WEEKLY WRAP-UP

25TH MAY - 29TH MAY 2026

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

DOMESTIC:

- Reliance warns of a volatile oil market in FY27, bets on gas and green chemicals for growth
- HDFC Bank denies allegations of disguising interest payout
- CV industry showing resilience, not much impact of fuel price hike on demand: Ashok Leyland MD
- Bajaj Finserv commits Rs1,500-2,000cr over 5 years to AI innovation startups to bridge private R&D funding gap
- Development Bank of Japan makes maiden realty investment in India with HDFC Capital
- Coal India's coal gasification push may see Rs60,000cr investment
- Vodafone Idea calls for equitable, inclusive access to all customers
- ONGC yet to take control of Cambay Block as Vedanta challenges govt move
- Brigade Group inks pact for Rs850cr residential development in Hyderabad
- Saatvik Green Energy bags Rs171cr solar module supply order
- Tata Elxsi launches ViTel, a material intelligence solution for med-tech powered by Viridium AI
- HG Infra declared as qualified bidder for transmission project in Uttar Pradesh
- Zydus Lifesciences has been granted priority review for its NDA
- Solar Industries receives an export order
- Marico forays into hair cleansing segment with its Parachute Advansed brand
- Maruti Suzuki India adopts WFH, travel curbs amid West Asia conflict
- Tata AutoComp, Jahwa Electronics forge JV to manufacture heaters for EVs
- NHPC raises Rs2k-cr at tight coupon of 7.67% through 15-year bonds
- Tata Sons Board meets to decide on listing, future of loss-making ventures
- BEL secures Rs608cr orders
- JSW Energy raises Rs4,000cr via QIP
- NLC signs MoU with NPCIL for nuclear power projects
- Lemon Tree Hotels signs Kumbakonam property in Tamil Nadu
- Toyota Kirloskar to invest Rs1,200cr at KWIN City in Karnataka
- IRFC signs Rs13,527cr loan agreement with Hyderabad Metro for debt refinancing
- Hindalco sees 5% rise in raw material costs, stays confident on key customers
- Kalpataru bags Mumbai redevelopment project with Rs1,250cr GDV; stock rises 2%
- Rourkela steel plant signs deal with GAIL for uninterrupted PNG supply

ECONOMY:

- India-US trade deal to happen before 24th July: Commerce Secretary
- FPIs criticise govt. and RBI as rupee slide and shrinking returns trigger exits
- Indian rupee hits two-week high, jumps 1.5% from record lows amid easing oil prices

INDUSTRY:

- EU, Vietnam push Indian seafood exports to record amid shift away from US
- MCX gold prices tank over Rs2,000 to below Rs154,000 as fresh US-Iran tensions raise inflation woes
- Indian Railways approves rollout of first hydrogen-powered train

Please Turn Over

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

INITIATING TECHNICAL PICK:

Trent Ltd:

Reco Price-Rs4297 | Target Price-Rs5958 & 7619 | Industry- Speciality Retail

COVERAGE NEWS:

Aurobindo Pharma Ltd: The USFDA inspected Unit-I, a formulation facility, of Eugia Pharma, from 16-27th February, 2026. The inspection concluded with 4 observations. FDA has now determined that the inspection classification of this facility is OAI.

Welspun Living Ltd: The Board has considered and approved buyback of upto 1,44,00,000 fully paid-up equity shares of FV of Rs1 each at a price of Rs175 per equity share payable in cash for an aggregate amount upto Rs2.52bn. The offer will open on 29th May, 2026.

Arkade Developers Ltd: The company has secured a cluster redevelopment project in Kandivali (E) with a saleable RERA carpet area of approx. 325,000 sq. ft. for a projected GDV of Rs11bn.

Sadhana Nitrochem Ltd: The company has entered into a long-term export supply contract with a Japanese customer for a contract value of approx. Rs1080mn executable in two years.

HBL Engineering Ltd: The company has 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).

Zen Technologies Ltd: The company has launched its Integrated Smart Border Suite, this is designed to function as a 24x7 intelligent digital shield, enabling faster detection, tracking and neutralisation of hostile activity across difficult terrain and high-risk sectors.

The Week That Went By:

Nifty50 started the last week of the month on a strong note and managed to break out of its narrow range of congestion, but failed to sustain the momentum and began to erase its gains in mid-week. The final day of the week was dominated by the bears, as a sudden drop pushed the Index much lower, ending the week at 23,547.75, with a loss of 171.55 points. A mixed performance was seen among the sectors, with Media and PSU Banks being the top performers, while FMCG and Capital Market lagged. Despite the weakness in the Frontline Index, Mid and Smallcaps managed to close the week in the green, with gains of 0.54% and 1.02%, respectively.

Nifty50=23,547.75 **Sensex30=74,775.74** **Nifty Midcap 100=61,723.80** **Nifty Smallcap100=18,138.80**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis

Company	Result This Week
Divi's Laboratories Ltd **CMP: Rs6660** **Target: Rs7950**	The net sales for the quarter reported a growth of 9.5% to Rs28,310mn as compared to Rs25,850mn in Q4FY25. The Ebitda margins for the quarter stood at 33.0% as compared to 34.3% in the comparative quarter last year. The company reported net profit of Rs7510mn as compared to Rs6620mn in the same quarter last year. The EPS for the quarter stood at Rs28.31 as compared to Rs24.93 in the corresponding period of last year. For FY26, the revenues came in at Rs10,5600mn as compared to Rs93,600mn; growth of 12.8% while the PAT stood at Rs25,680mn as against Rs21,910mn. The EPS came in at Rs96.75 as against Rs82.53 in FY25. The Board has recommended a final dividend of Rs30 per share of FV of Rs2 each for FY26. **<u>Outlook and Recommendations:</u>** The company has reported stable performance for the quarter under review with revenues reporting a growth of ~9.5% on a y-o-y basis. For FY26, the revenues reported a growth of ~12.8% on a y-o-y basis. Increase in the raw materials costs (~30.4% on a y-o-y basis) led to compression on the gross margins which stood at ~60.5% for the quarter under reference. The Ebitda margins thus came in at 33% in Q4FY26 as against 34.3% in Q4FY25. For the year, the margins came in at 32.6% as against 31.7% in FY25. The other income is slightly inflated both for the quarter as well as FY26 which consists of forex gain at Rs900mn in Q4FY26 and Rs2,110mn for FY26. On account of one-time impact related to labour code (Rs740mn); the PAT reports a growth of ~17% on a y-o-y basis in FY26; excluding this the growth would have been at ~21%. The overall numbers were weaker as the Management stated that It has faced one month of complex operating environment led by geo political uncertainties. In the current scheme of things, the company is facing certain challenges in procuring some of the key raw materials (methanol, other solvents, ammonia, which are imported from Middle East), and is monitoring and reviewing the procurement chain on a quarterly basis. Going forward, the Management expects the revenues to grow in 2x; backed by the CS business and the long-term innovator partnerships, while Ebitda margins to remain stable depending on the market conditions. The generic business reported a growth of ~10.4% on a y-o-y basis in FY26 and ~38.8% for Q4FY26. The custom synthesis (CS) business grew by ~14% on a y-o-y basis for FY26. Even though the generic business continued to face pricing pressure, the company did not witness any loss in terms of volume; as most of the API contracts are backed by long-term agreements with certain variability clauses set and these are reviewed on a monthly basis which provides the necessary comfort to serve the customer requirements and pass price hikes to the customers. The CS projects are under various stages of commercialisation, pre-qualifications, R&D stage. The volumes have picked up under this business segment for the existing portfolio and the Management is anticipating its customers to launch further new products once they get off-patent which provides the necessary growth visibility for the CS business from a long-term perspective. In addition to this, there are several upcoming opportunities in the CS business for newer projects which are either in phase 2/3, some under validation and for some the regulation submissions with either the USFDA, EU authorities have already been done with; this suggests a strong pipeline across different stages of development. The nutraceutical sales stood at Rs9,460mn; reporting a growth of ~21% in FY26. The peptides business is also progressing well for Divi's and has several customers under its basket alongwith a healthy pipeline under the different therapeutic segments. The unit-3 at Kakinada is emerging as a key facility, supporting backward integration and multiple growth segments. The progress across the business segment is pacing up in a gradual manner depending on the qualifications, approvals and commercialisation stages. **We thus maintain a hold on the stock for a revised target of Rs7950.**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis

Company	Result This Week
Shilpa Medicare Ltd **CMP: Rs498** **Target: Rs570**	The net sales for the quarter reported growth of 32.1% to Rs4,370mn as compared to Rs3,308mn in Q4FY25. The Ebitda margins for the quarter under review stood at 27.4% as compared to 23.9% in Q4FY25. The company reported profit of Rs1,078mn as compared to Rs145mn in the same quarter last year. The EPS for the quarter stood at Rs5.51 as compared to Rs0.74 in the corresponding period of last year. For FY26, the revenues came in at Rs15,389mn as compared to Rs12,864mn; growth of 19.6% while the PAT stood at Rs2,433mn as against Rs783mn. The EPS came in at Rs12.44 as against Rs4.02 in FY25. The Board has recommended a final dividend of Rs0.60 per share of FV of Rs 1 each for FY26. **<u>Outlook and Recommendations:</u>** The company has reported numbers on expected lines with highest ever quarterly and yearly sales and highest ever absolute Ebitda and Ebitda margins. The overall sales for Q4FY26 reported a growth of ~32.1% on a y-o-y basis while for FY26 the revenues grew by ~19.6%. The performance was attributed to the API and the formulations business segment which grew by ~16% and ~54% respectively for the quarter under review. The API business inclusive of captive sales registered revenues of Rs2,590mn for Q4FY26. As far as the formulations business is concerned, excluding the licensing income the base business clocked a growth of ~64% for the quarter and ~75% in FY26. In terms of developments under the main business segment-**API**; the growth was on account of both the oncology as well as non-oncology sub-verticals. During the quarter under review, the company added 15+ new onco APIs to its pipeline for which validation is expected to be completed within the next 12-18 months. For the new onco block; expansion is in progress and is expected to be completed towards the end of FY27E. Under the non-onco sub-vertical, the commercialisation of the expanded capacities has resulted in improved utilisations for the non-onco products. The **formulations (FDF)** business revenues reported a growth of ~54% on a y-o-y basis for the quarter and ~30.4% for FY26. The main contributor for such a strong growth in the FDF business was led by the **EU formulations** that grew by ~60% on a y-o-y basis in Q4FY26 and almost doubled its revenues in FY26 by crossing milestone revenue mark; the revenues earned in FY26 came in at ~Rs2.2bn; going ahead, the Management expects a healthy growth in the EU formulations. The traction in terms of developing a meaningful pipeline for the FDF business continues to remain the focus for the company. NorUDCA continues to gain meaningful commercial traction, driving domestic formulations growth and the order book visibility for the upcoming quarters continues to remain healthy. In terms of revenue generation, FY29E is expected to see a larger contribution especially from the EU markets while for the RoW markets the revenues are expected from FY28E onwards. The **biologics** business reported sales of Rs410mn for the quarter and Rs150mn for FY26; slowly increasing on the overall share of this business to the reported revenues. During the quarter, the company has added 4 new biosimilar programs which further adds to the overall pipeline in the biologics portfolio. So far, the business has always contributed towards the Indian markets (in terms of partnerships and products), but with the recent strategic licensing agreement with SteinCares, the company would commercialise a high value biosimilar (Nivolumab) across 30+ LatAm countries; marking Shilpa's entry into this region; the launch horizon is targeted in FY29E. In addition to this, the ADC as well as 2 other products are expected to enter the regulated markets in FY27E; thus, the Management expects commercial revenues to start to reflect especially from the EU and RoW markets from FY29E. The CDMO business client engagements are an ongoing process where the company intends to enter into few additional programs which are under the discussion stage and are expected to be converted in the near term. Potential Phase-3 data announcement on recombinant Albumin in liver disease will be a key announcement expected in FY27E that can be transforming for the company from a long term growth perspective. On the financial front, Ebitda margins for the quarter stood at 27.4% and at ~28.2% in FY26. The endeavour of the Management is to scale up the Ebitda margins from the current level (targeting an aspiration of ~35% over the medium to long-term). Excluding the exceptional items, the adjusted PAT stood at ~Rs827mn; growth of ~83.5% on a y-o-y basis and for FY26 the adjusted PAT stood at Rs2,311mn. From a long-term perspective, the company has a couple of growth parameters which includes healthy momentum from the EU markets, steady growth expected from the API business and progressing biologics pipeline coupled with the entry into the LatAm markets (forayed recently). **We thus continue to maintain hold on the stock for a revised target of Rs570 (earlier target of Rs500 was achieved).**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
Aurobindo Pharma Ltd **CMP: Rs1431** **Target: Rs1650**	The net sales for the quarter reported a growth of 5.6% to Rs88.53bn as compared to Rs83.82bn in Q4FY25. The Ebitda margins for the quarter under review stood at 19.8% as compared to 21.4% in Q4FY25. The company reported profit of Rs9.21bn as compared to Rs9.03bn in the same quarter last year. The EPS for the quarter stood at Rs15.86 as compared to Rs15.56 in the corresponding period of last year. For FY26, the revenues came in at Rs336.53bn as compared to Rs317.24bn; growth of 6.1% while the PAT stood at Rs35.03bn as against Rs34.84bn. The EPS came in at Rs60.34 as against Rs59.81 in FY25. **Outlook and Recommendations:** The company has reported decent set of numbers for the quarter under review with revenue growth of ~5.6% on a y-o-y basis and ~6.1% for FY26 (highest ever quarterly sales for the quarter and the full year as well). The growth was attributed to stable volumes and sustained momentum in its regulated markets. Although the US markets reported a drop of ~13% on a y-o-y basis for the quarter due to lower transient sales; it was off-set by a strong performance in the EU markets (that registered a growth of ~30.1% on a y-o-y basis) and Growth markets that grew by ~24.7% in Q4FY26. Ex-Revlimid, the overall sales for the quarter and the full year would have reported a growth of ~15.3% and ~9.5% respectively. Excluding the gRevlimid contribution, the Management anticipates the base business in US to register a 2x growth. Growth for the US markets would be driven by generics, revenues from new product launches, Lannett integration, potential in-licensing opportunities, ANDA related acquisitions and growth from own products which can help scale the US revenues to ~USD2bn over the near term. In line with the earlier guidance for the EU business, the revenues crossed its milestone mark of EUR1bn+ in FY26 and for the quarter the sales increased by ~30.2% on a y-o-y basis (in EUR terms at EUR261mn; growth of ~11% on a y-o-y basis). Going ahead with a cautious approach (due to geopolitical concerns), the Management expects the EU business to report a 2x growth on a constant currency basis. Revenues from the growth market grew by ~18% on a y-o-y basis with sales at USD107mn in Q4FY26 led by strong performance across the markets. The ARV business registered sales of USD36mn; the momentum in this business continued with slight variation on a q-o-q basis led by tender based opportunities. The API sales for the quarter came in at Rs12.08bn; ~13% y-o-y growth driven by volume growth in non-antibiotic segment. On the biosimilars front, progress in terms of approvals (in the regulated markets) and filings are under progress. Additionally, with over 30 leading biologics that are expected to go off-patent between 2028-2035; offers immense growth potential for CuraTeQ's (WoS) biosimilar portfolio. The total addressable market size over the next decade is ~USD50bn; while at the same time demand from RoW and semi-regulated markets is expected to rise on increasing biosimilars adoption and CuraTeQ is already filing in multiple growth markets. Even after considering the price erosion in this competitive market, the Management expects the gross margins to be at ~65-70% and as and when the products mature, these can inch upto ~70-75% (over the next 5-6 years). The target to produce more than 10,000MT and achieve a capacity utilisation of ~80%+ for the Pen-G project with improved yields is expected to continue for long-term. The China plant is anticipated to Ebitda breakeven in FY27E with margins at low double-digit. The greenfield project with TheraNym Biologics is expected to get commissioned in 2029 and from 2031 onwards unit-2 would start generating sales. The gross margins for the quarter improved to ~61.3% as against 59.1% in Q4FY25. The absolute Ebitda as well as Ebitda margins before the forex loss of Rs482mn for the quarter remained flat with margins at ~20.3%. Adjusting for the same, the Ebitda margins for the quarter came in at ~19.8% view. Going forward, the Management expects Ebitda margins to sustain at ~21% (after considering all the necessary factors related to freight costs, currency related movements and raw materials prices) and thereafter improve further. The overall PAT grew marginally by ~2% on a y-o-y basis which was slightly cushioned by the deferred tax assets for the quarter under reference. Overall, the company is decently placed for the targets set and as and when they materialise would further enhance the overall business for Aurobindo. **We have achieved our target of Rs1300 and we continue to maintain an accumulate on the stock for a revised target of Rs1650.**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
GMM Pfaudler Ltd **CMP: Rs770** **Target: Rs1200**	On a consolidated level, the company has reported net sales of Rs9436mn as compared to Rs8066mn in Q4FY25, growth of 17.0%. The Ebitda margins for the quarter under review stood at 8.0% as compared to 10.3% in Q4FY25. The company reported a profit of Rs153mn as compared to loss of Rs279mn in the same quarter last year. The EPS for the quarter stood at Rs3.82 as compared to Rs(6.0) in the corresponding period of last year. For FY26, the revenues came in at Rs35239mn as compared to Rs31987mn; growth of 10.2% while the PAT stood at Rs518mn as against Rs492mn. The EPS came in at Rs12.86 as against Rs11.78 in FY25. The Board has recommended a final dividend of Rs1 per equity share of FV of Rs2 each for FY26. **Outlook and Recommendations:** During Q4FY26, the company has delivered a stable performance despite operating in a difficult global environment. Demand across international markets continued to remain weak, especially within traditional chemical industries, and has impacted execution across regions in Europe. However, the company continued to maintain steady business momentum driven by strong execution in India, improving order inflows and better traction across diversified industries. The increase in order intake and order backlog particularly from non-traditional sectors such as defence, nuclear, semiconductor, oil & gas, petrochemicals, metals and minerals has now started benefiting the company. Earlier the company was largely dependent on chemical and pharmaceutical sectors, but now the business model is becoming much more diversified and balanced. This is important because many of these new sectors offer larger industrial opportunities, longer project cycles and stronger future capex potential globally. Mixing technologies is emerging as one of the most important future growth areas with strong long-term scalability as it offers multiple growth levers through market share gains, geographical expansion and cross-selling opportunities. The Systems business is also becoming an important segment for growth where customers demand is increasing towards specialized process equipment, corrosion-resistant technologies and integrated engineering solutions. Opportunities across oil & gas, defence, petrochemicals, nuclear and industrial infrastructure continue to improve and this segment can become a larger contributor to future order inflows and revenue growth over the next several years. GMMP is aligning its global operations more efficiently across products, industries and geographies to improve execution and create a stronger platform for future growth. The newly operational Poland low-cost manufacturing facility can improve manufacturing competitiveness, support better operating leverage and strengthen the long-term margin profile of the international business. The company appears to be entering the next phase of growth with a stronger order backlog, leaner cost structure, diversified business mix and improving exposure towards high-growth industrial sectors. As global industrial demand gradually recovers, GMMP can benefit from operating leverage, stronger execution and rising opportunities across both traditional and non-traditional markets. However, in the current uncertain scenario, the company is having stress related to profitable volumes growth. The recent acquisitions are leading to increase in the goodwill/intangibles which are putting a dent in the overall return ratios. This also invites integration, capital allocation and impairment risks. Though the revenues, backlog and global footprint is increasing, the operational efficiencies are not increasing in the same proportion. Even though the company has a good cash reserve, the total debt continues to increase. The global complexities are increasing the integration risk, reducing the ROCE, increasing opacity with repeated restricting costs with margin inconsistency, **we thus reduce our estimates and target price to Rs1200.**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
Remsons Industries Ltd **CMP: Rs94** **Target: Rs140**	The net sales for the quarter reported a growth of 22.8% to Rs1304mn as compared to Rs1062mn in Q4FY25. The Ebitda margins for the quarter under review stood at 8.4% as compared to 10.3% in Q4FY25. The company reported profit of Rs52mn as compared to Rs46mn in the same quarter last year. The EPS for the quarter stood at Rs1.50 as compared to Rs1.31 in the corresponding period of last year. For FY26, the revenues came in at Rs4687mn as compared to Rs3766mn; growth of 24.5% while the PAT stood at Rs181mn as against Rs144mn. The EPS came in at Rs5.18 as against Rs4.12 in FY25. The Board has recommended a dividend of Rs0.10 per share of FV of Rs2 each for FY26. **Outlook and Recommendations:** The company has reported a strong performance for the quarter under review which reflects improved operating leverage and disciplined execution. This performance has been driven by continued focus on higher-value products, improved operational efficiencies across plants and better realisation in the export markets. Remsons has been working on strengthening its product mix and improving its cost structures. Some of the key strategic initiatives which the company currently is following includes strengthening of the core business, moving further up the value chain with higher margins, expanding the product offering/ portfolio and gradually diversifying into the railways segment to generate additional growth. The company now offers products for lighting, sensors, pedal systems, gear shifters, mobility kits, embedded systems and railway braking systems. The revenue split for the quarter under review stood as passenger cars ~42%, 2W/3Ws ~34%, CVs ~19%, off highway ~4% and others ~1% whereas the OEM and aftermarket share came in at ~92% and ~8% respectively. The company has successfully expanded its portfolio with products for the next-gen offerings and fetched better growth via JVs/collaborations/M&A while building a global business model based on customer-centricity, digital prowess and strategic efficiency. The Management is steadily progressing towards its ambitious target of achieving a revenue mark ~Rs9-10bn by FY30E and an Ebitda margin at ~11-13%. The business appears to be visibly moving from a low-value mechanical parts manufacturer to an engineered system with electronics linked products for premium applications. One of the strongest displays of progress in Remsons, is the gradual increase in the Ebitda margins from ~4% in FY21 to ~11% in FY26. All these factors indicate successful value migration with good pricing power and better product mix. The current quarter Ebitda margins were slightly impacted on account of slightly higher expenses (~25.4% increase on a y-o-y basis). As the company does not have a direct exposure to the Middle Eastern markets (the focus is more towards UK, EU, North America, Brazil, Mexico and SAARC); the overall direct impact on the total sales is very limited; rather restricted more towards on the logistical and input costs front and not on the demand side. Recently, in Jan 2026, the company received an order worth ~Rs600mn from a leading Indian CV OEM Manufacturer for Gear Shifter with Push Pull Cables to be executed in the next 5 years. In May 2026, the subsidiary company (Remsons Automotive Ltd) was nominated for a 10-year Pedal Box Programme by a global CV OEM carrying an estimated lifetime value of ~Rs1600mn with start of production scheduled for Q4CY28. The subsidiary was also nominated by a global CV OEM for a 6-year Hood Rod contract for a value of ~Rs300mn, with an anticipated start of production scheduled for Q1CY27. Going forward, the recent order wins, ramp-up expected from the Stellantis order (deliveries expected in FY27E), potential for the railway product offerings for both the domestic as well as international markets, further evaluate inorganic options, expand the product portfolio over the medium term for defence, focusing on margin accretive assets of BEE Lighting and gradual synergistic benefits from the past acquired JVs are some of the driving pillars to growth. The Management anticipates an indirect impact on the Ebitda margins in the upcoming quarter which is attributed to the freight rates/shipping routes/fluctuations in the raw material prices if the external concerns are not put to rest. In addition to this, the integration/acquisition risks are also important factors which Remsons has to tackle. **Accordingly, we have toned down margins/PAT estimates and reduced the target price to Rs140.**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
Sandhar Technologies Ltd **CMP: Rs675** **Target: Rs770**	The net sales reported a growth of 28.9% to Rs13.07bn as compared to Rs10.14bn in the same quarter last year. The Ebitda margins for the quarter stood at 9.9% as compared to 10.2% in the comparative quarter last year. The company reported profit of Rs0.64bn as compared to Rs0.43bn in the same quarter last year The EPS for the quarter stood at Rs10.6 as compared to Rs7.08 in the corresponding period of last year. For FY26, the revenues came in at Rs48.52bn as compared to Rs38.85bn; growth of 24.9% while the PAT stood at Rs1.99bn as against Rs1.42bn. The EPS came in at Rs33.0 as against Rs23.5 in FY25. **Outlook and Recommendations:** The performance in FY26 has been in line with expectations with all-time annual revenues reported at Rs48.52bn, higher by 24.9%. On the quarter as well, there has been a strong revenue growth of 28.9% y-o-y. The Ebitda margins came in at 9.9% in Q4FY26, leading to PAT growth of 49.8% y-o-y. India operations reported growth of 27.7% y-o-y with Ebitda margins of 11.9% and RoCE of 21% (up by 33%). In terms of the **new businesses**, the overall investment stands at Rs3,400mn with Rs4,680mn revenues generated in FY26. At the PBT level the loss is Rs460mn. This investment is expected to generate 2.5x in FY27E (target of Rs7,000-7,500mn). For FY26, the **overseas business** revenue de-grew by 8.4% in EU terms to EUR46mn and PBT was loss of EUR2.56mn impacted by the geopolitical situations with the month of April witnessing gas/RM/manpower issues. But the positive was that in Q4 it stood at 14.6% Ebitda so is at neutral/breakeven PBT levels. **Romania** is expected to breakeven on the profitability mode from FY28E onwards. For the loss-making unit of Sundaram Clayton, shifting is in progress and is expected to be completed by Q2, with turnaround expected from Q3 onwards; however, PBT level losses to continue for the year. It clocked revenues of Rs3690mn in FY26. The company is aggressively working on expanding the new customer base and wallet share with the existing customers. On the **JV performance**, all the 5 have reported a satisfactory performance for the year, with revenues of Rs2,570mn and Ebitda of Rs282.5mn. One of the visible moves by the Management is the categorization of the different segments of aluminium casting, sheet metals, auto proprietary business and construction equipment which are developing into standalone business entities. The **EV segment** is on track with FY26 revenues at Rs200mn; expected to double revenues in FY27E. The company is well positioned to capitalize on the strong outlook for the auto sector, driven by enhanced product offerings, increase in SOB with existing customers and new customer acquisitions. The company has a well-spread portfolio across die casting, sheet metal, vision systems and locking systems that provides structurally diversified growth and revenue resilience. The company has announced it is exploring opportunities in the field of vehicle telematics, wheel speed sensors, instrument clusters, electronics domain and similar latest technologically advanced products and will form a technology agreement or JV for these offerings. With Management guiding for calibrated capex spend (5-7% of the yearly revenues); going forward, scheduled debt repayments and healthy cash flow generation (~10% CFO), the debt is expected to reduce going forward. The company has guided of revenue growth of ~15% for FY27E and 0.5% improvement in Ebitda margins. With the target of doubling revenues every 3-4 years; if by 2030 the company stands at Rs100bn then the PAT would range around Rs4,500mn to get to the peak RoCE of 20%. The company has a strong clientele base across OEMs in different segments of 2W/4W/CVs/OHVs and EVs, holding on to the strong potential of growth from the existing as well as new addition of customers. It is present across the different levels of the automotive component critical value chain, providing products and services that range from product design and prototyping to tool manufacturing, assembly, as well as production of integrated components. The key triggers going ahead would be ramp-up of the new facilities, margin expansion, pick-up in smart locks business, turnaround in JV/subsidiaries. The focus will remain on enhancing operational efficiency, improving margins, generating free cash flow and improving return on capital employed. **We maintain a hold on the stock for a revised target of Rs770 (earlier target of Rs660 has been achieved).**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
Torrent Pharmaceuticals Ltd **CMP: Rs4394** **Target: Rs5000**	The net sales for the quarter reported a growth of 41.8% to Rs41.97bn as compared to Rs29.59bn in Q4FY25. The Ebitda margins for the quarter under review stood at 32.3% as compared to 32.6% in Q4FY25. The company reported profit of Rs3.64bn as compared to Rs4.98bn in the same quarter last year. The EPS for the quarter stood at Rs11.5 as compared Rs14.7 in the corresponding period of last year. For FY26, the revenues came in at Rs139.8bn as compared to Rs115.1bn; growth of 21.4% while the PAT stood at Rs21.38bn as against Rs19.11bn. The EPS came in at Rs63.92 as against Rs56.47 in FY25. The Board has declared final dividend of Rs9 per equity share of Rs5 each. **<u>Outlook and Recommendations:</u>** Despite the strong revenue growth during the quarter, the overall costs as well as the severance compensation linked to the acquisition weighed on the overall profitability; which came lower by 26.9% y-o-y. The exceptional costs include Rs700mn towards regulatory, statutory and other costs while Rs190mn was the severance linked to restructuring JB Pharma's distribution network. The total revenues reported growth of 41.8% y-o-y led by the domestic formulations business. India market which is the largest for Torrent reported growth of 43% y-o-y backed by the chronic therapies. The base business grew 15% for FY26 v/s IPM growth of 10% as per AIOCD PharmaTrac dataset. The Gx Semaglutide launch also saw a strong start, securing 38% market share (oral and injectable combined) as per April 26 PharmaTrac data. Going forward, growth in the Curatio portfolio, first-to-market launch of Resmetirom and improving MR productivity shall support mid-teens organic growth in FY27E. Brazil revenues grew by 30% at Rs4,550mn for the quarter while in CC terms the revenues were up by 11% (market growth was at ~6% and Torrent grew at ~17%) at 259mn Brazilian real (BRL). The growth was attributed to performance across top brands and new launches. There are 58 products under the ANVISA review. As per the Management, in Brazil, Semaglutide is an USD1bn opportunity; while the company awaits local semaglutide approval and expects to be among the first five players in gOzempic. It plans to grow 10-15% in FY27E backed by new launches and the overall market expansion. On the other hand, US grew by 31% y-o-y while the base business revenue grew by 16% y-o-y, in constant currency terms the revenue for the quarter came in at USD38mn up by 9% on a y-o-y basis. Germany revenues grew by 16% while in CC terms there was decline of a percent due to supply disruption at a third-party supplier. The Ebitda margins stood at 32.3% for the quarter. For FY26, the total revenues grew by 21.4% with margins of 32.6% and PAT growth of 11.9% y-o-y. In terms of JB merger, NCLT approval is pending and the hearing is expected to happen in a months' time. On the overall cost synergy benefits, the Management expects the same to be ~Rs4000-4500mn over the next 2-3 years; 20% in 01st year (effect to be seen in subsequent quarters), 80% expected in 02nd year and balance in the 03rd year. Torrent's semaglutide launches and the addition of JB Pharma are expanding the company's presence in chronic therapies, including diabetes and metabolic disorders. **We maintain hold on the stock for a revised target of Rs5000 (earlier target of Rs4700 has been achieved).**

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

Result Synopsis	
Company	**Result This Week**
FDC Ltd **CMP: Rs404** **Target: Rs500**	The net sales for the quarter reported growth of 18.9% to Rs5,848mn as compared to Rs4,919mn in Q4FY25. The Ebitda margins for the quarter under review stood at 18.2% as compared to 11.0% in Q4FY25. The company reported profit of Rs1,034mn as compared to Rs387mn in the same quarter last year. During the quarter under and full year, the parent company recognized a fair value loss of Rs132.9mn (factored in other expenses) and fair value gain of Rs117.9mn (factored in other income) respectively. The EPS for the quarter stood at Rs6.35 as compared to Rs2.38 in the corresponding period of last year. For FY26, the revenues came in at Rs21,709mn as compared to Rs21,081mn; growth of 3% while the PAT stood at Rs2814mn as against Rs2668mn. The EPS came in at Rs17.2 as against Rs16.3 in FY25. **Outlook and Recommendations:** The company has reported revenue growth of 18.9% on a y-o-y basis for the quarter under review. The performance was attributed to all the key business segments registering a healthy growth. The domestic formulations business grew by ~8.5% on a y-o-y basis for Q4FY26 whereas for the full year the performance was slightly muted on account of subdued performance in top brands like Zifi, Electral and Enerzal. US business reflected a strong performance for the stated quarter with revenues at Rs390mn. The supplies stood at Rs710mn; growth of ~165.1% on a y-o-y basis; attributed to improved execution and demand momentum. The overall US business grew by ~46.9% on a y-o-y basis in FY26 on account of improved profit share from the US partners. As far as the export formulation sales are concerned, this business segment has improved consistently over the last 2-3 quarters supported by improved supplies and better execution across the US and focused markets. The overall sales grew by ~99.3% in Q4FY26 and by ~23.5% in FY26. The API business too has reported a decent performance for the quarter as well as the full year. After a subdued performance over the past couple of quarters; FDC has reported a better topline for the quarter under review majorly led by a rebound in the domestic and the US formulations business. On a q-o-q basis as well the performance has been much better than expected. The Ebitda margins have come in stronger at 18.2% for the quarter led by enhanced operational efficiencies. Excluding the fair value loss on financial instruments (accounted in other expenses), the margins would have been at ~20.5% in Q4FY26. The other income is higher during the quarter which has led to inflated profits; however, even after excluding the fair value gain reported on the financial instruments, the profits have reported a fairly reasonable growth. For FY26, the other income includes the component of fair value gain amounting to Rs117.9mn. The exceptional item of ~Rs208mn in FY26 pertains to incremental estimated obligations related to labour code. Excluding these, the overall PAT would have reported a growth of ~9% on a y-o-y basis when compared to FY25. The company has been working towards expanding its footprint in the international market while sustaining its focus towards the domestic markets. The company continues with its conscious effort to increase the market share for Electral brand. The future high growth areas for the company are aligned towards the energy drinks, growth in ORS, cardiovascular while at the same time working on new product introductions in the anti-diabetic space. The company is also working towards enhancing its share in the chronic space but anticipates immense opportunities in the acute therapy in the medium to long-term. FDC has always maintained the strategy of not getting into newer brands but rather work on line-extensions. This is validated with the fact that flagship brands continue to be consistent category leaders and have multiple SKUs which would drive consistent growth in the near term. Backed by all these fundamental rationales **we continue to remain positive on the stock and maintain an accumulate for a revised target of Rs500.**

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Result Synopsis	
Company	**Result This Week**
Royal Orchid Hotels Ltd	We had initiated coverage on Royal Orchid Hotels Limited on 28th Sept, 2022 at Rs281 for a target of Rs360. The stock had made a high of Rs594 (in Sept'25). We had initiated coverage betting on the new hotel additions which did happen to a large extend although with a lag, and led to lower than expected CF from the same. There have been steep declines in profits and PBT, impacted by rising interest costs and elevated employee expenses. In the recent quarters, there has been an operational disconnect witnessed where revenue growth is not translating into profits. Although the company works on asset light strategy, the capital efficiency has remained moderate to low. The core vision is highly dependent on the founder despite that the next generation has joined in as well. Definitely this would have a fresh outlook but the conversion will be long and gradual. We feel at the current juncture; the gestation and consolidation has gone beyond the expected timeframe with no clarity yet to bet on in terms of future triggers. We thereby close the call and recommend to book profits. **<u>Outlook and Recommendations:</u>** We close the call on the stock.

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

NIFTY (WEEKLY)

BANK NIFTY (WEEKLY)

MARKET OUTLOOK

During the week, **Nifty50** breached its narrow trading range but failed to sustain the momentum, later slipping back into its broader range of 23,330-24,070/24,125. For **Bank Nifty**, the immediate resistance and support levels are placed at 54,820 and 53,640, respectively. Among sectors, one should start observing the **Auto segment**, as several stocks along with the sector itself appear to be nearing the end of their consolidation phases **(Motherson Sumi-Near major Rounding Bottom Breakout, TI India-Falling Channel Breakout, TMPV-On the brink of a Falling Channel Breakout).** After delivering a stellar performance in recent months, the **Capital Market Index** has given an indication of a temporary pause in the form of a bearish divergence; however, a long-term uptrend is still intact. In our previous weekly note, we categorically mentioned **Power stocks**, particularly **Adani Power, CG Power**, from the **Energy segment**, and these counters have largely performed in line with our expectations. Based on our technical coverage, the stocks have achieved our primary targets, and given the sharp rally witnessed recently, a phase of mild profit-booking correction cannot be ruled out. Despite this, our broader outlook on the stocks continues to remain positive. Following a prolonged phase of weakness, the **IT sector** is now forming an **Inverted Head and Shoulders pattern** near the bottom, and a confirmed breakout could potentially shift the short-term trend from negative to positive. In the **Metal segment**, a bearish engulfing pattern accompanied by negative divergence on the daily chart at record highs, along with a shooting star formation on the weekly chart, suggests that the ongoing rally may be losing strength. Meanwhile, the **Pharma segment** has concluded its congestion with a Symmetrical Triangle pattern breakout on the monthly chart, indicating a resumption of its primary uptrend. Several constituent stocks are also displaying constructive technical setups (**Caplin Point-Pennant and Pole Breakout, Gland Pharma-Symmetrical Triangle Breakout, Granules-Rounding Bottom Breakout, and Zydus Lifesciences-Trendline Breakout).** The **Realty sector** is gradually advancing towards the neckline of an Inverted Head and Shoulders pattern. A decisive breakout above this level could potentially trigger a strong upward move. On the macroeconomic front, multiple positive tailwinds continue to support the Indian economy, including easing crude oil prices, the possibility of an India-US trade agreement, and improving geopolitical stability through a potential Iran-US/Israel peace deal. Should any such developments materialise in the coming week, they could significantly boost the market sentiment and act as a catalyst for the indices to move higher.

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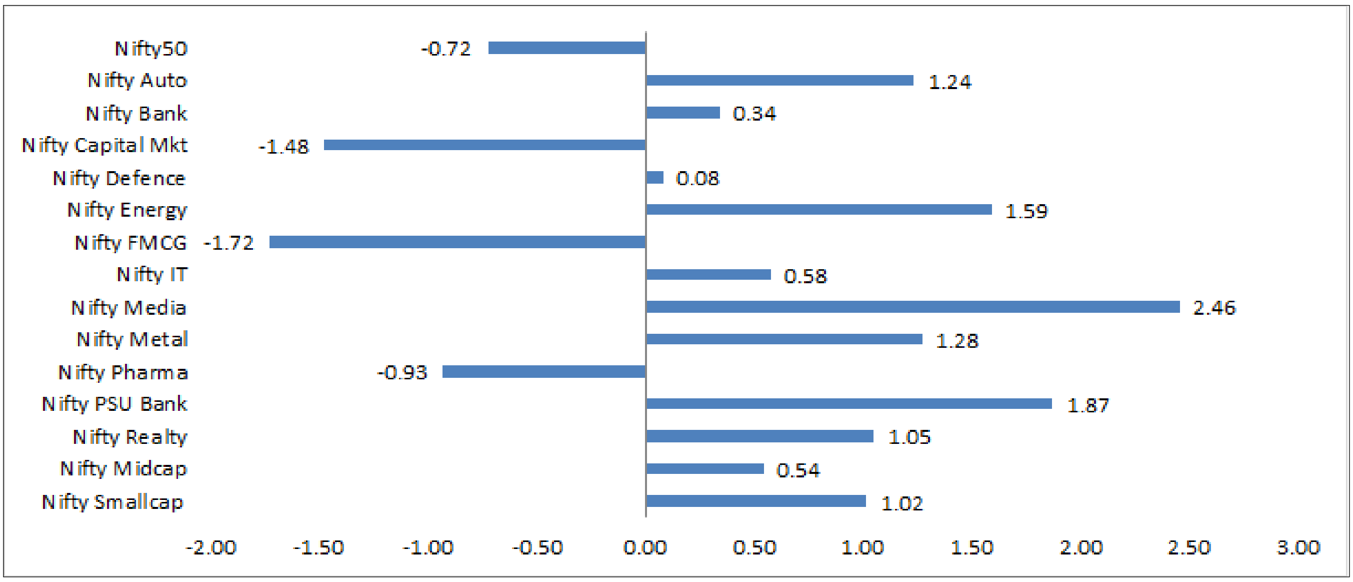
NIFTY 50 COMPONENTS (WEEKLY PERFORMANCE)

Adani Enterprises	8.12%
Adani Ports	1.34%
Apollo Hospital	(1.56%)
Asian Paints	1.95%
Axis Bank	(0.04%)
Bajaj Auto	(0.82%)
Bajaj Finserv	1.51%
Bajaj Finance	(0.79%)
BEL	(1.00%)
Bharti Airtel	(2.44%)
Cipla	0.51%
Coal India	0.39%
Dr. Reddy's Labs	0.76%
Eicher Motors	3.26%
Eternal	3.79%
Grasim	(0.55%)
HCL Tech	1.29%
HDFC Bank	(2.83%)

HDFC Life	(3.01%)
Hindalco	1.99%
HUL	(2.00%)
ICICI Bank	(0.53%)
Indigo	(0.27%)
INFY	(1.58%)
ITC	(4.68%)
JioFin	0.51%
JSW Steel	(0.82%)
Kotak Bank	0.27%
LT	3.99%
M&M	(0.61%)
Maruti	1.58%
Max Healthcare	(5.67%)
Nestle India	1.35%
NTPC	0.13%
ONGC	(8.33%)
PowerGrid	(2.16%)

Reliance	(2.66%)
SBI Life	(1.18%)
SBIN	1.65%
ShriRam Finance	1.38%
Sun Pharma	(1.98%)
Tata Consumer	(1.56%)
Tata Steel	0.40%
TCS	(2.67%)
Tech Mahindra	3.92%
TITAN	0.32%
TMPV	8.53%
Trent	(1.58%)
UltraTech	(0.75%)
Wipro	0.56%

SECTORAL PERFORMANCE



HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

SECTORAL GAINER

The **Media sector** soared by 2.46% and outperformed the Benchmark Index. Some of the components like **Zeel (+12.72%), Saregama (+6.25%)** and **Hathway (+6.09%)** ended the week with significant gains, while stocks like **PFocus** and **TIPS Music** lagged by correcting **4.50% & 2.92%,** respectively. As shown in the chart, the sector is developing an **Inverted Head and Shoulders pattern**, and a breakout will shift the trend from negative to positive for the short to medium term.

SECTORAL LOSER

With a loss of 1.72%, the **FMCG segment** lagged. Except for **Nestle (+1.35%)** and **UBL (+0.30%),** all the constituents settled the week in red, with **ITC (4.68%)** and **Colpal (4.40%)** being the major underperformers. As depicted in the above chart, the sector is in the strong grip of bears with the Falling Wedge pattern.

HIGHLIGHTS OF THE WEEK 25 May 2026-29 May 2026

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