain and create a stronger platform for larger system-level opportunities. Hirect also made encouraging progress in international expansion during the quarter. The first US order for traction motor assemblies' marks initial entry into the US market, while the order for IGBT converters for the US mining industry demonstrates the broader applicability of power electronics capabilities beyond railways. Alongside the investment in Elventive; these developments strengthen the ambition to build HIRECT into a global engineering and power electronics company, with opportunities across international and adjacent industrial markets. From being a semiconductor manufacturer, the company has **evolved** as a systems and solutions provider for Indian Railways and industrial sectors. The company has strengthened its **core capabilities** through backward integration in copper conductors. It has commenced commercial production of **highly specialised copper conductors** through a manufacturing line at the Sinnar plant. The **order book** stands at Rs7,398mn as of July 2026, providing strong revenue visibility, supported by railway sector expansion and favourable government initiatives. Although order intake during Q1 has been flattish; as delays have been witnessed owing to the global geopolitical situations; however, being in the L1/L2/L3 kind of positioning these are expected to flow in the current quarter. Despite the near-term investments, Hirect remains focused on building capabilities, driving efficiencies and creating a stronger platform for sustainable long-term growth. The company has continued strengthening its position in next generation railway propulsion systems, while expanding its presence across international markets and adjacent industrial applications. The focus remains on strengthening the core railway franchise while increasing participation in higher-value products and systems, scaling technology-led businesses, and expanding into international and adjacent industrial markets. There have been shortages witnessed in electronic segment components; which the company has dealt with earlier as well and thereby confident to sail through if any impacts the operations going forward. With the company working for the next leg of growth, the current triggers are well factored in the valuations. **We have achieved our earlier target of Rs1200 and maintain Hold for a revised target of Rs1350.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

Result Synopsis	
Company	**Result This Week**
Magna Electro Castings Ltd **CMP: Rs1439** **Target: Rs1500**	The net sales for the quarter reported a growth of 4.7% to Rs508mn as compared to Rs485mn in Q1FY26. The Ebitda margins for the quarter under review stood at 14.7% as compared to 20.2% in Q1FY26. The company reported profit of Rs37 as against Rs67mn in the corresponding period of last year. The EPS for the quarter stood at Rs8.80 as compared to Rs15.73 in the corresponding period of last year. **Outlook and Recommendations:** The company has reported modest revenue growth of 4.7% y-o-y for Q1FY27. The margins at 14.7% are slightly under pressure owing to the higher input costs, however, there has been improvement in the margins seen on sequential basis. The company has reported a good comeback post the issues related to reciprocal tariff. The company has more than 50% exposure to exports and has gradually been able to tide away the problems related to exports. MECL has been able to maintain a stable product which is profitable with decent margins. The company has been able to retain its domestic as well as international customers. MECL has been offering niche products, which makes it difficult for customers to quickly switch suppliers. The Management team has kept a tight control on the working capital cycle which has eventually translated into too strong overall cash conversion cycle. While the capex has already been incurred, the P&L has already started absorbing the overheads and depreciation; however, the revenues are yet to scale. The Board of Directors has granted its in-principle approval for the proposed merger of Samrajyaa Precision Machining Private Ltd with Magna Electro Castings Ltd. It is a related party with Rs251.2mn net worth and Rs38mn of quarterly turnover. The stated rationale is to bring machining capability in-house, improve efficiencies, reduce third-party dependence and consolidate resources. The company presently carries on foundry operations with an installed moulding capacity of 2000MT per annum and melting capacity of 1500MT per annum and does not have any inhouse machining capacity. The machining of castings is at present outsourced to third party job workers. MECL is establishing its first in-house machining division initially with 7 CNC machines, enabling it to deliver fully-machined, ready-to-fit components to customers. The company has proposed to invest ~Rs170mn; and funding would be through internal accruals. The machining division is expected to be commissioned by January, 2027. The investment should reduce backlog, improve quality control, shorten lead times and reduce supply-chain dependence. MECL was lacking scale which they are trying to fill in, however, customer diversification and integrated capabilities are some factors which we have monitored diligently. With the growth capex almost ending, the company replaced some of the old machinery with better efficiency machinery and high throughput equipment. The company has been making some additions/investments related to the solar equipment which can help reduce the power cost to some extent. MECL is a small, niche, high-quality foundry exporter and is gradually scaling up in the precision casting platform with higher throughput capability addition post the commissioning of the 3rd moulding line. The company is in the early stage of capacity ramp-up with a niche positioning, and may be entering a multi-year operating leverage cycle while maintaining balance sheet discipline. We are aware, the stock is highly illiquid and any unfavourable development leads to wild swings in the stock price. However, the company has been able to retain customer quality, stronger collections, improved working capital discipline and better bargaining power. The company has breached our target price of Rs1200 and considering the anticipated upticks in the revenue, Ebitda and bottomline, **we have conservatively increased our target price to Rs1500.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

NIFTY (WEEKLY)

BANK NIFTY (WEEKLY)

MARKET OUTLOOK

Due to a lack of momentum, **Nifty50** is finding it difficult to overcome the strong hurdle at 24,440. At the same time, 24,270 remains a strong support level, as it has not been breached. A similar trend was seen in **BankNifty**, with downside support at 57,220 and upside capped at 57,880. A bearish divergence was observed in the **Auto segment**; however, a strong breakout had already opened the door for further upside. One should capitalize on declines to add quality stocks. Following the range breakout, the **Defence segment** saw a follow-up buying interest **(BDL- Symmetrical Triangle Breakout, BEL- On the verge of a Falling Channel Breakout, and HAL-Positive Momentum)**. The **PSU Banking segment** witnessed a pullback after breaking out of a Symmetrical Triangle Pattern; we believe it may soon resume its uptrend. The **Pharma sector** continued to consolidate, and a breakout on either sides will be required for a directional move. A similar technical setup was also seen in the **Realty space.**

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

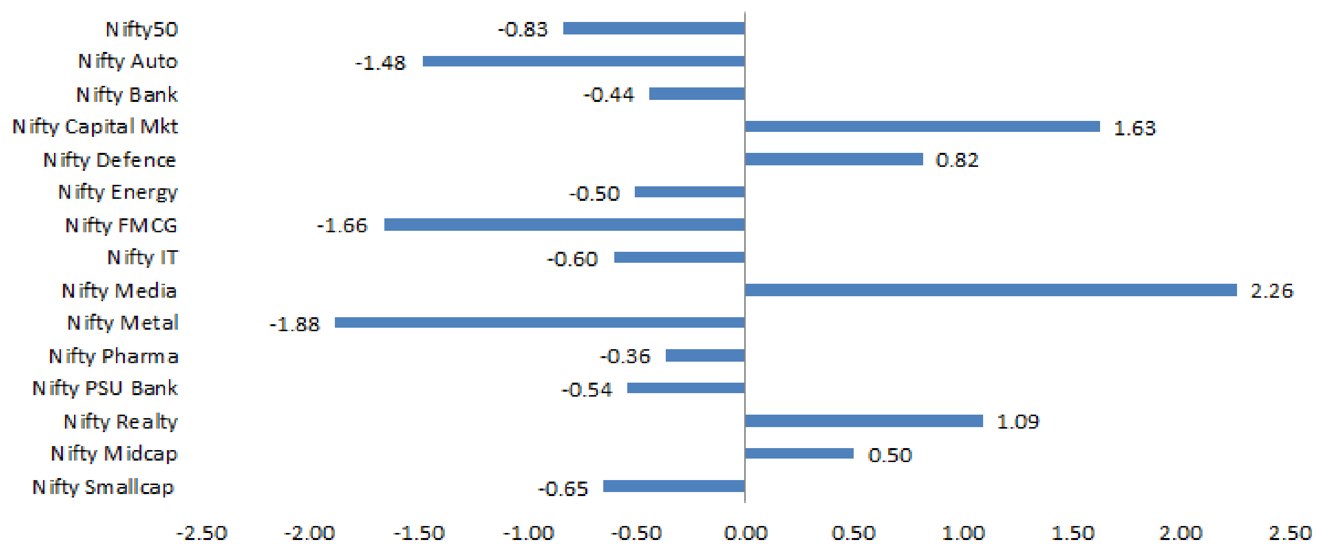
NIFTY 50 COMPONENTS (WEEKLY PERFORMANCE)

Adani Enterprises	0.50%
Adani Ports	0.38%
Apollo Hospital	(0.27%)
Asian Paints	(1.41%)
Axis Bank	(1.66%)
Bajaj Auto	0.33%
Bajaj Finserv	(0.03%)
Bajaj Finance	0.83%
BEL	2.44%
Bharti Airtel	1.64%
Cipla	(0.94%)
Coal India	(1.96%)
Dr. Reddy's Labs	2.39%
Eicher Motors	0.58%
Eternal	1.11%
Grasim	(2.24%)
HCL Tech	0.25%
HDFC Bank	(0.55%)

HDFC Life	(0.77%)
Hindalco	(2.84%)
HUL	(0.91%)
ICICI Bank	(0.28%)
Indigo	(0.43%)
INFY	(0.50%)
ITC	(2.76%)
JioFin	(3.02%)
JSW Steel	(2.27%)
Kotak Bank	0.10%
LT	0.02%
M&M	(2.10%)
Maruti	(1.45%)
Max Healthcare	(5.74%)
Nestle India	(2.66%)
NTPC	(0.73%)
ONGC	(1.03%)
PowerGrid	(2.04%)

Reliance	(1.86%)
SBI Life	(3.26%)
SBIN	(2.69%)
ShriRam Finance	0.63%
Sun Pharma	(0.77%)
Tata Consumer	(0.26%)
Tata Steel	(2.16%)
TCS	(3.74%)
Tech Mahindra	(0.13%)
TITAN	2.33%
TMPV	(3.60%)
Trent	(0.63%)
UltraTech	(4.01%)
Wipro	(1.88%)

SECTORAL PERFORMANCE



HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

SECTORAL GAINER

The **Media sector** outperformed Nifty50, rising 2.26%. Performance was mixed among constituents: **Zeel (+8.45%)** and **TIPS Music (+4.04%)** led the gains, while **PFocus (-6.57%)** declined the most, followed by **Hathway (-2.93%).**

SECTORAL LOSER

With a loss of 1.88%, the **Metal segment** lagged. **Lloyds Metal (-9.05%)** and **HindZinc (-6.82%)** declined the most, followed by **Vedanta (-4.07%)** and **SAIL (-4.00%).** On the other hand, **APL Apollo (+5.75%)** and **Welcorp (+1.52%)** ended the week in green.

HIGHLIGHTS OF THE WEEK 10 Aug 2026-14 Aug 2026

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