sajag online

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

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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	31-12-2025	31-12-2024	31-12-2011
Nifty	26129.6	23644.8	4624.3
Valuation			
Trailing PE	22.75	21.79	16.75
Trailing PB	3.55	3.53	2.76
Mcap/GDP	1.22	1.25	0.69
Nifty Return			
1 year	10.51%	8.80%	-24.62%
2 year	9.65%	14.28%	-5.71%
3 year	13.01%	10.86%	16.04%
EPS Growth			
1 year	5.85%	15.70%	10.17%
2 year	10.66%	14.28%	10.90%
3 year	11.40%	14.66%	6.56%
Other Data Points			
Credit growth	12.00%	10.60%	16.80%
10-year bond yield	6.58	6.76	8.56
Brent Oil Futures	60.85	74.64	107.38
USD/INR	89.87	85.55	53.01
Gold (oz/USD)	4341.1	2641	1566.8

Source: RBI, NSE, Sajag Research

MARKET REVIEW

Nifty consolidates!

In the last month of calendar year 2025, indices saw volatility amid mixed global cues and macroeconomic indicators.

Key developments during the month were,

- India's retail inflation (CPI) rose moderately to 0.71% in November 2025 from a record low of 0.25% in October. Wholesale price inflation (WPI) hardened to -0.32% y-o-y in November from -1.21% in October, driven by base effects and declines in food articles, mineral oils, crude petroleum, natural gas, basic metals, and electricity.
- The Index of Industrial Production (IIP) growth accelerated sharply to 6.7% in November 2025 from 0.4% in October, marking a 25-month high driven by robust manufacturing and capital goods output amid improving investment activity. Sector-wise growth rates for November 2025 were: Mining 5.4%, Manufacturing 8.0%, and Electricity -1.5%. This rebound reflects stronger industrial momentum, contrasting October's festival-related slowdown and weak mining/electricity performance.
- India's central government fiscal deficit for April-November 2025 reached Rs 9.77 trillion, or 62.3% of the annual budget estimate (up from 52.6% in April-October). Total receipts rose 2.9% y-o-y to Rs 19.49 trillion (55.7% of FY26 budget estimate), supported by 20.8% growth in non-tax revenues, though net tax revenues contracted 3.4% to INR 13.94 trillion. Capital expenditure on infrastructure surged 28% y-o-y to Rs 6.6 trillion (58.7% of annual target), aiding growth amid global pressures like US tariffs.
- India's trade deficit narrowed to a five-month low of $24.53 billion in November as exports rebounded and imports fell sharply. Merchandise exports rose to $38.13 billion from $34.48 billion in October, led by a 10% month-on-month jump in shipments to the US, while imports declined to $62.66 billion from $76.06 billion due to lower gold, oil, and coal purchases. The improvement follows a record-high deficit of $41.7 billion in October. Meanwhile, services trade remained strong, with exports at $35.86 billion and imports at $17.96 billion, resulting in a surplus of $17.9 billion.
- GST revenues in December showed a modest pickup, with gross collections rising to Rs 1.74 lakh crore, up 6.1% y-o-y and marking the fastest growth in three months after a softer November. However, the improvement was driven largely by imports, with GST from imports jumping nearly 20%, while domestic collections grew only 1.2%.

Indian equity markets experienced heightened volatility in December 2025, driven by profit booking, global uncertainties, rupee weakness, and FPI selling, although domestic fundamentals, policy support, and infrastructure spending helped cushion downside risks. Foreign outflows and a weakening rupee further dampened sentiment, keeping trade volatile through most of the month. Benchmarks staged a late rebound after the Fed delivered a 25-basis-point rate cut, improving global risk appetite and lifting markets.

Market Outlook

India's economy is set for strong growth, driven by robust domestic demand and easing inflation. Reforms and strong fundamentals are key to navigating global challenges. Private consumption and investment are boosting growth.

- China's outbound shipments rose 5.9% y-o-y in US dollar terms, while imports increased 1.9%, improving from October's 1% rise. Rare earth exports accelerated sharply, with shipments reaching 5,494 tonnes, up 24% from a year earlier. China's consumer price index climbed 0.7% y-o-y, the highest reading since February last year, after a 0.2% rise in October. Meanwhile, factory-gate inflation (PPI) fell 2.2% in November, slightly

Performance of key sectoral indices

Nifty Auto	0.23%	Nifty Energy	-0.38%
Nifty IT	0.20%	Nifty Infrastructure	-0.67%
Nifty FMCG	-0.03%	Nifty Bank	-0.70%
Nifty MNC	-0.03%	Nifty Pharma	-0.82%
Nifty Metal	-0.36%	Nifty Realty	-1.42%
Nifty India Consumption	-0.38%		

deeper than October's 2.1% decline. China's retail sales grew 1.3% y-o-y in November, slowing from a 2.9% rise in the previous month. Industrial production increased 4.8% y-o-y, marginally lower than the 4.9% growth recorded in October. China's economy ended the year on a slightly less gloomy note, as factory activity expanded in December for the first time since March, beating expectations. The official manufacturing purchasing managers index rose to 50.1 in December, higher than the 49.2 reading that was recorded in November.

- The US Federal Reserve cut the Federal Funds rate by 25 basis points to 3.5%-3.75%, indicating that this could be the final rate cut in the current cycle. Chair Jerome Powell said the latest move brings policy into a "comfortable zone," balancing growth support with inflation management. The annual inflation rate in the US eased to 2.7% in November 2025, marking its lowest level since July. The reading came in below market expectations of 3.1% and was also lower than the 3% recorded in September, offering further relief on the inflation front. The unemployment rate climbed to 4.6%, the highest level since September 2021. The annual inflation rate in the US eased to 2.7% in November 2025, marking its lowest level since July. The reading was lower than the 3% recorded in September, offering further relief on the inflation front. US GDP grew 4.3% in third quarter compared with 3.8% growth recorded in Second quarter. This is also the highest quarterly GDP growth in the US economy in the past 2 years.
- Japan's economy shrank more than initially estimated in the July-September quarter, with GDP contracting at an annualized 2.3%, worse than the preliminary 1.8% figure and economists' expectations. The weaker revision underscores persistent headwinds for the world's third-largest economy. Japan's exports rose 6.1% y-o-y in November, accelerating from a 3.6% increase in the previous month. As per the Tankan survey, the index for business optimism among large manufacturers improved to +15 in Q4, the highest level in four years, compared with +14 in the previous quarter. The non-manufacturing index for the Q4 stood at +34. The Bank of Japan raised its benchmark interest rate by 25 basis points to 0.75%, marking its highest level since 1995. Japan's consumer inflation rate dropped to 2.9% in November.
- The UK economy unexpectedly contracted 0.1% in the three months to October. The decline was driven by flat services output, a 0.3% drop in construction activity, and a 0.5% fall in production output. The Euroarea economy registered a twelfth successive month-on-month rise in private sector business activity at the end of year, according to the latest HCOB PMI survey. The seasonally adjusted HCOB Eurozone Composite PMI Output Index fell from November's 30-month high of 52.8 to 51.5 in December.
- The seasonally adjusted HSBC India Manufacturing Purchasing Managers' Index (PMI fell from 56.6 in November to 55 in December, signalling the weakest improvement in the health of the sector in two years. Amid a general lack of pressure on operating capacities, there was only a marginal increase in factory employment during December. India's services sector expanded at its slowest pace in 11 months in December 2025, with the HSBC India Services Purchasing Managers' Index (PMI) easing to 58 from 59.8 in November. The HSBC India Composite PMI eased to 57.8 in December 2025 from 59.7 in November, marking its lowest level since January 2025. The reading reflected softer growth across both manufacturing and services.

The December 2025 Financial Stability Report highlights a globally resilient, yet vulnerable macro backdrop, with risks emanating from high sovereign leverage, tightening financial conditions, and potential disorderly market corrections, alongside structural vulnerabilities stemming from rising non-bank interlinkages and digital asset developments. Against this environment, India continues to demonstrate strong macroeconomic stability supported by healthy domestic demand, benign inflation, and prudent policy management. The Indian financial system remains robust, with banks, NBFCs, mutual funds, insurance entities, and market infrastructure institutions displaying strong capital buffers, improved asset quality, and resilience under stress scenarios. Lending and deposit rate movements indicate stable liquidity conditions with gradual easing tendencies. Overall, systemic stability remains intact, while equity markets are expected to retain a cautious tone in the near term amid evolving global and geopolitical dynamics.

TECHNICAL VIEW

Nifty 50 started December 2025 on a slightly mild note and moved sideways through the month. The index moved in a range-bound manner as it faced resistance when it moved higher. On yearly basis, the benchmark has posted a record 10th straight yearly gain, closing higher by 10.5% per cent in 2025.

After 3 months of consecutive gains Nifty formed a red candle in the month of December on monthly chart. Nifty is placed above all its key averages on weekly as well as monthly charts. The RSI is placed above averages in positive zone. On quarterly charts, Nifty has closed at highest level 26129, after few quarters of range-bound movement.

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

MUTUAL FUNDS PERFORMANCE

NAV as on 31 December 2025 **Return %**

Liquid Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
Franklin India Liquid Fund Super Ins (G)	4,050.34	0.49	1.46	2.93	6.56
Axis Liquid Fund (G)	2,995.35	0.48	1.46	2.90	6.52
DSP Liquidity Fund (G)	3,840.44	0.49	1.46	2.90	6.49

Arbitrage Funds	NAV	30 DAYS	3 MON	6 MON	1 YR
UTI Arbitrage Fund (G)	36.11	0.58	1.63	2.93	6.43
ICICI Pru Equity Arbitrage Fund Reg (G)	35.33	0.57	1.60	2.87	6.35
Kotak Arbitrage Fund (G)	38.58	0.57	1.59	2.85	6.31
HDFC Arbitrage Fund WP (G)	31.55	0.57	1.59	2.92	6.24

Hybrid Aggressive Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Equity & Debt Fund (G)	413.78	13.54	15.26	19.85	21.48
Edelweiss Aggressive Hybrid Fund (G)	65.25	6.57	12.64	17.16	16.13
UTI Aggressive Hybrid Fund (G)	419.46	7.05	12.5	17.06	16.64

Hybrid Balanced Advantage Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Balanced Advantage Fund Reg (G)	78.07	12.44	12.52	14.00	12.71
Edelweiss Balanced Advantage Fund (G)	53.05	7.72	10.14	13.33	11.59
Nippon India Balanced Advantage Fund (G)	182.45	7.71	10.03	12.88	11.50
Tata Balanced Advantage Fund (G)	21.10	6.59	8.28	11.31	10.82

Hybrid Multi-Asset	NAV	1 YR	2 YR	3 YR	5 YR
UTI Multi Asset Allocation Fund (G)	79.86	11.41	15.50	20.38	15.01
ICICI Pru Multi Asset Fund (G)	824.9	18.08	17.46	19.8	21.41
WhiteOak Capital Multi Asset Allocation Fund Reg (G)	15.30	17.68	17.72	N/A	N/A

Equity Value Funds	NAV	1 YR	2 YR	3 YR	5 YR
HSBC Value Fund (G)	115.47	8.99	15.64	23.85	22.22
Nippon India Value Fund (G)	234.73	6.4	12.91	22.79	21.17
ICICI Pru Value Fund (G)	500.87	14.06	16.38	21.71	22.72
Bandhan Value Fund Reg (G)	152.96	6.15	10.67	18.05	21.9

Equity Focused Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Focused Equity Fund Reg (G)	99.00	17.35	21.02	23.93	21.60
HDFC Focused Fund (G)	242.34	12.93	17.59	22.12	24.12
Franklin India Focused Equity Fund (G)	111.44	7.21	12.01	16.31	18.36
Nippon India Focused Fund (G)	125.6	10.42	9.92	16.05	17.17

Tax Saving Schemes (ELSS)	NAV	1 YR	2 YR	3 YR	5 YR
SBI ELSS Fund Reg (G)	454.11	7.36	15.65	24.07	21.13
Motilal Oswal ELSS Tax Saver Fund Reg(G)	50.69	-7.05	14.6	23.22	19.37
HDFC ELSS Tax saver Reg (G)	1,471.63	11.56	15.61	21.84	21.46
Parag Parikh ELSS Tax Saver Fund (G)	31.98	6.31	12.07	17.59	17.96

Large Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Nippon India Large Cap Fund (G)	94.38	9.95	13.17	19.98	19.79
ICICI Pru Large cap Fund Reg (G)	116.30	12.29	14.36	18.93	17.7
HDFC Large Cap Fund (G)	1,191.21	9.15	9.87	16.72	17.08
Tata Large Cap Fund Reg (G)	530.02	10.78	11.17	15.90	15.74

Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Edelweiss Mid Cap Fund (G)	105.12	5.57	19.35	26.5	24.06
HDFC Mid Cap Fund (G)	205.17	9.22	16.93	26.01	24.89
Nippon India Growth Fund (G)	4,286.99	6.15	14.31	25.77	24.13
Motilal Oswal Midcap Fund Reg (G)	99.12	-10.35	16.32	25.69	26.96

Large & Mid Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Motilal Oswal Large and Mid Cap Fund Reg (G)	33.38	-2.42	17.00	25.08	22.04
Invesco India Large & Mid Cap Fund (G)	101.30	6.67	19.36	24.38	19.19
Bandhan Large & Mid cap Fund (G)	140.79	9.14	16.81	24.11	21.51
HDFC Large And Mid Cap Fund Reg (G)	352.72	7.78	12.28	21.09	21.54

Small Cap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Bandhan Small Cap Fund (G)	47.16	2.18	18.46	30.67	25.35
Nippon India Small Cap Fund (G)	166.86	-2.78	8.98	21.69	26.42
Franklin India Small Cap Fund (G)	166.56	-5.85	5.78	20.43	22.42
HSBC Small Cap Fund Reg (G)	78.51	-9.8	5.97	18.43	23.81

Flexicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Parag Parikh Flexi Cap Fund Reg (G)	87.20	8.42	15.45	22.68	19.69
HDFC Flexi Cap Fund Reg (G)	2,100.15	13.25	17.48	22.41	23.36
Edelweiss Flexi Cap Fund (G)	40.24	7.06	15.03	20.34	18.02
Franklin India Flexi Cap Fund (G)	1,679.46	4.84	12.12	18.84	19

Multicap Funds	NAV	1 YR	2 YR	3 YR	5 YR
Axis Multi Cap Fund (G)	18.22	2.59	15.66	23.4	N/A
Nippon India Multi cap Fund (G)	301.47	5.17	13.50	22.33	24.59
ICICI Pru Multicap Fund Reg (G)	813.64	7.26	12.72	20.62	19.46
HDFC Multi Cap Fund Reg (G)	19.24	3.38	10.82	20.49	N/A

Sector & Thematic Funds	NAV	1 YR	2 YR	3 YR	5 YR
ICICI Pru Pharma Healthcare And Diagnostics Fund (G)	40.28	1.33	19.92	28.05	17.55
DSP India T.I.G.E.R. Fund Reg (G)	318.74	0.66	13.57	24.65	26.71
Bandhan Infrastructure Fund Reg (G)	48.4	-4.53	12.73	24.61	25.89
Kotak Pioneer Fund (G)	32.32	6.92	17.47	23.73	18.3
ICICI Pru India Opportunities Fund (G)	38.19	14.07	17.32	23.65	26.5
Mirae Asset Healthcare Fund (G)	39.05	-0.74	15.57	22.59	15.21
SBI Banking & Financial Services Fund Reg (G)	46.37	23.72	19.97	20.53	16.46
Sundaram Services Fund (G)	36.51	11.35	14.2	19.5	19.83
Tata Banking and Financial Services Fund Reg (G)	45.89	20.56	13.39	16.87	15.09
Aditya Birla SL Consumption Fund Reg (G)	219.58	4.03	10.21	15.8	15.44
SBI MNC Fund Reg (G)	357.17	-3.63	1.61	8.62	10.47

Index	NAV	1 YR	2 YR	3 YR	5 YR
NSE - Nifty 50	26,178.70	10.85	9.78	13.58	13.09
S&P BSE Sensex	85,063.34	9.10	8.65	12.39	12.04

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

Scheme	Value & Return (3 Yr)	%	Value & Return (5 Yr)	%	Value & Return (8 Yr)	%	Value & Return (10 Yr)	%	Value & Return (15 Yr)	%
Total Investment :	360000	%	600000	%	960000	%	1200000	%	1800000	%
Canara Robeco Large & Mid Cap Fund Reg (G)	435,034	12.66	841,932	13.50	1,837,777	15.78	2,695,460	15.44	7,972,169	17.93
Aditya Birla SL Consumption Fund Reg (G)	431,187	12.05	841,576	13.48	1,811,099	15.43	2,648,432	15.12	6,779,581	16.08
Kotak Midcap Fund (G)	468,448	17.83	959,663	18.82	2,264,546	20.80	3,314,989	19.28	9,295,468	19.67
Nippon India Small Cap Fund (G)	436,272	12.85	962,577	18.95	2,498,608	23.17	3,775,146	21.68	12,131,044	22.68
SBI Large & MidCap Fund Reg (G)	459,183	16.42	918,156	17.02	2,033,355	18.21	2,934,731	17.02	7,095,538	16.60

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

COMPANY ANALYSIS

INDIAN ENERGY EXCHANGE LIMITED

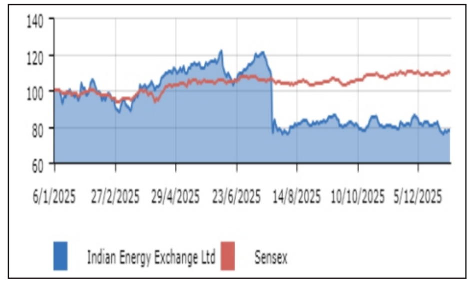
CMP (As on 31 December 2025) **– 134** **INDUSTRY - MISCELLANEOUS** **JANUARY 2026**

SENSEX – 85220 NIFTY – 26129

Mkt. Cap.	:	11957.36 Cr
Equity	:	89.17 Cr
Trading Vol.	:	4234487
52 Week High/Low	:	215/130
Face Value	:	1

BSE Group	:	A
BSE Code	:	540750
NSE Symbol	:	IEX
Bloomberg	:	IEXIN
Reuters	:	IIAN.BO

Shareholding Pattern		
Promoters	:	NA
Institutions & Corporates	:	50.41
Foreign	:	14.84
Public & Others	:	34.76



Indian Energy Exchange Ltd (IEX), incorporated in 2007, is India's premier power trading platform, facilitating automated, transparent, and efficient electricity trading for physical delivery. It operates under the regulation of CERC (Central Electricity Regulatory Commission).

Investment rationale

- With 85% market share (9MFY25), IEX serves over 8,500 participants including power generators (sellers), distribution utilities, and large industrial consumers (buyers). Revenue is derived primarily from transaction fees across Day-Ahead (DAM), Real-Time (RTM), Term-Ahead (TAM-contractual) and Green Market segments, along with Renewable Energy Certificates.
- IEX operates an asset-light business model with minimal capex needs (primarily technology upgrades), ensuring sustained high profitability and free cash flows. Market expansion in RECs and potential gas trading initiatives further enhance long-term growth levers without requiring heavy investments.
- Over the past five years, revenue has grown at 16% CAGR (8% over three years), driven by rising power market liquidity, reforms, and higher participation. PAT grew at 20% CAGR over five years (12% over three years), supported by superior operating leverage with EBITDA margins consistently in the 85-89% range. The company operates debt-free with strong cash generation (Rs 430 crore operating cash in FY25) and industry-leading ROE (41%).
- Q2 FY26 performance remained steady with 16% y-o-y volume growth to 35.2 billion units, revenue up 9% y-o-y to Rs 183 crore, and PAT up 14% YoY to Rs 123 crore. Lower average power prices moderated revenue growth despite healthy transaction volumes, highlighting the volume-driven earnings stability of the platform model.

Structural growth visibility remains strong, supported by increasing renewable integration, higher Real-Time Market adoption (RTM volumes surpassing DAM), expansion in REC trading, and growing commercial & industrial (C&I) participation. Management expects 15-20% annual volume growth over the next 2-3 years, aided by regulatory reforms and improving liquidity. We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	89.09	89.09	89.09	89.78	29.85
Net worth	1,136.31	972.17	799.1	703.41	526.11
Total debt	6.15	10.36	14.1	10.01	11.73
Net sales	537.26	449.15	400.85	431.04	317.85
Other income	134.74	112.59	86.5	60.79	38.38
PBIDT	588.41	489.44	422.88	424.44	289.01
PAT	429.17	335.32	289.71	295.45	201.02
Book value (Rs)	12.58	10.75	8.81	7.69	5.76
EPS (Rs)	4.82	3.94	3.43	3.44	2.3
Dividend (%)	300	250	100	250	400
Payout (%)	93.5	76.26	58.76	43.68	36.46

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	153.92	139.4	10.42
Other Income	33.87	31.26	8.35
PBIDT	167.33	151.15	10.70
PBT	161.1	145.16	10.98
RPAT	123.35	108.32	13.88

POWER FINANCE CORPORATION LIMITED

CMP (As on 31 December 2025) **– 355** **INDUSTRY - FINANCE** **JANUARY 2026**

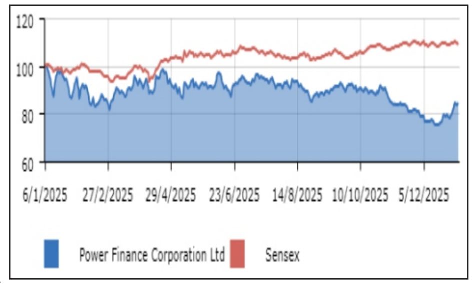
Mkt. Cap.	:	117285.62 Cr
Equity	:	3300.10 Cr
Trading Vol.	:	4910584
52 Week High/Low	:	468/330
Face Value	:	10

BSE Group	:	A
BSE Code	:	532810
NSE Symbol	:	PFC
Bloomberg	:	POWFIN
Reuters	:	PWFC.BO

Shareholding Pattern		
Promoters	:	55.99
Institutions & Corporates	:	17.09
Foreign	:	19.12
Public & Others	:	7.80

Power Finance Corporation Ltd (PFC) is a systemically important, non-deposit taking Infrastructure Finance NBFC under Ministry of Power, and one of India's largest lenders to the power sector. The Government of India holds 56% stake.

Investment rationale



- PFC provides fund-based and non-fund-based financing solutions across the power value chain generation, transmission, distribution (DISCOMs), renewable projects, and select infrastructure segments. Its product portfolio includes project term loans, refinancing, short/medium-term loans, lease financing, guarantees, and credit enhancement support.
- The business mix is gradually diversifying with increasing renewable energy exposure and early-stage expansion into infrastructure lending (currently 2% of book). Borrowings grew broadly in line with loan expansion and remain well diversified across domestic bonds, bank loans, and overseas borrowings. Nearly the entire foreign currency exposure remains hedged, minimizing volatility risk.
- Over the last five years, PFC delivered steady performance with revenue CAGR of 8% and PAT CAGR of 14%, supported by scale expansion, strong spreads, and disciplined cost management. Loan book has grown meaningfully driven by LPS and Revolving Bill Payment Facility, reaching Rs 5.49 lakh crore by Q1 FY26. Discoms form 40% of the book, followed by gencos (32%), renewables (15%), transmission (7%), with rising contribution from private sector borrowers.
- In FY25, NIM improved to 3.6% in FY25, Gross NPA declined sharply to 1.9% with minimal credit costs; RoA improved to 3.2-3.3%, reflecting strong asset quality and earnings strength. Liquidity coverage remains comfortable with adequate cash, investments, and scheduled inflows to meet near-term obligations.

Management guidance of 10-11% loan growth is supported by strong sector demand, renewables pipeline, and infrastructure diversification. PFC remains well placed to benefit from sustained power demand growth, accelerating renewable capacity additions, and continued investment in India's energy infrastructure. Stable spreads, improving loan diversification, strong capital position, and consistent profitability support positive medium-term prospects, although margin volatility and competitive lending dynamics will remain key monitorable. We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	3,300.10	3,300.10	2,640.08	2,640.08	2,640.08
Net worth	1,17,738.35	1,01,146.77	84,158.49	71,676.24	60,767.48
Capital Employed	10,89,496.38	9,63,107.83	8,35,316.01	7,32,152.52	7,20,449.64
Operating Income	1,07,106.40	91,508.00	77,807.18	76,261.66	71,656.10
Other Income	97.08	78.15	56.90	83.26	50.81
PBT	38,632.16	33,588.12	26,496.07	23,382.22	19,890.73
PAT	23,000.65	19,768.38	15,896.98	14,017.76	11,751.60
Book value (Rs)	356.77	306.5	255.02	217.19	184.14
EPS (Rs)	69.67	59.88	48.15	42.46	35.6
Dividend (%)	158	135	132.5	120	100
Payout (%)	35.15	36.42	24.93	17.94	13.44

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	28752.18	25518.46	12.67
Other Income	10.98	32.94	-66.67
PBIDT	27386.91	25388.78	7.87
PBT	10057.36	9367.86	7.36
RPAT	7834.39	7214.9	8.59

COMPANY ANALYSIS REVIEW

BHARAT DYNAMICS LIMITED

CMP (As on 31 December 2025) **– 1465**

INDUSTRY - ENGINEERING

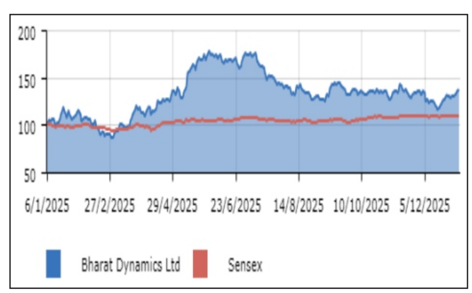
JANUARY 2026

Mkt. Cap.	:	53756.39 Cr
Equity	:	183.28 Cr
Trading Vol.	:	732619
52 Week High/Low	:	2096/908
Face Value	:	5

BSE Group	:	A
BSE Code	:	541143
NSE Symbol	:	BDL
Bloomberg	:	BDLIN
Reuters	:	BARA.BO

Shareholding Pattern		
Promoters	:	74.93
Institutions & Corporates	:	11.73
Foreign	:	2.89
Public & Others	:	10.45

The stock was earlier reviewed in our Sajag Online publication in December 2023. We maintain an optimistic outlook of the company with strong fundamentals, robust order book and presence in a critical sector.



Bharat Dynamics Ltd (BDL), headquartered in Hyderabad, is a Defence PSU under the Ministry of Defence, established in 1970. The company is a key strategic missile and weapon systems manufacturer for the Indian Armed Forces, specializing in guided missiles, underwater weapons, air-borne defence systems, and allied equipment. BDL also provides lifecycle support, upgrades, and refurbishment for in-service missile systems. The company has strong in-house design and engineering capabilities and works closely with DRDO and global OEM partners under 'Make in India' initiatives. BDL operates through manufacturing facilities in Hyderabad, Bhanur, and Visakhapatnam, with new plants coming up at Ibrahimpatnam, Amravati, and Jhansi to support next-generation missile and rocket production.

Investment rationale

- BDL remains a critical beneficiary of India's defence modernization, indigenization, and import-substitution programs. The company continues to collaborate with DRDO and foreign OEMs for development and manufacturing of next-generation guided missile systems, VSHORADs, SAMs, ATGMs, and underwater weapons. Ongoing capacity expansions at Ibrahimpatnam, Amravati, and Jhansi will enhance manufacturing capability across multiple missile platforms and propulsion systems.

- The company is strengthening its R&D and advanced manufacturing ecosystem through digital manufacturing, automation, and AI-driven analytics to reduce cycle times, improve reliability, and enhance execution efficiency. Product lifecycle support services, upgrades, and life-extension programs further support recurring revenue streams.
- BDL is also actively expanding its international footprint and has started supplying to friendly foreign nations. The company targets meaningful export revenue contribution through ATGMs, SAMs, AAMs, underwater systems, and avionics. Management has outlined aspirational plans to achieve Rs 10,000 crore turnover by FY31 and increase export contribution to 25% by FY29, supported by strong order inflows and strategic partnerships.
- Over FY21-FY25, BDL reported healthy performance with revenue CAGR of 12% and PAT CAGR of 17%, supported by strong execution, increasing indigenization, and steady defence procurement demand. The company operates debt free with robust return metrics (ROCE 20%) and strong liquidity. The order book stands at Rs 240 billion providing multi-year revenue visibility.

With a robust order book, expanding manufacturing capacity, strong technology collaborations, and increasing export opportunities, BDL is well-positioned to benefit from sustained defence spending, rising missile system requirements, and India's self-reliance push in defence manufacturing. We recommend investing with a long-term perspective.

Consolidated Financial Performance (Rs. Crore)

Year end	202503	202403	202303	202203	202103
Equity	183.28	183.28	183.28	183.28	183.28
Net worth	4,008.95	3,636.82	3,211.50	3,030.56	2,684.75
Total debt	6.6	8.08	9.27	10.1	11.29
Net sales	3,345.05	2,369.28	2,489.39	2,817.40	1,913.76
Other income	350.4	361.83	155.4	111.21	94.61
PBIDT	823.63	898.87	564.61	805.01	440.14
PAT	549.66	612.77	352.1	523.27	257.69
Book value (Rs)	109.37	99.22	87.61	82.68	73.24
EPS (Rs)	14.99	16.72	9.61	13.64	7.03
Dividend (%)	93	105.5	93.5	83	73.5
Payout (%)	38.01	33.65	52.82	31.53	83.9

Latest Results (Rs. Crore)

Period Ended	202509	202409	Var. (%)
Sales	1147.08	535.46	114.22
Other Income	120.57	86.03	40.15
PBIDT	308.08	184.87	66.65
PBT	287.61	166.47	72.77
RPAT	215.88	122.53	76.19

Source: Company, Capital line, Sajag Research

INVESTMENT IDEAS - MEDIUM TERM (3-6 MONTHS)

GRAPHITE INDIA LTD. CMP (AS ON 31 DECEMBER 2025) -641 TARGET - 810

Graphite India Ltd is the largest manufacturer of graphite electrodes and related carbon products in India, serving the electric arc furnace (EAF) steel industry domestically and globally. The company's product portfolio is critical to steel melting operations across key consuming geographies, with strong market positioning and significant export engagement. In Q2 FY26, Graphite India delivered stable topline but weaker profitability, reflecting industry cost pressures and margin headwinds. From an operational perspective, Graphite India continues to benefit from capacity utilisation improvements and favourable long-term industry dynamics associated with the structural shift toward electric arc furnace steelmaking globally. However, short-term volatility in electrode pricing, raw material costs and customer inventory adjustments have pressured near-term earnings performance. The company's strong balance sheet with substantial net cash reserves and minimal leverage provides financial flexibility to navigate the current margin environment and potentially invest in capacity expansion or technology enhancements to support future growth. Management commentary has emphasised improving cost competitiveness and aligning production with evolving market demand.

VOLTAS LTD. CMP (AS ON 31 DECEMBER 2025) - 1365 TARGET - 1670

Voltas Ltd is a leading Tata Group air-conditioning and engineering solutions company with a broad business portfolio spanning consumer cooling products, electro-mechanical (EPC) projects and engineering services domestically and internationally. The company leverages its established brand, extensive distribution network, and diversified revenue streams to serve residential, commercial and institutional customers across India and overseas. In Q2 FY26 Voltas reported a significant moderation in financial performance with consolidated total income down about 11.5% YoY amid weak seasonal demand and operating headwinds. Headwinds seen in the core unitary cooling business, affected by soft retail offtake, GST-linked purchase deferment and subdued summer seasonality, weighed on revenue and margins. However, the diversified portfolio, notably electro-mechanical projects and service revenues, helped partly cushion the downturn. Operational and strategic highlights for the quarter included disciplined cost management efforts and continued investment in channel and product mix optimisation. Management commentary emphasized near-term demand variability driven by seasonality and policy impacts, while underscoring the company's market leadership in key cooling segments and capacity to capitalise on longer-term demand recovery as macro conditions normalize.

GAINERS AND LOSERS OF THE MONTH (NIFTY-50)

GAINERS

COMPANY	OPEN	CLOSE	%
Tata Motors Passenger Vehicles Ltd	359	363.8	1.34%
Tech Mahindra Ltd	1515.3	1529.5	0.94%
Eicher Motors Ltd	7061.5	7125.5	0.91%
HCL Technologies Ltd	1630	1642.9	0.79%
Maruti Suzuki India Ltd	15975	16097	0.76%

LOSERS

Company Name	Open	Close	%
Max Healthcare Institute Ltd	1164	1125.4	-3.32%
Bajaj Finance Ltd	1041.9	1021.1	-2.00%
Sun Pharmaceutical Industries Ltd	1841	1807.4	-1.83%
Adani Enterprises Ltd	2300	2262	-1.65%
Interglobe Aviation Ltd	5890	5794	-1.63%

CORPORATE ACTIONS IN JANUARY 2026

COMPANY	RECORD DATE	PURPOSE
MCX Ltd	02-01-2026	Stock Split of Rs. 10 to Rs.2
Kotak Mahindra Bank	14-01-2026	Split of Rs. 5/- to Rs. 1/-
TCS	17-01-2026	Third Interim Dividend
Cams Services	30-01-2026	Interim Dividend
Godrej Consumer	30-01-2026	Interim Dividend

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