motilal oswal
Financial Services

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India Strategy



Reform. Resilience. Revelry!

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Content: Reform. Resilience. Revelry!

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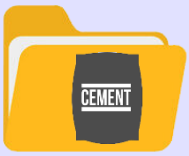
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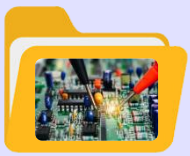


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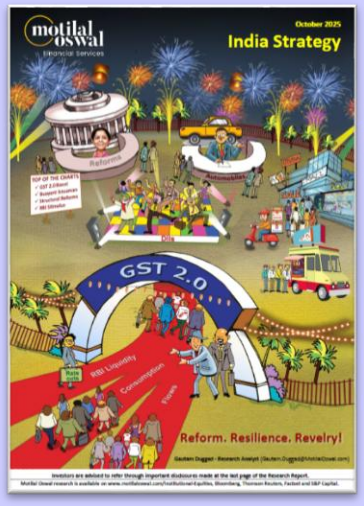

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India Strategy

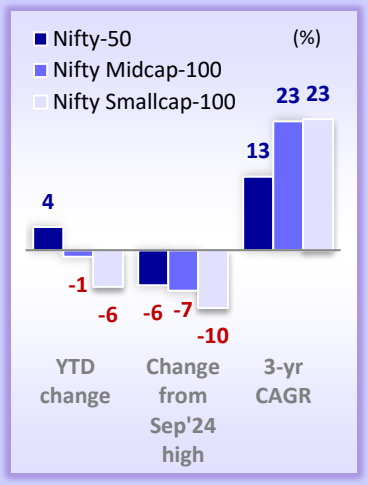
BSE Sensex: 83,433 **Nifty 50: 25,461**



Reform. Resilience. Revelry!

India stands at a crucial juncture in shaping its economic and geopolitical future through self-determination. Over the past six months, the country has faced several adverse developments, such as the US tariffs, global geopolitical headwinds, and a kinetic war. Nevertheless, Indian policymakers have chosen to respond with a 'resolve to reform', turning adversities into opportunities to lay the ground for much stronger, long-term economic outcomes. Against this backdrop, we discuss the 2QFY26 earnings, and see it as a quarter of bottoming earnings growth and a moderation in the trajectory of earnings cuts. More importantly, this quarter will reflect the initial and partial impact of GST2.0 announcements for few sectors, while the corporate commentaries accompanying earnings releases will be crucial to better assess the structural impact of reforms on overall demand and corporate earnings. Our bottom-up estimates suggest a 9% YoY growth in 2QFY26 aggregate PAT for the MOFSL universe. However, beyond 2QFY26 earnings, given the evolving macro and global backdrop, we believe markets will start focusing to 2026 soon and keenly analyze evidence of the positive effects of various policy measures.

Large caps outperform in CY25YTD and since Sep'24 highs



India – resilient amid headwinds!

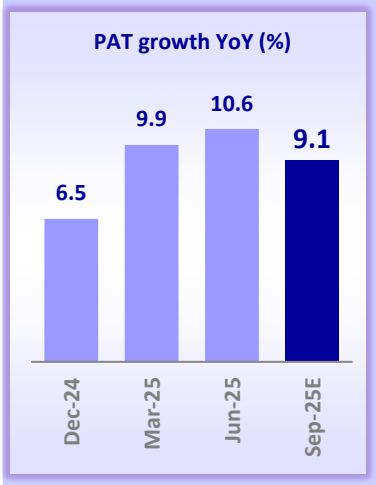
Over the past few months, India has witnessed an unprecedented confluence of multiple headwinds, such as 1) geopolitical strife, with India forced to engage in kinetic war, 2) a constant flow of disproportionate, punitive, and unfair US tariff measures, and 3) massive FII outflows – USD9b between Jul and Sep'25. However, the Indian government's response to these chiefly external developments has been swift, decisive, and oriented towards long-term capacity building. GST2.0 is one of the biggest reforms in the past decade, and the government is likely to follow this up with further reform measures to improve the business environment and potential economic growth rate. There will likely be a cavalry of reforms after GST 2.0, including the long-overdue factor market reforms, especially in land and labor, along with judicial reforms, faster approvals and permits, etc. In addition to policy changes, the focus will also be on improving the ease of doing business and ease of living, decriminalizing trivial offenses, and ironing out avoidable costs and day-to-day hassles that reduce business efficiency.

Both monetary and fiscal policies working in tandem

The government has been proactive in addressing economic concerns, and the recent GST rate rationalization response is in addition to several other measures announced earlier. Particularly on the monetary side, the RBI has been cognizant of weakening growth impulse, and emboldened by low inflation (the latest CPI print at 2.1%), the RBI has opened monetary taps by cutting the repo rate by 100bp to 5.5%, while the CRR rate will be cut by 150bp (by Nov'25). Moreover, the liquidity situation, which was earlier in the deficit zone, has moved to the surplus territory – facilitating better transmission – following several back-to - back OMOs and FX swaps. Although the Central Bank did not announce any further repo rate cuts at the last policy meet, the overall commentary was benign and growth-positive, with multiple measures aimed at easing credit flow within the system. This, coupled with the personal income tax forbearance of INR1t and the latest GST cuts, should work through the system and

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MOFSL Universe to clock ~10% earnings growth in 2QFY26E



catalyze demand revival, growth acceleration, and improved potential for corporate earnings. However, growth can be affected if the tariff stalemate extends into 2HFY26, especially if the US issues further trade-related announcements targeting other sectors or aspects of its trade with India.

Resolution to tariff stalemate key for near-term performance

Indian equities have underperformed global peers in the past six months, owing in good measure to the US tariff measures. Complex global geopolitical equations have resulted in what we deem as an unjustified and harsh singling out of India by the US for punitive economic measures. However, we believe the Indian economy is robust enough to absorb such external shocks (the last two quarterly GDP growth prints of 7.4% and 7.8% in 4QFY25/1QFY26 bear testimony) and that economic forces will eventually prevail over populist compulsive policies. Nonetheless, in the near term, Indian markets will stay hostage to volatile sentiments towards Indian equities, particularly from foreign investors. Hence, any resolution or signs of thaw/easing in Indo-US engagement will be a key sentiment booster. This, coupled with strong domestic macros and an improving earnings growth trajectory, should lend support to Indian equities.

DII flows remain supportive; a pause in FII outflows can be a key catalyst

India's domestic retail investors have continued to maintain their faith in Indian equities and have been consistently investing through SIPs into Mutual Funds (INR840b in 2QFY26). Consequently, DIIs have remained strong buyers of Indian equities (investing a net USD25b in 2QFY26 – ~25% higher than the USD20b net flows posted in 1QFY26). This has also broadly offset the supply of fresh issuances, thereby ensuring limited impact from a surge in primary market activities. In contrast to domestic institutions, the foreign institutional flows, after witnessing some traction in 1QFY26, again turned negative in 2QFY26, posting a net outflow of USD9.3b vs. a net inflow of USD5.4b in 1QFY26. We continue to believe that domestic investors will remain steadfast in their confidence in Indian equities, providing robust support during drawdowns. Hence, Indian equities can recover even at the slightest indication of a pause in FII outflows. Given India's sharp underperformance over the past one year, combined with the tailwinds of improving earnings and a policy overdrive, we expect a rotation of FII capital back into India. This should offer a reasonable upside potential for Indian equities from current levels.

Key investment themes to align the investment portfolio

Against the current backdrop, we view the following key investment themes emerging:

1) Divergence between Financials and IT services: We are witnessing divergence in the prospects of two of the largest sectors, Financials and IT services. Within Financials, while non-lending names have done well in the past few years, banks were beset by slowing growth and rising credit costs. However, we now expect banks to start posting growth from H2FY26 onwards, driven by NIM expansion and higher credit growth as the credit impulse improves on the back of multiple government measures, making a stronger structural case for banks. The non-lenders, especially the capital market names, remain a long-term structural play on rising financialization/equitization of savings.
In contrast, IT services are experiencing a slowdown in demand growth from their primary market, the US, while the transitional phase of generative AI adoption is expected to delay clarity regarding service growth.

2) Consumption revival: The government, after taking cognizance of the need to stimulate consumption, has embarked on a policy overdrive to announce measures

that can drive higher consumption growth. We believe that all the measures put together will have a synergistic impact on demand and drive an uptick in consumption names, along with any derivative of consumption, such as retail lenders, logistics providers, et al.

3) New-age themes: While growth has remained a favorite theme for Indian investors, the market has now broadened enough to offer a reasonably wider choice of investable universe to investors. Many new-age themes have cropped up in the past few years, and we recommend strong overweight in some of these themes, such as quick commerce, renewable energy, mobile app ecosystem-based business models, etc. At MOFSL too, we have expanded our coverage to include 331 companies, with several new additions in emerging themes such as quick commerce, renewables, data centres, high-end discretionary consumption, ER&D, and more.

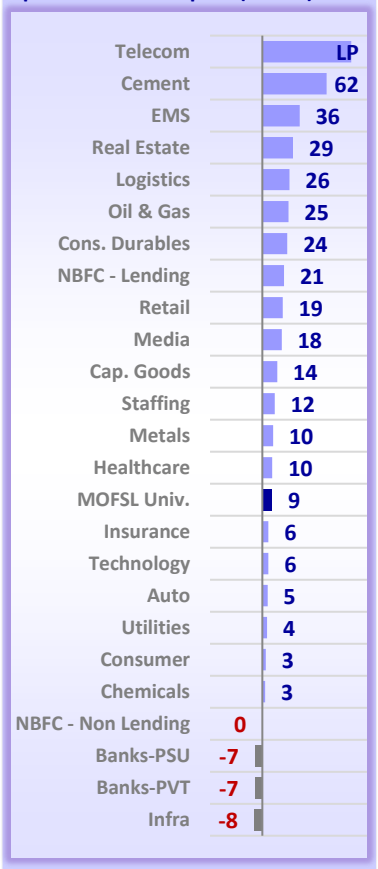
Indian markets on a strong platform, performance should mean revert

While Indian equities have registered lackluster performance in the past one year (down ~10% in USD terms since the Sep'24 highs), we continue to highlight that the Indian markets now appear to be in a healthy state vs. last year, and the platform is set for Indian equities to mean-revert and post an uptick going forward. The earnings cycle is bottoming out, with growth likely to pick up into double digits (quarterly PAT growth of 12%/12% YoY in 3QFY26/4QFY26 and annual PAT growth of 11%/14% YoY in FY26/FY27). The earnings cut cycle has already started to ease, with the latest quarterly cuts at a more modest ~1-2% range. Valuations are reasonable, with Nifty trading at 20.6x in line with LPA, and any evidence of earnings growth pickup should help valuations expand. We believe that the cavalry of measures by the government will help to reset the trajectory of corporate earnings as domestic reforms are expected to continue, while any resolution of the tariff stalemate will be a key external catalyst in our opinion. We see potential for further market upside, especially in an environment characterized by improving corporate earnings growth, low interest rates, ample liquidity, and macroeconomic recovery. Our model portfolio is more aligned towards domestic names, driven by expectations of a domestic economic rebound. While SMIDs trade at expensive valuations, we continue to focus on this segment, selectively picking high-conviction SMID names in our portfolio.

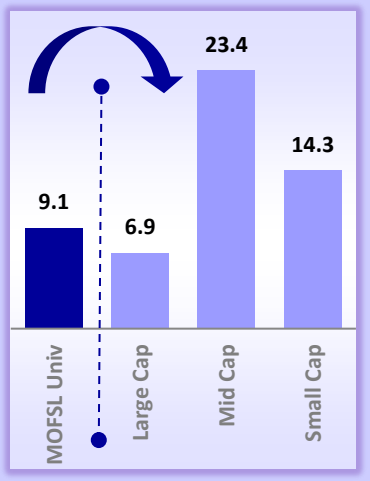
Modest expectations for 2Q; Nifty EPS cut 1.1%/1.7% for FY26E/FY27E

We estimate the MOFSL Universe/Nifty-50 earnings to grow 9%/6% YoY in 2QFY26. Ex-Financials, we expect earnings to increase 16%/10% YoY, whereas ex-Metals and O&G, we project the earnings to rise 6%/4% YoY for the quarter. The overall earnings growth is expected to be modest and will be anchored by O&G (+25% YoY), NBFC-Lending (+21%), Telecom (loss-to-profit), Metals (+10%), Technology (+6%), Cement (+62%), Capital Goods (+14%), and Healthcare (+10%). These sectors are likely to contribute 95% of the incremental YoY accretion in earnings. Conversely, both Private Banks (-7%) and PSBs (-7%) are likely to contribute adversely to earnings. Further, we expect FY26 earnings to grow 12% YoY and 9% YoY for the MOFSL Universe and Nifty-50, respectively. FY26 earnings, ex-Financials, are projected to rise 15% YoY and 11% YoY. Barring Metals and O&G, FY26 earnings are likely to increase 11% and 9% YoY for the MOFSL Universe and Nifty-50, respectively. We cut our FY26E/FY27E Nifty EPS by 1.1%/1.7% and expect it to grow 8%/16% YoY to INR1,096/INR1,274. The Metals, Cement, BFSI, Auto, and Technology sectors have contributed to the majority of the reduction in our earnings estimate.

Sectoral PAT growth for the quarter-ended Sep'25 (YoY %)



MOFSL: Large-/Mid-/Small-cap PAT growth in 2QFY26 (YoY %)



Earnings highlights – 2QFY26E | OMCs to drive the modest earnings growth

- We expect earnings of **MOFSL Universe and Nifty to grow 9% YoY and 6% YoY, respectively, in 2QFY26**. Excluding financials, the earnings are expected to jump 16% YoY and 10% YoY, whereas, excluding global commodities (i.e., Metals and O&G), the MOFSL Universe and Nifty are likely to report 6% and 4% YoY growth in earnings, respectively, for the quarter.
- The overall earnings growth is expected to be modest and will be anchored by O&G (+25% YoY), NBFC-Lending (+21%), Telecom (loss-to-profit), Metals (+10%), Technology (+6%), Cement (+62%), Capital Goods (+14%), and Healthcare (+10%). These sectors are likely to contribute 95% of the incremental YoY accretion in earnings. Conversely, both Private Banks (-7%) and PSBs (-7%) are likely to contribute adversely to earnings.
- Sales and EBITDA for the MOFSL Universe are likely to grow 6% and 8% YoY, while the same for the Nifty are likely to improve 7% YoY and 8% YoY, respectively. Ex-Commodities, EBITDA for the MOFSL Universe and Nifty is projected to grow 5% YoY and 6% YoY, respectively.
- In 2QFY26, the **MOFSL large-cap/mid-cap/small-cap** universe is likely to register a PAT growth of 7%/23%/14%, YoY. Moreover, sales for large-/mid-/small-caps are likely to grow 6%/6%/8% YoY, and their EBITDA would clock 8%/13%/3% YoY growth for the quarter.
- The earnings of the MOFSL **Financial** Universe are expected to dip 1% YoY, primarily due to the weak performance of both Private and Public banks, offset by the strong performance of NBFC-Lending. The **Private Banks** sector is projected to report an earnings decline (of 7% YoY) for the second straight quarter since Mar'20. The **PSU Banks** Universe is also likely to report an earnings decline of 7%, the lowest in 22 quarters. The earnings of the **Insurance** sector are expected to remain modest at +6% YoY. **NBFC-Lending** is likely to post a strong 21% YoY earnings growth (the highest in six quarters), while **NBFC Non-lending** is set to post a flat YoY growth in earnings – the lowest in 13 quarters.
- The earnings of the **O&G** Universe are likely to jump 25% YoY, led by OMCs. This marks the second quarter of growth after five consecutive quarters of decline.
- The **Telecom** universe is likely to clock profits (for the fourth successive quarter) of INR23b in 2QFY26 (vs. a loss of INR15b in 2QFY25 and a profit of INR16b in 4QFY25), mainly fueled by continued improvement in margins of Bharti Airtel.
- The **Metals** universe is projected to report a modest profit growth of 10% YoY.
- The **Cement** universe is expected to report a strong earnings growth of 62% YoY in 2QFY26 (over the weak base of 48% earnings decline for 2QFY25). The sector is likely to clock the second quarter of earnings growth after four consecutive quarters of significant earnings dip.
- The **Capital Goods** sector is projected to report a healthy earnings growth of 14% YoY. However, the sector would report the second quarter of less than 15%+ earnings growth after 4QFY25.
- The **Healthcare** universe is likely to report 10% YoY earnings growth (the lowest growth in eight quarters), after clocking six quarters of 15%+ earnings growth until 4QFY25.
- The **Real Estate** universe is likely to deliver a strong quarter with earnings growth of 29% YoY in 2QFY26 over a strong base of 2QFY25.

- The **Technology** sector is likely to register a modest earnings growth of 6% YoY, the lowest growth in six quarters. This will also mark the ninth quarter of single-digit profit growth.
- The **Auto** sector is likely to report a modest quarter of YoY earnings growth of 5% in 2QFY26 over a flat base of 2QFY25.
- The **Consumer** sector is expected to post a muted earnings growth of 3% YoY, marking the sixth consecutive quarter of weak earnings print.
- The **Chemicals** sector is also likely to report a muted 3% YoY earnings growth (despite a weak base of 5% YoY earnings dip in 2QFY25). However, this will mark the third consecutive quarter of earnings growth following a seven-quarter decline.
- We expect the EBITDA margin (ex-Financials) to expand 110bp to 17.5% for the MOFSL Universe. Conversely, for the Nifty-50, EBITDA margin is likely to expand 100bp to 21.1% (ex-Financials) during the quarter.
- **Sales/EBITDA/PAT of the MOFSL Universe** are expected to report a two-year CAGR of 6%/5%/4% over 2QFY24 and 2QFY26.
- **FY26E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 5%/11%/12% YoY. The O&G, NBFC Lending, Metals, and Telecom sectors are likely to be the key earning drivers with 13%, 23%, 17%, and LP YoY growth in FY26E, respectively. These four sectors are projected to contribute 49% of the incremental earnings for the MOFSL Universe in FY26.
- **Nifty EPS cut for FY26E/27E:** We reduce our FY26E/FY27E Nifty EPS by 1.1%/ 1.7% and expect it to grow 8%/16% YoY to INR1,096/INR1,274. The Metals, Cement, BFSI, Auto, and Tech sectors have contributed to the majority of the reduction in our earnings.
- **Top ideas: Largecaps:** Bharti Airtel, ICICI Bank, Larsen & Toubro, Mahindra & Mahindra, Ultratech Cement, Titan Company, Max Healthcare, Bharat Electronics, Tech Mahindra, TVS Motors, Macrotech, and Indian Hotels. **Midcaps and Smallcaps** – Dixon Technologies, SRF, Suzlon Energy, Jindal Stainless, Coforge, Supreme Industries, Page Industries, Kaynes Tech, Radico Khaitan, VIP Industries, UTI AMC, Swiggy, and Niva Bupa Health.



Model portfolio: Key changes

Our model portfolio broadly reflects our preference for growth visibility and domestically focused plays in a still-strained global environment. We anticipate a gradual recovery in earnings by FY26, and we marginally raise our weights in domestic names. We discuss the key changes in our model portfolio below:

Our key Overweight (OW) sectors are Autos, Industrials, Healthcare, BFSI, and Consumer Discretionary, while we are Underweight (UW) on Oil & Gas, Cement, and Metals. We upgrade Automobiles to OW from Neutral. We have also made several additions from a bottom-up standpoint across sectors.

- **FINANCIALS:** We retain our OW stance on the BFSI sector, with differentiation among its sub-segments. We continue to prefer large private banks, holding the highest OW position in ICICI Bank, followed by Kotak Bank, albeit we have trimmed our allocations in both ICICI Bank and Kotak Bank by 100bp each. We remain marginal OW on PSU banks, with only SBI representing this segment. We are OW in diversified financials, reflecting our positive long-term outlook on this theme. While maintaining our allocations to UTI AMC and Niva Bupa, we have replaced Angel One with Max Financials, assigning a substantial allocation of

300bp. We expect **Max Financials** to outperform in APE growth, product mix, VNB margin, and RoEV over 2HFY26 and beyond, on the back of a favorable outlook for the life insurance industry driven by GST rate cuts, interest rate cuts, and a favorable base of 2HFY25. We project an APE/VNB CAGR of 18%/21% during FY25-28E and consider the valuations attractive at FY27 P/EV of 1.9x.

- **CONSUMPTION:** We remain OW on Discretionary, our preferred long-term theme in consumption, and maintain our UW stance on Staples. We have added two more names to the Discretionary cohort, i.e., Indigo and V-Mart, with 300bp and 100bp allocations, respectively. We have partially funded these additions by replacing Jubilant Foodworks, while we have maintained allocations in Titan, Radico Khaitan, Indian Hotels, and Page Industries at the same levels as last quarter.
- **Indigo** is a key beneficiary of the surge in travel demand. It has demonstrated resilience through cost control, strong network execution, and steady passenger growth. Backed by early double-digit capacity growth, stable yields, a rising international mix (currently ~30% of ASKs), and improving operating leverage (from reduced damp leases and expanding wide-body routes), INDIGO is well-positioned to sustain healthy profitability.
- **V-Mart** remains a formidable beneficiary of the unorganized-to-organized shift and rising preference for one-stop shops, which provide a wider assortment at competitive prices in Tier 2+ towns.
- **TECHNOLOGY:** We remain Neutral on Technology, within which we are UW on IT services but OW on quick commerce, which offsets the services underweight. Within IT services, we continue to prefer mid-cap players owing to their better growth vs. the large-cap peers. Coforge and Hexaware are our key mid-cap IT picks with unchanged allocation at 200bp. TechM is the sole large-cap IT name in our portfolio. We have replaced HCL Tech by adding Swiggy to our model portfolio with an allocation of 300bp.
- **Swiggy** is a beneficiary of improved execution and rising QC AOV, which strengthens growth visibility while easing competition and moderating dark store expansion, accelerating the path to breakeven.
- **AUTOMOBILES:** We upgrade Automobiles to OW from Neutral, as the environment for the auto sector has improved materially over the past few months, owing to a confluence of multiple enablers such as GST2.0 rationalization, interest rate cuts, higher personal disposable incomes, and healthy rural demand. We have maintained our existing allocations of 400bp/300bp in M&M and TVS Motors, while adding Happy Forgings to the portfolio with a 200bp weightage.
- **Happy Forgings** is our key preferred stock in the auto ancillary space, as it is second order beneficiary of the expected demand revival at OEMs post-GST 2.0 rate rationalization. Happy Forging's key customer segments in the domestic market (CVs and tractors) have picked up in 2Q, holding potential for continued strong growth. There is no material impact of US tariffs, as its US exposure is below 3% of revenue, including indirect exports. The stock trades at a palatable valuation of 27.4x 12-month forward earnings vs. the 10-year average of 34x.
- **INDUSTRIALS:** This sector remains one of our favorite themes. We maintain our OW stance in this segment and retain our allocations and stock picks as in the last quarter, with allocations to L&T, BEL, Ultratech, Dixon Technology, and Kaynes. Among the sub-segments, we are very optimistic about EMS names, and

hence, the sector is a key OW, as we see a continuation of super-normal growth in this segment.

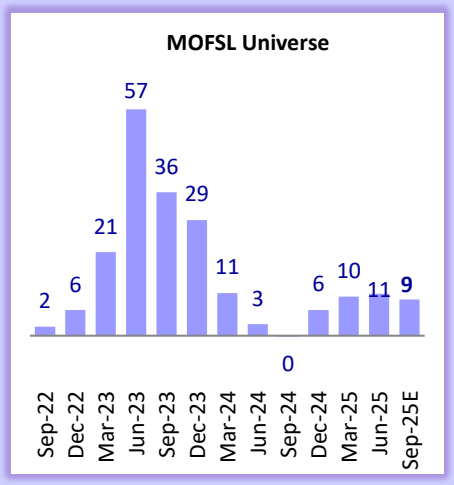
- **HEALTHCARE:** We retain our OW stance on Healthcare, albeit we have changed the composition by replacing Sun Pharma with Lupin and assigned a 200bp weightage. We have retained our allocations in Global Health and Dr. Agarwal's Health.
- **Lupin** is expected to post a continuation of strong earnings growth momentum with expectations of 35%, 26%, and 42% YoY growth in 2Q, 3Q, and 4QFY26, respectively. It has posted a strong sales growth in the US over the past 14 quarters. Further, LPC has a strong pipeline of products in the inhalation/injectable space to sustain this growth momentum going forward. Given its strong anti-diabetes franchise, LPC is gearing up for the launch of semaglutide in India and is also scaling additional growth drivers in India, including consumer health, diagnostics, and digital offerings for cardiac patients.
- **METALS/UTILITIES:** We continue to maintain our UW stance, with exposures through Jindal Stainless and Suzlon Energy.
- **OTHERS:** We maintain our OW stance, which in a way signifies the growing importance of newer, less prominent, and smaller themes. We have replaced SRF and Macrotech Developers with Delhivery and VIP Industries in this segment.
- **Delhivery** is a beneficiary of capacity additions through organic and inorganic routes, market leadership position, increasing share of high-margin part-truck-load (PTL) business, and cost efficiency driven by higher scale of operations.
- **VIP Industries** is now emerging from a strategic reset year with a cleaner balance sheet, renewed brand investments, and meaningful cost efficiency gains. We expect the refreshed strategy to be anchored around 1) augmenting its supply chain efficiency, 2) enhancing employee productivity, 3) divesting low-profitability brands, 4) expanding retail footprint to high-throughput locations, and 5) realigning e-commerce discounting.

Note: Exhibit data is sourced from Bloomberg, Companies, and MOFSL research database

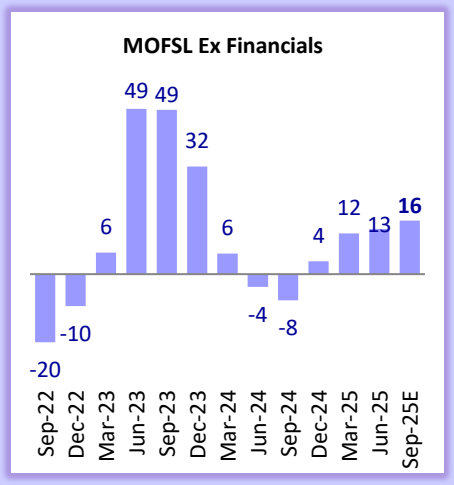
Corporate earnings at a glance: Defensives poised to aid earnings growth

O&G is likely to lead the charge; excluding Financials, profits are anticipated to grow 16% YoY and 10% YoY for the MOFSL Universe and Nifty, respectively.

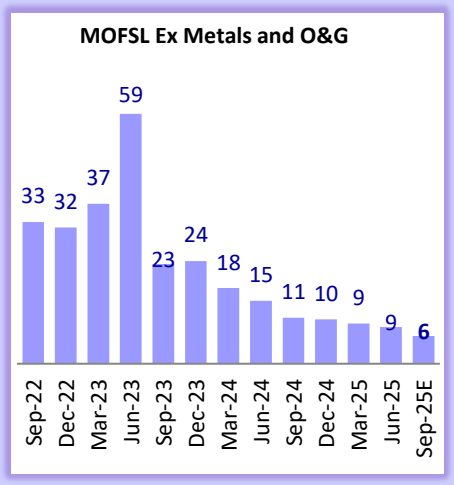
PAT expected to grow 9% YoY for the MOFSL Universe



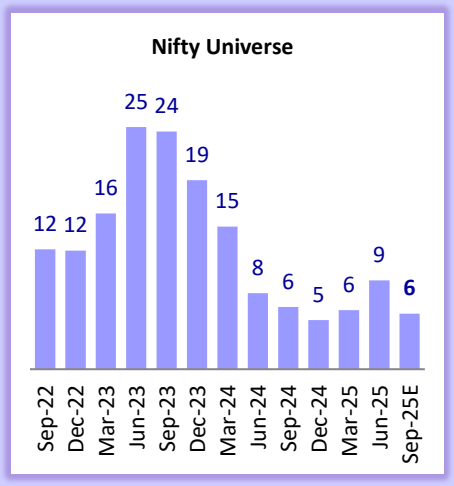
PAT likely to rise 16% YoY for the MOFSL Universe, excluding Financials



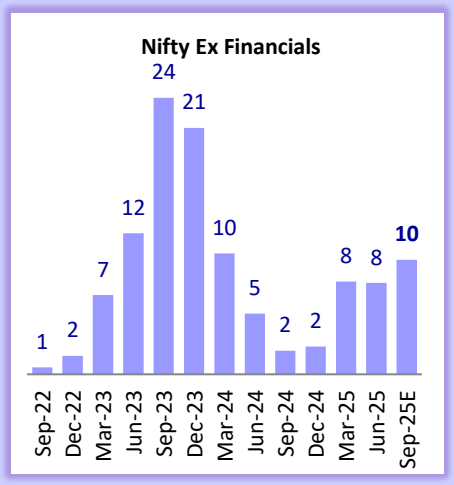
PAT to grow 6% YoY for the MOFSL Universe, sans Metals and O&G



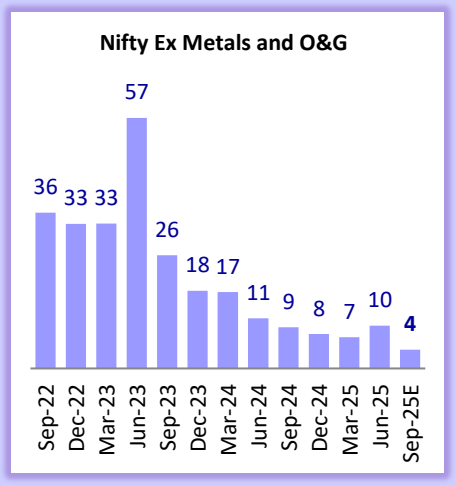
PAT growth for the Nifty Universe anticipated to be only 6% YoY



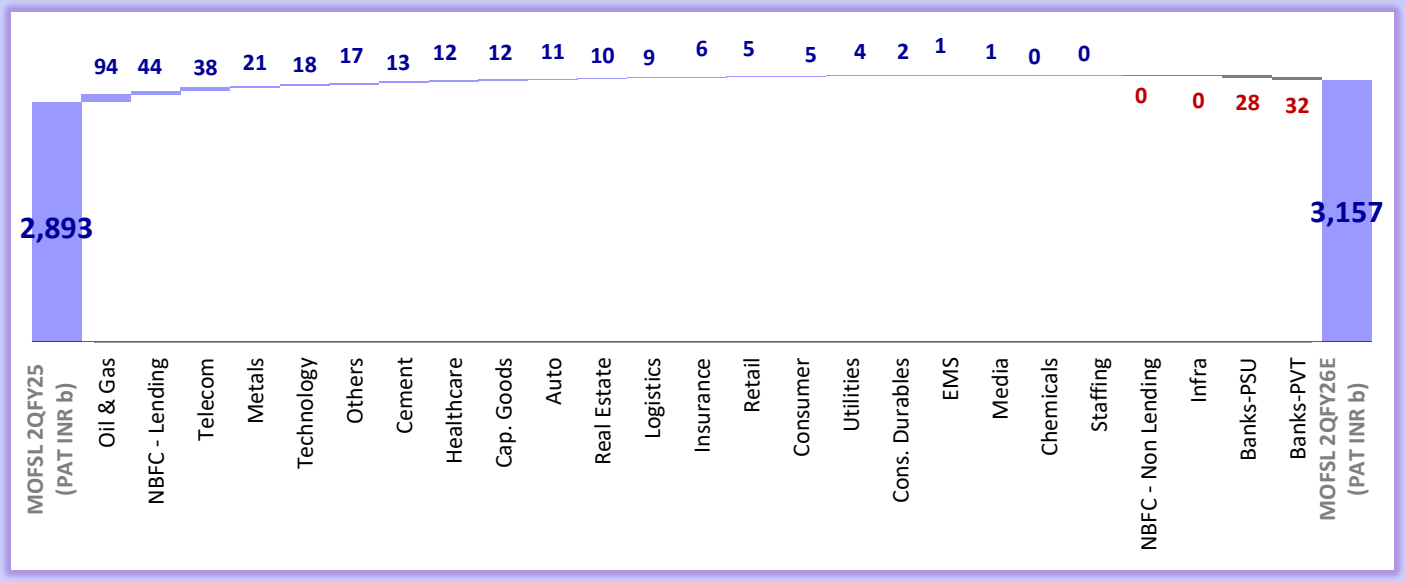
PAT to grow 10% YoY for the Nifty Universe (ex-Financials)



PAT to grow 4% YoY for the Nifty Universe (ex-Metals and O&G)

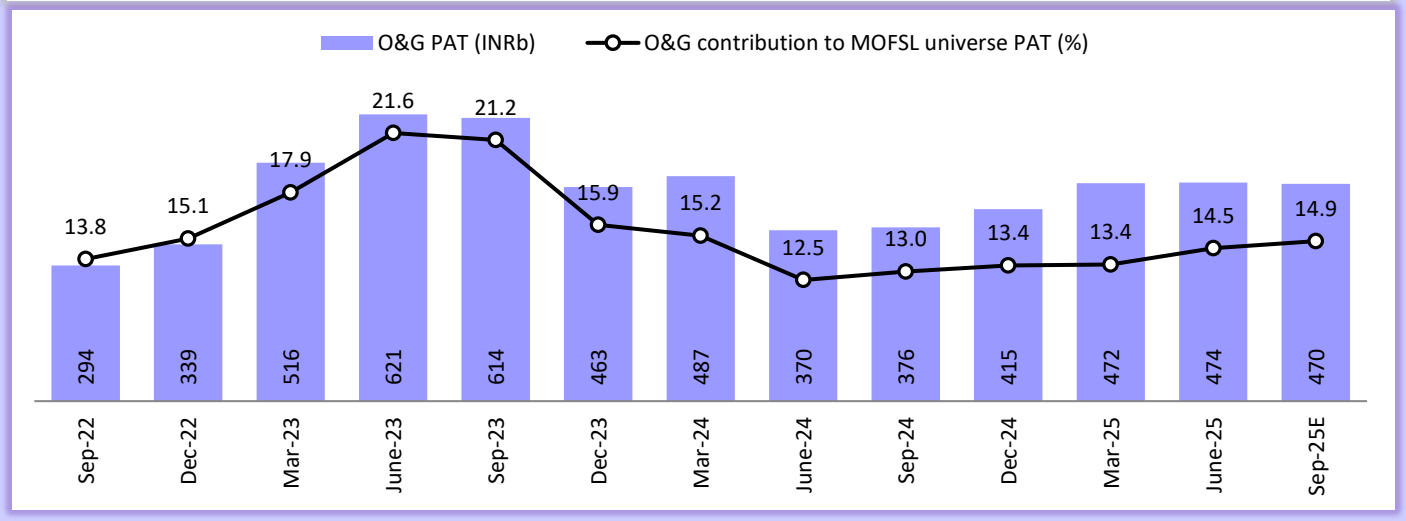


Performance of the MOFSL Universe is likely to be driven by O&G, NBFC-Lending, and Telecom but would be weighed down by Banks in 2QFY26

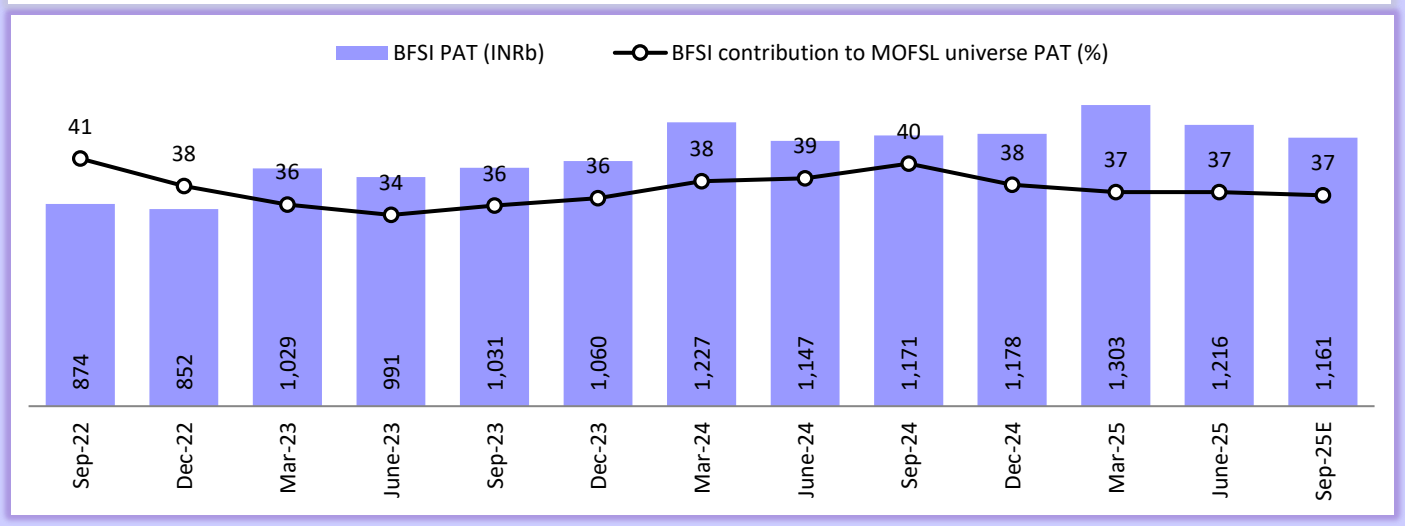


Corporate earnings at a glance: O&G's PAT contribution to rise sequentially

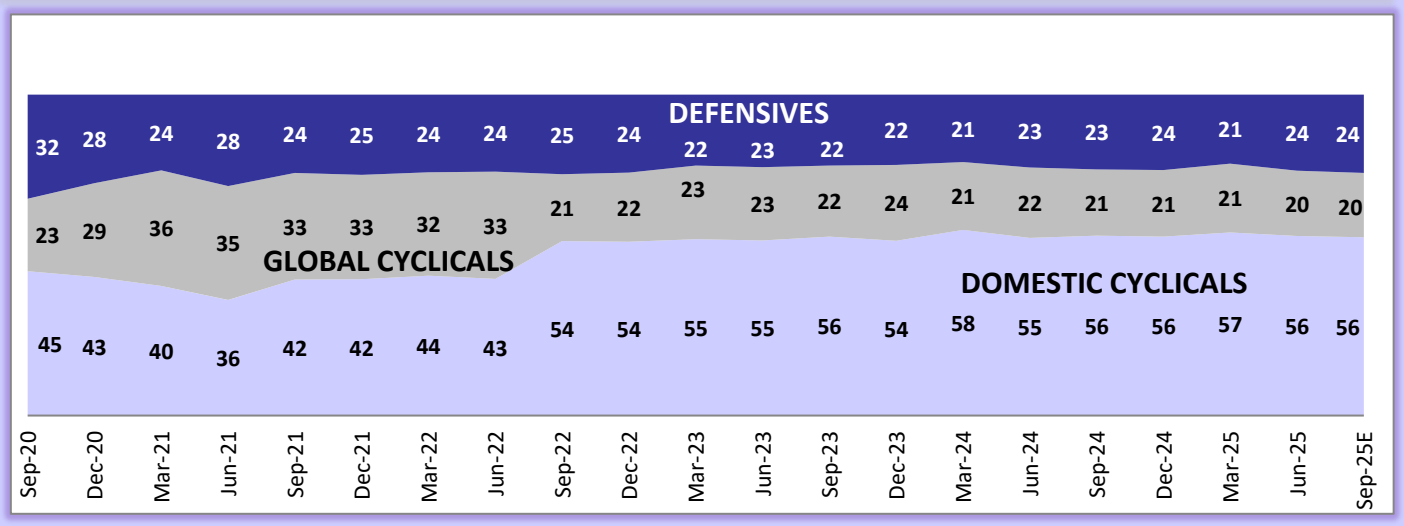
O&G's PAT contribution to the MOFSL Universe shows some signs of sequential rise in 2QFY26, the highest in six quarters



Financials to retain over one-third share of total profits, though the share continues to dip from the highs of 40% in Sep'24



MOFSL (ex-OMC)'s PAT share (%): Defensives to drive 2QFY26 earnings

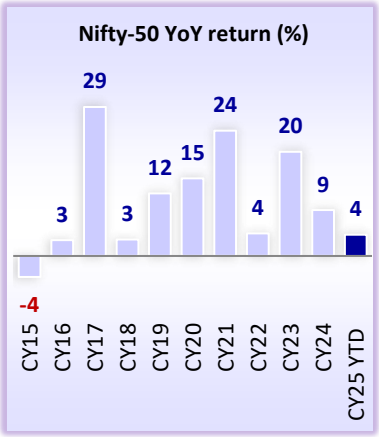


MOFSL: MODEL PORTFOLIO

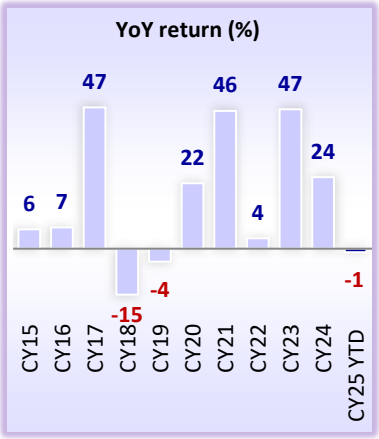
SECTOR WEIGHT / PORTFOLIO PICKS	BSE 100	MOFSL WEIGHT	WEIGHT RELATIVE TO BSE100	EFFECTIVE SECTOR STANCE	PAT YoY / CAGR (%)			
					FY26E	FY27E	FY28E	FY25-FY27
Financials	**34.2**	**34.0**	**-0.2**	**Neutral**				
Private Banks	**23.3**	**21.0**	**-2.3**	**Underweight**				
ICICI Bank	6.9	9.0	2.1	Buy	10	12	17	11
HDFC Bank	10.4	9.0	-1.4	Buy	7	15	16	11
Kotak Mahindra Bank	2.2	3.0	0.8	Buy	-5	19	22	6
PSU Bank	**3.5**	**4.0**	**0.5**	**Neutral**				
SBI	2.6	4.0	1.4	Buy	2	18	18	10
Diversified Financials	**7.5**	**9.0**	**1.5**	**Overweight**				
Max Financials	0.0	3.0	3.0	Buy	27	18	11	22
Shriram Finance	0.6	3.0	2.4	Buy	12	21	19	17
UTI AMC	0.0	2.0	2.0	Buy	7	16	18	11
Niva Bupa Health	0.0	1.0	1.0	Buy	-37	133	93	21
Consumption / Retail	**13.8**	**13.0**	**-0.8**	**Neutral**				
Titan Company	1.0	3.0	2.0	Buy	30	19	19	24
Indigo Aviation	0.9	3.0	2.1	Buy	18	11	12	15
Radico Khaitan	0.0	2.0	2.0	Buy	57	28	23	42
Indian Hotels	0.5	2.0	1.5	Buy	14	22	11	18
Page Industries	0.0	2.0	2.0	Buy	11	15	13	13
V-Mart	0.0	1.0	1.0	Buy	429	64	47	195
Technology	**9.5**	**10.0**	**0.5**	**Neutral**				
Tech Mahindra	0.6	3.0	2.4	Buy	27	28	12	27
Swiggy	0.0	3.0	3.0	Buy	Loss	Loss	Loss	Loss
Hexaware Tech.	0.0	2.0	2.0	Buy	26	16	15	21
Coforge	0.4	2.0	1.6	Buy	59	28	23	43
Auto	**7.8**	**9.0**	**1.2**	**Overweight**				
Mahindra & Mahindra	2.2	4.0	1.8	Buy	22	19	13	21
TVS Motor	0.6	3.0	2.4	Neutral	33	20	16	27
Happy Forgings	0.0	2.0	2.0	Buy	6	24	32	15
Energy/Telecom	**12.5**	**9.0**	**-3.5**	**Underweight**				
Reliance Industries	6.6	5.0	-1.6	Buy	12	10	10	11
Bharti Airtel	3.7	4.0	0.3	Buy	61	40	32	50
Cap Goods, Infra & Cement	**8.8**	**8.0**	**-0.8**	**Neutral**				
Larsen & Toubro	3.1	4.0	0.9	Buy	22	19	19	21
Bharat Electronics	1.1	2.0	0.9	Buy	14	20	19	17
UltraTech Cement	1.0	2.0	1.0	Buy	27	34	21	31
Healthcare	**4.3**	**6.0**	**1.7**	**Overweight**				
Lupin	0.3	2.0	1.7	Neutral	32	2	3	16
Global Health	0.0	2.0	2.0	Buy	25	25	21	25
Dr Agarwals Health.	0.0	2.0	2.0	Buy	41	38	53	39
Metals / Utilities	**7.4**	**4.0**	**-3.4**	**Underweight**				
Jindal Stainless	0.0	2.0	2.0	Buy	19	23	10	21
Suzlon Energy	0.5	2.0	1.5	Buy	18	78	6	45
EMS	**0.5**	**4.0**	**3.5**	**Overweight**				
Dixon Tech.	0.5	2.0	1.5	Buy	48	59	31	53
Kaynes Technology	0.0	2.0	2.0	Buy	88	62	48	74
Others	**1.2**	**3.0**	**1.8**	**Overweight**				
Delhivery	0.0	1.0	1.0	Buy	116	25	33	64
Supreme Inds.	0.0	1.0	1.0	Buy	8	34	20	21
VIP Inds.	0.0	1.0	1.0	Buy	LP	288	45	LP
TOTAL	**100**	**100**			**12**	**18**	**18**	**15**

MARKETS

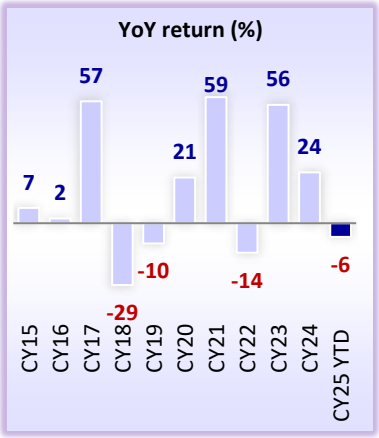
Nifty-50: Remains positive in CY25YTD



Nifty Midcap-100 remained nearly flat



Nifty Smallcap-100 underperforms in CY25YTD



A year of range-bound market movement…

…led by robust DII flows, offsetting sharp FII outflows amid global volatility

- **A range-bound market lacking a clear trend:** Indian equities have remained broadly range-bound over the past year, posting only marginal gains in CY25YTD, though they are slightly down from the Sep'24 highs. Heightened global tariff headwinds, geopolitical uncertainties, and sharp FII selling were offset by strong DII inflows, which helped prevent deeper drawdowns. Repeated tariff announcements from Trump during the quarter, without resolution, contributed to increased volatility following a recovery in 2QCY25. Although up 4% YTD, the Nifty-50 closed 6% below its Sep'24 peak, while the Nifty Midcap-100 and Smallcap-100 declined 7% and 10% (down 1% and 6% YTD), respectively. Over longer periods, the Nifty-50 has delivered a CAGR of 13%/17%/12% across 3-year, 5-year, and 10-year horizons.
- **India underperforms global peers in CY25:** Despite showing resilience, India underperformed most major global markets in CY25YTD, many of which staged sharper recoveries from a low CY24 base. South Korea (+50%), Brazil (+41%), Germany (+36%), MSCI EM (+25%), the UK (+23%), France (+22%), Taiwan (+21%), Japan (+20%), China (+19%), the US S&P500 (+14%), and Russia (+13%) all outpaced India's flat performance (0%) in USD terms.
- **Mid- and small-cap outperformance narrows:** Following a strong 2023-24, mid- and small-cap stocks have continued to underperform since the Sep'24 highs and over the past nine months. As of Sep'25, the Nifty Midcap-100 and Smallcap-100 indices were down 7% and 10% from their all-time highs, while the Nifty-50 declined 6%. Weak earnings and valuation concerns triggered a sharp sell-off in small-cap stocks, while mid-caps delivered relatively stronger earnings growth, helping to moderate their valuations. Nevertheless, small-cap valuations remain stretched, mid-caps appear overvalued, and large-caps trade near their long-term averages.
- **DII flows set a record; FIIs remain net sellers:** DII inflows remain robust, aided by resilient monthly SIP contributions of above USD3b and rising retail participation. Record DII inflows of USD 66.7b in the first nine months of CY25 have already surpassed the total inflows for the entire CY24. Meanwhile, global uncertainties, the impact of Trump's aggressive reciprocal tariffs, and the start of interest rate cuts have driven stronger FII flows in global markets (excluding India), resulting in record net outflows of USD 17.5b from Indian equities. While retail participation and DII momentum are expected to stay strong, geopolitical developments, stable currency, and a recovery in domestic earnings will be key factors shaping FII flows into India. Any progress or resolution regarding trade tariffs could positively influence FII sentiments going forward.

Exhibit 1: Indian market remains range bound, the Nifty-50/Midcap-100/Smallcap-100 declined 6%/7%/9% YoY since Sep'24

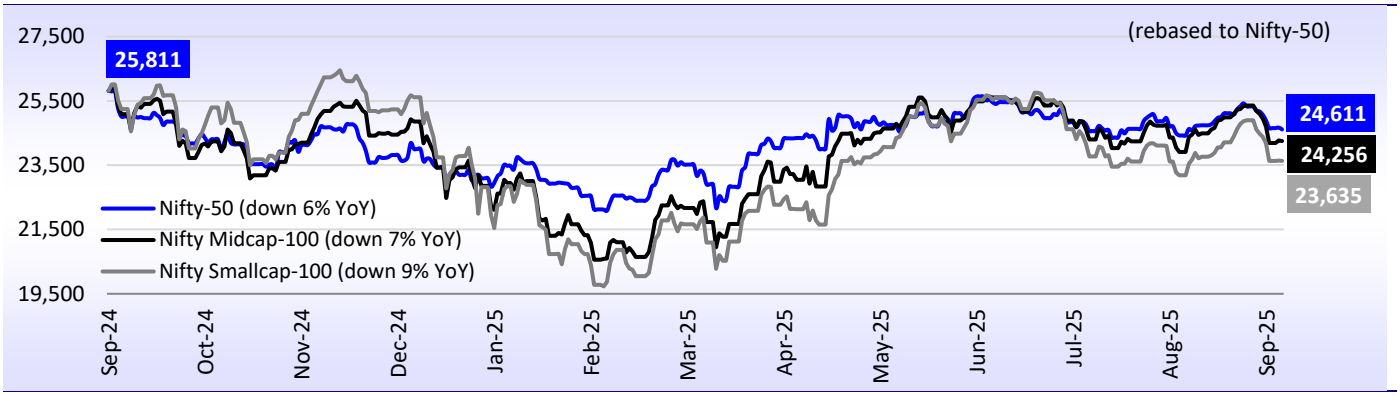


Exhibit 2: Performance of global equity indices in USD terms (%): India underperforms global peers in CY25YTD

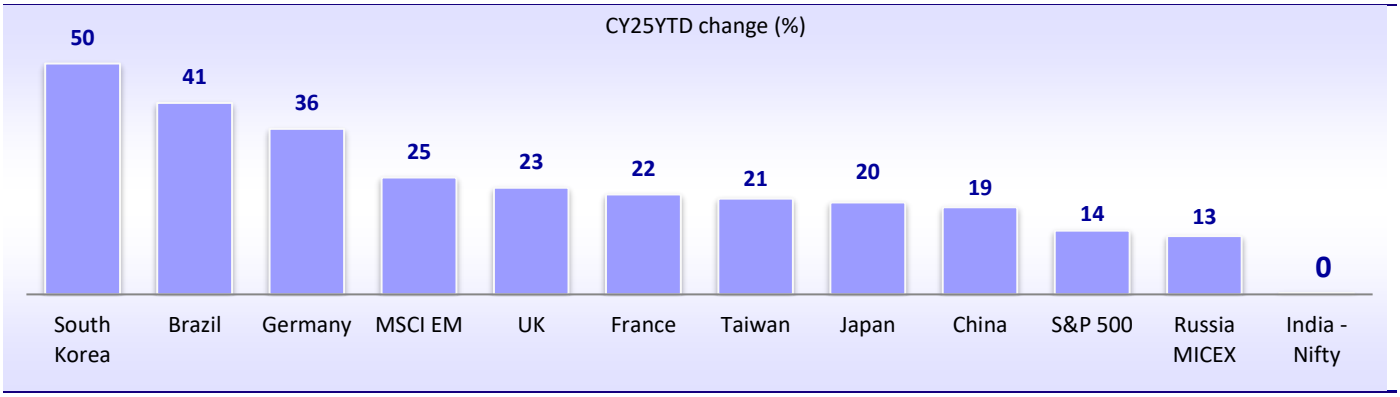


Exhibit 3: Over the last 12 months, the global market cap has increased 15.6% (USD19.5t), whereas India's market cap has declined 10% to USD5.1t

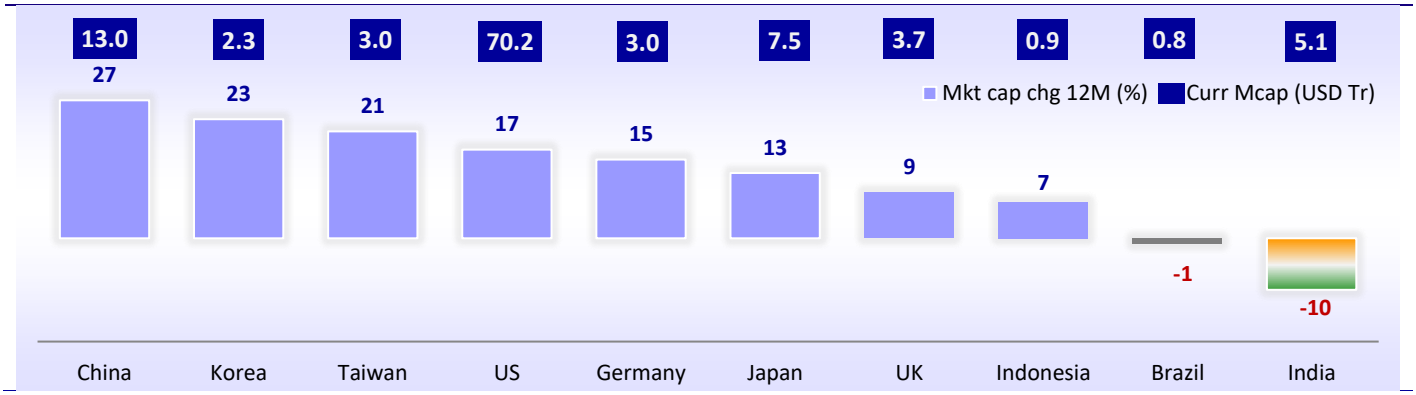


Exhibit 4: Trend in India's contribution to the global market cap (%) – moderates from the Mar'25 high and hovers around 3.5%

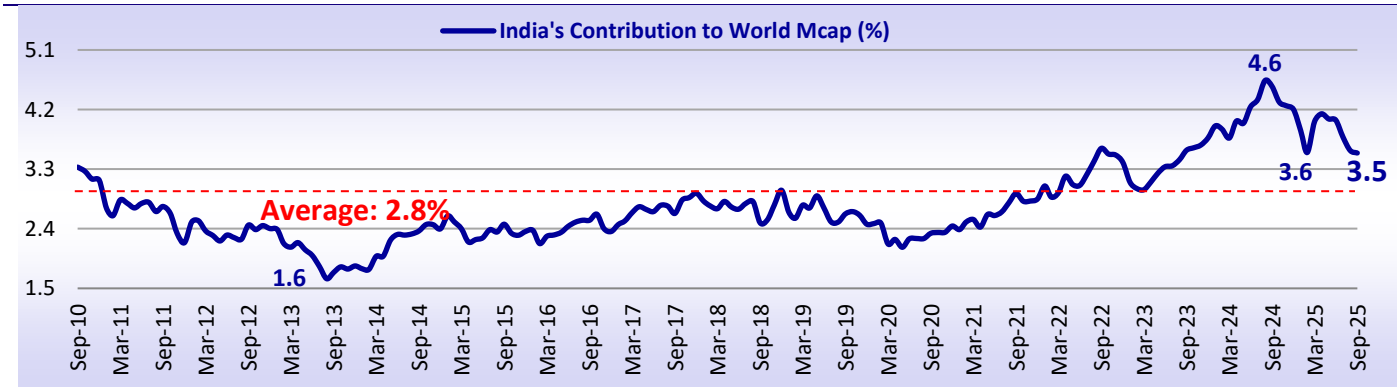


Exhibit 5: FII registers the highest outflow in a year…

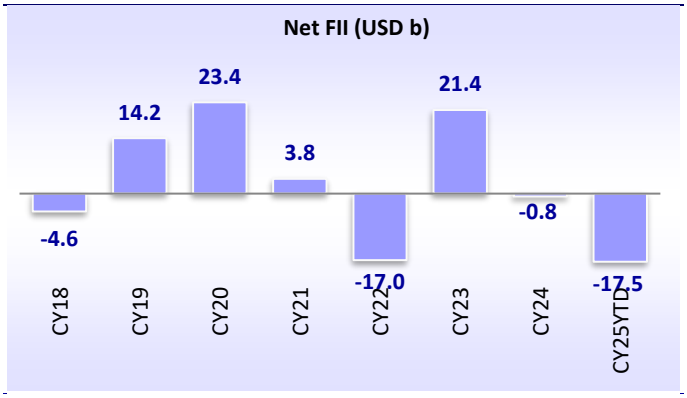


Exhibit 6: …while DII inflows continue to hit record highs

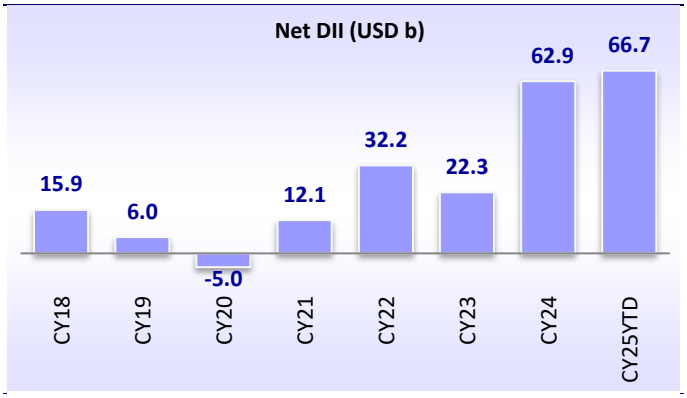


Exhibit 7: FII flows have weakened in the past three months

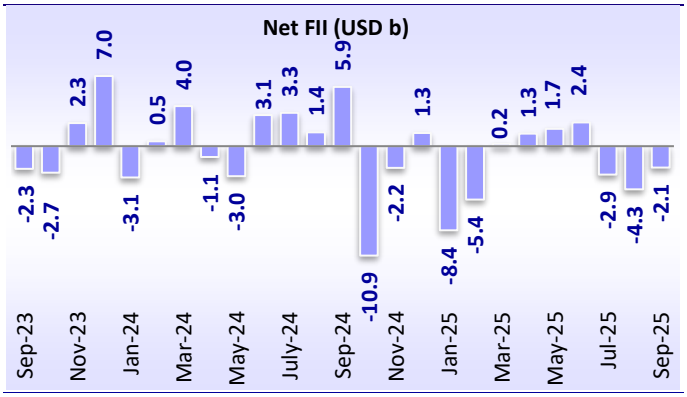
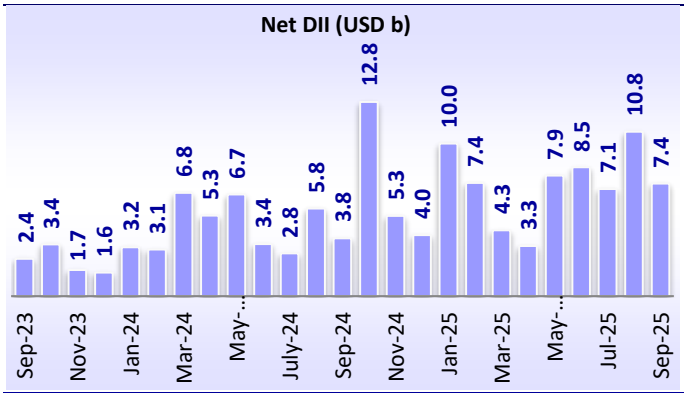


Exhibit 8: DII flows have been robust for the last 26 months



Valuations for Nifty-50 above LPA, while broader markets remain elevated

- Nifty is trading at a 12-month forward P/E of 20.6x, near its own LPA. We expect FY26/FY27 EPS to grow 8%/16% to INR1,096/INR1,274.
- India's market cap-to-GDP ratio has been volatile, dropping to 57% (of FY20 GDP) in Mar'20 from 80% in FY19. Since then, it has remained above the long-term average of 87%, reaching a multi-year high of 146% in Sep'24. Following the market correction and subsequent recovery, the ratio now stands at 125%. We expect nominal GDP to grow 10.5% YoY in FY26 vs. 9.8% growth in FY25.

Exhibit 9: Nifty-50 down 6% YoY but up 4% in CY25YTD; it is trading near to its LPA

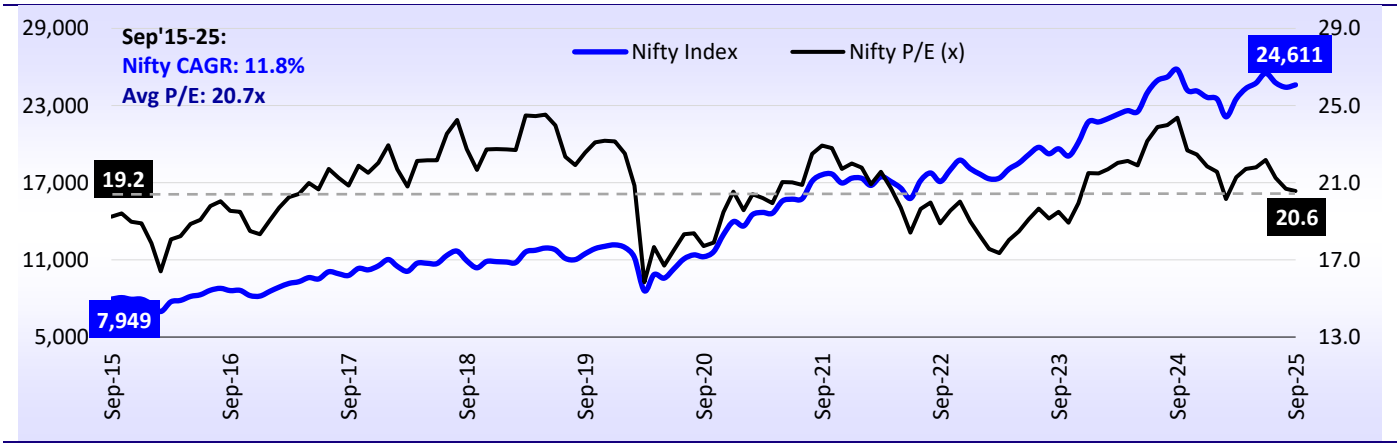


Exhibit 10: The 12-month forward Nifty P/B (x)

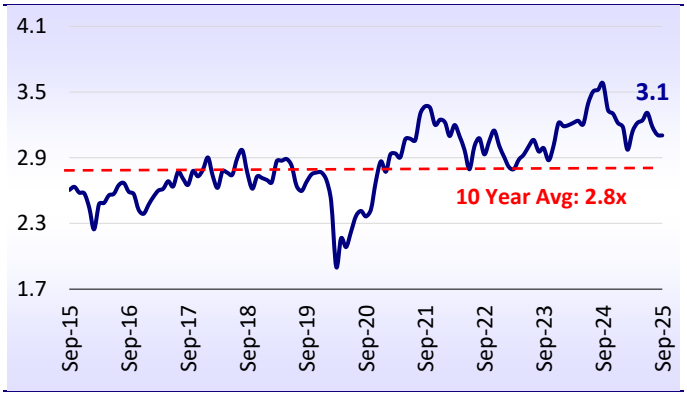


Exhibit 11: The 12-month forward Nifty RoE (%)

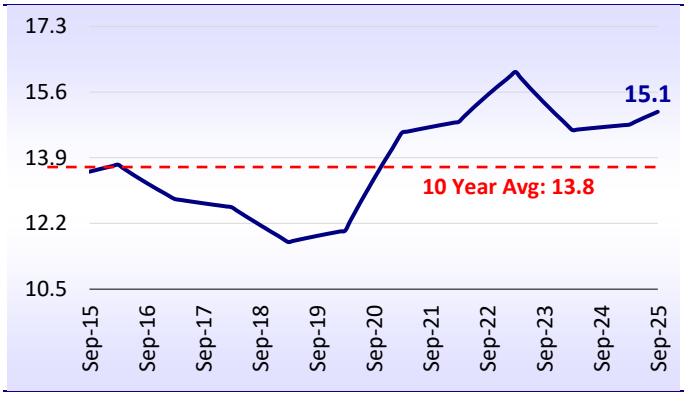


Exhibit 12: Valuations, though below their peak, remain elevated for SMIDs, while aligning with averages for the Nifty-50

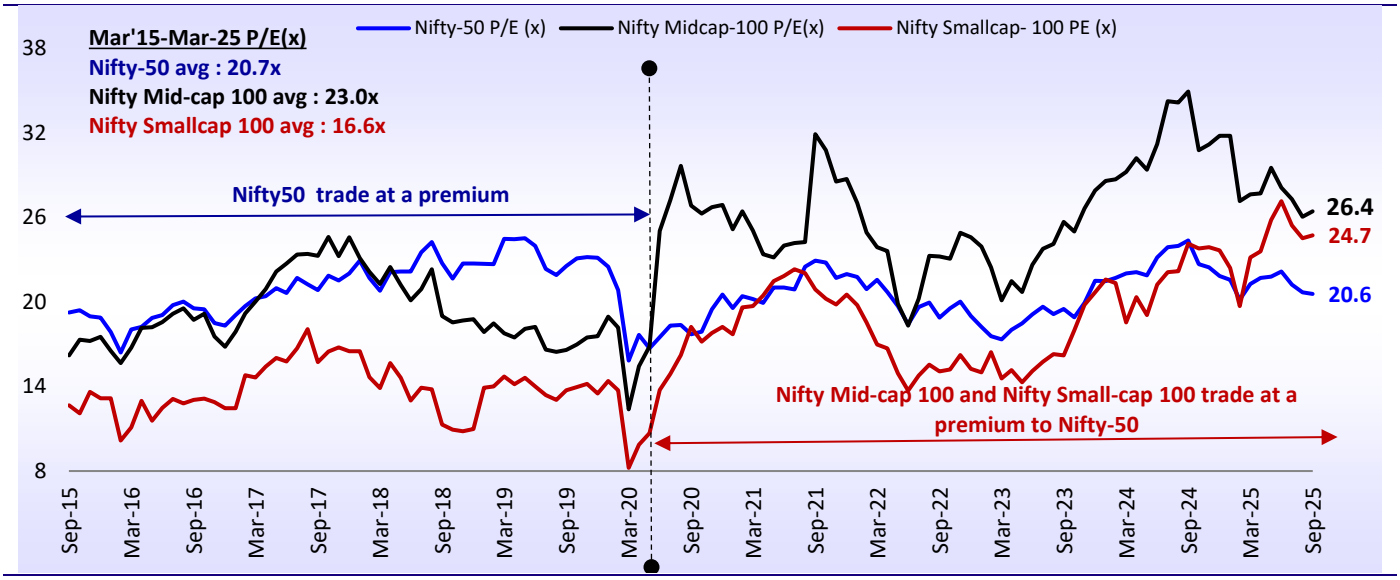
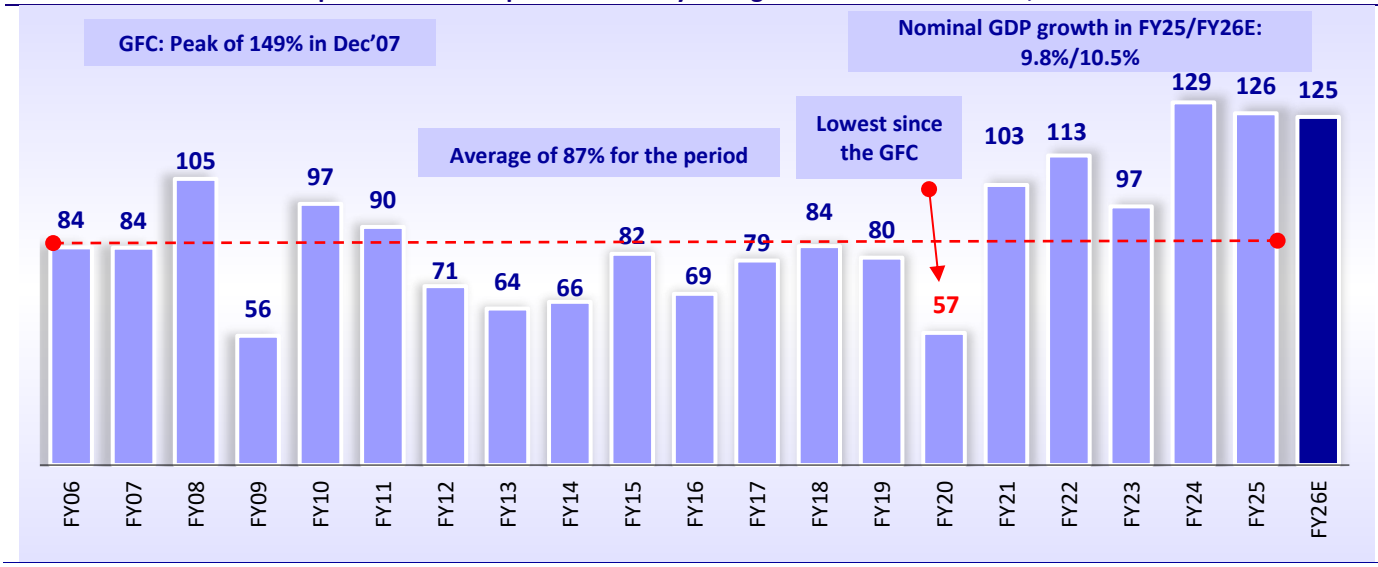


Exhibit 13: India's market cap-to-GDP ratio dips from the 17-year high levels of 146% in FY25, and stands at 125% in FY26YTD



2QFY26 PREVIEW

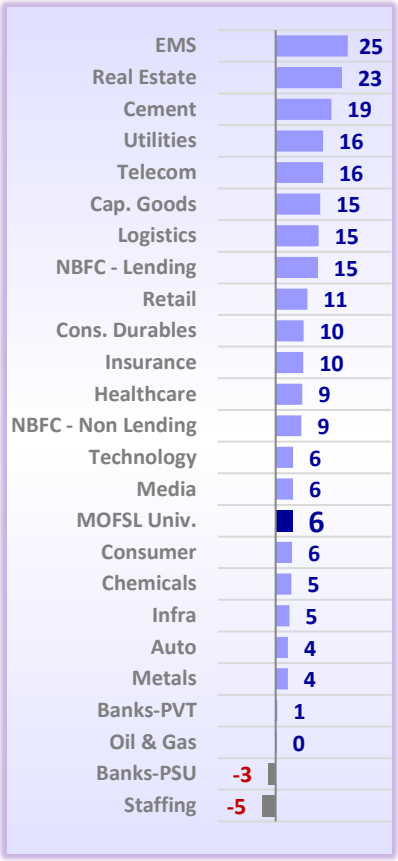
OMCs to drive earnings, while Private Banks to drag the same

Of the 18 major sectors under MOFSL Coverage, only 10 are likely to witness an expansion in EBITDA margin on a YoY basis

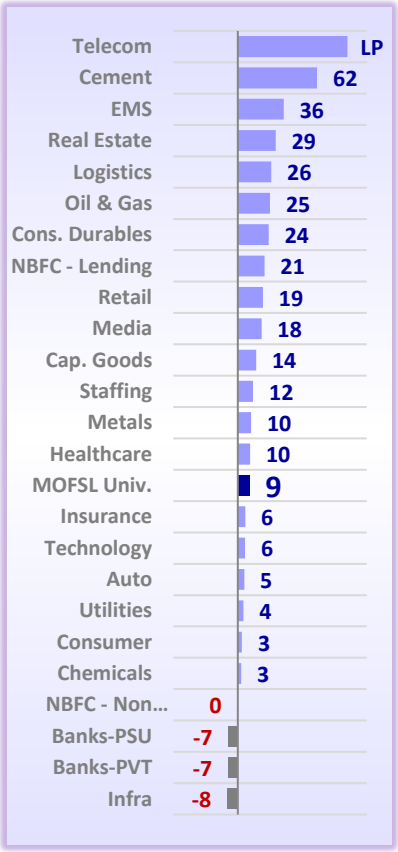
MOFSL (ex-Commodities) earnings likely to grow 6% YoY

- The **Auto** OEMs within our coverage universe are expected to deliver a 13% YoY volume growth in 2QFY26 (after a weak 1Q). Among the listed companies, 2W/CV OEMs posted volume growth of 15%/10% in 2Q. Aggregate PV growth for the four listed OEMs stood at just 3% YoY. For our OEM coverage universe (excl. TTMT), revenue is likely to grow 13% YoY on the back of healthy volume growth. Similarly, excl. TTMT, EBITDA/PAT for our coverage universe may decline by 13%/15% YoY. For auto ancillaries under our coverage, we expect ~9% growth in revenue but a much slower 3% growth in both EBITDA/PAT in 2QFY26.
- **BFSI:** We expect a weak (-1% YoY) adj. earnings growth for our BFSI universe, mainly due to the weak performance of both Private Banks (-7% YoY) and PSBs (-7%), along with flat earnings growth of NBFC Non-lending companies. NBFC lending (+21%) and Insurance (+7%) are likely to post healthy earnings growth. We estimate NII for our banking coverage universe will decline 0.9% YoY/1.8% QoQ, while PPoP is also expected to dip 5.5% YoY/14% QoQ. For the private banks under our coverage, we estimate PPoP to decline 2% YoY/18% QoQ. PSU banks' PAT is likely to dip 7.1% YoY (-1.9% QoQ) in 2QFY26E, due to a contraction in NIM and moderation in treasury gains for most PSBs. NII is likely to decline 2.5% YoY (-1.7% QoQ).
- **NBFCs:** We estimate ~14% YoY growth each in NII/PPoP in 2QFY26 for our NBFC coverage universe, and PAT is expected to grow ~18% YoY (excl. Poonawalla). Excluding NBFC-MFI and PFL, we estimate ~14% YoY growth in PAT for our coverage universe. We estimate loan growth of ~16% YoY/~4% QoQ as of Sep'25 for our coverage universe. AUM growth is estimated at ~12% YoY for our coverage HFCs, including affordable and large HFCs. Vehicle financers (VFs) are projected to report ~17% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~29% YoY growth (primarily driven by ~44% YoY growth by MUTH). NBFC-MFIs are estimated to post a decline of ~20% YoY in AUM, while diversified lenders are expected to deliver ~24% YoY growth in AUM. Asset quality stress persisted in the unsecured MSME and micro-LAP segments, with credit costs anticipated to edge higher and deterioration in VFs to be mainly driven by monsoon-related disruptions. However, asset quality was stable for HFCs and power financiers with no material resolutions or incremental slippages in 2QFY26.
- **NBFC Non-lending:** We estimate the aggregate PAT of our Non-Lending Financials Universe at INR138b, which reflects a modest 4% YoY increase but a sharp 19% sequential decline. Within this, the capital market segment is expected to post PAT of INR35b, largely flat on a YoY basis. Exchanges and brokers are expected to post a modest 1% YoY decline in PAT (due to Angel One). For AMCs, EBITDA is likely to rise 10% YoY, aided by robust AUM growth. Intermediaries are likely to see a soft quarter, with PAT declining 9% YoY. Wealth managers are likely to deliver the strongest performance within capital market plays, with PAT growth of 9% YoY. While life insurance companies are projected to deliver INR96b, reflecting healthy 7% YoY growth, their VNB margins are likely to face some sequential pressure. In contrast, general insurance players are likely to report INR8b, implying a 4% YoY decline.
- The **Technology** sector (IT services companies) is expected to post a muted quarter with no material improvement over the past quarter. We expect QoQ growth in CC terms in the range of 0.3% to 2.4% for large-caps and -0.5% to 6.0% for mid-caps. We expect aggregate revenue for our coverage universe to

Sectoral sales growth for the quarter-ended Sep'25 (YoY %)



Sectoral PAT growth for the quarter-ended Sep'25 (YoY %)



grow by 6.0% YoY, while EBIT and PAT are likely to grow by 5.2% and 5.5% YoY (all in INR terms), respectively.

- The **Capital Goods** coverage companies are expected to report revenue growth of 15% YoY, EBITDA growth of 11% YoY, and PAT growth of 14% YoY. Ordering activity during the quarter remained strong yet selective, with traction seen across defense, power T&D, renewables, thermal, hydrocarbon, and buildings & factories segments. Although the sector has seen positive developments, a broad-based revival in government and private capex is yet to be seen. We maintain our view that valuation rerating for the sector is contingent upon a broad-based capex revival.
- The MOFSL **Consumer** universe is likely to deliver a modest revenue/EBITDA growth during the quarter (staples: +5%/0%, paints & adhesives: +3%/+10%, liquor: +9%/+10%, innerwear: +6%/+6%, QSR: +10%/-13%, and jewelry: +16%/+24%). **Staple** companies are expected to see massive benefits from GST 2.0, but the trade transition has been impacting primary growth in the interim. We expect modest PAT growth of 2% YoY for staple companies in 2QFY26. The PAT growth for the Paints/Liquor/Innerwear/QSR/Jewelry segments during the quarter is estimated to be ~8%/13%/6%/-1%/29% YoY in 2QFY26.
- The **Healthcare** companies under our coverage are expected to report a modest Sales/EBITDA/PAT growth of 9%/8%/10% YoY in 2QFY26. The domestic formulation (DF) segment growth is likely to moderate due to the GST transition. Intensified competition in certain products is expected to curb YoY growth in the US generics. Hospitals, however, remain on a robust growth path due to the addition of beds and improvement in acquired units, driving 14.5% YoY EBITDA growth for 2QFY26.
- The **Metal** companies within our coverage universe are likely to report a modest 10% YoY earnings growth. Sales/EBITDA for the coverage to grow by 4% and 11% YoY. We expect **ferrous** companies to report a volume growth of 7% QoQ (+11% YoY), which would be partially offset by a lower NSR of 7% QoQ and 5% YoY, resulting in flat revenue QoQ (+6% YoY) in 2QFY26. **Non-ferrous** companies under our coverage are expected to post an aggregate revenue and EBITDA decline of 2% and 3% QoQ, respectively, mainly led by muted volumes.
- We estimate our **Cement** coverage universe (ex-JSWC) to post 17%/52%/60% YoY growth in revenue/EBITDA/PAT, albeit on a low base. Aggregate cement volume is estimated to grow ~11% YoY to 92mt, aided by inorganic growth. However, on a like-for-like basis, volume growth stood at ~5% YoY in 2QFY26. Blended realization is estimated to grow ~5% YoY (down ~2% QoQ) to INR5,446/t, led by pricing gains in Apr-May'25, which partially declined in Jun-Jul'25. We estimate EBITDA/t to rise ~40% YoY (down ~20% QoQ) to INR867. Average EBITDA margin (ex-GRASIM) is estimated to expand 4.0pp YoY (contract 3.6pp QoQ) to ~16%. Cement prices, after witnessing a marginal correction in Jun-Jul'25, largely remained stable in Aug-Sep'25, despite the intense monsoon season. However, post-GST rate cuts, the cement players have passed on the full benefits to the customers.
- We expect the **O&G** sector to report flat sales YoY (+4% YoY excluding OMCs), EBITDA growth of a 23% YoY rise in EBITDA (+9% YoY excluding OMCs), and a 25% YoY increase in PAT (+2% YoY excluding OMCs) in 2QFY26. In 2QFY26, crude oil prices remained steady as oversupply and weak demand were balanced by geopolitical risk and an aggressive increase in China's crude imports and

stockpiling. **OMCs**: Standalone EBITDA for HPCL/BPCL/IOCL is expected to decline QoQ due to contraction of marketing margins on a QoQ basis. SG GRM averaged USD4.1/bbl in 2Q (vs. USD5.6/bbl in 1Q). **CGDs**: We estimate an 8%/7% YoY volume growth for MAHGL/IGL and a 1% YoY volume decline for GUJGA. CGD margins are expected to decline sequentially as raw material costs rise. Spot LNG prices remained elevated despite a sequential decline, averaging around USD11.9/mmBtu in 2Q. **Upstream**: For ONGC and OINL, we expect O&G sales volumes to remain largely flat both QoQ and YoY, while oil realizations are likely to see a sharp YoY decline for both companies (flat QoQ).

- The **Power Utility** companies under our coverage universe are anticipated to report a revenue/EBITDA/Adj. PAT growth of 16%/17%/4% YoY in 2QFY26. India's overall power generation fell by 3.2% YoY in 2QFY26 to 448.7BUs mainly on account of softened demand due to a stronger-than-average monsoon. However, the share of renewables in the generation mix improved to 21% from 17%. During Apr-May'25, the country added a significant 7.9GW of renewable capacity – largely solar – while 2.1GW of thermal capacity was added.
- **Retail:** 2QFY26 is likely to be a steady quarter for retailers, with a boost from the early festive season and GST rationalization offset by the transitory impact of GST implementation in the wholesale channel and weather-related disturbances in certain pockets. However, festive demand and GST cuts led to a pick-up in demand, and retailers remain optimistic that demand revival will be sustained beyond the festive season. We expect ~14% YoY aggregate revenue growth for our retail coverage universe, with a more broad-based growth as several retailers are likely to post double-digit revenue growth. Large retailers (DMart and Trent) continue to deliver resilient 15%+ growth, value fashion retailers (VMM and V-Mart) continue to outperform with 20%+ revenue growth, and footwear retailers are expected to see modest growth recovery (+6% YoY in 2QFY26, vs. ~2% YoY decline in 1QFY26).
- **Telecom**: We expect the Telecom sector to report a profit of INR23b in 2QFY26 (vs. a loss of 15b in 2QFY25). We also project ~2% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 2QFY26. We build in a ~1% sequential uptick in the blended ARPU for the three private telcos. The subscriber net adds trend for the private telcos is expected to remain stable QoQ. Given the consolidated market structure in the Indian telecom industry, higher data consumption, lower ARPU, and inadequate returns generated by telcos, we expect at least one more tariff reset. We continue to build in a ~15% tariff hike (or INR50/month on the base plan) in Dec'25.
- The **Real Estate** coverage universe is expected to report strong presales of INR275b in 2QFY26, up 19% YoY but down 38% QoQ due to seasonality impact. Volumes are expected at 20msf, up 6% YoY and down 27% QoQ. Revenue recognition for our coverage is expected to stand at INR172b (up 23% YoY), with EBITDA of INR53b (up 44% YoY) and a margin of 31%. Adj. PAT is expected to rise 29% YoY to INR44b, with an adj. PAT margin of 26%.
- The **Chemicals** sector is projected to report a third consecutive quarter of earnings growth (albeit modest) at 3% YoY in 2QFY26 after seven consecutive quarters of decline. Brent crude prices averaged USD68/bbl in Sep'25 (vs. 67.9/bbl in Aug'25). Oil prices remained stable MoM despite oversupply and weak demand. This stability was established due to geopolitical risk and an aggressive increase in China's crude imports and stockpiling.

- **The 2QFY26 snapshot:** We expect EBITDA/PBT/PAT to rise 8%/6%/9% YoY in 2QFY26 for the MOFSL Universe. Excluding Metals and O&G, EBITDA/PBT/PAT for the MOFSL Universe would grow 5%/2%/6% YoY.
- The **EBITDA margins** of the Cement, Consumer Durables, EMS, Infrastructure, Logistics, Metals, O&G, Retail, Telecom, and Utilities sectors are likely to expand, while EBITDA margins of the Automobile, Capital Goods, Chemicals, Consumer, Healthcare, Media, Real Estate, and Technology sectors are anticipated to contract on a YoY basis.
- **Nifty earnings to grow 6% YoY in 2QFY26:** Ex-Commodities, the Nifty earnings are anticipated to rise ~4% YoY. Reliance Industries, Bharti Airtel, TATA Steel, JSW Steel, and Bajaj Finance are likely to drive Nifty earnings, while ONGC, SBI, Axis Bank, Tata Motors, and Hindalco are projected to drag the same.
- **The FY26E snapshot:** The MOFSL Universe and Nifty are likely to record 12% YoY and 9% YoY earnings growth in FY26E, respectively. FY26 earnings, ex-Financials, are projected to rise 15% YoY and 11% YoY. Barring Metals and O&G, FY26 earnings are likely to increase 11% and 9% YoY for the MOFSL Universe and Nifty-50, respectively.

Exhibit 14: MOFSL and Nifty Universe to post 9% and 6% YoY earnings growth, respectively, in 2QFY26 (INR b)

	Sales	Growth (%)		EBITDA	Growth (%)		PAT	Growth (%)		PAT Delta	PAT	Delta
Sector	Sep-25	YoY	QoQ	Sep-25	YoY	QoQ	Sep-25	YoY	QoQ	INRb	Share (%)	Share (%)
PAT growth sectors	**10,543**	**5**	**-4**	**2,123**	**22**	**-2**	**914**	**33**	**-1**	**229**	**29**	**87**
Telecom (5)	787	16	2	400	20	2	23	LP	44	38	1	14
Others (26)	795	15	5	105	17	-16	24	228	-43	17	1	6
Cement (12)	607	19	-10	85	55	-28	35	62	-29	13	1	5
EMS (7)	192	25	3	10	31	1	5	36	7	1	0	1
Real Estate (14)	172	23	16	53	44	47	44	29	30	10	1	4
Logistics (9)	204	15	2	70	17	-1	42	26	-2	9	1	3
Oil & Gas (14)	7,088	0	-6	958	23	-4	470	25	-1	94	15	36
Consumer Durables (5)	184	10	-8	19	28	-3	13	24	-5	2	0	1
NBFC - Lending (24)	515	15	2	423	14	8	256	21	5	44	8	17
Med/Low growth sectors	**15,221**	**7**	**3**	**2,425**	**6**	**1**	**1,439**	**7**	**-5**	**95**	**46**	**36**
Retail (24)	684	11	2	73	11	-3	30	19	-2	5	1	2
Media (3)	48	6	5	10	1	11	7	18	15	1	0	0
Capital Goods (15)	1,154	15	14	143	11	18	97	14	16	12	3	5
Staffing (4)	114	-5	5	3	-20	15	2	12	20	0	0	0
Metals (11)	2,932	4	-3	526	11	-10	224	10	-21	21	7	8
Healthcare (27)	959	9	3	228	8	1	141	10	0	12	4	5
Insurance (8)	2,049	10	15	59	-1	41	104	6	-23	6	3	2
Technology (16)	2,133	6	4	473	6	5	327	6	2	18	10	7
Automobiles (26)	3,173	4	-1	375	-4	-1	233	5	2	11	7	4
Utilities (8)	847	16	6	290	17	9	105	4	1	4	3	2
Consumer (21)	952	6	-2	211	2	-5	149	3	-5	5	5	2
Chemicals (13)	177	5	4	32	5	-2	18	3	-4	0	1	0
PAT de-growth sectors	**1,895**	**0**	**-2**	**1,328**	**-5**	**-14**	**805**	**-7**	**-5**	**-60**	**25**	**-23**
NBFC - Non Lending (15)	81	9	5	42	4	6	35	0	-4	0	1	0
Banks-PSU (6)	861	-3	-2	601	-9	-9	365	-7	-2	-28	12	-11
Banks-Private (12)	916	1	-2	675	-2	-18	401	-7	-7	-32	13	-12
Infrastructure (3)	37	5	-15	11	7	-12	3	-8	-27	0	0	0
MOFSL Universe (328)	**27,659**	**6**	**0**	**5,876**	**8**	**-4**	**3,157**	**9**	**-4**	**264**	**100**	**100**
MOFSL Ex OMCs (325)	**23,989**	**7**	**2**	**5,646**	**6**	**-3**	**3,051**	**6**	**-2**	178		
MO Ex Metals and O&G (303)	**17,639**	**9**	**3**	**4,393**	**5**	**-3**	**2,463**	**6**	**-2**	150		
MOFSL Ex. Financials	**23,238**	**6**	**-1**	**4,077**	**13**	**-2**	**1,997**	**16**	**-3**	274		
Nifty (48)	**14,036**	**7**	**1**	**3,631**	**8**	**-4**	**1,943**	**6**	**-3**	104		
Sensex (30)	**10,799**	**7**	**1**	**2,961**	**8**	**-3**	**1,579**	**8**	**-1**	111		

Exhibit 15: Expect a two-year PBT/PAT CAGR of 3%/4% for the MOFSL Universe (INR b)

Sector	PBT (INR b)				Growth (%)			PAT (INR b)				Growth (%)		
	Sep-23	Sep-24	Jun-25	Sep-25	YoY	Two-year CAGR	QoQ	Sep-23	Sep-24	Jun-25	Sep-25	YoY	Two-year CAGR	QoQ
Automobiles (26)	302	311	304	309	-1	1	1	221	222	229	233	5	3	2
Capital Goods (15)	102	124	123	140	13	17	14	72	85	84	97	14	17	16
Cement (12)	58	30	72	48	61	-9	-34	42	22	50	35	62	-8	-29
Chemicals (13)	24	24	25	24	3	1	-2	19	18	19	18	3	-1	-4
Consumer (21)	195	193	210	199	3	1	-5	145	145	157	149	3	2	-5
Consumer Durables (5)	13	15	19	18	22	17	-5	9	10	14	13	24	18	-5
EMS (7)	3	8	7	8	2	65	5	2	4	5	5	36	56	7
Financials (65)	1,339	1,538	1,600	1,418	-8	3	-11	1,031	1,171	1,216	1,161	-1	6	-5
Banks-Private (12)	527	564	542	533	-6	1	-2	409	433	430	401	-7	-1	-7
Banks-PSU (6)	411	539	543	493	-9	9	-9	294	393	372	365	-7	11	-2
Insurance (8)	102	107	153	16	-85	-60	-89	98	98	134	104	6	3	-23
NBFC - Lending (24)	270	282	315	331	18	11	5	207	212	243	256	21	11	5
NBFC - Non-Lending (15)	28	46	47	45	-1	26	-3	22	35	36	35	0	26	-4
Healthcare (27)	143	173	184	188	9	15	2	110	129	141	141	10	13	0
Infrastructure (3)	6	6	6	5	-23	-9	-26	3	4	5	3	-8	2	-27
Logistics (9)	34	41	49	51	23	22	4	29	33	43	42	26	20	-2
Media (3)	12	8	8	9	16	-11	10	8	6	6	7	18	-6	15
Metals (11)	264	305	404	329	8	12	-19	198	204	283	224	10	6	-21
Oil & Gas (14)	846	523	672	660	26	-12	-2	614	376	474	470	25	-12	-1
Oil Ex OMCs (11)	494	492	458	518	5	2	13	348	356	312	364	2	2	17
Real Estate (14)	24	30	41	51	67	46	24	19	34	34	44	29	51	30
Retail (24)	33	33	42	40	23	10	-4	25	25	31	30	19	11	-2
Staffing (4)	2	2	2	3	10	12	28	2	2	2	2	12	10	20
Technology (16)	381	421	431	442	5	8	2	282	309	321	327	6	8	2
Telecom (5)	-1	31	71	79	153	LP	12	-40	-15	16	23	LP	Loss	44
Utilities (8)	119	133	141	140	5	9	0	84	100	104	105	4	12	1
Others (26)	33	17	53	38	119	7	-29	25	7	43	24	228	0	-43
MOFSL Universe (328)	**3,933**	**3,967**	**4,465**	**4,199**	**6**	**3**	**-6**	**2,899**	**2,893**	**3,276**	**3,157**	**9**	**4**	**-4**
MO Ex Metals and O&G (303)	**2,823**	**3,139**	**3,388**	**3,209**	**2**	**7**	**-5**	**2,088**	**2,313**	**2,519**	**2,463**	**6**	**9**	**-2**
MOFSL Ex OMCs (325)	**3,581**	**3,936**	**4,251**	**4,056**	**3**	**6**	**-5**	**2,634**	**2,873**	**3,114**	**3,051**	**6**	**8**	**-2**
Nifty (48)	**2,368**	**2,557**	**2,741**	**2,686**	**5**	**7**	**-2**	**1,728**	**1,838**	**1,997**	**1,943**	**6**	**6**	**-3**
Sensex (30)	**1,887**	**2,067**	**2,221**	**2,208**	**7**	**8**	**-1**	**1,361**	**1,468**	**1,602**	**1,579**	**8**	**8**	**-1**

Sales/PAT for the MOFSL Universe to grow 6%/9% YoY in 2QFY26

Exhibit 16: Expect sales for the MOFSL Universe to grow 6% YoY in 2QFY26

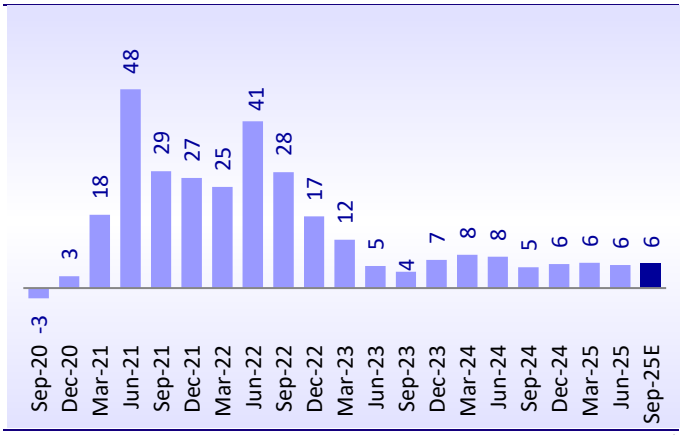


Exhibit 17: Expect MOFSL Universe earnings to grow 9% YoY in 2QFY26

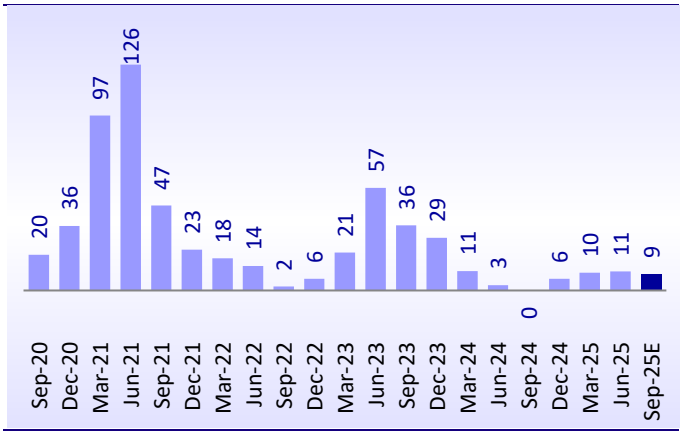
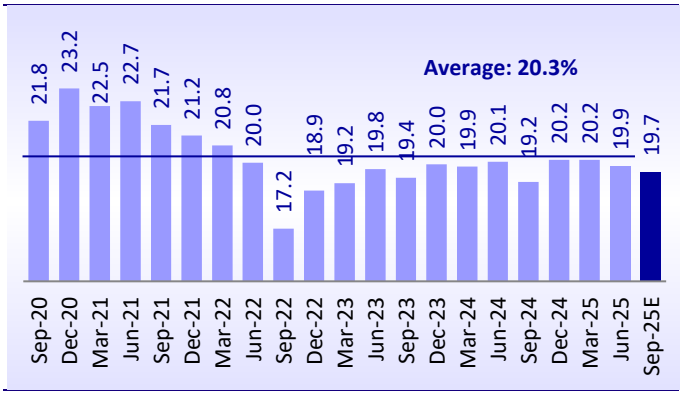
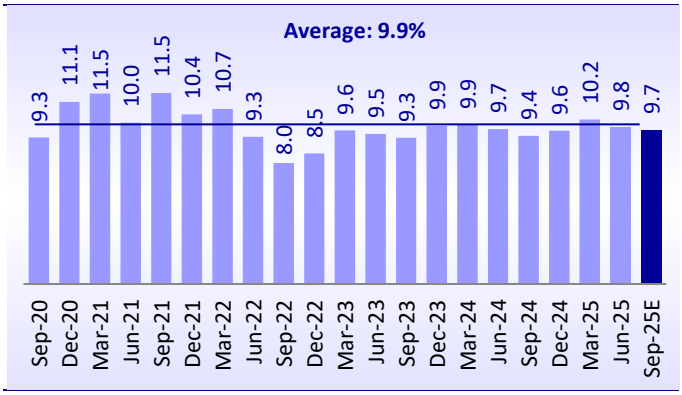


Exhibit 18: Expect EBITDA margin (ex-Financials and OMCs) to expand 40bp YoY to 19.7% in 2QFY26



Source: MOFSL, excluding Financials and OMCs

Exhibit 19: Expect PAT margin (ex-Financials and OMCs) to expand 30bp YoY to 9.7% during the quarter



Source: MOFSL, excluding Financials and OMCs

Exhibit 20: O&G, NBFC-Lending, and Telecom to lead, while Banks, Infra, and NBFC Non-Lending to drag earnings in 2QFY26

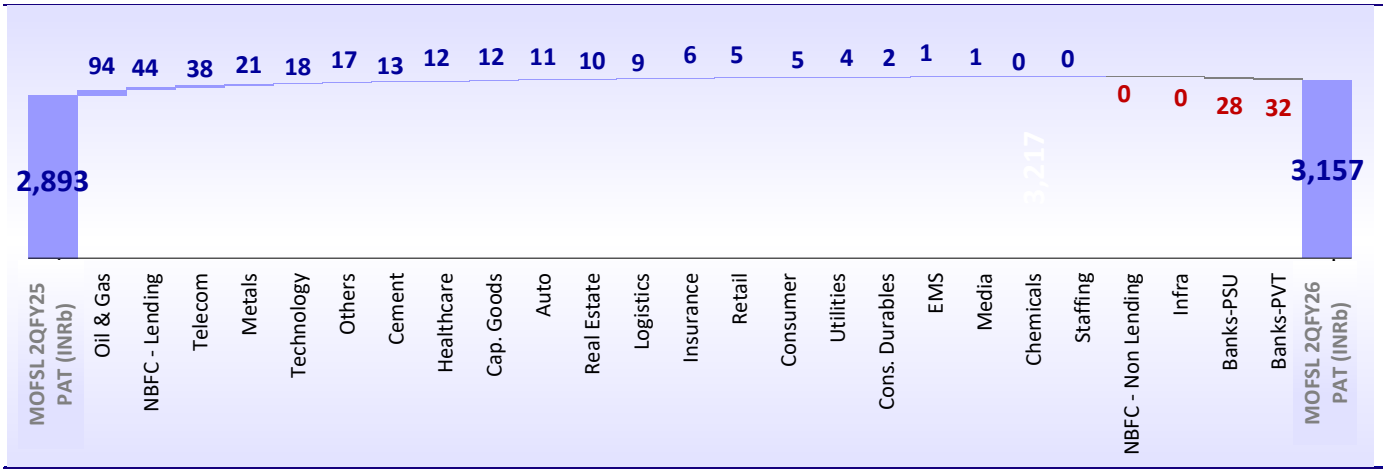


Exhibit 21: Quarterly sectoral PAT trend (INR b) – MOFSL Universe to report a 9% YoY growth in PAT in 2QFY26E

Sector	Sep-22	Dec-22	Mar-23	June-23	Sep-23	Dec-23	Mar-24	June-24	Sep-24	Dec-24	Mar-25	June-25	Sep-25E
Automobiles	97	142	186	187	221	240	261	237	222	236	283	229	233
Banks-Private	301	338	369	363	409	414	436	427	433	420	410	430	401
Banks-PSU	226	252	300	307	294	306	379	347	393	378	412	372	365
Insurance	178	83	158	113	98	112	159	127	98	134	214	134	104
NBFC - Lending	150	163	184	188	207	205	226	215	212	215	235	243	256
NBFC – Non- Lend	19	17	18	21	22	23	27	31	35	31	31	36	35
Capital Goods	54	58	99	54	72	70	134	71	85	86	144	84	97
Cement	20	24	38	44	42	50	51	32	22	21	50	50	35
Chemicals	24	22	25	20	19	16	15	17	18	13	18	19	18
Consumer	128	132	135	149	145	149	144	154	145	141	143	157	149
Consumer Durables	7	9	11	10	9	9	13	14	10	11	18	14	13
EMS	2	2	4	2	2	2	4	3	4	4	7	5	5
Healthcare	98	89	81	99	110	106	118	126	129	130	138	141	141
Infrastructure	4	4	5	5	3	4	5	4	4	4	6	5	3
Logistics	24	21	28	27	29	32	31	34	33	37	41	43	42
Media	5	6	3	6	8	6	4	6	6	7	5	6	7
Metals	143	137	250	234	198	245	216	273	204	252	311	283	224
Oil & Gas	294	339	516	621	614	463	487	370	376	415	472	474	470
Real Estate	15	20	32	18	19	22	38	30	34	35	41	34	44
Retail	22	27	16	22	25	33	21	24	25	38	24	31	30
Staffing	2	2	2	2	2	2	1	2	2	2	2	2	2
Technology	267	289	292	276	282	291	299	301	309	318	320	321	327
Telecom	-41	-58	-19	-29	-40	-32	-25	-17	-15	12	5	16	23
Utilities	83	89	101	87	84	98	107	94	100	104	116	104	105
Others	10	47	50	54	25	46	43	41	7	55	65	43	24
MOFSL Universe	**2,128**	**2,252**	**2,884**	**2,877**	**2,899**	**2,911**	**3,196**	**2,963**	**2,893**	**3,100**	**3,510**	**3,276**	**3,157**

Expect earnings of Nifty constituents to rise 6% YoY in 2QFY26

- We expect sales/EBITDA/PBT/PAT for Nifty constituents to improve 7%/8%/5%/6% YoY.
- Reliance Industries, Bharti Airtel, TATA Steel, JSW Steel, and Bajaj Finance are likely to drive Nifty earnings, while ONGC, SBI, Axis Bank, Tata Motors, and Hindalco are projected to drag the same.
- Thirteen Nifty companies are likely to report a PAT growth of above 15% YoY. Whereas 13 Nifty companies are expected to report a YoY decline in PAT.

Telecom, Cement and Logistics are likely to lead Nifty earnings in 2QFY26

Exhibit 22: Sector-wise PAT breakdown for the Nifty constituents in 2QFY26E (YoY %)

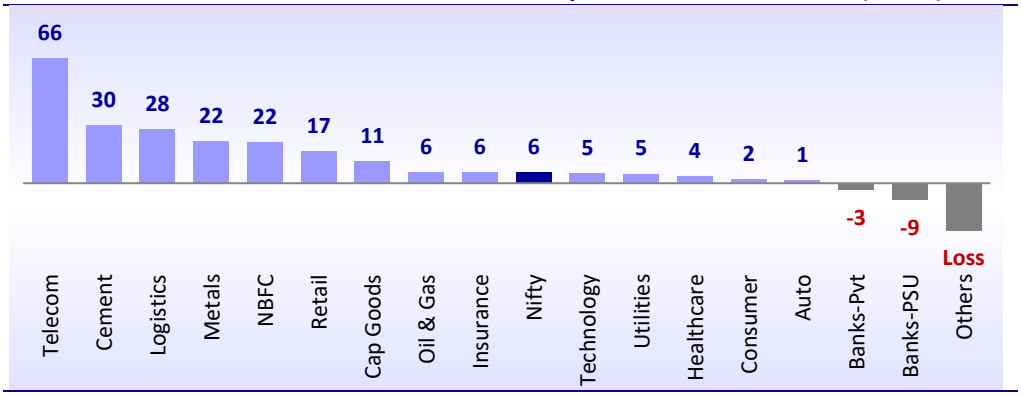


Exhibit 23: Expect Nifty's revenue to grow 7% YoY in 2QFY26

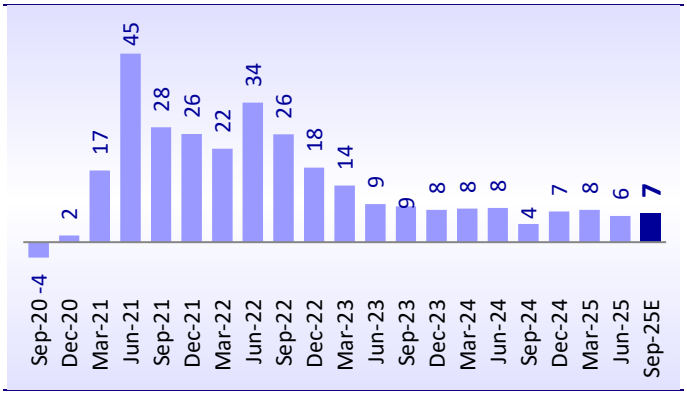


Exhibit 24: Expect Nifty's EBITDA to grow 8% YoY

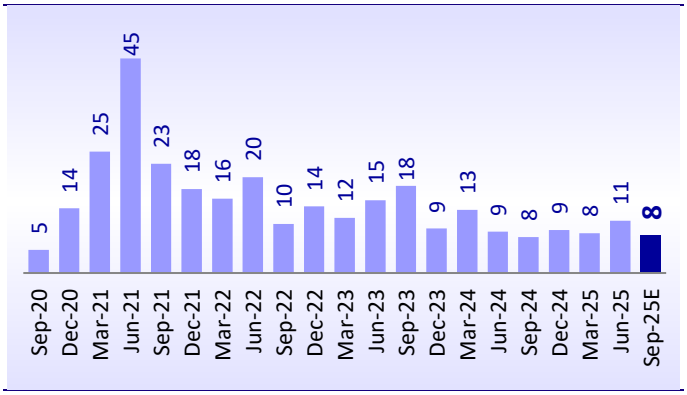


Exhibit 25: Expect Nifty's PAT to rise 6% YoY

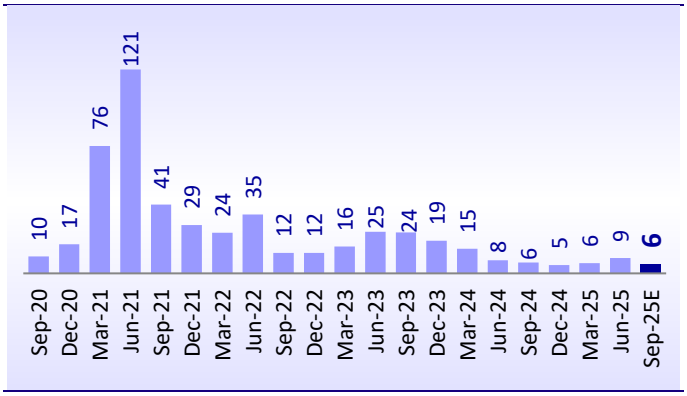


Exhibit 26: Nifty's EBITDA margin to expand to 21.1% YoY

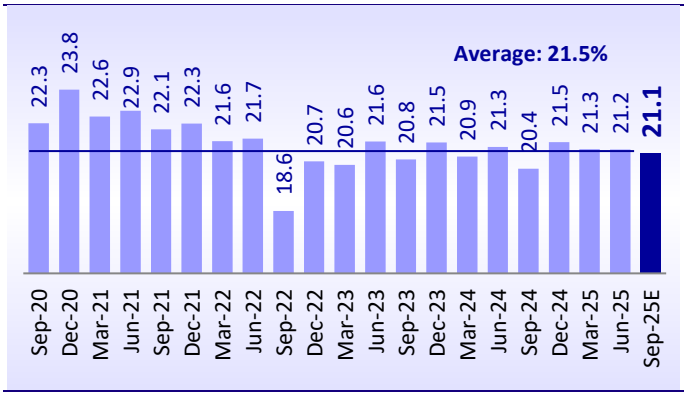


Exhibit 27: Nifty's earnings snapshot for 2QFY26E (INR b)

		Sales	Growth (%)		EBITDA	Growth (%)		PAT	Growth (%)		Contribution to PAT	
Company	Sector	Sep-25	YoY	QoQ	Sep-25	YoY	QoQ	Sep-25	YoY	QoQ	(%)	growth (%)
Bajaj Auto	Automobiles	147	11.8	16.6	29	10.7	18.3	24	9.0	15.2	1.2	1.9
Eicher Motors	Automobiles	61	42.6	20.6	16	42.9	29.2	14	31.1	19.7	0.7	3.3
Mahindra & Mahindra	Automobiles	329	19.5	-3.4	46	16.9	-5.5	43	11.8	24.5	2.2	4.3
Maruti Suzuki	Automobiles	384	3.2	0.0	40	-9.5	0.1	33	8.1	-10.6	1.7	2.4
Tata Motors	Automobiles	926	-8.8	-11.3	78	-33.9	-20.2	23	-31.4	-42.2	1.2	-10.1
Axis Bank	Banks-Private	132	-2.3	-2.9	103	-3.4	-10.1	55	-20.0	-4.7	2.8	-13.3
HDFC Bank	Banks-Private	308	2.3	-2.0	254	2.8	-28.9	167	-0.5	-7.8	8.6	-0.9
ICICI Bank	Banks-Private	211	5.5	-2.3	173	3.6	-7.5	119	1.7	-6.5	6.1	1.9
Kotak Mahindra Bank	Banks-Private	73	4.2	0.8	53	4.5	-4.2	33	-2.3	-0.4	1.7	-0.7
State Bank	Banks-PSU	406	-2.5	-1.2	269	-8.0	-11.8	167	-9	-12.7	8.6	-15.4
HDFC Life Insur.	Insurance	191	13.1	28.7	10	9.2	26.6	5	9.7	-13.1	0.2	0.4
SBI Life Insurance	Insurance	235	15.2	32.0	16	8.9	44.9	5	2.7	-8.5	0.3	0.1
Bajaj Finance	NBFC - Lending	108	21.7	5.1	89	21.2	4.3	49	21.8	2.6	2.5	8.4
Bajaj Finserv	NBFC - Lending	332	19.9	15.8	95	20.3	1.5	29	36.9	2.3	1.5	7.4
Shriram Finance	NBFC - Lending	60	10.7	4.8	44	10.7	5.2	22	5.8	1.6	1.1	1.2
Bharat Electronics	Capital Goods	53	14.7	19.0	14	3.8	16.2	11	2.4	15.3	0.6	0.3
Larsen & Toubro	Capital Goods	715	16.2	12.3	70	9.8	10.6	39	14.3	7.3	2.0	4.7
Grasim Industries	Cement	92	21.0	0.0	3	-1.6	-16.8	8	2.6	LP	0.4	0.2
Ultratech Cement	Cement	185	18.2	-13.2	31	51.8	-30.6	13	56.2	-43.2	0.7	4.4
Asian Paints	Consumer	81	1.0	-9.3	14	9.0	-16.9	9	3.8	-18.8	0.5	0.3
Hind. Unilever	Consumer	163	2.1	-1.5	36	-3.8	-1.9	26	-1.8	1.1	1.3	-0.5
ITC	Consumer	217	4.6	0.9	69	2.1	1.2	53	5.6	0.6	2.7	2.7
Nestle	Consumer	54	5.3	5.4	12	0.3	6.9	7	-6.2	13.0	0.4	-0.5
Tata Consumer	Consumer	48	13.6	0.2	6	1.2	4.4	4	-3.0	11.7	0.2	-0.1
Apollo Hospitals	Healthcare	61	9.8	5.0	9	9.1	4.5	4	15.5	1.0	0.2	0.6
Cipla	Healthcare	73	4.0	5.4	18	-3.2	2.7	13	0.6	0.9	0.7	0.1
Dr Reddy' s Labs	Healthcare	86	6.7	0.1	20	-8.4	-6.2	13	-1.1	-5.1	0.7	-0.1
Max Healthcare	Healthcare	26	22.7	6.0	7	16.4	7.0	4	17.6	17.4	0.2	0.6
Sun Pharma	Healthcare	140	5.9	1.9	40	5.0	-0.8	30	4.2	1.1	1.6	1.2
Adani Ports	Logistics	87	22.5	-5.2	52	19.5	-5.0	32	28.3	-6.1	1.6	6.7
Coal India	Metals	299	-2.6	-16.6	85	18.6	-23.7	63	-0.6	-28.5	3.2	-0.3
Hindalco	Metals	637	9.5	-0.8	75	-5.3	-5.6	36	-14.8	-9.2	1.9	-6.1
JSW Steel	Metals	431	8.5	-0.2	64	18.4	-15.0	15	140.3	-29.1	0.8	8.7
Tata Steel	Metals	568	5.4	6.8	85	54.5	14.9	28	514.9	30.2	1.4	22.3
ONGC	Oil & Gas	325	-4.1	1.5	185	1.6	-0.7	100	-16.5	24.8	5.2	-18.9
Reliance Inds.	Oil & Gas	2,467	6.5	1.3	458	17.2	6.7	202	22.1	11.9	10.4	35.0
Titan Company	Retail	164	12.6	-1.0	18	20.0	0.0	12	23.6	5.5	0.6	2.1
Trent	Retail	48	18.0	-0.4	8	19.7	-8.5	4	1.9	2.1	0.2	0.1
HCL Technologies	Technology	316	9.6	4.3	65	1.6	7.2	43	2.7	13.1	2.2	1.1
Infosys	Technology	444	8.2	4.9	107	8.5	6.6	72	10.2	3.5	3.7	6.3
TCS	Technology	654	1.8	3.1	173	3.1	2.5	126	5.0	-2.1	6.5	5.7
Tech Mahindra	Technology	139	4.1	3.8	21	18.8	7.5	13	4.7	14.8	0.7	0.6
Wipro	Technology	228	2.4	3.1	45	0.4	3.9	31	-2.2	-5.8	1.6	-0.7
Bharti Airtel	Telecom	511	23.1	3.2	287	31.3	3.0	65	66.1	9.2	3.3	24.8
NTPC	Utilities	453	12.4	6.5	118	22.4	15.2	44	3.9	-1.1	2.2	1.6
Power Grid Corp.	Utilities	107	4.2	7.7	92	4.9	13.6	37	6.2	7.0	1.9	2.1
Eternal	Others	81	68.0	12.5	3	39.3	173.8	3	70.3	1,099.0	0.2	1.2
Interglobe Aviation	Others	183	7.9	-10.6	26	8.5	-54.6	-7	Loss	PL	-0.3	3.1
Nifty Universe		**14,036**	**7.0**	**1.5**	**3,631**	**7.8**	**-4.2**	**1,943**	**5.7**	**-2.7**	**100**	**100**

Note: For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = VNB.

Exhibit 28: Expect a 14% PAT CAGR for the MOFSL Universe over FY25-27

Sector	Sales CAGR (%)	EBITDA CAGR (%)	EBITDA Margin (%)			PAT (INR b)			PAT Grw / CAGR (%)			PAT Delta Share (%)
	(FY25-27)	(FY25-27)	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	(FY25-27)	(FY25-27)
High PAT CAGR (>25%)	**17**	**20**	**23.6**	**23.9**	**24.3**	**1,061**	**1,515**	**2,012**	**58**	**43**	**33**	**50**	**21**
Telecom (5)	12	14	51.4	51.5	52.2	118	261	442	LP	121	69	LP	7
EMS (7)	41	44	6.1	6.3	6.9	27	42	58	54	55	38	54	1
Others (26)	19	25	17.2	18.6	19.4	242	368	487	37	52	32	44	5
Cement (12)	13	29	16.4	18.2	19.0	234	303	366	38	29	21	34	3
Infrastructure (3)	16	21	29.8	31.2	32.2	23	30	39	29	31	27	30	0
Real Estate (14)	23	30	30.6	30.9	31.4	194	231	289	38	19	25	28	2
Retail (24)	16	19	11.2	11.4	11.5	139	174	212	28	25	22	27	2
Chemicals (13)	11	20	19.4	21.2	21.5	82	105	119	23	28	13	25	1
Medium PAT CAGR (15-25%)	**11**	**15**	**20.9**	**21.5**	**21.9**	**2,449**	**2,940**	**3,338**	**18**	**20**	**14**	**19**	**22**
Logistics (9)	15	18	35.0	35.3	35.4	180	214	248	23	19	16	21	2
Staffing (4)	11	16	3.0	3.1	3.2	10	11	13	25	17	13	21	0
Metals (11)	8	15	19.6	20.6	21.0	1,214	1,491	1,644	17	23	10	20	11
Capital Goods (15)	16	18	13.5	13.8	14.0	469	551	668	21	18	21	19	4
Consumer Durables (5)	13	19	10.6	11.1	11.4	62	75	90	17	21	20	19	1
Utilities (8)	13	15	36.1	36.4	37.5	514	597	675	17	16	13	16	4
Low PAT CAGR (<15%)	**4**	**10**	**22.0**	**23.1**	**24.6**	**10,760**	**12,222**	**13,986**	**8**	**14**	**14**	**11**	**57**
Healthcare (27)	11	12	24.1	24.4	24.4	580	665	761	11	15	14	13	4
Financials (68)	11	12	45.2	46.1	48.1	5,334	6,289	7,458	7	18	19	12	33
Banks-PVT (12)	11	12	77.9	76.5	77.8	1,853	2,223	2,664	4	20	20	12	11
Banks-PSU (6)	9	8	70.2	69.4	70.8	1,608	1,866	2,192	1	16	17	8	7
Insurance (8)	10	16	10.0	10.7	11.3	609	677	747	6	11	10	9	3
NBFC - Lending (27)	18	18	80.2	81.0	82.1	1,117	1,350	1,652	23	21	22	22	11
NBFC - Non Lending (15)	14	16	53.5	54.8	55.9	146	173	203	15	19	17	17	1
Consumer (21)	10	10	22.9	23.4	23.5	632	721	796	9	14	10	11	4
Auto (26)	10	9	11.9	12.9	13.5	987	1,198	1,420	1	21	19	11	6
Media (3)	7	9	21.1	21.1	21.3	27	29	32	13	8	11	10	0
Technology (16)	7	8	22.2	22.8	22.9	1,335	1,448	1,546	7	8	7	8	5
Oil & Gas (14)	-3	7	12.8	13.1	14.0	1,866	1,872	1,973	13	0	5	7	6
Ex OMCs (11)	-1	7	17.9	18.6	19.3	1,405	1,519	1,615	5	8	6	7	5
MOFSL (331)	**7**	**12**	**22.0**	**22.9**	**24.0**	**14,270**	**16,677**	**19,336**	**12**	**17**	**16**	**14**	**100**
MOFSL Ex OMCs (328)	**9**	**13**	**24.1**	**25.0**	**25.9**	**13,809**	**16,324**	**18,978**	**11**	**18**	**16**	**15**	**NA**
Nifty (50)	**7**	**12**	**26.5**	**27.4**	**28.5**	**8,707**	**10,093**	**11,572**	**9**	**16**	**15**	**13**	**NA**
Sensex (30)	**9**	**12**	**28.5**	**29.4**	**30.5**	**6,917**	**8,095**	**9,397**	**10**	**17**	**16**	**14**	**NA**

Note: For Banks, sales represent net interest income, and EBITDA represents operating profit; Sensex and Nifty Numbers are free float

Exhibit 29: Upgrades/downgrades for the Nifty-50 in 2QFY26E Preview vs. 1QFY26 review

(INR)	Current EPS (INR)			EPS UPGRADE / DOWNGRADE (%)		EPS GROWTH (%)	
	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
ONGC	30.6	31.0	32.0	9.8	7.6	1.4	3.1
Eicher Motors	172.7	192.1	213.0	7.3	9.0	11.3	10.9
Eternal	0.6	1.3	4.5	5.7	14.5	112.9	256.2
Power Grid Corp.	16.7	18.7	19.8	4.2	3.6	12.2	5.8
Bharti Airtel	30.3	48.9	65.3	3.1	2.1	61.4	33.5
Tata Steel	3.4	8.9	13.0	2.6	0.2	164.0	46.4
Bajaj Auto	299.5	329.0	362.1	2.0	0.4	9.9	10.1
Mahindra & Mahindra	98.7	120.7	143.7	1.1	5.1	22.3	19.0
Titan Company	42.3	55.1	65.5	1.0	2.1	30.4	18.8
ICICI Bank	66.8	73.1	82.1	0.7	-2.7	9.5	12.3
Hind. Unilever	44.3	46.1	52.4	0.5	1.7	4.0	13.6
Nestle	16.0	16.9	19.7	0.3	1.6	5.9	16.4
Maruti Suzuki	443.9	490.2	607.4	0.3	12.7	10.4	23.9
Infosys	63.8	68.7	72.5	0.2	-0.1	7.7	5.5
Kotak Mahindra Bank	111.3	105.4	125.7	0.2	-1.1	-5.2	19.2
Dr Reddy' s Labs	67.3	67.0	63.1	0.1	0.0	-0.5	-5.8
Larsen & Toubro	106.8	130.5	155.1	0.0	0.0	22.2	18.9
Adani Ports	50.2	62.7	73.1	0.0	0.0	24.9	16.6
Bharat Electronics	7.2	8.2	9.8	0.0	0.0	13.6	19.6
HDFC Bank	44.0	47.1	54.3	-0.1	-4.6	7.0	15.3
Reliance Inds.	51.5	57.6	63.2	-0.1	-0.4	11.9	9.7
Cipla	62.8	61.7	65.7	-0.1	-0.1	-1.7	6.6
Sun Pharma	47.1	51.1	59.5	-0.1	-2.7	8.5	16.3
ITC	16.0	17.0	18.7	-0.3	0.4	6.6	9.6
Bajaj Finance	27.0	32.9	42.6	-0.5	0.5	21.8	29.4
TCS	134.2	141.8	150.2	-0.7	-1.6	5.6	6.0
Tata Consumer	14.0	16.7	19.9	-0.7	0.6	19.3	18.9
Shriram Finance	44.0	49.4	59.9	-0.8	0.0	12.4	21.2
Tech Mahindra	47.9	60.7	77.5	-1.0	-1.1	26.7	27.6
Hindalco	74.8	69.2	74.0	-1.1	1.8	-7.6	7.0
Grasim Industries	74.1	85.1	105.5	-1.1	-1.3	14.8	24.0
Wipro	12.5	12.5	12.9	-1.3	-1.8	-0.3	3.4
Apollo Hospitals	100.6	126.7	152.2	-1.3	-7.5	26.0	20.2
Axis Bank	85.3	79.2	99.6	-1.6	-1.7	-7.1	25.7
HCL Technologies	63.9	65.9	72.8	-1.7	-4.1	3.1	10.5
Max Healthcare	15.1	18.7	24.3	-1.9	0.0	23.6	30.1
State Bank	86.9	87.4	101.1	-2.2	0.0	0.5	15.7
Asian Paints	42.5	44.2	51.8	-2.6	-4.2	4.1	17.3
Trent	43.2	49.7	57.8	-3.1	-5.0	15.2	16.1
NTPC	20.8	24.8	28.2	-3.8	0.5	19.3	13.7
HDFC Life Insur.	8.4	9.4	10.5	-4.2	-8.0	12.2	12.0
Coal India	57.4	54.7	59.9	-5.2	-11.0	-4.6	9.4
Tata Motors	63.2	41.9	54.5	-8.4	5.1	-33.7	30.1
JSW Steel	15.6	44.6	72.4	-9.0	-3.6	186.3	62.4
SBI Life Insurance	24.1	24.8	26.6	-10.2	-17.2	2.8	7.2
Ultratech Cement	207.6	264.2	354.0	-13.6	-7.5	27.3	34.0
Interglobe Aviation	188.1	222.1	246.4	-17.6	-5.9	18.1	10.9
Nifty (50)	**1,014**	**1,096**	**1,274**	**-1.1**	**-1.7**	**8.1**	**16.2**

Exhibit 30: Absolute change in FY26E PAT for Nifty constituents (INR b)

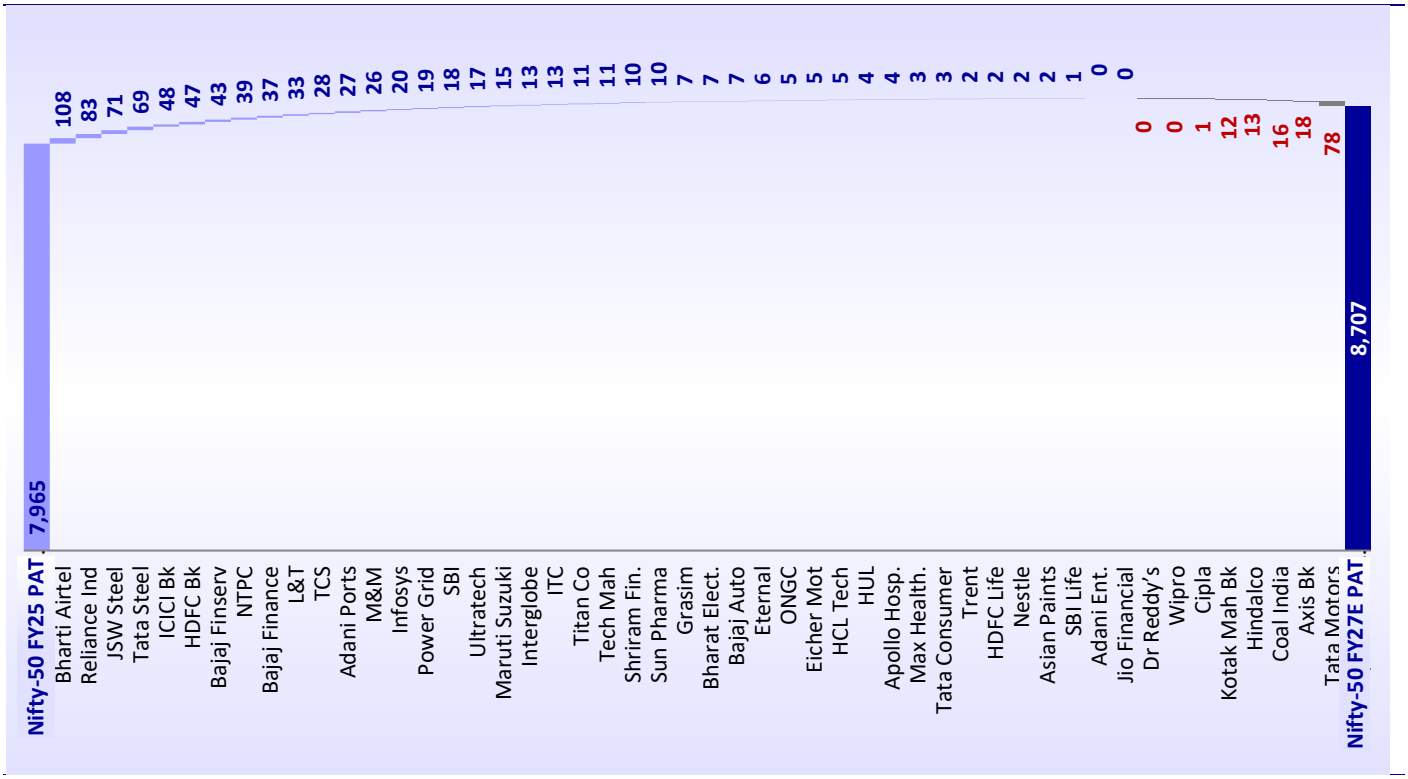


Exhibit 31: Absolute change in FY27E PAT for Nifty constituents (INR b)

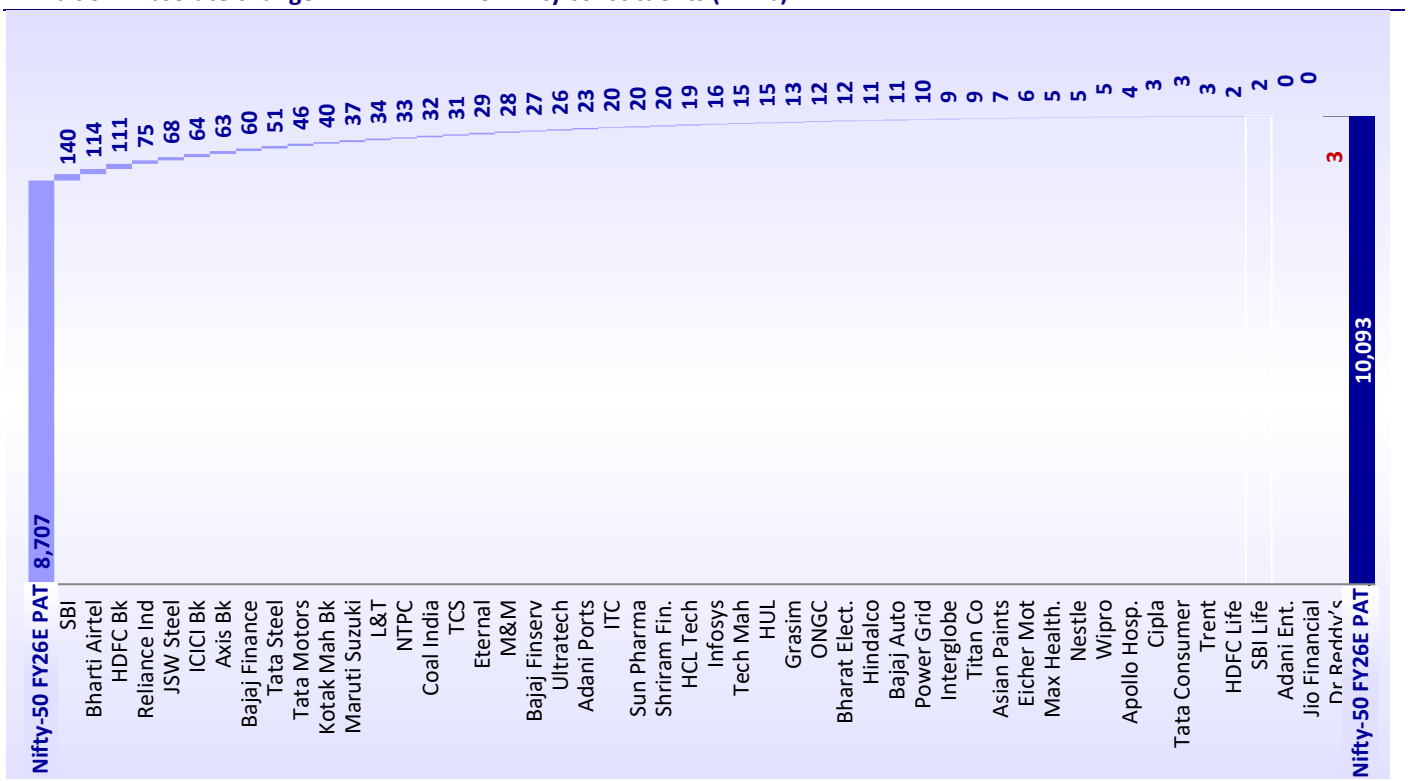


Exhibit 32: Nifty performance – Expect FF PAT CAGR (FY25-27E) at 13%

Company	Sales CAGR % 25-27	EBITDA Margin (%)				EBITDA CAGR % 25-27	PAT YoY (%)				PAT CAGR % 25-27	Contbn to Delta %
		FY25	FY26E	FY27E	FY28E		FY25	FY26E	FY27E	FY28E		
High PAT Growth (20%+)	**15**	**23**	**25**	**26**	**27**	**22**	**12**	**44**	**32**	**23**	**38**	**45**
Eternal	66	3	4	8	12	159	50	113	256	125	175	2
JSW Steel	12	14	18	20	21	35	-58	186	62	24	116	7
Tata Steel	8	12	15	16	16	24	41	164	46	14	97	6
Bharti Airtel	16	54	57	57	58	19	55	61	40	32	50	10
Bajaj Finserv	32	73	68	64	61	23	9	48	20	18	34	3
Ultratech Cement	13	17	19	21	22	27	-13	27	34	21	31	2
Tech Mahindra	6	13	15	17	18	22	17	27	28	12	27	1
Max Healthcare	21	27	26	27	27	22	10	24	30	5	27	0
Bajaj Finance	24	83	82	82	82	24	16	22	29	27	26	5
Titan Company	16	10	11	11	11	20	8	30	19	19	24	1
Apollo Hospitals	14	14	15	15	15	17	61	26	20	24	23	0
Adani Ports	16	60	60	61	61	16	22	25	17	12	21	2
Mahindra & Mahindra	16	15	15	15	15	16	11	22	19	13	21	3
Larsen & Toubro	15	10	10	11	11	17	13	22	19	19	21	3
Medium PAT Growth (0-20%)	**5**	**28**	**30**	**31**	**32**	**10**	**4**	**6**	**12**	**12**	**9**	**57**
Grasim Industries	16	4	4	6	7	50	-23	15	24	21	19	1
Tata Consumer	9	14	14	15	15	13	1	19	19	10	19	0
Maruti Suzuki	12	12	11	12	13	15	6	10	24	18	17	2
Shriram Finance	17	74	74	75	75	17	15	12	21	19	17	1
Bharat Electronics	17	29	28	28	28	16	32	14	20	19	17	1
NTPC	8	29	31	32	33	13	9	19	14	12	16	3
Trent	18	16	17	16	16	20	48	15	16	12	16	0
Interglobe Aviation	12	26	27	28	29	16	-11	18	11	12	15	1
Sun Pharma	10	27	28	29	29	14	13	8	16	11	12	1
HDFC Life Insur.	16	80	80	80	81	16	15	12	12	14	12	0
ICICI Bank	13	83	84	84	85	14	16	10	12	17	11	5
HDFC Bank	11	82	90	84	85	12	11	7	15	16	11	7
Eicher Motors	15	25	25	26	26	16	18	11	11	13	11	1
Nestle	10	24	24	24	25	11	-22	6	16	11	11	0
Reliance Inds.	4	17	19	20	21	11	0	12	10	10	11	7
Asian Paints	7	18	18	18	19	9	-27	4	17	12	10	0
Bajaj Auto	11	20	20	20	20	11	7	9	12	10	10	1
State Bank	9	66	66	66	67	9	16	2	18	18	10	7
Power Grid Corp.	7	85	85	84	83	6	0	12	6	5	9	1
Hind. Unilever	8	24	23	24	24	8	1	4	14	8	9	1
Axis Bank	9	77	79	80	83	11	6	-7	26	23	8	2
ITC	8	34	33	34	34	8	-2	7	10	7	8	2
Infosys	7	24	24	24	24	7	9	8	6	6	7	2
HCL Technologies	7	22	21	21	21	6	11	3	10	4	7	1
Kotak Mahindra Bank	11	87	74	74	76	3	21	-5	19	22	6	1
TCS	4	26	27	27	27	6	6	6	6	4	6	3
SBI Life Insurance	15	7	7	7	7	15	27	3	7	9	5	0
Cipla	7	26	24	24	25	3	20	-2	7	11	2	0
ONGC	-8	15	18	19	18	2	-32	1	3	2	2	1
Coal India	7	33	33	34	34	9	-5	-5	9	3	2	1
Wipro	4	20	20	20	21	4	19	0	3	7	2	0
Jio Financial	0	189	189	189	189	0	0	0	0	0	0	0
Adani Enterprises	0	15	15	15	15	0	15	0	0	0	0	0
PAT de-growth (<0%)	**7**	**13**	**11**	**12**	**13**	**1**	**20**	**-20**	**15**	**22**	**-4**	**-2**
Hindalco	5	13	12	13	13	3	64	-8	7	8	-1	0
Dr Reddy' s Labs	7	26	24	23	23	-1	6	-1	-6	9	-3	0
Tata Motors	8	13	9	11	12	0	3	-34	30	37	-7	-1
Nifty (PAT free float)	**7**	**25**	**26**	**27**	**28**	**12**	**8**	**9**	**16**	**16**	**13**	**100**

Sectors & Companies

BSE Sensex: 81,207 **Nifty 50: 24,894** **October 2025**

MOFSL Universe:
2QFY26 Highlights & Ready Reckoner

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 1 October 2025, unless otherwise stated.**

MOFSL Universe: 2QFY26 aggregate performance highlights

Exhibit 33: Quarterly Performance - MOFSL Universe (INR b)

Sector	Sales			EBITDA			PAT		
(Nos of Cos)	Sep-25	Var. % YoY	Var. % QoQ	Sep-25	Var. % YoY	Var. % QoQ	Sep-25	Var. % YoY	Var. % QoQ
Automobiles (26)	3,173	4.2	-1.0	375	-3.9	-0.7	233	5.0	1.5
Capital Goods (15)	1,154	15.4	14.2	143	11.1	17.5	97	14.2	15.8
Cement (12)	607	19.3	-10.3	85	55.1	-28.0	35	61.5	-29.5
Chemicals (13)	177	5.5	4.3	32	4.7	-1.8	18	2.7	-3.9
Consumer (21)	952	5.7	-2.3	211	1.8	-4.8	149	3.2	-4.8
Consumer Durables (5)	184	9.7	-7.9	19	28.2	-3.1	13	23.9	-5.1
EMS (7)	192	24.9	3.3	10	31.3	1.0	5	35.6	6.6
Financials (65)	4,421	5.6	6.1	1,800	-1.1	-8.1	1,161	-0.9	-4.5
Banks-Private (12)	916	0.6	-2.0	675	-2.0	-18.0	401	-7.3	-6.7
Banks-PSU (6)	861	-2.5	-1.7	601	-9.2	-9.1	365	-7.1	-1.9
Insurance (8)	2,049	9.5	15.4	59	-1.3	41.2	104	5.7	-22.9
NBFC - Lending (24)	515	14.6	2.4	423	14.4	7.7	256	20.8	5.3
NBFC - Non Lending (15)	81	8.8	4.9	42	3.6	6.0	35	-0.1	-3.7
Healthcare (27)	959	9.2	3.0	228	8.4	1.1	141	9.5	0.5
Infrastructure (3)	37	4.7	-15.1	11	7.2	-12.0	3	-8.0	-27.5
Logistics (9)	204	14.8	1.7	70	17.4	-1.2	42	25.9	-1.5
Media (3)	48	6.0	5.3	10	0.9	11.2	7	18.5	14.8
Metals (11)	2,932	4.2	-2.5	526	10.6	-10.4	224	10.2	-20.6
Oil & Gas (14)	7,088	0.4	-6.3	958	22.7	-4.2	470	24.9	-0.7
Oil Ex OMCs (11)	3,419	3.8	0.4	728	9.3	4.0	364	2.0	16.7
Real Estate (14)	172	22.9	15.8	53	44.5	47.1	44	29.4	29.7
Retail (24)	684	11.0	2.0	73	10.9	-3.2	30	19.4	-2.3
Staffing (4)	114	-4.6	5.5	3	-19.7	14.9	2	11.9	19.7
Technology (16)	2,133	6.0	4.0	473	5.6	5.5	327	5.7	1.9
Telecom (5)	787	16.4	2.5	400	20.2	2.4	23	LP	43.7
Utilities (8)	847	16.4	5.5	290	17.4	8.7	105	4.4	1.1
Others (26)	795	15.3	4.9	105	17.1	-16.4	24	227.9	-43.4
MOFSL Universe (328)	**27,659**	**5.9**	**-0.1**	**5,876**	**8.3**	**-3.8**	**3,157**	**9.1**	**-3.6**
Nifty (48)	**14,036**	**7.0**	**1.5**	**3,631**	**7.8**	**-4.2**	**1,943**	**5.7**	**-2.7**
Sensex (30)	**10,799**	**6.9**	**1.2**	**2,961**	**8.2**	**-3.4**	**1,579**	**7.6**	**-1.5**

For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = VNB

Exhibit 34: Quarter-wise sales growth (% YoY)

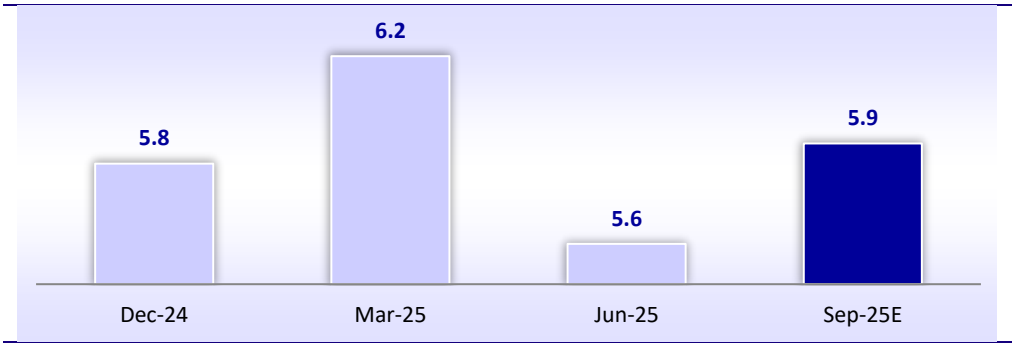
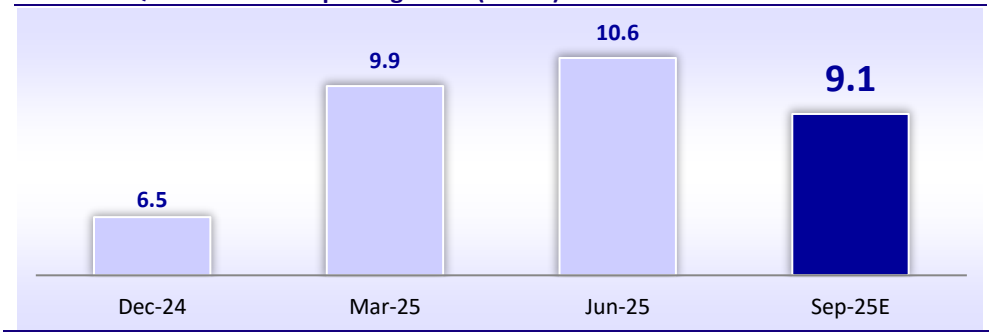


Exhibit 35: Quarter-wise net profit growth (% YoY)



Annual performance - MOFSL universe (INR b)

	Sales (INR b)			Chg. YoY (%)			EBIDTA (INR b)			Chg. YoY (%)			PAT (INR b)			Chg. YoY (%)		
Sector	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**
Auto (26)	13,930	15,508	17,227	9.3	11.3	11.1	1,662	2,004	2,320	-1.1	20.6	15.8	987	1,198	1,420	1.1	21.4	18.5
Capital Goods (15)	5,028	5,755	6,729	18.6	14.4	16.9	681	795	944	20.0	16.7	18.8	469	551	668	21.0	17.7	21.2
Cement (12)	2,737	3,050	3,403	13.8	11.4	11.6	448	556	647	34.5	24.0	16.4	234	303	366	38.1	29.4	20.7
Chemicals (13)	725	821	909	8.6	13.2	10.6	141	174	196	16.4	23.7	12.2	82	105	119	23.1	27.9	13.1
Consumer (21)	3,901	4,300	4,712	9.3	10.2	9.6	892	1,007	1,106	7.3	12.9	9.8	632	721	796	8.6	14.1	10.5
Consumer Durables (5)	854	989	1,145	11.0	15.7	15.9	90	109	130	17.5	21.2	19.3	62	75	90	16.6	21.1	19.6
EMS (7)	825	1,168	1,397	40.6	41.6	19.6	50	73	96	42.1	46.9	30.8	27	42	58	53.9	54.8	37.6
Financials (68)	18,562	21,136	24,049	7.8	13.9	13.8	8,389	9,752	11,558	8.4	16.2	18.5	5,334	6,289	7,458	7.0	17.9	18.6
Banks-PVT (12)	3,875	4,518	5,300	6.0	16.6	17.3	3,018	3,458	4,125	9.3	14.6	19.3	1,853	2,223	2,664	4.4	20.0	19.8
Banks-PSU (6)	3,623	4,188	4,793	2.1	15.6	14.5	2,542	2,905	3,392	1.2	14.3	16.8	1,608	1,866	2,192	0.7	16.1	17.4
Insurance (8)	8,488	9,353	10,307	9.2	10.2	10.2	852	996	1,162	14.6	16.9	16.6	609	677	747	6.3	11.1	10.3
NBFC-Lending (27)	2,242	2,693	3,205	15.4	20.1	19.0	1,799	2,182	2,631	15.1	21.3	20.6	1,117	1,350	1,652	22.8	20.8	22.4
NBFC-Non Lending (15)	333	384	443	12.9	15.5	15.3	178	211	248	14.0	18.4	17.5	146	173	203	14.7	18.5	17.3
Healthcare (27)	3,878	4,326	4,809	10.0	11.5	11.2	933	1,055	1,173	10.2	13.0	11.2	580	665	761	10.6	14.6	14.4
Infrastructure (3)	191	231	258	10.5	21.0	11.6	57	72	83	15.4	26.6	15.3	23	30	39	29.5	31.2	27.3
Logistics (9)	848	977	1,110	15.5	15.2	13.5	297	345	393	19.1	16.2	14.1	180	214	248	23.2	18.7	15.6
Media (3)	192	205	218	7.0	6.7	6.6	41	43	46	10.7	6.5	7.5	27	29	32	13.0	8.0	11.3
Metals (11)	12,733	13,940	14,759	7.3	9.5	5.9	2,496	2,875	3,102	14.5	15.2	7.9	1,214	1,491	1,644	16.9	22.8	10.3
Oil & Gas (14)	33,061	33,002	32,646	-6.1	-0.2	-1.1	4,225	4,327	4,572	11.3	2.4	5.7	1,866	1,872	1,973	13.3	0.4	5.4
Ex OMCs (11)	18,131	18,673	18,981	-4.1	3.0	1.7	3,245	3,471	3,662	7.6	6.9	5.5	1,405	1,519	1,615	5.2	8.1	6.3
Real Estate (14)	782	918	1,094	29.7	17.4	19.1	239	284	343	43.4	18.6	20.9	194	231	289	37.8	18.8	25.3
Retail (24)	2,916	3,400	3,932	16.4	16.6	15.6	326	387	452	18.4	18.6	16.8	139	174	212	28.3	24.8	21.7
Staffing (4)	458	516	577	9.0	12.6	11.8	14	16	18	15.9	16.2	16.3	10	11	13	24.8	17.0	13.4
Technology (16)	8,612	9,182	9,756	7.2	6.6	6.2	1,912	2,092	2,235	6.7	9.4	6.8	1,335	1,448	1,546	7.0	8.5	6.7
Telecom (5)	3,186	3,521	3,905	14.5	10.5	10.9	1,639	1,813	2,037	16.6	10.6	12.4	118	261	442	LP	121	69.4
Utilities (8)	3,791	4,222	4,699	15.6	11.4	11.3	1,369	1,539	1,763	16.7	12.4	14.6	514	597	675	16.5	16.2	13.1
Others (26)	3,439	4,131	4,903	17.9	20.1	18.7	592	769	953	20.6	29.9	24.0	242	368	487	37.0	51.8	32.4
MOFSL (331)	**1,20,650**	**1,31,298**	**1,42,237**	**5.4**	**8.8**	**8.3**	**26,494**	**30,088**	**34,171**	**11.1**	**13.6**	**13.6**	**14,270**	**16,677**	**19,336**	**12.1**	**16.9**	**15.9**
MOFSL Ex OMCs (328)	**1,05,721**	**1,16,970**	**1,28,572**	**7.7**	**10.6**	**9.9**	**25,515**	**29,232**	**33,261**	**10.6**	**14.6**	**13.8**	**13,809**	**16,324**	**18,978**	**11.2**	**18.2**	**16.3**

For Banks: Sales = Net Interest Income, EBIDTA = Operating Profits.

Valuations - MOFSL universe

	PE (x)			PB (x)			EV/EBIDTA (x)			ROE (%)			EARN. CAGR
Sector	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**(FY25-FY27)**
Auto (26)	29.6	24.4	20.6	4.7	4.2	3.6	16.2	13.2	11.1	16.0	17.1	17.6	10.8
Capital Goods (15)	39.1	33.2	27.4	7.3	6.3	5.4	26.2	22.1	18.2	18.7	18.9	19.5	19.3
Cement (12)	42.3	32.7	27.1	3.4	3.2	3.0	23.1	18.5	15.8	8.1	9.8	11.0	33.7
Chemicals (13)	36.7	28.7	25.4	3.9	3.5	3.1	21.5	17.3	15.3	10.5	12.1	12.3	25.5
Consumer (21)	44.3	38.8	35.1	10.6	9.9	9.2	30.6	27.0	24.4	24.0	25.6	26.2	11.3
Consumer Durables (5)	48.4	39.9	33.4	8.1	7.0	6.0	32.2	26.4	22.0	16.7	17.5	18.0	18.8
EMS (7)	78.4	50.6	36.8	12.4	10.0	7.9	42.4	28.5	21.4	15.9	19.8	21.5	54.3
Financials (68)	15.8	13.4	11.3	2.3	2.1	1.8	N.M	N.M	N.M	14.8	15.3	15.9	12.4
Banks-PVT (12)	18.8	15.7	13.1	2.4	2.2	1.9	N.M	N.M	N.M	12.9	13.8	14.5	11.9
Banks-PSU (6)	8.6	7.4	6.3	1.2	1.1	1.0	N.M	N.M	N.M	14.4	14.9	15.6	8.1
Insurance (8)	19.6	17.7	16.0	4.7	3.9	3.2	N.M	N.M	N.M	24.0	21.9	20.1	8.7
NBFC - Lending (27)	16.3	13.5	11.0	2.5	2.1	1.8	N.M	N.M	N.M	15.0	15.8	16.6	21.8
NBFC - Non Lending (15)	37.8	31.9	27.2	9.5	8.2	7.1	N.M	N.M	N.M	25.1	25.8	26.2	16.6
Healthcare (27)	33.8	29.5	25.8	4.8	4.2	3.7	20.7	17.9	15.7	14.1	14.2	14.2	12.6
Infrastructure (3)	18.3	14.0	11.0	1.3	1.2	1.1	6.1	4.4	3.4	6.9	8.3	9.6	30.4
Logistics (9)	26.7	22.5	19.4	4.2	3.6	3.1	17.2	14.6	12.6	15.6	16.0	16.1	20.9
Media (3)	17.1	15.9	14.3	1.4	1.3	1.3	10.4	9.3	9.4	8.3	8.5	8.9	10.5
Metals (11)	13.3	10.8	9.8	2.3	2.0	1.8	7.3	6.2	5.5	17.5	18.8	18.1	19.8
Oil & Gas (14)	15.9	15.8	15.0	1.6	1.5	1.4	8.4	8.0	7.4	10.2	9.4	9.2	6.6
Ex OMCs (11)	17.9	16.6	15.6	1.7	1.6	1.5	8.8	8.0	7.3	9.5	9.5	9.4	6.6
Real Estate (14)	32.9	27.7	22.1	3.9	3.4	3.0	26.8	22.1	18.1	11.9	12.5	13.6	28.0
Retail (24)	80.2	64.2	52.8	11.4	10.1	8.8	35.2	29.8	25.1	14.3	15.6	16.6	26.5
Staffing (4)	14.0	12.0	10.6	2.3	2.0	1.8	9.9	8.0	6.4	16.1	16.8	16.9	20.9
Technology (16)	22.5	20.8	19.5	6.5	6.3	6.1	14.9	13.5	12.6	29.0	30.4	31.2	7.7
Telecom (5)	122.9	55.6	32.8	11.8	10.4	9.7	10.7	9.2	7.8	9.6	18.7	29.6	LP
Utilities (8)	18.2	15.6	13.8	2.5	2.2	2.0	10.4	9.5	8.3	13.5	14.3	14.6	16.4
Others (26)	56.0	36.9	27.9	6.3	5.5	4.7	22.5	17.1	13.5	11.3	14.9	16.8	44.2
MOFSL (331)	**23.4**	**20.0**	**17.3**	**3.4**	**3.1**	**2.7**	**14.4**	**12.6**	**11.2**	**14.7**	**15.3**	**15.8**	**14.5**
MOFSL Ex OMCs (328)	**23.9**	**20.2**	**17.4**	**3.5**	**3.1**	**2.8**	**14.8**	**12.8**	**11.3**	**14.7**	**15.6**	**16.1**	**14.7**

N.M.: Not Meaningful

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Amara Raja Energy	993	Neutral	33,553	7.0	0.2	4,026	-8.6	4.1	2,065	-14.2	6.4
Apollo Tyres	468	Buy	69,968	8.7	6.6	9,581	9.1	10.4	3,709	23.2	31.9
Ashok Leyland	141	Buy	97,232	10.9	11.4	11,473	12.8	18.3	7,430	7.2	25.1
Bajaj Auto	8619	Neutral	1,46,728	11.8	16.6	29,351	10.7	18.3	24,148	9.0	15.2
Balkrishna Inds	2304	Neutral	25,517	3.5	-7.5	6,226	0.7	-5.1	3,672	5.0	28.0
Bharat Forge	1219	Neutral	20,949	-6.8	-0.5	5,237	-16.3	-8.4	3,041	-13.4	-10.2
Bosch	38338	Neutral	48,777	11.0	1.9	6,439	14.9	0.7	5,629	12.5	-16.0
CEAT	3488	Buy	36,350	10.0	3.0	4,289	18.4	10.6	1,415	16.1	23.2
CIE Automotive	413	Buy	23,233	8.8	-1.9	3,278	-0.8	-2.6	1,962	0.8	-3.3
Craftsman Auto	6725	Neutral	18,319	50.9	2.7	2,766	43.5	4.4	863	39.9	14.0
Eicher Motors	7005	Sell	60,781	42.6	20.6	15,545	42.9	29.2	14,422	31.1	19.7
Endurance Tech.	2812	Buy	34,702	19.1	4.6	4,651	21.7	5	2,460	21.2	8.7
Escorts Kubota	3637	Neutral	27,588	21.8	11.1	3,752	61.2	15.5	3,703	22.3	17.4
Exide Inds.	395	Neutral	44,380	4.0	-1.6	5,414	12.0	-1.2	3,268	9.7	2.0
Happy Forgings	925	Buy	3,792	5.0	7.2	1,092	3.6	8.0	719	7.8	9.4
Hero Motocorp	5430	Buy	1,18,735	13.5	24.0	18,031	18.9	30.5	14,432	19.9	28.2
Hyundai Motor	2537	Buy	1,73,749	0.7	5.9	23,385	6.0	7.0	14,844	7.9	8.4
Mahindra & Mahindra	3463	Buy	3,29,211	19.5	-3.4	46,154	16.9	-5.5	42,940	11.8	24.5
Maruti Suzuki	15971	Buy	3,84,110	3.2	0.0	39,991	-9.5	0.1	33,167	8.1	-10.6
Samvardhana Motherson	106	Buy	2,98,356	7.3	-1.2	23,415	-4.3	-4.8	6,340	-15.1	2.1
Motherson Wiring	46	Buy	26,047	12.0	4.4	2,708	8.5	10.9	1,627	7.0	13.7
MRF	148630	Sell	75,716	12.0	0.1	10,752	10.5	3.9	5,016	10.1	3.6
Sona BLW Precis.	414	Neutral	8,883	-4.0	10.9	2,194	-13.9	13.3	1,368	-11.5	9.6
Tata Motors	718	Neutral	9,25,667	-8.8	-11.3	77,577	-33.9	-20.2	22,929	-31.4	-42.2
Tube Investments	3082	Buy	21,342	3.4	6.4	2,600	5.7	5.1	1,786	6.4	6.2
TVS Motor	3457	Neutral	1,18,886	28.8	17.9	15,455	43.1	22.4	9,844	48.6	26.4
Automobiles			**31,72,572**	**4.2**	**-1.0**	**3,75,383**	**-3.9**	**-0.7**	**2,32,801**	**5.0**	**1.5**
ABB India	5198	Buy	33,412	14.7	5.2	4,778	-11.6	15.4	3,949	-10.3	12.2
Bharat Dynamics	1542	Buy	7,095	30.2	186.2	1,419	43.6	LP	1,637	33.6	792.1
Bharat Electronics	407	Buy	52,580	14.7	19.0	14,408	3.8	16.2	11,178	2.4	15.3
Cummins India	3848	Buy	28,779	15.5	-1.0	5,756	19.7	-7.7	5,264	16.8	-5.2
Hind.Aeronautics	4803	Buy	67,496	12.9	40.1	18,561	13.2	44.7	17,548	16.6	26.8
Hitachi Energy	18168	Sell	20,931	34.7	41.5	2,512	128.9	62.1	1,856	254.9	41.0
Kalpataru Proj.	1241	Buy	51,718	25.0	2.6	4,448	27.6	3.8	1,973	49.1	-1.7
KEC International	854	Neutral	58,575	14.6	16.6	4,276	33.5	22.1	1,706	99.7	36.9
Kirloskar Oil	926	Buy	14,389	20.5	-0.4	1,871	13.4	-1.7	1,199	8.0	-2.3
Larsen & Toubro	3670	Buy	7,15,302	16.2	12.3	69,844	9.8	10.6	38,815	14.3	7.3
Siemens	3123	Neutral	47,966	7.6	10.3	6,413	17.7	23.0	5,179	-0.9	22.3
Siemens Energy	3400	Buy	20,412	-1.8	14.4	4,290	11.5	26.1	4,126	50.8	57.1
Thermax	3167	Sell	28,863	10.5	34.2	2,763	-0.6	22.7	1,779	-10.2	17.4
Triveni Turbine	524	Buy	4,972	-0.8	33.9	1,019	-8.5	38.5	849	-6.7	31.8
Zen Technologies	1464	Neutral	1,379	-42.9	24.2	483	-39.2	26.9	398	-38.9	7.3
Capital Goods			**11,53,868**	**15.4**	**14.2**	**1,42,840**	**11.1**	**17.5**	**97,456**	**14.2**	**15.8**
ACC	1829	Neutral	53,915	17.0	-11.1	5,989	39.5	-22.5	3,122	33.5	-18.8
Ambuja Cements	571	Buy	88,601	20.1	-13.9	13,710	40.8	-30.1	4,137	-9.5	-43.6
Birla Corporation	1212	Buy	21,354	9.4	-13.0	2,330	31.5	-32.8	379	LP	-68.3
Dalmia Bharat	2232	Buy	34,678	12.3	-4.6	6,700	54.4	-24.1	2,125	286.3	-43.0
Grasim Industries	2792	Buy	92,210	21.0	0.0	3,200	-1.6	-16.8	7,770	2.6	LP
India Cements	391	Sell	10,670	5.0	4.1	655	LP	-20.1	-257	Loss	Loss
J K Cements	6306	Buy	29,402	14.8	-12.3	4,596	61.8	-33.2	1,646	358.2	-49.2
JK Lakshmi Cem.	869	Buy	14,057	13.9	-19.3	2,007	124.8	-35.5	661	LP	-56.0
JSW Cement	139	Neutral	13,452	NA	-13.8	1,913	NA	-40.7	402	NA	-63.6
Ramco Cements	992	Neutral	21,174	3.9	2.3	3,464	11.0	-12.9	479	87.2	-44.3
Shree Cement	29262	Neutral	42,395	13.8	-14.3	9,648	62.8	-21.5	2,155	131.4	-65.2
Ultratech Cement	12119	Buy	1,84,766	18.2	-13.2	30,629	51.8	-30.6	12,812	56.2	-43.2
Cement			**6,06,675**	**19.3**	**-10.3**	**84,840**	**55.1**	**-28.0**	**35,429**	**61.5**	**-29.5**
Alkyl Amines	1900	Neutral	4,232	2.0	4.4	776	5.6	1.4	505	6.3	2.1
Atul	6182	Buy	15,792	13.4	6.8	2,890	19.1	22.7	1,790	28.3	35.2
Clean Science	1097	Neutral	2,604	9.4	7.2	977	9.0	-2.1	668	13.7	-4.6
Deepak Nitrite	1842	Sell	19,229	-5.4	1.7	1,930	-35.1	1.8	1,151	-40.7	2.5
Ellenbarrie Industrial	470	Buy	930	NA	11.2	351	NA	14.5	254	NA	35.6

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Fine Organic	4525	Sell	6,256	5.0	6.3	1,277	-15.2	3.3	1,041	-11.4	-7.0
Galaxy Surfactants	2226	Buy	12,501	17.6	-2.2	1,324	3.8	6.9	824	-2.7	3.7
Navin Fluorine	4624	Neutral	7,519	45.0	3.7	1,731	61.3	-16.3	892	51.7	-23.9
NOCIL	174	Neutral	3,448	-4.9	2.5	310	-16.3	5.0	195	-52.9	17.8
P I Industries	3584	Buy	17,769	-20.0	-6.5	4,349	-30.8	-16.2	3,264	-35.8	-18.4
SRF	2907	Buy	38,840	13.4	1.7	8,247	47.1	0.4	4,286	91.3	1.2
Tata Chemicals	918	Neutral	41,974	5.0	12.9	6,250	1.1	-3.7	2,097	8.1	-16.8
Vinati Organics	1724	Buy	6,307	14.0	16.3	1,699	26.8	2.5	1,251	17.9	10.9
Chemicals			**1,77,400**	**5.5**	**4.3**	**32,113**	**4.7**	**-1.8**	**18,218**	**2.7**	**-3.9**
Asian Paints	2336	Neutral	81,078	1.0	-9.3	13,511	9.0	-16.9	9,072	3.8	-18.8
Britannia	5965	Neutral	49,315	8.0	8.7	8,738	11.5	15.4	6,107	14.9	17.4
Colgate	2225	Buy	15,252	-5.8	6.4	4,545	-8.6	0.4	3,215	-9.6	0.3
Dabur	495	Buy	32,067	5.9	-5.8	5,868	6.2	-12.1	4,570	5.5	-12.5
Emami	543	Buy	8,018	-10.0	-11.3	1,719	-31.4	-19.8	1,594	-31.7	-13.5
Godrej Consumer	1148	Buy	39,331	7.3	7.4	7,229	-5.1	4.1	5,002	1.0	7.1
Hind. Unilever	2536	Buy	1,62,625	2.1	-1.5	36,484	-3.8	-1.9	25,552	-1.8	1.1
Indigo Paints	1073	Buy	3,025	1.0	-2.1	430	3.5	-3.0	240	5.8	-7.6
ITC	406	Buy	2,16,873	4.6	0.9	69,009	2.1	1.2	52,731	5.6	0.6
Jyothy Labs	319	Neutral	7,567	3.1	0.7	1,351	-2.4	8.9	1,009	-3.9	4.3
L T Foods	402	Buy	25,958	23.2	5.4	2,863	24.9	7.9	1,664	12.1	-1.3
Marico	701	Buy	34,168	28.3	4.8	5,563	6.6	-15.1	4,219	7.8	-16.3
Nestle	1166	Neutral	53,732	5.3	5.4	11,955	0.3	6.9	7,306	-6.2	13.0
P&G Hygiene	14092	Neutral	11,579	2.0	23.6	2,953	1.6	10.9	2,192	3.5	14.2
Page Industries	42159	Buy	13,144	5.5	-0.2	2,984	6.3	1.3	2,051	5.5	2.2
Pidilite Inds.	1475	Neutral	35,204	8.8	-6.2	8,531	11.0	-9.3	6,079	13.7	-9.6
Radico Khaitan	2916	Buy	13,939	24.9	-7.4	2,126	30.3	-8.4	1,225	49.1	-12.7
Tata Consumer	1144	Buy	47,886	13.6	0.2	6,335	1.2	4.4	3,734	-3.0	11.7
United Breweries	1799	Neutral	21,781	3.0	-23.9	2,135	-5.9	-31.3	1,200	-9.3	-34.7
United Spirits	1347	Neutral	30,385	6.9	19.2	5,621	10.9	35.5	3,797	13.3	28.2
Varun Beverages	443	Buy	49,248	2.5	-29.8	11,490	-0.2	-42.5	6,685	7.9	-49.2
Consumer			**9,52,176**	**5.7**	**-2.3**	**2,11,440**	**1.8**	**-4.8**	**1,49,243**	**3.2**	**-4.8**
Havells India	1485	Neutral	47,637	4.9	-12.7	4,537	21.0	-12.0	3,026	13.0	-12.9
KEI Industries	4034	Buy	27,405	20.2	5.8	2,836	28.6	9.9	2,100	35.6	7.3
Polycab India	7353	Buy	65,124	18.4	10.3	8,933	41.4	4.2	5,994	36.3	1.2
R R Kabel	1268	Neutral	21,063	16.4	2.3	1,548	80.5	9.0	965	94.8	7.5
Voltas	1353	Neutral	22,478	-14.2	-42.9	1,053	-35.1	-41.0	874	-34.8	-37.8
Consumer Durables			**1,83,706**	**9.7**	**-7.9**	**18,907**	**28.2**	**-3.1**	**12,958**	**23.9**	**-5.1**
Amber Enterp.	8239	Buy	20,114	19.4	-41.7	1,442	26.8	-43.8	264	37.2	-74.6
Avalon Tech	1008	Buy	3,300	20.0	2.1	367	21.6	22.7	232	32.8	63.3
Cyient DLM	431	Buy	3,116	-20.0	11.9	303	-4.2	20.9	115	-25.5	54.4
Data Pattern	2630	Neutral	1,365	50.0	37.5	544	58.7	69.7	456	50.6	78.9
Dixon Tech.	16454	Buy	1,44,140	25.0	12.3	5,243	23.0	8.7	2,555	19.2	13.6
Kaynes Tech	7152	Buy	9,440	65.0	40.2	1,543	87.9	36.5	1,141	89.5	52.9
Syrma SGS Tech.	803	Buy	10,659	28.0	12.9	921	29.8	6.3	570	57.2	14.5
EMS			**1,92,133**	**24.9**	**3.3**	**10,363**	**31.3**	**1.0**	**5,333**	**35.6**	**6.6**
Ajanta Pharma	2399	Buy	13,078	10.2	0.4	3,714	10.3	-1.3	2,642	12.1	-1.2
Alembic Pharma	904	Neutral	17,963	9.0	5.0	2,964	23.9	5.4	1,724	21.0	11.7
Alkem Lab	5460	Neutral	37,790	10.7	12.1	8,427	11.9	14.0	7,087	2.9	8.5
Apollo Hospitals	7442	Buy	61,369	9.8	5.0	8,898	9.1	4.5	4,373	15.5	1.0
Aurobindo Pharma	1087	Buy	81,128	4.1	3.1	16,550	5.7	3.2	8,646	5.8	4.8
Biocon	347	Buy	41,433	15.4	5.1	8,369	21.9	11.9	700	91.6	133.3
Blue Jet Healthcare	662	Buy	2,838	36.3	-20.0	924	32.9	-23.6	709	21.5	-22.3
Cipla	1514	Neutral	73,324	4.0	5.4	18,258	-3.2	2.7	13,098	0.6	0.9
Divis Labs	5711	Neutral	26,090	11.6	8.3	8,088	13.0	10.9	5,853	19.3	13.4
Dr Agarwals Health.	504	Buy	4,958	19.0	1.7	1,299	21.4	1.6	268	61.7	-11.0
Dr Reddy' s Labs	1246	Neutral	85,500	6.7	0.1	20,178	-8.4	-6.2	13,449	-1.1	-5.1
Eris Lifescience	1623	Neutral	8,079	9.0	4.5	2,925	10.6	5.7	1,272	38.8	8.4
Gland Pharma	1981	Buy	15,159	7.8	0.7	3,441	15.9	-6.4	2,069	26.5	-4.0
Glenmark Pharma	1959	Buy	35,199	2.5	7.8	5,913	-1.8	1.9	3,224	-7.6	2.7
Global Health	1306	Buy	10,080	5.4	-2.2	2,369	1.1	0.9	1,488	13.8	-0.8
Granules India	542	Buy	11,843	22.5	-2.1	2,570	26.4	4.2	1,322	35.9	-0.5

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
GSK Pharma	2695	Neutral	10,361	2.5	28.7	3,253	1.2	29.6	2,473	-0.2	20.7
IPCA Labs.	1328	Buy	24,786	5.3	7.4	4,585	3.6	10.1	2,665	15.6	14.3
Laurus Labs	872	Buy	15,624	27.7	-0.5	3,422	91.9	-10.5	1,408	609.7	-12.2
Laxmi Dental	328	Buy	697	22.0	6.2	129	47.7	8.3	97	64.5	17.1
Lupin	1982	Neutral	64,498	16.4	2.9	16,447	33.0	0.2	10,346	34.7	-9.6
Mankind Pharma	2439	Buy	37,631	22.3	5.4	9,709	14.2	14.7	5,060	-22.6	17.1
Max Healthcare	1113	Buy	25,992	22.7	6.0	6,602	16.4	7.0	4,353	17.6	17.4
Piramal Pharma	199	Buy	20,537	-8.4	6.2	2,259	-33.9	111.7	40	-82.3	LP
Sun Pharma	1636	Buy	1,40,428	5.9	1.9	39,741	5.0	-0.8	30,287	4.2	1.1
Torrent Pharma	3563	Neutral	32,165	11.3	1.2	10,679	13.7	2.0	5,980	32.0	7.0
Zydus Lifesciences	992	Neutral	60,247	15.0	-8.4	16,568	17.0	-18.4	10,792	22.8	-24.1
Healthcare			**9,58,796**	**9.2**	**3.0**	**2,28,281**	**8.4**	**1.1**	**1,41,422**	**9.5**	**0.5**
G R Infraproject	1231	Buy	13,911	23.3	-23.8	1,628	38.9	-29.6	1,446	24.5	-33.0
IRB Infra	41	Neutral	17,623	11.1	-16.0	8,547	11.5	-10.2	1,351	35.3	-33.3
KNR Constructions	199	Neutral	5,860	-31.5	22.3	785	-43.1	27.2	550	-62.7	27.1
Infrastructure			**37,394**	**4.7**	**-15.1**	**10,960**	**7.2**	**-12.0**	**3,348**	**-8.0**	**-27.5**
Adani Ports	1422	Buy	86,560	22.5	-5.2	52,196	19.5	-5.0	31,598	28.3	-6.1
Blue Dart Express	5715	Buy	15,968	10.2	10.7	1,389	14.0	38.7	751	23.6	60.1
Concor	527	Buy	23,460	2.8	9.1	5,067	-11.9	18.8	3,432	-13.3	33.2
Delhivery	435	Buy	25,025	14.3	9.1	1,627	184.0	9.3	820	704.2	-9.9
JSW Infra	317	Buy	12,012	20.0	-1.9	6,054	16.3	4.2	3,617	37.6	1.2
Mahindra Logistics	348	Neutral	17,366	14.2	6.9	886	33.4	16.1	75	LP	LP
TCI Express	733	Neutral	3,147	1.0	9.7	334	-9.3	18.9	237	-4.9	21.8
Transport Corp.	1197	Buy	12,361	10.3	8.5	1,347	15.1	11.4	1,131	6.3	6.2
VRL Logistics	274	Buy	7,850	-1.8	5.5	1,498	12.6	-1.2	520	45.0	3.9
Logistics			**2,03,749**	**14.8**	**1.7**	**70,397**	**17.4**	**-1.2**	**42,181**	**25.9**	**-1.5**
PVR Inox	1099	Neutral	18,100	11.6	23.2	2,792	49.2	192.9	1,379	515.8	LP
Sun TV	602	Neutral	10,051	11.7	-20.0	5,980	13.1	-3.1	4,961	24.6	-6.2
Zee Entertainment	114	Neutral	19,785	-1.1	8.4	1,690	-47.3	-25.9	995	-49.9	-30.8
Media			**47,936**	**6.0**	**5.3**	**10,462**	**0.9**	**11.2**	**7,335**	**18.5**	**14.8**
Coal India	389	Buy	2,98,782	-2.6	-16.6	84,868	18.6	-23.7	62,539	-0.6	-28.5
Hindalco	766	Buy	6,37,385	9.5	-0.8	74,636	-5.3	-5.6	36,371	-14.8	-9.2
Hindustan Zinc	481	Neutral	80,975	-1.9	4.2	43,730	6.1	13.3	24,943	3.5	11.7
Jindal Stainless	762	Buy	1,04,887	7.3	2.8	13,011	9.7	-0.7	7,418	21.3	3.9
Jindal Steel	1064	Buy	1,07,114	-4.5	-12.9	15,840	-28.0	-47.3	3,663	-57.5	-75.5
JSW Steel	1146	Buy	4,30,607	8.5	-0.2	64,387	18.4	-15.0	15,483	140.3	-29.1
Nalco	215	Neutral	37,113	-7.3	-2.5	11,537	-25.5	-22.7	7,758	-25.8	-26.1
NMDC	76	Buy	60,186	22.4	-10.7	21,282	53.6	-14.1	16,367	35.1	-16.8
SAIL	135	Neutral	2,43,593	5.7	-5.4	16,460	29.0	-36.6	1,009	LP	-82.3
Tata Steel	168	Neutral	5,68,006	5.4	6.8	85,319	54.5	14.9	27,733	514.9	30.2
Vedanta	465	Neutral	3,62,872	-3.6	-4.1	94,892	-3.4	-4.3	21,181	-28.2	-33.5
Metals			**29,31,519**	**4.2**	**-2.5**	**5,25,962**	**10.6**	**-10.4**	**2,24,466**	**10.2**	**-20.6**
Aegis Logistics	787	Neutral	19,141	9.4	11.3	2,581	15.3	7.6	1,279	1.6	-2.6
BPCL	340	Neutral	9,26,347	-9.8	-17.7	74,332	64.7	-23.1	46,125	92.4	-24.7
Castrol India	201	Buy	13,218	2.6	-11.7	3,017	5.4	-13.7	2,124	2.4	-13.0
GAIL	175	Buy	3,24,713	-1.3	-6.6	30,493	-18.6	-8.5	21,155	-20.8	12.1
Gujarat Gas	435	Buy	37,413	-1.1	-3.3	4,412	-14.2	-15.1	2,442	-20.4	-25.3
Gujarat State Petronet	318	Neutral	2,500	5.1	3.1	1,988	3.0	-1.8	3,335	-14.3	134.0
HPCL	434	Buy	9,04,918	-9.4	-18.3	59,049	113.3	-23.1	29,593	368.8	-32.3
Indraprastha Gas	209	Buy	42,919	16.1	9.7	5,062	-5.5	-1.1	4,009	-7.0	12.6
IOC	150	Neutral	18,38,328	5.7	-4.7	96,675	130.6	-23.3	30,995	LP	-45.5
Mahanagar Gas	1277	Buy	19,475	13.8	-1.4	3,510	-11.9	-27.7	2,396	-15.3	-26.1
Oil India	412	Neutral	54,219	-1.8	8.2	21,884	0.2	36.2	16,730	-8.8	105.7
ONGC	243	Neutral	3,24,796	-4.1	1.5	1,85,263	1.6	-0.7	1,00,126	-16.5	24.8
Petronet LNG	275	Buy	1,13,592	-12.8	-4.4	11,600	-3.4	0.0	7,850	-7.4	-7.7
Reliance Inds.	1369	Buy	24,66,848	6.5	1.3	4,57,719	17.2	6.7	2,02,172	22.1	11.9
Oil & Gas			**70,88,427**	**0.4**	**-6.3**	**9,57,588**	**22.7**	**-4.2**	**4,70,329**	**24.9**	**-0.7**
Oil Ex OMCs			**34,18,834**	**3.8**	**0.4**	**7,27,531**	**9.3**	**4.0**	**3,63,616**	**2.0**	**16.7**
Anant Raj	699	Buy	5,324	3.8	-10.1	1,896	68.1	25.8	1,235	16.9	-1.9
Brigade Enterpr.	896	Buy	12,178	13.6	-4.9	4,292	47.0	32.6	2,350	97.5	56.8
DLF	722	Buy	24,451	23.8	-10.0	7,347	46.3	101.7	10,931	-20.9	43.3

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Godrej Properties	2031	Buy	11,286	3.2	159.7	1,418	344.5	LP	5,205	55.9	-13.0
Kolte Patil Dev.	431	Buy	6,853	122.3	732.0	1,408	770.5	LP	885	808.9	LP
Lodha Developers	1140	Buy	32,597	24.1	-6.6	9,290	31.9	-5.6	6,564	56.3	-3.5
Mahindra Lifespace	361	Neutral	857	1,027	168.2	-162	Loss	Loss	99	LP	-80.6
Oberoi Realty	1595	Neutral	14,237	7.9	44.2	9,110	11.9	75.1	6,413	8.8	52.2
Phoenix Mills	1564	Buy	10,747	17.1	12.8	6,642	28.3	17.7	4,087	87.4	69.8
Prestige Estates	1543	Buy	28,062	21.8	21.6	7,526	19.2	-15.8	3,029	57.6	3.6
SignatureGlobal	1045	Buy	8,720	16.4	0.7	1,585	LP	377.1	1,566	3,714	355
Sobha	1517	Buy	11,679	25.1	37.1	1,461	89.4	513.4	878	236.5	544.6
Sri Lotus Developers	191	Buy	2,713	NA	342.5	987	NA	235.2	742	NA	189.7
Sunteck Realty	438	Buy	2,232	32.0	18.5	336	-10.2	-29.7	273	-21.3	-18.5
Real Estate			**1,71,937**	**22.9**	**15.8**	**53,136**	**44.5**	**47.1**	**44,258**	**29.4**	**29.7**
Aditya Birla Fashion	86	Neutral	19,619	NA	7.1	1,095	NA	-1.9	-2,034	Loss	Loss
Aditya Birla Lifestyle	134	Neutral	19,673	NA	6.9	3,072	NA	16.8	475	1,095.4	97.2
Avenue Supermarts	4449	Buy	1,67,017	15.6	2.1	12,103	10.7	-6.8	6,990	6.0	-9.6
Barbeque Nation	234	Neutral	3,070	0.4	3.4	439	-3.7	-4.6	-124	Loss	Loss
Bata India	1188	Neutral	8,624	3.0	-8.4	2,087	19.5	5.0	630	21.3	11.0
Campus Activewear	271	Buy	3,760	12.8	9.5	500	31.0	1.5	223	56.0	0.5
Devyani Intl.	171	Buy	13,139	7.5	-3.2	1,973	-0.7	-3.7	-101	Loss	PL
Go Fashion	685	Buy	2,224	6.7	-0.2	663	4.5	-3.4	186	-9.4	-16.5
Jubilant Foodworks	619	Neutral	17,089	16.5	0.4	3,243	14.1	0.3	631	21.3	-5.4
Kalyan Jewellers	465	Buy	76,401	26.0	5.1	5,106	28.9	0.5	2,669	46.6	1.1
Metro Brands	1248	Buy	6,510	11.2	3.6	1,754	13.3	-9.5	798	11.2	-19.2
P N Gadgil Jewellers	607	Buy	21,483	7.3	25.3	1,241	72.2	12.9	754	42.4	8.7
Raymond Lifestyle	1181	Buy	17,985	5.3	25.7	1,748	-18.6	127.0	683	-32.8	LP
Relaxo Footwear	446	Sell	6,793	0.0	3.8	934	6.6	-6.1	430	17.2	-12.0
Restaurant Brands	78	Buy	5,613	14.1	1.6	794	13.4	6.5	-146	Loss	Loss
Sapphire Foods	297	Buy	7,567	8.8	-2.6	997	-11.0	-11.7	-116	PL	Loss
Senco Gold	345	Neutral	18,006	20.0	-1.4	1,170	43.2	-36.3	509	47.5	-51.4
Shoppers Stop	521	Neutral	11,556	8.2	5.6	1,708	16.3	2.7	-132	Loss	Loss
Titan Company	3406	Buy	1,63,633	12.6	-1.0	18,306	20.0	0.0	11,505	23.6	5.5
Trent	4834	Buy	47,620	18.0	-0.4	7,667	19.7	-8.5	4,315	1.9	2.1
V-Mart Retail	725	Buy	8,070	22.1	-8.8	644	66.8	-48.9	-176	Loss	PL
Vedant Fashions	691	Neutral	2,709	1.1	-3.7	1,201	-1.6	-0.4	652	-2.6	-7.2
Vishal Mega Mart	149	Buy	29,507	21.1	-6.0	3,775	24.8	-17.8	1,411	35.7	-31.5
Westlife Foodworld	681	Neutral	6,610	7.0	0.5	826	5.1	-3.3	8	116.1	-29
Retail			**6,84,276**	**11.0**	**2.0**	**73,048**	**10.9**	**-3.2**	**30,041**	**19.4**	**-2.3**
Quess Corp	255	Neutral	38,828	-25.0	6.3	785	-59.9	12.6	522	-43.3	-1.0
SIS	350	Buy	35,626	9.0	0.4	1,663	14.9	9.4	1,149	67.0	23.6
Team Lease Serv.	1753	Buy	31,654	13.2	9.5	450	34.5	46.9	399	60.3	59.4
Updater Services	252	Buy	7,695	13.2	9.9	454	3.9	15.5	321	14.6	10.7
Staffing			**1,13,804**	**-4.6**	**5.5**	**3,352**	**-19.7**	**14.9**	**2,391**	**11.9**	**19.7**
Coforge	1601	Buy	41,116	34.3	11.5	7,442	53.8	15.4	3,779	63.5	-3.7
Cyient	1149	Sell	18,296	-1.1	6.9	3,019	1.8	30.8	1,773	-5.0	10.8
HCL Technologies	1389	Buy	3,16,416	9.6	4.3	64,680	1.6	7.2	43,483	2.7	13.1
Hexaware Tech.	676	Buy	34,659	10.5	6.3	5,996	22.1	48.3	3,795	26.6	0.0
Infosys	1446	Neutral	4,43,511	8.2	4.9	1,06,973	8.5	6.6	71,667	10.2	3.5
KPIT Technologies	1155	Buy	15,570	5.8	1.2	3,254	7.8	0.5	2,051	0.7	19.3
LTIMindtree	5124	Buy	1,02,778	9.0	4.4	17,883	5.2	8.4	12,873	2.9	2.6
L&T Technology	4185	Neutral	29,604	15.1	3.3	4,737	1.6	2.4	3,230	1.0	2.3
MphasiS	2691	Neutral	38,795	9.7	3.9	7,294	12.6	3.8	4,717	11.4	6.8
Persistent Systems	4955	Buy	35,259	21.7	5.8	6,488	35.0	6.1	4,480	37.8	5.4
Tata Elxsi	5227	Sell	9,258	-3.1	3.8	2,129	-20.1	14.0	1,662	-27.6	15.1
Tata Technologies	690	Sell	12,844	-0.9	3.2	2,183	-7.3	9.1	1,640	4.2	-3.7
TCS	2914	Buy	6,53,898	1.8	3.1	1,73,034	3.1	2.5	1,25,535	5.0	-2.1
Tech Mahindra	1416	Buy	1,38,632	4.1	3.8	20,795	18.8	7.5	13,089	4.7	14.8
Wipro	241	Sell	2,28,284	2.4	3.1	44,744	0.4	3.9	31,387	-2.2	-5.8
Zensar Tech	769	Neutral	14,163	8.3	2.3	2,139	6.3	1.6	1,739	11.6	-4.5
Technology			**21,33,086**	**6.0**	**4.0**	**4,72,790**	**5.6**	**5.5**	**3,26,897**	**5.7**	**1.9**
Bharti Airtel	1867	Buy	5,10,584	23.1	3.2	2,86,834	31.3	3.0	64,952	66.1	9.2
Bharti Hexacom	1653	Neutral	23,050	9.9	1.9	12,344	23.2	6.4	4,437	75.3	13.3

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Indus Towers	352	Neutral	81,628	9.3	1.3	43,127	-11.3	-0.8	16,864	18.9	0.9
Tata Comm	1611	Neutral	60,542	7.3	1.6	12,090	15.9	6.4	3,080	214.7	46.4
Vodafone Idea	9	Sell	1,10,925	1.5	0.6	46,033	1.2	-0.2	-66,147	Loss	Loss
Telecom			**7,86,729**	**16.4**	**2.5**	**4,00,429**	**20.2**	**2.4**	**23,186**	**LP**	**43.7**
ACME Solar	288	Buy	4,559	75.6	-10.8	4,007	81.5	-12.5	980	540.4	-33.2
Indian Energy Exch.	141	Neutral	1,542	10.7	10.2	1,315	9.3	15.4	1,159	9.3	2.6
Inox Wind	142	Buy	12,167	66.2	47.3	2,185	26.3	18.9	1,065	14.6	0.6
JSW Energy	537	Buy	56,970	76.0	10.8	30,306	79.9	8.7	8,363	-2.0	12.5
NTPC	340	Neutral	4,53,461	12.4	6.5	1,18,444	22.4	15.2	43,644	3.9	-1.1
Power Grid Corp.	281	Buy	1,06,906	4.2	7.7	92,182	4.9	13.6	37,188	6.2	7.0
Suzlon Energy	55	Buy	27,852	32.4	-11.1	4,225	43.6	-29.5	1,993	-0.9	-38.6
Tata Power	391	Buy	1,83,632	17.0	1.8	37,344	-0.3	-9.8	10,522	-2.3	-0.7
Utilities			**8,47,090**	**16.4**	**5.5**	**2,90,008**	**17.4**	**8.7**	**1,04,914**	**4.4**	**1.1**
APL Apollo Tubes	1732	Buy	56,523	18.4	9.3	4,124	198.7	10.9	2,667	395.6	12.4
Astral	1377	Buy	14,611	6.6	7.3	2,173	3.4	17.5	1,112	1.1	37.1
Cello World	574	Buy	5,587	14.0	5.6	1,268	6.9	16.3	847	3.8	16.0
Coromandel International	2251	Buy	85,817	15.5	21.9	11,176	14.7	42.9	7,687	15.8	52.2
Dreamfolks Services	102	Buy	3,335	5.3	-4.4	250	8.4	-7.2	192	19.6	-9.9
EPL	214	Buy	12,124	11.6	9.4	2,657	20.5	17.2	1,266	45.5	26.6
Eternal	329	Buy	80,641	68.0	12.5	3,149	39.3	173.8	2,997	70.3	1,099.0
Godrej Agrovet	696	Buy	25,670	4.8	-1.8	2,196	-1.7	-18.6	1,274	13.4	-20.7
Gravita India	1560	Buy	10,655	14.9	2.5	1,174	15.7	5.1	946	31.4	1.5
Indiamart Inter.	2400	Buy	3,807	9.5	2.3	1,296	-3.8	-2.7	1,176	-13.0	-23.2
Indian Hotels	723	Buy	20,622	12.9	1.0	5,713	14.0	-0.8	2,826	-12.8	-4.6
Info Edge	1339	Neutral	7,440	13.4	1.0	2,814	2.5	1.3	2,625	205.7	1.1
Interglobe Aviation	5609	Buy	1,83,166	7.9	-10.6	25,845	8.5	-54.6	-6,610	Loss	PL
Kajaria Ceramics	1190	Buy	12,183	3.3	10.5	2,081	31.0	11.4	1,219	44.7	11.9
Lemon Tree Hotel	166	Buy	3,112	9.4	-1.4	1,386	6.0	-1.3	330	11.5	-13.8
MTAR Tech	1899	Buy	1,522	-20.0	-2.8	283	-23.3	-0.5	119	-36.8	9.7
One 97 Comm.	1149	Neutral	20,112	21.2	4.9	772	LP	7.5	1,345	LP	-3.3
Prince Pipes	325	Buy	6,330	1.8	9.1	501	9.6	26.6	128	-12.9	165.7
Safari Inds.	2182	Buy	5,173	13.0	-2.0	688	43.7	-13.2	420	41.8	-16.7
SBI Cards	875	Neutral	17,184	14.4	2.3	20,913	19.0	-0.4	6,047	49.5	8.8
Supreme Inds.	4190	Buy	23,587	3.8	-9.6	3,036	-4.9	-4.8	1,928	-6.7	-4.7
Swiggy	418	Buy	54,639	51.7	10.1	-10,445	Loss	Loss	-11,258	Loss	Loss
Time Technoplast	222	Buy	15,398	12.4	13.8	2,271	15.7	16.5	1,190	20.9	25.1
UPL	661	Neutral	1,11,663	0.7	21.2	17,881	13.5	37.2	3,317	LP	242.8
Va Tech Wabag	1432	Buy	8,181	16.8	11.5	1,053	12.5	10.2	745	5.5	13.2
VIP Inds.	416	Buy	5,794	6.5	3.2	336	LP	36.3	-58	Loss	Loss
Others			**7,94,874**	**15.3**	**4.9**	**1,04,592**	**17.1**	**-16.4**	**24,478**	**227.9**	**-43.4**

PL: Profit to Loss; LP: Loss to Profit

Ready reckoner: Quarterly performance

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Financials											
AU Small Finance	726	Buy	20,233	2.5	-1.0	11,246	-0.6	-14.3	4,947	-13.4	-14.8
Axis Bank	1159	Neutral	1,31,679	-2.3	-2.9	1,03,466	-3.4	-10.1	55,331	-20.0	-4.7
Bandhan Bank	163	Neutral	25,690	-12.9	-6.8	14,148	-23.7	-15.2	3,068	-67.3	-17.5
DCB Bank	129	Buy	5,656	11.1	-2.6	2,672	4.7	-18.3	1,419	-8.7	-9.8
Equitas Small Fin.	57	Buy	7,461	-7.0	-5.0	2,176	-37.8	-30.9	309	140.1	LP
Federal Bank	194	Buy	23,126	-2.3	-1.0	14,883	-4.9	-4.4	8,438	-20.2	-2.1
HDFC Bank	965	Buy	3,08,205	2.3	-2.0	2,53,963	2.8	-28.9	1,67,323	-0.5	-7.8
ICICI Bank	1372	Buy	2,11,453	5.5	-2.3	1,73,313	3.6	-7.5	1,19,401	1.7	-6.5
IDFC First Bank	69	Neutral	50,065	4.6	1.5	19,295	-1.7	-13.8	3,441	71.5	-25.6
IndusInd Bank	744	Neutral	43,977	-17.8	-5.2	19,364	-46.2	-24.6	3,127	-76.5	-48.2
Kotak Mahindra Bank	2063	Buy	73,148	4.2	0.8	53,274	4.5	-4.2	32,684	-2.3	-0.4
RBL Bank	275	Buy	15,190	-5.9	2.6	6,880	-24.4	-2.1	1,881	-15.4	-6.1
Banks-Private			**9,15,883**	**0.6**	**-2.0**	**6,74,679**	**-2.0**	**-18.0**	**4,01,368**	**-7.3**	**-6.7**
Bank of Baroda	260	Neutral	1,09,910	-5.4	-3.9	71,485	-24.6	-13.2	42,943	-18.0	-5.4
Canara Bank	124	Buy	89,705	-3.7	-0.4	77,455	1.2	-9.4	42,552	6.0	-10.5
Indian Bank	737	Buy	63,324	2.2	-0.4	47,752	1.0	0.1	29,351	8.4	-1.3
Punjab National Bank	113	Buy	1,05,382	0.2	-0.4	69,581	1.5	-1.7	47,856	11.2	185.7
State Bank	864	Buy	4,05,757	-2.5	-1.2	2,69,396	-8.0	-11.8	1,67,274	-8.8	-12.7
Union Bank	139	Neutral	86,774	-4.1	-4.8	64,848	-20.1	-6.1	35,290	-25.2	-14.3
Banks-PSU			**8,60,852**	**-2.5**	**-1.7**	**6,00,517**	**-9.2**	**-9.1**	**3,65,266**	**-7.1**	**-1.9**
HDFC Life Insur.	765	Buy	1,91,452	13.1	28.7	10,244	9.2	26.6	4,751	9.7	-13.1
ICICI Lombard	1905	Buy	48,867	-2.8	-4.9	-2,625	Loss	Loss	7,008	1.0	-6.2
ICICI Pru Life	596	Buy	1,33,161	10.3	48.7	5,765	-1.6	26.1	2,998	19.1	-0.4
Life Insurance Corp.	905	Buy	12,96,098	8.1	8.7	27,380	-6.9	40.8	80,886	6.1	-26.4
Max Financial	1622	Buy	89,681	15.9	40.2	5,962	16.4	78.0	1,543	10.7	79.4
Niva Bupa Health	82	Buy	14,372	18.5	17.8	-1,018	Loss	Loss	381	192.5	LP
SBI Life Insurance	1800	Buy	2,35,058	15.2	32.0	15,790	8.9	44.9	5,439	2.7	-8.5
Star Health	458	Buy	39,825	7.5	1.1	-2,465	Loss	PL	547	-50.8	-79.2
Insurance			**20,48,513**	**9.5**	**15.4**	**59,032**	**-1.3**	**41.2**	**1,03,552**	**5.7**	**-22.9**
AAVAS Financiers	1640	Neutral	2,831	17.1	2.0	2,049	5.2	7.6	1,524	3.0	9.4
Bajaj Finance	988	Neutral	1,07,528	21.7	5.1	88,534	21.2	4.3	48,881	21.8	2.6
Bajaj Housing	112	Neutral	9,369	31.3	5.7	8,468	18.8	6.1	6,204	13.7	6.4
Can Fin Homes	784	Neutral	3,760	10.7	3.6	3,180	10.5	4.6	2,386	12.8	6.6
Chola. Inv & Fin.	1606	Buy	33,313	22.8	4.6	24,462	27.3	1.4	11,324	17.6	-0.3
CreditAccess	1401	Buy	9,264	-0.7	2.3	6,713	-0.1	2.8	912	-51.0	51.6
Five-Star Business	535	Buy	6,036	16.9	4.5	4,300	13.2	6.8	2,837	5.9	6.5
Fusion Finance	193	Buy	2,664	-33.2	-2.4	1,003	-64.7	15.8	7	LP	LP
HDB Financial	770	Neutral	21,531	17.5	2.9	14,543	18.2	3.7	5,671	-4.0	-0.1
Home First Fin.	1235	Buy	2,095	33.8	8.0	1,797	42.5	6.8	1,291	39.9	8.5
IIFL Finance	452	Buy	14,318	6.9	10.6	9,199	7.8	5.9	2,961	LP	26.9
L&T Finance	259	Buy	23,697	8.8	4.0	16,716	5.1	6.1	7,246	4.0	3.4
LIC Housing Fin	577	Neutral	19,926	0.9	-3.5	17,885	2.7	-5.5	13,228	-0.5	-2.7
M & M Financial	273	Buy	21,123	16.7	5.0	14,436	20.7	6.7	5,024	36.0	-5.1
Manappuram Finance	287	Neutral	13,458	-17.7	-2.5	6,443	-37.6	-2.5	1,940	-66.1	46.4
MAS Financial	304	Buy	2,447	27.8	3.0	1,587	23.6	2.5	863	12.6	2.8
Muthoot Finance	3144	Neutral	34,433	36.7	-0.9	26,790	39.9	-3.9	19,085	52.5	-6.7
PFC	411	Buy	52,189	18.4	-4.6	63,259	18.7	30.9	53,512	22.4	18.9
PNB Housing	882	Buy	7,556	14.2	1.3	6,449	15.3	2.1	5,434	15.7	1.9
Poonawalla Fincorp	502	Buy	6,786	21.4	6.2	3,282	15.6	1.1	744	LP	18.8
REC	378	Buy	56,829	14.4	2.1	57,021	16.5	13.4	44,253	10.5	-0.6
Repco Home Fin	364	Neutral	1,843	11.3	1.5	1,470	7.5	2.4	1,089	-3.2	0.9

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Shriram Finance	649	Buy	60,497	10.7	4.8	44,096	10.7	5.2	21,903	5.8	1.6
Spandana Sphoorty	254	Neutral	1,066	-69.4	-18.0	-565	PL	Loss	-2,419	Loss	Loss
NBFC - Lending			**5,14,560**	**14.6**	**2.4**	**4,23,116**	**14.4**	**7.7**	**2,55,899**	**20.8**	**5.3**
360 One WAM	1037	Buy	7,331	24.5	10.7	3,383	16.9	8.8	3,032	22.6	5.6
Aditya Birla AMC	799	Buy	4,598	8.4	2.8	2,745	9.6	3.2	2,496	3.0	-9.9
Anand Rathi Wealth	2883	Neutral	2,906	19.9	6.1	1,370	31.7	7.2	1,009	32.3	7.4
Angel One	2176	Buy	8,348	-14.6	5.0	2,772	-51.5	68.6	2,051	-51.6	79.2
BSE	2081	Neutral	10,143	35.9	5.8	6,299	61.9	0.6	5,082	46.9	-4.0
Cams Services	3822	Buy	3,681	0.8	4.0	1,655	-2.8	7.3	1,170	-3.2	8.3
CDSL	1476	Neutral	2,983	-7.4	15.2	1,559	-22.0	19.5	1,187	-26.7	15.9
HDFC AMC	5555	Buy	10,115	14.0	4.5	7,997	13.7	3.5	6,600	14.5	-11.7
KFin Technologies	1080	Neutral	3,041	8.4	10.9	1,296	2.5	13.9	910	1.9	17.8
MCX	7997	Neutral	3,760	31.7	0.7	2,383	32.8	-1.4	1,962	27.7	-3.4
Nippon Life AMC	879	Buy	6,332	10.8	4.4	4,090	9.3	5.4	3,464	-3.8	-12.5
NSDL	1203	Neutral	3,334	-6.5	6.8	1,064	-5.7	11.8	980	1.8	9.3
Nuvama Wealth	6489	Buy	7,496	1.3	-2.7	3,083	-11.3	-11.7	2,333	-9.4	-11.6
Prudent Corp.	2642	Neutral	3,066	7.2	4.4	683	-0.6	1.5	529	2.8	2.2
UTI AMC	1308	Buy	3,916	5.0	3.2	1,802	-1.5	4.5	1,804	-31.4	-28.9
NBFC - Non Lending			**81,050**	**8.8**	**4.9**	**42,183**	**3.6**	**6.0**	**34,609**	**-0.1**	**-3.7**

PL: Profit to Loss; LP: Loss to Profit; For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = Operating Profits

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles						**29.6**	**24.4**	**20.6**	**4.7**	**4.2**	**3.6**	**16.0**	**17.1**	**17.6**
Amara Raja Energy	993	Neutral	45.4	54.7	60.7	21.9	18.2	16.4	2.3	2.1	1.9	12.0	12.8	12.8
Apollo Tyres	468	Buy	24.0	29.1	32.1	19.5	16.1	14.6	1.5	1.4	1.3	10.0	11.4	11.6
Ashok Leyland	141	Buy	6.0	7.2	8.5	23	20	16.7	6.3	5.5	4.7	28.8	30.0	30.2
Bajaj Auto	8,619	Neutral	329.0	362.1	396.5	26.2	23.8	21.7	6.9	6.4	5.9	27.4	27.9	28.3
Balkrishna Inds	2,304	Neutral	83.6	103.5	111.7	27.6	22.3	20.6	3.8	3.3	2.9	14.6	16.0	15.2
Bharat Forge	1,219	Neutral	24.2	33.0	40.9	50.4	37.0	29.8	5.8	5.3	4.7	12.0	14.9	16.7
Bosch	38,338	Neutral	824.3	976.1	1,113.4	46.5	39.3	34.4	7.3	6.7	6.0	16.6	17.9	18.5
CEAT	3,488	Buy	156.8	207.8	248.3	22.2	16.8	14.0	2.9	2.6	2.3	13.7	16.2	17.1
CIE Automotive	413	Buy	21.7	22.9	23.8	19.0	18.1	17.3	2.2	2.0	1.8	11.9	11.5	11.0
Craftsman Auto	6,725	Neutral	156.2	229.2	303.4	43.0	29.3	22.2	5.0	4.3	3.7	12.3	15.8	17.9
Eicher Motors	7,005	Sell	192.1	213.0	241.2	36.5	32.9	29.0	7.8	6.8	5.9	23.0	22.1	21.8
Endurance Tech.	2,812	Buy	72.0	83.3	98.3	39.0	33.8	28.6	6.1	5.3	4.6	16.5	16.7	17.2
Escorts Kubota	3,637	Neutral	119.5	128.6	134.4	30.4	28.3	27.1	3.9	3.5	3.2	13.4	13.0	12.3
Exide Inds.	395	Neutral	15.3	16.7	17.7	25.8	23.6	22.3	2.2	2.0	1.9	8.4	8.5	8.4
Happy Forgings	925	Buy	30.2	37.5	49.6	30.6	24.7	18.7	4.2	3.6	3.1	14.4	15.7	18.0
Hero Motocorp	5,430	Buy	258.3	283.1	311.5	21.0	19.2	17.4	5.1	4.7	4.3	25.1	25.3	25.7
Hyundai Motor	2,537	Buy	71.8	89.5	109.1	35.3	28.3	23.3	10.1	8.0	6.4	31.7	31.5	30.6
Mahindra & Mahindra	3,463	Buy	120.7	143.7	163.0	28.7	24.1	21.2	5.7	4.8	4.1	21.5	21.6	20.7
Maruti Suzuki	15,971	Buy	490.2	607.4	714.2	32.6	26.3	22.4	4.8	4.2	3.7	14.6	16.0	16.4
Motherson Wiring	46	Buy	1.0	1.3	1.6	46.1	34.1	28.6	15.3	12.3	10.0	35.8	40.0	38.5
MRF	1,48,630	Sell	5,100.4	5,918.4	6,658.0	29.1	25.1	22.3	3.1	2.8	2.5	11.1	11.6	11.7
Samvardhana Motherson	106	Buy	3.2	4.7	5.7	33.5	22.7	18.7	3.0	2.8	2.5	9.4	12.8	14.1
Sona BLW Precis.	414	Neutral	8.8	10.4	11.5	46.8	39.8	36.0	4.4	4.1	3.8	9.5	10.6	11.0
Tata Motors	718	Neutral	41.9	54.5	74.7	17.1	13.2	9.6	2.0	1.8	1.5	12.6	14.5	17.2
Tube Investments	3,082	Buy	41.6	47.1	52.1	74.0	65.4	59.2	10.1	8.9	7.9	14.5	14.4	14.1
TVS Motor	3,457	Neutral	76.1	91.3	106.4	45.4	37.8	32.5	12.6	9.9	7.9	31.6	29.3	27.0
Capital Goods						**39.1**	**33.2**	**27.4**	**7.3**	**6.3**	**5.4**	**18.7**	**18.9**	**19.5**
ABB India	5,198	Buy	80.0	95.1	111.9	64.9	54.6	46.5	14.2	12.8	11.6	22.8	24.6	26.2
Bharat Dynamics	1,542	Buy	28.2	37.8	52.0	54.6	40.7	29.7	11.7	9.5	7.5	21.5	23.3	25.2
Bharat Electronics	407	Buy	8.2	9.8	11.7	49.5	41.4	34.7	11.9	9.5	7.7	24.0	22.9	22.1
Cummins India	3,848	Buy	83.5	98.4	114.3	46.1	39.1	33.7	13.4	11.8	10.4	30.9	32.1	32.8
Hind.Aeronautics	4,803	Buy	141.2	161.2	197.9	34.0	29.8	24.3	7.7	6.5	5.4	22.6	21.8	22.2
Hitachi Energy	18,168	Sell	177.4	238.4	319.9	102.4	76.2	56.8	15.4	12.8	10.4	15.9	17.6	19.2
Kalpataru Proj.	1,241	Buy	57.0	74.9	87.0	21.8	16.6	14.3	2.6	2.3	2.0	12.8	14.8	15.0
KEC International	854	Neutral	34.9	44.2	53.6	24.5	19.3	15.9	3.7	3.2	2.7	16.2	17.9	18.6
Kirloskar Oil	926	Buy	33.6	40.9	47.6	27.6	22.6	19.4	4.0	3.5	3.1	15.3	16.4	16.8
Larsen & Toubro	3,670	Buy	130.5	155.1	185.0	28.1	23.7	19.8	4.6	4.0	3.5	17.3	18.2	19.1
Siemens	3,123	Neutral	75.8	66.9	77.8	41.2	46.7	40.2	6.2	5.4	4.8	14.9	11.7	11.9
Siemens Energy	3,400	Buy	32.4	41.5	61.4	105.0	81.9	55.4	27.7	20.7	15.1	26.4	25.3	27.2
Thermax	3,167	Sell	68.0	79.8	94.6	46.6	39.7	33.5	6.4	5.7	5.0	14.6	15.2	15.9
Triveni Turbine	524	Buy	11.8	14.0	16.8	44.5	37.4	31.2	11.2	9.2	7.6	27.7	27.1	26.7
Zen Technologies	1,464	Neutral	28.9	45.5	61.1	50.6	32.2	24.0	6.8	5.6	4.5	14.3	19.1	20.9
Cement						**42.3**	**32.7**	**27.1**	**3.4**	**3.2**	**3.0**	**8.1**	**9.8**	**11.0**
ACC	1,829	Neutral	89.9	117.2	135.6	20.3	15.6	13.5	1.7	1.6	1.4	8.9	10.6	11.1
Ambuja Cements	571	Buy	10.2	14.5	17.4	56.1	39.4	32.7	2.5	2.4	2.3	4.6	6.3	7.1
Birla Corporation	1,212	Buy	67.9	84.8	95.9	17.9	14.3	12.6	1.3	1.2	1.1	7.2	8.4	8.8
Dalmia Bharat	2,232	Buy	70.4	68.6	83.0	31.7	32.5	26.9	2.3	2.1	2.0	7.4	6.8	7.7
Grasim Industries	2,792	Buy	85.1	105.5	127.4	32.8	26.5	21.9	3.3	3.2	3.1	-4.1	-1.1	1.5
India Cements	391	Sell	-1.4	3.8	11.4	-275.4	103.7	34.4	1.3	1.2	1.2	-0.5	1.2	3.6
J K Cements	6,306	Buy	155.8	193.5	219.5	40.5	32.6	28.7	6.8	5.8	4.9	18.2	19.2	18.5
JK Lakshmi Cem.	869	Buy	43.2	52.4	53.4	20.1	16.6	16.3	2.6	2.3	2.0	13.8	14.8	13.3
JSW Cement	139	Neutral	2.3	2.9	3.6	60.1	47.3	38.9	3.1	2.8	2.6	7.4	6.2	7.0
Ramco Cements	992	Neutral	15.8	24.7	34.3	63.0	40.2	28.9	3.0	2.8	2.6	4.9	7.3	9.4
Shree Cement	29,262	Neutral	448.7	551.1	683.9	65.2	53.1	42.8	4.7	4.4	4.1	7.4	8.6	9.9
Ultratech Cement	12,119	Buy	264.2	354.0	427.8	45.9	34.2	28.3	4.7	4.3	3.9	10.6	13.2	14.5
Chemicals						**36.7**	**28.7**	**25.4**	**3.9**	**3.5**	**3.1**	**10.5**	**12.1**	**12.3**
Alkyl Amines	1,900	Neutral	38.7	44.5	47.3	49.0	42.7	40.1	6.3	5.7	5.2	13.5	14.0	13.5
Atul	6,182	Buy	225.0	260.6	277.3	27.5	23.7	22.3	3.0	2.7	2.4	11.3	11.8	11.4
Clean Science	1,097	Neutral	31.1	39.2	44.7	35.3	28.0	24.5	6.9	5.7	4.8	21.3	22.3	21.2
Deepak Nitrite	1,842	Sell	47.9	61.7	64.1	38.4	29.9	28.8	4.2	3.8	3.4	11.5	13.3	12.4
Ellenbarrie Industrial	470	Buy	9.4	15.6	18.7	49.9	30.2	25.1	6.4	5.3	4.4	17.5	19.3	19.1

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Fine Organic	4,525	Sell	136.8	138.7	158.2	33.1	32.6	28.6	5.3	4.6	4.0	17.4	15.2	15.1
Galaxy Surfactants	2,226	Buy	89.7	105.2	118.8	24.8	21.2	18.7	3.0	2.7	2.5	12.8	13.6	13.9
Navin Fluorine	4,624	Neutral	88.5	112.4	134.5	52.3	41.1	34.4	6.3	5.6	5.0	14.2	14.5	15.4
NOCIL	174	Neutral	5.2	6.5	7.5	33.7	26.7	23.2	1.6	1.5	1.5	4.8	5.9	6.5
P I Industries	3,584	Buy	98.8	118.0	134.3	36.3	30.4	26.7	4.8	4.2	3.7	13.9	14.7	14.7
SRF	2,907	Buy	69.5	93.6	107.7	41.8	31.0	27.0	6.1	5.2	4.5	15.4	18.2	18.0
Tata Chemicals	918	Neutral	34.8	54.4	60.6	26.4	16.9	15.1	1.1	1.0	1.0	4.1	6.1	6.5
Vinati Organics	1,724	Buy	50.4	58.5	69.7	34.2	29.5	24.8	5.5	4.8	4.1	17.3	17.4	18.0
Consumer						**44.3**	**38.8**	**35.1**	**10.6**	**9.9**	**9.2**	**24.0**	**25.6**	**26.2**
Asian Paints	2,336	Neutral	44.2	51.8	58.3	52.9	45.1	40.1	11.4	10.9	10.2	21.7	24.8	26.3
Britannia	5,965	Neutral	103.6	121.6	138.3	57.6	49.0	43.1	28.8	23.9	19.5	53.4	53.3	49.8
Colgate	2,225	Buy	51.7	58.2	63.3	43.1	38.2	35.1	38.4	38.3	36.9	86.8	100.4	107.0
Dabur	495	Buy	11.1	12.6	13.8	44.5	39.2	35.8	7.5	7.3	7.1	17.6	18.9	20.1
Emami	543	Buy	20.7	22.7	24.6	26.2	23.9	22.1	7.9	7.0	6.4	31.7	31.1	30.3
Godrej Consumer	1,148	Buy	21.8	26.7	31.1	52.8	43.0	36.9	9.3	9.0	8.5	18.1	21.3	23.6
Hind. Unilever	2,536	Buy	46.1	52.4	56.7	55.0	48.4	44.7	11.8	11.4	11.0	21.7	24.0	25.1
Indigo Paints	1,073	Buy	31.3	36.5	42.2	34.3	29.4	25.5	4.5	3.9	3.4	13.7	14.1	14.3
ITC	406	Buy	17.0	18.7	20.0	23.8	21.7	20.3	7.0	6.7	6.5	29.8	31.5	32.5
Jyothy Labs	319	Neutral	10.7	11.9	13.3	29.8	26.7	24.0	5.5	5.1	4.6	18.8	19.8	20.0
L T Foods	402	Buy	21.8	27.7	32.1	18.4	14.5	12.5	3.1	2.7	2.3	18.3	19.9	19.5
Marico	701	Buy	14.0	16.3	18.1	49.9	43.1	38.7	21.7	20.0	18.1	44.5	48.2	49.1
Nestle	1,166	Neutral	16.9	19.7	21.9	68.9	59.2	53.2	51.9	47.7	43.8	78.2	83.9	85.8
P&G Hygiene	14,092	Neutral	269.5	297.0	330.7	52.3	47.5	42.6	50.1	41.4	34.6	106.2	95.7	88.6
Page Industries	42,159	Buy	725.3	830.8	937.2	58.1	50.7	45.0	27.7	23.2	19.5	47.7	45.6	43.5
Pidilite Inds.	1,475	Neutral	24.1	27.7	31.6	61.2	53.3	46.7	13.6	12.1	10.7	23.6	24.0	24.3
Radico Khaitan	2,916	Buy	40.6	51.9	63.8	71.8	56.2	45.7	12.5	10.6	8.9	17.4	18.9	19.6
Tata Consumer	1,144	Buy	16.7	19.9	21.8	68.4	57.5	52.5	5.0	4.7	4.4	8.1	9.1	9.4
United Breweries	1,799	Neutral	20.7	30.4	37.8	87	59	47.5	10.2	9.4	8.5	12.2	16.5	18.7
United Spirits	1,347	Neutral	21.3	23.6	26.7	63	57	50.4	10.4	8.8	7.4	16.4	15.4	14.7
Varun Beverages	443	Buy	8.9	10.8	12.8	49.8	41.2	34.6	8.0	6.9	6.0	17.0	18.0	18.6
Consumer Durables						**48.4**	**39.9**	**33.4**	**8.1**	**7.0**	**6.0**	**16.7**	**17.5**	**18.0**
Havells India	1,485	Neutral	25.4	32.0	38.5	58.5	46.5	38.6	9.9	8.7	7.6	17.0	18.8	19.7
KEI Industries	4,034	Buy	91.9	108.5	128.4	43.9	37.2	31.4	5.8	5.1	4.4	14.2	14.6	15.0
Polycab India	7,353	Buy	171.2	199.5	238.1	42.9	36.9	30.9	9.3	7.8	6.5	21.7	21.2	21.1
R R Kabel	1,268	Neutral	37.0	40.9	48.2	34.3	31.0	26.3	5.8	5.0	4.3	18.0	17.2	17.6
Voltas	1,353	Neutral	23.0	31.4	38.0	58.8	43.1	35.6	6.3	5.7	5.0	10.8	13.1	14.1
EMS						**78.4**	**50.6**	**36.8**	**12.4**	**10.0**	**7.9**	**15.9**	**19.8**	**21.5**
Amber Enterp.	8,239	Buy	116.2	181.4	262.9	70.9	45.4	31.3	10.4	8.5	6.7	15.8	20.6	23.8
Avalon Tech	1,008	Buy	15.6	24.6	33.8	64.5	41.0	29.8	9.3	7.6	6.1	15.6	20.4	22.6
Cyient DLM	431	Buy	12.0	19.2	26.8	36.0	22.5	16.1	3.3	2.9	2.4	9.5	13.6	16.3
Data Pattern	2,630	Neutral	48.2	62.8	80.6	54.6	41.9	32.6	8.3	7.0	5.7	16.4	18.1	19.3
Dixon Tech.	16,454	Buy	173.5	275.2	361.7	94.8	59.8	45.5	24.8	17.7	12.9	29.8	34.5	32.7
Kaynes Tech	7,152	Buy	82.2	132.9	196.2	87.0	53.8	36.5	9.2	7.8	6.4	14.1	16.4	20.1
Syrma SGS Tech.	803	Buy	15.3	22.4	30.6	52.6	35.9	26.2	7.2	6.0	5.0	14.5	18.3	20.8
Financials														
Banks-Private						**18.8**	**15.7**	**13.1**	**2.4**	**2.2**	**1.9**	**12.9**	**13.8**	**14.5**
AU Small Finance	726	Buy	34.9	48.7	63.3	20.8	14.9	11.5	2.8	2.3	2.0	14.2	17.1	18.6
Axis Bank	1,159	Neutral	79.2	99.6	122.0	14.6	11.6	9.5	1.8	1.6	1.4	12.9	14.4	15.4
Bandhan Bank	163	Neutral	14.9	21.9	26.9	10.9	7.5	6.1	1.0	0.9	0.8	9.6	13.0	14.4
DCB Bank	129	Buy	22.9	32.2	43.6	5.6	4.0	2.9	0.7	0.6	0.5	12.7	15.7	18.2
Equitas Small Fin.	57	Buy	0.2	5.5	8.8	275.3	10.3	6.4	1.1	1.0	0.9	0.4	10.3	14.8
Federal Bank	194	Buy	15.6	19.5	25.8	12.4	9.9	7.5	1.3	1.2	1.0	10.9	12.2	14.3
HDFC Bank	965	Buy	47.1	54.3	62.9	20.5	17.8	15.3	2.7	2.4	2.1	13.7	14.3	14.7
ICICI Bank	1,372	Buy	73.1	82.1	96.1	18.8	16.7	14.3	2.9	2.5	2.2	16.8	16.4	16.5
IDFC First Bank	69	Neutral	2.8	5.3	7.5	24.7	13.0	9.2	1.3	1.2	1.1	5.2	9.3	12.1
IndusInd Bank	744	Neutral	36.5	62.2	83.1	20.4	11.9	9.0	0.9	0.8	0.8	4.3	7.1	8.8
Kotak Mahindra Bank	2,063	Buy	105.4	125.7	153.0	19.6	16.4	13.5	2.4	2.1	1.8	11.7	12.6	13.5
RBL Bank	275	Buy	17.3	31.3	43.9	15.9	8.8	6.3	1.0	1.0	0.9	6.6	11.4	14.7
Banks-PSU						**8.6**	**7.4**	**6.3**	**1.2**	**1.1**	**1.0**	**14.4**	**14.9**	**15.6**
Bank of Baroda	260	Neutral	35.4	41.0	50.7	7.3	6.3	5.1	1.0	0.9	0.8	13.9	14.7	16.2
Canara Bank	124	Buy	20.4	22.2	25.2	6.1	5.6	4.9	1.0	0.9	0.9	18.7	18.3	18.9
Indian Bank	737	Buy	91.1	95.5	107.2	8.1	7.7	6.9	1.3	1.2	1.0	18.3	16.9	16.7

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Punjab National Bank	113	Buy	14.1	18.4	21.3	8.0	6.1	5.3	0.9	0.8	0.8	12.9	15.0	15.4
State Bank	864	Buy	87.4	101.1	119.6	9.9	8.5	7.2	1.4	1.2	1.1	15.4	15.3	15.5
Union Bank	139	Neutral	21.2	23.4	27.2	6.6	5.9	5.1	0.9	0.8	0.7	14.3	14.1	14.6
Insurance						**19.6**	**17.7**	**16.0**	**4.7**	**3.9**	**3.2**	**24.0**	**21.9**	**20.1**
HDFC Life Insur.	765	Buy	9.4	10.5	12.0	81.4	72.6	63.5	2.6	2.2	1.9	16.1	16.5	16.7
ICICI Lombard	1,905	Buy	61.9	71.4	80.9	30.8	26.7	23.5	5.7	4.9	4.2	19.8	19.6	19.1
ICICI Pru Life	596	Buy	9.9	11.5	13.8	60.4	51.8	43.3	1.6	1.4	1.2	12.8	13.0	13.1
Life Insurance Corp.	905	Buy	79.9	87.9	95.6	11.3	10.3	9.5	0.7	0.6	0.5	11.6	11.4	11.3
Max Financial	1,622	Buy	11.9	14.1	15.6	136.0	115.4	104.0	2.3	2.0	1.6	19.2	19.4	19.5
Niva Bupa Health	82	Buy	0.7	1.7	3.3	111.7	48.0	24.8	3.8	3.5	3.1	3.8	7.7	13.3
SBI Life Insurance	1,800	Buy	24.8	26.6	29.1	72.6	67.7	61.9	2.2	1.8	1.5	18.8	18.4	18.4
Star Health	458	Buy	12.8	17.8	24.5	35.8	25.8	18.7	3.5	3.1	2.6	10.2	12.6	15.1
NBFC - Lending						**16.3**	**13.5**	**11.0**	**2.5**	**2.1**	**1.8**	**15.0**	**15.8**	**16.6**
AAVAS Financiers	1,640	Neutral	80.3	97.6	117.4	20.4	16.8	14.0	2.6	2.3	1.9	13.6	14.4	14.9
Aditya Birla Cap	300	Buy	15.0	19.1	24.7	19.9	15.7	12.1	2.3	2.1	1.8	12.2	13.9	15.9
Bajaj Finance	988	Neutral	32.9	42.6	53.8	30.0	23.2	18.3	5.4	4.5	3.7	19.4	21.1	22.2
Bajaj Housing	112	Neutral	3.1	3.8	4.7	36.1	29.4	23.9	4.1	3.6	3.1	12.1	13.1	14.1
Can Fin Homes	784	Neutral	72.2	79.0	91.9	10.9	9.9	8.5	1.8	1.6	1.3	17.6	16.7	16.9
Chola. Inv & Fin.	1,606	Buy	61.3	79.0	97.5	26.2	20.3	16.5	4.5	3.7	3.0	19.4	19.9	20.2
CreditAccess	1,401	Buy	52.9	106.0	131.3	26.5	13.2	10.7	2.9	2.4	1.9	11.4	19.6	19.9
Five-Star Business	535	Buy	39.1	43.9	54.6	13.7	12.2	9.8	2.1	1.8	1.5	16.8	16.1	17.1
Fusion Finance	193	Buy	0.6	19.9	27.2	346.0	9.7	7.1	1.5	1.1	1.0	0.4	13.4	14.7
HDB Financial	770	Neutral	31.3	41.2	52.4	24.6	18.7	14.7	3.1	2.6	2.2	14.1	15.1	16.4
Home First Fin.	1,235	Buy	51.7	64.2	77.4	23.9	19.2	15.9	3.0	2.6	2.3	15.7	14.5	15.2
IIFL Finance	452	Buy	35.6	54.9	67.4	12.7	8.2	6.7	1.4	1.2	1.0	11.5	15.7	16.7
Indostar Capital	252	Buy	46.6	18.0	26.9	5.4	14.0	9.4	0.9	0.9	0.8	19.3	6.4	8.9
L&T Finance	259	Buy	12.0	16.1	20.3	21.5	16.0	12.7	2.3	2.1	1.8	11.2	13.6	15.3
LIC Housing Fin	577	Neutral	97.4	105.6	114.2	5.9	5.5	5.1	0.8	0.7	0.6	14.0	13.6	13.2
M & M Financial	273	Buy	18.4	23.3	27.3	14.8	11.7	10.0	1.5	1.4	1.3	11.5	12.6	13.4
Manappuram Finance	287	Neutral	10.4	18.8	24.7	27.4	15.2	11.6	1.7	1.6	1.4	6.9	11.1	12.7
MAS Financial	304	Buy	19.4	25.5	29.0	15.7	11.9	10.5	1.9	1.7	1.5	13.1	15.1	14.9
Muthoot Finance	3,144	Neutral	195.5	221.5	250.0	16.1	14.2	12.6	3.6	3.0	2.5	24.7	23.0	21.6
PFC	411	Buy	59.4	61.1	69.7	6.9	6.7	5.9	1.3	1.1	1.0	20.0	18.1	18.2
Piramal Enterprises	1,125	Neutral	63.7	105.4	169.1	17.7	10.7	6.7	0.9	0.8	0.8	5.2	8.1	11.9
PNB Housing	882	Buy	87.5	98.3	119.4	10.1	9.0	7.4	1.2	1.1	0.9	12.7	12.7	13.7
Poonawalla Fincorp	502	Buy	8.7	22.4	31.6	57.8	22.4	15.9	3.9	3.4	2.8	7.6	16.2	19.4
REC	378	Buy	68.4	72.9	90.7	5.5	5.2	4.2	1.1	0.9	0.8	21.4	19.6	21.0
Repco Home Fin	364	Neutral	69.9	73.6	84.4	5.2	4.9	4.3	0.6	0.5	0.5	12.4	11.7	12.0
Shriram Finance	649	Buy	49.4	59.9	71.3	13.1	10.8	9.1	1.9	1.7	1.4	15.4	16.4	17.1
Spandana Sphoorty	254	Neutral	-83.1	30.1	48.7	-3.1	8.4	5.2	1.0	0.9	0.7	-27.7	11.1	15.1
NBFC - Non Lending						**37.8**	**31.9**	**27.2**	**9.5**	**8.2**	**7.1**	**25.1**	**25.8**	**26.2**
360 ONE WAM	1,037	Buy	30.8	36.4	40.2	33.7	28.5	25.8	5.1	4.3	3.7	16.3	16.8	15.8
Aditya Birla AMC	799	Buy	37.0	41.4	47.2	21.6	19.3	16.9	5.5	4.9	4.3	26.9	26.8	27.1
Anand Rathi Wealth	2,883	Neutral	49.0	60.7	72.6	58.8	47.5	39.7	24.0	17.0	12.5	48.7	41.9	36.2
Angel One	2,176	Buy	91.0	130.7	168.7	23.9	16.7	12.9	2.9	2.6	2.3	14.0	18.0	20.5
BSE	2,081	Neutral	50.8	56.3	65.4	40.9	37.0	31.8	14.1	10.9	8.6	34.4	29.5	27.1
Cams Services	3,822	Buy	98.5	115.6	136.2	38.8	33.1	28.1	14.3	12.2	10.4	39.7	39.8	39.9
CDSL	1,476	Neutral	21.8	28.5	33.8	67.7	51.8	43.7	15.8	13.9	11.9	24.5	28.6	29.4
HDFC AMC	5,555	Buy	131.8	150.8	172.1	42.2	36.8	32.3	13.4	12.3	11.2	33.2	34.9	36.4
KFin Technologies	1,080	Neutral	21.1	25.2	30.5	51.1	42.9	35.4	12.9	11.4	9.5	26.7	28.3	29.3
MCX	7,997	Neutral	169.9	203.4	234.4	47.1	39.3	34.1	19.8	18.0	16.3	43.8	47.9	50.0
Nippon Life AMC	879	Buy	23.7	27.4	31.6	37.2	32.1	27.9	12.9	12.7	12.4	35.1	39.8	44.9
NSDL	1,203	Neutral	18.0	21.6	26.0	66.6	55.6	46.3	10.2	8.7	7.4	16.6	16.9	17.2
Nuvama Wealth	6,489	Buy	292.9	351.2	416.2	22.2	18.5	15.6	5.8	5.1	4.4	28.1	29.7	30.4
Prudent Corp.	2,642	Neutral	53.4	67.3	85.8	49.5	39.2	30.8	63.3	49.5	38.4	28.9	28.3	28.1
UTI AMC	1,308	Buy	68.3	79.2	93.6	19.1	16.5	14.0	3.1	2.9	2.7	16.4	18.1	20.2
Healthcare						**33.8**	**29.5**	**25.8**	**4.8**	**4.2**	**3.7**	**14.1**	**14.2**	**14.2**
Ajanta Pharma	2,399	Buy	83.8	97.0	109.3	28.6	24.7	22.0	6.6	5.5	4.6	25.1	24.3	23.0
Alembic Pharma	904	Neutral	34.9	45.4	52.1	25.9	19.9	17.3	3.1	2.7	2.4	12.4	14.4	14.5
Alkem Lab	5,460	Neutral	206.3	182.6	209.5	26.5	29.9	26.1	4.7	4.3	3.9	19.2	15.1	15.6
Apollo Hospitals	7,442	Buy	126.7	152.2	188.8	58.8	48.9	39.4	10.4	8.6	7.1	20.1	19.9	20.3
Aurobindo Pharma	1,087	Buy	63.8	77.7	93.0	17.0	14.0	11.7	1.7	1.6	1.4	10.8	11.8	12.5

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Biocon	347	Buy	4.1	8.8	11.6	85.2	39.2	29.8	1.9	1.8	1.7	2.2	4.7	5.9
Blue Jet Healthcare	662	Buy	25.3	32.1	38.6	26.2	20.6	17.2	7.4	5.6	4.3	32.8	30.9	28.2
Cipla	1,514	Neutral	61.7	65.7	73.0	24.5	23.0	20.7	3.4	3.0	2.7	13.9	13.0	12.8
Divis Labs	5,711	Neutral	90.5	120.3	140.2	63.1	47.5	40.7	9.1	8.0	7.1	15.2	18.0	18.5
Dr Agarwals Health.	504	Buy	3.7	5.1	7.9	134.8	98.0	64.2	8.0	7.4		6.1	7.8	10.9
Dr Reddy' s Labs	1,246	Neutral	67.0	63.1	68.5	18.6	19.8	18.2	2.7	2.4	2.1	15.4	12.7	12.3
Eris Lifescience	1,623	Neutral	37.7	54.4	62.5	43.1	29.8	26.0	6.8	5.6	4.6	16.8	20.6	19.5
Gland Pharma	1,981	Buy	55.6	68.4	81.1	35.6	28.9	24.4	3.2	2.9	2.6	9.5	10.6	11.3
Glenmark Pharma	1,959	Buy	58.9	77.9	91.1	33.3	25.1	21.5	5.3	4.4	3.7	17.2	19.2	18.8
Global Health	1,306	Buy	24.2	30.3	36.8	54.1	43.1	35.5	8.9	7.6	6.5	17.7	19.1	19.8
Granules India	542	Buy	23.0	30.7	37.6	23.6	17.6	14.4	3.1	2.7	2.3	14.1	16.3	17.0
GSK Pharma	2,695	Neutral	57.6	67.2	76.4	46.8	40.1	35.3	18.6	14.6	11.5	39.7	36.4	32.7
IPCA Labs.	1,328	Buy	40.9	50.8	60.1	32.5	26.1	22.1	4.3	3.8	3.3	14.0	15.4	15.9
Laurus Labs	872	Buy	12.1	15.3	18.6	71.9	56.9	47.0	9.1	8.0	7.0	13.4	15.0	15.9
Laxmi Dental	328	Buy	8.8	12.2	15.0	37.3	27.0	21.8	7.0	5.6	4.4	20.7	23.0	22.6
Lupin	1,982	Neutral	95.1	97.3	99.8	20.8	20.4	19.9	4.1	3.4	2.9	21.9	18.2	15.8
Mankind Pharma	2,439	Buy	44.9	60.9	73.8	54.3	40.0	33.0	6.4	5.7	5.0	12.3	15.0	16.1
Max Healthcare	1,113	Buy	18.7	24.3	25.6	59.6	45.8	43.4	8.9	7.5	6.4	16.0	17.8	16.0
Piramal Pharma	199	Buy	0.9	2.3	5.2	209.9	86.3	38.5	2.9	2.8	2.6	1.5	3.6	7.7
Sun Pharma	1,636	Buy	51.1	59.5	66.2	32.0	27.5	24.7	4.8	4.2	3.7	15.9	16.3	15.9
Torrent Pharma	3,563	Neutral	69.9	84.5	104.1	51.0	42.1	34.2	6.6	5.5	4.6	28.3	28.6	29.2
Zydus Lifesciences	992	Neutral	45.1	42.8	47.1	22.0	23.2	21.1	3.6	3.1	2.8	17.5	14.4	14.0
Infrastructure						**18.3**	**14.0**	**11.0**	**1.3**	**1.2**	**1.1**	**6.9**	**8.3**	**9.6**
G R Infraproject	1,231	Buy	79.9	101.1	116.5	15.4	12.2	10.6	1.4	1.2	1.1	9.3	10.7	11.0
IRB Infra	41	Neutral	2.2	2.8	3.9	19.2	15.0	10.8	1.2	1.1	1.0	6.4	7.7	9.9
KNR Constructions	199	Neutral	8.7	14.4	15.1	23.0	13.9	13.2	1.3	1.2	1.1	6.0	9.2	8.9
Logistics						**26.7**	**22.5**	**19.4**	**4.2**	**3.6**	**3.1**	**15.6**	**16.0**	**16.1**
Adani Ports	1,422	Buy	62.7	73.1	82.0	22.7	19.5	17.3	4.2	3.5	3.0	19.9	19.6	18.7
Blue Dart Express	5,715	Buy	134.1	201.1	215.8	42.6	28.4	26.5	7.2	5.9	4.9	18.2	22.8	20.3
Concor	527	Buy	18.3	22.8	26.4	28.8	23.1	19.9	3.0	2.8	2.6	10.9	12.6	13.6
Delhivery	435	Buy	4.8	6.1	8.0	89.7	71.8	54.0	3.3	3.2	3.0	3.8	4.5	5.7
JSW Infra	317	Buy	7.5	8.9	12.5	42.3	35.7	25.3	6.1	5.3	4.4	15.3	15.8	19.0
Mahindra Logistics	348	Neutral	3.9	17.5	24.0	89.8	20.0	14.5	2.9	2.6	2.2	4.6	13.4	16.2
TCI Express	733	Neutral	26.1	33.2	36.3	28.1	22.1	20.2	3.4	3.0	2.7	12.5	14.4	14.1
Transport Corp.	1,197	Buy	61.5	66.9	76.2	19.5	17.9	15.7	3.6	3.1	2.6	19.8	18.2	17.7
VRL Logistics	274	Buy	12.6	14.8	16.5	21.7	18.5	16.6	3.9	3.7	3.4	19.2	20.6	21.5
Media						**17.1**	**15.9**	**14.3**	**1.4**	**1.3**	**1.3**	**8.3**	**8.5**	**8.9**
PVR Inox	1,099	Neutral	26.7	29.9	38.5	41.2	36.7	28.5	1.5	1.4	1.4	3.6	3.9	4.9
Sun TV	602	Neutral	43.4	44.4	46.3	13.9	13.6	13.0	1.9	1.8	1.6	13.7	12.9	12.4
Zee Entertainment	114	Neutral	7.1	8.5	10.2	16.2	13.4	11.1	0.9	0.9	0.8	5.8	6.7	7.6
Metals						**13.3**	**10.8**	**9.8**	**2.3**	**2.0**	**1.8**	**17.5**	**18.8**	**18.1**
Coal India	389	Buy	54.7	59.9	61.6	7.1	6.5	6.3	2.1	1.8	1.6	29.2	27.6	0.0
Hindalco	766	Buy	69.2	74.0	80.2	11.1	10.3	9.6	1.5	1.4	1.2	14.8	13.9	13.3
Hindustan Zinc	481	Neutral	29.4	32.0	34.2	16.4	15.0	14.1	9.8	7.0	5.3	73.0	54.3	42.7
Jindal Stainless	762	Buy	36.4	44.7	49.2	21.0	17.0	15.5	3.2	2.8	2.4	15.4	16.2	15.3
Jindal Steel	1,064	Buy	58.8	82.8	93.3	18.1	12.8	11.4	2.0	1.8	1.6	11.9	14.9	14.7
JSW Steel	1,146	Buy	44.6	72.4	89.9	25.7	15.8	12.8	3.1	2.6	2.2	12.9	18.0	18.8
Nalco	215	Neutral	19.1	19.4	20.1	11.2	11.1	10.7	1.9	1.7	1.5	18.3	16.1	14.7
NMDC	76	Buy	8.6	9.5	10.2	8.9	8.0	7.5	1.9	1.6	1.4	23.4	22.2	20.5
SAIL	135	Neutral	5.3	13.4	14.4	25.7	10.1	9.4	0.9	0.9	0.8	3.6	8.8	8.8
Tata Steel	168	Neutral	8.9	13.0	14.8	18.9	12.9	11.3	2.4	2.2	2.0	12.8	17.8	18.5
Vedanta	465	Neutral	40.2	47.9	55.3	11.6	9.7	8.4	3.7	3.1	2.5	35.0	34.8	33.0
Oil & Gas						**15.9**	**15.8**	**15.0**	**1.6**	**1.5**	**1.4**	**10.2**	**9.4**	**9.2**
Aegis Logistics	787	Neutral	22.0	24.1	25.5	35.8	32.6	30.8	5.4	4.9	4.4	15.8	15.7	15.0
BPCL	340	Neutral	39.0	29.5	31.1	8.7	11.5	10.9	1.5	1.3	1.2	18.7	12.3	11.8
Castrol India	201	Buy	9.5	9.6	10.3	21.2	20.9	19.5	8.1	7.5	7.0	39.5	37.1	37.0
GAIL	175	Buy	12.9	14.6	15.4	13.6	12.0	11.3	1.4	1.3	1.2	11.5	12.1	11.8
Gujarat Gas	435	Buy	16.3	18.8	21.7	26.6	23.1	20.0	3.3	3.0	2.7	12.7	13.5	14.2
Gujarat State Petronet	318	Neutral	12.9	13.6	14.3	24.7	23.4	22.2	1.6	1.5	1.4	6.6	6.6	6.7
HPCL	434	Buy	59.2	44.0	42.8	7.3	9.9	10.1	1.5	1.3	1.2	22.3	14.1	12.3
Indraprastha Gas	209	Buy	10.9	12.8	13.8	19.2	16.3	15.1	2.9	2.6	2.4	15.6	16.7	16.3
IOC	150	Neutral	12.2	9.7	9.7	12.3	15.4	15.4	1.0	1.0	0.9	8.6	6.4	6.0

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Mahanagar Gas	1,277	Buy	107.6	112.0	119.5	11.9	11.4	10.7	1.9	1.8	1.6	17.1	16.1	15.6
Oil India	412	Neutral	32.7	32.0	28.4	12.6	12.9	14.5	1.4	1.3	1.2	11.3	10.2	8.5
ONGC	243	Neutral	31.0	32.0	32.6	7.8	7.6	7.5	0.8	0.8	0.7	10.9	10.5	10.0
Petronet LNG	275	Buy	24.3	30.9	26.3	11.3	8.9	10.5	1.9	1.7	1.5	17.8	20.1	15.3
Reliance Inds.	1,369	Buy	57.6	63.2	69.8	23.8	21.7	19.6	2.0	1.9	1.7	8.9	9.0	9.2
Real Estate						**32.9**	**27.7**	**22.1**	**3.9**	**3.4**	**3.0**	**11.9**	**12.5**	**13.6**
Anant Raj	699	Buy	14.7	13.0	31.9	47.7	53.9	21.9	5.2	4.7	3.9	10.8	8.8	17.8
Brigade Enterpr.	896	Buy	37.6	53.7	77.5	23.8	16.7	11.6	3.4	2.8	2.3	15.1	18.4	21.8
DLF	722	Buy	16.7	17.3	18.1	43.3	41.8	40.0	2.8	2.6	2.4	9.3	9.0	8.7
Godrej Properties	2,031	Buy	82.3	80.0	126.4	24.7	25.4	16.1	3.1	2.8	2.4	13.4	11.5	15.8
Kolte Patil Dev.	431	Buy	41.6	38.6	78.6	10.4	11.2	5.5	2.4	2.0	1.4	30.2	19.1	30.2
Lodha Developers	1,140	Buy	36.6	38.8	38.7	31.2	29.3	29.4	4.9	4.2	3.8	16.7	15.4	13.5
Mahindra Lifespace	361	Neutral	2.7	12.8	15.1	135.2	28.1	23.9	2.3	2.1	2.0	2.2	7.8	8.6
Oberoi Realty	1,595	Neutral	78.8	99.7	109.3	20.3	16.0	14.6	3.2	2.7	2.3	16.9	18.2	16.9
Phoenix Mills	1,564	Buy	49.7	62.1	83.6	31.5	25.2	18.7	4.6	3.9	3.3	15.8	16.8	19.1
Prestige Estates	1,543	Buy	27.5	32.1	35.7	56.1	48.1	43.2	3.8	3.5	3.2	6.9	7.5	7.8
SignatureGlobal	1,045	Buy	55.7	125.3	184.8	18.8	8.3	5.7	9.7	4.5	2.5	70.0	73.6	56.8
Sobha	1,517	Buy	33.7	50.6	72.4	45.0	30.0	20.9	3.3	3.0	2.6	7.6	10.5	13.4
Sri Lotus Developers	191	Buy	6.1	12.0	15.8	31.5	15.9	12.1	4.8	3.7	2.8	20.5	26.0	26.3
Sunteck Realty	438	Buy	9.4	8.4	15.8	46.6	52.1	27.6	1.9	1.8	1.7	4.1	3.6	6.5
Retail						**80.2**	**64.2**	**52.8**	**11.4**	**10.1**	**8.8**	**14.3**	**15.6**	**16.6**
Aditya Birla Fashion	86	Neutral	-5.0	-5.0	-4.0	-17.3	-17.4	-21.4	1.4	1.6	1.7	-9.4	-10.3	-9.2
Aditya Birla Lifestyle	134	Neutral	2.0	2.3	2.6	66.9	58.8	52.5	10.8	9.1	7.8	17.5	16.8	16.0
Avenue Supermarts	4,449	Buy	44.4	54.0	65.1	100.3	82.4	68.4	11.9	10.4	9.0	12.6	13.5	14.1
Barbeque Nation	234	Neutral	-8.1	-7.6	-7.1	-29	-31	-33.0	2.8	3.0	3.3	-9.5	-9.9	-10.1
Bata India	1,188	Neutral	21.1	24.5	29.1	56.4	48.5	40.8	9.0	8.2	7.5	16.5	17.6	19.1
Campus Activewear	271	Buy	4.8	6.2	7.8	56.9	44.0	34.6	9.5	8.1	6.7	16.7	18.3	19.3
Devyani Intl.	171	Buy	0.3	1.4	2.3	563.5	120.1	73.3	31.4	37.9	39.9	4.2	28.6	53.0
Go Fashion	685	Buy	16.2	21.2	24.4	42.3	32.2	28.1	4.8	4.3	3.8	10.8	12.6	13.0
Jubilant Foodworks	619	Neutral	5.8	8.2	10.8	107.0	75.7	57.2	19.7	19.3	17.7	18.4	25.5	31.0
Kalyan Jewellers	465	Buy	11.1	13.6	16.2	41.9	34.1	28.7	8.5	7.3	6.4	21.9	23.1	23.9
Metro Brands	1,248	Buy	15.6	18.8	22.2	80.0	66.4	56.1	16.7	14.3	12.3	23.0	23.8	24.2
P N Gadgil Jewellers	607	Buy	23.8	29.0	35.4	25.5	20.9	17.1	4.4	3.6	3.0	18.8	19.0	19.1
Raymond Lifestyle	1,181	Buy	36.5	55.7	67.6	32.4	21.2	17.5	0.7	0.7	0.7	5.0	7.2	8.1
Relaxo Footwear	446	Sell	8.3	9.4	10.6	53.5	47.4	42.0	4.9	4.6	4.2	9.5	10.0	10.4
Restaurant Brands	78	Buy	-2.4	-0.6	0.4	-32.8	-121.6	204.2	6.0	6.3	6.1	-16.8	-5.1	3.1
Sapphire Foods	297	Buy	-0.4	2.7	3.6	-737.7	109.7	81.7	6.9	6.5	6.0	-0.9	6.1	7.6
Senco Gold	345	Neutral	17.2	18.4	22.7	20.1	18.8	15.2	2.5	2.3	2.0	13.4	12.8	14.0
Shoppers Stop	521	Neutral	1.6	2.1	2.4	326	245	219.9	12.2	11.4	10.7	5.1	6.3	6.6
Titan Company	3,406	Buy	55.1	65.5	77.7	61.8	52.0	43.9	20.1	15.8	12.6	36.8	34.1	32.1
Trent	4,834	Buy	49.7	57.8	64.6	97	84	74.8	22.8	18.1	14.7	28.3	25.8	23.2
Vedant Fashions	691	Neutral	17.1	18.7	20.8	40	37	33.3	8.6	7.7	6.8	20.7	20.1	19.9
Vishal Mega Mart	149	Buy	1.8	2.3	2.8	83	65	52.3	9.5	8.3	7.1	12.2	13.6	14.7
V-Mart Retail	725	Buy	13.7	22.5	33.1	53	32	21.9	6.3	5.2	4.2	12.6	17.7	21.4
Westlife Foodworld	681	Neutral	1.1	4.2	7.6	614.9	161.7	89.8	16.6	15.1	12.9	2.8	9.8	15.5
Staffing						**14.0**	**12.0**	**10.6**	**2.3**	**2.0**	**1.8**	**16.1**	**16.8**	**16.9**
Quess Corp	255	Neutral	15.2	17.5	19.8	16.8	14.5	12.9	3.1	3.5	4.1	22.3	29.6	38.6
SIS	350	Buy	31.5	37.3	42.6	11.1	9.4	8.2	0.8	0.7	0.6	17.3	17.2	16.6
Team Lease Serv.	1,753	Buy	93.9	111.6	130.3	18.7	15.7	13.5	2.8	2.4	2.1	14.9	15.2	15.2
Updater Services	252	Buy	20.3	22.9	24.5	12.4	11.0	10.3	1.5	1.3	1.2	13.0	12.9	12.2
Technology						**22.5**	**20.8**	**19.5**	**6.5**	**6.3**	**6.1**	**29.0**	**30.4**	**31.2**
Coforge	1,601	Buy	47.2	60.4	74.6	33.9	26.5	21.5	7.5	6.5	5.7	17.4	21.2	23.4
Cyient	1,149	Sell	63.7	76.7	95.1	18.0	15.0	12.1	2.3	2.1	2.0	12.0	13.7	16.0
HCL Technologies	1,389	Buy	65.9	72.8	76.0	21.1	19.1	18.3	5.5	5.6	5.7	25.8	28.9	30.7
Hexaware Tech.	676	Buy	23.9	27.8	32.0	28.2	24.3	21.1	6.7	5.9	5.2	25.8	26.3	26.6
Infosys	1,446	Neutral	68.7	72.5	76.8	21.0	19.9	18.8	6.2	6.2	6.2	29.7	31.3	33.1
KPIT Technologies	1,155	Buy	29.8	37.2	45.6	38.7	31.1	25.3	9.0	7.5	6.3	25.4	26.5	27.3
L&T Technology	4,185	Neutral	129.8	155.4	177.5	32.2	26.9	23.6	6.4	5.5	4.8	21.1	22.0	21.8
LTIMindtree	5,124	Buy	176.7	199.5	222.0	29.0	25.7	23.1	5.9	5.2	4.6	21.6	21.5	21.1
MphasiS	2,691	Neutral	100.3	112.0	126.1	26.8	24.0	21.3	4.9	4.6	4.2	19.1	19.8	20.5
Persistent Systems	4,955	Buy	115.8	140.9	171.0	42.8	35.2	29.0	10.4	8.8	7.4	26.3	27.3	28.0
Tata Elxsi	5,227	Sell	111.3	140.0	160.9	47.0	37.3	32.5	10.1	9.1	8.2	22.8	25.7	26.6

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Tata Technologies	690	Sell	17.2	19.9	22.4	40.2	34.7	30.8	7.2	6.7	6.3	18.6	20.0	21.2
TCS	2,914	Buy	141.8	150.2	156.4	20.6	19.4	18.6	10.7	10.3	9.9	53.1	54.0	54.0
Tech Mahindra	1,416	Buy	60.7	77.5	86.8	23.3	18.3	16.3	4.5	4.3	4.1	19.4	24.0	25.9
Wipro	241	Sell	12.5	12.9	13.8	19.3	18.7	17.5	3.0	2.9	2.9	15.7	15.9	16.7
Zensar Tech	769	Neutral	32.1	34.3	36.9	24.0	22.4	20.8	4.0	3.7	3.4	17.4	17.2	17.0
Telecom						**123**	**56**	**32.8**	**11.8**	**10.4**	**9.7**	**9.6**	**18.7**	**29.6**
Bharti Airtel	1,867	Buy	48.9	65.3	86.1	38.2	28.6	21.7	7.9	6.1	5.2	23.0	26.2	28.3
Bharti Hexacom	1,653	Neutral	38.0	54.8	71.9	43.5	30.2	23.0	11.3	9.1	7.4	28.7	33.4	35.5
Indus Towers	352	Neutral	26.3	30.1	30.3	13.4	11.7	11.6	2.4	2.3	2.3	19.3	19.8	19.7
Tata Comm	1,611	Neutral	44.9	63.9	77.0	35.9	25.2	20.9	12.8	9.7	7.4	38.7	43.6	40
Vodafone Idea	9	Sell	-2.5	-2.4	-2.0	-3.5	-3.5	-4.2	-0.5	-0.3	-0.3	NM	NM	NM
Utilities						**18**	**16**	**13.8**	**2.5**	**2.2**	**2.0**	**13.5**	**14.3**	**14.6**
ACME Solar	288	Buy	9.0	10.7	24.5	32.0	27.0	11.8	3.5	3.1	2.4	11.4	12.1	23.2
Indian Energy Exch.	141	Neutral	5.2	5.4	5.7	27.0	26.3	24.7	9.8	8.5	7.5	39.2	34.7	32.3
Inox Wind	142	Buy	3.9	6.6	7.4	36.6	21.5	19.1	4.3	3.6	3.0	12.5	18.1	17.1
JSW Energy	537	Buy	12.6	17.0	25.8	42.5	31.6	20.8	3.2	2.9	2.6	7.8	9.7	13.3
NTPC	340	Neutral	24.8	28.2	31.6	13.7	12.1	10.8	1.7	1.6	1.4	13.0	13.6	13.9
Power Grid Corp.	281	Buy	18.7	19.8	20.8	15.0	14.2	13.5	2.6	2.4	2.3	18.1	17.8	17.3
Suzlon Energy	55	Buy	1.3	2.3	2.4	43.5	24.5	23.0	9.6	6.9	5.3	24.9	32.9	26.1
Tata Power	391	Buy	13.4	17.5	20.3	29.2	22.3	19.2	3.2	2.8	2.5	11.4	13.5	14.0
Others						**56.0**	**36.9**	**27.9**	**6.3**	**5.5**	**4.7**	**11.3**	**14.9**	**16.8**
APL Apollo Tubes	1,732	Buy	41.6	55.8	65.8	41.7	31.0	26.3	9.2	7.3	5.8	24.5	26.3	24.6
Astral	1,377	Buy	21.2	28.6	34.3	65.1	48.1	40.2	6.8	5.9	5.1	14.8	17.6	18.1
Cello World	574	Buy	16.3	22.1	25.2	35.1	26.0	22.8	4.9	4.3	3.6	14.4	17.8	17.1
Coromandel International	2,251	Buy	75.6	97.3	110.1	29.8	23.1	20.4	5.1	4.3	3.6	18.6	20.3	19.3
Dreamfolks Services	102	Buy	14.6	17.7		7.0	5.8		1.4	1.1		23.4	22.5	
EPL	214	Buy	13.8	16.7	19.4	15.5	12.8	11.0	2.6	2.3	2.0	17.6	18.9	19.1
Eternal	329	Buy	1.3	4.5	10.0	262.8	73.8	32.8	9.4	8.3	6.6	3.6	12.0	22.6
Godrej Agrovet	696	Buy	27.1	35.2	39.6	25.7	19.8	17.6	7.6	6.0	4.8	25.1	33.7	30.1
Gravita India	1,560	Buy	55.2	72.9	90.9	28.2	21.4	17.2	4.7	3.8	3.1	18.0	19.7	20.1
Indiamart Inter.	2,400	Buy	84.6	93.2	70.4	28.4	25.7	34.1	5.5	4.8	4.8	21.1	19.9	14.1
Indian Hotels	723	Buy	13.1	15.9	17.7	55.1	45.3	40.9	8.0	6.8	5.9	15.5	16.2	15.5
Info Edge	1,339	Neutral	16.2	19.3	20.3	82.7	69.3	65.9	3.0	3.0	2.9	3.7	4.3	4.5
Interglobe Aviation	5,609	Buy	222.1	246.4	276.2	25.2	22.8	20.3	12.4	8.2	5.9	64.2	43.4	33.9
Kajaria Ceramics	1,190	Buy	31.4	37.0	43.6	38.0	32.2	27.3	6.2	5.5	4.9	16.4	17.2	18.0
Lemon Tree Hotel	166	Buy	3.5	4.4	4.9	48.1	38.2	34	9.2	7.4	6.1	21.1	21.4	19.8
MTAR Tech	1,899	Buy	33.2	54.7	72.4	57.2	34.7	26	7.0	5.8	4.8	13.1	18.4	20.0
One 97 Comm.	1,149	Neutral	9.8	19.0	26.6	117.2	60.4	43	4.9	4.8	4.6	4.2	8.1	11.0
Prince Pipes	325	Buy	8.0	13.9	19.5	40.7	23.5	16.6	0.9	0.8	0.7	5.5	8.9	11.5
Safari Inds.	2,182	Buy	42.7	50.0	59.1	51.0	43.6	36.9	9.3	7.8	6.6	20.0	19.5	19.4
SBI Cards	875	Neutral	28.1	39.6	47.9	31.2	22.1	18.3	5.1	4.2	3.5	17.8	21.0	20.9
Supreme Inds.	4,190	Buy	82.0	110.2	132.4	51.1	38.0	31.6	8.5	7.4	6.3	17.5	20.7	21.4
Swiggy	418	Buy	-17.6	-8.0	-0.3	-23.8	-52.1	-1,506	13.6	16.0	15.7	-46.6	-28.2	-1.1
Time Technoplast	222	Buy	10.6	13.1	16.0	20.9	16.9	14	3.0	2.6	2.3	15.5	16.7	17.7
UPL	661	Neutral	38.4	57.1	64.0	17.2	11.6	10	1.1	1.0	0.9	9.8	13.5	13.6
Va Tech Wabag	1,432	Buy	61.3	73.1	87.8	23.4	19.6	16.3	3.6	3.1	2.6	15.3	15.7	16.2
VIP Inds.	416	Buy	2.4	9.3	13.4	174.2	44.9	31.0	9.1	7.5	6.0	5.4	18.3	21.6

Sectors & Companies

BSE Sensex: 83,433 **Nifty 50: 25,461** **July 2025**

Sector and Companies Preview Compendium

- Automobiles
- Capital Goods
- Cement
- Chemicals-Specialty
- Consumer
- Consumer Durables
- EMS
- Financials – Banks
- Financials – NBFC: Lending
- Financials – NBFC: Non Lending
- Healthcare
- Infrastructure
- Logistics
- Metals
- Oil & Gas
- Plastic Pipes
- Real Estate
- Retail
- Technology
- Telecom
- Utilities
- Others

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 1 October 2025, unless otherwise stated.**

Automobiles

Company
Amara Raja Energy Mobility
Ashok Leyland
Apollo Tyres
Bajaj Auto
Balkrishna Industries
Bharat Forge
BOSCH
Ceat
CIE Automotive
Craftsman Automation
Eicher Motors
Endurance Technologies
Escorts
Exide Industries
Happy Forgings
Hero MotoCorp
Hyundai Motor
Mahindra & Mahindra
Maruti Suzuki
Samvardhana Motherson
Motherson Wiring
MRF
Sona BLW Precision Ltd
Tata Motors
TVS Motor Company
Tube Investments

CVs and 2Ws see demand revival in Q2

OEMs likely to outperform ancillaries

- **After a weak print in 1Q, auto OEMs in our coverage universe delivered 12.9% YoY volume growth in 2QFY26. Among the listed companies, 2W/CV OEMs posted volume growth of 15%/10% in 2Q. Aggregate PV growth for the four listed OEMs stood at just 3% YoY.**
- **For our OEM coverage universe (excl. TTMT), revenue is likely to grow 13% YoY on the back of healthy volume growth. Similarly, excl. TTMT, EBITDA/PAT for our coverage universe is expected to grow by 11%/14% YoY.**
- **For auto ancillaries under our coverage, we expect ~9% growth in revenue but a much slower 3% growth in both EBITDA/PAT in 2Q.**
- **TVS (+49%), EIM (+31%), Escorts (+22%) and HMCL (+20%) are expected to outperform OE peers in 2Q. In auto ancillaries, outperformers include APTY (+23%), Craftsman (+40%) and ENDU (+21%).**
- **Overall earnings estimate cuts have been moderate in 2Q.**
- **Our top OEM picks are MSIL and MM. Top auto ancillary picks are ENDU and Happy Forgings.**

Demand has picked up well in CVs and 2Ws in 2Q, PVs remain weak

After a subdued show in 1Q, auto OEMs in our coverage universe posted a much better 12.9% YoY volume growth in 2QFY26. Both 2Ws and CVs posted a smart revival in volumes even as PV demand remained subdued. Among the listed players, 2W/CV OEMs posted 15%/10% growth in 2Q volumes. On the other hand, aggregate PV growth for the four listed OEMs stood at just 3% YoY. In 2Ws, except for BJAUT (+6%), other three listed players saw healthy double-digit growth – RE (+43%), TVS (23%) and HMCL (+11%). In PVs, TTMT outperformed peers with 11% YoY growth. MM UV growth was slower at 7% as it intentionally reduced dispatches to dealers given the lack of clarity on cess compensation. Also, while MSIL saw 2% YoY growth, HMIL volumes declined 1% YoY in 2Q. Discounts have increased QoQ in 2Q in PVs, as per our channel checks. In CVs, TTMT was the key growth driver with 13% growth, while AL (+8%) and VECV (+5%) saw single-digit growth. The tractor segment posted the highest growth in the auto sector, as the two listed companies delivered a robust 31% YoY growth in 2Q.

Auto OEMs to see healthy earnings growth compared to auto ancillaries

On the back of a healthy recovery in volumes, auto OEM companies under our coverage are expected to deliver 11%/14% growth in EBITDA/PAT (excl. TTMT). Aggregate EBITDA margin for our coverage universe is estimated to rise marginally by 20bp YoY to 13.2%. In 2Q, major margin gains are expected for TVSL (+130bp YoY), TTMT CV (+190bp), VECV (+160bp), and Escorts (+330bp). On the other hand, MSIL (-150bp YoY) and TTMT PV (-120bp) are expected to see margin contraction. For auto ancillaries, we expect our coverage universe to post ~9% growth in revenue and a much slower 3% growth in both EBITDA/PAT in 2Q.

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)

Estimated hits and misses in 2QFY26

We expect our auto OEM coverage universe (excl. TTMT) to post 15% YoY earnings growth. It is important to highlight that excl. TTMT, all other listed OEMs are expected to post positive earnings growth. TVSL (+49%), EIM (+31%), Escorts (+22%) and HMCL (+20%) are expected to outperform their OEM peers in 2Q. TTMT is the only OEM that is expected to post earnings decline in 2Q. Meanwhile, MSIL (8%), HMIL (8%), BJAUT (+9%) and AL (+7%) are expected to post single-digit growth.
Our ancillary coverage universe should deliver modest 3% YoY earnings growth in PAT in 2Q. Key earnings growth drivers include APTY (+23%), Craftsman (+40%) and Endurance (+21%). Major laggards are expected to be Sona (-11%), Amara (-14%), BHFC (-13%) and SAMIL (-15%).

Overall earnings estimate cuts have been moderate in this quarter.

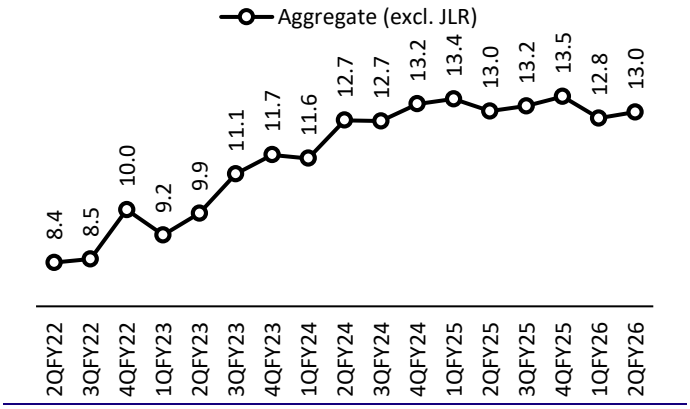
Festive season starts off on an optimistic note

The GST Council has provided a much-needed booster shot to the auto sector by reducing the tax rates on the majority of auto segments. These timely rate cuts, coupled with other sectoral tailwinds like normal monsoon boosting rural sentiment, a ~100bp reduction in interest rates in CY25 and income tax benefits, are expected to revive demand for the auto sector from this festive season. The ongoing festive season has started off on a strong note across segments, with most OEMs reporting a strong revival in demand on the back of GST rate cuts and positive rural sentiment. Notably, entry-level vehicle demand has recovered from the lows, albeit with high discounts. Demand is likely to remain strong after the festive season, with the marriage season starting in Nov'25. Once demand is restored, we expect discounts to gradually trend lower. On the back of a pickup in demand and a much better earnings growth, we expect the sector to get re-rated. Our top picks in auto OEMs are Maruti Suzuki (new launches + exports ramp-up to drive 17% earnings growth) and M&M (new launches + positive rural sentiments to drive 21% earnings growth). In the auto ancillary space, we prefer ENDU and HAPPYFORG for their strong order backlog and ability to outperform core segments.

Exhibit 1: Summary of 2QFY26 earnings estimates

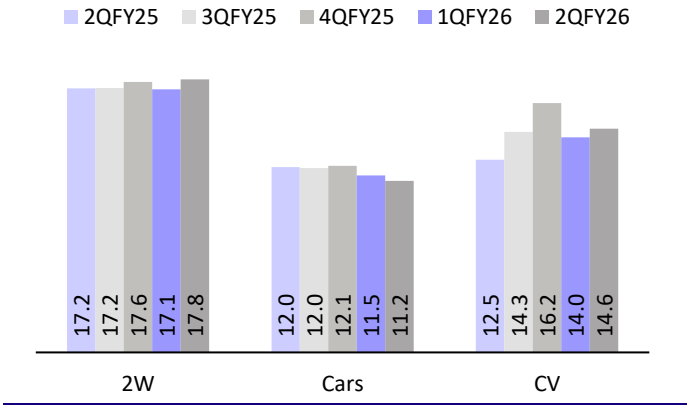
Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Amara Raja Energy	993	Neutral	33,553	7.0	0.2	4,026	-8.6	4.1	2,065	-14.2	6.4
Apollo Tyres	468	Buy	69,968	8.7	6.6	9,581	9.1	10.4	3,709	23.2	31.9
Ashok Leyland	141	Buy	97,232	10.9	11.4	11,473	12.8	18.3	7,430	7.2	25.1
Bajaj Auto	8619	Neutral	1,46,728	11.8	16.6	29,351	10.7	18.3	24,148	9.0	15.2
Balkrishna Inds	2304	Neutral	25,517	3.5	-7.5	6,226	0.7	-5.1	3,672	5.0	28.0
Bharat Forge	1219	Neutral	20,949	-6.8	-0.5	5,237	-16.3	-8.4	3,041	-13.4	-10.2
Bosch	38338	Neutral	48,777	11.0	1.9	6,439	14.9	0.7	5,629	12.5	-16.0
CEAT	3488	Buy	36,350	10.0	3.0	4,289	18.4	10.6	1,415	16.1	23.2
CIE Automotive	413	Buy	23,233	8.8	-1.9	3,278	-0.8	-2.6	1,962	0.8	-3.3
Craftsman Auto	6725	Neutral	18,319	50.9	2.7	2,766	43.5	4.4	863	39.9	14.0
Eicher Motors	7005	Sell	60,781	42.6	20.6	15,545	42.9	29.2	14,422	31.1	19.7
Endurance Tech.	2812	Buy	34,702	19.1	4.6	4,651	21.7	5	2,460	21.2	8.7
Escorts Kubota	3637	Neutral	27,588	21.8	11.1	3,752	61.2	15.5	3,703	22.3	17.4
Exide Inds.	395	Neutral	44,380	4.0	-1.6	5,414	12.0	-1.2	3,268	9.7	2.0
Happy Forgings	925	Buy	3,792	5.0	7.2	1,092	3.6	8.0	719	7.8	9.4
Hero Motocorp	5430	Buy	1,18,735	13.5	24.0	18,031	18.9	30.5	14,432	19.9	28.2
Hyundai Motor	2537	Buy	1,73,749	0.7	5.9	23,385	6.0	7.0	14,844	7.9	8.4
Mahindra & Mahindra	3463	Buy	3,29,211	19.5	-3.4	46,154	16.9	-5.5	42,940	11.8	24.5
Maruti Suzuki	15971	Buy	4,01,139	7.8	4.4	39,229	-11.2	-1.8	33,086	7.8	-10.9
Samvardhana Motherson	106	Buy	2,98,356	7.3	-1.2	23,415	-4.3	-4.8	6,340	-15.1	2.1
Motherson Wiring	46	Buy	26,047	12.0	4.4	2,708	8.5	10.9	1,627	7.0	13.7
MRF	148630	Sell	75,716	12.0	0.1	10,752	10.5	3.9	5,016	10.1	3.6
Sona BLW Precis.	414	Neutral	8,883	-4.0	10.9	2,194	-13.9	13.3	1,368	-11.5	9.6
Tata Motors	718	Neutral	9,25,667	-8.8	-11.3	77,577	-33.9	-20.2	22,929	-31.4	-42.2
Tube Investments	3082	Buy	21,342	3.4	6.4	2,600	5.7	5.1	1,786	6.4	6.2
TVS Motor	3457	Neutral	1,18,886	28.8	17.9	15,455	43.1	22.4	9,844	48.6	26.4
Automobiles			**31,72,572**	**4.2**	**-1.0**	**3,75,383**	**-3.9**	**-0.7**	**2,32,801**	**5.0**	**1.5**

Exhibit 2: EBITDA margin expected to marginally improve



Source: MOFSL

Exhibit 3: Trends in segment-wise EBITDA margins (%)



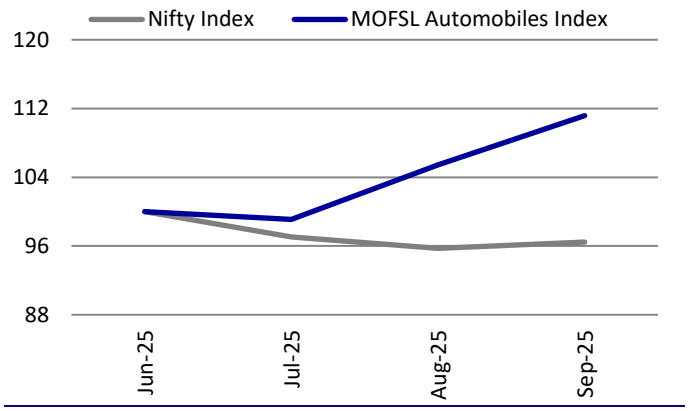
Source: MOFSL

Exhibit 4: Our auto OEM coverage universe (excl. JLR) expected to witness 15% YoY earnings growth

	Volumes ('000 units)					EBITDA Margins (%)					Adj PAT (INR M)				
	2Q FY26	2Q FY25	YoY (%)	1Q FY26	QoQ (%)	2Q FY26	2Q FY25	YoY (bp)	1Q FY26	QoQ (bp)	2Q FY26	2Q FY25	YoY (%)	1Q FY26	QoQ (%)
Bajaj Auto	1,294	1,222	6	1,111	16	20.0	20.2	-20	19.7	30	24,148	22,160	9	20,960	15
Hero MotoCorp	1,691	1,520	11	1,367	24	15.2	14.5	70	14.4	80	14,432	12,035	20	11,257	28
TVS Motor	1,507	1,228	23	1,277	18	13.0	11.7	130	12.5	50	9,844	6,626	49	7,786	26
Maruti Suzuki	551	542	2	528	4	9.8	11.9	-210	10.4	-60	33,086	30,692	8	37,117	-11
Hyundai	191	192	-1	180	6	13.5	12.8	70	13.3	10	14,844	13,755	8	13,692	8
M&M	350	301	16	361	-3	14.0	14.3	-30	14.3	-30	42,940	38,409	12	34,498	24
TTMT India PV	144	131	11	125	16	4.9	6.2	-120	4.0	100	45	2,290	-98	-1,290	-103
TTMT India CV	97	86	13	88	10	12.6	10.7	190	12.1	50	19,796	13,140	51	16,560	20
TTMT (JLR) in GBP	66	87	-24	87	-24	7.4	11.7	-430	9.3	-190	47	283	-84	246	-81
TTMT Consol						8.4	11.6	-320	9.3	-90	22,929	33,438	-31	39,671	-42
Ashok Leyland	49	46	8	44	11	11.8	11.6	20	11.1	70	7,430	6,933	7	5,937	25
Eicher(Consol)						25.6	25.5	10	23.9	170	14,422	11,003	31	12,052	20
Eicher - RE	326	228	43	266	23	26.7	26.3	50	25.1	160	13,251	10,099	31	13,065	1
Eicher - VECV	22	21	5	22	1	8.7	7.1	160	9.0	-30	2,947	2,090	41	2,890	2
Escorts	34	26	30	31	11	13.6	10.3	330	13.1	50	3,703	3,027	22	3,726	-1
Aggregate	**6,256**	**5541**	**12.9**	**5,399**	**15.9**	**13.0**	**13.0**	**0**	**13.2**	**-20**	**162,296**	**150,418**	**7.9**	**170,760**	**-5.0**

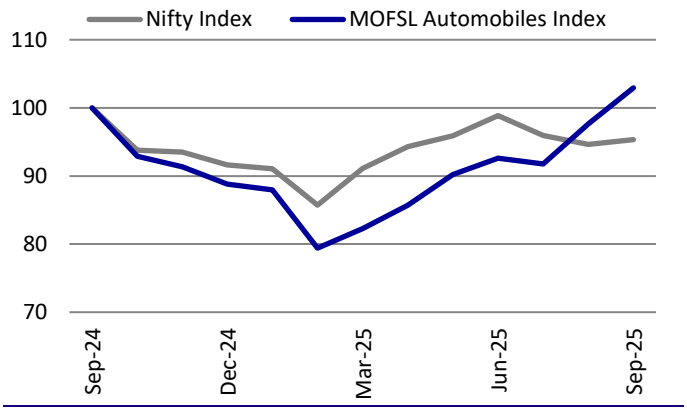
Source: JLR in GBP m, MOFSL

Exhibit 5: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 6: Relative performance – one year (%)



Source: Bloomberg, MOFSL

Exhibit 7: Our revised estimates

	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Amara Raja Energy	45.4	45.5	-0.3	54.7	55.8	-2.0
Ashok Leyland	6.0	6.0	0.5	7.2	7.2	0.9
Apollo Tyres	24.0	23.2	3.5	29.1	28.7	1.5
Balkrishna Inds	83.6	90.2	-7.3	103.5	111.4	-7.1
Bajaj Auto	329.0	326.0	0.9	362.1	366.0	-1.1
Bharat Forge	24.2	25.9	-6.6	33.0	33.1	-0.4
Bosch	824.3	814.0	1.3	976.1	958.0	1.9
CEAT	156.8	169.3	-7.4	207.8	229.8	-9.6
CIE Automotive	21.7	21.4	1.6	22.9	22.6	1.2
Craftsman Auto	156.2	156.2	0.0	229.2	237.6	-3.6
Eicher Motors	192.1	188.8	1.8	213.0	208.5	2.2
Endurance Tech.	72.0	72.4	-0.5	84.4	83.8	0.7
Escorts Kubota	119.5	111	7.4	128.6	122.7	4.8
Exide Inds.	15.3	14.5	5.8	16.7	15.8	5.9
Happy Forgings	30.2	30.2	-0.1	37.5	38.3	-2.1
Hero MotoCorp	258.3	251.2	2.8	283.1	273.4	3.6
Hyundai Motor	71.8	67.9	5.8	89.5	89.5	0.0
Mahindra & Mahindra	120.7	119.5	1.0	143.7	136.7	5.1
Maruti Suzuki	490.2	495.1	-1.0	607.4	598.0	1.6
Samvardhana Motherson	3.2	3.3	-4.1	4.7	4.6	1.6
Motherson Wiring	1.0	1.0	-1.8	1.3	1.3	0.2
MRF	5100.4	4,891.9	4.3	5918.4	5,522.0	7.2
Sona BLW Precis.	8.8	8.5	4.0	10.4	10.1	2.9
Tata Motors	41.9	45.8	-8.5	54.5	51.9	5.1
Tube Investments	41.6	41.6	0.0	47.1	47.1	0.0
TVS Motor	76.1	75.1	1.4	91.3	91.3	0.0

Source: MOFSL

Exhibit 8: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles						**29.6**	**24.4**	**20.6**	**4.7**	**4.2**	**3.6**	**16.0**	**17.1**	**17.6**
Amara Raja Energy	993	Neutral	45.4	54.7	60.7	21.9	18.2	16.4	2.3	2.1	1.9	12.0	12.8	12.8
Apollo Tyres	468	Buy	24.0	29.1	32.1	19.5	16.1	14.6	1.5	1.4	1.3	10.0	11.4	11.6
Ashok Leyland	141	Buy	6.0	7.2	8.5	23	20	16.7	6.3	5.5	4.7	28.8	30.0	30.2
Bajaj Auto	8,619	Neutral	329.0	362.1	396.5	26.2	23.8	21.7	6.9	6.4	5.9	27.4	27.9	28.3
Balkrishna Inds	2,304	Neutral	83.6	103.5	111.7	27.6	22.3	20.6	3.8	3.3	2.9	14.6	16.0	15.2
Bharat Forge	1,219	Neutral	24.2	33.0	40.9	50.4	37.0	29.8	5.8	5.3	4.7	12.0	14.9	16.7
Bosch	38,338	Neutral	824.3	976.1	1,113.4	46.5	39.3	34.4	7.3	6.7	6.0	16.6	17.9	18.5
CEAT	3,488	Buy	156.8	207.8	248.3	22.2	16.8	14.0	2.9	2.6	2.3	13.7	16.2	17.1
CIE Automotive	413	Buy	21.7	22.9	23.8	19.0	18.1	17.3	2.2	2.0	1.8	11.9	11.5	11.0
Craftsman Auto	6,725	Neutral	156.2	229.2	303.4	43.0	29.3	22.2	5.0	4.3	3.7	12.3	15.8	17.9
Eicher Motors	7,005	Sell	192.1	213.0	241.2	36.5	32.9	29.0	7.8	6.8	5.9	23.0	22.1	21.8
Endurance Tech.	2,812	Buy	72.0	84.4	99.5	39.0	33.3	28.3	6.1	5.3	4.6	16.5	16.9	17.4
Escorts Kubota	3,637	Neutral	119.5	128.6	134.4	30.4	28.3	27.1	3.9	3.5	3.2	13.4	13.0	12.3
Exide Inds.	395	Neutral	15.3	16.7	17.7	25.8	23.6	22.3	2.2	2.0	1.9	8.4	8.5	8.4
Happy Forgings	925	Buy	30.2	37.5	49.6	30.6	24.7	18.7	4.2	3.6	3.1	14.4	15.7	18.0
Hero Motocorp	5,430	Buy	258.3	283.1	311.5	21.0	19.2	17.4	5.1	4.7	4.3	25.1	25.3	25.7
Hyundai Motor	2,537	Buy	71.8	89.5	109.1	35.3	28.3	23.3	10.1	8.0	6.4	31.7	31.5	30.6
Mahindra & Mahindra	3,463	Buy	120.7	143.7	163.0	28.7	24.1	21.2	5.7	4.8	4.1	21.5	21.6	20.7
Maruti Suzuki	15,971	Buy	490.2	607.4	714.2	32.6	26.3	22.4	4.8	4.2	3.7	14.6	16.0	16.4
Motherson Wiring	46	Buy	1.0	1.3	1.6	46.1	34.1	28.6	15.3	12.3	10.0	35.8	40.0	38.5
MRF	1,48,630	Sell	5,100.4	5,918.4	6,658.0	29.1	25.1	22.3	3.1	2.8	2.5	11.1	11.6	11.7
Samvardhana Motherson	106	Buy	3.2	4.7	5.7	33.5	22.7	18.7	3.0	2.8	2.5	9.4	12.8	14.1
Sona BLW Precis.	414	Neutral	8.8	10.4	11.5	46.8	39.8	36.0	4.4	4.1	3.8	9.5	10.6	11.0
Tata Motors	718	Neutral	41.9	54.5	74.7	17.1	13.2	9.6	2.0	1.8	1.5	12.6	14.5	17.2
Tube Investments	3,082	Buy	41.6	47.1	52.1	74.0	65.4	59.2	10.1	8.9	7.9	14.5	14.4	14.1
TVS Motor	3,457	Neutral	76.1	91.3	106.4	45.4	37.8	32.5	12.6	9.9	7.9	31.6	29.3	27.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Amara Raja Energy Mobility — Neutral

CMP: INR993 | TP: INR1,039 (+5%) — **EPS CHANGE (%): FY26E|FY27E: -|-2**

- We expect battery demand to largely remain stable QoQ both in OE and replacement segments, and hence expect Amara to post 7% YoY growth in revenue (flat QoQ).
- Lead prices are largely stable QoQ. However, elevated power costs are likely to keep margins under pressure for at least 2Q.
- EBITDA margins to improve 50bp QoQ (down 210bp YoY) to 12%.

Quarterly Performance (INR M)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**31,312**	**31,358**	**31,640**	**29,739**	**33,499**	**33,553**	**34,488**	**33,733**	**124,049**	**135,274**
YoY Change (%)	13.0	11.6	9.8	6.3	7.0	7.0	9.0	13.4	10.2	9.0
Gross operating income	**31312**	**31358**	**31640**	**29739**	**33499**	**33553**	**34488**	**33733**	**124,049**	**135,274**
Total Expenditure	27,008	26,952	27,482	26,316	29,633	29,527	30,280	29,601	107,758	119,041
Excise (% of sales)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RM Cost (% of sales)	68.9	67.6	66.9	67.7	70.5	69.5	69.0	69.0	67.8	69.5
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.0	5.8	5.9	6.0	5.9
Other Exp (% of sales)	11.5	12.2	13.9	14.7	12.0	12.5	13.0	12.9	13.1	12.6
EBITDA	**4,304**	**4,407**	**4,158**	**3,422**	**3,867**	**4,026**	**4,208**	**4,132**	**16,291**	**16,233**
Margins (%)	13.7	14.1	13.1	11.5	11.5	12.0	12.2	12.2	13.1	12.0
Depreciation	1,183	1,220	1,233	1,284	1,292	1,298	1,320	1,330	4,921	5,241
Interest	90	131	107	95	104	110	115	122	422	450
Other Income	256	185	293	200	139	135	140	145	933	560
PBT before EO expense	**3,287**	**3,240**	**3,111**	**2,244**	**2,610**	**2,753**	**2,913**	**2,826**	**11,881**	**11,102**
Extra-Ord expense	0	0	-1,111	0	0	0	0	0	0	0
PBT after EO	**3,287**	**3,240**	**4,222**	**2,244**	**2,610**	**2,753**	**2,913**	**2,826**	**11,881**	**11,102**
Tax	841	833	1,103	576	670	688	743	697	3,353	2,798
Tax Rate (%)	25.6	25.7	26.1	25.7	25.7	25.0	25.5	24.7	28.2	25.2
Reported PAT	**2,446**	**2,407**	**3,118**	**1,668**	**1,940**	**2,065**	**2,170**	**2,129**	**8,528**	**8,304**
Adj PAT	**2,446**	**2,407**	**2,298**	**1,668**	**1,940**	**2,065**	**2,170**	**2,129**	**8,528**	**8,304**
YoY Change (%)	23.1	6.3	-9.1	-26.8	-20.7	-14.2	-5.6	27.6	-5.9	-2.6

Ashok Leyland — Buy

CMP: INR141 | TP: INR166 (+18%) — **EPS CHANGE (%): FY26E|FY27E: 1|1**

- After a subdued 1Q, CV volumes saw a healthy pickup in 2Q, up 7.7% YoY. While MHCV sales grew 9%, LCV sales rose 5.5%. Export mix has sharply improved, up 45% YoY.
- Input cost to largely remain stable QoQ, unlike fears of an increase. Staff cost may rise QoQ due to annual increments.
- Led by improved mix and volumes, EBITDA margin to rise 70bp QoQ (+20bp YoY) to 11.8%. PAT to grow 7% YoY.

Quarterly Performance (S/A) (INR M)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	49,116	50,116	63,561	195,097	207,032
Growth %	6.2	-8.5	-1.4	5.1	0.8	7.7	8.0	7.4	0.3	6.4
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,980	2,022	2,038	1,986	2,006
Change (%)	-1.1	-0.6	3.7	0.6	0.7	3.0	-1.0	1.3	0.7	1.7
Net operating revenues	**85,985**	**87,688**	**94,787**	**1,19,067**	**87,245**	**97,232**	**101,346**	**129,553**	**387,527**	**415,376**
Change (%)	5.0	-9.0	2.2	5.7	1.5	10.9	6.9	8.8	1.0	8.3
RM/sales %	72.2	71.2	71.5	70.6	70.6	70.8	71.0	72.4	71.3	71.3
Staff/sales %	6.4	6.8	6.4	5.5	7.0	6.9	6.5	4.5	6.2	6.1
Other exp/sales %	10.9	10.4	9.4	8.9	11.2	10.5	9.6	8.2	9.8	9.7
EBITDA	**9,109**	**10,173**	**12,114**	**17,910**	**9,696**	**11,473**	**13,074**	**19,290**	**49,306**	**53,533**
EBITDA Margins (%)	10.6	11.6	12.8	15.0	11.1	11.8	12.9	14.9	12.7	12.9
Interest	591	607	501	471	419	350	310	249	2,169	1,327
Other Income	223	973	247	1,059	529	700	300	1,012	2,503	2,540
Depreciation	1,727	1,754	1,923	1,789	1,828	1,850	1,880	1,832	7,193	7,390
PBT after EO	**7,014**	**9,958**	**9,938**	**16,573**	**7,977**	**9,973**	**11,184**	**18,221**	**43,483**	**47,356**
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.6	25.5	24.0	25.1	24.0	25.0
Adj PAT	**5,256**	**6,933**	**7,617**	**12,562**	**5,937**	**7,430**	**8,500**	**13,650**	**32,355**	**35,517**
Change (%)	-8.9	20.2	31.2	32.4	13.0	7.2	11.6	8.7	20.6	9.8

Apollo Tyres — Buy

CMP: INR468 | TP: INR551 (+18%) — **EPS CHANGE (%): FY26E|FY27E: 4|2**

- While demand was healthy in Jul, it turned weak in Aug and then there were purchase delays in Sep in replacement given the GST deadline. OE demand was stable. We expect standalone revenue growth of 6% YoY (flat QoQ).
- Input costs are down about 2% QoQ, which is likely to aid margins. However, INR depreciation towards 2Q end may offset some of these gains.
- We expect India margins to improve 30bp QoQ (+180bp YoY over low base) due to lower input costs.
- Demand in Europe, although weak, is likely to be stable QoQ.
- We expect Europe margins to improve 70bp QoQ (-330bp YoY) to 11.5%.

Consolidated - Quarterly performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**63,349**	**64,370**	**69,280**	**64,236**	**65,608**	**69,968**	**76,614**	**72,102**	**261,234**	**284,291**
YoY Change (%)	1.4	2.5	5.0	2.6	3.6	8.7	10.6	12.2	2.9	12.0
EBITDA	**9,093**	**8,779**	**9,470**	**8,374**	**8,677**	**9,581**	**11,605**	**10,286**	**35,715**	**40,150**
Margins (%)	14.4	13.6	13.7	13.0	13.2	13.7	15.1	14.3	13.7	14.1
Depreciation	3,695	3,759	3,759	3,771	3,776	3,850	3,910	4,188	14,984	15,723
Interest	1,070	1,197	1,105	1,094	1,006	950	880	1,061	4,466	3,896
Other Income	308	217	81	275	189	230	120	255	881	794
PBT before EO expense	**4,636**	**4,040**	**4,686**	**3,785**	**4,085**	**5,011**	**6,935**	**5,293**	**17,146**	**21,324**
Extra-Ord expense	404	52	42	1,188	3,702	0	0	0	1,687	3,702
PBT	**4,232**	**3,988**	**4,644**	**2,596**	**383**	**5,011**	**6,935**	**5,293**	**15,460**	**17,622**
Tax Rate (%)	28.6	25.4	27.4	29.0	66.5	26.0	26.0	31.4	27.5	28.5
MI & P/L of Asso. Cos.	0	-1	-2	-3	-1	-1	1	1	-7	0
Reported PAT	**3,020**	**2,975**	**3,372**	**1,846**	**129**	**3,709**	**5,131**	**3,632**	**11,213**	**12,601**
Adj PAT	**3,313**	**3,012**	**3,403**	**2,708**	**2,812**	**3,709**	**5,131**	**3,632**	**12,436**	**15,249**
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-15.1	23.2	50.8	34.2	-33.2	22.6
Margins (%)	5.2	4.7	4.9	4.2	4.3	5.3	6.7	5.0	4.8	5.4

Bajaj Auto — Neutral

CMP: INR8,619 | TP: INR9,197 (7%) — **EPS CHANGE (%): FY26E|27E: 1|-1**

- Total volumes grew ~6% YoY, supported by ~24% growth in exports even as domestic volumes declined ~5% YoY. While 2W sales grew 3% YoY, 3W sales were up ~20% YoY. Thus, product mix for BJAUT is favorable for 2Q.
- Hence, despite weak offtake, we expect BJAUT margins to improve by 30bp QoQ to 20%, led by improved mix and currency tailwinds toward 2Q end. Overall, we expect BJAUT to post 9% earnings growth YoY.

Quarterly Performance INR m

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volumes ('000 units)	1,102	1,222	1,224	1,103	1,111	1,294	1,271	1,235	4,651	4,912
Growth YoY (%)	7.3	15.9	2.0	3.2	0.8	5.9	3.8	11.9	6.9	5.6
Realization (INR/unit)	1,08,234	1,07,470	1,04,591	1,10,142	113,247	113,381	112,958	113,346	107,527	113,232
Growth YoY (%)	7.9	5.1	3.7	2.5	4.6	5.5	8.0	2.9	4.7	5.3
Net Sales	**1,19,280**	**1,31,275**	**1,28,069**	**1,21,480**	**125,845**	**146,728**	**143,625**	**139,944**	**500,103**	**556,142**
Change (%)	15.7	21.8	5.7	5.8	5.5	11.8	12.1	15.2	11.9	11.2
EBITDA	**24,154**	**26,522**	**25,807**	**24,505**	**24,818**	**29,351**	**28,717**	**28,153**	**1,00,988**	**1,11,038**
EBITDA Margins (%)	20.2	20.2	20.2	20.2	19.7	20.0	20.0	20.1	20.2	20.0
Other Income	3,209	3,845	3,347	3,808	4,308	4,000	3,800	4,012	14,209	16,120
Interest	207	159	143	168	141	130	140	139	677	550
Depreciation	937	956	997	1,111	1,109	1,120	1,130	1,126	4,001	4,485
PBT after EO	**26,219**	**27,139**	**28,015**	**27,033**	**27,875**	**32,101**	**31,247**	**30,901**	**108,406**	**122,123**
Effective Tax Rate (%)	24.2	26.1	24.7	24.2	24.8	24.8	24.8	24.7	24.8	12.5
Adj. PAT	**19,884**	**22,160**	**21,087**	**20,492**	**20,960**	**24,148**	**23,506**	**23,255**	**83,103**	**91,868**
Change (%)	19.4	20.7	3.3	5.8	5.4	9.0	11.5	13.5	11.1	10.5

Balkrishna Industries — Neutral

CMP: INR2,304 | TP: INR2,379 (+3%) — **EPS CHANGE (%): FY26E|FY27E: -7|-7**

- Demand continued to be weak in most of its overseas markets. India likely to be the sole growth driver. Overall, we expect BKT to post 1% YoY growth in tonnage in 2Q.
- A reduction in input costs is likely to be offset by the weak demand impact and impact of partial tariff absorption in US.
- Margin is likely to improve 60bp QoQ to 24.4%.

Quarterly Earning Model (Standalone) (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volumes (Ton)	**83,570**	**73,298**	**76,343**	**82,062**	**80,664**	**74,031**	**77,106**	**83,431**	**315,273**	**315,232**
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	1.0	1.0	1.7	7.7	0.0
Realizations (INR '000/ton)	**328.1**	**336.3**	**336.8**	**345.8**	**342.1**	**344.7**	**346.9**	**346.1**	**336.7**	**345.0**
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	2.5	3.0	0.1	5.1	2.5
Net Revenues	**27,415**	**24,648**	**25,716**	**28,376**	**27,594**	**25,517**	**26,752**	**28,877**	**106,150**	**108,740**
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	3.5	4.0	1.8	13.2	2.4
EBITDA	**7,137**	**6,185**	**6,391**	**7,035**	**6,560**	**6,226**	**6,501**	**7,124**	**26,813**	**26,411**
Margins (%)	26.0	25.1	24.9	24.8	23.8	24.4	24.3	24.7	25.3	24.3
Depreciation	1,617	1,647	1,708	1,760	1,862	1,880	1,885	1,897	6,735	7,524
Interest	143	404	150	490	290	300	270	285	1,252	1,145
Forex loss/(gain)	-60	530	-1,120	580	1,540	0	0	0	-68	1,540
Other Income	830	1,048	240	550	1,042	950	200	471	2,668	471
PBT before EI	**6,267**	**4,653**	**5,894**	**4,755**	**3,910**	**4,996**	**4,546**	**5,413**	**21,562**	**18,865**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**6,267**	**4,653**	**5,894**	**4,755**	**3,910**	**4,996**	**4,546**	**5,413**	**21,562**	**18,865**
Rate (%)	23.8	24.9	25.4	23.8	26.6	26.5	26.5	27.5	24.5	24.0
Adj PAT	**4,773**	**3,496**	**4,398**	**3,622**	**2,869**	**3,672**	**3,341**	**3,924**	**16,283**	**13,807**
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	5.0	-24.0	8.3	-39.9	-15.2

Bharat Forge — Neutral

CMP: INR1,219 | TP: INR1,109 (-9%) — **EPS CHANGE (%): FY26E|FY27E: -6|-1**

- US demand has been tepid for both Class8 and non-auto. Defense ramp-up is likely to be stable QoQ. Pickup in domestic business likely to offset weakness in exports.
- Revenue to decline 7% YoY in 2Q.
- US tariffs on CVs and non-auto for India exports stand at 50% now. This impact is expected to be partially absorbed between vendors and OEMs.
- EBITDA margins to decline 280bp YoY to 25%.
- Standalone PAT is expected to decline 13% YoY in 2Q.

S/A Quarterly (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net operating income	**23,381**	**22,467**	**20,960**	**21,630**	**21,047**	**20,949**	**23,133**	**24,029**	**88,437**	**89,159**
Change (%)	9.9	-0.1	-7.4	-7.1	-10.0	-6.8	10.4	11.1	-1.4	0.8
EBITDA	**6,515**	**6,255**	**6,099**	**6,167**	**5,718**	**5,237**	**6,038**	**6,305**	**25,034**	**23,299**
EBITDA Margins (%)	27.9	27.8	29.1	28.5	27.2	25.0	26.1	26.2	28.3	26.1
Non-Operating Income	446	348	314	481	422	420	455	530	1,589	1,827
Interest	702	635	573	588	522	490	450	438	2,498	1,900
Depreciation	1094	1083	1104	1122	1125	1140	1150	1188	4,404	4,602
EO Exp / (Inc)	1,457	-135	9	203	0	0	0	0		0
PBT after EO items	**3,708**	**5,019**	**4,727**	**4,735**	**4,493**	**4,027**	**4,893**	**5,209**	**19,721**	**18,623**
Tax	1014	1407	1266	1278	1108	987	1199	1400	4,965	4,693
Eff. Tax Rate (%)	27.3	28.0	26.8	27.0	24.7	24.5	24.5	26.9	25.2	25.2
Rep. PAT	**2,694**	**3,612**	**3,461**	**3,456**	**3,385**	**3,041**	**3,694**	**3,809**	**14,756**	**13,930**
Change (%)	-13.5	4.4	-8.4	-11.3	25.6	-15.8	6.7	10.2	2.4	5.4
Adj. PAT	**3,787**	**3,510**	**3,468**	**3,608**	**3,385**	**3,041**	**3,694**	**3,809**	**13,223**	**13,930**
Change (%)	20.2	0.1	-4.8	-8.8	-10.6	-13.4	6.5	5.6	-7.2	-3.1

Bosch — Neutral

CMP: INR38,338 | TP: INR36,375 (-5%) — **EPS CHANGE (%): FY26E|27E: 1|2**

- We expect 11% YoY revenue growth, driven by aftermarket growth in the mobility division and pickup in demand in CV and 2Ws in 2Q.
- Margins to largely remain stable QoQ at 13.2%.
- As a result, we expect Bosch to post 12.5% YoY growth in PAT.

Quarterly performance (S/A) (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**43,168**	**43,943**	**44,657**	**49,106**	**47,886**	**48,777**	**50,016**	**51,909**	**180,874**	**198,587**
YoY Change (%)	3.8	6.4	6.2	16.0	10.9	11.0	12.0	5.7	8.1	9.8
RM Cost (% of sales)	64.6	65.1	61.6	62.4	62.3	63.2	63.0	63.8	63.4	63.1
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	7.1	8.4	8.5	8.5	8.3	8.1
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	17.2	15.2	15.3	14.4	15.6	15.5
EBITDA	**5,197**	**5,605**	**5,826**	**6,469**	**6,393**	**6,439**	**6,602**	**6,920**	**23,097**	**26,353**
Margins (%)	12.0	12.8	13.0	13.2	13.4	13.2	13.2	13.3	12.8	13.3
Depreciation	856	900	1,008	992	850	900	950	1,013	3,756	3,713
Interest	26	22	62	61	45	30	42	33	171	150
Other Income	1,793	2,089	1,891	2,369	2,881	2,150	2,200	2,262	8,142	9,493
PBT before EO expense	**6,108**	**6,772**	**6,647**	**7,785**	**8,379**	**7,659**	**7,810**	**8,136**	**27,312**	**31,984**
Extra-Ord expense	0	-485	471	0	5,560	0	0	0	0	0
PBT after EO Expense	**6,108**	**7,257**	**6,176**	**7,785**	**13,939**	**7,659**	**7,810**	**8,136**	**27,312**	**31,984**
Tax	1,453	1,898	1,594	2,248	2,785	2,030	1,953	2,243	7,193	9,011
Tax Rate (%)	23.8	26.2	25.8	28.9	20.0	26.5	25.0	27.6	26.3	28.2
Reported PAT	**4,655**	**5,359**	**4,582**	**5,537**	**11,154**	**5,629**	**5,858**	**5,893**	**20,119**	**22,973**
Adj PAT	**4,655**	**5,002**	**4,929**	**5,537**	**6,705**	**5,629**	**5,858**	**5,893**	**20,119**	**22,973**
YoY Change (%)	13.8	30.2	4.4	-1.9	44.0	12.5	18.8	6.4	11.4	14.2

E: MOFSL Estimates

Ceat — Buy

CMP: INR3,488| TP: INR4,105 (+18%) — **EPS CHANGE (%): FY26E|FY27E: -7|-10**

- OE demand was steady in 2Q, though replacement demand was weak, especially post Aug 15th, in anticipation of GST rate cuts as retailers refused to take stock at earlier rates. For exports, some greenshoots appeared in Europe. However, demand in US remained weak given tariff impact.
- We expect CEAT to post 10% revenue growth in 2Q.
- Input cost is expected to decline 1-2% QoQ.
- EBITDA margin is expected to improve 80bp YoY to 11.8%.
- Overall, PAT is likely to grow 16% YoY.
- CEAT would integrate Camso in 2Q. We have not considered Camso in our numbers as we await further clarity.

Consolidated - Quarterly Earning Model (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**31,928**	**33,045**	**32,999**	**34,206**	**35,294**	**36,350**	**36,629**	**38,115**	**132,179**	**146,388**
YoY Change (%)	8.8	8.2	11.4	14.3	10.5	10.0	11.0	11.4	10.7	10.7
RM cost (%)	60.8	62.6	63.2	62.5	63.2	62.0	61.5	60.6	62.3	61.8
Employee cost (%)	6.1	6.6	6.5	6.6	6.4	6.2	6.1	6.1	6.5	6.2
Other expenses (%)	21.1	19.8	20.0	19.5	19.4	20.0	20.0	20.2	20.1	19.9
EBITDA	**3,829**	**3,623**	**3,409**	**3,881**	**3,877**	**4,289**	**4,542**	**5,004**	**14,741**	**17,713**
Margins (%)	12.0	11.0	10.3	11.3	11.0	11.8	12.4	13.1	11.2	12.1
Depreciation	1,318	1,371	1,415	1,523	1,514	1,525	1,550	1,561	5,627	6,149
Interest	619	665	751	744	821	850	880	910	2,778	3,460
Other Income	62	35	34	45	47	45	50	78	176	220
PBT before EO expense	**1,954**	**1,622**	**1,278**	**1,659**	**1,590**	**1,959**	**2,162**	**2,612**	**6,512**	**8,323**
Exceptional item	-75	0	0	370	33	0	0	0	-296	0
PBT	**2,029**	**1,621**	**1,278**	**1,288**	**1,558**	**1,959**	**2,162**	**2,612**	**6,808**	**8,323**
Tax Rate (%)	26.6	28.6	28.3	27.6	26.9	27.0	26.0	25.0	25.3	26.0
MI & Profit of Asso. Cos.	-53	-61	-55	-63	14	15	-61	-153	-231	-185
Reported PAT	**1,542**	**1,219**	**971**	**995**	**1,125**	**1,415**	**1,660**	**2,111**	**5,319**	**6,344**
Adj PAT	**1,486**	**1,219**	**971**	**1,267**	**1,149**	**1,415**	**1,660**	**2,111**	**5,101**	**6,344**
YoY Change (%)	3	-41	-46	-16	-23	16	71	67	-26	24

CIE Automotive — Buy

CMP: INR413 | TP: INR495 (+20%) — **EPS CHANGE (%): CY25E|26E: 2|1**

- India business to post 2% YoY growth in revenue due to pick-up in key segments. EU business to post 25% YoY growth over a very low base of last year.
- Overall, consol. revenue is projected to grow 9% YoY.
- EBITDA margin is expected to largely remain stable QoQ at 14.1%.

Quarterly performance (Consol.)

(INR m)	CY24				CY25				CY24	CY25E
Y/E December	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**24,268**	**22,927**	**21,346**	**21,100**	**22,726**	**23,690**	**23,233**	**24,155**	**89,641**	**93,806**
YoY Change (%)	-0.5	-1.2	-6.4	-5.8	-6.4	3.3	8.8	14.5	-3.4	4.6
EBITDA	**3,606**	**3,600**	**3,306**	**2,993**	**3,355**	**3,368**	**3,278**	**3,532**	**13,506**	**13,534**
Margins (%)	14.9	15.7	15.5	14.2	14.8	14.2	14.1	14.6	15.1	14.4
Depreciation	863	836	798	809	864	871	788	835	3,306	3,358
Interest	220	211	169	175	126	16	140	180	776	456
Other Income	513	306	243	336	361	221	242	289	1,396	1,112
Share of profit from associates	4	6	19	-2	5	7	7	9	27	28
PBT before EO expense	**3,035**	**2,859**	**2,581**	**2,344**	**2,725**	**2,701**	**2,592**	**2,806**	**10,820**	**10,832**
Tax Rate (%)	24.3	24.5	25.3	23.6	24.6	25.1	24.6	23.2	24.4	24.3
Adj. PAT	**2,302**	**2,164**	**1,947**	**1,790**	**2,060**	**2,030**	**1,962**	**2,164**	**8,203**	**8,223**
YoY Change (%)	4.5	1.3	4.3	1.1	-10.5	-6.2	0.8	20.9	2.8	0.2
Revenues										
India	14,275	15,047	15,270	14,430	14,658	15,154	15,642	16,352	58,309	61,806
Growth (%)	-1	5	-1	-3	3	6	2	13	-1	6
EU	9,994	7,879	6,077	6,670	8,069	8,536	7,591	7,804	29,098	31,999
Growth (%)	0	-11	-18	-12	-19	-1	25	17	-14	10
EBITDA Margins										
India	15.1	15.5	15.6	14.6	15.7	15.7	15.1	15.0	15.7	15.4
EU	14.6	16.1	15.2	13.2	13.1	11.7	12.1	13.7	15.0	12.6

Craftsman Auto — Neutral

CMP: INR6,725 | TP: INR6,391 (-5%) — **EPS CHANGE (%): FY26E|FY27E: -|-4**

- Standalone revenue likely to grow ~18% YoY, led by steady growth in aluminum segment and recovery in powertrain segment.
- Consolidated revenue is likely to grow 51% YoY due to integration of Sunbeam and Fornsburg.
- Consolidated margins to largely remain stable QoQ at 15.1% as bulk of the expected margin improvement came in 1Q.

Quarterly (Consol) — **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net operating income	**11,512**	**12,140**	**15,761**	**17,493**	**17,840**	**18,319**	**18,824**	**19,395**	**56,905**	**74,379**
Change (%)	10.9	3.0	39.5	58.3	55.0	50.9	19.4	10.9	27.8	30.7
RM/Sales (%)	56.3	55.6	52.7	54.2	53.9	53.9	54.0	54.2	54.5	54.0
Staff Cost (% of Sales)	6.4	6.9	8.5	8.3	8.1	8.0	8.0	8.1	7.7	8.1
Other Exp. (% of Sales)	20.1	21.6	26.2	23.6	23.2	23.0	22.6	21.9	23.2	22.6
EBITDA	**1,973**	**1,928**	**1,990**	**2,436**	**2,649**	**2,766**	**2,899**	**3,058**	**8,327**	**11,373**
EBITDA Margins (%)	17.1	15.9	12.6	13.9	14.9	15.1	15.4	15.8	14.6	15.3
Non-Operating Income	48	64	86	52	50	55	58	50	251	213
Interest	492	413	583	679	663	600	550	440	2166	2253
Depreciation	725	762	1035	949	1019	1100	1150	1223	3470	4492
MI/Share of Profit	61	-4	-2	-2	-2	0	0	0	-10	0
PBT after EO items	**744**	**821**	**313**	**755**	**937**	**1,121**	**1,257**	**1,446**	**2,951**	**4,841**
Eff. Tax Rate (%)	28.5	24.9	58.6	11.6	25.7	23.0	23.0	22.5	23.3	23.0
Rep. PAT	**532**	**617**	**129**	**668**	**696**	**863**	**968**	**1,120**	**2,263**	**3,728**
Change (%)	-28.6	-34.7	-82.3	7.1	30.9	39.9	648.5	67.8	-25.7	64.7
Adj. PAT	**532**	**617**	**242**	**750**	**757**	**863**	**968**	**1,120**	**2,263**	**3,728**
Change (%)	-28.6	-34.7	-66.9	20.3	42.3	39.9	299.3	49.5	-25.7	64.7

E: MOFSL Estimates

Eicher Motors — Sell

CMP: INR7,005 | TP: INR5,772 (-18%) — **EPS CHANGE (%): FY26E|FY27E: 2|2**

- RE has significantly outperformed the industry with 43% YoY volume growth in 2Q.
- On the back of strong volume growth, we expect margins to improve +160bp QoQ.
- VECV: It has underperformed CV industry and posted 5% YoY growth. We expect margin to improve 160bp YoY (-30bp QoQ) to 8.7%.
- Overall, we expect consol PAT to grow 31% YoY for EIM.

Quarterly performance (Consolidated)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Operating income	**43,931**	**42,631**	**49,731**	**52,411**	**50,418**	**60,781**	**51,979**	**59,048**	**188,704**	**222,227**
Growth (%)	10.2	3.6	19.0	23.1	14.8	42.6	4.5	12.7	14.1	34.4
EBITDA	**11,654**	**10,877**	**12,012**	**12,577**	**12,028**	**15,545**	**12,906**	**14,780**	**47,120**	**55,258**
EBITDA Margins (%)	26.5	25.5	24.2	24.0	23.9	25.6	24.8	25.0	25.0	24.9
PAT	**9,269**	**9,866**	**10,070**	**11,142**	**10,481**	**12,819**	**10,255**	**10,672**	**40,346**	**44,227**
Share of JV Loss/(PAT)/ Min. Int.	-1,746	-1,138	-1,635	-2,480	-1,571	-1,603	-1,867	-3,409	-6,998	-8,451
Recurring PAT	**11,015**	**11,003**	**11,705**	**13,622**	**12,052**	**14,422**	**12,122**	**14,082**	**47,344**	**52,678**
Growth (%)	19.9	8.3	17.5	27.3	9.4	31.1	3.6	3.4	18.3	31.7
Standalone (Royal Enfield)										
Royal Enfield ('000 units)	**227**	**228**	**272**	**283**	**266**	**326**	**278**	**305**	**1,010**	**1,010**
Growth (%)	-0.4	-0.6	19.4	24.2	17.0	43.2	2.1	8.0	10.6	10.6
Net Realn (INR '000/unit)	**186**	**185**	**180**	**181**	**185**	**185**	**185**	**186**	**183**	**185**
Change - YoY (%)	8.8	7.7	1.4	-1.9	-0.9	0.0	2.5	2.7	3.7	5.0
Net operating income	**42,313**	**42,054**	**49,081**	**51,066**	**49,084**	**60,233**	**51,362**	**56,646**	**184,515**	**217,325**
Growth (%)	8.5	7.0	21.1	21.8	16.0	43.2	4.6	10.9	43.5	69.0
EBITDA	**11,786**	**11,049**	**12,237**	**12,609**	**12,313**	**16,098**	**13,388**	**14,908**	**47,680**	**56,706**
EBITDA Margins (%)	27.9	26.3	24.9	24.7	25.1	26.7	26.1	26.3	25.8	26.1
Recurring PAT	**10,880**	**10,099**	**10,562**	**11,251**	**13,065**	**13,251**	**11,290**	**11,916**	**42,793**	**49,522**
Growth (%)	19.1	7.6	15.6	14.4	20.1	31.2	6.9	5.9	14.1	32.1

Endurance Technologies — Buy

CMP: INR2,812 | TP: INR3,311 (+18%) — **EPS CHANGE (%): FY26E|FY27E: -1|1**

- India business to grow 10% YoY on the back of a steady revival in OEM demand in 2Q.
- India EBITDA margin to improve 50bp YoY to 13%.
- Europe revenue to grow 33% YoY on Stoferle acquisition.
- Expect EBITDA margin to improve 100bp YoY to 17%.
- Consolidated PAT to grow 21% YoY in 2Q.

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**28,255**	**29,127**	**28,592**	**29,635**	**33,189**	**34,702**	**36,783**	**38,343**	**115,608**	**143,018**
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	19.1	28.7	29.4	12.9	23.7
EBITDA	**3,741**	**3,820**	**3,725**	**4,225**	**4,439**	**4,651**	**5,028**	**5,417**	**15,511**	**19,535**
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.4	13.7	14.1	13.4	13.7
Depreciation	1,288	1,311	1,364	1,424	1,644	1,630	1,680	1,694	5,387	6,649
Interest	112	116	115	125	135	107	98	126	468	466
Other Income	339	265	219	346	356	290	310	307	1,170	1,264
PBT before EO expense	**2,680**	**2,658**	**2,466**	**3,022**	**3,016**	**3,204**	**3,560**	**3,905**	**10,825**	**13,684**
Exceptional Item	0	0	0	-122	0	0	0	0	-122	0
PBT after EO	**2,680**	**2,658**	**2,466**	**3,144**	**3,016**	**3,204**	**3,560**	**3,905**	**10,947**	**13,684**
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	23.2	22.5	23.7	23.6	23.5
Adj. PAT	**2,039**	**2,030**	**1,844**	**2,359**	**2,264**	**2,460**	**2,760**	**2,978**	**8,270**	**10,462**
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	21.2	49.7	26.3	20.7	26.5

ESCORTS — Neutral

CMP: INR3,637 | TP: INR3,683 (+1.3%) — **EPS CHANGE (%): FY26E|FY27E: 7 |5**

- After a subdued 1% growth in 1Q, Escorts bounced back strongly in 2Q and posted 30% YoY growth in tractor volumes, in line with strong pickup in industry demand.
- With strong pickup in volumes, margin to expand 50bp QoQ (+330bp YoY over low base) to 13.6%.
- PAT is likely to grow 22% YoY largely due to strong tractor growth and resultant margin expansion.

Standalone Quarterly Performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**25,563**	**22,649**	**29,354**	**24,303**	**24,834**	**27,588**	**31,313**	**28,391**	**101,870**	**112,126**
YoY Change (%)	9.8	-8.1	8.5	6.1	-2.9	21.8	6.7	16.8	4.1	14.6
Total Expenditure	22,394	20,321	26,001	21,374	21,584	23,836	27,023	24,658	90,091	97,101
EBITDA	**3,169**	**2,328**	**3,353**	**2,929**	**3,250**	**3,752**	**4,290**	**3,733**	**11,778**	**15,025**
Margins (%)	12.4	10.3	11.4	12.1	13.1	13.6	13.7	13.1	11.6	13.4
Depreciation	590	610	612	615	591	620	630	643	2,426	2,484
Interest	101	92	31	47	36	35	40	39	270	150
Other Income	1,024	1,152	1,092	1,316	1,556	1,650	1,702	1,742	4,584	6,650
PBT	**3,502**	**2,778**	**3,802**	**3,313**	**4,939**	**4,747**	**5,322**	**4,793**	**13,395**	**18,281**
Rate (%)	24.0	-8.9	23.6	24.3	24.5	22.0	23.0	22.4	17.1	24.9
Adj. PAT	**2,662**	**3,027**	**2,905**	**2,710**	**3,153**	**3,703**	**4,098**	**3,720**	**11,465**	**15,820**
YoY Change (%)	-5.9	41.9	7.7	9.1	18.5	22.3	41.1	37.3	21.6	67.8
Margins (%)	10.4	13.4	9.9	11.1	12.7	13.4	13.1	13.1	11.3	14.1

Exide Industries — Neutral

CMP: INR395 | TP: INR404 (+2%) — **EPS CHANGE (%): FY26E|FY27E: 6|6**

- We expect Exide to post 4% YoY growth in revenue to INR44.4b.
- We expect EBITDA margins to largely remain stable QoQ.
- Overall, we expect 2Q PAT to grow 10% YoY.

S/A Quarterly Performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**43,128**	**42,673**	**38,486**	**41,594**	**45,098**	**44,380**	**45,414**	**45,602**	**165,881**	**180,493**
Growth YoY (%)	5.9	3.9	0.2	3.7	4.6	4.0	18.0	9.6	3.5	8.8
RM cost (%)	69.3	68.5	68.0	68.8	69.2	69.0	68.5	67.8	68.7	68.6
Employee cost (%)	6.1	6.3	6.8	6.3	3.4	2.9	9.2	13.5	6.4	6.3
Other Exp (%)	13.1	13.9	13.5	13.7	12.6	12.6	12.8	13.0	13.6	12.8
EBITDA	**4,943**	**4,836**	**4,486**	**4,667**	**5,482**	**5,414**	**5,631**	**5,816**	**18,931**	**22,344**
EBITDA Margin (%)	11.5	11.3	11.7	11.2	12.2	12.2	12.4	12.8	11.4	12.4
Change (%)	14.4	0.1	2.0	-9.6	10.9	12.0	25.5	24.6	1.2	7.6
Non-Operating Income	142	528	132	161	182	398	144	196	962	919
Interest	87	103	120	130	91	130	127	157	439	505
Depreciation	1,257	1,270	1,244	1,268	1,276	1,290	1,350	1,385	5,039	5,301
PBT after EO Exp	**3,741**	**3,991**	**3,253**	**3,430**	**4,297**	**4,392**	**4,298**	**4,470**	**14,415**	**17,457**
Effective Tax Rate (%)	25.3	25.4	24.7	25.8	25.4	25.6	24.8	25.4	0.0	25.3
Adj. PAT	**2,796**	**2,978**	**2,450**	**2,546**	**3,205**	**3,268**	**3,232**	**3,336**	**10,769**	**13,041**
Change (%)	15.6	3.8	2.0	-10.3	14.6	9.7	31.9	31.0	2.3	21.1

Happy Forgings — Buy

CMP: INR925 | TP: INR1147 (+24%) — **EPS CHANGE (%): FY26E|27E: -3|-**

- Key segments in domestic market (CVs and tractors) have picked up in 2Q. Expect revenue growth of 7% QoQ/5% YoY.
- No material impact of US tariffs as its US exposure is below 3% of revenue, including indirect exports.
- EBITDA margins to marginally improve QoQ to 28.8%.
- We expect 8% YoY earnings growth in 2Q.

Quarterly (Standalone) — **(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net operating income	**3,415**	**3,611**	**3,543**	**3,520**	**3,538**	**3,792**	**3,827**	**3,999**	**14,089**	**15,155**
Change (%)	3.5	5.3	3.6	2.5	3.6	5.0	8.0	13.6	3.7	7.6
RM/Sales (%)	43.5	41.2	42.0	41.3	42.1	42.0	42.0	41.9	42.0	42.0
Staff Cost (%)	8.5	8.5	9.3	9.2	9.1	9.0	9.0	8.9	8.9	9.0
Other Exp. (%)	19.4	21.2	20.1	20.4	20.3	20.2	20.2	19.8	20.3	20.1
EBITDA	**976**	**1,054**	**1,015**	**1,023**	**1,012**	**1,092**	**1,102**	**1,178**	**4,067**	**4,383**
EBITDA Margins (%)	28.6	29.2	28.6	29.1	28.6	28.8	28.8	29.5	28.9	28.9
Non-Operating Income	77	83	66	101	104	108	107	109	376	428
Interest	14	16	21	24	23	22	23	21	75	89
Depreciation	180	197	191	203	206	220	235	239	771	899
EO Exp		-48			0	0	0	0		0
PBT after EO items	**859**	**973**	**868**	**897**	**886**	**958**	**951**	**1,027**	**3,597**	**3,822**
Tax	220	259	223	219	230	240	244	265	921	979
Eff. Tax Rate (%)	25.6	26.6	25.7	24.4	25.9	25.0	25.7	25.8	25.6	25.6
Rep. PAT	**639**	**714**	**645**	**678**	**657**	**719**	**707**	**762**	**2,676**	**2,844**
Change (%)	-0.3	29.3	11.4	3.0	2.9	0.6	9.5	12.4	-68.1	6.3
Adj. PAT	**639**	**666**	**645**	**678**	**657**	**719**	**707**	**762**	**2,676**	**2,844**
Change (%)	-0.3	20.6	11.4	3.0	2.9	7.8	9.5	12.4	10.1	6.3

E: MOFSL Estimates

Hero MotoCorp — Buy

CMP: INR5,430 | TP: INR6,315 (+16%) — **EPS CHANGE (%): FY26E|FY27E: 3 |4**

- HMCL has made a smart comeback in 2Q, posting 11% YoY volume growth and strong 24% QoQ growth. Its EV mix has increased to 2.3% of total volumes from 1.1% YoY. Its exports mix has also increased to 7.7% from 4.2% YoY.
- Given healthy volumes and stable input costs, we expect margins to improve 70bp YoY to 15.2%.
- On the back of healthy volume growth and margin expansion, PAT is expected to grow 20% YoY in 2Q.

Quarterly Performance (S/A)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,691	1,520	1,523	5,899	6,101
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	11.3	3.8	10.3	4.9	8.5
Net Realization	66,076	68,851	69,755	71,991	70,069	70,228	71,499	71,678	68,945	70,871
Growth YoY (%)	1.9	3.3	4.7	5.3	6.0	2.0	2.5	-0.4	3.5	6.4
Net Op Revenues	**1,01,437**	**1,04,632**	**1,02,108**	**99,387**	**95,789**	**118,735**	**108,679**	**109,151**	**406,719**	**432,353**
Growth YoY (%)	15.7	10.8	5.0	4.4	-5.6	13.5	6.4	9.8	8.6	15.4
Total Cost	86,840	89,473	87,343	85,231	81,972	100,704	92,237	92,717	348,887	367,630
RM Cost (% sales)	67.7	66.7	65.8	65.5	66.7	67.2	66.4	66.0	66.6	66.6
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.5	5.6	6.0	6.1	6.4	6.0
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.3	12.0	12.5	12.8	12.8	12.4
EBITDA	**14,598**	**15,159**	**14,765**	**14,156**	**13,817**	**18,031**	**16,441**	**16,434**	**57,832**	**64,723**
EBITDA Margins (%)	14.4	14.5	14.5	14.2	14.4	15.2	15.1	15.1	14.2	15.0
Other Income	2,317	2,830	3,175	2,237	3,037	3,100	2,750	2,970	10,559	11,857
Interest	48	49	55	47	56	55	40	50	199	201
Depreciation	1,932	1,937	1,969	1,921	1,928	1,950	1,975	1,985	7,759	7,838
PBT before EO Exp/(Inc)	**14,935**	**16,003**	**15,916**	**14,425**	**14,870**	**19,126**	**17,176**	**17,369**	**60,434**	**68,541**
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.3	24.5	24.5	24.8	25.1	24.6
Adj. PAT	**11,226**	**12,035**	**12,028**	**10,809**	**11,257**	**14,432**	**12,961**	**13,060**	**45,255**	**51,711**
Growth (%)	18.7	14.2	12.1	6.4	0.3	19.9	7.8	20.8	10.7	26.5

Hyundai Motor — Buy

CMP: INR2,537 | TP: INR2,979 (+17%) — **EPS CHANGE (%): FY26E|FY27E: 6 |0**

- Hyundai posted 0.5% YoY decline in volumes in 2Q. Exports were the key growth driver with mix improving to 27% from 22% YoY. Product mix was also favorable as Hyundai sold more SUVs than cars in 2Q.
- Amid weak demand, marketing spends to remain high QoQ. TN incentives expected to flow in from mid-2Q.
- We expect EBITDA margin to improve 70bp YoY to 13.5%, led by improved mix.

Consol Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volumes ('000 units)	192.1	191.9	186.4	191.7	180.4	190.9	197.6	205.2	762.1	774.1
Change (%)	4.7	-8.5	-2.4	-1.1	-6.1	-0.5	6.0	7.1		1.6
Realizations (INR/car)	9,03,085	8,99,264	8,93,094	9,36,096	909,810	910,055	919,887	928,386	907,982	917,366
Change (%)	-0.4	1.1	1.1	2.6	0.7	1.2	3.0	-0.8		1.0
Net operating revenues	**1,73,442**	**1,72,604**	**1,66,480**	**1,79,403**	**164,129**	**173,749**	**181,763**	**190,484**	**691,929**	**710,125**
Change (%)	4.3	-7.5	-1.3	1.5	-5.4	0.7	9.2	6.2		2.6
RM Cost (% of sales)	71.9	72.5	73.1	71.2	70.7	71.0	71.5	71.5	72.2	71.2
Staff Cost (% of sales)	3.2	3.2	3.6	3.4	3.8	3.5	3.6	3.5	3.3	3.6
Other Cost (% of sales)	11.5	11.5	12.0	11.3	12.2	12.0	12.5	11.7	11.5	12.1
EBITDA	**23,402**	**22,053**	**18,755**	**25,327**	**21,852**	**23,385**	**22,525**	**25,264**	**89,538**	**93,026**
EBITDA Margins (%)	13.5	12.8	11.3	14.1	13.3	13.5	12.4	13.3	12.9	13.1
Depreciation	5,290	5,185	5,274	5,304	5,281	5,400	6,100	6,504	21,053	23,285
EBIT	**18,112**	**16,868**	**13,482**	**20,023**	**16,571**	**17,985**	**16,425**	**18,760**	**68,485**	**69,741**
EBIT Margins (%)	10.4	9.8	8.1	11.2	10.1	10.4	9.0	9.8	9.9	9.8
Interest	316	292	299	365	247	260	240	273	1,272	1,020
Non-Operating Income	2,238	1,923	2,445	2,096	2,148	2,200	2,500	2,782	8,700	9,630
PBT	**20,033**	**18,498**	**15,627**	**21,754**	**18,472**	**19,925**	**18,685**	**21,269**	**75,913**	**78,352**
Tax	5,137	4,744	4,020	5,611	4,780	5,081	4,765	5,354	19,511	19,980
Effective Tax Rate (%)	25.6	25.6	25.7	25.8	25.9	25.5	25.5	25.2	25.7	25.5
Adjusted PAT	**14,896**	**13,755**	**11,607**	**16,143**	**13,692**	**14,844**	**13,920**	**15,915**	**56,402**	**58,372**
Change (%)	12.1	-15.5	-18.6	-3.7	-8.1	7.9	19.9	-1.4	-6.9	3.5

Mahindra & Mahindra — Buy

CMP: INR3,463 | TP: INR4,091 (+18%) — **EPS CHANGE (%): FY26E|FY27E: 1|5**

- MM posted strong 13% YoY growth in PVs (incl. PikUp) and a much stronger 32% YoY growth in tractors.
- For auto segment, margins are likely to remain stable QoQ. It is still unclear as to who will bear the cess impact and hence this is unlikely to have any bearing on 2Q nos.
- Overall, we expect auto segment margins to decline 90bp YoY to 8.6%. Tractor segment margins are likely to remain healthy (+130bp YoY to 18.8%).
- Other income is expected to be seasonally high due to dividend income from subsidiaries.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Total Volumes (nos)	315,366	301,457	343,654	319,447	360,779	349,807	382,069	341,728	1,279,924	1,437,107
Growth YoY (%)	4.7	-0.5	17.8	15.3	14.4	16.0	11.2	7.0	14.0	12.3
Net Realization	857,378	914,003	888,633	981,490	944,712	941,122	929,113	999,445	910,083	950,916
Growth YoY (%)	7.0	13.5	2.2	8.0	10.2	3.0	4.6	1.8	3.1	4.5
Revenue from Operations	**270,388**	**275,533**	**305,382**	**313,534**	**340,832**	**329,211**	**354,986**	**341,538**	**1,164,837**	**1,366,567**
Growth YoY (%)	12.0	12.9	20.3	24.5	26.1	19.5	16.2	8.9	17.5	17.3
RM Cost (% of sales)	73.7	74.2	74.4	74.1	74.5	75.0	75.0	74.8	74.1	75.2
Staff (% of sales)	4.3	4.2	4.2	4.0	4.5	4.8	5.1	4.1	4.2	3.9
Oth. Exp. (% of Sales)	7.0	7.3	6.7	6.9	5.8	7.1	6.5	6.0	7.0	6.3
EBITDA	**40,222**	**39,497**	**44,681**	**46,825**	**48,840**	**46,154**	**51,683**	**52,013**	**171,226**	**198,690**
EBITDA Margins (%)	14.9	14.3	14.6	14.9	14.3	14.0	14.6	15.2	14.7	14.5
Change (%)	22.4	26.4	35.6	42.0	21.4	16.9	15.7	11.1	30.3	16.0
Other inc. (incl Inc. from Invest)	3,515	19,978	6,063	493	6,431	20,976	4,100	794	30,048	32,301
Interest	529	551	614	810	559	500	400	426	2,505	1,885
Depreciation	9,146	9,614	10,451	13,058	9,999	10,500	10,900	13,064	42,268	44,463
EBIT	**31,076**	**29,884**	**34,231**	**33,768**	**38,841**	**35,654**	**40,783**	**38,949**	**128,958**	**154,227**
PBT after EO	**34,062**	**49,310**	**39,679**	**33,450**	**44,713**	**56,131**	**44,483**	**39,317**	**156,501**	**184,643**
Tax	7,936	10,901	10,036	9,079	10,214	13,191	8,656	7,638	37,952	39,698
Effective Tax Rate (%)	23.3	22.1	25.3	27.1	22.0	23.5	19.5	19.4	24.3	21.5
Adj PAT	**26,126**	**38,409**	**29,643**	**24,371**	**34,498**	**42,940**	**35,827**	**31,679**	**118,550**	**144,945**
Change (%)	23.2	13.2	19.1	21.9	32.0	11.8	20.9	30.0	11.4	22.3

Maruti Suzuki — Buy

CMP: INR15,971 | TP: INR18,501 (+16%) — **EPS CHANGE (%): FY26E|FY27E: -1|2**

- MSIL reported just 2% YoY growth in volumes due to challenging demand in domestic market for bulk of 2Q. Exports mix improved 200bp QoQ to 20%.
- EBITDA margin to be under pressure at 9.8% (-210bp YoY) as benefits from operating leverage are likely to be more than offset by higher discounts and new launch expenses QoQ.
- We expect MSIL to post 8% YoY growth in PAT in 2Q.

S/A Quarterly Performance (INR M)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volumes ('000 units)	521.9	541.6	566.2	604.6	527.9	550.9	605.8	662.7	2,234.3	2,347.2
Change (%)	4.8	-1.9	13.0	3.5	1.1	1.7	7.0	9.6	4.9	10.3
Realizations (INR/car)	6,80,850	6,86,969	6,79,817	6,72,700	727,722	7,28,187	7,07,009	6,90,633	6,79,866	7,12,014
Change (%)	4.9	2.3	2.3	2.8	6.9	6.0	4.0	2.7	2.7	7.6
Net operating revenues	**3,55,314**	**3,72,028**	**3,84,921**	**4,06,738**	**384,136**	**4,01,139**	**4,28,340**	**4,57,648**	**15,19,001**	**16,71,264**
Change (%)	9.9	0.4	15.6	6.4	8.1	7.8	11.3	12.5	7.8	10.0
RM Cost (% of sales)	70.2	71.9	71.6	71.9	72.2	72.8	72.4	72.6	71.4	72.5
Staff Cost (% of sales)	4.4	3.9	4.0	3.9	4.6	4.3	4.0	3.8	4.0	4.2
Other Cost (% of sales)	12.8	12.3	12.8	13.8	12.8	13.1	12.2	11.5	12.8	12.4
EBITDA	**45,023**	**44,166**	**44,703**	**42,647**	**39,953**	**39,229**	**48,700**	**55,389**	**1,77,852**	**1,83,270**
EBITDA Margins (%)	12.7	11.9	11.6	10.5	10.4	9.8	11.4	12.1	11.7	11.0
Depreciation	7,310	7,509	8,050	8,724	9,375	9,400	9,500	9,780	31,593	38,055
EBIT	**37,713**	**36,657**	**36,653**	**33,923**	**30,578**	**29,829**	**39,200**	**45,609**	**1,46,259**	**1,45,215**
EBIT Margins (%)	10.6	9.9	9.5	8.3	8.0	7.4	9.2	10.0	9.6	8.7
Interest	573	402	484	472	466	450	460	458	1,931	1,834
Non-Operating Income	9,751	14,750	9,850	14,466	18,230	14,155	13,500	13,519	47,504	59,404
PBT	**46,891**	**51,005**	**46,019**	**47,917**	**48,342**	**43,534**	**52,240**	**58,669**	**1,91,832**	**2,02,785**
Effective Tax Rate (%)	22.2	39.8	23.4	22.6	23.2	24.0	24.0	24.6	27.3	24.0
Adjusted PAT	**36,499**	**30,692**	**35,250**	**37,111**	**37,117**	**33,086**	**39,702**	**44,212**	**1,39,552**	**1,54,116**
Change (%)	46.9	-17.4	12.6	-4.3	1.7	7.8	12.6	19.1	5.6	10.4

Samvardhana Motherson Sumi — Buy

CMP: INR106| TP: INR123 (+16%) — **EPS CHANGE (%): FY26E|FY27E: -4|2**

- Execution of healthy order book, integration benefits from recent acquisitions and currency translation gains should help offset demand weakness in end markets. Expect 2Q revenue growth of 7% YoY.
- On the back of higher input costs and weak demand, we expect margins to decline 100bp YoY to 7.8%.
- As a result, we expect earnings to decline 15% YoY.

Quarterly performance (Consol.) (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**2,88,680**	**2,78,119**	**2,76,659**	**2,93,168**	**302,120**	**298,356**	**314,783**	**322,744**	**1,136,626**	**1,238,003**
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	7.3	13.8	10.1	15.4	8.9
EBITDA	**27,753**	**24,479**	**26,858**	**26,429**	**24,583**	**23,415**	**27,862**	**29,474**	**105,519**	**105,334**
Margins (%)	9.6	8.8	9.7	9.0	8.1	7.8	8.9	9.1	9.3	8.5
Depreciation	10,646	11,028	11,124	12,137	12,297	12,350	12,500	12,787	44,934	49,934
Interest	4,445	5,462	4,661	4,256	4,250	4,100	4,000	4,289	18,824	16,639
Other income	709	862	1,112	1,164	805	1,250	1,650	1,928	5,577	5,633
PBT before EO expense	**13,371**	**8,852**	**12,185**	**11,200**	**8,841**	**8,215**	**13,012**	**14,326**	**47,338**	**44,394**
Extra-Ord expense	0	-1,730	0	1,730	1,365	0	0	0	0	1,365
PBT after EO Expense	**13,371**	**10,582**	**12,185**	**9,470**	**7,476**	**8,215**	**13,012**	**14,326**	**47,338**	**43,029**
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	27.0	27.0	22.5	23.6	26.2
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-343	-414	-302	-1,848	-1,359
Reported PAT	**9,942**	**8,797**	**8,786**	**8,775**	**5,118**	**6,340**	**9,913**	**11,399**	**38,030**	**32,770**
Adj PAT	**9,942**	**7,470**	**8,790**	**10,030**	**6,210**	**6,340**	**9,913**	**11,399**	**38,030**	**33,766**
YoY Change (%)	65.5	65.7	62.2	9.4	-37.5	-15.1	12.8	13.6	51.5	-11.2

E: MOFSL Estimates

Motherson Wiring India — Buy

CMP: INR46| TP: INR53 (+16%) — **EPS CHANGE (%): FY26E|FY27E: -2|-**

- Revenue likely to grow 12% YoY to INR26b, aided by ramp-up of new plants.
- EBITDA margins to gradually improve QoQ as plants ramp-up. Expect margins to be down 30bp YoY at 10.4%.
- We expect 7% YoY earnings growth for 2Q.

MSUMI: Quarterly performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**21,848**	**23,256**	**23,003**	**25,095**	**24,940**	**26,047**	**26,453**	**27,878**	**93,203**	**105,319**
YoY Change (%)	16.7	10.5	8.8	12.4	14.2	12.0	15.0	11.1	11.9	13.0
RM Cost (% of sales)	65.1	64.9	64.9	65.7	64.7	64.7	64.6	64.1	65.2	64.5
Staff Cost (% of sales)	17.2	17.3	17.9	16.5	19.1	18.5	18.4	18.3	17.2	18.6
Other Expenses (% of sales)	6.7	7.1	6.8	7.0	6.4	6.4	6.4	6.7	6.9	6.5
EBITDA	**2,388**	**2,496**	**2,376**	**2,712**	**2,443**	**2,708**	**2,791**	**3,044**	**9,972**	**10,985**
Margins (%)	10.9	10.7	10.3	10.8	9.8	10.4	10.6	10.9	10.7	10.4
Depreciation	399	444	470	476	492	515	525	566	1,789	2,098
Interest	55	72	66	55	63	58	55	54	248	230
Other Income	50	48	6	16	9	20	25	24	119	77
PBT before EO expense	**1,984**	**2,027**	**1,846**	**2,197**	**1,896**	**2,155**	**2,236**	**2,447**	**8,055**	**8,734**
PBT after EO Expense	**1,984**	**2,027**	**1,846**	**2,197**	**1,896**	**2,155**	**2,236**	**2,447**	**8,055**	**8,734**
Tax Rate (%)	25	25	24	25	25	25	25	24	25	25
Reported PAT	**1,489**	**1,521**	**1,400**	**1,649**	**1,431**	**1,627**	**1,689**	**1,848**	**6,060**	**6,595**
Adj PAT	**1,489**	**1,521**	**1,400**	**1,649**	**1,431**	**1,627**	**1,689**	**1,848**	**6,060**	**6,595**
YoY Change (%)	20.9	-2.4	-16.6	-13.8	-3.9	7.0	20.6	12.1	-5.1	8.8

E: MOFSL Estimates

MRF — Sell

CMP: INR1,48,630 | TP: INR125,764 (-15%) — **EPS CHANGE (%): FY26E|FY27E: 4 |7**

- Expect 12% YoY revenue growth, due to a low base and steady growth in OE demand.
- We expect EBITDA margin to improve 50bp QoQ to 14.2%, led by reduced input costs.

Standalone - Quarterly Earning Model (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**70,778**	**67,604**	**68,832**	**69,438**	**75,603**	**75,716**	**76,403**	**76,910**	**276,652**	**304,632**
YoY Change (%)	11.9	11.1	13.8	11.7	6.8	12.0	11.0	10.8	12.1	10.1
Total Expenditure	59,400	57,869	60,814	59,011	65,259	64,964	65,096	65,049	237,094	260,368
EBITDA	**11,378**	**9,734**	**8,018**	**10,428**	**10,343**	**10,752**	**11,308**	**11,861**	**39,559**	**44,264**
Margins (%)	16.1	14.4	11.6	15.0	13.7	14.2	14.8	15.4	14.3	14.5
Depreciation	3,943	4,079	4,143	4,310	4,270	4,380	4,470	4,628	16,474	17,747
Interest	754	667	711	782	822	800	820	570	2,914	3,011
Other Income	827	1,121	966	1,115	1,255	1,125	1,050	1,007	4,029	4,437
PBT before EO expense	**7,509**	**6,109**	**4,130**	**6,451**	**6,507**	**6,697**	**7,068**	**7,671**	**24,199**	**27,942**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,509**	**6,109**	**4,130**	**6,451**	**6,507**	**6,697**	**7,068**	**7,671**	**24,199**	**27,942**
Tax	1,883	1,555	1,063	1,472	1,665	1,681	1,823	1,956	5,974	7,125
Rate (%)	25.1	25.4	25.7	22.8	25.6	25.1	25.8	25.5	24.7	25.5
Reported PAT	**5,625**	**4,554**	**3,067**	**4,978**	**4,842**	**5,016**	**5,244**	**5,715**	**18,225**	**20,817**
Adj PAT	**5,625**	**4,554**	**3,067**	**4,978**	**4,842**	**5,016**	**5,244**	**5,715**	**18,225**	**20,817**
YoY Change (%)	-3.3	-20.4	-39.6	6.1	-13.9	10.1	71.0	14.8	-14.4	14.2
Margins (%)	7.9	6.7	4.5	7.2	6.4	6.6	6.9	7.4	6.6	6.8

Sona Comstar — Neutral

CMP: INR414| TP: INR447 (8%) — **EPS CHANGE (%): FY26E|FY27E: 4|3**

- Core business (ex tractors) revenue may decline 4% YoY but pick up QoQ. Revenue decline YoY is largely due to the slowdown in the US market and weak ramp-up at one of its key EV customers. We understand that availability of rare earth has been better in 2Q QoQ.
- We expect the core business to post 50bp margin improvement QoQ (-290bp YoY).
- Overall, we expect the PAT for the core business to decline 10% YoY to INR1.4b led by continued margin pressure.

Quarterly Performance(ex tractor)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net operating revenues	**8,930**	**9,251**	**8,680**	**8,494**	**8,013**	**8,883**	**9,515**	**9,833**	**35,545**	**35,254**
Change (%)	22.0	17.0	11.8	-4.0	-10.3	-4.0	9.6	15.8	11.6	-0.8
EBITDA	**2,512**	**2,549**	**2,342**	**2,160**	**1,936**	**2,194**	**2,379**	**2,500**	**9,753**	**9,009**
EBITDA Margins (%)	28.1	27.6	27.0	25.4	24.2	24.7	25.0	25.4	27.4	24.9
Depreciation	606	626	666	646	650	680	730	780	2,544	2,840
EBIT	**1,905**	**1,923**	**1,677**	**1,513**	**1,286**	**1,514**	**1,649**	**1,720**	**7,209**	**6,169**
EBIT Margins (%)	21.3	20.8	19.3	17.8	16.1	17.0	17.3	17.5	20.3	17.0
Interest	86	106	58	52	50	35	45	52	302	182
Non-Operating Income	70	210	468	522	427	350	250	331	1,269	1,358
PBT	**1,889**	**1,918**	**2,030**	**2,147**	**1,571**	**1,829**	**1,854**	**1,999**	**8,173**	**7,345**
Effective Tax Rate (%)	25.0	25.1	25.8	23.8	26.4	25.2	25.2	25.4	24.2	0.3
Adjusted PAT	**1,417**	**1,546**	**1,564**	**1,473**	**1,248**	**1,368**	**1,387**	**1,492**	**6,200**	**5,494**
Change (%)	24.0	20.2	17.1	-0.6	-11.9	-9.9	-10.6	-1.4	27.3	-11.4

Tata Motors — Neutral

CMP: INR718 | TP: INR687 (-4%) — **EPS CHANGE (%): FY26E|FY27E: -8|5**

- India PV volumes rose 10.5% YoY. India CV volumes grew 12% YoY for 2Q.
- India PV margins are likely to pick up QoQ due to improved volumes partially offset by high discounts. We expect margins at 4.9% (-130bp YoY). India CV margins to improve 50bp QoQ and 190bp YoY to 12.6%.
- JLR volumes to be impacted by the cyberattack that led to production shutdown in Sep. While retails unlikely to be hit materially, wholesale volumes may fall 24% YoY.
- EBITDA margin is likely to contract ~190bp QoQ to 7.4%.
- The record date for demerger for PV (India + JLR) business is 14th Oct'25.

Quarterly Performance [Consol] (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
JLR Volumes (incl JV; '000 units)	97.8	87.3	104.4	111.4	87.3	66.3	98.0	109.2	400.9	360.7
JLR Realizations (GBP/unit)	74,400	74,167	71,686	69,355	75,659	75,650	75,271	75,458	72,240	75,491
JLR EBITDA Margins (%)	15.8	11.7	14.2	15.3	9.3	7.4	8.5	11.9	14.3	9.5
India CV Volumes ('000 units)	93.7	86.0	98.4	108.2	88.1	97.2	110.6	113.9	386.3	409.9
India CV Realizations (INR '000/unit)	1910.1	2014.9	1896.6	1991.4	1938.8	1994.7	1972.5	2033.9	1948.8	1987.8
India CV EBITDA Margins (%)	11.6	10.7	12.2	12.2	12.1	12.6	12.6	12.7	11.7	12.5
India PV Volumes ('000 units)	138.8	130.5	139.8	147.0	124.8	144.4	156.6	164.2	556.1	590.0
India PV Realizations (INR '000/unit)	856.8	903.1	902.2	870.4	881.6	876.0	902.2	917.6	882.5	895.7
India PV EBITDA Margins (%)	5.8	6.2	7.6	7.8	4.0	4.9	5.4	5.4	6.9	5.0
Net Consol. Op Income	**1080.5**	**1014.5**	**1135.8**	**1195.0**	**1044.1**	**925.7**	**1248.5**	**1471.8**	**4397.0**	**4690.1**
Growth (%)	5.7	-3.5	2.7	-0.4	-3.4	-8.8	9.9	23.2	0.4	6.7
Consol. EBITDA	**155.1**	**117.4**	**130.3**	**166.3**	**97.2**	**77.6**	**98.1**	**151.2**	**551.3**	**424.1**
EBITDA Margins (%)	14.4	11.6	11.5	13.9	9.3	8.4	7.9	10.3	12.5	9.0
Depreciation	65.7	60.1	54.1	53.0	53.2	48.0	55.0	58.7	232.6	214.9
Other Income	15.8	15.7	17.9	15.1	15.2	13.5	15.0	13.3	62.4	57.0
Interest Expenses	20.9	20.3	17.3	10.8	9.4	10.2	13.5	16.1	50.8	49.1
PBT after EO Exp	**87.4**	**56.9**	**77.1**	**113.9**	**54.3**	**32.9**	**44.6**	**89.8**	**334.3**	**221.5**
Tax rate (%)	36.4	40.8	27.2	25.9	28.7	30.6	30.6	31.7	31.4	30.6
PAT	**55.6**	**33.7**	**56.2**	**84.4**	**38.7**	**22.8**	**31.0**	**61.3**	**229.3**	**153.8**
Minority Interest	-1.3	-1.1	-1.3	-0.9	-0.8	-0.7	-0.8	-1.2	-3.2	-3.5
Share in profit of Associate	1.3	0.8	-0.4	1.1	1.3	0.8	0.7	0.7	2.9	3.5
Adj PAT	**55.4**	**33.4**	**54.7**	**88.9**	**39.7**	**22.9**	**30.9**	**60.8**	**232.6**	**154.3**
Growth (%)	46.2	-13.6	-23.0	15.1	-28.3	-31.4	-43.6	-31.6	3.4	-33.7

TVS Motor Company — Neutral

CMP: INR3,457 | TP: INR3,549 (3%) — **EPS CHANGE (%): FY26E|FY27E: 1|-**

- TVS continued to outperform 2W peers with 23% YoY growth in 2Q, led by strong growth in scooters (+30%), motorcycles (+20%) and 3W (+41%). Exports rose 40% YoY.
- Led by strong volume growth, we expect EBITDA margin to expand 50bp QoQ (+130bp YoY) to 13%.
- We expect TVSL to post 49% YoY growth in earnings in 2Q.

S/A Quarterly Performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Vols ('000 units)	**1,087.2**	**1,228.2**	**1,212.0**	**1,216.3**	**1,277.0**	**1,507.0**	**1,435.4**	**1,514.5**	**4,744**	**5,734**
Growth (%)	14.1	14.3	10.1	14.2	17.5	22.7	18.4	24.5	13.2	36.8
Realn (INR '000/unit)	**77.0**	**75.1**	**75.1**	**78.5**	**78.9**	**78.9**	**78.8**	**79.0**	**76.4**	**78.9**
Growth (%)	1.7	(0.9)	0.2	2.4	2.5	5.0	5.0	0.6	0.8	4.1
Net Sales	**83,756**	**92,282**	**90,971**	**95,504**	**100,810**	**118,886**	**113,134**	**119,633**	**362,513**	**452,463**
Growth (%)	16.0	13.3	10.3	16.9	20.4	28.8	24.4	25.3	14.1	42.4
RM (% of sales)	71.4	71.5	71.6	69.8	71.2	71.6	71.4	71.2	71.1	71.4
Emp cost (% of sales)	5.7	5.4	5.5	5.2	5.8	5.2	5.3	5.4	5.4	5.4
Other exp (% of sales)	11.4	11.4	11.1	11.0	10.5	10.2	10.5	10.4	11.2	10.4
EBITDA	**9,602**	**10,798**	**10,815**	**13,326**	**12,630**	**15,455**	**14,481**	**15,575**	**44,540**	**58,142**
EBITDA Margin (%)	11.5	11.7	11.9	14.0	12.5	13.0	12.8	13.0	12.3	12.9
Interest	372	319	338	358	403	400	390	378	1,387	1,571
Depreciation	1,763	1,806	1,883	1,994	2,039	2,050	2,100	2,122	7,446	8,311
Other Income	363	299	-227	145	343	120	80	77	580	620
PBT before EO Exp	**7,829**	**8,972**	**8,367**	**11,120**	**10,531**	**13,125**	**12,071**	**13,152**	**36,288**	**48,879**
EO Exp	0	0	0	1,617	0	0	0	0		
PBT after EO Exp	**7,829**	**8,972**	**8,367**	**12,737**	**10,531**	**13,125**	**12,071**	**13,152**	**36,288**	**48,879**
Tax	2,056	2,346	2,182	2,599	2,745	3,177	3,177	3,042	9,183	12,709
Tax rate (%)	26.3	26.1	26.1	20.4	26.1	25.0	25.0	23.9	25.3	26.0
Adjusted PAT	**5,773**	**6,626**	**6,185**	**8,521**	**7,786**	**9,844**	**9,053**	**10,110**	**27,105**	**31,934**
Growth (%)	23.4	23.5	4.2	75.5	34.9	48.6	46.4	18.7	30.1	33.4

Tube Investments — Buy

CMP: INR3,082 | TP: INR3,716 (+21%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- We expect TI to post steady 3% YoY growth in revenues in 2Q.
- While metal formed division is expected to grow by 6% YoY, mobility/engineering divisions are expected to grow ~1%/5% YoY. Revenue from other business to grow ~2% YoY.
- We expect EBITDA margin to largely remain stable YoY at 12.2%.
- Overall, we expect standalone entity to post 6% YoY growth in earnings in 2Q.

Quarterly performance (S/A) — **(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**19,603**	**20,648**	**19,102**	**19,573**	**20,066**	**21,342**	**20,969**	**22,072**	**78,925**	**84,449**
YoY Change (%)	10.1	4.8	0.6	-0.3	2.4	3.4	9.8	12.8	3.7	7.0
EBITDA	**2,400**	**2,460**	**2,431**	**2,280**	**2,474**	**2,600**	**2,589**	**2,676**	**9,606**	**10,339**
Margins (%)	12.2	11.9	12.7	11.6	12.3	12.2	12.3	12.1	12.2	12.2
Depreciation	386	407	432	463	450	460	470	478	1,688	1,858
Interest	72	69	54	52	37	40	45	53	247	175
Other Income	137	261	175	1,502	234	250	200	1,543	2,075	2,228
PBT before EO expense	**2,079**	**2,245**	**2,120**	**3,267**	**2,221**	**2,350**	**2,274**	**3,688**	**9,745**	**10,533**
Tax	534	567	512	664	540	565	546	824	2,277	2,475
Tax Rate (%)	25.7	25.3	24.2	20.3	24.3	24.0	24.0	22.4	23.4	23.5
Adj PAT	**1,545**	**1,678**	**1,607**	**2,603**	**1,681**	**1,786**	**1,728**	**2,864**	**7,468**	**8,058**
YoY Change (%)	4.6	-7.5	2.1	5.0	8.8	6.4	7.5	10.0	1.7	7.9

E: MOFSL Estimates

Capital Goods

Company
ABB India
Bharat Dynamics
Bharat Electronics
Cummins India
Hindustan Aeronautics
Hitachi Energy India
Kalpataru Projects International
KEC International
Kirloskar Oil Engines
L&T
Siemens
Siemens Energy
Thermax
Triveni Turbine
Zen Technologies

Hitachi Energy India
Kalpataru Projects International
KEC International
Kirloskar Oil Engines
L&T
Siemens
Thermax
Triveni Turbine

Activity remains strong in select pockets

During 2QFY26, the capital goods sector witnessed multiple positive developments: 1) the CEA pipeline with projects worth ~INR333b recommended by the NCT over the past three months, 2) MoD's TPCR 2025 outlines 15-year sectoral needs, targeting annual defense spending of USD25-30b, and 3) benign commodity prices. In our recent reports, we highlighted two much-awaited defense orders, i.e., additional 97 Tejas Mk1A jets and RFP issuance for the QRSAM. Although the sector has seen positive developments, a broad-based revival in government and private capex is yet to be seen. For our coverage companies, we expect margins to contract ~50bp YoY in 2QFY26 mainly due to lower margin assumptions for product companies. However, sequentially, we expect a ~40bp expansion in margins. For 2QFY26, we estimate our coverage companies to report revenue growth of 15% YoY, EBITDA growth of 11% YoY, and PAT growth of 14% YoY. We maintain our view that valuation re-rating for the sector is contingent upon a broad-based capex revival. We reiterate our positive stance on LT, Cummins India (KKC), and Siemens Energy in the large-cap space and Kirloskar Oil Engines (KOEL) and Kalpataru Projects International (KPIL) in the mid- and small-cap segments. In the defense sector, Bharat Electronics (BHE) remains our top pick.

Ordering momentum stable with large-size order wins

Ordering activity during the quarter remained strong yet selective, with traction seen across defense, power T&D, renewables, thermal, hydrocarbon, and buildings & factories segments. During the quarter, notable wins included two ultra-mega projects for L&T in the thermal and hydrocarbon segments, a significant contract from NPCIL, and large orders in power T&D, heavy civil, high-speed rail, renewables, and metals & minerals. HAL secured an INR630b contract for 97 additional LCA Mk-1A aircraft, while the Indian Army issued a tender to BHE for the QRSAM project valued at INR300b. ABB was awarded an INR1.7b order from Siemens Gamesa, Chennai, for the supply of 3.X wind turbine converters. During 2QFY26, BHE booked orders worth ~INR52b, KECI secured ~INR61.5b, and KPIL acquired ~INR27.2b. Supported by a strong order backlog and the expected finalization of pending pipeline opportunities, we estimate 15% YoY growth in execution for our coverage universe in 2QFY26.

Recent developments in the defense sector

The recently announced Technology Perspective and Capability Roadmap (TPCR) 2025 outlines the Indian Armed Forces' future technology and capability requirements over the next 15 years spread across domains like land systems, aviation, maritime, space, cyber, artificial intelligence, robotics, electronic warfare, and unmanned systems. Further, the revised Defense Procurement Manual (DPM) 2025 aims to streamline approvals by reducing bureaucratic hurdles, which will help the armed forces maintain operational readiness with quicker access to equipment, repairs and ammunitions. The Defence Ministry is also encouraging private players' participation in large projects and moving away from nomination-based tendering. During the quarter, L&T and BHE formed a strategic partnership to participate in the AMCA program of the Indian Air Force. The ongoing emergency procurement program and the expected DAC meeting in the coming weeks will be keenly watched in the near term, and the budgetary allocation for defense will be looked out for in the medium term.

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Commodity prices remain benign

With commodity prices being broadly benign during the quarter, we expect EPC companies' margins to remain flat QoQ, with management guiding for YoY margin expansion for the full year. Following the uptick seen in FY25, input costs have eased, creating a supportive backdrop. Notably, prices of aluminum/zinc/copper have eased 2%/1%/4% vs. Mar'25 levels, while HRC prices have remained stable. Product-oriented companies' margins would be dependent upon the revenue mix. In defense, the margin outlook is supported by higher levels of indigenization and localization of critical components. We expect ~50bp YoY margin contraction in 2QFY26 for our coverage universe mainly due to a high base of margins for select companies like ABB and Triveni Turbine last year. Sequentially, we expect margin to expand ~40bp.

Export prospects building up for domestic players

Export performance is gradually improving for companies. Overall, engineering companies have shown their intent to ramp up exports in FY26 after cautiously evaluating export markets amid the current geopolitical situation. EPC exports are gaining from consistent global investments in grid expansion, modernization, transmission, renewables, and decarbonization projects, and we expect this trajectory to continue going forward. Defense export prospects have strengthened following NATO's announcement to raise defense spending commitments. We will be watchful of the current geopolitical scenarios and overall export trajectory of the companies.

View: Selective stance continues

Our selective stance continues on the sector and we continue to prefer companies in T&D, renewables and defense sectors. We maintain our view that valuation re-rating for the sector is contingent upon a broad-based capex revival. Companies that are growing at a high pace will remain preferred bets over the medium to long term.

Our top picks

We continue to prefer **L&T, KKC, and Siemens Energy** in the large-cap industrial space and **KOEL and KPIL** in the mid- and small-cap segments. **BHE** continues to remain our top pick in the defense sector.

Exhibit 1: Summary of quarterly earnings estimates

Sector	CMP (INR)	RECO	SALES (INR m)			EBITDA (INR m)			NET PROFIT (INR m)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
ABB India	5198	Buy	33,412	14.7	5.2	4,778	-11.6	15.4	3,949	-10.3	12.2
Bharat Dynamics	1542	Buy	7,095	30.2	186.2	1,419	43.6	LP	1,637	33.6	792.1
Bharat Electronics	407	Buy	52,580	14.7	19.0	14,408	3.8	16.2	11,178	2.4	15.3
Cummins India	3848	Buy	28,779	15.5	-1.0	5,756	19.7	-7.7	5,264	16.8	-5.2
Hind.Aeronautics	4803	Buy	67,496	12.9	40.1	18,561	13.2	44.7	17,548	16.6	26.8
Hitachi Energy	18168	Sell	20,931	34.7	41.5	2,512	128.9	62.1	1,856	254.9	41.0
Kalpataru Proj.	1241	Buy	51,718	25.0	2.6	4,448	27.6	3.8	1,973	49.1	-1.7
KEC International	854	Neutral	58,575	14.6	16.6	4,276	33.5	22.1	1,706	99.7	36.9
Kirloskar Oil	926	Buy	14,389	20.5	-0.4	1,871	13.4	-1.7	1,199	8.0	-2.3
Larsen & Toubro	3670	Buy	7,15,302	16.2	12.3	69,844	9.8	10.6	38,815	14.3	7.3
Siemens	3123	Neutral	47,966	7.6	10.3	6,413	17.7	23.0	5,179	-0.9	22.3
Siemens Energy	3400	Buy	20,412	-1.8	14.4	4,290	11.5	26.1	4,126	50.8	57.1
Thermax	3167	Sell	28,863	10.5	34.2	2,763	-0.6	22.7	1,779	-10.2	17.4
Triveni Turbine	524	Buy	4,972	-0.8	33.9	1,019	-8.5	38.5	849	-6.7	31.8
Zen Technologies	1464	Neutral	1,379	-42.9	24.2	483	-39.2	26.9	398	-38.9	7.3
Capital Goods			**11,53,868**	**15.4**	**14.2**	**1,42,840**	**11.1**	**17.5**	**97,456**	**14.2**	**15.8**

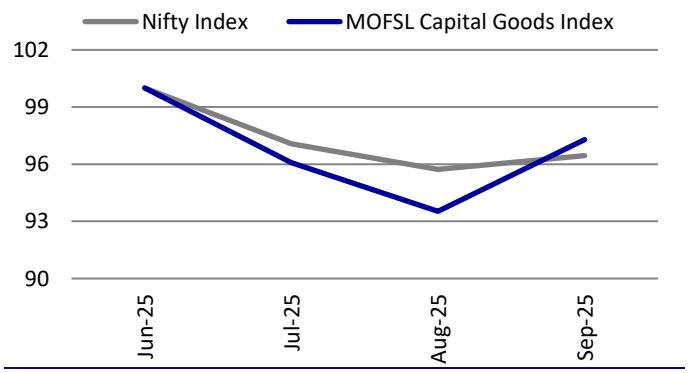
ABB: December ending; siemens energy: September ending; SIEM: March ending

Exhibit 2: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Capital Goods						**39.1**	**33.2**	**27.4**	**7.3**	**6.3**	**5.4**	**18.7**	**18.9**	**19.5**
ABB India	5,198	Buy	80.0	95.1	111.9	64.9	54.6	46.5	14.2	12.8	11.6	22.8	24.6	26.2
Bharat Dynamics	1,542	Buy	28.2	37.8	52.0	54.6	40.7	29.7	11.7	9.5	7.5	21.5	23.3	25.2
Bharat Electronics	407	Buy	8.2	9.8	11.7	49.5	41.4	34.7	11.9	9.5	7.7	24.0	22.9	22.1
Cummins India	3,848	Buy	83.5	98.4	114.3	46.1	39.1	33.7	13.4	11.8	10.4	30.9	32.1	32.8
Hind.Aeronautics	4,803	Buy	141.2	161.2	197.9	34.0	29.8	24.3	7.7	6.5	5.4	22.6	21.8	22.2
Hitachi Energy	18,168	Sell	177.4	238.4	319.9	102.4	76.2	56.8	15.4	12.8	10.4	15.9	17.6	19.2
Kalpataru Proj.	1,241	Buy	57.0	74.9	87.0	21.8	16.6	14.3	2.6	2.3	2.0	12.8	14.8	15.0
KEC International	854	Neutral	34.9	44.2	53.6	24.5	19.3	15.9	3.7	3.2	2.7	16.2	17.9	18.6
Kirloskar Oil	926	Buy	33.6	40.9	47.6	27.6	22.6	19.4	4.0	3.5	3.1	15.3	16.4	16.8
Larsen & Toubro	3,670	Buy	130.5	155.1	185.0	28.1	23.7	19.8	4.6	4.0	3.5	17.3	18.2	19.1
Siemens	3,123	Neutral	75.8	66.9	77.8	41.2	46.7	40.2	6.2	5.4	4.8	14.9	11.7	11.9
Siemens Energy	3,400	Buy	32.4	41.5	61.4	105.0	81.9	55.4	27.7	20.7	15.1	26.4	25.3	27.2
Thermax	3,167	Sell	68.0	79.8	94.6	46.6	39.7	33.5	6.4	5.7	5.0	14.6	15.2	15.9
Triveni Turbine	524	Buy	11.8	14.0	16.8	44.5	37.4	31.2	11.2	9.2	7.6	27.7	27.1	26.7
Zen Technologies	1,464	Neutral	28.9	45.5	61.1	50.6	32.2	24.0	6.8	5.6	4.5	14.3	19.1	20.9

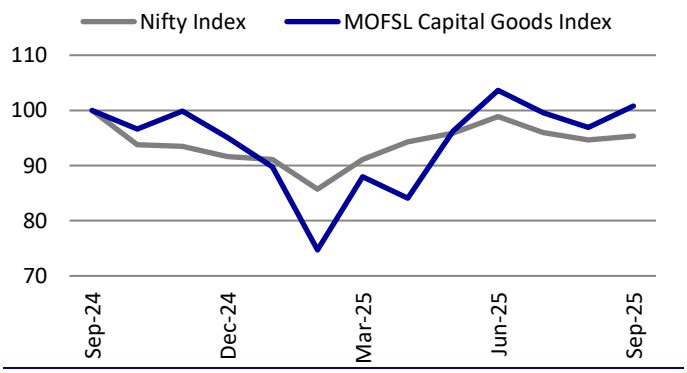
For ABB India, FY26E/FY27E/FY28E indicate Dec'25/Dec'26/Dec'27 data; For siemens energy, FY26E/FY27E/FY28E indicate Sep'25/Sep'26/Sep'27 data; For SIEM, FY26E indicate 18 months Mar Y/E, and FY27E/FY28E indicate 12 months Mar Y/E

Exhibit 3: Relative performance – three months (%)



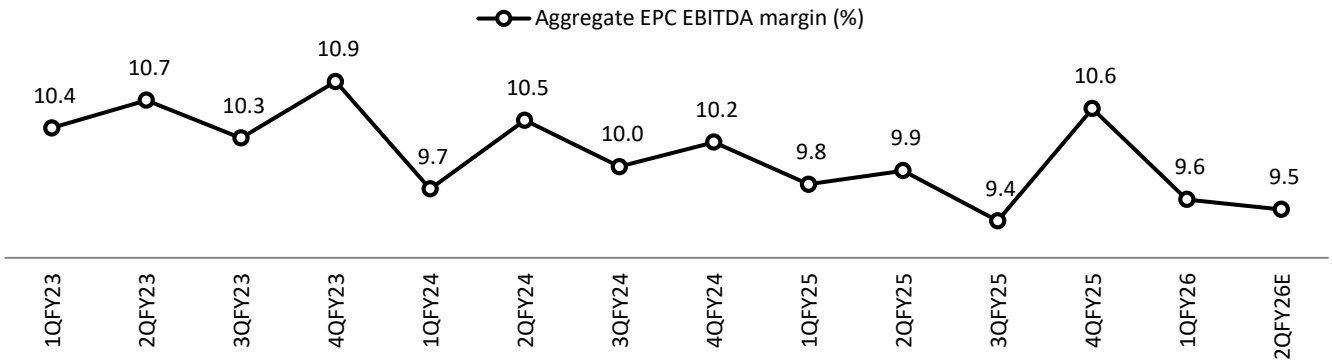
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



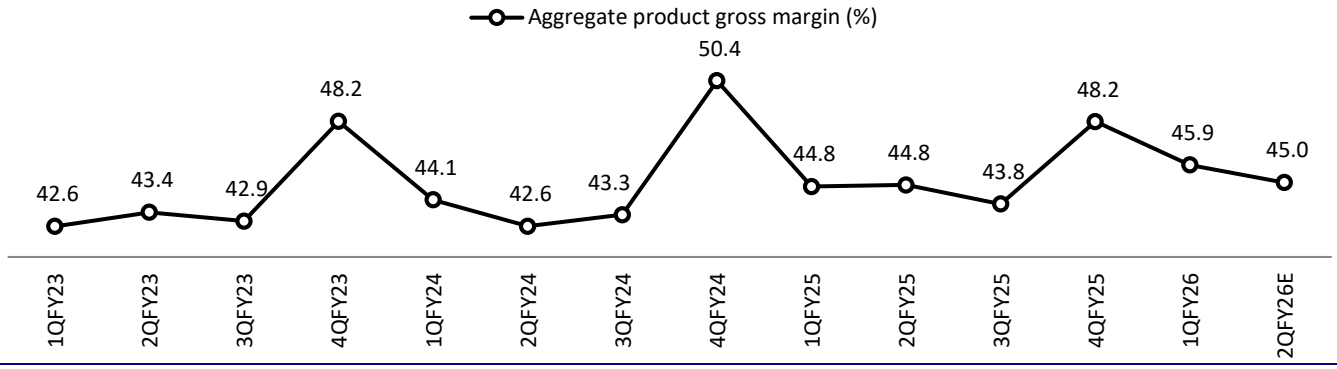
Source: Bloomberg, MOFSL

Exhibit 5: EBITDA margin snapshot for EPC companies under our coverage



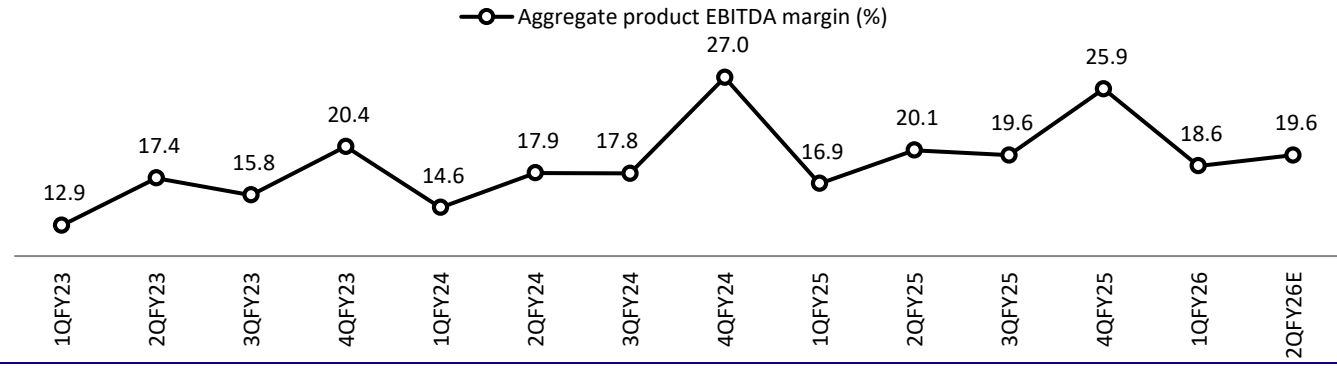
Source: Company, MOFSL

Exhibit 6: Gross margin snapshot for product companies under our coverage



Source: Company, MOFSL

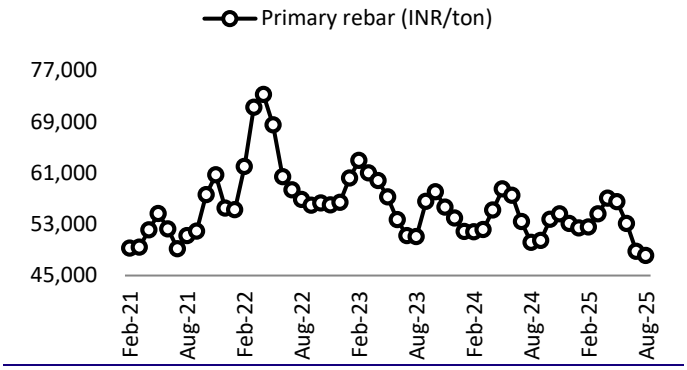
Exhibit 7: EBITDA margin snapshot for product companies under our coverage



Source: Company, MOFSL

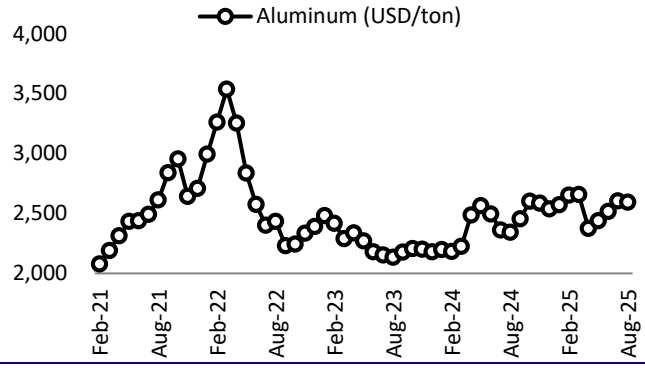
Input prices have been broadly benign YTD

Exhibit 8: Primary rebar price trend (INR/ton)



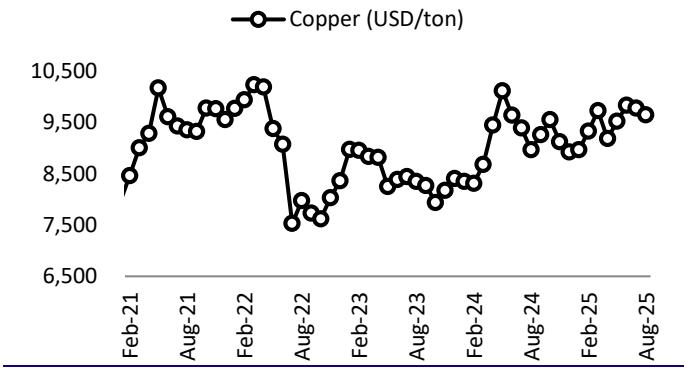
Source: Bloomberg, MOFSL

Exhibit 9: Aluminum price trend (USD/ton)



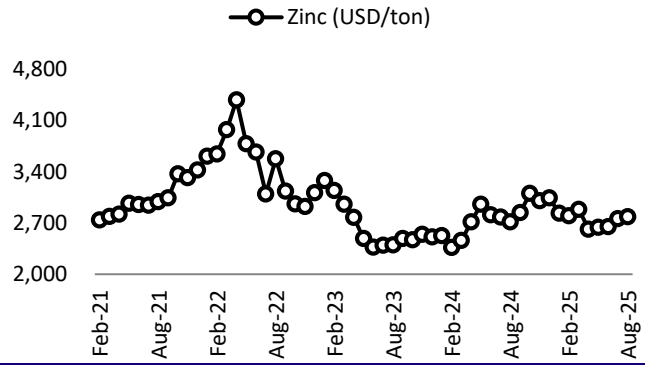
Source: Bloomberg, MOFSL

Exhibit 10: Copper price trend (USD/ton)



Source: Bloomberg, MOFSL

Exhibit 11: Zinc price trend (USD/ton)



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ABB India — Buy

CMP: INR5,198 | TP: INR6,000 (+15%) — **EPS CHANGE (%): CY25|CY26: -|-**

- Expect revenue to grow 15% YoY, driven by strong execution of base orders in Electrification/Motion, aided by tailwinds in data centers, renewables and railways.
- Key monitorables include order inflow improvement, margin improvement, export outlook, and localization levels.
- We expect margins to contract by ~430bp YoY due to QCO compliance forcing higher-cost imports, along with forex volatility and pricing pressure in motors.
- We will watch out for incremental inflows from transmission, railways, data centers, transportation, F&B, and private capex to support order inflow growth.

Standalone - Quarterly Snapshot (INR m)

Y/E December	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**30,804**	**28,309**	**29,122**	**33,649**	**31,596**	**31,754**	**33,412**	**37,971**	**1,21,883**	**1,34,733**
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	12.2	14.7	12.8	16.7	10.5
Total Expenditure	25,152	22,884	23,719	27,076	25,773	27,614	28,634	32,194	98,831	1,14,214
EBITDA	**5,652**	**5,425**	**5,402**	**6,573**	**5,823**	**4,141**	**4,778**	**5,777**	**23,052**	**20,519**
Margins (%)	18.3	19.2	18.6	19.5	18.4	13.0	14.3	15.2	18.9	15.2
Depreciation	314	310	328	337	338	355	336	336	1,289	1,365
Interest	38	45	30	51	47	42	36	20	165	145
Other Income	871	868	929	866	923	998	874	874	3,534	3,668
PBT before EO expense	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**4,741**	**5,279**	**6,295**	**25,133**	**22,677**
PBT	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**4,741**	**5,279**	**6,295**	**25,133**	**22,677**
Tax	1,575	1,511	1,568	1,732	1,620	1,220	1,330	1,544	6,387	5,715
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.7	25.2	24.5	25.4	25.2
Reported PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**3,521**	**3,949**	**4,752**	**18,746**	**16,962**
Adj PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**3,521**	**3,949**	**4,752**	**18,746**	**16,962**
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	-20.5	-10.3	-10.7	50.2	-9.5
Margins (%)	14.9	15.6	15.1	15.8	15.0	11.1	11.8	12.5	15.4	12.6

Bharat Dynamics — Buy

CMP: INR1,542 | TP: INR1,900 (+23%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue to grow 30% YoY, driven by the healthy execution of the opening order book.
- Key monitorables include emergency procurement orders for MPATGM, VSHORAD, ALWT, and other missile systems.
- We expect margins to expand 190bp YoY as execution scales up.
- The execution of orders, finalization of tender for QRSAM from BHE to BDL should drive margin improvement going forward.

Standalone - Quarterly Snapshot (INR m)

Income Statement	FY25				FY26				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net revenue	**1,912**	**5,448**	**8,321**	**17,770**	**2,479**	**7,095**	**11,443**	**24,756**	**33,451**	**45,773**
Change (%)	-35.8	-11.5	38.3	108.0	29.7	30.2	37.5	39.3	41.2	36.8
Expenses	2,435	4,459	7,053	14,780	2,933	5,676	8,583	17,699	28,727	34,890
EBITDA	**-523**	**988**	**1,269**	**2,990**	**-454**	**1,419**	**2,861**	**7,057**	**4,724**	**10,883**
As of % Sales	-27.4	18.1	15.2	16.8	-18.3	20.0	25.0	28.5	14.1	23.8
Depreciation	157	177	177	197	177	187	196	216	707	776
Interest	12	7	7	7	7	8	8	10	33	33
Other Income	804	860	844	996	869	989	1,036	1,139	3,504	4,033
PBT	**112**	**1,665**	**1,929**	**3,782**	**231**	**2,212**	**3,692**	**7,971**	**7,488**	**14,106**
Tax	40	439	458	1,054	48	575	960	2,168	1,991	3,751
Effective Tax Rate (%)	35.8	26.4	23.7	27.9	20.7	26.0	26.0	27.2	26.6	26.6
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0
Reported PAT	**72**	**1,225**	**1,471**	**2,728**	**183**	**1,637**	**2,732**	**5,802**	**5,496**	**10,355**
Adj PAT	**72**	**1,225**	**1,471**	**2,728**	**183**	**1,637**	**2,732**	**5,802**	**5,496**	**10,355**
Change (%)	-82.7	-16.7	9.0	-5.5	154.3	33.6	85.7	112.7	-10.3	88.4
As of % Sales	3.8	22.5	17.7	15.4	7.4	23.1	23.9	23.4	16.4	22.6

Bharat Electronics — Buy

CMP: INR407 | TP: INR490 (+21%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 15% YoY, led by the healthy execution of the order book of INR749b.
- Key monitorables include update on orders for sub-systems and 97 LCA MK1A aircraft, execution of orders for LRSAM and EW projects, incremental share of exports, and working capital cycle.
- We expect margins to contract 290bp YoY to 27.4% on a high base.
- The status of EoI for AMCA, finalization of emergency procurement-related orders, execution of the huge backlog, and further indigenization of modules and subsystems will remain key areas of focus.

Standalone Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**41,988**	**45,834**	**57,561**	**91,197**	**44,168**	**52,580**	**66,417**	**1,13,572**	**2,36,580**	**2,76,738**
Change (%)	19.6	14.8	39.1	6.9	5.2	14.7	15.4	24.5	17.3	17.0
EBITDA	**9,367**	**13,885**	**16,533**	**27,890**	**12,399**	**14,408**	**18,530**	**32,048**	**67,676**	**77,386**
Change (%)	41.0	38.2	57.5	22.3	32.4	3.8	12.1	14.9	35.4	14.3
As of % Sales	22.3	30.3	28.7	30.6	28.1	27.4	27.9	28.2	28.6	28.0
Depreciation	997	1,032	1,029	1,298	1,129	1,212	1,242	1,386	4,356	4,968
Interest	12	13	13	58	14	13	13	55	96	96
Other Income	2,015	1,668	2,051	1,942	1,636	1,803	2,213	2,545	7,676	8,198
PBT	**10,373**	**14,509**	**17,542**	**28,476**	**12,892**	**14,987**	**19,489**	**33,152**	**70,900**	**80,520**
Tax	2,612	3,596	4,381	7,428	3,201	3,809	4,953	8,500	18,017	20,462
Effective Tax Rate (%)	25.2	24.8	25.0	26.1	24.8	25.4	25.4	25.6	25.4	25.4
Reported PAT	**7,761**	**10,913**	**13,161**	**21,048**	**9,691**	**11,178**	**14,536**	**24,652**	**52,883**	**60,058**
Change (%)	46.2	34.3	47.3	18.0	24.9	2.4	10.5	17.1	31.5	13.6
Adj PAT	**7,761**	**10,913**	**13,161**	**21,048**	**9,691**	**11,178**	**14,536**	**24,652**	**52,883**	**60,058**
Change (%)	46.2	34.3	47.3	18.0	24.9	2.4	10.5	17.1	31.5	13.6

Cummins India — Buy

CMP: INR3,848 | TP: INR4,500 (+17%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue to grow 16% YoY, driven by a broad-based improvement across all segments.
- Key monitorables include demand outlook across segments, the pricing environment in Powergen, and the export trajectory.
- We expect EBITDA margin to expand ~70bp YoY, broadly in line with overall management commentary on margins.
- We expect the powergen segment to benefit from volume recovery and prices to remain stable. We also expect exports to grow 10% YoY.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**23,042**	**24,923**	**30,860**	**24,569**	**29,068**	**28,779**	**31,903**	**31,125**	**1,03,394**	**1,20,875**
YoY Change (%)	4.3	31.2	21.8	6.1	26.2	15.5	3.4	26.7	15.4	16.9
Total Expenditure	18,369	20,113	24,860	19,372	22,833	23,023	25,714	25,482	82,714	97,052
EBITDA	**4,673**	**4,810**	**6,000**	**5,197**	**6,235**	**5,756**	**6,189**	**5,644**	**20,680**	**23,824**
Margins (%)	20.3	19.3	19.4	21.2	21.4	20.0	19.4	18.1	20.0	19.7
Depreciation	439	452	481	457	479	483	507	507	1,829	1,976
Interest	48	26	27	52	27	42	46	51	151	166
Other Income	1,322	1,611	1,209	2,119	1,529	1,695	1,857	2,043	6,261	7,124
PBT before EO expense	**5,509**	**5,944**	**6,702**	**6,807**	**7,258**	**6,926**	**7,493**	**7,128**	**24,961**	**28,805**
Extra-Ord expense					-442	-	-	-	-	-442
PBT	**5,509**	**5,944**	**6,702**	**6,807**	**7,700**	**6,926**	**7,493**	**7,128**	**24,961**	**29,246**
Tax	1,311	1,438	1,562	1,593	1,807	1,662	1,873	1,585	5,904	6,927
Rate (%)	23.8	24.2	23.3	23.4	23.5	24.0	25.0	22.2	23.7	23.7
Reported PAT	**4,198**	**4,506**	**5,140**	**5,214**	**5,893**	**5,264**	**5,619**	**5,543**	**19,058**	**22,319**
Adj PAT	**4,198**	**4,506**	**5,140**	**5,214**	**5,555**	**5,264**	**5,619**	**5,544**	**19,058**	**21,982**
YoY Change (%)	33.0	37.2	12.7	-7.2	32.3	16.8	9.3	6.3	14.7	15.3
Margins (%)	18.2	18.1	16.7	21.2	19.1	18.3	17.6	17.8	18.4	18.2

Hindustan Aeronautics — Buy

CMP: INR4,803 | TP: INR5,800 (+21%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 13% YoY, driven by a healthy execution of the opening order book.
- Key monitorables include the working capital cycle, and the status of Tejas Mk1a deliveries, MoU with GE and related orders for Su-30 avionics upgrade project.
- We expect EBITDA margin to expand ~10bp YoY even on a high base, aided by increased indigenization and easing of supply chain issues.
- The execution of a huge order backlog, any major provisions, incremental inflows, and margin will be the key focus areas.

Consolidated - Quarterly Snapshot (INR b)

Income Statement	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**43.5**	**59.8**	**69.6**	**137.0**	**48.2**	**67.5**	**78.7**	**180.5**	**309.8**	**375.0**
Change (%)	11.0	6.0	14.8	(7.2)	10.8	12.9	13.2	31.8	3.9	21.0
Expenses	33.6	43.4	52.7	84.0	35.4	48.9	59.1	119.8	213.7	263.2
EBITDA	**9.9**	**16.4**	**16.8**	**52.9**	**12.8**	**18.6**	**19.7**	**60.7**	**96.1**	**111.8**
As of % Sales	22.8	27.4	24.2	38.6	26.6	27.5	25.0	33.6	31.0	29.8
Depreciation	1.5	1.8	2.8	7.4	1.9	2.8	3.1	7.7	13.4	15.4
Interest	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.1
Other Income	7.4	5.4	6.3	6.5	7.5	7.6	7.7	6.7	25.6	29.4
PBT pre EO items	**15.8**	**20.0**	**20.4**	**52.0**	**18.4**	**23.3**	**24.3**	**59.7**	**108.2**	**125.8**
Extra-ordinary Items	-	0.1	-	-	-	-	-	-	0.1	-
PBT	**15.8**	**20.1**	**20.4**	**52.0**	**18.4**	**23.3**	**24.3**	**59.7**	**108.3**	**125.8**
Tax	1.5	5.1	6.0	12.4	4.7	5.9	6.1	15.1	25.0	31.8
Effective Tax Rate (%)	9.3	25.5	29.6	23.9	25.5	25.3	25.3	25.2	23.1	25.3
MI & P/L Share of JV	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.4	0.5
Reported PAT	**14.4**	**15.1**	**14.4**	**39.8**	**13.8**	**17.5**	**18.2**	**44.8**	**83.6**	**94.4**
Adj PAT	**14.4**	**15.0**	**14.4**	**39.8**	**13.8**	**17.5**	**18.2**	**44.8**	**83.6**	**94.4**
Margin (%)	33.1	25.2	20.7	29.0	28.7	26.0	23.2	24.8	27.0	25.2
Change (%)	76.5	21.7	14.1	(7.7)	(3.7)	16.6	26.7	12.7	38.4	13.0

Hitachi Energy India — Sell

CMP: INR18,168 | TP: INR16,500 (-9%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 35% YoY, led by healthy execution of the opening order book of INR291b.
- Key monitorables include further ramp-up in margins, progress on HVDC project execution, and STATCOM order finalization.
- We expect EBITDA margin to expand ~490bp YoY, aided by operating leverage gains and improved order book mix.
- The execution of product and export orders is expected to support revenue and margin in the near term.

Standalone - Quarterly Snapshot (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**13,272**	**15,537**	**16,203**	**18,837**	**14,789**	**20,931**	**21,827**	**28,466**	**63,849**	**86,012**
Change (%)	27.6	26.5	27.2	11.1	11.4	34.7	34.7	51.1	21.9	34.7
EBITDA	**479**	**1,097**	**1,669**	**2,713**	**1,549**	**2,512**	**2,837**	**4,252**	**5,958**	**11,150**
Change (%)	42.3	68.0	145.5	49.1	223.4	128.9	70.0	56.8	70.7	87.1
As % of Sales	3.6	7.1	10.3	14.4	10.5	12.0	13.0	14.9	9.3	13.0
Depreciation	221	228	230	235	250	282	282	313	914	1,126
Interest	109	164	120	60	40	113	116	184	452	452
Other Income	1	1	2	182	509	450	300	117	186	1,376
PBT	**150**	**706**	**1,322**	**2,600**	**1,769**	**2,567**	**2,740**	**3,872**	**4,778**	**10,948**
Tax	46	183	467	628	453	711	759	1,111	1,324	3,034
Effective Tax Rate (%)	30.8	25.9	35.3	24.1	25.6	27.7	27.7	28.7	27.7	27.7
Extra-ordinary Items			519	(134)					386	
Reported PAT	**104**	**523**	**1,374**	**1,839**	**1,316**	**1,856**	**1,981**	**2,761**	**3,840**	**7,914**
Change (%)	332.4	111.4	498.1	61.8	1,163.0	254.9	44.2	50.2	110.9	129.1
Adj PAT	**104**	**523**	**855**	**1,973**	**1,316**	**1,856**	**1,981**	**2,761**	**3,454**	**7,914**
Change (%)	332.4	111.4	272.1	73.5	1,163.0	254.9	131.8	40.0	110.9	129.1
As % of Sales	2.5	0.7	1.7	0.4	7.9	1.2	0.6	0.1	0.2	0.2

Kalpataru Projects International — Buy

CMP: INR1,241 | TP: INR1,450 (+17%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 25% YoY on strong execution across segments such as T&D, B&F, and O&G, barring the water and railway segment, which is still slow.
- Key monitorables include execution ramp-up, margin trajectory, customer collections, and outlook on the urban infra and railways division.
- We expect EBITDA margin of 8.6% (+20bp YoY/+10bp QoQ) and gradual improvement through the remainder of FY26.
- We will monitor the working capital cycle closely. The payment status of water projects will also remain a focus area.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25E				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**37,219**	**41,361**	**48,257**	**62,042**	**50,397**	**51,718**	**57,210**	**69,516**	**1,88,879**	**2,28,842**
YoY Change (%)	2.8	7.6	16.4	20.5	35.4	25.0	18.6	12.0	12.7	21.2
Total Expenditure	34,085	37,877	44,239	56,810	46,114	47,271	52,062	63,024	1,73,009	2,08,470
EBITDA	**3,135**	**3,485**	**4,019**	**5,232**	**4,284**	**4,448**	**5,149**	**6,491**	**15,870**	**20,372**
Margins (%)	8.4	8.4	8.3	8.4	8.5	8.6	9.0	9.3	8.4	8.9
Depreciation	929	914	956	949	936	1,085	1,112	1,314	3,749	4,447
Interest	861	998	1,071	877	840	897	942	942	3,807	3,622
Other Income	295	264	185	235	234	264	315	346	979	1,159
PBT before EO expense	**1,640**	**1,836**	**2,177**	**3,641**	**2,742**	**2,730**	**3,410**	**4,581**	**9,294**	**13,462**
Extra-Ord expense	-	-	-	330	-	-	-	-	330	-
PBT	**1,640**	**1,836**	**2,177**	**3,311**	**2,742**	**2,730**	**3,410**	**4,581**	**8,964**	**13,462**
Tax	474	513	604	894	734	757	946	1,297	2,485	3,734
Rate (%)	28.9	27.9	27.7	27.0	26.8	27.7	27.7	28.3	27.7	27.7
Reported PAT	**1,166**	**1,323**	**1,574**	**2,416**	**2,008**	**1,973**	**2,464**	**3,284**	**6,479**	**9,729**
Adj PAT	**1,166**	**1,323**	**1,574**	**2,657**	**2,008**	**1,973**	**2,464**	**3,284**	**6,718**	**9,729**
YoY Change (%)	-7.4	17.1	9.3	51.8	72.1	49.1	56.6	23.6	20.3	44.8
Margins (%)	3.1	3.2	3.3	4.3	4.0	3.8	4.3	4.7	3.6	4.3

KEC International — Neutral

CMP: INR854 | TP: INR950 (+11%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect 15% YoY revenue growth, driven by a strong opening order book of INR344b.
- Key monitorables include the order pipeline in both T&D and civil, execution ramp-up, and margin improvement.
- We expect EBITDA margin to expand 100bp YoY (bridging toward 8-8.5% in FY26), supported by T&D inflows and civil stabilization.
- We will monitor the payment cycle, debt levels, and NWC improvement.

Consolidated - Quarterly Snapshot (INR M)

Y/E March - INR m	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**45,119**	**51,133**	**53,494**	**68,721**	**50,229**	**58,575**	**63,668**	**82,202**	**2,18,467**	**2,54,674**
YoY Change (%)	6.3	13.7	6.8	11.5	11.3	14.6	19.0	19.6	9.7	16.6
Total Expenditure	42,415	47,931	49,749	63,333	46,728	54,299	58,448	74,614	2,03,428	2,34,088
EBITDA	**2,704**	**3,202**	**3,745**	**5,388**	**3,501**	**4,276**	**5,221**	**7,588**	**15,039**	**20,586**
Margins (%)	6.0	6.3	7.0	7.8	7.0	7.3	8.2	9.2	6.9	8.1
Depreciation	465	453	453	465	459	508	521	596	1,837	2,084
Interest	1,550	1,681	1,702	1,703	1,511	1,676	1,634	1,716	6,636	6,538
Other Income	431	66	9	202	54	124	127	204	709	509
PBT before EO expense	**1,120**	**1,135**	**1,598**	**3,422**	**1,585**	**2,216**	**3,193**	**5,480**	**7,275**	**12,473**
Extra-Ord expense										
PBT	**1,120**	**1,135**	**1,598**	**3,422**	**1,585**	**2,216**	**3,193**	**5,480**	**7,275**	**12,473**
Tax	245	281	303	740	339	510	817	1,527	1,568	3,193
Rate (%)	21.8	24.7	18.9	21.6	21.4	23.0	25.6	27.9	21.5	25.6
Reported PAT	**876**	**854**	**1,296**	**2,682**	**1,246**	**1,706**	**2,375**	**3,953**	**5,707**	**9,280**
Adj PAT	**876**	**854**	**1,296**	**2,682**	**1,246**	**1,706**	**2,375**	**3,953**	**5,707**	**9,280**
YoY Change (%)	106.9	53.1	33.7	76.7	42.3	99.7	83.3	47.4	64.6	62.6
Margins (%)	1.9	1.7	2.4	3.9	2.5	2.9	3.7	4.8	2.6	3.6

Kirloskar Oil Engines — Buy

CMP: INR926 | TP: INR1,230 (+33%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 20% YoY, driven by healthy growth across segments.
- Key monitorables include outlook on genset demand, pricing environment, and export ramp-up.
- We expect EBITDA margin to contract 80bp YoY on a high base of last year due to provision reversal.
- Ramp-up of the US and Middle East businesses, B2C business, scale-up of distribution business, and Arka Fincap performance will be closely observed.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**13,429**	**11,944**	**11,636**	**14,125**	**14,447**	**14,389**	**13,943**	**15,639**	**51,133**	**58,417**
YoY Change (%)	6.2	12.8	2.5	1.5	7.6	20.5	19.8	10.7	5.4	14.2
Total Expenditure	11,452	10,294	10,466	12,384	12,545	12,518	12,102	13,658	44,596	50,823
EBITDA	**1,977**	**1,650**	**1,170**	**1,741**	**1,902**	**1,871**	**1,840**	**1,981**	**6,537**	**7,594**
Margins (%)	14.7	13.8	10.1	12.3	13.2	13.0	13.2	12.7	12.8	13.0
Depreciation	247	266	320	337	340	335	343	355	1,170	1,373
Interest	27	26	31	37	32	22	22	13	121	90
Other Income	108	118	68	52	123	96	98	76	344	393
PBT before EO expense	**1,810**	**1,476**	**887**	**1,419**	**1,653**	**1,610**	**1,573**	**1,689**	**5,590**	**6,525**
Extra-Ord expense				(209)	-	-	-	-	(209)	-
PBT	**1,810**	**1,476**	**887**	**1,628**	**1,653**	**1,610**	**1,573**	**1,689**	**5,799**	**6,525**
Tax	462	365	236	416	425	410	401	429	1,480	1,665
Rate (%)	25.5	24.7	26.7	25.6	25.7	25.5	25.5	25.4	25.5	25.5
Reported PAT	**1,347**	**1,111**	**650**	**1,211**	**1,228**	**1,199**	**1,172**	**1,260**	**4,319**	**4,859**
Adj PAT	**1,347**	**1,111**	**650**	**1,056**	**1,228**	**1,199**	**1,172**	**1,260**	**4,164**	**4,859**
YoY Change (%)	30.5	89.6	(20.9)	(10.2)	(8.8)	8.0	80.2	19.4	15.1	16.7
Margins (%)	10.0	9.3	5.6	7.5	8.5	8.3	8.4	8.1	8.1	8.3

Larsen & Toubro — Buy

CMP: INR3,670 | TP: INR4,300 (+17%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect consolidated revenue growth of 16% YoY, led by 19% YoY revenue growth for Core E&C.
- Key monitorables include a ramp-up in domestic ordering, conversion of prospect pipeline in international markets, margin performance, and working capital cycle.
- We expect EBITDA margin to be flat YoY at 7.6% for Core E&C, but down 50bp YoY at consolidated level.
- The company received two ultra-mega orders in the quarter for its energy and hydrocarbon businesses.
- We will also look out for execution ramp-up in Saudi projects, and trends in the GCC order pipeline.

Consolidated - Quarterly Earning Model

Y/E March - INR b	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**551**	**616**	**647**	**744**	**637**	**715**	**743**	**873**	**2,557**	**2,968**
YoY Change (%)	15.1	20.6	17.3	10.9	15.5	16.2	14.8	17.4	15.7	16.1
Total Expenditure	**495**	**552**	**584**	**662**	**574**	**645**	**664**	**774**	**2,293**	**2,657**
EBITDA	**56**	**64**	**63**	**82**	**63**	**70**	**79**	**99**	**264**	**311**
Margins (%)	10.2	10.3	9.7	11.0	9.9	9.8	10.6	11.3	10.3	10.5
Depreciation	10	10	10	11	10	11	11	11	41	42
Interest	9	9	8	7	8	9	9	9	33	34
Other Income	9	11	10	11	14	11	11	11	41	47
PBT before EO expense	**47**	**56**	**53**	**75**	**59**	**62**	**70**	**90**	**231**	**281**
Extra-Ord expense	-	-	-	-5	-	-	-	-	-5	-
PBT	**47**	**56**	**53**	**80**	**59**	**62**	**70**	**90**	**236**	**281**
Tax	12	14	13	19	15	16	18	24	59	73
Rate (%)	26.4	26.0	25.0	23.5	26.2	26.2	26.2	26.0	25.0	26.1
MI & P/L of Asso. Cos.	7	7	6	6	7	7	7	7	27	28
Reported PAT	**28**	**34**	**34**	**55**	**36**	**39**	**44**	**60**	**150**	**179**
Adj PAT	**28**	**34**	**34**	**51**	**36**	**39**	**44**	**60**	**147**	**179**
YoY Change (%)	11.7	5.4	14.0	18.8	29.8	14.3	31.9	17.0	13.0	22.2
Margins (%)	5.1	5.5	5.2	6.9	5.7	5.4	6.0	6.9	5.7	6.0

Siemens — Neutral

CMP: INR3,123 | TP: INR3,300 (+6%) — **EPS CHANGE (%): 18M26E|12M2027E: -1|-**

- We expect revenue to grow 8% YoY, led by improved traction in the smart infra and digital segments.
- Key monitorables include the demand trajectory of the digital industries segment, private capex pipeline, margin trajectory, and execution of the locomotive order.
- We expect EBITDA margin to expand ~120bp, on account of improvement in mobility, digital and low-voltage motors segment.
- Demand outlook from both the government and private sectors and export outlook are to be keenly monitored.

Consolidated – Quarterly Snapshot (INR m)

Income Statement	12FY24 (Y/E Sep)				18FY26E (Y/E Mar)						12M24	18M26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	5QE	6QE		
Net Sales	**37,095**	**41,524**	**37,626**	**44,572**	**35,872**	**42,590**	**43,468**	**47,966**	**44,364**	**48,414**	**1,60,817**	**2,62,674**
Change (%)					-3.3	2.6	15.5	7.6	23.7	13.7		63.3
Expenses	32,565	35,155	32,773	39,122	31,863	37,915	38,254	41,553	38,904	42,001	1,39,615	2,30,489
EBITDA	**4,530**	**6,369**	**4,853**	**5,450**	**4,009**	**4,675**	**5,214**	**6,413**	**5,460**	**6,413**	**21,202**	**32,185**
As of % Sales	12.2	15.3	12.9	12.2	11.2	11.0	12.0	13.4	12.3	13.2	13.2	12.3
Depreciation	605	629	697	625	689	686	711	744	698	716	2,556	4,244
Interest	28	212	46	154	34	23	49	34	33	34	440	207
Other Income	1,618	3,253	1,569	2,331	1,723	1,515	1,241	1,192	1,310	1,342	8,771	8,322
PBT pre EO items	**5,515**	**8,781**	**5,679**	**7,002**	**5,009**	**5,481**	**5,695**	**6,827**	**6,038**	**7,005**	**26,977**	**36,055**
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	0
PBT	**5,515**	**8,781**	**5,679**	**7,002**	**5,009**	**5,481**	**5,695**	**6,827**	**6,038**	**7,005**	**26,977**	**36,055**
Tax	1,399	2,289	1,309	1,776	1,288	1,402	1,461	1,648	1,522	1,765	6,773	9,086
Effective Tax Rate (%)	25.4	26.1	23.0	25.4	25.7	25.6	25.7	24.1	25.2	25.2	25.1	25.2
Reported PAT	**4,116**	**6,492**	**4,370**	**5,226**	**3,721**	**4,079**	**4,234**	**5,179**	**4,517**	**5,240**	**20,204**	**26,969**
Adj PAT	**4,116**	**6,492**	**4,370**	**5,226**	**3,721**	**4,079**	**4,234**	**5,179**	**4,517**	**5,240**	**20,204**	**26,969**
Margin (%)	11.1	15.6	11.6	11.7	10.4	9.6	9.7	10.8	10.2	10.8	12.6	10.3
Change (%)	NA	NA	NA	NA	-9.6	-37.2	-3.1	-0.9	21.4	28.5		33.5

Siemens Energy — Buy

CMP: INR3,400 | TP: INR3,800 (+12%) — **EPS CHANGE (%): FY25E|FY26E: +3|+4**

- We expect revenue to decline 2% YoY on a high base.
- Key monitorables include the status of capacity expansion, HVDC orders and margin trajectory.
- T&D sector ordering and execution ramp-up on commissioning of additional capacities will be in focus.
- We expect EBITDA margin to expand ~250bp YoY, with sequential improvement expected in power transmission and generation on better pricing.
- TP was increased to INR3,800 to factor in better execution.

Consolidated - Quarterly Snapshot (INR m)

Income Statement	FY24			FY25E				FY25E
Y/E September	2Q(2M)	3Q	4Q	1Q	2Q	3Q	4QE	
Net Sales	**11,966**	**14,842**	**20,788**	**15,169**	**18,795**	**17,846**	**20,412**	**72,222**
Change (%)				NA	NA	20.2	-1.8	17.3
Expenses	9,271	12,708	16,939	11,816	15,210	14,443	16,122	57,591
EBITDA	**2,695**	**2,134**	**3,849**	**3,353**	**3,585**	**3,403**	**4,290**	**14,631**
As of % Sales	22.5	14.4	18.5	22.1	19.1	19.1	21.0	20.3
Depreciation	103	160	191	207	243	266	223	939
Interest	150	13	21	44	33	142	141	360
Other Income	2	0	20	16	144	525	1,399	2,084
PBT pre EO items	**2,444**	**1,961**	**3,657**	**3,118**	**3,453**	**3,520**	**5,325**	**15,416**
Extra-ordinary Items	0	0	0	0	0	0	0	0
PBT	**2,444**	**1,961**	**3,657**	**3,118**	**3,453**	**3,520**	**5,325**	**15,416**
Tax	639	503	920	801	992	893	1,199	3,885
Effective Tax Rate (%)	26.1	25.7	25.2	25.7	28.7	25.4	22.5	25.2
Reported PAT	**1,805**	**1,458**	**2,737**	**2,317**	**2,461**	**2,627**	**4,126**	**11,531**
Adj PAT	**1,805**	**1,458**	**2,737**	**2,317**	**2,461**	**2,627**	**4,126**	**11,531**
Margin (%)	15.1	9.8	13.2	15.3	13.1	14.7	20.2	16.0
Change (%)	NA	NA	NA	NA	NA	80.2	50.8	65.3

Thermax

Sell

CMP: INR3,167 | TP: INR3,450 (+9%) | **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue to grow 11% YoY, driven by growth across all segments.
- Key monitorables include the finalization of the inquiry pipeline, revival of base ordering, margin outlook, and performance of the industrial infra and chemicals segments.
- We expect EBITDA margin to contract 100bp YoY, while sequentially it is expected to contract 90bp as 1QFY26 was aided by government incentives.
- The performance of key subsidiaries (FEPL, TOESL) needs to be monitored closely.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**21,844**	**26,116**	**25,078**	**30,849**	**21,502**	**28,863**	**27,830**	**36,990**	**1,03,887**	**1,15,184**
YoY Change (%)	13.0	13.4	7.9	11.6	-1.6	10.5	11.0	19.9	11.4	10.9
Total Expenditure	20,433	23,336	23,188	27,853	19,251	26,100	25,159	32,947	94,809	1,03,457
EBITDA	**1,412**	**2,780**	**1,890**	**2,997**	**2,251**	**2,763**	**2,671**	**4,043**	**9,078**	**11,728**
Margins (%)	6.5	10.6	7.5	9.7	10.5	9.6	9.6	10.9	8.7	10.2
Depreciation	360	421	351	453	489	491	467	467	1,585	1,913
Interest	275	294	287	313	302	340	358	395	1,168	1,395
Other Income	841	598	315	769	656	538	566	446	2,522	2,207
PBT before EO expense	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**2,470**	**2,413**	**3,627**	**8,847**	**10,627**
Extra-Ord expense										0
PBT	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**2,470**	**2,413**	**3,627**	**8,847**	**10,627**
Tax	519	683	425	951	600	692	676	1,008	2,578	2,976
Rate (%)	32.1	25.6	27.1	31.7	28.4	28.0	28.0	27.8	29.1	28.0
Reported PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,515**	**1,779**	**1,737**	**2,621**	**6,268**	**7,651**
Adj PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,515**	**1,779**	**1,737**	**2,621**	**6,268**	**7,651**
YoY Change (%)	17.4	24.9	-19.0	5.3	38.4	-10.2	52.7	27.5	6.7	20.5
Margins (%)	5.0	7.6	4.5	6.7	7.0	6.2	6.2	7.1	6.0	6.6

Triveni Turbine

Buy

CMP: INR524 | TP: INR620 (+18%) | **EPS CHANGE (%): FY26|FY27: -|-**

- Revenue is likely to grow on improved execution (vs. weak trends in 1QFY26), while delayed decision-making on international geographies may reflect in low order inflows. Domestic segment inflows are expected to grow QoQ.
- Key monitorables include a ramp-up in domestic and international inflows, conversion of inquiry pipeline and recovery of execution in 2H.
- We expect margins to decline YoY by 170bp, driven by revenue mix.
- Domestic ordering from the government and private sectors, updates on API turbines, and export order recovery will be the key areas to monitor.

Consolidated - Quarterly Snapshot Mode (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**4,633**	**5,011**	**5,034**	**5,380**	**3,713**	**4,972**	**5,709**	**6,750**	**20,058**	**21,144**
YoY Change (%)	23.1	29.2	16.6	17.5	-19.9	-0.8	13.4	25.5	21.3	5.4
Total Expenditure	3,677	3,897	3,941	4,176	2,977	3,953	4,442	5,237	15,691	16,609
EBITDA	**956**	**1,114**	**1,093**	**1,204**	**736**	**1,019**	**1,267**	**1,513**	**4,367**	**4,535**
Margins (%)	20.6	22.2	21.7	22.4	19.8	20.5	22.2	22.4	21.8	21.5
Depreciation	62	61	65	75	77	74	76	77	263	305
Interest	10	8	4	7	8	8	8	8	29	32
Other Income	194	196	221	199	222	219	230	230	810	902
PBT before EO expense	**1,078**	**1,241**	**1,245**	**1,321**	**873**	**1,157**	**1,414**	**1,657**	**4,885**	**5,101**
PBT	**1,078**	**1,241**	**1,245**	**1,321**	**873**	**1,157**	**1,414**	**1,657**	**4,885**	**5,101**
Tax	274	331	320	375	228	308	376	445	1,300	1,357
Rate (%)	25.4	26.7	25.7	28.4	26.1	26.6	26.6	26.9	26.6	26.6
MI & P/L of Asso. Cos.	0	0	1	0	-1	0	0	1	1	0
Reported PAT	**804**	**910**	**926**	**946**	**644**	**849**	**1,038**	**1,213**	**3,586**	**3,744**
Adj PAT	**804**	**910**	**926**	**946**	**644**	**849**	**1,038**	**1,213**	**3,586**	**3,744**
YoY Change (%)	31.8	41.4	35.0	25.9	-19.9	-6.7	12.1	28.2	33.3	4.4
Margins (%)	17.4	18.2	18.4	17.6	17.3	17.1	18.2	18.0	17.9	17.7

Zen Technologies

Neutral

CMP: INR1,464 | TP: INR1,550 (+6%)

EPS CHANGE (%): FY26|FY27: -3|-3

- We expect revenue to decline 43% YoY as decision delays on overall ordering weigh on execution performance.
- Key monitorables include order inflows for both training simulators and anti-drones in domestic and export markets, execution of equipment orders, and working capital cycle.
- We expect EBITDA margin to expand 210bp YoY/70bp QoQ, in line with broader guidance of the company.
- Emergency procurement, progress of acquired companies and updates on utilization of QIP proceeds will be in focus.
- TP was decreased to INR1,550 to factor in lower other income in our estimates.

Standalone - Quarterly Earning Model **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**2,540**	**2,417**	**1,415**	**2,935**	**1,111**	**1,379**	**1,866**	**3,756**	**9,307**	**8,112**
YoY Change (%)	91.7	277.4	44.3	116.3	(56.3)	(42.9)	31.8	28.0	116.3	(12.8)
Total Expenditure	1,508	1,623	1,048	1,991	730	896	1,166	2,318	6,169	5,110
EBITDA	**1,032**	**794**	**367**	**944**	**380**	**483**	**700**	**1,439**	**3,137**	**3,001**
Margins (%)	40.6	32.9	26.0	32.2	34.3	35.0	37.5	38.3	33.7	37.0
Depreciation	22	23	26	29	31	32	32	35	101	130
Interest	10	21	27	36	14	25	26	39	94	104
Other Income	30	84	220	244	199	135	185	221	578	740
PBT	**1,030**	**835**	**534**	**1,122**	**535**	**561**	**826**	**1,586**	**3,520**	**3,508**
Tax	288	182	147	273	164	163	212	360	890	898
Rate (%)	28.0	21.8	27.6	24.3	30.6	29.0	25.6	22.7	25.3	25.6
Reported PAT	**742**	**652**	**386**	**849**	**371**	**398**	**615**	**1,226**	**2,630**	**2,610**
Adj PAT	**742**	**652**	**386**	**849**	**371**	**398**	**615**	**1,226**	**2,630**	**2,610**
YoY Change (%)	57.4	276.1	21.9	177.3	(50.0)	(38.9)	59.2	44.3	107.3	(0.7)
Margins (%)	29.2	27.0	27.3	28.9	33.4	28.9	33.0	32.6	28.3	32.2

Cement

Company
ACC
Ambuja Cements
Birla Corporation
Dalmia Bharat
Grasim Industries
India Cements
JSW Cement
JK Cement
JK Lakshmi Cement
The Ramco Cements
Shree Cement
UltraTech Cement

Near-term weakness persists; the long-term outlook positive

Demand subdued amid seasonality impact; pricing largely stable

- We estimate our cement coverage universe (ex-JSWC, as the 2QFY25 numbers are not available) to post 17%/52%/60% YoY growth in revenue/EBITDA/PAT, albeit on a low base. Aggregate cement volume is estimated to grow ~11% YoY to 92mt, aided by inorganic growth. However, on a like-for-like basis, volume growth stood at ~5% YoY in 2QFY26. Blended realization is estimated to improve ~5% YoY (down ~2% QoQ) to INR5,446/t, led by pricing gains in Apr-May'25, which partially declined in Jun-Jul'25. We estimate EBITDA/t to rise ~40% YoY (down ~20% QoQ) to INR867. Average EBITDA margin (ex-GRASIM) is estimated to expand 4.0pp YoY (contract 3.6pp QoQ) to ~16%.
- Cement price, after witnessing a marginal correction in Jun-Jul'25, largely remains stable in Aug-Sep'25, despite the intense monsoon in the country. While post-GST rate cut (from 28% to 18%) implementation (effective from 22nd Sep'25), cement players have passed on the full benefits to customers. Consequently, all-India average cement prices (WSP) declined by INR27 per 50-kg bag at exit-Sep'25. Now, cement dealers anticipate no material changes in pricing in the near term. Secondly, cement volume was subdued during the quarter due to heavy rains across major parts of the country from mid-Aug'25 and planned maintenance shutdown of plants. However, we estimate a mid-single-digit volume growth YoY, led by strong volume in Jul'25 and a volume push by exit-Sep'25 to achieve targets. On expanded capacity, average grinding capacity utilization is estimated at ~70% vs. ~71%/78% in 2QFY25/1QFY26.
- GRASIM's revenue is estimated to increase by ~21% YoY. VSF volume is estimated to decline ~2% YoY, while realization is likely to increase ~4%. Chemical volume is likely to increase ~6% YoY, while realization is likely to decline ~5%. Revenue from high-growth businesses (Opus and Birla Pivot) is likely to increase marginally by ~1% QoQ to INR24.7b. Overall EBITDA is estimated to dip ~2% YoY to INR3.2b, and OPM is likely to contract 80bp YoY to 3.5%. It is estimated to report a PAT of INR7.8b vs. INR7.6b in 2QFY25.

Stable opex/t YoY, average OPM is estimated to improve 4pp YoY to ~16%

- Cement volume growth for our coverage companies is estimated at ~11% YoY in 2QFY26, aided by inorganic growth. However, volume growth on a like-for-like basis stood at ~5% YoY. We estimate volume growth of ~17% YoY for UTCEM (including ICEM and Kesoram cement volume). However, on a like-for-like basis, UTCEM's volume growth is estimated at ~4% YoY. ACEM's volume is estimated to grow ~15% YoY (including Penna Cement and Orient Cement volumes). While on a like-for-like basis, its volume is likely to grow ~2% YoY. Volume growth is estimated at ~14% YoY for JKCE (on a low base), followed by ~10% for ACC/JKLC (each), and in the range of ~2-6% for DALBHARA/SRCM/BCORP. Volume is likely to be flat YoY for ICEM, while it is estimated to decline ~4% YoY for TRCL.
- Average opex/t for our coverage universe is estimated to remain flat YoY (up ~2% QoQ), as the impact of higher other expenses/t was offset by lower variable cost/t. The average imported petcoke (US) price was up ~6%/3% YoY/QoQ in

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2QFY26, while the average imported coal (South Africa) price was up ~1% YoY (down ~18% QoQ). The impact of fuel prices comes with a lag; hence, benign fuel prices in 1HCY25 are likely to benefit, with a lower variable cost in 2QFY26. Further, we estimate average freight cost/t to remain flat YoY (down ~1% QoQ).

- We estimate an EBITDA/t of INR1,198 for SRCM (the highest within our coverage universe), followed by INR980 for DALBHARA, INR951 for UTCEM, and INR934 for JKCE. EBITDA/t is estimated to be ~INR550-850 for the remaining players (ACC/ACEM/BCORP/JKLC/TRCL), except for ICEM, which stands at INR283/t.
- We estimate JKLC to report EBITDA growth of ~125% YoY, albeit on a low base, followed by SRCM/JKCE/DALBHARA/UTCEM at ~63%/62%/54%/52%. ACEM and ACC are expected to report an EBITDA growth of ~41% and 40% YoY, respectively. BCORP to post ~31% YoY and TRCL to record ~11% YoY EBITDA growth. ICEM is estimated to report an EBITDA of INR655m compared to the operating loss of INR1.6b in 2QFY25.

Sector outlook and recommendations

- The cement sector witnessed subdued demand growth in 2QFY26 amid the seasonality impact. However, the GST rate cut on cement is sentimentally positive and is likely to boost cement demand and industry capacity utilization in the long term. Also, cost volatility appears to be behind us as fuel prices remain benign and industry players continue to optimize logistics, increase green power and AFR usage, and invest in efficiency improvement, aiding margins.
- Given the capacity addition by large players, we estimate the industry's capacity to grow ~9% YoY (adding 55-60mtpa) in FY26, while demand growth is likely to be ~6-7% YoY during the year. However, we estimate the industry's capacity CAGR at ~5% over FY26-28 to be lower than the demand CAGR of ~7% during the same period.
- Given lower demand growth during the quarter and adverse operating leverage, we cut our EBITDA estimates (aggregate) for our cement coverage companies by ~5%/3% for FY26/FY27. We prefer UTCEM in the large-cap space, while JKCE and DALBHARA are our preferred picks in the mid-cap space.

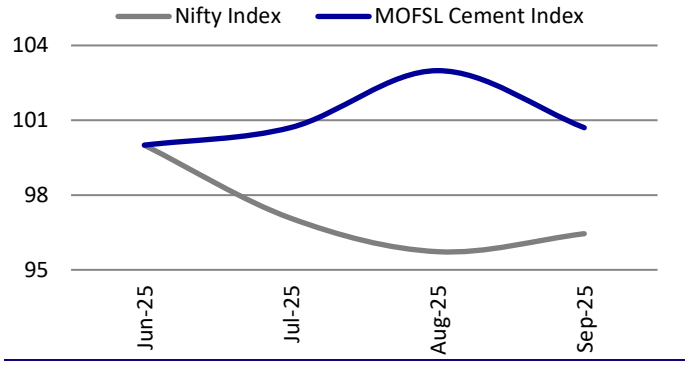
Exhibit 1: Summary of our 2QFY26 estimates

	CMP		Sales (INR m)			EBITDA (INR m)			PAT (INR m)		
Companies	(INR)	Rating	Sep-25	YoY (%)	QoQ (%)	Sep-25	YoY (%)	QoQ (%)	Sep-25	YoY (%)	QoQ (%)
ACC	1,829	Neutral	53,915	17.0	(11.1)	5,989	39.5	(22.5)	3,122	33.5	(18.8)
Ambuja Cements	571	Buy	88,601	20.1	(13.9)	13,710	40.8	(30.1)	4,137	(9.5)	(43.6)
Birla Corporation	1,212	Buy	21,354	9.4	(13.0)	2,330	31.5	(32.8)	379	(250.3)	(68.3)
Dalmia Bharat	2,232	Buy	34,678	12.3	(4.6)	6,700	54.4	(24.1)	2,125	286.3	(43.0)
Grasim Industries	2,792	Buy	92,210	21.0	(0.0)	3,200	(1.6)	(16.8)	7,770	N/A	N/A
India Cements	391	Sell	10,670	5.0	4.1	655	N/A	N/A	(257)	N/A	N/A
J K Cements	6,306	Buy	29,402	14.8	(12.3)	4,596	61.8	(33.2)	1,646	358.2	(49.2)
JK Lakshmi Cem.	869	Buy	14,057	13.9	(19.3)	2,007	124.8	(35.5)	661	(572.3)	(56.0)
Shree Cement	29,262	Neutral	42,395	13.8	(14.3)	9,648	62.8	(21.5)	2,155	131.4	(65.2)
The Ramco Cements	992	Neutral	21,174	3.9	2.3	3,464	11.0	(12.9)	479	87.2	(44.3)
Ultratech Cement	12,119	Buy	1,84,766	18.2	(13.2)	30,629	51.8	(30.6)	12,812	56.2	(43.2)
Cement			**5,93,223**	**16.6**	**(10.2)**	**82,927**	**51.6**	**(27.7)**	**35,028**	**59.7**	**(28.7)**

Exhibit 2: Comparative valuations

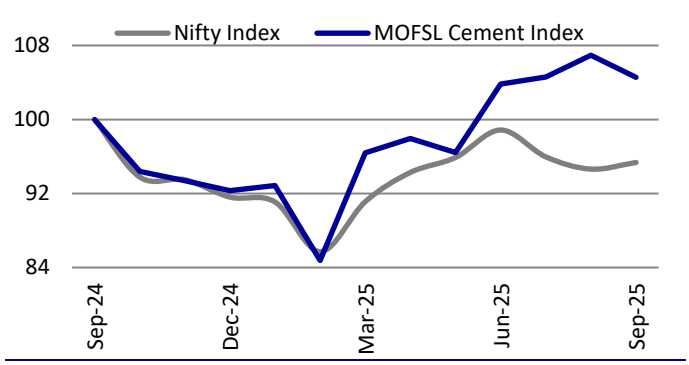
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Cement						**42.3**	**32.7**	**27.1**	**3.4**	**3.2**	**3.0**	**8.1**	**9.8**	**11.0**
ACC	1,829	Neutral	89.9	117.2	135.6	20.3	15.6	13.5	1.7	1.6	1.4	8.9	10.6	11.1
Ambuja Cements	571	Buy	10.2	14.5	17.4	56.1	39.4	32.7	2.5	2.4	2.3	4.6	6.3	7.1
Birla Corporation	1,212	Buy	67.9	84.8	95.9	17.9	14.3	12.6	1.3	1.2	1.1	7.2	8.4	8.8
Dalmia Bharat	2,232	Buy	70.4	68.6	83.0	31.7	32.5	26.9	2.3	2.1	2.0	7.4	6.8	7.7
Grasim Industries	2,792	Buy	85.1	105.5	127.4	32.8	26.5	21.9	3.3	3.2	3.1	-4.1	-1.1	1.5
India Cements	391	Sell	-1.4	3.8	11.4	-275.4	103.7	34.4	1.3	1.2	1.2	-0.5	1.2	3.6
J K Cements	6,306	Buy	155.8	193.5	219.5	40.5	32.6	28.7	6.8	5.8	4.9	18.2	19.2	18.5
JK Lakshmi Cem.	869	Buy	43.2	52.4	53.4	20.1	16.6	16.3	2.6	2.3	2.0	13.8	14.8	13.3
JSW Cement	139	Neutral	2.3	2.9	3.6	60.1	47.3	38.9	3.1	2.8	2.6	7.4	6.2	7.0
Ramco Cements	992	Neutral	15.8	24.7	34.3	63.0	40.2	28.9	3.0	2.8	2.6	4.9	7.3	9.4
Shree Cement	29,262	Neutral	448.7	551.1	683.9	65.2	53.1	42.8	4.7	4.4	4.1	7.4	8.6	9.9
Ultratech Cement	12,119	Buy	264.2	354.0	427.8	45.9	34.2	28.3	4.7	4.3	3.9	10.6	13.2	14.5
Chemicals						**36.7**	**28.7**	**25.4**	**3.9**	**3.5**	**3.1**	**10.5**	**12.1**	**12.3**

Exhibit 3: Relative performance – three months (%)



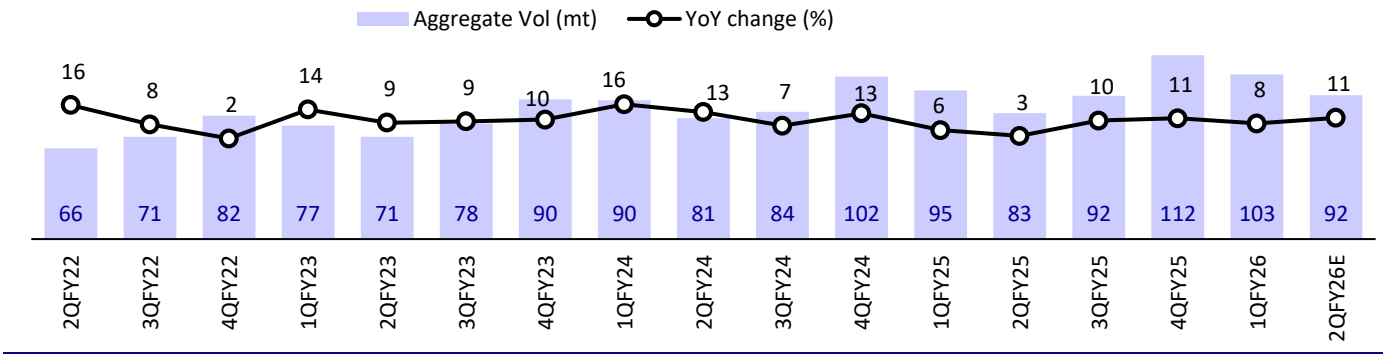
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



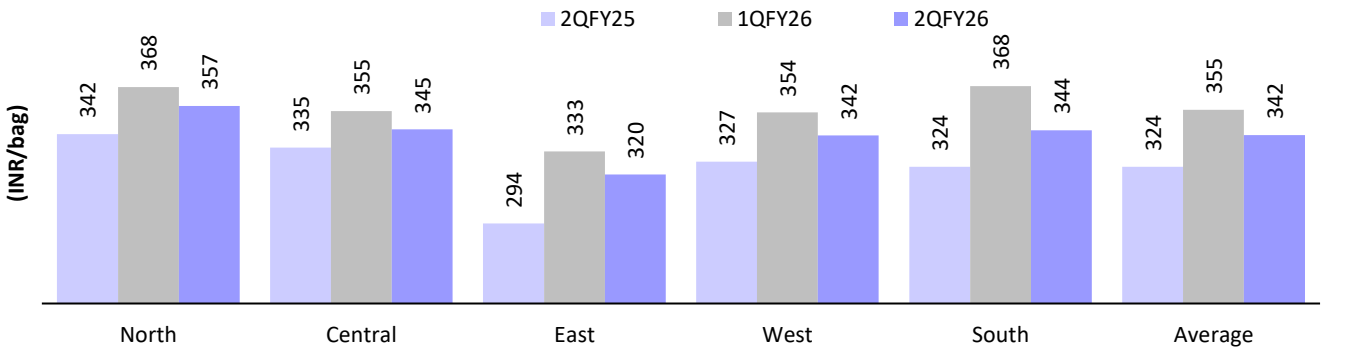
Source: Bloomberg, MOFSL

Exhibit 5: Estimate ~11% YoY growth in aggregate sales volume for our coverage universe, aided by inorganic growth



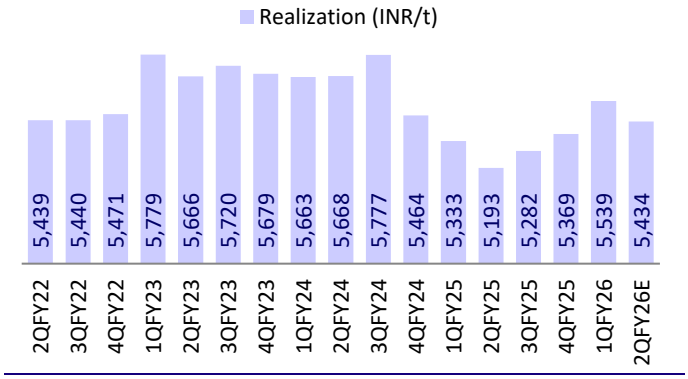
Source: MOFSL, Company, E: MOFSL estimate

Exhibit 6: Pan-India average cement price (WSP) declined in exit-Sep'25 due to the GST rate cut pass-through



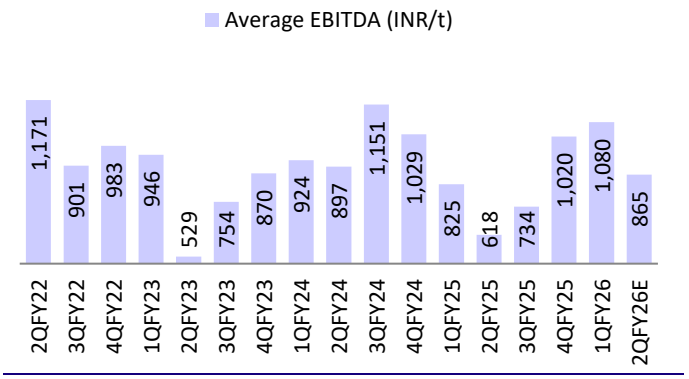
Source: MOFSL, Industry; Note – GST rate cut was effective from 22nd Sep'25, the rate cut is not likely to impact cement companies top-line as revenue shown is net of GST

Exhibit 7: Expect realization to improve ~5% YoY



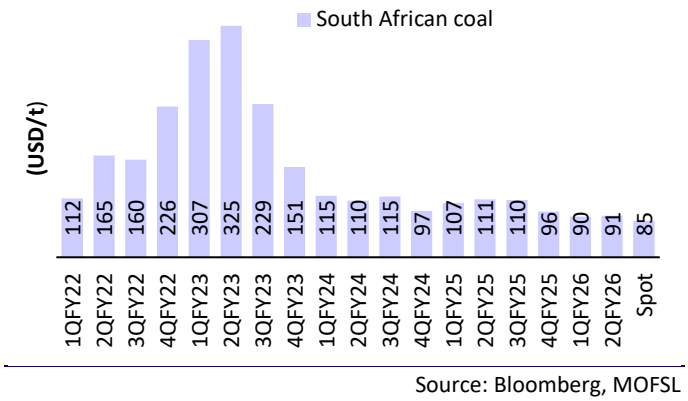
Source: MOFSL; E: MOFSL estimate

Exhibit 8: Expect EBITDA/t to increase 40% YoY



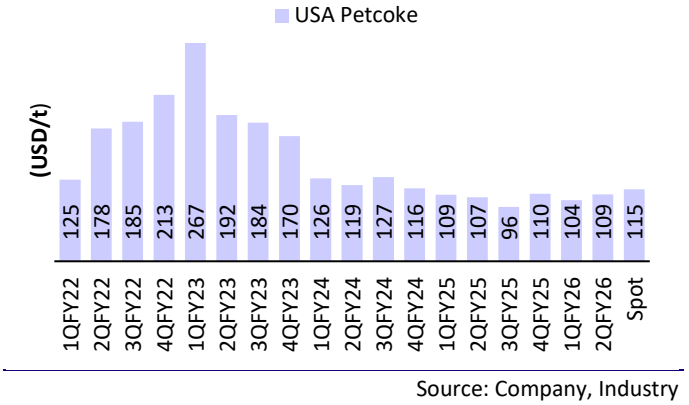
Source: Company, MOFSL; E: MOFSL estimate

Exhibit 9: Average South African coal price declined ~18% YoY but increased ~1% QoQ in 2QFY26



Source: Bloomberg, MOFSL

Exhibit 10: Average US petcoke price increased ~3% YoY and 6% QoQ in 2QFY26



Source: Company, Industry

Exhibit 11: Key operating parameters

Companies	Volume (mt)			Realization (INR/t)			EBITDA (INR/t)		
	2QFY26E	YoY (%)	QoQ (%)	2QFY26E	YoY (INR)	QoQ (INR)	2QFY26E	YoY (INR)	QoQ (INR)
ACC	10.2	10.0	(10.7)	5,270	315	(27)	585	124	(90)
Ambuja Cements (Consol.)	16.2	13.7	(12.0)	5,472	291	(120)	847	163	(219)
Birla Corporation	4.2	5.0	(12.8)	5,123	204	(12)	559	113	(166)
Dalmia Bharat	6.8	2.0	(2.4)	5,074	467	(120)	980	333	(281)
India Cements	2.3	0.4	6.0	4,618	201	(83)	283	995	(93)
JK Cement	4.9	13.5	(12.3)	5,974	68	(2)	934	279	(292)
JK Lakshmi Cement	2.7	10.1	(18.0)	5,154	171	(80)	736	375	(200)
The Ramco Cements	4.3	(3.7)	5.0	4,897	358	(130)	801	106	(165)
Shree Cement	8.1	6.0	(10.0)	5,263	359	(265)	1,198	418	(175)
UltraTech Cement	32.4	16.5	(11.9)	5,696	80	(81)	951	226	(247)
Sector aggregate/avg.	**92.2**	**10.8**	**(10.2)**	**5,434**	**240**	**(105)**	**865**	**247**	**(215)**

Exhibit 12: Valuation summary

Company Name	M-cap (USD b)	CMP INR	Rating	EV/EBITDA (X)			EV/t (USD)			Net debt/EBITDA (x)		
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Cement												
UltraTech Cement	39.4	12,119	Buy	22.5	18.0	15.5	202	187	182	1.0	0.6	0.2
Ambuja Cements (Consol.)	15.8	571	Buy	21.4	16.6	14.0	150	143	139	0.1	(0.0)	(0.2)
Shree Cement	11.9	29,262	Neutral	20.0	17.2	14.6	160	149	138	(1.1)	(1.2)	(1.3)
JK Cement	5.5	6,306	Buy	19.5	16.4	14.9	177	179	150	1.7	1.6	1.4
Dalmia Bharat	4.7	2,232	Buy	12.6	11.5	10.2	96	89	81	0.7	0.9	0.9
ACC	3.9	1,829	Neutral	9.8	7.4	6.1	76	73	68	(0.9)	(1.1)	(1.3)
The Ramco Cements	2.6	992	Neutral	16.2	13.5	11.3	118	102	100	2.5	2.1	1.6
JSW Cement	2.2	139	Neutral	15.9	14.3	12.1	105	94	82	3.6	3.4	3.0
India Cements	1.4	391	Sell	38.2	24.4	15.9	97	101	104	4.0	2.5	1.4
JK Lakshmi	1.2	869	Buy	10.2	9.2	8.4	78	75	69	1.9	2.2	2.1
Birla Corporation	1.1	1,212	Buy	7.8	6.3	6.4	59	56	58	1.8	2.0	2.1

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ACC — Neutral

CMP: INR1,829 | TP: INR2,000 (+9%) — **EPS CHANGE (%): FY26|27|28: -1.5|+0.9|-2.8**

- Sales volume is expected to grow ~10% YoY, whereas blended realization is expected to increase ~5% YoY.
- EBITDA/t is expected at INR585 vs. INR462/INR675 in 2QFY25/1QFY26.
- Variable cost/t is likely to increase ~4% YoY, and opex/t to increase ~4%. OPM is likely to expand 1.8pp YoY to ~11%.
- Adj. PAT is likely to jump 33% YoY to INR3.1b.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**52.0**	**46.1**	**52.6**	**60.6**	**60.7**	**53.9**	**61.2**	**66.8**	**210.3**	**242.6**
Change (YoY %)	(0.0)	3.9	6.9	12.2	16.7	17.0	16.3	10.3	(5.3)	15.3
EBITDA	**6.8**	**4.3**	**4.7**	**8.0**	**7.7**	**6.0**	**7.5**	**9.2**	**22.9**	**30.4**
Margin (%)	13.0	9.3	9.0	13.2	12.7	11.1	12.2	13.8	10.9	12.5
Change (YoY %)	(11.9)	(21.7)	(47.7)	(4.4)	14.1	39.5	57.9	15.4	140.5	33.0
Depreciation	2.2	2.3	2.5	2.5	2.4	2.5	2.5	2.5	9.6	9.8
Interest	0.3	0.3	0.3	0.1	0.3	0.3	0.3	0.3	1.1	1.2
Other Income	0.7	1.5	1.1	0.6	0.7	0.8	0.9	1.0	4.0	3.4
PBT before EO Item	**4.9**	**3.2**	**3.1**	**6.0**	**5.7**	**4.1**	**5.6**	**7.4**	**16.2**	**22.8**
EO Income/(Expense)	0.0	0.0	11.7	2.6	0.0	0.0	0.0	0.0	14.3	0.0
PBT after EO Item	**4.9**	**3.2**	**14.8**	**8.6**	**5.7**	**4.1**	**5.6**	**7.4**	**30.5**	**22.8**
Tax	1.3	0.8	3.9	1.2	1.9	0.9	1.2	1.9	7.2	5.9
Rate (%)	25.6	26.5	26.2	14.4	33.0	23.0	22.0	24.9	23.6	25.9
Reported PAT	**3.7**	**2.3**	**10.9**	**7.4**	**3.8**	**3.1**	**4.3**	**5.6**	**23.3**	**16.9**
Adjusted PAT	**3.7**	**2.3**	**2.3**	**5.1**	**3.8**	**3.1**	**4.3**	**5.6**	**13.4**	**16.9**
Margins (%)	7.0	5.1	4.3	8.5	6.3	5.8	7.1	8.4	6.4	7.0
Change (YoY %)	(21.1)	(39.1)	(57.3)	4.5	5.0	33.5	92.9	9.0	35.3	26.3

Ambuja Cements — Buy

CMP: INR571 | TP: INR730 (+28%) — **EPS CHANGE (%): FY26|27|28: -5.3|-3.0|-2.8**

- Consolidated volume is expected to increase ~14% YoY. On a like-for-like basis, its volume is likely to grow ~2% YoY
- Consolidated EBITDA/t is expected to be INR847 vs. INR684/INR1,066 in 2QFY25/1QFY26.
- We estimate variable cost/t to decline~2% YoY. Opex/t is expected to increase ~3% YoY.
- Depreciation is likely to increase ~57% YoY. Adjusted PAT (after MI) is estimated to decline 9% YoY.

Consolidated quarterly performance (INR b)

Y/E December/March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**83.9**	**73.8**	**85.0**	**99.8**	**102.9**	**88.6**	**97.6**	**108.8**	**342.5**	**397.9**
Change (YoY %)	-3.7	-0.6	4.6	12.2	22.6	20.1	14.8	9.0	10.0	16.2
EBITDA	**12.8**	**9.7**	**8.9**	**18.7**	**19.6**	**13.7**	**16.8**	**20.7**	**50.1**	**70.8**
Change (YoY %)	-23.2	-25.2	-48.9	9.9	53.2	40.8	89.6	11.0	73.0	41.5
Margin (%)	15.3	13.2	10.4	18.7	19.1	15.5	17.2	19.1	14.6	17.8
Depreciation	4.8	5.5	6.6	7.9	8.6	8.7	8.7	8.4	24.8	34.4
Interest	0.7	0.7	0.7	0.1	0.7	0.8	0.8	0.8	2.2	3.0
Other Income	3.5	3.7	2.4	2.7	2.6	2.7	2.8	2.9	12.4	10.9
PBT before JV profit/(loss)	**10.9**	**7.3**	**4.0**	**13.4**	**12.9**	**6.9**	**10.1**	**14.5**	**35.6**	**44.4**
Share of JV Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Extraordinary Inc./(Exp.)	0.0	-0.2	19.4	4.4	0.4	0.0	0.0	0.0	23.5	0.4
PBT after EO Exp./(Inc.)	**10.9**	**7.1**	**23.4**	**17.8**	**13.3**	**7.0**	**10.1**	**14.5**	**59.2**	**44.9**
Tax	3.1	2.4	5.2	4.6	3.9	1.7	2.4	3.8	15.3	11.7
Prior Period Tax Adj. and Reversal	0.0	0.1	-8.1	0.4	-0.3	0.0	0.0	0.0	-7.6	-0.3
Rate (%)	28.4	34.5	-12.2	27.9	27.2	23.9	23.9	25.9	25.9	25.5
Reported Profit	**7.8**	**4.7**	**26.2**	**12.8**	**9.7**	**5.3**	**7.7**	**10.8**	**51.5**	**33.5**
Minority Interest	1.4	0.2	5.0	3.3	1.8	1.2	2.2	2.7	9.9	7.9
Adj. Pat after MI	**6.4**	**4.6**	**4.1**	**4.5**	**7.3**	**4.1**	**5.5**	**8.1**	**19.6**	**25.0**
Change (YoY %)	(29.3)	(42.4)	(49.7)	(16.1)	14.7	(9.5)	33.4	80.2	(30.6)	28.0

Birla Corporation — Buy

CMP: INR1,212 | TP: INR1,600 (+32%) — **EPS CHANGE (%): FY26|27|28: -7.7|-0.8|-3.3**

- Volume is expected to grow ~5% YoY. Blended realization is expected to increase ~3% YoY.
- EBITDA/t is estimated at INR559 vs. INR446/INR725 in 2QFY25/1QFY26.
- Variable cost/t is estimated to inch up 1% YoY, and opex/t is estimated to increase 2%/4% YoY/QoQ.
- EBITDA is estimated to increase ~31% YoY to INR2.3b, while Adj. PAT is estimated to be INR379m v/s net loss of INR252m in 2QFY25

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**21.9**	**19.5**	**22.6**	**28.1**	**24.5**	**21.4**	**24.4**	**29.4**	**92.1**	**99.7**
Change (YoY %)	(9.1)	(14.6)	(2.4)	6.0	12.0	9.4	8.2	4.6	(4.6)	8.2
Total Expenditure	19.3	17.8	20.1	22.8	21.1	19.0	21.3	23.9	80.0	85.3
EBITDA	**2.6**	**1.8**	**2.5**	**5.3**	**3.5**	**2.3**	**3.1**	**5.5**	**12.2**	**14.5**
Margin (%)	11.8	9.1	11.0	19.0	14.1	10.9	12.7	18.8	13.2	14.5
Change (YoY %)	-13.3	-38.7	-34.5	13.0	34.3	31.5	25.5	3.9	-15.3	18.7
Depreciation	1.5	1.5	1.4	1.4	1.3	1.4	1.5	1.6	5.7	5.7
Interest	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.7	3.3	2.8
Other Income	0.2	0.2	0.2	0.5	0.3	0.2	0.3	0.3	1.0	1.1
Profit before Tax	**0.4**	**-0.4**	**0.4**	**3.7**	**1.8**	**0.5**	**1.1**	**3.5**	**4.2**	**7.0**
EO (Income)/Expense	-	-	-	0.4	-	-	-	-	0.4	-
Profit before Tax after EO	**0.4**	**-0.4**	**0.4**	**3.3**	**1.8**	**0.5**	**1.1**	**3.5**	**3.8**	**7.0**
Tax	0.1	-0.1	0.1	0.7	0.6	0.1	0.3	0.8	0.8	1.7
Rate (%)	25.9	29.4	24.6	21.8	32.6	25.0	25.0	21.2	21.9	25.0
Reported PAT	**0.3**	**-0.3**	**0.3**	**2.6**	**1.2**	**0.4**	**0.9**	**2.8**	**3.0**	**5.2**
Adj. PAT	**0.3**	**-0.3**	**0.3**	**2.9**	**1.2**	**0.4**	**0.9**	**2.8**	**3.3**	**5.2**
Margins (%)	1.5	-1.3	1.4	10.2	4.9	1.8	3.5	9.5	3.5	5.2
Change (YoY %)	(45.4)	N/A	(71.4)	52.2	266.6	N/A	174.7	(2.4)	(21.8)	60.7

Dalmia Bharat — Buy

CMP: INR2,232| TP: INR2,660 (+19%) — **EPS CHANGE (%): FY26|27|28: -3.8|-1.4|-0.5**

- Sales volume is estimated to increase ~2% YoY. Realization is expected to increase ~10% YoY (down 2% QoQ).
- EBITDA/t is estimated at INR980 vs. INR648/ INR1,261 in 2QFY25/1QFY26.
- Variable cost/t is estimated to increase ~8% YoY. Opex/t is estimated to increase ~3% YoY.
- Adj. PAT is estimated to jump ~286% YoY (on a low base).

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**36.2**	**30.9**	**31.8**	**40.9**	**36.4**	**34.7**	**35.5**	**46.8**	**139.8**	**153.4**
Change (YoY %)	-0.3	-2.0	-11.7	-5.0	0.4	12.3	11.6	14.5	-4.8	9.7
Total Expenditure	29.5	26.5	26.7	33.0	27.5	28.0	28.4	36.1	115.7	120.0
EBITDA	**6.7**	**4.3**	**5.1**	**7.9**	**8.8**	**6.7**	**7.1**	**10.7**	**24.1**	**33.4**
Margins (%)	18.5	14.1	16.1	19.4	24.3	19.3	20.0	22.9	17.2	21.7
Change (YoY %)	8.4	-26.3	-34.4	21.3	32.0	54.4	39.0	35.2	-8.8	38.6
Depreciation	3.2	3.4	3.6	3.1	3.2	3.2	3.5	3.6	13.3	13.6
Interest	1.0	1.0	1.0	1.1	1.1	1.1	1.2	1.2	4.0	4.5
Other Income	0.5	0.7	0.4	0.9	0.5	0.6	0.7	0.9	2.5	2.7
PBT before EO Expense	**3.1**	**0.7**	**0.8**	**4.7**	**5.0**	**2.9**	**3.1**	**6.8**	**9.3**	**17.9**
Extra-Ord. Expense	1.1	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	1.1	-0.2
PBT after EO Expense	**1.9**	**0.7**	**0.8**	**4.7**	**5.2**	**2.9**	**3.1**	**6.8**	**8.2**	**18.0**
Tax	0.5	0.2	0.2	0.3	1.2	0.7	0.8	1.8	1.2	4.5
Prior Period Tax Adj.	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	0.0	-0.7	0.0
Rate (%)	16.0	20.5	22.9	22.9	24.5	25.6	25.6	25.9	5.6	25.2
Reported PAT	**1.5**	**0.5**	**0.7**	**4.4**	**4.0**	**2.2**	**2.3**	**5.1**	**7.0**	**13.5**
Minority + Associate	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.2	0.2
PAT Adj. for EO Items	**2.3**	**0.6**	**0.6**	**3.6**	**3.7**	**2.1**	**2.3**	**5.0**	**7.0**	**13.2**
Change (YoY %)	82.9	-53.8	-78.1	40.7	65.8	286.3	287.4	40.8	-9.0	89.2

Grasim Industries — Buy

CMP: INR2,792 | TP: INR3,540(+27%) — **EPS CHANGE (%): FY26|27|28: -10.5|-6.3|-6.0**

- Revenue for VSF/Chemical segments is expected to increase 3%/1% YoY.
- EBITDA for the VSF segment is likely to decline ~27% YoY, and OPM is expected to decline 3.5pp YoY to ~9%.
- The Chemical segment's EBITDA is expected to increase 6% YoY, and OPM is likely to improve 70bp YoY to ~14%.
- Standalone revenue is estimated to increase ~21% YoY. EBITDA is expected to decline ~2% YoY to INR3.2b. OPM is estimated to contract 80bp YoY to 3.5%.
- Interest and depreciation are estimated to rise ~20% and 29% YoY, respectively. Adj. PAT is estimated to grow ~3% YoY to INR7.8b.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**68.9**	**76.2**	**81.2**	**89.3**	**92.2**	**92.2**	**93.8**	**97.1**	**315.6**	**375.3**
Change (YoY %)	10.5	18.3	26.9	31.9	33.8	21.0	15.5	8.7	22.1	18.9
EBITDA	**3.3**	**3.3**	**2.7**	**2.2**	**3.8**	**3.2**	**4.2**	**4.8**	**11.4**	**16.0**
Change (YoY %)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	(1.6)	56.0	(50.7)	18.3
Margin (%)	4.7	4.3	3.3	2.5	4.2	3.5	4.5	4.9	3.6	4.3
Depreciation	3.5	4.1	4.2	5.0	4.8	4.9	4.9	5.2	16.8	19.7
Interest	1.4	1.6	1.8	2.0	2.1	2.1	2.1	2.1	6.8	8.3
Other Income	0.9	12.9	1.0	2.3	1.4	14.0	1.2	2.5	17.2	19.1
PBT before EO Items	**-0.7**	**10.5**	**-2.3**	**-2.5**	**-1.6**	**10.2**	**-1.7**	**0.0**	**5.0**	**7.0**
Extraordinary Inc./(Exp.)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-
PBT after EO Items	**-0.7**	**10.0**	**-2.3**	**-3.7**	**-1.6**	**10.2**	**-1.7**	**0.0**	**3.3**	**7.0**
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.5	-0.4	0.0	1.2	1.7
Rate (%)	25.8	28.0	26.8	21.8	24.4	24.0	24.0	22.3	36.2	23.9
Reported PAT	**-0.5**	**7.2**	**-1.7**	**-2.9**	**-1.2**	**7.8**	**-1.3**	**0.0**	**2.1**	**5.4**
Prior period tax Adj.	-	-	-	-	-	-	-	-	-	-
Adj. PAT	**-0.5**	**7.6**	**-1.7**	**-2.1**	**-1.2**	**7.8**	**-1.3**	**0.0**	**3.3**	**5.4**
Margins	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	0.0	1.0	1.4
Change (YoY %)	(114.7)	(4.7)	(171.4)	(191.6)	N/A	2.6	N/A	N/A	(79.8)	64.0

India Cements — Sell

CMP: INR391 | TP: INR320 (-18%) — **EPS CHANGE (%): FY26|27|28: --|--|--**

- Volume is expected to be flat YoY, and blended realization is estimated to increase ~5% YoY.
- EBITDA/t is estimated at INR283 vs. the operating loss/t of INR712 in 2QFY25.
- Variable cost/t is estimated to decline 14% YoY. Total opex/t is likely to decline 15% YoY.
- ICEM is estimated to report a net loss of INR257m vs. a net loss of INR2.5b/INR138m in 2QFY25/1QFY26.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**9.7**	**10.2**	**9.0**	**12.0**	**10.2**	**10.7**	**10.0**	**13.6**	**40.9**	**44.5**
Change (YoY %)	(30.3)	(16.8)	(16.5)	(3.9)	5.5	5.0	10.8	13.7	(17.3)	8.9
EBITDA	**(0.3)**	**(1.6)**	**(1.9)**	**0.0**	**0.8**	**0.7**	**0.4**	**1.5**	**(3.8)**	**3.3**
Change (YoY %)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Margin (%)	(3.2)	(16.1)	(20.9)	0.0	8.0	6.1	3.9	10.8	(9.4)	7.5
Depreciation	0.6	0.5	0.6	0.7	0.7	0.8	0.8	0.8	2.4	3.0
Interest	0.8	0.7	0.7	0.5	0.3	0.3	0.3	0.4	2.8	1.3
Other Income	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.5	0.5
PBT before EO Expense	**(1.6)**	**(2.8)**	**(3.1)**	**(1.0)**	**(0.2)**	**(0.3)**	**(0.6)**	**0.5**	**(8.5)**	**(0.5)**
Extra-Ord. Expense	(2.4)	(0.1)	1.9	0.0	-	-	-	-	(0.5)	-
PBT	**0.8**	**(2.7)**	**(5.0)**	**(1.0)**	**(0.2)**	**(0.3)**	**(0.6)**	**0.5**	**(7.9)**	**(0.5)**
Tax	0.0	(0.3)	(0.7)	(0.3)	(0.0)	(0.1)	(0.1)	0.1	(1.3)	(0.1)
Rate (%)	1.7	12.6	13.7	25.2	15.3	18.0	18.0	17.1	16.0	18.0
Reported PAT	**0.8**	**(2.4)**	**(4.3)**	**(0.8)**	**(0.1)**	**(0.3)**	**(0.5)**	**0.4**	**(6.7)**	**(0.4)**
Tax	-	-	-	-	-	-	-	-	-	-
Adj. PAT	**(1.6)**	**(2.5)**	**(2.6)**	**(0.7)**	**(0.1)**	**(0.3)**	**(0.5)**	**0.4**	**(7.4)**	**(0.4)**
Change (YoY %)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Margin (%)	(16.4)	(24.2)	(29.3)	(6.2)	(1.3)	(2.4)	(4.7)	3.1	(18.2)	(1.0)

JSW Cement — Neutral

CMP: INR139 | TP: INR150 (+8%) — **EPS CHANGE (%): FY26|27|28: - |- |-**

- Sales volume is expected to decline 12% QoQ. Realization is estimated to decline ~2% QoQ.
- EBITDA/t is estimated at INR657 vs. INR975 in 1QFY26.
- We expect opex/t to increase ~6% QoQ. Variable cost/t is expected to decline ~1% QoQ.
- Depreciation and interest costs are expected to increase 3% and 5% QoQ, respectively. Adj. PAT is estimated to be INR402m vs. a net loss of INR1.1b in 1QFY26.

Quarterly performance (INR b)

Y/E March	FY25		FY26				FY25	FY26E
	1Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**14.5**	**17.1**	**15.6**	**13.5**	**15.1**	**24.1**	**58.1**	**68.2**
Total Expenditure	12.1	14.6	12.4	11.5	12.4	19.1	49.5	55.5
EBITDA	**2.3**	**2.5**	**3.2**	**1.9**	**2.7**	**4.9**	**8.6**	**12.7**
Margins (%)	16.1	14.6	20.7	14.2	17.6	20.5	14.8	18.7
Depreciation	0.7	0.8	0.8	0.8	0.8	0.9	3.1	3.3
Interest	1.4	1.2	1.0	1.1	1.3	1.5	5.9	4.9
Other Income	0.2	0.2	0.2	0.3	0.3	0.3	1.0	1.1
PBT before EO Expense	**0.4**	**0.7**	**1.6**	**0.3**	**0.8**	**2.8**	**0.5**	**5.6**
Extra-Ord loss/ (income)	-	-	14.7	-	-	-	-	14.7
PBT after EO Expense	**0.4**	**0.7**	**-13.0**	**0.3**	**0.8**	**2.8**	**0.5**	**-9.1**
Tax	0.3	0.6	0.6	0.1	0.2	0.6	1.2	1.5
Prior period tax adjustment	-	-	-	-	-	-	-	-
Rate (%)	80.4	86.4	-5.0	22.0	22.0	19.8	0.0	0.0
Reported PAT (pre minority)	**0.1**	**0.1**	**-13.7**	**0.3**	**0.7**	**2.2**	**-0.7**	**-10.5**
Share of loss/(profit) from JV	0.3	-0.1	-0.0	-0.2	0.2	0.5	1.0	1.0
Minority	-0.1	-0.2	-0.1	-0.1	-0.1	-0.2	-0.5	-0.5
PAT Adj for EO items and post MI	**-0.2**	**0.3**	**1.1**	**0.4**	**0.4**	**1.7**	**-0.1**	**3.7**

JK Cement — Buy

CMP: INR6,306 | TP: INR7,500 (+19%) — **EPS CHANGE (%): FY26|27|28: -4.9|-5.8|-7.1**

- JKCE's volume is estimated to grow ~14% YoY. Blended realization is estimated to increase 1% YoY.
- EBITDA/t is estimated at INR934 vs. INR655/INR1,226 in 2QFY25/1QFY26.
- Variable cost/t is expected to decline 6% YoY. Opex/t is estimated to decline ~4% YoY.
- EBITDA is estimated to increase ~62% YoY, while Adj. PAT is estimated to surge ~358% YoY on a low base

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**28.1**	**25.6**	**29.3**	**35.8**	**33.5**	**29.4**	**32.2**	**40.9**	**118.8**	**136.0**
Change (YoY %)	1.6	(7.0)	(0.2)	15.3	19.4	14.8	9.8	14.2	2.8	14.5
Total Expenditure	23.2	22.8	24.4	28.2	26.6	24.8	25.9	32.1	98.5	109.5
EBITDA	**4.9**	**2.8**	**4.9**	**7.6**	**6.9**	**4.6**	**6.3**	**8.8**	**20.3**	**26.5**
Change (YoY %)	19.2	-39.2	-21.3	36.6	41.4	61.8	27.7	14.4	-1.6	30.8
Margin (%)	17.3	11.1	16.8	21.4	20.5	15.6	19.5	21.4	17.1	19.5
Depreciation	1.5	1.5	1.5	1.6	1.5	1.5	1.6	1.9	6.0	6.4
Interest	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.4	4.6	4.7
Other Income	0.4	0.4	0.4	0.5	0.6	0.3	0.3	0.6	1.7	1.8
PBT before EO Expense	**2.7**	**0.5**	**2.8**	**5.4**	**4.9**	**2.3**	**4.0**	**6.0**	**11.4**	**17.2**
Extra-Ord. Expense	-	(1.0)	-	-	-	-	-	-	(1.0)	-
PBT	**2.7**	**1.6**	**2.8**	**5.4**	**4.9**	**2.3**	**4.0**	**6.0**	**12.4**	**17.2**
Tax	0.9	0.2	0.9	1.7	1.6	0.6	1.1	1.7	3.7	5.1
Profit from Associate and MI	(0.0)	0.1	(0.0)	0.0	(0.0)	-	-	-	0.1	(0.0)
Tax-Rate (%)	32.3	12.2	32.1	32.5	33.7	28.0	29.0	27.9	29.8	29.8
Reported PAT	**1.9**	**1.3**	**1.9**	**3.6**	**3.2**	**1.6**	**2.8**	**4.3**	**8.6**	**12.0**
Adj. PAT	**1.9**	**0.4**	**1.9**	**3.6**	**3.2**	**1.6**	**2.8**	**4.3**	**7.7**	**12.0**
Change (YoY %)	49.3	(80.0)	(33.3)	69.1	75.0	358.2	48.6	20.1	(3.7)	56.0
Margin (%)	6.6	1.4	6.5	10.1	9.7	5.6	8.7	10.6	6.5	8.9

JK Lakshmi — Buy

CMP: INR869 | TP: INR1,150 (+32%) — **EPS CHANGE (%): FY26|27|28: -2.4|-2.1|-0.6**

- Sales volume is expected to increase 10% YoY. Realization is estimated to rise ~3% YoY.
- EBITDA/t is estimated at INR736 vs. INR360/INR936 in 2QFY25/1QFY26.
- We expect opex/t to decline ~4% YoY. Variable cost/t is expected to decline ~9% YoY.
- Depreciation and interest costs are expected to increase ~2% and 18% YoY, respectively. Adj. PAT is estimated to be INR661m vs. a net loss of INR140m in 2QFY25.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**15.6**	**12.3**	**15.0**	**19.0**	**17.4**	**14.1**	**16.4**	**19.7**	**61.9**	**67.5**
Change (YoY %)	(9.6)	(21.6)	(12.1)	6.6	11.3	13.9	9.4	3.6	(8.8)	9.0
EBITDA	**2.2**	**0.9**	**2.0**	**3.5**	**3.1**	**2.0**	**2.8**	**3.7**	**8.6**	**11.6**
Change (YoY %)	13.3	(58.9)	(33.2)	4.4	39.9	124.8	37.6	5.6	(17.8)	34.2
Margin (%)	14.2	7.2	13.5	18.5	17.9	14.3	17.0	18.9	14.0	17.2
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	3.0	3.2
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.5	1.8	2.1
Other Income	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1	0.5	0.6
PBT before EO Expense	**1.2**	**(0.2)**	**0.9**	**2.5**	**2.0**	**0.9**	**1.6**	**2.5**	**4.3**	**6.9**
Extra-Ord. Exp. (Inc.)	0.4	-	-	-	-	-	-	-	0.4	-
PBT	**0.8**	**(0.2)**	**0.9**	**2.5**	**2.0**	**0.9**	**1.6**	**2.5**	**3.9**	**6.9**
Tax	0.3	(0.1)	0.3	0.8	0.5	0.2	0.4	0.7	1.2	1.8
Prior Period Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	32.3	46.2	29.7	31.7	26.5	22.5	22.5	30.4	30.7	26.5
Reported PAT	**0.5**	**(0.1)**	**0.6**	**1.7**	**1.5**	**0.7**	**1.2**	**1.7**	**2.7**	**5.1**
Minority Interest	(0.0)	0.0	0.0	(0.1)	(0.0)	0.0	0.0	(0.0)	(0.0)	0.0
Adj. PAT	**0.9**	**(0.1)**	**0.6**	**1.8**	**1.5**	**0.7**	**1.2**	**1.7**	**3.1**	**5.1**
Change (YoY %)	17.7	(115.1)	N/A	11.9	62.6	N/A	104.2	(2.7)	(32.7)	62.2
Margin (%)	5.9	-1.1	4.0	9.3	8.6	4.7	7.4	8.7	5.1	7.5

The Ramco Cements — Neutral

CMP: INR992| TP: INR1,050 (+6%) — **EPS CHANGE (%): FY26|27|28: -16.2|-9.2|-2.8**

- Volume is expected to decline ~4% YoY, and realization is expected to increase 8% YoY.
- EBITDA/t is estimated at INR801 vs. INR695/INR966 in 2QFY25/1QFY26.
- Variable cost/t is expected to increase 9% YoY. Opex/t is expected to increase ~7% YoY.
- EBITDA is estimated to rise 11% YoY to INR3.5b. Adj. PAT is estimated to jump 87% YoY to INR479m on a low base.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**20.9**	**20.4**	**19.8**	**23.9**	**20.7**	**21.2**	**21.4**	**27.0**	**85.0**	**90.2**
Change (YoY %)	(6.8)	(12.5)	(6.2)	(10.5)	(0.9)	3.9	8.2	12.7	(9.1)	6.2
Total Expenditure	17.7	17.3	17.0	20.7	16.7	17.7	18.0	21.4	72.6	73.8
EBITDA	**3.2**	**3.1**	**2.8**	**3.2**	**4.0**	**3.5**	**3.4**	**5.6**	**12.3**	**16.4**
Change (YoY %)	(6.5)	(21.7)	(29.3)	(23.1)	(74.4)	8.4	9.2	99.6	(20.7)	33.3
Margin (%)	15.3	15.3	14.1	13.4	19.2	16.4	15.9	20.7	14.5	18.2
Depreciation	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	6.9	7.5
Interest	1.1	1.2	1.1	1.1	1.0	1.1	1.0	1.1	4.6	4.3
Other Income	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.4
PBT before EO Expense	**0.5**	**0.3**	**0.0**	**0.4**	**1.2**	**0.7**	**0.6**	**2.7**	**1.3**	**5.1**
Extra-Ord Exp./(Inc.)	-	-	(3.3)	(0.1)	-	-	-	-	(3.4)	-
PBT	**0.5**	**0.3**	**3.3**	**0.5**	**1.2**	**0.7**	**0.6**	**2.7**	**4.7**	**5.1**
Tax	0.1	0.1	0.1	0.2	0.3	0.2	0.1	0.8	0.5	1.4
Prior Year Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	26.3	26.9	2.4	37.1	26.2	28.0	25.0	28.5	10.4	27.5
Reported PAT	**0.4**	**0.3**	**3.3**	**0.3**	**0.9**	**0.5**	**0.4**	**1.9**	**4.2**	**3.7**
Adj. PAT	**0.4**	**0.3**	**0.0**	**0.3**	**0.9**	**0.5**	**0.4**	**1.9**	**0.9**	**3.7**
Change (YoY %)	(55.0)	(74.7)	(96.6)	(76.7)	142.3	87.2	1,312	585.1	(76.6)	302.3
Margins (%)	1.7	1.3	0.2	1.2	4.2	2.3	2.1	7.2	1.1	4.1

Shree Cement — Neutral

CMP: INR29,262| TP: INR32,000 (+9%) — **EPS CHANGE (%): FY26|27|28: +2.2|+2.3|+5.8**

- Volume is expected to increase 6% YoY, and blended realization is likely to improve ~7% YoY.
- We estimate EBITDA/t at INR1,198 vs. INR780/INR1,373 in 2QFY25/1QFY26.
- Variable cost/t is estimated to decline 4% YoY. Opex/t is estimated to decline 1% YoY.
- Depreciation is estimated to increase ~14% YoY, while interest is estimated to decline ~10% YoY. Adj. PAT is estimated to increase ~131% YoY on a low base.

Standalone quarterly performance (INR b)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**48.3**	**37.3**	**42.4**	**52.4**	**49.5**	**42.4**	**47.4**	**55.6**	**180.4**	**194.9**
Change (YoY %)	-2.7	-18.3	-13.6	3.3	2.3	13.8	11.9	6.1	-7.5	8.0
Total Expenditure	39.2	31.3	32.9	38.3	37.2	32.7	36.0	40.1	141.7	146.1
EBITDA	**9.2**	**5.9**	**9.5**	**14.1**	**12.3**	**9.6**	**11.4**	**15.5**	**38.7**	**48.8**
Change (YoY %)	-1.7	-31.9	-23.3	6.4	34.1	62.8	20.3	9.6	-11.4	26.2
Margin (%)	19.0	15.9	22.3	26.9	24.8	22.8	24.0	27.9	21.4	25.0
Depreciation	6.4	6.7	7.5	7.5	5.5	7.6	8.6	9.4	28.1	31.1
Interest	0.6	0.6	0.5	0.4	0.4	0.5	0.5	0.5	2.1	2.0
Other Income	1.3	1.8	1.1	1.5	2.0	1.4	1.3	1.6	5.8	6.2
PBT before EO Exp.	**3.5**	**0.4**	**2.6**	**7.7**	**8.3**	**2.9**	**3.6**	**7.1**	**14.3**	**21.9**
Extra-Ord. Exp./(Inc.)	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	-0.3	0.0
PBT	**3.5**	**0.4**	**2.6**	**7.4**	**8.3**	**2.9**	**3.6**	**7.1**	**14.0**	**21.9**
Tax	0.3	-0.5	0.3	1.9	2.1	0.7	0.9	1.9	2.0	5.7
Rate (%)	9.4	-108.1	11.4	25.1	25.8	25.5	25.5	26.7	14.4	26.0
Reported PAT	**3.2**	**0.9**	**2.3**	**5.6**	**6.2**	**2.2**	**2.7**	**5.2**	**12.0**	**16.2**
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. PAT	**3.2**	**0.9**	**2.3**	**5.8**	**6.2**	**2.2**	**2.7**	**5.2**	**12.2**	**16.2**
Change (YoY %)	-45.3	-81.0	-68.8	-12.5	94.7	131.4	15.9	-10.4	-50.6	32.8

UltraTech Cement — Buy

CMP: INR12,119 | TP: INR14,500(+20%) — **EPS CHANGE (%): FY26|27|28: -13.6|-7.5|-7.2**

- Sales volume (consolidated) is expected to increase ~17% YoY. On a like-for-like basis, UTCEM's volume growth is estimated to grow at ~4% YoY.
- Blended realization is likely to increase 1% YoY.
- RMC revenue is expected to increase 13% YoY, whereas white cement revenue is expected to increase 16% YoY.
- Variable cost per ton is expected to decline ~4% YoY, and opex/t is expected to dip 3% YoY.
- We expect EBITDA/t at INR951 vs INR725/INR1,197 in 2QFY25/1QFY26.
- Depreciation/interest expenses are estimated to increase 26%/41% YoY. Adj. PAT is estimated to increase 56% YoY.

Consolidated performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**188.2**	**156.3**	**177.8**	**230.6**	**212.8**	**184.8**	**204.8**	**264.6**	**759.6**	**866.9**
Change (YoY %)	6.1	-2.4	6.2	13.0	13.1	18.2	15.2	14.7	7.1	14.1
Total Expenditure	158.0	136.2	148.8	184.4	168.7	154.1	166.0	214.2	634.0	703.0
EBITDA	**30.2**	**20.2**	**28.9**	**46.2**	**44.1**	**30.6**	**38.8**	**50.4**	**125.6**	**163.9**
Change (YoY %)	-1.1	-20.9	-11.1	12.3	46.2	51.8	34.1	9.1	-3.2	30.6
Margin (%)	16.0	12.9	16.3	20.0	20.7	16.6	18.9	19.0	16.5	18.9
Depreciation	9.2	9.0	9.9	11.2	11.1	11.4	11.7	15.3	40.1	49.5
Interest	3.3	3.2	4.6	4.8	4.3	4.5	4.6	6.1	16.5	19.5
Other Income	1.7	2.2	2.5	1.0	1.8	1.9	2.0	1.4	7.4	7.0
PBT before EO Expense	**19.4**	**10.2**	**16.9**	**31.2**	**30.5**	**16.6**	**24.5**	**30.3**	**76.4**	**101.9**
Extra-Ord. Expense	0.88	-	-	0.09	0.38	-	-	-	0.97	0.38
PBT after EO Expense	**18.5**	**10.2**	**16.9**	**31.1**	**30.1**	**16.6**	**24.5**	**30.3**	**75.4**	**101.6**
Tax	3.6	1.9	3.3	6.3	7.9	3.8	5.6	6.8	14.9	24.1
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate (%)	19.6	18.8	19.4	20.1	26.1	23.0	23.0	22.3	19.7	23.7
Reported PAT	**14.9**	**8.3**	**13.6**	**24.9**	**22.3**	**12.8**	**18.8**	**23.6**	**60.5**	**77.5**
Minority Interest	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.1	-0.1	0.0
Adj. PAT	**15.7**	**8.2**	**13.6**	**24.9**	**22.5**	**12.8**	**18.9**	**23.5**	**61.2**	**77.9**
Change (YoY %)	-7.3	-36.0	-23.5	7.8	44.0	56.2	38.7	-5.6	-13.3	27.3

Chemicals

Company
Alkyl Amines Chemicals
Atul
Clean Science
Deepak Nitrite
Ellenbarrie
Fine Organic Industries
Galaxy Surfactants
Navin Fluorine International
NOCIL
PI Industries
SRF
Tata Chemicals
Vinati Organics

Volume-led recovery amid weak spreads and pricing pressure

- Brent crude prices averaged USD68/bbl in Sep'25 (vs. USD67.9/bbl in Aug'25). Oil prices remained stable MoM despite oversupply and weak demand. This stability was established due to geopolitical risks and an aggressive increase in China's crude imports and stockpiling.
- Prices of organic compounds, Butadiene (Korea)/ Toluene (Korea), fell 31%/11% YoY in Sep'25, while prices of Benzene decreased 19% YoY and Propylene (Korea) fell 5% YoY Sep'25. Prices of other key materials, Aniline/Acetone/IPA, dipped 22%/29%/15% YoY in Sep'25. Price of ACN rose 3% YoY in Sep'25. Blended Phenol and Acetone spread stood at INR82/kg in 2QFY26 (down 13% YoY). Acetic Acid was down 5% YoY, while Ammonia prices decreased 10% YoY to INR32/kg in 2QFY26.
- **We estimate our coverage universe to report: 1) sales growth of 5% YoY, 2) EBITDA growth of 4% YoY, and 3) PAT growth of 1% YoY in 2QFY26. Aggregate gross margin is likely to expand 20bp YoY. Aggregate EBITDAM may contract 20bp YoY and 110bp QoQ.**
- In the first two months of 2QFY26, only two companies in our coverage universe saw an uptick in total export value. ATLP, NFIL and VO have shown YoY growth, while the rest have reported a decline in value terms. While INR depreciated ~2% YoY vs. USD in 2QFY26, making export revenue appear marginally higher YoY.
- We expect the companies to exhibit a measured recovery, underpinned by scale-up in specialty segments and steady progress in domestic import substitution. Near-term margin trajectories remain mixed given consistent oversupply in the market and a gradual normalization in agrochemical demand. Key variables to track in 2HFY26 include the timely execution of planned commissioning activities and the implications of ongoing trade-remedy measures.

Exhibit 1: Summary of 2QFY26 performance estimates

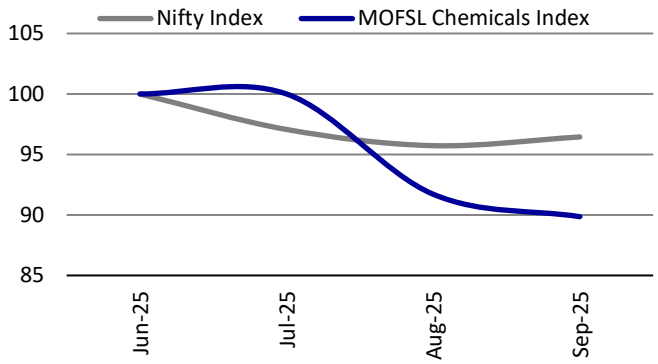
Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Alkyl Amines	1900	Neutral	4,232	2.0	4.4	776	5.6	1.4	505	6.3	2.1
Atul	6182	Buy	15,792	13.4	6.8	2,890	19.1	22.7	1,790	28.3	35.2
Clean Science	1097	Neutral	2,604	9.4	7.2	977	9.0	-2.1	668	13.7	-4.6
Deepak Nitrite	1842	Sell	19,229	-5.4	1.7	1,930	-35.1	1.8	1,151	-40.7	2.5
Ellenbarrie Industrial	470	Buy	930	NA	11.2	351	NA	14.5	254	NA	35.6
Fine Organic	4525	Sell	6,256	5.0	6.3	1,277	-15.2	3.3	1,041	-11.4	-7.0
Galaxy Surfactants	2226	Buy	12,501	17.6	-2.2	1,324	3.8	6.9	824	-2.7	3.7
Navin Fluorine	4624	Neutral	7,519	45.0	3.7	1,731	61.3	-16.3	892	51.7	-23.9
NOCIL	174	Neutral	3,448	-4.9	2.5	310	-16.3	5.0	195	-52.9	17.8
P I Industries	3584	Buy	17,769	-20.0	-6.5	4,349	-30.8	-16.2	3,264	-35.8	-18.4
SRF	2907	Buy	38,840	13.4	1.7	8,247	47.1	0.4	4,286	91.3	1.2
Tata Chemicals	918	Neutral	41,974	5.0	12.9	6,250	1.1	-3.7	2,097	8.1	-16.8
Vinati Organics	1724	Buy	6,307	14.0	16.3	1,699	26.8	2.5	1,251	17.9	10.9
Chemicals			**1,77,400**	**5.5**	**4.3**	**32,113**	**4.7**	**-1.8**	**18,218**	**2.7**	**-3.9**

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Research Analyst: Nirvik Saini (Nirvik.Saini@MotilalOswal.com) | **Yash Darak** (Yash.darak@MotilalOswal.com)

Exhibit 2: Comparative valuations

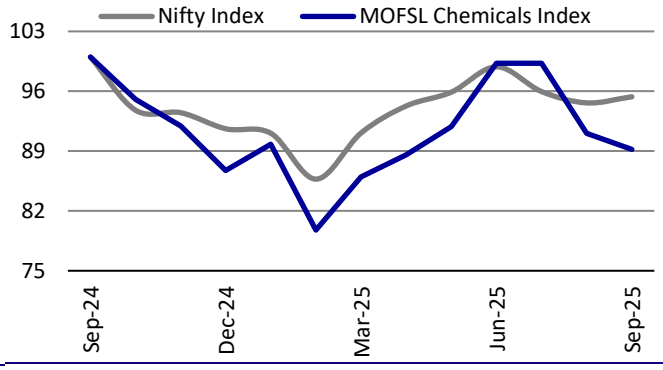
Company Name	CMP		EPS (INR)			PE (x)			PB (x)			ROE (%)		
	INR	Reco	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Chemicals						**36.7**	**28.7**	**25.4**	**3.9**	**3.5**	**3.1**	**10.5**	**12.1**	**12.3**
Alkyl Amines	1,900	Neutral	38.7	44.5	47.3	49.0	42.7	40.1	6.3	5.7	5.2	13.5	14.0	13.5
Atul	6,182	Buy	225.0	260.6	277.3	27.5	23.7	22.3	3.0	2.7	2.4	11.3	11.8	11.4
Clean Science	1,097	Neutral	31.1	39.2	44.7	35.3	28.0	24.5	6.9	5.7	4.8	21.3	22.3	21.2
Deepak Nitrite	1,842	Sell	47.9	61.7	64.1	38.4	29.9	28.8	4.2	3.8	3.4	11.5	13.3	12.4
Ellenbarrie Industrial	470	Buy	9.4	15.6	18.7	49.9	30.2	25.1	6.4	5.3	4.4	17.5	19.3	19.1
Fine Organic	4,525	Sell	136.8	138.7	158.2	33.1	32.6	28.6	5.3	4.6	4.0	17.4	15.2	15.1
Galaxy Surfactants	2,226	Buy	89.7	105.2	118.8	24.8	21.2	18.7	3.0	2.7	2.5	12.8	13.6	13.9
Navin Fluorine	4,624	Neutral	88.5	112.4	134.5	52.3	41.1	34.4	6.3	5.6	5.0	14.2	14.5	15.4
NOCIL	174	Neutral	5.2	6.5	7.5	33.7	26.7	23.2	1.6	1.5	1.5	4.8	5.9	6.5
P I Industries	3,584	Buy	98.8	118.0	134.3	36.3	30.4	26.7	4.8	4.2	3.7	13.9	14.7	14.7
SRF	2,907	Buy	69.5	93.6	107.7	41.8	31.0	27.0	6.1	5.2	4.5	15.4	18.2	18.0
Tata Chemicals	918	Neutral	34.8	54.4	60.6	26.4	16.9	15.1	1.1	1.0	1.0	4.1	6.1	6.5
Vinati Organics	1,724	Buy	50.4	58.5	69.7	34.2	29.5	24.8	5.5	4.8	4.1	17.3	17.4	18.0

Exhibit 3: Relative performance – three-month (%)



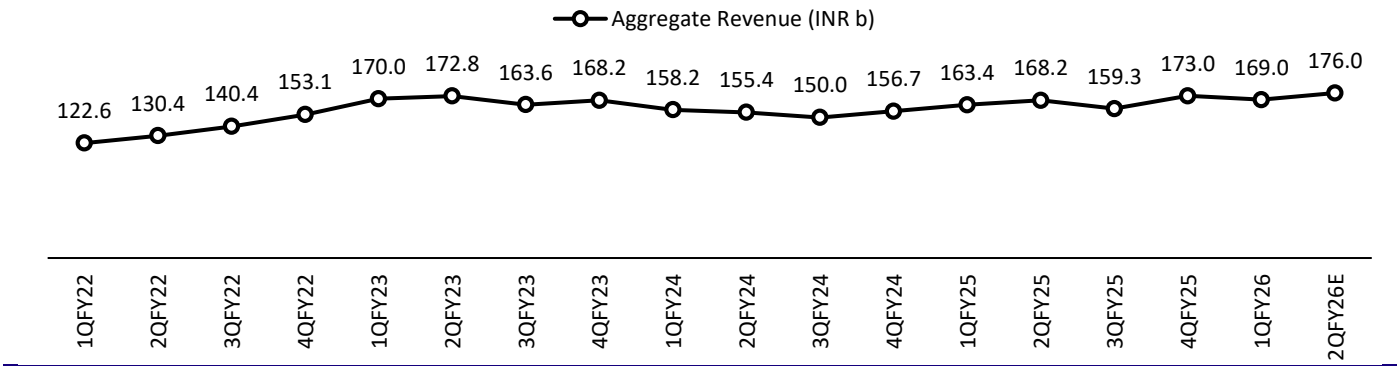
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

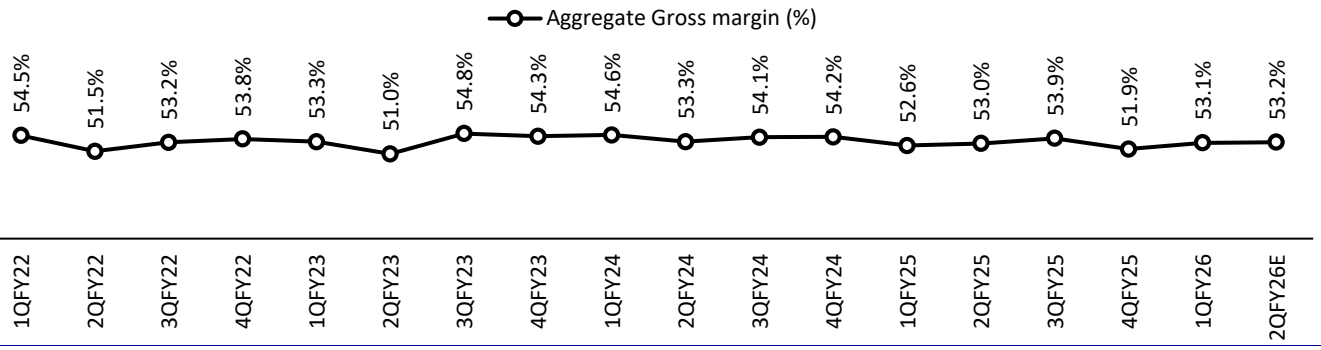
Exhibit 5: Revenue snapshot for our coverage universe



Source: Company, MOFSL

*Aggregate is without Ellenbarrie due to non-availability of number

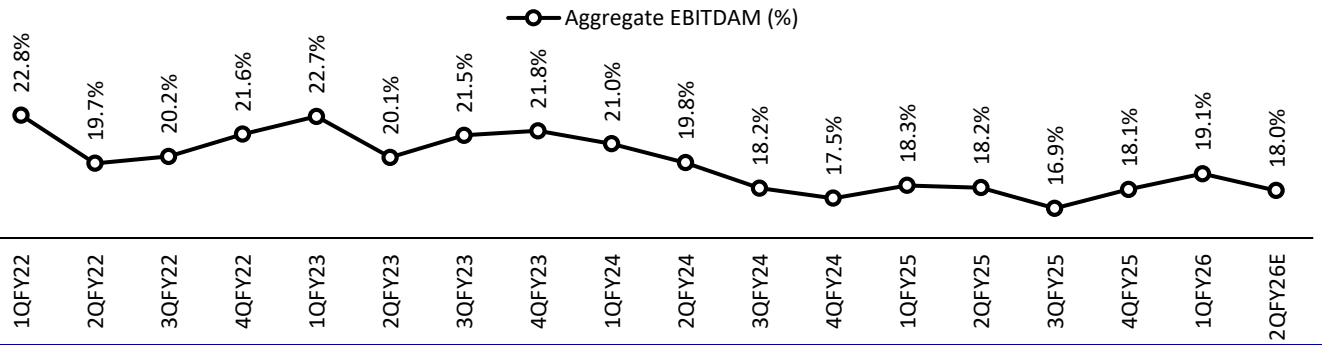
Exhibit 6: Gross margin snapshot for our coverage universe



*Aggregate is without Ellenbarrie

Source: Company, MOFSL

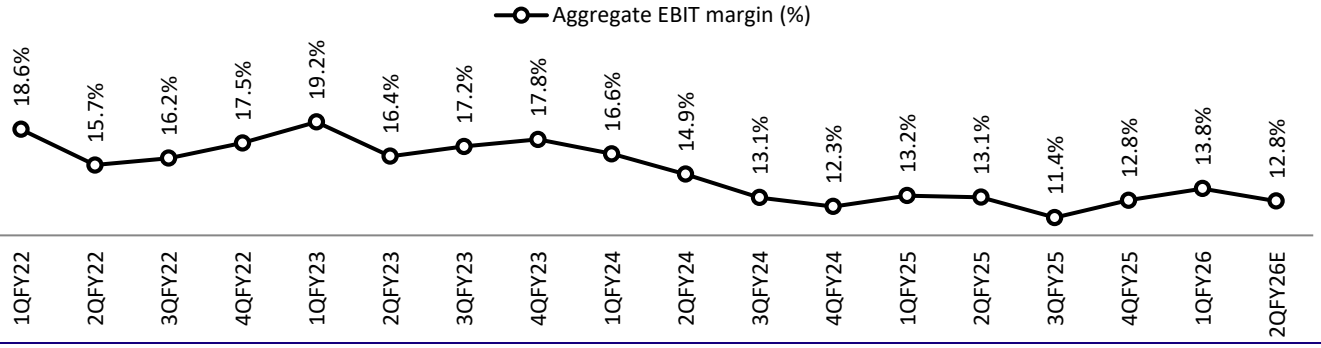
Exhibit 7: EBITDAM snapshot for our coverage universe



*Aggregate is without Ellenbarrie

Source: Company, MOFSL

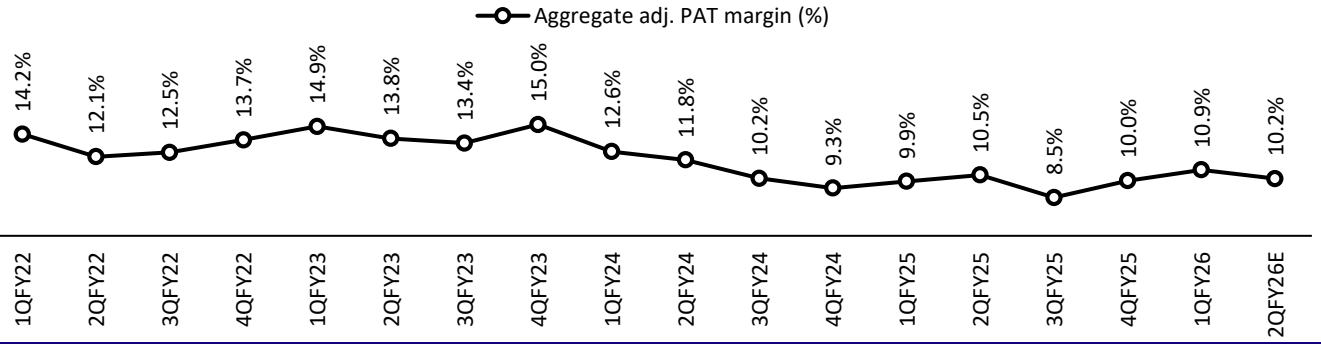
Exhibit 8: EBIT margin snapshot for our coverage universe



*Aggregate is without Ellenbarrie

Source: Company, MOFSL

Exhibit 9: PAT margin snapshot for our coverage universe

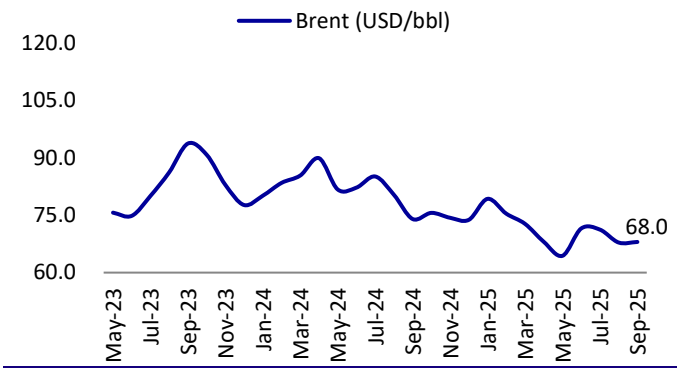


*Aggregate is without Ellenbarrie

Source: Company, MOFSL

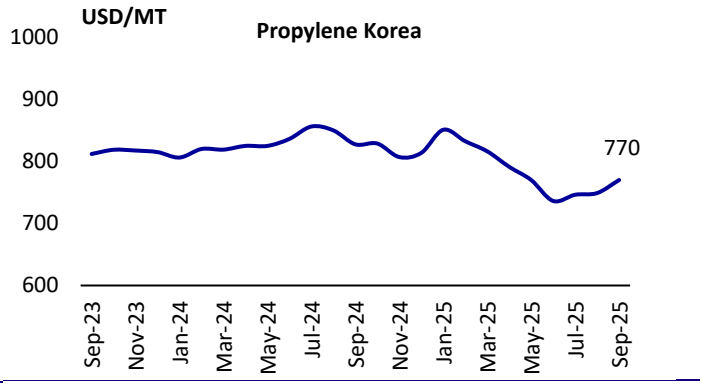
Trends in key RM and product prices

Exhibit 10: Brent crude price down 14% YoY



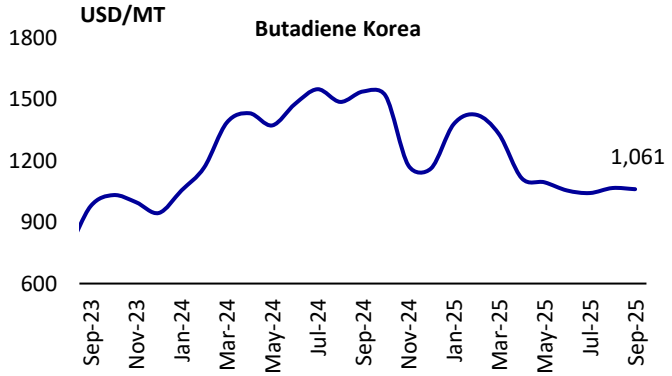
Source: Reuters, MOFSL

Exhibit 11: Propylene (Korea) price down 5% YoY



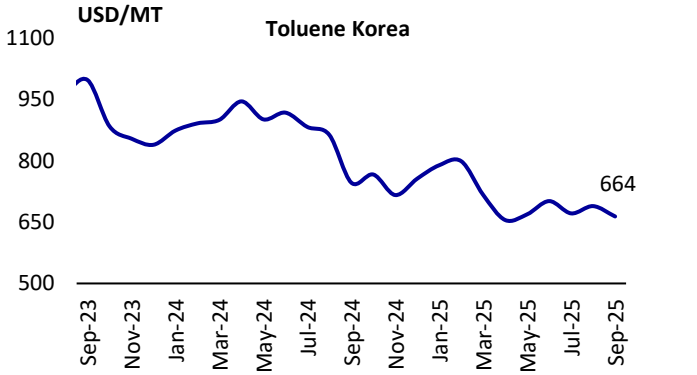
Source: Bloomberg, MOFSL

Exhibit 12: Butadiene price down 31% YoY



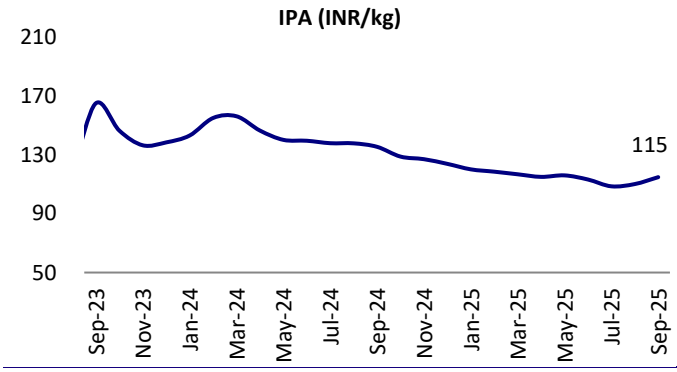
Source: Bloomberg, MOFSL

Exhibit 13: Toluene (Korea) price down 18% YoY



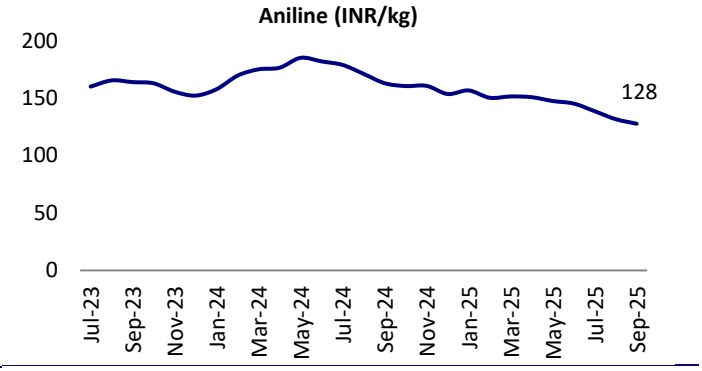
Source: Bloomberg, MOFSL

Exhibit 14: IPA price down 19% YoY



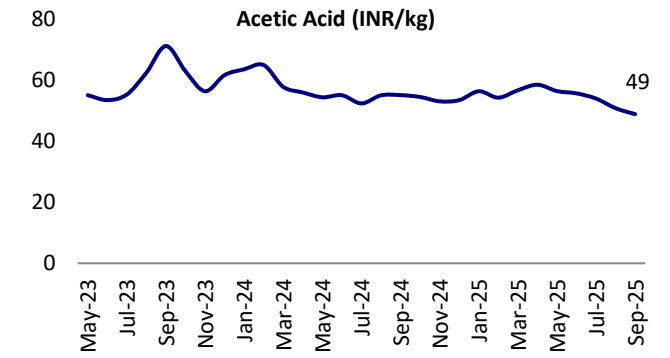
Source: IndiaPetroChem, MOFSL

Exhibit 15: Aniline price down 22% YoY



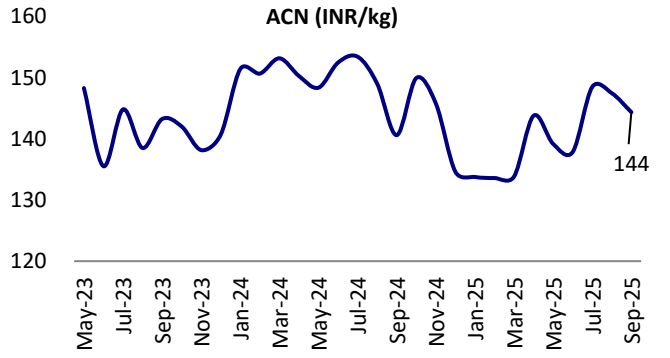
Source: IndiaPetroChem, MOFSL

Exhibit 16: Acetic Acid price down 5% YoY



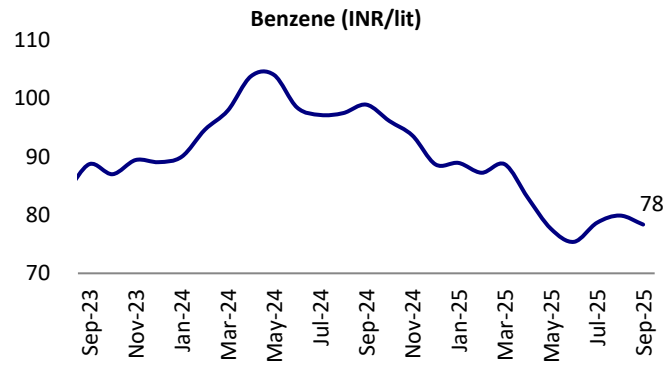
Source: IndiaPetroChem, MOFSL

Exhibit 17: ACN price down 1% YoY



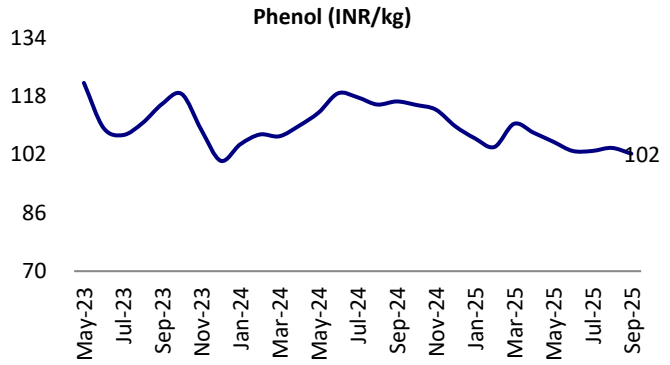
Source: IndiaPetroChem, MOFSL

Exhibit 18: Benzene price down 19% YoY



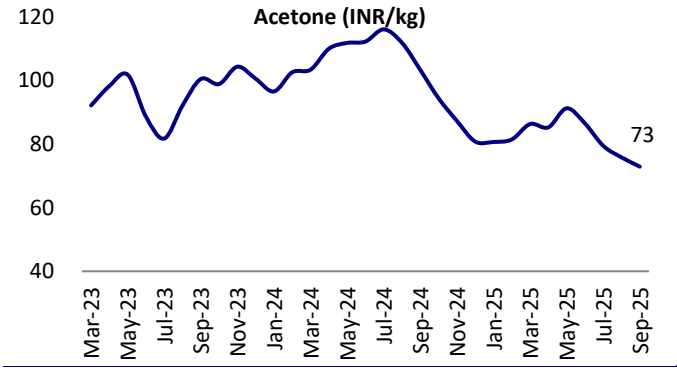
Source: IndiaPetroChem, MOFSL

Exhibit 19: Phenol price down 12% YoY



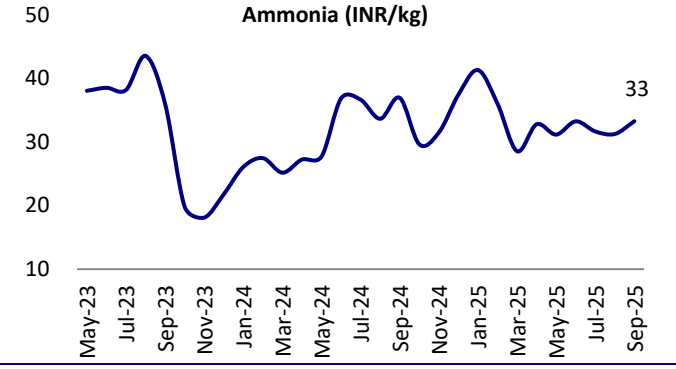
Source: IndiaPetroChem, MOFSL

Exhibit 20: Acetone price down 31% YoY



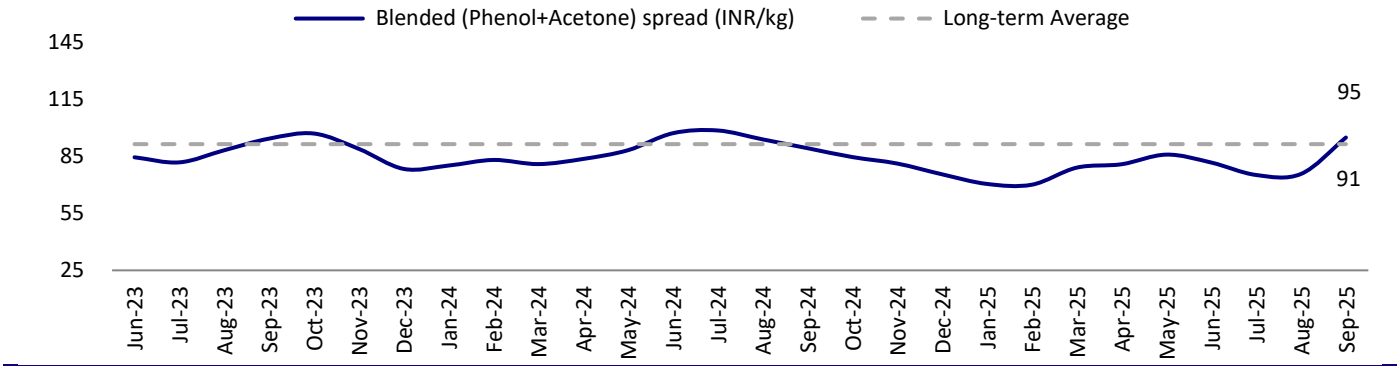
Source: IndiaPetroChem, MOFSL

Exhibit 21: Ammonia price down 10% YoY



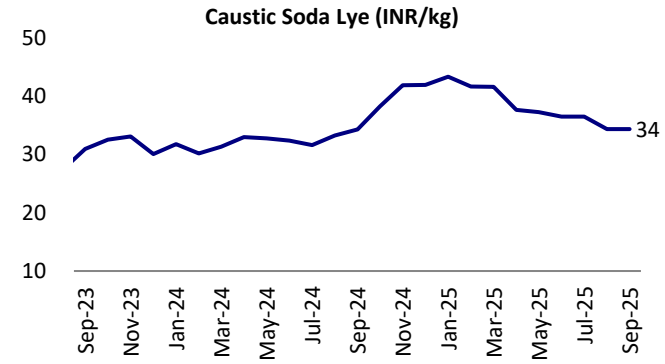
Source: IndiaPetroChem, MOFSL

Exhibit 22: Blended Phenol and Acetone spread down 13% YoY



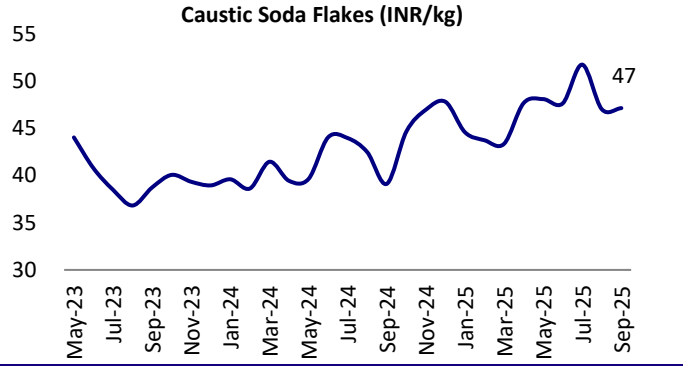
Source: IndiaPetroChem, MOFSL

Exhibit 23: Caustic Soda Lye price up 6% YoY



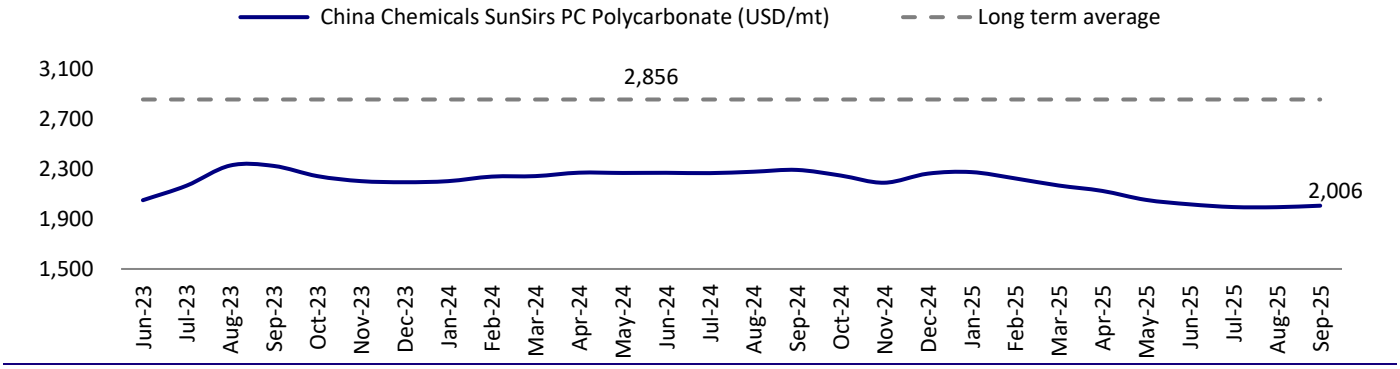
Source: IndiaPetroChem, MOFSL

Exhibit 24: Caustic Soda Flakes price up 16% YoY



Source: IndiaPetroChem, MOFSL

Exhibit 25: Polycarbonate price down 12% YoY



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Alkyl Amines — Neutral

CMP: INR1,900 | TP: INR2,00 (+5%) — **EPS CHANGE (%): FY26|27: -12|-12**

- Expect revenue to increase 2% YoY and EBITDA to grow ~6% YoY.
- Key monitorables: Stabilization of the Ethylamines plant and update on ACN market conditions post the ADD imposition.
- Expect EBITDA margin to expand 60bp YoY to 18.3% in 2QFY26.
- Watch out for updates on the progress of new products and ADD probe on MIPA.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**3,997**	**4,149**	**3,712**	**3,861**	**4,055**	**4,232**	**4,083**	**4,247**	**15,718**	**16,617**
YoY Change (%)	-2.5	17.8	15.3	8.3	1.5	2.0	10.0	10.0	9.1	5.7
Gross Margin (%)	47.0%	45.4%	48.4%	45.9%	45.8%	46.3%	48.2%	46.8%	46.6%	46.8%
EBITDA	**791**	**735**	**712**	**678**	**766**	**776**	**746**	**776**	**2,911**	**3,063**
Margin (%)	19.8	17.7	19.2	17.6	18.9	18.3	18.3	18.3	18.5	18.4
Depreciation	177	180	179	176	179	187	193	197	712	756
Interest	2	4	9	2	3	3	3	4	10	12
Other Income	47	92	66	93	80	88	91	99	298	358
PBT before EO expense	**659**	**643**	**591**	**594**	**663**	**674**	**641**	**675**	**2,486**	**2,653**
PBT	**659**	**643**	**591**	**594**	**663**	**674**	**641**	**675**	**2,486**	**2,653**
Tax	170	169	153	133	169	170	161	170	625	670
Rate (%)	25.9	26.2	25.9	22.5	25.5	25.2	25.2	25.2	25.1	25.2
Adj PAT	**489**	**475**	**438**	**460**	**494**	**505**	**479**	**505**	**1,861**	**1,984**
YoY Change (%)	-1.8	74.2	30.9	19.7	1.2	6.3	9.6	9.7	25.0	6.6
Margin (%)	12.2	11.4	11.8	11.9	12.2	11.9	11.7	11.9	11.8	11.9

Atul — Buy

CMP: INR6,182| TP: INR9,120 (+48%) — **EPS CHANGE (%): FY26|27: -4|+2**

- Expect revenue to increase 13% YoY and EBITDA to rise 20% YoY.
- Expect revenue for Life Science Chemicals to grow by 20% YoY, while revenue for Performance to increase 11% YoY.
- EBITDA margin is likely to expand 90bp YoY, while gross margin is anticipated to contract 40bp YoY.
- Monitor the commissioning and subsequent ramp-up of newly added capacities throughout CY25.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**13,221**	**13,928**	**14,168**	**14,516**	**14,780**	**15,792**	**16,521**	**17,279**	**55,834**	**64,371**
YoY Change (%)	11.8	16.7	24.5	19.8	11.8	13.4	16.6	19.0	18.1	15.3
Gross Margin (%)	50.0%	53.1%	50.5%	49.7%	48.7%	52.7%	50.0%	50.5%	50.8%	50.5%
EBITDA	**2,232**	**2,427**	**2,241**	**2,229**	**2,355**	**2,890**	**2,810**	**2,938**	**9,130**	**10,993**
Margin (%)	16.9	17.4	15.8	15.4	15.9	18.3	17.0	17.0	16.4	17.1
Depreciation	766	775	810	817	820	830	836	841	3,168	3,328
Interest	54	89	43	54	45	58	63	78	240	245
Other Income	130	315	158	487	262	355	290	380	1,090	1,287
PBT before EO expense	**1,543**	**1,878**	**1,546**	**1,845**	**1,752**	**2,356**	**2,201**	**2,399**	**6,812**	**8,708**
PBT	**1,543**	**1,878**	**1,546**	**1,845**	**1,752**	**2,356**	**2,201**	**2,399**	**6,812**	**8,708**
Tax	455	514	407	560	447	595	554	597	1,937	2,192
Rate (%)	29.5	27.4	26.4	30.3	25.5	25.2	25.2	24.9	28.4	25.2
Minority Interest and Profit/Loss of Asso. Cos.	33	31	33	16	19	28	28	38	113	113
Reported PAT	**1,121**	**1,395**	**1,171**	**1,301**	**1,324**	**1,790**	**1,675**	**1,840**	**4,988**	**6,629**
Adj PAT	**1,121**	**1,395**	**1,171**	**1,301**	**1,324**	**1,790**	**1,675**	**1,840**	**4,988**	**6,629**
YoY change (%)	9.8	52.9	62.5	121.3	18.1	28.3	43.1	41.4	53.9	32.9
Margin (%)	8.5	10.0	8.3	9.0	9.0	11.3	10.1	10.6	8.9	10.3

Ellenbarrie Industrial Gases — Buy

CMP: INR470 | TP: INR640 (+36%) — **EPS CHANGE (%): FY26|27: -10|-8**

- Expect revenue to increase 11% QoQ to INR930m.
- EBITDA margin likely to be at 36.8% vs. 36.7% in 1QFY26
- Ellenbarrie is set to commission and ramp up its new capacity in CY25, driving volume growth and margin expansion ahead.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25		FY26				FY25	FY26E
	1Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**673**	**825**	**836**	**930**	**1,150**	**1,550**	**3,125**	**4,466**
YoY Change (%)	*NA*	*NA*	*24.3*	*NA*	*NA*	*87.9*	*16.0*	*42.9*
Total Expenditure	454	579	529	578	677	900	2,027	2,684
Gross Margin (%)	*88.6%*	*85.4%*	*88.8%*	*89.9%*	*85.4%*	*89.8%*	*88.6%*	*88.5%*
EBITDA	**219**	**246**	**307**	**351**	**473**	**650**	**1,097**	**1,782**
Margin (%)	32.5	29.8	36.7	*37.8*	41.1	41.9	*35.1*	*39.9*
Depreciation	49	65	51	58	62	70	207	241
Interest	39	54	46	35	29	25	171	135
Other Income	79	114	68	80	100	118	359	366
PBT before EO expense	**211**	**241**	**278**	**338**	**482**	**673**	**1,078**	**1,773**
Extra-Ord. expense	0	0	0	0	0	0	0	0
PBT	**211**	**241**	**278**	**338**	**482**	**673**	**1,078**	**1,773**
Tax	49	59	91	85	121	150	245	446
Rate (%)	*23.2*	*24.3*	*32.8*	*25.0*	*25.0*	*22.3*	*22.8*	*25.2*
Adj. PAT	**162**	**183**	**187**	**254**	**362**	**523**	**833**	**1,326**
YoY Change (%)	*NA*	*NA*	*15.6*	*38.9*	*93.2*	*106.2*		*59.3*
Margin (%)	*24.1*	*22.2*	*22.4*	*27.3*	*31.4*	*33.8*	*26.7*	*29.7*

Clean Science & Technology — Neutral

CMP: INR1,097 | TP: INR1,175 (+7%) — **EPS CHANGE (%): FY26|27: -2|-2**

- Expect revenue to increase 9% YoY; EBITDA to increase 9% YoY
- Expect EBITDAM to remain stable at 37.5% in 2QFY26.
- Key monitorables: Ramp-up of the new HALS plant in the subsidiary and updates on new product commissioning.
- Watch out for the changing sales mix between the flagship and non-flagship products.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**2,240**	**2,381**	**2,408**	**2,637**	**2,429**	**2,604**	**3,059**	**3,414**	**9,666**	**11,506**
YoY Change (%)	19.1	31.5	23.7	15.9	8.4	9.4	27.0	29.5	22.1	19.0
Gross Margin (%)	65.4%	62.4%	63.5%	63.7%	65.5%	63.3%	65.0%	61.2%	63.7%	63.6%
EBITDA	**947**	**897**	**985**	**1,048**	**999**	**977**	**1,252**	**1,344**	**3,876**	**4,573**
Margin (%)	42.3	37.7	40.9	39.7	41.1	37.5	40.9	39.4	40.1	39.7
Depreciation	158	175	183	174	187	194	197	203	691	781
Other Income	99	111	52	124	134	122	129	119	386	505
PBT	**887**	**832**	**853**	**996**	**946**	**904**	**1,183**	**1,259**	**3,567**	**4,292**
Tax	228	245	196	255	245	236	247	259	923	987
Rate (%)	25.7	29.4	23.0	25.6	25.9	26.1	20.9	20.6	25.9	23.0
Adj. PAT	**659**	**587**	**656**	**741**	**701**	**668**	**936**	**1,000**	**2,644**	**3,305**
YoY Change (%)	11.9	12.6	4.8	5.4	6.3	13.7	42.6	35.0	8.3	25.0
Margin (%)	29.4	24.7	27.3	28.1	28.8	25.7	30.6	29.3	27.4	28.7

Deepak Nitrite

Sell

CMP: INR1,842 | TP: INR1,540 (-16%)

EPS CHANGE (%): FY26|27: -15|-5

- Expect revenue to decrease 5% YoY.
- Expect EBITDA margin of 10% (vs. 14.6% in 2QFY25).
- Successful commissioning and run-rate stabilization of WNA by 2Q end; we expect margin expansion from 3Q onward.
- Key risks: Substantial margin fluctuations due to the highly commoditized nature of the products.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**21,668**	**20,320**	**19,034**	**21,797**	**18,899**	**19,229**	**20,963**	**23,738**	**82,819**	**82,828**
YoY Change (%)	*22.5*	*14.3*	*-5.3*	*2.5*	*-12.8*	*-5.4*	*10.1*	*8.9*	*7.8*	*0.0*
Gross Margin (%)	*30.8%*	*32.0%*	*26.8%*	*30.6%*	*28.0%*	*27.5%*	*30.7%*	*32.0%*	*30.1%*	*29.7%*
EBITDA	**3,092**	**2,975**	**1,685**	**3,166**	**1,896**	**1,930**	**2,836**	**3,559**	**10,918**	**10,221**
Margin (%)	*14.3*	*14.6*	*8.9*	*14.5*	*10.0*	*10.0*	*13.5*	*15.0*	*13.2*	*12.3*
Depreciation	475	485	482	513	513	525	560	600	1,954	1,995
Interest	58	63	61	93	81	102	107	113	275	403
Other Income	188	213	210	228	246	237	225	249	839	956
PBT before EO expense	**2,748**	**2,640**	**1,352**	**2,788**	**1,547**	**1,540**	**2,394**	**3,095**	**9,528**	**8,779**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**2,748**	**2,640**	**1,352**	**2,788**	**1,547**	**1,540**	**2,394**	**3,095**	**9,528**	**8,779**
Tax	723	698	371	762	425	389	604	769	2,554	2,240
Rate (%)	*26.3*	*26.4*	*27.4*	*27.3*	*27.5*	*25.2*	*25.2*	*24.8*	*26.8*	*25.5*
Reported PAT	**2,025**	**1,942**	**981**	**2,025**	**1,123**	**1,151**	**1,790**	**2,326**	**6,974**	**6,539**
Adj PAT	**2,025**	**1,942**	**981**	**2,025**	**1,123**	**1,151**	**1,790**	**2,326**	**6,974**	**6,539**
YoY Change (%)	*35.1*	*-5.3*	*-51.4*	*3.4*	*-44.6*	*-40.7*	*82.4*	*14.8*	*-7.3*	*-6.2*
Margin (%)	*9.3*	*9.6*	*5.2*	*9.3*	*5.9*	*6.0*	*8.5*	*9.8*	*8.4*	*7.9*

Fine Organic Industries

Sell

CMP: INR4,525 | TP: INR3,980 (-12%)

EPS CHANGE (%): FY26|27: -1|-5

- Expect revenue to decline 2% YoY and EBITDA margin to contract 310bp YoY to 20.9% in 2QFY26.
- Be advised of escalating freight costs and prolonged lead times for exports specifically routed to the US and Europe.
- Key risk: Delay in capacity addition could dent growth, with almost all existing capacities running at optimum utilization.

Consolidated - Income Statement (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**5,497**	**5,958**	**5,132**	**6,068**	**5,884**	**6,256**	**5,645**	**6,371**	**22,655**	**24,157**
YoY Change (%)	*0.5*	*10.2*	*5.1*	*11.0*	*7.0*	*5.0*	*10.0*	*5.0*	*16.1*	*6.6*
Total Expenditure	4,100	4,452	4,142	4,872	4,648	4,980	4,523	5,071	17,566	19,221
Gross Margin (%)	*43.6%*	*42.8%*	*39.4%*	*39.6%*	*40.4%*	*40.0%*	*40.0%*	*39.6%*	*22.5%*	*20.4%*
EBITDA	**1,397**	**1,506**	**990**	**1,196**	**1,236**	**1,277**	**1,122**	**1,301**	**5,089**	**4,935**
Margin (%)	*25.4*	*25.3*	*19.3*	*19.7*	*21.0*	*20.4*	*19.9*	*20.4*	*22.5*	*20.4*
Depreciation	117	124	130	148	118	130	135	140	512	523
Interest	4	4	4	5	5	5	6	7	17	22
Other Income	245	219	291	258	398	250	290	292	966	1,230
PBT before EO expense	**1,521**	**1,597**	**1,146**	**1,300**	**1,511**	**1,392**	**1,272**	**1,446**	**5,527**	**5,621**
Extra-Ord expense	0	0	0	0	-70	0	0	70	0	-70
PBT	**1,521**	**1,597**	**1,146**	**1,300**	**1,581**	**1,392**	**1,272**	**1,376**	**5,527**	**5,691**
Tax	383	418	319	327	403	351	320	363	1,350	1,436
Rate (%)	*25.2*	*26.2*	*27.8*	*25.2*	*25.5*	*25.2*	*25.2*	*26.3*	*24.4*	*25.2*
Minority Interest & Profit/Loss of Asso. Cos.	5	5	0	-1	7	0	0	0	0	7
Reported PAT	**1,134**	**1,175**	**827**	**974**	**1,171**	**1,041**	**951**	**1,014**	**4,177**	**4,247**
Adj PAT	**1,134**	**1,175**	**827**	**974**	**1,119**	**1,041**	**951**	**1,065**	**4,177**	**4,195**
YoY Change (%)	*13.6*	*13.6*	*-12.2*	*-15.2*	*-1.3*	*-11.4*	*15.0*	*9.3*	*13.5*	*0.4*
Margin (%)	*20.6*	*19.7*	*16.1*	*16.1*	*19.0*	*16.6*	*16.9*	*16.7*	*18.4*	*17.4*

Galaxy Surfactants — Buy

CMP: INR2,226 | TP: INR2,630 (+18%) — **EPS CHANGE (%): FY26|27: -3|-3**

- Expect revenue to increase 18% YoY, with rising volumes and improving realization in 2QFY26.
- EBITDA margin to be 10.6%, with absolute EBITDA/kg flat YoY.
- The impact of the various geopolitical uncertainties would also be keenly monitored.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**9,741**	**10,630**	**10,417**	**11,449**	**12,779**	**12,501**	**12,032**	**11,393**	**42,237**	**48,705**
YoY Change (%)	*3.4*	*8.1*	*10.8*	*23.2*	*31.2*	*17.6*	*15.5*	*-0.5*	*11.3*	*15.3*
Total Expenditure	8,500	9,353	9,361	10,180	11,541	11,176	10,768	10,096	37,394	43,581
Gross Margin (%)	*33.6%*	*33.0%*	*31.1%*	*29.4%*	*26.2%*	*27.8%*	*28.5%*	*31.0%*	*31.7%*	*28.3%*
EBITDA	**1,241**	**1,276**	**1,056**	**1,269**	**1,239**	**1,324**	**1,263**	**1,297**	**4,842**	**5,124**
Margin (%)	*12.7*	*12.0*	*10.1*	*11.1*	*9.7*	*10.6*	*10.5*	*11.4*	*11.5*	*10.5*
Depreciation	266	278	277	283	293	294	301	308	1,103	1,195
Interest	40	41	50	62	66	67	72	74	193	279
Other Income	54	87	40	78	112	70	61	88	258	331
PBT	**989**	**1,045**	**769**	**1,001**	**992**	**1,033**	**951**	**1,003**	**3,804**	**3,980**
Tax	192	198	123	243	197	209	192	203	755	801
Rate (%)	*19.4*	*18.9*	*16.0*	*24.2*	*19.9*	*20.2*	*20.2*	*20.2*	*19.8*	*20.1*
Reported PAT	**797**	**847**	**646**	**759**	**795**	**824**	**759**	**800**	**3,049**	**3,178**
Adj PAT	**797**	**847**	**646**	**759**	**795**	**824**	**759**	**800**	**3,049**	**3,178**
YoY Change (%)	*6.0*	*9.4*	*-9.5*	*-2.1*	*-0.3*	*-2.7*	*17.5*	*5.5*	*1.1*	*4.2*
Margin (%)	*8.2*	*8.0*	*6.2*	*6.6*	*6.2*	*6.6*	*6.3*	*7.0*	*7.2*	*6.5*

Navin Fluorine International — Neutral

CMP: INR4,624 | TP: INR5,100 (+10%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect revenue to grow 45% YoY to INR7.5b, led by strong growth across segments.
- EBITDA margin to expand 230bp YoY to 23%.
- Key monitorable: Company is expected to execute AHF commissioning by end-2QFY26.
- Watch out for rising volumes and realization.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**5,237**	**5,186**	**6,062**	**7,009**	**7,254**	**7,519**	**8,487**	**8,692**	**23,494**	**31,952**
YoY Change (%)	*6.6*	*9.9*	*21.2*	*16.4*	*38.5*	*45.0*	*40.0*	*24.0*	*13.8*	*36.0*
Gross Margin (%)	*56.0%*	*56.8%*	*56.6%*	*54.2%*	*57.6%*	*56.0%*	*56.0%*	*56.9%*	*55.8%*	*56.6%*
EBITDA	**1,004**	**1,074**	**1,473**	**1,787**	**2,068**	**1,731**	**2,094**	**2,258**	**5,337**	**8,151**
Margin (%)	*19.2*	*20.7*	*24.3*	*25.5*	*28.5*	*23.0*	*24.7*	*26.0*	*22.7*	*25.5*
Depreciation	267	279	296	353	352	371	410	420	1,194	1,553
Interest	156	139	202	283	304	291	290	157	779	1,041
Other Income	103	112	105	118	139	123	125	109	437	495
PBT before EO expense	**683**	**768**	**1,080**	**1,270**	**1,551**	**1,192**	**1,519**	**1,791**	**3,801**	**6,053**
Extra-Ord. expense	0	0	0	0	0	0	0	0	0	0
PBT	**683**	**768**	**1,080**	**1,270**	**1,551**	**1,192**	**1,519**	**1,791**	**3,801**	**6,053**
Tax	171	179	244	320	379	300	383	461	915	1,523
Rate (%)	*25.0*	*23.4*	*22.6*	*25.2*	*24.5*	*25.2*	*25.2*	*25.7*	*24.1*	*25.2*
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**512**	**588**	**836**	**950**	**1,172**	**892**	**1,135**	**1,330**	**2,886**	**4,529**
Adj. PAT	**512**	**588**	**836**	**950**	**1,172**	**892**	**1,135**	**1,330**	**2,886**	**4,529**
YoY Change (%)	*-16.8*	*-2.9*	*131.2*	*35.0*	*128.8*	*51.7*	*35.8*	*40.0*	*26.3*	*56.9*
Margin (%)	*9.8*	*11.3*	*13.8*	*13.6*	*16.2*	*11.9*	*13.4*	*15.3*	*12.3*	*14.2*

NOCIL — Neutral

CMP: INR174 | TP: INR160 (-8%) — **EPS CHANGE (%): FY25|26: -8|-15**

- Expect revenue to decline 5% YoY to INR3.4b, with volume and realization declining YoY.
- Key monitorables: further details on new capex announcements.
- EBITDAM to contract 120bp YoY to 9%; absolute EBITDA/kg to decline YoY.
- Key risk: Higher dumping from China as US tariffs come into play.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**3,722**	**3,627**	**3,181**	**3,397**	**3,362**	**3,448**	**3,567**	**3,771**	**13,927**	**14,147**
YoY Change (%)	*-6.2*	*3.4*	*-6.6*	*-4.7*	*-9.7*	*-4.9*	*12.1*	*11.0*	*-3.6*	*1.6*
Gross Margin (%)	*41.7%*	*43.3%*	*44.4%*	*41.6%*	*42.5%*	*41.7%*	*42.4%*	*42.6%*	*42.7%*	*42.3%*
EBITDA	**398**	**371**	**238**	**335**	**296**	**310**	**363**	**403**	**1,342**	**1,372**
Margin (%)	*10.7*	*10.2*	*7.5*	*9.9*	*8.8*	*9.0*	*10.2*	*10.7*	*9.6*	*9.7*
Depreciation	128	130	132	132	133	135	140	169	523	577
Interest	5	5	4	4	4	5	6	10	18	24
Other Income	100	88	148	54	64	91	111	116	389	381
PBT	**364**	**324**	**249**	**254**	**222**	**261**	**328**	**341**	**1,191**	**1,152**
Tax	92	-91	64	50	57	66	82	85	115	290
Rate (%)	*25.3*	*-28.0*	*25.7*	*19.7*	*25.4*	*25.2*	*25.2*	*25.1*	*9.7*	*25.2*
Reported PAT	**272**	**415**	**185**	**204**	**166**	**195**	**245**	**255**	**1,076**	**862**
Adj PAT	**272**	**415**	**185**	**204**	**166**	**195**	**245**	**255**	**1,076**	**862**
YoY Change (%)	*-18.9*	*54.3*	*-37.8*	*-50.4*	*-39.1*	*-52.9*	*32.5*	*25.3*	*-18.1*	*-19.9*
Margin (%)	*7.3*	*11.4*	*5.8*	*6.0*	*4.9*	*5.7*	*6.9*	*6.8*	*7.7*	*6.1*

PI Industries — Buy

CMP INR3,584| TP: INR4,310 (+20%) — **EPS CHANGE (%): FY26|27: -7|-7**

- We expect total revenue to decline 20% YoY to INR17.6b.
- Demand scenario and product launches in the domestic and CSM segments will be a key focus area.
- EBITDA margin is likely to contract by ~380bp YoY.

Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**20,689**	**22,210**	**19,008**	**17,871**	**19,005**	**17,769**	**21,309**	**19,947**	**79,778**	**78,030**
YoY Change (%)	8.3	4.9	0.2	2.6	-8.1	-20.0	12.1	11.6	4.1	-2.2
Total Expenditure	14,857	15,928	13,888	13,315	13,814	13,420	15,944	15,112	57,988	58,290
EBITDA	**5,832**	**6,282**	**5,120**	**4,556**	**5,191**	**4,349**	**5,365**	**4,835**	**21,790**	**19,740**
Margins (%)	28.2	28.3	26.9	25.5	27.3	24.5	25.2	24.2	27.3	25.3
Depreciation	834	798	991	902	965	975	1,000	1,077	3,525	4,017
Interest	83	85	83	79	39	38	35	32	330	144
Other Income	727	1,222	759	734	859	890	940	1,027	3,442	3,716
PBT before EO expense	**5,642**	**6,621**	**4,805**	**4,309**	**5,046**	**4,226**	**5,270**	**4,754**	**21,377**	**19,296**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**5,642**	**6,621**	**4,805**	**4,309**	**5,046**	**4,226**	**5,270**	**4,754**	**21,377**	**19,296**
Tax	1,175	1,546	1,080	1,017	1,074	972	1,212	1,093	4,818	4,351
Rate (%)	20.8	23.3	22.5	23.6	21.3	23.0	23.0	23.0	22.5	22.6
Minority Interest & Profit/Loss of Asso. Cos.	-21	-7	-2	-13	-28	-10	-10	-20	-43	-68
Reported PAT	**4,488**	**5,082**	**3,727**	**3,305**	**4,000**	**3,264**	**4,068**	**3,680**	**16,602**	**15,012**
Adj PAT	**4,488**	**5,082**	**3,727**	**3,305**	**4,000**	**3,264**	**4,068**	**3,680**	**16,602**	**15,012**
YoY Change (%)	17.2	5.8	-16.9	-10.6	-10.9	-35.8	9.2	11.4	-1.3	-9.6
Margins (%)	21.7	22.9	19.6	18.5	21.0	18.4	19.1	18.5	20.8	19.2

SRF — Buy

CMP INR2,907 | TP: INR3,700 (+27%) — **EPS CHANGE (%): FY26|27: +1|+1**

- Expect margins to be better than 2QFY25.
- Chemical business is expected have better margins than 2QFY25.
- Expects strong revenue growth in chemicals, led by better pricing. Technical textile is expected to see a muted quarter.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**34,641**	**34,243**	**34,913**	**43,133**	**38,186**	**38,840**	**39,828**	**49,120**	**1,46,931**	**1,65,975**
YoY Change (%)	3.8	7.8	14.4	20.8	10.2	13.4	14.1	13.9	11.8	13.0
Total Expenditure	28,435	28,637	28,375	33,108	29,975	30,593	31,263	36,143	1,18,555	1,27,974
EBITDA	**6,207**	**5,606**	**6,538**	**10,025**	**8,212**	**8,247**	**8,565**	**12,977**	**28,376**	**38,001**
Margins (%)	17.9	16.4	18.7	23.2	21.5	21.2	21.5	26.4	19.3	22.9
Depreciation	1,882	1,939	1,943	1,952	2,032	2,040	2,100	2,393	7,715	8,565
Interest	965	938	963	894	799	895	900	871	3,760	3,465
Other Income	253	333	396	345	291	365	375	436	1,327	1,467
PBT before EO expense	**3,612**	**3,063**	**4,029**	**7,525**	**5,671**	**5,677**	**5,940**	**10,150**	**18,229**	**27,439**
Extra-Ord expense & DO	172	226	342	451	-87	0	0	0	1,192	-87
PBT	**3,440**	**2,837**	**3,687**	**7,074**	**5,758**	**5,677**	**5,940**	**10,150**	**17,037**	**27,525**
Tax	918	822	976	1,813	1,435	1,391	1,455	2,487	4,529	6,769
Rate (%)	25.4	26.9	24.2	24.1	25.3	24.5	24.5	24.5	24.8	24.7
Reported PAT	**2,522**	**2,014**	**2,711**	**5,261**	**4,323**	**4,286**	**4,485**	**7,662**	**12,508**	**20,757**
Adj PAT	**2,695**	**2,240**	**3,053**	**5,712**	**4,236**	**4,286**	**4,485**	**7,662**	**13,700**	**20,670**
YoY Change (%)	-29.6	-30.0	12.4	30.4	57.2	91.3	46.9	34.1	-3.0	50.9
Margins (%)	7.8	6.5	8.7	13.2	11.1	11.0	11.3	15.6	9.3	12.5

Tata Chemicals — Neutral

CMP INR918 | TP: INR960 (+5%) — **EPS CHANGE (%): FY26|27: -1|-1**

- Revenue is likely to grow 5% YoY, led by 13% growth in India.
- EBITDA margin is likely to contract ~60bp on a YoY basis.
- Pricing outlook on Soda Ash will be the key monitorable.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**37,890**	**39,990**	**35,900**	**35,090**	**37,190**	**41,974**	**38,120**	**38,843**	**1,48,870**	**1,56,127**
YoY Change (%)	-10.2	0.0	-3.8	1.0	-1.8	5.0	6.2	10.7	-3.5	4.9
Total Expenditure	32,150	33,810	31,560	31,820	30,700	35,723	32,004	32,155	1,29,340	1,30,582
EBITDA	**5,740**	**6,180**	**4,340**	**3,270**	**6,490**	**6,250**	**6,116**	**6,689**	**19,530**	**25,545**
Margins (%)	15.1	15.5	12.1	9.3	17.5	14.9	16.0	17.2	13.1	16.4
Depreciation	2,730	2,770	2,800	2,930	2,800	2,850	2,950	3,050	11,230	11,650
Interest	1,330	1,450	1,480	1,370	1,470	1,200	1,100	951	5,630	4,721
Other Income	470	1,080	280	420	960	1,000	311	492	2,250	2,762
PBT before EO expense	**2,150**	**3,040**	**340**	**-610**	**3,180**	**3,200**	**2,377**	**3,179**	**4,920**	**11,936**
Extra-Ord expense	0	0	700	550	0	0	0	0	1,250	0
PBT	**2,150**	**3,040**	**-360**	**-1,160**	**3,180**	**3,200**	**2,377**	**3,179**	**3,670**	**11,936**
Tax	940	810	170	-250	440	784	582	788	1,670	2,595
Rate (%)	43.7	26.6	-47.2	21.6	13.8	24.5	24.5	24.8	45.5	21.7
MI & Profit/Loss of Asso. Cos.	-140	290	0	-170	220	319	0	-64	-20	475
Reported PAT	**1,350**	**1,940**	**-530**	**-740**	**2,520**	**2,097**	**1,794**	**2,455**	**2,020**	**8,867**
Adj PAT	**1,350**	**1,940**	**-5**	**-328**	**2,520**	**2,097**	**1,794**	**2,455**	**2,958**	**8,867**
YoY Change (%)	-73.8	-44.8	-100.3	-68.7	86.7	8.1	-35,986.9	-849.6	-67.9	199.8
Margins (%)	3.6	4.9	0.0	-0.9	6.8	5.0	4.7	6.3	2.0	5.7

Vinati Organics

Buy

CMP: INR1,724 | TP: INR2,050(+19%) **EPS CHANGE (%): FY26|27: -10|-6**

- Expect revenue to increase 14% YoY to INR6.3b, driven by ATBS and Others (including AOs).
- Key driver: Ramp-up of Antioxidants (AOs) plant to aid sales growth in CY25.
- EBITDA margin expected to be 26.9% (up 270bp YoY), with gross margin at 44.6% (up 180bp YoY) in 2QFY26.

Standalone - Quarterly Earning Model **(INR m)**

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**5,247**	**5,533**	**5,217**	**6,485**	**5,423**	**6,307**	**6,782**	**8,106**	**22,481**	**26,617**
YoY Change (%)	*19.6*	*19.5*	*16.4*	*17.8*	*3.3*	*14.0*	*30.0*	*25.0*	*18.3*	*18.4*
Gross Margin (%)	*44.9%*	*45.8%*	*49.0%*	*47.4%*	*52.0%*	*47.6%*	*47.6%*	*47.5%*	*46.8%*	*48.5%*
EBITDA	**1,251**	**1,340**	**1,428**	**1,836**	**1,658**	**1,699**	**1,852**	**2,224**	**5,855**	**7,434**
Margin (%)	*23.8*	*24.2*	*27.4*	*28.3*	*30.6*	*26.9*	*27.3*	*27.4*	*26.0*	*27.9*
Depreciation	196	205	205	202	213	225	240	255	808	933
Interest	4	1	1	2	4	2	3	4	8	13
Other Income	93	222	67	61	73	200	100	134	443	507
PBT before EO expense	**1,144**	**1,357**	**1,289**	**1,694**	**1,515**	**1,672**	**1,709**	**2,100**	**5,482**	**6,996**
PBT	**1,144**	**1,357**	**1,289**	**1,694**	**1,515**	**1,672**	**1,709**	**2,100**	**5,482**	**6,996**
Tax	284	295	333	418	387	421	430	528	1,330	1,766
Rate (%)	*24.8*	*21.8*	*25.8*	*24.7*	*25.5*	*25.2*	*25.2*	*25.1*	*24.3*	*25.2*
Reported PAT	**860**	**1,061**	**956**	**1,276**	**1,128**	**1,251**	**1,279**	**1,572**	**4,152**	**5,231**
Adj PAT	**860**	**1,061**	**956**	**1,276**	**1,128**	**1,251**	**1,279**	**1,572**	**4,152**	**5,231**
YoY Change (%)	*23.9*	*46.4*	*24.1*	*22.1*	*31.1*	*17.9*	*33.9*	*23.2*	*28.4*	*26.0*
Margin (%)	*16.4*	*19.2*	*18.3*	*19.7*	*20.8*	*19.8*	*18.9*	*19.4*	*18.5*	*19.7*

Consumer

Company	TP INR	Reco
Staples		
BRIT	6,500	Neutral
CLGT	2,850	Buy
DABUR	625	Buy
HMN	725	Buy
GCPL	1,450	Buy
HUVR	3,050	Buy
ITC	500	Buy
JYL	365	Neutral
L T Foods	560	Buy
MRCO	850	Buy
NESTLE	1,300	Neutral
PG	15,000	Neutral
Tata Consumer	1,320	Buy
Varun beverages	580	Buy
Paints		
APNT	2,500	Neutral
INDIGOPN	1,350	Buy
PIDI	1,600	Neutral
Liquor		
UNSP	1,500	Neutral
RDCK	3,375	Buy
UBBL	2,000	Neutral
Innerwear		
PAGE	50,000	Buy
QSR		
BBQ	265	Neutral
DEVYANI	200	Buy
JUBI	700	Neutral
RBA	135	Buy
SAPPHIRE	375	Buy
WESTLIFE	750	Neutral
Jewelry		
KALYANKJ	650	Buy
PNG	825	Buy
SENCO	385	Neutral
TTAN	4,150	Buy

Trade disturbance and early festive season to impact growth trend; all eyes on commentary

In our consumer coverage universe, almost all segments are expected to deliver revenue/EBITDA growth YoY in 2QFY26 – staples +5%/+0%, paints & adhesives +3%/+10%, liquor +9%/+10%, innerwear +6%/+6%, QSR +10%/-13%, and jewelry +16%/+24%.

- **Consumption trend to be uneven; Liquor/Jewelry to outperform**: In 2QFY26, despite underlying trends being stable for most of the quarter, Sep'25 saw variation owing to GST 2.0, early festivals and extended monsoon. We expect liquor and jewelry companies to still deliver better growth and profitability margin in 2QFY26. Several staple companies (particularly personal care) have passed on GST benefits even prior to 22nd Sep. It will have some bearings on margins. QSR and paint companies continue to see demand pressure and are likely to see weak EBITDA margin. Liquor and Jewelry companies are expected to deliver strong profit growth.
- **Staple** companies are expected to see massive benefits from GST 2.0, but the trade transition has been impacting primary growth in the interim. We expect the transition impact more for personal care categories (early GST benefit pass-on, delay in channel placing for winter portfolio, etc.) than packaged food companies. Price packs (LUPs) were expected to see more grammage addition to pass on GST rate cut, but due to new pack manufacturing (molding related, etc.) challenges, these packs have also seen MRP cuts than grammage addition. All such transition changes will be interim and we expect stability from Nov'25 onward. Thereby, 2Q performance may not reflect the true demand trend, but the management commentary will be more critical to gauge the 2HFY26 outlook. Key raw material prices remain firm, and we expect gross margin pressure to persist for most consumer companies. Moreover, staple companies (particularly personal care) have passed on GST benefits even prior to 22nd Sep, which will have some bearings on margins. We model gross margin contraction of 130bp YoY and EBITDA margin contraction of 110bp on a YoY basis due to high RM costs and negative operating leverage. For staple companies under our coverage, we expect sales growth of 5%, while EBITDA may remain flat YoY and PAT is likely to grow 2% in 2QFY26.
- **Paint & Adhesives** companies are still struggling with muted demand and elevated competitive intensity. The Jul-Aug period was weak and a minor recovery was noted in Sep. Similar to last year, there can be a curtailed festive period due to extended monsoon and early Diwali. Non-decorative products have seen higher volume growth, but revenue growth for most companies is expected to be flat. We still build in a 400bp gap between volume and revenue growth due to an adverse product mix. EBITDA margins are likely to remain range-bound due to the impact of negative operating leverage. We build in sales/EBITDA/PAT growth of 3%/10%/8% for our coverage companies in 2Q.

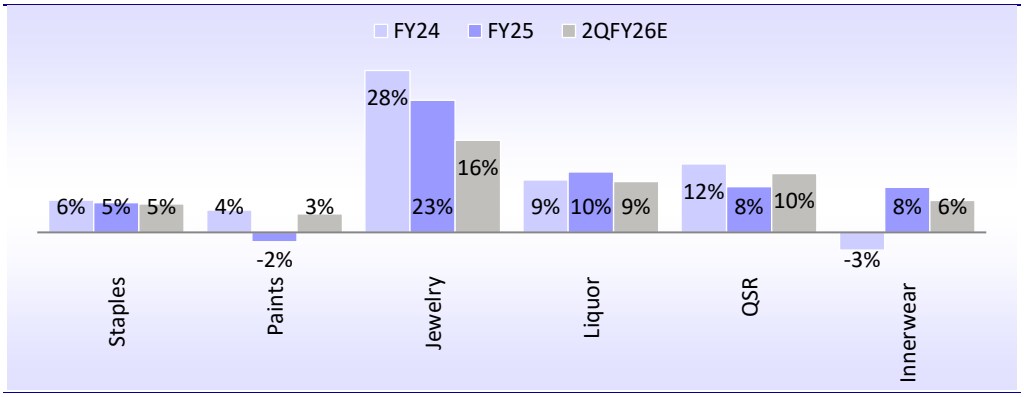
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- **Liquor**: UNSP's P&A portfolio is expected to see healthy volume growth in 2QFY26, partly owing to a low base in 2QFY25. Maharashtra duty increase has been impacting demand and mix (downtrading), and we need to see the full impact after the launch of Maharashtra Made Liquor (MML). Radico is expected to sustain robust volume-led revenue growth. UBBL is likely to report weak revenue growth, driven by early onset of monsoon and a weak summer season. Slow volume growth is expected to lead to operating deleverage, thus weighing on EBITDA margins. We expect sales/EBITDA/PAT growth of 9%/10%/13% for our coverage companies in 2QFY26.
- **Innerwear** companies have been impacted by soft demand in Jul-Aug, though a slight demand recovery was witnessed in Sep, partially supported by early Navratri. PAGE has geared up well for product launches, along with marketing and technology, though growth is expected to trend below its double-digit potential and guidance. We expect urban consumption to gradually recover and normalized trade inventory to aid better primary growth. Primary and secondary sales are now expected to be aligned, reversing the trend observed in the last few quarters. We expect sales/EBITDA/PAT growth of 6% each for PAGE.
- **QSR:** The overall demand environment remained soft in 2QFY26. While demand sentiment was healthy at the start of the quarter, it was adversely impacted in Sep. Severe rainfalls, Shradh, and festivities like Navratri weighed on demand. Weak underlying growth, negative operating leverage and continued store expansion may keep operating margins under pressure. This will put pressure on restaurant and EBITDA margins for most brands. The dine-in channel's performance and the revenue gap between dine-in and delivery will be a key monitorable during the quarter. Innovative launches and activation drives for dine-in can be crucial for improving footfall/orders going forward. We expect SSSG to be in negative trajectory for most QSR companies and sales to be driven by store additions. Sales should grow 10%, while EBITDA/APAT are likely to decline 13%/1% for our coverage QSR companies in 2QFY26.
- **Jewelry:** In 2Q, gold prices surged by ~45% YoY and ~8% QoQ, crossing the INR100,000 mark (per 10gm) in the retail market, driven by multiple global and economic factors. This price surge has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization. This will lead to continued softness in demand in 2QFY26. Moreover, the base is strong as there was a custom duty cut on gold (from 15% to 6%), leading to strong demand momentum then. SSSG is expected to grow in low double-digits to mid-teens, primarily driven by pricing growth. Checks suggest healthy demand recovery at the end of Sep due to the early festive season. We build in sales/EBITDA/PAT growth of 16%/24%/29% for our coverage jewelry companies in 2QFY26.
- **Outperformers and underperformers:** Among our coverage companies, MRCO, JUBI, Kalyan Jewelers, and PNG are expected to be outliers in 2QFY26, whereas Asian Paints, Emami and Devyani/Sapphire will likely be the underperformers.
- **Outlook:** We have been witnessing consumption pressure for most markets and segments over the last 12-24 months, impacted by high inflation, interest rates and weak wage growth. Multiple measures have been initiated by the government, and we expect steady improvement in demand from 3QFY26 onward. Once the consumption cycle turns positive, we expect the momentum to sustain over the medium term. **Our top picks are HUL, Marico, PN Gadgil, Radico and RBA.**

Raw material prices remain stable

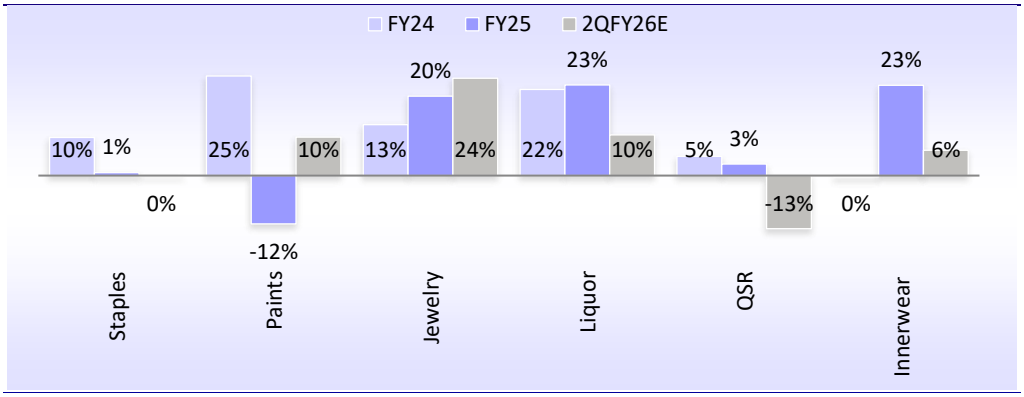
- Commodity prices have largely remained stable during the quarter. We expect staple companies to see some sequential GM expansion; however, margin pressure will continue on YoY basis. While agricultural commodities remained a mixed bag, prices of non-agricultural commodities, including crude oil, its derivatives, TiO2 and VAM, continued to moderate. However, select commodities such as gold and copra continue to see inflationary pressure. Overall, RM inflationary pressure is likely to ease out in 2HFY26.
- **Agricultural commodities**: Wheat prices are flat YoY but up 4% QoQ. Barley prices rose 4% YoY and 1% QoQ. Sugar prices increased 4% YoY and remained flat QoQ. Coffee prices increased 2% YoY and 1% QoQ, while Cocoa bean prices have started to ease and were down 7% YoY and 15% QoQ, offering relief to companies like Nestlé and HUL. Copra prices surged 122% YoY and 39% QoQ, while palm oil prices are up 7% YoY and 5% QoQ.
- **Non-agricultural commodities:** These commodities have seen moderation in prices. Crude oil prices are down 14% YoY. Other commodities like TiO2 and TiO2 (China) continue to show a downward trend. VAM (China) prices continued to fall, correcting 4% both YoY and QoQ. Gold prices jumped 43% YoY and 8% QoQ, putting pressure on the margins of jewelry companies.
- Companies remain focused on normalizing the gap between volume and value growth while prioritizing a strategic balance between revenue growth and margin expansion amid evolving market dynamics. This approach aims to navigate cost pressures effectively while maintaining competitive positioning.

Exhibit 1: Coverage universe's revenue growth in FY24, FY25, and 2QFY26E (%)



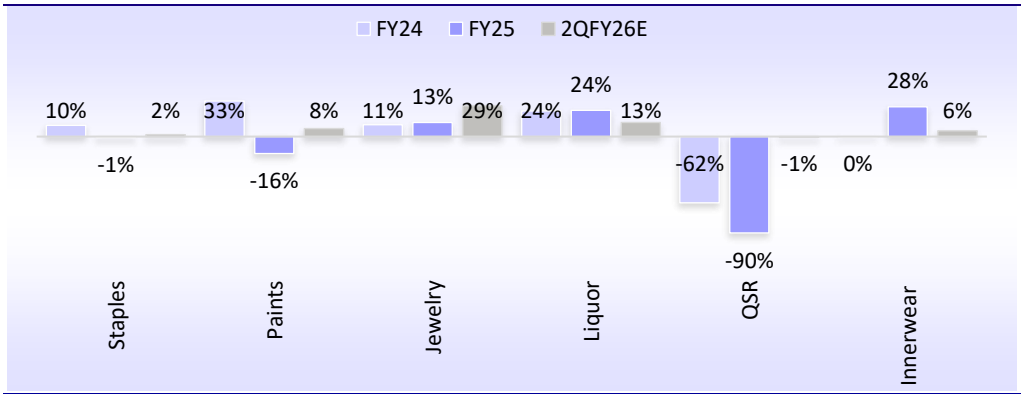
Source: Company, MOFSL

Exhibit 2: Coverage universe's EBITDA growth in FY24, FY25, and 2QFY26E (%)



Source: Company, MOFSL

Exhibit 3: Coverage universe's APAT growth in FY24, FY25, and 2QFY26E (%)



Source: Company, MOFSL

Exhibit 4: Summary of 2QFY26 earnings estimates

Sector	CMP (INR)	Reco	Sales (INR M)	Growth (%)		EBIDTA (INR M)	Growth (%)		PAT (INR M)	Growth (%)	
			Sep-25	YoY	QoQ	Sep-25	YoY	QoQ	Sep-25	YoY	QoQ
Staples											
Britannia	5965	Neutral	49,315	8.0	8.7	8,738	11.5	15.4	6,107	14.9	17.4
Colgate	2225	Buy	15,252	-5.8	6.4	4,545	-8.6	0.4	3,215	-9.6	0.3
Dabur	495	Buy	32,067	5.9	-5.8	5,868	6.2	-12.1	4,570	5.5	-12.5
Emami	543	Buy	8,018	-10.0	-11.3	1,719	-31.4	-19.8	1,594	-31.7	-13.5
Godrej Consumer	1148	Buy	39,331	7.3	7.4	7,229	-5.1	4.1	5,002	1.0	7.1
Hind. Unilever	2536	Buy	1,62,625	2.1	-1.5	36,484	-3.8	-1.9	25,552	-1.8	1.1
ITC	406	Buy	2,16,873	4.6	0.9	69,009	2.1	1.2	52,731	5.6	0.6
Jyothy Labs	319	Neutral	7,567	3.1	0.7	1,351	-2.4	8.9	1,009	-3.9	4.3
L T Foods	402	Buy	25,958	23.2	5.4	2,863	24.9	7.9	1,664	12.1	-1.3
Marico	701	Buy	34,168	28.3	4.8	5,563	6.6	-15.1	4,219	7.8	-16.3
Nestle	1166	Neutral	53,732	5.3	5.4	11,955	0.3	6.9	7,306	-6.2	13.0
P&G Hygiene	14092	Neutral	11,579	2.0	23.6	2,953	1.6	10.9	2,192	3.5	14.2
Tata Consumer	1144	Buy	47,886	13.6	0.2	6,335	1.2	4.4	3,734	-3.0	11.7
Varun Beverages	443	Buy	49,248	2.5	-29.8	11,490	-0.2	-42.5	6,685	7.9	-49.2
Paints & Adhesives											
Asian Paints	2336	Neutral	81,078	1.0	-9.3	13,511	9.0	-16.9	9,072	3.8	-18.8
Indigo Paints	1073	Buy	3,025	1.0	-2.1	430	3.5	-3.0	240	5.8	-7.6
Pidilite	1475	Neutral	35,204	8.8	-6.2	8,531	11.0	-9.3	6,079	13.7	-9.6
Liquor											
Radico Khaitan	2916	Buy	13,939	24.9	-7.4	2,126	30.3	-8.4	1,225	49.1	-12.7
United Breweries	1799	Neutral	21,781	3.0	-23.9	2,135	-5.9	-31.3	1,200	-9.3	-34.7
United Spirits	1347	Neutral	30,385	6.9	19.2	5,621	10.9	35.5	3,797	13.3	28.2
Innerwear											
Page Industries	42159	Buy	13,144	5.5	-0.2	2,984	6.3	1.3	2,051	5.5	2.2
QSR											
Barbeque Nation	234	Neutral	3,070	0.4	3.4	439	-3.7	-4.6	-124	Loss	Loss
Devyani Intl.	171	Buy	13,139	7.5	-3.2	1,973	-0.7	-3.7	-101	Loss	PL
Jubilant Foodworks	619	Neutral	17,089	16.5	0.4	3,243	14.1	0.3	631	21.3	-5.4
Restaurants Brands	78	Buy	5,613	14.1	1.6	794	13.4	6.5	-146	Loss	Loss
Sapphire Foods	297	Buy	7,567	8.8	-2.6	997	-11.0	-11.7	-116	PL	Loss
Westlife Foodworld	681	Neutral	6,610	7.0	0.5	826	5.1	-3.3	8	116.1	-29
Jewelry											
Kalyan Jewellers	465	Buy	76,401	26.0	5.1	5,106	28.9	0.5	2,669	46.6	1.1
P N Gadgil Jewellers	607	Buy	21,483	7.3	25.3	1,241	72.2	12.9	754	42.4	8.7
Senco Gold	345	Neutral	18,006	20.0	-1.4	1,170	43.2	-36.3	509	47.5	-51.4
Titan Company	3406	Buy	1,63,633	12.6	-1.0	18,306	20.0	0.0	11,505	23.6	5.5

Exhibit 5: Volume growth expectation in 2QFY26

Volume growth (%)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
Asian Paints	6.0	12.0	10.0	7.0	-0.5	1.6	1.8	3.9	5.0
Britannia	0.0	5.5	6.0	8.0	8.0	6.0	3.0	2.0	4.0
Colgate	-1.0	-1.0	1.0	7.0	8.0	4.0	0.0	-3.0	-5.0
Dabur	3.0	4.0	3.0	5.2	-7.0	1.2	-5.0	-1.0	6.0
Emami	2.0	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0	-13.0
Godrej Consumer	4.0	5.0	9.0	8.0	7.0	0.0	4.0	5.0	4.0
HUL	2.0	2.0	2.0	4.0	3.0	0.0	2.0	4.0	2.5
ITC	5.0	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	6.0
Jyothy labs	9.0	11.0	10.0	10.8	3.0	8.0	5.0	3.6	5.0
Marico	3.0	2.0	3.0	4.0	5.0	6.0	7.0	9.0	6.0
Nestle	5.4	4.0	4.0	2.0	-1.5	2.5	2.0	2.0	3.0
Page Industries	-8.8	4.6	6.1	2.6	6.7	4.7	8.5	1.9	4.5
UBBL	7.0	8.0	10.9	5.0	5.0	8.0	5.0	11.0	2.5
United spirits	1.0	-1.8	3.7	3.5	-4.4	10.2	6.9	9.4	5.8
-P&A	3.8	4.6	3.7	5.1	-3.7	11.2	9.2	9.0	6.0
Radico Khaitan	-3.1	3.6	-1.0	-4.1	-2.4	15.5	27.5	37.5	26.7
Radico Khaitan (P&A)	21.9	20.1	14.5	14.2	12.7	18.0	16.4	40.7	22.0

Source: Company, MOFSL

Exhibit 6: Revenue growth trends of the coverage universe

Companies name	Revenue growth (%)							
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
Staples								
Britannia	1	1	6	5	8	9	9	8
Colgate	8	10	13	10	5	(2)	(4)	(6)
Dabur	7	5	7	(5)	3	1	2	6
Emami	1	7	10	3	5	8	(0)	(10)
Godrej Consumer	2	6	(3)	2	3	6	10	7
HUL	(0)	(0)	1	2	2	3	5	2
ITC	2	2	8	17	4	5	16	5
Jyothy	11	7	8	0	4	1	1	3
LT Foods	9	14	16	7	17	7	19	23
Marico	(2)	2	7	8	15	20	23	28
Nestle	8	9	3	1	4	4	6	5
P&G Hygiene	(0)	13	10	(0)	10	(1)	1	2
Tata consumer	9	9	16	13	17	17	10	14
Varun Beverages	20	11	28	24	38	29	(2)	2
Paints & Adhesives								
Asian Paints	5	(1)	(2)	(5)	(6)	(4)	(0)	1
Indigo Paints	26	18	8	7	(3)	1	(1)	1
Pidilite	4	8	4	5	8	8	11	9
Liquor								
United Breweries	13	21	9	12	10	9	16	3
United Spirits	7	7	8	(1)	15	11	8	7
Radico Khaitan	47	30	19	21	11	21	33	25
Innerwear								
Page Industries	2	3	4	11	7	11	3	6
QSR								
Jubilant Food.	3	15	10	9	19	10	18	17
Devyani International	7	39	44	49	54	16	11	8
Westlife Foodworld	(2)	1	0	1	9	7	7	7
Sapphire Foods	12	13	10	8	14	13	8	9
Restaurant Brands	20	20	16	9	11	12	13	14
Barbeque Nation	1	6	(6)	1	(1)	(2)	(3)	0
Jewelry								
Titan	22	21	12	16	25	19	25	13
Kalyan	34	34	27	37	40	37	31	26
Senco	23	40	8	31	24	21	30	20
PN Gadgil			33	46	24	5	3	7

Source: Company, MOFSL

Exhibit 7: EBITDA growth trends of the coverage universe

Companies name	EBITDA growth (%)								
	2QFY26E	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
Staples									
Britannia	8	0	(2)	9	(10)	3	2	0	12
Colgate	(6)	30	18	22	3	(3)	(6)	(11)	(9)
Dabur	6	8	14	8	(16)	2	(9)	2	6
Emami	(10)	7	6	14	7	8	4	(1)	(31)
Godrej Consumer	7	18	14	7	5	(16)	(0)	(4)	(5)
HUL	2	(1)	(1)	2	(0)	1	2	(1)	(4)
ITC	5	(3)	0	1	5	(2)	(2)	1	2
Jyothy	3	41	19	14	2	(2)	3	(7)	(2)
LT Foods	23	44	25	13	(5)	5	5	10	25
Marico	22	13	12	9	5	4	4	5	7
Nestle	5	14	19	5	(4)	(1)	5	(0)	0
P&G Hygiene	2	7	72	(38)	2	20	(19)	103	2
Tata consumer	14	26	23	22	17	(1)	(1)	(9)	1
Varun Beverages	2	36	24	32	30	39	28	0	(0)
Paints & Adhesives									
Asian Paints	1	28	(9)	(20)	(28)	(20)	(15)	(4)	9
Indigo Paints	1	53	18	(4)	(1)	(8)	3	(6)	3
Pidilite	9	50	26	15	13	8	10	16	11
Liquor									
United Breweries	3	90	166	28	23	(3)	31	9	(6)
United Spirits	7	34	7	19	8	20	40	(9)	11
Radico Khaitan	25	47	55	25	35	29	45	56	30
Innerwear									
Page Industries	6	19	22	2	20	32	43	21	6
QSR									
Jubilant Food.	17	(2)	1	1	1	11	20	16	14
Devyani International	8	(16)	15	29	25	50	16	(8)	(1)
Westlife Foodworld	7	(13)	(16)	(24)	(21)	(5)	3	7	5
Sapphire Foods	9	4	5	2	(3)	10	3	(9)	(11)
Restaurant Brands	14	48	30	27	10	12	41	21	13
Barbeque Nation	0	7	37	9	3	(7)	(3)	(10)	(4)
Jewelry									
Titan	13	16	9	11	8	23	29	47	20
Kalyan	26	13	15	16	26	33	35	35	29
Senco	20	11	31	62	107	(41)	45	69	43
PN Gadgil	7			44	59	33	6	71	72

Source: Company, MOFSL

Exhibit 8: APAT growth trends of the coverage universe

Companies name	APAT growth (%)							
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
Staples								
Britannia	0	-4	16	-9	4	4	-2	15
Colgate	36	20	26	5	-2	-7	-12	-10
Dabur	8	11	8	-17	2	-8	3	5
Emami	11	13	21	19	6	9	8	-32
Godrej Consumer	6	23	24	12	-14	-25	0	1
HUL	-2	-2	2	-2	3	3	-5	-2
ITC	7	0	0	2	-11	-1	3	6
Jyothy	35	32	17	1	-4	3	-5	-4
LT Foods	59	16	11	-7	-5	8	10	12
Marico	17	5	9	11	4	8	9	8
Nestle	24	22	6	-3	-12	-4	-13	-6
P&G Hygiene	10	72	-39	1	17	-16	111	3
Tata consumer	19	38	-5	10	-18	-18	10	-3
Varun Beverages	77	25	26	24	40	35	5	8
Paints & Adhesives								
Asian Paints	34	-1	-25	-29	-24	-31	-6	4
Indigo Paints	42	10	-16	-11	-3	6	-1	6
Pidilite	67	30	21	19	8	20	19	14
Liquor								
United Breweries	275	731	27	23	-25	20	6	-9
United Spirits	61	10	25	5	21	62	-1	13
Radico Khaitan	29	52	21	33	30	60	84	49
Innerwear								
Page Industries	23	38	4	29	34	52	22	6
QSR								
Jubilant Food.	NM	NM	NM	NM	NM	NM	NM	NM
Devyani International	NM	NM	NM	NM	NM	NM	NM	NM
Westlife Foodworld	NM	NM	NM	NM	NM	NM	NM	NM
Sapphire Foods	NM	NM	NM	NM	NM	NM	NM	NM
Restaurant Brands	NM	NM	NM	NM	NM	NM	NM	NM
Barbeque Nation	NM	NM	NM	NM	NM	NM	NM	NM
Jewelry								
Titan	15	5	-5	2	18	13	53	24
Kalyan	21	96	23	35	44	36	49	47
Senco	6	24	85	189	-50	94	104	48
PN Gadgil			59	141	49	13	96	42

Source: Company, MOFSL

Exhibit 9: Gross and EBITDA margin expansion in 2QFY26E (%)

Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA	YoY (bp)	QoQ (bp)
Staples						
Britannia	40.8%	-72	49	17.4%	60	101
Colgate	67.9%	-64	-103	29.8%	-92	-176
Dabur	48.8%	-54	177	18.3%	6	-132
Emami	70.0%	-69	58	21.4%	-669	-226
Godrej Consumer	52.2%	-341	28	18.4%	-240	-59
HUL	50.7%	-89	60	22.4%	-138	-8
ITC	55.0%	-90	260	31.8%	-79	11
Jyothy	50.3%	11	227	17.9%	-101	133
LT Foods	33.0%	-26	-67	11.0%	15	26
Marico	45.2%	-559	-172	16.3%	-331	-382
Nestle	55.7%	-92	55	22.2%	-110	31
P&G Hygiene	63.5%	61	-9	25.5%	-9	-291
Tata consumer	43.0%	-60	290	13.2%	-163	53
Varun Beverages	55.5%	-4	97	23.3%	-63	-515
Paints & Adhesives						
Asian Paints	42.5%	173	-19	16.7%	122	-151
Indigo Paints	44.5%	80	-140	14.2%	34	-15
Pidilite	54.8%	45	68	24.2%	47	-84
Liquor						
United Breweries	44.0%	15	146	9.8%	-93	-105
United Spirits	45.2%	0	122	18.5%	67	222
Radico Khaitan	43.2%	-43	19	15.3%	63	-17
Innerwear						
Page Industries	58.7%	225	-43	22.7%	17	32
QSR						
Barbeque Nation	68.0%	-6	31	14.3%	-61	-119
Devyani intl.	69.0%	-34	82	15.0%	-124	-8
Jubilant Food.	74.7%	-136	59	19.0%	-40	-2
Restaurant Brands	65.7%	81	30	11.4%	173	60
Sapphire Foods	67.7%	-111	30	13.2%	-293	-135
Westlife Foodworld	71.0%	132	-61	12.5%	-22	-49
Jewelry						
Kalyan	13.3%	-50	-62	6.7%	15	-31
PN Gadgil	12.0%	435	-117	5.8%	218	-64
Senco	15.7%	253	-340	6.5%	105	-355
Titan	23.0%	28	53	11.2%	69	11

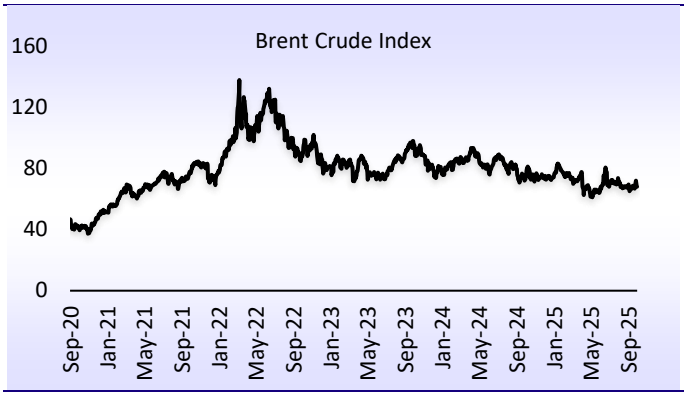
Source: Company, MOFSL

Exhibit 10: Trend in commodity prices

Commodity	Unit	Companies	CMP	Average prices of commodities						Change in prices (%)	
				1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	YoY	QoQ
Non- Agri Commodity											
Brent Crude	USD/barrel	Paints, PIDI,	68	85	80	75	76	68	69	-14%	2%
Titanium Dioxide	INR/kg	GCPL, JYL	310	342	343	344	337	327	317	-8%	-3%
Titanium Dioxide China	CNY/MT	Paints	13,820	16,742	15,771	15,180	15,099	14,892	13,643	-13%	-8%
VAM China	USD/MT	Paints	728	813	778	783	809	782	747	-4%	-4%
Soda Ash	INR/50kg	PIDI, Paints	1,500	1,813	1,832	1,803	1,848	1,600	1,565	-15%	-2%
Glass	India WPI Index	HUL, GCPL,	173	175	174	173	174	174	173	0%	0%
Gold	MCX Gold (INR/10gm)	UNSP, UBBL	1,14,761	71,749	71,543	76,403	83,375	94,876	1,02,287	43%	8%
HDPE	INR/10kg	Jewelry	920	1,035	1,026	964	942	928	946	-8%	2%
Agri Commodity											
Wheat	INR/quintal	ITC, NESTLE,	2,671	2,525	2,743	2,949	2,947	2,630	2,732	0%	4%
Sugar	INR/quintal	HUL, ITC, NESTLE, DABUR, BRIT	4,090	3,933	3,901	3,874	4,074	4,088	4,068	4%	0%
Mentha	INR/KG	HMN, HUL, CLGT, DABUR	1,100	1,006	1,012	1,002	1,021	1,007	1,062	5%	6%
Cashew	India WPI Index	BRIT	171	154	164	170	168	172	172	5%	0%
Maize	INR/quintal	HUL, CLGT, DABUR	2,300	2,201	2,527	2,437	2,377	2,262	2,357	-7%	4%
Molasses	India WPI Index	UNSP	163	157	157	158	158	161	163	3%	1%
Barley	INR/quintal	UBBL, NESTLE	2,330	2,064	2,221	2,396	2,391	2,276	2,304	4%	1%
Tea	India WPI Tea	HUL	175	187	208	210	173	194	177	-15%	-9%
Cocoa beans	USD/MT	NESTLE	6,749	9,467	8,555	8,709	9,668	9,359	7,940	-7%	-15%
Coffee	India WPI Coffee	NESTLE, HUL	234	221	232	231	230	234	237	2%	1%
Tobacco	India WPI Tobacco	ITC	114	114	114	114	114	114	114	0%	0%
Milk	India WPI Milk	NESTLE, BRIT	191	185	186	185	187	189	190	3%	1%
SMP	US$/CWT	NESTLE, BRIT	117	135	135	139	132	130	125	-7%	-3%
Copra	Copra WPI Index	MRCO, DABUR	399	155	175	215	234	281	389	122%	39%
Cotton	USD/LB	PAGE	66	75	72	72	69	68	67	-6%	-2%
Yarn	NNS Cotton Yarn Hosiery Yarn Carded 30 price INR/kg India	PAGE	228	237	233	231	231	233	228	-2%	-2%
Oil Commodities											
Palm Fatty acid	USD/MT	HUL, GCPL, JYL	1,025	810	844	961	1,038	902	970	15%	8%
Malaysia Palm oil	MYR/MT	HUL, GCPL, JYL	4,282	4,037	4,000	4,840	4,712	4,071	4,275	7%	5%
Coconut Oil	INR/quintal	MRCO, DABUR	31,000	12,796	13,617	18,781	18,460	23,131	32,223	137%	39%
Rice Bran oil	Rice Bran oil Index	MRCO	179	147	155	179	177	177	178	15%	0%
Sunflower oil	INR/MT	MRCO	1,35,000	89,133	96,071	1,28,397	1,32,328	1,30,508	1,30,939	36%	0%

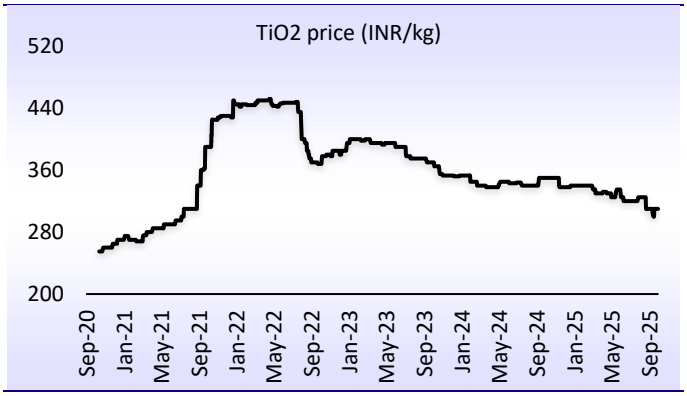
Source: Bloomberg, MOFSL

Exhibit 11: Crude oil prices down 14% YoY, up 2% QoQ in Sept'25



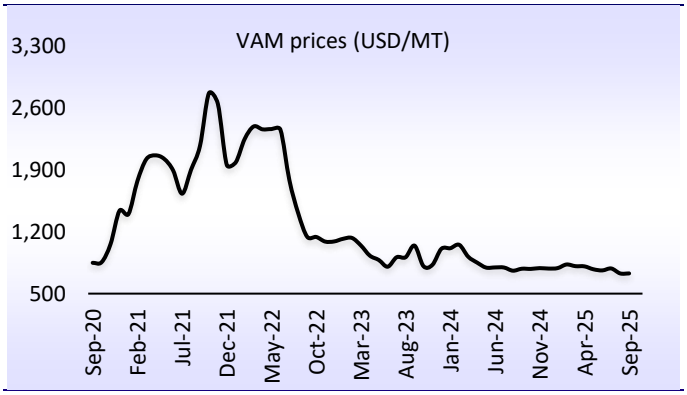
Source: Bloomberg, MOFSL

Exhibit 12: TiO2 prices down 8% YoY/3% in Sept'25



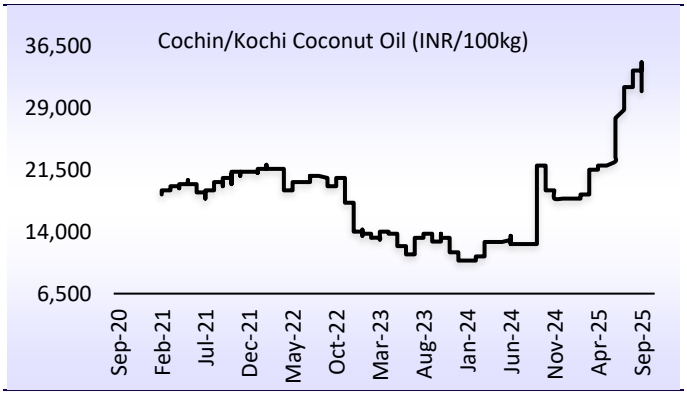
Source: Bloomberg, MOFSL

Exhibit 13: VAM prices down 4% both YoY/QoQ in Sept'25



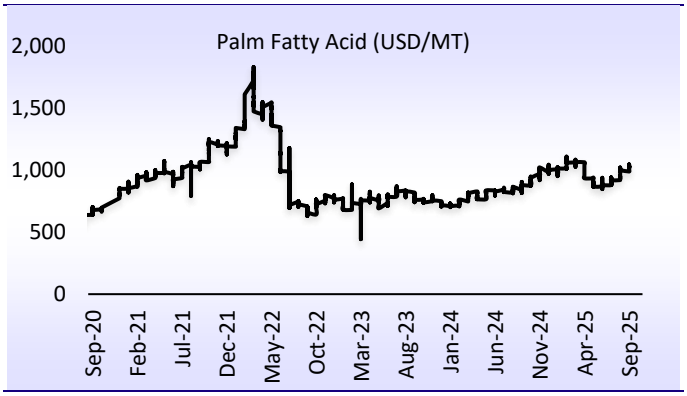
Source: Bloomberg, MOFSL

Exhibit 14: Coconut oil prices up 137% YoY/39% QoQ in Sept'25



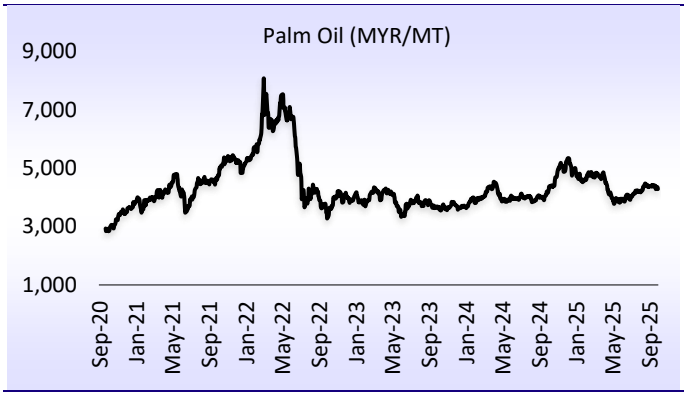
Source: Company, MOFSL

Exhibit 15: PFAD prices up 15%/8% YoY and QoQ in Sept'25



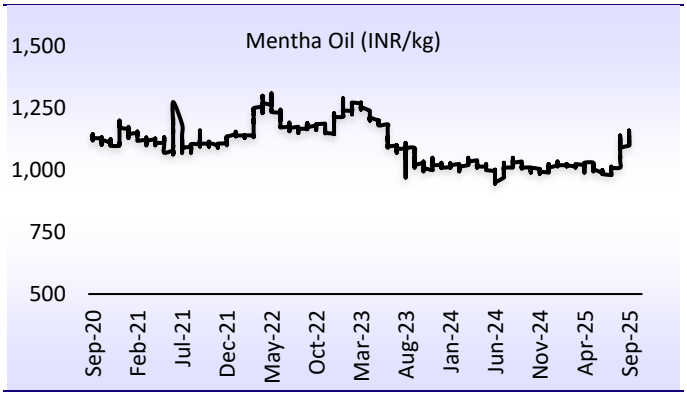
Source: Bloomberg, MOFSL

Exhibit 16: Malaysian palm oil prices rose 7% YoY and 5% QoQ in Sept'25



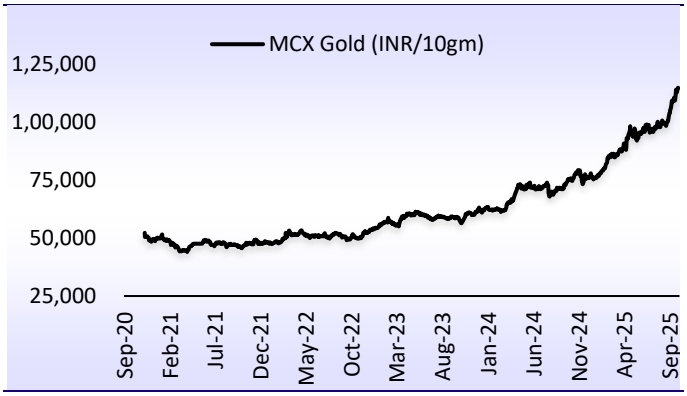
Source: Bloomberg, MOFSL

Exhibit 17: Mentha oil prices have risen 5% both YoY and QoQ in Sept'25



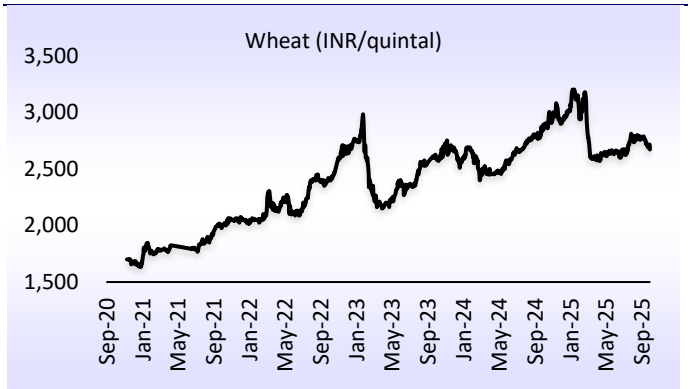
Source: Bloomberg, MOFSL

Exhibit 18: Average gold prices rose 43% YoY and 8% QoQ in Sept'25



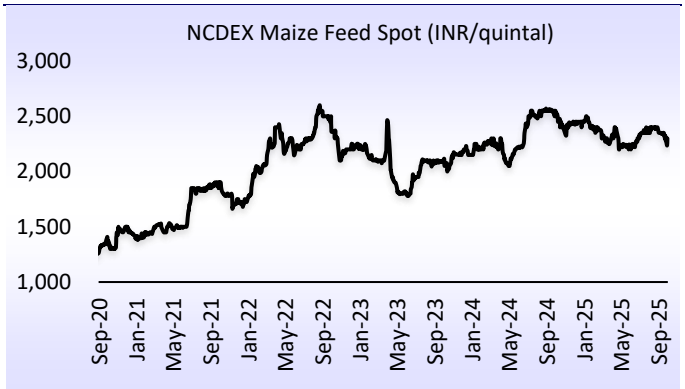
Source: Bloomberg, MOFSL

Exhibit 19: Wheat prices are flat YoY and down 4% QoQ in Sept'25



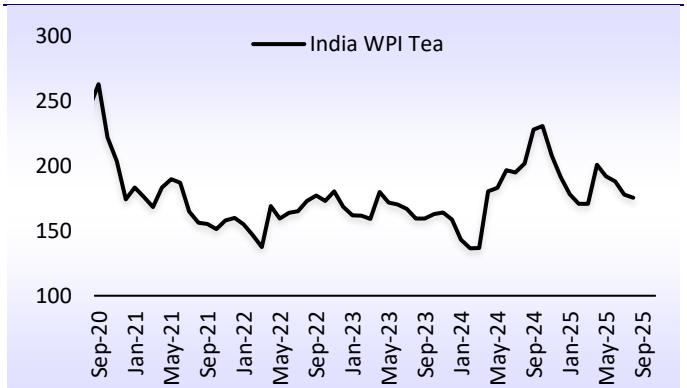
Source: Bloomberg, MOFSL

Exhibit 20: Maize prices down 7% YoY while up 4% QoQ in Sept'25



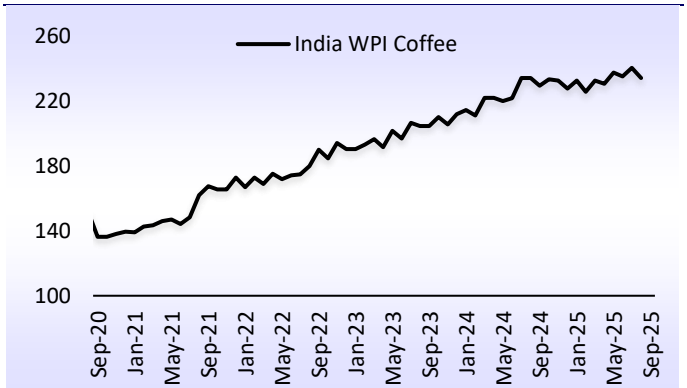
Source: Bloomberg, MOFSL

Exhibit 21: India WPI tea prices down 15% YoY and 9% QoQ in Sept'25



Source: Bloomberg, MOFSL

Exhibit 22: India coffee prices up 2% YoY and 1% QoQ in Sept'25



Source: Bloomberg, MOFSL

Exhibit 23: Change in our estimates (%)

	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Staples									
Britannia	103.6	121.6	138.3	105.6	122.4	139.2	-1.8%	-0.7%	-0.6%
Colgate	51.7	58.2	63.3	52.8	58.6	63.8	-2.1%	-0.8%	-0.8%
Dabur	11.1	12.6	13.8	11.1	12.5	13.7	0.5%	0.7%	0.7%
Emami	20.7	22.7	24.6	21.6	23.6	25.6	-3.9%	-3.8%	-3.8%
GCPL	21.8	26.7	31.1	22.0	27.0	31.4	-1.1%	-1.1%	-1.1%
HUL	46.1	52.4	56.7	46.2	52.5	56.9	-0.3%	-0.3%	-0.3%
ITC	17.0	18.7	20.0	17.1	18.6	19.9	-0.3%	0.4%	0.4%
Jyothy Lab	10.7	11.9	13.3	10.7	11.9	13.3	0.0%	0.0%	0.0%
LT Foods	21.8	27.7	32.1	23.3	28.9	33.0	-6.3%	-4.0%	-2.8%
Marico	13.8	15.9	18.0	14.1	16.1	18.2	-0.5%	0.7%	0.0%
Nestle	16.9	19.7	21.9	16.9	19.7	21.9	0.0%	0.0%	0.0%
P&G	269.5	297.0	330.7	269.5	297.0	330.7	0.0%	0.0%	0.0%
Tata Consumer	16.7	19.9	21.8	16.8	19.8	21.7	-0.7%	0.6%	0.5%
Varun Beverages	8.9	10.8	12.8	9.5	11.4	13.6	-6.4%	-5.8%	-5.6%
Paints & Adhesives									
Asian Paints	44.2	51.8	58.3	45.4	53.6	60.5	-2.6%	-3.3%	-3.7%
Indigo Paints	31.3	36.5	42.2	32.4	38.4	45.1	-3.4%	-5.1%	-6.5%
Pidilite	24.1	27.7	31.6	24.2	27.8	31.7	-0.4%	-0.4%	-0.4%
Liquor									
UBBL	20.7	30.4	37.8	23.8	33.4	41.2	-12.8%	-9.0%	-8.2%
UNSP	21.3	23.6	26.7	21.6	23.9	27.0	-1.5%	-0.9%	-0.9%
RDCK	40.6	51.9	63.8	40.1	51.4	63.2	1.4%	0.9%	0.9%
Innerwear									
Page Industries	725.3	830.8	937.2	725.3	830.8	937.2	0.0%	0.0%	0.0%
QSR*									
Barbeque Nation	2.2	2.5	2.7	2.2	2.5	2.8	-2.3%	-2.7%	-2.6%
Devyani	8.7	11.3	13.6	9.1	11.3	12.9	-4.8%	-0.3%	5.5%
Jubilant	18.2	21.4	25.0	18.0	21.8	25.5	0.7%	-1.9%	-1.7%
RBA	3.6	5.4	6.9	3.9	5.6	7.0	-6.6%	-2.9%	-2.7%
Sapphire	4.5	6.2	7.0	4.5	6.2	7.0	0.0%	0.0%	0.0%
Westlife	3.5	4.4	5.2	3.7	4.5	5.3	-4.2%	-1.9%	-1.9%
Jewelry									
Kalyan	11.1	13.6	16.2	10.9	13.3	15.8	2.1%	2.4%	2.5%
PN Gadgil	23.8	29.0	35.4	22.8	27.6	34.1	4.4%	5.1%	3.9%
Senco	17.2	18.4	22.7	15.3	17.4	21.3	12.4%	5.5%	6.3%
Titan	55.1	65.5	77.7	54.6	64.2	76.3	1.0%	2.1%	1.8%

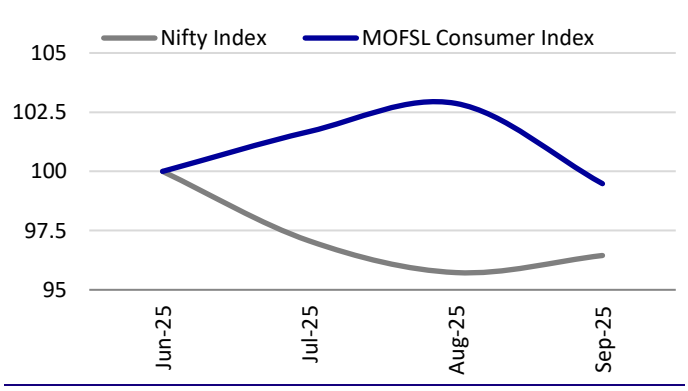
Source: Company, MOFSL *For QSR, it is change in our EBITDA estimates

Comparative valuation

Company	CMP (INR)	TP INR	Reco	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			RoE (%)			Div. (%)
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25
Staples																			
BRIT	5,965	6,500	Neutral	91.9	105.6	122.4	4	15	16	65	56	48	44	39	34	53.4	54.2	53.1	1.3
CLGT	2,225	2,850	Buy	51.4	52.8	58.6	4	3	11	43	42	38	30	30	27	79.0	87.8	98.9	2.3
DABUR	495	625	Buy	10.2	11.1	12.5	(4)	9	13	49	45	39	35	31	27	17.4	17.5	18.8	1.6
HMN	543	725	Buy	20.3	21.6	23.6	12	6	9	27	26	23	23	21	19	34.4	32.8	31.7	1.8
GCPL	1,148	1,450	Buy	18.5	22.0	27.0	(4)	19	23	64	54	44	40	37	31	15.4	18.3	21.5	1.7
HUVR	2,536	3,050	Buy	44.3	46.2	52.5	1	4	14	56	54	48	39	37	33	20.7	21.8	24.1	2.1
ITC	406	500	Buy	16.0	17.1	18.6	(3)	7	9	25	24	22	19	17	16	27.7	29.9	31.3	3.5
JYL	319	365	Neutral	10.2	10.7	11.9	4	5	12	30	29	26	21	20	18	19.4	18.8	19.8	1.1
MRCO	701	850	Buy	12.4	14.1	16.1	8	14	14	56	50	43	41	37	31	40.9	44.6	47.8	1.6
NESTLE	1,166	1,300	Neutral	16.0	16.9	19.7	(22)	6	16	72	68	58	46	42	37	83.9	78.2	83.9	1.2
PG	14,092	15,000	Neutral	195.9	269.5	297.0	(11)	38	10	73	53	48	52	38	35	84.2	106.2	95.7	1.1
Paints																			
APNT	2,336	2,500	Neutral	42.5	45.4	54.1	(27)	7	19	55	52	43	37	34	30	21.4	22.2	25.6	1.9
INDIGOPN	1,073	1,350	Buy	29.8	33.1	38.5	(4)	11	16	36	32	28	21	19	16	14.7	14.4	14.7	0.3
PIDI	1,475	1,600	Neutral	20.7	24.2	27.8	17	17	15	71	61	53	48	43	37	23.1	23.7	24.1	0.7
Liquor																			
UNSP	1,347	1,500	Neutral	19.8	21.6	23.9	26	9	10	66	61	55	45	41	37	18.2	16.6	15.5	0.6
RDCK	2,916	3,375	Buy	25.8	40.1	51.4	35	55	28	112	72	56	58	43	35	12.8	17.2	18.7	0.1
UBBL	1,799	2,000	Neutral	17.7	23.8	33.4	14	35	40	102	76	54	56	44	34	10.9	13.9	17.9	0.4
Innerwear																			
PAGE	42,159	50,000	Buy	652.9	736.4	843.3	28	13	15	63	56	49	43	38	33	51.8	48.3	46.1	2.2
QSR																			
BBQ	234	265	Neutral	-6.9	-7.1	-5.8	Loss	Loss	Loss	NM	NM	NM	4	4	4	-7.5	-8.3	-7.3	0.0
DEVYANI	171	200	Buy	0.2	0.6	1.4	(76)	218	143	908	285	117	28	26	21	2.1	8.0	27.4	0.0
JUBI	619	700	Neutral	3.6	6.2	9.2	(10)	75	47	170	97	66	28	24	20	11.2	19.3	27.2	0.2
RBA	78	135	Buy	-4.0	-1.9	-0.4	Loss	Loss	Loss	NM	NM	NM	16	11	8	-30.6	-13.4	-2.7	0.0
SAPPHIRE	297	375	Buy	1.0	1.2	2.8	(39)	21	136	296	245	104	19	18	14	2.3	2.7	6.2	0.0
WESTLIFE	681	750	Neutral	0.8	1.9	4.6	(82)	137	150	892	376	151	37	33	27	2.0	4.6	10.5	0.0
Jewelry																			
KALYANKJ	465	650	Buy	7.8	10.9	13.3	35	39	22	57	41	34	30	23	19	17.9	21.5	22.7	0.3
PNG	607	825	Buy	17.4	22.8	27.6	32	31	21	35	27	22	25	18	15	22.6	18.1	18.2	0.0
SENCO	345	385	Neutral	12.4	15.4	17.5	6	24	14	28	22	19	16	13	12	12.1	12.1	12.4	0.3
TTAN	3,406	4,150	Buy	42.3	54.6	64.2	8	29	18	81	62	53	50	40	35	35.8	36.5	33.5	0.4

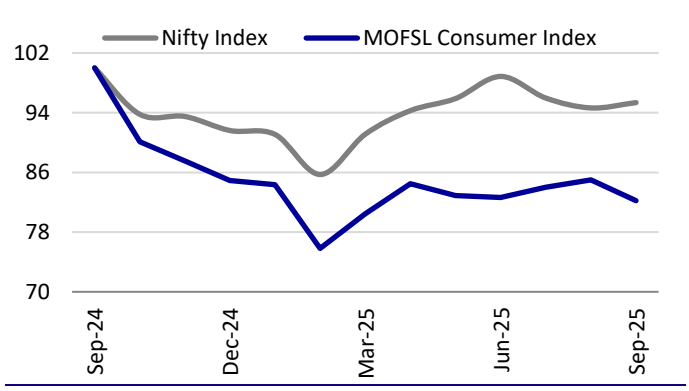
Source: Company, MOFSL

Exhibit 24: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 25: One-year relative performance (%)



Source: MOFSL, Company

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Asian Paints — Neutral

CMP: INR2,336 | TP: INR2,500 (+7%) — **EPS CHANGE (%): FY26|FY27|FY28: -2.6|-3.3|-3.6**

- We model 1% revenue growth in 2Q as there is no meaningful improvement seen in the demand environment particularly in the urban markets. Extended rainfall has further impacted decorative paints segment.
- APNT aims to achieve single-digit volume and value growth in FY26E.
- Volume growth expected to be 5% in domestic decorative paints. The gap in volume and value growth is due to downtrading.
- We expect GP margin expansion of 170bp YoY to 42.5% on deflation in RM prices. EBITDA margin expected to improve 120bp YoY to 16.7% given higher operating costs.

Quarterly Performance (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Est. Dom. Deco. Vol. growth (%)	**7.0**	**-0.5**	**1.6**	**1.8**	**3.9**	**5.0**	**9.0**	**7.0**	**2.5**	**6.2**
Net Sales	**89,697**	**80,275**	**85,494**	**83,589**	**89,386**	**81,078**	**90,624**	**87,136**	**3,39,056**	**3,48,224**
Change (%)	-2.3	-5.3	-6.1	-4.3	-0.3	1.0	6.0	4.2	-4.5	2.7
Gross Profit	**38,152**	**32,732**	**36,291**	**36,724**	**38,155**	**34,458**	**39,150**	**38,360**	**1,43,898**	**1,50,122**
Gross Margin (%)	42.5	40.8	42.4	43.9	42.7	42.5	43.2	44.0	42.4	43.1
EBITDA	**16,938**	**12,395**	**16,367**	**14,362**	**16,250**	**13,511**	**17,694**	**15,631**	**60,062**	**63,086**
Margin (%)	18.9	15.4	19.1	17.2	18.2	16.7	19.5	17.9	17.7	18.1
Change (%)	-20.2	-27.8	-20.4	-15.1	-4.1	9.0	8.1	8.8	-20.8	5.0
Interest	554	630	558	528	445	500	550	549	2,270	2,044
Depreciation	2,277	2,420	2,556	3,011	3,009	3,015	3,050	3,054	10,263	12,128
Other Income	1,562	1,736	1,430	999	1,928	1,850	1,800	1,179	5,726	6,757
PBT	**15,669**	**11,081**	**14,683**	**11,822**	**14,724**	**11,846**	**15,894**	**13,207**	**53,255**	**55,671**
Tax	4,168	2,654	3,897	3,214	3,917	2,962	3,973	3,345	13,934	14,196
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	26.6	25.0	25.0	25.3	26.2	25.5
Adjusted PAT	**11,868**	**8,738**	**11,284**	**8,838**	**11,171**	**9,072**	**12,219**	**9,923**	**40,728**	**42,384**
Change (%)	-24.6	-29.1	-23.5	-30.7	-5.9	3.8	8.3	12.3	-26.7	4.1

E: MOFSL Estimates

Britannia Industries — Neutral

CMP: INR5,965 | TP: INR 6,500 (+9%) — **EPS CHANGE (%): FY26|FY27|FY28: -1.8 |-0.7|-0.6**

- We expect 8% revenue growth YoY, led by volume growth of 4% and rest by price mix.
- We believe ~90% of BRIT's portfolio benefits from GST cuts, and given ~60% share of LUPs, BRIT to see volume growth in coming quarters.
- GP margin is expected to contract 70bp YoY to 40.8%, while EBITDA margin is expected to improve by 60bp YoY to 17.4%, backed by cost efficiencies.
- BRIT continues to focus on innovation and distribution channels to gain market share.

Consol. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Base business volume growth (%)	**8.0**	**8.0**	**6.0**	**3.0**	**2.0**	**4.0**	**8.5**	**11.5**	**6.3**	**6.5**
Net Revenue	**41,299**	**45,662**	**44,633**	**43,756**	**45,349**	**49,315**	**50,882**	**50,008**	**1,75,350**	**1,95,553**
Other operating income	1,204	1,013	1,293	566	874	950	925	975	4,077	3,724
Total Revenue	**42,503**	**46,676**	**45,926**	**44,322**	**46,222**	**50,265**	**51,807**	**50,983**	**1,79,427**	**1,99,277**
YoY change (%)	6.0	5.3	7.9	8.9	8.8	7.7	12.8	15.0	7.0	11.1
Gross Profit	**18,449**	**19,381**	**17,784**	**17,773**	**18,631**	**20,508**	**21,241**	**20,925**	**73,386**	**81,305**
Margins (%)	43.4	41.5	38.7	40.1	40.3	40.8	41.0	41.0	40.9	40.8
EBITDA	**7,537**	**7,834**	**8,449**	**8,052**	**7,571**	**8,738**	**9,905**	**9,258**	**31,872**	**35,471**
Margins (%)	17.7	16.8	18.4	18.2	16.4	17.4	19.1	18.2	17.8	17.8
YoY growth (%)	9.4	-10.2	2.9	2.3	0.4	11.5	17.2	15.0	0.5	11.3
Depreciation	739	761	824	810	820	837	850	850	3,133	3,357
Interest	290	346	446	307	262	300	300	326	1,388	1,187
Other Income	556	460	625	630	570	600	625	640	2,271	2,435
PBT	**7,064**	**7,187**	**7,804**	**7,566**	**7,059**	**8,201**	**9,380**	**8,722**	**29,621**	**33,362**
Tax	1,762	1,836	1,961	1,928	1,809	2,067	2,364	2,158	7,487	8,397
Rate (%)	24.9	25.5	25.1	25.5	25.6	25.2	25.2	24.7	25.3	25.2
Adjusted PAT	**5,295**	**5,317**	**5,823**	**5,591**	**5,201**	**6,107**	**6,988**	**6,561**	**22,027**	**24,857**
YoY change (%)	16.3	-9.3	4.3	4.2	-1.8	14.9	20.0	17.3	3.1	12.9

E: MOFSL Estimates

Colgate — Buy

CMP: INR2,225 | TP: INR2,850 (+28%) — **EPS CHANGE (%): FY26|FY27|FY28: -2.1|-0.8|-0.8**

- Demand was subdued for oral care. We expect 6% revenue decline, led by 5% volume decline in toothpaste in 2Q.
- Moreover, channel destocking due to revised GST rates (from 18% to 5%) impacted 2Q performance.
- GP margin is expected to contract 60bp YoY to 67.9%, while EBITDA margin is expected to contract 90bp YoY to 29.8%, given higher ad spends and operating activities.
- The company is focused on expanding distribution reach and improving product penetration in the rural market through LUPs.
- Promotions in the GT channel and the quantum of discounting in alternate channels will be the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume Gr %	**7.0**	**8.0**	**4.0**	**0.0**	**-3.0**	**-5.0**	**8.0**	**8.0**	**4.8**	**2.0**
Net Sales (incldg. OOI)	**14,967**	**16,191**	**14,618**	**14,625**	**14,341**	**15,252**	**16,099**	**16,311**	**60,402**	**62,003**
YoY change (%)	13.1	10.1	4.7	-1.8	-4.2	-5.8	10.1	11.5	6.3	2.7
Gross Profit	**10,574**	**11,098**	**10,220**	**10,327**	**9,884**	**10,356**	**11,270**	**11,458**	**42,219**	**42,968**
Gross margin (%)	70.6	68.5	69.9	70.6	68.9	67.9	70.0	70.2	69.9	69.3
EBITDA	**5,083**	**4,974**	**4,544**	**4,980**	**4,526**	**4,545**	**5,071**	**5,575**	**19,581**	**19,717**
Margins (%)	34.0	30.7	31.1	34.1	31.6	29.8	31.5	34.2	32.4	31.8
YoY growth (%)	21.6	3.2	-3.0	-6.4	-11.0	-8.6	11.6	11.9	3.0	0.7
Depreciation	415	417	411	384	375	444	448	498	1,627	1,766
Interest	10	12	11	11	10	13	12	12	43	48
Financial other Income	234	195	204	191	179	211	220	267	824	878
PBT	**4,893**	**4,740**	**4,325**	**4,776**	**4,320**	**4,299**	**4,831**	**5,332**	**18,734**	**18,782**
Tax	1,253	1,354	1,097	1,226	1,113	1,083	1,217	1,313	4,930	4,727
Rate (%)	25.6	28.6	25.4	25.7	25.8	25.2	25.2	24.6	26.3	25.2
Adj PAT	**3,640**	**3,555**	**3,228**	**3,550**	**3,206**	**3,215**	**3,614**	**4,019**	**13,973**	**14,054**
YoY change (%)	26.2	4.6	-2.2	-6.5	-11.9	-9.6	12.0	13.2	4.4	0.6
Reported PAT	**3,640**	**3,951**	**3,228**	**3,550**	**3,206**	**3,215**	**3,614**	**4,019**	**14,368**	**14,054**

E: MOFSL Estimates

Dabur — Buy

CMP: INR495 | TP: INR625 (+26%) — **EPS CHANGE (%): FY26|FY27|FY28: +0.5|+0.7|+0.7**

- We expect ~6% revenue growth, majorly backed by 6% volume growth in India business. The growth comes on a beaten down base.
- GP margin is expected to decline 50bp YoY to 48.8% due to price hike lagging behind RM inflation. EBITDA margin is expected to remain flat YoY at 18.3%.
- Home and Personal Care (HPC) division is expected to perform well, driven by the oral, home and skin care categories. Within healthcare, Dabur Honey, Hajmola, Dabur Honitus, and Dabur Health Juices are expected to post robust double-digit growth.
- International business is likely to post strong cc growth, led by MENA, Turkey, Bangladesh and US Namaste business.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Domestic FMCG vol. growth (%)	**5.2**	**-7.0**	**1.2**	**-5.0**	**-1.0**	**6.0**	**10.5**	**8.0**	**-1.4**	**5.9**
Net sales	**33,491**	**30,286**	**33,553**	**28,301**	**34,046**	**32,067**	**37,507**	**31,271**	**1,25,631**	**1,34,890**
YoY change (%)	7.0	-5.5	3.1	0.6	1.7	5.9	11.8	10.5	1.3	7.4
Gross profit	**16,005**	**14,943**	**16,124**	**13,211**	**16,013**	**15,649**	**18,378**	**15,112**	**60,282**	**65,152**
Margin (%)	47.8	49.3	48.1	46.7	47.0	48.8	49.0	48.3	48.0	48.3
EBITDA	**6,550**	**5,526**	**6,819**	**4,269**	**6,678**	**5,868**	**7,764**	**5,184**	**23,163**	**25,494**
Margins (%)	19.6	18.2	20.3	15.1	19.6	18.3	20.7	16.6	18.4	18.9
YoY growth (%)	8.3	-16.4	2.1	-8.6	2.0	6.2	13.9	21.4	-3.5	10.1
Depreciation	1,091	1,110	1,086	1,169	1,141	1,130	1,194	1,196	4,456	4,661
Interest	327	474	442	393	346	375	350	354	1,635	1,425
Other income	1,294	1,515	1,280	1,412	1,440	1,475	1,400	1,514	5,501	5,828
PBT	**6,427**	**5,457**	**6,571**	**4,119**	**6,630**	**5,839**	**7,620**	**5,147**	**22,573**	**25,236**
Tax	1,481	1,284	1,418	992	1,543	1,430	1,867	1,342	5,175	6,182
Rate (%)	23.0	23.5	21.6	24.1	23.3	24.5	24.5	26.1	22.9	24.5
Adjusted PAT	**5,084**	**4,333**	**5,306**	**3,284**	**5,222**	**4,570**	**5,915**	**4,004**	**18,006**	**19,711**
YoY change (%)	7.7	-17.2	1.6	-8.2	2.7	5.5	11.5	21.9	-4.0	9.5

E: MOFSL Estimates

Emami

Buy

CMP: INR543 | TP: INR725 (+34%)

EPS CHANGE (%): FY26|FY27|FY28: -3.9|-3.8|-3.8

- 2Q demand was hit by the extended monsoon. Revenue to fall 10%, led by a 13% domestic volume decline.
- Summer portfolio (talcum powder and cooling hair oil) are significantly impacted by poor summer and continued monsoon, in addition to a strong base.
- GM is expected to contract by 70bp YoY. EBITDA is likely to decline 670bp YoY on negative operating leverage.
- The company is focusing on LUPs targeting middle-income consumers, which contribute ~20% of its revenue.
- Performance of D2C brands like The Man Company and Brillare will be a key monitorable.

Consol. Quarterly performance (INR m)

Y/E MARCH	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Domestic volume growth (%)	8.7	1.7	4.0	5.0	-3.0	-13.0	7.0	27.0	4.9	4.5
Net Sales	**9,061**	**8,906**	**10,495**	**9,631**	**9,041**	**8,018**	**12,323**	**10,361**	**38,092**	**39,744**
YoY change (%)	9.7	3.0	5.3	8.1	-0.2	-10.0	17.4	7.6	6.5	4.3
Gross Profit	**6,131**	**6,296**	**7,377**	**6,346**	**6,276**	**5,613**	**8,749**	**6,944**	**26,150**	**27,582**
Gross margin (%)	67.7	70.7	70.3	65.9	69.4	70.0	71.0	67.0	68.6	69.4
EBITDA	**2,165**	**2,505**	**3,387**	**2,194**	**2,142**	**1,719**	**4,402**	**2,402**	**10,251**	**10,665**
Margins (%)	23.9	28.1	32.3	22.8	23.7	21.4	35.7	23.2	26.9	26.8
YoY change	13.9	7.2	7.6	4.0	-1.1	-31.4	30.0	9.5	8.0	4.0
Depreciation	444	447	456	435	445	445	445	473	1,782	1,808
Interest	21	23	22	28	24	23	23	21	93	90
Other Income	105	216	149	212	216	220	160	107	681	703
PBT	**1,805**	**2,251**	**3,059**	**1,943**	**1,889**	**1,472**	**4,094**	**2,015**	**9,057**	**9,469**
Tax	278	94	224	315	225	74	491	346	911	1,136
Rate (%)	15.4	4.2	7.3	16.2	11.9	5.0	12.0	17.2	10.1	12.0
Adj. PAT	**1,702**	**2,333**	**3,006**	**1,812**	**1,843**	**1,594**	**3,783**	**1,834**	**8,853**	**9,050**
YoY change (%)	20.5	18.6	6.3	8.6	8.3	-31.7	25.9	1.2	12.4	2.2
Reported PAT	**1,506**	**2,110**	**2,790**	**1,622**	**1,643**	**1,375**	**3,580**	**1,637**	**8,027**	**8,236**
YoY change (%)	10.1	17.2	7.0	10.5	9.1	-34.8	28.3	1.0	10.9	2.6

E: MOFSL Estimates

Godrej Consumer

Buy

CMP: INR1,148 | TP: INR1,450 (+26%)

EPS CHANGE (%): FY26|FY27|FY28: -1.1|-1.1|-1.1

- We expect no material change sequentially and model 7% standalone revenue growth and 4% volume growth. Price hikes likely persisted in 2Q, especially in soaps.
- Extended monsoons to weigh on HI portfolio, while some GST transition impact may be seen in soaps. Other business segments are expected to perform well.
- We model a 340bp YoY decline in the GP margin to 52.2% and a 240bp YoY decline in EBITDA margins. We believe the benefit of lower palm oil prices will come in the 2HFY26.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Domestic volume Growth (%)	**8**	**7**	**0**	**4**	**5**	**4**	**11**	**8**	**5**	**7**
Net Sales (including OOI)	**33,316**	**36,663**	**37,684**	**35,980**	**36,619**	**39,331**	**43,427**	**41,679**	**1,43,643**	**1,61,715**
YoY change (%)	-3.4	1.8	3.0	6.3	9.9	7.3	15.2	15.8	1.9	12.6
Gross Profit	**18,608**	**20,381**	**20,402**	**18,890**	**19,005**	**20,524**	**23,640**	**22,783**	**78,282**	**85,952**
Margin (%)	55.9	55.6	54.1	52.5	51.9	52.2	54.4	54.7	54.5	53.2
Other Operating Exp.	11,346	12,764	12,843	11,298	12,060	13,295	14,577	14,051	48,251	53,938
EBITDA	7,262	7,617	7,559	7,592	6,946	7,229	9,063	8,732	30,031	32,014
Margins (%)	21.8	20.8	20.1	21.1	19.0	18.4	20.9	21.0	20.9	19.8
YoY growth (%)	6.5	5.3	-16.4	-0.2	-4.4	-5.1	19.9	15.0	-2.2	6.6
Depreciation	495	501	619	726	594	625	650	655	2,340	2,524
Interest	878	831	897	896	865	835	835	849	3,501	3,384
Other Income	751	843	831	737	845	900	900	928	3,161	3,573
PBT	**6,623**	**7,107**	**6,874**	**6,708**	**6,332**	**6,669**	**8,478**	**8,156**	**27,312**	**29,680**
Tax	1,933	2,154	1,834	2,275	1,613	1,667	2,119	2,021	8,196	7,420
Rate (%)	29.2	30.3	26.7	33.9	25.5	25.0	25.0	24.8	30.0	25.0
Adj PAT	**4,649**	**4,953**	**5,025**	**4,321**	**4,669**	**5,002**	**6,358**	**6,135**	**18,948**	**22,260**
YoY change (%)	23.6	12.2	-14.3	-24.8	0.4	1.0	26.5	42.0	-4.2	17.5
Reported PAT	**4,507**	**4,913**	**4,983**	**4,119**	**4,525**	**5,002**	**6,358**	**6,135**	**18,522**	**22,260**

E: MOFSL Estimate

Hindustan Unilever

Buy

CMP: INR2,536 | TP: INR3,050 (+20%)

EPS CHANGE (%): FY26|FY27: -0.3|-0.3|-0.3

- HUL indicated that while ~40% of its portfolio will benefit from a reduced GST rate, the transition has created short-term disruptions that will weigh on its 2Q performance.
- HUL expects consolidated business growth to be near flat to low-single digits. We expect 2% revenue growth, backed by 2.5% volume growth.
- GP margins expected to fall 90bp YoY to 50.7% due to increase in consumer offers and other schemes at distributor level. We model 140bp contraction in EBITDA margin to 22.4%.

Quarterly performance (Consolidated) (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Domestic volume growth (%)	**4.0**	**3.0**	**0.0**	**2.0**	**4.0**	**2.5**	**8.5**	**7.0**	**2.0**	**5.5**
Net sales (INR b)	**155.2**	**157.3**	**155.9**	**154.5**	**163.2**	**160.6**	**171.7**	**169.5**	**622.9**	**665.1**
YoY change (%)	1.7	2.4	1.9	2.7	5.2	2.1	10.2	9.8	2.2	6.8
Other operating income	1.8	2.0	2.3	2.2	1.9	2.0	2.3	2.2	8.3	8.4
Total revenue	**157.1**	**159.3**	**158.2**	**156.7**	**165.1**	**162.6**	**174.0**	**171.7**	**631.2**	**673.6**
YoY change (%)	1.4	1.9	1.6	3.0	5.1	2.1	10.0	9.6	2.0	6.7
COGS	75.5	77.1	77.0	76.2	82.4	80.2	84.9	83.9	306	331
Gross Profit	**81.6**	**82.2**	**81.2**	**80.5**	**82.7**	**82.5**	**89.1**	**87.9**	**325.4**	**342.2**
Margin %	52.0	51.6	51.3	51.4	50.1	50.7	51.2	51.2	51.6	50.8
EBITDA	**37.4**	**37.9**	**37.0**	**36.2**	**37.2**	**36.5**	**40.2**	**40.6**	**148.5**	**154.4**
YoY change (%)	2.2	-0.1	0.8	2.4	-0.7	-3.8	8.8	12.1	1.3	4.0
Margins (%)	23.8	23.8	23.4	23.1	22.5	22.4	23.1	23.6	23.5	22.9
Depreciation	3.3	3.4	3.4	3.5	3.6	3.6	3.6	3.6	13.6	14.4
Interest	0.9	1.1	1.1	0.8	1.3	1.0	1.1	0.7	4.0	4.0
Other income	2.6	2.2	2.3	3.1	2.0	2.3	2.4	2.9	10.2	9.6
PBT	**35.8**	**35.6**	**34.7**	**35.0**	**34.3**	**34.2**	**38.0**	**39.1**	**141.2**	**145.6**
Tax	9.2	9.5	9.9	8.9	5.4	8.6	9.6	10.0	37.4	33.5
Rate (%)	25.6	26.6	28.6	25.3	15.6	25.2	25.2	25.4	26.5	23.0
PAT bei	**26.5**	**26.0**	**26.0**	**25.7**	**25.3**	**25.6**	**28.4**	**29.1**	**104.2**	**108.3**
YoY change (%)	2.5	-2.1	2.9	2.6	-4.5	-1.8	9.0	13.6	1.4	4.0
Reported Profit	**26.1**	**25.9**	**29.8**	**24.6**	**27.6**	**25.6**	**28.4**	**29.1**	**106.5**	**111.9**

E: MOFSL Estimates

Indigo Paints

Buy

CMP: INR1,073 | TP: INR1,350 (+26%)

EPS CHANGE (%): FY26|FY27|FY28: -3.4|-5.1|-6.4

- We expect 1% revenue growth in 2QFY26 as the demand environment remains subdued and was further impacted by extended monsoon.
- Expect strong competition and pressure on profits in the near future as new competitors enter the market.
- Remain watchful of commentaries on demand trends in the waterproofing business and expansion to larger cities.
- GP margin expected to improve 80bp YoY to 44.5%. Margins have remained range bound despite the decline in raw material prices, as increased consumer offerings.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**3,110**	**2,995**	**3,426**	**3,876**	**3,089**	**3,025**	**3,700**	**4,196**	**13,407**	**14,010**
Change (%)	7.8	7.4	-3.2	0.7	-0.7	1.0	8.0	8.3	2.6	4.5
Gross Profit	**1,449**	**1,309**	**1,597**	**1,815**	**1,418**	**1,346**	**1,739**	**1,984**	**6,170**	**6,487**
Gross Margin (%)	46.6	43.7	46.6	46.8	45.9	44.5	47.0	47.3	46.0	46.3
EBITDA	**474**	**415**	**572**	**874**	**443**	**430**	**636**	**954**	**2,335**	**2,463**
Margin (%)	15.2	13.9	16.7	22.6	14.3	14.2	17.2	22.7	17.4	17.6
Change (%)	-3.5	-1.5	-8.1	3.3	-6.5	3.5	11.3	9.2	-1.9	5.5
Interest	6	7	6	15	7	18	10	10	35	45
Depreciation	152	154	147	132	148	145	145	188	585	626
Other Income	42	51	31	60	60	55	45	44	185	203
PBT	**357**	**306**	**450**	**787**	**348**	**322**	**526**	**800**	**1,900**	**1,996**
Tax	90	83	92	213	87	81	133	201	478	502
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.0	25.2	25.2	25.2	25.2	25.2
Minority Interest	5	-4	-2	5	1	1	1	1	4	4
Adjusted PAT	**262**	**226**	**360**	**569**	**259**	**240**	**393**	**598**	**1,418**	**1,490**
Change (%)	-15.6	-10.6	-3.3	6.0	-1.0	5.8	9.1	5.1	-3.8	5.1

E: MOFSL Estimates

ITC — Buy

CMP: INR406 | TP: INR500 (+23%) — **EPS CHANGE (%): FY26|FY27|FY28: -0.3|+0.4|+0.4**

- Cigarette business is expected to show stable volumes and pricing, with the portfolio continuing to grow, aided by improvements in the product mix. We model 6% volume growth in the business in 2QFY26.
- We expect 7.5% YoY sales growth in cigarette business and 5.5% YoY sales growth in FMCG business.
- We expect 5% YoY growth in cigarette EBIT, though margins may contract by 100bp due to rising leaf tobacco prices. In the FMCG business, we expect a 9% decline in EBIT, with a 100bp margin contraction as price hikes lag behind RM inflation.
- The paper segment remained weak given the influx of cheap Chinese paper.
- The agriculture segment performed well during the quarter.

Consol. Quarterly Performance (Reported) (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q*	4Q*	1QE*	2QE*	3QE	4QE		
Est. cigarette vol. gr. (%)	**3.0**	**3.5**	**6.0**	**5.0**	**6.0**	**6.0**	**5.0**	**5.0**	**4.4**	**4.5**
Net Sales	**184.6**	**207.4**	**187.9**	**187.7**	**214.9**	**216.9**	**205.0**	**200.4**	**767.5**	**837.2**
YoY change (%)	7.5	16.7	4.3	4.7	16.5	4.6	9.1	6.8	8.3	9.1
Gross Profit	**111.7**	**115.9**	**108.3**	**110.3**	**112.6**	**119.3**	**117.2**	**117.1**	**446.2**	**466.3**
Margin (%)	60.5	55.9	57.6	58.8	52.4	55.0	57.2	58.5	58.1	55.7
EBITDA	**67.5**	**67.6**	**63.6**	**65.2**	**68.2**	**69.0**	**70.8**	**70.0**	**263.9**	**278.7**
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	2.1	11.3	7.4	0.5	5.6
Margins (%)	36.6	32.6	33.9	34.7	31.7	31.8	34.5	34.9	34.4	33.3
Depreciation	5.0	5.2	4.2	4.1	4.2	4.4	4.5	4.5	18.5	17.7
Interest	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.5	0.5
Other Income	6.9	6.2	6.0	6.4	6.8	6.8	6.6	7.1	25.5	27.3
PBT	**69.3**	**68.4**	**65.3**	**67.4**	**70.6**	**71.2**	**72.7**	**72.5**	**270.4**	**287.7**
Tax	17.6	17.9	17.3	16.8	17.8	18.0	18.3	18.3	69.6	72.4
Rate (%)	25.4	26.2	26.4	24.9	25.3	25.2	25.2	25.2	25.7	25.2
Adj PAT	**50.9**	**49.9**	**47.3**	**50.7**	**52.4**	**52.7**	**53.8**	**53.3**	**198.9**	**213.0**
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	5.6	13.7	5.1	-2.8	7.1
Reported PAT	**50.9**	**49.9**	**47.3**	**50.7**	**52.4**	**52.7**	**53.8**	**53.3**	**199.9**	**213.0**

E: MOFSL estimate; *Growth is not comparable as base quarters include hotel business numbers

Jyothy Labs. — Neutral

CMP: INR319 | TP: INR365 (+14%) — **EPS CHANGE (%): FY26|FY27|FY28: 0.0|0.0|0.0**

- We expect consolidated net sales to grow 3% YoY, led by volume growth of 5% in 2QFY26.
- In segment revenue, Fabric care, Dishwashing and personal care are expected to grow up 3-5% each YoY, while HI is expected to decline 3% due to weak season.
- We expect gross margin expansion of 10bp YoY to 50% amid stable palm oil prices.
- EBITDA margin is expected to decline by 100bp YoY to 17.9%, partially impacted by operating deleverage.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume growth (%)	11%	3%	8%	5%	4%	5%	8%	9%	6%	8%
Net Sales	**7,418**	**7,338**	**7,045**	**6,670**	**7,512**	**7,567**	**7,668**	**7,373**	**28,470**	**30,121**
YoY change (%)	8.0	0.2	4.0	1.1	1.3	3.1	8.9	10.6	3.3	5.8
Gross Profit	**3,805**	**3,683**	**3,506**	**3,281**	**3,608**	**3,806**	**3,880**	**3,917**	**14,275**	**15,211**
Margins (%)	51.3	50.2	49.8	49.2	48.0	50.3	50.6	53.1	50.1	50.5
EBITDA	**1,335**	**1,385**	**1,158**	**1,119**	**1,242**	**1,351**	**1,338**	**1,281**	**4,996**	**5,212**
EBITDA growth %	13.7	2.3	-2.4	3.3	-7.0	-2.4	15.6	14.5	4.1	4.3
Margins (%)	18.0	18.9	16.4	16.8	16.5	17.9	17.4	17.4	17.5	17.3
Depreciation	134	139	143	146	147	149	151	153	561	601
Interest	14	14	15	17	13	15	16	18	59	62
Other Income	137	125	139	155	194	140	155	122	556	611
PBT	**1,324**	**1,357**	**1,138**	**1,112**	**1,275**	**1,328**	**1,326**	**1,232**	**4,931**	**5,161**
Tax	307	307	264	306	307	319	318	295	1,184	1,239
Rate (%)	23.2	22.6	23.2	27.6	24.1	24.0	24.0	24.0	24.0	24.0
Adjusted PAT	**1,017**	**1,050**	**874**	**806**	**968**	**1,009**	**1,007**	**937**	**3,747**	**3,921**
YoY change (%)	16.6	1.0	-3.9	3.1	-4.8	-3.9	15.3	16.3	4.0	4.7

E: MOFSL Estimates

LT Foods

Buy

CMP: INR402 | TP: INR560 (+39%) | **EPS CHANGE (%): FY26|FY27|FY28: -6|-4|-3**

- Consolidated sales to grow 23% YoY, led by volume growth.
- Revenue will grow, but margins may fall on high tariff base.
- EBITDA margin expected to expand by 10bp YoY to 11%.
- On track to meet full-year guidance. Expect tax rate of 26%.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**20,705**	**21,078**	**22,748**	**22,284**	**24,639**	**25,958**	**27,472**	**27,497**	**86,815**	**1,05,566**
YoY Change (%)	16.4	6.6	17.2	7.4	19.0	23.2	20.8	23.4	11.7	21.6
Total Expenditure	18,296	18,785	20,250	19,701	21,985	23,095	24,218	24,107	77,032	93,405
EBITDA	**2,409**	**2,293**	**2,498**	**2,583**	**2,654**	**2,863**	**3,254**	**3,389**	**9,783**	**12,161**
Margins (%)	11.6	10.9	11.0	11.6	10.8	11.0	11.8	12.3	11.3	11.5
Depreciation	420	448	458	531	523	530	540	550	1,857	2,143
Interest	187	196	236	257	280	235	180	139	877	834
Other Income	175	263	134	313	371	150	250	230	885	1,001
PBT before EO expense	**1,977**	**1,911**	**1,938**	**2,107**	**2,221**	**2,248**	**2,784**	**2,930**	**7,934**	**10,184**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,977**	**1,911**	**1,938**	**2,107**	**2,221**	**2,248**	**2,784**	**2,930**	**7,934**	**10,184**
Tax	530	494	525	554	598	585	724	762	2,102	2,668
Rate (%)	26.8	25.8	27.1	26.3	26.9	26.0	26.0	26.0	26.5	26.2
Minority Interest & Profit/Loss of Asso. Cos.	-84	-66	-19	-52	-62	0	0	0	-222	-62
Reported PAT	**1,532**	**1,484**	**1,433**	**1,605**	**1,685**	**1,664**	**2,060**	**2,168**	**6,053**	**7,577**
Adj PAT	**1,532**	**1,484**	**1,433**	**1,605**	**1,685**	**1,664**	**2,060**	**2,168**	**6,053**	**7,577**
YoY Change (%)	11.4	-7.2	-5.2	7.9	10.0	12.1	43.8	35.1	1.3	25.2
Margins (%)	7.4	7.0	6.3	7.2	6.8	6.4	7.5	7.9	7.0	7.2

Marico

Buy

CMP: INR701 | TP: INR850 (+21%) | **EPS CHANGE (%): FY26|FY27|FY28: -0.5|0.7|0.0**

- Domestic business saw steady momentum in Jul-Aug; saw transitory impact of disruption in trade channels and CSD ahead of the implementation of new GST rates in Sep.
- We expect 28% consol. revenue growth and ~6% domestic volume growth. The high pricing contribution is driven largely by price hikes in Parachute.
- Gross margins expected to contract 560bp YoY to 45.2% given high base and rise in RM prices. Operating margins are expected to contract 330bp YoY to 16.3%.
- Parachute should see low-single-digit decline in volumes amid unprecedented hyperinflation in input costs and pricing conditions. After normalizing for ml reductions in lieu of price increases, volume is expected to be flat in 2Q.
- Saffola Oils expected to deliver flat volumes on a high base, and revenue growth in the high teens. VAHO should deliver high-teen growth.
- The International business is expected to deliver ~20% revenue CC growth.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Domestic volume growth (%)	4.0	5.0	6.0	7.0	9.0	6.0	8.0	6.6	**5.5**	7.4
Net Sales	**26,430**	**26,640**	**27,940**	**27,300**	**32,590**	**34,168**	**35,811**	**32,881**	**1,08,310**	**1,35,449**
YoY Change (%)	6.7	7.6	15.4	19.8	23.3	28.3	28.2	20.4	12.2	25.1
Gross Profit	**13,810**	**13,530**	**13,830**	**13,260**	**15,290**	**15,444**	**16,186**	**14,980**	**54,430**	**61,900**
Gross margin (%)	52.3	50.8	49.5	48.6	46.9	45.2	45.2	45.6	50.3	45.7
EBITDA	**6,260**	**5,220**	**5,330**	**4,580**	**6,550**	**5,563**	**6,438**	**5,347**	**21,390**	**23,898**
Margins (%)	23.7	19.6	19.1	16.8	20.1	16.3	18.0	16.3	19.7	17.6
YoY Change (%)	9.1	5.0	3.9	3.6	4.6	6.6	20.8	16.7	5.6	11.7
Depreciation	410	410	440	520	450	465	475	486	1,780	1,876
Interest	170	110	130	120	100	120	125	132	530	477
Other Income	370	400	420	470	560	550	525	527	1,660	2,162
PBT	**6,050**	**5,100**	**5,180**	**4,410**	**6,560**	**5,528**	**6,363**	**5,255**	**20,740**	**23,707**
Tax	1,310	1,190	1,120	960	1,430	1,244	1,432	1,228	4,580	5,334
Rate (%)	21.7	23.3	21.6	21.8	21.8	22.5	22.5	23.4	22.1	22.5
Adjusted PAT	**4,640**	**3,915**	**3,990**	**3,430**	**5,040**	**4,219**	**4,866**	**3,986**	**15,975**	**18,112**
YoY Change (%)	8.7	10.9	4.2	7.9	8.6	7.8	22.0	16.2	7.9	13.4
Reported PAT	**4,640**	**4,230**	**3,990**	**3,430**	**5,040**	**4,219**	**4,866**	**3,986**	**16,290**	**18,112**

E: MOFSL Estimates

Nestlé India — Neutral

CMP: INR1,166 | TP: INR1,300 (+11%) — **EPS CHANGE (%): FY26|FY27|FY28: 0.0|0.0|0.0**

- Expect overall sales growth of 5.3% YoY, led by 5% growth in domestic sales and 10% growth in exports. While demand recovery is underway, a higher dependency on urban markets may weigh on NEST volumes.
- We believe the channel destocking due to GST rate cuts might weigh on NEST 2Q performance.
- NEST has been strategically taking pricing action in response to rising commodity prices.
- We expect GP margin contraction of 90bp YoY to 55.7%, impacted by high RM prices (coffee, edible oil). EBITDA margin to contract by 100bp to 22.2%.
- Nestle focuses on expanding its distribution reach, premiumization, and innovations.

Quarterly performance (INR m)

Y/E December	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**48,140**	**51,040**	**47,797**	**55,039**	**50,962**	**53,732**	**53,465**	**62,087**	**2,02,016**	**2,20,246**
YoY Change (%)	3.3	1.3	3.9	4.5	5.9	5.3	11.9	12.8	3.5	9.0
COGS	20,388	22,139	20,846	24,124	22,854	23,803	23,525	27,167	87,498	97,349
Gross Profit	**27,751**	**28,901**	**26,951**	**30,914**	**28,107**	**29,929**	**29,940**	**34,921**	**1,14,518**	**1,22,897**
Margin (%)	57.6	56.6	56.4	56.2	55.2	55.7	56.0	56.2	56.7	55.8
Operating Exp	16,513	16,983	15,728	16,791	16,925	17,974	17,077	18,641	66,014	70,617
EBITDA	**11,239**	**11,918**	**11,223**	**14,124**	**11,183**	**11,955**	**12,863**	**16,280**	**48,503**	**52,281**
Margins (%)	23.3	23.3	23.5	25.7	21.9	22.2	24.1	26.2	24.0	23.7
YoY Growth (%)	5.4	-4.4	-0.6	5.2	-0.5	0.3	14.6	15.3	2.6	7.8
Depreciation	1,127	1,216	1,503	1,553	1,569	1,575	1,575	1,595	5,399	6,315
Interest	317	322	346	375	469	350	350	327	1,360	1,496
Other income	391	69	44	84	40	100	250	252	589	642
PBT	**10,186**	**10,448**	**9,419**	**12,280**	**9,185**	**10,130**	**11,188**	**14,610**	**42,333**	**45,112**
Tax	2,625	3,010	2,264	3,192	2,412	2,674	2,965	3,896	11,085	11,947
Rate (%)	25.8	28.8	24.0	26.0	26.3	26.4	26.5	26.7	26.2	26.5
Adjusted PAT	**7,467**	**7,792**	**6,836**	**8,730**	**6,466**	**7,306**	**8,103**	**10,639**	**30,827**	**32,640**
YoY Change (%)	6.4	-3.3	-12.4	-4.5	-13.4	-6.2	18.5	21.9	-2.6	5.9

E: MOFSL Estimates

Page Industries — Buy

CMP: INR42,159 | TP: INR50,000 (+19%) — **EPS CHANGE (%): FY26|FY27|FY28: 0.0|0.0|0.0**

- We expect ~6% YoY revenue growth, led by volume growth of 5% (rest by mix change). No price hike expected in 2Q.
- Gross margin is expected to expand 255bp YoY to 58.7%, led by stable input prices. EBITDA margin is likely to expand 15bp YoY to 22.7%.
- Weak urban consumption remains a headwind but normalized trade inventory can boost primary growth.
- Primary and secondary sales are now expected to be aligned, reversing the trend observed in the last few quarters.

Quarterly Statement (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume growth (%)	**2.6**	**6.7**	**4.7**	**8.5**	**1.9**	**4.5**	**8.5**	**8.3**	**5.0**	**5.0**
Net Sales	**12,775**	**12,454**	**13,131**	**10,981**	**13,166**	**13,144**	**14,460**	**12,135**	**49,340**	**52,905**
YoY change (%)	3.9	10.7	6.9	10.6	3.1	5.5	10.1	10.5	8.0	7.2
Gross Profit	**6,918**	**7,031**	**7,399**	**6,689**	**7,784**	**7,716**	**8,459**	**7,149**	**28,036**	**31,108**
Gross margin (%)	54.1	56.5	56.3	60.9	59.1	58.7	58.5	58.9	56.8	58.8
EBITDA	**2,433**	**2,806**	**3,025**	**2,352**	**2,947**	**2,984**	**3,282**	**2,616**	**10,617**	**11,830**
Margins (%)	19.0	22.5	23.0	21.4	22.4	22.7	22.7	21.6	21.5	22.4
YoY change	2.0	20.1	31.7	43.1	21.1	6.3	8.5	11.2	23.5	11.4
Depreciation	221	226	297	249	266	280	300	321	992	1,167
Interest	117	109	119	118	127	120	122	118	464	487
Other Income	129	146	140	201	148	155	155	167	616	625
PBT	**2,225**	**2,616**	**2,750**	**2,187**	**2,702**	**2,739**	**3,015**	**2,345**	**9,777**	**10,801**
Tax	572	672	703	547	694	687	757	573	2,494	2,711
Rate (%)	25.7	25.7	25.6	25.0	25.7	25.1	25.1	24.4	25.5	25.1
PAT	**1,652**	**1,944**	**2,047**	**1,640**	**2,008**	**2,051**	**2,258**	**1,772**	**7,282**	**8,090**
YoY change (%)	4.3	29.3	34.3	51.6	21.5	5.5	10.3	8.1	27.9	11.1

E: MOFSL Estimates

P&G Hygiene — Neutral

CMP: INR14,092 | TP: INR15,000 (+6%) — **EPS CHANGE (%): FY26|FY27|FY28: 0.0|0.0|0.0**

- Sales are expected to grow ~2% YoY in 2QFY26.
- Gross margin is expected to contract 130bp YoY to 61.9%.
- EBITDA margin is expected to expand 410bp YoY to 25.5%.
- A&P spending and demand outlook are key monitorables.

Standalone - Quarterly Earnings (INR m)

Y/E June	FY25*			FY26E				FY25*	FY26E
	1Q	2Q	3Q	1Q	2QE	3QE	4QE		
Net Sales	**11,352**	**12,476**	**9,916**	**9,370**	**11,579**	**13,225**	**11,307**	**33,744**	**45,480**
YoY Change (%)	-0.3	10.1	-1.1	0.6	2.0	6.0	14.0	-19.8	34.8
Gross profit	**7,139**	**8,085**	**5,969**	**5,959**	**7,352**	**8,398**	**7,080**	**21,193**	**28,789**
Margin (%)	62.9	64.8	60.2	63.6	63.5	63.5	62.6	62.8	63.3
EBITDA	**2,905**	**3,709**	**2,097**	**2,662**	**2,953**	**3,637**	**2,619**	**8,711**	**11,870**
Growth	2.0	19.8	-18.5	102.7	1.6	-2.0	24.9	-11.4	36.3
Margins (%)	25.6	29.7	21.1	28.4	25.5	27.5	23.2	25.8	26.1
Depreciation	117	99	104	91	105	109	275	319	580
Interest	19	66	58	1	27	26	81	143	135
Other Income	85	97	191	77	111	126	240	373	554
PBT	**2,854**	**3,641**	**2,127**	**2,647**	**2,931**	**3,628**	**2,504**	**8,622**	**11,710**
PBT after EO expense	**2,854**	**3,641**	**2,127**	**2,647**	**2,931**	**3,628**	**2,504**	**8,622**	**11,710**
Tax	735	955	566	726	739	914	572	2,256	2,951
Rate (%)	25.7	26.2	26.6	27.4	25.2	25.2	22.8	26.2	25.2
Adj PAT	**2,119**	**2,686**	**1,561**	**1,921**	**2,192**	**2,714**	**1,932**	**6,366**	**8,759**
YoY Change (%)	0.6	17.3	-15.8	111.4	3.5	1.0	23.8	-11.1	37.6
Margins (%)	18.7	21.5	15.7	20.5	18.9	20.5	17.1	18.9	19.3

E: MOFSL Estimates; FY25 9M only due to change in reporting year

Pidilite Industries — Neutral

CMP: INR1,475 | TP: INR1,600 (8%) — **EPS CHANGE (%): FY26|FY27|FY28: -0.4|-0.4|-0.4**

- We expect demand recovery in 2Q, though rural growth continues to outperform urban growth. Core category can witness some headwinds due to the subdued demand environment at macro level.
- Consolidated revenue/volume to grow 9%/7% YoY.
- We expect gross margin to expand 45bp YoY to 54.8%, driven by a YoY decline in VAM prices.
- Outlook on domestic and international demand is a key monitorable.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume growth (%)	**9.6**	**8.0**	**9.7**	**9.8**	**9.9**	**7.0**	**12.0**	**12.0**	**9.3**	**10.2**
Net Sales	**33,954**	**32,349**	**33,689**	**31,411**	**37,531**	**35,204**	**38,379**	**35,855**	**1,31,403**	**1,46,964**
YoY change (%)	3.7	5.2	7.6	8.2	10.5	8.8	13.9	14.1	6.1	11.8
Gross Profit	**18,268**	**17,583**	**18,301**	**17,288**	**20,314**	**19,292**	**21,032**	**19,929**	**71,440**	**80,566**
Margin (%)	53.8	54.4	54.3	55.0	54.1	54.8	54.8	55.6	54.4	54.8
Total Expenditure	25,826	24,661	25,705	25,086	28,121	26,673	28,962	28,966	**41,315**	**46,338**
EBITDA	**8,127**	**7,688**	**7,984**	**6,326**	**9,410**	**8,531**	**9,417**	**6,890**	**30,125**	**34,228**
YoY change (%)	15.0	13.1	7.5	9.6	15.8	11.0	17.9	8.9	11.3	13.6
Margins (%)	23.9	23.8	23.7	20.1	25.1	24.2	24.5	19.2	22.9	23.3
Depreciation	844	879	895	967	967	967	970	789	3,585	3,692
Interest	118	117	125	144	138	135	135	183	504	591
Other Income	539	571	558	804	857	750	725	729	2,472	3,061
PBT	**7,704**	**7,263**	**7,522**	**6,019**	**9,162**	**8,179**	**9,037**	**6,647**	**28,509**	**33,006**
Tax	1,984	1,848	1,947	1,487	2,383	2,045	2,259	1,564	7,265	8,252
Rate (%)	25.7	25.4	25.9	24.7	26.0	25.0	25.0	23.5	25.7	25.0
Reported PAT	**5,669**	**5,346**	**5,524**	**4,223**	**6,724**	**6,079**	**6,722**	**5,027**	**20,762**	**24,534**
Adj PAT	**5,669**	**5,346**	**5,524**	**4,473**	**6,724**	**6,079**	**6,722**	**5,027**	**21,012**	**24,534**
YoY change (%)	21.1	18.7	8.2	20.2	18.6	13.7	21.7	12.4	16.7	16.8
Margins (%)	16.7	16.5	16.4	14.2	17.9	17.3	17.5	14.0	16.0	16.7

E: MOFSL Estimates

Radico Khaitan — Buy

CMP: INR2,916 | TP: INR3,375 (+16%) — **EPS CHANGE (%): FY26|FY27|FY28: +1.4|+0.9|+0.9**

- We expect 25% revenue growth. In P&A, we model 22% volume growth and 27% revenue growth. In popular, we expect 50% revenue growth and 45% growth in volume.
- GM to contract 40bp YoY to 43.2% on high RM prices. EBITDA margin expected to improve 60bp YoY to 15.3%.
- Radico has mid-to-high single-digit revenue contribution from Maharashtra, so the impact of increase in excise duty will be less compared to other branded players.
- The success of new launches will be key monitorable for the company performance.

Standalone: Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
IMFL volume growth %	**-4.1**	**-2.4**	**15.5**	**27.5**	**37.5**	**26.7**	**14.7**	**14.8**	**9.2**	**22.4**
P&A volume growth (%)	**14.2**	**12.7**	**18.0**	**16.4**	**40.7**	**22.0**	**22.0**	**22.9**	**15.5**	**26.1**
Regular volume growth (%)	**-14.0**	**-11.9**	**13.5**	**78.1**	**51.8**	**45.0**	**20.0**	**9.0**	**13.3**	**28.2**
Total revenues	**11,365**	**11,163**	**12,942**	**13,041**	**15,060**	**13,939**	**15,646**	**15,796**	**48,512**	**60,441**
YoY change (%)	19.1	20.7	11.5	20.9	32.5	24.9	20.9	21.1	17.8	24.6
Gross Profit	**4,720**	**4,870**	**5,568**	**5,669**	**6,477**	**6,022**	**6,853**	**6,923**	**20,773**	**26,274**
Margin (%)	41.5	43.6	43.0	43.5	43.0	43.2	43.8	43.8	42.8	43.5
EBITDA	**1,490**	**1,632**	**1,840**	**1,776**	**2,322**	**2,126**	**2,347**	**2,405**	**6,737**	**9,200**
Margins (%)	13.1	14.6	14.2	13.6	15.4	15.3	15.0	15.2	13.9	15.2
EBITDA growth (%)	24.7	34.6	28.8	45.0	55.8	30.3	27.6	35.4	33.1	36.6
Depreciation	329	357	356	360	363	365	365	378	1,401	1,471
Interest	185	167	195	215	159	155	155	133	738	602
Other income	37	11	11	14	47	30	25	23	49	125
PBT	**1,014**	**1,118**	**1,299**	**1,215**	**1,846**	**1,636**	**1,852**	**1,918**	**4,646**	**7,252**
Tax	251	297	339	308	443	411	465	502	1,194	1,820
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.1	25.1	26.2	25.7	25.1
Extraordinary inc/(Exp)	0	0	0	0	-70	0	0	0	0	0
Reported PAT	**763**	**822**	**960**	**907**	**1,473**	**1,225**	**1,387**	**1,416**	**3,452**	**5,432**
Adj.PAT	**763**	**822**	**960**	**907**	**1,403**	**1,225**	**1,387**	**1,416**	**3,452**	**5,432**
YoY change (%)	20.7	32.8	30.0	59.7	83.9	49.1	44.5	56.1	35.0	57.4

E: MOFSL Estimate

Tata Consumer Products — Buy

CMP: INR1,144 | TP: INR1,320(+15%) — **EPS CHANGE (%):FY26|FY27|FY28: -1|1|1**

- We expect revenue to grow ~14% YoY, led by growth in all the segments.
- EBITDA margin is likely to contract to ~13.2% from 14.9% in 2QFY25.
- We expect tea volumes to grow in mid-single digits, led by a decline in tea prices.
- Volume in salt to be similar to 1QFY26; expect double-digit revenue growth in salt.

Consolidated - Quarterly Earning Model (INR Million)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**43,521**	**42,145**	**44,436**	**46,082**	**47,789**	**47,886**	**48,228**	**49,923**	**1,76,183**	**1,93,826**
YoY Change (%)	16.3	12.9	16.8	17.3	9.8	13.6	8.5	8.3	15.9	10.0
Total Expenditure	36,847	35,882	38,788	39,873	41,720	41,551	40,910	42,299	1,51,390	1,66,480
EBITDA	**6,674**	**6,263**	**5,647**	**6,210**	**6,069**	**6,335**	**7,318**	**7,623**	**24,794**	**27,346**
Margins (%)	15.3	14.9	12.7	13.5	12.7	13.2	15.2	15.3	14.1	14.1
Depreciation	1,480	1,493	1,503	1,531	1,489	1,520	1,540	1,550	6,007	6,099
Interest	936	987	579	400	338	340	345	350	2,902	1,373
Other Income	392	460	516	565	412	575	600	635	1,933	2,222
PBT before EO expense	**4,650**	**4,242**	**4,081**	**4,844**	**4,654**	**5,050**	**6,033**	**6,358**	**17,817**	**22,096**
Extra-Ord expense	-171	-272	-62	453	0	0	0	0	-51	0
PBT	**4,479**	**3,971**	**4,019**	**5,297**	**4,654**	**5,050**	**6,033**	**6,358**	**17,766**	**22,096**
Tax	1,337	377	1,022	1,226	1,190	1,271	1,519	1,582	3,962	5,562
Rate (%)	29.9	9.5	25.4	23.2	25.6	25.2	25.2	24.9	22.3	25.2
Minority Interest	-11	28	30	39	-24	31	33	43	86	83
Profit/Loss of Asso. Cos.	-249	79	-178	-584	-147	-15	-169	-554	-932	-885
Reported PAT	**2,903**	**3,644**	**2,789**	**3,449**	**3,342**	**3,734**	**4,312**	**4,180**	**12,785**	**15,566**
Adj PAT	**3,031**	**3,848**	**2,835**	**3,109**	**3,342**	**3,734**	**4,312**	**4,180**	**12,823**	**15,566**
YoY Change (%)	-5.4	10.2	-18.4	-17.9	10.2	-3.0	52.1	34.5	-8.1	21.4
Margins (%)	7.0	9.1	6.4	6.7	7.0	7.8	8.9	8.4	7.3	8.0

United Breweries

Neutral

CMP: INR1,799 | TP: INR2,000 (+11%)

EPS CHANGE (%): FY26|FY27|FY28: -12.8|-9.0|-8.1

- We expect 3% revenue growth and 3% volume growth YoY, impacted by a weak summer and extended monsoon.
- UBBL continues to gain market share in premium segment; this should aid realization.
- GM will improve 10bp YoY to 44.0% on stable RM prices.
- EBITDA margin expected to contract 90bp YoY to 9.8%. UBBL continues to undertake various cost-saving initiatives, though weak demand to lead to operating deleverage.
- The outlook on state mix and realization growth remains a key monitorable.

Standalone Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume growth (%)	**5**	**5**	**8**	**5**	**11**	**3**	**4**	**6**	**6**	**7**
Net Sales	**24,730**	**21,147**	**19,984**	**23,214**	**28,624**	**21,781**	**21,582**	**26,964**	**89,074**	**98,952**
YoY Change (%)	8.8	12.0	9.6	8.9	15.7	3.0	8.0	16.2	9.7	11.1
Gross Profit	**10,642**	**9,272**	**8,619**	**9,772**	**12,176**	**9,584**	**9,453**	**11,832**	**38,305**	**43,044**
Margin (%)	43.0	43.8	43.1	42.1	42.5	44.0	43.8	43.9	43.0	43.5
EBITDA	**2,847**	**2,268**	**1,411**	**1,862**	**3,105**	**2,135**	**1,727**	**2,542**	**8,390**	**9,509**
YoY Change (%)	27.8	22.9	-3.0	31.2	9.1	-5.9	22.3	36.5	20.5	13.3
Margins (%)	11.5	10.7	7.1	8.0	10.8	9.8	8.0	9.4	9.4	9.6
Depreciation	577	571	613	567	628	610	613	610	2,327	2,461
Interest	16	22	32	59	112	50	50	13	129	225
Other Income	73	105	101	79	110	125	125	122	357	482
PBT before EO expense	**2,327**	**1,781**	**867**	**1,316**	**2,475**	**1,600**	**1,189**	**2,041**	**6,291**	**7,304**
Tax	595	458	227	342	638	400	297	492	1,622	1,826
Rate (%)	25.5	25.7	26.2	26.0	25.8	25.0	25.0	24.1	26.9	25.0
Reported PAT	**1,733**	**1,322**	**383**	**974**	**1,837**	**1,200**	**892**	**1,550**	**4,412**	**5,478**
Adj PAT	**1,733**	**1,322**	**640**	**974**	**1,837**	**1,200**	**892**	**1,550**	**4,669**	**5,478**
YoY Change (%)	27.3	22.9	-24.5	20.5	6.0	-9.3	39.3	59.2	13.6	17.3
Margins (%)	7.0	6.3	3.2	4.2	6.4	5.5	4.1	5.7	5.2	5.5

E: MOFSL Estimates

United Spirits

Neutral

CMP: INR1,347 | TP: INR1,500 (+11%)

EPS CHANGE (%): FY26|FY27|FY28: -1.5|-0.9|-0.8

- We model 6% volume growth and 7% revenue growth in P&A segment. The base is favourable for 2Q as 1QFY25 saw higher channel filling due to general elections.
- We model 5% volume growth and 7% revenue growth in popular segment.
- GM expected to be flat at 45.2% given stable input prices. EBITDA margin expected to inch up 70bp YoY, hit by high expenses during the quarter.
- The impact of Maharashtra's import duty changes on lower to mid-prestige will be more visible in 2HFY26. However, upper prestige segment remains largely unaffected.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
(Standalone)	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume growth %	**3.5**	**-4.4**	**10.2**	**6.9**	**9.4**	**5.8**	**4.0**	**4.6**	**4.1**	**5.7**
Total revenues	**23,520**	**28,430**	**34,320**	**29,460**	**25,490**	**30,385**	**36,585**	**32,189**	**1,15,730**	**1,24,649**
YoY change (%)	8.3	-0.8	14.8	10.5	8.4	6.9	6.6	9.3	8.2	7.7
Gross Profit	**10,460**	**12,850**	**15,350**	**13,100**	**11,210**	**13,734**	**16,573**	**14,326**	**51,760**	**55,843**
Margin (%)	44.5	45.2	44.7	44.5	44.0	45.2	45.3	44.5	44.7	44.8
Total Exp	18,940	23,360	28,440	24,410	21,340	24,764	29,890	26,530	95,150	1,02,524
EBITDA	**4,580**	**5,070**	**5,880**	**5,050**	**4,150**	**5,621**	**6,695**	**5,659**	**20,580**	**22,125**
Margins (%)	19.5	17.8	17.1	17.1	16.3	18.5	18.3	17.6	17.8	17.8
EBITDA growth (%)	18.9	7.8	19.7	39.5	-9.4	10.9	13.9	12.1	20.5	7.5
Depreciation	650	690	720	680	680	685	685	692	2,740	2,742
Interest	220	250	200	220	490	245	240	215	890	1,190
Other income	320	340	720	750	610	385	700	755	2,130	2,450
PBT	**4,030**	**4,470**	**5,680**	**4,900**	**3,590**	**5,076**	**6,470**	**5,507**	**19,080**	**20,643**
Tax	1,040	1,120	1,480	1,340	900	1,279	1,630	1,386	4,980	5,196
Rate (%)	25.8	25.1	26.1	27.3	25.1	25.2	25.2	25.2	26.1	25.2
Adj. PAT	**2,990**	**3,350**	**4,203**	**3,798**	**2,963**	**3,797**	**4,840**	**4,120**	**14,341**	**15,447**
YoY change (%)	24.8	5.3	20.7	62.3	-0.9	13.3	15.1	8.5	25.8	7.7
Extraordinary inc/(Exp)	0	0	527	713	-383	0	0	0	1,239	857
Reported PAT	**2,990**	**3,350**	**4,730**	**4,510**	**2,580**	**3,797**	**4,840**	**4,120**	**15,580**	**15,447**

E: MOFSL Estimate

Varun Beverages

Buy

CMP: INR443| TP: INR580 (+31%) | **EPS CHANGE (%): CY25|CY26|CY27: -6|-6|-6**

- We expect net sales to remain flat YoY in 3QCY25.
- Margins will see minor contractions due to lower volumes and operating leverage.
- EBITDA margin to contract by 80bp YoY to 28.5% in 3QCY25.
- Demand may bounce back in Sep due to GST impact.

Consolidated - Quarterly Earning Model (INRm)

Y/E December	CY24				CY25				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**43,173**	**71,969**	**48,047**	**36,888**	**55,669**	**70,174**	**49,248**	**40,458**	**2,00,077**	**2,15,549**
YoY Change (%)	10.9	28.3	24.1	38.3	28.9	-2.5	2.5	9.7	24.7	7.7
Total Expenditure	33,286	52,056	36,536	31,088	43,030	50,186	37,757	33,828	1,52,966	1,64,801
EBITDA	**9,888**	**19,912**	**11,511**	**5,800**	**12,640**	**19,988**	**11,490**	**6,631**	**47,111**	**50,748**
Margins (%)	22.9	27.7	24.0	15.7	22.7	28.5	23.3	16.4	23.5	23.5
Depreciation	1,875	2,425	2,566	2,608	2,725	3,062	3,090	3,150	9,474	12,027
Interest	937	1,292	1,185	1,090	411	365	300	250	4,504	1,327
Other Income	84	440	243	446	281	772	600	700	1,213	2,352
PBT before EO expense	**7,159**	**16,636**	**8,002**	**2,548**	**9,784**	**17,332**	**8,700**	**3,931**	**34,346**	**39,747**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,159**	**16,636**	**8,002**	**2,548**	**9,784**	**17,332**	**8,700**	**3,931**	**34,346**	**39,747**
Tax	1,678	4,012	1,713	585	2,465	4,066	1,914	840	7,988	9,284
Rate (%)	23.4	24.1	21.4	23.0	25.2	23.5	22.0	21.4	23.3	23.4
Minority Interest & Profit/Loss of Asso. Cos.	109	98	93	112	54	97	101	115	411	368
Reported PAT	**5,373**	**12,526**	**6,196**	**1,851**	**7,265**	**13,170**	**6,685**	**2,976**	**25,946**	**30,096**
Adj PAT	**5,373**	**12,526**	**6,196**	**1,851**	**7,265**	**13,170**	**6,685**	**2,976**	**25,946**	**30,096**
YoY Change (%)	25.2	26.0	23.6	40.5	35.2	5.1	7.9	60.7	26.2	16.0
Margins (%)	12.4	17.4	12.9	5.0	13.1	18.8	13.6	7.4	13.0	14.0

Company
Barbeque Nation
Devyani Intl.
Jubilant Foodworks
Restaurant Brands Asia
Sapphire Foods
Westlife Foodworld

QSR: Extended monsoon and festivities impact 2Q

- The demand environment for QSR companies remained soft in 2QFY26. While demand sentiment remained healthy at the start of the quarter, demand was adversely impacted in Sep'25. Severe rainfalls, Shradh and festivities like Navratri weighed on demand. Weak underlying growth, combined with negative operating leverage and continued store expansion, is likely to keep operating margins under pressure. This will put pressure on restaurant and EBITDA margins for most brands. The dine-in channel performance and the revenue gap between dine-in and delivery will be a key monitorable during the quarter. Innovative launches and activation drives for dine-in can be crucial for improving footfall/orders going forward.
- JUBI is expected to remain an outlier among QSR companies in the near term (driven by delivery moat), but its valuations are rich. We expect JUBI and RBA to report positive LFL/SSSG, while other players may post a decline in same-store sales YoY.
- Accordingly, sales are expected to be driven by store additions. We expect sales growth of 10%, while EBITDA/APAT are likely to decline 13%/1% for our coverage QSR companies in 2QFY26.

Outliers: JUBI, RBA
Underperformers: Devyani, Sapphire

Exhibit 26: QSR quarterly trends

Particulars	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
Revenue Growth (%)									
Barbeque Nation	-3%	1%	6%	-6%	1%	-1%	-2%	-3%	0%
Devyani (Consol)	10%	7%	39%	44%	49%	54%	16%	11%	8%
-KFC	15%	14%	11%	7%	7%	9%	3%	10%	8%
-Pizza hut	2%	-2%	-4%	-1%	0%	6%	8%	3%	0%
Jubilant (Standalone)	5%	3%	15%	10%	9%	19%	10%	18%	17%
Sapphire	14%	12%	13%	10%	8%	14%	13%	8%	9%
-KFC	19%	16%	16%	11%	9%	12%	12%	11%	9%
-Pizza hut	-6%	-4%	-3%	3%	3%	10%	5%	-6%	-4%
Restaurant Brands (Consol)	19%	15%	16%	6%	1%	6%	6%	8%	12%
Restaurant Brands (Standalone)	23%	20%	20%	16%	9%	11%	12%	13%	14%
Westlife	7%	-2%	1%	0%	1%	9%	7%	7%	7%
Total	**9%**	**6%**	**9%**	**5%**	**14%**	**20%**	**8%**	**11%**	**2%**
SSSG									
Barbeque Nation	-11%	-5%	1%	-7%	-3%	-2%	-2%	-3%	-3%
Devyani - KFC	-4%	-5%	-7%	-7%	-7%	-4%	-6%	-1%	-3%
Devyani - PH	-10%	-13%	-14%	-9%	-6%	-1%	1%	-4%	-3%
Jubilant (LFL)	-1%	-3%	0%	3%	3%	13%	12%	12%	9%
Sapphire - KFC	0%	-2%	-3%	-6%	-8%	-3%	-1%	0%	-3%
Sapphire - PH	-20%	-19%	-15%	-7%	-3%	5%	1%	-8%	-7%
Restaurant Brands	4%	3%	2%	3%	-3%	-1%	5%	3%	3%
Westlife	1%	-9%	-5%	-7%	-7%	3%	1%	1%	-2%
Gross profit margin (%)									
Barbeque Nation	65.9%	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	67.7%	68.0%
Devyani (Consol)	70.8%	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	68.2%	69.0%
-KFC	69.0%	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	67.1%	68.0%
-Pizza hut	75.7%	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	74.7%	75.0%
Jubilant (Standalone)	76.4%	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.1%	74.7%
Sapphire	68.7%	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	67.4%	67.7%
-KFC	67.9%	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	67.1%	68.0%
-Pizza hut	76.1%	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	74.6%	74.5%
Restaurant Brands (Consol)	64.2%	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.4%	65.7%
Restaurant Brands (Standalone)	66.8%	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	67.7%	68.0%
Westlife	70.1%	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	71.6%	71.0%
RoM % (pre-Ind AS)									
Barbeque Nation									
Devyani (Consol)	15.4%	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.1%	12.3%
-KFC	19.4%	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	15.5%	13.0%
-Pizza hut	7.7%	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	-1.1%	-1.0%
Jubilant (Standalone)									
Sapphire	16.1%	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.1%	10.4%
-KFC	19.2%	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.7%	13.0%
-Pizza hut	7.6%	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	-2.5%	-2.0%
Restaurant Brands (Consol)	7.5%	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	7.7%	8.0%
Restaurant Brands (Standalone)	10.7%	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	9.7%	10.2%
Westlife									
EBITDA Pre-Ind AS margins (%)									
Barbeque Nation	4.5%	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	4.6%	4.3%
Devyani (Consol)	11.5%	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	8.1%	7.8%
Jubilant	13.3%	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	12.0%	11.8%
Sapphire	10.6%	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.1%	5.1%
Restaurant Brands (Consol)	1.5%	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	1.7%	2.2%
Restaurant Brands (India)	5.4%	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.1%	4.6%
Westlife	11.9%	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	7.7%	7.2%
ADS ('000')									
Barbeque Nation	158	175	153	155	153	162	141	140	140
Devyani									
-KFC	109	104	93	104	96	96	83	98	89
-Pizza hut	39	37	32	36	35	35	31	33	33
Jubilant (Standalone)	78	78	75	79	78	84	82	85	82
Sapphire									

Particulars	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
-KFC	125	125	114	122	111	115	108	116	104
-Pizza hut	48	45	41	48	47	48	42	44	44
Restaurant Brands (India)	126	119	105	119	118	114	108	120	117
Westlife	185	176	157	170	168	173	153	165	162
Store (India)									
Barbeque Nation	212	210	217	219	222	226	230	236	243
Devyani India	1,298	1,387	1,429	1,473	1,557	1,658	1,664	1,767	1,606
-KFC	540	590	596	617	645	689	696	704	729
-Pizza hut	535	565	567	570	593	644	630	618	620
Jubilant	1,949	2,007	2,096	2,148	2,199	2,266	2,304	2,362	2,305
Sapphire	692	725	748	762	784	835	836	846	867
-KFC	381	406	429	442	461	496	502	510	528
-Pizza hut	311	319	319	320	323	339	334	336	339
Restaurant Brands	404	441	455	456	464	510	513	519	531
Westlife	370	380	397	403	408	421	438	444	454
PBT (INR M)									
Barbeque Nation	(151)	75	(9)	(55)	(100)	47	(165)	(170)	(166)
Devyani (Consol)	330	97	44	381	(9)	56	(208)	19	(195)
Jubilant (Standalone)	963	819	508	683	698	788	677	883	844
Sapphire	214	140	8	118	53	168	45	(18)	(155)
Restaurant Brands (Consol)	(457)	(376)	(742)	(488)	(655)	(547)	(604)	(454)	(474)
Restaurant Brands (Standalone)	(93)	(64)	(310)	(269)	(166)	(186)	(254)	(116)	(146)
Westlife	302	231	20	45	7	65	13	16	11
PBT Margins									
Barbeque Nation	-5.0%	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-5.7%	-5.4%
Devyani (Consol)	4.0%	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.1%	-1.5%
Jubilant (Standalone)	7.2%	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%	4.9%
Sapphire	3.3%	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	-0.2%	-2.0%
Restaurant Brands (Consol)	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.5%	-6.7%
Restaurant Brands (Standalone)	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-2.1%	-2.6%
Westlife	4.9%	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	0.2%	0.2%

Barbeque Nation Hospitality — Neutral

CMP: INR234 | TP: INR265 (+13%) — **EBITDA CHANGE (%): FY26|FY27|FY28: -2.3|-2.7|-2.6**

- Demand environment remains subdued as there is no meaningful improvement. We model flat revenue YoY.
- We expect same-store sales decline of 3%; expect 7 store additions in 2Q, taking the total count to 243.
- ADS expected to decline 8% YoY to INR140-142k.
- Gross margins expected to decline 10bp YoY to 68%. EBITDA margin expected to decline 60bp YoY to 14.3% on the back of operating deleverage.

Cons. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
SSSG (%)	**-7.4**	**-2.5**	**-2.0**	**-2.0**	**-3.4**	**-3.0**	**2.5**	**1.9**	**-3.8**	**-0.5**
No. of stores	**219**	**222**	**226**	**230**	**236**	**243**	**252**	**257**	**230**	**257**
Net Sales	**3,057**	**3,057**	**3,289**	**2,928**	**2,970**	**3,070**	**3,657**	**3,139**	**12,330**	**12,836**
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	0.4	11.2	7.2	-1.7	4.1
Gross Profit	**2,081**	**2,081**	**2,244**	**2,006**	**2,010**	**2,088**	**2,512**	**2,157**	**8,412**	**8,767**
Margin (%)	68.1	68.1	68.2	68.5	67.7	68.0	68.7	68.7	68.2	68.3
EBITDA	**509**	**456**	**615**	**533**	**460**	**439**	**739**	**557**	**2,113**	**2,195**
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	-3.7	20.1	4.5	-0.4	3.9
Margin (%)	16.6	14.9	18.7	18.2	15.5	14.3	20.2	17.7	17.1	17.1
Depreciation	405	409	428	523	449	450	500	494	1,765	1,893
Interest	186	189	195	209	200	205	210	220	779	835
Other Income	27	43	55	34	19	50	50	46	158	165
PBT	**-55**	**-100**	**47**	**-165**	**-170**	**-166**	**79**	**-111**	**-272**	**-368**
Tax	-11	-28	-3	42	-3	-41	20	-28	-1	-53
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	25.0	25.2	25.0	0.5	14.3
Adjusted PAT	**-43**	**-71**	**51**	**-207**	**-167**	**-124**	**59**	**-83**	**-271**	**-316**
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M

E: MOFSL Estimates

Devyani International — Buy

CMP: INR171 | TP: INR200 (+17%) — **EBITDA CHANGE (%): FY26|FY27|FY28: -4.8|-0.3|0.0**

- Demand remained soft in 2QFY26. Consolidated revenue is expected to grow 7.5%.
- PH same-store sales likely to fall 3% despite a weak base. We model two store additions and flat YoY revenue growth for PH.
- KFC revenue expected to grow 8% YoY, led by store additions. We model 25 store additions (+13% YoY), while same-store sales may decline by 2.5% on a negative base.
- Margin pressure will persist due to lower demand and negative operating leverage.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
KFC - No. of stores	617	645	689	696	704	729	759	791	696	791
PH - No. of stores	570	593	644	630	618	620	624	628	630	628
KFC - SSSG (%)	-7.0	-7.0	-4.4	-6.1	-0.7	-2.5	3.0	4.2	-6.4	1.0
PH - SSSG (%)	-8.6	-5.7	-0.8	1.0	-4.2	-3.0	-1.5	0.7	-3.8	-2.0
Net Sales	**12,219**	**12,222**	**12,944**	**12,126**	**13,570**	**13,139**	**14,205**	**12,808**	**49,511**	**53,722**
YoY change (%)	44.3	49.1	53.5	15.8	11.1	7.5	9.7	5.6	39.2	8.5
Gross Profit	**8,450**	**8,474**	**8,892**	**8,306**	**9,252**	**9,066**	**9,873**	**8,507**	**34,122**	**36,697**
Margin (%)	69.2	69.3	68.7	68.5	68.2	69.0	69.5	66.4	68.9	68.3
EBITDA	**2,234**	**1,987**	**2,192**	**2,008**	**2,049**	**1,973**	**2,245**	**2,132**	**8,422**	**8,706**
EBITDA growth %	28.8	25.2	49.9	15.5	-8.3	-0.7	2.4	6.1	29.1	3.4
Margin (%)	18.3	16.3	16.9	16.6	15.1	15.0	15.8	16.6	17.0	16.2
Depreciation	1,322	1,391	1,557	1,653	1,497	1,582	1,612	1,595	6,332	6,285
Interest	630	653	670	695	668	686	683	637	2,648	2,674
Other Income	99	48	91	132	135	100	105	91	370	431
PBT	**381**	**-9**	**56**	**-208**	**19**	**-195**	**54**	**-9**	**-188**	**178**
Tax	81	10	162	-56	5	-39	11	58	197	36
Rate (%)	21.2	-113.1	286.8	26.8	27.0	20.0	20.0	-643.7	-104.7	20.0
Adjusted PAT	**281**	**-27**	**-9**	**-20**	**17**	**-101**	**98**	**47**	**226**	**367**
Margin (%)	2.3	-0.2	-0.1	-0.2	0.1	-0.8	0.7	0.4	0.5	0.7
YoY change (%)	-17.2	NM	NM	-161.2	-94.0	NM	NM	NM	-75.7	62.5

E: MOFSL Estimates

Jubilant FoodWorks — Neutral

CMP: INR619 | TP: INR700 (+13%) — **EBITDA CHANGE (%): FY26|FY27|FY28: 0.7|-1.9|-1.7**

- JUBI expected to grow 16.5% YoY with ~9% LFL growth.
- Lower growth is attributable to extended monsoon and festivities like Navraatri and Shraadh.
- Continues to focus on store additions. Added net 65 Dominos India stores during the quarter.
- Gross margins expected to contract 140bp YoY to 74.7% on higher discounts and focus on value offerings. EBITDA (pre-Ind AS) expected to improve 15bp YoY to 11.8%.
- Focusing on value-driven innovations, emphasizing new product developments.

Quarterly Standalone Perf. (INR m)

Y/E March	FY25				FY26E					
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE	FY25	FY26E
No of stores (Dominos)	**2,029**	**2,079**	**2,139**	**2,179**	**2,240**	**2,305**	**2,375**	**2,429**	**2,179**	**2,429**
LFL growth (%)	**3.0**	**2.8**	**12.5**	**12.1**	**11.6**	**9.0**	**7.0**	**6.4**	**7.6**	**8.5**
Net Sales	**14,396**	**14,669**	**16,111**	**15,872**	**17,016**	**17,089**	**18,527**	**18,182**	**61,047**	**70,814**
YoY change (%)	9.9	9.1	18.9	19.2	18.2	16.5	15.0	14.6	14.3	16.0
Gross Profit	**10,955**	**11,157**	**12,092**	**11,828**	**12,610**	**12,766**	**13,895**	**13,628**	**46,032**	**52,898**
Gross margin (%)	76.1	76.1	75.1	74.5	74.1	74.7	75.0	75.0	75.4	74.7
EBITDA	**2,782**	**2,842**	**3,128**	**3,056**	**3,233**	**3,243**	**3,569**	**3,543**	**11,807**	**13,588**
EBITDA growth %	0.6	1.3	10.6	20.2	16.2	14.1	14.1	16.0	7.9	15.1
Margins (%)	19.3	19.4	19.4	19.3	19.0	19.0	19.3	19.5	19.3	19.2
Depreciation	1,552	1,654	1,741	1,777	1,817	1,834	1,918	1,921	6,724	7,490
Interest	619	640	682	667	657	700	750	800	2,609	2,908
Other Income	73	150	83	66	125	135	100	105	371	464
PBT	**683**	**698**	**788**	**677**	**883**	**844**	**1,001**	**927**	**2,846**	**3,655**
YoY Change (%)	-32.6	-27.5	-3.8	33.2	29.2	20.9	27.1	36.9	-13.9	28.4
Tax	168	177	192	182	216	212	252	240	719	920
Rate (%)	24.6	25.4	24.3	26.9	24.5	25.2	25.2	25.8	25.3	25.2
Adjusted PAT	**515**	**521**	**596**	**495**	**667**	**631**	**749**	**687**	**2,126**	**2,735**
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.5	21.3	25.7	38.9	-12.4	28.6

E: MOFSL Estimates

Sapphire Foods — Buy

CMP: INR297 | TP: INR375 (+26%) — **EBITDA CHANGE (%): FY26|FY27|FY28: -13.0|-1.3|-1.3**

- Revenue is expected to grow 9% YoY, mainly led by store additions.
- PH same-store sales expected to decline 7% YoY despite a weak base. We expect three store addition, taking the total count to 339 in 2Q (5% YoY); revenue to decline 4% YoY.
- KFC revenue is expected to grow 9% YoY, led by store additions (15% YoY). We model 18 store addition and a 2.5% YoY fall in same-store sales; however, same-store transaction growth will be positive, led by value portfolio.
- Margin pressure will persist due to lower demand given extended monsoon and negative operating leverage.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
KFC - No. of stores	442	461	496	502	510	528	548	572	502	572
PH - No. of stores	320	323	339	334	336	339	346	354	334	354
KFC - SSSG (%)	-6.0	-8.0	-3.0	-1.0	0.0	-2.5	3.5	3.0	-4.0	1.0
PH - SSSG (%)	-7.0	-3.0	5.0	1.0	-8.0	-7.0	0.0	1.0	-1.0	-3.5
Net Sales	**7,183**	**6,957**	**7,565**	**7,113**	**7,768**	**7,567**	**8,420**	**8,130**	**28,819**	**31,885**
YoY change (%)	9.8	8.3	13.7	12.6	8.1	8.8	11.3	14.3	11.1	10.6
Gross Profit	**4,927**	**4,786**	**5,189**	**4,848**	**5,235**	**5,122**	**5,753**	**5,460**	**19,750**	**21,590**
Margin (%)	68.6	68.8	68.6	68.2	67.4	67.7	68.3	67.2	68.5	67.7
EBITDA	**1,242**	**1,120**	**1,343**	**1,062**	**1,129**	**997**	**1,268**	**1,144**	**4,768**	**4,537**
EBITDA growth %	2.3	-2.7	10.3	3.2	-9.1	-11.0	-5.6	7.7	3.4	-4.8
Margin (%)	17.3	16.1	17.8	14.9	14.5	13.2	15.1	14.1	16.5	14.2
Depreciation	904	881	1,005	850	920	969	1,105	1,055	3,639	4,049
Interest	273	271	275	298	295	298	303	315	1,116	1,211
Other Income	53	85	105	130	68	115	125	242	372	550
PBT	**118**	**53**	**168**	**45**	**-18**	**-155**	**-15**	**16**	**384**	**-173**
Tax	36	1	41	-14	-1	-39	-4	1	64	-43
Rate (%)	30.8	2.2	24.3	-31.7	5.7	25.2	25.2	3.3	16.7	25.2
Adjusted PAT	**82**	**52**	**127**	**59**	**-17**	**-116**	**-11**	**16**	**320**	**-129**
YoY change (%)	-67.1	-65.9	29.5	189.3	-121.2	-323.9	-109.0	-73.6	-38.4	-140.4

E: MOFSL Estimates

Restaurant Brands Asia — Buy

CMP: INR78 | TP: INR135 (+73%) — **EBITDA CHANGE (%): FY26|FY27|FY28: -6.6|-2.9|-2.7**

- India business expected to grow 14%. We build 2-3% SSSG as there is not much improvement in underlying demand. Demand was good in Jul-Aug'25 but was weak in Sept'25 given extended monsoon and festivities.
- ADS is expected to remain flat YoY at ~INR118k.
- We model 12 store addition in India, taking store count to 531 (14% YoY).
- We expect 50bp improvement in GP margin to 68% on stable RM prices and EBITDA Margin to be flat YoY at 14% on account of some operating deleverage.

Quarterly Standalone Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
SSSG (%)	**3.1%**	**-3.0%**	**-0.5%**	**5.1%**	**2.6%**	**2.5%**	**5.0%**	**3.9%**	**1.1%**	**3.5%**
No. of stores	**456**	**464**	**510**	**513**	**519**	**531**	**561**	**573**	**513**	**573**
Net Sales	**4,905**	**4,921**	**4,954**	**4,898**	**5,523**	**5,613**	**5,796**	**5,905**	**19,678**	**22,836**
YoY change (%)	16.2	8.5	11.2	11.6	12.6	14.1	17.0	20.6	11.8	16.1
Gross Profit	**3,318**	**3,322**	**3,361**	**3,322**	**3,739**	**3,817**	**3,959**	**4,015**	**13,322**	**15,529**
Margin (%)	67.6	67.5	67.8	67.8	67.7	68.0	68.3	68.0	67.7	68.0
EBITDA	**618**	**700**	**789**	**777**	**745**	**794**	**936**	**898**	**2,890**	**3,373**
EBITDA growth %	27.5	10.3	11.5	41.1	20.6	13.4	18.6	15.6	784.1	274.0
Margin (%)	12.6	14.2	15.9	15.9	13.5	14.1	16.1	15.2	14.7	14.8
Depreciation	633	611	632	670	663	689	710	736	2,546	2,797
Interest	319	326	364	403	410	400	400	409	1,411	1,618
Other Income	64	71	21	42	212	150	120	110	192	592
PBT	**-269**	**-166**	**-186**	**-254**	**-116**	**-146**	**-54**	**-136**	**-876**	**-451**
Tax	0	0	0	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	**-269**	**-166**	**-186**	**-254**	**-116**	**-146**	**-54**	**-136**	**-876**	**-451**
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

E: MOFSL Estimates

Westlife Development — Neutral

CMP: INR681 | TP: INR750 (+10%) — **EBITDA CHANGE (%): FY26|FY27|FY28: -4.2|-1.9|-1.9**

- We expect 7% revenue growth, led by 11% store growth (10 store addition). Same-store sales expected to decline 1-2% on a weak base. There is no material change in demand environment; remains subdued. Extended rainfalls and shift in festivities further impacted the already soft demand.
- ADS is expected to decline 4% YoY to INR162k.
- Gross margin is expected to improve 130bp at 71%. Operating margin expected to decline marginally 20bp YoY to 12.5% primarily due to operating deleverage.
- We model EBITDA Pre-Ind AS margins at 7.2% for 2QFY26, 50 bp down YoY.

Consolidated quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
SSSG %	-6.7	-6.5	2.8	0.7	0.5	-1.5	3.0	2.0	-2.9	1.0
No. of McDonald's restaurants	403	408	421	438	444	454	464	478	438	478
Net Sales	**6,163**	**6,180**	**6,537**	**6,031**	**6,576**	**6,610**	**7,201**	**6,573**	**24,912**	**26,960**
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	7.0	10.1	9.0	4.2	8.2
Gross profit	**4,351**	**4,306**	**4,581**	**4,221**	**4,709**	**4,693**	**5,134**	**4,686**	**17,459**	**19,223**
Margin (%)	70.6	69.7	70.1	70.0	71.6	71.0	71.3	71.3	70.1	71.3
EBITDA	**799**	**786**	**914**	**794**	**855**	**826**	**998**	**849**	**3,293**	**3,528**
YoY Change (%)	-24.1	-21.1	-4.8	3.0	6.9	5.1	9.2	6.9	-12.9	7.1
Margins (%)	13.0	12.7	14.0	13.2	13.0	12.5	13.9	12.9	13.2	13.1
Depreciation	506	528	549	550	553	576	585	583	2,133	2,296
Interest	298	316	330	328	354	345	345	334	1,272	1,379
Other Income	51	65	29	98	68	105	105	100	242	378
PBT	**45**	**7**	**65**	**13**	**16**	**11**	**173**	**31**	**131**	**230**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT after EO expense	**45**	**7**	**65**	**13**	**16**	**11**	**173**	**31**	**131**	**230**
Tax	13	3	-5	-2	4	3	43	7	9	58
Rate (%)	27.9	48.1	-8.0	-13.9	27.4	25.0	25.0	23.8	6.9	25.0
Reported PAT	**33**	**4**	**71**	**15**	**11**	**8**	**130**	**24**	**122**	**173**
Adj PAT	**33**	**4**	**71**	**15**	**11**	**8**	**130**	**24**	**122**	**173**
YoY Change (%)	-88.7	-98.3	-59.1	96.5	-64.8	116.1	83.8	55.5	-82.4	41.5
Margins (%)	0.5	0.1	1.1	0.3	0.2	0.1	1.8	0.4	0.5	0.6

E: MOFSL Estimates

Company
Kalyan
PN Gadgil
Senco Gold
Titan

Jewelry: High gold prices taper demand

- In 2QFY26, gold prices surged by ~45% YoY and ~8% QoQ, crossing the INR100,000 mark per 10gm in the retail market, driven by multiple global and economic factors. This surge in price has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization. This would lead to continued softness in demand in 2QFY26. Moreover, the base is strong as there was a custom duty cut on gold (from 15% to 6%), leading to strong demand momentum then. SSSG is expected to grow in low double digits to mid-teens, primarily driven by pricing growth. We expect the early festive season to aid 2Q performance to some extent. We build sales/EBITDA/PAT growth of 16%/24%/29% for our coverage jewelry companies in 2QFY26.

Outliers: Kalyan Jewellers

Kalyan Jewellers — Buy

CMP: INR 465| TP: INR650 (+40%) — **EPS CHANGE (%): FY26|FY27|FY28: 2.0|2.4|2.5**

- We expect 28% revenue growth in the India business. We model 14% SSSG, led by the gold price increase. We expect 48 store additions for Kalyan (incl. Candere and Middle East), bringing the total count to 454 stores in 2Q.
- GP margin to decline 50bp to 13.3%, due to promotional schemes given to offset the gold price surge and franchise-led store expansion. EBITDA margin to rise 20bp to 6.7%.
- In the Middle East, we expect 15% YoY revenue growth and flat EBITDA margin YoY.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Stores	**277**	**303**	**349**	**388**	**406**	**454**	**497**	**560**	**388**	**560**
Net Sales	**55,355**	**60,655**	**72,869**	**61,815**	**72,685**	**76,401**	**91,576**	**78,347**	**2,50,451**	**3,19,009**
Change (%)	26.5	37.4	39.5	36.6	31.3	26.0	25.7	26.7	35.0	27.4
Raw Material/PM	47,419	52,313	63,323	53,314	62,603	66,275	80,158	67,896	2,16,370	2,76,932
Gross Profit	**7,935**	**8,342**	**9,546**	**8,501**	**10,081**	**10,127**	**11,418**	**10,451**	**34,081**	**42,077**
Gross Margin (%)	14.3	13.8	13.1	13.8	13.9	13.3	12.5	13.3	13.6	13.2
Operating Expenses	4,175	4,379	4,609	4,507	5,001	5,021	5,219	5,290	17,671	20,532
% of Sales	7.5	7.2	6.3	7.3	6.9	6.6	5.7	6.8	7.1	6.4
EBITDA	**3,760**	**3,962**	**4,936**	**3,994**	**5,080**	**5,106**	**6,198**	**5,161**	**16,410**	**21,545**
Margin (%)	6.8	6.5	6.8	6.5	7.0	6.7	6.8	6.6	6.6	6.8
Change (%)	16.4	26.3	33.5	34.8	35.1	28.9	25.6	29.2	25.0	31.3
Interest	852	903	876	962	1,036	903	876	1,094	3,595	3,910
Depreciation	755	850	890	933	977	997	1,007	1,048	3,427	4,028
Other Income	222	260	313	408	463	377	454	470	1,446	1,764
PBT	**2,375**	**2,469**	**3,484**	**2,507**	**3,530**	**3,583**	**4,770**	**3,488**	**10,834**	**15,371**
Tax	599	649	886	630	889	914	1,216	902	2,764	3,921
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.2	25.5	25.5	25.9	25.5	25.5
Adjusted PAT	**1,776**	**1,821**	**2,598**	**1,877**	**2,641**	**2,669**	**3,553**	**2,586**	**8,070**	**11,449**
Change (%)	23.4	34.6	43.8	36.4	48.7	46.6	36.8	37.8	35.1	41.9
Reported PAT	**1,776**	**1,303**	**2,187**	**1,877**	**2,641**	**2,669**	**3,553**	**2,586**	**7,142**	**11,449**

E: MOFSL Estimates

PN Gadgil — Buy

CMP: INR607| TP: INR825 (+36%) — **EPS CHANGE (%): FY26|FY27|FY28: 4.4|5.1|3.9**

- Retail revenue to grow by 32% YoY. Reported revenue to grow by 7% due to the discontinuation of HO bullion sales.
- GP margin to expand by 435bp YoY to 13%, driven by the cessation of bullion transfers being reported as sales and an improving mix from higher studded jewelry contribution.
- Finance cost will remain stable given steady GML rate.
- We expect 10 store additions, taking the total count to 65 stores.

Consol. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**16,682**	**20,013**	**24,358**	**15,882**	**17,146**	**21,483**	**31,962**	**21,630**	**76,935**	**92,220**
YoY change (%)	32.7	45.9	23.5	5.0	2.8	7.3	31.2	36.2	25.9	19.9
Gross Profit	**1,386**	**1,531**	**2,391**	**1,909**	**2,259**	**2,578**	**3,548**	**2,468**	**7,216**	**10,853**
Margins (%)	8.3	7.6	9.8	12.0	13.2	12.0	11.1	11.4	9.4	11.8
EBITDA	**643**	**721**	**1,228**	**941**	**1,100**	**1,241**	**1,740**	**1,175**	**3,538**	**5,255**
Margins (%)	3.9	3.6	5.0	5.9	6.4	5.8	5.4	5.4	4.6	5.7
YoY growth (%)	44.2	59.4	33.3	5.8	70.9	72.2	41.7	24.8	30.5	48.5
Depreciation	63	72	84	130	112	120	120	131	348	484
Finance Cost	123	129	63	115	189	190	190	195	430	764
Other Income	19	118	70	149	129	75	60	36	351	300
PBT	**477**	**638**	**1,150**	**846**	**927**	**1,006**	**1,490**	**884**	**3,111**	**4,308**
YoY growth (%)	57.3	110.2	48.6	15.2	94.4	57.7	29.5	4.6	48.6	38.5
APAT	**353**	**529**	**860**	**620**	**693**	**754**	**1,116**	**663**	**2,363**	**3,226**
Margins (%)	2.1	2.6	3.5	3.9	4.0	3.5	3.5	3.1	3.1	3.5
YoY change (%)	59.5	141.1	49.4	12.9	96.3	42.4	29.7	7.0	52.4	36.6

E: MOFSL estimates

Senco Gold — Neutral

CMP: INR345| TP: INR385 (+12%) | **EPS CHANGE (%): FY26|FY27|FY28: 12.4|5.5|6.3**

- Senco to deliver 20% YoY revenue growth and SSSG of 8%.
- Gross margins expected to expand 250bp YoY to 15.7%.
- EBITDA margin to improve 100bp YoY to 6.5%.
- Senco to add three new stores, taking the store count to 189 in 2QFY26.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Stores	**165**	**166**	**171**	**175**	**186**	**189**	**192**	**194**	**174**	**194**
Net Sales	**14,039**	**15,005**	**20,460**	**13,777**	**18,263**	**18,006**	**23,836**	**15,939**	**63,281**	**76,043**
Change (%)	7.5	30.9	23.8	21.1	30.1	20.0	16.5	15.7	20.7	20.2
Gross Profit	**2,428**	**1,976**	**2,373**	**2,313**	**3,489**	**2,827**	**3,051**	**2,669**	**9,090**	**12,036**
Gross Margin (%)	17.3	13.2	11.6	16.8	19.1	15.7	12.8	16.7	14.4	15.8
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,657	1,740	1,262	4,839	6,312
% of Sales	9.5	7.7	6.3	7.6	9.1	9.2	7.3	7.9	7.6	8.3
EBITDA	**1,087**	**818**	**1,076**	**1,270**	**1,836**	**1,170**	**1,311**	**1,407**	**4,251**	**5,725**
Margin (%)	7.7	5.4	5.3	9.2	10.1	6.5	5.5	8.8	6.7	7.5
Change (%)	61.8	107.1	-40.6	44.8	68.8	43.2	21.9	10.8	13.2	34.7
Interest	322	326	339	375	430	445	450	460	1,362	1,785
Depreciation	181	178	131	191	187	195	205	211	681	798
Other Income	123	149	127	147	186	150	140	140	546	617
PBT	**708**	**462**	**732**	**851**	**1,406**	**680**	**796**	**876**	**2,754**	**3,758**
Tax	195	117	190	226	359	171	201	216	729	947
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.6	25.2	25.2	24.6	26.5	25.2
Adjusted PAT	**513**	**345**	**542**	**624**	**1,047**	**509**	**595**	**660**	**2,024**	**2,811**
Change (%)	85.3	188.7	-50.4	94.0	104.1	47.5	9.9	5.8	11.8	38.9
PAT	**513**	**121**	**335**	**624**	**1,047**	**509**	**595**	**660**	**1,593**	**2,811**

E: MOFSL Estimates

Titan Company — Buy

CMP: INR3,406 | TP: INR4,150 (+22%) | **EPS CHANGE (%): FY26|FY27|FY28: +1.0|+2.1|+1.8**

- We model 14% standalone revenue growth (excl. bullion) and Tanishq LTL growth of 11% in 2QFY26.
- Standalone Jewelry EBIT (ex-bullion) margin is expected to be stable YoY at 11.5%.
- Caratlane business revenue is expected to grow 25% YoY, while EBIT margin is expected to remain flat YoY at 7%.
- We expect healthy double-digit growth in watches, eyewear, and other business.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1,32,660**	**1,45,340**	**1,77,400**	**1,49,160**	**1,65,230**	**1,63,633**	**2,08,215**	**1,64,505**	**6,04,560**	**7,01,236**
YoY change (%)	11.5	16.0	25.2	19.4	24.6	12.6	17.4	10.3	18.3	16.0
Gross Profit	**29,300**	**33,020**	**39,100**	**34,010**	**37,120**	**37,636**	**48,931**	**41,104**	**1,35,430**	**1,64,790**
Margin (%)	22.1	22.7	22.0	22.8	22.5	23.0	23.5	25.0	22.4	23.5
Total Exp	1,20,190	1,30,080	1,58,130	1,33,790	1,46,930	1,45,327	1,85,217	1,46,730	5,42,190	6,24,427
EBITDA	**12,470**	**15,260**	**19,270**	**15,370**	**18,300**	**18,306**	**22,998**	**17,774**	**62,370**	**76,809**
EBITDA growth %	10.8	8.2	23.1	29.1	46.8	20.0	19.3	15.6	17.9	23.2
Margin (%)	9.4	10.5	10.9	10.3	11.1	11.2	11.0	10.8	10.3	11.0
Depreciation	1,640	1,710	1,750	1,830	1,840	1,842	1,844	1,769	6,930	7,295
Interest	2,300	2,400	2,310	2,520	2,710	2,424	2,426	1,688	9,530	9,247
Other Income	1,200	1,220	1,280	1,160	1,050	1,403	1,408	1,728	4,860	5,589
PBT	**9,730**	**12,370**	**16,490**	**12,180**	**14,800**	**15,444**	**20,137**	**16,046**	**50,770**	**65,856**
Tax	2,580	3,064	4,034	3,470	3,890	3,938	5,135	3,830	13,147	16,793
Rate (%)	26.5	24.8	24.5	28.5	26.3	25.5	25.5	23.9	25.9	25.5
Adjusted PAT	**7,150**	**9,307**	**12,456**	**8,710**	**10,910**	**11,505**	**15,002**	**12,215**	**37,623**	**49,063**
YoY change (%)	-5.4	1.7	18.3	13.0	52.6	23.6	20.4	40.2	7.6	30.4
Extraordinary Income	0	2,277	1,986	0	0	0	0	0	4,263	0
Reported PAT	7,150	7,030	10,470	8,710	10,910	11,505	15,002	12,215	33,360	49,063

E: MOFSL Estimates

Consumer Durables

Company
Havells India
KEI Industries
Polycab India
R R Kabel
Voltas

Strong C&W momentum, but weak RAC demand

C&W drives revenue growth amid weak UCP and other FMEG demand

- Within the consumer durables sector, demand for RAC was weak because of heavy rains and delayed purchases, led by the GST rate cut announcement (from 28% to 18% w.e.f. 22nd Sep'25). However, the cables and wires (C&W) segment is estimated to clock robust growth aided by sustained strong demand momentum (driven by key sectors such as power, infrastructure, EV, and data centers) and a surge in copper and aluminum prices, which were broadly passed through to consumers.
- For our coverage companies, we estimate aggregate revenue/EBITDA/PAT growth of ~10%/28%/24% YoY. We estimate average OPM to improve 1.5pp YoY at 10.3%. We estimate aggregate revenue growth of ~21% YoY for the C&W segment, whereas UCP segment revenue is estimated to decline ~24% YoY. We estimate ~15% YoY revenue growth in FMEG for POLYCAB and ~7%/2% growth in switchgear and lighting segments for HAVL. We estimate HAVL's ECD revenue to decline ~5% YoY, while RRKABEL's FMEG revenue is likely to post a subdued growth of ~3% due to weak demand in the fans segment.
- Our preferred picks in the consumer durable space are POLYCAB and KEII, given the steady demand outlook in the C&W segment.

C&W: Continued robust demand momentum; estimate healthy margins

- The C&W volume growth is estimated in the higher double digits, indicating continued robust demand in the sector. Key factors supporting this momentum include 1) infrastructure development through investments in roads and railways; 2) expansion in the power sector, mainly renewable energy and T&D capex; and 3) growth in new avenues, such as data centers and electric vehicles, alongside ongoing traction in real estate and individual housing. We estimate the C&W segment's revenue to grow ~22% YoY for POLYCAB/KEII (each), followed by ~18% (each) for RRKABEL/HAVL.
- We believe that sustained RM price increases, which are largely passed through to consumers, have supported revenue growth for C&W companies. In Sep'25, copper/aluminum prices rose ~4%/3% MoM, whereas their average prices rose ~6%/9% QoQ and ~10%/15% YoY. We expect this to translate into a price increase of ~3% for wires and ~4-5% for cables in the near term.
- Given the strong demand momentum and positive trends in commodity prices during the quarter, we estimate the C&W segment margin (average) will remain healthy at ~12%, up 2pp YoY (flat QoQ). We estimate C&W segment margins at ~14% for POLYCAB, ~12%/11% for HAVL/KEII, and ~8% for RRKABEL.

UCP and other FMEG: Challenging 2Q, expects recovery in the near term

- The UCP business witnessed one of the steepest seasonal downturns in 1QFY26, driven by the early onset of monsoon, coupled with a high base. The 2QFY26 is also expected to be under pressure (both revenue and margin) due to the extended monsoon, weak primary sales, and high channel inventory. Further, a GST rate cut announcement (from 28% to 18% on RAC) also delayed purchases.

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However, the subsequent quarter is expected to benefit from festive demand, likely pent-up demand, a potential second summer in western and southern markets, and pre-buying ahead of new BEE norms. We estimate the UCP segment revenue to decline ~25%/20% YoY for VOLT/HAVL. We estimate UCP's EBIT margin at ~3% vs. ~7% in 2QFY25 for VOLT. However, HAVL Lloyd is estimated to report a loss of INR236m vs. a loss of INR243m in 2QFY25.

- Other electrical demand continues to be steady for products such as switchgear and lighting. However, demand for fans and other small appliances is estimated to be weak during the quarter. Small appliances demand is estimated to recover in the near term with the festive season, a low base, and a healthy monsoon.
- We estimate POLYCAB's FMEG segment loss to narrow to INR114m vs. INR252m in 2QFY25, led by its strategic initiatives in the segment (distribution expansion, portfolio enhancement, and brand building over the past few years). For RRKABEL, we also estimate the FMEG segment loss to reduce to INR92m from INR117m in 2QFY25, given the cost reduction initiatives. For HAVL, we factor in a margin dip of 170bp/150bp/85bp YoY in the Lighting/ECD/Switchgear segments.

Outlook and recommendation

- In our recent report, we highlighted a positive view on the C&W sector, given a steady demand outlook and an increase in commodity prices, to aid revenue growth. We believe competitive intensity in the sector is unlikely to be as high as initially anticipated, and the incremental supply is expected to be absorbed by strong demand growth in the sector. In the RAC segment, the festive season and GST rate cuts are likely to support demand recovery in 2HFY26. However, elevated inventory (at ~2-3 months) and intense competition are the near-term challenges.
- POLYCAB and KEII are our preferred picks given their strong growth momentum and reasonable valuations.

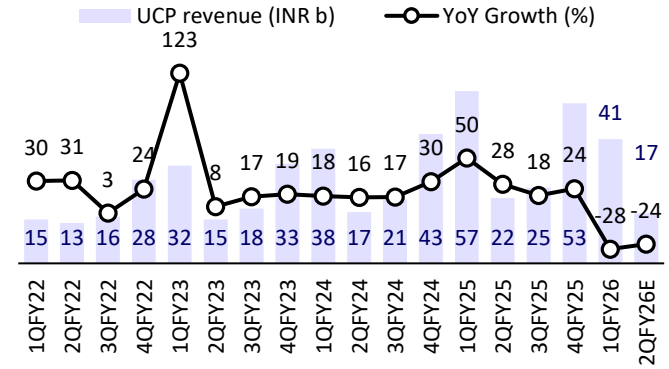
Exhibit 1: Summary of 1QFY26 estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Havells India	1,485	Neutral	47,637	4.9	-12.7	4,537	21.0	-12.0	3,026	13.0	-12.9
KEI Industries	4,034	Buy	27,405	20.2	5.8	2,836	28.6	9.9	2,100	35.6	7.3
Polycab India	7,353	Buy	65,124	18.4	10.3	8,933	41.4	4.2	5,994	36.3	1.2
R R Kabel	1,268	Neutral	21,063	16.4	2.3	1,548	80.5	9.0	965	94.8	7.5
Voltas	1,353	Neutral	22,478	-14.2	-42.9	1,053	-35.1	-41.0	874	-34.8	-37.8
Consumer Durables			**1,83,706**	**9.7**	**-7.9**	**18,907**	**28.2**	**-3.1**	**12,958**	**23.9**	**-5.1**

Exhibit 2: Comparative valuations

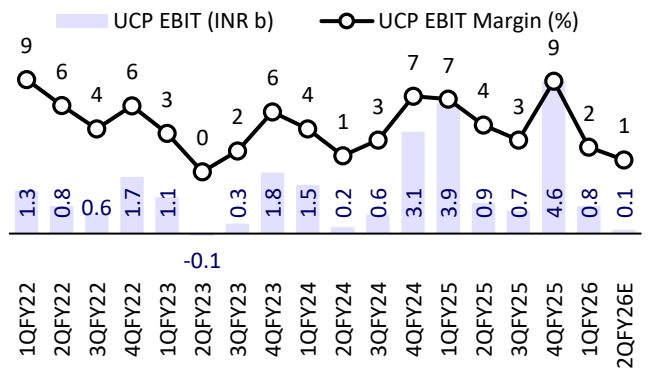
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Consumer Durables						**48.4**	**39.9**	**33.4**	**8.1**	**7.0**	**6.0**	**16.7**	**17.5**	**18.0**
Havells India	1,485	Neutral	25.4	32.0	38.5	58.5	46.5	38.6	9.9	8.7	7.6	17.0	18.8	19.7
KEI Industries	4,034	Buy	91.9	108.5	128.4	43.9	37.2	31.4	5.8	5.1	4.4	14.2	14.6	15.0
Polycab India	7,353	Buy	171.2	199.5	238.1	42.9	36.9	30.9	9.3	7.8	6.5	21.7	21.2	21.1
R R Kabel	1,268	Neutral	37.0	40.9	48.2	34.3	31.0	26.3	5.8	5.0	4.3	18.0	17.2	17.6
Voltas	1,353	Neutral	23.0	31.4	38.0	58.8	43.1	35.6	6.3	5.7	5.0	10.8	13.1	14.1

Exhibit 3: Aggregate* UCP – revenue and growth



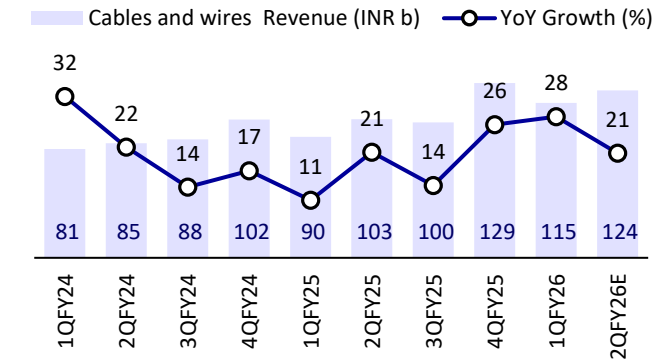
Source: MOFSL; E: MOFSL estimate; Note: *UCP revenue of VOLT and HAVL (Lloyd)

Exhibit 4: Aggregate* UCP – EBIT and margin



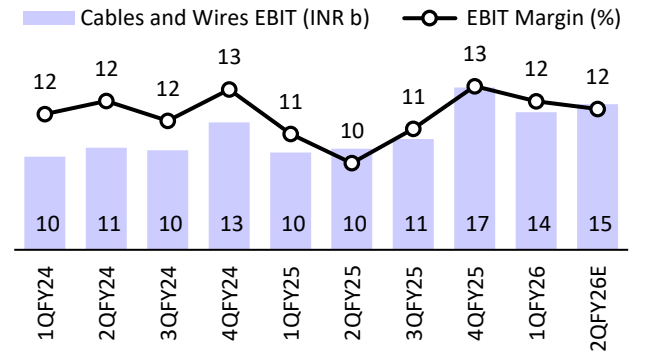
Source: MOFSL; E: MOFSL estimate; Note: *UCP EBIT of VOLT and HAVL (Lloyd)

Exhibit 5: Aggregate* C&W – revenue and growth



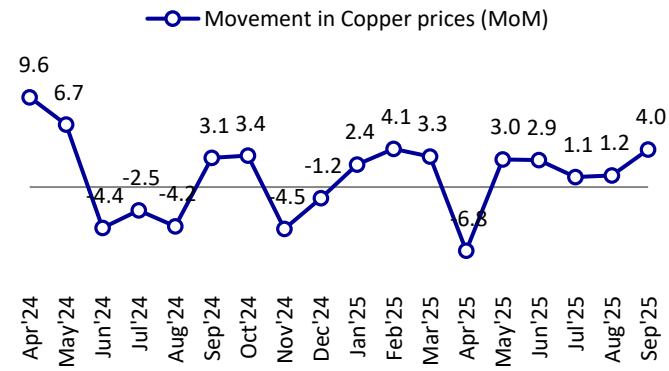
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires revenue of POLYCAB, HAVL, KEII and RRKABEL

Exhibit 6: Aggregate* C&W – EBIT and margin



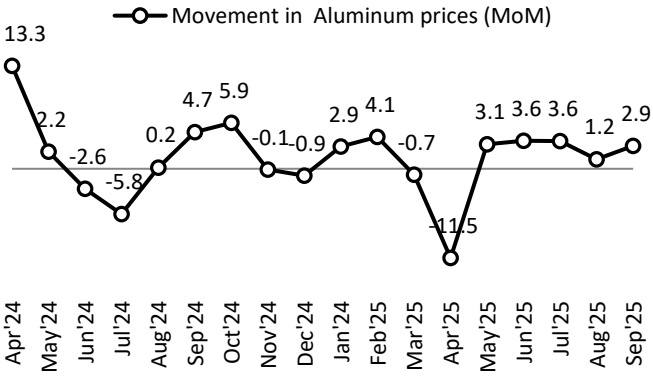
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires EBIT of POLYCAB, HAVL, KEII and RRKABEL

Exhibit 7: Monthly copper price trend



Source: Bloomberg; MOFSL; Note: prices are monthly average

Exhibit 8: Monthly aluminum price trend



Source: Bloomberg; MOFSL; Note: prices are monthly average

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Havells India — Neutral

CMP: INR1,485 | TP: INR1,680 (+13%) — **EPS CHANGE (%): FY26|27|28: -0.7|--|--**

- Estimate revenue to grow ~5% YoY in 2QFY26.
- Revenue from C&W/Switchgear/Lighting/ECD is estimated to grow 18%/7%/2%/YoY. ECD/Lloyd's revenue is expected to decline ~5%/20% YoY.
- EBITDA is estimated to increase ~21% YoY to INR4.5b. Expect EBITDA margin to increase 1.3pp YoY to 9.5%.
- Depreciation/Interest cost is estimated to rise ~17%/9% YoY. Adj. PAT is estimated to increase ~13% YoY to INR3.0b.

Consolidated quarterly performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2QE**	**3QE**	**4QE**		
Sales	**58,062**	**45,393**	**48,890**	**65,436**	**54,554**	**47,637**	**54,713**	**73,841**	**2,17,781**	**2,30,744**
Change (%)	20.1	16.4	10.8	20.2	-6.0	4.9	11.9	12.8	17.1	6.0
Adj EBITDA	**5,722**	**3,751**	**4,265**	**7,570**	**5,157**	**4,537**	**5,254**	**8,542**	**21,309**	**23,490**
Change (%)	42.4	0.5	-1.4	19.3	-9.9	21.0	23.2	12.8	15.6	10.2
Adj EBITDA Margin (%)	9.9	8.3	8.7	11.6	9.5	9.5	9.6	11.6	9.8	10.2
Depreciation	920	946	1,041	1,097	1,057	1,107	1,187	1,306	4,004	4,658
Interest	86	101	94	152	94	110	105	167	432	476
Other Income	773	929	643	687	692	742	820	956	3,033	3,209
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	**5,490**	**3,633**	**3,773**	**7,009**	**4,698**	**4,062**	**4,782**	**8,025**	**19,905**	**21,566**
Tax	1,415	955	994	1,839	1,222	1,036	1,219	2,159	5,203	5,637
Effective Tax Rate (%)	25.8	26.3	26.3	26.2	26.0	25.5	25.5	26.9	26.1	26.1
Reported PAT	**4,075**	**2,678**	**2,780**	**5,170**	**3,475**	**3,026**	**3,562**	**5,865**	**14,702**	**15,929**
Change (%)	42.0	7.5	(3.5)	15.7	(14.7)	13.0	28.2	13.5	15.7	8.3
Adj PAT	**4,075**	**2,678**	**2,780**	**5,170**	**3,475**	**3,026**	**3,562**	**5,865**	**14,702**	**15,929**
Change (%)	42.0	7.5	(3.5)	15.7	(14.7)	13.0	28.2	13.5	15.7	8.3

KEI Industries — Buy

CMP: INR4,034 | TP: INR4,700 (+17%) — **EPS CHANGE (%): FY26|27|28: -|-|-**

- Estimate revenue to grow ~20% YoY in 2QFY26.
- Revenue from C&W/SSW is estimated to increase 22%/3% YoY, while EPC revenue is expected to decline 10%.
- EBITDA is estimated to grow 29% YoY to INR2.8b. OPM is estimated to be up ~70bp to 10.3%.
- Depreciation/interest is estimated to increase ~35%/5% YoY.
- Other income is estimated to surge ~107% YoY
- Adj. PAT is estimated to increase ~36% YoY to INR2.1b.

Consolidated quarterly performance **(INR m)**

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2QE**	**3QE**	**4QE**		
Sales	**20,605**	**22,796**	**24,673**	**29,148**	**25,903**	**27,405**	**28,756**	**34,199**	**97,359**	**1,16,264**
Change (%)	15.6	17.1	19.8	25.7	25.7	20.2	16.6	17.3	20.1	19.4
Adj EBITDA	**2,146**	**2,206**	**2,408**	**3,013**	**2,580**	**2,836**	**2,952**	**3,773**	**9,910**	**12,141**
Change (%)	20.4	8.2	12.3	23.2	20.3	28.6	22.6	25.2	18.3	22.5
Adj EBITDA Margin (%)	10.4	9.7	9.8	10.3	10.0	10.3	10.3	11.0	10.2	10.4
Depreciation	155	163	190	193	199	220	236	393	701	1,047
Interest	142	133	143	139	145	140	150	168	556	603
Other Income	178	169	136	371	396	350	300	284	718	1,330
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	**2,027**	**2,079**	**2,212**	**3,052**	**2,632**	**2,826**	**2,866**	**3,496**	**9,370**	**11,821**
Tax	525	531	564	786	675	726	737	897	2,406	3,035
Effective Tax Rate (%)	25.9	25.5	25.5	25.8	25.6	25.7	25.7	25.7	25.7	25.7
Reported PAT	**1,502**	**1,548**	**1,648**	**2,265**	**1,957**	**2,100**	**2,130**	**2,599**	**6,964**	**8,786**
Change (%)	23.8	10.4	9.4	34.4	30.3	35.6	29.2	14.7	19.9	26.2
Adj PAT	**1,502**	**1,548**	**1,648**	**2,265**	**1,957**	**2,100**	**2,130**	**2,599**	**6,964**	**8,786**
Change (%)	23.8	10.4	9.4	34.2	30.3	35.6	29.2	14.7	19.9	26.2

Polycab India — Buy

CMP: INR7,353 | TP: INR8,750 (+19%) — **EPS CHANGE (%): FY26|27|28: -|-|-**

- Revenue is estimated to increase 18% YoY in 2QFY26. Revenue from C&W/FMEG is estimated to increase 22%/15% YoY. Revenue for EPC and others to decrease ~30% YoY.
- Estimate C&W EBIT margin to improve ~1.7bp YoY to ~14%.
- EBITDA is estimated to increase ~41% YoY, while OPM is likely to expand 2.2pp YoY to ~14%. FMEG loss is estimated at INR114m vs. of loss of INR252m in 2QFY25.
- Adj. PAT is estimated to increase ~36% YoY to INR6.0b.

Consolidated performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**46,980**	**54,984**	**52,261**	**69,858**	**59,060**	**65,124**	**61,785**	**81,654**	**2,24,083**	**2,67,623**
Change (%)	20.8	30.4	20.4	24.9	25.7	18.4	18.2	16.9	24.2	19.4
EBITDA	**5,834**	**6,316**	**7,199**	**10,254**	**8,576**	**8,933**	**8,381**	**12,103**	**29,602**	**37,993**
Change (%)	6.3	3.7	26.4	34.6	47.0	41.4	16.4	18.0	18.8	28.3
EBITDA Margin (%)	12.4	11.5	13.8	14.7	14.5	13.7	13.6	14.8	13.2	14.2
Depreciation	671	721	786	804	857	900	940	997	2,981	3,694
Interest	413	453	498	325	513	560	600	497	1,689	2,170
Other Income	584	762	250	481	799	580	550	562	2,076	2,492
Share of JV's loss	-	-	-	-	-	-	-	-	-	-
PBT	**5,334**	**5,903**	**6,166**	**9,606**	**8,006**	**8,053**	**7,391**	**11,171**	**27,008**	**34,621**
Tax	1,317	1,451	1,522	2,262	2,009	1,997	1,833	2,747	6,553	8,586
Tax Rate (%)	24.7	24.6	24.7	23.5	25.1	24.8	24.8	24.6	24.3	24.8
MI	57	54	68	77	76	62	70	68	255	276
Exceptional Items	-	-	-	-	-	-	-	-	0	0
Reported PAT	**3,960**	**4,398**	**4,576**	**7,267**	**5,921**	**5,994**	**5,488**	**8,356**	**20,200**	**25,759**
Change (%)	-0.9	3.3	10.8	33.1	49.5	36.3	19.9	15.0	13.2	27.5
Adj. PAT	**3,960**	**4,398**	**4,576**	**7,267**	**5,921**	**5,994**	**5,488**	**8,356**	**20,200**	**25,759**
Change (%)	-0.9	3.3	10.8	33.1	49.5	36.3	19.9	15.0	13.2	27.5

R R KABEL — Neutral

CMP: INR1,268 | TP: INR1,340 (+6%) — **EPS CHANGE (%): FY26|27|28: -|-|-**

- Estimate revenue to grow ~16% YoY in 2QFY26.
- Revenue from the C&W/ FMEG segments is estimated to increase ~18%/3% YoY.
- EBITDA is estimated to increase ~80% YoY to INR1.5b, on a low base. OPM is estimated to increase 2.6pp YoY to 7.4%.
- Depreciation/interest is estimated to increase 19%/2% YoY. Adj. PAT is estimated to increase ~95% YoY to INR965m.

Consolidated quarterly performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**18,081**	**18,101**	**17,822**	**22,178**	**20,586**	**21,063**	**20,697**	**26,171**	**76,182**	**88,517**
YoY Change (%)	13.2	12.5	9.1	26.4	13.9	16.4	16.1	18.0	15.5	16.2
EBITDA	**949**	**858**	**1,105**	**1,944**	**1,421**	**1,548**	**1,485**	**2,034**	**4,856**	**6,488**
YoY Change (%)	(15.9)	(29.1)	(1.8)	68.6	49.6	80.5	34.4	12.5	5.2	33.6
EBITDA Margin (%)	5.3	4.7	6.2	8.8	6.9	7.4	7.2	7.8	6.4	7.3
Depreciation	162	175	178	190	203	207	218	138	705	766
Interest	116	156	162	155	151	160	170	198	589	679
Other Income	185	72	134	119	124	120	145	137	511	526
PBT	**857**	**599**	**900**	**1,718**	**1,190**	**1,301**	**1,243**	**1,835**	**4,074**	**5,569**
Tax	218	101	219	441	303	344	318	461	978	1,426
Effective Tax Rate (%)	25.4	16.9	24.3	25.6	25.4	26.5	25.6	25.1	24.0	25.6
JV Share	5	(2)	4	14	10	8	8	9	21	35
Reported PAT	**644**	**495**	**686**	**1,291**	**898**	**965**	**933**	**1,383**	**3,116**	**4,178**
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	94.8	88.3	21.4	4.5	549.0
Adj. PAT	**644**	**495**	**686**	**1,291**	**898**	**965**	**933**	**1,383**	**3,116**	**4,178**
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	94.8	36.0	21.4	4.5	549.0
Margin (%)	3.6	2.7	3.8	5.8	4.4	4.6	4.5	5.3	4.1	4.7

Voltas

Neutral

CMP: INR1,353 | TP: INR1,340 (-1%)

EPS CHANGE (%): FY26|27|28: -1.7|-1.4|-1.1

- Estimate revenue to decline ~14% YoY in 2QFY26.
- Revenue from UCP/EMPS is estimated to decline ~25%/4% YoY. PES revenue is estimated to grow ~3% YoY.
- EBITDA is estimated to decline ~35% YoY to 1.1b. OPM is estimated to decline by 1.5pp YoY to 4.7%.
- Adj PAT is estimated to decline ~ 35% YoY to INR874m.

Consolidated quarterly performance **(INR m)**

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2QE**	**3QE**	**4QE**		
Sales	**49,210**	**26,191**	**31,051**	**47,676**	**39,386**	**22,478**	**33,794**	**55,461**	**1,54,128**	**1,51,119**
Change (%)	46.5	14.2	18.3	13.4	(20.0)	(14.2)	8.8	16.3	23.5	-2.0
EBITDA	**4,238**	**1,622**	**1,974**	**3,328**	**1,785**	**1,053**	**2,361**	**4,984**	**11,162**	**10,184**
Change (%)	128.6	130.8	594.5	74.6	(57.9)	(35.1)	19.6	49.8	135.2	-8.8
As of % Sales	8.6	6.2	6.4	7.0	4.5	4.7	7.0	9.0	7.2	6.7
Depreciation	134	164	179	141	185	189	197	199	618	770
Interest	98	136	155	233	135	140	135	190	621	600
Other Income	803	1,055	591	797	821	850	650	741	3,245	3,062
Extraordinary Items	0	0	0	-	-	-	-	-	0	0
PBT	**4,809**	**2,377**	**2,231**	**3,751**	**2,286**	**1,574**	**2,679**	**5,336**	**13,168**	**11,876**
Tax	1,165	726	599	1,075	621	422	718	1,445	3,565	3,206
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	27.2	26.8	26.8	27.1	27.1	27.0
Share of Profit of Associates/JVs	(294)	(323)	(324)	(320)	(259)	(290)	(300)	(273)	(1,260)	(1,121)
Reported PAT	**3,350**	**1,328**	**1,308**	**2,357**	**1,406**	**862**	**1,661**	**3,618**	**8,343**	**7,548**
Change (%)	159.1	262.1	NA	102.4	(58.0)	(35.1)	27.0	53.5	231.1	-9.5
Minority Interest	8	(12)	(14)	(53)	2	(12)	(14)	(47)	(71)	(71)
Adj PAT	**3,342**	**1,340**	**1,321**	**2,410**	**1,405**	**874**	**1,675**	**3,665**	**8,414**	**7,619**
Change (%)	158.5	265.3	NM	132.2	(58.0)	(34.8)	26.8	52.1	251.5	-9.4

EMS

Company under Coverage

- Amber Enterprises
- Avalon Technologies
- Cyient DLM
- Data Patterns
- Dixon Technologies
- Kaynes Technologies
- Syrma SGS

Domestic EMS industry continues to surge ahead!

Revenue/EBITDA to jump ~25%/31% YoY in 2QFY26

- The EMS industry continues to surge ahead, supported by rising global and domestic orders, expanding export opportunities, and robust multi-segment demand, with momentum reinforced by **high-margin orders**.
- Aggregate revenue for our coverage is likely to grow 25% YoY in 2QFY26, aided by healthy demand across end-user industries and the execution of a strong order book at hand.
- KAYNES is likely to report the highest revenue growth of ~65% YoY, followed by DATAPATT/SYRMA/DIXON/AVALON at 50%/28%/25%/20%. We estimate a 20%/19% revenue decline for CYIENTDL/AMBER due to product mix change/weak demand in the industry.
- The sector's order book is anticipated to expand, with particularly strong traction in high-margin sectors such as aerospace, industrials, automotive, and critical infrastructure applications. Companies will also focus on gaining a higher wallet share and an improved product mix.
- In addition, most of the companies under our coverage are expected to see stable margins, driven by strong operating leverage and high traction from high-margin sectors. EBITDA margin for our EMS coverage universe may expand ~30bp YoY, primarily due to a 220bp/200bp/160bp/40bp YoY expansion in DATAPATT/KAYNES/CYIENTDL/AMBER's margins. Conversely, DIXON/AVALON/SYRMA may register flat margins during the quarter.

Kaynes to lead the pack with strong revenue growth

- **AMBER:** The AC industry declined 25-30% YoY, while the company's volumes dipped 10-15%, as it appears to have outperformed the industry through new client additions. EBITDA margin is expected to expand by 40bp YoY, supported by improvement across all segments, while PAT is projected to grow 37% YoY.
- **Avalon:** Revenue is anticipated to grow 20% YoY, with an EBITDA margin of ~11.1% in 2QFY26 (10bp margin expansion YoY). The company is well placed to meet its yearly guidance for FY26. The company is in the process of building a quality system, training human resources, and implementing automation.
- **CYIENTDL:** We anticipate the company to show a ~20% YoY consolidated revenue decline in 2QFY26. EBITDA margins may expand 160bp YoY to 9.7%. We project healthy order inflows with an improvement in the book-to-bill ratio.
- **DATAPATT:** We expect revenue/EBITDA to grow 50%/48% YoY (with EBITDA margins expected to expand 220bp YoY in 2QFY26). New product development remains the company's key focus area.
- **DIXON:** We expect Dixon's consumer durable segments to face a 2QFY26 impact as customers deferred purchases ahead of the anticipated GST rate cut, leading to overall revenue growth moderating to ~25% YoY.
- **KAYNES:** We expect strong revenue growth of ~65% YoY this quarter, driven by healthy traction across sectors. The company's margin is anticipated to expand ~190bp YoY to ~16.3%, led by margin-accretive orders.
- **SYRMA:** We expect revenue to grow by 28% YoY, led by growth in the automotive and industrial segments. While medical is expected to be flat due to a high US export mix, EBITDA margin is anticipated to expand ~10bp YoY.

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Exhibit 1: Summary of 2QFY26 estimates

Sector	CMP (INR)	RECO	Sales (INR b)			EBITDA (INR b)			NET PROFIT (INR b)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Amber Enterp.	8239	Buy	20,114	19.4	-41.7	1,442	26.8	-43.8	264	37.2	-74.6
Avalon Tech	1008	Buy	3,300	20.0	2.1	367	21.6	22.7	232	32.8	63.3
Cyient DLM	431	Buy	3,116	-20.0	11.9	303	-4.2	20.9	115	-25.5	54.4
Data Pattern	2630	Neutral	1,365	50.0	37.5	544	58.7	69.7	456	50.6	78.9
Dixon Tech.	16454	Buy	1,44,140	25.0	12.3	5,243	23.0	8.7	2,555	19.2	13.6
Kaynes Tech	7152	Buy	9,440	65.0	40.2	1,543	87.9	36.5	1,141	89.5	52.9
Syrma SGS Tech.	803	Buy	10,659	28.0	12.9	921	29.8	6.3	570	57.2	14.5
EMS			**1,92,133**	**24.9**	**3.3**	**10,363**	**31.3**	**1.0**	**5,333**	**35.6**	**6.6**

Exhibit 2: Valuation summary

Company Name	CMP INR	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
EMS						**78.4**	**50.6**	**36.8**	**12.4**	**10.0**	**7.9**	**15.9**	**19.8**	**21.5**
Amber Enterp.	8,239	Buy	116.2	181.4	262.9	70.9	45.4	31.3	10.4	8.5	6.7	15.8	20.6	23.8
Avalon Tech	1,008	Buy	15.6	24.6	33.8	64.5	41.0	29.8	9.3	7.6	6.1	15.6	20.4	22.6
Cyient DLM	431	Buy	12.0	19.2	26.8	36.0	22.5	16.1	3.3	2.9	2.4	9.5	13.6	16.3
Data Pattern	2,630	Neutral	48.2	62.8	80.6	54.6	41.9	32.6	8.3	7.0	5.7	16.4	18.1	19.3
Dixon Tech.	16,454	Buy	173.5	275.2	361.7	94.8	59.8	45.5	24.8	17.7	12.9	29.8	34.5	32.7
Kaynes Tech	7,152	Buy	82.2	132.9	196.2	87.0	53.8	36.5	9.2	7.8	6.4	14.1	16.4	20.1
Syrma SGS Tech.	803	Buy	15.3	22.4	30.6	52.6	35.9	26.2	7.2	6.0	5.0	14.5	18.3	20.8

Exhibit 3: Relative performance – three months (%)

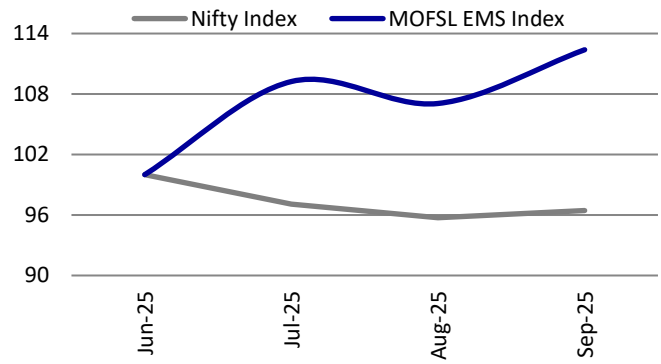
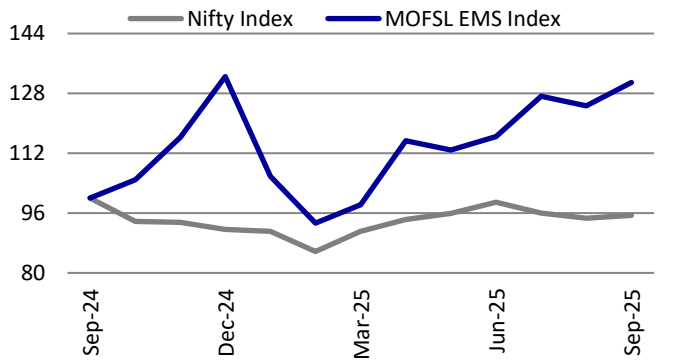


Exhibit 4: Relative performance – one year (%)



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Amber Enterprises — Buy

CMP: INR8,239 | TP: INR9,000 (+9%) — **EPS CHANGE (%): FY26|27|28: -|-|-**

- During 2Q, the AC industry declined 25%-30% YoY, while Amber's volumes declined by 10-15% as it seems to have outperformed the industry through new client additions. We expect the consumer durable and electronics segment to see QoQ weakness due to weak demand across AC and consumer durable products. We expect overall revenue to grow 20% YoY and decline 41% QoQ.
- EBITDA margin is expected to expand by 40bp YoY, supported by improvement across all segments, while PAT is projected to grow 37% YoY.
- We will watch out for an update on the railways segment, planned expansions, and commercial-AC business.
- Key monitorables – Demand scenario in RAC, outlook on electronic segment growth, and margin improvement.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**24,013**	**16,847**	**21,333**	**37,537**	**34,491**	**20,114**	**26,910**	**46,077**	**99,730**	**1,27,591**
YoY Change (%)	41.1	81.7	64.8	33.8	43.6	19.4	26.1	22.8	48.2	27.9
Total Expenditure	22,051	15,710	19,746	34,590	31,924	18,672	24,812	42,054	92,096	1,17,463
EBITDA	**1,962**	**1,137**	**1,587**	**2,947**	**2,567**	**1,442**	**2,098**	**4,023**	**7,634**	**10,128**
Margins (%)	8.2	6.8	7.4	7.9	7.4	7.2	7.8	8.7	7.7	7.9
Depreciation	549	566	588	580	618	596	611	618	2,283	2,443
Interest	518	486	537	546	634	586	601	583	2,087	2,403
Other Income	207	178	160	191	297	203	198	134	736	832
PBT before EO expense	**1,101**	**263**	**623**	**2,013**	**1,612**	**463**	**1,084**	**2,956**	**3,999**	**6,114**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,101**	**263**	**623**	**2,013**	**1,612**	**463**	**1,084**	**2,956**	**3,999**	**6,114**
Tax	298	26	162	702	484	130	290	996	1,188	1,899
Rate (%)	27.0	10.1	26.1	34.9	30.0	28.1	26.7	33.7	29.7	31.1
MI & P/L of Asso. Cos.	79	44	102	151	90	69	70	55	376	284
Reported PAT	**724**	**192**	**359**	**1,160**	**1,039**	**264**	**725**	**1,905**	**2,436**	**3,931**
Adj PAT	**724**	**192**	**359**	**1,160**	**1,039**	**264**	**725**	**1,905**	**2,436**	**3,931**
YoY Change (%)	58.6	NM	NM	22.6	43.5	37.2	102.1	64.2	83.3	61.4
Margins (%)	3.0	1.1	1.7	3.1	3.0	1.3	2.7	4.1	2.4	3.1

Avalon Technologies — Buy

CMP INR1008 | TP: INR1,220 (+21%) — **EPS CHANGE (%): FY26|FY27|FY28: 0|0|0**

- Revenue is anticipated to grow 20% YoY, with an EBITDA margin of ~11.1% in 2QFY26.
- We expect the company to clock a revenue of over INR14b in FY26.
- The company is on track to meet its yearly guidance.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**1,995**	**2,750**	**2,809**	**3,428**	**3,233**	**3,300**	**3,454**	**4,216**	**10,981**	**14,204**
YoY Change (%)	-15.2	36.8	31.1	58.1	62.1	20.0	23.0	23.0	26.6	29.3
Total Expenditure	1,951	2,449	2,462	3,014	2,934	2,934	3,008	3,668	9,876	12,544
EBITDA	**44**	**301**	**346**	**414**	**299**	**367**	**447**	**549**	**1,105**	**1,661**
Margins (%)	2.2	11.0	12.3	12.1	9.2	11.1	12.9	13.0	10.1	11.7
Depreciation	66	69	74	77	85	85	87	88	286	345
Interest	42	37	45	42	38	30	20	19	167	107
Other Income	44	39	100	32	17	60	50	55	215	182
PBT before EO expense	**-20**	**234**	**327**	**326**	**193**	**312**	**390**	**497**	**867**	**1,391**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-20**	**234**	**327**	**326**	**193**	**312**	**390**	**497**	**867**	**1,391**
Tax	3	60	87	83	51	79	99	127	233	356
Rate (%)	-14.5	25.4	26.7	25.5	26.4	25.5	25.5	25.5	26.8	25.6
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**-23**	**175**	**240**	**243**	**142**	**232**	**290**	**370**	**634**	**1,034**
Adj PAT	**-23**	**175**	**240**	**243**	**142**	**232**	**290**	**370**	**634**	**1,034**
YoY Change (%)	NA	140.1	264.7	243.8	NA	32.8	21.0	52.4	126.7	63.1
Margins (%)	-1.2	6.4	8.5	7.1	4.4	7.0	8.4	8.8	5.8	7.3

Cyient DLM — Buy

CMP INR431| TP: INR540 (+25%) — **EPS CHANGE (%): FY26|FY27|FY28: -9|-5|-5**

- Revenue is expected to decline ~20% YoY in 2QFY26.
- We anticipate healthy order inflow with an improvement in the book-to-bill ratio.
- Margin is anticipated to expand by ~160bp YoY to 9.7%
- New client additions and order inflows will be the key monitorables.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**2,579**	**3,895**	**4,442**	**4,281**	**2,784**	**3,116**	**4,975**	**4,923**	**15,196**	**15,798**
YoY Change (%)	18.8	33.4	38.4	18.3	8.0	-20.0	12.0	15.0	27.5	4.0
Total Expenditure	2,379	3,578	4,081	3,706	2,534	2,813	4,322	4,268	13,745	13,936
EBITDA	**200**	**316**	**361**	**574**	**251**	**303**	**654**	**655**	**1,452**	**1,862**
Margins (%)	7.8	8.1	8.1	13.4	9.0	9.7	13.1	13.3	9.6	11.8
Depreciation	67	69	100	105	105	107	109	110	341	431
Interest	80	110	100	86	86	82	75	70	375	313
Other Income	89	71	69	33	42	40	35	35	262	152
PBT before EO expense	**142**	**209**	**230**	**417**	**101**	**154**	**505**	**510**	**997**	**1,270**
Extra-Ord expense	0	0	80	0	0	0	0	0	80	0
PBT	**142**	**209**	**150**	**417**	**101**	**154**	**505**	**510**	**917**	**1,270**
Tax	36	54	40	106	26	39	127	128	236	321
Rate (%)	25.2	26.0	26.8	25.5	26.1	25.2	25.2	25.2	25.8	25.2
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**106**	**155**	**110**	**310**	**75**	**115**	**378**	**382**	**681**	**949**
Adj PAT	**106**	**155**	**168**	**310**	**75**	**115**	**378**	**382**	**739**	**949**
YoY Change (%)	97.7	5.5	-8.7	36.5	-29.6	-25.5	124.4	22.9	20.8	28.4
Margins (%)	4.1	4.0	3.8	7.3	2.7	3.7	7.6	7.8	4.9	6.0

Data Pattern — Neutral

CMP INR2,630 | TP: INR2,500 (-5%) — **EPS CHANGE (%): FY26|FY27|FY28: 0|0|0**

- EBITDA margin is likely to expand 220bp YoY in 2QFY26.
- Movement in working capital requirements will remain the key monitorable.
- New product development will be the key focus area for the company.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**1,041**	**910**	**1,170**	**3,962**	**993**	**1,365**	**1,545**	**4,996**	**7,084**	**8,900**
YoY Change (%)	16.0	-16.0	-16.1	117.4	-4.6	50.0	32.0	26.1	36.3	25.6
Total Expenditure	669	567	630	2,467	673	821	926	3,188	4,334	5,608
EBITDA	**372**	**343**	**540**	**1,495**	**321**	**544**	**619**	**1,808**	**2,750**	**3,292**
Margins (%)	35.7	37.7	46.2	37.7	32.3	39.9	40.1	36.2	38.8	37.0
Depreciation	31	35	35	39	55	57	58	60	139	230
Interest	30	28	32	31	32	30	28	25	121	115
Other Income	123	120	114	106	106	150	190	198	463	644
PBT before EO expense	**435**	**400**	**588**	**1,531**	**340**	**607**	**723**	**1,921**	**2,953**	**3,591**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**435**	**400**	**588**	**1,531**	**340**	**607**	**723**	**1,921**	**2,953**	**3,591**
Tax	107	98	141	390	85	151	180	478	735	894
Rate (%)	24.5	24.4	24.0	25.5	24.9	24.9	24.9	24.9	24.9	24.9
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**328**	**303**	**447**	**1,141**	**255**	**456**	**543**	**1,443**	**2,218**	**2,697**
Adj PAT	**328**	**303**	**447**	**1,141**	**255**	**456**	**543**	**1,443**	**2,218**	**2,697**
YoY Change (%)	26.9	-10.4	-12.4	60.5	-22.2	50.6	21.5	26.5	22.1	21.6
Margins (%)	31.5	33.3	38.2	28.8	25.7	33.4	35.1	28.9	31.3	30.3

Dixon Technologies — Buy

CMP: INR16,454 | TP: INR22,300 (+36%) — **EPS CHANGE (%): FY26|27|28: -|-|-**

- We expect Dixon's consumer durable-related segments to be impacted in 2QFY26 as customers deferred purchases in anticipation of the GST rate cuts. We expect mobile and EMS to continue to remain a dominant segment for the company and expect it to grow 10-11% QoQ. We also expect overall demand to resume from 3QFY26.
- We expect overall revenue growth of 25% YoY for the quarter for Dixon. Lower sales in high-margin segments like washing machines, lighting, etc., could compress overall margins by ~10bp YoY/20bp QoQ.
- We will watch out for updates on JV approvals for Vivo and other mobile players and on backward integration.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**65,798**	**1,15,341**	**1,04,537**	**1,02,925**	**1,28,357**	**1,44,140**	**1,39,916**	**1,54,695**	**3,88,601**	**5,67,107**
YoY Change (%)	101.1	133.3	117.0	121.0	95.1	25.0	33.8	50.3	119.7	45.9
Total Expenditure	63,319	1,11,077	1,00,632	98,498	1,23,533	1,38,896	1,34,591	1,48,606	3,73,525	5,45,626
EBITDA	**2,479**	**4,264**	**3,905**	**4,428**	**4,824**	**5,243**	**5,325**	**6,089**	**15,076**	**21,480**
Margins (%)	3.8	3.7	3.7	4.3	3.8	3.6	3.8	3.9	3.9	3.8
Depreciation	545	660	746	859	927	913	936	968	2,810	3,745
Interest	293	379	409	463	326	406	417	518	1,544	1,667
Other Income	82	-57	65	113	17	107	115	209	202	448
PBT	**1,723**	**5,263**	**2,816**	**5,723**	**3,588**	**4,030**	**4,087**	**4,812**	**15,524**	**16,516**
Tax	400	1,172	689	1,111	855	978	992	1,201	3,372	4,027
Rate (%)	23.2	22.3	24.5	19.4	23.8	24.3	24.3	25.0	21.7	24.4
MI & P/L of Asso. Cos.	-14	193	415	604	483	497	510	544	1,197	2,034
Reported PAT	**1,337**	**3,899**	**1,712**	**4,008**	**2,250**	**2,555**	**2,585**	**3,066**	**10,955**	**10,455**
Adj PAT	**1,337**	**2,143**	**1,712**	**1,845**	**2,250**	**2,555**	**2,585**	**3,066**	**7,059**	**10,455**
YoY Change (%)	94.3	99.7	77.5	93.9	68.3	19.2	51.0	66.2	92.0	48.1
Margins (%)	2.0	1.9	1.6	1.8	1.8	1.8	1.8	2.0	1.8	1.8

Kaynes Technologies — Buy

CMP INR7,152| TP: INR8,300 (+16%) — **EPS CHANGE (%): FY26|FY27|FY28: +1|0|0**

- Revenue is expected to grow 65% YoY, driven by growth across all segments.
- EBITDA margin is expected to expand 190bp YoY to 16.3%
- Most of the company's semiconductor products are expected to be exported to Singapore.
- Exports form ~10% of the company's total business (with US business forming ~7% of total).

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**5,040**	**5,721**	**6,612**	**9,845**	**6,735**	**9,440**	**10,865**	**16,146**	**27,218**	**43,185**
YoY Change (%)	69.6	58.5	29.8	54.5	33.6	65.0	64.3	64.0	50.8	58.7
Total Expenditure	4,371	4,900	5,671	8,166	5,604	7,897	9,116	13,387	23,108	36,005
EBITDA	**669**	**821**	**940**	**1,679**	**1,130**	**1,543**	**1,748**	**2,758**	**4,109**	**7,180**
Margins (%)	13.3	14.4	14.2	17.1	16.8	16.3	16.1	17.1	15.1	16.6
Depreciation	84	86	108	169	156	160	165	170	447	651
Interest	227	221	270	295	284	220	150	100	1,013	754
Other Income	283	336	246	205	271	300	350	369	1,070	1,290
PBT before EO expense	**641**	**849**	**808**	**1,419**	**961**	**1,463**	**1,783**	**2,857**	**3,718**	**7,064**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**641**	**849**	**808**	**1,419**	**961**	**1,463**	**1,783**	**2,857**	**3,718**	**7,064**
Tax	133	247	144	257	215	322	392	629	782	1,558
Rate (%)	20.8	29.1	17.8	18.1	22.3	22.0	22.0	22.0	21.0	22.0
MI & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**508**	**602**	**665**	**1,162**	**746**	**1,141**	**1,391**	**2,229**	**2,936**	**5,507**
Adj PAT	**508**	**602**	**665**	**1,162**	**746**	**1,141**	**1,391**	**2,229**	**2,936**	**5,507**
YoY Change (%)	106.0	86.4	47.1	43.0	46.9	89.5	109.3	91.8	60.1	87.5
Margins (%)	10.1	10.5	10.1	11.8	11.1	12.1	12.8	13.8	10.8	12.8

Syrma SGS

Buy

CMP INR803| TP: INR940 (+17%)

EPS CHANGE (%):FY26|FY27|FY28: -3|-4|-4

- We expect revenue to grow 28%, largely led by growth in auto and industrials.
- We expect margins to expand 10bp to 8.6% in 2QFY26.
- Industrials and auto are expected to drive future revenue growth, while medical is expected to be marginally positive and consumer to be flat.
- New client addition, order inflow, and product mix remain the key monitorables.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**11,599**	**8,327**	**8,692**	**9,244**	**9,440**	**10,659**	**13,386**	**14,328**	**37,862**	**47,812**
YoY Change (%)	92.9	17.0	23.0	-18.5	-18.6	28.0	54.0	55.0	20.1	26.3
Total Expenditure	11,153	7,618	7,901	8,169	8,574	9,738	12,172	12,992	34,841	43,476
EBITDA	**446**	**710**	**791**	**1,075**	**866**	**921**	**1,213**	**1,336**	**3,021**	**4,336**
Margins (%)	3.8	8.5	9.1	11.6	9.2	8.6	9.1	9.3	8.0	9.1
Depreciation	174	167	202	208	206	206	206	207	751	825
Interest	130	136	154	156	149	120	109	99	577	477
Other Income	153	100	223	223	160	230	250	223	699	863
PBT before EO expense	**295**	**507**	**657**	**934**	**672**	**825**	**1,148**	**1,252**	**2,392**	**3,897**
Extra-Ord expense	0	0	21	0	0	0	0	0	21	0
PBT	**295**	**507**	**635**	**934**	**672**	**825**	**1,148**	**1,252**	**2,371**	**3,897**
Tax	91	110	105	219	172	208	289	315	526	984
Rate (%)	31.0	21.8	16.6	23.5	25.7	25.2	25.2	25.2	22.2	25.3
MI & P/L of Asso. Cos.	10	34	42	60	2	48	59	84	147	193
Reported PAT	**193**	**362**	**488**	**654**	**497**	**570**	**800**	**853**	**1,698**	**2,720**
Adj PAT	**193**	**362**	**509**	**654**	**497**	**570**	**800**	**853**	**1,719**	**2,720**
YoY Change (%)	-32.3	22.0	228.2	87.3	157.8	57.2	57.1	30.3	58.2	58.2
Margins (%)	1.7	4.4	5.9	7.1	5.3	5.3	6.0	6.0	4.5	5.7

Financials: Banks

2QFY26 earnings estimates (INR b)

PAT	2Q FY26E	YoY (%)	QoQ (%)
Private Banks			
AUBANK	4.9	-13.4	-14.8
AXSB	55.3	-20.0	-4.7
BANDHAN	3.1	-67.3	-17.5
DCBB	1.4	-8.7	-9.8
EQUITAS	0.3	140.1	NA
FB	8.4	-20.2	-2.1
HDFCB	167.3	-0.5	-7.8
ICICIBC	119.4	1.7	-6.5
IDFCFB	3.4	71.5	-25.6
IIB	3.1	NA	NA
KMB	32.7	-2.3	-0.4
RBK	1.9	-15.4	-6.1
Private Total	**401.4**	**-7.3**	**-6.7**
PSU Banks			
BOB	42.9	-18.0	-5.4
CBK	42.6	6.0	-10.5
INBK	29.4	8.4	-1.3
PNB	47.9	11.2	185.7
SBIN	167.3	-8.8	-12.7
UNBK	35.3	-25.2	-14.3
PSU Total	**365.3**	**-7.1**	**-1.9**
Banks Total	**766.6**	**-7.2**	**-4.5**
SBICARD	6.0	49.5	8.8
PAYTM	1.3	NA	9.8

Headwinds persist; earnings to recover in 2HFY26

Margin pressure to continue; treasury gains expected to moderate

- **Credit growth modest; estimate 11% YoY growth for FY26E:** As of 5th Sep'25, systemic credit growth stood at ~10.3% YoY, reflecting demand softness in key retail and corporate segments. Incremental CD ratio stood at ~83% (vs. outstanding CD ratio of ~79%). Pickup in consumption activity, led by GST rate cuts and income tax relief, alongside lower borrowing costs, will drive a gradual recovery in loan demand in 2HFY26. We, thus, estimate growth trends to remain modest over 2QFY26 for our coverage banks, while we estimate full-year system credit growth to sustain at 11% YoY and improve to ~12.5% in FY27E.
- **Deposit growth broadly stable at 9.8%, despite cuts in deposit rates:** System deposit growth was stable at 9.8% YoY in Sep'25, despite the rate cuts. Banks continue to face challenges in mobilizing low-cost CASA deposits, and we expect the same trend to continue in the near term. With recent moderation in policy rates, both SA and TD rates are reduced by banks, which should ease CoF for banks over 2HFY26, thus supporting NIM recovery. We expect deposit growth to remain intact at ~10% YoY in FY26E.
- **Sector NIMs to bottom out in 2Q; expect improvement in 2HFY26:** The impact of the big 50bp rate cut in Jun'25 on banks' lending yields will be fully reflected in 2Q, while the moderation in CoF will happen with a lag. Thus, NIMs are estimated to contract for most banks in our coverage. We estimate sharper NIM declines for **Bandhan Bank, EQUITAS, AUBANK and AXSB, while RBL being the outlier with NIMs expected to improve slightly.** However, deposit repricing is underway, and the phased CRR cut is further expected to support margin recovery in the coming quarters.
- **Asset quality: Unsecured retail (MFI & CC) stress persists, though recovery not far:** We expect unsecured delinquencies to stay elevated even as most lenders hinted at an improving trend in monthly collection efficiencies in MFI. Select segments like micro-LAP, CV and affordable housing have seen stress in select pockets, and we remain watchful on banks' commentary on the overall asset quality outlook. Moreover, with select northern and eastern states witnessing floods, there could be a marginal rise in stress in MFI, micro-LAP and MSME segments. We expect private/PSU banks to report controlled credit cost, while mid-size banks with higher exposure to unsecured/MFI segments are expected to report high provisioning.
- **Estimate 17.7% PAT CAGR over FY26-28E:** For 2QFY26, we estimate NII for our banking coverage universe to decline 0.9% YoY/1.8% QoQ, while PPoP is also expected to decline 5.5% YoY/14% QoQ). We estimate private banks' PAT to decline 7.3% YoY/6.7% QoQ and PSU banks' PAT to fall 7.1% YoY/1.9% QoQ. For our coverage universe, we estimate PAT to decline 7.2% YoY/4.5% QoQ. With earnings gaining traction from 2HFY26, we estimate 17.7% earnings CAGR over FY26-28E.

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Private Banks: 2Q earnings to decline 7.3% YoY (3.8% YoY growth in FY26E)

- **For the private banks under our coverage**, we estimate PPoP to decline 2% YoY/ 18% QoQ and PAT to decline 7.3% YoY/6.7% QoQ in 2QFY26. We estimate ~19.8% earnings CAGR over FY26-28E for private banks.
- **Estimate NII to grow 0.6% YoY/fall 2% QoQ in 2QFY26**. Among large private banks under our coverage, NII growth is estimated at 2.3% YoY (-2% QoQ) for HDFCB and 5.5% YoY (-2.3% QoQ) for ICICIBC, whereas NII is expected to decline by 2.3% YoY/2.9% QoQ for AXISB, 4.2% YoY/0.8% QoQ for KMB, and 2.3% YoY/1% QoQ for Federal.
- Unsecured retail stress shows early signs of easing, but challenges persist in cyclical sectors like CV loans and MSMEs, with credit costs expected to normalize in 2HFY26. Large private banks with more diversified and secured portfolios continue to fare better.

PSU Banks: 2Q PAT to decline 7% YoY (1.0% YoY growth in FY26E)

- **We estimate PSU banks' PAT to decline 7.1% YoY (down 1.9% QoQ) in 2QFY26E,** owing to a decline in NIMs and moderation in treasury gains for most PSBs, barring PNB.
- NII is likely to decline 2.5% YoY (down 1.7% QoQ). **Opex is likely to be under control,** though t**reasury gains are expected to moderate** as bond yields remain range-bound with some recent up-moves. The upcoming CRR cut and ongoing deposit repricing should aid medium-term margins.
- **Asset quality outlook stable:** We expect stable asset quality trends for PSU banks, aided by controlled slippages and robust PCR.
- **We estimate PSU banks to report earnings CAGR of 15.2% over FY26-28E.**

Small Finance Banks: NIMs to decline further; credit cost to ease in 2H

- **AUBANK'**s 2Q PAT is likely to decline by 14.8% QoQ (down 13.4% YoY) to INR4.9b, due to a decline in margins/other income and elevated credit costs. NII is expected to decline by 1% QoQ (up 2.5% YoY), while NIMs are estimated to decline ~20bp QoQ. The new MFIN guardrails implemented in FY26 are expected to keep growth measured while aiding gradual improvement in asset quality. We expect credit costs to stay high through 1HFY26 before moderating in 2H, as elevated stress in the MFI segment could persist until 3Q.
- **EQUITASB** is estimated to report PAT at INR309m in 2QFY26 after posting a significant loss in 1QFY26. Margins are expected to decline 25bp QoQ to 6.30%. Loan growth is likely to gain traction to 7.3% YoY/4.9% QoQ.

Payments/Fintech: SBI Cards – Margins to expand at calibrated pace; Paytm – Healthy GMV and margin to drive 2Q profit

- **SBICARDS:** Provisioning stays elevated, reflecting persistent asset quality concerns. Loan book is expected to grow ~8.1% YoY in 2Q, though we expect card sourcing/volumes to improve over the medium term. We estimate NIMs to expand at a calibrated pace as festive spending drives healthy growth in the balance sheet. We estimate PAT to grow at 49.5% YoY/8.8% QoQ to INR6b.
- **PAYTM:** Revenue from operations is likely to grow ~5% QoQ (up 21% YoY) to INR20b, while contribution profit is expected to grow 32% YoY to INR11.8b. Contribution margin is expected at 58.7%. We expect a profit of INR1.34b in 2QE.

Top picks – ICICIBC, HDFCB and SBI

ICICIBC: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	812	896	1,030
OP	673	756	867
NP	472	521	585
NIM (%)	4.5	4.4	4.4
EPS (INR)	66.8	73.1	82.1
EPS Gr (%)	14.4	9.5	12.3
ABV/Sh (INR)	373	447	519
Cons. BV/Sh (INR)	438	514	603
Ratios			
RoA (%)	2.4	2.3	2.3
RoE (%)	18.0	16.8	16.4
Valuations			
P/BV (x) (Cons)	3.1	2.6	2.2
P/ABV (x)*	2.9	2.4	2.1
P/E (x)	20.2	18.4	16.4
Adj P/E (x)*	16.1	14.7	13.1

*Adi for Investment in Subs

ICICIBC (BUY)

- ICICIBC has sustained healthy loan growth with ~15% CAGR over FY23-25, outpacing system growth, led by retail and business banking.
- The bank's focus on retail deposits and lower reliance on wholesale funding has aided CoF moderation. Though margin pressure persists in the near term, phased CRR cuts and easing liquidity should help to stabilize NIM in 2HFY26.
- Deposits grew ~13% YoY in 1QFY26, sustaining its superior liability profile. Despite a softer CASA ratio, strong CA traction and an expected SA revival should further bolster funding resilience. With a healthy CD ratio of 84.8% and a calibrated pricing strategy, we estimate ICICIBC to report ~15% CAGR in deposits over FY26-28E.
- ICICIBC's robust asset quality is underpinned by prudent underwriting, strong PCR of 76%, and contingent provisions of INR131b (~1% of loans). While retail loan performance is healthy and unsecured NPLs are stable, credit costs may edge up as recoveries moderate. We estimate GNPA/NNPA ratios to remain steady at 1.6%/0.4% by FY27, with normalized credit costs of ~50bp.
- ICICIBC is set for top performance with robust loan growth, solid asset quality, and leading returns, with estimated RoA/RoE of 2.3%/16.4% by FY27E. The standalone bank trades at 2.1x FY27E ABV, adjusted for subsidiaries.

HDFCB: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,227	1,305	1,502
OP	1,001	1,173	1,267
NP	673	721	831
NIM (%)	3.5	3.4	3.5
EPS (INR)	44.0	47.1	54.3
EPS Gr. (%)	9.9	7.0	15.3
BV/Sh. (INR)	328	359	402
ABV/Sh. (INR)	314	343	385
Ratios			
RoA (%)	1.8	1.8	1.8
RoE (%)	14.5	13.7	14.3
Valuations			
P/E(X)	21.6	20.2	17.5
P/E(X)*	18.3	17.1	14.9
P/BV (X)	2.9	2.6	2.4
P/ABV (X)*	2.6	2.4	2.1

*Adj for Investment in Subs

HDFCB (BUY)

- HDFCB curtailed its loan growth to 5.4% YoY in FY25 to reduce its CD ratio, but it is now positioned for a stronger expansion, led by CRB, technology, and branch push. We expect loan growth to recover to 9.7%/12% over FY26/27E, with management guiding to outpace industry growth from FY27.
- Deposits grew 14% YoY in FY25 and 16% YoY in 1QFY26, with an 18% incremental market share driven by granular, high-quality liabilities. Despite a lower CASA ratio, easing rates and improving mix should further strengthen its liability profile. We expect CD ratio to decline to 88.9% by FY28E.
- HDFCB is rebalancing toward retail assets and deposits to replace costly borrowings, aiding margin improvement. Despite near-term NIM compression from policy cuts, we estimate margin recovery toward ~3.5% by FY27E, driven by easing funding costs and a better mix.
- The bank maintains the best-in-class asset quality, with GNPA/NNPA ratios of 1.4%/0.5% and strong provisioning buffers (1.4% of loans, highest among peers). Robust underwriting across segments and prudent deployment of stake sale gains should keep credit costs contained at ~50bp over the medium term.
- Operationally, the cost-to-income ratio improved to 32.8%, aided by scale benefits and improved efficiency. The bank continues to invest in tech and talent to drive productivity gains.
- With margin normalization, improved asset quality, and strategic rebalancing, HDFCB is well-positioned to deliver RoA/RoE of 1.8%/14.3% by FY27E. It currently trades at 2.5x FY27E ABV, adjusting for subsidiaries.

SBI: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,670	1,712	1,991
OP	1,106	1,124	1,304
NP	709	700	803
NIM (%)	2.9	2.7	2.9
EPS (INR)	79.4	77.1	87.0
EPS Gr. (%)	16.1	-2.9	12.8
ABV (INR)	437	509	578
Cons. BV (INR)	529	602	703
Ratios			
RoA (%)	1.1	1.0	1.0
RoE (%)	18.6	15.4	15.3
Valuations			
P/BV (x) (Cons.)	1.6	1.4	1.2
P/ABV (x)*	1.4	1.2	1.1
P/E (x)	9.9	9.9	8.5
P/E (x)*	7.9	8.1	7.2

*Adj for Investment in Subs

SBI (BUY)

- SBIN posted 12% YoY loan growth in 1QFY26, led by Retail (12.6%), SME (19.1%), and Agri (12.7%). Retail loans now account for ~36% of the portfolio.
- With a robust credit pipeline and a conservative CD ratio of 68.9%, the bank is well-placed to deliver credit CAGR of 12% over FY26-28E, ahead of systemic trends.
- Asset quality remained stable, with GNPA/NNPA ratios at 1.83%/0.47% and PCR at 74.5% (91.7% including write-offs). The restructured book remained low at 0.31% of loans in FY25. Credit cost was benign at 47bp and we expect this to remain in the 40-50bp range, supporting a healthy asset quality outlook.
- Deposits rose 11.7% YoY with a CASA ratio of 39.4%. SBIN maintains a dominant 24% market share, and we estimate ~10% deposit CAGR over FY26-28E, aided by a focus on granular retail liabilities.
- NIMs moderated to ~2.9% due to repo rate cuts and are expected to remain under pressure in the near term. However, improved yield management should help maintain NIMs near current levels.
- Digital leadership via YONO and operational efficiencies are driving down the C/I ratio and we expect this to improve to ~49.7% by FY28E.
- SBIN remains well positioned for sustainable growth, underpinned by healthy credit expansion and controlled asset quality risks. We estimate 15% earnings CAGR over FY26-28E, with RoA/RoE expected at 1.0%/15.3% by FY27E. The standalone bank currently trades at 1.1x FY27E ABV.

Exhibit 1: Banks: Summary of 2QFY26 earnings estimates

	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
		Sep'25	YoY (%)	QoQ (%)	Sep'25	YoY (%)	QoQ (%)	Sep'25	YoY (%)	QoQ (%)
Financials										
AU Small Finance	Buy	20,233	2.5	-1.0	11,246	-0.6	-14.3	4,947	-13.4	-14.8
Axis Bank	Neutral	1,31,679	-2.3	-2.9	1,03,466	-3.4	-10.1	55,331	-20.0	-4.7
Bandhan Bank	Neutral	25,690	-12.9	-6.8	14,148	-23.7	-15.2	3,068	-67.3	-17.5
DCB Bank	Buy	5,656	11.1	-2.6	2,672	4.7	-18.3	1,419	-8.7	-9.8
Equitas Small Finance	Buy	7,461	-7.0	-5.0	2,176	-37.8	-30.9	309	140.1	NA
Federal Bank	Buy	23,126	-2.3	-1.0	14,883	-4.9	-4.4	8,438	-20.2	-2.1
HDFC Bank	Buy	3,08,205	2.3	-2.0	2,53,963	2.8	-28.9	1,67,323	-0.5	-7.8
ICICI Bank	Buy	2,11,453	5.5	-2.3	1,73,313	3.6	-7.5	1,19,402	1.7	-6.5
IDFC First Bank	Neutral	50,065	4.6	1.5	19,295	-1.7	-13.8	3,441	71.5	-25.6
IndusInd Bank	Neutral	43,977	-17.8	-5.2	19,364	-46.2	-24.6	3,127	-76.5	-48.2
Kotak Mahindra Bank	Buy	73,148	4.2	0.8	53,274	4.5	-4.2	32,684	-2.3	-0.4
RBL Bank	Buy	15,190	-5.9	2.6	6,880	-24.4	-2.1	1,882	-15.4	-6.1
Banks – Private		**9,15,883**	**0.6**	**-2.0**	**6,74,679**	**-2.0**	**-18.0**	**4,01,369**	**-7.3**	**-6.7**
Bank of Baroda	Neutral	1,09,910	-5.4	-3.9	71,485	-24.6	-13.2	42,943	-18.0	-5.4
Canara Bank	Buy	89,705	-3.7	-0.4	77,455	1.2	-9.4	42,553	6.0	-10.5
Indian Bank	Buy	63,324	2.2	-0.4	47,752	1.0	0.1	29,351	8.4	-1.3
Punjab National Bank	Buy	1,05,382	0.2	-0.4	69,581	1.5	-1.7	47,856	11.2	185.7
State Bank of India	Buy	4,05,757	-2.5	-1.2	2,69,396	-8.0	-11.8	1,67,274	-8.8	-12.7
Union Bank	Neutral	86,774	-4.1	-4.8	64,848	-20.1	-6.1	35,290	-25.2	-14.3
Banks – PSU		**8,60,852**	**-2.5**	**-1.7**	**6,00,517**	**-9.2**	**-9.1**	**3,65,267**	**-7.1**	**-1.9**
Total Banks		**17,76,736**	**-0.9**	**-1.8**	**12,75,196**	**-5.5**	**-14.0**	**7,66,636**	**-7.2**	**-4.5**
SBI Cards	Neutral	17,184	14.4	2.3	20,913	19.0	-0.4	6,047	49.5	8.8
PAYTM	Neutral	20,112	21.2	4.9	1,312	NA	28.9	1,345	NA	9.8

Exhibit 2: We estimate sector earnings to bottom out in 2Q; Estimate 17.7% earnings CAGR over FY26-28E

INRb	MOSL Earnings estimates							YoY Growth		
	1Q26E	2Q26E	3Q26E	4Q26E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Private Banks										
AXSB	58.1	55.3	57.9	74.0	245.3	308.4	377.9	-7%	26%	23%
BANDHAN	3.7	3.1	6.4	10.9	24.1	35.3	43.3	-12%	46%	23%
DCBB	1.6	1.4	1.8	2.4	7.2	10.1	13.7	17%	40%	35%
HDFCB	181.6	167.3	174.7	197.2	720.8	831.3	963.3	7%	15%	16%
ICICIBC	127.7	119.4	130.8	142.8	520.6	584.8	684.6	10%	12%	17%
IDFCFB	4.6	3.4	5.1	9.0	22.2	45.5	64.7	46%	105%	42%
IIB	6.0	3.1	8.5	10.7	28.4	48.5	64.7	10%	71%	33%
KMB	32.8	32.7	34.9	40.6	141.0	166.9	203.3	-14%	18%	22%
FB	8.6	8.4	9.8	11.5	38.3	47.8	63.3	-5%	25%	32%
RBK	2.0	1.9	2.6	4.0	10.5	19.0	26.7	51%	81%	40%
AUBANK	5.8	4.9	6.2	9.1	26.0	36.4	47.5	24%	40%	30%
EQUITASB	-2.2	0.3	0.7	1.4	0.2	6.3	10.1	-84%	2586%	59%
Total Pvt	**430.3**	**401.4**	**439.5**	**513.6**	**1,784.7**	**2,140.3**	**2,563.1**			
YoY growth	**-5.4%**	**-7.3%**	**4.5%**	**25.2%**	**3.8%**	**19.9%**	**19.8%**			
PSU Banks										
BOB	45.4	42.9	44.7	50.3	183.4	212.5	262.7	-6%	16%	24%
CBK	47.5	42.6	42.2	52.5	184.8	201.7	228.1	9%	9%	13%
INBK	29.7	29.4	30.1	33.6	122.7	128.6	144.4	12%	5%	12%
PNB	16.8	47.9	44.4	53.2	162.2	211.6	244.8	-2%	30%	16%
SBIN	191.6	167.3	161.3	179.7	700.0	802.8	921.5	-1%	15%	15%
UNBK	41.2	35.3	37.5	47.7	161.6	178.8	207.8	-10%	11%	16%
Total PSU	**372.2**	**365.3**	**360.2**	**417.0**	**1,514.7**	**1,735.9**	**2,009.3**			
YoY growth	**7.2%**	**-7.1%**	**-4.7%**	**1.2%**	**-1.0%**	**14.6%**	**15.7%**			
Total Banks	**802.4**	**766.6**	**799.7**	**930.6**	**3,299.3**	**3,876.2**	**4,572.4**			
YoY growth	**0.0%**	**-7.2%**	**0.2%**	**13.2%**	**1.5%**	**17.5%**	**18.0%**			

Exhibit 3: System loan growth stood at 10.3% in Sep'25

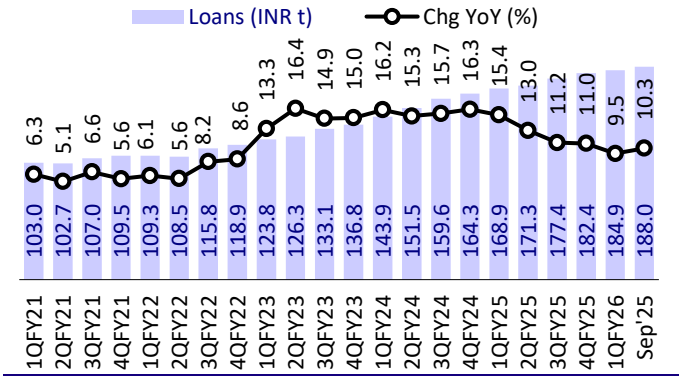


Exhibit 4: Deposit growth moderated to 9.8%

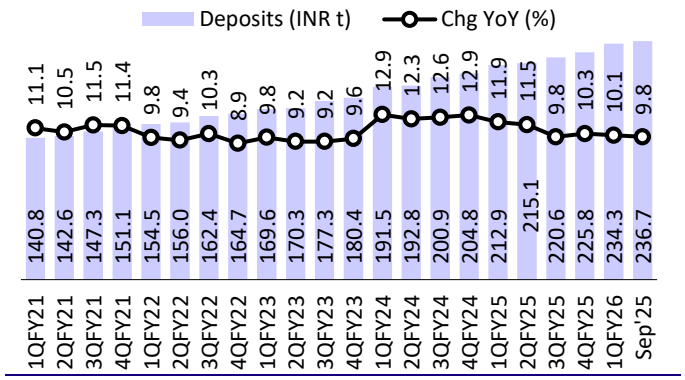
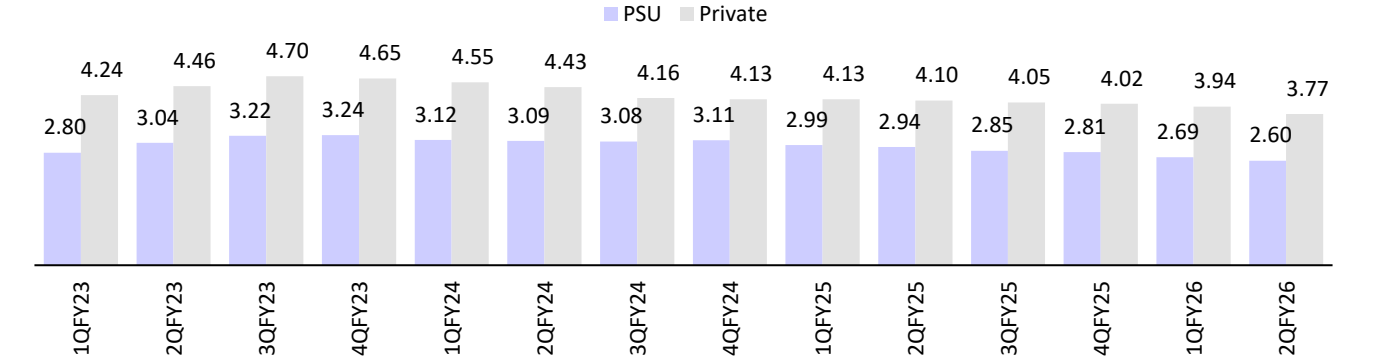


Exhibit 5: Estimate NIMs to decline in 2QFY26 amid rate cut-led re-pricing



Source: MOFSL, Company

Exhibit 6: NIMs to see a decline across all banks in our coverage universe

NIM (%)	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E
AXSB	4.01	4.06	4.05	3.99	3.93	3.97	3.80	3.60
HDFCB	3.40	3.44	3.47	3.46	3.43	3.54	3.35	3.24
ICICIBC	4.43	4.40	4.36	4.27	4.25	4.41	4.34*	4.18
IDFCFB	6.42	6.35	6.22	6.18	6.04	5.95	5.71	5.56
IIB	4.29	4.26	4.25	4.08	3.93	2.25	3.46*	3.26
KMB	5.22	5.28	5.02	4.91	4.93	4.97	4.65	4.51
FB	3.19	3.21	3.16	3.12	3.11	3.12	2.94	2.86
BoB	3.10	3.27	3.18	3.10	2.94	2.98	2.91	2.82
CBK	3.03	3.07	2.90	2.86	2.71	2.73	2.55	2.47
PNB	3.15	3.10	3.07	2.92	2.93	2.81	2.70	2.67
SBIN	3.22	3.30	3.22	3.14	3.01	3.00	2.90	2.82
UNBK	3.08	3.09	3.05	2.90	2.91	2.87	2.76	2.67
INBK	3.49	3.52	3.53	3.49	3.57	3.48	3.35	3.27
AUBANK	5.50	5.10	6.00	6.05	5.90	5.80	5.40	5.18
RBK	5.52	5.45	5.67	5.04	4.90	4.89	4.50	4.55
BANDHAN	7.20	7.60	7.60	7.40	6.90	6.70	6.40	5.98
DCBB	3.48	3.62	3.39	3.27	3.30	3.29	3.20	3.10
EQUITAS	8.37	8.17	7.97	7.69	7.39	7.13	6.55	6.30

*adj for interest on IT refund, ICICIBC's NIM stood at 4.27% and IIB at 3.35%

Source: MOFSL, Company

Banks have changed their SA rates aggressively amid ongoing rate cuts

Exhibit 7: SA rates offered by various banks

(%)	SA Rate
AXSB	❖ 2.50%
HDFCB	❖ 2.50%
ICICIBC	❖ 2.50%
KMB	❖ 2.50%
IIB	❖ 2.5% to 5.0% (max rate for deposits above INR10m)
RBK	❖ 3.0% to 6.75% (max rate for deposits between INR2.5m and INR30m)
IDFCFB	❖ 3% to 7.0% (max rate for deposits between INR0.5m and INR10m)
BANDHAN	❖ 2.7% to 6.15% (max rate for deposits above INR50m)
AUBANK	❖ 2.75% to 6.75% (max rate for deposits between INR0.25m and INR100mn)
BOB	❖ 2.50% to 4.75% (max rate for deposits of INR20bn and above)
PNB	❖ 2.5% to 2.7% (max rate for deposits of INR1b and above)
SBIN	❖ 2.50%
DCBB	❖ 1.5% to 7.2% (max rate for deposits between INR10m and INR50m)

Source: MOFSL, Company

Most banks have lowered their peak TD rates across maturity buckets.

Exhibit 8: Peak term deposit rates across different buckets for major banks

(%)	7-14 days	0-3 months	3-9 months	9-15 months	15-36 months
Large pvt banks					
HDFCB	2.75	4.25	5.50	6.25	6.45
AXSB	3.00	4.00	5.50	6.25	6.60
ICICIBC	2.75	4.00	4.50	6.25	6.60
KMB	2.75	3.50	5.50	6.60	6.60
IIB	3.25	4.75	6.00	7.00	7.00
Mid-size pvt banks					
RBK	3.50	4.50	6.05	7.00	7.20
IDFCFB	3.00	4.00	5.50	6.50	7.00
BANDHAN	2.95	4.20	4.20	7.00	7.20
Federal	3.00	4.25	5.75	6.50	6.50
Small finance banks					
AUBANK	3.50	4.75	6.35	6.90	7.10
EQUITASB	3.50	4.75	6.35	7.00	7.00
JANASFB	5.15	6.00	7.25	7.25	7.50
UJJIVAN	3.50	4.65	5.50	7.25	7.25

Source: MOFSL, Company

Large banks continue to carry healthy contingency buffers

Exhibit 9: Snapshot of additional provision buffers as of 1QFY26

As on 1QFY26	Loans (INR b)	COVID/contingent provisions	Floating/additional provisions	Total provisions	As a percentage of loans (%)
AXSB	10,597	118		118	1.1
HDFCB	26,284	152	214	366	1.4
ICICIBC	13,642	131	-	131	1.0

Source: MOFSL, Company

Exhibit 10: AXSB, FB, KMB, ICICIBC, and HDFCB have higher EBLR/Repo-linked loans; PSBs have higher linkage to MCLR (%)

Loans Mix (%) – 1QFY26	MCLR	EBLR	Repo Linked	Others (Fixed, base rate, foreign currency-floating)
AUBANK	30	6		64
AXSB	9	4	59	28
Equitas		10		90
FB	9	48		43
HDFCB*	25		45	30
ICICIBC	15	1		31
KMB		60		40
RBL	5	47		48
BOB	46	34		20
CBK	45	55		
INBK	52	40		8
PNB	30	15		8
SBIN	31	30		39

*as on 3QFY25 Source: MOFSL, Company

Exhibit 11: Restructured book across banks has moderated over past few quarters (INR b)

INR b	Absolute	Restructured book								
		Jun'23	Sep'23	Dec'23	Mar'24	Jun'24	Sep'24	Dec'24	Mar'25	Jun'25
AXSB	11.5	0.21	0.20	0.18	0.16	0.14	0.13	0.12	0.12	0.11
DCBB	7.7	3.97	3.40	3.00	2.62	2.34	2.07	1.81	1.60	1.51
ICICIBC	17.9	NA	0.32	0.29	0.26	0.22	0.20	0.16	0.15	0.13
IIB	3.3	0.66	0.54	0.48	0.40	0.34	0.29	0.18	0.12	0.10
KMB*	2.0	0.19	0.15	0.13	0.10	0.08	0.06	0.05	0.05	NA
FB	13.3	1.40	1.30	1.10	0.97	0.83	0.71	0.68	0.61	0.55
RBK	2.1	1.05	0.89	0.63	0.51	0.44	0.38	0.32	0.29	0.22
AUBANK	3.3	1.00	0.80	0.70	0.60	0.40	0.40	0.30	0.30	0.30
SBIN*	129.2	0.69	0.62	0.54	0.47	0.38	0.38	0.34	0.31	NA
INBK	45.6	2.19	2.12	1.93	1.67	1.51	1.34	1.23	0.85	0.78
UNBK	86.1	2	1.71	1.57	1.48	1.30	1.21	1.08	0.91	0.88

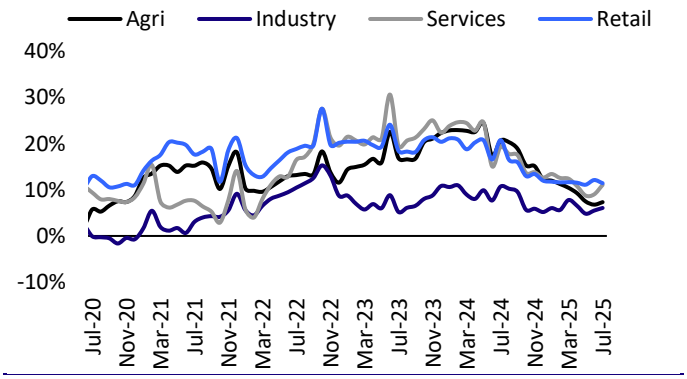
Source: MOFSL, Company

Exhibit 12: SMA mix across banks as of 1QFY26

SMA (bp of loans)	SMA 0	SMA 1	SMA 2
BOB	NA	40bp	
CBK	13bp	4bp	63bp
INBK	NA	20bp	78bp
PNB	NA	NA	15bp
SBIN	NA	7bp	5bp
UNBK	17bp	8bp	29bp
Bandhan	190bp	100bp	90bp
KMB	NA	NA	8bp

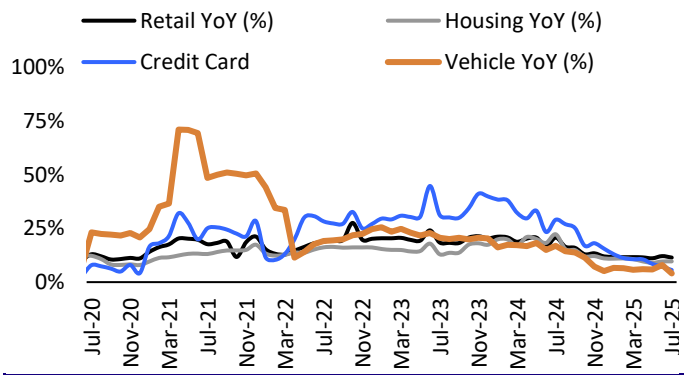
Source: MOFSL, Company

Exhibit 13: Retail loan growth stood at 11.4% YoY; retail loan mix stood at ~35.1%



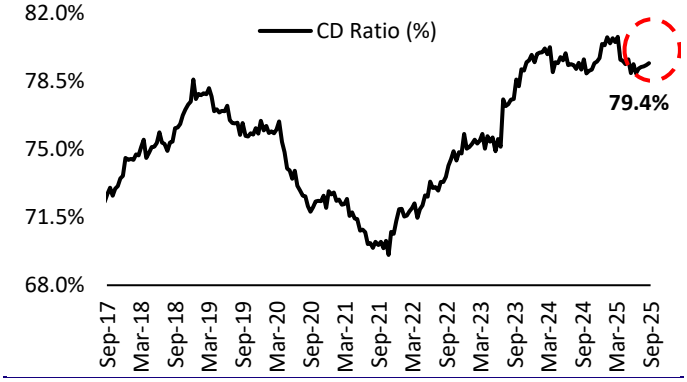
Source: MOFSL, RBI

Exhibit 14: Credit cards growth declined to 5.6% YoY; Housing loan growth fell to 9.6% YoY in Jul'25



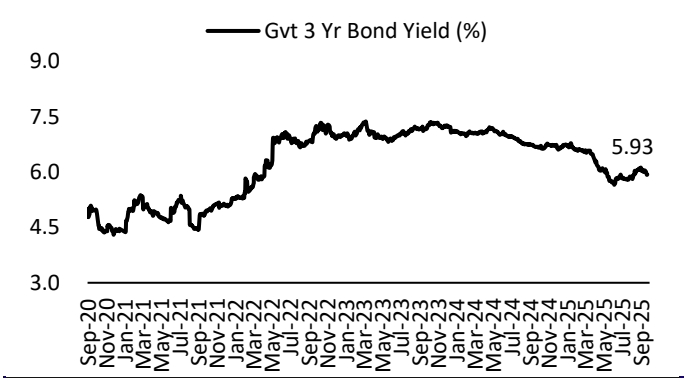
Source: MOFSL, RBI

Exhibit 15: CD ratio stood stable at ~79.4% in Sep'25



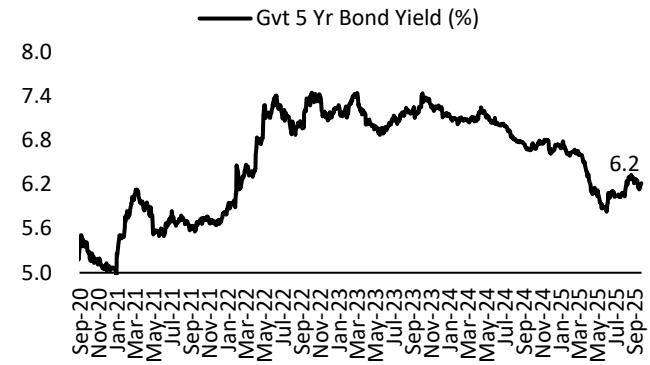
Source: MOFSL, RBI

Exhibit 16: 3-year G-Sec yield moderated to 5.93% in Sep'25



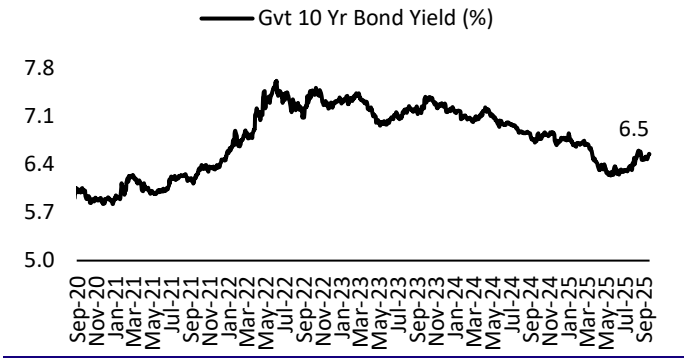
Source: MOFSL, BBG

Exhibit 17: 5-year G-Sec yield stood at 6.2% in Sep'25



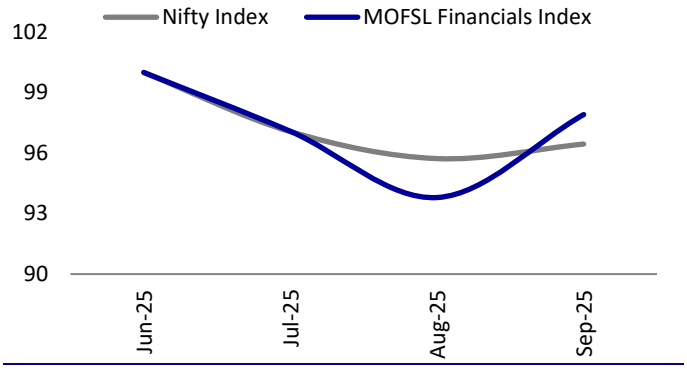
Source: MOFSL, BBG

Exhibit 18: 10-year G-Sec yield increased to 6.5% in Sep'25



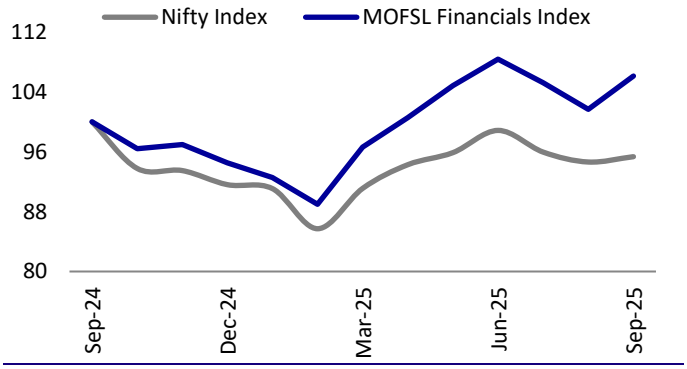
Source: MOFSL, BBG

Exhibit 19: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 20: One-year relative performance (%)



Source: MOFSL, Company

Exhibit 21: Valuation summary

Val summary	Rating	CMP (INR)	TP (INR)	Upside (%)	EPS (INR)		RoA (%)		RoE (%)		P/E (x)		P/BV (x)		P/ABV (x)	
					FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Private Banks																
ICICIBC*	Buy	1,348	1,670	24	73.9	84.2	2.3	2.3	17.0	16.7	14.6	12.8	2.9	2.5	2.4	2.1
HDFCB*	Buy	951	1,150	21	47.0	56.3	1.8	1.9	13.7	14.8	17.2	14.4	2.7	2.4	2.4	2.1
AXSB*	Neutral	1,132	1,250	10	80.5	101.3	1.5	1.6	13.1	14.6	12.4	9.8	1.7	1.5	1.6	1.4
BANDHAN	Neutral	162	185	14	16.4	22.8	1.3	1.6	10.6	13.9	9.9	7.1	1.0	0.9	1.1	1.0
KMB*	Buy	1,994	2,400	20	70.9	83.9	1.9	2.0	11.7	12.8	17.3	14.7	3.2	2.8	2.1	1.8
IIB	Neutral	736	830	13	40.6	57.1	0.6	0.7	4.8	6.4	18.1	12.9	0.9	0.8	0.9	0.8
FB	Buy	193	235	22	15.9	20.3	1.0	1.2	11.1	12.7	12.1	9.5	1.3	1.1	1.4	1.2
DCBB	Buy	126	160	27	22.7	31.7	0.8	1.0	12.5	15.5	5.6	4.0	0.7	0.6	0.7	0.6
IDFCFB	Neutral	70	80	15	2.8	5.3	0.6	1.0	5.3	9.3	24.7	13.1	1.3	1.2	1.3	1.2
EQUITASB	Buy	57	70	22	0.4	6.2	0.1	1.1	0.8	11.5	132.7	9.3	1.1	1.0	1.2	1.1
AUBANK	Buy	732	875	20	35.6	48.1	1.5	1.7	14.5	16.8	20.6	15.2	2.8	2.4	2.9	2.4
RBK	Buy	278	290	4	17.1	31.3	0.7	1.1	6.5	11.4	16.3	8.9	1.1	1.0	1.1	1.0
PSU Banks																
SBIN*	Buy	873	1,000	15	77.1	87.0	1.0	1.0	15.8	15.3	8.2	7.3	1.6	1.4	1.2	1.1
PNB	Buy	113	130	15	13.5	18.0	0.8	1.0	12.4	14.8	8.4	6.3	1.0	0.9	1.0	0.9
BOB	Neutral	259	275	6	36.2	41.7	1.0	1.0	14.2	14.9	7.2	6.2	1.0	0.9	1.0	0.9
CBK	Buy	124	140	13	20.7	22.1	1.1	1.0	18.9	18.2	6.0	5.6	1.0	0.9	1.1	1.0
UNBK	Neutral	139	155	12	21.7	24.7	1.1	1.1	14.6	14.8	6.4	5.6	0.9	0.8	0.9	0.8
INBK	Buy	751	800	7	87.9	94.9	1.3	1.3	17.7	16.9	8.5	7.9	1.4	1.2	1.4	1.2
Payments & Fintech																
SBI Cards	Neutral	877	950	8	27.8	37.9	3.8	4.6	17.8	21.0	31.5	23.1	5.1	4.2	5.3	4.3
					EPS (INR)		PAT (INRb)		RoA (%)		RoE (%)		P/E (x)		P/Sales (x)	
One 97 Comm.	Neutral	1,123	1,025	-9	6.1	14.8	6.4	12.7	2.8	5.0	4.2	8.1	183.8	76.0	8.8	7.5

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

AU Small Finance Bank — Buy

CMP: INR732 | TP: INR875 (20%) — **EPS CHANGE (%): FY26|27: -2.0|1.4**

- Expect margins to see moderation
- Expect business growth to remain healthy
- Cost ratios to remain elevated
- Asset quality ratios to remain broadly stable

Quarterly Performance (INRb)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**19.2**	**19.7**	**20.2**	**20.9**	**20.4**	**20.2**	**22.1**	**24.9**	**80.1**	**87.7**
% Change (Y-o-Y)	54.1	58.1	52.7	56.6	6.5	2.5	9.2	19.0	55.4	9.4
Other Income	5.1	6.4	6.2	7.6	8.1	6.9	7.1	8.4	25.3	30.6
Total Income	**24.3**	**26.1**	**26.4**	**28.5**	**28.6**	**27.2**	**29.2**	**33.3**	**105.4**	**118.3**
Operating Expenses	14.8	14.8	14.4	15.6	15.4	15.9	16.7	18.0	59.6	66.1
Operating Profit	**9.5**	**11.3**	**12.0**	**12.9**	**13.1**	**11.2**	**12.5**	**15.3**	**45.8**	**52.2**
% Change (Y-o-Y)	74.3	80.0	83.4	94.6	37.9	(0.6)	3.6	18.5	91.7	13.9
Provisions	2.8	3.7	5.0	6.4	5.3	4.6	4.2	3.6	17.9	17.7
Profit before Tax	**6.7**	**7.6**	**7.0**	**6.6**	**7.8**	**6.6**	**8.3**	**11.8**	**27.9**	**34.5**
Tax	1.7	1.9	1.7	1.5	2.0	1.7	2.1	2.7	6.8	8.4
Net Profit	**5.0**	**5.7**	**5.3**	**5.0**	**5.8**	**4.9**	**6.2**	**9.1**	**21.1**	**26.0**
% Change (Y-o-Y)	29.9	42.1	40.8	35.9	15.6	(13.4)	17.2	80.0	41.7	23.5
Operating Parameters										
Deposit (INR b)	972.9	1,096.9	1,122.6	1,242.7	1,277.0	1,336.6	1,420.1	1,503.6	1,242.7	1,503.6
Loan (INR b)	896.5	948.4	995.6	1,070.9	1,098.3	1,146.2	1,213.1	1,295.8	1,070.9	1,295.8
Deposit Growth (%)	40.4	44.8	40.1	42.5	31.3	21.9	26.5	21.0	42.5	21.0
Loan Growth (%)	42.6	47.8	49.2	46.4	22.5	20.9	21.9	21.0	46.4	21.0
Asset Quality										
GNPA (%)	1.8	2.0	2.3	2.3	2.5	2.4	2.3	2.3	2.3	2.3
NNPA (%)	0.6	0.8	0.9	0.7	0.9	0.9	0.8	0.8	0.8	0.8
PCR (%)	65.1	62.8	61.2	68.1	64.7	64.9	65.4	66.1	66.4	66.1

E: MOFSL Estimates

Axis Bank — Neutral

CMP: INR1,132 | TP: INR1,250 (+10%) — **EPS CHANGE (%): FY26|27: -1.6|-1.7**

- Expect margins to remain under pressure
- Credit cost expected to remain high
- Expect cost ratios to stay elevated
- Asset quality expected to deteriorate

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**134.5**	**134.8**	**136.1**	**138.1**	**135.6**	**131.7**	**136.6**	**149.1**	**543.5**	**553.0**
% Change (Y-o-Y)	12.5	9.5	8.6	5.5	0.8	-2.3	0.4	8.0	8.9	1.7
Other Income	57.8	67.2	59.7	67.8	72.6	67.0	68.2	75.1	252.6	282.9
Total Income	**192.3**	**202.1**	**195.8**	**205.9**	**208.2**	**198.7**	**204.8**	**224.2**	**796.0**	**835.9**
Operating Expenses	91.3	94.9	90.4	98.4	93.0	95.3	100.1	108.5	375.0	396.9
Operating Profit	**101.1**	**107.1**	**105.3**	**107.5**	**115.2**	**103.5**	**104.6**	**115.7**	**421.0**	**439.0**
% Change (Y-o-Y)	14.7	24.1	15.2	2.1	13.9	-3.4	-0.7	7.6	13.4	4.3
Provisions	20.4	22.0	21.6	13.6	39.5	30.0	27.7	18.2	77.6	115.3
Profit before Tax	**80.7**	**85.1**	**83.8**	**93.9**	**75.7**	**73.5**	**76.9**	**97.5**	**343.5**	**323.6**
Tax	20.3	15.9	20.7	22.8	17.6	18.1	19.0	23.5	79.7	78.3
Net Profits	**60.3**	**69.2**	**63.0**	**71.2**	**58.1**	**55.3**	**57.9**	**74.0**	**263.7**	**245.3**
% Change (Y-o-Y)	4.1	18.0	3.8	-0.2	-3.8	-20.0	-8.1	3.9	6.1	-7.0
Operating Parameters										
Deposit (INR t)	10.6	10.9	11.0	11.7	11.6	12.0	12.5	12.9	11.7	12.9
Loan (INR t)	9.8	10.0	10.1	10.4	10.6	10.9	11.1	11.5	10.4	11.5
Deposit Growth (%)	12.8	13.7	9.1	9.8	9.3	10.1	14.1	10.2	9.8	10.2
Loan Growth (%)	14.2	11.4	8.8	7.8	8.1	8.6	9.7	10.5	7.8	10.5
Asset Quality										
Gross NPA (%)	1.5	1.4	1.5	1.3	1.6	1.7	1.8	1.7	1.4	1.7
Net NPA (%)	0.3	0.3	0.4	0.3	0.5	0.5	0.5	0.5	0.4	0.5
PCR (%)	78.1	76.6	76.2	74.6	71.5	71.2	71.4	71.7	74.5	71.7

E: MOFSL Estimates

Bandhan Bank — Neutral

CMP: INR162 | TP: INR185 (14%) — **EPS CHANGE (%): FY26|27: -8.8|-3.9**

- Expect NIM to witness a decline
- Asset quality likely to remain broadly stable
- Expect loan growth to remain modest
- Cost ratios are likely to stay elevated

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**30.1**	**29.5**	**28.3**	**27.6**	**27.6**	**25.7**	**28.9**	**33.6**	**114.9**	**115.7**
% Change (YoY)	20.7	20.7	12.1	-3.9	-8.2	-12.9	2.1	21.8	11.3	0.7
Other Income	5.3	5.9	11.0	7.0	7.3	7.3	7.7	8.6	29.7	30.9
Total Income	**35.3**	**35.4**	**39.3**	**34.6**	**34.8**	**33.0**	**36.6**	**42.2**	**144.6**	**146.6**
Operating Expenses	15.9	16.9	19.0	18.8	18.1	18.9	19.9	21.1	70.7	78.0
Operating Profit	**19.4**	**18.6**	**20.2**	**15.7**	**16.7**	**14.1**	**16.7**	**21.1**	**73.9**	**68.6**
% Change (YoY)	24.2	17.2	22.1	-14.5	-14.0	-23.7	-17.6	34.1	11.2	-7.2
Provisions	5.2	6.1	13.8	12.6	11.5	10.0	8.1	7.1	37.7	36.7
Profit Before Tax	**14.2**	**12.5**	**6.5**	**3.1**	**5.2**	**4.1**	**8.6**	**14.0**	**36.2**	**31.9**
Tax	3.5	3.1	2.2	-0.1	1.5	1.0	2.2	3.1	8.8	7.8
Net Profit	**10.6**	**9.4**	**4.3**	**3.2**	**3.7**	**3.1**	**6.4**	**10.9**	**27.5**	**24.1**
% Change (YoY)	47.5	30.0	-41.8	482.0	-65.0	-67.3	50.7	241.9	22.8	-12.3
Operating Parameters										
Deposits (INR b)	1,332	1,425	1,410	1,512	1,547	1,584	1,639	1,716	1,512	1,716
Loans (INR b)	1,216	1,261	1,274	1,320	1,285	1,320	1,408	1,495	1,320	1,495
Deposit Growth (%)	22.8	27.2	20.1	11.8	16.1	11.1	16.2	13.5	11.8	13.5
Loan Growth (%)	23.8	23.6	15.6	9.0	5.7	4.7	10.5	13.3	9.0	13.3
Asset Quality										
Gross NPA (%)	4.2	4.7	4.7	4.7	5.0	5.0	4.8	4.7	4.7	4.7
Net NPA (%)	1.2	1.3	1.3	1.3	1.4	1.4	1.3	1.2	1.3	1.2
PCR (%)	73.7	73.5	73.5	73.7	73.7	73.3	73.8	74.5	73.7	74.5

E: MOFSL Estimates

Bank of Baroda — Neutral

CMP: INR259 | TP: INR275 (+6%) — **EPS CHANGE (%): FY26|27: -2.0|-1.5**

- Expect cost ratios to remain elevated
- Expect asset quality to improve
- Margins to see a moderation
- Business growth numbers to be healthy

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**116.0**	**116.2**	**114.2**	**114.9**	**114.3**	**109.9**	**114.9**	**121.5**	**456.6**	**460.6**
% Change (YoY)	5.5	7.3	2.8	-2.5	-1.4	-5.4	0.6	5.7	2.1	0.9
Other Income	24.9	51.8	37.7	47.4	46.7	41.9	42.6	50.2	166.5	181.5
Total Income	**140.9**	**168.0**	**151.9**	**162.3**	**161.1**	**151.8**	**157.5**	**171.6**	**623.1**	**642.1**
Operating Expenses	69.3	73.3	75.2	81.0	78.7	80.3	81.6	85.9	298.7	326.6
Operating Profit	**71.6**	**94.8**	**76.6**	**81.3**	**82.4**	**71.5**	**75.9**	**85.7**	**324.3**	**315.5**
% Change (YoY)	-8.5	18.2	9.3	0.3	15.0	-24.6	-1.0	5.4	4.7	-2.7
Provisions	10.1	23.4	10.8	15.5	19.7	14.1	16.1	19.2	59.8	69.0
Profit before Tax	**61.5**	**71.4**	**65.8**	**65.8**	**62.7**	**57.4**	**59.8**	**66.6**	**264.5**	**246.5**
Tax	16.9	19.0	17.4	15.3	17.3	14.5	15.1	16.3	68.7	63.1
Net Profit	**44.6**	**52.4**	**48.4**	**50.5**	**45.4**	**42.9**	**44.7**	**50.3**	**195.8**	**183.4**
% Change (YoY)	9.5	23.2	5.6	3.3	1.9	-18.0	-7.5	-0.4	10.1	-6.4
Operating Parameters										
Deposit (INR b)	13,156	13,635	13,925	14,720	14,356	14,903	15,674	16,310	14,720	16,310
Loan (INR b)	10,479	11,212	11,513	12,096	11,866	12,407	12,908	13,450	12,096	13,450
Deposit Growth (%)	9.6	9.1	11.8	10.9	9.1	9.3	12.6	10.8	10.3	10.8
Loan Growth (%)	8.8	12.3	12.4	13.5	13.2	10.7	12.1	11.2	13.5	11.2
Asset Quality										
Gross NPA (%)	2.9	2.5	2.4	2.3	2.3	2.2	2.1	2.1	2.3	2.1
Net NPA (%)	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.5
PCR (%)	76.6	76.3	76.0	74.9	74.0	74.4	74.5	74.8	73.1	74.8

E: MOFSL Estimates

Canara Bank — Buy

CMP: INR124 | TP: INR140 (+13%) — **EPS CHANGE (%): FY26|27: -1.3|0.4**

- Expect margins to see moderation
- Asset quality likely to improve
- Advances and deposit growth to be key monitorable
- Expect cost to remain broadly under control

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**91.7**	**93.2**	**91.5**	**94.4**	**90.1**	**89.7**	**94.6**	**105.7**	**370.7**	**380.1**
% Change (Y-o-Y)	5.8	4.6	-2.9	-1.4	-1.7	-3.7	3.4	12.0	1.4	2.5
Other Income	53.2	49.8	58.0	63.5	70.6	62.0	62.0	70.3	224.5	264.9
Total Income	**144.9**	**143.0**	**149.5**	**157.9**	**160.7**	**151.7**	**156.6**	**176.1**	**595.2**	**645.0**
Operating Expenses	68.7	66.4	71.1	75.1	75.2	74.2	76.7	80.7	281.3	306.8
Operating Profit	**76.2**	**76.5**	**78.4**	**82.8**	**85.5**	**77.5**	**79.9**	**95.4**	**313.9**	**338.2**
% Change (Y-o-Y)	0.2	0.5	15.2	12.1	12.3	1.2	1.9	15.1	6.7	7.7
Other Provisions	22.8	22.5	24.0	18.3	23.5	20.3	23.2	25.4	87.6	92.4
Profit before Tax	**53.3**	**54.0**	**54.4**	**64.5**	**62.0**	**57.1**	**56.7**	**70.0**	**226.3**	**245.8**
Tax	14.3	13.9	13.3	14.5	14.5	14.6	14.4	17.4	56.0	61.0
Net Profit	**39.1**	**40.1**	**41.0**	**50.0**	**47.5**	**42.6**	**42.2**	**52.5**	**170.3**	**184.8**
% Change (Y-o-Y)	10.5	11.3	12.3	33.1	21.7	6.0	2.8	5.0	17.0	8.5
Operating Parameters										
Deposit (INR b)	13,352	13,473	13,695	14,569	14,677	15,133	15,458	15,822	14,569	15,822
Loan ((INR b)	9,464	9,840	10,237	10,492	10,736	10,953	11,276	11,646	10,492	11,646
Deposit Growth (%)	12.0	9.3	8.4	11.0	9.9	12.3	12.9	8.6	11.0	8.6
Loan Growth (%)	10.7	10.3	11.2	12.6	13.4	11.3	10.1	11.0	12.6	11.0
Asset Quality										
Gross NPA (%)	4.1	3.7	3.3	2.9	2.7	2.6	2.5	2.4	2.9	2.4
Net NPA (%)	1.2	1.0	0.9	0.7	0.6	0.6	0.6	0.6	0.7	0.6
PCR (%)	71.0	74.1	74.1	76.7	77.1	77.0	77.2	77.3	76.6	77.3

E: MOFSL Estimates

DCB Bank — Buy

CMP: INR126 | TP: INR160 (+27%) — **EPS CHANGE (%): FY26|27: 1.1|1.7**

- Expect business growth to remain healthy
- Expect cost ratios to remain elevated
- Asset quality to improve
- Margins to decline due to repo rate cuts

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**4.97**	**5.09**	**5.43**	**5.58**	**5.80**	**5.66**	**6.11**	**6.60**	**21.07**	**24.17**
% Change (Y-o-Y)	5.49	7.03	14.53	9.95	16.89	11.09	12.54	18.32	9.27	14.75
Other Income	1.43	2.05	1.84	2.19	2.36	2.03	2.23	2.53	7.51	9.16
Total Income	**6.40**	**7.14**	**7.27**	**7.77**	**8.17**	**7.69**	**8.34**	**9.13**	**28.57**	**33.33**
Operating Expenses	4.34	4.59	4.56	4.71	4.90	5.02	5.12	5.28	18.20	20.31
Operating Profit	**2.05**	**2.55**	**2.71**	**3.05**	**3.27**	**2.67**	**3.23**	**3.85**	**10.37**	**13.02**
% Change (Y-o-Y)	(1.58)	21.19	28.18	30.66	59.17	4.73	18.96	26.08	19.96	25.52
Provisions	0.28	0.46	0.67	0.67	1.15	0.76	0.74	0.65	2.08	3.30
Profit before Tax	**1.77**	**2.10**	**2.04**	**2.38**	**2.12**	**1.91**	**2.48**	**3.20**	**8.29**	**9.71**
Tax	0.46	0.54	0.52	0.61	0.54	0.49	0.64	0.83	2.13	2.51
Net Profit	**1.31**	**1.55**	**1.51**	**1.77**	**1.57**	**1.42**	**1.84**	**2.37**	**6.15**	**7.21**
% Change (Y-o-Y)	3.5	22.6	19.6	13.8	19.7	(8.7)	21.6	34.1	14.8	17.12
Operating Parameters										
Deposit (INR b)	516.9	545.3	566.8	600.3	620.4	648.2	677.9	714.4	600.3	714.4
Loan (INR b)	421.8	444.7	477.8	510.5	512.2	539.0	574.7	604.9	510.5	604.9
Deposit Growth (%)	20.2	19.9	20.3	21.6	20.0	18.9	19.6	19.0	21.6	19.0
Loan Growth (%)	18.9	19.3	22.7	24.7	21.4	21.2	20.3	18.5	24.7	18.5
Asset Quality										
Gross NPA (%)	3.33	3.29	3.11	2.99	2.98	2.93	2.88	2.88	3.00	2.88
Net NPA (%)	1.18	1.17	1.18	1.12	1.22	1.21	1.17	1.15	1.12	1.15
PCR (%)	65.2	65.2	62.9	63.2	59.7	59.6	60.1	60.9	63.2	60.9

E: MOFSL Estimates

Equitas Small Finance Bank — Buy

CMP: INR57 | TP: INR70 (+22%) — **EPS CHANGE (%): FY26|27: -61.9|-1.0**

- Expect margins to decline
- Asset quality likely to slightly deteriorate
- Expect cost ratios to remain elevated
- Business momentum will be a key monitorable

Quarterly Performance — INRb

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**8.0**	**8.0**	**8.2**	**8.3**	**7.9**	**7.5**	**7.9**	**8.6**	**32.5**	**31.9**
% Change (YoY)	7.9	4.8	4.2	5.5	-2.0	-7.0	-3.4	4.1	5.6	-2.0
Other Income	2.1	2.4	2.4	2.3	2.9	2.4	2.6	2.9	9.1	10.9
Total Income	**10.1**	**10.4**	**10.6**	**10.5**	**10.8**	**9.9**	**10.5**	**11.6**	**41.6**	**42.8**
Operating Expenses	6.7	6.9	7.2	7.4	7.6	7.7	7.9	8.2	28.3	31.5
Operating Profit	**3.4**	**3.5**	**3.3**	**3.1**	**3.1**	**2.2**	**2.6**	**3.3**	**13.3**	**11.3**
% Change (YoY)	9.1	5.9	-7.6	-16.9	-7.5	-37.8	-20.5	7.4	-3.1	-15.2
Provisions	3.0	3.3	2.4	2.6	6.1	1.8	1.7	1.5	10.9	11.0
Profit before Tax	**0.4**	**0.2**	**0.9**	**0.5**	**-3.0**	**0.4**	**1.0**	**1.9**	**2.4**	**0.3**
Tax	0.1	0.1	0.2	0.1	-0.7	0.1	0.3	0.4	0.9	0.1
Net Profit	**0.3**	**0.1**	**0.7**	**0.4**	**-2.2**	**0.3**	**0.7**	**1.4**	**1.5**	**0.2**
% Change (YoY)	-86.5	-93.5	-67.2	-79.7	-968.7	140.1	12.2	237.4	-81.6	-84.0
Operating Parameters										
Deposits	375	399	407	431	444	452	473	491	431	491
Loans	319	340	354	362	347	365	387	411	362	411
Deposit Growth (%)	35.4	29.2	25.8	19.3	18.3	13.4	16.0	14.0	19.3	14.0
Loan Growth (%)	16.0	18.1	21.1	16.9	8.8	7.3	9.2	13.5	16.9	13.5
Asset Quality										
Gross NPA (%)	2.73	2.95	2.97	2.89	2.92	3.01	3.05	2.70	2.91	2.70
Net NPA (%)	0.83	0.97	0.96	0.98	0.98	1.02	1.02	0.79	1.48	0.79
PCR (%)	70.3	67.7	68.3	66.8	67.0	66.7	67.2	71.3	50.0	71.3

E: MOFSL Estimates

Federal Bank — Buy

CMP: INR193| TP: INR235 (+22%) — **EPS CHANGE (%): 26|27: -1.8|-4.1**

- Expect cost ratios to remain elevated
- Business momentum to be a key monitorable
- Margins decline to be limited
- Asset quality ratios to remain broadly stable

Quarterly Performance — (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**22.9**	**23.7**	**24.3**	**23.8**	**23.4**	**23.1**	**25.0**	**27.3**	**94.7**	**98.8**
% Change (YoY)	19.5	15.1	14.5	8.3	2.0	-2.3	2.8	15.0	14.2	4.4
Other Income	9.2	9.6	9.2	10.1	11.1	11.2	11.3	12.0	38.0	45.6
Total Income	**32.1**	**33.3**	**33.5**	**33.8**	**34.5**	**34.3**	**36.3**	**39.3**	**132.7**	**144.4**
Operating Expenses	17.1	17.7	17.8	19.2	18.9	19.4	19.8	20.8	71.7	79.0
Operating Profit	**15.0**	**15.7**	**15.7**	**14.7**	**15.6**	**14.9**	**16.5**	**18.5**	**61.0**	**65.4**
% Change (YoY)	15.2	18.2	9.2	32.0	3.7	-4.9	5.0	26.3	17.9	7.2
Provisions	1.4	1.6	2.9	1.4	4.0	3.6	3.4	3.2	7.3	14.2
Profit before Tax	**13.6**	**14.1**	**12.8**	**13.3**	**11.6**	**11.3**	**13.1**	**15.3**	**53.7**	**51.2**
Tax	3.5	3.5	3.2	3.0	2.9	2.8	3.3	3.8	13.2	12.8
Net Profit	**10.1**	**10.6**	**9.6**	**10.3**	**8.6**	**8.4**	**9.8**	**11.5**	**40.5**	**38.3**
% Change (YoY)	18.2	10.8	-5.1	13.7	-14.6	-20.2	2.3	11.8	8.9	-5.4
Operating Parameters										
Deposit (INR b)	2,661	2,691	2,664	2,836	2,874	2,943	3,063	3,185	2,836	3,185
Loan (INR b)	2,208	2,303	2,304	2,348	2,412	2,466	2,550	2,658	2,348	2,658
Deposit Growth (%)	19.6	15.6	11.2	12.3	8.0	9.3	15.0	12.3	12.3	12.3
Loan Growth (%)	20.3	19.4	15.7	12.1	9.2	7.1	10.7	13.2	12.1	13.2
Asset Quality										
Gross NPA (%)	2.1	2.1	2.0	1.8	1.9	1.9	1.9	1.8	1.8	1.8
Net NPA (%)	0.6	0.6	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5
PCR (%)	71.9	72.9	75.2	76.2	75.2	75.1	75.0	74.9	73.8	74.9

E: MOFSL Estimates

HDFC Bank — Buy

CMP: INR951 | TP: INR1,150 (+21%) — **EPS CHANGE (%): FY26|27: 0.2|-3.6**

- Expect cost ratios to remain under control
- Asset quality is likely to remain stable
- Expect margins to witness moderation
- Expect CD ratio to reduce; guidance for credit growth a key monitorable

Quarterly Performance

	FY25E				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**298.4**	**301.1**	**306.5**	**320.7**	**314.4**	**308.2**	**326.2**	**356.1**	**1,226.7**	**1,304.8**
% Change (Y-o-Y)	26.4	10.0	7.7	10.3	5.4	2.3	6.4	11.0	13.0	6.4
Other Income	106.7	114.8	114.5	120.3	217.3	124.1	127.7	133.3	456.3	602.3
Total Income	**405.1**	**416.0**	**421.1**	**440.9**	**531.7**	**432.3**	**453.9**	**489.3**	**1,683.0**	**1,907.2**
Operating Expenses	166.2	168.9	171.1	175.6	174.3	178.3	186.4	194.8	681.7	733.8
Operating Profit	**238.8**	**247.1**	**250.0**	**265.4**	**357.3**	**254.0**	**267.5**	**294.5**	**1,001.3**	**1,173.3**
% Change (Y-o-Y)	27.2	8.9	5.7	-9.4	49.6	2.8	7.0	11.0	6.1	17.2
Provisions	26.0	27.0	31.5	31.9	144.4	32.3	36.8	33.4	116.5	246.9
Profit before Tax	**212.8**	**220.1**	**218.5**	**233.4**	**212.9**	**221.6**	**230.7**	**261.2**	**884.8**	**926.4**
Tax	51.1	51.8	51.1	57.3	31.4	54.3	56.1	63.9	211.3	205.7
Net Profit	**161.7**	**168.2**	**167.4**	**176.2**	**181.6**	**167.3**	**174.7**	**197.2**	**673.5**	**720.8**
% Change (Y-o-Y)	35.3	5.3	2.2	6.7	12.2	-0.5	4.4	12.0	10.7	7.0
Operating Parameters										
Deposit	23,791	25,001	25,638	27,147	27,641	28,420	29,765	31,111	27,147	31,111
Loan	24,635	24,951	25,182	26,196	26,284	26,882	27,695	28,737	26,196	28,737
Deposit Growth (%)	24.4	15.1	15.8	14.1	16.2	13.7	16.1	14.6	14.1	14.6
Loan Growth (%)	52.5	7.0	3.0	5.4	6.7	7.7	10.0	9.7	5.4	9.7
Asset Quality										
Gross NPA (%)	1.3	1.4	1.4	1.3	1.4	1.4	1.4	1.4	1.3	1.4
Net NPA (%)	0.4	0.4	0.5	0.4	0.5	0.5	0.4	0.4	0.4	0.4
PCR (%)	71.2	69.9	67.8	67.9	66.9	67.8	68.6	68.9	67.9	68.9

E: MOFSL Estimates

ICICI Bank — Buy

CMP: INR1,348 | TP: INR1,670 (+24%) — **EPS CHANGE (%): FY26|27: -1.0|-2.5**

- Adjusted margin compression expected to remain in low single digit, outperforming most peers
- Asset quality ratios to be robust
- Credit Cost to remain benign, supported by robust asset quality
- Cost ratios to remain under control

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**195.5**	**200.5**	**203.7**	**211.9**	**216.3**	**211.5**	**224.9**	**243.3**	**811.6**	**896.0**
% Change (YoY)	7.3	9.5	9.1	11.0	10.6	5.5	10.4	14.8	9.2	10.4
Other Income	70.0	71.8	70.7	72.6	85.0	78.7	83.0	86.7	285.1	333.5
Total Income	**265.5**	**272.2**	**274.4**	**284.5**	**301.4**	**290.2**	**307.9**	**330.0**	**1,096.7**	**1,229.5**
Operating Expenses	105.3	105.0	105.5	107.9	113.9	116.9	116.9	125.4	423.7	473.1
Operating Profit	**160.2**	**167.2**	**168.9**	**176.6**	**187.5**	**173.3**	**191.1**	**204.6**	**673.0**	**756.4**
% Change (YoY)	13.3	17.5	14.7	17.5	17.0	3.6	13.1	15.8	15.8	12.4
Provisions	13.3	12.3	12.3	8.9	18.1	14.7	17.4	13.8	46.8	64.1
Profit before Tax	**146.9**	**154.9**	**156.6**	**167.7**	**169.3**	**158.6**	**173.7**	**190.8**	**626.2**	**692.3**
Tax	36.3	37.4	38.7	41.4	41.6	39.2	42.9	48.0	153.9	171.7
Net Profit	**110.6**	**117.5**	**117.9**	**126.3**	**127.7**	**119.4**	**130.8**	**142.8**	**472.3**	**520.6**
% Change (YoY)	14.6	14.5	14.8	18.0	15.5	1.7	10.9	13.0	15.5	10.2
Operating Parameters										
Deposit	14,261	14,978	15,203	16,103	16,085	16,506	17,311	18,116	16,103	18,116
Loan	12,232	12,772	13,144	13,418	13,642	14,061	14,628	15,310	13,418	15,310
Deposit Growth (%)	15.1	15.7	14.1	14.0	12.8	10.2	13.9	12.5	14.0	12.5
Loan Growth (%)	15.7	15.0	13.9	13.3	11.5	10.1	11.3	14.1	13.3	14.1
Asset Quality										
Gross NPA (%)	2.2	2.0	2.0	1.7	1.7	1.8	1.7	1.6	1.7	1.6
Net NPA (%)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	80.2	79.0	78.7	76.9	75.9	75.8	75.7	74.0	76.2	74.0

E: MOFSL Estimates

IDFC First Bank — Neutral

CMP: INR70 | TP: INR80 (+15%) — **EPS CHANGE (%): FY26|27: -16.5|-4.4**

- Cost ratios likely to remain elevated
- Business growth to be a key monitorable
- Asset quality ratio to remain broadly stable
- Margins expected to decline

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**46.9**	**47.9**	**49.0**	**49.1**	**49.3**	**50.1**	**54.4**	**59.7**	**192.9**	**213.5**
% Change (Y-o-Y)	25.4	21.2	14.4	9.8	5.1	4.6	11.1	21.6	17.3	10.7
Other Income	16.2	17.3	17.8	19.0	22.3	20.1	20.4	21.5	70.2	84.3
Total Income	**63.1**	**65.2**	**66.8**	**68.0**	**71.6**	**70.1**	**74.8**	**81.2**	**263.1**	**297.8**
Operating Expenses	44.3	45.5	49.2	49.9	49.2	50.8	54.6	56.2	189.0	210.9
Operating Profit	**18.8**	**19.6**	**17.6**	**18.1**	**22.4**	**19.3**	**20.2**	**25.0**	**74.1**	**86.9**
% Change (Y-o-Y)	25.5	29.9	12.6	8.9	19.0	-1.7	14.9	37.8	18.9	17.2
Provisions	9.9	17.3	13.4	14.5	16.6	14.7	13.4	13.1	55.1	57.9
Profit before Tax	**8.9**	**2.3**	**4.2**	**3.6**	**5.8**	**4.6**	**6.8**	**11.8**	**19.0**	**29.0**
Tax	2.1	0.3	0.8	0.6	1.2	1.2	1.7	2.8	3.8	6.8
Net Profit	**6.8**	**2.0**	**3.4**	**3.0**	**4.6**	**3.4**	**5.1**	**9.0**	**15.2**	**22.2**
% Change (Y-o-Y)	-11.0	-73.3	-52.6	-58.0	-32.0	71.5	50.6	197.5	-48.4	45.8
Operating Parameters										
Deposit (INR b)	2,097	2,236	2,369	2,521	2,650	2,755	2,905	3,078	2,521	3,078
Deposit Growth (%)	35.8	30.6	29.8	25.7	26.4	23.2	22.6	22.1	25.7	22.1
Loan (INR b)	2,026	2,151	2,231	2,331	2,437	2,540	2,676	2,853	2,331	2,809
Loan Growth (%)	21.0	20.7	20.3	19.8	20.3	18.1	19.9	22.4	19.8	20.5
Asset Quality										
Gross NPA (%)	1.9	1.9	1.9	1.9	2.0	2.0	1.9	1.8	1.9	1.9
Net NPA (%)	0.6	0.5	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.5
PCR (%)	69.4	75.3	73.6	72.3	72.3	72.2	72.1	72.4	72.3	72.4

E: MOFSL Estimates

IndusInd Bank — Neutral

CMP: INR736 | TP: INR830 (+13%) — **EPS CHANGE (%): FY26|27: -7.8|11.5**

- Expect business growth to remain modest
- Expect margins to remain under pressure
- Expect business growth to revive after 2 quarter of decline
- Credit costs trend will be monitored

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**54.1**	**53.5**	**52.3**	**30.5**	**46.4**	**44.0**	**45.6**	**48.3**	**190.3**	**184.3**
% Change (YoY)	11.1	5.3	-1.3	-43.3	-14.2	-17.8	-12.7	58.6	-7.7	-3.1
Other Income	24.4	21.8	23.6	7.1	21.6	18.9	23.4	24.5	76.9	88.4
Total Income	**78.5**	**75.3**	**75.8**	**37.6**	**68.0**	**62.9**	**69.1**	**72.9**	**267.2**	**272.8**
Operating Expenses	39.0	39.3	39.8	42.5	42.3	43.5	44.1	45.7	160.6	175.6
Operating Profit	**39.5**	**36.0**	**36.0**	**-4.9**	**25.7**	**19.4**	**25.0**	**27.2**	**106.6**	**97.2**
% Change (YoY)	3.1	-7.9	-10.9	-112.0	-35.0	-46.2	-30.6	-653.9	-32.8	-8.8
Provisions	10.5	18.2	17.4	25.2	17.6	15.2	13.6	12.9	71.4	59.3
Profit before Tax	**29.0**	**17.8**	**18.6**	**-30.1**	**8.1**	**4.2**	**11.4**	**14.3**	**35.3**	**37.9**
Tax	7.3	4.5	4.5	-6.8	2.0	1.1	2.9	3.6	9.5	9.5
Net Profit	**21.7**	**13.3**	**14.0**	**-23.3**	**6.0**	**3.1**	**8.5**	**10.7**	**25.8**	**28.4**
% Change (YoY)	2.2	-39.5	-39.1	-199.1	-72.2	-76.5	-39.4	-146.1	-71.3	10.3
Operating Parameters										
Deposit (INR b)	3,985	4,124	4,094	4,109	3,971	4,112	4,201	4,294	4,109	4,294
Loan (INR b)	3,479	3,572	3,669	3,450	3,337	3,452	3,536	3,623	3,450	3,623
Deposit Growth (%)	14.8	14.7	11.0	6.8	-0.3	-0.3	2.6	4.5	6.8	4.5
Loan Growth (%)	15.5	13.2	12.2	0.5	-4.1	-3.4	-3.6	5.0	0.5	5.0
Asset Quality										
Gross NPA (%)	2.0	2.1	2.3	3.1	3.6	3.9	3.8	3.5	3.1	3.5
Net NPA (%)	0.6	0.6	0.7	1.0	1.1	1.3	1.2	1.1	1.0	1.1
PCR (%)	70.6	70.1	70.2	70.2	70.2	68.2	68.5	68.7	69.6	68.7

E: MOFSL Estimates

Indian Bank — Buy

CMP: INR751 | TP: INR800 (+7%) — **EPS CHANGE (%): FY26|27: 3.6|0.6**

- Expect cost ratios to remain broadly under control
- NIMs decline to be limited
- Business growth to be key monitorable
- Expect asset quality ratios to remain stable

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**61.8**	**61.9**	**65.7**	**63.9**	**63.6**	**63.3**	**65.7**	**69.7**	**251.8**	**262.3**
% Change (YoY)	8.3	7.9	13.0	6.2	2.9	2.2	0.0	9.1	8.2	4.2
Other Income	19.1	24.2	25.8	27.4	24.4	25.2	25.8	29.8	92.2	105.1
Total Income	**80.8**	**86.2**	**91.5**	**91.3**	**88.0**	**88.6**	**91.5**	**99.4**	**344.0**	**367.4**
Operating Expenses	35.8	38.9	41.6	41.1	40.3	40.8	41.6	45.2	154.0	167.9
Operating Profit	**45.0**	**47.3**	**49.8**	**50.2**	**47.7**	**47.8**	**49.8**	**54.2**	**190.0**	**199.5**
% Change (YoY)	8.9	9.9	21.6	16.6	6.0	1.0	0.0	8.1	12.8	5.0
Provisions	12.6	11.0	9.6	7.9	6.9	8.5	9.6	10.4	42.1	35.5
Profit before Tax	**32.4**	**36.3**	**40.2**	**42.2**	**40.8**	**39.2**	**40.2**	**43.8**	**147.9**	**164.0**
Tax	8.4	9.2	10.1	12.7	11.1	9.9	10.1	10.3	38.7	41.3
Net Profit	**24.0**	**27.1**	**30.1**	**29.6**	**29.7**	**29.4**	**30.1**	**33.6**	**109.2**	**122.7**
% Change (YoY)	40.6	36.2	41.8	31.6	23.7	8.4	0.0	13.6	35.4	12.4
Operating Parameters										
Deposits (INR b)	6,812	6,931	7,791	7,372	7,443	7,653	7,791	7,998	7,372	7,998
Loans (INR b)	5,208	5,329	6,082	5,711	5,841	5,960	6,082	6,265	5,711	6,265
Deposit Growth (%)	9.6	8.2	19.1	7.1	9.3	10.4	0.0	8.5	7.1	8.5
Loan Growth (%)	14.1	13.2	24.2	10.9	12.1	11.8	0.0	9.7	10.9	9.7
Asset Quality										
Gross NPA (%)	3.8	3.5	3.0	3.1	3.0	3.0	3.0	2.8	4.0	2.8
Net NPA (%)	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.2
PCR (%)	90.0	92.5	94.1	93.9	94.3	94.0	94.1	93.8	89.5	93.8

E: MOFSL Estimates

Kotak Mahindra Bank — Buy

CMP: INR1,994 | TP: INR2,400 (+20%) — **EPS CHANGE (%): FY26|27: 0.4|-1.1**

- Expect cost ratios to remain under control
- Margins to remain under pressure
- Asset quality to remain broadly stable
- Business growth to be healthy; guidance will be a key monitorable

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**68.4**	**70.2**	**72.0**	**72.8**	**72.6**	**73.1**	**75.5**	**80.1**	**283.4**	**301.3**
% Change (Y-o-Y)	9.8	11.5	9.8	5.4	6.1	4.2	4.9	10.0	9.0	6.3
Other Income	29.3	26.8	26.2	31.8	30.8	30.1	31.8	37.5	149.6	130.2
Total Income	**97.7**	**97.0**	**98.2**	**104.7**	**103.4**	**103.2**	**107.2**	**117.6**	**433.0**	**431.5**
Operating Expenses	45.2	46.0	46.4	49.9	47.8	49.9	52.7	58.6	187.8	209.0
Operating Profit	**52.5**	**51.0**	**51.8**	**54.7**	**55.6**	**53.3**	**54.6**	**59.0**	**245.3**	**222.5**
% Change (Y-o-Y)	6.2	10.6	13.5	0.2	5.9	4.5	5.3	7.9	25.2	-9.3
Provisions	5.8	6.6	7.9	9.1	12.1	9.9	8.2	6.2	29.4	36.5
Profit before Tax	**46.8**	**44.4**	**43.9**	**45.6**	**43.6**	**43.3**	**46.3**	**52.8**	**215.8**	**186.0**
Tax	11.6	11.0	10.8	10.1	10.7	10.7	11.4	12.2	51.3	45.0
Net Profit	**35.2**	**33.4**	**33.0**	**35.5**	**32.8**	**32.7**	**34.9**	**40.6**	**164.5**	**141.0**
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.3	5.7	14.2	19.4	-14.3
Exceptional item	27.3				0.0				27.3	0.0
PAT including exceptionals	**62.5**	**33.4**	**33.0**	**35.5**	**32.8**	**32.7**	**34.9**	**40.6**	**164.5**	**141.0**
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.3	5.7	14.2	19.4	-14.3
Deposits (INRb)	4,474	4,615	4,735	4,991	5,128	5,280	5,473	5,679	4,991	5,679
Loans (INRb)	3,900	3,995	4,138	4,269	4,448	4,579	4,755	4,944	4,269	4,944
Deposit growth (%)	15.8	15.1	15.9	11.2	14.6	14.4	15.6	13.8	11.2	13.8
Loan growth (%)	18.7	14.7	15.1	13.5	14.1	14.6	14.9	15.8	13.5	15.8
Asset Quality										
Gross NPA (%)	1.39	1.49	1.50	1.42	1.48	1.43	1.43	1.44	1.42	1.44
Net NPA (%)	0.35	0.43	0.41	0.31	0.34	0.34	0.35	0.36	0.31	0.36
PCR (%)	74.9	71.4	73.2	78.1	76.9	76.2	75.7	75.1	78.1	75.1

E: MOFSL Estimates

Punjab National Bank — Buy

CMP: INR113 | TP: INR130 (+15%) — **EPS CHANGE (%): FY26|27: 4.4|2.1**

- Expect margins to see slight moderation
- Expect asset quality to improve further
- Expect margins to be fairly stable
- Business growth trajectory to remain the key monitorables

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**104.8**	**105.2**	**110.3**	**107.6**	**105.8**	**105.4**	**109.8**	**118.2**	**427.8**	**439.1**
% Change (YoY)	10.2	6.0	7.2	3.8	1.0	0.2	-0.5	9.8	6.7	2.6
Other Income	36.1	45.7	34.1	47.2	52.7	48.9	40.8	51.7	163.1	194.1
Total Income	**140.9**	**150.9**	**144.4**	**154.7**	**158.5**	**154.3**	**150.5**	**169.9**	**590.9**	**633.2**
Operating Expenses	75.0	82.4	78.2	87.0	87.6	84.7	86.0	90.0	322.6	348.4
Operating Profit	**65.8**	**68.5**	**66.2**	**67.8**	**70.8**	**69.6**	**64.5**	**79.9**	**268.3**	**284.8**
% Change (YoY)	10.3	10.2	4.6	5.6	7.6	1.5	-2.6	18.0	7.6	6.2
Provisions	13.1	2.9	-2.9	3.6	3.2	5.8	6.1	8.1	16.7	23.2
Profit before Tax	**52.7**	**65.7**	**69.1**	**64.2**	**67.6**	**63.8**	**58.4**	**71.8**	**251.6**	**261.6**
Tax	20.2	22.6	24.0	18.5	50.8	16.0	14.0	18.6	85.3	99.4
Net Profit	**32.5**	**43.0**	**45.1**	**45.7**	**16.8**	**47.9**	**44.4**	**53.2**	**166.3**	**162.2**
% Change (YoY)	159.0	145.1	102.8	51.7	-48.5	11.2	-1.6	16.5	101.7	-2.5
Operating Parameters										
Deposits	14,082	14,583	15,297	15,666	15,894	16,321	16,905	17,437	15,666	17,437
Loans	9,840	10,196	10,700	10,775	10,920	11,227	11,725	12,132	10,775	12,132
Deposit Growth (%)	8.5	11.3	15.6	14.4	12.9	11.9	10.5	11.3	14.4	11.3
Loan Growth (%)	13.9	14.6	16.8	15.3	11.0	10.1	9.6	12.6	15.3	12.6
Asset Quality										
Gross NPA (%)	5.0	4.5	4.1	4.0	3.8	3.6	3.3	3.1	4.0	3.1
Net NPA (%)	0.6	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.3
PCR (%)	88.4	90.2	90.2	90.3	90.3	90.4	90.5	91.4	90.3	91.4

E: MOFSL Estimates

RBL Bank — Buy

CMP: INR278 | TP: INR290 (4%) — **EPS CHANGE (%): FY26|27: -3.0|-5.3**

- Margin to witness sequential improvement
- Cost ratios likely to remain elevated
- Expect asset quality ratios to remain broadly stable
- Business growth to be monitored

Quarterly Performance (INR b)

INRb	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	17.0	16.1	15.9	15.6	14.8	15.2	16.1	17.7	64.6	63.8
% Change (Y-o-Y)	19.5	9.5	2.5	-2.3	-12.9	-5.9	1.5	13.5	7.0	-1.2
Other Income	8.1	9.3	10.7	10.0	10.7	10.1	10.5	11.2	38.1	42.4
Total Income	**25.1**	**25.4**	**26.6**	**25.6**	**25.5**	**25.2**	**26.6**	**28.9**	**102.7**	**106.3**
Operating Expenses	16.5	16.3	16.6	17.0	18.5	18.4	18.6	18.8	66.4	74.2
Operating Profit	**8.6**	**9.1**	**10.0**	**8.6**	**7.0**	**6.9**	**8.0**	**10.1**	**36.3**	**32.0**
% Change (Y-o-Y)	32.7	24.5	30.2	-2.9	-18.2	-24.4	-19.4	17.3	19.7	-11.7
Provisions	3.7	6.2	11.9	7.9	4.4	4.4	4.5	4.8	28.7	18.1
Profit before Tax	**4.9**	**2.9**	**-1.9**	**0.8**	**2.6**	**2.5**	**3.5**	**5.3**	**7.6**	**13.9**
Tax	1.2	0.7	-2.2	0.1	0.6	0.6	0.9	1.3	0.6	3.4
Net Profit	**3.7**	**2.2**	**0.3**	**0.7**	**2.0**	**1.9**	**2.6**	**4.0**	**7.0**	**10.5**
% Change (Y-o-Y)	29.0	-24.3	-86.0	-80.5	-46.1	-15.4	703.0	480.3	-40.5	50.9
Operating Parameters										
Deposit	1,013.5	1,079.6	1,067.5	1,109.4	1,127.3	1,156.3	1,192.2	1,251.4	1,109.4	1,251.4
Loan	867.0	878.8	904.1	926.2	944.3	971.2	1,005.7	1,051.2	926.2	1,051.2
Deposit Growth (%)	18.4	20.2	15.1	7.2	11.2	7.1	11.7	12.8	7.2	12.8
Loan Growth (%)	18.6	15.1	13.1	10.3	8.9	10.5	11.2	13.5	10.3	13.5
Asset Quality										
Gross NPA (%)	2.7	2.9	2.9	2.6	2.8	2.8	2.8	2.8	2.6	2.8
Net NPA (%)	0.7	0.8	0.5	0.3	0.5	0.5	0.6	0.7	0.3	0.7
PCR (%)	73.1	73.0	82.2	89.0	84.0	82.1	80.5	74.9	89.0	74.9

E: MOFSL Estimates

State Bank of India — Buy

CMP: INR873 | TP: INR1000 (+15%) — **EPS CHANGE (%): 26|27: -2.5|0**

- Expect cost ratios to increase sequentially
- Business growth trajectory to be a key monitorable
- Asset quality expected to improve
- Margin expected to see a single digit moderation

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**411.3**	**416.2**	**414.5**	**427.7**	**410.7**	**405.8**	**431.4**	**464.1**	**1,669.7**	**1,712.1**
% Change (YoY)	5.7	5.4	4.1	2.7	-0.1	-2.5	4.1	8.5	4.4	2.5
Other Income	111.6	152.7	110.4	242.1	173.5	155.2	147.9	186.6	616.8	663.1
Total Income	**522.9**	**568.9**	**524.9**	**669.8**	**584.2**	**560.9**	**579.3**	**650.7**	**2,286.5**	**2,375.1**
Operating Expenses	258.4	276.0	289.4	357.0	278.7	291.5	307.8	373.1	1,180.7	1,251.2
Operating Profit	**264.5**	**292.9**	**235.5**	**312.9**	**305.4**	**269.4**	**271.5**	**277.6**	**1,105.8**	**1,124.0**
% Change (YoY)	4.6	50.9	15.8	8.8	15.5	-8.0	15.3	-11.3	27.5	1.6
Provisions	34.5	45.1	9.1	64.4	47.6	44.9	55.0	39.5	153.1	186.9
Exceptional items (exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before Tax	**230.0**	**247.9**	**226.4**	**248.4**	**257.9**	**224.5**	**216.6**	**238.1**	**952.7**	**937.0**
Tax Provisions	59.6	64.6	57.5	62.0	66.2	57.3	55.2	58.3	243.7	237.1
Net Profit	**170.4**	**183.3**	**168.9**	**186.4**	**191.6**	**167.3**	**161.3**	**179.7**	**709.0**	**700.0**
% Change (YoY)	0.9	27.9	84.3	-9.9	12.5	-8.8	-4.5	-3.6	16.1	-1.3
Adj. Net profit	170.4	183.3	168.9	186.4	191.6	167.3	161.3	179.7	664.6	
Operating Parameters										
Deposits (INR t)	49.0	51.2	52.3	53.8	54.7	55.8	57.4	59.1	53.8	59.1
Loans (INR t)	37.5	38.6	40.0	41.6	42.0	43.0	45.0	46.5	41.6	46.5
Deposit Growth (%)	8.2	9.1	9.8	9.5	11.7	9.1	9.8	9.8	9.5	9.8
Loan Growth (%)	15.9	15.3	13.8	12.4	11.9	11.6	12.3	11.8	12.4	11.8
Asset Quality										
Gross NPA (%)	2.2	2.1	2.1	1.8	1.8	1.8	1.7	1.7	1.8	1.7
Net NPA (%)	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.4
PCR (%)	74.4	75.7	74.7	74.4	74.5	74.7	74.8	75.1	74.2	75.1

E: MOFSL Estimates

Union Bank of India — Neutral

CMP: INR139 | TP: INR155 (+12%) — **EPS CHANGE (%): FY26|27: -2.3|-5.3**

- Expect cost ratios to increase slightly
- Business growth momentum to be the key monitorable
- Margins expected to decline
- Expect improvement in asset quality

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**94.1**	**90.5**	**92.4**	**95.1**	**91.1**	**86.8**	**91.9**	**99.3**	**372.1**	**369.1**
% Change (YoY)	6.5	-0.9	0.8	0.8	-3.2	-4.1	-0.6	4.4	1.8	-0.8
Other Income	45.1	53.3	44.2	55.6	44.9	45.7	45.9	51.7	198.1	188.2
Total Income	**139.2**	**143.8**	**136.6**	**150.7**	**136.0**	**132.5**	**137.8**	**151.0**	**570.3**	**557.3**
Operating Expenses	61.4	62.6	61.7	73.7	66.9	67.7	67.4	74.9	259.4	276.9
Operating Profit	**77.9**	**81.1**	**74.9**	**77.0**	**69.1**	**64.8**	**70.4**	**76.2**	**310.9**	**280.5**
% Change (YoY)	8.4	12.4	2.9	17.9	-11.3	-20.1	-6.1	-1.1	10.2	-9.8
Provisions	27.6	17.1	16.0	15.4	16.6	14.4	16.8	16.5	76.1	64.4
Profit before Tax	**50.3**	**64.0**	**58.9**	**61.6**	**52.4**	**50.4**	**53.6**	**59.6**	**234.8**	**216.0**
Tax	13.5	16.8	12.9	11.7	11.3	15.1	16.1	12.0	54.9	54.4
Net Profit	**36.8**	**47.2**	**46.0**	**49.8**	**41.2**	**35.3**	**37.5**	**47.7**	**179.9**	**161.6**
% Change (YoY)	13.7	34.4	28.2	50.6	11.9	-25.2	-18.6	-4.4	31.8	-10.2
Operating Parameters										
Deposit (INR b)	11,965	12,419	12,166	12,722	12,399	12,815	13,710	14,041	13,097	14,041
Loan (INR b)	8,787	8,971	9,202	9,535	9,461	9,727	10,056	10,336	9,535	10,336
Deposit Growth (%)	6.1	9.2	3.8	4.2	3.6	3.2	12.7	10.4	7.2	7.2
Loan Growth (%)	14.0	11.6	6.7	9.5	7.7	8.4	9.3	8.4	9.5	8.4
Asset Quality										
Gross NPA (%)	4.5	4.4	3.9	3.6	3.5	3.4	3.3	3.2	3.6	3.2
Net NPA (%)	0.9	1.0	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6
PCR (%)	80.9	78.4	79.3	83.1	82.9	82.5	82.3	82.0	82.6	82.0

E: MOFSL Estimates

SBI Cards and Payment Services — Neutral

CMP: INR877 | TP: INR950 (+8%) — **EPS CHANGE (%): FY26|27: 5.5|2.6**

- Cost ratios expected to increase slightly
- Spending growth to increase sequentially
- Asset quality to improve
- Revolver mix/margin outlook are key monitorables

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Interest Income	**14.8**	**15.0**	**15.7**	**16.2**	**16.8**	**17.2**	**17.7**	**18.2**	**58.9**	**69.9**
% Change (Y-o-Y)	19.7	15.8	13.2	14.5	13.8	14.4	12.5	12.3	14.4	18.6
Other Income	22.4	22.7	23.7	24.2	25.4	26.2	26.4	26.3	95.7	104.4
Total Income	**37.2**	**37.7**	**39.4**	**40.4**	**42.2**	**43.4**	**44.1**	**44.5**	**154.6**	**174.2**
Operating Expenses	18.2	20.1	21.1	20.7	21.2	22.5	22.5	22.0	80.1	88.3
Operating Profit	**19.0**	**17.6**	**18.3**	**19.6**	**21.0**	**20.9**	**21.5**	**22.5**	**74.5**	**86.0**
% Change (Y-o-Y)	25.4	13.3	13.0	7.2	10.5	19.0	17.7	14.6	14.3	15.4
Provisions	11.0	12.1	13.1	12.5	13.5	12.8	12.0	11.7	48.7	50.0
Profit before Tax	**8.0**	**5.5**	**5.2**	**7.2**	**7.5**	**8.1**	**9.5**	**10.8**	**25.8**	**35.9**
Tax	2.0	1.4	1.3	1.8	1.9	2.1	2.4	2.8	6.6	9.2
Net Profit	**5.9**	**4.0**	**3.8**	**5.3**	**5.6**	**6.0**	**7.1**	**8.0**	**19.2**	**26.7**
% Change (Y-o-Y)	0.2	-32.9	-30.2	-19.4	-6.5	49.5	85.2	49.8	-20.4	39.4
Operating Parameters										
Loan (INRb)	508.1	536.0	528.1	539.3	546.3	579.5	589.8	604.1	539.3	604.1
Loan Growth (%)	21.5	23.0	12.0	9.9	7.5	8.1	11.7	12.0	9.9	12.0
Borrowings (INRb)	408.7	432.2	439.1	449.5	461.8	474.9	481.5	490.5	449.5	490.5
Borrowing Growth (%)	24.0	26.8	15.5	12.7	13.0	9.9	9.7	9.1	12.7	9.1
Asset Quality										
Gross NPA (%)	3.1	3.3	3.2	3.1	3.1	3.0	3.0	3.0	3.1	3.0
Net NPA (%)	1.1	1.2	1.2	1.5	1.4	1.3	1.3	1.3	1.4	1.3
PCR (%)	64.4	64.4	64.4	53.5	54.3	56.4	57.0	57.6	53.5	57.6

E: MOFSL Estimates

Paytm — Neutral

CMP: INR 1,123 | TP: INR1,025 (-9%) — **Revenue from Ops. CHANGE (%): FY26|27: -1.1|-0.9**

- Expect profitability to continue in 2QFY26
- Expect GMV to increase sequentially
- Expect total revenue growth to improve
- EBITDA guidance to be a key monitorable

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Payment Services to Consumers	0.8	0.9	0.9	1.0	1.0	1.4	1.5	1.9	3.6	5.8
Payment Services to Merchants	8.0	8.6	9.1	9.5	9.5	9.7	10.5	10.8	35.2	40.6
Financial Services and Others	2.8	3.8	5.0	5.5	5.6	6.2	6.2	6.4	17.0	24.5
Payment and Financial Services	**11.6**	**13.2**	**15.1**	**15.9**	**16.1**	**17.3**	**18.3**	**19.1**	**55.8**	**70.8**
% Change (Y-o-Y)	-39.3	-36.2	-34.2	-14.4	37.9	31.1	21.5	20.3	-31.3	26.8
Commerce and Cloud Services	**3.2**	**3.0**	**2.7**	**2.7**	**2.5**	**2.3**	**2.6**	**2.7**	**11.6**	**10.1**
Revenue from Operations	**15.0**	**16.6**	**18.3**	**19.1**	**19.2**	**20.1**	**21.4**	**22.1**	**69.0**	**82.8**
% Change (Y-o-Y)	-35.9	-34.1	-35.9	-15.7	27.7	21.2	17.2	15.5	-30.9	20.0
Direct Expenses	7.5	7.7	8.7	8.4	7.7	8.3	8.8	8.9	32.2	33.6
Contribution Profit	**7.5**	**8.9**	**9.6**	**10.7**	**11.5**	**11.8**	**12.6**	**13.2**	**36.8**	**49.2**
% Change (Y-o-Y)	-42.1	-37.3	-36.9	-16.7	52.5	32.0	31.8	23.3	-33.6	33.8
Indirect Expenses	13.0	10.8	10.0	9.9	10.5	10.5	11.1	11.2	43.7	43.3
Adjusted EBITDA	**-5.5**	**-1.9**	**-0.4**	**0.8**	**1.0**	**1.3**	**1.5**	**2.1**	**-6.9**	**5.9**
EBITDA	**-7.9**	**-4.0**	**-2.2**	**-0.9**	**0.7**	**0.8**	**1.0**	**1.3**	**-15.1**	**3.8**
PAT	**-8.4**	**-4.2**	**-2.1**	**-0.2**	**1.4**	**1.3**	**1.5**	**2.1**	**-6.7**	**6.4**
% Change (Y-o-Y)	134.7	45.5	-5.5	-96.1	-116.6	-132.3	-171.9	-1,086.7	-52.9	-195.8
Adj. PAT	**-8.4**	**9.3**	**-2.1**	**-5.4**	**1.2**	**1.3**	**1.5**	**2.1**		
Profitability										
Contribution Margin (%)	50.3	53.9	52.5	56.1	60.1	58.7	59.0	59.9	53.3	59.4
Adjusted EBITDA Margin (%)	-36.4	-11.2	-2.2	4.2	5.3	6.5	7.0	9.4	-10.0	7.1
EBITDA Margin (%)	-52.8	-24.3	-12.2	-4.6	3.7	3.8	4.5	5.8	-21.9	4.5

E: MOFSL Estimates

Financials - NBFCs

Company
Aavas Financiers
Bajaj Finance
Bajaj Housing
Can Fin Homes
Chola Inv. & Fin.
CreditAccess Grameen
Five Star Business Finance
Fusion Microfinance
HomeFirst
HDB Financial
IIFL Finance
L&T Finance Holdings
LIC Housing Finance
M&M Financial Services
Manappuram Finance
MAS Financial Services
Muthoot Finance
PNB Housing Finance
Poonawalla Fincorp
Power finance Corporation
Repco Home Finance
Rural Electrification Corporation
Shriram Finance
Spandana Sphoorty

Demand trends soft, except in gold; asset quality stays weak

Trends after GST rate cut a key monitorable; expect NIM expansion for VFs and AHFCs

- **Demand momentum remained soft:** In 2QFY26E, we expect ~12% YoY growth in AUM for our coverage HFCs, including affordable and large HFCs. Vehicle financers (VFs) are projected to report ~17% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~29% YoY growth (primarily driven by ~44% YoY growth by MUTH). NBFC-MFIs are estimated to post a decline of ~20% YoY in AUM, while diversified lenders are expected to deliver ~24% YoY growth in AUM. For our NBFC coverage universe, we estimate loan growth of ~16% YoY/~4% QoQ as of Sep'25. During the quarter, loan growth trends were mixed across segments: (1) Gold financiers saw another quarter of strong loan growth; (2) MFIs witnessed a decline in AUM, though disbursements have gradually started picking up now; (3) VFs are expected to report weak growth, impacted by the "Pitru Paksha" period and deferment of auto sales ahead of GST rate cuts, effective from 22nd Sep; and (4) HFCs' growth in Prime segment will remain subdued, weighed down by heightened competition from banks.
- **CoF trending down and likely to decline further in 2H; NIM expansion for VFs and AHFCs:** Borrowing costs for most NBFCs have begun to trend down even as a higher impact from the transmission in the MCLR-linked bank borrowings will take effect in 2H. A steady reduction in CoB is anticipated in 2HFY26, driven by repricing of MCLR-linked loans as banks lower their MCLR. NIM trends for NBFCs are expected to be mixed this quarter, varying across sub-segments. Large HFCs and gold financiers are likely to witness margin compression due to heightened competitive intensity, while affordable HFCs and VFs will see NIM expansion, aided by segment-specific dynamics.
- **Asset quality deterioration in vehicle finance; stress in unsecured MSME and micro-LAP persists:** Stress persisted in the unsecured MSME and micro-LAP segments, with credit costs expected to edge higher. VFs will continue to see asset quality deterioration, largely driven by monsoon-related disruptions that weighed on fleet utilization. For MFIs, credit costs are likely to moderate sequentially, having peaked in 4QFY25; however, they are expected to remain elevated and will approach normalization only in the latter half of FY26. HFCs, including affordable HFCs, reported broadly stable asset quality, while power financiers also maintained stability with no material resolutions or incremental slippages during the quarter.
- **Earnings growth of ~18% YoY/5% QoQ for our coverage universe (ex-PFL):** We estimate ~14% YoY growth each in NII/PPoP in 2QFY26 for our NBFC coverage universe, and PAT is expected to grow ~18% YoY (excl. Poonawalla). Excluding NBFC-MFI and PFL, we estimate ~14% YoY growth in PAT for our coverage universe. Within the sector, we prefer select affordable HFCs, gold financiers (primarily to play the strong momentum in gold loan growth), and diversified lenders (which have navigated the unsecured credit cycle and are now looking to grow their unsecured loan book again). Our top picks in the sector are SHFL, LTFH, and HomeFirst.

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HFCs: Competition intensifies in Prime; no spillover of micro LAP stress into AHFCs

- Large HFCs are facing heightened competition as banks have turned more aggressive in the past 2-3 months, offering home loans at significantly lower rates. Given their inability to match these rates without compromising yields, many NBFCs are opting to forgo such business. As a result, large HFCs (except BHFL) are expected to report NIM compression, driven by pressure on yields amid intensifying competition in the prime segment.
- Disbursement trends for AHFCs have seen limited sequential improvement (barring Aavas due to lower base). For AHFCs, minor weakness in disbursements (relative to earlier expectations) was attributed to monsoon-related disruptions and caution exercised by AHFCs in pockets impacted by US tariffs. Despite a ~1pp repo rate cut by the RBI, most AHFCs have not reduced their PLR. As a result, AHFCs are likely to see expansion in spreads and NIM, supported by broadly stable yields and benefits in their borrowing costs.
- While there would be a minor seasonal uptick in the 1+dpd for AHFCs, there is no spillover from the micro-LAP segment into affordable housing loans. Consequently, credit costs are expected to remain benign (but still relatively elevated).
- For LICHF, we expect credit costs at ~17bp (vs. ~25bp in 1QFY26). Margins are expected to decline ~15bp QoQ. We expect LICHF to report ~7% YoY growth in loans. BHFL reported AUM growth of 24% YoY. We expect margins for BHFL to remain broadly stable QoQ.
- We forecast HomeFirst to report ~10% YoY growth in disbursements, leading to healthy AUM growth of ~27% YoY. We expect NIMs to expand ~10bp QoQ for HomeFirst. Asset quality is expected to remain stable for both HomeFirst and Aavas. We expect disbursements and loan growth of 21% and 17% YoY, respectively, for Aavas.
- We estimate PNBHF to deliver ~16% YoY growth in total loan book as of Sep'25. For PNBHF, we expect NIM to contract ~5bp QoQ. Asset quality improvement and recoveries from the written-off pool in both Retail/Corporate could again result in provision write-backs (like in the prior quarters).

MSME: Stress persists in small-ticket LAP; muted disbursements

- For Five Star, loan growth and disbursements remain subdued, as the company has consciously chosen to adopt a cautious stance amid ongoing asset quality and collection trends. We expect disbursements to decline 5% YoY, translating into ~18% YoY growth in AUM. We expect the broad-based increase in 1+dpd and further deterioration in GS3 to result in credit costs rising to ~1.4% from ~1.3% in 1QFY26.
- We believe that weakening asset quality in the micro-LAP segment appears to stem from stress initially seen in unsecured small-ticket loans, now gradually spilling into the small-ticket secured space. We believe the credit cycle in micro-LAP (particularly in loans below INR500k) is lagging the MFI credit cycle by 6-9 months.

Vehicle finance: Muted disbursement growth; weakness in asset quality due to early and extended monsoons

- MMFS reported disbursements of ~INR135b in 2QFY26 (up ~3% YoY), leading to ~13% YoY growth in business assets. We expect credit costs for MMFS to be at ~2.5% in 2QFY26 (vs. 2.2% in 1QFY26).
- For CIFC/SHTF, we expect disbursement growth of 1%/13% YoY, which should translate into ~21%/16% YoY growth in AUM for CIFC/SHTF as of Sep'25.
- Disbursements for VFs were impacted by the "Pitru Paksha" inauspicious period and deferment of auto sales ahead of GST rate cuts, which became effective from 22nd Sep. However, volumes have picked up after the effective date, driven by pent-up demand and GST rate cuts coinciding with Navratri. The key monitorable, however, is whether this momentum will sustain over the medium term or fizzle out within the next 3-4 months.
- We estimate NIM expansion for VFs to be driven by a decline in CoB and a fixed-rate vehicle finance book. However, asset quality pressures persisted during the quarter, primarily due to early and extended monsoons, leading to asset quality deterioration and likely translating into sequentially higher credit costs.

Gold finance: Strong growth in gold loans; competitive pressures intensify

- We expect gold loan financiers to deliver robust growth in 2QFY26, although the pace may moderate from the exceptionally strong 1Q. While we expect MGFL's standalone entity to have delivered gold loan growth of ~28% YoY, the drag from its MFI and CV businesses would keep consol. loan growth muted during the quarter. For MUTH, we expect gold loan growth of ~44% YoY.
- Gold financiers are likely to witness margin compression in 2Q, driven by a moderation in lending yields. MGFL has been targeting higher-ticket gold loans and has cut its gold loan rates in line with its stated strategy. We expect margins to contract ~50bp YoY for MUTH and ~60bp QoQ for MGFL.
- While credit costs peaked about two quarters ago for both Asirvad and Belstar, they are expected to remain high in 2QFY26, with normalization likely only in FY27.

MFIs: Muted AUM growth with slight uptick in disbursements; Industry poised for revival in 2HFY26

- Disbursements saw a slight uptick but remain muted overall, with subdued loan growth, as companies focused on resolution of residual stress. We expect the loan book to decline for Fusion and Spandana, while CREDAG's GLP is likely to remain largely flat QoQ. AUM growth is expected to remain flat QoQ for CREDAG and decline by ~5%/12% QoQ for Fusion/Spandana in 2QFY26.
- While the flow rates are still decreasing, the improvement has become less pronounced in Jul-Aug'25, indicating a potential plateau or a "status quo" situation compared to the sharper reductions seen before Jun'25.
- We expect credit costs to remain elevated in 2QFY26, mainly contributed by write-offs that had slipped over the last 6-9 months. We estimate *annualized* credit costs of ~8%/~6%/27% for CREDAG/Fusion/Spandana in this quarter.
- MFI sector is emerging out of a stress cycle, with signs of normalization visible in collection efficiencies, flow rates, and PAR trends. Profitability in the quarter will remain weighed down by muted AUM growth, high-cost ratios, and elevated

credit costs. However, we expect earnings to exhibit a strong recovery from 4QFY26/FY27 onward.

Diversified financiers: Stress in unsecured MSME persists; credit costs to remain relatively elevated

- BAF is expected to report AUM growth of ~23% YoY/4.5% QoQ. We estimate margins to remain broadly stable QoQ for BAF, with credit costs at ~204bp (vs. 202bp QoQ).
- For HDBFIN, we expect disbursements to decline ~1% YoY and expect loan growth of 13% YoY. We expect NIM to expand ~5bp QoQ. Credit cost is likely to remain elevated at 2.6% (compared to 2.5% in 1QFY26).
- LTFH reported ~17% YoY/5% QoQ growth in retail loans. Since the company is not growing its wholesale segments (such as real estate and infrastructure), we expect consolidated loan book to grow by ~4% QoQ in 2QFY26. We expect credit costs to rise ~15bp QoQ to 2.7%.
- Poonawalla is expected to report AUM growth of ~63% YoY/12% QoQ, with total AUM of INR463b. We expect credit costs to decline ~45bp QoQ to ~2.2% (vs. 2.65% in 1QFY26).
- For IIFL Finance, we expect strong growth in gold loan AUM to sustain in 2QFY26 despite healthy gold loan growth in 1Q. While we expect a sequential decline in its MFI AUM, IIFL would deliver ~8% QoQ growth in its consolidated AUM. We estimate PAT (post MI) of ~INR3b in 2Q (vs. INR2.3b in 1QFY26).

Power Financiers: Muted loan growth; asset quality to remain broadly stable

- Disbursements among power financiers showed mixed trends. REC is expected to report healthy disbursement growth of around 20% YoY, whereas PFC is likely to see muted disbursement. Asset quality is expected to remain stable or improve, as there were no major resolutions or slippages during the quarter. PFC, however, would report TRN Energy as restructured (already reported by REC in 1Q) and benefit from provision write-backs in 2Q.
- For PFC, we expect disbursements to decline 5% YoY, leading to loan book growth of ~15% YoY/2.8% QoQ. For REC, we expect disbursement growth of ~20% YoY, which could result in loan book growth of ~10% YoY/3% QoQ.

Exhibit 1: Quarterly performance

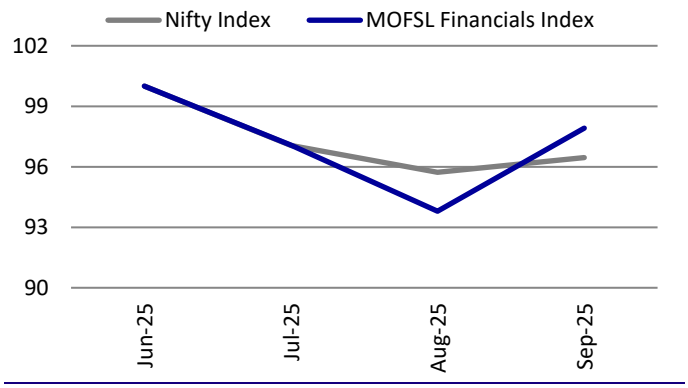
Name	CMP (INR)	Rating	NII (INR m)			PPOP (INR m)			NET PROFIT (INR m)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
AAVAS Financiers	1640	Neutral	2,831	17.1	2.0	2,049	5.2	7.6	1,524	3.0	9.4
Bajaj Finance	988	Neutral	1,07,528	21.7	5.1	88,534	21.2	4.3	48,881	21.8	2.6
Bajaj Housing	112	Neutral	9,369	31.3	5.7	8,486	19.1	6.3	6,218	14.0	6.6
Can Fin Homes	784	Neutral	3,760	10.7	3.6	3,180	10.5	4.6	2,386	12.8	6.6
Chola. Inv & Fin.	1606	Buy	33,313	22.8	4.6	24,462	27.3	1.4	11,324	17.6	-0.3
CreditAccess	1401	Buy	9,264	-0.7	2.3	6,713	-0.1	2.8	912	-51.0	51.6
Five-Star Business	535	Buy	6,036	16.9	4.5	4,300	13.2	6.8	2,837	5.9	6.5
Fusion Finance	193	Buy	2,664	-33.2	-2.4	1,003	-64.7	15.8	7	LP	LP
HDB Financial	770	Neutral	21,531	17.5	2.9	14,543	18.2	3.7	5,671	-4.0	-0.1
Home First Fin.	1235	Buy	2,095	33.8	8.0	1,797	42.5	6.8	1,291	39.9	8.5
IIFL Finance	452	Buy	13,720	2.4	6.0	9,199	7.8	5.9	2,961	LP	26.9
L&T Finance	259	Buy	23,697	8.8	4.0	16,716	5.1	6.1	7,246	4.0	3.4
LIC Housing Fin	577	Neutral	19,926	0.9	-3.5	17,885	2.7	-5.5	13,228	-0.5	-2.7
M & M Financial	273	Buy	21,123	16.7	5.0	14,436	20.7	6.7	5,024	36.0	-5.1
Manappuram Finance	287	Neutral	13,458	-17.7	-2.5	6,443	-37.6	-2.5	1,940	-66.1	46.4
MAS Financial	304	Buy	2,447	27.8	3.0	1,587	23.6	2.5	863	12.6	2.8
Muthoot Finance	3144	Neutral	34,433	36.7	-0.9	26,790	39.9	-3.9	19,085	52.5	-6.7
PFC	411	Buy	52,189	18.4	-4.6	63,259	18.7	30.9	53,512	22.4	18.9
PNB Housing	882	Buy	7,556	14.2	1.3	6,449	15.3	2.1	5,434	15.7	1.9
Poonawalla Fincorp	502	Buy	6,786	21.4	6.2	3,282	15.6	1.1	744	LP	18.8
REC	378	Buy	56,829	14.4	2.1	57,021	16.5	13.4	44,253	10.5	-0.6
Repco Home Fin	364	Neutral	1,843	11.3	1.5	1,470	7.5	2.4	1,089	-3.2	0.9
Shriram Finance	649	Buy	60,497	10.7	4.8	44,096	10.7	5.2	21,903	5.8	1.6
Spandana Sphoorty	254	Neutral	1,066	-69.4	-18.0	-565	PL	Loss	-2,419	Loss	Loss
NBFC – Lending (ex-Poonawalla)			**5,07,176**	**14.4**	**2.3**	**4,19,852**	**14.4**	**7.7**	**2,55,169**	**17.8**	**5.2**

Note: We have excluded Poonawalla for calculating NBFC coverage universe PAT as Poonawalla had huge losses in 2QFY25 due to one-time provisioning in STPL book.

Exhibit 2: Comparative valuations

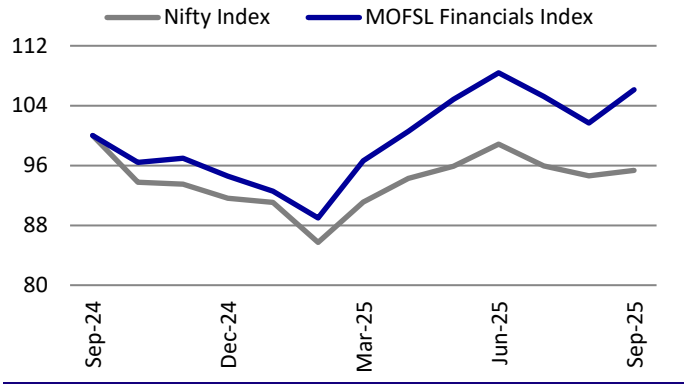
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
NBFC - Lending						**16.3**	**13.5**	**11.0**	**2.4**	**2.1**	**1.8**	**15.0**	**15.7**	**16.6**
AAVAS Financiers	1,640	Neutral	80.3	97.6	117.4	20.4	16.8	14.0	2.6	2.3	1.9	13.6	14.4	14.9
Aditya Birla Cap	300	Buy	15.0	19.1	24.7	19.9	15.7	12.1	2.3	2.1	1.8	12.2	13.9	15.9
Bajaj Finance	988	Neutral	32.8	42.3	53.6	30.1	23.3	18.4	5.4	4.5	3.7	19.3	21.0	22.1
Bajaj Housing	112	Neutral	3.1	3.8	4.7	36.1	29.4	23.9	4.1	3.6	3.1	12.1	13.1	14.1
Can Fin Homes	784	Neutral	72.2	79.0	91.9	10.9	9.9	8.5	1.8	1.6	1.3	17.6	16.7	16.9
Chola. Inv & Fin.	1,606	Buy	61.3	79.0	97.5	26.2	20.3	16.5	4.5	3.7	3.0	19.4	19.9	20.2
CreditAccess	1,401	Buy	52.9	106.0	131.3	26.5	13.2	10.7	2.9	2.4	1.9	11.4	19.6	19.9
Five-Star Business	535	Buy	39.1	43.9	54.6	13.7	12.2	9.8	2.1	1.8	1.5	16.8	16.1	17.1
Fusion Finance	193	Buy	0.6	19.9	27.2	346.0	9.7	7.1	1.5	1.1	1.0	0.4	13.4	14.7
HDB Financial	770	Neutral	31.3	41.2	52.4	24.6	18.7	14.7	3.1	2.6	2.2	14.1	15.1	16.4
Home First Fin.	1,235	Buy	51.3	64.4	77.8	24.1	19.2	15.9	3.0	2.6	2.3	15.6	14.5	15.3
IIFL Finance	452	Buy	38.8	55.3	72.5	11.7	8.2	6.2	1.4	1.2	1.0	12.5	15.7	17.6
Indostar Capital	252	Buy	46.6	18.0	26.9	5.4	14.0	9.4	0.9	0.9	0.8	19.3	6.4	8.9
L&T Finance	259	Buy	12.0	16.1	20.3	21.5	16.0	12.7	2.3	2.1	1.8	11.2	13.6	15.3
LIC Housing Fin	577	Neutral	97.4	105.6	114.2	5.9	5.5	5.1	0.8	0.7	0.6	14.0	13.6	13.2
M & M Financial	273	Buy	18.4	23.3	27.3	14.8	11.7	10.0	1.5	1.4	1.3	11.5	12.6	13.4
Manappuram Finance	287	Neutral	10.4	18.8	24.7	27.4	15.2	11.6	1.7	1.6	1.4	6.9	11.1	12.7
MAS Financial	304	Buy	20.1	25.9	30.4	15.2	11.7	10.0	1.9	1.7	1.5	13.5	15.2	15.5
Muthoot Finance	3,144	Neutral	195.5	221.5	250.0	16.1	14.2	12.6	3.6	3.0	2.5	24.7	23.0	21.6
PFC	411	Buy	59.4	61.1	69.7	6.9	6.7	5.9	1.3	1.1	1.0	20.0	18.1	18.2
Piramal Enterprises	1,125	Neutral	63.7	105.4	169.1	17.7	10.7	6.7	0.9	0.8	0.8	5.2	8.1	11.9
PNB Housing	882	Buy	87.5	98.3	119.4	10.1	9.0	7.4	1.2	1.1	0.9	12.7	12.7	13.7
Poonawalla Fincorp	502	Buy	9.6	22.4	31.6	52.4	22.4	15.9	3.9	3.4	2.8	8.3	16.1	19.3
REC	378	Buy	68.4	72.9	90.7	5.5	5.2	4.2	1.1	0.9	0.8	21.4	19.6	21.0
Repco Home Fin	364	Neutral	69.9	73.6	84.4	5.2	4.9	4.3	0.6	0.5	0.5	12.4	11.7	12.0
Shriram Finance	649	Buy	49.4	59.9	71.3	13.1	10.8	9.1	1.9	1.7	1.4	15.4	16.4	17.1
Spandana Sphoorty	254	Neutral	-83.1	30.1	48.7	-3.1	8.4	5.2	1.0	0.9	0.7	-27.7	11.1	15.1

Exhibit 3: Relative performance — three months (%)



Source: Bloomberg, MOFSL

Exhibit 4: Relative performance — one year (%)



Source: Bloomberg, MOFSL

Exhibit 5: EPS estimate changes for FY26/FY27

	Old Estimates		New Estimates		Change (%)	
Company	**FY26**	**FY27**	**FY26**	**FY27**	**FY26**	**FY27**
AAVAS	82.5	100.5	80.3	97.6	-2.7	-2.9
BAF	33.0	42.4	32.9	42.6	-0.5	0.5
Bajaj Housing	3.0	3.8	3.1	3.8	1.8	-0.1
CANF	71.1	77.5	72.2	79.0	1.5	1.9
CIFC	62.1	78.7	61.3	79.0	-1.2	0.3
CREDAG	52.6	108.3	52.9	106.0	0.4	-2.1
Five Star Business	38.6	46.5	39.1	43.9	1.1	-5.5
FUSION	0.0	20.8	0.6	19.9	-	-4.3
HomeFirst	51.2	64.6	51.7	64.2	0.9	-0.6
HDB Financial	31.8	42.5	31.3	41.2	-1.7	-3.1
IIFL Fin	38.8	55.3	35.6	54.9	-8.4	-0.8
LTFH	12.5	16.5	12.0	16.1	-3.8	-2.3
LICHF	96.7	103.7	97.4	105.6	0.7	1.8
MMFSL	19.1	24.8	18.4	23.3	-3.5	-5.9
MASFIN	20.1	25.9	19.4	25.5	-3.2	-1.5
Muthoot	195.3	213.7	195.5	221.5	0.1	3.7
MGFL	10.7	19.5	10.4	18.8	-2.8	-3.8
PNBHF	88.6	102.1	87.5	98.3	-1.3	-3.8
PFC	59.4	61.1	59.4	61.1	-	-
PFL	9.6	22.4	8.7	22.4	-9.4	-
REC	68.4	72.9	68.4	72.9	-	-
REPCO	69.4	73.1	69.9	73.6	0.8	0.6
SHFL	49.9	59.9	49.4	59.9	-0.8	-
SPANDANA	-83.1	30.1	-83.1	30.1	-	-

Exhibit 6: Margin trends for MOFSL NBFC Coverage Universe (%)

Name of the company	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY (bp)	QoQ (bp)
AAVAS	6.6	6.7	6.9	6.8	6.8	20	-1
BAF	9.7	9.7	9.6	9.5	9.5	-18	-1
Bajaj Housing	3.4	3.5	3.4	3.4	3.3	-8	-6
CANF	3.8	3.7	3.7	3.8	3.8	6	6
CIFC	6.8	6.8	6.8	6.8	6.8	3	5
Credag	14.5	13.8	13.8	13.9	14.2	-32	26
Five Star	19.4	19.5	19.4	19.0	19.0	-37	6
Fusion	15.1	9.1	12.2	14.4	15.3	19	89
HomeFirst	5.2	4.9	5.1	5.2	5.4	22	23
HDB Financial	7.5	7.5	7.6	7.7	7.8	24	5
IIFL Fin	7.8	7.1	7.0	6.4	6.3	-157	-11
LTHF	11.2	10.8	10.0	10.5	10.5	-67	3
LICHF	2.7	2.7	2.9	2.7	2.6	-16	-13
MMFSL	6.6	6.7	6.6	6.7	6.8	17	13
MGFL	14.8	14.4	13.5	12.8	12.3	-249	-58
MASFIN	7.2	7.2	7.6	7.7	7.7	50	-6
Muthoot	11.8	11.9	11.7	12.6	11.3	-50	-129
PNBHF	3.6	3.6	3.7	3.7	3.6	3	-5
PFC	3.6	3.8	4.5	3.9	3.7	10	-26
PFL	8.0	7.8	7.8	7.7	7.7	-29	-5
REC	3.7	3.7	4.3	3.8	3.8	13	-4
REPCO	5.4	5.6	5.3	5.4	5.5	6	11
SFL	9.2	9.0	8.6	8.6	8.7	-44	10
Spandana	14.0	13.1	12.3	10.5	10.7	-324	22

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Aavas Financiers — Neutral

CMP: INR1,640| TP: INR1,800 (+10%) — **EPS CHANGE (%): FY26|27: -2.7|-2.9**

- AUM/disbursements are likely to grow ~17%/21% YoY.
- We expect NIM to remain broadly stable. Upfront assignment income is estimated at ~INR485m.
- Asset quality is expected to remain largely stable, and credit costs are likely to remain benign.
- Commentaries on loan growth and margin trajectory are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	4,797	4,906	5,121	5,353	5,489	5,599	5,816	6,114	20,177	23,019
Interest Expenses	2,352	2,489	2,587	2,647	2,713	2,768	2,837	2,937	10,075	11,256
Net Income	**2,446**	**2,418**	**2,533**	**2,705**	**2,776**	**2,831**	**2,979**	**3,176**	**10,102**	**11,763**
YoY Growth (%)	8	9	15	14	14	17	18	17	11	16
Other income	628	898	859	1,022	790	878	984	1,104	3,407	3,755
Total Income	**3,074**	**3,316**	**3,392**	**3,728**	**3,566**	**3,709**	**3,963**	**4,280**	**13,509**	**15,519**
YoY Growth (%)	10	13	16	15	16	12	17	15	13	15
Operating Expenses	1,379	1,368	1,447	1,719	1,662	1,660	1,774	1,949	5,912	7,045
YoY Growth (%)	3	5	7	20	21	21	23	13	9	19
Operating Profits	**1,695**	**1,948**	**1,945**	**2,009**	**1,904**	**2,049**	**2,189**	**2,331**	**7,597**	**8,473**
YoY Growth (%)	16	19	23	10	12	5	13	16	17.1	11.5
Provisions	86	48	61	76	113	96	99	60	271	367
Profit before Tax	**1,609**	**1,900**	**1,884**	**1,932**	**1,791**	**1,953**	**2,091**	**2,271**	**7,326**	**8,106**
Tax Provisions	348	421	420	395	399	430	460	465	1,585	1,754
Profit after tax	**1,261**	**1,479**	**1,464**	**1,537**	**1,392**	**1,524**	**1,631**	**1,806**	**5,741**	**6,352**
YoY Growth (%)	15	22	26	8	10	3	11	18	17.0	10.6

Bajaj Finance — Neutral

CMP INR988| TP: INR1,090 (+10%) — **EPS CHANGE (%): FY26|27: -0.5|0.5**

- BAF is expected to deliver AUM growth of 23% YoY/ 4.5% QoQ.
- Margin is likely remain stable QoQ at ~9.55%.
- Credit costs are expected to remain broadly stable QoQ at ~2%.
- Commentaries on NIM trajectory and credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	1,40,492	1,49,870	1,57,682	1,63,591	1,71,447	1,79,333	1,88,300	1,98,445	6,11,636	7,37,524
Interest expenses	56,839	61,493	63,856	65,520	69,177	71,806	74,965	78,784	2,47,708	2,94,731
Net Interest Income	**83,653**	**88,377**	**93,826**	**98,072**	**1,02,270**	**1,07,528**	**1,13,335**	**1,19,661**	**3,63,928**	**4,42,793**
YoY Growth (%)	24.5	22.8	22.6	22.4	22.3	21.7	20.8	22.0	23.0	21.7
Other Operating Income	20,531	21,084	22,901	21,096	23,831	23,886	25,307	24,547	85,612	97,571
Net Income	**1,04,185**	**1,09,461**	**1,16,727**	**1,19,168**	**1,26,101**	**1,31,413**	**1,38,642**	**1,44,208**	**4,49,540**	**5,40,363**
YoY Growth (%)	24.1	23.8	25.5	22.7	21.0	20.1	18.8	21.0	24.0	20.2
Operating Expenses	34,709	36,390	38,670	39,493	41,230	42,879	45,023	47,498	1,49,261	1,76,631
Operating Profit	**69,475**	**73,071**	**78,057**	**79,675**	**84,871**	**88,534**	**93,619**	**96,709**	**3,00,279**	**3,63,732**
YoY Growth (%)	25.3	25.2	27.1	24.3	22.2	21.2	19.9	21.4	25.5	21.1
Provisions and Cont.	16,847	19,091	20,433	23,289	21,202	22,568	23,341	22,568	79,660	89,679
Profit before Tax	**52,654**	**54,015**	**57,624**	**56,474**	**63,676**	**65,966**	**70,277**	**74,142**	**2,20,796**	**2,74,054**
Tax Provisions	13,534	13,877	14,572	11,018	16,023	17,085	18,202	18,574	53,002	69,884
Net Profit	**39,120**	**40,137**	**43,052**	**45,456**	**47,653**	**48,881**	**52,075**	**55,568**	**1,67,795**	**2,04,170**
YoY Growth (%)	13.8	13.0	18.3	18.9	21.8	21.8	21.0	22.2	16.0	21.8

Bajaj Housing Finance — Neutral

CMP INR112| TP: INR120 (+7%) — **EPS CHANGE (%): FY26|27: 1.8|-0.1**

- BHFL reported AUM growth of 24% YoY/ 5% QoQ.
- Margin is likely remain broadly stable QoQ at ~3.45%.
- Credit costs are expected to remain benign at 20bp in 2QFY26.
- Commentaries on NIM trajectory and loan growth are the key monitorables.

Quarterly performance

Particulars	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	20,635	22,269	23,220	23,737	24,926	26,023	27,064	28,068	89,862	1,06,080
Interest expense	13,988	15,137	15,159	15,509	16,060	16,654	17,320	17,963	59,793	67,996
Net interest income	**6,648**	**7,133**	**8,060**	**8,228**	**8,866**	**9,369**	**9,744**	**10,105**	**30,069**	**38,083**
Growth YoY (%)	*9.7*	*13.0*	*24.9*	*30.9*	*33.4*	*31.3*	*20.9*	*22.8*	*19.7*	*26.7*
Other operating income	1,452	1,833	1,270	1,343	1,259	1,332	1,489	1,579	5,898	5,659
Net total income	**8,100**	**8,966**	**9,331**	**9,571**	**10,125**	**10,701**	**11,233**	**11,684**	**35,967**	**43,743**
Growth YoY (%)	*15.3*	*17.9*	*25.1*	*33.4*	*25.0*	*19.4*	*20.4*	*22.1*	*23.0*	*21.6*
Operating expenses	1,701	1,840	1,846	2,078	2,145	2,233	2,267	2,155	7,464	8,799
Operating profits	**6,399**	**7,126**	**7,485**	**7,493**	**7,980**	**8,468**	**8,966**	**9,528**	**28,503**	**34,943**
Growth YoY (%)	*20.1*	*20.1*	*30.8*	*43.1*	*24.7*	*18.8*	*19.8*	*27.2*	*28.3*	*22.6*
Provisions	100	50	355	296	411	463	488	670	801	2,032
Profit before tax	**6,299**	**7,076**	**7,130**	**7,198**	**7,569**	**8,005**	**8,478**	**8,858**	**27,702**	**32,911**
Tax expenses	1,473	1,620	1,650	1,331	1,736	1,801	1,908	1,729	6,073	7,175
Net profit	**4,826**	**5,456**	**5,480**	**5,867**	**5,833**	**6,204**	**6,571**	**7,129**	**21,629**	**25,736**
Growth YoY (%)	*4.5*	*20.9*	*25.4*	*53.8*	*20.9*	*13.7*	*19.9*	*21.5*	*24.9*	*19.0*

Can Fin Homes — Neutral

CMP INR784 | TP: INR870 (+11%) — **EPS CHANGE (%): FY26|27: 1.5|1.9**

- Estimate loan book to grow ~9% YoY.
- Spreads are expected to expand ~5bp QoQ to ~3.2%.
- Margin is expected to expand ~5bp QoQ to 3.8%.
- Commentaries on loan growth and outlook on NIM in a declining rate environment are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	9,242	9,553	9,803	9,829	10,111	10,262	10,457	10,732	38,426	41,562
Interest Expenses	6,027	6,155	6,356	6,343	6,483	6,503	6,600	6,712	24,882	26,297
Net Interest Income	**3,214**	**3,398**	**3,447**	**3,485**	**3,628**	**3,760**	**3,857**	**4,020**	**13,544**	**15,265**
YoY Growth (%)	12.7	7.3	4.8	6.3	12.9	10.7	11.9	15.4	7.6	12.7
Other income	70	74	58	168	93	97	70	168	370	429
Total Income	**3,284**	**3,472**	**3,506**	**3,653**	**3,721**	**3,857**	**3,927**	**4,189**	**13,915**	**15,693**
YoY Growth (%)	12.8	7.6	4.4	6.3	13.3	11.1	12.0	14.7	7.6	12.8
Operating Expenses	488	594	593	707	682	677	716	734	2,382	2,809
YoY Growth (%)	12.3	13.3	20.0	-1.7	39.7	14.0	20.8	3.8	9.6	17.9
Operating Profits	**2,796**	**2,878**	**2,913**	**2,946**	**3,039**	**3,180**	**3,211**	**3,455**	**11,532**	**12,885**
YoY Growth (%)	12.9	6.5	1.7	8.4	8.7	10.5	10.2	17.3	7.2	11.7
Provisions	245	137	221	154	263	140	145	110	758	657
Profit before Tax	**2,551**	**2,741**	**2,691**	**2,792**	**2,776**	**3,040**	**3,066**	**3,345**	**10,775**	**12,228**
Tax Provisions	555	626	570	452	538	654	662	763	2,203	2,617
Profit after tax	**1,996**	**2,115**	**2,121**	**2,339**	**2,239**	**2,386**	**2,404**	**2,582**	**8,572**	**9,611**
YoY Growth (%)	8.8	33.8	6.0	11.9	12.1	12.8	13.3	10.4	14.2	12.1

Cholamandalam Inv. & Fin. — Buy

CMP INR1,606 | | TP: INR1,840 (+15%) — **EPS CHANGE (%): FY26|27: -1.2|0.3**

- Estimate business AUM to grow at ~21% YoY.
- Margin is likely to expand ~5bp QoQ to 6.8%.
- Credit costs are expected to remain stable QoQ at ~1.9%.
- Guidance on margins, loan growth, and asset quality of new businesses is expected to be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	53,695	57,680	61,587	64,180	66,501	68,496	71,304	75,240	2,37,200	2,81,541
Interest Expenses	27,957	30,551	32,718	33,623	34,663	35,182	35,921	36,897	1,24,849	1,42,663
Net Interest Income	**25,738**	**27,128**	**28,869**	**30,557**	**31,838**	**33,313**	**35,383**	**38,344**	**1,12,351**	**1,38,878**
YoY Growth (%)	*39.7*	*34.6*	*33.0*	*29.8*	*23.7*	*22.8*	*22.6*	*25.5*	*34.0*	*23.6*
Other Income	4,595	5,248	6,537	7,027	6,807	7,329	8,254	9,091	23,348	31,481
Total Income	**30,333**	**32,376**	**35,406**	**37,584**	**38,645**	**40,643**	**43,637**	**47,434**	**1,35,699**	**1,70,359**
YoY Growth (%)	*42.6*	*36.8*	*37.2*	*29.0*	*27.4*	*25.5*	*23.2*	*26.2*	*35.9*	*25.5*
Operating Expenses	11,834	13,155	14,130	14,269	14,528	16,181	17,380	17,900	53,388	65,989
Operating Profit	**18,499**	**19,221**	**21,276**	**23,315**	**24,117**	**24,462**	**26,257**	**29,534**	**82,311**	**1,04,370**
YoY Growth (%)	*38.1*	*35.3*	*40.4*	*43.2*	*30.4*	*27.3*	*23.4*	*26.7*	*39.4*	*26.8*
Provisions & Loan Losses	5,814	6,235	6,640	6,253	8,821	9,200	8,200	7,222	24,943	33,443
Profit before Tax	**12,685**	**12,986**	**14,636**	**17,062**	**15,296**	**15,262**	**18,057**	**22,312**	**57,369**	**70,927**
Tax Provisions	3,263	3,355	3,771	4,395	3,937	3,938	4,659	5,744	14,783	18,277
Net Profit	**9,422**	**9,631**	**10,865**	**12,667**	**11,359**	**11,324**	**13,398**	**16,568**	**42,585**	**52,650**
YoY Growth (%)	*29.8*	*26.3*	*24.0*	*19.7*	*20.6*	*17.6*	*23.3*	*30.8*	*24.4*	*23.6*

CreditAccess Grameen Ltd. — Buy

CMP INR1,401| | TP: INR1,650 (+18%) — **EPS CHANGE (%): FY26|27: 0.4|-2.1**

- CREDAG is expected to report flat AUM growth QoQ in 2QFY26.
- Margin is likely to expand ~25bp QoQ to 14.2%.
- Credit costs are projected to dip ~45bp QoQ to ~8.4%.
- Guidance on credit costs and GLP growth to be keenly monitored.

CREDAG: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	14,372	14,177	13,376	13,543	13,881	14,047	14,625	15,933	55,468	58,487
Interest Expenses	5,103	4,846	4,749	4,778	4,822	4,783	4,903	5,154	19,476	19,662
Net Interest Income	**9,268**	**9,331**	**8,628**	**8,765**	**9,060**	**9,264**	**9,722**	**10,779**	**35,992**	**38,825**
YoY Growth (%)	*28.7*	*22.2*	*7.5*	*-0.5*	*-2.3*	*-0.7*	*12.7*	*23.0*	*13.6*	*7.9*
Other Income	754	362	443	535	755	780	853	698	2,094	3,087
Total Income	**10,023**	**9,693**	**9,071**	**9,299**	**9,815**	**10,045**	**10,575**	**11,477**	**38,086**	**41,912**
YoY Growth (%)	*27.5*	*17.7*	*6.2*	*-4.8*	*-2.1*	*3.6*	*16.6*	*23.4*	*10.7*	*10.0*
Operating Expenses	2,929	2,972	2,841	2,959	3,285	3,332	3,490	3,801	11,702	13,893
Operating Profit	**7,093**	**6,721**	**6,229**	**6,340**	**6,530**	**6,713**	**7,085**	**7,676**	**26,384**	**28,019**
YoY Growth (%)	*30*	*19*	*4*	*-7*	*-8*	*0*	*14*	*21*	*10*	*6*
Provisions & Loan Losses	1,746	4,202	7,519	5,829	5,719	5,490	3,019	2,533	19,295	16,761
Profit before Tax	**5,347**	**2,520**	**-1,289**	**511**	**811**	**1,223**	**4,066**	**5,143**	**7,089**	**11,258**
Tax Provisions	1,371	659	-294	39	209	311	1,033	1,262	1,775	2,815
Net Profit	**3,977**	**1,861**	**-995**	**472**	**602**	**912**	**3,033**	**3,881**	**5,314**	**8,444**
YoY Growth (%)	*14.1*	*-46.4*	*-128.2*	*-88.1*	*-84.9*	*-51.0*	*-404.8*	*722.2*	*-63.2*	*58.9*

Five Star Business Finance — Buy

CMP INR535| | TP: INR650 (+22%) — **EPS CHANGE (%): FY26|27: 1.1|-5.5**

- Estimate AUM growth of ~18% YoY.
- Margin is likely to expand ~5bp QoQ to 19.05%.
- Credit costs are projected to rise ~7bp QoQ to ~1.4%.
- Outlook on asset quality, guidance on loan growth, and credit costs are expected to be closely monitored.

FIVE STAR BUSINESS: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	6,411	6,793	7,112	7,347	7,647	7,907	8,160	8,528	27,663	32,242
Interest Expenses	1,582	1,631	1,714	1,753	1,873	1,871	1,946	2,086	6,680	7,776
Net Interest Income	**4,829**	**5,161**	**5,399**	**5,594**	**5,774**	**6,036**	**6,214**	**6,443**	**20,983**	**24,466**
YoY Growth (%)	*31.4*	*29.6*	*28.3*	*21.2*	*19.6*	*16.9*	*15.1*	*15.2*	*27.3*	*16.6*
Other Income	283	266	198	250	265	289	283	272	997	1,109
Total Income	**5,112**	**5,427**	**5,597**	**5,844**	**6,039**	**6,324**	**6,497**	**6,715**	**21,980**	**25,575**
YoY Growth (%)	*32.0*	*30.3*	*26.8*	*21.4*	*18.1*	*16.5*	*16.1*	*14.9*	*27.3*	*16.4*
Operating Expenses	1,565	1,627	1,713	1,880	2,012	2,024	2,090	2,205	6,785	8,330
Operating Profit	**3,547**	**3,800**	**3,884**	**3,964**	**4,027**	**4,300**	**4,407**	**4,511**	**15,196**	**17,245**
YoY Growth (%)	*35.9*	*36.9*	*29.4*	*19.2*	*13.5*	*13.2*	*13.4*	*13.8*	*29.7*	*13.5*
Provisions & Loan Losses	185	218	233	254	478	518	467	430	890	1,893
Profit before Tax	**3,362**	**3,582**	**3,651**	**3,711**	**3,550**	**3,782**	**3,940**	**4,080**	**14,306**	**15,352**
Tax Provisions	846	903	913	919	886	946	993	1,029	3,581	3,853
Net Profit	**2,516**	**2,679**	**2,739**	**2,791**	**2,663**	**2,837**	**2,947**	**3,052**	**10,725**	**11,499**
YoY Growth (%)	37	34	26	18	6	6	8	9	*28.3*	*7.2*

Fusion Microfinance — Buy

CMP INR193 | TP: INR240 (+24%) — **EPS CHANGE (%): FY26|27: -|-4.3**

- Estimate AUM to decline ~ 37% YoY/5% QoQ.
- Margin is likely to expand ~90bp QoQ to ~15.3%.
- Annualized credit costs are projected at ~5.7% in 2QFY26.
- Guidance on credit costs, margins, and disbursement trajectory is expected to be closely monitored.

Fusion: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	6,213	6,261	4,382	4,487	4,219	3,974	3,895	3,876	21,342	15,964
Interest Expenses	2,234	2,274	2,137	1,794	1,489	1,310	1,219	1,304	8,439	5,322
Net Interest Income	**3,979**	**3,987**	**2,245**	**2,693**	**2,730**	**2,664**	**2,676**	**2,572**	**12,904**	**10,642**
YoY Growth (%)	*34.6*	*30.4*	*-33.7*	*-25.4*	*-31.4*	*-33.2*	*19.2*	*-4.5*	*-0.8*	*-17.5*
Other Income	854	776	443	273	237	377	474	548	2,347	1,635
Total Income	**4,833**	**4,764**	**2,688**	**2,966**	**2,967**	**3,041**	**3,150**	**3,119**	**15,250**	**12,277**
YoY Growth (%)	*30.9*	*25.3*	*-34.7*	*-35.6*	*-38.6*	*-36.2*	*17.2*	*5.2*	*-6.0*	*-19.5*
Operating Expenses	1,855	1,925	2,041	2,065	2,101	2,038	1,964	1,921	7,886	8,024
Operating Profit	**2,978**	**2,838**	**648**	**901**	**866**	**1,003**	**1,186**	**1,198**	**7,365**	**4,253**
YoY Growth (%)	*26.5*	*17.4*	*-75.1*	*-69.0*	*-70.9*	*-64.7*	*83.2*	*33.0*	*-28.4*	*-42.2*
Provisions & Loan Losses	3,485	6,941	5,723	2,547	1,789	993	774	612	18,695	4,167
Profit before Tax	**-507**	**-4,102**	**-5,075**	**-1,646**	**-923**	**10**	**412**	**587**	**-11,330**	**86**
Tax Provisions	-151	-1,052	2,118	0	0	2	21	-10	915	13
Net Profit	**-356**	**-3,050**	**-7,193**	**-1,646**	**-923**	**7**	**391**	**597**	**-12,245**	**73**
YoY Growth (%)	*-130*	*-343*	*-669*	*-224*	*159*	*-100*	*-105*	*-136*	*-342*	*-100.6*

Home First Finance Company — Buy

CMP INR1,235| TP: INR1,530 (+24%) — **EPS CHANGE (%): FY26|27: 0.9|-0.6**

- Estimate AUM growth of ~27% YoY/6% QoQ.
- Margin is projected to expand ~10bp QoQ in 2QFY26.
- Cost/income ratio is expected to improve ~70bp QoQ to ~33.3%.
- The outlook on margins and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	3,032	3,322	3,558	3,629	3,944	4,104	4,311	4,529	13,540	16,864
Interest expenses	1,568	1,756	1,926	1,903	2,003	2,009	2,035	2,090	7,153	8,137
Net Interest Income	**1,464**	**1,566**	**1,631**	**1,726**	**1,941**	**2,095**	**2,276**	**2,439**	**6,388**	**8,727**
YoY Growth (%)	17.5	18.6	21.4	26.2	32.6	33.8	39.5	41.3	21.0	36.6
Other Income	382	421	517	533	609	600	627	672	1,852	2,508
Net Income	**1,846**	**1,987**	**2,148**	**2,259**	**2,550**	**2,695**	**2,903**	**3,111**	**8,239**	**11,234**
YoY Growth (%)	20.6	23.4	25.8	31.4	38.2	35.7	35.1	37.7	25.5	36.4
Operating Expenses	655	726	752	803	868	898	975	1,032	2,936	3,774
Operating Profit	**1,191**	**1,261**	**1,396**	**1,456**	**1,682**	**1,797**	**1,928**	**2,078**	**5,304**	**7,461**
YoY Growth (%)	21.9	20.7	27.2	28.3	41.2	42.5	38.1	42.7	24.7	40.7
Provisions and Cont.	56	57	98	77	117	110	110	109	288	446
Profit before Tax	**1,135**	**1,204**	**1,298**	**1,379**	**1,565**	**1,687**	**1,818**	**1,969**	**5,016**	**7,015**
Tax Provisions	258	281	324	332	376	396	436	475	1,195	1,684
Net Profit	**878**	**922**	**974**	**1,047**	**1,189**	**1,291**	**1,382**	**1,494**	**3,821**	**5,331**
YoY Growth (%)	27.0	24.1	23.5	25.4	35.5	39.9	41.9	42.7	25.0	39.5

HDB Financial services limited — Neutral

CMP INR770| TP: INR850 (+10%) — **EPS CHANGE (%): FY26|27: -1.8|-3.2**

- Estimate AUM growth of ~13% YoY/2% QoQ.
- Margin is projected to expand ~5bp QoQ in 2QFY26.
- Credit cost is expected to increase ~10bp QoQ to 2.6%
- The outlook on disbursements, loan growth and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	32,646	34,310	35,169	36,233	38,315	39,120	40,176	41,475	1,38,358	1,59,086
Interest Expenses	14,964	15,985	16,448	16,505	17,397	17,588	17,764	17,768	63,902	70,518
Net Interest Income	**17,682**	**18,325**	**18,721**	**19,728**	**20,918**	**21,531**	**22,412**	**23,707**	**74,456**	**88,568**
YoY Growth (%)	*17.8*	*21.2*	*17.1*	*17.3*	*18.3*	*17.5*	*19.7*	*20.2*	*18.3*	*19.0*
Other Income	6,192	5,758	6,267	6,428	6,339	6,371	6,836	7,209	12,478	14,466
Total Income	**23,874**	**24,083**	**24,988**	**26,156**	**27,257**	**27,902**	**29,247**	**30,916**	**86,934**	**1,03,034**
YoY Growth (%)	*3.2*	*2.2*	*6.5*	*14.2*	*14.2*	*15.9*	*17.0*	*18.2*	*18.2*	*18.5*
Operating Expenses	11,912	11,782	12,223	12,776	13,235	13,359	13,817	14,425	37,239	43,127
Operating Profit	**11,962**	**12,301**	**12,765**	**13,380**	**14,022**	**14,543**	**15,430**	**16,491**	**49,695**	**59,907**
YoY Growth (%)	*16.5*	*13.6*	*12.1*	*19.1*	*17.2*	*18.2*	*20.9*	*23.3*	*17.9*	*20.5*
Provisions & Loan Losses	4,125	4,310	6,357	6,338	6,697	7,130	6,268	5,824	21,130	25,919
Profit before Tax	**7,837**	**7,991**	**6,408**	**7,042**	**7,325**	**7,413**	**9,162**	**10,667**	**28,565**	**33,988**
Tax Provisions	2,020	2,081	1,685	1,733	1,648	1,742	2,336	2,916	7,519	8,642
Net Profit	**5,817**	**5,910**	**4,723**	**5,309**	**5,677**	**5,671**	**6,826**	**7,752**	**21,046**	**25,346**
YoY Growth (%)	*2.6*	*-1.6*	*-25.8*	*-19.1*	*-2.4*	*-4.0*	*44.5*	*46.0*	*-8.6*	*20.4*

IIFL Finance — Buy

CMP INR452 | TP: INR550 (+22%) — **EPS CHANGE (%): FY26|27: -8.4|-0.8**

- Estimate consol. AUM growth of ~36% YoY to INR909b.
- Credit costs are expected to rise ~40bp QoQ to ~3.2%.
- Cost ratios are expected to decline to ~47.3%. (PQ: ~48%)
- Outlook on the gold loan business, loan growth, and margins is the key monitorable.

IIFL Finance (Consolidated): Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	24,721	23,181	22,308	24,833	25,835	27,902	30,134	30,642	95,043	1,14,513
Interest Expenses	10,340	9,788	9,957	11,694	12,888	13,584	14,059	16,224	41,695	56,756
Net Interest Income	**14,381**	**13,394**	**12,352**	**13,139**	**12,947**	**14,318**	**16,074**	**14,418**	**53,348**	**57,757**
YoY Growth (%)	*9.7*	*-6.0*	*-21.6*	*-20.2*	*-10.0*	*6.9*	*30.1*	*9.7*	*-10.4*	*8.3*
Other Income	-43	2,467	1,051	810	3,758	3,728	3,500	3,558	4,202	14,543
Total Income	**14,338**	**15,861**	**13,402**	**13,949**	**16,705**	**18,045**	**19,574**	**17,976**	**57,550**	**72,301**
YoY Growth (%)	*-1*	*-2*	*-21*	*-10*	*17*	*14*	*46*	*29*	*-8.5*	*25.6*
Operating Expenses	7,461	7,329	7,478	7,367	8,017	8,248	8,566	9,099	29,634	33,931
Operating Profit	**6,878**	**8,531**	**5,925**	**6,582**	**8,688**	**9,199**	**10,282**	**10,200**	**27,916**	**38,369**
YoY Growth (%)	*-14.9*	*-8.9*	*-38.2*	*-16.6*	*26.3*	*7.8*	*73.5*	*55.0*	*-19.9*	*37.4*
Provisions & Loan Losses	2,516	4,063	4,914	3,487	5,125	4,817	3,613	3,415	14,980	16,969
Profit before Tax	**4,362**	**4,468**	**1,011**	**3,095**	**3,563**	**4,382**	**6,670**	**6,786**	**7,070**	**21,400**
Exceptional items		-5,865				0				
Tax Provisions	980	-466	193	581	821	1,017	1,547	1,313	1,289	4,698
PAT (Pre NCI)	**3,382**	**-931**	**818**	**2,514**	**2,742**	**3,365**	**5,122**	**5,473**	**5,782**	**16,702**
NCI	501	646	410	437	408	404	436	351	1,994	1,600
PAT (Post NCI)	**2,881**	**-1,577**	**408**	**2,077**	**2,334**	**2,961**	**4,686**	**5,122**	**3,788**	**15,102**
YoY Growth (%)	*-32*	*-133*	*-92*	*-44*	*-19*	*-288*	*1,049*	*147*	*-79*	*299*

L&T Finance — Buy

CMP INR259| TP: INR300 (+16%) — **EPS CHANGE (%): FY26|27: -3.8 |-2.3**

- LTF reported retail loan growth of ~17% YoY.
- Anticipate credit costs to rise ~15bp QoQ to ~2.7% (annualized) in 2QFY26.
- NIM is expected remain broadly stable QoQ at ~10.5%.
- Outlook on the MFI business is the key monitorable.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	34,526	36,544	38,064	37,499	39,145	40,300	41,952	43,956	1,46,633	1,65,353
Interest Expenses	13,514	14,763	15,692	15,998	16,357	16,603	17,151	17,945	59,968	68,055
Net Interest Income	**21,012**	**21,781**	**22,371**	**21,501**	**22,788**	**23,697**	**24,801**	**26,011**	**86,665**	**97,297**
Change YoY (%)	19.9	18.1	14.6	8.2	8.4	8.8	10.9	21.0	15.0	12.3
Other Operating Income	3,318	3,649	2,912	2,730	3,451	3,800	4,150	4,564	12,610	15,104
Net Operating Income	**24,330**	**25,431**	**25,283**	**24,231**	**26,238**	**27,497**	**28,951**	**30,575**	**99,275**	**1,12,401**
Change YoY (%)	30.8	34.6	16.0	3.7	7.8	8.1	14.5	26.2	21.0	13.2
Other income	2	47	76	43	0	42	49	101	167	193
Total Income	**24,332**	**25,477**	**25,359**	**24,274**	**26,239**	**27,539**	**29,000**	**30,676**	**99,442**	**1,12,593**
Change YoY (%)	20.9	18.1	13.8	3.6	7.8	8.1	14.4	26.4	14.6	13.2
Operating Expenses	9,656	9,578	10,578	10,034	10,486	10,823	11,424	12,240	39,846	44,973
Change YoY (%)	24.1	11.4	18.9	2.4	8.6	13.0	8.0	22.0	13.6	12.9
Operating Profits	**14,676**	**15,899**	**14,781**	**14,240**	**15,753**	**16,716**	**17,576**	**18,436**	**59,597**	**67,620**
Change YoY (%)	18.9	22.5	10.5	4.6	7.3	5.1	18.9	29.5	15.3	13.5
Provisions	5,453	6,504	6,542	6,185	6,320	7,054	7,092	7,613	24,684	28,079
Profit before Tax	**9,223**	**9,396**	**8,239**	**8,055**	**9,432**	**9,662**	**10,485**	**10,823**	**34,913**	**39,541**
Tax Provisions	2,370	2,429	1,983	1,697	2,424	2,415	2,516	2,253	8,478	9,609
Profit after tax	**6,855**	**6,967**	**6,257**	**6,358**	**7,008**	**7,246**	**7,969**	**8,570**	**26,434**	**29,933**
Change YoY (%)	29	17	-2	15	2	4	27	35	14	13

LIC Housing Finance — Neutral

CMP INR577 | TP: INR640 (+11%) — **EPS CHANGE (%): FY26|27: 0.7|1.8**

- Expect loan growth of ~7% YoY with a fairly stable mix.
- Estimate annualized credit costs of ~20bp in 2QFY26.
- Yields and margins are expected to decline on a sequential basis.
- Commentaries on mortgage demand and guidance on margins and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	67,391	68,534	69,516	71,173	71,131	70,348	70,700	71,698	2,76,615	2,83,876
Interest Expenses	47,501	48,796	49,515	49,508	50,473	50,422	50,674	49,916	1,95,320	2,01,486
Net Interest Income	**19,891**	**19,739**	**20,001**	**21,664**	**20,658**	**19,926**	**20,025**	**21,782**	**81,295**	**82,391**
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	0.9	0.1	0.5	-6.0	1.3
Fees and other income	446	784	1,057	1,661	1,201	1,375	1,480	1,349	3,948	5,405
Net Income	**20,337**	**20,522**	**21,059**	**23,326**	**21,859**	**21,300**	**21,506**	**23,131**	**85,243**	**87,796**
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	3.8	2.1	-0.8	-3.6	3.0
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,416	3,849	4,390	13,826	14,593
Operating Profit	**17,715**	**17,417**	**17,495**	**18,790**	**18,920**	**17,885**	**17,657**	**18,741**	**71,416**	**73,202**
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	2.7	0.9	-0.3	-7.2	2.5
Provisions and Cont.	1,431	773	-440	1,094	1,929	1,350	1,215	841	2,858	5,335
Profit before Tax	**16,285**	**16,644**	**17,934**	**17,696**	**16,992**	**16,535**	**16,441**	**17,900**	**68,558**	**67,867**
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,307	3,453	4,100	14,268	14,252
Net Profit	**13,002**	**13,289**	**14,320**	**13,680**	**13,599**	**13,228**	**12,989**	**13,800**	**54,290**	**53,615**
YoY Growth (%)	-2	12	23	25	5	0	-9	1	14	-1

Mahindra Financial Services — Buy

CMP INR273| TP: INR315 (+16%) — **EPS CHANGE (%): FY26|27: -3.5|-5.9**

- MMFS reported disbursements of ~INR135b, leading to AUM of ~INR1.27t (up 13% YoY/ ~4% QoQ).
- We expect margins to expand ~15bp QoQ to 6.8%.
- Estimate credit costs to remain elevated at ~2.5% in 2QFY26.
- Commentaries on margins, credit costs, and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest income	36,122	37,448	39,572	40,172	41,646	42,604	44,223	45,124	1,53,314	1,73,597
Interest Expenses	18,286	19,343	20,459	20,896	21,524	21,481	22,018	22,454	78,983	87,477
NII	**17,836**	**18,106**	**19,113**	**19,276**	**20,122**	**21,123**	**22,205**	**22,671**	**74,331**	**86,120**
YoY Growth (%)	12.6	14.1	12.5	6.4	12.8	16.7	16.2	17.6	11.2	15.9
Other income	1,480	1,802	1,872	2,279	2,732	2,770	2,590	2,536	7,433	10,627
Net Total Income	**19,316**	**19,908**	**20,985**	**21,555**	**22,853**	**23,892**	**24,794**	**25,207**	**81,764**	**96,747**
YoY Growth (%)	15.3	18.9	15.6	9.4	18.3	20.0	18.2	16.9	14.6	18.3
Operating Expenses	7,970	7,947	8,768	9,427	9,323	9,457	9,645	9,969	34,113	38,394
Operating Profit	**11,345**	**11,961**	**12,217**	**12,128**	**13,530**	**14,436**	**15,150**	**15,238**	**47,651**	**58,353**
YoY Growth (%)	13.5	26.9	15.0	3.4	19.3	20.7	24.0	25.6	14.0	22.5
Provisions	4,482	7,035	91	4,571	6,597	7,683	5,440	4,483	16,179	24,203
Profit before Tax	**6,864**	**4,927**	**12,126**	**7,557**	**6,933**	**6,753**	**9,710**	**10,755**	**31,473**	**34,150**
Tax Provisions	1,734	1,232	3,131	1,925	1,638	1,729	2,486	2,685	8,022	8,538
Net Profit	**5,130**	**3,695**	**8,995**	**5,631**	**5,295**	**5,024**	**7,224**	**8,070**	**23,450**	**25,613**
YoY Growth (%)	45.5	57.1	62.7	-9.0	3.2	36.0	-19.7	43.3	33.3	9.2

Manappuram Finance — Neutral

CMP INR287 | TP: INR320 (+11%) — **EPS CHANGE (%): FY26|27: -2.8|-3.8**

- Expect gold AUM/consolidated AUM to grow ~8%/3% on a sequential basis.
- Expect margin and spreads to contract ~60bp each QoQ in the consolidated loan book.
- Expect credit costs to decline ~170bp QoQ to ~3.4%.
- Commentaries on gold loan growth and asset quality in the MFI and PL segments are the key monitorables.

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	23,861	25,411	25,163	23,062	22,357	22,088	21,912	22,199	97,997	88,555
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,630	8,388	8,282	35,747	33,853
Net Interest Income	**15,378**	**16,354**	**15,909**	**14,446**	**13,804**	**13,458**	**13,523**	**13,916**	**62,250**	**54,702**
YoY Growth (%)	19.4	20.75	9.5	-3.3	-10.2	-17.70	-15.0	-3.7	10.7	-12.1
Other income	1,259	961	464	230	293	388	459	421	2,752	2,918
Net Income	**16,636**	**17,314**	**16,373**	**14,676**	**14,097**	**13,846**	**13,982**	**14,338**	**65,002**	**57,620**
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,403	7,914	8,375	28,718	31,180
Operating Profits	**9,814**	**10,331**	**9,307**	**6,833**	**6,609**	**6,443**	**6,068**	**5,962**	**36,285**	**26,440**
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-37.6	-34.8	-12.7	2.6	-27.1
Provisions	2,286	2,604	5,546	9,192	5,594	3,822	2,654	2,108	19,628	14,178
PBT	**7,528**	**7,727**	**3,761**	**-2,359**	**1,015**	**2,622**	**3,414**	**3,855**	**16,656**	**12,262**
Tax Provisions	1,963	2,006	976	-327	-310	682	922	1,159	4,618	2,452
PAT	**5,565**	**5,721**	**2,785**	**-2,032**	**1,325**	**1,940**	**2,492**	**2,696**	**12,039**	**9,810**
YoY Growth (%)	12	2	-52	-136	-76	-66	-11	-233	-45	-19

MAS Financial — Buy

CMP INR333 | TP: INR400 (+20%) — **EPS CHANGE (%): FY26|27: -3.2|-1.5**

- Standalone AUM is likely to grow ~4% QoQ/~18% YoY. We expect credit costs to remain largely stable QoQ at ~1.4%.
- Margin is expected to contract ~5bp QoQ to ~7.65%.
- Commentary on branch expansions and an increase in the direct business are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	**3,465**	**3,670**	**3,901**	**4,169**	**4,438**	**4,604**	**4,809**	**5,035**	**15,205**	**18,886**
Interest Income	2,952	3,078	3,332	3,535	3,687	3,827	4,000	4,189	12,896	15,703
Gain on assignments	304	375	356	396	430	447	470	513	1,431	1,860
Other operating Income	210	217	213	239	320	329	340	333	877	1,323
Interest expenses	1,714	1,754	1,845	1,910	2,062	2,157	2,286	2,435	7,224	8,940
Total income	**1,751**	**1,916**	**2,056**	**2,259**	**2,376**	**2,447**	**2,523**	**2,600**	**7,981**	**9,947**
Growth Y-o-Y (%)	*27*	*26*	*31*	*34*	*36*	*28*	*23*	*15*	*31*	*25*
Operating Expenses	567	632	673	744	827	860	886	941	2,615	3,515
Operating Profits	**1,183**	**1,284**	**1,383**	**1,516**	**1,549**	**1,587**	**1,637**	**1,659**	**5,366**	**6,432**
Growth Y-o-Y (%)	*25*	*24*	*25*	*35*	*31*	*24*	*18*	*9*	*27*	*20*
Provisions	239	263	332	427	424	437	433	424	1,261	1,718
Profit before tax	**944**	**1,021**	**1,051**	**1,089**	**1,124**	**1,150**	**1,204**	**1,235**	**4,104**	**4,713**
Growth Y-o-Y (%)	*25*	*28*	*24*	*20*	*19*	*13*	*15*	*13*	*24*	*15*
Tax Provisions	240	255	270	281	285	288	301	314	1,045	1,188
Net Profit	**704**	**766**	**781**	**808**	**839**	**863**	**903**	**921**	**3,059**	**3,526**
Growth Y-o-Y (%)	*23*	*28*	*25*	*19*	*19*	*13*	*16*	*14*	*23*	*15*

Muthoot Finance — Neutral

CMP INR 3,144| TP: INR3,100 (-1%) — **EPS CHANGE (%): FY26|27: 0.1|3.7**

- Estimate gold AUM growth of ~44% YoY.
- Margin is likely to contract ~50bp YoY to ~11.3%.
- We expect credit costs of ~30bp in 2QFY26.
- Commentaries on gold loan growth and margin guidance are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	36,560	40,685	43,690	47,836	55,923	57,574	60,174	63,096	1,68,770	2,36,767
Other operating income	478	489	545	708	1,110	685	654	660	2,221	3,109
Total Operating income	**37,038**	**41,174**	**44,235**	**48,544**	**57,033**	**58,259**	**60,828**	**63,756**	**1,70,991**	**2,39,876**
YoY Growth (%)	23.5	34.6	39.6	42.4	54.0	41.5	37.5	31.3	35.3	40.3
Other income	63	88	77	341	167	159	151	184	569	660
Total Income	**37,101**	**41,262**	**44,312**	**48,885**	**57,200**	**58,418**	**60,979**	**63,940**	**1,71,560**	**2,40,536**
YoY Growth (%)	22.6	34.2	39.5	43.0	54.2	41.6	37.6	30.8	35.1	40.2
Interest Expenses	13,511	15,505	16,476	18,797	21,191	23,141	24,136	25,026	64,288	93,494
Net Income	**23,590**	**25,758**	**27,836**	**30,088**	**36,009**	**35,277**	**36,842**	**38,914**	**1,07,271**	**1,47,042**
Operating Expenses	6,437	6,608	7,243	8,610	8,121	8,487	8,996	10,392	28,898	35,995
Operating Profit	**17,153**	**19,150**	**20,593**	**21,478**	**27,887**	**26,790**	**27,847**	**28,522**	**78,373**	**1,11,046**
YoY Growth (%)	22.5	42.7	47.7	42.3	62.6	39.9	35.2	32.8	38.8	41.7
Provisions	2,236	2,070	2,088	1,274	433	1,000	1,800	1,765	7,667	4,997
Profit before Tax	**14,917**	**17,080**	**18,505**	**20,204**	**27,455**	**25,790**	**26,047**	**26,758**	**70,706**	**1,06,049**
Tax Provisions	4,130	4,568	4,874	5,126	6,992	6,705	6,694	7,181	18,698	27,573
Net Profit	**10,787**	**12,511**	**13,631**	**15,078**	**20,463**	**19,085**	**19,353**	**19,576**	**52,008**	**78,476**
YoY Growth (%)	10.6	26.3	32.7	42.7	89.7	52.5	42.0	29.8	28.4	50.9

PNB Housing Finance — Buy

CMP INR882 | TP: INR1,050 (+19%) — **EPS CHANGE (%): FY26|27|: -1.3|-3.8**

- Loan growth is expected to be ~16% YoY.
- Expect provision write-backs from recoveries in both Retail and Corporate written-off pools.
- NIM is expected to contract ~5bp QoQ.
- Commentaries on the asset quality of the retail loan book, NIM, and credit costs are the key monitorables.

Quarterly performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	17,391	17,803	18,484	19,059	19,804	20,239	20,907	21,817	72,737	82,766
Interest Expenses	10,969	11,185	11,579	11,781	12,344	12,683	13,013	13,519	45,514	51,559
Net Interest Income	**6,421**	**6,618**	**6,905**	**7,279**	**7,460**	**7,556**	**7,894**	**8,298**	**27,223**	**31,208**
YoY Growth (%)	3.7	2.52	16.5	16.8	16.2	14.17	14.3	14.0	9.7	14.6
Other income	930	994	947	1,309	1,015	1,137	1,296	1,715	4,179	5,163
Total Income	**7,352**	**7,612**	**7,852**	**8,587**	**8,475**	**8,693**	**9,190**	**10,013**	**31,402**	**36,371**
YoY Growth (%)	11.3	5.4	17.3	15.4	15.3	14.2	17.0	16.6	12.3	15.8
Operating Expenses	1,929	2,020	2,057	2,124	2,158	2,244	2,312	2,479	8,130	9,193
YoY Growth (%)	26.1	18.7	21.0	19.4	11.9	11.1	12.4	16.7	21.2	13.1
Operating Profits	**5,422**	**5,591**	**5,795**	**6,464**	**6,317**	**6,449**	**6,879**	**7,534**	**23,272**	**27,178**
YoY Growth (%)	6.9	1.3	16.0	14.1	16.5	15.3	18.7	16.6	9.5	16.8
Provisions	-120	-456	-361	-648	-562	-545	-464	-396	-1,585	-1,967
Profit before Tax	**5,542**	**6,047**	**6,157**	**7,112**	**6,879**	**6,994**	**7,342**	**7,930**	**24,858**	**29,145**
Tax Provisions	1,214	1,351	1,324	1,608	1,544	1,560	1,615	1,693	5,496	6,412
Profit after tax	**4,328**	**4,697**	**4,833**	**5,504**	**5,335**	**5,434**	**5,727**	**6,237**	**19,361**	**22,733**
YoY Growth (%)	24.6	22.6	42.8	25.3	23.3	15.7	18.5	13.3	28.4	17.4

Power Finance Corporation — Buy

CMP INR411| TP: INR490 (+19%) — **EPS CHANGE (%): FY26|27: -|-**

- AUM likely to grow ~15% YoY; disbursement to fall 5% YoY.
- Expect credit costs to remain benign.
- Expect margins to decline ~25bp QoQ in 2QFY26.
- Commentaries on growth in the loan book, margins, and asset quality/credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
Particulars	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3QE**	**4QE**		
Interest Income	1,18,270	1,19,090	1,24,172	1,37,215	1,37,389	1,35,465	1,36,956	1,41,439	4,98,747	5,51,249
Interest Expenses	74,990	75,007	77,231	78,109	82,697	83,276	84,692	86,633	3,05,380	3,37,298
Net Interest Income	**43,280**	**44,083**	**46,942**	**59,106**	**54,692**	**52,189**	**52,264**	**54,806**	**1,93,367**	**2,13,951**
YoY Gr %	23.5	18.2	12.9	39.5	26.4	18.4	11.3	-7.3	23.7	10.6
Other Income	**3,160**	**14,655**	**5,971**	**11,309**	**2,016**	**15,095**	**6,586**	**13,900**	35,096	**37,597**
Net Operational Income	**46,440**	**58,738**	**52,913**	**70,415**	**56,708**	**67,284**	**58,850**	**68,706**	**2,28,463**	**2,51,548**
YoY Gr %	41.1	19.4	11.5	42.1	22.1	14.5	11.2	-2.4	27.6	10.1
Exchange gain/(loss)	589	-3,100	457	-2,614	-6,546	-2,000	-500	46	-4,668	-9,000
Total Net Income	**47,029**	**55,639**	**53,370**	**67,801**	**50,162**	**65,284**	**58,350**	**68,752**	**2,23,795**	**2,42,548**
YoY Gr %	24.6	15.9	18.0	34.9	6.7	17.3	9.3	1.4	23.5	8.4
Operating Expenses	1,016	2,355	1,832	2,341	1,848	2,025	2,162	2,280	7,500	8,316
Operating Profit	**46,013**	**53,284**	**51,538**	**65,460**	**48,313**	**63,259**	**56,188**	**66,472**	**2,16,295**	**2,34,232**
YoY Gr %	25.3	13.7	16.8	39.8	5.0	18.7	9.0	1.5	23.9	8.3
Provisions	620	-1,241	745	4,447	-6,818	-2,000	1,000	2,558	4,571	-5,261
PBT	**45,393**	**54,525**	**50,793**	**61,013**	**55,132**	**65,259**	**55,188**	**63,915**	**2,11,724**	**2,39,493**
Tax	8,214	10,821	9,244	9,924	10,117	11,747	9,934	11,791	38,202	43,588
Tax Rate %	18.1	19.8	18.2	16.3	18.3	18.0	18.0	18.4	18.0	18.2
PAT	**37,179**	**43,704**	**41,549**	**51,090**	**45,015**	**53,512**	**45,254**	**52,124**	**1,73,522**	**1,95,905**
YoY Gr %	23.6	13.6	23.0	23.5	21.1	22.4	8.9	2.0	20.6	13.1

Poonawalla Fincorp — Buy

CMP INR502 | TP: INR575 (+15%) — **EPS CHANGE (%): FY26|27: -9.4|-**

- PFL expected to report AUM growth of ~63% YoY/12% QoQ.
- Expect cost-to-income ratio to remain elevated at 59.7% in 2QFY26 (PQ: ~57.7% and PY: ~56%).
- Expect credit costs to decline ~45bp QoQ to 2.2%.
- Commentaries on growth in personal loans, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3QE**	**4QE**		
Interest Income	8,962	9,107	9,991	10,685	11,853	13,039	14,734	17,318	38,745	56,944
Interest Expenses	3,201	3,516	3,850	4,584	5,461	6,253	6,815	7,111	15,151	25,640
Net Interest Income	**5,761**	**5,592**	**6,141**	**6,101**	**6,393**	**6,786**	**7,918**	**10,207**	**23,594**	**31,304**
YoY Growth (%)	*36.8*	*17.8*	*25.1*	*8.5*	*11.0*	*21.4*	*28.9*	*67.3*	*21.1*	*32.7*
Other Income	997	858	581	1,048	1,287	1,351	1,378	1,607	3,346	5,623
Total Income	**6,758**	**6,449**	**6,722**	**7,149**	**7,679**	**8,137**	**9,296**	**11,814**	**26,940**	**36,927**
YoY Growth (%)	*35.1*	*22.0*	*22.2*	*11.6*	*20.4*	*26.2*	*38.3*	*65.3*	*22.6*	*37.1*
Operating Expenses	2,436	3,610	2,908	3,821	4,434	4,855	4,986	4,397	13,713	18,673
Operating Profit	**4,321**	**2,839**	**3,814**	**3,328**	**3,245**	**3,282**	**4,310**	**7,417**	**13,228**	**18,254**
YoY Growth (%)	*46.9*	*-15.39*	*8.9*	*-18.7*	*-24.9*	*15.59*	*13.0*	*122.9*	*-4.8*	*38.0*
Provisions & Loan Losses	425	9,144	3,562	2,526	2,411	2,290	2,176	2,042	14,582	8,919
Profit before Tax	**3,897**	**-6,305**	**252**	**802**	**834**	**992**	**2,134**	**5,375**	**-1,354**	**9,335**
Exceptional items		**0**				**0**			0	**0**
Tax Provisions	980	-1,594	65	179	208	248	546	1,331	-371	2,334
PAT (excl. exceptional)	**2,916**	**-4,710**	**187**	**623**	**626**	**744**	**1,588**	**4,044**	**-983**	**7,001**
PAT (incl. exceptional)	**2,916**	**-4,710**	**187**	**623**	**626**	**744**	**1,588**	**4,044**	**-983**	**7,001**
YoY Growth (%)	46	-	-93	-81	-79	-	748	549	-112	-812

Rural Electrification Corporation — Buy

CMP INR378 | TP: INR440 (16%) — **EPS CHANGE (%): FY26|27: -|-**

- Disbursements/AUM expected to grow ~20%/10% YoY.
- Expect credit costs to remain benign.
- Expect asset quality to remain largely stable in 2QFY26.
- Commentaries around margins and guidance on disbursements/AUM growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	1,26,904	1,34,744	1,39,704	1,49,350	1,45,022	1,48,503	1,52,364	1,55,264	5,50,701	6,01,153
Interest Expenses	80,212	85,065	88,373	87,699	89,351	91,674	93,874	95,568	3,41,350	3,70,468
Net Interest Income	**46,692**	**49,678**	**51,331**	**61,651**	**55,671**	**56,829**	**58,490**	**59,696**	**2,09,351**	**2,30,686**
YoY Gr (%)	28.3	22.9	19.6	37.4	19.2	14.4	13.9	-3.2	27	10
Other Operational Income	469	483	757	2,228	1,442	0	0	0	8,410	1,682
Net Operational Income	**47,161**	**50,161**	**52,088**	**63,879**	**57,113**	**56,829**	**58,490**	**59,696**	**2,15,680**	**2,30,368**
YoY Gr (%)	28.9	22.4	19.9	39.5	21.1	13.3	12.3	-6.5	27	7
Other Income	2,998	731	1,266	163	-4,891	2,500	2,400	2,427	685	754
Total Net Income	**50,159**	**50,892**	**53,354**	**64,042**	**52,222**	**59,329**	**60,890**	**62,123**	**2,16,365**	**2,31,121**
YoY Gr (%)	28.1	20.0	22.7	34.9	4.1	16.6	14.1	-3.0	27	7
Operating Expenses	**2,175**	**1,936**	**3,147**	**2,396**	**1,919**	**2,308**	**3,134**	**3,115**	**7,436**	**8,476**
YoY Gr (%)	50.6	-0.1	78.2	-23.1	-11.8	19.2	-0.4	30.0	13	14
% to Income	4.3	3.8	5.9	3.7	3.7	3.9	5.1	5.0	3	4
Operating Profit	**47,984**	**48,955**	**50,206**	**61,646**	**50,303**	**57,021**	**57,756**	**59,007**	**2,08,929**	**2,22,645**
YoY Gr %	27.3	21.0	20.4	39.0	4.8	16.5	15.0	-4.3	27	7
Provisions	4,726	-1,441	-890	7,800	-6,166	1,357	1,456	-1,492	10,194	(4,845)
PBT	**43,258**	**50,396**	**51,097**	**53,847**	**56,469**	**55,664**	**56,300**	**60,500**	**1,98,734**	**2,27,490**
YoY Gr (%)	16.5	4.8	24.2	4.6	30.5	10.5	10.2	12.4	12	14
Tax	**8,834**	**10,342**	**10,806**	**11,485**	**11,959**	**11,411**	**12,104**	**11,844**	**41,466**	**47,318**
Tax Rate (%)	20.4	20.5	21.1	21.3	21.2	20.5	21.5	19.6	21	21
PAT	**34,425**	**40,055**	**40,291**	**42,362**	**44,510**	**44,253**	**44,195**	**48,656**	**1,57,269**	**1,80,172**
YoY Gr (%)	16.3	6.2	23.2	5.5	29.3	10.5	9.7	14.9	12.2	14.6

Repco Home Finance — Neutral

CMP INR364 | TP: INR400 (+10%) — **EPS CHANGE (%): FY26|27: 0.8|0.6**

- Disbursements/AUM expected to grow ~10%/7% YoY.
- Expect asset quality to continue to improve, resulting in benign credit costs.
- Margins are likely to expand ~5bp QoQ to ~5.5%.
- Commentaries around asset quality and guidance on disbursements/AUM growth are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	4,007	4,051	4,258	4,166	4,257	4,308	4,380	4,451	16,482	17,395
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,465	2,524	2,583	9,659	10,013
Net Income	**1,677**	**1,656**	**1,783**	**1,708**	**1,816**	**1,843**	**1,856**	**1,868**	**6,823**	**7,382**
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	11.3	4.1	9.3	4.9	8.2
Other income	155	229	196	184	150	200	220	308	764	878
Total Income	**1,833**	**1,884**	**1,978**	**1,892**	**1,966**	**2,043**	**2,076**	**2,176**	**7,587**	**8,260**
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	8.4	4.9	15.0	9.1	8.9
Operating Expenses	452	517	535	584	530	572	601	677	2,088	2,380
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	10.7	12.4	16.0	22.1	14.0
Operating Profits	**1,380**	**1,367**	**1,443**	**1,308**	**1,436**	**1,470**	**1,475**	**1,498**	**5,499**	**5,880**
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	7.5	2.2	14.6	4.9	6.9
Provisions	14	-160	3	-233	-27	19	19	23	-376	34
Profit before Tax	**1,366**	**1,528**	**1,440**	**1,541**	**1,463**	**1,452**	**1,456**	**1,475**	**5,875**	**5,846**
Tax Provisions	312	403	375	392	384	363	379	348	1,481	1,473
Profit after tax	**1,054**	**1,125**	**1,066**	**1,149**	**1,080**	**1,089**	**1,077**	**1,127**	**4,394**	**4,373**
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-3.2	1.1	-1.9	11.3	-0.5

Shriram Finance — Buy

CMP INR649| TP: INR770 (+19%) — **EPS CHANGE (%): FY26|27: -0.8|-**

- Estimate disbursements of ~INR453b, leading to AUM of ~INR2.8t (up 16% YoY/ ~4% QoQ).
- Margin is expected to expand ~10bp QoQ to 8.7%.
- Credit cost is likely to increase ~25bp QoQ to 2.2%.
- Commentaries on loan growth in CV and asset quality in the 2W and PL segments are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	93,628	98,145	1,03,408	1,07,895	1,11,732	1,15,531	1,20,037	1,24,478	4,03,076	4,71,778
Interest Expenses	41,289	43,504	47,513	52,240	54,008	55,034	55,749	56,524	1,84,546	2,21,315
Net Interest Income	**52,339**	**54,641**	**55,896**	**55,655**	**57,725**	**60,497**	**64,288**	**67,954**	**2,18,531**	**2,50,463**
YoY Growth (%)	*24.6*	*18.9*	*13.8*	*9.4*	*10.3*	*10.7*	*15.0*	*22.1*	*16.3*	*14.6*
Other Income	2,343	2,805	3,646	6,707	3,685	4,011	4,436	6,923	15,518	19,056
Total Income	**54,682**	**57,446**	**59,542**	**62,363**	**61,410**	**64,509**	**68,724**	**74,877**	**2,34,049**	**2,69,519**
YoY Growth (%)	*21.1*	*16.2*	*14.1*	*13.2*	*12.3*	*12.3*	*15.4*	*20.1*	*15.9*	*15.2*
Operating Expenses	16,140	17,597	18,692	19,010	19,486	20,413	21,496	22,501	71,440	83,896
Operating Profit	**38,541**	**39,848**	**40,850**	**43,353**	**41,924**	**44,096**	**47,228**	**52,376**	**1,62,609**	**1,85,623**
YoY Growth (%)	*23.3*	*14.5*	*10.7*	*11.0*	*8.8*	*10.7*	*15.6*	*20.8*	*14.5*	*14.2*
Provisions & Loan Losses	11,876	12,350	13,258	15,633	12,857	14,970	16,454	17,048	53,117	61,328
Profit before Tax	**26,666**	**27,498**	**27,592**	**27,720**	**29,067**	**29,126**	**30,774**	**35,328**	**1,09,493**	**1,24,295**
Tax Provisions	6,860	6,803	6,788	6,326	7,510	7,223	7,694	8,896	26,776	31,322
Net Profit	**19,806**	**20,696**	**20,804**	**21,394**	**21,557**	**21,903**	**23,081**	**26,432**	**82,716**	**92,972**
YoY Growth (%)	*18.2*	*18.2*	*14.4*	*9.9*	*8.8*	*5.8*	*10.9*	*23.5*	*15.0*	*12.4*
Exceptional gain (Post tax)			14,894						14,894	0
PAT (including exceptional gains/loss)			**35,698**						**97,610**	**92,972**

Spandana Sphoorty — Neutral

CMP INR254 | TP: INR280 (+10%) — **EPS CHANGE (%): FY26|27: -|-**

- Estimate disbursements of ~INR9.1b, leading to AUM of ~INR44b (AUM declined ~58% YoY/12% QoQ).
- Margin is likely to expand ~20bp QoQ to ~10.7%.
- Annualized credit costs to decline to 26.8% (PQ: 34.2%).
- Guidance on credit costs, margins, and AUM growth to be closely monitored.

SPANDANA: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	6,935	6,071	5,029	3,907	2,837	2,327	2,327	3,048	21,943	10,538
Interest Expenses	2,594	2,584	2,290	1,855	1,538	1,261	1,248	1,502	9,323	5,549
Net Interest Income	**4,342**	**3,487**	**2,739**	**2,052**	**1,300**	**1,066**	**1,078**	**1,546**	**12,621**	**4,989**
YoY Growth (%)	*48.0*	*10.4*	*-13.4*	*-46.8*	*-70.1*	*-69.4*	*-60.6*	*-24.7*	*-3.8*	*-60.5*
Other Income	435	994	697	282	204	316	557	762	2,298	1,839
Total Income	**4,776**	**4,481**	**3,436**	**2,335**	**1,504**	**1,382**	**1,636**	**2,307**	**14,918**	**6,829**
YoY Growth (%)	*45.7*	*8.6*	*-15.5*	*-49.3*	*-68.5*	*-69.2*	*-52.4*	*-1.2*	*-5.8*	*-54.2*
Operating Expenses	1,908	2,203	2,651	2,083	2,091	1,947	1,803	1,703	8,843	7,544
Operating Profit	**2,869**	**2,278**	**784**	**251**	**-587**	**-565**	**-167**	**604**	**6,075**	**-715**
YoY Growth (%)	*51.7*	*-11.6*	*-67.4*	*-90.5*	*-120.5*	*-124.8*	*-121.3*	*140.4*	*-34.7*	*-111.8*
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,222	2,660	1,064	220	19,863	8,165
Profit before Tax	**751**	**-2,886**	**-5,876**	**-5,776**	**-4,809**	**-3,225**	**-1,231**	**385**	**-13,788**	**-8,880**
Tax Provisions	193	-723	-1,474	-1,433	-1,207	-806	-308	92	-3,436	-2,229
Net Profit	**557**	**-2,163**	**-4,402**	**-4,343**	**-3,602**	**-2,419**	**-923**	**293**	**-10,352**	**-6,651**
YoY Growth (%)	*-53*	*-273*	*-446*	*-438*	*-747*	*12*	*-79*	*-107*	*-307*	*-36*

Financials: Non-Lending

Company
ABSL AMC
HDFC AMC
Nippon AMC
UTI AMC
360ONE WAM
Anand Rathi Wealth
Nuvama Wealth
Prudent Corporate Advisory
Angel One
BSE
MCX
CDSL
NSDL
CAMS
Kfintech
HDFC Life
ICICI Prudential Life
Max Financial
SBI Life
LIC
ICICI Lombard
Star Health
Niva Bupa

Rebuilding momentum with some regulatory overhang

- **For 2QFY26, we estimate the aggregate PAT of our Non-Lending Financials Universe at INR138b, which reflects a modest 4% YoY increase but a sharp 19% sequential decline. Within this, the capital market segment is expected to post PAT of INR35b, largely flat on a YoY basis, while life insurance companies are projected to deliver INR96b, reflecting healthy 7% YoY growth. In contrast, general insurance players are likely to report INR8b, implying a 4% YoY decline.**
- **Exchanges and brokers are expected to post a modest 1% YoY decline in PAT, primarily driven by a sharp 52% fall in Angel One's earnings due to lower order volumes following the implementation of F&O regulations from November 2024. In contrast, MCX and BSE are likely to deliver strong PAT growth of 28% and 47% YoY, respectively, supported by sustained strength in premium turnover.**
- **For AMCs, EBITDA is likely to rise 10% YoY, aided by robust AUM growth, though this will be partially offset by lower yields under the telescopic structure. However, sharply lower other income—due to market corrections and higher bond yields—is projected to keep PAT broadly flat YoY. SIP flows remained resilient at over INR280b.**
- **Intermediaries are likely to see a soft quarter, with PAT declining 9% YoY, as weak cash volumes weigh on depositories and lower yields pressure RTA businesses. For NSDL, growth in unlisted company registrations should offset this weakness, while KFin will be supported by its issuer solutions and international operations.**
- **Wealth managers are likely to deliver the strongest performance within capital market plays, with PAT growth of 9% YoY, driven by consistent AUM expansion from flows and improving profitability through scale benefits. That said, Nuvama is expected to report a 9% YoY PAT decline owing to the impact of Jane Street during the quarter.**
- **Among life insurers, VNB margins are likely to face some sequential pressure, as the profitability of Sep'25 sales will be adversely impacted by the unavailability of ITC following the GST reduction. Going forward, margins should improve on the back of product rebalancing and commission cuts, while a favorable mix shift towards non-par and protection products will support growth.**
- **General insurers continue to see a gradual recovery in the motor segment, while growth in the health segment remains constrained by the shift to 1/n accounting. Elevated health claims are likely to push up combined ratios, though operational efficiencies should provide some cushion.**
- **Our top picks in the capital markets space are ABSL AMC, Nuvama, and CAMS. Within insurance, MAX Financial is our preferred play in life, while Niva Bupa stands out in general insurance.**

Cash activities dip; notional F&O ADTO rises in all three months

- Cash ADTO witnessed a 16% MoM decline in Jul'25 owing to market volatility. Slight recovery was witnessed in the following months, with cash ADTO growing 1%/3% MoM in Aug'25/ Sep'25, but it remains below the 1QFY26 levels.
- F&O ADTO grew 10%/9%/5% MoM in Jul'25/Aug'25/Sep'25, but the option premium ADTO declined 11% MoM in Jul'25 before witnessing a 15% MoM growth in Aug'25; it remained flat in Sep'25.
- BSE's market share in the options segment continued to scale up in terms of notional/premium turnover and was slightly offset by a shift in expiry day (effective 1st Sep'25), reaching 38.2%/24.4% in Sep'25 vs. 37.2%/22% in Jun'25.

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- Incremental demat account additions increased to 3.0m/2.5m in Jul'25/Aug'25 from an average of 2.2m per month in 1QFY26. The NSE active client count continued to decline.
- High volatility in crude oil and precious metals due to macroeconomic pressures led to a surge in MCX volumes during the quarter. Futures ADTO was at INR417b in 2QFY26 (INR406b in 1QFY26). On the other hand, options ADTO rose to INR3.7t in 2QFY26 (INR2.7t in 1QFY26). Record-high gold prices and the launch of monthly silver option contracts by MCX led to a surge in bullion options.
- We expect ANGELONE to report marginal revenue growth of 5% QoQ, with the order run rate likely to remain stable, supported by a slight recovery in the F&O activity, strong performance in commodities, and stable cash activity. The flat quarterly performance with respect to premium turnover, offset by a decline in cash volumes, will lead to single-digit volume growth for BSE. However, a dip in the premium-to-notional turnover ratio for MCX will lead to flat revenue growth. Strong recovery in the IPO pipeline and continued demat additions will lead to strong double-digit sequential growth for CDSL.

Mutual Funds: Steady growth in AUM driven by robust equity inflows

- Mutual fund AUM grew 19%/16% YoY during Jul'25/Aug'25, driven by 17%/14% growth in equity AUM. On a sequential basis, net equity flows (incl. hybrid) rose to INR636b in Jul'25 while declining to INR487b in Aug'25. SIP inflows scaled new heights to INR285b in Jul'25 but saw a slight dip in Aug'25 to reach INR283b.
- The share of equity AUM dipped ~20bp in Jul'25 but rose ~5bp in Aug'25 to 57.4%. AUMs of HDFC AMC/Nippon AMC/ABSL AMC/UTI AMC grew 16%/18%/11%/ 11% YoY at the end of Aug'25, reflecting market shares of 11.4%/8.5%/5.5%/4.9%.
- We expect AMCs to post moderate sequential revenue growth of 4%/4%/3%/3% for HDFC, Nippon, ABSL, and UTI, impacted by softer yields. Other income is likely to decline due to higher bond yields and MTM losses, though strong equity flows sustaining AUM growth should partly offset the pressure.
- CAMS and KFin are expected to register moderate sequential MF revenue growth of 3% and 2%, respectively, due to yield pressure, which is likely to be offset by healthy AUM growth.
- Wealth managers are expected to generate steady inflows and recurring revenues, with transaction-led income also adding meaningfully on the back of strong investor participation in unlisted equities and IPOs.

Life Insurance: Positive outlook for VNB margin, subdued by GST implications

- Private life insurance companies posted 22%/11% YoY growth in APE in Jul/Aug'25. Individual APE growth was hit by a slowdown in ULIP momentum and a high base. We expect single-digit to mid-teen growth for our coverage universe, except for IPRU & LIC, which are likely to report APE declines of -2% YoY each.
- We expect VNB margins to remain largely stable with a tilt towards non-linked products; across our coverage, YoY VNB margin changes are seen in the range of –90bp to +40bp.
- The recent GST exemption (22nd Sep'25) on life insurance premiums is a mixed outcome for insurers. While it improves affordability and drives demand, loss of ITC on commissions and operating expenses adds cost pressure. Margin impact

should remain modest, but insurers may recalibrate pricing and distribution to sustain profitability.

General Insurance: Overall claims ratio remains elevated; operational leverage to boost the combined ratio

- The general insurance segment recorded a GWP growth of 2% but was flat YoY in Jul'25 and Aug'25, respectively. The health segment reported 3%/14% YoY growth in Jul'25/Aug'25, impacted by 1/n on retail health growth. The motor segment reported a growth of 6%/5% YoY in GWP in Jul'25/Aug'25.
- For ICICIGI, premium declined 10% YoY in Jul'25 but increased 2% YoY in Aug'25. While the motor segment's growth remained weak, retail health saw growth, which was offset by a decline in the group health segment.
- For Jul'25/Aug'25, STARHEAL continued to post soft premium growth of 3%/2% YoY, with retail growth of 7%/6% offset by group health decline of 39%/46% YoY.
- Niva Bupa's GWP grew 10%/3% YoY in Jul'25/Aug'25, with retail health growing 7%/8%, while group health grew 17% YoY/declined 1% YoY.
- While claims are expected to remain elevated due to medical inflation and high claim frequency, operational efficiencies will slightly offset the impact on the combined ratio.

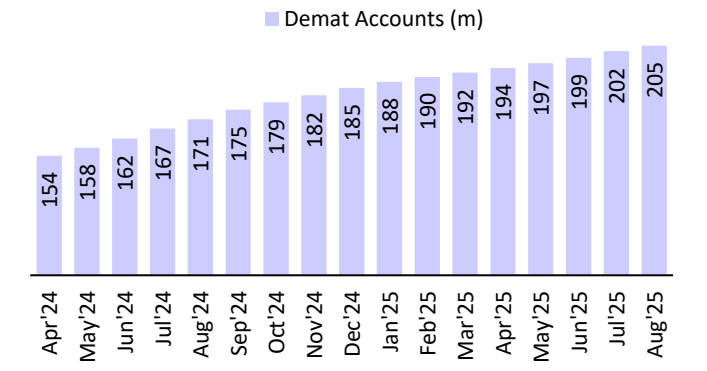
Exhibit 1: Summary of our quarterly estimates

Sector	CMP (INR)	Rating	Sept'25	Variance YoY (%)	Variance QoQ (%)	Sept'25	Variance YoY (%)	Variance QoQ (%)	Sept'25	Variance YoY (%)	Variance QoQ (%)
AMC			**Operating Revenue (INR m)**			**EBITDA (INR m)**			**Net Profit (INR m)**		
HDFC AMC	5,555	BUY	10,115	14	4	7,997	14	3	6,600	14	-12
ABSL AMC	799	BUY	4,598	8	3	2,745	10	3	2,496	3	-10
Nippon AMC	879	BUY	6,332	11	4	4,090	9	5	3,464	-4	-12
UTI AMC	1,308	BUY	3,916	5	3	1,802	-1	5	1,804	-31	-29
Exchanges and Broking											
Angel One	2,176	BUY	8,348	-15	5	2,772	-52	69	2,051	-52	79
BSE	2,081	Neutral	10,143	36	6	6,299	62	1	5,082	47	-6
MCX	7,997	Neutral	3,760	32	1	2,383	33	-1	1,962	28	-3
Intermediaries											
CAMS	3,822	BUY	3,681	1	4	1,655	-3	7	1,170	-3	8
KFIN Tech	1,080	Neutral	3,041	8	11	1,296	2	14	910	2	18
CDSL	1,476	Neutral	2,983	-7	15	1,559	-22	20	1,187	-27	16
NSDL	1,203	Neutral	3,334	-7	7	1,064	-6	12	980	2	9
Wealth Management			**Operating Revenue (INR m)**			**PBT (INR m)**			**Net Profit (INR m)**		
360 One	1,037	BUY	7,331	25	11	3,383	17	9	3,032	23	6
Nuvama	6,489	BUY	7,496	1	-3	3,083	-11	-12	2,333	-9	-12
Anand Rathi	2,883	Neutral	2,906	20	6	1,370	32	7	1,009	32	7
Prudent	2,642	Neutral	3,066	7	4	683	-1	2	529	3	2
Life Insurance			**APE (INR m)**			**VNB (INR m)**			**Net Profit (INR m)**		
HDFC Life	765	BUY	42,684	11	32	10,244	9	27	4,751	10	-13
Ipru Life	596	BUY	24,531	-2	32	5,765	-2	26	2,998	19	-0
SBI Life	1,800	BUY	58,483	9	47	15,790	9	45	5,439	3	-8
Max Financial	1,622	Neutral	24,840	14	49	5,962	16	78	1,543	11	79
LIC	905	BUY	1,61,056	-2	27	27,380	-7	41	80,886	6	-26
General Insurance			**Gross Premium (INR m)**			**Underwriting Profit (INR m)**			**Net Profit (INR m)**		
Star Health	458	BUY	44,369	1	23	-2,465	NA	NA	547	-51	-79
Niva Bupa	82	BUY	18,480	4	13	-1,018	NA	NA	381	NA	NA
ICICI Lombard	1,905	BUY	68,441	-1	-15	-2,625	NA	NA	6,948	0	-7
Non-Lending			**5,23,93**	**3**	**18**	**1,01,215**	**1**	**24**	**1,38,102**	**4**	**-19**

Exhibit 2: Changes to our EPS estimates (*For life insurance companies – absolute VNB in INR b)

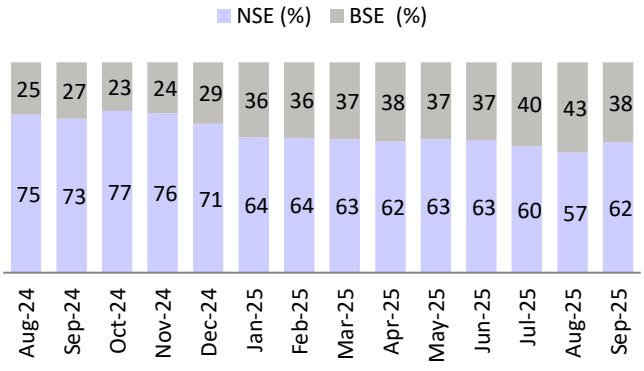
Company	New Estimates (INR)		Old Estimates (INR)		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
HDFC AMC	131.8	150.8	133.9	152.4	-1.6%	-1.0%
ABSL AMC	37.0	41.4	35.5	39.2	4.3%	5.5%
Nippon AMC	23.7	27.4	23.9	27.1	-1.1%	1.1%
UTI AMC	68.3	79.2	68.8	79.8	-0.6%	-0.8%
Angel One	91.0	130.7	99.6	146.7	-8.6%	-11.0%
BSE	50.8	56.3	49.8	57.6	2.1%	-2.3%
MCX	169.9	203.4	167.2	197.7	1.6%	2.9%
CAMS	98.5	115.6	98.6	116.4	-0.2%	-0.7%
KFIN Tech	21.1	25.2	21.4	26.8	-1.4%	-5.9%
CDSL	21.8	28.5	25.5	31.0	-14.5%	-8.1%
NSDL	18.0	21.6	18.0	21.6	0.0%	0.0%
360 One	30.8	36.4	32.3	37.1	-4.7%	-1.9%
Nuvama	292.9	351.2	308.4	366.5	-5.1%	-4.2%
Anand Rathi	49.0	60.7	46.2	59.2	6.2%	2.7%
Prudent Corp	53.4	67.3	54.3	68.1	-1.7%	-1.1%
HDFC Life*	44.3	53.7	45.2	53.7	-2.0%	0.0%
ICICI Pru*	27.0	31.1	27.3	32.3	-1.2%	-3.7%
SBI Life*	66.5	78.3	70.8	83.7	-6.1%	-6.5%
Max Fin*	25.1	31.0	25.8	31.3	-2.8%	-0.7%
LIC*	104.4	115.7	107.4	118.9	-2.8%	-2.7%
Star Health	12.8	17.8	13.4	17.9	-4.3%	-0.6%
Niva Bupa	0.7	1.7	0.6	1.8	20.9%	-4.7%
ICICI Lombard	61.9	71.4	62.7	71.9	-1.4%	-0.7%

Exhibit 3: Total demat accounts at 205m



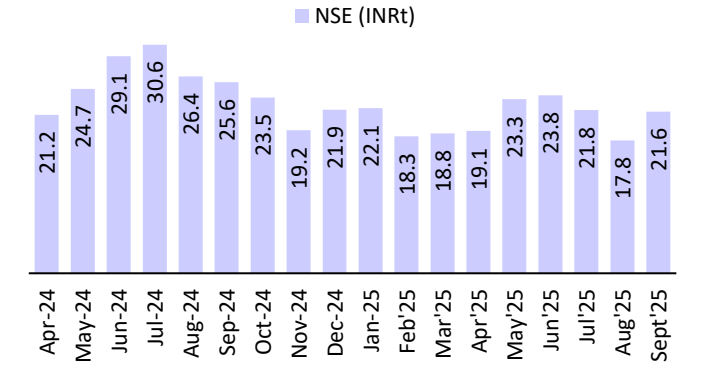
Source: NSDL, CDSL MOFSL

Exhibit 4: BSE's market share in notional turnover declining



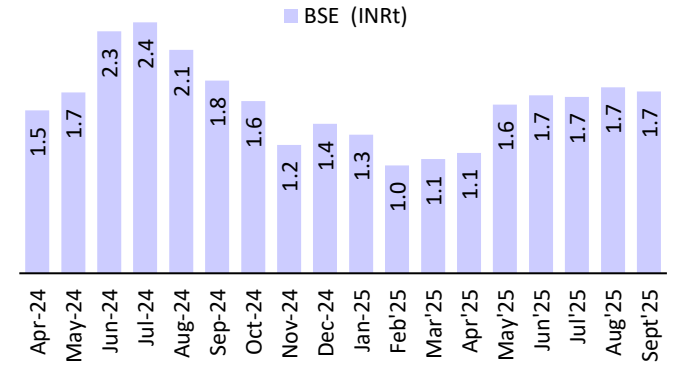
Source: NSE, BSE, MOFSL

Exhibit 5: NSE's cash volume trends



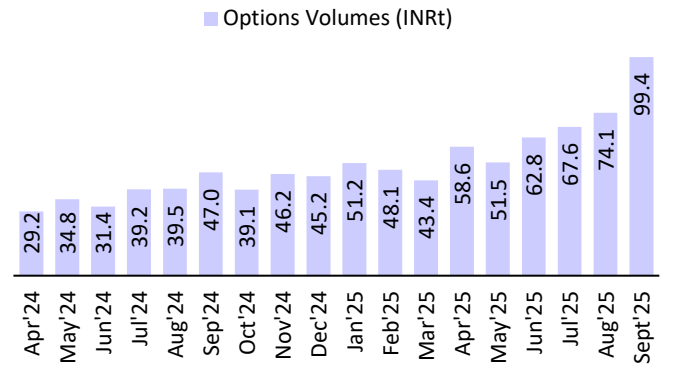
Source: NSE, MOFSL

Exhibit 6: BSE's cash volume trends



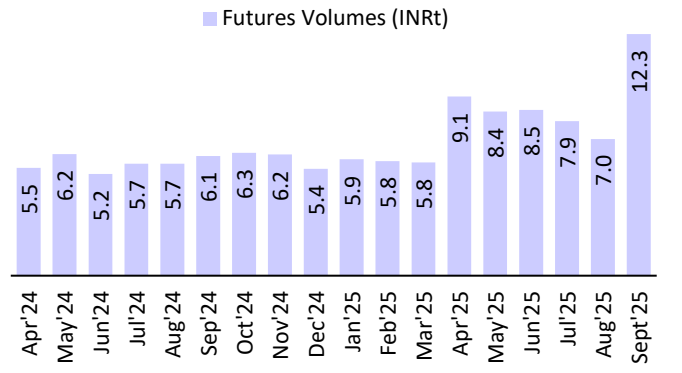
Source: BSE, MOFSL

Exhibit 7: MCX option volumes increase



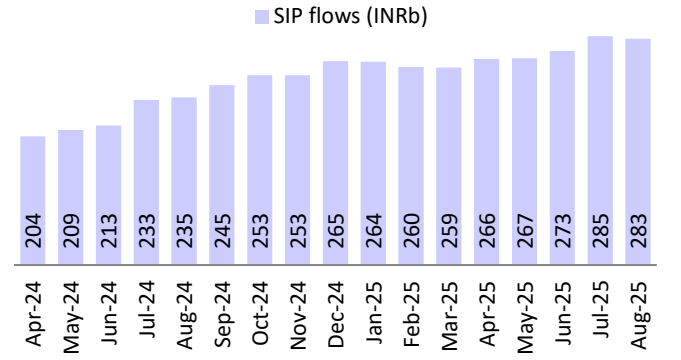
Source: MCX, MOFSL

Exhibit 8: MCX futures volumes scale new highs in Sep'25



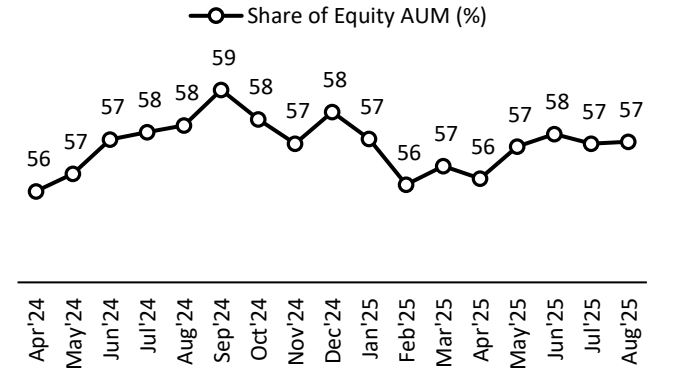
Source: MCX, MOFSL

Exhibit 9: SIP flows dip slightly on a MoM basis in Aug'25



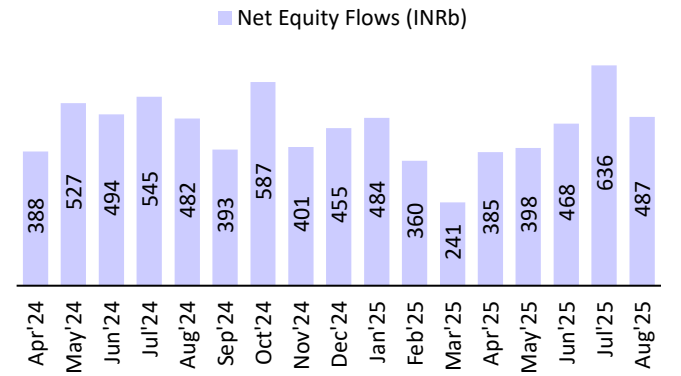
Source: AMFI, MOFSL

Exhibit 10: Share of equity AUM remains stable MoM



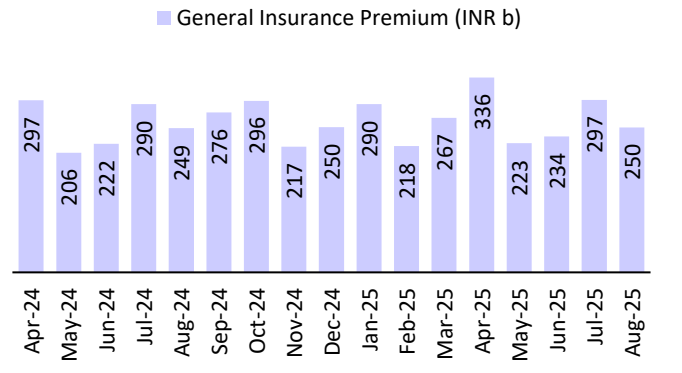
Source: AMFI, MOFSL

Exhibit 11: Net equity flows dip MoM in Aug'25



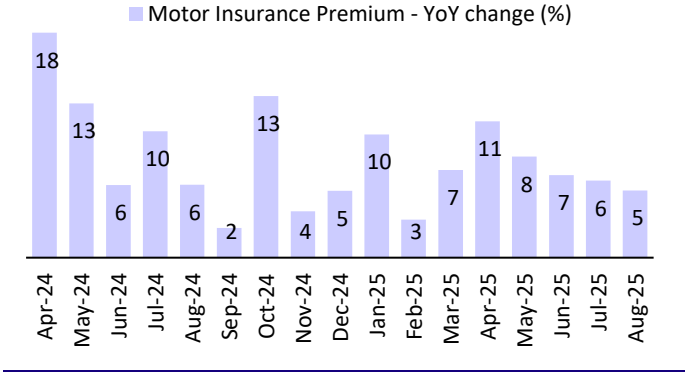
Source: AMFI, MOFSL

Exhibit 12: GI premium hit by accounting change



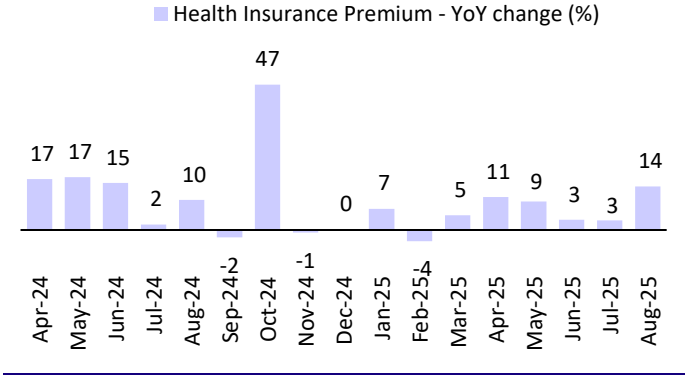
Source: GIC, MOFSL

Exhibit 13: Motor premium growth trend



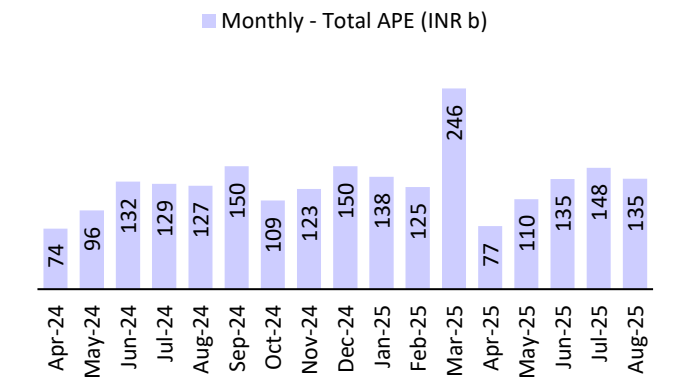
Source: GIC, MOFSL

Exhibit 14: Health segment growth trend



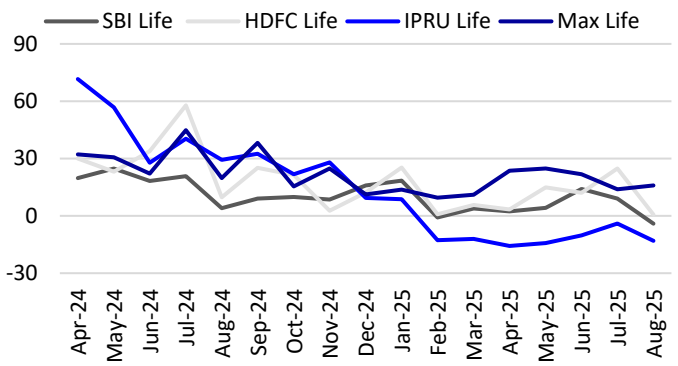
Source: GIC, MOFSL

Exhibit 15: Monthly APE for the life insurance industry



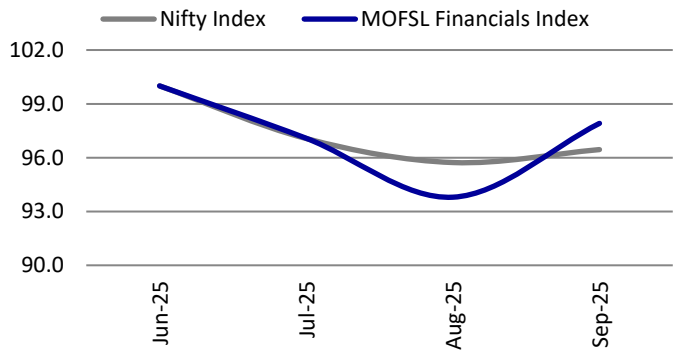
Source: Life Insurance Council, MOFSL

Exhibit 16: Individual APE growth YoY for pvt. listed players



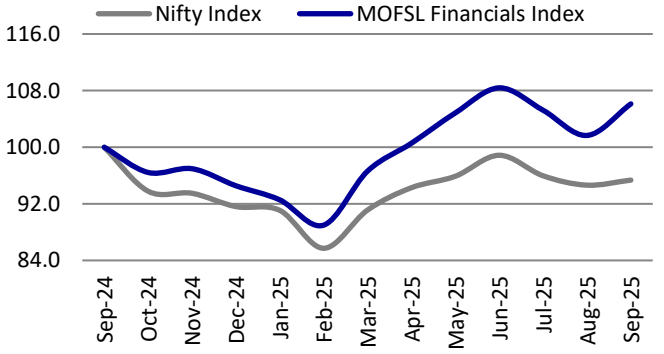
Source: Life Insurance Council, MOFSL

Exhibit 17: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 18: One-year relative performance (%)



Source: MOFSL, Company

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ABSL AMC — Buy

CMP INR799 | TP: INR1,090 (+36%) — **EPS CHANGE (%): FY26|27: 4.3|5.5**

- Healthy QAAUM growth is expected, driven by strong equity flows.
- On a sequential basis, yields are projected to decline.
- Cost-to-income ratio likely to improve sequentially as well as on a YoY basis
- Other income is expected to decline sequentially on account of rising bond yields and weak market returns.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	**3,866**	**4,242**	**4,451**	**4,288**	**4,474**	**4,598**	**4,661**	**4,708**	**16,848**	**18,441**
Change YoY (%)	24.3	26.6	30.4	17.3	15.7	8.4	4.7	9.8	24.5	9.5
Employee Expenses	892	894	877	988	926	948	965	1,032	3,652	3,871
Total Operating Expenses	1,664	1,738	1,708	1,849	1,814	1,853	1,885	1,974	6,958	7,527
Change YoY (%)	18	21	16	15	9	7	10	7	17.5	8.2
EBITDA	**2,203**	**2,504**	**2,743**	**2,439**	**2,660**	**2,745**	**2,775**	**2,734**	**9,890**	**10,914**
EBITDA margin (%)	57.0	59.0	61.6	56.9	59.5	59.7	59.6	58.1	58.7	59.2
Other Income	**948**	**958**	**384**	**720**	**1,179**	**700**	**850**	**1,051**	3,010	3,780
PBT	**3,045**	**3,351**	**2,999**	**3,050**	**3,723**	**3,328**	**3,506**	**3,663**	**12,445**	**14,220**
Tax Provisions	688	928	754	770	952	832	877	895	3,139	3,555
Net Profit	**2,357**	**2,423**	**2,245**	**2,281**	**2,771**	**2,496**	**2,630**	**2,768**	**9,306**	**10,665**
Change YoY (%)	27.7	36.1	7.2	9.5	17.6	3.0	17.2	21.4	19.2	14.6
Core PAT	**1,623**	**1,730**	**1,957**	**1,743**	**1,894**	**1,971**	**1,992**	**1,974**	**7,055**	**7,831**
Change YoY (%)	30.0	27.0	33.9	15.9	16.7	13.9	1.8	13.3	26.5	11.0

HDFC AMC — Buy

CMP INR5,555 | TP: INR6,500 (+17%) — **EPS CHANGE (%): FY26|27|28: -1.6|-1.0**

- Equity AUM to maintain growth momentum backed by improving fund performance.
- On a sequential basis, yields are projected to decline.
- Cost-to-income ratio to increase sequentially, led by higher employee costs, including ESOP.
- Other income is expected to decline sequentially on account of rising bond yields and weak market returns.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	7,752	8,872	9,346	9,014	9,682	10,115	10,322	10,662	34,984	40,781
Change YoY (%)	34.9	38.0	39.2	29.6	24.9	14.0	10.4	18.3	35.4	16.6
Employee Expenses	1,011	959	953	969	1,092	1,227	1,239	1,220	3,894	4,779
Total Operating Expenses	1,809	1,838	1,708	1,712	1,951	2,118	2,164	2,170	7,066	8,404
Change YoY (%)	23.9	14.3	6.8	9.6	7.9	15.3	26.8	26.8	13.4	18.9
EBITDA	5,944	7,034	7,639	7,302	7,730	7,997	8,157	8,493	27,919	32,378
EBITDA Margin (%)	76.7	79.3	81.7	81.0	79.8	79.1	79.0	79.7	79.8	79.4
Other Income	1,735	1,710	931	1,241	2,330	890	1,050	1,173	5,617	5,443
PBT	**7,523**	**8,584**	**8,399**	**8,351**	**9,857**	**8,684**	**8,999**	**9,472**	**32,856**	**37,013**
Tax Provisions	1,485	2,818	1,985	1,966	2,381	2,084	2,160	2,258	8,254	8,883
Net Profit	**6,038**	**5,766**	**6,414**	**6,385**	**7,476**	**6,600**	**6,840**	**7,214**	**24,602**	**28,130**
Change YoY (%)	26.4	31.8	31.0	18.0	23.8	14.5	6.6	13.0	26.4	14.3
Core PAT	4,645	4,618	5,703	5,436	5,708	5,924	6,042	6,321	20,396	23,993
Change YoY (%)	34.5	33.1	49.9	30.3	22.9	28.3	5.9	16.3	36.7	17.6

Nippon Life India AMC — Buy

CMP INR879 | TP: INR1,030 (+17%) — **EPS CHANGE (%): FY26|27: -1.1| +1.1**

- AUM growth is expected to remain healthy, while yields are expected to decline.
- EBITDA margins are expected to improve sequentially.
- CIR is projected to decline sequentially.
- Other income is expected to decline sequentially, led by rising bond yields and weak market returns.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	5,050	5,713	5,879	5,665	6,066	6,332	6,425	6,540	22,307	25,362
Change YoY (%)	42.6	43.7	38.9	21.0	20.1	10.8	9.3	15.4	35.8	13.7
Employee Expenses	1,051	1,069	1,065	1,105	1,226	1,261	1,278	1,294	4,290	5,060
Total Operating Expenses	1,886	1,969	2,022	2,014	2,185	2,241	2,288	2,335	7,891	9,049
Change YoY (%)	24	26	23	13	16	14	13	16	21.5	14.7
EBITDA	3,164	3,744	3,857	3,652	3,881	4,090	4,137	4,204	14,416	16,313
EBITDA Margin	62.7	65.5	65.6	64.5	64.0	64.6	64.4	64.3	64.6	64.3
Other Income	1,308	1,208	154	230	1,460	600	750	901	2,900	3,711
PBT	**4,388**	**4,861**	**3,917**	**3,778**	**5,239**	**4,586**	**4,781**	**4,999**	**16,943**	**19,605**
Tax Provisions	1,066	1,261	965	795	1,282	1,122	1,170	1,131	4,086	4,705
Net Profit	**3,322**	**3,600**	**2,953**	**2,983**	**3,957**	**3,464**	**3,611**	**3,868**	**12,857**	**14,900**
Change YoY (%)	41.1	47.4	4.0	-12.9	19.1	-3.8	22.3	29.7	16.2	15.9
Core PAT	2,331	2,705	2,836	2,801	2,854	3,011	3,045	3,172	10,674	12,081
Change YoY (%)	59.0	47.9	42.5	8.5	22.4	11.3	7.3	13.2	36	13

UTI AMC — Buy

CMP INR1,308 | TP: INR1,650 (+26%) — **EPS CHANGE (%): FY26|27: -0.6|-0.8**

- AUM is expected to grow in 2QFY26, driven by steady equity flows.
- Yields are expected to decline in 2QFY26.
- EBITDA margin is likely to improve due to operational efficiency.
- Other income is expected to decline sequentially.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	3,368	3,730	3,754	3,602	3,793	**3,916**	4,006	4,095	14,453	15,810
Change YoY (%)	19.1	27.9	29.4	13.4	12.6	**5.0**	6.7	13.7	22.3	9.4
Employee Expenses	1,137	1,153	1,128	1,162	1,292	**1,305**	1,318	1,353	4,580	5,266
Total Operating Expenses	1,781	1,901	1,848	2,068	2,069	**2,114**	2,161	2,225	7,598	8,570
Change YoY (%)	6.0	10.2	4.9	10.2	16.2	**11.2**	16.9	7.6	7.9	12.8
EBITDA	**1,587**	**1,829**	**1,906**	**1,534**	**1,724**	**1,802**	**1,846**	**1,870**	**6,856**	**7,240**
EBITDA margin (%)	47.1	49.0	50.8	42.6	45.4	**46.0**	46.1	45.7	47.4	45.8
Other Income	1,970	1,671	451	158	1,693	**700**	1,100	1,163	4,249	4,656
PBT	**3,413**	**3,357**	**2,212**	**1,540**	**3,260**	**2,343**	**2,782**	**2,875**	**10,522**	**11,259**
Tax Provisions	670	726	476	520	722	**539**	640	661	2,392	2,561
Net Profit	**2,743**	**2,631**	**1,736**	**1,020**	**2,539**	**1,804**	**2,142**	**2,213**	**8,130**	**8,698**
Change YoY (%)	17.0	43.9	-14.6	-43.8	-7.5	**-31.4**	23.4	117.0	1.4	7.0
Core PAT	**1,160**	**1,321**	**1,382**	**916**	**1,220**	**1,265**	**1,295**	**1,318**	**4,779**	**5,098**
Change YoY (%)	39.1	50.1	76.3	-4.6	5.2	**-4.3**	-6.3	43.9	38.2	6.7

360ONE WAM — Buy

CMP INR1,037 | | TP: INR1,450 (+40%) — **EPS CHANGE (%): FY26|27: -4.7|-1.9**

- ARR and TBR incomes are expected to rise in 2QFY26.
- On a sequential basis, ARR yields are expected to dip, led by a decline in wealth management, while AUM growth is expected to remain flat.
- Cost-to-income ratio is expected to increase sequentially across segments
- Performance and costs of new business ventures and entry into new geographies will be closely monitored.

Quarterly performance — INR m

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**6,002**	**5,886**	**6,050**	**6,518**	**6,622**	**7,331**	**7,602**	**8,006**	**24,456**	**29,561**
YoY Change (%)	48.0	37.7	37.7	13.7	10.3	24.5	25.7	22.8	32.5	20.9
ARR Assets Income	3,756	3,973	4,262	5,022	5,105	5,207	5,309	5,527	17,011	21,149
TBR Assets Income	2,247	1,913	1,788	1,497	1,517	2,123	2,293	2,479	7,445	8,413
Operating Expenses	**2,649**	**2,992**	**3,193**	**3,341**	**3,513**	**3,947**	**4,055**	**4,213**	**12,175**	**15,729**
YoY Change (%)	25.9	39.5	37.9	11.3	32.7	31.9	27.0	26.1	27.3	29.2
Cost to Income Ratio (%)	44.1	50.8	52.8	51.3	53.1	53.8	53.3	52.6	49.8	53.2
Operating Profits	**3,354**	**2,893**	**2,856**	**3,177**	**3,109**	**3,383**	**3,547**	**3,794**	**12,281**	**13,832**
YoY Change (%)	71.8	35.8	37.4	16.4	-7.3	16.9	24.2	19.4	38.1	12.6
Other Income	969	298	732	65	630	633	672	715	2,063	2,649
Profit Before Tax	**4,323**	**3,191**	**3,588**	**3,243**	**3,739**	**4,016**	**4,219**	**4,508**	**14,344**	**16,482**
YoY Change (%)	93.1	40.7	52.7	0.4	-13.5	25.9	17.6	39.0	42.2	14.9
PBT (after exceptional item)	**4,323**	**3,191**	**3,588**	**3,243**	**3,739**	**4,016**	**4,219**	**4,508**	**14,344**	**16,482**
Tax	1,889	719	839	744	867	984	1,034	1,105	4,191	4,038
Tax Rate (%)	43.7	22.5	23.4	23.0	23.2	24.5	24.5	24.5	29.2	24.5
PAT	**2,434**	**2,472**	**2,749**	**2,498**	**2,872**	**3,032**	**3,185**	**3,404**	**10,154**	**12,444**
YoY Change (%)	34.2	33.4	41.7	3.6	18.0	22.6	15.9	36.2	26.6	22.6
PAT Margins (%)	40.5	42.0	45.4	38.3	43.4	41.4	41.9	42.5	41.5	42.1

Anand Rathi Wealth — Neutral

CMP INR2,883 | TP: INR2,600 (-10%) — **EPS CHANGE (%): FY26|27: 6.2%|2.7%**

- Consistent AUM growth to be driven by equity and non-PP/SP products.
- Yields to maintain the sequential improvement trajectory.
- Cost-to-income ratio is expected to decline in 2QFY26.
- RM addition and productivity improvement will be the key growth drivers.

Quarterly Performance — (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
MF – Equity & Debt	890	1,057	1,087	1,030	1,131	1,253	1,312	1,396	4,064	5,092
Distribution of Financial Products	1,471	1,352	1,267	1,174	1,593	1,636	1,660	1,675	5,264	6,564
Other Operating revenue	15	15	16	16	16	17	18	17	62	69
Revenue from Operations	**2,376**	**2,424**	**2,370**	**2,220**	**2,740**	**2,906**	**2,991**	3,089	**9,390**	**11,726**
Change YoY (%)	35.8	32.7	29.9	20.4	15.3	19.9	26.2	39.2	29.6	24.9
Operating Expenses	1,394	1,384	1,300	1,311	1,462	1,536	1,580	1,618	5,388	6,197
Change YoY (%)	37.2	31.6	26.7	18.0	4.9	11.0	21.5	23.4	28	15
EBIDTA	982	1,040	1,070	908	1,278	1,370	1,411	1,470	4,001	5,528
Other Income	78	72	72	194	102	93	104	137	416	436
PBT	990	1,021	1,041	995	1,263	1,345	1,391	1,479	4,047	5,478
Change YoY (%)	39.6	31.3	33.5	25.9	27.6	31.7	33.6	48.7	32	35
Tax Provisions	256	259	269	257	324	336	348	384	1,040	1,393
Net Profit	734	762	773	737	939	1,009	1,043	1,094	3,007	4,085
Change YoY (%)	37.9	32.0	33.2	29.6	27.9	32.3	35.1	48.4	33	36

Nuvama Wealth — Buy

CMP INR6,489 | | TP: INR7,900 (+22%) — **EPS CHANGE (%): FY26|27: -5.1|-4.2**

- Revenue growth is expected to decline sequentially, led by a decline in the capital market segment (asset services).
- Yields are expected to decline sequentially for the wealth segment but remain stable for other segments.
- Cost-to-income ratio to remain elevated in 2QFY26 due to a steep fall in capital markets revenue.
- Expansion strategy and further investment areas are likely to be the key monitorables for future growth.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	6,675	7,397	7,229	7,712	7,701	7,496	7,940	8,665	29,013	31,801
Change YoY (%)	60.2	50.2	29.5	29.5	15.4	1.3	9.8	12.3	40.7	9.6
Employee expenses	2,793	2,983	2,946	3,082	3,156	3,221	3,219	3,181	11,804	12,777
Total Operating Expenses	3,741	3,920	3,894	4,349	4,209	4,412	4,599	4,776	15,904	17,996
Change YoY (%)	27.9	30.0	18.8	21.6	12.5	12.6	18.1	9.8	24.3	13.2
PBT before share of profit from associates	**2,934**	**3,477**	**3,335**	**3,363**	**3,492**	**3,083**	**3,341**	**3,889**	**13,109**	**13,805**
Change YoY (%)	136.2	82.2	44.7	41.3	19.0	-11.3	0.2	15.6	67.3	5.3
Tax Provisions	760	902	824	848	868	771	835	972	3,334	3,447
PAT before share of profit from associates	**2,174**	**2,575**	**2,511**	**2,515**	**2,623**	**2,313**	**2,506**	**2,916**	**9,776**	**10,358**
Change YoY (%)	135.0	78.3	42.8	38.5	20.7	-10.2	-0.2	15.9	64.4	6.0
Share of profit of associates (net of taxes)	37	0	6	37	15	20	20	35	80	90
Net Profit	**2,210**	**2,575**	**2,517**	**2,553**	**2,639**	**2,333**	**2,526**	**2,951**	**9,855**	**10,448**
Change YoY (%)	133.5	77.6	42.9	41.3	19.4	-9.4	0.3	15.6	65.2	6.0

Prudent Corporate Advisory — Neutral

CMP INR2,642 | | TP: INR2,600 (-2%) — **EPS CHANGE (%): FY26|27: -1.7%|-1.1%**

- Revenue growth to be driven by the sustained growth momentum in AUM, offset by a sequential decline in yields.
- EBITDA margin is expected to decline sequentially.
- Cost-to-income ratio (excluding fees and commission expense) is expected to increase sequentially.
- Growth in SIP and market share accretion will be the key growth drivers.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Commission and Fees Income	2,477	2,845	2,827	2,809	2,910	3,044	3,152	3,372	10,958	12,478
Other Operating revenue	17	15	23	20	28	22	23	21	76	93
Revenue from Operations	**2,494**	**2,861**	**2,850**	**2,829**	**2,938**	**3,066**	**3,175**	**3,393**	**11,034**	**12,571**
Change YoY (%)	50.8	50.5	35.8	18.0	17.8	7.2	11.4	19.9	37.1	13.9
Operating Expenses	1,904	2,174	2,191	2,143	2,265	2,384	2,466	2,611	8,412	9,725
Change YoY (%)	50.8	48.0	37.0	19.8	18.9	9.7	12.5	21.8	37.5	15.6
EBIDTA	**590**	**687**	**659**	**686**	**673**	**683**	**709**	**782**	**2,622**	**2,846**
Depreciation	62.9	67.2	73.7	74.8	72.5	75.0	75.0	78.3	279	301
Finance Cost	4.9	5.7	6.4	6.7	6.9	7.0	7.0	5.6	24	27
Other Income	70	78	66	85	103	105	110	116	299	434
PBT	**592**	**693**	**645**	**690**	**696**	**706**	**737**	**814**	**2,619**	**2,952**
Change YoY (%)	57.9	70.6	34.7	15.4	17.5	1.9	14.2	18.0	41.1	12.6
Tax Provisions	149.9	177.9	163.1	173.5	178.1	176.4	184.2	203.8	664	742
Net Profit	**442**	**515**	**482**	**516**	**518**	**529**	**553**	**610**	**1,955**	**2,210**
Change YoY (%)	58.3	69.2	35.0	15.9	17.1	2.8	14.7	18.2	40.9	13.0

Angel One — Buy

CMP INR2,176 | TP: INR2,600 (+20%) — **EPS CHANGE (%): FY26|27: -8.6|-11.0**

- The pace of gross client addition is expected to improve in 2QFY26.
- Per-day order run rate is expected to improve QoQ, driven by the easing impact of F&O regulations.
- The average MTF book continues to grow and is expected to scale record levels.
- Cost-to-income ratio is likely to remain high YoY basis due to elevated employee costs and CAC.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	9,150	9,774	8,895	7,439	7,952	8,348	8,740	9,188	35,258	34,228
Other Income	1,983	2,210	963	869	961	985	1,051	1,099	6,025	4,095
Total Income	**11,133**	**11,984**	**9,858**	**8,308**	**8,913**	**9,333**	**9,791**	**10,287**	**41,283**	**38,324**
Change YoY (%)	77.1	46.9	19.1	-21.7	-19.9	-22.1	-0.7	23.8	23.9	-7.2
Operating Expenses	6,940	6,007	5,717	5,665	6,969	6,252	6,204	6,510	24,329	25,935
Change YoY (%)	114.8	51.2	23.3	-3.3	0.4	4.1	8.5	14.9	37.5	6.6
Depreciation	226	256	267	285	299	309	319	329	1,034	1,257
PBT	**3,968**	**5,721**	**3,874**	**2,357**	**1,644**	**2,772**	**3,268**	**3,447**	**15,921**	**11,132**
Change YoY (%)	33.7	40.5	10.4	-48.6	-58.6	-51.5	-15.6	46.2	5.2	-30.1
Tax Provisions	1,041	1,487	1,059	612	500	721	850	896	4,199	2,966
Net Profit	**2,927**	**4,234**	**2,816**	**1,745**	**1,145**	**2,051**	**2,419**	**2,551**	**11,722**	**8,165**
Change YoY (%)	32.5	39.1	8.2	-48.7	-60.9	-51.6	-14.1	46.2	4.1	-30.3

BSE — Neutral

CMP INR2,081| TP: INR2,250 (+8%) — **EPS CHANGE (%) FY26|27: +2.1|-2.3**

- BSE's market share continues to rise in F&O notional and option premium turnover, boosting revenue.
- Cash volumes ramp up sequentially in 2QFY26, leading to an increase in transaction charges.
- Continued momentum with respect to new listings to boost revenue from service to corporates.
- The decline in regulatory and clearing costs is likely to improve profitability.

Cons. Quarterly perf. (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from operations	**6,019**	**7,463**	**7,681**	**8,467**	**9,584**	**10,143**	**10,185**	**10,586**	**29,630**	**40,498**
YoY Change (%)	179.2	137.3	108.0	74.9	59.2	35.9	32.6	25.0	114.2	36.7
Total Expenditure	3,195	3,573	3,334	3,624	3,325	3,844	3,922	4,088	13,726	15,178
EBITDA	**2,825**	**3,890**	**4,347**	**4,843**	**6,259**	**6,299**	**6,263**	**6,498**	**15,904**	**25,320**
Margins (%)	46.9	52.1	56.6	57.2	65.3	62.1	61.5	61.4	53.7	62.5
Depreciation	239	291	302	298	269	280	291	302	1,130	1,142
Interest	0	0	0	0	0	0	0	0	0	0
Investment income	661	727	613	797	861	818	777	854	2,797	3,308
PBT before EO expense	**3,247**	**4,325**	**4,658**	**5,342**	**6,851**	**6,837**	**6,749**	**7,049**	**17,571**	**27,486**
SGF	0	0	1,992	-1,094	0	300	300	300	898	900
Exceptional items	19	-2	0	6	120	0	0	0	23	120
PBT	**3,265**	**4,323**	**2,666**	**6,442**	**6,971**	**6,537**	**6,449**	**6,749**	**16,696**	**26,706**
Tax	849	1,109	694	1,661	1,752	1,634	1,612	1,694	4,313	6,693
Rate (%)	26	26	26	26	25	25	25	25	26	25
P/L of Asso. Cos.	227	244	199	156	163	179	197	328	826	867
Reported PAT	**2,643**	**3,458**	**2,171**	**4,937**	**5,382**	**5,082**	**5,034**	**5,383**	**13,209**	**20,881**
Adj PAT	**2,629**	**3,459**	**2,171**	**4,933**	**5,292**	**5,082**	**5,034**	**5,383**	**13,192**	**20,791**
YoY Change (%)	-40	192	112	372	104	47	132	9	73	58
Margins (%)	43.7	46.3	28.3	58.3	55.2	50.1	49.4	50.9	44.6	51.6

MCX — Neutral

CMP INR7,997| TP: INR8,500 (+6%) — **EPS CHANGE (%): FY26|27: 1.6|2.9**

- Growth momentum maintained for volumes, driven by high volatility in crude and precious metals.
- EBITDA margin is expected to decline sequentially in 2QFY26, led by muted growth in revenues.
- Futures ADTO/Options ADTO increased sequentially to INR418b/INR3.7t.
- Product innovations and new market participations – key growth drivers.

Quarterly Performance — INRm

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**2,344**	**2,856**	**3,014**	**2,913**	**3,732**	**3,760**	**4,193**	**4,509**	11,127	16,194
YoY Gr. (%)	60.8	73.0	57.4	60.9	59.2	31.7	39.1	54.8	62.8	45.5
Staff Costs	321	327	332	463	448	457	465	475	1,443	1,846
Other expenses	697	735	750	849	867	919	1,005	1,081	3,031	3,873
EBITDA	1,326	1,794	1,931	1,602	2,417	2,383	2,722	2,952	6,653	10,474
Margins (%)	56.6	62.8	64.1	55.0	64.8	63.4	64.9	65.5	59.8	64.7
Depreciation	134	140	146	217	173	176	180	182	638	711
EBIT	**1,191**	**1,654**	**1,785**	**1,385**	**2,244**	**2,207**	**2,542**	**2,771**	**6,016**	**9,763**
Interest Costs	1	1	2	1	1	1	1	2	5	5
Other Income	188	252	230	292	326	310	310	332	962	1,278
PBT bef. Exceptional items	**1,379**	**1,906**	**2,013**	**1,675**	**2,569**	**2,515**	**2,851**	**3,101**	**6,973**	**11,036**
Tax	273	374	418	328	532	553	627	682	1,394	2,395
Rate (%)	19.8	19.6	20.8	19.6	20.7	22.0	22.0	22.0	20.0	21.7
Profit from the associate	4	4	5	8	-5	0	0	5	21	0
PAT	**1,109**	**1,536**	**1,600**	**1,355**	**2,032**	**1,962**	**2,224**	**2,424**	**5,600**	**8,641**

CDSL — Neutral

CMP INR1,476 | TP: INR1,520 (+3%) — **EPS CHANGE (%): FY26|27: -14.5|-8.1**

- Transaction revenue is expected to dip, led by declining cash market volumes.
- IPO-linked revenues are expected to be strong, driven by a pickup in the IPO activity.
- KYC revenues are expected to increase QoQ, supported by a rise in demat account additions.
- EBITDA margins are expected to improve sequentially, led by growth in revenues.

Quarterly Performance — (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	2,574	3,223	2,781	2,244	2,588	2,983	3,243	3,261	10,822	12,074
Change YoY (%)	72.0	55.4	29.7	-6.8	0.6	-7.4	16.6	45.3	33.2	11.6
Employee expenses	267	314	323	315	390	398	406	416	1,219	1,610
Other Expenses	762	910	852	836	894	1,026	978	935	3,360	3,833
Total Operating Expenses	1,029	1,225	1,175	1,151	1,284	1,424	1,384	1,351	4,580	5,442
Change YoY (%)	49	57	41	24	25	16	18	17	42	19
EBITDA	**1,544**	**1,998**	**1,606**	**1,094**	**1,305**	**1,559**	**1,859**	**1,910**	**6,242**	**6,632**
Other Income	295	362	200	313	364	378	393	386	1,171	1,521
Depreciation	98	119	130	143	152	155	158	162	490	627
PBT	**1,741**	**2,241**	**1,676**	**1,264**	**1,516**	**1,782**	**2,094**	**2,134**	**6,923**	**7,525**
Change YoY (%)	76	54	15	-24	-13	-20	25	69	24	9
Tax Provisions	405	627	386	268	488	595	684	685	1,686	2,453
P&L from associate	5	6	7	8	-4	0	0	0	26	-4
Net Profit	**1,342**	**1,620**	**1,298**	**1,004**	**1,025**	**1,187**	**1,409**	**1,449**	**5,264**	**5,069**
Change YoY (%)	82	49	21	-22	-24	-27	9	44	25	-4

NSDL — Neutral

CMP INR1,203 | TP: INR1,200 (0%) — **EPS CHANGE (%): FY26|27: 0.0|0.0**

- Revenue growth projected to be driven by depository income.
- Other income projected to decline sequentially.
- EBITDA margins are expected to improve sequentially, led by growth in revenues.
- Increase in share of incremental demat accounts and tie-ups with new fintech players remain key monitorables

Quarterly Performance (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	3,373	3,567	3,626	3,636	3,120	3,334	3,312	3,354	14,201	13,120
Change YoY (%)	13.5	10.4	15.6	8.8	-7.5	-6.5	-8.6	-7.7	12.0	-7.6
Employee expenses	318	354	343	369	383	395	407	422	1,385	1,607
Other Expenses	2,250	2,084	2,373	2,355	1,785	1,875	1,968	2,098	9,061	7,727
Total Operating Expenses	2,567	2,438	2,716	2,724	2,168	2,270	2,375	2,520	10,446	9,333
Change YoY (%)	5	0	10	10	-16	-7	-13	-7	6.2	-10.7
EBITDA	**806**	**1,129**	**909**	**912**	**952**	**1,064**	**937**	**834**	**3,755**	**3,787**
Other Income	276	286	287	302	348	340	350	412	1150	1450
Depreciation	78	81	93	102	96	100	104	104	354	404
Interest	7	8	13	12	16	12	12	15	41	55
PBT	**996**	**1,326**	**1,090**	**1,100**	**1,188**	**1,292**	**1,171**	**1,128**	**4,510**	**4,778**
Change YoY (%)	37	33	32	9	19	-3	7	3	25.9	5.9
Tax Provisions	222	369	238	275	287	313	283	286	1,103	1,169
Net Profit	**779**	**962**	**858**	**833**	**896**	**990**	**898**	**855**	**3,431**	**3,638**
Change YoY (%)	33	31	28	7	15	3	5	3	23.0	6.0

CAMS — Buy

CMP INR3,822 | TP: INR4,900 (+28%) — **EPS CHANGE (%): FY26|27: -0.2|-0.7**

- AUM growth to remain healthy, led by steady net flows.
- Non-MF business revenue traction to remain robust.
- Cost-to-income ratio is likely to improve sequentially.
- Outlook on non-MF business growth and yields on MF business would be vital.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	3,314	3,652	3,697	3,562	3,542	3,681	3,807	3,993	14,225	15,023
Change YoY (%)	26.8	32.7	27.6	14.7	6.9	0.8	3.0	12.1	25.2	5.6
Employee expenses	1,130	1,186	1,197	1,178	1,224	1,237	1,249	1,262	4,691	4,972
Total Operating Expenses	1,816	1,950	1,969	1,968	1,999	2,026	2,055	2,103	7,703	8,182
Change YoY (%)	20.1	27.5	22.8	17.8	10.1	3.9	4.3	6.8	21.9	6.2
EBITDA	**1,498**	**1,702**	**1,728**	**1,594**	**1,543**	**1,655**	**1,752**	**1,891**	**6,522**	**6,841**
Other Income	117	126	149	134	131	139	148	131	526	550
Depreciation	170	184	195	228	208	215	221	236	777	881
Finance Cost	21	22	21	20	19	19	19	19	85	77
PBT	**1,424**	**1,622**	**1,661**	**1,479**	**1,444**	**1,560**	**1,660**	**1,767**	**6,187**	**6,433**
Change YoY (%)	40.7	44.4	39.9	9.9	1.4	-3.8	-0.1	19.4	32.5	4.0
Tax Provisions	354	414	420	351	363	390	415	440	1,540	1,608
Net Profit	**1,070**	**1,208**	**1,241**	**1,128**	**1,080**	**1,170**	**1,245**	**1,327**	**4,647**	**4,825**
Change YoY (%)	41.3	44.2	40.2	9.5	1.0	-3.2	0.3	17.6	32.4	3.8

KFIN Tech — Neutral

CMP INR1,080 | TP: INR1,130 (+5%) — **EPS CHANGE (%): FY26|27: -1.4|-5.9**

- Strong flows during the quarter will drive AUM and revenue growth.
- Operational efficiency is expected to improve profitability.
- Contribution from non-MF businesses, especially issuer solutions, to further boost revenue growth.
- The recent acquisition will be keenly monitored.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	2,376	2,805	2,900	2,827	2,741	3,041	3,144	3,255	10,908	12,181
Change YoY (%)	30.9	34.2	32.6	23.8	15.4	8.4	8.4	15.1	30.2	11.7
Employee expenses	958	1,018	1,040	1,017	1,117	1,170	1,196	1,235	4,033	4,718
Operating expenses										
Other Expenses	421	522	555	588	485	574	610	645	2,085	2,314
Total Operating Expenses	1,379	1,539	1,595	1,604	1,602	1,744	1,806	1,880	6,118	7,032
Change YoY (%)	24.1	33.5	32.0	29.7	16.2	13.3	13.3	17.2		
EBITDA	**997**	**1,265**	**1,306**	**1,223**	**1,139**	**1,296**	**1,338**	**1,375**	**4,790**	**5,148**
Other Income	81	105	91	100	100	110	115	120	377	445
Depreciation	148	165	164	167	176	180	182	184	645	722
Finance Cost	12	11	11	13	11	13	13	14	47	50
PBT	**918**	**1,195**	**1,221**	**1,142**	**1,052**	**1,214**	**1,259**	**1,297**	**4,476**	**4,821**
Change YoY (%)	52.1	41.9	36.0	19.6	14.5	1.6	3.1	13.6	35.7	7.7
Tax Provisions	237	301	319	292	276	303	315	327	1,150	1,221
Net Profit	**681**	**893**	**902**	**851**	**773**	**910**	**944**	**971**	**3,326**	**3,600**
Change YoY (%)	56.9	45.5	34.9	14.2	13.5	1.9	4.7	14.1	35.2	8.2

HDFC Life — Buy

CMP: INR765 | TP: INR910 (19%) — **VNB CHANGE (%): FY26|27: -2.0|0.0**

- APE growth is expected to remain in double digits YoY.
- On a YoY basis, VNB margin is expected to dip, led by a loss in GST input credit on policies.
- Product mix likely to tilt towards traditional products over ULIPs.
- The share of HDFC Bank in the distribution mix and the outlook ahead will be critical monitorables.

Policyholder's A/c (INR b) (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
First-year premium	23.6	32.5	29.7	44.0	25.5	36.0	34.9	51.9	129.8	148.3
Growth (%)	*27.4%*	*26.8%*	*10.8%*	*9.5%*	*8.2%*	*10.8%*	*17.4%*	*18.1%*	*16.8%*	*14.3%*
Renewal premium	64.1	88.3	93.8	130.6	76.0	101.4	110.3	153.3	376.8	441.1
Growth (%)	*10.5%*	*12.7%*	*11.7%*	*14.5%*	*18.6%*	*14.9%*	*17.6%*	*17.4%*	*12.7%*	*17.1%*
Single premium	40.4	48.4	49.3	65.7	47.2	54.0	56.3	77.1	203.9	234.6
Growth (%)	*0.6%*	*6.8%*	*10.8%*	*19.1%*	*16.8%*	*11.4%*	*14.2%*	*17.3%*	*10.1%*	*15.1%*
Gross premium inc.	**128.1**	**169.3**	**172.8**	**240.3**	**148.8**	**191.5**	**201.4**	**282.4**	**710.4**	**824.0**
Growth (%)	*9.7%*	*13.3%*	*11.3%*	*14.8%*	*16.1%*	*13.1%*	*16.6%*	*17.5%*	*12.6%*	*16.0%*
Surplus/(Deficit)	**5.6**	**5.1**	**-1.9**	**1.6**	**0.8**	**2.6**	**3.0**	**4.1**	**10.4**	**10.6**
Growth (%)	*165.7%*	*122.6%*	*-415.7%*	*-40.1%*	*-85.2%*	*-48.2%*	*-253.1%*	*153.3%*	*35%*	*1.4%*
PAT	**4.8**	**4.3**	**4.1**	**4.8**	**5.5**	**4.8**	**4.6**	**5.4**	**18.0**	**20.2**
Growth (%)	*15.0%*	*14.9%*	*13.7%*	*15.9%*	*14.4%*	*9.7%*	*12.1%*	*12.3%*	*14.9%*	*12.2%*
Key metrics (INRb)										
New business APE	28.7	38.6	35.7	51.9	32.3	42.7	41.7	60.5	154.8	177.1
Growth (%)	23.1	26.7	11.8	9.7	12.5	10.6	16.8	16.6	*16.5%*	*14.4%*
VNB	7.2	9.4	9.3	13.8	8.1	10.2	10.4	15.5	39.6	44.3
Growth (%)	17.7	17.1	8.6	11.5	12.7	9.2	12.1	12.8	*13.2%*	*11.8%*
AUM (INR b)	3,102	3,249	3,287	3,363	3,559	3,773	3,999	4,062	3,363	4,062
Growth (%)	22.5	22.7	17.5	15.1	14.7	16.1	21.7	20.8	*15.1%*	*20.8%*
Key Ratios (%)										
VNB Margins (%)	25.0	24.3	26.1	26.5	25.1	24.0	25.0	25.7	25.6	25.0

ICICI Prudential Life — Buy

CMP: INR596 | TP: INR700 (17%) — **VNB CHANGE (%): FY26|27: -1.2|-3.7**

- APE growth is expected to decline on a YoY basis due to the high base in the group business.
- VNB growth is projected to decline YoY, while margins are expected to improve sequentially owing to a favorable mix.
- Future product mix trends and guidance on growth will be critical monitorables.
- Growth in the Non-Linked business is expected to remain healthy, and recovery is expected in the Protection business.

Policyholder's A/c (INR b)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
First-year premium	15.2	20.6	18.2	27.1	14.5	21.9	19.3	32.0	81.1	87.6
Growth (%)	*48.8%*	*34.6%*	*19.0%*	*-8.1%*	*-5.0%*	*6.4%*	*5.7%*	*18.1%*	*15.4%*	*8.0%*
Renewal premium	43.3	69.9	60.9	92.1	49.4	76.1	67.4	99.9	266.2	292.8
Growth (%)	*4.3%*	*18.6%*	*0.2%*	*9.3%*	*14.0%*	*9.0%*	*10.6%*	*8.5%*	*8.4%*	*10.0%*
Single premium	24.3	30.3	47.5	49.1	25.7	35.1	54.4	60.4	151.2	175.6
Growth (%)	*10.6%*	*0.9%*	*77.6%*	*30.1%*	*5.8%*	*15.9%*	*14.7%*	*22.8%*	*29.8%*	*16.1%*
Gross premium income	**82.8**	**120.8**	**126.6**	**168.3**	**89.5**	**133.2**	**141.1**	**192.3**	**498.5**	**556.0**
Growth (%)	*12.3%*	*15.8%*	*23.1%*	*11.1%*	*8.1%*	*10.3%*	*11.4%*	*14.2%*	*15.3%*	*11.5%*
PAT	**2.3**	**2.5**	**3.2**	**3.9**	**3.0**	**3.0**	**4.0**	**4.3**	**11.9**	**14.3**
Growth (%)	*8.9%*	*3.1%*	*42.8%*	*121.7%*	*33.5%*	*19.1%*	*23.0%*	*10.9%*	*39.3%*	*20.2%*
Key metrics (INRb)										
New Business APE	19.6	25.0	24.4	35.0	18.6	24.5	26.8	41.6	104.1	111.5
Growth (%)	*34.4%*	*21.4%*	*27.8%*	*-3.2%*	*-5.0%*	*-2.0%*	*9.8%*	*18.7%*	*15.0%*	*7.1%*
VNB	4.7	5.9	5.2	8.0	4.6	5.8	6.4	10.2	23.7	27.0
Growth (%)	*7.8%*	*1.6%*	*18.6%*	*2.4%*	*-3.2%*	*-1.6%*	*24.2%*	*28.6%*	*6.4%*	*13.9%*
AUM	3,089	3,205	3,104	3,094	3,245	3,342	3,443	3,532	3,094	3,532
Growth (%)	*15.9%*	*17.9%*	*8.3%*	*5.2%*	*5.1%*	*4.3%*	*10.9%*	*14.2%*	*5.2%*	*14.2%*
Key Ratios (%)										
VNB Margins (%)	24.0	23.4	21.2	22.7	24.5	23.5	24.0	24.6	22.8	24.2

Max Financial — Buy

CMP: INR1,622| TP: INR2,000 (+23%) — **VNB CHANGE (%): FY26|27: -2.8|-0.7**

- Strongest APE growth among our coverage names, led by agency and banca channel.
- Across private players within our coverage, VNB growth is expected to be the strongest (in double digits).
- VNB margin is projected to improve with a shift towards non-linked products and better ULIP margin.
- The outlook on the reverse merger with Max Fin will be keenly watched.

Policyholder's A/c (INR b)

	FY25				FY26			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE
First-year premium	12.6	20.5	20.4	29.8	15.5	23.5	24.4	34.3
Growth (%)	*27.1%*	*33.6%*	*16.1%*	*17.3%*	*23.3%*	*14.5%*	*19.6%*	*15.3%*
Renewal premium	33.2	47.2	52.2	77.8	38.7	54.9	60.5	89.8
Growth (%)	*10.3%*	*12.4%*	*13.3%*	*16.4%*	*16.6%*	*16.2%*	*15.9%*	*15.4%*
Single premium	8.2	9.7	9.6	11.1	9.7	11.3	11.2	12.8
Growth (%)	*-5.7%*	*8.4%*	*3.0%*	*-27.0%*	*19.0%*	*17.3%*	*17.3%*	*16.0%*
Gross premium income	**54.0**	**77.4**	**82.2**	**118.6**	**64.0**	**89.7**	**96.2**	**137.0**
Growth (%)	*10.8%*	*16.8%*	*12.7%*	*10.5%*	*18.5%*	*15.9%*	*17.0%*	*15.4%*
PAT	**1.6**	**1.4**	**0.7**	**0.4**	**0.9**	**1.5**	**1.0**	**1.7**
Growth (%)	*51.4%*	*-11.2%*	*-53.8%*	*-174.5%*	*-44.9%*	*10.7%*	*47.3%*	*350.4%*
Key metrics (INRb)								
New Business APE	14.5	21.7	21.1	30.4	16.7	24.8	25.8	34.9
Growth (%)	*30.5%*	*31.3%*	*17.4%*	*5.8%*	*14.8%*	*14.5%*	*22.5%*	*14.9%*
VNB	2.5	5.1	4.9	8.5	3.4	6.0	6.3	9.4
Growth (%)	*2.8%*	*23.1%*	*0.0%*	*3.8%*	*31.9%*	*16.4%*	*29.3%*	*10.5%*
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,832.1	1,887.1	1,943.7	1,967.8
Growth (%)	*24.8%*	*26.8%*	*20.4%*	*16.0%*	*13.7%*	*10.9%*	*13.2%*	*12.4%*
Key Ratios (%)								
VNB Margin (%)	17.5	23.6	23.2	28.0	20.1	24.0	24.5	27.0

SBI Life — Buy

CMP: INR1,800 | TP: INR2,120 (+18%) — **VNB CHANGE (%): FY26|27: -6.1|-6.5**

- Growth in the new business premium is expected to remain in single digits.
- VNB growth is projected in the single digit, while VNB margin is expected to improve on a YoY basis.
- Banca channel continues to dominate the APE mix, followed by the Agency channel.
- Outlook on growth in the banca channel, particularly SBI, will be a critical monitorable.

Policyholder's A/c (INR b)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
First-year premium	31.5	49.2	64.5	48.6	35.4	52.9	73.0	54.6	193.7	215.9
Growth (%)	*19%*	*6%*	*14%*	*7%*	*12%*	*8%*	*13%*	*12%*	*11%*	*11%*
Renewal premium	85.4	117.2	144.7	146.8	105.5	137.8	166.5	164.4	494.1	574.3
Growth (%)	*16%*	*16%*	*14%*	*13%*	*24%*	*18%*	*15%*	*12%*	*14%*	*16%*
Single premium	38.9	37.8	40.8	44.6	37.3	44.3	48.0	55.1	162.1	184.7
Growth (%)	*9%*	*-30%*	*0%*	*-42%*	*-4%*	*17%*	*18%*	*23%*	*-22%*	*14%*
Gross premium income	**155.7**	**204.1**	**250.0**	**240.0**	**178.1**	**235.1**	**287.5**	**274.2**	**849.8**	**974.9**
Growth (%)	*15%*	*1%*	*11%*	*-5%*	*14%*	*15%*	*15%*	*14%*	*4%*	*15%*
PAT	**5.2**	**5.3**	**5.5**	**8.1**	**5.9**	**5.4**	**5.7**	**8.4**	**24.1**	**24.8**
Growth (%)	*36%*	*39%*	*71%*	*0%*	*14%*	*3%*	*3%*	*3%*	*27%*	*3%*
Key metrics (INRb)										
New Business APE	36.4	53.9	69.4	54.5	39.7	58.5	79.3	61.7	214.2	239.2
Growth (%)	*20%*	*3%*	*13%*	*2%*	*9%*	*9%*	*14%*	*13%*	8%	12%
VNB	9.7	14.5	18.7	16.6	10.9	15.8	22.2	17.6	59.5	66.5
Growth (%)	*11%*	*-3%*	*11%*	*10%*	*12%*	*9%*	*19%*	*6%*	7%	12%
AUM	4,148	4,390	4,417	4,480	4,758	4,948	5,146	5,378	4,480	5,378
Growth (%)	*26%*	*27%*	*19%*	*15%*	*15%*	*13%*	*17%*	*20%*	15%	20%
Key Ratios (%)										
VNB margin (%)	26.8	26.9	26.9	30.5	27.4	27.0	28.0	28.5	27.8	27.8

LIC — Buy

CMP: INR905 | TP: INR1,080 (+19%) — **VNB CHANGE (%): FY26|27: -2.8|-2.7**

- New business growth on a YoY basis is projected to decline.
- Strong agency leadership with rising emphasis on the banca channel.
- On a YoY basis, VNB margin is anticipated to decline, led by a loss in GST input credit on policies.
- Growth outlook and acquisition of a health insurance company are the key monitorables.

Policyholder's A/c (INR b)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
First-year premium	75	112	73	111	75	110	80	126	370	392
Growth (%)	*10%*	*12%*	-14%	*-20%*	*1%*	*-2%*	10%	*14%*	-5%	*6%*
Renewal premium	564	619	646	791	599	647	674	832	2,621	2,752
Growth (%)	*5%*	*4%*	3%	*2%*	*6%*	*4%*	4%	*5%*	4%	*5%*
Single premium	500	469	351	577	519	471	379	679	1,898	2,049
Growth (%)	*31%*	*24%*	-24%	*-6%*	*4%*	*0%*	8%	*18%*	3%	*8%*
Net premium income	**1,138**	**1,199**	**1,069**	**1,476**	**1,192**	**1,296**	**1,141**	**1,556**	4,881	**5,184**
Growth (%)	*16%*	*12%*	-9%	*-3%*	*5%*	*8%*	7%	*5%*	3%	*6%*
PAT	**105**	**76**	**111**	**190**	**110**	**81**	**121**	**193**	482	**506**
Growth (%)	*10%*	*-4%*	17%	*38%*	*5%*	*6%*	10%	*2%*	19%	*5%*
Key metrics (INRb)										
New business APE	116	165	100	189	127	161	107	202	568	597
Growth (%)	*21%*	*26%*	-24%	*-11%*	*9%*	*-2%*	8%	*7%*	0%	*5%*
VNB	16	29	19	35	19	27	20	38	100	104
Growth (%)	*23%*	*47%*	-27%	*-3%*	*21%*	*-7%*	3%	*7%*	4%	*4%*
AUM (INRt)	54	55	55	55	57	59	61	61	55	61
Growth (%)	*16%*	*17%*	10%	*6%*	*6%*	*6%*	10%	*12%*	6%	*12%*
Key Ratios (%)										
VNB Margins (%)	13.9	17.9	19.4	18.7	15.4	17.0	18.5	18.7	17.6	17.5

ICICI Lombard — Buy

CMP INR1,905| TP: INR2,400 (+26%) — **EPS CHANGE (%) FY26|27: -1.4|-0.7**

- YoY decline in NEP growth due to 1/n accounting, while recovery is seen in the auto sales.
- The combined ratio increased in 2QFY26, led by higher claims and commission ratios.
- Loss ratios are expected to remain elevated, but operational leverage is likely to aid the opex ratio.
- GST exemption implications and TP motor premium hikes are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net earned premium	45.0	50.3	50.5	52.3	51.4	48.9	54.2	56.1	198.0	210.6
Total Income	**53.5**	**58.5**	**58.8**	**58.5**	**60.8**	**57.7**	**63.1**	**64.7**	**229.3**	**246.2**
Change YoY (%)	17.9	15.9	17.6	13.4	13.7	-1.5	7.2	10.5	16.1	7.4
Incurred claims	33.3	35.9	33.2	37.4	37.5	36.2	35.8	38.0	139.9	147.5
Net commission	8.0	8.4	11.6	10.3	9.4	8.4	11.6	11.1	38.4	40.5
Total Operating Expenses	48.5	51.9	52.0	54.4	54.3	51.5	54.9	57.6	206.7	218.3
Change YoY (%)	15.3	16.5	13.3	18.2	11.9	-0.7	5.6	6.0	15.8	5.6
Underwriting profit	-3.5	-1.6	-1.5	-2.1	-2.9	-2.6	-0.7	-1.5	-8.7	-7.7
Rep Net Profit	**5.8**	**6.9**	**7.2**	**5.1**	**7.5**	**6.9**	**8.6**	**7.5**	**25.1**	**30.5**
Claims ratio	74.0	71.4	65.8	71.6	73.0	74.0	66.0	67.7	70.6	70.0
Commission ratio	15.0	17.5	22.9	18.7	16.8	17.5	21.0	18.5	18.5	18.5
Expense ratio	13.3	15.6	14.0	12.1	13.2	14.5	13.5	14.2	13.7	13.8
Combined ratio	102.3	104.5	102.7	102.5	102.9	106.0	100.5	100.4	102.8	102.3

Star Health — Buy

CMP INR458 | TP: INR530 (+16%) — **EPS CHANGE (%): FY26|27: -4.3|-0.6**

- Both GWP and NEP growth are expected to remain in single digits, impacted by the 1/n accounting.
- Combined ratio is projected to remain elevated, led by commission and opex ratio.
- Loss ratio is expected to slightly improve YoY, while the commission ratio is anticipated to remain elevated.
- The impact of recent GST exemptions is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net earned premium	35.2	37.0	38.0	38.0	39.4	39.8	45.5	46.4	148.2	171.1
Investment Income	1.7	2.1	2.0	1.9	1.8	2.0	2.0	2.1	7.7	7.9
Total Income	**36.9**	**39.1**	**40.0**	**39.9**	**41.2**	**41.8**	**47.6**	**48.5**	**155.9**	**179.1**
Change YoY (%)	15.7	16.6	15.8	11.5	11.5	6.8	18.9	21.7	14.8	14.8
Incurred claims	23.8	27.0	27.1	26.3	27.4	28.9	31.9	30.8	104.2	118.9
Net commission	4.3	5.5	5.0	7.6	5.1	6.4	6.5	9.1	22.4	27.0
Total Operating Expenses	33.8	39.0	38.5	40.7	38.7	42.3	45.2	47.6	152.0	173.8
Change YoY (%)	16.6	18.7	21.1	16.8	14.4	8.5	17.5	16.9	18.3	14.3
Underwriting profit	1.4	-1.9	-0.5	-2.8	0.7	-2.5	0.3	-1.2	-3.8	-2.7
Net Profit	**3.2**	**1.1**	**2.2**	**0.0**	**2.6**	**0.5**	**2.7**	**1.7**	**6.5**	**7.5**
Change YoY (%)	10.8	-11.2	-25.7	-99.6	-17.7	-50.8	24.2	na	-24%	16%
Claims ratio	67.6	72.8	71.4	69.2	69.5	72.5	70.0	66.4	70.3	69.5
Commission ratio	13.5	13.8	14.1	15.8	14.7	15.0	15.0	15.2	14.4	15.0
Expense ratio	18.1	16.4	17.7	14.2	17.9	16.5	15.8	13.0	16.4	15.5
Combined ratio	99.2	103.0	103.3	99.2	102.2	104.0	100.8	94.6	101.1	100.0

Niva Bupa

Buy

CMP INR82 | TP: INR100 (+22%)

EPS CHANGE (%): FY26|27: 20.9|-4.7

- GWP to register a single-digit growth impacted by 1/n accounting, while NEP to project a double-digit growth.
- Improving operational efficiency is expected to drive a reduction in the expense ratio going forward.
- The loss ratio is anticipated to remain elevated, impacted by medical inflation and claim severity.
- Future guidance on growth and combined ratio will be critical.

Quarterly Performance INRm

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net earned premium	10,180	12,132	11,358	15,274	12,200	14,372	14,045	19,833	48,945	60,450
Investment Income	575	682	679	938	868	974	999	1,028	2,874	3,870
Total Income	**11,593**	**13,597**	**12,405**	**15,647**	**13,084**	**15,625**	**15,299**	**21,200**	**53,243**	**65,208**
Change YoY (%)	36.2	37.1	20.1	18.7	12.9	14.9	23.3	35.5	26.9	22.5
Incurred claims	6,518	7,419	7,398	8,616	9,499	9,616	9,434	11,250	29,950	39,799
Net commission	2,280	2,803	2,608	2,955	2,598	2,982	3,342	4,629	10,646	13,551
Total operating expenses	4,843	5,594	4,973	6,082	5,037	5,774	5,896	8,006	21,492	24,713
Change YoY (%)	28.2	37.3	14.2	13.5	4.0	3.2	18.6	31.6	7.5	2.9
Underwriting profit	**-1,180**	**-881**	**-1,013**	**576**	**-2,336**	**-1,018**	**-1,285**	**577**	**-2,498**	**-4,062**
Net Profit	**-188**	**130**	**132**	**2,061**	**-914**	**381**	**211**	**1,643**	**2,135**	**1,320**
Change YoY (%)	NA	NA	NA	31.2	NA	NA	NA	-20.3	160.9	-38.2
Claims ratio	64.0	61.1	65.1	56.4	77.9	66.9	67.2	56.7	61.2	65.8
Commission ratio	19.8	20.1	22.6	17.7	20.2	20.2	20.2	20.2	19.8	20.2
Expense ratio	22.3	20.0	20.5	18.7	18.9	18.9	15.4	14.7	20.2	16.6
Combined ratio	106.1	101.3	108.3	92.8	117.0	106.0	102.8	91.6	101.2	102.6
Solvency	2.4	2.3	3.0	3.0	2.9	0.0	0.0	0.0	3.0	2.6

Healthcare

Company
Alembic Pharma.
Ajanta Pharma
Alkem Lab.
Apollo Hospitals
Aurobindo Pharma
Biocon
Cipla
Dr. Agarwal's Healthcare
Divi's Lab.
Dr. Reddy's Lab.
Eris Lifesciences
Gland Pharma
Glenmark Pharma.
Global Health
Granules India
GSK Pharma
IPCA Lab.
Laurus Labs
Lupin
Mankind Pharma
Max Healthcare
Piramal Pharma
Sun Pharma
Torrent Pharma
Zydus Lifesciences

Pharma revenue growth to be weak in 2QFY26

Hospitals remain on a healthy growth path

We expect further deceleration in YoY revenue growth for pharma companies under our coverage on an aggregate basis. We expect an 8.8% YoY growth in revenue for 2QFY26, much lower than the peak YoY growth achieved in 1QFY24. Notably, the EBITDA is expected to grow 16.4% YoY on an aggregate basis in 2QFY26, primarily due to a superior product mix and operating leverage. Specifically, the domestic formulation (DF) segment growth is likely to moderate due to the GST transition. Intensified competition in certain products is expected to curb YoY growth in the US generics. Hospitals, however, remain on a robust growth path due to the addition of beds and improvement in acquired units, driving 14.5% YoY EBITDA growth for 2QFY26. The base hospitals' YoY growth is adversely affected to some extent by reduced support from seasonal indications for the quarter.

DF: Temporary GST transition weighs on quarterly growth momentum

Coverage companies to grow in line with IPM despite near-term drag on primary sales volumes

For companies under our coverage, we expect aggregate sales of the DF segment to grow 8.8% YoY to INR261b in 2QFY26. This growth is anticipated to be lower as compared to the previous quarters, as we expect primary sales volumes to distributors to face a temporary drag in 2QFY26 due to the GST rate transition. However, secondary demand at the retail level should normalize the channel inventory and support overall growth in subsequent quarters. Broadly, the companies under our coverage are projected to deliver in-line industry growth for the quarter on an aggregate basis.

Chronic therapies remain the key growth driver for 2Q

In the first two months of 2QFY26 (Jul-Aug'25), chronic therapies grew ~11.5% YoY, compared to 9.5% YoY growth in 2QFY25 and slightly better than 11% YoY growth in Q1FY26. Acute therapies have witnessed subdued YoY growth of ~5.5% YoY vs. ~7% in 1QFY26. It is at a similar rate to that in 2QFY25. Strong performance in cardiac, neuro, and anti-diabetic therapies has contributed to robust growth vs. IPM for the quarter. However, to some extent, overall IPM growth was hurt by subdued growth in respiratory, anti-infective, and gynecological therapies.

ZYDUSLIF/TRP/IPCA to record a strong YoY DF sales in 2QFY26

In the large-cap space, we expect ZYDUSLIF/TRP/IPCA to report sales growth of 11.5%/11.1%/10.8% YoY, supported by price hikes, new launches, and improving MR productivity. According to IQVIA data, ZYDUSLIF posted strong growth across antineoplastics and cardiac therapies. TRP delivered positive single-digit growth across all therapies, with Cardiac and Neuro consistently outperforming IPM. IPCA recorded broad-based growth across most segments, though the Derma segment remained subdued during Jul-Aug'25.

US: Revenue of our coverage universe post modest growth amid pricing impact

US sales to witness modest YoY growth in 2QFY26; sales, ex-ZYDUS, to decline

For our coverage companies, US sales are expected to grow 1.1% YoY to USD2.4b in 2QFY26. ZYDUS is projected to rise 21.5% YoY, reflecting a low base of INR 288m in 2QFY25. Excluding ZYDUS, the US business is expected to decline 1.7% YoY.

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Robust US growth for LPC/Alkem aided by key portfolio and recent launches

We expect DRRD/Cipla/Aurobindo to report a YoY decline of 15%/12%/3%, hit by the price erosion in g-Revlimid. SUNP and ARBP are also likely to experience a marginal decline in US sales on account of pricing pressure in the base portfolio. While higher volumes partially offset the decline, the net effect is a YoY contraction, though the business remains stable QoQ. This decline is partly balanced by strong performance in LPC/Alkem/ALPM and steady growth by other players. LPC remains promising, with US sales projected to grow 30% YoY in the quarter, driven by its key portfolio and recent launches (g-Tolvaptan, g-Rivaroxaban). QoQ growth remains stable, rising from USD282m to USD290m, supported by the momentum from these earlier launches. Alkem Labs is expected to grow 23.8% YoY in 2QFY26, driven by the launch of its generic version of Entresto, supporting strong performance both YoY and QoQ. A low base is likely to support YoY growth of 21.5% in US sales for Zydus. While the YoY growth appears significant, sequentially, sales are expected to be moderate, impacted by price erosion in g-Revlimid across its portfolio.

Approval pace moderates for companies under our coverage

During the quarter, eight *facilities belonging to our coverage companies were inspected by the USFDA*. ***At the industry level, total approvals stood at 184 in 2QFY26 (vs. 202 approvals in 1QFY26)***. For companies under our coverage, there were 36 approvals during 2QFY26, in line with the two-year average of 53 approvals.

Hospitals: Capacity on a ramp-up mode; improving occupancy in newer centers

For the hospitals under our coverage, revenue is expected to grow 19% to INR73b in 2QFY26, driven by the successful integration of recent acquisitions, consistent operational execution, and the strong expansion of bed capacities along with the development of new facilities, which together have enhanced operating metrics and profitability. For the quarter, we expect EBITDA margins of our coverage companies to be ~24%, and thus EBITDA to grow 14.5% YoY on an aggregate basis.

Overall occupancy is expected to increase by approximately 250bp YoY, while average revenue per occupied bed (ARPOB) is projected to grow steadily. Although seasonal demand in 2QFY26 has been relatively soft due to lower incidences of flu and dengue, coupled with heavy rains, which led to some delays in scheduled surgeries. Hospital companies are actively commissioning new bed capacities and generating new patient volumes. Alongside bed additions, they are expanding their doctor teams to boost occupancy and serve a larger patient base.

MAXHEALT plans to commission 668 beds in 2QFY26 across Nanavati, Max Smart Saket, and Max Lucknow. The overall bed addition in FY26 by MAXH is expected to be 1500. APHS aims to operationalize ~700 beds in FY26 across Delhi, Pune, Bangalore, and Kolkata, with the remaining ~800 beds in FY27, totaling ~1,577 beds over two years. Medanta advanced its expansion in 2QFY26, with the 110-bed Ranchi hospital becoming operational in July and the 550-bed Noida facility on track to commence operation as part of a broader plan to add ~2,000 beds over the next three to four years.

We expect APHS to post 10%/9%/16% YoY growth in sales/EBITDA/PAT for 2QFY26. MEDANTA is expected to deliver moderate performance with sales/EBITDA/PAT growth of 5%/1%/15% YoY. MAXHEALT is also likely to deliver sustained performance, with sales/EBITDA/PAT posting 34%/16%/17.5% YoY growth.

LAURUS/LPC/BIOS to outperform within the healthcare pack

- In 2QFY26, we expect LAURUS/LPC/BIOS to deliver 92%/33%/22% YoY growth in EBITDA for 2QFY26. Better off-take of ARV products, improved supply of products under CDMO, and manufacturing efficiency are expected to sustain financial performance for Laurus in 2QFY26. Niche approvals and traction in limited competition products are anticipated to drive a superior show for LPC in 2QFY26. Improvement in Biologics and Syngene performance is expected to drive EBITDA growth for BIOS in 2QFY26.
- PIRPHARM/DRRD/Cipla are expected to show YoY decline of 34%/8.4%/3.2% in EBITDA for the quarter. Higher off-take of certain products in the past year and intensified competition in certain products are likely to impact the performance of PIRPHARM/DRRD-Cipla for the quarter.
- We raise our estimates for LPC by 6%/5% for FY26/FY27 to factor in improved prospects for the US generics business. Conversely, we cut our FY26/FY27 estimates by 6%/5% for GNP to factor in a moderation in the domestic formulation business. We cut our estimates for PIRPHARM by 13.5%/7.0% for FY26/FY27 to factor in the gradual off-take in the CDMO/CHG segments.
- **Our top ideas**: Max Healthcare (strong pace of bed additions over the next 12-18M), ARBP (growth driven by PENG/niche products), Laurus Lab (superior execution in DF and revival in the US), and BIOS (improved prospects across the biologics/generics segment).

Exhibit 1: Summary of quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Ajanta Pharma	2399	Buy	13,078	10.2	0.4	3,714	10.3	-1.3	2,642	12.1	-1.2
Alembic Pharma	904	Neutral	17,963	9.0	5.0	2,964	23.9	5.4	1,724	21.0	11.7
Alkem Lab	5460	Neutral	37,790	10.7	12.1	8,427	11.9	14.0	7,087	2.9	8.5
Apollo Hospitals	7442	Buy	61,369	9.8	5.0	8,898	9.1	4.5	4,373	15.5	1.0
Aurobindo Pharma	1087	Buy	81,128	4.1	3.1	16,550	5.7	3.2	8,646	5.8	4.8
Biocon	347	Buy	41,433	15.4	5.1	8,369	21.9	11.9	700	91.6	133.3
Blue Jet Healthcare	662	Buy	2,838	36.3	-20.0	924	32.9	-23.6	709	21.5	-22.3
Cipla	1514	Neutral	73,324	4.0	5.4	18,258	-3.2	2.7	13,098	0.6	0.9
Divis Labs	5711	Neutral	26,090	11.6	8.3	8,088	13.0	10.9	5,853	19.3	13.4
Dr Agarwals Health.	504	Buy	4,958	19.0	1.7	1,299	21.4	1.6	268	61.7	-11.0
Dr Reddy' s Labs	1246	Neutral	85,500	6.7	0.1	20,178	-8.4	-6.2	13,449	-1.1	-5.1
Eris Lifescience	1623	Neutral	8,079	9.0	4.5	2,925	10.6	5.7	1,272	38.8	8.4
Gland Pharma	1981	Buy	15,159	7.8	0.7	3,441	15.9	-6.4	2,069	26.5	-4.0
Glenmark Pharma	1959	Buy	35,199	2.5	7.8	5,913	-1.8	1.9	3,224	-7.6	2.7
Global Health	1306	Buy	10,080	5.4	-2.2	2,369	1.1	0.9	1,488	13.8	-0.8
Granules India	542	Buy	11,843	22.5	-2.1	2,570	26.4	4.2	1,322	35.9	-0.5
GSK Pharma	2695	Neutral	10,361	2.5	28.7	3,253	1.2	29.6	2,473	-0.2	20.7
IPCA Labs.	1328	Buy	24,786	5.3	7.4	4,585	3.6	10.1	2,665	15.6	14.3
Laurus Labs	872	Buy	15,624	27.7	-0.5	3,422	91.9	-10.5	1,408	609.7	-12.2
Laxmi Dental	328	Buy	697	22.0	6.2	129	47.7	8.3	97	64.5	17.1
Lupin	1982	Neutral	64,498	16.4	2.9	16,447	33.0	0.2	10,346	34.7	-9.6
Mankind Pharma	2439	Buy	37,631	22.3	5.4	9,709	14.2	14.7	5,060	-22.6	17.1
Max Healthcare	1113	Buy	25,992	22.7	6.0	6,602	16.4	7.0	4,353	17.6	17.4
Piramal Pharma	199	Buy	20,537	-8.4	6.2	2,259	-33.9	111.7	40	-82.3	LP
Sun Pharma	1636	Buy	1,40,428	5.9	1.9	39,741	5.0	-0.8	30,287	4.2	1.1
Torrent Pharma	3563	Neutral	32,165	11.3	1.2	10,679	13.7	2.0	5,980	32.0	7.0
Zydus Lifesciences	992	Neutral	60,247	15.0	-8.4	16,568	17.0	-18.4	10,792	22.8	-24.1
Healthcare			**9,58,796**	**9.2**	**3.0**	**2,28,281**	**8.4**	**1.1**	**1,41,422**	**9.5**	**0.5**

Source: Company, MOFSL

Exhibit 2: Relative performance – three months (%)

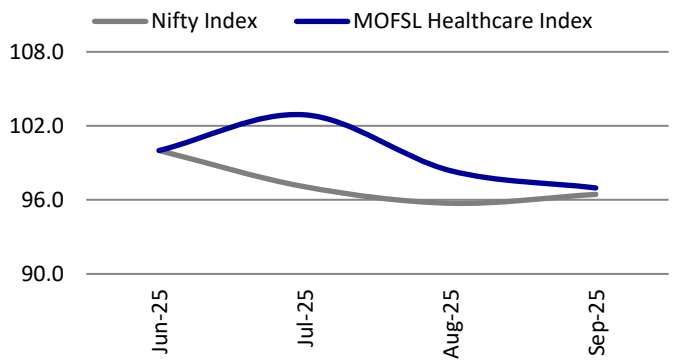
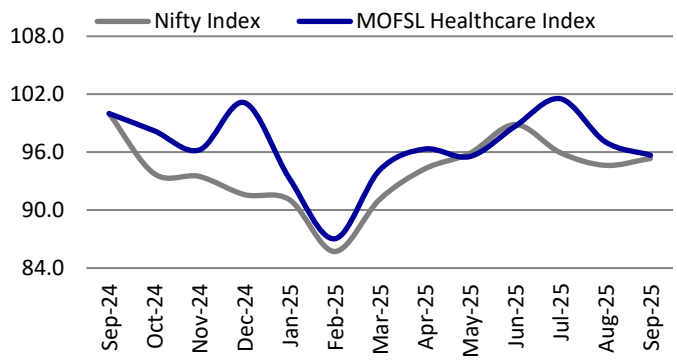
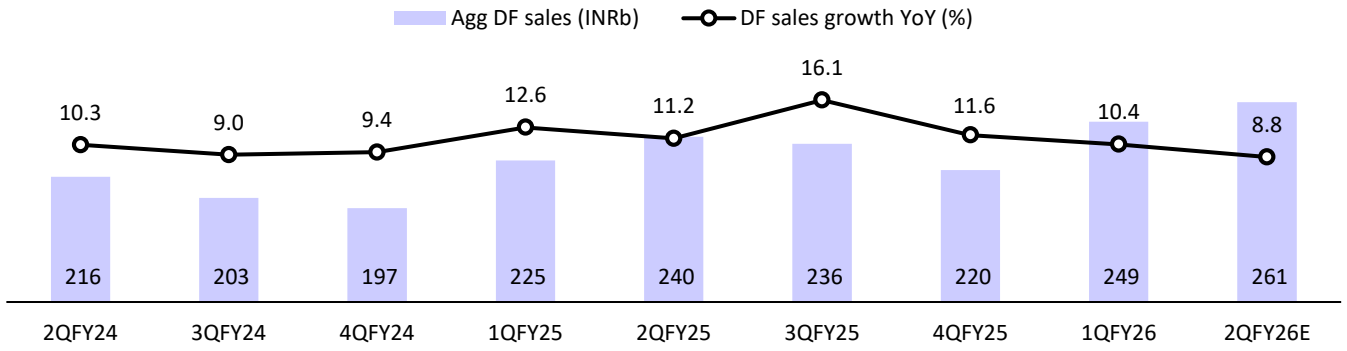


Exhibit 3: Relative performance – one year (%)



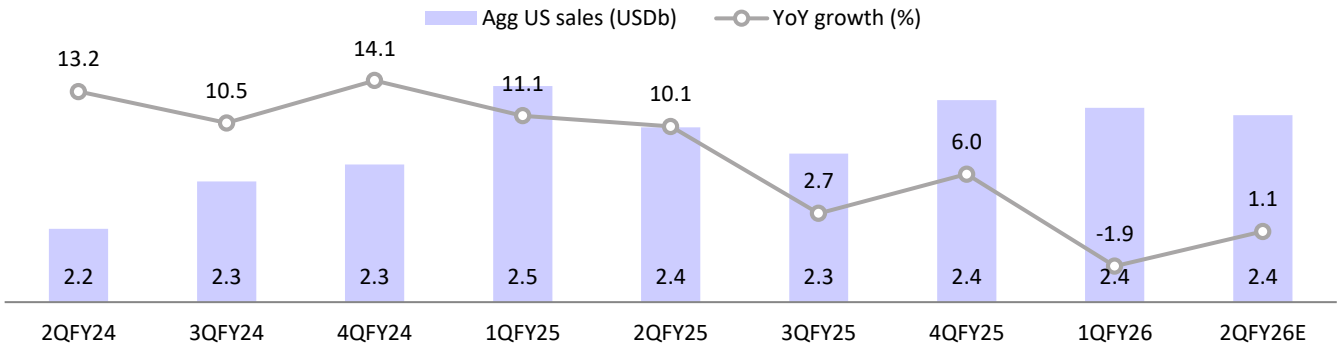
Source: Bloomberg, MOFSL

Exhibit 4: DF sales to grow 8.8% YoY in 2QFY26



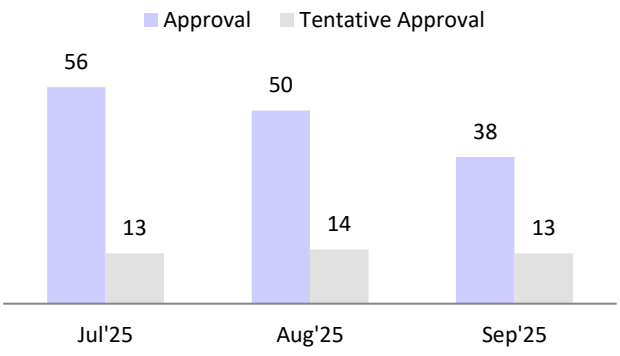
Note: Growth is ex-Mankind, Source: MOFSL, Company

Exhibit 5: US sales to rise 1.1% YoY in 2QFY26



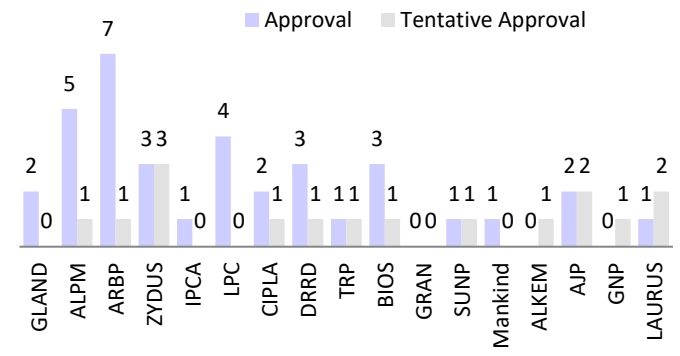
Source: MOFSL, Company

Exhibit 6: 184 approvals in 2Q on an industry-wide basis



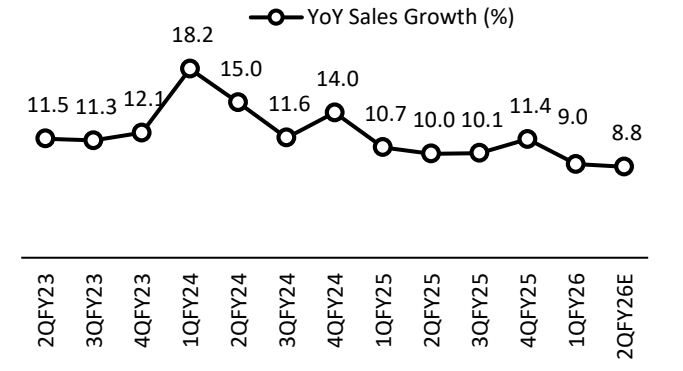
Source: MOFSL, Company

Exhibit 7: 36 ANDAs approved on an aggregate basis for our coverage universe in 2QFY26



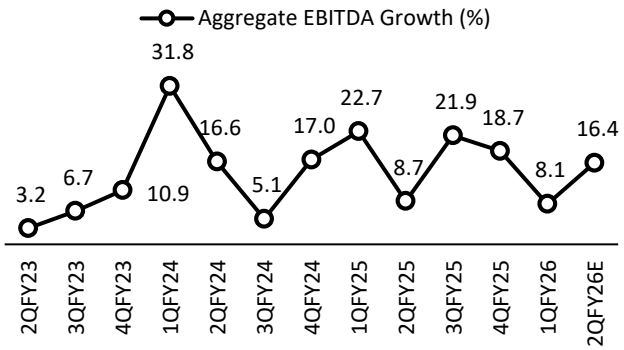
Source: MOFSL, Company

Exhibit 8: Expect sales to grow 9% YoY in 2QFY26



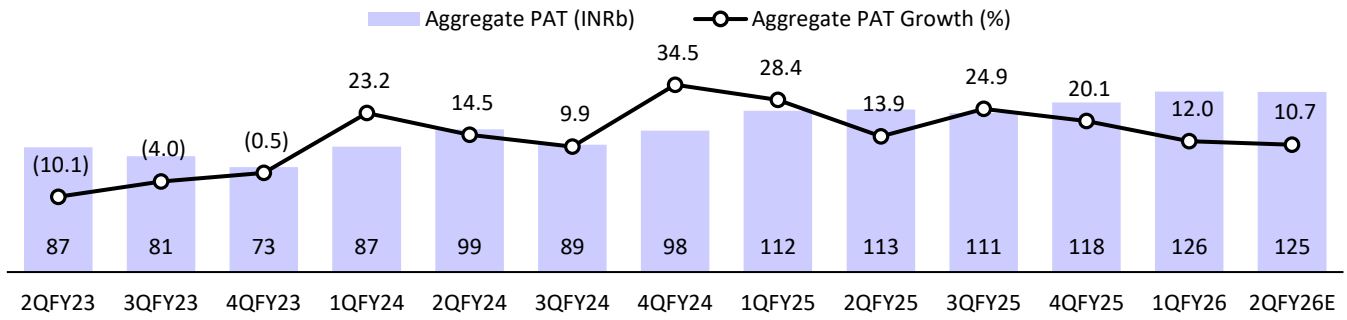
Source: MOFSL, Company

Exhibit 9: EBITDA to grow 16.4% YoY



Source: MOFSL, Company

Exhibit 10: PAT to grow 10.7% YoY



Source: MOFSL, Company

Exhibit 11: The USFDA inspection history of our coverage companies for the quarter

Company	Inspection Date	Inspection Facility	Outcome	Observations
Aurobindo Pharma	Aug-25	Bachupally, Telangana	Form 483	8
Biocon	Aug-25	Bengaluru	Form 483	5
Dr Reddy's Lab	Sep-25	Bachupally, Hyderabad	Form 483	5
Granules	Aug-25	Hyderabad	Form 483	1
Lupin	Jul-25	Pithampur Unit -3	Form 483	5
	Jul-25	Pithampur Unit -2	Form 483	4
	Sep-25	Biotech facility, Pune	Form 483	4
Zydus	Sep-25	Jarod, Gujarat	Form 483	4

Source: MOFSL, Company

Exhibit 12: Comparative valuation

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Healthcare						**33.8**	**29.5**	**25.8**	**4.8**	**4.2**	**3.7**	**14.1**	**14.2**	**14.2**
Ajanta Pharma	2,399	Buy	83.8	97.0	109.3	28.6	24.7	22.0	6.6	5.5	4.6	25.1	24.3	23.0
Alembic Pharma	904	Neutral	34.9	45.4	52.1	25.9	19.9	17.3	3.1	2.7	2.4	12.4	14.4	14.5
Alkem Lab	5,460	Neutral	206.3	182.6	209.5	26.5	29.9	26.1	4.7	4.3	3.9	19.2	15.1	15.6
Apollo Hospitals	7,442	Buy	126.7	152.2	188.8	58.8	48.9	39.4	10.4	8.6	7.1	20.1	19.9	20.3
Aurobindo Pharma	1,087	Buy	63.8	77.7	93.0	17.0	14.0	11.7	1.7	1.6	1.4	10.8	11.8	12.5
Biocon	347	Buy	4.1	8.8	11.6	85.2	39.2	29.8	1.9	1.8	1.7	2.2	4.7	5.9
Blue Jet Healthcare	662	Buy	25.3	32.1	38.6	26.2	20.6	17.2	7.4	5.6	4.3	32.8	30.9	28.2
Cipla	1,514	Neutral	61.7	65.7	73.0	24.5	23.0	20.7	3.4	3.0	2.7	13.9	13.0	12.8
Divis Labs	5,711	Neutral	90.5	120.3	140.2	63.1	47.5	40.7	9.1	8.0	7.1	15.2	18.0	18.5
Dr Agarwals Health.	504	Buy	3.7	5.1	7.9	134.8	98.0	64.2	8.0	7.4		6.1	7.8	10.9
Dr Reddy' s Labs	1,246	Neutral	67.0	63.1	68.5	18.6	19.8	18.2	2.7	2.4	2.1	15.4	12.7	12.3
Eris Lifescience	1,623	Neutral	37.7	54.4	62.5	43.1	29.8	26.0	6.8	5.6	4.6	16.8	20.6	19.5
Gland Pharma	1,981	Buy	55.6	68.4	81.1	35.6	28.9	24.4	3.2	2.9	2.6	9.5	10.6	11.3
Glenmark Pharma	1,959	Buy	58.9	77.9	91.1	33.3	25.1	21.5	5.3	4.4	3.7	17.2	19.2	18.8
Global Health	1,306	Buy	24.2	30.3	36.8	54.1	43.1	35.5	8.9	7.6	6.5	17.7	19.1	19.8
Granules India	542	Buy	23.0	30.7	37.6	23.6	17.6	14.4	3.1	2.7	2.3	14.1	16.3	17.0
GSK Pharma	2,695	Neutral	57.6	67.2	76.4	46.8	40.1	35.3	18.6	14.6	11.5	39.7	36.4	32.7
IPCA Labs.	1,328	Buy	40.9	50.8	60.1	32.5	26.1	22.1	4.3	3.8	3.3	14.0	15.4	15.9
Laurus Labs	872	Buy	12.1	15.3	18.6	71.9	56.9	47.0	9.1	8.0	7.0	13.4	15.0	15.9
Laxmi Dental	328	Buy	8.8	12.2	15.0	37.3	27.0	21.8	7.0	5.6	4.4	20.7	23.0	22.6
Lupin	1,982	Neutral	95.1	97.3	99.8	20.8	20.4	19.9	4.1	3.4	2.9	21.9	18.2	15.8
Mankind Pharma	2,439	Buy	44.9	60.9	73.8	54.3	40.0	33.0	6.4	5.7	5.0	12.3	15.0	16.1
Max Healthcare	1,113	Buy	18.7	24.3	25.6	59.6	45.8	43.4	8.9	7.5	6.4	16.0	17.8	16.0
Piramal Pharma	199	Buy	0.9	2.3	5.2	209.9	86.3	38.5	2.9	2.8	2.6	1.5	3.6	7.7
Sun Pharma	1,636	Buy	51.1	59.5	66.2	32.0	27.5	24.7	4.8	4.2	3.7	15.9	16.3	15.9
Torrent Pharma	3,563	Neutral	69.9	84.5	104.1	51.0	42.1	34.2	6.6	5.5	4.6	28.3	28.6	29.2
Zydus Lifesciences	992	Neutral	45.1	42.8	47.1	22.0	23.2	21.1	3.6	3.1	2.8	17.5	14.4	14.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Ajanta Pharma — Buy

CMP: INR2399| TP: INR2,940 (23%) — **EPS CHANGE (%): FY26|27: 0.3|(0.1)**

- Expect DF sales to grow 8.4% YoY to INR4.2b, as the superior show in ophthalmology, derma, and cardiac would be offset to some extent due to the lower trade generics business.
- US growth momentum to sustain in 2QFY26, with 30% YoY growth driven by new launches and market share gains.
- Superior execution across Asian geographies is projected to fuel 12% YoY growth for the quarter.
- Slowdown in the anti-malaria business, coupled with an elevated base to affect Africa sales for the quarter.

Consol. - Quarterly perf. (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**11,449**	**11,866**	**11,461**	**11,704**	**13,027**	**13,078**	**13,145**	**13,007**	**46,481**	**52,257**
YoY Change (%)	12.1	15.4	3.7	11.0	13.8	10.2	14.7	11.1	10.4	12.4
Total Expenditure	7,846	8,498	8,253	8,733	9,262	9,364	9,452	9,378	33,330	37,455
EBITDA	**3,604**	**3,368**	**3,208**	**2,972**	**3,765**	**3,714**	**3,694**	**3,629**	**13,152**	**14,802**
YoY Change (%)	28.1	15.9	-0.3	6.8	4.5	10.3	15.1	22.1	12.2	12.6
Margins (%)	31.5	28.4	28.0	25.4	28.9	28.4	28.1	27.9	28.3	28.3
Depreciation	340	344	360	398	413	376	378	374	1,441	1,541
EBIT	**3,264**	**3,024**	**2,849**	**2,574**	**3,352**	**3,338**	**3,316**	**3,255**	**11,710**	**13,261**
YoY Change (%)	31.5	17.7	-0.9	5.4	2.7	10.4	16.4	26.5	13.0	13.2
Margins (%)	28.5	25.5	24.9	22.0	25.7	25.5	25.2	25.0	25.2	25.4
Interest	7	60	79	61	53	66	66	66	207	250
Other Income	182	195	129	111	170	145	165	173	616	653
PBT before EO expense	**3,439**	**3,159**	**2,898**	**2,624**	**3,469**	**3,417**	**3,415**	**3,362**	**12,119**	**13,664**
Extra-Ord expense	-217	-257	176	71	-158	0	0	0	-227	-158
PBT	**3,221**	**2,902**	**3,074**	**2,694**	**3,311**	**3,417**	**3,415**	**3,362**	**11,892**	**13,506**
Tax	764	738	745	442	758	776	785	800	2,688	3,119
Effective Rate (%)	23.7	25.4	24.2	16.4	22.9	22.7	23.0	23.8	22.6	23.1
Reported PAT	**2,458**	**2,165**	**2,329**	**2,253**	**2,553**	**2,642**	**2,630**	**2,562**	**9,204**	**10,387**
Adj PAT	**2,624**	**2,356**	**2,196**	**2,194**	**2,675**	**2,642**	**2,630**	**2,562**	**9,369**	**10,508**
YoY Change (%)	30.8	26.5	3.3	16.4	2.0	12.1	19.8	16.8	18.9	12.2
Margins (%)	22.6	19.5	18.9	18.6	20.3	20.0	19.8	19.4	19.9	19.9

Alembic Pharma — Neutral

CMP: INR904| TP: INR955 (6%) — **EPS CHANGE (%): FY26|27: (1.5)|3.1**

- Lower base/new launches to drive 14% YoY growth in US sales, reaching USD64m during the quarter.
- EBITDA margins expected to improve to 16.5% driven by lower employee and other expenses.
- Expect DF sales to grow 5% YoY in 2Q, impacted by muted show in anti-diabetes, cardiac, and gastrointestinal therapies.
- Expect 4% YoY growth in the API business, led by some stability in API prices at the portfolio level.

Quarterly perf. (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**15,617**	**16,480**	**16,927**	**17,696**	**17,107**	**17,963**	**18,313**	**18,645**	**66,721**	**72,028**
YoY Change (%)	5.1	3.3	3.8	16.7	9.5	9.0	8.2	5.4	7.1	8.0
Total Expenditure	13,249	14,087	14,325	14,977	14,294	14,999	15,310	15,569	56,639	60,171
EBITDA	**2,368**	**2,393**	**2,602**	**2,719**	**2,813**	**2,964**	**3,003**	**3,076**	**10,082**	**11,857**
YoY Change (%)	19.2	14.9	-2.4	4.6	18.8	23.9	15.4	13.1	8.1	17.6
Margins (%)	15.2	14.5	15.4	15.4	16.4	16.5	16.4	16.5	15.1	16.5
Depreciation	690	705	700	690	738	800	816	831	2,786	3,184
EBIT	**1,678**	**1,688**	**1,902**	**2,029**	**2,075**	**2,164**	**2,188**	**2,246**	**7,297**	**8,673**
YoY Change (%)	26.6	19.9	-3.6	6.5	23.7	28.2	15.0	10.7	10.5	18.9
Interest	132	188	223	245	235	215	205	186	788	841
Other Income	21	167	95	142	65	167	171	277	425	680
PBT before EO expense	**1,567**	**1,667**	**1,774**	**1,926**	**1,905**	**2,116**	**2,154**	**2,337**	**6,934**	**8,511**
Extra-Ord expense	0	-129	0	0	0	0	0	0	129	0
PBT	**1,567**	**1,796**	**1,774**	**1,926**	**1,905**	**2,116**	**2,154**	**2,337**	**7,063**	**8,511**
Tax	225	273	401	353	365	385	390	421	1,252	1,560
Rate (%)	14.4	15.2	22.6	18.3	19.1	18.2	18.1	18.0	17.7	18.3
MI & P/L of Asso. Cos.	-5	-11	-11	4	-3	7	9	11	-23	24
Reported PAT	**1,347**	**1,534**	**1,384**	**1,569**	**1,544**	**1,724**	**1,755**	**1,905**	**5,834**	**6,927**
Adj PAT	**1,347**	**1,425**	**1,384**	**1,569**	**1,544**	**1,724**	**1,755**	**1,905**	**5,725**	**6,927**
YoY Change (%)	11.6	3.6	-23.5	-12.3	14.6	21.0	26.8	21.4	-7.2	21.0
Margins (%)	8.6	8.6	8.2	8.9	9.0	9.6	9.6	10.2	8.6	9.6
EPS	**6.9**	**7.2**	**7.0**	**8.0**	**7.9**	**8.8**	**8.9**	**9.7**	**29.1**	**34.9**

Alkem Labs — Neutral

CMP: INR5,460| TP: INR5,270 (-3%) — **EPS CHANGE (%): FY26|27: (2.4)|(6.3)**

- Expect DF sales to grow 9% YoY, hurt by weakness in Neuro and gastro-intestinal therapies. VMNs/pain to deliver healthy YoY growth for the quarter.
- Expect higher single-digit sales growth and better operating margins for the quarter.
- Expect US sales to grow by 31% YoY to INR7.4b, backed by new launches (g-entresto) and the low base of the past year.
- Ex-US sales to grow at 8% YoY on the back of superior execution in Australia and other European markets.

Quarterly Perf. (Consolidated)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**30,318**	**34,147**	**33,743**	**31,438**	**33,711**	**37,790**	**36,610**	**34,040**	**1,29,645**	**1,42,150**
YoY Change (%)	2.2	-0.7	1.5	7.1	11.2	10.7	8.5	8.3	2.3	9.6
Total Expenditure	24,232	26,618	26,149	27,525	26,321	29,363	28,775	28,832	1,04,524	73,705
EBITDA	**6,086**	**7,528**	**7,594**	**3,913**	**7,391**	**8,427**	**7,834**	**5,208**	**25,121**	**28,860**
YoY Change (%)	56.4	0.8	7.3	-2.7	21.4	11.9	3.2	33.1	11.9	14.9
Margins (%)	20.1	22.0	22.5	12.4	21.9	22.3	21.4	15.3	19.4	20.3
Depreciation	805	789	853	1,125	877	951	921	856	3,572	3,605
EBIT	**5,282**	**6,739**	**6,741**	**2,788**	**6,514**	**7,476**	**6,913**	**4,352**	**21,550**	**25,255**
Interest	291	281	360	284	298	280	275	260	1,217	1,113
Other Income	1,203	1,345	930	1,460	1,365	1,210	1,320	1,350	4,937	5,245
PBT before EO Exp	**6,194**	**7,803**	**7,311**	**3,963**	**7,581**	**8,406**	**7,958**	**5,442**	**25,270**	**29,387**
EO Exp/(Inc)	0	0	0	0	-129	0	0	0	0	-129
PBT after EO Exp	**6,194**	**7,803**	**7,311**	**3,963**	**7,710**	**8,406**	**7,958**	**5,442**	**25,270**	**29,516**
Tax	691	783	903	733	1,027	1,135	1,154	816	3,110	4,132
Rate (%)	11.2	10.0	12.3	18.5	13.3	13.5	14.5	15.0	12.3	14.1
PAT (pre Minority Interest)	**5,502**	**7,020**	**6,408**	**3,230**	**6,683**	**7,271**	**6,804**	**4,625**	**22,160**	**25,384**
Minority Interest	51	133	150	172	41	184	190	195	505	610
Reported PAT	**5,452**	**6,886**	**6,258**	**3,059**	**6,643**	**7,087**	**6,614**	**4,430**	**21,655**	**24,774**
Adj Net Profit	**5,452**	**6,886**	**6,258**	**3,059**	**6,531**	**7,087**	**6,614**	**4,430**	**21,655**	**24,663**
YoY Change (%)	90.1	2.0	-2.6	0.6	19.8	2.9	5.7	44.9	13.5	13.9

E: MOFSL Estimates

Apollo Hospitals — Buy

CMP: INR7442 | TP: INR8990 (21%) — **EPS CHANGE (%): FY26|27: (1.3)|(7.5)**

- Sales/EBITDA are likely to grow 10%/9% YoY to INR61b/ INR8.8b, supported by steady growth across segments.
- Status on operationalizing multi-specialty hospitals in Pune, Bengaluru, and Delhi
- Higher focus on digital engagement/private label is expected to sustain the profitability of Healthco.
- Outlook on GMV growth to drive the profitability of the online pharmacy business.

Consolidated - Quarterly Earnings Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**50,856**	**55,893**	**55,269**	**55,922**	**58,421**	**61,369**	**61,325**	**65,000**	**2,17,940**	**2,46,116**
YoY Change (%)	15.1	15.3	13.9	13.1	14.9	9.8	11.0	16.2	14.3	12.9
Total Expenditure	44,105	47,738	47,654	48,225	49,902	52,470	52,188	56,030	1,87,722	2,10,591
EBITDA	**6,751**	**8,155**	**7,615**	**7,697**	**8,519**	**8,898**	**9,137**	**8,970**	**30,218**	**35,525**
YoY Change (%)	32.6	30.0	24.1	20.2	26.2	9.1	20.0	16.5	26.4	17.6
Margins (%)	13.3	14.6	13.8	13.8	14.6	14.5	14.9	13.8	13.9	14.4
Depreciation	1,774	1,845	1,846	2,110	2,147	2,207	2,303	2,195	7,575	8,852
Interest	1,164	1,175	1,098	1,148	1,083	1,130	1,120	1,133	4,585	4,466
Other Income	372	382	638	611	402	530	560	773	2,003	2,265
PBT before EO expense	**4,185**	**5,517**	**5,309**	**5,050**	**5,691**	**6,091**	**6,275**	**6,415**	**20,061**	**24,472**
PBT	**4,185**	**5,517**	**5,309**	**5,050**	**5,691**	**6,091**	**6,275**	**6,415**	**20,061**	**24,472**
Tax	1,145	1,617	1,568	1,010	1,417	1,645	1,726	1,783	5,340	6,401
Rate (%)	27.4	29.3	29.5	20.0	24.9	27.0	27.5	27.8	26.6	26.2
MI & Profit/Loss of Asso. Cos.	-12	112	18	144	-54	73	82	71	262	172
Reported PAT	**3,052**	**3,788**	**3,723**	**3,896**	**4,328**	**4,373**	**4,467**	**4,560**	**14,459**	**17,898**
Adj PAT	**3,052**	**3,788**	**3,723**	**3,896**	**4,328**	**4,373**	**4,467**	**4,560**	**14,459**	**18,213**
YoY Change (%)	83.2	63.5	51.8	53.5	41.8	15.5	20.0	17.1	61.1	26.0
Margins (%)	6.0	6.8	6.7	7.0	7.4	7.1	7.3	7.0	6.6	7.4
EPS	**21.2**	**26.3**	**25.9**	**27.1**	**30.1**	**30.4**	**31.1**	**31.7**	**100.6**	**126.7**

E: MOFSL Estimates

Aurobindo Pharma — Buy

CMP: INR1087 | TP: INR1,300 (20%) — **EPS CHANGE (%): FY26|27: (0.0)|(0.0)**

- Expect a marginal 3% YoY decline in the US sales to USD408m during the quarter.
- Progress on scaling up production at Eugia III and the scope of inviting the USFDA for re-inspection to be monitored.
- Expect EU sales to grow 8.6% YoY to INR32b, driven by expanded offerings and higher off-take of existing products.
- Progress on capacity utilization of the PENG plant and the status of import price support from the Government of India to be monitored.

Quarterly performance (Consolidated) (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**75,670**	**77,961**	**79,785**	**83,821**	**78,681**	**81,128**	**82,739**	**86,409**	**3,17,237**	**3,28,957**
YoY Change (%)	10.5	8.0	8.5	10.6	4.0	4.1	3.7	3.1	9.4	3.7
Total Expenditure	58,724	62,299	63,507	65,202	62,647	64,578	65,364	66,103	2,49,732	2,58,691
EBITDA	**16,947**	**15,661**	**16,278**	**18,619**	**16,034**	**16,550**	**17,375**	**20,306**	**67,505**	**70,266**
YoY Change (%)	47.2	11.6	1.7	10.4	-5.4	5.7	6.7	9.1	15.5	4.1
Margins (%)	22.4	20.1	20.4	22.2	20.4	20.4	21.0	23.5	21.3	21.4
Depreciation	4,042	3,823	4,185	4,444	4,057	4,591	4,552	4,754	16,494	17,954
EBIT	**12,905**	**11,839**	**12,093**	**14,175**	**11,977**	**11,959**	**12,823**	**15,552**	**51,011**	**52,312**
Interest	1,110	1,127	1,185	1,150	978	977	942	906	4,572	3,803
Other Income	1,199	1,360	1,573	1,232	1,053	1,350	1,380	1,400	5,364	5,183
Forex loss/(gain)	-10	0	498	-116	4	0	0	0	372	4
Exceptional (expenses)/income	249	0	0	-700	0	0	0	0	-451	0
PBT	**13,254**	**12,072**	**11,983**	**13,673**	**12,049**	**12,332**	**13,261**	**16,046**	**50,981**	**53,688**
Rate (%)	30.6	32.3	29.6	31.6	31.8	29.0	27.0	33.2	31.0	30.4
Minority Interest	4	-7	-18	315	-25	110	105	111	294	301
Reported PAT	**9,193**	**8,174**	**8,458**	**9,035**	**8,248**	**8,646**	**9,576**	**10,602**	**34,860**	**37,071**
Adj PAT	**9,013**	**8,174**	**8,809**	**9,434**	**8,250**	**8,646**	**9,576**	**10,602**	**35,430**	**37,073**
YoY Change (%)	51.9	5.1	-2.4	-6.6	-8.5	5.8	8.7	12.4	7.9	4.6
Margins (%)	11.9	10.5	11.0	11.3	10.5	10.7	11.6	12.3	11.2	11.3

E: MOFSL Estimates

Biocon — Buy

CMP: INR347 | TP: INR408 (18%) — **EPS CHANGE (%): FY26|27: (1.6)|(2.2)**

- Expect biologics sales to grow 19% YoY to INR25b, supported by low base, new launches, and better traction in existing products
- Expect Syngene sales to grow 4% YoY to INR9.3b.
- Outlook on GLP1 filings in other emerging markets.
- Increased competition in the generics segment is expected to keep generics sales stable QoQ at INR8b.
- Launch of Insulin Aspart in the US would be the potential growth driver in the biologics segment in the near-to-medium term.

Quarterly performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**34,329**	**35,904**	**38,214**	**44,170**	**39,420**	**41,433**	**45,471**	**47,087**	**1,52,617**	**1,73,410**
YoY Change (%)	0.3	3.7	6.0	12.8	14.8	15.4	19.0	6.6	5.9	13.6
Total Expenditure	**28,120**	**29,040**	**30,357**	**33,390**	**31,940**	**33,064**	**35,558**	**37,104**	**1,20,907**	**1,37,666**
EBITDA	**6,209**	**6,864**	**7,857**	**10,780**	**7,480**	**8,369**	**9,913**	**9,982**	**31,710**	**35,744**
YoY Change (%)	-12.9	-7.4	36.2	17.7	20.5	21.9	26.2	-7.4	7.6	12.7
Margins (%)	18.1	19.1	20.6	24.4	19.0	20.2	21.8	21.2	20.8	20.6
Depreciation	4,050	4,200	4,250	4,360	4,550	4,436	4,868	5,041	16,860	18,895
EBIT	**2,159**	**2,664**	**3,607**	**6,420**	**2,930**	**3,934**	**5,044**	**4,941**	**14,850**	**16,849**
Interest	2,360	2,260	2,230	2,120	2,770	2,450	1,750	1,500	8,970	8,470
Other Income	767	330	350	370	800	650	430	445	1,817	2,325
Extraordinary Income	10,893	260	-163	210	0	0	0	0	11,200	0
PBT	**11,459**	**994**	**1,564**	**4,880**	**960**	**2,134**	**3,724**	**3,886**	**18,897**	**10,704**
Rate (%)	24.8	71.4	47.9	5.7	8.3	14.0	16.5	21.0	24.2	16.9
Minority Interest	2,030	430	560	1,150	580	1,135	1,140	1,160	4,170	4,015
PAT	**6,589**	**-146**	**254**	**3,450**	**300**	**700**	**1,970**	**1,910**	**10,147**	**4,880**
Adj PAT	**-1,604**	**365**	**439**	**3,252**	**300**	**700**	**1,970**	**1,910**	**2,452**	**4,880**
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-118.7	91.6	348.5	-41.3	13.2	99.0
Margins (%)	19.2	-0.4	0.7	7.8	0.8	1.7	4.3	4.1	6.6	2.8

E: MOFSL Estimates: Note – Quarterly numbers will not add up to full year numbers due to restatement

Cipla — Neutral

CMP: INR1514 | TP: INR1,600 (6%) — **EPS CHANGE (%): FY26|27: 0.7|1.2**

- US sales to decline 12% YoY to USD209m for 2QFY26, driven by higher competition in g-Revlimid/limited approvals in 1HFY26.
- Expect DF sales to witness a higher single-digit growth of 9% YoY, hurt by a decline in Gastro and muted growth in AI.
- Progress on making inroads into the Orthopaedics segment to broaden therapy coverage in India.
- Progress on triple combination launches in the respiratory portfolio in India to be monitored.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**66,939**	**70,510**	**70,730**	**67,297**	**69,575**	**73,324**	**71,750**	**70,634**	**2,75,476**	**2,85,283**
YoY Change (%)	5.8	5.6	7.1	9.2	3.9	4.0	1.4	5.0	6.9	3.6
Total Expenditure	49,781	51,654	50,841	51,921	51,793	55,067	55,391	53,894	2,04,197	2,16,145
EBITDA	**17,158**	**18,856**	**19,889**	**15,376**	**17,781**	**18,258**	**16,359**	**16,740**	**71,279**	**69,139**
YoY Change (%)	14.9	8.8	13.8	16.9	3.6	-3.2	-17.7	8.9	13.3	-3.0
Margins (%)	25.6	26.7	28.1	22.8	25.6	24.9	22.8	23.7	25.9	24.2
Depreciation	2,467	2,717	2,798	3,087	2,527	3,160	3,092	3,044	11,070	11,824
EBIT	**14,691**	**16,139**	**17,091**	**12,289**	**15,254**	**15,098**	**13,267**	**13,696**	**60,210**	**57,314**
Interest	180	154	146	140	141	120	110	100	620	471
Other Income	1,602	1,906	1,546	2,895	2,586	2,250	2,300	2,400	7,949	9,536
Profit before Tax	**16,114**	**17,891**	**18,491**	**15,043**	**17,699**	**17,228**	**15,457**	**15,996**	**67,538**	**66,379**
One-time (expense)/income	0	0	670	0	0	0	0	0	670	0
PBT after EO expense	**16,114**	**17,891**	**19,161**	**15,043**	**17,699**	**17,228**	**15,457**	**15,996**	**68,208**	**66,379**
Rate (%)	27.0	27.0	18.0	18.6	27.0	24.0	25.0	25.5	22.7	25.4
Minority Interest	-13.5	34.9	132.1	31.8	-55.7	-5.0	-60.0	-140.0	185.3	-260.7
Reported PAT	**11,776**	**13,025**	**15,705**	**12,218**	**12,976**	**13,098**	**11,652**	**12,057**	**52,725**	**49,784**
Adj PAT	**11,776**	**13,025**	**13,644**	**12,218**	**12,976**	**13,098**	**11,652**	**12,057**	**50,664**	**49,784**
YoY Change (%)	18.3	10.9	14.0	40.6	10.2	0.6	-14.6	-1.3	19.6	-1.7

E: MOFSL Estimates;

Dr Agarwal's Healthcare — Buy

CMP: INR504| TP: INR600 (19%) — **EPS CHANGE (%): FY26|27: (0.4)|0.2**

- Expect sales growth of 19%, largely led by the number of patients being treated.
- Watch out for the experience in Delhi after opening a comprehensive care center.
- Progress on expanding into West and North India.
- Progress on the merger of Dr. Agarwal's Eye Hospital with Dr. Agarwal's Healthcare.

Quarterly perf. (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**4,035**	**4,166**	**4,307**	**4,602**	**4,874**	**4,958**	**5,169**	**5,475**	**17,110**	**20,475**
YoY Change (%)			29.5	31.9	20.8	19.0	20.0	19.0	28.4	19.7
Total Expenditure	2,998	3,096	3,211	3,272	3,596	3,659	3,830	4,026	12,578	15,111
EBITDA	**1,037**	**1,070**	**1,096**	**1,330**	**1,279**	**1,299**	**1,339**	**1,448**	**4,532**	**5,364**
YoY Change (%)			23.2	24.2	23.3	21.4	22.1	8.9	25.1	18.4
Margins (%)	25.7	25.7	25.4	28.9	26.2	26.2	25.9	26.5	26.5	26.2
Depreciation	555	572	582	604	630	630	640	635	2,313	2,535
EBIT	**482**	**498**	**514**	**726**	**649**	**669**	**699**	**813**	**2,220**	**7,899**
Interest	270	284	284	250	247	274	340	390	1,088	1,251
Other Income	60	119	127	154	134	120	131	106	460	491
PBT before EO expense	**272**	**333**	**358**	**630**	**536**	**515**	**490**	**529**	**1,592**	**2,070**
Extra-Ord expense	0	0	-52	45	0	0	0	0	7	0
PBT	**272**	**333**	**409**	**585**	**536**	**515**	**490**	**529**	**1,599**	**2,070**
Rate (%)	32.6	35.9	31.2	27.3	29.0	29.2	29.4	28.4	31.0	29.0
MI & P/L of Asso. Cos.	62	48	59	100	80	97	75	44	269	296
Reported PAT	**121**	**165**	**223**	**326**	**301**	**268**	**271**	**335**	**835**	**1,174**
Adj PAT	**121**	**165**	**187**	**358**	**301**	**268**	**271**	**335**	**832**	**1,174**
YoY Change (%)			-5.6	-7.4	148.3	61.7	44.7	-6.5	0.2	41.1
Margins (%)	3.0	4.0	4.3	7.8	6.2	5.4	5.2	6.1	4.9	5.7
EPS	**0.4**	**0.5**	**0.6**	**1.1**	**1.0**	**0.9**	**0.9**	**1.1**	**2.7**	**3.7**

E: MOFSL Estimates

Divis Labs — Neutral

CMP: INR5711 | TP: INR6,020 (5%) — **EPS CHANGE (%): FY26|27: (3.2)|2.7**

- DIVI is expected to deliver 11.6% YoY growth in sales on account of broad-based growth across segments.
- Expect 16%/7% YoY growth in CS/Generics sales for the quarter.
- Any change in the business outlook due to tariff-related moves by the US.
- Progress on capex related to long-term contracts, as well as any further updates on peptide/contrast media-related projects.

Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**21,180**	**23,380**	**23,190**	**25,850**	**24,100**	**26,090**	**27,538**	**28,940**	**93,600**	**1,06,668**
YoY Change (%)	19.1	22.5	25.0	12.2	13.8	11.6	18.7	12.0	19.3	14.0
Total Expenditure	14,960	16,220	15,760	16,990	16,810	18,002	18,753	19,593	63,930	73,158
EBITDA	**6,220**	**7,160**	**7,430**	**8,860**	**7,290**	**8,088**	**8,785**	**9,348**	**29,670**	**33,510**
YoY Change (%)	23.4	43.5	51.9	21.2	17.2	13.0	18.2	5.5	33.5	12.9
Margins (%)	29.4	30.6	32.0	34.3	30.2	31.0	31.9	32.3	31.7	31.4
Depreciation	970	990	990	1,070	1,120	1,143	1,152	1,199	4,020	4,615
EBIT	**5,250**	**6,170**	**6,440**	**7,790**	**6,170**	**6,944**	**7,633**	**8,148**	**25,650**	**28,895**
YoY Change (%)	27.7	52.7	63.5	22.5	17.5	12.6	18.5	4.6	39.0	12.7
Interest	0	0	0	10	30	0	0	0	10	30
Other Income	780	770	720	760	800	758	758	758	3,030	3,073
PBT before EO Income	**6,030**	**6,940**	**7,160**	**8,540**	**6,940**	**7,702**	**8,390**	**8,906**	**28,670**	**31,938**
Forex gain /(Loss)	10	290	100	100	390	0	0	0	500	390
PBT	**6,040**	**7,230**	**7,260**	**8,640**	**7,330**	**7,702**	**8,390**	**8,906**	**29,170**	**32,328**
Rate (%)	28.8	29.3	18.9	23.4	25.6	24.0	24.5	25.0	24.9	24.8
PAT	**4,300**	**5,110**	**5,890**	**6,620**	**5,450**	**5,853**	**6,334**	**6,679**	**21,920**	**24,317**
Adj. PAT	**4,293**	**4,905**	**5,809**	**6,543**	**5,160**	**5,853**	**6,334**	**6,679**	**21,550**	**24,027**
YoY Change (%)	20.3	38.3	68.5	22.0	20.2	19.3	9.0	2.1	35.3	11.5
Margins (%)	20.3	21.9	25.4	25.6	22.6	22.4	23.0	23.1	23.4	22.8

E: MOFSL Estimates;

Dr Reddy's Labs — Neutral

CMP: INR1246|TP: INR1,230 (-1%) — **EPS CHANGE (%): FY26|27: 0.1|0.0**

- Expect NA sales to decline 15% YoY to USD378m, led by increased pricing pressure on g-Revlimid.
- Expect India business to grow 10% YoY, led by robust traction in the respiratory/pain segment.
- Progress on semaglutide approval for the Canadian market. Outlook on the in-house manufacturing capacity of pens.
- Progress on filing Abatacept with the USFDA.

Quarterly Performance (INRm)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**76,727**	**80,162**	**82,320**	**85,060**	**85,452**	**85,500**	**85,682**	**91,504**	**3,24,269**	**3,48,139**
YoY Change (%)	13.9	16.5	14.1	20.1	11.4	6.7	4.1	7.6	16.2	7.4
Total Expenditure	55,452	58,134	60,590	64,555	63,951	65,322	67,860	67,255	2,38,731	2,64,389
EBITDA	**21,275**	**22,028**	**21,730**	**20,505**	**21,501**	**20,178**	**17,822**	**24,249**	**85,538**	**83,750**
YoY Change (%)	4.0	10.3	7.1	16.1	1.1	-8.4	-18.0	18.3	9.1	-2.1
Margins (%)	27.7	27.5	26.4	24.1	25.2	23.6	20.8	26.5	26.4	24.1
Amortization	3,815	3,975	4,719	4,555	4,765	4,560	4,400	4,820	17,064	18,545
EBIT	**17,460**	**18,053**	**17,011**	**15,950**	**16,736**	**15,618**	**13,422**	**19,429**	**68,474**	**65,205**
YoY Change (%)	3.5	11.9	3.7	12.9	-4.1	-13.5	-21.1	21.8	7.8	-4.8
Other Income	1,366	2,600	461	3,374	2,311	2,320	2,350	2,200	7,801	9,181
PBT before EO expenses	**18,826**	**20,653**	**17,472**	**19,324**	**19,047**	**17,938**	**15,772**	**21,629**	**76,275**	**74,386**
One-off income/(expense)	-5	-1,486	1,270	730	0	0	0	0	509	0
Profit before Tax	**18,821**	**19,167**	**18,742**	**20,054**	**19,047**	**17,938**	**15,772**	**21,629**	**76,784**	**74,386**
Rate (%)	26.0	30.0	25.1	20.8	26.0	25.5	25.0	25.5	25.4	25.5
PAT	**13,920**	**13,415**	**14,038**	**15,873**	**14,096**	**13,364**	**11,829**	**16,113**	**57,246**	**55,402**
Minority Interest	0	862	-95	-66	-82	-85	-95	-110	701	-372
Reported Profit	**13,920**	**12,553**	**14,133**	**15,939**	**14,178**	**13,449**	**11,924**	**16,223**	**56,545**	**55,774**
Adjusted PAT	**13,924**	**13,593**	**13,182**	**15,361**	**14,178**	**13,449**	**11,924**	**16,223**	**56,060**	**55,774**
YoY Change (%)	2.0	2.4	-4.3	26.7	1.8	-1.1	-9.5	5.6	6.1	-0.5
Margins (%)	18.1	17.0	16.0	18.1	16.6	15.7	13.9	17.7	17.3	16.0

E - MOFSL Estimates

Eris Lifesciences — Neutral

CMP: INR1623 | TP: INR1,635 (1%) — **EPS CHANGE (%): FY26|27: 0.0|0.0**

- Expect 9% YoY growth, led by superior execution in derma therapy.
- DF growth is likely to be impacted by muted show in the cardiac and VMN categories.
- Progress on business opportunity in the EU market for injectable dosage.
- Outlook on Liraglutide based on the traction in competitive products.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**7,197**	**7,412**	**7,275**	**7,053**	**7,730**	**8,079**	**8,657**	**9,028**	**28,936**	**33,493**
YoY Change (%)	54.2	46.7	49.6	28.0	7.4	9.0	19.0	28.0	44.0	15.7
Total Expenditure	4,697	4,767	4,771	4,529	4,963	5,154	5,558	5,742	18,764	21,417
EBITDA	**2,500**	**2,645**	**2,503**	**2,524**	**2,767**	**2,925**	**3,099**	**3,286**	**10,172**	**12,077**
Margins (%)	34.7	35.7	34.4	35.8	35.8	36.2	35.8	36.4	35.2	36.1
Depreciation	759	805	812	773	705	809	867	904	3,149	3,286
Interest	604	595	572	543	487	419	419	419	2,313	1,744
Other Income	16	46	42	80	27	51	55	57	184	190
PBT before EO expense	**1,153**	**1,291**	**1,162**	**1,288**	**1,602**	**1,747**	**1,868**	**2,020**	**4,894**	**7,237**
Extra-Ord expense	0	0	0	-1	-9	0	0	0	-1	-9
PBT	**1,153**	**1,291**	**1,162**	**1,289**	**1,611**	**1,747**	**1,868**	**2,020**	**4,895**	**7,246**
Tax	259	328	292	265	360	381	426	487	1,144	1,654
Rate (%)	22.5	25.4	25.2	20.6	22.3	21.8	22.8	24.1	23.4	22.8
MI & Profit/Loss of Asso. Cos.	62	48	33	85	71	95	110	129	228	405
Reported PAT	**832**	**916**	**836**	**938**	**1,180**	**1,272**	**1,332**	**1,405**	**3,522**	**5,188**
Adj PAT	**832**	**916**	**836**	**938**	**1,173**	**1,272**	**1,332**	**1,405**	**3,522**	**5,181**
YoY Change (%)	-12.3	-25.8	-18.6	15.0	41.0	38.8	59.3	49.8	-12.4	47.1
Margins (%)	11.6	12.4	11.5	13.3	15.2	15.7	15.4	15.6	12.2	15.5

E: MOFSL Estimates

GSK Pharma — Neutral

CMP: INR,2,695 | TP: INR2,830 (5%) — **EPS CHANGE (%): FY26|27: (1.9)|(2.0)**

- Expect muted sales growth of 2.5% YoY for the quarter.
- Outlook on the launch and scale-up of Oncology products in the DF segment is a key monitorable.
- Progress on building the adult immunization category with Shingrix through digital screening and ongoing clinic initiatives
- Update on initiatives to strengthen and accelerate the growth of core brands.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**8,147**	**10,107**	**9,494**	**9,743**	**8,052**	**10,361**	**10,529**	**10,615**	**37,491**	**39,558**
YoY Change (%)	7.0	5.6	17.9	4.8	-1.2	2.5	10.9	8.9	8.6	5.5
Total Expenditure	5,841	6,891	6,665	6,412	5,541	7,108	7,255	7,240	25,809	27,143
EBITDA	**2,305**	**3,216**	**2,829**	**3,332**	**2,511**	**3,253**	**3,275**	**3,376**	**11,682**	**12,415**
YoY Change (%)	60.2	11.1	29.7	29.5	8.9	1.2	15.8	1.3	28.6	6.3
Margins (%)	28.3	31.8	29.8	34.2	31.2	31.4	31.1	31.8	31.2	31.4
Depreciation	164	169	188	147	155	191	194	200	668	740
EBIT	**2,141**	**3,048**	**2,641**	**3,184**	**2,356**	**3,063**	**3,081**	**3,176**	**11,014**	**11,675**
YoY Change (%)	67.9	12.3	31.4	33.1	10.0	0.5	16.6	-0.3	31.3	6.0
Margins (%)	26.3	30.2	27.8	32.7	29.3	29.6	29.3	29.9	29.4	29.5
Interest	4	3	1	6	4	3	2	3	13	12
Other Income	356	345	351	407	437	300	300	550	1,459	1,587
PBT before EO Expense	**2,494**	**3,391**	**2,991**	**3,585**	**2,789**	**3,360**	**3,379**	**3,723**	**12,461**	**13,250**
Tax	671	913	782	957	740	887	895	968	3,323	3,490
Rate (%)	26.9	26.9	26.2	26.7	26.5	26.4	26.5	26.0	26.7	26.3
Adjusted PAT	**1,823**	**2,477**	**2,209**	**2,628**	**2,049**	**2,473**	**2,483**	**2,755**	**9,138**	**9,760**
YoY Change (%)	58.6	13.9	5.7	36.8	12.4	-0.2	12.4	4.8	24.6	6.8
Margins (%)	22.4	24.5	23.3	27.0	25.5	23.9	23.6	26.0	24.4	24.7
One-off Expense/(Income)	0	-47	-90	0	0	0	0	0	-137	0
Reported PAT	**1,823**	**2,524**	**2,299**	**2,628**	**2,049**	**2,473**	**2,483**	**2,755**	**9,275**	**9,760**

E: MOFSL Estimates

Gland Pharma

Buy

CMP: INR1981 | TP: INR2,340 (18%) | **EPS CHANGE (%): FY26|27: 0.0|0.0**

- Expect sales growth of 8% in 2QFY26, led by a gradual improvement in core market performance
- Progress on scale-up of Liraglutide in the UK/Australia markets.
- Outlook on upgradation/modification done at Cenexi plants and update on the ongoing business collaboration with Dr Reddy's are the key monitorables.

Consol. - Quarterly perf. (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**14,017**	**14,058**	**13,841**	**14,249**	**15,056**	**15,159**	**16,065**	**17,055**	**56,165**	**63,335**
YoY Change (%)	16.0	2.4	-10.4	-7.3	7.4	7.8	16.1	19.7	-0.9	12.8
Total Expenditure	11,373	11,088	10,241	10,774	11,378	11,718	12,258	12,910	43,476	48,264
EBITDA	**2,644**	**2,970**	**3,600**	**3,475**	**3,678**	**3,441**	**3,807**	**4,144**	**12,689**	**15,071**
YoY Change (%)	-10.1	-8.3	-3.8	-3.1	39.1	15.9	5.8	19.3	-6.1	18.8
Margins (%)	18.9	21.1	26.0	24.4	24.4	22.7	23.7	24.3	22.6	23.8
Depreciation	920	938	963	958	1,011	948	1,005	1,067	3,779	4,030
Interest	56	61	228	75	115	76	68	59	420	318
Other Income	514	597	585	440	575	599	623	647	2,136	2,444
PBT before EO expense	**2,182**	**2,567**	**2,993**	**2,883**	**3,128**	**3,016**	**3,358**	**3,666**	**10,626**	**13,167**
PBT	**2,182**	**2,567**	**2,993**	**2,883**	**3,128**	**3,016**	**3,358**	**3,666**	**10,626**	**13,167**
Rate (%)	34.1	36.3	31.6	35.3	31.1	31.4	30.0	29.3	34.3	30.4
Reported PAT	**1,438**	**1,635**	**2,047**	**1,865**	**2,155**	**2,069**	**2,351**	**2,592**	**6,985**	**9,166**
Adj PAT	**1,438**	**1,635**	**2,047**	**1,865**	**2,155**	**2,069**	**2,351**	**2,592**	**6,985**	**9,166**
YoY Change (%)	-25.9	-15.8	0.4	-2.7	49.9	26.5	14.8	38.9	-10.9	31.2
Margins (%)	10.3	11.6	14.8	13.1	14.3	13.6	14.6	15.2	12.4	14.5

E: MOFSL Estimates

Glenmark Pharma

Buy

CMP: INR1959 | TP: INR2,400 (23%) | **EPS CHANGE (%): FY26|27: -1.6|-1.1**

- DF is expected to grow 5% YoY. The robust performance in cardiac, respiratory, and diabetes was offset by the discontinuation of low-margin brands and the adverse GST impact.
- Progress on the next milestone with respect to ISB2001 and other molecules in the clinical trials is a key monitorable.
- US sales expected to decline modestly by 2.4% YoY, on price erosion in the base portfolio.
- Progress on oncology uptake in India from TEVIMBRA/ BRUKINSA launches.
- Progress on the resolution of FDA concerns at the Monroe facility.

Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues (Core)	**32,442**	**34,338**	**33,876**	**32,562**	**32,644**	**35,199**	**36,968**	**37,112**	**133,217**	**141,924**
YoY Change (%)	6.9	7.1	35.1	6.3	0.6	2.5	9.1	14.0	12.8	6.5
EBITDA	**6,102**	**6,019**	**6,002**	**5,610**	**5,805**	**5,913**	**8,096**	**8,499**	**23,734**	**28,313**
YoY Change (%)	39.5	19.1	-515.5	11.2	-4.9	-1.8	34.9	51.5	82.2	19.3
Margins (%)	18.8	17.5	17.7	17.2	17.8	16.8	21.9	22.9	17.8	19.9
Depreciation	1,178	1,203	1,227	1,252	1,299	1,285	1,350	1,355	4,860	5,289
EBIT	**4,924**	**4,816**	**4,775**	**4,358**	**4,506**	**4,628**	**6,746**	**7,144**	**18,874**	**23,025**
Interest	396	485	523	667	582	450	250	213	2,071	1,495
Other Income	315	324	311	117	264	130	135	140	1,067	669
PBT before EO Expense	**4,843**	**4,656**	**4,563**	**3,808**	**4,188**	**4,308**	**6,631**	**7,071**	**17,870**	**22,199**
One-off loss/(gain)	220	-70	0	3,728	3,232	-42,140	0	0	3,878	-38,908
PBT after EO Expense	**4,623**	**4,726**	**4,563**	**80**	**956**	**46,448**	**6,631**	**7,071**	**13,992**	**61,106**
Rate (%)	26.4	25.0	23.7	45.0	50.9	25.2	25.0	25.5	25.2	25.6
Reported PAT	**3,402**	**3,545**	**3,480**	**44**	**470**	**34,743**	**4,974**	**5,268**	**10,471**	**45,454**
Minority Interest	0	3	1	-3	1	-1	0	-2	0	-2
Adj PAT	**3,565**	**3,490**	**3,480**	**2,932**	**3,140**	**3,224**	**4,974**	**5,270**	**13,466**	**16,607**
YoY Change (%)	220.9	149.8	-199.8	74.6	-11.9	-7.6	42.9	79.7	1,821.0	23.3
Margins (%)	11.0	10.2	10.3	9.0	9.6	9.2	13.5	14.2	10.1	11.7
Overall Adj. PAT	**3,565**	**3,490**	**3,480**	**2932**	**3,140**	**3,224**	**4,974**	**5,270**	**13,466**	**16,607**

E: MOFSL Estimates

Global Health — Buy

CMP: INR1,306 | TP: INR1,590 (22%) — **EPS CHANGE (%): FY26|27: 0.0|0.0**

- Expect 10% YoY growth in ARPOB in mature hospitals, while developing hospitals would have stable ARPOB YoY.
- Expect increased international patient inflows, supporting improved realization.
- Occupancy of developing hospitals is expected to expand further, while mature hospitals' occupancy is likely to be stable sequentially.
- Progress on scale-up of Noida hospitals and construction of Mumbai/Delhi hospitals are the key monitorables.

Consolidated - Quarterly Earnings Model (INRm)

March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**8,611**	**9,566**	**9,434**	**9,312**	**10,308**	**10,080**	**10,439**	**11,429**	**36,923**	**42,256**
YoY Change (%)	11.4	13.3	12.8	15.2	19.7	5.4	10.6	22.7	12.7	14.4
Total Expenditure	6,699	7,222	7,023	7,066	7,959	7,712	7,881	8,594	28,008	32,147
EBITDA	**1,912**	**2,344**	**2,412**	**2,247**	**2,349**	**2,369**	**2,558**	**2,834**	**8,915**	**10,110**
YoY Change (%)	3.7	7.3	8.9	17.6	22.8	1.1	6.0	26.1	7.6	13.4
Margins (%)	22.2	24.5	25.6	24.1	22.8	23.5	24.5	24.8	24.1	23.9
Depreciation	515	555	519	493	451	521	539	591	2,082	2,102
Interest	180	160	163	150	138	155	160	181	653	634
Other Income	219	182	160	229	205	245	252	397	791	1,099
PBT before EO expense	**1,437**	**1,811**	**1,891**	**1,833**	**1,965**	**1,938**	**2,110**	**2,460**	**6,972**	**8,472**
Extra-Ord expense/(Income)	0	0	0	-499	117	0	0	0	-499	117
PBT	**1,437**	**1,811**	**1,891**	**1,334**	**2,081**	**1,938**	**2,110**	**2,460**	**6,473**	**8,589**
Tax	374	503	462	321	492	450	496	576	1,659	2,013
Rate (%)	26.0	27.8	24.4	24.0	23.6	23.2	23.5	23.4	25.6	23.4
Reported PAT	**1,063**	**1,308**	**1,429**	**1,014**	**1,590**	**1,488**	**1,614**	**1,884**	**4,813**	**6,577**
Adj PAT	**1,063**	**1,308**	**1,429**	**1,393**	**1,501**	**1,488**	**1,614**	**1,884**	**5,193**	**6,487**
YoY Change (%)	4.2	4.5	15.6	9.4	41.2	13.8	13.0	35.2	8.6	24.9
Margins (%)	12.3	13.7	15.1	15.0	14.6	14.8	15.5	16.5	14.1	15.4

E: MOFSL Estimates

Granules India — Buy

CMP: INR542 | TP: INR625 (15%) — **EPS CHANGE (%): FY26|27: (5.3)|(1.8)**

- Expect healthy sales growth in Q2, led by strong momentum in FDF. Low base in PFI would also support YoY growth for the quarter.
- Progress on FDA remediation at Gagillapur, with re-inspection eligibility in Sep'25, is a key monitorable.
- Outlook on new launches in the FDF segment.
- Expect strong growth in the EU and the US to be led by a higher offtake of large-volume products and the CNS ADHD segment scale-up at the US GPI facility.

Quarterly Performance

Y/E March	FY25				FY26E				FY25E	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**11,799**	**9,666**	**11,377**	**11,974**	**12,101**	**11,843**	**12,321**	**13,630**	**44,816**	**49,895**
YoY Change (%)	19.7	-18.7	-1.5	1.8	2.6	22.5	8.3	13.8	-0.5	11.3
Total Expenditure	9,206	7,633	9,074	9,451	9,634	9,273	9,685	10,631	35,364	39,222
EBITDA	**2,593**	**2,033**	**2,303**	**2,524**	**2,467**	**2,570**	**2,637**	**2,999**	**9,452**	**10,672**
YoY Change (%)	64.2	-4.5	-8.1	-1.3	-4.8	26.4	14.5	18.8	7.8	12.9
Margins (%)	22.0	21.0	20.2	21.1	20.4	21.7	21.4	22.0	21.1	21.4
Depreciation	529	525	566	635	688	618	643	711	2,255	2,660
EBIT	**2,064**	**1,508**	**1,737**	**1,889**	**1,779**	**1,952**	**1,994**	**2,288**	**7,197**	**8,012**
Interest	270	257	266	240	238	283	283	283	1,032	1,087
Other Income	21	32	57	19	163	30	31	34	129	258
PBT before EO expense	**1,814**	**1,284**	**1,528**	**1,668**	**1,704**	**1,699**	**1,742**	**2,039**	**6,294**	**7,183**
Extra-Ord expense	0	0	0	-308	259	0	0	0	-308	259
PBT	**1,814**	**1,284**	**1,528**	**1,976**	**1,445**	**1,699**	**1,742**	**2,039**	**6,601**	**6,924**
Rate (%)	25.8	24.3	23.0	23.0	22.1	22.2	22.4	22.7	24.0	22.4
Reported PAT	**1,346**	**972**	**1,176**	**1,520**	**1,126**	**1,322**	**1,352**	**1,576**	**5,015**	**5,375**
Adjusted PAT	**1,346**	**972**	**1,176**	**1,284**	**1,328**	**1,322**	**1,352**	**1,576**	**4,778**	**5,577**
YoY Change (%)	112.7	-4.8	-6.4	-1.0	-1.4	35.9	14.9	22.8	13.6	16.7
Margins (%)	11.4	10.1	10.3	10.7	11.0	11.2	11.0	11.6	10.7	11.2
EPS	**6**	**4**	**5**	**5**	**5**	**5**	**6**	**7**	**20**	**23**

E: MOFSL Estimates

Ipca Laboratories — Buy

CMP: INR1328| TP: INR1,570 (18%) — **EPS CHANGE (%): FY26|27: (0.4)|(0.4)**

- Expect 5.3% YoY growth in overall sales, led by steady performance in the DF segment and pick-up in the API business, partly offset by drag from Unichem/exports.
- Expect API sales to grow 12.4% YoY for the quarter on the back of stronger export demand.
- Expect the DF segment to grow 10.8% YoY, led by superior execution in antineoplast/pain/gastro therapies, marginally offset by muted growth in derma.
- Progress on benefits from the CV division restructuring. Outlook on new launches from the Unichem portfolio.

Quarterly Performance (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues (Core)	**20,926**	**23,549**	**22,454**	**22,467**	**23,089**	**24,786**	**24,802**	**24,185**	**89,396**	**96,861**
YoY Change (%)	31.8	15.8	9.4	10.5	10.3	5.3	10.5	7.6	16.0	8.4
EBITDA	**3,927**	**4,425**	**4,631**	**4,289**	**4,164**	**4,585**	**4,687**	**4,498**	**17,271**	**17,936**
YoY Change (%)	33.5	22.7	39.9	33.2	6.0	3.6	1.2	4.9	32.1	3.8
Margins (%)	18.8	18.8	20.6	19.1	18.0	18.5	18.9	18.6	19.3	18.5
Depreciation	989	1,004	985	1,001	1,001	1,052	1,053	1,027	3,978	4,132
EBIT	**2,938**	**3,421**	**3,646**	**3,287**	**3,164**	**3,533**	**3,635**	**3,472**	**13,293**	**13,804**
Interest	241	226	168	215	185	131	131	131	849	580
Other Income	206	263	201	258	327	350	376	390	928	1,443
PBT before EO Expense	**2,904**	**3,458**	**3,679**	**3,331**	**3,305**	**3,752**	**3,879**	**3,730**	**13,372**	**14,667**
One-off (gain)/ Expense	0	0	0	2,051	0	0	0	0	2,051	0
PBT after EO Expense	**2,904**	**3,458**	**3,679**	**1,280**	**3,305**	**3,752**	**3,879**	**3,730**	**11,321**	**14,667**
Rate (%)	31.5	28.7	24.6	48.6	29.1	29.4	29.6	30.0	25.7	29.5
Reported PAT	**1,990**	**2,464**	**2,773**	**658**	**2,344**	**2,649**	**2,731**	**2,611**	**7,885**	**10,335**
Minority Interest	-67	-160	-292	20	-12	16	19	20	-499	43
Adj PAT after Minority Int	**1,922**	**2,305**	**2,481**	**2,418**	**2,332**	**2,665**	**2,750**	**2,631**	**9,127**	**10,378**
YoY Change (%)	24.9	36.4	122.5	23.4	21.3	15.6	10.8	8.8	44.8	13.7
Margins (%)	9.2	9.8	11.1	10.8	10.1	10.8	11.1	10.9	10.2	10.7

E: MOFSL Estimates. Quarter - Standalone; Full year - Consolidated

Laurus Labs — Buy

CMP: INR872 | TP: INR1,010 (16%) — **EPS CHANGE (%): FY26|27: (0.3)|(0.5)**

- The YoY growth momentum is expected to continue for the fourth consecutive quarter with 28% YoY growth in revenue for 2QFY26.
- Expect 700bp expansion in EBITDA margin driven by higher CDMO mix and operating leverage.
- Outlook on CDMO contracts given uncertainty due to the recent announcement related to tariffs from the US.
- Update on the setup of the second GMP facility of ImmunoACT; expected to add capacity for an additional 2,500 treatments.

Consolidated- Quarterly Earnings Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**11,949**	**12,237**	**14,151**	**17,203**	**15,696**	**15,624**	**16,634**	**18,225**	**55,540**	**66,179**
YoY Change (%)	1.1	-0.1	18.4	19.5	31.4	27.7	17.6	5.9	10.2	19.2
EBITDA	**1,712**	**1,783**	**2,852**	**4,206**	**3,821**	**3,422**	**3,693**	**4,374**	**10,553**	**15,310**
YoY Change (%)	2.7	-5.1	57.2	74.2	123.2	91.9	29.5	4.0	35.7	45.1
Margins (%)	14.3	14.6	20.2	24.4	24.3	21.9	22.2	24.0	19.0	23.1
Depreciation	1,061	1,075	1,061	1,104	1,168	1,035	1,102	1,208	4,301	4,514
EBIT	**651**	**708**	**1,791**	**3,102**	**2,653**	**2,386**	**2,590**	**3,166**	**6,252**	**10,796**
Interest	492	526	578	564	515	521	521	521	2,160	2,079
Other Income	25	46	94	-3	104	58	51	52	163	265
PBT before EO expense	**185**	**228**	**1,307**	**2,535**	**2,242**	**1,923**	**2,120**	**2,697**	**4,254**	**8,982**
Extra-Ord expense	0	0	0	-589	0	0	0	0	-589	0
PBT	**185**	**228**	**1,307**	**3,123**	**2,242**	**1,923**	**2,120**	**2,697**	**4,843**	**8,982**
Rate (%)	33.9	22.3	30.7	25.1	28.2	26.0	26.0	26.5	26.8	26.7
MI & Profit/Loss of Asso. Cos.	-5	-21	-17	20	7	15	15	16	30	53
Reported PAT	**127**	**198**	**923**	**2,319**	**1,603**	**1,408**	**1,554**	**1,966**	**3,514**	**6,531**
Adj PAT	**127**	**198**	**923**	**1,878**	**1,603**	**1,408**	**1,554**	**1,966**	**3,126**	**6,531**
YoY Change (%)	-52.7	-46.3	298.9	148.4	1,164.5	609.7	68.3	4.7	92.4	108.9
Margins (%)	1.1	1.6	6.5	10.9	10.2	9.0	9.3	10.8	5.6	9.9

E: MOFSL Estimates

Lupin — Neutral

CMP: INR1982 | TP: INR2,040 (3%) — **EPS CHANGE (%): FY26|27: 6.5|2.4**

- Expect the US growth to sustain, led by Tolvaptan exclusivity and new/existing launches, aiding 30% YoY growth to USD290m.
- DF segment growth to moderate due to loss of exclusivity in the in-licensed portfolio, partly offset by chronic therapies.
- Update on approvals for Risperdal Consta and other complex injectables in regulated markets.
- Expect 320bp YoY EBITDA margin expansion, driven by lower in-licensed product share and cost efficiencies, partly offset by higher R&D spending for specialty brands.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**56,003**	**55,427**	**56,927**	**56,671**	**62,684**	**64,498**	**64,170**	**62,696**	**2,25,028**	**2,54,048**
YoY Change (%)	21.5	10.0	9.5	14.2	11.9	16.4	12.7	10.6	13.6	12.9
Total Expenditure	42,389	43,059	43,162	43,750	46,269	48,051	47,229	45,894	1,72,361	1,87,443
EBITDA	**13,614**	**12,368**	**13,765**	**12,921**	**16,415**	**16,447**	**16,941**	**16,803**	**52,668**	**66,606**
YoY Change (%)	109.0	34.0	34.7	29.6	20.6	33.0	23.1	30.0	46.6	26.5
Margins (%)	24.3	22.3	24.2	22.8	26.2	25.5	26.4	26.8	23.4	26.2
Depreciation	2,477	2,569	2,715	3,932	2,990	3,275	3,259	3,184	11,693	12,708
EBIT	**11,137**	**9,799**	**11,050**	**8,989**	**13,425**	**13,172**	**13,682**	**13,619**	**40,975**	**53,898**
Interest	680	709	669	891	918	880	820	749	2,949	3,367
Other Income	678	423	537	570	790	590	620	450	2,207	2,450
EO Exp/(Inc)	1,204	-1,036	956	-291	-859	0	0	0	834	-859
PBT	**9,930**	**10,549**	**9,963**	**8,958**	**14,156**	**12,882**	**13,482**	**13,319**	**39,401**	**53,841**
Rate (%)	18.9	18.5	21.3	12.7	13.7	19.1	19.5	19.7	18.0	17.9
Minority Interest	-42	-69	-37	-99	-24	-75	-70	-72	-246	-241
Reported PAT	**8,013**	**8,526**	**7,802**	**7,726**	**12,191**	**10,346**	**10,783**	**10,624**	**32,067**	**43,943**
Adj PAT	**8,990**	**7,682**	**8,554**	**7,472**	**11,450**	**10,346**	**10,783**	**10,624**	**32,698**	**43,202**
YoY Change (%)	214.9	55.5	42.6	47.0	27.4	34.7	26.1	42.2	73.2	32.1
Margins (%)	16.1	13.9	15.0	13.2	18.3	16.0	16.8	16.9	14.5	17.0

E: MOFSL estimates

Mankind Pharma — Buy

CMP: INR2439 | TP: INR2,930 (20%) — **EPS CHANGE (%): FY26|27: (1.8)|(0.9)**

- Expect 8.5% YoY growth in the Rx segment, driven by salesforce restructuring and strong chronic therapy performance.
- Consumer healthcare growth is likely to moderate to ~5% YoY on a high base, even as new launches gain traction and legacy brands sustain momentum, partly offset by the GST impact.
- Progress on clinical trials for GPR-119 and Novel AMR molecule.
- Outlook on scaling up the BSV through corrective actions and capacity expansion.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**28,934**	**30,765**	**31,988**	**30,794**	**35,704**	**37,631**	**36,503**	**34,442**	**1,22,481**	**1,44,279**
YoY Change (%)	12.2	13.6	22.7	26.1	23.4	22.3	14.1	11.8	18.5	17.8
Total Expenditure	21,697	22,265	23,828	23,712	27,236	27,922	26,903	26,211	91,698	1,08,271
EBITDA	**7,238**	**8,500**	**8,160**	**7,082**	**8,468**	**9,709**	**9,600**	**8,232**	**30,783**	**36,008**
YoY growth %	10.5	24.5	34.5	19.8	17.0	14.2	17.7	16.2	21.4	17.0
Margins (%)	25.0	27.6	25.5	23.0	23.7	25.8	26.3	23.9	25.1	25.0
Depreciation	1,077	1,056	1,872	2,309	2,187	2,284	2,216	2,091	6,212	8,777
Interest	109	71	2,209	1,905	1,707	1,690	1,447	1,240	4,294	6,083
Other Income	1,006	1,094	770	1,013	799	503	357	294	5,368	1,952
Extra-Ord expense	420	0	0	-1,250	0	0	0	0	-830	0
PBT	**6,637**	**8,468**	**4,849**	**5,131**	**5,373**	**6,238**	**6,295**	**5,195**	**26,475**	**23,100**
Rate (%)	18.8	22.5	22.8	16.8	17.8	18.4	19.3	19.9	19.3	18.9
MI & Profit/Loss of Asso. Cos.	26.7	28.4	8.5	15.6	94.7	30.0	30.0	46.6	79.2	201.3
Reported PAT	**5,365**	**6,535**	**3,736**	**4,251**	**4,320**	**5,060**	**5,050**	**4,114**	**21,298**	**18,544**
Adj PAT	**5,706**	**6,535**	**3,736**	**3,212**	**4,320**	**5,060**	**5,050**	**4,114**	**20,635**	**18,544**
YoY Change (%)	17.2	30.4	-17.7	-31.8	-24.3	-22.6	35.2	28.1	7.9	-10.1
Margins (%)	19.7	21.2	11.7	10.4	12.1	13.4	13.8	11.9	16.8	12.9

E: MOFSL Estimates

Max Healthcare

Buy

CMP: INR1113 | TP: INR1350 (21%) **EPS CHANGE (%): FY26|27: -1.9|0.0**

- Expect ARPOB to remain flat YoY at INR76.7k, as the growing share of newer, lower-ARPOB hospitals offsets ARPOB gains at mature units.
- Expect sales momentum to sustain with YoY growth of 35%, led by strong treatment volumes, ramp-up of new units, and improved international patient traction.
- 12% YoY growth in test volumes and 7% YoY growth in realizations to drive a 20% YoY growth in Maxlab revenue.
- Progress on the commencement of new hospitals.
- Outlook on the recent dispute with insurance companies with respect to tariff revision.

Consolidated - Quarterly Earnings Model **(INRm)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**19,310**	**21,190**	**22,690**	**23,020**	**24,510**	**25,992**	**28,156**	**29,027**	**86,210**	**1,07,686**
YoY Change (%)	19.1	23.3	34.9	28.5	26.9	34.6	32.9	27.9	26.5	24.9
Total Expenditure	14,370	15,520	16,520	16,950	18,340	19,390	20,864	21,277	63,360	79,871
EBITDA	**4,940**	**5,670**	**6,170**	**6,070**	**6,170**	**6,602**	**7,292**	**7,750**	**22,850**	**27,815**
Margins (%)	25.6	26.8	27.2	26.4	25.2	25.4	25.9	26.7	26.5	25.8
Depreciation	900	970	1,060	1,140	1,170	1,043	1,130	1,164	4,070	4,507
Interest	80	50	350	360	340	319	279	219	840	1,157
Other Income	40	60	110	240	80	100	120	130	450	430
Extra-Ord expense	190	270	1,000	180	330	0	0	0	1,640	330
PBT	**3,810**	**4,440**	**3,870**	**4,630**	**4,410**	**5,341**	**6,004**	**6,497**	**16,750**	**22,251**
Rate (%)	22.8	21.4	18.3	18.8	21.8	18.5	19.5	19.9	20.3	19.8
Reported PAT	**2,940**	**3,490**	**3,160**	**3,760**	**3,450**	**4,353**	**4,833**	**5,204**	**13,350**	**17,840**
Adj PAT	**3,087**	**3,702**	**3,977**	**3,906**	**3,708**	**4,353**	**4,833**	**5,204**	**14,648**	**18,104**
YoY Change (%)	1.0	4.9	16.5	17.7	20.1	41.0	30.6	30.9	10.0	23.6
Margins (%)	16.0	17.5	17.5	17.0	15.1	16.7	17.2	17.9	17.0	16.8

E: MOFSL Estimates

Piramal Pharma

Buy

CMP: INR199 | TP: INR230 (15%) **EPS CHANGE (%): FY26|27: (13.5)|(7.4)**

- Expect 8% YoY sales decline to INR20.5b, led by CDMO weakness due to the impact of inventory destocking.
- CHG sales to remain stable YoY with Institutional orders and ramp-up of new Sevoflurane capacity at Digwal to drive a better outlook in the CHG segment.
- Expect YoY moderation in EBITDA margin for 2Q, mainly due to operating deleverage.
- Progress on CDMO order book amid inconsistent biotech funding and geopolitical uncertainty.

Consolidated - Quarterly Earnings Model **(INR m)**

PPL Income statement (INRm)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenues	**19,511**	**22,418**	**22,042**	**27,541**	**19,337**	**20,537**	**23,998**	**26,515**	**91,511**	**90,387**
growth YoY(%)	*11.6*	*17.3*	*12.5*	*7.9*	*-0.9*	*-8.4*	*8.9*	*-3.7*	*12.0*	*-1.2*
CDMO	10,570	13,240	12,780	17,880	9,970	10,857	13,419	15,198	54,470	49,444
CHG	6,310	6,430	6,540	7,050	6,370	6,494	7,521	8,249	26,330	28,634
ICH	2,640	2,770	2,780	2,740	3,020	3,186	3,058	3,069	10,930	12,332
EBITDA*	**2,044**	**3,416**	**3,377**	**5,610**	**1,067**	**2,259**	**4,128**	**5,754**	**14,447**	**13,208**
margin (%)	*10.5*	*15.2*	*15.3*	*20.4*	*5.5*	*11.0*	*17.2*	*21.7*	*15.8*	*14.6*
growth YoY(%)	*54.5*	*28.6*	*25.8*	*5.9*	*-47.8*	*-33.9*	*22.2*	*2.6*	*20.8*	*-8.6*
Depreciation	1,846	1,922	1,968	2,428	1,973	2,045	2,089	2,100	8,163	8,207
EBIT	**198**	**1,494**	**1,409**	**3,182**	**-906**	**214**	**2,039**	**3,654**	**6,284**	**5,001**
Other income	195	611	121	420	584	590	585	610	1,348	2,369
Interest expense	1,070	1,076	1,033	1,037	862	870	860	855	4,216	3,447
Share from Asso. Co	224	173	171	162	186	180	195	210	729	771
PBT	**-452**	**1,201**	**668**	**2,728**	**-998**	**114**	**1,959**	**3,619**	**4,145**	**4,694**
EO Expenses/(gain)	-	-	-	-	(207)	-	-	-	-	(207)
Tax Rate (%)	*-96.4*	*81.2*	*94.5*	*43.7*	*-3.4*	*65.0*	*61.0*	*59.0*	*78.0*	*70.0*
Reported PAT	**-888**	**226**	**37**	**1,535**	**-817**	**40**	**764**	**1,484**	**910**	**1,471**
Adj. PAT	**-888**	**226**	**37**	**1,535**	**-1,031**	**40**	**764**	**1,484**	**910**	**1,256**
Change (%)	*NA*	*348.2*	*-89.5*	*34.0*	*16.2*	*-82.3*	*NA*	*-3.3*	*62.5*	*38.0*

E: MOFSL Estimates

Sun Pharma — Buy

CMP: INR1636 | TP: INR1900 (16%) — **EPS CHANGE (%): FY26|27: (0.1)|(2.7)**

- Expect 14% YoY growth in the specialty segment, reaching USD326m in 2Q, driven by market share gains in existing products and some traction in new launches.
- Progress on Unloxcyt launch preparation in the specialty portfolio.
- Expect sustained outperformance relative to the industry, with DF sales growing 12% YoY for the quarter, led by new launches and the addition of the field force.
- Key monitorables include prescription growth in the specialty portfolio and the impact of recent US tariff announcements.

Consolidated - Quarterly Earnings (INRm)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1,25,245**	**1,32,642**	**1,30,569**	**1,28,156**	**1,37,861**	**1,40,428**	**1,46,486**	**1,46,256**	**5,16,612**	**5,71,030**
YoY Change (%)	6.3	10.5	7.4	8.5	10.1	5.9	12.2	14.1	8.2	10.5
EBITDA	**35,298**	**37,837**	**35,738**	**32,816**	**40,073**	**39,741**	**40,870**	**39,928**	**1,41,689**	**1,60,611**
Margins (%)	28.2	28.5	27.4	25.6	29.1	28.3	27.9	27.3	27.4	28.1
Depreciation	6,551	6,259	6,306	6,638	7,006	6,466	6,745	6,735	25,754	26,951
EBIT	**28,747**	**31,578**	**29,433**	**26,178**	**33,067**	**33,275**	**34,124**	**33,193**	**1,15,936**	**1,33,660**
Interest	615	692	515	491	748	439	439	439	2,314	2,064
Other Income	6,608	3,811	7,041	7,561	5,298	7,437	8,081	8,774	25,022	29,590
PBT before EO expense	**34,740**	**34,697**	**35,959**	**33,248**	**37,617**	**40,273**	**41,767**	**41,529**	**1,38,644**	**1,61,187**
Extra-Ord expense	505	-1,281	1,195	705	5,890	0	0	0	1,123	5,890
PBT	**34,235**	**35,978**	**34,764**	**32,543**	**31,728**	**40,273**	**41,767**	**41,529**	**1,37,520**	**1,55,297**
Rate (%)	16.1	15.8	16.1	33.6	27.4	24.5	25.0	24.5	20.2	25.2
Minority Interest & Profit/Loss of Asso. Cos.	356	-95	142	108	240	120	130	133	511	623
Reported PAT	**28,356**	**30,401**	**29,034**	**21,498**	**22,786**	**30,286**	**31,195**	**31,222**	**1,09,289**	**1,15,489**
Adj PAT	**27,494**	**29,052**	**27,637**	**28,891**	**29,961**	**30,287**	**31,195**	**31,222**	**1,13,075**	**1,22,664**
YoY Change (%)	20.4	20.8	11.6	3.0	9.0	10.2	7.4	13.0	13.4	8.5
Margins (%)	22.0	21.9	21.2	22.5	21.7	21.6	21.3	21.3	21.9	21.5

E: MOFSL Estimates

Torrent Pharmaceuticals — Neutral

CMP: INR3563 | TP: INR3,580 (0.5%) — **EPS CHANGE (%): FY26|27: (0.2)|(1.6)**

- Expect DF to sustain a healthy YoY growth rate of 11%, led by steady performance in Cardiac and Neuro and field force expansion.
- Outlook on the consumer health segment in terms of the addition of products/scale-up of existing products.
- Expect US sales to witness healthy YoY growth of 14.6% supported by improved offtake under existing contracts and contributions from new launches like Esomeprazole granules and Sacubitril-Valsartan.
- Expect Brazil to witness a robust YoY growth rate of 20%, on the back of strong secondary sales growth.
- Progress on reviving US sales prospects

Quarterly performance (Consolidated) (INRm)

Y/E March	FY25				FY26E				FY25	FY26
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**28,590**	**28,890**	**28,090**	**29,590**	**31,780**	**32,165**	**32,498**	**33,030**	**1,15,160**	**1,29,473**
YoY Change (%)	10.3	8.6	2.8	7.8	11.2	11.3	15.7	11.6	7.3	12.4
EBITDA	**9,240**	**9,390**	**9,140**	**9,810**	**10,470**	**10,679**	**10,659**	**10,768**	**37,580**	**42,576**
YoY Change (%)	16.8	13.8	5.2	11.1	13.3	13.7	16.6	9.8	11.6	13.3
Margins (%)	32.3	32.5	32.5	33.2	32.9	33.2	32.8	32.6	32.6	32.9
Depreciation	1,970	1,980	1,990	2,010	2,010	2,210	2,233	2,270	7,950	8,723
EBIT	**7,270**	**7,410**	**7,150**	**7,800**	**8,460**	**8,469**	**8,426**	**8,498**	**29,630**	**33,853**
Interest	750	640	570	560	560	540	520	510	2,520	2,130
Other Income	240	-160	330	-180	-370	175	182	171	230	158
One-off expenses	200	0	0	410	150	0	0	0	610	150
PBT after EO Expense	**6,560**	**6,610**	**6,910**	**6,650**	**7,380**	**8,104**	**8,088**	**8,159**	**26,730**	**31,731**
Rate (%)	29.4	31.5	27.2	23.7	25.2	26.2	25.7	26.1	27.9	25.8
Reported PAT	**4,570**	**4,530**	**5,030**	**4,980**	**5,480**	**5,980**	**6,010**	**6,030**	**19,110**	**23,500**
Adj PAT	**4,709**	**4,530**	**5,030**	**5,287**	**5,591**	**5,980**	**6,010**	**6,030**	**19,556**	**23,611**
YoY Change (%)	24.6	17.4	31.9	17.8	18.7	32.0	19.5	14.0	22.7	20.7
Margins (%)	16.5	15.7	17.9	17.9	17.6	18.6	18.5	18.3	17.0	18.2

E: MOFSL Estimates

Zydus Lifesciences — Neutral

CMP: INR992 | TP: INR1020 (3%) — **EPS CHANGE (%): FY26|27: (0.1)|1.9**

- Expect US sales to grow 28% YoY to USD352m on a low base but decline 5% QoQ amid g-Revlimid competition.
- Progress on Saroglitazar Magnesium with PBC trial data readout and analysis underway.
- Expect 11.5% YoY DF growth driven by chronic therapies like cardiac/respiratory/antineoplastic.
- Outlook on transition to revised GST rates in the DF and consumer wellness segment is a key monitorable.
- Expect steady build-out of the specialty franchise with commercialization of Docetaxel in 2Q.

Quarterly Performance (Consolidated) (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Revenues	**62,075**	**52,370**	**52,691**	**65,279**	**65,737**	**60,247**	**61,674**	**66,600**	**2,32,415**	**2,54,259**
YoY Change (%)	20.8	19.9	17.0	18.0	5.9	15.0	17.0	2.0	18.9	9.4
Total Expenditure	40,983	38,210	39,691	43,630	45,423	43,679	46,256	50,216	1,62,514	1,85,574
EBITDA	**21,092**	**14,160**	**13,000**	**21,649**	**20,314**	**16,568**	**15,419**	**16,384**	**69,901**	**68,684**
YoY Change (%)	37.6	33.1	20.2	33.2	-3.7	17.0	18.6	-24.3	31.8	-1.7
Margins (%)	34.0	27.0	24.7	33.2	30.9	27.5	25.0	24.6	30.1	27.0
Depreciation	2,153	2,336	2,290	2,379	2,381	2,425	2,497	2,604	9,158	9,908
Interest	322	251	320	766	847	850	830	790	1,659	3,317
Other Income	632	682	575	806	1,549	1,340	1,440	1,480	2,695	5,809
EO Exp/(Inc)	252	-454	-876	2,590	-571	0	0	0	1,512	-571
PBT after EO Income	**18,997**	**12,709**	**11,841**	**16,720**	**19,206**	**14,633**	**13,532**	**14,469**	**60,267**	**61,840**
Rate (%)	23.0	29.4	15.2	25.3	22.6	24.2	24.5	24.7	23.4	23.9
Min. Int/Adj on Consol	-437	131	192	-779	-198	-300	-350	-400	-893	-1,248
Reported PAT	**14,199**	**9,109**	**10,238**	**11,709**	**14,668**	**10,792**	**9,867**	**10,495**	**45,255**	**45,821**
Adj PAT	**14,393**	**8,788**	**9,495**	**13,643**	**14,226**	**10,792**	**9,867**	**10,495**	**46,320**	**45,379**
YoY Change (%)	28.2	19.1	26.3	16.1	-1.2	22.8	3.9	-23.1	22.3	-2.0
Margins (%)	23.2	16.8	18.0	20.9	21.6	17.9	16.0	15.8	19.9	17.8

E: MOFSL Estimates

Laxmi Dental — Buy

CMP: INR328 | TP: INR400 (22%) — **EPS CHANGE (%): FY26|27: (2.4)|(2.4)**

- Expect 22% YoY growth in revenue, driven by strong aligner momentum and accelerating international traction
- Update on the launch of AI Dent Global's AI-powered dental imaging and analysis solutions
- Expect 320 bps YoY EBITDA margin expansion in Q2, supported by digital mix and ERP-led cost optimization.
- Update on CE approvals for Kids-e-dental products

Quarterly perf. (Consol.) (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**597**	**571**	**617**	**607**	**656**	**697**	**771**	**863**	**2,391**	**2,987**
YoY Change (%)	N/A	N/A	29.0	10.2	9.9	22.0	25.0	42.3	23.5	24.9
Total Expenditure	457	484	520	511	537	568	599	659	1,972	2,362
EBITDA	**140**	**87**	**96**	**95**	**119**	**129**	**172**	**204**	**419**	**624**
YoY Change (%)	N/A	N/A	144.7	-18.5	-15.0	47.7	78.8	114.6	76.1	49.1
Margins (%)	23.5	15.3	15.6	15.7	18.2	18.5	22.3	23.7	17.5	20.9
Depreciation	34	34	40	43	36	48	52	64	150	200
Interest	14	12	15	13	5	3	2	-7	54	3
Other Income	4	7	6	16	17	20	22	23	33	82
Extra-Ord expense	-59	0	0	-4	0	0	0	0	-70	0
PBT	**155**	**49**	**47**	**60**	**96**	**98**	**140**	**169**	**318**	**503**
Rate (%)	11.4	23.3	22.7	41.2	23.8	23.0	23.5	15.0	20.3	20.6
MI & P/L of Asso. Cos.	-20	-22	-12	-8	10	22	22	29	64	83
Reported PAT	**157**	**59**	**48**	**43**	**83**	**97**	**129**	**173**	**318**	**483**
Adj PAT	**105**	**59**	**48**	**40**	**83**	**97**	**129**	**173**	**262**	**483**
YoY Change (%)	N/A	N/A	133.2	-51.0	-21.3	64.5	167.7	328.6	4.9	84.4
Margins (%)	17.6	10.3	7.8	6.7	12.6	13.9	16.7	20.1	10.9	16.2

E: MOFSL Estimates

Infrastructure

Company
G R Infraprojects
IRB Infrastructure Developers
KNR Constructions

Weak execution due to heavy monsoon; awarding subdued while the tender pipeline remains robust

Project awarding remains muted in 2QFY26

- Project awarding by NHAI remains subdued in 2QFY26, with ~300km of projects being awarded, while construction stood at ~1,605km (project awarding totaled 4,080km, while construction touched ~5,600km in FY25). NHAI has set a target of ~6,300km to be awarded in FY26. Awarding is expected to accelerate in 2HFY26. The order pipeline continues to remain robust, which mostly comprises HAM projects followed by BOT and EPC. Execution is expected to be weak due to heavy monsoons across the country.
- The road segment has been experiencing fierce competition from small players, which has hit order inflows for large established players. These small players not only compress industry margins but also reduce the quality of project execution, often leading to delays. Due to this, NHAI, through a press release dated 17th Sep'25, tightened RFP provisions to ensure that projects are awarded only to contractors with proven technical and financial competence. This measure is anticipated to positively impact order inflows for larger players.
- Budgetary outlay for roads in the Union Budget 2025 was marginally increased by 2.4% YoY, which should continue to support project awarding going forward. The government's thrust on infrastructure development and improved credit availability from banks are highly encouraging factors.

FASTag toll collections improve sequentially; asset monetization in focus

- FASTag toll collections (in volume terms) improved ~15.5% YoY during Jul-Aug'25, while collections in value terms increased ~23% YoY during the same period. Higher toll collections play a crucial role in expediting the monetization of road assets by the Ministry. Additionally, it benefits companies seeking to monetize their existing toll assets.
- NHAI's primary focus is on asset monetization as a means to generate funds beyond budgetary allocations.

Execution to be muted for our coverage universe on a YoY basis

- For our coverage universe (excl. IRB), we expect revenue to be flat YoY (-14% QoQ). In line with execution, we expect operating profit for our coverage (excl. IRB) to decrease 5% YoY (-18% QoQ).
- IRB is likely to report ~11% YoY growth in sales and EBITDA on a weak base.

Softening input prices to support margins

- Steel and aluminum prices have decreased ~29% each since Apr'22. Cement prices have increased ~8% from their lows in Sep'24.
- Lower commodity prices are expected to support the margins of the EPC companies amid a weak order book and execution.

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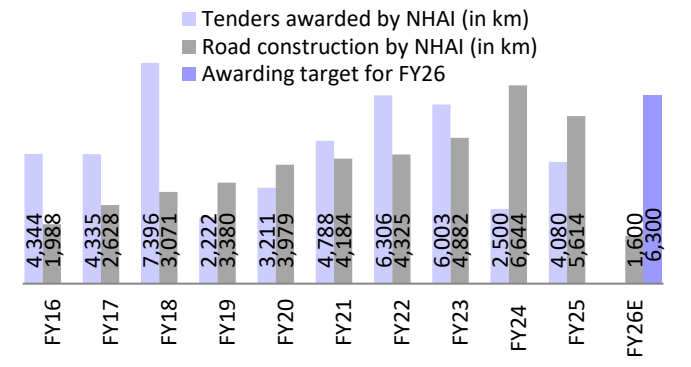
Players with a strong order book, balance sheet, and diversified operations well placed

- Project awarding is still muted in 2QFY26. However, there is a robust pipeline of tenders in place. Entities having substantial order backlogs, strong financial standings, and engagement across various sectors are well-positioned to capitalize on NHAI's proactive approach to project allocation.
- Companies under our coverage (ex-G R Infrastructure) lack a strong order book, which may hurt their future revenue.

Exhibit 1: Summary of expected quarterly performance

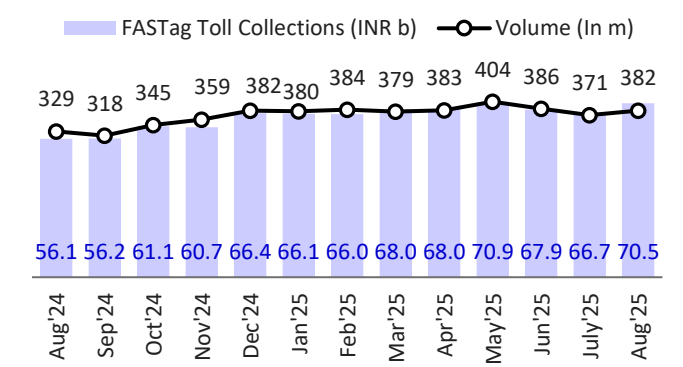
Company	CMP		Sales (INR m)			EBITDA (INR m)			Adjusted profit (INR m)		
	(INR)	Rating	Sept'25	Variance YoY	Variance QoQ	Sept'25	Variance YoY	Variance QoQ	Sept'25	Variance YoY	Variance QoQ
G R Infraprojects	1,231	Buy	13,911	23%	-24%	1,628	39%	-30%	1446	25%	-33%
IRB Infra.	41	Neutral	17,623	11%	-16%	8,547	11%	-10%	1,351	35%	-33%
KNR Constructions	199	Neutral	5,860	-32%	22%	785	-43%	27%	550	-63%	27%
Infrastructure			**37,394**	**5%**	**-15%**	**10,960**	**7%**	**-12%**	**3,348**	**-8%**	**-27%**

Exhibit 2: Trends in NHAI awarding and construction



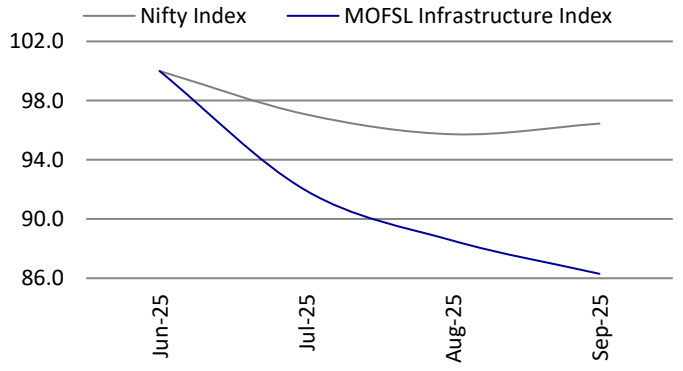
Source: NHAI, MOFSL

Exhibit 3: FASTag toll collections



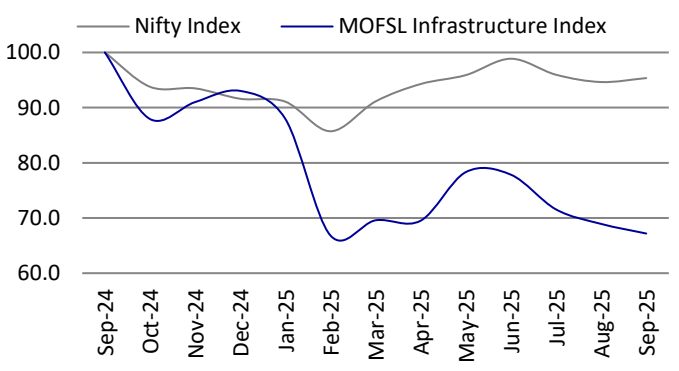
Source: NPCI, MOFSL

Exhibit 4: Relative performance – three-month (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Company	CMP		EPS (INR)			P/E (x)			P/B (x)			RoE (%)		
	(INR)	Rating	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
GR Infraprojects	1,231	Buy	79.9	101.1	116.5	15.4	12.2	10.6	1.4	1.2	1.1	9.3	10.7	11.0
IRB Infra.	41	Neutral	2.2	2.8	3.9	21.3	16.7	11.9	1.3	1.2	1.1	6.4	7.7	9.9
KNR Constructions	199	Neutral	8.7	14.4	15.1	23.0	13.8	13.2	1.3	1.2	1.1	6.0	9.2	8.9

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter / financial year under review.

G R Infraprojects — Buy

CMP: INR1,231 | TP: INR1,433 (+16%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to rise ~23% YoY at INR13.9b in 2Q FY26.
- Adjusted PAT to rise ~24.5% YoY to INR1.4b. Profitability will be affected by muted execution.
- Expect EBITDA to be at ~INR1.6b and EBITDA margin at 11.7%. Muted execution and elevated costs will continue to hurt EBITDA margin.
- Commentaries on execution, order inflows, and monetization of assets through the InvIT route are the key monitorables.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**18,965**	**11,281**	**14,628**	**19,429**	**18,261**	**13,911**	**18,049**	**21,118**	**64,304**	**71,339**
YoY Change (%)	(11.9)	(28.3)	(19.0)	(9.9)	(3.7)	23.3	23.4	8.7	(16.4)	10.9
EBITDA	**2,466**	**1,171**	**1,546**	**3,009**	**2,311**	**1,628**	**2,256**	**2,723**	**8,193**	**8,917**
Margins (%)	13.0	10.4	10.6	15.5	12.7	11.7	12.5	12.9	12.7	12.5
Depreciation	632	631	612	572	524	620	635	645	2,448	2,424
Interest	281	214	207	155	119	165	150	148	857	581
Other Income	1,081	1,311	1,222	1,389	1,163	1,090	1,080	1,034	5,003	4,367
PBT before EO expense	**2,634**	**1,637**	**1,949**	**3,671**	**2,830**	**1,933**	**2,551**	**2,965**	**9,892**	**10,279**
Extra-Ord expense	(494)	356	377	849	-	-	-	-	1,088	-
PBT	**2,140**	**1,993**	**2,326**	**4,520**	**2,830**	**1,933**	**2,551**	**2,965**	**10,980**	**10,279**
Tax	621	845	640	807	672	486	642	747	2,913	2,547
Rate (%)	29.0	42.4	27.5	17.9	23.7	25.2	25.2	25.2	26.5	24.8
Reported PAT	**1,520**	**1,148**	**1,686**	**3,712**	**2,158**	**1,446**	**1,909**	**2,219**	**8,066**	**7,732**
Adj PAT	**1,890**	**1,161**	**1,309**	**2,864**	**2,158**	**1,446**	**1,909**	**2,219**	**7,224**	**7,732**
YoY Change (%)	(9.1)	(5.8)	(12.2)	27.3	14.2	24.5	45.8	(22.5)	2.4	7.0
Margins (%)	10.0	10.3	8.9	14.7	11.8	10.4	10.6	10.5	11.2	10.8

IRB Infrastructure Developers — Neutral

CMP: INR41 | TP: INR45 (10%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect 11% YoY growth in revenue.
- Adjusted PAT to be ~INR1.35b (+35% YoY).
- Expect operating margin at 48.5% (+20bp YoY).
- IRB to be cautious in bidding due to aggressive bidding in NHAI projects.
- New order wins in the construction segment are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**18,529**	**15,858**	**20,254**	**21,492**	**20,990**	**17,623**	**25,861**	**29,875**	**76,135**	**94,348**
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.3	11.1	27.7	39.0	2.8	23.9
EBITDA	**8,570**	**7,667**	**9,842**	**9,979**	**9,520**	**8,547**	**12,439**	**14,071**	**36,059**	**44,577**
Margins (%)	46.3	48.3	48.6	46.4	45.4	48.5	48.1	47.1	47.4	47.2
Depreciation	2,550	2,312	2,651	2,863	2,692	2,730	2,750	2,753	10,376	10,925
Interest	4,387	4,342	4,614	4,576	4,620	4,680	4,750	4,745	17,919	18,795
Other Income	1,187	1,658	649	686	656	850	885	954	4,181	3,345
PBT before EO expense	**2,820**	**2,671**	**3,227**	**3,225**	**2,864**	**1,987**	**5,824**	**7,526**	**11,944**	**18,201**
Extra-Ord expense	-	-	58,041	-	-	-	-	-	58,041	-
PBT	**2,820**	**2,671**	**61,268**	**3,225**	**2,864**	**1,987**	**5,824**	**7,526**	**69,985**	**18,201**
Tax	887	835	1,008	1,078	839	636	1,864	2,404	3,808	5,151
Rate (%)	31.4	31.3	1.6	33.4	29.3	32.0	32.0	31.9	5.4	28.3
Share of profit in Associates	(534)	(837)	-	-	-	-	-	-	(1,371)	-
Reported PAT	**1,400**	**999**	**60,261**	**2,147**	**2,025**	**1,351**	**3,960**	**5,122**	**64,806**	**13,050**
Adj PAT	**1,400**	**999**	**2,219**	**2,147**	**2,025**	**1,351**	**3,960**	**5,122**	**6,765**	**13,050**
YoY Change (%)	4.6	4.3	18.4	13.7	44.6	35.3	78.4	138.5	11.7	92.9
Margins (%)	7.6	6.3	11.0	10.0	9.6	7.7	15.3	17.1	8.9	13.8

KNR Constructions

Neutral

CMP: INR199 | TP: INR210 (+5%)

EPS CHANGE (%): FY26|27: -|-

- Expect revenue of INR5.9b (-32% YoY) during the quarter.
- Expect adjusted PAT of INR550m (-63% YoY).
- We expect EBITDA of INR785m and project the operating margin to dip 270bp YoY due to muted execution.
- New order wins and updates on irrigation receivables are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**8,193**	**8,561**	**7,079**	**8,512**	**4,792**	**5,860**	**7,073**	**7,535**	**32,344**	**25,259**
YoY Change (%)	-11.9	-9.1	-21.8	-27.8	-41.5	-31.5	-0.1	-11.5	-18.2	-21.9
EBITDA	**1,356**	**1,380**	**1,173**	**1,175**	**617**	**785**	**990**	**1,068**	**5,084**	**3,460**
Margins (%)	16.6	16.1	16.6	13.8	12.9	13.4	14.0	14.2	15.7	13.7
Depreciation	225	226	229	223	150	180	200	229	903	759
Interest	41	20	31	38	34	30	28	22	129	114
Other Income	51	575	130	185	150	160	170	152	941	631
PBT before EO expense	**1,141**	**1,709**	**1,044**	**1,099**	**583**	**735**	**932**	**969**	**4,993**	**3,219**
Extra-Ord expense	531	1,867	919	0	80	0	0	0	3,317	80
Tax	334	344	253	348	150	185	235	244	1,279	814
Rate (%)	29.2	20.1	24.3	31.6	25.7	25.2	25.2	25.2	25.6	25.3
Reported PAT	**1,339**	**3,344**	**1,822**	**752**	**513**	**550**	**698**	**725**	**7,257**	**2,485**
Adj PAT	**807**	**1,477**	**903**	**752**	**433**	**550**	**698**	**725**	**3,939**	**2,405**
YoY Change (%)	-26.8	47.9	5.6	-43.4	-46.4	-62.7	-22.8	-3.6	-8.1	-38.9
Margins (%)	9.9	17.3	12.8	8.8	9.0	9.4	9.9	9.6	12.2	9.5

Logistics

Company
Blue Dart Express
Container Corporation of India
Mahindra Logistics
Transport Corporation of India
TCI Express
Adani Ports & SEZ
VRL Logistics
JSW Infrastructure
Delhivery

Logistics volumes remain muted in 2QFY26

Volume growth remains subdued for road logistics players, while it remains flat for major ports on a YoY basis

- Logistics activity was decent during Jul–Aug'25, supported by positive macro indicators such as e-way bill generation, GST collections, and FASTag toll data. However, volumes have likely been impacted in September due to weak demand and the slow movement of goods ahead of the GST rate cut.
- Indian Railways recorded a modest 3% YoY increase in freight volumes between Apr-Aug'25, reaching 674MT. Strong double-digit growth of ~22% YoY was observed in finished steel, whereas domestic/exim containers rose 6%/5% YoY, with coal volume rising 9% YoY.
- Major port volumes remain muted and inched up ~2.6% YoY to 144.3MT during Jul-Aug'25.
- Daily average e-way bill generation increased ~24% YoY during Jul-Aug'25. Fleet utilization stood at 80-85%. Daily average FASTag toll collections rose ~23% YoY during Jul-Aug'25.
- Volume growth is projected to improve, led by better-than-expected monsoons and GST cuts across products to boost consumption across the economy.

Freight rates stable amid high cost of operations

- Due to consistently high operational expenses and increased retail fuel costs, freight rates have remained elevated. Fleet operators face rising costs from diesel, truck expenses, and compliance, such as GST and e-way bills.
- With a slight increase in volumes and no major change in diesel prices, organized players are likely to experience stable margins.

Road logistics soft in 2Q; ports activity subdued on a YoY basis

- We expect our coverage universe (excluding APSEZ and JSWINFRA) to report sales growth of 9% YoY (9% QoQ), EBITDA growth of 10% YoY (15% QoQ), and PAT growth of 16% YoY (24% QoQ) in 2QFY26.
- We expect TRPC to report revenue growth of ~7%/12%/2% YoY in freight/supply chain/seaways business, whereas for VRL, we expect a volume decline of ~9% YoY with revenue declining ~2% YoY.
- CONCOR is expected to report ~6% volume growth, driven by 10% YoY growth in domestic volumes, while EXIM volumes are likely to rise 5% YoY in 2Q. Margins are also expected to improve 80bp QoQ.
- In 2QFY26, we expect APSEZ to report volume growth of ~8% YoY, and JSWINFRA is expected to post a volume growth of 5% YoY.

Organized and integrated service providers likely to gain market share

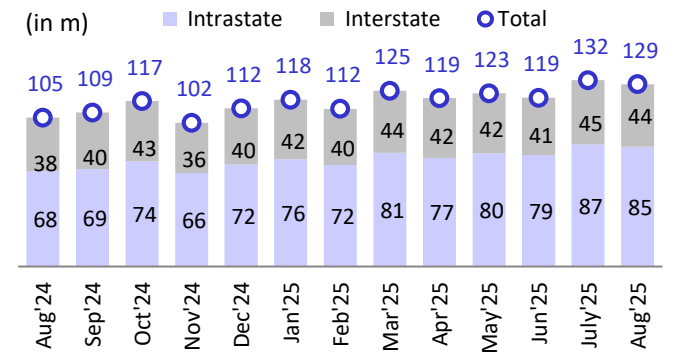
- The industry trend is shifting towards integrated supply chain services and sophisticated solutions (such as inventory optimization and data analytics) from standalone offerings like transportation and warehousing.
- The logistics sector remains robust, propelled by government-driven reforms, changing industry preferences, and the rise of new business sectors such as e-commerce and network services.

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Exhibit 1: Summary of expected quarterly performance

Company	CMP (INR)	Rating	Sales (INR m)			EBITDA (INR m)			Net profit (INR m)		
			Sept'25	Variance YoY	Variance QoQ	Sept'25	Variance YoY	Variance QoQ	Sept'25	Variance YoY	Variance QoQ
Blue Dart	5715	Buy	15,968	10%	11%	1,389	14%	39%	751	24%	60%
CONCOR	527	Buy	23,460	3%	9%	5,067	-12%	19%	3,432	-8%	33%
Mahindra Logistics	348	Neutral	17,366	14%	7%	886	33%	16%	75	LP	LP
Transport Corp.	1,197	Buy	12,361	10%	8%	1,347	15%	11%	1131	6%	6%
TCI Express	733	Neutral	3,147	1%	10%	334	-9%	19%	237	-5%	22%
Adani Ports	1,422	Buy	86,560	22%	-5%	52,196	19%	-5%	31598	28%	-6%
JSW Infrastructure	317	Buy	12,012	20%	-2%	6,054	16%	4%	3617	38%	1%
VRL Logistics	274	Buy	7,850	-2%	5%	1,498	13%	-1%	520	45%	4%
Delhivery Ltd	435	Buy	25,025	14%	9%	1,627	184%	9%	820	704%	-10%
Logistics			**2,03,749**	**15%**	**2%**	**70,397**	**17%**	**-1%**	**42,181**	**27%**	**-2%**

Exhibit 2: E-way bill generations



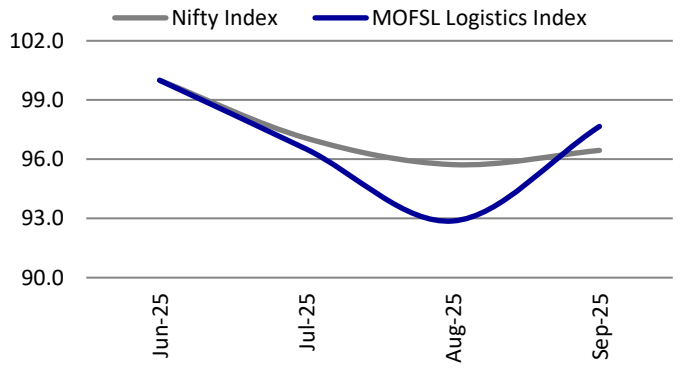
Source: GSTN, MOFSL

Exhibit 3: Movement in freight rates vs. diesel prices



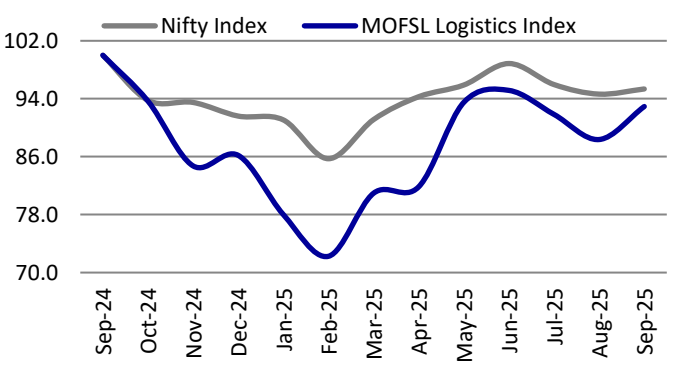
Source: IFTRT, MOFSL

Exhibit 4: Relative performance – three-month (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Company	CMP (INR)	Rating	EPS (INR)			P/E (x)			P/B (x)			RoE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Blue Dart	5715	Buy	134.1	201.1	215.8	42.6	28.4	26.5	7.2	5.9	4.9	18.2	22.8	20.3
CONCOR	527	Buy	18.3	22.8	26.4	28.8	23.1	19.9	3.0	2.8	2.6	10.9	12.6	13.6
Mahindra Logistics	348	Neutral	3.9	17.5	24.0	89.6	19.9	14.5	2.9	2.6	2.2	4.6	13.4	16.2
Transport Corp.	1,197	Buy	61.5	66.9	76.2	19.5	17.9	15.7	3.6	3.1	2.6	19.8	18.2	17.7
TCI Express	733	Neutral	26.1	33.2	36.3	28.1	22.0	20.2	3.4	3.0	2.7	12.5	14.4	14.1
Adani Ports	1,422	Buy	62.7	73.1	82.0	22.7	19.5	17.3	4.2	3.5	3.0	19.9	19.6	18.7
JSW Infrastructure	317	Buy	7.5	8.9	12.5	42.3	35.7	25.3	6.1	5.3	4.4	15.3	15.8	19.0
VRL Logistics	274	Buy	12.6	14.8	16.5	21.7	18.5	16.6	3.9	3.7	3.4	19.2	20.6	21.5
Delhivery Ltd	435	Buy	4.8	6.1	8.0	89.8	71.9	54.1	3.3	3.2	3.0	3.8	4.5	5.7

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter / financial year under review.

Blue Dart Express — Buy

CMP: INR5,715| TP: INR7,200 (+26%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to increase 10% YoY to INR15.9b in 2QFY26.
- Expect adjusted PAT to grow 24% YoY to INR751m.
- Expect EBITDA to be ~INR1.4b. EBITDA margin to increase 30bp YoY with pickup in volumes and better realization.
- Volume growth in the air and surface express segments and movement in ATF prices are the key monitorables.

Quarterly snapshot - Standalone

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**13,427**	**14,485**	**15,117**	**14,173**	**14,419**	**15,968**	**16,825**	**16,728**	**57,202**	**63,940**
YoY Change (%)	8.5	9.4	9.3	7.1	7.4	10.2	11.3	18.0	8.6	11.8
EBITDA	**1,094**	**1,219**	**1,462**	**1,181**	**1,002**	**1,389**	**1,716**	**1,750**	**4,956**	**5,857**
Margins (%)	8.1	8.4	9.7	8.3	6.9	8.7	10.2	10.5	8.7	9.2
YoY Change (%)	-3.4	-6.6	8.9	-15.3	-8.5	14.0	17.4	48.3	-4.2	18.2
Depreciation	523	519	522	529	505	520	550	558	2,092	2,132
Interest	70	70	73	75	72	85	88	83	288	328
Other Income	191	190	196	206	207	220	215	219	783	861
PBT before EO expense	**693**	**819**	**1,064**	**782**	**632**	**1,004**	**1,293**	**1,329**	**3,359**	**4,258**
PBT	**693**	**819**	**1,064**	**782**	**632**	**1,004**	**1,293**	**1,329**	**3,359**	**4,258**
Tax	178	212	273	250	163	253	326	335	912	1,076
Rate (%)	25.7	25.9	25.6	32.0	25.7	25.2	25.2	25.2	27.2	25.3
Reported PAT	**515**	**608**	**791**	**532**	**469**	**751**	**967**	**994**	**2,446**	**3,182**
Adj PAT	**515**	**608**	**791**	**532**	**469**	**751**	**967**	**994**	**2,446**	**3,182**
YoY Change (%)	-13.8	-14.8	-3.0	-30.0	-8.9	23.6	22.3	86.8	-15.2	30.1
Margins (%)	3.8	4.2	5.2	3.8	3.3	4.7	5.7	5.9	4.3	5.0

Container Corp. of India — Buy

CMP: INR527 | TP: INR670 (+27%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect volumes to rise ~6% YoY.
- EBITDA margin is expected to be ~ 21.6%
- Expect EXIM/domestic volumes to grow ~5%/10% YoY.
- Growth in EXIM trade, progress on commissioning of the DFC by Dec'25, and divestment of stake by the government are the key monitorables.

Standalone quarterly snapshot

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,460**	**24,341**	**25,523**	**88,634**	**94,819**
YoY Change (%)	9.3	4.2	-0.1	-1.6	2.5	2.8	10.5	11.9	2.7	7.0
EBITDA	**4,319**	**5,750**	**4,583**	**4,335**	**4,265**	**5,067**	**5,501**	**6,099**	**18,986**	**20,932**
Margins (%)	20.6	25.2	20.8	19.0	19.8	21.6	22.6	23.9	21.4	22.1
YoY Change (%)	10.3	7.0	-10.4	-11.4	-1.3	-11.9	20.0	40.7	-1.6	10.3
Depreciation	1,649	1,617	810	1,552	1,570	1,580	1,595	1,603	5,628	6,348
Interest	181	177	171	166	164	152	148	136	695	600
Other Income	924	1,301	995	1,432	935	1,250	1,235	1,231	4,652	4,652
PBT before EO expense	**3,413**	**5,257**	**4,596**	**4,049**	**3,465**	**4,585**	**4,993**	**5,591**	**17,314**	**18,635**
Extra-Ord expense	0	333	0	0	0	0	0	0	-333	0
PBT	**3,413**	**4,923**	**4,596**	**4,049**	**3,465**	**4,585**	**4,993**	**5,591**	**16,981**	**18,635**
Tax	859	1,213	1,162	1,027	888	1,153	1,256	1,398	4,261	4,696
Rate (%)	25.2	24.6	25.3	25.4	25.6	25.2	25.2	25.0	25.1	25.2
Reported PAT	**2,554**	**3,711**	**3,434**	**3,021**	**2,577**	**3,432**	**3,737**	**4,193**	**12,720**	**13,939**
Adj PAT	**2,554**	**3,960**	**3,434**	**3,021**	**2,577**	**3,432**	**3,737**	**4,193**	**12,970**	**13,939**
YoY Change (%)	4.6	10.7	2.7	0.7	0.9	-13.3	8.8	38.8	4.9	7.5
Margins (%)	12.2	17.3	15.6	13.2	12.0	14.6	15.4	16.4	14.6	14.7

Mahindra Logistics — Neutral

CMP: INR348 | TP: INR330 (-5%) — **EPS CHANGE (%): FY26|27: -26|-**

- Expect revenue to rise ~14% YoY to INR17.3b.
- Expect Adj. PAT of INR75m as volumes start to gain momentum
- Expect EBITDA to be at INR886m (+33% YoY) and project a margin improvement of 70bps YoY.
- Operating profitability in Rivigo's business and outlook on MM's auto segment sales are the key monitorables.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**14,200**	**15,211**	**15,942**	**15,695**	**16,246**	**17,366**	**19,157**	**19,963**	**61,048**	**72,732**
YoY Change (%)	9.8	11.5	14.1	8.2	14.4	14.2	20.2	27.2	10.9	19.1
EBITDA	**663**	**664**	**737**	**777**	**763**	**886**	**1,006**	**1,045**	**2,841**	**3,699**
Margins (%)	4.7	4.4	4.6	5.0	4.7	5.1	5.3	5.2	4.7	5.1
YoY Change (%)	-0.5	23.9	41.1	37.3	15.0	33.4	36.5	34.5	24.0	30.2
Depreciation	550	540	590	584	646	650	658	647	2,263	2,600
Interest	195	191	221	206	225	208	205	238	812	877
Other Income	57	17	63	22	51	70	105	107	158	332
PBT before EO Items	**-25**	**-50**	**-11**	**9**	**-58**	**98**	**248**	**267**	**-77**	**554**
PBT	**-25**	**-50**	**-11**	**9**	**-58**	**98**	**248**	**267**	**-77**	**554**
Tax	53	46	61	62	36	25	62	65	223	188
Rate (%)	NA	NA	NA	NA	NA	25.2	25.2	24.3	NA	33.9
PAT before MI, Associates	**-78**	**-96**	**-72**	**-53**	**-94**	**73**	**185**	**202**	-300	366
Share of associates/ Minority Interest	-15	-11	-18	-14	-14	2	2	2	-59	-9
Reported PAT	**-93**	**-107**	**-90**	**-68**	**-108**	**75**	**187**	**204**	**-359**	**358**
Adj PAT	**-93**	**-107**	**-90**	**-68**	**-108**	**75**	**187**	**204**	**-359**	**358**
YoY Change (%)	NA	NA	NA	NA	NA	LP	LP	LP	NA	LP
Margins (%)	-0.7	-0.7	-0.6	-0.4	-0.7	0.4	1.0	1.0	-0.6	0.5

Transport Corporation of India — Buy

CMP: INR1,197 | TP: INR1,420 (+18%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to increase ~10% YoY to INR12.3b will be driven by growth in the supply chain and freight segment.
- Expect adjusted PAT to be at INR1.1b in 2QFY26.
- Expect EBITDA at INR1.3b (+15% YoY) and EBITDA margin at 10.9% (+50bp YoY) due to the improvement in its freight business.
- Volume growth in the freight business and margin in the seaways business are the key monitorables.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**10,451**	**11,208**	**11,471**	**11,788**	**11,393**	**12,361**	**13,408**	**14,012**	**44,918**	**51,173**
YoY Change (%)	10.0	12.8	14.5	9.3	9.0	10.3	16.9	18.9	11.6	13.9
EBITDA	**1,038**	**1,171**	**1,185**	**1,217**	**1,210**	**1,347**	**1,502**	**1,561**	**4,611**	**5,620**
Margins (%)	9.9	10.4	10.3	10.3	10.6	10.9	11.2	11.1	10.3	11.0
YoY Change (%)	3.0	16.6	18.6	11.2	16.6	15.1	26.7	28.3	12.3	21.9
Depreciation	290	291	305	292	288	340	365	373	1,178	1,366
Interest	42	46	59	55	54	42	44	43	202	183
Other Income	109	106	68	184	113	120	130	151	467	514
PBT before EO expense	**815**	**940**	**889**	**1,054**	**981**	**1,085**	**1,223**	**1,295**	**3,698**	**4,584**
PBT	**815**	**940**	**889**	**1,054**	**981**	**1,085**	**1,223**	**1,295**	**3,698**	**4,584**
Tax	110	109	93	121	106	152	171	182	433	611
Rate (%)	13.5	11.6	10.5	11.5	10.8	14.0	14.0	14.0	11.7	13.3
Minority Interest	-6.0	-9.0	-12.0	-9.0	-7.0	-7.0	-7.6	-8.4	-36.0	-30.0
Profit/Loss of Asso. Cos	211	242	225	218	197	205	190	203	896	795
Reported PAT	**910**	**1,064**	**1,009**	**1,142**	**1,065**	**1,131**	**1,234**	**1,308**	**4,125**	**4,738**
Adj PAT	**910**	**1,064**	**1,009**	**1,142**	**1,065**	**1,131**	**1,234**	**1,308**	**4,125**	**4,738**
YoY Change (%)	10.6	22.3	27.1	9.3	17.0	6.3	22.3	14.5	16.8	14.9
Margins (%)	8.7	9.5	8.8	9.7	9.3	9.2	9.2	9.3	9.2	9.3

TCI Express — Neutral

CMP: INR733 | TP: INR730 (0%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to rise marginally ~1% YoY to ~INR3.1b.
- Expect Adj. PAT to rise to INR237m (-5% YoY) primarily due to weak volumes and higher operating expenses.
- Expect EBITDA at INR334m; margin to contract 120bp YoY due to weak volume growth.
- Outlook on the B2B express segment and competitive scenario are the key monitorables.

Quarterly performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**2,930**	**3,115**	**2,965**	**3,073**	**2,868**	**3,147**	**3,361**	**3,497**	**12,083**	**12,872**
YoY Change (%)	-3.9	-2.6	-4.9	-3.1	-2.1	1.0	13.4	13.8	-3.6	6.5
EBITDA	**327**	**368**	**289**	**263**	**281**	**334**	**370**	**422**	**1,247**	**1,406**
Margins (%)	11.2	11.8	9.8	8.5	9.8	10.6	11.0	12.1	10.3	10.9
YoY Change (%)	-29.4	-27.1	-36.6	-41.4	-14.3	-9.3	27.9	60.8	-33.4	12.8
Depreciation	51	53	53	59	53	52	51	50	216	205
Interest	3	3	3	5	3	2	2	1	13	7
Other Income	23	25	26	61	38	37	34	37	134	145
PBT before EO expense	**297**	**336**	**259**	**260**	**263**	**317**	**351**	**408**	**1,152**	**1,339**
PBT	**297**	**336**	**259**	**260**	**263**	**317**	**351**	**408**	**1,152**	**1,339**
Tax	74	87	67	66	68	80	88	103	294	339
Rate (%)	24.8	25.8	26.0	25.5	25.9	25.2	25.2	25.2	25.5	25.4
Reported PAT	**223**	**249**	**192**	**194**	**195**	**237**	**263**	**305**	**858**	**1,000**
Adj PAT	**223**	**249**	**192**	**194**	**195**	**237**	**263**	**305**	**858**	**1,000**
YoY Change (%)	-31.0	-29.9	-40.4	-38.7	-12.7	-4.9	36.9	57.5	-34.8	16.5
Margins (%)	7.6	8.0	6.5	6.3	6.8	7.5	7.8	8.7	7.1	7.8

VRL Logistics — Buy

CMP: INR274 | TP: INR350 (+27%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to decline ~2% YoY to INR7.8b on account of a volume decline due to churning of low-margin customers.
- Expect adjusted PAT to be at INR520m (+45% YoY) due to the lower base of 2QFY25.
- Expect EBITDA to be at ~INR1.5b; EBITDA margin to increase 250bp YoY due to higher realizations and higher sourcing of refinery fuel.
- Volume growth post-tariff hikes is a key monitorable.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**7,272**	**7,995**	**8,252**	**8,090**	**7,443**	**7,850**	**8,475**	**8,789**	**31,609**	**32,558**
YoY Change (%)	7.9	12.7	12.0	5.3	2.4	-1.8	2.7	8.6	9.4	3.0
EBITDA	**869**	**1,331**	**1,664**	**1,866**	**1,516**	**1,498**	**1,576**	**1,622**	**5,730**	**6,212**
Margins (%)	11.9	16.6	20.2	23.1	20.4	19.1	18.6	18.5	18.1	19.1
YoY Change (%)	-14.7	44.9	76.3	77.1	74.5	12.6	-5.3	-13.1	45.6	8.4
Depreciation	615	638	646	638	647	665	675	685	2,536	2,672
Interest	226	224	241	258	262	220	220	186	948	888
Other Income	148	25	57	25	65	82	72	81	255	300
PBT before EO expense	**176**	**493**	**835**	**996**	**672**	**695**	**753**	**832**	**2,500**	**2,953**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**176**	**493**	**835**	**996**	**672**	**695**	**753**	**832**	**2,500**	**2,953**
Tax	42	135	240	253	172	175	190	209	670	746
Rate (%)	23.6	27.3	28.8	25.4	25.6	25.2	25.2	25.2	26.8	25.3
Reported PAT	**134**	**358**	**594**	**743**	**500**	**520**	**564**	**623**	**1,829**	**2,206**
Adj PAT	**134**	**358**	**594**	**743**	**500**	**520**	**564**	**623**	**1,829**	**2,206**
YoY Change (%)	-60.4	84.4	333.9	244.6	272.4	45.0	-5.2	-16.1	106.5	20.6
Margins (%)	1.8	4.5	7.2	9.2	6.7	6.6	6.6	7.1	5.8	6.8

Adani Ports & SEZ — Buy

CMP: INR1,422 | TP: INR1,700 (+19%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to jump ~22.5% YoY to INR86.5b, driven by 8% YoY growth in port volumes.
- Expect adjusted PAT to be at INR31.6b (+28% YoY)
- Expect EBITDA at INR52.2b; EBITDA margin to increase 10bps QoQ due higher share of containers in the overall cargo mix.
- Improvement in utilization at the existing and recently acquired ports and growth in the logistics business remain the key monitorables.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**69,563**	**70,670**	**79,636**	**84,884**	**91,261**	**86,560**	**91,884**	**96,236**	**3,04,753**	**3,65,942**
YoY Change (%)	11.3	6.3	15.1	23.1	31.2	22.5	15.4	13.4	14.1	20.1
EBITDA	**42,445**	**43,689**	**48,021**	**50,060**	**54,953**	**52,196**	**55,314**	**57,757**	**1,84,214**	**2,20,220**
Margins (%)	61.0	61.8	60.3	59.0	60.2	60.3	60.2	60.0	60.4	60.2
Depreciation	10,119	10,766	11,058	11,847	12,549	11,820	12,500	12,822	43,789	49,691
Interest	6,554	6,886	7,587	6,754	7,827	6,600	6,400	5,020	27,780	25,847
Other Income	4,946	3,054	2,234	2,812	2,960	3,400	3,500	4,489	13,045	14,349
PBT before EO expense	**30,718**	**29,091**	**31,610**	**34,271**	**37,538**	**37,176**	**39,914**	**44,403**	**1,25,689**	**1,59,031**
Extra-Ord expense	-5,980	225	1,925	640	635	0	0	0	-3,191	635
PBT	**36,698**	**28,866**	**29,685**	**33,631**	**36,903**	**37,176**	**39,914**	**44,403**	**1,28,881**	**1,58,396**
Tax	4,854	4,726	5,015	5,088	5,370	5,632	6,047	6,710	19,684	23,759
Rate (%)	13.2	16.4	16.9	15.1	14.6	15.2	15.2	15.1	15.3	15.0
MI and Associates	716	-310	-532	-1,600	-1,613	-54	-58	1,501	-1,726	-224
Reported PAT	**31,128**	**24,450**	**25,203**	**30,142**	**33,146**	**31,598**	**33,925**	**36,192**	**1,10,923**	**1,34,860**
Adj PAT	**26,344**	**24,629**	**26,742**	**30,654**	**33,654**	**31,598**	**33,925**	**36,192**	**1,08,370**	**1,35,368**
YoY Change (%)	28.7	10.9	13.6	33.7	27.7	28.3	26.9	18.1	21.6	24.9

JSW Infrastructure — Buy

CMP: INR317 | TP: INR363 (+14%) — **EPS CHANGE (%): FY26|27: -5.7|-6.3**

- Expect revenue to increase ~20% YoY to INR12b due to the inclusion of Navkar in the topline.
- Expect adjusted PAT to be at ~INR3.6b
- Expect EBITDA at INR6b; EBITDA margin to improve sequentially.
- Improvement in utilization at the existing and the recently acquired ports remains the key monitorable.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**10,098**	**10,014**	**11,818**	**12,832**	**12,239**	**12,012**	**13,344**	**14,732**	**44,761**	**52,327**
YoY Change (%)	15.0	18.0	25.7	17.0	21.2	20.0	12.9	14.8	19.0	16.9
EBITDA	**5,146**	**5,205**	**5,861**	**6,409**	**5,812**	**6,054**	**6,752**	**7,335**	**22,622**	**25,953**
Margins (%)	51.0	52.0	49.6	49.9	47.5	50.4	50.6	49.8	50.5	49.6
YoY Change (%)	14.0	15.1	22.1	10.3	12.9	16.3	15.2	14.4	15.1	14.7
Depreciation	1,346	1,339	1,376	1,405	1,435	1,460	1,480	1,487	5,466	5,862
Interest	740	747	974	940	913	920	940	935	3,401	3,707
Other Income	939	868	835	887	899	910	870	886	3,530	3,565
PBT before EO expense	**3,999**	**3,988**	**4,346**	**4,952**	**4,363**	**4,584**	**5,202**	**5,800**	**17,285**	**19,949**
Extra-Ord expense	83	-1,551	1,586	-862	-363	0	0	0	-744	-363
PBT	**3,916**	**5,539**	**2,759**	**5,814**	**4,726**	**4,584**	**5,202**	**5,800**	**18,028**	**20,311**
Tax	951	1,802	-597	658	830	917	1,040	1,174	2,814	3,961
Rate (%)	24.3	32.5	-21.6	11.3	17.6	20.0	20.0	20.2	15.6	19.5
Minority Interest	-41.1	-22.2	-58.6	-62.1	-48.9	-50.0	-48.0	-37.1	-184.0	-184.0
Profit/Loss of Asso. Cos	0	0	0	0	0	0	0	0	0	0
Reported PAT	**2,924**	**3,715**	**3,298**	**5,094**	**3,847**	**3,617**	**4,114**	**4,589**	**15,031**	**16,167**
Adj PAT	**2,987**	**2,629**	**4,408**	**4,447**	**3,575**	**3,617**	**4,114**	**4,589**	**14,471**	**15,895**
YoY Change (%)	16.9	4.7	43.2	18.9	19.7	37.6	-6.7	3.2	21.8	9.8
Margins (%)	29.6	26.3	37.3	34.7	29.2	30.1	30.8	31.1	32.3	30.4

Delhivery

Buy

CMP: INR435 | TP: INR537 (+23%)

EPS CHANGE (%): FY26|27: -|-

- Expect revenue to increase ~14% YoY to INR25b, driven by the recent acquisition of Ecom Express.
- Expect adjusted PAT to be at ~INR820m.
- Expect EBITDA at INR1.6b; EBITDA margin is likely to improve to 6.5%.
- Integration of Ecom Express and growth in volume and realization will be the key monitorables.

Quarterly performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**21,723**	**21,897**	**23,783**	**21,916**	**22,940**	**25,025**	**27,115**	**27,050**	**89,319**	**1,02,131**
YoY Change (%)	12.6	12.8	8.4	5.6	5.6	14.3	14.0	23.4	9.7	14.3
EBITDA	**971**	**573**	**1,024**	**1,191**	**1,488**	**1,627**	**1,790**	**1,765**	**3,758**	**6,670**
Margins (%)	4.5	2.6	4.3	5.4	6.5	6.5	6.6	6.5	4.2	6.5
YoY Change (%)	LP	LP	-6.3	159.5	53.3	184.0	74.7	48.3	196.9	77.5
Depreciation	1,194	1,313	1,417	1,425	1,475	1,470	1,473	1,477	5,349	5,894
Interest	282	305	333	337	340	330	315	316	1,258	1,301
Other Income	1,099	1,196	987	1,119	1,299	1,270	1,265	1,273	4,401	5,107
PBT before EO expense	**593**	**151**	**260**	**548**	**973**	**1,097**	**1,267**	**1,245**	**1,552**	**4,581**
Extra-Ord expense	51	0	0	0	0	0	0	0	-51	0
PBT	**542**	**151**	**260**	**548**	**973**	**1,097**	**1,267**	**1,245**	**1,501**	**4,581**
Tax	-14	-16	-12	-8	-14	276	319	314	-50	896
Rate (%)	-2.6	-10.5	-4.5	-1.5	-1.4	25.2	25.2	25.2	-3.3	19.6
Reported PAT	**543**	**102**	**250**	**726**	**911**	**820**	**947**	**932**	**1,621**	**3,610**
Adj PAT	**595**	**102**	**250**	**726**	**911**	**820**	**947**	**932**	**1,672**	**3,610**
YoY Change (%)	LP	LP	5.8	LP	53.1	704.2	279.2	28.4	LP	115.9
Margins (%)	2.7	0.5	1.1	3.3	4.0	3.3	3.5	3.4	1.9	3.5

Metals

Company
Coal India
Hindalco Industries
Hindustan Zinc
Jindal Stainless
Jindal Steel & Power
JSW Steel
NMDC
National Aluminum Co.
Steel Authority of India
Tata Steel
Vedanta

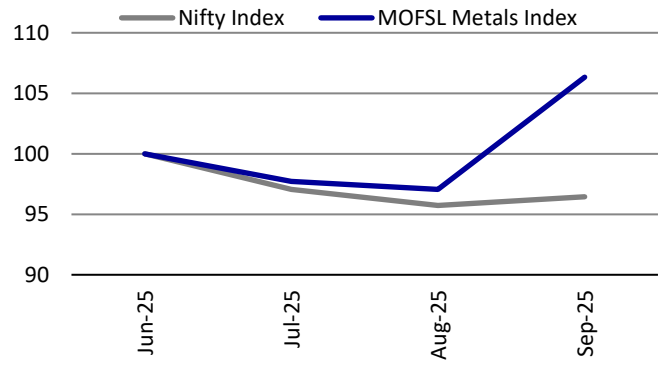
Weak steel prices to dampen ferrous earnings

Muted non-ferrous volumes to be offset by strong LME prices

- Domestic HRC prices declined INR2,200/t QoQ to INR49,500/t in 2QFY26, primarily driven by seasonal weakness. Average primary rebar prices corrected INR7,300/t QoQ to INR48,000/t in 2QFY26 due to muted construction demand during the heavy monsoon season. As a result, we expect realizations of ferrous companies to witness a sequential dip of INR2,500-3,000 per tonne during 2Q.
- During the quarter, volumes for ferrous companies (ex-JSPL) are anticipated to be better QoQ, led by the resumption of production from units that underwent maintenance shutdown during 1QFY26. This sequential volume growth will be offset by muted realizations.
- On the cost front, coking coal (premium HCC) prices continued to hover at USD190-200/t, with average prices remaining flat QoQ at USD200/t in 2QFY26. Ferrous companies had guided for a marginal coking coal benefit of USD5-10/t in 2QFY26 over low-cost inventories.
- Global steel prices saw some uptick, led by the China steel export (FOB) price improving 5% QoQ to USD475/t during the quarter. The implementation of safeguard duty and the receding monsoon will provide support to domestic prices in the next few months.
- On the non-ferrous front, commodities saw a sequential price improvement in 2QFY26. The average price rose 7% QoQ for aluminum/zinc and 3% QoQ for copper, while nickel/lead and alumina prices remained broadly flat QoQ. As a result, we expect non-ferrous companies to witness steady revenue driven by healthy NSR despite muted volume during the quarter.
- **We have a BUY rating on JSL, JSTL, JSP, and HNDL.**
- **Ferrous:** We expect ferrous companies to report a volume growth of 7% QoQ (+11% YoY), which would be partially offset by lower NSR of 7% QoQ and 5% YoY, resulting in a revenue flat QoQ (+6% YoY) in 2QFY26. Muted coking coal costs (USD5-10/t) will limit EBITDA/t erosion to INR2,000/t during the quarter on a QoQ basis. Overall, we believe EBITDA will decline by 11% QoQ (+25% YoY) for ferrous companies in our coverage universe, primarily led by muted NSR. We expect Tata Steel Europe will post positive EBITDA in 2QFY26, led by cost-saving measures.
- **Non-ferrous:** Non-ferrous companies under our coverage are expected to post an aggregate revenue and EBITDA decline of 2% and 3% QoQ, respectively, primarily driven by muted volumes.
- **Mining:** Coal India recorded 164mt volumes, declining 14% QoQ and 2% YoY, which will lead to a revenue decline of 17% QoQ and 3% YoY in 2QFY26. Similarly, NMDC sales volumes declined 8% QoQ (+10% YoY) to 10.7mt, while prices fell by 3% QoQ (+12% YoY) in 2QFY26. As a result, we expect NMDC's revenue to decline 11% QoQ (+22% YoY). EBITDA and PAT are expected to fall by 14% and 17% QoQ, led by lower volume in 2QFY26.

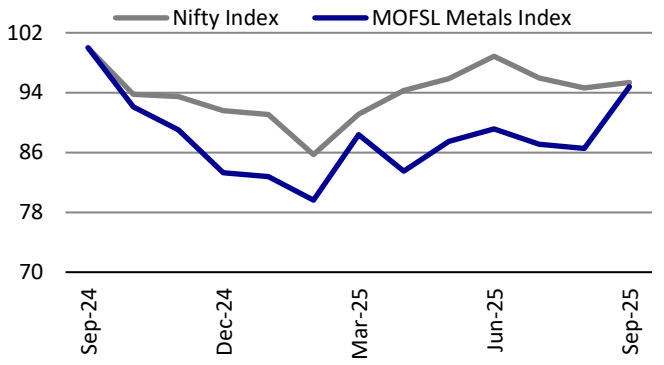
Alok Deora – Research analyst (Alok.Deora@MotilalOswal.com)
Sonu Upadhyay – Research analyst (Sonu.Upadhyay@MotilalOswal.com)

Exhibit 1: Relative performance – three months (%)



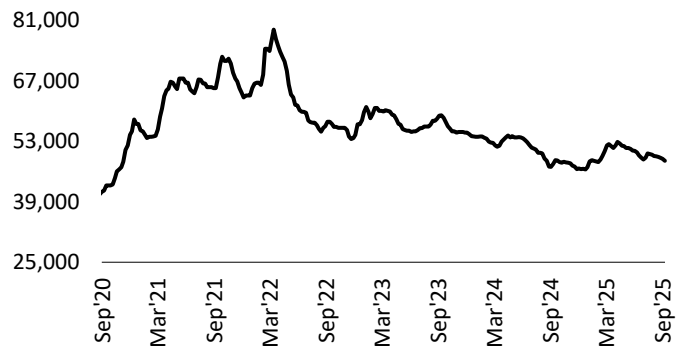
Sources: MOFSL, Bloomberg

Exhibit 2: Relative performance – one year (%)



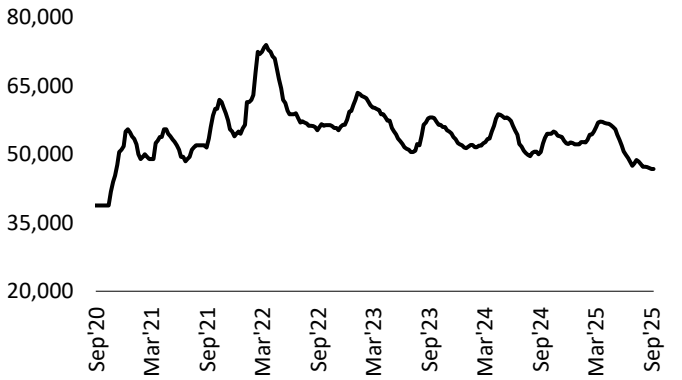
Sources: MOFSL, Bloomberg

Exhibit 3: Domestic HRC prices slipped to INR48,500/t



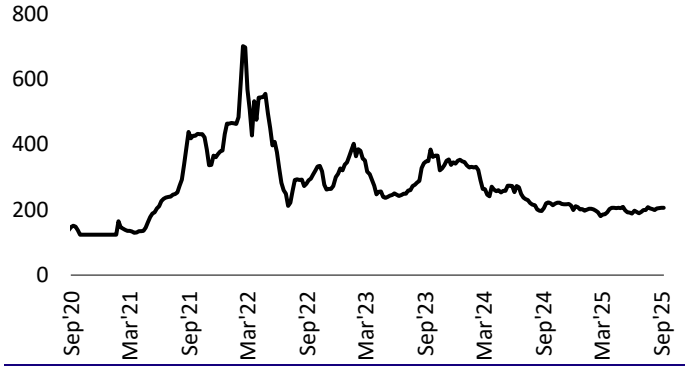
Source: MOFSL, Steelmint

Exhibit 4: Rebar prices dipped significantly to INR46,800/t



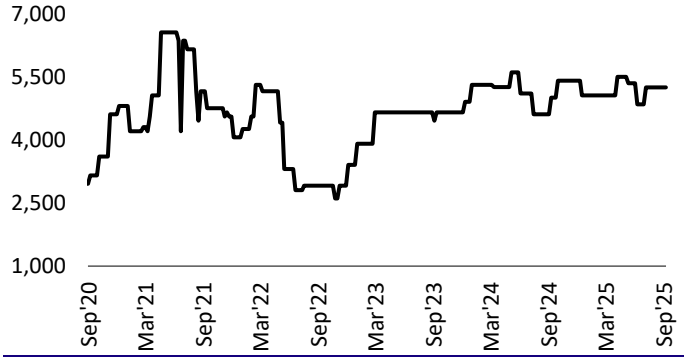
Source: MOFSL, Steelmint

Exhibit 5: Coking coal prices hovered at USD190-200/t



Source: MOFSL, Steelmint

Exhibit 6: NMDC prices largely remained stable QoQ



Source: MOFSL, Steelmint

Exhibit 7: Key assumptions (all amounts in INR b except for volumes and per ton numbers)

JSW Steel	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	% YoY	% QoQ
Sales - mt	6.0	6.7	6.1	6.1	6.7	7.5	6.7	7.2	18.0	8.1
Realization/t	69,900	68,750	70,168	64,737	61,666	59,838	64,495	59,551	(8.0)	(7.7)
EBITDA/t	11,967	9,100	9,003	8,869	8,314	8,515	11,324	8,904	0.4	(21.4)
Consol Revenue	419	463	429	397	414	448	431	431	8.5	(0.2)
Consol EBITDA	72	61	55	54	56	64	76	64	18.4	(15.0)
Consol PAT	23	13	8	6	8	15	22	15	140.3	(29.1)
Tata Steel	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Standalone										
Sales - mt	4.9	5.4	4.9	5.1	5.3	5.6	4.8	5.5	7.5	15.6
Realization/t	71,069	67,592	66,720	63,404	61,929	61,427	65,293	63,044	(0.6)	(3.4)
EBITDA/t	16,905	14,846	13,711	12,935	14,179	12,463	14,988	13,733	6.2	(8.4)
Revenue	347	366	330	324	328	344	310	346	6.9	11.7
EBITDA	82	80	68	66	75	70	71	75	14.1	6.0
PAT	46	47	36	36	40	37	37	38	6.9	2.2
Consolidated										
Sales - mt	7.2	8.0	7.4	7.5	7.7	8.3	7.1	8.1	7.6	13.6
Realization/t	77,359	73,543	74,116	71,682	69,493	67,489	74,688	70,226	(2.0)	(6.0)
EBITDA/t	8,031	8,271	9,059	7,343	9,268	7,874	10,432	10,548	43.7	1.1
Consol Revenue	553	587	548	539	536	562	532	568	5.4	6.8
Consol EBITDA	57	66	67	55	72	66	74	85	54.5	14.9
Consol PAT	4	12	13	5	7	17	21	28	514.9	30.2
TSE										
Sales - mt	1.9	2.1	2.2	2.1	2.1	2.4	2.1	2.1	(3.3)	(1.9)
Revenue	192	207	210	206	195	208	207	210	1.7	1.2
EBITDA	-29	-7	-5	-13	-7	-8	1	2	(111.8)	9.2
EBITDA/t (USD)	-175	-38	-28	-75	-42	-36	8	9	(111.7)	9.1
SAIL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Sales - mt	3.8	4.6	4.0	4.1	4.4	5.3	4.6	4.6	13.0	1.8
Realization/t	61,444	57,554	59,845	56,191	55,282	55,002	56,590	52,590	(6.4)	(7.1)
EBITDA/t	5,638	3,879	5,536	3,111	4,582	6,536	5,704	3,553	14.2	(37.7)
Consol Revenue	233	262	240	230	245	293	257	244	5.7	(5.4)
Consol EBITDA	21	18	22	13	20	35	26	16	29.0	(36.6)
Consol PAT	4	2	3	-4	1	13	6	1	(126.6)	(82.3)
JSP	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Sales (mt)	1.8	2.0	2.1	1.9	1.9	2.1	1.9	1.8	(2.7)	(5.3)
Realization/t	64,648	67,099	65,157	60,612	61,846	61,893	64,708	59,508	(1.8)	(8.0)
EBITDA/t	15,705	12,162	13,585	11,893	11,494	11,651	15,819	8,800	(26.0)	(44.4)
Consol Revenue	117	135	136	112	118	132	123	107	(4.5)	(12.9)
Consol EBITDA	28	24	28	22	22	25	30	16	(28.0)	(47.3)
Consol PAT	19	9	13	9	10	11	15	4	(57.5)	(75.5)
JSL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Sales - mt	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	11.5	0.6
Realization/t	1,78,271	1,65,860	1,63,145	1,73,041	1,68,491	1,58,605	1,62,988	1,66,488	(3.8)	2.1
EBITDA/t	24,339	18,161	20,964	21,000	20,536	16,499	20,915	20,652	(1.7)	(1.3)
Revenue	91	95	94	98	99	102	102	105	7.3	2.8
EBITDA	12	10	12	12	12	11	13	13	9.7	(0.7)
PAT	7	5	6	6	7	6	7	7	21.3	3.9

NMDC	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY	QoQ
Sales - mt	11.4	12.5	10.1	9.7	11.9	12.7	11.5	10.7	9.5	(7.5)
Realization/t	4,748	5,174	5,375	5,057	5,503	5,529	5,851	5,651	11.8	(3.4)
EBITDA/t	1,762	1,676	2,322	1,425	1,987	1,619	2,152	1,998	40.3	(7.1)
Revenue	54	65	54	49	66	70	67	60	22.4	(10.7)
EBITDA	20	21	23	14	24	21	25	21	53.6	(14.1)
PAT	17	14	20	12	19	15	20	16	35.1	(16.8)
HNDL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Aluminum sales - kt	333	337	329	328	338	332	325	320	(2.4)	(1.5)
Copper sales - kt	119	135	119	117	120	135	124	120	2.6	(3.2)
Novelis vol- kt	910	951	951	945	904	957	963	947	0.2	(1.7)
Novelis adj EBITDA (USD m)	454	514	500	462	367	473	416	374	(19.0)	(10.1)
Consol Revenue	528	560	570	582	584	649	642	637	9.5	(0.8)
Consol EBITDA	59	67	75	79	76	88	79	75	(5.3)	(5.6)
Consol PAT	23	32	33	43	38	53	40	36	(14.8)	(9.2)
HZL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Zinc vol (India) - kt	203	221	211	198	201	218	201	197	(0.5)	(2.0)
Lead vol (India) - kt	56	53	51	63	55	56	48	44	(30.0)	(8.1)
Silver vol- t	197	179	167	184	160	177	145	142	(22.9)	(2.2)
Consol Revenue	73	75	81	83	86	91	78	81	(1.9)	4.2
Consol EBITDA	35	36	39	41	45	48	39	44	6.1	13.3
Consol PAT	20	20	23	23	27	30	22	25	7.2	11.7
VED	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Consol Revenue	355	355	358	376	391	405	378	363	(3.6)	(4.1)
Consol EBITDA	85	88	99	98	111	115	99	95	(3.4)	(4.3)
Consol PAT	20	16	36	30	35	35	32	21	(28.2)	(33.5)
NACL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Consol Revenue	33	36	29	40	47	53	38	37	(7.3)	(2.5)
Consol EBITDA	8	11	9	15	23	28	15	12	(25.5)	(22.7)
Consol PAT	5	7	6	10	16	21	10	8	(25.8)	(26.1)
COAL	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26E**	**YoY**	**QoQ**
Sales - mt	191	202	199	168	194	201	191	164	(2.4)	(14.0)
NSR - FSA INR/t	1,532	1,536	1,524	1,462	1,514	1,547	1,550	1,500	2.5	(3.2)
E-auction premium	117	66	58	69	76	69	50	70	1.4	38.7
EBITDA/t	624	528	581	426	592	558	582	518	21.6	(11.1)
Consol Revenue	362	382	365	307	369	378	358	299	(2.6)	(16.6)
Consol Adj EBITDA	119	106	115	72	115	112	111	85	18.6	(23.7)
Consol PAT	103	86	110	63	85	96	87	63	(0.6)	(28.5)

Exhibit 8: Ferrous companies to experience healthy volume growth

Sales Volume	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY	QoQ
JSW Steel	6.0	6.7	6.1	6.1	6.7	7.5	6.7	7.2	18.0	8.1
Tata Steel	7.2	8.0	7.4	7.5	7.7	8.3	7.1	8.1	7.6	13.6
SAIL	3.8	4.6	4.0	4.1	4.4	5.3	4.6	4.6	13.0	1.8
JSPL	1.8	2.0	2.1	1.9	1.9	2.1	1.9	1.8	(2.7)	(5.3)

Sources: MOFSL, Company

Exhibit 9: ASP for JSW/SAIL could see a marginal improvement

ASP	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY	QoQ
JSW Steel	69,900	68,750	70,168	64,737	61,666	59,838	64,495	59,551	(8.0)	(7.7)
Tata Steel	77,359	73,543	74,116	71,682	69,493	67,489	74,688	70,226	(2.0)	(6.0)
SAIL	61,444	57,554	59,845	56,191	55,282	55,002	56,590	52,590	(6.4)	(7.1)
JSPL	64,648	67,099	65,157	60,612	61,846	61,893	64,708	59,508	(1.8)	(8.0)

Sources: MOFSL, Company

Exhibit 10: EBITDA/t to improve QoQ, led by improved pricing and lower costs

EBITDA/t	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY	QoQ
JSW Steel	11,967	9,100	9,003	8,869	8,314	8,515	11,324	8,904	0.4	(21.4)
Tata Steel	8,031	8,271	9,059	7,343	9,268	7,874	10,432	10,548	43.7	1.1
SAIL	5,638	3,879	5,536	3,111	4,582	6,536	5,704	3,553	14.2	(37.7)
JSPL	15,705	12,162	13,585	11,893	11,494	11,651	15,819	8,800	(26.0)	(44.4)

Sources: MOFSL, Company

Exhibit 11: Key commodity prices – Quarterly movement

Non-ferrous Metal Price	UoM	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	%YoY	%QoQ
Copper-LME	USD/t	8,445	9,745	9,209	9,239	9,330	9,510	9,794	6.4	3.0
Aluminum-LME	USD/t	2,203	2,517	2,385	2,579	2,626	2,443	2,617	9.7	7.1
Zinc-LME	USD/t	2,453	2,830	2,780	3,054	2,840	2,637	2,824	1.6	7.1
Nickel-LME	USD/t	16,608	18,454	16,256	16,087	15,571	15,134	15,030	(7.5)	(0.7)
Lead-LME	USD/t	2,075	2,164	2,045	2,011	1,969	1,946	1,966	(3.9)	1.0
Alumina-Spot	USD/t	465	480	489	485	410	361	362	(26.0)	0.3
Brent	USD/bbl	83	85	80	75	76	68	69	(14.0)	2.0
China Steel Prices										
China TMT	RMB/t	4,066	3,828	3,532	3,654	3,527	3,370	3,326	(5.8)	(1.3)
China HRC	RMB/t	3,991	3,793	3,373	3,558	3,419	3,272	3,406	1.0	4.1
China Wire Rod	RMB/t	4,299	4,101	3,786	3,911	3,746	3,617	3,649	(3.6)	0.9
India Domestic Prices										
HRC India FoB	USD/t	593	561	560	543	511	495	502	(10.4)	1.3
HRC Dom Mum	INR/t	53,594	53,630	50,331	47,765	48,431	51,731	49,525	(1.6)	(4.3)
Billet Raigarh	INR/t	39,084	42,896	38,363	39,099	39,158	39,235	36,696	(4.3)	(6.5)
Wire Rod - Dom	INR/t	50,163	54,453	54,070	55,220	54,640	53,679	50,389	(6.8)	(6.1)
TMT Primary Mum	INR/t	51,912	56,957	51,238	53,762	53,277	55,362	47,977	(6.4)	(13.3)
TMT Secondary Mum	INR/t	48,722	51,129	45,887	47,539	48,120	47,344	44,368	(3.3)	(6.3)
Pig Iron SG Durgapur	INR/t	38,308	40,760	37,035	36,055	34,082	33,464	32,514	(12.2)	(2.8)
CRC Mum	INR/t	61,641	60,869	57,796	54,927	54,881	58,535	56,510	(2.2)	(3.5)
Galvanized Plain	INR/t	65,854	64,550	61,208	57,592	58,846	64,838	62,462	2.0	(3.7)
Color Coated	INR/t	75,931	73,829	69,862	66,723	67,546	74,000	73,131	4.7	(1.2)
Coking Coal/Coke										
HCC China	USD/t	242	233	197	184	151	121	157	(20.2)	29.4
HCC Prem India CNF	USD/t	329	260	227	217	199	199	200	(12.1)	0.3
HCC Mid Vols India CNF	USD/t	277	225	203	182	160	159	166	(17.8)	4.8
PCI Coal CNF India	USD/t	182	181	191	171	155	152	159	(16.5)	4.7
Iron Ore										
62% CNF China - Aus	USD/t	124	112	100	103	104	98	102	2.4	4.2
Odisha Fines - 62%	INR/t	5,417	5,057	4,392	5,315	5,031	5,250	5,267	19.9	0.3
K'taka Fines Fe 60%	INR/t	4,167	3,917	3,333	3,633	3,400	3,533	3,825	14.8	8.3
NMDC 64 %Fines (C'garh)	INR/t	5,116	5,327	4,610	5,210	5,060	5,303	5,050	9.5	(4.8)
NMDC 65%-Lumps	INR/t	5,845	6,180	5,520	6,053	6,000	6,153	5,900	6.9	(4.1)
Domestic Pellet	INR/t	8,561	8,504	7,248	8,177	8,229	8,194	8,481	17.0	3.5
Sponge Iron- Raigarh	INR/t	25,790	27,868	24,576	25,327	24,451	23,610	23,410	(4.7)	(0.8)
Chrome Ore										
China Chrome Ore (40-42%)	USD/t	290	309	308	253	235	288	307	(0.3)	6.9
Odisha Chrome Ore (E-Auction)	INR/t	30,574	28,948	32,831	29,816	23,212	24,801	24,419	(25.6)	(1.5)
Global Mn Ore 38%	USD/dmtu	3.95	5.65	4.37	3.96	4.44	3.98	4.14	(5.4)	3.9
Mn Ore India Mn 44% Fe 5%	USD/dmtu	4.40	6.93	7.26	4.19	4.78	4.59	4.38	(39.6)	(4.6)
Balaghat Mn 37.5%, Fe 7%	INR/t	12947	18157	16170	13578	15686	15311	14921	(7.7)	(2.5)
Silico manganese	INR/t	66,167	82,190	68,780	67,044	71,893	71,590	71,155	3.5	(0.6)
Ferro Manganese	INR/t	66,548	85,507	75,242	68,514	74,904	73,081	70,945	(5.7)	(2.9)

Sources: MOFSL, Bloomberg, Steelmint

Exhibit 12: Currency movement

Currency	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	% YoY	% QoQ
EUR/USD	1.09	1.08	1.10	1.07	1.05	1.13	1.17	6.4	3.0
USD/CNY	7.19	7.24	7.17	7.18	7.27	7.23	7.16	(0.1)	(1.0)
USD/GBP	0.79	0.79	0.77	0.78	0.79	0.75	0.74	(3.6)	(1.0)
USD/INR	83.05	83.41	83.77	84.40	86.61	85.58	87.32	4.2	2.0
GBP/INR	105.32	105.28	108.86	108.37	109.11	114.27	117.74	8.2	3.0
EUR/INR	90.18	89.81	92.02	90.27	91.17	97.06	102.03	10.9	5.1

Sources: MOFSL

Exhibit 13: Summary of expected quarterly performance

Sector	CMP (INR)	RECO	Sales (INR b)			EBITDA (INR b)			NET PROFIT (INR b)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Coal India	389	Buy	2,98,782	-2.6	-16.6	84,868	18.6	-23.7	62,539	-0.6	-28.5
Hindalco	766	Buy	6,37,385	9.5	-0.8	74,636	-5.3	-5.6	36,371	-14.8	-9.2
Hindustan Zinc	481	Neutral	80,975	-1.9	4.2	43,730	6.1	13.3	24,943	3.5	11.7
Jindal Stainless	762	Buy	1,04,887	7.3	2.8	13,011	9.7	-0.7	7,418	21.3	3.9
Jindal Steel	1064	Buy	1,07,114	-4.5	-12.9	15,840	-28.0	-47.3	3,663	-57.5	-75.5
JSW Steel	1146	Buy	4,30,607	8.5	-0.2	64,387	18.4	-15.0	15,483	140.3	-29.1
Nalco	215	Neutral	37,113	-7.3	-2.5	11,537	-25.5	-22.7	7,758	-25.8	-26.1
NMDC	76	Buy	60,186	22.4	-10.7	21,282	53.6	-14.1	16,367	35.1	-16.8
SAIL	135	Neutral	2,43,593	5.7	-5.4	16,460	29.0	-36.6	1,009	LP	-82.3
Tata Steel	168	Neutral	5,68,006	5.4	6.8	85,319	54.5	14.9	27,733	514.9	30.2
Vedanta	465	Neutral	3,62,872	-3.6	-4.1	94,892	-3.4	-4.3	21,181	-28.2	-33.5
Metals			**29,31,519**	**4.2**	**-2.5**	**5,25,962**	**10.6**	**-10.4**	**2,24,466**	**10.2**	**-20.6**

Source: MOFSL

Exhibit 14: Comparative valuation

Company Name	CMP INR	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Metals						**13.3**	**10.8**	**9.8**	**2.3**	**2.0**	**1.8**	**17.5**	**18.8**	**18.1**
Coal India	389	Buy	54.7	59.9	61.6	7.1	6.5	6.3	2.1	1.8	1.6	29.2	27.6	0.0
Hindalco	766	Buy	69.2	74.0	80.2	11.1	10.3	9.6	1.5	1.4	1.2	14.8	13.9	13.3
Hindustan Zinc	481	Neutral	29.4	32.0	34.2	16.4	15.0	14.1	9.8	7.0	5.3	73.0	54.3	42.7
Jindal Stainless	762	Buy	36.4	44.7	49.2	21.0	17.0	15.5	3.2	2.8	2.4	15.4	16.2	15.3
Jindal Steel	1,064	Buy	58.8	82.8	93.3	18.1	12.8	11.4	2.0	1.8	1.6	11.9	14.9	14.7
JSW Steel	1,146	Buy	44.6	72.4	89.9	25.7	15.8	12.8	3.1	2.6	2.2	12.9	18.0	18.8
Nalco	215	Neutral	19.1	19.4	20.1	11.2	11.1	10.7	1.9	1.7	1.5	18.3	16.1	14.7
NMDC	76	Buy	8.6	9.5	10.2	8.9	8.0	7.5	1.9	1.6	1.4	23.4	22.2	20.5
SAIL	135	Neutral	5.3	13.4	14.4	25.7	10.1	9.4	0.9	0.9	0.8	3.6	8.8	8.8
Tata Steel	168	Neutral	8.9	13.0	14.8	18.9	12.9	11.3	2.4	2.2	2.0	12.8	17.8	18.5
Vedanta	465	Neutral	40.2	47.9	55.3	11.6	9.7	8.4	3.7	3.1	2.5	35.0	34.8	33.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Coal India — Buy

CMP: INR 389 | TP: INR 450 (+16%)

- Coal production/offtake remained muted in 2QFY26.
- EBITDA to remain muted over seasonal weakness.
- Volume offtake and e-auction premium in 2HFY26 will be the key monitorables.

Quarterly Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**364.6**	**306.7**	**368.6**	**378.2**	**358.4**	**298.8**	**380.0**	**469.2**	**1,433.7**	**1,506.4**
Change YoY (%)	1.3	(6.4)	1.9	(1.0)	(1.7)	(2.6)	3.1	24.0	(1.0)	5.1
Change QoQ (%)	(4.6)	(15.9)	20.2	2.6	(5.2)	(16.6)	27.2	23.5		
Adj. EBITDA	**115.4**	**71.5**	**114.8**	**112.3**	**111.3**	**84.9**	**114.7**	**137.2**	**429.6**	**448.0**
Change YoY (%)	3.4	(19.6)	(3.8)	5.5	(3.6)	18.6	(0.2)	22.2	(3.0)	4.3
Change QoQ (%)	8.4	(38.0)	60.5	(2.2)	(0.9)	(23.7)	35.1	19.7		
EBITDA per tonne	**581.5**	**425.6**	**591.5**	**557.6**	**582.4**	**517.6**	**566.2**	**614.7**	**563.7**	**574.1**
Depreciation	19.5	19.0	25.1	27.8	23.1	24.0	24.5	25.2	91.5	96.7
OBR	(28.0)	(14.6)	(8.3)	(5.6)	(14.0)	(9.0)	(9.9)	(10.9)	(41.1)	(43.8)
Interest	2.1	2.1	2.3	2.4	2.7	3.1	3.2	3.3	8.8	12.3
Other Income	18.8	15.1	21.4	39.4	16.2	15.0	15.0	15.8	94.7	62.0
EO Inc/(Exp)	-	-	-	-	-	-	-	-	-	-
PBT after EO	**140.6**	**80.2**	**117.2**	**127.0**	**115.6**	**81.8**	**111.9**	**135.5**	**465.0**	**444.8**
Tax	32.0	18.8	33.0	32.8	29.7	20.4	28.0	33.9	116.6	112.1
Tax Rate (%)	22.8	23.4	28.2	25.8	25.7	25.0	25.0	25.0	25.1	25.2
PAT before MI & Asso.	**108.6**	**61.4**	**84.2**	**94.2**	**85.9**	**61.3**	**83.9**	**101.6**	**348.4**	**332.7**
Adjusted PAT	**109.6**	**62.9**	**85.1**	**96.0**	**87.4**	**62.5**	**84.9**	**102.4**	**353.6**	**337.3**
Change YoY (%)	4.1	(21.9)	(17.0)	12.0	(20.2)	(0.6)	(0.2)	6.6	(5.5)	(4.6)
Change QoQ (%)	27.8	(42.6)	35.2	12.9	(9.0)	(28.5)	35.8	20.6		

Hindalco — Buy

CMP: INR 766 | TP: INR 890 (+16%)

- Healthy LME prices to support overall revenue, but weak Novelis' volume could offset earnings.
- India operations to continue with healthy earnings over better volume and prices.
- The timeline of various capex projects will be crucial.
- Novelis' EBITDA/t guidance will be the key monitorable.

Consolidated performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**570.1**	**582.0**	**583.9**	**648.9**	**642.3**	**637.4**	**657.1**	**668.9**	**2,385.0**	**2,605.7**
Change (YoY %)	7.6	7.4	10.6	15.9	12.7	9.5	12.5	3.1	10.4	9.3
Change (QoQ %)	1.8	2.1	0.3	11.1	(1.0)	(0.8)	3.1	1.8	-	-
Total Expenditure	495.1	503.2	508.1	560.5	563.3	562.7	580.4	585.6	2,066.9	2,292.1
EBITDA	**75.0**	**78.8**	**75.8**	**88.4**	**79.1**	**74.6**	**76.7**	**83.3**	**318.1**	**313.6**
Change (YoY %)	31.3	40.5	29.3	32.3	5.4	(5.3)	1.1	(5.8)	33.2	(1.4)
Change (QoQ %)	12.3	5.1	(3.8)	16.5	(10.5)	(5.6)	2.7	8.6	-	-
As % of Net Sales	13.2	13.5	13.0	13.6	12.3	11.7	11.7	12.4	13.3	12.0
Interest	8.6	8.7	8.2	8.7	7.5	8.9	9.6	11.3	34.2	37.3
Depreciation	18.9	19.3	19.4	21.2	20.8	20.9	20.9	21.1	78.8	83.7
Other Income	4.2	10.8	5.1	7.0	6.0	6.1	6.1	6.2	27.1	24.5
PBT (before EO item)	**51.8**	**61.6**	**53.4**	**65.4**	**56.7**	**50.9**	**52.3**	**57.1**	**232.1**	**217.1**
Extra-ordinary Income	(3.3)	(5.1)	(0.4)	0.1	-	-	-	-	(8.8)	-
PBT (after EO item)	**48.5**	**56.4**	**53.0**	**65.5**	**56.7**	**50.9**	**52.3**	**57.1**	**223.3**	**217.1**
Total Tax	17.7	17.3	15.6	12.7	16.7	14.6	15.7	16.6	63.4	63.6
% Tax	36.6	30.7	29.5	19.3	29.5	28.6	29.9	29.1	28.4	29.3
PAT before MI and Associate	**30.7**	**39.1**	**37.3**	**52.8**	**40.0**	**36.4**	**36.7**	**40.5**	**160.0**	**153.5**
Adjusted PAT	**33.1**	**42.7**	**37.6**	**52.8**	**40.0**	**36.4**	**36.7**	**40.5**	**166.2**	**153.6**
Change (YoY %)	34.0	97.3	61.5	66.3	21.1	(14.8)	(2.6)	(23.3)	63.9	(7.6)
Change (QoQ %)	4.1	29.2	(11.8)	40.2	(24.1)	(9.2)	0.8	10.5		

Hindustan Zinc — Neutral

CMP: INR 481 | TP: INR 490 (+2%)

- Strong LME prices to drive earnings, despite weak volume in 2Q, led by seasonal weakness.
- Guidance on future dividend payout is crucial.
- Guidance on CoP, volumes, and realizations will be critical.
- Any further updates related to changes in the corporate structuring and demerger process.

Quarterly Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Mine prodn. (kt)	**263**	**256**	**265**	**311**	**265**	**258**	**282**	**295**	**1,095**	**1,100**
Sales										
Zinc refined (kt)	211	198	201	218	201	197	215	219	827	832
Lead refined (kt)	51	63	55	56	48	44	53	63	225	208
Silver (tonnes)	167	184	160	177	145	142	194	209	687	690
Net Sales	**81.3**	**82.5**	**86.1**	**90.9**	**77.7**	**81.0**	**97.2**	**104.6**	**340.8**	**360.5**
Change (YoY %)	11.6	21.5	17.8	20.4	(4.4)	(1.9)	12.8	15.1	17.8	5.8
Change (QoQ %)	7.7	1.5	4.4	5.5	(14.5)	4.2	20.0	7.6		
EBITDA	**39.5**	**41.2**	**45.0**	**48.2**	**38.6**	**43.7**	**56.0**	**67.9**	**173.9**	**206.2**
Change (YoY %)	17.9	31.3	27.8	32.1	(2.2)	6.1	24.5	40.9	27.3	18.6
Change (QoQ %)	8.1	4.5	9.1	7.1	(19.9)	13.3	28.1	21.2		
Finance cost	2.6	3.0	2.9	2.5	2.4	2.7	2.7	2.9	11.0	10.7
DD&A	8.4	8.8	9.1	10.1	9.1	10.0	10.5	11.3	36.4	40.8
Other Income	2.7	2.7	2.2	2.3	2.8	2.0	2.5	2.8	9.8	10.1
PBT	31.1	31.3	35.3	37.8	29.9	33.1	45.4	56.5	135.5	164.8
Total Tax	7.7	8.0	8.5	7.8	7.5	8.2	11.2	13.8	32.0	40.7
% Tax	24.7	25.7	24.1	20.6	25.2	24.7	24.7	24.5	23.6	24.7
Reported PAT	**23.5**	**23.3**	**26.8**	**30.0**	**22.3**	**24.9**	**34.2**	**42.7**	**103.5**	**124.1**
Adjusted PAT	**23.5**	**24.1**	**26.8**	**30.0**	**22.3**	**24.9**	**34.2**	**42.7**	**104.4**	**124.1**
Change (YoY %)	19.4	34.6	32.1	47.4	(4.7)	7.2	27.7	42.0	33.4	19.9
Change (QoQ %)	15.1	(0.8)	15.1	12.1	(25.6)	11.7	37.1	24.8		

Jindal Stainless — Buy

CMP: INR 762 | TP: INR 875 (+15%)

- Strong SS prices with muted cost to drive healthy EBITDA/t in 2Q. Volume to remain largely flat QoQ
- Guidance on CoP, volumes, and realizations will be critical.
- The export demand outlook will be a key focus area.
- Ongoing capex timeline and status will be the key monitorables.

Quarterly Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales (kt)	**578**	**565**	**588**	**643**	**626**	**630**	**660**	**679**	**2,374**	**2,595**
Change (YoY %)	5.3	3.9	14.8	12.8	8.3	11.5	12.2	5.6	9.1	9.3
Change (QoQ %)	1.4	(2.2)	4.1	9.4	(2.6)	0.6	4.8	2.8		
Net Realization/t	**1,63,145**	**1,73,041**	**1,68,491**	**1,58,605**	**1,62,988**	**1,66,488**	**1,72,488**	**1,82,324**	**1,65,595**	**1,71,311**
Net Sales	**94.3**	**97.8**	**99.1**	**102.0**	**102.1**	**104.9**	**113.8**	**123.8**	**393.1**	**444.6**
Change (YoY %)	(7.4)	(0.2)	8.5	7.9	8.2	7.3	14.9	21.3	1.9	13.1
Change (QoQ %)	(0.3)	3.7	1.3	2.9	0.1	2.8	8.5	8.7		
EBITDA	**12.1**	**11.9**	**12.1**	**10.6**	**13.1**	**13.0**	**13.5**	**13.9**	**46.7**	**53.5**
Change (YoY %)	1.6	(3.6)	(3.1)	2.5	8.1	9.7	11.8	31.2	(0.8)	14.7
Change (QoQ %)	17.1	(2.1)	1.8	(12.1)	23.5	(0.7)	3.8	3.1		
EBITDA (INR per ton)	**20,964**	**21,000**	**20,536**	**16,499**	**20,915**	**20,652**	**20,459**	**20,510**	**19,657**	**20,629**
Interest	1.4	1.6	1.6	1.5	1.4	1.7	1.8	1.9	6.1	6.8
Depreciation	2.3	2.4	2.4	2.4	2.5	2.3	2.5	2.5	9.6	9.8
Other Income	0.5	0.5	1.0	0.9	0.7	0.8	0.8	0.9	2.9	3.1
PBT (after EO Item)	**8.9**	**8.3**	**9.0**	**7.6**	**9.8**	**9.8**	**10.1**	**10.4**	**33.8**	**40.1**
Total Tax	2.4	2.2	2.4	1.4	2.5	2.3	2.5	2.6	8.4	10.0
% Tax	27.1	27.0	26.5	19.0	26.3	24.0	24.5	25.3	25.1	25.0
PAT before MI and Asso.	**6.5**	**6.1**	**6.7**	**6.2**	**7.3**	**7.4**	**7.6**	**7.8**	**25.4**	**30.1**
Adj. PAT (after MI & Asso)	**6.5**	**6.1**	**6.5**	**6.0**	**7.1**	**7.4**	**7.6**	**7.8**	**25.1**	**29.9**
Change (YoY %)	(13.1)	(9.2)	(5.4)	19.0	10.2	21.3	16.0	30.3	(3.9)	19.2
Change (QoQ %)	29.0	(5.7)	7.1	(8.7)	19.4	3.9	2.4	2.5		

Jindal Steel — Buy

CMP: INR 1064 | TP: INR 1230 (+16%)

- Weak NSR along with muted volume to weigh on earnings.
- Lower operating leverage will further erode the margin.
- Guidance on pricing and domestic demand will be critical.
- Commentary on capex timelines will be key.

Consolidated performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales (kt)	**2,090**	**1,850**	**1,900**	**2,130**	**1,900**	**1,800**	**2,474**	**2,827**	**7,970**	**9,001**
Change (YoY %)	13.6	(8.0)	5.0	6.0	(9.1)	(2.7)	30.2	32.7	3.9	12.9
ASP	**65,157**	**60,612**	**61,846**	**61,893**	**64,708**	**59,508**	**62,508**	**64,665**	**62,440**	**63,050**
Net Sales	**136.2**	**112.1**	**117.5**	**131.8**	**122.9**	**107.1**	**154.6**	**182.8**	**497.6**	**567.5**
Change (YoY %)	8.2	(8.5)	0.4	(2.3)	(9.7)	(4.5)	31.6	38.7	(0.5)	14.0
Change (QoQ %)	1.0	(17.7)	4.8	12.2	(6.7)	(12.9)	44.3	18.2		
EBITDA	**28.4**	**22.0**	**21.8**	**24.8**	**30.1**	**15.8**	**33.3**	**45.7**	**97.1**	**124.9**
Change (YoY %)	8.0	(3.7)	(23.2)	1.5	5.9	(28.0)	52.4	84.1	(4.9)	28.7
Change (QoQ %)	16.2	(22.5)	(0.7)	13.6	21.1	(47.3)	110.1	37.3		
EBITDA/t	**13,585**	**11,893**	**11,494**	**11,651**	**15,819**	**8,800**	**13,455**	**16,161**	**12,177**	**13,873**
Interest	3.3	3.3	3.1	3.4	3.0	3.5	3.7	4.0	13.1	14.1
Depreciation	6.8	7.0	7.0	6.9	7.2	7.9	8.2	8.4	27.7	31.7
Other Income	0.3	0.3	0.3	0.7	0.3	0.5	0.5	0.6	1.7	1.8
PBT (before EO item)	**18.6**	**12.1**	**12.0**	**15.2**	**20.2**	**4.9**	**21.9**	**33.9**	**57.9**	**80.8**
PBT (after EO item)	**18.6**	**12.1**	**12.0**	**0.8**	**20.2**	**4.9**	**21.9**	**33.9**	**43.5**	**80.8**
Total Tax	5.2	3.5	2.5	3.8	5.2	1.2	5.5	8.5	15.0	20.5
% Tax	28.0	29.1	20.7	463.7	25.9	25.1	25.1	25.1	34.4	25.3
PAT (after MI / Sh. of Asso.)	**13.4**	**8.6**	**9.5**	**(3.4)**	**14.9**	**3.7**	**16.4**	**25.4**	**28.1**	**60.4**
Adjusted PAT	**13.4**	**8.6**	**9.5**	**11.0**	**14.9**	**3.7**	**16.4**	**25.4**	**42.5**	**60.4**
Change (YoY %)	(20.6)	(38.0)	(50.7)	17.7	11.5	(57.5)	72.2	130.7	(28.4)	42.0
Change (QoQ %)	43.3	(35.8)	10.4	15.8	35.7	(75.5)	346.9	55.2		

JSW Steel — Buy

CMP: INR 1146 | TP: INR 1320 (+15%)

- Healthy volume QoQ, led by the resumption of under-maintenance capacity, which will offset the muted NSR in 2Q
- Revenue and EBITDA are likely to dip QoQ due to muted NSR.
- Demand/Pricing outlook is a key monitorable.
- Guidance on capex status and timelines is critical.

Consolidated Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**429.4**	**396.8**	**413.8**	**448.2**	**431.5**	**430.6**	**469.5**	**507.3**	**1,688.2**	**1,838.8**
Change (YoY %)	1.7	(11.0)	(1.3)	(3.1)	0.5	8.5	13.5	13.2	(3.5)	8.9
Change (QoQ %)	(7.2)	(7.6)	4.3	8.3	(3.7)	(0.2)	9.0	8.1		
EBITDA	**55.1**	**54.4**	**55.8**	**63.8**	**75.8**	**64.4**	**85.7**	**103.5**	**229.0**	**329.3**
Change (YoY %)	(21.8)	(31.1)	(22.3)	4.1	37.5	18.4	53.6	62.2	(18.9)	43.8
Change (QoQ %)	(10.0)	(1.3)	2.6	14.3	18.8	(15.0)	33.1	20.7		
EBITDA (INR per ton)	**9,003**	**8,869**	**8,314**	**8,515**	**11,324**	**8,904**	**11,528**	**13,532**	**8,659**	**11,355**
Interest	20.7	21.3	21.2	20.9	22.2	21.3	21.8	22.1	84.1	87.4
Depreciation	22.1	22.7	23.4	25.0	25.4	23.3	23.8	25.2	93.1	97.7
Other Income	1.6	1.5	1.5	2.3	3.5	1.8	1.9	1.9	6.9	9.2
PBT (before EO Item)	**13.9**	**11.9**	**12.8**	**20.2**	**31.7**	**21.7**	**41.9**	**58.1**	**58.8**	**153.4**
Share of P/(L) of Ass.	(0.1)	(0.6)	0.1	(2.4)	(1.0)	-	-	-	(3.1)	(1.0)
EO Items	-	3.4	1.0	0.4	-	-	-	-	4.9	-
PBT (after EO Item)	**13.8**	**7.9**	**11.8**	**17.3**	**30.7**	**21.7**	**41.9**	**58.1**	**50.8**	**152.4**
Total Tax	5.1	3.9	4.6	2.3	8.6	6.2	11.9	16.7	15.9	43.4
% Tax	37.2	48.8	39.0	13.2	28.1	28.5	28.5	28.7	31.2	28.5
PAT before MI and Asso.	**8.7**	**4.0**	**7.2**	**15.0**	**22.1**	**15.5**	**30.0**	**41.4**	**34.9**	**109.0**
MI (Profit)/Loss	0.2	(0.4)	0.0	(0.0)	0.3	-	-	-	(0.1)	0.3
Reported PAT after MI and Asso.	**8.5**	**4.4**	**7.2**	**15.0**	**21.8**	**15.5**	**30.0**	**41.4**	**35.0**	**108.7**
Adj. PAT (after MI & Asso)	**8.5**	**6.4**	**7.8**	**15.3**	**21.8**	**15.5**	**30.0**	**41.4**	**38.0**	**108.7**
Change (YoY %)	(63.9)	(79.0)	(65.8)	17.7	158.5	140.3	284.9	170.8	(57.7)	186.3
Change (QoQ %)	(34.9)	(23.8)	20.9	96.4	42.8	(29.1)	93.6	38.2		

NMDC — Buy

CMP: INR 76| TP: INR 88 (+16%)

- Muted performance led by weak volumes and ASP.
- NMDC average 2QFY26 prices declined by INR200/t.
- Current EC limit and status of incremental EC limit will be the key monitorables.

Consolidated Performance INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**54.1**	**49.2**	**65.7**	**70.0**	**67.4**	**60.2**	**71.0**	**75.1**	**239.1**	**273.7**
Change (YoY %)	0.4	22.5	21.4	7.9	24.5	22.4	8.1	7.3	55.5	5.4
Change (QoQ %)	(16.6)	(9.1)	33.5	6.6	(3.8)	(10.7)	17.9	5.9		
EBITDA	**23.4**	**13.9**	**23.7**	**20.5**	**24.8**	**21.3**	**25.5**	**26.7**	**81.5**	**98.3**
Change (YoY %)	17.3	16.4	18.2	(2.4)	6.0	53.6	7.5	30.2	11.7	20.6
Change (QoQ %)	11.3	(40.8)	71.2	(13.5)	20.8	(14.1)	19.8	4.8		
EBITDA per ton (INR/t)	**2,322**	**1,425**	**1,987**	**1,619**	**2,152**	**1,998**	**2,047**	**2,058**	**1,835**	**2,064.5**
Interest	0.2	0.3	0.6	0.6	0.3	0.5	0.6	0.6	1.8	1.9
Depreciation	0.7	1.0	1.0	1.4	1.1	1.3	1.4	1.4	4.2	5.2
Other Income	3.6	3.6	3.8	4.9	3.0	3.2	3.3	4.0	15.9	13.5
PBT (before EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**26.4**	**22.7**	**26.9**	**28.7**	**91.4**	**104.8**
Extra-ordinary item	-	-	-	-	-	-	-	-	-	-
PBT (after EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**26.4**	**22.7**	**26.9**	**28.7**	**91.4**	**104.8**
Total Tax	6.4	4.2	6.9	8.5	6.8	6.4	7.5	8.7	26.0	29.3
% Tax	24.7	25.9	26.6	36.6	25.6	28.0	28.0	30.3	28.5	28.0
PAT after MI and Sh. of Asso.	**19.7**	**12.1**	**18.8**	**14.8**	**19.7**	**16.4**	**19.3**	**20.0**	**65.4**	**75.4**
Adjusted PAT	**19.7**	**12.1**	**18.8**	**14.8**	**19.7**	**16.4**	**19.3**	**20.0**	**65.4**	**75.4**
Change (YoY %)	19.2	18.1	13.3	3.1	(0.1)	35.1	2.8	35.6	13.3	15.3
Change (QoQ %)	37.4	(38.5)	55.3	(21.4)	33.2	(16.8)	18.1	3.6		

Nalco — Neutral

CMP: INR 215 | TP: INR 230 (7%)

- Softening prices are expected to weigh on QoQ performance.
- Rising CoP is likely to moderate margins.
- We await management guidance on domestic demand and capex outlook.

Quarterly performance INR m

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**28,561**	**40,015**	**46,622**	**52,678**	**38,069**	**37,113**	**38,082**	**41,675**	**1,67,876**	**1,54,939**
Change (YoY %)	(10.1)	31.5	39.3	47.2	33.3	(7.3)	(18.3)	(20.9)	27.7	(7.7)
Change (QoQ %)	(20.2)	40.1	16.5	13.0	(27.7)	(2.5)	2.6	9.4		
Total Expenditure	19,219	24,525	23,347	25,140	23,148	25,575	25,748	28,724	92,230	1,03,196
EBITDA	**9,342**	**15,490**	**23,275**	**27,539**	**14,921**	**11,537**	**12,334**	**12,951**	**75,646**	**51,744**
Change (YoY %)	57.2	290.7	201.1	148.7	59.7	(25.5)	(47.0)	(53.0)	163.4	(31.6)
Change (QoQ %)	(15.6)	65.8	50.3	18.3	(45.8)	(22.7)	6.9	5.0		
Interest	34	44	191	321	80	104	109	111	590	405
Depreciation	1,743	1,798	2,857	878	1,783	1,802	1,802	1,821	7,276	7,209
Other Income	605	718	991	1,256	1,235	1,188	1,188	1,140	3,570	4,750
PBT (after EO)	**8,170**	**14,366**	**21,219**	**27,596**	**14,293**	**10,819**	**11,610**	**12,159**	**71,351**	**48,880**
Total Tax	2,158	3,744	5,390	6,813	3,654	2,867	3,077	3,356	18,104	12,953
% Tax	26.4	26.1	25.4	24.7	25.6	26.5	26.5	27.6	25.4	26.5
PAT before MI and Asso.	**6,012**	**10,622**	**15,829**	**20,784**	**10,639**	**7,952**	**8,534**	**8,803**	**53,247**	**35,927**
Sh. of Associate	(128)	(162)	(166)	(111)	(144)	(194)	(194)	(244)	(567)	(775)
Reported PAT after MI and Asso.	**5,884**	**10,460**	**15,663**	**20,672**	**10,495**	**7,758**	**8,340**	**8,560**	**52,679**	**35,152**
Adjusted PAT	**5,884**	**10,460**	**15,663**	**20,672**	**10,495**	**7,758**	**8,340**	**8,560**	**52,679**	**35,152**
Change (YoY %)	76.3	458.3	232.8	205.5	78.4	(25.8)	(46.8)	(58.6)	164.9	(33.3)
Change (QoQ %)	(13.0)	77.8	49.7	32.0	(49.2)	(26.1)	7.5	2.6		

SAIL — Neutral

CMP: INR 135 | TP: INR 150 (+11%)

- Revenue to decline QoQ, led by muted NSR.
- NSR for SAIL to decline INR4,000/t, which will further affect its margins during the quarter.
- Management guidance on the debt reduction roadmap will be crucial.
- Guidance on domestic and international steel prices is a key monitorable.

Quarterly Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**240.0**	**230.4**	**244.9**	**293.2**	**257.5**	**243.6**	**261.6**	**293.3**	**1,008.4**	**1,055.9**
Change (YoY %)	(1.5)	(17.6)	4.9	11.7	7.3	5.7	6.8	0.0	(1.1)	4.7
Change (QoQ %)	(8.6)	(4.0)	6.3	19.7	(12.2)	(5.4)	7.4	12.1		
Total Expenditure	**217.8**	**217.6**	**224.6**	**258.3**	**231.5**	**227.1**	**236.4**	**265.3**	**918.3**	**960.4**
EBITDA	**22.2**	**12.8**	**20.3**	**34.8**	**26.0**	**16.5**	**25.2**	**28.0**	**90.1**	**95.5**
Change (YoY %)	34.6	(40.0)	(5.3)	97.0	16.9	29.0	24.0	(19.7)	17.2	6.1
Change (QoQ %)	25.5	(42.5)	59.1	71.6	(25.5)	(36.6)	52.9	11.1		
EBITDA per ton (INR)	**5,536**	**3,111**	**4,582**	**6,536**	**5,704**	**3,553**	**5,253**	**5,433**	**5,042**	**4,997**
Interest	6.9	7.6	6.8	6.6	5.9	5.6	6.0	6.5	27.9	24.0
Depreciation	14.0	13.0	14.2	15.2	14.4	13.7	14.4	15.0	56.5	57.4
Other Income	1.8	1.7	2.3	3.0	1.6	2.5	2.7	2.8	8.8	9.6
Share of Asso/JV/investments	1.1	1.6	1.3	0.9	0.7	1.6	1.7	1.8	4.9	5.8
PBT (before EO Inc.)	**4.1**	**(4.6)**	**2.9**	**16.9**	**7.9**	**1.3**	**9.2**	**11.0**	**19.3**	**29.5**
EO Income(exp)	(3.1)	16.4	0.3	(0.3)	1.7	-	-	-	13.2	1.7
PBT (after EO Inc.)	**1.0**	**11.7**	**3.2**	**16.6**	**9.7**	**1.3**	**9.2**	**11.0**	**32.5**	**31.3**
Total Tax	0.2	2.8	1.8	4.1	2.2	0.3	2.3	2.9	8.8	7.8
% Tax	16.6	23.5	56.1	24.5	23.1	25.0	25.0	26.7	27.1	25.0
Reported PAT	**0.8**	**9.0**	**1.4**	**12.5**	**7.4**	**1.0**	**6.9**	**8.1**	**23.7**	**23.4**
Adjusted PAT	**3.2**	**(3.8)**	**1.1**	**12.8**	**5.7**	**1.0**	**6.9**	**8.1**	**13.4**	**21.7**
Change (YoY %)	52.9	(219.3)	(69.1)	609.1	75.7	(126.6)	508.1	(36.8)	24.3	62.1
Change (QoQ %)	80.0	(216.9)	(129.9)	1,029.5	(55.4)	(82.3)	583.4	17.4		

Tata Steel — Neutral

CMP: INR 168| TP: INR 180 (+7%)

- Better volume to offset the weak NSR impact, while muted NSR to erode margins QoQ.
- The European earnings are expected to generate EBITDA.
- Commentary on the European operations is critical.
- Management guidance on ASP/capex will be the key monitorable.

Consolidated Performance — INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales (k tons)	**7,390**	**7,520**	**7,720**	**8,330**	**7,120**	**8,088**	**8,832**	**9,218**	**30,960**	**33,258**
Change (YoY %)	2.6	6.4	8.0	4.4	-3.7	7.6	14.4	10.7	5.3	7.4
Avg Realization (INR/t)	**74,116**	**71,682**	**69,493**	**67,489**	**74,688**	**70,226**	**68,542**	**69,584**	**70,589**	**70,556**
Net Sales	**547.7**	**539.0**	**536.5**	**562.2**	**531.8**	**568.0**	**605.4**	**641.4**	**2,185.4**	**2,346.6**
Change (YoY %)	-7.9	-3.2	-3.0	-4.2	-2.9	5.4	12.8	14.1	-4.6	7.4
Change (QoQ %)	-6.7	-1.6	-0.5	4.8	-5.4	6.8	6.6	6.0		
EBITDA	**66.9**	**55.2**	**71.5**	**65.6**	**74.3**	**85.3**	**94.6**	**103.7**	**259.3**	**357.9**
Change (YoY %)	29.4	29.4	24.6	-0.6	11.0	54.5	32.2	58.1	19.0	38.0
Change (QoQ %)	1.4	-17.5	29.6	-8.3	13.2	14.9	10.8	9.7		
EBITDA (INR/t)	**9,059**	**7,343**	**9,268**	**7,874**	**10,432**	**10,548**	**10,706**	**11,251**	**8,376**	**10,760**
Interest	17.8	19.7	18.0	17.9	18.5	19.1	19.6	21.1	73.4	78.3
Depreciation	25.4	26.0	25.7	27.2	27.4	27.0	27.7	28.6	104.2	110.8
Other Income	2.6	6.0	2.2	4.6	2.9	5.1	5.2	5.6	15.4	18.8
PBT (before EO Inc.)	**26.4**	**15.5**	**30.0**	**25.1**	**31.2**	**44.3**	**52.5**	**59.6**	**97.1**	**187.5**
EO Income(exp)	-3.6	6.4	-13.8	-3.9	-1.3				-14.9	-1.3
PBT (after EO Inc.)	**22.8**	**21.9**	**16.3**	**21.2**	**29.9**	**44.3**	**52.5**	**59.6**	**82.2**	**186.2**
Total Tax	14.6	14.1	13.8	10.0	10.6	17.7	23.6	28.7	52.4	80.6
% Tax	55.2	90.5	45.8	39.8	34.0	40.0	45.0	48.1	54.0	43.0
PAT before MI & Sh. of associate	**8.3**	**7.8**	**2.5**	**11.2**	**19.3**	**26.6**	**28.9**	**30.9**	**29.8**	**105.6**
Adj. PAT (after MI & asso)	**13.2**	**4.5**	**7.4**	**16.9**	**21.3**	**27.7**	**30.0**	**31.8**	**42.0**	**110.8**
Change (YoY %)	112.3	-35.8	68.8	40.1	61.7	514.9	306.0	88.0	41.5	164.0
Change (QoQ %)	9.3	-65.8	64.1	128.3	26.1	30.2	8.3	5.7		

Vedanta

Neutral

CMP: INR 465 | TP: INR 480 (+3%)

- Strong LME prices to offset the weak volume impact and support stable margins in 2Q.
- Commentary on volumes/CoP guidance across verticals.
- Management commentary on the demerger status is a key monitorable.
- Guidance on the parent debt situation will be crucial.

Quarterly Performance INR b

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**357.6**	**376.3**	**391.2**	**404.6**	**378.2**	**362.9**	**402.8**	**434.0**	**1,529.7**	**1,578.0**
Change (YoY %)	6.0	10.1	10.1	13.9	5.8	(3.6)	3.0	7.3	10.1	3.2
Change (QoQ %)	0.7	5.2	3.9	3.4	(6.5)	(4.1)	11.0	7.8		
EBITDA	**99.5**	**98.3**	**111.0**	**114.7**	**99.2**	**94.9**	**129.6**	**149.7**	**423.4**	**473.3**
Change (YoY %)	54.9	46.3	30.2	30.8	(0.3)	(3.4)	16.7	30.5	39.1	11.8
Change (QoQ %)	13.4	(1.2)	13.0	3.3	(13.5)	(4.3)	36.6	15.5		
Finance cost	22.2	26.7	24.4	25.8	20.3	23.5	24.8	25.6	99.1	94.2
DD&A	27.3	27.0	26.8	29.9	28.2	29.5	29.5	30.8	111.0	118.2
Other Income	9.3	13.0	6.8	7.6	9.9	6.1	6.2	6.5	36.8	28.7
PBT (before EO item)	**59.3**	**57.7**	**66.6**	**66.6**	**60.5**	**47.9**	**81.5**	**99.7**	**250.1**	**289.7**
EO exp. (income)	-	(18.7)	-	-	-	-	-	-	(18.7)	-
PBT (after EO item)	**59.3**	**76.3**	**66.6**	**66.6**	**60.5**	**47.9**	**81.5**	**99.7**	**268.8**	**270.0**
Total Tax	8.3	20.3	17.9	17.0	16.0	13.9	23.2	28.0	63.4	81.1
% Tax	14.0	26.6	26.8	25.5	26.4	29.0	28.5	28.1	23.6	30.0
PAT before MI and Asso.	**51.0**	**56.0**	**48.8**	**49.6**	**44.6**	**34.0**	**58.3**	**71.7**	**205.3**	**208.6**
Profit from Asso.	-	-	-	0.0	-	-	-	-	0.0	-
Minority interest	14.9	12.5	13.3	14.8	12.7	12.8	12.8	12.9	55.5	51.3
PAT after MI and Asso.	**36.1**	**43.5**	**35.5**	**34.8**	**31.9**	**21.2**	**45.4**	**58.8**	**149.9**	**157.2**
APAT	**36.1**	**29.5**	**35.5**	**34.8**	**31.9**	**21.2**	**45.4**	**58.8**	**135.9**	**157.2**
Change (YoY %)	319.5	504.8	76.2	121.8	(11.7)	(28.2)	28.1	68.7	175.6	15.7
Change (QoQ %)	129.8	(18.2)	20.2	(1.8)	(8.6)	(33.5)	114.5	29.3		

Oil & Gas

Company name
Aegis Logistics
BPCL
Castrol India
GAIL
Gujarat Gas
Gujarat State Petronet
HPCL
Indraprastha Gas
IOCL
Mahanagar Gas
Oil India
ONGC
Petronet LNG
Reliance Industries

Earnings to soften QoQ amid weaker margins

- **We expect our coverage universe to report: 1) flat sales YoY (+4% YoY excluding OMCs), 2) a 23% YoY rise in EBITDA (+9% YoY excluding OMCs), and 3) a 25% YoY increase in PAT (+2% YoY excluding OMCs) in 2QFY26.**
- **RIL: Consol. EBITDA is expected to grow 17% YoY to INR458b. We estimate EBITDA of 1) INR149b (up 11% YoY) for the standalone business, 2) INR171b (up 14% YoY) for RJio, and 3) INR64b (up 14% YoY) for the retail business. Production meant for sale is likely to stand at 17.7mmt (flat YoY), with standalone PAT at INR93b (up 20% YoY).**
- **OMCs: Standalone EBITDA for HPCL/BPCL/IOCL is expected to decline QoQ, due to a contraction in marketing margins on a QoQ basis. SG GRM averaged USD4.1/bbl in 2Q (vs. USD5.6/bbl in 1Q).**
- **CGDs: We estimate 8%/7% YoY volume growth for MAHGL/IGL and a 1% YoY volume decline for GUJGA. CGD margins are expected to decline sequentially as raw material costs rise. Spot LNG prices remained elevated despite a sequential decline, averaging around USD11.9/mmBtu in 2Q.**
- **Upstream: For ONGC and OINL, we expect oil & gas sales volumes to remain largely flat QoQ and YoY, while oil realizations are likely to see a sharp YoY decline for both companies (flat QoQ).**

Retain our bearish view on crude price

- In 2QFY26, crude oil prices remained steady as oversupply and weak demand were balanced by geopolitical risks and an aggressive increase in China's crude imports and stockpiling.
- IEA now estimates global oil supply to exceed demand by ~2mb/1.4mb per day in CY25/CY26. Hence, we remain bearish on crude prices and maintain our Brent price forecast of USD65/bbl for CY25/26.

SG GRM down 27% QoQ in 2Q; long-term refining outlook remains soft

- SG GRM declined 27% in 2Q, as fuel oil and gasoline cracks corrected QoQ. However, diesel and jet fuel cracks improved QoQ, which shall support refining margins for Indian players. MS/HSD marketing margins remained robust YoY in 2Q but fell 16%/37% QoQ, with MS/HSD marketing margins averaging INR6.9/INR10.6 per lit. Blended marketing margins for IOCL/BPCL/HPCL are expected at INR5.2/INR5.3/INR5.4 per lit in 2QFY26.
- The long-term refining GRM outlook remains subdued, with global refining capacity additions outpacing the global rise in demand for refined products. IEA expects ~2.5mb/d cumulative net refining capacity to be added over CY24-30 vs. only ~0.3mb/d cumulative refined product demand growth (~0.7mb/d over CY24-27). Further, ~1.4mb/d of the total net capacity additions are expected to be on stream by CY27. We maintain our FY27 assumption at USD5/bbl.

Petchem margin weakness persists in 2Q

- Petchem prices were down 14% YoY (flat QoQ) on average in 2QFY26. LDPE/ HDPE/PP prices declined 9%/6%/8% YoY in 2Q.
- PX spread over naphtha declined 26% YoY but was up 16% QoQ, while PP spread over naphtha was flat YoY (down 12% QoQ).

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EBITDA margins to contract QoQ; IGL/MAHGL to see stable volume growth

- In 2QFY26, we estimate EBITDA/scm margins to decline QoQ as: 1) INR depreciated ~2% QoQ against USD, leading to an increase in gas cost by INR0.6-0.7/scm; 2) APM and NW gas cost has increased marginally QoQ; and 3) no price hikes were taken in 2Q. In fact, GUJGA cut prices by INR3-3.5/scm at Morbi.
- On the volume front, we estimate IGL/MAHGL to clock a 7%/8% YoY increase in volumes in 2Q, as CNG vehicle adoption remained healthy. However, we expect a YoY/QoQ drop in GUJGA's I&C PNG volumes as competition from alternate fuel intensified at Morbi.
- **Zonal tariff reform underway; IGL to benefit:** While the final announcement for the two-zone tariff reform is pending, we estimate that IGL's EBITDA/scm might improve by ~0.5-0.6/scm, while MAHGL might see a similar hit on margins. Currently, we are not building in any impact from the reform.

OMCs: Refining performance set to improve as marketing margins decline

- OMCs are set to deliver an increase in GRMs QoQ, as we estimate low inventory losses (vs. significant inventory losses in 1Q). Diesel and jet fuel GRMs improved QoQ in 2Q, which will support blended GRMs. On the marketing front, we expect marketing performance to moderate QoQ as MS/HSD marketing margins are down 16%-37% QoQ in 2Q. However, lower LPG under-recovery (~INR45-55/cyl) would support blended marketing margins.

Valuation and view

- **PLNG's valuations imply the stock is at a point of maximum pessimism:** PLNG trades at ~9x FY27E EPS compared to its historical one-year forward P/E of 10.4x. Our DCF-based TP (WACC: 10.5%, TG = 2%) assumes a 10% tariff cut in FY28, followed by a 4% increase for both the terminals. While we have incorporated the full capex for the petchem plant, we value it conservatively at 0.5x FY29E P/B and discount this back to FY27E. In an extreme bear-case DCF scenario, we assume 0% terminal growth and no tariff hike after a 20% cut in FY28, implying a valuation of INR274/sh. At ~9x FY27E P/E and a ~4.3% dividend yield, we believe valuations are at the rock bottom. Reiterate BUY with a DCF-based TP of INR410.
- **HPCL and MAHGL as momentum plays: HPCL** remains our preferred pick among the three OMCs given its leverage towards marketing. We model a marketing margin of INR3.3/lit for both MS and HSD in FY26/27, while the current MS and HSD marketing margins are above ~INR7 per lit. We view the following as key catalysts for the stock: 1) the de-merger and potential listing of the lubricant business, 2) the commissioning of its bottom upgrade unit in 2QFY26'end, and 3) the start of its Rajasthan refinery in FY26. **MAHGL**: We expect a 9% CAGR in volume over FY25-27, driven by multiple initiatives implemented by the company, such as collaborating with OEMs to drive conversions of commercial CNG vehicles and providing guaranteed price discounts to new I/C-PNG customers.

Exhibit 1: Oil & gas product prices, cracks, and margins (USD/bbl)

(USD/bbl)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	YoY (%)	QoQ (%)
Oil											
WTI	82.5	78.4	77.1	80.7	75.2	70.4	71.5	63.9	65.0	-14%	2%
Brent	86.7	83.8	83.0	84.6	79.8	74.6	75.8	68.0	68.7	-15%	0%
Dubai	86.7	83.5	81.3	85.3	78.4	73.6	76.9	66.9	68.3	-13%	2%
Arab Light-Heavy	2.1	2.1	1.8	1.5	1.3	1.9	1.9	1.7	1.7	28%	-2%
Gas											
Henry Hub (USD/mmBtu)	2.6	2.7	2.2	2.1	2.1	2.5	4.1	3.2	3.0	43%	-5%
LNG Spot	12.6	15.8	9.4	11.2	13.0	13.9	14.0	12.4	11.9	-9%	-4%
Exchange Rate (INR/USD)	**82.7**	**83.3**	**83.0**	**83.4**	**83.8**	**84.5**	**86.6**	**85.6**	**87.3**		
Product Cracks (v/s Dubai)											
Gasoline	18.8	11.7	18.2	17.3	10.8	11.5	8.3	11.4	10.5	-3%	-8%
Diesel	21.4	16.1	18.0	11.2	7.2	8.8	8.7	10.0	12.0	67%	21%
Jet/Kero	27.0	23.0	22.8	15.7	12.8	15.0	13.3	14.3	15.7	23%	10%
Fuel Oil	-4.7	-10.9	-9.5	-8.3	-5.3	-1.8	-1.5	2.0	-5.5	4%	PL
Singapore GRM	**9.5**	**5.5**	**7.3**	**3.5**	**3.6**	**5.0**	**3.2**	**5.6**	**4.1**	**14%**	**-27%**

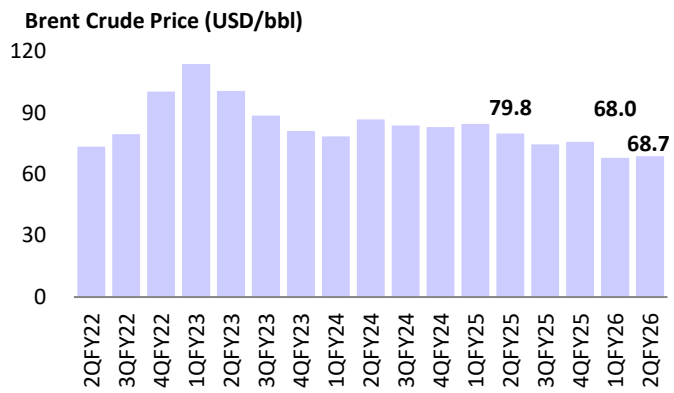
Source: Company, MOFSL

Exhibit 2: Summary of 2QFY26 earnings estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Aegis Logistics	787	Neutral	19,141	9.4	11.3	2,581	15.3	7.6	1,279	1.6	-2.6
BPCL	340	Neutral	9,26,347	-9.8	-17.7	74,332	64.7	-23.1	46,125	92.4	-24.7
Castrol India	201	Buy	13,218	2.6	-11.7	3,017	5.4	-13.7	2,124	2.4	-13.0
GAIL	175	Buy	3,24,713	-1.3	-6.6	30,493	-18.6	-8.5	21,155	-20.8	12.1
Gujarat Gas	435	Buy	37,413	-1.1	-3.3	4,412	-14.2	-15.1	2,442	-20.4	-25.3
Gujarat State Petronet	318	Neutral	2,500	5.1	3.1	1,988	3.0	-1.8	3,335	-14.3	134.0
HPCL	434	Buy	9,04,918	-9.4	-18.3	59,049	113.3	-23.1	29,593	368.8	-32.3
Indraprastha Gas	209	Buy	42,919	16.1	9.7	5,062	-5.5	-1.1	4,009	-7.0	12.6
IOC	150	Neutral	18,38,328	5.7	-4.7	96,675	130.6	-23.3	30,995	LP	-45.5
Mahanagar Gas	1277	Buy	19,475	13.8	-1.4	3,510	-11.9	-27.7	2,396	-15.3	-26.1
Oil India	412	Neutral	54,219	-1.8	8.2	21,884	0.2	36.2	16,730	-8.8	105.7
ONGC	243	Neutral	3,24,796	-4.1	1.5	1,85,263	1.6	-0.7	1,00,126	-16.5	24.8
Petronet LNG	275	Buy	1,13,592	-12.8	-4.4	11,600	-3.4	0.0	7,850	-7.4	-7.7
Reliance Inds.	1369	Buy	24,66,848	6.5	1.3	4,57,719	17.2	6.7	2,02,172	22.1	11.9
Oil & Gas			**70,88,427**	**0.4**	**-6.3**	**9,57,588**	**22.7**	**-4.2**	**4,70,329**	**24.9**	**-0.7**
Oil Ex OMCs			**34,18,834**	**3.8**	**0.4**	**7,27,531**	**9.3**	**4.0**	**3,63,616**	**2.0**	**16.7**

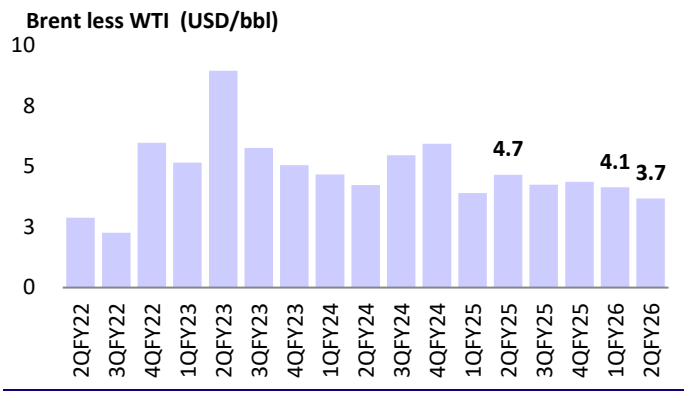
Brent flat QoQ; SG GRM down 27% QoQ

Exhibit 3: Brent crude price down 15% YoY



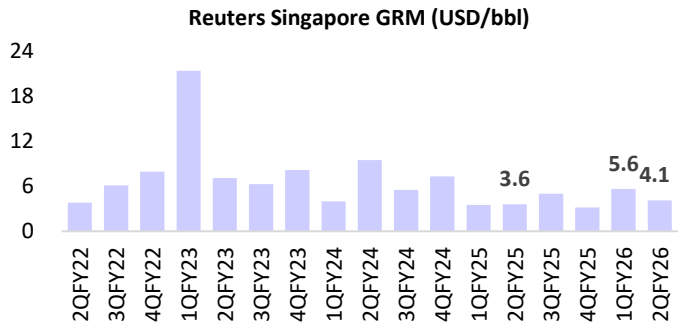
Source: Reuters, MOFSL

Exhibit 4: Brent premium to WTI at USD3.7/bbl



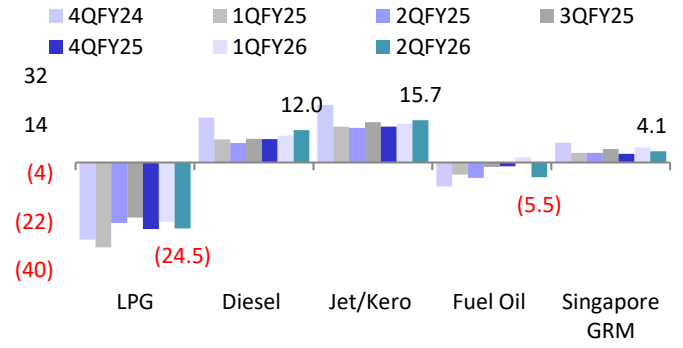
Source: Reuters, MOFSL

Exhibit 5: Reuters SG GRM down 27% QoQ at USD4.1/bbl



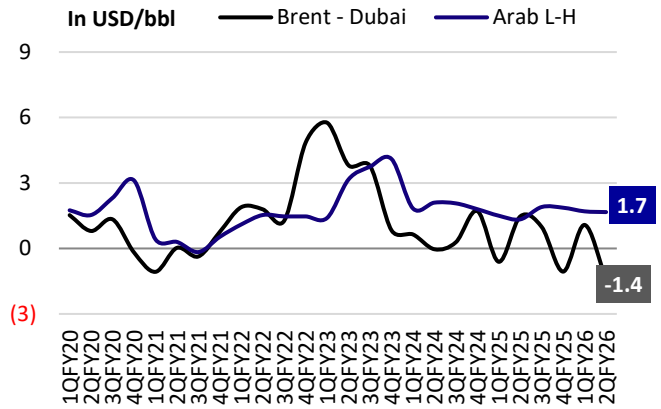
Source: Reuters, MOFSL

Exhibit 6: Product cracks (USD/bbl)



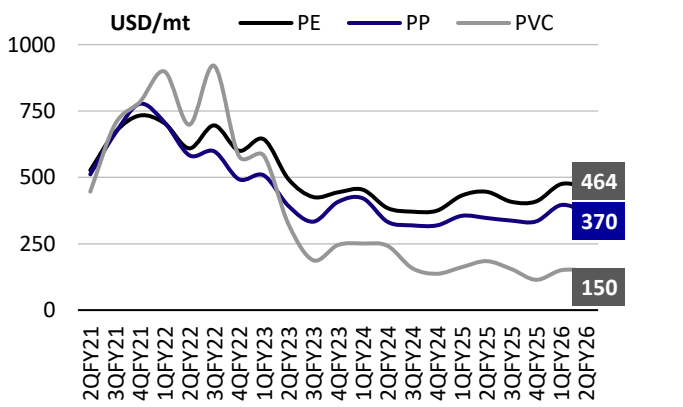
Source: Reuters, MOFSL

Exhibit 7: Crude differential stood at USD1.7/bbl for Arab L-H and declined QoQ for Brent-Dubai at (USD1.4)/bbl



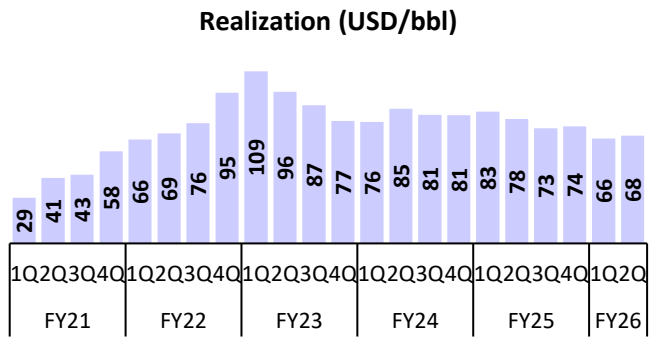
Source: Reuters, MOFSL

Exhibit 8: Spreads over Naphtha for PE, PP, and PVC



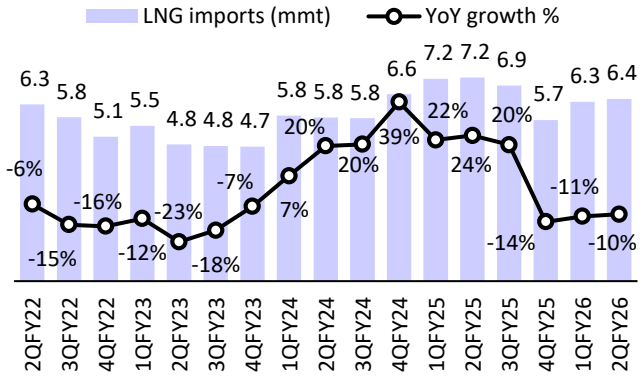
Source: Bloomberg, MOFSL

Exhibit 9: Expect realization of USD68/bbl for ONGC in 2Q



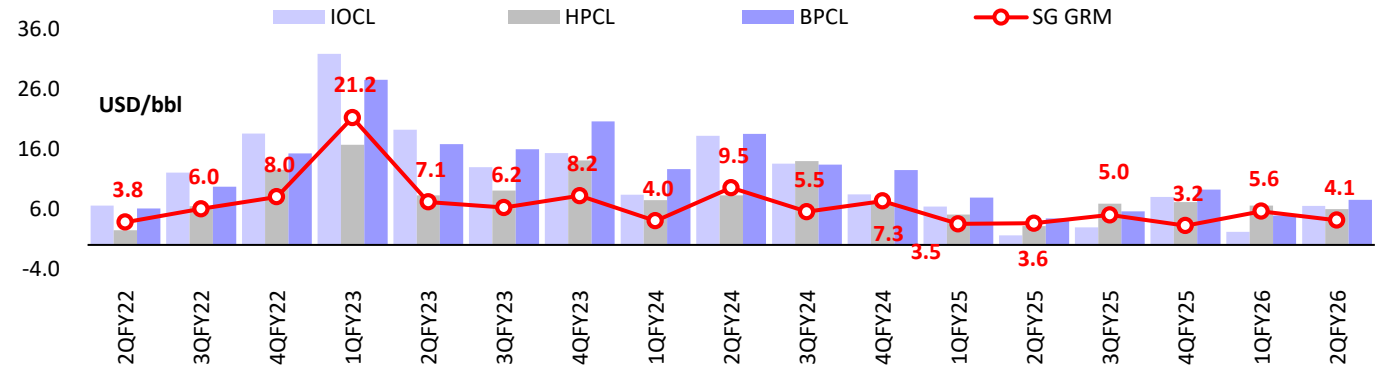
Source: Company, MOFSL

Exhibit 10: Expect LNG imports to decrease 10% YoY in 2Q



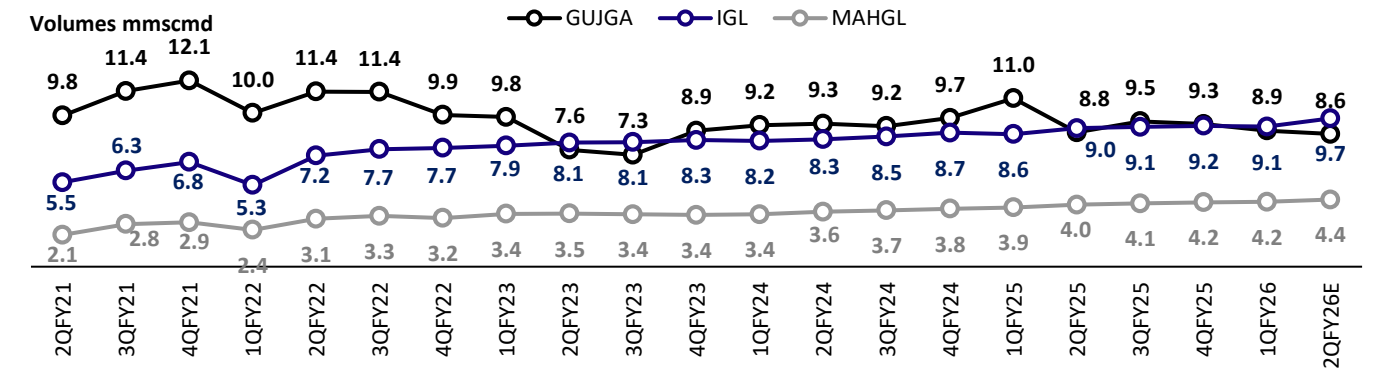
Aug'25 and Sep'25 data extrapolated for 2QFY26 Source: PPAC, MOFSL

Exhibit 11: GRM snapshot for OMCs (USD/bbl)



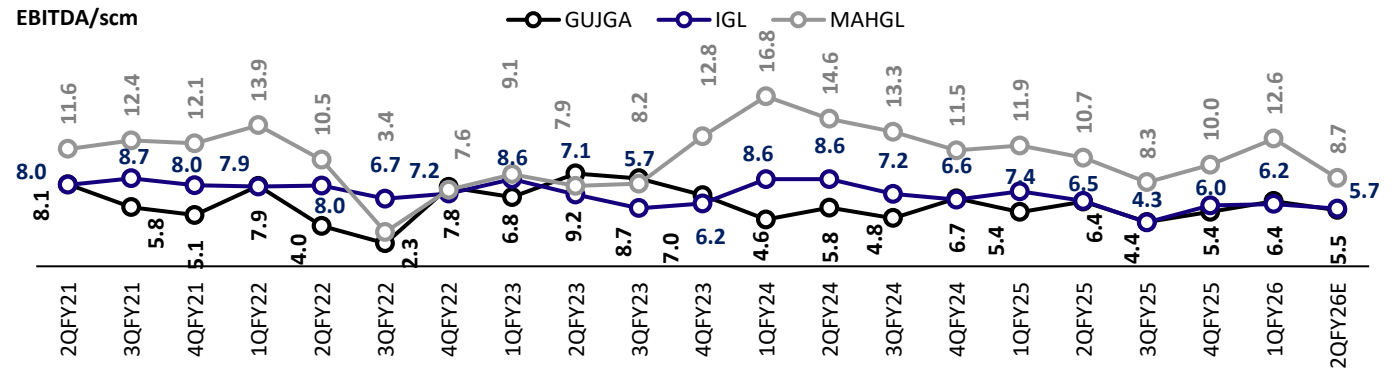
Source: Company, MOFSL

Exhibit 12: Volume snapshot of CGDs (mmscmd)



Source: Company, MOFSL

Exhibit 13: Margin snapshot of CGDs (INR/scm)

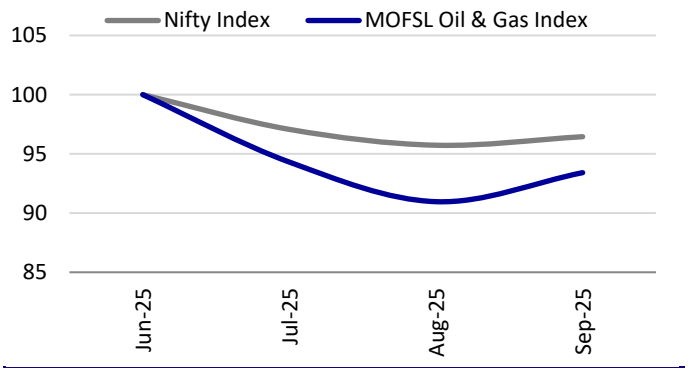


Source: Company, MOFSL

Exhibit 14: Valuation summary

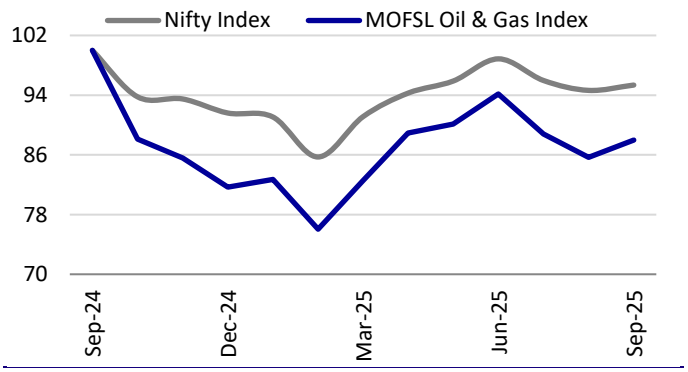
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Oil & Gas						**15.9**	**15.8**	**15.0**	**1.6**	**1.5**	**1.4**	**10.2**	**9.4**	**9.2**
Aegis Logistics	787	Neutral	22.0	24.1	25.5	35.8	32.6	30.8	5.4	4.9	4.4	15.8	15.7	15.0
BPCL	340	Neutral	39.0	29.5	31.1	8.7	11.5	10.9	1.5	1.3	1.2	18.7	12.3	11.8
Castrol India	201	Buy	9.5	9.6	10.3	21.2	20.9	19.5	8.1	7.5	7.0	39.5	37.1	37.0
GAIL	175	Buy	12.9	14.6	15.4	13.6	12.0	11.3	1.4	1.3	1.2	11.5	12.1	11.8
Gujarat Gas	435	Buy	16.3	18.8	21.7	26.6	23.1	20.0	3.3	3.0	2.7	12.7	13.5	14.2
Gujarat State Petronet	318	Neutral	12.9	13.6	14.3	24.7	23.4	22.2	1.6	1.5	1.4	6.6	6.6	6.7
HPCL	434	Buy	59.2	44.0	42.8	7.3	9.9	10.1	1.5	1.3	1.2	22.3	14.1	12.3
Indraprastha Gas	209	Buy	10.9	12.8	13.8	19.2	16.3	15.1	2.9	2.6	2.4	15.6	16.7	16.3
IOC	150	Neutral	12.2	9.7	9.7	12.3	15.4	15.4	1.0	1.0	0.9	8.6	6.4	6.0
Mahanagar Gas	1,277	Buy	107.6	112.0	119.5	11.9	11.4	10.7	1.9	1.8	1.6	17.1	16.1	15.6
Oil India	412	Neutral	32.7	32.0	28.4	12.6	12.9	14.5	1.4	1.3	1.2	11.3	10.2	8.5
ONGC	243	Neutral	31.0	32.0	32.6	7.8	7.6	7.5	0.8	0.8	0.7	10.9	10.5	10.0
Petronet LNG	275	Buy	24.3	30.9	26.3	11.3	8.9	10.5	1.9	1.7	1.5	17.8	20.1	15.3
Reliance Inds.	1,369	Buy	57.6	63.2	69.8	23.8	21.7	19.6	2.0	1.9	1.7	8.9	9.0	9.2

Exhibit 15: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 16: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Aegis Logistics — Neutral

CMP: INR787 | TP: INR725 (-8%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect EBITDA of INR2.6b due to an increase in India's LPG imports and capacity expansions.
- Recovery in sourcing volume will be a key monitorable.
- Watch out for updates on the Ammonia terminal and LPG terminal capacity in Mangalore, and the liquid capacity expansion in Kochi.

Consolidated – Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**16,013**	**17,504**	**17,070**	**17,050**	**17,194**	**19,141**	**18,716**	**19,796**	**67,638**	**74,847**
YoY Change (%)	-23.8	41.8	-8.9	-7.2	7.4	9.4	9.6	16.1	-4.0	10.7
EBITDA	**2,323**	**2,239**	**2,329**	**4,088**	**2,399**	**2,581**	**2,725**	**5,390**	**10,980**	**13,096**
Margin (%)	14.5	12.8	13.6	24.0	14.0	13.5	14.6	27.2	16.2	17.5
Depreciation	368	374	373	407	417	431	430	477	1,522	1,756
Interest	313	300	514	525	328	288	494	476	1,653	1,586
Other Income	435	395	600	654	625	437	664	580	2,084	2,306
PBT	**2,077**	**1,960**	**2,041**	**3,810**	**2,279**	**2,299**	**2,464**	**5,017**	**9,888**	**12,059**
Tax	496	440	446	632	525	579	621	1,313	2,014	3,039
Rate (%)	23.9	22.4	21.8	16.6	23.1	25.2	25.2	26.2	20.4	25.2
MI & P/L of Asso. Cos.	266	261	353	361	440	440	440	-19	1,240	1,302
Reported PAT	**1,315**	**1,260**	**1,243**	**2,817**	**1,313**	**1,279**	**1,403**	**3,722**	**6,634**	**7,718**
YoY Change (%)	13.5	-0.8	-4.5	43.5	-0.1	1.6	12.9	32.2	16.5	16.3
Margin (%)	8.2	7.2	7.3	16.5	7.6	6.7	7.5	18.8	9.8	10.3

BPCL — Neutral

CMP: INR340 | TP: INR320 (-6%) — **EPS CHANGE (%): FY26|27: +11|+2**

- Expect refinery throughput at 10.2mmt.
- Expect marketing sales (excluding exports) volumes of 12.9mmt (+4% YoY, -2%QoQ) during the quarter.
- Expect reported GRM at USD7.5/bbl, with blended gross marketing margin at INR5.3/lit.
- Watch out for updates on the expansion of Bina refinery and the construction of Andhra Refinery and Petrochemical complex.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1,131.0**	**1,027.6**	**1,131.4**	**1,111.8**	**1,125.1**	**926.3**	**850.9**	**855.4**	**4,401.7**	**3,757.8**
YoY Change (%)	0.1	-0.2	-2.0	-4.6	-0.5	-9.8	-24.8	-23.1	-1.8	-14.6
EBITDA	**56.5**	**45.1**	**75.8**	**78.1**	**96.6**	**74.3**	**56.3**	**56.3**	**255.6**	**283.6**
Margins (%)	5.0	4.4	6.7	7.0	8.6	8.0	6.6	6.6	5.8	7.5
Depreciation	16.8	17.7	18.0	19.7	18.8	18.6	19.0	19.6	72.3	76.0
Interest	4.4	4.7	4.3	5.5	3.7	4.6	4.2	6.1	18.9	18.7
Other Income	4.8	9.6	11.0	7.9	7.3	10.6	12.1	6.8	33.4	36.8
PBT before EO expense	**40.3**	**31.9**	**61.8**	**60.4**	**81.6**	**61.6**	**45.3**	**37.4**	**194.4**	**225.9**
Extra-Ord expense	0.0	0.0	0.0	17.7	0.0	0.0	-37.5	0.0	17.7	-37.5
PBT	**40.3**	**31.9**	**61.8**	**42.6**	**81.6**	**61.6**	**82.8**	**37.4**	**176.6**	**263.4**
Adj PAT	**30.1**	**24.0**	**46.5**	**45.5**	**61.2**	**46.1**	**33.9**	**28.0**	**146.1**	**169.2**
YoY Change (%)	-71.4	-71.8	36.9	-18.3	103.1	92.4	-27.1	-38.5	-47.8	15.8
Margins (%)	2.7	2.3	4.1	4.1	5.4	5.0	4.0	3.3	3.3	4.5

Castrol (India) — Buy

CMP: INR201 | TP: INR251 (+25%) — **EPS CHANGE (%): CY25|26: +1|+0**

- Forecast volumes at 58.3m liters (up 6%/down 12% YoY/QoQ) during the quarter.
- Expect EBITDA margin of 22.8%.
- Expect realization of ~INR227/lit during the quarter (vs. INR234 in 3QCY24).
- Raw material volatility, product launches, and OEM tie-ups to remain key monitorables.

Quarterly Performance (INR m)

Y/E December	CY24				CY25				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume (m lit)	**58.0**	**61.0**	**55.0**	**59.0**	**62.0**	**66.0**	**58.3**	**61.8**	**233.0**	**248.1**
Realization	**228**	**229**	**234**	**229**	**229**	**227**	**227**	**224**	230	227
Net Sales	**13,252**	**13,975**	**12,882**	**13,539**	**14,220**	**14,968**	**13,218**	**13,853**	**53,649**	**56,259**
YoY Change (%)	2.4	4.8	8.9	7.1	7.3	7.1	2.6	2.3	5.7	4.9
EBITDA	**2,937**	**3,224**	**2,861**	**3,759**	**3,074**	**3,495**	**3,017**	**3,466**	**12,782**	**13,052**
YoY Change (%)	-0.4	4.1	6.5	14.2	4.6	8.4	5.4	-7.8	6.3	2.1
Margin (%)	22.2	23.1	22.2	27.8	21.6	23.4	22.8	25.0	23.8	23.2
Depreciation	237	261	245	254	246	266	251	260	998	1,020
Interest	21	26	20	27	23	26	21	28	94	98
Other Income	241	204	209	232	322	93	94	99	886	609
PBT before EO expense	**2,921**	**3,142**	**2,805**	**3,709**	**3,127**	**3,295**	**2,839**	**3,277**	**12,576**	**12,542**
PBT	**2,921**	**3,142**	**2,805**	**3,709**	**3,127**	**3,295**	**2,839**	**3,277**	**12,576**	**12,542**
Tax	758	820	730	995	793	855	715	797	3,304	3,161
Rate (%)	26.0	26.1	26.0	26.8	25.3	26.0	25.2	24.3	26.3	25.2
PAT	**2,162**	**2,322**	**2,074**	**2,714**	**2,335**	**2,440**	**2,124**	**2,480**	**9,272**	**9,381**
YoY Change (%)	6.8	3.1	6.7	12.2	8.0	5.1	2.4	-8.6	7.3	1.2

GAIL — Buy

CMP: INR175 | TP: INR205 (+17%) — **EPS CHANGE (%): FY26|27: -2|-2**

- Expect transmission volumes to remain soft and trading EBIT to remain stable.
- Expect petchem volumes of 218kmt; however, the segment is likely to remain EBIT-negative.
- Potential gas price-related tariff hikes remain a key monitorable; for every INR1/mmbtu increase in tariff, the company's FY27E PAT rises by ~1.3%.
- Updates on the progress of ongoing pipeline projects remain the key monitorable.

Standalone quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**3,36,738**	**3,29,117**	**3,49,371**	**3,56,852**	**3,47,689**	**3,24,713**	**3,19,943**	**3,07,000**	**13,72,078**	**12,99,345**
Change (%)	3.9	3.4	2.0	10.4	3.3	-1.3	-8.4	-14.0	4.9	-5.3
EBITDA	**45,281**	**37,450**	**28,378**	**32,164**	**33,337**	**30,493**	**31,239**	**33,436**	**1,43,272**	**1,28,505**
% of Net Sales	13.4	11.4	8.1	9.0	9.6	9.4	9.8	10.9	10.4	9.9
Depreciation	10,489	8,153	8,322	9,034	8,828	8,777	8,801	10,614	35,998	37,020
Interest	2,092	1,901	1,666	1,783	2,094	1,770	1,552	1,515	7,442	6,931
Other Income	3,716	7,135	7,497	5,664	2,919	7,599	7,984	7,071	24,013	25,573
Extraordinary item	0	0	24,400	0	0	0	0	0	24,400	0
PBT	**36,416.2**	**34,531**	**50,288**	**27,011**	**25,334**	**27,545**	**28,870**	**28,378**	**1,48,246**	**1,10,127**
Rate (%)	25.2	22.6	23.1	24.1	25.5	23.2	23.2	21.1	23.7	23.2
PAT	**27,239.8**	**26,719**	**38,674**	**20,490**	**18,863**	**21,155**	**22,172**	**22,387**	**1,13,123**	**84,578**
Change (%)	71.1	11.1	36.0	-5.9	-30.8	-20.8	-42.7	9.3	25.5	-25.2
Adj PAT	**27,239.8**	**26,719**	**14,274**	**20,490**	**18,863**	**21,155**	**22,172**	**22,387**	**88,723**	**80,347**
Change (%)	71.1	11.1	-49.8	-5.9	-30.8	-20.8	55.3	9.3	-1.6	-9.4

Gujarat Gas — Buy

CMP: INR435 | TP: INR500 (+15%) — **EPS CHANGE (%): FY26|27: -3|-3**

- Expect volumes at 8.6mmscmd (down 1% YoY/down 2% QoQ) due to prevailing weakness in ceramic exports.
- Expect EBITDA/scm to fall 13% QoQ to INR5.5.
- Pickup in volumes at Morbi to be the key monitorable.
- A push for industrial gas usage in Thane rural, Ahmedabad rural, and new areas in Rajasthan would be the key factors for growth.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**44,503**	**37,818**	**41,529**	**41,020**	**38,709**	**37,413**	**39,014**	**40,246**	**1,64,870**	**1,55,382**
YoY Change (%)	17.7	-1.7	5.7	-0.8	-13.0	-1.1	-6.1	-1.9	5.1	-5.8
EBITDA	**5,356**	**5,142**	**3,805**	**4,495**	**5,199**	**4,412**	**4,707**	**4,813**	**18,798**	**19,131**
Margin (%)	12.0	13.6	9.2	11.0	13.4	11.8	12.1	12.0	11.4	12.3
Depreciation	1,231	1,295	1,294	1,286	1,314	1,357	1,355	1,321	5,106	5,348
Interest	78	80	93	74	79	75	87	64	325	305
Other Income	386	386	585	744	594	284	431	238	2,100	1,547
PBT	**4,433**	**4,152**	**3,002**	**3,878**	**4,399**	**3,265**	**3,696**	**3,667**	**15,466**	**15,026**
Tax	1,135	1,083	786	1,007	1,131	823	931	897	4,011	3,782
Rate (%)	25.6	26.1	26.2	26.0	25.7	25.2	25.2	24.5	25.9	25.2
Reported PAT	**3,298**	**3,069**	**2,216**	**2,872**	**3,268**	**2,442**	**2,764**	**2,770**	**11,455**	**11,244**
YoY Change (%)	53.3	3.1	0.6	-22.0	-0.9	-20.4	24.7	-3.6	4.0	-1.8

Gujarat State Petronet — Neutral

CMP: INR318 | TP: INR327 (+3%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect transmission volumes of 31.0mmscmd (+5% YoY/ +5% QoQ).
- Merger-related updates remain the key monitorables.
- Commissioning of Phase-II Mehsana-Bhatinda pipeline and further expansion/debottlenecking of three pipelines connecting three LNG terminals remain key monitorables.
- Tariff-related updates remain the key monitorables.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**3,354**	**2,379**	**2,361**	**2,017**	**2,426**	**2,500**	**2,539**	**2,475**	**10,111**	**9,922**
YoY Change (%)	-14.8	-47.5	-48.2	-55.7	-27.7	5.1	7.5	22.7	-42.5	-1.9
EBITDA	**3,010**	**1,929**	**1,925**	**1,247**	**2,024**	**1,988**	**2,003**	**1,797**	**8,112**	**7,795**
YoY Change (%)	-10.5	-53.0	-49.3	-67.0	-32.8	3.0	4.1	44.1	-46.1	-3.9
Margin (%)	89.7	81.1	81.5	61.8	83.4	79.5	78.9	72.6	80.2	78.6
Depreciation	490	511	512	522	539	555	557	561	2,035	2,211
Interest	13	11	9	52	11	7	6	31	85	54
Other Income	328	2,939	412	362	433	3,030	425	279	4,041	4,167
PBT	**2,835**	**4,346**	**1,816**	**1,035**	**1,907**	**4,457**	**1,866**	**1,485**	**10,033**	**9,697**
Tax	715	453	460	328	482	1,122	470	376	1,957	2,441
Rate (%)	25.2	10.4	25.3	31.7	25.3	25.2	25.2	25.3	19.5	25.2
Reported PAT	**2,120**	**3,893**	**1,356**	**707**	**1,425**	**3,335**	**1,396**	**1,109**	**8,076**	**7,256**
YoY Change (%)	-7.5	-26.8	-48.3	-72.9	-32.8	-14.3	3.0	56.8	-37.1	-10.2
Margin (%)	63.2	163.6	57.4	35.1	58.8	133.4	55.0	44.8	79.9	73.1

HPCL — Buy

CMP: INR434 | TP: INR535 (+23%) — **EPS CHANGE (%): FY26|27: +8|-2**

- Expect refining throughput at 6.6mmt (+5% YoY).
- Expect marketing sales volumes at 12.3mmt (+6% YoY).
- Expect reported GRM at USD6/bbl, with gross marketing margin at INR5.4/lit.
- Watch out for the commissioning of the bottom upgrade project and the new Rajasthan refinery.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1,138**	**999**	**1,105**	**1,095**	**1,108**	**905**	**854**	**870**	**4,337**	**3,737**
YoY Change (%)	1.6	4.4	-0.7	-4.4	-2.7	-9.4	-22.7	-20.5	0.0	-13.8
EBITDA	**21**	**28**	**65**	**58**	**77**	**59**	**50**	**51**	**171**	**236**
Margins (%)	1.8	2.8	5.8	5.3	6.9	6.5	5.9	5.8	3.9	6.3
Depreciation	15	15	15	16	15	16	16	17	61	65
Forex loss	0	0	5	0	1	0	0	0	4	1
Interest	7	9	9	7	7	10	10	9	33	36
Other Income	6	6	5	8	5	6	5	11	24	29
PBT	**5**	**8**	**40**	**43**	**58**	**40**	**30**	**36**	**96**	**163**
Tax rate (%)	24.5	24.4	24.6	22.1	25.0	25.2	25.2	25.2	23.5	25.1
Adj PAT	**3.6**	**6.3**	**30.2**	**33.5**	**43.7**	**29.6**	**22.3**	**26.8**	**73.6**	**122.5**
YoY Change (%)	-94.3	-87.7	471.4	18.0	1,128.5	368.8	-26.1	-20.0	-49.9	66.3

Indraprastha Gas — Buy

CMP: INR209 | TP: INR250 (+20%) — **EPS CHANGE (%): FY26|27: -5|0**

- Expect total volumes at 9.7mmscmd (up 7% YoY/6% QoQ).
- Expect EBITDA/scm at INR5.7, down 8% QoQ.
- An increase in sales volumes from GAs – both existing and newly awarded ones – will be a key monitorable.
- Slowing D-PNG growth and increasing competition from alternate fuels in the I/C segment will be the key risks to long-term volume growth prospects.

Standalone Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**35,206**	**36,973**	**37,591**	**39,506**	**39,139**	**42,919**	**43,330**	**43,716**	**1,49,275**	**1,69,104**
Change (%)	3.3	6.9	5.9	9.8	11.2	16.1	15.3	10.7	6.6	13.3
EBITDA	**5,819**	**5,359**	**3,636**	**4,972**	**5,118**	**5,062**	**5,349**	**5,290**	**19,786**	**20,819**
EBITDA (INR/scm)	7.4	6.5	4.3	6.0	6.2	5.7	6.0	6.0	6.0	5.9
Change (%)	-9.4	-18.4	-34.9	-4.8	-12.0	-5.5	47.1	6.4	-16.4	5.2
Depreciation	1,143	1,184	1,216	1,198	1,238	1,248	1,281	1,229	4,741	4,996
Interest	22	23	21	26	22	23	20	25	92	90
Other Income	727	1,493	1,288	908	901	1,565	1,349	813	4,416	4,628
PBT before EO	**5,380**	**5,645**	**3,687**	**4,656**	**4,758**	**5,357**	**5,397**	**4,849**	**19,369**	**20,360**
Tax	1,366	1,334	829	1,164	1,199	1,348	1,358	1,219	4,693	5,125
Rate (%)	25.4	23.6	22.5	25.0	25.2	25.2	25.2	25.1	24.2	25.2
PAT	**4,015**	**4,311**	**2,858**	**3,492**	**3,559**	**4,009**	**4,038**	**3,629**	**14,676**	**15,236**
PAT (INR/scm)	5.1	5.2	3.4	4.2	4.3	4.5	4.5	4.1	4.2	4.0
Change (%)	-8.4	-19.4	-27.1	-8.8	-11.3	-7.0	41.3	3.9	-16.0	3.8

IOC — Neutral

CMP: INR150 | TP: INR150 (0%) — **EPS CHANGE (%): FY26|27: -10|-13**

- Expect refinery throughput of 17.9mmt (+7% YoY).
- Petchem cracks have remained subdued, which should have a bearing on the company's petchem division.
- Expect reported GRM at USD6.5/bbl, with gross marketing margin at INR5.2/lit.

Standalone - Quarterly Earnings Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1932.4**	**1738.5**	**1939.0**	**1949.7**	**1929.7**	**1838.3**	**1877.0**	**1870.6**	**7559.5**	**7515.6**
YoY Change (%)	-2.2	-3.3	-2.6	-1.5	-0.1	5.7	-3.2	-4.1	-2.4	-0.6
EBITDA	**86.3**	**41.9**	**91.7**	**135.7**	**126.1**	**96.7**	**85.2**	**84.5**	**355.7**	**392.5**
Margin (%)	4.5	2.4	4.7	7.0	6.5	5.3	4.5	4.5	4.7	5.2
Depreciation	37.6	37.2	39.0	39.1	38.4	38.8	40.7	41.7	152.8	159.6
Forex loss	0.0	4.2	20.5	0.0	0.0	0.0	0.0	0.0	24.7	0.0
Interest	19.6	24.1	23.1	20.5	19.7	25.7	24.6	22.9	87.3	92.9
Other Income	5.3	13.7	18.8	11.7	6.1	9.3	12.7	13.6	49.6	41.6
PBT	**34.5**	**1.7**	**34.7**	**87.9**	**74.0**	**41.4**	**104.5**	**33.5**	**158.8**	**253.6**
Rate (%)	23.4	-4.2	17.2	17.3	23.2	25.2	25.2	25.2	18.4	24.6
Adj PAT	**26.4**	**-10.3**	**23.1**	**72.6**	**56.9**	**31.0**	**24.4**	**25.1**	**111.2**	**119.2**
YoY Change (%)	-80.8	-107.9	-71.3	50.2	115.2	-402.3	5.4	-65.4	-71.9	7.2
Margin (%)	1.4	-0.6	1.2	3.7	2.9	1.7	1.3	1.3	1.5	1.6

Mahanagar Gas — Buy

CMP: INR1,277| TP: INR1,700 (+33%) — **EPS CHANGE (%): FY26|27: -1|0**

- Expect volume growth of 8% YoY to 4.4mmscmd, with CNG volumes rising 8% YoY.
- EBITDA margin expected at INR8.7/scm.
- Incentives for CNG vehicles to boost demand in the segment – a key monitorable.
- Watch out for updates on volumes at UEPL.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**15,896**	**17,116**	**17,576**	**18,649**	**19,759**	**19,475**	**19,751**	**19,905**	**69,237**	**78,890**
YoY Change (%)	3.4	9.0	12.0	19.0	24.3	13.8	12.4	6.7	10.9	13.9
EBITDA	**4,185**	**3,985**	**3,144**	**3,784**	**4,854**	**3,510**	**3,699**	**3,728**	**15,098**	**15,791**
EBITDA/SCM	11.9	10.7	8.3	10.0	12.6	8.7	9.0	9.1	10.2	9.8
Margins (%)	26.3	23.3	17.9	20.3	24.6	18.0	18.7	18.7	21.8	20.0
Depreciation	719	735	791	818	826	801	863	850	3,063	3,340
Interest	31	31	34	39	37	34	38	41	134	150
Other Income	402	512	463	464	387	528	477	506	1,840	1,898
PBT	**3,837**	**3,731**	**2,782**	**3,391**	**4,378**	**3,202**	**3,276**	**3,343**	**13,741**	**14,198**
Tax	992	903	529	869	1,135	806	825	809	3,292	3,574
Rate (%)	25.8	24.2	19.0	25.6	25.9	25.2	25.2	24.2	24.0	25.2
Reported PAT	**2,845**	**2,828**	**2,254**	**2,522**	**3,243**	**2,396**	**2,451**	**2,534**	**10,449**	**10,625**
YoY Change (%)	-22.8	-16.5	-28.9	-4.8	14.0	-15.3	8.8	0.5	-18.9	1.7
Margins (%)	17.9	16.5	12.8	13.5	16.4	12.3	12.4	12.7	15.1	13.5

Oil India — Neutral

CMP: INR412 | TP: INR426 (+3%) — **EPS CHANGE (%): FY26|27: -3|-12**

- Updates on the progress of the NRL capacity expansion and IGGL phase I to remain the key monitorables.
- Expect oil/gas sales at 0.82mmt/0.65bcm (flat YoY).
- An increase in production at the Baghjan field is a key monitorable for the medium term.

Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**58.4**	**55.2**	**52.4**	**55.2**	**50.1**	**54.2**	**53.4**	**54.6**	**221.2**	**212.4**
Change (%)	25.7	-6.7	-9.9	-4.1	-14.2	-1.8	2.0	-1.0	-0.1	-4.0
EBITDA	**24.7**	**21.8**	**21.3**	**19.8**	**16.1**	**21.9**	**22.9**	**22.2**	**87.7**	**83.0**
% of Net Sales	42.2	39.6	40.7	36.0	32.0	40.4	42.8	40.6	39.6	39.1
Change (%)	5.9	-12.3	1.3	-15.0	-34.9	0.2	7.3	11.9	-5.3	-5.3
D,D&A	4.6	5.0	5.3	4.3	5.3	5.5	5.6	4.7	19.2	21.1
Interest	2.0	2.3	2.4	2.0	1.5	2.5	2.6	2.7	8.7	9.3
OI (incl. Oper. other inc)	1.6	8.6	1.9	6.6	1.8	8.5	1.9	6.4	18.7	18.5
PBT before exceptional	**19.7**	**23.1**	**15.5**	**20.2**	**11.0**	**22.4**	**16.5**	**21.3**	**78.5**	**71.1**
Exceptional item	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
PBT after exceptional	**19.7**	**23.1**	**15.5**	**20.2**	**11.0**	**22.4**	**16.5**	**21.3**	**78.5**	**71.1**
Tax	5.1	4.7	3.3	4.3	2.8	5.6	4.2	5.3	17.4	17.9
Rate (%)	25.7	20.4	21.2	21.2	25.9	25.2	25.2	24.8	22.1	25.2
PAT	**14.7**	**18.3**	**12.2**	**15.9**	**8.1**	**16.7**	**12.4**	**16.0**	**61.1**	**53.2**
Change (%)	-9.1	463.8	-22.9	-21.6	-44.5	-8.8	1.2	0.6	10.1	-12.9
Adj. PAT	**14.7**	**18.3**	**12.2**	**15.9**	**8.1**	**16.7**	**12.4**	**16.0**	**61.1**	**53.2**

ONGC — Neutral

CMP: INR243 | TP: INR240 (-1%) — **EPS CHANGE (%): FY26|27: +10|+8**

- Expect oil, gas, and VAP volumes to be flat YoY.
- Update on the ramp-up of gas production remains the key monitorable.
- A delay in peak oil production from the KG Basin and the decline in oil prices below USD65/bbl are the key downside risks.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**352.7**	**338.8**	**337.2**	**349.8**	**320.0**	**324.8**	**323.0**	**324.8**	**1,378.5**	**1,292.6**
YoY Change (%)	4.3	0.2	-4.1	0.6	-7.6	-7.9	-4.7	-3.7	-0.4	-6.2
EBITDA	**187.5**	**182.4**	**190.6**	**190.1**	**186.6**	**185.3**	**181.8**	**178.4**	**752.1**	**732.0**
Margin (%)	53.2	53.8	56.5	54.3	58.3	57.0	56.3	54.9	54.6	56.6
Depreciation	75.4	68.1	87.0	111.3	80.0	83.3	89.8	107.7	341.8	360.8
Interest	11.8	11.6	10.7	11.9	11.2	10.8	10.0	10.9	46.0	42.9
Other Income	19.3	47.7	17.2	20.7	12.1	42.6	22.2	27.7	104.8	104.6
PBT	**119.6**	**150.4**	**110.0**	**87.7**	**107.4**	**133.8**	**104.2**	**87.5**	**469.1**	**432.9**
Tax	30.2	30.5	27.6	23.2	27.2	33.7	26.2	22.0	111.5	109.1
Rate (%)	25.2	20.3	25.1	26.5	25.3	25.2	25.2	25.2	23.8	25.2
Reported PAT	**89.4**	**119.8**	**82.4**	**64.5**	**80.2**	**100.1**	**77.9**	**65.5**	**357.6**	**323.8**

Petronet LNG

Buy

CMP: INR275 | TP: INR400 (45%)

EPS CHANGE (%): FY26|27: -7|0

- We build in Dahej/Kochi utilization at 96%/24%.
- LNG imports recovered QoQ, while spot LNG prices remained elevated.
- Progress on ongoing projects is a key monitorable.
- Expect total PLNG volumes to decrease 5% YoY.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**134.2**	**130.2**	**122.3**	**123.2**	**118.8**	**113.6**	**133.2**	**130.6**	**509.8**	**496.1**
YoY Change (%)	15.1	3.9	-17.1	-10.7	-11.4	-12.8	8.9	6.0	-3.3	-2.7
EBITDA	**15.6**	**12.0**	**12.5**	**15.1**	**11.6**	**11.6**	**14.2**	**15.4**	**55.2**	**52.8**
Margin (%)	11.7	9.2	10.2	12.3	9.8	10.2	10.7	11.8	10.8	10.6
Depreciation	1.9	2.0	2.1	2.1	2.1	2.0	2.1	2.0	8.1	8.2
Interest	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	2.6	2.4
Other Income	2.2	2.0	2.0	2.0	2.4	1.5	1.5	1.5	8.2	6.9
PBT	**15.2**	**11.4**	**11.7**	**14.5**	**11.4**	**10.5**	**13.0**	**14.3**	**52.8**	**49.1**
Rate (%)	24.9	25.7	25.8	26.0	25.1	25.2	25.2	24.3	25.6	25.5
Reported PAT	**11.4**	**8.5**	**8.7**	**10.7**	**8.5**	**7.8**	**9.7**	**10.8**	**39.3**	**36.5**
YoY Change (%)	44.5	3.6	-27.2	45.1	-25.5	-7.4	11.7	0.8	11.0	-6.9
Margin (%)	8.5	6.5	7.1	8.7	7.2	6.9	7.3	8.3	7.7	7.4

Reliance Industries

Buy

CMP: INR1369 | TP: INR1685 (+23%)

EPS CHANGE (%): FY26|27: 0|0

- Expect consolidated EBITDA to rise 17% YoY to INR458b.
- Expect production meant for sale at 17.7mmt (flat YoY).
- Expect standalone EBITDA at INR149b (up 11% YoY).
- Further clarity on INR750b announcements in the new energy business, growth in Retail store additions, and any pricing action in Telecom are the key monitorables.

Consolidated - Quarterly earnings summary (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4Q		
Net Sales	**2,318**	**2,315**	**2,400**	**2,614**	**2,436**	**2,467**	**2,456**	**2,523**	**9,647**	**9,882**
YoY Change (%)	11.7	-0.2	6.6	10.5	5.1	6.5	2.3	-3.5	7.1	2.4
EBITDA	**388**	**391**	**438**	**438**	**429**	**458**	**477**	**481**	**1,654**	**1,845**
Margins (%)	16.7	16.9	18.2	16.8	17.6	18.6	19.4	19.1	17.1	18.7
Depreciation	136	129	132	135	138	141	146	158	531	583
Interest	59	60	62	62	70	74	75	76	243	296
Other Income	40	49	42	49	62	59	60	37	180	219
PBT before EO expense	**232**	**250**	**286**	**291**	**282**	**302**	**317**	**284**	**1,060**	**1,185**
Extra-Ord expense	0	0	0	0	-89	0	0	0	0	-89
PBT	**232**	**250**	**286**	**291**	**371**	**302**	**317**	**284**	**1,060**	**1,274**
Rate (%)	24.9	23.7	23.9	22.9	17.4	23.5	23.4	23.7	23.8	21.8
Minority Interest & Profit/Loss of Asso. Cos.	23.1	25.4	32.6	30.3	36.9	28.7	30.9	31.7	111.4	128.2
Reported PAT	**151**	**166**	**185**	**194**	**270**	**202**	**212**	**185**	**696**	**869**
Adj PAT	**151**	**166**	**185**	**194**	**181**	**202**	**212**	**185**	**696**	**780**
YoY Change (%)	-5.5	-4.8	7.4	2.4	19.4	22.1	14.1	-4.6	0.0	11.9
Margins (%)	6.5	7.2	7.7	7.4	7.4	8.2	8.6	7.3	7.2	7.9

Plastic Pipes

Company under Coverage

- Astral
- Prince Pipes & Fittings
- Supreme Industries

Weak demand and volatile pricing to dampen 2Q earnings

Revenue to grow ~4% while EBITDA to decline 1% YoY in 2QFY26

- The plastic piping industry lacked channel restocking in 2QFY26, primarily due to volatility in PVC resin prices and weak demand. This inconsistent pricing trend created uncertainty across the value chain and led to cautious procurement by distributors.
- The excess monsoon further impacted construction activity, especially in southern regions, leading to weak agri-pipe demand. Overall **volumes are expected to range from low single digits to flat YoY.**
- However, the final ruling of the anti-dumping duty on the import of PVC resins and the implementation of the BIS norms (which remains tentative) are likely to assist the bigger players in the long term.
- The aggregate revenue/EBITDA for our coverage is likely to grow 4% YoY, while EBITDA/Adj. PAT declined 1%/4% YoY in 2QFY26, adversely affected by muted demand due to early monsoons and a volatile pricing scenario.

Astra holds up better amid industry challenges

- **SI:** We expect revenue to grow 4% YoY and EBITDA margin to contract 110bp YoY to 12.9%. Growth remains largely muted across all the segments. This is primarily driven by ongoing challenges in the industry.
- **ASTRA:** We expect revenue to grow 7% YoY and EBITDA margin to contract 40bp YoY to 14.9%. The company is well-positioned, supported by a higher share of value-added products like CPVC plumbing and adhesives, which enables it to maintain margins despite the challenging environment.
- **PRINCPIP:** Revenue is expected to inch up 2% YoY due to slow restocking by the channel partners. However, demand is expected to rebound in 2HFY26, aided by restocking and recovery in consumption.

Exhibit 1: Summary of 2QFY26 estimates

Companies	CMP (INR)	Rating	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-5	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Astral	1377	Buy	14,611	6.6	7.3	2,173	3.4	17.5	1,112	1.1	37.1
Prince Pipes	325	Buy	6,330	1.8	9.1	501	9.6	26.6	128	-12.9	165.7
Supreme Inds.	4190	Buy	23,587	3.8	-9.6	3,036	-4.9	-4.8	1,928	-6.7	-4.7

Exhibit 2: Valuation summary

Company Name	CMP		EPS (INR)			PE (x)			PB (x)			ROE (%)		
	INR	Reco	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Astral	1,377	Buy	21.2	28.6	34.3	65.1	48.1	40.2	6.8	5.9	5.1	14.8	17.6	18.1
Prince Pipes	325	Buy	8.0	13.9	19.5	40.7	23.5	16.6	0.9	0.8	0.7	5.5	8.9	11.5
Supreme Inds.	4,190	Buy	82.0	110.2	132.4	51.1	38.0	31.6	8.5	7.4	6.3	17.5	20.7	21.4

Source: MOFSL

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The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Astral — Buy

CMP INR1,377 | TP: INR1,600 (+16%) — **EPS CHANGE (%): FY26|FY27|FY28: -4|-4|-3**

- Revenue is anticipated to grow 7% YoY, with a 40bp YoY decline in EBITDA margin (~14.9% in 2QFY26).
- We expect the company's adhesives business to clock growth of 13% YoY and to contribute 31% to total revenue vs 29% last year.
- We expect EBITDA to grow 3% YoY, while adj. PAT is expected to remain muted (to grow 1%).
- The company is in a good position with the higher mix of value-added products, such as CPVC plumbing and adhesives, which is helping them to sustain their margins in the challenging environment.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	**13,836**	**13,704**	**13,970**	**16,814**	**13,612**	**14,611**	**16,445**	**19,724**	**58,324**	**64,391**
YoY Change (%)	7.8	0.5	2.0	3.5	-1.6	6.6	17.7	17.3	3.4	10.4
Total Expenditure	11,692	11,603	11,775	13,795	11,763	12,438	13,765	16,128	48,865	54,094
EBITDA	**2,144**	**2,101**	**2,195**	**3,019**	**1,849**	**2,173**	**2,680**	**3,596**	**9,459**	**10,298**
Margins (%)	15.5	15.3	15.7	18.0	13.6	14.9	16.3	18.2	16.2	16.0
Depreciation	556	599	631	648	719	725	739	780	2,434	2,963
Interest	76	102	139	96	123	110	74	50	413	357
Other Income	119	88	118	88	91	130	170	186	413	577
PBT before EO expense	**1,631**	**1,488**	**1,543**	**2,363**	**1,098**	**1,468**	**2,036**	**2,952**	**7,025**	**7,554**
Extra-Ord expense	0	0	0	163	0	0	62	183	0	0
PBT	**1,631**	**1,488**	**1,543**	**2,200**	**1,098**	**1,468**	**1,975**	**2,769**	**7,025**	**7,554**
Tax	436	401	416	583	306	370	513	739	1,836	1,928
Rate (%)	26.7	26.9	27.0	26.5	27.9	25.2	26.0	26.7	26.1	25.5
Minority Interest & Profit/Loss of Asso. Cos.	-9	-13	-14	-13	-19	-14	-15	-15	-49	-63
Reported PAT	**1,204**	**1,100**	**1,141**	**1,630**	**811**	**1,112**	**1,476**	**2,046**	**5,238**	**5,690**
Adj PAT	**1,204**	**1,100**	**1,141**	**1,793**	**811**	**1,112**	**1,538**	**2,229**	**5,238**	**5,690**
YoY Change (%)	0.5	-16.2	0.5	-1.3	-32.6	1.1	34.8	24.3	-4.3	9
Margins (%)	8.7	8.0	8.2	10.7	6.0	7.6	9.4	11.3	9.0	8.8

Prince pipes & fittings — Buy

CMP INR325| TP: INR420 (+29%) — **EPS CHANGE (%): FY26|FY27|FY28: -11|-5|-1**

- Revenue is expected to grow marginally by 2% YoY, due to slow restocking by the channel partners.
- EBITDA margin is expected to expand 60bp YoY to 7.9%.
- We expect demand to rebound in 2H, aided by restocking and recovery in consumption.
- Demand and PVC prices remain the key monitorables.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	**6,045**	**6,221**	**5,777**	**7,197**	**5,804**	**6,330**	**6,659**	**8,005**	**25,239**	**26,799**
YoY Change (%)	9.2	-5.2	-6.6	-2.8	-4.0	1.8	15.3	11.2	-1.7	6.2
Total Expenditure	5,462	5,764	5,748	6,648	5,408	5,829	5,973	7,101	23,621	24,311
EBITDA	**583**	**457**	**30**	**548**	**396**	**501**	**686**	**905**	**1,618**	**2,487**
Margins (%)	9.6	7.3	0.5	7.6	6.8	7.9	10.3	11.3	6.4	9.3
Depreciation	257	276	264	273	307	310	315	320	1,070	1,252
Interest	14	16	32	33	52	45	40	35	97	172
Other Income	26	39	15	57	27	25	30	30	137	113
PBT before EO expense	**337**	**204**	**-252**	**299**	**64**	**171**	**361**	**580**	**588**	**1,175**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**337**	**204**	**-252**	**299**	**64**	**171**	**361**	**580**	**588**	**1,175**
Tax	90	57	-48	58	15	43	91	146	157	295
Rate (%)	26.7	28.0	18.9	19.2	24.2	25.1	25.2	25.2	26.7	25.1
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**247**	**147**	**-204**	**242**	**48**	**128**	**270**	**434**	**431**	**880**
Adj PAT	**247**	**147**	**-204**	**242**	**48**	**128**	**270**	**434**	**431**	**880**
YoY Change (%)	25.8	-72.1	-154.3	-55.8	-80.5	-12.9	-232.2	79.5	-73.8	104
Margins (%)	4.1	2.4	-3.5	3.4	0.8	2.0	4.1	5.4	1.7	3.3

Supreme Industries

Buy

CMP: INR4,190 | TP: INR4,950 (+18%)

EPS CHANGE (%): FY26|27|28: -4|-8|-8

- We expect revenue to grow 4% YoY and EBITDA margin to contract 110bp YoY to 12.9%. Growth remains largely muted across all the segments.
- We expect revenue growth of 1%/4%/12%/5% in SI's Plastic piping/industrial products/packaging/consumer segments.
- Adj. PAT is expected to decline by 6.7% YoY due to an increased run rate of depreciation than last year.
- Heavy rains have resulted in a decrease in demand for 2QFY26.

Consolidated - Quarterly Earnings Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**26,364**	**22,730**	**25,099**	**30,271**	**26,092**	**23,587**	**28,063**	**34,633**	**1,04,463**	**1,12,375**
YoY Change (%)	11.3	-1.5	2.5	0.6	-1.0	3.8	11.8	14.4	3.1	7.6
Total Expenditure	22,490	19,537	22,011	26,108	22,903	20,551	24,115	29,131	90,146	96,700
EBITDA	**3,873**	**3,192**	**3,088**	**4,163**	**3,189**	**3,036**	**3,948**	**5,502**	**14,317**	**15,675**
Margins (%)	14.7	14.0	12.3	13.8	12.2	12.9	14.1	15.9	13.7	13.9
Depreciation	860	899	913	914	930	1,000	1,100	1,066	3,586	4,096
Interest	33	26	30	30	28	30	30	30	119	118
Other Income	214	151	89	125	169	170	220	279	578	838
PBT before EO expense	**3,194**	**2,417**	**2,235**	**3,344**	**2,400**	**2,176**	**3,038**	**4,684**	**11,190**	**12,299**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**3,194**	**2,417**	**2,235**	**3,344**	**2,400**	**2,176**	**3,038**	**4,684**	**11,190**	**12,299**
Tax	836	629	584	732	629	548	766	1,180	2,782	3,123
Rate (%)	26.2	26.0	26.2	21.9	26.2	25.2	25.2	25.2	24.9	25.4
Minority Interest & Profit/Loss of Asso. Cos.	375	278	220	328	252	300	350	344	1,201	1,246
Reported PAT	**2,734**	**2,066**	**1,870**	**2,939**	**2,023**	**1,928**	**2,622**	**3,849**	**9,609**	**10,422**
Adj PAT	**2,734**	**2,066**	**1,870**	**2,939**	**2,023**	**1,928**	**2,622**	**3,849**	**9,609**	**10,422**
YoY Change (%)	26.8	-15.0	-27.0	-17.2	-26.0	-6.7	40.3	30.9	-10.2	8.5
Margins (%)	10.4	9.1	7.4	9.7	7.8	8.2	9.3	11.1	9.2	9.3

Real Estate

Company
Anant Raj
Brigade Enterprises
DLF
Godrej Properties
Kolte Patil
Lotus Realty
Lodha Developers
Mahindra Lifespace
Oberoi Realty
Phoenix Mills
Prestige Estates
Signature Global
Sobha
Sunteck Realty

Resilient presales momentum despite seasonal softness

- Our coverage universe is expected to report presales of INR275b in 2QFY26, up 19% YoY but down 38% QoQ due to seasonality impact. Volumes are expected at 20msf, up 6% YoY and down 27% QoQ.
- BRGD/GPL/KPDL/SOBHA/SRIN are estimated to report 12-62% YoY growth in bookings. MLDL/DLF are expected to clock presales of INR7b/INR28b, up 86%/4x YoY. Given the seasonality in real estate, 2Q is typically subdued as the monsoon dampens new launches. Despite seasonality, we estimate 19% YoY growth in presales for our coverage, underscoring the resilience of sustenance-driven sales.
- Collections for our coverage companies are likely to increase by 33% YoY to INR252b, implying collection efficiency of ~92%.
- Revenue recognition for our coverage is expected to stand at INR172b (up 23% YoY), with EBITDA of INR53b (up 44% YoY) and a margin of 31%.
- Adj. PAT is expected to rise 29% YoY to INR44b, with adj. PAT margin of 26%.

Strong demand supports presales growth despite uneven launch activity

- **DLF:** After the stellar execution of DLF's Privana North launch in 1QFY26, the company launched the Mumbai project 'Westpark' with GDV of INR23b (area of 0.9msf) in 2QFY26, which was fully sold out within just a few days of launch. Hence, we expect presales to surge 4x YoY to INR28b in the quarter. The company is set to launch its Goa project this year.
- **OBER:** 2Q presales are estimated at INR14b, a 3% YoY decline, mainly due to ongoing projects as there were no new launches. For FY26, management has outlined plans to launch one tower in Borivali, two towers at Forestville (Thane), and projects at Peddar Road and Gurugram, with additional potential launches at Adarsh Nagar, Worli, and Tardeo during the year.
- **GPL:** GPL is expected to record strong presales, guided by a mix of launches and sustenance sales from ongoing projects. It has already launched Regal Pavilion in Hyderabad. The company is expected to achieve bookings of INR60b in 2QFY26, up 15% YoY.
- **PEPL:** After the launch of Indirapuram in 1QFY26, 2Q did not see any new launches other than Pallavaram Gardens Chennai. Hence, we expect this project and the existing inventory to drive presales of INR39.6b, down 2% YoY. Launches worth GDV of INR265b are planned for the rest of FY26.
- **BRGD:** With premium/mid-premium launches of Cherry Blossom and Avalon, the company is expected to clock presales of INR20.5b, up 12% YoY. Gateway and Phase 2 of Morgan Heights will also be launched in 3Q-4QFY26.
- **SOBHA**: While we estimate sales to come from launch of Sobha Magnum (BGLR), SOBHA has ~INR145b of unsold stock across ongoing projects. We expect SOBHA to report presales of INR19.1b, up 62% YoY.
- **SIGNATUR:** Due to the absence of any material launches this quarter, the company is expected to achieve presales of INR20b (down 28% YoY) from sustained projects. While maintaining its focus on middle-income housing, the company expects stable trends in consumption and supply.

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- **SUNTECK:** The company is likely to report sales of INR5.9b (up 13% YoY) in spite of a higher base, the absence of new launches, and lower sales across all key projects.
- **KOLTE PATIL:** Steady sales, coupled with a few small launches, should drive bookings to INR11.4b, marking a 49% YoY increase.
- **LODHA:** The company expects to launch about 16 projects in 2Q-4QFY26 with GDV of ~INR171b. LODHA is expected to achieve bookings of INR46.7b in 2QFY26, up 9% YoY. Collections are also projected to rise 31% YoY to INR40.1b.
- **MLDL:** It launched Citadel new phase in Pune, Marina64 in MMR, Lakewoods in Chennai, and redevelopment projects in Chembur. It expects to clock presales of INR7.4b, up 86% YoY, primarily from new launches.
- **LOTUS:** The company is expected to report presales of INR2.4b, with steady sales coming from new launches expected in Arcadian and Amalfi having combined GDV of ~INR10b and total saleable area of 0.22msf.
- **ARCP:** With the recent launch of the Estate apartments in 1Q, coupled with steady sustenance sales in 2Q, ARCP is projected to achieve ~INR8.9b in presales, reflecting strong demand across its residential portfolio.
- **PHNX:** In 2QFY26, we expect revenue of INR10.7b, up 17% YoY. The company expects strong EBITDA growth and cash flows to come in from the recently acquired 49% stake of Island Star Mall Developers from CPP Investments.

Top picks: LODHA, PEPL, and SIGNATUR

- FY26 is shaping up to be a year of new launches. The trend was already visible in 1QFY26, with developers such as DLF, PEPL, and OBER bringing high-value projects to the market and successfully selling a majority of inventory.
- Real estate, being a cyclical business, typically sees softer activity in 2Q due to the monsoon season, when site visits and walk-ins decline, leading to relatively lower launches and sales. This temporary dip, however, does not alter the broader trajectory.
- With strong demand drivers, stable inventory levels, firm pricing power, and continued consolidation in favor of leading developers, we expect steady growth momentum to sustain over the next two years. Our outlook on the sector, therefore, remains positive.
- We have a BUY rating on ARCP, BRGD, DLF, GPL, KPDL, LODHA, LOTUS, PEPL, PHNX, SIGNATUR, SRIN, and SOBHA and a Neutral rating on MLDL and OBER. Our top picks are **LODHA, PEPL, and SIGNATUR**.

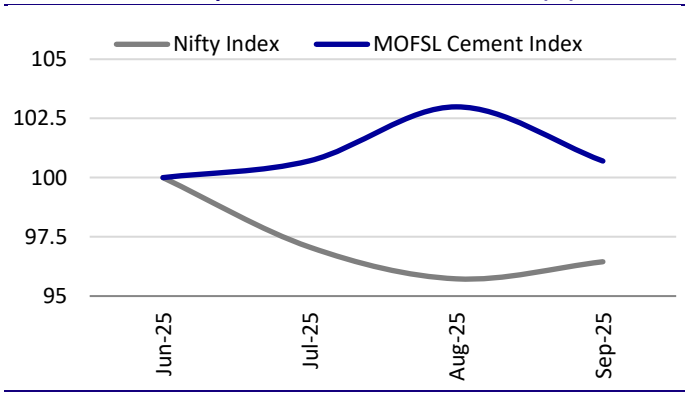
Exhibit 1: Summary of financial performance estimates

Sector	CMP (INR)	RECO	Sales (INR M)			EBDITA (INR M)			Net Profit (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Anant Raj	699	Buy	5,324	3.8	-10.1	1,896	68.1	25.8	1,235	16.9	-1.9
Brigade Enterpr.	896	Buy	12,178	13.6	-4.9	4,292	47.0	32.6	2,350	97.5	56.8
DLF	722	Buy	24,451	23.8	-10.0	7,347	46.3	101.7	10,931	-20.9	43.3
Godrej Properties	2031	Buy	11,286	3.2	159.7	1,418	344.5	LP	5,205	55.9	-13.0
Kolte Patil Dev.	431	Buy	6,853	122.3	732.0	1,408	770.5	LP	885	808.9	LP
Lodha Developers	1140	Buy	32,597	24.1	-6.6	9,290	31.9	-5.6	6,564	56.3	-3.5
Mahindra Lifespace	361	Neutral	857	1,027	168.2	-162	Loss	Loss	99	LP	-80.6
Oberoi Realty	1595	Neutral	14,237	7.9	44.2	9,110	11.9	75.1	6,413	8.8	52.2
Phoenix Mills	1564	Buy	10,747	17.1	12.8	6,642	28.3	17.7	4,087	87.4	69.8
Prestige Estates	1543	Buy	28,062	21.8	21.6	7,526	19.2	-15.8	3,029	57.6	3.6
SignatureGlobal	1045	Buy	8,720	16.4	0.7	1,585	LP	377.1	1,566	3,714	355
Sobha	1517	Buy	11,679	25.1	37.1	1,461	89.4	513.4	878	236.5	544.6
Sri Lotus Developers	191	Buy	2,713	NA	342.5	987	NA	235.2	742	NA	189.7
Sunteck Realty	438	Buy	2,232	32.0	18.5	336	-10.2	-29.7	273	-21.3	-18.5
Real Estate			**1,71,937**	**22.9**	**15.8**	**53,136**	**44.5**	**47.1**	**44,258**	**29.4**	**29.7**

Exhibit 2: Summary of operational performance estimates

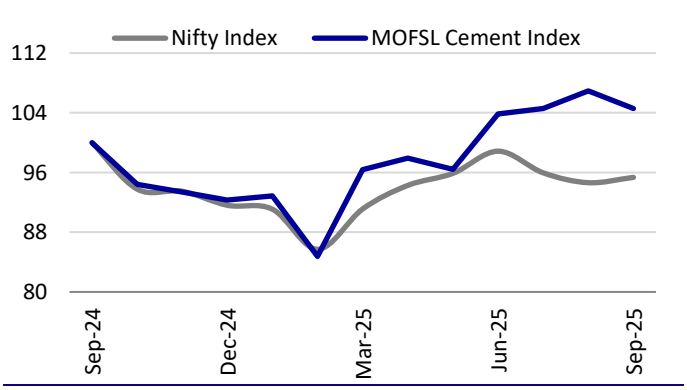
Sector	Presales (INR b)			Volume (MSF)			Collections (INR b)		
	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Brigade Enterprise	20	12	83	1.7	3	83	20	4	17
DLF	28	305	-75	0.4	-56	-75	44	87	58
Godrej Properties	60	15	-15	5.5	6	-12	49	14	19
Kolte Patil	11	49	86	1.6	51	86	7	34	34
Lotus Realty	2	NA	293	0.0	NA	290	3	NA	283
Macrotech Developers	47	9	5	3.5	44	5	40	31	39
Mahindra Lifespaces	7	86	65	0.7	32	21	6	35	20
Oberoi Realty	14	-3	-15	0.3	9	-15	18	48	80
Prestige Estates	40	-2	-67	3.1	4	-67	34	34	-19
Signature Global	20	-28	-24	1.2	-48	-24	10	11	10
SOBHA	19	62	-8	1.3	42	-8	15	21	-3
Sunteck Realty	6	13	-10	0.5	13	-10	5	73	31
Real Estate	**275**	**19**	**-38**	**20**	**6**	**-27**	**252**	**33**	**21**

Exhibit 3: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



Source: Bloomberg, MOFSL

Exhibit 5: Real estate coverage – operational snapshot

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	YoY (%)	QoQ (%)
Sales (INR b)										
Brigade Enterprise	15	22	11	18	25	24	11	20	12	83
DLF	90	15	64	7	121	20	114	28	305	-75
Godrej Properties	57	95	86	52	54	102	71	60	15	-15
Kolte Patil	7	7	7	8	7	6	6	11	49	86
Lotus Realty	NA	NA	NA	NA	NA	NA	1	2	NA	293
Macrotech	34	42	40	43	45	48	45	47	9	5
Mahindra Lifespace	5	11	10	4	3	11	4	7	86	65
Oberoi Realty	8	18	11	14	19	9	16	14	-3	-15
Prestige Estates	53	47	30	40	30	70	121	40	-2	-67
Signature Global	13	41	31	28	28	16	26	20	-28	-24
Sobha	20	15	19	12	14	18	21	19	62	-8
Sunteck Realty	5	7	5	5	6	9	7	6	13	-10
Aggregate Sales (INR b)	**307**	**320**	**315**	**231**	**353**	**333**	**443**	**275**	**18.9**	**-38.0**
Volume (msf)										
Brigade Enterprise	1.7	2.7	1.2	1.8	2.2	2.0	1.0	1.7	-4	83
DLF	5.0	0.5	3.8	1.0	1.9	0.3	1.8	0.4	-56	-75
Godrej Properties	4.3	8.2	9.0	5.1	4.1	7.5	6.2	5.5	7	-12
Kolte Patil	1.0	1.0	1.0	1.0	0.8	0.8	0.8	1.6	50	86
Lotus Realty	NA	NA	NA	NA	NA	NA	0.0	0.0	NA	290
Macrotech	2.6	3.3	2.4	3.2	3.0	3.4	3.3	3.5	10	5
Mahindra Lifespace	0.5	0.9	1.2	0.7	0.5	1.0	0.6	0.7	5	21
Oberoi Realty	0.3	0.4	0.2	0.2	0.7	0.1	0.4	0.3	26	-15
Prestige Estates	5.5	4.1	2.9	5.0	2.2	4.5	9.6	3.1	-38	-67
Signature Global	1.1	3.1	2.0	2.4	2.5	1.4	1.6	1.2	-48	-24
Sobha	1.7	1.3	1.2	1.8	1.0	1.6	1.4	1.3	-27	-8
Sunteck Realty		0.5	0.4	0.4	0.5	0.7	0.5	0.5	13	-10
Aggregate Volume (msf)	**23.7**	**26.1**	**25.1**	**22.6**	**19.3**	**23.4**	**27.1**	**19.8**	**-12**	**-27**
Collections (INR b)										
Brigade Enterprise	14	18	16	19	18	19	17	20	4	17
DLF	25	22	30	24	31	33	28	44	87	58
Godrej Properties	24	53	34	43	35	76	41	49	14	19
Kolte Patil	5	6	6	6	6	7	6	7	34	34
Lotus Realty	NA	NA	NA	NA	NA	NA	1	3	NA	283
Macrotech	26	35	27	31	43	44	29	40	31	39
Mahindra Lifespace	4	4	5	5	4	5	5	6	35	20
Oberoi Realty	9	11	10	12	14	8	10	18	48	80
Prestige Estates	29	33	27	26	31	30	42	34	34	-19
Signature Global	8	10	12	9	11	12	9	10	11	10
Sobha	13	13	14	13	13	16	16	15	21	-3
Sunteck Realty	4	3	3	3	3	3	4	5	73	31
Aggregate Collections (INR b)	**160.6**	**209.1**	**185.1**	**189.5**	**207.6**	**253.4**	**207.8**	**252.4**	**33.2**	**21.4**

Source: Company, MOFSL

Exhibit 6: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Real Estate						**32.9**	**27.7**	**22.1**	**3.9**	**3.4**	**3.0**	**11.9**	**12.5**	**13.6**
Anant Raj	699	Buy	14.7	13.0	31.9	47.7	53.9	21.9	5.2	4.7	3.9	10.8	8.8	17.8
Brigade Enterpr.	896	Buy	37.6	53.7	77.5	23.8	16.7	11.6	3.4	2.8	2.3	15.1	18.4	21.8
DLF	722	Buy	16.7	17.3	18.1	43.3	41.8	40.0	2.8	2.6	2.4	9.3	9.0	8.7
Godrej Properties	2,031	Buy	82.3	80.0	126.4	24.7	25.4	16.1	3.1	2.8	2.4	13.4	11.5	15.8
Kolte Patil Dev.	431	Buy	41.6	38.6	78.6	10.4	11.2	5.5	2.4	2.0	1.4	30.2	19.1	30.2
Lodha Developers	1,140	Buy	36.6	38.8	38.7	31.2	29.3	29.4	4.9	4.2	3.8	16.7	15.4	13.5
Mahindra Lifespace	361	Neutral	2.7	12.8	15.1	135.2	28.1	23.9	2.3	2.1	2.0	2.2	7.8	8.6
Oberoi Realty	1,595	Neutral	78.8	99.7	109.3	20.3	16.0	14.6	3.2	2.7	2.3	16.9	18.2	16.9
Phoenix Mills	1,564	Buy	49.7	62.1	83.6	31.5	25.2	18.7	4.6	3.9	3.3	15.8	16.8	19.1
Prestige Estates	1,543	Buy	27.5	32.1	35.7	56.1	48.1	43.2	3.8	3.5	3.2	6.9	7.5	7.8
SignatureGlobal	1,045	Buy	55.7	125.3	184.8	18.8	8.3	5.7	9.7	4.5	2.5	70.0	73.6	56.8
Sobha	1,517	Buy	33.7	50.6	72.4	45.0	30.0	20.9	3.3	3.0	2.6	7.6	10.5	13.4
Sri Lotus Developers	191	Buy	6.1	12.0	15.8	31.5	15.9	12.1	4.8	3.7	2.8	20.5	26.0	26.3
Sunteck Realty	438	Buy	9.4	8.4	15.8	46.6	52.1	27.6	1.9	1.8	1.7	4.1	3.6	6.5
Retail						**80.2**	**64.2**	**52.8**	**11.4**	**10.1**	**8.8**	**14.3**	**15.6**	**16.6**

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Anant Raj — Buy

CMP: INR699 | TP: INR831 (19%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue is expected to increase 4% YoY to INR5.3b.
- EBITDA to grow 68% YoY to INR1.9b, with margin of 35.6%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**4,718**	**5,129**	**5,346**	**5,407**	**5,924**	**5,324**	**5,800**	**4,656**	**20,600**	**21,704**
YoY Change (%)	49.2	54.3	36.3	22.2	25.6	3.8	8.5	-13.9	38.9	5.4
Total Expenditure	3,689	4,001	4,011	3,983	4,418	3,428	3,735	2,395	15,683	13,976
EBITDA	**1,030**	**1,128**	**1,336**	**1,424**	**1,507**	**1,896**	**2,065**	**2,260**	**4,917**	**7,728**
Margins (%)	21.8	22.0	25.0	26.3	25.4	35.6	35.6	48.6	23.9	35.6
Depreciation	55	81	82	87	79	285	310	487	305	1,162
Interest	36	15	29	30	24	65	70	104	110	263
Other Income	98	109	93	103	100	104	113	106	403	423
PBT before EO expense	**1,037**	**1,141**	**1,318**	**1,409**	**1,504**	**1,650**	**1,798**	**1,775**	**4,905**	**6,726**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,037**	**1,141**	**1,318**	**1,409**	**1,504**	**1,650**	**1,798**	**1,775**	**4,905**	**6,726**
Tax	142	97	223	228	257	415	452	568	690	1,693
Rate (%)	13.7	8.5	16.9	16.2	17.1	25.2	25.2	32.0	14.1	25.2
MI & Profit/Loss of Asso. Cos.	15	11	10	5	12	0	0	-12	41	0
Reported PAT	**895**	**1,044**	**1,094**	**1,181**	**1,247**	**1,235**	**1,345**	**1,207**	**4,215**	**5,033**
Adj PAT	**910**	**1,056**	**1,104**	**1,186**	**1,259**	**1,235**	**1,345**	**1,195**	**4,257**	**5,033**
YoY Change (%)	79.7	75.7	53.7	38.2	38.3	16.9	21.8	0.7	60.1	18.2
Margins (%)	19.3	20.6	20.7	21.9	21.2	23.2	23.2	25.7	20.7	23.2

Brigade Enterprise — Buy

CMP: INR896 | TP: INR1,470 (64%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue at INR12.2b, up 14% YoY.
- New bookings for the quarter are likely to reach INR20.5b, up 12% YoY.
- EBITDA is likely to reach INR4.3b, with a margin of 35%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**10,777**	**10,722**	**14,639**	**14,604**	**12,811**	**12,178**	**13,116**	**11,653**	**50,742**	**49,758**
YoY Change (%)	64.8	-21.5	24.7	-14.2	18.9	13.6	-10.4	-20.2	3.6	-1.9
Total Expenditure	7,851	7,802	10,502	10,444	9,575	7,886	8,494	6,267	36,600	32,222
EBITDA	**2,926**	**2,919**	**4,137**	**4,160**	**3,237**	**4,292**	**4,623**	**5,385**	**14,142**	**17,536**
Margins (%)	27.1	27.2	28.3	28.5	25.3	35.2	35.2	46.2	27.9	35.2
Depreciation	679	689	763	756	756	774	834	800	2,888	3,165
Interest	1,519	1,226	1,143	1,066	1,056	1,177	1,268	1,308	4,955	4,809
Other Income	357	660	657	719	517	615	662	718	2,393	2,513
PBT before EO expense	**1,084**	**1,664**	**2,888**	**3,057**	**1,941**	**2,955**	**3,183**	**3,996**	**8,693**	**12,076**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,084**	**1,664**	**2,888**	**3,057**	**1,941**	**2,955**	**3,183**	**3,996**	**8,693**	**12,076**
Tax	279	513	533	563	359	642	691	1,348	1,888	3,039
Rate (%)	25.7	30.8	18.5	18.4	18.5	21.7	21.7	33.7	21.6	14.1
MI & Profit/Loss of Asso. Cos.	-32	-39	-7	25	84	-37	-40	-158	-53	-150
Reported PAT	**837**	**1,190**	**2,362**	**2,468**	**1,499**	**2,350**	**2,531**	**2,806**	**6,858**	**9,186**
Adj PAT	**837**	**1,190**	**2,362**	**2,468**	**1,499**	**2,350**	**2,531**	**2,806**	**6,858**	**9,186**
YoY Change (%)	117.3	-10.9	221.5	19.8	79.0	97.5	7.2	13.7	51.9	34.0
Margins (%)	7.8	11.1	16.1	16.9	11.7	19.3	19.3	24.1	13.5	18.5

DLF — Buy

CMP: INR722 | TP: INR1002 (39%) — **EPS CHANGE (%): FY26|27: -13|11**

- We expect revenue to increase 24% YoY to INR24.5b.
- DLF is expected to report EBITDA of INR7.3b, with a 30% margin.
- New bookings are expected to increase 4x YoY to INR28b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**13,624**	**19,750**	**15,287**	**31,276**	**27,167**	**24,451**	**24,993**	**25,256**	**79,937**	**1,01,867**
YoY Change (%)	-4.3	46.5	0.5	46.5	99.4	23.8	63.5	-19.2	24.4	27.4
Total Expenditure	11,337	14,730	11,287	21,496	23,525	17,104	17,483	13,146	58,850	71,259
EBITDA	**2,286**	**5,020**	**4,000**	**9,780**	**3,642**	**7,347**	**7,510**	**12,110**	**21,086**	**30,608**
Margins (%)	16.8	25.4	26.2	31.3	13.4	30.0	30.0	47.9	26.4	30.0
Depreciation	373	377	387	369	345	382	390	473	1,507	1,589
Interest	1,012	935	939	1,086	786	772	789	870	3,972	3,217
Other Income	3,675	2,058	2,088	2,202	2,642	1,589	1,625	766	10,022	6,621
PBT before EO expense	**4,576**	**5,766**	**4,761**	**10,527**	**5,153**	**7,782**	**7,955**	**11,533**	**25,630**	**32,423**
Extra-Ord expense	0	0	3,024	0	0	0	0	0	3,024	0
PBT	**4,576**	**5,766**	**1,737**	**10,527**	**5,153**	**7,782**	**7,955**	**11,533**	**22,606**	**32,423**
Tax	1,183	-4,668	-8,396	1,666	1,332	933	933	5,358	-10,214	8,158
Rate (%)	25.9	-81.0	-483.3	15.8	25.8	12.0	11.7	46.5	-45.2	25.2
MI & Profit/Loss of Asso. Cos.	3,054	3,378	6,183	4,108	3,806	4,082	4,172	4,945	16,723	17,004
Reported PAT	**6,447**	**13,812**	**16,316**	**12,969**	**7,627**	**10,931**	**11,194**	**11,120**	**49,544**	**41,270**
Adj PAT	**6,447**	**13,812**	**10,587**	**12,822**	**7,627**	**10,931**	**11,194**	**11,120**	**43,668**	**41,270**
YoY Change (%)	22.5	122.1	61.5	39.4	18.3	-20.9	5.7	-13.3	60.3	-5.5
Margins (%)	47.3	69.9	69.3	41.0	28.1	44.7	44.8	44.0	54.6	40.5

Source: Company, MOFSL

Godrej Properties — Buy

CMP: INR2,031 | TP: INR2,843 (40%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 3% YoY to INR11.3b.
- EBITDA is expected at INR1.4b with margin of 12.6%.
- Presales are expected to grow 15% YoY to INR60b.
- PAT is expected to grow 56% YoY to INR5.2b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**7,390**	**10,932**	**9,689**	**21,217**	**4,346**	**11,286**	**13,973**	**24,138**	**49,228**	**53,743**
YoY Change (%)	-21.0	218.7	193.2	48.8	-41.2	3.2	44.2	13.8	62.2	9.2
Total Expenditure	8,641	10,613	9,413	20,118	6,779	9,868	12,217	18,126	48,785	46,990
EBITDA	**-1,251**	**319**	**276**	**1,100**	**-2,433**	**1,418**	**1,756**	**6,012**	**444**	**6,754**
Margins (%)	-16.9	2.9	2.8	5.2	-56.0	12.6	12.6	24.9	0.9	12.6
Depreciation	166	183	177	211	220	155	192	170	737	737
Interest	408	446	424	460	327	929	1,150	2,018	1,737	4,424
Other Income	9,605	2,533	2,711	5,593	11,858	6,166	7,635	3,705	20,442	29,364
PBT before EO expense	**7,780**	**2,224**	**2,385**	**6,022**	**8,878**	**6,501**	**8,049**	**7,529**	**18,412**	**30,956**
PBT	**7,780**	**2,224**	**2,385**	**6,022**	**8,878**	**6,501**	**8,049**	**7,529**	**18,412**	**30,956**
Tax	1,974	-1,145	621	1,884	2,622	1,625	2,012	1,480	3,334	7,739
Rate (%)	25.4	-51.5	26.0	31.3	29.5	25.0	25.0	19.7	18.1	25.0
MI & Profit/Loss of Asso. Cos.	-618	-32	-183	-354	-272	329	408	1,103	-1,186	1,569
Reported PAT	**5,188**	**3,338**	**1,582**	**3,784**	**5,984**	**5,205**	**6,444**	**7,153**	**13,892**	**24,786**
Adj PAT	**5,188**	**3,338**	**1,582**	**3,784**	**5,984**	**5,205**	**6,444**	**7,153**	**13,892**	**24,786**
YoY Change (%)	288.3	359.5	152.2	-20.8	15.3	55.9	307.4	89.0	86.0	78.4
Margins (%)	70.2	30.5	16.3	17.8	137.7	46.1	46.1	29.6	28.2	46.1

Source: Company, MOFSL

Kolte Patil Developers — Buy

CMP: INR431 | TP: INR514 (19%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to grow ~2.2x YoY to INR6.9b.
- We expect EBITDA of INR1.4b, with margins at 20.5%.
- Steady sales from ongoing projects should drive bookings to INR11.4b, up 49% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**3,408**	**3,083**	**3,497**	**7,187**	**824**	**6,853**	**10,279**	**10,597**	**17,174**	**28,552**
YoY Change (%)	-40	56	361	37	-76	122	194	47	25.2	66.3
Total Expenditure	3,130	2,921	3,241	6,123	1,083	5,445	8,167	7,992	15,415	22,687
EBITDA	**278**	**162**	**256**	**1,064**	**-260**	**1,408**	**2,112**	**2,606**	**1,759**	**5,865**
Margins (%)	8.2	5.2	7.3	14.8	-31.5	20.5	20.5	24.6	10.2	20.5
Depreciation	42	24	34	43	42	39	58	22	143	161
Interest	187	107	61	64	67	79	118	64	419	328
Other Income	95	127	196	45	145	111	167	41	464	464
PBT before EO expense	**144**	**157**	**357**	**1,003**	**-225**	**1,402**	**2,102**	**2,561**	**1,661**	**5,840**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**144**	**157**	**357**	**1,003**	**-225**	**1,402**	**2,102**	**2,561**	**1,661**	**5,840**
Tax	104	69	96	350	-53	522	783	923	618	2,175
Rate (%)	72.2	44	26.8	34.9	23.7	37.2	37.2	36.1	0.4	0.4
MI & Profit/Loss of Asso. Cos.	-22	-10	8	0	-2	-6	-8	-8	-24	-24
Reported PAT	**62**	**97**	**253**	**653**	**-170**	**885**	**1,328**	**1,645**	**1,066**	**3,689**
Adj PAT	**62**	**97**	**253**	**653**	**-170**	**885**	**1,328**	**1,645**	**1,066**	**3,689**
YoY Change (%)	-86	-138	-140	-342	-373	809	425	152	-253.9	246.1
Margins (%)	1.8	3.2	7.2	9.1	-20.6	12.9	12.9	15.5	6.2	12.9

Lotus Realty — Buy

CMP: INR191 | TP: INR250 (30%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to grow ~4.4x QoQ to INR2.7b.
- We expect EBITDA of INR987m, with margin of 36%.
- Bookings to report at INR2.4b, up 3.9x QoQ.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**1,207**	-	-	**1,900**	**613**	**2,713**	**3,581**	**3,945**	**5,497**	**10,853**
YoY Change (%)	NA	-	-	NA	-49.2	NA	NA	107.6	NA	958.0
Total Expenditure	679	-	-	810	319	1,726	2,278	2,581	2,607	6,903
EBITDA	**527**	-	-	**1,090**	**295**	**987**	**1,303**	**1,364**	**2,890**	**3,950**
Margins (%)	43.7	-	-	57.4	48.0	36.4	36.4	34.6	52.6	36.4
Depreciation	3	-	-	4	4	3	4	2	15	13
Interest	0	-	-	1	5	0	0	-5	2	0
Other Income	18	-	-	81	68	61	80	34	196	243
PBT before EO expense	**542**	-	-	**1,166**	**353**	**1,045**	**1,379**	**1,402**	**3,068**	**4,180**
Extra-Ord expense	0	-	-	0	0	0	0	0	0	0
PBT	**542**	-	-	**1,166**	**353**	**1,045**	**1,379**	**1,402**	**3,068**	**4,180**
Tax	140	-	-	307	95	263	347	346	789	1,052
Rate (%)	25.8	-	-	26.3	27.0	25.2	25.2	24.7	25.7	25.2
MI & Profit/Loss of Asso. Cos.	-1	-	-	-1	-2	-40	-53	-66	-5	-161
Reported PAT	**401**	-	-	**858**	**256**	**742**	**979**	**990**	**2,274**	**2,967**
Adj PAT	**401**	-	-	**858**	**256**	**742**	**979**	**990**	**2,274**	**2,967**
YoY Change (%)	NA	-	-	NA	-36.1	NA	NA	15.4	59,569.2	2,194.7
Margins (%)	33.2	-	-	45.1	41.8	27.3	27.3	25.1	41.4	27.3

Lodha Developers — Buy

CMP: INR1,140 | TP: INR1,870 (64%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 24% YoY to INR32.6b.
- EBITDA is expected to increase 32% YoY to INR9.3b, with margin of 28.5%.
- The company is expected to report bookings of INR46.7b, up 9% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**28,465**	**26,257**	**40,830**	**42,243**	**34,917**	**32,597**	**50,707**	**62,875**	**1,37,795**	**1,81,097**
YoY Change (%)	76	50	39	5	23	24	24	49	33.6	31.4
Total Expenditure	20,897	19,211	27,771	30,036	25,073	23,307	36,256	44,849	97,915	1,29,484
EBITDA	**7,568**	**7,046**	**13,059**	**12,207**	**9,844**	**9,290**	**14,452**	**18,027**	**39,880**	**51,613**
Margins (%)	26.6	26.8	32.0	28.9	28.2	28.5	28.5	28.7	28.9	28.5
Adj. EBITDA (as per co.)	**9,600**	**9,600**	**15,900**	**14,600**	**12,000**	**9,290**	**14,452**	**15,871**	**49,700**	**52,100**
Margins (%)	33.7	36.6	38.9	34.6	34.4	28.5	28.5	25.2	36.1	28.8
Depreciation	604	665	672	778	659	579	901	1,078	2,719	3,216
Interest	1,172	1,365	1,441	1,517	1,478	593	923	302	5,495	3,297
Other Income	718	589	636	1,960	1,330	326	507	-352	3,903	1,811
PBT before EO expense	**6,510**	**5,605**	**11,582**	**11,872**	**9,037**	**8,444**	**13,135**	**16,294**	**35,569**	**46,910**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**6,510**	**5,605**	**11,582**	**11,872**	**9,037**	**8,444**	**13,135**	**16,294**	**35,569**	**46,910**
Tax	1,747	1,368	2,137	2,637	2,284	1,873	2,913	3,334	7,889	10,404
Rate (%)	26.8	24.4	18.5	22.2	25.3	22.2	22.2	20.5	0.2	0.2
MI & Profit/Loss of Asso. Cos.	10	8	1	18	6	7	10	14	37	37
Reported PAT	**4,753**	**4,229**	**9,444**	**9,217**	**6,747**	**6,564**	**10,211**	**12,946**	**27,643**	**36,469**
Adj PAT (as per co.)	**4,800**	**4,200**	**9,400**	**9,200**	**6,800**	**6,564**	**10,211**	**12,893**	**27,600**	**36,469**
YoY Change (%)	182	100	65	37	42	56	9	40	70.4	32.1
Margins (%)	16.9	16.0	23.0	21.8	19.5	20.1	20.1	20.5	20.0	20.1

Source: Company, MOFSL

Mahindra Lifespaces — Neutral

CMP: INR361 | TP: INR347 (-4%) — **EPS CHANGE (%): FY26|27: 13|5**

- Revenue is expected to grow multifold YoY to INR857m.
- We expect MLDL to report quarterly bookings of INR7.4b, up 86% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Income from Operations	**1,881**	**76**	**1,673**	**92**	**320**	**857**	**1,360**	**2,378**	**3,723**	**4,915**
YoY Change (%)	91.9	-57.2	104.0	-35.3	-83.0	1,026.8	-18.7	2,473.2	75.5	32.0
Total Expenditure	2,297	554	1,927	644	870	1,020	1,617	2,338	5,422	5,845
EBITDA	**-416**	**-478**	**-254**	**-552**	**-550**	**-162**	**-258**	**39**	**-1,699**	**-931**
Margins (%)	-22.1	-627.5	-15.2	-597.2	-172.1	-18.9	-18.9	1.7	-45.6	-18.9
Depreciation	43	40	40	55	61	40	63	64	178	228
Interest	60	70	42	21	40	32	50	61	194	182
Other Income	186	84	185	462	86	34	54	21	916	197
PBT before EO expense	**-334**	**-504**	**-151**	**-166**	**-564**	**-200**	**-317**	**-64**	**-1,155**	**-1,145**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-334**	**-504**	**-151**	**-166**	**-564**	**-200**	**-317**	**-64**	**-1,155**	**-1,145**
Tax	-97	0	173	15	-97	16	25	146	92	91
Rate (%)	28.9	0.0	-114.6	-8.9	17.1	-7.9	-7.9	-228.5	-7.9	-7.9
MI & Profit/Loss of Asso. Cos.	365	364	99	1,032	980	315	499	11	1,859	1,805
Reported PAT	**127**	**-141**	**-225**	**851**	**512**	**99**	**158**	**-200**	**613**	**570**
Adj PAT	**127**	**-141**	**-225**	**851**	**512**	**99**	**158**	**-200**	**613**	**570**
YoY Change (%)	NM	NM	NM	19.0	NM	NM	NM	-123.5	-37.6	-7.0
Margins (%)	6.8	-184.6	-13.4	920.8	160.3	11.6	11.6	-8.4	16.5	11.6

Oberoi Realty — Neutral

CMP: INR1,595 | TP: INR1,779 (12%) — **EPS CHANGE (%): FY26|27: -1|3**

- We expect revenue to increase 8% YoY to INR14.2b.
- New bookings are expected to decline 3% YoY to INR14b in light of no new launches.
- EBITDA would reach INR9.1b, with margin of 64%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**14,052**	**13,199**	**14,111**	**11,501**	**9,876**	**14,237**	**18,553**	**20,910**	**52,863**	**63,575**
YoY Change (%)	54.4	8.4	33.9	-12.5	-29.7	7.9	31.5	81.8	17.6	20.3
Total Expenditure	5,901	5,061	5,549	5,321	4,672	5,127	6,681	6,414	21,832	22,893
EBITDA	**8,151**	**8,138**	**8,561**	**6,181**	**5,203**	**9,110**	**11,872**	**14,496**	**31,030**	**40,681**
Margins (%)	58.0	61.7	60.7	53.7	52.7	64.0	64.0	69.3	58.7	64.0
Depreciation	202	208	233	242	316	348	453	436	885	1,553
Interest	589	517	745	801	750	625	815	602	2,652	2,792
Other Income	368	387	492	632	864	356	464	-95	1,879	1,589
PBT before EO expense	**7,728**	**7,800**	**8,076**	**5,769**	**5,002**	**8,493**	**11,068**	**13,363**	**29,373**	**37,925**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,728**	**7,800**	**8,076**	**5,769**	**5,002**	**8,493**	**11,068**	**13,363**	**29,373**	**37,925**
Tax	1,905	1,930	1,919	1,439	857	2,080	2,711	3,641	7,194	9,289
Rate (%)	24.7	24.7	23.8	24.9	17.1	24.5	24.5	27.2	24.5	24.5
MI & Profit/Loss of Asso. Cos.	23	25	27	2	68	0	0	0	76	0
Reported PAT	**5,845**	**5,894**	**6,184**	**4,332**	**4,213**	**6,413**	**8,357**	**9,722**	**22,255**	**28,637**
Adj PAT	**5,845**	**5,894**	**6,184**	**4,332**	**4,213**	**6,413**	**8,357**	**9,722**	**22,255**	**28,637**
YoY Change (%)	81.7	29.0	71.7	-45.0	-27.9	8.8	35.1	124.4	15.5	28.7
Margins (%)	41.6	44.7	43.8	37.7	42.7	45.0	45.0	46.5	42.1	45.0

Source: Company, MOFSL

Phoenix Mills — Buy

CMP: INR1,564 | TP: INR2,044 (31%) — **EPS CHANGE (%): FY26|27: 14|5**

- We expect revenue to increase 17% YoY to INR10.7b.
- EBITDA is likely to increase 28% YoY to INR6.6b, with margin reaching 62%.

Consolidated quarterly earnings model (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**9,041**	**9,180**	**9,751**	**10,163**	**9,530**	**10,747**	**12,149**	**14,301**	**38,136**	**46,726**
YoY Change (%)	11.5	4.9	-1.1	-22.2	5.4	17.1	24.6	40.7	-4.1	22.5
Total Expenditure	3,731	4,003	4,223	4,567	3,887	4,105	4,641	5,216	16,524	17,848
EBITDA	**5,310**	**5,177**	**5,528**	**5,597**	**5,643**	**6,642**	**7,508**	**9,085**	**21,612**	**28,878**
Margins (%)	58.7	56.4	56.7	55.1	59.2	61.8	61.8	63.5	56.7	61.8
Depreciation	775	775	813	902	934	812	918	866	3,265	3,531
Interest	1,031	1,031	1,029	941	951	1,032	1,166	1,336	4,032	4,485
Other Income	383	371	304	451	315	339	384	437	1,509	1,476
PBT before EO expense	**3,887**	**3,741**	**3,991**	**4,204**	**4,072**	**5,138**	**5,808**	**7,320**	**15,824**	**22,338**
Extra-Ord expense	-5	0	160	-27	0	0	0	0	127	0
PBT	**3,882**	**3,741**	**4,151**	**4,177**	**4,072**	**5,138**	**5,808**	**7,320**	**15,951**	**22,338**
Tax	747	835	641	712	873	946	1,069	1,224	2,936	4,111
Rate (%)	19.3	22.3	15.4	16.9	21.4	18.4	18.4	16.7	18.4	18.4
MI & P/L of Asso. Cos.	809	725	862	777	792	105	118	-560	3,173	456
Reported PAT	**2,326**	**2,181**	**2,648**	**2,688**	**2,407**	**4,087**	**4,620**	**6,656**	**9,842**	**17,771**
Adj PAT	**2,326**	**2,181**	**2,648**	**2,693**	**2,407**	**4,087**	**4,620**	**6,656**	**9,842**	**17,771**
YoY Change (%)	-3.3	-13.7	-5.2	-17.6	3.5	87.4	74.5	147.2	-10.5	80.6
Margins (%)	25.7	23.8	27.2	26.5	25.3	38.0	38.0	46.5	25.8	38.0

Prestige Estates — Buy

CMP: INR1,543 | TP: INR2,038 (32%) — **EPS CHANGE (%): FY26|27: 30|33**

- We expect revenue to grow 22% YoY to INR28b in 2QFY26.
- PEPL is expected to report EBITDA of INR7.5b, with a 26.8% margin.
- PEPL is likely to report bookings of INR39.6b, down 2% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**18,621**	**23,044**	**16,545**	**15,284**	**23,073**	**28,062**	**28,215**	**34,963**	**73,494**	**1,14,313**
YoY Change (%)	10.8	3.0	-7.9	-29.4	23.9	21.8	70.5	128.8	-6.7	55.5
Total Expenditure	10,658	16,731	10,644	9,873	14,135	20,536	20,648	28,336	47,906	83,655
EBITDA	**7,963**	**6,313**	**5,901**	**5,411**	**8,938**	**7,526**	**7,567**	**6,627**	**25,588**	**30,658**
Margins (%)	42.8	27.4	35.7	35.4	38.7	26.8	26.8	19.0	34.8	26.8
Depreciation	1,905	2,004	2,047	2,167	2,162	2,334	2,347	2,666	8,123	9,509
Interest	3,461	3,565	3,451	2,861	3,839	2,602	2,616	1,543	13,338	10,600
Other Income	1,624	1,194	434	609	1,614	1,543	1,552	1,578	3,861	6,287
PBT before EO expense	**4,221**	**1,938**	**837**	**992**	**4,551**	**4,133**	**4,155**	**3,997**	**7,988**	**16,836**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**4,221**	**1,938**	**837**	**992**	**4,551**	**4,133**	**4,155**	**3,997**	**7,988**	**16,836**
Tax	1,023	-519	445	440	1,271	719	723	1,530	1,389	4,243
Rate (%)	24.2	-26.8	53.2	44.4	27.9	17.4	17.4	38.3	17.4	25.2
MI & Profit/Loss of Asso. Cos.	872	535	215	302	355	385	387	441	1,924	1,569
Reported PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**3,029**	**3,046**	**2,025**	**4,675**	**11,025**
Adj PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**3,029**	**3,046**	**2,025**	**4,675**	**11,025**
YoY Change (%)	-12.9	3.6	-84.8	-82.1	25.8	57.6	1,620.7	709.9	-34.0	135.8
Margins (%)	12.5	8.3	1.1	1.6	12.7	10.8	10.8	5.8	6.4	9.6

SOBHA — Buy

CMP: INR1,517 | TP: INR1,917 (26%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue to grow 25% YoY to INR11.7b in 1QFY26.
- EBITDA likely to jump 89% YoY to INR1.5b with a margin of 12.5%.
- SOBHA is likely to report bookings of INR19.1b, marking 62% YoY growth.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**6,404**	**9,336**	**12,241**	**12,406**	**8,519**	**11,679**	**13,073**	**17,062**	**40,387**	**50,333**
YoY Change (%)	-29.5	25.9	78.7	62.6	33.0	25.1	6.8	37.5		
Total Expenditure	5,845	8,565	11,569	11,466	8,281	10,218	11,438	14,101	37,444	44,038
EBITDA	**559**	**771**	**672**	**941**	**238**	**1,461**	**1,635**	**2,962**	**2,943**	**6,296**
Margins (%)	8.7	8.3	5.5	7.6	2.8	12.5	12.5	17.4	7.3	12.5
Depreciation	204	232	233	230	237	221	247	246	898	950
Interest	539	494	473	450	310	308	344	364	1,956	1,326
Other Income	295	317	328	301	495	300	336	163	1,241	1,295
PBT before EO expense	**111**	**362**	**295**	**562**	**187**	**1,233**	**1,380**	**2,514**	**1,330**	**5,314**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**111**	**362**	**295**	**562**	**187**	**1,233**	**1,380**	**2,514**	**1,330**	**5,314**
Tax	50	101	78	154	50	355	398	904	383	1,707
Rate (%)	45.4	28.0	26.4	27.3	27.0	28.8	28.8	35.9	28.8	32.1
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**61**	**261**	**217**	**409**	**136**	**878**	**983**	**1,611**	**947**	**3,608**
Adj PAT	**61**	**261**	**217**	**409**	**136**	**878**	**983**	**1,611**	**947**	**3,608**
YoY Change (%)	-49.8	74.6	43.8	481.1	124.9	236.5	353.1	294.3	92.8	281.0
Margins (%)	0.9	2.8	1.8	3.3	1.6	7.5	7.5	9.4	2.3	7.2

Sunteck — Buy

CMP: INR438 | TP: INR574 (31%) — **EPS CHANGE (%): FY26|27: -23|-68**

- Revenue to increase 32% YoY to INR2.2b.
- EBITDA to fall 10% YoY to INR336m, with margins of 15%.
- Bookings may increase 13% YoY to INR5.9b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**3,163**	**1,690**	**1,618**	**2,060**	**1,883**	**2,232**	**3,379**	**3,769**	**8,531**	**11,263**
YoY Change (%)	348.2	577.3	281.1	-51.7	-40.5	32.0	108.9	82.9		
Total Expenditure	2,849	1,317	1,134	1,374	1,406	1,896	2,871	3,397	6,673	9,570
EBITDA	**314**	**374**	**484**	**687**	**477**	**336**	**508**	**372**	**1,858**	**1,693**
Margins (%)	9.9	22.1	29.9	33.3	25.4	15.0	15.0	9.9	21.8	15.0
Depreciation	34	36	31	28	34	26	40	32	129	133
Interest	103	99	87	119	149	81	122	55	409	406
Other Income	117	130	130	118	132	100	152	121	495	505
PBT before EO expense	**295**	**368**	**495**	**658**	**426**	**329**	**498**	**407**	**1,816**	**1,660**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**295**	**368**	**495**	**658**	**426**	**329**	**498**	**407**	**1,816**	**1,660**
Tax	70	22	69	170	92	60	91	60	331	303
Rate (%)	23.9	5.9	13.9	25.9	21.6	18.2	18.2	14.7	18.2	18.2
MI & Profit/Loss of Asso. Cos.	-3	1	1	-17	0	-4	-6	-9	-18	-18
Reported PAT	**228**	**346**	**425**	**504**	**334**	**273**	**413**	**356**	**1,503**	**1,375**
Adj PAT	**228**	**346**	**425**	**504**	**334**	**273**	**413**	**356**	**1,503**	**1,375**
YoY Change (%)	-438.0	-349.6	-537.1	-50.3	46.6	-21.3	-3.0	-29.4	111.9	-8.5
Margins (%)	7.2	20.5	26.3	24.5	17.8	12.2	12.2	9.4	17.6	12.2

Signature Global — Buy

CMP: INR1,045 | TP: INR1,760 (68%) — **EPS CHANGE (%): FY25|26: 0|0**

- Revenue is expected to grow 16% YoY to INR8.7b.
- EBITDA to be at INR1.6b, with EBITDA margin of 18.2%.
- Bookings are expected to reach INR20b, down 28% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**4,006**	**7,493**	**8,277**	**5,204**	**8,657**	**8,720**	**12,208**	**11,336**	**24,980**	**43,601**
YoY Change (%)	141.5	660.5	193.7	-25.0	116.1	16.4	47.5	117.8	101.4	74.5
Total Expenditure	4,019	7,609	8,142	4,766	8,324	7,135	9,989	10,226	24,535	35,673
EBITDA	**-13**	**-116**	**135**	**439**	**332**	**1,585**	**2,220**	**1,110**	**446**	**7,927**
Margins (%)	-0.3	-1.5	1.6	8.4	3.8	18.2	18.2	9.8	1.8	18.2
Depreciation	52	68	75	79	76	63	88	88	274	315
Interest	75	169	142	130	126	232	325	477	515	1,160
Other Income	274	281	345	500	327	336	470	547	1,400	1,680
PBT before EO expense	**135**	**-71**	**263**	**730**	**458**	**1,627**	**2,277**	**1,092**	**1,057**	**8,133**
Extra-Ord expense	2	0	0	3	1	0	0	-1	6	0
PBT	**133**	**-72**	**263**	**727**	**457**	**1,627**	**2,277**	**1,092**	**1,051**	**8,133**
Tax	65	-113	-29	116	113	60	84	43	39	299
Rate (%)	48.8	157.9	-11.0	15.9	24.7	3.7	3.7	3.9	-3.9	-1.4
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	1	1
Reported PAT	**68**	**41**	**291**	**611**	**344**	**1,566**	**2,193**	**1,049**	**1,011**	**7,832**
Adj PAT	**68**	**41**	**291**	**611**	**344**	**1,566**	**2,193**	**1,049**	**1,011**	**5,153**
YoY Change (%)	-199.4	-121.3	1,195.2	46.4	408.8	3,714.1	653.2	71.7	452.8	409.8
Margins (%)	1.7	0.5	3.5	11.7	4.0	18.0	18.0	9.3	4.0	11.8

Retail

Company
Aditya Birla Fashion
Aditya Birla Lifestyle
Avenue Supermarts
Bata India
Campus Activewear
Go Fashions
Metro Brands
Raymond Lifestyle
Relaxo Footwear
Shoppers Stop
Trent
V-Mart Retail
Vedant Fashions
Vishal Mega Mart

Steady quarter as early festive boost offsets weak start

- 2QFY26 is likely to be a steady quarter for retailers, with a boost from an early festive season and GST rationalization, which would be offset by a transitory impact of GST implementation in wholesale channel and weather-related disturbances in certain pockets. However, festive demand and GST cuts led to a pickup in demand, and retailers remain optimistic about the demand revival sustaining beyond the festive season.
- We expect ~14% YoY aggregate revenue growth for our retail coverage universe, with broad-based growth as several retailers are likely to post double-digit revenue growth.
- Large retailers (DMart and Trent) would continue to deliver resilient 15%+ growth. However, the growth deceleration is expected to continue in 2QFY26.
- Value fashion retailers (VMM, V-Mart) would continue to outperform with 20%+ revenue growth, buoyed by footprint expansion and an early festive-led consumption boost.
- Ethnic and branded apparel retailers are likely to continue their underperformance in 2QFY26, with revenue growth in low- to mid-single digits.
- Footwear retailers are expected to see modest growth recovery (+6% YoY in 2QFY26 vs. ~2% YoY decline in 1QFY26), driven by early double-digit growth for Metro and Campus, while Relaxo and Bata are likely to sustain underperformance.
- Reliance Retail is likely to report ~13% YoY growth in gross revenue and ~14% growth in operating EBITDA, supported by a weak base, an early festive season and scale-up of new categories such as quick commerce, FMCG, etc.

Expect 14%/13% revenue/EBITDA growth for our coverage universe

- Our retail coverage universe (14 stocks, ex-Reliance Retail) is expected to deliver ~14% YoY revenue growth in 2QFY26, steady vs 1Q.
- However, the growth is likely to be more broad-based with value fashion retailers continuing their strong growth momentum, recovery for certain footwear retailers and resilient albeit decelerating growth for heavy weights such as DMart and Trent.
- Segment-wise, apparel retail (ex-DMart) is set to grow 14% YoY (vs. 15% YoY in 1Q), while footwear is expected to see modest recovery to 6% YoY (vs. -2% YoY in 1Q).
- Aggregate gross profit is likely to rise ~12% YoY in 2QFY26 (similar to 1QFY26) as gross margins could contract ~50bp YoY to 31.2% due to EOSS and transitory impact of GST rate cut.
- Operating leverage and disciplined cost controls are likely to keep EBITDA margin steady YoY at ~11.3%. As a result, we expect aggregate EBITDA to rise ~13% YoY (vs. ~15% YoY in 1QFY26) and aggregate PAT to jump ~20% YoY.

Apparel Retail: Growth sustained, margins stable despite EOSS Impact

- Apparel retailers under coverage are expected to post ~14% YoY revenue growth in 2QFY26, marginally below 15% in 1Q, as double-digit growth across several retailers is offset by continued growth deceleration for Trent.
- Including DMart, revenue growth is likely to remain steady at ~15% YoY.

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- Gross profit (ex-DMart) is projected to increase ~13% YoY (vs. ~15% YoY in 1QFY26), as gross margins may contract ~30bp YoY to 44.5% on account of heavier discounting during EOSS and transitory impact of GST rate cut.
- EBITDA (ex-DMart) is estimated to rise ~14% YoY (vs. 23% in 1Q), largely due to moderation in growth for Trent, partly offset by strong momentum for value fashion retailers. EBITDA margin could remain stable YoY at ~13.6%.
- For DMart, gross profit and EBITDA are expected to grow ~14% and ~11% YoY, respectively, with ~30bp margin moderation due to sustained higher operating costs and impact of intense competition (gross margin lower by ~15bp YoY)

Footwear: Growth recovery on the cards; margins to expand

- Footwear retailers under coverage are expected to deliver ~6% YoY revenue growth in 2QFY26 (vs. 1.5% YoY decline in 1QFY26), with Campus (+13% YoY) and Metro (+11% YoY) outperforming peers.
- Gross profit is projected to rise ~6% YoY (vs. ~2% YoY dip in 1QFY26), aided by a modest 15bp expansion gross margin to 57%.
- EBITDA is likely to grow ~16% YoY (vs. ~5% YoY in 1Q), aided by ~185bp margin expansion supported by operating leverage for Campus and accounting change benefits for BATA.
- Consequently, aggregate PAT is projected to rise 19% YoY, as against a 8% YoY decline in 1QFY26.

Store rationalization largely complete

- We expect strong store expansion to continue for value retailers, while store additions for premium and branded apparel retailers are likely to remain muted. However, we believe the store rationalizations are likely coming to an end and should see growth from 2HFY26.
- VMART/DMART, in their pre-quarter updates, posted 23/8 net store additions in 2QFY26, while Zudio/Westside likely added 36/14 stores.

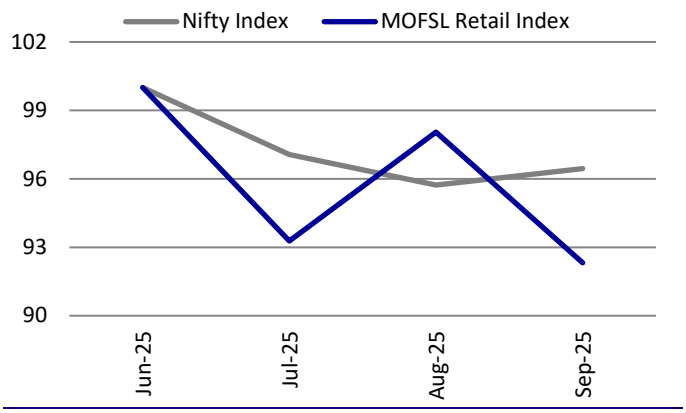
Valuation and view

- Overall, we prefer the value fashion retailers (V-Mart, VMM) as they continue to benefit from unorganized to organized shift and rising preference for one-stop shops which offer wider assortment at competitive pricing and enhanced retail shopping experience, even in Tier 2+ towns.
- Further, we continue to like TRENT and DMART, given their healthy balance sheets, operational discipline, and superior execution track-record.
- In the footwear space, we prefer METRO, given its industry-leading store economics and Campus, given its leadership in the fast-growing Sports & Athleisure category.

Exhibit 1: Summary of our quarterly estimates

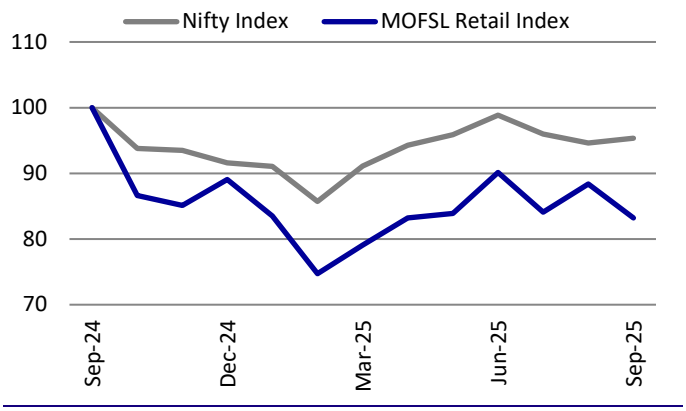
Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Aditya Birla Fashion	86	Neutral	19,619	NA	7.1	1,095	NA	-1.9	-2,034	Loss	Loss
Aditya Birla Lifestyle	134	Neutral	19,673	NA	6.9	3,072	NA	16.8	475	1,095.4	97.2
Avenue Supermarts	4449	Buy	1,67,017	15.6	2.1	12,103	10.7	-6.8	6,990	6.0	-9.6
Barbeque Nation	234	Neutral	3,070	0.4	3.4	439	-3.7	-4.6	-124	Loss	Loss
Bata India	1188	Neutral	8,624	3.0	-8.4	2,087	19.5	5.0	630	21.3	11.0
Campus Activewear	271	Buy	3,760	12.8	9.5	500	31.0	1.5	223	56.0	0.5
Devyani Intl.	171	Buy	13,139	7.5	-3.2	1,973	-0.7	-3.7	-101	Loss	PL
Go Fashion	685	Buy	2,224	6.7	-0.2	663	4.5	-3.4	186	-9.4	-16.5
Jubilant Foodworks	619	Neutral	17,089	16.5	0.4	3,243	14.1	0.3	631	21.3	-5.4
Kalyan Jewellers	465	Buy	76,401	26.0	5.1	5,106	28.9	0.5	2,669	46.6	1.1
Metro Brands	1248	Buy	6,510	11.2	3.6	1,754	13.3	-9.5	798	11.2	-19.2
P N Gadgil Jewellers	607	Buy	21,483	7.3	25.3	1,241	72.2	12.9	754	42.4	8.7
Raymond Lifestyle	1181	Buy	17,985	5.3	25.7	1,748	-18.6	127.0	683	-32.8	LP
Relaxo Footwear	446	Sell	6,793	0.0	3.8	934	6.6	-6.1	430	17.2	-12.0
Restaurant Brands	78	Buy	5,613	14.1	1.6	794	13.4	6.5	-146	Loss	Loss
Sapphire Foods	297	Buy	7,567	8.8	-2.6	997	-11.0	-11.7	-116	PL	Loss
Senco Gold	345	Neutral	18,006	20.0	-1.4	1,170	43.2	-36.3	509	47.5	-51.4
Shoppers Stop	521	Neutral	11,556	8.2	5.6	1,708	16.3	2.7	-132	Loss	Loss
Titan Company	3406	Buy	1,63,633	12.6	-1.0	18,306	20.0	0.0	11,505	23.6	5.5
Trent	4834	Buy	47,620	18.0	-0.4	7,667	19.7	-8.5	4,315	1.9	2.1
V-Mart Retail	725	Buy	8,070	22.1	-8.8	644	66.8	-48.9	-176	Loss	PL
Vedant Fashions	691	Neutral	2,709	1.1	-3.7	1,201	-1.6	-0.4	652	-2.6	-7.2
Vishal Mega Mart	149	Buy	29,507	21.1	-6.0	3,775	24.8	-17.8	1,411	35.7	-31.5
Westlife Foodworld	681	Neutral	6,610	7.0	0.5	826	5.1	-3.3	8	116.1	-29
Retail			**6,84,276**	**11.0**	**2.0**	**73,048**	**10.9**	**-3.2**	**30,041**	**19.4**	**-2.3**

Exhibit 2: Relative performance – three months (%)



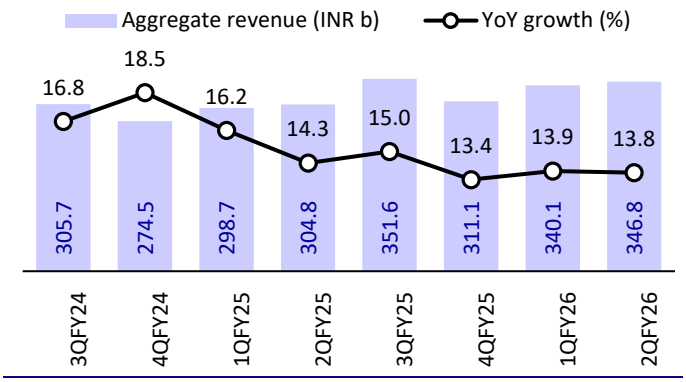
Source: Bloomberg, MOFSL

Exhibit 3: Relative performance – one year (%)



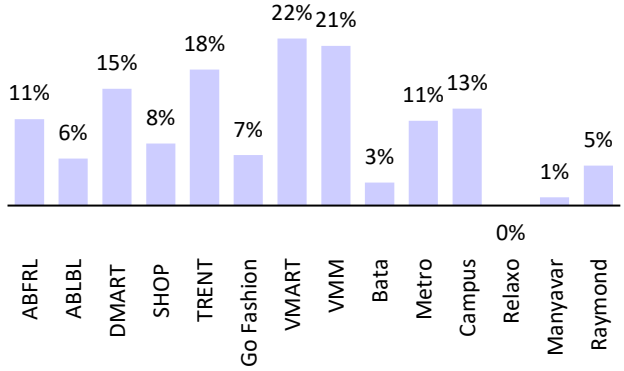
Source: Bloomberg, MOFSL

Exhibit 4: Aggregate revenue growth for our retail universe likely to remain steady at ~14% YoY (vs. 14% YoY in 1Q)



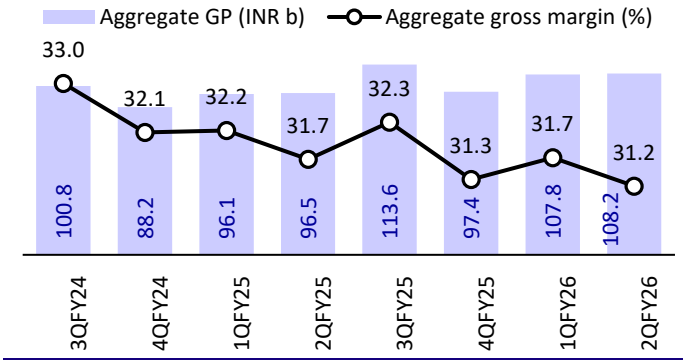
Source: Company, MOFSL

Exhibit 5: Early signs of growth recovery across several retailers; value fashion retailers to sustain outperformance



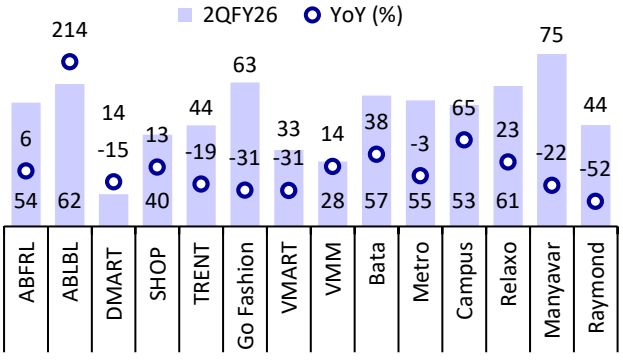
Source: Company, MOFSL

Exhibit 6: Aggregate gross profit to rise ~12% YoY (similar to 1QFY26), as gross margin likely to contract by ~50bp YoY



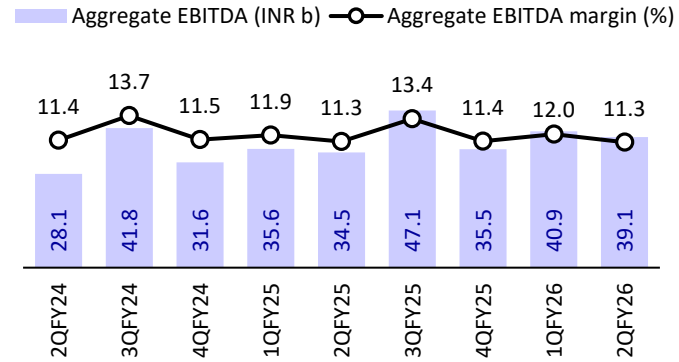
Source: Company, MOFSL

Exhibit 7: Aggregate gross margin likely to contract ~50bp YoY, ABLBL and Campus to witness strong margin expansion



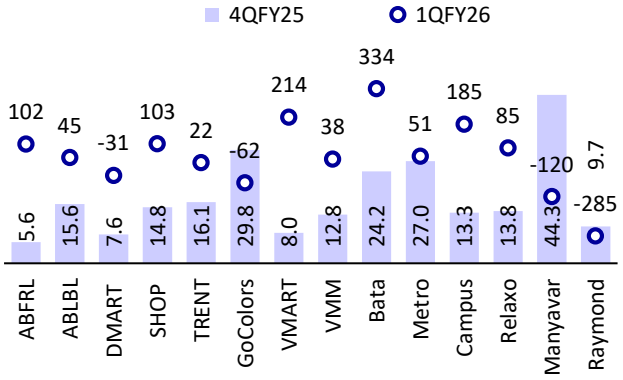
Source: Company, MOFSL

Exhibit 8: Aggregate EBITDA to rise ~13% YoY (vs. ~15% YoY in 1QFY26) as margin is likely to remain stable YoY



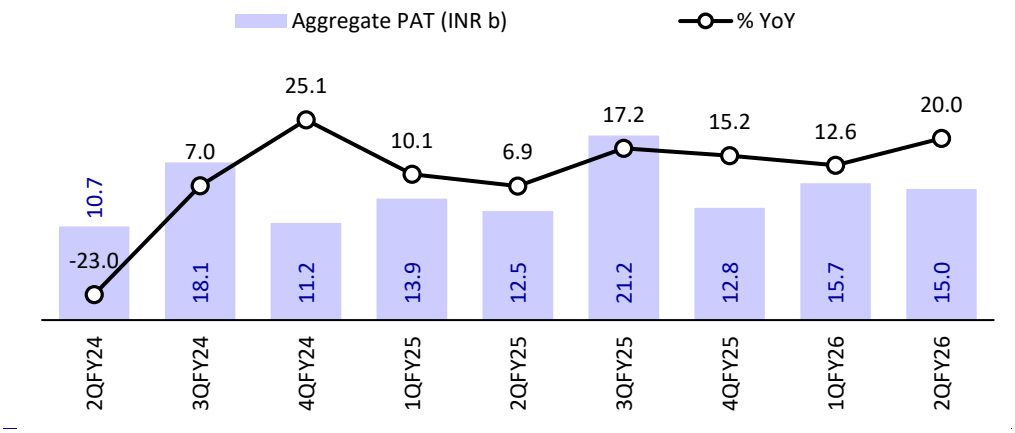
Source: Company, MOFSL

Exhibit 9: Aggregate EBITDA margin likely to remain stable YoY; Campus and VMart to witness sharp margin expansion



Source: Company, MOFSL

Exhibit 10: Aggregate PAT is expected to rise ~20% YoY (on a low base)



Source: MOFSL, Company, Tradestat

Exhibit 11: Retail store footprint and net store additions

Total store count	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Madura EBOs	2,660	2,696	2,679	2,636	2,569	2,533	2,489	2,870	2,920
Pantaloons	439	446	417	417	417	412	405	405	400
DMart	336	341	365	371	377	387	415	424	432
Shoppers Stop	102	105	112	114	112	109	112	112	113
Westside	223	227	232	228	226	238	248	248	262
Zudio	411	460	545	559	577	635	765	766	802
Go Colors	678	704	714	734	755	775	776	803	828
V-Mart	437	454	444	448	467	488	497	510	533
Vedant Fashions	669	673	676	662	650	666	678	684	689
VMM	576	589	611	626	645	668	696	717	738
Metro Brands	817	840	839	854	873	895	908	928	960
Store additions									
Madura EBOs	17	36	-17	-43	-67	-36	-44	381	50
Pantaloons	5	7	-29	-	-	-5	-7	-	-5
DMart	9	5	24	6	6	10	28	9	8
Shoppers Stop	4	3	7	2	-2	-3	3	-	1
Westside	2	4	5	-4	-2	12	10	-	14
Zudio	23	49	85	14	18	58	130	1	36
Go Colors	23	26	10	20	21	20	1	27	25
V-Mart	6	17	-10	4	19	21	9	13	23
Vedant Fashions	7	4	3	-14	-12	16	12	6	5
VMM	-	13	12	15	19	23	28	21	21
Metro Brands	28	23	-1	15	19	22	13	20	32

Source: Company, MOFSL

Exhibit 12: Comparative valuations

Company Name	CMP INR	Reco	EPS (INR) FY26E	EPS (INR) FY27E	EPS (INR) FY28E	PE (x) FY26E	PE (x) FY27E	PE (x) FY28E	PB (x) FY26E	PB (x) FY27E	PB (x) FY28E	ROE (%) FY26E	ROE (%) FY27E	ROE (%) FY28E
Retail						**80.2**	**64.2**	**52.8**	**11.4**	**10.1**	**8.8**	**14.3**	**15.6**	**16.6**
Aditya Birla Fashion	86	Neutral	-5.0	-5.0	-4.0	-17.3	-17.4	-21.4	1.4	1.6	1.7	-9.4	-10.3	-9.2
Aditya Birla Lifestyle	134	Neutral	2.0	2.3	2.6	66.9	58.8	52.5	10.8	9.1	7.8	17.5	16.8	16.0
Avenue Supermarts	4,449	Buy	44.4	54.0	65.1	100.3	82.4	68.4	11.9	10.4	9.0	12.6	13.5	14.1
Barbeque Nation	234	Neutral	-8.1	-7.6	-7.1	-29	-31	-33.0	2.8	3.0	3.3	-9.5	-9.9	-10.1
Bata India	1,188	Neutral	21.1	24.5	29.1	56.4	48.5	40.8	9.0	8.2	7.5	16.5	17.6	19.1
Campus Activewear	271	Buy	4.8	6.2	7.8	56.9	44.0	34.6	9.5	8.1	6.7	16.7	18.3	19.3
Devyani Intl.	171	Buy	0.3	1.4	2.3	563.5	120.1	73.3	31.4	37.9	39.9	4.2	28.6	53.0
Go Fashion	685	Buy	16.2	21.2	24.4	42.3	32.2	28.1	4.8	4.3	3.8	10.8	12.6	13.0
Jubilant Foodworks	619	Neutral	5.8	8.2	10.8	107.0	75.7	57.2	19.7	19.3	17.7	18.4	25.5	31.0
Kalyan Jewellers	465	Buy	11.1	13.6	16.2	41.9	34.1	28.7	8.5	7.3	6.4	21.9	23.1	23.9
Metro Brands	1,248	Buy	15.6	18.8	22.2	80.0	66.4	56.1	16.7	14.3	12.3	23.0	23.8	24.2
P N Gadgil Jewellers	607	Buy	23.8	29.0	35.4	25.5	20.9	17.1	4.4	3.6	3.0	18.8	19.0	19.1
Raymond Lifestyle	1,181	Buy	36.5	55.7	67.6	32.4	21.2	17.5	0.7	0.7	0.7	5.0	7.2	8.1
Relaxo Footwear	446	Sell	8.3	9.4	10.6	53.5	47.4	42.0	4.9	4.6	4.2	9.5	10.0	10.4
Restaurant Brands	78	Buy	-2.4	-0.6	0.4	-32.8	-121.6	204.2	6.0	6.3	6.1	-16.8	-5.1	3.1
Sapphire Foods	297	Buy	-0.4	2.7	3.6	-737.7	109.7	81.7	6.9	6.5	6.0	-0.9	6.1	7.6
Senco Gold	345	Neutral	17.2	18.4	22.7	20.1	18.8	15.2	2.5	2.3	2.0	13.4	12.8	14.0
Shoppers Stop	521	Neutral	1.6	2.1	2.4	326	245	219.9	12.2	11.4	10.7	5.1	6.3	6.6
Titan Company	3,406	Buy	55.1	65.5	77.7	61.8	52.0	43.9	20.1	15.8	12.6	36.8	34.1	32.1
Trent	4,834	Buy	49.7	57.8	64.6	97	84	74.8	22.8	18.1	14.7	28.3	25.8	23.2
Vedant Fashions	691	Neutral	17.1	18.7	20.8	40	37	33.3	8.6	7.7	6.8	20.7	20.1	19.9
Vishal Mega Mart	149	Buy	1.8	2.3	2.8	83	65	52.3	9.5	8.3	7.1	12.2	13.6	14.7
V-Mart Retail	725	Buy	13.7	22.5	33.1	53	32	21.9	6.3	5.2	4.2	12.6	17.7	21.4
Westlife Foodworld	681	Neutral	1.1	4.2	7.6	614.9	161.7	89.8	16.6	15.1	12.9	2.8	9.8	15.5

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Aditya Birla Fashion — Neutral

CMP: INR86 | TP: INR95 (+10%) — **EPS CHANGE (%): FY26|27: (4)|(5)**

- Expect 11% YoY overall revenue growth, led by 5%/7% YoY growth in Pantaloons/Ethnics and 35% YoY growth in TMRW.
- Consol. EBITDA margin is expected to expand ~100bp YoY to 5.6%, driven by improved profitability in Ethnics and Pantaloons, offset by high rebranding expenses for OWND!

Consolidated - Quarterly Summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**16,742**	**17,605**	**22,005**	**17,195**	**18,315**	**19,619**	**24,565**	**22,303**	**73,547**	**84,801**
YoY Change (%)				9.2	9.4	11.4	11.6	29.7	14.2	15.3
Total Expenditure	15,847	16,802	18,989	15,146	17,198	18,524	21,379	21,278	66,783	77,399
EBITDA	**896**	**803**	**3,017**	**2,049**	**1,117**	**1,095**	**3,185**	**1,026**	**6,764**	**7,403**
Change, YoY (%)				486.6	24.7	36.3	5.6	-49.9	82.8	9.4
Depreciation	2,736	2,905	3,007	3,016	3,156	3,188	3,219	3,292	11,664	12,855
Interest	1,321	1,412	1,507	1,434	1,134	1,038	1,299	1,015	5,674	4,486
Other Income	337	312	349	959	635	411	514	215	1,957	1,775
PBT before EO expense	**-2,824**	**-3,203**	**-1,148**	**-1,442**	**-2,538**	**-2,720**	**-819**	**-3,066**	**-8,616**	**-8,163**
Extra-Ord expense	0	1,612	0	0	0	0	0	0	1,612	0
Share in JV	-3	-32	-89	-54	-58	0	0	58	-179	
PBT	**-2,827**	**-1,623**	**-1,238**	**-1,496**	**-2,595**	**-2,720**	**-819**	**-3,009**	**-7,184**	**-8,163**
Tax	-449	-429	-178	113	-258	-685	-206	-905	-942	-2,055
Rate (%)	15.9	26.4	14.4	-7.6	9.9	25.2	25.2	30.1	13.1	25.2
Reported PAT	**-2,379**	**-1,195**	**-1,059**	**-1,609**	**-2,337**	**-2,034**	**-613**	**-2,104**	**-6,242**	**-6,108**
Adj PAT	**-2,379**	**-2,806**	**-1,059**	**-1,609**	**-2,337**	**-2,034**	**-613**	**-2,104**	**-7,853**	**-6,108**
YoY Change (%)									-14.6	-22.2

E: MOFSL Estimates

Aditya Birla Lifestyle Brands — Neutral

CMP: INR134 | TP: INR150 (+12%) — **EPS CHANGE (%): FY26|27: 4|4**

- Expect 6% YoY overall revenue growth, largely led by retail (+12% YoY) growth in Lifestyle Brands.
- Higher GMs (up ~210bp YoY) should offset operating deleverage, leading to ~45bp EBITDA margin expansion.
- Consol. EBITDA is expected to grow ~9% YoY, driven by ~7% YoY growth in Lifestyle Brands EBITDA.

Consolidated - Quarterly Summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**17,845**	**18,525**	**21,042**	**18,775**	**18,406**	**19,673**	**23,180**	**21,206**	**76,186**	**82,465**
YoY Change (%)					3.1	6.2	10.2	12.9	0.6	5.3
Total Expenditure	14,951	15,715	17,709	15,688	15,775	16,601	19,369	17,698	64,269	69,443
EBITDA	**2,894**	**2,810**	**3,332**	**3,087**	**2,631**	**3,072**	**3,811**	**3,508**	**11,918**	**13,022**
Change, YoY (%)					-9.1	9.3	14.4	13.6	10.1	9.3
Depreciation	1,623	1,705	1,716	2,014	1,725	1,899	1,899	2,073	7,057	7,597
Interest	874	1,088	964	894	850	762	762	674	3,820	3,048
Other Income	141	204	221	212	225	223	223	222	777	894
PBT before EO expense	**537**	**221**	**875**	**391**	**282**	**634**	**1,374**	**982**	**1,817**	**3,271**
Extra-Ord expense	3	-199	89	-877	0	0	0	0	-983	0
PBT	**540**	**22**	**964**	**-486**	**282**	**634**	**1,374**	**982**	**834**	**3,271**
Tax	102	181	239	104	41	160	346	277	238	823
Rate (%)	18.9	823.2	24.8	-21.4	14.6	25.2	25.2	28.2	28.5	25.2
Reported PAT	**438**	**-159**	**725**	**-590**	**241**	**475**	**1,028**	**705**	**596**	**2,448**
Adj PAT	**435**	**40**	**636**	**288**	**241**	**475**	**1,028**	**705**	**1,579**	**2,448**
YoY Change (%)					-44.6	1,095.4	61.7	145.2	-7.5	55.0

E: MOFSL Estimates

Avenue Supermarts — Buy

CMP: INR4,449| TP: INR4,800 (+8%) — **EPS CHANGE (%): FY26|27: (5)|(3)**

- Consolidated revenue to grow ~16% YoY, led by store adds (+15%) and mid-single digit SSSG.
- DMart added 8 stores QoQ, taking its total store count to 432 (17 in 1HFY26 vs. 12 YoY).
- Expect EBITDA margin to contract ~30bp YoY to 7.2% on continued higher cost of retailing and lower GM.
- Expect modest PAT growth of 6% YoY.

Consolidated - Quarterly summary (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**140,691**	**144,445**	**159,726**	**148,719**	**163,597**	**167,017**	**186,945**	**175,508**	**593,581**	**693,067**
YoY Change (%)	18.6	14.4	17.7	16.9	16.3	15.6	17.0	18.0	16.9	16.8
Total Expenditure	128,479	133,507	147,553	139,168	150,607	154,913	173,251	164,253	548,707	643,025
EBITDA	**12,213**	**10,938**	**12,172**	**9,551**	**12,990**	**12,103**	**13,694**	**11,255**	**44,873**	**50,043**
EBITDA margin (%)	**8.7**	**7.6**	**7.6**	**6.4**	**7.9**	**7.2**	**7.3**	**6.4**	**7.6**	**7.2**
Change YoY (%)	18.0	8.8	8.7	1.2	6.4	10.7	12.5	17.8	9.3	11.5
Depreciation	1,928	2,078	2,281	2,409	2,317	2,498	2,742	2,826	8,695	10,383
Interest	160	163	182	190	293	278	281	293	695	1,146
Other Income	416	335	241	251	194	183	205	177	1,243	759
PBT	**10,541**	**9,032**	**9,951**	**7,203**	**10,575**	**9,510**	**10,876**	**8,312**	**36,727**	**39,272**
Tax	2,805	2,438	2,715	1,695	2,847	2,520	2,882	2,158	9,652	10,407
Rate (%)	26.6	27.0	27.3	23.5	26.9	26.5	26.5	26.0	26.3	26.5
Reported PAT	**7,737**	**6,594**	**7,236**	**5,508**	**7,728**	**6,990**	**7,994**	**6,153**	**27,075**	**28,865**
Adj PAT	**7,737**	**6,594**	**7,236**	**5,508**	**7,728**	**6,990**	**7,994**	**6,153**	**27,075**	**28,865**
YoY Change (%)	17.5	5.8	5	-2.2	-0.1	6.0	10.5	11.7	6.7	6.6

E: MOFSL Estimates

Bata India — Neutral

CMP: INR1,188| TP: INR1,070 (-10%) — **EPS CHANGE (%): FY26|27: 4|7**

- Revenue growth to remain tepid at ~3% YoY due to impact of GST changes in the wholesale channel.
- EBITDA margin likely to expand to 24.2%, largely due to accounting changes for royalty and lower employee cost.
- Expect adj PAT to increase by 21% YoY on a low base.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**9,446**	**8,371**	**9,188**	**7,882**	**9,419**	**8,624**	**9,602**	**8,474**	**34,888**	**36,119**
YoY Change (%)	-1.4	2.2	1.7	-1.2	-0.3	3.0	4.5	7.5	0.3	3.5
Gross Profit	5,182	4,740	5,163	4,634	5,038	4,916	5,396	4,967	19,644	20,317
Gross margin%	54.9	56.6	56.2	58.8	53.5	57.0	56.2	58.6	56.3	56.3
Total Expenditure	7,597	6,625	7,193	6,104	7,430	6,537	7,283	6,290	27,514	27,541
EBITDA	**1,849**	**1,746**	**1,995**	**1,778**	**1,988**	**2,087**	**2,319**	**2,184**	**7,374**	**8,578**
EBITDA margin	19.6	20.9	21.7	22.6	21.1	24.2	24.2	25.8	21.1	23.8
Change YoY (%)	-22.8	-3.9	9.4	-2.4	7.5	19.5	16.2	22.8	-6.2	16.3
Depreciation	872	902	902	1,037	1,061	1,072	1,072	1,082	3,713	4,286
Interest	308	318	311	348	349	365	365	382	1,285	1,461
Other Income	162	172	99	223	170	193	193	215	656	771
PBT before EO expense	**832**	**698**	**881**	**617**	**748**	**843**	**1,075**	**936**	**3,032**	**3,602**
Extra-Ord expense	-1,340	0	108	0	48	0	0	0	-1,232	48
PBT	**2,171**	**698**	**773**	**617**	**701**	**843**	**1,075**	**936**	**4,264**	**3,554**
Tax	431	178	186	163	181	212	271	231	957	895
Rate (%)	19.8	25.5	24.1	26.4	25.8	25.2	25.2	24.6	22.5	25.2
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0		
Reported PAT	**1,741**	**520**	**587**	**454**	**520**	**630**	**804**	**705**	**3,306**	**2,659**
Adj PAT	**849**	**520**	**669**	**454**	**568**	**630**	**804**	**705**	**2,492**	**2,707**
YoY Change (%)	-21	-19	15	-29	-33	21	20	55	-15	9
Margins (%)	9.0%	6.2%	7.3%	5.8%	6.0%	7.3%	8.4%	8.3%	7.1%	7.5%

E: MOFSL Estimates

Campus Activewear — Buy

CMP: INR271| TP: INR315 (+16%) — **EPS CHANGE (%): FY26|27: (3)|0**

- Expect 13% YoY revenue growth, driven by robust 17% volume growth. ASP is likely to contract by ~4% YoY.
- Expect EBITDA margin to expand by ~185bp YoY on account of operating leverage and weak base in 2QFY25.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**3,392**	**3,333**	**5,148**	**4,057**	**3,433**	**3,760**	**5,458**	**4,487**	**15,930**	**17,137**
YoY Change (%)	-4.1	28.9	9.1	11.5	1.2	12.8	6.0	10.6	10.0	7.6
Gross Profit	**1,797**	**1,745**	**2,617**	**2,098**	**1,875**	**1,993**	**2,800**	**2,355**	**8,257**	**9,023**
Gross margin	53.0	52.4	50.8	51.7	54.6	53.0	51.3	52.5	51.8	52.7
Total Expenditure	2,874	2,951	4,326	3,343	2,940	3,260	4,544	3,609	13,494	14,352
EBITDA	**517**	**382**	**822**	**715**	**493**	**500**	**914**	**878**	**2,435**	**2,785**
EBITDA margins (%)	15.3	11.5	16.0	17.6	14.4	13.3	16.8	19.6	15.3	16.3
Depreciation	162	176	189	228	201	217	235	255	755	908
Interest	37	45	43	64	49	49	49	51	188	198
Other Income	23	34	37	53	61	64	68	72	147	266
PBT	**341**	**196**	**626**	**476**	**304**	**298**	**698**	**644**	**1,639**	**1,944**
Tax	87	53	162	126	82	75	176	157	428	489
Rate (%)	25.6	27.0	25.8	26.4	26.9	25.2	25.2	24.4	26.1	25.2
Reported PAT	**254**	**143**	**465**	**350**	**222**	**223**	**523**	**487**	**1,212**	**1,455**
Adj PAT	**254**	**143**	**465**	**350**	**222**	**223**	**523**	**487**	**1,212**	**1,455**
YoY Change (%)	-19	4,369	87	7	-13	56	12	39	35.5	20.1

E: MOFSL Estimates

Go Fashion — Buy

CMP: INR685| TP: INR912 (+33%) — **EPS CHANGE (%): FY26|27: (8)|(5)**

- Revenue growth to remain weak at 7% YoY, impacted by muted SSSG.
- Margins to decline by 60bp due to operating deleverage.
- EBITDA to grow 5%; PAT to decline 10%.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**2,201**	**2,085**	**2,147**	**2,048**	**2,228**	**2,224**	**2,464**	**2,249**	**8,482**	**9,166**
YoY Change (%)	16	10	6	13	1	7	15	10	11	8
Gross Profit	**1,360**	**1,315**	**1,377**	**1,316**	**1,403**	**1,396**	**1,534**	**1,420**	**5,368**	**5,752**
Gross margin	61.8	63.1	64.1	64.3	63.0	62.8	62.3	63.1	63.3	62.8
Total Expenditure	1,480	1,450	1,449	1,424	1,541	1,561	1,664	1,584	5,802	6,350
EBITDA	**721**	**635**	**698**	**624**	**687**	**663**	**800**	**665**	**2,680**	**2,816**
EBITDA margins (%)	32.8	30.4	32.5	30.5	30.8	29.8	32.5	29.6	31.6	30.7
Depreciation	295	311	317	314	323	333	316	335	1,237	1,307
Interest	110	115	116	122	120	139	147	168	464	574
Other Income	58	71	58	66	52	57	63	63	254	236
PBT	**374**	**281**	**323**	**254**	**297**	**248**	**401**	**226**	**1,233**	**1,171**
Tax	88	76	79	55	74	63	101	57	298	294
Rate (%)	23	27	25	22	25	25	25	25	24	25
Reported PAT	**287**	**205**	**243**	**199**	**223**	**186**	**300**	**169**	**935**	**876**
Adj PAT	**287**	**205**	**243**	**199**	**223**	**186**	**300**	**169**	**935**	**876**
YoY Change (%)	9	2	4	52	-22	-9	23	-15	13	-6

E: MOFSL Estimates

Metro Brands — Buy

CMP: INR1,248 | TP: INR1,435 (+15%) — **EPS CHANGE (%): FY26|27: 1|1**

- Revenue is expected to grow 11% YoY, led largely by footprint additions.
- Expect 32 net store additions, taking the total store count to 960.
- Expect EBITDA margin to improve ~50bp YoY due to better cost control, driving 13% EBITDA growth.
- PAT likely to grow 11% YoY.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**5,761**	**5,855**	**7,031**	**6,428**	**6,282**	**6,510**	**7,861**	**7,197**	**25,074**	**27,850**
YoY Change (%)	-1.1	5.4	10.6	10.3	9.1	11.2	11.8	12.0	6.4	11.1
Total Expenditure	3,957	4,306	4,781	4,456	4,343	4,756	5,318	4,952	17,500	19,370
EBITDA	**1,804**	**1,548**	**2,250**	**1,972**	**1,939**	**1,754**	**2,542**	**2,245**	**7,574**	**8,480**
EBITDA Margin (%)	31.3	26.4	32.0	30.7	30.9	27.0	32.3	31.2	30.2	30.5
Depreciation	600	624	655	701	688	695	702	747	2,580	2,833
Interest	208	218	235	244	237	260	287	302	905	1,086
Other Income	234	234	232	231	286	263	255	266	930	1,069
PBT	**1,230**	**939**	**1,593**	**1,258**	**1,300**	**1,061**	**1,809**	**1,461**	**5,019**	**5,631**
Tax	309	225	649	309	320	267	455	375	1,491	1,417
Rate (%)	25.1	23.9	40.7	24.5	24.6	25.2	25.2	25.6	29.7	25.2
MI & Profit/Loss of Asso. Cos.	2	3	7	4	9	4	8	9	16	30
PAT before MI	**921**	**715**	**944**	**949**	**979**	**794**	**1,353**	**1,086**	**3,528**	**4,214**
Adj PAT post MI	**923**	**718**	**1,201**	**953**	**988**	**798**	**1,362**	**1,096**	**3,795**	**4,244**
YoY Change (%)	-1	6	22	10	7	11	13	15	9.5	11.8

E: MOFSL Estimates

Raymond Lifestyle — Buy

CMP: INR1,181| TP: INR1,360 (15%) — **EPS CHANGE (%): FY26|27: (16)|(6)**

- Expect 5% YoY overall revenue growth as ~10% YoY growth in branded apparel and textile is offset by continued headwinds in garmenting segment.
- Expect EBITDA margin to contract by 295bp YoY to 9.7%, largely due to likely losses in garmenting segment.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**12,201**	**17,083**	**17,542**	**14,942**	**14,304**	**17,985**	**18,131**	**16,521**	**61,767**	**66,940**
YoY Change (%)	-8%	-5%	2%	-11%	17%	5%	3%	11%	-5%	8%
Total Expenditure	11,604	14,935	15,745	14,806	13,534	16,237	16,152	14,524	57,090	60,447
EBITDA	**597**	**2,148**	**1,797**	**136**	**770**	**1,748**	**1,979**	**1,997**	**4,678**	**6,494**
EBITDA Margin	**4.9%**	**12.6%**	**10.2%**	**0.9%**	**5.4%**	**9.7%**	**10.9%**	**12.1%**	**7.6%**	**9.7%**
Change YoY (%)	-59%	-17%	-0.4	-0.9	29%	-19%	10%	1374%	-50%	39%
Depreciation	746	763	794	911	888	903	910	932	3,214	3,633
Interest	463	532	544	534	575	494	484	435	2,074	1,987
Other Income	294	270	413	856	445	561	567	519	1,832	2,092
PBT	**-323**	**528**	**867**	**-473**	**-248**	**912**	**1,151**	**1,149**	**600**	**2,965**
Tax	-91	106	226	-23	-50	230	290	271	218	741
Rate (%)	28.1%	20.1%	26.0%	4.9%	20.0%	25.2%	25.2%	23.6%	36.4%	25.0%
Reported PAT	**-232**	**422**	**642**	**-450**	**-198**	**683**	**861**	**878**	**382**	**2,224**
Adj PAT	**-227**	**1,016**	**645**	**-430**	**-198**	**683**	**861**	**878**	**1,005**	**2,224**
YoY Change (%)	-139.5%	-27.1%	-1	-134.7%	-13%	-32.8%	33%	nm	-79.4%	121.3%

Relaxo Footwear — Sell

CMP: INR446| TP: INR400 (-10%) — **EPS CHANGE (%): FY26|27: 1|(1)**

- Expect flat revenue growth YoY as the improvement in ASP is likely to be offset by continued volume decline.
- EBITDA/PAT growth at 7%/17% YoY.
- Expect EBITDA margin expansion of ~85bp YoY, driven by continued robust cost controls.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**7,482**	**6,794**	**6,669**	**6,952**	**6,545**	**6,793**	**7,181**	**7,473**	**27,896**	**27,992**
YoY Change (%)	1.3	-5.0	-6.4	-7.0	-12.5	0.0	7.7	7.5	-4.3	0.3
Total RM Cost	2,847	2,648	2,861	3,134	2,498	2,632	3,074	3,343	11,489	11,547
Gross Profit	**4,635**	**4,146**	**3,808**	**3,818**	**4,047**	**4,161**	**4,108**	**4,129**	**16,407**	**16,445**
Margins (%)	62.0	61.0	57.1	54.9	61.8	61.3	57.2	55.3	58.8	58.8
Total Expenditure	6,493	5,917	5,835	5,831	5,550	5,859	6,240	6,129	24,076	23,779
EBITDA	**989**	**877**	**834**	**1,121**	**995**	**934**	**941**	**1,343**	**3,820**	**4,213**
Margins (%)	13.2	12.9	12.5	16.1	15.2	13.8	13.1	18.0	13.7	15.1
Depreciation	391	398	402	394	397	404	413	414	1,584	1,628
Interest	49	50	54	54	52	52	52	50	207	206
Other Income	54	66	68	81	113	98	98	82	270	391
PBT before EO expense	**603**	**496**	**446**	**754**	**659**	**575**	**574**	**962**	**2,299**	**2,770**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**603**	**496**	**446**	**754**	**659**	**575**	**574**	**962**	**2,299**	**2,770**
Tax	160	128	116	192	170	145	145	238	596	698
Rate (%)	26.5	25.9	26.0	25.4	25.8	25.2	25.2	24.8	25.9	25.2
Reported PAT	**444**	**367**	**330**	**562**	**489**	**430**	**429**	**723**	**1,703**	**2,072**
Adj PAT	**444**	**367**	**330**	**562**	**489**	**430**	**429**	**723**	**1,703**	**2,072**
YoY Change (%)	-21.2	-16.9	-14.4	-8.4	10.2	17.2	30.0	28.7	-15.0	21.6
Margins (%)	5.9	5.4	4.9	8.1	7.5	6.3	6.0	9.7	6.1	7.4

E: MOFSL Estimates

Shoppers Stop — Neutral

CMP: INR521| TP: INR510 (-2%) — **EPS CHANGE (%): FY26|27: NA|NA**

- Expect revenue growth of 8% YoY, led by mid-single digit SSSG in Departmental format and Intune expansion.
- Expect 7 store additions, led by Intune and Beauty.
- Expect ~100bp EBITDA margin expansion to 14.8%, driving 16% EBITDA growth.
- Losses to continue in 2QFY26.

Standalone - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Total Revenue from Operations	**10,337**	**10,681**	**13,115**	**10,224**	**10,942**	**11,556**	**14,080**	**11,021**	**44,356**	**47,599**
YoY Change (%)	5.3	4.2	8.7	2.3	5.9	8.2	7.4	7.8	5.3	7.3
Total Expenditure	8,916	9,213	10,715	8,530	9,280	9,848	11,498	9,229	37,374	39,855
EBITDA	**1,421**	**1,468**	**2,399**	**1,694**	**1,662**	**1,708**	**2,582**	**1,792**	**6,982**	**7,744**
EBITDA Margin (%)	13.7	13.7	18.3	16.6	15.2	14.8	18.3	16.3	15.7	16.3
Depreciation	1,167	1,214	1,293	1,243	1,282	1,299	1,358	1,374	4,916	5,313
Interest	604	638	647	691	718	688	688	657	2,579	2,751
Other Income	35	97	223	174	100	102	234	119	530	556
PBT before EO expense	**-314**	**-286**	**682**	**-66**	**-238**	**-177**	**771**	**-120**	**16**	**235**
Extra-Ord expense	0	-21	0	21	0	0	0	0	0	0
PBT	**-314**	**-307**	**682**	**-45**	**-238**	**-177**	**771**	**-120**	**16**	**235**
Tax	-89	-87	195	-70	-59	-45	194	-30	-52	59
Rate (%)	28.4	28.3	28.5	154.5	24.9	25.2	25.2	25.2	-328.7	25.2
Reported PAT	**-225**	**-220**	**488**	**25**	**-179**	**-132**	**577**	**-90**	**67**	**176**
Adj PAT	**-225**	**-199**	**488**	**4**	**-179**	**-132**	**577**	**-90**	**67**	**176**
YoY Change (%)			37.2		-20.5	-33.7	18.2		-88.9	161.6

E: MOFSL Estimates

Trent

Buy

CMP: INR4,834 | TP: INR6,315 (+31%)

EPS CHANGE (%): FY26|27: (2)|(2)

- Expect revenue growth to further decelerate to 18% YoY due to continued moderation in SSSG.
- Expect Westside/Zudio to add 14/36 net stores QoQ.
- EBITDA margin is expected to expand ~20bp YoY to 16.1%, driven by robust cost controls.
- Adj. PAT growth likely to remain modest at ~2% YoY.

Standalone - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**39,917**	**40,356**	**45,347**	**41,061**	**47,813**	**47,620**	**54,417**	**50,406**	**166,681**	**200,255**
YoY Change (%)	57.4	39.6	36.9	28.8	19.8	18.0	20.0	22.8	39.8	20.1
Total Expenditure	33,812	33,949	36,971	34,497	39,435	39,953	44,404	42,520	139,229	166,312
EBITDA	**6,106**	**6,407**	**8,376**	**6,564**	**8,377**	**7,667**	**10,013**	**7,886**	**27,452**	**33,943**
EBITDA Margin (%)	15.3	15.9	18.5	16.0	17.5	16.1	18.4	15.6	16.5	17.0
Depreciation	1,759	1,915	2,393	2,631	2,839	2,952	3,011	2,370	8,699	11,172
Interest	312	324	363	371	395	423	453	574	1,369	1,845
Other Income	461	1,387	564	970	409	1,387	676	888	3,381	3,360
PBT before EO expense	**4,496**	**5,554**	**6,184**	**4,532**	**5,552**	**5,678**	**7,225**	**5,831**	**20,766**	**24,286**
Extra-Ord expense	-	-	-	-	-	-	-	-	-	-
PBT	**4,496**	**5,554**	**6,184**	**4,532**	**5,552**	**5,678**	**7,225**	**5,831**	**20,766**	**24,286**
Tax	1,074	1,320	1,490	1,033	1,326	1,363	1,734	1,406	4,918	5,829
Reported PAT	**3,422**	**4,234**	**4,693**	**3,499**	**4,226**	**4,315**	**5,491**	**4,425**	**15,848**	**18,458**
Adj PAT	**3,422**	**4,234**	**4,693**	**3,499**	**4,226**	**4,315**	**5,491**	**4,425**	**15,848**	**18,458**
YoY Change (%)	130.8	46.2	36.6	41.3	23.5	1.9	17.0	26.5	54.0	16.5

E: MOFSL Estimates

V-Mart Retail

Buy

CMP: INR725| TP: INR1,055 (+43%)

EPS CHANGE (%): FY26|27: 3|0

- Consolidated revenue grew 22% YoY, as the preponement of Pujo led to strong ~11% SSSG.
- Margins are expected to expand by ~215bp YoY to 8%.
- V-Mart added net 23 stores, taking the total store count to 533.
- Expect reported EBITDA to grow by 67% YoY, with likely EBITDA break-even on pre-INDAS 116 basis.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**7,861**	**6,610**	**10,267**	**7,801**	**8,852**	**8,070**	**12,278**	**8,806**	**32,539**	**38,006**
YoY Change (%)	15.9	20.3	15.5	16.7	12.6	22.1	19.6	12.9	16.8	16.8
Total Expenditure	6,871	6,224	8,554	7,119	7,591	7,426	10,064	7,917	28,768	32,998
EBITDA	**990**	**386**	**1,714**	**681**	**1,262**	**644**	**2,214**	**889**	**3,771**	**5,009**
EBITDA Margin (%)	12.6	5.8	16.7	8.7	14.3	8.0	18.0	10.1	11.6	13.2
Depreciation	568	592	626	544	679	696	714	787	2,330	2,876
Interest	375	391	424	174	182	196	212	237	1,365	827
Other Income	46	18	34	23	29	23	44	54	121	150
PBT before EO expense	**93**	**-580**	**697**	**-13**	**429**	**-225**	**1,332**	**-81**	**198**	**1,456**
PBT	**93**	**-580**	**697**	**229**	**429**	**-225**	**1,332**	**-81**	**198**	**1,456**
Tax	-28	-15	-19	44	93	-49	290	32	-18	366
Rate (%)	-30.3	2.6	-2.7	19.1	21.8	21.8	21.8	-39.9	-9.2	100.0
Reported PAT	**121**	**-565**	**716**	**185**	**336**	**-176**	**1,042**	**-113**	**458**	**1,090**
Adj PAT	**121**	**-565**	**716**	**-57**	**336**	**-176**	**1,042**	**-113**	**216**	**1,090**
YoY Change (%)		-11.9	153.7	-85.4	176.8	-68.9	45.5			429.1

E: MOFSL Estimates

Vedant Fashions — Neutral

CMP: INR691| TP: INR785 (14%) — **EPS CHANGE (%): FY26|27: (2)|(3)**

- Expect flat revenue growth owing to muted SSSG amid the lack of wedding dates during 2QFY26 and the impact of GST transition on primary sales.
- Expect EBITDA/PAT to decline by (2%)/(3%) YoY.
- EBITDA margin is expected to decline 120bp YoY to 44.3% on account of operating deleverage.

Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**2,398**	**2,679**	**5,113**	**3,674**	**2,812**	**2,709**	**5,462**	**3,804**	**13,865**	**14,787**
YoY Change (%)	-23.0	22.7	7.8	1.2	17.2	1.1	6.8	3.5	1.4	6.7
Total Expenditure	1,271	1,460	2,691	2,017	1,606	1,508	2,851	2,102	7,439	8,066
EBITDA	**1,127**	**1,220**	**2,422**	**1,657**	**1,206**	**1,201**	**2,611**	**1,703**	**6,426**	**6,721**
EBITDA margins (%)	47.0	45.5	47.4	45.1	42.9	44.3	47.8	44.8	46.3	45.5
Change YoY (%)	-23.9	31.4	0.1	-5.3	7.0	-1.6	7.8	2.7	63.2	176.5
Depreciation	372	373	391	395	398	410	422	359	1,531	1,588
Interest	139	137	139	136	141	141	144	138	552	564
Other Income	215	192	224	221	258	221	251	249	852	979
PBT before EO expense	**831**	**902**	**2,115**	**1,347**	**925**	**871**	**2,296**	**1,455**	**5,195**	**5,547**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
Tax	206	233	535	336	222	219	578	366	1,310	1,396
Rate (%)	24.8	25.8	25.3	24.9	24.1	25.2	25.2	25.2	25.2	25.2
Reported PAT	**625**	**669**	**1,580**	**1,011**	**703**	**652**	**1,718**	**1,089**	**3,885**	**4,151**
Adj PAT	**625**	**669**	**1,580**	**1,011**	**703**	**652**	**1,718**	**1,089**	**3,885**	**4,151**
YoY Change (%)	-32	37	0	-13	12	-3	9	8	-6	7

E: MOFSL Estimates

Vishal Megamart — Buy

CMP: INR149| TP: INR170 (14%) — **EPS CHANGE (%): FY26|27: 0|1**

- Expect ~21% revenue growth, led by robust SSSG (~12.5%) and store additions (+21 QoQ, +14% YoY).
- Expect EBITDA/PAT to increase by 25%/36% YoY.
- EBITDA margin is likely to expand 40bp YoY to 12.8% on account of operating leverage.

Consolidated - Quarterly Earning

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**25,963**	**24,362**	**31,359**	**25,479**	**31,403**	**29,507**	**37,317**	**31,067**	**107,163**	**129,294**
YoY Change (%)	0.0	19.3	19.5	23.2	21.0	21.1	19.0	21.9	20.2	20.7
Gross Profit	**7,331**	**6,872**	**9,123**	**7,201**	**8,913**	**8,365**	**10,934**	**8,813**	**30,527**	**37,025**
Gross margin	28.2	28.2	29.1	28.3	28.4	28.4	29.3	28.4	28.5	28.6
Total Expenditure	22,307	21,338	26,309	21,908	26,811	25,732	31,236	26,623	91,862	110,402
EBITDA	**3,656**	**3,025**	**5,050**	**3,571**	**4,592**	**3,775**	**6,081**	**4,443**	**15,302**	**18,892**
EBITDA margins (%)	14.1	12.4	16.1	14.0	14.6	12.8	16.3	14.3	14.3	14.6
Depreciation	1,383	1,405	1,407	1,707	1,591	1,687	1,688	1,971	5,902	6,936
Interest	342	342	315	493	411	416	420	435	1,492	1,681
Other Income	77	132	190	186	170	212	238	333	586	917
PBT before EO expense	**2,008**	**1,409**	**3,519**	**1,557**	**2,760**	**1,885**	**4,212**	**2,371**	**8,493**	**11,191**
PBT	**2,008**	**1,409**	**3,519**	**1,557**	**2,760**	**1,885**	**4,212**	**2,371**	**8,493**	**11,191**
Tax	506	369	892	406	699	475	1,060	587	2,173	2,820
Rate (%)	25.2	26.2	25.3	26.1	25.3	25.2	25.2	24.7	25.6	25.2
Reported PAT	**1,501**	**1,040**	**2,627**	**1,151**	**2,061**	**1,411**	**3,152**	**1,784**	**6,320**	**8,371**
Adj PAT	**1,501**	**1,040**	**2,627**	**1,151**	**2,061**	**1,411**	**3,152**	**1,784**	**6,320**	**8,371**
YoY Change (%)			28	88	37	36	20	55	37	32.5

E: MOFSL Estimates

Technology

Indian IT: Navigating headwinds

Expect subdued commentary on demand

- **We expect 2QFY26 to be a muted quarter for IT services, with no material improvement over the past quarter.** As clients reel under macro and tariff uncertainty, we believe there is hesitation to commit additional dollars to any large initiatives. We expect 2Q numbers to reflect this, with QoQ cc growth expected in the range of 0.3% to 2.4% for large-caps and mid-caps expected to outperform once again with a growth range of -0.5% to 6.0%. For 2Q, we expect aggregate revenue for our coverage universe to grow by 6.0% YoY, while EBIT and PAT are likely to grow by 5.2% and 5.5% YoY (all in INR terms), respectively.
- **FY26 is unlikely to see significant acceleration vs. FY25, in our view. Further, FY27 acceleration will depend on the trajectory of deal wins in the next 2-3 quarters, posing a risk to street estimates.** Meaningful macro improvements and sustained earnings upgrades are likely to materialize only once the next tech cycle arrives, which we expect to be 15-18 months away (see our note dated 19th Sep'25: GenAI and IT Services: The waiting game). Unlike past transitions when digital or cloud spending offset legacy drag, this cycle lacks a budgetary kicker.
- **Among verticals, we expect BFSI to remain resilient through FY26.** Auto OEMs are adjusting to tariff risks, but spends remain elusive. Retail faces margin pressures and H1B constraints, and Healthcare continues to deal with US policy uncertainty.
- **Margins:** We expect margins to remain range-bound and supply-side pressures to stay muted; however, meaningful margin gains are limited ahead as they are being impacted by multiple fronts, including pricing, change in delivery models, client behavior, and the GenAI transition.
- We expect the ER&D space to remain under pressure in 2QFY26, primarily due to near-term capex moderation by Western OEMs and slower EV/SDV project ramp-ups. That said, we expect 2H to see pent-up spending, with delayed projects picking up and growth from China and India helping offset weakness in Europe and the US, partially.
- As argued in our note (dated 29th Jul'25: IT Services: In Limbo), a major re-rating for the sector hinges on the emergence of a new tech cycle and meaningful earnings upgrades. The top 4 IT services names are trading at their average 10-year P/E and a 16% discount to their average 5-year P/E. There is room to expand if earnings and outlook spring a surprise.

Growth expectations across our coverage

- We expect revenue growth of 1% QoQ CC for TCS and 1.7% for HCLT. BSNL ramp-up for TCS is likely to occur from 3QFY26. INFO is likely to report 2.4% QoQ CC growth, driven by deal ramp-ups, seasonally better 1H and a partial contribution from an acquisition. WIPRO is likely to report 0.3% QoQ CC, slightly above the mid-point of guidance, supported by inorganic contributions. TECHM is expected to post 1% QoQ growth, while LTIM is likely to report 2% CC growth, aided by the agri-deal ramp-up.

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Research analyst: Keval Bhagat (Keval.Bhagat@MotilalOswal.com) / **Tushar Dhonde** (Tushar Dhonde@MotilalOswal.com)

- Among mid-tier firms, we expect COFORGE to be at the forefront with ~6% cc QoQ revenue growth, driven by steady ramp-up of the Sabre deal and execution of large deals. PSYS/HEXT are also likely to deliver 3.5%/3.3% cc QoQ growth. Mphasis is anticipated to report 1.5% CC growth.
- Among ER&D names, we expect a gradual recovery from 3Q onward. KPIT is expected to report flat QoQ CC growth due to lower contributions from Caresoft than expected, while TTL/TELX /LTTS are likely to report 1.5%/1% /1% CC growth.
- We expect Cyient DET to report 0.5% CC growth, as some stabilization is expected. We are factoring in a cross-currency tailwind of ~30-50bp for most companies.

Expect limited margin gains sequentially

- We expect TCS EBIT margins to decline by 20bp QoQ due to a one-month impact of wage hikes and lower utilization. HCLT's margins are expected to improve by 50bp despite GenAI and SG&A investments and restructuring costs. Infosys may see a 40bp improvement, driven by realization tailwinds and the absence of wage hikes. While Infosys has additional levers, industry-wide pricing pressure could limit margin gains.
- TECHM and LTIM are likely to report 50-60bp of margin improvement. For TECHM, lower subcontractor costs and SG&A efficiency are expected to drive margin gains, while LTIM should benefit from cost actions and moderation in SG&A.
- Among mid-caps, Coforge margins may rise to 14.0% (up 80bp QoQ) as ESOP costs taper and D&A normalizes. HEXT margins are expected to normalize after 1Q one-offs, supported by tapering ERP costs and a better offshore mix.
- Cyient DET margins will expand 60bp in the absence of wage hikes.
- For ER&D companies, margins are estimated to remain stable with no material expansion, except for TELX, which should see sequential gains after a depressed 1Q.

TECHM and COFORGE remain our top picks

- We continue to prioritize a bottom-up play in IT: TECHM and HCLT in large-caps and COFORGE and HEXT in mid-tier.
- We prefer **TECHM**, as we see early signs of transformation under the new leadership and improving execution in BFSI. We believe TECHM's transformation remains relatively decoupled from discretionary spending. **We continue to like HCLT for its all-weather portfolio.**
- **In mid-caps, Coforge and Hexaware remain our top picks.** The previous downcycle showed that mid-tier firms can thrive in cost-focused environments. **Coforge's Sabre deal shows mid-tier companies now have both scale and solution** maturity to win cost-saving deals. Hexaware, meanwhile, is gaining share through consolidation deals in Financial vertical. As pressures in large accounts appear to be tapering, an improving margin trajectory bodes well for the company**.**

Exhibit 1: Expect Tier-I companies' aggregate revenue (USD) to grow by 1.7% QoQ

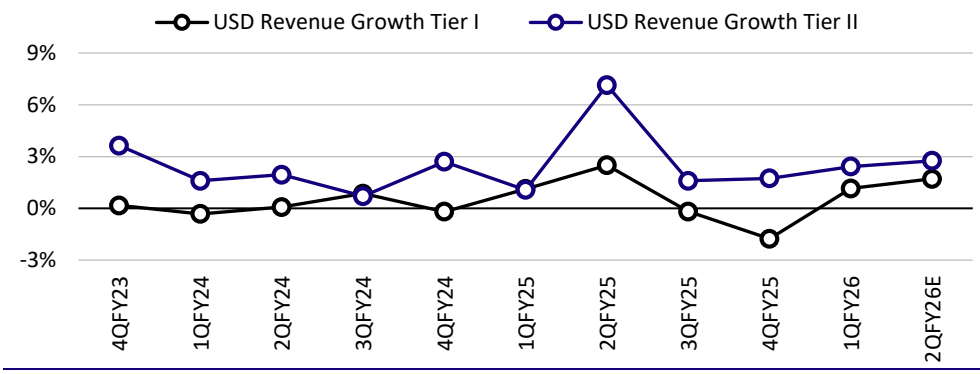
	Revenue (USD m)					Revenue (INR b)				
Company	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**
TCS	7,492	7,421	1.0%	7,670	-2.3%	654	634	3.1%	643	1.8%
INFO	5,082	4,941	2.8%	4,894	3.8%	444	423	4.9%	410	8.2%
HCLT	3,625	3,545	2.3%	3,445	5.2%	316	303	4.3%	289	9.6%
WPRO	2,607	2,587	0.8%	2,660	-2.0%	228	221	3.1%	223	2.4%
TECHM	1,588	1,564	1.6%	1,589	0.0%	139	134	3.8%	133	4.1%
LTIM	1,180	1,153	2.3%	1,127	4.7%	103	98	4.4%	94	9.0%
Tier I aggregate	**21,575**	**21,212**	**1.7%**	**21,385**	**0.9%**	**1,884**	**1,814**	**3.8%**	**1,792**	**5.1%**
	EBIT margin (%)					**Adjusted PAT (INR b)**				
Company	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**
TCS	24.3	24.5	-20.0	24.1	20.0	125.5	128.2	-2.1%	119.6	5.0%
INFO	21.2	20.8	40.0	21.1	10.0	71.7	69.2	3.5%	65.2	10.0%
HCLT	16.8	16.3	60.0	18.6	-170.0	43.5	38.4	13.2%	42.4	2.7%
WPRO	16.3	16.1	10.0	16.7	-40.0	31.6	33.4	-5.1%	32.3	-1.9%
TECHM	11.6	11.1	50.0	9.6	200.0	13.0	11.3	15.5%	12.6	3.7%
LTIM	14.9	14.3	60.0	15.5	-60.0	12.9	12.5	2.6%	12.5	2.9%
Tier I aggregate	**19.9**	**19.7**	**20.0**	**20.1**	**-20.0**	**298**	**293**	**1.8%**	**284**	**4.9%**

Exhibit 2: Expect Tier-II companies' revenue (USD) to be up 2.8% QoQ

	Revenue (USD m)					Revenue (INR b)				
Company	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**
LTTS	339	335	1.2%	307	10.6%	29.6	28.7	3.3%	25.7	15.1%
Mphasis	445	437	1.7%	421	5.6%	38.8	37.3	3.9%	35.3	10.0%
Hexaware*	397	382	3.9%	374	6.1%	34.7	32.6	6.3%	31.4	10.5%
Coforge	471	442	6.5%	369	27.5%	41.1	36.9	11.5%	30.6	34.3%
Persistent	404	390	3.7%	346	16.9%	35.3	33.3	5.8%	29.0	21.7%
Zensar	162	162	0.2%	156	3.9%	14.2	13.9	2.3%	13.1	8.3%
Cyient	165	163	1.3%	173	-4.7%	14.4	13.9	3.3%	14.5	-0.7%
KPIT	178	178	0.3%	173	3.1%	15.6	15.4	1.2%	14.7	5.8%
Tata Tech	147	145	1.3%	155	-4.8%	12.8	12.4	3.2%	13.0	-0.9%
TELX	106	105	1.1%	114	-6.9%	9.3	8.9	3.8%	9.6	-3.1%
Tier II aggregate	**2,815**	**2,739**	**2.8%**	**2,588**	**8.8%**	**246**	**233**	**5.3%**	**217**	**13.3%**
	EBIT margin (%)					**Adjusted PAT (INR b)**				
Company	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**	**2QFY26**	**1QFY26**	**QoQ (%)**	**2QFY25**	**YoY (%)**
LTTS	13.4	13.3	10.0	15.1	-170.0	3.2	3.2	2.3%	3.2	1.0%
Mphasis	15.3	15.3	-	15.4	-10.0	4.7	4.4	6.8%	4.2	11.4%
Hexaware*	14.9	10.1	480.0	13.3	160.0	3.8	3.8	0.0%	3.0	26.6%
Coforge	14.0	13.2	80.0	11.7	230.0	3.8	3.9	-3.7%	2.3	63.5%
Persistent	15.7	15.5	20.0	14.0	170.0	4.5	4.2	5.4%	3.2	37.8%
Zensar	13.4	13.5	-10.0	13.1	30.0	1.7	1.8	-4.5%	1.6	11.6%
Cyient	12.6	12.0	60.0	14.2	-160.0	1.5	1.6	-10.8%	1.8	-17.6%
KPIT	17.0	17.0	-	16.7	30.0	2.1	1.7	19.3%	2.0	0.7%
Tata Tech	14.5	13.6	90.0	15.9	-140.0	1.8	1.6	7.2%	1.7	4.2%
TELX	20.3	18.2	210.0	25.1	-480.0	1.7	1.4	15.1%	2.3	-27.6%
Tier II aggregate	**14.8**	**13.9**	**100.0**	**14.7**	**20.0**	**28.7**	**27.8**	**3.1%**	**25.3**	**13.2%**

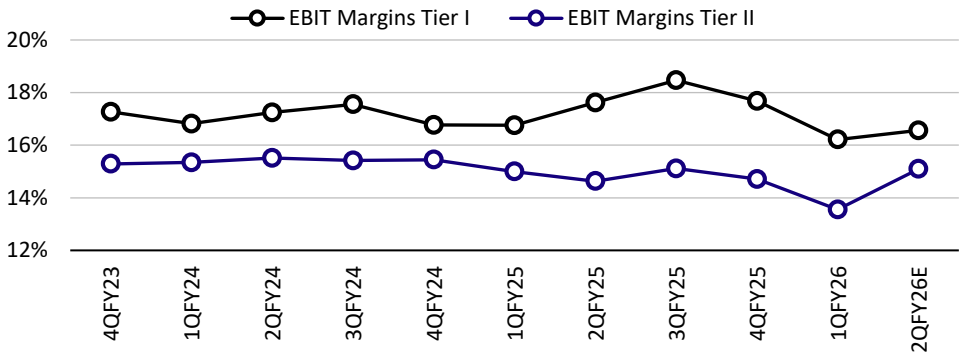
*Note: Estimates for 3QCY25, Source: Company, MOFSL

Exhibit 3: Tier II companies is likely to outperform Tier I companies



Source: MOFSL, Company

Exhibit 4: Margins to largely remain range-bound for most Tier-I and Tier-II companies



Source: MOFSL, Company

Exhibit 5: Cross-currency impact on 2Q USD growth

	CC growth QoQ (%)	USD growth QoQ (%)	Cross-currency impact (bp)
TCS	1.0	1.0	-
INFO	2.4	2.8	40
HCLT	1.7	2.3	50
WPRO	0.3	0.8	50
TECHM	1.0	1.6	60
LTIM	2.0	2.3	30
LTTS	1.0	1.2	20
MPHL	1.5	1.7	20
Hexaware	3.3	3.9	60
COFORGE	6.0	6.5	50
PSYS	3.5	3.7	20
ZENT	-0.5	0.2	70
CYL(DET)	0.5	1.3	80
KPIT	0.0	0.3	30
Tata Tech	1.5	1.3	-20
TELX	1.0	1.2	20

Source: MOFSL Estimates

Exhibit 6: Summary of quarterly performance estimates

Companies	CMP (INR)	Rating	Sales (INR b)			EBIT (INR b)			Adjusted net profit (INR b)		
			Sep'25E	Variance YoY (%)	Variance QoQ (%)	Sep'25E	Variance YoY (%)	Variance QoQ (%)	Sep'25E	Variance YoY (%)	Variance QoQ (%)
TCS	2,888	Buy	653.9	1.8	3.1	158.9	2.7	2.4	125.5	5.0	-2.1
INFO	1,442	Neutral	443.5	8.2	4.9	94.0	8.7	6.8	71.7	10.0	3.5
HCLT	1,385	Buy	316.4	9.6	4.3	53.3	-0.6	7.8	43.5	2.7	13.2
WPRO	239	Sell	228.3	2.4	3.1	37.2	0.0	4.0	31.6	-1.9	-5.1
TECHM	1,400	Buy	138.6	4.1	3.8	16.1	25.6	8.9	13.0	3.7	15.5
LTIM	5,156	Buy	102.8	9.0	4.4	15.3	5.0	8.9	12.9	2.9	2.6
LTTS	4,114	Neutral	29.6	15.1	3.3	4.0	2.3	4.0	3.2	1.0	2.3
MPHL	2,655	Neutral	38.8	10.0	3.9	5.9	9.0	4.0	4.7	11.4	6.8
Hexaware	671	Buy	34.7	10.5	6.3	5.2	23.8	56.9	3.8	26.6	0.0
COFORGE	1,591	Buy	41.1	34.3	11.5	5.8	60.0	18.5	3.8	63.5	-3.7
PSYS	4,823	Buy	35.3	21.7	5.8	5.5	36.3	6.9	4.5	37.8	5.4
ZENT	763	Neutral	14.2	8.3	2.3	1.9	10.7	1.2	1.7	11.6	-4.5
CYL	1,146	Sell	14.4	-0.7	3.3	1.8	-11.9	8.5	1.5	-17.6	-10.8
KPIT	1,098	Buy	15.6	5.8	1.2	2.6	7.7	1.4	2.1	0.7	-10.8
Tata Tech	670	Sell	12.8	-0.9	3.2	1.9	-9.5	10.2	1.8	4.2	19.3
TELX	5,227	Sell	9.3	-3.1	3.8	1.9	-21.5	15.6	1.7	-27.6	7.2
Sector aggregate (INR b)			**2,129**	**6.0%**	**4.0%**	**411**	**5.1%**	**5.6%**	**327**	**5.5%**	**15.1%**

Source: Company, MOFSL

Exhibit 7: Comparative valuations

Company	CMP (INR)	M-cap (INR b)	TP (INR)	Upside/ Downside	EPS (INR)			EPS CAGR (%) FY26E-27E	P/E (x)		
					FY26E	FY27E	FY28E		FY26E	FY27E	FY28E
TCS	2,888	10,450	3,350	16%	141.8	150.2	156.4	5.0	20.4	19.2	18.5
INFO	1,442	5,990	1,650	14%	68.7	72.5	76.8	5.7	21	19.9	18.8
HCLT	1,385	3,759	1,750	26%	65.9	72.8	76	7.4	21	19	18.2
WPRO	239	2,510	200	-16%	12.5	12.9	13.8	5.2	19.2	18.5	17.3
TECHM	1,400	1,372	1,900	36%	60.7	77.5	86.8	19.6	23.1	18.1	16.1
LTIM	5,156	1,528	6,000	16%	176.7	199.5	222	12.1	29.2	25.8	23.2
MPHL	2,655	505	3,000	13%	100.3	112	126.1	12.1	26.5	23.7	21
LTTS	4,114	436	4,400	7%	129.8	155.4	177.5	17.0	31.7	26.5	23.2
Hexaware*	671	408	900	34%	23.9	27.8	32	15.7	28	24.1	20.9
PSYS	4,823	754	6,400	33%	115.8	140.9	171	21.5	41.7	34.2	28.2
COFORGE	1,591	532	2,400	53%	45	60.4	74.6	28.7	35.4	26.4	21.3
CYL	1,146	127	1,050	-8%	63.7	76.7	95.1	22.1	18	14.9	12.1
ZENT	763	173	760	0%	32.1	34.3	36.9	7.3	23.8	22.2	20.7
KPIT	1,098	301	1,500	37%	29.8	37.2	45.6	23.7	36.8	29.5	24.1
TATA TECH	670	272	570	-15%	17.2	19.9	22.4	14.3	39	33.7	29.9
TELX	5,227	326	4,450	-15%	111.3	140	160.9	20.2	47	37.3	32.5

*Note: Estimates for CY25E/CY26E/CY27E. Source: Company, MOFSL

The tables below provide a snapshot of actual and estimated numbers for IT companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Coforge

Buy

CMP INR1,591| TP: INR2,400 (+53%) | **EPS CHANGE (%): FY26|27: 1.7|2.4**

- We expect revenue to grow 6% QoQ in CC terms, driven by strong organic momentum and steady ramp-up of the Sabre deal.
- We expect 80bp expansion in reported EBIT margin. Margin would expand to 14%, driven by declining RSU costs, SG&A leverage and normalization of D&A.
- Management focuses on closing 20 large deals in FY26 (vs. 14 in FY25) and is confident about the supporting pipeline. Demand in BFS remains healthy, while growth in TTH is driven by the Sabre deal ramp-up.
- **Key things to watch out for**: Commentary on 2H execution, organic growth momentum, capex normalization, and margin expansion plans.

Quarterly Performance (IND-AS)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Rev. (USD m)	**286**	**369**	**391**	**404**	**442**	**471**	**498**	**528**	**1,445**	**1,939**
QoQ (%)	2.0	29.0	5.7	3.3	9.6	6.5	5.6	6.0	31.5	34.1
Revenue (INR m)	**23,751**	**30,623**	**32,581**	**34,099**	**36,886**	**41,116**	**44,152**	**46,801**	**1,20,507**	**1,68,955**
YoY (%)	6.9	34.5	40.2	47.1	55.3	34.3	35.5	37.2	33.8	40.2
GPM (%)	**32.2**	**32.4**	**33.4**	**34.1**	**34.1**	**34.3**	**33.6**	**34.0**	**33.6**	**34.0**
SGA (%)	**13.4**	**15.9**	**15.7**	**15.4**	**15.0**	**14.9**	**15.0**	**15.3**	**15.6**	**15.1**
EBITDA (INRm)	**4,275**	**4,840**	**5,072**	**5,761**	**6,451**	**7,442**	**7,771**	**8,377**	**19,960**	**30,041**
EBITDA Margin (%)	18.0	15.8	15.6	16.9	17.5	18.1	17.6	17.9	16.6	17.8
EBIT (INRm)	**3,558**	**3,597**	**3,907**	**4,507**	**4,859**	**5,756**	**6,005**	**6,529**	**15,684**	**23,149**
EBIT Margin (%)	15.0	11.7	12.0	13.2	13.2	14.0	13.6	14.0	13.0	13.7
Other income	-516	-173	-329	-300	246	-206	-221	-328	-1,080	-508
ETR (%)	34.4	25.5	25.5	22.2	18.2	24.0	24.0	24.0	25.7	22.8
Minority Interest	-61.0	-314.0	-404.0	-461.0	-390.0	-440.0	-400.0	-440.0	-1,240.0	-1,670.0
Reported PAT	**1,310**	**2,021**	**2,142**	**2,611**	**3,174**	**3,779**	**3,996**	**4,273**	**8,372**	**15,221**
QoQ (%)	-41.6	54.3	6.0	21.9	21.6	19.0	5.7	6.9		
YoY (%)	-21.4	11.7	-10.0	16.3	142.3	87.0	86.6	63.7	0.9	81.8
Extra-ordinary items	953	290	162	261	749	0	0	0	1,666	1,462
Adj. PAT	**2,263**	**2,311**	**2,304**	**2,872**	**3,923**	**3,779**	**3,996**	**4,273**	**9,750**	**15,970**
EPS (INR)	**4.2**	**6.0**	**6.3**	**7.7**	**9.4**	**11.2**	**11.8**	**12.6**	**25.2**	**45.0**

Cyient

Sell

CMP INR1,146 | TP: INR1,050 (-8%) | **EPS CHANGE (%): FY26|27: 1.7|-4.1**

- We expect 0.5% QoQ CC growth in the DET business. The external environment remains challenging, and this quarter is likely to see stabilization.
- Recovery in Aerospace seen in 1Q will continue in 2Q, while the Energy vertical has seen some furloughs.
- EBIT margin for DET segment likely to be at 12.6%, up 60bp as the partial impact of wage hikes is now behind.
- Key monitorable: Need meaningful logo additions and deal wins in 2Q to enhance visibility for 2H.

DET Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**161**	**173**	**175**	**161**	**163**	**165**	**166**	**170**	**671**	**664**
QoQ (%)	-10.1	7.3	1.3	-7.9	0.9	1.3	0.9	2.0	-6.1	-1.0
Revenue (INR m)	**13,442**	**14,496**	**14,799**	**13,967**	**13,925**	**14,390**	**14,761**	**15,056**	**56,704**	**58,132**
YoY (%)	-7.6	-1.8	-0.8	-6.2	3.6	-0.7	-0.3	7.8	-4.1	2.5
GPM (%)	**39.1**	**39.7**	**38.9**	**39.0**	**37.4**	**38.0**	**38.5**	**38.5**	**39.2**	**38.1**
SGA (%)	**22.3**	**21.5**	**21.6**	**22.4**	**21.5**	**21.5**	**21.5**	**21.0**	**21.9**	**21.4**
EBITDA	**2,267**	**2,642**	**2,562**	**2,319**	**2,215**	**2,374**	**2,509**	**2,635**	**9,790**	**9,734**
EBITDA Margin (%)	**16.9**	**18.2**	**17.3**	**16.6**	**15.9**	**16.5**	**17.0**	**17.5**	**17.3**	**16.7**
EBIT	**1,696**	**2,058**	**1,995**	**1,764**	**1,671**	**1,813**	**1,934**	**2,033**	**7,513**	**7,450**
EBIT Margin (%)	**12.6**	**14.2**	**13.5**	**12.6**	**12.0**	**12.6**	**13.1**	**13.5**	**13.2**	**12.8**
Other income	-54	282	-338	271	522	144	148	151	161	964
ETR (%)	23.5	24.5	25.3	25.4	25.6	25.7	25.7	25.7	24.7	25.7
Adj. PAT	**1,256**	**1,766**	**1,238**	**1,518**	**1,631**	**1,455**	**1,547**	**1,623**	**5,778**	**6,256**
QoQ (%)	-27.6	40.6	-29.9	22.6	7.4	-10.8	6.4	4.9		
YoY (%)	-26.2	2.2	-28.3	-12.5	29.9	-17.6	25.0	6.9	-16.2	8.3
EPS (INR)	**11**	**16**	**11**	**14**	**15**	**13**	**14**	**15**	**53**	**57**

HCL Technologies

Buy

CMP INR1,385| TP: INR1,750 (+26%) | **EPS CHANGE (%): FY26|27: 0.8|-1.1**

- Expect 1.7% QoQ CC growth, led by revenue contribution from vendor consolidation deals from 2Q onward.
- We expect full-year YoY cc growth of 3.6% and organic growth of 2.8% (guidance of 3-5%).
- Margins are expected to improve by 50bp despite GenAI and SG&A investments and restructuring costs.
- We believe BFSI and Hi-tech will perform better, while manufacturing (especially auto) remains under pressure.
- We expect the company to retain its FY26 revenue growth guidance of 3-5% YoY CC.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**3,364**	**3,445**	**3,533**	**3,498**	**3,545**	**3,625**	**3,705**	**3,742**	**13,840**	**14,617**
QoQ (%)	-1.9	2.4	2.5	-1.0	1.3	2.3	2.2	1.0	4.3	5.6
Revenue (INR b)	**281**	**289**	**299**	**302**	**303**	**316**	**329**	**332**	**1,171**	**1,281**
YoY (%)	6.7	8.2	5.1	6.1	8.2	9.6	10.0	9.8	6.5	9.4
GPM (%)	**34.5**	**34.9**	**35.6**	**34.7**	**33.7**	**34.3**	**35.6**	**35.0**	**34.9**	**34.7**
SGA (%)	12.4	11.5	11.3	11.8	12.3	12.5	12.2	12.5	11.7	12.4
EBITDA	**58**	**64**	**69**	**65**	**60**	**65**	**73**	**70**	**255**	**268**
EBITDA Margin (%)	20.6	22.1	23.0	21.5	19.9	20.4	22.1	21.2	21.8	20.9
EBIT	**48**	**54**	**58**	**54**	**49**	**53**	**61**	**58**	**214**	**222**
EBIT Margin (%)	17.1	18.6	19.5	18.0	16.3	16.8	18.5	17.6	18.3	17.3
Other income	9	3	3	3	2	5	5	5	18	17
ETR (%)	25.4	25.5	25.1	24.9	25.9	25.0	25.0	25.0	25.2	25.2
Adjusted PAT	**43**	**42**	**46**	**43**	**38**	**43**	**49**	**48**	**174**	**179**
QoQ (%)	6.8	-0.5	8.4	-6.2	-10.8	13.1	13.2	-3.5		
YoY (%)	20.5	10.5	5.5	8.1	-9.7	2.7	7.3	10.3	10.8	2.7
EPS	**15.7**	**15.6**	**16.9**	**15.9**	**14.2**	**16.0**	**18.2**	**17.5**	**63.9**	**65.9**

Hexaware Technologies

Buy

CMP INR671| TP: INR900 (+34%) | **EPS CHANGE (%): CY25|26: 1.7|0.9**

- HEXT is expected to deliver 3.3% QoQ CC growth in 3Q (organic 1.7%).
- FS and Travel & Transportation should lead growth, while Manufacturing and Consumer stay weak; Banking to grow in line with average.
- EBITDA margin (17.3% in 2Q) to remain flat or inch up, led by tapering ERP costs and better offshore mix; guidance should be maintained at 17.1-17.4%.
- Consolidation deal ramp-ups on track, including a large banking engagement; small deals provide steady support. Commentary on demand trends, key accounts' growth, BFS ramp-ups, and SMC contribution will be key monitorables.

Quarterly Performance

Y/E March	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	**331**	**352**	**374**	**372**	**372**	**382**	**397**	**401**	**1,429**	**1,552**
QoQ (%)	5.3	6.4	6.4	-0.5	-0.2	2.9	3.9	1.0		
Revenue (INR m)	**27,488**	**29,355**	**31,357**	**31,544**	**32,079**	**32,607**	**34,659**	**35,580**	**1,19,744**	**1,34,925**
YoY (%)	9.6	12.7	18.3	20.6	16.7	11.1	10.5	12.8		12.7
GPM (%)	**41.4**	**41.2**	**42.3**	**42.3**	**41.9**	**41.5**	**42.8**	**42.9**	**41.8**	**42.3**
Other (%)	26.2	26.6	26.6	26.8	25.5	29.1	25.5	25.5	26.6	26.4
EBITDA	**4,176**	**4,311**	**4,911**	**4,904**	**5,278**	**4,044**	**5,996**	**6,191**	**18,302**	**21,509**
EBITDA Margin (%)	**15.2**	**14.7**	**15.7**	**15.5**	**16.5**	**12.4**	**17.3**	**17.4**	**15.3**	**15.9**
EBIT	**3,576**	**3,624**	**4,173**	**4,141**	**4,543**	**3,292**	**5,164**	**5,337**	**15,514**	**18,336**
EBIT Margin (%)	**13.0**	**12.3**	**13.3**	**13.1**	**14.2**	**10.1**	**14.9**	**15.0**	**13.0**	**13.6**
Other income	2	172	-114	29	-180	1,391	-104	-107	89	1,000
PBT	**3,578**	**3,796**	**4,059**	**4,170**	**4,363**	**4,683**	**5,060**	**5,230**	**15,603**	**19,336**
ETR (%)	22.0	27.7	26.2	23.1	25.0	18.9	25.0	25.0	24.8	23.5
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Reported PAT	**2,790**	**2,746**	**2,997**	**3,207**	**3,271**	**3,797**	**3,795**	**3,923**	**11,740**	**14,786**
QoQ (%)	45.8	-1.6	9.1	7.0	2.0	16.1	0.0	3.4		
YoY (%)	NA	NA	NA	67.6	17.2	38.3	26.6	22.3	17.7	25.9
Extra-ordinary items	0	0	0	0	0	0	0	0	0	0
Adj. PAT	**2,790**	**2,746**	**2,997**	**3,207**	**3,271**	**3,797**	**3,795**	**3,923**	**11,740**	**14,786**
EPS (INR)	**4.6**	**4.5**	**5.0**	**5.2**	**5.3**	**6.2**	**6.1**	**6.4**	**19.3**	**23.9**

Infosys — Neutral

CMP INR1,442| TP: INR1,650 (+14%) — **EPS CHANGE (%): FY26|27: 0.2 |-0.2**

- INFO is likely to clock 2.4% QoQ CC (organic 2.1%), supported by recent deal ramp-ups and 30bp inorganic contribution from its recent acquisition. Growth remains 1H-heavy as in prior years.
- US BFSI to remain resilient, while retail continues to see softness due to tariff uncertainty. Auto is weak, but core manufacturing and industrial segments remain solid from prior wins and could offset this weakness partially.
- Operating margin may improve by 40bp due to tailwinds from realization, absence of wage hike, and low third-party expenses, though productivity-led AI programs may lead to price compression and margin pressures.
- Expect Infosys to maintain its guidance of 1% to 3% YoY cc.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**4,714**	**4,894**	**4,939**	**4,730**	**4,941**	**5,082**	**5,076**	**5,026**	**19,277**	**20,125**
QoQ (%)	3.3	3.8	0.9	-4.2	4.5	2.8	-0.1	-1.0	3.9	4.4
Revenue (INR b)	**393**	**410**	**418**	**409**	**423**	**444**	**450**	**446**	**1,630**	**1,763**
YoY (%)	3.6	5.1	7.6	7.9	7.5	8.2	7.8	8.9	6.1	8.1
GPM (%)	**30.9**	**30.5**	**30.3**	**30.2**	**30.9**	**31.0**	**30.5**	**30.5**	**30.5**	**30.7**
SGA (%)	**9.8**	**9.4**	**8.9**	**9.2**	**10.1**	**9.8**	**9.2**	**9.6**	9.3	9.7
EBITDA	**94**	**99**	**101**	**98**	**100**	**107**	**109**	**106**	**392**	**423**
EBITDA Margin (%)	**24.0**	**24.1**	**24.3**	**23.9**	**23.7**	**24.1**	**24.3**	**23.8**	**24.1**	**24.0**
EBIT	**83**	**86**	**89**	**86**	**88**	**94**	**96**	**93**	**344**	**371**
EBIT Margin (%)	**21.1**	**21.1**	**21.3**	**21.0**	**20.8**	**21.2**	**21.3**	**20.9**	**21.1**	**21.1**
Other income	7	6	8	8	9	6	6	6	29	28
ETR (%)	29.3	29.6	29.5	27.0	28.9	28.5	28.5	28.5	28.9	28.6
PAT	**64**	**65**	**68**	**68**	**69**	**72**	**73**	**71**	**265**	**285**
QoQ (%)	4.8	2.2	4.6	0.0	1.7	3.5	2.2	-2.9		
YoY (%)	7.1	4.7	11.5	12.1	8.7	10.2	7.6	4.4	8.8	7.7
EPS (INR)	**15.4**	**15.7**	**16.4**	**16.4**	**16.7**	**17.3**	**17.6**	**17.1**	**63.9**	**68.7**

KPIT — Buy

CMP INR1,098| TP: INR1,500 (+37%) — **EPS CHANGE (%): FY26| 27|28: -4.0|-2.0|-2.8**

- KPIT may report flat QoQ CC growth due to lower contribution from Caresoft (2 months consolidation for 80% business vs. expectation of full consolidation).
- EBIT margins are expected to remain flat QoQ at 17%.
- Fixed-price deals are increasing, and some European deals are expected to ramp up.
- Commentary on Europe OEMs, budget allocation, the CV segment, and the China market will be key monitorables.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**165**	**173**	**176**	**177**	**178**	**178**	**186**	**192**	**691**	**734**
QoQ (%)	3.8	4.8	1.7	0.6	0.5	0.3	4.0	3.5		
Revenue (INR m)	**13,646**	**14,714**	**14,780**	**15,283**	**15,388**	**15,570**	**16,466**	**17,042**	**58,423**	**64,465**
YoY (%)	24.3	22.7	17.6	16.0	12.8	5.8	11.4	11.5	19.9	10.3
GPM (%)	**35.3**	**34.8**	**36.6**	**36.1**	**35.2**	**35.7**	**35.0**	**36.0**	**35.7**	**35.5**
SGA (%)	14.2	14.3	15.5	15.0	14.2	14.8	14.7	14.7	14.8	14.6
EBITDA	**2,882**	**3,018**	**3,122**	**3,230**	**3,239**	**3,254**	**3,343**	**3,630**	**12,251**	**13,466**
EBITDA Margin (%)	**21.1**	**20.5**	**21.1**	**21.1**	**21.0**	**20.9**	**20.3**	**21.3**	**21.0**	**20.9**
EBIT	**2,356**	**2,457**	**2,538**	**2,651**	**2,610**	**2,647**	**2,700**	**2,965**	**10,002**	**10,923**
EBIT Margin (%)	**17.3**	**16.7**	**17.2**	**17.3**	**17.0**	**17.0**	**16.4**	**17.4**	**17.1**	**16.9**
Other income	417	417	92	-81	39	125	132	136	845	432
ETR (%)	26.2	28.0	27.1	26.4	27.1	26.0	26.0	26.0	26.9	26.2
PAT	**2,042**	**2,037**	**1,870**	**1,997**	**1,719**	**2,051**	**2,096**	**2,295**	**7,945**	**8,161**
QoQ (%)	24.2	-0.2	-8.2	6.8	-13.9	19.3	2.2	9.5		
YoY (%)	52.4	44.6	20.4	21.5	-15.8	0.7	12.1	15.0	32.7	2.7
EPS (INR)	7.5	7.5	6.8	8.9	6.3	7.5	7.7	8.4	29.0	29.8

LTIMindtree — Buy

CMP INR5,156| TP: INR6,000 (+16%) — **EPS CHANGE (%): FY26| 27: 1.3|-0.3**

- LTIM is expected to report ~2.0% QoQ CC growth, aided by ramp-up of agri-deal, top account pass-through behind, and cross-currency gains.
- EBIT margin is expected to improve by ~60bp QoQ to ~14.9%, aided by continued cost actions, moderation in SG&A, and timing of wage hikes (likely in 3Q).
- BFSI and Hi-Tech are stabilizing after last year's strong growth and productivity resets, while Retail/CPG continue to benefit from deal ramp-ups.
- Commentary on demand, deal ramp-up, BFSI/Hi-tech vertical, and margins will be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**1,096**	**1,127**	**1,139**	**1,131**	**1,153**	**1,180**	**1,204**	**1,228**	**4,493**	**4,766**
QoQ (%)	2.5	2.8	1.1	-0.7	2.0	2.3	2.1	2.0	4.8	6.1
Revenue (INR B)	**91**	**94**	**97**	**98**	**98**	**103**	**106**	**108**	**380**	**416**
YoY (%)	5.1	5.9	7.1	9.9	7.6	9.0	9.9	10.8	7.0	9.3
GPM (%)	**30.3**	**30.8**	**28.8**	**27.9**	**29.1**	**29.5**	**29.5**	**29.0**	**29.4**	**29.3**
SGA (%)	12.7	12.8	12.3	11.6	12.3	12.1	11.8	11.8	12.3	12.0
EBITDA	**16**	**17**	**16**	**16**	**16**	**18**	**19**	**19**	**65**	**72**
EBITDA Margin (%)	**17.6**	**18.0**	**16.5**	**16.3**	**16.8**	**17.4**	**17.7**	**17.2**	**17.1**	**17.3**
EBIT	**14**	**15**	**13**	**13**	**14**	**15**	**16**	**16**	**55**	**61**
EBIT Margin (%)	**15.0**	**15.5**	**13.8**	**13.8**	**14.3**	**14.9**	**15.2**	**14.7**	**14.5**	**14.8**
Other income	**1.5**	**2.3**	**1.4**	**1.8**	**3.2**	**1.9**	**1.9**	**1.9**	**7**	**9**
ETR (%)	25.6	25.8	26.2	26.2	27.3	25.0	25.0	25.0	25.9	25.6
Adj PAT	**11**	**13**	**11**	**11**	**13**	**13**	**14**	**13**	**46**	**52**
QoQ (%)	3.1	10.3	-13.2	3.9	11.2	2.6	5.1	-1.0		
YoY (%)	-1.5	7.7	-7.1	2.5	10.5	2.9	24.5	18.7	0.4	13.7
EPS (INR)	**38.2**	**42.2**	**36.6**	**38.0**	**42.3**	**43.4**	**45.7**	**45.2**	**155.0**	**176.6**

LTTS — Neutral

CMP INR4,114| TP: INR4,400 (+7%) — **EPS CHANGE (%): FY26| 27: 0.0|-0.3**

- We expect revenue to grow 1.0% QoQ CC in 2Q, as we build in gradual recovery from seasonally weak 1Q. 2H should be better than 1H, backed by deal ramp-ups.
- We expect margins to improve marginally by ~10bp QoQ. Effective execution on margin levers, such as delivery pyramid optimization and higher offshoring, remains critical.
- We expect the Sustainability vertical to lead growth, supported by deal flows and ramp-ups, while Mobility and Hi-Tech are likely to remain soft.
- We expect LTTS to retain its FY26 double-digit revenue growth guidance. Commentaries on turnaround in Mobility & deal signings will be key to track.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**295**	**307**	**312**	**345**	**335**	**339**	**345**	**366**	**1,259**	**1,386**
QoQ (%)	-3.2	3.9	1.7	10.6	-2.8	1.2	1.8	6.0	8.2	10.1
Revenue (INR m)	**24,619**	**25,729**	**26,530**	**29,824**	**28,660**	**29,604**	**30,645**	**32,484**	**1,06,702**	**1,21,394**
YoY (%)	7.0	7.8	9.5	17.5	16.4	15.1	15.5	8.9	10.6	13.8
GPM (%)	**29.3**	**29.3**	**29.0**	**27.8**	**28.0**	**28.0**	**27.5**	**28.0**	**28.8**	**27.9**
SGA (%)	10.8	11.2	10.3	11.8	11.9	12.0	10.8	10.8	11.1	11.4
EBITDA	**4,562**	**4,660**	**4,947**	**4,755**	**4,624**	**4,737**	**5,118**	**5,587**	**18,924**	**20,066**
EBITDA Margin (%)	**18.5**	**18.1**	**18.6**	**15.9**	**16.1**	**16.0**	**16.7**	**17.2**	**17.7**	**16.5**
EBIT	**3,836**	**3,877**	**4,219**	**3,939**	**3,813**	**3,967**	**4,352**	**4,775**	**15,871**	**16,907**
EBIT Margin (%)	**15.6**	**15.1**	**15.9**	**13.2**	**13.3**	**13.4**	**14.2**	**14.7**	**14.9**	**13.9**
Other income	491	531	180	334	512	474	490	520	1,536	1,996
ETR (%)	27.5	27.4	27.4	27.4	26.9	27.3	27.2	27.2	27.4	27.2
Adj. PAT	**3,136**	**3,196**	**3,166**	**3,111**	**3,157**	**3,230**	**3,523**	**3,854**	**12,609**	**13,764**
QoQ (%)	-8.0	1.9	-0.9	-1.7	1.5	2.3	9.1	9.4		
YoY (%)	0.8	1.3	-5.8	-8.7	0.7	1.0	11.3	23.9	-3.3	9.2
EPS (INR)	29.6	29.8	30.4	29.3	29.8	30.5	33.2	36.3	119.0	129.8

Mphasis — Neutral

CMP INR2,655 | TP: INR3,000 (+13%) — **EPS CHANGE (%): FY26| 27: 0.5|0.2**

- We expect 1.5% QoQ CC growth, aided by ramp-up in BFSI and TMT verticals. However, steady TCV-to-revenue conversion is key to tracking execution from hereon.
- Expect notable improvement in TCV win rate in FY26; this could improve growth visibility for the next 4-6 quarters.
- Margin is likely to be flat, with utilization to hold steady and no material change in amortization or SG&A ratios. EBIT margin to be within guided band of 14.75-15.75%.
- Commentary around demand environment, volume recovery for its mortgage business, deal TCV & revenue conversion and logistics vertical will be worth tracking.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**410**	**421**	**419**	**430**	**437**	**445**	**453**	**467**	**1,680**	**1,802**
QoQ (%)	-0.2	2.7	-0.5	2.7	1.6	1.7	1.9	3.0	4.4	7.2
Revenue (INR m)	**34,225**	**35,362**	**35,613**	**37,101**	**37,324**	**38,795**	**40,174**	**41,380**	**1,42,301**	**1,57,674**
YoY (%)	5.2	7.9	6.7	8.7	9.1	9.7	12.8	11.5	7.2	10.8
GPM (%)	**30.8**	**31.3**	**31.7**	**31.8**	**31.9**	**31.5**	**31.0**	**31.3**	**31.4**	**31.4**
SGA (%)	**12.7**	**12.9**	**12.7**	**12.9**	**13.1**	**12.7**	**12.5**	**12.5**	**12.8**	**12.7**
EBITDA	**6,185**	**6,480**	**6,781**	**7,026**	**7,028**	**7,294**	**7,432**	**7,779**	**26,472**	**29,533**
EBITDA Margin (%)	**18.1**	**18.3**	**19.0**	**18.9**	**18.8**	**18.8**	**18.5**	**18.8**	**18.6**	**18.7**
EBIT	**5,135**	**5,444**	**5,458**	**5,673**	**5,709**	**5,936**	**6,026**	**6,414**	**21,710**	**24,085**
EBIT Margin (%)	**15.0**	**15.4**	**15.3**	**15.3**	**15.3**	**15.3**	**15.0**	**15.5**	**15.3**	**15.3**
Other income	238	182	235	239	392	388	402	414	894	1,595
ETR (%)	24.7	24.7	24.8	24.5	27.6	25.4	24.5	24.5	24.7	25.5
PAT	**4,045**	**4,234**	**4,279**	**4,466**	**4,417**	**4,717**	**4,853**	**5,155**	**17,024**	**19,142**
QoQ (%)	2.9	4.7	1.1	4.4	-1.1	6.8	2.9	6.2		
YoY (%)	2.1	8.0	14.5	13.6	9.2	11.4	13.4	15.4	9.5	12.4
EPS (INR)	21.3	22.2	22.4	23.4	23.1	24.7	25.4	27.0	89.3	100.3

Persistent Systems — Buy

CMP INR4,823 | TP: INR6,400 (+33%) — **EPS CHANGE (%): FY26| 27: 1.1|0.6**

- We expect 3.5% QoQ CC revenue growth in 2QFY26, led by BFSI and Hi-tech – momentum to sustain through FY26.
- Margins are expected to increase 20bp to 15.7%. With wage hikes deferred by a quarter and ESOP costs expected to remain stable in the near term, some room exists for margin expansion through SG&A leverage.
- Commentaries on recovery in hi-tech vertical are the key things to monitor.
- Management is confident in the deal pipeline and large deals in progress, which should result in >USD500m TCV range. PSYS is also working to improve its TCV-to-ACV conversion.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**328**	**346**	**360**	**375**	**390**	**404**	**420**	**437**	**1,409**	**1,650**
QoQ (%)	5.6	5.3	4.3	4.2	3.9	3.7	4.0	4.0	18.8	17.1
Revenue (INR m)	**27,372**	**28,972**	**30,623**	**32,421**	**33,336**	**35,259**	**37,257**	**38,747**	**1,19,387**	**1,44,599**
QoQ (%)	5.7	5.8	5.7	5.9	2.8	5.8	5.7	4.0		
YoY (%)	17.9	20.1	22.6	25.2	21.8	21.7	21.7	19.5	21.6	21.1
GPM (%)	**33.0**	**33.4**	**34.7**	**34.9**	**35.3**	**35.0**	**34.0**	**35.0**	**34.0**	**34.8**
SGA (%)	**16.4**	**16.8**	**17.1**	**16.8**	**16.9**	**16.6**	**16.6**	**16.6**	16.8	16.7
EBITDA	**4,552**	**4,807**	**5,378**	**5,844**	**6,116**	**6,488**	**6,483**	**7,129**	**20,581**	**26,216**
EBITDA Margin (%)	**16.6**	**16.6**	**17.6**	**18.0**	**18.3**	**18.4**	**17.4**	**18.4**	**17.2**	**18.1**
EBIT	**3,840**	**4,062**	**4,557**	**5,053**	**5,178**	**5,536**	**5,514**	**6,083**	**17,512**	**22,311**
EBIT Margin (%)	**14.0**	**14.0**	**14.9**	**15.6**	**15.5**	**15.7**	**14.8**	**15.7**	**14.7**	**15.4**
Other income	165	283	263	-1	376	282	298	310	710	1,266
ETR (%)	23.5	25.2	22.6	21.7	23.5	23.0	23.3	23.5	23.2	23.3
Adj. PAT	**3,064**	**3,250**	**3,729**	**3,958**	**4,249**	**4,480**	**4,458**	**4,891**	**14,001**	**18,078**
QoQ (%)	-2.8	6.1	14.7	6.1	7.4	5.4	-0.5	9.7		
YoY (%)	10.5	23.4	30.3	25.5	38.7	37.8	19.5	23.6	22.6	29.1
Reported EPS (INR)	**19.9**	**21.0**	**23.9**	**25.4**	**27.2**	**28.7**	**28.5**	**31.3**	**90.2**	**115.8**

TCS — Buy

CMP INR2,288 | TP: INR3,350 (+16%) — **EPS CHANGE (%): FY26| 27: -0.7|-1.6**

- TCS is expected to post revenue growth of 1.0% QoQ CC, with international business growing ~1% and India flat; we assume the BSNL ramp-up in 3Q.
- Outlook on near-term demand & tech budgets, BFSI vertical, and deal wins are key monitorables.
- We expect EBIT margin to decline ~20bp QoQ due to one-month impact of wage hikes, talent investments, lower utilization, and constrained leverage.
- We believe pyramid and productivity gains remain key levers, but pricing pressure, client behavior, and the GenAI transition signal a start of realignment as vendors adapt pricing and delivery models.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
IT Services Revenue (USD m)	**7,505**	**7,670**	**7,539**	**7,465**	**7,421**	**7,492**	**7,568**	**7,772**	**30,179**	**30,254**
QoQ (%)	1.9	2.2	-1.7	-1.0	-0.6	1.0	1.0	2.7	3.8	0.2
Overall Revenue (INR b)	**626**	**643**	**640**	**645**	**634**	**654**	**671**	**690**	**2,553**	**2,649**
QoQ (%)	2.2	2.6	-0.4	0.8	-1.6	3.1	2.7	2.7		
YoY (%)	5.4	7.7	5.6	5.3	1.3	1.8	5.0	6.9	6.0	3.8
GPM (%)	**42.6**	**38.2**	**38.8**	**38.8**	**39.1**	**38.8**	**39.0**	**38.5**	**39.6**	**38.9**
SGA (%)	18.0	14.1	14.3	14.6	14.7	14.5	14.5	14.3	15.2	14.5
EBITDA	**167**	**168**	**170**	**169**	**169**	**173**	**179**	**182**	**674**	**703**
EBITDA Margin (%)	26.7	26.1	26.5	26.2	26.6	26.5	26.7	26.4	26.4	26.5
EBIT	**154**	**155**	**157**	**156**	**155**	**159**	**164**	**167**	**622**	**645**
EBIT Margin (%)	24.7	24.1	24.5	24.2	24.5	24.3	24.5	24.2	24.3	24.4
Other income	8	6	10	8	15	9	9	10	32	43
PBT	**162**	**160**	**167**	**164**	**170**	**168**	**174**	**177**	**653**	**688**
ETR (%)	25.4	25.4	25.3	25.1	24.5	25.3	25.3	25.3	25.3	25.1
Adj. PAT	**121**	**120**	**124**	**123**	**128**	**126**	**130**	**132**	**488**	**515**
Reported PAT	**121**	**120**	**124**	**123**	**128**	**126**	**130**	**132**	**488**	**515**
QoQ (%)	-3.2	-1.2	4.1	-1.2	4.3	-2.1	3.5	1.5		
YoY (%)	8.9	5.1	12.1	-1.7	5.9	5.0	4.4	7.3	5.5	5.6
EPS (INR)	33.3	32.9	34.2	33.8	35.3	34.5	35.7	36.3	134.2	141.8

Tata Elxsi — Sell

CMP INR5,227 | TP: INR4,450 (-15%) — **EPS CHANGE (%): FY26| 27|28: -1.2|-2.1|-2.8**

- We expect revenue to grow 1% QoQ in CC terms in 2Q, reflecting a gradual recovery after a soft 1Q.
- Transportation (~50% of revenues) is expected to drive growth, while Media & Communications should recover in 2Q on the back of consolidation deals. HLS is likely to remain soft.
- Margins to gradually recover in the next three quarters; however, FY26 margins may remain below FY25 levels.
- Commentary on Tier-1/OEMs, deal pipeline, and the HLS vertical will be key monitorables.

Quarterly Performance — **INR m**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**111**	**114**	**111**	**105**	**105**	**106**	**109**	**113**	**441**	**434**
QoQ (%)	2.2	2.7	-2.5	-5.4	-0.3	1.2	3.2	3.5		
Revenue (INR m)	**9,265**	**9,551**	**9,392**	**9,083**	**8,921**	**9,258**	**9,708**	**10,047**	**37,290**	**37,934**
YoY (%)	9.0	8.3	2.7	0.3	-3.7	-3.1	3.4	10.6	5.0	1.7
GPM (%)	**27.2**	**27.9**	**26.3**	**22.9**	**20.9**	**23.0**	**24.0**	**26.0**	**26.1**	**23.6**
SGA (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**2,523**	**2,664**	**2,466**	**2,077**	**1,867**	**2,129**	**2,330**	**2,612**	**9,730**	**8,939**
EBITDA Margin (%)	**27.2**	**27.9**	**26.3**	**22.9**	**20.9**	**23.0**	**24.0**	**26.0**	**26.1**	**23.6**
EBIT	**2,252**	**2,393**	**2,207**	**1,830**	**1,625**	**1,878**	**2,066**	**2,339**	**8,681**	**7,907**
EBIT Margin (%)	**24.3**	**25.1**	**23.5**	**20.1**	**18.2**	**20.3**	**21.3**	**23.3**	**23.3**	**20.8**
Other income	272	595	352	385	339	324	340	352	1,603	1,355
ETR (%)	27.1	23.2	22.2	22.1	26.5	24.5	25.0	24.8	23.7	25.1
PAT	**1,841**	**2,294**	**1,990**	**1,724**	**1,444**	**1,662**	**1,804**	**2,023**	**7,850**	**6,933**
QoQ (%)	-6.5	24.6	-13.3	-13.4	-16.3	15.1	8.5	12.2		
YoY (%)	-2.5	14.7	-3.6	-12.4	-21.6	-27.6	-9.3	17.3	-0.9	-11.7
EPS (INR)	29.6	36.8	31.9	27.7	23.2	26.7	29.0	32.5	126.0	111.3

Tata Technologies

Sell

CMP INR670 | TP: INR570 (-15%)

EPS CHANGE (%): FY26| 27|28: -1.3 |-4.2|-6.0

- We expect growth of 1.5% QoQ CC in 2Q. The inorganic contribution from recent acquisition is likely to flow from 3Q onward. Expect the JLR cybersecurity issue to be a major overhang in the coming quarter's growth numbers.
- Margins are expected to increase to 14.5% as 1Q was tempered due to growth deleverage.
- Growth momentum is expected to improve in 2H driven by seasonal uplift in products business.
- Comments on demand recovery schedule, client conversation & margin recovery will be key to track.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4QE	1Q	2QE	3QE	4QE		
Revenue (USD m)	**152**	**155**	**156**	**148**	**145**	**147**	**150**	**156**	**611**	**599**
QoQ (%)	-2.9	1.6	0.7	-4.8	-2.0	1.3	2.2	4.0		
Revenue (INR m)	**12,690**	**12,965**	**13,174**	**12,857**	**12,443**	**12,844**	**13,340**	**13,873**	**51,685**	**52,500**
YoY (%)	0.9	2.1	2.2	-1.2	-1.9	-0.9	1.3	7.9	1.0	1.6
GPM (%)	**25.3**	**26.0**	**25.2**	**26.0**	**23.2**	**25.0**	**25.0**	**25.5**	**25.6**	**24.7**
SGA (%)	7.1	7.8	7.4	7.9	7.1	8.0	7.5	7.5	7.6	7.5
EBITDA	**2,311**	**2,355**	**2,340**	**2,334**	**2,002**	**2,183**	**2,334**	**2,497**	**9,341**	**9,017**
EBITDA Margin (%)	**18.2**	**18.2**	**17.8**	**18.2**	**16.1**	**17.0**	**17.5**	**18.0**	**18.1**	**17.2**
EBIT	**2,014**	**2,056**	**2,036**	**2,023**	**1,688**	**1,860**	**1,999**	**2,148**	**8,128**	**7,695**
EBIT Margin (%)	**15.9**	**15.9**	**15.5**	**15.7**	**13.6**	**14.5**	**15.0**	**15.5**	**15.7**	**14.7**
Other income	183	118	221	523	589	257	267	277	1,045	1,391
ETR (%)	26.2	27.6	25.4	26.8	26.8	26.7	26.4	26.7	26.6	26.6
PAT	**1,620**	**1,574**	**1,686**	**1,889**	**1,703**	**1,640**	**1,758**	**1,875**	**6,729**	**6,975**
QoQ (%)	3.0	-2.9	7.1	12.0	-9.8	-3.7	7.2	6.7		
YoY (%)	-15.4	-1.9	-0.9	20.1	5.1	4.2	4.2	-0.7	-1.0	3.7
EPS (INR)	4.0	3.9	4.2	4.7	4.2	4.0	4.3	4.6	16.6	17.2

Tech Mahindra

Buy

CMP INR1,400 | TP: INR1,900 (+36%)

EPS CHANGE (%): FY26| 27: -1.0|-1.1

- We expect revenue to grow 1.0% QoQ CC, largely driven by ramp-ups of recently won deals. We believe Hi-Tech remains muted due to weakness at a semiconductor client, though some stability is visible this quarter.
- EBIT margin expected to improve by 50bp QoQ to 11.6%, supported by lower subcontractor costs and SG&A efficiency. We build in 13% exit margin by FY26.
- BFSI and Retail should drive growth. Manufacturing (dragged by US Auto) and Communications are likely to remain flat with early signs of stabilization. Management sees a sustainable TCV baseline of USD600-800m.
- The outlook on margin gains and segments such as BFS vertical and CME, especially in US and deal TCV, will be the key monitorable.

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**1,559**	**1,589**	**1,567**	**1,549**	**1,564**	**1,588**	**1,610**	**1,642**	**6,264**	**6,404**
QoQ (%)	0.7	1.9	-1.4	-1.1	1.0	1.6	1.3	2.0	-0.2	2.2
Revenue (INR b)	**130**	**133**	**133**	**134**	**134**	**139**	**143**	**146**	**530**	**561**
YoY (%)	-1.2	3.5	1.4	4.0	2.7	4.1	7.5	8.8	1.9	5.8
GPM (%)	**26.5**	**27.9**	**28.8**	**29.2**	**28.7**	**29.0**	**29.5**	**28.6**	**28.1**	**28.9**
SGA (%)	**14.5**	**14.8**	**15.2**	**15.2**	**14.2**	**14.0**	**13.8**	**13.0**	14.9	13.7
EBITDA	**16**	**18**	**18**	**19**	**19**	**21**	**22**	**23**	**70**	**85**
EBITDA Margin (%)	**12.0**	**13.1**	**13.6**	**14.0**	**14.5**	**15.0**	**15.7**	**15.6**	**13.2**	**15.2**
EBIT	**11**	**13**	**14**	**14**	**15**	**16**	**18**	**19**	**51**	**67**
EBIT Margin (%)	**8.5**	**9.6**	**10.2**	**10.5**	**11.1**	**11.6**	**12.5**	**12.7**	**9.7**	**12.0**
Other income	1	4	-1	1	1	2	2	2	5	6
ETR (%)	26.7	26.6	23.9	22.0	30.2	26.0	26.0	26.0	24.8	26.9
Adj. PAT	**9**	**13**	**10**	**12**	**11**	**13**	**14**	**15**	**43**	**54**
QoQ (%)	-12.2	46.8	-21.4	18.7	-2.2	14.8	10.3	3.5		
YoY (%)	-10.9	27.8	36.8	20.3	34.0	4.7	46.8	28.0	17.4	26.7
Extra Ordinary Item	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported PAT	**9**	**13**	**10**	**12**	**11**	**13**	**14**	**15**	**43**	**54**
EPS (INR)	**9.6**	**14.1**	**11.1**	**13.2**	**12.9**	**14.8**	**16.3**	**16.8**	**47.9**	**60.7**

Wipro — Sell

CMP INR239 | TP: INR200 (-16%) — **EPS CHANGE (%): FY26| 27: -1.3|-1.8**

- IT services likely to report 0.3% CC growth, driven by a one-month inorganic contribution from the Harman acquisition.
- Organically, we expect WPRO to report flat cc growth (mid-point of guidance. Europe is stabilizing from client issues faced; however, recovery is expected to be gradual.
- Margins are likely to stay in a tight range (~16.3%), due to upfront requirements in large deal ramp-ups.
- 2H is expected to outperform 1H, supported by strong deal closures in 1Q. Execution on ramp-ups will be a key monitorable.

Quarterly Performance (IFRS) — **(INR b)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
IT Services Revenue (USD m)	**2,626**	**2,660**	**2,629**	**2,597**	**2,587**	**2,607**	**2,674**	**2,709**	**10,512**	**10,578**
QoQ (%)	-1.2	1.3	-1.2	-1.2	-0.4	0.8	2.6	1.3	-2.7	0.6
Overall Revenue (INR b)	**220**	**223**	**223**	**225**	**221**	**228**	**238**	**241**	**891**	**929**
QoQ (%)	-1.1	1.5	0.1	0.8	-1.6	3.1	4.3	1.3		
YoY (%)	-3.8	-1.0	0.5	1.3	0.8	2.4	6.7	7.1	-0.6	4.3
GPM (%)	**30.2**	**30.5**	**31.0**	**30.9**	**29.0**	**29.7**	**28.4**	**29.2**	**30.7**	**29.1**
SGA (%)	13.7	13.6	13.8	13.6	12.9	13.5	12.5	12.5	13.7	12.8
EBITDA	**43**	**45**	**46**	**47**	**43**	**45**	**46**	**48**	**181**	**182**
EBITDA Margin (%)	**19.7**	**20.0**	**20.8**	**20.7**	**19.5**	**19.6**	**19.3**	**20.1**	**20.3**	**19.6**
IT Serv. EBIT (%)	**16.5**	**16.8**	**17.5**	**17.5**	**17.3**	**17.0**	**17.3**	**17.3**	**17.1**	**17.2**
EBIT Margin (%)	**16.4**	**16.7**	**17.5**	**17.4**	**16.1**	**16.3**	**16.0**	**16.8**	**17.0**	**16.3**
Other income	4	6	6	8	7	4	4	4	24	20
ETR (%)	24.5	24.6	24.4	24.3	21.6	23.7	23.5	23.3	24.5	23.1
PAT	**30**	**32**	**34**	**36**	**33**	**31**	**32**	**34**	**131**	**131**
QoQ (%)	5.9	6.8	4.5	6.4	-6.7	-5.8	2.4	6.1		
YoY (%)	4.6	21.3	24.5	25.9	10.9	-2.2	-4.2	-4.5	19.2	-0.3
EPS (INR)	5.7	3.1	3.2	3.4	3.2	3.0	3.1	3.2	12.5	12.5

Zensar Technologies — Neutral

CMP INR763| TP: INR760 — **EPS CHANGE (%): FY26| 27: -0.8|-0.8**

- We expect -0.5% QoQ cc decline, as TMT segment is expected to ramp down on overall basis.
- Margins expected to remain at current levels despite wage hike and TMT ramp-down flow through.
- BFS and HLS are expected to perform well despite challenges in TMT, while South Africa and Europe are likely to deliver stable performance.
- Comments on deal signings, large deal wins and TMT recovery will be key monitorables.

Quarterly Performance — **(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**154**	**156**	**157**	**157**	**162**	**162**	**164**	**168**	**624**	**656**
QoQ (%)	4.3	1.2	0.5	-0.1	3.3	0.2	1.3	2.0	5.4	5.1
Revenue (INR m)	**12,881**	**13,080**	**13,256**	**13,589**	**13,850**	**14,163**	**14,578**	**14,870**	**52,806**	**57,462**
YoY (%)	5.0	5.4	10.1	10.5	7.5	8.3	10.0	9.4	7.7	8.8
GPM (%)	**30.4**	**28.1**	**30.1**	**30.3**	**30.5**	**28.6**	**29.8**	**30.8**	**29.7**	**29.9**
SGA (%)	15.2	12.7	14.5	14.7	15.3	13.5	14.5	14.5	14.3	14.4
EBITDA	**1,961**	**2,011**	**2,069**	**2,125**	**2,106**	**2,139**	**2,230**	**2,424**	**8,166**	**8,899**
EBITDA Margin (%)	**15.2**	**15.4**	**15.6**	**15.6**	**15.2**	**15.1**	**15.3**	**16.3**	**15.5**	**15.5**
EBIT	**1,714**	**1,714**	**1,832**	**1,887**	**1,875**	**1,898**	**1,954**	**2,141**	**7,147**	**7,868**
EBIT Margin (%)	**13.3**	**13.1**	**13.8**	**13.9**	**13.5**	**13.4**	**13.4**	**14.4**	**13.5**	**13.7**
Other income	383	366	270	411	531	396	409	504	1,430	1,840
ETR (%)	24.7	25.1	24.0	23.2	24.4	24.2	24.0	23.9	24.2	24.1
Adj. PAT	**1,579**	**1,558**	**1,597**	**1,764**	**1,820**	**1,739**	**1,795**	**2,012**	**6,498**	**7,366**
QoQ (%)	-8.9	-1.3	2.5	10.5	3.2	-4.5	3.3	12.1		
YoY (%)	1.1	-10.4	-1.2	1.8	15.3	11.6	12.4	14.1	-2.3	13.4
EPS (INR)	**6.9**	**6.8**	**7.0**	**7.7**	**7.9**	**7.6**	**7.8**	**8.8**	**28.4**	**32.1**

Telecom

Company
Bharti Airtel
Bharti Hexacom
Indus Towers
Reliance Jio
Tata Communications
Vodafone Idea

Steady quarter; next tariff hike key monitorable

Steady quarter; revenue/EBITDA likely to grow ~2% QoQ for telcos

We expect ~2% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 2QFY26. We build in ~1% sequential uptick in the blended ARPU for the three private telcos, driven largely by one extra day (vs. 1QFY26). Subscriber net adds trend for the private telcos is expected to remain stable QoQ. We expect a muted quarter for Indus Towers (recurring EBITDA +1% QoQ), while Tata Communications could report a steady quarter (8% YoY data revenue growth, 90bp margin expansion to 20%). Commentary on the potential next round of tariff hikes, JPL IPO, AGR resolution and Indus' capital allocation decisions will be the key things to watch out for.

Growth expected to moderate with tariff hike benefits largely in the base

The flow-through of the Jul'24 tariff hike has seen divergent trends across telcos, with Bharti registering 19% wireless ARPU growth since 1QFY25, compared to ~13-14% growth for RJio and Vi. Given one extra day QoQ in 2QFY26, we expect ~1% QoQ growth for the private telcos, with Bharti leading with ARPU of INR253, followed by INR211/INR166 for RJio/Vi. Subscriber net adds trend is expected to largely remain stable QoQ, with RJio leading with ~4.8m wireless (and ~7.5m overall) net adds, followed by ~3m net adds for Bharti and ~1m subscriber declines for Vi. Overall, we expect ~2% QoQ growth in wireless revenue for RJio and Bharti, while Vi's wireless revenue could grow ~1% QoQ as ARPU growth is offset by modest subscriber declines. Among Bharti's other businesses, we expect high growth to sustain in Homes (+8% QoQ), driven by FWA ramp-up and Africa (+9% QoQ) on account of flow-through of Nigeria tariff hike and favorable FX movement. Overall, we expect Bharti's reported consolidated revenue to rise ~3% QoQ to INR511b.

Margins to remain steady; RJio likely to continue as the biggest gainer

With the bulk of the tariff hike benefits in the base, seasonally higher energy costs and employee wage revisions, we expect EBITDA margins to remain broadly stable for Bharti and RJio, while Vi could see ~30bp QoQ decline due to full impact of the recent network rollouts. Overall, we expect RJio to remain the biggest gainer in 2Q with ~3% QoQ EBITDA growth, followed by 2% QoQ for Bharti. Hexacom's reported EBITDA could grow ~6% QoQ as expenses normalize (after several one-offs in 1Q). For Vi, we expect the reported EBITDA to remain broadly stable QoQ, though pre Ind-AS EBITDA could further moderate ~2% QoQ to ~INR21.4b. Bharti's reported consolidated EBITDA is likely to grow ~3% QoQ to INR287b, driven by continued robust growth in Africa/Homes and steady growth in India wireless.

Muted 2Q for Indus; focus likely to remain on capital (mis)allocation

We expect Indus' recurring EBITDA (excl. provisions and one-offs) to rise by a modest ~1% QoQ as tenancy additions from Vi moderate. We do not expect any bad debt provision reversals in 2QFY26 (vs. ~INR0.9b QoQ). We believe the focus would remain on Indus' recent capital allocation decisions such as delays in dividend reinstatement, potential inorganic acquisition in India, and Africa forays.

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Steady 2Q for TCOM; digital growth and margin recovery key monitorable

We expect ~8% YoY (1.4% QoQ) growth in data revenue for TCOM, driven primarily by robust ~16% YoY growth in digital platform and services. Consolidated EBITDA margin is expected to improve ~90bp QoQ to 20%, driven by lower losses in the digital portfolio. Acceleration in digital growth and margin recovery remains a key monitorable for TCOM.

Potential tariff hike ahead of impending JPL IPO the key near-term trigger

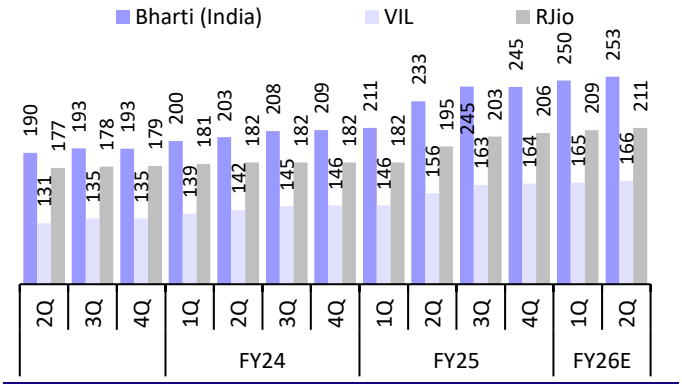
Given the consolidated market structure in the Indian telecom industry, higher data consumption, lower ARPU, and inadequate returns generated by telcos, we expect at least one more tariff reset. We continue to build in a ~15% tariff hike (or INR50/month on base plan) in Dec'25. However, beyond the next headline tariff hike, we believe the industry should consider a change in the tariff construct to usage-based plans.

We continue to prefer Bharti (improved FCF, deleveraging) and RIL (market share gains, impending listing of JPL) in the telecom space. However, we believe further re-rating of multiples hinges on higher long-term ARPU growth (vs. our assumption of ~6% CAGR over FY28-35E).

Exhibit 1: Summary of quarterly performance estimates

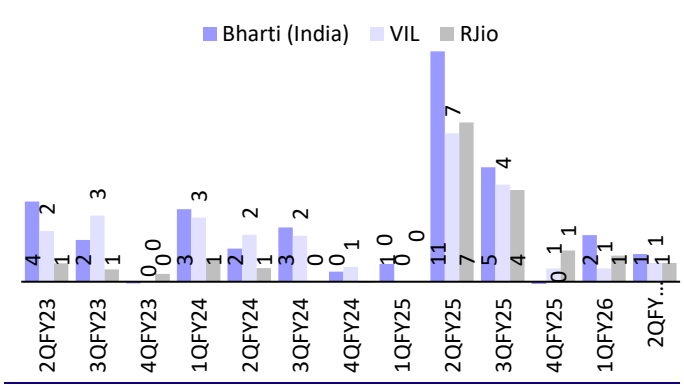
Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
Bharti Airtel	1867	Buy	5,10,584	23.1	3.2	2,86,834	31.3	3.0	64,952	66.1	9.2
Bharti Hexacom	1653	Neutral	23,050	9.9	1.9	12,344	23.2	6.4	4,437	75.3	13.3
Indus Towers	352	Neutral	81,628	9.3	1.3	43,127	-11.3	-0.8	16,864	18.9	0.9
Tata Comm	1611	Neutral	60,542	7.3	1.6	12,090	15.9	6.4	3,080	214.7	46.4
Vodafone Idea	9	Sell	1,10,925	1.5	0.6	46,033	1.2	-0.2	-66,147	Loss	Loss
Telecom			**7,86,729**	**16.4**	**2.5**	**4,00,429**	**20.2**	**2.4**	**23,186**	**LP**	**43.7**

Exhibit 2: QoQ ARPU trends for private telcos (INR)



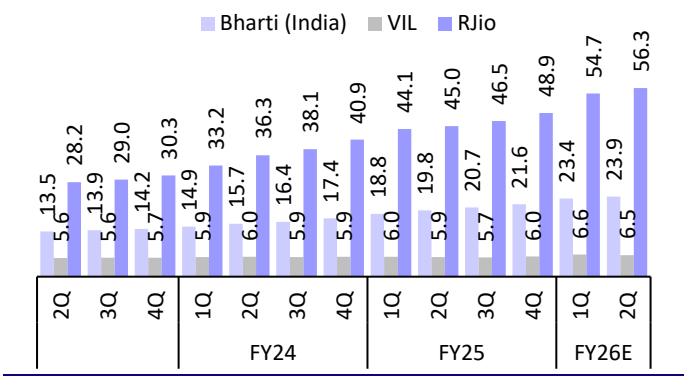
Sources: Company, MOFSL

Exhibit 3: QoQ ARPU growth trends for private telcos (%)



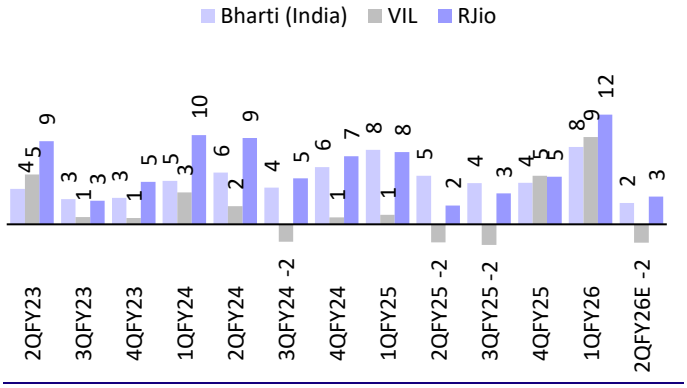
Sources: Company, MOFSL

Exhibit 4: QoQ data traffic trends for private telcos (b GB)



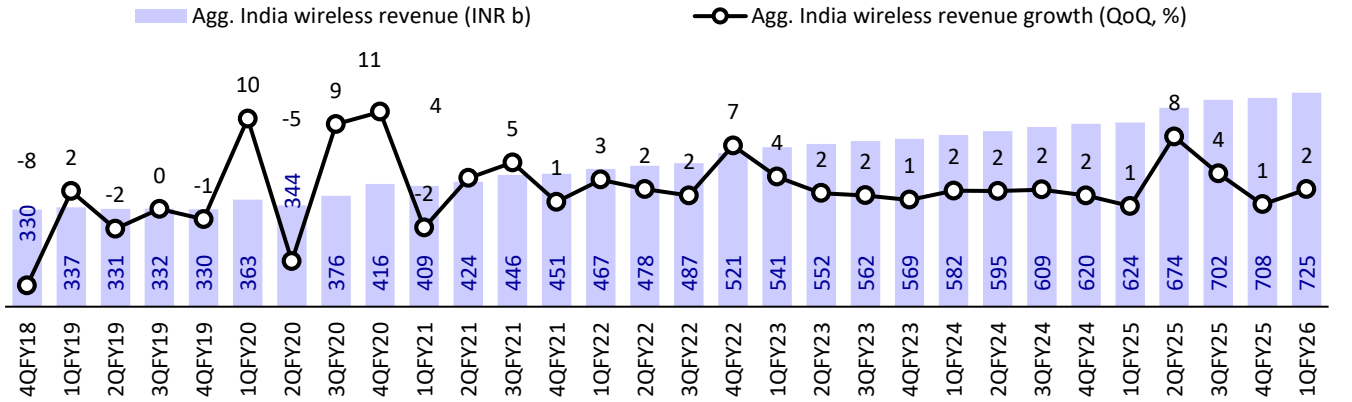
Sources: Company, MOFSL

Exhibit 5: QoQ growth trends in data traffic for private telcos (%)



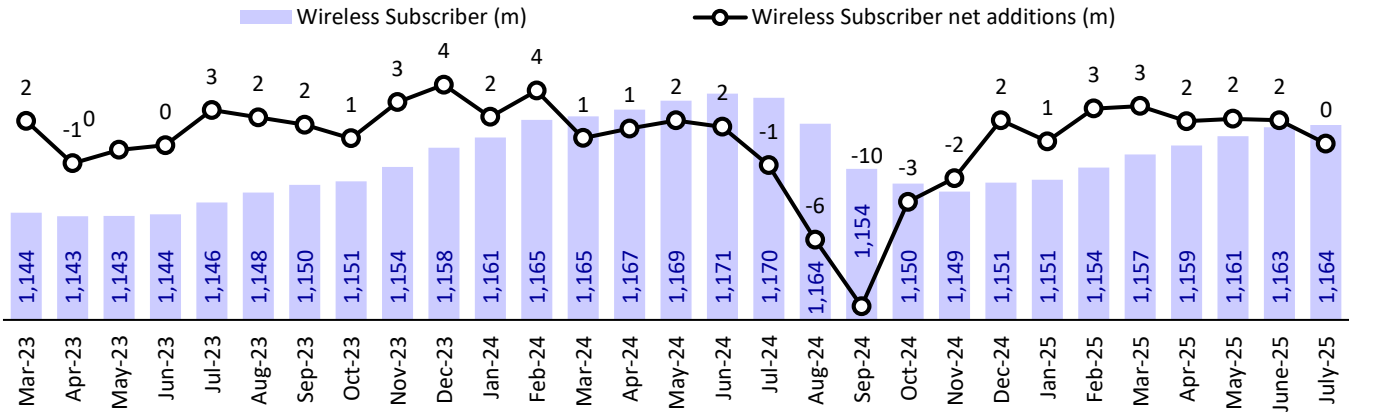
Sources: Company, MOFSL

Exhibit 6: India wireless adjusted gross revenue (AGR) and growth trends (QoQ, %)



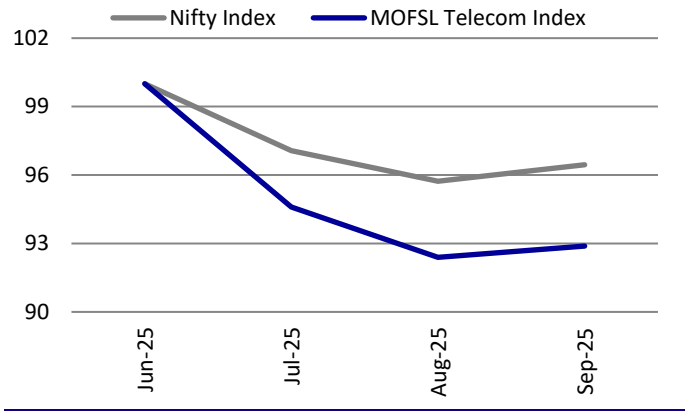
Sources: TRAI, MOFSL

Exhibit 7: Aggregate India wireless subscriber and growth trends (MoM, %)



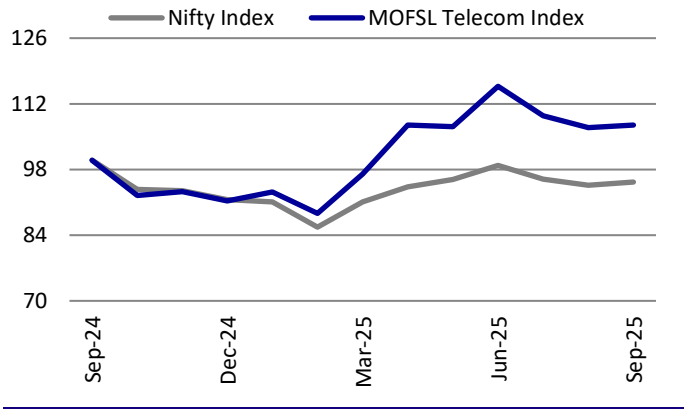
Sources: TRAI, MOFSL

Exhibit 8: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 9: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

Exhibit 10: Comparative valuation

	CMP		EPS (INR)			PE (x)			PB (x)			ROE (%)		
Company Name	**INR**	**Reco**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**	**FY26E**	**FY27E**	**FY28E**
Telecom						**123**	**56**	**32.8**	**11.8**	**10.4**	**9.7**	**9.6**	**18.7**	**29.6**
Bharti Airtel	1,867	Buy	48.9	65.3	86.1	38.2	28.6	21.7	7.9	6.1	5.2	23.0	26.2	28.3
Bharti Hexacom	1,653	Neutral	38.0	54.8	71.9	43.5	30.2	23.0	11.3	9.1	7.4	28.7	33.4	35.5
Indus Towers	352	Neutral	26.3	30.1	30.3	13.4	11.7	11.6	2.4	2.3	2.3	19.3	19.8	19.7
Tata Comm	1,611	Neutral	44.9	63.9	77.0	35.9	25.2	20.9	12.8	9.7	7.4	38.7	43.6	40
Vodafone Idea	9	Sell	-2.5	-2.4	-2.0	-3.5	-3.5	-4.2	-0.5	-0.3	-0.3	NM	NM	NM

Exhibit 11: KPI comparisons for the private telcos

	FY23				FY24				FY25				FY26E		YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2QE		
Reported EoP Subs (m)																
Bharti (India)	327	328	332	335	339	342	346	352	355	352	357	362	363	366	4.0	0.8
VIL	240	234	229	226	221	220	215	213	210	205	200	198	198	197	-4.0	-0.5
RJio*	420	428	433	439	449	460	471	482	490	479	482	488	498	506	5.6	1.5
Avg. subs (m)																
Bharti (India)	327	328	330	334	337	340	344	349	353	353	354	359	362	364	3.2	0.6
VIL	242	237	232	227	224	221	218	214	211	208	202	199	198	197	-5.0	-0.4
RJio*	415	424	430	436	444	454	465	476	486	484	480	485	493	502	3.6	1.8
ARPU (INR/month)																
Bharti (India)	183	190	193	193	200	203	208	209	211	233	245	245	250	253	8.8	1.3
VIL	128	131	135	135	139	142	145	146	146	156	163	164	165	166	6.7	0.9
RJio*	176	177	178	179	181	182	182	182	182	195	203	206	209	211	7.9	0.9
MOU/Sub (min)																
Bharti (India)	1,104	1,082	1,094	1,122	1,138	1,123	1,127	1,158	1,128	1,135	1,160	1,163	1,143	1,147	1.1	0.3
VIL	620	601	611	623	626	613	615	626	607	586	593	598	589	589	0.4	-0.1
RJio	1,001	968	984	1,004	1,002	979	981	1,008	974	977	1,013	1,024	1,007	1,000	2.3	-0.8
Voice traffic (B min)																
Bharti (India)	1,079	1,063	1,082	1,124	1,149	1,148	1,161	1,210	1,195	1,200	1,233	1,254	1,242	1,254	4.5	1.0
VIL	450	428	424	425	420	406	401	402	385	365	360	357	350	348	-4.6	-0.5
RJio*	1,246	1,230	1,270	1,313	1,335	1,334	1,370	1,440	1,420	1,420	1,460	1,490	1,490	1,505	6.0	1.0
Data usage/Sub (Gb)																
Bharti (India)	19.5	20.3	20.3	20.3	21.1	21.7	22.0	22.6	23.7	23.9	24.5	25.1	26.9	27.1	13.4	0.7
VIL	13.0	13.7	13.9	13.9	14.4	14.6	14.2	14.3	14.5	14.4	14.2	15.0	16.3	15.9	11.0	-2.5
RJio* (including FTTH)	20.8	22.2	22.4	23.1	24.9	26.6	27.3	28.6	30.3	31.0	32.3	33.6	37.0	37.4	20.8	1.2
Data traffic (B Gb)																
Bharti (India)	13.0	13.5	13.9	14.2	14.9	15.7	16.4	17.4	18.8	19.8	20.7	21.6	23.4	23.9	21.0	2.3
VIL	5.3	5.6	5.6	5.7	5.9	6.0	5.9	5.9	6.0	5.9	5.7	6.0	6.6	6.5	10.4	-2.0
RJio*	25.9	28.2	29.0	30.3	33.2	36.3	38.1	40.9	44.1	45.0	46.5	48.9	54.7	56.3	25.2	3.0

Exhibit Exhibit 13: Quarterly financials

	FY23				FY24				FY25				FY26E		YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2QE	(%)	(%)
Revenue (INR b)																
Bharti (India wireless)	182	190	194	195	204	210	216	221	225	248	263	266	274	279	12.3	1.8
Bharti (consolidated)	328	345	358	360	374	370	379	376	385	415	451	479	495	510	23.0	3.1
VIL	104	106	106	105	107	107	107	106	105	109	111	110	110	111	1.5	0.6
RJio*	219	225	230	234	240	248	254	260	265	283	293	300	309	317	11.9	2.6
EBITDA (INR b)																
Bharti (India wireless)	92	99	104	105	112	115	119	122	125	142	155	158	163	166	17.0	1.8
Bharti (consolidated)	165	176	185	187	196	195	198	194	197	218	246	270	278	287	31.2	3.0
VIL	43	41	42	42	42	43	44	43	42	45	47	47	46	46	1.2	-0.2
RJio*	110	115	120	122	126	130	133	136	139	150	155	159	167	171	14.0	2.7
EBITDA Margin (%)																
Bharti (India wireless)	50.7	52.4	53.8	53.8	54.8	54.9	55.1	55.1	55.6	57.1	58.8	59.2	59.4	59.4	*235bps*	*0bps*
Bharti (consolidated)	50.3	51.0	51.5	51.9	52.3	52.7	52.3	51.5	51.2	52.7	54.5	56.4	56.3	56.2	*352bps*	*-9bps*
VIL	41.6	38.6	39.4	40.0	39.0	40.0	40.8	40.9	40.0	41.6	42.4	42.3	41.8	41.5	*-12bps*	*-34bps*
RJio*	50.1	51.0	52.2	52.2	52.3	52.3	52.3	52.4	52.6	53.1	52.8	52.8	54.0	54.1	*103bps*	*5bps*
PAT (INR b)																
Bharti (consolidated)	16	21	21	26	29	30	25	30	29	39	55	110	59	65	65.6	8.9
VIL	(73)	(76)	(80)	(64)	(78)	(87)	(70)	(77)	(64)	(72)	(66)	(72)	(66)	(66)	-7.8	0.1
RJio*	43	45	46	47	49	51	52	53	54	62	65	66	67	69	10.9	3.0
EPS (INR)																
Bharti (consolidated)	2.8	3.8	3.7	4.6	5.1	5.2	4.4	5.2	5.1	6.8	9.5	19.0	10.3	11.2	65.5	8.9
VIL	(2.3)	(2.4)	(2.5)	(1.3)	(1.6)	(1.8)	(1.4)	(1.5)	(0.9)	(1.1)	(1.0)	(1.1)	(1.0)	(1.0)	-7.8	0.1

*- RJio's KPIs includes contribution of Home broadband business

Exhibit 14: Bharti Airtel Segmental Result

	2QFY25	1QFY26	2QFY26	YoY	QoQ
Segmental revenue (INR b)					
India (incl. Indus)	**350**	**376**	**383**	**9.4**	**1.8**
Wireless	**248**	**274**	**279**	**12.3**	**1.8**
Homes	14.3	17.2	18.5	29.2	7.7
DTH	7.6	7.6	7.6	0.3	(0.3)
Airtel Business	57	51	51	(9.0)	1.8
Passive infra	75	81	82	9.3	1.3
Africa	**102**	**121**	**131**	**29.2**	**8.7**
Consolidated	**449**	**495**	**510**	**13.6**	**3.1**
Eliminations	(54)	(56)	(59)		
Segmental EBITDA (INR b)					
India (incl. Indus)	**208**	**224**	**226**	**8.7**	**1.1**
Wireless	**142**	**163**	**166**	**17.0**	**1.8**
Homes	7.2	8.6	9.3	29.3	8.5
DTH	4.2	3.9	3.9	(9.1)	(0.7)
Airtel Business	20	22	21	1.8	(4.4)
Passive infra	50	45	44	(11.7)	(0.7)
Africa	**47**	**58**	**63**	**33.2**	**8.2**
Consolidated	**255**	**278**	**287**	**12.4**	**3.0**
Eliminations	(16)	(21)	(20)		
Segmental EBITDA margin (%)					
India (incl. Indus)	**59.4**	**59.5**	**59.0**	**(-38.7)**	**(43.9)**
Wireless	**57.1**	**59.4**	**59.4**	**235.2**	**0.5**
Homes	50.3	50.0	50.3	3.6	33.5
DTH	55.9	50.9	50.7	(524.2)	(20.2)
Airtel Business	35.7	42.6	40.0	425.4	(259.8)
Passive infra	67.3	55.4	54.3	(1,291.8)	(110.3)
Africa	**46.5**	**48.1**	**47.9**	**143.6**	**(19.3)**
Consolidated	**56.8**	**56.3**	**56.2**	**(62.9)**	**(8.6)**

Note: Restated including Indus from 1QFY25

Exhibit 15: Bharti's Key Performance Indicators

	2QFY25	1QFY26	2QFY26	YoY	QoQ
Operating metrics					
India wireless					
Wireless ARPU	**233**	**250**	**253**	**8.8**	**1.3**
EoP reported subs (m)	**351.6**	**362.8**	**365.8**	**4.0**	**0.8**
Net adds (m)	(2.9)	1.2	3.0		
EoP data subs (m)	**271.2**	**284.8**	**290.0**	**6.9**	**1.8**
Data net adds (m)	4.0	3.5	5.3		
Data subs proportion (%)	77.1	78.5	79.3	217 bp	79 bp
EoP 4G subs (m)	**263.6**	**280.7**	**286.7**	**8.7**	**2.1**
4G net adds (m)	4.2	3.9	6.0		
Homes					
Reported ARPU (INR/month)	**566**	**537**	**530**	**(6.4)**	**(1.3)**
Calculated ARPU (INR/month)	578	545	538	(6.9)	(1.3)
EoP reported subs (m)	**8.6**	**11.0**	**12.0**	**39.7**	**8.9**
Net adds ('000)	583	938	974		
DTH*					
ARPU (Rs/month)	**158**	**161**	**162**	**2.5**	**0.6**
EoP active DTH subs (m)	**15.8**	**15.7**	**15.5**	**(1.9)**	**(1.3)**
Net adds ('000)	(546.3)	(203.5)	(200.0)		

The tables below provide a snapshot of the actual and estimated numbers of companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Bharti Airtel — Buy

CMP: INR 1,867| TP: INR2,285 (+22%) — **EPS CHANGE (%): FY26|27: 3|2**

- Expect ~3% QoQ revenue growth, driven by Homes and Africa (FX benefits).
- Expect ~3% QoQ growth in cons. EBITDA as good show in Homes/Africa will be offset by lower margins in Enterprise.
- Expect ~2%/2% QoQ growth in India wireless revenue/EBITDA.
- Expect wireless ARPU of INR253 (+1% QoQ) and 3m/6m paying wireless/4G-5G net adds.

Consolidated – Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**385**	**415**	**451**	**479**	**495**	**511**	**520**	**541**	**1,730**	**2,066**
YoY Change (%)	2.8	12.0	19.1	27.3	28.5	23.1	15.3	12.9	15.3	19.4
Total Expenditure	188	196	205	209	216	224	224	231	798	895
EBITDA	**197**	**218**	**246**	**270**	**278**	**287**	**297**	**309**	**932**	**1,171**
YoY Change (%)	0.6	12.0	24.1	39.5	41.3	31.3	20.6	14.5	19.0	25.7
Depreciation	105	110	117	123	125	126	126	127	456	503
Net Finance cost	52	54	57	55	55	53	53	52	218	214
Other Income	13	13	21	5	6	5	5	4	53	20
PBT before EO expense	**53**	**68**	**93**	**97**	**105**	**113**	**122**	**134**	**311**	**475**
Extra-Ord expense	-7	9	-75	1	0	0	0	0	-73	0
PBT	**60**	**59**	**169**	**96**	**105**	**113**	**122**	**134**	**384**	**475**
Tax	13	17	8	-29	31	32	32	34	9	130
Rate (%)	21.7	29.6	4.5	-30.2	29.3	28.8	26.5	25.4	2.4	27.4
Minority Interest & P/L of Asso. Cos.	6	6	14	15	15	15	15	16	39	61
Reported PAT	**42**	**36**	**148**	**110**	**59**	**65**	**75**	**84**	**336**	**284**
Adj PAT	**29**	**39**	**55**	**52**	**59**	**65**	**75**	**84**	**176**	**284**
YoY Change (%)	0.8	32.2	121.3	76.9	103.3	66.1	35.5	61.7	55.4	61.4

Bharti Hexacom — Neutral

CMP: INR 1,653|TP: INR 1,900 (+15%) — **EPS CHANGE (%): FY26|27: -1|0**

- Expect ~2% QoQ (+10% YoY) growth in overall revenue and ~3% QoQ (13% YoY) growth in wireless customers' revenue.
- Expect ~6% QoQ (+23% YoY) growth in reported EBITDA as expenses normalize (several one-offs in 1QFY26).
- Expect wireless ARPU at INR250 (+1% QoQ) and 138k/394k paying wireless/4G net adds.

Consolidated – Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**19,106**	**20,976**	**22,507**	**22,890**	**22,630**	**23,050**	**23,817**	**25,072**	**85,479**	**94,569**
YoY Change (%)	13.6%	20.7%	25.0%	22.5%	18.4%	9.9%	5.8%	9.5%	20.6%	10.6%
Total Expenditure	10,348	10,957	10,990	11,212	11,023	10,705	10,601	11,007	43,507	43,336
EBITDA	**8,758**	**10,019**	**11,517**	**11,678**	**11,607**	**12,344**	**13,216**	**14,066**	**41,972**	**51,233**
YoY Change (%)	5.5%	21.3%	39.2%	33.0%	32.5%	23.2%	14.8%	20.4%	49.1	54.2
Depreciation	4,957	5,361	5,315	5,312	5,273	5,405	5,540	5,659	20,945	21,877
Net Finance Costs	1,615	1,754	1,802	1,712	1,541	1,510	1,480	1,416	6,883	5,948
Other Income	399	491	450	478	475	500	500	525	1,818	2,000
PBT before EO expense	**2,585**	**3,395**	**4,850**	**5,132**	**5,268**	**5,929**	**6,696**	**7,515**	**15,962**	**25,409**
Extra-Ord expense	-3,183	0	1,057	0	0	0	0	0	-2,126	0
PBT	**5,768**	**3,395**	**3,793**	**5,132**	**5,268**	**5,929**	**6,696**	**7,515**	**18,088**	**25,409**
Tax	656.0	864.0	1,184.0	448.0	1,352.0	1,492.4	1,685.4	1,891.6	3,152.0	6,395.4
Rate (%)	11.4%	25.4%	31.2%	8.7%	25.7%	25.2%	25.2%	25.2%	17.4%	25.2%
Reported PAT	**5,112**	**2,531**	**2,609**	**4,684**	**3,916**	**4,437**	**5,011**	**5,624**	**14,936**	**19,013**
Adj PAT	**1,929**	**2,531**	**3,666**	**3,802**	**3,916**	**4,437**	**5,011**	**5,624**	**12,810**	**19,013**
YoY Change (%)	-23.8%	112.8%	72.4%	70.8%	103.0%	75.3%	36.7%	47.9%	58.7%	48.4%

E: MOFSL Estimates

Indus Towers — Neutral

CMP: INR 352|TP: INR390 (11%) — **EPS CHANGE (%): FY26|27: -1|0**

- Recurring EBITDA (excl. one-offs and provision reversals) to rise ~1% QoQ.
- Expect 3.5k net tower additions in 2QFY26, while tenancy additions are likely to be higher at ~7k.

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from operations	**74**	**75**	**75**	**77**	**81**	**82**	**83**	**84**	**301**	**330**
YoY Change (%)	4.3	4.7	4.8	7.4	9.1	9.3	10.2	8.9	5.3	9.4
Total Expenditure	29	26	6	34	37	39	38	38	95	153
Provisions / (reversals)	-8	-11	-30	-2	-1	0	0	0	-51	-1
Recurring EBITDA	**37**	**38**	**39**	**41**	**43**	**43**	**45**	**46**	**156**	**176**
EBITDA	**45**	**49**	**70**	**43**	**43**	**43**	**45**	**46**	**207**	**177**
YoY Change (%)	29.4	42.2	94.1	6.2	-3.4	-11.3	-35.7	5.7	41.9	-14.3
Depreciation	16	16	16	17	17	17	18	18	64	70
Interest	4	4	3	4	4	4	4	4	14	16
Other Income	1	1	1	1	1	1	1	1	3	3
PBT before EO expense	**26**	**30**	**52**	**24**	**23**	**23**	**24**	**25**	**132**	**94**
Extra-Ord expense	-8	-11	-30	-2	-1	0	0	0	-51	-1
PBT	**18**	**19**	**22**	**21**	**22**	**23**	**24**	**25**	**81**	**93**
Tax	7	8	12	6	6	6	6	6	32	24
Rate (%)	25.7	25.4	23.3	24.7	25.6	25.2	25.2	25.2	24.5	
Reported PAT	**19**	**22**	**40**	**18**	**17**	**17**	**18**	**18**	**99**	**70**
Adj PAT	**14**	**14**	**17**	**16**	**17**	**17**	**18**	**18**	**61**	**70**
YoY Change (%)	-3.9	1.7	9.6	1.7	23.1	18.9	2.4	13.9	2.4	13.8

E: MOFSL Estimates

Reliance Jio

CMP: NR|TP: NR — **EPS CHANGE (%): FY26|27: -1|-1**

- Expect ~3% QoQ revenue growth, driven by one extra day QoQ and continued momentum on home broadband.
- Build in ~1% QoQ increase in reported ARPU to INR211 and 7.5m/4.8m overall/wireless subscriber net adds.
- Expect ~3% QoQ EBITDA growth with margins expanding ~5bp QoQ to 54.1%.

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Revenue	**265**	**283**	**293**	**300**	**309**	**317**	**327**	**337**	**1,141**	**1,290**
YoY Change (%)	10.1	14.5	15.5	15.6	16.6	11.9	11.6	12.4	14.0	13.0
Total Expenditure	126	133	138	142	142	146	150	154	539	591
EBITDA	**139**	**150**	**155**	**159**	**167**	**171**	**177**	**184**	**603**	**699**
Margins (%)	52.6	53.1	52.8	52.8	54.0	54.1	54.2	54.4	52.8	54.2
Depreciation	56	57	58	59	62	64	66	68	231	260
Finance Cost	11	11	13	13	21	21	22	22	48	86
Other Income	1	2	3	3	6	7	7	7	9	26
PBT	**73**	**84**	**87**	**89**	**90**	**93**	**96**	**100**	**333**	**379**
Tax	19	21	22	23	23	24	24	26	85	97
Rate (%)	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%
PAT	**54**	**62**	**65**	**66**	**67**	**69**	**72**	**75**	**248**	**282**
Margins (%)	20.6	22.0	22.1	22.1	21.7	21.8	21.9	22.1	21.7	21.9
YoY Change (%)	12.0	23.2	24.4	24.5	23.3	10.9	10.5	12.4	21.2	13.9

Tata Communications — Neutral

CMP: INR 1,611|TP: INR 1,685 (+5%) — **EPS CHANGE (%): FY26|27:-1|0**

- We expect a 1.4% QoQ (8% YoY) uptick in data revenue, driven by continued momentum in DPS (+16% YoY).
- We expect 1.6% QoQ (6% YoY) growth in the overall revenue.
- We expect the consolidated EBITDA margin to expand ~90bp QoQ to 20%, driven by lower losses in digital portfolio.

Consolidated Quarterly performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	**55.9**	**56.4**	**57.7**	**59.9**	**59.6**	**60.5**	**62.6**	**63.1**	**229.9**	**245.9**
YoY Change (%)	17.2	15.8	2.4	5.2	6.6	7.3	8.5	5.4	9.7	6.9
Total Expenditure	44.6	46.0	46.2	48.7	48.2	48.5	49.7	50.3	185.4	196.7
EBITDA	**11.4**	**10.4**	**11.5**	**11.2**	**11.4**	**12.1**	**12.9**	**12.8**	**44.5**	**49.1**
YoY Change (%)	11.0	2.7	1.6	6.2	0.0	15.9	11.7	14.1	5.3	10.3
EBITDA Margin (%)	20.3	18.5	20.0	18.7	19.1	20.0	20.6	20.3	19.4	20.0
Depreciation	6.3	6.5	6.4	6.7	6.7	6.7	6.8	6.5	25.9	26.7
Interest	1.7	1.9	1.9	1.8	1.8	1.8	1.7	1.6	7.3	6.8
Other Income	0.2	0.1	0.3	0.7	0.2	0.3	0.3	0.4	1.3	1.1
PBT before EO expense	**3.5**	**2.2**	**3.6**	**3.4**	**3.1**	**3.9**	**4.7**	**5.0**	**12.6**	**16.7**
Exceptional (gain)/loss	-0.9	-1.3	-0.1	-5.8	0.2	0.0	0.0	0.0	-8.1	0.2
PBT	**4.4**	**3.4**	**3.7**	**9.1**	**2.9**	**3.9**	**4.7**	**5.0**	**20.7**	**16.5**
Tax	0.9	1.0	1.3	1.8	0.7	0.9	1.1	1.1	4.9	3.7
Rate (%)	19.7	28.3	34.0	19.2	22.5	22.5	22.5	22.5	23.5	22.5
MI & P/L of Asso. Cos.	0.2	0.2	0.1	-3.0	0.4	-0.1	-0.1	-0.1	-2.5	0.2
Reported PAT	**3.3**	**2.3**	**2.4**	**10.4**	**1.9**	**3.1**	**3.7**	**3.9**	**18.4**	**12.6**
Adj PAT	**2.5**	**1.0**	**2.2**	**4.6**	**2.1**	**3.1**	**3.7**	**3.9**	**10.3**	**12.8**
YoY Change (%)	-34.9	-55.8	-3.5	23.9	-14.9	214.7	66.0	-15.4	-14.5	24.2

E: MOFSL Estimates

Vodafone Idea — Sell

CMP: INR 8.5|TP: INR6.5 (-24%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect ~1% QoQ revenue growth as benefit of one extra day is partly offset by continued subscriber base declines.
- ARPU is likely to increase ~1% QoQ to INR166, while the subscriber base is expected to decline by ~1m.
- Expect reported EBITDA to remain flat QoQ (+1% YoY) with EBITDA margin contracting ~30bp QoQ to 41.5%. Pre-INDAS 116 EBITDA likely to decline 2% QoQ to INR21.4b.

Consolidated – Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3Q	4Q		
Revenue	**105**	**109**	**111**	**110**	**110**	**111**	**112**	**116**	**436**	**449**
YoY Change (%)	-1.4	2.0	4.2	3.8	4.9	1.5	1.0	5.3	2.2	3.1
Total Expenditure	63	64	64	64	64	65	65	65	254	259
EBITDA	**42**	**45**	**47**	**47**	**46**	**46**	**47**	**51**	**181**	**190**
YoY Change (%)	1.1	6.2	8.3	7.5	9.7	1.2	-0.4	9.6	5.8	4.9
Depreciation	54	54	56	56	55	55	55	54	220	219
Net Finance Costs	53	63	57	63	58	57	61	62	235	238
PBT before EO expense	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-267**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-267**
Tax	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Rate (%)	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Reported PAT	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-267**
Adj PAT	**-64**	**-72**	**-66**	**-72**	**-66**	**-66**	**-69**	**-65**	**-274**	**-267**
YoY Change (%)	-18.0	-17.9	-14.6	-6.6	2.7	-7.8	4.8	-8.8	-14.4	-2.5

E:MOFSL Estimates

Utilities

Company name
ACME Solar
IEX
INOX Wind
JSW Energy
NTPC
Power Grid
Suzlon Energy
Tata Power

Power demand remains muted, renewables hold steady

- India's overall power generation fell by 3.2% YoY in 2QFY26 to 448.7BUs mainly on account of weak demand due to an extended monsoon. In July-Aug'25, the country added a significant 7.9GW of renewable capacity (largely solar) and 2.1 GW of thermal capacity.
- **Key highlights: JSW Energy's** EBITDA is estimated to grow 9% QoQ/80% YoY, aided by 3GW of renewable additions and contributions from the KSK Mahanadi acquisition and Utkal Unit 2 (350MW), which commenced operation in 4QFY25. **NTPC** is likely to report a muted quarter, with adjusted PAT growth of 4% YoY amid limited new capacity additions and soft power demand in 2Q. We estimate **Tata Power's** EBITDA to be flat YoY as weak profitability at the Mundra power plant (due to expiry of section XI) is likely to be offset by 1) contribution from additional 0.6GW of renewable assets commissioned on YoY basis, 2) rising contribution from the now fully ramped-up solar cell and module business; and 3) continued robust earnings momentum from the solar rooftop and Odisha distribution businesses. For **PowerGrid**, EBITDA/adj. PAT are anticipated to rise 5%/6% YoY, as capex and capitalization improved YoY. **Suzlon's** revenue/EBITDA should improve 32%/44% YoY, as we expect execution of ~365MW of wind turbine orders in 2Q, up 42% YoY.
- **We have BUY rating on JSWE, ACME and SUEL, and Neutral on IEX and NTPC.**

India's power generation down 3.2% YoY in 2QFY26

- Total power generation in India declined 3.2% YoY in 2QFY26 to 448.7BUs.
- **While** generation from renewable sources **remained stagnant YoY** at **71.0**BUs**, generation from conventional sources slumped 3.76% YoY to 377.7BUs.**

Renewable Surge Fuels 10.7 GW Capacity Additions in Jul–Aug '25

- In July-Aug'25, the renewable energy (RE) sector added significant power generation capacity of 7.9GW (~87% solar installations and 13% wind).
- **In conventional sources, thermal capacity (coal and gas) was increased by 2.1GW in July-Aug'25 to 244GW.**
- This signals resilience in capacity additions for conventional sources, even as RE sources continue to capture the attention of investors and policymakers.
- The nation's gas capacity totaled 20.1GW at Aug'25 end, remaining constant vis-à-vis Jun'25, while hydro added 0.7GW, bringing the nation's total installed capacity to 489GW.

Power demand softens amid cooling temperatures

- During FY22-24, India witnessed power demand growth of 7-9% annually, driven by strong economic activity and rising consumption. However, in FY25, this momentum moderated, with demand growth easing to ~5%.
- In Jul–Aug'25, power demand growth moderated to ~3.2% YoY, weighed down by relatively milder temperatures from a stronger-than-average monsoon and the impact of a high base from last year.
- In Jul-Aug'25, India's peak power demand rose to 230GW vs. 227GW in Jul-Aug'24.

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Transmission and substation expansion falls short of targets in Jul-Aug'25

- During Jul-Aug'25, transmission line commissioning stood at 973ckm, achieving 84% of the targeted 1,157ckm for the period.
- Substation capacity additions also fell short of targets, with only 15,515 MVA commissioned against the planned 23,910 MVA.

Exhibit 1: Key snapshot

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26**	2QFY26*
Total generation growth (%)	**5.4**	**5.2**	**0.7**	**-0.6**	**8.1**	**9.0**	**7.2**	**5.0**	**-1.7**	**-3.2**
Conv. Generation growth (%)	4.1	3.6	0.0	-1.6	7.1	7.7	6.7	4.0	-5.8	-3.8
RE generation growth (%)	24.9	24.4	7.8	7.7	16.2	19.1	10.9	11.7	24.8	0.0

**1QFY26 compared with 1QFY25 | *2QFY26 compared with 2QFY25; Source: CEA, NPP, MOFSL

Exhibit 2: Capacity addition (GW)

Capacity addition (GW)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Apr-Aug'25
Thermal	5.4	3.4	4.3	4.1	1.4	1.2	5.9	3.7	-2.8
Nuclear	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.6
Hydro	0.8	0.1	0.3	0.5	0.5	0.1	0.1	0.8	2.4
Solar	9.4	6.5	6.4	5.5	13.9	12.8	15.0	23.8	17.5
Wind	1.8	1.6	2.1	1.6	1.1	2.3	3.3	4.2	2.6
Other RE	0.6	0.5	0.9	0.4	0.4	0.2	0.2	0.7	0.0
Total capacity addition	**18.0**	**12.1**	**14.0**	**12.0**	**17.3**	**16.6**	**25.9**	**33.3**	**20.3**

Source: CEA, NPP, MOFSL

Exhibit 3: All-India installed capacity (GW)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Aug'25 end
Thermal	222.9	226.3	230.6	234.7	236.1	237.3	243.2	246.9	243.0
Nuclear	6.8	6.8	6.8	6.8	6.8	6.8	8.2	8.2	8.8
Hydro	45.3	45.4	45.7	46.2	46.7	46.9	46.9	47.7	49.6
Solar	21.7	28.2	34.6	40.1	54.0	66.8	81.8	105.6	119.0
Wind	34.0	35.6	37.7	39.2	40.4	42.6	45.9	50.0	52.1
Other RE	13.3	13.8	14.7	15.1	15.5	15.7	15.9	16.7	16.7
Total capacity (GW)	**344.0**	**356.1**	**370.1**	**382.2**	**399.5**	**416.1**	**442.0**	**475.2**	**489.2**

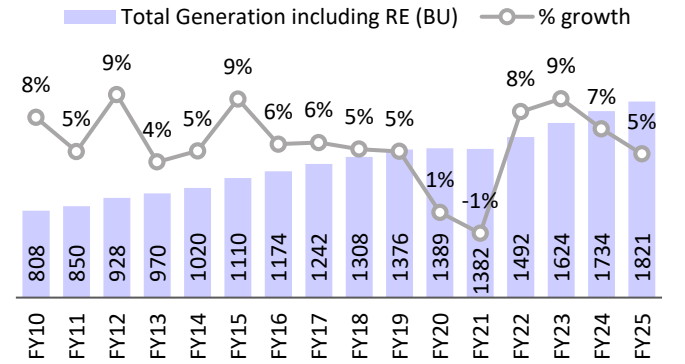
Source: CEA, NPP, MOFSL

Exhibit 4: Summary of the Jun'25-quarter earnings estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ	Sep-25	Var % YoY	Var % QoQ
ACME Solar	288	Buy	4,559	75.6	-10.8	4,007	81.5	-12.5	980	540.4	-33.2
Indian Energy Exch.	141	Neutral	1,542	10.7	10.2	1,315	9.3	15.4	1,159	9.3	2.6
Inox Wind	142	Buy	12,167	66.2	47.3	2,185	26.3	18.9	1,065	14.6	0.6
JSW Energy	537	Buy	56,970	76.0	10.8	30,306	79.9	8.7	8,363	-2.0	12.5
NTPC	340	Neutral	4,53,461	12.4	6.5	1,18,444	22.4	15.2	43,644	3.9	-1.1
Power Grid Corp.	281	Buy	1,06,906	4.2	7.7	92,182	4.9	13.6	37,188	6.2	7.0
Suzlon Energy	55	Buy	27,852	32.4	-11.1	4,225	43.6	-29.5	1,993	-0.9	-38.6
Tata Power	391	Buy	1,83,632	17.0	1.8	37,344	-0.3	-9.8	10,522	-2.3	-0.7
Utilities			**8,47,090**	**16.4**	**5.5**	**2,90,008**	**17.4**	**8.7**	**1,04,914**	**4.4**	**1.1**

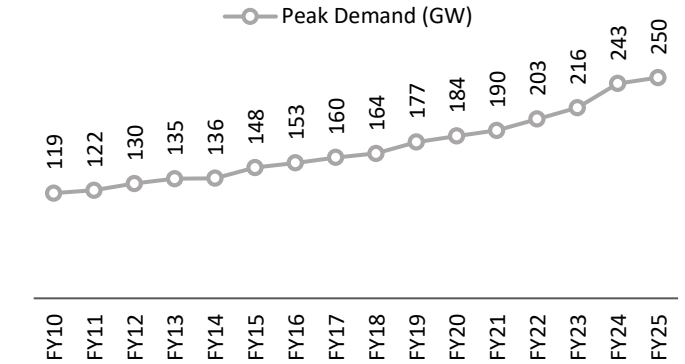
Source: MOFSL

Exhibit 5: India's power demand growth



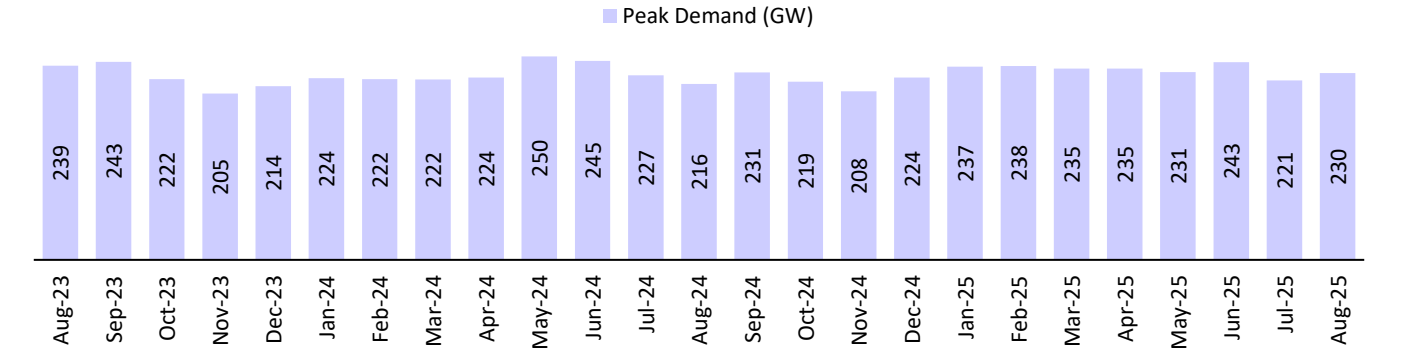
Source: CEA, MOFSL

Exhibit 6: Peak demand growth



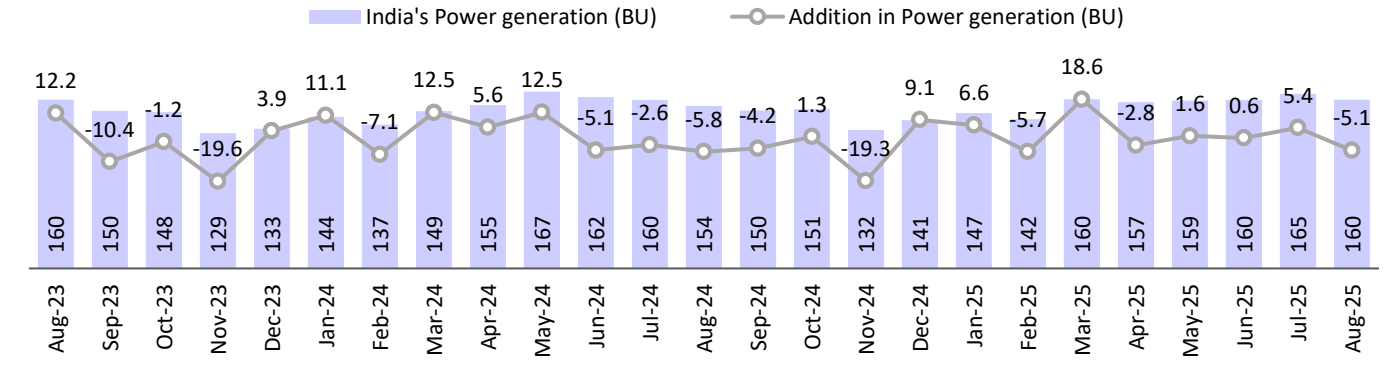
Source: CEA, MOFSL

Exhibit 7: India's peak demand (GW)



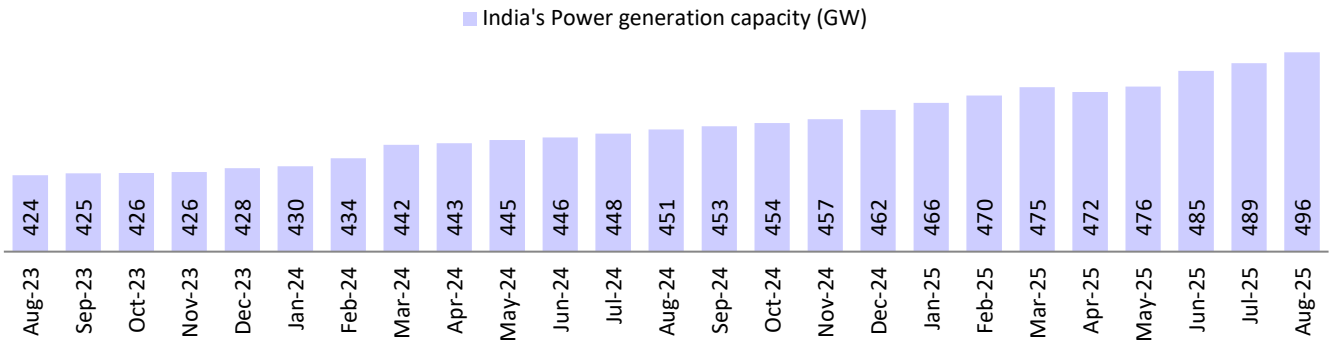
Source: CEA, MOFSL

Exhibit 8: India's power generation



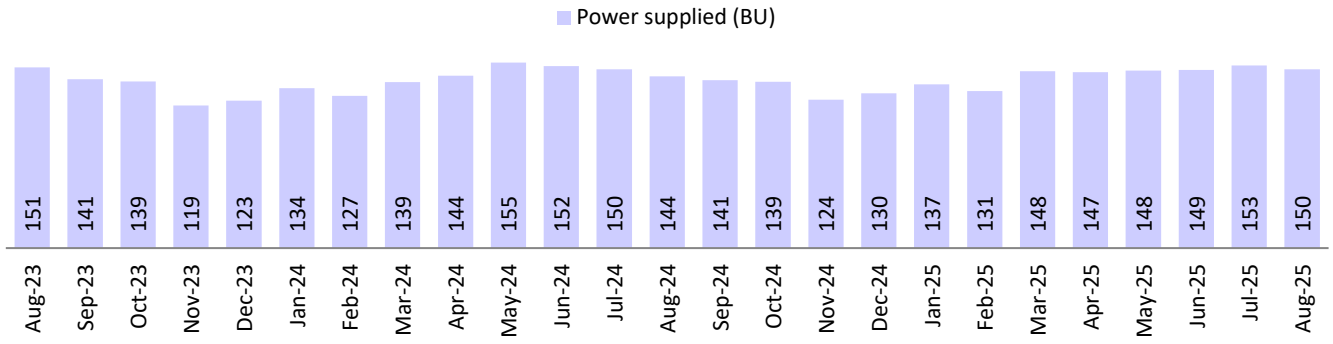
Source: NPP, MOFSL

Exhibit 9: India's power generation capacity



Source: NPP, MOFSL

Exhibit 10: India's power supplied/demand



Source: CEA, MOFSL

Exhibit 11: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Utilities						**18**	**16**	**13.8**	**2.5**	**2.2**	**2.0**	**13.5**	**14.3**	**14.6**
ACME Solar	288	Buy	9.0	10.7	24.5	32.0	27.0	11.8	3.5	3.1	2.4	11.4	12.1	23.2
Indian Energy Exch.	141	Neutral	5.2	5.4	5.7	27.0	26.3	24.7	9.8	8.5	7.5	39.2	34.7	32.3
Inox Wind	142	Buy	3.9	6.6	7.4	36.6	21.5	19.1	4.3	3.6	3.0	12.5	18.1	17.1
JSW Energy	537	Buy	12.6	17.0	25.8	42.5	31.6	20.8	3.2	2.9	2.6	7.8	9.7	13.3
NTPC	340	Neutral	24.8	28.2	31.6	13.7	12.1	10.8	1.7	1.6	1.4	13.0	13.6	13.9
Power Grid Corp.	281	Buy	18.7	19.8	20.8	15.0	14.2	13.5	2.6	2.4	2.3	18.1	17.8	17.3
Suzlon Energy	55	Buy	1.3	2.3	2.4	43.5	24.5	23.0	9.6	6.9	5.3	24.9	32.9	26.1
Tata Power	391	Buy	13.4	17.5	20.3	29.2	22.3	19.2	3.2	2.8	2.5	11.4	13.5	14.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ACME Solar — Buy

CMP: INR288 | TP: INR370 (+29%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue likely to grow ~76% YoY, driven by contributions from 350MW (300MW solar/50MW wind) of newly commissioned capacity in 1Q.
- On QoQ basis, revenue may fall 11% to INR4.6b as 2Q is a seasonally weak quarter due to monsoons.
- EBITDA to decrease 12% QoQ to INR4.0b, with EBITDA margins at 88%.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**3,096**	**2,596**	**3,490**	**4,869**	**5,110**	**4,559**	**5,857**	**7,102**	**14,051**	**22,627**
YoY Change (%)	-0.2	-20%	5%	65%	65%	76%	68%	46%	7%	61%
Total Expenditure	379	388	418	511	532	552	702	909	1,697	2,694
EBITDA	**2,717**	**2,208**	**3,072**	**4,357**	**4,578**	**4,007**	**5,155**	**6,193**	**12,354**	**19,933**
Margin (%)	88%	85%	88%	89%	90%	88%	88%	87%	88%	88%
Depreciation	556	599	697	1,022	1,076	1,125	1,136	1,254	2,873	4,590
Interest	1,963	1,783	1,791	2,055	2,330	2,371	2,509	2,887	7,592	10,097
Other Income	304	356	518	524	730	796	245	245	1,701	2,016
PBT before EO expense	**503**	**181**	**1,103**	**1,803**	**1,903**	**1,306**	**1,754**	**2,297**	**3,590**	**7,261**
Extra-Ord income/(exp.)	0	0	-69	-141	-159	0	0	0	-210	-159
PBT	**503**	**181**	**1,034**	**1,663**	**1,744**	**1,306**	**1,754**	**2,297**	**3,380**	**7,102**
Tax	489	28	-87	442	436	327	430	612	872	1,804
Tax rate	97%	16%	-8%	27%	25%	25%	25%	27%	26%	25%
Minority Interest	0.0	0.0	0.0	-12.9	-0.1	0.0	0.0	0.0	-12.9	-0.1
Reported PAT	**14**	**153**	**1,121**	**1,234**	**1,308**	**980**	**1,325**	**1,685**	**2,521**	**5,298**
Adj PAT	**14**	**153**	**1,190**	**1,374**	**1,467**	**980**	**1,325**	**1,685**	**2,731**	**5,457**
YoY Change (%)	-1.0	LP	206%	LP	10465%	540%	11%	23%	LP	100%
Margin (%)	0%	6%	34%	28%	29%	21%	23%	24%	19%	24%

IEX — Neutral

CMP: INR141 | TP: INR148 (+5%) — **EPS CHANGE (%): FY26|27: 3|10**

- IEX is projected to report revenue growth of ~11% YoY to ~INR1.6b.
- EBITDA is expected to rise 9% YoY to ~INR1.3b.
- The positive outlook is driven by 7% YoY growth in electricity volumes to ~39,362MUs in 2Q, driven by strong uptick of ~39% YoY in RTM volumes, which is offset by ~29% QoQ fall in REC volumes.

Standalone Qtrly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1,236**	**1,392**	**1,313**	**1,413**	**1,400**	**1,542**	**1,552**	**1,551**	**5,354**	**6,045**
YoY Change (%)	18.8	28.3	13.9	16.5	13.3	10.7	18.2	9.8	19.2	12.9
EBITDA	**1,000**	**1,203**	**1,128**	**1,220**	**1,139**	**1,315**	**1,331**	**1,337**	**4,551**	**5,122**
Margin (%)	81.0	86.4	85.9	86.3	81.4	85.2	85.8	86.2	85.0	84.7
Depreciation	52	53	54	53	54	54	54	54	212	217
Interest	7	7	7	6	6	7	7	7	26	26
Other Income	308	286	285	310	425	285	300	306	1,189	1,316
PBT before EO items	**1,249**	**1,429**	**1,353**	**1,471**	**1,504**	**1,539**	**1,571**	**1,582**	**5,502**	**6,195**
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0
PBT	**1,249**	**1,429**	**1,353**	**1,471**	**1,504**	**1,539**	**1,571**	**1,582**	**5,502**	**6,195**
Tax	315	368	322	351	374	379	387	387	1,356	1,526
Rate (%)	25.2	25.8	23.8	23.8	24.8	24.6	24.6	24.4	24.6	24.6
JV and Associates	0	0	0	0	0	0	0	0	0	0
Reported PAT	**934**	**1,061**	**1,031**	**1,120**	**1,130**	**1,159**	**1,184**	**1,195**	**4,146**	**4,669**
Adj PAT	**934**	**1,061**	**1,031**	**1,120**	**1,130**	**1,159**	**1,184**	**1,195**	**4,146**	**4,669**
YoY Change (%)	26.0	28.0	15.5	17.8	21.0	9.3	14.8	6.7	21.4	12.6
Margin (%)	75.6	76.2	78.6	79.3	80.8	75.2	76.3	77.1	77.5	77.2

INOX Wind — Buy

CMP: INR142 | TP: INR168 (+18%) — **EPS CHANGE* (%): FY26|27: -7|4**

- INOX Wind is projected to report revenue growth of ~66% YoY, supported by turnkey projects and execution of ~200MW wind orders.
- EBITDA to increase 26% YoY to ~INR2.2b.

* Refers to PAT change as the number of shares has changed significantly after the merger of Inox Wind Energy with Inox Wind.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**6,388**	**7,322**	**9,113**	**12,748**	**8,263**	**12,167**	**19,307**	**23,988**	**35,572**	**63,725**
YoY Change (%)	83%	98%	81%	142%	29%	66%	112%	88%		
EBITDA	**1,361**	**1,729**	**2,037**	**2,543**	**1,837**	**2,185**	**3,570**	**4,256**	**7,572**	**11,847**
Margin (%)	21%	24%	22%	20%	22%	18%	18%	18%	21%	19%
Depreciation	416	444	473	477	487	551	588	624	1,823	2,250
Interest	582	443	345	348	338	477	482	670	1,690	1,966
Other Income	117	95	835	358	363	330	375	432	1,444	1,500
PBT before EO expense	**480**	**938**	**2,055**	**2,076**	**1,376**	**1,487**	**2,875**	**3,394**	**5,503**	**9,131**
Extra-Ord income/(exp.)	0	0	-135	0	0	0	0	0	-135	0
PBT	**480**	**938**	**1,920**	**2,076**	**1,376**	**1,487**	**2,875**	**3,394**	**5,368**	**9,131**
Tax	8	36	804	173	402	320	633	655	1,018	2,009
Rate (%)	2%	4%	42%	8%	29%	22%	22%	19%	19%	22%
Share of JV & associates	0	0	0	0	0	0	0	0	0	0
Profit from continued operations	**472**	**902**	**1,116**	**1,903**	**973**	**1,167**	**2,243**	**2,739**	**4,351**	**7,122**
Profit from Discontinued Operations before tax	23	-7	-15	0	0	0	0	0	0	0
Tax Credit from (Discontinued operations)	10	7	9	0	0	0	0	0	26	0
Minority Interest	-14	-27	-50	-15	-85	102	115	273	-106	406
Reported PAT	**518**	**929**	**1,160**	**1,918**	**1,059**	**1,065**	**2,128**	**2,466**	**4,482**	**6,717**
Adj PAT	**486**	**929**	**1,244**	**1,918**	**1,059**	**1,065**	**2,128**	**2,466**	**4,565**	**6,717**
YoY Change (%)	LP	LP	3813%	201%	118%	15%	71%	29%	LP	47%
Margin (%)	8%	13%	14%	15%	13%	9%	11%	10%	13%	11%

JSW Energy — Buy

CMP: INR537 | TP: INR626 (+17%) — **EPS CHANGE (%): FY26|27: 0|1**

- EBITDA is anticipated to grow 9% QoQ/80% YoY to INR30.3b, driven by fresh 3GW of RE additions and contributions from the KSK Mahanadi acquisition and Utkal Unit-2 (350MW). Adj. PAT would rise ~13% QoQ/fall 2% YoY to INR8.4b.
- 2Q is seasonally strong for JSWE due to exposure in wind and hydro power generation, which do well in the Jul-Sep period. Historically, 1H has contributed 50-60% of annual EBITDA.

Consolidated performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**28.8**	**32.4**	**24.4**	**31.9**	**51.4**	**57.0**	**46.8**	**46.7**	**117.5**	**217.6**
YoY Change (%)	-1.7	4.8	-4.1	15.7	78.6	76.0	91.9	46.3	3.8	85.3
Total Expenditure	14.6	15.5	15.3	19.8	23.5	26.7	25.2	27.7	65.2	118.9
EBITDA	**14.2**	**16.8**	**9.1**	**12.0**	**27.9**	**30.3**	**21.6**	**18.9**	**52.2**	**98.7**
Margin (%)	49.2	52.0	37.5	37.8	54.2	53.2	46.1	40.6	44.4	45.4
Depreciation	3.8	3.9	4.1	4.8	7.4	7.8	8.0	8.1	16.5	31.2
Interest	5.1	5.2	5.6	6.8	13.1	12.7	11.8	10.0	22.7	47.6
Other Income	1.6	2.2	2.0	2.1	2.7	2.5	2.6	2.7	7.9	10.4
PBT before EO expense	**6.9**	**10.0**	**1.4**	**2.6**	**10.1**	**12.3**	**4.4**	**3.5**	**20.9**	**30.3**
Extra-Ord income/(exp.)	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0
PBT	**6.9**	**10.0**	**1.4**	**3.6**	**10.1**	**12.3**	**4.4**	**3.5**	**21.9**	**30.3**
Tax	1.6	1.3	-0.1	-0.5	1.8	3.1	1.1	0.4	2.3	6.4
Rate (%)	23.6	12.9	-5.1	-15.1	17.7	25.0	24.5	12.1	10.5	21.0
Minority Interest	0.1	0.2	-0.1	0.1	0.9	0.9	0.2	0.1	0.3	2.1
Share of JV & associates	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.2	0.2
Reported PAT	**5.2**	**8.5**	**1.7**	**4.1**	**7.4**	**8.4**	**3.1**	**3.1**	**19.5**	**22.0**
Adj PAT	**5.2**	**8.5**	**1.7**	**2.9**	**7.4**	**8.4**	**3.1**	**3.1**	**18.4**	**22.0**
YoY Change (%)	80.0	19.0	-27.4	-16.6	42.4	-2.0	87.6	5.0	15.6	19.9
Margin (%)	18.1	26.4	6.9	9.2	14.4	14.7	6.7	6.6	15.6	10.1

NTPC — Neutral

CMP: INR340 | TP: INR378 (+11%) — **EPS CHANGE (%): FY26|27: -5|-3**

- Its standalone financial outlook indicates 12% YoY and 7% QoQ revenue growth at ~INR456b.
- EBITDA is expected to grow 22% YoY to INR118b, mainly attributable to a high base of other expenses in 2QFY25.
- Adjusted PAT is estimated to increase ~4% YoY amid limited capacity additions.
- On YoY basis, adj. PAT is estimated to fall ~1% QoQ as 2Q is a seasonally weak quarter.

Standalone performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**444.2**	**403.3**	**413.5**	**439.0**	**425.7**	**453.5**	**459.5**	**468.4**	**1,700.4**	**1,807.1**
YoY Change (%)	13.5	-1.3	4.8	3.2	-4.2	12.4	11.1	6.7	5.0	6.3
EBITDA	**124.5**	**96.8**	**119.6**	**112.6**	**102.8**	**118.4**	**139.8**	**153.0**	**453.7**	**514.1**
Margin (%)	28.0	24.0	28.9	25.6	24.2	26.1	30.4	32.7	26.7	28.4
Depreciation	36.5	36.5	37.2	40.3	38.7	38.8	39.1	39.6	150.6	156.2
Interest	26.5	31.1	22.0	31.0	28.4	28.4	29.8	29.1	110.6	115.6
Other Income	6.3	9.2	9.5	19.1	7.6	8.0	7.7	11.3	43.8	34.6
PBT incl. Regulatory items	61.7	60.5	66.3	81.0	62.6	59.3	78.7	95.6	269.5	296.1
Extra-Ord inc/(exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PBT	**61.7**	**60.5**	**66.3**	**81.0**	**62.6**	**59.3**	**78.7**	**95.6**	**269.5**	**296.1**
Tax	16.6	14.0	19.1	23.2	14.8	15.6	17.9	28.7	73.0	77.0
Rate (%)	26.9	23.2	28.9	28.7	23.7	26.3	22.7	30.0	27.1	26.0
Reported PAT	**45.1**	**46.5**	**47.1**	**57.8**	**47.7**	**43.6**	**60.8**	**67.0**	**196.5**	**219.1**
Adj PAT	**41.9**	**42.0**	**46.2**	**50.0**	**44.1**	**43.6**	**60.8**	**67.0**	**180.2**	**215.5**
YoY Change (%)	13.9	28.9	6.0	0.4	5.2	3.9	31.6	33.9	-16.2	19.6
Margin (%)	9.4	10.4	11.2	11.4	10.4	9.6	13.2	14.3	10.6	11.9

Power Grid — Buy

CMP: INR281 | TP: INR346 (+23%) — **EPS CHANGE (%): FY26|27: 4|4**

- Standalone revenue is expected to inch up by 4% YoY to ~INR106b.
- EBITDA/adj. PAT are anticipated to rise 5%/6% YoY, as capex and capitalization improve YoY.

Standalone Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**100.7**	**102.6**	**101.2**	**109.8**	**99.3**	**106.9**	**105.5**	**120.1**	**417.1**	**431.7**
YoY Change (%)	-1.7	5.3	-5.2	-0.6	-1.4	4.2	4.2	9.3	-0.3	3.5
EBITDA	**87.4**	**87.9**	**85.2**	**92.2**	**81.2**	**92.2**	**89.6**	**107.2**	**355.6**	**370.2**
YoY Change (%)	-2.9	3.0	-9.3	0.9	-7.2	4.9	5.1	16.2	-1.7	4.1
As of % Sales	86.8	85.6	84.2	84.0	81.8	86.2	85.0	89.3	85.2	85.7
Depreciation	30.7	31.6	30.7	30.4	29.7	33.6	32.7	35.3	123.5	131.4
Interest	21.6	26.0	21.3	25.9	23.0	25.8	21.1	24.1	94.8	94.0
Other Income	7.8	11.2	14.9	15.0	13.3	11.5	15.2	10.1	48.9	50.1
Extraordinary Inc / (Exp)	-0.6	2.5	0.4	0.5	2.1	0.0	0.0	0.0	0.0	2.1
PBT	**42.3**	**43.9**	**48.5**	**51.4**	**43.9**	**44.2**	**51.0**	**57.9**	**186.2**	**197.0**
Tax	8.2	6.8	9.6	8.1	7.3	7.0	9.9	9.5	32.7	33.8
Effective Tax Rate (%)	19.4	15.5	19.8	15.7	16.7	15.9	19.5	16.4	17.5	17.1
Reported PAT	**34.1**	**37.1**	**38.9**	**43.4**	**36.5**	**37.2**	**41.1**	**48.4**	**153.5**	**163.2**
YoY Change (%)	-3.7	-3.2	-1.9	5.0	7.1	0.2	5.6	11.6	-0.8	6.3
Adjusted PAT	**34.6**	**35.0**	**38.6**	**42.9**	**34.7**	**37.2**	**41.1**	**48.4**	**151.2**	**161.4**
YoY Change (%)	-8.7	4.8	-0.4	0.5	0.4	6.2	6.6	12.7	-1.1	6.8

Suzlon Energy — Buy

CMP: INR55 | TP: INR80 (+45%) — **EPS CHANGE (%): FY26|27: 6|-2**

- Revenue expected to grow ~32% YoY as we expect execution of ~365MW of wind turbine orders in 2Q, up 42% YoY/down 18% QoQ.
- EBITDA is likely to increase 44% YoY to ~INR6b. EBITDA margins are expected to be ~15%.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**20,216**	**21,034**	**29,748**	**37,899**	**31,317**	**27,852**	**51,075**	**59,797**	**108,897**	**170,042**
YoY Change (%)	50%	48%	91%	73%	55%	32%	72%	58%	67%	56%
Total Expenditure	16,515	18,092	24,753	30,965	25,327	23,627	41,654	49,995	90,325	140,603
EBITDA	**3,701**	**2,942**	**4,995**	**6,935**	**5,991**	**4,225**	**9,421**	**9,802**	**18,572**	**29,439**
Margin (%)	18%	14%	17%	18%	19%	15%	18%	16%	17%	17%
Depreciation	458	544	662	928	702	840	840	978	2,592	3,361
Interest	445	560	695	847	1,031	1,006	1,006	982	2,548	4,025
Other Income	228	179	275	353	335	296	296	258	1,034	1,186
PBT before EO expense	**3,025**	**2,016**	**3,913**	**5,512**	**4,592**	**2,675**	**7,871**	**8,100**	**14,466**	**23,238**
Extra-Ord income/(exp.)	0	0	0	5,999	0	0	0	0	5,999	0
PBT	**3,025**	**2,016**	**3,913**	**11,512**	**4,592**	**2,675**	**7,871**	**8,100**	**20,465**	**23,238**
Tax	2	10	36	-298	1,349	669	1,968	1,824	-251	5,810
Rate (%)	0%	0%	1%	-3%	29%	25%	25%	23%	-1%	25%
Share of JV & associates	0	0	0	0	0	0	0	0	0	0
Minority Interest	0	4	8	-12	0	13	13	27	0	54
Reported PAT	**3,023**	**2,002**	**3,869**	**11,822**	**3,243**	**1,993**	**5,889**	**6,249**	**20,716**	**17,375**
Adj PAT	**3,025**	**2,012**	**3,905**	**5,823**	**3,243**	**1,993**	**5,889**	**6,249**	**14,717**	**17,375**
YoY Change (%)	226%	46%	92%	108%	7%	-1%	51%	7%	106%	18%
Margin (%)	15.0	9.6	13.1	15.4	10.4	7.2	11.5	10.5	13.5	10.2

Tata Power — Buy

CMP: INR391 | TP: INR480 (+23%) — **EPS CHANGE (%): FY26|27: 0|1**

- EBITDA to be flat YoY as weak profitability at the Mundra power plant (due to expiry of section XI) will likely be offset by 1) contribution from additional 0.6 GW of RE assets commissioned on YoY basis, 2) rising contribution from the now fully ramped-up solar cell and module business, 3) continued robust earnings momentum from the solar rooftop and Odisha distribution businesses.
- Pace of commissioning of RE capacity, ramp-up at cell and module facility and performance of distribution assets remain key monitorables.

Consolidated performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**172.9**	**157**	**153.9**	**171**	**180.4**	**183.6**	**189**	**212.9**	**654.8**	**766**
YoY Change (%)	13.7	-0.3	5.1	7.9	4.3	17	22.8	24.6		
EBITDA	**35.9**	**37.5**	**33.5**	**32.5**	**41.4**	**37.3**	**37.4**	**31.3**	**139.3**	**147.4**
Margins (%)	20.70%	23.90%	21.80%	19.00%	22.90%	20.30%	19.80%	14.70%	21.30%	19.20%
Depreciation	9.7	9.9	10.4	11.2	11.6	11.4	11.5	11.1	41.2	45.6
Interest	11.8	11.4	11.7	12.1	12.8	12.7	13	11.8	47	50.4
Other Income	2.5	5.1	4	3.5	3.6	4.4	4.6	8.9	15.1	21.4
Rate regulated activity	-6.9	-6.7	-2.7	1.7	-5.7	0	0	0	-14.7	-5.7
PBT before EO expense	**10**	**14.5**	**12.7**	**14.3**	**14.9**	**17.6**	**17.4**	**17.4**	**51.5**	**67.3**
Extra-ord items	2	-2.2	0	0.8	0	0	0	0	0.7	0
PBT	**12**	**12.4**	**12.7**	**15.2**	**14.9**	**17.6**	**17.4**	**17.4**	**52.3**	**67.3**
Tax	3	3.8	2.7	2.9	3.6	4.9	4.6	4.8	12.4	17.9
Rate (%)	25.1	30.7	21.2	19.4	24	27.9	26.7	27.5	23.8	26.6
Share of associates and JV	2.9	2.4	1.9	0.8	1.3	0.5	0.8	0.7	7.9	3.3
Minority Interest	2.2	1.7	1.6	2.6	2	2.7	2.3	2.9	8	9.9
Reported PAT	**9.7**	**9.3**	**10.3**	**10.4**	**10.6**	**10.5**	**11.2**	**10.4**	**39.7**	**42.8**
Adj PAT	**8.2**	**10.8**	**10.3**	**9.7**	**10.6**	**10.5**	**11.2**	**10.4**	**39.2**	**42.8**

Others | Various Sectors

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

APL Apollo Tubes — Buy

CMP INR1,732 | TP: INR1,974 (+14%) — **EPS CHANGE (%): FY26|FY27|FY28: -1 |-1|-1**

- Volume grew ~13% YoY to 855,037 MT in 2QFY26.
- EBITDA/MT is expected to rise 2.7x YoY to ~INR4,823.
- Revenue is likely to grow ~18% YoY to INR56.5b.
- Expects volumes to improve going ahead, along with further margin expansion.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**49,743**	**47,739**	**54,327**	**55,086**	**51,698**	**56,523**	**65,812**	**68,477**	**2,06,895**	**2,42,510**
YoY Change (%)	9.4	3.1	30.0	15.6	3.9	18.4	21.1	24.3	14.2	17.2
Total Expenditure	46,727	46,359	50,872	50,949	47,978	52,399	61,165	63,575	1,94,906	2,25,117
EBITDA	**3,016**	**1,381**	**3,456**	**4,137**	**3,720**	**4,124**	**4,648**	**4,901**	**11,990**	**17,393**
Margins (%)	6.1	2.9	6.4	7.5	7.2	7.3	7.1	7.2	5.8	7.2
Depreciation	465	469	503	576	544	580	585	596	2,013	2,305
Interest	278	364	368	323	333	250	150	117	1,333	850
Other Income	247	148	217	349	256	270	300	340	961	1,166
PBT before EO expense	**2,520**	**696**	**2,801**	**3,587**	**3,099**	**3,564**	**4,213**	**4,528**	**9,604**	**15,404**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**2,520**	**696**	**2,801**	**3,587**	**3,099**	**3,564**	**4,213**	**4,528**	**9,604**	**15,404**
Tax	589	158	631	656	728	897	1,060	1,192	2,034	3,877
Rate (%)	23.4	22.7	22.5	18.3	23.5	25.2	25.2	26.3	21.2	25.2
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**1,932**	**538**	**2,170**	**2,931**	**2,372**	**2,667**	**3,152**	**3,336**	**7,571**	**11,527**
Adj PAT	**1,932**	**538**	**2,170**	**2,931**	**2,372**	**2,667**	**3,152**	**3,336**	**7,571**	**11,527**
YoY Change (%)	-0.2	-73.5	31.1	72.0	22.8	395.6	45.3	13.8	3.4	52.3
Margins (%)	3.9	1.1	4.0	5.3	4.6	4.7	4.8	4.9	3.7	4.8

Blue Jet Healthcare — Buy

CMP: INR662 | TP: INR1,100 (+66%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect revenue to increase 36% YoY and EBITDA to grow 33% YoY.
- EBITDA margin is likely to contract 80bp YoY, while gross margin is anticipated to expand 450bp YoY.
- A key monitorable will be the progress of commissioning and ramp-up of new capacity expansions in CY25.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**1,629**	**2,083**	**3,174**	**3,404**	**3,548**	**2,838**	**4,338**	**4,289**	**10,290**	**15,012**
YoY Change (%)	-9.3	14.8	90.3	85.1	117.8	36.3	36.7	26.0	44.6	45.9
Gross Margin (%)	54.7%	57.0%	54.5%	54.9%	48.4%	52.5%	53.8%	55.4%	55.2%	52.7%
EBITDA	**443**	**695**	**1,230**	**1,400**	**1,210**	**924**	**1,745**	**1,783**	**3,767**	**5,661**
Margin (%)	27.2	33.4	38.8	41.1	34.1	32.6	40.2	41.6	36.6	37.7
Depreciation	35	46	47	49	57	62	77	79	178	275
Interest	0	0	0	0	7	10	12	18	1	47
Other Income	87	121	132	122	83	123	133	180	463	519
PBT before EO expense	**495**	**769**	**1,315**	**1,472**	**1,229**	**975**	**1,788**	**1,866**	**4,051**	**5,858**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**495**	**769**	**1,315**	**1,472**	**1,229**	**975**	**1,788**	**1,866**	**4,051**	**5,858**
Tax	117	186	335	371	317	266	453	438	1,009	1,474
Rate (%)	23.6	24.1	25.5	25.2	25.8	27.3	25.3	23.5	24.9	25.2
Reported PAT	**378**	**583**	**980**	**1,101**	**912**	**709**	**1,335**	**1,428**	**3,042**	**4,384**
Adj. PAT	**378**	**583**	**980**	**1,101**	**912**	**709**	**1,335**	**1,428**	**3,042**	**4,384**
YoY Change (%)	-14.4	21.9	149.5	177.6	141.3	21.5	36.2	29.7	77.9	44.1
Margin (%)	23.2	28.0	30.9	32.3	25.7	25.0	30.8	33.3	29.6	29.2

Cello

Buy

CMP INR544| TP: INR700 (+22%)

EPS CHANGE (%): FY26|FY27|FY28: 0|0|0

- Revenue is likely to grow ~14% YoY, led by growth in consumer ware and writing instruments.
- Consumer ware and writing instruments expected to post double-digit growth, with domestic growth likely to outpace export growth.
- EBITDA margins expected at ~22.7% vs. ~24% in 2QFY25.
- Ramp-up of the glassware segment will be the key focus area.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**5,007**	**4,901**	**5,568**	**5,888**	**5,290**	**5,587**	**6,330**	**6,771**	**21,364**	**23,978**
YoY Change (%)	6.1	0.2	5.7	14.9	5.7	14.0	13.7	15.0	6.8	12.2
Total Expenditure	3,714	3,715	4,296	4,536	4,200	4,319	4,845	5,135	16,260	18,499
EBITDA	**1,293**	**1,186**	**1,273**	**1,352**	**1,091**	**1,268**	**1,485**	**1,636**	**5,104**	**5,480**
Margins (%)	25.8	24.2	22.9	23.0	20.6	22.7	23.5	24.2	23.9	22.9
Depreciation	141	148	151	180	186	200	250	281	620	917
Interest	6	3	3	3	1	1	1	1	15	4
Other Income	60	133	124	130	173	151	165	170	447	658
PBT before EO expense	**1,206**	**1,168**	**1,243**	**1,299**	**1,076**	**1,217**	**1,399**	**1,524**	**4,916**	**5,217**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,206**	**1,168**	**1,243**	**1,299**	**1,076**	**1,217**	**1,399**	**1,524**	**4,916**	**5,217**
Tax	311	300	318	338	269	305	351	387	1,267	1,312
Rate (%)	25.8	25.7	25.6	26.0	25.0	25.1	25.1	25.4	25.8	25.2
Minority Interest & Profit/Loss of Asso. Cos.	69	51	61	80	76	65	70	83	261	294
Reported PAT	**826**	**816**	**864**	**882**	**730**	**847**	**979**	**1,054**	**3,388**	**3,610**
Adj PAT	**826**	**816**	**864**	**882**	**730**	**847**	**979**	**1,054**	**3,388**	**3,610**
YoY Change (%)	6.6	2.1	1.8	-0.7	-11.6	3.8	13.3	19.5	2.3	6.5
Margins (%)	16.5	16.7	15.5	15.0	13.8	15.2	15.5	15.6	15.9	15.1

Coromandel International

Buy

CMP INR2,251| TP: INR2,930 (+30%)

EPS CHANGE (%): FY26|FY27|FY28: -1|0|0

- Fertilizer manufacturing volumes/trading volumes are expected to grow 9%/2% YoY.
- The Crop Protection segment is expected to witness good single-digit growth.
- Fertilizer manufacturing (NPK and DAP) EBITDA/MT is expected to be ~INR6,697.
- The raw material and product pricing scenario will be the key monitorable.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
Consolidated	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**47,288**	**74,328**	**69,352**	**49,884**	**70,423**	**85,817**	**82,083**	**58,477**	**2,40,852**	**2,96,799**
YoY Change (%)	-16.9	6.4	26.9	27.5	48.9	15.5	18.4	17.2	9.2	23.2
Total Expenditure	42,231	64,581	62,134	45,624	62,602	74,641	73,851	53,227	2,14,569	2,64,321
EBITDA	**5,058**	**9,748**	**7,218**	**4,260**	**7,821**	**11,176**	**8,233**	**5,249**	**26,283**	**32,479**
Margins (%)	10.7	13.1	10.4	8.5	11.1	13.0	10.0	9.0	10.9	10.9
Depreciation	653	690	708	854	1,206	1,210	1,215	1,220	2,904	4,851
Interest	574	661	731	659	680	660	550	450	2,624	2,340
Other Income	541	650	1,137	1,260	837	900	1,307	1,389	3,587	4,433
PBT before EO expense	**4,372**	**9,047**	**6,916**	**4,007**	**6,773**	**10,206**	**7,775**	**4,968**	**24,342**	**29,722**
Extra-Ord expense	0	0	0	-3,468	0	0	0	0	-3,468	0
PBT	**4,372**	**9,047**	**6,916**	**7,475**	**6,773**	**10,206**	**7,775**	**4,968**	**27,810**	**29,722**
Tax	1,125	2,328	1,752	1,524	1,757	2,569	1,957	1,250	6,728	7,533
Rate (%)	25.7	25.7	25.3	20.4	25.9	25.2	25.2	25.2	24.2	25.3
Minority Interest & P/L of Asso. Cos.	137	79	46	154	-34	-50	-80	100	417	-64
Reported PAT	**3,110**	**6,641**	**5,118**	**5,797**	**5,050**	**7,687**	**5,898**	**3,618**	**20,665**	**22,253**
Adj PAT	**3,110**	**6,641**	**5,118**	**3,036**	**5,050**	**7,687**	**5,898**	**3,618**	**18,036**	**22,253**
YoY Change (%)	-37.1	-12.3	121.6	89.4	62.4	15.8	15.2	19.2	9.8	23.4
Margins (%)	6.6	8.9	7.4	6.1	7.2	9.0	7.2	6.2	7.5	7.5

DreamFolks

Buy

CMP INR102 | TP: 160*

EPS CHANGE (%)* : FY26|27: 0.0|0.0

- Recent developments at the company make us cautious about its growth visibility. Domestic lounge services, contributing ~90% of revenue, have been suspended following the loss of key contracts with Adani Digital and Semolina Kitchens.
- The company's commentary in light of current developments and non-lounge services will be the key to monitor.
- We are keeping our estimates unchanged for now, with disruptions expected to come from next quarter. Greater clarity should emerge post 2Q results.
- Revenue growth is expected to remain modest at 5.3% YoY in 2QFY26. International lounges and non-lounge services contribute just 6-7% of revenue and are unlikely to offset near-term pressure.

Consolidated - Quarterly performance

Y/E March	FY25				FY26*				FY25	FY26E*
	1Q	2Q	3Q	4Q	1Q	2QE*	3QE*	4QE*		
Gross Sales	**3,208**	**3,169**	**3,401**	**3,142**	**3,490**	**3,335**	**3,215**	**3,172**	**12,919**	**13,212**
YoY Change (%)	20.5	12.2	11.5	11.7	8.8	5.3	-5.4	1.0	13.8	2.3
GPM(%)	11.7	12.4	11.2	11.2	13.3	12.0	12.5	12.5	11.6	12.6
Employee benefit expenses (%)	3.2	3.6	3.2	3.1	4.1	3.0	3.0	3.0	13.2	13.1
EBITDA	**229**	**231**	**230**	**200**	**269**	**250**	**257**	**254**	**889**	**1,031**
Margins (%)	7.1	7.3	6.7	6.4	7.7	7.5	8.0	8.0	6.9	7.8
Depreciation	9.0	9.3	9.9	10.2	7.9	10.0	9.6	9.5	38.3	37.1
EBIT	**220**	**222**	**220**	**190**	**262**	**240**	**248**	**244**	**851**	**994**
Margins (%)	6.9	7.0	6.5	6.1	7.5	7.2	7.7	7.7	6.6	7.5
Interest	3	8	4	23	2	3	3	3	38	12
Other Income	17	8	19	41	26	27	26	25	86	103
PBT	**234**	**221**	**235**	**208**	**285**	**263**	**270**	**266**	**899**	**1,085**
Tax	63	61	66	59	72	72	74	72	248	290
Rate (%)	26.8	27.4	28.0	28.4	25.4	27.3	27.2	27.1	27.6	26.7
PAT	**171**	**160**	**169**	**149**	**213**	**192**	**197**	**194**	**650**	**795**
YoY Change (%)	32.3	-9.3	-15.5	-16.6	24.0	19.6	16.1	30.2	-5.2	22.3
Margins (%)	5.3	5.1	5.0	4.8	6.1	5.7	6.1	6.1	5.0	6.0

*Note: Estimates remain unchanged at present, as disruptions are likely to reflect from the next quarter. We will understand the impact better post 2Q results.

EPL

Buy

CMP INR214 | TP: INR280 (+31%)

EPS CHANGE (%): FY26|FY27|FY28: 0|0|0

- Revenue is expected to grow 12% YoY on broad-based growth across geographies.
- EBITDA margin is likely to expand ~160bp YoY.
- Increasing the share of fully recyclable tubes will be a key focus area.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**10,074**	**10,862**	**10,143**	**11,054**	**11,079**	**12,124**	**11,019**	**11,958**	**42,133**	**46,180**
YoY Change (%)	10.7	8.4	4.0	7.4	10.0	11.6	8.6	8.2	7.6	9.6
Total Expenditure	8,216	8,657	8,127	8,774	8,811	9,467	8,803	9,439	33,774	36,520
EBITDA	**1,858**	**2,205**	**2,016**	**2,280**	**2,268**	**2,657**	**2,216**	**2,519**	**8,359**	**9,660**
Margins (%)	18.4	20.3	19.9	20.6	20.5	21.9	20.1	21.1	19.8	20.9
Depreciation	836	852	863	876	896	920	1,000	1,046	3,427	3,862
Interest	290	291	274	284	281	250	155	152	1,139	838
Other Income	65	140	127	104	80	120	135	138	436	473
PBT before EO expense	**797**	**1,202**	**1,006**	**1,224**	**1,171**	**1,607**	**1,196**	**1,459**	**4,229**	**5,433**
Extra-Ord expense	0	0	0	36	0	0	0	0	36	0
PBT	**797**	**1,202**	**1,006**	**1,188**	**1,171**	**1,607**	**1,196**	**1,459**	**4,193**	**5,433**
Tax	139	301	64	73	159	321	239	292	577	1,011
Rate (%)	17.4	25.0	6.4	6.1	13.6	20.0	20.0	20.0	13.8	18.6
Minority Interest & Profit/Loss of Asso. Cos.	-16	-31	-7	28	-12	-20	-3	14	-26	-21
Reported PAT	**642**	**870**	**935**	**1,143**	**1,000**	**1,266**	**954**	**1,181**	**3,590**	**4,401**
Adj PAT	**642**	**870**	**935**	**1,170**	**1,000**	**1,266**	**954**	**1,181**	**3,617**	**4,401**
YoY Change (%)	18.2	72.3	8.6	72.9	55.8	45.5	2.0	1.0	39.9	21.7
Margins (%)	6.4	8.0	9.2	10.6	9.0	10.4	8.7	9.9	8.6	9.5

Eternal

Buy

CMP INR329| TP: INR420 (+28%) | **EPS CHANGE (%): FY26|27: 2.8|-2.9**

- GOV for FD/QC business is expected to grow 19%/142% YoY, with take rates of 21.5%/18.7%, driving an overall revenue increase of 68% YoY.
- Blinkit GOV is projected to sustain its growth momentum with 26%/142% QoQ/YoY growth. Hyperpure should also continue its upward trajectory.
- Food Delivery adj. EBITDA as % of GOV margin may inch up 10bp QoQ to 4.3%. Blinkit likely to post a contribution margin of 3.2% and adj. EBITDA margin of -0.6% in 2Q.
- Watch out for the outlook on Blinkit, FD GOV growth, and margin.

Consolidated - Quarterly Earning Model

Y/E march	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (net of delivery)	**42,060**	**47,990**	**54,050**	**58,330**	**71,670**	**80,641**	**89,778**	**99,328**	**2,02,430**	**3,41,418**
YoY Change (%)	74.1	68.5	64.4	63.8	70.4	68.0	66.1	70.3	67.1	68.7
Inventory of traded goods	10,990	13,340	15,000	16,320	22,840	24,118	26,530	29,183	55,650	1,02,671
Employee Expenses	5,290	5,900	6,890	7,500	8,300	9,545	10,977	12,623	25,580	41,445
Delivery expenses	13,280	13,980	14,500	15,520	18,690	21,170	23,110	25,064	57,280	88,033
Gross Profit	**12,500**	**14,770**	**17,660**	**18,990**	**21,840**	**25,809**	**29,162**	**32,458**	**63,920**	**1,09,269**
Margins (%)	29.7	30.8	32.7	32.6	30.5	32.0	32.5	32.7	31.6	32.0
Advertisement and sales promotion	3,960	4,210	5,210	6,340	6,710	6,980	7,149	7,232	19,720	28,071
Others	6,770	8,300	10,830	11,930	13,980	15,679	18,243	20,403	37,830	68,306
EBITDA	**1,770**	**2,260**	**1,620**	**720**	**1,150**	**3,149**	**3,770**	**4,824**	**6,370**	**12,893**
Margins (%)	4.2	4.7	3.0	1.2	1.6	3.9	4.2	4.9	3.1	3.8
Depreciation	1,490	1,800	2,470	2,870	3,140	3,629	4,040	4,470	8,630	15,279
Interest	250	300	430	560	670	564	628	695	1,540	2,558
Other Income	2,360	2,210	2,520	3,680	3,540	4,838	5,387	5,960	10,770	19,725
PBT before EO expense	**2,390**	**2,370**	**1,240**	**970**	**880**	**3,794**	**4,488**	**5,619**	**6,970**	**14,781**
PBT	**2,390**	**2,370**	**1,240**	**970**	**880**	**3,794**	**4,488**	**5,619**	**6,970**	**14,781**
Tax	-140	610	650	580	630	797	942	1,180	1,700	3,549
Rate (%)	-5.9	25.7	52.4	59.8	71.6	21.0	21.0	21.0	NA	NA
Reported PAT	**2,530**	**1,760**	**590**	**390**	**250**	**2,997**	**3,546**	**4,439**	**5,270**	**11,232**
Adj PAT	**2,530**	**1,760**	**590**	**390**	**250**	**2,997**	**3,546**	**4,439**	**5,270**	**11,232**
YoY Change (%)	12,550.0	388.9	-57.2	-77.7	-90.1	70.3	500.9	1,038.1	50.1	113.1
Margins (%)	6.0	3.7	1.1	0.7	0.3	3.7	3.9	4.5	2.6	3.3

Godrej Agrovet

Buy

CMP INR696 | TP: INR900 (+29%) | **EPS CHANGE (%):FY26|FY27|FY28: -2|-2|0**

- We expect revenue growth of ~5% YoY, majorly driven by palm oil.
- The performance outlook on Astec and the domestic crop protection business will be key focus areas.
- EBITDA margins are likely to contract 50bp to 8.6%.
- Raw material (such as maize and soybean) and palm oil prices are the key monitorables.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Gross Sales	**23,508**	**24,488**	**24,496**	**21,336**	**26,143**	**25,670**	**27,637**	**25,222**	**93,828**	**1,04,672**
YoY Change (%)	-6.4	-4.8	4.5	0.0	11.2	4.8	12.8	18.2	-1.9	11.6
Total Expenditure	21,246	22,254	22,296	19,870	23,446	23,474	25,415	23,259	85,666	95,594
EBITDA	**2,261**	**2,234**	**2,200**	**1,467**	**2,697**	**2,196**	**2,222**	**1,963**	**8,162**	**9,078**
Margins (%)	9.6	9.1	9.0	6.9	10.3	8.6	8.0	7.8	8.7	8.7
Depreciation	546	583	567	565	579	590	610	625	2,261	2,404
Interest	302	398	345	289	355	345	320	315	1,334	1,335
Other Income	92	126	87	130	119	120	117	111	435	467
PBT before EO expense	**1,506**	**1,379**	**1,376**	**742**	**1,882**	**1,381**	**1,409**	**1,134**	**5,002**	**5,806**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,506**	**1,379**	**1,376**	**742**	**1,882**	**1,381**	**1,409**	**1,134**	**5,002**	**5,806**
Tax	345	541	414	204	517	348	355	284	1,504	1,503
Rate (%)	22.9	39.3	30.1	27.5	27.5	25.2	25.2	25.0	30.1	25.9
Minority Interest & Profit/Loss of Asso. Cos.	-190	-286	-153	-170	-240	-240	-200	-219	-799	-899
Reported PAT	**1,352**	**1,123**	**1,115**	**708**	**1,605**	**1,274**	**1,254**	**1,069**	**4,297**	**5,202**
Adj PAT	**1,352**	**1,123**	**1,115**	**708**	**1,605**	**1,274**	**1,254**	**1,069**	**4,297**	**5,202**
YoY Change (%)	28.3	6.7	21.4	23.9	18.8	13.4	12.5	51.0	19.5	21.1
Margins (%)	5.7	4.6	4.6	3.3	6.1	5.0	4.5	4.2	4.6	5.0

Gravita Industries — Buy

CMP INR1,560| TP: INR2,200 (+41%) — **EPS CHANGE (%): FY26|FY27|FY28: -4|-1|-1**

- Revenue is expected to grow ~15% YoY, led by healthy growth across all segments.
- Increase in domestic scrap, led by favorable regulatory policies, will be the focus area.
- Adj. EBITDA margins are likely to remain stable at 11%.
- The ramp-up of aluminum operations and the plastic segment will be key monitorables.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	**9,079**	**9,274**	**9,964**	**10,371**	**10,399**	**10,655**	**12,170**	**13,086**	**38,688**	**46,310**
YoY Change (%)	29.1	10.9	31.5	20.1	14.5	14.9	22.1	26.2	22.4	19.7
Total Expenditure	8,166	8,259	8,942	9,286	9,282	9,480	10,937	11,758	34,652	41,457
Adjusted EBITDA	**912**	**1,015**	**1,023**	**1,085**	**1,117**	**1,174**	**1,233**	**1,328**	**4,036**	**4,853**
Margins (%)	10.1	10.9	10.3	10.5	10.7	11.0	10.1	10.2	10.4	10.5
Depreciation	65	72	76	78	87	100	110	122	291	419
Interest	130	120	128	56	61	60	55	60	434	235
Other Income	33	23	73	194	190	100	160	150	324	600
PBT before EO expense	**751**	**847**	**891**	**1,146**	**1,159**	**1,114**	**1,228**	**1,296**	**3,635**	**4,798**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**751**	**847**	**891**	**1,146**	**1,159**	**1,114**	**1,228**	**1,296**	**3,635**	**4,798**
Tax	71	128	111	197	229	167	184	140	506	720
Rate (%)	9.4	15.1	12.4	17.2	19.7	15.0	15.0	10.8	13.9	15.0
Minority Interest & Profit/Loss of Asso. Cos.	7	-1	1	-2	-2	1	1	2	5	2
Reported PAT	**673**	**720**	**779**	**951**	**933**	**946**	**1,043**	**1,155**	**3,124**	**4,077**
Adj PAT	**673**	**720**	**779**	**951**	**933**	**946**	**1,043**	**1,155**	**3,124**	**4,077**
YoY Change (%)	29.3	24.4	29.3	37.9	38.5	31.4	33.8	21.4	30.6	30.5
Margins (%)	7.4	7.8	7.8	9.2	9.0	8.9	8.6	8.8	8.1	8.8

IndiaMART — Buy

CMP: INR2,400 | TP: INR2,900 (+21%) — **EPS CHANGE (%): FY26|27: 0.4|-1.9**

- Revenue is expected to grow ~10% YoY in 2QFY26. ARPU is expected to rise 2.5% QoQ/8% YoY.
- Margins are expected to moderate to ~34%, due to ramp-up of demand-side pilots (ad spends of INR60-100m per quarter; ~3% margin drag). We expect margins to stabilize at a more sustainable level of 32-33% by FY26.
- Outlook on Silver bucket churn rate, ARPU growth in Platinum/Gold accounts, and margin are key monitorables.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**3,313**	**3,477**	**3,543**	**3,551**	**3,721**	**3,807**	**3,843**	**4,029**	**13,884**	**15,400**
YoY Change (%)	17.4	18.0	16.0	12.8	12.3	9.5	8.5	13.5	16.0	10.9
Total Expenditure	2,120	2,130	2,160	2,248	2,390	2,511	2,602	2,718	8,658	10,221
EBITDA	**1,193**	**1,347**	**1,383**	**1,303**	**1,331**	**1,296**	**1,242**	**1,311**	**5,226**	**5,179**
Margins (%)	36.0	38.7	39.0	36.7	35.8	34.0	32.3	32.5	37.6	33.6
Depreciation	81	82	83	83	69	89	90	94	329	342
Interest	20	19	18	17	10	10	10	10	74	40
Other Income	532	655	449	1,090	924	517	538	560	2,726	2,539
PBT before EO expense	**1,624**	**1,901**	**1,731**	**2,293**	**2,176**	**1,714**	**1,680**	**1,767**	**7,549**	**7,336**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,624**	**1,901**	**1,731**	**2,293**	**2,176**	**1,714**	**1,680**	**1,767**	**7,549**	**7,336**
Tax	374	422	380	380	504	397	389	409	1,556	1,699
Rate (%)	23.0	22.2	22.0	16.6	23.2	23.2	23.2	23.2	20.6	23.2
Minority Interest & Profit/Loss of Asso. Cos.	112	127	141	111	141	141	141	141	491	564
Reported PAT	**1,138**	**1,352**	**1,210**	**1,802**	**1,531**	**1,176**	**1,150**	**1,216**	**5,502**	**5,073**
Adj PAT	**1,138**	**1,352**	**1,210**	**1,802**	**1,531**	**1,176**	**1,150**	**1,216**	**5,502**	**5,073**
YoY Change (%)	34.0	95.7	48.5	80.4	34.5	-13.0	-5.0	-32.5	64.0	-7.8
Margins (%)	34.3	38.9	34.2	50.7	41.1	30.9	29.9	30.2	39.6	32.9

Indian Hotels

Buy

CMP INR723 | TP: 880 (+22%)

EPS CHANGE (%):FY26|FY27|FY28: -2|-1|-1

- Revenue is expected to grow 13% YoY, while EBITDA margin is expected to be ~27.7%.
- Key domestic markets, such as Mumbai, Delhi, Hyderabad, and Bangalore, are expected to maintain strong traction.
- The demand scenario in key markets, along with improvements in occupancy and ARR, will be focus areas.
- 2Q is expected to be muted, as July and August were severely impacted by rains

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**15,502**	**18,261**	**25,331**	**24,251**	**20,411**	**20,622**	**29,208**	**28,354**	**83,345**	**98,594**
YoY Change (%)	5.7	27.4	29.0	27.3	31.7	12.9	15.3	16.9	23.1	18.3
Total Expenditure	11,006	13,249	15,714	15,684	14,651	14,909	18,025	17,769	55,652	65,354
EBITDA	**4,496**	**5,013**	**9,617**	**8,568**	**5,760**	**5,713**	**11,183**	**10,585**	**27,693**	**33,241**
Margins (%)	29.0	27.5	38.0	35.3	28.2	27.7	38.3	37.3	33.2	33.7
Depreciation	1,173	1,249	1,339	1,420	1,428	1,490	1,495	1,520	5,182	5,932
Interest	499	522	524	539	546	550	555	549	2,084	2,200
Other Income	460	641	587	616	611	700	735	756	2,305	2,802
PBT before EO expense	**3,285**	**3,882**	**8,340**	**7,225**	**4,398**	**4,373**	**9,868**	**9,272**	**22,733**	**27,911**
Extra-Ord expense	0	-3,074	0	26	0	0	0	0	-3,048	0
PBT	**3,285**	**6,956**	**8,340**	**7,200**	**4,398**	**4,373**	**9,868**	**9,272**	**25,781**	**27,911**
Tax	943	1,224	2,202	1,800	1,204	1,312	2,960	2,782	6,168	8,258
Rate (%)	28.7	17.6	26.4	25.0	27.4	30.0	30.0	30.0	23.9	29.6
Minority Interest & Profit/Loss of Asso. Cos.	-142	186	315	177	231	235	274	287	537	1,027
Reported PAT	**2,484**	**5,546**	**5,823**	**5,223**	**2,964**	**2,826**	**6,633**	**6,203**	**19,076**	**18,627**
Adj PAT	**2,484**	**3,241**	**5,823**	**5,242**	**2,964**	**2,826**	**6,633**	**6,203**	**16,790**	**18,627**
YoY Change (%)	11.7	94.1	28.8	25.5	19.3	-12.8	13.9	18.3	51.5	-2.4
Margins (%)	16.0	17.7	23.0	21.6	14.5	13.7	22.7	21.9	20.1	18.9

Info Edge

Neutral

CMP: INR1,339 | TP: INR1,450 (+8%)

EPS CHANGE (%): FY26|27: 0.2|-3.0

- Recruitment growth remains steady, led by non-IT, with GCCs and sectors like Retail, Healthcare, and Manufacturing holding up well, even as caution persists among IT and consulting clients.
- Both 99acres and Jeevansathi are operating near break-even, with profitability expected in the near term.
- For JeevanSathi, INFOE is targeting 20-25% growth in FY26E while holding the line on breakeven profitability.
- The outlook on IT hiring and investee companies is the key monitorable.

Standalone Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenues	**6,389**	**6,561**	**6,715**	**6,871**	**7,364**	**7,440**	**7,673**	**7,710**	**26,536**	**29,891**
YoY (%)	9.3	10.6	12.8	13.0	15.3	13.4	14.3	12.2	11.4	12.6
Salary costs	2,587	2,624	2,681	2,923	2,915	3,004	3,067	3,069	10,815	12,055
Ad and Promotion costs	856	755	667	846	1,111	1,101	1,074	1,079	3,125	4,366
Other Expenses	452	437	470	512	559	521	537	540	1,871	2,157
EBITDA	**2,495**	**2,744**	**2,897**	**2,589**	**2,779**	**2,814**	**2,995**	**3,022**	**10,726**	**11,314**
EBITDA Margin (%)	39.0	41.8	43.1	37.7	37.7	37.8	39.0	39.2	40.4	37.9
Depreciation	175	186	217	224	226	223	230	231	801	911
EBIT Margin (%)	36.3	39.0	39.9	34.4	34.7	34.8	36.0	36.2	37.4	34.8
Other Income	770	803	781	784	960	893	921	925	3,138	3,699
PBT bef. Extra-ordinary	**3,043**	**3,315**	**3,415**	**3,099**	**3,462**	**3,431**	**3,632**	**3,662**	**12,871**	**13,891**
Provision for Tax	720	3,537	820	624	866	806	853	860	5,701	3,386
ETR (%)	23.7	106.7	24.0	20.1	25.0	23.5	23.5	23.5	44.3	24.4
Adj. PAT	**2,323**	**-222**	**2,595**	**2,474**	**2,596**	**2,625**	**2,778**	**2,801**	**7,170**	**10,505**
EOI	0	1,080	-593	-76	0	0	0	0	564	0
Reported PAT	**2,323**	**859**	**2,002**	**2,551**	**2,596**	**2,625**	**2,778**	**2,801**	**7,734**	**10,505**
QoQ (%)	10.1	-63.0	133.1	27.4	1.8	1.1	5.8	0.8		
YoY (%)	16.2	-58.9	-6.3	20.9	11.8	205.7	38.8	9.8	-7.2	35.8
EPS (INR)	**3.6**	**1.3**	**3.1**	**3.8**	**4.0**	**4.1**	**4.3**	**4.3**	**11.9**	**16.2**

InterGlobe Aviation

Buy

CMP INR5,609 | TP: INR7,290 (+30%)

EBITDA CHANGE (%): FY26|27: -8|-3

- Expect ASK at 41b (+7.5% YoY), PLF at 84% (compared to 82.7% in 2QFY25), and RPK of 34.5b (up 9% YoY).
- As per our database, INDIGO's average fare fell 2% QoQ to INR6,214 on one-month forward bookings in 2Q, while it fell 5% QoQ to INR6,304 on 15-day forward bookings.
- Management focuses on international expansion, with the addition of new networks and code-share agreements.

Standalone Quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**1,95,707**	**1,69,696**	**2,21,107**	**2,21,520**	**2,04,963**	**1,83,166**	**2,46,654**	**2,49,112**	**8,08,030**	**8,83,895**
YoY Change (%)	17.3	13.6	13.7	24.3	4.7	7.9	11.6	12.5	17.3	9.4
EBITDAR	**57,702**	**23,814**	**59,185**	**69,464**	**56,971**	**25,845**	**75,632**	**77,778**	**2,10,165**	**2,36,226**
Margin (%)	29.5	14.0	26.8	31.4	27.8	14.1	30.7	31.2	26.0	26.7
Net Rentals	6,241	7,636	7,585	8,641	4,925	4,722	8,813	9,094	30,103	27,554
EBITDA	**51,461**	**16,178**	**51,600**	**60,823**	**52,046**	**21,122**	**66,819**	**68,685**	**1,80,062**	**2,08,672**
Margin (%)	26.3	9.5	23.3	27.5	25.4	11.5	27.1	27.6	22.3	23.6
Depreciation	18,665	20,776	22,154	24,771	25,531	25,743	25,960	27,500	86,366	1,04,734
Interest	11,576	12,401	13,081	13,831	14,026	14,348	14,779	15,000	50,889	58,153
Other Income	6,797	7,905	8,835	9,531	10,465	11,936	12,056	12,055	33,068	46,512
PBT	**28,017**	**-9,094**	**25,200**	**31,752**	**22,954**	**-7,032**	**38,136**	**38,240**	**75,875**	**92,297**
Tax	750	794	780	1,018	1,343	-422	2,288	3,252	3,342	6,461
Rate (%)	2.7	-8.7	3.1	3.2	5.9	6.0	6.0	8.5	4.4	7.0
Reported PAT	**27,267**	**-9,888**	**24,420**	**30,734**	**21,611**	**-6,610**	**35,848**	**34,988**	**72,533**	**85,836**
EPS	**70.6**	**-25.6**	**63.2**	**79.5**	**55.9**	**-17.1**	**92.8**	**90.5**	**187.7**	**222.1**
YoY Change (%)	-11.7	PL	-18.6	62.3	-20.7	Loss	46.8	13.8	-11.2	18.3

Kajaria Ceramics

Buy

CMP INR1,190 | TP: INR1,410 (+18%)

EPS CHANGE (%): FY26|FY27 : 4|7

- Revenue expected to grow 3.3% YoY due to muted traction in tile volumes.
- Revenue growth to be driven by Adhesives (+57.8% YoY), followed by Sanitaryware/Faucetware (+12.0% YoY) and Tiles (+3.3% YoY).
- EBITDA/PAT to rise 31.0%/44.7% YoY, aided by softer gas costs and cost optimization measures.
- EBITDA margin likely at 17.1%, up 361bp YoY (flat QoQ).
- EPS estimates upgraded by 4%/7% for FY26E/FY27E, supported by strong margin guidance despite subdued tiles volume growth.

Consolidated - Quarterly Earning Model (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**10,958**	**11,793**	**11,556**	**12,219**	**11,027**	**12,183**	**12,825**	**13,749**	**46,351**	**49,811**
YoY Change (%)	3.0	5.1	0.3	1.1	0.6	3.3	11.0	12.5	3.6	7.5
Total Expenditure	9,248	10,204	10,023	10,835	9,159	10,102	10,623	11,319	40,089	41,652
EBITDA	**1,710**	**1,589**	**1,533**	**1,384**	**1,869**	**2,081**	**2,202**	**2,430**	**6,262**	**8,159**
Margins (%)	15.6	13.5	13.3	11.3	16.9	17.1	17.2	17.7	13.5	16.4
Depreciation	419	406	397	434	436	441	446	451	1,654	1,743
Interest	33	47	74	60	52	55	55	55	200	249
Other Income	101	99	103	125	132	142	152	162	427	623
PBT before EO expense	**1,359**	**1,235**	**1,166**	**1,014**	**1,513**	**1,727**	**1,853**	**2,086**	**4,835**	**6,789**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,359**	**1,235**	**1,166**	**1,014**	**1,513**	**1,727**	**1,853**	**2,086**	**4,835**	**6,789**
Tax	358	350	307	344	396	458	491	553	1,360	1,765
Rate (%)	26.3	28.3	26.4	33.9	26.2	26.5	26.5	26.5	28.1	26.0
Minority Interest	-25	-13	-12	-7	-13	-20	-20	-20	57	67
Profit/Loss of Asso. Cos.	-78	-29	-69	-238	-14	-30	-30	-30	-475	38
Reported PAT	**898**	**843**	**777**	**425**	**1,090**	**1,219**	**1,312**	**1,483**	**2,944**	**4,995**
Adj PAT	**898**	**843**	**777**	**425**	**1,090**	**1,219**	**1,312**	**1,483**	**2,944**	**4,995**
YoY Change (%)	-16.5	-21.9	-25.4	-58.5	21.3	44.7	68.7	248.9	-30.3	69.7
Margins (%)	8.2	7.1	6.7	3.5	9.9	10.0	10.2	10.8	6.4	10.0

Lemon Tree Hotels

Buy

CMP INR166 | TP: INR195 (+17%)

EPS CHANGE (%):FY26|FY27|FY28: -7|-2|-2

- Revenue is expected to grow 9% YoY and EBITDA margin is expected to be ~44.5% in 2QFY26.
- The demand scenario in key markets (Mumbai and Delhi) and Occupancy/ARR trend are the key monitorables.
- 2Q likely to be muted due to floods and festivities. 3Q would be better with all festivities completed in 2Q.
- The pace of signing management contracts will be a key focus area.

Consolidated Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1Q	(%)
Gross Sales	**2,680**	**2,844**	**3,552**	**3,785**	**3,158**	**3,112**	**4,055**	**4,269**	**12,861**	**14,594**	**3,158**	**0**
YoY Change (%)	20.6	25.2	23.0	15.6	17.8	9.4	14.2	12.8	20.7	13.5	17.8	
Total Expenditure	1,530	1,536	1,710	1,744	1,753	1,726	1,889	1,903	6,520	7,270	1,753	
EBITDA	**1,151**	**1,307**	**1,842**	**2,041**	**1,405**	**1,386**	**2,166**	**2,367**	**6,341**	**7,324**	**1,405**	**0**
Margins (%)	42.9	46.0	51.9	53.9	44.5	44.5	53.4	55.4	49.3	50.2	44.5	
Depreciation	346	348	351	349	342	353	353	362	1,393	1,410	342	
Interest	518	513	503	472	447	420	400	362	2,007	1,629	447	
Other Income	4	5	6	9	16	12	14	11	23	53	16	
PBT before EO expense	**291**	**451**	**994**	**1,229**	**633**	**625**	**1,427**	**1,653**	**2,965**	**4,338**	**633**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**291**	**451**	**994**	**1,229**	**633**	**625**	**1,427**	**1,653**	**2,965**	**4,338**	**633**	
Tax	91	102	197	141	148	144	285	242	531	819	148	
Rate (%)	31.2	22.7	19.8	11.5	23.3	23.0	20.0	14.6	17.9	18.9	23.3	
MI & P/L of Asso. Cos.	2	52	173	241	102	151	241	287	468	781	102	
Reported PAT	**198**	**296**	**625**	**846**	**383**	**330**	**901**	**1,124**	**1,966**	**2,738**	**383**	
Adj PAT	**198**	**296**	**625**	**846**	**383**	**330**	**901**	**1,124**	**1,966**	**2,738**	**383**	**0**
YoY Change (%)	-15.6	30.9	76.5	26.3	93.5	11.5	44.1	32.8	32.4	39.3	93.5	
Margins (%)	7.4	10.4	17.6	22.4	12.1	10.6	22.2	26.3	15.3	18.8	12.1	

MTAR Technologies — Buy

CMP INR1,899| TP: INR2,250 (+18%) — **EPS CHANGE (%): FY26|FY27|FY28: 6|4|5**

- We expect revenue/EBITDA decline of ~20%/23% YoY.
- Expect one-third of FY26 revenue to come in 1HFY26 and the rest in 2HFY26.
- EBITDA margin is expected to contract to ~18.6% in 2QFY26 from ~19.4% in 2QFY25.
- Order inflow in the nuclear segment will be a focus area.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**1,283**	**1,902**	**1,745**	**1,831**	**1,566**	**1,522**	**2,617**	**2,929**	**6,760**	**8,634**
YoY Change (%)	-15.9	14.0	47.4	28.1	22.1	-20.0	50.0	60.0	16.4	27.7
Total Expenditure	1,117	1,534	1,412	1,489	1,282	1,239	2,032	2,203	5,552	6,756
EBITDA	**166**	**368**	**333**	**341**	**284**	**283**	**585**	**726**	**1,208**	**1,877**
Margins (%)	12.9	19.4	19.1	18.7	18.1	18.6	22.3	24.8	17.9	21.7
Depreciation	61	78	87	96	84	87	90	101	322	361
Interest	48	52	63	59	58	57	55	30	222	200
Other Income	5	14	31	0	6	20	15	11	52	52
PBT before EO expense	**62**	**253**	**214**	**186**	**148**	**159**	**455**	**606**	**716**	**1,368**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**62**	**253**	**214**	**186**	**148**	**159**	**455**	**606**	**716**	**1,368**
Tax	18	65	55	49	40	40	114	153	187	347
Rate (%)	28.6	25.8	25.5	26.3	27.0	25.2	25.2	25.2	26.1	25.4
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**44**	**188**	**160**	**137**	**108**	**119**	**340**	**454**	**529**	**1,021**
Adj PAT	**44**	**188**	**160**	**137**	**108**	**119**	**340**	**454**	**529**	**1,021**
YoY Change (%)	-78.2	-8.2	52.8	181.7	144.2	-36.8	113.1	230.6	-5.8	93.0
Margins (%)	3.5	9.9	9.2	7.5	6.9	7.8	13.0	15.5	7.8	11.8

Quess — Neutral

CMP INR255| TP: INR290 (+14%) — **EPS CHANGE (%): FY26|27: -2.9|-1.0**

- Expect revenue to grow 6.3% QoQ. GS is expected to benefit from seasonal demand in 2Q and 3Q, driven by festive hiring.
- Margin recovery to remain gradual; margins should largely remain flat QoQ. FY26 exit is pegged at 2.2%.
- Overseas business is seeing mixed trends, with visa delays creating headwinds in Singapore, while the Middle East, Philippines, and Malaysia are showing signs of recovery.
- Commentaries on IT staffing, GCC offerings, and margins would be the key monitorables.

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
	1Q*	2Q	3Q*	4Q*	1Q*	2QE	3QE	4QE		
Net Sales	**35,869**	**51,794**	**40,191**	**36,564**	**36,514**	**38,828**	**40,608**	**41,924**	**1,49,672**	**1,57,874**
YoY Change (%)	-22	9.1	-17	-25.5	1.8	-25	1	14.7	9%	5%
Total Expenditure	35,236	49,838	39,567	35,891	35,817	38,043	39,769	41,011	1,47,049	1,54,639
EBITDA	**632**	**1,956**	**625**	**674**	**697**	**785**	**839**	**913**	**2,623**	**3,235**
Margins (%)	1.8	3.8	1.6	1.8	1.9	2	2.1	2.2	1.8	2
Depreciation	106	697	99	102	105	123	123	123	412	474
EBIT	**526**	**1,259**	**525**	**572**	**592**	**662**	**716**	**790**	**2,211**	**2,761**
Margins (%)	1.5	2.4	1.3	1.6	1.6	1.7	1.8	1.9	1.5	1.7
Interest	106	284	92	91	99	125	125	125	386	474
Other Income	64	44	49	109	47	37	37	37	236	158
PBT before EO expense	**483**	**1,018**	**482**	**591**	**541**	**574**	**628**	**702**	**2,061**	**2,446**
Recurring Tax	-6	85	4	-35	12	52	57	63	-41	184
Rate (%)	-1.3	8.4	0.8	-5.9	2.3	9	9	9	-2	7.5
MI & P/L of Asso. Cos.	-0.4	12	0	0	1	0	0	0	1	1
Adjusted PAT	**490**	**921**	**478**	**625**	**528**	**522**	**572**	**639**	**2,101**	**2,261**
Extraordinary items	-1	-3	61	1,580	19	0	0	0	1,643	19
Reported PAT	**491**	**924**	**417**	**-955**	**509**	**522**	**572**	**639**	**458**	**2,242**
YoY Change (%)	2.6	28.5	-34.8	-201.2	3.8	-43.5	37.2	-166.9	-66%	390%
Margins (%)	1.4	1.8	1	-2.6	1.4	1.3	1.4	1.5	0.3	1.4

* *Note: Figures for 1Q, 3Q, 4QFY25, and FY25 are re-stated for the demerger.

Safari Industries — Buy

CMP INR2,182 | TP: INR2,700 (+24%) — **EPS CHANGE (%): FY26|FY27 : 0|0**

- Revenue/EBITDA/PAT likely to grow 13.0%/43.7%/41.8% YoY in 2QFY26, while EBITDA margin is likely to be 13.3%.
- Strong traction on E-com (40% of sales) due to BBD sale, promotions and pickup in premiumization trend through Urban Jungle.
- We expect volume growth of 15%+; market share gain from unorganized players would continue.
- Jul'25 was a muted month, while Aug-Sep'25 picked up, along with a pickup in retail sales.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**4,500**	**4,578**	**4,427**	**4,211**	**5,278**	**5,173**	**5,135**	**4,951**	**17,716**	**20,538**
YoY Change (%)	5.5	23.7	14.0	15.2	17.3	13.0	16.0	17.6	14.3	15.9
Total Expenditure	3,842	4,099	3,923	3,602	4,486	4,485	4,293	4,111	15,466	17,375
EBITDA	**659**	**479**	**504**	**609**	**793**	**688**	**842**	**840**	**2,250**	**3,163**
Margins (%)	14.6	10.5	11.4	14.5	15.0	13.3	16.4	17.0	12.7	15.4
Depreciation	142	147	147	154	174	180	168	142	591	665
Interest	24	24	20	20	22	18	19	21	88	80
Other Income	82	71	72	60	58	74	80	101	285	313
PBT before EO expense	**575**	**378**	**408**	**494**	**654**	**564**	**735**	**778**	**1,856**	**2,731**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**575**	**378**	**408**	**494**	**654**	**564**	**735**	**778**	**1,856**	**2,731**
Tax	131	82	97	118	150	143	190	159	428	642
Rate (%)	22.8	21.6	23.7	24.0	22.8	25.4	25.9	20.4	23.0	23.5
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0		
Reported PAT	**444**	**297**	**311**	**376**	**505**	**420**	**545**	**619**	**1,428**	**2,089**
Adj PAT	**444**	**297**	**311**	**376**	**505**	**420**	**545**	**619**	**1,428**	**2,089**
YoY Change (%)	-11.1	-25.4	-28.9	-13.0	13.7	41.8	74.9	64.7	-18.8	46.3
Margins (%)	9.9	6.5	7.0	8.9	9.6	8.1	10.6	12.5	8.1	10.2

SIS — Buy

CMP INR350| TP: INR430 (+23%) — **EPS CHANGE (%): FY26|27: -0.5|-3.0**

- Expect high single-digit YoY growth in 2QFY26.
- International business growth was driven by new contract wins in the energy and airport sectors. These engagements will entail initial onboarding costs, which are expected to impact margins over the next few quarters.
- SIS is undergoing a restructuring exercise, including the exit of underperforming management in the SXP business. This will continue to weigh on margins through 3Q.
- Comments around client addition trends across industries, and margin guidance reaffirmations shall be closely monitored.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**31,299**	**32,688**	**33,625**	**34,279**	**35,485**	**35,626**	**36,656**	**36,428**	**1,31,891**	**1,44,195**
YoY Change (%)	5.1	6.3	9.4	9.3	13.4	9.0	9.0	6.3	7.6	9.3
Total Expenditure	29,925	31,241	32,057	32,631	33,964	33,963	34,869	34,645	1,25,853	1,37,441
EBITDA	**1,374**	**1,447**	**1,568**	**1,648**	**1,521**	**1,663**	**1,787**	**1,783**	**6,037**	**6,754**
Margins (%)	4.4	4.4	4.7	4.8	4.3	4.7	4.9	4.9	4.6	4.7
Depreciation	427	420	407	384	416	423	440	445	1,638	1,724
Interest	422	404	405	376	409	188	188	188	1,606	973
Other Income	118	76	321	166	185	139	139	139	681	600
PBT	**643**	**699**	**1,076**	**1,055**	**881**	**1,190**	**1,298**	**1,288**	**3,474**	**4,657**
Tax	70	72	122	291	27	107	117	116	556	367
Rate (%)	10.9	10.3	11.3	27.6	3.1	9.0	9.0	9.0	16.0	7.9
Minority Interest & Profit/Loss of Asso. Cos.	69	61	67	62	76	66	67	66	258	275
Adjusted PAT	**642**	**688**	**1,021**	**825**	**929**	**1,149**	**1,248**	**1,239**	**3,176**	**4,565**
YoY Change (%)	-28.3	-8.6	176.5	NA	44.7	67.0	22.2	50.1	67.2	43.7
Margins (%)	2.1	2.1	3.0	2.4	2.6	3.2	3.4	3.4	2.4	3.2

Swiggy — Buy

CMP INR418| TP: INR550 (+32%) — **EPS CHANGE (%): FY26|27: 4.2|3.8**

- GOV for FD/QC business is expected to achieve 20%/106% YoY growth, with take rates of 22.5% and 14.3% in 2QFY26.
- Instamart is anticipated to grow 23% QoQ with an adjusted EBITDA of -13.8% for 2Q, while out-of-home consumption is anticipated to near breakeven with 27% YoY revenue growth.
- FD's adjusted EBITDA as a percentage of GOV is expected to improve by 30bp QoQ to 2.7%. Instamart is projected to report a -3.3% (-4.6% in 1Q) contribution margin and -13.8% adjusted EBITDA margin (-15.8% in 1Q) in 2Q.
- Key factors to monitor include Instamart's GOV and AOV growth, dark store additions, and margins.

Consolidated - Quarterly Earning Model

	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (net of delivery)	**32,222**	**36,015**	**39,931**	**44,100**	**49,620**	**54,639**	**60,210**	**64,376**	**1,52,268**	**2,28,845**
YoY Change (%)	34.8	30.3	31.0	44.8	54.0	51.7	50.8	46.0	35.4	50.3
Inventory of traded goods	11,954	13,874	15,650	18,538	20,640	23,207	24,944	26,811	60,015	95,601
Employee Expenses	5,892	6,073	6,568	6,956	6,860	6,832	7,558	8,114	25,489	29,364
Delivery expenses	10,460	10,949	11,269	11,614	13,130	17,292	18,982	19,941	44,292	69,345
Gross Profit	**3,916**	**5,119**	**6,444**	**6,992**	**8,990**	**7,309**	**8,727**	**9,510**	**22,472**	**34,536**
Margins (%)	12.2	14.2	16.1	15.9	18.1	13.4	14.5	14.8	14.8	15.1
Advertisement and sales promotion	4,454	5,371	7,515	9,777	10,360	9,808	9,303	8,725	27,117	38,197
Others	4,905	5,290	6,185	6,833	8,160	7,947	7,189	7,781	23,213	31,077
EBITDA	**-5,442**	**-5,542**	**-7,257**	**-9,618**	**-9,530**	**-10,445**	**-7,766**	**-6,997**	**-27,858**	**-34,738**
Margins (%)	-16.9	-15.4	-18.2	-21.8	-19.2	-19.1	-12.9	-10.9	-18.3	-15.2
Depreciation	1,217	1,309	1,540	2,057	2,880	1,912	2,107	2,253	6,123	9,153
Interest	198	231	256	322	410	200	200	200	1,006	1,010
Other Income	879	848	1,028	1,207	870	1,300	1,300	1,300	3,962	4,770
PBT before EO expense	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-11,258**	**-8,773**	**-8,150**	**-31,025**	**-40,131**
Adj PAT	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-11,258**	**-8,773**	**-8,150**	**-31,025**	**-40,131**
Extra-Ord expense	-132	-21	35	0	0	0	0	0	-118	0
Minority Interest & Profit/Loss of Asso. Cos.	1	1	1	22	10	0	0	0	26	10
Reported PAT	**-6,111**	**-6,255**	**-7,991**	**-10,812**	**-11,960**	**-11,258**	**-8,773**	**-8,150**	**-31,169**	**-40,141**
YoY Change (%)	8%	-5%	39%	NA	NA	NA	NA	NA	33%	29%
Margins (%)	-19.0	-17.4	-20.0	-24.5	-24.1	-20.6	-14.6	-12.7	-20.5	-17.5

TeamLease — Buy

CMP INR1,753 | TP: INR2,050 (+17%) — **EPS CHANGE (%): FY26|27: -3.1|-2.7**

- Expect revenue growth of 9.5% QoQ/13.2% YoY.
- Commentaries on PAPM, IT hiring, and GCC trends will be important to monitor.
- We expect EBITDA margin to be around 1.4%, a 20bp improvement YoY.
- Softer demand in IT hiring shall weigh on specialized staffing. However, steady GCC demand (46% of headcount, 64% of net revenue) and a shift toward higher-value mandates should support gradual margin recovery.

Consolidated Quarterly Performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	**25,799**	**27,968**	**29,213**	**28,579**	**28,914**	**31,654**	**32,658**	**31,959**	**1,11,559**	**1,25,185**
YoY Change (%)	19%	23%	19%	18%	12%	13%	12%	12%	20%	12%
Total Expenditure	25,576	27,634	28,864	28,104	28,608	31,204	32,195	31,472	1,10,178	1,23,478
Reported EBITDA	**223**	**335**	**349**	**475**	**307**	**450**	**462**	**487**	**1,381**	**1,707**
Margins (%)	0.90%	1.20%	1.20%	1.70%	1.10%	1.40%	1.40%	1.50%	1.20%	1.40%
Reported EBIT	**91**	**196**	**216**	**341**	**171**	**320**	**332**	**357**	**844**	**1,181**
Margins (%)	0.40%	0.70%	0.70%	1.20%	0.60%	1.00%	1.00%	1.10%	0.80%	0.90%
Interest	30	44	32	42	37	25	30	30	148	122
Other Income	141	107	102	97	126	120	120	120	447	486
PBT before EO expense	**202**	**259**	**286**	**397**	**260**	**415**	**422**	**447**	**1,144**	**1,545**
Reported PBT	**202**	**259**	**286**	**397**	**260**	**415**	**422**	**447**	**1,144**	**1,545**
Tax	8	11	2	20	13	17	17	18	40	64
Rate (%)	4%	4%	1%	5%	5%	4%	4%	4%	4%	4%
Adjusted PAT	**194**	**249**	**284**	**379**	**250**	**399**	**406**	**430**	**1,105**	**1,484**
YoY Change (%)	-25%	-10%	3%	38%	29%	60%	43%	13%	2%	34%
Margins (%)	0.80%	0.90%	1.00%	1.30%	0.90%	1.30%	1.20%	1.30%	1.00%	1.20%
Reported PAT	**194**	**249**	**284**	**379**	**250**	**399**	**406**	**430**	**1,105**	**1,484**
YoY Change (%)	-25%	-10%	-8%	38%	29%	60%	43%	13%	-1%	34%
Margins (%)	0.80%	0.90%	1.00%	1.30%	0.90%	1.30%	1.20%	1.30%	1.00%	1.20%

Updater Services — Buy

CMP INR252 | TP: INR310 (+23%) — **EPS CHANGE (%): FY26|27: -0.2|-3.5**

- Expect growth of 9.9% QoQ/13.2% YoY in 2QFY26.
- IFM/BSS expected to grow by 9.8%/3.5% QoQ. Core EBITDA margins shall improve 30bp QoQ.
- We expect 2Q-3Q to remain soft for the BSS segment, due to cautious hiring and spending by the IT sector, along with client-specific challenges in Athena. We expect these headwinds to persist over the next couple of quarters.
- Commentary on BSS vertical demand trends, acquisition plans, and cross-sales initiatives between IFM and BSS to be the key monitorables.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**6,522**	**6,800**	**6,949**	**7,090**	**7,002**	**7,695**	**8,005**	**8,328**	**27,361**	**31,030**
YoY Change (%)	13.1	13.3	9.3	12.2	7.4	13.2	15.2	17.5	11.9	13.4
Total Expenditure	6,112	6,363	6,487	6,733	6,609	7,241	7,509	7,795	25,695	29,154
Core EBITDA	**409**	**437**	**462**	**357**	**393**	**454**	**496**	**533**	**1,665**	**1,876**
Margins (%)	6.3	6.4	6.7	5.0	5.6	5.9	6.2	6.4	6.1	6.0
ESOP cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fair value changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**409**	**437**	**462**	**357**	**393**	**454**	**496**	**533**	**1,665**	**1,876**
Margins (%)	6.3	6.4	6.7	5.0	5.6	5.9	6.2	6.4	6.1	6.0
Depreciation	115	123	121	113	112	139	144	150	471.3	544.3
Interest	34	29	20	20	21	19	20	21	103.5	81.3
Other Income, net	65	69	57	166	51	77	80	75	357	282
PBT	**326**	**354**	**378**	**390**	**311**	**373**	**412**	**437**	**1,447**	**1,533**
Tax	69	74	67	48	21	52	58	61	257.5	191.8
Rate (%)	21.3	20.8	17.7	12.3	6.6	14.0	14.0	14.0	17.8	12.5
Minority Interest & Profit/Loss of Asso. Cos.	3	-1	3	-3	4	0	0	0	2	4
Adjusted PAT	**256**	**280**	**312**	**342**	**290**	**321**	**355**	**376**	**1,190**	**1,341**
YoY Change (%)	27.2	41.8	13.5	76.1	13.1	14.6	13.8	10.0	34.5	12.7
Margins (%)	3.9	4.1	4.5	4.8	4.1	4.2	4.4	4.5	4.3	4.3

UPL — Neutral

CMP INR661| TP: INR679 (+3%) — **EPS CHANGE (%): FY26|FY27|FY28: -6|-3|-3**

- UPL is likely to post flat growth in 2Q, primarily led by a decline in India. North America is expected to deliver healthy growth.
- The India business is expected to see a muted performance in 2QFY26, largely due to washout of crops in floods.
- Raw material prices, debt levels, and capex plans are the key monitorables.
- The global demand-supply scenario will be a key monitorable.

Cons.: Quarterly Earning Model (INRb)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**90.7**	**110.9**	**109.1**	**155.7**	**92.2**	**111.7**	**118.4**	**170.7**	**466.4**	**493.0**
YoY Change (%)	1.2	9.0	10.3	10.6	1.6	0.7	8.6	9.6	8.2	5.7
Total Expenditure	79.2	95.2	87.5	123.4	79.1	93.8	94.2	133.2	385.2	400.2
EBITDA	**11.5**	**15.8**	**21.6**	**32.4**	**13.0**	**17.9**	**24.3**	**37.6**	**81.2**	**92.7**
Margins (%)	12.6	14.2	19.8	20.8	14.1	16.0	20.5	22.0	17.4	18.8
Depreciation	6.6	7.0	6.9	7.1	7.3	7.4	7.4	7.7	27.5	29.8
Interest	9.1	10.7	7.3	9.1	10.1	7.4	6.5	5.8	36.3	29.7
Other Income	1.0	1.1	1.7	1.1	1.4	1.4	1.2	1.3	4.9	5.3
Exch. difference on trade rec./payable	0.5	2.2	2.1	0.5	-0.9	0.0	0.0	0.0	5.2	-0.9
PBT before EO expense	**-3.7**	**-3.0**	**7.1**	**16.8**	**-2.0**	**4.5**	**11.6**	**25.4**	**17.1**	**39.4**
Extra-Ord expense	0.5	0.1	0.8	2.8	0.1	0.0	0.0	0.0	4.1	0.1
PBT	**-4.2**	**-3.1**	**6.3**	**14.0**	**-2.1**	**4.5**	**11.6**	**25.4**	**13.0**	**39.3**
Tax	0.7	1.4	-5.0	3.0	-0.1	0.7	2.0	4.3	0.1	6.8
Rate (%)	-17.0	-44.2	-79.0	21.2	6.7	15.0	17.0	17.0	0.7	17.3
MI & P/L of Asso. Cos.	-1.1	-0.1	3.0	2.1	-1.1	0.5	3.2	2.3	4.0	5.0
Reported PAT	**-3.8**	**-4.4**	**8.3**	**9.0**	**-0.9**	**3.3**	**6.3**	**18.8**	**9.0**	**27.5**
Adj PAT	**-2.0**	**-0.6**	**9.9**	**11.9**	**1.0**	**3.3**	**6.3**	**18.8**	**19.1**	**29.4**
YoY Change (%)	-150.8	-159.3	-267.9	225.5	-147.6	-626.5	-36.1	58.0	583.6	53.5
Margins (%)	-2.2	-0.6	9.1	7.6	1.0	3.0	5.4	11.0	4.1	6.0

VA Tech Wabag

Buy

CMP INR1,432 | TP: INR1,900 (+33%) — **EPS CHANGE (%): FY26|FY27 : 0|0**

- Revenue/EBITDA/PAT likely to grow 16.8%/12.5%/5.5% YoY in 2QFY26; EBITDA margin expected at 12.9%.
- EPC segment to grow 15.7% YoY (79.9% of revenue), while O&M to expand 20.5% YoY, hence lifting the mix to 20.1% (vs. 19.4% in 2QFY25).
- Healthy book-to-bill of 5.7x (on TTM basis) and robust bid pipeline underpin strong revenue visibility.
- Strong gross cash balance expected to sustain.
- Strategy remains focused on profitable growth, with selective bidding in high-margin EPC and O&M opportunities.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**6,265**	**7,003**	**8,110**	**11,562**	**7,340**	**8,181**	**9,428**	**13,518**	**32,940**	**38,467**
YoY Change (%)	13.3	5.3	15.1	23.8	17.2	16.8	16.2	16.9	15.3	16.8
Total Expenditure	5,452	6,067	7,106	10,154	6,384	7,128	8,120	11,532	28,717	33,163
EBITDA	**813**	**936**	**1,004**	**1,408**	**956**	**1,053**	**1,308**	**1,986**	**4,223**	**5,303**
Margins (%)	13.0	13.4	12.4	12.2	13.0	12.9	13.9	14.7	12.8	13.8
Depreciation	19	13	13	14	14	15	15	15	59	59
Interest	180	190	203	215	188	191	196	201	788	776
Other Income	108	138	148	114	113	117	121	125	446	476
PBT before EO expense	**722**	**871**	**936**	**1,293**	**867**	**964**	**1,218**	**1,895**	**3,822**	**4,944**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**722**	**871**	**936**	**1,293**	**867**	**964**	**1,218**	**1,895**	**3,822**	**4,944**
Tax	152	221	207	316	209	227	286	445	896	1,167
Rate (%)	21.1	25.4	22.1	24.4	24.1	23.5	23.5	23.5	23.4	23.6
Minority Interest	-2	-3	0	0	0	-1	-2	-2	-5	-5
Profit/Loss of Asso. Cos.	-22	53	-27	18	0	6	6	6	22	18
Reported PAT	**550**	**706**	**702**	**995**	**658**	**745**	**940**	**1,458**	**2,953**	**3,800**
Adj PAT	**550**	**706**	**702**	**995**	**658**	**745**	**940**	**1,458**	**2,953**	**3,800**
YoY Change (%)	10.0	17.3	11.6	37.4	19.6	5.5	33.8	46.5	20.2	28.7
Margins (%)	8.8	10.1	8.7	8.6	9.0	9.1	10.0	10.8	9.0	9.9

VIP Industries

Buy

CMP INR416 | TP: INR530 (+27%) — **EPS CHANGE (%): FY26|FY27 : 0|0**

- Revenue is likely to grow 6.5% YoY in 2QFY26, while EBITDA margin is likely to be 5.8%.
- Volume growth is expected to be in high-single digits, supported by the Big Billion Days (BBD) sale.
- We expect Carlton to outperform the other brands.
- VIP witnessed a demand uptick in 2Q, given higher discounting in BBD sale and retail pickup.
- In-house manufacturing and stabilization of new warehouse expected to lift margins sequentially.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	**6,389**	**5,443**	**5,011**	**4,942**	**5,614**	**5,794**	**5,526**	**6,503**	**21,784**	**23,438**
YoY Change (%)	0.4	-0.3	-8.3	-4.3	-12.1	6.5	10.3	31.6	-3.0	7.6
Total Expenditure	5,896	5,464	4,725	4,877	5,368	5,458	4,923	5,547	20,961	21,296
EBITDA	**493**	**-22**	**286**	**65**	**247**	**336**	**602**	**957**	**823**	**2,142**
Margins (%)	7.7	-0.4	5.7	1.3	4.4	5.8	10.9	14.7	3.8	9.1
Depreciation	292	296	300	303	316	271	256	222	1,191	1,064
Interest	185	201	177	169	167	177	192	219	732	754
Other Income	21	27	25	38	46	36	16	30	109	129
PBT before EO expense	**37**	**-492**	**-167**	**-369**	**-190**	**-75**	**171**	**546**	**-991**	**452**
Extra-Ord expense	0	-36	0	-43	-19	0	0	0	78	0
PBT	**37**	**-528**	**-167**	**-411**	**-209**	**-75**	**171**	**546**	**-912**	**452**
Tax	-3	-126	-43	-53	-40	-17	41	129	-224	113
Rate (%)	-8.9	23.8	25.6	12.8	18.9	23.0	24.0	23.6	24.6	25.0
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0		
Reported PAT	**40**	**-402**	**-124**	**-359**	**-170**	**-58**	**130**	**418**	**-688**	**339**
Adj PAT	**40**	**-375**	**-124**	**-322**	**-154**	**-58**	**130**	**418**	**-747**	**339**
YoY Change (%)	-87.4	-382.2	-273.7	34.7	-481.1	-84.5	-204.6	-229.8	-307.4	-145.4
Margins (%)	0.6	-6.9	-2.5	-6.5	-2.7	-1.0	2.4	6.4	-3.4	1.4

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