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Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	84,479	0.0	8.1
Nifty-50	25,879	0.0	9.4
Nifty-M 100	60,692	-0.3	6.1
Equities-Global	Close	Chg .%	CYTD.%
S&P 500	6,737	-1.7	14.6
Nasdaq	22,870	-2.3	18.4
FTSE 100	9,808	-1.0	20.0
DAX	24,042	-1.4	20.8
Hang Seng	9,599	0.6	31.7
Nikkei 225	51,282	0.4	28.5
Commodities	Close	Chg .%	CYTD.%
Brent (US\$/Bbl)	62	0.4	-16.0
Gold (\$/OZ)	4,172	-0.6	58.9
Cu (US\$/MT)	10,950	0.2	26.6
Almn (US\$/MT)	2,870	0.1	13.6
Currency	Close	Chg .%	CYTD.%
USD/INR	88.7	0.0	3.6
USD/EUR	1.2	0.3	12.4
USD/JPY	154.6	-0.1	-1.7
YIELD (%)	Close	1MChg	CYTD chg
10 Yrs G-Sec	6.5	0.01	-0.3
10 Yrs AAA Corp	7.2	0.01	0.0
Flows (USD b)	13-Nov	MTD	CYTD
FII's	-0.04	-0.11	-16.3
DII's	0.35	4.06	76.3
Volumes (INRb)	13-Nov	MTD*	YTD*
Cash	1,206	1167	1070
F&O	1,20,454	2,87,105	2,31,208

Note: Flows, MTD includes provisional numbers. *Average

Today's top research idea

Tata Steel: Slightly better-than-estimated 2Q; Europe remains EBITDA positive

- ❖ TATA posted a decent performance in 2QFY26, primarily driven by strong operating profits at the India business and EBITDA improvement in Europe. The Indian business continues to post a healthy performance as anticipated, fueled by healthy volume supported by capacity ramp-up at Kalinganagar and relining of the g-blast furnace. These offset the muted NSR caused by seasonal weakness.
- ❖ EBITDA improvement in Europe operations is expected to continue steadily in the coming quarters on account of its cost-restructuring measures. The capacity ramp-up in the Netherlands and lower fixed costs should also support the overall EBITDA performance going forward.
- ❖ Though there are near-term uncertainties related to price volatility due to trade tensions and the recent correction in steel prices, the long-term outlook remains strong for TATA. We largely maintain our earnings estimates. At CMP, TATA is trading at 6.8x FY27E EV/EBITDA and 1.9x FY27E P/B. We reiterate our BUY rating with an SOTP-based TP of INR210 per share on Sep'27E.



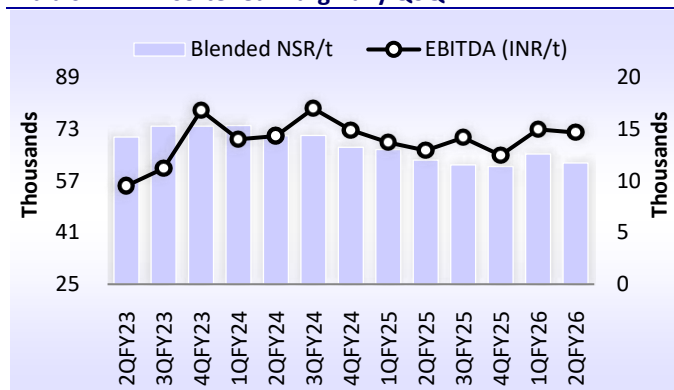
Research covered

Cos/Sector	Key Highlights
Tata Steel	Slightly better-than-estimated 2Q; Europe remains EBITDA positive
Eicher Motors	Focus on growth clearly visible
Other Updates	Muthoot Finance Tata Motors Samvardhana Motherson Prestige Estates Alkem Lab Bharat Dynamics Page Industries Endurance Tech. Jubilant Food. Ipca Labs. NSDL Data Pattern Granules India Lemon Tree Hotel Rubicon Research P N Gadgil Jewe. Galaxy Surft. Senco Gold KNR Construct. Repco Home Fin. Financials: Banks Capital Market M&M LG Electronics Hero Motocorp Vishal Mega Mart Voltas Apollo Tyres Relaxo Footwear

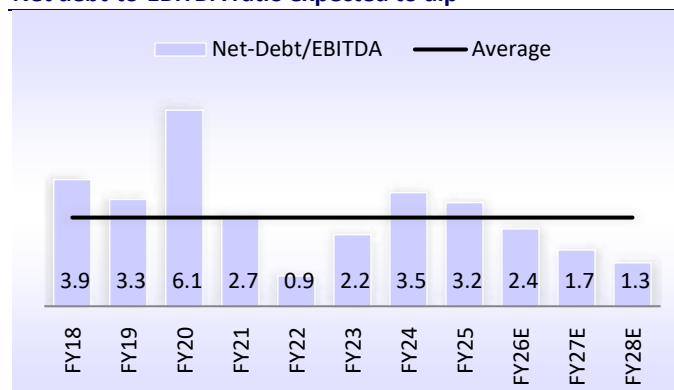


Chart of the Day: Tata Steel (Slightly better-than-estimated 2Q; Europe remains EBITDA positive)

India's EBITDA softened marginally QoQ



Net debt-to-EBITDA ratio expected to dip



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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.



Kindly click on textbox for the detailed news link

1

Suraj Estate launches premium ₹1,200-cr commercial project in Mumbai's Mahim

Suraj Estate Developers Ltd, announced the launch of its marquee commercial project, One Business Bay, with an estimated gross development value (GDV) of ₹1,200 crore.

2

CESC arm gets go-ahead for ₹4,500-cr Odisha solar and battery plant

CESC Ltd's subsidiary, CESC Green Power Ltd, has received an in-principle approval from the High-Level Clearance Authority of the Odisha government to establish a large-scale renewable manufacturing facility in Dhenkanal district.

3

ReNew to invest Rs 82,000-cr in Andhra Pradesh

ReNew Energy Global Plc announced that it will invest Rs 60,000 crore (~\$6.7 billion) in Andhra Pradesh to set up multiple green energy projects in the state, taking its total fresh investment in the state to Rs 82,000 crore (~\$9.3 billion).

4

Manipal Group submits EoI for Byju's parent again

Manipal Education and Medical Group India, led by Ranjan Pai, has submitted an expression of interest (EoI) to participate in the insolvency resolution process of Think & Learn, the parent company of troubled edtech firm Byju's.

5

Ericsson sets up new R&D unit in Bengaluru to develop 5G RAN software

Ericsson has set up a new Radio Access Network (RAN) Software Research and Development (R&D) unit in Bengaluru to strengthen its fifth-generation (5G) software capabilities and expand its technology footprint in India.

6

Mirova invests \$30 mn in Varaha's Kheti soil carbon project in India

Mirova, an affiliate of Natixis Investment Managers, on Thursday announced a \$30 million investment in the Kheti soil carbon project developed by homegrown climate-tech company Varaha.

7

DWS to acquire 40% stake in Nippon Life India AIF Management

Nippon Life India Asset Management Limited (NAM India) board of directors has authorised the company to enter into a strategic collaboration with European asset manager DWS Group GmbH & Co. KGaA.

Tata Steel

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR177 TP: INR210 (+19%) BUY

Slightly better-than-estimated 2Q; Europe remains EBITDA positive

Standalone performance broadly in line

- Tata Steel (TATA)'s revenue was in line 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 largely attributed to the capacity ramp-up at Kalinganagar and the completion of the relining of the G-blast furnace.
- 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.
- TATA's EBITDA stood at INR81.5b (+23% YoY and +14% QoQ) and was slightly above our estimate of INR75.4b. This translated into an 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) vs. our estimate of INR38b, supported by better operating profit.

European operations remain EBITDA positive

- 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.
- TATA's EBITDA continued to be positive during the quarter at INR1.5b (in line), vs. an operating loss of INR13.4b in 2QFY25.
- EBITDA/t stood at USD8/t (flat QoQ) in 2QFY26 vs. an EBITDA/t loss of USD75/t in 2QFY25.

Consolidated performance: PAT slightly better than our estimate

- TATA's 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 a 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.
- Net debt stood at INR870b as of 2QFY26, which included cash of INR86b. This translated into a net debt/EBITDA of 2.97x as of Sep'25.

Key highlights from the management commentary

- In India, average HRC prices fell INR2,300/t QoQ, while TATA's NSR declined by INR1,700/t led by a better product mix. For 3QFY26, management guided the India business realizations to decline by INR1,500/t QoQ.

Bloomberg	TATA IN
Equity Shares (m)	12484
M.Cap.(INRb)/(USD\$)	2205.3 / 24.9
52-Week Range (INR)	187 / 123
1, 6, 12 Rel. Per (%)	0/13/17
12M Avg Val (INR M)	4741
Free float (%)	66.8

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	2,359	2,539	2,661
EBITDA	355	434	469
Adj. PAT	117	177	196
EBITDA Margin (%)	15.1	17.1	17.6
Adj. EPS (INR)	9.4	14.2	15.7
BV/Sh. (INR)	80.3	92.5	106.2

Ratios

Net D:E	0.8	0.7	0.5
RoE (%)	12.3	16.4	15.8
RoCE (%)	12.4	15.2	15.3
Payout (%)	21.3	14.1	12.8

Valuations

P/E (x)	18.8	12.5	11.3
P/BV (x)	2.2	1.9	1.7
EV/EBITDA(x)	8.6	6.8	6.0
Div. Yield (%)	1.1	1.1	1.1

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	33.2	33.2	33.2
DII	27.1	26.3	22.9
FII	17.8	17.7	19.9
Others	21.9	22.8	24.0

FII Includes depository receipts

- Management expects the Netherlands NSR to decline by EUR30/t in 3Q and expects a stronger recovery from 4QFY26 onwards.
- The UK prices are expected to remain largely flat in 3QFY26, but management expressed concern about the current low price levels, which are unsustainable.
- Consumption costs for coking coal are likely to increase USD6/t QoQ in 3Q on account of rising coking coal prices globally, while the coking coal consumption costs in the Netherlands are expected to fall by EUR5-10/t in 3QFY26 over consuming lower cost inventory.

Valuation and view: Long-term outlook remains strong

- Overall, TATA posted a decent performance in 2QFY26, primarily driven by strong operating profits at the India business and EBITDA improvement in Europe. The Indian business continues to post a healthy performance as anticipated, fueled by healthy volume supported by capacity ramp-up at Kalinganagar and relining of the g-blast furnace. These offset the muted NSR caused by seasonal weakness.
- EBITDA improvement in Europe operations is expected to continue steadily in the coming quarters on account of its cost-restructuring measures. The capacity ramp-up in the Netherlands and lower fixed costs should also support the overall EBITDA performance going forward.
- Though there are near-term uncertainties related to price volatility due to trade tensions and the recent correction in steel prices, the long-term outlook remains strong for TATA. We largely maintain our earnings estimates. **At CMP, TATA is trading at 6.8x FY27E EV/EBITDA and 1.9x FY27E P/B. We reiterate our BUY rating with an SOTP-based TP of INR210 per share on Sep'27E.**

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY25E	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Deliveries (kt)	4,940	5,110	5,290	5,600	4,750	5,550	5,828	6,123	20,940	22,251	5,493	1.0
Change (YoY %)	3.1	6.0	8.4	3.3	(3.8)	8.6	10.2	9.3	5.2	6.3		
Change (QoQ %)	(8.9)	3.4	3.5	5.9	(15.2)	16.8	5.0	5.1				
Blended ASP (INR/t)	66,716	63,404	61,929	61,427	65,293	62,486	61,507	66,608	63,284	63,963	63,044	(0.9)
Change (YoY %)	(9.9)	(10.6)	(12.9)	(8.9)	(2.1)	(1.4)	(0.7)	8.4	(10.6)	1.1		
Change (QoQ %)	(1.0)	(5.0)	(2.3)	(0.8)	6.3	(4.3)	(1.6)	8.3				
Net Sales	329.6	324.0	327.6	344.0	310.1	346.8	358.4	407.9	1,325.2	1,423.2	346.3	0.1
Change (YoY %)	(7.1)	(5.3)	(5.6)	(5.9)	(5.9)	7.0	9.4	18.6	(6.0)	7.4		
Change (QoQ %)	(9.8)	(1.7)	1.1	5.0	(9.8)	11.8	3.4	13.8				
EBITDA	67.8	66.1	75.0	69.8	71.2	81.5	82.5	94.2	278.7	329.3	75.4	8.0
Change (YoY %)	1.0	(4.3)	(9.6)	(13.6)	5.1	23.3	10.0	34.9	(7.1)	18.2		
Change (QoQ %)	(16.1)	(2.5)	13.5	(6.9)	2.0	14.4	1.2	14.2				
EBITDA Margin %	20.6	20.4	22.9	20.3	23.0	23.5	23.0	23.1	21.0	23.1		
Spreads	40,869	36,175	36,015	36,687	42,198	38,124	39,055	42,161	37,379	40,349		
Conv. Cost	27,152	23,240	21,837	24,224	27,209	23,443	24,900	26,782	24,072	25,547		
EBITDA(INR/t)	13,716	12,935	14,179	12,463	14,988	14,681	14,155	15,380	13,307	14,801		
Interest	9.2	11.3	10.8	11.0	12.7	12.4	13.7	14.8	42.4	53.6		
Depreciation	15.2	15.6	15.6	16.2	16.3	17.2	18.1	19.2	62.5	70.8		
Other Income	3.7	8.5	4.6	5.6	5.6	6.1	6.1	6.1	22.5	23.9		
PBT (before EO Inc.)	47.0	47.7	53.2	48.3	47.8	58.0	56.7	66.3	196.2	228.9		
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	56.7	66.3	187.2	222.7		
Total Tax	11.3	11.9	13.0	11.2	10.3	13.4	14.7	18.9	47.5	57.5		
% Tax	25.4	25.0	25.0	26.2	22.7	24.9	26.0	28.5	25.4	25.8		
Reported PAT	33.3	35.9	38.8	31.7	35.2	40.6	42.0	47.4	139.7	165.2		
Adjusted PAT	35.7	35.8	40.2	37.0	37.4	44.6	42.0	47.4	148.7	171.4	38.3	16.6
Change (YoY %)	(31.7)	(20.5)	(14.2)	(21.8)	4.9	24.7	4.3	28.1	(22.3)	15.3		
Change (QoQ %)	(24.6)	0.3	12.5	(8.0)	1.1	19.2	(5.9)	13.0				

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY25E	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales (k tons)	7,390	7,520	7,720	8,330	7,120	7,910	8,218	8,653	30,960	31,901	8,088	(2.2)
Change (YoY %)	2.6	6.4	8.0	4.4	(3.7)	5.2	6.4	3.9	5.3	3.0		
Change (QoQ %)	(7.4)	1.8	2.7	7.9	(14.5)	11.1	3.9	5.3				
Avg Realization (INR/t)	74,116	71,682	69,493	67,489	74,688	74,196	72,350	74,681	70,589	73,962	70,226	5.7
Change (YoY %)	(10.3)	(9.0)	(10.2)	(8.2)	0.8	3.5	4.1	10.7	(9.5)	4.8		
Change (QoQ %)	0.8	(3.3)	(3.1)	(2.9)	10.7	(0.7)	(2.5)	3.2				
Net Sales	547.7	539.0	536.5	562.2	531.8	586.9	594.5	646.2	2,185.4	2,359.5	568.0	3.3
Change (YoY %)	(7.9)	(3.2)	(3.0)	(4.2)	(2.9)	8.9	10.8	15.0	(4.6)	8.0		
Change (QoQ %)	(6.7)	(1.6)	(0.5)	4.8	(5.4)	10.4	1.3	8.7				
EBITDA	66.9	55.2	71.5	65.6	74.3	89.0	87.8	104.5	259.3	355.5	85.3	4.3
Change (YoY %)	29.4	29.4	14.2	(0.6)	11.0	61.1	22.7	59.3	16.3	37.1		
Change (QoQ %)	1.4	(17.5)	29.6	(8.3)	13.2	19.8	(1.3)	19.0				
EBITDA Margin %	12.2	10.2	13.3	11.7	14.0	15.2	14.8	16.2	11.9	15.1		
EBITDA (INR/t)	9,059	7,343	9,268	7,874	10,432	11,247	10,681	12,073	8,376	11,143	10,548	6.6
Interest	17.8	19.7	18.0	17.9	18.5	17.7	18.3	18.6	73.4	73.1		
Depreciation	25.4	26.0	25.7	27.2	27.4	28.9	29.1	29.5	104.2	115.0		
Other Income	2.6	6.0	2.2	4.6	2.9	3.6	3.7	3.9	15.4	14.2		
PBT (before EO Inc.)	26.4	15.5	30.0	25.1	31.2	45.9	44.1	60.3	97.1	181.5		
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	44.1	60.3	84.1	177.2		
Total Tax	14.6	14.1	13.8	10.0	10.6	10.4	16.3	24.7	52.4	62.0		
% Tax	61.4	64.9	82.3	45.4	34.6	24.6	37.0	41.0	62.3	35.0		
PAT before MI	9.2	7.6	3.0	12.0	20.1	31.8	27.8	35.5	31.7	115.2		
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	27.8	35.5	34.2	115.1	27.7	17.9
Adj. PAT (after MI)	13.2	4.5	7.4	16.9	21.3	32.7	27.8	35.5	42.0	117.3		
Change (YoY %)	112.3	(35.8)	68.2	40.1	61.7	625.0	275.4	110.3	41.4	179.4		
Change (QoQ %)	9.3	(65.8)	64.1	128.3	26.1	53.5	(15.1)	27.9				

Eicher Motors

Estimate changes	↔
TP change	↔
Rating change	↔

Bloomberg	EIM IN
Equity Shares (m)	274
M.Cap.(INRb)/(USDb)	1880.2 / 21.2
52-Week Range (INR)	7124 / 4536
1, 6, 12 Rel. Per (%)	-3/21/40
12M Avg Val (INR M)	2847

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	226.2	253.2	282.5
EBITDA	55.1	61.4	69.3
Adj. PAT	52.9	59.2	67.2
Adj EPS (INR)	193.1	215.7	245.0
EPS Gr (%)	11.8	11.7	13.6
BV/Sh (INR)	898	1,032	1,195
Ratios			
RoE (%)	23.1	22.4	22.0
RoCE (%)	22.4	21.8	21.6
Payout (%)	37.3	38.0	33.5
Valuations			
P/E (x)	35.4	31.7	27.9
P/BV (x)	7.6	6.6	5.7
Div. Yield (%)	1.1	1.2	1.2
FCF Yield (%)	2.2	2.5	2.9

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	49.1	49.1	49.1
DII	14.7	15.8	13.8
FII	27.0	25.8	27.6
Others	9.2	9.3	9.5

FII includes depository receipts

CMP: INR6,855 **TP: INR5,846 (-15%)** **Sell**

Focus on growth clearly visible

Margins fail to improve despite robust volume growth in RE

- Eicher's 2QFY26 **consolidated PAT at INR13.6b was slightly lower than our estimates of INR14.4b**, due to lower-than-expected margins in both segments. Despite the strong 43% YoY growth in volumes, margins declined 140bp YoY to 24.9% owing to Eicher's focus on growth over profitability.
- The robust domestic volume growth for RE in FY26 so far has largely been a function of GST rate cut benefits. However, demand seems to have now normalized post an initial surge in pent-up demand. Further, given that management would continue to focus on "growth" over "profitability," it would mean that margin upside is likely to be capped from here on. We factor in RE to post a 14%/14%/12% revenue/EBITDA/PAT CAGR over FY25-28E. Given the expected slower earnings growth, we see no reason for the stock to trade at premium valuations. **We reiterate our Sell rating** with a TP of INR5,846. We value RE at 26x Sep-27E EPS and VECV at 11x EV EBITDA.

PAT below estimate due to lower margins in both businesses

- Eicher's consolidated revenue grew 45% YoY to INR61.7b (largely in line), aided by strong volume growth from the RE and VECV businesses. RE realizations were flat YoY at INR185k, while VECV realization grew 4.6% YoY in 2Q.
- On a standalone basis, revenue grew 40% YoY to INR59b – in line. Revenue growth was driven by a 43% YoY growth in volumes.
- However, despite the strong revenue growth, EBITDA margin dipped 140bp YoY to 24.9% (down 20bp QoQ) and 180bp lower than our estimates. This was largely on account of their focus on driving growth over profitability.
- EBITDA margin at VECV improved to 7.8%, expanding 70bp YoY, aided by a better product mix, lower discounts, and improving operating leverage.
- PAT share of VECV grew 20% YoY to INR1.4b – but was below our estimate of INR1.6b.
- Recurring PAT grew 24.5% to INR13.7b on the back of strong topline growth (below our estimate of INR14.4b).

Key highlights from the management commentary

- The company maintains its leadership in SAARC markets, ranked No. 2 in key regions such as the UK, Argentina, Thailand, and Korea, and is ranked No. 3 in Brazil and Australia, and No. 4 in the EU.
- After the GST rate hike in the >350cc segment, its 450cc is seeing much slower demand, while its 650cc is showing initial signs of picking up. Apart from the price hikes, the slowdown in these models is also a function of the strong pre-buy that these models saw before the GST rate hike.
- Other expenses were higher during 2Q due to higher marketing spending for brand building, community engagement, and market activations, which are expected to continue going forward.
- The GST rate cut is expected to support demand by increasing consumption and facilitating the movement of goods across regions. The company expects HCV demand to pick up in 2HFY26.

Valuation and view

The robust domestic volume growth for RE in FY26 so far has largely been a function of GST rate cut benefits. However, demand seems to have now normalized post an initial surge in pent-up demand. Further, we understand that RE had plans to launch multiple models on the 450cc Sherpa platform, which would now need to be recalibrated given that this segment has seen GST rates rise to 43%. Further, we expect exports to remain a growth driver and factor in a 21% volume CAGR in exports over FY25-28E. Further, given that management would continue to focus on “growth” over “profitability,” it would mean that margin upside is likely to be capped from here on. We factor in RE to post a 14%/14%/12% revenue/EBITDA/PAT CAGR over FY25-28E. Given the expected slower earnings growth, we see no reason for the stock to trade at premium valuations. **We reiterate our Sell rating** with a TP of INR5,846. We value RE at 26x Sep-27E EPS and VECV at 11x EV EBITDA.

Quarterly performance (Consolidated)

INR m	FY25				FY26E				FY25	FY26E		
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	VAR (%)
Net Operating Income	43,931	42,631	49,731	52,411	50,418	61,716	57,513	56,519	1,88,704	2,26,166	60,781	2
Growth (%)	10.2	3.6	19.0	23.1	14.8	44.8	15.6	7.8	14.1	36.8	43	
EBITDA	11,654	10,877	12,012	12,577	12,028	15,119	14,104	13,841	47,120	55,092	15,545	-3
EBITDA Margins (%)	26.5	25.5	24.2	24.0	23.9	24.5	24.5	24.5	25.0	24.4	25.6	
PAT	9,269	9,866	10,070	11,142	10,481	12,345	11,171	10,993	40,346	44,991	12,819	-4
Share of JV Loss/(PAT)/ Min. Int.	-1,746	-1,138	-1,635	-2,480	-1,571	-1,349	-1,778	-3,260	-6,998	-7,959	-1,603	
Recurring PAT	11,015	11,003	11,705	13,622	12,052	13,695	12,949	14,253	47,344	52,949	14,422	-5
Growth (%)	19.9	8.3	17.5	27.3	9.4	24.5	10.6	4.6	18.3	32.3	31.1	

Standalone (Royal Enfield)

(INR m)	FY25				FY26E				FY25	FY26E		
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	VAR (%)
Royal Enfield ('000 units)	227	228	272	283	266	326	308	303	1,010	1,010	326	0
Growth (%)	-0.4	-0.6	19.4	24.2	17.0	43.2	13.1	7.1	10.6	10.6	43.2	
Net Realn (INR '000/unit)	186	185	180	181	185	185	185	185	183	184	185	0
Change - YoY (%)	8.8	7.7	1.4	-1.9	-0.9	0.0	2.5	2.7	3.7	4.4	0.0	
Net operating income	42,313	42,054	49,081	51,066	49,084	59,021	56,896	56,175	1,84,515	2,21,176	60,233	-2
Growth (%)	8.5	7.0	21.1	21.8	16.0	40.3	15.9	10.0	43.5	72.0	43.2	
EBITDA	11,786	11,049	12,237	12,609	12,313	14,687	14,388	14,184	47,680	55,572	16,098	-9
EBITDA Margins (%)	27.9	26.3	24.9	24.7	25.1	24.9	25.3	25.2	25.8	25.1	26.7	
Recurring PAT	10,880	10,099	10,562	11,251	13,065	12,080	12,025	11,676	42,793	48,846	13,251	-9
Growth (%)	19.1	7.6	15.6	14.4	20.1	19.6	13.8	3.8	14.1	30.3	31.2	

VECV: Quarterly performance

(INR m)	FY25				FY26E				FY25	FY26E		
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	VAR (%)
Total CV Volumes	19,702	20,774	21,010	28,675	21,610	21,901	23,321	31,164	90,161	97,996	21,901	0
Growth (%)	0.7	6.3	1.5	11.4	9.7	5.4	11.0	8.7	5.4	14.5	5.4	
Net Realn (INR '000/unit)	2,573	2,666	2,761	2,490	2,624	2,788	2,678	2,641	2,612	2,679	2,679	4
Change - YoY (%)	1.1	1.7	4.3	2.0	2.0	4.6	-3.0	6.1	2.2	4.8	0.5	
Net Op. Income	50,700	55,380	58,010	71,392	56,711	61,058	62,459	82,307	2,35,482	2,62,535	58,676	4
Growth (%)	1.8	8.0	5.8	13.7	11.9	10.3	7.7	15.3	34.6	50.1	6.0	
EBITDA	3,850	3,950	5,090	7,339	5,108	4,791	5,593	9,139	20,228	24,631	5,125	-7
EBITDA Margins (%)	7.6	7.1	8.8	10.3	9.0	7.8	9.0	11.1	8.6	9.4	8.7	
Recurring PAT	2,307	2,090	3,010	4,559	2,890	2,490	3,269	5,980	12,864	14,630	2,947	-16
Growth (%)	27.4	11.8	42.6	86.9	25.3	19.1	8.6	31.2	56.3	77.8	41.0	

E: MOFSL Estimates

Muthoot Finance

Estimate change



TP change



Rating change



Bloomberg	MUTH IN
Equity Shares (m)	401
M.Cap.(INRb)/(USD\$)	1362.2 / 15.4
52-Week Range (INR)	3407 / 1752
1, 6, 12 Rel. Per (%)	3/48/82
12M Avg Val (INR M)	1773

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	104.5	153.9	179.8
PPP	78.4	121.2	138.0
PAT	52.0	86.3	98.0
EPS (INR)	129.5	215.0	244.2
EPS Gr. (%)	28.4	66.0	13.6
BV/Sh.(INR)	708	888	1,091

Ratios

NIM (%)	11.3	11.9	11.1
C/I ratio (%)	26.9	23.1	24.7
RoA (%)	5.0	5.9	5.4
RoE (%)	19.7	26.9	24.7
Payout (%)	20.1	16.4	16.9

Valuations

P/E (x)	26.2	15.8	13.9
P/BV (x)	4.8	3.8	3.1
Div. Yld. (%)	0.8	1.0	1.2

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	73.4	73.4	73.4
DII	11.4	12.2	13.3
FII	11.6	10.8	9.8
Others	3.7	3.6	3.5

FII includes depository receipts

CMP: INR3,393
TP: INR3,800 (+12%)
Neutral

Shining stronger; margin expansion and recoveries lift earnings

- **Stellar gold loan growth of ~45% YoY; calc. NIM expanded ~60bp QoQ**
- Muthoot Finance's (MUTH) strong operating performance in 2QFY26 was driven by: 1) strong gold loan growth of ~45% YoY to ~INR1.25t, 2) ~35bp QoQ improvement in GS3 to 2.25%, aided by NPA recoveries, 3) an increase in gold tonnage by ~5% YoY to 209 tons, and 4) spreads rose ~60bp QoQ to ~11.8%, driven by NPA recoveries and a decline in the CoF.
- MUTH's 2QFY26 PAT grew 87% YoY and 15% QoQ to ~INR23.5b (~23% beat). This included a one-time interest income write-back of ~INR3-3.5b arising from the liquidation of deep/old NPA accounts. The yield improvement was driven partly by this one-off in interest income and partly by a higher share of high-yield gold loan disbursements over the past two quarters. PAT grew 88% YoY in 1HFY26 and is expected to grow ~48% YoY in 2HFY26. Reported RoA/RoE in 2QFY26 was strong at 7.2%/30%.
- Net total income grew 61% YoY to ~INR41.5b (~18% beat). Opex grew ~34% YoY to INR8.8b (in line), resulting in a cost-to-income ratio of ~21.3% (PY: 25.7% and PQ: 22.6%). PPOP grew 71% YoY to ~INR32.7b (~22% beat). Provisions stood at ~INR1.1b (vs. MOFSLe of ~INR1b) and translated into annualized credit costs of ~35bp (PY: ~100bp and PQ: ~15bp) in 2QFY26.
- Gold tonnage rose 5% YoY but remained flat QoQ. The customer base grew ~1.7% QoQ to ~6.57m. Gold loan LTV declined ~5pp QoQ to ~56.6%.
- MUTH upgraded its FY26 gold loan growth guidance to 30-35% (from 15% earlier), driven by favorable regulatory changes, higher gold prices, and rising demand amid tightening in unsecured lending segments. We model gold loan growth of ~38% in FY26E.
- We raise our FY26/FY27 EPS estimates by ~10% each to factor in higher loan growth and sustenance of current NIMs in the next fiscal as well. We model a standalone AUM/PAT CAGR of ~23%/29% over FY25-28E. We model an RoA/RoE of 5.3%/23% for FY28E.
- MUTH now trades at 3.1x FY27E P/BV and 14x P/E and, in our view, has benefited from the tailwinds of: 1) a sharp rise in gold prices and 2) an improvement in gold loan demand due to the industry-wide rationing in unsecured credit. MUTH is indeed one of the best franchises for gold loans in the country, as is evident from its ability to deliver industry-leading gold loan growth and best-in-class profitability. **Reiterate our Neutral rating with a revised TP of INR3,800 (based on 3.2x Sep'27E P/BV).**

Belstar: AUM flat sequentially; GNPA rises ~15bp QoQ

- MUTH's MFI subsidiary, Belstar, reported a ~3% QoQ and 23% YoY decline in AUM to ~INR77b. Reported loss stood at ~INR1.3b during the quarter (vs. a loss of INR1.2b in 4QFY25).
- Asset quality improved, with GS3 declining ~55bp QoQ to ~4.45% (PQ: 5%).
- Belstar opened 23 new gold loan branches to diversify the portfolio. It has obtained IRDAI approval to act as a corporate agent for the distribution of insurance products.

Highlights from the management commentary

- The company aims to add 100-200 gold loan branches annually and has applied to the RBI for additional branch opening approvals to further improve its distribution.
- MUTH stated that while competition exists, the gold loan market remains sufficiently large to support growth for all players. The company believes there is ample room for all gold loan lenders, with gold loan demand expected to strengthen further.
- The company has a residual ARC pool of INR900m and also expects an additional recovery of ~INR300-400m.
- The Board of Directors approved an equity infusion of ~INR5b into Muthoot Money, a wholly-owned subsidiary of MUTH.

Valuation and view

- MUTH delivered a healthy all-round beat in the quarter, even after adjusting for the one-offs in interest income. Gold loan growth remained strong, while asset quality improved on the back of recoveries from the NPA pool. NIMs and spreads also expanded during the quarter, driven by higher yields and a decline in CoF.
- With a favorable demand outlook for gold loans, driven by the limited availability of unsecured credit, the company is well-positioned to maintain its healthy loan growth momentum. **Reiterate our Neutral rating with a revised TP of INR3,800 (based on 3.2x Sep'27E BVPS).**

Quarterly Performance

(INR M)

Y/E March	FY25				FY26E				FY25	FY26E	2QFY26E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	36,560	40,685	43,690	47,836	55,923	63,044	62,983	67,530	1,68,770	2,49,480	57,574	10
Other operating income	478	489	545	708	1,110	1,279	654	67	2,221	3,109	685	87
Total Operating income	37,038	41,174	44,235	48,544	57,033	64,322	63,637	67,597	1,70,991	2,52,589	58,259	10
YoY Growth (%)	23.5	34.6	39.6	42.4	54.0	56.2	43.9	39.2	35.3	47.7	41.5	
Other income	63	88	77	341	167	286	272	-64	569	660	159	80
Total Income	37,101	41,262	44,312	48,885	57,200	64,608	63,908	67,532	1,71,560	2,53,249	58,418	11
YoY Growth (%)	22.6	34.2	39.5	43.0	54.2	56.6	44.2	38.1	35.1	47.6	41.6	
Interest Expenses	13,511	15,505	16,476	18,797	21,191	23,126	24,722	26,543	64,288	95,583	23,141	0
Net Income	23,590	25,758	27,836	30,088	36,009	41,482	39,186	40,989	1,07,271	1,57,666	35,277	18
Operating Expenses	6,437	6,608	7,243	8,610	8,121	8,827	9,445	10,049	28,898	36,442	8,487	4
Operating Profit	17,153	19,150	20,593	21,478	27,887	32,655	29,742	30,940	78,373	1,21,224	26,790	22
YoY Growth (%)	22.5	42.7	47.7	42.3	62.6	70.5	44.4	44.1	38.8	54.7	39.9	
Provisions	2,236	2,070	2,088	1,274	433	1,141	1,400	1,610	7,667	4,583	1,000	14
Profit before Tax	14,917	17,080	18,505	20,204	27,455	31,514	28,342	29,330	70,706	1,16,641	25,790	22
Tax Provisions	4,130	4,568	4,874	5,126	6,992	8,063	7,284	7,988	18,698	30,327	6,705	20
Net Profit	10,787	12,511	13,631	15,078	20,463	23,452	21,058	21,342	52,008	86,314	19,085	23
YoY Growth (%)	10.6	26.3	32.7	42.7	89.7	87.4	54.5	41.5	28.4	66.0	52.5	
Key Operating Parameters (%)												
Yield on loans (Cal)	18.50	18.87	18.85	18.84	19.95	20.39	18.68	18.62				
Cost of funds (Cal)	8.7	9.0	8.7	8.9	8.8	8.6	8.5	8.5				
Spreads (Cal)	9.84	9.91	10.13	9.92	11.18	11.80	10.16	10.14				
NIMs (Cal)	11.8	11.81	11.9	11.7	12.6	13.15	11.5	11.3				
Credit Cost	1.12	0.95	0.89	0.49	0.15	0.36	0.41	0.44				
Cost to Income Ratio	27.3	25.7	26.0	28.6	22.6	21.3	24.1	24.5				
Tax Rate	27.7	26.7	26.3	25.4	25.5	25.6	25.7	27.2				
Balance Sheet Parameters												
AUM (INR b)	843	902	975	1,086	1,200	1,323	1,402	1,502				
Change YoY (%)	24.7	30.7	37.0	43.3	42.3	46.7	43.9	38.3				
Gold loans (INR b)	809	862	930	1,030	1,132	1,249	1,324	1,420				
Change YoY (%)	22.54	27.6	34.30	41.27	39.88	45.0	42.44	37.90				
Gold Stock Holding (In tonnes)	194	199	202	208	209	209						
Avg gold loans per branch (INR m)	167	177	192	212	232	252						
Borrowings (INR b)	659	724	787	899	1,033	1,120	1,201	1,304				
Change YoY (%)	28.7	30.8	35.6	52.9	56.7	54.7	52.6	45.1				
Borrowings Mix (%)												
Listed secured NCDs	28.0	27.2	26.0	26.2	30.3	28.7						
Term loans	55.0	57.2	55.7	53.0	50.5	49.7						
Commercial Paper	7.2	5.9	4.9	6.9	6.3	5.0						
Others	1.6	1.0	0.9	0.6	1.3	0.8						
Debt/Equity (x)	2.6	2.7	2.8	3.0	3.2	3.3						
Asset Quality Parameters (%)												
GS 3 (INR m)	33,532	38,807	41,179	37,004	30,945	29,774						
Gross Stage 3 (% on Assets)	4.0	4.3	4.2	3.4	2.6	2.3						
Total Provisions (INR m)	14,413	16,327	18,165	18,685	18,601	18,940						
Return Ratios (%)												
RoAUM (Rep)	5.4	5.7	5.8	5.9	7.2	7.4						
RoE (Rep)	17.7	20.0	20.7	21.7	27.7	30.0						

E: MOFSL estimates

TATA Motors

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	TMCV IN
Equity Shares (m)	3680
M.Cap.(INRb)/(USDb)	1181.1 / 13.3
52-Week Range (INR)	347 / 315
1, 6, 12 Rel. Per (%)	-/-/-
12M Avg Val (INR M)	0

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Net Sales	727	796	863
EBITDA	93.2	102.7	112.4
Adj. PAT	66.2	67.6	75.3
Adj. EPS (INR)	18.0	18.4	20.5
EPS Gr. (%)	8	3	11
BV/Sh. (INR)	39.1	54.9	72.4

Ratios

Net D/E (x)	-0.5	-0.6	-0.6
RoE (%)	58.0	39.1	32.2
RoCE (%)	37.3	31.3	27.5
Payout (%)	11.1	13.6	14.7

Valuations

P/E (x)	17.8	17.4	15.6
P/BV (x)	8.2	5.8	4.4
EV/EBITDA (x)	11.9	10.3	9.0
Div. Yield (%)	0.6	0.8	0.9

CMP: INR321 TP: INR341 (+6%) Neutral

Market share loss across segments remains key concern

CV demand likely to pick up in 2H

- Tata Motors has reported the financials of the demerged entity for the first time. Given the restated financials for prior years, these are strictly not comparable to our estimates.
- 2QFY26 operating margin was in line with our estimate at 12.4%.
- The key concern in TTMT CV business has been its gradual loss of market share across key segments. Particularly worrisome is the market share loss in LCV goods from a high of 40% in FY22 to 27% now, and the gap with the current market leader MM is rising with every passing year. Given the lack of any visible triggers, we rate Tata Motors CV business at Neutral with a TP of INR341 per share – we value the core business at 11x Sep'27E EPS (in line with peers) and add INR12 per share for its stake in Tata Capital.

Margins in line with estimates

- Standalone revenue grew 9% YoY to INR168b on the back of 12% volume growth. ASP declined 4% YoY to INR1.7m per vehicle.
- EBITDA margins expanded 170bp YoY to 12.4%, primarily driven by operating leverage benefits and improved pricing. Pricing has been a function of its ability to pass on costs (or reduce discounts) and an improved mix.
- EBITDA grew 26% YoY to INR 21b.
- Due to MTM loss of INR23b on account of fair valuation of Tata Capital, TTMT CV reported a loss of INR10b. Adjusted for this, PAT almost doubled over a low base to INR13.4b.
- Capex for 1H stood at INR10.8b, while FCF was INR4.2b. Net debt as of 2Q end stood at INR5.8b.

Highlights from the management commentary

- After the GST reforms, demand has picked up in LCVs. Given the pickup in consumption trends, management expects demand to pick up in MHCVs as well in the coming quarters. With increased consumption, fleet utilization has improved and freight rates have also inched up, thereby creating an overall positive sentiment.
- For the Iveco acquisition, regulatory approvals are underway and the company expects to close the transaction by Apr'26. A bridge loan has been arranged to fund this acquisition. The funding source for the repayment of this bridge loan (whether debt or equity raise) would be decided at a later date.
- A key focus area for the CV entity is to sustain robust financial performance by consistently delivering double-digit EBITDA margins, healthy cash flows and strong ROCE.

Valuation and view

The industry's pricing discipline has certainly been commendable over the last 12 months, with all CV players witnessing improvement in margins. However, the key concern in TTMT CV business has been its gradual loss of market share across key segments. Particularly worrisome is the market share loss in LCV goods from a high of 40% in FY22 to 27% now, and the gap with the current market leader MM is rising with every passing year. Even in MHCV goods, its market share has declined to 49% from 54% in FY22. In the MHCV bus segment, its market share has come down to 30.3% in 1HFY26 from 38% in FY22. Further, its recent acquisition of Iveco would expose it to the ongoing global macro uncertainties, thereby driving a potential de-rating, if the demand environment does not improve anytime soon. Given the lack of any visible triggers, we rate Tata Motors CV business at Neutral with a TP of INR341 per share – we value the core business at 11x Sep'27E EPS (in line with peers) and add INR12 per share for its stake in Tata Capital.

Quarterly Performance (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Operating income	1,78,980	1,55,180	1,86,570	2,33,530	1,56,820	1,68,610	1,90,013	2,11,520	7,54,260	7,26,963
Change (%)	4.9	-23.0	-7.6	7.9	-12.4	8.7	1.8	-9.4	-4.6	-3.6
RM Cost (% of Sales)	67.7	67.9	67.9	68.2	67.1	69.0	69.0	69.1	67.9	68.6
Staff Costs (% of sales)	6.7	7.4	6.3	5.2	7.4	6.9	6.4	6.0	3.8	1.6
Other Exp (% of sales)	14.0	14.1	13.6	13.1	13.4	11.8	11.8	11.2	14.1	12.0
EBITDA	20,790	16,530	22,800	31,370	18,900	20,830	24,342	29,153	88,500	93,226
EBITDA Margins (%)	11.6	10.7	12.2	13.4	12.1	12.4	12.8	13.8	11.7	12.8
Non-Operating Income	830	1,760	1,070	360	2,450	2,780	2,500	2,722	4,020	10,452
Interest	1,620	2,110	1,190	590	1,740	1,860	1,890	1,893	5,510	7,383
Depreciation & Amort.	4,870	4,840	5,100	5,650	4,230	4,120	4,200	4,227	20,460	16,777
PBT before EO Exp	15,350	11,220	17,260	25,640	16,350	17,570	20,752	25,755	66,490	80,427
EO Exp/(Inc)	0	330	0	0	100	23,660	0	0	0	23,760
PBT after EO Exp	15,350	10,890	17,260	25,640	16,250	-6,090	20,752	25,755	66,490	56,667
Tax	0	4,460	0	2,980	2,140	4,120	4,773	2,906	5,170	14,167
PAT	15,350	6,430	17,260	22,660	14,110	-10,210	15,979	22,848	61,320	42,500
Adj PAT	15,350	6,760	17,260	22,660	14,210	13,450	15,979	22,848	61,320	66,260
Change (%)	64.0	-55.7	4.2	7.9	-7.4	99.0	-7.4	0.8	0.3	8.1

Financials restated wef FY25, hence prior year financials not comparable

Samvardhana Motherson

Estimate changes

TP change

Rating change



Bloomberg	MOTHERSON IN
Equity Shares (m)	10554
M.Cap.(INRb)/(USD\$)	1151.8 / 13
52-Week Range (INR)	116 / 72
1, 6, 12 Rel. Per (%)	2/10/-7
12M Avg Val (INR M)	2260

MOTHERSON: Financials & Valuations

INR Billion	2026E	2027E	2028E
Sales	1,242	1,360	1,505
EBITDA	108.0	129.7	146.9
Adj. PAT	36.9	52.1	62.7
EPS (Rs)	3.5	4.9	5.9
EPS Growth (%)	-2.9	41.1	20.3
BV/Share (Rs)	35.0	38.4	42.6

Ratios

Net D:E	-0.1	-0.2	-0.3
RoE (%)	10.2	13.3	14.5
RoCE (%)	9.1	11.1	12.1
Payout (%)	30.0	30.0	30.0

Valuations

P/E (x)	31.5	22.4	18.6
P/BV (x)	3.1	2.8	2.6
Div. Yield (%)	0.9	1.3	1.6
FCF Yield (%)	7.7	6.0	7.2

Shareholding pattern (%)

As Of	Sep-25	Jun-25	Sep-24
Promoter	48.6	48.6	58.1
DII	21.0	20.8	19.9
FII	12.0	12.6	13.5
Others	18.4	18.0	8.5

FII includes depository receipts

CMP: INR109

TP: INR129 (+18%)

Buy

Margins remain resilient despite adverse macro

Margins likely to improve in 2H

- Samvardhana Motherson's (SAMIL) 2QFY26 adjusted PAT at INR8.6b was well above our estimate of INR6.3b, growing 15% YoY. Its margin has remained stable YoY at 8.7% despite the adverse global macro headwinds, which is commendable.
- Given the better-than-expected performance in 2Q despite adverse global macro, we raise our earnings estimates by 9%/4% for FY26/FY27. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. Given the long-term growth opportunities, **we reiterate our BUY rating on the stock** with a revised TP of INR129, based on 24x Sep'27E EPS.

Margins remain stable YoY despite adverse macro

- Consolidated revenue** grew 8.5% YoY to INR 301.7b (in line with our estimate of INR 298.3b). Adjusted PAT of INR8.6b in 2Q beat our estimate of INR6.3b. Adj. PAT grew ~15% YoY, aided by improved business performance and a reduction in finance costs.
- EBITDA margin was largely stable YoY at 8.7%, which was above our estimate of 7.8%. Margins have remained stable despite the adverse global macro headwinds, which is commendable. Transformative measures are ongoing in Western and Central Europe, with improvements already visible and expected to accelerate in 2HFY26.
- On a segmental basis, the two segments that dragged overall performance were wiring harness (margin down 70bp YoY to 10.5% and below our est. of 11.3%) and emerging business (margin down 380bp to 8.7% and below our estimate of 9%). The wiring harness business was hit by cyclicity in the American CV market, while the emerging business faced business mix issues.
- Most of the other segments' performance was largely in line: Modules and Polymers margins remained stable YoY at 7.4%, Vision Systems remained flat at 9.2%, and Integrated Assemblies gained 30bp to 12.2%.
- Net debt has increased to INR116b from INR112b QoQ due to higher working capital on tariff-led uncertainties.
- Total capex spend as of 1H stood at INR26.5b, with full-year guidance at INR60b. Cash flow from operations stood at INR34.2b, and hence, SAMIL was net cash positive, generating a cash balance of INR7.7b in 1HFY26.

Key highlights from the management commentary

- SAMIL continued to outperform industry growth with its 2Q revenues up 8.5% relative to global LV market growth of ~3%
- Management expects net debt / EBITDA to reduce to 0.9x by FY26 end
- Capex guidance is maintained at INR60b for FY26 with current quarter capex standing at INR14.5b (INR26.5b for 1HFY26)
- Order book worth USD87.2b has been generated with USD3b in non-auto related orders. EV share in automotive booked business has dipped from 24% at the end of FY25 to 22% in this quarter.
- SAMIL has incurred ~USD10m in tariff-related costs. Given that most of their facilities are close to customers, their impact has been minimal, considering the global scale of their business.
- Management noted that the Nexperia chip crisis will have minimal impact on their business as customers are actively working around it, and the company remains optimistic about the resolution soon.

Valuation and view

Given the better-than-expected performance in 2Q despite adverse global macro, we raise our earnings estimates by 9%/4% for FY26/FY27. Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating** with a revised TP of INR129, based on 24x Sept-27E EPS.

Quarterly performance (Consol.)

Y/E March									(INR m)			
	FY25				FY26E				FY25	FY26E	var.	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	288,680	278,119	276,659	293,168	302,120	301,730	316,887	321,301	1,136,626	1,242,038	298,356	1
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	14.5	9.6	15.4	9.3	7.3	
EBITDA	27,753	24,479	26,858	26,429	24,583	26,107	28,203	29,091	105,519	107,985	23,415	11
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	8.9	9.1	9.3	8.7	7.8	
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	12,500	12,959	44,934	49,934	12,350	
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,700	3,825	18,824	15,641	4,100	
Other income	709	862	1,112	1,164	805	1,212	1,250	1,474	5,577	4,741	1,250	
PBT before EO expense	13,371	8,852	12,185	11,200	8,841	11,275	13,253	13,781	47,338	47,151	8,215	37
Extra-Ord expense	0	-1,730	0	1,730	1,365	362	0	0	0	1,727	0	
PBT after EO Expense	13,371	10,582	12,185	9,470	7,476	10,914	13,253	13,781	47,338	45,424	8,215	
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	22.0	20.2	23.6	26.0	27.0	
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-554	-399	-1,848	-2,523	-343	
Reported PAT	9,942	8,797	8,786	8,775	5,118	8,270	10,892	11,403	38,030	35,683	6,340	
Adj PAT	9,942	7,470	8,790	10,030	6,210	8,559	10,892	11,403	38,030	36,943	6,340	35
YoY Change (%)	65.5	65.7	62.2	9.4	-37.5	14.6	23.9	13.7	51.5	-2.9	-15.1	

E: MOFSL Estimates

Prestige Estates Projects

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	PEPL IN
Equity Shares (m)	431
M.Cap.(INRb)/(USDb)	756 / 8.5
52-Week Range (INR)	1900 / 1048
1, 6, 12 Rel. Per (%)	6/25/6
12M Avg Val (INR M)	1341

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 (%)	26.8	23.8	23.8
Adj. 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

Net D/E	0.8	0.9	0.4
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)	64.0	54.9	49.3
P/BV (x)	4.3	4.0	3.7
EV/EBITDA (x)	25.6	24.1	22.0
Div Yield (%)	0.1	0.1	0.1

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	60.9	60.9	60.9
DII	20.7	19.6	16.8
FII	15.8	16.7	19.1
Others	2.6	2.8	3.2

CMP: INR1,755 TP: INR2,295 (+30%) Buy

Robust 1H launch propels presales beyond FY25 milestone

Stellar business development of INR331b in 1H

- **Presales:** PEPL reported 50% YoY growth and 50% QoQ decline in presales to INR60.2b (52% beat) in 2QFY26, boosted by stellar launches in NCR and Bengaluru. In 1H FY26, presales jumped 157% YoY to INR181b, surpassing the total FY25 presales.
- **Area volume:** Total area sold during the quarter was 4.4msf, up 47% YoY but down 54% QoQ (42% beat). In 1H, total area volume was 14msf, up 138% YoY and higher than the total area sold in full-year FY25.
- **Geographical contribution of presales:** In 2Q, BGLR/NCR/MMR/HYD/CHEN/Others contributed 40%/18%/22%/11%/7%/2% to presales. In 1H, these regions contributed 27%/45%/16%/7%/4%/1%.
- **Realization:** 2Q realizations stood at INR13,614 psf, up 2% YoY/7% QoQ (7% above our estimate). In 1H, they were at INR12,988 psf, up 8% YoY.
- **Launches:** Prestige launched four residential projects totaling 3.87msf with a GDV of INR39.6b in 2Q. With this, 1H launches stood at 18.81msf with a GDV of INR175.9b.
- **Collections:** PEPL's collections rose 14% YoY to INR38.9b (14% above our estimates) in 2Q. In 1H, they stood at INR81b, up 55% YoY.
- **Net debt:** In 2Q, net debt was INR73.2b, with a net debt-to-equity ratio of 0.45x (vs. net debt of INR68b with a net debt-to-equity ratio of 0.42x as of 1QFY26). The average borrowing cost was 9.61%.
- **Business development:** In 1H, 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 2Q, spanning a total of 2.53msf. Overall, in 1H, the company completed 7.99msf of projects.
- **Pipeline:** GDV of upcoming launches 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 2Q was 2.3msf. Occupancy levels remained robust at 93.4%. Exit rentals for FY26 is expected to be INR8.3b.
- **Retail:** Gross turnover (GTO) across malls was recorded at INR6.2b, up 9% YoY. Occupancy levels remained strong at 99%. Exit rentals for FY26 is expected to be INR2.7b.
- **P&L:** 2Q revenue grew 6% YoY/5% QoQ to INR24.3b (13% below estimate). In 1H, revenue stood at INR47.4b, up 14% YoY.
- **EBITDA** came in at INR9.1b in 2Q, up 44% YoY/2% QoQ (21% above our estimate), with an EBITDA margin of 37%. In 1H, it stood at INR18b, up 26% YoY, with a margin of 38%.
- **PEPL** reported an adjusted PAT of INR4.3b, up 124% YoY/47% QoQ (42% above estimate), with a margin of 18%. In 1H, it stood at INR7.2b, up 70% YoY, with a margin of 15%.

Key highlights from the management commentary

- Launched ~18.8msf across eight projects in 1HFY26 with GDV of INR176b, contributing ~63% of presales.
- FY26 presales guidance at INR270b, with 67% achieved; remaining launches worth INR272b GDV planned for 2H.
- Added 12 projects (8 JDAs, 4 owned) with GDV of INR331b across key cities; major Thane project to close soon.
- Signed MoU with Maharashtra Government to invest INR125b, including a large data center in Taloja (INR50b).
- Stock in hand stood at 14.09msf valued at INR199b across major cities.
- Net debt rose to INR73.2b with a net D/E of 0.45x and lower borrowing cost of 9.61%.
- Completed 8msf in 1HFY26, with 2.53msf delivered in 2QFY26.

Valuation and view

- As the company advances its growth trajectory in both residential and commercial segments and unlocks value from its hospitality segment, we believe the stock is set for further re-rating. **Reiterate BUY** with a revised TP of INR2,295 (earlier INR2,038) indicating a 30% upside potential.

Quarterly performance

Quarterly performance												(INR m)
Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q	
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 (INR b)	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 (INR b)	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

ALKEM Laboratories

Estimate change

TP change

Rating change



Bloomberg	ALKEM IN
Equity Shares (m)	120
M.Cap.(INRb)/(USDb)	684.6 / 7.7
52-Week Range (INR)	5868 / 4492
1, 6, 12 Rel. Per (%)	2/6/-7
12M Avg Val (INR M)	1001

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	145.2	157.9	172.8
EBITDA	28.7	33.2	36.8
Adjusted PAT	25.3	22.4	25.0
EBIT Margin (%)	17.3	18.6	19.0
Adj EPS (INR)	211.3	187.6	209.3
EPS Gr. (%)	16.6	-11.2	11.6
BV/Sh. (INR)	1,152	1,274	1,418

Ratios

Net D-E	-0.1	-0.2	-0.2
RoE (%)	19.3	15.5	15.6
RoCE (%)	18.6	15.2	15.3
Payout (%)	28.4	34.7	31.1

Valuations

P/E (x)	27.1	30.5	27.3
EV/EBITDA (x)	23.2	19.8	17.6
Div. Yield (%)	0.9	1.0	1.0
FCF Yield (%)	2.8	2.0	2.3
EV/Sales (x)	4.6	4.2	3.7

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	51.2	53.0	55.7
DII	21.9	21.8	19.2
FII	9.5	9.1	9.0
Others	17.4	16.1	16.1

FII includes depository receipts

CMP: INR5,726
TP: INR5,560 (-3%)
Neutral

Broad-based show drives all-time high quarterly revenue

Opex from CDMO/Med-tech to constrain margin expansion over the near term

- ALKEM Laboratories (ALKEM) delivered better-than-expected revenue/EBITDA/PAT, with a beat of 6%/9%/13% for the quarter. The superior performance was driven by broad-based higher revenue growth and lower-than-expected R&D spend for the quarter.
- Despite the GST transition in Sep'25, ALKEM delivered better-than-industry growth in the domestic formulation (DF) segment. Specifically, it outperformed IPM in respiratory, dermatology, pain management, VMN, and anti-infective therapies.
- Superior execution in certain geographies aided strong YoY growth in non-US markets, while new product launches supported growth in the US market during the quarter.
- That said, we reduce our earnings estimate by 2%/4% for FY26/FY27, factoring in: a) additional operational costs related to new growth drivers (CDMO and Med-tech segments). We value ALKEM at 28x 12M forward earnings to arrive at a TP of INR5,560.
- ALKEM is working to enhance its growth outlook across the focus markets of DF/US and Non-US exports. Accordingly, we expect a 10%/14% revenue/EBITDA CAGR over FY25-28. However, earnings growth is expected to remain under check due to a sharp surge in ETR following the loss of certain tax benefits. Reiterate Neutral.

Operational efficiency and lower R&D spends drive margins YoY

- ALKEM's 2QFY26 revenue grew 17% YoY to INR40b (our est: INR37.8b).
- The DF business grew 12% YoY to INR27.7b (70% of sales).
- International business grew 30% YoY to INR11.9b for the quarter. Within international business, US sales grew 33% YoY to INR7.7b (19% of sales). Other international sales grew 32% YoY to INR4.2b (11% of sales).
- Gross margin expanded 25bp on a YoY basis to 65%.
- EBITDA margin expanded 100bp YoY to 23% (our est: 22.3%), driven by lower R&D spent/employee expenses (down 100bp/15bp YoY as % of sales, partly offset by higher other expenses (+45bp YoY as % of sales)).
- Accordingly, EBITDA grew 22.3% YoY at INR9.2b (vs est. of INR8.4b).
- PAT grew 11% YoY to INR7.6b (our est: INR7.1b).
- For 1HFY26, revenue/EBITDA/PAT grew 15%/22%/15% YoY.

Highlights from the management commentary

- ALKEM remains confident about outperforming the DF segment by 100-150bp on a consistent basis.
- It expects low double-digit/high-teen YoY growth in the US/Non-US segments in FY26.
- The company has raised its EBITDA margin guidance to 19.5%-20% for FY26.

- Opex related to the Enzene US plant (INR500m-INR600m) will be expensed from 3QFY26 onwards. Overall opex (Ex-R&D) is projected at INR9b per quarter over the next two quarters.
- ETR is expected to be 35-38% for FY27.
- ALKEM expects its US plant to attain an asset turnover of 1-1.2x, reaching the corresponding sales in 12-18M.
- In 2QFY26, ALKEM garnered INR1.2b revenue from the Enzene Pune plant.

Quarterly Perf. (Consolidated)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Revenues	30,318	34,147	33,743	31,438	33,711	40,010	37,578	34,330	129,645	145,169	37,790	5.9
YoY Change (%)	2.2	-0.7	1.5	7.1	11.2	17.2	11.4	9.2	2.3	12.0	10.7	
Total Expenditure	24,232	26,618	26,149	27,525	26,321	30,802	29,950	29,352	104,524	73,705	29,363	
EBITDA	6,086	7,528	7,594	3,913	7,391	9,208	7,628	4,978	25,121	28,744	8,427	9.3
YoY Change (%)	56.4	0.8	7.3	-2.7	21.4	22.3	0.5	27.2	11.9	14.4	11.9	
Margins (%)	20.1	22.0	22.5	12.4	21.9	23.0	20.3	14.5	19.4	19.8	22.3	
Depreciation	805	789	853	1,125	877	936	923	843	3,572	3,579	951	
EBIT	5,282	6,739	6,741	2,788	6,514	8,272	6,705	4,135	21,550	25,165	7,476	
YoY Change (%)	66.7	0.2	5.7	-12.5	23.3	22.7	-0.5	48.3	57.4	29.3	10.9	
Margins (%)	17.4	19.7	20.0	8.9	19.3	20.7	17.8	12.0	16.6	17.3	19.8	
Interest	291	281	360	284	298	350	310	320	1,217	1,278	280	
EBT	5,795	7,247	7,234	3,629	7,093	8,858	7,318	4,658	23,904	27,466	8,147	
Margins (%)	19.1	21.2	21.4	11.5	21.0	22.1	19.5	13.6	18.4	18.9	21.6	
Other Income	1,203	1,345	930	1,460	1,365	1,400	1,450	1,350	4,937	5,565	1,210	
PBT before EO Exp	6,194	7,803	7,311	3,963	7,581	9,321	7,845	5,165	25,270	29,452	8,406	10.9
EO Exp/(Inc)	0	0	0	0	-129	0	0	0	0	-129	0	
PBT after EO Exp	6,194	7,803	7,311	3,963	7,710	9,321	7,845	5,165	25,270	29,581	8,406	
Tax	691	783	903	733	1,027	1,162	1,138	775	3,110	4,101	1,135	
Rate (%)	11.2	10.0	12.3	18.5	13.3	12.5	14.5	15.0	12.3	13.9	13.5	
PAT (pre Minority Interest)	5,502	7,020	6,408	3,230	6,683	8,159	6,708	4,390	22,160	25,480	7,271	
Minority Interest	51	133	150	172	41	145	190	195	505	571	184	
Reported PAT	5,452	6,886	6,258	3,059	6,643	8,014	6,518	4,195	21,655	24,909	7,087	13.1
Adj Net Profit	5,452	6,886	6,258	3,059	6,531	8,014	6,518	4,195	21,655	25,257	7,087	13.1
YoY Change (%)	90.1	2.0	-2.6	0.6	19.8	16.4	4.1	37.2	13.5	16.6	2.9	

Key Performance Indicators (Consolidated)

Y/E March	FY25				FY26				FY25	FY26E	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
India formulations	20,223	24,610	23,649	21,355	22,650	27,660	26,369	23,491	89,837	100,169	26,825
YoY Change (%)	6.4	5.7	5.9	8.3	12.0	12.4	11.5	10.0	6.5	11.5	9.0
US generics	6,416	5,744	6,340	6,086	6,982	7,649	7,226	6,812	24,586	29,192	7,498
YoY Change (%)	(7.7)	(25.2)	(7.3)	(2.5)	8.8	33.2	14.0	11.9	(11.3)	18.7	30.5
International (Ex-US)	3,261	3,210	3,265	3,661	3,556	4,241	3,983	4,027	13,397	15,807	3,467
YoY Change (%)	2.2	12.0	(4.0)	28.2	9.0	32.1	22.0	10.0	8.8	18.0	8.0
Cost Break-up											
RM Cost (% of Sales)	35.5	35.3	35.7	40.7	34.7	35.0	34.0	39.0	36.7	35.6	34.4
Staff Cost (% of Sales)	19.9	17.9	18.5	19.6	20.6	17.8	18.4	19.4	18.9	19.0	18.0
R&D Expenses(% of Sales)	4.1	4.3	3.9	5.0	3.5	3.3	3.5	4.0	4.3	3.6	4.7
Other Cost (% of Sales)	20.4	20.5	19.4	22.2	19.3	21.0	23.8	23.1	20.6	21.8	20.6
Gross Margins (%)	64.5	64.7	64.3	59.3	65.3	65.0	66.0	61.0	63.3	64.4	65.6
EBITDA Margins (%)	20.1	22.0	22.5	12.4	21.9	23.0	20.3	14.5	19.4	20.1	22.3
EBIT Margins (%)	17.4	19.7	20.0	8.9	19.3	20.7	17.8	12.0	16.6	17.3	19.8

E: MOFSL Estimates

Bharat Dynamics

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR1,518 TP: INR2,000 (+32%)
Buy

Execution ramping up

Bharat Dynamics (BDL) delivered a strong performance in 2QFY26 as supply chain issues started easing out, resulting in a sharp execution ramp-up. However, margins were affected by project mix during the quarter. The company also announced an order inflow of INR20b from Invar anti-tank missiles, and BDL is expected to benefit from emergency procurement, QRSAM, follow-on Astra orders from HAL, VSHORADS, etc. With a strong order book of INR235b and a focus on execution, we expect the company to grow revenue/EBITDA/PAT at 35%/64%/51% over FY25-28. The stock is currently trading at 40.1x/29.2x P/E on FY27/FY28 estimates. We reiterate our BUY rating on the stock with a revised TP of INR2,000, based on 42x Dec'27E earnings.

Beat across all parameters

BDL's revenue jumped 111% YoY to INR11.5b, beating our estimate by 62%. Gross margin dipped to 43.2% in 2QFY26 from 58.9% last year, though a lower share of employee costs and other expenses softened the EBITDA margin contraction to 16.3% (-180bp YoY). Absolute EBITDA increased 90% YoY to INR1.9b, beating our estimate by 32%. Aided by strong top-line growth, higher-than-expected other income, and a lower tax rate, BDL's PAT increased 76% YoY to INR2.2b, which was 32% above our estimates of INR1.6b. For 1HFY26, revenue/EBITDA/PAT increased by 90%/206%/81% to INR13.9b/INR1.4b/INR2.3b, while the margin expanded 390bp YoY to 10.2%. For 1HFY26, BDL's OCF/FCF stood at negative INR0.8b/INR1.5b, though it has improved significantly compared to last year, when OCF/FCF stood at negative INR8b/INR9b.

Working capital stable, capex on track

Working capital in 1H was broadly in line at around 160 days vs. 152 days in FY25. Inventory/receivables/other current assets at 419/156/ 422 days moved up from FY25 levels of 289/90/312. However, this increase was offset by an increase in payables/other current liabilities days. The company has incurred a capex of ~INR1b during 1H, which is in line with our full-year estimate of INR2b.

Execution ramp-up driven by strong order book

BDL has a current order book of nearly INR235b to be executed over the next 3-4 years. This also includes the order win of INR20b for Invar Anti-Tank missiles for the Indian Army. The company is also likely to receive a few orders from emergency procurement. During 2QFY26, revenue growth was driven by execution ramp-up across key projects such as the Akash missile, Astra Mk-1, and anti-tank guided missile orders. The company was earlier hit by supply chain issues, but now, with the easing of those issues, it has been able to ramp up execution across projects much faster. Gross margin in the current quarter was impacted by a higher share of bought-out items for the Akash and Astra Mk-1 projects. Provisions were also higher in the current quarter, in line with higher warranties for corresponding deliveries in the current quarter. This had impacted margins during the quarter. Going ahead, we expect execution growth to remain strong, driven by a healthy order book of INR235b, and we also expect margins to improve as operating leverage benefits kick in.

Bloomberg	BDL IN
Equity Shares (m)	367
M.Cap.(INRb)/(USD\$)	556.4 / 6.3
52-Week Range (INR)	2097 / 890
1, 6, 12 Rel. Per (%)	-2/-18/45
12M Avg Val (INR M)	3345

Financials Snapshot (INR b)

Y/E March	2026E	2027E	2028E
Sales	45.8	61.1	81.5
EBITDA	10.9	15.1	20.8
Adj. PAT	10.4	13.9	19.1
Adj. EPS (INR)	28.3	37.9	52.0
EPS Gr. (%)	88.6	33.9	37.3
BV/Sh.(INR)	131.6	162.5	206.5

Ratios

RoE (%)	21.5	23.3	25.2
RoCE (%)	22.1	23.8	25.6
Payout (%)	21.4	18.4	15.4

Valuations

P/E (x)	53.7	40.1	29.2
P/BV (x)	11.5	9.3	7.4
EV/EBITDA (x)	45.7	31.8	21.9
Div. Yield (%)	0.4	0.5	0.5

Shareholding pattern (%)

As Of	Sep-25	Jun-25	Sep-24
Promoter	74.9	74.9	74.9
DII	11.3	10.1	8.4
FII	2.4	3.8	2.9
Others	11.3	11.2	13.7

FII includes depository receipts

Targeting an increased share of export revenue

Excluding FY25, when exports rose sharply, BDL's export share has historically stayed below 10% of total revenue. The company has now outlined a strategy to raise this share to 25% by FY29-30 by deepening ties with friendly nations and countries facing geopolitical challenges. During the quarter, export orders also surged, and the current export order book is likely to be over by 1QFY27. Its export portfolio spans anti-tank guided missiles (ATGMs), surface-to-air missiles (SAMs), air-to-air missiles (AAMs), underwater weapons, and avionics systems. With several products approved for exports by the Government of India, BDL is steadily expanding its global footprint through customized solutions and comprehensive lifecycle management. The export order book stood at INR11.7b as of the end of FY25, and rising interest from international markets for BDL's products like Akash will further strengthen the company's export pipeline.

Future growth strategies

BDL has a strong order pipeline of ~INR500b for the next five years, of which the company is targeting ~INR200b worth of orders to come in within the next 2-3 years. By FY30-31, the company expects to reach an annual turnover of INR100b. To achieve these targets, BDL has initiated a series of strategic measures, including:

- **Planned capex:** BDL plans to spend capex of ~INR2b on various programs, including the construction of the Jhansi Unit (for missile propulsion systems), Phase-II infrastructure development at Ibrahimpattam (for larger missiles and advanced composites), and the ceramic radome facility at Kanchanbagh.
- **Increasing indigenized content:** BDL prioritizes the indigenous development of critical defense technologies, including missile seekers, homing systems, avionics, cruise missile propulsion, specialized warheads, and electronic warfare systems, with 80-90% levels reached in most of these products and more than 90% levels reached for DRDO-designed systems.
- **R&D push:** The company is prioritizing technology leadership through sustained investment in R&D, targeting 9% of revenue over the next five years. It is working closely with DRDO, academia, start-ups, and MSMEs to develop indigenous solutions and integrate technologies such as AI, ML, and Industry 4.0 into its manufacturing ecosystem.

BDL-PTC JV to strengthen the domestic defense propulsion capabilities

BDL signed a contract with PTC Industries (PTC) to set up a JV company to design, develop, and manufacture complete propulsion systems, guided bombs, and aero-engines for missiles, UAVs, and loitering munitions. The JV will combine BDL's missile systems engineering and production pedigree with PTC's capabilities in strategic materials, precision engineering, and super alloys.

Key scope of work of the JV includes:

- Solid and liquid propulsion modules for short-to-medium-range missiles and loitering munitions.
- Small, high-performance aero-engines are suitable for advanced UAVs and loiterers where compact power plants are a critical enabler.
- Guided glide and powered bombs, and the supporting production infrastructure, including airframes, guided sub-assemblies, and warhead integration.

Recent DAC approvals support our growth thesis

BDL is well placed to benefit from the recent DAC approvals since the start of FY26, totaling ~INR2.5t, which focused on missile systems, undersea warfare equipment, and naval armament. Its strong capabilities in tactical and strategic missiles position it favorably for the approved surface-to-air missile projects and moored mines. The company is also likely to participate in the upgrade of the BARAK-1 point defense missile system and the BrahMos launcher and fire control systems cleared for the Navy. In underwater weapon systems, BDL could gain from orders for moored mines and advanced lightweight torpedoes, supported by its collaboration with DRDO. The approval for the Nag missile system Mk-II further strengthens its anti-tank portfolio. With these projects advancing toward the contract stage, BDL's medium to long-term growth prospects appear robust, backed by a wider and more diversified order base.

Financial outlook

We maintain our estimates and expect a CAGR of 35%/64% in revenue/EBITDA over FY25-28, primarily driven by a sharp scale-up in execution due to moderating supply chain issues. We expect the EBITDA margin to remain strong at 23.8%/24.7%/25.5% in FY26/FY27/FY28, fueled by the various indigenization efforts taken by the company and lower provisions. With an estimated annual capex of INR2.0b/INR2.5b/INR3.0b in FY26/FY27/FY28 and comfortable working capital, we expect a 51% CAGR in PAT over FY25-28. With improving revenue and stable margins, we expect its RoE/RoCE to remain comfortable, reaching 25.2%/25.6% by FY28.

Valuation and view

The stock currently trades at 53.7x/40.1x/29.2x P/E on FY26/FY27/FY28 estimates. We maintain our estimates and expect execution and margins to scale up in the coming quarters. **We maintain our BUY rating on the stock with a revised TP of INR2,000, based on 42x P/E Dec'27E EPS.**

Key risks and concerns

Key risks for the company include a decline or reprioritization of the Indian defense budget, termination of existing contracts or failure to succeed in tendering projects, changes in procurement rules and regulations of the MoD and the government, and supply-chain-related issues.

Standalone - Quarterly Snapshot

											(INR m)	
Income Statement												
Y/E March	FY25				FY26E				FY25	FY26E	2QE	Var. Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net revenue	1,912	5,448	8,321	17,770	2,479	11,470	11,453	20,409	33,451	45,812	7,095	62
Change (%)	-35.8	-11.5	38.3	108.0	29.7	110.6	37.6	14.9	41.2	37.0	30.2	
Expenses	2,435	4,459	7,053	14,780	2,933	9,595	8,590	13,797	28,727	34,915	5,676	
EBITDA	-523	988	1,269	2,990	-454	1,875	2,863	6,612	4,724	10,897	1,419	32
Change (%)	NA	-26.3	6.8	-5.5	NA	89.7	125.7	121.2	-12.0	130.7	43.6	
As of % Sales	-27.4	18.1	15.2	16.8	-18.3	16.3	25.0	32.4	14.1	23.8	20.0	
Depreciation	157	177	177	197	177	191	195	214	707	776	187	2
Interest	12	7	7	7	7	13	8	4	33	33	8	63
Other Income	804	860	844	996	869	1,206	933	1,026	3,504	4,034	989	22
PBT	112	1,665	1,929	3,782	231	2,876	3,594	7,420	7,488	14,121	2,212	30
Tax	40	439	458	1,054	48	717	934	2,056	1,991	3,755	575	
Effective Tax Rate (%)	35.8	26.4	23.7	27.9	20.7	24.9	26.0	27.7	26.6	26.6	26.0	
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	72	1,225	1,471	2,728	183	2,159	2,659	5,365	5,496	10,366	1,637	32
Adj PAT	72	1,225	1,471	2,728	183	2,159	2,659	5,365	5,496	10,366	1,637	32
Change (%)	-82.7	-16.7	9.0	-5.5	154.3	76.2	80.7	96.7	-10.3	88.6	33.6	
As of % Sales	3.8	22.5	17.7	15.4	7.4	18.8	23.2	26.3	16.4	22.6	23.1	

Page Industries

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	PAG IN
Equity Shares (m)	11
M.Cap.(INRb)/(USDb)	441.5 / 5
52-Week Range (INR)	50590 / 38850
1, 6, 12 Rel. Per (%)	-6/-20/-24
12M Avg Val (INR M)	1206

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	52.4	58.3	65.1
Sales Gr. (%)	6.2	11.3	11.7
EBITDA	11.5	12.9	14.5
EBITDA Margin %	22.0	22.1	22.3
Adj. PAT	8.0	9.0	10.2
Adj. EPS (INR)	715.4	803.0	911.2
EPS Gr. (%)	9.6	12.2	13.5
BV/Sh.INR	1518.4	1806.7	2133.7

Ratios

RoE (%)	47.1	44.4	42.7
RoCE (%)	45.8	43.5	42.1
Payout (%)	75.0	75.0	75.0

Valuations

P/E (x)	55.2	49.2	43.4
P/BV (x)	26.0	21.9	18.5
EV/EBITDA (x)	37.8	33.7	29.6
Div. Yield (%)	1.2	1.3	1.5

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	42.9	42.9	44.3
DII	29.2	28.5	29.5
FII	23.2	24.0	20.8
Others	4.7	4.6	5.4

FII includes depository receipts

CMP: INR39,585 TP: INR47,500 (+20%) Buy

Uninspiring performance; growth recovery awaited

- Page Industries (PAGE) reported muted revenue growth of 4% YoY, with volume growth of 2.5% (est. 4%; 2% in 1QFY26) to 56.6m units. With trade inventory normalized, volume growth was expected to acceleration from 2Q onward. However, since the consumption environment was mostly subdued during the quarter, growth delivery was uninspiring. Festive demand was healthy, and we would monitor if these demand trends are sustained. The GST rate rationalization in Sep'25 had boosted consumer sentiment. Almost 90% of PAGE sales are from the below-INR1k price category. PAGE expects 2HFY26 to be better than 1HFY26.
- GM expanded 350bp YoY to 59.9% (beat), whereas EBITDA margin contracted 90bp YoY to 21.7% (miss) as operating expenses rose. An efficient raw material and product sourcing strategy and focused marketing initiatives aided EBITDA margins to an extent. PAGE did not increase prices in 2Q. It expects ad spends to be ~4-5% in FY26. That said, management has maintained its EBITDA margin guidance of 19-21% for FY26 despite achieving 21.5% in FY25.
- PAGE has launched a new product line with bonded technology in bras and men's innerwear in Sep'25, which are priced at a premium compared to Jockey's range. The initial consumer response has been encouraging.
- Although 1HFY26 recovery was below expectation, we believe that volume growth can improve in 2HFY26, backed by the festive season, wedding demand and expectations of consumption growth. Initiatives for products, marketing (particularly on social media platform) and new channel expansion are encouraging. Amid improving consumer sentiment, we continue to believe that PAGE will be able to capitalize on its growth opportunities. Benign input costs and cost efficiencies are likely to offset higher marketing/digital spending, which will help PAGE sustain its margin going forward. **We reiterate our BUY rating on the stock with a TP of INR47,500, premised on 55x Sep'27E EPS.**

Muted quarter; profitability flat on a high base

- **Volume up 2.5%:** Sales grew 3.7% YoY to INR12.9b (est. INR13.1b) in 2Q. Sales volume was up 2.5% YoY (est. 4%, 2% in 1QFY26) at 56.6m pieces. Consumption environment remained mostly subdued in 2Q, while green shoots were visible in Sep'25 end. Product realization was up 1% YoY at INR228/piece, backed by premiumization and an increasing share of e-commerce. PAGE continues to focus on product innovation, cost optimization and various marketing initiatives without any price hikes.
- **Strong gross margin expansion:** Gross margin expanded ~350bp YoY to 59.9% (est. 59.7%), whereas EBITDA margin contracted to 90bp YoY 21.7% (est. 22.7%) given high operating expenses. Employee/other expenses rose 21%/14% YoY. An efficient raw material and product sourcing strategy, effective resource deployment and focused marketing initiatives aided EBITDA margins.

- **Profitability remained flat YoY:** EBITDA was flat YoY at INR2.8b (est. INR3b). PBT was flat YoY at INR2.6b (est. INR2.7b). Adj. PAT was flat YoY at INR2b (est. INR2.1b). Overall the profitability remained flat YoY, albeit on a high base.
- In 1HFY26, revenue/EBITDA/PAT grew 3%/10%/10%.

Highlights from the management commentary

- Consumption remained subdued through most of the bygone quarter. However, with the start of the festive season, we did see a good uptick in primary sales during latter half of Sep'25.
- The GST rate rationalization in Sep also boosted consumer sentiment. PAGE has passed on the rate benefit to consumers as applicable. Almost 90% of PAGE sales are from the below-INR1k category.
- The festive season has been better than the first half of 2QFY26. PAGE expects 2HFY26 to be better than 1HFY26.
- Over last year, PAGE reduced inventory at the partner level; hence, it saw some volume volatility between quarters. In addition, seasonality impacts quarterly volumes. That said, the company has stabilized now (in terms of ARS, etc.) and thus volume volatility is likely to normalize.
- FY26 EBITDA margin guidance remains broadly unchanged at 19-21%.
- Capex-linked incentives of INR500m will be realized in FY27 in P&L as subsidy received.

Valuation and view

- We cut our EPS estimates by 2-3% for FY26 and FY27.
- Although 1HFY26 recovery was below expectation, we believe that volume growth can improve in 2HFY26, backed by the festive season, wedding demand and expectations of consumption growth.
- Initiatives for product, marketing (particularly on social media platform) and new channel expansion are encouraging. Given improving consumer sentiment, we continue to believe that PAGE will be able to capitalize on its growth opportunities. PAGE maintains its double-digit revenue growth guidance in the medium term.
- Inventory optimization through the ARS system, new product launches, capacity expansion, and digitalization initiatives will support growth, in our view. PAGE's brand equity keeps evolving into a lifestyle brand from only an innerwear brand. It will fit the brand across product lines. Benign input costs and cost efficiencies are likely to offset higher marketing/digital spending, which will help PAGE sustain its margin going forward.
- **We reiterate our BUY rating on the stock with a TP of INR47,500, premised on 55x Sep'27E EPS.**

Quarterly Statement

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Volume growth (%)	2.6	6.7	4.7	8.5	1.9	2.5	7.5	6.9	5.0	4.1	4.5	
Net Sales	12,775	12,454	13,131	10,981	13,166	12,909	14,327	11,975	49,340	52,376	13,144	-1.8%
YoY change (%)	3.9	10.7	6.9	10.6	3.1	3.7	9.1	9.1	8.0	6.2	5.5	
Gross Profit	6,918	7,031	7,399	6,689	7,784	7,736	8,510	7,342	28,036	31,373	7,716	0.3%
Gross margin (%)	54.1	56.5	56.3	60.9	59.1	59.9	59.4	61.3	56.8	59.9	58.7	
EBITDA	2,433	2,806	3,025	2,352	2,947	2,795	3,252	2,539	10,617	11,534	2,984	-6.3%
Margins (%)	19.0	22.5	23.0	21.4	22.4	21.7	22.7	21.2	21.5	22.0	22.7	
YoY change	2.0	20.1	31.7	43.1	21.1	-0.4	7.5	7.9	23.5	8.6	6.3	
Depreciation	221	226	297	249	266	254	285	320	992	1,125	280	
Interest	117	109	119	118	127	125	125	129	464	506	120	
Other Income	129	146	140	201	148	195	190	217	616	750	155	
PBT	2,225	2,616	2,750	2,187	2,702	2,611	3,032	2,308	9,777	10,653	2,739	-4.7%
Tax	572	672	703	547	694	663	761	556	2,494	2,674	687	
Rate (%)	25.7	25.7	25.6	25.0	25.7	25.4	25.1	24.1	25.5	25.1	25.1	
PAT	1,652	1,944	2,047	1,640	2,008	1,948	2,271	1,752	7,282	7,979	2,051	-5.1%
YoY change (%)	4.3	29.3	34.3	51.6	21.5	0.2	11.0	6.8	27.9	9.6	5.5	

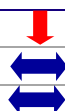
E: MOFSL Estimates

Endurance Technologies

Estimate changes

TP change

Rating change



Bloomberg	ENDU IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	378.6 / 4.3
52-Week Range (INR)	3080 / 1556
1, 6, 12 Rel. Per (%)	-8/20/2
12M Avg Val (INR M)	418

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	144.3	163.4	186.2
EBITDA	19.6	22.4	25.9
Adj. PAT	9.5	11.5	13.7
EPS (INR)	67.4	81.5	97.1
EPS Growth (%)	14.7	20.8	19.2
BV/Share (INR)	460.9	526.9	605.5

Ratios

Net Debt/Equity	0.0	-0.1	-0.2
RoE (%)	15.6	16.5	17.2
RoCE (%)	14.6	15.5	16.4
Payout (%)	19.3	19.0	19.0

Valuations

P/E (x)	39.9	33.0	27.7
P/BV (x)	5.8	5.1	4.4
EV / EBITDA (x)	19.7	17.1	14.8
Div. Yield (%)	0.5	0.6	0.7

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	75.0	75.0	75.0
DII	9.1	9.5	13.6
FII	13.8	13.5	9.5
Others	2.1	1.9	1.9

FII includes depository receipts

CMP: INR2,692
TP: INR3,215 (+19%)
Buy

Healthy operational performance across segments

Close to securing an entry in 4W suspensions

- Endurance Technologies (ENDU) delivered an in-line operational performance in 2QFY26. PAT miss was largely driven by higher-than-expected depreciation and a higher tax rate in 2Q.
- We estimate a CAGR of ~17%/19%/18% in consolidated revenue/EBITDA/PAT over FY25-28 on account of healthy new order wins and its focus on ramping up presence in 4Ws in a meaningful way going forward. If ABS were to be mandated in all 2Ws as per the draft notification issued by MORTH, it would open up a huge growth opportunity for players like ENDU. The stock trades at 40x/33x FY26E/FY27E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,215 (based on 36x Sep'27E consolidated EPS).**

Margins in line; PAT miss due to higher depreciation and taxes

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

Highlights from the management commentary

- ENDU's current ABS capacity will be ramped up to 640k units pa by 4QFY26. The company has now ordered another 1.2m units line, which can potentially be operational by 1QFY27. The balance 1.2m units line will be set up based on the timeline of the mandatory ABS regulation to be notified by the authorities.
- 1H order wins for ENDU stood at INR9.1b, which includes INR3b for the Talegaon battery-pack program and INR210m of BMS orders at Maxwell. It has close to INR42.1b worth of RFQs in discussion and expects another INR15b worth of new order wins in the coming 1-1.5 years. H1FY26 Europe order wins stood at EUR12.7m, taking the cumulative five-year order book to EUR242m.
- With support from a Korean technology partner for 4W suspensions, ENDU is close to securing an OEM entry.
- The company has started on-vehicle testing for its 4W driveshaft order with SOP expected in 4QFY26, and is establishing a dedicated assembly line to address increasing 3W and 4W demand. This business is expected to generate INR5b worth of business by FY28.
- It has so far invested INR4.6b in capex in 1H, and its FY26 guidance stands at INR8b for new projects. For Europe, the company has targeted capex of EUR30-32m (having invested EUR in 1H) for FY26.

Valuation and view

- We estimate a CAGR of ~17%/19%/18% in consolidated revenue/EBITDA/PAT over FY25-28 on account of healthy new order wins and its focus on ramping up presence in 4Ws in a meaningful way going forward. If ABS were to be mandated in all 2Ws as per the draft notification issued by MORTH, it would open up a huge growth opportunity for players like ENDU. The stock trades at 40x/33x FY26E/FY27E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,215 (based on 36x Sep'27E consolidated EPS).**

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E	2QE	Var. (%)
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	28,255	29,127	28,592	29,635	33,189	35,828	36,505	38,762	115,608	144,284	34,702	3.2
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	23.0	27.7	30.8	12.9	24.8	19.1	
EBITDA	3,741	3,820	3,725	4,225	4,439	4,768	4,950	5,449	15,511	19,607	4,651	2.5
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.3	13.6	14.1	13.4	13.6	13.4	
Depreciation	1,288	1,311	1,364	1,424	1,644	1,800	1,825	1,869	5,387	7,138	1,630	
Interest	112	116	115	125	135	137	134	145	468	551	107	
Other Income	339	265	219	346	356	210	240	333	1,170	1,139	290	
PBT before EO expense	2,680	2,658	2,466	3,022	3,016	3,041	3,231	3,769	10,825	13,057	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	3,231	3,769	10,947	13,057	3,204	
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	25.3	24.6	24.7	23.6	24.9	23.2	
Adj. PAT	2,039	2,030	1,844	2,358	2,264	2,273	2,435	2,837	8,270	9,809	2,460	-7.6
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	12.0	32.1	20.3	20.7	18.6	21.2	

Jubilant FoodWorks

Estimate changes



TP change



Rating change



Bloomberg	JUBI IN
Equity Shares (m)	660
M.Cap.(INRb)/(USD\$)	378.6 / 4.3
52-Week Range (INR)	797 / 565
1, 6, 12 Rel. Per (%)	-6/-24/-18
12M Avg Val (INR M)	1231

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	93.8	107.0	121.8
Sales Gr. (%)	15.2	14.1	13.8
EBITDA	18.5	21.5	25.1
EBITDA Margin (%)	19.7	20.1	20.6
Adj. PAT	3.5	5.4	7.0
Adj. EPS (INR)	5.3	8.1	10.7
EPS Gr. (%)	48.4	53.2	31.4
BV/Sh.(INR)	30.4	30.8	33.3

Ratios

RoE (%)	17.4	26.4	32.0
RoCE (%)	10.9	12.9	15.2

Valuation

P/E (x)	108.6	70.9	54.0
P/BV (x)	18.9	18.7	17.3
EV/EBITDA (x)	28.7	24.4	20.4
EV/Sales (x)	4.1	3.6	3.1

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	40.3	40.3	41.9
DII	33.3	32.5	30.4
FII	20.5	21.4	21.4
Others	6.0	5.8	6.3

FII Includes depository receipts

CMP: INR575
TP: INR650 (+13%)
Neutral

Outperformance continues; positive festive commentary

- Jubilant FoodWorks (JUBI) reported 16% YoY growth in standalone revenue to INR17b in 2QFY26 (in line). Domino's reported order growth of 15% with LFL growth of 9%. The delivery business posted strong 22% YoY revenue growth (LFL +17%) and contributed 74% of total sales (vs. 70% in 2QFY25). Dine-in revenue was flat YoY despite 14% YoY growth in in-store traffic as takeaways declined 19% due to the free 20-minute delivery offer.
- The company witnessed positive festive demand in Oct'25, with performance exceeding expectations, well supported by a change in the festive period vs. last year. Management remains confident of sustaining healthy momentum through Nov-Dec'25. Domino's India added 81 new stores (+12% YoY) and entered 16 new cities during the quarter.
- Standalone gross margin was down 170bp YoY but up 30bp QoQ at 74.4% (est. 74.7%), supported by a favorable mix, procurement gains, and cost efficiency measures. EBITDA margin was flat YoY while up 40bp QoQ to 19.4%. EBITDA grew 16% YoY to INR3.3b (est. INR3.2b). Pre-Ind-AS EBITDA margin expanded 40bp YoY (-160bp in base) to 12.1% and EBITDA was up 20% (-5% in base).
- The company benefited indirectly from GST-related advantages through lower input costs, particularly in cheese and sauces, which supported margin expansion by ~ 50bp. Part of the savings was passed on to consumers through selective price cuts, such as reducing the Big Pizza price from INR899 to INR799.
- International operations performed well, with Domino's Turkey posting LFL growth of 5.6%, while Coffy LFL declined 1.7% (inflation-adjusted). PAT margin stood at 10.4%. Domino's Sri Lanka and Bangladesh reported strong revenue growth of 86% and 54% YoY, respectively.
- JUBI's focus on customer acquisition and order frequency has been driving strong delivery growth. Value offerings and product innovations will continue to drive order growth in FY26. JUBI outperformed peers in revenue growth and SSSG despite facing a challenging demand environment. We estimate standalone revenue CAGR of 15% over FY25-28E and pre-Ind-AS EBITDA margin of 12-14% during FY26-28E. We remain constructive on the business and believe that the recent stock correction (20% in last four months) protects downside risk. We value India business at 30x EV/EBITDA (pre-IND AS) and international business at 15x EV/EBITDA on Sep'27E. We reiterate our Neutral rating with a TP of INR650.

Growth outperformance continues; EBITDA margin bit better

- High-single-digit LFL growth continues:** JUBI reported sales growth of 16% YoY to INR17.0b (est. INR17.1b), led by order growth of 14.8%. LFL growth was 9.1% (delivery LFL at 16.5%).
- Store rollout remains strong:** In India, JUBI added 88 net stores, taking the total count to 2,450 stores. Domino's opened 81 new Domino's Pizza stores (total 2,321 stores). Popeyes closed 8 new stores, taking the count to 68 stores. Hong's Kitchen store count remained unchanged at 33. Dunkin' Donuts closed 1 store, taking the count to 28 stores.

- **Steady operating margins:** Gross profit grew 13% YoY to INR12.6b (est. INR12.8b). Gross margin declined 170bp YoY but rose 30bp QoQ to 74.4% (est. 74.7%). EBITDA margins was flat YoY and up 40bp YoY at 19.4% (est. 19%). Pre-Ind AS EBITDA margin expanded 40bp YoY/10bp QoQ to 12.1% (est. 11.8%). PBT margin was at 5% vs. 4.8% 2QFY25.
- **Double-digit growth in profitability:** EBITDA grew 16% YoY to INR3.3b (est. INR3.2b). PBT (before exceptional) rose 23% YoY to INR856m (est. INR844m). Adj. PAT grew 23% YoY to INR639m (est. 631m).

International business

- Domino's Sri Lanka revenue was up 86% YoY at INR317m. There was no store addition in Sri Lanka.
- Domino's Bangladesh revenue rose 54% YoY to INR194m. There was no store addition in Bangladesh.

DPEU

- DPEU System sales were INR9,957m. Sales grew 29% YoY to INR5.b.
- Domino's Turkey LFL growth was 5.6%, while COFFY LFL was down 1.7%.
- PAT margin was flat YoY at 10.4%.
- In DP Eurasia, it opened 5 stores in 2Q, taking the total count to 940 stores.

Highlights from the management commentary

- For FY26, the company expects India Domino's to grow by ~15% YoY, with 5-7% growth from LFL (1-2% price mix and 3-4% volume) and 7-10% from new store additions.
- Delivery revenue grew 21.6% YoY, supported by a robust 23.7% YoY increase in order volumes, while dine-in revenue remained flat. In dine-in, store dine-in revenue grew 14%, while takeaway revenue declined by 19% YoY, as the company continued to offer free delivery within 20 minutes, which encouraged consumers to shift from takeaway to delivery.
- Management has reiterated its guidance of 200bp EBITDA margin expansion over the next three years. The margin expansion will led by GM improvement (100bp) from procurement and mix initiatives and consistent 5-7% sales growth, leading to operating leverage, especially in rent and other fixed costs.
- The company benefited indirectly from GST-related advantages through lower raw material costs, particularly in cheese and sauces, which contributed +50bp to margins. The benefit was passed on to consumers through price reductions in certain SKUs like price reduction of the Big Big Pizza from INR899 to INR799.

Valuation and view

- There are no material changes to our EBITDA estimates for FY26 and FY27.
- JUBI has been the key beneficiary of healthy traffic growth for the delivery business. Delivery is expected to outperform in the near term, which will continue to lead to better growth metrics than those of its peers in the near term.
- JUBI's focus on customer acquisition and order frequency has been driving strong delivery growth. Value offering and product innovation will continue to drive order growth in FY26. JUBI outperformed peers in revenue growth and SSSG despite facing a challenging demand environment. We estimate standalone revenue CAGR of 15% over FY25-28E and pre-Ind-AS EBITDA margin of 12-14% during FY26-28E. We remain constructive on the business and believe that the recent stock correction protects downside risk. We value India business at 30x EV/EBITDA (pre-IND AS) and international business at 15x EV/EBITDA on Sep'27E. We reiterate our Neutral rating with a TP of INR650.

Quarterly Standalone Perf.
(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
No of stores (Dominos)	2,029	2,079	2,139	2,179	2,240	2,321	2,391	2,429	2,179	2,429	2,305	
LFL growth (%)	3.0	2.8	12.5	12.1	11.6	9.1	6.5	6.0	7.6	8.3	9.0	
Net Sales	14,396	14,669	16,111	15,872	17,016	16,987	18,366	18,018	61,047	70,387	17,089	-0.6%
YoY change (%)	9.9	9.1	18.9	19.2	18.2	15.8	14.0	13.5	14.3	15.3	16.5	
Gross Profit	10,955	11,157	12,092	11,828	12,610	12,634	13,775	13,561	46,032	52,579	12,766	-1.0%
Gross margin (%)	76.1	76.1	75.1	74.5	74.1	74.4	75.0	75.3	75.4	74.7	74.7	
EBITDA	2,782	2,842	3,128	3,056	3,233	3,294	3,644	3,560	11,807	13,731	3,243	1.6%
EBITDA growth %	0.6	1.3	10.6	20.2	16.2	15.9	16.5	16.5	7.9	16.3	14.1	
Margins (%)	19.3	19.4	19.4	19.3	19.0	19.4	19.8	19.8	19.3	19.5	19.0	
Depreciation	1,552	1,654	1,741	1,777	1,817	1,840	1,880	1,920	6,724	7,457	1,834	
Interest	619	640	682	667	657	672	700	750	2,609	2,778	700	
Other Income	73	150	83	66	125	73	90	121	371	408	135	
PBT	683	698	788	677	883	856	1,154	1,011	2,846	3,904	844	1.4%
YoY Change (%)	-32.6	-27.5	-3.8	33.2	29.2	22.6	46.5	49.4	-13.9	37.2	20.9	
Tax	168	177	192	182	216	216	290	260	719	983	212	
Rate (%)	24.6	25.4	24.3	26.9	24.5	25.3	25.2	25.7	25.3	25.2	25.2	
Adjusted PAT	515	521	596	495	667	639	863	751	2,126	2,416	631	1.3%
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.5	22.8	44.9	51.9	-12.4	13.6	21.3	

E: MOSL Estimates

Ipca Laboratories

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	IPCA IN
Equity Shares (m)	254
M.Cap.(INRb)/(USDb)	330.3 / 3.7
52-Week Range (INR)	1758 / 1168
1, 6, 12 Rel. Per (%)	-4/-13/-23
12M Avg Val (INR M)	472

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	97.5	107.8	123.1
EBITDA	19.1	22.8	27.0
Adjusted PAT	10.9	13.3	15.8
EBIT Margin (%)	15.4	17.1	18.2
Cons. Adj EPS (INR)	43.3	52.6	62.2
EPS Gr. (%)	20.3	21.4	18.4
BV/Sh. (INR)	309.3	353.9	406.9

Ratios

Net D-E	0.1	0.0	-0.1
RoE (%)	15.1	15.9	16.4
RoCE (%)	13.4	14.3	15.2
Payout (%)	11.5	15.4	13.0

Valuation

P/E (x)	29.7	24.8	20.9
EV/EBITDA (x)	17.4	14.6	12.3
Div. Yield (%)	0.4	0.6	0.6
FCF Yield (%)	1.5	3.3	3.0
EV/Sales (x)	3.4	3.1	2.7

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	44.7	44.7	46.3
DII	36.8	36.2	34.2
FII	10.4	10.7	10.8
Others	8.1	8.4	8.6

FII Includes depository receipts

CMP: INR1,302 TP: INR1,600 (+23%) Buy

Beat on estimates; DF/API drive earnings

Strengthening DF presence/integrating Unichem/reviving exports

- Ipca Laboratories (IPCA) delivered slightly better-than-expected revenue in 2QFY26, while EBITDA/PAT beat our estimates by 18%/22%. Segmental mix and cost-control measures led to improved profitability in 2Q.
- IPCA is consistently growing at a higher rate than the industry (IPM) rate in the domestic formulation (DF) segment. Notably, it outperformed IPM in acute and chronic therapies. On promising growth prospects, IPCA would be adding one division in the cosmetic dermatology segment.
- Excess inventory of certain products impacted generics exports formulation business in 1H FY26, which is expected to revive in the coming quarters.
- IPCA is integrating Unichem operations by using Unichem products to broaden the offerings in its focus markets and shifting the outsourcing of API to its site.
- We raise our earnings estimates by 6%/3%/3% for FY26/FY27/FY28, factoring in a) sustained industry-beating growth in branded DF segment, b) improvement in profitability of Unichem operations, and c) a gradual recovery in generics exports business.
- We value IPCA at 28x 12M forward earnings to arrive at a TP of INR1,600. We expect a CAGR of 10%/15%/20% in revenue/EBITDA/PAT over FY25-28. IPCA is not only progressing well in its focus markets of DF and exports-generics/branded but also working toward building synergy from Unichem operations. Maintain BUY.

Margin expansion driven by better product mix/operating leverage

- 2Q sales grew 8.6% YoY to INR25.6b (our est: INR24.8b).
- Formulations sales grew 2% YoY to INR14.1b (60% of sales). Export formulation sales declined 9% YoY to INR4.9b (20% of total sales). DF sales grew 8% YoY to INR10.2b (40% of total sales).
- Within export formulations, generics declined 6% YoY to INR2.7b (54% of export sales), branded grew 2% YoY to INR1.4b (29% of export sales), and institutional sales declined 29% YoY to INR796m (17% of export sales).
- API sales grew 28% YoY to INR4.1b (15% of sales). Export API sales grew 45% YoY to INR3.2b (79% of API sales). Domestic API sales declined 11% YoY to INR868m (21% of API sales).
- Revenue from subsidiaries grew 15% YoY to INR6.3b (25% of sales).
- Gross margin (GM) expanded 160bp YoY to 69%.
- EBITDA margin expanded 250bp YoY to 21.3% (our est: 18.5%), driven by gross margin expansion and better operational efficiency (employee costs down 70bp YoY as % of sales). EBITDA grew 23% YoY to INR5.5b (our est: INR4.6b).
- 2Q included an exceptional expense of INR582.6m related to the provision for European Commission fee.
- Adj. for the provision, PAT grew 41% YoY to INR3.2b (our est: INR2.7b).

Highlights from the management commentary

- For FY26, IPCA expects revenue growth of 10-11% YoY in DF, 14-15% in API, and 9-10% YoY in branded export formulation.
- It guides for 8-9% YoY growth in generics formulation export revenue in 2H.
- IPCA is on track to build synergy from the Unichem acquisition. It has shut EU site and has transferred production to Baddi site, a step toward improving profitability. IPCA is also in the process of transferring outsourced API to procure from IPCA site. The overall process, including regulatory approvals, would take 12-15 months.
- Also, 12 Unichem products are filed through IPCA channel in export markets. This would take 1-1.5 years for commercial success, considering the regulatory approval process.

Quarterly Performance

Y/E March (INRm)	FY25				FY26				FY25	FY26E	FY26E	% Chg
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Revenues (Core)	20,926	23,549	22,454	22,467	23,089	25,565	24,622	24,218	89,396	97,493	24,786	3.1
YoY Change (%)	31.8	15.8	9.4	10.5	10.3	8.6	9.7	7.8	16.0	9.1	5.3	
EBITDA	3,927	4,425	4,631	4,289	4,164	5,449	4,949	4,505	17,271	19,067	4,585	18.8
YoY Change (%)	33.5	22.7	39.9	33.2	6.0	23.2	6.9	5.0	32.1	10.4	3.6	
Margins (%)	18.8	18.8	20.6	19.1	18.0	21.3	20.1	18.6	19.3	19.6	18.5	
Depreciation	989	1,004	985	1,001	1,001	1,033	1,038	1,021	3,978	4,094	1,052	
EBIT	2,938	3,421	3,646	3,287	3,164	4,416	3,911	3,483	13,293	14,973	3,533	25.0
YoY Change (%)	30.7	26.6	57.5	46.9	7.7	29.1	7.3	6.0	39.9	12.6	3.3	
Margins (%)	14.0	14.5	16.2	14.6	13.7	17.3	15.9	14.4	14.9	15.4	14.3	
Interest	241	226	168	215	185	196	184	171	849	736	131	
Other Income	206	263	201	258	327	279	290	310	928	1,205	350	
PBT before EO Expense	2,904	3,458	3,679	3,331	3,305	4,498	4,017	3,622	13,372	15,442	3,752	
One-off (gain)/ Expense	0	0	0	2,051	0	583	0	0	2,051	583	0	
PBT after EO Expense	2,904	3,458	3,679	1,280	3,305	3,916	4,017	3,622	11,321	14,860	3,752	
Tax	914	994	906	622	961	1,081	1,189	1,087	3,436	4,317	1,103	
Rate (%)	31.5	28.7	24.6	48.6	29.1	27.6	29.6	30.0	25.7	28.0	29.4	
Reported PAT	1,990	2,464	2,773	658	2,344	2,835	2,828	2,536	7,885	10,543	2,649	7.0
Minority Interest	-67	-160	-292	20	-12	-9	19	20	-499	18	16	
Adj PAT after Minority Int	1,922	2,305	2,481	2,418	2,332	3,247	2,847	2,556	9,127	10,982	2,665	21.9
YoY Change (%)	24.9	36.4	122.5	23.4	21.3	40.9	14.7	5.7	44.8	20.3	15.6	
Margins (%)	9.2	9.8	11.1	10.8	10.1	12.7	11.6	10.6	10.2	11.3	10.8	

Key Performance Indicators

Y/E March (INRm)	FY25				FY26				FY25	FY26E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
Domestic formulations	8,734	9,405	8,772	7,641	9,610	10,189	9,789	8,596	34,551	38,184	10,421
YoY Change (%)	11.6	11.3	12.5	10.8	10.0	8.3	11.6	12.5	11.5	12.0	10.8
Exports formulations	3,954	5,415	4,582	5,235	4,496	4,927	5,222	5,770	19,186	20,415	5,123
YoY Change (%)	-0.6	15.0	5.8	10.5	13.7	-9.0	14.0	10.2	8.1	6.4	-5.4
API sales	2,880	3,186	3,179	3,414	3,263	4,078	3,599	3,732	12,658	14,673	3,580
YoY Change (%)	-2.4	-4.9	11.6	2.1	13.3	28.0	13.2	9.3	1.3	15.9	12.4
Cost Break-up											
RM Cost (% of Sales)	30.8	32.2	29.8	31.5	30.0	30.6	30.0	31.0	31.1	30.4	30.5
Staff Cost (% of Sales)	23.3	21.7	21.6	22.3	23.5	21.0	22.0	22.7	22.2	22.3	23.0
Other Cost (% of Sales)	27.2	27.4	28.0	27.1	28.5	27.1	27.9	27.7	27.4	27.8	28.0
Gross Margins(%)	69.2	67.8	70.2	68.5	70.0	69.4	70.0	69.0	68.9	69.6	69.5
EBITDA Margins(%)	18.8	18.8	20.6	19.1	18.0	21.3	20.1	18.6	19.3	19.6	18.5
EBIT Margins(%)	14.0	14.5	16.2	14.6	13.7	17.3	15.9	14.4	14.9	15.4	14.3

E: MOSL Estimates

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	NSDL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USD\$)	229.5 / 2.6
52-Week Range (INR)	1425 / 880
1, 6, 12 Rel. Per (%)	-5/-/-
12M Avg Val (INR M)	6595

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Revenue	15.1	16.7	18.6
EBITDA	6.3	10.9	11.2
EBITDA Margin (%)	4.3	5.2	6.3
PAT	28.3	31.0	33.6
PAT Margin (%)	3.9	4.7	5.6
EPS	25.9	28.1	30.3
EPS Grw. (%)	19.5	23.6	28.2
BVPS	14.5	20.7	19.9
RoE (%)	118.9	141.7	168.9
Div. Payout (%)	17.8	18.1	18.2
Valuations	5.1	4.2	4.3
P/E (x)			
P/BV (x)	58.8	48.7	40.6
Div. Yield (%)	9.6	8.1	6.8

Shareholding Pattern (%)

As On	Sep-25	Jun-25
Promoter	0.0	0.0
DII	50.5	55.7
FII	4.7	4.3
Others	44.9	40.0

FII includes depository receipts

CMP: INR1,147 TP: INR1,270 (+11%) Neutral

Revenue growth driving PAT beat

- NSDL's operating revenue grew 12% YoY/28% QoQ to INR4b (20% beat), led by 21%/7% YoY growth in Depository/Banking segments. For 1HFY26, revenue grew 3% YoY to INR7.1b.
- Operating expenses grew 12% YoY to INR2.7b, driven by a 26%/9% YoY increase in employee costs/other expenses. EBITDA rose 13% YoY/34% QoQ to INR1.3b, resulting in an EBITDA margin of 32% (vs. 31.6% in 2QFY25 and 30.5% in 1QFY26). For 1HFY26, EBITDA grew 15% YoY to INR2.2b
- PAT for the quarter rose 15% YoY/23% QoQ to ~INR1.1b (12% beat due to higher-than-expected top-line growth). PAT margins came in at 27.6% vs 27% in 2QFY25 and 28.7% in 1QFY26. For 1HFY26, PAT grew 15% YoY to INR2b.
- Management reaffirmed its confidence in maintaining double-digit revenue and PAT growth, driven by the rising retail participation in capital markets, growing digital adoption, continued market formalization, and a capital-light, cash-generative business model with stable margins.
- We have raised our FY26 earnings estimate by 8%/9%/9% in FY26/FY27/FY28 to reflect higher custody fee growth and revenue from the banking segment, while maintaining our assumption of elevated costs. We expect NSDL to post a revenue/EBITDA/PAT CAGR of 9%/19%/18% over FY25-28. We reiterate our Neutral rating on the stock with a one-year TP of INR1,270 (premised on a P/E multiple of 45x on FY28E earnings).

Strong growth in the depository and banking business

- On the revenue front, the depository income (51% share) grew 21% YoY/27% QoQ to INR2b. Within this, the annual issuer charges (recurring portion) rose 44% YoY to INR887m, driven by the higher onboarding of unlisted companies (~11.5k), and incremental revenue from distributed ledger technology (DTL) fees (commenced from Jun'25).
- The non-recurring portion, which accounts for ~57% of total revenue, grew 7% YoY to INR1.6b. This includes corporate action fees (including IPOs) rising 6% YoY, e-voting charges rising 25% YoY, and other transaction charges rising 23% YoY. Meanwhile, the settlement fee declined 36% YoY.
- Under the subsidiaries, the NPBL segment grew 7% YoY/33% QoQ to INR1.8b, driven by an increase in quality customers (3m vs ~1.5m in 2QFY25). This led to growth in CASA and strong traction in the UPI acquisition business through the onboarding of high-quality partners.
- The NDML segment, however, recorded a 16% YoY decline, though it improved 6% sequentially in 2QFY26.
- Other income rose 12% YoY but declined 7% QoQ to INR322m.
- Total expenses surged 12% YoY to INR2.7b, led by a 26%/9% YoY increase in employee and other expenses. CIR stood at 68% vs 68.4% in 2QFY25 and 69.5% in 1QFY26.
- Management indicated that it will continue to invest in technology infrastructure (accelerated capex deployment of INR300m in 1HFY26 compared to INR350m in FY25), along with a focus on building strong workforce capacity.

- Total demat accounts stood at 41.9m vs 38.1m in 2QFY25, with additions during the quarter remaining stable at 1.4m YoY (incremental market share at 17.6% vs 9.9% in 2QFY25).

Key takeaways from the management commentary

- Future growth in custody fees is expected to be driven by continued issuer and demat account onboarding, wider DLT adoption among corporates (~600 currently).
- Issuer joining fees are contributing modestly to non-recurring income. Management indicated that the sharp increase in unlisted company onboarding has likely peaked, with some moderation expected going forward, which could temper fee growth.
- On the broker onboarding front, a Bangalore-based fintech broker has started scaling its operations, while a Gurgaon-based fintech broker was recently onboarded and is expanding rapidly. Meanwhile, a large Mumbai-based broker has submitted its integration application, with the impact expected to materialize in the upcoming quarters.

Valuation and view

- NSDL continues to deliver healthy growth across its depository and banking segments, driven by steady expansion in issuer and demat account onboarding, growing DLT adoption, customer onboarding, and increasing traction with fintech partnerships. Sustained momentum in demat account additions and the successful onboarding of new fintech partners will remain key monitorables for future growth.
- We have raised our FY26 earnings estimate by 8%/9%/9% in FY26/FY27/FY28 to reflect higher custody fee growth and revenue from the banking segment while maintaining our assumption of elevated costs. We expect NSDL to post a revenue/EBITDA/PAT CAGR of 9%/19%/18% over FY25-28.
- **We reiterate our Neutral rating on the stock with a one-year TP of INR1,270 (premised on a P/E multiple of 45x on FY28E earnings).**

Quarterly Performance

(INRm)

Y/E March	FY25				FY26				FY25	FY26E	2Q FY26E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Revenue from Operations	3,373	3,567	3,626	3,636	3,120	4,000	3,857	4,115	14,201	15,093	3,334	20.0	12%	28%
Change YoY (%)	13.5	10.4	15.6	8.8	-7.5	12.2	6.4	13.2	12.0	6.3	-7			
Employee expenses	318	354	343	369	383	446	469	486	1,385	1,785	395	13.1	26%	16%
Other Expenses	2,250	2,084	2,373	2,355	1,785	2,275	2,420	2,554	9,061	9,034	1,875	21.3	9%	27%
Total Operating Expenses	2,567	2,438	2,716	2,724	2,168	2,721	2,889	3,041	10,446	10,819	2,270	19.9	12%	25%
Change YoY (%)	5	0	10	10	-16	12	6	12	6.2	3.6	-7			
EBITDA	806	1,129	909	912	952	1,279	968	1,075	3,755	4,274	1,064	20	13%	34%
Other Income	276	286	287	302	348	322	350	381	1150	1400	340	-5.4	12%	-7%
Depreciation	78	81	93	102	96	111	120	126	354	453	100	11.0	37%	16%
Interest	7	8	13	12	16	15	12	12	41	55	12			
PBT	996	1,326	1,090	1,100	1,188	1,475	1,186	1,317	4,510	5,166	1,292	14	11%	24%
Change YoY (%)	37	33	32	9	19	11	9	20	25.9	14.5	-3			
Tax Provisions	222	369	238	275	287	358	288	331	1,103	1,264	313	14.5	-3%	25%
Net Profit	779	962	858	833	896	1,104	908	1,023	3,431	3,931	990	12	15%	23%
Change YoY (%)	33	31	28	7	15	15	6	23	23.0	14.6	3			
Key Operating Parameters (%)														
Cost to Operating Income Ratio	76.1	68.4	74.9	74.9	69.5	68.0	74.9	73.9	73.6	71.7	68.1		-0.3	-1.48
EBITDA Margin	23.9	31.6	25.1	25.1	30.5	32.0	25.1	26.1	26.4	28.3	31.9		0.3	1.48
PBT Margin	29.5	37.2	30.1	30.2	38.1	36.9	30.8	32.0	31.8	34.2	38.8		-0.3	-1.18
Tax Rate	22.2	27.8	21.9	25.0	24.2	24.3	24.3	25.1	24.5	24.5	24.2			
PAT Margin	23.1	27.0	23.7	22.9	28.7	27.6	23.6	24.9	24.2	26.0	29.7		0.6	-1.13

Data Patterns (India)

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR3,003 TP: INR2,950 (-2%) Neutral

Large strategic contract execution drives revenue growth

Strong beat on revenue and EBITDA

- Data Patterns (DATAPATT) reported a strong quarter, with revenue surging 3.4x YoY. This growth was fueled by a high contribution from the Development segment (up 106x YoY), as the company delivered a strategic contract of ~INR1.8b (taken at a competitive price considering possible long-term opportunities). However, this resulted in a 15.4pp YoY dip in EBITDA margin. Further, the Production/Service segments grew 24%/69% YoY.
- The closing order book as of Sep'25 dipped 31% YoY to INR6.7b. However, strong order book visibility, driven by additional BrahMos orders from the Air Force and Navy and ECIL, prompted the management to target additional orders of INR10b over the next two quarters. **The company has retained its FY26 revenue growth/EBITDA margin guidance of ~20-25%/35-40%.**
- We broadly retain our FY26/FY27/FY28 estimates and **reiterate our Neutral rating with a TP of INR2,950 (premised on 40x Sep'27E EPS).**

Margins dip due to an order mix change in 2Q

- DATAPATT's consolidated revenue jumped 3.4x YoY to INR3.1b (est. of INR1.4b) in 2QFY26. Revenue from Development/Service/Production grew 106x/69%/24% YoY to INR1.9b/INR123m/INR1.0b.
- In terms of products, Radar/Avionics accounted for the largest revenue mix at ~74.1%/12.2%. In terms of customers, DRDO played a significant role this quarter, accounting for ~64% of the mix.
- DATAPATT's gross margin dipped 37.4pp YoY to 39%. Employee/other expenses contracted 17pp/5pp YoY to 12.3%/5.1% in 2QFY26.
- Accordingly, EBITDA margin contracted 15.4pp YoY to 22.3% (est. ~40%). EBITDA surged 2x YoY to INR685m (est. INR544m). Adj. PAT increased 62% YoY to INR492m (est. of INR456m).
- The order book stood at ~INR6.7b as of Sep'25 vs. INR8.1b/INR9.7b in Jun'25/Sept'24. Development/Production/Service accounted for 17%/49%/34% of the total order book.
- In 1HFY26, the company's revenue/EBITDA/Adj. PAT jumped 2.1x/41%/18% to INR4.1b/INR1b/INR747m. For 2HFY26, implied revenue/EBITDA/PAT growth translates into 5%/12%/16% as management guided 20-25% growth in FY26 despite strong 1H growth.
- The company had a cash outflow of INR498m vs. INR280m in Sep'24. WC days decreased by 83 days to 345, led by a dip in receivables (down 42 days) and inventory (down 58 days). While payables decreased to 26 days (down 17 days). Management expects to maintain working capital at this level for the full year.

Bloomberg	DATAPATT IN
Equity Shares (m)	56
M.Cap.(INRb)/(USDb)	168.1 / 1.9
52-Week Range (INR)	3269 / 1351
1, 6, 12 Rel. Per (%)	8/16/28
12M Avg Val (INR M)	1848

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	9.5	11.8	14.8
EBITDA	3.3	4.5	5.8
Adj. PAT	2.6	3.6	4.6
EBITDA Margin (%)	34.8	38.5	39.1
Cons. Adj. EPS (INR)	46.2	64.3	82.6
EPS Gr. (%)	16.6	39.3	28.4
BV/Sh. (INR)	314.5	377.8	459.4

Ratios

Net D:E	-0.3	-0.3	-0.3
RoE (%)	15.8	18.6	19.7
RoCE (%)	16.3	18.9	20.0

Valuations

P/E (x)	65	47	36
EV/EBITDA (x)	49	36	28

Shareholding Pattern (%)

As on	Sep-25	Jun-25	Sep-24
Promoter	42.4	42.4	42.4
DII	9.8	8.1	8.7
FII	11.4	12.8	14.4
Others	36.4	36.7	34.5

Note: FII includes depository receipts

Key highlights from the management commentary

- **AMCA Jets:** DATAPATT is participating in the Advanced Medium Combat Aircraft (AMCA) program as part of a consortium alongside Bharat Forge and BML, aiming to leverage its unique electronics and avionics expertise for this major Indian fighter aircraft initiative.
- **Orders:** The company's order book stands at INR6.7b, with over INR3.5b in new orders received since the start of the financial year, including significant wins from ECIL and the Brahmos. Management is targeting over INR10b in additional orders over the coming quarters.
- **Exports:** The export order book remains healthy at around INR782m, supported by increasing traction in international markets. The company has secured a European export order and is gaining traction in South America and the UK. It is pursuing global proposals, expanding UK contracts, and partnering with foreign players for co-development of radar systems.

Valuation and view

- DATAPATT reported a strong quarter largely due to the INR1.8b strategic order received by the company (this is not expected to repeat in the coming quarters). The company's guidance of higher-order bookings in FY26 supports its near-term outlook.
- Further, long-term tailwinds, such as: 1) strong order book visibility, 2) differentiated product building competencies, 3) long-term relationships with clients, and 4) a strong pipeline of products, will drive sustainable growth. It remains confident of a 20-25% revenue growth over the next 2-3 years.
- We estimate a revenue/EBITDA/adj. PAT CAGR of 28%/28%/28% over FY25-28. **We reiterate our Neutral rating with a TP of INR2,950 (premised on 40x Sep'27E EPS).**

Consolidated - Quarterly Earnings Model

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	1,229	4,160	7,084	9,457	1,365	125
YoY Change (%)	16.0	-16.0	-16.1	117.4	-4.6	237.8	5.0	5.0	36.3	33.5	50.0	
Total Expenditure	669	567	630	2,467	673	2,390	749	2,355	4,334	6,166	821	
EBITDA	372	343	540	1,495	321	685	480	1,805	2,750	3,291	544	26
Margins (%)	35.7	37.7	46.2	37.7	32.3	22.3	39.1	43.4	38.8	34.8	39.9	
Depreciation	31	35	35	39	55	57	58	60	139	229	57	
Interest	30	28	32	31	32	24	20	18	121	94	30	
Other Income	123	120	114	106	106	59	150	170	463	485	150	
PBT before EO expense	435	400	588	1,531	340	664	552	1,897	2,953	3,452	607	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	435	400	588	1,531	340	664	552	1,897	2,953	3,452	607	
Tax	107	98	141	390	85	172	137	472	735	866	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	415	1,425	2,218	2,586	456	
Adj PAT	328	303	447	1,141	255	492	415	1,425	2,218	2,586	456	8
YoY Change (%)	26.9	-10.4	-12.4	60.5	-22.2	62.5	-7.1	24.9	22.1	16.6	50.6	
Margins (%)	31.5	33.3	38.2	28.8	25.7	16.0	33.7	34.2	31.3	27.3	33.4	

Granules India

Estimate change

TP change

Rating change



Bloomberg	GRAN IN
Equity Shares (m)	243
M.Cap.(INRb)/(USDb)	135 / 1.5
52-Week Range (INR)	628 / 412
1, 6, 12 Rel. Per (%)	-4/11/-5
12M Avg Val (INR M)	833

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	51.6	60.3	70.1
EBITDA	11.2	13.8	16.2
Adj. PAT	5.7	7.6	9.2
EBIT Margin (%)	16.1	17.7	18.2
Cons. Adj. EPS (INR)	23.5	31.2	38.1
EPS Gr. (%)	19.2	32.7	22.2
BV/Sh. (INR)	174.7	204.7	241.6

Ratios

Net D:E	0.3	0.3	0.2
RoE (%)	14.3	16.4	17.1
RoCE (%)	12.4	14.0	14.9
Payout (%)	5.1	3.8	3.1

Valuations

P/E (x)	23.7	17.8	14.6
EV/EBITDA (x)	15.9	12.7	10.7
Div. Yield (%)	0.2	0.2	0.2
FCF Yield (%)	-1.2	1.6	2.4
EV/Sales (x)	3.4	2.9	2.5

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	38.8	38.8	38.9
DII	17.9	23.5	14.9
FII	14.1	13.2	19.5
Others	29.2	24.4	26.8

FII includes depository receipts

CMP: INR556
TP: INR650 (+17%)
Buy

FD remains on a robust footing

Gearing up for USFDA inspection at its Gagillapur site

- Granules India (GRAN) delivered better-than-expected operational performance (9.5%/8.3% beat on revenue/EBITDA). However, earnings were in line with estimates due to higher depreciation and tax rate for the quarter.
- GRAN showed improved performance in the Finished Dosage (FD), Intermediates (PFI), and API segments for the quarter. The addition of CDMO revenue further boosted YoY growth.
- With strong traction in FD and the addition of the CDMO business, gross margin continued its upward trend, reaching a five-year quarterly high of 65.7%.
- Geography-wise, North America/EU led YoY growth in 2QFY26, with revenue from the ROW market providing additional support.
- Notably, the cash conversion cycle was further reduced to 204 days in 2QFY26.
- That said, net debt continues to rise for the second consecutive quarter.
- We have trimmed our FY26 estimates by 3%, factoring in the delay in the USFDA inspection at the Gagillapur site. We have largely maintained our estimate for FY27/FY28. We value GRAN at 19x 12M forward earnings to arrive at a TP of INR650.
- We expect 16%/20%/25% revenue/EBITDA/PAT CAGR over FY25-28, on the back of 15%/12%/13% CAGR in FD/PFI/API revenue and a 150bp margin expansion. With a) remediation measures largely done, b) scale-up in CDMO activities, and c) the addition of capacities, we expect GRAN's earnings trajectory to remain on an uptrend. Reiterate BUY.

Segmental mix offset by higher opex

- GRAN's 2QFY26 sales grew 34.2% YoY to INR12.9b (our est. of INR11.8b), driven by the formulations business in North America and Europe.
- FDF sales grew 29% YoY to INR9.6b (74% of sales).
- Intermediate (PFI) sales grew 76% YoY to INR1.3b (10% of sales).
- API sales grew 20% YoY to INR1.7b (13% of sales).
- Gross margin expanded 370bp to 65.7%, driven by a better product mix and improvement in operational efficiency.
- However, EBITDA margin expanded 40bp YoY to 21.5% (our est. of 21.7%), supported by higher employee costs/other expenses (up 40bp/280bp as a % of sales).
- EBITDA grew 36.8% YoY to INR2.8b (our est. of INR2.6b) for the quarter.
- Adjusted PAT grew 34.3% YoY to INR1.31b (our estimate: INR1.32b).

Highlights from the management commentary

- After providing adequate information about the remediation measures implemented at Gagillapur, the USFDA will be meeting with GRAN's management in Jan'26.
- USFDA has issued the EIR for the Chantilly, US site following the inspection for the first-to-file controlled substance product.
- The successful USFDA inspection at the greenfield formulation facility in Genome Valley has increased capacity by 40%, enabling higher supply to the US market.
- EBITDA improved on operational efficiencies and a better mix but was partly offset by an INR200m loss from the peptides business.
- GRAN has expanded capacity, diversified its portfolio, and strengthened compliance to support growth going forward.

Quarterly Performance

(INR m)

Y/E March (Consolidated)	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
Net Sales	11,799	9,666	11,377	11,974	12,101	12,970	12,611	13,920	44,816	51,602	11,843	9.5
YoY Change (%)	19.7	-18.7	-1.5	1.8	2.6	34.2	10.9	16.2	-0.5	15.1	22.5	
Total Expenditure	9,206	7,633	9,074	9,451	9,634	10,188	9,837	10,788	35,364	40,446	9,273	
EBITDA	2,593	2,033	2,303	2,524	2,467	2,782	2,775	3,132	9,452	11,156	2,570	8.3
YoY Change (%)	64.2	-4.5	-8.1	-1.3	-4.8	36.8	20.5	24.1	7.8	18.0	26.4	
Margins (%)	22.0	21.0	20.2	21.1	20.4	21.5	22.0	22.5	21.1	21.6	21.7	
Depreciation	529	525	566	635	688	720	715	737	2,255	2,861	618	
EBIT	2,064	1,508	1,737	1,889	1,779	2,062	2,060	2,395	7,197	8,295	1,952	5.6
YoY Change (%)	90.0	-6.0	-12.3	-6.7	-13.8	36.7	18.6	26.8	7.5	15.3	29.4	
Margins (%)	17.5	15.6	15.3	15.8	14.7	15.9	16.3	17.2	16.1	16.1	16.5	
Interest	270	257	266	240	238	292	283	283	1,032	1,096	283	
Other Income	21	32	57	19	163	-11	32	35	129	218	30	
PBT before EO expense	1,814	1,284	1,528	1,668	1,704	1,759	1,808	2,147	6,294	7,418	1,699	3.5
Extra-Ord expense	0	0	0	-308	259	0	0	0	-308	259	0	
PBT	1,814	1,284	1,528	1,976	1,445	1,759	1,808	2,147	6,601	7,159	1,699	3.5
Tax	468	311	352	455	319	453	405	487	1,587	1,664	377	
Rate (%)	25.8	24.3	23.0	23.0	22.1	25.7	22.4	22.7	24.0	23.2	22.2	
(Profit)/Loss of JV/Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	1,346	972	1,176	1,520	1,126	1,306	1,403	1,659	5,015	5,495	1,322	-1.2
Adjusted PAT	1,346	972	1,176	1,284	1,328	1,306	1,403	1,659	4,778	5,697	1,322	-1.2
YoY Change (%)	112.7	-4.8	-6.4	-1.0	-1.4	34.3	19.3	29.3	13.6	19.2	35.9	
Margins (%)	11.4	10.1	10.3	10.7	11.0	10.1	11.1	11.9	10.7	11.0	11.2	

E: MOFSL Estimates

Key performance Indicators (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
FD	8,912	7,490	8,674	9,259	8,989	9,657	9,541	10,648	34,335	38,835	9,213	4.8
YoY Change (%)	64.4	1.6	13.7	7.1	0.9	28.9	10.0	15.0	18.0	13.1	23.0	
PFI	997	756	1,309	1,232	1,194	1,331	1,178	1,232	4,294	4,935	1,096	21.4
YoY Change (%)	-32.6	-47.0	-24.5	-16.9	19.8	76.1	-10.0	0.0	-29.7	14.9	45.0	
API	1,890	1,420	1,393	1,483	1,627	1,705	1,602	1,750	6,186	6,684	1,534	11.2
YoY Change (%)	-36.1	-52.2	-36.6	-9.2	-13.9	20.1	15.0	18.0	-37.0	8.0	8.0	
Cost Break-up												
RM Cost (% of Sales)	41.1	38.0	38.3	36.6	35.1	34.3	34.5	35.5	61.5	65.1	36.7	
Staff Cost (% of Sales)	13.9	16.5	14.7	14.1	16.8	16.9	16.2	15.5	14.7	16.3	14.6	
Other Cost (% of Sales)	23.1	24.5	26.7	28.2	27.7	27.3	27.3	26.5	25.7	27.2	27.0	
Gross Margins (%)	58.9	62.0	61.7	63.4	64.9	65.7	65.5	64.5	38.5	34.9	63.3	
EBITDA Margins (%)	22.0	21.0	20.2	21.1	20.4	21.5	22.0	22.5	21.1	21.6	21.7	
EBIT Margins (%)	17.5	15.6	15.3	15.8	14.7	15.9	16.3	17.2	16.1	16.1	16.5	

E: MOFSL Estimates

Lemon Tree Hotels

Estimate change	↔
TP change	↔
Rating change	↔

Stock Info

Bloomberg	LEMONTRE IN
Equity Shares (m)	792
M.Cap.(INRb)/(USD\$)	122.9 / 1.4
52-Week Range (INR)	181 / 111
1, 6, 12 Rel. Per (%)	-9/6/21
12M Avg Val (INR M)	586
Free float (%)	77.7

Financials & Valuations (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	14.5	16.3	17.5
EBITDA	7.2	8.4	9.1
PAT	2.72	3.43	3.81
EBITDA (%)	49.5	51.5	52.2
EPS (INR)	3.4	4.3	4.8
EBITDA Gr. (%)	38.5	25.8	11.2
BV/Sh. (INR)	18.1	22.5	27.3

Ratios

Net D/E	0.8	0.4	0.1
RoE (%)	20.9	21.3	19.4
RoCE (%)	14.2	18.1	20.6

Valuations

P/E (x)	45.2	35.9	32.3
EV/EBITDA (x)	19.7	16.4	14.7
FCF Yield (%)	5.1	6.0	5.5

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	22.3	22.3	22.8
DII	19.7	20.0	18.9
FII	21.5	21.4	21.8
Others	36.5	36.4	36.5

CMP: INR155 **TP: INR200 (+29%)** **Buy**

Steady quarter; 2H to be robust

Operating performance misses estimates

- Lemon Tree Hotels (LEMONTRE) reported decent revenue growth of 8% YoY in 2QFY26, led by average room rate (ARR) growth of 6% YoY to INR6,247. Occupancy rate (OR) improved 140bp YoY to 69.8%. However, EBITDA margins declined by 330bp YoY due to increased investments in renovation, technology and one-time ex-gratia payments to employees (8% of revenue in 2Q).
- LEMONTRE saw steady growth momentum in 2Q, despite macro headwinds such as tariff wars, floods and GST revisions. However, 2H is expected to be strong, backed by more operational rooms (less renovation in 2H), higher MICE activity (more wedding days) and healthy tourism-led demand. As a result, we expect double-digit RevPAR growth in 2H, led by high ARR growth.
- We largely maintain our FY26/FY27/FY28 EBITDA estimates and reiterate our **BUY** rating on the stock with our SoTP-based **TP of INR200** for FY28.

Margin impacted by one-time expense and higher renovation opex

- Revenue grew 8% YoY to INR3.1b (in line). OR rose 140bp YoY to 69.8%. ARR increased 6% YoY to INR6,247. Management fees grew 7% YoY to INR143m.
- EBITDA remained flat YoY at INR1.3b (est INR1.4b). EBITDA margin contracted 330bp YoY to 42.7% (est. 44.5%). Adj. PAT increased 17% YoY to INR346m (est. in line).
- During the quarter, LEMONTRE signed 15 new management and franchise contracts, which added 1,138 new rooms to its pipeline, and operationalized five hotels, which added 272 rooms to its portfolio.
- As of 30st Sep'25, the total operational inventory comprised 121 hotels with 10,956 rooms, and the pipeline included 121 hotels with 9,118 rooms.
- In 1HFY26, revenue/EBITDA/adj. PAT grew 13%/10%/47% to INR6.2b/INR2.7b/INR729m. In 2HFY26, our implied revenue/EBITDA/PAT growth is 14%/16%/35%.
- Gross debt stood at INR16.1b as of Sep'25 vs. INR16.9b as of Mar'25. CFO stood at INR2.3b as of Sep'25 vs. INR2.0b as of Sep'24.

Highlights from the management commentary

- **Guidance:** The company has indicated that it will reach 35,000-40,000 rooms (including pipeline) in the next three years. Three greenfield projects under Aurika brand (Shimla, Shillong, Delhi) under pipeline are expected to become operational from FY28 onward (Delhi will be the last one to be operational).
- **Aurika MIAL:** In 2Q, OR improved 21pp YoY to 71%. ARR fell 7% YoY to INR8,806 due to higher occupancy by non-negotiated rooms and airlines, which led to lower rates. For 3Q, management expects to clock 15% RevPAR growth YoY.
- **Renovations:** The company is in the last leg of renovation (1600 keys), which is expected to be completed in the next 15-18 months. In FY26 and FY27, renovation spending is estimated at INR1.3-1.4b each (majorly opex). Renovation expenses as a percent of sales will normalize to 1.5% from FY28.

Valuation and view

- LEMONTRE is expected to maintain a healthy growth momentum going forward, led by: 1) the improving ARR of Aurika Mumbai, 2) accelerated growth in management contracts (pipeline of ~8,362 rooms), 3) the timely completion of the portfolio's renovation (by mid of FY27), leading to an improved OR, ARR, and EBITDA margin for the company, and 4) low renovation cost leading to better margins.
- We expect LEMONTRE to post a CAGR of 11%/13%/35% in revenue/EBITDA/adj. PAT over FY25-28, with RoCE improving to ~21% by FY28 from ~11.7% in FY25. We reiterate our BUY rating on the stock with our SoTP-based TP of INR200 for FY28.

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	4,057	4,271	12,861	14,549	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	1,909	1,925	6,520	7,342	1,726	
EBITDA	1,151	1,307	1,842	2,041	1,405	1,307	2,147	2,347	6,341	7,206	1,386	-6
Margins (%)	42.9	46.0	51.9	53.9	44.5	42.7	52.9	54.9	49.3	49.5	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	1,408	1,633	2,965	4,233	625	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	291	451	994	1,229	633	558	1,408	1,633	2,965	4,233	625	
Tax	91	102	197	141	148	139	282	239	531	807	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	886	1,107	1,966	2,722	330	
Adj PAT	198	296	625	846	383	346	886	1,107	1,966	2,722	330	5
YoY Change (%)	-15.6	30.9	76.5	26.3	93.5	16.7	41.7	30.8	32.4	38.5	11.5	
Margins (%)	7.4	10.4	17.6	22.4	12.1	11.3	21.8	25.9	15.3	18.7	10.6	

Key Performance Indicators

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Occupancy (%)	66.6	68.4	74.2	77.6	72.5	69.8	77.6	79.6	73.0	75.7
ARR (INR)	5,686	5,902	6,763	7,042	6,236	6,247	7,311	7,549	6,819	7,387
Change (%)	8.6	12.0	6.8	6.6	9.7	5.8	8.1	7.2	8.4	8.3
RevPAR (INR)	3,787	4,035	5,018	5,465	4,521	4,360	5,675	6,006	4,980	5,594
Change (%)	3.0	6.9	20.2	14.9	19.4	8.1	13.1	9.9		
Cost Break-up										
F&B Cost (% of sales)	6.1	6.0	5.5	6.1	6.3	6.5	5.5	6.0	5.9	6.0
Staff Cost (% of sales)	18.9	19.1	15.9	15.1	18.4	19.1	15.3	14.8	17.0	16.6
Power and fuel (% of sales)	8.7	8.0	6.0	5.3	6.9	7.4	6.3	6.3	6.8	6.7
Other Cost (% of sales)	23.3	20.9	20.7	19.6	23.9	24.3	20.0	18.0	21.0	21.2
Gross Margins (%)	93.9	94.0	94.5	93.9	93.7	93.5	94.5	94.0	94.1	94.0
EBITDA Margins (%)	42.9	46.0	51.9	53.9	44.5	42.7	52.9	54.9	49.3	49.5
EBIT Margins (%)	30.0	33.7	42.0	44.7	33.7	31.5	44.2	46.5	38.5	39.9

Rubicon Research

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	RUBICON IN
Equity Shares (m)	165
M.Cap.(INRb)/(USDb)	107.8 / 1.2
52-Week Range (INR)	672 / 571
1, 6, 12 Rel. Per (%)	-/-/-
12M Avg Val (INR M)	1457

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	17.3	22.7	28.6
EBITDA	3.8	4.8	6.1
Adjusted PAT	2.2	3.0	4.0
EBITDA Margin (%)	21.8	20.9	21.3
Cons. Adj EPS (INR)	13.6	18.3	24.6
EPS Growth (%)	66.8	34.5	33.9
BV/Share (INR)	73.5	89.7	111.3

Ratios

Net D-E	0.0	0.0	0.0
RoE (%)	25.6	22.5	24.4
RoCE (%)	23.8	23.2	25.1
Payout (%)	11.8	11.8	11.8

Valuations

P/E (x)	48.1	35.8	26.7
EV/EBITDA (x)	28.6	22.7	17.6
Div. Yield (%)	0.2	0.3	0.4
FCF Yield (%)	-0.9	0.2	1.0
EV/Sales (x)	6.2	4.7	3.7

Shareholding Pattern (%)

As On	Sep-25
Promoter	60.0
DII	10.5
FII	9.4
Others	20.1

FII includes depository receipts

CMP: INR654 TP: INR780 (+19%) Buy
Outperformance across metrics; stellar start to the post-IPO phase

Conservative upgrade; continued delivery to drive valuation re-rating

- Rubicon Research (Rubicon) delivered better-than-expected performance, with a 7%/18%/21% beat on revenue/EBITDA/PAT for the quarter. Improved revenue from new launches and steady traction in existing products led to strong operating leverage for the quarter.
- Rubicon started its post-IPO journey on a strong note, reporting robust YoY revenue growth and enhanced profitability, with annualized pre-tax ROCE reaching 36% for the 12M ending Sep'25.
- Rubicon has further strengthened its R&D team to 190 scientists at the end of 1HFY26 from 143 at the end of FY24. With a widened focus on product development in the CNS segment, R&D spend continued to rise, reaching INR818m in 1HFY26 vs INR700m/INR1.3b in 2QFY25/FY25.
- Rubicon commercialized six products in 2QFY26 and sustained momentum in its existing products, achieving a commercialization rate of 93% in 2QFY26.
- Despite 2QFY26 results materially surpassing our estimates, we raise our earnings estimate by 4%/3%/2% for FY26/FY27/FY28, as we await consistency in performance going forward. Even with this earnings upgrade, we expect a phenomenal 44% earnings CAGR over FY25-28.
- We value Rubicon at 35x 12M forward earnings to arrive at a TP of INR780. We remain positive on Rubicon on the back of: a) a leading R&D turnover, b) consistent compliance, and c) focused product selection driving development, manufacturing, and conversion to a commercialization rate exceeding 90%. Reiterate BUY.

Strong commercialization drives revenue; outsourcing impact outweighed by operating leverage

- 2QFY26 revenue grew 39.2% YoY to INR4.1b (our est: INR3.85b).
- Gross margin contracted 400bp YoY to 69%, driven by higher outsourcing.
- However, EBITDA margin expanded 210bp YoY to 22.9% (our est: 20.8%), driven by better operational efficiency (other expense/employee expense down 410bp/190bp YoY as % of sales).
- EBITDA grew 53% YoY to INR943m (our est: INR801m).
- Interestingly, R&D expense increased 120bp YoY as a % of sales to 11.2% for the quarter (INR463m on an absolute basis).
- PAT grew 56% YoY to INR539m (our estimate: INR443m).
- Revenue/EBITDA/PAT grew 25%/42%/62% YoY in 1HFY26 to INR7.6b/1.7b/1.0b.

Highlights from the management commentary

- Rubicon guided for annual R&D spend to be 10-11% of sales for the next 4-5 years.
- EBITDA margin is expected to sustain going forward. This is after considering additional opex related to the Alkem plant.

- The Pithampur plant is expected to be operational from mid-CY26 onwards.
- Over FY20-1HFY26, equity raise of INR1.1b, debt raise of INR4.7b, and internal accruals of INR12.3b have been utilized for R&D (INR6.5b), capex (INR5b), and working capital requirements (INR6.7b).
- The top 5/10 products formed 30%/51% of revenue in 2QFY26. Contribution from the top 10 products is expected to remain sub-50% over the medium term.

Consolidated - Quarterly Earning Model

Y/E March (INRm)	FY25		FY26				FY25	FY26	FY26	
	1Q	2Q	1Q	2Q	3QE	4QE			2QE	vs Est.
Gross Sales	3,167	2,960	3,525	4,120	4,580	5,045	12,843	17,270	3,850	7%
YoY Change (%)	NA	NA	11.3	39.2	NA	NA	50.4	34.5	NA	
Total Expenditure	2,565	2,343	2,734	3,177	3,572	4,022	10,961	14,264	3,049	
EBITDA	602	617	791	943	1,008	1,023	1,882	3,006	801	18%
YoY Change (%)			31.4	52.9	NA	NA				
Margins (%)	19.0	20.8	22.4	22.9	22.0	20.3	14.7	17.4	20.8	
Depreciation	94	81	96	119	135	146	366	495	110	
EBIT	509	535	695	824	873	877	1,516	2,511	691	
YoY Change (%)			36.7	54.0	NA	NA	NA	NA	NA	
Margins (%)	16.1	18.1	19.7	20.0	19.1	17.4	12	15	18	
Interest	101	70	106	114	10	3	368	234	105	
Other Income	4	27	6	7	8	13	36	35	30	
PBT before EO expense	412	492	596	717	871	887	1,184	2,311	616	
PBT	412	492	596	717	871	887	1,184	2,311	616	
Tax	156	147	163	179	244	244	602	829	172	
Rate (%)	37.9	29.9	27.3	24.9	28.0	27.5	50.8	35.9	28.0	
Reported PAT	256	345	433	539	627	643	583	1,482	443	
Adj PAT	256	345	433	539	627	643	583	1,482	443	21%
YoY Change (%)	NA	NA	69.4	56.2	NA	NA	47.6	66.8	NA	
Margins (%)	8.1	11.6	12.3	13.1	13.7	12.7	4.5	8.6	11.5	
EPS (INR)	1.6	2.1	2.6	3.3	3.8	3.9	3.5	9.0	2.7	21%

P N Gadgil Jewellers

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	PNGJL IN
Equity Shares (m)	136
M.Cap.(INRb)/(USD\$)	89.8 / 1
52-Week Range (INR)	830 / 474
1, 6, 12 Rel. Per (%)	-3/13/-14
12M Avg Val (INR M)	259

Financials & Valuations (INR b)

Y/E March (INR b)	FY26E	FY27E	FY28E
Sales	93.2	112.5	131.4
Sales Growth (%)	21.1	20.7	16.8
EBITDA	5.3	6.2	7.4
Margins (%)	5.7	5.5	5.6
Adj. PAT	3.4	4.0	4.7
Adj. EPS (INR)	25.1	29.5	34.8
EPS Growth (%)	44.4	17.4	17.8
BV/Sh.(INR)	139.7	169.2	204.0

Ratios

Debt/Equity	0.4	0.4	0.4
RoE (%)	19.8	19.1	18.6
RoIC (%)	19.4	19.5	19.2

Valuations

P/E (x)	26.4	22.5	19.1
EV/EBITDA(x)	15.7	13.0	10.7

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	83.1	83.1	83.1
DII	5.0	5.3	5.8
FII	0.9	0.6	3.8
Others	11.0	10.9	7.3

FII Includes depository receipts

CMP: INR662 TP: INR825 (+25%) Buy

Robust earnings growth sustains; store expansion on track

- PN Gadgil Jewellers (PNG) reported a 6% YoY rise in consolidated revenue to INR21.8b (est. INR21.5b) in 2QFY26. Reported growth was impacted by the discontinuation of refinery sales from 3QFY25. Ex-bullion revenue rose 31% YoY, led by 29% growth in retail, 113% in e-commerce, and 106% in franchisee sales. Festive sales during Navratri surged 66% YoY to INR4.3b, supported by an 18% rise in transaction volumes and an average ticket size of INR90,000. In Oct'25, PNG recorded revenue exceeding **INR18b**, driven by strong festive and wedding season demand, and expects this momentum to sustain in the coming months.
- PNG expanded its network footprint with the addition of eight stores in 2Q, bringing the total to 63 (47 COCO, 16 FOCO), including 4 PNG Lifestyle across 32 cities. The company plans to open 13-15 additional stores in 2HFY26, comprising 7-8 PNG stores and 7-8 Lifestyle stores, evenly split between COCO and FOCO formats, taking the total store count to 78-80 by the end of FY26.
- Gross margin expanded 420bp YoY to 11.9% in 2QFY26 (est. 12%). The improvement in GP margin was supported by a ~50% YoY growth in studded jewelry, which led to a 100bp increase in the studded mix to 9% in 2QFY26. The company continues to focus on enhancing its studded jewelry contribution and expanding its Lifestyle format stores, which deliver higher gross margins. The addition of new stores and entry into new states led to higher-than-expected other expenses, resulting in EBITDA margin slightly below estimates. Nevertheless, EBITDA margin expanded 130bp YoY to 4.9% (est. 5.8%). We model an EBITDA margin of 5.5-5.7% for FY26 and FY27.
- We model a CAGR of 20% in sales, 28% in EBITDA, and 26% in APAT over FY25-28E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR825 at 30x Sep'27E EPS.

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

- **In-line sales growth:** PNG's consolidated sales rose 9% YoY to INR21.8b (est. INR21.5b) in 2QFY26. The company has discontinued HO Bullion accounting from 3QFY25, making the reported numbers not directly comparable and lower than the underlying business performance. Total revenue (ex-bullion) grew 31% YoY. Retail segment (72% of revenue) grew 29% YoY to INR15.7b, reflecting stable store-level operations. E-commerce revenue grew 113% YoY to INR1,435m, now contributing 7% to total revenue. Franchisee operations saw a 106% YoY growth to INR3.4b, contributing 16% to total revenue.
- **Miss on operating margins:** Gross margin expanded 420bp YoY to 11.9% (est. 12%). Employee expenses rose 51% YoY and other expenses rose 104% YoY. EBITDA margin expanded 130bp YoY to 4.9% (est. 5.8%).

- **Strong growth in profitability:** EBITDA grew 49% YoY to INR1,071m.
- APAT grew 50% YoY to INR793m. APAT margin came at 3.6% vs 2.6% in 2QFY25.
- In 1HFY26, net sales, EBITDA, and APAT grew 6%, 59%, and 68%.

Key takeaways from the management commentary

- The company delivered a strong festive performance with a 66% YoY increase in Navratri sales, amounting to INR4.3b. In Oct'25, the company recorded revenue of over INR18b, reflecting strong festive and wedding season demand.
- The capital required for opening a new store has increased from INR330-340m last year to INR470-480m currently, primarily due to higher gold prices, including around INR25m of capex per store (each store spanning 3,500-4,000 sq. ft.).
- The company plans to open 13-15 additional stores in 2HFY26, comprising 7-8 PNG stores and 7-8 Lifestyle stores, evenly split between COCO and FOCO formats, taking the total store count to 78-80 by the end of FY26.
- Management highlighted that there is no visible pressure from Lab-Grown Diamonds (LGD) on consumer demand, and the company currently has no plans to expand in that category.

Valuation and view

- We increase our EPS estimates by 6% for FY26 due to an increase in other income and 2% for FY27.
- With a more favorable product mix, operating leverage, and improved sourcing, the company is well-positioned to expand its operating margin. We model an EBITDA margin of 5.5-5.7% for FY26 and FY27. We will monitor the operating cost expansion driven by new store roll-outs.
- The company has strengthened its balance sheet by reducing debt, having repaid INR3b from IPO proceeds. It has also implemented a robust hedging strategy through Gold Metal Loans (GML), achieving 100% hedging coverage. This will lower interest costs and further boost profitability.
- We model a CAGR of 20% in sales and 26% APAT over FY25-28E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR825 at 30x Sep'27E EPS.

Consol. Quarterly Performance

Y/E March	FY25				FY26E				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E	FY26 2QE	Variance (%)
Net Sales	16,682	20,013	24,358	15,882	17,146	21,776	32,370	21,913	76,935	93,203	21,483	1%
YoY change (%)	32.7	45.9	23.5	5.0	2.8	8.8	32.9	38.0	25.9	21.1	7.3	
Gross Profit	1,386	1,531	2,391	1,909	2,259	2,581	3,884	2,686	7,216	11,410	2,578	0%
Margins (%)	8.3	7.6	9.8	12.0	13.2	11.9	12.0	12.3	9.4	12.2	12.0	
EBITDA	643	721	1,228	941	1,100	1,071	1,949	1,153	3,538	5,273	1,241	-14%
Margins (%)	3.9	3.6	5.0	5.9	6.4	4.9	6.0	5.3	4.6	5.7	5.8	
YoY growth (%)	44.2	59.4	33.3	5.8	70.9	48.6	58.8	22.5	30.5	49.0	72.2	
Depreciation	63	72	84	130	112	139	145	149	348	546	120	
Finance Cost	123	129	63	115	189	198	205	228	430	821	190	
Other Income	19	118	70	149	129	358	90	73	351	650	75	
PBT	477	638	1,150	846	927	1,092	1,689	848	3,111	4,556	1,006	8%
YoY growth (%)	57.3	110.2	48.6	15.2	94.4	71.0	46.9	0.3	48.6	46.5	57.7	
APAT	353	529	860	620	693	793	1,265	661	2,363	3,413	754	5%
Margins (%)	2.1	2.6	3.5	3.9	4.0	3.6	3.9	3.0	3.1	3.7	3.5	
YoY change (%)	59.5	141.1	49.4	12.9	96.3	49.9	47.1	6.6	52.4	44.4	42.4	

E: MOFSL estimates

Galaxy Surfactants

Estimate changes

TP change

Rating change



Bloomberg	GALSURF IN
Equity Shares (m)	35
M.Cap.(INRb)/(USD\$)	78.4 / 0.9
52-Week Range (INR)	2960 / 2021
1, 6, 12 Rel. Per (%)	-3/-5/-30
12M Avg Val (INR M)	56

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	52.6	56.1	59.7
EBITDA	4.7	5.4	5.9
PAT	2.8	3.3	3.8
EPS (INR)	80	94	108
EPS Gr. (%)	-7.3	18.1	14.5
BV/Sh. (INR)	726	796	876

Ratios

Net D:E	-0.0	-0.1	-0.1
RoE (%)	11.4	12.4	12.9
RoCE (%)	11.6	12.4	12.8
Payout (%)	25.6	25.6	25.6

Valuations

P/E (x)	27.9	23.7	20.7
P/BV (x)	3.1	2.8	2.5
EV/EBITDA (x)	16.8	14.3	12.5
Div. Yield (%)	0.9	1.1	1.2
FCF Yield (%)	1.3	3.5	4.1

Shareholding pattern (%)

As of	Sep-25	Jun-25	Sep-24
Promoter	70.9	70.9	70.9
DII	12.9	12.7	13.0
FII	4.2	4.3	4.1
Others	12.0	12.1	12.0

FII Includes depository receipts

CMP: INR2,212 TP: INR2,570 (+16%)

Buy

Macro headwinds hurt volume growth

Earnings below our estimate

- Galaxy Surfactants (GALSURF) delivered a weak quarter, with EBITDA declining 13% YoY. EBITDA/kg stood at ~INR17, down 11% YoY in 2QFY26, primarily due to global tariff headwinds, reformulation within the performance segment, and lower domestic volumes following GST-driven inventory adjustments.
- The overall volumes remained flat YoY and QoQ, impacted by short-term disruptions in both the domestic and North American markets; however, this softness was partly offset by strong double-digit growth in Latin America and the Asia-Pacific region.
- Factoring in the weak 2Q performance and the challenging macro environment, we cut our FY26/FY27/FY28E earnings for GALSURF by 11%/11%/9%. **We reiterate our BUY rating with a TP of INR2,570 (based on 27x FY27E EPS).**

Revenue momentum healthy, while margin pressure drags earnings

- Consolidated revenue grew 25% YoY to INR13.3b (est. INR12.5), primarily led by higher realizations, while overall volumes remained flat YoY.
- Revenue from India/AMET/Rest of World (ROW) grew 40%/14%/15% YoY to INR6b/INR2.8b/INR4.5b, while revenue from local and niche/MNC players grew 41%/20% YoY to INR5.8b/INR6.4b. However, revenue from regional players declined 9% YoY to INR1.1b.
- The revenue contribution of Performance Surfactants now stands at 63% compared with 61% in 2QFY25.
- GALSURF's EBITDA margin contracted 370bp YoY to 8.3%, hurt by gross margin contraction of 850bp YoY to 24.5%. Employee costs as % of sales stood at 6% (vs. 7% in 2QFY25), while other expenses stood at 10% (vs. 14% in 2QFY25).
- The company's EBITDA declined 13% YoY to INR1.1b (est. INR1.3b), and adj. PAT dipped 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 was INR1.9b as of Sep'25 vs INR1.4b as of Mar'25. Further, GALSURF generated a CFO of INR1.7b as of Sep'25 vs. a CFO of INR2.4b in Sep'24.

Key highlights from the management commentary

- Guidance:** The company expects 3Q performance to remain similar to 2Q and maintains its confidence in medium-term consumption growth driven by GST reforms despite temporary softness from inventory adjustments and reformulations.
- India:** The domestic performance witnessed short-term challenges, with flat volumes both YoY and QoQ. The GST rate cut on FMCG products led major players to recalibrate inventories, while elevated feedstock costs prompted some customers to reformulate products, affecting the performance segment volumes. Strong traction from Tier 2 customers helped offset weakness among Tier 1 accounts.

- **US tariffs:** North America faced margin pressure as tariffs affected the Specialty Care segment, causing delays in US projects and launches. Customers, too, are dissatisfied with the recent tariffs being imposed, as they want to diversify their vendor base and are looking forward to resuming business with the company.

Valuation and view

- We expect the short-term challenges to subside, led by the GST reforms to unlock the medium-term consumption upside in the domestic market.
- GALSURF's long-term growth will be driven by 1) the company's sustained focus on R&D, 2) improving domestic demand, 3) better raw material availability, and 4) enhancing and expanding global operations.
- We expect a revenue/EBITDA/adj. PAT CAGR of 12%/7%/8% along with a volume CAGR of 5% over FY25-28.
- Factoring in the weak 2Q performance and the challenging macro environment, we cut our FY26/FY27/FY28E earnings for GALSURF by 11%/11%/9%. **We reiterate our BUY rating with a TP of INR2,570 (based on 27x FY27E EPS).**

Consolidated - Quarterly Snapshot

Y/E March	FY25				FY26				FY25	FY26E	(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			FY26 2Q	Var. (%)
Gross Sales	9,741	10,630	10,417	11,449	12,779	13,262	13,235	13,353	42,237	52,629	12,501	6%
YoY Change (%)	3.4	8.1	10.8	23.2	31.2	24.8	27.1	16.6	11.3	24.6	17.6	
Total Expenditure	8,500	9,353	9,361	10,180	11,541	12,157	12,117	12,156	37,394	47,970	11,176	
Gross Margin (%)	33.6%	33.0%	31.1%	29.4%	26.2%	24.5%	26.9%	27.7%	31.7%	26.3%	27.8%	
EBITDA	1,241	1,276	1,056	1,269	1,239	1,105	1,118	1,197	4,842	4,659	1,324	-17%
Margin (%)	12.7	12.0	10.1	11.1	9.7	8.3	8.4	9.0	11.5	8.9	10.6	
Depreciation	266	278	277	283	293	298	301	308	1,103	1,200	294	
Interest	40	41	50	62	66	73	72	74	193	285	67	
Other Income	54	87	40	78	112	58	61	88	258	319	70	
PBT before EO expenses	989	1,045	769	1,001	992	792	806	903	3,804	3,493	1,033	
PBT	989	1,045	769	1,001	992	792	806	903	3,804	3,493	1,033	
Tax	192	198	123	243	197	127	163	183	755	670	209	
Rate (%)	19.4	18.9	16.0	24.2	19.9	16.0	20.2	20.2	19.8	19.2	20.2	
Reported PAT	797	847	646	759	795	665	643	721	3,049	2,824	824	-19%
Adj PAT	797	847	646	759	795	665	643	721	3,049	2,824	824	-19%
YoY Change (%)	6.0	9.4	-9.5	-2.1	-0.3	-21.5	-0.4	-5.0	1.1	-7.4	-2.7	
Margin (%)	8.2	8.0	6.2	6.6	6.2	5.0	4.9	5.4	7.2	5.4	6.6	

Senco Gold

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	SENCO IN
Equity Shares (m)	164
M.Cap.(INRb)/(USD\$)	54 / 0.6
52-Week Range (INR)	598 / 227
1, 6, 12 Rel. Per (%)	1/-12/-48
12M Avg Val (INR M)	323

Financials & Valuations (INR b)

Y/E March (INR b)	FY26E	FY27E	FY28E
Sales	73.8	85.7	99.3
Sales Growth (%)	16.6	16.2	15.9
EBITDA	5.9	6.4	7.4
Margins (%)	8.0	7.5	7.5
Adj. PAT	2.9	3.0	3.7
Adj. EPS (INR)	17.7	18.5	22.6
EPS Growth (%)	43.4	4.2	22.4
BV/Sh.(INR)	136.4	152.6	172.3

Ratios

Debt/Equity	0.5	0.7	0.5
RoE (%)	13.8	12.8	13.9
RoIC (%)	12.3	11.4	11.7

Valuations

P/E (x)	18.6	17.9	14.6
EV/EBITDA(x)	4.4	4.6	3.6

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	64.4	64.4	67.5
DII	11.6	12.8	9.6
FII	8.8	6.8	8.6
Others	15.2	16.1	14.4

FII includes depository receipts

CMP: INR330 TP: INR375 (+14%) Neutral

Sharp dip in same store growth; margins remain volatile

- Senco Gold (SENCO) delivered a consolidated revenue growth of 2% YoY, witnessing a sharp deceleration after clocking 30% growth in 1Q. The retail revenue growth was 6%, with same store sales declining 4%. The performance was quite tepid, as most other listed jewelry companies reported double-digit same store sales growth in 2Q. According to management, footfalls were weak due to high gold price inflation and extended rains.
- Management remains optimistic about a strong 2H performance, led by robust demand during festivals and sustained momentum expected during the wedding season. The company expects revenue growth of 18-20% in FY26, driven by a strong focus on expansion in East and North India.
- The company opened six stores (+16% YoY) during the quarter, bringing the total store count to 192 (111 COCO, 79 FOCO, and 2 Dubai). It is on track to launch additional 6-8 showrooms in 2HFY26.
- Consolidated GM expanded 390bp YoY to 17% (est. 15.7%), backed by an improved studded mix, making charges, and inventory gains. Employee expenses surged 26% YoY, and other expenses rose 37% YoY, while marketing expenses rose 47% YoY. EBITDA margin expanded 150bp YoY to 6.9% (est. 6.5%). Studded jewelry sales grew 12% YoY in 2Q, and the stud ratio improved from 11.1% to 12.1% YoY, leading to better margins. Management has guided to increase the studded jewelry mix to 13-13.5% by FY27 and gradually increase it to 15% over time.
- The sharp deceleration in growth metrics in 2Q is a cause of concern for the outlook, particularly if similar trends have not been observed among other industry players. Management is hopeful for a recovery and has maintained 18-20% growth guidance for FY26. SENCO's gross margins have historically been volatile, reflecting the company's low level of hedging and resultant inventory gains. The company expects ~8% EBITDA margin for FY26, while long-term margin guidance is maintained at 7.2%-7.5%. Given the inconsistencies in operating performance and low hedging ratios, we remain cautious on SENCO's operating margin performance going ahead. **We reiterate our Neutral rating with a TP of INR375.**

Weak revenue growth; healthy margin expansion

- **Muted sales growth:** Consolidated revenue grew only 2% YoY to INR15.4b (est. INR18.0b), witnessing a sharp deceleration after clocking 30% growth in 1QFY26. The retail revenue growth was at 6%, impacted by gold price inflation, high base, and extended rains. SSSG declined 4% in 2Q. SENCO's sales growth was subpar compared to that of its peers. Titan (Jewelry standalone, ex-bullion), Kalyan, and P N Gadgil (retail) delivered revenue growth of 19%, 31%, and 29% in 2Q. Stud jewelry growth stood at 12.0-12.1%, supported by a 31% increase in demand for diamond jewelry. The company has opened six stores, bringing the total count to 192 (111 COCO, 79 FOCO, and 2 Dubai). Old gold exchange stood at 42% of sales vs 39% in 1QFY26.

- **Healthy margins expansion:** Consolidated GM expanded 390bp YoY to 17% (est. 15.7%, 19.1% in 1QFY26). On a quarterly basis, gross margins remained volatile. Employee expenses jumped 26% YoY, and other expenses rose 37% YoY, while marketing expenses rose 47% YoY. EBITDA margin expanded 150bp YoY to 6.9% (est. 6.5%; 10.1% in 1QFY26), primarily backed by a sharp rise in gross margins.
- **Strong improvement in profitability:** 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%.

Key takeaways from the management commentary

- 2QFY26 was marked by the highest-ever gold prices, reaching INR11,650/gm in Sept'25, along with significant headwinds such as the Shraddh period, heavy rainfall and floods in the Eastern region, and global uncertainties.
- 1H recorded SSSG of 7.5%, while 2QFY26 recorded a 4% decline. The stud ratio segment also rose to 12%, supported by a 31% increase in demand for diamond jewelry.
- West Bengal & East contributed ~81% to the total revenue, while the Franchisee Business contributed 34% in 1HFY26. Non-East stores delivered performance in the range of 25-30%.
- GML reduced from 67% in FY25 to 51% in 1HFY26, reflecting volatility in gold prices, with SENCO perceiving potential margin call risks. As of October, the GML level stands at ~54%.
- Currently, the company's inventory is hedged at 65-70%, impacting margins by ~40-50bp. On the sales front, the company is 90-100% hedged.
- Revenue is expected to grow 18-20% in FY26, with a strong focus on expanding in East and North India.
- The company is expecting an EBITDA margin of 7.2-7.4% for FY26.

Valuation and view

- With the beat in gross margin, we increase our EPS estimates by 3% for FY26 while maintaining estimates for FY27/FY28.
- Given the inconsistencies in operating performance and low hedging ratios, we remain cautious on SENCO's operating margin performance going ahead. **We reiterate our Neutral rating with a TP of INR375.**

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Stores	165	166	171	175	186	192	195	194	174	194	189	
Net Sales	14,039	15,005	20,460	13,777	18,263	15,361	24,552	15,599	63,281	73,775	18,006	(14.7)
Change (%)	7.5	30.9	23.8	21.1	30.1	2.4	20.0	13.2	20.7	16.6	20.0	
Gross Profit	2,428	1,976	2,373	2,313	3,489	2,616	3,560	2,719	9,090	12,385	2,827	(7.5)
Gross Margin (%)	17.3	13.2	11.6	16.8	19.1	17.0	14.5	17.4	14.4	16.8	15.7	
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,551	1,915	1,336	4,839	6,455	1,657	
% of Sales	9.5	7.7	6.3	7.6	9.1	10.1	7.8	8.6	7.6	8.8	9.2	
EBITDA	1,087	818	1,076	1,270	1,836	1,065	1,645	1,383	4,251	5,929	1,170	(9.0)
Margin (%)	7.7	5.4	5.3	9.2	10.1	6.9	6.7	8.9	6.7	8.0	6.5	
Change (%)	61.8	107.1	-40.6	44.8	68.8	30.3	52.9	8.9	13.2	39.5	43.2	
Interest	322	326	339	375	430	462	485	490	1,362	1,867	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	1,095	790	2,754	3,881	680	(13.2)
Tax	195	117	190	226	359	103	276	240	729	978	171	
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.6	17.4	25.2	30.4	26.5	25.2	25.2	
Adjusted PAT	513	345	542	624	1,047	488	819	550	2,024	2,903	509	(4.1)
Change (%)	85.3	188.7	-50.4	94.0	104.1	41.4	51.1	-11.9	11.8	43.4	47.5	
PAT	513	121	335	624	1,047	488	819	550	1,593	2,903	509	

E: MOFSL Estimates

KNR Constructions

Estimate change

TP change

Rating change



CMP: INR170

TP: INR190 (+12%)

Neutral

Weak execution leads to a sharp miss; outlook muted, estimates cut

Bloomberg	KNRC IN
Equity Shares (m)	281
M.Cap.(INRb)/(USD\$)	47.9 / 0.5
52-Week Range (INR)	359 / 168
1, 6, 12 Rel. Per (%)	-13/-29/-55
12M Avg Val (INR M)	422

Financials & Valuations (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	21.2	33.3	42.2
EBITDA	2.8	4.7	6.3
PAT	1.8	3.2	4.3
EBITDA (%)	13.0	14.0	15.0
EPS (INR)	6.5	11.2	15.2
EPS Gr. (%)	-52.8	71.4	35.5
BV/Sh. (INR)	146.6	157.3	172.0

Ratios

Net D/E	0.0	-0.1	0.0
RoE (%)	4.6	7.4	9.2
RoCE (%)	4.9	7.6	9.5
Payout (%)	7.3	4.5	3.3

Valuations

P/E (x)	26.0	15.2	11.2
P/BV (x)	1.2	1.1	1.0
EV/EBITDA (x)	16.8	9.8	7.2
Div Yield (%)	0.2	0.2	0.2
FCF Yield (%)	3.4	3.5	4.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	48.8	48.8	48.8
DII	21.5	25.1	30.5
FII	7.5	7.1	6.7
Others	22.2	19.0	14.1

FII Includes depository receipts

- KNR Constructions (KNRC)'s revenue dipped 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 dipped 61% YoY to INR536 (vs. our estimate of INR785m).
- In line with its weak operating performance, KNRC's APAT decreased 81% YoY to INR INR279m (vs. our estimate of INR550m).
- During 1HFY26, KNRC's revenue/EBITDA/APAT declined 42%/58%/69%.
- The company's current order book stands at ~INR82b, excluding the recently won projects of ~INR5.3b.
- KNRC delivered a disappointing performance in 2QFY26, missing estimates by a wide margin as execution slowed sharply and revenue declined. The quarter was hit by muted activity due to extended monsoon conditions across key project regions.
- Given the subdued execution in 2QFY26 and a thin order book, we now expect a tepid revenue CAGR of 9% over FY25–28E. EBITDA margin assumptions are also revised downward to 13-15% (from 14-15% earlier), in line with the weak outlook. Due to a bleak execution outlook in the near term, we cut our revenue estimates for FY26/FY27 by ~16%/9% and EBITDA estimates by ~20%/15%. We also roll forward our valuation to FY28. **We reiterate our Neutral rating on the stock with an SoTP-based TP of INR190. We value its EPC business at a P/E of 10x on FY28E EPS and its BOT assets at 1x investment value.**

Key takeaways from the management commentary

- As of Sep'25, the order book stood at ~INR82b, excluding the recently won order of INR5.3b, comprising 25% roads, 19% irrigation, 13% pipeline, and 43% mining projects. Client-wise, 78% were government projects (75% state govt, 3% central govt), 2% private sector, and 20% captive HAM projects. Excluding mining, the order book is executable over the next 18-24 months.
- Of the revised INR9.9b equity requirement for HAM projects, INR6.9b has been infused to date, with the balance of INR2.9b to be deployed over FY26 and FY27.
- Management expects INR8-9b of revenue in the 2HFY26, implying ~19b of revenue in FY26 against the earlier guidance of INR20-25b.
- FY26 EBITDA margin is expected at 13-14%.
- The company targets order inflows of INR80–100b by the end of FY26, driven by a balanced mix of NHAI, irrigation, and state government projects.

Valuation and view

- Factoring in the subdued execution in 2QFY26 and a thin order book, we now expect a tepid revenue CAGR of 9% over FY25-28. The EBITDA margin assumptions are also revised downward to 13-15% (from 14-15% earlier), in line with weak guidance. With a bleak execution outlook in the near term, we sharply reduce our revenue estimates for FY26/FY27 by ~16%/9% and EBITDA estimates by ~20%/15% and roll forward our valuation to FY28.
- We reiterate our Neutral rating on the stock with an SoTP-based TP of INR190. We value its EPC business at a P/E of 10x on FY28E EPS and its BOT assets at 1x investment value.**

Quarterly performance – Standalone

Y/E March	FY25				FY26E				FY25	FY26E	MOFSL	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Sales	8,193	8,561	7,079	8,512	4,792	4,930	5,304	6,191	32,344	21,218	5,860	-16
YoY Change (%)	-11.9	-9.1	-21.8	-27.8	-41.5	-42.4	-25.1	-27.3	-18.2	-34.4	-31.5	
EBITDA	1,356	1,380	1,173	1,175	617	536	716	889	5,084	2,758	785	-32
Margins (%)	16.6	16.1	16.6	13.8	12.9	10.9	13.5	14.4	15.7	13.0	13.4	
Depreciation	225	226	229	223	150	147	200	248	903	745	180	
Interest	41	20	31	38	34	46	28	19	129	127	30	
Other Income	51	575	130	185	150	39	170	172	941	530	160	
PBT before EO expense	1,141	1,709	1,044	1,099	583	382	658	794	4,993	2,416	735	
Extra-Ord expense	531	1,867	919	0	80	0	0	0	3,317	80	0	
Tax	334	344	253	348	150	103	166	157	1,279	575	185	
Rate (%)	29.2	20.1	24.3	31.6	25.7	26.9	25.2	19.8	25.6	23.8	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	1,339	3,344	1,822	752	513	279	492	637	7,257	1,921	550	
Adj PAT	807	1,477	903	752	433	279	492	637	3,939	1,841	550	-49
YoY Change (%)	-26.8	47.9	5.6	-43.4	-46.4	-81.1	-45.5	-15.3	-8.1	-53.3	-62.7	
Margins (%)	9.9	17.3	12.8	8.8	9.0	5.7	9.3	10.3	12.2	8.7	9.4	

Repc Home Finance

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	REPCO IN
Equity Shares (m)	63
M.Cap.(INRb)/(USD\$)	26.2 / 0.3
52-Week Range (INR)	524 / 308
1, 6, 12 Rel. Per (%)	4/-2/-19
12M Avg Val (INR M)	95
Free float (%)	62.9

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	6.8	7.6	8.4
PPP	5.5	5.8	6.5
PAT	4.4	4.4	4.7
EPS (INR)	70.2	70.4	75.0
EPS Gr. (%)	11	0	7
BV/Sh. (INR)	530	594	664

Ratios

NIM (%)	5.0	5.0	5.0
C/I ratio (%)	27.5	29.1	28.7
RoAA (%)	3.1	2.9	2.7
RoE (%)	14.2	12.5	11.9
Payout (%)	5.7	8.5	6.7

Valuation

P/E (x)	6.0	5.9	5.6
P/BV (x)	0.8	0.7	0.6
P/ABV (x)	0.8	0.7	0.6
Div. Yield (%)	1.0	1.4	1.2

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	37.1	37.1	37.1
DII	22.7	23.3	19.9
FII	11.9	11.2	12.9
Others	28.3	28.5	30.1

FII includes depository receipts

CMP: INR418 **TP: INR465 (+11%)** **Neutral**

Disbursements gain momentum; loan growth to gain traction

Asset quality improves, but a sharp decline in Stage 3 PCR due to write-offs

- Repco Home Finance's (Repc) 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. our est. of INR200m). Opex rose ~17% YoY to INR603m (in line).
- PPOP grew ~3% YoY to INR1.4b (in line). Provision writebacks stood at INR15m, translating into 2QFY26 annualized credit costs of -4bp (PY: -46bp and PQ: -7bp). Repco reported an RoA/RoE of 2.9%/14% in 2QFY26.
- Management highlighted that the disbursement momentum improved in the quarter, supported by sustained traction in the housing finance segment. The company guided for the loan book to scale up to ~INR162b by Mar'26, with disbursements targeted at INR11–11.5b in 3Q and at INR13.5–14.0b in 4QFY26. Further, the management has also set an ambitious target of scaling up its loan book of ~INR250b by FY28, including some portfolio purchases.
- The rise in opex was attributed to several factors, including: 1) realignment of the incentive policy, 2) elevation of employees to higher positions, 3) recruitment of experienced personnel in sales and collections, 4) Silver Jubilee celebrations leading to some one-time expenses, and 5) branch expansion over the last 3 years, resulting in higher employee costs.
- GNPA declined ~15bp QoQ to ~3.15%, while NNPA rose ~35bp QoQ to ~1.55%. The company reduced the PCR on S3 loans by ~12pp QoQ to ~53%. For the new book (originated post Apr'22), GS2 stood at 5% (vs. 8.8% for the overall book) and GS3 stood at 1.1% (vs. 3.3% for the overall book).
- Capital adequacy ratio (CRAR) was ~37%. Management shared that it has instituted a dedicated special team to monitor recoveries and targets an additional INR80–90m in recoveries in 2HFY26. Further, Repco did not have a concentrated exposure to the textile sector, and it maintained a well-diversified portfolio across TN. This mitigated the risk from sector-specific tariff issues.
- Repco's valuations remain attractive, but we maintain a cautious stance due to concerns over the company's ability to sustain the disbursement momentum and potential risks surrounding the quality of customer loans that may be added through inorganic growth initiatives.
- We broadly retain our earnings estimates and model a loan/PAT CAGR of ~12%/6% over FY25-FY28E. For an RoA/RoE of 2.7%/12% in FY28E, **we reiterate our Neutral rating** on the stock with a revised TP of INR465 (based on 0.7x Sep'27E BVPS).

Disbursements rise ~23% YoY; momentum to remain strong in 2HFY26

- Disbursements grew ~23% YoY to INR10.7b in 2QFY26. The loan book grew ~8% YoY to ~INR150b. Run-offs were higher, with repayment rates increasing ~2pp YoY to ~19.8% (PY: ~17.6%).

- The disbursements also benefited from the branch expansions over the last two years, with 30-32 new branches contributing meaningfully to growth. Additionally, the management has guided for disbursements between INR11–11.5b in 3Q and INR13.5–14b in 4QFY26, reflecting continued business momentum.
- As of Sep'25, the proportion of non-salaried customers remained broadly stable at ~53%, while loans for the salaried segment accounted for a 47% share. Housing loans accounted for 71% of the loan book, while home equity accounted for 29%.

Yields improve ~10bp QoQ; diversification of funds to optimize costs

- 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 improved ~3pp QoQ to ~30.0%. (PY: ~27.4% and PQ: ~26.9%).
- Repco lowered its benchmark lending rate (PLR) by ~10bp, effective 1st Jul'25. Repco has also initiated diversification of its borrowing profile and continues to engage with its banking partners to secure more favorable interest rates.

Key highlights from the management commentary

- Systematic measures have been implemented to reduce GNPA, including appointing general managers exclusively for TN branches and for branches outside TN, strengthening the recovery review mechanism, and conducting focused meetings on NPA recovery.
- Underwriting standards have improved substantially over the last 6–7 quarters, with a dedicated credit review cell ensuring proper checks.
- DSA sourcing has contributed to growth momentum, and an internal team is being built to complement this channel. DSA accounts for ~48% of sourcing, with the remaining ~52% from other channels.

Valuation and view

- Repco's quarterly performance was hit by subdued loan growth, despite a healthy growth in disbursements. The asset quality continued to strengthen, underscoring the company's commitment to building a high-quality portfolio.
- We will continue to focus on management's ability to deliver on the guided metrics of disbursement growth and profitability. Similar to the previous fiscal year, we expect credit costs to remain benign due to recoveries from NPA and the written-off pool in 2HFY26.
- Although the risk-reward appears favorable at the current valuation of ~0.6x FY27E P/BV, we believe the company will have to start delivering stronger and sustained loan growth to command higher valuations. We reiterate our **Neutral rating with a TP of INR465 (based on 0.7x Sep'27E BVPS)**.

Quarterly performance

(INR M)

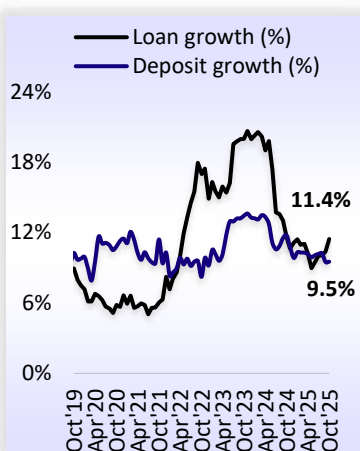
Y/E March	FY25				FY26E				FY25	FY26	2Q FY26E	Act v/s est(%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	4,007	4,051	4,258	4,166	4,257	4,334	4,428	4,544	16,482	17,563	4,308	1
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,444	2,510	2,580	9,659	9,975	2,465	-1
Net Income	1,677	1,656	1,783	1,708	1,816	1,890	1,918	1,963	6,823	7,588	1,843	3
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	14.2	7.6	15.0	4.9	11.2	11.3	
Other income	155	229	196	184	150	123	150	173	764	596	200	-39
Total Income	1,833	1,884	1,978	1,892	1,966	2,013	2,068	2,136	7,587	8,184	2,043	-1
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	6.8	4.6	12.9	9.1	7.9	8.4	
Operating Expenses	452	517	535	584	530	603	591	656	2,088	2,380	572	5
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	16.7	10.6	12.4	22.1	14.0	10.7	
Operating Profits	1,380	1,367	1,443	1,308	1,436	1,410	1,477	1,480	5,499	5,803	1,470	-4
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	3.1	2.4	13.1	4.9	5.5	7.5	
Provisions	14	-160	3	-233	-27	-15	-10	-29	-376	-81	19	-179
Profit before Tax	1,366	1,528	1,440	1,541	1,463	1,424	1,487	1,509	5,875	5,884	1,452	-2
Tax Provisions	312	403	375	392	384	355	387	357	1,481	1,483	363	-2
Profit after tax	1,054	1,125	1,066	1,149	1,080	1,069	1,101	1,152	4,394	4,401	1,089	-2
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-5.0	3.3	0.2	11.3	0.2	-3.2	
Loan growth (%)	8.3	8.1	7.4	7.2	7.2	7.7	8.6	9.9	8.2	11.2	7.4	
Cost to Income Ratio (%)	24.7	27.4	27.0	30.9	26.9	30.0	28.6	30.7	27.5	29.1	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			12.1	11.8		
Cost of funds (Cal)	8.6	8.6	8.8	8.8	8.8	8.7			8.8	8.5		
Spreads (Cal)	3.2	3.1	3.3	2.8	2.9	3.0			3.3	3.3		
NIMs (Reported)	5.1	5.1	5.5	5.2	5.4	5.5			5.0	5.0		
Credit Cost	0.04	-0.46	0.01	-0.65	-0.07	-0.04			-0.3	-0.1		
Cost to Income Ratio	24.7	27.4	27.0	30.9	26.9	30.0			27.5	29.1		
Tax Rate	22.8	26.3	26.0	25.4	26.2	24.9			25.2	25.2		
Balance Sheet												
AUM (INR B)	137.0	139.6	141.6	144.9	146.9	150.3			144.9	159.3		
Change YoY (%)	8.3	8.1	7.4	7.2	7.2	7.7			7.2	9.9		
AUM Mix (%)												
Non-Salaried	51.6	51.8	52.1	52.2	52.3	53.0			51.0	51.3		
Salaried	48.4	48.2	47.9	47.8	47.7	47.0			49.0	48.7		
AUM Mix (%)												
Home loans	74.3	73.8	74.0	73.0	72.4	71.0			73.0	72.0		
LAP	25.7	26.2	26.0	27.0	27.6	29.0			27.0	28.0		
Disbursements (INR B)	6.8	8.7	7.6	9.8	8.3	10.7			32.8	41.9		
Change YoY (%)	-0.6	8.8	0.3	9.0	21.8	23.3			4.8	27.5		
Borrowings (INR B)	109.1	114.6	110.8	111.5	110.7	115.0			111.4	123.6		
Change YoY (%)	10.2	14.1	6.9	4.2	1.5	0.3			4.1	11.0		
Loans/Borrowings (%)	125.5	121.8	127.8	130.0	132.6	130.8			130.1	128.9		
Borrowings Mix (%)												
Banks	79.8	81.4	82.2	82.9	82.1	84.8			75.6	77.7		
NHB	10.6	9.5	8.5	7.9	8.4	7.0			13.1	12.0		
Repc Bank	9.6	9.1	9.3	9.2	8.2	7.0			11.4	10.3		
NCD	0.0	0.0	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			0.0	0.0		
Asset Quality												
GS 3 (INR B)	5.8	5.5	5.5	4.7	4.9	4.8			4.7	4.7		
Gross Stage 3 (% on Assets)	4.25	3.96	3.86	3.26	3.30	3.16			3.3	3.0		
NS 3 (INR B)	2.23	2.17	2.09	1.91	1.72	2.25			1.9	2.3		
Net Stage 3 (% on Assets)	1.69	1.6	1.53	1.36	1.20	1.5			1.4	1.5		
PCR (%)	61.8	60.7	61.8	59.6	64.7	52.5			59.6	51.0		
Return Ratios (%)												
ROA (Rep)	3.1	3.3	3.1	3.3	2.9	2.9			3.1	2.9		
ROE (Rep)	16.3	16.0	14.6	15.1	14.0	13.5			14.2	12.5		

Financials: Banks

KEY HIGHLIGHTS:

- 1) Interest rates on MSME loans have declined, while those on business loans have largely remained unchanged despite the repo rate cuts.
- 2) PSU banks have been more aggressive in pursuing retail growth. They are offering lower interest rates and have stepped up focus on Tier-2/3 markets.
- 3) HDFC, Axis, Kotak, and IDFC First are actively focusing on cross-selling products, whereas ICICI continues to focus on the core lending portfolio.
- 4) Some mid-ticket MSME loans are showing early signs of stress, reflected in rising DPDs and an increase in restructured accounts.
- 5) To capture a higher share of credit, most banks have raised commission rates from around 1% to 1.5-2% in secured business and from 3% to 3.5-4.5% in unsecured business.

Loan growth stood at ~11.4% YoY as of Oct'25 vs. ~11.5% YoY in the same period last year



Ground Zero: Channel check – Boots, branches and beyond

DSA commission rises as focus turns to growth; stress visible in MSME pockets

We interacted with various direct loan selling agents (DSAs), covering the corporate and retail segments, to get insights into the credit demand outlook and the incremental asset quality trends. Following are the key takeaways:

- Unsecured business loans, particularly mid-ticket MSME loans (INR3.5-4m), are still showing signs of stress, with rising DPDs and restructuring cases. Secured lending (LAP, home loans) remains stable across most geographies. Kerala and Bihar continue to report collection challenges, whereas Mumbai, Gujarat, Rajasthan, and Andhra Pradesh are witnessing some improvement.
- DSAs mentioned that banks are increasingly using commission incentives to drive disbursements. Unsecured loans now carry 3.5% to 4.5% payouts for Tier-1 DSAs, while secured products carry 1.5% to 2% payouts. Many lenders are also waiving or negotiating processing fees to boost acquisition.
- Select players like HDFC and Axis are active in unsecured loans, while ICICI continues to be conservative in this segment. Yes Bank and IDFC First, however, are pursuing aggressive market share gains in MSME and unsecured business loans.
- Festive-season campaigns have led to incremental disbursement growth, mainly among high-ticket customers who receive lower rates and higher DSA incentives. GST changes, however, have not materially influenced loan inquiries, suggesting demand is driven more by pricing and seasonal promotions than regulatory triggers.
- Private banks such as IDFC First, AU, and Yes Bank are targeting market share gains in unsecured business loans and MSME loans, leveraging tech-enabled disbursal and hybrid government schemes. Meanwhile, HDFC and Kotak remain focused on curated, low-risk portfolios with stringent client screening.
- Top picks – HDFC, ICICI, SBI and AU Bank.

Corporate segment: PSU banks aggressive, while private banks are selective

- Our recent channel checks indicate that corporate financing trends have bifurcated after Covid. Large corporates remain cautious, relying more on internal accruals. **PSU banks like Union Bank, PNB, and BoB have turned aggressive in mid-market lending to capture market share**, even as their processes remain slower than that of private peers.
- In contrast, **ICICI and Kotak** are pursuing quality mandates selectively, **with Axis** becoming more competitive in pricing. **Kotak and HDFC** maintain strict credit filters, focusing only on curated opportunities.
- LTV norms have recently eased, though banks remain wary of cyclical sectors such as metals, jewelry, and recycling, where exposure is capped at lower LTVs (40-50%). Incremental demand is concentrated in working capital finance for MSMEs, often hybridized with CGTSME schemes, while **mid-ticket unsecured loans (INR35-40m) are showing rising delinquencies due to overleveraging**.
- Private banks remain cautious in underwriting high-yield unsecured corporate loans despite the lucrative spreads, as DPDs are rising and restructuring cases are increasing even after evergreening. **DSAs confirm that stress in this segment has only begun and may persist for another 1-2 years, making lenders focus on secured opportunities where delinquency risks are lower.**

Unsecured segment: Stress rising in certain pockets; loan tenure increasing

- Our checks suggest that the unsecured business loan segment is at an inflection point, with higher yields **attracting strong competition but also creating visible stress pockets**. DSAs report rising delinquencies, with restructuring cases picking up even after instances of evergreening, as over-leveraging and multi-funding across lenders have become common.
- Banks have extended tenors in personal loans now at 6 to 7 years and business loans to ~5 years to ease EMI burdens, though bounce rates remain elevated, particularly in mid-ticket loans (INR3.5-4m).
- HDFC is turning more active in the unsecured segment, with some rate pass-on to acquire customers even as the bank maintains tight underwriting standards. Axis too remains opportunistic for growth.
- ICICI remains conservative and process-led, while Kotak and HDFC maintain stringent client scrutiny. Yes Bank and IDFC First, however, are pursuing aggressive market share gains in MSME and unsecured business loans.
- NBFCs, once dominant in sub-prime lending, have slowed disbursements, while PSU banks are pushing retail and MSME loans more actively at competitive rates.

Commission structures: Higher payouts to garner credit share

- **Unsecured loans:** Commission rates have increased from ~3% to 3.5-4.5%, with Tier-1 and pan-India DSAs receiving the highest slabs.
- **Secured loans:** Payouts have risen from ~1% to 1.5-2%, reflecting broader competition among lenders across LAP and home loan segments.
- **PSU banks:** They follow a distinct model by paying commission on the gross application amount rather than the disbursed value, leading to effectively higher payouts.
- HDFC, Kotak, and ICICI have kept base commission structures largely unchanged, while Yes Bank, Axis, and IndusInd have raised payouts.
- **Processing charges:** Many banks are open to negotiating or waiving fees, particularly during festive campaigns, to drive incremental sourcing.
- **Net impact:** The combination of higher commissions and lower upfront costs underscores lenders' efforts to defend volumes in a slowing demand environment, despite margin compression.

Other insights: PSU banks aggressive on retail, MSME; tier-2/3 markets seeing heightened activity

Interaction with a large DSA (annual disbursement >INR500b)

- PSU banks are increasingly driving retail, home loan, and LAP disbursements, offering lower rates and faster turnaround times (6-7 days), while private banks remain selective, focusing on secured, low-risk portfolios.
- Tier-2 and tier-3 markets are seeing heightened activity, with SFBs like Jana and AU and NBFCs like Sundaram Housing and Karnataka Bank aggressively sourcing secured business and MSME loans, often targeting ticket sizes above INR1.5m. Local NBFCs are also emerging as key competitors in these geographies.
- Stress is concentrated in unsecured loans, particularly in mid-ticket MSME loans and small business loans. While secured portfolios continue to perform steadily, overleveraging and multi-lender exposure are contributing to selective defaults.
- Banks are increasingly adopting targeted incentive structures and flexible processing models to secure high-quality leads. Instead of broad-based commission hikes, lenders are strategically prioritizing DSAs who consistently deliver low-risk, well-documented clients, offering differentiated benefits such

as faster approvals, tech-enabled disbursal support, and seasonal bonuses during peak periods. This approach reflects a shift toward efficiency-driven sourcing rather than purely volume-driven incentives.

Asset quality: Stress easing broadly, select mid-ticket MSME loans remain under watch

- Overall, stress levels are easing in retail and secured segments, with collections stabilizing across most portfolios.
- **Unsecured business loans, particularly mid-ticket MSME loans (~INR3.5-4.0m), are showing pockets of stress, with rising bounce rates and selective restructuring cases.**
- **Secured loans, including LAP and home loans, continue to perform steadily,** though borrowers with mixed exposures sometimes default on smaller segments of their unsecured loans.
- Regional variations persist: **Kerala and Bihar report greater collection challenges,** while markets like Gujarat, Mumbai, Rajasthan, and Andhra Pradesh are witnessing early signs of improvement.
- Banks are increasingly tightening underwriting and monitoring mid-ticket exposures closely, anticipating that stress in select segments may continue over the next 12-18 months.

Demand: Limited GST impact; festive season spurs incremental volumes

- GST-related inquiries have remained stable, with no material spike in loan demand after GST changes, indicating that businesses are not factoring GST into additional credit requirements.
- Festive campaigns have emerged as a key short-term growth driver, with banks offering lower rates, cashback schemes, and higher DSA commissions to boost disbursals.
- DSAs report that promotional schemes primarily benefit high-ticket customers who receive lower interest rates and where DSAs also receive enhanced commission incentives.
- Overall, the demand uptick during festive periods is modest compared to previous years, suggesting that credit growth is increasingly guided by selective sourcing rather than broad-based seasonal trends.

Valuation and view

Our latest channel check reaffirms our view that the systemic credit growth will be sustained at 11-12% YoY in FY26E (similar to FY25 levels), with lenders prioritizing asset quality amid tighter underwriting and higher risk aversion. Retail disbursals are flowing selectively into high-score, well-documented profiles, while unsecured and surrogate loans are facing elevated scrutiny. Corporate lending is being driven by demand for working capital and boost from policy-linked sectors, even as borrowers increasingly favor low leverage and higher reliance on internal funding. We, thus, estimate corporate loan growth to remain modest during FY26 as well. PSU banks are turning aggressive, though they continue to lose ground due to tech and TAT challenges. Private players are able to better leverage execution and commission dynamics to win market share. Top picks: ICICIB, HDFCB, SBIN and AUBANK.

Capital Market

Capital Market Monthly

Key statistics

Parameter	Oct'25	YoY (%)	MoM (%)
Demat A/c (m)	210	17.4	1.4
CDSL mkt sh (%)	79.9	130bp	10bp
Not. F&O ADTO (INRt)	506.3	-2.4	16.1
BSE notional mkt sh	43.8	2055bp	560bp
Op. Prem. ADTO (INRb)	769	-2.7	19.4
BSE Prem. mkt sh	26.7	1520bp	220bp
Cash ADTO (INR b)	1,064	-6.9	0.3
MF MAAUM (INRt)	79.8	16.5	2.6%
Equity MF MAAUM (INR t)	34.8	14.4	2
SIP (INRb)	295.3	17	0.6

Source: MOFSL, NSE, BSE, CDSL, NSDL, AMFI, SEBI

Overall market activities across segments surge MoM

MAAUM and SIP flows scaled to new highs

- In Oct'25, total ADTO rose 16% MoM to INR507t, led by a 16% MoM increase in notional F&O ADTO. The options premium ADTO was up 19% YoY, while the cash segment ADTO remained flat MoM.
- Retail participation experienced mixed growth across segments, with retail cash ADTO witnessing flat MoM growth to INR407b, while the retail futures and options premium ADTO rose 20% MoM growth to INR680b.
- The commodity market achieved a new peak, driven by strong volumes in the precious metals segment. Volumes grew 36% MoM to INR152.5t (~3x YoY) across key commodities, with ADTO at INR6.9t (INR5.1t in Sep'25). However, the premium-to-notional turnover ratio improved slightly MoM.
- Demat additions rose MoM to 3m in Oct'25 (2.5m in Sep'25). IPO activity gained significant momentum with 18 IPO offerings, INR408b in Oct'25.
- MF MAAUM rose 2.6% MoM in Oct'25 (new highs) to INR79.8t (up 17% YoY), with equity AUM at INR34.8t (up 2% MoM). SIP flows scaled to a new high of INR295b (INR294b in Sep'25).
- The industry posted MoM growth in total ADTO, broadly led by a 16% rise in Options Notional ADTO. MF AAUM also rose sequentially, supported by growth in Equity AAUM. Rising volumes in the precious metal segment and increasing participation led to a strong rise in commodity volumes. We expect that a stable growth trajectory for volumes and rising retail participation should support the performance of market intermediaries. Stable MF flows and SIP trajectory will bode well for AMCs.

Equity: Cash activity remains stable; F&O activity surges

- Total ADTO grew 16% MoM in Oct'25 to INR507t, driven by 16% MoM growth in notional F&O ADTO to INR506t.
- Option premium ADTO grew 19% MoM to INR769b, which is the highest for CY25 and near the volumes reported just before implementation of F&O regulations. Cash ADTO was flattish MoM at INR1.06t.
- Retail futures and premium ADTO witnessed a strong 20% MoM growth in Oct'25, while retail cash ADTO inched up 1% MoM.
- In the cash segment, NSE maintains its leadership position, with a market share of 93% in Oct'25.
- In the F&O segment, BSE's notional turnover market share recovered after the decline due to a shift in expiry, increasing to 44% (38% in Sep'25), and the premium turnover market share increased to 26.7% (from 24.7% in Sep'25).

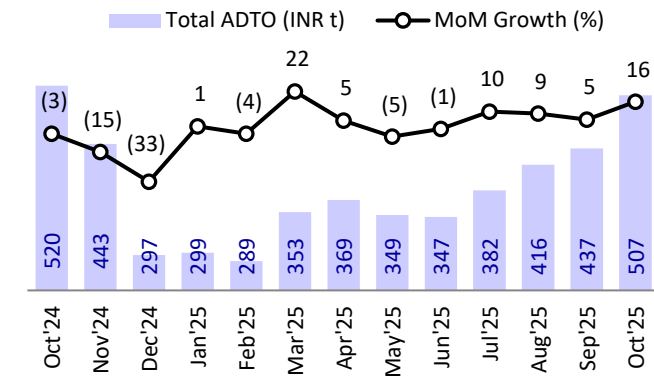
Commodities: Volumes at a new peak; precious metals driving growth

- Total volumes on MCX grew 36% MoM to a new high of INR152.5t in Oct'25 (~3x YoY), with ADTO nearing the INR7t mark (INR6.9t in Oct'25 vs INR5.1t in Sep'25).
- Option volumes rose 34% MoM to INR132.7t, and futures volumes rose 60% MoM to INR19.7t.
- Growth in options ADTO was aided by 74%/4%/8%/29% MoM growth in gold/silver/crude oil/natural gas ADTO. Base metals ADTO also witnessed strong

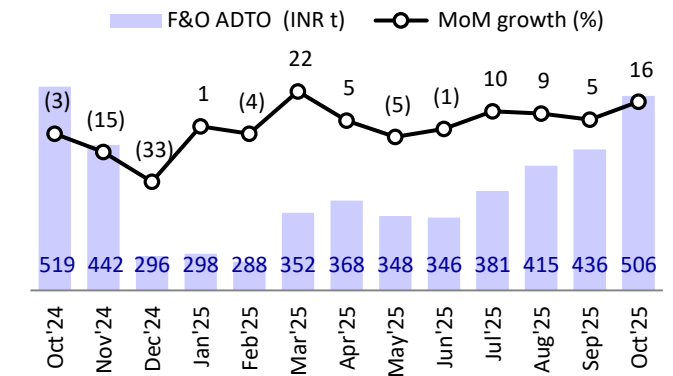
growth of 128% MoM. The option premium ADTO rose 46% MoM to INR69b, while the premium-to-notional turnover ratio improved slightly to ~1.1%.

- In commodity futures, ADTO growth was driven by a 57%/82%/9%/15% MoM rise in gold/silver/crude oil/natural gas futures ADTO. Base metals futures ADTO also witnessed a strong rise of 71% MoM.

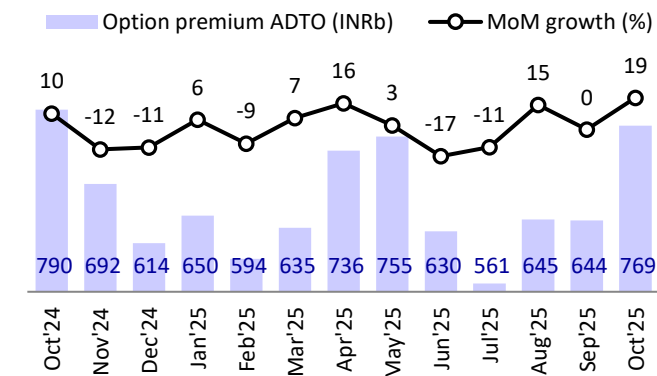
Total ADTO sees strong growth sequentially...



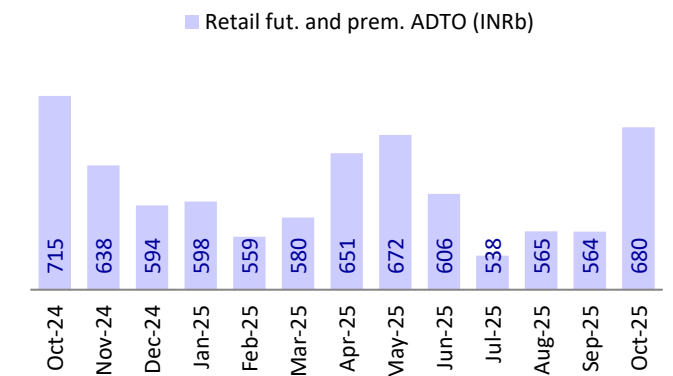
...as F&O activity surges MoM



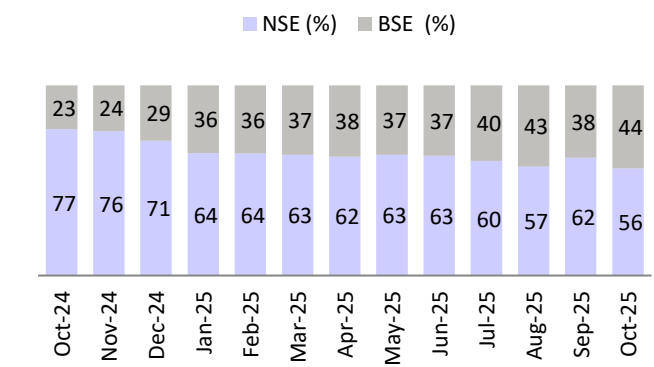
Options premium ADTO rises 19% MoM



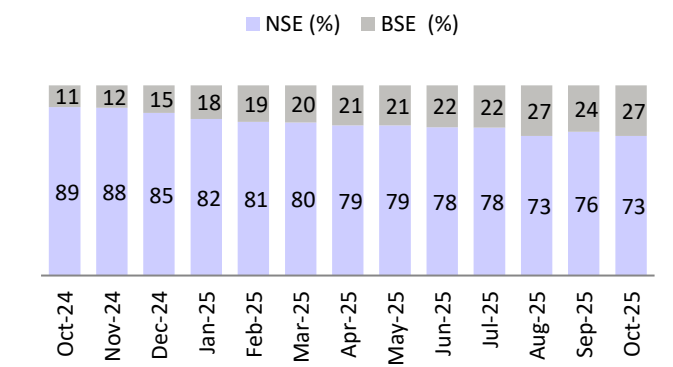
Retail F&O premium – ADTO trend



F&O notional t/o market share trend



Option premium t/o market share trend



Mahindra & Mahindra

BSE SENSEX **S&P CNX**
84,479 25,879

CMP: INR3582 **TP:INR: 4122 (+21%)** **Buy**

Financials Snapshot (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	1,405	1,611	1,836
EBITDA	203.0	237.8	272.3
Adj. PAT	144.7	173.8	201.2
Adj. EPS (INR)	120.5	144.7	167.6
EPS Gr. (%)	22.1	20.1	15.8
BV/Sh. (INR)	608	722	856
Ratios			
RoE (%)	21.5	21.8	21.2
RoCE (%)	20.7	21.1	20.6
Payout (%)	21.5	20.6	20.2
Valuations			
P/E (x)	29.7	24.7	21.4
P/BV (x)	5.9	5.0	4.2
Div. Yield (%)	0.7	0.8	0.9
FCF Yield (%)	2.0	3.2	3.8

*incl.MVML

M&M forays into Life Insurance through a JV

What's new

- Mahindra & Mahindra (M&M) has formed a 50: 50: JV with Manulife, a leading Canadian life insurer and asset manager, to enter the life insurance sector in India.
- This JV will primarily target the rural and semi-urban areas where life insurance penetration is currently low.
- While the focus will be on rural markets, the JV will also cater to urban areas, although it is unlikely to be among the top players in urban markets in the near or medium term.
- The life insurance JV will sit under M&M and not under MMFS from a regulatory standpoint. As per management, any other diversification in Financial Services will come under MMFS and not under MM.

Why invest in Life Insurance

- The Indian life insurance market presents significant growth potential due to the high protection gap in India relative to other developed regions. For instance, the sum assured as % of nation's GDP in India stands at just 85% relative to around 252% in Japan and USA and 153% in Malaysia.
- Additionally, rural areas, which represent 65% of the population and 45% of GDP, have only 2% of the life insurance branches.
- Given India's favorable demographic yield (the middle to high-income households set to comprise 50% of the population by FY30), growth potential for life insurance is huge.

Critical success factors that will help the JV deliver on their commitments

- These include: 1) high trust and recall of the Mahindra group in India 2) Control over distribution with the help of MMFS. While MMFS has a significant rural reach which even some of the banking partners may not have, they also have an understanding of the rural customer which will be critical to formulate their needs. MMFSL is uniquely positioned with 1345 pan India branches and a deep rural and semi urban connect covering 500k villages and 8k+ towns 3) strong underwriting and product capability led by Manulife, who is a top tier global JV partner.

Investments required

- The JV's long-term goal is to become the number one life insurer in rural and semi-urban markets.
- They would target to have much higher protection cover than competition.
- However, the path to profitability is expected to take over 10 years.
- However, valuation for life insurers is based upon the embedded value created in the interim. The target valuation for the JV over the next 10 years is projected to range between INR180 – 300b.

- Key monitorable for this business would be market share in key areas, with a focus on the embedded value it creates, whether they have developed a “right to win” in this business over a period and ensuring that returns meet the required targets.
- If the Insurance regulator approves a composite license for the JV, then they may look to expand into the General Insurance space at a later date
- **Our View:** Based on our limited understanding on the subject, although life insurance seems to be a big opportunity in India, it will also need continued investments to seed the business while returns will be back-ended. Further, couple of issues that remain unanswered are: 1) selling life insurance in rural areas itself can be tough given the lack of understanding of the subject there which is also possibly why the penetration is so low currently in rural regions 2) While distribution reach of MMFS remains an advantage, we remain circumspect if selling life Insurance products under the same set up would be a great idea. The saving grace seem to be the fact that the investment in this JV is not material considering MM’s strong internal cash generation (OCF in FY25 stood at INR 166b). The reason we believe it is a needless foray at this stage is that they already have significant growth opportunities within their own Group, including their investment plan in EVs as well as Growth Gems. **Given that the core business outlook remains positive, we continue to have a Buy rating on M&M with a SoTP based TP of INR 4,122 per share**

LG Electronics India

BSE SENSEX
84,479

S&P CNX
25,879

Conference Call Details


Date: 14th November 2025

Time: 16:00 pm

Dial-in details:

+91 22 6280 1330

+91 22 7115 8209

[Link for the call](#)

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	257.6	285.6	317.6
EBITDA	31.2	36.1	41.5
Adj. PAT	22.6	26.4	30.6
EBITDA Margin (%)	12.1	12.6	13.1
Adj. EPS (INR)	33.2	39.0	45.1
EPS Gr. (%)	2.4	17.2	15.8
BV/Sh. (INR)	109.6	134.9	164.2

Ratios

Net D:E	(0.7)	(0.6)	(0.6)
RoE (%)	33.7	31.9	30.2
RoCE (%)	35.1	33.0	31.1
Payout (%)	35.0	35.0	35.0

Valuations

P/E (x)	34.3	29.3	25.3
P/BV (x)	10.4	8.5	6.9
EV/EBITDA(x)	23.3	20.0	17.1
Div. Yield (%)	1.0	1.2	1.4
FCF Yield (%)	2.1	1.4	1.9

CMP: INR1,674
Buy

EBITDA declines ~28% YoY; OPM contracts 3.5pp YoY

- LG Electronics India's (LGEIL) EBITDA declined ~28% YoY and stood at INR5.5b (-24% QoQ). Revenue/PAT was +1%/-27% YoY and stood at INR61.7b/INR3.9b(-1%/-24% QoQ). OPM stood at ~9% (-3.5pp/-2.6pp YoY/QoQ).
- Margin contraction was driven by higher commodity costs and increased investments in festive go-to-market initiatives aimed at supporting distributors amid challenging market conditions. The company though, further improved its market share in TV (~28%), Refrigerators (~30%), RAC (~17%), Washing Machines (~33%).
- We have a BUY rating on the stock. However, we will review our assumptions after the concall on 14th Nov'25.

Revenue up ~1% YoY; OPM at ~9% (down 3.5pp YoY)

- LGEIL's consol. revenue/EBITDA/Adj PAT stood at INR61.7b/INR5.5b/INR3.9b (+1%/-28%/-27% YoY; -1%/-24%/-24% QoQ). OPM stood at ~9% (-3.5pp/-2.6pp YoY/QoQ) in 2QFY26. Depreciation and interest income were -4%/+37% YoY. Other income was +19% YoY.
- Segmental highlights: **a) Home Appliances & Air Solutions (H&A) segment** – Revenue was flat YoY at INR39.5b (-20% QoQ), and EBIT declined 32% YoY to INR3.2b (-42% QoQ). EBIT margin contracted 3.9pp YoY at 8.2% (-3.3pp QoQ); **b) Home Entertainment (HE)** – Revenue rose 3% YoY to INR22.3b (+64% QoQ), while EBIT declined 10% YoY to INR2.8b (+32% QoQ). EBIT margin contracted 1.8pp YoY to 12.6% (-3.1pp QoQ)
- In 1HFY26, Revenue/EBITDA/Adj PAT stood at INR124.4b/INR12.6b/INR9.0b, which was flat/-26%/-26% YoY. OPM contracted 3.5pp YoY and stood at ~10%. OCF stood at INR10.3b vs INR14.2b in 1HFY25. Capex stood at INR5.9b vs INR1.5b. FCF stood at INR4.4b vs INR12.7b in 1HFY25.

Management commentary

- In the H&A segment, LGEIL reinforced its leadership in Q2FY26, gaining share across key categories. Despite temporary GST-related purchase shifts, strong brand equity and channel strength drove premium growth, with side-by-side refrigerator share rising to ~43%. Margins were impacted by higher input and recycling costs, and festive spends. Looking ahead, demand is expected to stay strong, supported by the GST rate cut and festive momentum. With a two-track strategy of expanding LG Essential for value seekers and introducing new premium ranges, the company aims to capture niche demand and drive growth in underpenetrated markets.

- The HE segment saw strong festive led demand in the TV category, though the B2B business was impacted by US tariffs and weak global infra spending. Despite these challenges, the company strengthened its leadership, with OLED market share rising to ~63%, reinforcing dominance in the premium TV segment. The Indian TV industry continues to grow, aided by festive demand, GST rate cuts, and rising adoption of smart, larger screen TVs. It aims to further expand its premium portfolio (e.g., QNED, OLED) and strengthen its B2B presence by leveraging India's growing infrastructure sector. EBIT margins were affected by higher input costs and market investments.

Valuation and view

- After a challenging quarter marked by subdued market conditions, LGEIL reported a contraction in margins. However, the company remains optimistic about the outlook, supported by festive and wedding season demand and its plans to expand in the B2B segment.
- **We have a BUY rating on the stock.** However, we will review our assumptions following the concall on 14th Nov'25 ([Concall Link](#)).

Quarterly Performance (Consolidated)

	FY25		FY26E		FY25	FY26E	YoY	QoQ
Y/E March	1Q	2Q	1Q	2Q				
Sales	64,088	61,139	62,629	61,740	2,43,666	2,57,641	1%	-1%
Change (%)	-	-	-2.3	1.0	-	5.7		
Adj EBITDA	9,581	7,570	7,163	5,476	31,101	31,170	-28%	-24%
Change (%)	-	-	-25.2	-27.7	-	0.2		
Adj EBITDA margin (%)	14.9	12.4	11.4	8.9	12.8	12.1	(351)	(257)
Depreciation	967	973	902	935	3,804	3,941	-4%	4%
Interest	69	65	85	90	306	337	37%	6%
Other Income	580	668	744	798	2,640	3,450	19%	7%
Extra-ordinary items	-	-	-	-	-	-		
PBT	9,124	7,199	6,920	5,249	29,631	30,342	-27%	-24%
Tax	2,328	1,842	1,787	1,354	7,598	7,780		
Effective Tax Rate (%)	25.5	25.6	25.8	25.8	25.6	25.6		
Reported PAT	6,796	5,357	5,133	3,894	22,033	22,562	-27%	-24%
Change (%)	-	-	(24.5)	(27.3)	-	2.4		
Adj PAT	6,796	5,357	5,133	3,894	22,033	22,562	-27%	-24%
Change (%)	-	-	(24.5)	(27.3)	-	2.4		

Segmental Performance (INR m)

Y/E March	FY25		FY26E		FY25	FY26E	YoY	QoQ
	1Q	2Q	1Q	2Q				
Sales								
Home Appliance and Air Solution division	50,609	39,537	49,086	39,481	1,82,679	1,91,892	0%	-20%
Home entertainment division	13,479	21,607	13,547	22,262	60,988	65,749	3%	64%
EBIT								
Home Appliance and Air Solution division	7,571	4,807	5,643	3,245	23,434	23,027	-32%	-42%
Home entertainment division	2,337	3,121	2,125	2,810	9,309	9,797	-10%	32%
EBIT Margin (%)								
Home Appliance and Air Solution division	15.0	12.2	11.5	8.2	12.8	12.0	(394)	(328)
Home entertainment division	17.3	14.4	15.7	12.6	15.3	14.9	(182)	(306)

Hero Motocorp

BSE SENSEX

84,479

S&P CNX

25,879

Conference Call Details


Date: 07th Feb 2025

Time: 10:30 AM

Concall registration- [\[Link\]](#)

Financials & valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	432.4	468.0	506.7
EBITDA	64.7	71.4	77.1
Adj. PAT	51.7	56.7	62.4
Adj. EPS (INR)	258.3	283.1	311.5
EPS Gr. (%)	14.3	9.6	10.0
BV/Sh. (INR)	1,073	1,166	1,262

Ratios

RoE (%)	25.1	25.3	25.7
RoCE (%)	24.5	24.8	25.2
Payout (%)	67.8	67.1	69.0

Valuations

P/E (x)	21.7	19.8	18.0
P/BV (x)	5.2	4.8	4.4
Div. Yield (%)	3.1	3.4	3.8
FCF Yield (%)	4.9	5.0	5.6

CMP:INR4,230
Buy

Earnings in-line with estimates

- Net revenues grew ~16% YoY (in-line with estimates) to INR121.3b.
- Net realizations grew 4.2% YoY/ 2.4% QoQ to INR72k (above estimate of 70k). Volumes were up 11.3% YoY and 23.7% QoQ primarily due to festive season and GST rate rationalization.
- Gross margins remained flat YoY at 33.3% (ahead of estimated 32.8%).
- EBITDA grew 20.3% YoY to INR18.2b, broadly in-line with our estimates. EBITDA margins were also up 50bps YoY to 15% (in line) on account of better operational efficiencies and growing revenues.
- However, lower-than expected other income of INR2.3b led to Adj. PAT coming in slightly below our estimates at INR13.9b (v/s estimate of INR14.4b).

From the PR

- Hero Motocorp reported volumes grew 11% YoY in Q2 FY26 to 169.1k units (vs 152k units in Q2 FY25). H1 FY26 volumes were 305.8k units, which were steady YoY.
- Festive season performance (Aug–Nov 2025) was strong, with 16.2% growth in ICE VAHAN registrations, outpacing industry growth of 14.7% and leading to a 40bps market share gain. Growth was driven by entry, deluxe, and scooter segments.
- VIDA EV business achieved record performance, attaining an 11.7% market share led by VIDA VX2. The brand introduced a removable battery and Battery-as-a-Service (BaaS) model and unveiled the VIDA NOVUS portfolio and VIDA DIRT.E off-road electric series at EICMA 2025 in Milan.
- **Global Business outpaced industry**, with dispatch growth of 77% YoY—three times the industry growth—driven by Bangladesh, Nepal, Sri Lanka, and Colombia. Hero also marked its **entry into Europe and the UK** with Euro5+ compliant products.
- **Product strategy strengthened** the 100cc–125cc range with refreshed models such as **HF Deluxe Pro, Glamour X, Destini 125, Destini 110, Xoom 160, and Xpulse 210**. Market gains were led by HF Deluxe Pro, Passion, Splendor, and Glamour X.
- Board approved INR17b investment for Global Parts Center (GPC) 2.0 at Tirupati, Andhra Pradesh, to commence operations in FY 2027–28.
- **Valuation:** The stock trades at 21.7x/19.8x FY26E/FY27E EPS.

Quarterly Performance (S/A)

(INR B)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,691	1,520	1,523	5,899	6,101	1,691	
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	11.3	3.8	10.3	4.9	8.5	11.3	
Net Realization	66,076	68,851	69,755	71,991	70,069	71,724	71,499	70,018	68,945	70,871	70,228	
Growth YoY (%)	1.9	3.3	4.7	5.3	6.0	4.2	2.5	-2.7	3.5	6.4	2.0	
Net Op Revenues	101,437	104,632	102,108	99,387	95,789	121,264	108,679	106,622	406,719	432,353	118,735	2.1
Growth YoY (%)	15.7	10.8	5.0	4.4	-5.6	15.9	6.4	7.3	8.6	15.4	13.5	
RM Cost (% sales)	67.7	66.7	65.8	65.5	66.7	66.7	66.4	66.5	66.6	66.6	67.2	
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.5	5.8	6.0	6.0	6.4	6.0	5.6	
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.3	12.5	12.5	12.3	12.8	12.4	12.0	
EBITDA	14,598	15,159	14,765	14,156	13,817	18,234	16,441	16,230	57,832	64,723	18,031	1.1
EBITDA Margins (%)	14.4	14.5	14.5	14.2	14.4	15.0	15.1	15.2	14.2	15.0	15.2	
Other Income	2,317	2,830	3,175	2,237	3,037	2,328	2,750	3,742	10,559	11,857	3,100	
Interest	48	49	55	47	56	57	40	49	199	201	55	
Depreciation	1,932	1,937	1,969	1,921	1,928	1,970	1,975	1,965	7,759	7,838	1,950	
PBT before EO Exp/(Inc)	14,935	16,003	15,916	14,425	14,870	18,537	17,176	17,958	60,434	68,541	19,126	
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.3	24.9	24.5	24.5	25.1	24.6	24.5	
Adj. PAT	11,226	12,035	12,028	10,809	11,257	13,928	12,961	13,564	45,255	51,711	14,432	-3.5
Growth (%)	18.7	14.2	12.1	6.4	0.3	15.7	7.8	25.5	10.7	26.5	19.9	

Vishal Mega Mart

BSE SENSEX

84,479

S&P CNX

25,879

Conference Call Details



Date: 14th Nov 2025

Time: 12:00pm IST

Valuation snapshot (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	129.3	154.0	181.7
EBITDA	18.9	22.9	27.2
Adj. PAT	8.4	10.7	13.2
EBITDA Margin (%)	14.6	14.9	15.0
Adj. EPS (INR)	1.8	2.3	2.8
EPS Gr. (%)	30.6	27.5	24.1
BV/Sh. (INR)	15.7	18.0	20.8
Ratios			
Net D:E	0.0	0.0	-0.1
RoE (%)	12.2	13.6	14.7
RoCE (%)	10.3	11.0	11.5
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	77.1	60.5	48.8
EV/EBITDA (x)	34.6	28.3	23.4
EV/Sales (x)	5.1	4.2	3.5

CMP: INR139

Buy

Yet another strong quarter with 20%+ growth and margin expansion

2QFY26 consolidated revenue at INR29.8b grew **22% YoY** (our est. +21% YoY), driven by **~12.8% adj. SSSG** (vs. 11.4% in 1Q).

- Among key categories, Apparel revenue grew 25% YoY, followed by 23%/18% YoY growth in GM/FMCG.
- Revenue from private labels grew ~26% YoY, while third-party brands' revenue grew ~14% YoY.
- Driven by the shift in Pujo to 2Q, east markets significantly outperformed, with salience rising to ~32% (vs. 25% contribution to VMM's store count).
- VMM added **25 net new stores** (28 openings, 3 closures) in 2Q, bringing the total store count to 742 in 493 cities (19/33 cities added in 2Q/1H) with total retail areas of ~12.8m sqft (up ~11% YoY).
- Store addition was skewed toward South with 15 net store additions in 2Q.
- Gross profit at INR8.4b grew ~23% YoY as gross margin expanded ~5bp YoY to 28.3%, driven by a higher share of higher-margin Apparel (up ~95bp YoY, FMCG down ~105bp YoY) and increase in private label mix (up 200bp YoY to 73.5%).
- Employee/other expenses increased 16%/17% YoY.
- Reported EBITDA rose **~32% YoY** to INR3.95b (**~5% beat**) as reported EBITDA margin expanded ~80bp YoY to 13.2%, driven by operating leverage.
- Pre-IndAS 116 EBITDA (pre-ESOP charges) grew **~34% YoY** to INR2.5b, with **EBITDA margin expanding ~80bp YoY to 8.5%**.
- Reported PAT at INR1.5b (**8% beat**) rose ~47% YoY, driven primarily by higher EBITDA.
- Adjusted PAT (pre-ESOP charges) came in at INR1.6b (up 39% YoY) with margin expanding 60bp YoY to 5.4%.

1HFY26 results: Healthy 20%+ growth with margin expansion

- Consolidated revenue at INR61.2b grew ~22% YoY, driven by **~12.1% adj. SSSG** and **~11% store area additions**.
 - Revenue from private labels grew 25% YoY, while third-party brands' revenue was up ~14% YoY.
 - Among key categories, GM revenue grew ~23% YoY, followed by 22%/19% growth for Apparel/ FMCG.
 - VMM added 46 net new stores (51 opened, 5 closures) in 1H.
- Gross profit at INR17.3b grew ~22% YoY as gross margin expanded 10bp YoY to 28.3%.
 - Share of apparel inched up ~25bp YoY to 44.9%, while GM rose ~35bp YoY to 28.2%.
 - Revenue contribution from own brands increased ~185bp YoY to ~74.7%.

- Reported EBITDA at INR8.5b was up ~28% YoY as margin expanded ~67bp YoY to 13.9%, driven by operating leverage.
- Pre-IndAS 116 EBITDA (pre-ESOP charges) grew ~34% YoY to INR5.8b, with EBITDA margin expanding ~80bp YoY to 9.4%.
- Reported PAT surged 41% YoY, driven by robust EBITDA growth and higher other income (up 78% YoY).
- Adjusted PAT (pre-ESOP charges) came in at INR3.8b (up ~39% YoY) with margins expanding ~80bp YoY to 6.2%.

Balance sheet and cash flow:

- Core working days inched up to ~5 (vs. -6 YoY), driven largely by a reduction in payable days to 62 (vs. ~75 YoY).
- OCF (post leases and interest) declined to INR4.9b (vs. INR7.3b YoY), due to unfavorable working capital movements.
- Capex stood at ~INR1.4b (vs. INR1.17b YoY), leading to lower FCF generation of INR3.5b (vs. INR6b YoY).

Consol P&L (INR m)	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s Est (%)
Total Revenue	24,362	31,403	29,815	22.4%	-5.1%	29,507	1.0%
Raw Material cost	17,490	22,490	21,384	22.3%	-4.9%	21,142	1.1%
Gross Profit	6,872	8,913	8,431	22.7%	-5.4%	8,365	0.8%
Gross margin (%)	28.2%	28.4%	28.3%	7	-11	28.4%	-7
Employee Costs	1,525	1,711	1,761	15.5%	2.9%	1,798	-2.1%
Other expenses	2,322	2,610	2,724	17.3%	4.4%	2,791	-2.4%
EBITDA	3,025	4,592	3,946	30.5%	-14.1%	3,775	4.5%
EBITDA margin (%)	12.4%	14.6%	13.2%	82	-139	12.8%	44
Depreciation and amortization	1,405	1,591	1,691	20.3%	6.3%	1,687	0.3%
EBIT	1,619	3,001	2,254	39.2%	-24.9%	2,089	7.9%
EBIT margin (%)	6.6%	9.6%	7.6%	92	-200	7.1%	48
Finance Costs	342	411	412	20.4%	0.2%	416	-0.8%
Other income	132	170	202	52.7%	18.7%	212	-4.8%
Profit before Tax	1,409	2,760	2,044	45.1%	-25.9%	1,885	8.4%
Tax	369	699	521	41.1%	-25.5%	475	9.7%
Tax rate (%)	26.2%	25.3%	25.5%			25.2%	
Profit after Tax	1,040	2,061	1,523	46.5%	-26.1%	1,411	8.0%
Adj Profit after Tax	1,040	2,061	1,523	46.5%	-26.1%	1,411	8.0%

Key Operating Metrics

	2QFY25	1QFY26	2QFY26	YoY%	QoQ
SSSG (%)	12.6	11.4	12.8		
Store Count	645	717	742	15.0%	3.5%
Retail Space (mn sq ft)	11.5	12.4	12.8	11.1%	2.9%
Pre-IND AS EBITDA (INR m)	1,721	3,118	2,403	39.6%	-22.9%
% Margin	7.1	9.9	8.1	100	-187
	2QFY25	1QFY26	2QFY26	YoY%	QoQ
Revenue (INR b)					
Apparel	10,039	14,894	12,569	25.2%	-15.6%
General Merchandize	7,053	8,578	8,674	23.0%	1.1%
FMCG	7,237	7,870	8,548	18.1%	8.6%
Mix (%)					
Apparel	41.2	47.4	42.2	95	-527
General Merchandize	29.0	27.3	29.1	14	178
FMCG	29.7	25.1	28.7	-104	361
Revenue (INR b)					
Own Brands	17,429	23,804	21,926	25.8%	-7.9%
Third-Party	6,900	7,537	7,889	14.3%	4.7%
Mix (%)					
Own Brands	71.5	75.8	73.5	200	-226
Third-Party	28.3	24.0	26.5	-186	246

BSE SENSEX
84,479

S&P CNX
25,879

Conference Call Details


Date: 14th November 2025

Time: 15:00 pm

Dial-in details:

+91 22 6280 1143

+91 22 7115 8044

[Link for the call](#)

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	151.1	171.2	194.5
EBITDA	10.2	13.0	15.6
Adj. PAT	7.6	10.4	12.6
EBITDA Margin (%)	6.7	7.6	8.0
Adj. EPS (INR)	23.0	31.4	38.0
EPS Gr. (%)	(9.4)	36.3	21.0
BV/Sh. (INR)	213.6	239.2	269.3

Ratios

Net D:E	0.0	(0.0)	(0.1)
RoE (%)	10.8	13.1	14.1
RoCE (%)	11.5	13.0	13.7
Payout (%)	25.0	25.0	25.0

Valuations

P/E (x)	58.1	42.6	35.2
P/BV (x)	6.3	5.6	5.0
EV/EBITDA(x)	43.5	33.8	28.1
Div. Yield (%)	0.4	0.6	0.7
FCF Yield (%)	1.2	1.3	1.7

CMP: INR1,327
Neutral

Earnings disappoint; UCP segment suffers loss

- VOLT's revenue declined ~10% YoY to INR23.5b (in line) in 2QFY26, driven by 23%/5% decline in UCP/PES segments. EMPS revenue grew ~10% YoY. EBITDA declined ~57% YoY to INR704m (~33% below our estimates led by loss in UCP segment vs. estimate of ~3% EBIT margin). Overall OPM was at ~3.0%, down 3.2pp YoY (1.7pp below our estimates). PAT declined ~74% YoY to INR343m (~61% below our estimates).
- The UCP segment saw muted retail offtake due to the early monsoon's lag effect and the GST rate cut, which led to deferred purchases and higher channel inventory. Despite these, it has gained market share sequentially. Margins were temporarily impacted by higher marketing spends and under-absorption at the new Chennai and Waghodia facilities. The EMPS segment helped in partly offsetting weak cooling business performance.

UCP revenue declines ~23% YoY; UCP loss at INR458m

- VOLT's consol. revenue/EBITDA/adj. PAT stood at INR23.5b/INR704m/INR343m (down 10%/57%/74% YoY and +4/-33%/-61% vs. our estimates) in 2Q. Depreciation/interest costs grew 49%/47% YoY, whereas 'other income' declined 39% YoY.
- Segmental highlights: **UCP** – Revenue declined 23% YoY to INR12.2b, and loss stood at INR458m vs. EBIT of INR1.2b in 2QFY25. **EMPS** – Revenue rose 10% YoY to INR9.7b, PBIT grew ~99% YoY to INR920m., and EBIT margin surged 4.3pp YoY to 9.5%. **PES** – Revenue declined 5% YoY to INR1.4b, EBIT increased ~11% YoY to INR439m, and EBIT margin expanded 4.6pp YoY to ~31.6%.
- In 1HFY26, revenue/EBITDA/adj. PAT stood at INR62.9b/INR2.5b/INR1.7b (down 17%/58%/63% YoY). UCP/PES segment revenue declined 24%/11% YoY to INR40.8b/INR2.7b, whereas EMPS segment revenue increased ~3% YoY to INR18.9b. UCP EBIT declined by 87% YoY to INR586m and EBIT margin declined 6.8pp YoY to 1.4%. The company reported operating cash outflow of INR10.7b vs. OCF of INR1.2b in 1HFY25, due to lower profitability and sharp increase in working capital (up by INR7.7b). Inventory remained elevated (rising by INR4.0b from Mar'25 to INR31.1b), historically a reversal trend witnessed in 1H. Its net cash balance declined to INR15.7b as of Sep'25 from INR28.5b as of Mar'25.

Valuation and view

- VOLT's earnings disappointed due to the loss in UCP segment. High inventory remains a concerning factor amid new BEE norms and higher competitive intensity. The EMPS segment reported better-than-estimated revenue and margin, and we seek management guidance on factors driving this outperformance.
- **We have a Neutral rating on the stock.** However, we will review our assumptions following the concall on 14th Nov'25 ([Concall Link](#)).

Quarterly performance

(INR m)

Y/E March	FY25				FY26E				MOFSL 2QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	49,210	26,191	31,051	47,676	39,386	23,473	33,794	54,466	22,478	4
Change (%)	46.5	14.2	18.3	13.4	(20.0)	(10.4)	8.8	14.2	-14.2	
Adj EBITDA	4,238	1,622	1,974	3,328	1,785	704	2,244	5,450	1,053	(33)
Change (%)	128.6	130.8	594.5	74.6	(57.9)	(56.6)	13.7	63.8	-35.1	
Adj EBITDA margin (%)	8.6	6.2	6.4	7.0	4.5	3.0	6.6	10.0	4.7	(169)
Depreciation	134	164	179	141	185	244	252	89	189	29
Interest	98	136	155	233	135	200	135	130	140	43
Other Income	803	1,055	591	797	821	646	650	945	850	(24)
Extra-ordinary items	0	0	0	-	-	-	-	-	0	
PBT	4,809	2,377	2,231	3,751	2,286	906	2,507	6,176	1,574	(42)
Tax	1,165	726	599	1,075	621	226	672	1,687	422	(46)
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	27.2	25.0	26.8	27.3	26.8	
Share of profit of associates/JV's	(294)	(323)	(324)	(320)	(259)	(365)	(300)	(197)	-290	26
Reported PAT	3,350	1,328	1,308	2,357	1,406	315	1,535	4,292	862	(63)
Change (%)	159.1	262.1	NA	102.4	(58.0)	(76.3)	17.4	82.1	-35.1	
Minority Interest	8	(12)	(14)	(53)	2	(28)	(14)	(31)	-12	
Adj PAT	3,342	1,340	1,321	2,410	1,405	343	1,549	4,323	874	(61)
Change (%)	158.5	265.3	NM	132.2	(58.0)	(74.4)	17.2	79.3	(35)	

Segment Revenues (INR m)

	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	2QE	Var.
EMP & Services	9,491	8,799	11,902	11,375	9,218	9,662	12,735	11,722	9,063	7
Engineering products and services	1,608	1,467	1,297	1,321	1,354	1,391	1,426	1,521	1,408	(1)
Unitary cooling business	38,022	15,822	17,711	34,584	28,679	12,151	19,482	41,012	11,866	2
Others	89	103	141	395	135	270	150	211	140	93
Total	49,210	26,191	31,051	47,676	39,386	23,473	33,794	54,466	22,478	4
Segment PBIT										
EMP & Services	675	462	567	(17)	492	920	573	(36)	363	154
Engineering products and services	448	396	368	341	401	439	414	385	394	11
Unitary cooling business	3,270	1,162	1,043	3,448	1,044	-458	1,403	5,104	356	(229)
Total PBIT	4,394	2,020	1,978	3,771	1,937	902	2,389	5,454	1,113	(19)
Segment PBIT (%)										
EMP & Services (%)	7.1	5.2	4.8	(0.2)	5.3	9.5	4.5	(0.3)	4.0	553
Engineering products and services (%)	27.9	27.0	28.4	25.8	29.6	31.6	29.0	25.3	28.0	359
Unitary cooling business (%)	8.6	7.3	5.9	10.0	3.6	-3.8	7.2	12.4	3.0	(677)
Total PBIT (%)	8.9	7.7	6.4	7.9	4.9	3.8	7.1	10.0	5.0	(111)

Apollo Tyres

BSE SENSEX
84,479

S&P CNX
25,879

CMP: INR521
Buy

Conference Call Details


Date: 08th Aug 2024

Time: 4PM IST

Dial-in details: [Zoom](#)
[webinar link](#)

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	261.2	284.3	305.4
EBITDA	35.7	40.1	44.2
Adj. PAT	12.4	15.2	18.5
EPS (Rs)	19.6	24.0	29.1
EPS Growth (%)	-33.2	22.6	21.3
BV/Share (Rs)	290.1	306.1	331.8

Ratios

RoE (%)	8.7	10.0	11.4
RoCE (%)	11.4	13.2	15.1
Payout (%)	28.3	35.3	29.2
P/E (x)	25.0	20.4	16.8
P/BV (x)	1.7	1.6	1.5
Div. Yield (%)	1.0	1.4	1.7
FCF Yield (%)	3.5	6.5	6.3

EBITDA margin beat due to softening RM prices

- Consolidated revenues grew ~6.1% YoY to INR68.3b (below estimate of INR70b).
- Gross margins grew 50bp YoY (+120bp QoQ) to 45.3% (above estimates of 44.8%) primarily due cooling rubber prices.
- EBITDA grew 16.3% YoY to INR10.2b, beating our estimates of INR9.6b. Consequently, margins also beat our estimates coming in at 14.9%, having grown 130bps YoY. Reduced input costs and lower expenses led to the margin beat.
- However, due to a onetime expense of INR1.8b taken for impairment of assets at their Netherland subsidiary, PAT came in much lower than our estimate at INR2.6b. However, adjusted for this one-time expense, PAT came in at INR3.9b which was broadly in-line with our estimates.
- S/A business revenues was in line with estimates at INR47.1b, growing ~6% YoY (flat QoQ). EBITDA margin grew 220bp YoY to 15.3% beating our estimates of 14% mainly due to lower RM and other costs.
- Derived EU revenues grew 7.1% YoY in INR terms due to favourable currency impact (declined 1.2% in EUR terms). EBITDA margins contracted 300bp YoY to 14.2%. We await details for the EU operations.
- Valuation:** The stock trades at 25x/20.4x FY26E/FY27E consolidated EPS.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E	FY26	VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Revenues	63,349	64,370	69,280	64,236	65,608	68,311	76,614	73,759	261,234	284,291	69,968	-2
YoY Change (%)	1.4	2.5	5.0	2.6	3.6	6.1	10.6	14.8	2.9	12.0	8.7	
Total Expenditure	54,256	55,591	59,809	55,862	56,930	58,103	65,009	64,099	225,519	244,142	60,387	
EBITDA	9,093	8,779	9,470	8,374	8,677	10,207	11,605	9,660	35,715	40,150	9,581	7
Margins (%)	14.4	13.6	13.7	13.0	13.2	14.9	15.1	13.1	13.7	14.1	13.7	
Depreciation	3,695	3,759	3,759	3,771	3,776	3,834	3,910	4,204	14,984	15,723	3,850	
Interest	1,070	1,197	1,105	1,094	1,006	1,010	880	1,000	4,466	3,896	950	
Other Income	308	217	81	275	189	297	120	188	881	794	230	
PBT before EO expense	4,636	4,040	4,686	3,785	4,085	5,660	6,935	4,644	17,146	21,324	5,011	13
Extra-Ord expense	404	52	42	1,188	3,702	1,800	0	0	1,687	3,702	0	
PBT	4,232	3,988	4,644	2,596	383	3,860	6,935	4,644	15,460	17,622	5,011	-23
Tax Rate (%)	28.6	25.4	27.4	29.0	66.5	33.2	26.0	36.2	27.5	28.5	26.0	
Minority Interest & Profit/Loss of Asso. Cos.	0	-1	-2	-3	-1	-1	1	0	-7	0	-1	
Reported PAT	3,020	2,975	3,372	1,846	129	2,580	5,131	2,961	11,213	12,601	3,709	-30
Adj PAT	3,313	3,012	3,403	2,708	2,812	3,886	5,131	2,961	12,436	15,249	3,709	5
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-15.1	29.0	50.8	9.4	-33.2	22.6	23.2	
Margins (%)	5.2	4.7	4.9	4.2	4.3	5.7	6.7	4.0	4.8	5.4	5.3	

E: MOFSL Estimates

Standalone (India)

Net Revenues	45,916	44,617	45,398	45,805	47,254	47,149	48,576	49,733	181,736	192,711	47,294	0
YoY Change (%)	4.0	1.2	4.8	4.4	2.9	5.7	7.0	8.6	3.6	6.0	6.0	
EBITDA	6,331	5,389	5,035	5,152	6,447	7,206	6,946	6,554	21,907	27,154	6,574	10
Margins (%)	13.8	12.1	11.1	11.2	13.6	15.3	14.3	13.2	12.1	14.1	13.9	
Adj PAT	2,264	1,675	1,251	1,438	2,233	2,795	2,711	1,679	6,657	10,208	2,420	16
YoY Change (%)	-27.1	-52.2	-59.2	-8.8	-1.4	66.9	116.7	16.7	-40.8	53.3	44.5	

Relaxo Footwears

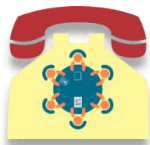
BSE SENSEX

84,479

S&P CNX

25,879

Conference Call Details



Date: 14 Nov 2025

Time: 04:00PM IST

Financials & Valuations (INR b)

INRb	FY26E	FY27E	FY28E
Net Sales	28.0	29.8	31.7
Gross Profit	16.4	17.6	18.7
EBITDA	4.2	4.7	5.2
Adj. PAT	2.1	2.3	2.6
Gross Margin (%)	58.8	58.9	59.0
EBITDA Margin (%)	15.1	15.9	16.3
Adj. EPS (INR)	8.3	9.4	10.6
EPS Gr. (%)	21.6	12.8	12.9
BV/Sh. (INR)	90.5	97.6	105.5
Ratios			
Net D:E	-0.1	-0.2	-0.3
RoE (%)	9.5	10.0	10.4
RoCE (%)	9.0	9.6	10.1
RoIC (%)	10.4	12.6	14.4
Valuations			
P/E (x)	51.4	45.6	40.3
EV/EBITDA (x)	24.5	21.4	19.2
EV/Sales (X)	3.7	3.4	3.1
Div. Yield (%)	0.5	0.5	0.6

CMP: INR428

Neutral

Tepid performance continues, revenue/EBITDA decline 7% YoY

- Revenue declined ~8% YoY to INR6.3b (8% miss) in 2QFY26, owing to persistent weakness in mass market segments and transitory impact of GST 2.0 implementation.
 - Volume declined ~5% YoY to 41m pairs, while ASP was stable QoQ (-3% YoY) at INR151.
 - After GST change, Relaxo is witnessing a revival in demand.
- Gross profit **declined ~8% YoY** to INR3.8b (**8% miss**) and gross margin was stable YoY at 61% (~25bp miss).
- Employee costs and other expenses declined by 6% and 8% YoY, respectively.
- EBITDA at INR812m **declined ~7% YoY (13% miss)**. EBITDA margin was stable YoY at 12.9% (~85bp miss) due to operating deleverage.
- Other income grew 85% YoY to INR123m (25% ahead of our est. of INR98m).
- As a result, PBT at INR488m declined by a modest ~2% YoY (15% miss).
- Reported PAT at INR362m declined ~2% YoY (16% miss), with margins expanding ~35bp YoY to 5.8%.

1HFY26 performance

- Revenues at INR12.8b **declined 10% YoY**.
 - Volume fell ~10% YoY to 84m pairs, while ASP declined ~1% YoY to INR151.
- Gross profit fell ~10% YoY to INR7.9b as margins were largely flat at 61.4%.
- However, tighter cost control, employee (-5% YoY) and other expenses (-16% YoY) cushioned profitability.
- EBITDA at INR1.8b declined by a modest 3% YoY, with margins at 14.1% expanding 100bp YoY.
- Pre-Ind AS EBITDA stood at INR1.5b (down 5% YoY), with margins at ~11.5% (up ~60bp YoY).
- Reported PAT at **INR851m grew 5% YoY**, as lower EBITDA was offset by higher other income (up 95% YoY) and flat depreciation YoY.
- Inventory/receivable days were stable at 85/39, while payable days increased to 37 (from 32 YoY). Core WC stood at 87 days (vs. 94 days in 1HFY25). In absolute terms, CWC declined 17% YoY to INR6b, led by 11% decline in Inventory.
- OCF (after lease payments) increased 80% YoY to INR2b, largely owing to working capital release of INR0.8b (vs. build-up of INR0.2b YoY).
- Capex rose ~20% YoY to INR782m.
- FCF generation stood at INR1.2b (vs. modest INR0.4b in 1HFY25), driven largely by favorable WC movement.

Management commentary:

- The GST rationalization on footwear (to 5% for <INR2.5k) improved competitiveness of organized players such as Relaxo (vs. the unorganized market) in the mass and mid-market segments.
- However, General Trade (GT) channel was impacted by distributor down-stocking to clear out old inventory. Management expects this slowness in GT to be transitory.
- EBITDA margins were maintained, supported by operational efficiencies and disciplined cost control.
- Management expects demand to strengthen over the next 2-3 quarters as distribution expands and revised price inventory flows through.
- The company continues to focus on volume-led growth to regain its market share while maintaining profitability.

Quarterly snapshot

INRm	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s Est (%)
Net sales	6,794	6,545	6,285	-7.5	-4.0	6,793	-7.5
Raw Material cost	6,794	6,545	6,285	-7.5	-4.0	6,793	-7.5
Gross Profit	2,648	2,498	2,450	-7.5	-1.9	2,632	-6.9
Gross margin (%)	4,146	4,047	3,835	-7.5	-5.2	4,161	-7.8
Employee Costs	61.0	61.8	61.0	-1	-83	61.3	-24
SGA Expenses	1,062	1,055	1,001	-5.8	-5.2	1,087	-8.0
Total Opex	2,207	1,998	2,023	-8.3	1.3	2,140	-5.5
EBITDA	5,917	5,550	5,474	-7.5	-1.4	5,859	-6.6
EBITDA margin (%)	877	995	812	-7.4	-18.4	934	-13.1
Depreciation and amortization	12.9	15.2	12.9	1	-228	13.8	-84
EBIT	398	397	394	-1.0	-0.7	404	-2.7
EBIT margin (%)	479	598	418	-12.8	-30.1	530	-21.1
Finance Costs	7.1	9.1	6.7	-40	-249	7.8	-115
Other income	50	52	52	4.6	0.0	52	0.0
Profit before Tax	66	113	123	84.6	8.3	98	25.4
Tax	496	659	488	-1.5	-25.9	575	-15.1
Tax rate (%)	128	170	127	-1.2	-25.4	145	-12.5
Profit after Tax	25.9	25.8	26.0			25.2	
Adj Profit after Tax	367	489	362	-1.6	-26.1	430	-16.0
PAT margin (%)	367	489	362	-1.6	-26.1	430	-16.0

	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s Est (%)
Volume (mn pairs)	43	43	41	-4.7	-4.7	42	-3.5
ASP (INR)	156	151	151	-3.2	0.0	160	-5.6



Asian Paints : Saw improvement in product mix, focused on premium & luxury category; Amit Syngle, MD & CEO

- Improved consumer sentiments with supportive policy actions
- Will at being in the double-digit zone for volume going forward
- Will decide what to do with the backward integration savings
- Brought back focus on brand building, execution and regional push

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Tata Steel : Margin will compress in India due to lower steel price & higher coking coal costs; TV Narendran, CEO & MD

- Domestic demand has been strong, steel consumption grew 12% YoY
- Positive on steel pricing from January 2026 in Europe
- Net debt to EBITDA is at 3 and will keep managing it very tightly
- China exports at 10 mt/month is hurting global ferrous industry

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Ashok Leyland : GST rationalization has helped CV Industry; Shenu Agarwal, MD & CEO

- It is the 11th consecutive quarter of double digit growth
- Can see a much better H2 if consumption stays up
- GST rationalization has helped the CV industry
- It's a moment when trigger can potentially happen for CV Industry

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Transrail lighting : Orderbook check, Margins targets for H2; Randeep Narang, CEO

- The Q2 revenue dip was mainly due to extended monsoons and flooding at the Baroda plant. Margins remained stable at 11.9%, in line with prior guidance, despite higher subcontracting expenses
- Inventory increased by 48% in H1 FY25 because of dispatch delays related to weather disruptions, but management expects 30% of the buildup to normalize by December.
- The company's order book stands at ₹17,799 crore, representing 2.5 years of execution, with strong visibility for a 25% annual revenue growth rate.

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OneSource Specialty : Turns Profitable, Hikes FY28 Revenue Guidance & Strong MSA Wins; Neeraj Sharma, CEO

- OneSource signed 9 new MSAs in Q2 across all core segments, including biologics, drug-device combinations, sterile injectables, and soft gelatin capsules, indicating robust client engagement
- The company reported 12% year-on-year revenue growth, driven by strong execution under existing and new MSAs, and a significant 37% rise in EBITDA with a 500 basis point margin expansion
- The RFP pipeline remains healthy with over 50 active opportunities, reinforcing demand visibility and growth momentum in major modalities
- Midterm guidance has been raised, with a new target of becoming a \$500 million revenue company by FY28

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Index	1 Day (%)	1M (%)	12M (%)
Sensex	0.0	2.6	8.7
Nifty-50	0.0	2.6	9.8
Nifty Next 50	0.1	1.9	4.1
Nifty 100	0.0	2.5	8.9
Nifty 200	0.0	2.6	9.5
Company	1 Day (%)	1M (%)	12M (%)
Automobiles	-0.4	2.6	20.3
Amara Raja Ener.	0.3	-3.1	-22.4
Apollo Tyres	0.9	10.6	17.6
Ashok Leyland	5.5	9.5	38.4
Bajaj Auto	0.0	-2.2	-6.2
Balkrishna Inds	-1.3	5.4	-11.9
Bharat Forge	0.0	13.3	5.1
Bosch	-0.4	-3.7	11.8
CEAT	-1.6	11.9	48.3
Craftsman Auto	-3.4	5.3	46.2
Eicher Motors	-0.3	-0.8	49.4
Endurance Tech.	-7.7	-5.6	12.2
Escorts Kubota	1.1	0.9	3.2
Exide Inds.	-0.2	-4.7	-9.3
Happy Forgings	-0.1	12.4	-3.5
Hero Motocorp	-0.5	-0.9	21.9
Hyundai Motor	0.8	1.3	38.8
M & M	-1.5	6.9	32.2
CIE Automotive	-0.5	3.4	-8.4
Maruti Suzuki	0.3	-3.5	42.5
MRF	0.3	0.9	31.4
Sona BLW Precis.	-1.7	12.3	-26.5
Motherson Sumi	3.0	4.8	2.4
Motherson Wiring	2.2	5.2	17.9
Tata Motors	-1.0	-0.5	-16.4
TVS Motor Co.	-0.1	-1.5	44.6
Tube Investments	-0.1	-2.7	-12.0
Banks-Private	0.1	1.3	14.8
AU Small Fin. Bank	0.5	15.6	58.1
Axis Bank	0.3	3.0	7.6
Bandhan Bank	-1.1	-8.5	-6.6
DCB Bank	-1.7	31.1	49.0
Equitas Sma. Fin	1.1	5.1	-6.7
Federal Bank	-1.3	10.7	18.3
HDFC Bank	-0.3	1.0	17.4
ICICI Bank	2.0	0.5	10.5
IDFC First Bank	-1.9	8.5	25.7
Indusind Bank	-0.1	13.6	-16.7
Kotak Mah. Bank	-0.4	-3.6	22.9
RBL Bank	-1.3	8.8	107.4
SBI Cards	0.9	-4.7	29.0
Banks-PSU	-0.7	7.6	27.0
BOB	-0.6	5.7	16.4
Canara Bank	-0.1	12.4	45.9
Indian Bank	0.2	11.0	61.0
Punjab Natl.Bank	-1.1	3.5	20.4
St Bk of India	-0.3	8.0	18.0

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	-0.1	2.2	8.7
Nifty Midcap 100	-0.3	3.3	12.8
Nifty Smallcap 100	-0.4	0.5	4.2
Nifty Midcap 150	-0.3	2.6	11.6
Nifty Smallcap 250	-0.4	-0.1	2.3
Union Bank (I)	-2.8	8.6	31.3
NBFCs	0.2	1.9	18.4
Aditya Birla Capital Ltd	0.7	11.0	76.9
AAVAS Financiers	2.0	7.3	4.8
Bajaj Fin.	-0.8	-3.0	53.1
Bajaj Housing	-0.4	-1.0	-16.8
Cholaman.Inv.&Fn	-0.5	3.8	42.0
Can Fin Homes	-2.2	8.0	6.1
CreditAcc. Gram.	-0.9	-3.7	51.1
Fusion Microfin.	2.1	-12.5	-6.8
Five-Star Bus.Fi	4.4	22.5	-0.1
HDB FINANC SER	0.8	-1.1	
Home First Finan	1.5	-4.2	13.6
Indostar Capital	-3.1	1.1	-9.2
IIFL Finance	-0.5	9.4	27.9
L&T Finance	-0.9	9.6	115.0
LIC Housing Fin.	-0.9	-0.8	-6.4
MCX	1.7	7.4	61.3
M & M Fin. Serv.	0.2	9.0	23.3
Muthoot Finance	2.1	5.6	91.7
Manappuram Fin.	-0.1	-4.4	73.2
MAS Financial Serv.	-0.3	1.7	7.4
Piramal Finance	-1.0		
PNB Housing	1.5	6.9	-1.3
Power Fin.Corp.	-0.6	-7.5	-19.2
REC Ltd	-0.9	-3.2	-29.4
Repco Home Fin	-4.9	6.3	-9.6
Shriram Finance	-1.0	21.1	42.6
Spandana Sphoort	6.3	0.1	-28.0
Nippon Life Ind.	1.4	0.0	32.1
UTI AMC	0.8	-14.2	-6.8
Nuvama Wealth	0.3	2.4	15.9
Prudent Corp.	0.6	-4.7	-12.9
NBFC-Non Lending			
360 One	-0.3	-1.4	6.8
Aditya AMC	1.9	-12.4	-3.8
Anand Rathi Wea.	-0.8	4.7	60.9
Angel One	1.3	15.9	3.8
BSE	-0.5	11.5	84.3
C D S L	-1.8	0.4	13.3
Cams Services	-0.5	2.0	-12.2
HDFC AMC	-0.1	-3.4	28.9
KFin Technolog.	-1.6	-5.3	12.4
MCX	1.7	7.4	61.3
N S D L	2.2	-2.1	
Nippon Life Ind.	1.4	0.0	32.1
Nuvama Wealth	0.3	2.4	15.9
Prudent Corp.	0.6	-4.7	-12.9



Company	1 Day (%)	1M (%)	12M (%)
UTI AMC	0.8	-14.2	-6.8
Insurance			
HDFC Life Insur.	-0.1	4.8	14.2
ICICI Pru Life	-0.5	6.1	-8.4
ICICI Lombard	0.3	10.9	8.9
Life Insurance	0.3	0.6	0.6
Max Financial	-0.7	6.2	42.6
Niva Bupa Health	-0.5	-1.5	2.8
SBI Life Insuran	-0.6	9.4	28.4
Star Health Insu	0.7	4.4	7.3
Chemicals			
Alkyl Amines	-0.7	-4.0	-8.0
Atul	0.4	-1.8	-18.5
Clean Science	0.1	-11.6	-28.1
Deepak Nitrite	-0.2	-2.8	-30.9
Ellen.Indl.Gas	-1.1	-3.6	
Fine Organic	2.3	-4.2	-7.3
Galaxy Surfact.	-1.5	0.1	-20.1
Navin Fluor.Intl.	0.3	25.5	84.8
NOCIL	1.7	-3.6	-29.8
P I Inds.	-0.5	0.8	-19.6
SRF	-1.0	-4.4	32.5
Tata Chemicals	-1.3	-7.6	-19.2
Vinati Organics	0.3	-2.0	-10.6
Capital Goods			
A B B	-0.2	-4.6	-27.8
Bharat Dynamics	-0.9	0.6	55.0
Bharat Electron	-1.2	2.5	49.1
Cummins India	-0.7	10.3	31.3
Hind.Aeronautics	0.1	0.1	16.8
Hitachi Energy	-2.7	20.4	76.7
K E C Intl.	-1.6	-8.6	-18.7
Kalpataru Proj.	-1.8	-1.5	4.5
Kirloskar Oil	2.5	22.7	-1.1
Larsen & Toubro	1.2	6.2	12.8
Siemens	0.3	-0.4	-8.0
Siemens Ener	0.5	3.6	
Thermax	-1.2	-5.2	-38.4
Triveni Turbine	-1.5	1.9	-17.1
Zen Technologies	-1.6	-1.9	-19.3
Cement			
Ambuja Cem.	-0.6	-1.3	2.6
ACC	-0.4	-1.4	-16.1
Birla Corp.	0.7	0.8	9.4
Dalmia Bhar.	0.6	-8.4	17.9
Grasim Inds.	0.4	-0.7	11.0
India Cem	0.5	0.5	11.2
JSW Cement	5.3	-7.6	
J K Cements	2.3	-15.1	41.6
JK Lakshmi Cem.	-1.5	-1.9	16.5
The Ramco Cement	-1.8	-2.3	11.7
Shree Cement	-0.1	-8.6	12.5
UltraTech Cem.	0.1	-2.0	10.7

Company	1 Day (%)	1M (%)	12M (%)
Consumer			
Asian Paints	4.0	22.9	16.6
Britannia Inds.	-0.5	-0.2	16.0
Colgate-Palm.	-0.2	-2.1	-21.3
Dabur India	0.0	7.1	2.2
Emami	-0.8	-2.7	-19.6
Godrej Consumer	-0.2	2.0	-4.3
Hind. Unilever	-0.7	-3.4	-2.3
ITC	-0.3	1.6	-9.2
Indigo Paints	4.7	23.9	-14.0
Jyothy Lab.	-0.1	-0.3	-28.9
L T Foods	-1.4	2.5	12.2
Marico	0.1	1.2	20.9
Nestle India	-0.2	7.3	14.1
Page Industries	-2.8	-3.5	-13.7
Pidilite Inds.	0.0	-2.1	-0.9
P & G Hygiene	0.1	-9.1	-17.0
Radico Khaitan	-3.5	6.4	41.2
Tata Consumer	-0.6	3.4	21.2
United Breweries	0.9	2.8	-2.5
United Spirits	-1.0	8.0	-0.5
Varun Beverages	-1.4	2.4	-20.3
Consumer Durables			
Havells	0.6	-0.5	-9.2
KEI Industries	1.0	-4.6	5.7
LG Electronics	1.0	46.8	
Polycab India	0.5	0.5	22.0
R R Kabel	-2.1	8.5	-10.1
Voltas	-0.1	-3.0	-20.7
EMS			
Amber Enterp.	-1.1	-14.5	17.0
Avalon Tech	-1.6	-14.9	37.0
Cyient DLM	-2.3	-10.4	-28.8
Data Pattern	7.6	10.5	38.3
Dixon Technolog.	0.1	-10.9	4.1
Kaynes Tech	-0.9	-6.8	17.3
Syrma SGS Tech.	-0.7	6.9	65.2
Healthcare			
Ajanta Pharma	-0.7	5.4	-9.8
Alembic Pharma	-0.1	-2.9	-10.2
Alkem Lab	-0.7	4.2	2.8
Apollo Hospitals	-0.8	-3.0	8.5
Aurobindo	2.2	6.5	-3.1
Biocon	2.7	19.3	25.8
Blue Jet Health	0.0	-12.5	12.1
Cipla	0.4	-2.4	1.3
Divis Lab	1.1	0.6	14.3
Dr Agarwals Health	2.6	1.0	
Dr Reddy's	0.4	-2.2	-0.8
ERIS Lifescience	-3.6	-5.7	14.2
Gland Pharma	-0.5	-5.2	7.4
Glenmark	1.8	-1.5	22.2
Global Health	2.4	-11.8	16.4
Granules	2.6	-1.4	4.5



Company	1 Day (%)	1M (%)	12M (%)
GSK Pharma	-0.5	-9.3	1.7
IPCA Labs	-2.9	-1.6	-13.5
Laurus Labs	0.8	14.0	109.2
Laxmi Dental	-3.1	-1.3	
Lupin	0.9	4.1	0.7
Mankind Pharma	-0.6	-7.6	-10.9
Max Healthcare	-0.5	-4.0	9.6
Piramal Pharma	-0.9	-1.9	-25.4
Rubicon Research	4.3		
Sun Pharma	0.3	4.1	-2.3
Torrent Pharma	0.0	8.8	22.8
Zydus Lifesci.	-0.8	-5.2	-2.0
Infrastructure	0.4	4.6	13.9
G R Infraproject	-1.8	-12.5	-29.3
IRB Infra.Devl.	-2.2	-0.9	-12.7
KNR Construct.	-3.8	-10.6	-44.7
Logistics			
Adani Ports	-0.5	4.3	16.4
Blue Dart Exp.	-2.2	9.2	-18.8
Delhivery	0.6	-8.4	31.4
Container Corpn.	-1.2	-1.3	-17.4
JSW Infrast	-1.2	-7.9	-3.3
Mahindra Logis.	-0.4	-4.1	-5.9
Transport Corp.	1.7	-5.4	0.4
TCI Express	0.5	-7.2	-28.7
VRL Logistics	1.7	3.9	4.4
Media	-0.6	-5.4	-21.4
PVR INOX	-0.6	-0.7	-24.3
Sun TV	0.0	-3.0	-22.2
Zee Ent.	-3.2	-9.4	-12.8
Metals	0.4	3.6	19.8
Hindalco	2.2	5.4	29.6
Hind. Zinc	2.8	-2.0	2.0
JSPL	0.7	8.0	26.7
JSW Steel	0.2	1.9	26.5
Jindal Stainless	1.5	-4.5	6.8
Nalco	0.6	19.2	22.3
NMDC	0.3	0.3	4.0
SAIL	0.7	9.0	29.3
Tata Steel	-1.1	2.1	26.9
Vedanta	1.7	10.5	21.8
Oil & Gas	-0.2	6.3	10.2
Aegis Logistics	0.3	-1.1	3.9
BPCL	-0.1	10.9	22.6
Castrol India	1.1	-3.9	1.0
GAIL	0.7	1.9	-3.1
Gujarat Gas	0.5	-3.9	-16.6
Gujarat St. Pet.	1.1	-5.3	-16.3
HPCL	0.2	7.7	30.9
IOCL	0.1	11.1	26.8
IGL	2.3	-0.6	2.5
Mahanagar Gas	0.1	-4.9	-7.4
Oil India	-1.5	4.3	-9.6
ONGC	-1.2	2.8	-0.7

Company	1 Day (%)	1M (%)	12M (%)
PLNG	-0.6	-0.8	-11.4
Reliance Ind.	-0.1	9.9	20.7
Real Estate	0.4	5.0	0.5
Anant Raj	-0.7	-10.2	-8.7
Brigade Enterpr.	-0.9	2.2	-11.4
DLF	0.5	3.2	2.2
Godrej Propert.	0.6	5.2	-14.1
Kolte Patil Dev.	2.4	-3.3	15.8
Mahindra Life.	-0.5	3.1	-11.4
Macrotech Devel.	0.0	5.5	1.3
Oberoi Realty Ltd	0.3	9.8	-9.5
SignatureGlobal	3.5	6.1	-12.3
Sri Lotus	-0.1	-6.8	
Sobha	-1.0	10.2	3.1
Suntech Realty	0.8	3.2	-8.5
Phoenix Mills	-0.9	5.8	18.7
Prestige Estates	3.2	8.7	15.5
Retail			
Aditya Bir. Fas.	-1.6	-2.9	-24.7
A B Lifestyle	3.4	-3.3	
Avenue Super.	0.1	-3.3	8.1
United Foodbrands	-0.8	-16.1	-63.2
Bata India	-1.0	-8.9	-20.6
Campus Activewe.	-2.1	-5.4	-3.6
Devyani Intl.	-3.2	-14.5	-18.0
Go Fashion (I)	-5.0	-18.9	-52.4
Jubilant Food	-2.0	-4.0	-8.3
Kalyan Jewellers	-2.0	5.0	-25.6
Metro Brands	-1.7	-9.5	-2.1
P N Gadgil Jewe.	-1.4	0.0	-4.3
Raymond Lifestyl	-1.5	-6.7	-46.7
Relaxo Footwear	-1.2	-0.6	-37.2
Restaurant Brand	-1.4	-10.2	-25.0
Sapphire Foods	-1.6	-10.7	-19.4
Senco Gold	1.4	3.2	-37.7
Shoppers St.	-0.4	-13.6	-26.6
Titan Co.	-0.3	8.6	20.4
Trent	-1.1	-7.6	-33.4
Vedant Fashions	-0.4	-8.6	-52.8
V-Mart Retail	1.8	-3.9	-4.2
Vishal Mega Mart	-0.3	-6.4	
Westlife Food	1.7	-10.6	-22.9
Technology	-0.5	3.8	-13.4
Cyient	-1.1	-0.8	-35.7
HCL Tech.	0.3	6.9	-14.3
Hexaware Tech.	0.0	-1.6	
Infosys	-0.6	3.3	-17.5
KPIT Technologi.	-0.5	7.2	-8.8
LTIMindtree	-0.8	6.3	-1.7
L&T Technology	-0.6	-0.9	-19.7
Mphasis	-0.1	2.6	-0.8
Coforge	-1.0	5.5	12.3
Persistent Sys	0.0	15.1	8.8
TCS	-0.8	3.3	-25.2



Company	1 Day (%)	1M (%)	12M (%)
Tata Technolog.	-1.5	-2.1	-28.7
Tata Elxsi	-1.5	-0.8	-17.3
Tech Mah	-0.3	0.0	-13.4
Wipro	0.0	0.1	-13.8
Zensar Tech	-1.7	-6.3	4.4
Telecom	0.7	7.4	13.2
Bharti Airtel	0.9	7.0	34.9
Indus Towers	0.2	16.6	28.2
Idea Cellular	1.0	19.9	42.3
Tata Comm	2.6	5.0	8.2
Utilities	0.0	-1.3	-8.5
ACME Solar Hold.	-1.6	-11.5	-0.8
Coal India	-0.9	0.4	-5.8
Indian Energy Ex	-0.7	1.0	-14.9
Inox Wind	-1.3	-0.9	-19.3
JSW Energy	0.0	-3.0	-27.5
NTPC	-0.1	-4.3	-14.3
Power Grid Corpn	1.0	-5.7	-15.1
Suzlon Energy	-1.5	5.9	6.6
Tata Power Co.	0.0	-0.6	-2.6
Waaree Energies	-0.6	-2.0	16.0
Others			
APL Apollo Tubes	-1.7	1.3	17.8
Astral	-2.2	9.1	-10.4
Cello World	2.0	3.3	-23.6
Coromandel Intl	1.2	-0.4	31.2
Dreamfolks Servi	-1.2	-13.3	-69.7
EPL Ltd	2.6	-1.5	-21.9
Eternal Ltd	-3.6	-14.5	15.2
Godrej Agrovet	1.6	-12.7	-16.9
Gravita India	-1.1	6.3	-20.4
Havells	0.6	-0.5	-9.2
Indiamart Inter.	-1.1	3.3	7.8
Indian Hotels	1.5	-1.2	0.5
Info Edge	-2.1	1.0	-11.5
Interglobe	1.9	2.0	53.4
Kajaria Ceramics	2.1	-10.6	-1.2
Lemon Tree Hotel	-4.9	-6.3	31.3
MTAR Technologie	-1.2	36.4	65.2
One 97	0.1	4.7	73.6
Prince Pipes	-1.2	-5.0	-28.9
Quess Corp	-2.1	-9.9	-30.9
Safari Inds.	3.7	2.1	-2.0
SIS	-0.2	0.4	-8.4
Supreme Inds.	-2.1	-10.1	-15.1
Swiggy	-3.2	-11.9	-16.0
Time Technoplast	-6.5	-7.1	9.4
Team Lease Serv.	0.0	-4.8	-37.4
Updater Services	0.9	-18.0	-49.3
UPL	-0.3	12.5	53.4
Voltas	-0.1	-3.0	-20.7
V I P Inds.	-0.2	-7.7	-14.4
Va Tech Wabag	1.2	0.7	-15.2

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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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