Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	83,871	0.4	7.3
Nifty-50	25,695	0.5	8.7
Nifty-M 100	60,427	0.5	5.6
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	6,847	0.2	16.4
Nasdaq	23,468	-0.3	21.5
FTSE 100	9,900	1.1	21.1
DAX	24,088	0.5	21.0
Hang Seng	9,461	0.2	29.8
Nikkei 225	50,843	-0.1	27.4
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	64	2.9	-13.3
Gold ($/OZ)	4,127	0.3	57.2
Cu (US$/MT)	10,806	0.2	24.9
Almn (US$/MT)	2,851	-0.1	12.8
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	88.6	-0.1	3.5
USD/EUR	1.2	0.2	11.9
USD/JPY	154.2	0.0	-1.9
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.5	-0.02	-0.3
10 Yrs AAA Corp	7.2	0.01	0.0
Flows (USD b)	**11-Nov**	**MTD**	**CYTD**
FIIs	-0.09	-0.35	-16.5
DIIs	0.25	3.03	75.4
Volumes (INRb)	**11-Nov**	**MTD***	**YTD***
Cash	1,116	1149	1069
F&O	6,62,084	3,45,950	2,32,335

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

BSE: Strong revenue growth drives PAT beat

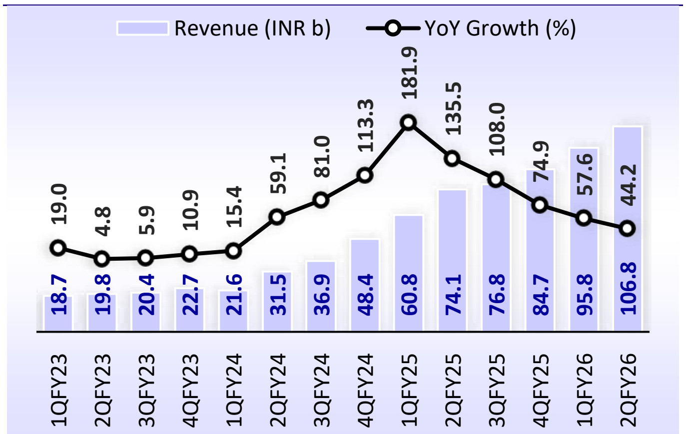
- BSE reported operating revenue of ~INR10.7b (5% beat), up 44% YoY/12% QoQ, mainly driven by 57% YoY growth in transaction charges. For 1HFY26, revenue grew 50% YoY to INR20.3b.
- Opex stood at INR3.8b, up 7% YoY (in line). Regulatory expenses/employee costs/technology costs/other expenses grew 30%/26%/16%/42% YoY, while clearing house expenses declined 42% YoY. EBITDA stood at INR6.9b, up 78% YoY, leading to EBIDTA margins of 64.7% vs. est. of 62.1% and 52.4% in 2QFY25.
- 2Q PAT came in at INR5.6b, up 61% YoY/5% QoQ (10% beat), driven by higher revenue growth. For 1HFY26, PAT grew 78% YoY to INR10.9b.
- In the derivatives trading segment, management aims to drive volume growth by deepening institutional participation, introducing longer-dated contracts, and strengthening data centre infrastructure.
- We raise our earnings estimates by 14%/14%/15% for FY26/FY27/FY28, factoring in higher volume assumptions for the derivatives options segment based on the Oct'25 run rate and stronger-than-expected colocation revenue.
- **We reiterate our Neutral rating on the stock with a TP of INR2,800 (premised on 40x Sep'FY27E EPS).**

Research covered

Cos/Sector	Key Highlights
BSE	Strong revenue growth drives PAT beat
KEC International	Decent performance and reasonable valuations now; Upgrade to Buy
Other Updates	ONGC | Tata Power Co. | Vodafone Idea | Bosch | Bharat Forge | Jindal Stain. | K E C Intl. | Guj. St. Petronet | Syrma SGS Tech. | AAVAS Financiers | G R Infraproject | Sri Lotus | V-Mart Retail | United Foodbrands | P I Industries | Max Financial | Biocon | Container Corpn. | Thermax | Kirloskar Oil | EPL | Laxmi Dental | Kolte Patil Dev

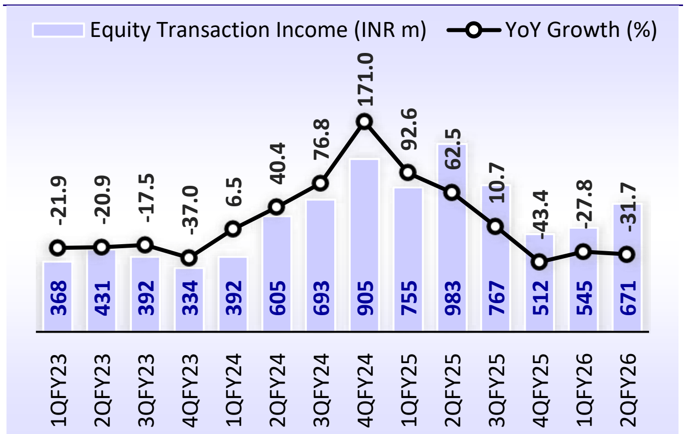
Chart of the Day: BSE (Strong revenue growth drives PAT beat)

Revenue jumped 44% YoY in 2QFY26



Source: MOFSL, Company

Equity transaction revenue rose sequentially



Source: MOFSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

Wilmar to acquire 13% stakes in India's AWL Agri for ₹4,650 crore

Singapore's Wilmar International has agreed to purchase a 13% stake in India's AWL Agri Business from Adani Commodities for ₹4650 crore ($529.04 million).

2

Yamaha enters India's EV market, to roll out 10 new models by end-2026

India Yamaha Motor (IYM) announced its entry into the electric two-wheeler market with the launch of its first battery-powered models, AEROX-E and EC-06.

3

Tata Power to invest ₹25,000 crore in renewable projects by FY27

Tata Power plans to invest Rs 25,000 crore in new renewable energy projects by the end of the next financial year (FY27), Managing Director and Chief Executive Officer (CEO) Praveer Sinha. This includes setting up 1,500 MW capacity projects in the current financial year and an additional 2,500 MW in FY27.

4

Zydus Lifesciences marks China entry with approval for antidepressant drug

Zydus Lifesciences has secured its first-ever Chinese market approval for its antidepressant, Venlafaxine Extended-Release (ER) capsules (75 mg and 150 mg), marking its debut in the country and furthering the Indian company's global expansion.

5

Puravankara to invest ₹7,000 cr in new housing projects across India

Bengaluru-based real estate developer Puravankarawill invest over Rs 7,000 crore over the next few years in new residential project launches that are expected to generate Rs 15,000 crore in sales, saidMallanna Sasalu, chief executive officer (CEO) – South, Puravankara.

6

Tech Mahindra inks AT&T deal to enhance global LTE, 5G network testing

Tech Mahindra has entered into a licensing agreement with AT&T to offer telecom operators a highly automated solution for conducting network health checks and connectivity tests, ensuring more robust and reliable networks.

7

ACME Solar bags 400 MW firm, dispatchable renewable project from SJVN

ACME Solar Holdings Ltd on Tuesday announced it has secured a 400 MW/1,800 MWh firm and dispatchable renewable energy project from SJVN. The project has been secured at a tariff of ₹6.75/unit for 25 years, ACME Solar Holdings Ltd (ACME Solar) said in a statement.

BSE

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	BSE IN
Equity Shares (m)	406
M.Cap.(INRb)/(USDb)	1077 / 12.2
52-Week Range (INR)	3030 / 1226
1, 6, 12 Rel. Per (%)	9/14/65
12M Avg Val (INR M)	15843

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Net Sales	45.0	51.3	58.9
EBITDA	29.3	32.9	38.0
PAT	23.5	26.1	30.5
Adj. PAT	23.4	26.1	30.5
EPS (INR)	57.9	64.4	75.1
EPS Gr (%)	78.4	11.2	16.7
BV / Sh (INR)	153	203	260
Ratios (%)			
RoE	37.7	31.8	28.9
Payout ratio	23.3	23.3	23.3
Valuations			
P/E (x)	45.7	41.1	35.2
P / BV (x)	17.3	13.1	10.2

Shareholding Pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	0.0	0.0	0.0
DII	20.0	11.3	11.7
FII	16.3	38.7	35.9
Others	63.8	50.0	52.4

FII includes depository receipts

CMP: INR2,644 TP: INR2,800 (+6%) Neutral

Strong revenue growth drives PAT beat

- BSE reported operating revenue of ~INR10.7b (5% beat), up 44% YoY/12% QoQ, mainly driven by 57% YoY growth in transaction charges. For 1HFY26, revenue grew 50% YoY to INR20.3b.
- Opex stood at INR3.8b, up 7% YoY (in line). Regulatory expenses/employee costs/technology costs/other expenses grew 30%/26%/16%/42% YoY, while clearing house expenses declined 42% YoY. EBITDA stood at INR6.9b, up 78% YoY, leading to EBIDTA margins of 64.7% vs. est. of 62.1% and 52.4% in 2QFY25.
- 2Q PAT came in at INR5.6b, up 61% YoY/5% QoQ (10% beat), driven by higher revenue growth. For 1HFY26, PAT grew 78% YoY to INR10.9b.
- In the derivatives trading segment, management aims to drive volume growth by deepening institutional participation, introducing longer-dated contracts, and strengthening data centre infrastructure.
- We raise our earnings estimates by 14%/14%/15% for FY26/FY27/FY28, factoring in higher volume assumptions for the derivatives options segment based on the Oct'25 run rate and stronger-than-expected colocation revenue. **We reiterate our Neutral rating on the stock with a TP of INR2,800 (premised on 40x Sep'FY27E EPS).**

Transaction charges driven by growth in derivatives and Star MF segments

- Transaction charges jumped 57% YoY to INR7.6b, due to 81%/19% growth in charges from derivatives/Star MF. These were offset by a 32% YoY dip in cash segment charges.
- Treasury income declined 32% YoY to INR428m.
- Revenue from services to corporates grew 16% YoY to INR1.4b, led by 19% YoY growth in listing fees, while book-building fees grew 11% YoY.
- Other operating income at INR932m grew 64% YoY, largely driven by strong expansion in the colocation facility.
- Investment income remained flat YoY at INR711m.
- Cash ADTO declined 23% YoY to INR75.8b, while premium ADTO rose 83% YoY to INR150b in 2Q.
- STAR MF achieved another record quarter, with revenue up 18% YoY. Total transactions increased 24% YoY to ~201m vs. 162m in 2QFY25, with record-high transactions of about 71.3m in Oct'25.
- Among subsidiaries, growth in BSE Index Service was driven by higher client adoption and continued product innovation. It has 300+ marquee clients and manages 72 passive investment products tracking 22 of BSE indices, representing a combined AUM of INR2.5t.
- On the ICCL front (Clearing Corporation), revenue stood at INR320m.
- BSE is also working actively with its subsidiaries on creating a platform for trading in the commodities and agriculture segments.

Motilal Oswal | MORNING INDIA

Key takeaways from the management commentary

- Market share continued to expand despite the shift in expiry days, supported by steady efforts to increase institutional participation in longer-tenure derivative contracts.
- BSE will maintain its voluntary monthly contribution of 5% of transaction revenue to the core Settlement Guarantee Fund (SGF) until the corpus reaches 150% of the required level, aiming to stabilize earnings and minimize its impact.
- Colocation revenue rose to INR460m from INR270m in 1QFY26, driven by higher rack utilization and revised throttling charges (Jul'25), with all racks fully allocated and management planning to add 70-90 more by FY26, taking total capacity to around 500 racks across 6KVA and 15KVA configurations.

Valuation and view

- BSE continues to demonstrate broad-based growth across key segments, supported by stable retail activity, a robust IPO pipeline, and structural expansion in STAR MF and index businesses. The exchange's continued investment in technology, data infrastructure, and product diversification is expected to strengthen its competitive positioning and support long-term earnings visibility.
- We raise our earnings estimates by 14%/14%/15% for FY26/FY27/FY28, factoring in higher volume assumptions for the derivatives options segment based on the Oct'25 run rate and stronger-than-expected colocation revenue. **We reiterate our Neutral rating on the stock with a TP of INR2,800 (premised on 40x Sep'FY27E EPS).**

Cons. Quarterly perf. (INR m)

Y/E March	FY25				FY26							Vav.		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E	Est. 2Q	(%/bp)	YoY	QoQ
Revenue from operations	**6,077**	**7,407**	**7,681**	**8,467**	**9,580**	**10,684**	**11,916**	**12,789**	**29,632**	**44,969**	**10,133**	**5.4**	**44%**	**12%**
YoY Change (%)	181.9	135.5	108.0	74.9	57.6	44.2	55.1	51.1	114.2	51.8	36	846bp		
Total Expenditure	3,238	3,524	3,334	3,624	3,325	3,775	4,174	4,359	13,720	15,633	3,844	-1.8	7%	14%
EBITDA	**2,840**	**3,883**	**4,347**	**4,843**	**6,255**	**6,909**	**7,743**	**8,430**	**15,912**	**29,337**	**6,289**	**9.9**	**78%**	**10%**
Margins (%)	46.7	52.4	56.6	57.2	65.3	64.7	65.0	65.9	53.7	65.2	62.1	260bp	1224bp	-63bp
Depreciation	240	291	302	298	269	325	338	350	1,131	1,281	280	16.1	11%	21%
Interest	0	0	0	0	0	0	0	0	0	0	0			
Investment income	666	719	613	797	865	711	733	758	2,795	3,068	818	-13.0	-1%	-18%
PBT before EO expense	**3,266**	**4,311**	**4,658**	**5,342**	**6,851**	**7,296**	**8,138**	**8,839**	**17,577**	**31,123**	**6,827**	**6.9**	**69%**	**6%**
SGF	0	0	1,992	-1,094	0	106	399	395	898	900	300			
Exceptional items	0	13	15	6	120	0	0	0	34	120	0			
PBT	**3,266**	**4,324**	**2,681**	**6,442**	**6,971**	**7,189**	**7,739**	**8,444**	**16,712**	**30,343**	**6,527**	**10.2**	**66%**	**3%**
Tax	851	1,108	694	1,661	1,752	1,819	1,935	2,172	4,314	7,678	1,632	11.5	64%	4%
Rate (%)	26	26	26	26	25	25	25	26	26	25	25			
P/L of Asso. Cos.	227	244	199	156	163	200	220	243	826	826	179	11.7	-18%	23%
Reported PAT	**2,643**	**3,459**	**2,185**	**4,937**	**5,382**	**5,570**	**6,024**	**6,515**	**13,224**	**23,491**	**5,074**	**9.8**	**61%**	**4%**
Adj PAT	**2,643**	**3,449**	**2,174**	**4,933**	**5,292**	**5,570**	**6,024**	**6,515**	**13,199**	**23,401**	**5,074**	**9.8**	**61%**	**5%**
YoY Change (%)	-40	192	113	372	104	61	176	32	73	78	47			
Margins (%)	43.5	46.6	28.3	58.3	55.2	52.1	50.6	50.9	44.6	52.2	50	206bp	557bp	-311bp

E: MOFSL Estimates

KEC International

Estimate changes	↓
TP change	↑
Rating change	↑

Bloomberg	KECI IN
Equity Shares (m)	266
M.Cap.(INRb)/(USDb)	204.5 / 2.3
52-Week Range (INR)	1313 / 605
1, 6, 12 Rel. Per (%)	-12/4/-29
12M Avg Val (INR M)	1124

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	255.6	298.2	351.7
EBITDA	19.8	23.9	28.1
PAT	8.3	10.7	13.5
EPS (INR)	31.1	40.3	50.9
GR. (%)	44.9	29.8	26.1
BV/Sh (INR)	225.4	258.3	301.1
Ratios			
ROE (%)	14.6	16.7	18.2
RoCE (%)	13.9	15.0	15.6
Valuations			
P/E (X)	24.7	19.1	15.1
P/BV (X)	3.4	3.0	2.6
EV/EBITDA (X)	12.3	10.3	9.0
Div Yield (%)	0.8	1.0	1.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	50.1	50.1	50.1
DII	22.5	22.6	26.3
FII	15.9	16.0	13.6
Others	11.4	11.3	10.0

FII Includes depository receipts

CMP: INR768 TP: INR920 (+20%) Upgrade to Buy

Decent performance and reasonable valuations now

KEC posted good execution growth of 19% YoY and margin improvement of 80bp YoY in 2QFY26. The slight miss in PAT was attributed to higher interest expenses, which moved up due to higher debt and higher working capital. Going ahead, we expect KEC to benefit from 1) a strong prospect pipeline in T&D, 2) a strong order book of INR393b leading to a healthy 17% CAGR in execution, 3) margin improvement over a low base of last year, and 4) the easing of its working capital cycle on improved customer advances and the release of retention money. We cut our estimates by 11%/9%/5% for FY26/27/28 to bake in higher debt and slightly higher NWC. The stock has corrected from its recent highs and is now available at attractive valuations of 19.1x/15.1x on FY27/28 estimates. We upgrade KEC to BUY from Neutral earlier with a revised TP of INR920 (from INR950 earlier).

Good performance; a slight miss on PAT

KEC's revenue and EBITDA were in line; however, PAT reported a slight miss. Revenue grew 19% YoY, led mainly by T&D and Cables divisions, which grew 44% and 19% YoY. EBITDA grew by 34% YoY to INR4.3b with EBITDA margin at 7.1%, up 80bp YoY/10bp QoQ. PAT surged 88% YoY to INR1.6b. Order inflow increased 81% YoY to INR105b in 2QFY26, taking the closing order book (OB) to INR393b (+15% YoY). T&D/non-T&D mix stood at 65%/35%. OB + L1 position stood at INR440b. For 1HFY26, revenue/EBITDA/PAT grew 15%/32%/65% to INR111b/INR8b/INR3b, while EBITDA margin expanded 90bp YoY to 7.0%. OCF/FCF outflow stood at INR9.2b/INR10.3b, declining 88%/83% YoY on higher working capital and capex. Net debt, including acceptances, stood at INR64.8b, vs. INR52.7b as of 30th Sep'24.

T&D witnessing strong traction across geographies

Order inflows in the T&D business witnessed strong traction across geographies, driven by a healthy mix of domestic and international projects. The segment secured **orders worth ~INR120b** in 1HFY26 across **India, the Middle East, CIS, and the Americas**. Key wins included a large **EPC order of INR31b in the UAE** and a **substation order of INR10b in Saudi Arabia**. The company also secured its **first order in a new CIS country**. In India, order inflows were supported by growing activity in **HVDC** and **intra-state TBCB** projects, along with higher participation from private developers. SAE Towers continued to perform well, aided by strong demand in Latin America. **Out of the company's total tender pipeline of INR1.8t**, the **T&D business alone accounts for INR600b–650b**. We expect T&D segment order inflows/revenue to grow at 20%/24% CAGR over FY25-28.

Non-T&D segment growth will take some time to improve

Among non-T&D segments, the **cable business** grew **19% YoY** to **INR5b**, supported by a better product mix and cost optimization. In contrast, **civil segment** revenue stood at **INR12b, down 15% YoY**, impacted by prolonged monsoon, labor shortages, and delayed payments in water projects. We expect execution to accelerate in 2HFY26. R**ailway segment** revenue declined 16% YoY to **INR4b**, as execution was selectively focused on projects. Overall, we are building in a recovery in civil segment revenue going forward, while we expect the railway segment to remain largely flat. We expect T&D/non-T&D mix to remain around 68%/32% by FY27.

Margin trajectory improving

EBITDA margin improved 80bp YoY to 7.1% in 2QFY26, driven by strong execution and higher profitability in the T&D business, which has double-digit margins. The improvement was also supported by better cost absorption and operational efficiencies across key projects. We bake in margin improvement of 30bp from FY26 levels for FY27/28 as we expect the impact of low-margin legacy projects and cost overruns to get over by FY26-end. Benefits of project mix and cost optimization will also start reflecting from next year.

Working capital to ease out from current levels

Working capital and net debt increased during the quarter, primarily due to timing-related factors such as spillover of collections in water and metro projects and higher inventory levels built to support execution momentum. **Net debt, including acceptances, stood at INR64.8b as of Sep'25**, compared to INR52.7b as of Sep'24. We expect NWC days to ease out from the current levels on improved customer advances and the release of retention money.

Financial outlook

We cut our estimates by 11%/9%/5% for FY26/27/28 to bake in higher debt and slightly higher NWC. Accordingly, we expect a revenue/EBITDA/PAT CAGR of 17%/23%/33% over FY25-28. This will be driven by 1) order inflow growth of 21% over the same period, led by a strong prospect pipeline; 2) a gradual recovery in EBITDA margin to 7.7% in FY26 and 8% by FY27/FY28; and 3) stable NWC. With the expected improvement in execution and margins, we expect its RoE and RoCE to improve to 18.2% and 15.6%, respectively, by FY28.

Valuation and recommendation

KEC is currently trading at 24.7x/19.1x/15.1x on FY26E/27E/28E earnings. Our estimates bake in a revenue CAGR of ~17% and an EBITDA margin of 7.7% for FY26E and 8% for FY27E/28E. **We upgrade KEC to BUY from Neutral earlier with a revised TP of INR920 (from INR950 earlier)** based on 20x Dec'27E EPS.

Key risks and concerns

A slowdown in order inflows, higher commodity prices, an increase in receivables and working capital, and heightened competition are some of the key risks that could potentially affect our estimates.

Consolidated - Quarterly Earning Model (INR m)

Y/E March - INR m	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**45,119**	**51,133**	**53,494**	**68,721**	**50,229**	**60,916**	**63,890**	**80,527**	**2,18,467**	**2,55,561**	**58,575**	**4**
YoY Change (%)	6.3	13.7	6.8	11.5	11.3	19.1	19.4	17.2	9.7	17.0	14.6	
Total Expenditure	42,415	47,931	49,749	63,333	46,728	56,612	58,907	73,554	2,03,428	2,35,800	54,299	4
EBITDA	**2,704**	**3,202**	**3,745**	**5,388**	**3,501**	**4,304**	**4,983**	**6,973**	**15,039**	**19,762**	**4,276**	**1**
YoY Change (%)	10.6	16.7	21.6	38.9	29.5	34.4	33.1	29.4	23.8	31.4	33.5	
Margins (%)	6.0	6.3	7.0	7.8	7.0	7.1	7.8	8.7	6.9	7.7	7.3	
Depreciation	465	453	453	465	459	506	521	599	1,837	2,084	508	(1)
Interest	1,550	1,681	1,702	1,703	1,511	1,715	1,713	1,914	6,636	6,854	1,676	2
Other Income	431	66	9	202	54	46	73	118	709	291	124	(63)
PBT before EO expense	**1,120**	**1,135**	**1,598**	**3,422**	**1,585**	**2,130**	**2,822**	**4,578**	**7,275**	**11,115**	**2,216**	**(4)**
Extra-Ord expense												
PBT	**1,120**	**1,135**	**1,598**	**3,422**	**1,585**	**2,130**	**2,822**	**4,578**	**7,275**	**11,115**	**2,216**	**(4)**
Tax	245	281	303	740	339	522	722	1,262	1,568	2,845	510	
Rate (%)	21.8	24.7	18.9	21.6	21.4	24.5	25.6	27.6	21.5	25.6	23.0	
Reported PAT	**876**	**854**	**1,296**	**2,682**	**1,246**	**1,608**	**2,099**	**3,317**	**5,707**	**8,269**	**1,706**	**(6)**
Adj PAT	**876**	**854**	**1,296**	**2,682**	**1,246**	**1,608**	**2,099**	**3,317**	**5,707**	**8,269**	**1,706**	**(6)**
YoY Change (%)	106.9	53.1	33.7	76.7	42.3	88.2	62.0	23.7	64.6	44.9	99.7	
Margins (%)	1.9	1.7	2.4	3.9	2.5	2.6	3.3	4.1	2.6	3.2	2.9	

	FY25				FY26		FY25	FY26E
INR m	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**		
Segmental revenue								
T&D (domestic + SAE)	24,990	28,310	31,750	43,280	31,570	40,800	1,28,330	1,62,528
Cables	3,630	4,410	4,060	5,940	3,830	5,240	18,040	22,535
Railways	4,710	5,030	4,560	6,810	4,710	4,250	21,110	23,562
Civil	12,580	14,250	14,160	16,020	11,360	12,100	57,010	53,078
Less intersegmental	(790)	(870)	(1,040)	(3,330)	(1,240)	(1,470)	(6,030)	(7,030)
Grand total	**45,120**	**51,130**	**53,490**	**68,720**	**50,230**	**60,920**	**2,18,460**	**2,54,674**

ONGC

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	ONGC IN
Equity Shares (m)	12580
M.Cap.(INRb)/(USDb)	3138.2 / 35.4
52-Week Range (INR)	274 / 205
1, 6, 12 Rel. Per (%)	0/-1/-9
12M Avg Val (INR M)	2949

Financials & Valuations (consol.) (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	5,814	5,506	5,447
EBITDA	1,065	1,031	1,013
Adj. PAT	419	399	401
Adj. EPS (INR)	33	32	32
EPS Gr. (%)	9	(5)	1
BV/Sh.(INR)	287	306	325
Ratios			
Net D:E	0.3	0.1	0.1
RoE (%)	11.8	10.5	9.9
RoCE (%)	11.7	10.8	10.2
Payout (%)	41.5	36.9	40.4
Valuations			
P/E (x)	7.5	7.8	7.8
P/BV (x)	0.9	0.8	0.8
EV/EBITDA (x)	3.8	3.6	3.3
Div. Yield (%)	5.6	4.7	5.2
FCF Yield (%)	22.0	21.4	21.1

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	58.9	58.9	58.9
DII	30.3	30.1	29.3
FII	7.0	7.1	8.1
Others	3.9	3.9	3.7

FII Includes depository receipts

CMP: INR249 TP: INR250 Neutral

Muted volume growth in 1HFY26

- **ONGC's 2QFY26 revenue came in line with our est. at INR330b. Crude oil/gas sales were in line with our est. at 4.8mmt/3.9bcm. VAP sales stood at 592tmt (est. 681.5tmt). Reported oil realization was USD67.3/bbl, a USD3.2/bbl discount to Brent in 2Q. EBITDAX/PAT also stood in line with our est. at INR177b/INR98.5b.**
- **Upstream has remained our least preferred sector since Jun'24 (Upstream remains our relatively less preferred sector despite cheap valuations): We have been bearish on crude oil prices since Jun'24 when Brent oil prices were USD83/bbl amid record-high OPEC+ spare capacity (Oil price outlook: Has the crude oil party peaked?). Since then, Brent prices have corrected ~23%, while ONGC's stock price has corrected ~10%.**
- **For FY26, standalone production is guided at 19.8mmt of oil and 20bcm of gas, reflecting a marginal reduction vs. the previous guidance due primarily to delays in the ramp-up at KG-98/2. For FY27, guidance is maintained at 21mmt of oil and 21.5bcm of gas (i.e., 4%/5% CAGR w.r.t oil/gas production over FY25-27). However, in the past few quarters, ONGC has struggled to raise production/sales, with marginal YoY production/sales growth in 1HFY26. Hence, we build in a CAGR of 2%/3% in ONGC's standalone oil/gas production over FY25-27, reaching 20.4mmt/20.8bcm in FY27.**
- **We maintain our Neutral rating on the stock and arrive at our SoTP-based TP of INR250 as we model a CAGR of 2%/3% in oil/gas production volume over FY25-27.**

Key takeaways from the conference call

- Current NW gas is 13.4% of total gas, which should ramp up to 30-35% in the next three years.
- KG-98/2 -- Current production: 28kb/d oil and 3mmscmd gas. KG-98/2 gas productions should reach 10mmscmd by Jul'26.
- OPAL should run at 90%+ CUF in 2HFY26. Management also expects positive EBITDA in 2HFY26.
- FY26 standalone capex guidance is maintained at INR300-350b.

In-line performance; Volume growth remains weak

- Standalone 2Q revenue came in line with our est. at INR330b.
  - Crude oil/gas sales were in line with our est. at 4.8mmt/3.9bcm. VAP sales stood at 592tmt (est. 681.5tmt).
  - Reported oil realization was USD67.3/bbl, a USD3.2/bb discount to Brent during the quarter.
  - Crude oil and natural gas production remained flat QoQ/YoY.
- Standalone EBITDAX/PAT came in line with our est. at INR177b/INR98.5b.
  - DDA, dry well write-offs, and survey costs stood below estimate at INR74.7b.
- Both tax rate and other income came in below estimate.
- **ONGC Videsh:**
  - OVL's oil and gas production was down YoY at 1.72mmt/0.61bcm (1.82mmt/0.71bcm in 2QFY25).

- Crude oil sales stood at 1.27mmt, while gas sales came in at 0.4bcm.
- OVL's revenue (incl. other income) was INR21.6b and PBDT stood at INR6.4b.
- The board has declared an interim dividend of INR6/sh (FV: INR5/sh).

Valuation and view

- In the past few quarters, ONGC has struggled to raise production/sales, with no meaningful production/sales growth YoY in 2Q. Further, we like the increased exploration intensity (which is key to building a robust development pipeline), though we believe it will likely be accompanied by higher dry well write-offs, which will weigh on earnings. Also, the benefits of increased new well gas proportion for ONGC will be mostly offset by subdued gas realization amid a weaker crude oil price outlook.
- We arrive at our SoTP-based TP of INR250 as we model a CAGR of 2%/3% in oil/gas production volume growth over FY25-27.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**352.7**	**338.8**	**337.2**	**349.8**	**320.0**	**330.3**	**314.1**	**317.8**	**1,378.5**	**1,282.2**	**324.8**	**2%**
YoY Change (%)	4.3	0.2	-4.1	0.6	-7.6	-6.3	-7.3	-5.8	-0.4	-7.0	-7.9	
Total Expenditure	165.2	156.4	146.6	159.7	133.5	153.3	141.9	155.6	626.4	584.4	139.5	10%
EBITDAX	**187.5**	**182.4**	**190.6**	**190.1**	**186.6**	**177.0**	**172.2**	**162.1**	**752.1**	**697.9**	**185.3**	**-4%**
Margin (%)	53.2	53.8	56.5	54.3	58.3	53.6	54.8	51.0	54.6	54.4	57.0	
Depreciation	75.4	68.1	87.0	111.3	80.0	74.7	79.8	90.8	341.8	325.3	83.3	
Interest	11.8	11.6	10.7	11.9	11.2	11.1	10.9	11.4	46.0	44.7	10.8	
Other Income	19.3	47.7	17.2	20.7	12.1	34.2	20.0	24.7	104.8	91.0	42.6	
PBT	**119.6**	**150.4**	**110.0**	**87.7**	**107.4**	**125.4**	**101.4**	**84.6**	**469.1**	**418.9**	**133.8**	**-6%**
Tax	30.2	30.5	27.6	23.2	27.2	27.0	25.5	21.3	111.5	101.0	33.7	
Rate (%)	25.2	20.3	25.1	26.5	25.3	21.5	25.2	25.2	23.8	24.1	25.2	
Reported PAT	**89.4**	**119.8**	**82.4**	**64.5**	**80.2**	**98.5**	**75.9**	**63.3**	**357.6**	**317.9**	**100.1**	**-2%**
Key Assumptions (USD/bbl)												
Oil Realization (pre windfall tax)	83.1	78.3	72.6	73.7	66.1	67.3	65.0	65.0	76.9	72.7	67.9	-1%
Crude Oil Sold (mmt)	4.6	4.6	4.7	4.8	4.7	4.8	4.8	4.8	19	19	4.8	0%
Gas Sold (bcm)	3.8	3.9	3.9	3.9	3.9	3.9	3.8	3.8	16	16	4.0	-1%
VAP Sold (tmt)	629	608	649	645	616	592	635	635	2,531	2,518	682	-13%

Major Assumptions

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.8	84.6	87.1	88.2	90.0
APM Gas Price (USD/mmBtu)	3.5	3.8	2.3	2.6	7.3	6.6	6.5	6.8	7.3	7.5
Brent crude price (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	78.6	66.9	60.0	60.0
Production Details (mmtoe)										
Domestic Oil Production (mmt)	24.2	23.4	22.5	21.7	21.5	21.2	20.9	21.0	21.3	21.8
Domestic Gas Production (bcm)	25.8	24.9	22.8	21.7	21.4	20.6	20.2	20.2	21.3	21.9
Domestic Production (mmtoe)	**50.0**	**48.3**	**45.3**	**43.4**	**42.8**	**41.8**	**41.1**	**41.2**	**42.6**	**43.6**
OVL Production (mmtoe)	**14.8**	**14.7**	**13.0**	**12.3**	**9.8**	**10.5**	**10.3**	**10.7**	**11.8**	**11.8**
Group Production (mmtoe)	**64.9**	**62.9**	**58.4**	**55.7**	**52.6**	**52.3**	**51.4**	**51.9**	**54.4**	**55.4**
Oil Price Realization (USD/bbl)										
Gross	68.9	58.8	42.8	76.4	92.1	80.8	76.9	65.9	60.0	60.0
Net	**68.9**	**58.8**	**42.8**	**76.4**	**92.1**	**80.8**	**76.9**	**65.9**	**60.0**	**60.0**
Consolidated EPS	**27.7**	**13.3**	**16.5**	**32.9**	**32.0**	**44.9**	**30.6**	**33.3**	**31.7**	**31.9**

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2QFY26 Result Update | Sector: Utilities

Tata Power

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	TPWR IN
Equity Shares (m)	3195
M.Cap.(INRb)/(USDb)	1264.1 / 14.3
52-Week Range (INR)	448 / 326
1, 6, 12 Rel. Per (%)	0/0/-15
12M Avg Val (INR M)	2751

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	738.9	861.9	1,003.6
EBITDA	140.5	175.9	213.3
Adj. PAT	43.0	55.1	63.4
Adj. EPS (INR)	13.5	17.2	19.8
EPS Gr. (%)	9.9	28.0	15.1
BV/Sh.(INR)	123.1	137.1	153.2
Ratios			
Net D:E	1.3	1.3	1.4
RoE (%)	11.5	13.2	13.7
RoCE (%)	9.1	9.6	9.8
Payout (%)	18.6	18.9	18.9
Valuations			
P/E (x)	29.4	23.0	19.9
P/BV (x)	3.2	2.9	2.6
EV/EBITDA (x)	13.8	11.7	10.3
Div. Yield (%)	0.6	0.8	0.9

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	46.9	46.9	46.9
DII	16.7	16.3	17.0
FII	10.2	10.1	9.2
Others	26.3	26.8	27.0

FII Includes depository receipts

CMP: INR396 TP: INR500 (+26%) Buy

Mundra shutdown weighs on earnings

- TPWR's consolidated EBITDA/adj. PAT came in at INR33b/INR9.2b, below our estimates by 12%/13%. The weakness in results was largely attributable to Mundra plant shutdown in 2Q, which offset the stronger performance at Odisha distribution and the solid ramp-up at TP Solar on a YoY basis. TPWR is targeting 1.3 GW of RE capacity commissioning in 2HFY26, with the annual target for FY27 maintained at 2-2.5GW. New distribution opportunities (e.g., UP discom privatization) and the potential tie-up of supplementary PPA for Mundra remain key catalysts for the stock. TPWR announced its intent to further strengthen backward integration at TP Solar via 10 GW ingot/wafer capacity and the company remains in discussion with states for subsidies related to the same.
- We maintain our BUY rating with a revised TP of INR500/share.

Result misses estimates; Mundra shutdown affects performance

Results overview:

- Cons. EBITDA stood at INR33.0b and was 12% below our est. of INR37.3b (-12% YoY, -20% QoQ).
- Revenue stood at INR155.4b (-1% YoY, -14% QoQ), missing our estimate by 15%. Reported PAT came in at INR9.2b (flat YoY), missing our estimate by 13%.
- Adj. PAT of INR9.2b also missed our est. of INR10.5b by 13%, impacted by a 57% YoY drop in standalone PAT due to Mundra plant shutdown and lower PLF.

Operational highlights:

- Solar rooftop EPC and utility-scale EPC (third-party) order book stood at INR11.2b and INR18.8b, respectively, as of 2Q end.
- TPWR installed a record 370MWp of rooftop solar.
- TPWR commissioned 293MW of utility scale renewable capacity during the quarter.
- 970MW of modules and 928MW of cells were produced. The plant was included in the ALMM-II list.
- As of 2Q, TPWR had a clean and green operational capacity of ~7GW (44% of total installed capacity), with an additional 10.4GW under construction.
- Mundra delivered an operating income of INR1.8b in 2QFY26 vs. INR21.1b in 1QFY25.

Highlights of 2QFY26 performance

- ~700 MW RE capacity addition targeted in 3Q and ~600 MW in 4Q, mainly solar; RE capacity to exceed 7 GW by FY26-end.
- Planning a 10 GW ingot and wafer facility under backward integration; discussions underway with states for subsidies and PLI support.
- Advanced discussions with Gujarat Govt. for a long-term Mundra UMPP resolution to replace annual Section 11 extensions; expected to conclude within a month.

- Construction started on 600 MW Kholongchhu Hydro Project (Bhutan); plans to invest in 1,125 MW Dorjilung Hydro Project.
- 1HFY26 capex at INR73.5b; on track for INR250b FY26 target (60% renewables, 40% transmission, pumped storage & thermal).
- Net debt rose by INR64b to INR540b; ND/EBITDA at 3.3x and ND/Equity at 1.2x.
- RE pipeline at 5.8 GW with nearly full PPA tie-ups.
- Produced 928 MW of cells and 970 MW of modules in 2Q.
- Rooftop solar achieved record 370 MWp installations in 2Q.
- Optimistic on upcoming UP DISCOM privatization; awaiting bid announcement.

Valuation and view

- The valuation of TPWR is segmented across various business units, leading to a TP of INR500/share.
- Regulated business is valued using a 2x multiple on regulated equity.
- Coal segment is valued at 1x book value.
- Renewables segment is valued at 14x FY28E EBITDA.
- Pumped storage segment and other segments are valued at 1x PB. Cash and investments add INR49/share.
- The sum of these contributions results in a TP of INR500/share, reflecting the comprehensive valuation of TPWR's diverse business segments.

Consolidated performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%	%	%
Net Sales	**172.9**	**157.0**	**153.9**	**171.0**	**180.4**	**155.4**	**182.4**	**220.7**	**654.8**	**738.9**	183.6	*-15.3*	*-1.0*	*-13.8*
YoY Change (%)	13.7	-0.3	5.1	7.9	4.3	-1.0	18.5	29.1			17.0			
EBITDA	**35.9**	**37.5**	**33.5**	**32.5**	**41.4**	**33.0**	**31.4**	**34.6**	**139.3**	**140.5**	37.3	*-11.6*	*-11.8*	*-20.2*
EBITDA Margin	20.7%	23.9%	21.8%	19.0%	22.9%	21.2%	17.2%	15.7%	21.3%	19.0%	20.3%			
Depreciation	9.7	9.9	10.4	11.2	11.6	11.6	10.0	10.8	41.2	44.1	11.4	*2.3*	*17.8*	*0.1*
Interest	11.8	11.4	11.7	12.1	12.8	13.2	12.7	11.4	47.0	50.1	12.7	*3.6*	*15.4*	*3.1*
Other Income	2.5	5.1	4.0	3.5	3.6	5.1	6.8	5.9	15.1	21.4	4.4	*15.9*	*-1.5*	*39.7*
Rate regulated activity	-6.9	-6.7	-2.7	1.7	-5.7	2.2	0.0	0.0	-14.7	-3.5	0.0			
PBT before EO expense	**10.0**	**14.5**	**12.7**	**14.3**	**14.9**	**15.5**	**15.5**	**18.4**	**51.5**	**64.3**	17.6	*-12.0*	*6.6*	*4.1*
Extra-ord items	2.0	-2.2	0.0	0.8	0.0	0.0	0.0	0.0	0.7	0.0	0.0			
PBT	**12.0**	**12.4**	**12.7**	**15.2**	**14.9**	**15.5**	**15.5**	**18.4**	**52.3**	**64.3**	17.6	*-12.0*	*25.2*	*4.1*
Tax	3.0	3.8	2.7	2.9	3.6	4.3	3.6	5.0	12.4	16.5	4.9			
Rate (%)	25.1	30.7	21.2	19.4	24.0	28.0	23.0	27.3	23.8	25.7	27.9			
Share of associates and JV	2.9	2.4	1.9	0.8	1.3	1.3	0.8	-0.1	7.9	3.3	0.5			
Minority Interest	2.2	1.7	1.6	2.6	2.0	3.3	1.9	0.9	8.0	8.0	2.7			
Reported PAT	**9.7**	**9.3**	**10.3**	**10.4**	**10.6**	**9.2**	**10.9**	**12.4**	**39.7**	**43.0**	10.5	*-12.6*	*-0.8*	*-13.2*
Adj PAT	**8.2**	**10.8**	**10.3**	**9.7**	**10.6**	**9.2**	**10.9**	**12.4**	**39.2**	**43.0**	10.5	*-12.6*	*-14.6*	*-13.2*

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2QFY26 Results Update | Sector: Telecom

Vodafone Idea

Estimate changes	↑
TP change	↓
Rating change	↔

Bloomberg	IDEA IN
Equity Shares (m)	108343
M.Cap.(INRb)/(USDb)	1109.4 / 12.5
52-Week Range (INR)	11 / 6
1, 6, 12 Rel. Per (%)	12/46/24
12M Avg Val (INR M)	5378

Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Net Sales	450	476	515
EBITDA	191	204	226
Adj. PAT	-258	-268	-214
EBITDA Margin (%)	42.5	43.0	44.0
Adj. EPS (INR)	-2.4	-2.5	-2.0
BV/Sh. (INR)	-29.9	-38.3	-44.9
Ratios			
Net D:E	-2.2	-2.0	-1.8
RoE (%)	NM	NM	NM
RoCE (%)	-2.2	-0.7	2.3
Valuations			
EV/EBITDA (x)	14.0	14.4	13.5
P/E (x)	-4.3	-4.1	-5.2
P/B (x)	-0.3	-0.3	-0.2

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	25.6	25.6	37.3
DII	53.8	53.2	28.0
FII	6.0	6.0	12.7
Others	14.7	15.3	22.0

FII includes depository receipts

CMP: INR10.2 TP: INR9.5 (-7%) Neutral

Potential AGR relief a positive, but several factors must align for sustained revival

- Vodafone Idea's (Vi) pre-IND AS EBITDA at INR22.5b rose 3% QoQ (-3% YoY) and came in ~5% above our estimate, driven by better non-wireless revenue growth (+7% QoQ and YoY, ~5.5% beat) and lower normalized network opex (+5% YoY, ~2% below our estimate).
- Operationally, subscriber losses remain contained at ~1m (in line), while ARPU inched up 1.2% QoQ to INR167 (+7% YoY, our estimate of INR166).
- Vi's capex moderated further to INR17.5b (~INR42b in 1H), with management expecting INR75-80b for FY26, based on its internal accruals. However, external fund raise remains critical for Vi to achieve its earlier guidance of INR500-550b capex plan over three years.
- Vi continued to lose market share as wireless revenue grew 0.8% QoQ (+2% YoY, in line), compared to ~3% QoQ growth for peers. On our estimate, Vi lost further ~20bp QoQ in revenue and subscriber market share to its private peers in 2QFY26.
- Recent Supreme Court judgement allowing the GoI to re-evaluate AGR dues for Vi is a positive outcome and could lead to the long-pending debt raise.
- However, beyond a potential reduction in AGR dues (we assume ~50% waiver), Vi will also require favorable payment terms for both AGR and spectrum dues, along with tariff hikes and a reduction in competitive intensity in customer acquisitions, to ensure a sustained revival. We note that the latter two factors are not entirely in Vi's control, and we would expect competitive intensity to increase if Vi becomes more competitive on subscriber additions.
- We raise our FY26-28 pre-INDAS EBITDA estimates by 2-6%, driven mainly by Vi's cost efficiency on containing network opex, despite accelerated 4G/5G rollouts. We **reiterate our Neutral rating on Vi with a revised TP of INR9.5**, based on DCF implied ~13x Dec'27E EV/EBITDA, as we see limited downside risks, given GoI's unwavering support to ensure Vi's LT survival.

Slightly ahead, driven by better non-wireless revenue

- Vi's overall subscriber base at 196.7m declined 1m QoQ (vs. 0.5m net declines in 1QFY26 and in line with our estimates).
- Wireless ARPU rose 1.2% QoQ at INR167 (+7% YoY, vs. +1%/+2% QoQ for RJio/Bharti, and our est. of INR166), driven largely by one extra day QoQ and subscriber mix improvements (postpaid base ex-M2M up ~0.6m QoQ).
- Monthly churn inched up 20bp QoQ to 4.3% (vs. a 20bp QoQ uptick for Bharti at 2.9%) and remains a key monitorable.
- Wireless revenue at INR98.8b (+2% YoY, in line) was up 0.8% QoQ (vs. ~3% QoQ increase for Bharti/RJio), driven by a slightly better QoQ ARPU uptick.
- Reported EBITDA at INR46.9b (+1.6% QoQ, +3% YoY, vs. ~3.5-4% QoQ for Bharti-India wireless and RJio) was ~2% above our estimate, driven by higher revenue and lower network opex (+1% QoQ, 2% below).

- EBITDA margin was stable QoQ at 41.8% (up ~25bp YoY, +90bp/+20bp QoQ for Bharti-India wireless and RJio) and was ~35bp above our estimate.
- Pre-Ind-AS 116 EBITDA at INR22.5b (+5% above) rose ~3% QoQ (-3% YoY), as margin expanded ~30bp QoQ to 20.1% (-115bp YoY, 80bp beat).
- Losses narrowed to INR55b (vs. INR66b QoQ and our estimate of INR66b), primarily due to lower interest cost (-26% QoQ, one-time settlement with a vendor, we believe, Indus Towers).
- Net debt (excluding leases but including interest accrued) increased INR56b QoQ to INR2t. Vi still owes ~INR2.01t to GoI for the deferred spectrum and AGR dues. External/banking debt declined to ~INR15.4b (vs. INR19.3b QoQ).
- Capex moderated further to INR17.5b (vs. INR 24.4b in 1QFY26).

Key highlights from the management commentary

- **Leadership transition: Vi's erstwhile COO, Mr. Abhijit Kishore, has assumed the role of CEO from Aug'25, while Mr. Tejas Mehta has taken over as the CFO. Management emphasized continuity of strategic priorities, with increased focus on customer experience.**
- **Capex:** 2Q capex stood at INR17.5b, which led to 1,500+ new broadband towers additions and enhanced 5G coverage to 29 cities across 17 priority circles. Management expects INR75-80b capex for FY26 (vs. INR42b in 1H) from Vi's internal cash flows, with a focus on enhancing coverage as well as capacity. A pick-up in capex beyond INR80b is contingent on closure of external fund raise.
- **AGR and debt raise:** Following the SC verdict on AGR dues, Vi believes GoI will take a suitable decision in the long-term interest of the company to maintain a 3+1 market structure in the Indian telecom industry. Management remains engaged with banks and NBFCs for long-pending debt raise and believes GoI's support to Vi's LT survival would support the company's funding talks.
- **Subscriber trends:** The slight increase in subscriber decline and churn was attributed to seasonality (similar to Bharti's commentary). However, management noted recent interventions such as Vi's non-stop unlimited data offering, its guarantee of two extra days on recharge over INR199, and revamped family postpaid offerings are driving better customer retention and improved traction in terms of data usage on Vi's network.

Valuation and view

- The recent Supreme Court judgement allowing GoI to re-evaluate the AGR dues for Vi is a positive outcome and could lead to its long-pending debt raise.
- However, besides the potential reduction in AGR dues (we assume ~50% waiver), Vi also needs favorable payment terms for both AGR as well as spectrum dues, along with tariff hikes and a reduction in the competitive intensity on customer acquisitions, to ensure a sustained revival. We note that the latter two factors are not entirely in Vi's control, and we would expect competitive intensity to increase if Vi becomes competitive on subscriber additions.
- We raise our FY26-28 pre-INDAS EBITDA estimates by 2-6%, driven mainly by Vi's cost efficiency on containing network opex, despite accelerated 4G/5G rollouts.
- We **reiterate our Neutral rating on Vi with a revised TP of INR9.5**, based on DCF implied ~13x Dec'27E EV/EBITDA, as we see limited downside risks, given GoI's unwavering support to ensure Vi's LT survival.

Consolidated - Quarterly Earnings summary (INR b)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	(%)
Revenue	**105**	**109**	**111**	**110**	**110**	**112**	**113**	**115**	**436**	**450**	**111**	**0.9**
YoY Change (%)	-1.4	2.0	4.2	3.8	4.9	2.4	1.5	4.6	2.2	3.3	4.6	
Total Expenditure	63	64	64	64	64	65	65	65	254	259	65	0.3
EBITDA	**42**	**45**	**47**	**47**	**46**	**47**	**48**	**50**	**181**	**191**	**46**	**1.8**
YoY Change (%)	1.1	6.2	8.3	7.5	9.7	3.0	2.0	7.7	5.8	5.5	-72.8	
Depreciation	54	54	56	56	55	56	56	55	220	221	55	1.2
Net Finance Costs	53	63	57	63	58	47	59	66	235	229	57	-18.1
PBT before EO expense	**-64**	**-72**	**-66**	**-72**	**-66**	**-56**	**-66**	**-70**	**-274**	**-258**	**-66**	**15.9**
PBT	**-64**	**-72**	**-66**	**-72**	**-66**	**-56**	**-66**	**-70**	**-274**	**-259**	**-66**	**15.9**
Tax	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	-0.1	0.0	
Rate (%)	-0.1	-0.1	0.0	0.0	0.0	0.1	0.0	0.0	-0.1	0.0	0.0	
Reported PAT	**-64**	**-72**	**-66**	**-72**	**-66**	**-56**	**-66**	**-70**	**-274**	**-259**	**-66**	**15.9**
YoY Change (%)	-18.0	-17.9	-14.6	-6.6	2.7	-22.5	0.3	-2.1	-14.4	-5.4	-7.8	

Bosch

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	BOS IN
Equity Shares (m)	29
M.Cap.(INRb)/(USDb)	1081.8 / 12.2
52-Week Range (INR)	41945 / 25922
1, 6, 12 Rel. Per (%)	-6/15/-2
12M Avg Val (INR M)	1011

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	196.9	222.7	249.4
EBITDA	26.1	30.6	34.6
Adj. PAT	24.2	28.7	32.8
EPS (INR)	822.2	973.8	1,110.6
EPS Gr. (%)	20.5	18.4	14.0
BV/Sh. (INR)	5,227	5,701	6,351
Ratios			
RoE (%)	16.6	17.8	18.4
RoCE (%)	21.6	23.4	24.2
Payout (%)	44.0	51.3	41.4
Valuations			
P/E (x)	44.6	37.6	33.0
P/BV (x)	7.0	6.4	5.8
Div. Yield (%)	1.2	1.4	1.3
FCF Yield (%)	3.2	1.4	1.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	70.5	70.5	70.5
DII	15.1	16.0	15.8
FII	7.1	6.2	6.2
Others	7.2	7.3	7.5

FII Includes depository receipts

CMP:INR36,680 TP: INR36,289 (-1%) Neutral

Steady 2Q

Mobility segment remains the key growth driver

- Bosch's (BOS) 2QFY26 PAT at INR5.5b was in line with our estimates. The mobility business was the key growth driver in 2Q, having posted 14% YoY growth, while the non-mobility segment posted a 17% decline.
- The auto segment's demand has picked up following the GST 2.0 reforms and is likely to benefit players like BOS. While BOS continues to work toward the localization of new technologies, given the long gestation of projects, its margin remains under pressure with no visibility of material improvement, at least in the near term. We factor in BOS to post revenue/EBITDA/PAT CAGR of 11%/14%/18% over FY25-28E. At ~44x FY26E/38x FY27E EPS, the stock appears fairly valued. **We reiterate our Neutral rating with a TP of INR36,289 (based on ~36x Sep'27E EPS).**

Earnings in line with estimates; Auto segment posts robust growth

- Standalone revenue grew 9.1% YoY to ~INR48b, which was broadly in line with our estimates. This growth was primarily driven by a higher demand for PVs and off-highway segments. Auto products' revenue grew ~14% YoY to INR42.7b, while the non-auto segment posted a ~17% decline to INR5.3b.
- Within auto, the power solutions business grew 9.5%, driven by growth in the PV and OHV segments. The 2W business grew 81.8% due to increased sales of exhaust gas sensors following the ramp-up of OBDII norm implementation. Meanwhile, the mobility aftermarket business grew ~4% YoY, driven by strong performance in diesel and filter systems.
- However, business beyond mobility declined 14.4% on account of the sale of the video solutions business last year.
- EBITDA margin remained stable YoY at 12.9% (in line).
- EBITDA grew ~10% YoY to INR6.2b, led by revenue growth.
- On a segmental basis, the auto segment margin expanded 100bp to 14.9%. The non-auto segment's margin contracted 460bp YoY to 6.5%.
- Adj. PAT grew 11% YoY to INR5.5b (in line).
- For 1HFY26, operational cash flow stood at ~INR9.9b, while capex stood at INR726m. BOS was net cash positive with INR9.2b free cash generated in 1H.
- Revenue/EBITDA/PAT grew 10%/16.3%/~27% YoY in 1HFY26 to INR95.8b/INR12.6b/INR12.2b, respectively. For 2HFY26, we expect these metrics to grow 8%/10%/13%, respectively, to INR101b/INR13.5b/INR11.8b, respectively.

Highlights from the management commentary

- BOS launched its sensorless quick-shift technology in India and deployed its Lambda Sensor in TVS Ntorq 150 and Bajaj Pulsar NS400.
- The EV segment saw steady progress, with key customers being 2W scooter OEMs.

- Management expects demand to pick up across key auto segments (2Ws, PVs, CVs, and tractors), supported by GST 2.0 reforms, improving rural sentiment, and a reduction in interest rates.
- The automotive segment is transitioning from legislation-led to feature-led demand, which is expected to drive higher content per vehicle. Clean energy technologies, hybrid systems, flex fuel systems, and electrification are expected to drive growth in the future.
- The company is actively engaging with Indian OEMs to develop hybrid powertrains.
- Hydrogen ICE systems in MHCVs are currently in the pilot stage, and various OEMs are test-marketing the same. Management expects hydrogen-powered HCV systems to reach 8-15% market penetration by 2030.

Valuation and view

- The auto segment's demand has picked up following the GST2.0 reforms and is likely to benefit players like BOS. While BOS continues to work toward the localization of new technologies, given the long gestation of projects, its margin remains under pressure with no visibility of material improvement, at least in the near term. We factor in BOS to post revenue/EBITDA/PAT CAGR of 11%/14%/18% over FY25-28E. At ~44x FY26E/38x FY27E EPS, the stock appears fairly valued. **We reiterate our Neutral rating with a TP of INR36,289 (based on ~36x Sep'27E EPS).**

Quarterly performance (S/A) **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
Net Sales	**43,168**	**43,943**	**44,657**	**49,106**	**47,886**	**47,948**	**48,676**	**52,363**	**180,874**	**196,873**	**48,777**
YoY Change (%)	3.8	6.4	6.2	16.0	10.9	9.1	9.0	6.6	8.1	8.8	11.0
RM Cost (% of sales)	64.6	65.1	61.6	62.4	62.3	64.6	63.0	62.9	63.4	63.2	63.2
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	7.1	7.6	8.5	8.6	8.3	8.0	8.4
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	17.2	14.9	15.3	14.9	15.6	15.6	15.2
EBITDA	**5,197**	**5,605**	**5,826**	**6,469**	**6,393**	**6,171**	**6,425**	**7,100**	**23,097**	**26,089**	**6,439**
Margins (%)	12.0	12.8	13.0	13.2	13.4	12.9	13.2	13.6	12.8	13.3	13.2
Depreciation	856	900	1,008	992	850	925	950	988	3,756	3,713	900
Interest	26	22	62	61	45	42	44	44	171	175	30
Other Income	1,793	2,089	1,891	2,369	2,881	2,099	2,200	2,313	8,142	9,493	2,150
PBT before EO expense	**6,108**	**6,772**	**6,647**	**7,785**	**8,379**	**7,303**	**7,631**	**8,381**	**27,312**	**31,694**	**7,659**
Extra-Ord expense	0	-485	471	0	5,560	0	0	0	0	5,560	0
PBT after EO Expense	**6,108**	**7,257**	**6,176**	**7,785**	**13,939**	**7,303**	**7,631**	**8,381**	**27,312**	**26,134**	**7,659**
Tax	1,453	1,898	1,594	2,248	2,785	1,761	1,908	2,301	7,193	8,755	2,030
Tax Rate (%)	23.8	26.2	25.8	28.9	20.0	24.1	25.0	27.5	26.3	33.5	26.5
Reported PAT	**4,655**	**5,359**	**4,582**	**5,537**	**11,154**	**5,542**	**5,723**	**6,080**	**20,119**	**17,379**	**5,629**
Adj PAT	**4,655**	**5,002**	**4,929**	**5,537**	**6,705**	**5,542**	**5,723**	**6,080**	**20,119**	**24,246**	**5,629**
YoY Change (%)	13.8	30.2	4.4	-1.9	44.0	10.8	16.1	9.8	11.4	20.5	12.5

E: MOFSL Estimates

Bharat Forge

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	BHFC IN
Equity Shares (m)	478
M.Cap.(INRb)/(USDb)	670.3 / 7.6
52-Week Range (INR)	1420 / 919
1, 6, 12 Rel. Per (%)	13/13/-6
12M Avg Val (INR M)	1509

Consol. Financials & Valuations (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	166.2	187.0	210.4
EBITDA (%)	17.6	18.2	19.0
Adj. PAT	12.4	16.9	21.5
EPS (INR)	25.9	35.4	45.0
EPS Gr. (%)	21.3	36.2	27.4
BV/Sh. (INR)	211	236	266
Ratios			
Net D:E	0.5	0.4	0.3
RoE (%)	12.8	15.8	18.0
RoCE (%)	9.4	11.3	13.3
Payout (%)	30.6	31.2	33.4
Valuations			
P/E (x)	54.0	39.6	31.1
P/BV (x)	6.6	5.9	5.3
EV/EBITDA (x)	23.8	20.2	16.9
Div. Yield (%)	0.6	0.8	1.1

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	44.1	44.1	45.3
DII	32.3	31.4	26.5
FII	13.6	14.4	18.7
Others	10.1	10.2	9.6

FII Includes depository receipts

CMP: INR1,402 TP: INR1,286 (-8%) Neutral

Margin resilience visible

Defense, aerospace and JSA to be key growth drivers

- BHFC's standalone earnings at INR3.15b came in line with our estimate. Revenue came in below our estimate, whereas margins surprised positively. Despite weak demand, BHFC was able to hold on to its margins, which is commendable.
- Defense, aerospace and JSA Autocast are likely to be the key growth drivers from hereon. A pickup in the export business is contingent upon US tariffs for India relative to other countries. While 3Q is likely to be similar to 2Q, we expect the demand environment to start improving from 4Q onward. We factor in the acquisition of K-Drive Mobility into our financials and accordingly, we have raised our estimates for BHFC by 7% each for FY26/FY27E. However, despite factoring in all the positives, the stock trading at 54x/40x FY26E/FY27E consolidated EPS appears fairly valued. We reiterate our Neutral rating with a TP of INR1,286 (based on 32x Sep'27E consolidated EPS).

Margin resilience visible

- Standalone revenue declined 13.3% YoY to INR19.5b, 7% below our estimate of INR20.9b, due to subdued exports. Exports were affected by slow freight growth, weak sentiment and uncertainty on CV demand in North America due to US tariffs. Domestic business was hampered by lower CV production.
- Volumes declined 12% YoY to 56,000MT, while realizations were largely flat YoY.
- Domestic revenue declined 6.2% to INR10b due to a 7.5% decline in non-auto revenue. CV revenue grew 1.5% YoY. Export revenue declined ~20% YoY to INR9.4b due to a 45% decline in CV exports. The non-auto segment saw a modest decline of 4%.
- Standalone auto revenue came in at INR9b (-19% YoY), 15% below our estimate. Non-auto revenue stood at INR10.5b (-7.5% YoY), largely in line with our expectation.
- Standalone EBITDA margins expanded 50bp to 28.3% (330bp beat). EBITDA stood at INR5.5b (-12% YoY), 5% ahead of our estimate.
- Overall, adjusted PAT declined 10% YoY to INR3.2b (in line).
- Consolidated revenue grew 9.3% YoY to INR40.3b. Consolidated EBITDA stood at INR7.2b, up 12% YoY.
- Consolidated margins were down 100bp YoY at 17.7%.
- Overseas subsidiaries' margins improved to 3.8% in 2Q from 1.4% YoY, led by improved utilization. While Europe subsidiaries' margin declined 30bp YoY to 3.6%, US subsidiaries' margin surged to 4.2% (from loss in 2QFY25).
- BFISL (led by JSA) also posted 180bp margin improvement to 13.7%.

Highlights from the management interaction

- 3Q performance is expected to be similar to 2Q, with an uptick expected in 4Q.
- The domestic CV business is likely to remain flat YoY in 2H.
- GST rate cuts augur well for the domestic PV segment, which is expected to see a continued pickup in demand in 2H.
- EU exports are weak currently, primarily due to destocking. However, a recovery is expected in the coming quarters.
- Management expects exports to the US to decline further in 2H. However, this is likely to be more than offset by a pickup in demand in segments like domestic non-auto, exports to non-US regions and ramp-up in defense and aerospace segments.
- The defense order book stands at INR94.7b. Apart from this, BHFC has recently won an order to supply carbines worth INR14b and another order from the Navy worth INR2.5b+ for the supply of Unmanned Marine Systems.
- Management expects aerospace revenue to cross INR3.5b in FY26, and BHFC expects this run rate to continue for the next 3-4 years.

Valuation and view

Despite weak demand, BHFC was able to hold on to its margins, which is commendable. Defense, aerospace and JSA are likely to be key growth drivers from hereon. A pickup in the export business, both auto and non-auto, is contingent upon the US tariffs for India relative to other countries. While 3Q is likely to be similar to 2Q, we expect the demand environment to start improving from 4Q onward. We also factor in the acquisition of K-Drive Mobility into our financials and accordingly, we have raised our estimates for BHFC by 7% each for FY26/FY27E. We factor in BHFC to post a CAGR of 12%/14%/29% in revenue/EBITDA/PAT over FY25-28E. However, despite factoring in all the positives, the stock trading at 54x/40x FY26E/FY27E consolidated EPS and appears fairly valued. We reiterate our Neutral rating with a TP of INR1,286 (based on 32x Sep'27E consolidated EPS).

S/A Quarterly (INR M)

	FY25				FY26E				FY25	FY26E	2QE	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				(%)
Net operating income	**23,381**	**22,467**	**20,960**	**21,630**	**21,047**	**19,469**	**21,422**	**23,497**	**88,437**	**85,437**	**20,949**	**-7.1**
Change (%)	9.9	-0.1	-7.4	-7.1	-10.0	-13.3	2.2	8.6	-1.4	-3.4	-6.8	
EBITDA	**6,515**	**6,255**	**6,099**	**6,167**	**5,718**	**5,511**	**5,977**	**6,657**	**25,034**	**22,813**	**5,237**	**5.2**
EBITDA Margins (%)	27.9	27.8	29.1	28.5	27.2	28.3	27.9	28.3	28.3	26.7	25.0	
Non-Operating Income	446	348	314	481	422	465	455	485	1,589	1,827	420	
Interest	702	635	573	588	522	483	450	445	2,498	1,900	490	
Depreciation	1094	1083	1104	1122	1125	1112	1140	1160	4,404	4,536	1140	
EO Exp / (Inc)	1,457	-135	9	203	0	79	0	0		0	0	
PBT after EO items	**3,708**	**5,019**	**4,727**	**4,735**	**4,493**	**4,380**	**4,842**	**5,537**	**19,721**	**18,203**	**4,027**	**8.8**
Tax	1014	1407	1266	1278	1108	1202	1186	1419	4,965	4,915	987	
Eff. Tax Rate (%)	27.3	28.0	26.8	27.0	24.7	27.9	24.5	25.6	25.2	27.0	24.5	
Rep. PAT	**2,694**	**3,612**	**3,461**	**3,456**	**3,385**	**3,099**	**3,656**	**4,118**	**14,756**	**13,289**	**3,041**	
Change (%)	-13.5	4.4	-8.4	-11.3	25.6	-14.2	5.6	19.2	2.4	0.5	-15.8	
Adj. PAT	**3,787**	**3,510**	**3,468**	**3,608**	**3,385**	**3,156**	**3,656**	**4,118**	**13,223**	**13,289**	**3,041**	**3.8**
Change (%)	20.2	0.1	-4.8	-8.8	-10.6	-10.1	5.4	14.1	-7.2	-7.5	-13.4	

E: MOFSL Estimates

Jindal Stainless

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	JDSL IN
Equity Shares (m)	824
M.Cap.(INRb)/(USDb)	610.9 / 6.9
52-Week Range (INR)	826 / 497
1, 6, 12 Rel. Per (%)	-5/21/-1
12M Avg Val (INR M)	638

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	443.3	508.7	572.3
EBITDA	55.9	63.4	70.9
Adj.PAT	31.4	36.7	41.4
EBITDA (%)	12.6	12.5	12.4
Adj. EPS (INR)	38.1	44.5	50.3
BV/Sh (INR)	237	278	324
Ratios			
Net D:E	0.2	0.1	0.1
RoE (%)	16.1	16.0	15.5
RoCE (%)	13.0	13.2	13.0
Payout (%)	9.1	9.0	8.0
Valuations			
P/E (X)	19.4	16.7	14.8
P/BV (X)	3.1	2.7	2.3
EV/EBITDA (X)	11.6	10.1	8.8
Div Yield (%)	0.5	0.5	0.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	61.2	61.1	60.5
DII	7.1	7.1	5.9
FII	21.5	21.3	22.8
Others	10.2	10.6	10.9

FII Includes depository receipts

CMP: INR743 TP: INR870 (+17%) Buy

In-line performance; strong volume and healthy NSR support earnings

- Jindal Stainless' (JDSL) revenue for 2QFY26 came in line with our estimates at INR109b, up 11% YoY and 7% QoQ. The growth was primarily led by healthy sales volume of 648KT, which recorded 15% YoY and 4% QoQ growth in 2QFY26.
- The exports share remained steady at 9% in 2QFY26 compared to 1QFY26 (vs. 10% in 2QFY25). ASP stood at INR168,000/t (-3% YoY and +3% QoQ), led by SS price recovery during the quarter.
- Adj. EBITDA stood at INR13.9b (in line with our estimate of INR13b), up 17% YoY and 6% QoQ. This led to an EBITDA/t of INR21,416, which improved 2% YoY and QoQ, supported by favorable pricing during the quarter.
- APAT for the quarter stood at INR7.9b (+29% YoY and +11% QoQ) and was in line with our estimate of INR7.4b.
- During 1HFY26, revenue/EBITDA/APAT grew 10%/12%/19%, respectively, supported by strong volume and NSR recovery.

Highlights from the management commentary

- Management reiterated volume growth guidance of 9-10% YoY for FY26, with capacity utilization of 80-85%.
- The company expects short-term export volumes to remain subdued until uncertainties surrounding CBAM are resolved. In the long term, management indicated that the company is largely compliant with CBAM requirements (rising RE share), which should facilitate easier access to EU markets once the regime stabilizes.
- JDSL increased its renewable energy share to 42% in 2QFY26 from 26% in 2QFY25 and targets to increase it further with the commissioning of a green hydrogen plant at its Jajpur facility by mid-next year.
- The SS series mix for 2QFY26 stood at 34% for the 200 series, 49% for the 300 series, and 17% for the 400 series.

Valuation and view

- JDSL reported a decent performance in 2QFY26, supported by healthy volumes and SS price recovery. Industry-level SS demand is set for strong growth, reaching 7.3mt by FY31, driven by domestic SS consumption. We believe JSL is well-placed to capitalize on this robust demand outlook, with higher VAP supporting margins.
- JSL has expanded into rebar, wire rods, and others, unlocking significant infrastructure opportunities. Additionally, the focus on value-added CR SS has strengthened its position in both domestic and export markets.
- We maintain our FY26/27E earnings estimates, projecting revenue CAGR of ~13% with steady EBITDA of INR22,000/t, leading to ~15% EBITDA CAGR over FY25-28E. Moreover, the healthy CFO and steady capex outflow will ensure a resilient B/S (consol. net debt/equity of 0.2x as of 2QFY26). **We reiterate our BUY rating with a TP of INR870 (premised on 11x EV/EBITDA on Sep'27 estimate).**

Consolidated financial performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales (kt)	**578**	**565**	**588**	**643**	**626**	**648**	**653**	**668**	**2,374**	**2,595**	**630**	**2.9**
Change (YoY %)	5.3	3.9	14.8	12.8	8.3	14.7	11.0	3.9	9.1	9.3		
Change (QoQ %)	1.4	(2.2)	4.1	9.4	(2.6)	3.5	0.7	2.4				
Net Realization/t	**1,63,145**	**1,73,041**	**1,68,491**	**1,58,605**	**1,62,988**	**1,68,085**	**1,73,085**	**1,78,566**	**1,65,595**	**1,70,811**	**1,66,488**	**1.0**
Net Sales	**94.3**	**97.8**	**99.1**	**102.0**	**102.1**	**108.9**	**112.9**	**119.3**	**393.1**	**443.3**	**104.9**	**3.9**
Change (YoY %)	(7.4)	(0.2)	8.5	7.9	8.2	11.4	14.0	17.0	1.9	12.8		
Change (QoQ %)	(0.3)	3.7	1.3	2.9	0.1	6.7	3.7	5.6				
EBITDA	**12.1**	**11.9**	**12.1**	**10.6**	**13.1**	**13.9**	**14.3**	**14.7**	**46.7**	**55.9**	**13.0**	**6.7**
Change (YoY %)	1.6	(3.6)	(3.1)	2.5	8.1	17.0	18.2	38.3	(0.8)	19.8		
Change (QoQ %)	17.1	(2.1)	1.8	(12.1)	23.5	6.0	2.9	2.8				
EBITDA (INR per ton)	**20,964**	**21,000**	**20,536**	**16,499**	**20,915**	**21,416**	**21,879**	**21,960**	**19,657**	**21,552**	**20,652**	**3.7**
Interest	1.4	1.6	1.6	1.5	1.4	1.4	1.5	1.6	6.1	6.0		
Depreciation	2.3	2.4	2.4	2.4	2.5	2.6	2.6	2.6	9.6	10.4		
Other Income	0.5	0.5	1.0	0.9	0.7	0.9	0.8	0.8	2.9	3.1		
PBT (before EO Item)	**8.9**	**8.3**	**9.0**	**7.6**	**9.8**	**10.7**	**10.9**	**11.2**	**33.9**	**42.7**		
EO Items	-	-	-	0.1	-	(0.2)	-	-	0.1	(0.2)		
PBT (after EO Item)	**8.9**	**8.3**	**9.0**	**7.6**	**9.8**	**10.9**	**10.9**	**11.2**	**33.8**	**42.9**		
Total Tax	2.4	2.2	2.4	1.4	2.5	2.7	2.8	2.9	8.4	11.0		
% Tax	27.1	27.0	26.5	19.0	26.3	25.1	25.8	26.1	25.1	25.8		
PAT before MI and Asso.	**6.5**	**6.1**	**6.7**	**6.2**	**7.3**	**8.2**	**8.1**	**8.3**	**25.4**	**31.9**		
MI (Profit)/Loss	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	-	-	(0.1)	0.0		
Share of P/(L) of Ass.	(0.0)	0.0	(0.1)	(0.3)	(0.1)	(0.1)	-	-	(0.4)	(0.3)		
RPAT after MI and Asso.	**6.5**	**6.1**	**6.5**	**5.9**	**7.1**	**8.1**	**8.1**	**8.3**	**25.1**	**31.6**		
Adj. PAT (after MI & Asso)	**6.5**	**6.1**	**6.5**	**6.0**	**7.1**	**7.9**	**8.1**	**8.3**	**25.1**	**31.4**	**7.4**	**6.4**
Change (YoY %)	(13.1)	(9.2)	(5.4)	19.0	10.2	29.2	23.9	38.1	(3.9)	25.0		
Change (QoQ %)	29.0	(5.7)	7.1	(8.7)	19.4	10.6	2.8	1.8				

Source: MOFSL, Company

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2QFY26 Results Update | Sector: Oil & Gas

Gujarat State Petronet

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	GUJS IN
Equity Shares (m)	564
M.Cap.(INRb)/(USDb)	169.5 / 1.9
52-Week Range (INR)	395 / 261
1, 6, 12 Rel. Per (%)	-8/-14/-28
12M Avg Val (INR M)	277

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	9.6	10.4	11.2
EBITDA	7.5	8.1	8.7
PAT	7.6	7.5	8.1
EPS (INR)	13.5	13.3	14.3
EPS Gr. (%)	-5.5	-1.4	7.4
BV/Sh.(INR)	200.7	210.0	220.1
Ratios			
Net D:E	-0.2	-0.2	-0.2
RoE (%)	6.9	6.5	6.7
RoCE (%)	6.9	6.5	6.7
Payout (%)	30.0	30.0	30.0
Valuations			
P/E (x)	22.2	22.6	21.0
P/BV (x)	1.5	1.4	1.4
EV/EBITDA (x)	19.6	17.8	16.1
Div. Yield (%)	1.3	1.3	1.4
FCF Yield (%)	0.7	0.6	0.8

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	37.6	37.6	37.6
DII	27.2	27.7	34.9
FII	15.5	15.1	15.2
Others	19.7	19.6	12.3

FII includes depository receipts

CMP: INR301 TP: INR311 (+3%) Neutral

Merger on the horizon

- Gujrat State Petronet's (GUJS) 2QFY26 revenue/EBITDA stood 9%/13% below our estimate at INR2.3b/INR1.7b, as total volumes came 8% below our estimate at 28.5mmscmd. Volumes continue to remain soft amid weak demand from the refining/petchem and power sectors. Implied tariff came in 8% below our estimate at INR839/mmscm.
- Following the company's announcement of the scheme of amalgamation and arrangement in Sep'24, under which GSPC, GUJS, and GEL will amalgamate with GUJGA, the swap ratio for GUJS was fixed at 10:13 (i.e., 10 shares of GUJGA (at an FV of INR2) will be issued for every 13 equity shares of GUJS, at an FV of INR10). Shareholder approval has been received w.r.t the scheme, the petition has been filed with the MCA, and the process is expected to be completed by end-Dec'25.
- Based on this swap ratio, we derive our TP of GUJS at INR355/share. We reiterate our Neutral rating on the stock.

Beat driven by robust transmission volumes

- GUJS's 2QFY26 revenue/EBITDA stood 9%/13% below our estimate at INR2.3b/INR1.7b, as:
  - Total volume came 8% below our estimate at 28.5mmscmd, down 4% QoQ.
  - Tariff came in line with our estimate at INR839/mmscm.
  - EBITDA was also lower due to higher-than-estimated opex.
- CGD and fertilizer volumes increased YoY, whereas ref-petchem and power volumes declined YoY.
- PAT came in 15% above our estimate at INR3.8b.

Valuation and view

- We believe the company will post a 5% CAGR in transmission volumes over FY25-28, and expect volumes to jump to ~32.5/35mmscmd in FY27/28, as it is a beneficiary of: a) the upcoming LNG terminals in Gujarat, and b) an improved demand owing to the focus on reducing industrial pollution (Gujarat has five geographical areas identified as severely/critically polluted).
- Based on the announced share swap ratio of 10:13 (GUJS:GUJGA), we arrive at our TP of INR311. We reiterate our Neutral rating on the stock.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			2QE	(%)
Net Sales	**3,354**	**2,379**	**2,361**	**2,017**	**2,426**	**2,275**	**2,461**	**2,449**	**10,111**	**9,612**	**2,500**	**-9%**
YoY Change (%)	*-14.8*	*-47.5*	*-48.2*	*-55.7*	*-27.7*	*-4.4*	*4.2*	*21.4*	*-42.5*	*-4.9*	*5.1*	
EBITDA	**3,010**	**1,929**	**1,925**	**1,247**	**2,024**	**1,732**	**1,934**	**1,831**	**8,112**	**7,523**	**1,988**	**-13%**
YoY Change (%)	*-10.5*	*-53.0*	*-49.3*	*-67.0*	*-32.8*	*-10.2*	*0.5*	*46.8*	*-46.1*	*-7.3*	*3.0*	
Margin (%)	*89.7*	*81.1*	*81.5*	*61.8*	*83.4*	*76.2*	*78.6*	*74.8*	*80.2*	*78.3*	*79.5*	
Depreciation	490	511	512	522	539	547	557	569	2,035	2,211	555	
Interest	13	11	9	52	11	10	10	11	85	42	7	
Other Income	328	2,939	412	362	433	3,060	412	132	4,041	4,037	3,030	
PBT	**2,835**	**4,346**	**1,816**	**1,035**	**1,907**	**4,235**	**1,779**	**1,384**	**10,033**	**9,307**	**4,457**	**-5%**
Tax	715	453	460	328	482	411	448	348	1,957	1,673	1,122	
Rate (%)	*25.2*	*10.4*	*25.3*	*31.7*	*25.3*	*9.7*	*25.2*	*25.2*	*19.5*	*18.0*	*25.2*	
Reported PAT	**2,120**	**3,893**	**1,356**	**707**	**1,425**	**3,825**	**1,331**	**1,036**	**8,076**	**7,633**	**3,335**	**15%**
YoY Change (%)	*-7.5*	*-26.8*	*-48.3*	*-72.9*	*-32.8*	*-1.8*	*-1.8*	*46.4*	*-37.1*	*-5.5*	*-14.3*	
Margin (%)	*63.2*	*163.6*	*57.4*	*35.1*	*58.8*	*168.1*	*54.1*	*42.3*	*79.9*	*79.4*	*133.4*	
Key Operating Parameters												
Transmission Volume (mmscmd)	36.4	29.7	29.0	25.8	29.7	28.5	30.5	31.4	30.2	30.0	31.0	-8%
Implied Tariff (INR/mmscm)	982	831	870	847	863	839	850	848	889	850	850	-1%

Syrma SGS Technology

Estimate change	↑
TP change	⟷
Rating change	⟷

Bloomberg	SYRMA IN
Equity Shares (m)	192
M.Cap.(INRb)/(USDb)	159.9 / 1.8
52-Week Range (INR)	893 / 355
1, 6, 12 Rel. Per (%)	-3/67/45
12M Avg Val (INR M)	944

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	48.6	66.2	84.4
EBITDA	4.7	7.0	9.0
Adj. PAT	2.8	4.6	5.9
EBITDA Margin (%)	9.6	10.5	10.7
Cons. Adj. EPS (INR)	14.7	23.7	30.9
EPS Gr. (%)	52.7	60.5	30.5
BV/Sh. (INR)	168.8	192.7	224.4
Ratios			
Net D:E	-0.2	-0.1	-0.2
RoE (%)	11.9	14.1	16.0
RoCE (%)	11.8	14.6	17.0
Valuations			
P/E (x)	56	35	27
EV/EBITDA (x)	33	22	17

Shareholding Pattern (%)

As on	Sep-25	Jun-25	Sep-24
Promoter	43.0	46.4	46.9
DII	16.4	9.2	6.5
FII	7.1	6.4	10.3
Others	33.5	38.0	36.4

Note: FII includes depository receipts

CMP: INR831 | TP: INR960 (+16%) | Buy

Strong performance across all fronts

Operating performance beats our estimates

- Syrma SGS Technology (SYRMA) continued its strong operating performance, with EBITDA up ~62% YoY in 2QFY26. EBITDA margin expanded 150bp YoY due to a favorable business mix and better operating leverage. Revenue grew 38%, largely led by a strong jump in IT/Railways revenue (up 4x), followed by the Consumer/Auto businesses, which grew 35%/28% YoY.
- The order book continued to improve to INR58b as of 1HFY26 (up ~21% YoY), with margins witnessing an expansion. Moreover, the company entered into multiple deals during the quarter across various sectors (defense, solar, auto, railways, medical) as well as manufacturing capabilities (PCB, design-led manufacturing). With a strong 1HFY26, management has guided for revenue growth of over 30% and EBITDA margin of over 9% for FY26 (vs ~8.5-9% margin earlier).
- Factoring in the strong operating performance and the integration of Elcome's financials from FY27, we raise our EPS estimate for FY27 by 6% while maintaining our FY26/FY28 estimate. We reiterate our **BUY** rating on the stock with a **TP of INR960 (35x Sep'27E EPS).**

Operating leverage aids margin expansion despite higher mix of IT

- Consolidated revenue grew 37.6% YoY to INR11.5b (est. INR10.6b), led by growth across all segments. IT and Railways grew the highest by 4x, followed by Consumer/Auto businesses/Healthcare by 35%/28%/26% YoY, while Industrials grew only by 9% (a major execution took place in 1Q). IT witnessed a significant jump, driven by the volume ramp-up for a major global OEM customer and the addition of Dynabook as a new client in 1H.
- EBITDA margin expanded 160bp YoY to 10.1% (est. 8.6%), led by a decrease in the share of employee and other expenses. EBITDA grew 62% YoY to INR1.2b (est. INR921m). Adj. PAT grew 77% YoY to INR641m (est. INR570m).
- The order book stood at INR58b in Sep'25 vs INR54-55b as of Jun'25. The Automotive/Industrials/ Consumer/ Healthcare/ IT and Railways segments accounted for ~35%/25%/25%/6-7%/remaining portion of total orders as of Sep'25.
- For 1HFY26, revenue/EBITDA/adj. PAT rose 5%/75%/2x to INR20.1b/INR2.0b/ INR1.1b.
- Gross debt stood at INR2.8b as of Sept'25 vs. INR6.1b as of Mar'25. The company reported a cash outflow of INR1.2b as of Sep'25 vs. CFO of INR2.1b as of Sep'24. Net working capital days stood at 73 days as of Sep'25, with management targeting to reduce it to below 65 days by the end of the year.

Highlights from the management commentary

- **Acquisition of Elcome:** SYRMA has signed a definitive agreement to acquire a 60% stake in Elcome Integrated Systems for INR2.35b (translating to 7.4x FY25 EV/EBITDA) through a mix of primary and secondary purchases. Elcome will use the funds to acquire Navicom Technology, enhancing its defense and maritime electronics capabilities. The remaining 40% stake will be acquired over the next three years. Elcome reported revenue of INR2b and an EBITDA profile of ~26% in FY25.
- **PCBs Manufacturing: SYRMA has formed a joint venture with Shinhyup Electronics Co., Ltd., South Korea, to establish multi-layer and flexible PCB manufacturing capabilities. The JV has secured 26.7 acres in Naidupeta, Andhra Pradesh, for a PCB and CCL manufacturing campus, with both state and central incentives approved. The project targets INR25b of annual revenue based on a 1–1.5x asset turnover, with commercial production expected from FY28. The total planned capex of ~INR15.6b** is expected to be deployed in phases, in line with demand build-up and ramp schedule. Further, the company aims to incur a capex of INR2b in FY26 and INR7b-INR8b over FY27 and FY28.
- **Outlook and Guidance: The company has maintained revenue guidance of ~30-35% for FY26, with an intact ~8.5-9% EBITDA guidance (expecting to surpass the guidance level). It anticipates the US to serve as a key market in the future.**

Valuation and view

- SYRMA continued its margin recovery, driven by a favorable shift in the business mix and operating leverage in 1HFY26. We expect this trend to continue through 2HFY26, led by strong growth in higher-margin segments, such as automotive and industrial.
- We believe that the company’s long-term trajectory will continue to remain strong, backed by: 1) its focus on low-volume, high-margin business; 2) an increase in exports; 3) increasing share of revenue in the industrial and automotive segments; 4) a foray into bare PCB manufacturing through its JV; and 5) inorganic expansion into new verticals, such as defense and solar invertors.
- We have incorporated Elcomes’ financials from FY27, resulting in an incremental increase of 5%/12% in revenue/EBITDA for the existing EMS business in FY27. However, factoring in the QIP dilution (raised INR10b), we raise our EPS estimate for FY27 by 6% while maintaining our FY26/FY28 estimate.
- We estimate a revenue/EBITDA/adj. PAT CAGR of 31%/44%/51% over FY25-28, driven by strong revenue growth and margin expansion. We reiterate our BUY rating on the stock with a **TP of INR960 (premised on 35x Sep’27E EPS).**

Consolidated - Quarterly Earning (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY25E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**11,599**	**8,327**	**8,692**	**9,244**	**9,440**	**11,459**	**13,299**	**14,420**	**37,862**	**48,617**	**10,659**	**8**
YoY Change (%)	92.9	17.0	23.0	-18.5	-18.6	37.6	53.0	56.0	20.1	28.4	28.0	
Total Expenditure	11,153	7,618	7,901	8,169	8,574	10,307	12,043	13,014	34,841	43,938	9,738	
EBITDA	**446**	**710**	**791**	**1,075**	**866**	**1,152**	**1,256**	**1,406**	**3,021**	**4,680**	**921**	**25**
Margins (%)	3.8	8.5	9.1	11.6	9.2	10.1	9.4	9.7	8.0	9.6	8.6	
Depreciation	174	167	202	208	206	218	220	225	751	869	206	
Interest	130	136	154	156	149	126	95	85	577	456	120	
Other Income	153	100	223	223	160	87	200	223	699	671	230	
PBT before EO expense	**295**	**507**	**657**	**934**	**672**	**895**	**1,141**	**1,319**	**2,392**	**4,026**	**825**	
Extra-Ord expense	0	0	21	0	0	0	0	0	21	0	0	
PBT	**295**	**507**	**635**	**934**	**672**	**895**	**1,141**	**1,319**	**2,371**	**4,026**	**825**	
Tax	91	110	105	219	172	232	287	332	526	1,023	208	
Rate (%)	31.0	21.8	16.6	23.5	25.7	25.9	25.2	25.2	22.2	25.4	25.2	
MI & Profit/Loss of Asso. Cos.	10	34	42	60	2	23	59	84	147	168	48	
Reported PAT	**193**	**362**	**488**	**654**	**497**	**641**	**795**	**903**	**1,698**	**2,835**	**570**	
Adj PAT	**193**	**362**	**509**	**654**	**497**	**641**	**795**	**903**	**1,719**	**2,835**	**570**	**12**
YoY Change (%)	-32.3	22.0	228.2	87.3	157.8	76.8	56.0	37.9	58.2	64.9	57.2	
Margins (%)	1.7	4.4	5.9	7.1	5.3	5.6	6.0	6.3	4.5	5.8	5.3	

AAVAS Financiers

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	AAVAS IN
Equity Shares (m)	79
M.Cap.(INRb)/(USDb)	128.2 / 1.4
52-Week Range (INR)	2238 / 1517
1, 6, 12 Rel. Per (%)	-3/-13/-9
12M Avg Val (INR M)	427

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	10.1	11.9	13.9
PPP	7.6	8.8	10.5
PAT	5.7	6.6	7.9
EPS (INR)	73	84	99
EPS Gr. (%)	17	15	19
BV/Sh. (INR)	551	634	734
Ratios (%)			
NIM	5.4	5.3	5.3
C/I ratio	43.8	44.5	43.7
Credit cost	0.18	0.22	0.21
RoA	3.3	3.3	3.3
RoE	14.1	14.1	14.5
Valuation			
P/E (x)	22.3	19.4	16.3
P/BV (x)	2.9	2.6	2.2

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	49.0	49.0	26.5
DII	14.1	11.5	25.6
FII	25.9	29.8	35.5
Others	11.0	9.8	12.5

FII includes depository receipts

CMP: INR1,619 TP: INR1,800 (+11%) Neutral

AUM growth remains weak; no weakness in asset quality

Earnings beat driven by higher assignment income; NIM expands ~55bp QoQ

- AAVAS Financiers (AAVAS)'s 2QFY26 PAT grew 11% YoY to ~INR1.6b (~8% beat). PAT in 1HFY26 grew ~11% YoY, and we expect PAT to grow ~19% YoY in 2H. NII in 2QFY26 grew 19% YoY to ~INR2.9b (in line). Other income grew 16% YoY, aided by higher assignment income of ~INR700m (PY: INR585m).
- Reported NIM improved ~55bp QoQ to ~8.05% in 2QFY26. Spreads rose ~10bp QoQ to 5.2% (v/s ~5.1% in 1QFY26). Opex rose ~26% YoY to INR1.7b (in line). Opex/assets stood at ~3.5% (PY: 3.2% and PQ: ~3.45%). We estimate an opex-to-asset ratio of 3.5%/3.4% in FY26/FY27E (vs. ~3.4% in FY25).
- Management shared that given the current business momentum, it expects AUM growth of ~18% in FY26. Traction in disbursements and AUM growth are likely to improve in 2H, aided by GST-related benefits and positive sentiment for mortgages amid a declining interest rate environment. This should aid housing demand. We model an AUM growth of ~17%/18% for FY26/FY27.
- AAVAS reported a stable GS3, and its 1+dpd improved by ~15bp QoQ. The company highlighted that both its core home market and the newer emerging markets are performing well, supported by its cautiously optimistic underwriting approach.
- Management highlighted that incremental yields continue to be lower than the existing portfolio yields, which may lead to continued moderation in overall yields. The company remains focused on sourcing better-quality customers, even at marginally lower pricing, to sustain healthy risk-adjusted returns over the long term.
- We raise our FY26/FY27 EPS estimates by 4%/2% to factor in higher assignment income. We estimate AUM and PAT CAGR of ~18% each over FY25-28, with an RoA/ RoE of 3.4%/15% by FY28. AAVAS trades at 2.2x FY27E P/BV. For a re-rating in its current valuation multiples, we believe that the company will need to deliver on its guided AUM growth and exhibit better readiness for an acceleration of its AUM growth from FY27 onwards. **Reiterate Neutral with a TP of INR1,800 (based on 2.3x Sep'27E BVPS).**

AUM rises ~16% YoY; share of HL in 1H disbursements at ~58%

- AUM grew 16% YOY and ~3% QoQ to ~INR214b. Disbursements rose ~21% YoY to ~INR15.6b. Share of HL in 1HFY26 disbursements stood at ~58%.
- Annualized run-off in the loan book stood at ~18.2% (PY: 16.6% and PQ: ~16.2%). Securitization during the quarter amounted to ~INR4.3b (PY: ~INR4.3b), and the securitization margin improved ~380bp QoQ to 16.4%.

Key highlights from the management commentary

- Only ~1.8% of the AUM is exposed to customers linked to US tariff-affected industries. Stress has also been seen in pockets of Karnataka, eastern MP, and certain segments in Gujarat (notably Surat), but this is not broad-based. The company had proactively tightened credit filters in these micro-markets, which has helped contain the impact.

- CARE has revised the long-term credit rating outlook to Positive from Stable, signaling progress toward a potential upgrade to AA+. This is expected to enhance the company's ability to diversify its liability profile more efficiently and at a lower cost.

Asset quality stable; 1+dpd improves ~15bp QoQ to ~4%

- Asset quality was broadly stable, with GS3/NS3 remaining flat QoQ at 1.25%/0.85%. The company's 1+dpd declined ~15bp QoQ to 4%.
- Credit costs stood at INR80m (v/s est. of ~INR96m) and translated into an annualized credit cost of ~15bp (PY: ~10bp and PQ: ~22bp). We model credit costs of ~22bp/21bp in FY26/FY27.

A sequential ~17bp decline in CoB; spreads rise ~10bp QoQ

- Reported spreads rose ~10bp QoQ to 5.2% (v/s ~5.1% in 1QFY26), while CoF declined ~17bp QoQ at ~7.85%.
- Within AAVAS' bank borrowings, ~36% was linked to EBLR and ~25% was linked to sub-three-month MCLR; hence, ~61% of total borrowings were repriced along with declining interest rates. Management indicated that the cost of borrowings is expected to decline in the coming quarters as the benefit from MCLR-linked borrowings gradually reflects in its weighted average cost of borrowings.
- AAVAS' 2QFY26 core NIM (calc.) improved ~15bp QoQ to ~7%. We model a NIM (as a % of AUM) of 5.3% each in FY26/FY27E.

Valuation and view

- AAVAS posted a mixed performance during the quarter, wherein it reported an earnings beat, driven by higher assignment income, but its AUM growth remained weaker (than expected) as prepayments were elevated. Asset quality held steady, with improvement in 1+dpd supporting lower credit costs. Meanwhile, NIM and spreads continued to expand, aided by a further reduction in its cost of borrowings.
- The company posted RoA/RoE of ~3.4%/~14.3% in 2QFY26. Its continued investments in technology and unwavering focus on asset quality have helped it stand out among peers. Notably, 1+ dpd levels remain well below guidance, supported by prudent underwriting and strong collections.
- The stock trades at 2.2x FY27E P/BV, and any valuation multiple re-rating will depend on stronger AUM growth and delivery of operating efficiencies to further improve the RoA profile. **Reiterate Neutral with a TP of INR1,800 (based on 2.3x Sep'27E BVPS).**

Quarterly performance INR m

Y/E March	FY25				FY26E				FY25	FY26E	2Q FY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	4,797	4,906	5,121	5,353	5,489	5,636	5,839	6,169	20,177	23,134	5,588	1
Interest Expenses	2,352	2,489	2,587	2,647	2,713	2,755	2,828	2,982	10,075	11,280	2,757	0
Net Income	**2,446**	**2,418**	**2,533**	**2,705**	**2,776**	**2,881**	**3,011**	**3,187**	**10,102**	**11,854**	**2,831**	**2**
YoY Growth (%)	8	9	15	14	14	19	19	18	11	17	17	
Other income	628	898	859	1,022	790	1,038	1,046	1,162	3,407	4,036	878	18
Total Income	**3,074**	**3,316**	**3,392**	**3,728**	**3,566**	**3,919**	**4,057**	**4,349**	**13,509**	**15,891**	**3,709**	**6**
YoY Growth (%)	10	13	16	15	16	18	20	17	13	18	12	
Operating Expenses	1,379	1,368	1,447	1,719	1,662	1,727	1,790	1,891	5,912	7,071	1,660	4
YoY Growth (%)	3	5	7	20	21	26	24	10	9	20	21	
Operating Profits	**1,695**	**1,948**	**1,945**	**2,009**	**1,904**	**2,192**	**2,266**	**2,458**	**7,597**	**8,820**	**2,049**	**7**
YoY Growth (%)	16	19	23	10	12	12	17	22	17.1	16.1	5.2	
Provisions	86	48	61	76	113	80	97	93	271	382	96	-17
Profit before Tax	**1,609**	**1,900**	**1,884**	**1,932**	**1,791**	**2,112**	**2,169**	**2,365**	**7,326**	**8,438**	**1,953**	**8**
Tax Provisions	348	421	420	395	399	473	477	476	1,585	1,825	430	10
Profit after tax	**1,261**	**1,479**	**1,464**	**1,537**	**1,392**	**1,639**	**1,692**	**1,889**	**5,741**	**6,612**	**1,524**	**8**
YoY Growth (%)	15	22	26	8	10	11	16	23	17.0	15.2	3.0	
Key Parameters (%)												
Yield on loans	13.08	13.0	13.18	13.13	13.13	13.1			13.5	13.4		
Cost of funds	8.08	8.2	8.24	8.24	8.02	7.9			7.7	7.5		
Spread	5.00	4.89	4.94	4.89	5.11	5.23			5.8	5.9		
NIM		7.78	7.75	8.11	7.48	8.04			5.4	5.3		
Credit cost	0.2	0.11	0.1	0.2	0.2	0.15			0.2	0.2		
Cost to Income Ratio (%)	44.8	41.2	42.7	46.1	46.6	44.1			43.8	44.5		
Tax Rate (%)	21.7	22.2	22.3	20.5	22.3	22.4			21.6	21.6		
Balance Sheet Parameters												
AUM (INR B)	**178.4**	**184.0**	**192.4**	**204.2**	**207.4**	**213.6**	**224.0**	**239.3**	**204.2**	**239.3**		
Change YoY (%)	21.8	20.1	19.6	17.9	16.2	16.1	16.5	17.2	18	17		
AUM mix (%)												
Home loans	69.0	69.0	69.0	68.0	67.0	67.0			68.0	66.8		
Mortgage loans	14.0	13.0	13.0	13.0	13.0	13.0			32.0	33.2		
Loans (INR B)	**144.4**	**147.1**	**153.2**	**162.3**	**162.3**	**166.6**	**175.9**	**187.9**	**162.3**	**187.9**		
% of AUM	81.0	80.0	79.6	79.5	78.2	78.0	78.5	78.5	15.9	15.8		
Disbursements (INR B)	**12.1**	**12.9**	**15.9**	**20.2**	**11.5**	**15.6**	**19.8**	**25.1**	**61.2**	**71.9**		
Change YoY (%)	13.4	2.8	17.0	6.9	-5.4	20.6	24.0	24.0	10	17		
Borrowings (INR B)	**126.0**	**124.8**	**133.8**	**139.2**	**143.9**	**144.1**	**153.0**	**161.2**	**139.2**	**161.2**		
Change YoY (%)		12.0	16.6	12.3	14.2	15.5	14.4	15.8	13	16		
Borrowings/Loans (%)	87.2	84.8	87.4	85.8	88.7	86.5	87.0	85.8	85.8	85.8		
Debt/Equity (x)	3.2	3.1	3.2	3.2	3.2	3.1	3.2	3.2	3.2	3.2		
Asset Quality (%)												
GS 3 (INR M)	**1,466.1**	**1,601.0**	**1,757.0**	**1,763.0**	**1,987.0**	**2,081.0**						
G3 %	1.01	1.1	1.14	1.08	1.22	1.24						
NS 3 (INR M)	1,043.4	1,142.0	1,233.0	1,191.0	1,360.0	1,418.0						
NS3 %	0.72	0.78	0.80	0.73	0.84	0.85						
PCR (%)	**28.8**	**28.7**	**29.8**	**32.4**	**31.6**	**31.9**						
ECL (%)	0.6	0.6	0.7	0.7	0.7	0.7						
Return Ratios - YTD (%)												
ROA (Rep)	3.0	3.3	3.3	3.3	2.9	3.4						
ROE (Rep)	13.1	14.0	14.1	14.1	12.6	14.3						

E: MOFSL Estimates

G R Infraprojects

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	GRINFRA IN
Equity Shares (m)	97
M.Cap.(INRb)/(USDb)	109.8 / 1.2
52-Week Range (INR)	1682 / 901
1, 6, 12 Rel. Per (%)	-12/1/-37
12M Avg Val (INR M)	96

Financials & Valuations (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	69.4	80.9	88.7
EBITDA	8.5	11.2	12.2
APAT	7.4	9.9	11.2
EBITDA (%)	12.2	13.8	13.8
EPS (INR)	76.5	102.5	115.7
EPS Gr. (%)	2.4	34.0	12.9
BV/Sh. (INR)	891.8	994.3	1110.0
Ratios			
Net D/E	0.0	-0.1	-0.1
RoE (%)	9.0	10.9	11.0
RoCE (%)	9.0	10.8	11.0
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	14.8	11.1	9.8
P/BV (x)	1.3	1.1	1.0
EV/EBITDA (x)	12.5	9.2	8.4
Div Yield (%)	0.0	0.0	0.0
FCF Yield (%)	7.9	6.0	3.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	74.7	74.7	74.7
DII	19.4	19.3	20.1
FII	2.9	2.9	2.1
Others	3.1	3.1	3.1

FII includes depository receipts

CMP: INR1,135 TP: INR1,360 (+20%) Buy

Muted quarter; execution to improve ahead

Order pipeline remains strong

- G R Infraprojects (GRINFRA)'s revenue rose 9.4% YoY to ~INR12.3b during 2QFY26 (vs. our estimate of INR13.9b).
- EBITDA margin stood at 9.8% in 2Q FY26 (-60 bps YoY) vs. our estimate of 11.7%. EBITDA rose by 3% YoY to INR1.2b and was 26% below our estimate.
- APAT grew ~13% YoY to ~INR1.3b (10% below our estimates) due to lower depreciation and interest cost.
- The order book currently stands at ~INR211b (excl. L1), with road projects accounting for 65% of the order book. Management expects revenue growth of 5-10% in FY26 with a margin of ~11-13%. GRINFRA expects order inflows of INR200b-250b in FY26 with a pickup in awarding activity, especially in large-sized projects and diversification to other infra sectors.
- GRINFRA delivered a muted performance in 2QFY26, with margins under pressure. Going forward with the monsoon impact behind, execution is likely to substantially improve. Its order book remained robust, anchored by road projects and complemented by increasing traction in new segments such as railways, power transmission, and tunneling. **We cut our EPS estimates for FY26 by ~4% on account of weaker execution and largely maintain our EPS estimates for FY27. We expect GRINFRA to clock an 11% revenue CAGR over FY25-28, with an EBITDA margin in the range of 12-14%. We reiterate our BUY rating with a revised SoTP-based TP of INR1,360.**

Robust order book, sector diversification, and strong financial discipline

- GRINFRA's order book stood at ~INR211b (ex-L1) and ~INR254b (incl. L1). The road segment continues to dominate (65% of the order book), but the company is steadily diversifying into railways, metros, power transmission, hydro, tunneling, and telecom.
- The company highlighted that the current project pipeline remains healthy across multiple infrastructure segments. The highway segment constitutes the largest opportunity with projects worth approximately INR2.82t, followed by railways (INR260b), metros (INR220b), hydro (INR280b), tunnel (INR190b), and power transmission (INR240b). The ropeway segment currently offers a smaller opportunity compared to other verticals.
- GRINFRA targets order inflows of INR200-250b in FY26, led by an uptick in awarding from NHAI, and is optimistic about FY27 inflows (~INR300-350b).
- The company repaid INR2.62b in debt during the quarter, reducing its standalone debt-to-equity ratio to 0.04x—among the lowest in the sector. Working capital days improved to 98 days (vs. 153 days as of Sep'24), driven primarily by better realization from debtors.

Key takeaways from the management commentary

- Management expects revenue growth of 5-10% in FY26 with margins in the 11-13% range. The guidance has been lowered from the earlier 10-15% due to a delay in project awarding by the government.
- Promoter equity commitment in HAM projects stands at INR32b, with INR4-5b to be infused in 2HFY26 and INR10b each in FY27, FY28, and FY29.
- Management indicated that the margin trajectory will be contingent upon the strength of order inflows. A higher quantum of project wins is expected to support margin expansion. The company has guided for order inflows of INR200–250b in FY26 and ~INR300–350b in FY27, subject to the materialization of the bidding pipeline.

Valuation and view

- While execution of fresh orders may only reflect meaningfully from FY27, the company's strong order inflow guidance, improving bid environment (less competition, tighter prequalification norms), and balance sheet strength provide visibility for sustainable growth.
- We expect GRINFRA to clock an 11% revenue CAGR over FY25-28, with an EBITDA margin in the range of 12-14%. **Reiterate BUY with a revised SoTP-based TP of INR1,360.**

Quarterly Performance (Standalone) **(INR m)**

Y/E March (INR m)	FY25				FY26E				FY25	FY26E	FY26	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Variance
Net Sales	**18,965**	**11,281**	**14,628**	**19,429**	**18,261**	**12,337**	**17,564**	**21,259**	**64,304**	**69,421**	**13,911**	**-11%**
YoY Change (%)	(11.9)	(28.3)	(19.0)	(9.9)	(3.7)	9.4	20.1	9.4	(16.4)	8.0	23.3	
EBITDA	**2,466**	**1,171**	**1,546**	**3,009**	**2,311**	**1,204**	**2,195**	**2,759**	**8,193**	**8,469**	**1,628**	**-26%**
Margins (%)	13.0	10.4	10.6	15.5	12.7	9.8	12.5	13.0	12.7	12.2	11.7	
Depreciation	632	631	612	572	524	510	635	754	2,448	2,424	620	
Interest	281	214	207	155	119	113	150	196	857	577	165	
Other Income	1,081	1,311	1,222	1,389	1,163	1,184	1,080	941	5,003	4,367	1,090	
PBT before EO expense	**2,634**	**1,637**	**1,949**	**3,671**	**2,830**	**1,764**	**2,490**	**2,750**	**9,892**	**9,835**	**1,933**	
Extra-Ord expense	(494)	356	377	849	-	-	-	-	1,088	-	-	
PBT	**2,140**	**1,993**	**2,326**	**4,520**	**2,830**	**1,764**	**2,490**	**2,750**	**10,980**	**9,835**	**1,933**	
Tax	621	845	640	807	672	456	623	687	2,913	2,437	486	
Rate (%)	29.0	42.4	27.5	17.9	23.7	25.8	25.0	25.0	26.5	24.8	25.2	
Reported PAT	**1,520**	**1,148**	**1,686**	**3,712**	**2,158**	**1,308**	**1,868**	**2,064**	**8,066**	**7,398**	**1,446**	
Adj PAT	**1,890**	**1,161**	**1,309**	**2,864**	**2,158**	**1,308**	**1,868**	**2,064**	**7,224**	**7,398**	**1,446**	**-10%**
YoY Change (%)	(9.1)	(5.8)	(12.2)	27.3	14.2	12.7	42.7	(27.9)	2.4	2.4	24.5	
Margins (%)	10.0	10.3	8.9	14.7	11.8	10.6	10.6	9.7	11.2	10.7	10.4	

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2QFY26 Results Update | Sector: Real Estate

Sri Lotus Developers & Realty

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	LOTUSDEV IN
Equity Shares (m)	489
M.Cap.(INRb)/(USDb)	84.1 / 0.9
52-Week Range (INR)	219 / 171
1, 6, 12 Rel. Per (%)	-9/-/-
12M Avg Val (INR M)	1107

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	10.9	15.7	21.6
EBITDA	3.9	7.5	10.2
EBITDA (%)	36.4	47.9	47.0
Net profit	3.0	5.9	7.7
EPS (INR)	6.1	12.0	15.8
EPS Growth (%)	30.5	97.7	31.6
BV/Share (INR)	40.2	52.2	68.0
Ratios			
Net D/E	-0.7	-0.5	-0.6
RoE (%)	20.5	26.0	26.3
RoCE (%)	20.1	25.6	26.7
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	28.3	14.3	10.9
P/BV (x)	4.3	3.3	2.5
EV/EBITDA (x)	19.9	10.4	7.5
Div Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As of	Sep-25	Jun-25
Promoter	81.9	81.9
DII	3.1	3.1
FII	2.5	2.0
Others	12.6	13.0

CMP: INR172 TP: INR250 (+45%) Buy

Upcoming launches expected to lift performance

Operating performance

- Sri Lotus Developers & Realty (LOTUSDEV) recorded presales of INR2.6b, up 126%/4x YoY/QoQ in 2QFY26 (7% above our estimate). In 1HFY26, its presales jumped 50% YoY to INR3.2b.
- The company launched two projects during the quarter: The Arcadian (Juhu) and Amalfi (Versova), with a total GDV of INR10b and 0.2msf area. These new launches contributed to ~51% of total presales (INR920m from Arcadian and INR380m from Amalfi).
- LOTUSDEV plans to launch four projects in 2HFY26: Project Varun (Bandra), Lotus Aquaria (Prabhadevi), Lotus Celestial (Versova), and Lotus Trident (Andheri West). Of these, Project Varun is likely to be launched in 3QFY26.
- LOTUSDEV achieved collections of INR1.1b in 2QFY26, up 16%/51% YoY/QoQ (60% below our estimate). In 1HFY26, collections were INR1.8b, up 4% YoY.
- In 1HFY26, the company added six projects in the premium micro markets of MMR (of which two were added in 2QFY26). These projects are Lotus Portifino (Versova), Lotus Sky Plaza (Oshiwara), Lotus Odyssey (Bandra), Lotus Avalon (Juhu), Lotus Imperial (Bandra), and Lotus Upper Crest (Bandra).
- The company deployed INR1.4b in Amalfi, Arcadian, and Varun as of 30th Sep'25 from the primary fund raised.
- LOTUSDEV is currently executing six projects with a total saleable carpet of 0.36msf and a potential GDV of INR27-28b. It has another nine projects in the residential pipeline with a total saleable carpet of 0.93msf and a potential GDV of INR73-78b. It also has three commercial projects with a total saleable carpet of 0.77msf and potential GDV of INR30-35b.
- **P&L performance:** Its 2QFY26 revenue stood at INR1.8b, up 43%/2.8x YoY/QoQ (35% below our estimate). In 1HFY26, its revenue stood at INR2.4b, down 2% YoY.
- LOTUSDEV's EBITDA stood at INR504m, -23%/+71% YoY/QoQ (49% below our estimate), with an EBITDA margin of 29%. In 1HFY26, its EBITDA stood at INR799m, down 33% YoY, with a margin of 34%.
- LOTUSDEV's adjusted PAT came in at INR462m, -8%/+80% YoY/QoQ (38% below our estimate) with an Adj. PAT margin of 26%. In 1HFY26, PAT stood at INR718m, down 21% YoY, with a margin of 30%.

Valuation and view

- LOTUSDEV posted a 39% presales CAGR over FY22-25, which is expected to accelerate to 129% over FY25-28 to reach INR59b. This will be guided by its robust project pipeline and strong response to launches. Collections are also expected to clock 129% CAGR and reach INR40.2b by FY28E.
- Additionally, backed by its best-in-class execution capabilities, the company is likely to achieve an operating margin of 47% and a net profit margin of 36% in FY28E.
- **We reiterate our BUY rating on the stock with a TP of INR250, indicating a 45% potential upside.**

Quarterly performance **(INRm)**

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	2QE Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q Est.	(%/bp)
Gross Sales	**1,207**	**1,227**	**1,162**	**1,900**	**613**	**1,761**	**3,581**	**4,897**	**5,497**	**10,853**	**2,713**	**-35%**
YoY Change (%)	NA	NA	NA	NA	-49.2	43.5	208.1	157.7	NA	958.0	NA	
Total Expenditure	679	571	546	810	319	1,257	2,278	3,050	2,607	6,903	1,726	
EBITDA	**527**	**656**	**616**	**1,090**	**295**	**504**	**1,303**	**1,848**	**2,890**	**3,950**	**987**	**-49%**
Margins (%)	43.7	53.5	53.0	57.4	48.0	28.6	36.4	37.7	52.6	36.4	36.4	-776bps
Depreciation	3	4	4	4	4	4	4	1	15	13	3	
Interest	0	0	0	1	5	5	0	-10	2	0	0	
Other Income	18	23	74	81	68	127	80	-32	196	243	61	
PBT before EO expense	**542**	**675**	**686**	**1,166**	**353**	**622**	**1,379**	**1,825**	**3,068**	**4,180**	**1,045**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**542**	**675**	**686**	**1,166**	**353**	**622**	**1,379**	**1,825**	**3,068**	**4,180**	**1,045**	
Tax	140	171	172	307	95	159	347	451	789	1,052	263	
Rate (%)	25.8	25.3	25.1	26.3	27.0	25.5	25.2	24.7	25.7	25.2	25.2	
MI & Profit/Loss of Asso. Cos.	-1	-1	-2	-1	-2	-2	-53	-104	-5	-161	-40	
Reported PAT	**401**	**504**	**512**	**858**	**256**	**462**	**979**	**1,270**	**2,274**	**2,967**	**742**	**-38%**
Adj PAT	**401**	**504**	**512**	**858**	**256**	**462**	**979**	**1,270**	**2,274**	**2,967**	**742**	**-38%**
YoY Change (%)	NA	NA	NA	NA	-36.1	-8.4	91.2	48.1	59,569.2	2,194.7	NA	
Margins (%)	33.2	41.0	44.1	45.1	41.8	26.2	27.3	25.9	41.4	27.3	27.3	
Operational Performance												
Pre Sales (msf)	0.0	0.0	NA	NA	0.0	0.0	0.1	0.1	0.1	0.2	0.0	8%
Booking Value (INRb)	1.0	1.1	NA	NA	0.6	2.6	4.0	4.3	4.9	11.5	2.4	7%
Avg rate/sf (INR)	64,928	64,928	NA	NA	52,021	52,021	52,541	51,545	64,928	52,021	52,541	-1%
Collections (INRb)	0.8	0.9	NA	NA	0.7	1.1	3.5	5.4	3.4	10.7	2.7	-60%

V-Mart Retail

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	VMART IN
Equity Shares (m)	79
M.Cap.(INRb)/(USDb)	61.1 / 0.7
52-Week Range (INR)	1038 / 675
1, 6, 12 Rel. Per (%)	-11/-17/-23
12M Avg Val (INR M)	182

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	38.3	45.3	53.2
EBITDA	5.1	6.4	7.8
NP	1.2	1.9	2.7
EBITDA Margin (%)	13.3	14.1	14.7
Adj. EPS (INR)	15.1	23.9	34.3
EPS Gr. (%)	NM	58	44
BV/Sh. (INR)	117.2	141.0	175.3
Ratios			
Net D:E	0.8	0.5	0.3
RoE (%)	13.8	18.5	21.7
RoCE (%)	10.6	13.5	15.9
Valuations			
P/E (x)	51.1	32.3	22.4
EV/EBITDA (x)	13.4	10.5	8.4
EV/Sales (x)	1.6	1.3	1.1

Shareholding pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	44.2	44.2	44.3
DII	32.1	31.5	32.8
FII	17.5	18.3	16.0
Others	6.3	6.0	6.9

FII includes depository receipts

CMP: INR770 TP: INR1,085 (+41%) Buy

Margin improvement continues; valuations attractive

- V-Mart Retail's (VMART) delivered 22% YoY revenue growth, on the back of 11% blended SSSG, partly boosted by the early festive season.
- Margin continued to improve with ~335bp pre-IND AS EBITDA margin expansion, driven by operating leverage, curtailed ad spends, and lower inventory provisioning, given rising freshness in inventory.
- Given strong growth tailwinds in value fashion, management raised its store additions guidance to ~75 (from ~65 earlier). The company continues to target mid-to-high single-digit SSSG, with consistent improvement in profitability driven by disciplined cost controls.
- We raise our FY26-28E EBITDA by 2-4%, driven by accelerated store expansion and modest margin improvement. We model a CAGR of 18%/ 28% in revenue/EBITDA over FY25-28E, driven by ~14% CAGR in store additions, mid-single-digit SSSG, and further reduction in LR losses.
- VMART has notably underperformed its peers in CY25TD (VMART: -21% vs. +29%/35% for VMM/V2 Retail). VMART trades at ~32x FY27 P/E (vs. 60x for VMM), despite similar growth and better profitability expectations.
- We reiterate our **BUY rating on VMART with revised TP of INR1,085**, premised on 23x Dec'27 EV/pre-INDAS EBITDA (implies ~12x reported Dec'27 EBITDA). VMART remains one of our top picks in the retail space.

Good 2Q with consistent margin expansion

- Revenue grew 22% YoY (already disclosed) to INR8.1b in 2QFY26, driven by 11% blended SSSG and ~14% YoY store additions.
- VMART opened 25 new stores (18 in VMART and seven in Unlimited) and closed two stores (one each in VMART and Unlimited) in 2Q, taking the total store count to 533 (VMART: 438, Unlimited: 95).
- Blended SSSG was boosted by an early festive season. Adjusted for the same, SSSG would have been in mid-single digits.
- Gross profit grew 22% YoY to INR2.7b (in line), as gross margins remained stable YoY at 33.6% (~35bp beat), despite a lower contribution from LR (which has complete revenue flow through to GM).
- Other expenses rose ~6% YoY to INR1.02b (though 2% lower than our estimate), driven by i) ~40bp reduction in A&P spends for VMART and Unlimited formats, ii) ~20bp lower inventory provisioning, and iii) lower losses in the online segment (LR).
- Resultantly, reported EBITDA stood at INR715m (+85% YoY, 11% beat), and margins expanded 300bp YoY to 8.9% (~90bp beat).
- VMART achieved pre-Ind-AS profitability with EBITDA of INR45b in 2Q (vs. a loss of INR184m YoY).

- Depreciation increased 20% due to a change in lease accounting, while interest costs declined ~55% YoY (11% below our estimate).
- Loss after tax stood at INR89m (vs. our estimate of INR176m loss), aided by higher EBITDA and lower finance costs.
- 1HFY26 revenue/EBITDA grew 17%/44% YoY, with reported PAT of INR247m (vs. ~INR445m loss YoY). Based on our estimates, the run-rate for revenue/EBITDA growth in 2HFY26 is 18%/30%.

Unlimited's productivity improves; margin expands in VMART

- **VMART (core):** 2Q revenue grew 23% YoY to INR6.6b, driven by 17 net store additions (up 14% YoY) and ~11% SSSG. Reported monthly SPSF for 1HFY26 grew 4% YoY to INR698. 2Q EBITDA grew 71% YoY to INR605m, as margin expanded ~250bp YoY to 9.1%, driven by operating leverage.
- **Unlimited**: 2Q revenue grew 22% YoY to INR1.4b, driven by six net store additions (up 14.5% YoY) and ~11% SSSG. Unlimited's reported monthly SPSF for 1HFY26 grew ~6% YoY to INR592. Unlimited's 2Q EBITDA grew 36% YoY to INR144m, as margin expanded ~110bp YoY to 10.5%, driven by operating leverage and curtailed A&P spends.
- **LimeRoad (LR):** Commission income declined ~37% YoY to INR66m, while operating loss reduced ~53% YoY to INR34m (vs. INR46m QoQ, INR73m YoY), driven by a further reduction in advertisement expenses.

Improved profitability and lower inventory lead to healthy FCF generation

- Working capital normalized significantly, with CWC days at 19 days (vs. 26 days in 1HFY25), driven by lower inventory (113 days vs. 115 YoY), and higher payable days (94 vs. 90 YoY). Core WC declined ~13% YoY to INR1.76b.
- Driven by a sharp increase (2.6x YoY) in pre-INDAS EBITDA and favorable working capital movement, OCF (after leases and interest) improved to INR865m (vs. outflows of INR11m YoY). With capex largely stable YoY, FCF (after interest and leases) stood at INR284m (vs. outflows of INR621m YoY).

Key highlights from the management commentary

- **Demand**: Consumer sentiment improved in 2Q, driven by GoI's policy support, lower inflation, and early festive momentum. However, the delayed withdrawal of the monsoon in the East and coastal regions impacted the festive demand. GST rollout had a limited impact on low-ticket items but aided overall market sentiment. Diwali performance was positive but fell short of management's expectations, though demand picked up with the onset of winter.
- **Regional performance:** SPSF growth in Tier-1 markets was subdued at ~1%, reflecting spillover effects from disruptions in Eastern markets (lack of Bangladesh footfalls) during the festive period and continued underperformance in Southern clusters, AP, and Telangana, where consumer traction remained weak. In contrast, Tier-4 markets outperformed. Regionally, Tamil Nadu continues to deliver strong growth, which has encouraged management to increase its penetration in the market through Unlimited.
- **Outlook:** Management expects footfalls and discretionary spending to improve with easing inflation, rising consumer confidence, and is **targeting mid- to high-single-digit SSSG.** However, the festive season shift to 2Q may temper 3Q growth optically.

- **Store expansion** continues aggressively with 56 stores added YTD (40 in 1H, 16 in 3Q so far). Management has raised its guidance of store additions to 75 (from 65 earlier. New stores opened over the past 12–18 months are outperforming on growth and EBITDA, reflecting better site selection and operational maturity.
- **Margins:** VMART's pre-IND-AS margin improved ~210bp YoY in 1H, driven by operating leverage, reduced inventory provisioning, and curtailed ad spends. However, management has conservatively guided for only a slight improvement in margin for FY26 (vs. 4.4% in FY25), based on mid-single digit SSG.

Valuation and view

- The improved productivity of VMART/Unlimited stores, the closure of non-performing stores, and lower losses in the online segment have led to an improvement in VMART's overall profitability.
- VMART remains a key beneficiary of the unorganized-to-organized retail shift and the massive growth opportunity in value fashion.
- We raise our FY26-28E EBITDA by 2-4%, driven by accelerated store expansion and modest margin improvement. We model a CAGR of 18%/28% in revenue/EBITDA over FY25-28E, driven by ~14% CAGR in store additions, mid-single-digit SSSG, and further reduction in LR losses.
- VMART has significantly underperformed peers in CY25TD (VMART: -21% vs. +29%/35% for VMM/V2 Retail). VMART trades at ~32x FY27 P/E (vs. 60x for VMM), despite similar growth and better profitability expectations.
- We reiterate our **BUY rating on VMART with a revised TP of INR1,085**, premised on 23x Dec'27 EV/pre-INDAS EBITDA (implies ~12x reported Dec'27 EBITDA). VMART remains one of our top ideas in the retail space.

Consol. Quarterly Earnings Summary (INR m)

Y/E March	FY25				FY26				FY25	FY26	FY25	Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Var (%)
Revenue	**7,861**	**6,610**	**10,267**	**7,801**	**8,852**	**8,069**	**12,163**	**9,221**	**32,539**	**38,305**	**8,070**	**0**
YoY Change (%)	15.9	20.3	15.5	16.7	12.6	22.1	18.5	18.2	16.8	17.7	22.1	
Total Expenditure	6,871	6,224	8,554	7,119	7,591	7,354	9,992	8,286	28,768	33,222	7,426	-1
EBITDA	**990**	**386**	**1,714**	**681**	**1,262**	**715**	**2,171**	**935**	**3,771**	**5,083**	**644**	**11**
EBITDA Margin (%)	12.6	5.8	16.7	8.7	14.3	8.9	17.8	10.1	11.6	13.3	8.0	
Depreciation	568	592	626	544	679	711	729	825	2,330	2,944	696	2
Interest	375	391	424	174	182	175	180	190	1,365	727	196	-11
Other Income	46	18	34	23	29	34	44	42	121	150	23	49
PBT	**93**	**-580**	**697**	**229**	**429**	**-136**	**1,305**	**-37**	**198**	**1,562**	**-225**	**-39**
Tax	-28	-15	-19	44	93	-47	329	-9	-18	366	-49	
Rate (%)	-30.3	2.6	-2.7	19.1	21.8	34.8	25.2	24.7	-9.2	114.5	21.8	
Reported PAT	**121**	**-565**	**716**	**185**	**336**	**-89**	**977**	**-28**	**458**	**1,197**	**-176**	**-50**
Adj PAT	**121**	**-565**	**716**	**-57**	**336**	**-89**	**977**	**-28**	**216**	**1,197**	**-176**	**-50**
YoY Change (%)	-155.3	-11.9	153.7	-85.4	176.8	-84.3	36.4	-51.3	-122.3	454.2	-68.9	

E: MOFSL Estimates

Exhibit 1: We ascribe a TP of INR1,085 based on ~23x pre-IND-AS Dec'27 EV/EBITDA (implying ~12x Dec'27 EV/reported EBITDA)

	Methodology	Driver (INR m)	Multiple	Fair Value (INR m)	Value/sh (INR)
EBITDA	Dec'27 EV/EBITDA	7,469	12	92,386	1,164
Less net debt				6,301	79
Total Value				**86,085**	**1,085**
Shares o/s (m)				79.4	
CMP (INR)					770
Upside (%)					**41**

Source: MOFSL, Company

United Foodbrands

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	UFBL IN
Equity Shares (m)	39
M.Cap.(INRb)/(USDb)	7.6 / 0.1
52-Week Range (INR)	558 / 191
1, 6, 12 Rel. Per (%)	-15/-46/-71
12M Avg Val (INR M)	56

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	12.7	13.7	14.9
Sales Gr. (%)	2.9	7.9	8.6
EBITDA	2.0	2.3	2.5
Margins (%)	15.9	16.8	17.1
Adj. PAT	-0.5	-0.5	-0.5
Adj. EPS (INR)	-14.0	-13.4	-12.4
EPS Gr. (%)	N/M	N/M	N/M
BV/Sh. (INR)	78.8	65.4	53.0
Ratios			
RoE (%)	-17.8	-20.4	-23.5
RoCE (%)	2.5	3.5	4.2
Valuation			
P/E (x)	N/M	N/M	N/M
EV/EBITDA (x)	4.2	3.8	3.3
Pre-IND AS EV/ EBITDA (x)	13.2	10.2	8.2

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	33.7	33.7	33.6
DII	18.6	19.9	25.7
FII	9.7	10.2	15.2
Others	38.0	36.2	25.6

FII includes depository receipts

CMP: INR194 | TP: INR215 (+11%) | Neutral

Weak quarter; miss on margins

- United Foodbrands (BBQ India)'s consolidated revenue was flat YoY at INR3.0b (in line). Same-store sales growth (SSSG) remained subdued, declining **2.2% YoY in 2QFY26,** primarily due to **Navratri (70-75% portfolio non-veg). Ex-Navratri,** SSSG stood at **+0.8%**, indicating an underlying improvement in demand. In **Oct'25,** SSSG rebounded to **6–7% at the consolidated level** and **~5% for the India business**, reflecting a healthy recovery post-Navratri. Dine-in revenue declined 1% YoY to INR2.6b, and delivery was up 4% to INR0.5b.
- BBQ India's revenue declined 6% YoY to INR2.3b, led by negative SSSG and low store expansion. Same-store sales decline by 4.3%. GP margin compressed 230bp YoY to 64.3%. GP was down 9% YoY. RoM (Pre-Ind AS) margin compressed 490bp YoY to 6.1% due to operating deleverage. RoM dipped 48% YoY. BBQ India added two net stores to 195 in 2QFY26.
- BBQ International's revenue rose 27% YoY to INR276m, supported by strong SSSG. The SSSG was at 8.4%. GP margin declined 50bp YoY to 72.5%. GP was up 26% YoY. RoM (Pre-Ind AS) margin contracted 240bp YoY to 17.8%. RoM improved 11% YoY. Mature stores delivered over 20% margins. It added one store during the quarter, bringing the total to 12 stores.
- Premium **Casual Dining Restaurant's** (CDR) revenue was up 17% YoY to INR473m, led by store additions. Same-store sales rose 5.3%. GP margin contracted 220bp YoY to 72.9%. GP rose 13% YoY. RoM (Pre-Ind AS) margin contracted 310bp YoY to 13.1% lower due to new restaurant additions. RoM declined 6% YoY at INR62m. The matured portfolio (restaurants older than two years) delivered over 20% Pre IND-AS RoM.
- Consolidated GM dipped 180bp YoY to 66.2%. EBITDA margin contracted by 250bp YoY to 12.4% (est. 14.3%), at an all-time low. EBITDA Pre-Ind AS margin dipped 430bp YoY to 1.1%. RoM (Pre-Ind) contracted 420bp YoY to 8.2%.
- The company plans to open 20–25 BBQ India outlets annually, 4–6 new international stores across the Middle East and Southeast Asia in the near term, and 12–15 Premium CDR restaurants in FY26 as part of its calibrated expansion strategy. BBQN's current valuations at 13x FY26E and 10x FY27E pre-Ind AS EV/EBITDA are comfortably positioned. However, we are watchful of BBQN's demand recovery. **We reiterate our Neutral rating on the stock as we still await clarity on earnings recovery.** We have a TP of INR215, based on 10x Sep'27E Pre-Ind-AS EV/EBITDA (low valuation due to weak RoCE profile and uncertainty of earnings recovery).

Weakness persists; SSSG declines 2.2%

- **Muted trajectory continues:** United Foodbrands reported sales were flat YoY at INR3.0b (est. INR 3.1b) in 2QFY26. Same-store sales were down 2.2% in 2QFY26 (est. -3%). SSSG (ex-Navratri days) is +0.8%. The dine-in channel (84% of sales) declined 1% YoY to INR2.6b. Delivery channel (16% of sales) up 4% YoY to INR0.5b.

- **Digital KPIs:** Cumulative app downloads were 8.5m in 2QFY26 vs 7.1m in 2QFY25. Own digital asset contribution was at 42.3% vs. 29.9% in 2QFY25.
- **Store additions continue:** The company has added six stores and closed one store, which led to a total of 241 stores. Of the 241 stores, BBQN has 195 stores, 12 international BBQN stores, and 34 Toscano and Salt stores. Total metro and tier-1 accounted for 190 stores, and tier 2/3 accounted for 51 stores in 2QFY26.
- **Margin contraction**: Gross margin contracted 180bp YoY to 66.2%. (est. 68%). EBITDA declined 17% YoY to INR377m (est. INR439m). EBITDA margin contracted by 250bp YoY to 12.4% (est. 14.3%) at an all-time low. Pre-Ind AS EBITDA decreased by 80% YoY to INR33m in 2QFY26, and the margin contracted 430bp YoY to 1.1%. RoM (Pre-Ind AS) was down 34% YoY, and the margin contracted 420bp YoY to 8.2%.
- BBQN recorded a Loss after Tax of INR225m in 2QFY26 vs. a loss of INR71m in 2QFY25.

Highlights from the management commentary

- In 2QFY26, SSSG stood at 0.8% (excluding nine days of Navratri) and 2.2%, including Navratri. The non-vegetarian portfolio (70–75%) was notably impacted during Navratri.
- October SSSG improved to 6–7% at the consolidated level and ~5% for the India business, reflecting recovery post-Navratri.
- The company opened 6 new restaurants during 2Q and remains well-placed to add 9–12 outlets per quarter, targeting 300+ stores by FY27.
- In FY26, the company planned capex of INR1,250m, which includes new restaurant additions (35 stores) along with maintenance and corporate capex.

Valuation and view

- We cut our EBITDA estimates by 7-8% for FY26 and FY27.
- BBQN's PBT margin profile is weaker than that of QSR players. Hence, despite a comfortable position on valuation, we remain watchful of its operating margin delivery. Its mid-single-digit RoCE profile is weak considering the fine dine-in format.
- BBQN's current valuations at 13x FY26E and 10x FY26E pre-Ind AS EV/EBITDA are comfortably positioned. However, we are watchful of BBQN's demand recovery. We reiterate our Neutral rating on the stock as we still await clarity on earnings recovery. We have a TP of INR215, based on 10x Sep'27E Pre-Ind-AS EV/EBITDA.

Cons. Quarterly Performance (INR m)

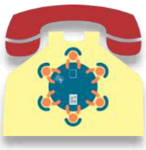
Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
SSSG (%)	-7.4	-2.5	-2.0	-2.0	-3.4	-2.2	2.0	1.6	-3.8	-0.5	-3.0	
No. of stores	219	222	226	230	236	241	253	260	230	260	243	
Net Sales	3,057	3,057	3,289	2,928	2,970	3,048	3,503	3,168	12,330	12,689	3,070	-0.7
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	-0.3	6.5	8.2	-1.7	2.9	0.4	
Gross Profit	2,081	2,081	2,244	2,006	2,010	2,019	2,351	2,122	8,412	8,502	2,088	-3.3
Margin (%)	68.1	68.1	68.2	68.5	67.7	66.2	67.1	67.0	68.2	67.0	68.0	
EBITDA	509	456	615	533	460	377	631	549	2,113	2,018	439	-14.1
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	-17.2	2.5	3.1	-0.4	-4.5	-3.7	
Margin (%)	16.6	14.9	18.7	18.2	15.5	12.4	18.0	17.3	17.1	15.9	14.3	
Depreciation	405	409	428	523	449	483	490	502	1,765	1,924	450	
Interest	186	189	195	209	200	207	210	228	779	846	205	
Other Income	27	43	55	34	19	81	50	40	158	190	50	
PBT	-55	-100	47	-165	-170	-232	-19	-141	-272	-562	-166	
Tax	-11	-28	-3	42	-3	-7	-1	-3	-1	-13	-41	
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	2.8	5.0	2.0	0.5	2.4	25.0	
Adjusted PAT	-43	-71	51	-207	-167	-225	-18	-138	-271	-549	-124	
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	

E: MOFSL Estimates

Pi Industries

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details



Date: 12th Nov 2025
Time: 11:30am IST
Dial-in details:
Click Here

CMP: INR3,763 Buy

Operating performance above our estimates

- Revenue stood at INR18.7b (est. INR17.7b), down 16% YoY.
- Agrochemicals business revenue was down 17% YoY to INR18.1b, while pharma business revenue was up 54% YoY to INR634m.
- EBITDA stood at INR5.4b (est. INR4.3b), down 14% YoY.
- EBITDA margins contracted by 60bp YoY to 28.9% (est. 24.5%); gross margins: 57.3% (up 550bp YoY); employee expenses up 300bp YoY to 11.8%; other expenses up 190bp YoY to 16.6% of sales.
- The EBIT margin for the Agrochemical business was 32.6% (down 30bp), while Pharma posted an EBIT loss of INR819m vs. an EBIT loss of INR551m in 2QFY25.
- Adj. PAT was down 19% YoY to INR4.1b (est. INR3.3b).
- For 1HFY26, the company's revenue/EBITDA/adj. PAT dipped 12%/12%/15% to INR37.7b/INR10.6b/INR8.1b.
- Gross debt stood at INR1.8b as of Sept'25 vs INR1.1b as of Mar'25. Further, CFO stood at INR2.5b as of Sep'25 vs INR8.0b as of Sep'24.

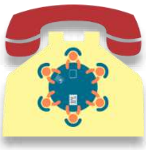
Quarterly Earnings Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%)
Net Sales	**20,689**	**22,210**	**19,008**	**17,871**	**19,005**	**18,723**	**21,309**	**19,947**	**79,778**	**78,984**	**17,769**	**5**
YoY Change (%)	8.3	4.9	0.2	2.6	-8.1	-15.7	12.1	11.6	4.1	-1.0	-20.0	
Total Expenditure	14,857	15,928	13,888	13,315	13,814	13,310	15,944	15,112	57,988	58,180	13,420	
EBITDA	**5,832**	**6,282**	**5,120**	**4,556**	**5,191**	**5,413**	**5,365**	**4,835**	**21,790**	**20,805**	**4,349**	**24**
Margins (%)	28.2	28.3	26.9	25.5	27.3	28.9	25.2	24.2	27.3	26.3	24.5	
Depreciation	834	798	991	902	965	980	1,000	1,077	3,525	4,022	975	
Interest	83	85	83	79	39	26	35	32	330	132	38	
Other Income	727	1,222	759	734	859	825	940	1,027	3,442	3,651	890	
PBT before EO expense	**5,642**	**6,621**	**4,805**	**4,309**	**5,046**	**5,232**	**5,270**	**4,754**	**21,377**	**20,302**	**4,226**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**5,642**	**6,621**	**4,805**	**4,309**	**5,046**	**5,232**	**5,270**	**4,754**	**21,377**	**20,302**	**4,226**	
Tax	1,175	1,546	1,080	1,017	1,074	1,160	1,212	1,093	4,818	4,539	972	
Rate (%)	20.8	23.3	22.5	23.6	21.3	22.2	23.0	23.0	22.5	22.4	23.0	
Minority Interest & Profit/Loss of Asso. Cos.	-21	-7	-2	-13	-28	-21	-10	-20	-43	-79	-10	
Reported PAT	**4,488**	**5,082**	**3,727**	**3,305**	**4,000**	**4,093**	**4,068**	**3,680**	**16,602**	**15,842**	**3,264**	
Adj PAT	**4,488**	**5,082**	**3,727**	**3,305**	**4,000**	**4,093**	**4,068**	**3,680**	**16,602**	**15,842**	**3,264**	**25**
YoY Change (%)	17.2	5.8	-16.9	-10.6	-10.9	-19.5	9.2	11.4	-1.3	-4.6	-36	
Margins (%)	21.7	22.9	19.6	18.5	21.0	21.9	19.1	18.5	20.8	20.1	18.4	

Max Financial Services

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details



Date: 12th Nov'25
Time: 9:00am IST
Dial-in details:
[Link for the call]

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Gross Premium	332.2	386.8	450.6
PAT	4.1	5.1	6.1
APE	87.7	102.3	121.7
VNB margin (%)	24.0	24.5	25.5
Op. RoEV (%)	19.1	18.3	18.6
AUM (INRb)	1,751	1,968	2,217
VNB(INRb)	21.1	25.1	31.0
EV Per Share	584	696	832
Valuations			
P/EV (x)	2.8	2.3	2.0
P/EVOP (x)	18.9	15.3	12.6

CMP: INR1,636 — Buy

Protection and non-par share improve; VNB margin beat by 150bp

- MAXF's gross premium income grew 18% YoY to INR91b (in line). Renewal premium grew 19% YoY to INR56.3b (in-line). For 1HFY26, the premium increased 18% YoY to INR154.9b.
- Total new business APE grew 16% YoY (in-line) to INR25.1b. For 1HFY26, APE grew 15% YoY to INR41.8b.
- VNB grew 25% YoY to INR 6.4b (7% beat), resulting in a VNB margin of 25.5% (150bp beat) vs 23.6% in 2QFY25. For 1HFY26, VNB grew 27% YoY to INR9.7b, resulting in a VNB margin of 23.3%.
- The company's solvency ratio stood at 208% in 1HFY26 vs. 198% in 1HFY25.
- MAXF's AUM grew 9% YoY to INR1.85t.
- The company reported PAT of INR0.1b (INR1.4b in 2QFY25). For 1HFY26, the PAT was at INR0.9b.
- **Valuation and view:** MAXF maintained a better-than-industry APE growth trajectory. VNB margin witnessed a strong expansion owing to strong growth and a rise in the contribution of protection, non-par, and annuity businesses during 2QFY26. The proprietary channel continues to drive growth across offline and online channels, while the bancassurance channel posted strong growth in non-Axis partnerships. The persistency trends improved across long-term cohorts. We will review our estimates and TP after the earnings call scheduled for 12th Nov'25.

Policyholder's A/c (INR b)

Policyholder's A/c (INR b)	FY25				FY26		FY25	FY26E	FY26E	A v/s E
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	
First-year premium	12.6	20.5	20.4	29.8	15.5	23.4	82.0	97.8	23.5	0%
Growth (%)	27.1%	33.6%	16.1%	17.3%	23.3%	14.1%	19.0%	19.2%	14.5%	
Renewal premium	33.2	47.2	52.2	77.8	38.7	56.3	210.5	244.0	54.9	3%
Growth (%)	10.3%	12.4%	13.3%	16.4%	16.6%	19.2%	13.7%	15.9%	16.2%	
Single premium	8.2	9.7	9.6	11.1	9.7	11.3	39.7	45.1	11.3	-1%
Growth (%)	-5.7%	8.4%	3.0%	-27.0%	19.0%	16.5%	-3.9%	13.5%	17.3%	
Gross premium income	**54.0**	**77.4**	**82.2**	**118.6**	**64.0**	**90.9**	332.2	386.8	**89.7**	**1%**
Growth (%)	10.8%	16.8%	12.7%	10.5%	18.5%	17.5%	12.5%	16.4%	15.9%	
PAT	**1.6**	**1.4**	**0.7**	**0.4**	**0.9**	**0.1**	4.1	5.1	**1.5**	**-96%**
Growth (%)	51.4%	-11.2%	-53.8%	-174.5%	-44.9%	-95.7%	13.0%	26.5%	10.7%	
Key metrics (INRb)										
New Business APE	14.5	21.7	21.1	30.4	16.7	25.1	87.7	102.3	24.8	1%
Growth (%)	30.5%	31.3%	17.4%	5.8%	14.8%	15.5%	20.9%	16.6%	0.1	
VNB	2.5	5.1	4.9	8.5	3.4	6.4	21.1	25.1	6.0	7%
Growth (%)	2.8%	23.1%	0.0%	3.8%	31.9%	24.8%	6.8%	18.9%	0.2	
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,832.1	1,853.4	1,750.7	1,967.8	1,887	-2%
Growth (%)	24.8%	26.8%	20.4%	16.0%	13.7%	8.9%	16.1%	12.4%	0.1	
Key Ratios (%)										
VNB Margin (%)	17.5	23.6	23.2	28.0	20.1	25.5	24.0	24.5	24.0	

Biocon

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details

Date: 12 November 2025
Time: 9:00 am IST
Dial-in details:
Diamond Pass Link

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	175	207	238
EBITDA	36	44	51
Adjusted PAT	5	11	14
EBIT Margin (%)	9.6	11.9	12.0
Cons. Adj EPS (INR)	4.3	8.8	11.6
EPS Growth (%)	110.4	105.6	31.7
BV/Share (INR)	184.4	192.7	203.7
Ratios			
Net D-E	0.7	0.6	0.5
RoE (%)	2.4	4.7	5.9
RoCE (%)	3.2	3.9	4.4
Payout (%)	5.5	5.6	5.6
Valuations			
P/E (x)	89.6	43.6	33.1
EV/EBITDA (x)	15.4	12.6	10.9
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-0.1	4.3	5.4
EV/Sales (x)	3.2	2.7	2.3

CMP: INR385

Operationally in line; lower minority interest leads to better than expected PAT

- BIOS 2QFY26 revenue grew 20% YoY to INR43.0b (est. INR41.4b).
- Revenue growth was led by Biosimilars (62% of sales), up 25% YoY to INR27.2b; Research services (21% of sales), up 2% YoY to INR9.1b; Generics (17% of sales), sales up 24% YoY to INR7.7b.
- Gross margin (GM) contracted 280bp YoY to 61.6%.
- EBITDA margin expanded 30bp YoY to 19.4% (est: 20.2%), led by better operating leverage (employee expense/other expense down 130bp/210bp YoY as % of sales). R&D cost inched up (30bp YoY as % of sales) for the quarter.
- EBITDA grew 21.6% YoY to INR8.4b (est: INR8.4b).
- PBT came in below estimates, due to higher finance costs and depreciation in the quarter.
- BIOS had an exceptional expense of INR291m related to the settlement of litigation. Pursuant to the settlement, the amount disclosed under 'other expense' in 1QFY26 has been re-classified to an exceptional item.
- Adj. for the same, PAT at INR910m (est. INR700m) was higher than expected majorly due to substantially lower minority interest of INR480m (est. INR1,135m) for the quarter.
- Revenue/EBITDA largely in line with BBG estimates (+3%/+1%), while PAT missed estimates by 18%.
- In 1HFY26, revenue/EBITDA grew 17%/22% YoY, while PAT came in at INR1.2b from a loss of INR1.2b in 1HFY25.

Other key highlights

- BIOS obtained 13 new approvals and launched 19 biosimilar products across key markets during the quarter.
- The company won its first global Phase III clinical trial mandate from a US-based biotech firm, with patient recruitment planned across sites in India and the US.
- Syngene (CRDMO) broadened its clinical trial presence during the quarter, adding Australia, New Zealand, the UK, Sri Lanka, and Eastern Europe to its network.
- The company commissioned its first US manufacturing facility in Cranbury, New Jersey, in Sep'25. The oral solid dosage (OSD) plant, built with an investment of over USD30m, has an annual capacity of 2b tablets.
- BIOS used QIP proceeds to settle its structured debt obligations with Goldman Sachs and Kotak.

Quarterly performance (Consolidated) **(INRm)**

Y/E March	FY25				FY26				FY25	FY26	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		2QE	vs Est
Net Sales	**34,329**	**35,904**	**38,214**	**44,170**	**39,420**	**42,960**	**45,471**	**47,087**	**1,52,617**	**41,433**	**3.7%**
YoY Change (%)	0.3	3.7	6.0	12.8	14.8	19.7	19.0	6.6	5.9	15.4	
Total Expenditure	**28,120**	**29,040**	**30,357**	**33,390**	**31,770**	**34,610**	**35,558**	**37,104**	**1,20,907**	33,064	
EBITDA	**6,209**	**6,864**	**7,857**	**10,780**	**7,650**	**8,350**	**9,913**	**9,982**	**31,710**	**8,369**	**-0.2%**
YoY Change (%)	-12.9	-7.4	36.2	17.7	23.2	21.6	26.2	-7.4	7.6	21.9	
Margins (%)	18.1	19.1	20.6	24.4	19.4	19.4	21.8	21.2	20.8	20.2	
Depreciation	4,050	4,200	4,250	4,360	4,550	4,730	4,826	4,997	16,860	4,436	
EBIT	**2,159**	**2,664**	**3,607**	**6,420**	**3,100**	**3,620**	**5,087**	**4,985**	**14,850**	**3,934**	
YoY Change (%)	-39.2	-24.4	123.1	26.1	43.6	35.9	41.0	-22.3	7.8	47.7	
Interest	2,360	2,260	2,230	2,120	2,770	2,720	1,750	1,500	8,970	2,450	
Other Income	767	330	350	370	800	930	430	445	1,817	650	
Extraordinary Income	10,893	260	-163	210	-170	-120	0	0	11,200	0	
Share of Profit/Loss from Associates	0	0	0	0	0	0	0	0	0	0	
PBT	**11,459**	**994**	**1,564**	**4,880**	**960**	**1,710**	**3,767**	**3,930**	**18,897**	**2,134**	**-19.9%**
Tax	2,840	710	750	280	80	390	622	825	4,580	299	
Rate (%)	24.8	71.4	47.9	5.7	8.3	22.8	16.5	21.0	24.2	14.0	
Minority Interest	2,030	430	560	1,150	580	480	1,140	1,160	4,170	1,135	
PAT	**6,589**	**-146**	**254**	**3,450**	**300**	**840**	**2,005**	**1,945**	**10,147**	**700**	**20.0%**
Adj PAT	**-1,604**	**365**	**439**	**3,252**	**300**	**910**	**2,005**	**1,945**	**2,452**	**700**	**30.0%**
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-118.7	149.2	356.6	-40.2	13.2	91.6	
Margins (%)	19.2	-0.4	0.7	7.8	0.8	2.0	4.4	4.1	6.6	1.7	

E: MOSL Estimates

Container Corporation of India

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details

Date: 12th November 2025
Time: 11:30 AM IST
Call: +91 22 6280 1384/ +91 22 7115 8285

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	94.8	112.2	129.3
EBITDA	20.9	25.4	29.5
Adj. PAT	13.9	17.3	20.1
EBITDA Margin (%)	22.1	22.7	22.8
Adj. EPS (INR)	18.3	22.8	26.4
EPS Gr. (%)	7.5	24.4	16.1
BV/Sh. (INR)	173.6	186.5	201.6
Ratios			
Net D:E	(0.3)	(0.4)	(0.4)
RoE (%)	10.9	12.6	13.6
RoCE (%)	11.3	13.0	13.9
Payout (%)	43.1	43.1	43.1
Valuations			
P/E (x)	28.5	22.9	19.7
P/BV (x)	3.0	2.8	2.6
EV/EBITDA(x)	16.3	12.9	10.7
Div. Yield (%)	1.5	1.9	2.2
FCF Yield (%)	2.4	3.7	4.5

CMP: INR522 Buy

Slightly better than estimates

Earnings snapshot: 2QFY26

- Revenue grew 3% YoY to INR23.5b during 2QFY26 (in line). Total volumes grew 11% YoY to 1.4m TEUs, with EXIM/Domestic volumes at 0.109m/0.34m TEUs, respectively (+9%/+17% YoY). Blended realization declined ~7% YoY to INR16,321/TEU. EXIM/Domestic realization stood at INR14,426/INR22,286 per TEU, respectively (-5%/-12% YoY).
- EBITDA margins came in at 24.2% (vs our estimate of 21.6%). EBITDA declined ~1% YoY and was 12% above our estimate.
- Land license fee for 1HFY26 stood at INR2.16b.
- During the quarter ended Jun'25 , the company reviewed and revised the estimated useful life of its LNG Trucks and Trailers. Consequently, the useful life of these assets has been extended from 8 years to 15 years. As a result, depreciation on LNG trucks & Trailers for the quarter stood at ~INR15.2m, a reduction of INR30.9m in 1HFY26. This change led to a corresponding increase in PBT by INR30.9m for 1HFY26.
- The Board has declared a dividend of INR2.6 per equity share, amounting to INR1.98b.

Standalone quarterly snapshot (INR m)

Y/E March	FY25				FY26E		FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	
Net Sales	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,514**	**88,634**	**94,819**	**23,460**	**0**
YoY Change (%)	9.3	4.2	-0.1	-1.6	2.5	3.0	2.7	7.0	2.8	
EBITDA	**4,319**	**5,750**	**4,583**	**4,335**	**4,265**	**5,688**	**18,986**	**20,932**	**5,067**	**12**
Margins (%)	20.6	25.2	20.8	19.0	19.8	24.2	21.4	22.1	21.6	
YoY Change (%)	10.3	7.0	-10.4	-11.4	-1.3	-1.1	-1.6	10.3	-11.9	
Depreciation	1,649	1,617	810	1,552	1,570	1,427	5,628	6,348	1,580	
Interest	181	177	171	166	164	177	695	600	152	
Other Income	924	1,301	995	1,432	935	959	4,652	4,652	1,250	
PBT before EO expense	**3,413**	**5,257**	**4,596**	**4,049**	**3,465**	**5,043**	**17,314**	**18,635**	**4,585**	
Extra-Ord expense	0	333	0	0	0	0	-333	0	0	
PBT	**3,413**	**4,923**	**4,596**	**4,049**	**3,465**	**5,043**	**16,981**	**18,635**	**4,585**	
Tax	859	1,213	1,162	1,027	888	1,275	4,261	4,696	1,153	
Rate (%)	25.2	24.6	25.3	25.4	25.6	25.3	25.1	25.2	25.2	
Reported PAT	**2,554**	**3,711**	**3,434**	**3,021**	**2,577**	**3,768**	**12,720**	**13,939**	**3,432**	**10**
Adj PAT	**2,554**	**3,960**	**3,434**	**3,021**	**2,577**	**3,768**	**12,970**	**13,939**	**3,432**	**10**
YoY Change (%)	4.6	10.7	2.7	0.7	0.9	-4.9	4.9	7.5	-13.3	
Margins (%)	12.2	17.3	15.6	13.2	12.0	16.0	14.6	14.7	14.6	

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	YoY (%)	QoQ (%)
Revenue (INR m)								
EXIM	13,214	15,320	13,892	14,908	14,008	15,774	**3%**	**13%**
Domestic	7,757	7,510	8,127	7,906	7,487	7,739	**3%**	**3%**
Total Segment Revenue	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,514**	**3%**	**9%**
Segmental EBIT								
EXIM	2,667	3,995	3,506	2,985	2,900	4,239	**6%**	**46%**
Domestic	461	681	856	393	375	644	**-5%**	**72%**
Total	**3,127**	**4,676**	**4,363**	**3,378**	**3,275**	**4,883**	**4%**	**49%**
EBIT Margin (%)								
EXIM	20.2%	26.1%	25.2%	20.0%	20.7%	26.9%		
Domestic	5.9%	9.1%	10.5%	5.0%	5.0%	8.3%		
Total	**14.9%**	**20.5%**	**19.8%**	**14.8%**	**15.2%**	**20.8%**		

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	YoY (%)	QoQ (%)
Volumes (TEU)								
EXIM	8,69,464	10,05,755	9,75,243	10,45,042	9,73,875	10,93,453	**9%**	**12%**
Domestic	2,89,787	2,97,647	3,09,551	3,02,453	3,16,226	3,47,271	**17%**	**10%**
Total	**11,59,251**	**13,03,402**	**12,84,794**	**13,47,495**	**12,90,101**	**14,40,724**	**11%**	**12%**
Realizations (INR / TEU)								
EXIM	15,197	15,232	14,245	14,265	14,384	14,426	**-5%**	**0%**
Domestic	26,768	25,231	26,254	26,140	23,676	22,286	**-12%**	**-6%**
Total	**18,090**	**17,516**	**17,138**	**16,930**	**16,662**	**16,321**	**-7%**	**-2%**
EBIT (INR/TEU)								
EXIM	3,067	3,972	3,595	2,856	2,978	3,877	**-2%**	**30%**
Domestic	1,589	2,287	2,767	1,300	1,186	1,855	**-19%**	**56%**
Total	**2,698**	**3,588**	**3,396**	**2,507**	**2,539**	**3,389**	**-6%**	**33%**

Thermax

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details

Date: 12th November 2025
Time: 11:00am IST
Dial-in details:
Diamond pass

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	115.2	127.1	142.4
EBITDA	11.7	13.7	15.9
Adj. PAT	7.7	9.0	10.7
Adj. EPS (INR)	68.0	79.8	94.6
EPS Gr. (%)	20.5	17.5	18.5
BV/Sh.(INR)	491.4	556.2	635.9
Ratios			
RoE (%)	14.6	15.2	15.9
RoCE (%)	12.4	12.9	13.6
Valuations			
P/E (x)	46.6	39.7	33.5
P/BV (x)	6.4	5.7	5.0
EV/EBITDA (x)	30.7	26.0	22.1
Div. Yield (%)	0.5	0.5	0.5

CMP: INR3,169 — Sell

Weak set of results

- Thermax reported a miss on all parameters in 2QFY26.
- Revenue declined 5% YoY to INR24.7b (vs our est. INR28.9b) mainly due to a 24% YoY decline in industrial infra revenue.
- Gross margin expanded ~230bp YoY and contracted ~360bp QoQ to 47.1%. Lower margins in industrial infra segment led to an overall EBITDA margin contraction of ~360bp YoY to 7.0%, while EBITDA at INR1.7b (-38% YoY) missed our estimate by 38%.
- With a lower margin in industrial infra due to cost overruns and a higher-than-expected tax rate, adj. PAT at INR1.2b declined 40% YoY (33% below our estimate), while PAT margin contracted 280bp YoY to 4.8%.
- Among segments, Industrial Product EBIT margin stood at 9.9% (vs. 10.8% in 2QFY25). Industrial Infra margins decreased to 1.6% from 7.1% in 2QFY25, mainly due to project cost overruns and the absence of one-off PSI income. Chemical segment EBIT margins were weak at 9.8% (vs. 16.1% YoY), due to higher fixed costs compared to revenue growth, higher input costs, and a change in the product mix. Green Solutions profitability is not comparable as the company now reports segment's PBT instead of EBIT. Green Solutions PBT margin improved to 6.1% from 1.9% in 2QFY25, aided by operational efficiency and insurance claim proceeds received by one of its subsidiaries.
- 2Q order inflow stood at INR35.5b, up 6% YoY, and the total order book stood at INR123b, up 6% YoY.
- For 1HFY26, revenue/EBITDA/PAT declined by 4%/5%/12% to INR46.2b/INR4.0b/INR2.7b, while margins contracted 10bp YoY to 8.6%.
- For 1HFY26, OCF declined by 88% to INR0.6b and FCF outflow was INR3.3b vs. INR0.2b in 1HFY25.

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

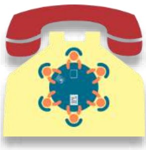
Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**21,844**	**26,116**	**25,078**	**30,849**	**21,502**	**24,739**	**27,830**	**41,114**	**1,03,887**	**1,15,184**	**28,863**	**-14**
YoY Change (%)	13.0	13.4	7.9	11.6	-1.6	-5.3	11.0	33.3	11.4	10.9	10.5	
Gross profit	9,556	11,711	11,083	13,401	10,898	11,641	12,384	15,804	45,752	50,727	13,277	
Total Expenditure	20,433	23,336	23,188	27,853	19,251	23,019	25,159	36,028	94,809	1,03,457	26,100	
EBITDA	**1,412**	**2,780**	**1,890**	**2,997**	**2,251**	**1,720**	**2,671**	**5,085**	**9,078**	**11,728**	**2,763**	**-38**
YoY Change (%)	6.8	35.8	0.8	9.7	59.5	-38.1	41.3	69.7	13.8	29.2	-0.6	
Margins (%)	6.5	10.6	7.5	9.7	10.5	7.0	9.6	12.4	8.7	10.2	9.6	
Depreciation	360	421	351	453	489	515	467	443	1,585	1,913	491	5
Interest	275	294	287	313	302	322	358	413	1,168	1,395	340	-5
Other Income	841	598	315	769	656	854	566	131	2,522	2,207	538	59
PBT before EO expense	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**1,738**	**2,413**	**4,360**	**8,847**	**10,627**	**2,470**	**-30**
Extra-Ord expense										0		
PBT	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**1,738**	**2,413**	**4,360**	**8,847**	**10,627**	**2,470**	**-30**
Tax	519	683	425	951	600	543	676	1,157	2,578	2,976	692	
Rate (%)	32.1	25.6	27.1	31.7	28.4	31.2	28.0	26.5	29.1	28.0	28.0	
Minority Interest & P/L of Asso. Cos.	4	0	5	-7	2	1	0	-3	2		0	
Reported PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,515**	**1,194**	**1,737**	**3,206**	**6,268**	**7,651**	**1,779**	**-33**
Adj PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,515**	**1,194**	**1,737**	**3,206**	**6,268**	**7,651**	**1,779**	**-33**
YoY Change (%)	17.4	24.9	-19.0	5.3	38.4	-39.7	52.7	55.9	6.7	20.5	-10.2	
Margins (%)	5.0	7.6	4.5	6.7	7.0	4.8	6.2	7.8	6.0	6.6	6.2	

	FY25				FY26E				FY25	FY26E
INR m	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3QE**	**4QE**		
Segmental revenue										
Industrial Products	9,608	10,576	10,801	14,304	9,544	11,888	12,589	18,764	45,290	52,785
Industrial Infra	9,251	12,426	11,317	14,152	8,904	9,487	11,637	18,454	47,146	48,481
Green Solutions	1,737	1,751	1,892	1,519	1,732	1,917	2,277	2,376	6,899	8,303
Chemical	1,708	1,903	1,916	2,101	1,732	1,910	2,262	3,101	7,628	9,005
Less: Intersegmental	-460	-541	-849	-1,226	-410	-463	-935	-1,582	-3,076	-3,389
Total revenues	**21,844**	**26,116**	**25,078**	**30,849**	**21,502**	**24,739**	**27,830**	**41,114**	**1,03,887**	**1,15,184**
Segmental EBIT										
Industrial Products	867	1,145	1,215	2,063	777	1,173	1,410	2,711	5,290	6,070
Margin (%)	9.0	10.8	11.3	14.4	8.1	9.9	11.2	14.4	11.7	11.5
Industrial Infra	-184	882	13	389	710	-148	465	1,397	1,101	2,424
Margin (%)	-2.0	7.1	0.1	2.8	8.0	-1.6	4.0	7.6	2.3	5.0
Green Solutions	230	216	180	148	332	362	228	34	774	955
Margin (%)	13.2	12.3	9.5	9.8	19.2	18.9	10.0	1.4	11.2	11.5
Chemical	304	306	264	349	161	187	339	573	1,223	1,261
Margin (%)	17.8	16.1	13.8	16.6	9.3	9.8	15.0	18.5	16.0	14.0

Kirloskar Oil Engine

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details



Date: 12th November 2025
Time: 04:00pm IST
Dial-in details:
Diamond Pass

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	58.4	67.5	78.0
EBITDA	7.6	9.1	10.5
Adj. PAT	4.9	5.9	6.9
Adj. EPS (INR)	33.6	40.9	47.6
EPS Gr. (%)	16.7	21.8	16.5
BV/Sh.(INR)	232.4	265.0	303.0
Ratios			
RoE (%)	15.3	16.4	16.8
RoCE (%)	15.0	16.1	16.6
Valuations			
P/E (x)	28.2	23.1	19.8
P/BV (x)	4.1	3.6	3.1
EV/EBITDA (x)	17.5	14.3	12.0
Div. Yield (%)	0.7	0.9	1.0

CMP: INR945 — Buy

Strong results with a beat across all parameters

- 2QFY26 revenue at INR16.0b (+34% YoY) was above our estimate of INR14.4b. On consolidated basis, B2B segment revenue increased 34% YoY, while B2C revenue was up 23% YoY.
- EBITDA at INR2.1b was 15% ahead of our estimate of INR1.9b. EBITDA margin stood at 13.4%. 2QFY25 EBITDA included INR174m worth of provision reversals for overdue receivables made for a customer toward sales made in earlier years. Excluding the reversal, 2QFY25 EBITDA margin stood at 12.4%. Thus, 2QFY26 EBITDA margin expanded by 100bp YoY and up 45% YoY.
- On the segmental basis, B2B segment EBIT margin improved 30bp sequentially to 11.2%, while B2C EBIT margin stood at 7%.
- PAT at INR1.4b (+27 YoY) beat our estimate by 17%. Excluding the reversal of last year, PAT for last year stood at INR1.0b.
- For 1HFY26, revenue/EBITDA/PAT increased by 20%/12%/7% to INR30.5b/INR4.0b/INR2.6b.
- For 1HFY26, OCF jumped 149% to INR2.4b, while FCF stood at INR1b vs. an outflow of INR0.1b in 1HFY25.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	13,429	11,944	11,636	14,125	14,447	16,045	13,943	13,983	51,133	58,417	14,389	12
YoY Change (%)	6.2	12.8	2.5	1.5	7.6	34.3	19.8	(1.0)	5.4	14.2	20.5	
Total Expenditure	11,452	10,294	10,466	12,384	12,545	13,901	12,102	12,275	44,596	50,823	12,518	
EBITDA	1,977	1,650	1,170	1,741	1,902	2,144	1,840	1,708	6,537	7,594	1,871	15
YoY Change (%)	28.0	67.3	(12.0)	(2.3)	(3.8)	30.0	57.3	(1.9)	15.9	16.2	13.4	
Margins (%)	14.7	13.8	10.1	12.3	13.2	13.4	13.2	12.2	12.8	13.0	13.0	
Depreciation	247	266	320	337	340	357	343	334	1,170	1,373	335	6
Interest	27	26	31	37	32	29	22	6	121	90	22	32
Other Income	108	118	68	52	123	119	98	53	344	393	96	24
PBT before EO expense	1,810	1,476	887	1,419	1,653	1,878	1,573	1,421	5,590	6,525	1,610	17
Extra-Ord expense				(209)	-	-	-	-	(209)	-	-	
PBT	1,810	1,476	887	1,628	1,653	1,878	1,573	1,421	5,799	6,525	1,610	17
Tax	462	365	236	416	425	470	401	369	1,480	1,665	410	
Rate (%)	25.5	24.7	26.7	25.6	25.7	25.0	25.5	26.0	25.5	25.5	25.5	
Reported PAT	1,347	1,111	650	1,211	1,228	1,408	1,172	1,052	4,319	4,859	1,199	17
Adj PAT	1,347	1,111	650	1,056	1,228	1,408	1,172	1,052	4,164	4,859	1,199	17
YoY Change (%)	30.5	89.6	(20.9)	(10.2)	(8.8)	26.8	80.2	(0.4)	15.1	16.7	8.0	
Margins (%)	10.0	9.3	5.6	7.5	8.5	8.8	8.4	7.5	8.1	8.3	8.3	

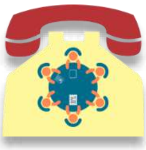
11 November 2025

Results Flash | Sector: EMS

EPL

BSE SENSEX	S&P CNX
83,871	25,695

Conference Call Details



Date: 12th Nov 2025

Time: 02:30 pm IST

Dial-in details:

Click Here

CMP: INR192 — Buy

Operating performance below our estimates

- EPL's consolidated revenue grew 11% YoY to INR12b (est. in line).
- Gross margin stood at 59.6% (up 50bp YoY)
- EBITDA margin expanded ~60bp YoY to 20.9% (est. 21.9%). EBITDA stood at INR2.5b (est. in line), up 14% YoY.
- Adj. PAT grew 20% YoY to INR1b (est. INR1.3b), Adj. PAT misses estimates due to higher finance costs and taxes.
- For 1HFY26, EPL's revenue/EBITDA/adj. PAT grew 11%/18%/35% to INR23b/ INR4.8b/INR2b.
- Gross debt stood at INR6.8b as of Sept'25 vs INR6.7b as of Mar'25. CFO stood at INR2.9b as of Sept'25 vs INR3.2b as of Sept'24.

Geography wise performance

- AMESA declined 1% YoY to INR3.9b. EBIT grew 2% YoY to INR447m. EBIT margin contracted 30bp YoY to 11.4%
- EAP business grew 11% YoY to INR2.9b. EBIT rose 17% YoY to INR504m. EBIT margin expanded 90bp YoY to 17.1%.
- Americas business grew 27% YoY to INR3.5b. EBIT increased 81% YoY to INR471m. EBIT margin expanded 400bp YoY to 13.4%.
- Europe business grew 3% YoY at INR2.7b. EBIT declined 39% to INR158m. EBIT margin contracted 400bp YoY to 5.9%.

Consolidated – Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	10,074	10,862	10,143	11,054	11,079	12,059	11,019	11,958	42,133	46,115	12,124	-1
YoY Change (%)	10.7	8.4	4.0	7.4	10.0	11.0	8.6	8.2	7.6	9.5	11.6	
Total Expenditure	8,216	8,657	8,127	8,774	8,811	9,543	8,803	9,439	33,774	36,596	9,467	
EBITDA	1,858	2,205	2,016	2,280	2,268	2,516	2,216	2,519	8,359	9,519	2,657	-5
Margins (%)	18.4	20.3	19.9	20.6	20.5	20.9	20.1	21.1	19.8	20.6	21.9	
Depreciation	836	852	863	876	896	944	1,000	1,046	3,427	3,886	920	
Interest	290	291	274	284	281	285	155	152	1,139	873	250	
Other Income	65	140	127	104	80	119	135	138	436	472	120	
PBT before EO expense	797	1,202	1,006	1,224	1,171	1,406	1,196	1,459	4,229	5,232	1,607	
Extra-Ord expense	0	0	0	36	0	0	0	0	36	0	0	
PBT	797	1,202	1,006	1,188	1,171	1,406	1,196	1,459	4,193	5,232	1,607	
Tax	139	301	64	73	159	348	239	292	577	1,038	321	
Rate (%)	17.4	25.0	6.4	6.1	13.6	24.8	20.0	20.0	13.8	19.8	20.0	
Minority Interest & Profit/Loss of Asso. Cos.	-16	-31	-7	28	-12	-15	-3	14	-26	-16	-20	
Reported PAT	642	870	935	1,143	1,000	1,043	954	1,181	3,590	4,178	1,266	
Adj PAT	642	870	935	1,170	1,000	1,043	954	1,181	3,617	4,178	1,266	-18
YoY Change (%)	18.2	72.3	8.6	72.9	55.8	19.9	2.0	1.0	39.9	15.5	45.5	
Margins (%)	6.4	8.0	9.2	10.6	9.0	8.6	8.7	9.9	8.6	9.1	10.4	

Laxmi Dental

BSE SENSEX	S&P CNX
83,871	25,695

CMP: INR340

Revenue in line; profitability miss due to adverse impact of US tariff policy

- Revenue for 2QFY26 grew 26.5% YoY to INR723m (our est: INR697m).
- Laboratory business grew 30% YoY to INR410m. International lab business grew 39% YoY to INR185m. Domestic lab business grew 23.6% YoY to INR225m.
- Aligners business grew 5% YoY to INR200m. Vedia business grew 33% YoY to INR97m. Bizdent declined 12% YoY to INR103m.
- Scanner sales zoomed 95% YoY to INR89m for the quarter.
- EBITDA margin came in at 15.3% (our est: 19%), stable YoY. Despite improved sales growth, the profitability for the quarter was impacted by US tariff policy, annual salary increments and ESOP-related expenses, leading to flat EBITDA margin on YoY basis.
- EBITDA grew 26.3% YoY to INR110m (our est: INR129m).
- PAT grew 44.8% YoY to INR65m (our est: INR 97m).
- Revenue/EBITDA/PAT grew 18%/1%/2% YoY in 1HFY26.
- R&D expenditure was INR4,140m in 2QFY26 (~5% of sales).

Conference Call Details

Date: 12 November 2025
Time: 12:30 pm IST
Dial-in details:
[Diamond Pass Link]

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	3.0	3.6	4.3
EBITDA	0.6	0.9	1.1
Adjusted PAT	0.5	0.7	0.8
EBIT Margin (%)	20.9	24.4	24.9
Cons. Adj EPS (INR)	8.8	12.2	15.0
EPS Growth (%)	84.4	38.5	23.6
BV/Share (INR)	46.7	58.9	73.9
Ratios			
Net D-E	-0.4	-0.4	-0.5
RoE (%)	20.7	23.0	22.6
RoCE (%)	19.2	22.3	22.0
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	38.7	27.9	22.6
EV/EBITDA (x)	28.5	19.7	15.4
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	0.6	1.6	3.4
EV/Sales (x)	6.0	4.8	3.8

Quarterly perf. (Consol.)

Y/E March	FY25				FY26E				FY25	FY26E	
(INR m)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		2QE	vs Est
Net Sales	**597**	**571**	**617**	**607**	**656**	**723**	**771**	**837**	**2,391**	**697**	**3.7%**
YoY Change (%)	N/A	N/A	29.0	10.2	9.9	26.5	25.0	38.0	23.5	22	
Total Expenditure	457	484	520	511	537	612	599	614	1,972	568	
EBITDA	**140**	**87**	**96**	**95**	**119**	**110**	**172**	**223**	**419**	**129**	**-14.5%**
YoY Change (%)	N/A	N/A	144.7	-18.5	-15.0	26.3	78.8	134.2	76.1	48	
Margins (%)	23.5	15.3	15.6	15.7	18.2	15.3	22.3	26.6	17.5	19	-17.6%
Depreciation	34	34	40	43	36	37	52	75	150	48	
EBIT	**106**	**53**	**57**	**52**	**83**	**73**	**120**	**148**	**269**	**81**	**-10.1%**
YoY Change (%)	N/A	N/A	728.8	-38.0	-21.7	36.6	111.8	183.3	126.7	52	
Interest	14	12	15	13	5	2	2	-6	54	3	
Other Income	4	7	6	16	17	24	22	19	33	20	
PBT before EO expense	**96**	**49**	**47**	**56**	**96**	**94**	**140**	**173**	**248**	**98**	**-3.8%**
Extra-Ord expense	-59	0	0	-4	0	0	0	0	-70	0	
PBT	**155**	**49**	**47**	**60**	**96**	**94**	**140**	**173**	**318**	**98**	**-3.8%**
Tax	18	11	11	25	23	19	33	29	65	23	
Rate (%)	11.4	23.3	22.7	41.2	23.8	19.8	23.5	16.9	20.3	23	
MI & P/L of Asso. Cos.	-20	-22	-12	-8	10	10	22	41	64	22	
Reported PAT	**157**	**59**	**48**	**43**	**83**	**85**	**129**	**185**	**318**	**97**	**-12.0%**
Adj PAT	**105**	**59**	**48**	**40**	**83**	**85**	**129**	**185**	**262**	**97**	**-12.0%**
YoY Change (%)	N/A	N/A	133.2	-51.0	-21.3	44.8	167.7	357.3	4.9	65	
Margins (%)	17.6	10.3	7.8	6.7	12.6	11.8	16.7	22.1	10.9	14	

E: MOSL Estimates

Kolte Patil Developers

BSE SENSEX	S&P CNX
83,871	25,695

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	28.6	26.3	49.6
EBITDA	5.9	5.4	11.0
EBITDA Margin (%)	20.5	20.3	22.2
PAT	3.7	3.4	7.0
EPS (INR)	41.6	38.6	78.6
EPS Gr. (%)	196.7	-7.2	103.8
BV/Sh. (INR)	178.2	212.8	287.4
Ratios			
RoE (%)	30.6	19.7	31.4
RoCE (%)	18.8	15.1	25.1
Payout (%)	9.6	10.4	5.1
Valuations			
P/E (x)	10.0	10.8	5.3
P/BV (x)	2.3	1.9	1.4
EV/EBITDA (x)	5.8	5.2	2.0
Div yld (%)	1.0	1.0	1.0

CMP: INR415 Buy

Muted H1 sets a cautious tone for FY26

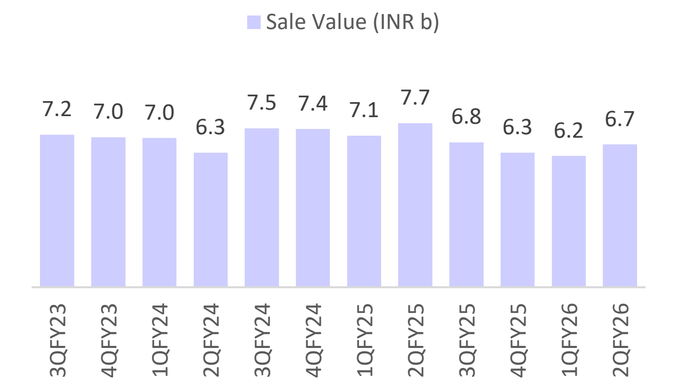
Operational performance

- KPDL achieved presales of INR6.7b, down 13% YoY while was up by 9% QoQ (41% below our estimates) due to absence of launches in the quarter. In 1HFY26, presales were at INR12.9b, down 13% YoY.
- Area sold in the quarter was at 0.86msf, down 17% YoY but up 2% QoQ (45% below our estimates). In 1HFY26, volumes were at 1.7msf, down 15% YoY.
- KPDL's flagship integrated township project, Life Republic (LR) registered sales volumes of 0.51msf in Q2FY26. In 1HFY26, LR registered volumes sold of 1.03msf.
- Average sales realization stood at INR7,791/sqft, up 4% YoY and 6% QoQ. In 1HFY26, realizations were at INR7,565/sqft, up 2% YoY.
- Collections were at INR6b, up 8% YoY and 8% QoQ (19% below estimates). In 1HFY26, they were at INR11.5b, down 1% YoY.
- In 2QFY26, OCF declined 2% YoY to INR1.9b. in 1HFY26, OCF was down 20% YoY to INR3.6b.
- In Oct-25, KPDL acquired 7.5 acres of land parcel in Bhugaon, Pune, with an estimated saleable area of ~1.9msf with a GDV of INR14b.

P&L highlights

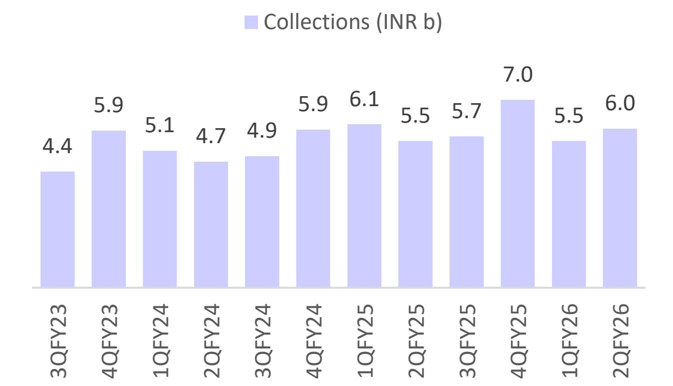
- In 2QFY26, revenue stood at INR1.4b, -55%/+68% YoY/QoQ (80% below estimates). In 1HFY26, revenue stood at INR2.2b, down 66% YoY.
- EBITDA loss stood at INR372m vs profit of INR162m YoY. In 1HFY26, EBITDA loss stood at INR632m vs profit of INR440m YoY.
- PAT loss stood at INR104m vs profit of INR97m YoY. In 1HFY26, PAT loss stood at INR274m vs profit of INR160m YoY.

Pre-sales declined 13% YoY to INR6.7b



Source: Company, MOFSL

Collections were up 8% YoY to INR6b



Source: Company, MOFSL

Quarterly performance **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1Q	
Net Sales	**3,408**	**3,083**	**3,497**	**7,187**	**824**	**1,387**	**10,279**	**16,063**	**17,174**	**28,552**	**6,853**	**-80**
YoY Change (%)	-40	56	361	37	-76	-55	194	124	25.2	66.3	122.3	
Total Expenditure	3,130	2,921	3,241	6,123	1,083	1,759	8,167	11,678	15,415	22,687	5,445	
EBITDA	**278**	**162**	**256**	**1,064**	**-260**	**-372**	**2,112**	**4,386**	**1,759**	**5,865**	**1,408**	**NA**
Margins (%)	8.2	5.2	7.3	14.8	-31.5	-26.8	20.5	27.3	10.2	20.5	20.5	
Depreciation	42	24	34	43	42	42	58	19	143	161	39	
Interest	187	107	61	64	67	33	118	110	419	328	79	
Other Income	95	127	196	45	145	231	167	-79	464	464	111	
PBT before EO expense	**144**	**157**	**357**	**1,003**	**-225**	**-216**	**2,102**	**4,178**	**1,661**	**5,840**	**1,402**	**NA**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**144**	**157**	**357**	**1,003**	**-225**	**-216**	**2,102**	**4,178**	**1,661**	**5,840**	**1,402**	**NA**
Tax	104	69	96	350	-53	-29	783	1,474	618	2,175	522	
Rate (%)	72.2	44.0	26.8	34.9	23.7	13.4	37.2	35.3	0.4	0.4	37.2	
MI & P/L of Asso. Cos.	-22	-10	8	0	-2	-83	-8	70	-24	-24	-6	
Reported PAT	**62**	**97**	**253**	**653**	**-170**	**-104**	**1,328**	**2,635**	**1,066**	**3,689**	**885**	**NA**
Adj PAT	**62**	**97**	**253**	**653**	**-170**	**-104**	**1,328**	**2,635**	**1,066**	**3,689**	**885**	**NA**
YoY Change (%)	-86	-138	-140	-342	-373	-207	425	304	-253.9	246.1	808.9	
Margins (%)	1.8	3.2	7.2	9.1	-20.6	-7.5	12.9	16.4	6.2	12.9	12.9	-2044bp
Operational metrics												
Sale Volume (msf)	1.0	1.0	0.8	0.8	0.8	0.9	1.2	1.9	3.6	4.8	1.56	**-45**
Pre-sales (INR m)	7,110	7,700	6,800	6,310	6,160	6,700	10,099	18,506	27,920	41,465	11435	**-41**
Collections (INR m)	6,120	5,500	5,670	7,040	5,500	5,960	7,620	13,617	24,330	32,697	7391	**-19**

Source: MOFSL, Company

Note: Estimates are under review and we will revise them after the earnings call

SWIGGY : Bolt already witnessing double digit volume growth; Rohit Kapoor, CEO – food

- Expecting 18-19% growth in food delivery business
- Eying EBITDA margin of 5% in the medium term
- Witnessed strong Q2 FY26 earnings
- Focusing on putting more products on bolt

Read More

Jindal Stainless : Better volume, value added products and cost control aiding margin expansion; Tarun Khulbe, CEO & CFO

- Primarily focused on the domestic market
- Confident about 9-10% volume growth in FY26
- Better volume, value added products focus and cost control aiding margin expansion
- consolidated net debt at INR 3646 crore

Read More

KPIT Tech : Caresoft should add 3-4% to net contribution in FY26; Kishor Patil, MD & CEO

- Won a multi-domain, multi year $100 m deal this quarter
- Expect flat organic revenue in Q3FY26 & meaningful growth in Q4FY26
- Reported an organic constant currency revenue decline of 2.3% QoQ
- Seeing positive discussions with clients, Europe & India looking good

Read More

HEG : Optimistic that graphite electrodes demand will improve as steel production rises; Manish Gulati, Executive Director

- Capacity utilization In FY26 will be 90% vs 80% in FY25
- Volumes in Q2 were higher than Q1FY27
- Topline growth has been led by higher volumes
- Graphite electrode prices have been rangebound in past few quarters

Read More

V-Mart Retail : Opened 16 stores in Q3 so far, will add 70-75 plus stores this year; Anand Agarwal, CFO

- Will see 17-20% growth in revenue this year
- Early onset of winter season has been good for the company
- Reducing reliance on online sales, will reduce losses by 50% YoY
- Diwali saw good demand, but products sold were of lower value due to the weather

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NOTES

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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