

Pick of the Week

ADD – Cummins India (KKC)

CMP: ₹4292 as on 10th Nov 2025

Fair Value (FV): ₹4600

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Time Period: 12 months

Why Invest?

- Cummins India continues to leverage market growth and defy competition.
- The sharp beat on Q2FY26 results was largely driven by lumpy datacenter sales, with most other businesses growing at a strong.
- Powergen revenues grew at healthy pace with industry volumes come back to pre-CPCB IV+ levels.
- Management guided for double-digit revenue growth yoy in FY26.
- We assume 14-16% CAGR in revenue/EBITDA/PAT over FY25-28.
- Remains our preferred pick in the capital goods coverage, given its diversified exposure across growth markets & strong positioning across key segments.

Maintain ADD with FVRs-4600

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

- BUY

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We expect the stock to deliver more than 15% returns over the next 12 months
- ADD

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We expect the stock to deliver 5% - 15% returns over the next 12 months
- REDUCE

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We expect the stock to deliver -5% - +5% returns over the next 12 months
- SELL

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We expect the stock to deliver < -5% returns over the next 12 months
- NR

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Not Rated. Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
- SUBSCRIBE

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We advise investor to subscribe to the IPO.
- RS

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Rating Suspended. Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
- NA

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Not Available or Not Applicable. The information is not available for display or is not applicable
- NM

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Not Meaningful. The information is not meaningful and is therefore excluded.
- NOTE

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Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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