sajag online

Regd. Office : 'Regent Chambers', Opp. Garware College, 33/15-B, Karve Road, Pune 411004.

December 2025 / Vol. XXVIII / Issue 12

Core Purpose	:	**To continuously delight our customers by offering trustworthy services for Wealth creation**
Core Values	:	**We meet Statutory and Non-statutory Obligations on Due date. We do not encourage speculation. Right attitude towards Clients. Client is always Right. Client deserves Trustworthy Advice. We are Trustee of Client's Assets when in our Custody.**
Our Mission	:	**To pursue Quality Advice and Ontime Services in Healthy Atmosphere leading to benefit of all Stakeholders**

Index and data indicators

Indian indices marked lowest closing in December 2011, so data near to the month is taken for reference, RBI FY26 GDP growth forecast at 6.5%

Time period	30-11-2025	30-11-2024	31-12-2011
Nifty	26202.95	24131.1	4624.3
Valuation			
Trailing PE	22.81	22.21	16.75
Trailing PB	3.56	3.6	2.76
Mcap/GDP	1.22	1.25	0.69
Nifty Return			
1 year	8.59%	19.86%	-24.62%
2 year	14.08%	13.42%	-5.71%
3 year	11.79%	12.42%	16.04%
EPS Growth			
1 year	5.73%	16.13%	10.17%
2 year	10.81%	14.26%	10.90%
3 year	11.34%	14.44%	6.56%
Other Data Points			
Credit growth	11.40%	11.10%	16.80%
10-year bond yield	6.51	6.75	8.56
Brent Oil Futures	62.51	72.94	107.38
USD/INR	89.35	84.55	53.01
Gold (oz/USD)	4254.9	2681	1566.8

Source: RBI, NSE, Sajag Research

MARKET REVIEW

Nifty hits a record high!

In the month of November, Nifty hit fresh record highs as earnings optimism and rate-cut hopes fuelled the ongoing rally.

Key developments during the month were,

- India's retail inflation (CPI) fell sharply to 0.25% in October 2025 from 1.54% in September, driven by deflation in food prices, including vegetables, pulses, and other items. Wholesale price inflation (WPI) turned negative at -1.21% y-o-y in October, down from 0.13% in September, due to lower prices of food articles, crude petroleum, natural gas, electricity, mineral oils, and basic metals.
- The Index of Industrial Production (IIP) growth slowed to 0.4% in October 2025 from 4% in September, impacted by fewer working days from festivals plus weak mining and electricity output. Sector-wise growth rates for October 2025 were: Mining -0.4%, Manufacturing 1.8%, and Electricity -6.9%. Industrial production growth eased significantly from 4% in September 2025.
- India's central government fiscal deficit for the period April-October 2025 reached INR 8.25 trillion, or 52.6% of the annual budget estimate (up from 36.5% in April-September). Total receipts rose, supported by non-tax revenues, while capital expenditure on infrastructure increased y-o-y to bolster growth amid US tariff pressures. This pace suggests the government remains on track for the FY26 target of around 4.4% of GDP, with expenditure up approximately 9-10% y-o-y in recent months.
- India's exports contracted 11.8% to $34.38 billion in October, imports jumped 16.63% to $76.06 billion. The country's trade deficit stood at $41.68 billion during the reporting month. Imports surged due to increased shipments of gold and silver. Gold imports jumped to $14.72 bn in the last month against $4.92 bn recorded in the same month last year. During April-October this fiscal, exports increased marginally by 0.63% to $254.25 billion. At the same time, imports rose 6.37% to $451.08 billion. Despite the increase in exports, imports outpaced growth, widening the trade deficit. The rise in imports was partly due to strong domestic demand and higher oil imports. Shipments to the US were affected by tariff hikes, but overall export performance showed resilience amid global trade challenges.
- India's GST revenue in November 2025 rose 0.7% y-o-y, reaching ₹1.70 lakh crore. This modest growth reflects resilience in import-related collections (up 10.2% y-o-y), offsetting a 2.3% decline in domestic GST receipts. Net GST collections after refunds stood at ₹1.52 lakh crore (up 1.3% y-o-y), maintaining the streak above ₹1.5 lakh crore and supporting fiscal stability despite the slowdown from September's 9.1% rise. Cumulative April-November FY26 gross collections grew 8.9% y-o-y to ₹14.75 lakh crore.
- India's GDP growth for Q2 FY26 (July-September 2025) was a robust 8.2%, a six-quarter high, driven by strong manufacturing, consumer spending, and export momentum, despite ongoing US tariffs and global uncertainties. This growth beat market expectations and reflects the resilience of the Indian economy supported by government spending and GST tax cuts.
- Foreign Institutional Investors (FIIs) recorded a net outflow of around ₹3,765 crore from Indian equities in November 2025, continuing a trend of selling driven by global risk-off sentiment, geopolitical tensions, and volatility in tech stocks. Despite this, FIIs showed preference for primary market investments, with inflows of about ₹11,454 crore, partially offsetting secondary market selling. Domestic Institutional Investors (DIIs), meanwhile, remained strong buyers, having purchased around ₹6.98 lakh crore in equities in 2025 to support market stability.

As the month progressed, easing inflation and supportive global cues boosted investor confidence, which was otherwise a little cautious. Renewed optimism over a potential India-US trade agreement and rising expectations of an upcoming

Performance of key sectoral indices

Nifty Realty	2.16%	Nifty Metal	0.08%
Nifty Pharma	1.15%	Nifty MNC	0.07%
Nifty Bank	0.65%	Nifty Auto	-0.03%
Nifty Energy	0.36%	Nifty IT	-0.03%
Nifty India Consumption	0.29%	Nifty FMCG	-0.09%
Nifty Infrastructure	0.23%		

US Federal Reserve rate cut further fuelled market momentum. Sentiment was also lifted by political stability signals, with the NDA's strong performance in the Bihar elections reinforcing domestic confidence. Additionally, the ongoing Q2 earnings season also contributed to market gains, with several companies reporting encouraging results. The Reserve Bank of India announced a series of trade relief measures aimed at easing pressures on exporters struggling with global trade disruptions and tariff-related headwinds.

Throughout November 2025, global equity markets were influenced by growing concerns about the elevated valuations of technology and AI-related stocks, which account for a significant share of major indices. S&P 500 Index, ended November relatively flat after a volatile month of trading. The Japanese equity market was highly volatile, with the Nikkei falling 4.12%.

Market Outlook

The OECD projects India's real GDP to grow 6.7% in FY26, 6.2% in FY27, and 6.4% in FY28. Higher US tariffs are expected to weigh on exports, but domestic demand remains resilient, supported by rising real incomes, moderating inflation, and lower consumption taxes. Investment momentum is set to remain strong, aided by easing borrowing costs and sustained public sector capex. Headline inflation, currently subdued, is expected to gradually converge toward the 4% target. India's fiscal stance is assessed as broadly neutral, supportive enough to cushion near-term global trade headwinds while prioritising the rebuilding of fiscal buffers. The OECD sees scope for further rate cuts, with the policy rate potentially moving towards ~5% by FY26-27, assuming inflation expectations stay anchored.

- China's economic momentum softened in October, with policy restraint and weakening demand weighing on activity. The People's Bank of China kept the 1-year and 5-year Loan Prime Rates unchanged at 3% and 3.5%, respectively, marking a fifth straight month of policy pause despite fading growth impulses. Industrial output grew 4.9% year-on-year in October, easing from a 6.5% rise in the previous month and marking the weakest annual pace since August 2024. Retail sales increased 2.9% year-on-year in October, slightly lower than the 3% growth registered in September. Manufacturing conditions deteriorated as the official PMI slipped to 49 from 49.8, the lowest in six months, reflecting subdued domestic demand and persistent price competition, while non-manufacturing activity inched up to 50.1, helping keep the composite PMI at a neutral 50. Exports contracted 1.1% y-o-y reversing September's strong 8.3% rise amid weaker global demand and a sharp decline in shipments to the US, while imports slowed to 1% y-o-y, signalling soft domestic consumption and restocking. The trade surplus narrowed to USD 90.1 billion. Despite these mixed indicators, external institutions such as the World Bank revised China's 2025 growth outlook upward to 4.8%, closer to the official 5% target, reflecting expectations of a gradual, though fragile, stabilization in the months ahead.
- S&P Global Composite PMI climbed to 55.2 in October from 54.8, indicating expansion driven by services (54.9) though manufacturing eased to 51.3 amid tariff uncertainties under President Trump. The Fed held rates steady in November FOMC but signalled potential December cuts if data softens further, balancing labour weakness against persistent inflation. US nonfarm payrolls rose by 12,000 in October 2025, far below the consensus forecast of 113,000 and marking the weakest gain since late 2020 outside pandemic distortions, signalling deeper labour market cooling. The unemployment rate edged up to 4.1% from 4% in September, with average hourly earnings growth slowing to 3.8% y-o-y amid softening demand. CPI increased 0.2% m-o-m in October, lifting the y-o-y rate to 2.6% from 2.4%, while core CPI rose 0.3% m-o-m and 3.3% y-o-y, remaining sticky above the Fed's 2% target due to shelter costs and services. Retail sales grew 0.3% m-o-m, below expectations, reflecting cautious spending despite prior resilience, with year-to-date consumer strength moderating.
- The S&P Global Japan Manufacturing PMI rose slightly to 48.7 (final) from 48.2 in October, marking the fifth consecutive month of contraction but the softest decline since August amid gradual stabilization. New orders continued to fall due to weak domestic and global demand, particularly in automotive and semiconductors, though output improved to a four-month high; export orders dropped at the fastest pace in three months. The Bank of Japan held its benchmark short-term rate steady at 0.5% in November, consistent with prior restraint amid ongoing factory weakness and sticky inflation. Japan's wholesale prices inflation rose 2.7% in October from a year earlier.
- The ECB maintained its key deposit rate at 2% amid October inflation data pending full release, following September's 2.2% y-o-y rise across the Euro bloc. The EU proceeded with plans to cut tariff-free steel quotas and raise tariffs to 50% on excess imports, aiming to protect domestic producers amid global trade tensions. The UK economy grew 0.1% in the Q3CY25, slowing from growth of 0.3% in the Q2. In September alone, the economy contracted by 0.1%. The HCOB Flash Eurozone Manufacturing PMI slipped to 49.7 in November 2025, a five-month low, down from 50 in October and below expectations of 50.2. Both new orders and employment declined, with manufacturing employment now falling on a monthly basis for two and a half years.
- The HSBC Flash India Composite Output Index registered 59.9 in November, remaining well above the neutral 50 mark and its long-run average of 54.9, indicating continued strong expansion despite easing from 60.4 in October to a six-month low. The moderation in overall growth was driven by a softer rise in manufacturing output, with some firms reporting subdued new orders, while services activity strengthened compared with the previous month. The HSBC Flash India Services PMI Business Activity Index also improved, rising to 59.5 in November from 58.9 in October. The HSBC Flash India Manufacturing PMI fell from 59.2 in October to 57.4 in November, signalling the slowest improvement in nine months but still reflecting expansion. Meanwhile, the HSBC Flash India Manufacturing PMI Output Index stood at 60.7 in November, down from 63.7 in October.

As per RBI MPC, the global economy is holding up better than expected, though the earlier frontloading of trade is showing signs of normalising. Uncertainty has eased somewhat following the end of the US government shutdown and progress on trade agreements, yet it remains around. Investor sentiment remains upbeat on interest rate cuts by the Reserve Bank of India (RBI) and the US Federal Reserve in their December meetings. Markets are likely to see bouts of volatility, providing pockets of investment.

TECHNICAL VIEW

Nifty 50 started November 2025 on a lower note initially, but gradually picked up momentum as the month progressed. The index recovered steadily as it marked a new high at 26325. Amid resistance Nifty managed to post a monthly gain of 480 points (1.87%), thereby maintaining its two-month winning streak.

Nifty marked a record weekly and monthly closing high in November. The RSI is placed near 65, above its average on weekly as well as monthly chart, indicating stable momentum. Nifty remains placed above all its key averages on weekly as well as monthly chart.

Going forward, Nifty is moving in an uncharted territory near its all time high. As it moves ahead, Nifty could face resistance near psychologically important levels between 26300-26500. On the downside, support is placed near 26000-25800.

MUTUAL FUNDS PERFORMANCE

NAV as on 30 November 2025 **Return %**

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Franklin India Liquid Fund Super Ins (G)	4029.43	0.48	1.45	2.95	6.67
Axis Liquid Fund (G)	2980.00	0.48	1.44	2.92	6.64
DSP Liquidity Fund (G)	3820.72	0.48	1.44	2.92	6.59

Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
UTI Arbitrage Fund (G)	35.91	0.48	1.45	2.91	6.49
Kotak Arbitrage Fund (G)	38.37	0.46	1.39	2.85	6.37
ICICI Pru Equity Arbitrage Fund Reg (G)	35.13	0.46	1.40	2.85	6.36
HDFC Arbitrage Fund WP (G)	31.38	0.49	1.41	2.88	6.29

Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	412.24	10.22	17.08	18.58	22.77
UTI Aggressive Hybrid Fund (G)	418.05	3.70	14.52	15.89	17.78
Edelweiss Aggressive Hybrid Fund (G)	64.63	4.38	14.05	15.80	17.16

Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Balanced Advantage Fund Reg (G)	77.59	10.42	13.39	13.43	13.22
Edelweiss Balanced Advantage Fund (G)	52.48	4.60	11.42	11.86	12.40
Nippon India Balanced Advantage Fund (G)	181.58	5.08	11.64	11.83	12.30
Tata Balanced Advantage Fund (G)	21.02	3.82	9.51	10.52	11.53

Hybrid Multi-Asset	NAV	1 YR	2 YR	3 YR	5 YR
UTI Multi Asset Allocation Fund (G)	79.33	9.53	17.57	19.54	15.57
ICICI Pru Multi Asset Fund (G)	811.39	14.48	17.94	18.83	22.40
WhiteOak Capital Multi Asset Allocation Fund Reg (G)	15.11	15.89	18.13	N/A	N/A

Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
HSBC Value Fund (G)	112.83	0.89	16.47	21.81	23.11
ICICI Pru Value Fund (G)	498.16	9.48	18.88	20.57	24.02
Nippon India Value Fund (G)	231.62	0.89	16.56	20.52	22.64
Bandhan Value Fund Reg (G)	152.63	1.11	13.44	16.99	23.45

Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Focused Equity Fund Reg (G)	97.68	11.29	22.56	21.90	22.90
HDFC Focused Fund (G)	239.83	8.36	19.47	20.30	25.76
Franklin India Focused Equity Fund (G)	111.35	2.47	14.35	14.96	19.77
Nippon India Focused Fund (G)	124.65	4.70	11.70	13.60	18.83

Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
SBI ELSS Fund Reg (G)	449.66	2.10	18.90	22.25	22.65
Motilal Oswal ELSS Tax Saver Fund Reg(G)	50.34	-9.60	17.85	21.43	21.11
HDFC ELSS Tax saver Reg (G)	1,466.19	7.41	18.11	20.10	23.02
Parag Parikh ELSS Tax Saver Fund (G)	32.10	4.19	14.18	16.24	19.18

Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Large Cap Fund (G)	94.19	5.13	16.45	18.36	21.43
ICICI Pru Large cap Fund Reg (G)	116.17	7.64	16.56	17.47	19.21
HDFC Large Cap Fund (G)	1,178.30	3.32	12.02	15.01	18.31
Tata Large Cap Fund Reg (G)	525.53	4.34	13.43	14.12	17.15

Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Motilal Oswal Midcap Fund Reg (G)	102.54	-8.17	22.14	24.62	29.28
HDFC Mid Cap Fund (G)	203.52	5.94	19.40	24.58	26.08
Edelweiss Mid Cap Fund (G)	104.03	1.93	22.08	23.95	25.69
Nippon India Growth Fund (G)	4,226.04	1.38	17.48	23.18	25.69

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Motilal Oswal Large and Mid Cap Fund Reg (G)	33.61	-2.43	20.51	24.17	24.08
Invesco India Large & Mid Cap Fund (G)	102.02	4.64	22.89	22.79	21.04
Bandhan Large & Mid cap Fund (G)	139.68	4.86	20.27	22.43	22.61
HDFC Large And Mid Cap Fund Reg (G)	348.87	2.96	14.85	18.92	22.65

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Bandhan Small Cap Fund (G)	46.46	-3.45	22.09	28.53	27.06
Nippon India Small Cap Fund (G)	165.50	-8.02	11.31	19.90	28.12
Franklin India Small Cap Fund (G)	165.09	-9.84	8.34	18.77	24.12
HSBC Small Cap Fund Reg (G)	77.99	-14.26	6.90	16.78	25.22

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Parag Parikh Flexi Cap Fund Reg (G)	87.29	7.20	17.31	20.82	20.51
HDFC Flexi Cap Fund Reg (G)	2,083.63	8.74	19.81	20.70	24.89
Edelweiss Flexi Cap Fund (G)	39.60	1.02	17.58	17.82	19.19
Franklin India Flexi Cap Fund (G)	1,675.34	1.18	14.93	16.91	20.31

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Multi cap Fund (G)	301.33	0.78	16.27	20.79	26.17
Axis Multi Cap Fund (G)	18.09	-0.17	18.44	20.75	N/A
HDFC Multi Cap Fund Reg (G)	19.28	0.55	13.59	19.13	N/A
ICICI Pru Multicap Fund Reg (G)	793.96	-0.27	14.70	17.94	20.34

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	40.21	3.16	24.08	26.63	18.60
DSP India T.I.G.E.R. Fund Reg (G)	311.75	-7.41	16.11	23.19	27.82
Bandhan Infrastructure Fund Reg (G)	47.89	-11.07	15.52	23.11	27.01
ICICI Pru India Opportunities Fund (G)	37.70	8.93	18.98	22.00	27.67
Kotak Pioneer Fund (G)	32.23	4.80	19.59	21.84	19.71
Mirae Asset Healthcare Fund (G)	38.57	0.52	18.26	20.45	16.13
SBI Banking & Financial Services Fund Reg (G)	45.79	15.53	21.72	19.36	17.81
Sundaram Services Fund (G)	36.10	7.20	15.69	17.19	21.50
Tata Banking and Financial Services Fund Reg (G)	45.31	12.60	14.63	16.27	16.60
Aditya Birla SL Consumption Fund Reg (G)	219.46	1.87	12.18	14.05	16.92
SBI MNC Fund Reg (G)	357.85	-5.02	3.23	7.14	11.87

Index	NAV	1 YR	2 YR	3 YR	5 YR
NSE - Nifty 50	26,186.45	5.98	12.04	11.86	14.56
S&P BSE Sensex	85,712.37	4.83	11.20	10.89	13.70

Systematic investment in different equity oriented Mutual funds at the rate of Rs. 10000/- p.m. and its values at different time intervals.

Scheme Total Investment :	Value & Return (3 Yr) 360000	% %	Value & Return (5 Yr) 600000	% %	Value & Return (8 Yr) 960000	% %	Value & Return (10 Yr) 1200000	% %	Value & Return (15 Yr) 1800000	% %
Canara Robeco Large & Mid Cap Fund Reg (G)	441,926	13.76	857,058	14.22	1,860,773	16.08	2,737,595	15.74	8,103,745	18.12
Aditya Birla SL Consumption Fund Reg (G)	435,289	12.71	851,580	13.96	1,823,914	15.60	2,674,885	15.30	6,845,663	16.19
Kotak Midcap Fund (G)	468,680	17.88	963,117	18.98	2,253,789	20.70	3,308,859	19.25	9,257,130	19.63
Nippon India Small Cap Fund (G)	439,136	13.32	977,026	19.57	2,498,248	23.18	3,788,758	21.76	12,174,894	22.72
SBI Large & MidCap Fund Reg (G)	457,508	16.18	918,252	17.03	2,019,476	18.05	2,919,882	16.93	7,046,291	16.52

*Past performance of Mutual Funds is not an indicator for future performance.

COMPANY ANALYSIS

MAZAGON DOCK SHIPBUILDERS LIMITED

CMP (As on 30 November 2025) **– 2679** **INDUSTRY - SHIPPING** **DECEMBER 2025**

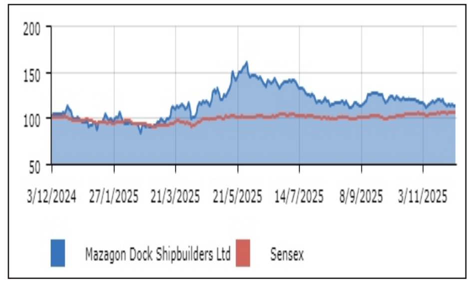
SENSEX – 85706 NIFTY – 26202

Mkt. Cap.	:	108089.70 Cr
Equity	:	201.69 Cr
Trading Vol.	:	412097
52 Week High/Low	:	3778/1917
Face Value	:	5

BSE Group	:	A
BSE Code	:	543237
NSE Symbol	:	MAZDOCK
Bloomberg	:	MAZDOCKSIN
Reuters	:	MAZG.BO

Shareholding Pattern		
Promoters	:	81.22
Institutions & Corporates	:	6.10
Foreign	:	2.32
Public & Others	:	10.26

Mazagon Dock Shipbuilders Ltd (MDL), is India's premier defence shipyard engaged in building warships, submarines, and offshore vessels for the Indian Navy and other government clients. It operates as a strategically important defence PSU with strong execution capability across destroyers, frigates, submarines, and ship repair. The Company acquired the 'Navratna' status in 2024, making MDSL the only shipyard in India to receive this elite classification by the Dept. of Public Enterprise.



Investment rationale

- At present MDL is handling two Shipbuilding projects for Indian Navy, comprising of four ships of P15B & four ships of P17A each. Besides, MDL is also handling construction of six Scorpene class Submarines for the Indian Navy, out of which three Submarines have already been delivered. The Company has the capability to build warships, submarines, merchant ships upto 4,17,600 DWT.
- The order book stands at ?39,872 crore, consisting of 37 vessels under construction, providing multi-year revenue visibility. Ongoing P17A frigate projects support revenue and margin visibility for FY26-27. The company has capacity to build up to 11 submarines simultaneously and has guided for revenue of ~₹12,500 crore for FY26 and FY27.
- Over FY21-FY25, revenue grew at 18% CAGR and PAT at 38% CAGR, driven by efficient execution of defence contracts, operating leverage, and tighter cost control. ROE improved to 28.7% in FY25 (from 15% pre-COVID), while operating cash flow increased from ₹681 crore in FY20 to ₹2,078 crore in FY25, underscoring strong cash generation and balance-sheet strength.

MDL has outlined a major capacity expansion plan of ₹3,000-4,000 crore over the next 3-4 years to almost double shipbuilding capacity. A new yard at Tuticorin (Phase 1 capex: ₹5,000 crore) aims to enhance capability in both naval and commercial vessels. The proposed acquisition and ramp-up of Colombo Dockyard will expand the company's presence in commercial shipbuilding and ship repair We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	201.69	201.69	201.69	201.69	201.69
Net worth	7,939.88	6,243.47	4,760.16	3,857.68	3,431.71
Total debt	20.33	16.55	6.04	11.64	29.66
Net sales	11,431.88	9,466.58	7,827.18	5,733.28	4,047.82
Other income	1,121.23	1,101.47	686.83	410.27	574.1
PBIDT	3,187.15	2,517.29	1,487.44	837.5	674.25
PAT	2,412.94	1,935.96	1,118.36	620.18	608.92
Book value (Rs)	196.83	154.78	118.01	95.64	85.08
EPS (Rs)	59.83	48.02	27.74	15.15	12.74
Dividend (%)	346.1	274	159.6	87.3	72.4
Payout (%)	41.99	32.4	20.69	31.98	34.24

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	2929.24	2756.83	6.25
Other Income	270.63	257.84	4.96
PBIDT	965.29	768.49	25.61
PBT	933.94	740.49	26.12
RPAT	709.87	552.76	28.42

CANARA BANK LIMITED

CMP (As on 30 November 2025) **– 150** **INDUSTRY - BANKING** **DECEMBER 2025**

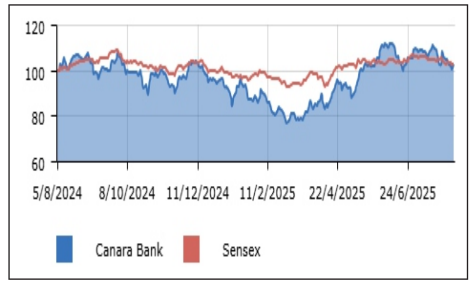
Mkt. Cap.	:	137492.93 Cr
Equity	:	1814.13 Cr
Trading Vol.	:	19414509
52 Week High/Low	:	154/78
Face Value	:	2

BSE Group	:	A
BSE Code	:	532483
NSE Symbol	:	CANBK
Bloomberg	:	CBKIN
Reuters	:	CNBK.BO

Shareholding Pattern		
Promoters	:	62.93
Institutions & Corporates	:	13.05
Foreign	:	12.18
Public & Others	:	11.83

Canara Bank is India's 6th-largest public sector bank with a global business size of Rs 25.3 lakh crore. Following its merger with Syndicate Bank in April 2020, the bank operates 9,861 branches and a strong digital network, serving retail, MSME, agriculture, and corporate clients. Interest income forms 90-95% of revenue, supported by a predominantly domestic loan book (95% India, with South India contributing 40-45%) and stable non-interest income streams. Government and PSU entities account for roughly 25-30% of advances, providing stable, low-risk revenue visibility.

Investment rationale



- Between FY21-FY25, total income grew at 13% CAGR (₹93,000 crore to ₹1.53 lakh crore), while PAT rose sharply from ₹6,000 crore to ₹17,000 crore (61% CAGR), driven by merger synergies, NPA clean-up, and improved credit discipline. Asset quality strengthened significantly as GNPA reduced from 7.5% to 2.35% and NNPA to 0.54%. Capital position remains healthy with CRAR at 16.3% and debt-to-equity at 0.79x, reflecting strong solvency and PSB-typical low leverage.
- Q2 FY26 showed steady operational momentum: advances and deposits grew 14% YoY, with management prioritising RAM (Retail, Agriculture, MSME) segments. Retail loans grew 29% YoY and the gold loan book exceeded ₹2.1 lakh crore, supporting high-yield, low-risk profitability. Corporate loan growth was maintained selectively at 10-11% to protect spreads. Profit grew 19% YoY with ROA at 1.12%, credit cost at 0.68%, and annual recoveries guided at ₹5,000 crore.
- NIM moderated to 2.5% due to RBI rate cuts, as repo-linked loans reprice faster than deposits. Management expects NIM stabilization from Q3 and improvement in Q4 if rates remain steady. CASA ratio remains a key focus area; the bank targets 32% by March 2026. Asset quality remains best-in-class among PSBs, supported by proactive provisioning, SMA monitoring, and early ECL buffers.
- Indian banking sector benefits from RBI's accommodative policy with repo rate at 6% and projected further cuts, boosting credit growth to 11-13% in FY26 amid 6.5% GDP expansion and 4% CPI inflation. Banks like Canara maintain strong asset quality with GNPA at 2.69% and NNPA at 0.63%, supported by record-low NPAs sector-wide and healthy ROAs above 1%.

Management maintains a confident and transparent stance, emphasizing steady retail-led growth, disciplined asset quality, and digital scaling. With improving profitability, resilient capital adequacy, and strong recovery performance, Canara Bank remains well-positioned for stable earnings and balance-sheet consolidation through FY26. Medium-term growth is supported by digitisation (API-led lending, mobile-based loan originations), retail expansion, and disciplined corporate underwriting. We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	1,814.13	1,814.13	1,814.13	1,814.13	1,646.74
Net worth	98,966.92	83,014.73	70,564.52	61,455.09	54,125.35
Capital Employed	17,23,051.71	15,24,898.70	13,72,636.54	12,49,457.82	11,70,461.98
Interest Earned	1,21,601.11	1,10,518.75	85,884.73	70,613.79	70,253.27
Total Income	1,52,657.88	1,39,164.93	1,11,209.77	94,256.89	93,339.45
Net Interest Income	38,920.43	38,401.16	32,894.67	27,578.32	25,070.77
PAT	17,537.35	15,262.25	10,945.95	6,110.40	2,861.90
Book value (Rs)	109.11	91.52	77.79	67.75	65.74
EPS (Rs)	19.34	16.84	12.41	6.75	3.51
Dividend (%)	200	161	120	65	0
Payout (%)	20.93	19.76	20.14	20.35	0

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	32071.97	30181.85	6.26
Other Income	9941.77	7824.2	27.06
PBIDT	28762.76	25939.7	10.88
PBT	6350.54	5512.51	15.20
RPAT	4865.76	4100.32	18.67

COMPANY ANALYSIS REVIEW

MAHINDRA & MAHINDRA LIMITED

CMP (As on 31 December 2025) **– 3757**

INDUSTRY - AUTOMOBILES

DECEMBER 2025

Mkt. Cap.	:	467231.09 Cr
Equity	:	621.76 Cr
Trading Vol.	:	2944457
52 Week High/Low	:	3976/2360
Face Value	:	5

BSE Group	:	A
BSE Code	:	500520
NSE Symbol	:	M&M
Bloomberg	:	MMIN
Reuters	:	MAHM.BO

Shareholding Pattern		
Promoters	:	18.14
Institutions & Corporates	:	30.22
Foreign	:	39.64
Public & Others	:	11.99

The stock was earlier reviewed in our Sajag Online publication in June 2017. We maintain an optimistic outlook of the company owing to its sound financials, leadership in few segments and growing EV portfolio.

Mahindra & Mahindra (M&M) is one of India's most diversified automobile groups, with presence across SUVs, LCVs, 3-wheelers, tractors, and construction equipment. Through its subsidiaries, the group also participates in financial services, IT, hospitality, logistics, steel processing, aerospace, defence, agribusiness, energy, infrastructure, and retail.

Investment rationale

- M&M is a market leader in utility vehicles and farm equipment, supported by strong brand equity and a broad domestic and global footprint. Small Commercial Vehicles (SCVs) have experienced a revival following the GST reduction, M&M dominates the SCV market with a share of 54%. Exports have shown a growth of 41% in FY25.
- Over FY21-FY25, revenue grew at 18% CAGR and PAT at 22% CAGR. Operating cash flows averaged ~₹15,000 crore, indicating strong underlying cash generation, while debt-to-equity remained stable at ~1.2x. Earnings quality has strengthened with consistent improvement in core profitability across Auto and Farm segments.

- Q2 FY26 performance remained robust across Auto, Farm, Financial Services, and Tech businesses. Auto revenue grew 25% y-o-y with SUV market share expanding 390 bps and exports rising 40%. Tractor volumes rose 32% y-o-y with farm margins sustaining above 20% for the third consecutive quarter, reflecting a structural shift in profitability. EV momentum continued with 30,000 cumulative BEVs and positive EBITDA of ?202 crore (including PLI benefits).
- The Indian automotive industry is witnessing strong growth driven by economic fundamentals, government policies for clean mobility, and rising consumer preference for utility vehicles (UVs), which have grown at 17.6% CAGR over the last decade to dominate 65% of passenger vehicle sales. M&M benefits from these trends as a leader in UVs and electric 3-wheelers (e-3W), the latter growing 56% in FY25 with 24% market penetration, supported by favorable EV policies and schemes like PM E-DRIVE. Despite a slight commercial vehicle contraction, total passenger vehicle sales hit record highs, and M&M's strong position in UV and electric segments positions it well to capitalize on India's transition to cleaner, technology-driven mobility and infrastructure upgrades for sustained long-term growth.

Management displays ambitions to achieve organic growth of 15-40% from FY26 to FY30 across entities. The anticipated growth in auto and farm business revenues is projected to be 8x and 3x from FY20 to FY30, indicating a CAGR of 21% and 10% for FY25 to FY30 respectively. M&M plans to have around seven electric vehicles (EVs) in its lineup, targeting 20% of its volumes to be electric by FY28 and about 30% by FY30.We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	558.15	557.38	556.82	556.06	555.15
Net worth	77,038.86	66,190.55	56,365.79	47,122.64	41,581.92
Total debt	1,24,949.31	1,06,625.52	92,246.85	77,605.21	80,624.83
Net sales	1,59,210.82	1,39,078.27	1,21,268.55	90,170.57	74,277.78
Other income	3,718.47	3,297.85	5,703.36	3,374.66	2,799.37
PBIDT	34,236.66	28,189.78	24,246.74	17,887.32	12,638.53
PAT	12,929.10	11,268.64	9,275.66	6,256.44	2,231.80
Book value (Rs)	690.13	593.77	506.14	423.72	374.51
EPS (Rs)	115.82	101.09	92.32	59.14	16.32
Dividend (%)	506	422	325	231	175
Payout (%)	33.44	29.51	11.3	13.5	17.33

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	45885.4	37689.04	21.75
Other Income	1144.76	1125.57	1.70
PBIDT	10073.85	8258.97	21.97
PBT	6057.93	4739.96	27.81
RPAT	3963.75	3361.06	17.93

Source: Company, Capital line, Sajag Research

INVESTMENT IDEAS - MEDIUM TERM (3-6 MONTHS)

HDFC ASSET MANAGEMENT COMPANY LTD **CMP (AS ON 30 NOVEMBER 2025) - 2673** **TARGET - 3000**

HDFC AMC offers a comprehensive suite of mutual funds, portfolio management services and alternative investment funds across asset classes, including equity, fixed income, hybrid and multi-asset solutions. These offerings are available on both active and passive platforms, catering to a broad and diverse customer base. It serves over 13.2 million unique investors through 23.3 million live accounts. With a strong nationwide presence across 280 offices and a network of over 95,000 distribution partners. Additionally, it has a wholly owned subsidiary - HDFC AMC International (IFSC) Limited in Gujarat International Finance Tech City (Gift City) offering investment management, advisory and related services. HDFC AMC reported strong equity inflows of Rs 1.49 trillion in Q2 FY26 with SIP contributions reaching Rs 294 billion and a net addition of 6 million SIP accounts, indicating growing investor maturity and long-term orientation. The total AUM closed at Rs 8.7 trillion with a market share of 11.5%, and actively managed equity AUM stood at Rs 5.4 trillion with a 12.9% market share, while debt and liquid fund market shares were 13.3% and 11.8%, respectively. The company launched significant NFOs in Q2, including the HDFC Innovation Fund collecting ?24 billion, and continues to build alternatives like Category II AIFs and PMS offerings, positioning alternatives as a key long-term growth driver.

KOTAK MAHINDRA BANK LTD **CMP (AS ON 30 NOVEMBER 2025) - 2125** **TARGET - 2500**

Kotak Mahindra Bank is a diversified financial services group providing a wide range of banking and financial services including Retail Banking, Treasury and Corporate Banking, Investment Banking, Stock Broking, Vehicle Finance, Advisory services, Asset Management, Life Insurance and General Insurance. The company ranks 4th in both deposit and gross advances market share. Its securities broking business held an 11.8% market share in FY24, while the asset management business had a 6.5% market share. In Q2FY26, the bank saw a 16% y-o-y growth in net advances driven largely by secured loans and a 15% y-o-y increase in deposits. The bank's standalone NIM was 4.54%, down 11 bps QoQ mainly due to the full impact of the 50-bps repo rate cut, with management expecting gradual improvement in margin in H2 FY26. CASA ratio improved to 42.3%, supported by strong growth in current accounts (+26% YoY) and savings accounts (+10% YoY). Asset quality showed improvement with GNPA at 1.39% and NNPA at 0.32%, while credit cost lowered to 79 bps from 93 bps in Q1. Deposits grew 15% YoY with strategic focus on granular and quality deposits, including digital and small-ticket flows. The bank has excess capital for resilience and inorganic growth opportunities, prioritizing strategic and financially sensible deployments.

GAINERS AND LOSERS OF THE MONTH (NIFTY-50)

GAINERS			
COMPANY	OPEN	CLOSE	%
Shriram Finance Ltd	762.8	796.45	4.41%
Tata Consumer Products Ltd	1164.8	1197.5	2.81%
Apollo Hospitals Enterprise Ltd	7675	7824.5	1.95%
Eternal Ltd	316.45	322.6	1.94%
Interglobe Aviation Ltd	5625	5695.5	1.25%

LOSERS			
Company Name	Open	Close	%
Maruti Suzuki India Ltd	16016	15651	-2.28%
JSW Steel Ltd	1213.9	1195	-1.56%
ITC Ltd	419.95	413.95	-1.43%
Bharat Electronics Ltd	428	422.3	-1.33%
Larsen & Toubro	4030	3980	-1.23%

CORPORATE ACTIONS IN DECEMBER 2025

COMPANY	RECORD DATE	PURPOSE
Engineers India	04-12-2025	20% Interim Dividend
Cams Services	05-12-2025	Split from Rs.10/- to Rs.2/-
Hind. Unilever	05-12-2025	Scheme of Arrangement (Demerger of Icecream business)

We have the authorised persons at following locations

Area	Contact Person	Tel. No.
Aundh	Mr. Jaydeep Doshi	25890824
Boat Club Road	Mr. Naresh Karpe	41204584
Camp	Mr. Naresh Karpe	26346310
Dahanukar Colony	Mr. Abhay Oak	25444744
ITI Road, Aundh	Mr. Ravi Jadhav	25888511
Kalyani Nagar	Ms. Bernadette Dias	9422449266
Karve Nagar	Ms. Prajakta Bedekar	8600993930
Kondhwa	Mr. Santosh Gupte	26836366
Koregaon Park	Mr. Ajit Godbole/Mr. Ninad Parundekar	26158889

Area	Contact Person	Tel. No.
Paud Road	Mr. Sadanand Damle	9850845567
Phadke Haud	Mr. Jayant Mundada	9850990766
Sahakar Nagar	Mr. Tejas Jaykar	9765173434
Aurangabad	Mr. Amit Vaidya	0240-2347584
Aurangabad	Mr. Abhijit Bhaiwal	0240-2361421
Sangli	Mr. Dattaji Gaikwad	0233-6600566
Satara	Mr. Vinod Jhamvar	02162-233906
Shrirampur	Mr. Amit Somani	02422-228111

FOR PRIVATE CIRCULATION TO THE REGISTERED CLIENTS OF SAJAG SECURITIES PVT LTD ONLY

CERTIFICATION:
This report is issued by Sajag Securities Pvt. Ltd. (SSPL) which is regulated by SEBI and its research activities are as per SEBI Guidelines for Research Analysts December 2014. Registration Number: INH000001923
The research analyst(s) who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and / or securities, that the analyst have no known conflict of interest and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific views or recommendations contained in this research report. It is confirmed that the Research Analyst do not serve as an officer, director or employee of the companies mentioned in the report.

Disclaimer (As per SEBI (Research Analyst) Regulations, 2014)

Investments in securities markets are subject to market risks and there is no assurance or guarantee that the objectives of the investments/investment products/clients will be achieved. Past performance is not indicative of future returns. Investors are advised to review the Client Agreement and other related documents carefully and, in its entirety, and consult their legal, tax and financial advisers to determine possible legal, tax and financial or any other consequences of investing.

This Report has been prepared by Sajag Securities Private Limited, a SEBI-registered Research Analyst (Registration No. INH000001923) and is for informational purposes only. The views and opinions expressed herein are those of the author as of the date of publication and are subject to change without notice. This Report does not constitute investment advice or an offer or solicitation for the purchase or sale of any financial instrument or security.

The information contained in this Report has been obtained from publicly available sources believed to be reliable, but no representation or warranty, express or implied, is made regarding its accuracy or completeness. Investors should make their own investment decisions based on their specific objectives, financial situation, and needs, and should consult their financial adviser before making any investment decision.

Sajag Securities Private Limited accepts no liability whatsoever for any direct or consequential loss or damage arising from any use of any information in this document. While utmost diligence has been exercised regarding the accuracy of information contained in this document, please independently verify such information before relying on it.

Analyst Certification: Sajag Securities Pvt Ltd, hereby certifies that all views expressed in this research report reflect personal views about the subject company(ies) or securities, and no part of any compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) expressed herein.

Disclosure of Interest: Unless otherwise specified in Point No. 9 below:

1. Neither the Research Analyst(s), Sajag Securities Pvt. Ltd., nor its associates or the relatives of the Research Analyst have any financial interest in the company(ies) covered in this report.
2. The Research Analyst, his/her associates, relatives, and Sajag Securities Pvt. Ltd. have no other material conflict of interest at the time of publication of this research report.
3. Neither the Research Analyst, Sajag Securities Pvt. Ltd., nor its associates have received any compensation for investment banking, merchant banking, brokerage services, or any other products/services from the company(ies) covered in this report in the past twelve months.
4. Neither the Research Analyst, Sajag Securities Pvt. Ltd., nor its associates have managed or co-managed any private or public offering of securities for the company(ies) covered in this report in the past twelve months.
5. Sajag Securities Pvt. Ltd. or its associates have not received any compensation or other benefits from the company(ies) covered in this report, or from any third party, in connection with this research report.
6. The Research Analyst has not served as an Officer, Director, or employee of the company(ies) covered in this research report.
7. The Research Analyst and Sajag Securities Pvt. Ltd. have not been engaged in any market-making activity for the company(ies) covered in this research report.

9. Details pertaining to Sajag Securities Pvt. Ltd., Research Analyst, and its associates with respect to the companies covered in this research report:

Sr. No.	Particulars	Yes/No
1	Compensation received from the company(ies) covered in this research report for investment banking transactions in the past 12 months by Sajag Securities Pvt. Ltd.	No
2	Research Analyst, Sajag Securities Pvt. Ltd., or its associates/relatives collectively hold more than 1% of the company(ies) covered in this research report	No
3	Compensation received by Sajag Securities Pvt. Ltd. or its associates from the company(ies) covered in this research report	No
4	Sajag Securities Pvt. Ltd. or its affiliates managed or co-managed, in the previous twelve months, a private or public offering of securities for the company(ies) covered in this research report	No
5	Research Analyst, his/her associates, Sajag Securities Pvt. Ltd., or its associates received compensation for investment banking, merchant banking, brokerage services, or any other products/services from the company(ies) covered in this research report in the past twelve months	No

Contact : **RASHMI, Tel.No. : 020 6601 47 37 or send e-mail at 'rashmi@sajag.co.in' for further clarification.**