Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	84,467	0.7	8.1
Nifty-50	25,876	0.7	9.4
Nifty-M 100	60,902	0.8	6.5
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	6,851	0.1	16.5
Nasdaq	23,406	-0.3	21.2
FTSE 100	9,911	0.1	21.3
DAX	24,381	1.2	22.5
Hang Seng	9,539	0.8	30.9
Nikkei 225	51,063	0.4	28.0
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	62	-3.5	-16.3
Gold ($/OZ)	4,195	1.7	59.9
Cu (US$/MT)	10,930	1.1	26.3
Almn (US$/MT)	2,867	0.6	13.5
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	88.6	0.1	3.5
USD/EUR	1.2	0.1	12.0
USD/JPY	154.8	0.4	-1.5
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)	**12-Nov**	**MTD**	**CYTD**
FIIs	-0.20	-0.45	-16.5
DIIs	0.58	3.36	75.4
Volumes (INRb)	**12-Nov**	**MTD***	**YTD***
Cash	1,239	1161	1070
F&O	1,00,691	3,10,913	2,31,723

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

Hindustan Aeronautics: In-line performance

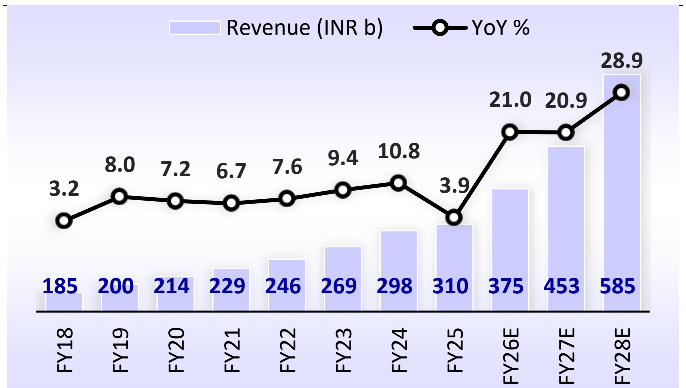
- Hindustan Aeronautics' (HAL) 2QFY26 revenue/PAT came in line with our estimates. Lower-than-expected margins were offset by higher other income. During the quarter, the company received a follow-on order of 97 Tejas Mk1A worth INR624b and signed a contract with GE for engine supplies for this project.
- We await the deliveries of Tejas Mk1A fighter jets as the test flight was already conducted in Oct'25. HAL has a strong order book, which provides good visibility on future execution. We broadly maintain our estimates and TP of INR5,800, based on the average of DCF and 32x Sep'27E earnings.
- We maintain BUY on HAL. Tejas aircraft deliveries and execution of manufacturing order book will be key drivers for the stock going forward.

Research covered

Cos/Sector	Key Highlights
Hindustan Aeronautics	In-line performance
Fund Folio	Equity AUM scales to a record high of over INR38t; equity inflows moderate
Asian Paints	Turning the corner; improving growth commentary
Info Edge	Steady growth amid patchy demand recovery
Other Updates	Ashok Leyland | Max Financial Services | Biocon | | PI Industries | Container Corporation | Thermax | Gujarat Gas | Anant Raj | ERIS Lifescience | Triveni Turbine | Kirloskar Oil | Cello World | Jyothy Labs | Campus Activewe. | Ellen. Indl. Gas | EPL | Laxmi Dental | Kolte Patil | Healthcare Monthly | EcoScope | Tata Steel | Prestige Estates | Endurance Tech. | Indraprastha Gas | IRB Infra. Devl. | Deepak Nitrite | Data Pattern | Lemon Tree Hotel | P N Gadgil Jewe. | Galaxy Surfact. | KNR Construct. | Senco Gold | Repco Home Fin.

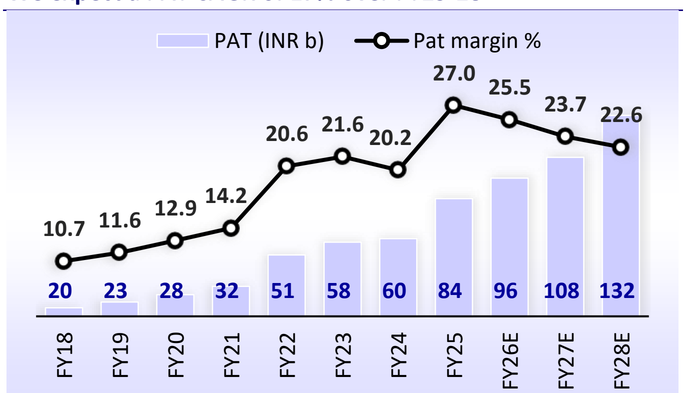
Chart of the Day: Hindustan Aeronautics (In-line performance)

We expect HAL's revenue to grow at a CAGR of 24% over FY25-28



Source: Company, MOFSL

We expect a PAT CAGR of 17% over FY25-28



Source: Company, MOFSL

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

NTPC to foray into coal gasification with 5-10 MT annual production goal

State-owned power generator NTPC Ltd is planning a foray into coal gasification, aiming to produce a minimum 5-10 million tonnes (MT) of the synthetic gas annually in three-four years, a top company official said.

2

CAMS launches AI tool to help mutual funds analyse regulations in real time

Computer Age Management Services (CAMS), which provides registrar and transfer agency (RTA) services to mutual funds (MFs) in India, on Wednesday announced the launch of CAMS Lens, an artificial intelligence (AI) tool

3

Govt approves Export Promotion Mission with outlay of ₹25,060 crore for six years

The government approved an Export Promotion Mission with an outlay of ₹25,060 crore for six financial years, beginning this fiscal, a move which will help exporters deal with high tariffs imposed by the U.S.

4

NIIF II likely to sell ₹551 crore stake in Ather Energy via block deal at ₹620 floor price

National Investment and Infrastructure Fund II (NIIF II) is likely to sell up to 2.34% of its existing total equity stake in Ather Energy Ltd through a block deal. The offer size is valued at up to ₹551.1 crore. The floor price for the block deal has been set at ₹620 per equity share.

5

NCLT reserves judgment on Vedanta demerger as government raises ₹16,700 crore claims

The government renewed its objection to Vedanta Ltd's proposed demerger, citing pending claims of ₹16,700 crore that it argued could be put at risk by the restructuring, as the National Company Law Tribunal (NCLT) concluded hearings on the matter and reserved its judgment.

6

Retail inflation slows to a record low of 0.25% in October

India's retail inflation slowed to a record low of 0.25 per cent in October against 1.54 per cent in September, as food prices fell sharply and tax cuts brought down the prices of items from cars to products in daily use.

7

India's air traffic grows 2.6% to 20 crore in H1 FY26, to hit 43 crore in FY26 despite supply constraints

India's total air passenger traffic grew 2.6 per cent year-on-year to 20.2 crore in H1FY26, up from 19.7 crore a year earlier. Domestic traffic in India grew 1.6 per cent while international traffic in the country grew 6.9 per cent.

Hindustan Aeronautics

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	HNAL IN
Equity Shares (m)	669
M.Cap.(INRb)/(USDb)	3174.7 / 35.8
52-Week Range (INR)	5166 / 3046
1, 6, 12 Rel. Per (%)	-4/3/4
12M Avg Val (INR M)	7977

Financials Snapshot (INR b)

Y/E March	2026E	2027E	2028E
Sales	375.0	453.4	584.6
EBITDA	111.2	129.4	159.2
Adj. PAT	95.6	107.6	132.3
Adj. EPS (INR)	142.9	161.0	197.8
EPS Gr. (%)	14.3	12.7	22.9
BV/Sh.(INR)	625.9	741.9	894.7
Ratios			
RoE (%)	22.8	21.7	22.1
RoCE (%)	23.6	22.3	22.6
Payout (%)	28.0	28.0	22.8
Valuations			
P/E (x)	33.2	29.5	24.0
P/BV (x)	7.6	6.4	5.3
EV/EBITDA (x)	24.4	20.3	15.7
Div. Yield (%)	0.8	0.9	0.9

Shareholding pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	71.6	71.6	71.6
DII	8.7	8.7	8.4
FII	12.0	11.9	11.9
Others	7.7	7.7	8.1

FII includes depository receipts

CMP: INR4,747 TP: INR5,800 (+22%) Buy

In-line performance

Hindustan Aeronautics' (HAL) 2QFY26 revenue/PAT came in line with our estimates. Lower-than-expected margins were offset by higher other income. During the quarter, the company received a follow-on order of 97 Tejas Mk1A worth INR624b and signed a contract with GE for engine supplies for this project. We await the deliveries of Tejas Mk1A fighter jets as the test flight was already conducted in Oct'25. HAL has a strong order book, which provides good visibility on future execution. We broadly maintain our estimates and TP of INR5,800, based on the average of DCF and 32x Sep'27E earnings. We maintain BUY on HAL. Tejas aircraft deliveries and execution of manufacturing order book will be key drivers for the stock going forward.

In-line revenue and PAT

HAL reported a decent set of numbers in 2QFY26 with in-line revenue and PAT. Revenue increased 11% YoY to INR66.3b vs. our estimate of INR67.5b. Gross margin contracted 300bp YoY to 56.1%% vs. our estimate of 59.0%. Lower-than-expected gross margins and higher provisions created during the quarter led to EBITDA margin contraction of 390bp YoY to 23.5%. Absolute EBITDA declined 5% YoY to INR15.6b. The impact of softer EBITDA performance was, to some extent, offset by lower-than-expected depreciation and higher other income. Thus, PAT increased 11% YoY to INR16.7b. For 1HFY26, revenue/EBIDAT/PAT increased 11%/8%/4% YoY, while EBITDA margin contracted 70bp YoY to 24.8%. For 1HFY26, OCF/FCF increased 159%/180% YoY to INR74b/INR66b. HAL has a cash balance of INR416b as of 1HFY26-end. The company incurred a capex of INR7.3b during 1HFY26 compared to INR4.7b in 1HFY25.

Update on the Tejas Mk1A project

The MoD has signed an INR624b contract with HAL for the procurement of 97 additional LCA Mk1A aircraft for the Indian Air Force, comprising 68 single-seat and 29 twin-seat fighters. Deliveries are scheduled to commence in FY28 and conclude within six years. The order carries at least 64% indigenous content, with 67 additional locally sourced components compared to the previous contract, including the UTTAM AESA radar, Swayam Raksha Kavach electronic warfare suite, and indigenous control surface actuators. HAL has also entered into a USD1b deal with GE Aerospace, USA for the supply of 113 units of F404-GE engines and support package for timely execution of the said order. The company successfully completed the expansion of its Nashik production line in Oct'25, increasing its annual LCA manufacturing capacity from 16 to 24 aircraft. The first Tejas Mk1A aircraft produced in HAL's Nashik complex completed its maiden flight on 17th Oct'25. We have factored in 8 Tejas deliveries for FY26 in our estimates and 16 each in subsequent years.

HAL-UAC partnership to boost India's regional aviation capability

HAL has signed an MoU with Russia's United Aircraft Corporation (UAC) in Moscow for the production of the SJ-100 civil commuter aircraft in India. The twin-engine, narrow-body SJ-100, already in operation with over 200 units across 16 global airlines, is expected to significantly boost short-haul connectivity under India's UDAN scheme. This collaboration is strategically beneficial for HAL as it positions the company to enter the civil aviation manufacturing space, diversifying its portfolio beyond defense and tapping into India's growing demand for regional connectivity. Leveraging HAL's established infrastructure, engineering expertise, and supply chain capabilities, the tie-up can accelerate the creation of an indigenous ecosystem for commercial aircraft production.

HAL in race for the AMCA project

In early FY26, the ADA issued a formal Expression of Interest (EoI) to invite bids from Indian companies, including private players, to co-own the Advanced Medium Combat Aircraft (AMCA) program and participate in the development, flight testing and certification of the aircraft. The ADA has received EoIs from 1) HAL along with two smaller firms, 2) L&T with BEL, 3) Tata Advanced Systems, 4) Adani Defence and Aerospace, 5) Goodluck India with BrahMos Aerospace Thiruvananthapuram and Axiscades Technologies, and 6) Bharat Forge-BEML-Data Patterns partnership. The ADA's criteria stipulate that the winning consortium must be capable of building prototypes, supporting flight tests, and setting up facilities for series production, all within a strict timeline. It is a long-timeline project spanning out across 10 years.
Timeline of AMCA project:

- Shortlisting of EoIs expected in 3QFY26
- RFP expected in 4QFY26
- Announcement of the winner to build the prototype by 4QFY27
- First prototype expected to roll out and take maiden flight in FY29-30
- Full scale production and induction targeted around mid-2030s

In this particular project, HAL may face competition from private players. However, AMCA provides an opportunity worth INR1.2t-1.5t for the series production, with an initial budget of INR150b for prototype development.

Financial outlook

We expect the overall revenue to grow at a CAGR of 24% over FY25-28, primarily driven by a scale-up in manufacturing revenue. We expect EBITDA margin to remain strong at 29.6%/28.5%/27.2% for FY26/FY27/FY28, fueled by indigenization efforts taken by the company as well as lower provisions. With an annual capex of INR40b/ INR50b/INR60b over FY26/FY27/FY28 and comfortable working capital, we expect PAT to register a 17% CAGR over FY25-28. With improving revenue and stable margins, we expect RoE/RoCE to remain comfortable, reaching 22.1%/22.6% by FY28.

Valuation and view

HAL is currently trading at 33.2x/29.5x/24.0x P/E on FY26E/FY27E/FY28E EPS. We broadly maintain our estimates and **reiterate our BUY rating on the stock** with an unchanged TP of INR5,800, based on the average of DCF and 32x two-year forward earnings.

Key risks and concerns

Key risks would include 1) slower-than-expected finalization of large platform orders, 2) further delays in deliveries of key components such as engines for Tejas Mk1A, 3) delays in payments from MoD, and 4) increased involvement of the private sector.

Consolidated - Quarterly Snapshot **(INR b)**

Income Statement	FY25				FY26E				FY25	FY26E	FY26E	Est
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3QE**	**4QE**			**2QE**	**Var %**
Net Sales	**43.5**	**59.8**	**69.6**	**137.0**	**48.2**	**66.3**	**78.7**	**181.8**	**309.8**	**375.0**	**67.5**	**(2)**
Change (%)	11.0	6.0	14.8	(7.2)	10.8	10.9	13.2	32.7	3.9	21.0	12.9	
Expenses	33.6	43.4	52.7	84.0	35.4	50.7	59.1	118.7	213.7	263.8	48.9	4
EBITDA	**9.9**	**16.4**	**16.8**	**52.9**	**12.8**	**15.6**	**19.7**	**63.1**	**96.1**	**111.2**	**18.6**	**(16)**
Change (%)	13.0	7.4	17.2	(10.3)	29.4	(5.0)	17.0	19.1	17.8	15.7		
As of % Sales	22.8	27.4	24.2	38.6	26.6	23.5	25.0	34.7	31.0	29.6	27.5	
Depreciation	1.5	1.8	2.8	7.4	1.9	2.3	3.1	8.2	13.4	15.4	2.8	(19)
Interest	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.0	260
Other Income	7.4	5.4	6.3	6.5	7.5	8.9	8.1	7.1	25.6	31.6	7.6	17
PBT pre EO items	**15.8**	**20.0**	**20.4**	**52.0**	**18.4**	**22.2**	**24.7**	**61.9**	**108.2**	**127.3**	**23.3**	**(5)**
Extra-ordinary Items	-	0.1	-	-	-	-	-	-	0.1	-	-	
PBT	**15.8**	**20.1**	**20.4**	**52.0**	**18.4**	**22.2**	**24.7**	**61.9**	**108.3**	**127.3**	**23.3**	**(5)**
Tax	1.5	5.1	6.0	12.4	4.7	5.6	6.3	15.6	25.0	32.2	5.9	(6)
Effective Tax Rate (%)	9.3	25.5	29.6	23.9	25.5	25.1	25.4	25.3	23.1	25.3	25.3	
MI & P/L Share of JV	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.4	0.5	0.1	
Reported PAT	**14.4**	**15.1**	**14.4**	**39.8**	**13.8**	**16.7**	**18.6**	**46.4**	**83.6**	**95.6**	**17.5**	**(5)**
Adj PAT	**14.4**	**15.0**	**14.4**	**39.8**	**13.8**	**16.7**	**18.6**	**46.4**	**83.6**	**95.6**	**17.5**	**(5)**
Margin (%)	33.1	25.2	20.7	29.0	28.7	25.2	23.6	25.5	27.0	25.5	26.0	
Change (%)	76.5	21.7	14.1	(7.7)	(3.7)	10.9	29.1	16.8	38.4	14.3	16.6	

Fund Folio

Indian Mutual Fund Tracker

Equity AUM scales to a record high of over INR38t; equity inflows moderate

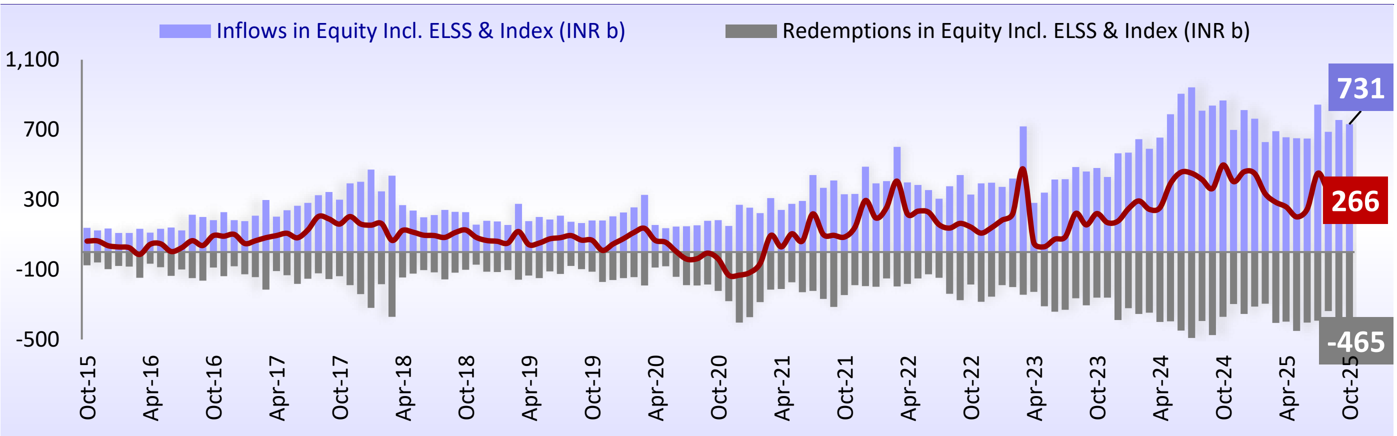
Key observations

- The Nifty touched ~26k before ending 4.5% up MoM at 25,722 in Oct'25. Markets staged a smart comeback in Oct'25 and recorded the best MoM returns in the last seven months. Notably, with extreme volatility, the index hovered around ~1,498 points before closing 1,111 points higher. In Oct'25, FIIs recorded inflows of USD1.3b, after three consecutive months of outflows. FII equity outflows stood at USD15.9b in CY25YTD vs. outflows of USD0.8b in CY24. DII inflows moderated in Oct'25 at USD5.8b in Oct'25. DII equity inflows were at a record high of USD75.1b in CY25YTD vs. USD62.9b in CY24.
- The MF industry's equity AUM (including ELSS and index funds) reached a new high of INR38.4t in Oct'25 (+4.3% MoM), owing to a rise in market indices (Nifty up 4.5% MoM). Notably, the month saw a decline in sales of equity schemes (down 3.2% MoM to INR731b). At the same time, redemptions increased 6.9% MoM to INR465b. Consequently, net inflows moderated for the third consecutive month in Oct'25 to INR266b vs. INR320b in Sep'25.
- Total AUM of the MF industry increased for the second consecutive month to INR79.9t in Oct'25 (+5.6% MoM), primarily fueled by a MoM increase in AUM of equity (INR1,597b), liquid (INR1,119b), income (INR624b), other ETFs (INR427b), and balanced (INR292b) funds.
- Investors continued to park their money in mutual funds. Inflows and contributions in systematic investment plans (SIPs) stood at INR295.3b in Oct'25 (+0.6% MoM and +16.6% YoY).

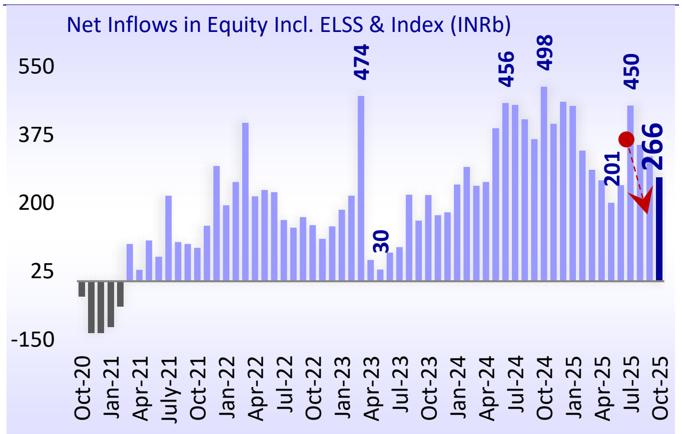
A few interesting facts

- The month witnessed significant changes in the sector and stock allocation of funds. On an MoM basis, the weights of Technology, NBFCs, Oil & Gas, PSU Banks, Telecom, and Consumer Durables increased, while those of Automobiles, Utilities, Cement, Chemicals, and Textiles moderated.
- Technology's weight, after touching a 67-month low in Sep'25, inched up in Oct'25 to 7.6% (+10bp MoM; -130bp YoY).
- NBFC's weight climbed to a 21-month high in Oct'25 to 5.9% (+10bp MoM; +60bp YoY).
- Oil & Gas' weight was up for the second consecutive month to a four-month high in Oct'25 to 5.9% (+10bp MoM; flat YoY).
- Automobiles' weight moderated in Oct'25 after rising for three consecutive months to 8.3% (-40bp MoM; -20bp YoY).
- The top sectors where MF ownership vs. the BSE 200 is at least 1% higher are Healthcare (16 funds over-owned), Consumer Durables (11 funds over-owned), Chemicals (10 funds over-owned), NBFCs (9 funds over-owned), and Capital Goods (8 funds over-owned).
- The top sectors where MF ownership vs. the BSE 200 is at least 1% lower are Oil & Gas (17 funds under-owned), Consumer (17 funds under-owned), Private Banks (16 funds under-owned), Utilities (13 funds under-owned), and Technology (11 funds under-owned).
- In terms of value increase MoM, four of the top 10 stocks were from the banking space: HDFC Bank (+INR130b), Axis Bank (+INR75b), SBI (+INR64b), and Kotak Mahindra Bank (+INR44.8b). Conversely, the stocks that witnessed the maximum MoM decline in value were SKF India (-INR29.9b), Coal India (-INR16.2b), Eternal (-INR15.6b), Avenue Supermarts (-INR15.4b), and NTPC (-INR13.5b).

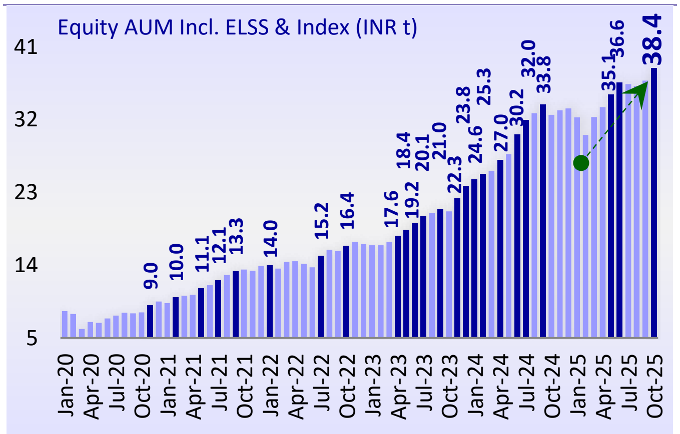
Monthly trends in sales, redemptions, and net amount raised by MFs (equity)



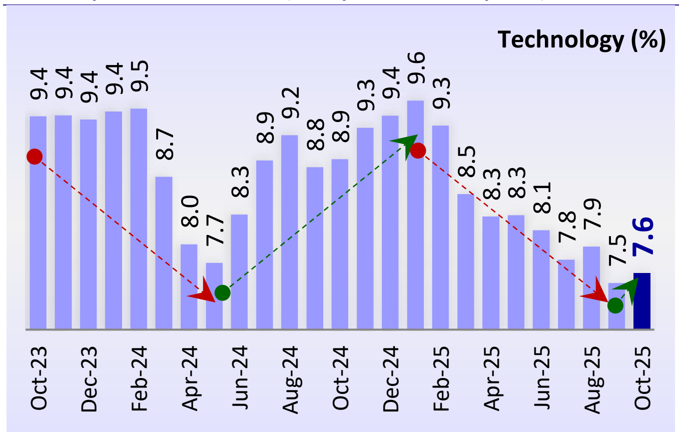
Net equity inflows moderate for the third straight month to INR266b in Oct'25 to a four-month low



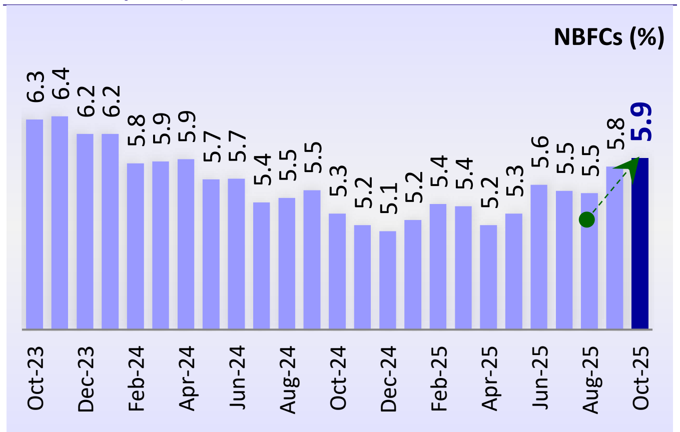
Equity AUM scales to a new high in Oct'25 to INR38.4t (up 4.7x in the last five years)



Technology's weight, after touching a 67-month low in Sep'25, inched up in Oct'25 to 7.6% (+10bp MoM; -130bp YoY)



NBFC's weight climbed to a 21-month high in Oct'25 to 5.9% (+10bp MoM; +60bp YoY)



Asian Paints

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	APNT IN
Equity Shares (m)	959
M.Cap.(INRb)/(USDb)	2656.8 / 30
52-Week Range (INR)	2839 / 2125
1, 6, 12 Rel. Per (%)	16/14/4
12M Avg Val (INR M)	3002

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	357.8	396.9	439.0
Sales Gr. (%)	5.5	10.9	10.6
EBITDA	66.1	75.4	85.3
EBIT Margin (%)	18.5	19.0	19.4
Adj. PAT	44.8	51.9	59.4
Adj. EPS (INR)	46.8	54.1	61.9
EPS Gr. (%)	10.1	15.7	14.5
BV/Sh.(INR)	206.9	218.9	238.5
Ratios			
RoE (%)	22.9	25.4	27.1
RoCE (%)	19.5	21.4	22.7
Payout (%)	87.7	75.8	66.2
Valuation			
P/E (x)	60.6	52.4	45.7
P/BV (x)	13.7	12.9	11.9
EV/EBITDA (x)	40.3	35.2	31.0
Div. Yield (%)	1.4	1.4	1.4

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	52.6	52.6	52.6
DII	21.6	21.0	13.2
FII	11.7	11.9	15.3
Others	14.1	14.4	18.9

FII includes depository receipts

CMP: INR2,770 TP: INR3,000 (+8%) Neutral

Turning the corner; improving growth commentary

- **Asian Paints (APNT) reported a 6% YoY growth in consolidated revenue (base -5%), with standalone sales up 6% YoY, marking growth after six consecutive quarters of decline. Two-year revenue CAGR was flat in 2Q, in line with its listed peers. Domestic decorative volumes grew 11% YoY. Extended monsoon impacted early-quarter demand, but a visible recovery was seen in September and October, supported by festive demand and improved consumer sentiment. The international business grew 9.9% YoY (+10.6% in constant currency terms).**
- **Gross margin expanded 240bp YoY to 43.2% (est. 42.5%), driven by lower raw material costs. EBITDA margin expanded 220bp YoY to 17.6%, resulting in a 21% YoY growth in EBITDA to INR15.0b (vs. est. +9%).**
- **Management expects mid-single-digit value growth and high-single-digit volume growth for FY26. Additionally, it** maintains its EBITDA margin guidance of 18-20%, supported by formulation and sourcing efficiencies. We model +8% revenue growth in 2HFY26, **factoring in a favorable base, improving demand scenario, and the company's own initiatives to regain growth.**
- **APNT is focused on innovation, brand salience, regionalization, and execution excellence to drive consistent growth. While competitive intensity remains elevated, the demand environment is stabilizing, and with the peak of disruption behind, APNT appears well-positioned to sustain steady growth and defend its market leadership.**
- **Given that the worst of demand pressure is behind, coupled with stability in competitive pressure and benign RM, we increase EPS by 4-6%. With expectations of better earnings, we raise our target valuation multiple to 50x (10-year average P/E) on Sep'27E EPS to derive a TP of INR3,000. We reiterate our Neutral rating.**

Beat after multiple quarters of miss; domestic volume up 11%

- **Sales up 6% after six quarters of contraction:** Consolidated net sales grew 6% YoY to INR85.3b (est. INR81.1b). Decorative business (India) clocked volume growth of 10.9% (est. 5%, 3.9% in 1QFY26), while revenue grew 6% YoY on a favorable base (-5%). Growth was further aided by improved consumer sentiment, supportive government policies, and an early festive season, despite the impact of an extended monsoon in September. Two-year CAGR was flat for APNT in 2Q. Berger and Indigo reported 1% and 5% CAGR.
- **Beat in margins**: Gross margin expanded 240bp YoY to 43.2% (est. 42.5%). GP grew 13% YoY at INR36.8b. Employee expenses rose 1% YoY, and other expenses rose 10% YoY. EBITDA margin expanded 220bp YoY to 17.6% (est. 16.7%).
- **Industrial performed better:** The industrial coatings segment posted a 12% YoY revenue growth, led by strong performance in auto and protective coatings. The bath business declined 5%, while the kitchen business's revenue declined 7%. The white teak business's revenue declined 15%, while Weather Seal's revenue increased 57%.

- **International saw healthy growth:** International business registered a value growth of 9.9% (10.6% growth in CC terms), backed by growth in Nepal, Sri Lanka, and Egypt.
- **Double-digit growth in profitability**: EBITDA grew 21% YoY to INR15b (est. INR13.5b). PBT grew 22% YoY to INR13.5b (est. INR11.8b). Adj. PAT grew 16.5% YoY to INR10.2b (est. INR9.1b).
- In 1HFY26, net sales, EBITDA, and APAT grew 3%, 7%, and 4%.

Key highlights from the management commentary

- The overall paint industry grew by about 3–3.5% in 1HFY26, with a visible recovery during September and October, supported by the festive demand.
- The focus remains on strengthening brand equity through continued investments in regional and national media to enhance awareness and influence customer decisions.
- Over the past 6-9 months, the company has strengthened relationships with dealers and distributors, focusing on improving its return on investment and driving higher retail-level business.
- New product development (NPD) contributed over 15% of total revenue, underscoring the company's strong innovation pipeline.
- For FY26, the company expects mid-single-digit value growth and high-single-digit volume growth, with the 4–5% gap between value and volume likely to persist.

Valuation and view

- We increased our EPS estimates by 5% for FY26 and FY27, given the improving demand in 2QFY26 and expanding margins.
- **APNT remains focused on innovation, brand salience, regionalization, and execution excellence to drive consistent growth. While competitive intensity remains elevated, the demand environment is stabilizing, and with the peak of disruption behind, APNT appears well-positioned to sustain steady growth and defend its market leadership.**
- **With expectations of better earnings, we raise our target valuation multiple to 50x (10-year average P/E) on Sep'27E EPS to derive TP of INR3,000. We reiterate our Neutral rating.**

Quarterly Performance (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Est. Dom. Deco. Vol. growth (%)	**7.0**	**-0.5**	**1.6**	**1.8**	**3.9**	**10.9**	**12.0**	**13.2**	**2.5**	**10.0**	**5.0**	
Net Sales	**89,697**	**80,275**	**85,494**	**83,589**	**89,386**	**85,313**	**93,189**	**89,886**	**3,39,056**	**3,57,773**	**81,078**	**5.2%**
Change (%)	-2.3	-5.3	-6.1	-4.3	-0.3	6.3	9.0	7.5	-4.5	5.5	1.0	
Gross Profit	**38,152**	**32,732**	**36,291**	**36,724**	**38,155**	**36,849**	**40,817**	**39,660**	**1,43,898**	**1,55,481**	**34,458**	
Gross Margin (%)	42.5	40.8	42.4	43.9	42.7	43.2	43.8	44.1	42.4	43.5	42.5	
EBITDA	**16,938**	**12,395**	**16,367**	**14,362**	**16,250**	**15,034**	**18,986**	**15,863**	**60,062**	**66,133**	**13,511**	**11.3%**
Margin (%)	18.9	15.4	19.1	17.2	18.2	17.6	20.4	17.6	17.7	18.5	16.7	
Change (%)	-20.2	-27.8	-20.4	-15.1	-4.1	21.3	16.0	10.5	-20.8	10.1	9.0	
Interest	554	630	558	528	445	439	475	569	2,270	1,927	500	
Depreciation	2,277	2,420	2,556	3,011	3,009	3,049	3,050	3,020	10,263	12,128	3,015	
Other Income	1,562	1,736	1,430	999	1,928	1,986	1,800	1,042	5,726	6,757	1,850	
PBT	**15,669**	**11,081**	**14,683**	**11,822**	**14,724**	**13,532**	**17,261**	**13,317**	**53,255**	**58,834**	**11,846**	**14.2%**
Tax	4,168	2,654	3,897	3,214	3,917	3,733	4,762	2,592	13,934	15,003	2,962	
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	26.6	27.6	27.6	19.5	26.2	25.5	25.0	
Adjusted PAT	**11,868**	**8,738**	**11,284**	**8,838**	**11,171**	**10,182**	**12,798**	**10,695**	**40,728**	**44,846**	**9,072**	**12.2%**
Change (%)	-24.6	-29.1	-23.5	-30.7	-5.9	16.5	13.4	21.0	-26.7	10.1	3.8	

E: MOFSL Estimates

Info Edge

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	INFOE IN
Equity Shares (m)	648
M.Cap.(INRb)/(USDb)	892.5 / 10.1
52-Week Range (INR)	1839 / 1151
1, 6, 12 Rel. Per (%)	1/-11/-20
12M Avg Val (INR M)	2145

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	29.8	32.5	36.2
EBITDA	11.3	12.8	13.9
Adj. PAT	10.4	11.9	12.6
Reported PAT	55.0	11.9	12.6
Adj. EPS	16.2	18.5	19.7
EPS Gr. (%)	35.6	14.6	6.4
BV/Sh. (INR)	444	457	469
Ratios			
RoCE (%)	1.0	3.7	3.9
Payout (%)	35	25	25
Valuations			
P/E (x)	85.2	74.3	69.8
P/BV (x)	3.1	3.0	2.9

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	37.6	37.6	37.7
DII	21.7	19.0	19.6
FII	30.5	33.1	32.5
Others	10.3	10.3	10.3

FII includes depository receipts

CMP: INR1376 TP: INR1300 (-6%) Neutral

Steady growth amid patchy demand recovery

Margin gains likely to plateau due to continued investments

- Info Edge's (INFOE) standalone revenue stood at INR7.4b in 2QFY26, up 13.7% YoY/1.3% QoQ, in line with our estimate of ~INR7.4b. EBITDA margin came in at 39.6% (up 6.3% QoQ/7.7% YoY), above our estimate of 37.8%. Total billings rose 12% YoY to INR7.3b. Adj. PAT was up 10% YoY to INR2.6b (vs. our est. of INR2.6b). In 1HFY26, revenue/EBITDA/adj. PAT grew 14.5%/9.4% /10.8% YoY. In 2HFY26, we expect its revenue/EBITDA/adj. PAT to grow 13.1%/8.6%/9.2% YoY. **We reiterate our Neutral rating with a TP of INR1,300, implying a 6% downside.**

Our view: Recruitment trends remain selective; Jeevansathi sustains breakeven

- **INFOE delivered a stable 2QFY26** with revenue up 14% YoY and billings up 12%, led by broad-based growth across segments. Management highlighted no major change in underlying business momentum. **Recruitment** billings improved sequentially despite a still-cautious hiring environment. Tech and IT hiring remains soft, but non-tech sectors such as Retail, Manufacturing, and GCCs continue to show steady growth, with GCC hiring up ~18% YoY.
- Naukri Gulf remained a bright spot, while IIM Jobs and Naukri FastForward saw softer trends due to GTM realignments. Hiring sentiment remains lukewarm in India, though continued traction in non-tech sectors and Tier-2/3 markets should help cushion some of this weakness. Overall, we believe the hiring environment (particularly in the India business) continues to be patchy.
- **99acres** sustained its growth momentum, supported by higher customer additions and better realization per customer. We note that broker and channel partner billings grew faster than developer billings, while traffic share improved to ~49% vs. mid-20s for peers. We think the platform's continued investments in marketing and AI-driven matching tools may weigh on near-term profitability but should further strengthen its market leadership. **We expect the recent traffic share gains to start translating into billings over the next 3-4 quarters.**
- Jeevansathi maintained positive cash flow and operating breakeven for the second consecutive quarter, with healthy engagement and disciplined marketing spends. We believe the business can deliver steady profitable growth through its AI-led product upgrades and freemium model. **Marketing expenses are being kept in check, allowing INFOE to pursue 20-25%** growth in FY26E while sustaining breakeven profitability.
- EBITDA margin improved to 39.6% (up 190bp QoQ), aided by moderation in marketing spends. **We believe margin expansion may be limited in the near term**, as growth-led investments are likely to continue and are contingent on a rebound in recruitment demand. We forecast the company's EBITDA margin at 38.0%/39.3% for FY26/FY27.

Valuations and changes to our estimates

- Our estimates are broadly unchanged. While INFOE's businesses exhibit steady growth in recruitment and real estate, limited near-term profitability upside weighs on the outlook. In our opinion, the current valuations already reflect much of the expected growth, leaving little room for re-rating.
- We value the company's operating entities using DCF valuation. Our SoTP-based valuation indicates a TP of INR1,300. **Reiterate Neutral**.

Revenue in line with our estimate and beat on margins; billings up 12% YoY

- Standalone revenue stood at INR7.4b, up 13.7% YoY/1.3% QoQ, in line with our estimate (~INR7.4b).
- Total billings rose 12% YoY to INR7.3b. Billings for recruitment/99acres came in at INR5.4b/INR1.2b vs. INR4.9b/INR1b in 2QFY25.
- EBITDA margin was 39.6% (up 6.3% QoQ/7.7% YoY), above our est. of 37.8%.
- Naukri's PBT margin was up 330bp QoQ at 55.8%, while 99acres' PBT loss percentage increased 340bp QoQ to 20.3%.
- Adj. PAT was up 10% YoY to INR2.6b (vs. our est. of INR2.6b). This quarter included an exceptional MTM gain of INR52b (with corresponding deferred tax of INR7.4b), arising from the merger of Makesense Technologies with PB Fintech, as approved by NCLT on 9th Aug'25.
- The board has declared an interim dividend of INR2.4/share.

Highlights from the management commentary

- Revenue trajectory remains lumpy, with a significant portion of sales recognized in the final month of the quarter.
- Management noted no major changes in underlying business activity in 2Q.
- **Recruitment business:** Recruitment billings improved sequentially; engagement levels remained healthy despite a cautious hiring environment. Naukri India continues to be the largest contributor, accounting for ~75-80% of recruitment revenue, though hiring sentiment in this market remains lukewarm.
- Marketing spends moderated sequentially; however, the company continues to invest in 'Job Hai', its blue-collar platform (burn rate of ~INR400m annually).
- New business development in Tier-2/3 cities continues, though ARPU remains lower compared to Tier-1 markets.
- **99acres:** Secondary market demand was strong, while primary segment showed modest growth. Traffic-time share reached 49% (vs. mid-20s for peers), reinforcing INFOE's market leadership. Management expects traffic share gains to translate into billings with a 3-4 quarter lag**.**
- 99acres' profitability remains contingent on continued high marketing spends aimed at market share gains; management expects profitability once growth accelerates to 20-25% (vs. current mid-teens).

Valuation and view

- We expect near-term recruitment growth to remain range-bound, as macro uncertainty and client caution – particularly in IT and consulting – keep overall hiring demand muted. Management's disciplined investments in growth businesses such as 99acres and Jeevansathi are already showing progress, and we believe these businesses could scale up meaningfully over the medium term, adding to the group's long-term value.
- We value the company's operating entities using DCF valuation. Our SoTP-based valuation indicates a TP of INR1,300. **Reiterate Neutral.**

Standalone quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY26E	(% / bp)
Revenues	**6,389**	**6,561**	**6,715**	**6,871**	**7,364**	**7,460**	**7,671**	**7,688**	**26,536**	**29,841**	**7,440**	**0.3**
YoY (%)	9.3	10.6	12.8	13.0	15.3	13.7	14.2	11.9	11.4	12.5	13.4	30bp
Salary costs	2,587	2,624	2,681	2,923	2,915	3,023	3,084	3,092	10,815	12,115	**3,004**	0.7
Ad and Promotion costs	856	755	667	846	1,111	901	1,074	1,076	3,125	4,162	1,101	-18.1
Other Expenses	452	437	470	512	559	581	537	538	1,871	2,215	521	11.6
EBITDA	**2,495**	**2,744**	**2,897**	**2,589**	**2,779**	**2,954**	**2,976**	**2,981**	**10,726**	**11,348**	**2,814**	**5.0**
EBITDA Margin (%)	39.0	41.8	43.1	37.7	37.7	39.6	38.8	38.8	40.4	38.0	37.8	180bp
Depreciation	175	186	217	224	226	226	230	231	801	913	**223**	1.4
EBIT Margin (%)	36.3	39.0	39.9	34.4	34.7	36.6	35.8	35.8	37.4	35.0	34.8	170bp
Other Income	770	803	781	784	960	820	921	923	3,138	3,623	**893**	-8.1
PBT bef. Extra-ordinary	**3,043**	**3,315**	**3,415**	**3,099**	**3,462**	**3,495**	**3,613**	**3,620**	**12,871**	**13,847**	**3,431**	**1.9**
Provision for Tax	720	940	820	624	866	885	849	851	5,701	10,857	806	9.7
ETR (%)	23.7	28.4	24.0	20.1	25.0	25.3	23.5	23.5	44.3	78.4	23.5	180bp
Adj. PAT	**2,323**	**2,375**	**2,595**	**2,474**	**2,596**	**2,610**	**2,764**	**2,769**	**9,767**	**10,397**	**2,625**	**-0.6**
EOI	0	1,080	-593	76	0	52,001	0	0	564	52,001	0.0	
Reported PAT	**2,323**	**859**	**2,002**	**2,551**	**2,596**	**47,205**	**2,764**	**2,769**	**7,734**	**54,991**	**2,625**	**NA**
QoQ (%)	10.1	-63.0	133.1	27.4	1.8	NA	-94.1	0.2			1.1	
YoY (%)	16.2	-58.9	-6.3	20.9	11.8	NA	38.1	8.6	-7.2	611.0	205.7	
EPS (INR)	**3.6**	**1.3**	**3.1**	**3.8**	**4.0**	**4.1**	**4.3**	**4.3**	**11.9**	**16.2**	**4.1**	**NA**

Key performance indicators

Y/E March	FY25				FY26	FY25
	2Q	3Q	4Q	1Q	2Q	
Operating metrics						
Headcount	5,820	5,883	6,065	6,174	6,238	6,065
99acres – Listings (k)	1,162	1,183	1,387	1,544	1,580	4,835
Revenue (YoY %)						
Recruitment	9%	12%	13%	15%	13%	10%
99acres	17%	17%	14%	12%	13%	17%

Ashok Leyland

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	AL IN
Equity Shares (m)	5873
M.Cap.(INRb)/(USDb)	837.2 / 9.4
52-Week Range (INR)	148 / 95
1, 6, 12 Rel. Per (%)	1/19/21
12M Avg Val (INR M)	1752

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	419.5	467.8	519.3
EBITDA	55.0	62.0	70.4
Adj. PAT	36.4	42.0	48.7
Adj. EPS (INR)	6.2	7.2	8.3
EPS Gr. (%)	12.9	15.5	15.8
BV/Sh. (INR)	22.5	25.9	29.9
Ratios			
RoE (%)	29.4	29.6	29.7
ROCE (%)	24.7	25.0	25.1
Payout (%)	52.5	52.4	51.3
Valuations			
P/E (x)	23.0	19.9	17.2
P/BV (x)	6.3	5.5	4.8
EV/EBITDA (x)	13.9	11.9	10.1
Div. Yield (%)	2.3	2.6	3.0

Shareholding Pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	51.1	51.1	51.1
DII	13.6	13.8	12.3
FII	24.9	24.5	25.0
Others	10.4	10.6	11.6

FII includes depository receipts

CMP: INR143 TP: INR165 (+16%) Buy

Improved mix drives margin expansion

LCV demand revival visible, MHCV likely to follow

- Ashok Leyland (AL)'s 2QFY26 PAT stood at INR8b. It was 8% ahead of our estimate, primarily driven by a higher-than-expected other income, even as EBITDA came in line. AL's margin improved 50bp YoY to 12.1% and was a function of improved mix and industry pricing discipline.
- While LCV demand is already showing signs of revival, we expect MHCV truck demand to recover in the coming quarters, aided by a pick-up in consumption pan-India, induced by the recent GST rate cuts. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent control of capex is expected to help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR165 (based on 12x Sep27E EV/EBITDA + ~INR10/sh for NBFC)**.

Improved mix fuels margin expansion

- AL's revenue grew 9.3% YoY to INR95.8b (1.5% lower than our estimates) due to lower-than-expected ASP growth. ASP was marginally lower QoQ.
- EBITDA margins expanded 50bp YoY and 100bp QoQ to 12.1% (largely in line with estimates).
- EBITDA margin was supported by a favorable shift in the mix, driven by higher non-CV sales, with spare parts growing 11% YoY, defense business growing 25% YoY, and the power solutions business growing 14% YoY. Within the CV segment, the mix improved with an increase in MAV sales, while exports also recorded strong growth of 35% YoY.
- As a result, EBITDA grew 14.2% YoY to INR 11.6b and was in line with our estimates.
- Overall, Adj PAT (adjusted for litigation expense of INR400mn) grew 16% YoY to INR8b (8% above our estimates) on account of higher than expected other income.
- AL has undergone significant deleveraging over the past 12 months, moving to a net cash position of INR10b vs. a net debt of INR5b in 1HFY25.

Highlights from the management commentary

- While LCV demand is already seeing signs of a pick-up for last-mile distribution, management expects the MHCV demand also to pick up in the coming quarters on the back of a pick-up and expectation of continued pick-up in consumption across the country, which is likely to, in turn, drive higher freight demand.
- The Saathi (LCV) model has been very well accepted and now accounts for 22–25% of total LCV volumes.

- New product introductions in 2H include 1) new tipper models in the MHCV segment, with 320 and 360 HP and higher peak torque, which will help AL recover back its lost share in the segment, 2) in the bus segment, a new 13.5-meter ICE bus along with a 15-meter bus, and 3) in the 2-4T segment, AL would look to launch a bi-fuel product to serve regions such as NCR, Mumbai, etc.
- Exports have grown at 45% in Q2 and 35% in H2. AL targets to export 18k units in FY26E (from 15k units in FY25) and targets to sustain 20% volume CAGR over the next 2-3 years in exports.
- Aided by new product launches and an improving mix towards non-truck sales, management has retained its medium-term guidance of achieving mid-teen margins.
- Switch India has now achieved EBITDA and PAT break-even in 1HFY26, and AL has kept a target for this business to be FCF positive by FY27. Switch India will look to participate in the upcoming 10k+ bus order under the PM-e drive scheme, which will open up soon.
- Capex guidance for FY26E stands at ~INR10b, and investments in associates (Ohm Mobility and HLFL) are unlikely to surpass INR5b for FY26E.

Valuation and view

- While LCV demand is already showing signs of revival, we expect MHCV truck demand to recover in the coming quarters on the back of a pickup in consumption pan-India led by the recent GST rate cuts. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent control of capex is expected to help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR165 (based on 12x Sep27E EV/EBITDA + ~INR10/sh for NBFC)**.

Qty Performance (S/A) (INR m)

	FY25				FY26E				FY25	FY26	2QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				(%)
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	49,116	51,810	64,376	195,097	2,09,540	49,116	0.0
Growth %	6.2	-8.5	-1.4	5.1	0.8	7.7	11.7	8.8	0.3	7.7	7.7	
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,952	2,022	2,045	1,986	2,002	1,980	-1.4
Change (%)	-1.1	-0.6	3.7	0.6	0.7	1.6	-1.0	1.6	0.7	1.5	3.0	
Net operating revenues	**85,985**	**87,688**	**94,787**	**119,067**	**87,245**	**95,882**	**1,04,771**	**1,31,629**	**387,527**	**4,19,527**	**97,232**	-1.4
Change (%)	5.0	-9.0	2.2	5.7	1.5	9.3	10.5	10.5	1.0	9.3	**10.9**	
RM/sales %	72.2	71.2	71.5	70.6	70.6	71.2	71.0	71.1	71.3	71.0	70.8	
Staff/sales %	6.4	6.8	6.4	5.5	7.0	6.8	6.3	5.2	6.2	6.2	6.9	
Other exp/sales %	10.9	10.4	9.4	8.9	11.2	10.0	9.6	8.6	9.8	9.7	10.5	
EBITDA	**9,109**	**10,173**	**12,114**	**17,910**	**9,696**	**11,622**	**13,777**	**19,872**	**49,306**	**54,966**	**11,473**	1.3
EBITDA Margin (%)	10.6	11.6	12.8	15.0	11.1	12.1	13.2	15.1	12.7	13.1	11.8	30bp
Interest	591	607	501	471	419	420	400	390	2,169	1,628	350	
Other Income	223	973	247	1,059	529	1,348	300	484	2,503	2,660	700	92.5
Depreciation	1,727	1,754	1,923	1,789	1,828	1,723	1,750	1,850	7,193	7,151	1,850	
PBT before EO Item	**7,014**	**8,785**	**9,938**	**16,709**	**7,977**	**10,827**	**11,927**	**18,115**	**42,446**	**48,847**	**9,973**	8.6
EO Exp/(Inc)	0	-1,174	0	137	0	400	0	0	-1,037	400	0	
PBT after EO	**7,014**	**9,958**	**9,938**	**16,573**	**7,977**	**10,427**	**11,927**	**18,115**	**43,483**	**48,447**	**9,973**	
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.6	26.0	25.0	25.5	24.0	25.5	25.5	
Adj PAT	**5,256**	**6,933**	**7,617**	**12,562**	**5,937**	**8,009**	**8,946**	**13,463**	**32,355**	**36,354**	**7,430**	7.8
Change (%)	-8.9	20.2	31.2	32.4	13.0	15.5	17.4	7.2	20.6	12.7	7.2	

E: MOFSL Estimates

Max Financial Services

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	MAXF IN
Equity Shares (m)	345
M.Cap.(INRb)/(USDb)	593.2 / 6.7
52-Week Range (INR)	1728 / 950
1, 6, 12 Rel. Per (%)	6/29/32
12M Avg Val (INR M)	1180

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Gross Premium	332.2	386.8	450.6
PAT	4.1	3.0	5.9
APE	87.7	102.3	121.7
VNB margin (%)	24.0	25.0	26.0
Op. RoEV (%)	19.1	17.4	18.9
AUM (INRb)	1,751	1,968	2,217
VNB(INRb)	21.1	25.6	31.6
EV per Share	584	691	828
Valuations			
P/EV (x)	2.9	2.5	2.1
P/EVOP (x)	19.9	16.9	13.1

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	1.7	1.7	3.3
DII	47.3	47.3	44.0
FII	44.8	44.7	46.2
Others	6.2	6.3	6.4

FII includes depository receipts

CMP: INR1,719 TP: INR2,100 (+22%) BUY

Product mix shift drives VNB margin expansion; guidance intact

- Axis Max Life Insurance (MAXLIFE) reported an APE growth of 16% YoY to INR25.1b (in line). For 1HFY26, APE grew 15% YoY to INR41.8b.
- MAXLIFE's 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%.
- At the end of 1HFY26, the company reported an EV of ~INR269b, reflecting an RoEV of 15% and an operating RoEV of 16.3% (16.8% in 1HFY25).
- The loss of ITC led to a 60bp impact on VNB margin in 1HFY26, and the company expects a 300–350bp drag without any changes to commissions or any other actions. However, the negotiations on commissions are ongoing, and other operating efficiencies would help offset the impact. Management maintained its VNB margin guidance of 24–25% for FY26.
- We retain our APE estimates and slightly raise our VNB margin estimates by 50bp to 25%/26%/26.5% in FY26/FY27/FY28. **We reiterate our BUY rating with a TP of INR2,100, premised on 2.3x Sep'27E EV.**

Rising contributions from protection, annuity, and non-par savings

- Gross premium income grew 18% YoY to INR91b (in-line). Renewal premium grew 19% YoY to INR56.3b (in-line). For 1HFY26, the premium grew 18% YoY to INR154.9b.
- The maintained growth momentum drove market share expansion to 10.1% during 1HFY26 from 9.3% in 1HFY25.
- VNB margin expansion of 190bp YoY was largely driven by a product mix shift in 2QFY26, with non-par savings contribution increasing to 35% (30% in 2QFY25) and protection contribution rising to 18% (15% in 2QFY25), while ULIP contribution declined to 35% (44% in 2QFY25).
- The high-margin segments, such as protection, witnessed an APE growth of 36% YoY in 1HFY26 to INR5.4b, with rider APE rising 80% YoY. Annuity APE posted 85% YoY growth to INR3.4b in 1HFY26. Group credit life has started to recoup from 2QFY26, witnessing a growth of 24% YoY during 2Q.
- MAXLIFE launched the Group Smart Health Insurance Plan, a comprehensive fixed-benefit health solution that offers the benefit of choosing from multiple benefit options.
- On the distribution front, the proprietary channel maintains strong growth momentum, growing 22% YoY during 2QFY26, aided by a 26% YoY growth in the offline channel and 14% YoY growth in the online channel. The partnership channel grew 9% YoY in 2Q, driven by a 6% YoY growth in the Axis Bank channel and a 31% YoY growth in other partner channels.
- The opex-to-GWP ratio improved 100bp YoY to 15.5% in 1HFY26.
- Persistency on the premium basis improved across long-term cohorts, especially in the 25th-month (+500bp YoY to 76%) and 61st-month (+200bp YoY to 54%). However, the 13th-month persistency dipped 200bp YoY to 85%.
- AUM grew 9% YoY to INR1.85t. The solvency ratio stood at 208% in 1HFY26 vs. 198% in 1HFY25.

Key highlights from the management commentary

- Early signs of a strong demand are visible, particularly in protection products, and management expects the impact to deepen over the medium term. About 75% of Sep'25 sales were completed after 22nd Sep'25.
- MAXLIFE now holds the highest market share in retail protection, reflecting its strong franchise in the segment. Pure protection sales grew 34% YoY, with momentum improving week-on-week post-GST exemption. The credit life business also started recovering in 2Q and is expected to sustain traction in the coming quarters.
- Within Axis Bank, MAXLIFE continues to maintain a 65-66% counter share in individual business and ~60% share in credit life. Management expects these shares to improve to 65-70% over time.

Valuation and view

- MAXLIFE maintains 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. While the GST exemption is expected to improve the growth momentum, the efforts to mitigate the impact of the loss of input tax credit will be key.
- We retain our APE estimates and slightly raise our VNB margin estimates by 50bp to 25%/26%/26.5% in FY26/FY27/FY28. **We reiterate our BUY rating with a TP of INR2,100, premised on 2.3x Sep'27E EV.**

Quarterly snapshot

Policyholder's A/c	FY25				FY26				FY25	FY26E	FY26E	A
(INR b)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	v/s E (%)
First-year premium	12.6	20.5	20.4	29.8	15.5	23.4	23.9	34.9	82.0	97.8	23.5	0
Growth (%)	*27.1*	*33.6*	*16.1*	*17.3*	*23.3*	*14.1*	*17.2*	*17.2*	*19.0*	*19.2*	*14.5*	
Renewal premium	33.2	47.2	52.2	77.8	38.7	56.3	59.8	89.2	210.5	244.0	54.9	3
Growth (%)	*10.3*	*12.4*	*13.3*	*16.4*	*16.6*	*19.2*	*14.4*	*14.6*	*13.7*	*15.9*	*16.2*	
Single premium	8.2	9.7	9.6	11.1	9.7	11.3	10.8	13.3	39.7	45.1	11.3	-1
Growth (%)	*-5.7*	*8.4*	*3.0*	*-27.0*	*19.0*	*16.5*	*13.1*	*20.4*	*-3.9*	*13.5*	*17.3*	
Gross premium income	**54.0**	**77.4**	**82.2**	**118.6**	**64.0**	**90.9**	**94.5**	**137.4**	332.2	386.8	**89.7**	**1**
Growth (%)	*10.8*	*16.8*	*12.7*	*10.5*	*18.5*	*17.5*	*15.0*	*15.8*	*12.5*	*16.4*	*15.9*	
PAT	**1.6**	**1.4**	**0.7**	**0.4**	**0.9**	**0.1**	**0.9**	**1.2**	4.1	3.0	**1.5**	**-96**
Growth (%)	*51.4*	*-11.2*	*-53.8*	*-174.5*	*-44.9*	*-95.7*	*28.3*	*207.7*	*13.0*	*-26.6*	10.7	
Key metrics (INRb)												
New Business APE	14.5	21.7	21.1	30.4	16.7	25.1	25.3	35.2	87.7	102.3	24.8	1
Growth (%)	*30.5*	*31.3*	*17.4*	*5.8*	*14.8*	*15.5*	*19.9*	*15.9*	*20.9*	*16.6*	0.1	
VNB	2.5	5.1	4.9	8.5	3.4	6.4	6.3	9.5	21.1	25.6	6.0	7
Growth (%)	*2.8*	*23.1*	*0.0*	*3.8*	*31.9*	*24.8*	*29.3*	*11.6*	*6.8*	*21.3*	0.2	
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,832.1	1,853.4	1,909.0	1,967.8	1,750.7	1,967.8	1,887	-2
Growth (%)	*24.8*	*26.8*	*20.4*	*16.0*	*13.7*	*8.9*	*11.2*	*12.4*	*16.1*	*12.4*	0.1	
Key ratios (%)												
VNB Margin (%)	17.5	23.6	23.2	28.0	20.1	25.5	25.0	27.0	24.0	25.0	24.0	

Biocon

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BIOS IN
Equity Shares (m)	1337
M.Cap.(INRb)/(USDb)	542.7 / 6.1
52-Week Range (INR)	409 / 291
1, 6, 12 Rel. Per (%)	13/20/8
12M Avg Val (INR M)	1371

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	175	209	241
EBITDA	34	43	49
Adjusted PAT	5	10	14
EBIT Margin (%)	8.8	10.6	10.7
Cons. Adj EPS (INR)	4.0	8.7	11.4
EPS Gro. (%)	97.4	115.4	30.8
BV/Sh. (INR)	184.1	192.3	203.0
Ratios			
Net D-E	0.7	0.7	0.6
RoE (%)	2.2	4.6	5.7
RoCE (%)	3.1	3.8	4.2
Payout (%)	5.5	5.6	5.6
Valuations			
P/E (x)	100.1	46.5	35.5
EV/EBITDA (x)	16.8	13.4	11.7
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-0.1	4.4	5.5
EV/Sales (x)	3.3	2.8	2.4

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	54.5	54.5	60.6
DII	22.1	22.8	14.4
FII	6.8	6.2	6.2
Others	16.7	16.5	18.8

FII includes depository receipts

CMP: INR406 TP: INR480 (+18%) Buy

Operationally in-line 2Q; healthy growth in core business

Scaling biosimilar franchise and reducing debt to support stronger profitability ahead

- Biocon (BIOS) delivered in-line revenue/EBITDA for 2QFY26. PAT for the quarter was better than expected, driven by lower minority interest for the quarter.
- BIOS has maintained a positive YoY revenue growth trend over the past five quarters, driven by the biologics and generics segment. The Syngene business was impacted by the higher base of last year.
- For biosimilars, BIOS witnessed robust momentum across key markets of North America (NA) and Europe, as well as emerging markets, led by market share gains and product launches.
- New launches have also boosted growth for the company's generics business in the US/EU markets. Notably, improved sales led to better operating leverage, given that three new facilities were capitalized in FY25.
- We have trimmed our earnings estimate for FY26/FY27/FY28 by 2%/4%/3%, factoring in: a) procedural time required to add Insulin Aspart biosimilar in the formulary list, b) gradual reduction in interest costs, and c) R&D spending to boost product pipeline across the biosimilar/generics segments.
- We value BIOS on an SOTP basis (22x 12M forward EV/EBITDA for 73% stake in Biocon Biologics, 53% stake in Syngene, and 10x EV/EBITDA for the Generics business) to arrive at a TP of INR480.
- Following an earnings revival in FY25, BIOS is entering a scale-up phase, poised for strong earnings growth driven by robust traction across segments and improved profitability. Ongoing financial deleverage is expected to further enhance earnings prospects. Revenue/EBITDA are expected to record a CAGR of 16% over FY25-28, while earnings are expected to compound at a significantly higher rate of 77%, supported by financial deleveraging benefits. Reiterate BUY.

Product mix benefit outweighed by better operating leverage

- BIOS's 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) rose 2% YoY to INR9.1b. Generics (17% of sales) sales rose 24% YoY to INR7.7b.
- Gross margin 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, driven by higher-than-expected finance costs and depreciation during the quarter.

- BIOS had incurred an exceptional expense of INR291m related to the settlement of litigation. Following the settlement, the amount disclosed under 'other expense' in 1QFY26 has been re-classified as an exceptional item.
- Adj. for the same, PAT at INR910m (est. INR700m) was higher than expected, mainly due to substantially lower minority interest of INR480m (est. INR1,135m) for the quarter.
- In 1HFY26, Revenue/EBITDA grew 17%/22% YoY, while PAT came in at INR1.2b vs a loss of INR1.2b in 1HFY25.

Highlights from the management commentary

- With the approval/launch of Insulin Aspart in place, BIOS is working on formulary-related procedures and expects meaningful traction from the product beginning CY26 onwards.
- The only outstanding debt is with Edelweiss, which is scheduled to be fully repaid on or before 31st Jan'26.
- Gross margin in the generics business stood at ~45%. With product launches including Liraglutide/Dasatinib, the profitability of the generics business is expected to experience an improving trend.
- R&D spend is expected at 7-9%/8-10% for biosimilars/generics, respectively, as a % of sales.
- The reduction in interest costs will start to reflect from 2HFY26 onwards, with about INR3b reduction projected to be reflected in FY27.

Quarterly performance (Consolidated)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	
	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**	**45,447**	**47,054**	**1,52,617**	**1,74,880**	**41,433**	**3.7%**
YoY Change (%)	0.3	3.7	6.0	12.8	14.8	19.7	18.9	6.5	5.9	14.6	15.4	
Total Expenditure	**28,120**	**29,040**	**30,357**	**33,390**	**31,770**	**34,610**	**36,494**	**37,596**	**1,20,907**	**1,40,470**	33,064	
EBITDA	**6,209**	**6,864**	**7,857**	**10,780**	**7,650**	**8,350**	**8,953**	**9,458**	**31,710**	**34,411**	**8,369**	**-0.2%**
YoY Change (%)	-12.9	-7.4	36.2	17.7	23.2	21.6	13.9	-12.3	7.6	8.5	21.9	
Margins (%)	18.1	19.1	20.6	24.4	19.4	19.4	19.7	20.1	20.8	19.7	20.2	
Depreciation	4,050	4,200	4,250	4,360	4,550	4,730	4,825	4,995	16,860	19,100	4,436	
EBIT	**2,159**	**2,664**	**3,607**	**6,420**	**3,100**	**3,620**	**4,128**	**4,463**	**14,850**	**15,311**	**3,934**	
YoY Change (%)	-39.2	-24.4	123.1	26.1	43.6	35.9	14.4	-30.5	7.8	3.1	47.7	
Interest	2,360	2,260	2,230	2,120	2,770	2,720	2,350	2,100	8,970	9,940	2,450	
Other Income	767	330	350	370	800	930	960	980	1,817	3,670	650	
Extraordinary Income	10,893	260	-163	210	-170	-120	0	0	11,200	-290	0	
Share of Profit/Loss from Associates	0	0	0	0	0	0	0	0	0	0	0	
PBT	**11,459**	**994**	**1,564**	**4,880**	**960**	**1,710**	**2,738**	**3,343**	**18,897**	**8,751**	**2,134**	**-19.9%**
Tax	2,840	710	750	280	80	390	589	702	4,580	1,761	299	
Rate (%)	24.8	71.4	47.9	5.7	8.3	22.8	21.5	21.0	24.2	20.1	14.0	
Minority Interest	2,030	430	560	1,150	580	480	570	590	4,170	2,220	1,135	
PAT	**6,589**	**-146**	**254**	**3,450**	**300**	**840**	**1,580**	**2,051**	**10,147**	**4,770**	**700**	**20.0%**
Adj PAT	**-1,604**	**365**	**439**	**3,252**	**300**	**910**	**1,580**	**2,051**	**2,452**	**4,840**	**700**	**30.0%**
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-118.7	149.2	259.6	-36.9	13.2	97.4	91.6	
Margins (%)	19.2	-0.4	0.7	7.8	0.8	2.0	3.5	4.4	6.6	2.7	1.7	

E: MOFSL Estimates

PI Industries

Estimate change	↓
TP change	⟷
Rating change	⟷

Bloomberg	PI IN
Equity Shares (m)	152
M.Cap.(INRb)/(USDb)	544.5 / 6.1
52-Week Range (INR)	4648 / 2951
1, 6, 12 Rel. Per (%)	-2/-7/-29
12M Avg Val (INR M)	1040

Financials & Valuations (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	76.3	85.8	97.4
EBITDA	20.4	22.9	26.0
PAT	15.5	16.8	19.2
EBITDA (%)	26.7	26.7	26.7
EPS (INR)	102.1	110.7	126.0
EPS Gr. (%)	(6.6)	8.4	13.9
BV/Sh. (INR)	754	849	959
Ratios			
Net D/E	(0.4)	(0.4)	(0.4)
RoE (%)	14.4	13.8	13.9
RoCE (%)	14.2	13.7	13.8
Payout (%)	15.7	14.5	12.7
Valuations			
P/E (x)	35.2	32.4	28.5
EV/EBITDA (x)	25.2	22.1	19.1
Div Yield (%)	0.4	0.4	0.4
FCF Yield (%)	2.0	2.2	2.4

Shareholding Pattern (%)

As on	Sep-25	Jun-25	Sep-24
Promoter	46.1	46.1	46.1
DII	30.4	29.4	26.4
FII	16.4	17.0	19.0
Others	7.1	7.6	8.5

Note: FII includes depository receipts

CMP: INR3,589 TP: INR4,260 (+19%) Buy

Weak quarter as macro headwinds persist

Operating performance beats estimates

- PI Industries (PI) reported a muted quarter as revenue declined 16% YoY due to 13%/18% YoY drop in domestic agrochem/CSM revenue. However, pharma revenue surged ~54% YoY (3% mix). Consolidated EBITDA margin expanded 60bp YoY, led by a 550bp gross margin improvement, offset by higher employee/other expenses. Higher expenses were due to strategic development and promotion expenses of new businesses.
- Macro headwinds persisted through 2Q and may continue in 3Q, with a gradual recovery likely from 4Q onward and a normalization likely in FY27. Early indicators of a strong rabi season, supported by a favorable monsoon and healthy reservoir level, signal improving demand prospects.
- Factoring in the weak performance, we reduce our FY27/FY28 earnings estimates by 6% each while broadly maintaining our FY26E earnings. We reiterate our BUY rating with a TP of INR4,260 (based on 36x Sep'27E EPS).

Broad-based decline; margins steady

- Consolidated revenue stood at INR18.7b (est. INR17.7b), down 16% YoY.
- EBITDA stood at INR5.4b (est. INR4.3b), down 14% YoY. EBITDA margins expanded by 60bp YoY to 28.9% (est. 24.5%). Gross margins expanded 550bp YoY to 57.3%. Employee expenses rose 300bp YoY to 11.8%. Other expenses increased by 190bp YoY to 16.6% of sales. Adj. PAT was down 19% YoY at INR4.1b (est. INR3.3b).
- Agrochemical (CSM export and domestic agrochem) revenue stood at INR18.1b (down 17% YoY), EBIT declined 18% YoY to INR5.9b, and EBIT margin came in at ~32.7% (down 30bp YoY).
- Export (CSM) revenue fell 18% YoY to INR14.1b. Domestic agrochemical revenue declined 13% YoY to INR4b, while volumes were down 9% due to the erratic rainfall disrupting the demand.
- Pharma revenue stood at INR634m (~4% of export revenue), up 54% YoY.
- For 1HFY26, 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. CFO stood at INR2.5b as of Sep'25 vs. INR8.0b as of Sep'24.

Highlights from the management commentary

- **Outlook:** Macro headwinds are expected to persist, underpinned by climatic volatility, evolving structural shifts among global innovators, and ongoing geopolitical supply-chain disruptions. Management reiterated its EBITDA margin guidance of 26-27%. PI commercialized eight new molecules in 1HFY26 (five in agchem and three in domestic segment).

- **Biological:** The segment is emerging as a key long-term growth driver, with strong early traction. PI is building a global product portfolio and new research infrastructure to become a leading domestic player despite near-term margin pressure from ongoing investments and regulatory disruptions.
- **Pharma business:** The segment continues to build strong momentum, with revenue doubling in 1HFY26 and onboarding of several new CDMO clients, supported by steady investments in capabilities, infrastructure, and late-stage programs. Profitability was affected by one-off costs and product mix.

Valuation and view

- PI's growth trajectory is expected to remain muted and a gradual pickup is expected from 4QFY26, led by an improving demand scenario and a strong rabi season.
- The company's medium- to long-term growth story will be led by 1) stable growth momentum in the CSM business due to the rising pace of commercialization of new molecules, 2) biological industry continuing to outpace the chemical industry, and 3) the ramp-up of its pharma business.
- We expect a CAGR of 7%/6%/5% in revenue/EBITDA/adj. PAT over FY25-28. We reduce our FY27/FY28 earnings estimates by 6% each while broadly maintaining our FY26E earnings. We reiterate our BUY rating with a TP of INR4,260 (based on 36x Sep'27E EPS).

Quarterly Earning 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**	**18,670**	**19,947**	**79,778**	**76,346**	**17,769**	**5**
YoY Change (%)	8.3	4.9	0.2	2.6	-8.1	-15.7	-1.8	11.6	4.1	-4.3	-20.0	
Total Expenditure	14,857	15,928	13,888	13,315	13,814	13,310	13,975	14,867	57,988	55,966	13,420	
EBITDA	**5,832**	**6,282**	**5,120**	**4,556**	**5,191**	**5,413**	**4,695**	**5,080**	**21,790**	**20,380**	**4,349**	**24**
Margins (%)	28.2	28.3	26.9	25.5	27.3	28.9	25.1	25.5	27.3	26.7	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**	**4,600**	**4,998**	**21,377**	**19,877**	**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**	**4,600**	**4,998**	**21,377**	**19,877**	**4,226**	
Tax	1,175	1,546	1,080	1,017	1,074	1,160	1,058	1,150	4,818	4,442	972	
Rate (%)	20.8	23.3	22.5	23.6	21.3	22.2	23.0	23.0	22.5	22.3	23.0	
Minority Interest & P/L 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**	**3,552**	**3,869**	**16,602**	**15,514**	**3,264**	
Adj PAT	**4,488**	**5,082**	**3,727**	**3,305**	**4,000**	**4,093**	**3,552**	**3,869**	**16,602**	**15,514**	**3,264**	**25**
YoY Change (%)	17.2	5.8	-16.9	-10.6	-10.9	-19.5	-4.7	17.1	-1.3	-6.6	-36	
Margins (%)	21.7	22.9	19.6	18.5	21.0	21.9	19.0	19.4	20.8	20.3	18.4	

Container Corporation

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	CCRI IN
Equity Shares (m)	762
M.Cap.(INRb)/(USDb)	404 / 4.6
52-Week Range (INR)	693 / 481
1, 6, 12 Rel. Per (%)	-4/-7/-26
12M Avg Val (INR M)	931

Financial Snapshot (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	94.1	111.2	128.1
EBITDA	20.9	25.3	29.4
Adj. PAT	13.6	16.9	19.7
EBITDA Margin (%)	22.2	22.8	22.9
Adj. EPS (INR)	17.8	22.2	25.8
EPS Gr. (%)	4.7	24.7	16.3
BV/Sh. (INR)	173.3	185.9	200.6
Ratios			
Net D:E	(0.3)	(0.4)	(0.4)
RoE (%)	10.6	12.4	13.4
RoCE (%)	11.0	12.7	13.7
Payout (%)	43.1	43.1	43.1
Valuations			
P/E (x)	29.7	23.8	20.5
P/BV (x)	3.1	2.9	2.6
EV/EBITDA(x)	16.6	13.2	11.0
Div. Yield (%)	1.5	1.8	2.1
FCF Yield (%)	2.4	3.6	4.4

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	54.8	54.8	54.8
DII	25.8	26.2	25.8
FII	12.4	12.7	13.7
Others	7.0	6.3	5.7

FII includes depository receipts

CMP: INR530 TP: INR670 (+26%) Buy

Steady 2Q; volume growth likely to improve

- Container Corporation (CCRI)'s 2QFY26 revenue grew 3% YoY to INR23.5b (in line). Total volumes grew 11% YoY to 1.4m TEUs, with EXIM/domestic volumes at 0.109m/0.34m TEUs (+9%/+17% YoY). Blended realization dipped ~7% YoY to INR16,321/TEU. EXIM/Domestic realization stood at INR14,426/INR22,286 per TEU (-5%/-12% YoY).
- EBITDA margins came in at 24.2% (v/s our estimate of 21.6%). EBITDA declined ~1% YoY and was 12% above our estimate.
- The 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 to 15 years from 8 years. As a result, depreciation on LNG trucks and trailers stood at ~INR15.2m in 2Q – a reduction of INR30.9m in 1HFY26. This change led to a corresponding increase in PBT by INR30.9m for 1HFY26.
- The Board declared a dividend of INR2.6 per equity share, amounting to INR1.98b.
- CCRI delivered a steady operational performance in 2QFY26, marked by healthy volume growth; however, lower realizations in the EXIM and domestic segments were unfavorable. The company faced challenges such as subdued demand in cement due to the extended monsoon, which also affected domestic volume growth.
- We broadly maintain our estimates for FY26 and FY27, factoring in lower realization in EXIM/domestic business and a delay in DFC connection to Mar'26. We further roll forward our valuation to FY28. We expect its revenue/ EBITDA to clock a CAGR of 13%/16% over FY25-FY28. **We reiterate our BUY rating with a TP of INR670 (based on 15x EV/EBITDA on FY28E).**

Key highlights from the management commentary

- CCRI's LLF stood at INR2.16b in 1HFY26. The company continues to evaluate and surrender underutilized land parcels to rationalize LLF, which is expected to remain at FY25 levels during FY26.
- Delays in the delivery of specialized tank containers, which were hurting domestic volumes, are running smoothly with the delivery of 200 containers. CCRI has placed an order for 1,000 units (in two tranches of 500), of which 700 have been received, and the balance will be delivered in the near future.
- The originating volume for EXIM/Domestic stood at 0.58m/0.13m TEUs.
- Management sees a significant opportunity in cement container transport, as only ~10% of cement is currently transported by rail, with the balance moving by road. The company has signed MoUs with Ultratech and Adani Cement to transport 1 lakh tonnes of cement per month, with each of them to tap this opportunity.

- For FY26, CCRI has maintained its guidance of 13% growth in total volumes, with 10%/20% growth in EXIM/domestic volumes.

Valuation and view

- CCRI strengthened its logistics ecosystem by expanding double-stack rail operations, shipping operations in the Middle East, utilizing the Dedicated Freight Corridor to drive efficiency, and advancing its integrated logistics network. The company remains focused on scaling its rail freight services and infrastructure, supported by a higher capex allocation toward new terminal commissioning, fleet augmentation, and enhanced multimodal connectivity.
- We broadly maintain our estimates for FY26 and FY27, factoring in lower realization in EXIM/domestic business and delay in DFC connection, and roll forward our valuation to FY28. **We expect its revenue/ EBITDA to clock a CAGR of 13%/16% over FY25-FY28. We reiterate our BUY rating with a TP of INR670 (based on 15x EV/EBITDA on FY28E).**

Standalone quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Sales	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,514**	**24,299**	**24,763**	**88,634**	**94,071**	**23,460**	**0**
YoY Change (%)	9.3	4.2	-0.1	-1.6	2.5	3.0	10.4	8.5	2.7	6.1	2.8	
EBITDA	**4,319**	**5,750**	**4,583**	**4,335**	**4,265**	**5,688**	**5,491**	**5,474**	**18,986**	**20,918**	**5,067**	**12**
Margins (%)	20.6	25.2	20.8	19.0	19.8	24.2	22.6	22.1	21.4	22.2	21.6	
YoY Change (%)	10.3	7.0	-10.4	-11.4	-1.3	-1.1	19.8	26.3	-1.6	10.2	-11.9	
Depreciation	1,649	1,617	810	1,552	1,570	1,427	1,595	1,756	5,628	6,348	1,580	
Interest	181	177	171	166	164	177	148	110	695	600	152	
Other Income	924	1,301	995	1,432	935	959	1,050	1,242	4,652	4,186	1,250	
PBT before EO expense	**3,413**	**5,257**	**4,596**	**4,049**	**3,465**	**5,043**	**4,798**	**4,849**	**17,314**	**18,156**	**4,585**	
Extra-Ord expense	0	333	0	0	0	0	0	0	-333	0	0	
PBT	**3,413**	**4,923**	**4,596**	**4,049**	**3,465**	**5,043**	**4,798**	**4,849**	**16,981**	**18,156**	**4,585**	
Tax	859	1,213	1,162	1,027	888	1,275	1,207	1,205	4,261	4,575	1,153	
Rate (%)	25.2	24.6	25.3	25.4	25.6	25.3	25.2	24.8	25.1	25.2	25.2	
Reported PAT	**2,554**	**3,711**	**3,434**	**3,021**	**2,577**	**3,768**	**3,592**	**3,645**	**12,720**	**13,581**	**3,432**	**10**
Adj PAT	**2,554**	**3,960**	**3,434**	**3,021**	**2,577**	**3,768**	**3,592**	**3,645**	**12,970**	**13,581**	**3,432**	**10**
YoY Change (%)	4.6	10.7	2.7	0.7	0.9	-4.9	4.6	20.6	4.9	4.7	-13.3	
Margins (%)	12.2	17.3	15.6	13.2	12.0	16.0	14.8	14.7	14.6	14.4	14.6	

Thermax

Estimate changes	↓
TP change	↓
Rating change	↔

Bloomberg	TMX IN
Equity Shares (m)	119
M.Cap.(INRb)/(USDb)	364.8 / 4.1
52-Week Range (INR)	5355 / 2930
1, 6, 12 Rel. Per (%)	-7/-11/-48
12M Avg Val (INR M)	609

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	108.5	122.3	139.4
EBITDA	10.8	12.8	15.4
PAT	7.0	8.1	9.7
EPS (INR)	62.2	72.2	86.5
GR. (%)	10.3	16.1	19.8
BV/Sh (INR)	485.6	542.7	614.2
Ratios			
ROE (%)	13.5	14.0	14.9
RoCE (%)	11.5	12.0	12.8
Valuations			
P/E (X)	49.2	42.4	35.4
P/BV (X)	6.3	5.6	5.0
EV/EBITDA (X)	32.2	27.1	22.2
Div Yield (%)	0.5	0.5	0.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	62.0	62.0	62.0
DII	14.0	11.8	12.7
FII	18.9	21.5	20.9
Others	5.2	4.8	4.4

FII Includes depository receipts

CMP: INR3,061 TP: INR3,000 (-2%) Sell

Legacy projects impacted performance

Thermax's (TMX) 2QFY26 results came in sharply below our expectations on lower-than-expected order inflows, execution and margins. As highlighted earlier (link), we were concerned about the impact of legacy projects and US tariffs on the industrial infra and chemical segment's margins and this impact was more severe than our expectations in 2QFY26. The order prospect pipeline remains strong across metals and mining, refineries, thermal and fertilizer, and TMX expects healthy inflow ramp-up in 2HFY26. We do expect TMX to benefit from its strong product portfolio and improved margins in industrial product division. However, the lingering impact of legacy margins can continue to impact performance for the next 2-3 quarters. We cut our estimates by 9%/10%/9% for FY26/27/28 and revise our SoTP-based TP to INR3,000 on two-year forward earnings (from INR3,450 earlier). Reiterate Sell.

Weak set of results

Revenue declined 5% YoY to INR24.7b (vs. our est. INR28.9b), primarily driven by a 24% YoY decline in the Industrial Infra segment. Gross margin expanded ~230bp YoY but contracted ~360bp QoQ to 47.1%. Lower margins in the Industrial Infra division led to an overall EBITDA margin contraction of ~360bp YoY to 7.0%, with EBITDA at INR1.7b (-38% YoY), missing our estimate by 38%. The decline in profitability was impacted by project cost overruns in the Industrial Infra segment and a higher-than-expected tax rate, resulting in an adjusted PAT of INR1.2b (-40% YoY, 33% below our estimate), while PAT margin contracted 280bp YoY to 4.8%. Order inflows for the quarter stood at INR35.5b, up 6% YoY, taking the total order book to INR123b, up 6% YoY. For 1HFY26, revenue/EBITDA/PAT declined 4%/5%/12% YoY to INR46.2b/INR4.0b/INR2.7b, with margins contracting marginally by 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.

Segment-wise performance led by the industrial product and green solutions division amid margin moderation

Among segments, industrial product/green solutions revenue grew 12%/10% YoY, while growth remained weak in the industrial infra and chemical 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 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.

Industrial Products: Strong outlook

During 2Q, the division witnessed inflow growth of 18% YoY. Growth was driven by strong traction in water desalination, environmental equipment, and heating solutions, along with emerging opportunities in data centers and clean air systems. Although margins softened to 9.9% (from 10.8% YoY) due to an unfavorable product mix, we expect revenue growth and margin trajectory to improve going forward. We bake in 16% revenue CAGR over FY25-28 and 11.5% EBIT margin each for FY26/27/28.

Industrial Infra drags down performance; margin pressure persists

Revenue declined 24% YoY for the quarter. The underperformance was driven by execution of legacy low-margin FGD and refinery projects, cost overruns, and subdued conversion of large project inquiries. Order inflows fell 16% YoY to INR14.6b, as the company focused on improving order quality by refraining from low-margin, long-duration government projects. While the backlog mix is gradually improving toward higher-margin international and private-sector orders, recovery is expected to be gradual. We expect 3% revenue CAGR over FY25-28 and EBIT margins of 3.0%/4.0%/5.0% for FY26/27/28, reflecting slow normalization in project execution and limited near-term margin levers.

Green Solutions gains traction; profitability improves YoY

During 2Q, the order inflows increased 418% YoY to INR3b, supported by growth in biomass-based energy solutions, hybrid renewable projects, and an accounting change at TOESL. Within the segment, FEPL continued the execution of two solar projects – one in ISDs and another in Gujarat - and is targeting break-even next year as part of its planned INR7.5b investment. Execution is also progressing well on key projects, including the 140 MW hybrid project at Jafrabad and wind installations in Tamil Nadu. With expanding capacity and improving profitability, we expect revenue CAGR of 9% over FY25-28 and EBIT margins of 18%/13%/13% each for FY26/27/28, reflecting gradual scaling and operational leverage benefits.

Chemicals: Gradual recovery; margins under pressure

Revenue was flat YoY for the quarter, with margins moderating to 9.8% from 16.1% in 2QFY25 due to higher input costs, elevated fixed expenses, and an unfavorable product mix. Demand was initially weak amid competitive pricing from Chinese suppliers but began recovering from Sep'25, supported by higher plant utilization and improving traction in construction chemicals and specialty resins. The order book stood at around INR2.0b, which is expected to rise to INR2.3-2.5b in 3Q, with profitability likely to revert to mid-teens as volumes normalize. We expect 19% revenue CAGR over FY25-28 and EBIT margins of 11%/13%/14% for FY26/27/28. We expect margins to remain impacted in the near term due to tariff issues.

Strong pipeline yet to reflect in order book

The order pipeline remains healthy, with broad-based demand across industries and geographies. The company continues to see a reasonable pipeline of good projects across segments, particularly in power, metals, refining, petrochemical, and fertilizers, along with emerging applications such as data centers. International opportunities remain encouraging, led by strong traction in HRSG and other process equipment orders from the Middle East. The company targets over 20% growth in order inflows for FY26, supported by improved project quality and disciplined bidding practices. We bake in a CAGR of 16% in order inflows over FY25-28.

Financial outlook

We expect a CAGR of 10%/19%/15% in revenue/EBITDA/PAT over FY25-28. We build in 1) 16% CAGR in order inflows, 2) a gradual recovery in EBIT margins of the Industrial Infra and chemical divisions to 5.0% and 14.0%, respectively, by FY28E, and 3) control over working capital and NWC (at 10 days).

Valuation and view

The stock is currently trading at 49.2x/42.4x/35.4x on FY26E/FY27E/FY28E EPS. **We reiterate our Sell rating with a revised TP of INR3,000, based on 38x two-year forward EPS for the core business.** Slightly lower multiple bakes in impact of legacy orders and weak inflow growth for the company. With the value of investments in subsidiaries, we believe that stock is currently factoring in a possible revival in order inflows as well as margin improvement.

Key risks and concerns

A slowdown in order inflows, a spike in commodity prices, a slower-than-expected revival in private sector capex, and increased competition are the key risks to our estimates.

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**	**27,144**	**35,109**	**1,03,887**	**1,08,494**	**28,863**	**-14**
YoY Change (%)	13.0	13.4	7.9	11.6	-1.6	-5.3	8.2	13.8	11.4	4.4	10.5	
Gross profit	9,556	11,711	11,083	13,401	10,898	11,641	12,079	14,204	45,752	48,822	13,277	
Total Expenditure	20,433	23,336	23,188	27,853	19,251	23,019	24,211	31,192	94,809	97,673	26,100	
EBITDA	**1,412**	**2,780**	**1,890**	**2,997**	**2,251**	**1,720**	**2,933**	**3,916**	**9,078**	**10,821**	**2,763**	**-38**
YoY Change (%)	6.8	35.8	0.8	9.7	59.5	-38.1	55.2	30.7	13.8	19.2	-0.6	
Margins (%)	6.5	10.6	7.5	9.7	10.5	7.0	10.8	11.2	8.7	10.0	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	332	365	2,522	2,207	538	59
PBT before EO expense	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**1,738**	**2,440**	**3,425**	**8,847**	**9,720**	**2,470**	**-30**
PBT	**1,617**	**2,663**	**1,568**	**3,000**	**2,117**	**1,738**	**2,440**	**3,425**	**8,847**	**9,720**	**2,470**	**-30**
Tax	519	683	425	951	600	543	683	895	2,578	2,722	692	
Rate (%)	32.1	25.6	27.1	31.7	28.4	31.2	28.0	26.1	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**	**1,757**	**2,533**	**6,268**	**6,998**	**1,779**	**-33**
Adj PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,515**	**1,194**	**1,757**	**2,533**	**6,268**	**6,998**	**1,779**	**-33**
YoY Change (%)	17.4	24.9	-19.0	5.3	38.4	-39.7	54.5	23.2	6.7	10.3	-10.2	
Margins (%)	5.0	7.6	4.5	6.7	7.0	4.8	6.5	7.2	6.0	6.5	6.2	

Gujarat Gas

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	GUJGA IN
Equity Shares (m)	688
M.Cap.(INRb)/(USDb)	280.9 / 3.2
52-Week Range (INR)	524 / 360
1, 6, 12 Rel. Per (%)	-7/-16/-27
12M Avg Val (INR M)	248

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	151.6	162.0	182.2
EBITDA	19.2	20.7	22.8
PAT	11.8	12.6	14.7
EPS (INR)	17.2	18.3	21.3
EPS Gr. (%)	3.2	6.8	16.1
BV/Sh.(INR)	134.1	146.2	160.3
Ratios			
Net D:E	-0.1	-0.1	-0.2
RoE (%)	13.4	13.1	13.9
RoCE (%)	18.3	17.8	18.9
Payout (%)	34.0	34.0	34.0
Valuations			
P/E (x)	23.8	22.2	19.2
P/BV (x)	3.0	2.8	2.5
EV/EBITDA (x)	14.1	13.0	11.5
Div. Yield (%)	1.4	1.5	1.8
FCF Yield (%)	2.5	2.3	2.9

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	60.9	60.9	60.9
DII	22.0	22.0	21.4
FII	3.7	3.9	4.5
Others	13.4	13.3	13.2

FII Includes depository receipts

CMP: INR408 TP: INR500 (+23%) Buy

Morbi's volume pickup crucial

- **Gujrat Gas' (GUJGA) volumes came in line with our estimate at 8.7mmscmd in 2QFY26, as both CNG/I&C-PNG volumes were in line with our estimate. Morbi volumes declined ~0.4mmscmd QoQ to ~2.1mmscmd, primarily due to customers shifting toward cheaper alternate fuels. EBITDA/scm margin contracted ~INR0.8 QoQ to INR5.6 (in line with estimates), largely due to a decrease in realization.**
- **Industrial volumes are expected to remain under pressure in the near term as propane prices soften and spot LNG prices remain high. Even after an INR3.25/scm I&C-PNG price cut taken by GUJGA in Aug'25, propane continues to remain INR4-6/scm cheaper vs piped natural gas in Morbi. As the current volume run rate in Morbi is even lower at ~1.7-1.8mmscmd (2.1mmscmd in 2Q), we cut our I&C-PNG volume assumption for FY26/27/28 by 0.3/0.5/0.5mmscmd to 4.6/4.9/5.3mmscmd. This results in a 4%/3% cut on our FY27/28 EBITDA estimates. While we have not factored in any earnings contribution from the recently announced initiative to sell propane in Morbi and other industrial areas, this remains a key upside risk to our current volume estimates.**
- **CNG and D-PNG volumes contributed to ~48% of GUJGA's total volumes in 2Q and have consistently grown by 10-12% YoY over the past six quarters. We build in CNG and D-PNG volumes to contribute 48-50% of GUJGA's volumes over FY26-28, with CNG/D-PNG volumes expected to clock 11%/13.5% CAGR over FY25-28. Overall, we estimate total volumes for GUJGA to clock 9% CAGR over FY26-28, reaching 10.6mmscmd in FY28.**
- **GUJGA is currently trading at 22.9x 1-year forward P/E, below its long-term average of 25.4x. While near-term performance may remain subdued given the uncertain volume growth outlook, the merger of GUJGA, GUJS, and GSPC remains a key near-term catalyst for the stock. Shareholder approval has been obtained, and filings have been submitted to the MCA. Final approval is expected by end-Dec'25.**
- **We maintain our EBITDA/scm assumption of INR5.9 over 1HFY26-FY28. However, we revise our P/E multiple downward to 24x (from 26x earlier) to reflect the softer volume growth prospects and now value the stock on Dec'27E EPS of INR20.6 (vs. FY27E EPS earlier), arriving at a TP of INR500 per share.**

Other key takeaways from the conference call

- CNG volumes grew 11%/26% YoY in Gujarat/other areas.
- APM allocation was 36%/100% for CNG/D-PNG (49% in total for the priority segment sale).
- INR2.8b capex was incurred in 1HFY26. FY26 capex is expected to be INR8b. FY27 capex is expected to be INR8-10b.
- Shareholder approval has been received for the merger scheme. Filings have been made with MCA post-approval. **Approval is expected by end-Dec'25.** No objection has been received from NSE, BSE, and PNGRB.

EBITDA in line; other income drives beat on PAT

- Total volumes came in line with our estimate at 8.7mmscmd (down 12% YoY).

- CNG/I&C-PNG volumes were in line with our estimate, whereas D-PNG volumes came in 15% above estimates.
- EBITDA/scm came in line with our est. at INR5.6.
  - Realization decreased ~INR0.6/scm QoQ, while gas cost/opex increased INR0.2/INR0.1 per scm QoQ, leading to ~INR0.8/scm QoQ decrease in EBITDA/scm margin.
- Resultant EBITDA stood in line with our estimate at INR4.5b (down 13% YoY).
- However, PAT came in 15% above our est. at INR2.8b (down 8% YoY), driven by higher-than-estimated other income.
- **Press release KTAs:**
  - GUJGA continues to expand its CNG network, **adding four new stations in 2QFY26**; CNG volumes rose **13% YoY**, supported by **834 operational stations**.
  - The company is undertaking an aggressive rollout of the FDODO model, having signed **74 agreements so far. The first FDODO station has become operational** in Jamnagar, and several more are expected to commence in the near term.
  - Shareholders have approved the Composite Scheme of Amalgamation and Arrangement with an overwhelming majority on 17 Oct'25. **Filings have been submitted to MCA.**
  - The company has added over **42,400 new domestic customers** during the quarter, taking total connections to over 2.3m households.
  - The pipeline network has expanded to 43,900 inch-km cumulatively.

Valuation and view

- The company's long-term volume growth prospects remain robust, with the addition of new industrial units and the expansion of existing units. It is aggressively investing in infrastructure to push industrial gas adoption in Thane rural, Ahmedabad rural, and newly acquired areas in Rajasthan.
- The stock is trading at a P/E of 22.2x FY27E and EV/EBITDA of 13x for FY27E. **We reiterate our BUY rating on the stock with a TP of INR500, valuing it at 24x Dec'27E EPS.**

Standalone - Quarterly Earning (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**44,503**	**37,818**	**41,529**	**41,020**	**38,709**	**37,804**	**37,183**	**37,870**	**1,64,870**	**1,51,566**	**37,413**	**1%**
YoY Change (%)	17.7	-1.7	5.7	-0.8	-13.0	0.0	-10.5	-7.7	5.1	-8.1	-1.1	
EBITDA	**5,356**	**5,142**	**3,805**	**4,495**	**5,199**	**4,473**	**4,751**	**4,817**	**18,798**	**19,239**	**4,412**	**1%**
Margin (%)	12.0	13.6	9.2	11.0	13.4	11.8	12.8	12.7	11.4	12.7	11.8	
Depreciation	1,231	1,295	1,294	1,286	1,314	1,343	1,353	1,329	5,106	5,339	1,357	
Interest	78	80	93	74	79	81	84	83	325	327	75	
Other Income	386	386	585	744	594	731	486	473	2,100	2,284	284	
PBT	**4,433**	**4,152**	**3,002**	**3,878**	**4,399**	**3,779**	**3,801**	**3,878**	**15,466**	**15,856**	**3,265**	**16%**
Rate (%)	25.6	26.1	26.2	26.0	25.7	25.6	25.2	25.2	25.9	25.5	25.2	
Adj. PAT	**3,298**	**3,069**	**2,216**	**2,872**	**3,268**	**2,810**	**2,843**	**2,900**	**11,455**	**11,821**	**2,442**	**15%**
YoY Change (%)	53.3	3.1	0.6	-22.0	-0.9	-8.4	28.3	1.0	4.0	3.2	-20.4	
Total volume (mmscmd)	**11.0**	**8.8**	**9.5**	**9.3**	**8.9**	**8.7**	**8.7**	**9.0**	**9.6**	**9.1**	**8.6**	**0%**
CNG	3.0	2.9	3.1	3.2	3.3	3.3	3.4	3.5	3.1	3.2	3.3	1%
PNG – Industrial/Commercial	7.4	5.1	5.6	5.2	4.9	4.5	4.4	4.6	5.8	5.2	4.7	-3%
PNG – Households	0.6	0.8	0.7	0.9	0.7	0.8	0.9	0.9	0.8	0.8	0.7	15%
EBITDA (INR/scm)	**5.4**	**6.4**	**4.4**	**5.4**	**6.4**	**5.6**	**5.9**	**5.9**	**5.4**	**5.6**	**5.5**	**1%**

Anant Raj

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	ARCP IN
Equity Shares (m)	343
M.Cap.(INRb)/(USDb)	223.1 / 2.5
52-Week Range (INR)	948 / 366
1, 6, 12 Rel. Per (%)	-13/34/-23
12M Avg Val (INR M)	2049

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	21.7	27.3	51.0
EBITDA	7.7	8.7	20.6
EBITDA (%)	35.6	31.7	40.4
Adj PAT	4.9	4.3	10.8
Cons. EPS (INR)	13.7	12.0	30.0
EPS Growth (%)	10.3	-12.4	150.3
BV/Share (INR)	159.4	170.8	200.3
Ratios			
Net D/E	-0.1	0.3	0.7
RoE (%)	8.6	7.0	15.0
RoCE (%)	9.4	6.5	11.5
Payout (%)	3.7	4.2	1.7
Valuations			
P/E (x)	45.3	51.7	20.7
P/BV (x)	3.9	3.6	3.1
EV/EBITDA (x)	28.3	27.7	13.2
Div Yield (%)	0.1	0.1	0.1

Shareholding Pattern (%)

As On	Sep-25	Mar-25	Sep-24
Promoter	60.1	60.2	60.0
DII	5.8	6.6	6.7
FII	10.7	12.9	13.0
Others	23.3	20.4	20.3

CMP: INR620 TP: INR793 (+28%) Buy

Growth in Real estate and data centers drives performance

- **Anant Raj (ARCP)'s** 2QFY26 revenue stood at INR6.3b, up 23% YoY/6% QoQ (18% above our estimate). In 1HFY26, revenue was INR12.2b, up 24% YoY.
- EBITDA grew 49% YoY/11% QoQ to INR1.7b (11% below our estimate). EBITDA margin stood at 26.6%, up 4.6pp YoY. In 1HFY26, EBITDA stood at INR3.2b, up 48% YoY, while EBITDA margin came in at 26%, up 4.1pp YoY.
- ARCP's PAT was INR1.4b, up 31% YoY/10% QoQ (12% above our estimate). PAT margin stood at 22%, up 1.3pp YoY. In 1HFY26, adj. PAT came in at INR2.6b, up 34% YoY. PAT margin stood at 21.6%, up 1.6pp YoY.
- **Real estate:** The company has received additional approvals and is in the advanced stages of launching its luxury high-rise residential project, The Estate One, located on Golf Course Extension Road, Sector-63A, Gurugram. The project spans 5.1 acres with a total development area of ~1.1msf.
- Phase IV of Anant Raj Estate has commenced at Golf Course Extension Road, Sector-63A, Gurugram, covering 6.08 acres with a development potential of around 0.5msf, adding further value to The Estate Apartments and The Estate Floors.
- Approvals for Group Housing-3, spread over 5.21 acres, are progressing as planned and are expected to be received by 4QFY26.
- Project Navya is expected to begin Phase-2 deliveries from Dec'25, while deliveries at Ashok Estate, comprising 1.34msf, are nearing completion.
- **Data centers:** The capacity expansions at Manesar and Panchkula have strengthened ARCP's presence in the data center business, with both facilities designed to function as mutual data centers and disaster recovery (DR) sites.
- Anant Raj Cloud, a wholly owned subsidiary, is leading the expansion of data center, colocation, and cloud services across Manesar, Rai, and Panchkula, targeting a total IT load of 117MW by FY28, with full capex funding already secured.
- Data center expansion at Rai, Sonipat, has commenced, with an initial capacity of 20MW IT load and a total planned capacity of around 200MW.
- The company has completed a QIP of INR11b to support its growth plans, receiving strong participation from both foreign portfolio investors (FPIs) and domestic institutional investors (DIIs).
- ARCP is net cash positive and has also prepaid INR1.3b of debt.

Key highlights from the management commentary

- The company is in advanced stages of launching its luxury high-rise project, The Estate One, on Golf Course Extension Road, Gurugram, spanning 5.09 acres with 1.09 msf development potential.
- Construction of Phase IV of Anant Raj Estate has begun over 6.08 acres, adding 0.5 msf of development area and enhancing the overall project value.

- The company has received approvals to develop a community center and a commercial tower at Ashok Estate, Sector 63A, Gurugram.
- Work has commenced on Ashok Towers in Gurugram and Bella Monde in Delhi, the latter being the company's first capital city project spanning 0.7 msf, with Phase 1 completion expected by FY28.
- The company raised INR 11 billion through a QIP, strengthening its balance sheet and maintaining a net cash position.

Valuation and view

- ARCP's residential segment is expected to deliver 14msf over FY25-30, generating a cumulative NOPAT of INR75b.
- The residential business cash flow, discounted at an 11.6% WACC with a 5% terminal growth rate, accounts for INR2.5b in annual business development expenses, yielding a GAV of INR87b, or INR241/share.
- The annuity business cash flow is discounted at a capitalization rate of 9.5%, valuing it at INR10b or INR29/share.
- We expect ARCP's DC revenue to grow materially, with capacity increasing from 6 MW in FY24 to 307 MW by FY32, along with a shift towards cloud services, which will expand from 0.5 MW to 75 MW over the same period.
- We model the free cash flows for the data center business till FY32, using a discount rate of 11.6%, a rental escalation of 3%, and a terminal growth rate of 3%, resulting in an EV of INR158b or INR439/share post deferral of the cloud capex in initial years.
- We have added INR11b of QIP issued this quarter, and hence, the number of shares has increased to 360m from 343m.
- **We reiterate our BUY rating on the stock with a revised TP of INR793 (earlier INR831) based on our SoTP valuation.**

Financial performance

Y/E March	FY25				FY26E				FY25	FY26	FY26E	2QE Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q Est.	(%/bp)
Net Sales	**4,718**	**5,129**	**5,346**	**5,407**	**5,924**	**6,308**	**5,800**	**3,672**	**20,600**	**21,704**	**5,324**	18%
YoY Change (%)	49.2	54.3	36.3	22.2	25.6	23.0	8.5	-32.1	38.9	5.4	3.8	
Total Expenditure	3,689	4,001	4,011	3,983	4,418	4,630	3,735	1,194	15,683	13,976	3,428	
EBITDA	**1,030**	**1,128**	**1,336**	**1,424**	**1,507**	**1,678**	**2,065**	**2,478**	**4,917**	**7,728**	**1,896**	-11%
Margins (%)	21.8	22.0	25.0	26.3	25.4	26.6	35.6	67.5	23.9	35.6	35.6	-900bp
Depreciation	55	81	82	87	79	106	351	776	305	1,312	285	
Interest	36	15	29	30	24	29	70	140	110	263	65	
Other Income	98	109	93	103	100	101	113	109	403	423	104	
PBT before EO expense	**1,037**	**1,141**	**1,318**	**1,409**	**1,504**	**1,644**	**1,757**	**1,671**	**4,905**	**6,576**	**1,650**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**1,037**	**1,141**	**1,318**	**1,409**	**1,504**	**1,644**	**1,757**	**1,671**	**4,905**	**6,576**	**1,650**	0%
Tax	142	97	223	228	257	275	442	680	690	1,655	415	
Rate (%)	13.7	8.5	16.9	16.2	17.1	16.7	25.2	40.7	14.1	25.2	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	15	11	10	5	12	12	0	-24	41	0	0	
Reported PAT	**895**	**1,044**	**1,094**	**1,181**	**1,247**	**1,369**	**1,315**	**990**	**4,215**	**4,921**	**1,235**	
Adj PAT	**910**	**1,056**	**1,104**	**1,186**	**1,259**	**1,381**	**1,315**	**966**	**4,257**	**4,921**	**1,235**	12%
YoY Change (%)	79.7	75.7	53.7	38.2	38.3	30.8	19.1	-18.6	60.1	15.6	16.9	
Margins (%)	19.3	20.6	20.7	21.9	21.2	21.9	22.7	26.3	20.7	22.7	23.2	-129bp

Eris Lifesciences

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ERIS IN
Equity Shares (m)	136
M.Cap.(INRb)/(USDb)	214.6 / 2.4
52-Week Range (INR)	1910 / 1097
1, 6, 12 Rel. Per (%)	-4/8/7
12M Avg Val (INR M)	288

Financials & valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	32.6	37.7	42.2
EBITDA	11.8	13.9	15.5
Adj. PAT	4.9	7.0	8.4
EBIT Margin (%)	27.0	28.4	28.3
Cons. Adj. EPS (INR)	35.7	50.8	61.1
EPS Gr. (%)	39.3	42.4	20.2
BV/Sh. (INR)	237.7	283.0	338.6
Ratios			
Net D:E	0.6	0.3	0.1
RoE (%)	16.0	19.5	19.7
RoCE (%)	12.9	15.5	16.9
Payout (%)	15.4	10.8	9.0
Valuations			
P/E (x)	44.1	31.0	25.8
EV/EBITDA (x)	20.1	16.6	14.2
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	2.5	4.1	5.1
EV/Sales (x)	7.2	6.1	5.2

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	54.9	54.8	54.9
DII	19.4	18.2	18.7
FII	7.2	8.4	8.0
Others	18.6	18.6	18.5

FII includes depository receipts

CMP: INR1,575 TP: INR1,530 (-3%) Neutral

Steady execution in DF drives earnings

Capacity build-up and CDMO momentum to support medium-term growth

- Eris Lifesciences (ERIS) reported in-line revenue/EBITDA for the quarter. However, there was a slight miss on earnings due to higher interest costs and tax rate for the quarter.
- Eris outperformed the industry in the domestic formulation (DF) segment, driven by steady growth across diabetes, cardiac, and dermatology. The company continued to leverage Biocon's acquired portfolio, which supported overall YoY growth in the DF segment. ERIS has decided not to pursue further work on g-Saxenda, given the delay in regulatory approval.
- ERIS is tracking well on the CDMO segment, having recently secured projects worth INR1.2b-INR1.5b, which are scheduled for execution in FY27. It continues to build a healthy order book to be executed over the next 2-3 years.
- ERIS is also working to bring its sites under compliance (ANVISA approval for injectable units) to improve business prospects in international markets.
- We reduce our earnings estimate by 5%/6%/2% for FY26/FY27/FY28, factoring in: a) delays in the commissioning of the cartridge line at Bhopal, b) the cancellation of certain product launches (g-Saxenda), and c) extended debt repayment timelines due to near-term capex requirement.
- We value ERIS at 30x 12M forward earnings to arrive at a TP of INR1,530. While ERIS is making efforts to build capacities and capabilities to support 13%/15%/34% revenue/EBITDA/PAT CAGR over FY25-28, we believe the earnings upside is adequately factored in current valuations. Reiterate Neutral on the stock.

Better operating efficiency offsets the product mix impact

- ERIS's 2QFY26 revenue grew 7% YoY to INR7.9b (vs our est: INR8.1).
- Gross margin contracted 40bp YoY to 74.5%.
- However, EBITDA margin expanded 70bp YoY to ~36.4% (our est. 36.2%), despite decreased gross margins. Employee cost/other expenses rose 40bp/declined 150bp YoY as a % of sales for the quarter.
- EBITDA increased 9% YoY to INR2.8b (vs our estimate : INR2.9b).
- Adj. PAT increased 31% YoY to INR1.2b (vs our estimate: INR1.3b), driven by lower depreciation/interest and tax rate.
- For 1HFY26, revenue/EBITDA/PAT grew 7.2%/9.8%/35.8% YoY.

Highlights from the management commentary

- In addition to its ongoing collaboration with Biocon, ERIS has expanded the partnership to include Aspart for the Indian market.
- While vial manufacturing recently commenced at the Bhopal unit, ERIS is currently completing stability testing for the products and, hence, has not yet released them in the market. Cartridge production has been delayed from 4QFY26 to 1QFY27.
- Due to expedited strategic investments, the target for reducing outstanding debt to INR18b has been pushed from 4QFY26 to 3QFY27.
- ERIS will not launch g-Saxenda due to delays in product approval.
- The company has identified three key growth drivers for the next 3-4 quarters: its diabetes franchise/integration of biotech manufacturing /ramp-up of international business.
- In the DF segment, price/volume contributed 2.5%/2.1% growth for the quarter, with the remaining YoY growth driven by new launches.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	Estimate	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Gross Sales	**7,197**	**7,412**	**7,275**	**7,053**	**7,730**	**7,924**	**8,366**	**8,605**	**28,936**	**32,624**	**8,079**	-1.9
YoY Change (%)	54.2	46.7	49.6	28.0	7.4	6.9	15.0	22.0	44.0	12.7	9.0	
Total Expenditure	4,697	4,767	4,771	4,529	4,963	5,042	5,371	5,473	18,764	20,848	5,154	
EBITDA	**2,500**	**2,645**	**2,503**	**2,524**	**2,767**	**2,882**	**2,995**	**3,132**	**10,172**	**11,776**	**2,925**	-1.5
Margins (%)	34.7	35.7	34.4	35.8	35.8	36.4	35.8	36.4	35.2	36.1	36.2	
Depreciation	759	805	812	773	705	691	772	794	3,149	2,962	809	
Interest	604	595	572	543	487	496	521	508	2,313	2,011	419	
Other Income	16	46	42	80	27	28	33	34	184	123	51	
PBT before EO expense	**1,153**	**1,291**	**1,162**	**1,288**	**1,602**	**1,724**	**1,735**	**1,865**	**4,894**	**6,925**	**1,747**	-1.4
Extra-Ord expense	0	0	0	-1	-9	-3	0	0	-1	-12	0	
PBT	**1,153**	**1,291**	**1,162**	**1,289**	**1,611**	**1,727**	**1,735**	**1,865**	**4,895**	**6,937**	**1,747**	
Tax	259	328	292	265	360	382	396	431	1,144	1,568	381	
Rate (%)	22.5	25.4	25.2	20.6	22.3	22.1	22.8	23.1	23.4	22.6	21.8	
Minority Interest & P/L of Asso. Cos.	62	48	33	85	71	143	110	129	228	452	95	
Reported PAT	**832**	**916**	**836**	**938**	**1,180**	**1,202**	**1,229**	**1,305**	**3,522**	**4,916**	**1,272**	-5.5
Adj PAT	**832**	**916**	**836**	**938**	**1,173**	**1,200**	**1,229**	**1,305**	**3,522**	**4,907**	**1,272**	-5.6
YoY Change (%)	-12.3	-25.8	-18.6	15.0	41.0	31.0	47.0	39.2	-12.4	39.3	38.8	
Margins (%)	11.6	12.4	11.5	13.3	15.2	15.1	14.7	15.2	12.2	15.0	15.7	

E: MOFSL Estimates

Triveni Turbine

Estimate changes	↔
TP change	↑
Rating change	↔

Bloomberg	TRIV IN
Equity Shares (m)	318
M.Cap.(INRb)/(USDb)	172.7 / 1.9
52-Week Range (INR)	885 / 455
1, 6, 12 Rel. Per (%)	1/-7/-25
12M Avg Val (INR M)	1188

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	21.1	24.9	30.1
EBITDA	4.5	5.4	6.4
PAT	3.7	4.5	5.3
EPS (INR)	11.8	14.0	16.8
GR. (%)	4.4	19.0	19.8
BV/Sh (INR)	46.7	56.8	68.9
Ratios			
ROE (%)	27.7	27.1	26.7
RoCE (%)	27.9	27.2	26.9
Valuations			
P/E (X)	46.1	38.8	32.4
P/BV (X)	11.6	9.6	7.9
EV/EBITDA (X)	36.7	31.0	25.5
Div Yield (%)	0.6	0.7	0.9

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	55.8	55.8	55.8
DII	13.9	12.2	11.5
FII	23.6	25.4	28.1
Others	6.7	6.6	4.6

FII Includes depository receipts

CMP: INR543 TP: INR640 (+18%) Buy

Export inflows remain weak

Triveni Turbine's (TRIV) 2QFY26 PAT beat our estimate on better-than-expected margins. Domestic order inflows have started improving and enquiry levels too have remained broad-based. Export order inflows are still weak due to delays in decision-making from customers. Weak inflows can result in volatility in export revenue. We thus believe that TRIV's near-term performance would be impacted by delays in order finalization. As it picks up in FY27, execution will start ramping up. We broadly maintain our estimates and roll forward our TP to INR640 on 40x Dec'27 estimates. Retain BUY as the company is continuously introducing new products and has the capability to ramp up sharply whenever demand starts reviving.

In-line revenue, margin resilience led to PAT beat

2QFY26 performance was above our estimates on profitability. Revenue growth was flat at INR5.1b, in line with our estimate. Domestic sales declined by 20% to INR2.2b, while export sales increased by 27% to INR2.8b. Export as % of sales increased to 56% in 2QFY26 from 44% in 2QFY25. Gross margin at 50.7% expanded by 140bp YoY. This led to EBITDA margin expansion of 40bp YoY/280bp QoQ to 22.6%, higher than our estimate of 20.5%. Absolute EBITDA increased 3% YoY/56% QoQ to INR1.1b, a 12% beat to our estimate. PAT was broadly flat YoY at INR914m (8% above our estimate). Order inflows increased 14% YoY to INR6.5b, aided by strong domestic order inflows. Total consolidated order book stood at INR22.2b as of Sep'25 (+24% YoY). For 1HFY26, revenue/EBITDA/PAT declined 9%/9%/9% YoY to INR8.8b/INR1.9b/INR1.6b, whereas EBITDA margin contracted slightly by 10bp YoY to 21.4%. For 1HFY26, OCF/FCF declined 81%/99% to INR387m/INR25m, mainly due to an increase in working capital.

Domestic enquiry conversion expected to ramp up FY27 onwards

TRIV's domestic business saw a strong rebound in 2QFY26, with order inflows rising 52% YoY to INR4b and the domestic order book standing at INR11b, up 55% YoY. Growth was broad-based across steel, cement, sugar, and process co-generation sectors, supported by improving industrial capex momentum. Domestic market enquiries also increased ~86% YoY, indicating healthy demand visibility and a strong pipeline. TRIV gained market share in high-specification API and drive turbine segments, supported by expanding industrial demand. Though enquiry levels remain strong, the finalization of enquiries is taking longer; hence, we expect softer inflows from the domestic segment in FY26. With the conversion pace improving from FY27, we expect domestic inflows to grow over FY27-28.

Export momentum is taking time to build up amid global uncertainty

TRIV's export business has not yet regained full momentum, with order inflows declining 19% YoY to INR2.5b in 2QFY26, mainly due to deferred project finalizations and tariff-related uncertainties in the US. Europe and the Middle East markets are growing, while Southeast Asia remains subdued. Though enquiry activity remains strong and has improved by 43% YoY in 2QFY26, led by healthy traction from Europe, the Middle East, and energy-transition markets, order conversions are taking longer.

Aftermarket segment rebounds strongly in 2QFY6

Aftermarket business rebounded strongly in 2QFY26 after a weak start to the year, with order inflows rising 15% YoY to INR2b and revenue up 8% YoY to INR1.8b, contributing 35% to total turnover. Growth in 2Q was driven by recurring demand from the company's large installed base, higher service intensity, and rising refurbishment orders across domestic and export markets. The company is also broadening its aftermarket portfolio beyond steam turbines to include other rotating equipment, enhancing service scope and customer engagement. With a healthy enquiry pipeline, diversified customer base, and recurring demand, the aftermarket segment is expected to maintain steady growth and remain a key contributor to overall performance over the medium term.

Expanding portfolio through product innovations

TRIV is strengthening its growth outlook through focused product innovation and portfolio expansion across industrial and clean energy applications. The company is developing advanced turbine designs and efficiency-enhancing technologies for sectors such as process co-generation, waste-to-energy, and renewables. It has also entered the utility drive turbine segment, supplying 15-20 MW boiler feed water pump turbines and gaining approvals from major developers like NTPC, supported by growing domestic power demand. New offerings, including a carbon dioxide-based heat pump and high-efficiency drive turbines, have received encouraging market feedback.

Financial Outlook

We broadly maintain our estimates for FY26/27/28. We expect TRIV's revenue/EBITDA/PAT to clock a CAGR of 14%/14%/14% over FY25-28. Backed by a comfortable negative working capital cycle, strong margins, and low capex requirements, we expect its OCF and FCF to report a CAGR of 48% and 55% over the same period, respectively.

Valuation and view

The stock is currently trading at 46.1x/38.8x/32.4x on FY26E/27E/28E earnings. We revise the TP to INR640 (from INR620) based on 40x Dec'27E EPS. Maintain BUY. However, in the near term, we expect performance to remain impacted by weakness in order conversions.

Key risks

Slowdown in capex initiatives; intensified competition; technology disruption; inability to innovate and launch new products; and geopolitical headwinds resulting in a sharp slowdown in exports and aftermarket segments.

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

Y/E March	FY25				FY26E				FY25	FY26	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**4,633**	**5,011**	**5,034**	**5,380**	**3,713**	**5,062**	**5,709**	**6,660**	**20,058**	**21,144**	**4,972**	**2**
YoY Change (%)	23.1	29.2	16.6	17.5	-19.9	1.0	13.4	23.8	21.3	5.4	-0.8	
Total Expenditure	3,677	3,897	3,941	4,176	2,977	3,916	4,442	5,274	15,691	16,609	3,953	
EBITDA	**956**	**1,114**	**1,093**	**1,204**	**736**	**1,146**	**1,267**	**1,386**	**4,367**	**4,535**	**1,019**	**12**
YoY Change (%)	34.8	49.8	30.6	34.0	-23.0	2.9	16.0	15.1	37.0	3.9	-8.5	
Margins (%)	20.6	22.2	21.7	22.4	19.8	22.6	22.2	20.8	21.8	21.5	20.5	
Depreciation	62	61	65	75	77	80	76	72	263	305	74	7
Interest	10	8	4	7	8	4	8	12	29	32	8	-47
Other Income	194	196	221	199	222	184	248	248	810	902	219	-16
PBT before EO expense	**1,078**	**1,241**	**1,245**	**1,321**	**873**	**1,246**	**1,431**	**1,550**	**4,885**	**5,101**	**1,157**	**8**
PBT	**1,078**	**1,241**	**1,245**	**1,321**	**873**	**1,246**	**1,431**	**1,550**	**4,885**	**5,101**	**1,157**	**8**
Tax	274	331	320	375	228	332	381	416	1,300	1,357	308	
Rate (%)	25.4	26.7	25.7	28.4	26.1	26.6	26.6	26.9	26.6	26.6	26.6	
MI & P/L of Asso. Cos.	0	0	1	0	-1	0	0	1	1	0	0	
Reported PAT	**804**	**910**	**926**	**946**	**644**	**914**	**1,051**	**1,135**	**3,586**	**3,744**	**849**	**8**
Adj PAT	**804**	**910**	**926**	**946**	**644**	**914**	**1,051**	**1,135**	**3,586**	**3,744**	**849**	**8**
YoY Change (%)	31.8	41.4	35.0	25.9	-19.9	0.4	13.5	20.0	33.3	4.4	-6.7	
Margins (%)	17.4	18.2	18.4	17.6	17.3	18.1	18.4	17.0	17.9	17.7	17.1	

Kirloskar Oil Engines

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	KOEL IN
Equity Shares (m)	145
M.Cap.(INRb)/(USDb)	153.8 / 1.7
52-Week Range (INR)	1196 / 544
1, 6, 12 Rel. Per (%)	16/48/-15
12M Avg Val (INR M)	427

Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	59.9	70.1	81.5
EBITDA	8.0	9.8	11.4
PAT	5.1	6.5	7.6
EPS (INR)	35.5	44.6	52.3
GR. (%)	23.5	25.5	17.3
BV/Sh (INR)	233.9	269.5	311.3
Ratios			
ROE (%)	16.2	17.7	18.0
RoCE (%)	15.8	17.4	17.8
Valuations			
P/E (X)	29.8	23.7	20.2
P/BV (X)	4.5	3.9	3.4
EV/EBITDA (X)	18.7	14.8	12.4
Div Yield (%)	0.7	0.8	1.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	41.1	41.1	41.2
DII	28.0	27.2	24.9
FII	8.3	8.5	10.8
Others	22.6	23.2	23.1

FII Includes depository receipts

CMP: INR1,059 TP: INR1,400 (+32%) Buy

Gaining market share

Kirloskar Oil Engines (KOEL)'s 2QFY26 result was sharply above our expectations, driven by strong growth in the powergen, industrial, and export sectors. The company's efforts over the past few quarters to improve product mix are yielding results now in terms of 1) strong growth of 40% in the powergen segment of KOEL versus 20% growth of the nearest competitor, which suggests that the company would have gained market share in 2QFY26; 2) better-than-expected industrial segment growth led by defense and railways and much broad-based growth expected going forward in this segment; 3) higher exports too led by a shift towards a GOEM-based model; and 4) higher margins driven by a better product mix, an increase in sales from HHP nodes, and better cost absorption. We raise our estimates by 6%/9%/10% for FY26/FY27/FY28 and roll forward our TP to Dec'27E earnings to INR1,400, based on SoTP methodology (from INR1,230 earlier). We reiterate our BUY rating on the stock.

Strong results with an all-around beat

KOEL's 2QFY26 revenue at INR16b (+34% YoY) was 12% above our estimates. B2B segment revenue increased 35% YoY, while B2C revenue was up 30% YoY. EBITDA increased 30% YoY to INR2.1b (15% beat), while EBITDA margin at 13.4% was 40bp ahead of our estimates. 2QFY25 EBITDA included INR174m worth of provision reversals for overdue receivables made for a customer toward sales made in earlier years. Excluding those reversals, 2QFY25 EBITDA/EBITDA margin stood at INR1.5b/12.4%. Compared with that, EBITDA in 2QFY26 increased 45% YoY, while margin expanded 100bp YoY. On the segmental basis, the B2B segment EBIT margin improved 30bp sequentially to 11.2%, while the 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 20%/12%/7% YoY to INR30.5b/INR4.0b/INR2.6b. For 1HFY26, OCF jumped 149% to INR2.4b, while FCF stood at INR1b vs. an outflow of INR100m in 1HFY25.

Powergen segment's growth attributed to higher volumes and HHP sales

The powergen segment surged 41% YoY to INR6.8b, supported by broad-based demand across customer categories. Growth was driven largely by volumes and a higher share of HHP gensets, while pricing remained largely stable following the CPCB IV+ transition. Management attributed the strong performance to the continued success of its OptiPrime initiative, which has helped the company secure several large orders in the 1,500-2,500 KVA range. KOEL continues to strengthen its position in the domestic powergen market through a sharper focus on technically differentiated products and deeper customer engagement. We believe the company's strategy of expanding its HHP offerings, coupled with a robust service ecosystem, positions it well to improve market share in the current demand upcycle. For FY26, we expect growth in the segment to be purely volume-driven. We thus expect Powergen revenue to clock an 18% CAGR over FY25-28.

ndustrial segment to grow, led by an expanding portfolio

The industrial segment's revenue grew 40% YoY to INR3.7b (13% ahead of our estimates), led by strong traction across the defense and railway verticals. The defense business maintained solid momentum, supported by emergency procurement orders and the timely execution of ongoing projects. The company expects the orders for emergency procurement to continue in the coming quarters. KOEL has also submitted the detailed design for the Indian Navy's Make-I program, which can potentially position KOEL well for future opportunities in naval power systems. In the railway vertical, KOEL launched a new 400 HP engine for utility track vehicles, broadening the company's addressable market. We view this as a continuation of KOEL's steady progress in expanding its industrial portfolio beyond its traditional base. We raise our estimates and expect the industrial segment revenue to clock an 18% CAGR over FY25-28.

Distribution & aftermarket segment to maintain stability

Distribution and aftermarket revenue grew 13% YoY to INR2.3b, in line with our estimate. KOEL implemented a new field structure emphasizing key account management and advanced service offerings, which has already begun delivering results. The company's extensive service network continues to be a major competitive differentiator, with customer requests reaching ~92,000 during the quarter. KOEL is working on expanding its spares and maintenance portfolio, which offers higher margins and recurring revenue visibility. The company expects the segment to sustain its double-digit growth trajectory supported by ongoing network expansion and a proactive service model. We expect the segment's revenues to record a 14% CAGR over FY25-28, providing a steady source of revenue during cyclicality.

Exports gain visibility as OEM model stabilizes

Export revenue grew 39% YoY to INR1.7b (24% above our estimate). The MENA region continues to be the largest contributor, accounting for nearly 60% of total exports, while other geographies also witnessed a healthy recovery. The earlier transition to a Genset OEM-led model in the Middle East has now stabilized, leading to sustainable demand visibility and smoother operations. KOEL remains optimistic about medium-term growth in international markets as its product acceptance strengthens across regions. While the North American market is still in the early stages of development, management views it as a high-potential opportunity for long-term growth, with certification and distribution build-up progressing as planned. We project exports to clock a CAGR of 17% over FY25-28.

B2C business restructuring to set the stage for future growth

The B2C business, now operating under the new name 'Fluid Dynamics', reported a strong 28% YoY growth during the quarter, though a sequential dip was due to lower volumes, which impacted fixed-cost absorption. This moderation was largely transitional, as the business underwent a structural reorganization during the quarter. The segment achieved its highest-ever monthly billing in Sep'25, indicating the early benefits of the restructuring exercise. The B2C business will be transferred to KOEL's wholly owned subsidiary, LGM, from 3Q. Management emphasized that this reorganization will enable sharper execution, greater customer focus, and enhanced accountability. The new leadership has streamlined operations to align with market needs, which should aid margin recovery. We expect the B2C segment to clock a CAGR of 17% over FY25-28.

Arka Fincap (AFHPL) building up retail capabilities

AFHPL's revenue increased 20% YoY to INR2.3b in 2QFY26. It reported a total AUM of INR75.6b with a retail AUM of INR1.4b as of Oct'25, with monthly disbursements of INR600m, marking early success in its retail-focused transformation. The company opened 85 new branches and added nearly 900 employees in the last six months as part of its rapid network expansion. Importantly, the cost of borrowing declined to 8.3% in 2QFY26 from 9.8% at FY25-end, reflecting improved funding efficiency and a stronger balance sheet, with the debt-to-equity ratio now reduced to 4.0. The pivot from wholesale to granular retail lending, supported by a digital origination platform and strong risk controls, is progressing well for the company.

Financial outlook

We raise our estimates by 6%/9%/10% for FY26/FY27/FY28E to factor in 2Q performance. We thus expect a revenue CAGR of 17% over FY25-28, driven by 18%/18%/14%/17%/17% CAGR in powergen/industrial/distribution/exports/B2C. Over FY25-28E, we bake in a 120bp improvement in margins to build in better product mix and operating leverage benefits. We expect an EBITDA/PAT CAGR of 20%/22% over the same period.

Valuation and recommendation

The stock is currently trading at 29.8x/23.7x/20.2x on FY26/27/28E earnings. Adjusted with subsidiary valuation, KOEL is trading at 26.2x/20.9x/17.8x on FY26/FY27/FY28E EPS, which is still at a significant discount to the market leader. We **reiterate our BUY rating and roll forward our TP to Dec'27E earnings to INR1,400 (from INR1,230 earlier)** based on the SoTP methodology.

Standalone - Quarterly Earnings 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**	**14,061**	**15,341**	**51,133**	**59,894**	**14,389**	**12**
YoY Change (%)	6.2	12.8	2.5	1.5	7.6	34.3	20.8	8.6	5.4	17.1	20.5	
Total Expenditure	11,452	10,294	10,466	12,384	12,545	13,901	12,191	13,292	44,596	51,928	12,518	
EBITDA	**1,977**	**1,650**	**1,170**	**1,741**	**1,902**	**2,144**	**1,870**	**2,050**	**6,537**	**7,966**	**1,871**	**15**
YoY Change (%)	28.0	67.3	(12.0)	(2.3)	(3.8)	30.0	59.8	17.7	15.9	21.9	13.4	
Margins (%)	14.7	13.8	10.1	12.3	13.2	13.4	13.3	13.4	12.8	13.3	13.0	
Depreciation	247	266	320	337	340	357	343	334	1,170	1,373	335	6
Interest	27	26	31	37	32	29	15	14	121	90	22	32
Other Income	108	118	68	52	123	119	101	60	344	403	96	24
PBT before EO expense	**1,810**	**1,476**	**887**	**1,419**	**1,653**	**1,878**	**1,613**	**1,763**	**5,590**	**6,906**	**1,610**	**17**
Extra-Ord expense				(209)	-	-	-	-	(209)	-	-	
PBT	**1,810**	**1,476**	**887**	**1,628**	**1,653**	**1,878**	**1,613**	**1,763**	**5,799**	**6,906**	**1,610**	**17**
Tax	462	365	236	416	425	470	411	456	1,480	1,763	410	
Rate (%)	25.5	24.7	26.7	25.6	25.7	25.0	25.5	25.9	25.5	25.5	25.5	
Reported PAT	**1,347**	**1,111**	**650**	**1,211**	**1,228**	**1,408**	**1,201**	**1,306**	**4,319**	**5,144**	**1,199**	**17**
Adj PAT	**1,347**	**1,111**	**650**	**1,056**	**1,228**	**1,408**	**1,201**	**1,306**	**4,164**	**5,144**	**1,199**	**17**
YoY Change (%)	30.5	89.6	(20.9)	(10.2)	(8.8)	26.8	84.7	23.7	15.1	23.5	8.0	
Margins (%)	10.0	9.3	5.6	7.5	8.5	8.8	8.5	8.5	8.1	8.6	8.3	

	FY25				FY26E				FY25	FY26E	FY26E	Est
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Segmental revenue												
Powergen	5,280	4,810	4,180	5,430	6,090	6,780	5,225	5,927	19,690	24,022	5,772	17
Industrial	3,370	2,670	2,770	3,000	3,100	3,730	3,323	3,443	11,810	13,596	3,298	13
Distribution & After	1,980	2,020	2,080	2,350	2,230	2,270	2,454	2,572	8,430	9,526	2,323	(2)
Exports	1,060	1,230	1,120	1,470	1,200	1,710	1,400	1,644	4,880	5,954	1,378	24
Total B2B	**11,690**	**10,730**	**10,150**	**12,250**	**12,620**	**14,490**	**12,403**	**13,585**	**44,810**	**53,097**	**12,770**	**13**
WMS	1,650	1,110	1,390	1,760	1,720	1,440	1,658	1,978	5,910	6,797	1,618	(11)
Total B2C	**1,650**	**1,110**	**1,390**	**1,760**	**1,720**	**1,440**	**1,658**	**1,978**	**5,910**	**6,797**	**1,618**	**-11**
Total revenue (B2B+B2C)	**13,340**	**11,840**	**11,540**	**14,010**	**14,340**	**15,930**	**14,061**	**15,563**	**50,720**	**59,894**	**14,389**	**11**

Cello World

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	CELLO IN
Equity Shares (m)	221
M.Cap.(INRb)/(USDb)	135 / 1.5
52-Week Range (INR)	861 / 485
1, 6, 12 Rel. Per (%)	0/6/-36
12M Avg Val (INR M)	151

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	24.3	28.6	32.5
EBITDA	5.5	7.3	8.3
Adj. PAT	3.6	4.9	5.6
EBITDA Margin (%)	22.6	25.5	25.5
Cons. Adj. EPS (INR)	16.5	22.3	25.5
EPS Gr. (%)	7.7	35.3	14.3
BV/Sh. (INR)	118.5	135.5	160.3
Ratios			
Net D:E	-0.3	-0.4	-0.5
RoE (%)	15	18	17
RoCE (%)	17	19	18
Valuations			
P/E (x)	37	27	24
EV/EBITDA (x)	24	17	15

Shareholding Pattern (%)

As on	Sep-25	Jun-25	Sep-24
Promoter	75.0	75.0	75.0
DII	14.0	14.6	13.6
FII	5.6	5.4	7.7
Others	5.4	5.0	3.7

Note: FII includes depository receipts

CMP: INR611 TP: INR720 (+18%) Buy

Festive-led momentum supports growth

Earnings in line with estimates

- Cello World (CELLO) reported a healthy revenue growth of ~20%, largely led by a 23% YoY growth in the consumerware segment. The writing instrument segment also witnessed a healthy recovery (up 17%) after a five-quarter decline. Growth was supported by a healthy uptake across key categories in the festive season.
- The company maintained its FY26 growth guidance of ~12-15% for revenue and ~22-23% for EBITDA margin, implying a 14%/18% revenue/EBITDA growth for 2HFY26. This is expected to be supported by the ramping up of the glassware facility, commissioning of the steelware plant, and demand recovery.
- We largely maintain our FY26/27/28 earnings estimates and reiterate our BUY rating with a TP of INR720 (premised on 30x Sept'27E EPS).

Margin pressure persists amid cost inflation and supply constraints

- In 2QFY26, CELLO's consolidated revenue grew 20% YoY/11% QoQ to INR5.9b (est. INR 5.6b). EBITDA grew ~8%/11% YoY/QoQ to INR1.3b (est. in line).
- EBITDA margin contracted 250bp YoY, largely due to higher employee/other expenses rising 210bp/60bp YoY, while it expanded 110bp QoQ to 21.7%. Gross margin contracted 210bp/440bp YoY/QoQ to 49.5%. The higher costs were driven by the inability to raise prices, increased energy and wage expenses from the new glassware facility, and supply constraints at the steelware facility.
- Adj. PAT grew 5%/17% YoY/QoQ to INR857m (est. in line).
- Consumerware segment's revenue (72% of total revenue in 2QFY26) grew 23%/15% YoY/QoQ to INR4.2b. Gross margin contracted 230bp YoY.
- Writing instrument segment's revenue (~14% revenue mix) grew 17% YoY/11% QoQ to INR817m. Further, molded furniture and allied products (~14% of the revenue mix) grew 8% YoY, while they declined 6% QoQ to INR842m. The gross margin of writing instruments expanded 60bp YoY, while that of molded furniture and allied products declined 440bp YoY.

Highlights from the management commentary

- **Guidance:** Capex is expected to be ~INR1.5b for FY26 (majorly for steel flask), including INR750m for maintenance. Further, the company expects performance to be better in FY27, driven by the glassware and steelware plants.
- **Acquiring Cello brand:** Cello Plastic Industrial Works (CPIW), CELLO's promoter entity, is reacquiring the Cello trademark from the BIC Group for its writing instruments and stationery segment. With existing capacity in place, no major capex is expected. Revenue under the Cello brand is expected to begin in Jan'26, while the Unomax brand will continue to be marketed as well.
- **Glassware:** Glassware capacity utilization reached 60% in 2QFY26, achieving breakeven; profits are expected ahead. The company plans to expand its range to 150 SKUs (from 110).

Valuation and view

- The consumerware segment is expected to maintain its current growth rate, with incremental growth driven by the ramp-up of the glassware facility and the commissioning of the steelware facility, which should also support improved margins. Meanwhile, the healthy growth momentum in the writing instruments segment is expected to continue in the coming quarter, supported by improving demand in both export and domestic markets.
- We expect CELLO to register 15%/17%/19% revenue/EBITDA/Adj. PAT CAGR over FY25-28. **We reiterate our BUY rating with a TP of INR720 (premised on 30x Sep'27E EPS).**

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Gross Sales	**5,007**	**4,901**	**5,568**	**5,888**	**5,290**	**5,874**	**6,330**	**6,771**	**21,364**	**24,266**	**5,566**	**6%**
YoY Change (%)	6.1	0.2	5.7	14.9	5.7	19.9	13.7	15.0	6.8	13.6	13.6	
Total Expenditure	3,714	3,715	4,296	4,536	4,200	4,598	4,880	5,133	16,260	18,810	4,303	
EBITDA	**1,293**	**1,186**	**1,273**	**1,352**	**1,091**	**1,277**	**1,450**	**1,638**	**5,104**	**5,455**	**1,263**	**1%**
Margins (%)	25.8	24.2	22.9	23.0	20.6	21.7	22.9	24.2	23.9	22.5	22.7	
Depreciation	141	148	151	180	186	195	205	220	620	806	200	
Interest	6	3	3	3	1	5	1	1	15	8	1	
Other Income	60	133	124	130	173	136	145	155	447	609	150	
PBT before EO expense	**1,206**	**1,168**	**1,243**	**1,299**	**1,076**	**1,213**	**1,389**	**1,572**	**4,916**	**5,250**	**1,212**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**1,206**	**1,168**	**1,243**	**1,299**	**1,076**	**1,213**	**1,389**	**1,572**	**4,916**	**5,250**	**1,212**	
Tax	311	300	318	338	269	299	348	399	1,267	1,316	304	
Rate (%)	25.8	25.7	25.6	26.0	25.0	24.7	25.1	25.4	25.8	25.1	25.1	
Minority Interest & Profit/Loss of Asso. Cos.	69	51	61	80	76	57	70	83	261	286	65	
Reported PAT	**826**	**816**	**864**	**882**	**730**	**857**	**971**	**1,090**	**3,388**	**3,648**	**843**	
Adj PAT	**826**	**816**	**864**	**882**	**730**	**857**	**971**	**1,090**	**3,388**	**3,648**	**843**	**2%**
YoY Change (%)	6.6	2.1	1.8	-0.7	-11.6	4.9	12.4	23.6	2.3	7.7	3.3	
Margins (%)	16.5	16.7	15.5	15.0	13.8	14.6	15.3	16.1	15.9	15.0	15.1	

Jyothy Laboratories

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	JYL IN
Equity Shares (m)	367
M.Cap.(INRb)/(USDb)	113.9 / 1.3
52-Week Range (INR)	504 / 268
1, 6, 12 Rel. Per (%)	-3/-15/-38
12M Avg Val (INR M)	234

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Net Sales	29.9	32.3	35.0
Sales Gr. (%)	5.1	8.1	8.4
EBITDA	5.0	5.6	6.2
EBITDA Margins (%)	16.6	17.3	17.6
Adj PAT	3.8	4.3	4.8
Adj. EPS (INR)	10.3	11.7	13.0
EPS Gr. (%)	1.3	13.0	11.1
BV/Sh (INR)	57.2	62.4	68.8
Ratios			
RoE (%)	18.3	19.5	19.8
RoCE (%)	18.3	19.8	20.0
Payout (%)	63.2	56.0	50.4
Valuation			
P/E (x)	30.0	26.5	23.9
P/BV (x)	5.4	5.0	4.5
EV/EBITDA	21.5	18.7	16.4
Div. Yield (%)	1.7	1.7	1.7

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	62.9	62.9	62.9
DII	16.1	16.0	15.3
FII	12.1	12.7	15.1
Others	8.9	8.5	6.7

FII includes depository receipts

CMP: INR310 TP: INR350 (+13%) Neutral

Weak performance continues; margins under pressure

- Jyothy Laboratories (JYL) posted flat YoY sales growth in 2QFY26, with volumes rising 3% (est. 4%; 1QFY26 4%). The difference between value and volume growth was primarily due to MRP reductions, higher grammage, and promotional price-offs in select categories. JYL expects a 2%-2.5% value volume gap at the overall level going forward. GT channel continued to remain under pressure, while alternate channels grew double digits.
- Fabric Care grew 6% in value terms, led by liquid detergents, which more than doubled YoY. EBIT margin contracted 300bp YoY to 22%, resulting in a 7% YoY EBIT decline. Dishwash sales declined 4% YoY (volumes +3% YoY), primarily due to MRP reductions and grammage offers on bars. Liquid dishwash outperformed the bars category. EBIT margin contracted 180bp YoY to 17.3%, with EBIT declining 13% YoY.
- The Household Insecticides (HI) business continued to remain weak, marking a 9% YoY decline on a flat base as the category continued to face near-term headwinds. The sales have been on a declining trajectory for four quarters now. EBIT margin stood at -9.7% vs. -9.5% YoY. The Personal Care business sales declined 4%, impacted by GST transition; EBIT margin saw a sharp contraction of 1,090bp YoY to 2.7%, with EBIT declining 81% YoY. JYL expects the segment to return to growth in 2HFY26.
- Gross margin contracted 210bp YoY and flat QoQ to 48.1% (est. 50.3%). Higher employee costs and brand investments led to an EBITDA margin contraction of 280bp YoY, bringing it to 16.1% (below), with EBITDA declining 15% YoY. JYL expects EBITDA margin to be in the range of 16%-17% in 2HFY26.
- We model a CAGR of 8% in revenue/EBITDA over FY25-28E. We have been cautious on revenue growth and sustaining operating margin previously as well. We cut EPS by 2-3% for FY26/FY27. **We reiterate our Neutral rating on the stock with a TP of INR350 (premised on 30x Sep'27E P/E)**.

Broadly in-line sales; miss on margins

- **Volume growth stood at 3%:** JYL's net sales were flat YoY at INR7,361m (est. INR7,567m). Volume growth was 3% (est. 4%) in 2QFY26. In Dishwashing, liquids outperformed bars, while in Fabric Care, the liquid detergent range continued to scale rapidly, with revenue more than doubling YoY.
- **Contraction in margins:** Gross margin contracted 210bp YoY and remained flat QoQ at 48.1% (est. 50.3%). Employee expenses rose 5%, while Ad spends and other expenses rose 1% each. EBITDA margin contracted 280bp YoY to 16.1%. (est. 17.9%).
- **Decline in profitability**: EBITDA declined 14.6% YoY to INR1,183m (est. of INR1,351m). PBT declined 12.5% YoY to INR1,187m (est. INR1,328m). Adj. PAT declined 16% YoY to INR878m (est. INR1,009m).
- In 1HFY25, revenue grew 1% YoY, while EBITDA/APAT declined 11%.

Highlights from the management commentary

- The operating environment in 2QFY26 was mixed as the quarter started on a positive note. However, the GST rate revision caused trade disruptions in September, leading to flat growth YoY. The early demand signals for 3QFY26 are encouraging. The company expects demand environment to strengthen in 2HFY26.
- General trade continued to remain under pressure. Modern trade, including e commerce and quick commerce, sustained double-digit growth. Fabric care and dishwash performed well in these channels.
- In 2QFY26, JYL made significant investments in Margo, which, along with price hikes taken in December last year and elevated palm oil prices, weighed on personal care EBIT margins. Over the next couple of quarters, EBIT margins are expected to return to double digits.
- The company expects volume growth in double digits by 4QFY26. It also expects 2%-2.5% value volume gap at the overall level going forward.
- EBITDA margin is expected to be in the range of 16-17% in 2HFY26.

Valuation and view

- We cut our EPS estimates by 2%-3% each for FY26E-28E.
- We believe that while 2HFY26 will be better than 1HFY26 for most FMCG names, elevated competitive intensity could limit JYL's growth in the near term. Market share gains, the success of new launches, a recovery in personal care, and the turnaround of HI portfolio will be crucial for JYL's earnings growth. JYL's margin expansion beyond ~18% is also constrained by its focus on the mass and rural segments. Therefore, we believe its growth potential is adequately priced in at the current valuation. **We reiterate our Neutral rating on the stock with a TP of INR350 (premised on 30x Sep'27E P/E).**

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E						FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E	2QE	(%)
Volume growth (%)	11%	3%	8%	5%	4%	3%	8%	9%	6%	8%	4%	
Net Sales	**7,418**	**7,338**	**7,045**	**6,670**	**7,512**	**7,361**	**7,633**	**7,406**	**28,470**	**29,912**	**7,567**	-2.7
YoY change (%)	8.0	0.2	4.0	1.1	1.3	0.3	8.4	11.0	3.3	5.1	3.1	
Gross Profit	**3,805**	**3,683**	**3,506**	**3,281**	**3,608**	**3,537**	**3,862**	**4,099**	**14,275**	**15,106**	**3,806**	-7.1
Margins (%)	51.3	50.2	49.8	49.2	48.0	48.1	50.6	55.3	50.1	50.5	50.3	
EBITDA	**1,335**	**1,385**	**1,158**	**1,119**	**1,242**	**1,183**	**1,307**	**1,232**	**4,996**	**4,964**	**1,351**	-12.5
EBITDA growth %	13.7	2.3	-2.4	3.3	-7.0	-14.6	12.9	10.1	4.1	-0.6	-2.4	
Margins (%)	18.0	18.9	16.4	16.8	16.5	16.1	17.1	16.6	17.5	16.6	17.9	
Depreciation	134	139	143	146	147	152	151	150	561	601	149	
Interest	14	14	15	17	13	14	16	19	59	62	15	
Other Income	137	125	139	155	194	170	190	141	556	695	140	
PBT	**1,324**	**1,357**	**1,138**	**1,112**	**1,275**	**1,187**	**1,330**	**1,203**	**4,931**	**4,996**	**1,328**	-10.6
Tax	307	307	264	306	307	309	319	264	1,184	1,200	319	
Rate (%)	23.2	22.6	23.2	27.6	24.1	26.1	24.0	21.9	24.0	24.0	24.0	
Adjusted PAT	**1,017**	**1,050**	**874**	**806**	**968**	**878**	**1,011**	**940**	**3,747**	**3,796**	**1,009**	-13.0
YoY change (%)	16.6	1.0	-3.9	3.1	-4.8	-16.4	15.7	16.6	4.0	1.3	-3.9	

E: MOFSL Estimates

Campus Activewear

Estimate change	↓
TP change	↔
Rating change	↔

Bloomberg	CAMPUS IN
Equity Shares (m)	305
M.Cap.(INRb)/(USDb)	84.2 / 0.9
52-Week Range (INR)	338 / 210
1, 6, 12 Rel. Per (%)	-4/7/-14
12M Avg Val (INR M)	209

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	17.5	19.5	21.8
EBITDA	2.8	3.4	4.1
Adj. PAT	1.4	1.8	2.3
EBITDA Margin (%)	16.0	17.5	19.0
Adj. EPS (INR)	4.7	5.8	7.4
EPS Gr. (%)	17.5	24.9	27.1
BV/Sh. (INR)	28.3	33.2	39.5
Ratios			
Net D:E	0.3	0.1	0.0
RoE (%)	16.4	17.5	18.7
RoCE (%)	15.3	15.9	17.1
Payout (%)	21.5	17.2	13.5
Valuations			
P/E (x)	58.9	47.2	37.1
EV/EBITDA (x)	30.9	25.0	20.3
EV/Sales (X)	4.9	4.4	3.9
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	1.3	2.6	2.8

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	72.1	72.1	73.9
DII	11.8	11.8	11.8
FII	6.0	6.7	5.7
Others	10.1	9.4	8.7

FII includes depository receipts

CMP: INR276 TP: INR315 (+14%) Buy

Premiumization driving growth and margin expansion

- Campus Activewear (Campus) delivered a strong 16% revenue growth, driven by strong traction in the premium segment (sneaker sales up 2x YoY, ASAP up by INR50 or 8% YoY).
- Campus' EBITDA grew 31% YoY to INR0.5b with margin expanding by ~145bp YoY to 12.9%, aided by improved mix and operating leverage. This was partially offset by higher A&P spending (~200bp) and Haridwar-2 ramp-up costs (~40bp). Adjusted for these transitory factors, its margin stood at ~16%, in line with guidance.
- Management sees strong underlying demand momentum and expects to sustain double-digit revenue growth with steady improvement in margins to the 17-19% range over the medium term.
- We trim our EBITDA estimates for FY27/FY28 by 1-2%, but higher leasehold expenses related to the new Pantnagar facility lead to ~6% cut in EPS.
- We model an 11%/19%/23% CAGR in revenue/EBITDA/PAT over FY25-28E, with the EBITDA margin improving to ~19% by FY28.
- Our EPS cut was offset by the roll-forward of our estimates to Dec'27, leading to an **unchanged TP of INR315. Our TP is premised on 45x Dec'27E P/E; reiterate BUY.**

Strong revenue growth; higher lease costs dent profitability

- Campus' revenue at INR3.9b grew **16% YoY (vs. our est. of 13% YoY and 1% YoY in 1Q)**.
- Gross profit was up 18% YoY to INR2b (inline).
  - Gross Margin (GM) **expanded 100bp YoY** to 53.3% (~35bp ahead).
- Employee costs rose 17% YoY (7% higher than our estimate), while other expenses were up 14% YoY (4% ahead).
- As a result, EBITDA **grew 31% YoY** to INR499m (in line), led by operating leverage.
  - EBITDA margin **expanded 145bp** YoY to 12.9% (**40bp miss**).
  - For 1HFY26, the pre-IND AS EBITDA stood at INR729m (up 2% YoY) with a margin of 10% (down 70bp YoY).
- Depreciation (+25% YoY) and finance costs (+39% YoY) surged.
- Resultantly, PAT came in at INR201m (**10% miss**), with PAT margin at 5.2% (up 90bp YoY, ~75bp miss).

Review of the 1HFY26 performance

- Campus' revenue grew ~9% YoY to INR7.3b.
- Gross profit rose 11% YoY to INR3.9b as gross margin expanded ~80bp YoY to 53.9%.
- EBITDA at ~INR1b grew 10% YoY as margin expanded ~20bp YoY to 13.6%.
- The pre-IND AS EBITDA stood at INR729m (up 2% YoY), with the margin at 10% (down 70bp YoY).

- Reported PAT grew 7% YoY to INR423m as EBITDA growth and higher other income (~2x YoY) were offset by higher depreciation (+24% YoY) and finance cost (+37% YoY).
- As per our estimate, we build in 2HFY26 revenue/EBITDA/PAT growth of 11%/18%/23%.

Balance sheet and cash flow analysis

- Campus' net working capital (NWC) days increased to 101 in 1HFY26 (from 93 YoY), driven mainly by higher inventory days (125 vs. 118 YoY).
- OCF (post interest and leases) outflow for 1HFY26 stood at INR545m (vs. inflow of INR220m YoY), due to adverse working capital movement.
- With capex rising to INR1b in 1HFY26 (vs. INR203m YoY), FCF (post-interest and leases) outflow stood at INR1.6b (vs. INR17m of FCF generation YoY).

Growth momentum sustained by distribution

- **Trade distribution:** Revenue surged 20% YoY to INR2b, driven by strong retail execution, repeat billing, and premium portfolio traction. The **LFS channel** delivered 35% growth, fueled by new door additions.
- **Online:** Revenue grew by a modest ~6% YoY to INR1.3b, hurt by a change in billing model, where platforms now charge freight directly to consumers.
- **D2C (offline): Revenue** grew 33% YoY to INR448m.

Key takeaways from the management commentary

- **Demand:** Management sees strong underlying demand momentum, supported by festive recovery, premium category growth, and expanding distribution reach. They expect sustained double-digit growth in H2FY26 as premium and D2C channels scale further.
- **Premium portfolio** share rose to 57.2% (from 45.2%), lifting ASP by INR50 to INR672. Growth was driven by ~100% YoY growth in sneakers and strong traction in the women's range, reinforcing premiumization and brand strength across geographies.
- **Margins**: Rationalization of low-margin SKUs and a faster-growing sneakers portfolio improved margins. Gross margin expanded to 53.9% (up by ~100bp). EBITDA margin was 12.9%, hurt by front-loaded ad spending (~200bp) and temporary Haridwar-2 ramp-up costs (~40bp). The underlying margin was ~16%.
- **The capex** plan of INR2.3b over three years has focused on premiumization via the Pantnagar facility, adding 0.6mn pairs/month; Phase 1 (INR1.1b in FY26) builds uppers, with later phases adding assembly, ensuring full in-house integration and automation.

Valuation and view

- Campus' innovative designs, color combinations, and attractive price points make it a market leader in the fast-growing Sports and Athleisure (S&A) category.
- The GST rate cut acts as a structural demand catalyst, improving affordability and fueling growth. Alongside expanding distribution and new sneaker-focused capacity, Campus is well poised to sustain double-digit revenue growth.
- We trim our EBITDA estimates for FY27/28E by 1-2%, but higher leasehold expenses related to the new Pantnagar facility lead to ~6% cut in our EPS.
- We model an 11%/19%/23% CAGR in revenue/EBITDA/PAT over FY25-28E, with EBITDA margin improving to ~19% by FY28.
- Our EPS cut was offset by the roll-forward of our estimates to Dec'27, leading to an **unchanged TP of INR315. Our TP is based on 45x Dec'27E P/E; reiterate BUY.**

Consolidated Quarterly Earnings (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Var (%)
Revenue	**3,392**	**3,333**	**5,148**	**4,057**	**3,433**	**3,866**	**5,716**	**4,471**	**15,930**	**17,484**	**3,760**	**2.8**
YoY Change (%)	-4.1	28.9	9.1	11.5	1.2	16.0	11.0	10.2	10.0	9.8	2.8	
Gross Profit	**1,797**	**1,745**	**2,617**	**2,098**	**1,875**	**2,062**	**2,932**	**2,312**	**8,257**	**9,179**	**1,993**	3.5
Gross margin	53.0	52.4	50.8	51.7	54.6	53.3	51.3	51.7	51.8	52.5	53.0	1
Total Expenditure	2,874	2,951	4,326	3,343	2,940	3,367	4,753	3,626	13,494	14,686	3,260	3.3
EBITDA	**517**	**382**	**822**	**715**	**493**	**499**	**963**	**845**	**2,435**	**2,797**	**500**	**-0.2**
EBITDA margins (%)	15.3	11.5	16.0	17.6	14.4	12.9	16.9	18.9	15.3	16.0	13.3	
Depreciation	162	176	189	228	201	219	226	231	755	877	217	0.8
Interest	37	45	43	64	49	62	62	63	188	236	49	26.1
Other Income	23	34	37	53	61	52	54	52	147	219	64	-20.1
PBT	**341**	**196**	**626**	**476**	**304**	**270**	**730**	**602**	**1,639**	**1,903**	**298**	**-9.6**
Tax	87	53	162	126	82	69	184	145	428	479	75	-8.3
Rate (%)	25.6	27.0	25.8	26.4	26.9	25.5	25.2	24.0	26.1	25.2	25.2	1.5
Reported PAT	**254**	**143**	**465**	**350**	**222**	**201**	**546**	**458**	**1,212**	**1,424**	**223**	**-10.0**
Adj PAT	**254**	**143**	**465**	**350**	**222**	**201**	**546**	**458**	**1,212**	**1,424**	**223**	**-10.0**
YoY Change (%)	-19	4,369	87	7	-13	40	18	31	35.5	17.5	56	-28.0

E: MOFSL Estimates

Ellenbarrie Industrial Gases

Estimate change	↓
TP change	⟷
Rating change	⟷

Bloomberg	ELLEN IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	62.3 / 0.7
52-Week Range (INR)	638 / 430
1, 6, 12 Rel. Per (%)	-3/-/-
12M Avg Val (INR M)	518

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	4.3	5.9	7.4
EBITDA	1.7	2.4	3.0
PAT	1.4	1.9	2.4
EPS (INR)	9.8	13.6	17.0
EPS Growth (%)	65.5	38.9	24.7
BV/Share (INR)	73.2	86.8	103.7
P/E (x)	45.2	32.5	26.1
P/BV (x)	6.0	5.1	4.3
EV/EBITDA (x)	37.7	25.8	19.8
EV/Sales (x)	14.7	10.4	8.1
RoE (%)	18.1	17.0	17.8
RoCE (%)	15.0	16.2	17.3

Shareholding Pattern (%)

As On	Sep-25	Jun-25
Promoter	77.2	77.2
DII	14.4	10.6
FII	1.2	2.0
Others	7.3	10.3

Note: FII includes depository receipts

CMP: INR442 TP: INR610 (+38%) Buy

Commissioning and ramp-up of new plants to drive growth

EBITDA in line, PAT beats estimates due to higher other income

- Ellenbarrie (ELLEN) delivered a muted performance in 2QFY26 as EBITDA declined 8% YoY to INR335m. YoY growth was impacted by a one-time revenue of INR150m from Project Engineering in 2QFY25.
- Going forward, the ramp-up of the Kurnool (360 TPD) and Tata Steel Metaliks (154 TPD) divisions, along with the commissioning of the Merchant Plant (East) in 3QFY26 and the East Onsite Plant in 4QFY26, is expected to accelerate the growth momentum in 2H.
- We maintain our FY26 earnings estimates and reduce our FY27/FY28 earnings estimates by 13%/9% due to the delay in the commissioning of the North India plant from 2QFY27 to 2HFY27 caused by delays in project execution. We reiterate our BUY rating with a TP of INR610 (based on 40x Sep'27E EPS).

Muted operating performance due to one-off in base quarter

- ELLEN reported total revenue of INR892m (est. in line) in 2QFY26, down ~6% YoY, impacted by one-time revenue of INR150m from Project Engineering in 2QFY25.
- EBITDA margin contracted 70bp YoY to 37.5% (est. 37.8%). EBITDA stood at INR335m (est. in line), down 8% YoY. Adj. PAT grew 24% YoY to INR367m (est. INR254m), led by higher other income (up 74% YoY).
- **Gases, related products & services** revenue grew 10% YoY to INR879m, EBIT declined 8% YoY to INR362m, and EBIT margin was 41% (vs. 49% in 2QFY25).
- **Project engineering** revenue stood at INR12m vs. INR150m in 2QFY25 (one-off revenue), EBIT stood at INR3m, and EBIT margin was 28% (vs. 79% in 2QFY25).
- For 1HFY26, revenue/EBITDA/adj. PAT grew 7%/10%/21% to INR1.7b/ INR642m/INR554m.
- Gross debt stood at INR1.1b as of Sept'25 vs INR2.5b as of Mar'25. ELLEN generated CFO of INR659m in Sep'25 compared to INR221.6m in Sep'24.
- The board has approved the acquisition of the manufacturing facilities of Truair Industrial Gases (a partnership concern) in Bengaluru (Karnataka) as a going concern on a slump sale basis, pursuant to a business transfer agreement dated 5th Aug'25, for total purchase consideration of INR54m. As per Ind AS 103 - Business Combination, the purchase price allocation for the acquisition is still under process, and management expects it to be concluded by 31st Mar'26.

Highlights from the management commentary

- **Expansion plans:** ELLEN is on track for its pan-India expansion, with the Uluberia-2 bulk plant scheduled to open by 3QFY26 and the East India on-site plant by 4QFY26. The North India project has faced a slight commissioning delay due to execution-related issues. Although this may cause a modest short-term impact, it does not alter the company's strong long-term growth outlook or its commitment to expanding national coverage.

- **Argon gas:** Argon gas prices remained stable QoQ in 2Q, while the YoY decline was primarily due to an abnormal spike in the prior year. The company maintains a positive long-term outlook, supported by structural demand tailwinds that are expected to outpace supply**.**
- **New-age industries:** The solar cell segment is witnessing strong traction with significantly **higher** margins, supported by the company's enhanced capability in ultra-high-purity gases. With India's value chain expanding rapidly, the company has already secured three solar cell contracts in the last quarter and continues to see robust inquiry momentum. The semiconductor industry is expected to scale up gradually.

Valuation and view

- Looking ahead, we expect margins to improve through higher contributions from argon, green energy initiatives, capacity ramp-up leading to operating leverages, and lower power consumption in the new plants.
- ELLEN's medium- to long-term growth story will be led by 1) capacity expansion across India, 2) demand for argon gas outpacing supply, 3) increasing enquires in solar cell segment, 4) the growing semiconductor value chain, and 5) stable demand from well-diversified core industries (such as steel, pharmaceuticals, chemicals, and healthcare).
- We build in a CAGR of 33%/40%/42% in revenue/EBITDA/adj. PAT over FY25-28E. We maintain our FY26 earnings estimates and reduce our FY27/FY28 earnings estimates by 13%/9% due to the delay in the commissioning of the North India plant from 2QFY27 to 2HFY27 caused by delays in project execution. We reiterate our BUY rating with a TP of INR610 (based on 40x Sep'27E EPS).

Ellenbarrie Industrial Gases (INR m)

Y/E March	FY25			FY26				FY25	FY26E	FY26	Var
	1Q	2Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**673**	**947**	**825**	**836**	**892**	**1,096**	**1,456**	**3,125**	**4,280**	**930**	**-4%**
YoY Change (%)	NA	NA	NA	24.3	-5.8	NA	76.5	16.0	37.0	NA	
Total Expenditure	454	585	579	529	557	668	859	2,027	2,614	578	
Gross Margin (%)	88.6%	85.9%	85.4%	88.8%	90.6%	88.4%	89.1%	88.6%	89.2%	89.9%	
EBITDA	**219**	**362**	**246**	**307**	**335**	**428**	**597**	**1,097**	**1,666**	**351**	**-5%**
Margin (%)	32.5	38.2	29.8	36.7	37.5	39.0	41.0	35.1	38.9	37.8	
Depreciation	49	48	65	51	51	62	70	207	234	58	
Interest	39	42	54	46	11	10	10	171	77	35	
Other Income	79	72	114	68	126	110	120	359	424	80	
PBT before EO expense	**211**	**345**	**241**	**278**	**400**	**466**	**637**	**1,078**	**1,780**	**338**	
Extra-Ord. expense	0	0	0	0	0	0	0	0	0	0	
PBT	**211**	**345**	**241**	**278**	**400**	**466**	**637**	**1,078**	**1,780**	**338**	
Tax	49	48	59	91	32	117	160	245	401	85	
Rate (%)	23.2	14.0	24.3	32.8	8.1	25.2	25.2	22.8	22.5	25.0	
Adj. PAT	**162**	**297**	**183**	**187**	**367**	**348**	**477**	**833**	**1,379**	**254**	**45%**
YoY Change (%)	NA	NA	NA	15.6	23.8	86.2	29.8		65.5	NA	
Margin (%)	24.1	31.3	22.2	22.4	41.2	31.8	32.7	26.7	32.2	27.3	

EPL

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	EPLL IN
Equity Shares (m)	320
M.Cap.(INRb)/(USDb)	63.7 / 0.7
52-Week Range (INR)	290 / 175
1, 6, 12 Rel. Per (%)	-9/-18/-33
12M Avg Val (INR M)	208

Financials & Valuations (INR b)

Y/E Mar	2025	2026E	2027E
Sales	46.6	51.1	55.9
EBITDA	9.6	10.7	11.7
PAT	4.2	5.3	6.1
EBITDA (%)	20.7	21.0	20.9
EPS (INR)	13.2	16.5	19.2
EPS Gr. (%)	16.7	24.8	16.6
BV/Sh. (INR)	81.9	93.4	107.6
Ratios			
Net D/E	0.1	-0.0	-0.2
RoE (%)	17.0	18.8	19.1
RoCE (%)	16.2	18.0	19.3
Payout (%)	37.8	30.3	26.0
Valuations			
P/E (x)	15.1	12.1	10.4
EV/EBITDA (x)	6.9	5.9	4.9
Div Yield (%)	2.5	2.5	2.5
FCF Yield (%)	5.8	8.3	9.3

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	26.4	26.4	51.5
DII	10.0	10.5	11.2
FII	17.4	17.2	13.4
Others	46.2	45.9	23.9

Note: FII includes depository receipts

CMP: INR199 TP: INR260 (+31%) Buy

Business growth driven by strong performance in the Americas

Operating performance misses estimates

- EPL reported a revenue of INR12b (+11% YoY) in 2QFY26, in line with estimates. This was driven by revenue growth across the Americas/EAP (up 27%/11%), while AMESA declined 1% to INR3.9b during the quarter. Further, Europe recorded only 2.8% growth, impacted by temporary softness from a few large customers
- EPL continued its trajectory of margin expansion (up 60bp YoY), supported by AMESA/EAP/Americas (up 110bp/70bp/210bp). Europe recorded a margin contraction of 310bp; however, it is expected to recover in the coming quarters, supported by its strong order pipeline. Further, EPL remains optimistic about its growth trajectory, led by healthy demand in the Americas and EAP.
- We maintain our estimates for FY26/FY27/28 and value the stock at 15x Sep'27E EPS to arrive at our TP of INR260. **Reiterate BUY.**

Steady quarter with broad-based margin expansion

- EPL's consolidated revenue grew 11% YoY to INR12b (est. in line). Gross margin stood at 59.6% (up 160bp YoY). EBITDA margin expanded ~60bp YoY to 20.9% (est. 21.9%), led by improving margins in AMESA/EAP/Americas.
- EBITDA stood at INR2.5b (est. INR2.7b), up 14% YoY. Adj. PAT grew 20% YoY to INR1b (est. INR1.3b).
- Revenue from the Americas/Europe/EAP grew 27%/3%/11% YoY to INR2.9b/2.7b/2.9b, while revenue from AMESA declined 1% YoY to INR3.9b.
- EBITDA margins for AMESA/EAP/Americas expanded 110bp/70bp/210bp to 19.3%/22.4%/20.9%, while EBITDA margin for Europe contracted 310bp to 13.9%
- EBITDA for AMESA/EAP/Americas grew 6%/14%/48% YoY to INR753m/INR662m/INR733m, while EBITDA for Europe declined 16% to INR158m during the quarter.
- For 1HFY26, revenue/EBITDA/adj PAT grew 11%/18%/35% YoY 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.

Highlights from the management commentary

- **Guidance**: EPL expects to maintain **double-digit revenue growth,** with **EBITDA growth expected to outpace revenue**, driven by strong traction in the Beauty and Cosmetics (**BNC)** segment and the anticipated recovery in the oral care segment. The company has also guided for an ROCE of over 25% by FY29E.
- **EAP:** The company commercialized its greenfield plant in Thailand in October, just nine months after the announcement. It plans to start supplying to its customers from 3Q. Going ahead, the company remains confident of sustaining double-digit growth in EAP, driven by strong momentum in the BNC segment.
- **Europe:** Europe recorded only 2.8% growth, impacted by temporary softness from a few large customers. However, moving forward, Europe remains well-positioned with a strong order pipeline and is expected to rebound in the coming quarters.

Valuation and view

- EPL continues to deliver a healthy operating performance across geographies (except Europe), supported by a healthy demand, product innovations, an improving sustainable mix (38% of total volume), and continued capacity expansion. We expect this positive trend to continue.
- With a focus on improving market share across geographies in the BNC segment and an expected recovery in Europe, we expect a CAGR of 10%/12%/19% in revenue/EBITDA/adjusted PAT over FY25-28. We value the stock at 15x Sept'27E EPS to arrive at our TP of INR260. **Reiterate BUY.**

Consolidated - Quarterly Earning 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**	**11,261**	**12,244**	**42,133**	**46,643**	**12,124**	**-1**
YoY Change (%)	10.7	8.4	4.0	7.4	10.0	11.0	11.0	10.8	7.6	10.7	11.6	
Total Expenditure	8,216	8,657	8,127	8,774	8,811	9,543	8,994	9,658	33,774	37,006	9,467	
EBITDA	**1,858**	**2,205**	**2,016**	**2,280**	**2,268**	**2,516**	**2,267**	**2,586**	**8,359**	**9,637**	**2,657**	**-5**
Margins (%)	18.4	20.3	19.9	20.6	20.5	20.9	20.1	21.1	19.8	20.7	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	150	152	1,139	868	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**	**1,252**	**1,526**	**4,229**	**5,355**	**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**	**1,252**	**1,526**	**4,193**	**5,355**	**1,607**	
Tax	139	301	64	73	159	348	275	336	577	1,118	321	
Rate (%)	17.4	25.0	6.4	6.1	13.6	24.8	22.0	22.0	13.8	20.9	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**	**973**	**1,205**	**3,590**	**4,221**	**1,266**	
Adj PAT	**642**	**870**	**935**	**1,170**	**1,000**	**1,043**	**973**	**1,205**	**3,617**	**4,221**	**1,266**	**-18**
YoY Change (%)	18.2	72.3	8.6	72.9	55.8	19.9	4.1	3.0	39.9	16.7	45.5	
Margins (%)	6.4	8.0	9.2	10.6	9.0	8.6	8.6	9.8	8.6	9.0	10.4	

Key performance indicators

Y/E March	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Segment Revenue Gr. (%)									
AMESA	5%	-1%	5%	9%	4%	1%	0%	2%	-1%
EAP	13%	12%	4%	14%	9%	-1%	9%	10%	11%
Americas	13%	12%	16%	19%	9%	7%	14%	13%	27%
Europe	6%	9%	2%	9%	21%	9%	5%	15%	3%
Segment EBITDA Margin (%)									
AMESA	20%	21%	20%	19%	18%	18%	19%	19%	19%
EAP	23%	22%	18%	22%	22%	21%	20%	22%	22%
Americas	12%	16%	18%	16%	18%	20%	19%	19%	11%
Europe	10%	9%	11%	14%	17%	18%	17%	18%	14%
Cost Break-up (%)									
RM Cost (% of sales)	43%	42%	43%	40%	42%	40%	42%	40%	40%
Employee Cost (% of sales)	19%	20%	19%	21%	19%	21%	19%	20%	19%
Other Cost (% of sales)	20%	20%	20%	20%	19%	20%	18%	19%	19%
Gross Margins (%)	57%	58%	57%	60%	58%	60%	58%	60%	60%
EBITDA Margins (%)	18%	19%	19%	18%	20%	20%	21%	20%	21%
EBIT Margins (%)	10%	10%	10%	10%	12%	11%	13%	12%	13%

Laxmi Dental

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	LAXMIDEN IN
Equity Shares (m)	55
M.Cap.(INRb)/(USDb)	17.7 / 0.2
52-Week Range (INR)	584 / 302
1, 6, 12 Rel. Per (%)	-1/-22/-
12M Avg Val (INR M)	330

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	2.9	3.6	4.3
EBITDA	0.6	0.8	0.9
Adjusted PAT	0.5	0.6	0.8
EBITDA Margin (%)	19.2	21.9	21.8
Cons. Adj EPS (INR)	8.4	11.4	13.7
EPS Growth (%)	77.2	34.6	20.5
BV/Share (INR)	46.4	57.7	71.4
Ratios			
Net D-E	-0.4	-0.4	-0.5
RoE (%)	20.0	21.8	21.2
RoCE (%)	18.7	21.0	20.5
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	38.1	28.3	23.5
EV/EBITDA (x)	29.7	21.1	17.0
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	0.4	1.2	2.9
EV/Sales (x)	5.7	4.6	3.7

Shareholding Pattern (%)

As On	Sep-25	Jun-25
Promoter	41.7	41.7
DII	11.9	14.3
FII	32.4	33.6
Others	14.1	10.4

FII includes depository receipts

CMP: INR321 TP: INR410 (+28%) Buy

Mixed quarter; growth in Lab and Vedia offsets margin pressure

Global demand/network expansion to drive recovery/long-term growth

- Laxmi Dental (LAXMIDEN) delivered better-than-expected revenue in 2QFY26, whereas EBITDA and PAT came in lower than expectations. Profitability was impacted by US tariff related policy changes and increased competitive pressure in Bizdent segment.
- International lab business continues to witness improved traction, led by higher off-take of crown/bridges in new geographies.
- Likewise, the Vedia segment saw strong off-take of aligner/retainer materials and dental thermoforming machines, supporting 2Q growth.
- LAXMIDEN is working on increasing scanner sales to improve the visibility of its lab business.
- Having said this, the Bizdent business remains impacted by increased competition and the company's focus on profitable growth.
- We reduce our earnings estimates for FY26/FY27/FY28 by 6%/8%/11%, factoring in a prolonged impact of global policies, a gradual uptick in kidz-e-dental business, and a temporary slowdown in Bizdent business. We value LAXMIDEN at 33x 12M forward earnings to arrive at a TP of INR410.
- Though the company is facing near-term headwinds, the industry outlook remains promising in India and export markets. LAXMIDEN aims to outperform the industry and improve profitability by adding more dentists and increasing workflow from existing dentist network in focus markets. Maintain BUY.

Strong revenue growth YoY, Product mix kept margins steady YoY

- 2Q revenue grew 26.5% YoY to INR723m (our est: INR697m).
- Lab business grew 30% YoY to INR410m. International lab business rose 39% YoY to INR185m. Domestic lab business was up 23.6% YoY at INR225m.
- Aligners business grew 5% YoY to INR200m. Vedia business rose 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, 2Q profitability 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 increased by 44.8% YoY to INR65m (our est: INR 97m).
- In 1HFY26, revenue/EBITDA/PAT grew 18%/1%/2% YoY.

Highlights from the management commentary

- FY26 guidance: Revenue growth of 22-25% and PAT margin of 13-15%.
- 2Q scanner sales exceeded FY25 sales, and the company expects to sustain scanner sales to increase the reach and visibility of its lab business.
- Overall working capital days are ~65.
- Reduction in trade payables is largely due to payments related to IPO expenses.

Quarterly perf. (Consol.)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	
(INRm)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	vs Est
Net Sales	**597**	**571**	**617**	**607**	**656**	**723**	**771**	**794**	**2,391**	**2,943**	**697**	**3.7%**
YoY Change (%)	N/A	N/A	29.0	10.2	9.9	26.5	25.0	30.8	23.5	23.1	22	
Total Expenditure	457	484	520	511	537	612	620	608	1,972	2,378	568	
EBITDA	**140**	**87**	**96**	**95**	**119**	**110**	**150**	**185**	**419**	**565**	**129**	**-14.5%**
YoY Change (%)	N/A	N/A	144.7	-18.5	-15.0	26.3	56.3	94.8	76.1	34.9	**48**	
Margins (%)	23.5	15.3	15.6	15.7	18.2	15.3	19.5	23.4	17.5	19.2	19	**-17.6%**
Depreciation	34	34	40	43	36	37	39	44	150	156	**48**	
EBIT	**106**	**53**	**57**	**52**	**83**	**73**	**111**	**141**	**269**	**409**	**81**	**-10.1%**
YoY Change (%)	N/A	N/A	728.8	-38.0	-21.7	36.6	96.6	170.4	126.7	52.2	**52**	
Interest	14	12	15	13	5	2	2	1	54	10	3	
Other Income	4	7	6	16	17	24	22	18	33	81	20	
PBT before EO expense	**96**	**49**	**47**	**56**	**96**	**94**	**131**	**158**	**248**	**479**	**98**	**-3.8%**
Extra-Ord expense	-59	0	0	-4	0	0	0	0	-70	0	0	
PBT	**155**	**49**	**47**	**60**	**96**	**94**	**131**	**158**	**318**	**479**	**98**	**-3.8%**
Tax	18	11	11	25	23	19	31	26	65	99	23	
Rate (%)	11.4	23.3	22.7	41.2	23.8	19.8	23.5	16.7	20.3	20.6	23	
MI & P/L of Asso. Cos.	-20	-22	-12	-8	10	10	22	41	64	83	22	
Reported PAT	**157**	**59**	**48**	**43**	**83**	**85**	**122**	**172**	**318**	**464**	**97**	**-12.0%**
Adj PAT	**105**	**59**	**48**	**40**	**83**	**85**	**122**	**172**	**262**	**464**	**97**	**-12.0%**
YoY Change (%)	N/A	N/A	133.2	-51.0	-21.3	44.8	154.0	326.5	4.9	77.2	65	
Margins (%)	17.6	10.3	7.8	6.7	12.6	11.8	15.8	21.7	10.9	15.8	14	

E: MOFSL Estimates

Kolte Patil Developers

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	KPDL IN
Equity Shares (m)	89
M.Cap.(INRb)/(USDb)	36.1 / 0.4
52-Week Range (INR)	498 / 235
1, 6, 12 Rel. Per (%)	-8/16/3
12M Avg Val (INR M)	106

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	17.0	33.9	48.5
EBITDA	3.0	7.3	10.7
EBITDA (%)	17.8	21.5	22.1
PAT	1.9	4.6	6.8
EPS (INR)	21.5	52.2	76.6
EPS Gr. (%)	53.6	142.4	46.7
BV/Sh. (INR)	158.2	206.4	279.0
Ratios			
Net D/E	-0.5	-0.6	-0.6
RoE (%)	17.1	28.6	31.6
RoCE (%)	10.6	21.4	25.0
Payout (%)	18.6	7.7	5.2
Valuations			
P/E (x)	18.9	7.8	5.3
P/BV (x)	2.6	2.0	1.5
EV/EBITDA (x)	11.5	4.4	2.6
Div Yield (%)	1.0	1.0	1.0

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	73.8	69.5	69.5
DII	3.7	4.5	5.2
FII	8.8	8.1	3.1
Others	13.7	17.9	22.2

CMP: INR407 TP: INR488 (+20%) Buy

Operations lag as new management yet to take full control

Operational update

- KPDL achieved presales of INR6.7b in 2QFY26, down 13% YoY and up 9% QoQ (41% below our estimate), due to the absence of launches in the quarter. In 1HFY26, presales were at INR12.9b, down 13% YoY.
- Area sold in 2Q was 0.86msf, down 17% YoY but up 2% QoQ (45% below our estimate). In 1H, volumes were at 1.7msf, down 15% YoY.
- KPDL's flagship integrated township project, Life Republic (LR), registered sales volumes of 0.51msf in 2Q and 1.03msf in 1H.
- 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 Oct'25, KPDL acquired 7.5 acres of land in Bhugaon, Pune, with an estimated saleable area of ~1.9msf with a GDV of INR14b.
- Operating cash flow stood at INR1.9b, down 2% YoY. In 1HFY26, it stood at INR3.6b, down 20% YoY.
- KPDL's debt-to-equity ratio stood at 0.13x as of 2Q end. Excluding zero-coupon bond NCDs, the company was net cash at 0.3x.
- **P&L performance:** 2Q revenue stood at INR1.4b, -55% YoY/+68% QoQ (80% miss). In 1HFY26, revenue was INR2.2b, down 66% YoY.
- 2Q EBITDA loss stood at INR372m vs. profit of INR162m YoY. In 1HFY26, EBITDA loss was INR632m vs. profit of INR440m YoY.
- 2Q PAT loss came in at INR104m vs. profit of INR97m YoY. In 1HFY26, PAT loss stood at INR274m vs. profit of INR160m YoY.

Key highlights from presentation

- **Business development** activity has gained strong traction, and the momentum is expected to accelerate further in FY26. In 2Q, KPDL acquired 7.5 acres of land in Bhugaon, Pune, with an estimated saleable area of ~1.9msf with a GDV of INR14b.
- **Completions** were at ~1msf in 2QFY26.
- **Launches:** There were no new launches in 2Q. The launch of Laxmi Ratan - Versova in Mumbai is expected in FY26. In Pune, NIBM and Wadgaon project (divided into three to four phases) with Phase 1 of 1.5msf are scheduled to be launched this year. Overall, Pune is expected to see 5-5.5msf of launches (INR40b). In total, 6-7msf of area is planned for launch this year (INR50-52b). Other Mumbai projects—Jal Mangal Deep Goregaon, Vishwakarma Nagar, and Jal Nidhi project—are currently in approval stages.
- Unsold inventory currently stands at 2.9msf, of which LR contributes 1.6msf.
- Total remaining GDV potential of ongoing, unsold and upcoming inventory stands at INR253b in Pune, INR39b in MMR and INR2b in Bengaluru.
- Moreover, LR contributed 54% to total pre-sales for 2QFY26.

Valuation and view

- KPDL has reported stagnant pre-sales for the last few quarters. Yet, we expect the company to post a 15% CAGR in pre-sales over FY25-28E. **We maintain our BUY rating with a revised TP of INR488, indicating a potential upside of 20%.**

Financial and operational summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	2QE Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q Est.	(%/bp)
Gross Sales	**3,408**	**3,083**	**3,497**	**7,187**	**824**	**1,387**	**6,794**	**7,981**	**17,174**	**16,985**	**6,853**	**-80**
YoY Change (%)	-40	56	361	37	-76	-55	94	11	25.2	-1.1	122.3	
Total Expenditure	3,130	2,921	3,241	6,123	1,083	1,759	5,581	5,530	15,415	13,954	5,445	
EBITDA	**278**	**162**	**256**	**1,064**	**-260**	**-372**	**1,212**	**2,451**	**1,759**	**3,031**	**1,408**	**NA**
Margins (%)	8.2	5.2	7.3	14.8	-31.5	-26.8	17.8	30.7	10.2	17.8	20.5	
Depreciation	42	24	34	43	42	42	64	12	143	161	39	
Interest	187	107	61	64	67	33	131	97	419	328	79	
Other Income	95	127	196	45	145	231	185	-97	464	464	111	
PBT before EO expense	**144**	**157**	**357**	**1,003**	**-225**	**-216**	**1,202**	**2,244**	**1,661**	**3,006**	**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**	**1,202**	**2,244**	**1,661**	**3,006**	**1,402**	**NA**
Tax	104	69	96	350	-53	-29	448	754	618	1,119	522	
Rate (%)	72.2	44.0	26.8	34.9	23.7	13.4	37.2	33.6	0.4	0.4	37.2	
MI & P/L of Asso. Cos.	-22	-10	8	0	-2	-83	-9	71	-24	-24	-6	
Reported PAT	**62**	**97**	**253**	**653**	**-170**	**-104**	**764**	**1,420**	**1,066**	**1,910**	**885**	**NA**
Adj PAT	**62**	**97**	**253**	**653**	**-170**	**-104**	**764**	**1,420**	**1,066**	**1,910**	**885**	**NA**
YoY Change (%)	-86	-138	-140	-342	-373	-207	202	118	-253.9	79.2	808.9	
Margins (%)	1.8	3.2	7.2	9.1	-20.6	-7.5	11.2	17.8	6.2	11.2	12.9	-2044bp

E: MOFSL Estimates

Operational performance

Key metrics	FY25				FY26E				FY25	FY26E	FY26E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%/bp)
Sale Volume (msf)	1.0	1.0	0.8	0.8	0.8	0.9	1.0	1.0	3.6	3.7	1.56	**-45**
Sale Value (INR m)	7,110	7,700	6,800	6,310	6,160	6,700	8,500	10,443	27,920	31,803	11435	**-41**
Collections (INR m)	6,120	5,500	5,670	7,040	5,500	5,960	7,823	9,988	24,330	29,271	7391	**-19**
Realization (INR/sft)	7,406	7,476	8,395	7,888	7,333	7,791	8,639	10,471	7,756	8,639	7,333	**6**

Strong YoY growth in Oct'26; sustainability remains the key

Performance of top companies in Oct'25

Company	MAT growth (%)	Oct'25 (%)
IPM	8.4	11.7
Abbott*	8.1	6.1
Ajanta	11.2	19.3
Alembic	0.5	5.0
Alkem*	7.5	10.2
Cipla	8.1	11.6
Dr Reddys	9.8	12.6
Emcure*	4.9	2.8
Eris	4.6	8.9
Glaxo	3.0	9.0
Glenmark	12.2	17.0
Intas	10.9	18.9
Ipca	11.0	14.5
Jb Chemical*	12.2	15.0
Lupin	6.9	13.4
Macleods	8.5	13.9
Mankind	7.1	8.0
Sanofi	4.4	20.0
Sun*	10.5	15.0
Torrent	8.1	10.9
Zydus*	8.9	14.5

- The Indian Pharma Market (IPM) grew 11.7% YoY in Oct'25 (vs. 5% in Oct'24 and 6.1% in Sep'25). Notably, October was the first month following the GST transition. We will await the performance of the subsequent months to assess the sustainability of this growth.
- The growth was driven by strong performance in the Cardiac/Respiratory/Anti-Diabetic/Neuro therapies, which outperformed IPM by 4.9%/4.7%/3.4%/1.3% in Oct'25.
- Acute therapy showed strong growth of 9% in Oct'25 (vs. 2% in Oct'24/4% in Sep'25) owing to seasonality.
- For the 12 months ending in Oct'25, IPM growth was led by volume/price, which grew 6.8%/6.2% on a YoY basis. Growth from new launches was moderate at 3.9% YoY.
- Mounjaro remained the highest-growth brand, with Oct'25 sales of INR1.3b, according to IMS. This was followed by Budecort, which recorded YoY growth of 31% in Oct'25.
- In Oct'25, Mixtard witnessed the maximum YoY decline of 21%, according to IMS.

Sanofi/Ajanta/Intas/Glenmark outperform in Oct'25

- In Oct'25, among the top-20 pharma companies, Sanofi (up 20% YoY), Ajanta (up 19.3% YoY), Intas (up 18.9% YoY), and Glenmark (up 17% YoY) recorded higher growth rates vs. IPM.
- Emcure/Alembic were the major laggards in Oct'25 (up 2.8% YoY/up 5% YoY).
- Ajanta outperformed the IPM, driven by strong double-digit growth across all key therapies, with the highest growth seen in Derma/Ophthal.
- Glenmark outperformed IPM, led by robust growth in Respiratory/AI/Cardiology.
- It reported industry-leading price growth of 6.2% YoY on a MAT basis. Corona Remedies reported the highest volume growth of 6.8% YoY on a MAT basis. Zydus posted the highest growth in new launches (up 3.9% YoY).

Cardiac/Respiratory/Anti-Diabetic/Neuro lead YoY growth on MAT basis

- On a MAT basis, the industry reported 8.4% YoY growth.
- Chronic therapies posted 16% YoY growth, while acute therapies recorded 9% YoY growth in Oct'25.
- Cardiac/Respiratory/Anti-Diabetic/Neuro grew 12%/10%/9%/9%. AI/Gastro/Derma underperformed IPM by 310bp/180bp/170bp on a YoY basis for 12 months ending Oct'25.
- The acute segment's share in overall IPM stood at 60.3% for MAT Oct'25, with YoY growth of 11%.

Domestic companies outperform MNCs in Oct'25

- As of Oct'25, Indian pharma companies held a majority share of 84% in IPM, while the remaining was held by multi-national pharma companies (MNCs).
- In Oct'25, Indian companies grew 11.7%, while MNCs grew 11.2% YoY.

Inflation at an all-time low

- **India's CPI inflation eased sharply to 0.25% YoY in Oct'25 from 1.44% in Sep'25 (revised from 1.54%), driven by a decline in food prices, GST rate cuts, and a favorable base effect. It remained below the 3% mark for the sixth consecutive month. October was the first month to fully anticipate the impact of GST rate cuts.**
- **On a sequential basis, CPI inflation edged up by 0.1% in Oct'25, while core inflation rose by 0.5%. The uptick was primarily driven by a surge in gold prices. Notably, CPI excluding gold stood at -0.6% YoY.**
- **On a YoY basis, a 3.7% decline in prices of food & beverages mainly contributed to the lower CPI in Oct'25. CPI (ex-food) stood firm at 4.1% in Oct'25. The decline in food inflation was mainly led by good harvests coupled with better supplies of vegetables and pulses. Within food, prices of vegetables (-28% YoY) and pulses (-16% YoY) remained the key contributors to lower inflation. In contrast, prices of oil & fats (11.2% YoY) and fruits (6.7%) remained firm.**
- **Fuel inflation remained unchanged at 1.98% YoY, with an uptick seen in kerosene prices.**
- **Core inflation increased by 4.5% (25-month high) in Oct'25, led by an increase in housing inflation and an increase in prices of personal care & effects items, mainly gold. Excluding gold and other volatile components like oil, inflation stood at 2.6% in Oct'25, which is well within the comfort zone.**
- **Goods inflation declined 0.6% in Oct'25, while services inflation remained firm at 3.2%.**
- **Daily food price trends for the first half of November indicate a further moderation in vegetable prices, supported by the arrival of winter crops. This should continue to ease overall food inflation. Preliminary estimates suggest that November CPI could print below 1%. For FY26, inflation is expected to average around 2%. With the inflation trajectory remaining comfortable, the RBI has room to deliver an additional 25-bps rate cut in the upcoming policy review.**

Exhibit 1: CPI softened to 0.25% in Oct'25…

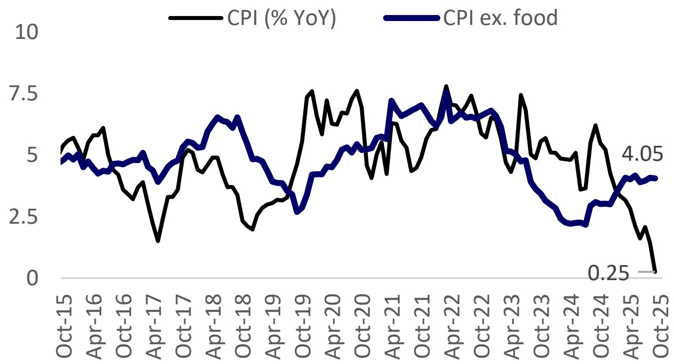
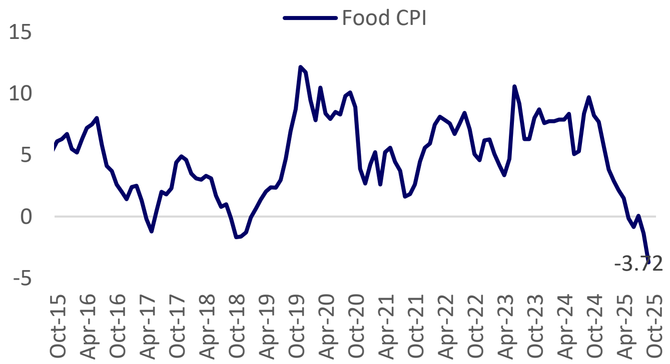


Exhibit 2: …led by a decline in food inflation



Source: CEIC, MOFSL

Exhibit 3: Core CPI stood at 4.5%, the highest in 25 months

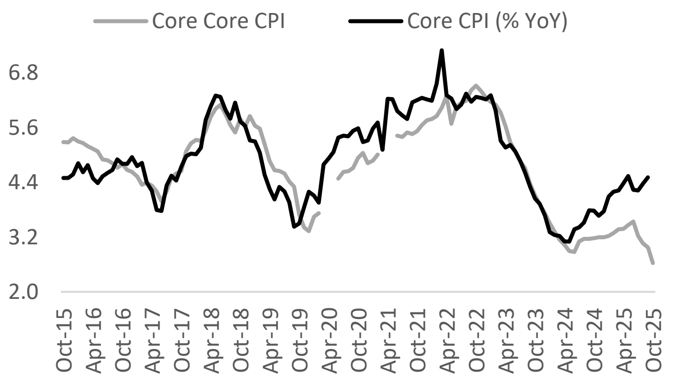
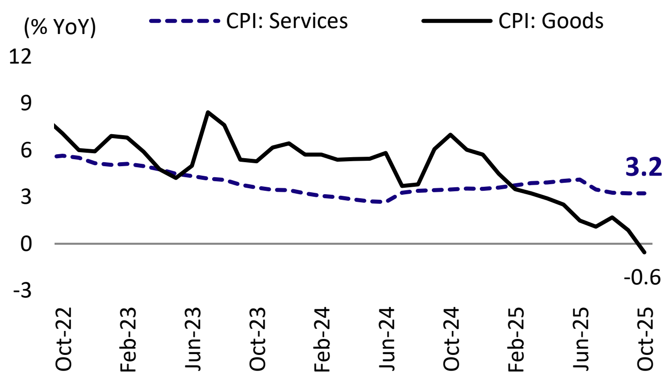


Exhibit 4: Trends in goods and services inflation



Source: CEIC, MOFSL

CPI details

- **Food inflation declined, the lowest in 81 months:** India's CPI inflation eased sharply to 0.25% YoY in Oct'25 from 1.44% in Sep'25 (revised from 1.54%), driven by a decline in food prices, GST rate cuts, and a favorable base effect. It remained below the 3% mark for the sixth consecutive month. October was the first month to fully anticipate the impact of GST rate cuts. On a YoY basis, a 3.7% decline in prices of food & beverages mainly contributed to the lower CPI in Oct'25. CPI (ex.-food) stood firm at 4.1% in Oct'25. The decline in food inflation was mainly led by good harvests coupled with better supplies of vegetables and pulses. Within food, prices of vegetables (-28% YoY) and pulses (-16% YoY) remained the key contributors to lower inflation. In contrast, prices of oil & fats (11.2% YoY) and fruits (6.7%) remained firm.
- **Core inflation at 4.5%, led by gold prices:** Core inflation increased by 4.5% (25-month high) in Oct'25, led by an increase in housing inflation and an increase in prices of personal care & effects items, mainly gold. On the other hand, prices of transport & comm. and recreation & amusement moderated. Excluding gold and other volatile components like oil, inflation stood at 2.6% in Oct'25, which is well within the comfort zone.
- **Outlook:** Daily food price trends for the first half of November indicate a further moderation in vegetable prices, supported by the arrival of winter crops. This should continue to ease overall food inflation. Preliminary estimates suggest that November CPI could print below 1%. For FY26, inflation is expected to average around 2%. With the inflation trajectory remaining comfortable, the RBI has room to deliver an additional 25-bps rate cut in the upcoming policy review.

Tata Steel

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details

Date: 13 November 2025
Time: 12:00 pm IST
Webinar via Webex: Link

ID: 2518 600 8534
Password: web@2025
Webinar via YouTube:

Link

CMP: INR179 BUY

Slightly better than estimates

Highlights of standalone results

- Revenue stood in line with our estimate at INR347b (+7% YoY and 12% QoQ). The increase was aided by a rise in domestic deliveries, which was partly offset by a drop in realizations.
- Steel production stood at 5.4mt (+7% YoY and QoQ), whereas deliveries were in line with our estimates at 5.55mt, up 9% YoY and 17% QoQ. This was supported by resumed operations of Jamshedpur and NINL post maintenance shutdowns.
- ASP remained subdued at INR62,486/t in 2QFY26, declining 1% YoY and 4% QoQ, led by price corrections during the quarter due to monsoons.
- EBITDA stood at INR81.5b (+23% YoY and +14% QoQ) and was slightly above our estimate of INR75.4b, translating to EBITDA/t of INR14,681/t (vs our estimate of INR13,733/t) in 2QFY26.
- APAT for the quarter stood at INR44.6b (+25% YoY and +19% QoQ) against our estimate of INR38b, supported by better operating profit.

Highlights of consolidated results

- Revenue stood at INR587b (+9% YoY and +10% QoQ) and was in line with our estimate. Sales volume stood at 7.91mt (+5% YoY and +11% QoQ), which was offset by muted ASP of INR74,196/t (+4% YoY and flat QoQ) in 2QFY26.
- Adjusted EBITDA stood at INR89b (+61% YoY and +20% QoQ), in line with our estimate of INR85.3b, translating to an EBITDA/t of INR11,247 (vs our est. INR10,548/t) in 2QFY26.
- APAT for the quarter stood at INR32.7b (6.2x YoY and +53% QoQ) against our estimate of INR28b.

Highlights of European operations

- Consolidated steel deliveries stood at 2.1mt (-1% YoY and flat QoQ), in line with our estimate during the quarter.
- Revenue stood at INR216b (+5% YoY and +4% QoQ) during the quarter.
- EBITDA continued to be positive during the quarter at INR1.5b (in line with our estimate), against an EBITDA loss of INR13.4b in 2QFY25.
- EBITDA/t stood at USD8/t (flat QoQ) in 2QFY26 against an EBITDA/t loss of USD75/t in 2QFY25.

Other highlights

- Net debt stood at INR870b as of 2QFY26, which includes cash of INR86b. This translates into net debt/EBITDA of 2.97x as of Sep'25.
- The company has spent INR32.5b on capital expenditure during the quarter and INR70.8b in 1HFY26.

Quarterly Performance (Standalone) – INR b

Y/E March	FY25				FY26		FY25	FY26E	FY25E	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	(%)
Deliveries (kt)	**4,940**	**5,110**	**5,290**	**5,600**	**4,750**	**5,550**	**20,940**	**22,251**	**5,493**	**1.0**
Change (YoY %)	3.1	6.0	8.4	3.3	(3.8)	8.6	5.2	6.3		
Change (QoQ %)	(8.9)	3.4	3.5	5.9	(15.2)	16.8				
Blended ASP (INR/t)	**66,716**	**63,404**	**61,929**	**61,427**	**65,293**	**62,486**	**63,284**	**63,941**	**63,044**	**(0.9)**
Change (YoY %)	(9.9)	(10.6)	(12.9)	(8.9)	(2.1)	(1.4)	(10.6)	1.0		
Change (QoQ %)	(1.0)	(5.0)	(2.3)	(0.8)	6.3	(4.3)				
Net Sales	**329.6**	**324.0**	**327.6**	**344.0**	**310.1**	**346.8**	**1,325.2**	**1,422.7**	**346.3**	**0.1**
Change (YoY %)	(7.1)	(5.3)	(5.6)	(5.9)	(5.9)	7.0	(6.0)	7.4		
Change (QoQ %)	(9.8)	(1.7)	1.1	5.0	(9.8)	11.8				
EBITDA	**67.8**	**66.1**	**75.0**	**69.8**	**71.2**	**81.5**	**278.7**	**324.0**	**75.4**	**8.0**
Change (YoY %)	1.0	(4.3)	(9.6)	(13.6)	5.1	23.3	(7.1)	16.3		
Change (QoQ %)	(16.1)	(2.5)	13.5	(6.9)	2.0	14.4				
EBITDA Margin %	20.6	20.4	22.9	20.3	23.0	23.5	21.0	22.8		
Spreads	40,869	36,175	36,015	36,687	42,198	38,124	37,379	40,101		
Conv. Cost	27,152	23,240	21,837	24,224	27,209	23,443	24,072	25,540		
EBITDA(INR/t)	13,716	12,935	14,179	12,463	14,988	14,681	13,307	14,562		
Interest	9.2	11.3	10.8	11.0	12.7	12.4	42.4	58.7		
Depreciation	15.2	15.6	15.6	16.2	16.3	17.2	62.5	69.1		
Other Income	3.7	8.5	4.6	5.6	5.6	6.1	22.5	24.2		
PBT (before EO Inc.)	**47.0**	**47.7**	**53.2**	**48.3**	**47.8**	**58.0**	**196.2**	**220.4**		
EO Income(exp)	(2.4)	0.1	(1.5)	(5.3)	(2.2)	(4.0)	(9.0)	(6.2)		
PBT (after EO Inc.)	**44.7**	**47.9**	**51.7**	**42.9**	**45.6**	**54.0**	**187.2**	**214.3**		
Total Tax	**11.3**	**11.9**	**13.0**	**11.2**	**10.3**	**13.4**	**47.5**	**53.6**		
% Tax	25.4	25.0	25.0	26.2	22.7	24.9	25.4	25.0		
Reported PAT	**33.3**	**35.9**	**38.8**	**31.7**	**35.2**	**40.6**	**139.7**	**160.7**		
Adjusted PAT	**35.7**	**35.8**	**40.2**	**37.0**	**37.4**	**44.6**	**148.7**	**166.9**	**38.3**	**16.6**
Change (YoY %)	(31.7)	(20.5)	(14.2)	(21.8)	4.9	24.7	(22.3)	12.2		
Change (QoQ %)	(24.6)	0.3	12.5	(8.0)	1.1	19.2				

Quarterly Performance (Consolidated) - INR b

Y/E March	FY25				FY26		FY25	FY26E	FY25E	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	(%)
Sales (k tons)	**7,390**	**7,520**	**7,720**	**8,330**	**7,120**	**7,910**	**30,960**	**32,401**	**8,088**	**(2.2)**
Change (YoY %)	2.6	6.4	8.0	4.4	(3.7)	5.2	5.3	4.7		
Change (QoQ %)	(7.4)	1.8	2.7	7.9	(14.5)	11.1				
Avg Realization (INR/t)	**74,116**	**71,682**	**69,493**	**67,489**	**74,688**	**74,196**	**70,589**	**72,176**	**70,226**	**5.7**
Change (YoY %)	(10.3)	(9.0)	(10.2)	(8.2)	0.8	3.5	(9.5)	2.2		
Change (QoQ %)	0.8	(3.3)	(3.1)	(2.9)	10.7	(0.7)				
Net Sales	**547.7**	**539.0**	**536.5**	**562.2**	**531.8**	**586.9**	**2,185.4**	**2,338.6**	**568.0**	**3.3**
Change (YoY %)	(7.9)	(3.2)	(3.0)	(4.2)	(2.9)	8.9	(4.6)	7.0		
Change (QoQ %)	(6.7)	(1.6)	(0.5)	4.8	(5.4)	10.4				
EBITDA	**66.9**	**55.2**	**71.5**	**65.6**	**74.3**	**89.0**	**259.3**	**358.4**	**85.3**	**4.3**
Change (YoY %)	29.4	29.4	14.2	(0.6)	11.0	61.1	16.3	38.2		
Change (QoQ %)	1.4	(17.5)	29.6	(8.3)	13.2	19.8				
EBITDA Margin %	12.2	10.2	13.3	11.7	14.0	15.2	11.9	15.3		
EBITDA (INR/t)	**9,059**	**7,343**	**9,268**	**7,874**	**10,432**	**11,247**	**8,376**	**11,061**	**10,548**	**6.6**
Interest	17.8	19.7	18.0	17.9	18.5	17.7	73.4	74.0		
Depreciation	25.4	26.0	25.7	27.2	27.4	28.9	104.2	107.7		
Other Income	2.6	6.0	2.2	4.6	2.9	3.6	15.4	16.4		
PBT (before EO Inc.)	**26.4**	**15.5**	**30.0**	**25.1**	**31.2**	**45.9**	**97.1**	**193.0**		
Share of asso. PAT	0.9	(0.3)	0.5	0.8	0.8	0.5	1.9	1.3		
EO Income(exp)	(3.6)	6.4	(13.8)	(3.9)	(1.3)	(4.2)	(14.9)	(5.5)		
PBT (after EO Inc.)	**23.8**	**21.6**	**16.7**	**22.0**	**30.7**	**42.2**	**84.1**	**188.8**		
Total Tax	14.6	14.1	13.8	10.0	10.6	10.4	52.4	76.8		
% Tax	61.4	64.9	82.3	45.4	34.6	24.6	62.3	40.7		
PAT before MI	**9.2**	**7.6**	**3.0**	**12.0**	**20.1**	**31.8**	**31.7**	**112.0**		
Minority Interests	(0.4)	(0.7)	(0.3)	(1.0)	(0.7)	0.8	(2.5)	0.1		
Reported PAT (after MI)	**9.6**	**8.3**	**3.3**	**13.0**	**20.8**	**31.0**	**34.2**	**111.9**		
Adj. PAT (after MI)	**13.2**	**4.5**	**7.4**	**16.9**	**21.3**	**32.7**	**42.0**	**114.1**	**27.7**	**17.9**
Change (YoY %)	112.3	(35.8)	68.2	40.1	61.7	625.0	41.4	171.7		
Change (QoQ %)	9.3	(65.8)	64.1	128.3	26.1	53.5				

Prestige Estates Projects

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details

Date: 13 Nov 2025
Time: 15:30 IST
Dial-in details:
+91-22 6280 1145 / +91 22 7115 8046

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	114.3	140.7	153.0
EBITDA	30.7	33.5	36.4
EBITDA Margin (%)	26.8	23.8	23.8
PAT	11.0	12.9	14.3
EPS (INR)	27.5	32.1	35.7
EPS Gr. (%)	130.9	164.1	85.6
BV/Sh. (INR)	410.6	441.1	475.1
Ratios			
RoE (%)	6.9	7.5	7.8
RoCE (%)	7.7	8.1	8.3
Payout (%)	5.9	5.0	4.5
Valuations			
P/E (x)	61.9	53.1	47.7
P/BV (x)	4.1	3.9	3.6
EV/EBITDA (x)	24.7	23.3	21.3
Div yld (%)	0.1	0.1	0.1

CMP: INR1,701 — Buy

Strong 1H launches push presales past FY25 benchmark

Aggressive business development in 1H of INR331b

- **Presales:** PEPL reported a 50% YoY growth and 50% QoQ decline in pre-sales to INR60.2b (52% beat to our estimates) due to the stellar launches in NCR and Bengaluru. In 1HFY26, the company reported INR181b in presales surpassing total FY25 presales in 1HFY26 itself thus growing at 157% YoY.
- **Area sold:** Total area sold in the quarter was at 4.4msf, up 47% YoY while it was down 54% QoQ (42% beat to our estimates). In 1HFY26, total area sold was at 14msf, up 138% YoY and higher than total area sold in the full year FY25.
- **Geographical contribution of presales:** In 2QFY26, BGLR / NCR / MMR / HYD / CHEN / Others contributed 40% / 18% / 22% / 11% / 7% / 2% to presales while in 1HFY26 these regions contributed 27% / 45% / 16% / 7% / 4% / 1% respectively.
- **Realization:** The realizations stood at INR13,614psf, up 2%/7% YoY/QoQ (7% higher than our estimates). In 1HFY26, they were at INR12,988psf, up 8% YoY.
- **Launches:** Prestige launched four residential projects totaling 3.87msf with GDV of INR39.6b during the quarter. With this, HY26 launches stood at 18.81msf with GDV of INR175.9b.
- **Collections:** PEPL's collections rose 14% YoY to INR38.9b (14% above our estimates) for 2QFY26. In 1HFY26, it stood at INR81b, up 55% YoY.
- **Net debt:** In 2QFY26, the company had net debt of INR73.2b, with a net debt/equity ratio of 0.45x (vs net debt of INR68b, with a net debt/equity ratio of 0.42x as of 1QFY26). The average borrowing cost stands at 9.61%.
- **Business development:** In 1HFY26, the company acquired 266 acres of land with a GDV of INR331b across Hyderabad, Bengaluru, Chennai, Mysore and Mumbai.
- **Completions:** The company successfully completed two residential projects in 2QFY26 spanning a total of 2.53msf. Overall, in 1HFY26, the company completed 7.99msf of projects.
- **Pipeline:** GDV of upcoming launches planned stands at INR272b. For under-construction and upcoming office projects, pending capex amounts to INR104b, while retail projects have INR43b in pending capex.
- **Office:** Total area leased in 2QFY26 was at 2.3msf. Occupancy levels remained robust at 93.4%. Exit rentals for the quarter amounted to INR8.2b.
- **Retail:** Gross Turnover (GTO) across malls was recorded at INR6.2b, up 9% YoY. Occupancy levels remained strong at 99%. Exit rentals for FY26 stood at INR2.7b.

Financial performance

- PEPL reported an 6% YoY / 5% QoQ increase in revenue to INR24.3b (13% below estimates) for 2QFY26. In 1HFY26, it stood at INR47.4b, up 14% YoY.
- EBITDA came in at INR9.1b, up 44% YoY / 2% QoQ (21% above our estimates) with EBITDA margin of 37%. In 1HFY26, it stood at INR18b, up 26% YoY with margin of 38%.
- PEPL reported adjusted PAT of INR4.3b up 124%/47% YoY/QoQ, (42% above estimates) with margin of 18%. In 1HFY26, it stood at INR7.2b, up 70% YoY with margin of 15%.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	(%/bp)
Net Sales	**18,621**	**23,044**	**16,545**	**15,284**	**23,073**	**24,317**	**28,215**	**38,708**	**73,494**	**1,14,313**	**28,062**	**-13**
YoY Change (%)	10.8	3.0	-7.9	-29.4	23.9	5.5	70.5	153.3	-6.7	55.5	21.8	
Total Expenditure	10,658	16,731	10,644	9,873	14,135	15,219	20,648	33,653	47,906	83,655	20,536	
EBITDA	**7,963**	**6,313**	**5,901**	**5,411**	**8,938**	**9,098**	**7,567**	**5,055**	**25,588**	**30,658**	**7,526**	**21**
Margins (%)	42.8	27.4	35.7	35.4	38.7	37.4	26.8	13.1	34.8	26.8	26.8	1,059.5
Depreciation	1,905	2,004	2,047	2,167	2,162	2,186	2,347	2,814	8,123	9,509	2,334	
Interest	3,461	3,565	3,451	2,861	3,839	3,851	2,616	294	13,338	10,600	2,602	
Other Income	1,624	1,194	434	609	1,614	2,661	1,552	460	3,861	6,287	1,543	
PBT before EO expense	**4,221**	**1,938**	**837**	**992**	**4,551**	**5,722**	**4,155**	**2,408**	**7,988**	**16,836**	**4,133**	**38**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**4,221**	**1,938**	**837**	**992**	**4,551**	**5,722**	**4,155**	**2,408**	**7,988**	**16,836**	**4,133**	**38**
Tax	1,023	-519	445	440	1,271	1,266	723	983	1,389	4,243	719	
Rate (%)	24.2	-26.8	53.2	44.4	27.9	22.1	17.4	40.8	17.4	25.2	17.4	
Minority Interest & Profit/Loss of Asso. Cos.	872	535	215	302	355	153	387	674	1,924	1,569	385	
Reported PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**4,303**	**3,046**	**751**	**4,675**	**11,025**	**3,029**	
Adj PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**4,303**	**3,046**	**751**	**4,675**	**11,025**	**3,029**	**42**
YoY Change (%)	-12.9	3.6	-84.8	-82.1	25.8	123.9	1,620.7	200.4	-34.0	135.8	57.6	
Margins (%)	12.5	8.3	1.1	1.6	12.7	17.7	10.8	1.9	6.4	9.6	10.8	
Key metrics												
Sale Volume (msf)	2.9	3.0	2.2	4.5	9.6	4.4	3.4	5.6	12.6	23.0	3	**42**
Sale Value (INRb)	30.3	40.2	30.1	69.6	121.3	60.2	46.7	35.6	170.2	263.8	40	**52**
Collections - PEPL share (INRb)	27	26	31	30	42	38.9	40.9	29.2	113.2	151.3	34	**14**
Realization (INR/sft)	10,593	13,409	13,513	15,495	12,698	13,614	13,614	6,334	13,532	11,455	12,698	**7**

Source: MOFSL, Company

Note: We may revisit our estimates after the concall

Endurance Technologies

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details

Date: 13th Nov 2025
Time: 10.30am IST
Dial-in details:
Diamond Pass Registration

Financials & Valuations (INR b)

INR Billion	FY26E	FY27E	FY28E
Sales	143.0	162.1	184.9
EBITDA	19.5	22.5	25.8
Adj. PAT	10.1	11.9	14.0
EPS (INR)	72.0	84.4	99.5
EPS Growth (%)	22.5	17.2	17.9
BV/Share (INR)	464.5	531.9	614.4
Ratios			
Net Debt/Equity	-0.2	-0.2	-0.3
RoE (%)	16.5	16.9	17.4
RoCE (%)	15.4	16.0	16.6
Payout (%)	19.4	20.1	17.1
Valuations			
P/E (x)	40.5	34.6	29.3
P/BV (x)	6.3	5.5	4.7
Div. Yield (%)	21.1	18.4	16.0
FCF Yield (%)	0.5	0.6	0.6

CMP: INR2,916 Buy

Earnings miss due to higher depreciation and tax rate

- 2QFY26 consol. revenue grew 23% YoY to INR35.8b (in line with estimates), driven by ~17% YoY growth in standalone (India) business (outperforming industry sales growth of 9.5%) and ~47.1% YoY growth in Europe (in INR; +33% in EUR terms). Europe growth was aided by Stoferle acquisition and tooling sales. Organic growth would be in line with EU new car registration growth of 7.7% in 2Q. Maxwell revenue jumped 1.3x YoY (on a low base) to INR440m.
- Europe business saw strong growth from new hybrid/EV orders, favorable mix and Stoferle consolidation. Maxwell revenue surge was led by higher volumes from key OEMs, new BMS variants and early traction in battery pack orders.
- Standalone EBITDA margin declined 100bp YoY to 12% (below our estimate of 13%). However, given a higher-than-expected revenue growth, EBITDA was in line with our estimate at INR3.2b.
- Europe EBITDA margin (including other income) expanded 180bp YoY to 17.8%. Maxwell reported positive EBITDA of INR19m in 2Q vs. loss of INR17m YoY.
- Consolidated PAT grew 12% YoY to INR2.3b (below estimates of INR2.5b). PAT was lower than expected due to lower than expected other income, higher depreciation and higher tax rate in 2Q.
- PAT growth was supported largely by inorganic growth (Europe PAT growth at 52.2% YoY). On the other hand, standalone PAT grew 1.5% YoY to INR1.9b, while Maxwell reported a reduced loss of INR9.5m vs. INR44m in 2QFY25.

From the Investor Presentation

India

- 2Q order wins in India stood at INR9.09b (excl. Bajaj Auto), including INR3.0b for battery packs and INR210m for Maxwell, along with large orders for proprietary brakes and driveshafts.
- Cumulative EV orders (excl. battery packs) in India reached INR11.95b, including Bajaj Auto, with FY26 YTD EV orders forming ~30% of total wins, vs. 49% in FY25 and 5% in FY24, highlighting a steady EV order pipeline.

Europe

- 2Q Europe order wins stood at EUR12.7m, taking the cumulative five-year order book to EUR242m.
- Of these, EUR94m of orders (41%) are for EV and EUR109m (45%) for hybrid applications.

Valuation view: The stock trades at ~40.3x/34.4x FY26E/27E consol EPS.

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E		Var
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**28,255**	**29,127**	**28,592**	**29,635**	**33,189**	**35,828**	**36,783**	**37,217**	**115,608**	**143,018**	**34,702**	**3.2**
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	23.0	28.7	25.6	12.9	23.7	19.1	
EBITDA	**3,741**	**3,820**	**3,725**	**4,225**	**4,439**	**4,768**	**5,028**	**5,300**	**15,511**	**19,535**	**4,651**	**2.5**
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.3	13.7	14.2	13.4	13.7	13.4	
Depreciation	1,288	1,311	1,364	1,424	1,644	1,800	1,680	1,524	5,387	6,649	1,630	
Interest	112	116	115	125	135	137	98	96	468	466	107	
Other Income	339	265	219	346	356	210	310	388	1,170	1,264	290	
PBT before EO expense	**2,680**	**2,658**	**2,466**	**3,022**	**3,016**	**3,041**	**3,560**	**4,067**	**10,825**	**13,684**	**3,204**	
Exceptional Item	0	0	0	-122	0	0	0	0	-122	0	0	
PBT after EO	**2,680**	**2,658**	**2,466**	**3,144**	**3,016**	**3,041**	**3,560**	**4,067**	**10,947**	**13,684**	**3,204**	
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	25.3	22.5	22.2	23.6	23.5	23.2	
Adj. PAT	**2,039**	**2,030**	**1,844**	**2,358**	**2,264**	**2,273**	**2,760**	**3,165**	**8,270**	**10,462**	**2,460**	**-7.6**
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	12.0	49.7	34.2	20.7	26.5	21.2	

Standalone Performance

Y/E March				FY25				FY26E	FY25	FY26E		Var
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			1QE	(%)
Net Sales	**21,204**	**22,995**	**21,773**	**22,490**	**23,346**	**26,782**	**26,127**	**25,661**	**88,461**	**101,916**	**25,294**	**5.9**
YoY Change (%)	16.2	16.5	9.2	9.2	10.1	16.5	20.0	14.1	12.4	15.2	10.0	
RM Cost (% of sales)	64.6	65.2	65.0	64.3	65.2	66.0	64.8	63.6	64.8	64.9	64.8	
Staff Cost (% of sales)	5.1	4.7	5.0	5.0	5.2	4.9	4.8	4.6	4.9	4.9	4.8	
Other Expenses (% of sales)	17.4	17.2	17.5	17.2	17.1	17.2	17.4	17.3	17.3	17.3	17.4	
EBITDA	**2,742**	**2,984**	**2,729**	**3,055**	**2,895**	**3,219**	**3,394**	**3,716**	**11,510**	**13,224**	**3,277**	**-1.8**
Margins (%)	12.9	13.0	12.5	13.6	12.4	12.0	13.0	14.5	13.0	13.0	13.0	
Depreciation	692	727	735	742	814	819	860	862	2,897	3,355	820	
Interest	7	5	7	7	15	23	8	-6	26	40	7	
Other Income	142	176	144	204	161	140	130	132	666	564	150	
PBT before EO expense	**2,185**	**2,429**	**2,131**	**2,509**	**2,227**	**2,518**	**2,656**	**2,993**	**9,254**	**10,393**	**2,600**	
Extra-Ord expense	0	0	0	174	0	0	0	0	0	0	0	
Tax Rate (%)	25.5	23.9	26.4	25.5	25.5	25.5	25.0	25.2	24.8	25.3	25.0	
Adj. PAT	**1,629**	**1,848**	**1,569**	**1,871**	**1,658**	**1,876**	**1,993**	**2,237**	**6,960**	**7,764**	**1,950**	**-3.8**
YoY Change (%)	24.8	29.7	18.5	11.9	1.8	1.5	27.0	19.5	17.4	11.5	5.5	
Margins (%)	7.7	8.0	7.2	8.3	7.1	7.0	7.6	8.7	7.9	7.6	7.7	

Maxwell

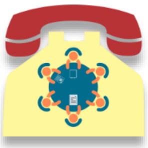
Y/E March	FY25				FY26E				FY25	FY26E	2QE	Var(%)
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	**34**	**190**	**261**	**210**	**310**	**440**	**360**	**290**	**695**	**1,400**	**330**	**33.3**
YoY Change (%)	-78.8	11.8	37.4	90.9	811.8	131.6	37.9	38.1	10.3	101.4	73.7	
EBITDA	**-42.0**	**-17.0**	**-9.0**	**1.0**	**10.0**	**19.0**	**12.6**	**5.4**	**-67.0**	**47.0**	**11**	**79.2**
Margins (%)	-123.5	-8.9	-3.4	0.5	3.2	4.3	3.5	1.9	-9.6	3.4	3.2	

IGL

BSE SENSEX	S&P CNX
84,467	25,876

CMP: INR210 **Neutral**

Conference Call Details



Date: 14 Nov'25
Time: 1400 hours IST
Dial-in details:
+91 22 7195 0000

EBITDA/scm margin below our estimate; volume growth disappoints

- Total volumes were slightly below our estimate at 9.31mmscmd (our est.: 9.66mmscmd), up 3% YoY.
  - CNG and PNG volumes stood 4%/3% below our estimate.
- EBITDA/scm came in 9% below our estimate at INR5.2.
  - Realization decreased ~INR0.1/scm QoQ; gas costs rose ~INR1.5 per scm QoQ, while opex declined ~INR0.6 per scm QoQ.
- The resulting EBITDA was 13% below our est. at INR4.4b (-17% YoY).
- IGL's PAT came in 7% below our est. at INR3.7b (-14% YoY), as other income was above our estimate.

Standalone Quarterly performance (INR m)

Y/E March	FY25				FY26E					Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	2QE	(%)	(%)	(%)
Net Sales	**35,206**	**36,973**	**37,591**	**39,506**	**39,139**	**40,233**	**43,330**	**46,402**	**42,919**	**-6%**	**9%**	**3%**
Change (%)	*3.3*	*6.9*	*5.9*	*9.8*	*11.2*	*8.8*	*15.3*	*17.5*	*16.1*			
EBITDA	**5,819**	**5,359**	**3,636**	**4,972**	**5,118**	**4,428**	**5,349**	**5,924**	**5,062**	**-13%**	**-17%**	**-13%**
EBITDA (INR/scm)	7.4	6.5	4.3	6.0	6.2	5.2	6.0	6.4	5.7	-9%	-20%	-16%
% Change	*-9.4*	*-18.4*	*-34.9*	*-4.8*	*-12.0*	*-17.4*	*47.1*	*19.1*	*-5.5*			
Depreciation	1,143	1,184	1,216	1,198	1,238	1,279	1,281	1,198	1,248			
Interest	22	23	21	26	22	22	20	26	23			
Other Income	727	1,493	1,288	908	901	1,626	1,349	752	1,565			
PBT after EO	**5,380**	**5,645**	**3,687**	**4,656**	**4,758**	**4,754**	**5,397**	**5,452**	**5,357**	**-11%**	**-16%**	**0%**
Rate (%)	*25.4*	*23.6*	*22.5*	*25.0*	*25.2*	*21.6*	*25.2*	*28.2*	*25.2*			
PAT	**4,015**	**4,311**	**2,858**	**3,492**	**3,559**	**3,725**	**4,038**	**3,913**	**4,009**	**-7%**	**-14%**	**5%**
PAT (INR/scm)	5.1	5.2	3.4	4.2	4.3	4.3	4.5	4.3	4.5	-4%	-16%	1%
Change (%)	*-8.4*	*-19.4*	*-27.1*	*-8.8*	*-11.3*	*-13.6*	*41.3*	*12.0*	*-7.0*			
EPS (INR)	**2.9**	**3.1**	**2.0**	**2.5**	**2.5**	**2.7**	**2.9**	**2.8**	**2.9**	**-7%**	**-14%**	**5%**
Gas Volumes (mmscmd)												
CNG	6.45	6.78	6.70	6.71	6.79	6.97	7.18	7.50	7.26	-4%	3%	3%
PNG	2.18	2.24	2.41	2.47	2.34	2.34	2.59	2.72	2.41	-3%	5%	0%
Total	**8.63**	**9.02**	**9.11**	**9.18**	**9.13**	**9.31**	**9.76**	**10.21**	**9.66**	**-4%**	**3%**	**2%**

IRB Infrastructure

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details

Date: 14th November 2025
Time: 04:30 PM IST
Meeting Link

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	94.3	114.3	130.2
EBITDA	44.6	55.5	65.0
Adj. PAT	13.0	16.6	23.3
EBITDA Margin (%)	47.2	48.6	49.9
Adj. EPS (INR)	2.2	2.8	3.9
EPS Gr. (%)	92.9	27.6	39.7
BV/Sh. (INR)	34.6	37.0	40.5
Ratios			
Net D:E	0.8	0.6	0.5
RoE (%)	6.4	7.7	9.9
RoCE (%)	7.2	8.2	9.6
Payout (%)	16.7	13.1	9.4
Valuations			
P/E (x)	21.3	16.7	11.9
P/BV (x)	1.3	1.2	1.1
EV/EBITDA(x)	9.8	7.6	6.1
Div. Yield (%)	0.7	0.7	0.7
FCF Yield (%)	13.0	13.8	16.1

CMP: INR43 — Neutral

In-line performance

Earnings snapshot: 2QFY26

- IRB Infrastructure's revenue grew 10% YoY to INR17.5b in 2QFY26 (in line). Revenue included: a) gains on InvITs & Related Assets measured at fair value, and b) dividend/interest income from InvITs & Related Assets.
- EBITDA margin came in at 52.8% (vs our estimate of 48.5%) in 2QFY26 (+450bp YoY and +740bp QoQ). EBITDA grew ~21% YoY to INR9.2b (8% above our estimate).
- APAT grew 41% to INR1.4b (in line).
- Construction revenue stood at INR8.2b (-18.4% YoY); BOT revenue stood at INR6.27b (+8% YoY). InvIT & related assets revenue stood at INR3b (INR1.3b in 2Q FY25).
- The company declared an interim dividend of INR0.07 per equity share.
- Its order book stood at ~INR320b (excluding GST) as of Sep'25.

Quarterly performance (INR m)

Y/E March	FY25				FY26E		FY25	FY26E	FY26	Var
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	%
Net Sales	**18,529**	**15,858**	**20,254**	**21,492**	**20,990**	**17,510**	**76,135**	**94,348**	**17,623**	**(1)**
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.3	10.4	2.8	23.9	11.1	
EBITDA	**8,570**	**7,667**	**9,842**	**9,979**	**9,520**	**9,246**	**36,059**	**44,577**	**8,547**	**8**
Margins (%)	46.3	48.3	48.6	46.4	45.4	52.8	47.4	47.2	48.5	
Depreciation	2,550	2,312	2,651	2,863	2,692	2,621	10,376	10,925	2,730	
Interest	4,387	4,342	4,614	4,576	4,620	4,510	17,919	18,795	4,680	
Other Income	1,187	1,658	649	686	656	493	4,181	3,345	850	
PBT before EO expense	**2,820**	**2,671**	**3,227**	**3,225**	**2,864**	**2,608**	**11,944**	**18,201**	**1,987**	
Extra-Ord expense	-	-	58,041	-	-	-	58,041	-	-	
PBT	**2,820**	**2,671**	**61,268**	**3,225**	**2,864**	**2,608**	**69,985**	**18,201**	**1,987**	
Tax	887	835	1,008	1,078	839	1,200	3,808	5,151	636	
Rate (%)	31.4	31.3	1.6	33.4	29.3	46.0	5.4	28.3	32.0	
Share of profit in Associates	(534)	(837)	-	-	-	-	(1,371)	-	-	
Reported PAT	**1,400**	**999**	**60,261**	**2,147**	**2,025**	**1,408**	**64,806**	**13,050**	**1,351**	
Adj PAT	**1,400**	**999**	**2,219**	**2,147**	**2,025**	**1,408**	**6,765**	**13,050**	**1,351**	**4**
YoY Change (%)	4.6	4.3	18.4	13.7	44.6	41.0	11.7	92.9	35.3	
Margins (%)	7.6	6.3	11.0	10.0	9.6	8.0	8.9	13.8	7.7	

Deepak Nitrite

BSE SENSEX	S&P CNX
84,467	25,559

Conference Call Details

Date: 14th Nov 2025
Time: 15:30 hours IST
Link: Click here

CMP: INR1,728 **Sell**

Operating performance in line

- Revenue came in at 19b (est. of INR19.3b), down 6% YoY, +1% QoQ.
- Gross margin stood at 27.6% (-440bp YoY,-40bp QoQ).
- EBITDAM came in at 10.7% (-390bp YoY, +70bp QoQ).
- EBITDA stood at INR2b (est. of INR1.9b), down 31% YoY, +8% QoQ.
- Adjusted PAT was INR1.2b (est. of INR1.1b), down 39% YoY, +6% QoQ.
- In 1HFY26, its revenue/EBITDA/Adj.PAT declined 10%/35%/42% to INR38b/INR4b/INR2b.

Segmental EBIT details

- Phenolics' EBIT margin at 8.6%, with EBIT at INR1.2b.
- Advanced Intermediates (AI) EBIT margin was at 3.9%, with EBIT at INR230m.
- The revenue mix of Phenolics stood at 69% in 1QFY26, with Advanced Intermediates' share at 31%.
- The EBIT mix for AI was 17% vs. 18% in 2QFY25.
- The EBIT mix for Phenolics stood at 83% vs. 82% in 2QFY25.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Gross Sales	**21,668**	**20,320**	**19,034**	**21,797**	**18,899**	**19,019**	**20,963**	**23,738**	**82,819**	**82,828**	**19,229**	**-1%**
YoY Change (%)	*22.5*	*14.3*	*-5.3*	*2.5*	*-12.8*	*-6.4*	*10.1*	*8.9*	*7.8*	*0.0*	*-5.4*	
Total Expenditure	*18,577*	*17,345*	*17,349*	*18,631*	*17,003*	*16,976*	*18,127*	*20,178*	*71,901*	*72,607*	*17,299*	
Gross Margin (%)	*30.8%*	*32.0%*	*26.8%*	*30.6%*	*28.0%*	*27.6%*	*30.7%*	*32.0%*	*30.1%*	*29.7%*	*27.5%*	
EBITDA	**3,092**	**2,975**	**1,685**	**3,166**	**1,896**	**2,043**	**2,836**	**3,559**	**10,918**	**10,221**	**1,930**	**6%**
Margin (%)	*14.3*	*14.6*	*8.9*	*14.5*	*10.0*	*10.7*	*13.5*	*15.0*	*13.2*	*12.3*	*10.0*	
Depreciation	475	485	482	513	513	533	560	600	1,954	1,995	525	
Interest	58	63	61	93	81	79	107	113	275	403	102	
Other Income	188	213	210	228	246	200	225	249	839	956	237	
PBT before EO expense	**2,748**	**2,640**	**1,352**	**2,788**	**1,547**	**1,630**	**2,394**	**3,095**	**9,528**	**8,779**	**1,540**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**2,748**	**2,640**	**1,352**	**2,788**	**1,547**	**1,630**	**2,394**	**3,095**	**9,528**	**8,779**	**1,540**	
Tax	723	698	371	762	425	443	604	769	2,554	2,240	389	
Rate (%)	*26.3*	*26.4*	*27.4*	*27.3*	*27.5*	*27.2*	*25.2*	*24.8*	*26.8*	*25.5*	*25.2*	
Reported PAT	**2,025**	**1,942**	**981**	**2,025**	**1,122**	**1,187**	**1,790**	**2,326**	**6,974**	**6,538**	**1,151**	**3%**
Adj PAT	**2,025**	**1,942**	**981**	**2,025**	**1,122**	**1,187**	**1,790**	**2,326**	**6,974**	**6,538**	**1,151**	**3%**
YoY Change (%)	*35.1*	*-5.3*	*-51.4*	*3.4*	*-44.6*	*-38.9*	*82.4*	*14.8*	*-7.3*	*-6.2*	*-40.73*	
Margin (%)	*9.3*	*9.6*	*5.2*	*9.3*	*5.9*	*6.2*	*8.5*	*9.8*	*8.4*	*7.9*	*6.0*	

Data Patterns

BSE SENSEX	S&P CNX
84,467	25,876

CMP: INR2,796 Buy

Strong beat on revenue and EBITDA

Conference Call Details

Date: 13th Nov'25

Time: 10:30am IST

Dial-in details:

[Click here](#)

- Consolidated revenue jumped 3.4x YoY to INR3.1b (est. INR1.4b).
- Gross margin dipped 37.4pp YoY to 39%.
- EBITDA surged 2x YoY to INR685m (est. INR544m).
- EBITDA margin contracted 15.4pp YoY to 22.3% (est. ~40%).
- Adj. PAT increased 62% YoY to INR492m (est. of INR456m).
- In 1HFY26, the company's revenue/EBITDA/Adj. PAT jumped 2.1x/41%/18% to INR4.1b/INR1b/INR747m.

Consolidated - Quarterly Earning Model (INR m)

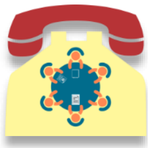
Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**1,041**	**910**	**1,170**	**3,962**	**993**	**3,075**	**1,545**	**4,996**	**7,084**	**10,609**	**1,365**	**125**
YoY Change (%)	16.0	-16.0	-16.1	117.4	-4.6	237.8	32.0	26.1	36.3	49.8	50.0	
Total Expenditure	669	567	630	2,467	673	2,390	926	3,188	4,334	7,177	821	
EBITDA	**372**	**343**	**540**	**1,495**	**321**	**685**	**619**	**1,808**	**2,750**	**3,432**	**544**	**26**
Margins (%)	35.7	37.7	46.2	37.7	32.3	22.3	40.1	36.2	38.8	32.4	39.9	
Depreciation	31	35	35	39	55	57	58	60	139	229	57	
Interest	30	28	32	31	32	24	28	25	121	109	30	
Other Income	123	120	114	106	106	59	190	198	463	553	150	
PBT before EO expense	**435**	**400**	**588**	**1,531**	**340**	**664**	**723**	**1,921**	**2,953**	**3,647**	**607**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**435**	**400**	**588**	**1,531**	**340**	**664**	**723**	**1,921**	**2,953**	**3,647**	**607**	
Tax	107	98	141	390	85	172	180	478	735	914	151	
Rate (%)	24.5	24.4	24.0	25.5	24.9	25.9	24.9	24.9	24.9	25.1	24.9	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**328**	**303**	**447**	**1,141**	**255**	**492**	**543**	**1,443**	**2,218**	**2,732**	**456**	
Adj PAT	**328**	**303**	**447**	**1,141**	**255**	**492**	**543**	**1,443**	**2,218**	**2,732**	**456**	**8**
YoY Change (%)	26.9	-10.4	-12.4	60.5	-22.2	62.5	21.5	26.5	22.1	23.2	50.6	
Margins (%)	31.5	33.3	38.2	28.8	25.7	16.0	35.1	28.9	31.3	25.8	33.4	

Lemon Tree Hotel

BSE SENSEX	S&P CNX
84,467	17,345

CMP: INR163 — Buy

Conference Call Details



Date: 13th Nov'25
Time: 4:00pm IST
Dial-in details:
Click here

Operating performance misses estimates

- Revenue grew ~8% YoY to INR3.1b (est. in line)
- EBITDA remained flat YoY to INR1.3b (est. INR1.4b).
- EBITDA margin contracted 330bp YoY to ~42.7% (est.~44.5%)
- Adj. PAT grew ~17% YoY to INR346m (est. in line)
- For 1HFY26, revenue/EBITDA/adj. PAT grew 13%/10%/47% to INR6.2b/INR2.7b/INR729m
- Gross debt stood at INR16.1b as of Sept'25 vs INR16.9b as of Mar'25, Further, CFO stood at INR2.3b as of Sep'25 vs INR2.0b as of Sep'24

Consolidated Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%)
Gross Sales	**2,680**	**2,844**	**3,552**	**3,785**	**3,158**	**3,063**	**4,055**	**4,269**	**12,861**	**14,545**	**3,112**	**-2**
YoY Change (%)	20.6	25.2	23.0	15.6	17.8	7.7	14.2	12.8	20.7	13.1	9.4	
Total Expenditure	1,530	1,536	1,710	1,744	1,753	1,756	1,889	1,903	6,520	7,300	1,726	
EBITDA	**1,151**	**1,307**	**1,842**	**2,041**	**1,405**	**1,307**	**2,166**	**2,367**	**6,341**	**7,245**	**1,386**	**-6**
Margins (%)	42.9	46.0	51.9	53.9	44.5	42.7	53.4	55.4	49.3	49.8	44.5	
Depreciation	346	348	351	349	342	343	353	362	1,393	1,400	353	
Interest	518	513	503	472	447	423	400	362	2,007	1,632	420	
Other Income	4	5	6	9	16	17	14	11	23	58	12	
PBT before EO expense	**291**	**451**	**994**	**1,229**	**633**	**558**	**1,427**	**1,653**	**2,965**	**4,271**	**625**	
PBT	**291**	**451**	**994**	**1,229**	**633**	**558**	**1,427**	**1,653**	**2,965**	**4,271**	**625**	
Tax	91	102	197	141	148	139	285	242	531	814	144	
Rate (%)	31.2	22.7	19.8	11.5	23.3	24.9	20.0	14.6	17.9	19.1	23.0	
MI & P/L of Asso. Cos.	2	52	173	241	102	73	241	287	468	703	151	
Reported PAT	**198**	**296**	**625**	**846**	**383**	**346**	**901**	**1,124**	**1,966**	**2,754**	**330**	
Adj PAT	**198**	**296**	**625**	**846**	**383**	**346**	**901**	**1,124**	**1,966**	**2,754**	**330**	**5**
YoY Change (%)	-15.6	30.9	76.5	26.3	93.5	16.7	44.1	32.8	32.4	40.1	11.5	
Margins (%)	7.4	10.4	17.6	22.4	12.1	11.3	22.2	26.3	15.3	18.9	10.6	

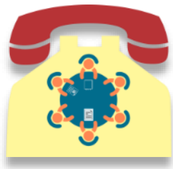
RESULTS
FLASH

12 November 2025
2QFY26 Results Flash | Sector: Consumer

P N Gadgil Jewellers

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details



Date: 13th Nov 2025
Time: 3:00 PM
Dial-in details:
+91 22 6280 1149 /
+91 22 7115 8050

Diamond Pass Registration

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	92.2	112.6	131.5
Sales Growth (%)	19.9	22.2	16.7
EBITDA	5.3	6.4	7.7
EBITDA Margin (%)	5.7	5.6	5.8
Adj. PAT	3.2	3.9	4.8
EPS (INR)	23.8	29.0	35.4
EPS Gr. (%)	36.6	21.9	22.1
BV/Sh. (INR)	138.3	167.3	202.7
Ratios			
Debt/Equity	0.4	0.4	0.4
RoE (%)	18.8	19.0	19.1
RoIC (%)	18.5	19.1	19.4
Valuations			
P/E (x)	28.3	23.2	19.0
EV/EBITDA (x)	16.0	13.0	10.4

CMP: INR661

Retail growth at 30%; miss in operating margin on high opex

Revenue

- PNGJ’s consolidated sales rose 9% YoY to INR21.8b (est. INR21.5b) in 2QFY26.
- The company has stopped HO Bullion accounting from 3QFY25 thereby reported numbers are not comparable and are lower than the underlying performance.
- Total revenue (ex-bullion) grew by 31% YoY.
- Retail segment (72% of revenue) grew 29% YoY to INR15.7b, reflecting stable store-level operations.
- SSSG is 29% QoQ.
- Company delivered 66% YoY increase in festive sales during Navratri, amounting to INR4.3bn.
- E-commerce revenue grew 113% YoY to INR1,435mn, now contributing 7% to total revenue.
- Franchisee operations saw 106% YoY growth to INR3.4bn, contributing 16% to total revenue.
- Company delivered 35% YoY growth on day of Akshaya Tritiya and record INR1,395m sales.
- The transaction count grew by 18% and ATV at INR90k
- The company recorded a 20% increase in footfalls, coupled with a strong 93% conversion rate.
- Company opened 8 stores during the quarter taking the store count to 63 stores.

Profitability

- Gross margin expanded by 420bp YoY to 11.9% (est. 12%)
- EBITDA margin expanded 130bp YoY to 4.9% (est. 5.8%)
- Employee expenses up 51% YoY and other expenses up 104% YoY.
- EBITDA grew by 49% YoY to INR1,071m.
- PAT grew by 50% YoY to INR793m. PAT margin came at 3.6% vs 2.6% in 2QFY25.

Consol. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**16,682**	**20,013**	**24,358**	**15,882**	**17,146**	**21,776**	**31,962**	**21,337**	**76,935**	**92,220**	**21,483**	**1%**
YoY change (%)	32.7	45.9	23.5	5.0	2.8	8.8	31.2	34.3	25.9	19.9	7.3	
Gross Profit	**1,386**	**1,531**	**2,391**	**1,909**	**2,259**	**2,581**	**3,548**	**2,465**	**7,216**	**10,853**	**2,578**	**0%**
Margins (%)	8.3	7.6	9.8	12.0	13.2	11.9	11.1	11.6	9.4	11.8	12.0	
EBITDA	**643**	**721**	**1,228**	**941**	**1,100**	**1,071**	**1,740**	**1,345**	**3,538**	**5,255**	**1,241**	**-14%**
Margins (%)	3.9	3.6	5.0	5.9	6.4	4.9	5.4	6.3	4.6	5.7	5.8	
YoY growth (%)	44.2	59.4	33.3	5.8	70.9	48.6	41.7	42.9	30.5	48.5	72.2	
Depreciation	63	72	84	130	112	139	120	112	348	484	120	
Finance Cost	123	129	63	115	189	198	190	187	430	764	190	
Other Income	19	118	70	149	129	358	60	-247	351	300	75	
PBT	**477**	**638**	**1,150**	**846**	**927**	**1,092**	**1,490**	**799**	**3,111**	**4,308**	**1,006**	**8%**
YoY growth (%)	57.3	110.2	48.6	15.2	94.4	71.0	29.5	-5.5	48.6	38.5	57.7	
APAT	**353**	**529**	**860**	**620**	**693**	**793**	**1,116**	**624**	**2,363**	**3,226**	**754**	**5%**
Margins (%)	2.1	2.6	3.5	3.9	4.0	3.6	3.5	2.9	3.1	3.5	3.5	
YoY change (%)	59.5	141.1	49.4	12.9	96.3	49.9	29.7	0.7	52.4	36.6	42.4	

E: MOFSL estimates

Galaxy Surfactants

BSE SENSEX	S&P CNX
84,467	24,619

CMP: INR2,245 Buy

Earnings below our estimate

- Consol. revenue grew 25% YoY to INR13.3b (est. INR12.5).
- Gross margins contracted 850bp YoY to 24.5%, while EBITDA margin stood at 8.3% (est. of 10.6%), down 370bp YoY.
- EBITDA declined 13% YoY to INR1.1b (est. INR1.3b).
- Adj. PAT declined 22% YoY to INR665m (est. INR824m).
- In 1HFY26, GALSURF's revenue grew 28% YoY to INR26b, while EBITDA/Adj. PAT declined 7%/11% to INR2.3b/INR1.5b.
- Gross debt stood at INR1.9b as of Sept'25 vs INR1.4b as of Mar'25. Further, the company generated a CFO of INR1.7b as of Sep'25 vs. a CFO of INR2.4b as of Sep'24.

Conference Call Details

Date: 13th Nov 2025
Time: 1200hours IST
Link: Click here

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%)
Gross Sales	**9,741**	**10,630**	**10,417**	**11,449**	**12,779**	**13,262**	**12,032**	**11,393**	**42,237**	**48,705**	**12,501**	**6%**
YoY Change (%)	*3.4*	*8.1*	*10.8*	*23.2*	*31.2*	*24.8*	*15.5*	*-0.5*	*11.3*	*15.3*	*17.6*	
Total Expenditure	8,500	9,353	9,361	10,180	11,541	12,157	10,768	10,096	37,394	43,581	11,176	
Gross Margin (%)	*33.6%*	*33.0%*	*31.1%*	*29.4%*	*26.2%*	*24.5%*	*28.5%*	*31.0%*	*31.7%*	*28.3%*	*27.8%*	
EBITDA	**1,241**	**1,276**	**1,056**	**1,269**	**1,239**	**1,105**	**1,263**	**1,297**	**4,842**	**5,124**	**1,324**	**-17%**
Margin (%)	*12.7*	*12.0*	*10.1*	*11.1*	*9.7*	*8.3*	*10.5*	*11.4*	*11.5*	*10.5*	*10.6*	
Depreciation	266	278	277	283	293	298	301	308	1,103	1,195	294	
Interest	40	41	50	62	66	73	72	74	193	279	67	
Other Income	54	87	40	78	112	58	61	88	258	331	70	
PBT before EO expense	**989**	**1,045**	**769**	**1,001**	**992**	**792**	**951**	**1,003**	**3,804**	**3,980**	**1,033**	
PBT	**989**	**1,045**	**769**	**1,001**	**992**	**792**	**951**	**1,003**	**3,804**	**3,980**	**1,033**	
Tax	192	198	123	243	197	127	192	203	755	801	209	
Rate (%)	*19.4*	*18.9*	*16.0*	*24.2*	*19.9*	*16.0*	*20.2*	*20.2*	*19.8*	*20.1*	*20.2*	
Reported PAT	**797**	**847**	**646**	**759**	**795**	**665**	**759**	**800**	**3,049**	**3,178**	**824**	**-19%**
Adj PAT	**797**	**847**	**646**	**759**	**795**	**665**	**759**	**800**	**3,049**	**3,178**	**824**	**-19%**
YoY Change (%)	*6.0*	*9.4*	*-9.5*	*-2.1*	*-0.3*	*-21.5*	*17.5*	*5.5*	*1.1*	*4.2*	*-2.7*	
Margin (%)	*8.2*	*8.0*	*6.2*	*6.6*	*6.2*	*5.0*	*6.3*	*7.0*	*7.2*	*6.5*	*6.6*	

KNR Construction

BSE SENSEX	S&P CNX
84,467	25,876

CMP: INR177 — Neutral

Conference Call Details

Date: 13th November 2025
Time: 12:30 PM IST
Meeting Link

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	25.3	36.5	39.4
EBITDA	3.5	5.5	5.9
Adj. PAT	2.4	4.0	4.2
EBITDA Margin (%)	13.7	15.0	15.0
Adj. EPS (INR)	8.7	14.4	15.1
EPS Gr. (%)	-37.5	65.9	5.2
BV/Sh. (INR)	148.7	162.6	177.2
Ratios			
Net D:E	-0.1	0.0	0.0
RoE (%)	6.0	9.2	8.9
RoCE (%)	6.3	9.5	9.1
Payout (%)	5.6	3.5	3.3
Valuations			
P/E (x)	20.4	12.3	11.7
P/BV (x)	1.2	1.1	1.0
EV/EBITDA(x)	12.9	8.9	8.3
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	11.3	-5.0	3.0

Dismal performance yet again

Earnings snapshot: 2QFY26

- Revenue declined 42.4% YoY to ~INR4.9b in 2QFY26 (16% below our estimate).
- EBITDA margin contracted 520bp YoY to 10.9% in 2QFY26 (vs our estimate of 13.4%).
- EBITDA declined 61% YoY to INR536 (against our estimate of INR785m).
- In line with weak operating performance, APAT decreased 81% YoY to INR279m (against our estimate of INR 550m).
- Current order book stands at ~INR78b.
- During 1HFY26, Revenue/EBITDA/APAT declined 42%/58%/69%, respectively.

Quarterly performance - Standalone

(INR m)

Y/E March	FY25				FY26		FY25	FY26E	MOSL	
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	Var (%)
Net Sales	**8,193**	**8,561**	**7,079**	**8,512**	**4,792**	**4,930**	**32,344**	**25,259**	**5,860**	**-16**
YoY Change (%)	-11.9	-9.1	-21.8	-27.8	-41.5	-42.4	-18.2	-21.9	-31.5	
EBITDA	**1,356**	**1,380**	**1,173**	**1,175**	**617**	**536**	**5,084**	**3,460**	**785**	**-32**
Margins (%)	16.6	16.1	16.6	13.8	12.9	10.9	15.7	13.7	13.4	
Depreciation	225	226	229	223	150	147	903	759	180	
Interest	41	20	31	38	34	46	129	114	30	
Other Income	51	575	130	185	150	39	941	631	160	
PBT before EO expense	**1,141**	**1,709**	**1,044**	**1,099**	**583**	**382**	**4,993**	**3,219**	**735**	
Extra-Ord expense	531	1,867	919	0	80	0	3,317	80	0	
Tax	334	344	253	348	150	103	1,279	832	185	
Rate (%)	29.2	20.1	24.3	31.6	25.7	26.9	25.6	25.8	25.2	
Reported PAT	**1,339**	**3,344**	**1,822**	**752**	**513**	**279**	**7,257**	**2,467**	**550**	
Adj PAT	**807**	**1,477**	**903**	**752**	**433**	**279**	**3,939**	**2,387**	**550**	**-49**
YoY Change (%)	-26.8	47.9	5.6	-43.4	-46.4	-81.1	-8.1	-39.4	-62.7	
Margins (%)	9.9	17.3	12.8	8.8	9.0	5.7	12.2	9.5	9.4	

Senco Gold

BSE SENSEX	S&P CNX
84,467	25,876

Conference Call Details

Date: 13th Nov 2025
Time: 11:00 AM
Dial-in details:
+91 22 6280 1230 /
+91 22 7115 8131

Diamond Pass Registration

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	76.0	88.7	103.0
Sales Growth (%)	20.2	16.6	16.2
EBITDA	5.7	6.2	7.3
EBITDA Margin (%)	7.5	7.0	7.1
Adj. PAT	2.8	3.0	3.7
EPS (INR)	17.2	18.4	22.7
EPS Gr. (%)	38.9	6.9	23.5
BV/Sh. (INR)	135.8	151.9	171.7
Ratios			
Debt/Equity	0.6	0.7	0.6
RoE (%)	13.4	12.8	14.0
RoIC (%)	11.5	10.7	11.1
Valuations			
P/E (x)	19.8	18.5	15.0
EV/EBITDA (x)	4.9	5.0	4.0

CMP: INR328

Muted revenue growth; healthy margin expansion

- Senco's consolidated revenue grew only by 2% YoY to INR15.4bn (est. INR18.0b). Revenue dipped sharply after clocking 30% growth in 1Q.
- As per Senco's 2QFY26 business update, the retail revenue growth was at 6%, impacted by gold price inflation, high base and extended monsoons.
- Titan (jewelry standalone, ex-bullion), Kalyan, and P N Gadgil (retail) delivered revenue growth of 19%, 31%, and 29% in 2Q, respectively.
- Consolidated GM expanded 390bp YoY to 17%. (est. 15.7%, 19.1% in 1QFY26).
- Employee expenses rose 26% YoY, and other expenses were up 37% YoY.
- EBITDA margin expanded 150bp YoY to 6.9% (est. 6.5%, 10.1% in 1QFY26) given a sharp rise in gross margins.
- EBITDA grew 30% YoY to INR1.1b (est. 1.2b).
- APAT grew 41% to INR488m (est. INR509m).
- In 1HFY26, net sales, EBITDA, and APAT grew 16%, 52%, and 79%, respectively.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**14,039**	**15,005**	**20,460**	**13,777**	**18,263**	**15,361**	**23,836**	**18,584**	**63,281**	**76,043**	**18,006**	(14.7)
Change (%)	7.5	30.9	23.8	21.1	30.1	2.4	16.5	34.9	20.7	20.2	20.0	
Gross Profit	**2,428**	**1,976**	**2,373**	**2,313**	**3,489**	**2,616**	**3,051**	**2,880**	**9,090**	**12,036**	**2,827**	(7.5)
Gross Margin (%)	17.3	13.2	11.6	16.8	19.1	17.0	12.8	15.5	14.4	15.8	15.7	
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,551	1,740	1,367	4,839	6,312	1,657	
% of Sales	9.5	7.7	6.3	7.6	9.1	10.1	7.3	7.4	7.6	8.3	9.2	
EBITDA	**1,087**	**818**	**1,076**	**1,270**	**1,836**	**1,065**	**1,311**	**1,513**	**4,251**	**5,725**	**1,170**	(9.0)
Margin (%)	7.7	5.4	5.3	9.2	10.1	6.9	5.5	8.1	6.7	7.5	6.5	
Change (%)	61.8	107.1	-40.6	44.8	68.8	30.3	21.9	19.1	13.2	34.7	43.2	
Interest	322	326	339	375	430	462	450	444	1,362	1,785	445	
Depreciation	181	178	131	191	187	190	205	216	681	798	195	
Other Income	123	149	127	147	186	178	140	113	546	617	150	
PBT	**708**	**462**	**732**	**851**	**1,406**	**591**	**796**	**966**	**2,754**	**3,758**	**680**	(13.2)
Tax	195	117	190	226	359	103	201	284	729	947	171	
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.6	17.4	25.2	29.4	26.5	25.2	25.2	
Adjusted PAT	**513**	**345**	**542**	**624**	**1,047**	**488**	**595**	**681**	**2,024**	**2,811**	**509**	(4.1)
Change (%)	85.3	188.7	-50.4	94.0	104.1	41.4	9.9	9.1	11.8	38.9	47.5	
PAT	**513**	**121**	**335**	**624**	**1,047**	**488**	**595**	**681**	**1,593**	**2,811**	**509**	

E: MOFSL Estimates

Repco Home Finance

BSE Sensex	S&P CNX
84,467	25,876

Conference Call Details

Date: 13th November 2025
Time: 16:00 HRS IST
Dial-in details:
Link

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	6.8	7.4	8.0
PPP	5.5	5.9	6.4
PAT	4.4	4.4	4.6
EPS (INR)	70.2	69.9	73.6
EPS Gr. (%)	11	0	5
BV/Sh. (INR)	530	595	664
Ratios			
NIM (%)	5.0	4.9	4.9
C/I ratio (%)	27.5	28.8	28.5
RoAA (%)	3.1	2.9	2.7
RoE (%)	14.2	12.4	11.7
Payout (%)	5.7	6.6	6.6
Valuation			
P/E (x)	6.3	6.3	6.0
P/BV (x)	0.8	0.7	0.7
P/ABV (x)	0.9	0.7	0.7
Div. Yield (%)	0.9	1.0	1.1

CMP: INR440 **Neutral**

Disbursement momentum picks up; NIM expands QoQ

Earnings in line; asset quality improved

- Repco's 2QFY26 PAT declined 5% YoY to INR1.07b (in line). NII in 2QFY26 grew ~14% YoY to ~INR1.9b (in line). Other income declined ~46% YoY to INR123m (vs. est. of INR200m). Opex rose ~17% YoY to INR603m (in line).
- PPOP grew ~3% YoY to INR1.4b (in line). Provisions write-backs stood at INR15m, translating into annualized credit costs of -4bp (PY: -46bp and PQ: -7bp).
- Repco reported an RoA/RoE of 2.9%/14% in 2QFY26.

Disbursements rise ~23% YoY; loan growth remains subdued

- Disbursements grew ~23% YoY to INR10.7b in 2QFY26. Loan book grew ~8% YoY to ~INR150b. Run-offs were stable, with repayment rates declining ~20bp YoY to ~17.4% (PY: ~17.6%).
- As of Sep'25, loans to the non-salaried customers accounted for 53%, while non-Home Loans accounted for 29% of the loan book.

Yields improve ~10bp QoQ; NIM expands sequentially

- Reported yields improved ~10bp QoQ to ~12.1%, whereas CoB declined 10bp QoQ to ~8.6%. This led to spreads improving ~10bp QoQ to ~3.4%. Reported NIM improved ~10bp QoQ to 5.5%
- The cost-to-income ratio rose ~3pp QoQ to ~30.0%. (PY: ~27.4% and PQ: ~26.9%).

Asset quality improves; S2 assets dip ~90bp QoQ

- GS3 declined ~15bp QoQ to ~3.15%, while NS3 rose ~35bp QoQ to ~1.55%. Repco reduced the PCR on S3 loans by ~12pp QoQ to ~53%.
- For the book that originated from Apr'22 onwards, GS2 stood at 5% (vs. 8.8% for the overall book), and GS3 was 1.1% (vs. 3.3% for the overall book).
- Stage 2 assets declined ~90bp QoQ to 8.8% (PQ: 9.7% and PY: 11.0%)
- The capital adequacy ratio (CRAR) stood at ~36.9%.

Valuation and view

- It will be interesting to hear from the management regarding its expectations on loan growth and credit costs for FY26.
- Repco trades at 0.7x FY27E P/BV. We will look forward to the management's commentary on the demand environment, its view on sustenance of disbursement momentum, and steps taken to stem balance transfers to Banks/HFCs in the current declining interest rate environment. The trade-off between loan growth and NIM will be an important monitorable for the company. We may review our estimates after the earnings conference call on 13th Nov'25.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26	2Q	Act v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			FY26E	est(%)
Interest Income	4,007	4,051	4,258	4,166	4,257	4,334	4,406	4,398	16,482	17,395	4,308	1
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,444	2,503	2,626	9,659	10,013	2,465	-1
Net Income	**1,677**	**1,656**	**1,783**	**1,708**	**1,816**	**1,890**	**1,903**	**1,772**	**6,823**	**7,382**	**1,843**	**3**
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	14.2	6.8	3.8	4.9	8.2	11.3	
Other income	155	229	196	184	150	123	220	385	764	878	200	-39
Total Income	**1,833**	**1,884**	**1,978**	**1,892**	**1,966**	**2,013**	**2,123**	**2,158**	**7,587**	**8,260**	**2,043**	**-1**
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	6.8	7.3	14.1	9.1	8.9	8.4	
Operating Expenses	452	517	535	584	530	603	633	614	2,088	2,380	572	5
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	16.7	18.5	5.2	22.1	14.0	10.7	
Operating Profits	**1,380**	**1,367**	**1,443**	**1,308**	**1,436**	**1,410**	**1,490**	**1,544**	**5,499**	**5,880**	**1,470**	**-4**
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	3.1	3.2	18.0	4.9	6.9	7.5	
Provisions	14	-160	3	-233	-27	-15	19	56	-376	34	19	-179
Profit before Tax	**1,366**	**1,528**	**1,440**	**1,541**	**1,463**	**1,424**	**1,471**	**1,487**	**5,875**	**5,846**	**1,452**	**-2**
Tax Provisions	312	403	375	392	384	355	382	352	1,481	1,473	363	-2
Profit after tax	**1,054**	**1,125**	**1,066**	**1,149**	**1,080**	**1,069**	**1,089**	**1,135**	**4,394**	**4,373**	**1,089**	**-2**
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-5.0	2.2	-1.2	11.3	-0.5	-3.2	
Loan growth (%)	8.3	8.1	7.4	7.2	7.2	7.7	8.3	7.9	8.2	9.5	7.4	
Cost to Income Ratio (%)	24.7	27.4	27.0	30.9	26.9	30.0	29.8	28.5	27.5	28.8	28.0	
Tax Rate (%)	22.8	26.3	26.0	25.4	26.2	24.9	26.0	23.7	25.2	25.2	25.0	
Key Parameters (%)												
Yield on loans (Cal)	11.8	11.7	12.1	11.6	11.7	11.7						
Cost of funds (Cal)	8.6	8.6	8.8	8.8	8.8	8.7						
Spreads (Cal)	3.2	3.1	3.3	2.8	2.9	3.0						
NIMs (Reported)	5.1	5.1	5.5	5.2	5.2	5.5						
Credit Cost	0.04	-0.46	0.01	-0.65	-0.07	-0.04						
Cost to Income Ratio	24.7	27.4	27.0	30.9	26.9	30.0						
Tax Rate	22.8	26.3	26.0	25.4	26.2	24.9						
Balance Sheet												
AUM (INR B)	137.0	139.6	141.6	144.9	146.9	150.3						
Change YoY (%)	8.3	8.1	7.4	7.2	7.2	7.7						
AUM Mix (%)												
Non-Salaried	51.6	51.8	52.1	52.2	52.3	53.0						
Salaried	48.4	48.2	47.9	47.8	47.7	47.0						
AUM Mix (%)												
Home loans	74.3	73.8	74.0	73.0	72.4	71.0						
LAP	25.7	26.2	26.0	27.0	27.6	29.0						
Disbursements (INR B)	6.8	8.7	7.6	9.8	8.3	10.7						
Change YoY (%)	-0.6	8.8	0.3	9.0	21.8	23.3						
Borrowings (INR B)	109.1	114.6	110.8	111.5	110.7	115.0						
Change YoY (%)	10.2	14.1	6.9	4.2	1.5	0.3						
Loans/Borrowings (%)	125.5	121.8	127.8	130.0	132.6	130.8						
Borrowings Mix (%)												
Banks	79.8	81.4	82.2	82.9	82.1	84.8						
NHB	10.6	9.5	8.5	7.9	8.4	7.0						
Repco Bank	9.6	9.1	9.3	9.2	8.2	7.0						
NCD	0.0	0.0	0.0	0.0	0.0	0.0						
CP	0.0	0.0	0.0	0.0	1.3	1.2						
Asset Quality												
GS 3 (INR B)	5.8	5.5	5.5	4.7	4.9	4.8						
Gross Stage 3 (% on Assets)	4.25	3.96	3.86	3.26	3.30	3.16						
NS 3 (INR B)	2.23	2.17	2.09	1.91	1.72	2.25						
Net Stage 3 (% on Assets)	1.69	1.6	1.53	1.36	1.20	1.5						
PCR (%)	61.8	60.7	61.8	59.6	64.7	52.5						
Return Ratios (%)												
ROA (Rep)	3.1	3.3	3.1	3.3	2.9	0.0						
ROE (Rep)	16.3	16.0	14.6	15.1	14.0	0.0						

Fortis Healthcare : Hasn't taken a price hike this year, but will consider pricing in 2026; Ashutosh Raghuvanshi, MD & CEO

- Expect mid to high teens growth in the hospital segment
- Q3 normally has lower occupancy due to the festive season, recovery expected in Q4
- ARPOB is only a function of case mix and not due to any change in pricing
- Occupancy stood at 72% in Q2 FY26 vs 71% in Q2 FY25

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Biocon : Growth aided by other drugs besides liraglutide & API Biz; Siddharth Mittal, CEO & MD

- Seen strong market share for biosimilars Pegfilgrastim, Tratuzumab in US
- Hope to be one of the first movers of Semaglutide
- Seeing similar trends for other biosimilars such as Adalimumab, Afilbercept
- Have filed for Semiglutide in Brazil, Canada and large emerging markets

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Welspun Enterprises : To maintain revenue guidance provided at the start of the year; Sandeep Garg, MD

- Expects to beat orderbook guidance with INR 10000 crore of orders in FY26
- Current EBITDA margin expected to be sustainable
- Challenges in payments under the JJM scheme affect the entire industry
- Cash flows are impacted for a temporary period

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Zaggle Prepaid : Growth will be fuelled primarily from organic channels; Avinash Godkhindi, MD & CEO

- Sees strong tailwinds for its business
- In 5-7 years, expects to achieve $1 bn in revenue
- Sees great opportunities for coming quarters
- Will hopefully announce more activities on the inorganic side

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Bajaj Consumer Care : Will focus on margin expansion through premiumization & cost efficiencies; Naveen Pandey, MD

- Targeting double-digit revenue CAGR & margin in low 20's over 4-5 years
- Will invest and push the Almond drops brand forward
- Will identify new categories of growth such as coconut oil and acquisitions
- Project Aarohan to strengthen general trade coverage and rural servicing

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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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