



ADITYA BIRLA CAPITAL LTD.

Buy at CMP: Rs 291 | Target: Rs 335 (15%) | SL: Rs 272

Sector

Sept 15, 2025

Finance

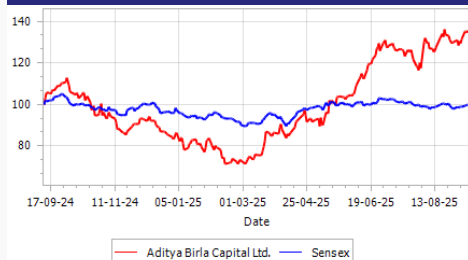
Script Details

BSE Group	A
BSE Code	540691
NSE Code	ABCAPITAL
Bloomberg Code	ABCAP IN
Market Cap (INR Cr.)	75,759
Free Float (%)	31.3%
52wk Low/High	293/149
Beta (1yr Nifty 50)	1.47
Face Value (INR)/ D. Yield (%)	10/0
Total paid Up Shares (Mn.)	2612.4

Share Holding Pattern (%)

Promoters	Public	Others
68.7%	31.3%	-

Share Price Relative Performance



Invest Now

The company has a strong presence across a wide range of Protecting, Investing and Financing Solutions, which include Life Insurance, Health Insurance, Motor Insurance, Corporate General Insurance, Mutual Funds, Wealth Management, Portfolio Management Services, Real Estate Investments, Pension Fund, and others.

Investment Rationale

- ◆ **Positioned for Sustained Growth Across Key Segments:** Aditya Birla Capital's NBFC segment delivered strong performance, with AUM rising 22% YoY to ₹1,31,227 crore in Q1FY26. Management remains confident of sustaining ~25% AUM growth over the next three years, driven by accelerated expansion in SME and corporate loans, along with a gradual scale-up of the high-margin unsecured loan portfolio by FY27E. The HFC business also reported robust traction, with AUM surging 70% YoY to ₹34,605 crore, while the Life Insurance segment posted healthy premium growth of 23% YoY in Q1FY26.
- ◆ **Asset Quality Improvement Remains Key RoA Driver:** In the NBFC segment, asset quality has shown steady improvement, declining from 2.54% in Q1FY24 to 2.24% in FY25, and further easing to 2.27% in Q1FY26, with expectations of continued reduction in FY26. Strengthening asset quality, coupled with margin expansion driven by a better unsecured portfolio mix and moderating cost of funds, is expected to be a key catalyst for achieving higher RoA in FY26E. In the HFC segment, asset quality has also improved, with gross stage-3 assets at 0.62% as of June 2025, and is likely to remain stable in FY26.
- ◆ **Robust Insurance Momentum with Stable AMC Performance:** The Life Insurance business delivered robust growth with healthy profitability, despite the impact of new surrender regulations implemented in FY25. It is targeting 17-18% EV growth, supported by a 20% rise in retail APE and stable VNB margins. The Health Insurance business continues to sustain strong growth momentum, with improving operating metrics. Profitability is expected to strengthen further, aided by a declining combined ratio. Meanwhile, the AMC business reported steady operating performance, navigating the volatile equity market effectively.
- ◆ **Valuations:** We model a Revenue/PAT CAGR of 20%/24% and estimate ABCAPITAL to clock PAT of Rs 6,313 Cr by FY28E. ABCAPITAL is trading at forward P/B(x) of 1.33x and we value at 1.53(x) FY28E and Recommend BUY on ABCAPITAL with target Price of Rs. 335 (15%).

Financial Snapshot

Year	Revenue	PAT	P/B
FY23	27,383	4,796	3.12
FY24	34,016	3,335	2.60
FY25	40,590	3,332	2.32
FY26E	48,708	4,384	1.92
FY27E	58,450	5,260	1.60
FY28E	70,140	6,313	1.33

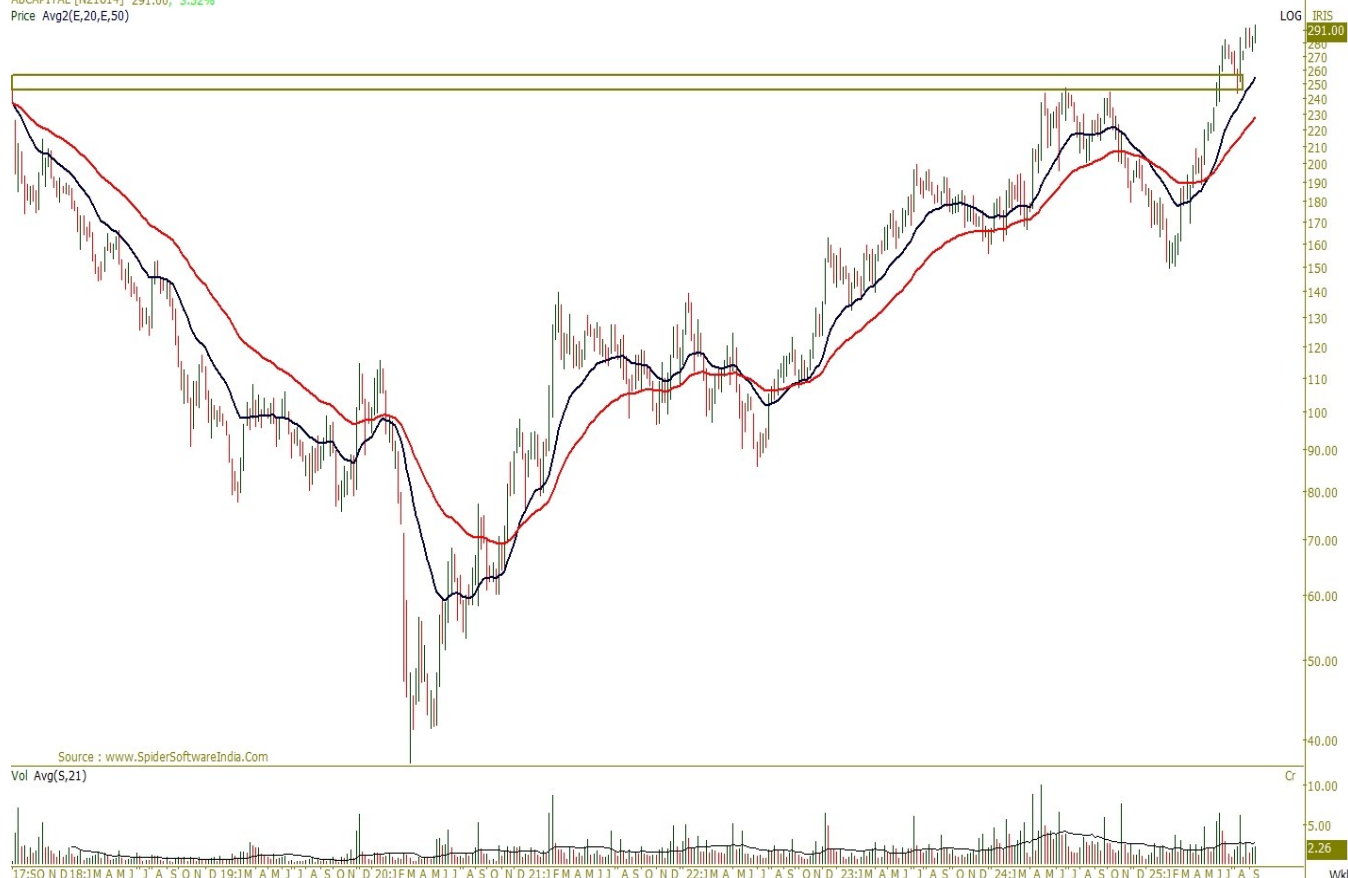
Source: Company Data, Ace Equity, GEPL Research

TECHNICAL VIEW

Observation

- On the monthly scale, ABCAPITAL achieved a major breakout in June 2025 from its long-standing IPO base formed since 2017. The stock is now sustaining well above the previous three months' closing levels, reflecting robust and sustained price development.
- On the weekly scale, the breakout level was successfully retested in August 2025, after which the stock resumed its bullish price action. The alignment of short-, mid-, and long-term moving averages in an upward direction further reinforces the stock's structural strength.
- On the daily scale, the stock continues to form higher bottoms, reinforcing its strong uptrend. It has recently broken out of an eight-day consolidation range and is holding firmly above its 5-day EMA, adding further conviction to the ongoing bullish outlook.
- Given this robust alignment across multiple timeframes, the stock looks poised to advance toward an upside target of 335, while a closing-basis stop loss at 272 is advised to manage risk effectively.

ABCAPITAL [N21614] 291.00, 3.52%
Price Avg2(E,20,E,50)



Source: Tradingview.in, GEPL Research

Inference & Expectations

- Considering these factors, it can be inferred that ABCAPITAL stock is set to continue uptrend.
- Going ahead we expect the prices to move higher till 335 level.
- The stop loss must be at 272 level, strictly on the closing basis.

Name	Designation	Email	Contact
Mr. Vidnyan Sawant	AVP – Technical Research	Vidnyan@geplcapital.com	+91 (22) 48934000

Terms & Conditions – For Investors

We, Research Analyst of GEPL Capital, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We, also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Disclosure: –

This document has been prepared by Research Department of GEPL Capital Pvt. Ltd. (hereinafter referred to as GEPL Capital) and this report is for personal information of the selected recipient/s and does not construe to be any investment, recommendation, prospectus, offering circular or legal or taxation advice to you. This research report does not constitute an offer, invitation or inducement to invest in securities or other investments and GEPL Capital is not soliciting any action based upon it. This report is not for public distribution and has been furnished to you solely for your general information and should not be reproduced or redistributed to any other person in any form. This report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, investors should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. GEPL Capital makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability or obligation with respect to, the fairness, accuracy, completeness or correctness of any information or update information or opinions contained herein. All investments including Future and Options are involving risks and investor should exercise prudence in making their investment decisions. The report should not be regarded by the recipients as a substitute for the exercise of their own judgment. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or GEPL Capital as a result of using different assumptions and criteria. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report. The information contained in this report has been obtained from sources that are considered to be reliable. However, GEPL Capital has not independently verified the accuracy or completeness of the same. Neither GEPL Capital nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein. GEPL Capital and its affiliates and/or their officers, directors and employees may have similar position in any securities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such securities (or investment. GEPL Capital specifically prohibits the redistribution of this material in whole or in part without the written permission of GEPL Capital and GEPL Capital accepts no liability whatsoever for the actions of third parties in this regard. GEPL Capital or its director or its research analysts or its associates or his relatives and/or its affiliates and/or employees do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report. Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

Disclaimers in respect of jurisdiction:

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such Distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject GEPL Capital its affiliates to any registration or licensing requirement within such jurisdiction. If this report is inadvertently send or has reached any individual the same may be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published for any purposes without prior written approval of GEPL Capital.

Analyst Certification:

The views expressed in this research report reflect the personal views of the analyst(s) about the subject securities or issues. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months.

GEPL Capital Private Limited is a SEBI registered Research Analyst entity bearing SEBI Reg. No. "INH000000081" under SEBI (Research Analysts) Regulations, 2014.

Reg./Corp. Office: D-21 Dhanraj Mahal, CSM Marg, Colaba, Mumbai 400 001 Contact No +91 22 66182400

SEBI Reg. No. NSE/NSEF&O/CD – INB230993934, INF230993934 & INE230993934. BSE/BSE F&O– INB010993934 & INF010993934,

For more information visit us at: www.geplcapital.com

Disclaimer: Investments in securities market are subject to market risks, read all the related documents carefully before investing. Investors must make their own investment decisions based on their specific goals, financial position & risk appetite. The content provided herewith is purely for investor awareness only.