05.11.2026

Diwali

PICKS 2026 - 2027



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Diwali PICKS

2026 - 2027

COMPANY NAME	THEMES	CURRENT MARKET PRICE*	TARGET	UPSIDE (%)
STATE BANK OF INDIA	BANKING	1000.15	1145.00	14.48%
BHARTI AIRTEL LTD	TELECOM	2055.00	2316.00	12.70%
RR KABEL LTD	CABLES	2033.00	2616.00	28.68%
ATLANTA ELECTRICALS LTD	ELECTRICAL EQUIPMENT	1510.20	1904.00	26.08%
MAHINDRA & MAHINDRA	PASSENGER CARS & UTILITY VEHICLES	3070.60	3506.50	14.20%



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*price as per 03.11.2026

OUR LAST YEAR'S DIWALI PICKS PERFORMANCE

SCRIP NAME	RECOMMENDED PRICE	TARGET PRICE	TARGET OR OPEN (PROFIT/LOSS AS PER CMP)*	RETURN EARNED AS PER TARGET OR OPEN (in Rs.)
APOLLO HOSPITALS ENTERPRISE LTD.	7847	8843	TARGET	12.69%
BAJAJ AUTO LTD.	9149	10324	TARGET	12.84%
BELRISE INDUSTRIES LTD.	150	174	TARGET	16.00%
ESCORTS LTD.	3782	4202	LOSS	(35.49%)
HINDUSTAN AERONAUTICS LTD.	4865	5352	PROFIT	1.92%
HDFC BANK LTD.	994	1107	LOSS	(27.01%)
LARSEN & TOUBRO LTD.	3858	4370	TARGET	13.27%
ULTRATECH CEMENT LTD.	12350	13896	LOSS	(5.26%)
PREMIER ENERGIES	1067	1259	LOSS	(16.59%)
INDEX RETURN (NIFTY)	(6.94%)	OUR RETURN	(3.07%)	

*price as per 02.11.2026

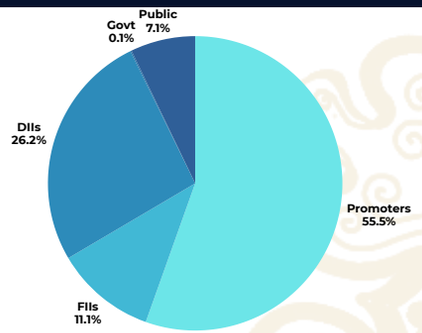
STATE BANK OF INDIA

CMP	TARGET	UPSIDE
1000.15	1145.00	14.48%

VALUE PARAMETER

SECTOR	BANKS
MARKET CAP (CR.)	899215.15
FACE VALUE	1.00
52 WK HIGH/LOW	1234.80/930.25

SHAREHOLDING PATTERN



SBIN vs. BSE SENSEX



STOCK PERFORMANCE (%)

DURATION	SBIN	BSE SENSEX
1 month	5.10	10.10
3 months	(3.80)	0.9
1 Year	4.7	(5.20)

FINANCIAL PERFORMANCE

YEAR	NET INTERET INCOME	NET PROFIT	BVPS (IN RS.)	EPS (IN RS.)	P/BVPS
FY25	189838	79486	546	87.43	1.91
FY26	199928	85169	646	90.24	1.32
FY27E	248689	109793	747	116.92	1.33

(in Cr.)

INVESTMENT RATIONALE:

- Portfolio de-risking: Post the FY17–FY19 corporate stress cycle, SBIN shifted domestic lending toward high-rated corporates, PSUs, and government entities (~39% of the corporate book), while expanding low-risk retail lending (~42–43% of domestic advances), led by home loans and salary-linked Xpress Credit.
- Stronger credit discipline: CRILC-based early-warning systems and centralized credit hubs sharply reduced SMA-1/2 exposure from ₹17,946 crore (Dec 2020) to ₹3,870 crore (Dec 2025), improving asset-quality visibility and control.
- Digital scale advantage: Over 98% of transactions now occur through digital channels (YONO, UPI, internet banking, ATMs), while digitized lending products (PAPL, RTXC, PABL) accelerated disbursements and cut account-opening TAT by ~80%.
- Balance-sheet resilience: Aggressive recoveries, AUCA resolution, and provision coverage above 92%—plus non-NPA buffers exceeding ₹30,000 crore (~170% of net NPAs)—provide a strong cushion against macro shocks.
- Efficiency gains: Cost-to-income ratio improved from 61.94% (Q1FY23) to 47.71% (Q1FY26), while profit per employee rose nearly fivefold to ₹29.58 lakh, reflecting digital-led productivity and operating leverage.
- Capital strength: High ROE (>19–20%) enabled organic CET-1 accretion to 12.89% (Q1FY27), further reinforced by a ₹25,000 crore QIP in Q1FY26, lifting Total CRAR to 15.67%.

Below operational metrics below demonstrate the step-by-step financial turnaround across revenue, earnings, asset quality, efficiency, and capital adequacy metrics from Q1FY22 to Q1FY27.

- Profitability Expansion: Standalone Net Profit expanded from Rs. 20,410 Crore in FY21 and Rs. 31,676 Crore in FY22 to Rs. 77,561 Crore in FY25 and Rs. 80,032 Crore in FY26. Quarterly Net Profit reached Rs. 21,121 Crore in Q1FY27.
- Multi-Decade High Asset Quality: Gross NPA ratio dropped from 5.32% in Q1FY22 and 3.91% in Q1FY23 down to 1.83% in Q1FY26 and a multi-decade low of 1.47% in Q1FY27. Net NPA ratio stands at a clean 0.38%.
- Segmental Clean-Up: Corporate GNPA compressed from 7.09% in Dec 2021 to 0.83% in Q1FY27. Agri GNPA nearly halved from 14.42% to 7.03%, while SME GNPA fell from 7.01% to 2.93%.
- Cost Efficiency Gains: Cost-to-Income (CI) ratio compressed from 61.94% in Q1FY23 to 47.71% in Q1FY26 and 49.80% for full year FY26, with Cost-to-Assets remaining industry-leading at ~1.66%.

KEY RISKS: Inflation causing interest rate fluctuations and Competition Risk

VALUATION

SBIN has transformed from a legacy-stressed, high-cost public bank into a digitally scaled, well-capitalized, and efficiently run lender with structurally improved asset quality and durable earnings power while their Price/Book value per share stands at 1.4x which is 5 year low multiple, we recommend BUY with a target of INR 1145 with an implied Price/BVPS of 1.7x for FY27E.

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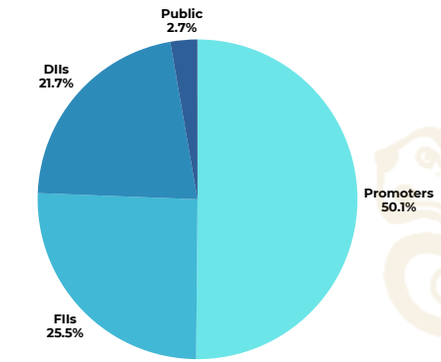
BHARTI AIRTEL LTD

CMP	TARGET	UPSIDE
2055.00	2316.00	12.70%

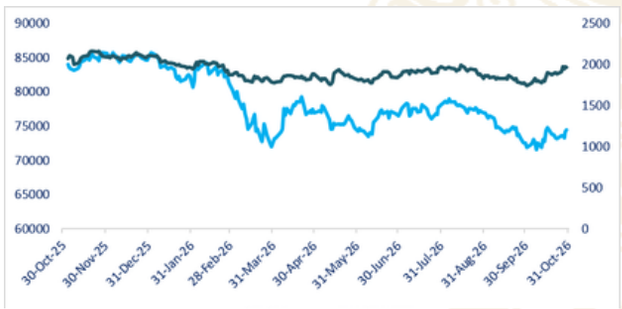
VALUE PARAMETER

SECTOR	TELECOM
MARKET CAP (CR.)	1238739.46
FACE VALUE	5.00
52 WK HIGH/LOW	2174.70/1726.05

SHAREHOLDING PATTERN



BHARTI AIRTEL vs. BSE SENSEX



STOCK PERFORMANCE (%)

DURATION	BHARTI AIRTEL	BSE SENSEX
1 month	14.10	10.10
3 months	0.70	0.9
1 Year	(3.30)	(5.20)

FINANCIAL PERFORMANCE

YEAR	REVENUE	EBITDA	NET PROFIT	EV/EBITDA
FY25	172985.20	93081.80	37481.30	14.31
FY26	210972.80	119468.60	33822.80	10.78
FY27E	248947.90	129452.91	37821.89	9.94

(in Cr.)

INVESTMENT RATIONALE:

- BAL's India mobility ARPU reached ₹257 in 4QFY26 (up from ₹224 in 4QFY25) and further expanded to ₹259 in Q1FY27. Organic drivers—including 2G-to-4G/5G upgrades, feature phone-to-smartphone migrations, and prepaid-to-postpaid conversions—continue to push ARPU higher. Management signaled a strategic shift away from blanket entry-level price increases. Instead, the target is repairing the pricing architecture by eliminating unlimited data allowances on bottom-tier plans and transitioning customers toward tiered constructs (small/medium/large/extra-large). This structural fix is projected to drive a sustainable 4%–5% annual organic ARPU expansion over the next 5–7 years as user affluence increases
- BAL has proactively prepaid over ₹658,083 million of high-cost DoT spectrum liabilities carrying 8.65%–10% interest rates, systematically lowering ongoing finance costs. Total adjusted debt dropped to INR 1,976.8 billion in FY26 (from INR 2,156.9 billion in FY25), lowering consolidated net leverage from 2.2x to 1.4x. Gross interest coverage strengthened to 5.6x in FY26 (up from 4.3x in FY25).
- Airtel's India mobile Revenue Market Share (RMS) expanded steadily by ~400 basis points over 5 years from 35.5% in FY2022 to 40.4% in FY2026
- Nxtra is scaling its data center footprint from 120–130 MW toward 1 Gigawatt (1GW) to capture cloud and enterprise AI workloads, supported by a strategic AI data center partnership with Google
- Airtel executed an EPS-accretive share swap to raise its equity holding in Airtel Africa to >79%. Africa now generates >₹35,000 Crores in annualized EBITDA and contributed nearly half of consolidated revenue growth over the past year. Africa today resembles India nearly 10 years ago - a large, young and increasingly digital population with meaningful headroom for penetration-led growth and let me give you a few examples of this, just to reinforce this. Tele-density which is penetration is at 45% and smartphone penetration is only 52%, showing you the headroom available. The average median age across the continent in the markets we operate in is under 18 years and the total population across these 14 countries is about 680 million and growing strongly. Home broadband penetration is only 2% and there are at least 30 million households that can afford a broadband connection.

KEY RISKS

- Scheduled spectrum and AGR installment payments following moratorium periods.
- Tariff rates to remain steady

VALUATION

Bharti Airtel remains a top-tier compounder in the telecommunications sector. The combination of industry-leading ARPU expansion (₹257–₹259), expanding operating margins (56.7%), accelerated deleveraging (1.4x net leverage). As the Indian telecom market consolidates further, BAL continues to reinforce its market position across mobile, home broadband, enterprise solutions, and digital adjacencies

At the current market price, Bharti Airtel Ltd trades at an FY27E EV/EBITDA of 11.5x. We recommend a BUY with a target price of ₹2316, offering a 12.70% upside, below its historical average.

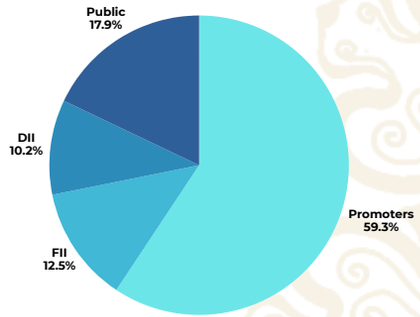
RR KABEL LTD

LTP	TARGET	UPSIDE
2033.00	2616	28.68%

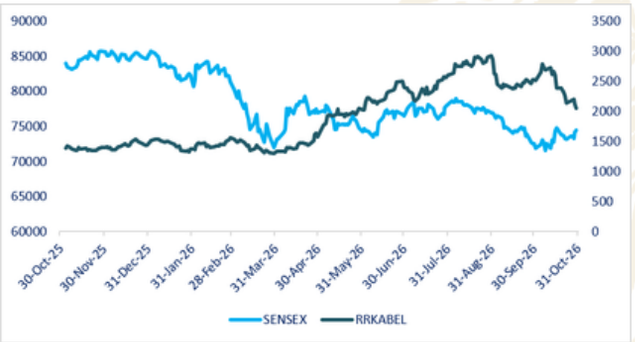
VALUE PARAMETER

SECTOR	CABLES
MARKET CAP (CR.)	22688.96
FACE VALUE	5.00
52 WK HIGH/LOW	2980.00/1281.55

SHAREHOLDING PATTERN



RRKABEL vs. BSE SENSEX



STOCK PERFORMANCE (%)

DURATION	RRKABEL	BSE SENSEX
1 MONTH	(21.90)	10.10
3 MONTHS	(25.30)	0.9
1 YEAR	41.30	(5.20)

FINANCIAL PERFORMANCE

YEAR	REVENUE	NET PROFIT	EPS (INR)	EV/EBITDA
FY26	9722	487	43.05	18.66
FY27E	12445	664	58.67	22.40
FY28E	14224	774	83.68	19.17

(in Cr.)

INVESTMENT RATIONALE:

- Structural tailwinds; growth ahead of industry RRKABEL is a key beneficiary of sustained investment in power infrastructure, electrification, housing and industrial capex. With new cable capacity coming on stream, management expects to grow ahead of the industry, targeting FY27 wires and cables volume growth of ~14–15%.
- Clear margin expansion roadmap Management targets ~300bps of wires and cables margin expansion over FY26–FY28, guiding 9.5% for FY27 and ~10.5% for FY28. Operating leverage from new capacity, better cost absorption and disciplined commodity management should drive steady earnings compounding.
- Export franchise strengthening with cable-led growthExports contribute ~32% of revenue, with management expecting 32–35% going ahead. Growth is increasingly led by cables, with Europe and the Middle East as key markets, and 3–4 new international approvals added every year widening the addressable market.
- FMEG turnaround within reach FMEG business is approaching profitability, having broken even in Q1FY27 and grown revenue 42% YoY in Q2. Management targets full-year breakeven in FY27 as the fan season lifts H2, removing a drag on consolidated margins.
- Capacity build-out sets up the next growth phase FY27 capex of INR 550–600 Cr, land acquisition of at least INR 200 Cr and the ~INR 77 Cr UM Cables acquisition lay the base for the next growth phase. We expect Revenue/EBITDA/PAT CAGR of 21%/23%/26% over FY26–FY28E.

KEY RISKS

Sharp volatility in metal prices could compress realisations and margins, while rising competition from new entrants may pressure pricing. Slower-than-expected cable volume growth, after the recent FY27 guidance cut, could delay operating leverage benefits from new capacity.

VALUATION

RR Kabel's ongoing cable capacity additions and rising export share are set to drive volume growth ahead of the industry across domestic and international markets. Its focus on operating leverage, better cost absorption and the FMEG turnaround will support wires and cables margin expansion towards ~10.5% by FY28. At the current market price, the stock trades at an FY28E EV/EBITDA of 19.17x. We recommend a BUY with a target price of INR 2,616.00 implying an upside of 28.68%.

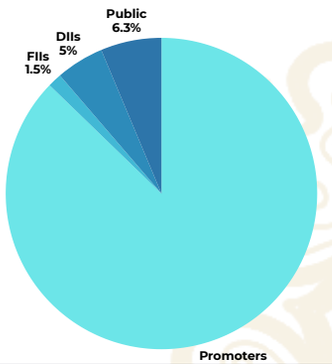
ATLANTA ELECTRICALS LTD

CMP 1510.20 | **TARGET** 1904 | **UPSIDE** 26.08%

VALUE PARAMETER

SECTOR	TRANSFORMERS
MARKET CAP (CR.)	11493.74
FACE VALUE	2.00
52 WK HIGH/LOW	2000.00/702.00

SHAREHOLDING PATTERN



ATLANTA ELECTRICALS vs. BSE SENSEX



STOCK PERFORMANCE (%)

DURATION	ATLANTA ELECTRICLAS	BSE SENSEX
1 month	(16.00)	10.10
3 months	(9.30)	0.9
1 Year	41.30	(5.20)

FINANCIAL PERFORMANCE

YEAR	REVENUE	EBITDA	NET PROFIT	EV/EBITDA
FY26	1852	344	202	26.69
FY27E	2314	440	275	27.79
FY28E	2777	555	352	21.91

(in Cr.)

INVESTMENT RATIONALE:

- **Structural demand with strong order visibility Atlanta is well placed in India's multi-year transmission build-out, driven by renewables, storage and data centres. A record Q1FY27 order inflow of INR 972 Cr lifted the order book to INR 3,117 Cr, with ~INR 2,400 Cr executable in FY27.**
- **Moving up the voltage curve Vadod received Power Grid approval for 400kV transformers, with the first 315 MVA unit nearing short-circuit testing and meaningful contribution expected from FY28. A 765kV technology tie-up is at an advanced stage, opening a larger, higher-value segment from FY28–FY29.**
- **Capacity in place; utilisation-led growth Atlanta's recently expanded capacity means no major capex is planned near term. Management targets utilisation of 60–65% in FY27 and ~80% in FY28, while the new IDT unit adds ~5,000 MVA by end-CY26, supporting operating leverage and free cash generation.**
- **Margin resilience Management guides a sustainable EBITDA margin of 17–18%, with gross margin expansion described as structural. Price-variation clauses on utility orders protect against commodity swings, while a richer 220kV-plus mix and a targeted ~15% export share should support margins.**
- **Export diversification adds a new growth leg Atlanta is expanding into Europe, Africa and the US, targeting a medium-term export share of ~15%. An export order is booked for execution in FY27, with broader contribution from FY28 at better margins, reducing reliance on domestic tenders.**
- **Strong earnings compounding Management reiterated ~40% revenue growth in FY27 off a FY26 base of INR 1,851 Cr, backed by order book execution. We expect Revenue/EBITDA/PAT CAGR of 22%/26%/32% over FY26–FY28E.**

KEY RISKS

Rising industry capacity could intensify competition and pressure margins in the 220kV and lower segments. Delays in 400kV short-circuit testing, the 765kV technology tie-up or Power Grid qualification, and CRGO or transformer oil supply disruptions could slow growth.

VALUATION

Atlanta Electricals' record order book of INR 3,117 Cr, rising capacity utilisation and entry into the 400kV and 765kV segments are set to drive strong revenue growth over FY26–FY29E. Its focus on a richer higher-voltage mix, price-variation-linked contracts and higher-margin exports will support a sustainable EBITDA margin of 17–18%. At the current market price, the stock trades at an FY28E EV/EBITDA of 21.91x. We recommend a BUY with a target price of INR 1904.44 implying an upside of 26.08%.

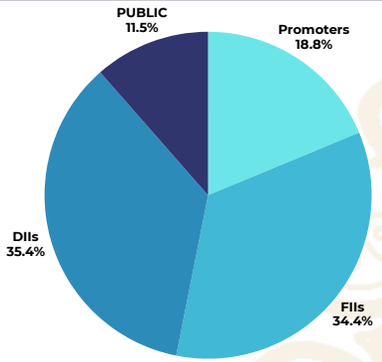
MAHINDRA & MAHINDRA LTD

CMP	TARGET	UPSIDE
3070.60	3506.5	14.20%

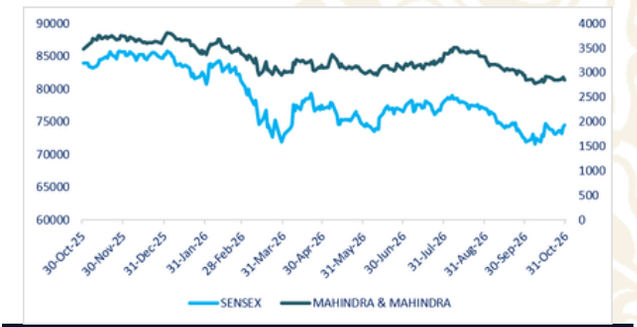
VALUE PARAMETER

SECTOR	PASSENGER CARS & UTILITY VEHICLES
MARKET CAP (CR.)	353199
FACE VALUE	5.00
52 WK HIGH/LOW	3840.00/2743.15

SHAREHOLDING PATTERN



M&M vs. BSE SENSEX



STOCK PERFORMANCE (%)

DURATION	MAHINDRA & MAHINDRA	BSE SENSEX
1 month	0.8	10.10
3 months	(15.2)	0.9
1 Year	(17.3)	(5.20)

FINANCIAL PERFORMANCE

YEAR	REVENUE	NET PROFIT	EPS (INR)	EV/EBITDA
FY26	197792.78	18621.71	153.10	10.63
FY27E	237351.3	26698.04	238.90	10.50
FY28E	284821.6	32586.03	291.58	10.00

(in Cr.)

INVESTMENT RATIONALE:

- Mahindra & Mahindra (M&M) is well positioned to benefit from India's structural shift toward SUVs improving rural demand and the early adoption of electric vehicles. Its SUV portfolio—Thar, Scorpio-N XUV700, XUV 3XO and Thar Roxx—has strong brand equity and has helped the company outperform the broader passenger-vehicle market. SUVs account for roughly 60% of India's passenger-vehicle volumes supporting M&M's core growth engine.
- The company also has a strong product pipeline and is expanding capacity to meet sustained SUV demand, which should support volume growth over the next year. Its EV business provides an additional growth lever: the BE 6 and XEV 9E have helped lift M&M's EV market share from about 5% to around 20% while the XEV 9S expands its electric-SUV lineup.
- M&M's leadership in tractors—about 44% domestic market share—adds diversification. A healthy monsoon, supportive rural sentiment and strong rabi-season demand can aid the Farm Equipment segment, while management expects margin recovery in both automotive and farm businesses through pricing, operating leverage and cost control.

KEY RISKS

- Auto-cycle slowdown: Weak consumer sentiment or lower passenger-vehicle demand could hurt SUV volumes and profitability.
- Rural/tractor weakness: Poor monsoon, lower farm incomes, weak crop prices or a tractor downcycle would affect the Farm Equipment segment.

VALUATION

We have assigned a 10.5x EV/EBITDA multiple to M&M, resulting in a target price of Rs.3,506.5 per share and implying an upside of approximately 14.20%. The valuation reflects M&M's strong SUV portfolio, leading tractor franchise, new-product pipeline and potential margin improvement. Achievement of our target price of Rs.3506.5 depends on sustained SUV demand, margin recovery and successful execution of the EV strategy.

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